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ASX Announcement

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ASX Code: COY

CHAIRMAN'S ADDRESS – 2017 ANNUAL GENERAL MEETING

Ladies and Gentlemen,

Welcome to Coppermoly Ltd's (**Coppermoly or the Company**) 2017 AGM. In the 12 months since our last AGM we have completed a major drilling campaign and announced an updated JORC Mineral Resource Estimate at the Company's most advanced project, the Mt Nakru copper-gold project (**Nakru**). The Company also appointed a new full time Exploration Manager, signed an agreement to carry out a helicopter-borne geophysical survey at the Company's other major exploration project, the Simuku porphyry copper system and raised \$2.87 million (before costs) from a new investor.

On 30 October 2017 Coppermoly announced the appointment of Dr Peter Crowhurst as the Company's full time Exploration Manager. Peter has previously been employed as a Senior and Principal Geologist for Nautilus Minerals for 7 years. Other technical roles have included engagement as Senior Project Geologist with Teck Cominco focussing on Cu-Au porphyry mineralisation in the Asia region, including PNG, six years as a Research Scientist at CSIRO, independent consulting roles on many commodities including gold, copper, iron sands, lithium and petroleum. As a consultant Peter has previously worked with Coppermoly in 2013 and as a structural geologist with Highlands Pacific. Peter's PhD subject was structure and tectonics in northern PNG with a focus on the Frieda River Copper Project.

The Company welcomes Dr Crowhurst and is excited to have such an industry leading geologist with exceptional geological and PNG exploration expertise on the team.

Coppermoly currently has three exploration licences, all of them located on New Britain Island in PNG. The Company is in the planning stage for the next drilling program at Nakru where an updated JORC Inferred Mineral Resource was estimated by Mining Associates in June 2017. The Nakru Inferred resource totals 29Mt at 0.92% Cu & 0.22 g/t Au using a cut-off grade of 0.3% Cu across two Cu-Au deposits at Nakru 1 & Nakru 2 for a combined total of 267kt of Cu and 208koz of Au (2Moz of Ag). The next stage drilling program at Nakru will focus on seeking to upgrade the resource category while defining the extension of deposits at Nakru 1 and Nakru 2.

Since both deposits have higher grades concentrated in the upper levels, and the shallow depth (over all less than 200m), an open-pit mine with conventional copper flotation processing is a likely option.

Please refer to the ASX Announcement released on 22 June 2017 for details of the Inferred Mineral Resource Estimate update as well as ASX Announcements released 16 March, 19 April and 27 April 2017 for full details of the most recent drilling at Nakru, including all relevant assay results. The Company is not aware of any new information or data that materially affects the information included in these announcements and all the material assumptions and technical parameters underpinning the Inferred Mineral Resource Estimate in the ASX Announcement released on 22 June 2017 continue to apply and have not materially changed.

In September 2017 the Company announced it has signed an agreement with Perth based contractor UTS Geophysics (**UTS**) to carry out a helicopter-borne geophysical survey at Simuku. The Simuku Cu-Au project area hosts both a large tonnage low grade porphyry style Copper mineralisation and near surface higher grade

secondary Copper mineralisation. Both mineralisation zones have untested extensions. A number of geochemical anomalies within the licence area have not yet been tested.

The agreement provides for a helicopter-borne geophysical survey using UTS's Versatile Time-Domain Electromagnetic (VTEM™) geophysical system. The VTEM™ Plus system is excellent for locating discrete conductive anomalies as well as mapping lateral and vertical variations in resistivity.

The VTEM™ survey will investigate the mineral potential over the Simuku licence area. The proposed survey will be approximately 928 line-kilometres (line spacing at 150m) over all of the existing EL 2379 licence area. The program is scheduled for later this year.

Coppermoly's other tenement interest is a new exploration licence on New Britain Island containing most of the ground previously covered by the old EL 2014 Makmak exploration licence as well as some new additional ground that adjoins the licence area to EL 1043 Mt Nakru. The exploration licence application was granted in September 2017 by the MRA as EL 2514, after a successful Warden's Hearing was held in August 2017.

On 30 October 2017 the Company announced that it has entered an agreement to undertake a private placement to raise approximately \$2.87M before costs at an issue price of \$0.0105 (1.05 cents) per share (**Placement**).

The Placement has been made to one investor, Shenzhen Beilite Jades Limited (**Beilite**). Beilite is a diversified private investment company specialising in precious metals, metal products, and high value jades. Beilite has also invested in several gold projects in Southeast Asia.

The Placement comprises a two stage placement arrangement, which will result in Coppermoly raising a total of approximately \$2,870,000 (before costs), comprising:

- (a) an upfront placement of 164,072,670 new fully paid ordinary shares in Coppermoly ranking equally with existing shares on issue (Shares), issued at 1.05 cents per Share (**Initial Placement**). The Initial Placement was completed on 30 October 2017 and resulted in Coppermoly raising \$1,722,763 (before costs); and
- (b) a subsequent issue of 109,260,663 Shares, at an issue price of 1.05 cents per Share to raise \$1,147,237 (before costs), which is subject to Coppermoly first obtaining Shareholder approval in accordance with ASX Listing Rules (**Conditional Placement**).

A General Meeting will be held at 10.30 am on Wednesday 20 December 2017 to seek Shareholder approval for the Conditional Placement and to refresh the Company's placement capacity under ASX Listing Rule 7.1.

The Initial Placement used the Company's existing placement capacity under ASX Listing Rule 7 and resulted in Beilite acquiring a relevant interest in 13.04% of Coppermoly's Shares. If approved by Shareholders the issue of the Shares pursuant to the Conditional Placement will result in Beilite having a relevant interest in 19.99% of Coppermoly's Shares.

The funds raised from the Placement will be used to fund planned exploration activity on the Company's tenements, and working capital requirements.

The Company's core objective remains to endeavour to deploy its resources efficiently and effectively to evaluate and realise the full value of its assets over time.

I would like to take this opportunity to thank all shareholders who have continued to support the Company and the Company's employees and other stakeholders for their ongoing contributions and commitment.

Kevin Grice

Non-executive director (AGM chair)

About Coppermoly

Coppermoly is an ASX listed junior exploration company which has been listed on the ASX since 2008. Coppermoly's head office is located on the Gold Coast, Australia and its mineral exploration activities are focused entirely on the island of New Britain in PNG where it is exploring for copper, gold, silver, zinc, and molybdenum.