

MEDIA COVERAGE



Coppermoly raises A\$523,000 to fund Esk Trough Farm-In expenditure

Wednesday, 2 November 2011

Coppermoly (ASX: COY) has raised A\$523,000 through a private placement of 10.46 million shares at \$0.05 per share to fund the minimum expenditure commitment for the Esk Trough Farm-In.

The company is no longer in a trading halt on the release of the capital raising announcement.

Last week Coppermoly announced it has signed an agreement with ActivEX (ASX: AIV) to farm-in to the Esk Trough Project in South East Queensland, gaining the right to earn a 51% interest with the option to advance its interest to 70%.

Coppermoly sees significant potential to quickly add-value at the Esk Trough Project as it has advanced exploration prospects which can be drill tested immediately. A targeted drilling program is scheduled in 2012.

The terms of the agreement provide for Coppermoly to farm-in to the joint venture area by electing to sole fund exploration spending of A\$3 million over three years to earn a 51% interest.

The minimum expenditure commitment is A\$0.5 million in the first year, which is included in the A\$3 million should Coppermoly elect to proceed.

On completion of the first \$3 million earn-in the company can elect to continue sole funding the exploration program by spending an additional \$3 million 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 (40%) by sole funding \$6 million of exploration expenditure. The joint venturers will contribute on a pro-rata basis if either company discontinues sole funding.