



ABN 27 099 098 192

CYU is a resource exploration and development company seeking to become a mid-tier copper producer

**Issued Capital:**

473,027,475  
Ordinary shares

2,000,000  
Performance shares

**Directors:**

Zhihua Yao  
*Chairman*  
Paul Williams  
*Managing Director*  
Zewen (Robert) Yang  
*Executive Director*

**Company Secretary:**

Paul Marshall

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LTD**

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## CYU SIGNS SHARE PLACEMENT AGREEMENT WITH JCHX GROUP

4 March 2016

### Summary

- **CYU has signed a private share placement agreement with the Beijing-based JCHX Group Co., Ltd (“JCHX Group”) to provide funding for CYU’s proposed activities in the Democratic Republic of Congo.**
- **Founded in 1997, JCHX Group is privately-owned and controls JCHX Mining Management Co., Ltd, one of China’s largest mining construction services groups and which was successfully listed on the Shanghai Stock Exchange in June 2015.**
- **JCHX Group will provide A\$1,182,490 of funding to CYU via the private placement at A\$0.01 per share, scheduled to be completed in early March 2016.**
- **Chairman and founder of JCHX Group, Mr Wang Xiancheng, will join the CYU Board as a non-executive director.**

The Board of Chinalco Yunnan Copper Resources Ltd (ASX:CYU) continues to focus on transforming the Company into a substantial mid-tier mining group, with a primary focus on acquiring and developing near-term copper production activities (both locally and overseas), with a focus on the significant copper opportunities in the Democratic Republic of Congo in Africa.

## **Introduction**

The Board of CYU is pleased to announce the signing of a share placement agreement with the Beijing-based JCHX Group Co., Ltd (“JCHX Group”). The primary intention of the agreement is for JCHX Group to participate with CYU in its proposed development and acquisition of copper opportunities in the Democratic Republic of Congo (“DRC”).

## **About the JCHX Group**

Founded in 1997, the privately-owned JCHX Group controls one of China’s largest mining service companies, JCHX Mining Management Co., Ltd which currently manages 33 mining operations throughout China, and other parts of the world, including 4 mining service projects in Zambia, Africa.

JCHX Mining Management Co., Ltd was listed on the Shanghai Stock Exchange in June 2015 after the company successfully raised ¥1.633 billion (A\$360million). The current share market capitalisation of JCHX Mining Management on the Shanghai Stock Exchange is in excess of ¥8.46billion (A\$1.8billion).

JCHX Mining Management Co., Ltd has a long-established business relationship with CYU’s largest shareholder, Yunnan Copper Industry (Group) Co., Ltd (“YCI”), being the mining contractor at several existing YCI copper mines. There exists a very strong understanding and relationship between the senior management of both YCI and JCHX Group, the benefits of which CYU is now deriving.

Senior management of JCHX Mining Management Co., Ltd, including Mr Wang Xiancheng, have a demonstrated track record of providing mining services in southern Africa, especially Zambia.

## **JCHX Group Funding**

JCHX Group, through a 100% subsidiary, Bienitial International Co., Ltd (“BIC”) has agreed to provide initial funding to CYU of an amount of A\$1,182,490, which is in the form of a share placement of 118,249,000 ordinary CYU shares at an issue price of A\$0.01per share.

The issue of shares to BIC is unconditional and expected to be completed within the next few days. The new shares to be issued to BIC will rank equally with existing ASX-listed ordinary CYU shares and BIC will then hold 19.9% of the total issued CYU shares.

## **Appointment of New CYU Director**

As part of the initial JCHX Group funding, the Chairman of JCHX Group, Mr Wang Xiancheng, will join the Board of CYU. Mr Wang is a well-known and highly regarded Chinese businessman and his skills and expertise will be of significant benefit to CYU as it pursues its activities in the DRC. A short summary of Mr Wang’s achievements are set out below.

Mr Xiancheng Wang was born in August 1958 in China. He is of Chinese nationality with no permanent residence abroad. He holds a university diploma in engineering and now has a senior engineering qualification in China. He is the Chairman of JCHX Group Co., Ltd and JCHX Mining Management Co., Ltd.

Mr Wang served as a General Manager of JCHX Group Co., Ltd from December 1997 to May 2000. From March 1999 to now he served as the Chairman and General Secretary of Company's Communist Party Branch. From October 2010 to May 2011, Mr Wang served as the Chairman and General Manager of JCHX Mining Management Co., Ltd. From May 2011 to December 2014, he served as Chairman and President of JCHX Mining Management Co., Ltd.

Mr Wang is also involved in some activities with various social organizations and holds different titles in the organizations such as Adjunct Professor of Central South University and Beijing University of Science and Technology; specialist of Expert Committee of China Association of Work Safety Expert Group; member of leadership team of "Large scale ultra-deep metal mining safety key technology research projects" of State Administration of Work Safety; Vice president of China Association of Productivity; Vice President of Zambia and China Chamber of Commerce; Vice President of Beijing and Zhejiang Chamber of Commerce; and Academician (Mining) of World Productivity Academy.

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CYU Managing Director, Paul Williams, said the CYU Board welcomed the new strategic co-operation with JCHX Group. "The financial participation by JCHX Group is a strong endorsement of CYU and its future ambitions in the DRC. The benefits that JCHX Group (and new director Mr Wang) will bring to CYU and its shareholders are likely to be substantial."

On behalf of the Board

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