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ASX Announcement

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ASX Code: COY

CONTINUITY OF COPPER MINERALISATION AT SURFACE BETWEEN MISILI AND HORSESHOE PROSPECTS AT SIMUKU

Continuity of copper mineralisation at surface has been demonstrated between the Misili and Horseshoe prospects over a 400 metre by 400 metre area, which includes an intersection of 177 metres grading 0.54% copper equivalent* (refer to Figures 1, 2 and 3).

All assay results have now been received from Coppermoly's 2008 trenching programme at the Simuku Project. Over ten kilometres of access tracks and bulldozer trenching were completed during 2008 for a total of over twenty eight kilometres completed at the project to date.

Recent trenching at the Nayam prospect has extended known surface mineralisation in the area to over one kilometre in length, which includes 117 metres grading 0.78% copper equivalent* (previously reported) and 30 metres grading 0.72% copper equivalent* at Nayam North (N7), refer to Table 1.

From both the 2008 and historical trench results over the entire system, together with thirty one diamond drillholes totalling over 6,021 metres, widespread copper mineralisation is discontinuously present over an area about 4.5km by 1.0km. The mineralisation occurs up to 364m depth within the copper mineralisation envelope and anomalous geophysical results (Refer to Figure 1).

Peter Swiridiuk (Managing Director) commented *"It is encouraging to see continuous copper mineralisation between the Misili and Horseshoe prospects. Our initial resource estimation will be between only the Nayam and Misili prospects. With further drilling, there will be potential for a significant expansion of tonnage and grade up to a further three kilometres to the south of the resource estimation area. Simuku is a very major mineralised system on the door step of a port, a major town and a potential geothermal energy source, so the vital infrastructure is already in place for any future development"*.

Results from a resource estimation currently being completed in accordance with the guidelines of the JORC Code, covering about one third of the known porphyry style mineralisation, are expected to be available for release in April.

Trench Name	Intersection Number	Width (m)	Copper%	Molybdenum%	Gold g/t	Silver g/t	Cu.Eq%
Nayam		117	0.61	86	0.1	2.6	0.78
Nayam South	N1	48	0.24	16	0.04	1.4	0.3
	N2	21	0.16	22	0.02	0.7	0.2
	N3	15	0.23	15	0.02	0.8	0.26
	N4	33	0.20	19	0.03	1.8	0.26
	N5	27	0.30	42	0.05	2.1	0.38
	West - N6	18	0.25	15	0.03	0.9	0.30
Nayam North	N7	87	0.33	62	0.05	4.0	0.46
	Including	30	0.50	90	0.08	8.7	0.72
Nayam East	N8	10	0.08	0	0.21	4.2	0.28
Misili to Horseshoe	H1	9	0.26	9	0.12	1.5	0.37
	H2	3	0.04	4	0.76	6.1	
		57	0.46	53	0.07	1.8	0.57
	H3	63	0.24	9	0.04	1.5	0.30
		21	0.20	21	0.06	3.7	0.30
		39	0.26	10	0.06	1.9	0.33
		15	0.36	15	0.07	2.3	0.46
	H4	39	0.31	30	0.09	3.9	0.44
	H5	113	0.23	54	0.09	3.0	0.34
	H6	45	0.20	41	0.05	2.2	0.29
	H7	9	0.30	25	0.06	2.4	0.40
		9	0.21	8	0.05	1.5	0.27
H8	177	0.35	72	0.14	2.9	0.54	

Table 1: Weighted assay averages for significant 2008 trench results (0.2% Cu. Eq* cut-off)

About Coppermoly Limited:

Coppermoly Ltd is focussed on exploring for copper-gold-molybdenum and gold deposits on the island of New Britain in Papua New Guinea. It holds title to three Exploration Licences EL 1077 (Simuku), EL 1043 (Mt. Nakru) and EL 1445 (Talelumas) covering 170 km². Substantial surface exploration has been completed, with widespread copper-gold mineralisation defined relatively close to essential infrastructure including roads, an airfield and a deep water port.

On behalf of the board,



Peter Swiridiuk
MANAGING DIRECTOR

For further information please contact Peter Swiridiuk on (07) 5592 1001 or visit www.coppermoly.com.au.

The information in this report that relates to Exploration Results and is based on information compiled by Peter Swiridiuk, who is a Member of the Australian Institute of Geoscientists. Peter Swiridiuk is a consultant to Coppermoly Ltd. Peter Swiridiuk has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Peter Swiridiuk consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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***Copper Equivalent**

Mineralisation at Simuku consists of copper, molybdenum, gold and silver. Copper equivalent* is calculated as follows:

Metal (assay results)				Metal Price 9 Dec 2008		Factors		Value Calculation	Metal value US\$
A				B		C			
1	Copper	Cu	ppm	1.44	US\$/lb	453.59	ppm/lb	1A x (1B/1C) =	M
2	Molybdenum	Mo	ppm	11.00	US\$/lb	453.59	ppm/lb	2A x (2B/2C) =	N
3	Gold	Au	g/t	772.00	US\$/oz	31.103	g/oz	3A x (3B/3C) =	O
4	Silver	Ag	g/t	10.00	US\$/oz	31.103	g/oz	4A x (4B/4C) =	P
Sum of metal values								S	M+N+O+P
Metal equivalent in Copper ppm								Cu. Eq	S / 1B x 1C

Notes:

- The copper equivalent* values for intersections are quoted in addition to individual metal values, as they provide the most meaningful comparisons between different drill holes and trenches. The copper equivalent value will vary with the metal prices.
- All stated intersections are weighted assay averages ((Sum of each total interval x grade) / Total length of intersection) with a cut-off of 0.1 g/t gold or 0.2% copper.
- Copper Equivalent* (Cu. Eq*) is the contained copper, molybdenum, gold and silver and that are converted to an equal amount of pure copper and summed (based on assays of mineralised rock and actual metal prices). It is used to allow interpretation of the possible theoretical 'value' of mineralised rock, without consideration of the ultimate extractability of any of the metals.
- Island Arc related porphyry copper – molybdenum - gold – silver deposits such as Simuku typically recover those metals subject to prevailing metal prices and metallurgical characteristics.
- The ASX requires a metallurgical recovery be specified for each metal, however, no testwork has ever been undertaken at Simuku and recoveries can only be assumed to be typical for Island Arc porphyry copper – molybdenum –gold –silver deposits.
- It is the Company's opinion that each of the elements included in the metal equivalents calculation has reasonable potential to be recovered if the project proceeds to mining.
- Trench samples were sampled at 3 metre intervals and transported to the camp site. The samples are then transported to the town of Kimbe where they are air freighted to Intertek in Lae (PNG) for sample preparation. Samples are dried to 106 degrees C and crushed to 2-3 mm. Samples greater than 2kg are rifle split down to 1.5kg and pulverised to 75 microns. The final 300g sized pulp samples are then sent to Intertek laboratories in Jakarta for geochemical analysis. Intertek analyse for gold using a 50g Fire Assay with Atomic Absorption Spectroscopy finish. Other elements are assayed with ICPAES Finish. Copper values greater than 1000ppm are re-assayed using a multi acid digest (hydrochloric, nitric, perchloric and hydrofluoric acid) to leach out the copper with an ICP finish. Molybdenum samples greater than 100ppm were check assayed using X-Ray diffraction. Intertek laboratories have an ISO 17025 accreditation.

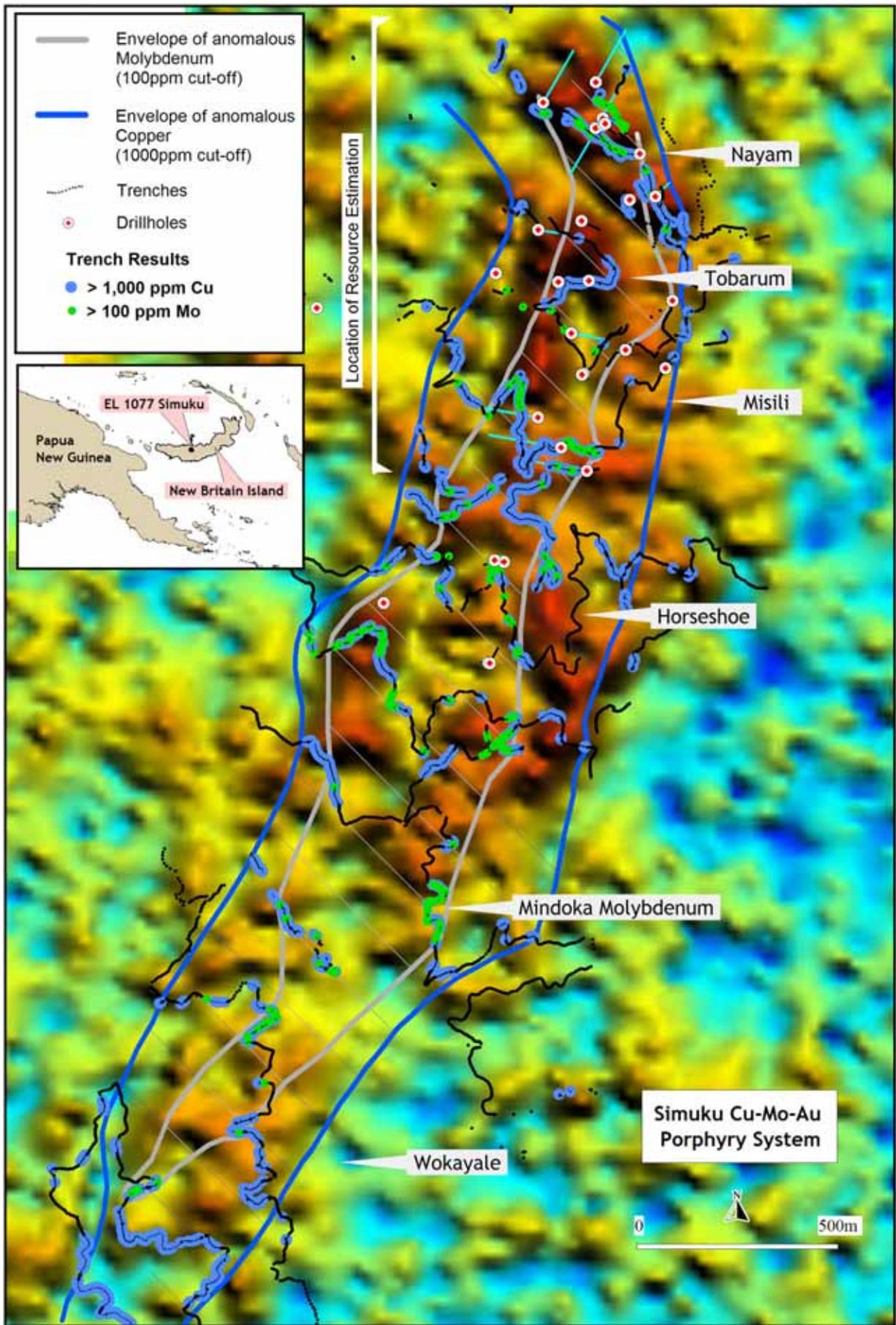


FIGURE 1

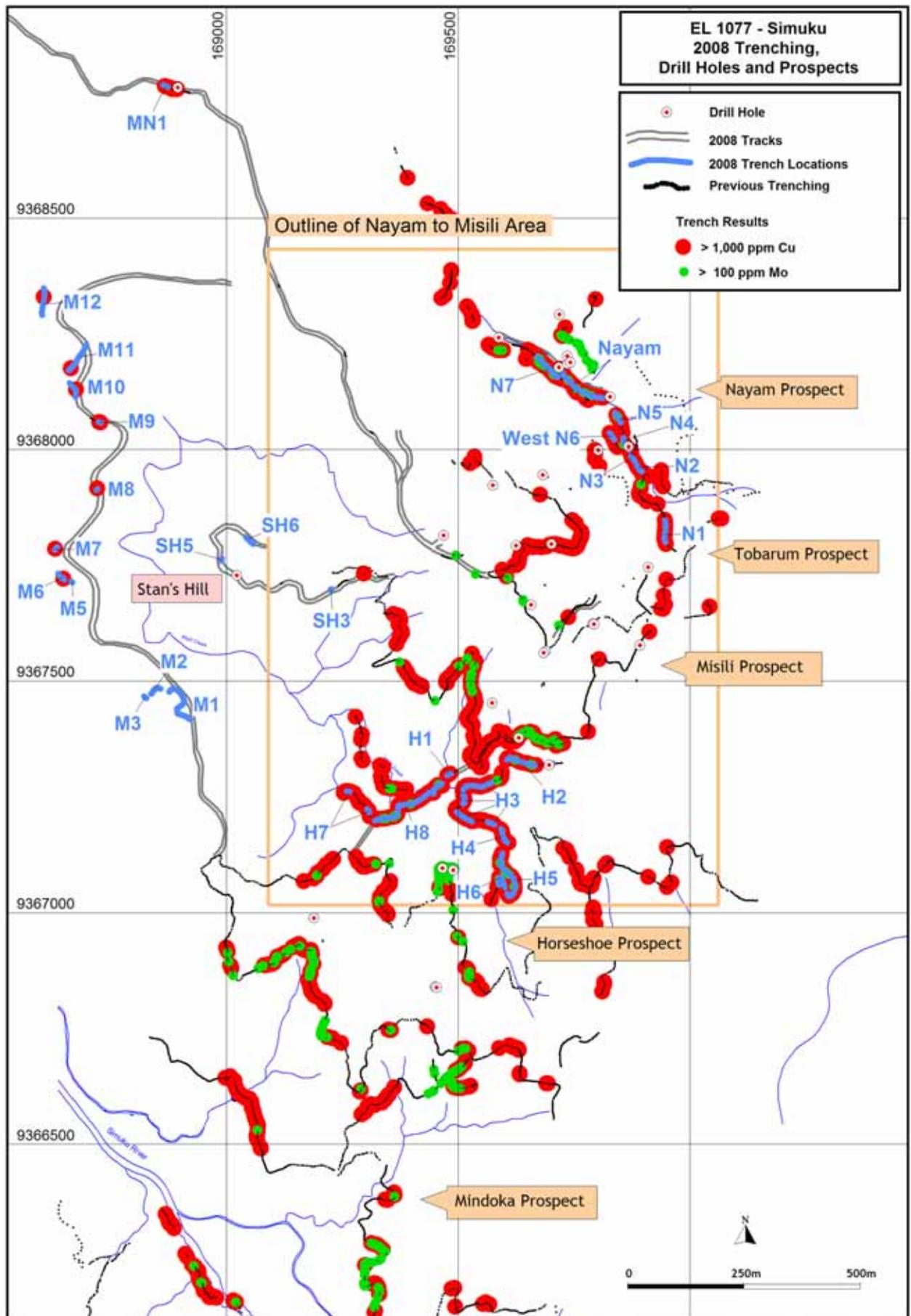


FIGURE 2

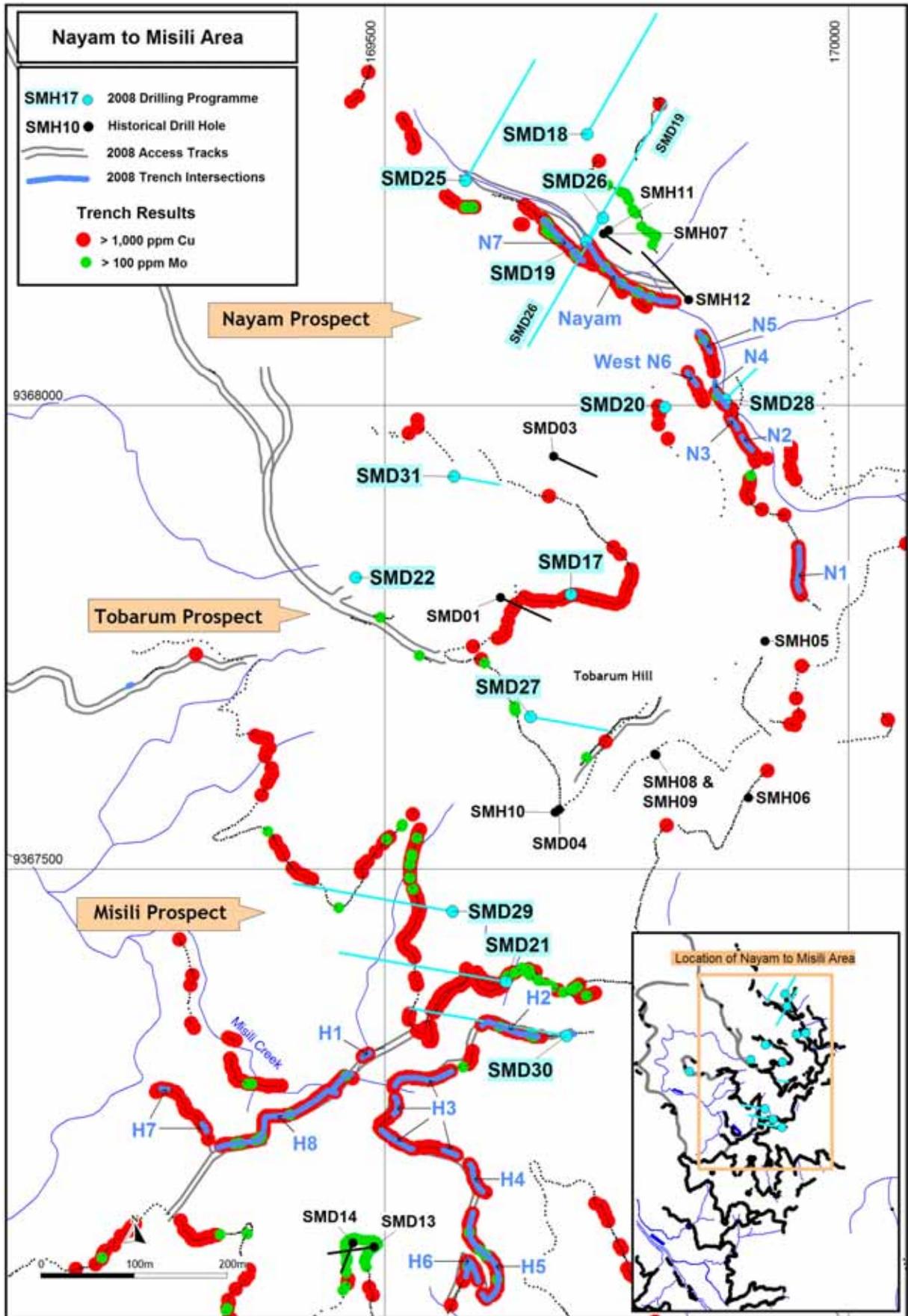


FIGURE 3