



**COPPERMOLY**  
Limited

10 July 2013

ASX Code: COY

## June 2013 Quarterly Report

Queensland-based mineral explorer Coppermoly Limited (ASX: COY) is pleased to report its activities on the Company's projects on New Britain Island, Papua New Guinea (PNG) for the quarter ending 30 June 2013.

### **SUMMARY**

- Agreement signed to enable Coppermoly to acquire Barrick's interest in the West New Britain Project Exploration Licences – with staged payments over five years
- Coppermoly will then hold 100% of the West New Britain project licences
- Fully underwritten 1-for-4 non-renounceable entitlement offer to be undertaken to raise approximately \$1.95 million at a premium price of \$0.045 per share
- Funds will be used to make the first acquisition payment to Barrick and to recommence exploration on all exploration licences
- Completion of phases 3 and 4 of exploration on the 100% owned Makmak tenement (EL 2014) on the south coast of New Britain Island, Papua New Guinea – assays and evaluation of results are pending
- Mr. Tom Revy appointed Non-Executive Chairman

### **SEPTEMBER QUARTER PLANS**

- Complete the scheduled capital raising;
- Plan and commence exploration programs to meet the licence requirements during the current tenement years (which extend into the December quarter). This will entail, as a minimum, drilling of two holes on Simuku and surface exploration activities on Nakru and Taleluma Exploration Licences.

### **EXPLORATION ACTIVITIES**

#### **West New Britain Project Exploration Licences**

During the quarter, Coppermoly entered into a binding agreement with Barrick (PNG Exploration) Limited (Barrick) and Coppermoly's wholly-owned subsidiary, Copper Quest PNG Limited, to re-acquire Barrick's interest in the tenements EL 1043, EL 1445 and EL 1077 located on New Britain Island, Papua New Guinea (West New Britain Project).

A Condition Precedent of the Acquisition (which can only be waived by Coppermoly) is that Coppermoly raise \$2 million on or before 14 August 2013. Further details of the acquisition can be found in the corporate section on page 5.

Exploration on the West New Britain Project is expected to recommence in Q3 2013.

## Makmak tenement

The Makmak tenement is accessible via 4WD vehicle along logging tracks from Kimbe, the Provincial Capital of West New Britain, on the north coast of the island (Figure 1).

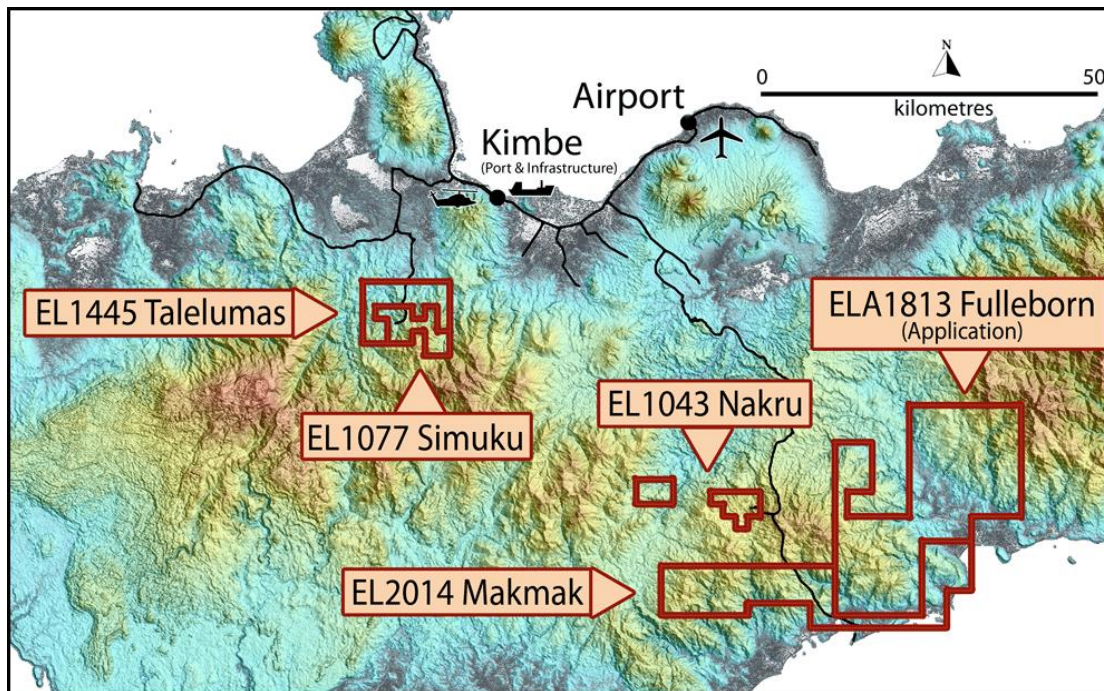


Figure 1: Location of EL2014 Makmak tenement on central New Britain Island.

Phases 3 and 4 of exploration on Coppermoly's 100% owned Makmak tenement (EL 2014) on the south coast of New Britain Island, Papua New Guinea were completed during the June quarter. Assay results were received on Friday 5<sup>th</sup> and Monday 8<sup>th</sup> July 2013. The analysis of the two phases of the exploration program and the assay results are currently being conducted and will be the subject of a separate announcement as soon as it is complete.

The program was designed to follow up exploration activity carried out by Coppermoly in Q4 2012, associated with:

- Aeromagnetic modelling of MK004 and MK005 anomalies
- Elevated grab sample assays from the Pulding copper prospect
- Enriched ferruginous mineralisation from Wara Creek, near MK005



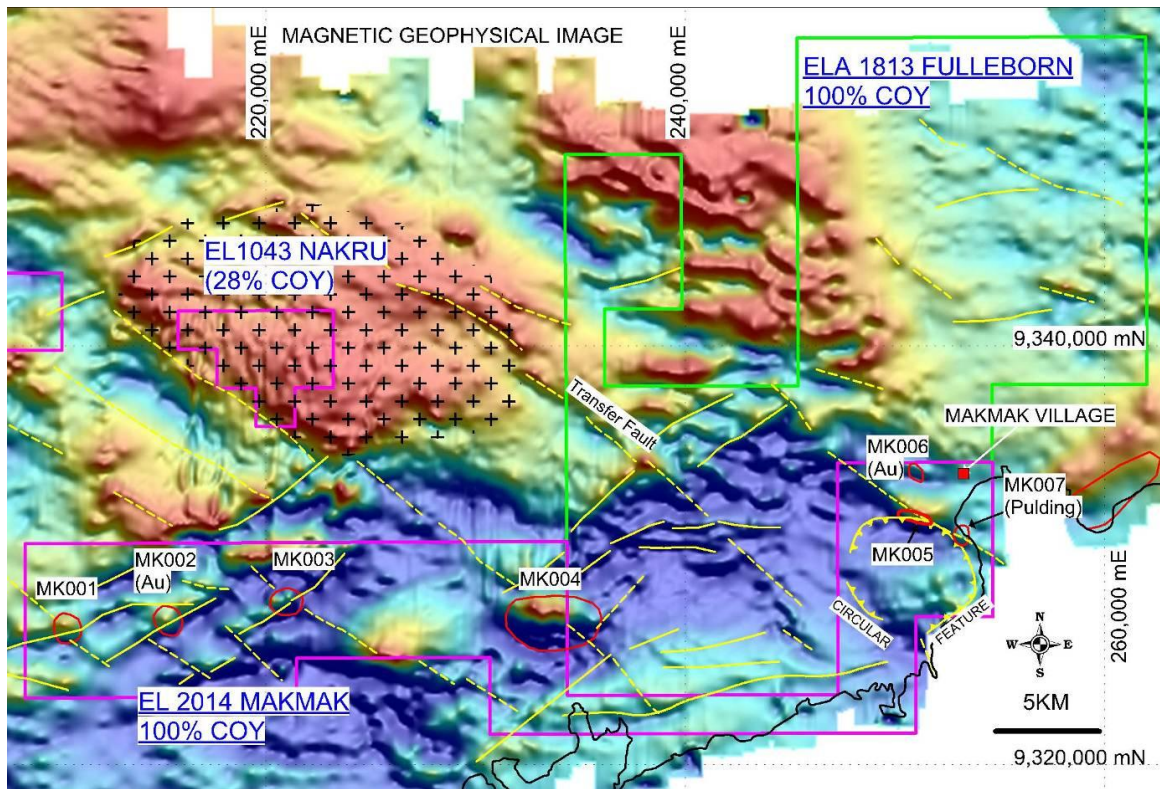


Figure 2: Makmak targets on airborne geophysical magnetics image (TMI)

- Pulding Prospect

With primary chalcopyrite exposed at the surface, the exploration program at Pulding focused on rock chip, float and soil sampling to determine the relative extents of local base metal mineralisation.

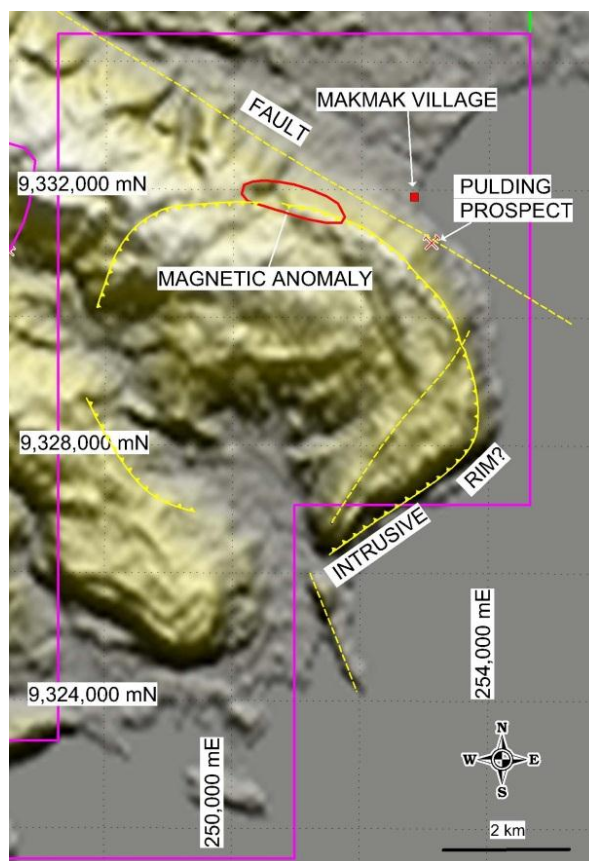


Figure 3: Pulding Prospect on SRTM topography

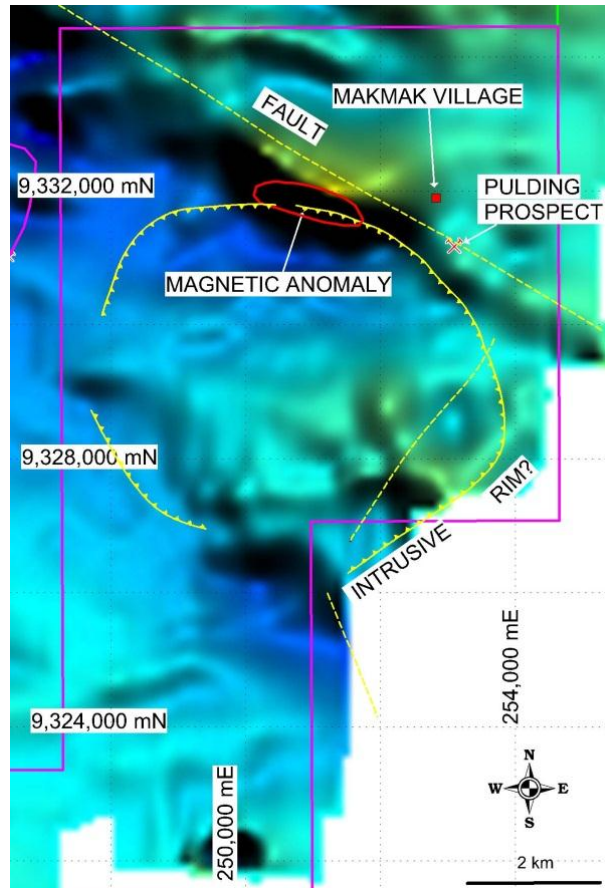


Figure 4: Puling prospect on airborne geophysical magnetic (TMI)

- MK004 Aeromagnetic Anomaly

Computer modelling indicates a large magnetic source (~2km<sup>3</sup>) which also straddles a major topographic lineament. Preliminary prospecting and mapping has been conducted on part of this broad anomalous zone.

- MK005 Aeromagnetic Anomaly

High-grade magnetite/martite (hematite) breccia samples were collected at Wara Creek in earlier phases of exploration. The sampling and mapping program prospected for similar ferruginous mineralisation in the creeks between Wara Creek and Puling, as well as the ridge separating these creeks and overlying the MK005 aeromagnetic anomaly.

#### Tenement administration

Coppermoly currently has three exploration licence applications pending:

#### ELA 1782 – Powell

This application is located in East New Britain. The application was lodged in February 2010 and the Warden's Hearing was held in May 2010. It is yet to be considered by the Mining Advisory Council.

#### ELA 1813- Fulleborn

This application is contested by an overlapping application from another company. Coppermoly's application is considered 'second in time' however if the other company's application is ultimately refused then Coppermoly's application for the total area will proceed as originally applied for.

#### ELA 2272 – Wowonga

This application covers a small area on the south coast of West New Britain neighbouring the eastern boundary of the Makmak Exploration Licence. It contains a geophysical anomaly which the Company is interested in examining.

The Company is actively pursuing the grant of these tenements and the expediting of the outstanding renewal applications.

## **CORPORATE**

In April 2013, following an Extraordinary General Meeting (EGM) requisitioned under section 249D of the Corporations Act, Coppermoly's current Board of Directors was retained by a majority vote of shareholders.

Mr Tom Revy was appointed Non-Executive Chairman on 20 May 2013. Mr Revy is a mining professional with more than 30 years' experience in the industry including operations, process design and commissioning, technical and general management, business development, project and company evaluation and corporate management spanning projects in Papua New Guinea, Australia, the Americas, Africa and China.

On 26 June 2013, Coppermoly announced a fully underwritten one-for-four (1:4) non-renounceable pro-rata entitlement offer to Coppermoly shareholders to raise up to approximately \$2 million before costs and expenses at an offer price of \$0.045 per share.

The offer incorporates a shortfall facility under which eligible shareholders can apply to take up additional Coppermoly shares in excess of their entitlements under the offer.


The record date for the offer is 7pm (AEST) on 9 July 2013. Shares will be quoted on an 'ex' basis from 3 July 2013. Any shares bought on market, on and after this date will not be entitled to participate in the offer.

The funds raised from the offer will be used for the first payment for the acquisition of Barrick (PNG Exploration) Limited's interest in tenements EL 1043, EL 1445 and EL 1077 located on New Britain Island, Papua New Guinea (West New Britain Project). Funds raised under the offer will also be applied to further exploration on the West New Britain Project and general working capital expenses including upgrading operating plant and equipment.

The offer is fully underwritten by Jelsh Holdings Pty Ltd.

A prospectus in connection with the offer and shortfall offer was lodged with ASIC and the ASX on 26 June 2013 and is available on Coppermoly's website [www.coppermoly.com.au](http://www.coppermoly.com.au).

On behalf of the board,



Maurice Gannon  
**MANAGING DIRECTOR**

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### **About Coppermoly**

Coppermoly is an exploration company focused entirely on the island of New Britain in Papua New Guinea (PNG) where it holds four exploration licences and an additional three under application. These licences cover copper, gold, silver, zinc, molybdenum and iron mineralisation. The four current tenements at Simuku, Talelumas, Nakru and Makmak cover 450 square kilometres.

## **Competent Person Statement**

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The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Dr. Geoff Booth BSc, MSc, Ph.D, who is a Fellow and Chartered Professional (CP) of the Australasian Institute of Mining and Metallurgy ("AusIMM") and is bound by and follows the Institute's codes and recommended practices. Dr. Booth is a non-executive director of Coppermoly Limited. He has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr. Booth consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.