

## ASX/MEDIA ANNOUNCEMENT

4th June 2008

# Surface sampling defines significant copper-gold mineralisation at Cloncurry

### Key Points

- ➔ **Outcropping copper and gold mineralisation defined on EPM 12205**
- ➔ **Systematic geochemical soil sampling follow-up planned to define drill targets**
- ➔ **Bedford Hill South trend results pending**

China Yunnan Copper Australia Limited (**ASX:CYU**) today announced encouraging results from its ongoing surface mapping and geochemical program which is currently active on the Cloncurry, Mt Isa and Pentland projects. Samples collected from reconnaissance surface sampling have yielded results which warrant further surface sampling on a systematic grid. **Significantly, results from the Mavis Prospect also indicate elevated gold values (see Table 1 below).**

Small historical diggings are located along the western flank of the Naraku Granite within EPM 12205, with evidence of copper and gold mineralization including copper and gold assays up to 17.3% and 2.59 g/t respectively, occurring along the regional trend of One Tree Hill and Capsize Creek. Mavis, an example of one of these workings, consists of a shaft and a spoil heap, with evidence of one other working 50m to the south. Shallow cover could possibly obscure further mineralisation, and a program of soil sampling is planned as follow up. Numerous examples of these prospects exist on lightly explored CYU ground and these targets are being upgraded systematically to drill ready status.

Sample Number	Cu %	Au g/t	Ag g/t
<b>257401</b>	<b>4.27</b>	<b>2.28</b>	<b>5.9</b>
<b>257402</b>	<b>0.79</b>	<b>1.34</b>	<b>0.8</b>
<b>257403</b>	<b>1.45</b>	<b>2.59</b>	<b>2.2</b>
257404	0.29	0.14	1
<b>257405</b>	<b>2.89</b>	<b>1.91</b>	<b>3.6</b>
257406	0.09	0.04	0.2
<b>257407</b>	<b>2.23</b>	<b>0.29</b>	<b>0.2</b>
257408	0.13	0.05	<0.2
257409	0.005	<0.01	<0.2
257410	0.018	<0.01	<0.2
<b>257411</b>	<b>17.3</b>	<b>0.88</b>	<b>0.5</b>
<b>257412</b>	<b>1.29</b>	<b>0.81</b>	<b>&lt;0.2</b>
<b>257413</b>	<b>1.69</b>	<b>0.15</b>	<b>0.9</b>
257414	0.09	<0.01	0.4
257415	0.18	0.03	0.3
<b>257416</b>	<b>1.36</b>	<b>0.01</b>	<b>0.2</b>
<b>257417</b>	<b>15.25</b>	<b>0.28</b>	<b>1.4</b>
<b>257418</b>	<b>6.68</b>	<b>0.27</b>	<b>1.2</b>
257419	0.43	<0.01	<0.2

**Table 1. Copper, gold and silver results from surface sampling around the undrilled Mavis Prospect.**

Recently, twelve targets were investigated by reverse circulation (RC) drilling with results returned below considered encouraging. Further soil and IP lines are proposed with the intention of defining additional drill targets on the One Tree Hill, Capsize Creek and Bedford prospects within the Cloncurry Project. In May a soil sampling program was completed on the Bedford copper trend which is expected to yield further drill targets.

**Table 2. Collar locations for RC program with preliminary results returned.**

Hole_ID	MGA94_E	MGA94_N	RL	AZI	DIP	DEPTH
QC001	412,323	7,757,876	200	90	-60	151.00
QC002	417,623	7,758,976	200	90	-60	150.00
QC003	419,423	7,761,976	200	135	-60	150.00
QC004	419,823	7,762,976	200	135	-60	150.00
QC005	422,713	7,765,176	200	135	-60	150.00
QC006	423,723	7,765,076	200	135	-60	150.00
QC007	418,823	7,743,206	200	360	-60	205.00
QC008	422,723	7,747,216	200	360	-60	49.00
QC009 (QC008 redrill)	422,723	7,747,186	200	360	-60	121.00
QC010	420,323	7,744,806	200	360	-60	120.00
QC011	418,823	7,744,986	200	360	-60	115.00
QC012	419,513	7,743,986	200	360	-60	100.00
QC013	418,823	7,743,896	200	360	-60	115.00

**Table 3. Drill Results for One Tree Hill RC program - Cloncurry Project.**

Hole_id	From	To	Width (m)	Cu (g/t)	Cu (%)	Comment
QC002	16	18	2	2110	0.21	One Tree
including	21	22	1	2680	0.26	One Tree
including	28	29	1	1320	0.13	One Tree
QC005	74	75	1	1360	0.14	One Tree
including	88	89	1	1080	0.11	One Tree
QC006	52	53	1	8410	0.84	One Tree

**Table 4. Drill Results for Capsize Creek Hill RC program - Cloncurry Project.**

Hole_id	From	To	Width (m)	Cu (g/t)	Cu (%)	Comment
QC007	19	25	6	1222	0.12	Capsize
including	160	165	5	1545	0.15	Capsize
QC011	22	29	7	1136	0.11	Capsize

CYU seeks to discover and develop Ernest Henry Style copper-gold and shear hosted copper oxide, supergene enriched and primary deposits in the Cloncurry and Mt Isa districts with the geochemical and geophysical programs currently underway.

In May, CYU completed soil sampling at the Pentland Project and drilling of anomalies is planned during the dry season, targeting Mt Leyshon Style porphyry gold deposits.

## **About CYU**

CYU listed on the ASX on 29 October 2007 by issuing 16,000,000 25c shares to raise \$4 million. 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.

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### **Competent Persons Statement**

The information in this report that relates to Exploration Results is based on information compiled by Jason Beckton, who is a Member of the Australian Institute of Geologists and a Member of the Australasian Institute of Mining and Metallurgy, and is the 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.

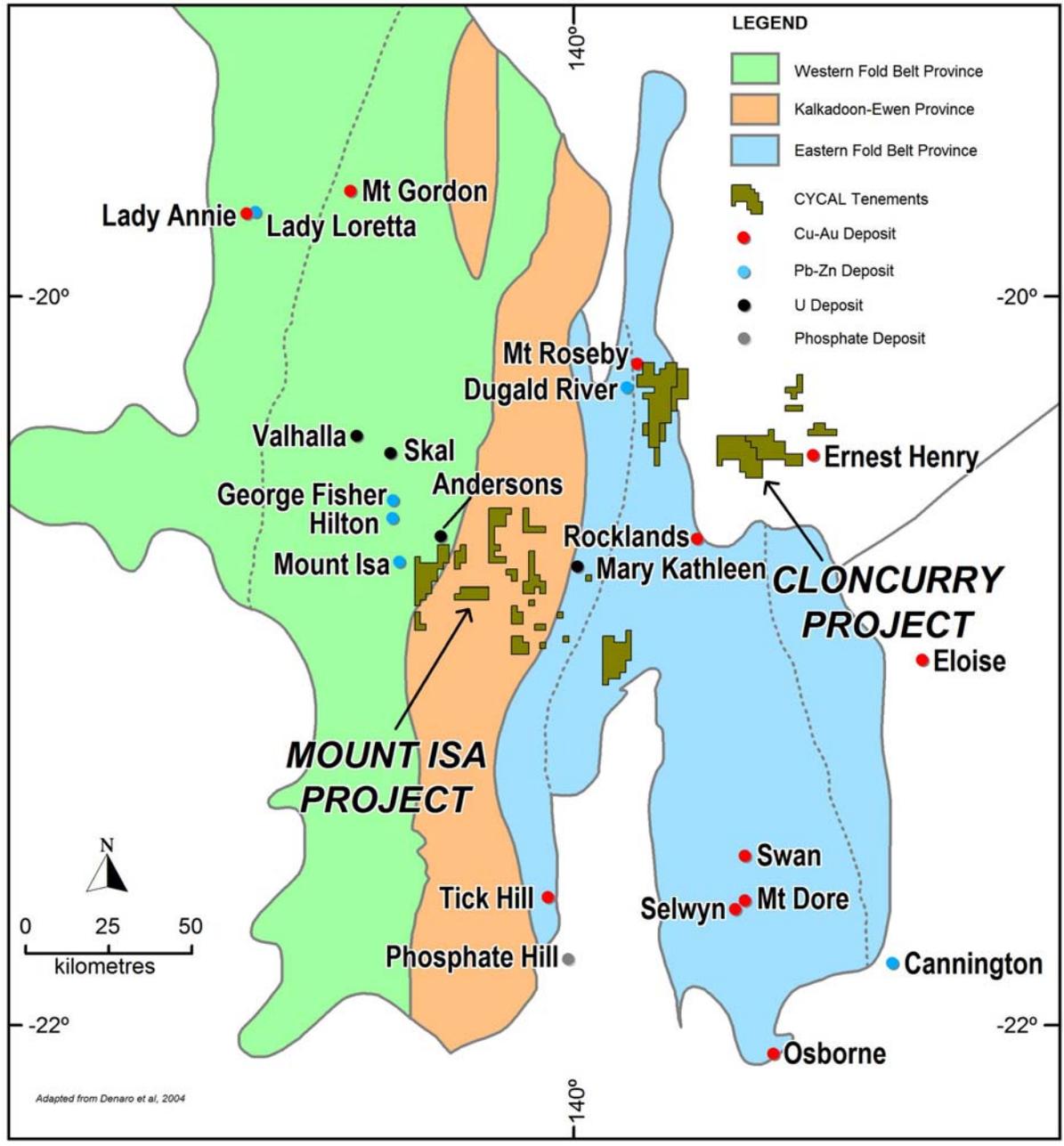


Figure 1. CYU is currently undertaking geophysical and geochemical programs over Mt Isa and Cloncurry projects.

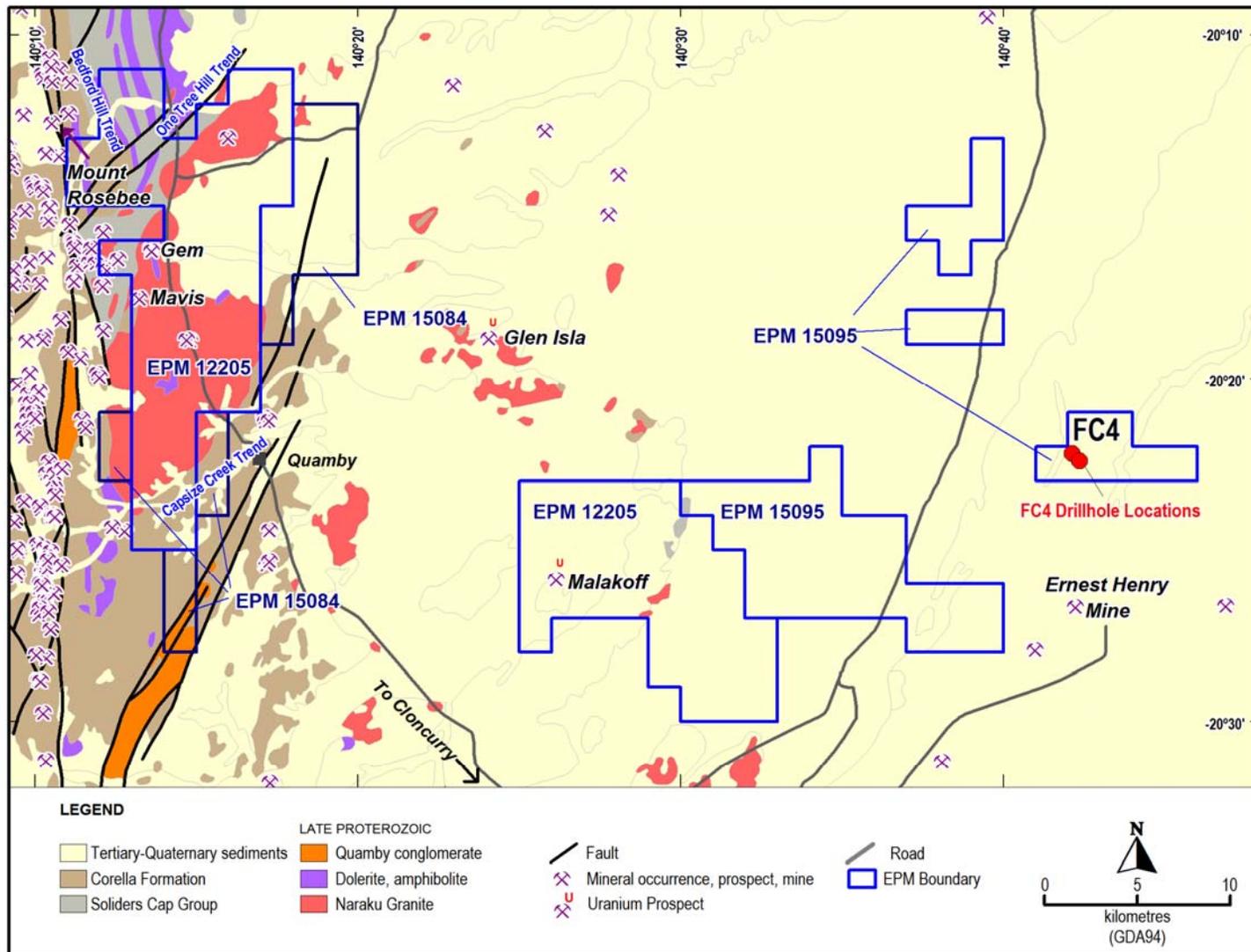
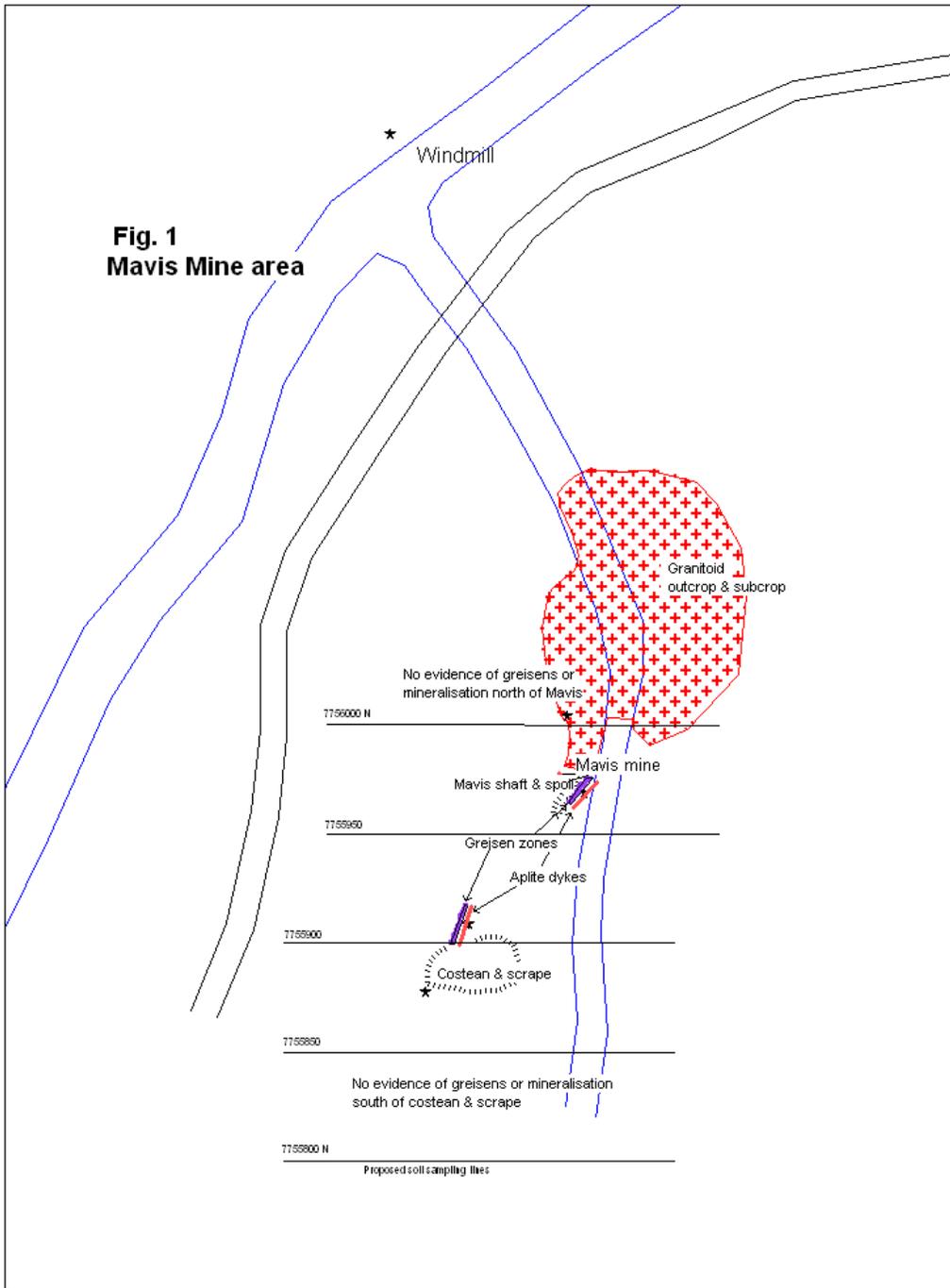
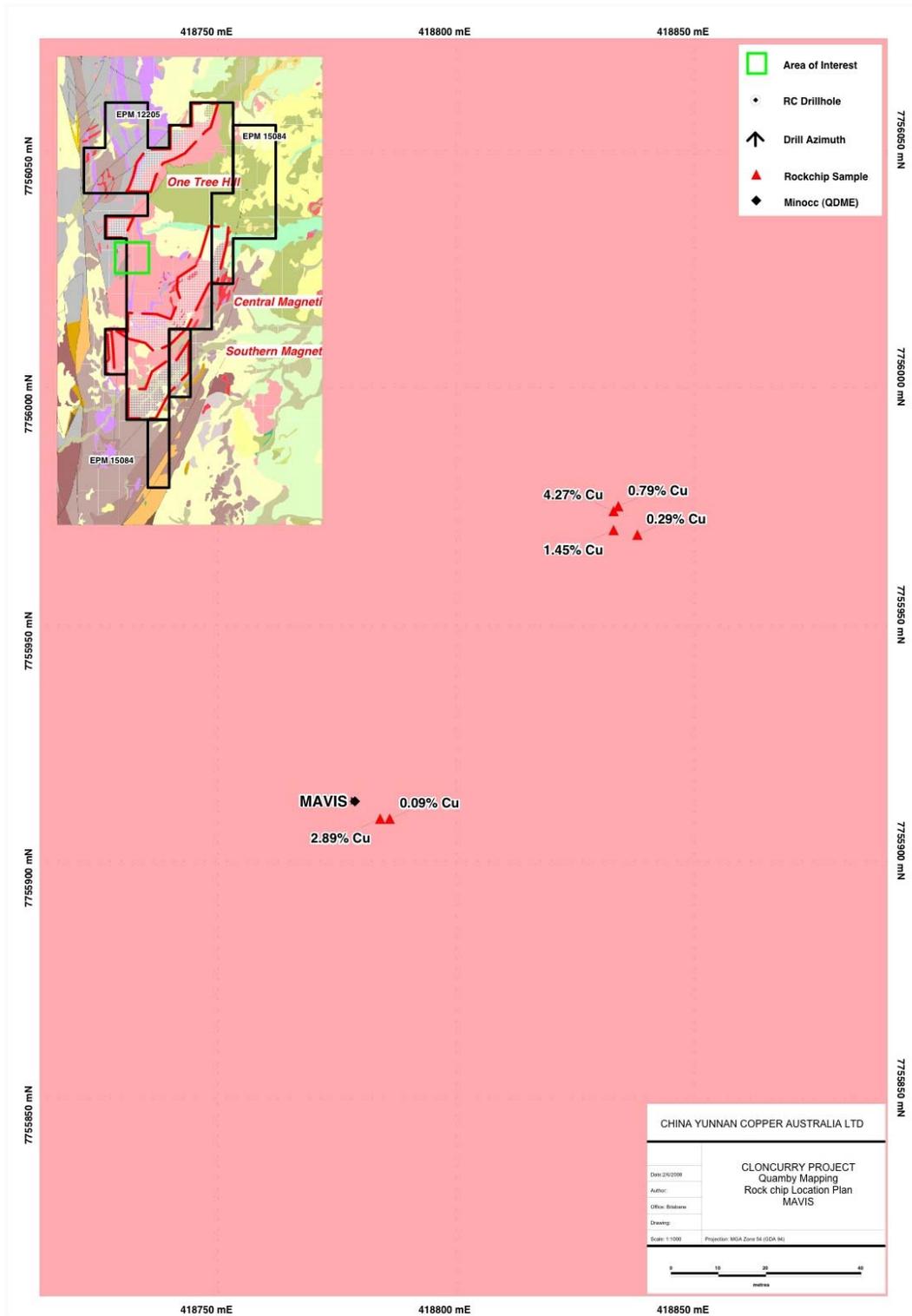


Figure 2. Numerous untested prospects throughout the Cloncurry Project.



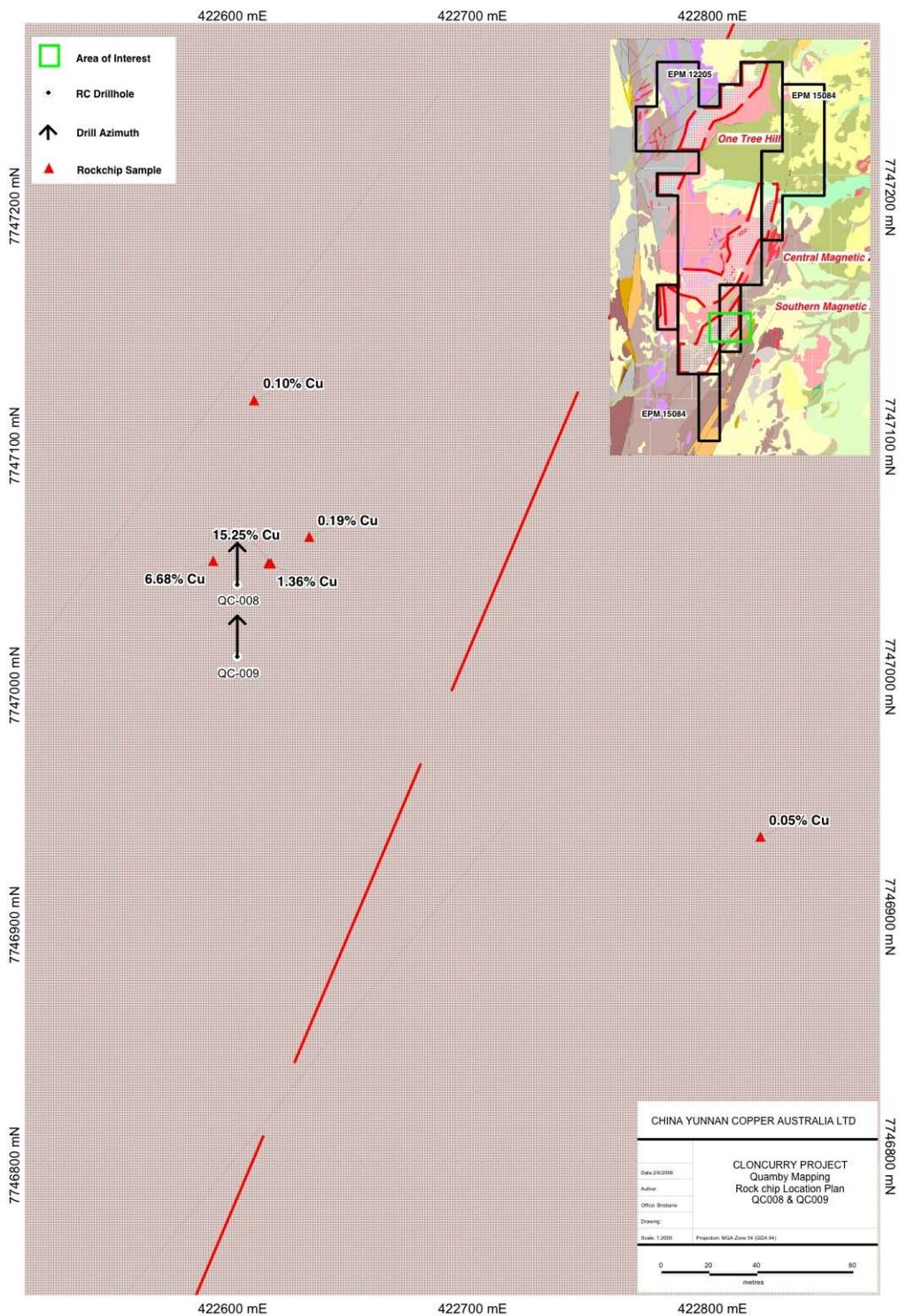
**Figure 3. Mavis copper-gold prospect showing significant rock sampling results**



**Figure 4. Sampling Location Map around the granite and sediment hosted Mavis workings.**



Figure 5. Sampling around the northern sector of EPM12205.



**Figure 6. Sampling on EPM15084 along the Capsize Creek trend.**