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\$500,000 buys shot at Esk gold

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GOLD Coast-based explorer Coppermoly has raised \$523,000 through a share placement, boosting its capacity to complete a recent farm-in agreement.

The placement was made to sophisticated investors, the identity of which has not been disclosed.

"The small placement raises sufficient capital to fund the minimum expenditure commitment for the Esk Trough farm-in," company director Maurice Gannon said.

Coppermoly, which holds potentially significant reserves of copper, gold and zinc in PNG, last week announced it was buying into the Esk permit controlled by ActiveEX Ltd.

Coppermoly agreed to spend \$3 million over the next three years to earn a 51 per cent interest in the ActiveEX Esk Trough copper-gold project in southern Queensland.

While its PNG permits are currently being drill-tested by Canadian giant Barrick Gold, the company reported cash reserves of \$1.3 million at the end of the September quarter.

Yesterday's capital raising was enough to satisfy the minimum initial outlay of \$500,000 in the first year of the Esk farm-in agreement.

Coppermoly's shares slipped 0.2c to close at 6c after resuming trading yesterday.