7:00 am on 30 September 2013

Copper Development Corporation
(The "Company")

Unaudited Consolidated Interim Financial Report For the six month period year ended 30 June 2013

The Company announces its unaudited interim accounts for the six months ended 30 June 2013 (the "Accounts"). These accounts will shortly be available at the Company's website - www.copperdevelopmentcorp.com.

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Beaumont Cornish Limited
Roland Cornish and Felicity Geidt

Extracts of the Accounts are set out below:-

Financial and operational highlights

- There were no additional exploration related costs incurred during the period owing to the care and maintenance status of both Hinoba-an and Basay projects. The carrying value of Hinoba-an project remained at US$18.6 million (US$33.5 million pre impairment) and US$Nil for Basay project (US$12.5 million pre impairment) as at 30 June 2013.
- The Company recognised an unrealised loss on investment in Crazy Horse Resources Inc. of US$0.3 million. The total market value of this investment therefore decreased from US$0.7 million to US$0.4 million.
- There were no new options or warrants issued during the period. None of the vested warrants and options were exercised and a total of 1.1 million share options expired during the period.
- Cash reserves decreased due to operational costs (which purely relate to care and maintenance cost of the two Philippine projects and corporate salary and administration costs, all of which have been cut down to bare minimum).
- Loss per share at 30 June 2013 is 0.40 pence (31 December 2012: 6.79 pence).

Chairman's statement

Dear Shareholders,

The Company's situation remains unchanged as reported in our last statement on 20 June 2013. CDC continues to seek prospective buyers for its financially attractive Hinoba-an copper project on Negros Island in the Philippines though the outcome is highly uncertain given the current distressed market conditions.

On the Basay Copper Project, also on Negros Island, there have been no developments on the claim on the property by a government agency, which the Company and its legal counsel believe to be a legally unsubstantiated; and no official statement has been received on the renewal of the exploration permit, which expired in December 2012.

Given the distressed capital markets for mining companies and the consequent difficulty in arranging a sale or joint venture of copper mining projects in the current environment, the Company has reduced expenditures to the minimum and is continuing to keep the Hinoba-an and Basay projects on a care-and-maintenance basis. With these measures in place, we are in the best position to preserve our significant cash balance, currently at US$14.4 million as at 30 June 2013 (US$14.3 million as at the date of this announcement), while continuing to review possibilities for a trade sale or joint venture.

Mitchell Alland
Executive Chairman

27 September 2013

Unaudited consolidated statement of comprehensive income

for the six month period ended 30 June 2013

	Notes	**Period ended 30 June 2013 (Unaudited) US$**	Period ended 30 June 2012 (Unaudited) US$	Year ended 31 December 2012 (Audited) US$
Unrealised loss on investment	*16*	**(323,465)**	(1,576,656)	(1,891,174)
Impairment losses	*6, 22*	**(131,040)**	-	(12,919,813)
Loss on sale of assets		**-**	-	(243,821)
Operating expenses				
Directors' fees	*4,18*	**(100,377)**	(338,000)	(665,314)
Consultants' fees		-	(330,597)	(636,677)
Salaries and wages		**(2,843)**	(323,964)	(634,711)
Other professional fees		**(120,154)**	(594,187)	(1,067,347)
Travel and entertainment		**(9,994)**	(110,891)	(162,979)
Administration expenses		**(104,034)**	(228,183)	(417,595)
Share option charge		**-**	-	654,980
Warrants charge		**-**	-	-
Unrealised exchange (losses)/gain		**(176,626)**	(32,067)	77,120
Deed payments		**(73)**	(1,493,751)	(1,512,636)
Loss before finance income	*4*	**(968,606)**	(5,028,296)	(19,419,967)
Finance income		**26,601**	797	131,271
Loss before income tax		**(942,005)**	(5,027,499)	(19,288,696)
Deferred tax expense	*5*	**-**	-	-
Loss after income tax		**(942,005)**	(5,027,499)	(19,288,696)
Other comprehensive (loss)/ income- foreign currency translation reserve		**(86)**	92,232	301,140
Total comprehensive loss for the period/year		**(942,091)**	(4,935,267)	(18,987,556)
Loss attributable to:				
Non-controlling interests		**(19,261)**	(123,818)	(3,803,348)
Equity shareholders		**(922,744)**	(4,903,681)	(15,485,348)
		(942,005)	(5,027,499)	(19,288,696)
Total comprehensive loss attributable to:				
Non-controlling interests		**19,344**	(148,405)	(3,794,844)
Equity shareholders		**(961,435)**	(4,786,862)	(15,192,712)
		(942,091)	(4,935,267)	(18,987,556)

Basic and diluted loss per share	*21*	**(0.0040)**	(0.0217)	(0.0679)

The notes form part of these condensed consolidated interim financial statements.

Unaudited consolidated statement of financial position

as at 30 June 2013

	Notes	**At 30 June 2013 (Unaudited)**	At 31 December 2012 (Audited) US$
Assets			
Property, plant and equipment	*8*	**-**	-
Deferred mine exploration costs	*7*	**-**	-
Investment in Crazy Horse Resources	*16*	**355,805**	679,270
Total non-current assets		**355,805**	679,270
Current assets			
Cash and cash equivalents		**13,631,460**	14,433,861
Loan receivable	*15*	**797,538**	797,538
Trade and other receivables	*9*	**226,196**	234,578
Assets held for sale	*6*	**19,572,099**	19,572,099
Total current assets		**34,227,293**	35,038,076
Total assets		**34,583,098**	35,717,346
Equity			
Share premium	*12*	**73,915,306**	73,915,306
Share option reserves	*14*	**1,379,440**	1,831,364
Warrants	*13*	**1,195,694**	1,195,694
Foreign currency translation reserve		**(79,175)**	(40,484)
Retained deficit		**(37,878,638)**	(37,407,818)
Shareholders' equity		**38,532,627**	39,494,062
Non-controlling interest		**(3,950,443)**	(3,969,787)
Total equity		**34,582,184**	35,524,275
Non-current Liabilities			
Deferred tax liability	*5*	**44**	44
Total non-current liabilities		**44**	44
Current Liabilities			
Trade and other payables	*10*	**870**	193,027
Total liabilities		**914**	193,071
Total equity and liabilities		**34,583,098**	35,717,346

The notes form part of these condensed consolidated interim financial statements.

Unaudited consolidated statement of changes in equity

for the six month period ended 30 June 2013

	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 2013 (audited)		73,915,306	1,195,694	1,831,364	(40,484)	(37,407,818)	39,494,062	(3,969,787)	35,524,275
Total comprehensive loss for the period									
Loss for the period		-	-	-	-	(922,744)	(922,744)	(19,261)	(942,005)
Other comprehensive loss for the period		-	-	-	(38,691)	-	(38,691)	38,605	(86)
Transactions with owners of the Company									
Warrants exercised	*12,13*	-	-	-	-	-	-	-	-
Options/Warrants expired	*13*	-	-	(451,924)	-	451,924	-	-	-
Share options charge	*14*	-	-	-	-	-	-	-	-
Balance at 30 June 2013 (unaudited)		**73,915,306**	**1,195,694**	**1,379,440**	**(79,175)**	**(37,878,638)**	**38,532,627**	**(3,950,443)**	**34,582,184**

		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 2012 (audited)		73,737,654	1,940,280	2,486,344	(333,120)	(22,667,056)	55,164,102	(174,943)	54,989,159
Total comprehensive loss for the period									
Loss for the period		-	-	-	-	(4,903,681)	(4,903,681)	(123,818)	(5,027,499)
Other comprehensive loss for the period		-	-	-	116,819	-	116,819	(24,587)	92,232
Transactions with owners of the Company									
Shares issued	*12*	-	-	-	-	-	-	-	-
Warrants exercised	*12,13*	-	-	-	-	-	-	-	-
Options exercised	*12,14*	-	-	-	-	-	-	-	-
Share options charge	*14*	-	-	-	-	-	-	-	-
Changes in ownership interests in subsidiaries									
Non-controlling interest on acquisition		-	-	-	-	-	-	-	-
Balance at 30 June 2012 (unaudited)		**73,737,654**	**1,940,280**	**2,486,344**	**(216,301)**	**(27,570,737)**	**50,377,240**	**(323,348)**	**50,053,892**

The notes form part of these condensed consolidated interim financial statements.

Consolidated statement of cash flows

for the six month period ended 30 June 2013

	Notes	**Period ended 30 June 2013 (Unaudited)**	Period ended 30 June 2012 (Unaudited)	Year ended 31 December 2012 (Audited) US$
Cash flows from operating activities				
Loss before income tax		**(942,005)**	(5,027,499)	(19,288,696)
Adjusted for non-cash and non-operating items:				
Share option charge	*14*	**-**	-	(654,980)
Warrants charge	*13*	**-**	-	-
Unrealised loss on investment	*16*	**323,465**	1,576,656	1,891,174
Impairment losses	*22*	**131,040**	-	12,919,813

Loss on sale of assets	*8*	**-**	-	243,821
Finance income		**(26,601)**	(797)	(131,271)
		(514,101)	(3,451,640)	(5,020,139)
Change in trade and other receivables		**8,382**	(74,169)	6,777
Change in trade and other payables		**(192,157)**	(957,281)	(1,250,932)
Net cash used in operating activities		**(697,876)**	(4,483,090)	(6,264,294)
Cash flows from investing activities				
Purchase of property, plant and equipment	*8*	**-**	(78,065)	(97,054)
Proceeds from sale of property, plant and equipment	*8*	**-**	29,453	157,570
Amounts paid in cash for deferred mine exploration costs	*6, 7*	**(131,040)**	(5,393,913)	(5,964,342)
Loan receivable	*15*	**-**	-	(797,538)
Net cash used in investing activities		**(131,040)**	(5,442,525)	(6,701,364)
Cash flows from financing activities				
Interest received		**26,601**	797	131,271
Issue of shares	*12*	**-**	-	-
Warrants exercised	*12, 13*	**-**	-	177,652
Options exercised	*12, 14*	**-**	-	-
Unrealised foreign exchange loss		**(86)**	92,232	301,140
Net cash generated from financing activities		**26,515**	93,029	610,063
Decrease in cash and cash equivalents		**(802,401)**	(9,832,586)	(12,355,595
Cash and cash equivalents at beginning of period/year		**14,433,861**	26,789,456	26,789,456
Cash and cash equivalents at end of period/year		**13,631,460**	16,956,870	14,433,861

The notes form part of these condensed consolidated interim financial statements.

Notes

forming part of the condensed consolidated interim financial statements for the six month period ended 30 June 2013

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 year ended 31 December 2012 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), as adopted by the EU. The consolidated financial statements were authorised for issue by the Board of Directors on 17 June 2013.

(b) *Basis of measurement*

Functional and Presentation Currency

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

Estimates
The preparation of the consolidated 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.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected. Significant estimates and assumptions include those related to recoverability of mineral properties and determination as to whether costs are expensed or deferred.

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 in the future. Although as at the period end, there is sufficient cash balances to meet current obligations, there can be no assurance the Company will be able to raise sufficient funds as and when funds are required in order to complete its current available projects in entirety. If such funding is not available, the Company may cease operations.

These consolidated 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 complete its currently on-going projects. Such adjustments could be material.

It is currently the intention of the Directors to realize its investment in the Hinoba-an project through a disposal. The Groups investment in the Basay project has been fully impaired at the yearend as a result of issues with permits.

The Group may continue to identify further mineral exploration opportunities as they arise.

3 Significant accounting policies

The condensed consolidated interim financial statements of the Company for the period ended 30 June 2013 comprise 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 2012. There were no new accounting policies adopted during the period.

The audited consolidated financial statements of the Group as at and for the year ended 31 December 2012 are available at the Group's website below:
http://www.copperdevelopmentcorp.com/investors/financialreports.html

4 Loss before finance income

Loss before finance income is stated after charging:

Company and Group	**Period ended 30 June 2013 (Unaudited)**	Period ended 30 June 2012 (Unaudited)	Year ended 31 December 2012 (Audited)
	US$	US$	US$
Auditors' Fees	**3,235**	30,068	128,166
Auditors' Fees – non audit services	**-**	-	-
Directors' Fees (note 18)	**100,377**	338,000	665,314

5 Taxation

Income tax
The British Virgin Islands under the International Business Companies Act 2004 imposes no corporate taxes or capital gains taxes. However, the Group may be liable for taxes in the jurisdictions where it is operating however, such operations are currently loss making.

Deferred tax assets and liabilities
Deferred tax assets have not been recognised because there is insufficient evidence of the timing of suitable future profits against which they can be recovered. The Group's deferred tax liability amounting to US$44 pertains to interest income at a subsidiary level of US$30,869 recognised during the year ended 31 December 2010.

6 Assets held for sale

The following have been reclassified to Assets held for sale during the year:

Assets reclassified from:	**Deferred mine exploration costs (note 7)**		**Property, plant and equipment (note 8)**	**Advances - Royalties (note 9)**	**Total**
	Hinoba-an (Selenga)	**Basay (Adanacex)**			
	US$	**US$**	**US$**	**US$**	**US$**
Cost at 01 January 2013	33,362,865	12,461,646	440,103	990,000	47,254,614
Additions during the period	131,040	-	-	-	131,040
Cost at 30 June 2013	33,493,905	12,461,646	440,103	990,000	47,385,654
Impairment at 01 January 2013	14,780,766	12,461,646	440,103	-	27,682,515
Impairment during the period	131,040	-	-	-	131,040
Impairment at 30 June 2013	14,911,806	12,461,646	440,103	-	27,813,555
Net carrying value at 30 June 2013	**18,582,099**	**-**	**-**	**990,000**	**19,572,099**

Hinoba-an Project
In 2012, the Company completed a Comprehensive Technical Report (CTR) prepared by independent consultants to evaluate the viability of Hinoba-an Project. The CTR showed that the Project has a large and attractive JORC compliant mineral resource. The Company has also undertaken a financial analysis based on its view of the most likely configuration of the Hinoba-an Project and concluded that its fair value is considerably above its carrying value as at 31 December 2012.

The Company revisited its assessment of the carrying value of costs capitalised in respect of the Hinoba-an project for impairment as at 30 June 2013 and, whilst there was no positive results from marketing of Hinobaan project can be reported at this time, based on the positive result of technical feasibility study and analysis performed as explained above, considered that no additional impairment is necessary other than what was previously recognised in previous years and that the recoverable amount of these assets exceeded the carrying amount as at 30 June 2013.

The carrying value of Hinoba-an Project previously capitalised to Deferred Mine Exploration cost (note 7) has been reclassified to Assets held for sale due to the Company's intention to recover such value through sale or joint venture.

Significant contracts governing Hinoba-an Project

Operating Agreement (OA) between Selenga Mining Corporation (SMC) and Colet Mining and Development Corporation (Colet)
On 07 December 1991, SMC entered into an OA with Colet, a claim owner which has granted SMC the right to operate its mining claims on certain areas subject to certain terms and conditions. The OA is effective for a period of 25 years from 07 December 1991 and shall be renewable for another period of 25 years, under the same terms and conditions at the option of SMC.

Integrated Mining and Operating Agreement (IMOA) between SMC and Colet
On 17 December 2004, SMC entered into an IMOA with Colet in order to rationalize and govern their relationship with respect to mineral properties and consolidate the terms of OA dated 07 December 1991 and Royalty Reduction Agreement dated 08 December 2003. Under the terms of the IMOA, SMC is committed to pay a 3% net benefits royalty to Colet in relation to the Hinoba-an Copper Project (the Project).

On or before the date of filing a bankable feasibility study, SMC has the option to reduce the 3% net benefits royalty due to Colet to 2% for US$2.0 million consideration. Of the US$2.0 million, up to US$600,000 can be satisfied by issue of shares of any listed company at the option of SMC. This 2% net benefits royalty may be bought out by SMC for US$6.0 million to be satisfied with cash of US$4.0 million and issue of shares of any listed company worth US$2.0 million. In the event the SMC buys out the remaining 2% net benefits royalty, Colet shall be liable to repay SMC US$1.0 million. Colet is also entitled to 7.5% of the par value of the outstanding capital stock of SMC.

Both OA and IMOA were entered into prior to the Company's acquisition of interest in SMC on 25 November 2009.

Second Amendatory Royalty Agreement (SARA)
In December 2009, SMC and Colet entered into SARA, to renegotiate the IMOA and further outline the rights and responsibilities of each of the parties relative to the Project and agreement previously executed. The following has been agreed to in the SARA:

a) SMC will pay Colet US$450,000 for the latter to issue a letter to Mines and Geosciences Bureau (MGB) reinstating the provision of the OA and IMOA (paid).
b) SMC shall pay Colet US$300,000 upon approval/acceptance of MGB of the Deed of Assignment where Colet assigned its rights and interest over the MPSA to SMC on 16 January 2006 (paid).
c) SMC shall pay Colet US$30,000 for 12 months and shall increase to US$45,000 thereafter, the total of which shall be deductible from any future carried net benefit payment owed by SMC to Colet under the IMOA. The monthly payment shall cease upon full payment of d) and e) below.
d) SMC shall pay US$1,250,000 to Colet to extinguish and buy-out the 1% of the net benefit royalty described in IMOA (paid).
e) SMC shall pay US$1,500,000 upon securing a financing to commence construction and development of the Project after bankable feasibility study to extinguish 0.5% of the net benefit payment which must happen within 9 months from May 2011 (paid).

The Group paid the following fees during the year in accordance with the above contracts:

	At 30 June 2013 (Unaudited)	At 31 December 2012 (Audited)
Advance royalty payments under item c) above	**US$**	US$
Total Royalty payments at 01 Jan	**990,000**	900,000
Total Royalty payments made during the period/year	**-**	90,000
Total Advances - Royalty at 31 December (reclassified as Assets held for sale)	**990,000**	990,000

	Period ended 30 June 2013 (Unaudited)	Year ended 31 December 2012 (Audited)
Royalty payments recognised as expense in the year		
Paid during the year in respect of item d) above	**-**	-
Paid during the year in respect of item e) above	**-**	1,500,000
Option payments to Class B shareholders of HSHI (note 11)	**-**	12,636
	-	1,512,636

As such the Group's obligation to Colet in respect of net benefit royalties is now reduced to 1.5%. Colet also retains their 7.5% stake in SMC.

Basay Project
In 2012, the Company has completed an internal interim report for Basay project which provided a non-AIM compliant estimate of resource and grade that the Board has concluded is insufficient to support a mining operation. Additional drilling, which the report recommended to determine the extent of the deposits, has not been conducted in light of the costs as well as the other aspects of the Project which the Company is currently resolving. As with Hinoba-an, significant cost reductions have been implemented to the minimum necessary to meet the regulatory requirements of the Philippine government for mining companies.

Management is currently marketing the project for possible joint venture or trade sale. In accordance with the Group's accounting policy, the carrying value previously capitalised to Deferred Mine Exploration cost (note 7) for this project has been reclassified to Assets held for sale due to the Company's intention to recover such value through sale or joint venture. Immediately following reclassification, the Company assessed the asset's carrying value for impairment and based in the interim internal report completed which indicated uncertainty on the viability of the mineral property and in light of on-going issues with the transfer of permits to a subsidiary of the Group, that the Company is currently working to resolve, management concluded that a full impairment is appropriate at this time.

Significant contracts governing Basay Project

The Group entered into a Deed of Assignment with Euzkadi Holdings Corporation (Euzkadi) whereby the Euzkadi transfers all the rights, title and interest over the Amended Exploration Permit No. 000013VII dated 01 December 2010 covering an area of 1,808.4466 hectares situated at barangay Maglinao, Municipality of Basay, Province of Negros oriental. The Company agreed to pay US$100,000 within ten days of signing the agreement and US$1,900,000 upon approval and issuance of the related exploration permit. The Group continues to work towards resolving the transfer and re-issuance of this permit.

Property, plant and equipment

The book value of remaining unsold fixed assets (note 8) has been reclassified as Assets held for sale. Immediately after the reclassification, the Group has recognised a full impairment against the book value as these assets were considered to have Nil scrap value either due to the nature of the asset and/or their present condition.

7 Deferred mine exploration costs

Deferred mine exploration costs represent intangible assets and comprises costs directly attributable to exploration activities. Equipment and other assets used in exploratory activities are capitalised in Property, Plant and Equipment. Depreciation charges in respect of these assets are capitalised in 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$
Capitalised cost 01 January 2012	31,726,778	7,832,832	39,559,610
Impairment allowance 01 January 2012	(14,780,766)	-	(14,780,766)
Net carrying value at 01 January 2012	**16,946,012**	**7,832,832**	**24,778,844**
Costs capitalised during the year	1,387,382	4,576,960	5,964,342
Depreciation charges capitalised during the year (note 8)	248,705	51,854	300,559
Reclassification to Assets held for sale (note 6)	(18,582,099)	(12,461,646)	(31,043,745)
Net carrying value at 31 December 2012	**-**	**-**	**-**

The Group has taken a strategic decision to suspend all the drilling activities in both Hinoba-an and Basay projects to pursue a trade sale or a joint venture. In accordance with the Group's accounting policy, all costs attributable to these projects have been reclassified to Assets held for sale (see note 6).

8 Property, plant and equipment

Following a decision made during 2012 to place both Hinoba-an and Basay projects under care and maintenance whilst pursuing trade sale or joint venture, the Group has resolved to sell off all its fixed assets held in the Philippines to defray the retrenchment and legal costs. Total proceeds from sale and book value of assets sold in 2012 were US$157,570 and US$401,391, respectively, realizing a total loss of US$243,821. The book value of remaining assets not sold has been reclassified to Assets held for sale (note 6) and has been fully impaired.

Group	**Buildings & improvement US$**	**Construction in progress US$**	**Office furniture & equipment US$**	**Transportation equipment US$**	**Tools and equipment US$**	**Total US$**
Cost						
At 1 January 2012	794,539	-	314,727	313,015	171,381	1,593,662
Additions	25,973	-	12,797	-	48,536	87,306

Disposal	(68,741)	-	(152,632)	(284,798)	(208,703)	(714,874)
Reclassification - assets held for sale (note 6)	(751,771)	-	(174,892)	(28,217)	(11,214)	(966,094)
As at 31 December 2012/30 June 2013	**-**	**-**	**-**	**-**	**-**	**-**
Depreciation						
At 1 January 2012	247,584	-	138,761	97,646	54,923	538,914
Charge for the year (capitalised)	115,616	-	96,885	45,129	42,930	300,560
Disposal	(10,313)	-	(101,973)	(114,558)	(86,639)	(313,483)
Reclassification - assets held for sale (note 6)	(352,887)	-	(133,673)	(28,217)	(11,214)	(525,991)
As at 31 December 2012/30 June 2013	**-**	**-**	**-**	**-**	**-**	**-**
Net book value						
As at 31 December 2012/30 June 2013	**-**	**-**	**-**	**-**	**-**	**-**

9 Trade and other receivables

	At 30 June 2013 (Unaudited)	At 31 December 2012 (Audited)
		US$
Advances and deposits - others	77,053	74,868
Prepayments and other debtors	94,807	149,962
Other assets	54,336	9,748
	226,196	234,578

10 Trade and other payables

	At 30 June 2013 (Unaudited)	At 31 December 2012 (Audited)
	US$	US$
Withholding tax payable	**-**	291
Accounts payable	**-**	13,307
Accrued expenses and other payables	**870**	179,429
	870	193,027

11 Investments in subsidiary undertakings

Cost	**US$**
CDC Philippines Holdings Limited	**1,500,000**
Basay Copper Limited	**1,900,000**
At 31 December 2012 / 30 June 2013	**3,400,000**

All subsidiary companies are included in the consolidated financial statements of Copper Development Corporation. At 30 June 2013, 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.
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.

**Hinoba-an & Sipalay Holdings Inc (HSHI) 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 (which cannot exceed US$32/PHP 1,500 per annum). 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 a total purchase price of PHP 2,996,000 (US$73,100) at any time during a five year term, which expires on 08 September 2014, renewable upon mutual agreement by both parties, and a right of first refusal should a Class B shareholder wish to dispose of his Class B shares. The Group shall also pay the Class B shareholders an annual fee of PHP 500,000 (US$12,636) during the five year option period until the option is exercised.

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.

On signing of the joint venture agreement in April 2011, the Company completed the acquisition of a 70% interest in Basay Copper Limited (BCL) from Solfotara Mining Corp., a private Canadian company. The acquisition was completed through conversion of an existing US$1.9 million convertible loan. BCL is a company incorporated in the British Virgin Islands which legally and/or beneficially owns 100% of the Basay Project through its wholly owned subsidiary Adanacex Resources, Inc. (Adanacex). Full details of acquisition are disclosed in the Group's audited consolidated financial statements for the year ended 31 December 2011.

12 Share premium

Authorised

The Company is authorised to issue an unlimited number of nil par value shares of a single class.

	Date	**Issue price**	**Shares**	**US$**
Issued ordinary shares of US$0.00 each				-
Share premium				
At 01 January 2012			226,410,169	73,737,654
Warrants exercise	19/07/2012	£0.0284	4,000,000	177,652
At 31 December 2012 / 30 June 2013			230,410,169	73,915,306

13 Warrants

A reconciliation of total number of share warrants in issue as at the year-end is set out below. None of these warrants were subject to any vesting period and therefore can be exercised anytime. Accordingly, the value of these warrants has been expensed immediately.

Holder	**Issue Date**	**Expiry date (years from admission)**	**Exercise Price**	**As at 01 January 2013**	**Exercised during the period**	**Expired during the period**	**As at 30 June 2013**
Brant Investments Limited	23/12/10	5 years	£0.35 (US$0.55)	2,000,000	-	-	2,000,000
				2,000,000	**-**	**-**	**2,000,000**

Warrants issued on 23 December 2010 were valued at US$1,195,694. 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 on:

	23 December 2010
Dividend yield (%)	-
Expected volatility (%)	100.00%
Risk-free interest rate (%)	1.24%
Share price at grant date	US$0.67
Share price (market value)	US$0.60
Exercise price	US$0.35
Expected exercise period	4 years

Share Option Scheme

In accordance with, and subject to the terms of the Company's Share Option Scheme, options issued during the year shall vest in equal instalments annually over a period of three years from the date of grant or over a period stated in the relevant option certificate. Vested options are exercisable at the Exercise Price and may not be exercised later than the tenth anniversary of the Date of Grant or such earlier time as determined by the grantor. The Directors shall have an absolute discretion as to the selection of persons to whom an Option is granted by the Company. An option shall not be granted to any person unless he is a person/company who has provided or is providing services to the Group as a consultant or otherwise (Approved Grantee) or an employee or any person nominated by such Approved Grantee or employee.

The exercise price shall be determined by the Directors and shall be the market value of a Share on the date of the grant of the option to the option holder or shall be such greater or lesser price as the Directors shall determine in their discretion provided always that in the case of a subscription option, the price shall not be less than the nominal value of a Share. Exercise of the option may be conditional upon satisfaction of performance-related conditions as shall be determined by the Directors and notified to the option holder on the date of the grant. They are not transferable and may not be exercised when to do so would contravene the provisions of the Company's code governing share dealings by directors and employees. In the event that a director/consultant resigns and ceases to be engaged by the Company in any role, pursuant to the Share Option Scheme rules, he or she may only exercise options which have vested and for a period of no later than six months from resignation.

A reconciliation of total number of share warrants in issue as at the year-end is set out below.

Holder	**Issue Date**	**Vesting period and Exercise period from Issue date**	**Exercise Price**	**As at 01 January 2013**	**Exercised during the period**	**Expired during the period**	**As at 30 June 2013**
Directors and certain key employees	01/06/10	3 years / 5 years	US$0.35	3,550,000	-	500,000	3,050,000
Key employees and consultants	09/05/11	3 years / 5 years	£0.35	1,620,000	-	1,055,000	565,000
				5,170,000	**-**	**1,555,000**	**3,615,000**

Total number of options that have vested and available for exercise as at the year-end was 2,450,000 (2012: 2,665,000).

The Group calculates the costs of share based payment based on its fair value and the estimate of number of options expected to vest. The cost is spread evenly over the vesting period. A net credit of US$654,980 was recognised in the profit and loss during 2012 due to a reduction in the number of options expected to vest from 6,100,000 to 3,856,667. Based on the revised number of options expected to vest, the total fair value of share options is US$1,379,440 (2012: US$1,907,959) of which US$1,379,440 (2012: US$1,831,364) has been recognised as at 30 June 2013.

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 where the Company did not have its own appropriate share trading data.

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

	9 May 2011	**1 June 2010**
Dividend yield (%)	-	-
Expected volatility (%)	100.00%	100.00%
Risk-free interest rate (%)	1.85%	1.24%
Share price at grant date	US$0.57	US$0.67
Share price (market value)	US$0.35	US$0.60
Exercise price	US$0.58	US$0.35
Expected exercise period	3 years	4 years

15 Loan receivable

The Company entered into the following loan arrangements:

i. On 5 September 2012, the Company placed £350,000 (US$555,940) with Manx Financial Group plc (MFG) as a bond. The bond bears a fixed rate interest of 5% per annum payable quarterly in arrears. The principal together with any unpaid interest is repayable after 5 years. Total interest earned during the period was US$13,290.

ii. On 3 October 2012, the Company placed £150,000 (US$241,598) with Manx Financial Group plc (MFG) as a bond. The bond bears a fixed rate interest of 5% per annum payable quarterly in arrears. The principal together with any unpaid interest is repayable after 5 years. Total interest earned during the year was US$5,695.

16 Investment in Crazy Horse Resources

On 1 July 2011, the Company acquired, by way of private placement, a strategic investment in Crazy Horse Resources Inc. (CHR), a copper and gold company traded on the TSX Venture Exchange and owns the Taysan Project, an advanced copper gold porphyry deposit located 100 km south of Manila in the Philippines.

This investment is classified as financial asset at fair value through profit or loss. For valuation purposes, it was revalued using the closing bid price as at the reporting period.

	At 30 June 2013 (Unaudited)	At 31 December 2012 (Audited)
Total number of shares held	**7,490,642**	7,490,642
	US$	US$
Market value of investment at closing bid price	**355,805**	679,270
Total cost	**(5,861,409)**	(5,861,409)
Unrealised loss on investment	**(5,505,604)**	(5,182,139)

17 Financial instruments

Financial risk management

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 2012.

18 Related party transactions

All related party transactions occurred in the normal course of operations, and are measured at the fair value, which is the amount of consideration established and agreed to by the related parties.

Key management personnel

The Directors of the Company received the following remuneration during the period:

	Period ended 30 June 2013 (Unaudited) US$	**Period ended 30 June 2012 (Unaudited) US$**
Mitch Alland	45,000	150,000
Denham Eke	27,000	90,000
Brian Lueck (resigned 14 June 2012)	-	60,000
Guy Elliott	6,000	19,000
Clyde Heintzelman	6,000	19,000

	84,000	**338,000**
Directors of subsidiaries	**16,377**	**-**
	100,337	**338,000**

The following Directors shares in the Company as the period end:

	No	% of issued share capital
Guy Elliott	3,608,308	1.57%
Brian Lueck (resigned 14 June 2012)	2,591,600	1.12%
Mitch Alland	450,002	0.20%
Denham Eke **1**	286,000	0.12%
	6,935,910	**3.01%**

Notes to Directors' Interests:

1 Denham Eke is a director of Galloway Limited. At 31 December 2011 Galloway Limited held 286,000 shares representing 0.12% of the issued share premium at the period end.

The following table summarises a reconciliation of options in issue to key personnel as at 30 June 2013:

Name	Holding at 01 January 2013	Granted	Expired	Exercised	Holding at 30 June 2013
Denham Eke	1,000,000	-	-	-	1,000,000
Mitch Alland	1,000,000	-	-	-	1,000,000
Brian Lueck (resigned 14 June 2012)	666,667	-	(666,667)	-	-
Guy Elliott	250,000	-	-	-	250,000

Burnbrae Limited

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 both Burnbrae Limited and the Company. During the period the Company incurred costs of US$30,722 (2012: US$71,868) under this agreement of which US$Nil were outstanding as at 30 June 2013 (2012: US$Nil).

Crazy Horse Resources (CHR)

The Company made a strategic investment in CRH, a publicly listed mining company. Mitch Alland is the Chairman of both the Company and CHR. Details of investment made are disclosed in Note 16.

Manx Financial Group plc (MFG)

The Company entered into loan agreements with MFG, terms of the agreement are disclosed in Note 15. Denham Eke is a director of both the Company and MFG.

19 Significant shareholdings

As of 30 June 2013 the Company is aware of the following persons who hold, directly or indirectly, voting rights representing 3% or more of the issued share capital of the Company to which voting rights are attached:

	Number of ordinary shares held	Percentage of total issued capital
Senator Sidecar Master Fund LP	45,319,998	19.67%
Luxor Capital Group LP *(1)*	36,513,626	15.85%
MSDC Management, L.P.	21,400,000	9.29%
Tocqueville Gold *(2)*	17,874,284	7.76%
Haywood Securities Inc.	10,392,840	4.51%
Regent Mercantile Holdings Limited	9,725,000	4.22%
Libra Advisors LLC *(3)*	7,124,714	3.09%

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.

20 Segment reporting

The Group operates in one industry segment: mineral exploration and development in two exploration projects in the Philippines, Hinoba-an and Basay. The activities of these projects alongside those of the corporate entities within the Group are regularly monitored by management to make decisions about resources and assess its performance and discrete financial information is maintained for each. Below is the analysis of Group's exposures in these segments:

	Hinoba-an US$	Basay US$	Corporate US$	Total US$
Deferred mine exploration costs	-	-	-	-
Other non-current assets	-	-	355,805	355,805
Assets held for sale	19,572,099	-	-	19,572,099
Other current assets	89,089	6,423	14,559,682	14,655,194
Total liabilities	(44)	-	(870)	(914)
Finance income	-	-	26,601	26,601
Expenses	(179,216)	(20,262)	(769,128)	(968,606)
Net loss	(179,216)	(20,262)	(742,527)	(942,005)
Other comprehensive income	(171,698)	171,612	-	(86)

Total expenses are as disclosed in the consolidated statement of comprehensive income.

21 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 of US$922,744 (2012: US$4,903,681) and the weighted average number of shares outstanding of 230,410,169 (2012: 226,410,169).

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 2012 and 2011, there is no dilutive effect, because the Group incurred net losses. Therefore, basic and diluted earnings per share are equal.

Weighted average number of ordinary shares

	At 30 June 2013 (Unaudited)	At 30 June 2012 (Unaudited)
Issued ordinary shares at 01 January	230,410,169	226,410,169
Effect of share warrants and options exercised	-	-
	230,410,169	226,410,169

22 Impairment loss

Certain assets of the group have been assessed for impairment during the year. The following impairment losses have been recognised as a result of assessment made:

	At 30 June 2013 (Unaudited)	At 31 December 2012 (Audited)
Assets held for sale (note 6)	131,040	12,901,749
Other debtors	-	18,064
	131,040	12,919,813

23 Subsequent events

There were no significant events after the reporting period.