

November 24, 2011

## President's Update Letter to Shareholders

Dear Shareholder:

There have been many developments since the last letter sent to shareholders in December 2010. At that time, we advised shareholders of our intent to list Solfotara's shares on the London AIM Exchange in 2011. Due to adverse market conditions, we were forced to defer this listing.

### 1. Management and Board Members:

The current management of Solfotara is the same as that of London AIM- listed Copper Development Corp. (AIM: CDC) ("CDC"). CDC is completing a pre-feasibility study at Hinoba'an (the highly successful spin-out by Solfotara) and is continuing with definition drilling of Solfotara's exciting Basay Copper-Gold-Molybdenum Project, where they can earn a 70% interest by completing a bankable feasibility study. Solfotara's board members are listed below:

Mitch Alland	Chairman
Brian Lueck	President and CEO
Denham Eke	CFO
Darren Devine	Director

### 2. Update on the Hinoba'an Project

CDC is currently completing a pre-feasibility study on the Hinoba'an Project in Southern Negros. This is a significant milestone that will allow CDC to market this project to prospective buyers, joint venture partners or off-takers. The success of CDC will impact on Solfotara, as it will demonstrate the Board's ability to bring Philippine projects to development and will also show the viability of developing projects in Negros, where Solfotara's most advanced asset, the Basay project, is located. In addition, Solfotara still holds 7,029,334 CDC shares from the spin-out of Hinoba'an in 2009.

### 3. Solfotara's Basay Project

Last year in December, Solfotara signed an agreement with CDC on Solfotara's fully permitted Basay Project, whereby CDC made property payments of US\$1.9 million and subsequently incurring exploration and development expenditures of over US\$5 million in the last 12 months. Currently, over 18,000 meters of drilling have been completed at Basay. CDC is committed to completing a bankable feasibility study on the Basay (within 6 years) to earn a 70% interest. Drill results to date on this project have been spectacular and demonstrate that the Basay Project has the potential to be a large world class copper deposit. News releases with results from this work are appended to this letter. This project is currently Solfotara's main asset, and the ongoing work by CDC will allow a steady flow of

news for Solfotara without Solfotara having to incur any expense, thereby allowing Solfotara to focus on its other mineral assets in the Philippines.



Company President Brian Lueck and Ivanhoe's Doug Kirwin holding high grade Basay core

#### 4. Solfotara's St. Anthony Project

The St. Anthony Project, consisting of a mining lease contract and an exploration permit application, is located in Northern Luzon and is only a few kilometers south of the Far Southeast Deposit. The Far Southeast Deposit is currently being explored by Goldfields, who are currently undertaking a due diligence program consisting of 100,000 meters of drilling to confirm the historical resource. Goldfields have signed an agreement to pay US\$340 million to earn a 60% interest in the Far Southeast Deposit from Lepanto, of which US\$66 million has already been paid. Solfotara intends to undertake initial confirmatory drilling at St. Anthony once it has the necessary funds. This strategic property is the closest known mineralization south of the Far Southeast Deposit and also contains a

high gold/copper ratio similar to that at Goldfield's project. There are at least three known copper porphyry deposits located on the Solfotara property.

#### **5. Abra Kilong-Olao and Bayosen Projects**

Solfotara has now completed the signing of several memorandums of agreement with the local indigenous communities, which will allow for Solfotara to commence exploration work on this large area of highly prospective ground. This area contains what Solfotara believes to be the largest area of untested copper in soil anomalies in the Philippines. As well, part of the area was previously drilled successfully by Marcopper in the 1970's confirming the presence of copper porphyry mineralization. Upon permitting, Solfotara's work program will comprise historic data compilation followed by drilling of initial exploration holes. As with all of Solfotara's projects, there is ongoing interest from a number of major mining companies.

#### **6. Ongoing Operations**

Solfotara has maintained a constant presence in the Philippines and is actively pursuing the permitting of all of its other projects. Since the new Philippine Aquino government has taken power, the administration has been active in cleansing mining applications which are non performing, or which are held by individuals who are incapable or unwilling to develop the projects themselves. This process is largely completed and the mining industry is now looking forward to the issuance of new permits to companies like Solfotara which have demonstrated their financial and technical capability of advancing Philippine projects to feasibility level. Solfotara's other projects (Biliran and Tawi-Tawi) remain in good standing. Biliran is currently awaiting final receipt of an exploration permit, as all of the mandatory requirements for issuance have been completed. The Tawi-Tawi project is currently undergoing the process of getting clearance from the indigenous communities to commence exploration work.

#### **7. Strategy moving Forward**

Solfotara maintains a large portfolio of highly prospective to advanced copper porphyry projects, as well as the rights to the Biliran Gold Project, an untested Lihir look alike prospect. As previously mentioned, Solfotara has signed Confidentiality Agreements with several major copper and gold mining companies who have expressed ongoing interest in joint venturing these projects. Solfotara is well positioned with its Basay Project as an ongoing, highly successful, resource definition project which will provide it with a steady flow of news at no cost. Solfotara also intends to undertake confirmatory drilling at its St. Anthony project to enhance the value of this project in anticipation of a joint venture to take the project to feasibility.

## 8. Share structure

<b>Shares Outstanding</b>	<b>60,938,749</b>
<b>Warrants</b>	<b>26,727,344</b>
<b>Fully Diluted</b>	<b>87,666,093</b>
<b>Cash and Marketable Securities</b>	<b>\$3,000,000</b>

**I would like to take this opportunity to thank our shareholders for their continued support. Although the stock market is in a distressed state, Solfotara feels that it is well positioned to take advantage of its large portfolio of quality projects, in the ongoing pursuit of enhancing shareholder value.**

**Sincerely,**

**Brian Lueck  
President and CEO  
24 November 2011**

### **Disclosure**

This shareholder letter is being provided for information purposes only and does not constitute or form part of, and should not be construed as, an offer or invitation to sell or any solicitation of any offer to purchase or subscribe for any common shares of the Company in any jurisdiction. Neither this shareholder letter, nor any part of it nor anything contained or referred to in it, nor the fact of its distribution, should form the basis of or be relied on in connection with or act as an inducement in relation to a decision to purchase or subscribe for or enter into any contract or make any other commitment whatsoever in relation to any common shares.

Certain statements in this letter are forward looking statements. These forward looking statements are not based on historical facts but rather on management's expectations regarding the Company's future growth, results of operations, performance, future capital and other expenditures, competitive advantages, planned exploration and development activity and the results of such activity, business prospects and opportunities. Such forward looking statements reflect management's current beliefs and assumptions and are based on information currently available to management. Forward looking statements involve significant known and unknown risks and uncertainties. A number of factors could cause actual results to differ materially from the results discussed in the forward looking statements including risks associated with vulnerability to general economic and business conditions, competition, environmental and other regulatory changes, the results of exploration and development drilling and related activities, actions by governmental authorities, the availability of capital markets, reliance on key personnel, uninsured and underinsured losses and other factors, many of which are beyond the control of the Company. Although the forward looking statements are based upon what management believes to be reasonable assumptions, the Company cannot assure investors that actual results will be consistent with these forward looking statements.

## Addendum

### Basay News Releases

#### 1. **Copper Development Corporation** **(“CDC” or “the Company”)**

##### **Drilling Results at the Basay Project**

##### **Highlights**

- Diamond Drill Hole BSM001 at the Company’s Basay Project, which was drilled to a total depth of 360.1 metres returns:
  - 348 metres grading 0.60% Cu, 0.014% Mo, 1.8 g/t Ag and 0.028 g/t Au;
  - Including 192 metres grading 0.86% Cu, 0.017% Mo, 2.4 g/t Ag and 0.044g/t Au;
  - Including 111 metres grading 1.01% Cu, 0.013% Mo, 2.6 g/t Ag and 0.046 g/t Au.

<b>BSM001 Summary Data</b>							
<i>HoleID</i>	<i>From</i>	<i>To</i>	<i>Length</i>	<i>Cu%</i>	<i>Au ppm</i>	<i>Ag ppm</i>	<i>Mo %</i>
BSM001	3	111	108	0.27	0.01	1.1	0.015
BSM001	111	303	192	0.86	0.044	2.4	0.017
BSM001	incl. 117	126	9	1.01	0.07	3.5	0.037
BSM001	incl. 165	171	6	1.08	0.095	3.1	0.021
BSM001	incl. 201	297	96	1.00	0.041	2.5	0.01
BSM001	303	351	48	0.31	0.007	0.9	0.0004

##### **Basay Drilling Results**

Copper Development Corporation (AIM: CDC) is pleased to report that the first assay results from its Basay Project in Negros, Philippines confirm the presence of significant copper-molybdenum-silver-gold mineralisation. The first diamond drill hole (BSM001) was drilled in a northerly direction at a dip of 40 degrees to crosscut historic mineralisation below the central pit. The hole is the first hole of a 18,615 metre drill programme designed to confirm the historical mineralisation and to define a JORC compliant resource at Basay. The drill programme will also test the extension of known mineralisation at depth and along strike. CDC has a 70% interest in the Basay Project.

To date, the Company has completed over 4,000 metres of drilling and is currently processing the core for assay. There are currently five drill rigs on site operating 24 hours a day. The initial programme of 18,615 metres of drilling is expected to be completed by the fourth quarter, after which the Company expects to release a JORC compliant resource at Basay before the end of the year.

Mitch Alland, Executive Chairman of CDC, commented:

*“The high grade results from this first hole demonstrate the exciting world-class potential of the Basay Project. We are extremely excited by the project as these results confirm not only the high grade of copper, but also the presence of significant by-product credits in molybdenum, silver and gold”*

## 2. Copper Development Corporation (“CDC” or “the Company”)

### High Grade Copper Intersections Continue at Basay

#### Highlights

- Assay results from the first three diamond drill holes at the Company’s Basay Project confirm high grade copper mineralisation, showing a high copper grade ranging from 255m of 0.69% Cu to 111m of 1.01% Cu, together with gold, silver and molybdenum by-products for copper equivalent\* grades over the same intervals of 0.77% to 1.12%.
- These grades are substantially higher than many other copper porphyry ore bodies and are similar to the grades found at Equinox’s Lumwana Project in Zambia, PanAust’s Phu Kam Project in Laos and Xstrata’s Tampakan Project in Mindanao, Philippines.
- Five drill rigs operating at Basay with 10 holes totalling 5,000 metres drilled to date and the Company will announce assay results on a continuous basis.
- Initial visual interpretation of these drill holes supports the theory that the four known areas of mineralisation at Basay are the corners of a large rectangle that is part of a much larger system with the potential to comprise a major world class copper deposit.
- JORC compliant resources at Basay are to be announced before the end of the year.

Copper Development Corporation (AIM: CDC) is pleased to report that assay results from the first three drill holes at its Basay Project on Negros Island in the Philippines confirm the presence of long drill core intervals of high grade copper + molybdenum-silver-gold mineralisation. Assay results from the first three holes are as follows:

- Hole BSM001: **348m grading 0.60% Cu, or 0.69% Cu equivalent\***
  - including 192m grading 0.98% Cu equivalent\*
  - including 111m grading 1.12% Cu equivalent\*
- Hole BSM002: **420m grading 0.35% Cu, or 0.44% Cu equivalent\***
  - including 201m grading 0.65% Cu equivalent\*
  - including 81m grading 0.94% Cu equivalent\*
- Hole BSM003: **255m grading 0.69% Cu, or 0.77% Cu equivalent\***
  - including 174m grading 0.88% Cu equivalent\*
  - including 69m grading 1.15% Cu equivalent\*

The first diamond drill hole (BSM001) was drilled in a northerly direction at a dip of 40 degrees to crosscut historic mineralisation below the Central Pit. The second diamond drill hole (BSM002) was drilled in the same direction, from the same site at a dip of 54 degrees to test mineralisation below the first hole and within the same section. The third diamond drill hole (BSM003) was drilled 225m to the southeast of holes BSM001 and BSM002 in a northerly direction at a dip of 48 degrees and was designed to test the historic mineralisation below the Southeast Pit.

These three holes are the first to have their assays received of the 10 holes completed to date. CDC has drilled approximately 5,000 meters of its initial 18,615 metre programme designed to confirm historical mineralisation and define a JORC compliant resource at Basay. The programme will also test the extension of known mineralisation at depth and along strike.

Ongoing geologic logging and visual inspection of the core drilled to date, but not assayed, shows evidence that the copper mineralisation at Basay is extensive, with several holes (with assays pending) showing mineralisation, consistent with or better than that shown to exist in the holes assayed to date. Recent drilling at the Nabore area has intersected significant and visually spectacular copper mineralisation similar to but of higher estimated grade than that intersected in the Southeast and Central Pits so far. In addition, the current drilling demonstrates that the visual copper mineralisation has been intersected at depth well below the currently known block model of historic mineralisation at the Southeast Pit.

Mitch Alland, Executive Chairman of CDC, commented:

*“The high grade results from these initial holes demonstrate the exciting world class potential of the Basay Project. We are extremely excited by the project as these results confirm not only the high grade of copper, but also the presence of significant by-product credits in molybdenum, silver and gold. Also, the indications of visual inspection of recent drill core further supports our belief that the known areas of mineralisation at Basay may comprise one large copper deposit.”*

The initial programme of 18,615 metres of drilling is expected to be completed by the fourth quarter, after which the Company plans to release a JORC compliant resource at Basay before the end of the year.

CDC has a 70% interest in the Basay Project through the local Philippine company, Adanacex Resources Inc. Summary drill results are presented in the table attached to this announcement.

**Table 1: BSM001, BSM002 and BSM003 Summary Data**

Hole ID	From	To	Length	Cu %	Au ppm	Ag ppm	Mo %
BSM001	3	111	108	0.27	0.01	1.1	0.015
BSM001	111	303	192	0.86	0.044	2.4	0.017
BSM001	incl. 117	126	9	1.01	0.07	3.5	0.037
BSM001	incl. 165	171	6	1.08	0.095	3.1	0.021
BSM001	incl. 201	297	96	1.00	0.041	2.5	0.01
BSM001	303	351	48	0.31	0.007	0.9	0.0004
BSM002	3	423	420	0.35	0.019	1.03	0.017
BSM002	incl. 69	270	201	0.51	0.029	1.46	0.028
BSM002	incl. 123	204	81	0.73	0.047	2.15	0.041
BSM003	96	351	255	0.69	0.066	1.04	0.007
BSM003	incl. 117	291	174	0.81	0.084	1.18	0.004
BSM003	incl. 147	216	69	1.04	0.123	1.57	0.003

### 3. Copper Development Corporation ("CDC" or "the Company")

#### Drilling Results from Hole BSM004 at the Basay Project continue to Demonstrate High Grades

##### Highlights

- Diamond Drill Results from Hole BSM004 at the Company's Basay Project, continue to show long intervals of high grade copper mineralization:

##### **BSM004 Summary Data**

- 368 metres grading 0.57% Cu eq.\*
- Including 168 metres grading 0.85% Cu eq.\*
- Including 54 metres grading 1.10% Cu eq.\*
- Including 9 metres grading 1.62% Cu eq.\*

<b>BSM001, BSM002 and BSM003 Summary Data</b>							
<i>HoleID</i>	<i>From</i>	<i>To</i>	<i>Length</i>	<i>Cu%</i>	<i>Au ppm</i>	<i>Ag ppm</i>	<i>Mo %</i>
BSM004	93	461	368	0.50	0.041	1.3	0.008
BSM004	Incl. 93	261	168	0.78	0.072	1.6	0.006
BSM004	incl. 171	180	9	1.50	0.11	2.7	0.011
BSM004	incl. 195	249	54	1.03	0.093	1.9	0.002

##### Basay Drilling Results

Copper Development Corporation (AIM: CDC) is pleased to report that assay results from drill hole BSM004 at its Basay Project in Negros, Philippines continue to confirm the presence of long drill intervals of significant high grade copper-molybdenum-silver-gold mineralisation.

Assay results from the first 4 holes have now been received and reported. The company has completed 25 holes to date and are drilling ahead with 5 rigs going 24 hours/day on holes BSM026 to BSM030. The company has completed approximately 12,600 meters of an initial 18,615 metre drill programme designed to confirm the historical mineralisation and to define a JORC compliant resource at Basay. The drill programme will also test the extension of known mineralisation at depth and along strike. CDC has a 70% interest in the Basay Project.

The initial programme of 18,615 metres of drilling is expected to be completed by the fourth quarter, after which the Company expects to release a JORC compliant resource at Basay before the end of the year.

Mitch Alland, Executive Chairman of CDC, commented:

*"The high grade results from this latest hole continue to confirm the exciting high grade potential of the Basay Project. We are extremely excited by the project as these latest results continue to confirm not only the high grade of copper, but also the presence of significant by-product credits in molybdenum, silver and gold"*

#### 4. Copper Development Corporation ("CDC" or "the Company")

##### Sixth Hole at Basay Intersects 261 metres of 1.08% Cu

Copper Development Corporation (AIM: CDC) is pleased to report that assay results from drill holes BSM005 and BSM006 at its Basay Project in Negros Island, Philippines continue to confirm the presence of long drill intervals of significant high grade copper-molybdenum-silver-gold mineralisation.

Drill hole BSM005 was drilled at a deeper level and on the same section as the earlier drill holes, BSM001 and BSM002. This drill-hole indicates that the ore zone is not vertical in this location and that the hole drilled along the edge and below the Central Zone due to an off-section plunge (Fig.1)

Drill hole BSM006 was drilled underneath the highly successful drill hole BSM003 and targeted the continuation of the Southeast Zone at depth (Fig. 2). The drill hole intersected a long 261 meter interval of 1.08% copper and, together with significant gold, silver and molybdenum credits, for a 1.22% copper equivalent\*. This hole is highly encouraging as it is the longest high-grade intersection to date. The mineralisation in the Southeast zone is open at depth and along strike, and more drilling is planned to intersect this high grade at greater depth.

<b>BSM005 and BSM006 Summary Data</b>							
<i>HoleID</i>	<i>From</i>	<i>To</i>	<i>Length</i>	<i>Cu%</i>	<i>Au ppm</i>	<i>Ag ppm</i>	<i>Mo %</i>
BSM005	69	114	45	0.28	0.008	0.82	0.011
BSM005	123	141	18	0.26	0.007	1.07	0.009
BSM005	150	204	54	0.36	0.013	1.11	0.011
BSM006	126	138	12	0.21	0.032	2.30	0.002
BSM006	201	462	261	1.08	0.103	3.28	0.005

#### Basay Drilling Results

Assay results from the first six holes have now been received and reported. The company has completed 29 holes to date and are drilling ahead with five rigs going 24 hours/day on holes BSM030 to BSM035. CDC has completed approximately 16,464 meters of an initial 18,615 metre drill programme designed to confirm the historical mineralisation and to define a JORC compliant resource at Basay. The drill programme will also test the extension of known mineralisation at depth and along strike. [*Say something about catching assay results catching up with drilling*]. CDC has a 70% interest in the Basay Project.

The initial programme of 18,615 metres of drilling is expected to be completed by the fourth quarter, after which the Company expects to release a JORC compliant resource at Basay before the end of the year.

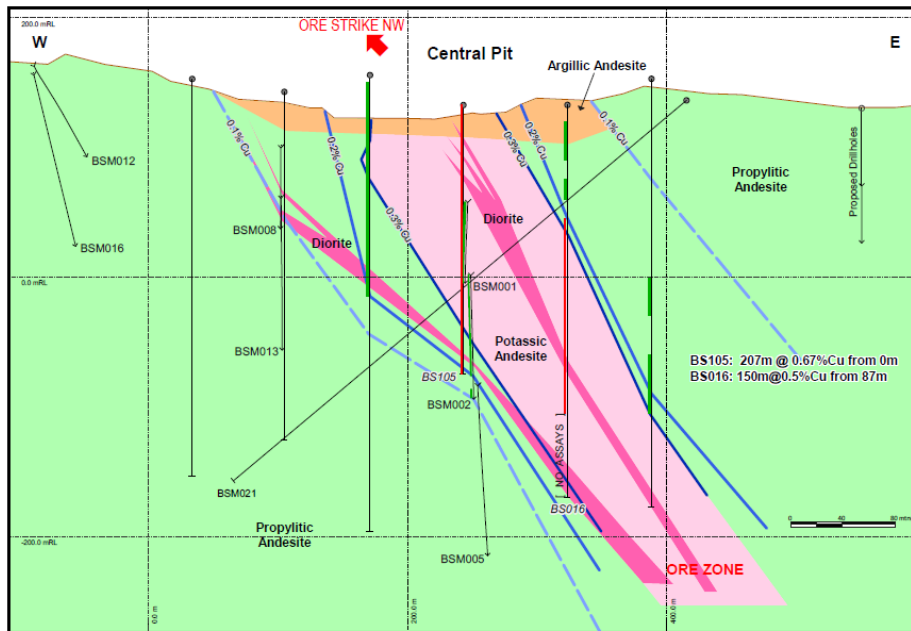
#### Ground Magnetism Survey Results

The ground magnetism survey has recently been completed and the correlation between the location of known orebodies and magnetic lows is very striking (Fig.4). This information shows that the project has enormous potential for discovering further ore along strike of known ore bodies as well as in new areas that have hitherto never been explored by modern techniques. Much of the western half of the tenement is overlain by shallow lateritic terrain, which would mask any exposures of further copper mineralisation. Further geophysical and geochemical surveys are ongoing and these will enhance the project for creating more drill targets in the coming year.

Mitch Alland, Executive Chairman of CDC, commented:

*“The high grade results from this latest hole continue to confirm the exciting high grade potential of the Basay Project. We are continue to be excited by the Basay Project as these latest results continue to confirm not only the high grade of copper, but also the presence of significant by-product credits in molybdenum, silver and gold. We are also on schedule with our pre-feasibility study on the Hinoba-an Project. Indeed, while the company’s share price has suffered together with that of other mining companies owing to the state of the financial markets, there is nothing in the company’s own performance that would justify the fall in the share price.”*

**Figure 1**



## **5. Copper Development Corporation ("CDC" or "the Company")**

### **Hole BSM-009 at Basay Intersects 408 Metres of 0.65% Cu, extending the resource to a depth of over 500 metres from surface at the Southeast Deposit**

#### **Highlights**

- BSM009 contains the longest high-grade intersection identified to date of 408 metres of 0.65% copper with significant gold, silver and molybdenum credits, resulting in a copper equivalent\* grade of 0.74%;
- Magnetic and Induced Polarisation (IP) ground surveys have now been completed and indicate the potential for the discovery of major further ore bodies on the tenement;
- 18,150 metres of the initial 18,615 metre drill programme now completed at Basay; and
- JORC compliant resource for Basay on track for completion by year-end.

Copper Development Corporation (AIM: CDC) is pleased to report that assay results from drill holes BSM007 to BSM014 at its Basay Project on Negros Island, Philippines continue to confirm the presence of long drill intervals of significant high grade copper-molybdenum-silver-gold mineralisation. Separately, magnetic and IP survey results indicate the potential presence of additional major ore bodies in the western area of the tenement as well as extensions to known ore zones.

#### **Assay Results**

##### **Southeast Deposit**

Drill hole BSM009 on section 17000mE was drilled underneath the highly successful drill hole BSM004 and targeted the continuation of the Southeast Zone at depth (see Figure 1). The drill hole intersected a long 408 metre interval of 0.65% copper and, together with significant gold, silver and molybdenum credits, represents a 0.74% copper equivalent\*. This hole is highly encouraging as it is longer than the previous high-grade intersection of BSM006. The mineralisation in the Southeast Zone is likewise open at depth and along strike. Additional drilling is now planned to intersect this high grade seam at greater depth and also to the west.

Drill holes BSM007, BSM011 and BSM014 were drilled on section 17300mE, 300 metres east of the BSM009 section, with the highly successful drill section of BSM003 and BSM006 lying between the two sections. Section 17300mE shows a robust and continuous sub vertical ore zone, similar to the 17000mE section (see Figure 2). As such there are at least 300 metres on three sections showing excellent continuity of grade within a robust ore zone. All these sections are open at depth boding well for the discovery of additional tonnes.

##### **Central Deposit**

Drill holes BSM008, BSM012 and BSM013 were drilled along the western edge of the Central deposit, and as such have drilled underneath or peripherally to the Central deposit. These holes close off the deposit on the west side. Drill hole BSM008 intersected 126 metres at 0.38% copper from 147 metres, which is in compliance with the Company's original block model formed from historical data.

##### **Nabore Deposit**

Assays of drill hole BSM010, the first drill hole from the Nabore deposit, additionally indicate an encouraging intersection of 84 metres at 0.34% copper from 147 metres depth. This hole is a steeply inclined hole intersecting the ore zone at depth. Further drilling has been carried out on sections 150

metres east and west of this hole as well as a shallower dip drill hole and the Company looks forward to these results.

<b>Summary Drill Intercept Data for BSM007 to BSM014</b>							
<i>HoleID</i>	<i>From</i>	<i>To</i>	<i>Length</i>	<i>Cu%</i>	<i>Au ppm</i>	<i>Ag ppm</i>	<i>Mo ppm</i>
BSM007	60	144	84	0.64	0.091	1.82	87
BSM007	159	204	45	0.42	0.06	1.02	138
BSM008	147	273	126	0.38	0.018	1.73	128
BSM009	192	201	9	0.36	0.01	1.57	33
BSM009	213	621	408	0.65	0.043	2.18	91
BSM009	630	639	9	0.38	0.023	1.07	17
BSM010	81	99	18	0.27	0.006	1.08	20
BSM010	111	195	84	0.34	0.015	1.33	15
BSM011	123	255	132	0.44	0.053	1.52	36
BSM011	267	279	12	0.24	0.027	0.6	49
BSM012	nil						
BSM013	612	648	36	0.32	0.006	1.29	53
BSM014	116.7	345	228.3	0.49	0.044	2	85

Note; All composite assays are based upon a 0.25%Cu cut off grade and a maximum internal waste of 6 metres.

### **Ground Magnetics & IP Surveys**

As stated in the Company's announcement on 12 October 2011, a ground magnetics survey has recently been completed and a high degree of correlation between the location of known ore bodies and magnetic lows has been identified (see Figure 3).

A soil geochemical survey is being undertaken following on from the completion of the geophysical surveys. This survey will likely confirm the presence of mineralisation, and therefore, together with the geophysics, establish additional drill targets in the coming year.

### **Ongoing Basay Drilling Programme**

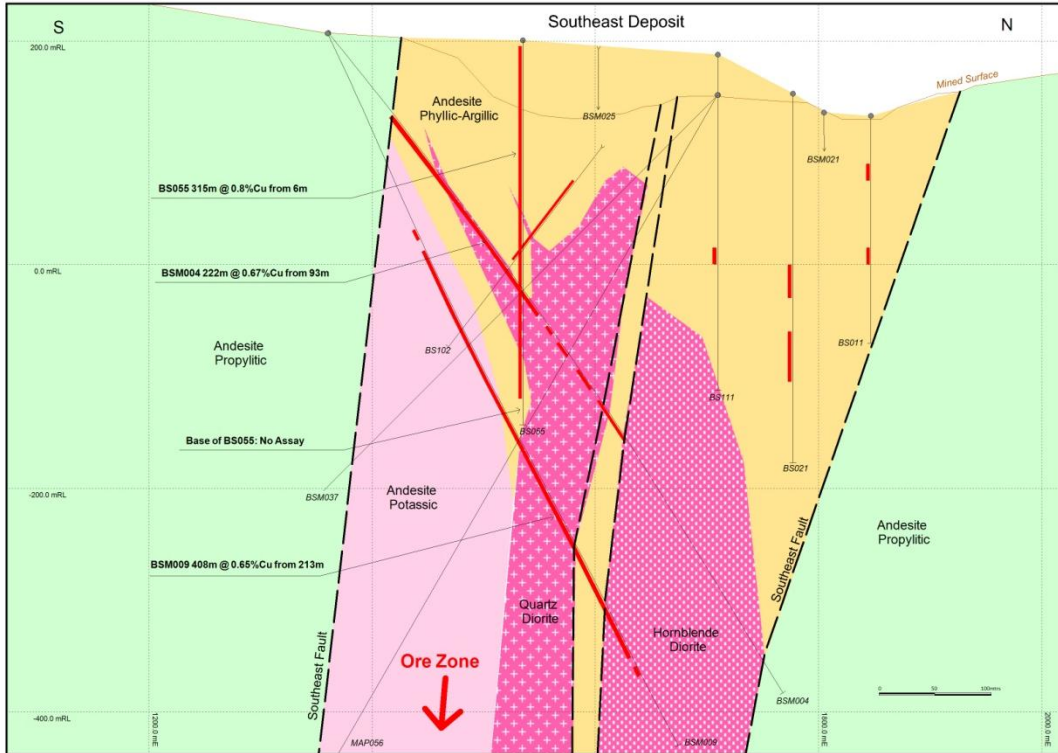
To date, the Company has completed 35 holes of the expanded 46 hole drill programme with five rigs currently drilling 24 hours/day. In total, 18,150 metres of an initial 18,615 metre drill programme designed to confirm the historical mineralisation and to define a JORC compliant resource at Basay has now been completed, with 10 additional holes being added to cover extensions to known mineralisation.

The initial core programme of 18,615 metres of drilling is expected to be completed by the end of November, after which the Company expects to release a JORC compliant resource at Basay before the end of the year. The backlog of Basay assays pending, caused as a result of assay laboratories running at full capacity this year due to the mining boom, is currently being dealt with and the Company expects that all the data for the Southeast and Central deposits will be collated in time for resource statements on those two major deposits by year-end. CDC has a 70% interest in the Basay Project.

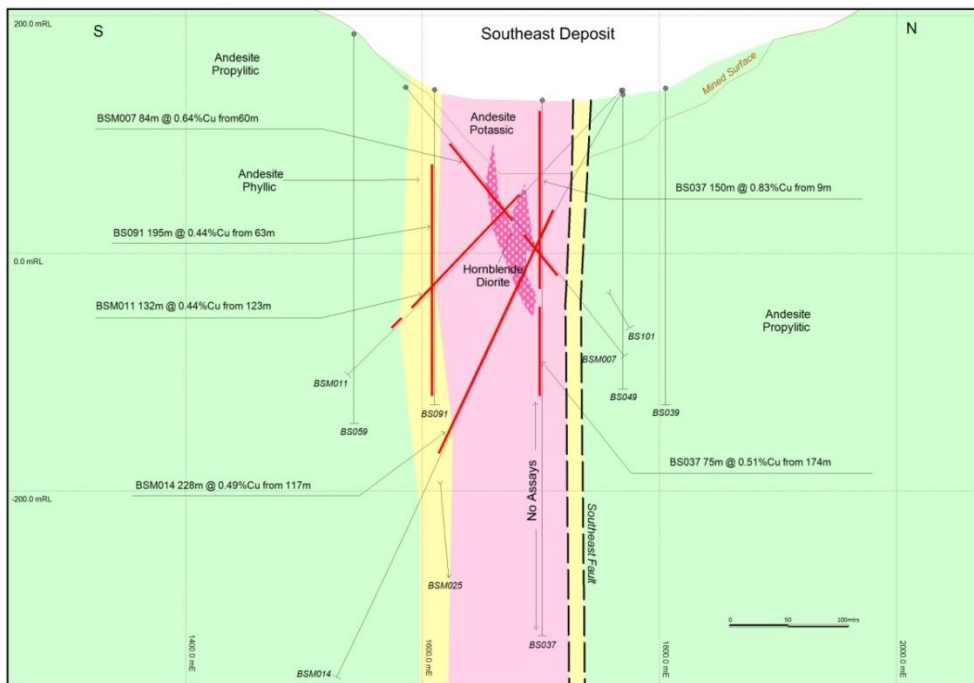
Mitch Alland, Executive Chairman of CDC, commented:

*"With hole 9 showing the spectacular results of a 408 metre intersection with a copper equivalent grade of 0.74%, and with Magnetic and Induced Polarisation ground surveys now indicating, the potential for the discovery of major further ore bodies on the tenement, Basay continues its promise of being a major, world class play for CDC."*

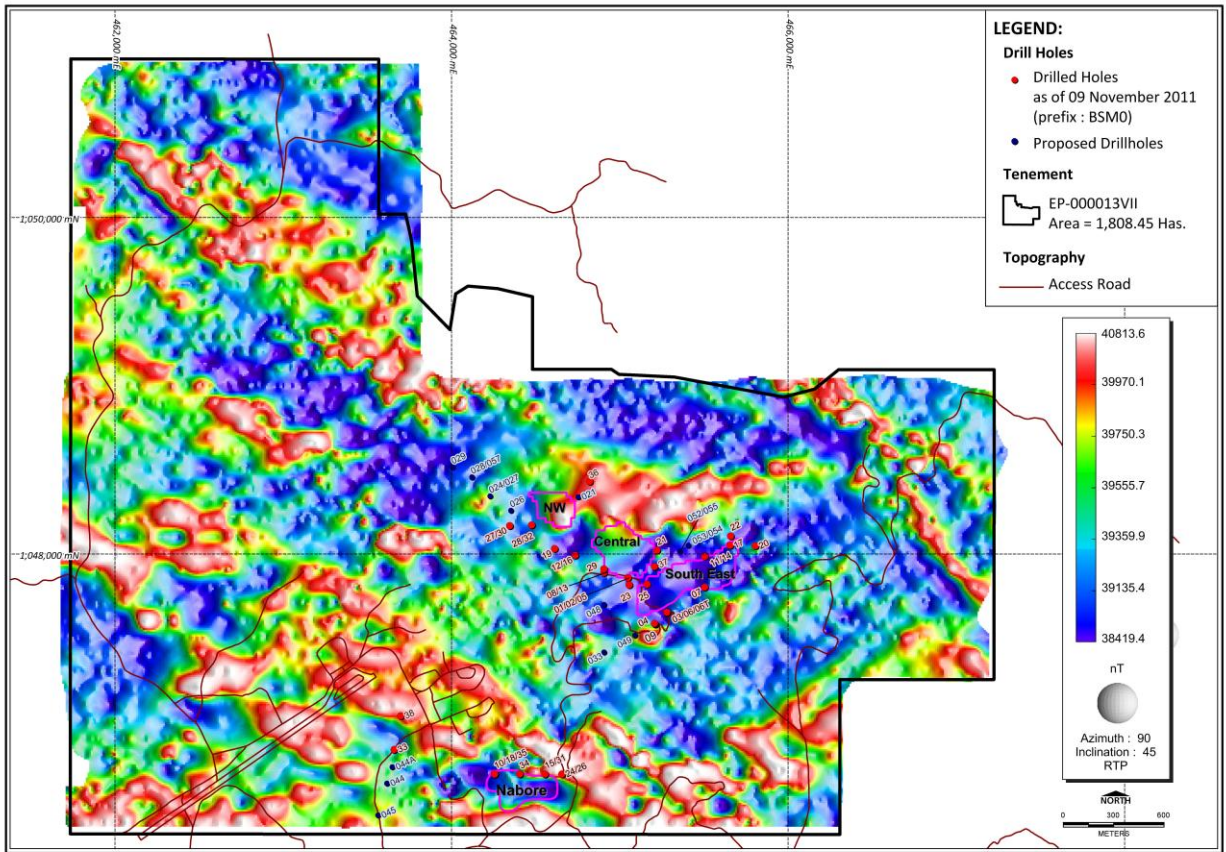
\* Copper Equivalents are calculated on the basis of \$3.35/ lb Cu, \$13.60/ lb Mo, \$32/ oz. Ag, \$1680/ oz. Au.



**Figure 1**



**Figure 2**



**Figure 3- Drill Hole Locations Overlaid on Magnetic Signature Map**