

ASX ANNOUNCEMENT

13 November 2007

Exploration underway, within 7 days of listing

CYU, China Yunnan Copper Australia Limited (ASX:CYU) has started exploration activity within the first week of listing on the Australian Securities Exchange.

Ground magnetics, soil sampling and induced polarisation (IP) work is being carried out at one Queensland project and is planned to start on two other projects within the coming fortnight.

“We have contracted a local drilling rig and expect to start drilling our One Tree Hill project 40 kms north of Cloncurry before the end of the year, immediately after Christmas,” Managing Director Dr Mark Elliott said.

CYU is seeking a shear-hosted copper oxide sulphide target at One Tree Hill. The company has begun ground magnetics and will soon start trial IP at the site.

Exploration will start next week on a second project, the Argylla Creek prospect, 60 km north east of Mt Isa. Known as CYU's Mt Isa Project, its target is fault-hosted copper oxide sulphides.

By late November, the company will begin geochemical and IP programs at its Pentland Project, an existing porphyry gold prospect where it is exploring for Mt Leyshon/Kidston-style targets of large tonnage and moderate grade.

Reprocessing of existing IP data on a fourth prospect, the FC4 Prospect 4 km north of Xstrata's Ernest Henry mining leases has identified a possible sulphide body at depth. The reprocessing used 3D inversion of previously collected 2D data.

The Ernest Henry-style FC4 prospect is approximately 400 x 500 metres. CYU plans to test it early in 2008 with diamond drilling.

About CYU

CYU listed on the ASX on 29 October 2007 by issuing 16,000,000 25c shares to raise \$4 million. CYU is an Australian company formed to explore for and develop minerals in Australia and overseas. Cornerstone investor, Yunnan Copper Industry (Group) Co Ltd,

is one of China's largest copper producers. CYU is targeting high quality copper, gold and uranium projects with eleven wholly owned Exploration Permit for Minerals (EPM's) in the Mt Isa Inlier, Ravenswood-Pentland Province and the Clermont Inlier in Queensland.

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