



Chinalco Yunnan Copper Resources Limited

ABN 29 070 859 522

FINANCIAL REPORT

**FOR THE HALF-YEAR ENDED
31 DECEMBER 2012**

CORPORATE DIRECTORY

Board of Directors

Mr Zhihua Yao (Chairman)
Jason Beckton (Non-Executive Director)
Zewen Yang (Executive Director)
Richard Hatcher (Executive Director)

Company Secretary

Paul Marshall

Registered Office Level 5 10 Market Street Brisbane QLD 4000 Telephone: 07 3212 6204 Facsimile: 07 3212 6250 Email: admin@cycal.com.au Website: www.cycal.com.au	Solicitors Hopgood Ganim Lawyers Level 8 Waterfront Place 1 Eagle Street Brisbane QLD 4000 Brisbane QLD 4000 Telephone: (07) 3024 0000 Facsimile: (07) 3024 0300 Website: www.hopgoodganim.com.au
Auditors KPMG 10 Shelley Street Sydney NSW 2000 Telephone: 02 9335 7000 Fax: 02 9335 7001 Website: www.kpmg.com.au	Share Registry Link Market Services Limited Level 19 324 Queen Street Brisbane QLD 4000 Telephone: 1300 554 474 Facsimile: 02 9287 0303 Website: www.linkmarketservices.com.au

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DIRECTORS' REPORT

Your directors present their report on Chinalco Yunnan Copper Resources Limited for the half-year ended 31 December 2012.

DIRECTORS

The following persons were directors of Chinalco Yunnan Copper Resources Limited ('CYU' or 'the Company') during the whole of the half-year and up to the date of this report, unless stated:

Zhijia Yao	(Chairman)
Jason Beckton	(Non-Executive Director)
Zewen (Robert) Yang	(Executive Director)
Richard Hatcher	(Executive Director, appointed 12 December 2012)
Norman Zillman	(Former Co-Chairman, resigned 12 December 2012)

On 1 February 2013, the Company announced the appointment of Mr Paul Williams as Managing Director. Mr Williams will commence employment with the Company on 6 March 2013.

REVIEW OF OPERATIONS

For the half-year ended 31 December 2012 the Company and its Controlled Entities ('Consolidated Entity') made a loss of \$5,192,041 (2011: \$807,689). Included in the loss are impairment charges totaling \$3,777,567 relating to the Candelabro and Caramasa prospects in Chile.

CYU has continued its two pronged strategy of project generation/acquisition and exploration of current projects that comprise prospective projects in the Mt Isa area in Queensland Australia, in Chile and in Northern Laos.

Australia

CYU continues to advance its projects in northwest Queensland with metallurgical testwork commencing at its Elaine copper-gold resource. The Elaine JORC Inferred resource of 27.7 Million tonnes with a contained metal content of 147,000 tonnes of copper and 75,000 ounces of gold was defined in 2012. The current program for Elaine will include follow up of metallurgical testwork and further resource definition and strike extension.

Additional regional field programs commenced during the half year period. These programs are targeting the Mary Kathleen Shear Zone, 1 kilometre southeast of Elaine in the Elaine 2 area and ~1 kilometre to the northwest of Elaine at the Blue Caesar prospect. Drill target generation is underway with drilling of these targets in the first half of 2013.

Chile

Exploration initiatives during the half year period focused on large scale porphyry copper exploration.

Drill operations were completed at the Candelabro and Caramasa prospects. Due to disappointing drill results, the Company decided to impair the exploration costs to date on these two projects. However, extensive data review of the drill data collected from these programs has cumulated in production of 3D exploration deposition models which will assist in a review for any potential further drill targets.

Site access and permitting was also finalised during the period at Palmani, Sulfato and Humito with preparations for deep 3D IP/MT geophysical programs at each site to be undertaken during first half 2013.

Laos

Limited fieldwork, including geological mapping and track clearing at Xinzhai, was undertaken during the half year period. Data compilation and analysis was undertaken reviewing base and precious metals anomalies defined by electrical geophysics, trenches and underground adit sampling and the diamond drill programs at the Xinzhai (1 hole) and Jiuzhai (3 holes) projects completed earlier in 2012.

Competent Person's Statement

The information regarding to Exploration Activities in this report that relates to all prospects and to the Elaine Inferred Resource (EPM 14022) is based on information compiled by Mr Richard Hatcher, who is a Member of the Australian Institute of Geologists and is an Executive Director of Chinalco 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.

FUNDING ARRANGMENTS

The Company is reliant on future successful capital raisings to realise the benefits of the capitalised exploration costs. Based on the success of prior capital raisings and the progress with current projects, the Directors are confident of securing funds if and when necessary to meet the Company's obligations as and when they fall due.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

On 28 January 2011, the Company entered into an agreement with Yunnan Copper Industry (Group) Co Ltd (YCI) to acquire up to 51% equity interest in Yunnan Copper San Mu Mining Industry Co Ltd (San Mu), a Chinese registered company holding subsidiaries that own copper silver projects in Northern Laos.

The acquisition occurred in three stages over a 12 month period. On 14 December 2012, the Company acquired its final 10% equity interest for the AUD\$ equivalent of RMB6,000,000. The Company has a registered interest of 51% in San Mu at 31 December 2012.

From 14 December 2012, the Company is deemed to control San Mu. The Company has a majority equity interest in Sanmu and is represented by three of the five directors on San Mu's Board.

On 14 December 2012 the Company's investment in San Mu was reclassified from an equity-accounted investee to a subsidiary of the Consolidated Group.

Refer to Notes 3 and 4 for further details.

EVENTS AFTER BALANCE SHEET DATE

On 1 February 2013, the Company announced the appointment of Mr Paul Williams as Managing Director. Mr Williams will commence employment with the Company on 6 March 2013.

There have been no other events since 31 December 2012 that impact upon the financial report.

AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 6 and forms part of the Director's report for the half-year ended 31 December 2012.

Signed in accordance with a resolution of the directors.



Richard Hatcher
Director
5 March 2013



Lead Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

To: the directors of Chinalco Yunnan Copper Resources Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2012 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

KPMG

Mark Epper
Partner

Sydney
5 March 2013

**Consolidated Statement of Comprehensive Income
 For the half-year ended 31 December 2012**

	Note	Half-Year Ended 31 December 2012 \$	2011 \$
Interest revenue		22,983	198,243
Employment and consultancy expenses		(526,547)	(485,557)
Depreciation expense		(44,926)	(51,392)
Finance costs		(181)	(1,477)
Impairment of exploration expenditure	8	(3,777,567)	(192,044)
Project generation expenditure		(19,020)	(85,427)
Administration expenses		(800,308)	(614,439)
Share of equity accounted associate's profit/(loss)	3	(46,475)	424,404
Loss before income tax		(5,192,041)	(807,689)
Income tax expense		-	-
Loss after income tax		(5,192,041)	(807,689)
Other comprehensive loss			
<u>Items that subsequently may be reclassified to profit or loss</u>			
Foreign currency translation differences for foreign operations		(93,912)	31,113
Other comprehensive loss for the period, net of tax		(93,912)	31,113
Total comprehensive loss for the period		(5,285,953)	(776,576)
Loss after income tax attributable to:			
Owners of the Parent Entity		(5,158,263)	(807,689)
Non-Controlling Interest		(33,778)	-
		(5,192,041)	(807,689)
Total comprehensive income attributable to:			
Owners of the Parent Entity		(5,266,921)	(776,576)
Non-Controlling Interest		(19,032)	-
		(5,285,953)	(776,576)
		Cents	Cents
Earnings per share			
Basic loss per share		(2.74)	(0.47)
Diluted loss per share		(2.74)	(0.47)

The Consolidated Statement of Comprehensive Income should be read in conjunction with the Notes to the Consolidated Financial Statements.

**Consolidated Balance Sheet
 As at 31 December 2012**

	Note	31 December 2012 \$	30 June 2012 \$
CURRENT ASSETS			
Cash and cash equivalents		6,829,957	2,061,499
Trade and other receivables		486,151	541,972
Financial assets		1,091	1,091
Other current assets		48,984	36,718
TOTAL CURRENT ASSETS		7,366,183	2,641,280
NON-CURRENT ASSETS			
Other receivables		80,040	61,052
Plant and equipment		414,610	261,628
Exploration expenditure		15,122,353	12,193,250
Investments in equity-accounted investee	3	-	2,105,560
TOTAL NON-CURRENT ASSETS		15,617,003	14,261,490
TOTAL ASSETS		22,983,186	17,262,770
CURRENT LIABILITIES			
Trade and other payables		1,734,034	1,001,749
Interest bearing liabilities		-	7,345
Short-term provisions		58,418	55,236
TOTAL CURRENT LIABILITIES		1,792,452	1,064,330
TOTAL LIABILITIES		1,792,452	1,064,330
NET ASSETS		21,190,734	16,198,440
EQUITY			
Share capital	2	32,617,196	25,206,229
Reserves		355,951	444,072
Accumulated losses		(14,610,124)	(9,451,861)
TOTAL EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT ENTITY		18,363,023	16,198,440
Non-controlling interest		2,827,711	-
TOTAL EQUITY		21,190,734	16,198,440

The Consolidated Balance Sheet should be read in conjunction with the Notes to the Consolidated Financial Statements.

**Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2012**

Consolidated Entity	Share Capital \$	Reserves \$	Accumulated Losses \$	Total Parent Equity \$	Non-Controlling Interest \$	Total Equity \$
Balance at 1 July 2011	25,169,630	280,970	(6,557,522)	18,893,078	-	18,893,078
Transactions with owners in their capacity as owners						
Issue of share capital	-	-	-	-	-	-
Recovery of share issue costs*	36,599	-	-	36,599	-	36,599
Share-based payment expense	-	62,393	-	62,393	-	62,393
Comprehensive income						
Loss after income tax	-	-	(807,689)	(807,689)	-	(807,689)
Other comprehensive income	-	31,113	-	31,113	-	31,113
Balance at 31 December 2011	25,206,229	374,476	(7,365,211)	18,215,494	-	18,215,494
Balance at 1 July 2012	25,206,229	444,072	(9,451,861)	16,198,440	-	16,198,440
Transactions with owners in their capacity as owners						
Issue of share capital	7,463,588	-	-	7,463,588	-	7,463,588
Share issue costs	(52,621)	-	-	(52,621)	-	(52,621)
Share-based payment expense	-	20,537	-	20,537	-	20,537
Comprehensive income						
Loss after income tax	-	-	(5,158,263)	(5,158,263)	(33,778)	(5,192,041)
Other comprehensive income	-	(108,658)	-	(108,658)	14,746	(93,912)
Initial recognition of non-controlling interest on acquisition	-	-	-	-	2,846,743	2,846,743
Balance at 31 December 2012	32,617,196	355,951	(14,610,124)	18,363,023	2,827,711	21,190,734

* Represents GST recovered on capital raising costs incurred in the 2010 financial year.

The Consolidated Statement of Changes in Equity should be read in conjunction with the Notes to the Consolidated Financial Statements.

**Consolidated Cash Flow Statement
For the half-year ended 31 December 2012**

	Note	Half-Year Ended 31 December 2012 \$	2011 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,299,883)	(1,180,758)
Interest received		12,915	186,986
Interest paid		(181)	(1,477)
Net cash used in operating activities		(1,287,149)	(995,249)
CASH FLOWS FROM INVESTING ACTIVITIES			
Security deposit refunds/(payments)		(4,920)	(15,441)
Proceeds from the disposal of plant & equipment		2,540	-
Payments for plant & equipment		-	(103,788)
Acquisition of an equity accounted investee		-	(919,222)
Net inflow of cash on acquisition of subsidiary	4	810,476	-
Payments for exploration and evaluation		(2,472,014)	(2,828,054)
Exploration expenditure amounts reimbursed by joint venture partners		350,895	-
Net cash used in investing activities		(1,313,023)	(3,127,828)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		7,463,588	-
Capital raising costs refunded/(paid)		(52,621)	36,599
Receipts from finance lease receivable		13,733	8,405
Payment of finance leases payables		(7,345)	(11,023)
Net cash provided by financing activities		7,417,355	33,981
Net increase/(decrease) in cash and cash equivalents		4,817,183	(4,089,096)
Net foreign exchange differences		(48,725)	136,484
Cash and cash equivalents at the beginning of the period		2,061,499	11,545,523
Cash and cash equivalents at the end of the period		6,829,957	7,592,911

The Consolidated Cash Flow Statement should be read in conjunction with the Notes to the Consolidated Financial Statements.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The consolidated half-year financial report of the Company as at and for the six months ended 31 December 2012, covers the Consolidated Entity of Chinalco Yunnan Copper Resources Limited ("the Company") and its controlled entities (together referred to as the "Consolidated Entity").

Chinalco Yunnan Copper Resources Limited is a listed public company, incorporated and domiciled in Australia.

Statement of Compliance

The consolidated interim financial report is a general purpose financial report which has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The consolidated interim financial report does not include all of the information required for a full annual financial report, and should be read in conjunction with the consolidated annual financial report of the Consolidated Entity as at and for the year ended 30 June 2012.

This consolidated interim financial report was approved by the Board of Directors on 5 March 2013.

Accounting Policies

The accounting policies applied by the Consolidated Entity in the consolidated interim financial report are the same as those applied by the Consolidated Entity in its consolidated financial report as at and for the year ended 30 June 2012.

Estimates

The preparation of interim financial reports requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this consolidated interim financial report, the significant judgments made by management in applying the Consolidated Entity's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2012.

Going Concern

The financial report has been prepared on a going concern basis. The directors are of the opinion that the going concern assessment is appropriate for 12 months after the signing of the financial report based on:

- Existing cash reserves which are expected to be sufficient funding for CYU to meet minimum expenditure requirements for the tenements held and to meet the other company expenditure obligations as and when they fall due;
- The success of prior capital raisings; and
- The potential to farm-out interests in projects.

The Company will be reliant on future successful capital raisings to ultimately realise the benefits of the capitalised exploration costs. The directors are confident of securing funds as and when necessary to meet the Consolidated Entity's exploration and other obligations as and when they fall due.

December
2012
\$

June
2012
\$

NOTE 2 SHARE CAPITAL

Fully paid ordinary shares	32,617,196	25,206,229
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Ordinary Shares

	December 2012 \$	June 2011 \$	December 2012 Number	June 2012 Number
At the beginning of the period	25,206,229	25,169,630	173,358,308	173,358,308
Rights issue ⁽¹⁾	7,463,588	-	74,635,875	-
Share issue expenses	(52,621)	-	-	-
Share issue expenses recovered ⁽²⁾	-	36,599	-	-
At reporting date	32,617,196	25,206,229	247,994,183	173,358,308

⁽¹⁾ A total of 74,635,875 shares were issued during the period through a rights issue at 10 cents per share.

⁽²⁾ Represents GST recovered on capital raising costs incurred in the previous financial year.

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.

NOTE 3 INVESTMENTS IN EQUITY-ACCOUNTED INVESTEE

On 28 January 2011, the Company entered into an agreement with Yunnan Copper Industry (Group) Co Ltd (YCI) to acquire up to 51% equity interest in Yunnan Copper San Mu Mining Industry Co Ltd (San Mu), a Chinese registered company holding subsidiaries that own copper silver projects in Northern Laos.

The acquisition occurred in three stages over a 12 month period. On 14 December 2012, the Company acquired its final 10% equity interest for the AUD\$ equivalent of RMB6,000,000. The Company has a registered interest of 51% in San Mu at 31 December 2012.

From 14 December 2012, the Company is deemed to control San Mu. The Company has a majority equity interest in Sanmu and is represented by three of the five directors on San Mu's Board.

On 14 December 2012 the Company's investment in San Mu was reclassified from an equity-accounted investee to a subsidiary of the Consolidated Group.

Details of the financial information of San Mu from 1 July 2012 to 14 December 2012 are as follows:

Associate	Activity	Ownership Interest %		Share of net profit/(loss)	
		14 Dec 2012	31 Dec 2011	14 Dec 2012 \$	31 Dec 2011 \$
Yunnan Copper San Mu Mining Industry Co Ltd	Mineral Exploration	41.0	25.6	(46,475)	424,404*

* This amount represents the excess of the Consolidated Entity's (CYU) share of the net fair value of San Mu's identifiable assets and liabilities over the cost of the investment. As required by accounting standards, this amount is included as income in the determination of the CYU's share of San Mu's profit or loss for the period under acquisition (from 23 December 2011 to 31 December 2011). San Mu's actual profit for the period from 23 December 2011 to 31 December 2011 was \$Nil.

NOTE 4 BUSINESS COMBINATIONS

On 14 December 2012, the Company acquired an additional 10% of the issued capital Yunnan Copper San Mu Mining Co Ltd (San Mu), a Chinese registered company holding subsidiaries that own copper silver projects in Northern Laos, bringing its interest in San Mu to 51%.

Prior to 14 December 2012, the Company owned 41% of the equity in San Mu and the investment in San Mu was classified as an equity accounted investment (refer Note 3).

Details of the purchase consideration and net assets acquired

	Dec 2012 \$
<u>Purchase consideration</u>	
Cash paid (3 rd tranche of 6,000,000RMB)	903,852
Acquisition-date fair value of previously held equity accounted investment	2,059,085
<u>Total purchase consideration</u>	<u>2,962,937</u>
<u>Fair value of net assets acquired</u>	
Cash and cash equivalents	1,714,328
Trade and other receivables	169,955
Plant and equipment	199,197
Exploration expenditure	4,620,687
Trade and other payables	(894,479)
	5,809,680
Less 49% non-controlling interests	(2,846,743)
<u>Fair value of net assets acquired attributable to owners of the Parent Entity</u>	<u>2,962,937</u>

Non-Controlling Interests

The Consolidated Entity has elected to recognise the non-controlling interests at their proportionate share (49%) of the fair value of the acquiree's identifiable net assets at the acquisition date.

Revenue and Profit Contribution

San Mu contributed \$757 revenue and \$68,935 net loss to the Consolidated Entity for the period 14 December 2012 to 30 June 2012.

If the acquisition had occurred on 1 July 2012, consolidated revenue and consolidated loss for the period ending 31 December 2012 would have been \$10,923 and \$174,890 respectively.

Cashflow impact of purchase consideration

	Dec 2012 \$
Outflow of cash to acquire final 10% interest in San Mu	(903,852)
Cash balances acquired on San Mu's reclassification to subsidiary	1,714,328
<u>Net inflow of cash from acquisition</u>	<u>810,476</u>

NOTE 5 SEGMENT REPORTING

Reportable Segments

The principal geographical areas of operation of the Consolidated Entity are as follows:

- Chile
- Laos
- Australia

Operating segments are identified on the basis of internal reports that are regularly reviewed by the executive team in order to allocate resources to the segment and assess its performance.

Segment Revenues and Results

The following is an analysis of the Consolidated Entity's revenue and results by reportable operating segment for the periods under review.

Half-Year Ended 31 December 2012	Chile \$	Laos \$	Australia \$	Consolidated \$
Revenue:				
Revenue from outside the Consolidated Entity	-	757	22,226	22,983
Segment result	(3,764,163)	(68,935)	(1,312,468)	(5,145,566)
Share of equity accounted associate's loss	-	-	-	(46,475)
Income tax	-	-	-	-
Net Loss				(5,192,041)
Assets:				
Segment assets	1,425,466	6,574,396	14,983,324	22,983,186
Unallocated corporate assets				-
Consolidated Total Assets				22,983,186
Half-Year Ended 31 December 2011	Chile \$	Laos \$	Australia \$	Consolidated \$
Revenue:				
Revenue from outside the Consolidated Entity	-	-	198,243	198,243
Segment result	(307,897)	-	(924,196)	(1,232,093)
Gain on acquisition of equity accounted investment	-	-	-	424,404
Income tax	-	-	-	-
Net Loss				(807,689)
Assets:				
Segment assets	1,892,927	1,343,626	15,745,870	18,982,423
Unallocated corporate assets	-	-	-	-
Consolidated Total Assets				18,982,423

NOTE 6 CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities or contingent assets at 31 December 2012 (2011: Nil).

NOTE 7 EVENTS AFTER BALANCE SHEET DATE

On 1 February 2013, the Company announced the appointment of Mr Paul Williams as Managing Director. Mr Williams will commence employment with the Company on 6 March 2013.

There have been no other events since 31 December 2012 that impact upon the financial report.

NOTE 8 IMPAIRMENT OF EXPLORATION EXPENDITURE

During the half-year, the Consolidated Entity decided to write-off exploration expenditure on the following tenements due to low prospectivity:

	Half-year ended 31 December	
	2012	2011
	\$	\$
EPM 15257 Mary Kathleen	-	134,722
EPM 16393 Waterford	-	57,322
Caramasa - Chile	1,286,320	-
Candelabro - Chile	2,491,247	-
	3,777,567	192,044

DIRECTORS' DECLARATION

In the Directors opinion:

- (a) the attached financial statements and notes as set out on pages 7 to 15 are in accordance with the Corporations Act 2001, including:
 - (i) complying with Australian Equivalents to International Reporting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations; and
 - (ii) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of directors.



Richard Hatcher
Director

5 March 2012



Independent auditor's review report to the members of Chinalco Yunnan Copper Resources Limited

We have reviewed the accompanying half-year financial report of Chinalco Yunnan Copper Resources Limited ("the Company") and its controlled entities ("the Consolidated Entity"), which comprises the consolidated balance sheet as at 31 December 2012, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information and the directors' declaration of the Consolidated Entity comprising the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of Chinalco Yunnan Copper Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Chinalco Yunnan Copper Resources Limited is not in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

Mark Epper
Partner

Sydney

5 March 2013