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ASX Announcement

Date: 4th July 2012

ASX Code: COY

COPPERMOLY ANNOUNCES \$2.21 TO BE SPENT ON PNG EXPLORATION

Queensland-based copper explorer Coppermoly Limited (ASX: COY) advises that its farm-in partner Barrick (PNG Exploration) Limited ("Barrick") will fund and conduct a \$2.21 million exploration program for the West New Britain portfolio of projects in Papua New Guinea during the second half of 2012 calendar year.

This is despite Barrick giving notice of its intention to divest its 72% interest in the portfolio, which comprises of three tenements EL1043 (Nakru), EL 1445 (Talelumas) and EL 1077 (Simuku) located in West New Britain, Papua New Guinea (Figure 1).

Under the Letter Agreement between the companies, Barrick is required to maintain the tenements in good standing until such time as its interest has been divested. Coppermoly is not required to make any funding contribution to the program and will retain its 28% interest in all three tenements.

The 2012 exploration program will include exploration and drilling to commence as soon as possible. Drilling is aimed at targeting the higher grade secondary copper enrichment zones at Nakru-1 and Simuku.

"We are pleased that Barrick will continue to undertake exploration on the substantial copper-gold projects in PNG while it seeks to divest its 72% interest. We are also making good progress on the maiden Inferred resource at Nakru-1. Although its geological interpretation has delayed its progress, we expect results to be made available to the market over the coming weeks. In addition, the conceptual mining study for Nakru-1 is nearing completion with results expected in August. We also have three large tenements under application on New Britain Island which can be progressed once granted in the near future", said Managing Director Peter Swiridiuk.

"In additional, we have continued to define significant copper mineralisation on our farm-in projects in Queensland, through a successful drilling campaign at the White Horse prospect. We intersected 17 metres of 1.4% copper and identified near surface blankets of secondary copper enrichment which occur within a largely untested 3km by 1.5km porphyry copper system. Shareholders have an interest and potential interest in very significant mineralising systems which will become further developed and their value improved".

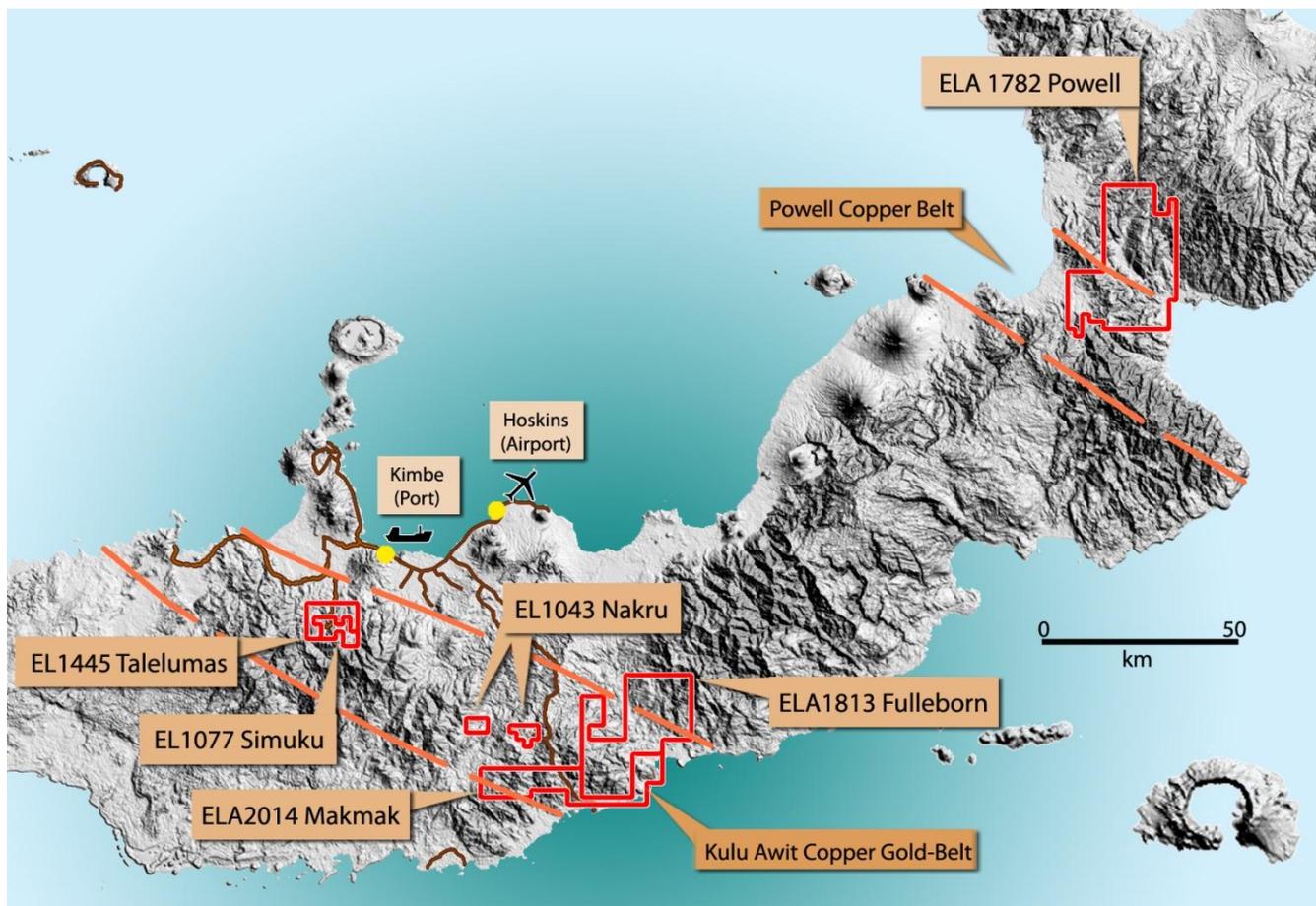


Figure 1: Location of Coppermoly projects on New Britain Island, PNG

About Coppermoly

Queensland-based copper exploration company Coppermoly Limited (ASX: COY) is focused on exploring for and developing copper-gold deposits. It has a 28% interest in its three tenements: Simuku, Talelumas and Nakru, on New Britain Island, Papua New Guinea and a 100% interest on another three tenements nearby under application.

The Simuku Project has an Inferred Mineral Resource of 200 million tonnes grading 0.36% copper, 61 ppm molybdenum, 0.06 g/t gold and 2 g/t silver. A maiden Inferred resource estimate for the Nakru-1 prospect is nearing completion by independent consultants Golders Associates with results expected in July. An upgrade of the Simuku Inferred resource is expected to be completed in late July.

In addition to its projects in PNG, Coppermoly has signed an agreement to earn up to 70% on the Esk Trough copper-gold projects in southeast Queensland ("Agreement"). An initial \$500,000 is being spent on geophysics and drilling with assay results to be released in July.

The main points of the Agreement are:

1. Minimum Exploration Expenditure of \$500,000 within 12 months
2. Coppermoly may then elect to earn a 51% interest in the tenements by sole funding \$3 million (including the minimum expenditure) in three years to earn-in 51%
3. Coppermoly may then elect to spend a further \$3 million to earn-in 70% over a further three-year period

4. Once Coppermoly has achieved the second stage earn-in, the companies contribute on a pro-rata basis or ActivEX can elect to claw back a 10% interest (to 40%) by sole funding \$6 million on exploration expenditure within three years

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 Inferred Resources 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.