

25th May 2005

**COPPER RESOURCES CORPORATION**  
**("CRC" or "the Company")**

**COPPER RESOURCES ACQUIRES OPTION ON THE HAIB COPPER PROJECT IN NAMIBIA**

Copper Resources Corporation (AIM: "CRC"), whose principal asset is the Hinoba-an Copper Project in the Philippines, today entered into an option and operating agreement with Deep South Mining Company (Pty) Ltd., Afri-Can Marine Minerals Corporation and African Millennium Corporation (the "Option Agreement") on the Haib Copper Porphyry Project (the "Haib Project") in Namibia. Deep South Mining Company (Pty) Limited is the holder of the Haib Project exploration licence, subject to option agreements with Afri-Can Marine Minerals Corporation and African Millennium Corporation.

The Haib Project is a substantial low grade sulphide copper porphyry deposit, located in southern Namibia 8 km from the Orange River and the South African border. The property is held by Deep South Mining Company (Pty) Ltd. under Exclusive Prospecting License (EPL) 3140. The licence area is 74,563 hectares and incorporates all of the mineralization within the Haib deposit and a substantial area around the deposit. The EPL renewal date is 21 April 2007. Renewal of the licence is assured under the Minerals Act of 1992 providing all conditions of the EPL have been satisfied and a reasonable work program is submitted in support of the renewal application.

With 52,000 meters of drilling, the Haib Project is a well-defined deposit that was placed on care and maintenance in the late 1990s owing to low copper prices. Previous work has been carried out by Falconbridge (Pty) Ltd. (1963-1964), King Resources of South Africa (1968-1969), Rio Tinto Zinc Corporation (1972-1975), Rand Merchant Bank Ltd. (1992-1993), and most recently by Great Fitzroy Mines NL (GFM) of Australia (1995-1998). The most recent feasibility study work, undertaken in 1995-1997, focused on producing cathode copper utilizing a roast-leach-electrowinning process plant. In 1996, Behre Dolbear estimated the Haib Project resource at 244 million tonnes, grading 0.37% Cu, using a cut-off grade of 0.3% Cu. This equates to 2 billion pounds of contained copper (net 1.2 billion pounds Cu to CRC based on 60% ownership), substantially increasing CRC's total copper resource base. CRC intends to use the extensive geological and metallurgical database available on the Haib Project to evaluate the optimal process recovery method for project development.

Under the terms of the Option Agreement, CRC can earn a 60% interest in the Haib Project by incurring initial expenditures of US\$1.2 million and through the issuance of 120,000 CRC shares. With further expenditures of US\$1.0 million CRC can earn an additional 10% for a total of 70%. Thereafter, Deep South and Afri-Can have the option to contribute their share of the development cost or be diluted to a 10% non-contributing interest; under the latter scenario CRC can earn up to a 90% interest in the Haib Project through the further issuance of 150,000 CRC shares

Namibia is a politically stable country in which mining is a major contributor to GDP. The Namibian Government has indicated its strong support to advance the Haib Project to a point where a production decision can be made.

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Sir Sam Jonah, Chairman of CRC, commented: "The acquisition of the Haib Project represents a low cost entry opportunity for CRC into a second major copper project. The extensive drilling and metallurgical database available for the Haib Project is already at the standard necessary for a Bankable Feasibility Study. The next challenge for CRC will be to evaluate different process recovery options and assess their relative economic merits. Once completed, CRC will be able to make a final determination of the long term economic viability of the project."

Funds raised by CRC from its recently completed IPO on the London AIM Exchange will be used to complete a detailed Bankable Feasibility Study on its Hinoba Copper Project in the Philippines over the next 12-18 months at an expected cost of £3.1 million. With its cash position of approximately £9.2 million (i.e. £0.33/share), CRC is well-positioned to undertake work on the Haib Project and to evaluate other copper acquisition opportunities.

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Copies of the M. Horn & Co. Research Report and AIM admission document are available from the Company's website, [www.copperresources.com](http://www.copperresources.com), or from ODL Securities Ltd.

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## **Background Information on Copper Resources Corporation**

Copper Resources is the ultimate holding company of a group of mineral exploration, development and operating companies. The Group effectively has a 92.5 per cent economic interest in the Hinoba-an Porphyry Copper Project (the "Project"), subject to a 3 per cent net benefits royalty payable to the original claimowner. The Project is located on the island of Negros in the Republic of the Philippines, approximately 700 km south of Manila.

The Group's interest in the Project is held under an Integrated Mining and Operating Agreement with Colet Mining and Development Corporation, which holds mining leases over 90 hectares and approximately 2,900 hectares of mineral claims (collectively, the "Colet Claims"). The Colet Claims cover two known porphyry copper deposits, the Don Jose deposit and the A1 deposit, which comprise the Hinoba-an property.

Over the years, a significant amount of exploration and metallurgical testwork has been performed on the Hinoba-an property with its previous owners having spent approximately C\$14.7 million. The Hinoba-an property has been subject to approximately 48,000 metres of diamond drilling and 11,000 metres of reverse circulation drilling. Pre-feasibility studies indicate that the two deposits are well drilled and that all due attention has been paid to core handling, sampling and assaying.

A scoping study undertaken in 1998 envisioned a 15 year mine life for the Colet Claims based on a geological resource of 254 million tonnes at 0.46 per cent copper at a 0.30 per cent copper cut-off. The study showed that the deposits could be profitably mined by open pit method with the ore processed in a conventional flotation milling operation to produce approximately 2 billion pounds of recoverable copper and other by-products. Annual production was estimated at 56,000 tonnes of recoverable copper with an average cash cost (including smelting, refining and by-product credits) of US\$0.48/lb of copper.

The Company will complete additional infill core drilling on the property and a feasibility study within the next 18 months. Upon completion of the feasibility study, and assuming favourable economics, the Group plans to develop a potential 15 million tonnes per annum open pit copper mine on the Hinoba-an property. The development of the Project will be dependent on obtaining future financing.

In addition, the Copper Resources Group owns 23 unpatented lode claims covering approximately 186 hectares in the state of Colorado. The copper deposit on the property has historically been mined as an underground operation. The Group plans to undertake exploration and evaluation on these claims within the next twelve months. The exploration and evaluation stage includes a drilling programme that will be commenced in early 2006.

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