



ASX/Media Announcement

14th January 2010

CHINA YUNNAN COPPER AUSTRALIA LIMITED BROADCAST AND TRANSCRIPT

CHINA YUNNAN COPPER AUSTRALIA LIMITED (CYU) provides the opportunity to listen to an audio broadcast with **Jason Beckton, Managing Director** in a presentation titled "**China Yunnan Copper Delivers Results from Elaine Dorothy Prospect - Jason Beckton, Managing Director**".

To listen copy the following details into your web browser:

brr.com.au/event/63636?popup=true

The presentation details are as follows:

- ***Elaine Dorothy Prospect***
- ***China Copper Alliance***
- ***Early 2010 Plan for CYU***
- ***Presented by Jason Beckton, Managing Director***
- ***Thu, 14 Jan 2010 09:30AM AEST***
- ***A Transcript of the Broadcast is available below***

INTERVIEW WITH JASON BECKTON, MANAGING DIRECTOR, CHINA YUNNAN COPPER AUSTRALIA

Q1 **Hello, and welcome to Boardroomradio. I'm joined today by Jason Beckton who's the Managing Director of China Yunnan Copper Australia. Jason, thanks for your time and welcome back to Boardroomradio.**

A1 Thank you, James.

Q2 **Now, to kick things off, can I get you to touch on the recent uranium results the Company has released from your Elaine Dorothy Project and the current work program going on at this prospect?**

A2 Sure. We've had a limited drilling program that ceased just prior to Christmas last year, and the purpose of that work was to confirm the extent and tenor of the grade of drill results completed by an old CRA company, Mary Kathleen Uranium, who operated the nearby Mary Kathleen mine, that, in the end, extracted about 9 million tonnes at approximately 1.2 kilograms per tonne U_3O_8 . So the concept here was it was a known prospect, but the last time it was drilled was in the '80s, so we needed to inject some modern information to ascertain whether the tenor of the grade was correct and then we can put some more effort into the extent from there. And this drilling is the first in, I would stress, a pipeline of targets within a new JV with our good friends, Goldsearch Limited. The zone itself, getting onto Elaine Dorothy, is shallow, does seem to be open along strike. At depth, it seems to be lower grade so we'll put some thought into that. But we're fairly happy that a long strike, particularly to the east, has not been sufficiently tested. So that, now we're past this first point of determining that we do have some significant widths and grade at a shallow level – and that is important because, frankly, on the Australian scene, there's many uranium prospects but not many with significant grade which you would say is above, say, 1 kilogram per tonne U_3O_8 . So the next step now, just quickly, is a 3D geological model, now that we have some modern information there and the modern analytical techniques, and then we'll come up with a program fairly quickly in the next week or so to further work on defining the extent of this prospect.

Q3 **And, Jason, can you go into the details of the YCI China Copper Alliance which was announced in December last year and how this fits into the China Yunnan Copper Australia strategy?**

A3 Well, James, as people would know from the release, our cornerstone investor is the third largest copper producer in China and, to that extent, they have many – well, they have six operating mines, but many advanced prospects that they're unable to advance because of limited capacity in the field. After two years of building trust and delivering results here in Australia, we see that this is an opportunity for two-way investment, which is something that's very important to both Australian and Chinese governments. More than that, there's an opportunity to get in on the ground in what is one of the most undeveloped but large copper, gold belts that leads down into Laos, with some of the better-known prospects to the Australian investment community, including Pan Aust, Phu Kham project, etcetera. So there's a number of projects, or prospects, I should say, on the Chinese side of the border that are not being advanced due largely to our cornerstone investor company, Yunnan Copper, and, associated with Chinalco, they are unable to advance all of these so that we've – after two years of building trust, we've been invited in on a Memorandum of Understanding so that, now, we can calmly complete some due diligence on some of the prospects that are in front of us and, if they compete and rank with our suite of Australian projects, then we'll look at investing time and money into them by way of standard JVs. So the key thing is this is not a position of weakness. Our partner is a dominant producer in the region, so things like permitting and processing, etcetera, mining, are easily at hand. So once we prove up projects to go to the next step, then you would anticipate a smooth relationship going forward. So it's an excellent opportunity for a smaller Australian Sino company and is after two years of hard work and negotiations, so we're well on the path there to getting into some advanced projects.

Q4 Jason, perhaps to finish up, can you just briefly run through the current areas of focus for the Company and the activities which you'll be undertaking in the coming quarters that some of the news people should look out for?

A4 Well, I guess the key point is it's plan A for CYU in that we are advancing on the copper, gold and uranium front as we said we would when we listed. There's evidence of that with the recent Elaine Dorothy hits. But also, really, the Gem program is key for us. That starts drilling early next week, on or about 18 January, weather dependent, and the guys are in the field preparing it now; so that's exciting. We're also going to be drilling - at the end of January we commence drilling on the Stanley's Hope Epithermal Gold property, and we will complete, by the end of this quarter, at least two deep diamond holes on the Pentland Joint Venture, which we recently signed with ActivEX Limited. So there's progress, via drilling, which is the only way to add value, on all copper, gold and uranium. And we're seeing success. And previously, as per last year, it was on the copper from with Gem. Uranium's very early stage with Elaine Dorothy, but that looks good so far. And the gold - we'll have some results to hand by the end of the quarter in the north-eastern projects near our new Townsville office. So investors should be aware that there will be news flow via drilling results in the coming weeks and months, and that that's the best way for us to add value. And we think that we're also not taking on too much. We have dropped five tenements in the past few months. We are very focused on the best prospects within our package, so we do refine the package, and people shouldn't be concerned when we sign JVs that we're taking on too much for our team, because we're certainly refining and turning over projects, if you like, and only drilling the best ones, which have the results you can see.

Q5 Okay, Jason. Well, thanks very much for taking the time to give us an update, and we look forward to speaking to you when some of the results from your campaigns come in throughout the quarters.

A5 Okay. Thank you, James.

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