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**ASX Announcement**

8<sup>th</sup> July 2013

**ASX Code: COY**

**FINANCE NEWS NETWORK INTERVIEW WITH MANAGING DIRECTOR**

Coppermoly Limited is pleased to advise that the Company's Managing Director, Mr Maurice Gannon, has been interviewed by Finance News Network.

In the interview Mr Gannon provides an update on the reacquisition of Coppermoly's projects in Papua New Guinea and a fully underwritten pro-rata Entitlement Issue. The transcript of the interview is given below or [click here](#) to view.

**TRANSCRIPTION OF FINANCE NEWS NETWORK INTERVIEW WITH COPPERMOLY LIMITED (ASX:COY) MANAGING DIRECTOR, MAURICE GANNON**

**Donna Sawyer:** Hello I'm Donna Sawyer from the Finance News Network and joining me from Coppermoly (ASX:COY) is Managing Director, Maurice Gannon. Maurice welcome to FNN.

**Maurice Gannon:** Thank you very much Donna.

**Donna Sawyer:** Coppermoly has entered into a binding agreement with Barrick. What are the details of that agreement?

**Maurice Gannon:** That's right. The key point is that Coppermoly, by reacquiring the assets, is back in control of its own destiny. The agreement is a \$5 million cash payment in three instalments over five years. So the critical point is that we immediately regain access to our tenements for exploration, on the signing of the agreement that is. So we already have access back onto the ground. The first payment is \$1 million, which is to be paid on the 14<sup>th</sup> of August this year and that takes us immediately to 51 per cent equity in the project.

The second payment is another \$1 million in a year's time, which takes us to 72 per cent. And the third payment is to be paid on feasibility or within five years. So the interesting aspect of that is that we don't have a major cash requirement upfront, but we are completely back in control of the exploration on our projects.

**Donna Sawyer:** You're reacquiring the project for \$5 million over five years. Why do you think the price tag represents value for shareholders and what's the history of the project, in terms of ownership?

**Maurice Gannon:** OK, Coppermoly floated in January 2008 on the strength of these tenements. The West New Britain project is actually three exploration licences – Nakru, Simuku and Talelumas, all in the West New Britain province of New Britain Island, Papua New Guinea. Coppermoly explored the tenements vigorously in 2008 and 2009 and then when the GFC hit, we looked for a farm-in partner and we were fortunate enough to have Barrick take an interest in the projects at that stage.

So Barrick has spent \$24 million plus on the tenements over the last three years, which means that reacquiring them for \$5 million at this point is a real discount bargain, if I can put it that way. The interesting thing about the tenements and it's something that investors need to know, is that Barrick was not divesting because they feel that there is nothing there, or that they're not of interest. Rather they're simply rationalising globally at this stage. And having explored the tenements according to their exploration model and the objectives that they had, they're satisfied that they don't really fit their, you know, gigantic deposit sort of model. However, they are ideal projects for a company like Coppermoly.

The investors should know that Nakru and Simuku both have inferred resources. And they are ideal projects for a company at Coppermoly's stage, because with relatively small capital investment at this stage, we can advance the resources substantially we believe. And they also have excellent development potential for the future.

**Donna Sawyer:** Tell me how the entitlement offer is structured to benefit investors?

**Maurice Gannon:** Well an entitlement offer is just that. A pro rata rights issue is an offer to existing shareholders in proportion to their existing equity. So having it fully underwritten at a premium in the current market, not only states categorically the confidence that the underwriter has in the value of the assets, but it is also – there is no fairer way to raise money from existing shareholders than a pro rata rights issue.

**Donna Sawyer:** Let's talk about the West New Britain Project in Papua New Guinea. What's the latest update on the project?

**Maurice Gannon:** There's no denying that while Barrick has been at the divestment phase, there hasn't been active exploration on the projects which is somewhat, possibly frustrating for our shareholders. However, we are now at a point where we can get straight back into business. We've maintained the Kimbe base. We have an exploration base in Kimbe and we've kept it on a care and maintenance basis the whole time that we've been in partnership with Barrick, so that we can remobilise rapidly when the time comes. And that time is now.

We've hung on to these assets, you know, we've fought tooth and nail to hang onto them because they are fantastic assets. And we will have some upgrading required for our equipment and we need some time to get our field crews back in, compile them again. But we'll be back in business as soon as we can. And certainly, the objective is to do some very targeted exploration in the second half of this year, which will include at least a couple of very specifically precisely targeted drill holes on Simuku initially, and most likely also Nakru.

**Donna Sawyer:** Finally Maurice, what milestones would you like Coppermoly to achieve by the end of this year?

**Maurice Gannon:** OK. Coppermoly's business is all about producing excellent exploration results and that is precisely what we're looking to get on with. We know that the business is all about producing shareholder wealth and what will do that for Coppermoly, is excellence in exploration at this stage. Knowing full well we have excellent development potential in the pipeline.

Right at the present time, we have been undertaking our own exploration on the Makmak exploration licence and phases three and four results are coming through, in the next month or so. And that will be the first milestone, the publication of those results. Meanwhile, we will be planning and compiling our exploration teams and upgrading our equipment, in making ourselves ready to undertake further exploration on Makmak, Nakru, Simuku and Talelumas. And there will be a very targeted exploration program happening before the end of this year.

So, you know, it's good times for Coppermoly shareholders and we're back in business in our own right with good solid funding and the pathway clear to 100 per cent ownership of our projects and our destiny.

**Donna Sawyer:** Maurice Gannon of Coppermoly, thanks for the update.

**Maurice Gannon:** Thank you very much Donna, much appreciated.

**END OF TRANSCRIPT.**

For further information please contact Maurice Gannon on (07) 5592 1001 or visit [www.coppermoly.com.au](http://www.coppermoly.com.au)



Maurice Gannon  
**Managing Director**