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ASX Announcement

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BARRICK FARMS-IN TO COPPERMOLY'S NEW BRITAIN PROJECTS BY SPENDING UP TO \$20 MILLION

Highlights

- Barrick (PNG) Exploration Ltd (Barrick), a wholly owned subsidiary of Barrick Gold Corporation, one of the world's pre-eminent mining companies, has signed a Letter Agreement (LA) with Coppermoly Ltd and its subsidiary, Copper Quest PNG Limited.
- Barrick to sole fund up to AUD\$20 million to earn up to a 72% interest in Coppermoly Ltd's ("Coppermoly" or "the Company") three tenements on New Britain Island, Papua New Guinea.
- Coppermoly can retain a 28% interest in the projects, funded to feasibility (see below).
- Barrick will subscribe for 6,309,647 fully paid ordinary shares in Coppermoly Ltd at \$0.09 per share representing 5% of the share capital of the Company.

Coppermoly Ltd, the ASX listed copper explorer with three tenements in West New Britain Province, Papua New Guinea, has today signed a LA with a wholly owned subsidiary of Barrick, one of the world's largest mining companies. Barrick can earn up to a 72% interest in exploration licences EL 1043 (Nakru), EL 1077 (Simuku) and EL 1445 (Talelumas) through a Farm-in and Joint Venture arrangement.

Barrick has committed to a minimum expenditure of AUD\$3 million within the first two years. If Barrick withdraws at any time after it has met the minimum expenditure but before it earns 72% equity in the Farm-in, it will not retain any interest in the exploration licences.

Barrick must sole fund minimum expenditure of AUD\$20 million on exploration expenditure within 8 years of commencement date to earn 72% equity.

Once Barrick has earned 72% equity, Coppermoly can elect that the payment of its share (28%) of ongoing costs incurred up to the production of a feasibility study will be delayed until that stage and will be repaid from 50% of its share of revenue.

Upon satisfaction of the conditions of the LA Barrick will subscribe for 6,309,647 shares at \$0.09 representing 5% thereby injecting AUD\$567,868.23 into Coppermoly. The shares issued to Barrick will be subject to voluntary escrow for a period of 24 months.

The LA is conditional on the satisfactory completion of certain due diligence by Barrick prior to 5pm on 8 November 2009.

Coppermoly Managing Director, Peter Swiridiuk, said today *“The deal with Barrick provides recognition that Coppermoly’s New Britain projects have demonstrable world-class copper potential. We believe our shareholders will view this arrangement as extremely favourable because not only does it inject significant exploration funds into the Company but also, should a major deposit be discovered and developed by Barrick, there will be little or no requirement to dilute shareholder equity in order to fund our 28% share until a feasibility study is completed. Barrick have indicated that they intend to vigorously pursue exploration under the LA. After this deal is completed, Coppermoly will also be “cashed up” with approximately \$2.8 million in cash.*

We warmly welcome Barrick as both a Joint Venture partner and shareholder and believe that they have the exploration expertise, financial resources and in-country geological experience to optimise success in West New Britain, Papua New Guinea.”

Barrick Gold Corporation is the gold industry leader with a portfolio of operating mines and projects located across five continents. Further information is available on Barrick can be found on www.barrick.com.



Peter Swiridiuk
MANAGING DIRECTOR