

ELAINE COPPER ZONES EXTENDED

- **MKED007: 144m @ 0.55% Cu, 307ppm Co and 0.10g/t Au from 505m inc. 14m @ 0.74% Cu, 407ppm Co and 0.22g/t Au from 518m inc. 36m @ 0.77% Cu, 321ppm Co and 0.08g/t Au from 543m inc. 17m @ 0.86% Cu, 284ppm Co and 0.14g/t Au from 599m**
- **MKED007: 23m @ 2391ppm TREO, 0.02kg/t U₃O₈ and 0.13kg/t ThO₂ from 671m inc. 2m @ 9094ppm TREO, 0.02kg/t U₃O₈ and 0.62kg/t ThO₂ from 671m 48m @ 2124ppm TREO, 0.04kg/t U₃O₈ and 0.08kg/t ThO₂ from 731m inc. 1m @ 16189ppm TREO, 0.38kg/t U₃O₈ and 0.12kg/t ThO₂ from 754m**
- **MKED021: 33m @ 0.60% Cu, 528ppm Co and 0.16g/t Au from 633m inc. 20m @ 0.71% Cu, 478ppm Co and 0.22g/t Au from 642m**
- **Mineralisation now intersected along strike and down dip from current resource definition area. The Elaine mineralisation within and adjoining the regional Mary Kathleen shear is open to the east and west.**

Chinalco Yunnan Copper Resources (CYU) and Goldsearch Limited (GSE) are pleased to provide an update on the current definition and extensional diamond drill program at the Elaine prospect that forms part of the Mary Kathleen Joint Venture Project (**Figure 1**) at Mt Isa, Queensland. CYU hold 70%, GSE hold 30% interests in the Mary Kathleen Joint Venture.

Final assay results have been returned for 5 drill holes completed since January 2012 (**Figure 2**). Drilling has consisted of combination of extension of previous drill holes that terminated in mineralisation with a deeper penetrating rig and new drill holes stepping out to the northeast of the mineralised trend. Drill hole collar and survey information is provided in **Table 1**. A summary of significant intersections is provided in **Table 2**.

MKED007 was extended from its initial depth of 607.9m to a final depth of 825.9m to close off the 2011 reported open intersection of **122.9m @ 0.56% Cu, 317ppm Co from 487m OPEN** (0.1% Cu lower cut) contained within a broader mineralised envelope of **346.7m @ 0.28% Cu, 220ppm Co 0.03g/t Au from 263m OPEN**.

Final assays returned for MKED007 have extended this mineralized envelope to **557m @ 0.23% Cu, 182ppm Co and 0.03g/t Au from 263m** including **144m @ 0.55% Cu, 307ppm Co and 0.10g/t Au from 505m (equating to 162m @ 0.53% Cu, 325ppm Co 0.09g/t Au from 487m at a 0.1% Cu lower cut)** (**Figure 3**).

Several significant zones of copper mineralisation at a 0.5% Cu lower cut have also been returned, highlighted by **20m @ 0.71% Cu, 478ppm and 0.22g/t Au, MKED021** from 642m, **14m @ 0.74% Cu,**



407ppm Co, 0.22g/t Au, MKED007 from 518m and 17m @ 0.86% Cu, 284ppm Co and 0.14g/t Au MKED007 from 599m.

Significant broad (>20m) low-grade (>1,500ppm) intersections of total rare earth oxide (**TREO = >90% Ce, La, Nd**), uranium and thorium mineralisation have also been returned in MKED007. Spot intersections >250ppm U₃O₈ are highlighted by **1m @ 4,868ppm TREO, 0.65kg/t U₃O₈, 0.96kg/t ThO₂** from 717m, **1m @ 16,189ppm TREO, 0.38kg/t U₃O₈, 0.12kg/t ThO₂** from 754m (**Table 3**).

The on-going resource evaluation has been postponed to include this latest round of drilling. On the completion of MKED023 and a proposed extension to MKED016, the drill rigs will be removed from Elaine to work on other regional targets.

CYU CHILE AND LAOS PROJECTS UPDATE

Chile

Copper is targeted at the Rio Tinto joint ventures in Chile at the Candelabro, Caramasa and Palmani porphyry properties. Surface mapping, sampling and geophysical surveys indicate these targets are highly prospective. Another CYU Chile project is the Humitos Copper Porphyry in the Copiapo District of north Chile. Drilling at Candelabro is near completion. No significant assays were returned from top 300m of drill hole CAND005 (reported 27th March). The remaining 200m sample submitted to ALS - Antofagasta with assays pending. Drilling is still underway on CAN006. Track and pad construction has been completed at Caramasa, which will be drilled after Candelabro. Road permitting has been completed at Palmani, preparations underway for drill road and pad construction.

Laos

First phase of diamond drilling at the Jiuzhai project, Northern Laos (Sanmu Mining - CYU is earning 51% equity), is continuing with the second diamond drill hole currently at a depth of 223m. Assay results have been returned from the Yunnan Nonferrous Metals Geology and Test Centre, Kunming, China for two drill holes completed at the Jiuzhai project and Xinzhai project, Northern Laos, respectively. Results are currently being reviewed and compiled.

About Chinalco Yunnan Copper Resources

Chinalco Yunnan Copper Resources Limited (CYU) explores and develops minerals in Australia, Chile and Laos. CYU is supported by cornerstone shareholder Yunnan Copper Industry (Group) Co Ltd (YCI); China's third largest copper producer. CYU acts as YCI's international investment arm and mining house.

Competent Person's Statement

The information regarding the Exploration Activities on the Elaine Copper Prospect (EPM 14022) is based on information compiled by Mr Richard Hatcher, who is a Member of the Australian Institute of Geologists and is the Exploration Manager of Chinalco Yunnan Copper Resources Ltd. Mr Hatcher 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 Hatcher consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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Table 1: Elaine 2012 Diamond Drill Program – Holes to date

HOLE ID	EAST*	NORTH*	RL (m)	AZIMUTH**	DIP	DEPTH
MKED021	398,498	7,699,639	397	295	-60	711.98
MKED022	398,496	7,699,645	397	312	-62	725.90
MKED023 ⁽²⁾	398,226	7,699,571	450	333	-73	800.00
MKED007 ⁽¹⁾	398,203	7,699,552	448	332	-75	216.20
MKED018 ⁽¹⁾	398,225	7,699,570	450	354	-60	123.30
MKED019 ⁽¹⁾	398,120	7,699,443	402	334	-69	555.20
* Datum is UTM MGA94 Zone 54 ** Azimuth is UTM Grid North (MGA94 Zone 54)						3,132.58
(1) Extension of drill hole from previous depth: MKED007 from 609.7m – 825.9m, MKED018 from 630.3m – 753.3m, MKED019 from 679.1m – 822.7m. (2) MKED023 currently drilling						

Table 2: Elaine 2012 Diamond Drilling - Summary of significant copper-cobalt-gold intersections at a nominal 0.2% Cu lower cut with a max 3m internal dilution.

Hole_ID	From (m)	To (m)	Width (m)	Au (g/t)	Cu (%)	Co (ppm)	CuEq (%)
MKED007 (Min Zone)	263	820	557	0.23	182	0.03	0.32
MKED007	309	322	13	0.02	0.23	295	0.36
MKED007	355	368	13	0.09	0.55	631	0.84
inc. (0.5%)	359	366	7	0.14	0.77	652	1.10
MKED007	489	501	12	0.05	0.60	598	0.85
inc. (0.5%)	489	500	11	0.05	0.61	645	0.88
MKED007	505	649	144	0.10	0.55	307	0.72
inc. (0.5%)	518	532	14	0.22	0.74	407	1.03
inc. (0.5%)	543	579	36	0.08	0.77	321	0.94
inc. (0.5%)	599	616	17	0.14	0.86	284	1.06
MKED018	148	149	1	0.10	0.20	22	0.27
MKED018	189	190	1	0.02	0.20	125	0.26
MKED019	33	34	29	0.02	0.36	154	0.43
inc. (0.5%)	48	57	9	0.04	0.55	178	0.64
MKED019	307	317	10	0.01	0.24	291	0.35
MKED019	322	356	34	0.03	0.54	258	0.66
inc. (0.5%)	324	344	20	0.04	0.75	318	0.90
MKED019	668	669	5	0.06	0.38	132	0.46
MKED019	686	703	17	0.05	0.38	129	0.46
MKED021	633	666	33	0.16	0.60	528	0.89
inc. (0.5%)	642	662	20	0.22	0.69	479	1.01
MKED022	343	345	2	0.01	0.26	25	0.27
MKED022	407	408	1	-0.01	0.48	134	0.52
MKED023	A/P = Assays Pending						

* Cu equivalent calculations represent the total metal value for each metal, multiplied by the conversion factor, summed and expressed in equivalent copper percentage. These results are exploration results only and no allowances are made for recovery losses that may occur should mining eventually result. However it is the company's opinion that elements considered here have a reasonable potential to be recovered. Long-term price assumptions and copper equivalent conversion factors are summarized below: **Cu equivalent formula = Cu (%) + (Co (ppm) x 0.0004) + (Au (g/t) x 0.6279)**

Price assumptions – Cu (US\$3.8902/lb.), Co (US\$14.65/lb.), Au (US\$1675.1/oz.), Market prices as at 3pm EPST 13/03/2012



Table 3: Elaine 2012 Diamond Drilling - Summary of significant TREO-uranium-thorium intersections at a nominal 1500ppm TREO lower cut with a max 3m internal dilution.

Hole_ID	From (m)	To (m)	Width (m)	TREO (ppm)	U ₃ O ₈ (kg/t)	ThO ₂ (kg/t)	LREO (%)	HREO (%)
MKED007	633	635	2	4674	0.14	0.42	97	3
inc	634	635	1	7619	0.27	0.81	98	2
MKED007	643	647	4	1856	0.07	0.19	94	6
MKED007	657	658	1	2223	0.01	0.04	96	4
MKED007	663	664	1	1847	0.01	0.08	87	13
MKED007	671	694	23	2391	0.02	0.13	92	8
inc	671	673	2	9094	0.02	0.62	96	4
inc	678	680	2	3654	0.02	0.05	97	3
inc	685	694	9	1843	0.03	0.09	93	7
MKED007	717	718	1	4868	0.65	0.96	98	2
MKED007	731	779	48	2124	0.04	0.08	93	7
inc	731	746	15	2090	0.04	0.08	94	6
inc	735	736	1	5288	0.06	0.07	98	2
inc	750	760	10	3492	0.06	0.07	96	4
inc	754	755	1	16189	0.38	0.12	99	1
inc	765	773	8	2333	0.03	0.09	94	6
MKED007	804	814	10	1693	0.01	0.05	94	6

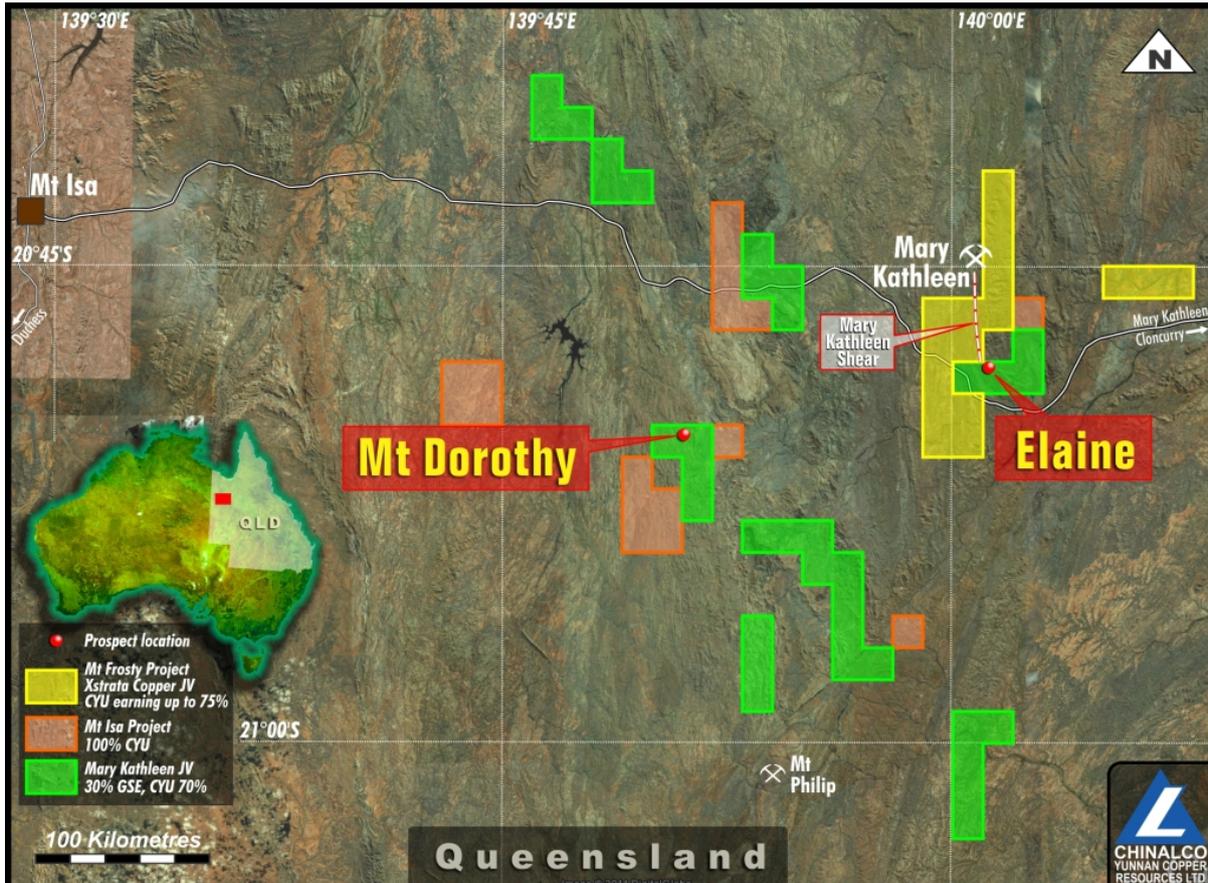


Figure 1. Tenement and prospect location plan of the Mary Kathleen and Mount Frosty Joint Venture projects. The Elaine prospect is located approximately 60km east of Mount Isa and is situated along the 6.5km long Mary Kathleen Shear zone.

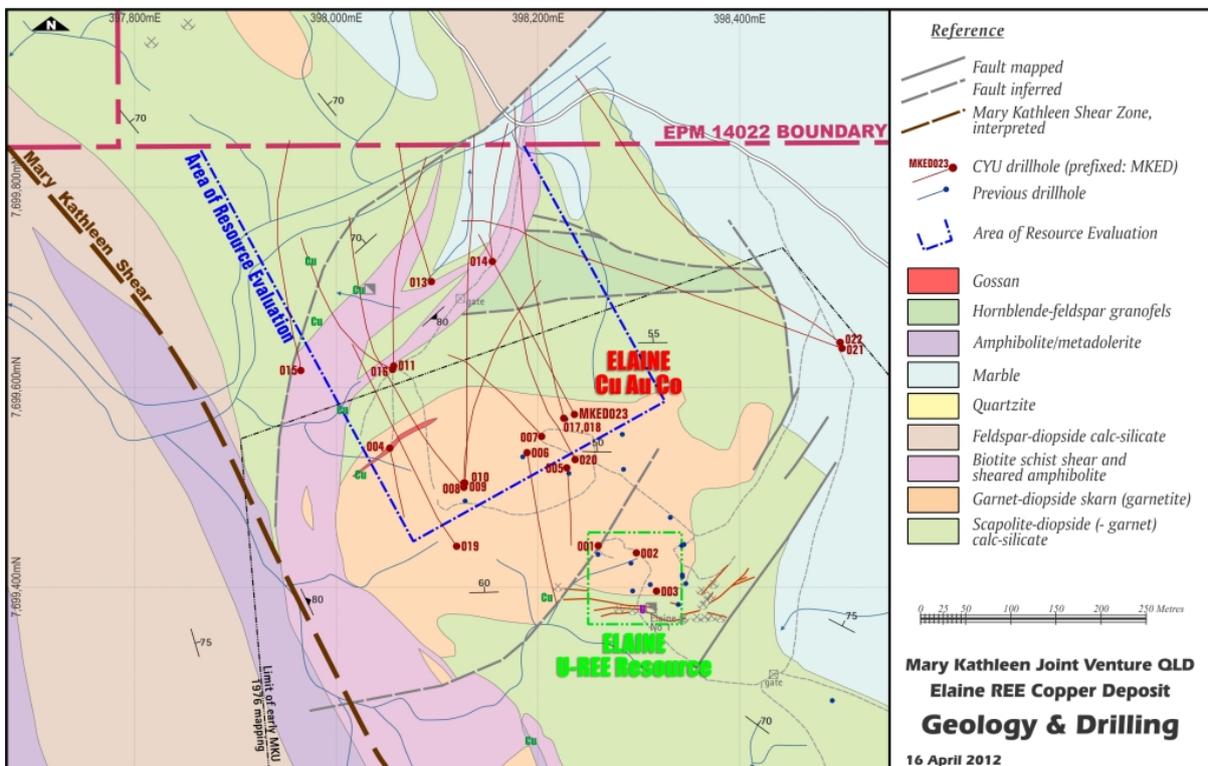


Figure 2. Simplified map showing north side of the Elaine garnet hill. Mineralisation is expected to continue down the western side and on the southern side of the hill and merge with the U-REO resource where untested copper outcrops occur.

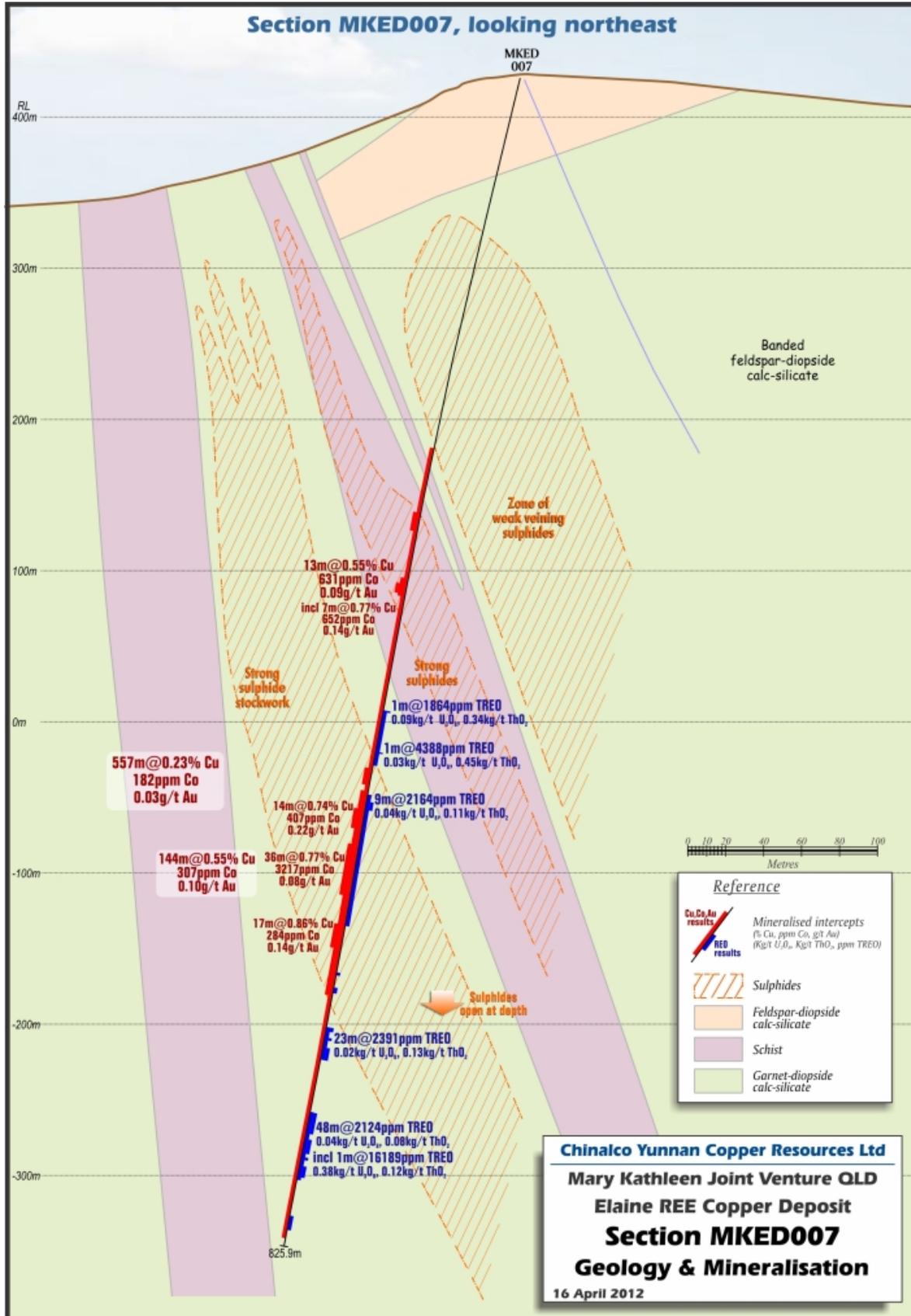


Figure 3. MKED007 extended to 825.9m with new drill rig after mineralisation left open due to reaching drilling capacity of previous drill rig. Assays returned confirm continuation of mineralisation at depth.