

ASX Announcement

Date: 6th July 2012

ASX Code: COY

MAKMAK EXPLORATION LICENCE GRANTED ON NEW BRITAIN, PNG

Queensland-based copper explorer Coppermoly Limited (ASX: COY) ("Coppermoly" or the "Company") is pleased to advise that its long standing tenement application ELA 2014 Makmak on the south coast of New Britain Island, Papua New Guinea, (refer to Figure 1) has been granted by the PNG Minister for Mining for a period of two years.

The Makmak tenement covers 280 square kilometres and is 9km south of the Company's Nakru tenement where drilling intersected **190.85 metres grading 1.01% copper and 0.36g/t gold at Nakru-1**. Makmak is not part of the farm-in agreement Coppermoly has with Barrick (PNG Exploration), a subsidiary of Barrick Gold Corporation, with Coppermoly wholly owning the licence.

During reconnaissance sampling in 2010, Coppermoly collected surface rock float samples at the 'Pulding' prospect at Makmak which returned **10.7% Cu & 15.5g/t Ag, 1.18% Cu, 0.64% Cu, 2.91% Cu and 0.65% Cu**. These samples are within granitoid type rocks associated with a geophysical magnetic intrusive target in the eastern section of the tenement (refer to Figure 2). The project is accessible via 4WD from New Britain Island's provincial capital, Kimbe.

The Makmak tenement is located on the highly prospective Kulu Awit Transfer structure (refer to Figure 3) which is host to:

1. Vangold Resources Ltd Mt.Penck gold-silver system, which returned 131m @ 2.36g/t Au from drilling
2. Coppermoly's Simuku copper-gold-molybdenum-silver deposit containing an Inferred Resource of 200Mt @ 0.36% Cu, 61ppm Mo, 0.06g/t Au, 2g/t Ag
3. Coppermoly's Kulu copper prospect with 27m @ 0.21% Cu
4. Coppermoly's Plesyumi porphyry system with 44m @ 0.85% Cu
5. Coppermoly's Nakru-1 Exploration Target of 50 to 60Mt @ 0.7 to 0.9% copper

In accordance with Clause 18 of The JORC Code the reference to 'Exploration Target' in terms of target size and type should not be taken as an estimate of Mineral Resources or Ore Reserves. The statement referring to quantity and grade of the exploration target is based upon exploration results to-date including extensive drilling which has intersected the mineralisation. The potential quantity and grade is conceptual in nature.

Coppermoly expects to announce a maiden Inferred Mineral Resource for Nakru-1 and an upgraded estimate for Simuku in July.

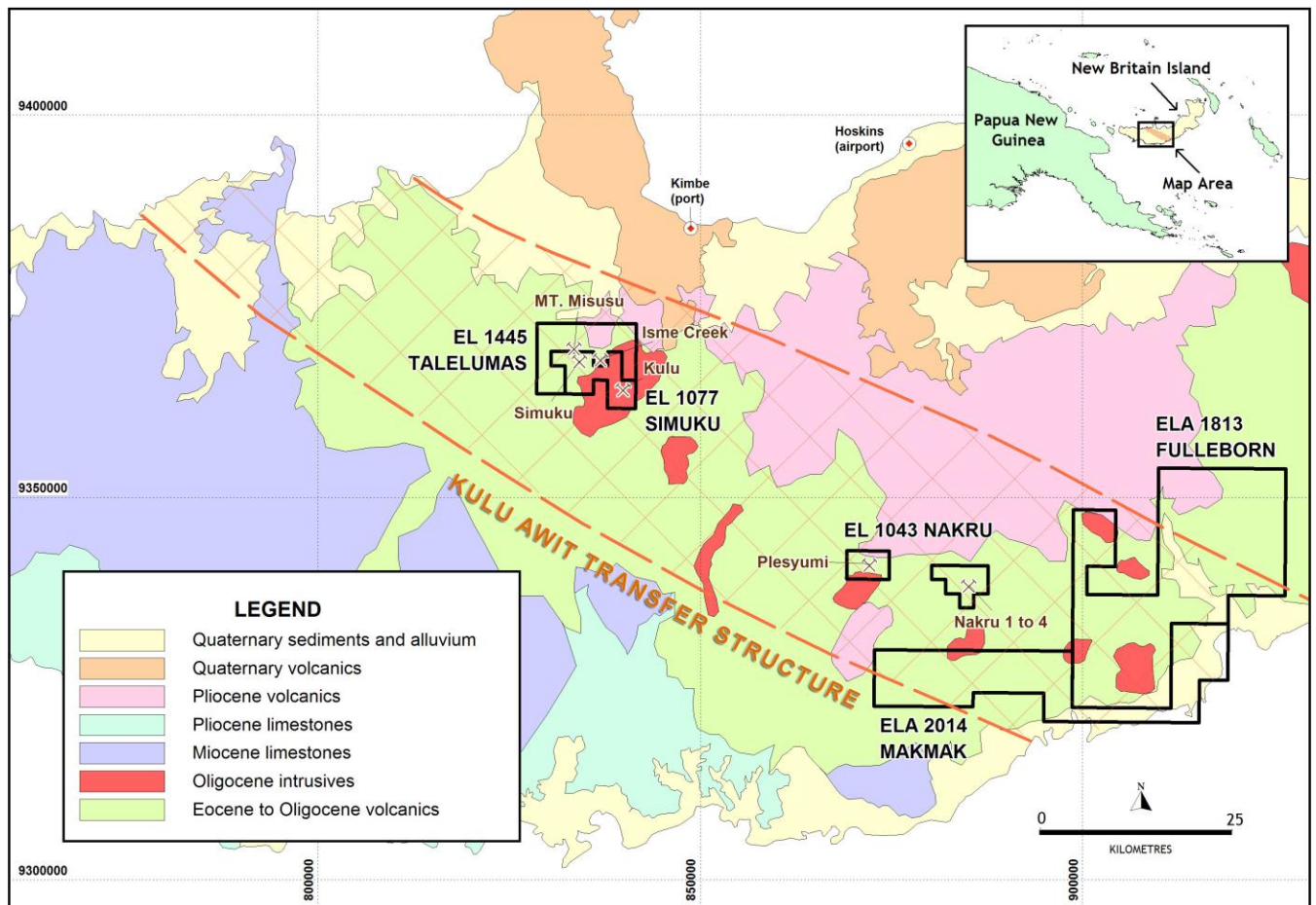


Figure 1: Location of Coppermoly's 100%-owned Makmak tenement

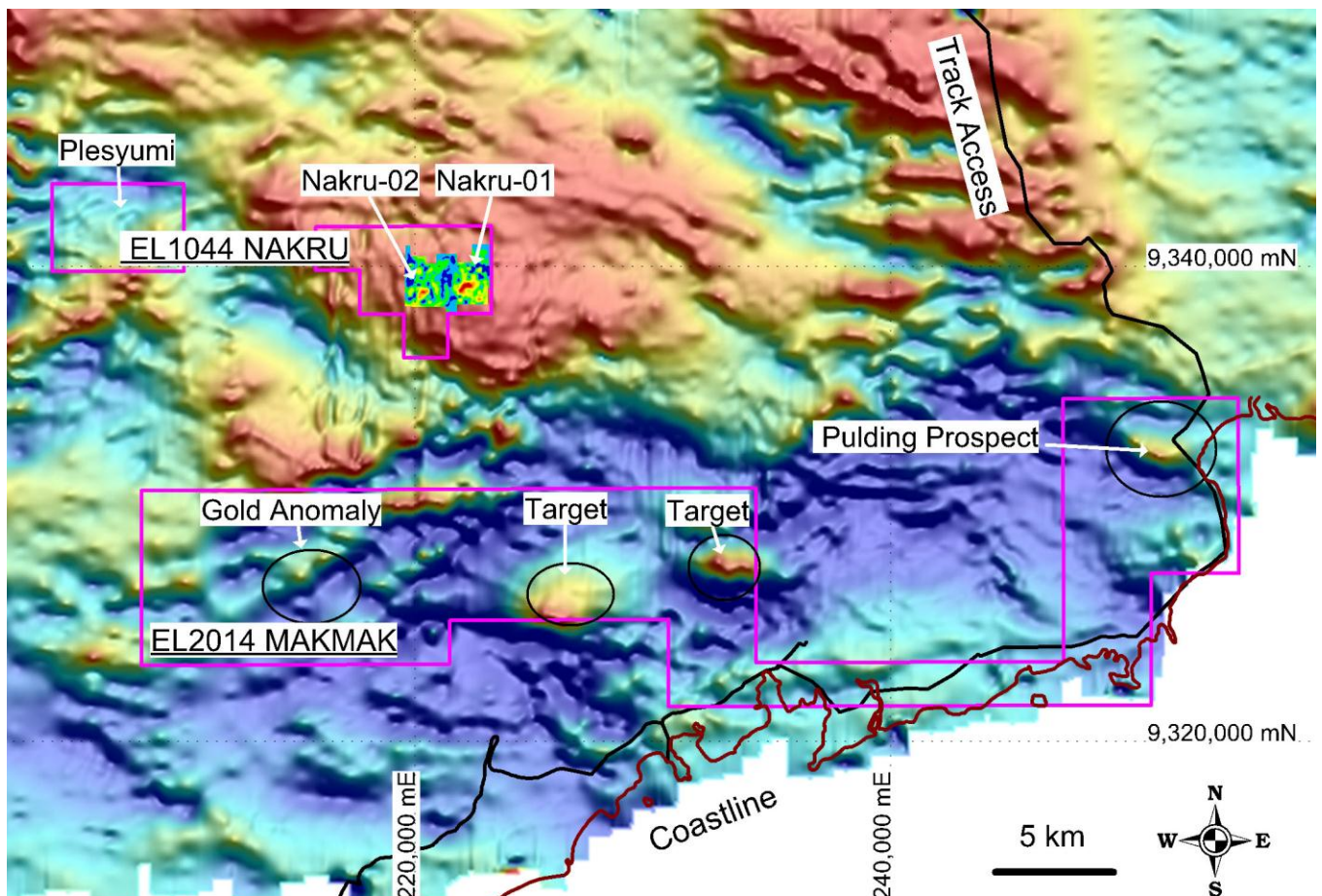


Figure 2: Makmak prospects on geophysical magnetics image

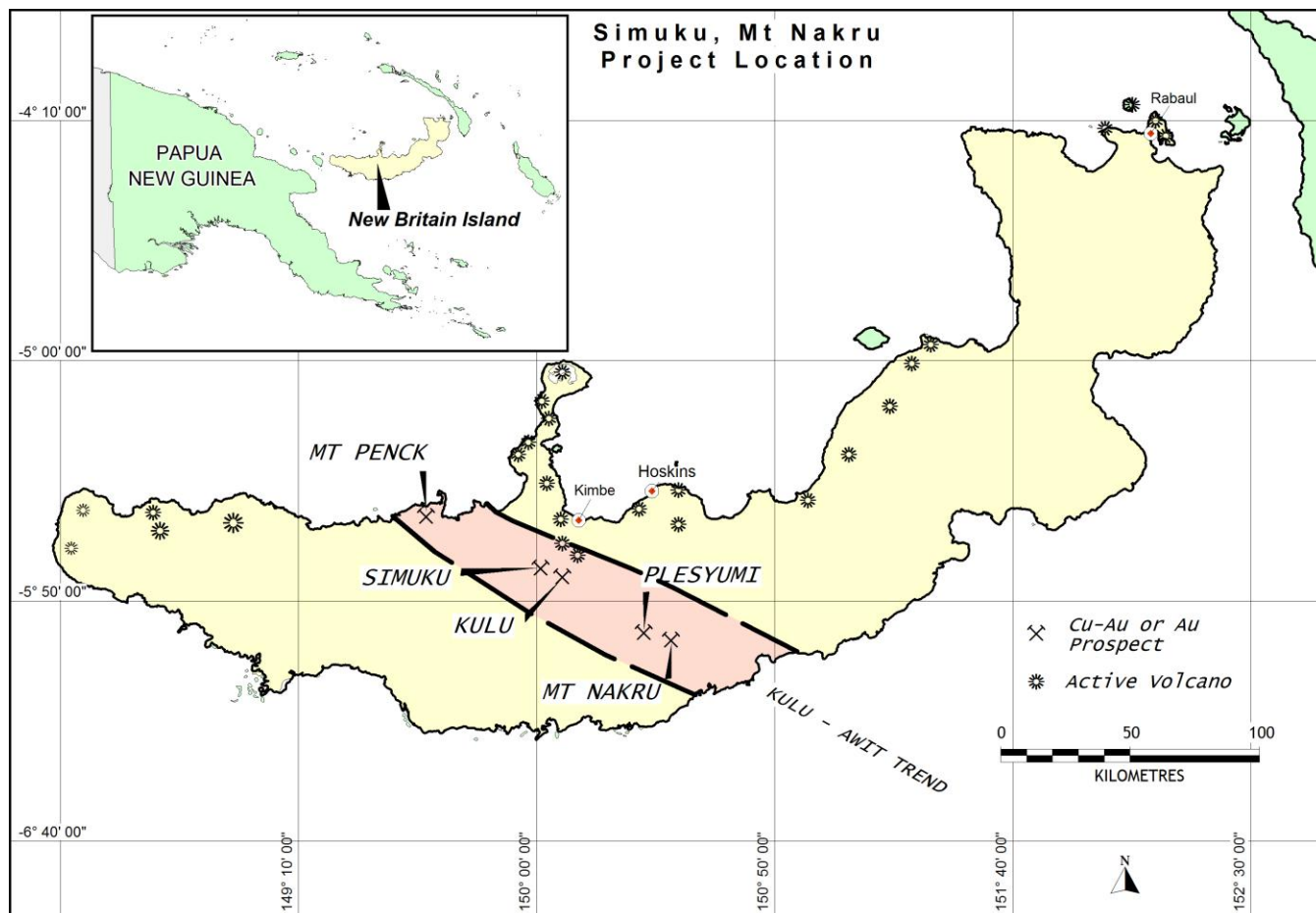


Figure 3: Location of the prospects within the mineralised Kulu-Awit Trend

About Coppermoly

Queensland-based copper exploration company Coppermoly Limited (ASX: COY) is focused on exploring for and developing copper-gold deposits. It has a 28% interest in its three tenements: Simuku, Talelumas and Nakru, on New Britain Island, Papua New Guinea. It also has a 100% interest on EL2014 Makmak and two other 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 maiden Inferred Resource estimate for the Nakru-1 prospect is nearing completion by independent consultants Golder Associates with results expected in July. An upgrade of the Simuku Inferred Resource is expected to be completed in late July. A conceptual mining study is nearing completion for Nakru-1 with results expected in August.

In addition to its projects in PNG, Coppermoly has signed an agreement to earn up to 70% on the Esk Trough copper-gold projects in southeast Queensland ("Agreement"). An initial \$500,000 has been spent on geophysics and drilling with all results expected to be released in July.

The main points of the Esk Trough 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, AGD66 Datum.
- Mineralised intersections are quoted as down hole widths.