



ASX/Media Announcement

27th November 2009

Northwest Queensland Properties Update

- **Gem Copper Prospect - Resource Drill Planning underway**
- **Gem Copper Prospect - Electrical Geophysics Completed**
- **Elaine Dorothy Uranium Target - Drilling Completed**

China Yunnan Copper Australia Limited (**ASX: CYU**) announces today an update on work currently underway on its Northwest Queensland Properties. The Northwest properties comprise the **Cloncurry North Project**, the **Mount Isa Project** and the **Mary Kathleen Joint Venture** areas (a joint venture with Goldsearch Limited (**ASX: GSE**)) (**Figure 1**).

Gem Copper Prospect

Following the success and information generated from the previous drilling campaigns at the Gem prospect (**including previously reported 38m @ 1.25% copper and 0.20 g/t gold from 33 m, GR003; 8m @ 0.89% copper and 0.25g/t gold from 183m, GR-015 and 6m @ 1.57% copper and 0.19g/t gold from 53m, GR-021**), CYU has embarked on prospect scale geological mapping and geophysical surveys over the prospect area.

Independent resource consultants Hellman & Schofield have generated a 3D model of all the drilling data to assist with the designing of a fourth phase RC drill program with the aim of defining a maiden inferred resource in the March quarter 2010. The proposed resource delineation drilling program is targeting a >600m strike length defined by the previous drill programmes (**Figure 2**). A drill rig is currently being contracted to commence drilling in early 2010.

Mineralisation at the Gem prospect, as previously reported, **remains open under cover** to the west and south of the current work area. CYU contracted Quantec Geophysics Worldwide to undertake a 1.2km by 700m TEM – fixed loop array ground geophysical survey on 100m line spacing and 50m stations (**Figure 2**). This survey was completed in mid November 2009 and the processing of the data is currently underway. Results from this survey, in conjunction with geological mapping and geochemical sampling will assist in targeting of wild cat RC drillholes that are planned to be drilled in conjunction with the resource delineation drill programme.

Elaine Dorothy Uranium Target

CYU has completed a three hole diamond drill program totalling 344 metres this month on the Elaine Dorothy uranium target. Elaine Dorothy is one of the Mary Kathleen Joint Venture Projects considered prospective for uranium and rare earth elements (REE) mineralisation.

At Elaine Dorothy (**Figure 3**) previous exploration by Mary Kathleen Uranium (formerly operators of the Mary Kathleen Mine) and GSE highlighted significant Mary Kathleen-style uranium (and REE) mineralisation.

Table 1. Drill hole Collar Locations completed by CYU in November.

Hole ID	Twin ID	E (GDA 94)	N (GDA94)	Azi (MAG)	Dip	Twin Depth (m)	Depth (m)
MKED-001	ED-011	398,260	7,699,448	0	-90	122.00	133.69
MKED-002	ED-003	398,298	7,699,439	0	-90	106.00	125.00
MKED-003	ED-002	398,315	7,699,401	0	-90	68.00	75.33
						296.00	334.02

Historical assay data compiled by previous explorers is outlined in **Table 2**. ED-002, ED-003 and ED-011. All holes intersected multiple narrow zones of uranium mineralisation within a broad elevated zone as reported below.

Twin ID	From	To	Width	U ₃ O ₈ (kg/t)
ED-011	100.40	107.30	6.90	0.79
ED-003	55.00	64.20	9.20	0.66
ED-002	26.00	28.30	2.30	2.62

Table 2. Historical diamond core significant intersections. For reference the mined out Mary Kathleen Mine yielded 9.2 million tonnes at a grade of 1.20 kg/t U₃O₈.

Preliminary investigation suggests uranium mineralisation is associated with the scapolite – diopside calc-silicate with varying degrees of garnet alteration. The mineralised zones of interest are selected using a hand-held scintillometer which is run over individual core pieces isolated in a low background zone. The reader is cautioned that scintillometer readings are not directly or uniformly related to uranium grades of the core sample measured, and are used only as a preliminary indication of the presence of radioactive materials. All mineralised zones are currently being cut and dispatched to the ALS facility in Mt Isa.

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Photo 1: MKED_002, 74m - Strong disseminated allanite-uraninite bands +calcite+pyrite in a diopside calc-silicate.

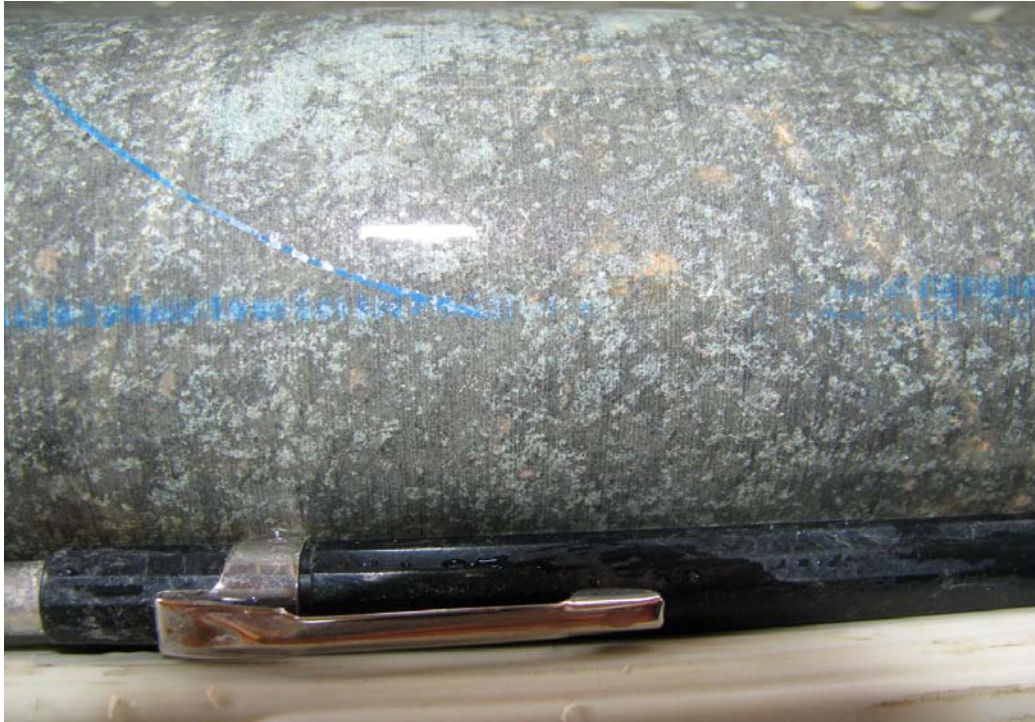


Photo 2: MKED001: Uranium mineralisation (black specks) disseminated through allanite.



Photo 3: MKED001 - Mineralisation through broken, well-banded scapolite-diopside calc-silicate with garnetisation.

An exploration target₁ for the Elaine One Anomaly is assessed at between 150,000t and 250,000t of mineralisation with grades between 0.34 and 0.56 kg/t U₃O₈ (using a 0.15 k/t U₃O₈ cut-off grade) and has been tested by twinning three previous high grade intercepts returned in 1955. This target is based on historical data from 9 diamond core holes with chemical assays of unknown method and surface outcrops



with scintillometer readings. This data has been reviewed and assessed by an independent consultant.

The purpose of the twinned holes is to confirm and validate the historical drilling results with a view to convert at least part of the exploration target to an Inferred Resource.

1 The potential quantity and grade of the Elaine One Anomaly exploration target is conceptual in nature and there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource.

Competent Person's Statements

The information in this report that relates to the Exploration Target for the Elaine One Anomaly is based on information compiled by Arnold van der Heyden, who is a Member of the Australasian Institute of Mining and Metallurgy is a Consulting Geologist for Hellman and Schofield Pty Ltd. Mr van der Heyden 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 van der Heyden consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to the Gem Copper Prospect is based on information compiled by Richard Hatcher, who is a Member of the Australian Institute of Geologists and is fulltime Exploration Manager of China Yunnan Copper Australia 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.

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 has goals of resource definition and development for its three target commodities Copper, Gold and Uranium and to achieve this 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. CYU also is also farming into to the Mary Kathleen Project in Mt Isa with Goldsearch Limited and the Pentland Gold Project with ActivEX limited.

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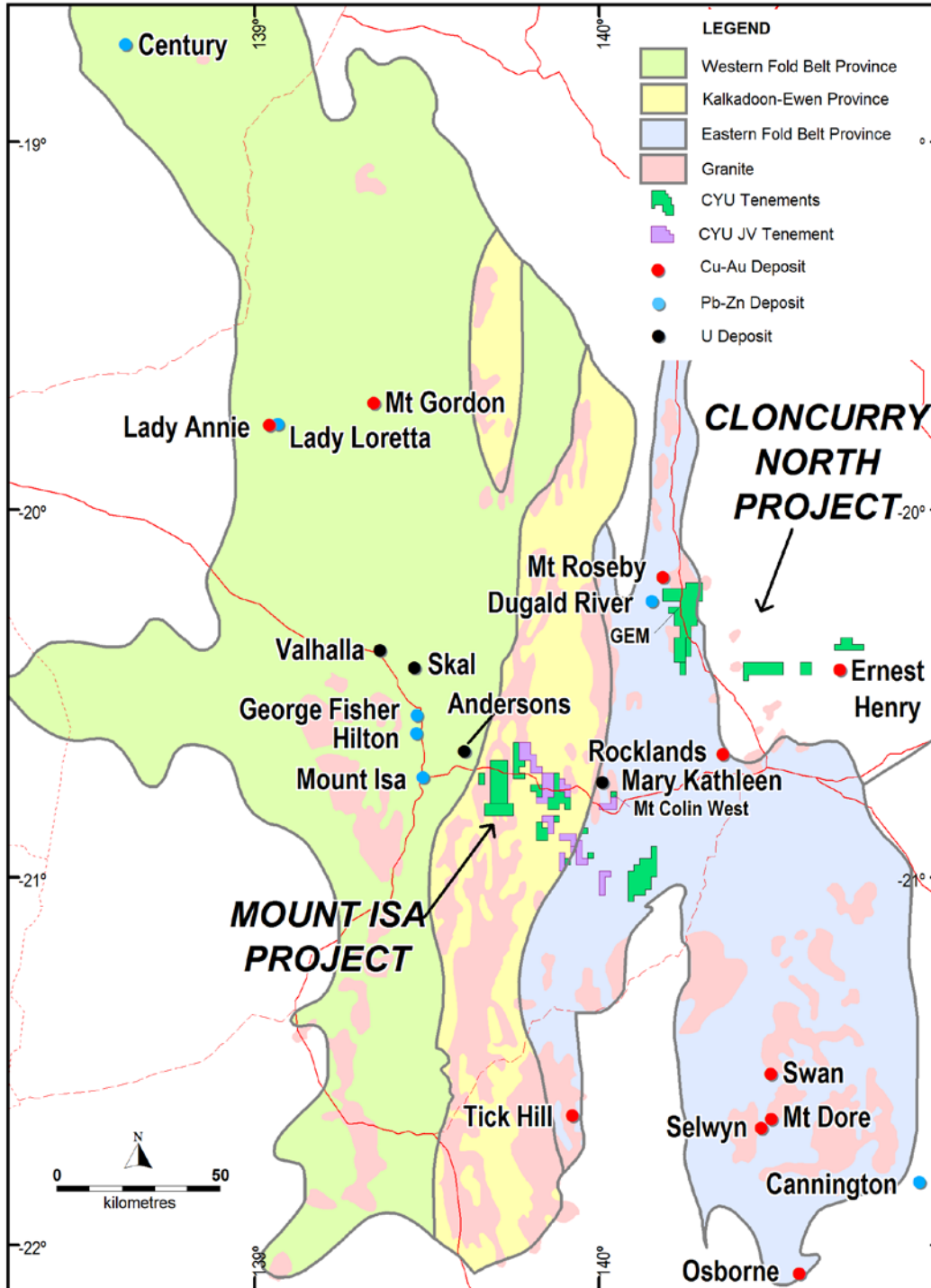


Figure 1. CYU – GSE tenement locations in Northwest Properties Area. The Mary Kathleen JV is a good strategic fit for CYU as it is consistent with CYU’s successful exploration program underway within the Cloncurry North Project.

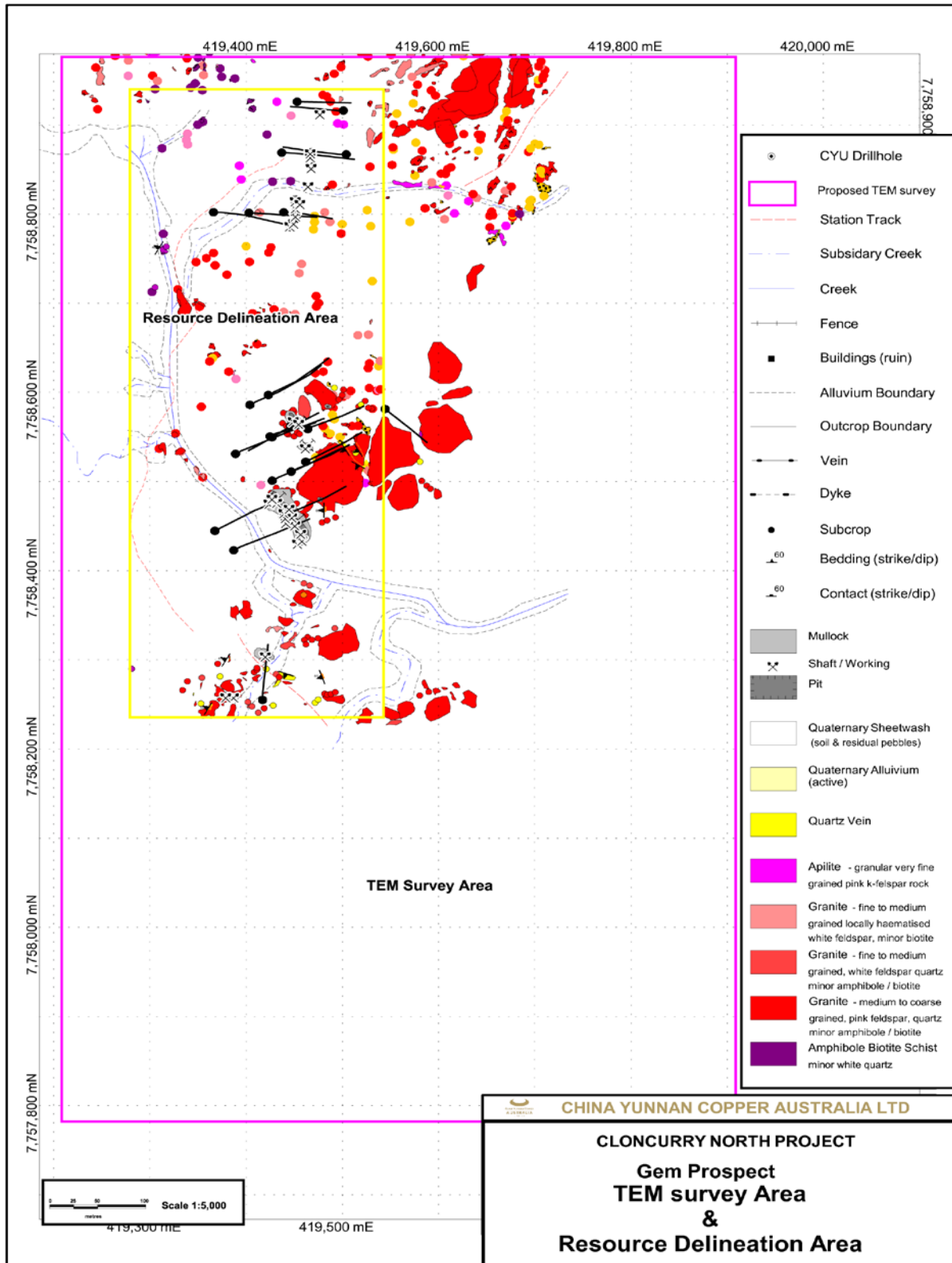


Figure 2. Gem Prospect resource delineation drilling and TEM ground geophysical survey areas.

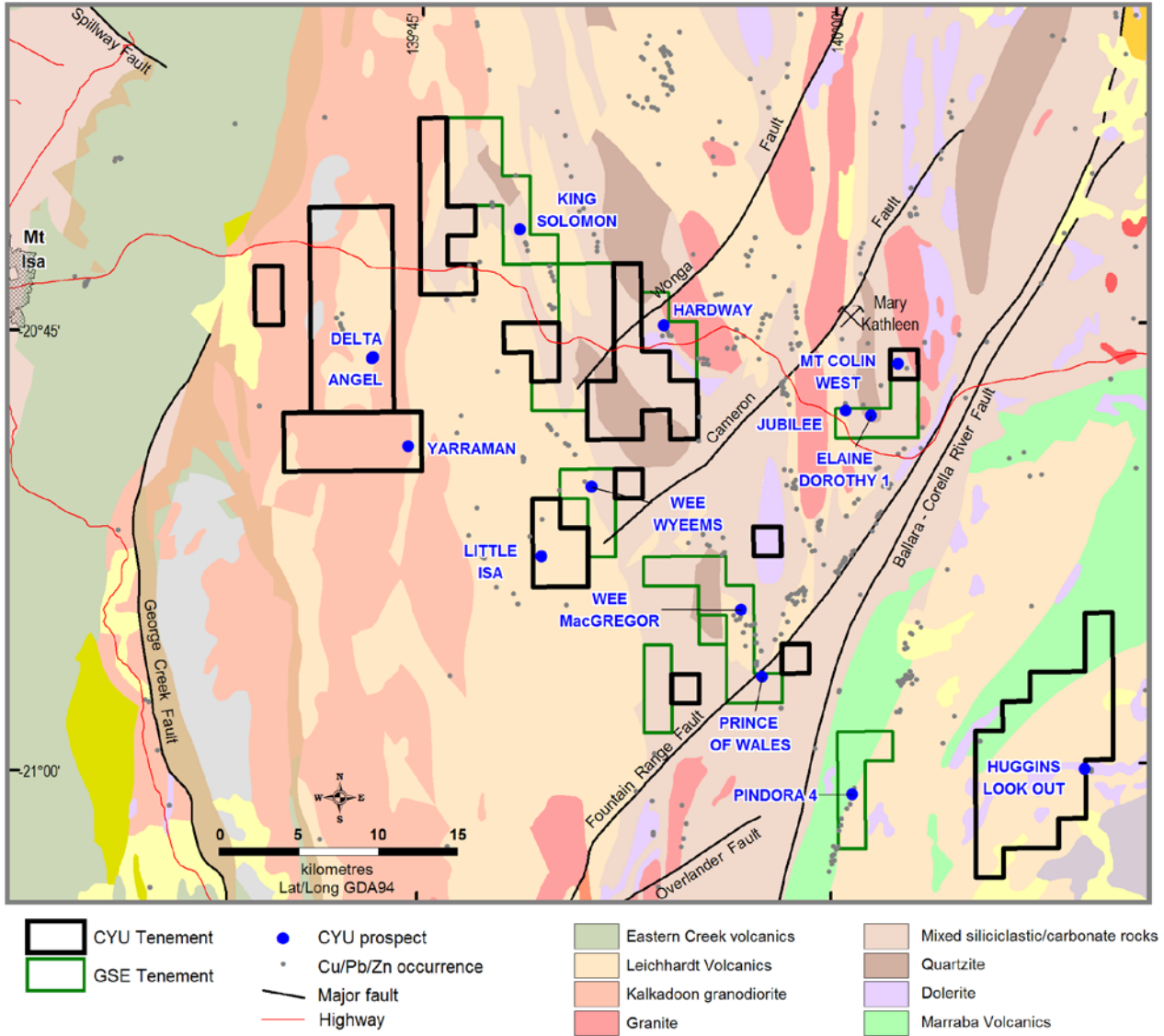


Figure 3. Elaine Dorothy is approximately 5 kilometres south of the previously mined Mary Kathleen deposit. Mary Kathleen was worked as a Uranium mine but also had a grade of 3% Rare Earth Elements (REE).