



COPPERMOLY
Limited

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ASX Announcement

Date: 10 April 2014

ASX Code: COY

Re-lodgement of Half Year Accounts to 31 December 2013

Attached are revised Half Year Accounts for the six months ended 31 December 2013.

The only change to the accounts lodged on 12 March 2014 is the date of the Independent Auditor's Review Report.

The report had an incorrect date due to an administration error.

Yours sincerely
Coppermoly Ltd

Paul Schultz
Company Secretary



COPPERMOLY Limited

A.B.N. 54 126 490 855

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2013 and any public announcements made by Coppermoly Ltd during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

DIRECTORS' REPORT

Your directors present their report on the consolidated entity consisting of Coppermoly Limited and the entity it controlled at the end of, or during, the half-year ended 31 December 2013.

DIRECTORS

The following persons were directors of Coppermoly Limited during the half-year and up to the date of this report:

Maurice Gannon
Ben Faulkner
Michael Howard (appointed 4 December 2013)
Tom Revy (resigned 11 March 2014)
Natalia Streltsova (appointed 1 October 2013; resigned 11 March 2014)
Geoff Booth (resigned 13 November 2013)
Shawn Uldridge (resigned 14 August 2013)

RESULTS AND DIVIDENDS

The consolidated entity loss after income tax for the half-year is \$386,425 (2012: \$461,040). There is no dividend paid or recommended.

REVIEW OF OPERATIONS

During the half-year, the Group:

- (i) Allotted 88,710,755 shares (COY).
- (ii) Funded ongoing exploration and evaluation work on its exploration areas in Papua New Guinea.
- (iii) Paid \$680,000 to Barrick (PNG Exploration) Limited taking the Company to a 51% interest in the Mt. Nakru, Simuku and Talelumas projects in Papua New Guinea.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* immediately follows this report.

This report is made in accordance with a resolution of the directors.



Maurice Gannon
Managing Director
Bundall, Qld
Dated: 12 March 2014

DECLARATION OF INDEPENDENCE BY ALBERT LOOTS TO THE DIRECTORS OF COPPERMOLY LIMITED

As lead auditor for the review of Coppermoly Limited for the half-year ended 31 December 2013, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Coppermoly Limited and the entities it controlled during the period.



Albert Loots
Director

BDO Audit Pty Ltd

Brisbane, 11 March 2014

COPPERMOLY LIMITED & ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

| | Notes | Half – year | |
|---|-------|--------------------|-----------|
| | | 2013 | 2012 |
| | | \$ | \$ |
| Revenue | | 6,082 | 13,399 |
| | | 6,082 | 13,399 |
| Depreciation | | (18,644) | (28,151) |
| Employee benefits expense | | (193,811) | (158,148) |
| Exploration expenditure written-off | | (4,438) | (62,526) |
| Insurances | | (21,065) | (26,096) |
| Corporate compliance and shareholder relations | | (73,279) | (59,756) |
| Office rental, communication and consumables | | (35,092) | (28,048) |
| Net changes in fair value of financial liabilities at fair value through profit or loss | | (24,000) | - |
| Other expenses | | (22,178) | (111,714) |
| Profit / (loss) before income tax | | (386,425) | (461,040) |
| Income tax (expense)/benefit | | - | - |
| Net Profit / (loss) for the half-year | | (386,425) | (461,040) |
| Other comprehensive income | | | |
| Items that may be reclassified to the profit or loss | | | |
| Exchange differences on translation of foreign operations | | (641,009) | (447,559) |
| Income tax on items of other comprehensive income | | - | - |
| Other comprehensive income for the half-year | | (641,009) | (447,559) |
| Total comprehensive income for the half-year | | (1,027,434) | (908,599) |
| | | Cents | Cents |
| Basic and diluted earnings / (loss) per share | | (0.19) | (0.29) |

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

COPPERMOLY LIMITED & ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2013

| | Notes | 31-Dec-13 \$ | 30-June-13 \$ |
|---|-------|-------------------|------------------|
| ASSETS | | | |
| Current Assets | | | |
| Cash and cash equivalents | | 911,180 | 243,209 |
| Trade and other receivables | | 32,789 | 43,583 |
| Total Current Assets | | 943,969 | 286,792 |
| Non-Current Assets | | | |
| Receivables | | 23,366 | 16,142 |
| Property, plant and equipment | | 125,489 | 152,352 |
| Mineral exploration and evaluation assets | 3 | 9,257,171 | 8,837,060 |
| Total Non-Current Assets | | 9,406,026 | 9,005,554 |
| Total Assets | | 10,349,995 | 9,292,346 |
| LIABILITIES | | | |
| Current Liabilities | | | |
| Trade and other payables | | 146,852 | 214,478 |
| Convertible notes | | 250,000 | 226,000 |
| Provisions | | 27,891 | 44,549 |
| Total Current Liabilities | | 424,743 | 485,027 |
| Non-Current Liabilities | | | |
| Provisions | | 19,673 | 18,139 |
| Total Non-Current Liabilities | | 19,673 | 18,139 |
| Total Liabilities | | 444,416 | 503,166 |
| Net Assets | | 9,905,579 | 8,789,180 |
| EQUITY | | | |
| Contributed equity | 4 | 14,495,490 | 12,351,657 |
| Reserves | | 2,613,877 | 3,254,886 |
| Accumulated losses | | (7,203,788) | (6,817,363) |
| Total Equity | | 9,905,579 | 8,789,180 |

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

COPPERMOLY LIMITED & ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

| | Contributed Equity | Accumulated Losses | Share-Based Payments Reserve | Share Option Reserve | Foreign Currency Translation Reserve | Total |
|---|-----------------------|-----------------------|------------------------------------|----------------------------|---|--------------------|
| | \$ | \$ | \$ | \$ | \$ | \$ |
| Balance at 30 June 2013 | 12,351,657 | (6,817,363) | - | 2,807,665 | 447,221 | 8,789,180 |
| Comprehensive income for the half-year | | | | | | |
| Loss for the half-year | - | (386,425) | - | - | - | (386,425) |
| Foreign currency translation difference | - | - | - | - | (641,009) | (641,009) |
| Total Comprehensive Income | - | (386,425) | - | - | (641,009) | (1,027,434) |
| Transactions with owners in their capacity as owners | | | | | | |
| Contributions of equity | 2,462,593 | - | - | - | - | 2,462,593 |
| Costs of share issue | (318,760) | - | - | - | - | (318,760) |
| Total transactions with owners in their capacity as owners | 2,143,833 | - | - | - | - | 2,143,833 |
| Balance at 31 December 2013 | 14,495,490 | (7,203,788) | - | 2,807,665 | (193,788) | 9,905,579 |
| Balance at 30 June 2012 | 11,812,576 | (5,816,957) | 1,349,411 | 1,418,254 | 416,619 | 9,179,903 |
| Comprehensive income for the half-year | | | | | | |
| Loss for the half-year | - | (461,040) | - | - | - | (461,040) |
| Foreign currency translation difference | - | - | - | - | (447,558) | (447,558) |
| Total Comprehensive Income | - | (461,040) | - | - | (447,558) | (908,598) |
| Transactions with owners in their capacity as owners | | | | | | |
| Contributions of equity | 39,483 | - | - | - | - | 39,483 |
| Share option expired | - | - | (1,349,411) | 1,349,411 | - | - |
| Total transactions with owners in their capacity as owners | 39,483 | - | (1,349,411) | 1,349,411 | - | 39,483 |
| Balance at 31 December 2012 | 11,852,059 | (6,277,997) | - | 2,767,665 | (30,939) | 8,310,788 |

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

COPPERMOLY LIMITED & ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

| | Half-year | |
|--|--------------------|------------------|
| | 2013 | 2012 |
| | \$ | \$ |
| <hr/> | | |
| Cash Flows from Operating Activities | | |
| Cash receipts in the course of operations (incl. GST) | 39,401 | 53,252 |
| Interest received | 6,082 | 11,387 |
| Payments to suppliers and employees (incl. GST) | (421,384) | (378,305) |
| Net cash inflow (outflow) from operating activities | (375,901) | (313,666) |
| <hr/> | | |
| Cash Flows from Investing Activities | | |
| Payments for purchase of prospects | (680,000) | - |
| Payments for exploration and evaluation activities | (369,070) | (327,868) |
| Security deposits paid | (8,141) | (2,850) |
| Payments for property, plant and equipment | (2,151) | (653) |
| Net cash (outflow) inflow from investing activities | (1,059,362) | (331,371) |
| <hr/> | | |
| Cash Flows from Financing Activities | | |
| Proceeds from issues of shares and options | 2,450,031 | - |
| Cost of share and option issues | (343,989) | - |
| Net cash inflow (outflow) from financing activities | 2,106,042 | - |
| <hr/> | | |
| Net increase /(decrease) in cash and cash equivalents | 670,779 | (645,037) |
| <hr/> | | |
| Cash and cash equivalents at the beginning of the half-year | 243,209 | 759,259 |
| Exchange difference on cash | (2,808) | (322) |
| Cash and cash equivalents at the end of the half-year | 911,180 | 113,900 |
| <hr/> | | |

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

COPPERMOLY LIMITED & ITS CONTROLLED ENTITIES

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

NOTE 1. BASIS OF PREPARATION OF HALF-YEAR REPORT

These general purpose financial statements for the interim half-year reporting period ended 31 December 2013 have been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

These interim financial statements do not include all the notes of the type normally included in annual financial statements and therefore cannot be expected to provide as full an understanding of the financial performance, financial position, financing and investing activities of the consolidated entity as the full financial statements. Accordingly, these half-year financial statements are to be read in conjunction with the annual report for the year ended 30 June 2013 and any public announcements made by Coppermoly Ltd during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2013 Annual Financial Report for the financial year ended 30 June 2013, unless otherwise stated.

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current annual reporting period. The adoption of these new and revised Standards and Interpretations did not have any material financial impact on the amounts recognised in the financial statements of the Group for the current or prior periods.

Material Uncertainty Regarding Going Concern

The Group incurred a net loss of \$386,425 for the half-year ended 31 December 2013. As at 31 December 2013 the Group has cash reserves of \$911,180, a net current asset surplus of \$519,226 and net assets of \$9,905,579. The company has not generated revenues from operations. The Group has a liability of \$250,000 for convertible notes that were repaid subsequent to year end on 3 February 2014. The Group has also committed to re-acquire Barrick (PNG Exploration) Limited's ("Barrick") interest in the tenements EL1043, EL1445 and EL1077 for a total amount of \$4,000,000 in staged payments over the next 5 years in addition to its exploration commitments under its other licenses. Refer note 4 for further details on the required payments to reacquire the tenements from Barrick.

The ability of the Group to continue as a going concern is principally dependent upon one or more of the following:

- the ability of the company to raise additional capital in the future; and
- the successful exploration and subsequent exploitation of the company's tenements.

These conditions give rise to material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern.

The directors believe that the going concern basis of preparation is appropriate due to the following reasons:

- To date the Group has funded its activities through issuance of equity securities and it is expected that the Group will be able to fund its future activities through further issuances of equity securities; and
- The directors believe there is sufficient cash available for the Group to continue operating until it can raise sufficient further capital to fund its ongoing activities.

Should the Group be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements.

This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Group be unable to continue as a going concern.

**COPPERMOLY LIMITED & ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

NOTE 2 FAIR VALUE MEASUREMENTS

- (a) The carrying values of the Group's financial assets and financial liabilities approximate their fair values as at 31 December 2013.

AASB 13 Fair Value Measurement requires disclosure of fair value measurements by level of the following fair value measurement hierarchy:

- (i) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- (ii) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2), and
- (iii) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

Level 3 Investments: Inputs for the asset or liability that are not based on observable market data (unobservable inputs)

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for the convertible notes.

Valuation techniques such as discounted cash flow analysis, are used to determine fair value for the Convertible Notes. Changing one or more of the inputs to reasonably possible alternative assumptions would not change fair value significantly.

Total realised and unrealised losses for the period included in profit and loss that relate to financial liabilities held at fair value through profit or loss at the end of the reporting period were \$24,000 (2012: \$nil). The convertible notes were recognized at \$226,000 at 30 June 2013. Total realised and unrealised losses for the period included in profit and loss that relate to financial liabilities held at fair value through profit or loss at the end of the reporting period were \$24,000 (2012: \$nil), resulting in a closing value of \$250,000 at 31 December 2013.

There were no transfers between the fair value measurement hierarchy levels during the current period. In the half year ended 31 December 2013 \$24,000 was recognised in profit or loss as a fair value movement relating to the convertible notes classified as at fair value through profit or loss.

NOTE 3 SEGMENT INFORMATION

(a) Description of segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing performance and determining the allocation of resources. Operating segments are determined on the basis of financial information reported to the Board which is at the consolidated entity level. Accordingly, the consolidated entity is treated as one operating segment.

Therefore, management identifies the Group as having only one reportable segment. The financial results from this reportable segment are equivalent to the financial statements of the consolidated entity as a whole. There have been no changes in the operating segments during the period.

NOTE 4 MINERAL EXPLORATION AND EVALUATION ASSETS

| Papua New Guinea | 31-Dec-13 | 31-Dec-12 |
|--|------------------|------------------|
| | \$ | \$ |
| Balance at the beginning of the half-year | 8,837,060 | 8,308,716 |
| Expenditure during the half-year | 1,117,654 | 232,066 |
| Expenditure written-off during the half-year | (4,438) | - |
| Foreign currency exchange differences | (693,105) | (429,768) |
| Balance at the end of the half-year | <u>9,257,171</u> | <u>8,111,014</u> |

The ultimate recoupment of costs carried forward for exploration and evaluation is dependent upon the successful development and commercial exploitation or sale of the respective areas of interest.

**COPPERMOLY LIMITED & ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

NOTE 4 MINERAL EXPLORATION AND EVALUATION ASSETS (Continued)

West New Britain Project Exploration Licences

Re-acquisition deed

On 25 June 2013 Coppermoly completed a Re-acquisition Deed with Barrick which enabled Coppermoly to reacquire Barrick's 72% by making the following payments:

- (i) AUD\$1,000,000 on 14 August 2013 to acquire 23%, taking Coppermoly to 51% (Barrick 49%). This payment could be extended to 30 September 2013 (with nominal interest being payable during the period of the extension);
- (ii) AUD \$1,000,000 on 31 July 2014 to acquire a further 21%, taking Coppermoly to 72% (Barrick 28%); and
- (iii) AUD \$3,000,000 payable upon the announcement of feasibility or by 31 July 2018, whichever occurs earlier, taking Coppermoly to 100%.

It was a condition precedent of the Re-acquisition Agreement, which could only be waived by Coppermoly, that Coppermoly successfully raise AUD\$2,000,000 by 5:00pm on 14 August 2013. On 13 August 2013 the Company gave notice to Barrick extending the 'Conditions Date' for the re-acquisition agreement between Coppermoly and Barrick to 30 September 2013 per the terms of the agreement.

On 9 September 2013 Coppermoly completed an Entitlement Offer and raised \$1,454,428 net of costs.

In October 2013 Coppermoly Limited reached agreement with Barrick (PNG Exploration) Limited to amend the terms of the Re-acquisition Deed to provide for the acquisition of Barrick's interest in the West New Britain Project in three stages as follows:

- (i) AUD\$680,000 was paid on 4 October 2013 to acquire 23%, taking Coppermoly to 51% (Barrick 49%);
- (ii) AUD \$1,331,836 on 31 July 2014 to acquire a further 21%, taking Coppermoly to 72% (Barrick 28%); and
- (iii) AUD \$3,000,000 payable upon the announcement of feasibility or by 31 July 2018, whichever occurs earlier, taking Coppermoly to 100%.

| Australia | 31-Dec-13 | 31-Dec-12 |
|---|------------------|------------------|
| | \$ | \$ |
| Balance at the beginning of the half year | - | - |
| Expenditure during the half-year | - | 62,526 |
| Expenditure written off | - | (62,526) |
| Balance at the end of the half-year | <u>-</u> | <u>-</u> |

The Esk Trough Farm-In Agreement has been terminated. All exploration expenditure for Esk Trough has been written-off because having met the minimum expenditure requirements of the agreement with ActivEX Limited, Coppermoly resolved not to proceed with the farm-in to the Esk Trough Project.

**COPPERMOLY LIMITED & ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

NOTE 5 CONTRIBUTED EQUITY AND RESERVES

| (a) Contributed Equity | Half-year ended 31 December 2013 Number of Shares | Half-year ended 31 December 2012 Number of Shares | Half-year ended 31 December 2013 \$ | Half-year ended 31 December 2012 \$ |
|---|--|--|---|---|
| Opening Balance | 175,082,816 | 159,499,525 | 12,351,657 | 11,812,576 |
| Issues of ordinary shares during the half-year | | | | |
| Non-Renounceable Rights Issue | 35,973,146 | - | 1,618,791 | - |
| Private Placement | 52,737,609 | - | 843,802 | - |
| Shares issued in lieu of salary, directors fees & consulting fees | - | 1,087,837 | - | 39,483 |
| Less costs of raising capital | | | (318,760) | - |
| Contributed Equity | 263,793,571 | 160,587,362 | 14,495,490 | 11,852,059 |

NOTE 6 CONTINGENCIES

(i) West New Britain Project

Refer to Note 4. The Group has completed an agreement to re-acquire Barrick's interests in the West New Britain Project. The Re-acquisition Agreement terminated the Letter Agreement.

In October 2009 the Group signed a Letter Agreement with Barrick to sole fund AUD\$20 million to earn up to 72% interest in Coppermoly Limited's West New Britain Project. Barrick earned 72% equity in January 2012 and Coppermoly elected that the payment of its share (28%) of ongoing costs incurred up to the production of a feasibility study would be delayed until that stage and repaid from 50% of its share of any future production revenue. The Group's accrued contribution was approximately AUD\$1,540,000 at 30 June 2013.

Following the termination of the Letter Agreement Coppermoly no longer has a accrued contribution as at 31 December 2013.

(ii) There have been no further changes in contingent liabilities since the end of the previous annual reporting period (30 June 2013).

NOTE 7 DIVIDENDS

There was no dividend paid or recommended during the reporting period.

NOTE 8 EVENTS AFTER THE REPORTING PERIOD

On 4 February 2014 the Group repaid the two Convertible Note Deeds, each for a sum of \$125,000, to Mitchell River Group Pty Ltd and Aviva Corporation Limited.


**COPPERMOLY LIMITED & ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013**

DIRECTORS' DECLARATION

In the directors' opinion:

- (a) the attached financial statements and notes set out on pages 4 to 11 are in accordance with the *Corporations Act 2001*, and:
 - (i) comply with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
 - (ii) give a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that Coppermoly Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

A handwritten signature in black ink, appearing to read 'Maurice Gannon', with a stylized initial 'M'.

Maurice Gannon
Managing Director
Bundall Qld
Dated: 12 March 2014

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Coppermoly Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Coppermoly Limited, which comprises the consolidated statement of financial position as at 31 December 2013, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Coppermoly Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Coppermoly Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Coppermoly Limited is not in accordance with the *Corporations Act 2001* including:

- A. giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
- B. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*

Emphasis of Matter

Without modifying our conclusion, we draw attention to Note 1 in the financial report, which indicates that the ability of the consolidated entity to continue as a going concern is dependent upon the future successful raising of necessary funding through equity, successful exploration and subsequent exploitation of the consolidated entity's tenements, and/or sale of non-core assets. These conditions, along with other matters as set out in Note 1, indicate the existence of a material uncertainty that may cast significant doubt about the consolidated entity's ability to continue as a going concern and therefore, the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business.

BDO Audit Pty Ltd



A S Loots
Director

Brisbane, 12 March 2014