

Old site 'ticks all the boxes'

BY KAMI RAMINI

Copper-focused explorer Coppermoly is continuing to rapidly advance its tenement portfolio through targeted drill testing at its highly prospective projects in both Papua New Guinea and Queensland.

Coppermoly signed an agreement with ActivEx in late October 2011, to farm-in to the Esk Trough Project in south-east Queensland – the copper explorer's first Australian-based venture.

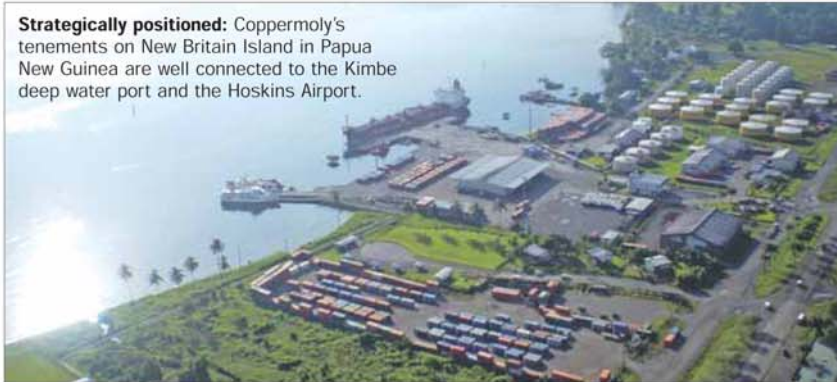
Coppermoly director and company secretary Maurice Gannon said it had assessed some 20 projects over the last two years and that Esk Trough had "ticked all the boxes".

Managing director Peter Swiridiuk said the company intends to push ahead as quickly as possible with a targeted drilling program.

"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," Mr Swiridiuk said.

Under the terms of the farm-in joint venture, Coppermoly can elect to sole-fund \$3 million-worth of exploration over three years to earn a 51 per cent interest. Following this, there would be the further option to extend this interest to a cumulative 70 per

Strategically positioned: Coppermoly's tenements on New Britain Island in Papua New Guinea are well connected to the Kimbe deep water port and the Hoskins Airport.



cent, in return for further \$3 million of exploration funding.

Coppermoly will commence drill testing on a number of already identified prospects at the project over the first 12 months.

The Kakapo prospect is currently the stand-out, with other targets including the Hinds, Kiwi, White Horse, and Bath prospects also in the pipeline.

"At the Kakapo prospect within the Boobyjan tenement, an intersection of 88m grading 0.47 per cent copper and 0.49 grams per tonne gold was obtained at 38m depth – which is very encouraging," said Mr Swiridiuk.

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

Further afield on New Britain Island in Papua New Guinea, Coppermoly has two advanced copper-gold-zinc (molybdenum) properties currently being drill tested by mining major Barrick Gold, under an exploration agreement signed back in 2009.

"In 2009 we signed an exploration agreement with Barrick Gold, one of the world's largest mining companies, whereby they are spending \$20 million on our New Britain Island projects," said Mr Gannon.

Coppermoly's advanced PNG projects, Mt Nakru and Simuku, are both strategically positioned in the highly prospective Kulu Awit copper-gold belt, a tried and tested mineral-rich area.

Today, just four years since listing on the ASX, Coppermoly has

already delineated a 200 million tonne inferred resource at 0.47 per cent copper equivalent at its Simuku Project, with Barrick continuing to push ahead with extension drilling at 1000m depth below the inferred resource. Most assay results are expected before the end of 2011.

"The inferred resource spans a 1km lateral extent and we have further drilling to the south, so there is potential to expand that inferred resource," Mr Gannon said.

At the neighbouring Mt Nakru Project, a drillhole intersection at Nakru-1 – just one of four target areas – has brought the JV partners an outstanding result of 213.75m grading 0.92 per cent copper and 0.33 grams per tonne gold.

"Nakru-1 is just one of four highlight areas at Mt Nakru but to date, it is the one that has had the

most exploration attention.

"Coppermoly zeroed in on this area and we conducted a 3D IP geophysical survey and came up with two significantly sized targets, so the first thing Barrick did was drill straight into the middle of the Nakru-1 geophysical anomaly," Mr Gannon said.


"And the first result they came up with was that 213m at 0.92 per cent copper – which is a pretty terrific intersection in anybody's language," Mr Gannon said.

Nakru-1 is currently described as an exploration target of 50 to 60 million tonnes at 0.7–0.9 per cent copper however the geology indicates this might only be the beginning.

"Of course, any further exploration is about increasing grade and tonnage which is what we are all about, but it is looking good already," Mr Gannon said.

Not only are Coppermoly's tenements well placed in terms of mineral prospectivity but they also have a direct link to existing local infrastructure; with road access to both the Kimbe deep water port and the nearby Hoskins Airport.

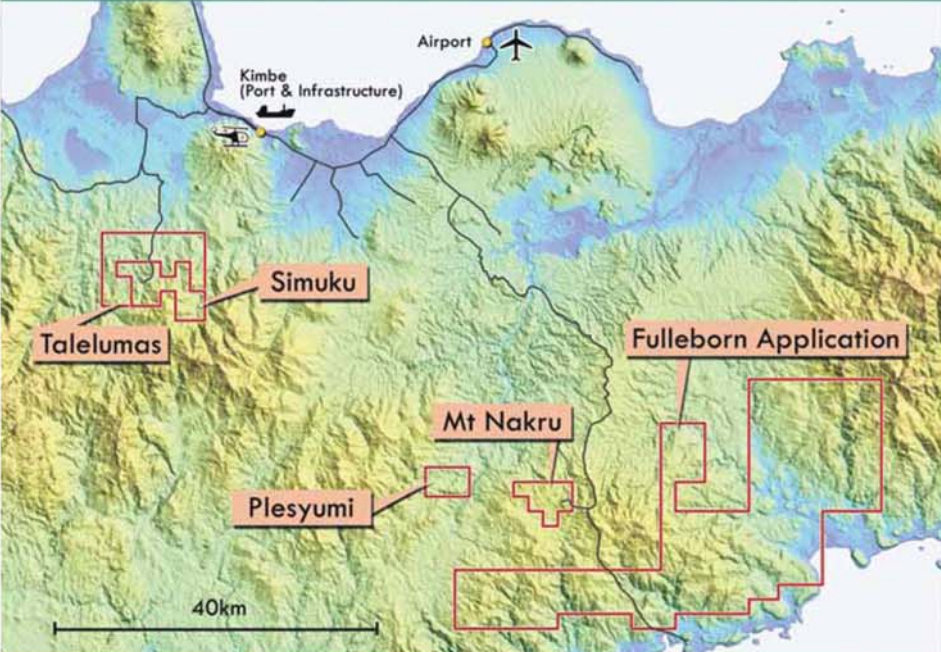
"With two advanced projects and a number of new projects in the pipeline in PNG as well as our recent farm-in agreement with ActivEX in Queensland, we are an exploration company with great prospects in great locations," said Mr Gannon.




COPPERMOLY
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- Development of copper-gold-zinc projects in highly prospective PNG.
- Projects are accessible by 4WD vehicle and close to essential infrastructure.
- Current farm-in agreement in place with Barrick Gold Corp.
- Nakru: 213m @ 0.92% copper in drillhole.
- Simuku: 200MT at 0.47% copper equivalent Inferred Resource.







SIMUKU & TALELUMAS
PAPUA NEW GUINEA
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"Discovery of High Grade Copper Systems on New Britain Island, PNG"

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