



ASX/Media Announcement

1 February 2013

Chinalco Yunnan Copper Resources Ltd (ASX: CYU)

APPOINTMENT OF NEW MANAGING DIRECTOR

The Board of Chinalco Yunnan Copper Resources Ltd (“CYU” or “Company”) is pleased to announce the appointment of Mr Paul Williams as the new Managing Director, effective early March 2013, following the retirement of Mr Jason Beckton from that role in late 2012.

Mr Williams joins CYU having spent the past few years working in the Coal Division of Mitsui & Co., Ltd acting in a commercial as well as a legal counsel role in respect of Mitsui’s existing Australian coal joint venture interests and worldwide coal business development initiatives. Prior to that, Mr Williams spent 17 years as a commercial lawyer with Brisbane legal firm Hoggood Ganim, and then 2 years as CEO of ASX-listed Eastern Corporation (now known as Galilee Energy Ltd).

Chairman of CYU, Mr Zhihua Yao, said that “CYU is in a very unique position, having two very large Chinese mining companies associated with the Company - Yunnan Copper Group is the largest (43%) shareholder of CYU, and in turn, Aluminium Corporation of China (Chinalco) is the parent company of Yunnan Copper”. “The Board of CYU has been given a clear mandate from its largest shareholder to take an aggressive approach towards acquiring and developing resource projects – both existing and new projects, and not limited to copper minerals”.

“Paul’s commercial experience and knowledge of the mining industry will be important to CYU as it strengthens the management team while at the same time expanding and developing CYU’s mining asset base”, Mr Yao said. “One of his first tasks as the new CYU Managing Director will be to complete the strategic review of CYU’s existing exploration-stage assets and to provide the Board with recommendations about the next phase of their development”.

Mr Williams said that he was privileged to be appointed to a senior management role at a company within the Chinalco/Yunnan Copper group. “I am also looking forward to the challenge of the Managing Director role in a company which has as much future potential as CYU.”.

Mr Williams is also a non-executive Director of Brisbane Lions Football Club and Brisbane Racing Club (owner and operator of the Eagle Farm and Doomben racecourses), and also a founding member of Equine Learning for Futures Inc, a charitable organization based in SE Queensland which provides horse-based workshops and programs for disadvantaged children and youths.

A summary of Mr Williams' remuneration arrangements is set out in Annexure 1.

For additional information, please contact:

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Executive Director

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About CYU

Chinalco Yunnan Copper Resources Ltd ("CYU" or "Company") is a resource exploration and development company with project interests in the Mt Isa region of north Queensland, Chile and northern Laos.

CYU's largest shareholder is China Yunnan Copper (Australia) Investment and Development Co Ltd ("CYC"), owning 43% of the total issued shares in CYU. CYC is a wholly-owned subsidiary of Kunming-based Yunnan Copper Industry (Group) Co Ltd, which is the third largest producer of smelted copper product in China. In turn, Yunnan Copper Group is a subsidiary of Aluminium Corporation of China (Chinalco) which is the largest producer of aluminium product in China and the second largest world-wide.

CYU has offices in Brisbane and in Santiago. The Company is listed on the ASX under the symbol "CYU".

ANNEXURE 1

Remuneration Details – Managing Director

- Annual Base Salary:** A\$300,000 per annum, inclusive of statutory superannuation, subject to an annual review.
- Short Term Incentives:** A one-off payment of A\$50,000, upon the successful completion of a capital raising by the Company.
- Long Term Incentives:** Subject to CYU shareholder approval, 5,000,000 performance shares, comprising 1,000,000 A, B and C Class shares and 2,000,000 D Class performance shares respectively. These performance shares are convertible into ordinary shares in the Company (on the basis of one ordinary share for each performance share) upon the occurrence of the following events:
- A Class shares - successful completion of a capital raising by the Company in 2013;
 - B Class shares - the 5 business day weighted average share price of the Company's shares on the ASX being at least 25c;
 - C Class shares - the 5 business day weighted average share price of the Company's shares on the ASX being at least 50c; and
 - D Class shares - the Company achieving a positive EBITDA in respect of mining operations (either from current projects or a subsequently-acquired project) for at least 3 consecutive months of operation.
- If any of the events applicable to the Class B,C and D shares do not occur within the next three years, the applicable tranche (or tranches) of performance shares will lapse.
- Termination:** If terminated by the Company and subject to any limits in the Corporations Act, a termination payment of up to 6 months of the Base Salary may be paid in certain circumstances in addition to any accrued entitlements. The Managing Director may terminate the agreement by giving at least 3 months prior notice.