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ASX Announcement

Date: 12th July 2012 **ASX Code: COY**

DRILLING RESULTS AT KAKAPO AND SEFTON PROSPECTS

Queensland-based copper explorer Coppermoly Limited (ASX:COY) ("Coppermoly") is pleased to announce the completion of the reverse circulation (RC) drilling program at the Kakapo and Sefton prospects as part of the Esk Trough Project in South East Queensland.

Coppermoly has a farm-in agreement with ActivEx Limited (ASX: AIV) at the Esk Trough Project. The project consists of five exploration permits in South East Queensland, four hours north-west of Brisbane (refer to Figure 1).

Drilling results from the five-hole (953 metre) RC drill program at the Kakapo prospect (refer to Table 1 and 2) include:

- ABJ029 8 metres @ 0.20% copper, 0.04g/t gold from 40 metres
- ABJ029 2 metres @ 0.12% copper, 1.02g/t gold from 53 metres
  - includes 0.48% zinc
- ABJ030 10 metres @ 0.23% copper, 0.20g/t gold from 20 metres
- ABJ030 16 metres @ 0.32% copper, 0.40g/t gold from 105 metres

The Coppermoly drilling was focussed on determining geometry of mineralisation zones intersected in historical drilling (refer to Figure 2 and 3) including:

- BRADS 26 1.8 metres @ 2.1% copper, 0.72g/t gold from 40 metres
- KAKD1 90 metres @ 0.46% copper, 0.48g/t gold from 38 metres
- KAKD2 26 metres @ 0.36% copper, 0.26g/t gold from 99 metres
- KAKP3 8 metres @ 0.49% copper, 0.66g/t gold from 64 metres

At the Sefton molybdenum prospect, a single drill hole (ASF005) tested a significant geophysical Induced Polarisation anomaly and intersected slightly elevated silver 2.85g/t and zinc 562ppm over 2m from 87m depth. Elevated levels of iron sulphide (pyrite) throughout the drillhole explain the presence of the IP anomaly, which may form part of an overall larger mineralising system.

"These results conclude the drilling program at the Esk Trough project with the aim of testing for economic mineral potential in the area. Significant near surface secondary enrichment and oxide copper intersected in the previously announced White Horse prospect demonstrated that further drilling is warranted. The board will now consider these results and market conditions over the coming months to determine if we will elect to earn 51% equity in these projects," commented Managing Director Peter Swiridiuk.

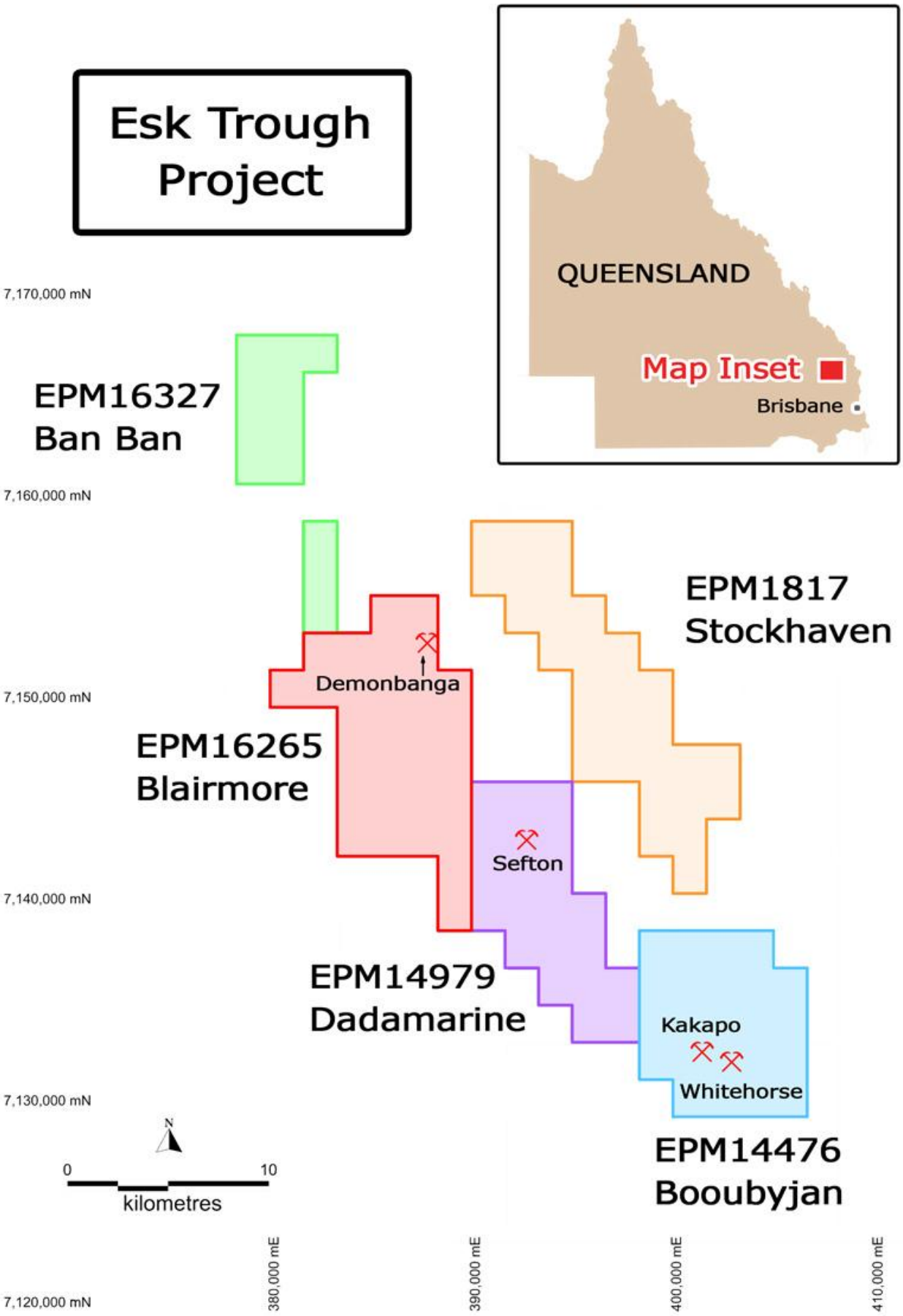

Figure 1: Location of the Kakapo and Sefton prospects and Esk Trough Tenements

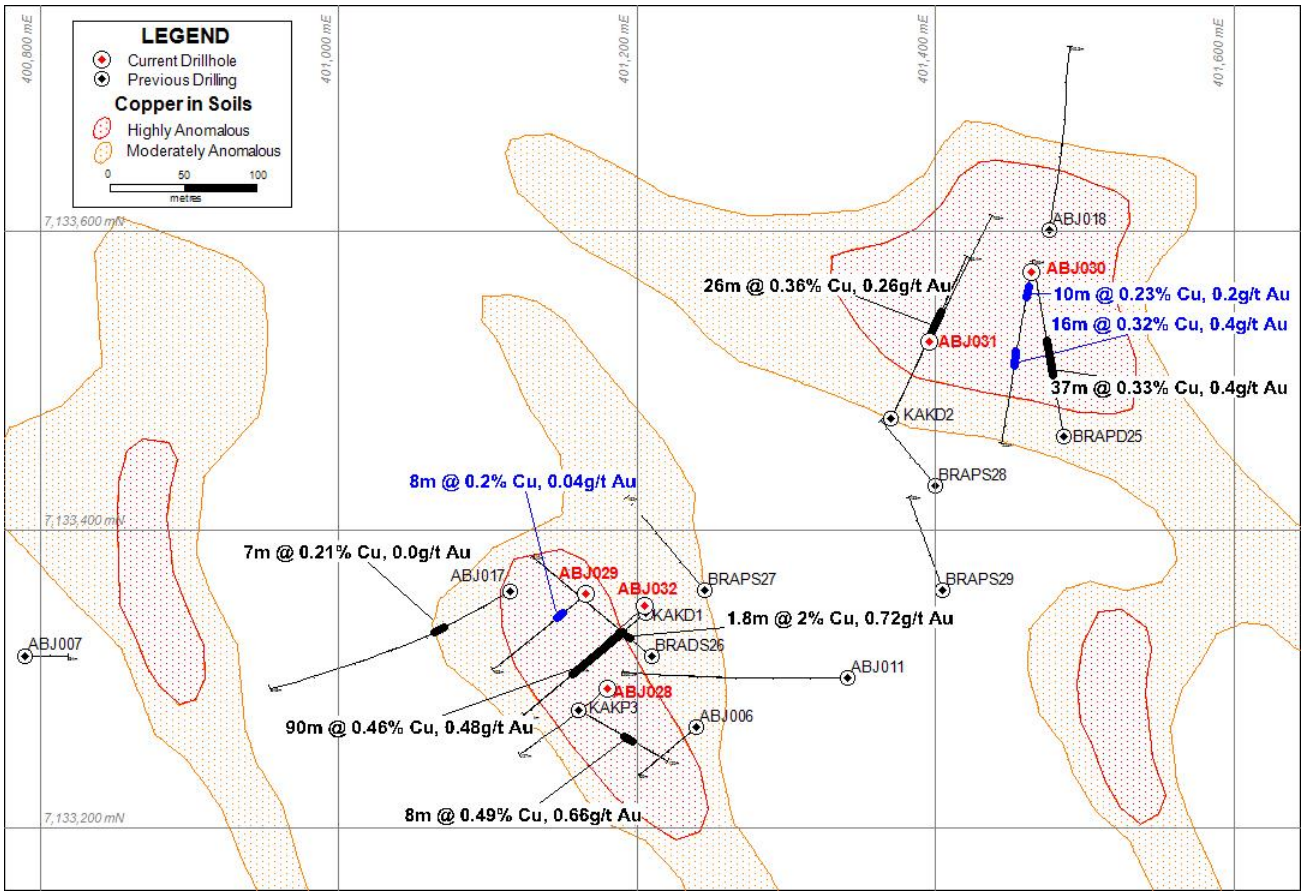

Figure 2: **Kakapo prospect** – drill hole locations, on the background of soil geochemistry, show significant intersections from current program in blue text and those from previous programs in black text.

Table 1: Drilling intersections from 2012 Kakapo and Sefton drilling

Hole No.	Interval (m)	Width (m)	Cu (%)	Au (g/t)	Cu cut-off
ABJ028	109-114m	5	0.14	0.05	0.1%
ABJ029	0-67m	67	0.15	0.06	0.1%
	incl: 40-48m	8	0.20	0.04	0.2%
	80-121m	41	0.15	0.03	0.1%
ABJ030	11-42m	31	0.19	0.13	0.1%
	incl: 20-30m	10	0.23	0.20	0.2%
	and: 38-41m	3	0.35	0.14	0.2%
	105-121m	16	0.32	0.40	0.2%
	201-208m	7	0.20	0.03	0.1%
ABJ031	39-47m	8	0.17	0.08	0.1%
	53-59m	6	0.11	0.12	0.1%
ABJ032	16-19m	3	0.11	0.04	0.1%
ASF005	No significant Assays				

At Kakapo, broad low grade zones of mineralisation were intersected in holes ABJ029 and 030 with narrower zones intersected in all other holes. The mineralisation consists of chalcopyrite ($CuFeS_2$), associated with patchy magnetite –chlorite dominant propylitic alteration and minor potassic alteration. Minor coarse sulphide veining with anomalous gold values occur over narrow intervals, such as ABJ029 - 53-55m, with sphalerite (0.48% zinc) the dominant base metal sulphide.

Table 2: Kakapo and Sefton drill hole locations

Hole_ID	Easting	Northing	RL (m)	Total Depth (m)	Grid Azimuth (degrees)	Dip (degrees)
ABJ028	401180	7133294	201	127	230	-55.6
ABJ029	401166	7133357	262	163	230	-61.2
ABJ030	401464	7133573	302	223	190	-60.0
ABJ031	401396	7133526	274	193	25	-56.2
ABJ032	401205	7133349	261	247	230	-76.7
ASF005	301755	7144496	208	199	080	-70.0

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.

Joint Venture partner Barrick (PNG Exploration) ("Barrick") Limited will fund and conduct a $2.22 million exploration program on these projects during the second half of the 2012 calendar year. The drilling will be aimed at targeting the higher grade secondary enrichment zones at Nakru-1 and Simuku. The drilling will keep the tenements in good standing while Barrick seeks offers for its 72% stake in these tenements.

Coppermoly also has a 100% interest on the recently granted EL2014 Makmak tenement which covers 280 square kilometres near the Nakru project. It also has an additional two 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. An upgrade of the Simuku Inferred Resource is expected to be completed in late July.

A maiden Inferred Resource estimate for the Nakru-1 prospect is nearing completion by independent consultants Golder Associates with results expected in July. A conceptual mining study will be completed once the Nakru-1 resource estimate has been completed, with results expected in August.

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 has been spent on geophysics and drilling with all results expected to be released in July.

The main points of the Esk Trough 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

The Esk Trough Project is highly prospective and occurs at the intersections of a major transfer structure and a flat-dipping subduction zone within which occur a number of copper-gold-molybdenum deposits (refer to Figure 3).

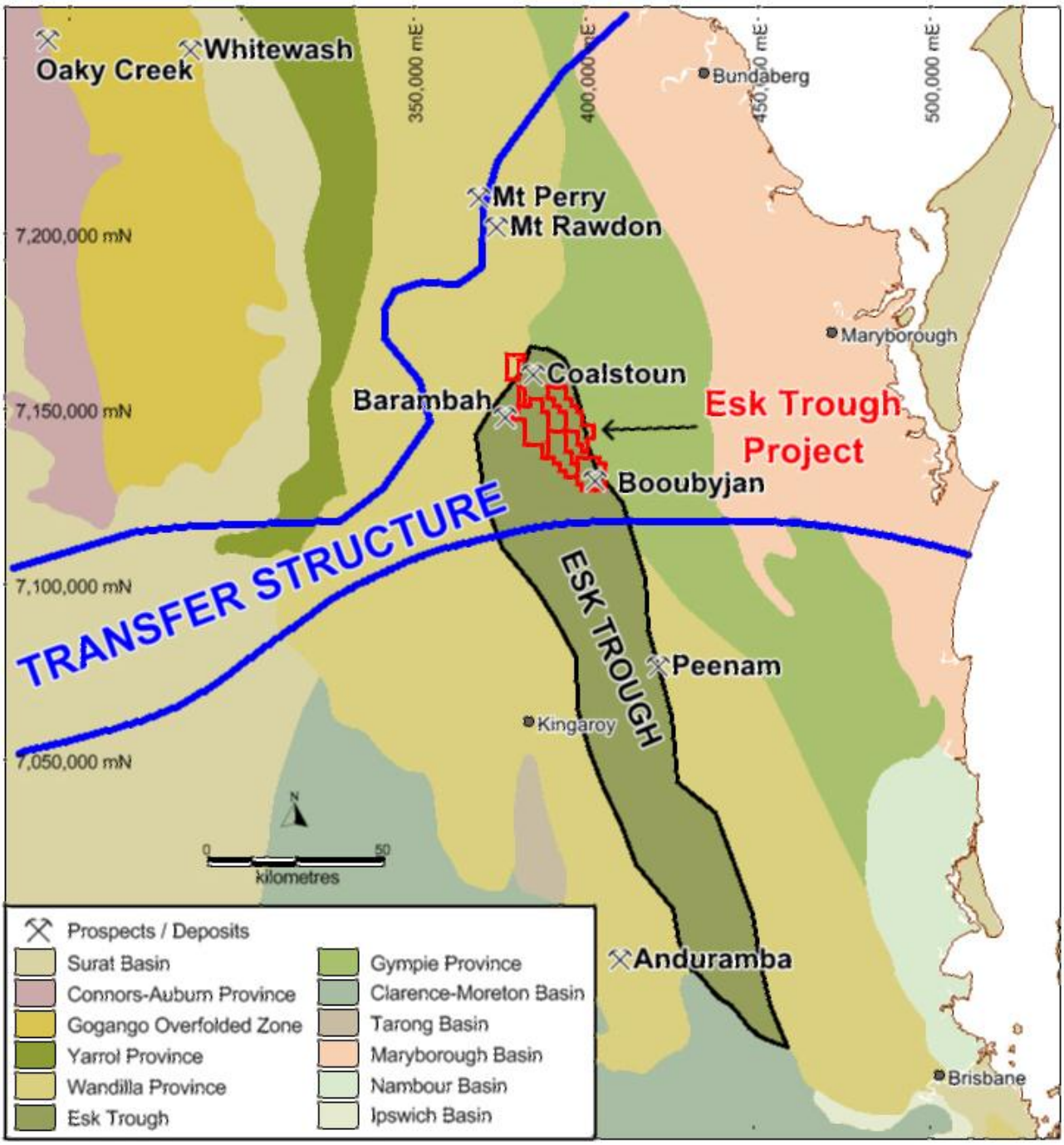

Figure 3: Esk Trough regional geology

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.

Notes:

- All stated intersections are weighted assay averages ([Sum of each total interval x grade] / Total length of intersection).
- Co-ordinates are given in UTM Zone 56, AGD84 Datum.
- Mineralised intersections are quoted as down hole widths.
- Reverse Circulation drillhole samples were bagged and chips logged and sampled between 1m intervals. The split samples were then road freighted to ALS in Brisbane for sample preparation and analysis.