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

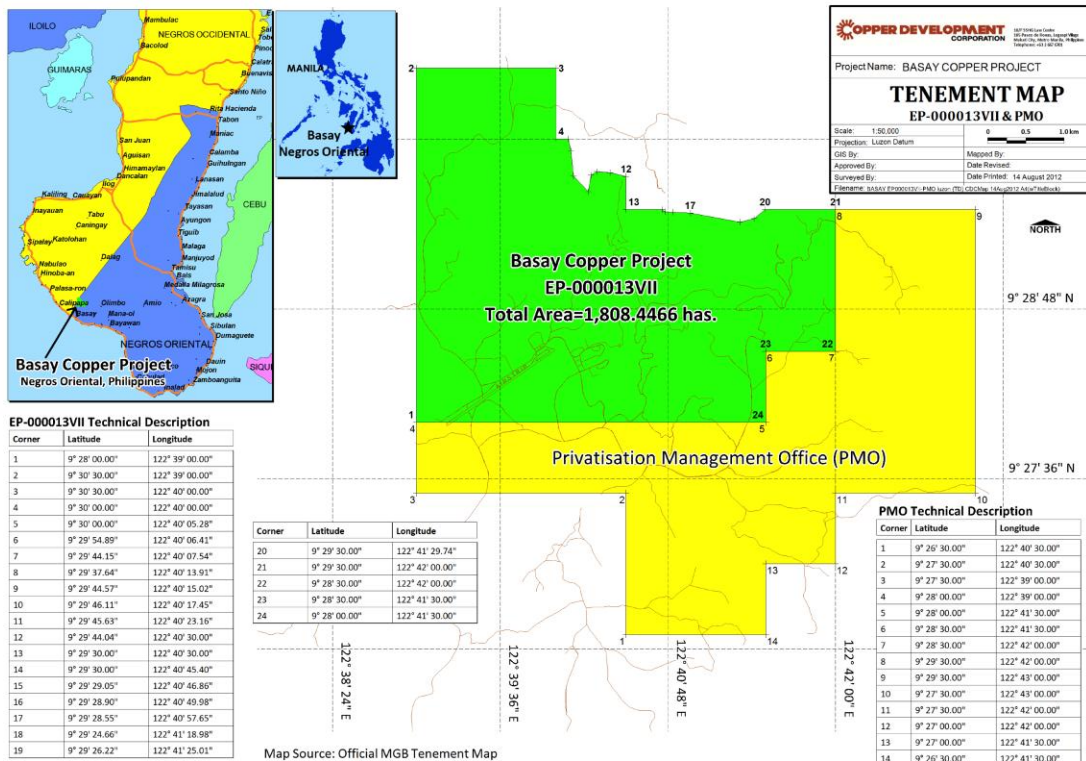
CDC Meets with Philippine Government on Basay

As stated in its news announcement of 8 August 2012, Copper Development Corporation (AIM: CDC, “the Company”) has not yet received approval of the assignment of the Basay exploration permit to its Philippine subsidiary Adanacex Resources Inc. (“Adanacex”), and continues vigorously to defend the challenge posed by the unfounded claim by the Privatization and Management Office (“PMO”) on the Basay property.

Last week, the Company initiated direct discussions with Philippine government officials at the highest level and presented its case, which is underpinned by legal opinions issued by two leading Philippine law firms, one of which is the affiliate of a major international law firm, that there is no overlap between PMO’s and CDC’s areas and, consequently, no legal basis for the PMO claim. The Company submitted the most concrete and graphic basis for this in the form of a map (see below) and the following paragraph from a letter dated 16 September 2011 to the PMO from the Director of the Mines and Geosciences Bureau (“MGB”) Region VII. Office, which, *inter alia*, states:

"Relative to issuance by this Office of an Exploration Permit to Euzkadi Holdings Corporation (Euzkadi) denominated as EP-000013VII (which was later assigned to Adanacex Resources, Inc. and presently pending approval by the MGB Director), it may be stressed that the area covered by the said EP is outside of the area held in trust by the APT (now Privatization Management Office)."

The map submitted is an official certified map produced by the MGB showing clearly that there is no overlap between the PMO ground and the Basay tenement, as can be seen by the following simplified version of the official MGB map:



Mitch Alland, Executive Chairman of CDC, commented:

“We have presented to the Philippine government solid and incontrovertible proof that there is no overlap between the PMO areas and the Basay tenement and, therefore, no basis for the PMO claim. Also, in our discussion with high level government officials we have explained that we are a serious foreign investor, having invested together with our affiliate — TSX-listed Crazy Horse Resources, Inc. — close to US\$90 million in mining projects in the country. Therefore, I am optimistic that the government will come to a prompt and fair conclusion and will approve the assignment to us of the Basay exploration permit and will renew the permit in December.”

- Ends -

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