

# Rare Earth & Strategic Metals

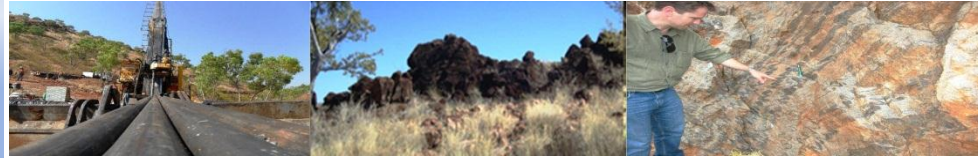
February 2012



*Mary Kathleen Open Cut – NW QLD*

Exploring an emerging REE province, NW Queensland in Joint Venture with **GOLDSEARCH**

# Cautionary Note & Competent Persons Statement



## Cautionary Note

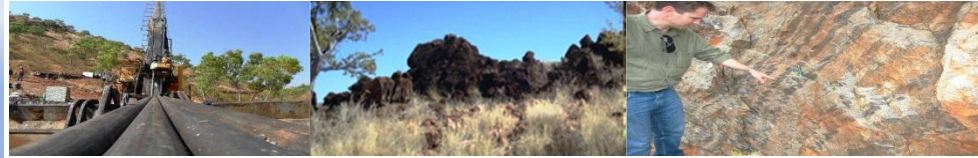
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## Competent Persons Statement

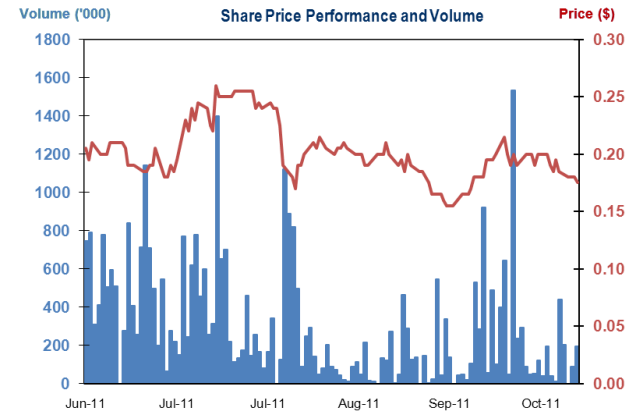
The information in this report that relates to the Inferred Resource for the Elaine Project is based on information compiled by Richard Hatcher, who is a Member of the Australian Institute of Geoscientists and is Exploration Manager of Chinalco Yunnan Copper Resources Ltd. Mr. Hatcher has sufficient 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.

The information in this report that relates to Exploration Results for all prospects is based on information compiled by Richard Hatcher, who is a Member of the Australian Institute of Geologists, and is the Exploration Manager of Chinalco Yunnan Copper Resources Ltd. Mr Hatcher has sufficient experience relevant to the styles of mineralisation and type of deposits 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.

# Company Snapshot



<b>ASX Code</b>	CYU
<b>Market Cap</b>	\$29.5m
<b>Shares on Issue</b>	173.4m
<b>Options on Issue</b>	16.5m
<b>Total Shareholders</b>	c. 1500
<b>Cash (31 Dec 2011)</b>	7.5m
<b>Top 20 Holdings</b>	53.7%



**Norman Zillman**  
Non-Executive Co-Chairman



ex Queensland Gas, Great Artesian Oil and Gas, Queensland Government – Based in Brisbane.

**Zhihua Yao**  
Non-Executive Co-Chairman



Deputy General Manager of YCI, over 28 years mining and exploration experience in China – Based in Kunming.

**Jason Beckton**  
Managing Director



ex Pancontinental, Goldfields RGC, Gympie Gold, Bolnisi Mexico, Exeter Resource Chile – Based in Santiago.

**Zewen Yang**  
Executive Director



Yunnan Copper, Economics Executive – Based in Sydney.

**Richard Hatcher**  
Exploration Manager



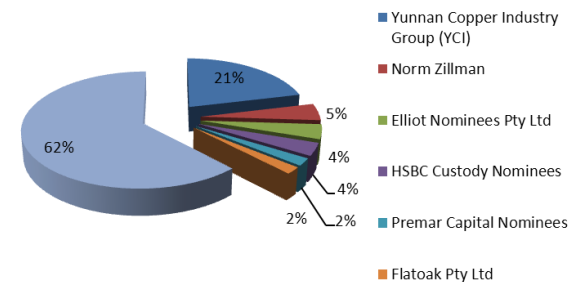
ex Bolnisi Queensland and Mexico, Kings Minerals – Mexico – Based in Brisbane.

**James Cran**  
Chief Geologist

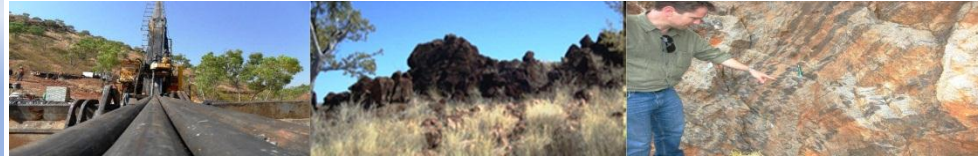


ex Newmont Tolukuma - Sappes, Gympie Gold and EMED Resources – Cyprus and Slovakia – Based in Brisbane.

## Top Shareholders



# Major Shareholder: Chinalco



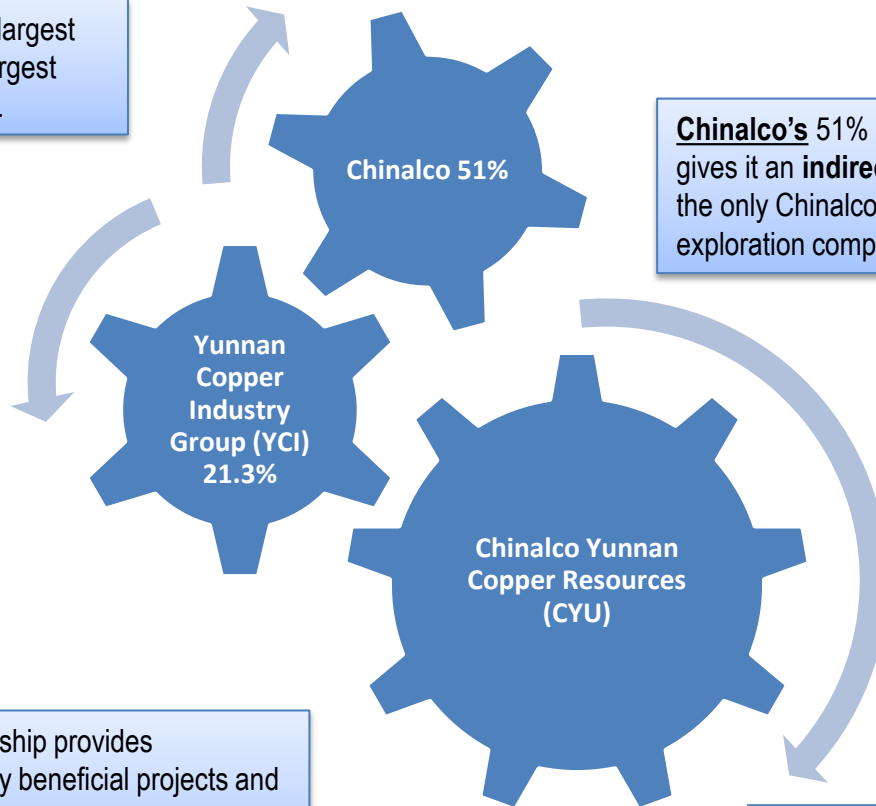
**Chinalco** is the world's 2<sup>nd</sup> largest alumina producer and 3<sup>rd</sup> largest primary aluminum producer.

**Chinalco's** 51% holding in YCI gives it an **indirect holding in CYU**, the only Chinalco branded offshore exploration company.

**YCI** is China's 3<sup>rd</sup> largest copper producer and essentially an arm of Chinalco.

The relationship provides economically beneficial projects and a **gateway into potential and future projects.**

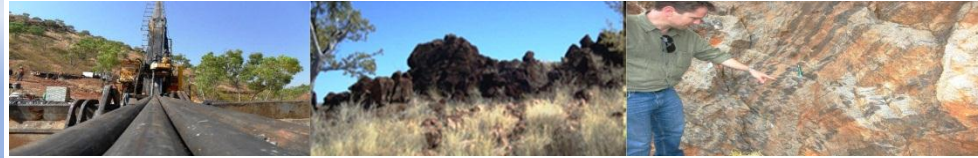
**CYU** has led Chinalco into Chile for the first time.



# Geographical Presence



# Tier 1 Partners & Projects



## Australia - Queensland

**GOLDSEARCH**

Goldsearch Limited – Mary Kathleen JV



Xstrata Copper – Mt Frosty JV

## Chile – Andean Cordillera

**Rio Tinto**

Rio Tinto Exploration – Palmani, Caramasa, Candelabro.



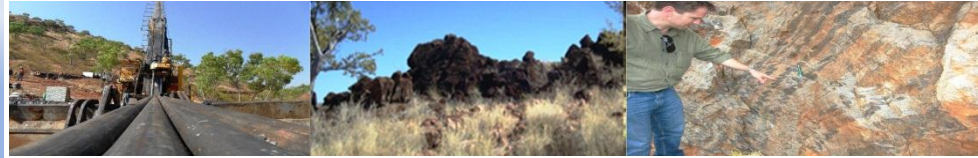
Humito – Xstrata Copper Norte.

## Laos – Copper Silver Northern Sector

Yunnan Copper Group – Laos Copper Silver Properties.



# Recent Updates - Australia



## Mary Kathleen Joint Venture – CYU 70% & GSE 30%:

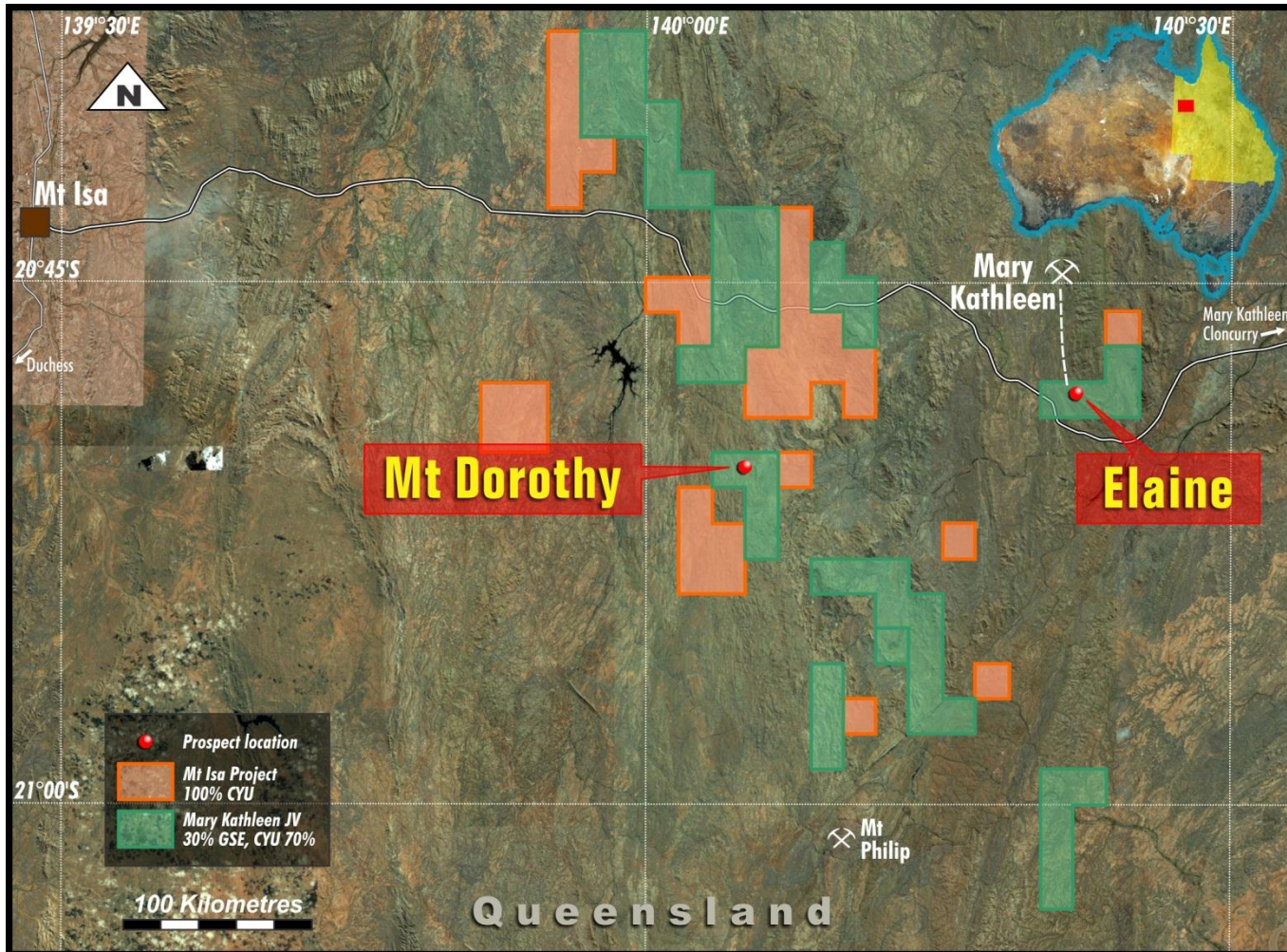
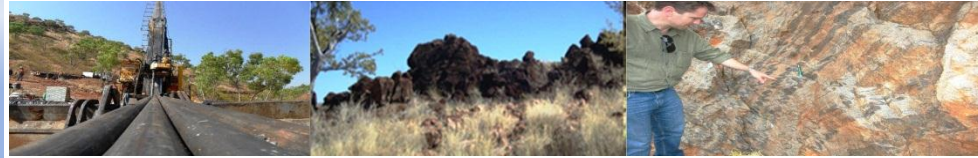
**Mt Dorothy** Completed RC drilling of Copper, Cobalt, Yttrium (Y) and Heavy Rare Earth Element (HREE) discovery. 3D modelling underway.

**Elaine** Drilling – Copper – Gold – Cobalt – REE – Uranium – Thorium – Sulphide zones. End of Q1 2012 Resource estimate expected to include nearby existing JORC Inferred 83kt @ 3,200 ppm Total Rare Earth.

## Mount Frosty Joint Venture – Xstrata Copper 100%, CYU earning in:

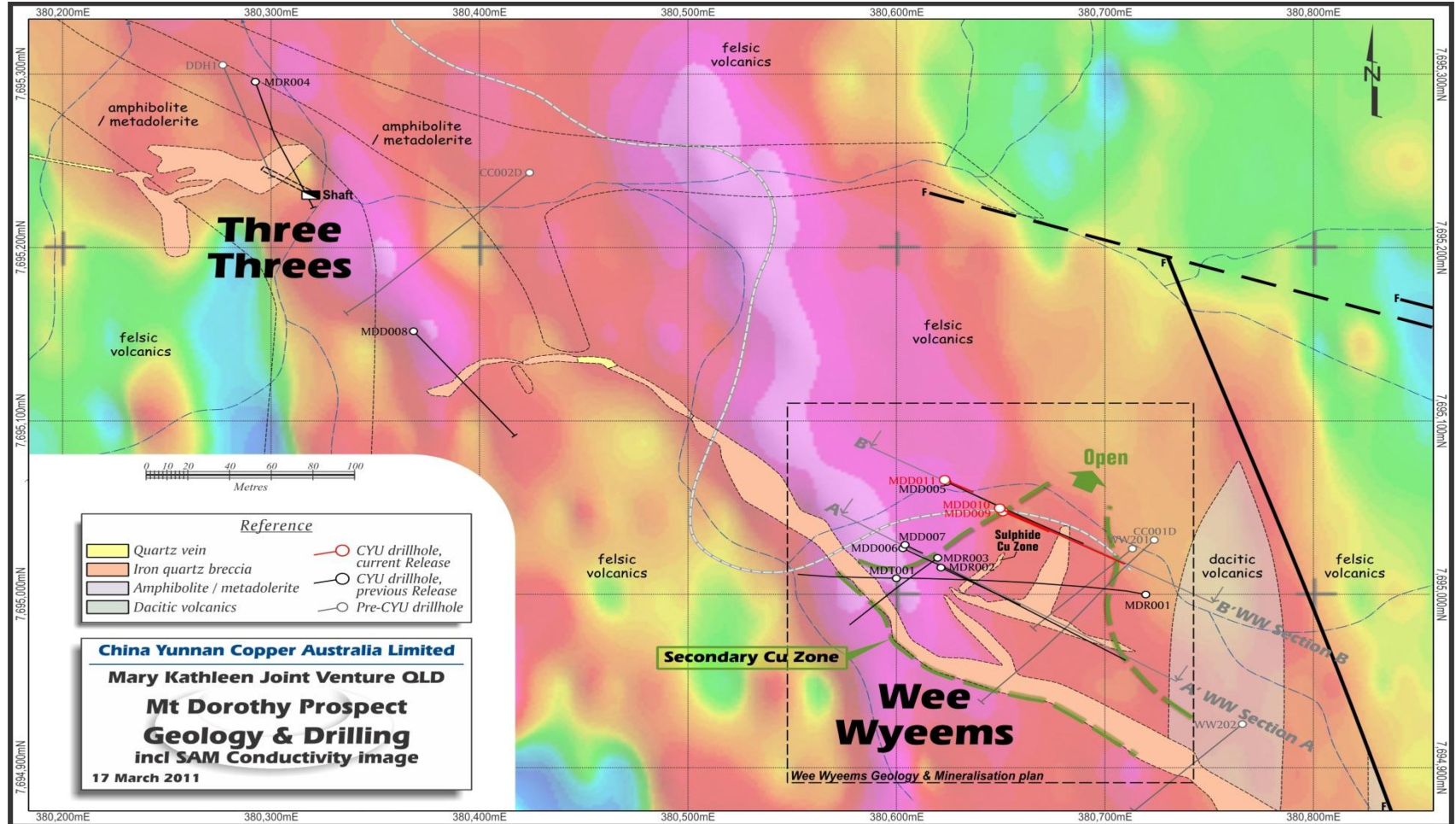
**Mt Frosty** Binding term sheet signed with Xstrata Copper to farm in and earn upto 75% in Mount Frosty Project covering the regional Mary K shear zone.

# NW Queensland – Projects Mt Dorothy & Elaine

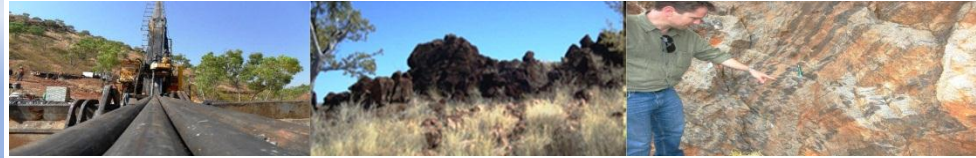




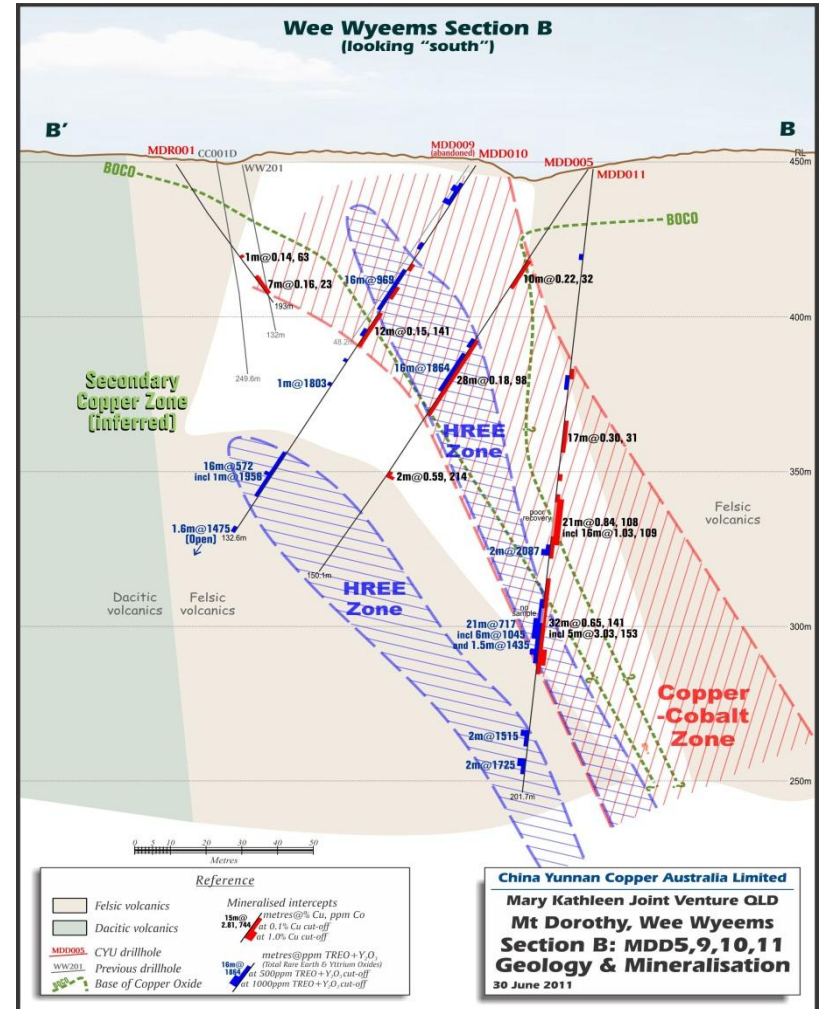
# NW Queensland – Mt Dorothy



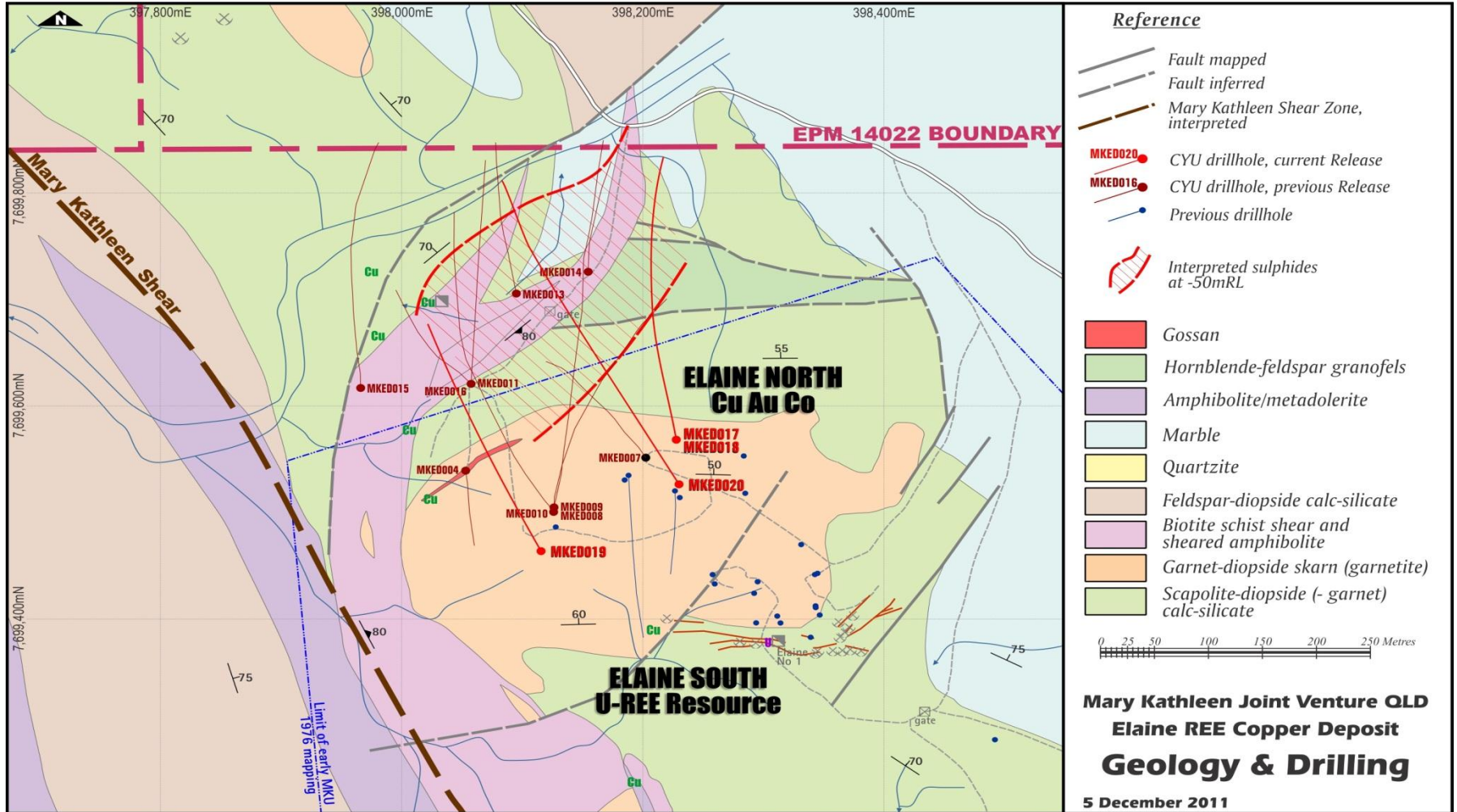
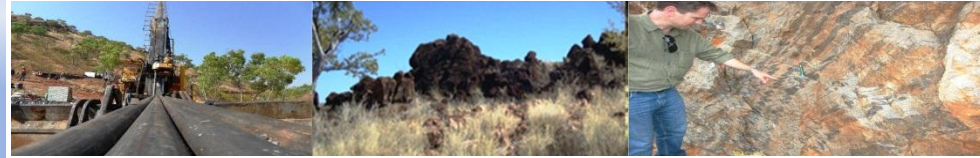
# NW Queensland – Mt Dorothy Cu Co REE Y



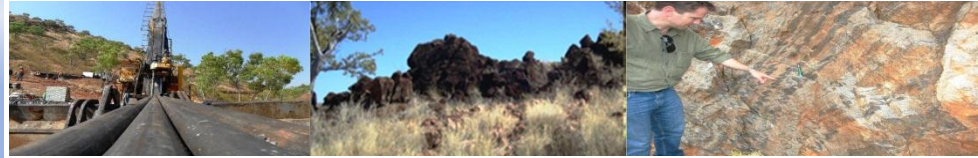
- Follow up drilling on previously reported moderate to high grade Copper – Cobalt intersections with heavy Rare Earth Oxide and Yttrium Oxide (TREO+Y<sub>2</sub>O<sub>3</sub>)
- Significant intersections
  - MDD005:** 16m @ 1,864ppm TREO
  - MDD010:** 10m @ 1,099ppm TREO
  - MDD011:** 6m @ 1,045ppm TREO
- TREO result reported predominately HREO of Dysprosium (Dy), Europium (Eu), Holmium (Ho) and Yttrium (Y).



# NW Queensland – Elaine



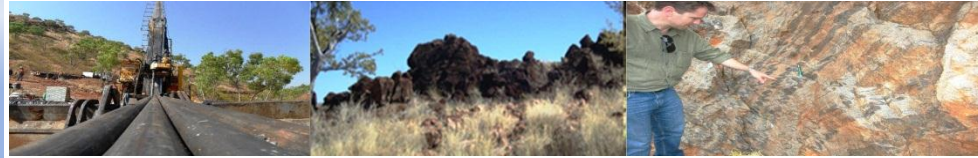
# NW Queensland – Elaine Cu Co AU REE U Th



- 2010 CYU / GSE Inferred Resource  
83,000Kt @ 0.28 kg/t  $U_3O_8$ , 3236ppm TREO.
- Significant intersections
  - MKED001:** 1.5m @ 0.17 kg/t  $U_3O_8$ ,  
1.7% TREO, 0.37 kg/t  $ThO_2$ .
  - MKED003:** 3m @ 1.85 kg/t  $U_3O_8$ ,  
4.4% TREO, 0.20 kg/t  $ThO_2$ .
- TREO predominately LREO of Cerium (Ce), Lanthanium (La) and Neodymium (Nd).
- Mary Kathleen processed 9.2Mt @ 1.16 kg/t  $U_3O_8$ , unprocessed (reported) upto 3% TREO and 0.25 kg/t  $ThO_2$



# NW Queensland – Elaine Cu Co AU REE U Th



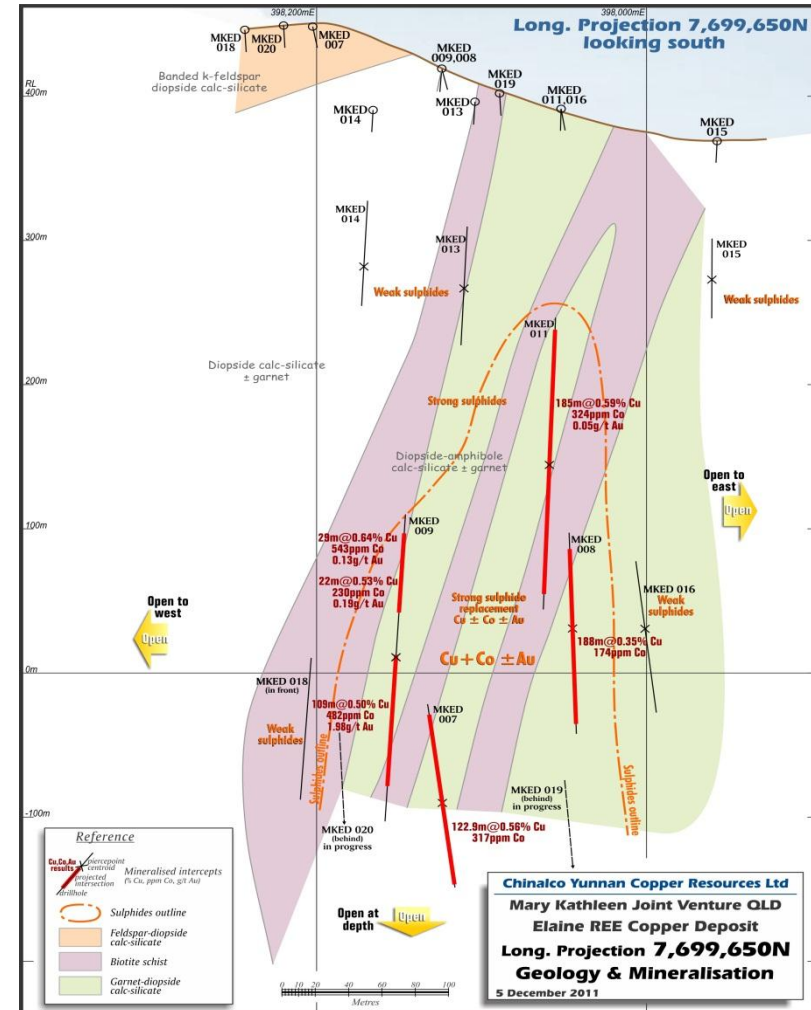
- A significant copper sulphide body with associated Cobalt, Gold, REE, Uranium and Thorium has been discovered, hundreds of metres thick, on the previously undrilled northern side of the Elaine hill.

- Significant intersections

**MKED004:** 78m @ 0.05kg/t  $U_3O_8$ ,  
1,672ppm TREO, 0.18kg/t  $ThO_2$ .

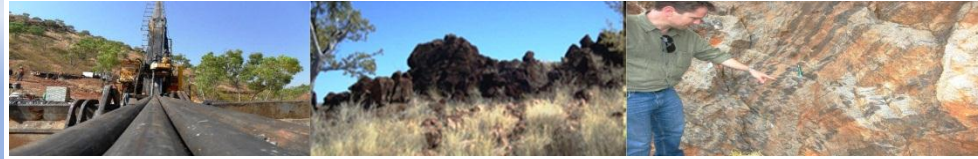
**MKED009:** 26m @ 3.37kg/t  $U_3O_8$ , 7.76g/t Au  
976ppm TREO, 0.03kg/t  $ThO_2$ .

**MKED016:** 1m @ 0.37kg/t  $U_3O_8$ ,  
1.1% TREO, 1.32kg/t  $ThO_2$ .



# NW Queensland – Elaine

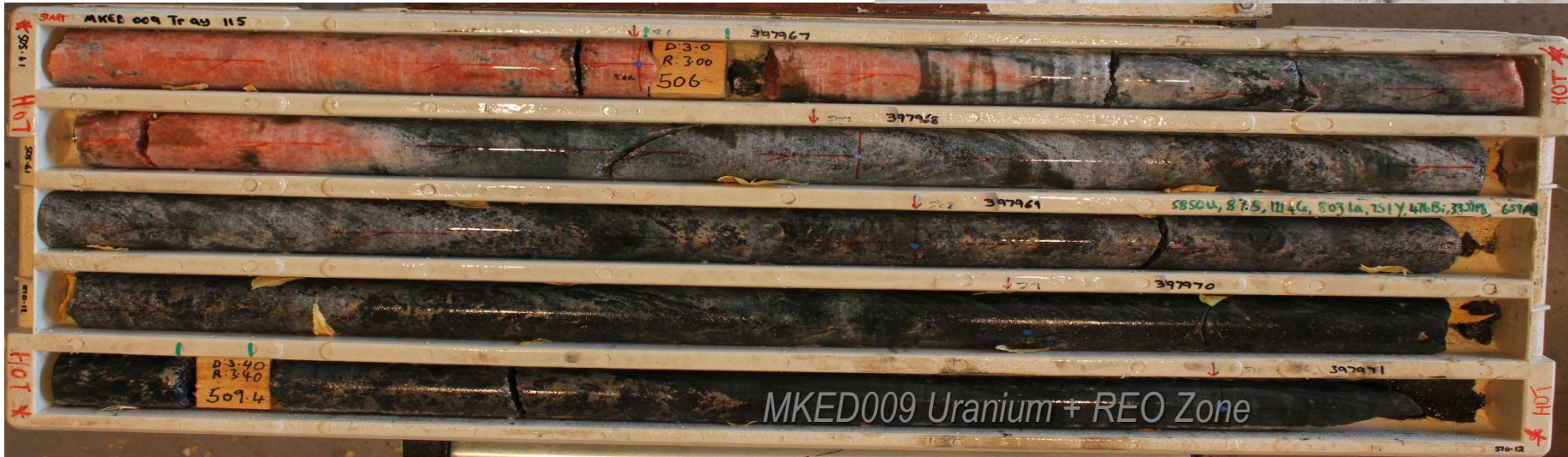
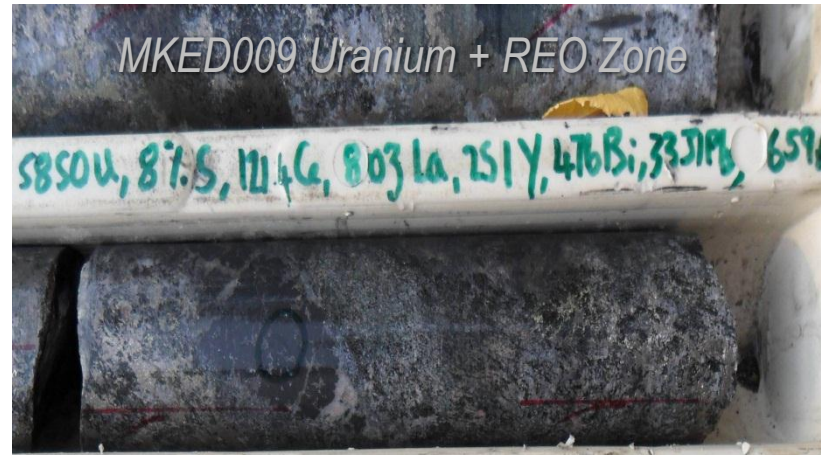
## Cu Co AU REE U Th



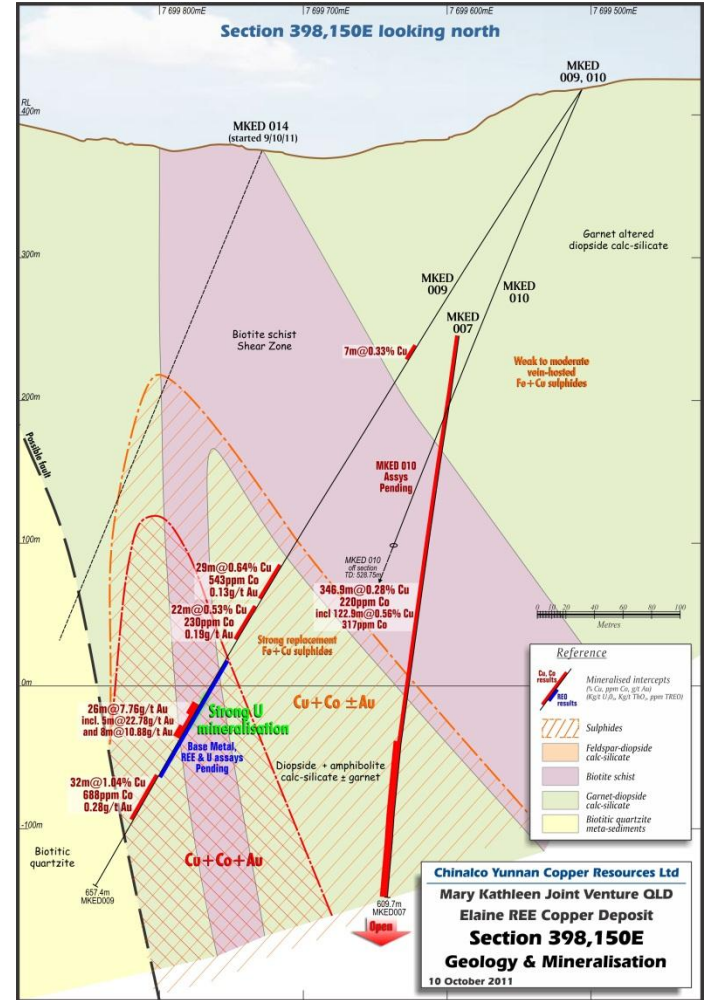
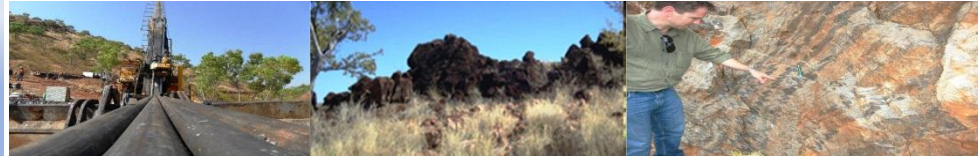
### MKED009:

26m @ 3.37kg/t U<sub>3</sub>O<sub>8</sub>, 7.76g/t Au, 976ppm TREO,  
0.03kg/t ThO<sub>2</sub>.

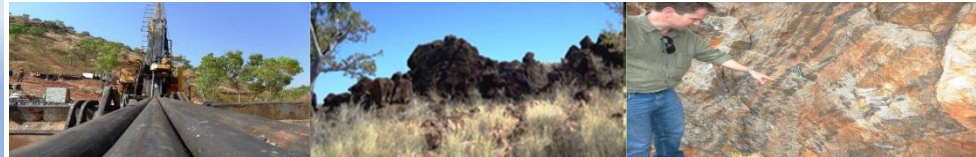
1m @ 58.96kg/t U<sub>3</sub>O<sub>8</sub>, 0.29g/t Au, 4,067ppm TREO,  
0.08kg/t ThO<sub>2</sub>.



# Queensland – Elaine Open Discovery



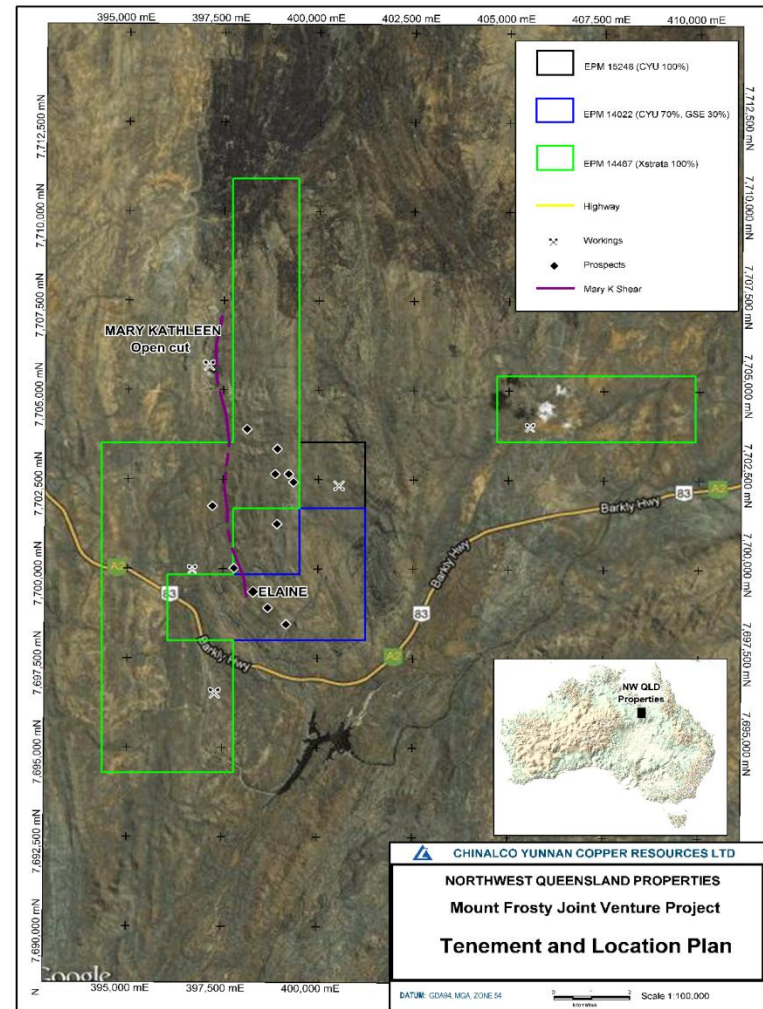
# NW Queensland – Mt Frosty



- Skarn alteration similar to that at Elaine is developed on a much larger scale over several kilometres strike length.
- Work by Xstrata Copper includes geological mapping; geochemical sampling; helicopter mounted VTEM and magnetics 9 NQ core holes and down-hole EM (DHEM) on holes KOPD001 to 005.
- Significant intersections

**KOPD005:** 20m @ 1.2% TREO.

**KOPD007:** 20m @ 5,787ppm TREO.





# Contact Details



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