



## **ASX/Media Announcement**

**5th March 2009**

### **CYU - Unprecedented Opportunities on the Horizon**

#### **Key Points**

- **CYU is continuing its global search with cornerstone investor Yunnan Copper Industries (YCI) to source producing copper and gold assets for acquisition.**
- **CYU recently advised YCI in its review of 51 projects during 2008 that no projects met its investment criteria but with the global financial crisis new opportunities were being investigated.**

China Yunnan Copper Australia Limited (ASX:CYU) today announced the long term, five year strategy for CYU and its cornerstone investor, Yunnan Copper Industry (Group) Co. Ltd. As in the case of all Chinese supported enterprises we have a long term vision - to own profitable copper gold operations in Australia and overseas.

CYU is continuing to search and identify opportunities with Yunnan Copper Industries (YCI) providing additional expertise and funding. During 2008 CYU reviewed 51 projects for YCI, but none met the company's investment criteria. As the global financial crisis has resulted in generally lower commodity and project prices, an increasing number of investment opportunities exist.

YCI is the third largest copper producer, the largest silver producer and seventh largest gold producer in China. In 2007, YCI produced 555,000 metric tonnes of nonferrous metals (including 426,000 metric tonnes of copper cathodes, 10 metric tonnes of gold and 660 metric tonnes of silver), realized revenue of US\$5.88 billion, pre-tax profit of US\$623 million and had total assets of US\$6.01 billion at year end. YCI owns and operates five major copper mines in Yunnan and Sichuan provinces of China, which are either underground or open cut mines. YCI is expanding its copper smelting and refining capacity to 600,000 metric tonnes per

annum and also diversifying its product lines to other base metals and precious metals. Meanwhile, YCI is developing a copper smelter in Zambia, Africa and actively exploring several concessions in Australia, Laos and the Philippines.

Discussions are underway on projects in Australia, Chile and China as well as in other business-friendly jurisdictions. CYU welcomes submissions from project vendors. In general our growth strategy will be achieved by;

- **Careful management of the CYU treasury.**
- **Focus on high quality copper and gold exploration targets.**
- **Increased value for CYU shareholders in future advanced project acquisitions.** CYU has prudently not acted on over priced assets since an advanced project evaluation program commenced in October 2007.
- **Maintenance of the world class exploration and evaluation team that has been carefully recruited.** CYU is maintaining its technical team to grow the business in this period of opportunity.
- **Utilisation of our financial strength within our partnership structure with Yunnan Copper Industries.** The aim is to acquire quality mining assets with the assistance of our cornerstone investor.

## **About CYU**

CYU is an Australian company formed to explore for and develop minerals in Australia and overseas. Cornerstone investor, Yunnan Copper Industry (Group) Co Ltd, is one of China's largest copper producers. CYU is targeting high quality copper, gold and uranium projects with eleven wholly owned Exploration Permit for Minerals (EPM's) in the Mt Isa Inlier, Ravenswood-Pentland Province and the Clermont area in Queensland.

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