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ASX Announcement

31st January 2011 **ASX Code: COY**

TECHNICAL REPORT – QUARTER ENDED 31 DECEMBER 2010

HIGHLIGHTS

- **Assay results from an additional two drillholes by Barrick (PNG) Exploration Ltd ("Barrick") at the Nakru-1 copper-gold Prospect extended the mineralised system significantly to the east and south. Results from an additional two drillholes further west are pending.**
- **The first drill hole by Barrick at the Nakru-2 copper-zinc Prospect extended known copper mineralisation with a significant zinc intersection of 4.9 metres grading 13.6%.**
- **Barrick are currently planning an additional drilling programme for the 2011 exploration season, expected to begin after the wet season in March.**

1.0 AGREEMENT WITH BARRICK

Exploration is being carried out by Barrick (PNG Exploration) Ltd (a wholly owned subsidiary of Barrick Gold Corporation) under an agreement with Coppermoly Ltd. The agreement allows Barrick to spend A$20 million to earn 72% of the tenements EL1043 (Nakru), EL1077 (Simuku) and EL1445 (Talelumas). Barrick has spent over A$9 million to-date and are planning for an additional drilling and exploration programme on these tenements during 2011.

Coppermoly Ltd retains 100% ownership until earn-in is complete. These projects are on New Britain Island in Papua New Guinea (refer to Figure 1). The Nakru project is host to significant copper, gold and zinc values within breccia and semi-massive to massive sulphide styles of mineralisation. Drilling results support the possibility of a very significant deposit within a four hour 4WD trip from the provincial capital and deep water port of Kimbe, which will be essential for future development.

2.0 NAKRU PROJECT

The Mt.Nakru tenement (EL1043) contains a number of discrete Volcanic Hosted Massive Sulphide (VHMS) and breccia related copper-gold-zinc systems nested within the Nakru caldera. Barrick recently completed a Three Dimensional Induced Polarisation (3D-IP) survey over several of the historical geochemical and airborne geophysical conductivity anomalies in order to define additional targets for follow-up (refer to Figure 2). This is the exploration method that led to the discovery of significant mineralisation at Mt Nakru. Results from the survey are pending.

Nakru-1 Copper-Gold Breccia System

During the quarter, assay results have been received from two additional drillholes at the Nakru-1 copper system; extending the known copper and gold mineralisation approximately 100 metres to the east and 100m to the south (refer to Figure 3). Drillhole BWNBDD0008 intersected copper and gold mineralisation to 303.7 metres downhole depth.

Intercepts included 23.5 metres grading 1.30% copper and 2.38 g/t gold from 87.3 metres depth plus 20.6 metres grading 0.94% copper and 0.21 g/t gold from 128.4 metres depth (refer to Table 1). An intercept of 1 metre grading 42 g/t gold and 4.6% copper provide impetus for the evaluation of separate higher grade zones. Hole eight is 100m east of Barrick's first hole which intersected 213.75 metres grading 0.92% copper.

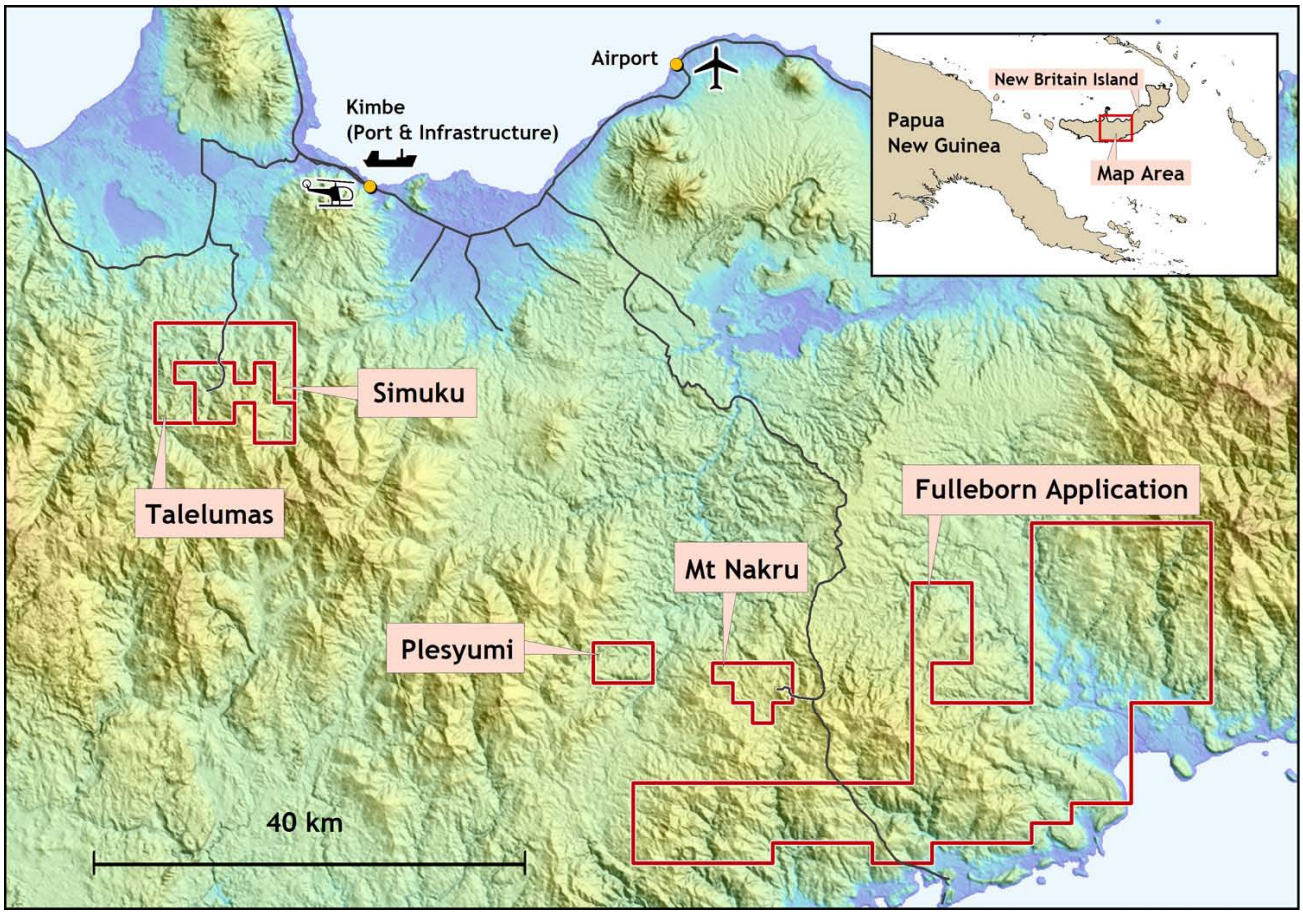

FIGURE 1: New Britain Island Kulu-Awit Copper Belt

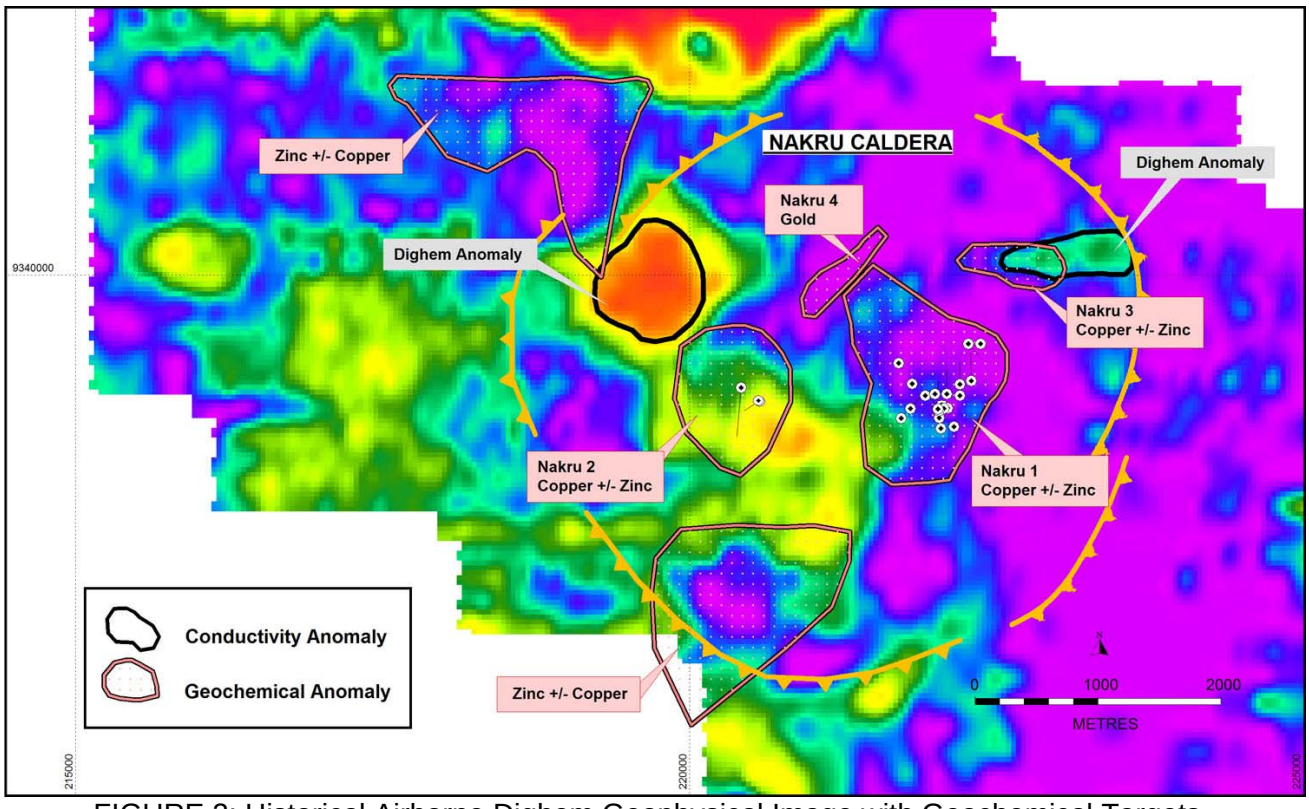

FIGURE 2: Historical Airborne Dighem Geophysical Image with Geochemical Targets

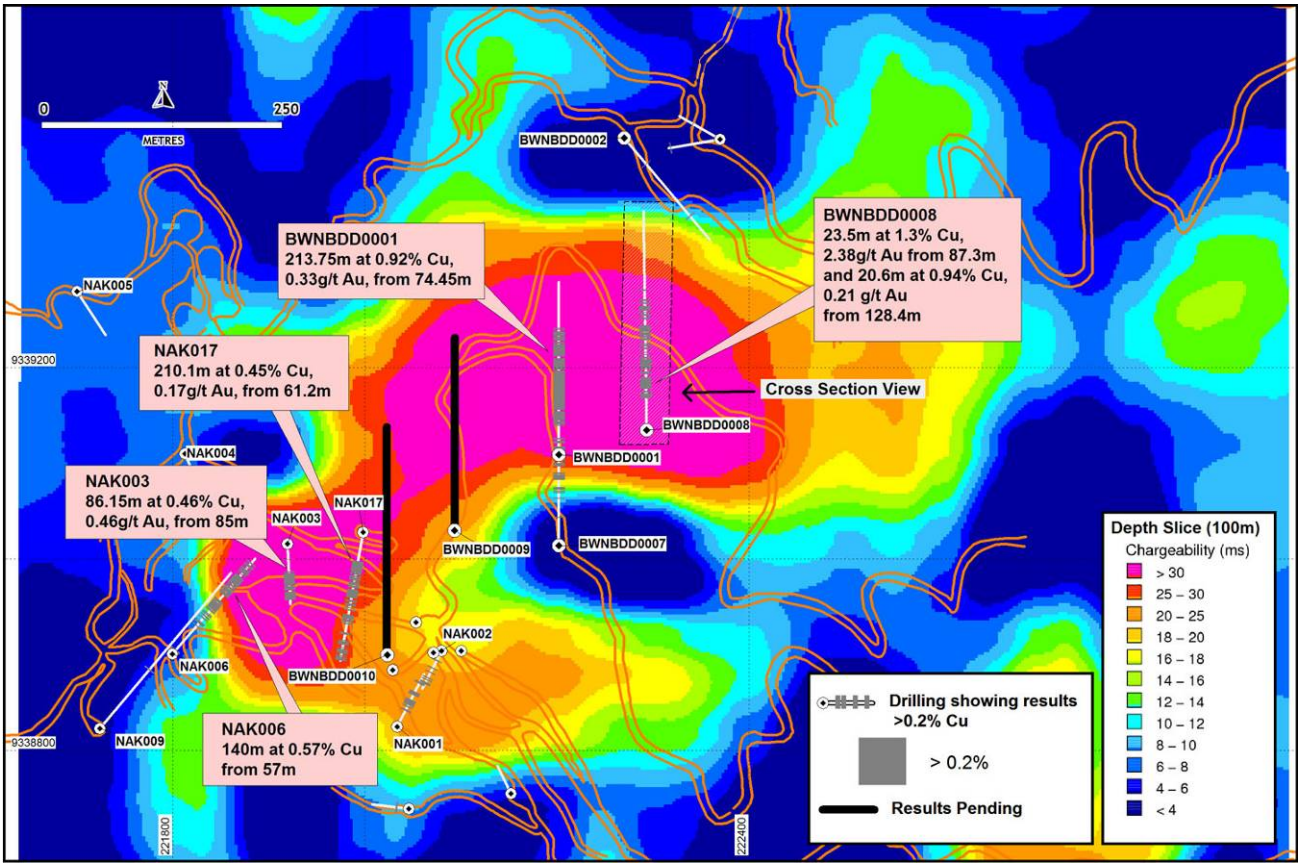

FIGURE 3: Nakru-1 3D-IP Chargeability Geophysical Anomaly Showing Current and Historic Drillholes and Tracks

Hole BWNBDD0007 encountered significant copper and gold mineralisation to a depth of 295 metres (refer to Table 2). This hole was drilled 100 metres south and beneath (BWNBDD0001) and mineralised intercepts included 11.5 metres grading 0.99% copper and 0.35 g/t gold (from 192 metres). Primary veinlet controlled chalcopyrite mineralisation finished at 349 metres depth (refer to Photo 1).

These two recently reported holes were drilled through the mineralised core of a major copper-gold system shown as a cross-section in Figure 4. The core of this system contains copper and iron sulphides which are the major cause of the 3D-IP chargeability geophysical anomaly. The size of this anomaly and its association with significant copper and gold credits show that further drill testing is strongly warranted.

Mineralisation is disrupted by post mineral dykes ranging in thickness from 0.7 to 25 metres, complicating interpretation. A more detailed interpretation of the geological controls on the copper and gold mineralisation can be presented once the results from the remaining two holes have been received.

Seven holes have been drilled by Barrick into the Nakru-1 system for 2,646.5 metres. To-date a total of 23 drill holes have been completed at Nakru-1 for a total of 4614.1 metres. Drilling rigs and all personnel have been demobilised from the field for the wet season, which is expected to continue until March 2011.

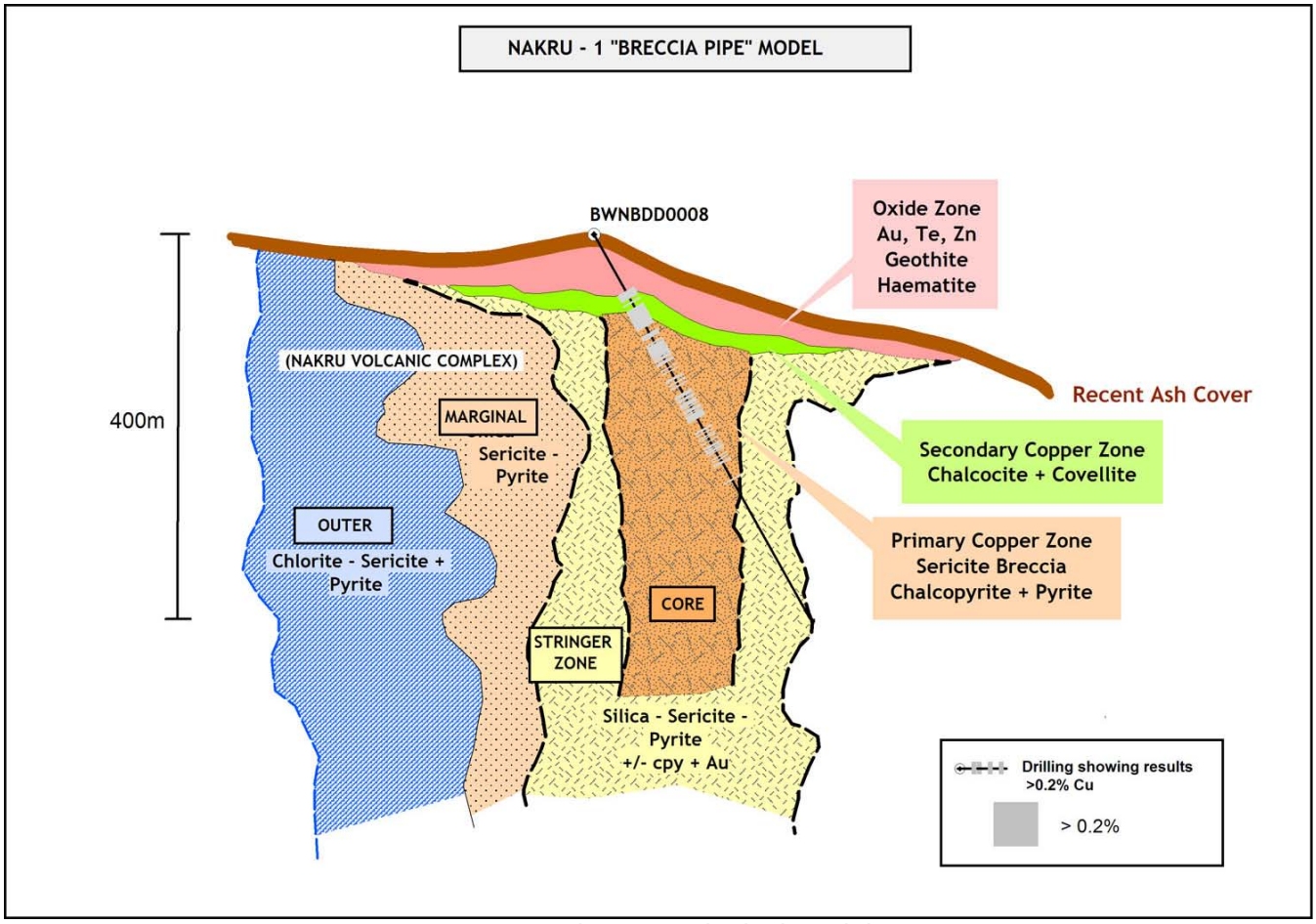

FIGURE 4: Nakru-1 Geological Model

Table 1: Mineralised Intercepts in diamond core hole BWNBDD0008

Depth From (metres)	Depth To (metres)	Intercept Width (metres)	Copper (%)	Gold (g/t)	Cut-off
Copper Zone including Barren Dykes					
67.8	***259***	***191.2***	***0.56***	***0.46***	***Nil***
30.0	38.4	**8.4**	0.07	0.75	0.1g/t Au
67.8	76.7	**8.9**	1.02	0.10	0.2% Cu
80.0	82.0	**2.0**	0.29	-	0.2% Cu
87.3	110.8	**23.5**	1.30	2.38	0.2% Cu
Including					
99.0	100.0	1.0	4.60	42.00	0.5% Cu
118.0	123.0	**5.0**	1.03	0.22	0.2% Cu
128.4	149.0	**20.6**	0.94	0.21	0.2% Cu
151.0	154.0	**3.0**	0.28	0.12	0.2% Cu
162.0	222.0	**60.0**	0.52	0.26	0.1% Cu
Including					
190.0	193.5	3.5	0.94	0.08	0.2% Cu
195.3	206.0	10.7	0.60	0.38	0.2% Cu
208.0	222.0	14.0	0.61	0.25	0.2% Cu
233.0	245.0	**12.0**	0.33	0.33	0.1 g/t Au
252.0	259.0	**7.0**	0.56	0.57	0.2% Cu
273.0	275.5	**2.5**	0.34	1.17	0.2% Cu
300.0	303.7	**3.7**	0.03	0.57	0.1 g/t Au
End of Hole	461.9				

Table 2: Mineralised Intercepts in diamond core hole BWNBDD0007

Depth From (metres)	Depth To (metres)	Intercept Width (metres)	Copper (%)	Gold (g/t)	Cut-off
112.9	114.6	**1.7**	0.58	0.11	0.2% Cu
118.0	122.0	**4.0**	0.83	0.26	0.2% Cu
138.0	148.0	**10.0**	0.44	0.19	0.2% Cu
165.0	173.0	**8.0**	0.53	0.11	0.2% Cu
177.0	183.3	**6.3**	0.56	0.13	0.2% Cu
196.0	207.5	**11.5**	0.99	0.35	0.2% Cu
214.5	219.0	**4.5**	0.62	0.17	0.2% Cu
223.0	225.0	**2.0**	0.56	0.69	0.2% Cu
253.4	260.5	**7.1**	0.82	0.05	0.2% Cu
262.4	269.0	**6.6**	0.97	0.17	0.2% Cu
277.2	280.9	**3.7**	1.60	0.23	0.2% Cu
284.3	289.4	**5.1**	0.90	0.19	0.2% Cu
293.0	295.0	**2.0**	0.33	0.08	0.2% Cu
End of Hole	441.1				

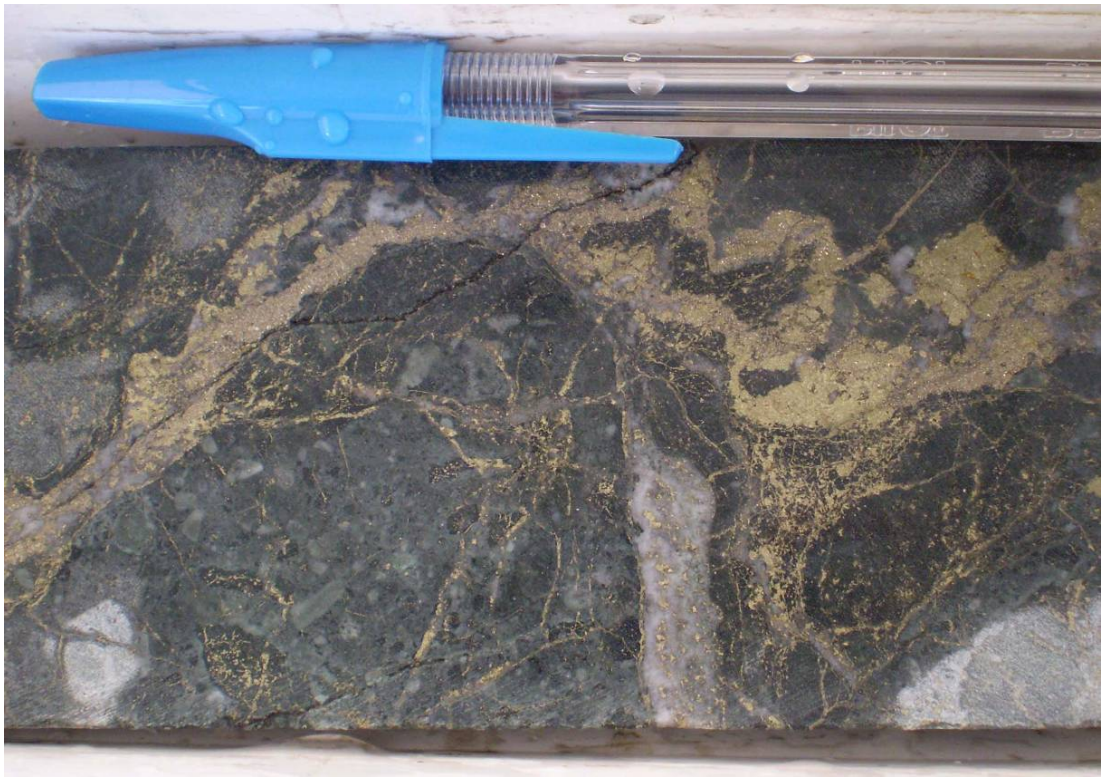

PHOTO 1: BWNBDD0007 Drillcore - Strong veinlet and disseminated chalcopyrite mineralisation assaying 0.97% Copper and 0.17 g/t gold at 265m depth downhole.

Nakru-2 Copper-Zinc System

The first drill hole by Barrick (BWNBDD0003) into this system intersected 64 metres of copper mineralisation grading 0.59% copper from 141 metres depth. Within this zone there is an interval of 10.2 metres grading 1.59% copper (refer to Table 3).The mineralised zone is within strongly silicified rhyolite breccias with irregular quartz veining and chalcopyrite and pyrite mineralisation.

A separate lower interval of 4.9 metres grading 13.6% zinc, 0.85% copper, 0.41 g/t gold and 24.03 g/t silver was encountered at 290.1 metres depth. This intersection represents a mineralisation style that is found in the widespread polymetallic anomalous rock samples which extend to over 800 metres in diameter at surface (Refer to Figure 5).

Table 3: Mineralised Intercepts in diamond core hole BWNBDD0003

Geology	Depth From (metres)	Depth To (metres)	Intercept Width (metres)	Copper (%)	Cut-Off (Cu%)
Rhyolite Breccia	141	205	**64**	0.59	0.1
Including					
Rhyolite Breccia	165	175.2	**10.2**	1.59	0.7
Rhyolite	271	284	**13**	0.43	0.2
Rhyolite	290.1	299	**8.9**	0.53	0.2
Rhyolite	304	311.1	**7.8**	0.24	0.2

The copper mineralisation encountered within this Barrick hole is over 100 metres west of the copper mineralisation encountered in the first ever two drillholes that were completed in 2008 by Coppermoly which intersected 54 metres of 1.22% copper from 30.3 metres depth and 73 metres grading 0.96% copper from 36 metres depth.

The drill holes NAK2-001 and NAK2-002 intersected a near surface massive sulphide copper lens representing sea floor exhalatives with intervals of 6.7m grading 3.80% copper and 7 metres grading 3.36% copper. With historical trenching results of 5 metres grading 3.5% copper over 500 metres away from the present drilling, other similar near surface lenses are likely to occur.

This copper mineralisation in drillholes is coincident with the geophysical anomalies at depth. The geophysics, surface soil geochemistry and surface rock geochemistry supports the robust nature and size potential of the system.

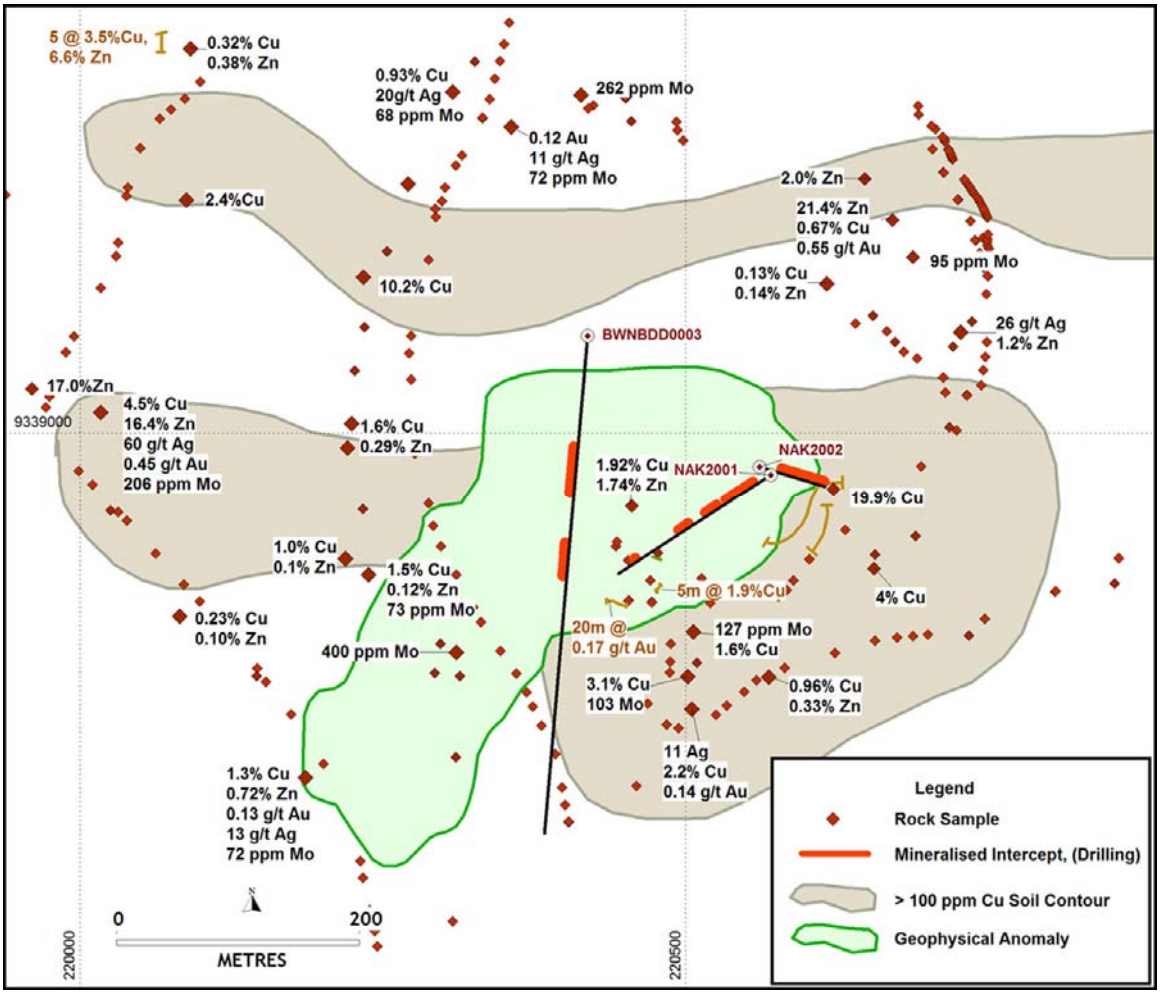

FIGURE 5: Nakru-2 Select Surface Samples with Mineralised Drillhole Intercepts

3.0 SIMUKU PROJECT

Results from three drillholes at the Simuku porphyry copper system have shown broad copper mineralisation up to 1,400 metres south of the Maiden Inferred Resource. Drillhole BWNBDD0004 intersected copper and molybdenum mineralisation from 39 to 480 metres depth within magnetic skarn and feldspar porphyry rock units (refer to Figure 6).

Barrick hole four was designed to test the southern part of the Simuku “trend”, intersecting narrow intervals of copper and molybdenum mineralisation. The lower part of the hole intersected mineralised garnet-pyroxene skarn from 366 metres depth. The skarn rock is quite magnetic and can be detected from airborne geophysical magnetic images (Figure 7). These represent additional targets for copper and silver mineralisation.

Drillhole BWNBDD0005 intersected zones of anomalous mineralisation down to 528 metres depth (refer to Table 4). It was testing the central portion of the Simuku porphyry system and intersected feldspar porphyry that is generally sericite-chlorite-clay altered and cut by several fault breccias. Several garnet skarn units were intersected below 385 metres downhole depth.

Drillhole BWNBDD0006 was testing the southern extension of the porphyry system, targeting mapped potassic alteration within a broad zone of pervasive phyllic alteration. The drillhole intersected variably altered potassic lithologies including volcaniclastics and microdiorite exhibiting weak veining and disseminated pyrite and chalcopyrite.

The three drillholes have been completed by Barrick at Simuku for 1,635.7 metres (refer to Table 5). Including historical drilling, 34 drill holes have been completed at Simuku for a total of 7,656.7 metres. Drilling rigs and all personnel have been demobilised from the field for the wet season. Barrick are currently reviewing the Simuku technical data to generate new sites for drilling in the 2011 exploration season.

The Simuku porphyry copper Deposit is host to a Maiden Inferred Resource of 200 million tonnes grading 0.36% copper. It contains 700,000 tonnes of copper, 12,000 tonnes of molybdenum, 12 tonnes of gold and 391 tonnes of silver (or 1.5 billion pounds of copper, 26 million pounds of molybdenum, 0.4 million ounces of gold and 13 million ounces of silver).

Within the Resource area, higher grades of copper mineralisation at the Nayam prospect included drilling intercepts of 93 metres grading 0.59% copper, including an upper zone of secondary enrichment of 18 metres grading 1% copper from 8 metres depth. Further south of the Resource area, the Horseshoe Prospect has historical drilling intercepts of 14 metres grading 0.41% molybdenum intersected from the surface. Additional drilling is warranted to demonstrate the extent of the higher grade zones of mineralisation and to test for additional tonnage potential to the north of the Inferred Resource.

Table 4: Mineralised Intercepts from Drilling at Simuku (0.2% Cu cut-off)

Hole Id.	From (m)	To (m)	Width (m)	Cu %	Mo ppm	Au g/t	Ag g/t
BWNBDD0004	39.0	42.9	**3.9**	0.29	142	0.04	2.12
	160.4	164.0	**3.6**	0.24	120	0.07	2.52
	171.0	178.0	**7.0**	0.30	156	0.05	3.87
	180.8	183.0	**2.2**	0.21	71	0.02	3.28
	197.0	209.0	**12.0**	0.25	89	0.03	2.41
	218.0	222.0	**4.0**	0.28	206	0.02	4.03
	224.0	241.0	**17.0**	0.23	131	0.02	2.65
	243.0	245.0	**2.0**	0.27	65	0.01	2.45
	366.0	369.0	**3.0**	0.33	54	0.04	1.47
	382.7	385.5	**2.8**	0.33	53	0.02	1.34
	392.7	396.8	**4.1**	0.29	38	0.02	2.18
	405.0	416.0	**11.0**	0.39	46	0.02	5.56
	438.0	442.0	**4.0**	0.29	22	0.02	3.00
	477.0	480.0	**3.0**	0.50	4	0.05	2.90
BWNBDD0005	40.3	42.0	**1.7**	0.30	17	0.04	3.48
	79.0	85.0	**6.0**	0.29	106	0.02	2.04
	90.0	95.0	**5.0**	0.28	241	0.02	2.36
	273.0	274.8	**1.8**	0.26	11	0.05	32.23
	277.0	283.0	**6.0**	0.22	97	0.03	1.99
	296.0	303.0	**7.0**	0.23	39	0.04	1.56
	308.2	315.0	**6.8**	0.23	26	0.03	1.62
	318.0	321.3	**3.3**	0.26	33	0.03	1.21
	329.0	331.1	**2.1**	0.31	20	0.04	2.22
	354.0	365.0	**11.0**	0.29	49	0.02	3.06
	371.0	373.0	**2.0**	0.31	44	0.06	1.70
	388.0	404.0	**16.0**	0.35	12	0.03	1.17
	430.0	432.0	**2.0**	0.21	16	0.02	2.35
	518.0	523.0	**5.0**	0.27	1	0.15	3.00
	526.0	528.0	**2.0**	0.36	4	0.05	4.30
BWNBDD0006	115.0	121.0	**6.0**	0.26	12	0.03	1.26
	278.0	284.0	**6.0**	0.22	6	0.03	1.68

Table 5: Drill Collar Table for Barrick Drillholes at Simuku

Hole	Easting	Northing	Azimuth (deg)	Dip (deg)	Depth
BWNBDD0004	169085	9365990	292.9	-60.2	685.5
BWNBDD0005	169254	9366633	295.2	-62.0	547.9
BWNBDD0006	168840	9365402	319	-59.5	402.3

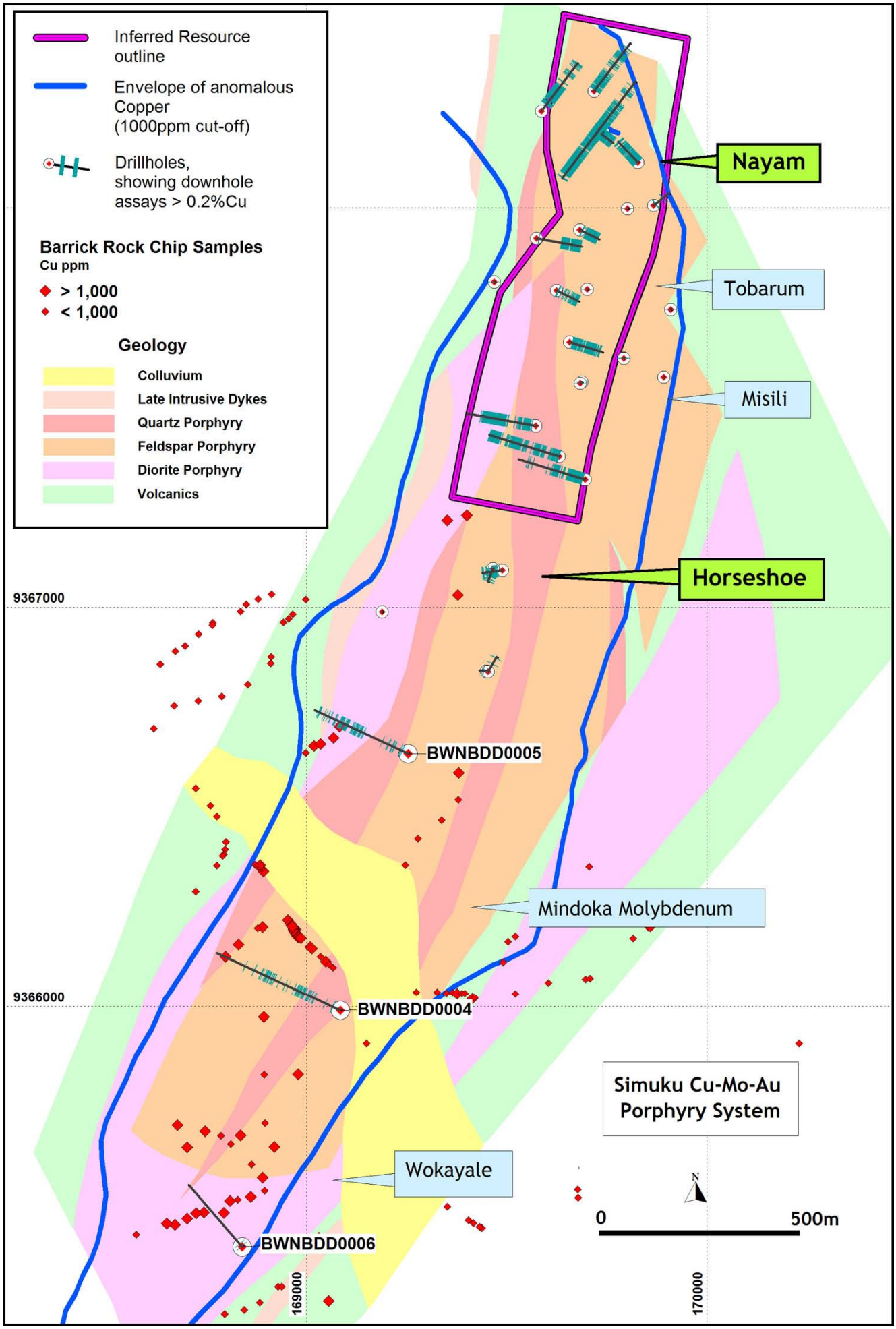

FIGURE 6: Simuku Geology and Envelope of Copper Mineralisation

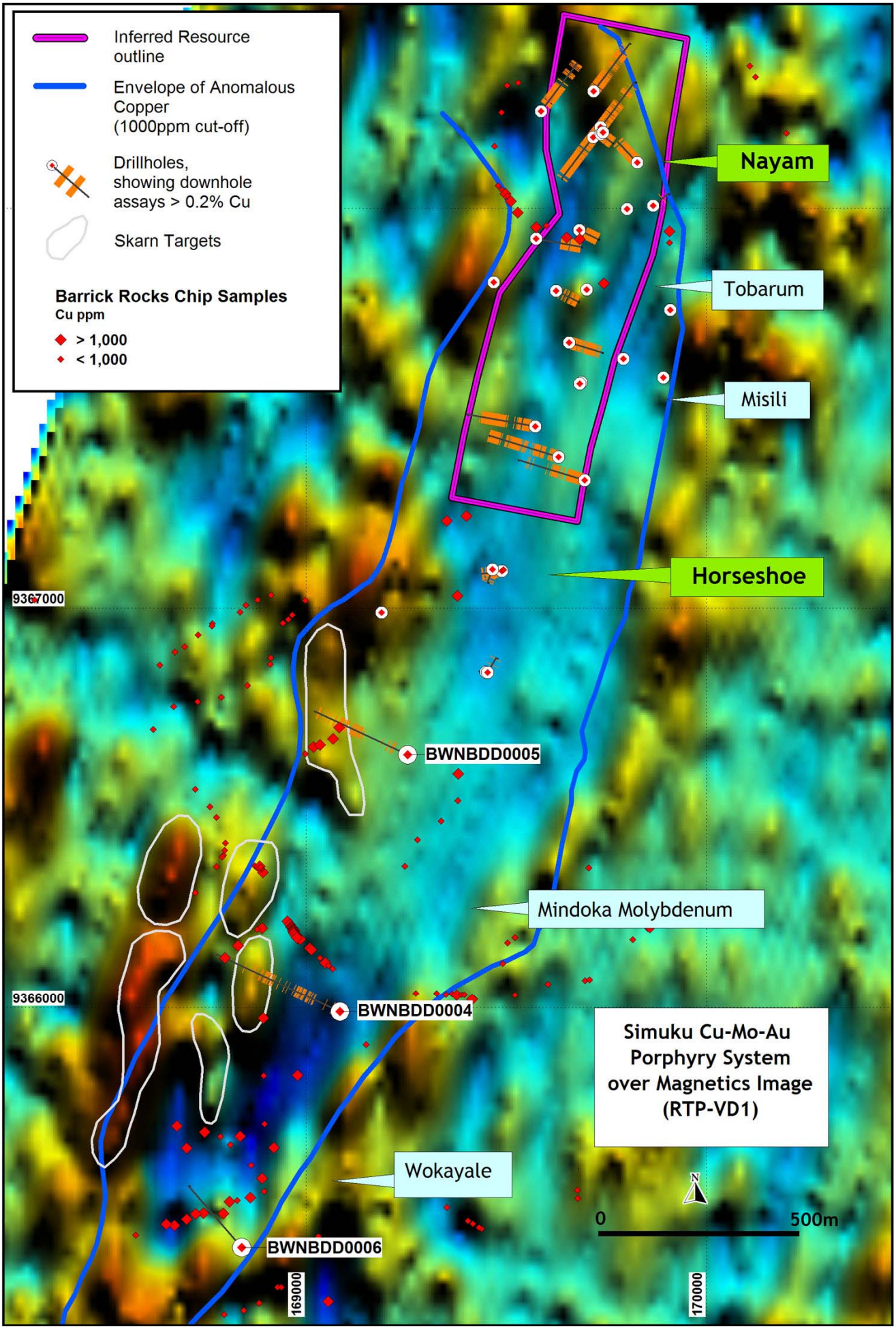

FIGURE 7: Simuku Magnetics Image Showing Skarn Targets

On behalf of the board,

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 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 and 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 ([Sum of each total interval x grade] / Total length of intersection).
- Drillhole samples from drillholes were transported to the camp site then to the town of Kimbe where they were logged, orientated and sampled between 1m and 2m intervals from core split by saw. The split samples are then freighted to Intertek in Lae (PNG) for sample preparation. Samples are dried to 106 degrees C and crushed to < 2 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 0.5% are re-assayed. Intertek laboratories have an ISO 17025 accreditation. Unused half core is stored in sheltered premises in the town of Kimbe.
- Quality control and quality assurance checks on sampling and assaying quality are satisfactory.
- BWNBDD (Barrick West New Britain Diamond Drillhole) Series Drill Core is PQ, HQ and NQ in size with core recovery predominantly greater than 90%.
- Co-ordinates are given in UTM Zone 56, AGD66 Datum.
- Mineralised intersections are quoted as down hole widths.

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