For immediate release: 7AM, 21 September 2011

Copper Development Corporation
("CDC", "the Company" or "the Group")

Interim Results for the six month period ended 30 June 2011

Copper Development Corporation (AIM: CDC), the copper exploration company focused on the Philippines, today announces its interim results for the six month period ended 30 June 2011.

Project highlights:

- Hinoba-an Porphyry Copper Project on track to complete pre-feasibility study in November 2011;
- initial drill results analysis at Hinoba'an point to a potential increase in the resource base to over one million tonnes on a gross basis at Hinoba'an;
- Hinoba'an bankable feasibility study on target for completion mid 2012;
- Assay results from first four holes at CDC's Basay Project show exceptionally high copper grades demonstrating the world class potential of the project;
- the presence of significant by-product credits indicated at Basay in molybdenum, silver and gold; and
- visual inspection of recent drill cores from additional holes currently being assayed at Basay support the Company's belief that the known areas of mineralisation at Basay are likely to be part of a much larger continuous copper deposit.

Financial Highlights:

- Total assets at 30 June 2011: USD 62,271,924 (30 June 2010: USD 7,253,774);
- cash and cash equivalents at 30 June 2011: USD 48,347,431 (30 June 2010: USD 4,379,733); and
- post period 11.8% strategic investment made in Crazy Horse Resources (TSX-V: CZH) which owns the Taysan Project, an advanced copper-gold porphyry deposit located 100 km south of Manila.

Mitch Alland, Executive Chairman of CDC, commented:

> "We are excited by the development prospects for the Basay Project and the Hinoba-an Project, which promises to provide attractive returns. We believe that the Basay property could potentially contain a major resource that if developed together with Hinoba-an would transform CDC into a major copper producer. We likewise look forward to working with Crazy Horse Resources and having a mutually beneficial relationship as we look to develop our projects in the Philippines."

The Information contained in this announcement has been reviewed by Brian Lueck, COO and Director of CDC. Mr Lueck is a practicing member of the Association of Professional Engineers and Geoscientists of British Columbia. Mr Lueck has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking, to qualify as a Qualified Person for the purposes of this announcement.

- Ends -

Contact details

Copper Development Corporation	Beaumont Cornish Limited	GMP Securities	Evolution Securities	GTH Communications
The Company	***Nomad***	***Joint Broker***	***Joint Broker***	***Financial PR***

Mitch Alland	Roland Cornish	Richard Greenfield	Romil Patel Tim Redfern	Toby Hall Christian Pickel
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Chairman's statement

Dear Shareholders,

Copper Development Corporation is well on its way to completing its pre-feasibility study (PFS) on the Hinoba-an Porphyry Copper Project in November 2011, having finished the drilling required for the PFS at the end of August. The drill results that are now being analysed by Mining Associates, the Company's resource consultant, point to a potential increase in the resource base from the previous estimate of 726,000 tonnes of copper content to over one million tonnes (in each case on a gross basis), a level that we believe will be of interest to many mining companies seeking copper deposits to acquire or to joint venture, thereby enhancing the attractiveness of the Hinoba-an Project.

Additional drilling for the bankable feasibility study (BFS) is expected to be completed by the end of March 2012, which should keep the completion of the BFS on track for completion in mid-2012. By then, we will have drilled 43,000 metres at the Hinoba-an site, which together with drilling by previous owners, will amount to a total of 129,886 metres, which will provide an excellent basis for the BFS. CDC is confident that the PFS and BFS will both confirm the financial attractiveness of the Hinoba-an Project, which was estimated at the time of the admission of CDC to AIM last year to have an NPV of US$485 million (on a gross basis), based on a copper price of US$3.00 per pound and a discount rate of 10%.

On the Basay Project, we are pleased to have been able to announce assay results from the first four holes that show exceptionally high copper grades that demonstrate the world class potential of the Basay Project. We are extremely excited by the Basay project as these assay results confirm not only high grades of copper, but also the presence of significant by-product credits in molybdenum, silver and gold. Visual inspection of recent drill cores from additional holes that are currently being assayed also support our belief that the known areas of mineralisation at Basay are likely to be part of a much larger continuous copper deposit. These grades that we are seeing 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 Kham Project in Laos and Xstrata's Tampakan Project in Mindanao, Philippines.

To date, we have drilled approximately 12,600 metres of the 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 extensions of known mineralisation at depth and along strike. The initial programme of 18,615 metres of drilling is expected to be completed in the fourth quarter, after which we expect to release a JORC-compliant resource at Basay before the end of this year.

In July, we made a strategic investment in Crazy Horse Resources, a copper and gold company traded on the TSX Venture Exchange (TSX-V: CZH) that owns the Taysan Project, an advanced copper-gold porphyry deposit located 100 km south of Manila. We believe that our 11.8% holding in Crazy Horse Resources offers our shareholders significant upside potential from both the Taysan Project and further increases in copper and gold prices. We look forward to working with Crazy Horse Resources and having a mutually beneficial relationship as we each share knowledge and experience as we develop our projects in the Philippines.

Overall, we are excited by the development prospects for the Basay Project and the Hinoba-an Project, which promises to provide attractive returns. We believe that the Basay property could potentially contain a major resource that if developed together with Hinoba-an would transform CDC into a major copper producer.

Sincerely,

Mitch Alland
Executive Chairman

Condensed consolidated statement of comprehensive income

for the six month period ended 30 June 2011

	Notes	**For the period from 1 January 2011 to 30 June 2011 (Unaudited) US$**	For the period from 1 January 2010 to 30 June 2010 (Unaudited) US$	For the year ended 31 December 2010 (Audited) US$
Income				
Revenue		**-**	-	-
Expenses				
Professional fees		**(2,914,399)**	(2,275,316)	(6,758,942)
Administration expenses		**(309,905)**	(227,944)	(345,669)
Salaries and wages		**(358,881)**	(228,333)	(476,110)
Share option charge	*8*	**(409,375)**	(71,167)	(1,354,197)
Warrants charge	*7*	**-**	(352,696)	(1,940,280)
Unrealised exchange gain/(losses)		**289,456**	(51,473)	551,924
Deed payments		**(1,227,290)**	(297,973)	(319,495)
Other costs		**-**	(848,830)	(1,753,429)
Loss before finance income	*3*	**(4,930,394)**	(4,353,732)	(12,396,198)
Finance income		**140,364**	1,690	30,869
Loss before income tax		**(4,790,030)**	(4,352,042)	(12,365,329)
Deferred tax expense	*4*	**-**	123,170	123,147
Loss after income tax		**(4,790,030)**	(4,228,872)	(12,242,182)
Other comprehensive income - foreign currency translation reserve		**(76,502)**	-	1,923
Total comprehensive loss for the period		**(4,866,532)**	(4,228,872)	(12,240,259)
Loss attributable to:				
Minority interests		**(91,706)**	(99,402)	(137,616)
Equity shareholders		**(4,698,324)**	(4,129,470)	(12,104,566)
		(4,790,030)	(4,228,872)	(12,242,182)
Total comprehensive loss attributable to:				
Minority interests		**(84,068)**	(99,402)	(137,616)
Equity shareholders		**(4,782,464)**	(4,129,470)	(12,102,643)
		(4,866,532)	(4,228,872)	(12,240,259)
Basic and diluted loss per share	*15*	**(0.0209)**	(0.0488)	(0.1186)

The notes on pages 10 to 20 form part of these financial statements.

The Directors consider that all results derive from continuing activities.

Condensed consolidated statement of financial position

as at 30 June 2011

	Notes	**At 30 June 2011 (Unaudited) US$**	At 30 June 2010 (Unaudited) US$	At 31 December 2010 (Audited) US$
Assets				
Property, plant and equipment		**1,055,560**	549,687	602,516
Deferred mine exploration costs	*5*	**9,749,661**	2,068,354	2,191,493
Intangible assets	*9*	**681,382**	-	-
Total non-current assets		**11,486,603**	2,618,041	2,794,009
Current assets				
Cash and cash equivalents		**48,347,431**	4,379,733	60,905,505
Trade and other receivables		**2,437,890**	256,000	1,072,513
Total current assets		**50,785,321**	4,635,733	61,978,018
Total assets		**62,271,924**	7,253,774	64,772,027
Equity				
Share premium	*6*	**73,368,195**	10,370,070	73,324,027
Share option reserves	*8*	**1,763,572**	71,167	1,354,197
Warrants	*7*	**1,940,280**	352,696	1,940,280
Foreign currency translation reserve		**(86,063)**	-	(1,923)
Retained deficit		**(17,023,615)**	(4,216,425)	(12,325,291)
Shareholders' equity		**59,962,369**	6,577,508	64,291,290
Minority interest	*9*	**721,129**	29,126	(9,088)
Total equity		**60,683,498**	6,606,634	64,282,202
Liabilities				
Proceeds for share issue received in advance		**58,333**	-	-
Deferred tax liability	*4*	**44**	21	44
Total non-current liabilities		**58,377**	21	44
Trade and other payables		**1,530,049**	647,119	489,781
Total liabilities		**1,588,426**	647,140	489,825
Total equity and liabilities		**62,271,924**	7,253,774	64,772,027

The notes on pages 10 to 20 form part of these financial statements.

These financial statements were approved by the board of directors on 20 September 2011 and were signed on their behalf by:

Mitch Alland
Director

Denham Eke
Director

Condensed company statement of financial position

as at 30 June 2011

	Notes	**At 30 June 2011 (unaudited) US$**	At 30 June 2010 (unaudited) US$	At 31 December 2010 (audited) US$
Non current assets				
Investment in subsidiaries	*9*	**3,400,000**	1,500,000	1,500,000
Current assets				
Cash and cash equivalents		**47,112,615**	4,160,526	59,231,587
Trade and other receivables		**1,138,032**	2,807	558,951
Intercompany receivables		**12,126,542**	2,511,811	5,023,832
		60,377,189	6,675,144	64,814,370
Total assets		**63,777,189**	8,175,144	66,314,370
Equity				
Share premium	*6*	**73,368,195**	10,370,070	73,324,027
Share option reserves	*8*	**1,763,572**	71,167	1,354,197
Warrants	*7*	**1,940,280**	352,696	1,940,280
Retained deficit		**(14,200,662)**	(3,166,562)	(10,692,393)
Shareholders' equity		**62,871,385**	7,627,371	65,926,111
Current liabilities				
Proceeds for share issue received in advance		**58,333**	-	-
Trade and other payables		**847,471**	547,773	388,259
Total current liabilities		**905,804**	547,773	388,259
Total equity and liabilities		**63,777,189**	8,175,144	66,314,370

The notes on pages 10 to 20 form part of these financial statements.

These financial statements were approved by the board of directors on 20 September 2011 and were signed on their behalf by:

Mitch Alland
Director

Denham Eke
Director

Condensed consolidated statement of changes in equity

for the six month period ended 30 June 2011

	Notes	Share premium US$	Warrants US$	Share options US$	Foreign currency exchange reserves US$	Retained deficit US$	Total attributable to shareholders US$	Non - controlling interest US$	Total US$
Balance at 1 January 2010		1,500,595	-	-	-	(86,955)	1,413,640	128,528	1,542,168
Total comprehensive loss for the period									
Total comprehensive loss for the period		-	-	-	-	(4,129,470)	(4,129,470)	(99,402)	(4,228,872)
Transactions with owners of the Company									
Shares issued	*6*	8,869,475	-	-	-	-	8,869,475	-	8,869,475
Warrants issued	*7*	-	352,696	-	-	-	352,696	-	352,696
Share options issued	*8*	-	-	71,167		-	71,167	-	71,167
Balance at 30 June 2010		**10,370,070**	**352,696**	**71,167**	**-**	**(4,216,425)**	**6,557,508**	**29,126**	**6,606,634**

	Notes	Share premium US$	Warrants US$	Share options US$	Foreign currency exchange reserves US$	Retained deficit US$	Total attributable to shareholders US$	Non - controlling interest US$	Total US$
Balance at 1 January 2011		73,324,027	1,940,280	1,354,197	(1,923)	(12,325,291)	64,291,290	(9,088)	64,282,202
Total comprehensive loss for the period									
Loss for the period		-	-	-	-	(4,698,324)	(4,698,324)	(91,706)	(4,790,030)
Other comprehensive loss for the period		-	-	-	(84,140)	-	(84,140)	7,638	(76,502)
Transactions with owners of the Company									
Shares issued	*6*	-	-	-	-	-	-	-	-
Warrants issued	*7*	-	-	-	-	-	-	-	-
Warrants exercised	*6, 7*	44,168	-	-	-	-	44,168	-	44,168
Share options issued	*8*	-	-	409,375	-	-	409,375	-	409,375
Changes in ownership interests in subsidiaries									
Minority interest on acquisition	*9*	-	-	-	-	-	-	814,285	814,285
Balance at 30 June 2011		**73,368,195**	**1,940,280**	**1,763,572**	**(86,063)**	**(17,023,615)**	**59,962,369**	**721,129**	**60,683,498**

The notes on pages 10 to 20 form part of these financial statements.

Condensed consolidated statement of cash flows
for the six month period ended 30 June 2011

	Notes	**For the period from 1 January 2011 to 30 June 2011 (Unaudited) US$**	For the period from 1 January 2010 to 30 June 2010 (Unaudited) US$	For the year from 1 January 2010 to 31 December 2010 (Audited) US$
Cash flows from operating activities				
Loss before income tax		**(4,790,030)**	(4,352,042)	(12,365,329)
Adjusted for non cash and non operating items:				
Depreciation		**-**	34,113	107,453
Share option charge		**409,375**	71,167	1,354,197
Warrants charge		**-**	352,696	1,940,280
Finance income		**(140,364)**	(1,690)	(30,869)
		269,011	456,286	3,371,061
Change in trade and other receivables		**(1,444,177)**	(187,524)	(1,004,037)
Change in trade and other payables		**856,934**	(43,060)	(200,398)
Net cash used in operating activities		**(5,108,262)**	(4,126,340)	(10,198,703)
Cash flows from investing activities				
Purchase of property, plant and equipment		**(345,616)**	(384,455)	(532,339)
Amounts paid in cash for deferred mine exploration costs	*5*	**(5,482,083)**	12,055	(111,084)
Loan and advances to subsidiary prior to acquisition		**(1,743,924)**	-	-
Cash acquired on acquisition of subsidiary		**8,956**	-	-
Net cash used in investing activities		**(7,562,667)**	(372,400)	(643,423)
Cash flows from financing activities				
Interest received		**140,364**	1,690	30,869
Issue of shares	*6*	**-**	8,869,475	71,823,432
Warrants exercised	*6, 7*	**44,168**	-	-
Increase / (decrease) in share issue received in advance		**58,333**	(2,725,100)	(2,725,100)
Unrealised foreign exchange loss		**(130,010)**	-	(113,978)
Net cash generated from financing activities		**112,855**	6,146,065	69,015,223
(Decrease) / increase in cash and cash equivalents		**(12,558,074)**	1,647,325	58,173,097
Cash and cash equivalents at beginning of period / year		**60,905,505**	2,732,408	2,732,408
Cash and cash equivalents at end of period / year		**48,347,431**	4,379,733	60,905,505
Significant non-cash transaction				
Conversion on debenture loan into 70% equity interest in Basay Copper Limited	*9*	**1,900,000**	-	-

The notes on pages 10 to 20 form part of these financial statements.

1 Reporting Entity

Copper Development Corporation is a company domiciled in the British Virgin Islands. The address of the Company's registered office is Craigmuir Chambers, Road Town, Tortola, British Virgin Islands. The consolidated financial statements of the Company as at and for the period from 1 January 2011 to 30 June 2011 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities"). The Group primarily is engaged in the exploration, development, mining and processing of minerals, petroleum and other mineral oils.

2 Basis of preparation

(a) Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS34 *Interim Financial Reporting* and do not include all of the information required for full annual financial statements.

These consolidated financial statements were authorised for issue by the Board of Directors on 20 September 2011.

(b) Estimates

The preparation of consolidated interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant judgments made by management in applying Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2010.

(c) Going concern

The Company's ability to continue as a going concern is dependent upon conducting successful exploration and the recovery of mineral resources and obtaining financing to fund its exploration efforts over the next year. Although as at the period end, there appears to be sufficient cash balance to meet current obligations, there can be no assurance the Company will be able to raise sufficient funds as and when funds are required. If such funding is not available, the Company will cease operations.

These condensed consolidated interim financial statements do not include any adjustments to the recoverability and classification of recorded asset amounts and liabilities that might be necessary, should the Company be unable to continue as a going concern. Such adjustments could be material.

2 Significant accounting policies

The condensed interim financial statements of the Company for the period ending 30 June 2011 comprises the Company and its subsidiaries (together referred to as the "Group").

The accounting policies adopted by the Group in the preparation of these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2010.

The audited consolidated financial statements of the Group as at and for the year ended 31 December 2010 are available at the Group's website below:

http://www.copperdevelopmentcorp.com/investors/financialreports.html

Basis of consolidation

Business combination

The Group measures goodwill as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (generally at fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The Group elects on a transaction-by-transaction basis whether to measure non-controlling interest at its fair value, or at its proportionate share of the recognised amount of the identifiable net assets, at the acquisition date. Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

Goodwill

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. For measurement of goodwill at initial recognition, see *Business combination* above.

Subsequent to initial recognition, goodwill and intangible assets with indefinite useful lives are measured at cost, or in some cases at revalued amount less accumulated impairment charges. Goodwill and intangible assets with indefinite useful lives are not amortised, but instead are subject to impairment testing at least annually.

2 Significant accounting policies (continued)

Basis of consolidation (continued)

Goodwill impairment

The carrying amounts of the Group's non-financial assets, other than biological assets, investment property, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For goodwill, and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated each year at the same time. An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit (CGU) exceeds its estimated recoverable amount.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. Impairment losses are recognised in profit or loss. An impairment loss in respect of goodwill is not reversed.

3 Loss before finance income

Loss before finance income is stated after charging:

Company and Group	**For the period from 1 January 2011 to 30 June 2011 (Unaudited) US$**	For the period from 1 January 2010 to 30 June 2010 (Unaudited) US$	For the year ended 31 December 2010 (Audited) US$
Auditors Fees	47,749	54,735	60,033
Auditors Fees – non audit services	-	-	124,965
Directors fees	344,873	180,846	372,873

4 Taxation

Income tax

The Company is subject to tax at a rate of 0% as a British Virgin Island incorporated company. There were no tax charges as both the Company and Group have made a loss for the period.

Deferred tax liabilities

The Group's deferred tax liability amounting to US$44 at 30 June 2011 and 31 December 2010 pertains to interest income at a subsidiary level of US$30,869 recognised in 2010. The deferred tax credit in the statement of comprehensive income for the year ended 31 December 2010 represents the net movement in deferred tax liability during the year.

5 Deferred mine exploration costs

The schedule below details the current projects of the Group and the related acquisition cost capitalised:

	Hinoba-an (Selenga) US$	**Basay (Adanacex) US$**	**Total US$**
Gross capitalised cost at 1 January 2011	16,972,259	-	16,972,259
Impairment allowance	(14,780,766)	-	(14,780,766)
Net deferred mine exploration costs at 1 January 2011	2,191,493	-	2,191,493
Costs capitalised during the period	4,181,770	1,300,313	5,482,083
Depreciation charges capitalised during the period	86,717	9,583	96,300
Costs capitalised on acquisition of subsidiary	-	1,979,785	1,979,785

Balance at 30 June 2011	6,459,980	3,289,681	9,749,661

Costs capitalised on acquisition of subsidiary represents the net book value of total deferred mine exploration costs of Adanacex in respect of the Basay project as at 8 April 2011, the date when the Company took ownership control of Adanacex through conversion of debenture loan into equity.

The Group's subsidiary, Selenga Mining Corporation ("Selenga"), has undertaken significant exploration of the Hinoba-an project.

The realisation of deferred mine exploration costs is dependent upon the success of future exploration and development activities in proving the mining property's viability to produce minerals in commercial quantities, the outcome of which cannot be determined at this stage of the Group's operations. The Directors are of the opinion that there have been no adverse developments to date from exploration activities undertaken.

6 Share premium

		US$
	Authorised	
	The Company is authorised to issue an unlimited number of nil par value shares of a single class	-
	Issued	
	225,943,502 (30 June 2010: 108,780,645, 31 December 2010: 224,963,502 ordinary shares of US$0.00 each) ordinary shares of US$0.00 each	-
	Share premium	
	At 01 January 2010	1,500,595
(i)	7,785,999 shares at US$0.35 per share	2,725,100
(ii)	4,827,856 shares at US$0.35 per share	1,689,750
(iii)	20,399,995 shares at US$0.175 per share	3,570,000
(iv)	5,055,000 shares at US$0.175 per share	884,625
(v)	116,182,857 shares at £0.35 (US$0.542) per share	62,953,957
	At 30 June 2010	73,324,027

6 Share premium (continued)

		US$
	At 01 January 2011	73,324,027
(vi)	980,000 shares at £0.0284 per share	44,168
	At 30 June 2011	73,368,195

(i) On 6 January 2010 the Company issued 7,785,999 ordinary shares to private subscribers at US$0.35 per share raising a total of US$2,725,100.

(ii) On 17 February 2010 the Company issued 4,827,856 ordinary shares to private subscribers at US$0.35 per share raising a total of US$1,689,750.

(iii) On 1 June 2010 the Company issued 20,399,995 ordinary shares to private subscribers at US$0.175 per share raising a total of US$3,570,000.

(iv) On 15 June 2010 the Company issued 5,055,000 ordinary shares to private subscribers at US$0.175 per share raising a total of US$884,625.

(v) On 13 December 2010, the Company's ordinary shares were admitted to AIM. The Company placed 116,182,857 new ordinary shares at a placing price of £0.35 (US$0.542 per share), raising gross proceeds of £40,664,000 (US$62,953,957).

(vi) On 19 May 2011 and 21 June 2011, the Company issued a total of 980,000 new ordinary shares pursuant to an exercise of 980,000 warrants at an exercise price of £0.0284 per share.

7 Warrants issued

The total number of share warrants issued during the period/year is set out below. The value of these warrants is US$1,940,280.

Holder	Issue Date	Expiry date (years from admission)	Exercise Price	As at 31 December 2010	Issued during the period	Exercised during the period	As at 30 June 2011
Existing warrants holder	01/11/09	2 years	£0.0284 (US$0.05)	11,050,000	-	980,000	10,070,000
Existing warrants holder	01/11/09	1 years	£0.284 (US$0.55)	5,646,449	-	-	5,646,449
Regent Advisors	01/06/10	5 years	£0.35 (US$0.55)	2,000,000	-	-	2,000,000
Beaumont Cornish	01/12/10	2 years	£0.35 (US$0.55)	562,408	-	-	562,408
Fox Davies	01/12/10	2 years	£0.35 (US$0.55)	1,724,236	-	-	1,724,236
				20,983,093	**-**	**980,000**	**20,003,093**

7 Warrants issued (continued)

Warrants issued on 1 November 2009 were deemed to have no value on issue due to the Company's position at that time, the uncertain future outlook, conditions attaching to exercise and the exercise price of the warrants.

The Company has utilised the Black Scholes Model for the purposes of estimating fair value of the warrants upon issue. In accordance with accounting guidance the Company used share price data of a similar actively listed company as the Company did not have its own appropriate share trading data at the point of issue of such warrants.

The following table lists the inputs to the models used for warrants issued at:

	1 June 2010 US$	1 December 2010 US$
Dividend yield (%)	-	-
Expected volatility (%)	100	100
Risk-free interest rate (%)	1.24%	1.07%
Share price at grant date	0.67	0.60
Share price (market value)	0.60	0.33
Exercise price	0.35	0.55
Expected exercise period	4 years	1 year

8 Share options

Share based payments

The following share options are in issue as at 30 June 2011:

- 4,100,000 shares at US$0.35 per share to the Directors' of the Group and certain key employees were issued on 1 June 2010. The options vest in three equal annual instalments subject to certain service conditions. The options must be exercised prior to the fifth anniversary of issue (1 June 2015).
- 2,000,000 share option at £0.35 per share issued on 09 May 2011 to key employees and consultants of the Group. The options will vest equally over three years or earlier where performance related conditions have been achieved and will be exercisable pursuant to and on the terms of the Rules of the Copper Development Corporation Share Option Plan 2010. The options will have a term of five years.

The Company has utilised the Black Scholes Model for the purposes of estimating fair value of the share options upon issue. In accordance with accounting guidance the Company has used share price data of a similar actively listed company as the Company does not have its own appropriate share trading data.

8 Share options (continued)

The following table lists the inputs to the models used for options issued at:

	9 May 2011 **US$**	**1 June 2010** **US$**
Dividend yield (%)	-	-
Expected volatility (%)	100	100
Risk-free interest rate (%)	1.85%	1.24%
Share price at grant date	0.57	0.67
Share price (market value)	0.35	0.53
Exercise price	0.58	0.35
Expected exercise period	3 years	4 years

No options lapsed or were cancelled during the six months ended 30 June 2011. In summary, as at 30 June 2011, the value of the share options in issue is US$1,763,572 (31 December 2010: US$1,354,197, 30 June 2010: US$71,167).

9 Investments in subsidiary undertakings

Company	**US$**
Cost	
At 31 December 2010	**1,500,000**
Conversion of debenture loan into 70% interest in equity of Basay Copper Limited	**1,900,000**
At 30 June 2011	**3,400,000**

All subsidiary companies are included in the consolidated accounts of Copper Development Corporation.

At 30 June 2011, the Group had the following subsidiaries:

	Place of	**Ownership**

Name of company	incorporation	interest	Principal activity
Hinoba Holdings (Australia) Pty Limited	Australia	100%	Administration Offices (Dormant)
Hinoba Holdings (Philippines), Inc.	Philippines	100%	Holding company of Hinoba-an & Sipalay Holdings
Hinoba-an & Sipalay Holdings, Inc.	Philippines	100%	Holding company of Selenga Mining Corporation
Selenga Mining Corporation	Philippines	92.5%	Mining exploration
CDC Philippines Holdings Limited*	British Virgin Islands	100%	Holding company of Hinoba Holdings (Philippines), Inc.
Basay Copper Limited *	British Virgin Islands	70%	Holding company of Adanacex Resources Inc.
Adanacex Resources Inc.	Philippines	70%	Mining exploration

* Held directly by Copper Development Corporation. All other holdings are indirect.

9 Investments in subsidiary undertakings (continued)

Hinoba-an & Sipalay Holdings Inc has two different classes of shares, being class A ordinary shares and class B preferred shares. Hinoba Holdings (Philippines), Inc ("HHPI") owns 100% of the class A shares and three Directors of Hinoba-an & Sipalay Holdings Inc. own 100% of the class B shares. The class A shares entitle the holder to 100% of the economic benefits of the Company after the class B shares preference dividend. Holders of class B shares are entitled to a fixed cumulative annual preference dividend equal to 10% of the par value of the Class B shares (US$32/PHP 1,500). The voting rights of the class A and B shares are 40% and 60% respectively. The Group has executed Assignable Option Agreements with each of the Class B shareholders which granted the Group a call option to acquire the Class B shares at any time during a five year term and a right of first refusal should a Class B shareholder wish to dispose of his Class B shares (the "Assignable Option Agreements").

HHPI is a wholly owned subsidiary of CDC Philippines Holdings Limited which is a wholly owned subsidiary of Copper Development Corporation. Hence, the Group has a 100% economic equity interest in the Company and it is consolidated accordingly.

Acquisition of subsidiary

Conversion of debenture loan

On 17 December 2010, Copper Development Corporation signed a convertible loan agreement with Solfotara Mining Corp. ("Solfotara") to advance up to US$1.9 million to Solfotara to be used exclusively to acquire a 100% interest in the Basay Porphyry Copper Project (the "Basay Project") located in Negros Occidental in the Philippines. After the acquisition of the project by Solfotara and pending the completion of satisfactory legal and technical due diligence by the Company, CDC had the option to convert the outstanding sum of the Loan into a 70% interest in the Basay Project.

The Directors of the Company announced on 10 February 2011 that the Company had completed its technical and legal due diligence on the Basay Porphyry Copper Project and had decided to convert the Company's outstanding loan of US$1.9 million to Solfotara Mining Corp. into a 70% interest in the Basay Project.

On 8 April 2011 the Directors of the Company executed a joint venture agreement (the "Basay JV Agreement") with Solfotara under the terms of which CDC has obtained control of Basay Copper Limited ("BCL") through conversion of its outstanding loan of US$1.9 million to Solfotara into a 70% interest in BCL, a company incorporated in the British Virgin Islands which is the legal and/or beneficial owner of 100% of the Basay Project through its wholly owned subsidiary Adanacex Resources, Inc. ("Adanacex").

These condensed interim financial statements included the results of BCL and Adanacex for the period from 8 April 2011 (date of loan conversion) to 30 June 2011.

9 Investments in subsidiary undertakings (continued)

Acquisition of subsidiary (continued)

Conversion of debenture loan (continued)

The following summarizes the major classes of consideration transferred and the recognized amounts of assets and liabilities assumed at the acquisition/conversion date:

	PHP	US$
Consideration transferred		
Conversion of existing debenture loan	**83,697,800**	**1,900,000**
Identifiable assets acquired and liabilities assumed		
Cash	**389,911**	**8,956**
Advances and other receivables	**18,402,254**	**427,959**
Fixed assets	**8,869,312**	**150,023**
Deferred mine exploration costs	**86,970,139**	**1,979,785**
Advances and other payables	**(22,954,230)**	**(533,819)**
Net assets acquired	**91,677,386**	**2,032,904**

Goodwill

The Group measures goodwill as the fair value of the consideration transferred including the recognised amount of any non-controlling interest in the acquiree, less the net recognised amount (at fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss. Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Goodwill was recognized as a result of the acquisition as follows:

	US$
Total consideration transferred	**1,900,000**
Fair value of non-controlling interest	**814,286**
Fair value of identifiable net assets acquired	**(2,032,904)**
Goodwill on acquisition	**681,382**

Goodwill and intangible assets with indefinite useful lives are not amortised, but instead are subject to impairment testing at least annually. Therefore subsequent to initial recognition, goodwill is measured at cost / revalued amount less accumulated impairments.

10 Company loss

The loss made by the Company during the period was US$3,508,269 (six month period ended 30 June 2010: US$2,973,894 loss, year ended 31 December 2010: US$10,499,725 loss).

11 Financial risk management objectives and policies

All aspects of the Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 31 December 2010.

12 Financial Instruments

Financial instruments comprise cash, receivables, accounts payable and accrued expenses. The carrying amounts of these financial instruments reported in the statement of financial position approximate their fair values due to the short-term nature of these accounts.

13 Employees

Other than the Directors, the Group has 61 employees as of 30 June 2011, all of whom work in the Philippines. One employee is the Project Manager, 29 employees are responsible for exploration and development activities and 31 employees provide administrative and finance support.

14 Related party transactions

The Company has entered into a service agreement with Burnbrae Limited for the provision of administrative and general office services. Mr Denham Eke is a director of Burnbrae Limited and the Company. During the period the Company paid US$70,394 (year ended 31 December 2010: US$92,444) under this agreement of which US$40,247 were outstanding as at 30 June 2011 (31 December 2010: US$23,592).

At the period end the Directors held the following number of shares in the Company:

	No	**% of issued share capital**
Brian Lueck	2,591,600	1.15%
Guy Elliott	2,000,000	0.89%
Mitch Alland	450,002	0.20%
Denham Eke [1]	285,714	0.13%
	5,327,316	**2.37%**

Notes to Directors' Interests:

1 Denham Eke is a director of Galloway Limited, a company which is indirectly wholly owned by the trustee of a settlement under which James Mellon has a life interest. At 30 June 2011 Galloway Limited held 286,000 shares representing 0.13% of the issued share premium at the period end.

Key personnel of the Company received the following remuneration during the period:

Denham Eke - US$180,000 per annum
Mitch Alland - US$300,000 per annum
Brian Lueck - US$120,000 per annum
Guy Elliott - US$38,000 per annum
Clyde Heintzelman - US$38,000 per annum

14 Related party transactions (continued)

The following table summarises the options granted to key personnel during the period:

Name	Holding at 1 January 2011	Granted	Exercised	Holding at 30 June 2011
Denham Eke	1,000,000	-	-	1,000,000
Mitch Alland	1,000,000	-	-	1,000,000
Brian Lueck	1,000,000	-	-	1,000,000
Guy Elliott	250,000	-	-	250,000

15 Basic and diluted earnings per share

The calculation of basic earnings per share of the Group is based on the net loss attributable to shareholders for the period of US$4,698,324 (period ended 30 June 2010: net loss of US$4,129,470, year ended 31 December 2010: net loss of US$12,104,566) and the weighted average number of shares outstanding of 225,117,977 (period ended 30 June 2010: 85,423,284, year ended 31 December 2010: 102,927,519).

Diluted earnings per share are calculated adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. As at 30 June 2011 and 2010, and 31 December 2010 there is no dilutive effect, because the Group incurred net losses. Therefore, basic and diluted earnings per share are equal.

The table below provides an analysis of potential ordinary shares that potentially could dilute EPS in the future, but are anti-dilutive for the current periods presented in these interim financial statements:

	For the six month period ended 30 June 2011	For the six month period ended 30 June 2010	For the year ended 31 December 2010
Average number of share warrants outstanding	**20,003,093**	17,032,782	17,053,669
Average number of share options outstanding	**6,766,667**	1,016,667	797,223

16 Subsequent events

i. On 22 July 2011, the Company issued a total of 166,667 new ordinary shares pursuant to an exercise of options at an exercise price of US$0.35 per share.
ii. The Directors of the Company announced on 20 July 2011 the appointment of GMP Securities Europe LLP as Joint Broker to the Company, alongside Evolution Securities Limited, with immediate effect.
iii. On 4 July 2011, the Company announced it had acquired, by way of a private placement, a strategic investment in Crazy Horse Resources Inc. ("CHR"). The Company has subscribed for 6,666,667 common shares of CHR at a price of CAD0.75 per common share for an aggregate subscription amount of USD$5,214,308 (CAD5,000,000) and on 13 July 2011, has subscribed for an additional 823,975 shares at a price of CAD0.75 per common share for an aggregate subscription amount of US$647,101 (CAD617,981). As a result, CDC now holds a total of 7,490,642 common shares of CHR, representing 11.8% equity. CRH is a copper and gold company traded on the TSX Venture Exchange (TSXV: CZH). It owns the Taysan Project, an advanced copper-gold porphyry deposit located 100 km south of Manila in the Philippines.