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ASX Announcement

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ASX Code: COY

**DRILLING INTERSECTS COPPER ENRICHMENT BLANKET
AT WHITEHORSE COPPER-GOLD PROSPECT**

Queensland-based copper explorer Coppermoly Limited (ASX: COY) (“the Company”) is pleased to announce successful completion of a 654-metre reverse circulation (RC) drilling programme at the Whitehorse copper-gold porphyry prospect on its farm-in venture with ActivEX Limited (ASX: AIV) at Esk Trough, Queensland (refer to Figure 1).

The nine-hole drilling programme at Whitehorse (refer to Table 1) tested for extensions to significant historical copper and gold grades near surface including:

- 38m at 0.74% Cu and 0.13 g/t Au from 20m depth, including
10m at 1.87% Cu and 0.14 g/t Au from 22m depth
- 44m at 0.43% Cu and 0.11 g/t Au from 22m, including
8m at 1.2% Cu and 0.08 g/t Au from 36m depth
- **2m at 2.42% Cu** from 30m depth.

Results from at least eight of the nine current RC drillholes at Whitehorse (refer to Photo 1) indicate secondary copper enrichment forming as a chalcocite blanket above the primary grade copper at depth (refer to Figure 2). The in-field Niton portable XRF (x-ray fluorescence) measurements from drill samples (refer to Photo 2) indicate that the copper enrichment occurs between 19m and 36m depth in zones 4m to 21m thick.

This presence of chalcocite as a secondary copper enrichment blanket (supergene) within the Whitehorse anomalous soil geochemistry suggests this style of mineralisation could occur in areas throughout the large porphyry copper system. The soil geochemistry shows a copper mineralisation envelope over at least 3km by 1.3km (refer to Figure 2).

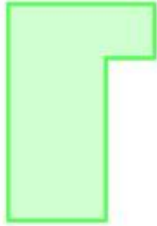
The current RC drilling programme is continuing for a total of 15 holes for approximately 1800 metres across three prospects including Whitehorse, Kakapo and Sefton. Assay samples from the Whitehorse drilling have been despatched to ALS Laboratories in Brisbane for analysis. Results are expected to be released in June.

Esk Trough Project



7,170,000 mN

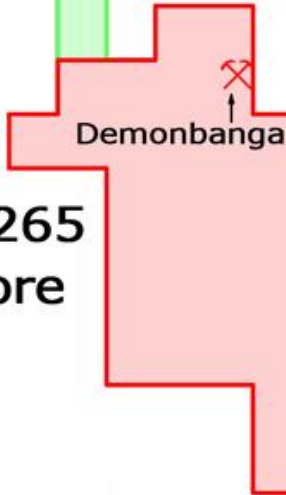
**EPM16327
Ban Ban**



7,160,000 mN

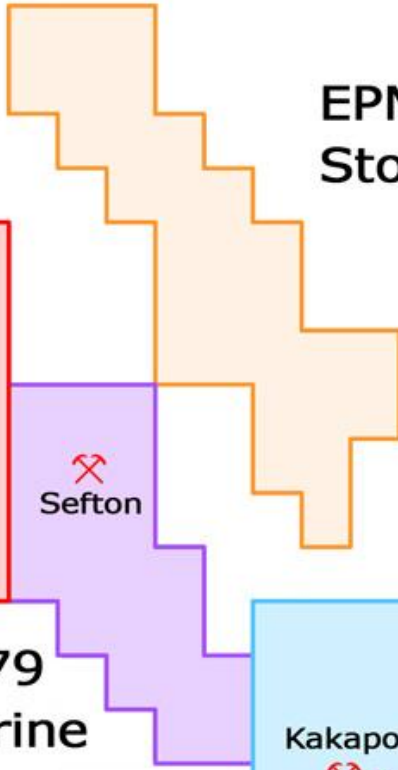
7,150,000 mN

**EPM16265
Blairmore**



7,140,000 mN

**EPM14979
Dadamarine**

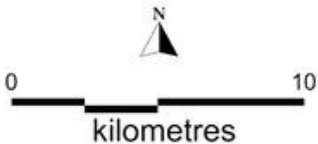


7,130,000 mN

**EPM1817
Stockhaven**



**EPM14476
Boobyjan**



7,120,000 mN

380,000 mE

390,000 mE

400,000 mE

410,000 mE

Figure 1: Location of the Esk Trough Project

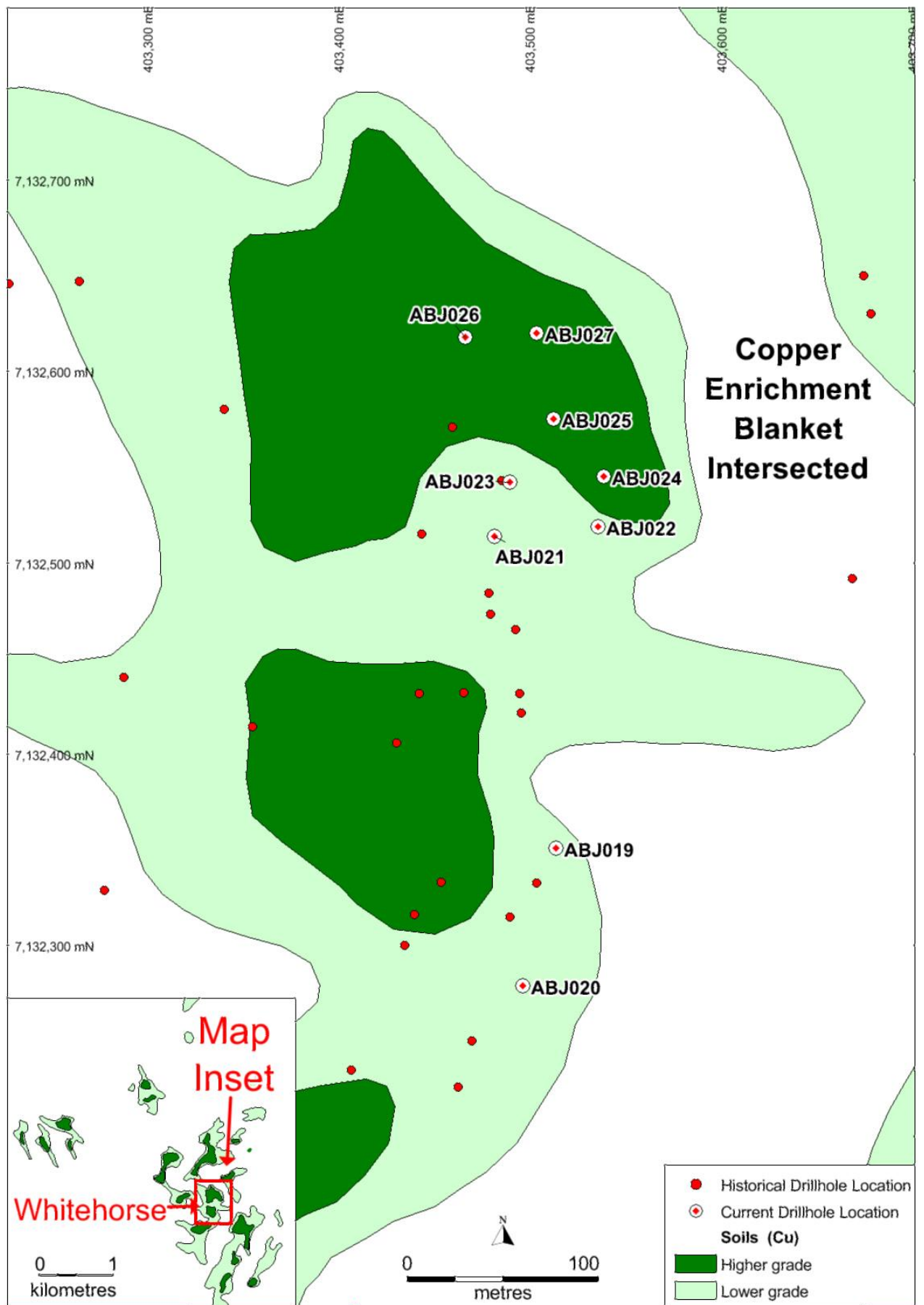


Figure 2: Whitehorse prospect soil geochemistry and drillhole locations

Table 1: Whitehorse prospect drill collars (AGD84, Zone 56)

Hole_Id	Easting (m)	Northing (m)	Depth (m)	RL (m)	Azimuth (Degrees)	Dip (Degrees)
ABJ019	403514	7132351	55	331	270	60
ABJ020	403497	7132279	103	287	270	60
ABJ021	403482	7132514	91	300	270	60
ABJ022	403536	7132519	61	281	270	60
ABJ023	403490	7132542	121	297	270	60
ABJ024	403539	7132545	61	343	270	60
ABJ025	403513	7132575	73	285	270	60
ABJ026	403467	7132618	55	301	270	60
ABJ027	403504	7132620	34	271	270	60

The Esk Trough Project is highly prospective and occurs at the intersections of a major transfer structure and a flat dipping subduction zone within which occur a number of copper-gold-molybdenum deposits (refer to Figure 3).

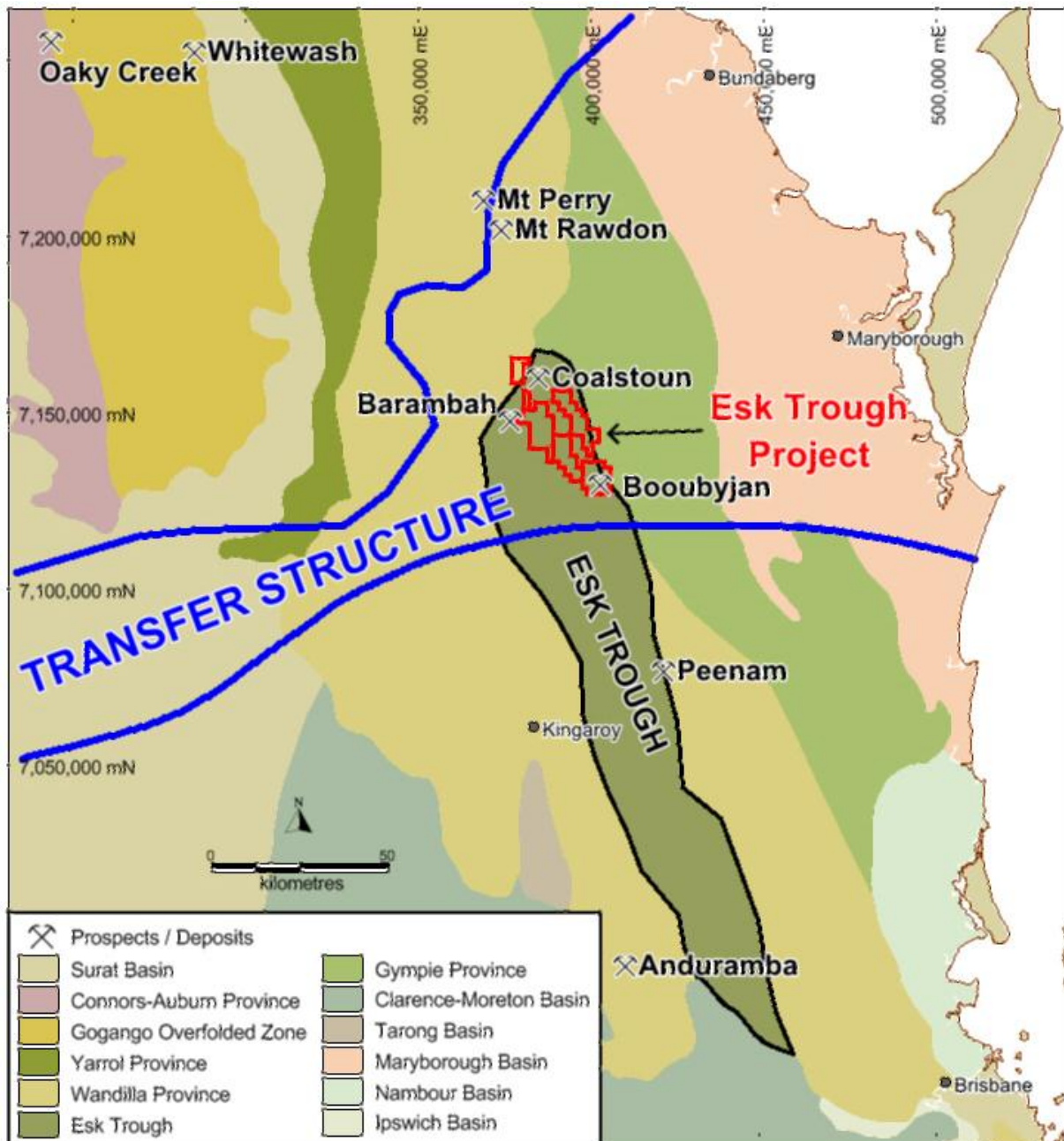


Figure 3: Esk Trough regional geology



Photo 1: Drilling rig at the Whitehorse copper-gold prospect, Esk Trough



Photo 2: Taking Niton readings from drill samples

About Coppermoly

Queensland-based copper exploration company Coppermoly Limited (ASX: COY) is focused on exploring for and developing copper-gold deposits in Papua New Guinea and Queensland.

Coppermoly has a farm-in agreement with ActivEX Limited (ASX: AIV) at the Esk Trough Project. This consists of five exploration permits in south-east Queensland, a four-hour drive north-west of the state capital of Brisbane and 80km west of Gympie. AIV is managing the first stage of the exploration program.

The main points of the Agreement are:

1. Minimum Exploration Expenditure of \$500,000 within 12 months.
2. Coppermoly may then elect to earn a 51% interest in the tenements by sole funding \$3 million (including the minimum expenditure) in three years to earn-in 51%.
3. Coppermoly may then elect to spend a further \$3 million to earn-in 70% over a further three-year period.
4. Once Coppermoly has achieved the second stage earn-in, the companies contribute on a pro-rata basis or ActivEX can elect to claw back a 10% interest (to 40%) by sole funding \$6 million on exploration expenditure within three years.

Coppermoly also has three tenements, Simuku, Talelumas and Nakru, on New Britain Island, Papua New Guinea and another three tenements nearby under application.

The Simuku Project has an Inferred Mineral Resource of 200 million tonnes grading 0.36% copper, 61 ppm molybdenum, 0.06 g/t gold and 2 g/t silver. An analysis for a resource upgrade for Simuku and an estimation of a maiden Inferred Resource for the Nakru-1 project has commenced. Delays in generating the geological interpretation now have results expected in June.

Following Coppermoly's extensive exploration programs in 2008 and 2009, Barrick (PNG Exploration) spent more than \$20 million on the Simuku (EL1077), Nakru (EL1043) and Talelumas (EL1445) tenements and has now earned a 72% stake in these three projects. It is expected that a joint venture will now be formed and further drilling to begin in the second half of 2012.

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 Inferred Resources 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 ($[\text{Sum of each total interval} \times \text{grade}] / \text{Total length of intersection}$).
- Co-ordinates are given in UTM Zone 56, AGD84 Datum.
- Mineralised intersections are quoted as down hole widths.