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ASX Announcement

22nd April 2010

ASX Code: COY

TECHNICAL REPORT – QUARTER ENDED 31 MARCH 2010

HIGHLIGHTS

- Barrick begins field operations on Coppermoly's tenements
- Coppermoly identifies copper belts to assist in projects acquisition

1.0 BARRICK BEGINS FIELD OPERATIONS

The diamond drilling programme at Nakru is expected to begin in late April and will test the depth extent of surface mineralisation and the copper related geophysical Induced Polarisation targets. It is anticipated that additional exploration will include extensive surface sampling beneath ash cover, geological mapping and diamond drilling programmes both at Nakru and Simuku.

As part of the preparations for the upcoming exploration programmes on the Coppermoly Nakru, Simuku and Talelumas projects (Refer to Figure 1), Barrick (PNG Exploration) Ltd (Barrick) have undertaken on-site inspections and completed a formal risk assessment for camp re-construction, geological mapping and geochemical sampling. Barrick are expected to have established their own office, staff and communications for their base of operations in Kimbe, the capital of West New Britain Island province, by the end of April.

By re-processing the Nakru geophysical data and reviewing all drillhole data, conceptual exploration models have been generated and a drill programme designed by Barrick (Refer to Figure 2).

There has been higher than usual rainfall in the region over the past three months. This has slowed the progress of upgrading track access to the Nakru drilling sites. Repair of the track is continuing and landowner negotiations have been finalised in readiness for the upcoming drilling programme.

During the past three months Barrick have compiled and validated historical geochemical and geophysical data and integrated the information into a master database. Representative samples from the existing Nakru drill core have been taken for petrographic and petrophysical studies to help understand the mineralisation and its relationship with geophysical anomalies. Drillhole samples are being re-assayed for a broader suite of elements and historical geological, geochemical and geophysical data are being compiled to assist interpretation and definition of mineralisation potential in the broader area.

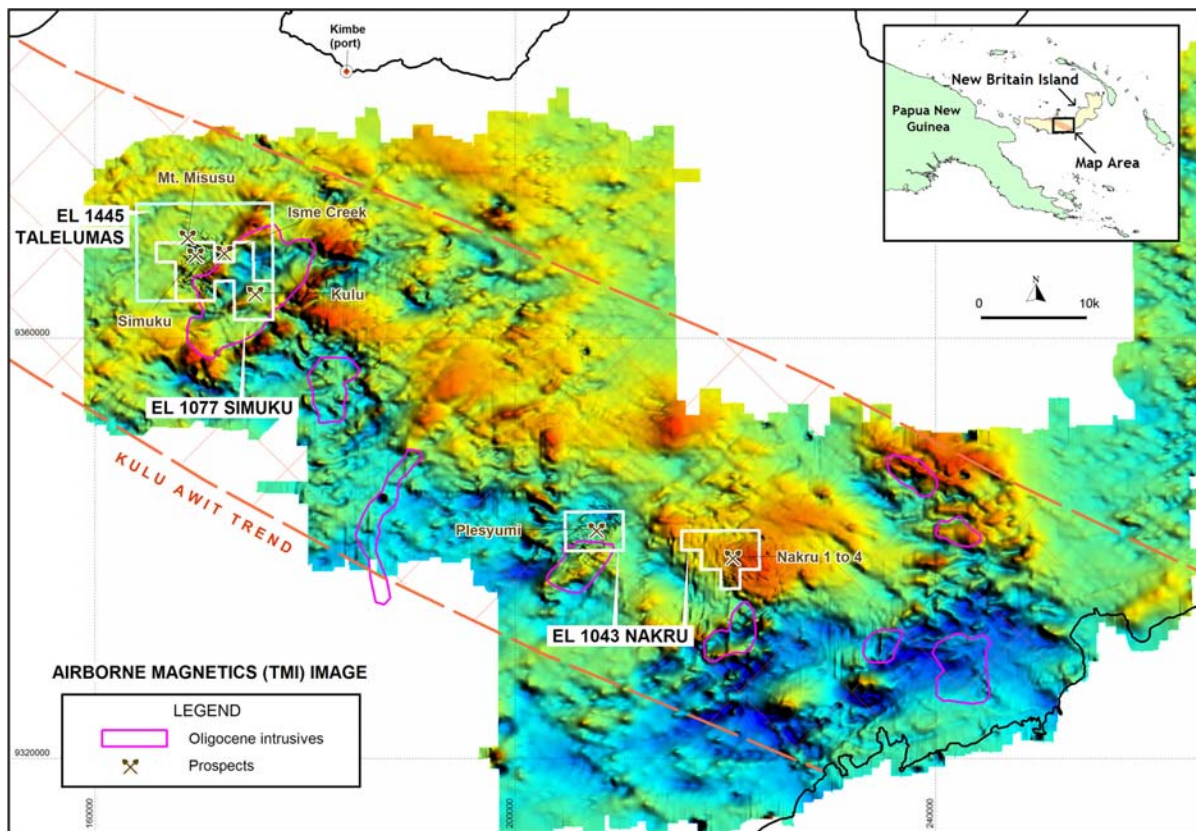


FIGURE 1

2.0 NAKRU COPPER-GOLD-MOLYBDENUM SYSTEMS – HISTORIC DATA SUMMARY

The Mt. Nakru tenement encloses copper-(gold) and copper-(molybdenum) hydrothermal breccia, porphyry and/or volcanogenic hosted massive sulphide (VHMS) style mineralising systems.

The **Nakru-1 prospect** possesses a strong and sizeable Three Dimensional Induced Polarisation (3DIP) anomaly associated with anomalous copper from drilling and surface bulldozer trenching results. Four historical drillholes tested the south-western portion of the 3DIP anomaly which is proven to be associated with copper mineralisation (Refer to Table 1).

Table 1: Nakru-1 Drillhole Intersections into Part of the 3DIP Anomaly

Drillhole	From (m)	To (m)	Width (m)	Au (g/t)	Cut Off Grade (g/t)	Cu (%)	Cut Off Grade (%)
NAK001	0	16.3	16.3	0.87	0.2	0.13	0.1
	32	81.4	49.4	0.06	0.01	0.46	0.1
	including 73.8	81.4	7.6	0.02	0.02	1.1	0.2
NAK003	0	43.55	43.55	0.37	0.1	0.08	0.05
	85	171.15	86.15	0.46	0.05	0.46	0.2
NAK006 (Q74D6)	0	18	18	0.18	0.1	0.12	0.1
	57	197	140	0.04	Nil	0.57	Nil
	Including 98	105	7	0.06	0.05	1.8	0.1
	and 127	167	40	0.02	Nil	0.95	0.2
NAK017	1	61.2	60.2	0.33	0.1	0.07	Nil
	61.2	271.3	210.1	0.17	Nil	0.45	Nil
	Including 61.2	70	8.8	0.45	0.1	1.94	0.8

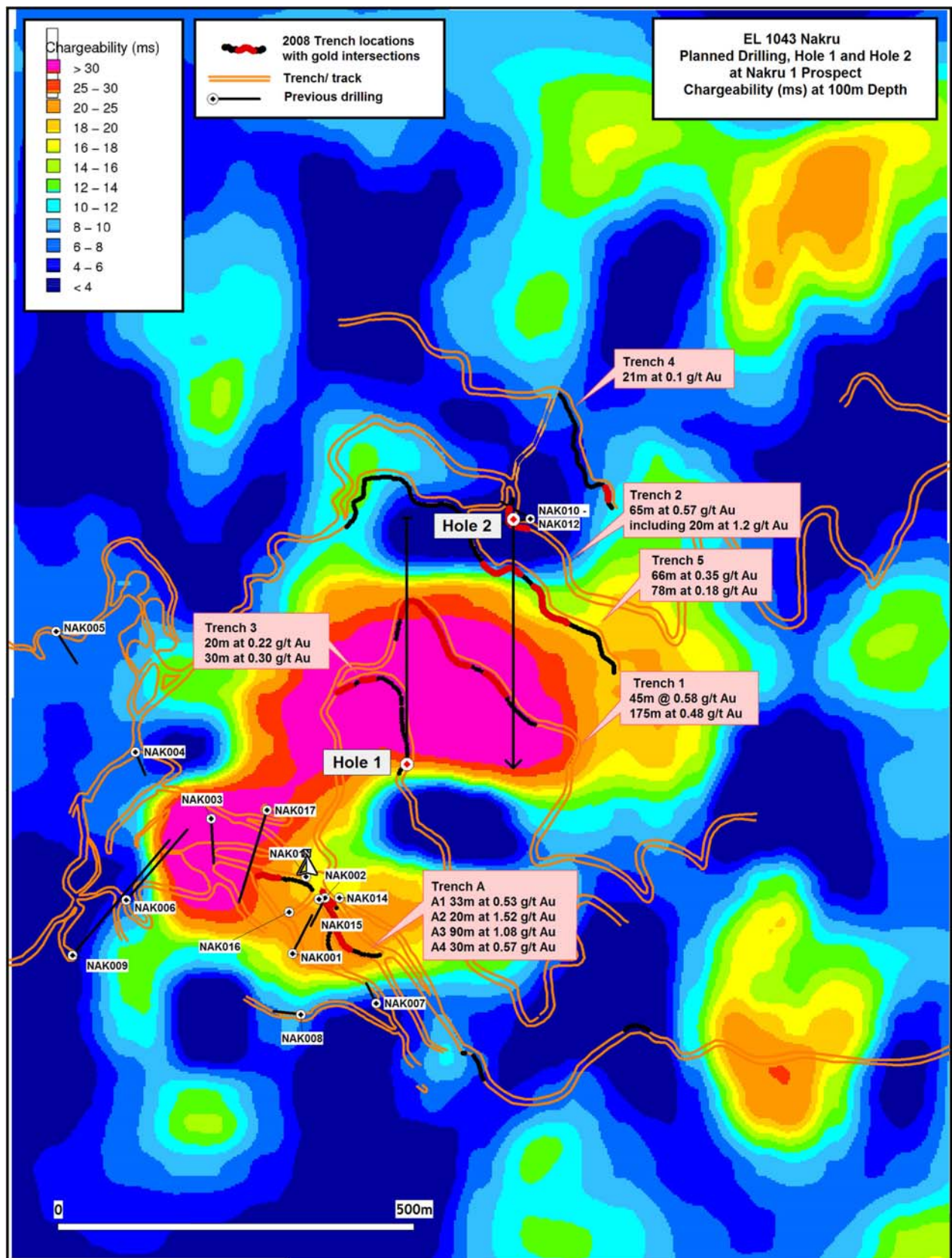


FIGURE 2

The first two planned holes by Barrick, Hole 1 and Hole 2 (Refer to Figures 2 and 3), will test for copper mineralisation associated with the largely un-tested 3DIP geophysical anomaly. It is expected that this larger and more intense target will yield further significant copper results.

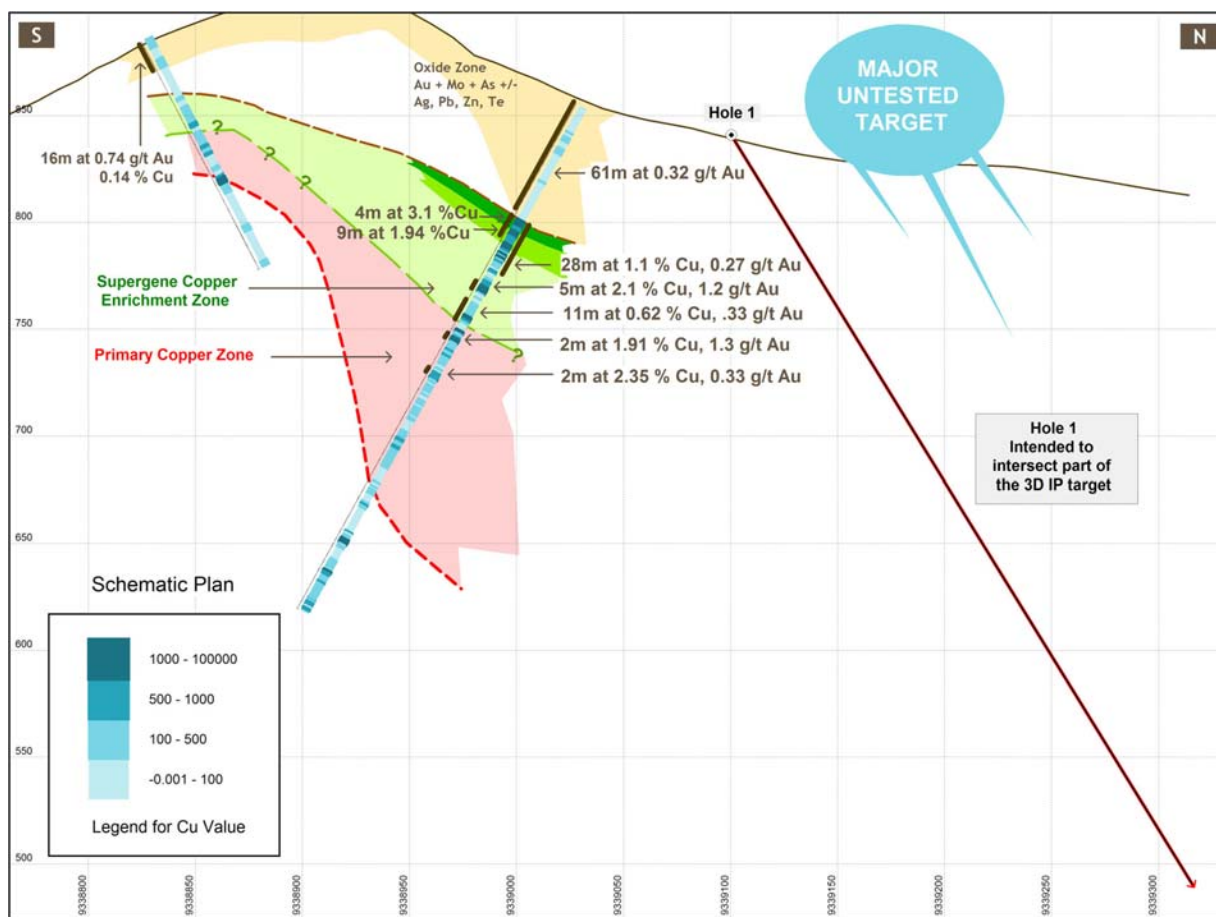


FIGURE 3

A total of over 9,000 metres of trenching has been completed at Nakru-1 in addition to over 1,967 metres of diamond drilling in 17 holes. Gold intersections of 90 metres grading 1.08 g/t, 20 metres grading 1.52 g/t and 175 metres grading 0.48 g/t in surface bulldozer trenches indicate significant near surface gold. This oxide gold 'blanket' (Refer to Figure 3) overlies a zone of copper enrichment where drilling has intersected 4 metres grading 3.1% copper. Below this zone, copper grades average about 0.5% with higher grade zones occurring including a 30 metre thick zone grading 0.95% copper intersected in drillhole NAK006 at 90 metres below surface.

The **Nakru-2 polymetallic system** occurs as a 700 metre diameter hydrothermal breccia or VHMS system. The associated 3-D IP anomaly indicates potential for a significant tonnage of copper sulphide mineralisation (Refer to Figure 4).

The first ever drillhole into this system was completed by Coppermoly (NAK2-001) and it intersected 51.7 metres grading 1.21% copper (with minor zinc, gold and silver), associated with the 19 metres grading 4.3% copper along surface trenching. The second drillhole (NAK2-002) intersected 73 metres grading 0.96% copper, including 7 metres grading 3.36% copper (with minor zinc, gold and silver). At 100 metres depth, NAK2-001 intersected 51.7 metres grading 1.21%. Copper mineralisation has been intersected to over 200m metres depth within the geophysical anomaly, which remains largely untested by drilling. Barrick plan to undertake further drill testing of this system following the Nakru-1 drilling programme.

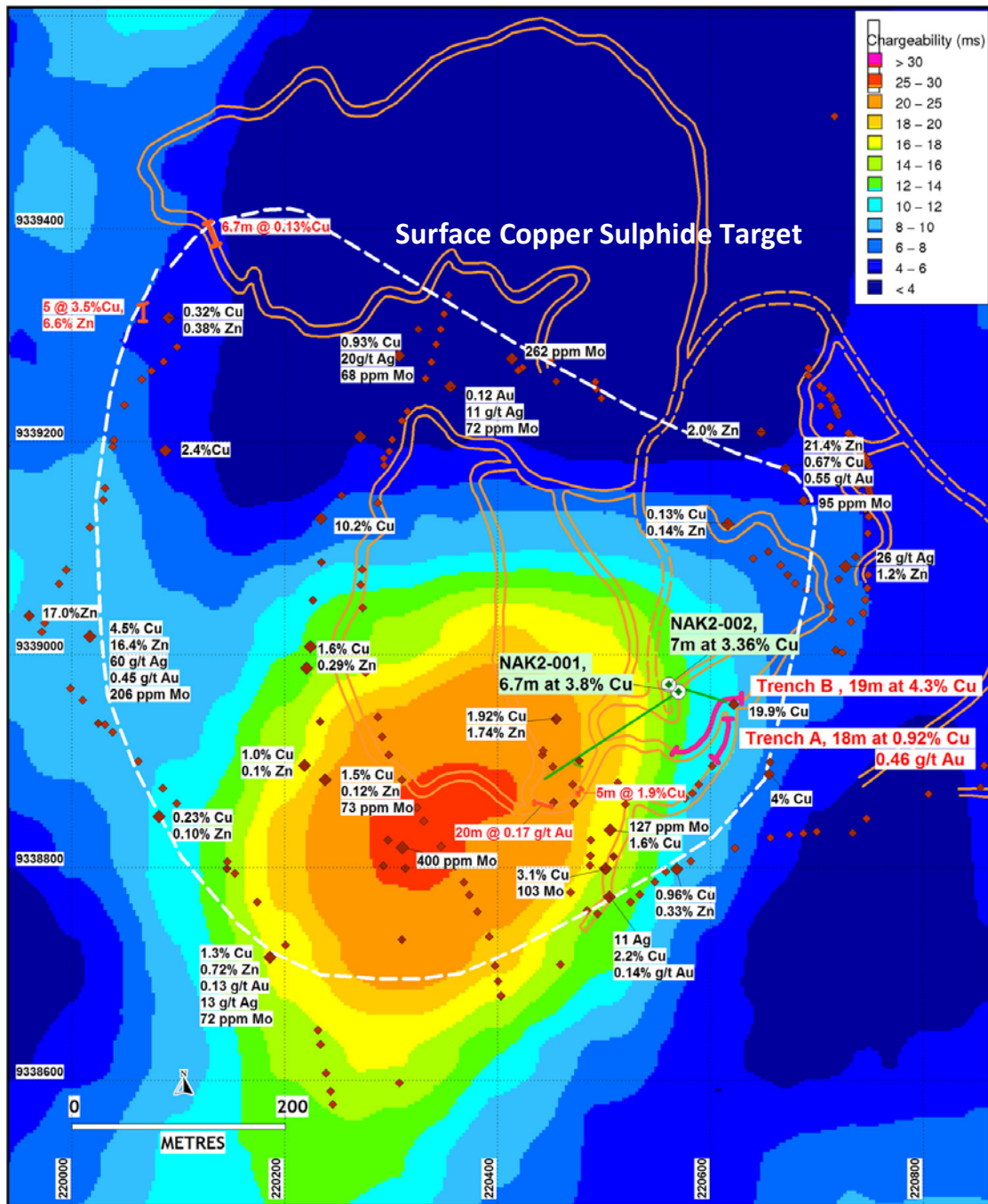


FIGURE 4

3.0 PROJECT ACQUISITION

Coppermoly has identified a number of copper belts on the Island of New Britain on the basis of historical stream sediment, soil and rock chip sampling geochemistry results. Two tenement applications at Powell and Fulleborn contain a number of copper prospects identified from both the geochemistry and historical reports. The Mt.Schrader application is host to gold mineralising systems (Refer to Figure 5).

Our existing three tenements at Simuku, Nakru and Talelumas are within the “Kulu-Awit” copper belt. These projects were significantly advanced by Coppermoly during 2008 and 2009 with surface bulldozer trenching, drilling and ground geophysics. Results of this work attracted further funding by Barrick. Coppermoly’s successful track record and methodology in undertaking copper exploration on the Island will be applied to other tenements once they have been granted.



FIGURE 5

Shares on Issue: 137 million
Total Listed Options: 46 million
Total Unlisted Options: 13 million
Market Capitalisation: \$16 million
Cash on hand: \$2.3 million

Directors

Peter McNeil – Non Exec. Chairman
Peter Swiridiuk – Managing Director
Maurice Gannon – Executive
Bob McNeil – Non Executive
Ces Iewago – Non Executive
Dal Brynelsen – Non Executive

Company Secretary

Maurice Gannon

Management

Denis O'Neill – Consulting Geologist

For Further Information

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Maurice Gannon
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About Coppermoly Limited

Coppermoly Ltd is an Australian based company, listed on the Australian Stock Exchange (ASX) that is focussed on exploring for copper-gold-molybdenum and gold deposits on the Island of New Britain in Papua New Guinea.

The Company holds title to three Exploration Licences EL 1077 (Simuku), EL 1043 (Mt. Nakru) and EL 1445 (Talelumas) covering 170 km². These tenements within the "Kulu-Awit" copper belt are subject to a "Letter Agreement" with Barrick (PNG Exploration) Ltd in which they can spend A\$20 million within 8 years to earn-in 72%. Barrick are managing all exploration efforts on these three properties.

The Nakru and Simuku projects are close to essential infrastructure including roads, an airfield and an operating deep water port at the provincial capital of Kimbe. Topography of these project areas is moderate, at between 300 metres and 800 metres above sea level, enabling relatively easy conditions for on-site development and logistics. Access to Simuku from the provincial capital of Kimbe takes one hour using a four wheel drive vehicle via a logging road. Access to Nakru takes approximately four hours driving along roads and logging tracks.

On behalf of the board,



Peter Swiridiuk
MANAGING DIRECTOR

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.

Notes:

- All stated intersections are weighted assay averages ($[\text{Sum of each total interval} \times \text{grade}] / \text{Total length of intersection}$).
- Drilling samples were transported to the camp site, logged, photographed and sampled at 2 metre intervals from core split by saw. The split 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.
- Quality control and quality assurance checks on sampling and assaying quality are satisfactory.

Appendix 5B

Mining exploration entity quarterly report

Name of entity

COPPERMOLY LIMITED

ACN OR ARBN

095 684 389

Quarter ended ("current quarter")

31 March 2010

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year To Date* \$A'000
1.1 Receipts from product sales and related debtors	14	75
1.2 Payments for (a) exploration and evaluation	(37)	(217)
(b) development	-	-
(c) production	-	-
(d) administration	(281)	(690)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	24	39
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other - Expenditure reimbursable by others	(24)	(1)
Net Operating Cash Flows	(304)	(794)
Cash flows related to investing activities		
1.8 Payment for purchase of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	(1)
1.9 Proceeds from sale of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	(1)	(89)
1.11 Loans repaid by other entities	9	123
1.12 Other - Mines Dept & Premises deposits	-	-
Net Investing Cash Flows	8	33
1.13 Total operating and investing cash flows (carried forward)	(296)	(761)

1.13	Total operating and investing cash flow (brought forward)	(296)	(761)
Cash flows related to financing activities			
1.14	Proceeds from issue of shares, options, etc.	-	2,590
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other - proceeds from subscription money held pending issue of shares	(1)	0
	Net financing cash flows	(1)	2,590
	Net increase (decrease) in cash held	(297)	1,829
1.20	Cash at beginning of quarter/year to date	2,604	490
1.21	Exchange rate adjustments to 1.20	-	(12)
1.22	Cash at end of quarter	\$2,307	\$2,307

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	161
1.24	Aggregate amount of payments to the parties included in item 1.10	Nil
1.25	Explanation necessary for an understanding of the transactions Directors: salaries and consulting fees	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows.

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- 2.2 Details of outlays made by other entities to establish or increase their shares in projects in which the reporting entity has an interest.

Barrick (PNG Exploration) Limited has spent \$A668 ('000) during the March 2010 quarter (\$878 ('000) YTD) in relation to exploration of the three tenements in West New Britain, Papua New Guinea.

Financing facilities available*Add notes as necessary for an understanding of the position*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities		
3.2 Credit standby arrangements		

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	50
4.2 Development	-
Total	50

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows:

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	299	1,204
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other : fixed term deposits	2,008	1,400
Total: cash at end of quarter (item 1.22)	2,307	2,604

Changes in interests in mining tenements

	Tenement Reference	Nature of Interest (note(2))	Interest at beginning of Quarter	Interest at end of Quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed				
6.2 Interests in mining tenements acquired or increased				

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and date.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference securities (description)	Nil	Nil		
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs redemptions				
7.3 +Ordinary securities	137,179,551	137,179,551		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 +Convertible debt securities (description)	Nil	Nil		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	3,000,000 1,700,000 22,504,777 23,690,757 1,325,000 3,500,000 3,500,000	22,504,777 23,690,757	Exercise price 30 cents 25 cents 30 cents 7 cents 10 cents 19 cents 23 cents	Expiry date 22-Oct-10 13-Mar-11 30-Apr-11 01-Dec-11 05-Oct-12 01-Dec-12 01-Dec-12
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired/cancelled during quarter				
7.11 Debentures (totals only)	Nil	Nil		
7.12 Unsecured notes (totals only)	Nil	Nil		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law or other standards acceptable to ASX (see note 4)
- 2 This statement does / ~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: _____ Date: April 22, 2010
(~~Director~~/Company Secretary)

Print name: Maurice Gannon

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. Any entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and Quoted Securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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