For immediate release: 0700hrs, Thursday, 9 June 2011

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

Final Results for the Year ended 31 December 2010

Copper Development Corporation (AIM: CDC), the copper exploration company focused on the Philippines, today announces its audited results for the year ended 31 December 2010.

Period Highlights:

- Completion of 2010 Scoping Study for the Hinoba-an Project in which the Company has 92.5% effective economic interest – the Study highlighting its attractiveness as reflected in a net present value of US$485 million based on a copper price of US$3.00 per pound and 10% discount rate (see note below), as well as the world-class exploration potential for the larger 500 km^2 unexplored area;
- Completion of London-AIM listing in December, at £0.35 per share raising £40.7million; and
- Entering into a convertible loan agreement to acquire a 70% interest in the close by Basay Copper Project, giving CDC the potential to double its estimated resources to 3 billion lbs of copper on the Philippine island of Negros.

Post-Period Highlights

- Completion of the acquisition of up to a 70% interest in the Basay Copper Project;
- Completion of first eight drill holes at Basay totaling 4,000 metres – the first assay results showing the presence of significant copper-molybdenum-silver-gold mineralisation demonstrating the world-class potential of the project;
- Five drill rigs now operating 24 hours a day at Basay, and six drill rigs currently operating at the Hinoba-an site with three more to be mobilized; and
- The Company on track to upgrade historic resource estimates for the Basay Copper Project to modern JORC code standards by the end of the year and complete the Hinoba-an bankable feasibility study by mid-2012.

Mitch Alland, Executive Chairman of CDC, commented:

> "It gives me great pleasure to present the Company's maiden set of results since listing on AIM. We are on track to complete the bankable feasibility study at our Hinoba-an project and to confirm the huge potential of the Basay project within our anticipated timelines. With the copper market anticipated to be in a deficit for the next few years, we believe that CDC is ideally positioned to take advantage of the situation. We look forward to continuing to progress our existing projects with the potential to develop them substantially in tandem and evaluating opportunities of possibly acquiring additional complementary mineral properties where we believe they can offer additional value to our portfolio."

Note: valuation as reported in the Competent Person's Report included in the Company's AIM Admission Document based upon a 100% interest in Hinoba-an and 15 Mtpa throughput.

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**	**FoxDavies**	**Evolution Securities**	**GTH Communications**
The Company	*Nomad*	*Joint Broker*	*Joint Broker*	*Financial PR*

Mitch Alland	Roland Cornish	Simon Leathers Jonathan Evans	Romil Patel Tim Redfern	Toby Hall Christian Pickel
+44 (0)1624 639396	+44 (0)20 7628 3396	+44 (0)20 3463 5022	+44 (0)20 7071 4300	+44 (0)20 3103 3902

Chairman's statement

Dear Shareholders,

In 2010, Copper Development Corporation ("CDC" or the "Company") achieved three important milestones: in July we completed the 2010 Scoping Study for the Hinoba-an Project; in December we completed our IPO by listing on London-AIM; and, also in December, we entered into a convertible loan agreement that culminated in our acquisition of a 70% interest in the Basay Copper Project.

2010 Hinoba-an Scoping Study

The 2010 Scoping Study was prepared by IMC Mining Solutions Pty Ltd of Brisbane on the basis of some US$20 million of work and studies by previous owners of the property as well as 3,436 metres of drilling by CDC in March-April 2010. The 2010 Scoping Study concludes that that the Hinoba-an Project remains robust at an extended project life and increased overall copper production. It is based on a treatment rate of 15Mtpa, which results in average annual copper production of 35,000 tonnes for a life of 18 years and an average total cash operating cost during the first five production years of US$1.25/lb for the base case that assumes a copper price of US$3.00/lb. With an estimated project cost of US$352 million, this results in an NPV at a discount rate at 10% of US$485 million; at a US$4.00/lb copper price the NPV increases to US$1.07 billion. The foregoing NPVs indicate the attractiveness and expected value of Hinoba-an, equivalent to, respectively, £1.25 and £2.74 per share based an exchange rate of US$1.60/£.

The new study also highlights two important potential upsides of the Project. The first is a potential increase in the resource base due to significant new intercepts of ore grade material and the down dip potential of the resource base; and, second, from the world-class exploration potential of the large 500 km^2 unexplored area.

London-AIM IPO on 13 December 2010

On the basis of the information of the 2010 Hinoba-an Scoping Study, we listed CDC on London-AIM at a price of £0.35 per share and raised US$63 million (£40.7 million). The AIM listing expanded the Company's institutional shareholder base and raised its profile in the mining industry. With the funds raised from the IPO, the Company is well positioned to accelerate its ongoing feasibility study programme at Hinoba-an and the confirmatory and exploration drilling at the recent Basay acquisition.

Basay Copper Project

With signing of the joint venture agreement in April 2011, we completed the acquisition of a 70% interest in the Basay Project from Solfotara Mining Corp., a private Canadian company. Located on Negros Island in the Philippines 25km southeast of our Hinoba-an Project, Basay is an opportunity for CDC to double its estimated resources to 3 billion lbs of copper on the basis of the confirmation of Basay's historic resource estimate of 230 Mt at 0.44% Cu, but it also

presents the opportunity to confirm and develop a much larger resource. The independent competent person's report prepared by Mining Associates Limited ("MA") of Queensland, Australia, who are also the lead consultant for the Hinoba-an bankable feasibility study, states that the historic non-AIM compliant resource estimate could be upgraded to compliant categories following confirmatory drilling in the short term. Moreover, it is also MA's opinion that the four known areas of mineralisation within the Basay Project area form the corners of a large rectangle, whose lateral sides and inner area have not been explored and may be part of a much larger system whose dimensions extend some 2,000 metres by 1,500 metres with the potential to comprise a major world class copper deposit. Accordingly, our work programme at Basay is focused on upgrading historic resources to modern JORC code standards and on exploring major potential extensions to the known mineralisation, for which we are planning to drill 18,615 metres at the Basay site by the fourth quarter of this year, after which we expect to release a JORC compliant resource at Basay before the end of the year.

To date the Company has completed eight holes totalling 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 assay results from the first hole confirm the presence of significant copper-molybdenum-silver-gold mineralisation. The average copper intersection of 0.6% for 348 metres is markedly higher than the average grade of 0.44% for the historic resource, which has been reported for Basay. This hole includes 111 metres grading 1.01% copper. Moreover, at current prices, the by-product credits from molybdenum, silver and gold represent a copper-equivalent grade of 0.69% for the 348 metres interval and 1.0% for the 192 metres interval, which in effect doubles the copper grade.

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.

Strategy and Outlook

With the copper market anticipated to be in a deficit for the next few years, we believe that the Company is ideally positioned to take advantage of the forecast environment of a shortage in copper supply and high prices in the coming years. With six drill rigs operating at the Hinoba-an site (and with three more to be mobilised) we are on track to complete the project's bankable feasibility study by mid-2012. In addition, with five drill rigs at the Basay project site, we hope to confirm the huge potential of this system of deposits within a year.

We are excited by the prospects of the Basay Project and of exploring the possible competitive advantages of development together with the Hinoba-an Project, which itself promises to provide attractive returns. We feel the Basay property could potentially contain a major resource that could be developed substantially in tandem with Hinoba-an and transform CDC into the category of a much larger copper producer. Having recently completed a US$63 million (£40.7 million) placement, we have the cash resources to implement our strategy of delivering increased value to shareholders through our existing assets and intend to continue to evaluate opportunities of possibly acquiring additional complementary mineral properties which we believe offer additional value to our portfolio. We are looking forward to a very good year for CDC.

Sincerely,
Mitch Alland
Executive Chairman

Consolidated statement of comprehensive income

for the year ended 31 December 2010

	Note	For the year ended 31 December 2010	For the period from 28 October 2009 (date of incorporation) to 31 December 2009
		US$	US$
Income			
Revenue		-	-
Expenses			
Professional fees		(6,758,942)	(160,102)
Administration expenses		(665,164)	(155,405)
Salaries and wages		(476,110)	(50,000)
Share option charge	*14*	(1,354,197)	-
Warrants charge	*13*	(1,940,280)	-
Unrealised exchange gains		551,924	410,634
Other costs		(1,753,429)	-
(Loss) / profit before finance income	*6*	(12,396,198)	45,127
Finance income		30,869	9
(Loss) / profit before income tax		(12,365,329)	45,136
Deferred tax expense	*7*	123,147	(123,191)
Loss after income tax		(12,242,182)	(78,055)
Other comprehensive income- foreign currency translation reserve		1,923	-
Total comprehensive loss for the year / period		(12,240,259)	(78,055)
Total comprehensive loss attributable to:			
Non-controlling interests		(137,616)	8,900
Equity shareholders of the company		(12,102,643)	(86,955)
		(12,240,259)	(78,055)
Loss per share	*23*	(0.1126)	(0.0011)
Diluted loss per share	*23*	(0.1126)	(0.0011)

The notes on pages 13 to 36 form part of these financial statements.
The Directors consider that all results derive from continuing activities.

Consolidated statement of financial position

as at 31 December 2010

	Note	At 31 December 2010 US$	At 31 December 2009 US$
Assets			
Property, plant and equipment	*8*	602,516	199,345
Deferred mine exploration costs	*9*	2,191,493	2,080,409
Total non-current assets		2,794,009	2,279,754
Current assets			
Cash and cash equivalents		60,905,505	2,732,408
Trade and other receivables	*10*	1,072,513	68,476
Total current assets		61,978,018	2,800,884
Total assets		64,772,027	5,080,638
Equity			
Share premium	*12*	73,324,027	1,500,595
Share option reserves	*14*	1,354,197	-
Warrants	*13*	1,940,280	-
Foreign currency translation reserve		(1,923)	-
Retained deficit		(12,325,291)	(86,955)
Equity attributable to owners of the Company		64,291,290	1,413,640
Non-controlling interests		(9,088)	128,528
Total equity		64,282,202	1,542,168
Liabilities			
Proceeds for share issue received in advance		-	2,725,100
Deferred tax liability	*7*	44	123,191
Total non-current liabilities		44	2,848,291
Trade and other payables	*15*	489,781	690,179
Total liabilities		489,825	3,538,470
Total equity and liabilities		64,772,027	5,080,638

The notes on pages 13 to 36 form part of these financial statements.

These financial statements were approved by the board of directors on 7 June 2011 and were signed on their behalf by:

Mitch Alland — *Director*

Denham Eke — *Director*

Company statement of financial position

as at 31 December 2010

	Note	At 31 December 2010 US$	At 31 December 2009 US$
Non current assets			
Investment in subsidiaries	*16*	1,500,000	1,500,000
Current assets			
Cash and cash equivalents		59,231,587	2,725,466
Trade and other receivables	*10*	558,951	-
Related party receivables	*11*	5,023,832	-
Total current assets		64,814,370	2,725,466
Total assets		66,314,370	4,225,466
Equity			
Share premium	*12*	73,324,027	1,500,595
Share option reserves	*14*	1,354,197	-
Warrants	*13*	1,940,280	-
Retained deficit		(10,692,393)	(192,668)
Equity attributable to owners of the Company		65,926,111	1,307,927
Current liabilities			
Proceeds for share issue received in advance		-	2,725,100
Trade and other payables	*15*	388,259	192,439
Total current liabilities		388,259	2,917,539
Total equity and liabilities		66,314,370	4,225,466

The notes on pages 13 to 36 form part of these financial statements.

These financial statements were approved by the board of directors on 7 June 2011 and were signed on their behalf by:

Mitch Alland
Director

Denham Eke
Director

Consolidated statement of changes in equity

for the year ended 31 December 2010

	Note	Share premium US$	Warrant s US$	Share options US$	Foreign currency exchang e reserves US$	Retained deficit US$	Total attributable to shareholde rs US$	Non - controlling interest US$	Total US$
Balance at 28 October 2009 (date of incorporation)		-	-	-	-	-	-	-	-
Total comprehensive loss for the period									
Total comprehensive loss for the period		-	-	-	-	(86,955)	(86,955)	8,900	(78,055)
Transactions with owners of the Company									
Contributions by owners of the company									
Shares issued	*12*	1,500,595	-	-	-	-	1,500,595	-	1,500,595
Changes in ownership interests in subsidiaries									
Non-controlling interest on acquisition		-	-	-	-	-	-	119,628	119,628
Balance at 31 December 2009		1,500,595	-	-	-	(86,955)	1,413,640	128,528	1,542,168

		Share premium US$	Warrants US$	Share options US$	Foreign currency exchang e 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 year									
Total comprehensive loss for the year		-	-	-	(1,923)	(12,238,336)	(12,240,259)	(137,616)	(12,377,875)
Transactions with owners of the Company									
Shares issued	*12*	71,823,432	-	-	-	-	71,823,432	-	71,823,432
Warrants issued	*13*	-	1,940,280	-		-	1,940,280	-	1,940,280
Share options issued	*14*	-	-	1,354,197		-	1,354,197	-	1,,.354,197
Balance at 31 December 2010		73,324,027	1,940,280	1,354,197	(1,923)	(12,325,291)	64,291,290	(9,088)	64,282,202

The notes on pages 13 to 36 form part of these financial statements.

Consolidated statement of cash flows

for the year ended 31 December 2010

	Note	For the year ended 31 December 2010 US$	For the period from 28 October 2009 (date of incorporation) to 31 December 2009 US$
Cashflows from operating activities			
(Loss) / profit before income tax		(12,365,329)	45,136
Adjusted for non cash and non operating items:			
Depreciation	8	107,453	5,851
Loss on sale of property, plant and equipment		-	908
Impairment of deferred mine exploration costs		-	577
(Increase) / decrease in trade and other receivables		(1,004,037)	2,042
Share option charge		1,354,197	-
Warrants charge		1,940,280	-
(Decrease) / increase in trade and other payables		(200,398)	266,709
Finance income		(30,869)	(9)
Net cash (utilised) / generated by operating activities		(10,198,703)	321,214
Cashflows from investing activities			
Purchase of property, plant and equipment	8	(532,339)	-
Cash acquired on acquisition		-	8,840
Amounts paid in cash for deferred mine exploration costs	9	(111,084)	(323,187)
Net cash utilised by investing activities		(643,423)	(314,347)
Cashflows from financing activities			
Interest received		30,869	9
Issue of shares	12	71,823,432	432
(Decrease) / increase of share issue received in advance		(2,725,100)	2,725,100
Unrealised foreign exchange (gain)		(113,978)	-
Net cash generated by financing activities		69,015,223	2,725,541
Increase in cash and cash equivalents		58,173,097	2,732,408
Cash and cash equivalents at beginning of year / period		2,732,408	-
Cash and cash equivalents at end of year / period		60,905,505	2,732,408

The notes on pages 13 to 36 form part of these financial statements.

Notes

(forming part of the financial statements for the year ended 31 December 2010)

1 Reporting Entity

Copper Development Corporation is a company incorporated and 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 year ended 31 December 2010 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

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs). The consolidated financial statements were authorised for issue by the Board of Directors on 7 June 2011.

(b) Basis of measurement

Functional and Presentation Currency
The consolidated financial statements of the Group are presented in US Dollars, which is the Group's functional currency. All financial information presented in US Dollars has been rounded to the nearest dollar.

Use of Estimates and Judgment
The preparation of consolidated financial statements in accordance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments are made by management on the development, selection and disclosure of the Group's critical accounting policies and estimates and the application of these policies and estimates.

In particular, the following are the information about significant areas of estimates, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements.

Deferred Tax Assets
The Group reviews its deferred tax assets at each reporting date and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

No deferred tax assets were recognised as management believes that it is not probable that sufficient taxable profit will be available against which the benefit can be utilised (see Note 7).

Determining Functional Currency
Based on the economic substance of the underlying circumstances relevant to the Group, the functional currency has been determined to be the US Dollar. The US Dollar is the currency of the primary economic environment in which the Group operates.

It is the currency that mainly influences the expenses of the Group, in which funds from financing activities are generated, and of which receipts from operating activities are generally retained.

Estimating Useful Lives of Property, Plant and Equipment
The Group estimates the useful lives of property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets. In addition, estimation of the useful lives of property and equipment is based on collective assessment of industry practice, internal technical evaluation and experience with similar assets. It is possible, however, that future results of operations could be materially affected by changes in estimates brought about by changes in factors mentioned above. The amounts and timing of recorded expenses for any period would be affected by changes in these factors and circumstances. A reduction in the estimated useful lives of the property and equipment would increase the recorded expenses and decrease noncurrent assets.

Estimating Impairment on Property and Equipment
The Group assesses impairment on property and equipment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The factors that the Group considers important which could trigger an impairment review include the following:

- Significant underperformance relative to expected historical or projected future operating results;
- Significant changes in the manner of use of the acquired assets or the strategy for overall business; and,
- Significant negative industry or economic trends.

In determining the present value of estimated future cash flows expected to be generated from the continued use of the assets, the Group is required to make estimates and assumptions that can materially affect the consolidated financial statements.

An impairment loss would be recognised whenever evidence exists that the carrying value is not recoverable. For purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

An impairment loss is recognised and charged to profit or loss if the discounted expected future cash flows are less than the carrying amount. Fair value is estimated by discounting the expected future cash flows using a discount factor that reflects the market rate for a term consistent with the period of expected cash flows.

Recoverability of Deferred Mine Exploration Costs
Mineral property acquisition costs are capitalised until the viability of the mineral interest is determined. Expenditures for mine exploration work prior to and subsequent to drilling are deferred as incurred. These shall be written-off if the results of the exploration work are determined to be negative. If the results are positive, the deferred expenditures and

the subsequent development cost shall be capitalized and amortized from the start of commercial operations. The Group reviews the carrying values of its deferred mine exploration costs whenever events or changes in circumstances indicate that their carrying values may exceed their estimated net recoverable amounts. An impairment loss is recognised when the carrying value of those assets is not recoverable and exceeds their fair value.

Estimating Mineral Reserves and Resources
Mineral reserves and resources estimates for development projects are, to a large extent, based on the interpretation of geological data obtained from drill holes and other sampling techniques and feasibility studies which derive estimates of costs based upon anticipated tonnage and grades of ores to be mined and processed, the configuration of the ore body, expected recovery rates from the ore, estimated operating costs, estimated climatic conditions and other factors. Proven reserve estimates are attributed to future development projects only where there is a significant commitment to project funding and execution for which applicable governmental and regulatory approvals have been secured or are reasonably certain to be secured. All proven reserve estimates are subject to revision, either upward or downward, based on new information, such as from block grading and production activities or from changes in economic factors, including product prices, contracts terms or development plans.

Estimates of reserves for undeveloped or partially developed areas are subject to greater uncertainty over their future life than estimates of reserves for areas that are substantially developed and depleted. As an area goes into production, the amount of proven reserves will be subject to future revision once additional information becomes available. As those areas are further developed, new information may lead to revisions.

Estimating Fair Values of Financial Assets, Liabilities and Equity Instruments
IFRS requires that certain financial assets, liabilities and equity instruments to be carried at fair value, which requires the use of accounting judgment and estimates. While significant components of fair value measurement are determined using verifiable objective evidence (e.g. foreign exchange rates, interest rates and volatility rates), the timing and amount of changes in fair value would differ with the valuation methodology used.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied consistently by Group entities.

Basis of consolidation

(i) 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.

(ii) *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.

Foreign currency transactions

Transactions in foreign currencies are recorded in US Dollars based on the exchange rates prevailing at the transaction dates. Foreign currency denominated monetary assets and liabilities are translated into US Dollars at the exchange rate prevailing at the reporting date. Gains or losses arising from foreign currency transactions are recognized in the consolidated statement of comprehensive income.

Share premium

The ordinary shares of the company have a nil par value. As such all proceeds received for the issue of shares are credited to share premium.

Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Cost also may include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income in profit or loss.

(ii) Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current and comparative periods are as follows:

- Buildings and improvements 10 years
- Transportation equipment 5 years
- Office furniture and fittings 3 years
- Tools and equipment 3 years

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Deferred Mining Exploration Costs

Exploration assets are initially recognised at cost and are reassessed on a regular basis and these costs are carried forward provided that at least one of the following conditions is met:

- the period for which the entity has the right to explore in the specific area has not expired during the period or will expire in the near future, and is expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is either budgeted or planned;
- such costs are expected to be recouped in full through successful development and exploration of the area of interest or alternatively, by its sale or;
- exploration and evaluation activities in the area of interest have not yet reached a stage which permits a reasonable assessment of the existence or otherwise of economically recoverable reserves, and active and significant operations in relation to the area are continuing, or planned for the future.

Impairment

(i) Non-financial assets

The carrying amounts of the Group’s non-financial assets 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.

The recoverable amount of an asset or cash-generating unit 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. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit, or CGU"). Subject to an operating segment ceiling test, for the purposes of goodwill impairment testing, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment is tested reflects the lowest level at which goodwill is monitored for internal reporting purposes. Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination.

The Group's corporate assets do not generate separate cash inflows. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Goodwill that forms part of the carrying amount of an investment in an associate is not recognised separately, and therefore is not tested for impairment separately. Instead, the entire amount of the investment in an associate is tested for impairment as a single asset when there is objective evidence that the investment in an associate may be impaired.

Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Finance income and finance costs

Finance income comprises interest income on funds invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, impairment losses recognised on financial assets, and losses on hedging instruments that are recognised in profit or loss. Borrowing costs that are not directly attributable to the

acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

Foreign currency gains and losses are reported on a net basis.

Income tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future. In addition, deferred tax is not recognised for taxable temporary differences arising on the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

New standards and interpretations not yet adopted

A number of new standards, amendments to standards and interpretations are not yet effective for the year, and have not been applied in preparing these consolidated financial statements:

New/Revised International Accounting Standards / International Financial Reporting Standards (IAS/IFRS)	Effective date (accounting periods commencing on or after)
IFRS 3 Amendments to Business Combinations	1 July 2010
IFRS 7 Disclosures for First-time Adopters (Amendment to IFRS 1)	1 July 2010

IFRS 9 Financial Instruments	1 January 2013
IAS 1 Improvements to the Presentation of Financial Statements	1 January 2011
IAS 24 Related party disclosures	1 January 2011
IAS 27 Amendments to Consolidated and Separate Financial Statements	1 July 2010
IAS 34 Improvements to Interim Financial Reporting	1 January 2011

IFRIC Interpretation

IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments	1 July 2010

The Directors do not expect the adoption of the standards and interpretations to have a material impact on the Group's financial statements in the period of initial application.

4 Determination of fair values

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

Trade and other receivables

Trade and other receivables are initially recorded at cost. The fair value of trade and other receivables is deemed equal to cost as there are no indicators of impairment at the year end.

5 Operating segments

The Company operates in the Philippines and in one business segment being the exploration, development, mining and processing of minerals, petroleum and other mineral oils.

6 (Loss) / profit before finance income

(Loss) / profit before finance income is stated after charging / (crediting):

Company and Group	2010 US$	2009 US$
Audit fees	60,033	28,666
Audit fees – non audit services	124,965	-
Directors fees	372,873	50,000
Depreciation	97,214	5,851

7 Taxation

Income tax

The Company is subject to tax at a rate of 0% as a British Virgin Island incorporated company. In addition the Company and Group have made a loss for the year.

Unrecognised deferred tax assets

The Group has temporary differences for which no deferred tax assets were recognised as it is not probable that sufficient taxable profit will be available against which the benefits of the deferred tax assets can be utilised.

Deferred tax liabilities

The Group's deferred tax liability amounting to US$44 at 31 December 2010 (31 December 2009: US$123,191) pertains to interest income at a subsidiary level of US$30,869 recognised in 2010 (31 December 2009 (unrealised foreign exchange gains): US$410,634).

8 Property, plant and equipment

Group	Buildings & improvements US$	Construction in progress US$	Office furniture & fixtures US$	Transportation equipment US$	Tools and equipment US$	Total US$
Cost						
At 28 October 2009 (date of incorporation)	-	-	-	-	-	-
Acquired on acquisition	324,466	-	20,322	40,915	16,728	402,431
Write off	-	-	(1,461)	-	(1,239)	(2,700)
Disposals	-	-	(4,448)	(2,596)	-	(7,044)
As at 31 December 2009	324,466	-	14,413	38,319	15,489	392,687
Depreciation						
At 28 October 2009 (date of incorporation)	-		-	-	-	-
Acquired on acquisition	94,849	-	16,762	33,733	16,196	161,540
Charge for the period	32,447	-	1,892	5,766	214	40,319
Write off	-	-	(1,461)	-	(921)	(2,382)
Disposals	-	-	(4,448)	(1,687)	-	(6,135)
As at 31 December 2009	127,926	-	12,745	37,812	15,489	193,342
Net book value						
As at 31 December 2009	197,170	-	1,668	507	-	199,345

Group	Buildings & improvements US$	Construction in progress US$	Office furniture & fixtures US$	Transportation equipment US$	Tools and equipmen t US$	Total US$
Cost						
At 1 January 2010	324,466	-	14,413	38,319	15,489	392,687
Additions	81,529	95,081	185,909	69,375	78,730	510,624
As at 31 December 2010	405,995	95,081	200,322	107,694	94,219	903,311
Depreciation						
At 1 January 2010	127,296	-	12,745	37,812	15,489	193,342
Charge for the year	43,982	-	41,096	11,489	10,886	107,453
As at 31 December 2010	171,278	-	53,841	49,301	26,375	300,795
Net book value						
As at 31 December 2010	234,717	95,081	146,481	58,393	67,844	602,516

The Company had no fixed assets at the year end.

9 Deferred mine exploration costs

Group	2009 US$
Balance at 28 October 2009 (date of incorporation)	-
Acquired on acquisition	1,721,980
Costs capitalised during the year	358,429
Balance at 31 December 2009	2,080,409

Group	2010 US$
Balance at 1 January 2010	2,080,409
Costs capitalised during the year	111,084
Balance at 31 December 2010	2,191,493

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

The realisability 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 Company has no deferred mine exploration costs at the year end.

10 Trade and other receivables

Group	2010 US$	2009 US$
Related party loan (note 21)	500,000	-
Other receivables	409,939	52,512
Prepaid taxes	16,883	15,964
Prepayments and other debtors	145,691	-
	1,072,513	68,476

10 Trade and other receivables (continued)

Company	2010 US$	2009 US$
Related party loan (note 21)	500,000	-
Prepayments and other debtors	58,951	-
	558,951	-

11 Related party receivables

The Company provides unsecured non-interest bearing advances to its subsidiaries for working capital requirements and support for capital expenditures, which are payable on demand.

These amounts consist of:

Company	2010 US$	2009 US$
Selenga Mining Corporation	5,021,944	-
CDC Philippines Holdings	1,888	-
	5,023,832	-

12 Share premium

		2010 US$	2009 US$
	Authorised The Company is authorised to issue an unlimited number of nil par value shares of a single class	-	-
	Issued 224,963,502 (31 December 2009: 77,647,794 ordinary shares of US$0.00 each) ordinary shares of US$0.00 each	-	-
	Share premium		
(i)	2 shares at US$1.00 per share	2	2
(ii)	27,000,000 shares at US$0.000016 per share	430	430
(iii)	42,861,793 shares at US$0.035 per share	1,500,163	1,500,163
(iv)	7,785,999 shares at US$0.35 per share	2,725,100	-
(v)	4,827,856 shares at US$0.35 per share	1,689,750	-
(vi)	20,399,995 shares at US$0.175 per share	3,569,999	-
(vii)	5,055,000 shares at US$0.175 per share	884,625	-
(viii)	116,182,857 shares at £0.35 (US$0.542) per share	62,953,958	-

Total	73,324,027	1,500,595

(i) On 2 November 2009 the Company issued two new ordinary shares of US$1.00 to the initial shareholder, Mr. Mitchell Alland, a director of the Company.

(ii) On 5 November 2009 the Company allotted and issued 27,000,000 new ordinary shares to the founder shareholders at US$0.000016 per share raising a total of US$430.

(iii) On 25 November 2009 the Company issued 42,861,793 new ordinary shares as fully paid to Solfotara Mining Corp. ("Solfotara") as part of the consideration paid under the Solfotara Transfer Agreement. 35,832,459 of the Solfotara consideration shares were the subject of a dividend in specie to the Solfotara shareholders on the same date.

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

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

(vi) On 1 June 2010 the Company issued 20,399,995 new ordinary shares to private subscribers at US$0.175 per share raising a total of US$3,569,999.

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

(viii) 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 £0.35p (US$0.542) per share, raising gross proceeds of £40,664,000 (US$62,953,958).

13 Warrants issued

In November 2009 by resolution of the board of directors, warrants to subscribe for 11,050,000 ordinary shares at an exercise price of £0.0284 (US$0.05) per share (exercisable on or before the second anniversary of admission) and 5,649,449 ordinary shares at an exercise price of £0.284 (US$0.55) per share (exercisable on or before the first anniversary of admission) were issued to the holders of existing warrants in Solfotara Mining Corp.. These warrants 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.

In June 2010 the Board of Directors approved the grant of 2,000,000 options at an exercise price of US$0.35 per share. On the 23 December 2010, by resolution of the board of directors, it was agreed that these options be re-allocated in the form of warrants at an exercise price of £0.35 (US$0.55) per share. These warrants to subscribe for 2,000,000 ordinary shares at an exercise price of £0.35 (US$0.55) per share (exercisable immediately) were issued to Regent Advisors in recognition of their work during the year for the Company.

The following table lists the inputs to the models used for the warrants issued on 1 June 2010:

	2010 US$	2009 US$
Dividend yield (%)	-	-
Expected volatility (%)	100	-
Risk-free interest rate (%)	1.24%	-
Share price at grant date	0.67	-
Share price (market value)	0.60	-
Exercise price	0.35	-
Expected exercise period	4 years	-

Pursuant to a deed of warrant grant between the Company and Beaumont Cornish dated 1 December 2010, as part of the consideration for Beaumont Cornish acting as joint lead financial adviser and nominated adviser, the Company agreed to grant Beaumont Cornish warrants to subscribe for 562,408 new ordinary shares at an exercise price of £0.35 (US$0.55) on or before the second anniversary of admission.

Pursuant to a deed of warrant grant between the Company and FoxDavies dated 1 December 2010, as part of the consideration for FoxDavies acting as joint lead financial adviser and broker, the Company has agreed to grant FoxDavies warrants to subscribe for 1,724,236 new ordinary shares exercisable at £0.35 (US$0.55) on or before the second anniversary of admission.

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 the warrants issued at 1 December 2010:

	2010 US$	2009 US$
Dividend yield (%)	-	-
Expected volatility (%)	100%	-
Risk-free interest rate (%)	1.07%	-
Share price at grant date	0.60	-
Share price (market value)	0.33	-
Exercise price	0.55	-
Expected exercise period	1 year	-

No warrants lapsed or were cancelled during the year ended 31 December 2010 (2009: US$nil).

In summary, as at 31 December 2010, the value of the 4,286,644 warrants granted is US$1,940,280 (31 December 2009: US$nil)

14 Share options

The following share options are in issue as at 31 December 2010:

- 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 being one third immediately exercisable, one third exercisable one year from grant date in June 2011 and one third exercisable two years from grant date in June 2012. The options must be exercised prior to the fifth anniversary of issue (1 June 2015).

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 did not have its own appropriate share trading data at the date of issue of such options.

The following table lists the inputs to the models used for the share options issued on 1 June 2010:

	2010 US$	2009 US$
Dividend yield (%)	-	-
Expected volatility (%)	100	-
Risk-free interest rate (%)	1.24%	-
Share price at grant date	0.67	-
Share price (market value)	0.60	-
Exercise price	0.35	-
Expected exercise period	4 years	-

All options were issued in the current year. No options lapsed or were cancelled during the year ended 31 December 2010.

In summary, as at 31 December 2010, the cost recognised in the current year for 4,100,000 share options issued is US$1,354,197 (31 December 2009: US$nil)

15 Trade and other payables

Group	2010 US$	2009 US$
Withholding tax on interest	11,393	277,043
Accounts payable	322,611	75,546
Accrued expenses	155,777	337,590
	489,781	690,179

Company	2010 US$	2009 US$
Accounts payable	239,617	56,838
Accrued expenses	148,642	135,601
	388,259	192,439

Accounts payable and accrued expenses are non-interest bearing and are normally settled on 30 to 60 day terms.

16 Investments in subsidiary undertakings

Company	2010 US$	2009 US$
At the beginning of the year / period	1,500,000	-
Investment in subsidiaries	-	1,500,000
At the end of the year / period	1,500,000	1,500,000

All subsidiary companies results are included in the consolidated financial statements of Copper Development Corporation.

At 31 December 2010, the Group had the following subsidiaries:

Name of company	Place of incorporation	Ownership 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.

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

16 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$34/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.

17 Financial risk management objectives and policies

The Group has risk management policies that systematically view the risks that could prevent the Group from achieving its objectives. These policies are intended to manage risks identified in such a way that opportunities to deliver the Group's objectives are achieved. The Group's risk management takes place in the context of day-to-day operations and normal business processes such as strategic planning and business planning. Management has identified each risk and is responsible for co-ordinating and continuously improving risk strategies, processes and measures in accordance with the Group's established business objectives.

The Group's principal financial instrument consists of cash, receivables and payables arising from its operations and activities.

The main risks arising from the Group's financial instruments are credit risk, market risk and liquidity risk. The Board of Directors reviews and approves policies for managing each of these risks and they are summarized below.

Credit Risk

The Group's exposure to credit risk from financial assets, which comprise of cash and receivables, arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these assets.

	2010 US$	2009 US$
Cash and cash equivalents	60,905,505	2,732,408
Trade and other receivables	15,396	68,476
	60,920,901	2,800,884

Cash held at year end is held with three financial institutions. Two in the Philippines, being Metropolitan Bank and Trust Company (Metrobank) and LANDBANK with a credit rating of AA, and one bank on the Isle of Man (Conister Bank) also with a credit rating of AA.

17 Financial risk management objectives and policies (continued)

Foreign Exchange Risk

The Group has transactional currency exposures. This is as a result of financial assets and liabilities held by subsidiaries of the Company denominated in Philippine Peso (PhP).

The Group's foreign currency (Philippine Peso) denominated financial assets and liabilities as at 31 December 2010 are as follows:

	2010 US$	2009 US$
Asset:		
Cash and cash equivalents	34,843	6,942
Trade and other receivables	162,136	2,512
Liabilities:		
Trade and other payables	(74,826)	(580,819)
Net assets / (liabilities)	122,153	(571,365)

The exchange rate used per US$1.00 is 43.90 as of 31 December 2010 (31 December 2009: 46.43). No hedging instruments are in place for the Company's foreign exchange transactions.

Sensitivity Analysis

A 10% strengthening of the Philippine Peso against the US Dollar as of 31 December 2010 would have increased the comprehensive loss by US$11,105.

A 10% weakening of the Philippine Peso against the US Dollar as of 31 December 2010 would have had the equal but opposite effect, on the basis that all other variables remain constant.

There is no other impact on the Group's equity other than those already affecting the consolidated statement of comprehensive income (loss).

Liquidity Risk

The Group's objective is to maintain a balance between continuity of funding and flexibility in operations. The Group's policy is to maintain a level of cash that is at least sufficient to fund its monthly cash requirements.

Capital expenditures, operating expenses and working capital requirements are sufficiently funded through cash held. The Company's cash balances are instant access.

The tables below summarise the maturity profile of the Group's financial liabilities as at 31 December 2009 and 31 December 2010:

	On demand	Within one year	Greater than one year	Total

	2009 US$	2009 US$	2009 US$	2009 US$
Trade and other payables	-	690,179	-	690,179
Total	-	690,179	-	690,179

	On demand 2010 US$	Within one year 2010 US$	Greater than one year 2010 US$	Total 2010 US$
Trade and other payables	-	489,781	-	489,781
Total	-	489,781	-	489,781

Market price risk exposure
The Group does not hold any assets or liabilities which are directly impacted by market price and therefore it is the directors' opinion that the Group is not significantly exposed to market price risk.

Interest rate exposure
Interest rate risk is the risk that the Group will sustain losses through adverse movements in interest bearing assets or liabilities, however it is the directors' opinion that the Group is not significantly exposed to interest rate risk.

Capital Management
The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maintain capital on a long term basis.

The Group manages its capital structure and makes adjustments to it after considering changes in the economic environment. To maintain or adjust the capital structure, the Group may utilize the following; (a) obtain additional shareholders' advances to augment capital; (b) issuance of new shares; and (c) to return capital to shareholders if and when feasible.

The Group is not subject to externally imposed capital requirements.

18 Financial Instruments

The following tables set forth the carrying values of the financial assets and liabilities. The fair values of these are estimated to be the same as the carrying values per category.

Group	Carrying & fair values	Carrying & fair values
	2010	2009
Financial Assets	US$	US$
Cash and cash equivalents	60,905,505	2,732,408
Trade and other receivables	1,072,513	68,476
	61,978,018	2,800,884

Group	Carrying & fair values	Carrying & fair values
	2010	2009
Financial Liabilities	US$	US$
Trade & other payables	489,781	690,179
	489,781	690,179

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

Cash, Receivables, Accounts Payable and Accrued Expenses
The carrying amounts of these financial instruments approximate their fair values due to the short-term nature of these accounts.

19 Employees

Other than the Directors, the Group has 398 employees as of 31 December 2010, all of whom work in the Philippines. 27 employees are Project Managers, 261 employees are responsible for exploration and development activities and 110 employees provide administrative and finance support.

20 Significant shareholdings

Except for the interests disclosed in this note, the Directors are not aware of any holding of Ordinary Shares as at the date of these accounts representing 3% or more of the issued share capital of the Company:

Name	Number of Ordinary Shares	Percentage of issued share capital
Senator Sidecar Master Fund LP	45,319,998	20.15%
Luxor Capital Group LP [1]	39,189,077	17.42%
MSD Energy Investments, LP	21,400,000	9.51%
Tocqueville Gold [2]	17,874,284	7.95%

Haywood Securities Inc.	10,392,840	4.62%
Chiropo Company SA	9,725,000	4.32%
Goldman Sachs Group, Inc.	9,571,427	4.25%
Libra Advisors LLC [3]	7,124,714	3.17%
Solfotara Mining Corp. (note 21)	7,029,334	3.12%

Notes:

1. Includes holdings through entities with respect to which Luxor Capital Group LP acts as investment manager.
2. Tocqueville Gold includes the holdings of four funds: Tocqueville Gold Fund, Tocqueville Gold Partners, L.P., Tocqueville Gold Offshore Fund Ltd and Tocqueville Gold Private Equity Master Fund Ltd.
3. Libra Advisors LLC includes the holdings of two funds: Libra Fund LP and Libra Offshore Master Fund LP.

21 Related party transactions

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

	No	% of issued share capital
Brian Leuck	2,591,600	1.15%
Guy Elliott	2,000,000	0.89%
Mitch Alland	450,002	0.20%
Denham Eke	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 31 December 2010 Galloway Limited held 286,000 shares representing 0. 13% of the issued share premium at the year end.

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

Denham Eke - US$90,000 per annum to 12.12.2010 and US$180,000 per annum thereafter

Mitch Alland - US$180,000 per annum to 12.12.2010 and US$300,000 per annum thereafter

Brian Lueck - US$60,000 per annum to 12.12.2010 and US$120,000 per annum thereafter

Guy Elliott - US$38,000 per annum

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

Name	Holding at 1 January 2010	Granted	Exercised	Holding at 31 December 2010
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

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 year the Company paid US$92,444 (2009: US$nil) under this agreement and as at 31 December 2010 an amount of US$23,592 (2009: US$nil) was owed to Burnbrae Limited.

On 17 December 2010, Copper Development Corporation signed a convertible loan agreement with Solfotara Mining Corp. 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 has the option to convert the outstanding sum of the Loan into a 70% interest in the Basay Project. Mr Brian Lueck, Mr Mitchell Alland and Mr Denham Eke are directors of Solfotara Mining Corp. and the Company. During the year the Company advanced US$500,000 (2009: US$nil) under this agreement (note 10).

22 Subsequent events

i. The Directors of Copper Development Corporation 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 (note 20). As part of its due diligence, Copper Development Corporation commissioned Mining Associates Limited to complete the competent person's report on the Basay Project. The Company and Solfotara intend to use their respective best endeavours to agree and execute a joint venture agreement with regards to the Basay Project according to the terms outlined in the announcement of 20 December 2010.

ii. The Directors of Copper Development Corporation announced on 7 March 2011 that the Company now had six drill rigs operating at the Hinoba-an Copper Project site. Five drill holes had been completed to date, representing approximately 1,800 metres of the 18,665 metres planned for the year. Several of the holes had been drilled beyond their planned depth, as pyrite and chalcopyrite minerals are present at these deeper levels that previous drilling had not tested, with a view of determining whether this mineralisation occurs at economic grades. Core samples were being dispatched for analysis and the Company anticipates announcing drilling results early in the second quarter. This drilling is part of the Hinoba-an Project's bankable feasibility study (BFS), which is on schedule for completion in mid-2012.

    In addition, the Company reported that it had two drill rigs at the Basay project site, where drilling commenced on 4 March 2011. The work programme for the Basay Copper Project is focused on upgrading historic resources to modern JORC code standards and exploring major potential extensions to the known mineralisation, for which purpose the Company is increasing the planned drilling at the Basay site by 50 per cent for a total of 18,615 metres this year.

iii. The Directors of Copper Development Corporation announced on the 25 March 2011 the appointment of Evolution Securities Limited as Joint Broker to the Company, with immediate effect.

iv. On the 11 April 2011 the Directors of Copper Development Corporation announced that the Company had executed a joint venture agreement (the "Basay JV Agreement") with Solfotara under the terms of which CDC has converted its outstanding loan of US$1.9 million to Solfotara into a 70% interest in Basay Copper Limited ("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.

23 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 year / period of US$12,102,643 (2009: Loss US$78,055) and the weighted average number of shares of 107,445,647 (2009: 69,861,795) in issue during the year / period.
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 31 December 2009 and 31 December 2010 there is no dilutive effect, because the Group incurred net losses. Therefore, basic and diluted earnings per share are equal.

	For the year ended 31 December 2010 US$	For the period from 28 October 2009 (date of incorporation) to 31 December 2009 US$
Retained Earnings for basic and diluted earnings per share:	(12,102,643)	(78,055)

	2010 US$	2009 US$
Weighted average number of shares for basic earnings per share	107,445,647	69,861,795
Effect of dilutive share options & warrants	17,850,892	16,696,449
Weighted average number of shares for diluted earnings per share	125,296,539	86,558,244