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ASX Announcement

7th December 2011 **ASX Code: COY**

DEEP DRILLING AT SIMUKU CONTINUES TO EXPAND THE SIZE OF THE SYSTEM WITH 1,001.9 METRES OF 0.24% COPPER AND 60 PPM MOLYBDENUM

Final assay results for BWNBDD0014 between 804 and 904m depth have been received with **1,001.9 metres grading 0.24% copper and 60 ppm molybdenum and 2.38 g/t silver** at the Tobarum Prospect (refer to Figure 1 and Table 1).

The mineralisation extends to over 500 metres below the existing Inferred Resource.

Further south at the Misili Prospect, the second deep drillhole BWNBDD0015 was terminated at 686.4 metres depth, intersecting **383 metres grading 0.22% copper, 74 ppm molybdenum and 1.85 g/t silver** from 163 metres depth. This includes an intersection of 24 metres grading 0.75% copper and 78 ppm molybdenum from 292 metres depth (refer to Table 2). The copper mineralisation is predominantly within quartz feldspar porphyry and breccia units. Molybdenum intersections include **47 metres grading 234 ppm and 0.32% copper** from 451 metres depth, demonstrating that zones of molybdenum extend from surface trenching to over 430 metres depth.

The two deep diamond drillholes BWNBDD0014 and 15 were completed beneath the Inferred Resource of 200 million tonnes at 0.47% copper equivalent (see notes) and opens up large areas for additional mineralised targets.

Significant previously unreported intersections in diamond drillhole BWNDD0014 from 804 to 904 metres depth include:

Interval (m)	Cu%	Mo (ppm)	Au(g/t)	Ag(g/t)	Depth (m)
2	0.31	224	0.01	6.15	809
53	0.40	154	0.05	1.84	818
10	0.36	46	0.06	2.00	875
23	0.27	102	0.11	5.16	890

A third deep drillhole BWNBDD0016 beneath the Horseshoe molybdenum prospect was completed to 900 metres depth (refer to Figure 1 and Table 2). Assay results from drill hole BWNBDD0016 are pending. Historical drillhole SMD014 at the Horseshoe prospect intersected 14 metres grading 0.42% molybdenum in an oxide zone from surface.

A total of thirty seven drillholes have now been completed at Simuku for a total of 10,248 metres. Under an agreement signed with Barrick (PNG Exploration) Ltd ("Barrick") (a wholly owned subsidiary of Barrick Gold Corporation), Barrick have completed six diamond drill holes at Simuku for a total of 4,227 metres.

Barrick have spent over A$18 million on the three tenements EL 1043 (Nakru), EL1077 (Simuku) and EL1445 (Talelumas) and are expected to earn-in 72% by having spent A$20 million by early 2012.

About Simuku

The Simuku project is within a one hour drive by 4WD vehicle from existing infrastructure, including a deep water port at the provincial capital of Kimbe, which is very positive for future development (refer to Figure 3).

Porphyry style copper-molybdenum-(gold) mineralisation is discontinuously present over an area of about 4.5km by 1.0 to 2.2km. Over 28km of bulldozer trenching have defined a 3,500m by 650m anomalous envelope of copper mineralisation.

It is host to an Inferred Resource of 200 million tonnes grading 0.47% copper equivalent (using a 0.30% copper equivalent* cut-off) or a higher grade Inferred Mineral Resource of 80 million tonnes grading 0.60% copper equivalent* (using a 0.5% copper equivalent* cut-off). It contains 700,000 tonnes of copper, 12,000 tonnes of molybdenum, 12 tonnes of gold and 391 tonnes of silver (or 1.5 billion pounds of copper, 26 million pounds of molybdenum, 0.4 million ounces of gold and 13 million ounces of silver).

Table 1: BWNBDD0014 Significant Drillhole Intercepts (Cut-off 0.2% Cu)

Hole Id.	From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t
	3	**1004.9**	**1001.9**	**0.24**	**60**	**0.04**	**2.38**
	51.3	54	2.7	0.29	0	0.06	4.00
	104	107	3	0.17	0	0.03	1.63
	123	138	15	0.22	4	0.04	1.83
	143	145	2	0.28	9	0.03	2.85
	154	156	2	0.24	7	0.02	1.95
	171	173	2	0.37	10	0.04	3.6
	186	192.2	6.2	0.22	7	0.02	1.38
	202	218	16	0.54	17	0.04	4.37
Including							
	215	218	3	1.79	29	0.07	9.63
	224	267	43	0.54	18	0.06	3.63
	278	289	11	0.26	33	0.03	2.47
	294	330.9	36.9	0.36	23	0.07	3.61
	335	348	13	0.36	26	0.02	2.03
	359	429	70	0.42	76	0.03	2.91
	439	451	12	0.21	91	0.04	2.64
	458	482	24	0.31	50	0.05	4.27
	501	512	11	0.26	161	0.03	3.30
	531	534	3	0.21	74	0.03	3.40
	538	543	5	0.21	116	0.02	2.42
	548	551	3	0.27	68	0.04	2.07
	555	565	10	0.29	90	0.04	2.84
	570	589	19	0.25	178	0.04	2.74
	607	610	3	0.21	176	0.03	1.70
	614	619	5	0.23	53	0.03	1.78
	630	637	7	0.20	90	0.03	1.31
	643	648	5	0.21	67	0.01	2.54
	659	703	44	0.39	56	0.05	1.58
Including							
	694	696	2	0.90	74	0.09	2.65
	721	724	3	0.22	62	0.02	1.37
	728	731	3	0.20	46	0.03	1.07
	754	756	2	2.08	8	1.36	9.25
	758	760	2	0.27	65	0.11	1.79
New assays	**809**	**811**	**2**	**0.31**	**224**	**0.01**	**6.15**
New assays	**818**	**871**	**53**	**0.40**	**154**	**0.05**	**1.84**
New assays	**875**	**885**	**10**	**0.36**	**46**	**0.06**	**2.00**
New assays	**890**	**913**	**23**	**0.27**	**102**	**0.11**	**5.16**
	918	943.8	25.8	0.27	117	0.03	2.33
	971	993.1	22.1	0.32	93	0.05	4.00
including	989	993.1	4.1	0.74	33	0.17	9.98
	1001.66	1004	2.34	0.29	70	0.08	5.57

Table 2: BWNBDD0015 Significant Drillhole Intercepts (Cut-off 0.2% Cu)

Hole Id.	From (m)	To (m)	**Width (m)**	Cu%	Mo ppm	Au g/t	Au g/t
Including	163	546	**383**	0.22	74	0.01	1.85
	163	180	**17**	0.34	64	0.05	2.4
	221	225	**4**	0.37	38	0.04	4.2
	231	284	**53**	0.26	34	0.02	2.44
	292	316	**24**	**0.75**	78	0.03	6.2
	323	340	**17**	0.28	41	0.01	1.95
	394	408	**14**	0.31	147	0.02	2.18
	432	441	**9**	0.21	106	0.01	1.28
	451	498	**47**	0.32	234	0.01	2.57

Table 3: Drill Collar Table (Datum AGD66, Zone 56)

Hole	**Prospect**	**Easting**	**Northing**	**Azimuth (deg)**	**Dip (deg)**	**Depth**
BWNBDD0014	Tobarum	169940	9367670	310	-60	1004.9
BWNBDD0015	Misili	169854	9367511	288	-60	686.4
BWNBDD0016	Horseshoe	169940	9367670	300	-60	900

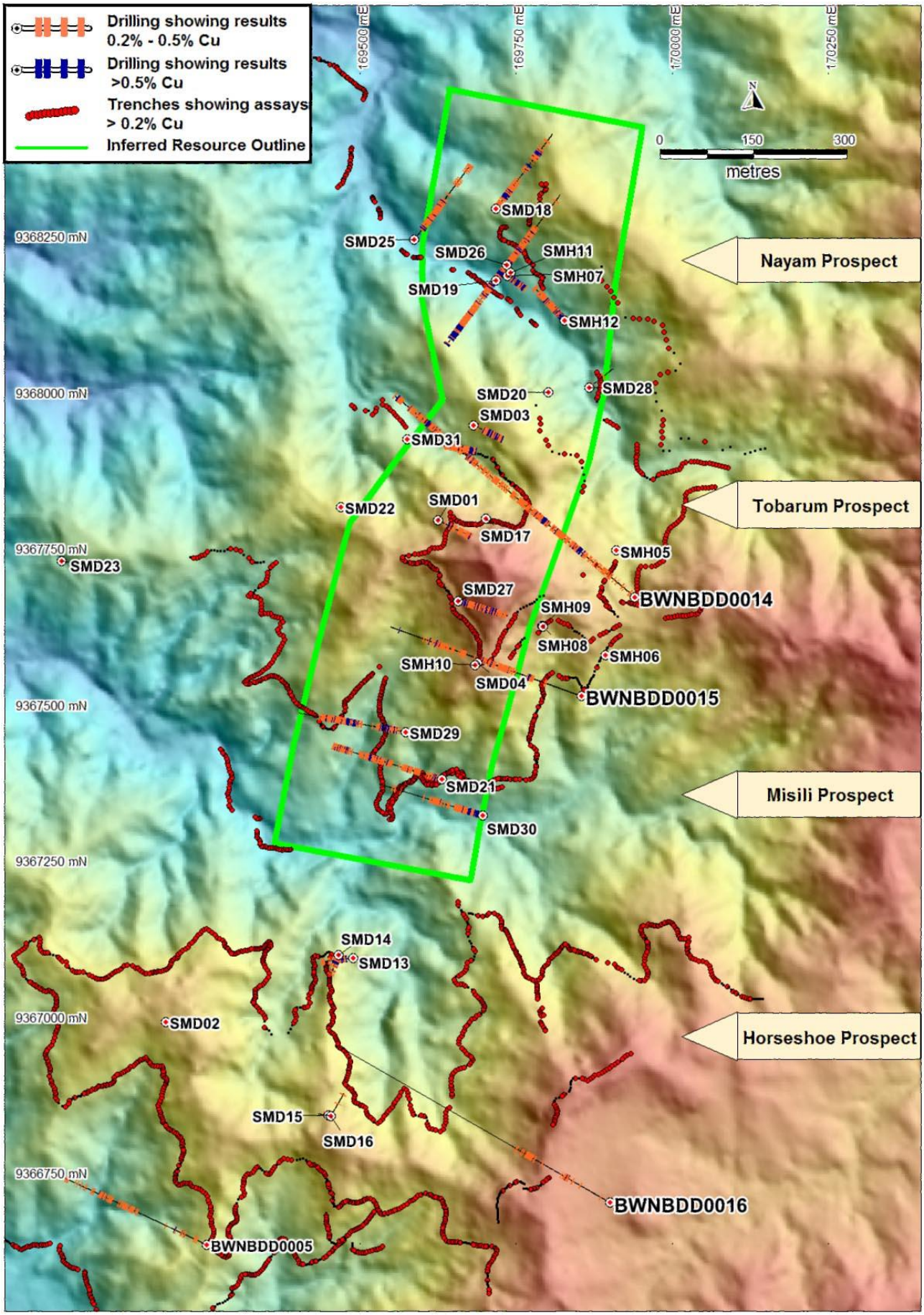

FIGURE 1: Topography Image Showing Drilling Results

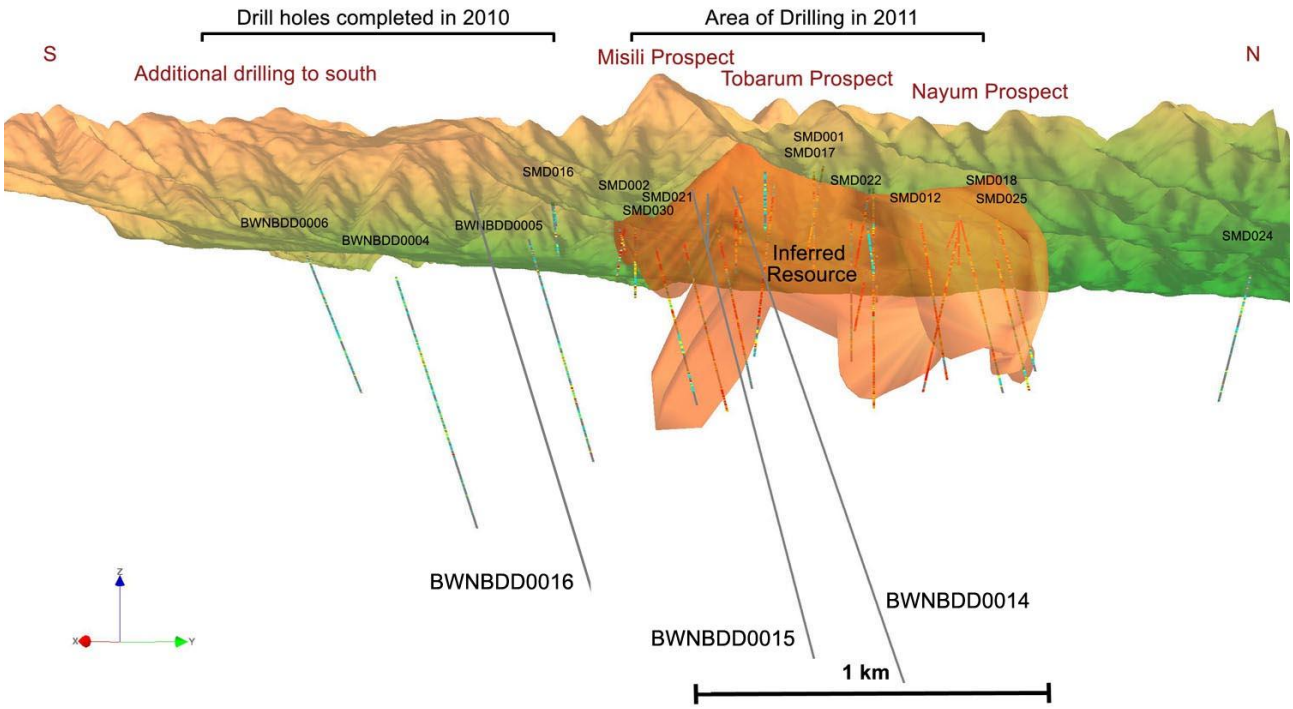

FIGURE 2: Simuku Inferred Resource Model and Drillholes Looking West

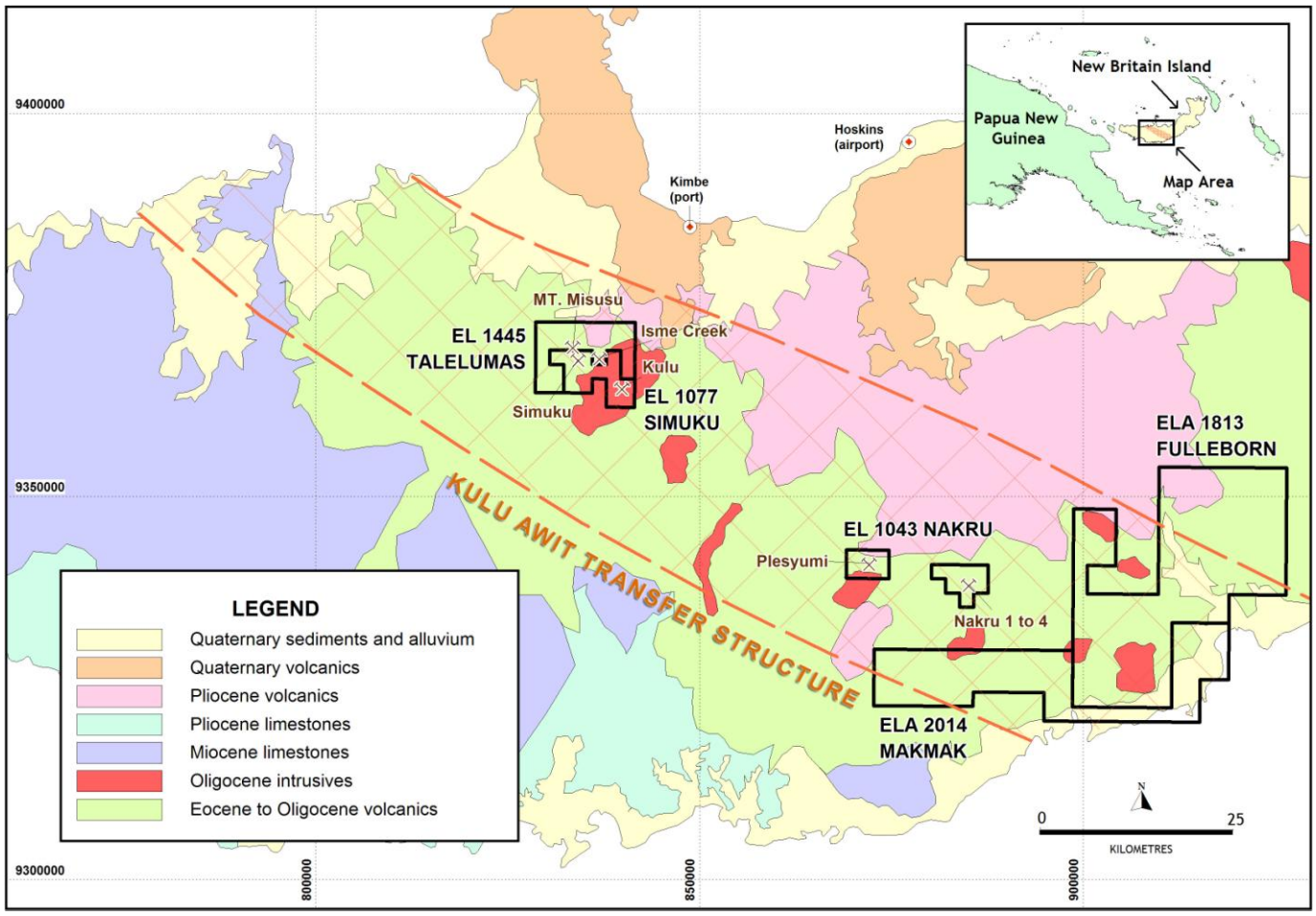

FIGURE 3: Location of the Simuku Project

On behalf of the board,

Peter Swiridiuk
MANAGING DIRECTOR

For further information please contact Peter Swiridiuk or Maurice Gannon on (07) 5592 1001 or visit www.coppermoly.com.au,

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 a consultant to Coppermoly Ltd and is employed by Aimex Geophysics. Peter Swiridiuk has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person 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:

- All stated intersections are weighted assay averages ([Sum of each total interval x grade] / Total length of intersection).
- Drillhole samples from drillholes were transported to the camp site then to the town of Kimbe where they were logged, orientated and sampled between 1m and 2m intervals from core split by saw. The split samples were then freighted to either Intertek in Lae (PNG) for sample preparation. Samples were dried to 106 degrees C and crushed to < 2 mm. Samples greater than 2kg were rifle split down to 1.5kg and pulverised to 75 microns. The final 300g sized pulp samples were then sent to Intertek laboratories in Jakarta for geochemical analysis. Intertek analysed for gold using a 50g Fire Assay with Atomic Absorption Spectroscopy finish. Other elements were assayed with ICPAES Finish. Copper values greater than 0.5% were re-assayed. Intertek laboratories have an ISO 17025 accreditation. Unused half core is stored in sheltered premises in the town of Kimbe.
- Quality control and quality assurance checks on sampling and assaying quality were satisfactory.
- BWNBDD (Barrick West New Britain Diamond Drillhole) Series Drill Core is PQ, HQ and NQ in size with core recovery predominantly greater than 90%.
- Co-ordinates are given in UTM Zone 56, AGD66 Datum.
- Mineralised intersections are quoted as down hole widths.
- Mineralisation at Simuku consists of copper, molybdenum, gold and silver.
- Copper equivalent values have been calculated as (Cu + (7.6 x Mo) + (7818 x Au) + (101.3 x Ag))
- The copper equivalent values for intersections are quoted in addition to individual metal values, as they provide the most meaningful comparisons between different drill holes and trenches. The copper equivalent value will vary with the metal price.
- Copper Equivalent* is the contained copper, molybdenum, gold and silver 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.
- Island Arc related porphyry copper – molybdenum - gold – silver deposits such as Simuku typically recover those metals subject to prevailing metal prices and metallurgical characteristics.
- 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 – molybdenum –gold –silver deposits.
- It is the Company's opinion that each of the elements included in the metal equivalents calculation has reasonable potential to be recovered if the project proceeds to mining.