



## **ASX/Media Announcement**

26<sup>th</sup> November 2010

### **CHAIRMANS' ADDRESS**

#### **CHINA YUNNAN COPPER AUSTRALIA LIMITED** **ANNUAL GENERAL MEETING 2010**

##### **Exploration**

CYU has, since its initial listing on the Australian Securities Exchange (ASX) in late 2007, been testing a portfolio of North Queensland based tenements in the Cloncurry, Mt Isa and Pentland districts.

The strategy behind our exploration effort has been two fold:-

Firstly, to build up a group of experienced and successful executives backed by a proven technical team with the right combinations to succeed in our endeavours to discover and develop significant copper, gold and uranium deposits and

Secondly to acquire (in addition to the areas initially held by the company in North Queensland) highly prospective copper exploration and production areas around the Pacific Rim.

CYU has reduced its tenement holding in Queensland by approximately one third as we focus on the most prospective areas of this acreage (including the Mount Dorothy shallow sulphide discovery which is being drilled at the present time and the Elaine Dorothy rare earth-uranium prospect), and in the future, on large tonnage targets in lower risk areas such as Chile, China and Laos.

In this regard, CYU has, during the year been successful in:-

- i. Acquiring the highly prospective Humito Copper Area in Chile in South America, and drilling of this prospect is to commence prior to Christmas.
- ii. Signing a Memorandum of Understanding (MOU) with Chinalco Yunnan Copper to jointly evaluate and explore opportunities in Laos and China. It is anticipated that this will result in short term resource growth in a series of projects in these areas.

##### **Support of our major shareholder Chinalco Yunnan Copper**

As indicated above, support for CYU's objectives has come from China's third largest copper producer, Chinalco Yunnan Copper (YCI) who through its local Australian subsidiary has invested over A\$3.3 million in CYU since listing. YCI, which is, in turn, now held 51% by China's largest Aluminium producer Chinalco, provides ongoing support in CYU's role of becoming YCI's international investment arm and mining house. The Board of Directors appreciates the continued technical and other support from Chinalco Yunnan Copper.

##### **Future**

Your Board believes that the future of your company has been made secure with an existing exploration portfolio in Australia and Chile, potential further acquisitions in association with Chinalco Yunnan Copper in Laos and China, and a first class exploration and appraisal team. This, combined



with a proposed active project acquisition effort in other areas of the Pacific Rim, will hopefully see the transformation of your company from explorer to producer in the not too distant future.

### **Acknowledgements**

My Co-Chairman Mr Zhong and I would like to publicly acknowledge the commitment, foresight and hard work of our Managing Director Mr Jason Beckton and Executive Director Mr Robert Yang over the past year. Jason's experience in mineral exploration and evaluation has been highly valuable to your company in heading us towards the most appropriate new ventures. I personally, would like to thank Robert for the highly professional and always congenial manner in which he has carried out his duties, especially his assistance in communications and discussions with Chinalco Yunnan Copper. We would also like to thank our Company Secretary Mr Paul Marshall for all his efforts during the year and his most valuable assistance and advice in the corporate side of running the company.

We would also like to thank our very experienced Technical Team including our Exploration Manager Richard Hatcher and Chief Geologist Jim Cran as well as our field staff and contractors for their dedication and commitment to your company. Thanks also go to our Office Assistant Lucy Wu for all of her support.

Finally and most importantly the Board would like to thank all of our shareholders for their continued support during the year and like you, we look forward to the success of the company in the near future.

Liang Zhong  
Co-Chairman

Norm Zillman  
Co-Chairman