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Copper Development Corporation
(“CDC” or “the Company”)

Basay Drilling Update: Long High Grade Intercepts Indicate Large Extensions of Deposit

Highlights

- High grade intersections continue at the Northwest Deposit including Hole BSM028 intersecting 171 metres of 0.50% Cu;
- BSM028 also includes a high grade intercept of 21 metres of 1.09% Cu;
- In the Southeast Deposit, BSM025 has intersected 645 metres of long, continuous mineralisation grading 0.36% Cu equivalent*;
- 2012 drilling programme underway with 44,000 metres of drilling planned for the year with five rigs currently operating on site; and
- Initial JORC compliant resource for Basay slightly delayed owing to continued delays at assay labs, but expected to be completed in February.

Copper Development Corporation (AIM: CDC) is pleased to report assay results from drill holes BSM023 to BSM030 at its Basay Project on Negros Island, Philippines, in which CDC has a 70% interest.

The Basay project is located 25km southeast of CDC’s Hinoba-an project and comprises four known areas of mineralisation: the Central, Northwest, Nabore and Southeast deposits (see the Figure at the end of this announcement for the Basay drill-hole and site plan). Drill results to date continue to confirm the presence of long drill intervals of significant high grade copper-gold-silver-molybdenum mineralisation and support the theory that the four known deposits may be the corners of a large rectangle that are part of a much larger system, with the potential to comprise a major copper deposit.

Assay Results

Southeast Deposit

Drill holes BSM023, BSM025 and BSM029 were drilled in the Southeast deposit. BSM023 was drilled 150 metres west of the known mineralisation on section 16850mE and BSM029 was drilled a further 150 metres west of BSM023 on section 16700mE, thus extending the mineralisation 300 metres to the west of previous known mineralised drill intercepts present in holes BSM004 and BSM009. These two sets of intercepts therefore constitute new western extensions to the deposit, and as such should add significant tonnage potential to the overall deposit. Deeper drilling under these holes, BSM023 and BSM029, is planned for 2012, particularly in light of the better widths obtained in the steeper and deeper hole BSM009 (408m @ 0.65% Cu from 213m) than in BSM004 (222m @ 0.67% Cu from 93m) drilled on the same section.

Hole BSM025 (collared at 16955mE) was drilled from west to east along the approximate strike of the Southeast deposit to establish continuity within the deposit and intersected 645 metres at 0.30% Cu from 41.4 metres (0.15% Cu cut-off). This hole has therefore largely confirmed our structural model with further

structural geology work required in certain areas, such as the relationship the Central deposit has with the Southeast deposit.

Northwest Deposit

Drill holes BSM027, BSM028 and BSM030 were drilled within the Northwest mineralised corridor. Drill hole BSM028 (171m @ 0.50% Cu from 117m) on section 450NW occurs 150 metres northwest of and on strike to BSM019 (234m @ 0.43% Cu from 147m). Drill holes BSM027 (135m @ 0.54% Cu from 188m, among other intersections) and BSM030 (108m @ 0.38% Cu from 186m) are on the same section, 600NW, a further 150 metres to the northwest. Hole BSM030 was drilled from the same site as hole BSM027 at a steeper angle. Higher grade zones of >1% Cu occur within both BSM027 and BSM028 intersections.

These assay results demonstrate the continuity of the mineralised zone present within the Northwest deposit, an area which hitherto the Company held very limited information. The purpose of CDC's drilling in the Northwest area is to re-establish this mineral resource as well as to extend the known mineralisation.

Nabore Deposit

Two further drill assay results have been received for drill holes BSM024 (72m @ 0.37% Cu from 131m) and BSM026 (36m @ 0.35% Cu from 165m) at the eastern end of the Nabore deposit. Hole BSM026 was drilled from the same site as hole BSM024 at a steeper angle. These two holes confirm that the mineralised zone is open to the east, which had previously thought to have been closed off. Some surface workings are present further east of these drill holes, which supports the view that more mineralisation occurs in this vicinity. Drilling to the east is planned for this year.

Summary Drill Intercept Data for BSM023 to BSM030							
<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>
BSM023	174	183	9	0.28	0.023	0.7	175.0
BSM023	195	333	138	0.37	0.037	1.3	87.2
BSM023	345	351	6	0.25	0.025	2.7	100.0
BSM024	131	203	72	0.37	0.034	1.3	99.7
BSM025							
(0.15% cutoff, 9m maximum internal waste)	41.4	686.4	645	0.30	0.022	0.77	91.31
BSM025	44	53	9	0.23	0.027	0.4	24.3
BSM025	65	206	141	0.37	0.048	0.5	113.7
BSM025	215	230	15	0.47	0.040	0.5	201.8
BSM025	254	278	24	0.38	0.034	0.5	120.9
BSM025	296	425	129	0.37	0.011	1.5	130.8
BSM025	458	485	27	0.29	0.012	0.9	32.9
BSM025	515	592	77	0.31	0.015	1.2	73.7
BSM025	601	664	63	0.28	0.011	0.8	69.2
BSM026	165	201	36	0.35	0.017	1.2	137.4
BSM027	188	323	135	0.54	0.037	1.8	33.8
BSM027 incl.	266	278	12	1.02	0.096	2.6	5.0
BSM027	467	488	21	0.32	0.022	0.73	5.0
BSM028	117	288	171	0.50	0.018	1.5	87.7

Summary Drill Intercept Data for BSM023 to BSM030

<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>
BSM028 incl.	240	261	21	1.09	0.036	3.2	30.0
BSM029	251	257	6	0.28	0.010	1.0	73.5
BSM029	290	311	21	0.33	0.025	2.6	94.29
BSM029	320	332	12	0.29	0.014	1.3	106
BSM030	186	294	108	0.38	0.021	1.2	119.58

Note: All composite assays are based upon a 0.25% Cu cut off grade and a maximum internal waste of 6 metres, except as otherwise stated.

Mitch Alland, Executive Chairman of CDC, commented:

"This current batch of eight drill holes point to major extensions of the known mineralisation. At the Southeast Deposit three of the new drill holes extend the mineralisation 300 metres to the west of previous known mineralised drill intercepts present in holes drilled last year. At the Northwest Deposit three new drill holes demonstrate the continuity of the mineralised zone in this deposit. And at the Nabore Deposit two drill holes confirm that the mineralised zone is open to the east, which had previously thought to have been closed off and support the view that more mineralisation occurs in this vicinity. Altogether, these are exciting results that, together with magnetic and induced polarisation ground surveys, continue to support our structural model for the continuity of mineralisation in these deposits and of the prospect of Basay developing into a major world class project."

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

Glossary

Ag = Silver

Au = Gold

Cu = Copper

g/t = grams per tonne

m = metres

Mo = Molybdenum

oz. = ounce

ppm = parts per million

