



COPPERMOLY
Limited

ADDRESS
PO Box 6965
Gold Coast Mail Centre
Qld 9726 Australia

ABN 54 126 490 855

PHONE
+61(07) 5592 1001
FAX
+61 (07) 5592 1011
EMAIL
info@coppermoly.com.au
WEBSITE
www.coppermoly.com.au

ASX Announcement

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ASX Code: COY

GEOPHYSICAL SURVEYING COMMENCES AT ESK TROUGH

Queensland-based copper explorer Coppermoly Limited (ASX: COY) ("the Company") is pleased to announce the commencement of three dimensional induced polarisation (3DIP) ground geophysical surveys on its farm-in venture at Esk Trough, Queensland (refer to Figure 1).

Esk Trough is in southeast Queensland, a four-hour drive northwest of Brisbane. Prospect areas are accessible by 4WD vehicle.

Coppermoly has elected to use the 3DIP survey technique at Esk Trough after applying it with success to its Nakru project on New Britain Island in Papua New Guinea in 2008. The results at Nakru showed sub-surface IP anomalies correlating with copper and gold mineralisation. The first drill hole into the centre of the Nakru-1 3DIP anomaly intersected 213.7m grading 0.92% copper and 0.33 g/t gold with an upper blanket of secondary enrichment of 13m grading 2.8% copper.

The Kakapo prospect within the Boobyjan tenement at Esk Trough (refer to Figure 1) has significant historical drilling results including 88m grading 0.47% copper and 0.49 g/t gold in KAKD1 and 1.8m grading 2.12% copper in BRADS26 (refer to Table 1).

Table 1: Kakapo prospect significant drillhole intersections

Hole_Id	Interval	Copper (%)	Gold (g/t)	From (m)	To (m)
KAKP3 Depth=120m	22 Including 8	0.26 0.49	0.29 0.67	62 62	84 70
KAKD2 Depth=186.4m	58 Including 17	0.25 0.44	0.15 0.29	72 99	130 116
KAKD1 Depth=213.4m	88 62	0.47 0.16	0.49 0.05	38 126	126 188
BRAPS29 Depth=133m	2 2	- 0.08	0.07 -	20 26	22 28
BRAPD25 Depth=186m	38 45	0.33 0.20	0.4 -	63 101	101 146
BRADS26 Depth=210m	1.8	2.12	0.72	40	41.8
ABJ017 Depth=348m	17	0.12	-	119	136
ABJ006 Depth=99m	11	0.10	0.03	6	17

The copper mineralisation intersected in drillhole BRADS26 is coincident with a “low resistivity anomaly” detected in a historical IP dipole-dipole survey line. The 3DIP survey will help map out the extent of sub-surface mineralisation in three dimensions between survey access lines, covering the 700m by 600m gold-in-soils anomaly at Kakapo (refer to Figure 2).

A RC drilling programme of 2000 to 3000 metres is planned for April-May this year following the geophysical surveying. The drilling will test for copper extensions at Kakapo and other prospects within the Boobyjan tenement (refer to Figure 3).

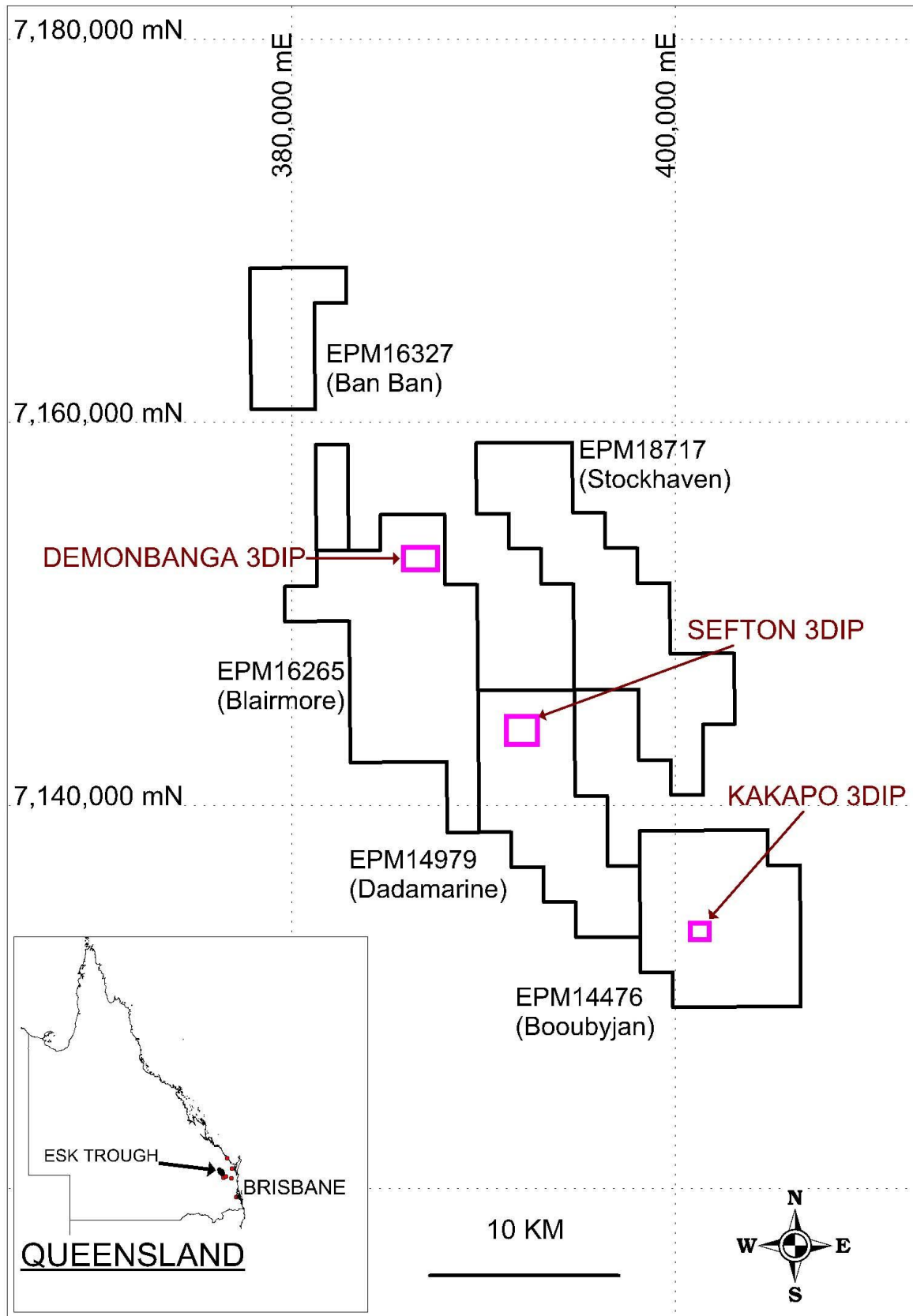


Figure 1: Location Plan of Esk Trough Project, Queensland

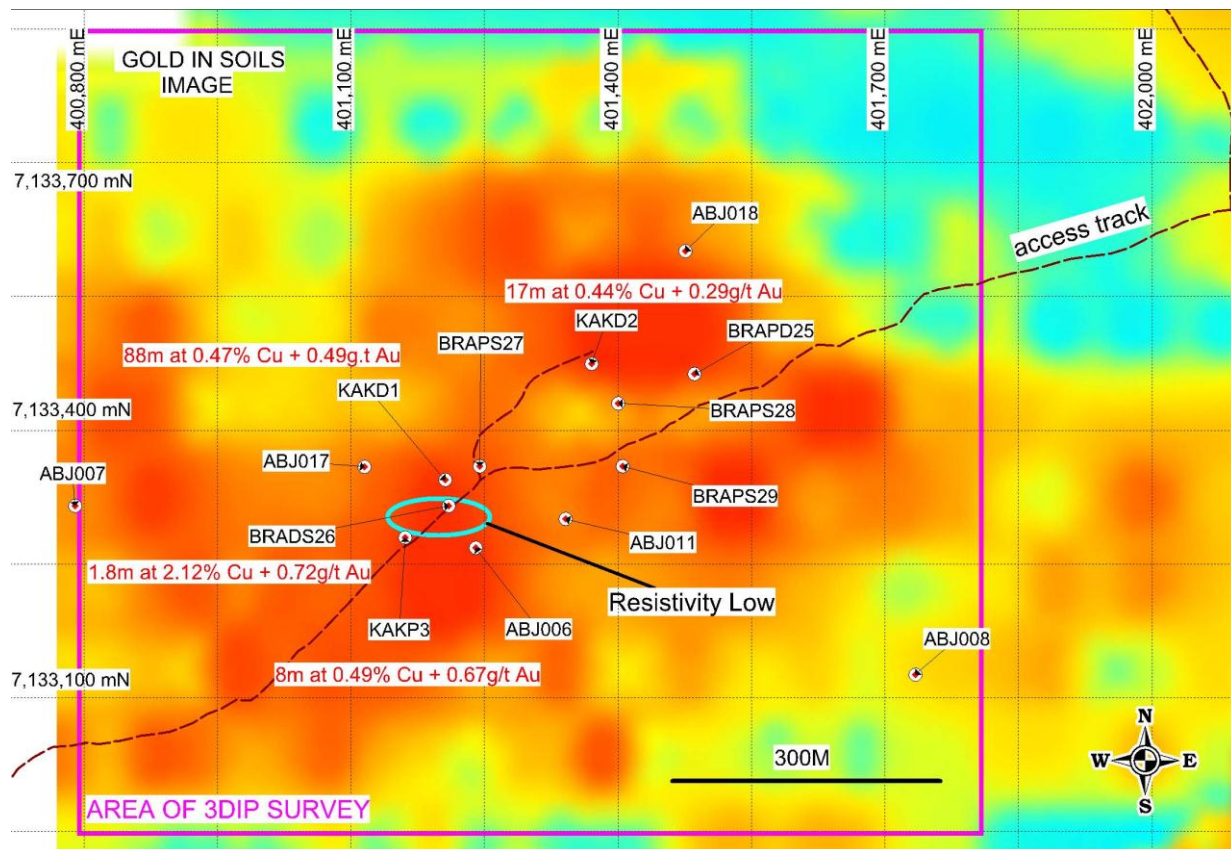


Figure 2: Kakapo drillholes, gold in soils grid and 3DIP survey area

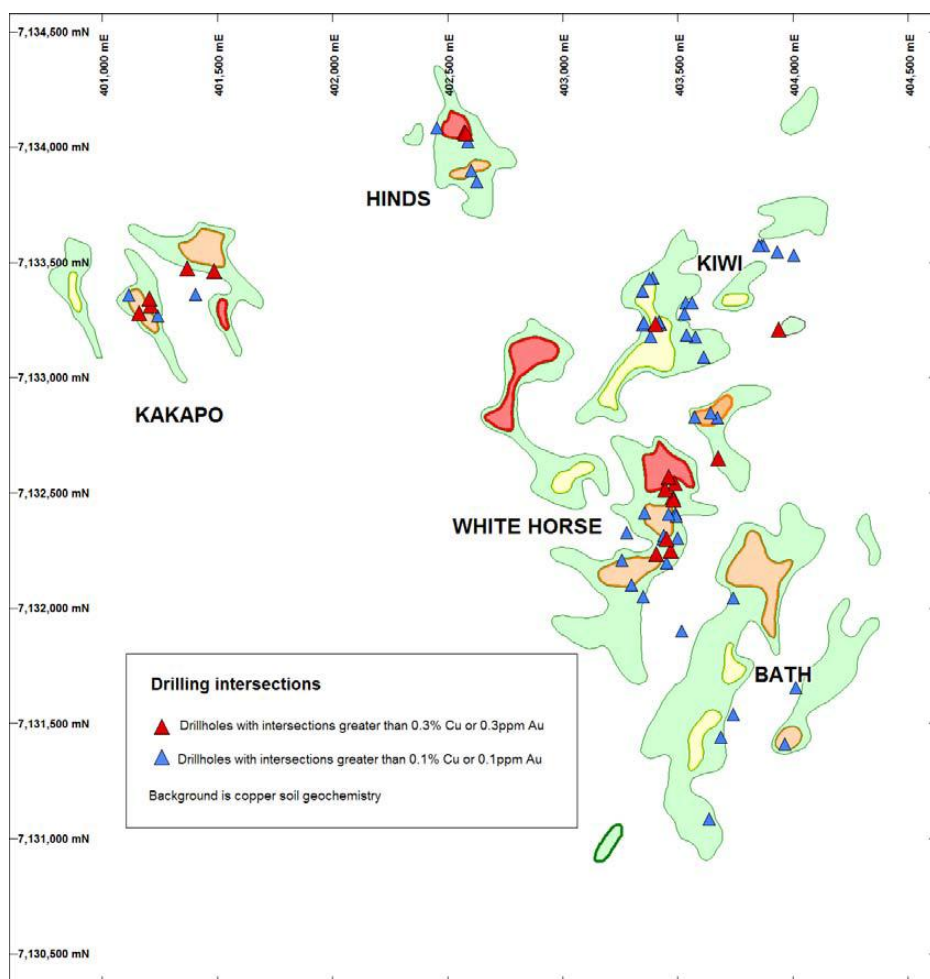


Figure 3: Booubyjan geochemistry and historical significant drillhole intersections

The Demonbanga prospect, within the Blairmore tenement (EPM16265) at Esk Trough (refer to Figure 1), occurs as strong clay and silica alteration thought to represent lithocaps associated with buried porphyry intrusions. Historical ground magnetic geophysical surveys have identified the boundary of a large pluton, the margins of which may host mineralisation (refer to Figure 4).

The 3DIP survey will cover the northern contact zone of the pluton in order to define sulphide-related mineralisation. The silicified lithocaps may themselves be detected from the 3DIP survey as electrical resistivity anomalies which will help map sub-surface geology and provide targets for drilling.

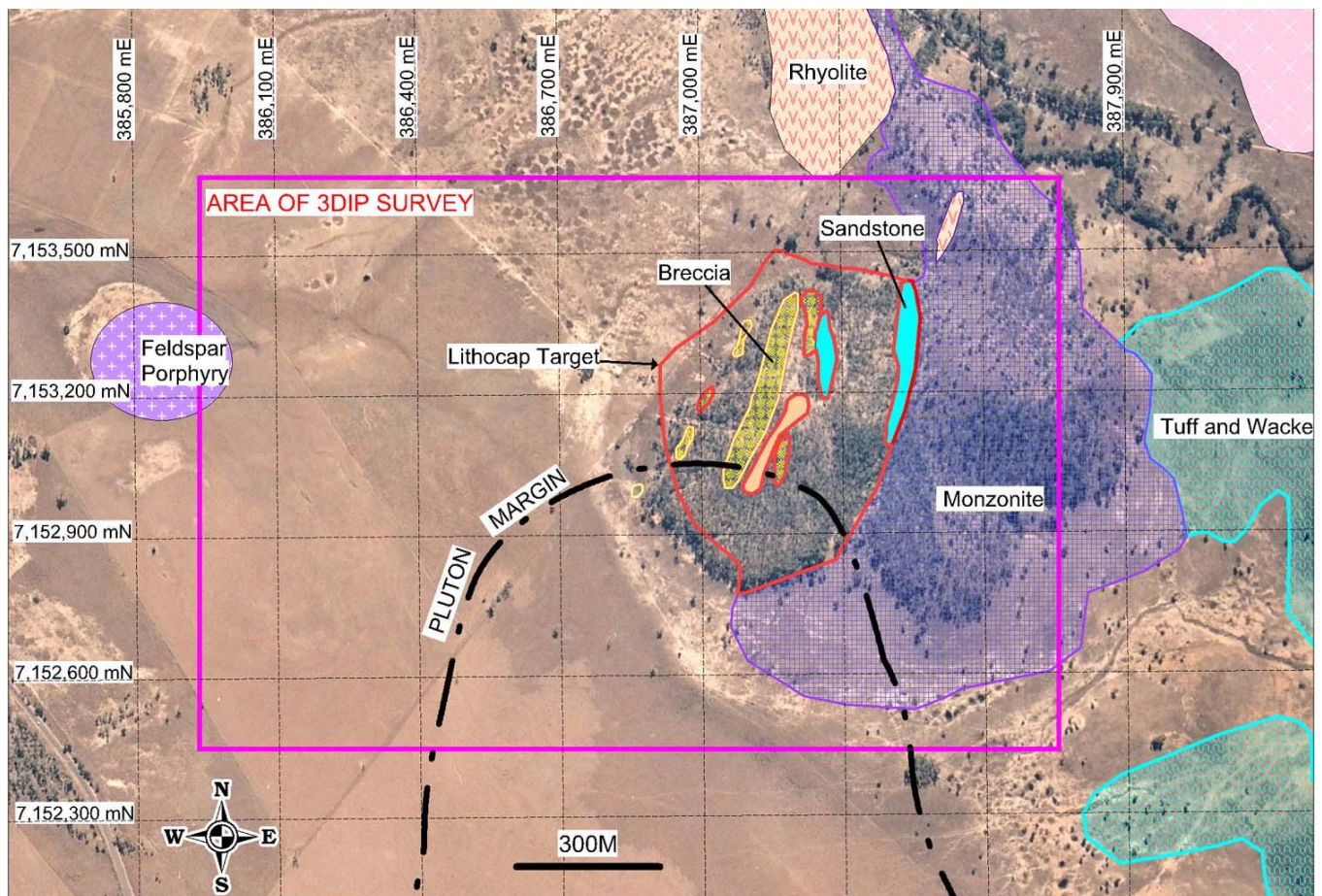


Figure 4: Demonbanga geology and 3DIP survey area

The Sefton prospect within EPM14979 (refer to Figure 1), has maximum drillhole assays of 1280ppm molybdenum and 254ppm copper in drilling completed by Jimbilly Pty Ltd, who drilled to a maximum depth of 130m with most holes to less than 50m depth. Subsequent drilling into single line dipole-dipole IP geophysical anomalies intersected alteration accompanied in part by thin, molybdenum-bearing quartz veins.

The 3DIP survey will help map the vein densities and sulphide-related mineralisation associated with the alteration in a 1300m by 400m copper-in-soils anomaly beneath a layer of gravel (refer to Figure 5).

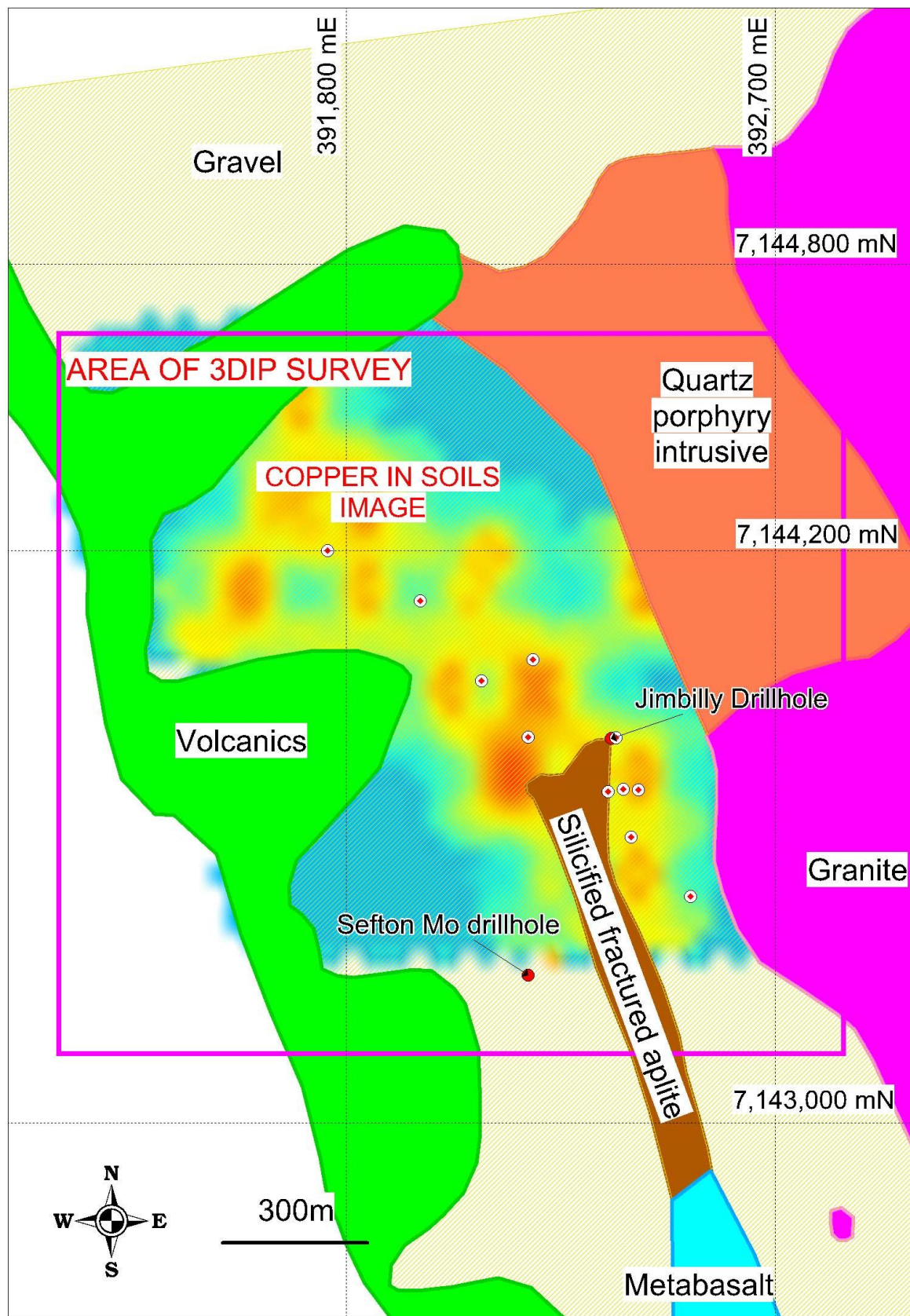


Figure 5: Sefton copper in soils image, geology and 3DIP survey area

About Coppermoly

Queensland-based copper exploration company Coppermoly Limited (ASX: COY) is focused on exploring for and developing copper-gold deposits. It has three tenements, Simuku, Talumas 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. A resource upgrade for Simuku and a maiden Inferred Resource for the Nakru-1 project is expected in the second quarter of 2012.

Barrick (PNG Exploration) has spent more than \$20 million on Coppermoly's Simuku (EL1077), Nakru (EL1043) and Talelumas (EL1445) tenements and has now earned a 72% stake in these three projects. A joint venture for the exploration of the tenements will now be formed.

Coppermoly has signed an agreement to earn up to 70% on the Esk Trough copper-gold projects in southeast Queensland by spending \$6 million in exploration over the next six years. An initial \$500,000 will be spent on geophysics and drilling during 2012 to determine if Coppermoly wishes to earn-in a percentage of the projects.

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.

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 ([Sum of each total interval x grade] / Total length of intersection).
- Co-ordinates are given in UTM Zone 56, AGD84 Datum.
- Mineralised intersections are quoted as down hole widths.