



## Coppermoly! Miner bags PNG deal

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Jenny Rogers | June 27th, 2013

COPPERMOLY marked yesterday as "a significant turning point" for the company after it sealed a \$5 million deal to take full control of three mining tenements in West New Britain.

The deal will give Coppermoly immediate access to the Papua New Guinea tenements, one with a 40 million tonne copper resource.

The Gold Coast-based junior minerals explorer announced it had entered into an agreement with Canadian mining giant Barrick to re-acquire Barrick's interest in the tenements.

Coppermoly has been working since late last year to stitch up financing arrangements to fund a buyback of the Nakru, Simuku and Talelumas tenements from Barrick, which earned a 72 per cent stake through a farm-in deal.

The \$5 million acquisition will be funded in three tranches, with payments staged over five years.

Coppermoly said the acquisition was conditional on it raising \$2 million by August 14.

Coppermoly will place 3.7 million fully paid ordinary shares with underwriter Jelsh Holdings, at an issue price of 4.5c, to raise just over \$166,000.

Jelsh Holdings also has agreed to underwrite a 1-for-4 non-renounceable offer to shareholders at 4.5c a share to raise a further \$1.95 million.

The funds will be used to make the \$2 million first payment to Barrick and will allow Coppermoly to begin exploration activities on all three tenements.

"This is a fantastic outcome for Coppermoly to re-acquire 100 per cent of the West New Britain project, and importantly, regain control of the exploration activity," Coppermoly managing director Maurice Gannon said.

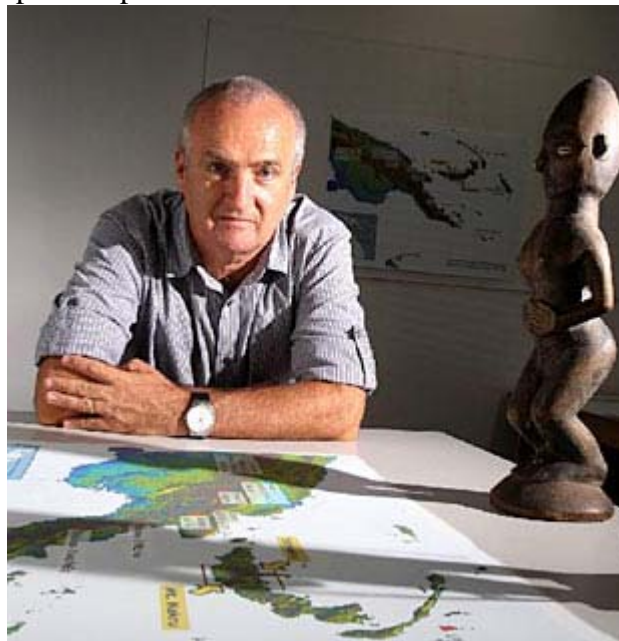
"Barrick has spent well over \$20 million acquiring its interest in the project (so) for Coppermoly to re-acquire 100 per cent of the project for \$5 million over five years is a significant achievement," he said.

Mr Gannon said the share placement would be fully underwritten at a 50 per cent premium to the current share price, which was "a remarkable achievement in the current market".

"Other junior mining companies are raising capital at huge discounts to keep their noses above water, but we are fortunate to have an underwriter who understands our industry and will come in as a strong cornerstone investor in future."

He said Jelsh Holdings' Australian representative was a PhD-qualified geologist who had worked for BHP and was a conduit to major Chinese investment funds.

Coppermoly shares are up 16.67 per cent to 3.5c.



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