



Underwritten non-renounceable rights issue to raise approximately \$8.67 million

Chinalco Yunnan Copper Resources Ltd (ASX:CYU) (**Company**) is pleased to announce a non-renounceable rights issue to eligible shareholders, on the basis of 1 new fully paid ordinary share (**New Shares**) for every 2 shares held, at an issue price of \$0.10 per New Share to raise approximately \$8.67 million before costs (**Offer**). The Offer will be available to all eligible shareholders who hold shares as at 7:00pm (AEDT) on the record date of 30 October 2012. Following quotation, the New Shares will rank equally in all respects from the date of allotment with existing quoted shares on issue.

The Offer is underwritten up to approximately \$6.93 million, representing 80% of the total Offer, by China Yunnan Copper (Australia) Investment and Development Co. Ltd, the Company’s largest shareholder. The underwriting means that the receipt of at least 80% of the funds sought under the Offer can be guaranteed and the Company will be able to implement its planned activities. A nominal \$1 fee is being charged in relation to the underwriting provided.

The Offer is being undertaken pursuant to a prospectus issued under section 713 of the Corporations Act (**Prospectus**). Full details of the Offer are set out in the Prospectus. The Prospectus, along with an Entitlement and Acceptance Form, will be dispatched to eligible shareholders on 1 November 2012.

The Company has determined that only those shareholders with registered addresses in Australia or New Zealand will be eligible to participate in the Offer.

The funds raised under the Offer (after payment of costs) will be used to continue to develop the Company’s business and meet its strategic goals as identified in Section 1.5 of the Prospectus. More particularly, funds raised under the Offer have been earmarked for exploration activities in Chile, Australia and Laos where the Company’s current projects are held and working capital purposes.

A proposed timetable for the Offer is set out below:

Announcement of the Offer	22 October 2012
Prospectus lodged with ASIC and ASX	22 October 2012
Notice sent to Eligible Shareholders with information on the Offer	23 October 2012
Shares commence trading on an “ex” basis (“ex” date)	24 October 2012
Record Date to determine Entitlements under the Offer	30 October 2012 (7:00pm AEDT)
Prospectus and Entitlement and Acceptance Forms dispatched to Eligible Shareholders	1 November 2012
Opening Date of Offer	1 November 2012 (9:00am AEDT)
Closing Date of Offer	16 November 2012 (5:00pm AEDT)
New Shares quoted on a deferred settlement basis	19 November 2012
Expected date of allotment of New Shares applied for under the Offer and any Shortfall	23 November 2012
Deferred settlement trading ends	23 November 2012
Expected date of dispatch of transaction confirmation statements	26 November 2012
Expected date for commencement of normal trading of New Shares issued under the Offer on the ASX	26 November 2012

These dates are indicative only and subject to change. The Company reserves the right, subject to the Corporations Act and the Listing Rules, to change any date including to extend the Closing Date of



the Offer, to close the Offer early, to accept late acceptances either generally or in particular cases, or to withdraw or reduce the size of the Offer without notice. Any extension of the Closing Date will have a consequential effect on the issue date of New Shares.

Further information

If the Offer is fully subscribed, 86,679,154 New Shares will be issued under the Offer. The New Shares will be issued for \$0.10 each. Upon completion of the Offer and assuming full subscription, the issued capital of the Company will comprise approximately 260,037,462 shares.

Following quotation, the New Shares will rank equally in all respects from the date of allotment with existing quoted shares on issue. Fractional entitlements under the Offer will be rounded up to the nearest whole number.

Trading in the New Shares on the ASX is expected to commence on or about 26 November 2012. An Appendix 3B applying for quotation of the New Shares will be lodged with ASX separately.

The Company encourages all eligible shareholders to participate in the Offer. This process will allow the company to secure the success of the Copper Gold REE Elaine Resource discovery in Queensland and to continue to test large scale copper projects in Chile and Laos.

About Chinalco Yunnan Copper Resources

Chinalco Yunnan Copper Resources Limited (CYU) explores and develops minerals in Australia, Chile and Laos. CYU is supported by cornerstone shareholder Yunnan Copper Industry (Group) Co Ltd (YCI); China's third largest copper producer. CYU acts as YCI's international investment arm and mining house.

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