



**ASX Announcement**

**25<sup>th</sup> August 2008**

**ASX Code: COY**

**SIGNIFICANT COPPER INTERSECTIONS EXPAND KNOWN  
COPPER MINERALISATION AT SIMUKU**

The ongoing drilling programme at the Nayam and Tobarum prospects in Simuku is providing significant copper intersections which expands on known areas of mineralisation.

- Drillhole SMD18 at Nayam, using a 0.2% copper equivalent\* cut-off (see notes for explanation), intersected 32m at 0.71% copper, 136ppm molybdenum, 0.08 g/t gold and 1.29 g/t silver (**0.87% copper equivalent\***) at 42m depth.
- Drillhole SMD21 at Tobarum, using a 0.2% copper equivalent\* cut-off (see notes for explanation), intersected 44m at 0.38% copper, 26ppm molybdenum, 0.11 g/t gold and 2.45 g/t silver (**0.46% copper equivalent\***) at surface to 44m depth. From 308m depth, 56.8m of 0.40% copper, 76ppm molybdenum, 0.05g/t gold and 2.8g/t silver (**0.51% copper equivalent\***) were intersected to the bottom of the hole.

Peter Swiridiuk, Managing Director, commented “*results in Hole SMD21 at Tobarum ended in 0.51% copper equivalent, indicating continued copper potential at depth. This expands on our area of significant mineralisation as SMD21 is over 800m south of the Nayam prospect which intersected 32m at 0.87% copper equivalent. With two drilling rigs currently on-site, we have drilled 2,646.6 metres in 11 drill holes and plan to continue drilling copper and molybdenum target areas for about two more months. Trenching and mapping will continue in order to define copper and molybdenum mineralisation extents at surface and help target drill holes*”.

**TOBARUM PROSPECT (Figures 1 and 2):**

**SMD21**

This hole was drilled to test 39m at 0.49% copper in Trench 5, angled to intersect a north-northwest structural trend. Copper mineralisation in this hole (see Table 1 and 4 below) occurs within quartz feldspar porphyry. Relatively barren late intrusive occurs between 277m to 308m. Core recoveries were generally good at greater than 96%.

From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t	Cu.Eq %
0	44	<b>44</b>	0.38	26	0.11	2.5	<b>0.46</b>
73	92	<b>19</b>	0.26	15	0.06	1.3	<b>0.30</b>
98	133	<b>35</b>	0.27	18	0.08	1.1	<b>0.33</b>
166	183	<b>17</b>	0.26	32	0.12	1.3	<b>0.34</b>
194	239	<b>45</b>	0.37	86	0.08	1.0	<b>0.48</b>
250	258	<b>8</b>	0.26	67	0.06	0.8	<b>0.34</b>
269	277	<b>8</b>	0.31	105	0.04	1.9	<b>0.43</b>
299	302	<b>3</b>	0.22	16	0.03	2.0	<b>0.26</b>
308	364.8	<b>56.8</b>	0.40	76	0.05	2.8	<b>0.51</b>

**Table 1: SMD21 Assay Results**

## NAYAM PROSPECT (Figures 1 and 2):

### SMD18

This hole targeted copper mineralisation beneath a leached cap with haematite in Trench 11 and angled across a structural trend. In SMD18, mineralisation (see Table 2 and 4 below) occurs within quartz porphyry and a pyritic zone at 144m depth. Quartz feldspar porphyry is reported at 241.4m depth below an intrusive unit. Drilling and trenching at Nayam continue to help determine the extent of mineralisation. Core recoveries in this hole were generally greater than 90%.

From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t	Cu.Eq %
0	115	<b>115</b>	0.39	84	0.07	1.7	<b>0.50</b>
Including 42	74	<b>32</b>	0.71	136	0.08	1.3	<b>0.87</b>
152	172	<b>20</b>	0.24	63	0.05	1.2	<b>0.32</b>
185	210	<b>25</b>	0.22	17	0.05	2.8	<b>0.27</b>
210 <sup>#</sup>	300 <sup>#</sup>						

<sup>#</sup> NB: 90m of results are pending between 210m and 300m

**Table 2: SMD18 Assay Results**

### SMD19

Further assay results continue to be received for SMD19 from 122m to 181m depth (see Tables 3 and 4 below). Core recoveries in this hole were generally greater than 93%.

From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t	Cu.Eq %
8	101	<b>93</b>	0.59	68	0.07	2.5	<b>0.69</b>
Including 18	36	<b>18</b>	1.0	140	0.11	4.4	<b>1.2</b>
103	133	<b>30</b>	0.37	142	0.07	1.8	<b>0.53</b>
135	174	<b>39</b>	0.32	62	0.05	1.4	<b>0.40</b>

NB: 165.1m of results are pending between 181m and 346.1m

**Table 3: SMD19 Assay Results**

Details of drilling for 2008 are summarised below (refer to Figure 1):

Hole	Prospect	Easting	Northing	Azimuth (degrees)	Dip (degrees)	Depth
SMD17	Tobarum	169701	9367796	0	vertical	177.3m
SMD18	Nayam	169718	9368292	30	-60	299m
SMD19	Nayam	169734	9368202	30	-60	346.1m
SMD20	Tobarum	169802	9367998	0	vertical	375.9m
SMD21	Tobarum	169631	9367378	280	-60	364.8m
SMD22	West Tobarum	169469	9367814	vertical	-90	261.4m
SMD23	Stan's Hill	169022	9367728	vertical	-90	100.4m
SMD24	Magipmo North	168895	9368782	100	-50	307.4m
SMD25	Nayam	169587	9368242	30	-60	300m
SMD26	Nayam	169735	9368202	210	-60	Currently at 45m
SMD27	Tobarum	169657	9367664	100	-75	Currently at 69.3m

**Table 4: Drilling Summary (datum AGD66, zone 56)**

**For further information please contact:**

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Peter Swiridiuk  
**MANAGING DIRECTOR**

The information in this report that relates to Exploration Results is based on information compiled by Peter Swiridiuk, who is a Member of the Australian Institute of Geoscientists. Peter Swiridiuk is employed by Coppermoly Ltd.

Peter Swiridiuk has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Persons as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Peter Swiridiuk consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

**Notes:**

The copper equivalent\* values for intersections, in addition to individual metal values, are quoted, as they provide the most meaningful comparisons between different drill holes and trenches. Management cautions, however, that as metal prices change the copper equivalent\* value will change. The copper equivalent\* is calculated as follows:

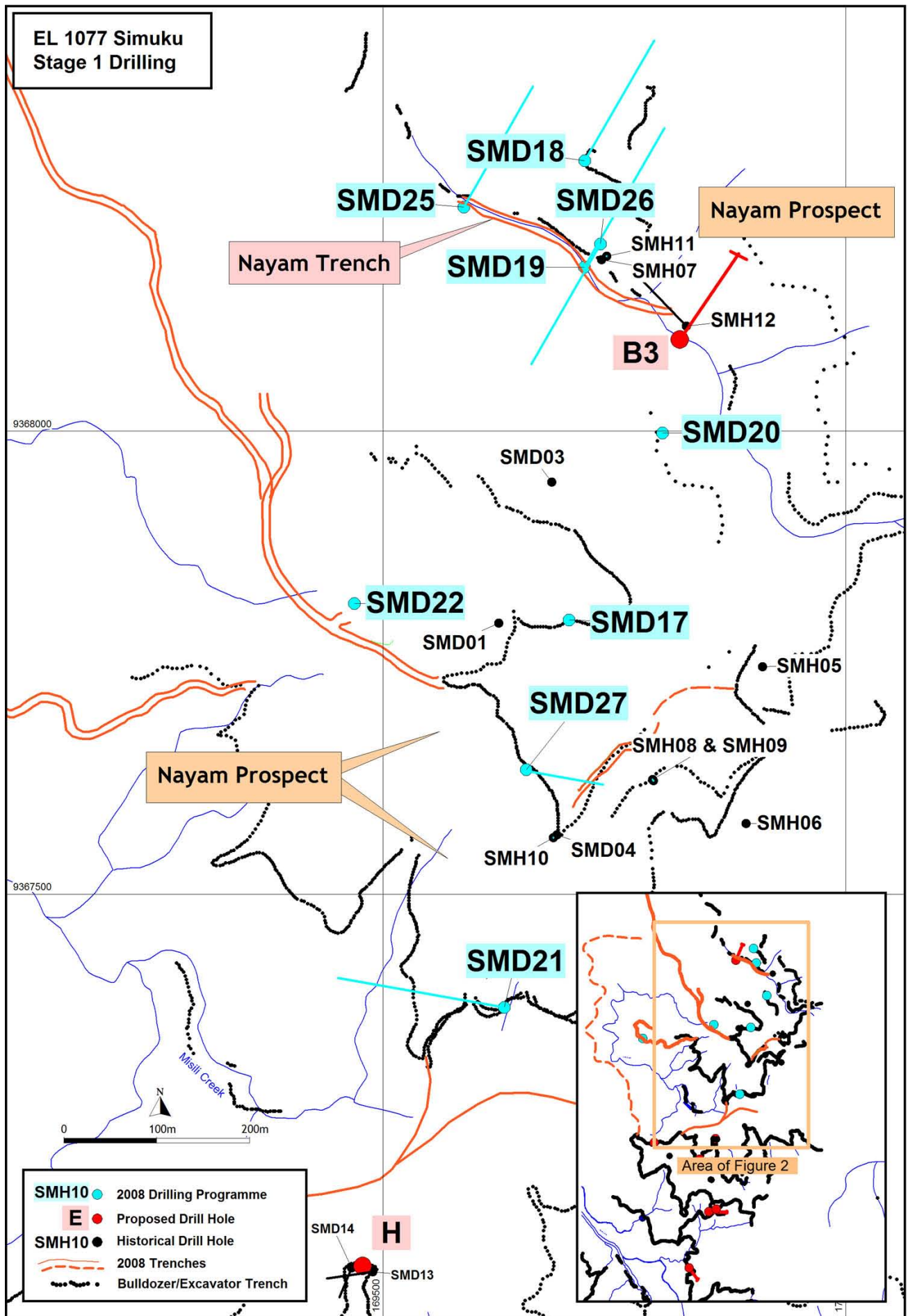
Metal (assay results)				Metal Price 15 July 2008		Factors		Value Calculation	Metal value US\$
A				B		C			
1	Copper	Cu	ppm	3.80	US\$/lb	453.59	ppm/lb	1A x (1B/1C)	M
2	Molybdenum	Mo	ppm	33.60	US\$/lb	453.59	ppm/lb	2A x (2B/2C)	N
3	Gold	Au	g/t	946.00	US\$/oz	31.103	g/oz	3A x (3B/3C)	O
4	Silver	Ag	g/t	18.28	US\$/oz	31.103	g/oz	4A x (4B/4C)	P
Sum of metal values								S	M+N+O+P
<b>Metal equivalent in Copper ppm</b>								<b>Cu.Eq</b>	<b>S / 1B x 1C</b>

Metal equivalent Cu.Eq has been calculated using metal prices as of 15 July 2008

- \*Copper Equivalent is the contained copper, gold, silver and molybdenum that are converted to an equal amount of pure copper and summed (based on assays of mineralised rock and actual metal prices). It is used to allow interpretation of the possible theoretical 'value' of mineralised rock, without consideration of the ultimate extractability of any of the metals.
- Copper Equivalent\* herein is based upon metal prices of US\$3.80/lb Cu, US\$946/oz Au, US\$33.60/lb Mo (57% MoO<sub>3</sub> conc.) and US\$18.28/oz Ag (15 July 2008).
- Island Arc related porphyry copper – gold – molybdenum deposits such as Simuku typically recover contained Cu, Au, Mo and Ag (subject to metallurgical characteristics and prevailing metal prices).
- The ASX requires a metallurgical recovery be specified for each metal, however, no testwork has ever been undertaken at Simuku and recoveries can only be assumed to be typical for Island Arc porphyry copper – gold – molybdenum – silver deposits in the Southwest Pacific region.
- It is the Company's opinion that each of the elements included in the metal equivalents calculation has good potential to be recovered if the project proceeds to mining.
- Drilling samples were transported to the camp site, logged, photographed and sampled at 1 metre intervals from core split by saw. The split samples are then transported to the town of Kimbe where they are air freighted to Intertek in Lae (PNG) for sample preparation. Samples are dried to 106 degrees C and crushed to 2-3 mm. Samples greater than 2kg are rifle split down to 1.5kg and pulverised to 75 microns. The final 300g sized pulp samples are then sent to Intertek laboratories in Jakarta for geochemical analysis. Intertek analyse for gold using a 50g Fire Assay with Atomic Absorption Spectroscopy finish. Other elements are assayed with ICP-AES (Inductively Coupled Plasma Atomic Emission Spectrophotometry) Finish. Copper values greater than 1% are re-assayed using a multi acid digest (hydrochloric, nitric, perchloric and hydrofluoric acid) to leach out the copper with an ICP finish. Molybdenum samples greater than 100ppm were check assayed using X-Ray diffraction. Intertek laboratories have an ISO 17025 accreditation.







**FIGURE 2**