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ABN 54 126 490 855

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## **ASX Announcement**

**4<sup>th</sup> August 2009**

**ASX Code: COY**

### **NON-RENOUNCEABLE RIGHTS ISSUE**

Coppermoly Limited (**Coppermoly**) is pleased to announce that it has lodged a prospectus with ASIC and ASX for a non-renounceable rights issue (**Rights Issue**) on the basis of 1 New Share for every 2 Existing Shares held on the Record Date at a price of 5 cents each, with 1 free-attaching New Option for every 2 New Shares subscribed for (with an exercise price of 7 cents, exercisable on or before 1 December 2011).

The maximum number of New Shares which may be issued under the Rights Issue is 41,007,644 to raise up to \$2,050,382 (before the costs of the Rights Issue).

Coppermoly is undertaking the Rights Issue to provide working capital to undertake:

- Further drilling at the Nakru-1 and Nakru-2 prospects. The Nakru project is a very significant and sought after discovery with high grade copper intersected near surface. Drilling will test the extent of this mineralisation and associated Induced Polarisation geophysical anomalies leading to a resource estimation. Further geophysical surveys are planned to test sub-surface mineralisation potential of areas surrounding these prospects;
- Additional drilling is planned at Simuku to enable a resource estimate of supergene (near surface enriched) secondary copper mineralisation prior to undertaking feasibility studies. Separate near surface molybdenum targets will also be drill tested at the Horseshoe Prospect; and
- Evaluation and possible acquisition of other copper-gold projects.

Nakru and Simuku are advanced copper-molybdenum-gold projects. Further drilling will enable the Company to add to their value and progress them to a stage of feasibility. Our projects are accessible by vehicle from the Provincial capital of Kimbe which has an operating deep water port and a nearby regional airport with daily flight access to Sydney via Port Moresby.

The Rights Issue is not being underwritten.

## Timetable

The current proposed timetable for the Rights Issue is set out below. The dates are indicative only and Coppermoly reserves the right to vary the dates (subject to the Corporations Act and the ASX Listing Rules).

Activity	Date
Lodge Appendix 3B and Prospectus	4 August 2009
Dispatch of notices to Shareholders & Optionholders informing them of Rights Issue	5 August 2009
Shares trade on an "ex" Entitlement basis*	7 August 2009
Record Date for Entitlement to participate in the Rights Issue	13 August 2009
Prospectus and Entitlement and Acceptance Form dispatched to Shareholders	17 August 2009
<b>Closing Date for Receipt of Entitlement and Acceptance Form</b>	<b>8 September 2009</b>
Securities quoted on deferred settlement basis	9 September 2009
ASX notified of under subscriptions	10 September 2009
Holding statements for New Shares and New Options are dispatched to Shareholders	15 September 2009
Normal ASX trading for New Shares and New Options commences	16 September 2009

\*The "ex" date for entitlements is 7 August 2009, therefore shares purchased on or after 7 August 2009 will not provide the buyer with an entitlement to participate in the Rights Issue. Where fractions arise in the calculation of entitlements, they will be rounded up to the nearest whole number.

The attached initial advice to shareholders and optionholders contains further details and will be mailed to each shareholder and optionholder on 5 August 2009.

An Appendix 3B in respect of the issue is attached.

For more information please contact: Maurice Gannon, Company Secretary, Coppermoly Limited on +61 7 5592 2274.

Yours Sincerely,  
COPPERMOLY LIMITED



Peter Swiridiuk,  
Managing Director



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PO Box 7996  
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www.coppermoly.com.au

5 August 2009

Dear Shareholder,

## **NON-RENOUCEABLE ENTITLEMENT ISSUE**

### **Rights Issue**

Coppermoly Ltd (**Coppermoly**) has announced a non-renounceable entitlements issue of up to 41,007,644 Shares on the basis of 1 New Share for every 2 Existing Shares at a price of 5 cents per New Share to raise up to AUD\$2,050,382 (before the costs of the issue) (**Rights Issue**).

For every 2 New Shares issued, subscribers will also receive 1 free-attaching New Option to subscribe for 1 Share at an exercise price of 7 cents and exercisable by 1 December 2011.

You will be eligible to participate in the Rights Issue if you have a registered address in Australia or New Zealand and hold Shares at 5pm (AEST) on the Record Date.

Shareholders can apply for unsubscribed shares over and above their allocation. The Board will reserve the right to place any shortfall of the issue with third-parties.

The primary objective of the Rights Issue is to raise sufficient working capital to undertake:

- further drilling at the Nakru-1 and Nakru-2 prospects. The Nakru project is a very significant and sought after discovery with high grade copper intersected near surface. Drilling will test the extent of this mineralisation and associated Induced Polarisation geophysical anomalies leading to a resource estimation. Further geophysical surveys are planned to test sub-surface mineralisation potential of areas surrounding these prospects;
- additional drilling is planned at Simuku to enable a resource estimate of supergene (near surface enriched) secondary copper mineralisation prior to undertaking feasibility studies. Separate near surface molybdenum targets will also be drill tested at the Horseshoe Prospect; and
- evaluation and possible acquisition of other copper-gold projects.

Nakru and Simuku are advanced copper-molybdenum-gold projects. Further drilling will enable the Company to add to their value and progress them to a stage of feasibility. Our projects are accessible by vehicle from the provincial capital of Kimbe which has an operating deep water port and a nearby regional airport with daily flight access to Sydney via Port Moresby.

The Board reserves the right to refund application monies raised from the Rights Issue if it is deemed that they are insufficient to enable Coppermoly to meet its stated objectives, and provide the required level of working capital required by Coppermoly.

A Prospectus with personalised Entitlement and Acceptance Forms, detailing the Rights Issue will be dispatched to Shareholders eligible to participate on 17 August 2009.

The Board commends the Rights Issue to Shareholders.

## Timetable

The current proposed timetable for the Rights Issue is set out below. The dates are indicative only and Coppermoly reserves the right to vary the dates (subject to the Corporations Act and the ASX Listing Rules).

Activity	Date
Lodge Appendix 3B and Prospectus	4 August 2009
Dispatch of notices to Shareholders informing them of Rights Issue	5 August 2009
Shares trade on an "ex" Entitlement basis*	7 August 2009
Record Date for Entitlement to participate in the Rights Issue	13 August 2009
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Holding statements for New Shares and New Options are dispatched to Shareholders	15 September 2009
Normal ASX trading for New Shares and New Options commences	16 September 2009

\*The "ex" date for entitlements is 7 August 2009, therefore shares purchased on or after 7 August 2009 will not provide the buyer with an entitlement to participate in the Rights Issue. Where fractions arise in the calculation of entitlements, they will be rounded up to the nearest whole number.

## Information required to be given to you in accordance with the Listing Rules

1. Up to a maximum of 41,007,644 New Shares will be issued pursuant to the Rights Issue and a maximum of 20,503,822 New Options (assuming no existing options are exercised prior to the Record Date).
2. The New Shares will be fully paid ordinary shares and will rank equally in all respects from the date of allotment with the existing class of quoted Shares. The New Options will have an exercise price of 7 cents each and be exercisable on or before 1 December 2011. Shares issued pursuant to the exercise of any New Option will be fully paid ordinary shares and will rank equally in all respects from the date of allotment with the existing class of quoted Shares.
3. The issue price of the New Shares is \$0.05 each. The New Options will be issued for nil consideration.
4. Coppermoly will apply to ASX for admission of the New Shares and New Options to official quotation within 7 days of the date of the Offer Document.
5. The funds raised by the Rights Issue will be used to provide working capital for further drill programs (as further described above) and to assess the possible acquisition of new copper-gold projects, expenses of the Rights Issue, and administration.
6. It is expected that New Shares and New Options will be entered into uncertificated holdings and holding statements dispatched on 15 September 2009.
7. The total number and class of all securities that will be quoted on ASX (including the maximum number of New Shares and New Options to be issued under the Rights Issue on an undiluted basis) is as follows:

Number	Class
79,742,933	Fully paid ordinary shares
20,503,822	Quoted options exercisable at 30 cents on or before 30 April 2011
20,503,822	Quoted options exercisable at 7 cents on or before 1 December 2011

8. Following the Rights Issue, the total number and class of all securities that will not be quoted on ASX is as follows:

Number	Class
43,279,999	Fully paid ordinary shares (subject to ASX imposed escrow until 31 January 2010)
2,000,955	Unquoted options exercisable at 30 cents on or before 30 April 2011
3,000,000	Unquoted options exercisable at 30 cents on or before 22 October 2010 (subject to ASX imposed escrow until 31 January 2010)
1,700,000	Unquoted options exercisable at 25 cents on or before 13 March 2011

9. Coppermoly currently has no dividend policy.
10. No shareholder approval for the Rights Issue is required.
11. The Rights Issue is non-renounceable. This means that shareholders who do not wish to take up their entitlements will not be able to trade or sell their entitlements. Their entitlements will simply lapse if not taken up.
12. The New Shares will be offered on the basis of 1 New Share for every 2 Existing Shares held at 5.00pm AEST on 13 August 2009 (Record Date). The New Options will be issued free on the basis of 1 New Option for every 2 New Shares subscribed for.
13. In determining entitlements, any fractional entitlements will be rounded up to the nearest whole number.
14. Neither the Rights Issue nor the Prospectus constitutes an offer to acquire shares, to any Shareholders who are not resident in Australia or New Zealand as at the Record Date. However, the return of a completed Entitlement and Acceptance Form from a Non-Eligible Foreign Shareholder will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained by the Applicant and that the Company may legally issue the Shares to the Applicant.
15. The Closing Date for the offer is 5.00pm AEST on 8 September 2009.
16. The Rights Issue is not underwritten.
17. Novus Capital Limited is the broker to the Rights Issue.
18. The Prospectus for the Rights Issue and accompanying Entitlement and Acceptance Form will be sent to Shareholders on 17 August 2009.
19. Existing option holders may participate in the Rights Issue upon exercise of their options. The Company has sent a notice to option holders on 5 August 2009 to notify the option holders of their right to participate in the Rights Issue upon exercise of their options.

The above information was provided to the ASX on 4 August 2009.

For further information on your entitlement, please contact your stockbroker or Coppermoly's share registry - **Registries Limited**

Phone: 1300 737 760 within Australia, +61 2 9290 9600 from overseas

Fax: 1300 653 459 within Australia, +61 2 9279 0664 from overseas

Email: [registries@registries.com.au](mailto:registries@registries.com.au)

Yours Sincerely,  
COPPERMOLY LIMITED



Peter Swiridiuk,  
Managing Director



**ADDRESS**  
PO Box 7996  
Gold Coast Mail Centre  
Qld 9726 Australia

ABN 54 126 490 855

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info@coppermoly.com.au  
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5 August 2009

Dear Option holder,

## **NON-RENOUCEABLE ENTITLEMENT ISSUE**

### **Rights Issue**

Coppermoly Ltd (**Coppermoly**) has announced a non-renounceable entitlements issue of up to 41,007,644 New Shares on the basis of 1 New Share for every 2 Existing Shares at a price of 5 cents per New Share to raise up to AUD\$2,050,382 (before the costs of the issue) (**Rights Issue**).

For every 2 New Shares issued, subscribers will also receive 1 free-attaching New Option to subscribe for 1 Share at an exercise price of 7 cents and exercisable by 1 December 2011.

The Record Date for determining entitlements under the Rights Issue is expected to be 13 August 2009.

You may wish to consider exercising your options in order to convert them to ordinary shares prior to the record date for the Rights Issue. The exercise price of the Company's options is significantly greater than the recent market price of the Company's shares and therefore Optionholders are advised to carefully evaluate the costs and benefits of exercising their options in the course of making this decision.

### **Exercise of Options**

You will need to check that your options are currently exercisable under the terms of your granted options before you can participate in the Rights Issue.

To exercise your options and participate in the Rights Issue you will need to deliver the following to the registered office of Coppermoly:

1. a notice in writing to the directors of Coppermoly specifying the number of options to be exercised (**Option Exercise Notice**);
2. your option certificate covering that number of options; and
3. payment for the exercise price for those options by way of a cheque made payable to Coppermoly Limited.

Each share allotted as a result of the exercise of an option will rank pari passu with all other issued ordinary shares of Coppermoly.

Option Exercise Notices and funds must be received by no later than 5.00 pm (AEST) on 10 August 2009.

For further information on your entitlement, please contact your stockbroker or Coppermoly's share registry - **Registries Limited**

Phone: 1300 737 760 within Australia, +61 2 9290 9600 from overseas

Fax: 1300 653 459 within Australia, +61 2 9279 0664 from overseas

Email: registries@registries.com.au

Yours Sincerely,  
COPPERMOLY LIMITED

A handwritten signature in black ink, appearing to read 'P. Swiridiuk'. The signature is fluid and cursive, with a large initial 'P' and a long, sweeping tail.

Peter Swiridiuk,  
Managing Director

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

COPPERMOLY LTD

ABN

54 126 490 855

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |   |
|---|--|---|
| 1 | +Class of +securities issued or to be issued   | 1. ORDINARY SHARES<br>2. LISTED OPTIONS                                     |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 1. 41,007,644 ORDINARY SHARES<br>2. 20,503,822 LISTED OPTIONS               |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1. ORDINARY SHARES<br>2. LISTED OPTIONS, 7 CENTS,<br>EXPIRY 1 DECEMBER 2011 |

+ See chapter 19 for defined terms.

<p>4 Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>1. ORDINARY SHARES – YES.</p> <p>2. OPTIONS DO NOT RANK EQUALLY UNTIL CONVERTED TO SHARES.</p>				
<p>5 Issue price or consideration</p>	<p>\$0.05 PER SHARE INCLUDING ONE FREE OPTION WITH EVERY TWO SHARES.</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>WORKING CAPITAL.</p>				
<p>7 Dates of entering <sup>+</sup>securities into uncertificated holdings or despatch of certificates</p>	<p>15 SEPTEMBER 2009</p>				
<p>8 Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Number</th> <th style="width: 40%;">+Class</th> </tr> </thead> <tbody> <tr> <td colspan="2" style="text-align: center;">REFER ATTACHED SCHEDULE.</td> </tr> </tbody> </table>	Number	+Class	REFER ATTACHED SCHEDULE.	
Number	+Class				
REFER ATTACHED SCHEDULE.					
<p>9 Number and <sup>+</sup>class of all <sup>+</sup>securities not quoted on ASX (<i>including</i> the securities in clause 2 if applicable)</p>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Number</th> <th style="width: 40%;">+Class</th> </tr> </thead> <tbody> <tr> <td colspan="2" style="text-align: center;">REFER ATTACHED SCHEDULE.</td> </tr> </tbody> </table>	Number	+Class	REFER ATTACHED SCHEDULE.	
Number	+Class				
REFER ATTACHED SCHEDULE.					
<p>10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)</p>	<p>NO DIVIDEND DISTRIBUTION IS ENVISAGED IN THE NEAR FUTURE.</p>				

<sup>+</sup> See chapter 19 for defined terms.

## Part 2 - Bonus issue or pro rata issue

- |    |   |   |
|----|---|---|
| 11 | Is security holder approval required?   | NO.   |
| 12 | Is the issue renounceable or non-renounceable?  | NON-RENOUNCEABLE.   |
| 13 | Ratio in which the +securities will be offered  | 1 ORDINARY SHARE (PLUS FREE ½ OPTION) FOR EVERY 2 SHARES HELD |
| 14 | +Class of +securities to which the offer relates  | ORDINARY SHARES   |
| 15 | +Record date to determine entitlements  | 13 AUGUST 2009  |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?  | YES   |
| 17 | Policy for deciding entitlements in relation to fractions   | ROUNDING UP.  |
| 18 | Names of countries in which the entity has +security holders who will not be sent new issue documents<br><br><small>Note: Security holders must be told how their entitlements are to be dealt with.<br/>Cross reference: rule 7.7.</small> | -   |
| 19 | Closing date for receipt of acceptances or renunciations  | 8 SEPTEMBER 2009  |
| 20 | Names of any underwriters   | -   |
| 21 | Amount of any underwriting fee or commission  | -   |
| 22 | Names of any brokers to the issue   | NOVUS CAPITAL   |

+ See chapter 19 for defined terms.

23	Fee or commission payable to the broker to the issue	<p>1. MANAGEMENT FEE: 1% OF FUNDS RAISED BY THEM FROM SHORTFALLS.</p> <p>2. BROKERAGE FEE: 6% OF FUNDS RAISED BY THEM FROM SHORTFALLS PLUS 1 OPTION (7 CENT, EXPIRY 1.12.2011) FOR EVERY \$4 RAISED BY THEM FROM SHORTFALLS.</p>
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup> security holders	N/A
25	If the issue is contingent on <sup>+</sup> security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	17 AUGUST 2009
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	5 AUGUST 2009
28	Date rights trading will begin (if applicable)	N/A
29	Date rights trading will end (if applicable)	N/A
30	How do <sup>+</sup> security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do <sup>+</sup> security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do <sup>+</sup> security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	<sup>+</sup> Despatch date	15 SEPTEMBER 2009

+ See chapter 19 for defined terms.

### Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35  If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36  If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37  A copy of any trust deed for the additional +securities

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+ See chapter 19 for defined terms.

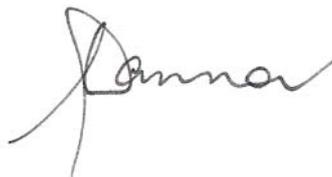
Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought					
39	Class of +securities for which quotation is sought					
40	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>					
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>					
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	<table border="1"> <thead> <tr> <th data-bbox="710 1467 1013 1505">Number</th> <th data-bbox="1013 1467 1302 1505">+Class</th> </tr> </thead> <tbody> <tr> <td colspan="2" data-bbox="710 1505 1302 1686"></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

**Quotation agreement**

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
  
- 2 We warrant the following to ASX.
  - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those +securities should not be granted +quotation.
  - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.  
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
  
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
  
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: ..... Date: 4 August 2009  
(~~Director~~/Company secretary)

Print name: MAURICE GANNON  
.....

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+ See chapter 19 for defined terms.

## APPENDIX 3B – ASX LISTING RULES

### New Issue announcement, Application for quotation of additional securities and agreement

8. Number and class of all securities quoted on ASX (including the additional securities)

Note:

<u>Number</u>	<u>Class</u>
79,742,933	Ordinary Shares Fully Paid (including 41,007,644 additional to be issued)
<hr/>	
79,742,933	<b>TOTAL SHARES</b>
<hr/>	
20,503,822	Options exercisable at 30 cents each on or before 30 April 2011
20,503,822	Options exercisable at 7 cents each on or before 1 December 2011 (to be issued)
<hr/>	
41,007,644	<b>TOTAL OPTIONS</b>
<hr/>	

9. Number and class of all issued securities not quoted on ASX (including options, preference shares, convertible notes, partly paid shares, loan securities, etc.)

After adjusting for directors and officers options cancelled

43,279,999	Ordinary Fully Paid Restricted Shares, ASX Restriction Expiry Date 31 January 2010.
2,000,955	Non transferable Options (Brokers) exercisable on or before 30 April 2011 at 30 cents, ASX Restriction Expiry Date 31 January 2010.
3,000,000	Non transferable Options (Directors) exercisable on or before 22 October 2010 at 30 cents, ASX Restriction Expiry Date 31 January 2010.
700,000	Non transferable Options (Employees) exercisable between 13 March 2009 and 13 March 2011 at 25 cents.
1,000,000	Non transferable Options (Consultants) exercisable between 13 March 2009 and 13 March 2011 at 25 cents.



**COPPERMOLY**  
Limited

ABN 54 126 490 855



# PROSPECTUS

For a non-renounceable entitlement issue of up to 41,007,644 Shares on the basis of 1 New Share for every 2 Existing Shares held by Shareholders who are registered as at 5.00pm (AEST) 13 August 2009 at an issue price of \$0.05 per Share to raise up to \$2,050,382 (before the costs of the Offer).

For every 2 New Shares issued, subscribers will also receive 1 Option to subscribe for 1 Share at an exercise price of 7 cents and exercisable by 1 December 2011. The Options are to be issued to subscribers for no extra consideration, and will be issued on the terms and conditions as set out in section 5 of this Prospectus.

BROKER TO THE OFFER

NOVUS CAPITAL LIMITED  
ABN: 32 006 711 995 AFS: LICENCE 238168



THIS OFFER IS NOT UNDERWRITTEN

## Important Notice

This is an important document and should be read in its entirety.

If you do not know what to do, you should consult your stockbroker, legal or licensed financial adviser immediately.

The securities offered by this Prospectus should be considered as speculative.

**THIS OFFER CLOSSES AT 5.00PM AUSTRALIAN EASTERN STANDARD TIME (AEST) ON 8 SEPTEMBER 2009**



LISTINGS: ASX: COY, PoMSOX: COY, Berlin: 5C5.BE, Frankfurt: 5C5.F Website: [www.coppermoly.com.au](http://www.coppermoly.com.au)

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## **IMPORTANT NOTICE**

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This Prospectus is dated 4 August 2009 and a copy of this Prospectus was lodged with ASIC on that date.

ASIC and ASX take no responsibility for the contents of this Prospectus.

No Shares or Options will be issued on the basis of this Prospectus later than thirteen (13) months after the date of this Prospectus. Application will be made to ASX within seven (7) days after the date of this Prospectus for admission of the Shares and Options offered by this Prospectus to Official Quotation.

The Shares issued pursuant to the exercise of a New Option will be issued in accordance with the terms and conditions on which the New Options are issued, and in any event, not more than 14 days after the receipt of a properly executed exercise notice and application money in respect of the exercise of the New Option.

No person is authorised to give any information or make any representation in connection with the Rights Issue or Offer described in this Prospectus, which is not contained in this Prospectus. Any information or representation not contained in this Prospectus may not be relied on as having been authorised by the Company in connection with the Rights Issue.

Applicants should read this document in its entirety and, if in any doubt, consult with their professional advisors before deciding whether or not to apply for Shares and Options. There are risks associated with an investment in the Company and the Shares and Options offered under this Prospectus must be regarded as a speculative investment. The Shares and Options offered under this Prospectus carry no guarantee with respect to return on capital investment, payment of dividends or the future value of the Shares and Options.

Certain abbreviations and other defined terms are used throughout this Prospectus. Defined terms are generally identifiable by the use of an upper case first letter. Details of the definitions and abbreviations used are set out in Section 8 of this Prospectus.

# CORPORATE DIRECTORY

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## DIRECTORS

Peter McNeil	Non-Executive Chairman
Peter Swiridiuk	Managing Director
Dal Brynelsen	Non-Executive Director
Bob McNeil	Non-Executive Director
Ces Iewago	Non-Executive Director

## COMPANY SECRETARY

Maurice Gannon

## REGISTERED OFFICE

Level 1, 94 Bundall Road  
Bundall QLD 4217  
Australia

## SOLICITORS TO THE COMPANY

Hynes Lawyers  
Level 6, Gateway Building  
50 Appel St  
Surfers Paradise QLD 4217  
Australia

## ACCOUNTANT

BDO Kendalls  
Level 18, 300 Queen St  
Brisbane QLD 4000  
Australia

## BROKER

Novus Capital Limited  
Level 24, Royal Exchange Building  
56 Pitt Street  
Sydney NSW 2000  
Australia

## SHARE REGISTRY

Registries Limited  
Level 7, 207 Kent Street  
Sydney NSW 2000  
Australia

## CONTACT DETAILS

Web: [www.coppermoly.com.au](http://www.coppermoly.com.au)  
Email: [info@coppermoly.com.au](mailto:info@coppermoly.com.au)  
Telephone: (07) 5592 2274  
Facsimile: (07) 5592 2275

## ASX CODE: COY

## KEY STATISTICS

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Offer Price for New Shares	\$0.05 per share
Number of New Shares to be issued:	Up to 41,007,644
Entitlement	1 New Share for every 2 Existing Shares held as at the Record Date
Gross proceeds	Up to \$2,050,382
Free-attaching Options	For every 2 New Shares issued subscribers will also receive 1 free New Option to subscribe for 1 Share at an exercise price of 7 cents and exercisable by 1 December 2011.

## KEY DATES

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This Prospectus (prepared in accordance with the Corporations Act and ASX Listing Rules), is dated 4 August 2009. The following are key dates relating to the Offer that you need to be aware of.

Activity	Date
Lodge Appendix 3B and Prospectus with ASIC and ASX	4 August 2009
Dispatch of notices to Shareholders and Optionholders informing them of Rights Issue	5 August 2009
Shares trade on an "ex" Entitlement basis	7 August 2009
Record Date for Entitlement to participate in the Rights Issue	13 August 2009
Prospectus and Entitlement and Acceptance Form dispatched to Shareholders and Optionholders	17 August 2009
<b>Closing Date for Receipt of Entitlement and Acceptance Form</b>	<b>8 September 2009</b>
Securities quoted on deferred settlement basis	9 September 2009
ASX notified of under subscriptions	10 September 2009
Holding statements for New Shares and New Options are dispatched to Shareholders	15 September 2009
Normal ASX trading for New Shares and New Options commences	16 September 2009

These dates are indicative only and are subject to change. The Company reserves the right to amend this indicative timetable at any time and (subject to the Corporations Act and ASX Listing Rules), to extend the latest date for receipt of Entitlement and Acceptance Forms, to accept late Entitlement and Acceptance Forms either generally or in particular cases, or to cancel the Rights Issue without prior notice.

## LETTER FROM BOARD OF DIRECTORS

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4 August 2009

Dear Shareholder

On behalf of the Directors of Coppermoly Limited (Coppermoly) it is with pleasure that I invite you to participate in this Rights Issue, which seeks to raise approximately \$2 million. The Company has decided to undertake a Rights Issue to raise funds to further improve the value of its assets in three large well defined copper-gold-molybdenum projects on New Britain Island in Papua New Guinea.

Coppermoly is an ASX listed junior mineral explorer which is focused on exploring for copper, gold and molybdenum. Our Nakru (100% interest / 47 km<sup>2</sup>), Simuku (90% interest / 48 km<sup>2</sup>) and Talelumas (100% interest / 75 km<sup>2</sup>) projects are accessible by road and track from an existing operating deep water port in the provincial capital of Kimbe.

The Nakru project has significant copper grades near the surface associated with two separate geophysical induced polarisation anomalies one kilometre apart.

The first ever drill hole at the Nakru-2 Prospect intersected 27.7 metres grading 1.90% copper which included 6.7 metres grading 3.8% copper, 0.19 g/t gold, 1.7% zinc and 9.5 g/t silver, from 15 metres below the surface. The second hole intersected 8 metres grading 3.18% copper, 0.25 g/t gold, 1.7% zinc and 10.9 g/t silver, from 18 metres below the surface. Historical surface results in a trench 600 metres away include 5 metres grading 3.5% copper and 6.6% zinc.

At Nakru-1, our first deep hole drilled in 2008 intersected semi-massive sulphides with 63.9 metres grading 0.54% copper and 0.34 g/t gold including 28.4 metres grading 1.1% copper at 30 metres depth. Historical drilling results include 5.6 metres grading 1.90 g/t gold in an upper gold bearing breccia blanket and 11.2 metres grading 0.95% copper and 2.55 g/t gold at 91 metres depth. These intersections of copper are related to part of a larger Induced Polarisation geophysical anomaly.

These drilling results at Nakru-1 and Nakru-2, together with recently defined and associated geophysical anomalies, present themselves as a new and exciting style of copper and base metal target near the surface, yet to be fully tested by drilling.

The Simuku porphyry copper deposit has an Inferred Resource of 200 million tonnes grading 0.36% copper, 61 ppm molybdenum, 0.06 g/t gold and 2 g/t silver (containing 700,000 tonnes of copper, 12,000 tonnes of molybdenum, 12 tonnes of gold and 391 tonnes of silver). This Resource occurs within the northern one-third of the known area of copper mineralisation defined by surface trenching. There is also surface copper (supergene) enrichment where drilling intersected a 27 metre thick layer grading 0.74% copper (from 23 metres depth) at Tobarum and a 16 metre thick horizon grading 1.0% copper (from 16 metres depth) at Nayam. Higher grades of primary copper were intersected at the Nayam Prospect including 16 metres grading 1.24% copper from 240 metres down hole depth. These higher grade copper intersections warrant further drilling to define higher grade resources both at depth as well as in nearer surface enrichment. High grade zones of molybdenum have also been demonstrated at the Horseshoe Prospect, including 0.41% molybdenum from surface that are yet to be fully evaluated by drilling.

Simuku is only a one hour drive from Kimbe and a two hour drive from a regional airport with daily flight access to Sydney via Port Moresby. Further drilling is strongly warranted to estimate a resource associated with the near surface copper enrichment blanket, prior to a pre-feasibility study.

Coppermoly's Directors and their Management team have proven experience in building project value and are looking to acquire other projects to build the Company's portfolio of mineral assets. The Company is a successful explorer with its own heavy machinery and two diamond core drill rigs.

I invite you to participate in this exciting period of exploration and project enhancement by taking up the Offer under this Prospectus. Funds raised from the Rights Issue will be directed towards:

- further drilling at the Nakru-1 and Nakru-2 prospects. The Nakru project is a very significant and sought after discovery with high grade copper intersected near surface. Drilling will test the extent of this mineralisation and associated Induced Polarisation geophysical anomalies leading to a resource estimation. Further geophysical surveys are planned to test sub-surface mineralisation potential of areas surrounding these prospects;
- additional drilling is planned at Simuku to enable a resource estimate of supergene (near surface enriched) secondary copper mineralisation prior to undertaking feasibility studies. Separate near surface molybdenum targets will also be drill tested at the Horseshoe Prospect; and
- evaluation and possible acquisition of other copper-gold projects.

Shareholders can participate in the Rights Issue by subscribing to this Offer that consists of one New Share at 5 cents for every two Shares held on the Record Date (with one free attaching New Option for every two New Shares purchased). The free attaching New Options are exercisable at 7 cents on or before 1 December 2011. **You may apply for additional New Shares and New Options in excess of your entitlement.** The Directors will allocate any New Shares and New Options from the Shortfall at their discretion having regard to the order of receipt of Applications.

In addition to this Prospectus you may read the Coppermoly Quarterly Reports and subsequent ASX releases to be fully informed on the status of the projects.

Coppermoly is also in the process of discussions with a number of mining and exploration companies and fund managers. A joint venture arrangement would be considered if on favourable terms to the Company and its shareholders.

Yours sincerely,



**Peter Swiridiuk**  
**Managing Director**

#### **COMPETENT PERSON'S STATEMENT**

The information in this Prospectus that relates to "Exploration Results", "Mineral Resources" or "Ore Reserves" (as those terms are defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Resources (**JORC Code**)) is based on information compiled by Peter Swiridiuk, who is a member of The Australasian Institute of Geoscientists.

Peter Swiridiuk is a Managing Director and Consultant to Coppermoly and is an employee of Aimex Geophysics. He has sufficient experience which is relevant to the style of mineralisation and type of deposit reported on in this Prospectus and is considered to be a "Competent Person" as defined in the JORC Code.

Peter Swiridiuk consents to the inclusion in this Prospectus of the matters based upon his information in the form and context in which it appears in the Letter from Board of Directors in this Prospectus.

## **SECTION 1 – RIGHTS ISSUE DETAILS**

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### **1.1 The Offer**

The Company is making an Offer to Eligible Shareholders of up to 41,007,644 New Shares at an Offer Price of \$0.05 for each New Share, by way of a pro-rata non-renounceable Rights Issue.

The Offer Price is payable in full by Eligible Shareholders on acceptance of the Offer. Applications for New Shares will be accepted from the date of this Prospectus until 5.00pm (AEST) on the Closing Date (8 September 2009).

Each Eligible Shareholder is entitled to subscribe for 1 New Share for every 2 Existing Shares which the Shareholder holds on the Record Date. The New Shares will be fully paid ordinary shares and will rank equally in all respects from the date of allotment with the existing class of quoted Shares.

For every 2 New Shares issued pursuant to this Prospectus, subscribers will also receive 1 New Option to subscribe for 1 Share at an exercise price of 7 cents and exercisable by 1 December 2011. The New Options are to be issued to subscribers for no extra consideration and will be issued on the terms and conditions as set out in section 5 of this Prospectus.

This Offer is made on a non-renounceable basis. Shareholders who are registered as at 5.00pm (AEST) on the Record Date may not sell or transfer all or any part of their Entitlement to New Shares. Information on how to deal with these Rights is set out at Section 2 of this Prospectus.

### **1.2 Oversubscriptions**

Oversubscriptions will not be accepted.

### **1.3 Underwriting**

This Offer is not underwritten and therefore there is no guarantee that all the projected proceeds of the Offer will be raised.

### **1.4 Purpose of the Rights Issue**

The purpose of the Rights Issue is to raise up to \$2,050,382 before transaction costs which will be used by the Company to undertake:

- (a) further drilling at the Nakru-1 and Nakru-2 prospects. The Nakru project is a very significant and sought after discovery with high grade copper intersected near surface. Drilling will test the extent of this mineralisation and associated Induced Polarisation geophysical anomalies leading to a resource estimation. Further geophysical surveys are planned to test sub-surface mineralisation potential of areas surrounding these prospects;
- (b) additional drilling is planned at Simuku to enable a resource estimate of supergene (near surface enriched) secondary copper mineralisation prior to undertaking feasibility studies. Separate near surface molybdenum targets will also be drill tested at the Horseshoe Prospect;
- (c) evaluation and possible acquisition of other copper-gold projects; and
- (d) to provide working capital.

### **1.5 Eligible Shareholders**

To qualify for the Rights Issue, a Shareholder must:

- (a) be registered as a Shareholder at the close of business (5.00pm AEST) on the Record Date; and
- (b) have an address in Australia or New Zealand as recorded on the Share Register as at the Record Date.

## **1.6 Non-Eligible Foreign Shareholders**

The New Shares being offered under this Prospectus are being offered to Eligible Shareholders with registered addresses in Australia or New Zealand (as at the Record Date).

The Rights Issue will not be offered to Non-Eligible Foreign Shareholders (i.e. shareholders resident outside of Australia or New Zealand).

The Company has determined (pursuant to ASX Listing Rule 7.7.1(a)) that it is not economically viable for it to make offers to Non-Eligible Foreign Shareholders due to the cost of meeting compliance requirements with securities laws in each applicable jurisdiction in which Non-Eligible Foreign Shareholders reside.

Accordingly, the Company will not be extending the Rights Issue to Non-Eligible Foreign Shareholders.

The Company reserves the right in its absolute discretion to offer the Rights Issue to a Shareholder with an address in the Share Register outside Australia or New Zealand if the Company is satisfied that it is not precluded from lawfully issuing New Shares and New Options to that Shareholder either unconditionally or after compliance with conditions which the Board in its sole discretion regard as acceptable.

This Prospectus does not constitute an offer or invitation to acquire securities in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. No action has been taken to register the New Shares and New Options or otherwise permit an offering of New Shares and New Options in any jurisdiction outside of Australia or New Zealand.

The distribution of this Prospectus outside Australia or New Zealand may be restricted by law. If you come into possession of this Prospectus, you should observe any such restrictions and should seek your own advice on such restrictions. Any failure to comply with such restrictions may contravene applicable securities laws.

## **1.7 Entitlements and Application**

The number of New Shares to which you are entitled is shown on the accompanying Entitlement and Acceptance Form. Fractional entitlements to New Shares have been rounded up to the nearest whole number of New Shares.

The Record Date for the purpose of the Offer is 5.00pm (AEST) on 13 August 2009. The holders of existing options issued by the Company may participate in the Offer if they exercise their options and are on the Company's share register as the holder of Shares on the Record Date.

## **1.8 Application for Additional Shares**

If your acceptance exceeds your Entitlement as shown on that form, and:

- there is a Shortfall, the Company may place additional New Shares and New Options to you in accordance with the explanation provided at Section 1.9 of this Prospectus; and
- there is no Shortfall, your acceptance will be deemed to be for the maximum Entitlement.

If you apply for New Shares and New Options in excess of your Entitlement, you must provide the Application Money for the full amount of New Shares and New Options applied for. There is no guarantee that you will receive additional New Shares and New Options you apply for in excess of your Entitlement. If you do not receive any or all of the additional New Shares and New Options applied for, any excess Application Monies will be returned to you (without interest).

## **1.9 Shortfall**

If any Shortfall remains after Shareholders have taken up their Entitlements to New Shares and New Options, the Directors reserve the right pursuant to Listing Rule 7.2 (exemption 3) to place any Shortfall with parties selected by them. All Shortfall Shares will be placed within 3 months of the Closing Date and will be issued on the same terms as are being offered to Shareholders pursuant to this Prospectus.

### **1.10 Allotment of New Shares**

New Shares and New Options under the Rights Issue are expected to be allotted by 15 September 2009 (subject to variation at the discretion of the Company).

### **1.11 Application Monies**

Until the New Shares and the New Options are issued, the Company will hold the Application Monies on trust in bank accounts in Australia. The accounts will be established and kept solely for the purpose of depositing Application Monies and retaining those funds for as long as required under the Corporations Act.

Any interest accrued on Application Monies will be retained by the Company and will not be paid to the relevant Eligible Shareholder including if the Rights Issue is cancelled or withdrawn.

### **1.12 Market Prices for Shares on ASX**

The lowest and highest market prices of the Shares of the Company on ASX during the 3 months immediately preceding the date of this Prospectus were \$0.042 and \$0.075 respectively.

The volume weighted average price for Shares on the ASX over the 30 trading days preceding the date of announcement of the Rights Issue was \$0.056.

The Issue Price therefore represents a discount of approximately 12% to the 30 day volume weighted average price for Shares.

### **1.13 Taxation Implications**

Shareholders should be aware that there may be taxation implications of participating in the Offer and subscribing for New Shares and New Options. The taxation consequences of participating in the Offer and/or acquiring New Shares and New Options may vary depending on the individual circumstances of each Shareholder. Shareholders should consult their own professional taxation advisers to obtain advice in relation to the taxation laws and regulations applicable to their personal circumstances.

### **1.14 Regular Reporting and Disclosure**

The Company is a disclosing entity for the purposes of the Corporations Act and as such is subject to regular reporting and disclosure obligations under the Corporations Act and ASX Listing Rules. These obligations require the Company to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the market.

In particular, the Company has an obligation (subject to certain limited exceptions) to notify ASX once it is, or becomes, aware of information concerning the Company which a reasonable person would expect to have a material effect on the price or value of the Company's securities. All announcements made by the Company are available from the ASX website [www.asx.com.au](http://www.asx.com.au) or from the Company website [www.coppermoly.com.au](http://www.coppermoly.com.au).

Additionally, the Company is also required to prepare and lodge with ASIC yearly and half-yearly financial statements accompanied by a directors' statement and report and an audit review or report. These reports are released to ASX and published on the Company and ASX websites.

Further information is provided at Section 3 of this Prospectus.

### **1.15 Financial Amounts**

Money as expressed in this Prospectus is in Australian dollars unless otherwise indicated. Any discrepancies between totals in tables and sums of components in tables in this Prospectus and between those figures and figures referred to in other parts of this document are due to rounding.

### **1.16 CHESS and Issuer Sponsorship**

The Company will not be issuing Share certificates. The Company will apply to ASX to participate in CHESS for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHESS will be issuer sponsored by the Company. Because the sub-register is electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Shareholders will be provided with a statement (similar to a bank account statement) that sets out the number of New Shares and New Options allotted to them under this Prospectus. The notice will also advise Shareholders of their Shareholder Identification Number (SIN) and explain, for future reference, the sale and purchase procedures under CHESS and issuer sponsorship.

Further monthly statements will be provided to Shareholders in circumstances in which there have been any changes in their security holding in the Company during the preceding month.

### **1.17 Privacy**

If you complete an Application for Shares you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your Application, service your needs as a Shareholder, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the Privacy Act 1988 (as amended), the Corporations Act and certain rules such as the ASTC Settlement Rules. You should note that if you do not provide the information required on the Entitlement and Acceptance Form the Company may not be able to accept or process your Application.

### **1.18 Enquiries**

If you have any questions concerning your Entitlement, please contact the Company Secretary, Maurice Gannon on (07) 5592 2274 or fax (07) 5592 2275 or contact your professional adviser.

## **SECTION 2 – REQUIRED ACTIONS**

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### **2.1 Non-Eligible Foreign Shareholders**

No action has been taken to register or qualify the New Shares and New Options or to otherwise permit a public offering of the New Shares and New Options in any jurisdiction outside Australia.

Shareholders resident outside Australia should consult their professional advisers as to whether any governmental or other consents are required or other formalities need to be observed to enable them to accept or deal with their Entitlements.

This Prospectus does not constitute an offer in any place in which, or to any person whom, it would not be lawful to make such an offer.

The return of a completed Entitlement and Acceptance Form from a Non-Eligible Foreign Shareholder will be taken by the Company to constitute a representation and warranty by the Applicant that all relevant approvals have been obtained by the Applicant and that the Company may legally issue the New Shares and New Options to the Applicant.

### **2.2 Eligible Shareholders – Available Alternatives**

Eligible Shareholders have the alternatives set out below available in relation to the Rights Issue:

#### **(a) Take up all or part of your Entitlement**

This Offer may be accepted in whole or in part.

If you wish to take up all or part of your Entitlement you should:

- Use the BPay facility as outlined in the accompanying Entitlement and Acceptance Form; or
- complete the Entitlement and Acceptance Form specifying the amount of your Entitlement that you wish to take up; and
- forward the completed form together with your Application Money to the Registry before 5.00pm (AEST) on the Closing Date.

#### **(b) Do nothing and allow your Entitlement to lapse**

If you do nothing your Entitlement will lapse in which case you will receive no New Shares or New Options. Although you will continue to own the same number of Shares in the Company, your percentage shareholding in the Company will be diluted.

#### **(c) Participate in any Shortfall**

If you wish to take up additional New Shares and New Options in excess of your Entitlement, you should use the BPay facility as outlined in the accompanying Entitlement and Acceptance Form or complete your Entitlement and Acceptance Form to indicate that you would like to accept more than your maximum Entitlement in the manner described in Section 1.9 of this Prospectus.

Instructions for completion and lodgement of acceptances are set out on the back of the enclosed Entitlement and Acceptance Form.

### **2.3 Method of Payment**

Payments will only be accepted in Australian currency, by any one of the following methods:

- **BPay facility** – if you wish to take up all of part of your Entitlement you:
  - may use the BPay facility as outlined in the accompanying Entitlement and Acceptance Form; and
  - will not be required to return the Entitlement and Acceptance Form but will need to provide your holder identification number as a payment reference.

BPay payments must be submitted by no later than 5.00pm AEST on 8 September 2009.

- **Cheque** – if you wish to take up all of part of your Entitlement you should:
  - complete and return the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on the back of that form; and
  - submit a cheque (drawn on and redeemable at any Australian bank),
  - overseas shareholders who are permitted to apply for shares must obtain a draft in Australian currency payable on a bank in Australia or, where the shareholder has an account with a bank in Australia, by a cheque drawn on that bank within Australia.

The completed Entitlement and Application Form and cheque for the correct Application Monies (being the number of New Shares you wish to take up multiplied by \$0.05 per New Share) must be received by the Registry by no later than 5.00pm AEST on 8 September 2009.

The mailing details for the Registry are as follows:

Registries Limited  
 GPO Box 3993  
 Sydney NSW 2001  
 Australia

Cheques and drafts should be made payable to “Coppermoly Limited” and crossed “Not Negotiable”. Shareholders should not forward cash.

If you apply and pay for more New Shares than your Entitlement your Application will be dealt with in the manner described at Section 1.9 of this Prospectus.

Eligible Shareholders should ensure that their Entitlement and Acceptance Form and Application Monies are mailed early to ensure they arrive at the postal address specified above by 5.00pm AEST on 8 September 2009 (or such other date as may be determined by the Company).

## **2.4 Closing Date**

The Closing Date for the Offer is 5.00pm AEST on 8 September 2009.

## **2.5 Allotment**

The New Shares and New Options will be allotted and issued as soon as practicable after the Closing Date. Where the number of New Shares and New Options issued is less than the number applied for, or where no allotment is made, surplus Application Monies will be refunded without any interest to the Applicant as soon as practicable after the Closing Date.

Statements of holding for the New Shares and New Options will be mailed to Applicants as soon as possible after the Closing Date. Pending the issue of the New Shares and New Options or payment of refunds pursuant to this Prospectus, all Application Monies will be held by the Company on trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

## **2.6 ASX Quotation**

Application to ASX for admission of the New Shares and New Options to Official Quotation will be made by the Company within 7 days of the date of this Prospectus. If the New Shares and New Options are not admitted to Official Quotation within 3 months after the date of this Prospectus the Company will not issue any New Shares and New Options and will repay all Application Monies within the time prescribed under the Corporations Act without interest.

## **SECTION 3 – COMPANY INFORMATION**

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### **3.1 Company Background**

The Company was admitted to the Official List on 25 January 2008 with Official Quotation of its Shares commencing 31 January 2008.

A comprehensive overview of the Company is set out in the October 2007 Prospectus that was lodged with the ASIC on 25 October 2007 in connection with the initial public offering of its securities and listing on the ASX.

As at the date of this Prospectus, the Company has the following Shares and Options on issue:

- 82,015,288 Shares;
- 20,503,822 listed Options (exercisable at 30 cents on or before 30 April 2011); and
- 6,700,955 unlisted Options on issue:
  - 2,000,955 (held by Novus Capital Limited, exercisable at 30 cents on or before 30 April 2011 and subject to ASX imposed escrow until 31 January 2010);
  - 3,000,000 (held by Directors, exercisable at 30 cents on or before 22 October 2010 and subject to ASX imposed escrow until 31 January 2010);
  - 700,000 (held by Company employees, exercisable at 25 cents on or before 13 March 2011); and
  - 1,000,000 (held by consultants to the Company, exercisable at 25 cents on or before 13 March 2011).

Under the ASX Listing Rules and voluntary escrow arrangements entered into by the Company upon listing, a total of 43,279,999 Shares are still subject to escrow restrictions (due to be released on 31 January 2010). Escrow arrangements in respect of the Options are noted above.

The balance of the issued capital of the Company, being 38,735,289 Shares, are quoted on ASX.

### **3.2 Company Reporting**

The Company is a “disclosing entity” for the purposes of the Corporations Act. As such, it is subject to regular reporting and disclosure obligations which require it to disclose to ASX any information of which it is or becomes aware concerning the Company which a reasonable person would expect to have a material effect on the price or value of securities of the Company.

Copies of documents lodged in relation to the Company with ASIC may be obtained from or inspected at an office of ASIC.

The Company will provide a copy of the following documents, free of charge, to any person who requests such a document on or before the Closing Date:

- the annual financial report of the Company relating to the financial year ended 30 June 2008, being the annual financial report most recently lodged with ASIC;
- the half-year financial report of the Company relating to the half year ended 31 December 2008, being the most recently lodged half-yearly financial report before the date of this Prospectus; and
- any continuous disclosure notices given by the Company to ASX after the lodgement of the annual financial report of the Company relating to the financial year ended 30 June 2008 and before the date of this Prospectus. The following is a list of those continuous disclosure notices:

Document Date	Headline
30 July 2009	Quarterly Activities and Cashflow Report 30 June 2009
23 July 2009	Talelumas Field Work Completed
12 June 2009	3.56g/t Gold and 7.89% Copper Samples – Talelumas Tenement
5 May 2009	Coppermoly Roadshow Presentation May 2009
1 May 2009	Inferred Mineral Resource - Simuku
30 April 2009	Quarterly Activities and Cashflow Reports March 2009
15 April 2009	Investor Update
30 March 2009	Continuity of Copper Mineralisation at Surface at Simuku
25 March 2009	Coppermoly Presentation to Investors March 2009
6 March 2009	Half Year Accounts
19 February 2009	Change of Directors Interest Notice
18 February 2009	Simuku Drilling Results – Mineralisation Nayam to Misili
10 February 2009	Nakru 2 Drilling Intersects High Grade Mineralisation
4 February 2009	High Grade Copper in Nakru 2 Trench
30 January 2009	Quarterly Activities and Cashflow Reports Dec 2008
20 January 2009	Indication of large Body of Sulphide Mineralisation at Nakru
19 January 2009	Nakru Intersection 11m at 2.84g/t Gold, 28.4m at 1.1% Copper
10 December 2008	Drill Results Expand Copper Mineralisation at Simuku
8 December 2008	Coppermoly Commences Trading on Port Moresby Stock Exchange
19 November 2008	Results of Meeting
18 November 2008	Chairman's Address to Shareholders
18 November 2008	Change of Chairman
3 November 2008	90m at 1.08g/t Gold and 204ppm Molybdenum intersected Nakru
3 November 2008	Ces Iewago Appointed Director and Appendix 3X
31 October 2008	Quarterly Activities and Cashflow Reports Sept 2008
23 October 2008	Appendix 3B
22 October 2008	Release of Securities from Escrow
17 October 2008	Geophysics Expands Copper/Gold Target at Nakru
17 October 2008	Notice of Annual General Meeting/Proxy Form
8 October 2008	Release of Restricted Securities
2 October 2008	Intersection of Massive Copper Sulphide at Nakru

Alternatively, these documents may be viewed at ASX website at [www.asx.com.au](http://www.asx.com.au) using the Company's ASX Code "COY" or on the Company website [www.coppermoly.com.au](http://www.coppermoly.com.au).

### 3.3 Transaction Specific Prospectus

This Prospectus is issued in reliance on section 713 of the Corporations Act. Section 713 of the Corporations Act enables a company to issue a transaction specific prospectus if the prospectus is for an offer of a class of securities that have been continuously quoted on ASX for at least 12 months (or options to acquire continuously quoted securities) before the date of issue of the prospectus. The New Shares offered under this Prospectus are of a class of securities that are continuously quoted securities and the New Options are options to acquire continuously quoted securities.

## **SECTION 4 – EFFECT OF THE OFFER ON THE COMPANY**

### **4.1 Purpose of the Offer and Use of the Funds Raised**

Under the Offer up to 41,007,644 New Shares at an Offer Price of \$0.05 are available for issue.

After expenses of the Offer, the proceeds from the issue of New Shares and New Options will be approximately \$1,990,000. These funds will be used to undertake:

- (a) further drilling at the Nakru-1 and Nakru-2 prospects. The Nakru project is a very significant and sought after discovery with high grade copper intersected near surface. Drilling will test the extent of this mineralisation and associated Induced Polarisation geophysical anomalies leading to a resource estimation. Further geophysical surveys are planned to test sub-surface mineralisation potential of areas surrounding these prospects;
- (b) additional drilling is planned at Simuku to enable a resource estimate of supergene (near surface enriched) secondary copper mineralisation prior to undertaking feasibility studies. Separate near surface molybdenum targets will also be drill tested at the Horseshoe Prospect;
- (c) evaluation and possible acquisition of other copper-gold projects; and
- (d) to provide working capital.

If less than the full subscription is raised, the funds will be applied firstly to the costs of the Offer and then to provide working capital, followed by the exploration activities in the order listed above.

### **4.2 Effect of the Offer**

Assuming all New Shares and New Options offered under this Prospectus are issued, the principal effect of the Offer will be to:

- (a) increase cash reserves by \$1,990,000 after deducting estimated expenses of the Offer and assuming all New Shares and New Options offered under this Prospectus are issued;
- (b) increase the number of Shares on issue from 82,015,288 to up to 123,022,932; and
- (c) increase the number of Options on issue from 27,204,777 to up to 47,708,599.

Upon completion of the Offer (assuming it is fully subscribed and excluding any Shares that may be issued as a result of the exercise of any options before the Record Date) the issued capital of the Company will comprise:

<b>Shares</b>	<b>Number</b>
Shares at the date of this Prospectus	82,015,288
Shares offered pursuant to this Prospectus	41,007,644
Post completion of Offer	123,022,932

If all Shareholders take up their Entitlements in full then the Rights Issue will have no effect on the control of the Company.

The equity of existing Shareholders who do not participate in the Rights Issue will be diluted. The equity of existing Shareholders who only take up part of their Entitlement will also be diluted but to a lesser extent.

If all Shareholders do not take up their Entitlements the following could occur:

- (a) The Directors may place any Shortfall either with Shareholders that apply for additional New Shares and New Options in excess of their Entitlement or with other investors.
- (b) It is possible that the some Shareholders or other investors may acquire additional New Shares and New Options by taking up part of the Shortfall. This may result in a person or a Shareholder:
  - being issued New Shares and New Options in excess of their Entitlement; and
  - increasing their proportional interest in the Company.

The effect that placement of any Shortfall may have on control will depend entirely on the demand for any Rights and the demand for any Shortfall.

### 4.3 Pro Forma Balance Sheet

	<b>CONSOLIDATED</b>	
	<b>ACTUAL 31-Dec-08 \$</b>	<b>PRO-FORMA If fully subscribed 31-Dec-08 \$</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	1,169,765	3,157,995
Trade and other receivables	140,361	140,361
<b>Total Current Assets</b>	<b>1,310,126</b>	<b>3,298,356</b>
<b>Non-Current Assets</b>		
Receivables	19,406	19,046
Property plant and equipment	791,651	791,651
Mineral exploration and development expenditure	1,915,548	1,915,548
<b>Total Non-Current Assets</b>	<b>2,726,605</b>	<b>2,726,605</b>
<b>Total Assets</b>	<b>4,036,731</b>	<b>6,024,961</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	194,840	194,840
Provisions	48,600	48,600
<b>Total Current Liabilities</b>	<b>243,440</b>	<b>243,440</b>
<b>Non-Current Liabilities</b>		
Provisions	4,283	4,283
<b>Total Non-Current Liabilities</b>	<b>4,283</b>	<b>4,283</b>
<b>Total Liabilities</b>	<b>247,723</b>	<b>247,723</b>
<b>Net Assets</b>	<b>3,789,008</b>	<b>5,777,238</b>
<b>EQUITY</b>		
Contributed equity	8,723,045	10,711,275
Reserves	783,635	783,635
Accumulated losses	(5,717,672)	(5,717,672)
<b>Total Equity</b>	<b>3,789,008</b>	<b>5,777,238</b>

For full financial statements refer to the Financial Report for the half year ended 31 December 2008 (available on the company's website [www.coppermoly.com.au](http://www.coppermoly.com.au) or the via the company announcements section of the ASX website [www.asx.com.au](http://www.asx.com.au) - company code COY).

## **SECTION 5 – TERMS AND CONDITIONS OF NEW OPTIONS AND RIGHTS ATTACHING TO SHARES**

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### **5.1 Terms and Conditions of Options**

The terms and conditions of the New Options are as follows:

- (a) Each New Option entitles the Option Holder to subscribe for one Share at \$0.07 per Share.
- (b) The New Options are exercisable at any time on or before 1 December 2011.
- (c) The New Options may be exercised by the Option Holder delivering to the registered office of the Company a notice of exercise signed by the Option Holder and a cheque payable to the Company for the aggregate exercise price.
- (d) An Option Holder may only exercise New Options in multiples of 50,000 New Options, unless the Option Holder exercises all New Options able to be exercised by the Option Holder at that time.
- (e) The exercise by an Option Holder of only some of the New Options held by the Option Holder does not affect the Option Holder's right to exercise at a later date other New Options held by the Option Holder.
- (f) The Shares issued on the exercise of the New Options will rank equally in all respects as from the date of issue of those Shares with all existing ordinary shares in the capital of the Company.
- (g) If an Option Holder fails to exercise any New Options registered in the Option Holder's name before 5.00pm on the 1 December 2011, those New Options that the Option Holder has not exercised lapse and all rights of the Option Holder in respect of those New Options cease.
- (h) If the Shares are listed on ASX the Company will make application to ASX for Official Quotation of the Shares issued on the exercise of the New Options.
- (i) There are no participating rights or entitlements inherent in the New Options and Option Holders will not be entitled to participate in any new issue to Shareholders of the Company during the currency of the New Options.
- (j) If there is any reorganisation of the capital of the Company including, without limitation, a consolidation or subdivision of any of the issued capital of the Company or a pro rata bonus issue of Shares, the New Options must be reorganised in the way required under the Listing Rules.
- (k) The rights of the Option Holder may be changed to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

### **5.2 Rights attaching to Shares issued upon exercise of New Options**

There is only one class of Shares in the Company, fully paid ordinary shares.

The rights attaching to Shares in the Company are:

- set out in the constitution of the Company; and
- in certain circumstances, regulated by the Corporations Act, the Listing Rules, the SCH Business Rules and the general law.

The following is a summary of the principal rights of the holders of Shares in the Company.

### **Voting**

Every holder of Shares present in person or by proxy, attorney or representative at a meeting of Shareholders has one vote on a vote taken by a show of hands and on a poll every holder of Shares who is present in person or by proxy, attorney or representative has one vote for every fully paid share held by him or her and a proportionate vote for every partly paid share registered in such Shareholder's name on the Company's share register.

A poll may be demanded by:

- (a) the chairperson of the meeting;
- (b) by any 5 Shareholders present in person or by proxy, attorney or representative; or
- (c) by any one or more shareholders who are together entitled to not less than 5% of the total voting rights of, or paid up value of the Shares of all those Shareholders having the right to vote at that meeting.

### **Dividends**

Dividends are payable out of the Company's profits and are declared or determined to be payable by the Directors. Dividends declared will be payable on the Shares in proportion to the amount for the time being paid or credited as paid in respect of each Share.

### **Transfer of Shares**

A Shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by ASX or the Corporations Act for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or in any other usual form or in any form approved by the Directors.

The Directors of the Company may refuse to register any transfer of Shares other than a proper ASTC transfer where permitted by the Listing Rules. The Company must not refuse or fail to register or give effect to or delay or in any way interfere with a proper ASTC transfer of Shares or other securities.

### **Meetings and notice**

Each Shareholder is entitled to receive notice of and to attend general meetings of the Company and to receive all notices, accounts and other documents required to be sent to Shareholders under the constitution of the Company, the Corporations Act or the Listing Rules.

### **Liquidation rights**

The Company has only one class of shares on issue which all rank equally in the event of liquidation. Once all the liabilities of the Company are satisfied a liquidator may, with the authority of a special resolution of Shareholders, divide among the Shareholders at the time the whole or any part of the remaining assets of the Company. The liquidator may with the sanction of a special resolution of the Company vest the whole or any part of the assets in trust for the benefit of Shareholders as the liquidator thinks fit but no Shareholder of the Company can be compelled to accept any Shares or other securities in respect of which there is any liability.

### **Shareholder liability**

As the Shares to be issued on the exercise of New Options will be fully paid Shares they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

### **Alteration of constitution**

The constitution of the Company can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. While the Company is admitted to the Official List of the ASX, at least 28 days written notice of the special resolution must be given.

## **SECTION 6 – INVESTMENT RISKS**

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### **6.1 General**

An investment in the Company is subject to risk. The existence of risk means that the performance of the Company could be adversely affected.

The Directors have identified what they believe to be the major risks that may affect the Company. While the Company has endeavoured to disclose all material risks, you should be aware that the risks contained in this Section are not exhaustive. This Section should be treated as a general guide only.

Due to the existence of risk, it is recommended that before deciding whether or not to invest you:

- read the Prospectus in its entirety;
- consider the nature, probability and materiality of the risks described in this Section; and
- seek independent advice from an Australian financial services licensee, in light of your particular needs, objectives, financial circumstances and investment preferences.

While the Company may be able to minimise the impact of some risks through various risk management techniques, many of the risks we have identified in this section are beyond our control and as such cannot be eliminated or their impact minimised.

You may personally be able to manage the impact of risk by obtaining independent professional advice tailored to your own investment objectives, financial situation and particular needs. You should:

- consider carefully whether an investment in the New Shares and New Options is an appropriate investment for you;
- appreciate that the price of shares and options listed on ASX can fall as well as rise; and
- regard an investment in the New Shares and New Options as a speculative investment.

### **6.2 Exploration Risk**

The successful exploration and development of mineral properties is speculative. There is no assurance that exploration of the Company's tenement portfolio will result in the discovery of a mineral deposit that can be economically mined.

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may differ materially from these estimates and assumptions.

### **6.3 Land Access**

The grant of an exploration tenement in Papua New Guinea is a sufficient right to access the land over which the licence is granted. The grant of a mining licence however does not confer an automatic right of access to the land. Consent for access is required from the customary landowners or other parties who have an interest in the land before commencing mining activities and payment of compensation may be required.

As a result of its geographical location, Papua New Guinea may experience high levels of rainfall from time to time which may impact upon land access or cause delays to the Company's work programs.

The Company considers that it has good relations with landowners. Coppermoly aims to be a responsible and progressive member of the communities in which it operates and to adopt a co-operative approach in its dealings with all interested parties in these communities.

## **6.4 Tenure**

Exploration licences are subject to renewal every two years. The Minister has a discretion whether or not to grant a renewal, but customarily the Minister will grant the renewal if the tenement holder has met the conditions of the licence. There is a risk that the licence may not be renewed or that new conditions may be imposed upon renewal (such as a requirement to expend additional money on exploration). There is a risk that these conditions will not be commercially viable.

## **6.5 Sovereign and Political Risk**

The Company's operations may be adversely affected by the actions of the Papua New Guinean government. Papua New Guinea is subject to political, economic and other uncertainties, some of which may not be found in countries such as Australia, Canada, the United Kingdom and the United States.

Future government actions may impact on land access, the granting of licences, the Company's freedom to conduct operations, title to exploration and mining tenements, taxation and foreign exchange. The outbreak of international or domestic hostilities may also adversely affect the Company.

## **6.6 Development Risk**

Even if the Company discovers significant reserves of minerals, there is a risk that the Company will not be able to economically mine these minerals and produce a satisfactory commercial return. There are significant risks associated with the development of an operating mine. Before the Company can build a mine, the Company will need to obtain various regulatory approvals and licences, including environmental licences. There is no guarantee that the Company will be able to obtain the required approvals and licences or that it will be able to comply with any conditions imposed on those approvals and licences in a cost effective manner.

There are also many operational and technical risks associated with developing and operating a mine. These risks may adversely impact the economic viability of any future mining activities.

Under the laws of Papua New Guinea, upon the grant of a mining licence, or special mining licence, the State may elect at its discretion to take up to a 30% participating interest in any major mineral development in Papua New Guinea, in consideration for paying to the tenement holder 30% of the costs incurred to that point. The price at which the State is entitled to acquire this interest is unlikely to reflect the market value of that interest. If the State exercises this discretion, this is likely to have the effect of transferring value in the Company from the then existing shareholders to the State.

## **6.7 Future Capital Needs**

The Directors consider that the Company will have sufficient working capital for the Company's objectives stated in this Prospectus, following the close of the Offer. However, the Company will require additional funding to progress its projects beyond the work programs identified in this Prospectus. There is no assurance that the Company will be able to access this funding on favourable terms or at all.

## **6.8 Environmental Risk**

Mineral exploration and development carries some level of environmental risk. The Company may require statutory approval from relevant environmental authorities before it can undertake certain activities that may impact on the environment. Development of identified mineral resources will be dependent on the project meeting environmental guidelines and gaining the required approvals from government departments.

It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

## **6.9 Market Volatility**

Share market conditions may affect listed securities regardless of the operating performance of a particular company. Market conditions are affected by many factors including investor confidence, general national and global economic outlook, changes in or outlook on interest rates, changes in or outlook on inflation, commodity prices and supply of capital.

The Shares and Options of the Company may rise or fall in price depending on market conditions and investor attitude.

## **6.10 Commodity Prices and Exchange Rate Risk**

The Company's share and option price, future revenues and cash flows may be impacted by changes in the prices of minerals commodities. Commodity prices are influenced by physical and investment demand and may rise or fall. Fluctuations in commodity prices, specifically copper, molybdenum and gold, may influence individual projects in which the Company is involved.

The international prices of most commodities are denominated in United States dollars. Changes in the Australian / United States dollar exchange rate may impact the value of the Company and its Shares and Options. Exchange rates are influenced by numerous macro economic factors beyond the Company's control.

Additionally, the Company's accounts will be presented in Australian dollars, although it will incur most of its expenses in Papua New Guinea kina. The translation of expenses incurred in Papua New Guinea kina to Australian dollars for the purposes of the Company's accounts may have an adverse impact on the reported financial performance of the Company.

## **6.11 Financial Performance**

Coppermoly is a mineral exploration company. The Company has no immediate source of revenue. The Company will not generate any revenue until such time as it is able to commercially mine any mineral deposit that the Company discovers or it enters into commercial agreements with other parties for the mining of those deposits.

Consequently, until Coppermoly is able to realise value from its projects, Coppermoly will incur ongoing operating losses.

## **6.12 Reliance on Key Personnel**

As an exploration company, Coppermoly is dependent on its senior management and key personnel for the day-to-day operations and strategic management of the Company. The value of the Shares and Options and the operations of the Company could be adversely affected by the departure of any of these employees.

## SECTION 7 – ADDITIONAL INFORMATION

### 7.1 Interests of Directors and Experts of the Company

Except as set out in this Prospectus no:

- Director or proposed Director; or
- promoter of the Company,

holds or held at any time in the last two years any interest in:

- the formation or promotion of Coppermoly;
- property acquired or proposed to be acquired by Coppermoly in connection with its formation or promotion of the Offer; or
- the Offer.

The table below shows the relevant interests of each Director (held directly and indirectly) in securities of Coppermoly as at the date of this Prospectus:

Director	No. of Shares	No. of Listed Options	No. of Unlisted Options
Bob McNeil	776,000	194,000	1,000,000
Peter Swiridiuk	200,000	50,000	1,000,000
Ces lewago	260,000	65,000	-
Dal Brynelsen	1,000,000	225,000	798,750
Peter McNeil	10,000	2,500	500,000

The Directors have indicated they will take up their full entitlement under the Offer. On that basis the interest of the Directors in the securities of the Company at the completion of the Offer will be as follows:

Director	No. of Shares	No. of Listed Options	No. of Unlisted Options
Bob McNeil	1,164,000	388,000	1,000,000
Peter Swiridiuk	300,000	100,000	1,000,000
Ces lewago	390,000	130,000	-
Dal Brynelsen	1,500,000	475,000	798,750
Peter McNeil	15,000	5,000	500,000

### 7.2 Payments or benefits to Directors and Promoters

Except as set out in this Prospectus, no one has paid or agreed to pay any amount or provided or agreed to provide any benefit to:

- any Director or proposed Director to induce them to become or to qualify as a Director; or
- a Director or proposed Director or promoter, for services provided by that person in connection with:

- the formation or promotion of Coppermoly; or
- the Offer.

### **7.3 Interests of, and payment or benefits to advisers and experts**

Except as set out in this Prospectus, no person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus holds or has at any time during the last two years held, any interest in:

- the formation or promotion of Coppermoly;
- property acquired or proposed to be acquired by Coppermoly in connection with its formation or promotion or in connection with the Offer; or
- the Offer.

Except as set out in this Prospectus, no person has paid or agreed to pay any amount or provided or agreed to provide any benefit to a person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus for services provided by such person in connection with:

- the formation or promotion of the Company; or
- the Offer.

#### **Hynes Lawyers**

Hynes Lawyers will receive approximately \$19,000 (excluding GST and disbursements) from the Company for the provision of legal services to the Company in relation to the Issue.

#### **Registries Limited**

Registries Limited will receive approximately \$10,000 (excluding GST and disbursements) from the Company for the provision of share registry services to the Company in relation to the Offer.

#### **Novus Capital Limited**

Novus Capital Limited is the lead broker to the Offer and will receive \$21,000 (excluding GST and disbursements) from the Company for the provision of these services. In the event that the Offer is not fully subscribed Novus will, on a best endeavors basis, seek to place the shortfall. Novus will receive a management fee of 1% and a brokerage fee of 6% of the total shortfall placed plus one New Option, exercisable at \$0.07 cents by 1 December 2011, for every \$4.00 placed under the shortfall.

### **7.4 Costs of the Offer**

The total expenses of the Offer, assuming the offer is fully subscribed, are estimated to be approximately \$62,000, including (without limitation) ASIC fees, Share Registry fees, legal costs, broker's fees, ASX Fees and printing and other administrative expenses.

### **7.5 Consents**

The following parties have given their written consent and each have not withdrawn that consent before the date of this Prospectus:

- to be named in this Prospectus in the form and context in which they appear; and
- to the inclusion in this Prospectus of the statements and reports attributed to them, in the form and context in which they appear;

Novus Capital Limited has consented to being named in this Prospectus as Broker to the Offer.

Hynes Lawyers has consented to being named in this Prospectus as Solicitors to the Company.

Registries Limited has consented to being named in this Prospectus as share registry to the Company.

## 7.6 Liability of Persons Named in this Prospectus

For the purposes of the Corporations Act, and notwithstanding that reference may be made to parties listed elsewhere in this Prospectus, each person named in Section 7.5:

- has not authorised or caused the issue of this Prospectus;
- does not make, or purport to make, any statement in this Prospectus (except any statement specified in Section 7.5); and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus, (other than any statement specified in Section 7.5),

other than consenting to the inclusion of information as detailed in Section 7.5.

## 7.7 Brokerage & handling fees

The Company has an agreement with Novus Capital Limited (**Novus**) to act as Lead Broker to the Offer. The fees to be received by Novus in connection with this Offer are disclosed above at Section 7.3 of this Prospectus.

Brokerage and / or handling fees on Applications for Shares will be payable to member firms of ASX or licensed investment advisers on such Application Forms bearing their stamp and accepted by the Company. Any such brokerage or handling fees will be paid by Novus out of its brokerage fee.

## 7.8 Electronic Prospectus

An electronic version of this Prospectus is available from Coppermoly at the internet address [www.coppermoly.com.au](http://www.coppermoly.com.au). If you download an electronic version, make sure that you have received both a complete Prospectus and Entitlement and Acceptance Form.

Coppermoly will not accept a completed Entitlement and Acceptance Form if it has reason to believe that the Applicant has not received a complete paper copy or electronic copy of the Prospectus or if it has reason to believe that the Entitlement and Acceptance Form or electronic copy of the Prospectus has been altered or tampered with in any way.

Coppermoly has taken reasonable steps to ensure that the electronic version of the Prospectus will not be tampered with or altered in any way and believes it to be extremely unlikely that this will occur during the period of the Offer, however, Coppermoly cannot give any absolute assurance that this will not occur. Any Applicant or investor in doubt concerning the validity or integrity of an electronic copy of the Prospectus ought to immediately request a paper copy of the Prospectus (free of charge) directly from Coppermoly by contacting the Company Secretary, Maurice Gannon on +617 5592 2274.

## 7.9 Authority Of Directors

This Prospectus is issued by the Company and in accordance with Section 720 of the Corporations Act, each Director has consented and has not withdrawn that consent to the lodgement of this Prospectus with ASIC.

**Dated the 4<sup>th</sup> day of August 2009.**



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**Signed for and on behalf of  
COPPERMOLY LIMITED**

By Peter Swiridiuk

## SECTION 8 – DEFINITIONS

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**AEST** means Australian Eastern Standard Time, Brisbane, Queensland, Australia.

**Applicant** means a person who submits an Application.

**Application** means a validly completed Acceptance Form to subscribe for Shares.

**Application Monies** means monies paid by Eligible Shareholders in respect of New Shares applied for.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691), and where the context permits, the Australian Securities Exchange operated by ASX Limited.

**Board** means the board of Directors unless the context indicates otherwise.

**Broker to the Offer** means Novus Capital Limited (ACN 006 711 995).

**Business Day** means a day other than a Saturday or Sunday on which banks are open for business in Brisbane, Queensland, Australia.

**CHESS** means ASX Clearing House Electronic Subregistry System.

**Closing Date** means the date on which the Offer closes, being 8 September 2009.

**Company** means Coppermoly Limited (ACN 126 490 855).

**Corporations Act** means the *Corporations Act 2001 (Cth)* of Australia.

**Directors** mean the directors of the Company from time to time.

**Dollars or \$** means Australian dollars unless otherwise stated.

**Eligible Shareholder** means all Shareholders holding Shares other than Non-Eligible Foreign Shareholders, as at the Record Date.

**Entitlement** means the entitlement of a Shareholder who is eligible to participate in the Offer, determined as at the Record Date.

**Entitlement and Acceptance Form** means the entitlement and acceptance form enclosed with this Prospectus.

**Existing Shares** means Shares of the Company on issue as at the Record Date.

**Listing Rules or ASX Listing Rules** means the official Listing Rules of ASX.

**New Option** means a free-attaching Option offered and issued under this Prospectus, the terms and conditions of which are set out at Section 5 of this Prospectus.

**New Share** means a Share offered and issued under this Prospectus, the terms and conditions of which are set out at Section 5 of this Prospectus

**Non-Eligible Foreign Shareholder** means a Shareholder with an address in the Company register of Shareholders outside Australia or New Zealand unless the Company is satisfied that it is not precluded from lawfully issuing New Shares and New Options to that Shareholder either unconditionally or after compliance with conditions which the Board in its sole discretion regards as acceptable and not unduly onerous.

**October 2007 Prospectus** means the prospectus lodged by the Company with ASIC and dated 25 October 2007.

**Offer** means a pro-rata non-renounceable entitlement issue to Shareholders who are registered at 5.00pm AEST on the Record Date, of up to 41,007,644 Shares on the basis of 1 New Share for every 2 Existing Shares held by Shareholders on the Record Date, with one free-attaching New Option for every 2 New Shares subscribed for.

**Offer Period** means the period commencing on the Opening Date and ending on the Closing Date.

**Offer Price** means \$0.05 per New Share.

**Prospectus** means this Prospectus.

**Official List** means the Official List of ASX.

**Opening Date** means the date on which the Offer opens, being 4 August 2009.

**Option** means an option to subscribe for a fully paid ordinary share in the Company.

**Option Holder** means a person who holds an Option.

**Quotation and Official Quotation** means official quotation on ASX.

**Record Date** means 13 August 2009.

**Registry** means the Company's share registry, Registries Limited.

**Right or Rights** means the right to subscribe for New Shares and New Options under this Offer.

**Rights Issue** means the entitlement to New Shares and New Options available for issue under this Prospectus.

**Share** means a fully paid ordinary share in the Company.

**Share Register** means the register of Shareholders maintained by Registries Limited.

**Shareholder** means a holder of Shares.

**Shortfall** means the number of New Shares comprising the difference between the New Shares the subject of this Offer, being 41,007,644, and the number of New Shares for which Applications have been received and accepted by the Company by the Closing Date.



## RIGHTS ISSUE ENTITLEMENT AND ACCEPTANCE FORM

NON-RENOUNCEABLE ISSUE OF UP TO 41,007,644 NEW SHARES AT AN ISSUE PRICE OF FIVE CENTS EACH ON THE BASIS OF ONE NEW SHARE FOR EVERY TWO ORDINARY SHARES HELD, PAYABLE IN FULL UPON ACCEPTANCE OF THIS OFFER. IN ADDITION FOR EVERY TWO SHARES PURCHASED UNDER THE RIGHTS ISSUE YOU WILL RECEIVE ONE FREE ATTACHING OPTION WITH AN EXERCISE PRICE OF \$0.07 EXPIRING 1 DECEMBER 2011.

Entitlement No.

Subregister

SRN/HIN.

Number of Shares held at 5pm on 13  
August 2009

**Offer Closes: 8 September 2009 at 5:00pm AEST**

<Barcode>

### A Rights Acceptance

If you wish to accept your FULL ENTITLEMENT please complete and return this form WITH YOUR PAYMENT FOR THE AMOUNT SHOWN BELOW. The return of this form by the close date with payment will constitute acceptance of the Offer. Your signature is only required when an alteration to your address is indicated by you over the page.

Entitlement to New Shares on the basis of one New Share for two Ordinary Shares held	Price Per Share	Amount Payable for Full Acceptance, at \$0.05 per New Share
	<b>\$0.05 per Share =</b>	

If you wish to accept PART ONLY OF YOUR ENTITLEMENT please complete this form showing in the box below the NUMBER OF NEW SHARES BEING ACCEPTED and the appropriate amount payable.

Number of New Shares accepted	Price Per Share	Amount Enclosed
	<b>\$0.05 per Share =</b>	<b>\$</b>

### B Apply for Shortfall shares (if available)

If you wish to apply for additional shares to your Rights Entitlement above please insert the number of shares in the box below and the appropriate amount payable. These additional shares will only be allotted if available.

Number of Additional Shares Applied for	Price Per Share	Amount Enclosed
	<b>\$0.05 per Share =</b>	<b>\$</b>

### C Payment

Payment may only be made by BPAY or cheque. Cash will not be accepted via the mail or at the Coppermoly Limited Share Registry. Payments cannot be made at any bank.

#### Payment Option 1 - BPAY



**Bill Code: XXXX**  
**Ref: «BPayCRN»**

#### Telephone & Internet Banking - BPAY®

Contact your bank, credit union or building society to make this payment from your cheque or savings account.

More info: [www.bpay.com.au](http://www.bpay.com.au)

® Registered to BPAY Ltd ABN 69 079 137 518

- To pay via BPAY please contact your participating financial institution
- If paying by BPAY you do not need to return the Application Form
- If paying by BPAY the amount of your payment received in the account divided by the issue price will be deemed to be the total number of Shares you are applying for.

#### Payment Option 2 – Cheque (Record cheque details below)

DRAWER	CHEQUE NO.	BSB NO.	ACCOUNT NO.	AMOUNT \$AUD
				<b>\$</b>

- Only cheques or bank drafts in Australian dollars and drawn on a bank or financial institution in Australia will be accepted.
- Your cheque or bank draft must be made payable to Coppermoly Limited and crossed Not Negotiable.
- Please ensure that you submit the correct amount. Incorrect payments may result in your application being rejected.

**THIS FORM CONTINUES OVERLEAF**

## D Contact Details

CONTACT NAME	TELEPHONE WORK	TELEPHONE HOME	EMAIL ADDRESS
	( )	( )	

By submitting this Application Form or by using the BPAY facility to accept the Offer, I/We represent and warrant that I/we have read and understood the Prospectus to which this Application Form relates and declare that this Application is completed and lodged according to the Prospectus and the instructions on the reverse of the Application form and declare that all details and statements made by me/us are complete and accurate. I/We agree to be bound by the constitution of Coppermoly Limited and agree to the terms and conditions of the Offer under this Prospectus. I/We represent and warrant that I/we have not relied on any other information provided by the Company other as set out in this Prospectus when making my/our decision to invest.

## LODGEMENT INSTRUCTIONS TO APPLICANTS

Please read these instructions carefully

### ACCEPTANCE OF YOUR ENTITLEMENT IN FULL OR PART

Multiply the number of New Shares for which you are accepting by \$0.05 then fill in the acceptance details, where necessary, in the space provided on the front of this form. Complete your cheque details on the front of this form and send your cheque/draft and completed form to:

Registries Limited  
GPO Box 3993  
SYDNEY NSW 2001

Telephone No. 02 9290 9600  
Facsimile No. 02 9279 0664

If you do not deal with your entitlement it will lapse at 5.00 pm AEST on 8 September 2009.

### PAYMENT

#### Cheque or Draft

All cheques or drafts (expressed in Australian currency) are to be made payable to "Coppermoly Limited" and crossed "Not Negotiable".

#### BPAY

If you make payment using BPAY you must contact your Australian bank, credit union or building society to make this payment from your cheque or savings account. For more information: [www.bpay.com.au](http://www.bpay.com.au). Refer to the front of this form for the Biller Code and Customer Reference Number. Payments must be received by BPAY before 5.00 pm AEST on 8 September 2009.

### PAYMENT - OVERSEAS RESIDENTS

Overseas shareholders who are permitted to apply for shares must obtain a draft in Australian currency payable on a bank in Australia, or where the shareholder has an account with a bank in Australia, by a cheque drawn on that bank within Australia.

The Australian currency draft should be attached to your completed form and the document mailed to:

Registries Limited  
GPO Box 3993  
SYDNEY NSW 2001

OVERSEAS SHAREHOLDERS ARE ADVISED TO ENSURE THEIR DOCUMENTS ARE POSTED TO AUSTRALIA BY AIRMAIL.

Personal cheques drawn on overseas banks in Australian or any foreign currency will not be accepted. These will be returned and the acceptance deemed to be invalid.

### INTERPRETATION

Terms used in this Entitlement and Acceptance Form have the same meaning as defined in the Prospectus.

### CHANGES OF ADDRESS SUPPORTED BY YOUR SIGNATURE(S)

If your address is not exactly as shown, please provide details below. This is only relevant for Issuer Sponsored registered holdings. CHES holders must notify your sponsoring broker for amendments to holdings on the CHES Subregister.

CHANGE OF ADDRESS DETAILS – ISSUER SPONSORED ONLY		
SIGN HERE FOR ADDRESS AMENDMENTS:		

Shareholder 1 (Individual) /  
Sole Director & Sole Company  
Secretary

Joint Shareholder 2 (Individual) /  
Director

Joint Shareholder 3 (Individual) /  
Director/Company Secretary  
(Delete one)

#### Privacy Statement:

Registries Limited advises that Chapter 2C of the Corporations Act 2001 (Cth) requires information about you as a shareholder (including your name, address and details of the shares you hold) to be included in the public register of the entity in which you hold shares. Information is collected to administer your share holding and if some or all of the information is not collected then it might not be possible to administer your share holding. Your personal information may be disclosed to the entity in which you hold shares. You can obtain access to your personal information by contacting us at the address or telephone number shown on the Application Form.

Our privacy policy is available on our website ([http://www.registriesltd.com.au/help/share\\_privacy.html](http://www.registriesltd.com.au/help/share_privacy.html)).