

**Investor Update –  
Results and Growth Strategy**  
May 2009

**Jason Beckton – Managing Director**

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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 styles of mineralisation and type of deposits 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.



# Agenda



- Our Partnership
- CYU – The Company
- Board and Management
- Existing CYU Projects
- Gem Discovery
- New Project Pipeline
- Why invest in CYU ?

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# CYU – The Company



## Copper and Gold focus

Price	A\$0.17
ASX code	CYU
Shares issued	77.6M
Options	18.4M
Market Cap.	A\$13.2M
Cash	A\$2.4M
Listed	29 October '07

### MAJOR SHAREHOLDERS

China Yunnan Copper (Australia) Development Co.	21.7%
Norm Zillman	10.3%
Elliott Nominees Pty Ltd	9.0%



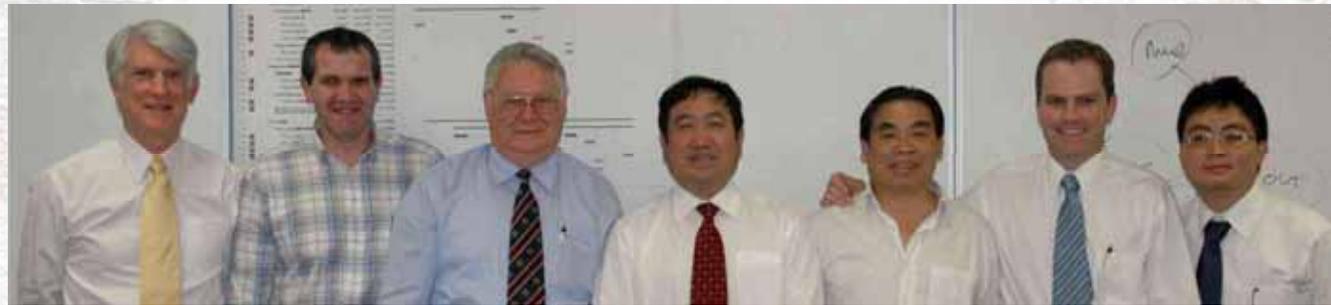
Top 20 shareholders hold 86% (as at 18<sup>th</sup> May '09)



# CYU Board and Management



An experienced team of resource project developers



Mark Elliott  
Non-Executive  
Director,  
Brisbane.

Paul Marshall  
Company  
Secretary,  
Brisbane.

Norm Zillman  
Non-Executive  
Co-Chairman,  
Brisbane.

Chao Yang  
Non-Executive  
Co-Chairman,  
Beijing.

Liang Zhong  
Non-Executive  
Director,  
Kunming.

Jason Beckton  
Managing  
Director,  
Brisbane.

Zewen Yang  
Executive  
Director,  
Sydney.

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# C Y U Board and Management



## *Management – Proven International Discovery and Development Record*

- Richard Hatcher – Senior Geologist – San Anton Mexico, Palmarejo Mexico, Roseby Cloncurry.
- Jim Cran – Senior Geologist – Biely Vrch Slovakia, Tolukuma PNG, Sappes Greece.
- David Sims – Field Manager – Sunrise Dam and Wallaby WA, Namosi Fiji
- Lucy Wu – Administration – Mining Dept Hubei Province, PNG and Mt Isa experience.

# Cornerstone Investor – Yunnan

## Yunnan's Mines

- 6 mines in production
- 3 mines in development
- Most are IOCG Style

## Chinese Production 07

- 426,000 t copper cathode
- 660 t silver
- 10 t gold
- 12,000 employees
- Revenue US \$5.88 billion

## Elsewhere

- Zambia
- Laos
- Phillipines



# Australian Target Style – IOCG

## Copper Deposits

- Major
- Other

## Early Proterozoic

- Basin
- Block

## Archaean

- Basin
- Gneiss complex
- Block

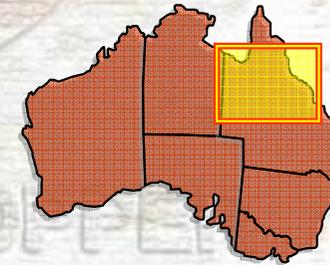


# CYU's Existing Projects



## Projects & Targets

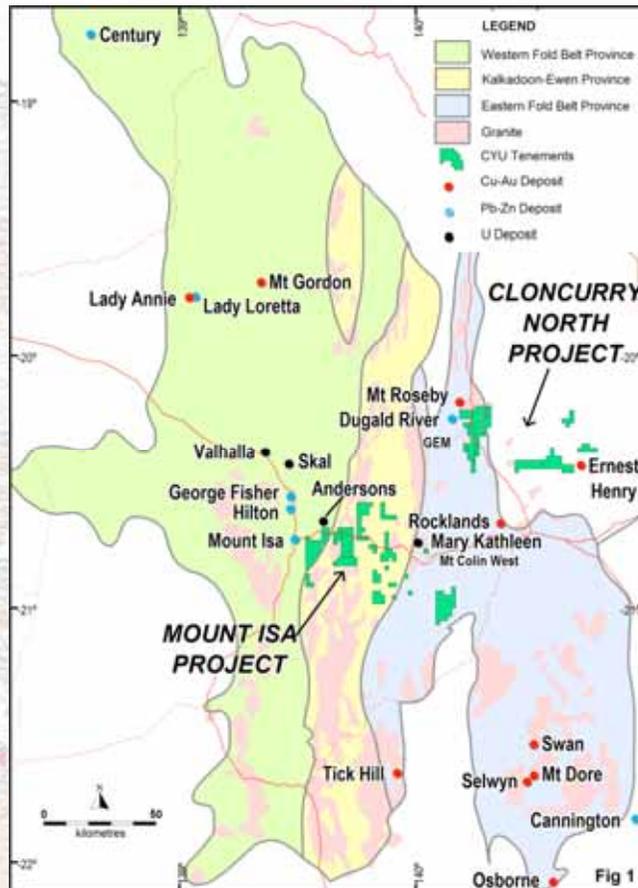
1. Cloncurry – Cu, Au, U
2. Mt Isa – Cu, Au, U
3. Pentland – Au, U
4. Ravenswood – Au
5. Clermont – Au



Total area of tenements ~ 1,800 km<sup>2</sup>

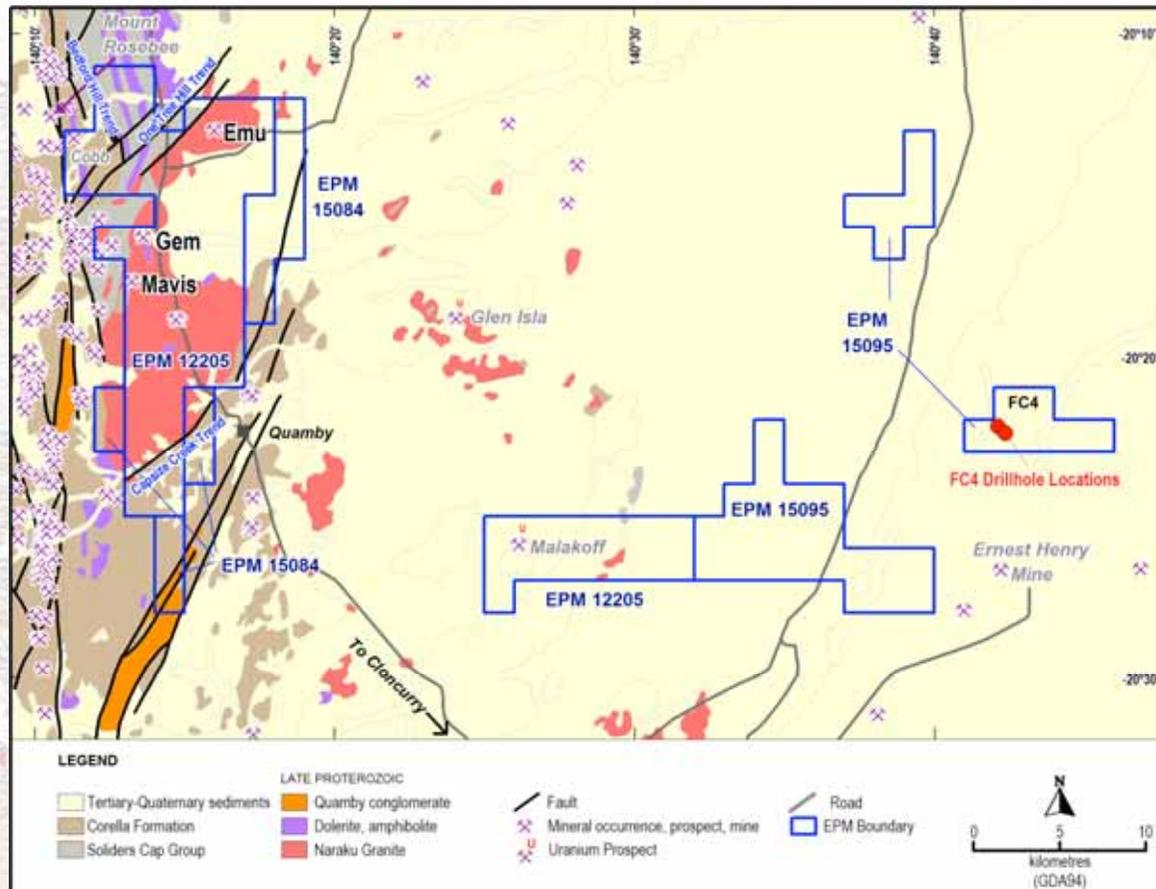


# Mt Isa – Cloncurry



- Mt Isa  
255 Mt @ 3.3% Cu
- Mt Isa  
90 Mt @ 7% Pb, 6% Zn
- George Fisher  
108 Mt @ 11% Zn, 5% Pb
- Ernest Henry  
167 Mt @ 1% Cu, 0.5g/t Au
- Cannington  
44 Mt @ 11% Pb,  
and 4% Zn, 540g/t Ag
- Mary Kathleen  
9.5 Mt @ 1.3 kg/t U<sub>3</sub>O<sub>8</sub>

# Cloncurry Exploration Success



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## Cu Au Discovery - Gem



•Hole GR-003 results include 38m @ 1.25% copper and 0.20g/t gold from 33m, including 22m @ 1.96% copper and 0.29g/t gold from 45m.

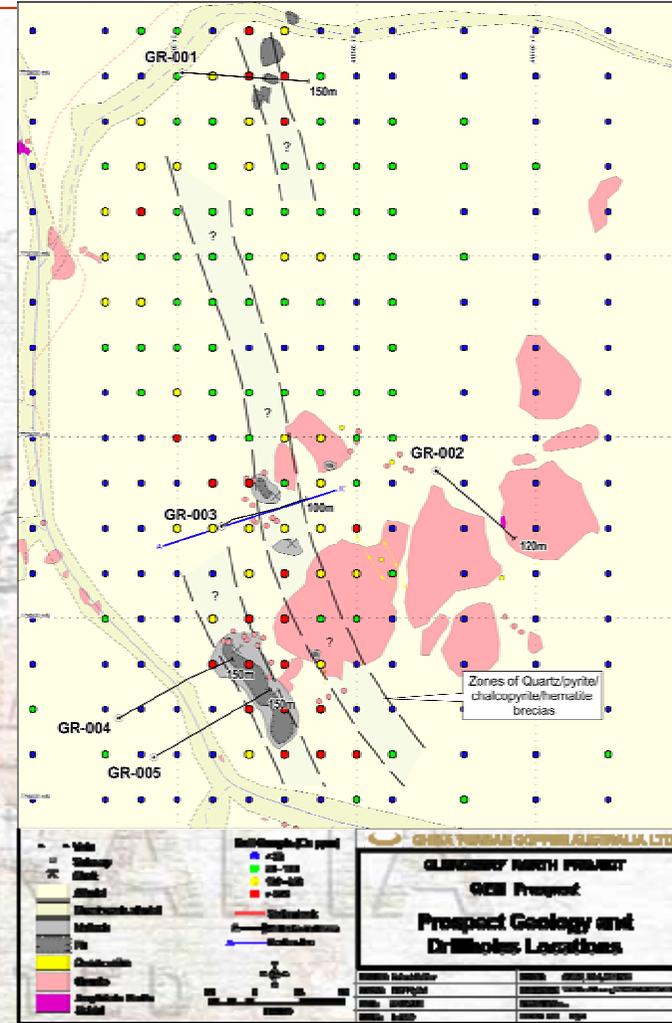
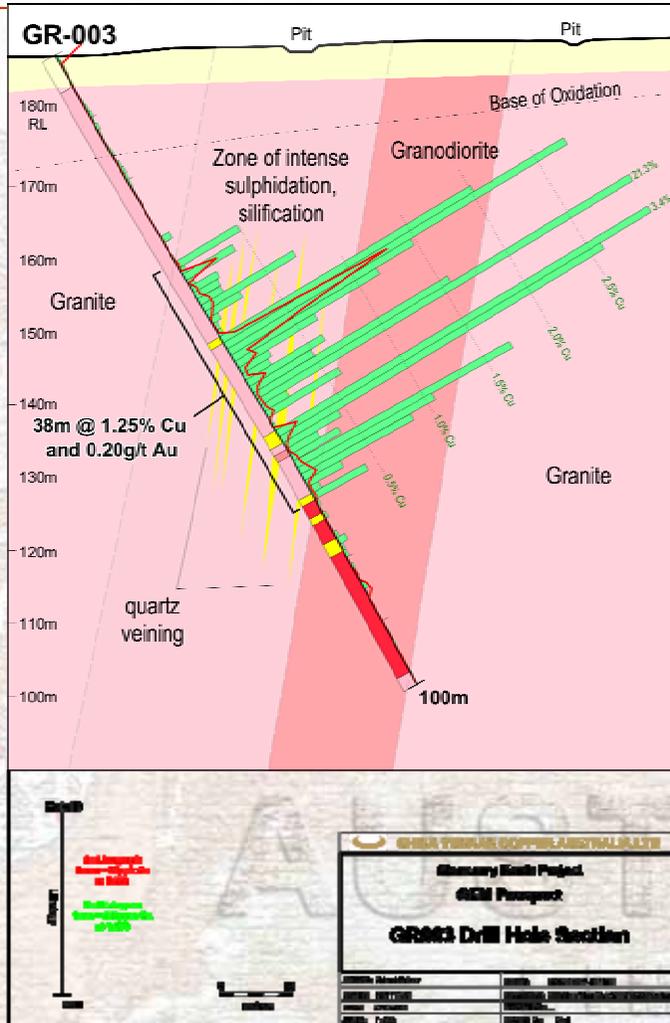
•Drilling completed at the Gem Prospect, Cloncurry North Project with the results from the first of five holes now received.

•Possible commercial implications, depth and width characteristics favourable.

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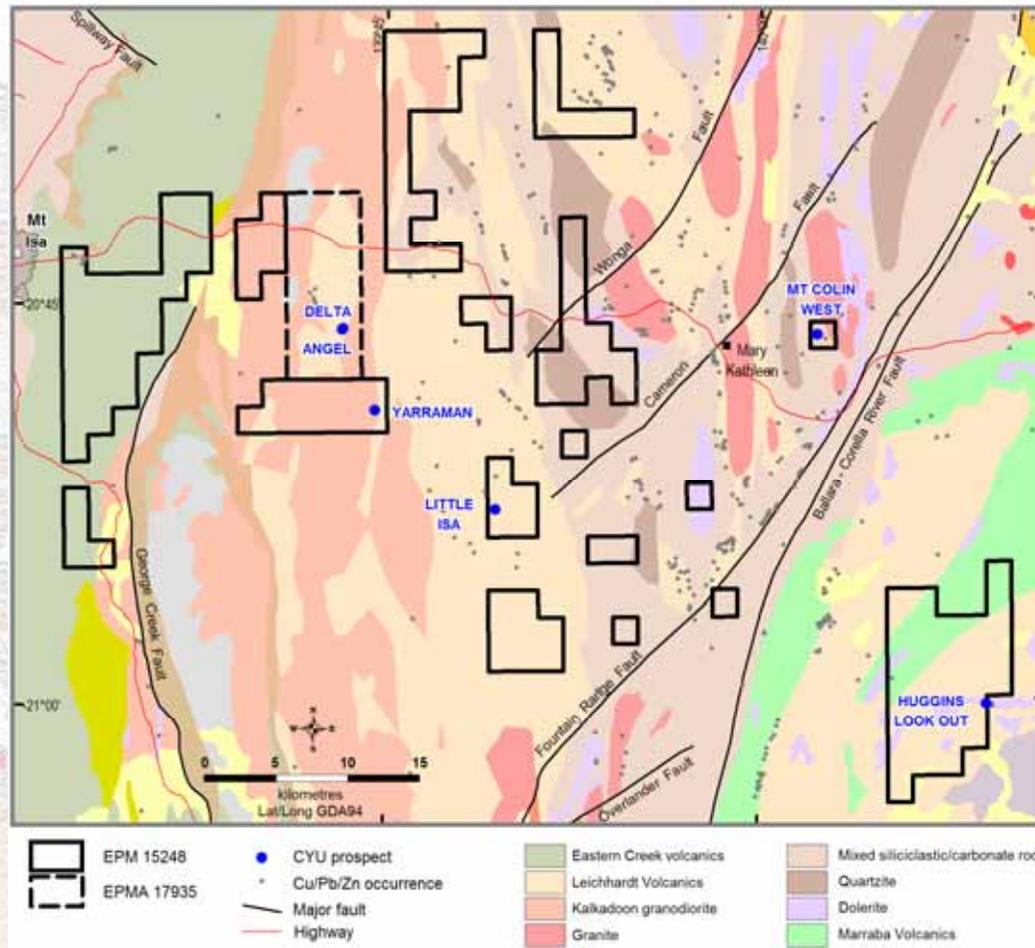
# Cu Au Discovery - Gem



# Cu Au Discovery - Gem



# Mt Isa – Prospects Drilled



# North East Qld – High Grade Results



## Major Deposits

### Charters Towers

- 7.1 Moz Au
- 6.5 Mt @ 34g/t Au

### Kidston

- 3.3 Moz Au
- >80 Mt @ 1.3g/t Au

### Pajingo

- 3.0 Moz Au
- >7 Mt @ 13.4g/t Au

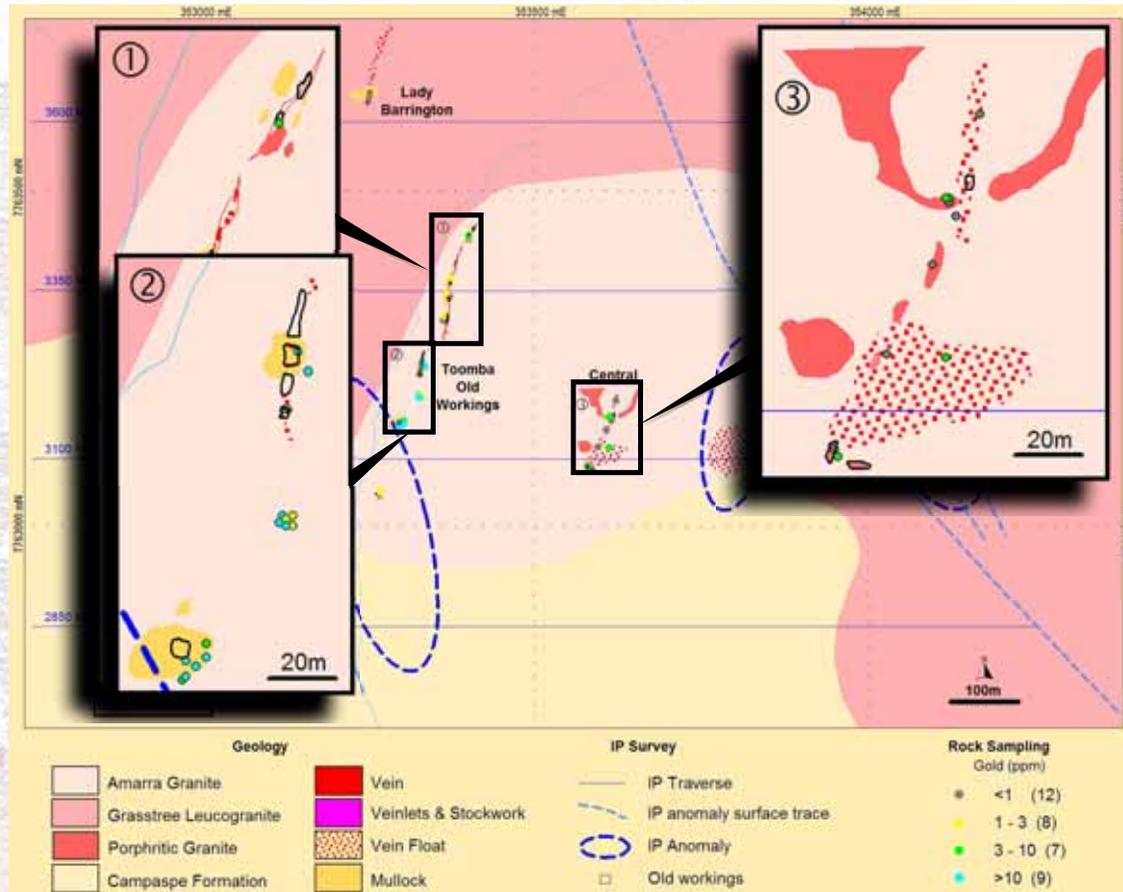
### Mt Leyshon

- 1.8 Moz Au
- >48 Mt @ 1.3g/t Au

### Thalanga

- 6.4 Mt @ 12.3% Zn and 2.2% Cu

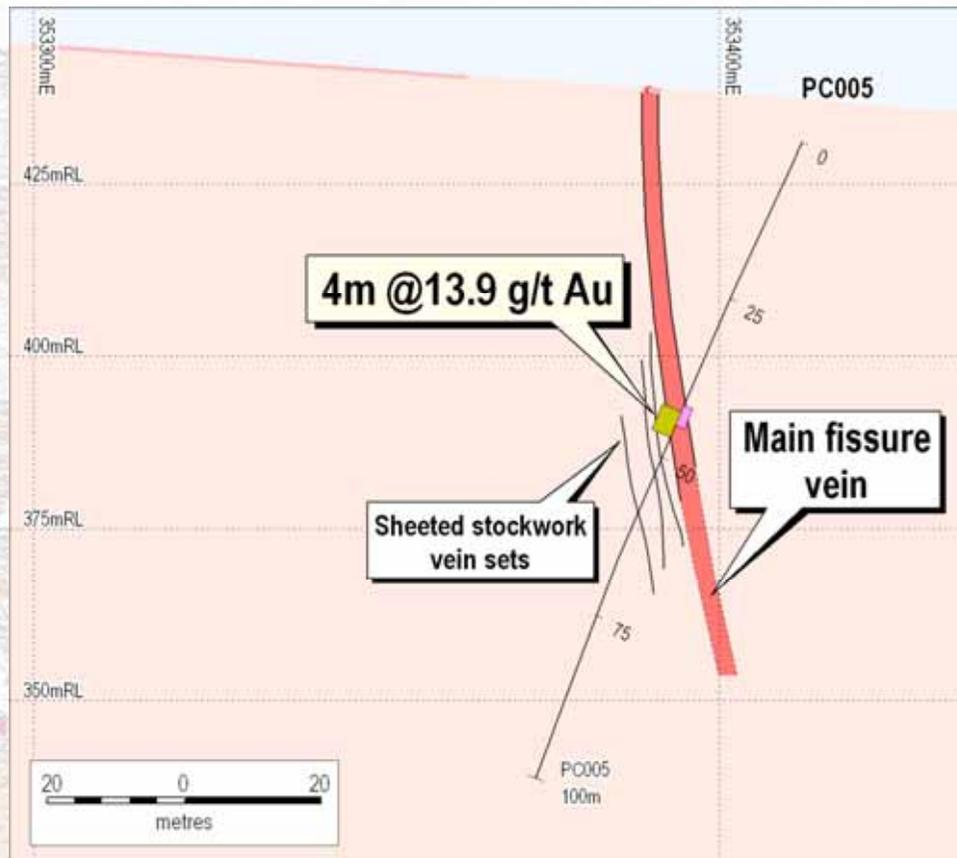
# Toomba (36 samples average 7.2 g/t Au)



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# Toomba, gold, mesothermal structure

– deeper IRG target remaining



## Project Generation, Latin American Example



- Utilising existing contacts in Latin America to generate projects.
- Target medium (50Mt) to large (>100Mt) copper deposits at feasibility stage.
- CYU shareholders to benefit directly from any potential transactions.



## Yunnan Group's long term goals



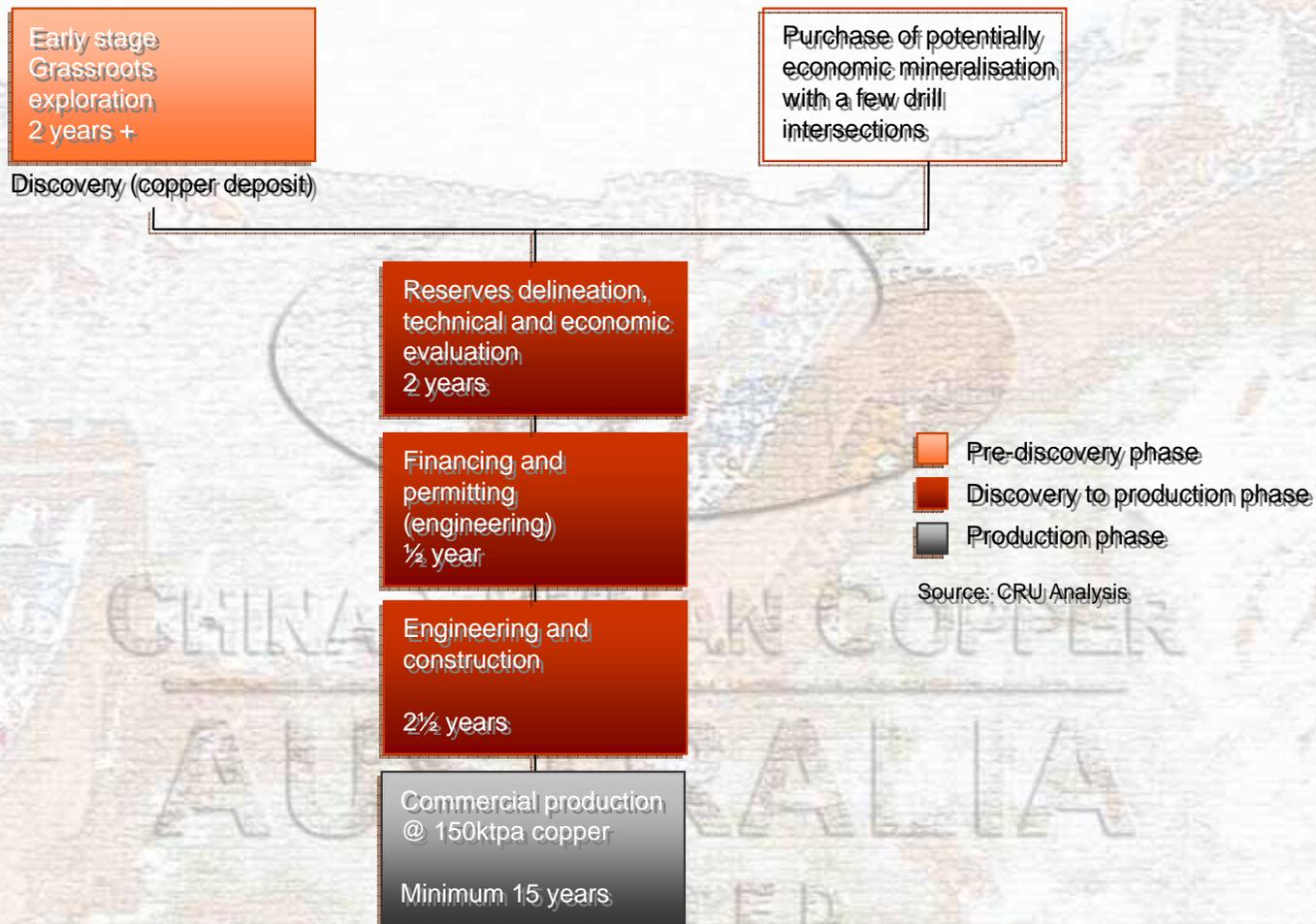
Clear goals ensure a sound strategy

- Copper resources/reserves: 10 Mt
- Copper cathode output: 500 kt pa
- Copper-in-concentrate output: 300 kt pa
- Annual further processed output: 300 kt
- Projects should have minimum 800 kt fine copper in situ or potential to deliver this target and more
- Same work is applied in terms of time to small projects as to large – money can be found and even replaced, time cannot.

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# Discovery to Production – 7 years



## A partnership with a competitive edge



### Yunnan provides;

- Access to project finance
- Access to Chinese equipment
- Operational expertise

### CYU provides;

- Focus on copper and gold
- Exploration and operational success
- Introductions to projects
- Robust due diligence
- Potential concentrate delivery

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# Strategic Relationship



Chinalco

49%

Yunnan Copper Industry Group  
(YCI)

22%

China Yunnan Copper Australia  
(ASX:CYU)



# Why Invest in CYU?



Exploration success in Mt Isa/Cloncurry District, discovery is best value driver.

## Parallel project generation effort

- Copper cash cost of < \$US1.00/lb
- Open pit/low strip ratio preference
- Mining friendly jurisdictions

## Unique blend of opportunity

- global financial crisis
- proven expertise in discovery
- financial resources

Aim is to achieve consistent resource base growth to underpin future production goals



Xie Xie – Thank you



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