

**HD** **Chinalco** Yunnan to create JV for Roseby, withdraw from portfolio in Chile, Laos

**BY** Fawad Mir

**WC** 388 words

**PD** 15 April 2014

**SN** SNL Metals & Mining Daily: West Edition

**SC** SNLMMDW

**VOL** Issue: 80121

**LA** English

**CY** Copyright 2014. SNL Financial LC

**LP**

**Chinalco** Yunnan **Copper** Resources Ltd. said April 14 that it entered into a memorandum of understanding to create a new joint venture with Yunnan **Copper** Mineral Resources Exploration & Development Co. Ltd. over two exploration permits, part of the Roseby South **copper-gold** project in Queensland, Australia.

In September 2013, **Chinalco** inked a farm-in agreement to earn up to a 70% interest in six exploration permits owned by Altona **Mining** Ltd. within the Roseby project.

**TD**

Under the proposed joint venture, **Chinalco** will continue as the manager of project activities.

The arrangement will be split into two stages. The first stage will cover the first two years of the project farm-in, while the second stage will deal with the following years under the farm-in and joint venture.

As part of the first stage, Yunnan **Copper** committed to spend A\$900,000 on the two exploration permits in 2014, with **Chinalco** spending a minimum A\$400,000 in the other areas.

Yunnan **Copper** has the option to withdraw or continue in 2015. In case it continues, Yunnan **Copper** will commit a further A\$600,000 on the two permits in 2015 with covering the balance funding.

At the end of the second year, **Chinalco** will secure 30% of the four exploration permits and Yunnan **Copper** will have 27% of the two permits under the joint venture.

During the second stage, Yunnan **Copper** will potentially earn up to 27% of the second-phase 30% interest in the two permits.

In addition, **Chinalco** said it will withdraw from the remainder of its exploration portfolio in Chile to focus its exploration activities on its Mount Isa projects in Australia.

In addition, the **company** and its 51% **Chinese**-registered subsidiary, Yunnan **Copper** San Mu **Mining** Industry Co. Ltd., will abandon their projects in Laos after failing to secure **purchase** offers.

**Chinalco** also approved a 2014 work program and budget for A\$2 **million** for exploration to further define existing **copper, gold** and other mineralization at prospects such as Millenium and define drill targets for 2015 and 2016. Initially, the **company** is planning to conduct a seven-hole reverse circulation exploration drilling program, to commence late April or early May, at a cost of A\$230,000.

**CO** almcpr : Aluminium Corporation of China Limited | cyccpp : Chinalco Yunnan Copper Resources Ltd | unvres : Altona Mining Ltd.

**IN** imet : Mining/Quarrying | ibasicm : Basic Materials/Resources | i211 : Metal Ore Mining | i2114 : Copper Ore/Nickel Ore Mining | i22 : Primary Metals | i224 : Non-ferrous Metals | i2245 : Aluminum

**NS** c184 : Joint Ventures | c11 : Plans/Strategy | c18 : Ownership Changes | cactio : Corporate Actions | ccat : Corporate/Industrial News | ncat : Content Types | nfact : Factiva Filters | nfcpin : FC&E Industry News Filter

**RE** chil : Chile | china : China | laos : Laos | queensl : Queensland | apacz : Asia Pacific | asiaz : Asia | ausnz : Australia/Oceania | austr : Australia | bric : BRIC Countries | chinaz : Greater China | devgcoz : Emerging Market Countries | dypcoz : Developing Economies | easiaz : Eastern Asia | indochz : Indo-China | lamz : Latin America | samz : South America | seasiaz : Southeast Asia

**IPD** Lines of Business

**PUB** SNL Financial LC

**AN** Document SNLMMDW020140418ea4f0000p