



ASX/Media Announcement

07 November 2011

Shallow broad copper-cobalt-gold diamond drilling intercept from Elaine-Mary Kathleen JV

- 27m @ 1.11% Cu, 190ppm Co and 0.21g/t Au, MKED011 from 147m depth
- 185m @ 0.59% Cu, 324ppm Co and 0.05g/t Au, MKED011 from 201m depth
- Inferred JORC compliant resource estimate of the copper+cobalt+gold+/-REE sulphide zone anticipated by end of Q1 2012.
- **Intercepts from MKED011 suggest zone is trending closer to surface as the mineralised package is drilled further to the west. The Elaine mineralisation within and adjoining the host Mary Kathleen shear is open to the east and west.**

Chinalco Yunnan Copper Resources (CYU) and Goldsearch Limited (GSE) are pleased to provide new assay results from the current delineation diamond drill program at the Elaine prospect, Mary Kathleen Joint Venture Project (**Figure 1**) near Mt Isa, Northwest Queensland. CYU holds a 70% interest and GSE holds 30% interest of the Mary Kathleen Joint Venture. CYU is the operator of the joint venture.

To date seven of fifteen planned diamond drill holes (**MKED009-MKED015**) have been completed program totalling 2,930.65m. Drilling is underway on MKED016. The holes have tested ~200m x 300m of the strike and open depth extension of the modelled EM target zone. All completed drillhole collar and survey information was provided in the CYU September Quarterly Activities report (released 28 October 2011).

Recent surface mapping has enhanced targeting of the interpreted Mary Kathleen shear and associated altered amphibolite units. Drilling will continue until the end of the field season with a second diamond drill rig due on site to expedite drilling.

Final assay results have been returned for MKED010 and MKED011 (**Table 1**) with shallow significant zones of copper mineralisation intersected, highlighted by **27m @ 1.11% Cu, 190ppm Co, 0.21g/t Au, MKED011** from 147m down hole depth and **185m @ 0.59% Cu, 324ppm Co, 0.05g/t Au, MKED011** from 201m down hole depth. Previous drilling of this anomaly along strike and down dip returned similar significant copper intersections of **122.7m @ 0.56% Cu, 317 ppm Co, 0.08g/t Au, MKED007** from 487m down hole depth; **188m @ 0.35% Cu, 174ppm Co, 0.02g/t Au, MKED008** from 415m down hole depth and **109m @ 0.50% Cu, 482ppm Co, 1.98g/t Au, MKED009** from 491m down hole depth.

In addition elevated zones of rare earth mineralisation were intersected in both MKED010 and MKED011, highlighted by **5m @ 2,681 ppm TREO, MKED010** from 477m down hole depth and **5m @ 2,459 ppm TREO, MKED011** from 70m down hole depth. The rare earth and associated uranium mineralisation is interpreted as a separate younger? mineralising event that overlaps the copper-cobalt-gold mineralisation in places.



Table 1: Phase 4 Elaine Diamond Drilling - Summary of significant copper-cobalt-gold intersections at a nominal 0.2% Cu cut-off with a max 3m internal dilution. 0.5% Cu cut-off for higher grade interval. #Gold reported at a 0.2g/t Au cut-off.

Hole ID	From (m)	To (m)	Width (m)	Cu (%)	Co (ppm)	Au (g/t)	CuEq (%)
MKED009	393	422	29	0.64	543	0.14	0.94
MKED009	429	451	22	0.53	230	0.19	0.75
MKED009	491	600	109	0.50	482	1.98	2.09
<i>including#</i>	508	538	30	0.17	573	6.73	5.18
<i>including</i>	540	561	21	0.63	340	0.15	0.86
<i>including</i>	568	600	32	1.04	688	0.29	1.50
MKED010	7	12	5	0.89	227	0.03	1.00
MKED010	42	49	7	0.37	192	<0.01	0.45
MKED011	35	45	10	0.36	403	0.02	0.52
MKED011	57	69	12	0.27	229	0.11	0.43
MKED011	77	84	7	0.40	467	0.20	0.72
MKED011	88	107	19	0.33	196	0.02	0.41
MKED011	119	125	6	0.48	247	0.07	0.62
MKED011	134	139	5	0.34	148	0.01	0.40
MKED011	147	174	27	1.11	190	0.21	1.33
MKED011	184	189	5	0.33	79	0.05	0.39
MKED011	201	386	185	0.59	324	0.04	0.74
<i>including</i>	224	243	19	1.16	674	0.07	1.45
<i>including</i>	254	264	10	1.15	437	0.08	1.36
<i>including</i>	350	361	11	0.91	328	0.06	1.07
MKED011	446	451	5	0.30	373	0.03	0.46

* 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 summarised below: **Cu equivalent formula = Cu (%) + (Co (ppm) x 0.0004) + (Au (g/t) x 0.7139)**

Price assumptions – Cu (US\$3.5832/lb), Co (US\$12.9274/lb), Au (US\$1754.00/oz), Market prices as at 5pm AEST 4/11/2011

Managing Director Jason Beckton commented: "These intersections support a continuous broad zone of mineralisation which remains open to the east, west and at depth. We have successfully followed the mineralisation from deeper intersections in MKED007 and MKED008 up-dip to within ~80 – 120m from surface in MKED011. Current modeling suggests a mineralised shear, which we interpret to be associated with the regional scale Mary Kathleen shear, bends around the Elaine hill to the west, southwest. This is an exciting development as this structure has only had ~200m of strike tested by our drilling to date. The latest holes have successfully pierced the zone closer to surface which may potentially enhance the economics of the resource."

"We will continue drilling to find the limits of the mineralised zones and nay high grade body, which may not occur before the end of the drilling for the year in late December 2011. The current drilling program is targeting the mineralised system to a depth of 400 metres over a 400m strike length by the end of December. The key point is that this exciting newly discovered Cu-Co-Au-REE-U mineralisation system is open in all directions in a highly mineralised province.

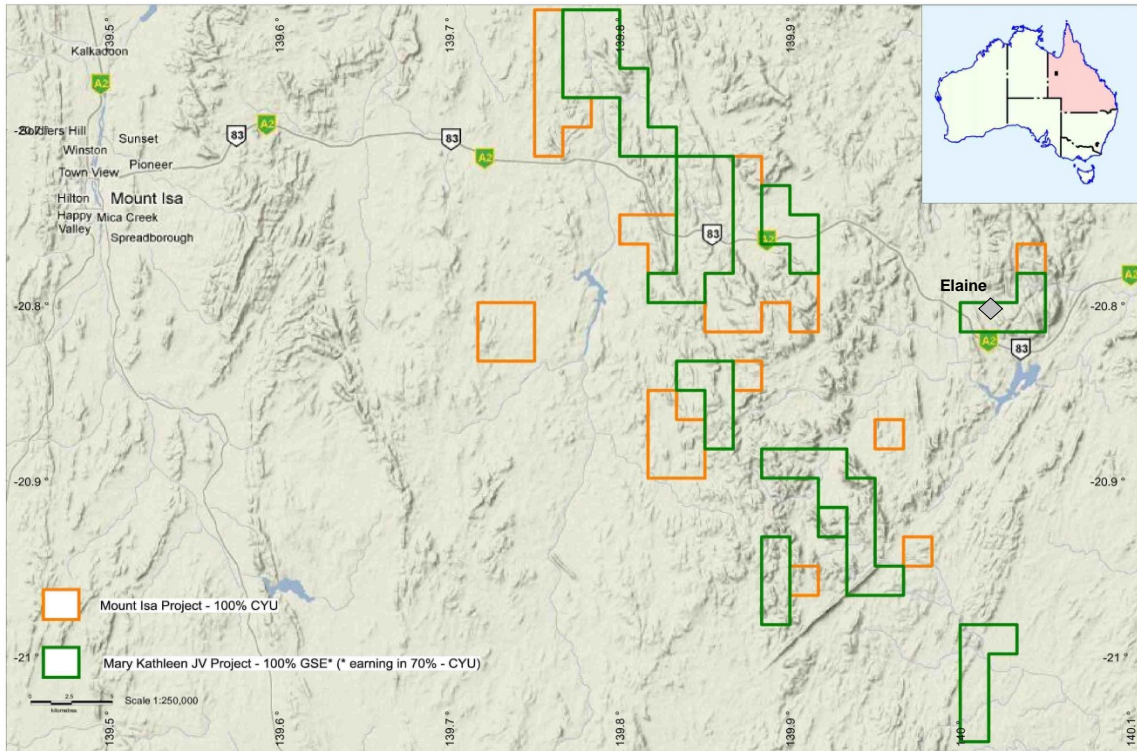


Figure 1. Tenement and prospect location plan of the Mary Kathleen Joint Venture Project. The Elaine prospect is located approximately 60km east of Mount Isa.

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.

Australia

CYU is currently drilling the Mount Dorothy copper-cobalt-HREE and Elaine copper-cobalt-gold-LREE discoveries within Mary Kathleen JV tenements near Mount Isa and the project areas cover over 1,000km² in a pedigree mining area. CYU has earned 70% of the Mary Kathleen JV project working with partner Goldsearch Limited.

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. Candelabro is now drill ready with mobilization to site expected in November. Caramasa and Palmani are in permitting phases with Caramasa earthworks expected in December.

Laos

CYU has received the first geochemical results from trenching including two zones; (1.) 66 metres @ 0.92% Cu and 55 g/t Ag; (2.) 43 metres @ 1.0% Cu and 99 g/t Ag. Drilling is being planned to test these zones in the current quarter. The corporate exploration target is 80 - 100 million tonnes at a grade of 0.9% -1.0% copper and 120g/t -150 g/t silver. Short term processing of copper-silver ore bodies is also a project objective in Laos, subsequent to resource drilling.



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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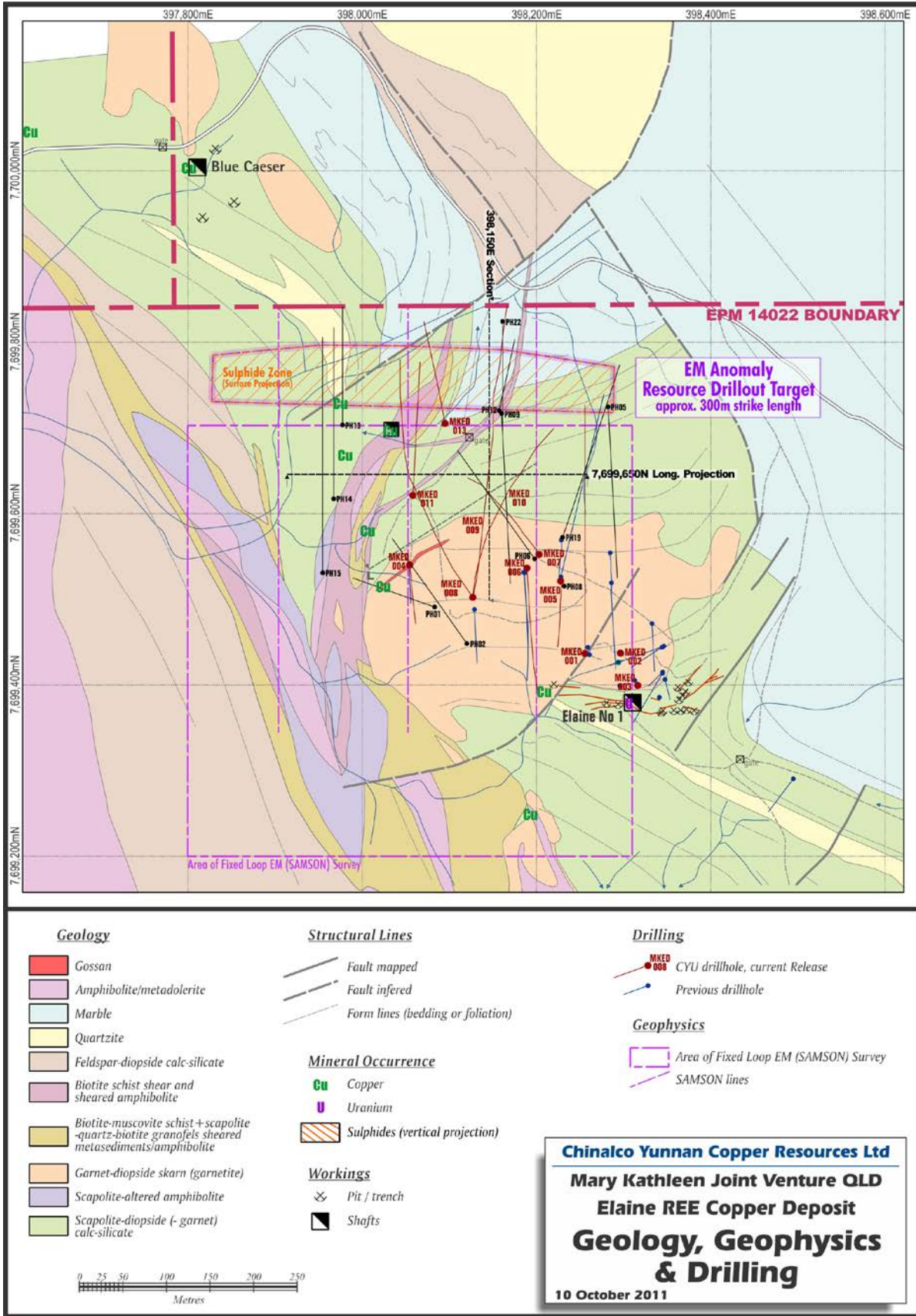


Figure 2. Drillhole location plan – the Elaine prospect, Mary Kathleen JV Project with Goldsearch Limited. Note the area of the EM anomaly suggesting a target area for resource drillout of at least 300m strike.

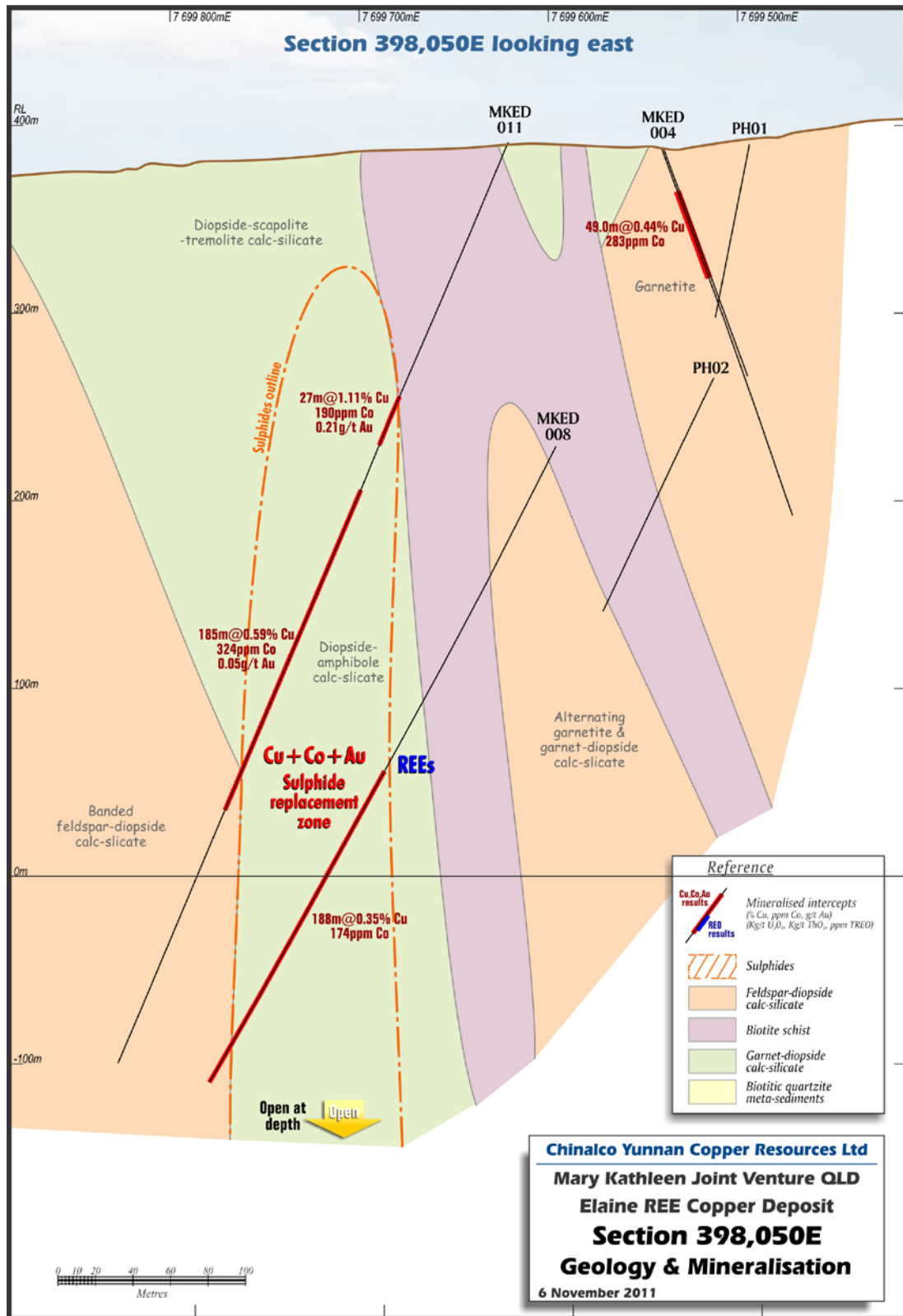


Figure 3: Elaine prospect - Section MKED011

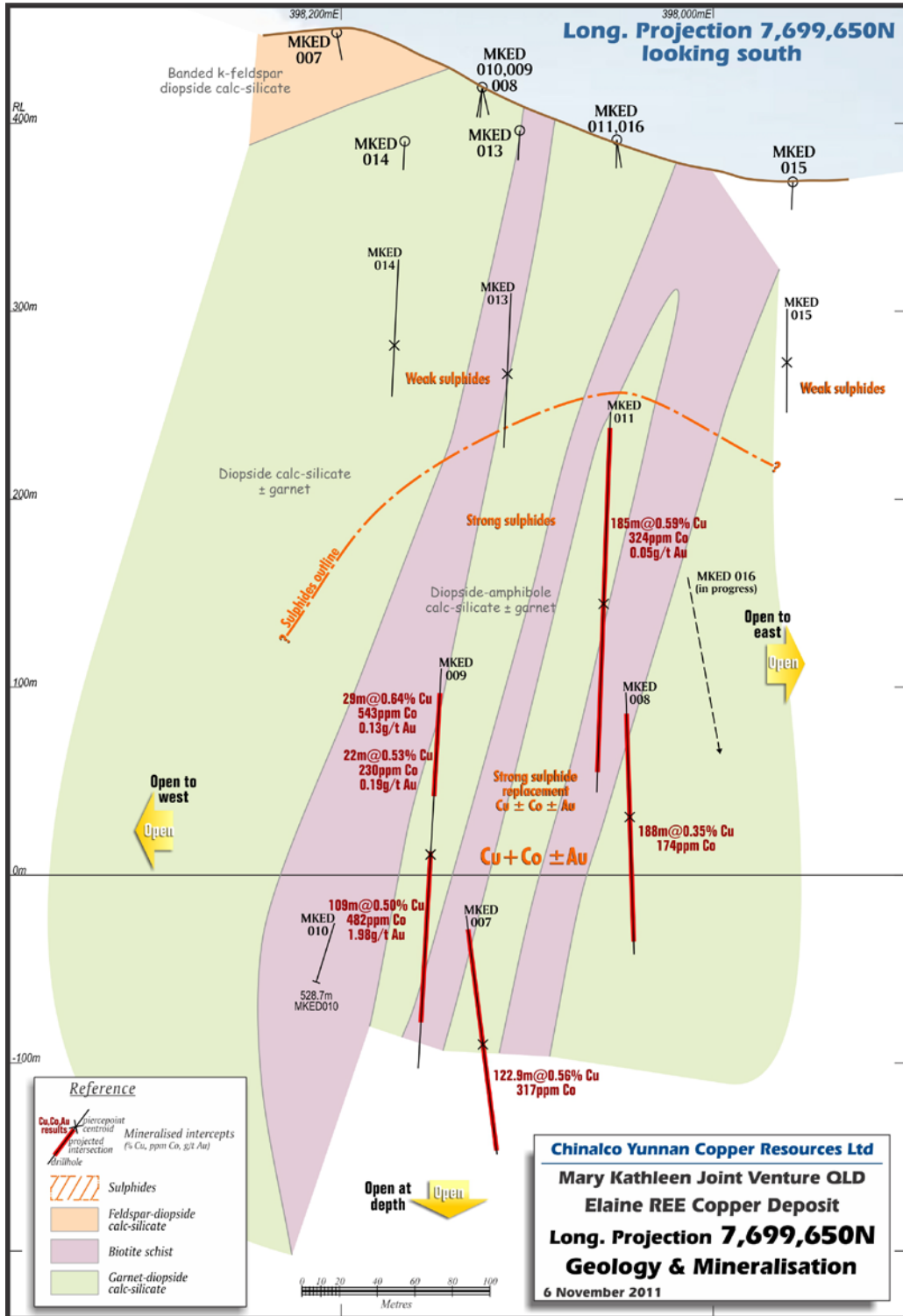


Figure 4: Elaine prospect – Long Section 7,699,650N