



ASX/Media Announcement

11th March 2010

GEM COPPER GOLD PROSPECT – INTERIM RESULTS INDICATE SHALLOW MINERALISATION CONTINUITY

Key Points

- Results have been received from the RC drill out currently underway at the Gem Copper Gold Prospect. Results confirm mineralised (>0.5% Copper) intervals at shallow levels over 400 metres strike length.
- Ten holes reported, remaining eleven to be completed on central and southern portions in late March to define strike length of mineralised zones to 500 metres with depth continuity from surface to 100 metres.
- Results include:
 - GR024 - 12m @ 1.08% copper and 0.58 g/t gold from 16m**
 - GR029 - 12m @ 0.51% copper and 0.68 g/t gold from 58m including 4m @ 1.18% copper and 0.08g/t gold from 58m including 1m @ 1.60% copper and 5.62g/t gold from 68m**
 - GR030 - 9m @ 1.66% copper and 0.46 g/t gold from 15m**

China Yunnan Copper Australia Limited (**ASX:CYU**) today announced further encouraging results from its drilling programme at the Gem Copper Gold Prospect in the Cloncurry district.

Following the success and information generated from previous drilling campaigns, CYU commenced a 21 hole RC drill programme totalling 2,600m in late January 2010 designed to define a maiden inferred JORC resource. The drilling programme has experienced a number of delays due to the heavy wet season and to date ten (10) holes have been completed for a total of 1,134m (**Table 1**).

Table 1: Gem Drillhole Locations

Hole ID	East*	North*	RL (m)	Azi (°)	Dip (°)	Depth (m)
GR023	419,458	7,758,890	190	90	-55	82.00
GR024	419,452	7,758,850	192	90	-55	106.00
GR025	419,405	7,758,890	190	90	-55	148.00
GR026	419,387	7,758,840	190	90	-55	190.00
GR027	419,443	7,758,570	193	90	-56	70.00
GR028	419,441	7,758,490	190	90	-58	52.00
GR029	419,415	7,758,490	190	90	-57	100.00
GR030	419,415	7,758,490	190	90	-74	130.00
GR031	419,405	7,758,570	192	90	-60	88.00
GR032	419,356	7,758,570	192	90	-60	168.00
						1,134.00

* Easting and Northing UTM MGA Zone 54 – GDA94.

Significant intersections from previously reported GR001 to GR022 are referred to in Table 2 as well as results returned for the ten (GR023 to GR032) RC holes (Table 2) drilled in the current campaign.

In summary previous best results are **38m @ 1.25% copper and 0.20 g/t gold from 33m**, GR003; **8m @ 0.89% copper and 0.25g/t gold** from 183m, GR015 and **6m @ 1.57% copper and 0.19g/t gold** from 53m, GR021. From the recent drilling a significant near surface intersection was returned in the north of the prospect of **12m @ 1.08% copper, 0.58 g/t gold** from 16m down hole depth, GR024 including two high grade zone of **5m @ 1.03% copper, 1.18g/t gold** from 16m down hole depth and **4m @ 1.72% copper, 0.25 g/t gold** from 23m down hole depth. In the south of the prospect significant near surface intersections were returned of **12m @ 0.51% copper, 0.68 g/t gold** from 58m down hole depth, GR029, and **9m @ 1.66% copper, 0.46g/t gold** from 15m down hole depth, GR030.

Table 2: Significant Drill Intersections – nominal 0.1% Cu cutoff (previously reported *Italics*)

Hole Id	From	To	Width	Cu (%)	Au (g/t)	Comment
GR001	42.00	43.00	1.00	0.13	<0.01	
GR001 <i>including</i>	55.00	76.00	21.00	0.12	0.05	0.10g/t Au cut-off
	55.00	57.00	2.00	0.19	0.08	
	60.00	61.00	1.00	0.08	0.14	
	61.00	66.00	5.00	0.16	0.05	
	68.00	69.00	1.00	0.12	0.02	
	73.00	76.00	3.00	0.20	0.10	
GR002	No Significant Intersections					
GR003	0.00	1.00	1.00	0.10	0.39	0.10g/t Au cut-off
GR003 <i>including</i>	33.00	71.00	38.00	1.25	0.20	1% Cu cut-off
	45.00	67.00	22.00	1.96	0.29	
GR003	85.00	86.00	1.00	0.01	0.10	0.10g/t Au cut-off
GR004	59.00	60.00	1.00	0.12	0.02	
GR004	80.00	81.00	1.00	0.47	0.27	
GR004	141.00	142.00	1.00	0.18	0.02	
GR005	39.00	40.00	1.00	0.11	<0.01	
GR005	120.00	121.00	1.00	0.01	0.10	0.10g/t Au cut-off
GD006	42.00	43.00	1.00	0.17	0.03	
GD006	47.75	48.25	0.50	0.32	<0.01	
GD006	61.50	62.50	1.00	0.44	0.13	
GD006	87.00	88.00	1.00	0.01	0.13	0.10g/t Au cut-off
GD006 <i>including</i>	96.50	101.50	5.00	0.62	0.05	1% Cu cut-off
	98.50	101.50	3.00	1.23	0.07	
	100.75	101.50	0.75	4.27	0.03	

Hole Id	From	To	Width	Cu (%)	Au (g/t)	Comment
GD006	159.00	160.00	1.00	0.16	0.01	
GD006	171.00	172.00	1.00	0.13	<0.01	
GR007	44.00	45.00	1.00	0.18	0.01	
GR007	50.00	51.00	1.00	0.21	0.01	
GR008	20.00	22.00	2.00	0.34	0.06	
GR008 including	27.00 30.00	33.00 32.00	6.00 2.00	0.46 0.49	0.05 0.07	2m @ 1.06% Zn
GR008	72.00	73.00	1.00	0.16	0.16	
GR008	86.00	87.00	1.00	0.19	0.09	
GR008	138.00	139.00	1.00	0.21	<0.01	
GR008	150.00	151.00	1.00	0.12	0.05	
GR008	179.00	180.00	1.00	0.14	0.05	
GR009 including	1.00 1.00	5.00 3.00	4.00 2.00	1.16 2.07	0.12 0.21	
GR009	30.00	31.00	1.00	0.12	0.01	
GR009	35.00	36.00	1.00	0.28	0.05	
GR009 including	100.00 105.00	108.00 106.00	8.00 1.00	0.28 1.54	0.12 0.56	
GR009	117.00	118.00	1.00	0.06	0.24	0.10g/t Au cut-off
GR009	145.00	146.00	1.00	0.20	0.06	
GR009	149.00	150.00	1.00	0.35	0.29	
GR010	15.00	17.00	2.00	0.45	<0.01	
GR010	28.00	29.00	1.00	0.14	0.01	
GR010	36.00	38.00	2.00	0.39	0.03	
GR010	48.00	53.00	5.00	0.18	0.07	
GR010	67.00	68.00	1.00	0.11	0.04	
GR011	5.00	7.00	2.00	0.15	0.01	
GR011 including	16.00 18.00	24.00 19.00	8.00 1.00	0.16 0.30	0.13 0.69	
GR012	25.00	26.00	1.00	0.35	0.01	
GR012	30.00	31.00	1.00	0.14	0.06	
GR012 including	51.00 51.00	54.00 53.00	3.00 2.00	2.36 3.42	0.40 0.57	1% Cu cut-off
GR012	58.00	60.00	2.00	0.18	0.05	
GR012	64.00	67.00	3.00	0.27	0.02	
GR012	91.00	92.00	1.00	0.13	0.11	
GR012	147.00	148.00	1.00	0.01	0.14	0.10g/t Au cut-off
GR013	0.00	7.00	7.00	0.36	0.07	
GR013	11.00	12.00	1.00	0.43	0.24	
GR013 including	26.00 31.00 37.00	42.00 32.00 38.00	16.00 1.00 1.00	0.38 2.53 1.60	0.69 0.24 9.98	
GR013	58.00	59.00	1.00	0.15	0.03	
GR014	24.00	26.00	2.00	0.18	0.01	
GR014	29.00	30.00	1.00	0.40	<0.01	
GR014	34.00	35.00	1.00	0.21	<0.01	
GR015 including	168.00 168.00	170.00 169.00	2.00 1.00	1.04 1.97	0.36 0.69	
GR015 including	183.00 185.00 188.00	191.00 191.00 190.00	8.00 6.00 2.00	0.89 1.10 2.35	0.25 0.28 0.62	0.5% Cu cut-off 1% Cu cut-off
GR016	No Significant Results					
GD017	27.00	28.00	1.00	0.11	0.07	
GD017 including	61.00 63.00	67.00 63.50	6.00 0.50	0.36 2.57	0.06 0.53	
GD017	70.00	70.50	0.50	0.91	<0.01	
GD018	36.50	37.50	1.00	0.70	0.16	
GD018	43.00	65.00	22.00	0.46	0.60	

Hole Id	From	To	Width	Cu (%)	Au (g/t)	Comment
<i>including</i>	43.00	49.00	6.00	0.76	0.17	
	44.50	47.50	3.00	1.29	0.22	1% Cu cut-off
	56.00	57.00	1.00	0.23	0.22	
	62.50	65.00	2.50	1.54	3.96	1% Cu cut-off
	62.50	63.50	1.00	3.96	0.27	
	64.00	65.00	1.00	0.73	11.50	
GD018	74.00	76.00	2.00	0.25	1.26	
GD018	86.00	87.00	1.00	0.12	0.10	
GD018	94.00	95.00	1.00	0.14	0.05	
GR019	46.00	47.00	1.00	0.27	0.03	
GR019	51.00	53.00	2.00	0.27	0.09	
GR019	58.00	64.00	6.00	0.33	0.16	
GR019	76.00	77.00	1.00	0.41	0.04	
GR020	No Significant Intersections					
GR021	44.00	45.00	1.00	0.48	0.06	
GR021	55.00	58.00	3.00	3.08	0.35	
GR021	103.00	104.00	1.00	0.19	0.01	
GR021	115.00	116.00	1.00	0.19	0.04	
GR021	124.00	131.00	7.00	0.34	0.17	Open at Depth
GR022	No Significant Intersections					
GR023	25.00	27.00	2.00	0.21	<0.01	
GR024 <i>including</i>	16.00	28.00	12.00	1.08	0.58	
	16.00	21.00	5.00	1.03	1.18	0.5% Cu cut-off
	23.00	27.00	4.00	1.72	0.25	0.5% Cu cut-off
GR024	30.00	31.00	1.00	0.10	0.07	
GR025	88.00	90.00	2.00	0.65	1.61	
GR025	102.00	103.00	1.00	0.14	0.04	
GR025	105.00	106.00	1.00	0.12	0.03	
GR025	108.00	109.00	1.00	0.06	0.11	0.10g/t Au cut-off
GR025	111.00	112.00	1.00	0.13	0.97	
GR025	131.00	133.00	2.00	0.11	0.06	
GR026	100.00	101.00	1.00	0.14	0.01	
GR027	6.00	10.00	4.00	0.25	<0.01	
GR027	18.00	19.00	1.00	0.19	0.01	
GR027	22.00	23.00	1.00	<0.01	0.10	0.10g/t Au cut-off
GR027	32.00	33.00	1.00	0.72	0.01	
GR027	43.00	44.00	1.00	0.11	<0.01	
GR027	51.00	53.00	2.00	0.17	<0.01	
GR027	60.00	64.00	4.00	0.17	<0.01	
GR028	1.00	4.00	3.00	0.16	0.11	
GR028	11.00	12.00	1.00	0.36	0.01	
GR028	21.00	22.00	1.00	0.21	0.01	
GR028	40.00	41.00	1.00	0.11	0.09	
GR029	9.00	12.00	3.00	0.15	0.04	
GR029 <i>including</i>	36.00	38.00	2.00	0.74	1.89	
	36.00	37.00	1.00	1.36	3.76	1% Cu cut-off
GR029	46.00	47.00	1.00	0.13	0.07	
GR029 <i>including</i>	53.00	55.00	2.00	0.39	0.77	
	53.00	54.00	1.00	0.54	1.49	0.5% Cu cut-off
GR029 <i>including</i>	58.00	70.00	12.00	0.51	0.68	
	58.00	62.00	4.00	1.18	0.08	1% Cu cut-off
	68.00	69.00	1.00	1.60	5.62	1% Cu cut-off
GR029 <i>including</i>	86.00	88.00	2.00	1.86	0.08	
	86.00	87.00	1.00	3.41	0.13	1% Cu cut-off
GR030 <i>including</i>	15.00	24.00	9.00	1.66	0.46	
	15.00	19.00	4.00	3.20	0.94	1% Cu cut-off
GR030	34.00	36.00	2.00	0.19	0.07	
GR030	43.00	46.00	3.00	0.21	0.07	

Hole Id	From	To	Width	Cu (%)	Au (g/t)	Comment
GR030	44.00	47.00	3.00	0.16	0.13	0.10g/t Au cut-off
GR030 including	84.00 85.00	88.00 86.00	4.00 1.00	0.88 2.48	0.14 0.40	1% Cu cut-off
GR030	105.00	106.00	1.00	0.13	<0.01	
GR030	108.00	109.00	1.00	0.12	0.03	
GR030	114.00	115.00	1.00	0.10	<0.01	
GR031	No Significant Results					
GR032	52.00	53.00	1.00	<0.01	0.13	
GR032	69.00	70.00	1.00	0.04	0.13	

Drilling results to date support the current in-house 3D geological model with the mineralisation zones occurring either side of a sub-vertical post-mineralisation dyke which follows the same structural paths of mineralisation. Although this post mineral dyke seemingly stopes out mineralisation in parts, it will be used as a major indicator in locating mineralisation at Gem. A conventional relogging exercise and interpretation of the main mineralised zone and accompanying dykes has been created using plans and sections corrected in 3D in 20 metre slices.

The prospect drilling program is approximately half complete (1,134m out of 2,600m planned) with the undrilled central portion of the prospect as depicted by letters P, Q etc (**Figure 1**) to recommence later this week. In total 41 holes will allow a length continuity of 500 metres and depth continuity from surface to 100 metres to be defined between the currently drilled northern and southern portions (**Figure 1**). On receipt of subsequent laboratory results, an inferred estimate will be completed in April/May.

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 has goals of resource definition and development for its three target commodities Copper, Gold and Uranium and to achieve this is targeting high quality copper, gold and uranium projects in Queensland, Chile and China.

CYU is also;

- Compiling information for a maiden resource estimate for Elaine Dorothy U REE.
- Currently diamond drilling the Pentland Gold Project with ActivEX limited.
- In a purchase agreement for the Humito Copper Porphyry project in Chile.
- Farming into to the Mary Kathleen Project in Mt Isa with Goldsearch Limited.
- In a Memorandum of understanding for project generation in Yunnan Province, China with cornerstone investor YCI.



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Competent Person's Statement

The information in this report that relates to Exploration Results 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.

See Figure 1 to 5 below.

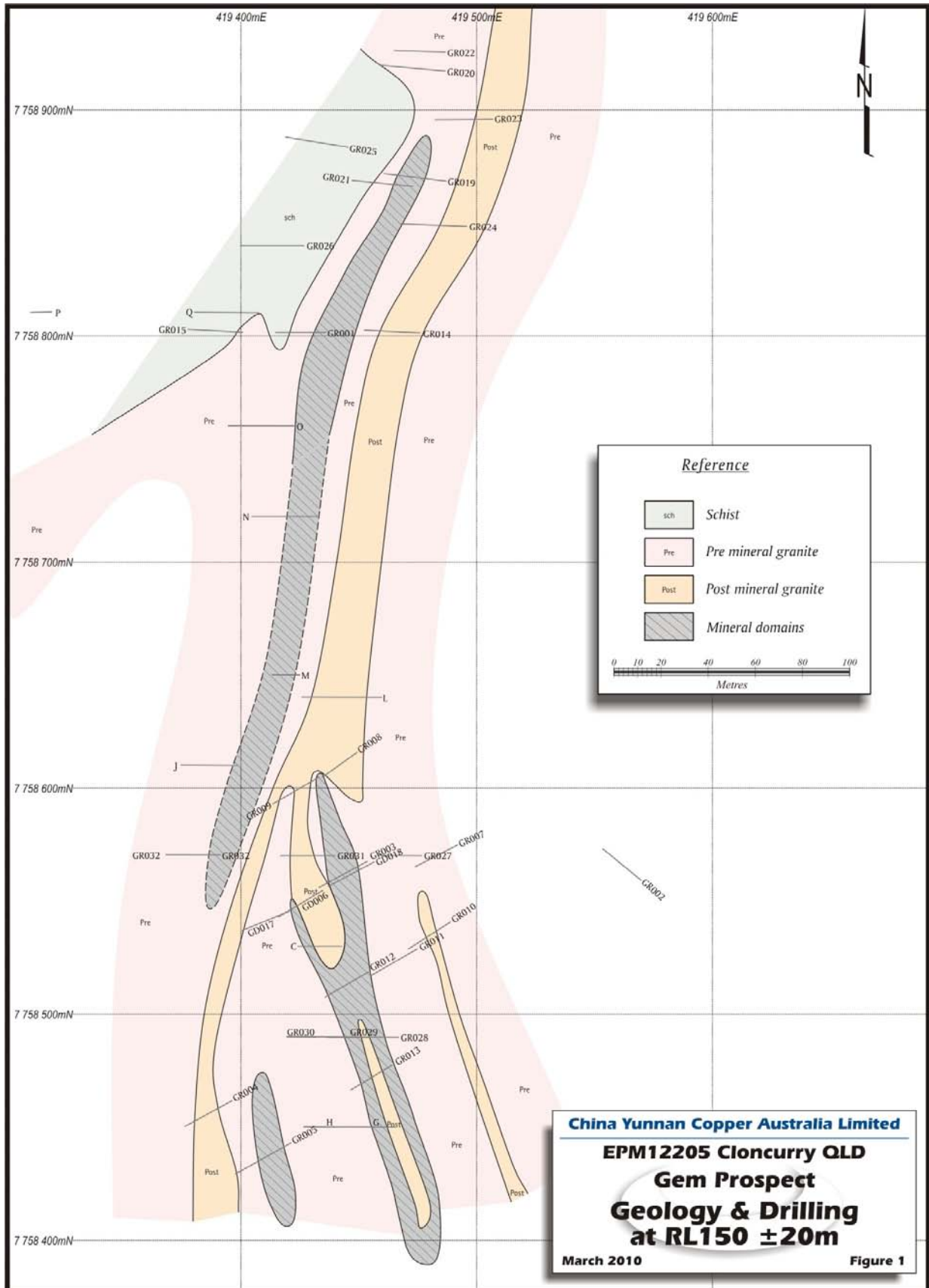


Figure 1. Gem – Current Drillhole Location Map. To be drilled are holes C, F, G, H in the south and J, L, O, M, N, P, and Q in the central portion.

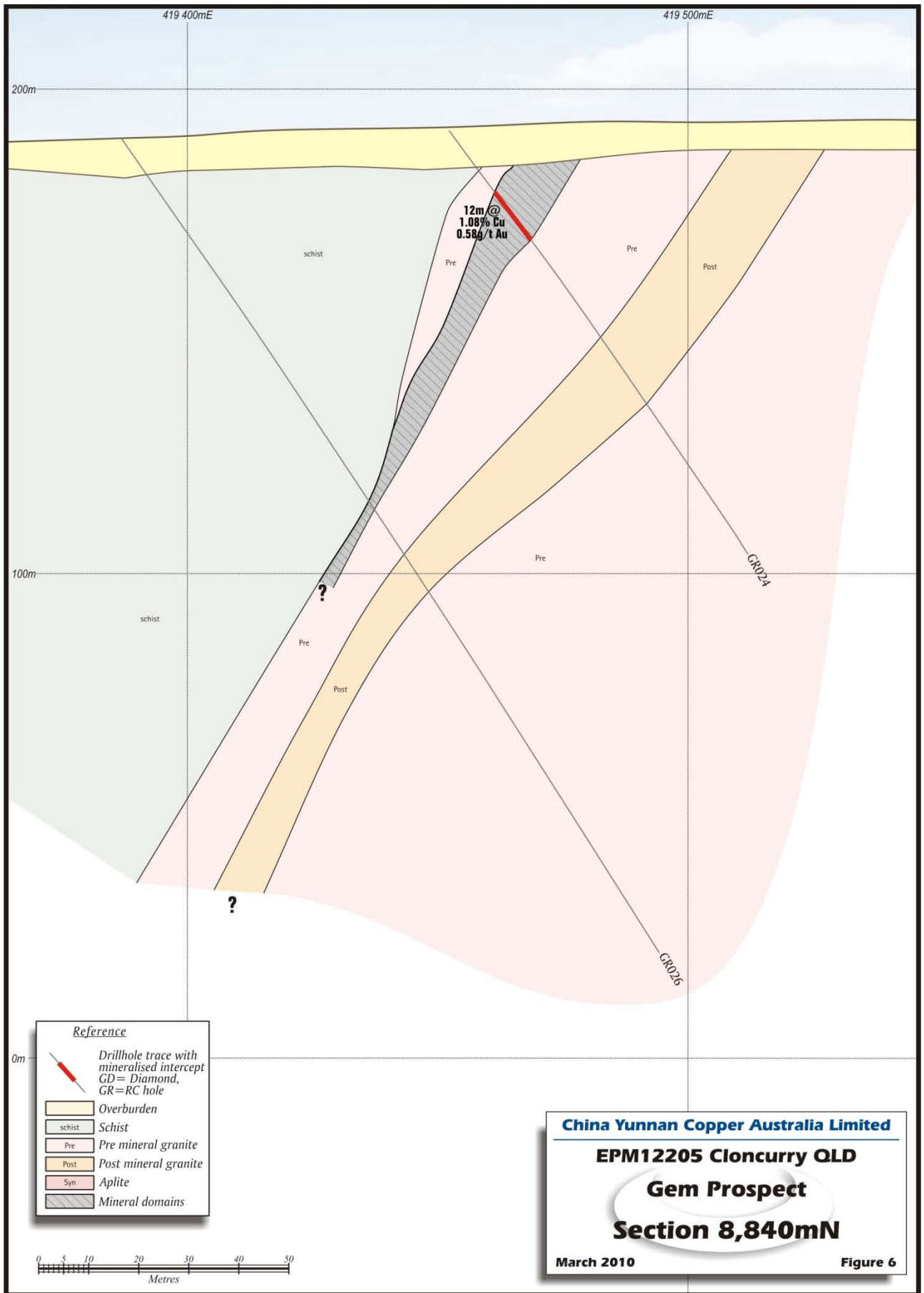


Figure 2: Gem – Section 7,758,840mN. Additional examples of blind mineralisation are expected to be defined as per the grade and width of GR024 at shallow levels.

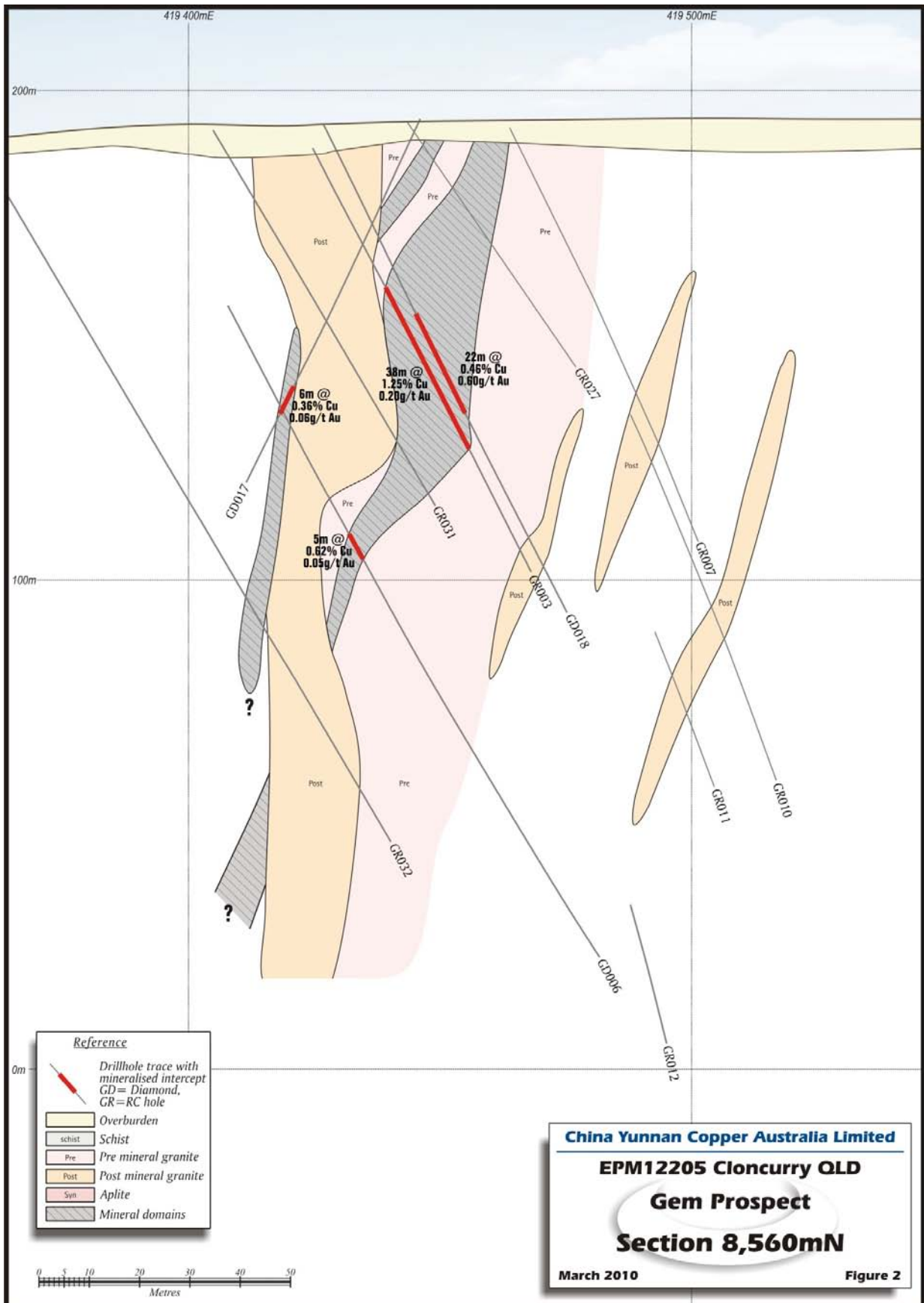


Figure 3: Gem – Section 7,758,560mN. Section is 280 metres south of Figure 2 (Section 8,840mN) with drilling in the intervening central portion underway.

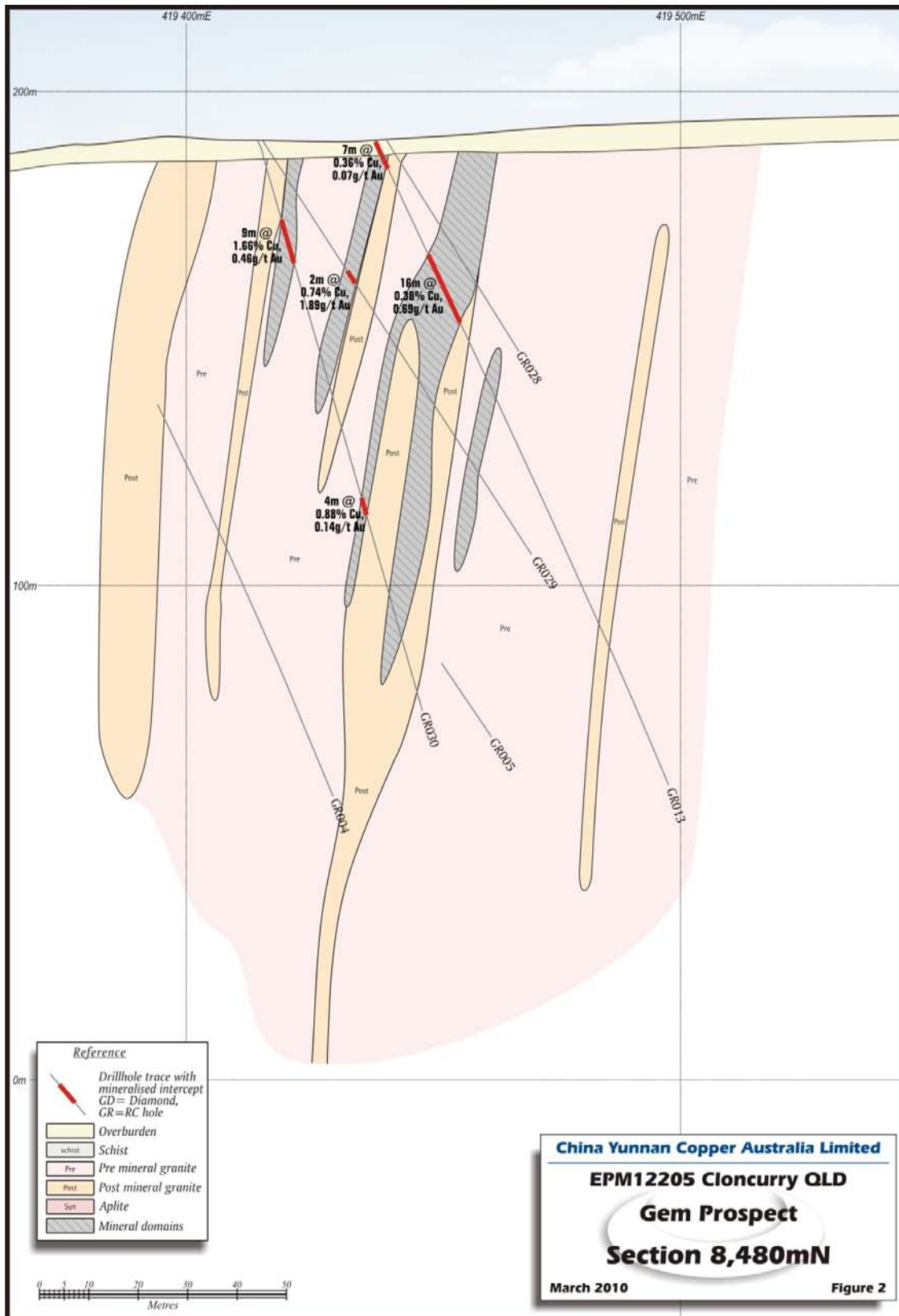


Figure 4: Gem – Section 7,758,480mN, 80 metres south of Figure 3, Section 8560mN. Sections from Figures 2, 3 and 4 cover approximately 400 metres strike length with further drilling to define the central portion and southern extension (Figure 1) underway.

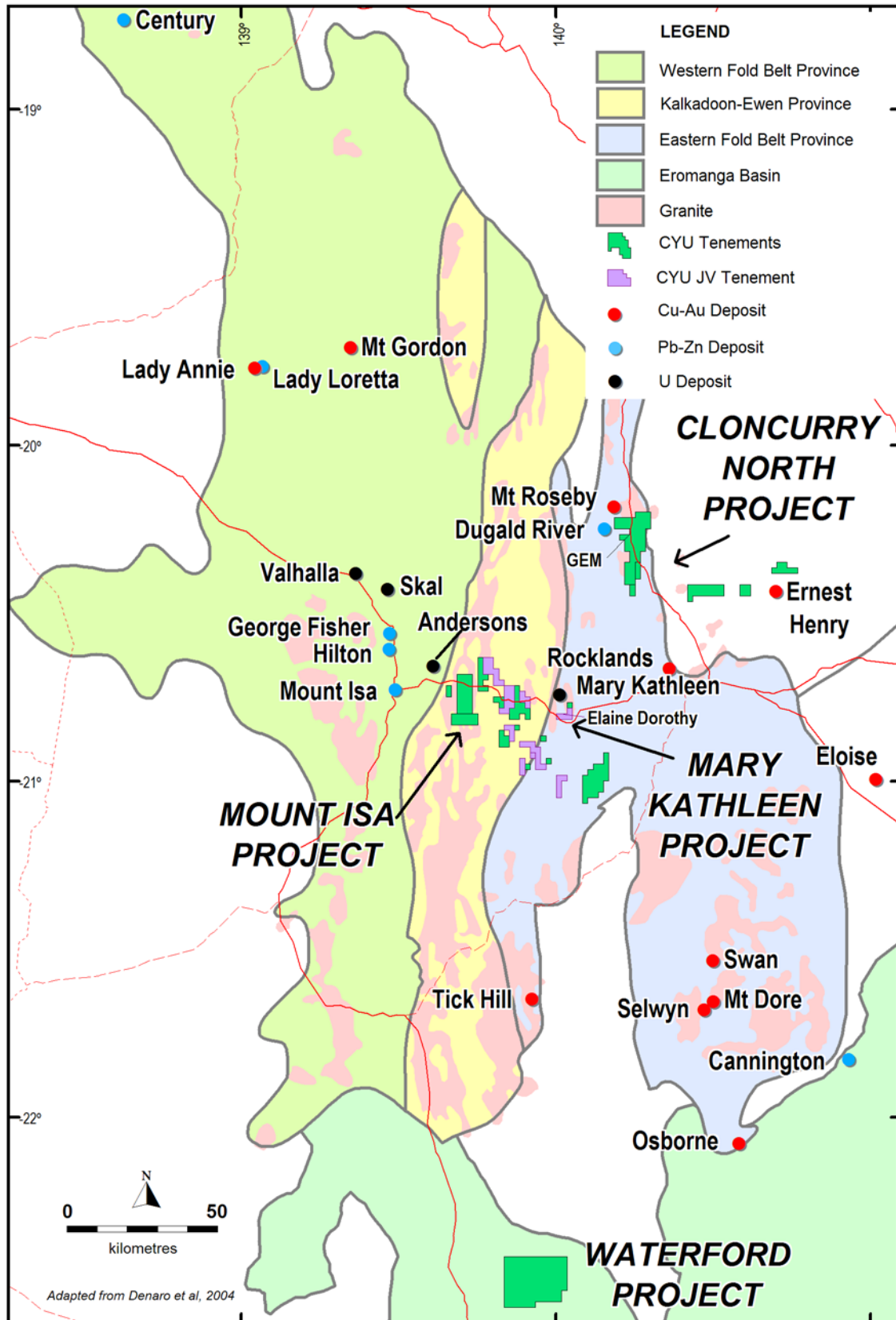


Figure 5. CYU project locations - Mt Isa and Cloncurry.