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ASX Announcement

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DRILLING RESULTS SHOW BROAD ANOMALOUS COPPER IN THE SOUTHERN EXTENTS OF THE SIMUKU PORPHYRY SYSTEM

Results from three drillholes at the Simuku porphyry copper system have shown broad copper mineralisation up to 1,400 metres south of the Maiden Inferred Resource. Drillhole BWNBDD0004 intersected copper and molybdenum mineralisation from 39 to 480 metres depth within skarn and feldspar porphyry rock units (refer to Figure 1). Drillhole BWNBDD0005 also intersected zones of anomalous mineralisation down to 528 metres depth (refer to Table 1).

"It is encouraging to see broad zones of anomalous copper so far south of the Inferred Resource that we announced in 2009. Elevated copper values in skarn rock units presents a new style of mineralisation on the western margins of the system which require further evaluation."

In 2009, Coppermoly announced a Maiden Inferred Resource of 200 million tonnes grading 0.36% copper at Simuku. Within this Resource, higher grades of copper mineralisation at the Nayam prospect included drilling intercepts of 93 metres grading 0.59% copper, including an upper zone of secondary enrichment of 18 metres grading 1% copper from 8 metres depth. Further south, at the Horseshoe Prospect, historical drilling intercepts of 14 metres grading 0.41% molybdenum were intersected from the surface. These are impressive figures given that the project is only a one hour drive away from an operational deep water port."

Additional drilling is warranted to demonstrate the extent of the higher grade zones of mineralisation and to test for additional tonnage potential to the north of the Inferred Resource." commented Managing Director, Peter Swiridiuk.

The three drillholes have been completed by Barrick (PNG Exploration) Ltd ("Barrick") at Simuku for 1,635.7 metres. Including historical drilling, 34 drill holes have been completed at Simuku for a total of 7,656.7 metres. Drilling rigs and all personnel have been demobilised from the field for the wet season. Barrick are currently reviewing all technical data to generate new sites for drilling in the 2011 exploration season.

Exploration is being carried out by Barrick (PNG Exploration) Ltd (a wholly owned subsidiary of Barrick Gold Corporation) under an agreement with Coppermoly Ltd. The agreement allows Barrick to spend A\$20 million to earn 72% of the tenements EL 1043 (Nakru), EL1077 (Simuku) and EL1445 (Talelumas). Since Barrick began exploration activity on these tenements in early 2010, they have spent over A\$9 million.

Coppermoly Ltd retains 100% ownership until earn-in is complete. The Simuku project is on New Britain Island in Papua New Guinea and within a one hour 4WD vehicle access from existing infrastructure including a deep water port which will be essential for future development.

Table 1: Mineralised Intercepts Drilling at Simuku (0.2% Cu cut-off)

Hole Id.	From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t
BWNBDD0004	39.0	42.9	3.9	0.29	142	0.04	2.12
	160.4	164.0	3.6	0.24	120	0.07	2.52
	171.0	178.0	7.0	0.30	156	0.05	3.87
	180.8	183.0	2.2	0.21	71	0.02	3.28
	197.0	209.0	12.0	0.25	89	0.03	2.41
	218.0	222.0	4.0	0.28	206	0.02	4.03
	224.0	241.0	17.0	0.23	131	0.02	2.65
	243.0	245.0	2.0	0.27	65	0.01	2.45
	366.0	369.0	3.0	0.33	54	0.04	1.47
	382.7	385.5	2.8	0.33	53	0.02	1.34
	392.7	396.8	4.1	0.29	38	0.02	2.18
	405.0	416.0	11.0	0.39	46	0.02	5.56
	438.0	442.0	4.0	0.29	22	0.02	3.00
	477.0	480.0	3.0	0.50	4	0.05	2.90
BWNBDD0005	40.3	42.0	1.7	0.30	17	0.04	3.48
	79.0	85.0	6.0	0.29	106	0.02	2.04
	90.0	95.0	5.0	0.28	241	0.02	2.36
	273.0	274.8	1.8	0.26	11	0.05	32.23
	277.0	283.0	6.0	0.22	97	0.03	1.99
	296.0	303.0	7.0	0.23	39	0.04	1.56
	308.2	315.0	6.8	0.23	26	0.03	1.62
	318.0	321.3	3.3	0.26	33	0.03	1.21
	329.0	331.1	2.1	0.31	20	0.04	2.22
	354.0	365.0	11.0	0.29	49	0.02	3.06
	371.0	373.0	2.0	0.31	44	0.06	1.70
	388.0	404.0	16.0	0.35	12	0.03	1.17
	430.0	432.0	2.0	0.21	16	0.02	2.35
	518.0	523.0	5.0	0.27	1	0.15	3.00
	526.0	528.0	2.0	0.36	4	0.05	4.30
BWNBDD0006	115.0	121.0	6.0	0.26	12	0.03	1.26
	278.0	284.0	6.0	0.22	6	0.03	1.68

Table 2: Drill Collar Table for Barrick Drillholes at Simuku

Hole	Easting	Northing	Azimuth (deg)	Dip (deg)	Depth
BWNBDD0004	169085	9365990	292.9	-60.2	685.5
BWNBDD0005	169254	9366633	295.2	-62.0	547.9
BWNBDD0006	168840	9365402	319.0	-59.5	402.3

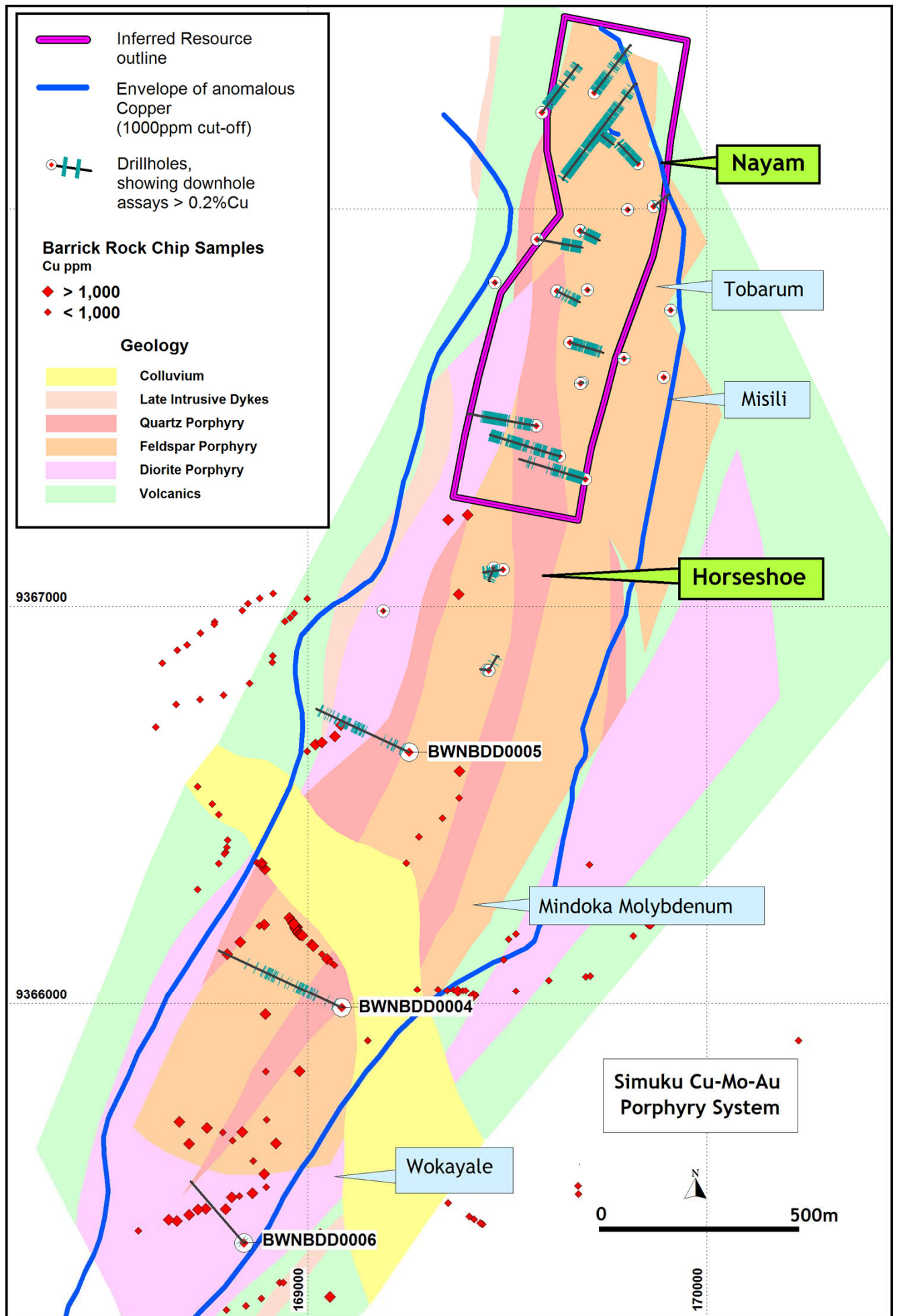


FIGURE 1: Simuku Porphyry Copper System with Drillholes

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 and 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 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 ($[\text{Sum of each total interval} \times \text{grade}] / \text{Total length of intersection}$).
- 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 are then freighted to Intertek in Lae (PNG) for sample preparation. Samples are dried to 106 degrees C and crushed to < 2 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 ICPAES Finish. Copper values greater than 0.5% are 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 are 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.

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