



COPPERMOLY
Limited

ADDRESS

PO Box 6965
Gold Coast Mail Centre
Qld 9726 Australia

ABN 54 126 490 855

PHONE

+61(07) 5592 1001

FAX

+61 (07) 5592 1011

EMAIL

info@coppermoly.com.au

WEBSITE

www.coppermoly.com.au

ASX Announcement

24th October 2011

ASX Code: COY

FARM-IN TO COPPER-GOLD PROJECT IN QUEENSLAND

Coppermoly Limited has signed an agreement with ActivEX Limited (ASX: AIV) to farm-in to the **Esk Trough Project** in South East Queensland. Coppermoly can to earn a 51% interest and can elect to advance its interest to 70%.

Managing Director Peter Swiridiuk commented, "The Esk Trough Project has advanced exploration prospects which can be immediately drill tested. We believe that there is great potential to quickly add-value with a targeted drilling program in 2012.

Coppermoly has its three copper-gold-zinc (molybdenum) properties in Papua New Guinea currently being drill tested by Barrick, one of the world's largest mining companies. We have three additional tenements under application in PNG, however getting tenements granted in PNG can take years.

Both the Queensland and Papua New Guinea projects have significant drill hole intersections, are accessible by roads and track and are close to existing infrastructure all of which are important ingredients for any future development."

Terms of the agreement provide for Coppermoly to farm-in to the joint venture area by electing to sole funding exploration spending of \$3M over three years to earn a 51% interest. The minimum expenditure commitment is \$0.5M in the first year (which is included in the \$3M should Coppermoly elect to proceed).

Once Coppermoly has completed the first \$3M earn-in it can elect to continue sole funding the exploration program by spending an additional \$3M to earn a cumulative 70% interest in the area. If and when Coppermoly has earned 70%, ActivEX can elect to claw back a 10% interest (i.e. to 40%) by sole funding \$6M of exploration expenditure. The joint venturers will contribute on a pro-rata basis if either Company discontinues sole funding.

The program in the first twelve months will be focused upon drill testing prospects that have already been identified by a combination of surface geochemistry, geophysics and historical drilling results.

At the Kakapo prospect within the Boobyjan tenement an intersection of 88m grading 0.47% copper and 0.49 g/t gold was obtained at 38 metres depth in a reverse circulation (RC) drilling programme. It will be critical to test this intercept by diamond drilling to provide repeatable assay grades and reliable geological indicators (i.e. mineralisation and geometry) for porphyry copper-gold mineralisation. Additional drilling targets also exist at nearby prospects - Hinds, Kiwi, White Horse, and Bath (Refer to Figure 2).

Should diamond drilling be successful, further geophysical and geochemical surveys will be applied to prospects on the other tenements.

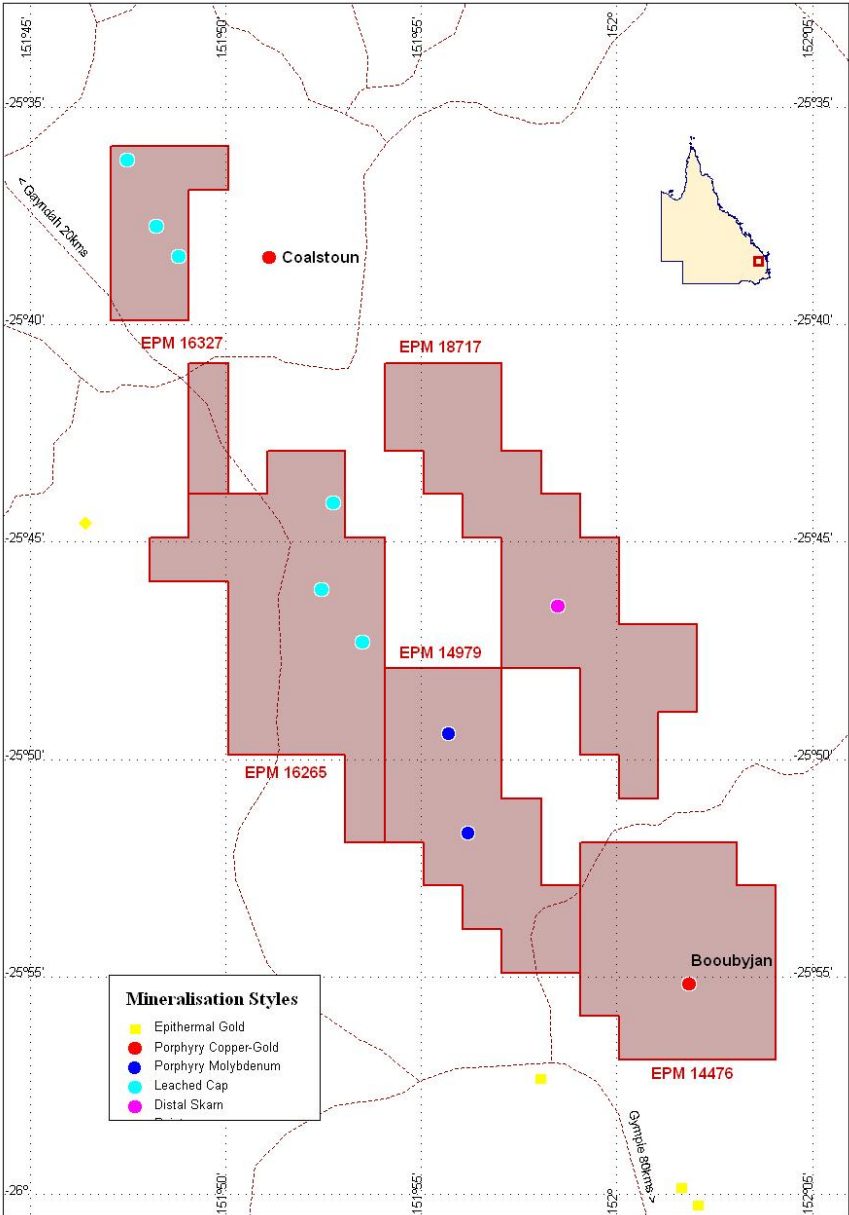


Figure 1: Location Plan of Esk Trough Project, South East Queensland

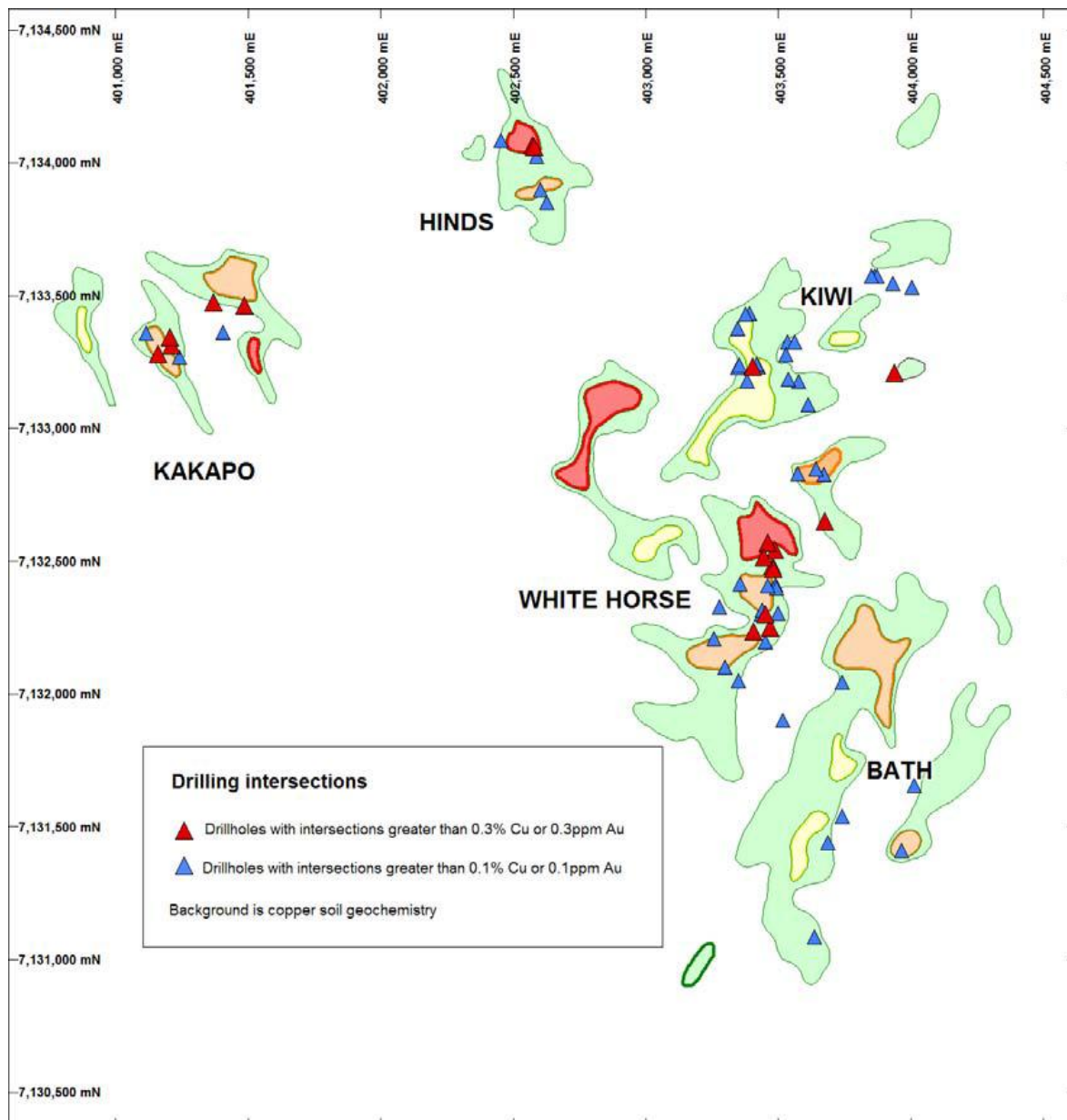


Figure 2: Boobyjan Geochemistry and Significant Drillhole Intersections

On behalf of the board,

P. Swiridiuk

Peter Swiridiuk
MANAGING DIRECTOR

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

The information in this report that relates to Exploration Results 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 and is employed by Aimex Geophysics. 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.