



ASX/Media Announcement

17th November 2010

MT DOROTHY Copper Cobalt Discovery

Phase 2 diamond drilling commences

China Yunnan Copper Australia Limited (ASX: CYU) announces today commencement of drilling on its **Mount Dorothy prospect**, part of the Mary Kathleen joint venture with **Goldsearch Limited** (ASX: GSE) in Northwest Queensland. The Joint Venture comprises three granted EPM's (EPM's 14019, 14022 and 15257) within the Mount Isa Inlier (**Figure 1**). CYU is currently earning a 70% interest in the area from Goldsearch Limited by spending A\$1.5 million on exploration.

Five (5) diamond drillholes (**Figure 2**) will test a significant sulphide (supergene – chalcocite chalcopyrite) copper – cobalt intersection of **35m @ 1.52% copper and 397ppm cobalt from 17m in MDR002 (Figure 3)**.

Hole ID	East*	North*	RL	Azi**	Dip	Depth	Target
PDT001	380,720	7,694,999	449	278	-60	50	Diamond tail of MDR001
PDT002	380,293	7,695,296	429	160	-60	50	Diamond tail of MDR004
PDH003	380,623	7,695,016	449	119	-75	250	Test down dip MDR002
PDH004	380,650	7,695,058	448	119	-60	250	Test strike extension MDR002
PDH005	380,682	7,695,045	450	225	-60	400	Test orientation of mineralisation

* Datum GDA94 zone 54

** UTM Grid Azimuth

Table 1: Mount Dorothy Prospect proposed diamond drill collar locations

Proposed holes PDT001 and PDT002 are extensions (diamond tails) to the previously drilled RC drillholes of MDR001 and MDR004 respectively. Both these RC drillholes are believed to have been terminated before a primary sulphide zone. PDH003 is planned to target the down dip extension to the significant intersection of MDR002 while PDH004 is planned to step out 50m from MDR002 and test the strike extent of the mineralisation. PDH005 is planned to drill dip of the mineralised zone testing the geometry and continuity of mineralisation. All diamond core is to be orientated and regularly surveyed.

Competent Person's Statement

The information regarding to Exploration Activities in this report that relates to the Mount Dorothy (EPM 14019) and prospect is based on information compiled by Richard Hatcher, who is a Member of the Australian Institute of Geologists and is 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 (YCI), is one of China's largest copper producers. YCI's largest shareholder is Chinalco.

CYU's principle focus is to identify commercial copper sulphide deposits and develop these into profitable mining operations. In addition CYU has goals of resource definition and development for copper oxides, gold and uranium.

Apart from the Mt Dorothy exploration program other current activities include;

- Drilling a known sulphide zone at the Elaine Copper - Rare Earth Element - Uranium prospect, subsequent to the Mount Dorothy program.
- Ground geophysical and mapping programs completed at the Humito Copper Porphyry project in Copiapo district, Chile. This has identified a series of shallow gravel covered magnetic targets which warrant a 2000 metre RC program will be completed in late 2010, early 2011.
- Continued review of projects under Memorandum of Understanding with CYU's cornerstone investor Yunnan Copper Industries (YCI) to undertake regional exploration and project generation work in Yunnan Province, China and Laos.
- Proposed Reverse Circulation drilling in 2011 at Stanley's Hope Gold and the Pentland JV with Activex Ltd, Pentland, North East Queensland.

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See below Figures 1 to 3.

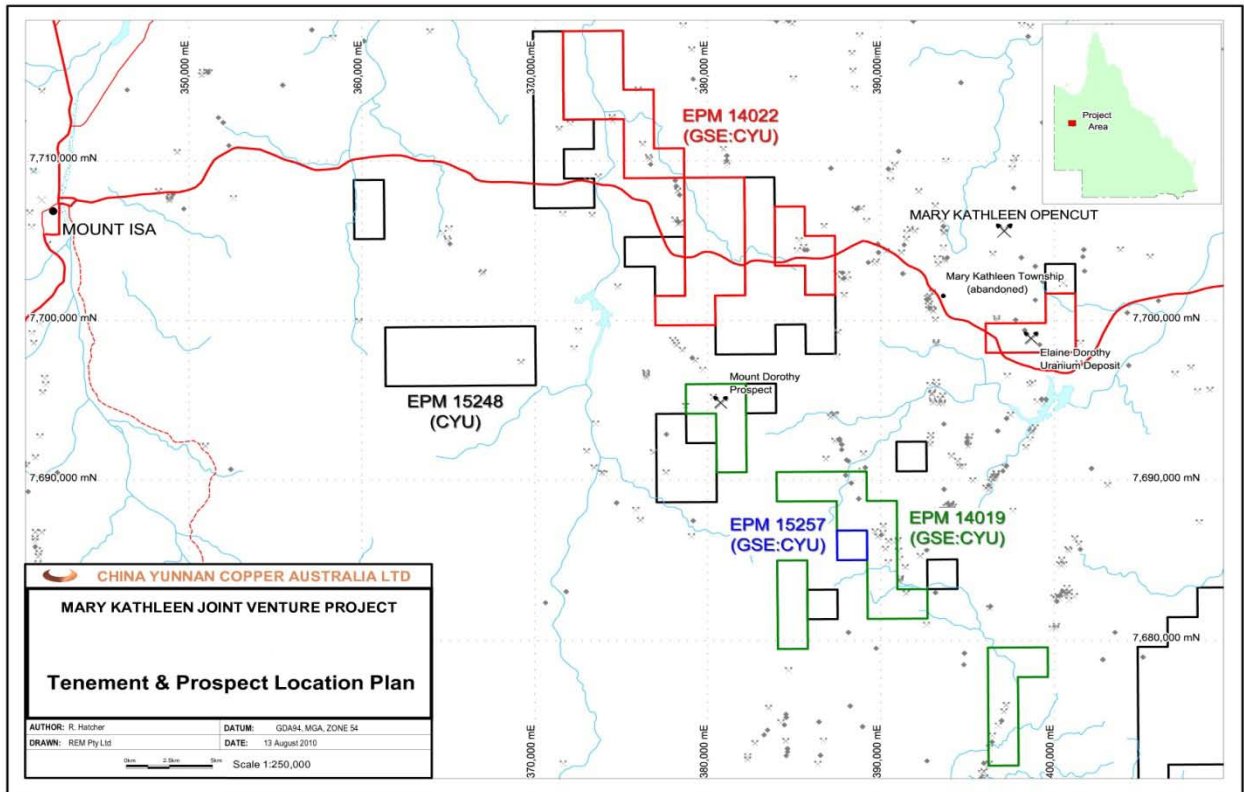


Figure 1: Tenement location plan of Mount Isa Project (CYU 100%) and Goldsearch Limited Joint Venture Project). Mt Dorothy is located approximately 50 kilometres east of Mount Isa.

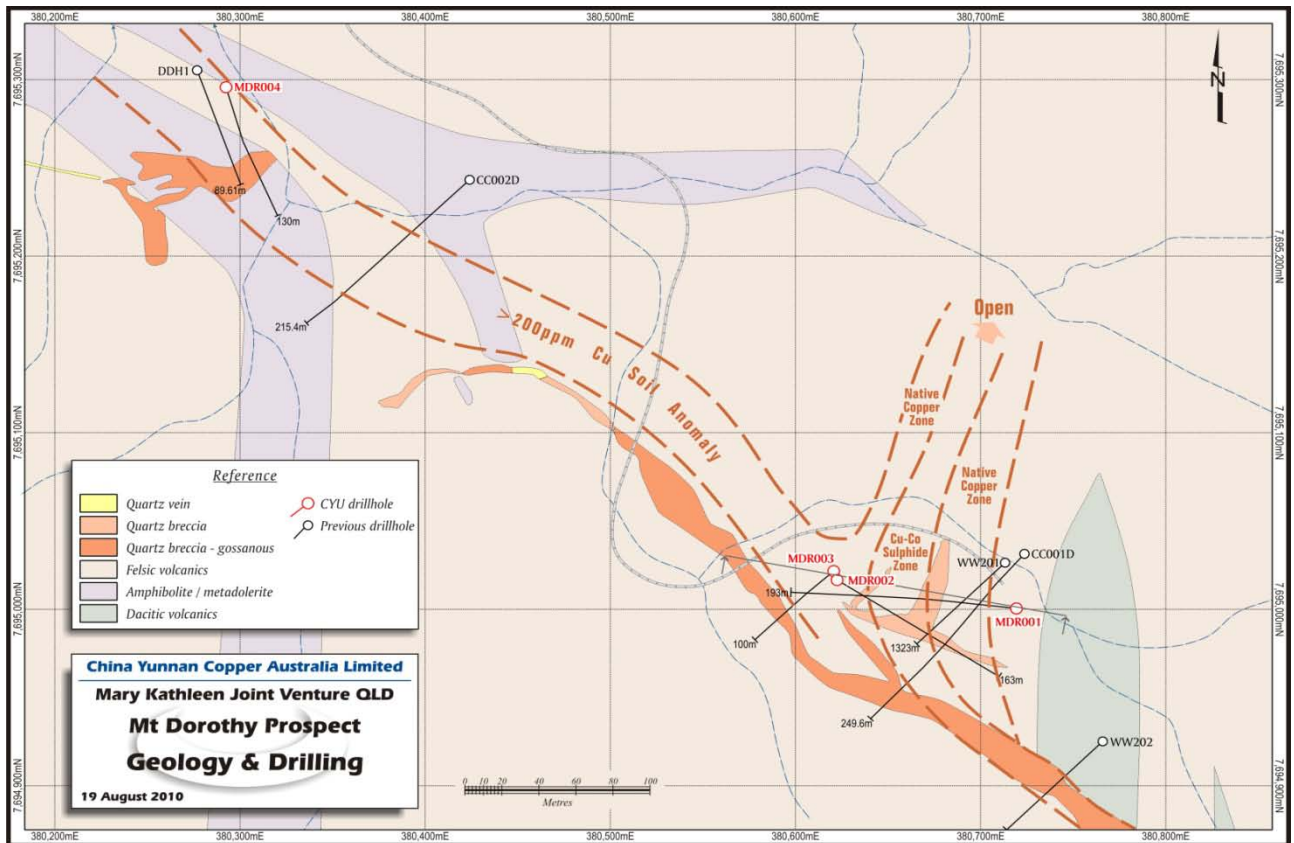


Figure 2: Mount Dorothy – Existing Drillhole Location Map with interpreted mineralised zones.

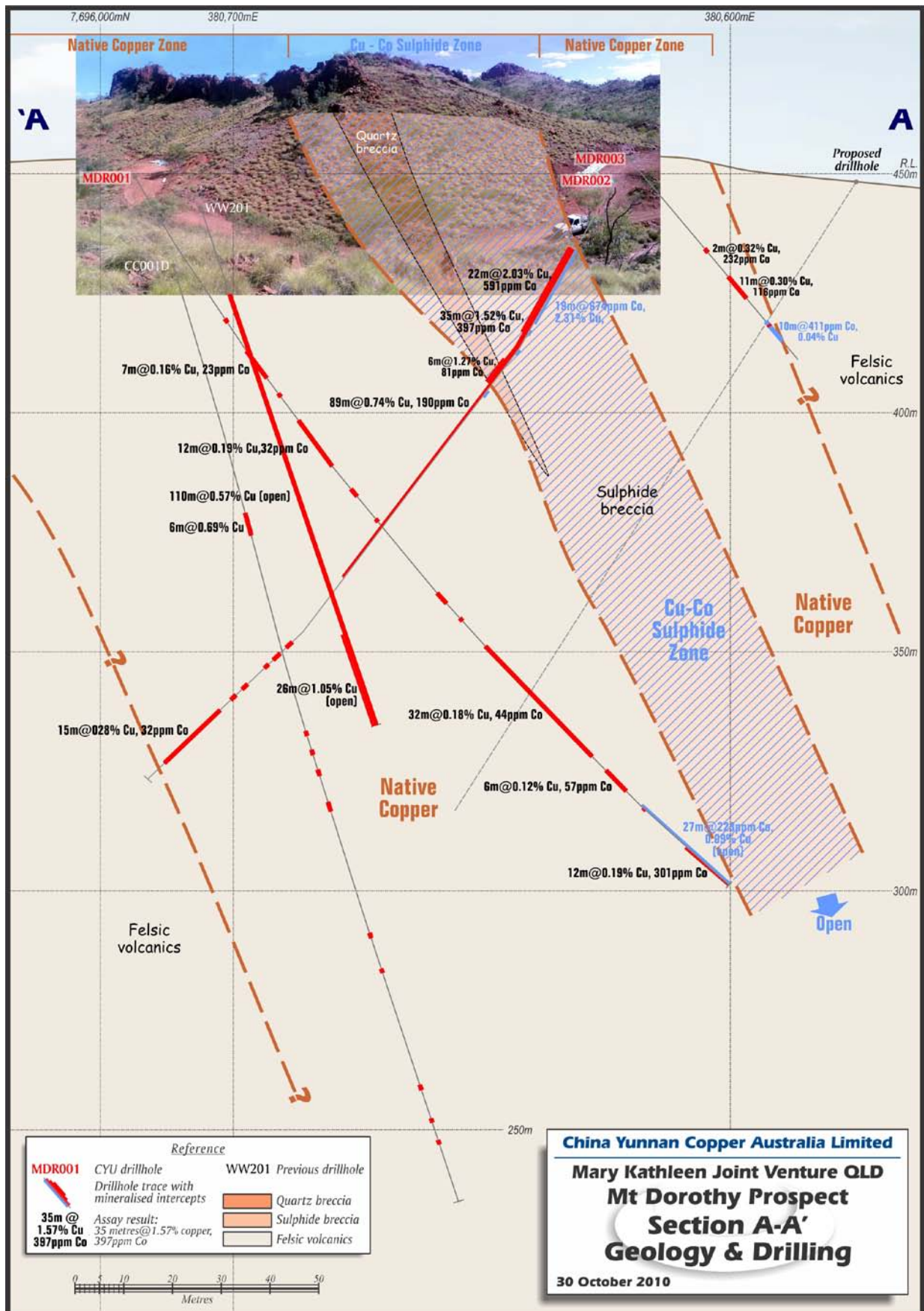


Figure 3. Section draped over outcrop photograph depicting drill pads. The first two diamond holes will test this zone down dip and across strike.