



## ASX/Media Announcement

25<sup>th</sup> August 2009

# Purchase Agreement for Epithermal Gold Prospect – Stanley’s Hope, North Queensland

China Yunnan Copper Australia Limited (**ASX: CYU**) today announced it has entered into a purchase agreement with the owner of Mining Lease 1631 in the Pentland District of northern Queensland. Stanley’s Hope consists a number of undrilled structures of epithermal gold affinity, potentially similar in style to Pajingo and other epithermal gold deposits.

Results from reconnaissance surface sampling from **twenty samples averaged 2.8 g/t gold on epithermal gold structures (Figures 1 and 2)**. The Mining Lease is in the Pentland District where CYU’s Toomba prospect returned high grade intercepts at the beginning of this year.

Upon completion of a 30 day due diligence period CYU will be the 100% owner of the property for a consideration of \$40,000 and 1% Net Smelter Royalty payable to the previous owner on commencement of profitable gold production from any potential future operation. The agreement is subject to regulatory approval and renewal of the mining lease. Due diligence will involve a confirmatory survey of the existing mining lease boundaries and completion of transfer documentation to the satisfaction of the Department of Employment, Economic Development and Innovation (DEEDI) of the Queensland Government.

CYU consider the targets and fertile structures identified from field inspections to be a high priority for exploration. CYU’s Chief Geologist is currently mapping the lease and collating previously collected exploration data. It is the intention of CYU to prioritise the drill investigation of the gold mineralised structures during the current quarter.

This initiative is the result of a period of investigation by CYU staff since the listing of CYU in late 2007 and is the first in a series of joint ventures and project acquisitions of superior quality, to be announced.

## 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 Inlier in Queensland.

For further information please contact;

Mr Jason Beckton  
Managing Director  
CYU  
0438 888 612

Kevin Kartun  
Account Director  
Financial & Corporate Relations  
(02) 8264 1003

or visit the website, [www.cycal.com.au](http://www.cycal.com.au)

### Competent Person's Statement

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Jason Beckton, who is a Member of the Australian Institute of Geologists and Australasian Institute of Mining and Metallurgy is Managing Director of China Yunnan Copper Australia Ltd. Mr Beckton has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results and Mineral Resources.". Mr Beckton consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

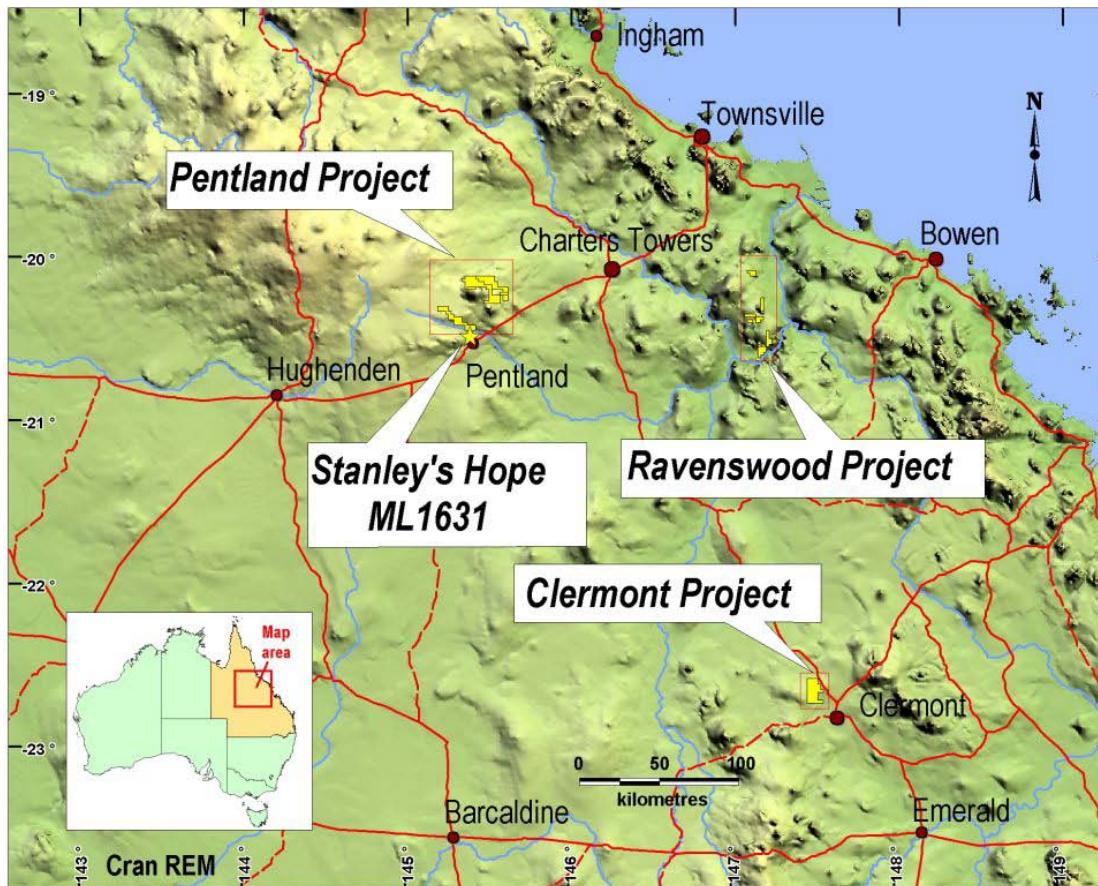
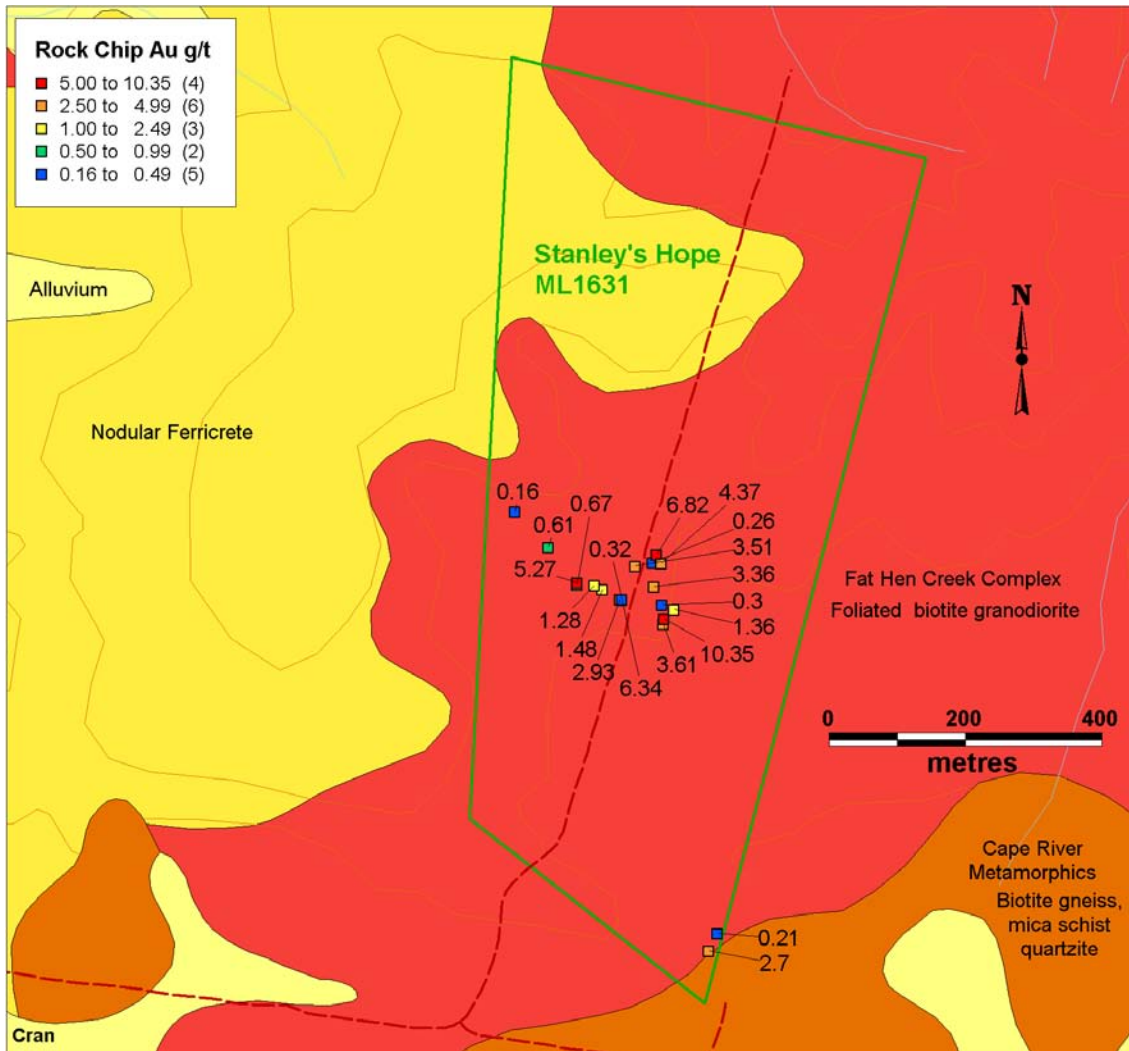


Figure 1. CYU – Stanley's Hope ML1631 location.



**Figure 2. CYU – Stanley's Hope significant gold results returned from rock chip sampling completed by CYU. Compilation of previous drilling and mapping is currently underway. CYU has determined that significant epithermal gold structures have not been drilled on the property.**