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ASX Announcement

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DRILLING COMMENCES AT NAKRU

Coppermoly Limited (ASX:COY) ("Coppermoly") is pleased to announce the commencement of diamond core drilling on the Nakru-01 copper-gold system on New Britain Island, Papua New Guinea. Diamond drillhole BWNBDD0021 is reported to be at 169.8m depth, so far intersecting minor copper mineralisation.

The Nakru-01 deposit has an Inferred Resource of 38.4 million tonnes grading 0.61% copper + 0.29 g/t gold + 1.80 g/t silver + 13 ppm molybdenum + 19.29 ppm lead + 659 ppm zinc (using a 0.2% copper cut-off). Results from a Conceptual Mining Study showed that its development could be cash flow positive within two years of commencement of production, however additional drilling is required to determine the full extent of mineralisation.

Barrick (PNG Exploration) Ltd ("Barrick") have managed and funded over \$23 million on the exploration and drilling on three of Coppermoly's tenements since 2009 (refer to Figure 1).

SIMUKU DRILLING UPDATE (EL 1077)

The commencement of drilling at Nakru follows-on from the recently completed diamond drilling at the Nayam and Misili prospects (refer to Table 1) within the Simuku porphyry copper system (refer to Figure 2).

BWNBDD0020 was completed to 288m depth and designed to test the southern extent of secondary copper enrichment. Barrick have reported that the hole intersected quartz porphyry, hornblende porphyry and andesitic volcanics with some chalcocite enrichment from 30 to 40m depth. Assay results are pending.

BWNBDD0019 was completed to 314.9 metres depth. Assay results are expected to be released during December.

The Simuku Project has an Inferred Resource of 200 million tonnes grading 0.36% copper + 61 ppm molybdenum + 0.06 g/t gold + 2 g/t silver. The drilling by Barrick has demonstrated continuity of mineralisation at over 500m depth beneath the resource.

In October 2012, the tenement was renewed by the MRA for an additional two years to 28th November 2013.

Table 1: Drill Collar Table (Datum AGD66, Zone 56)

Hole	Prospect	Easting	Northing	Azimuth (deg)	Dip (deg)	Depth (m)
BWNBDD0019	Nayam	169971	9368205	300	-60	314.9
BWNBDD0020	Misili	169467	9367460	300	-60	288.0

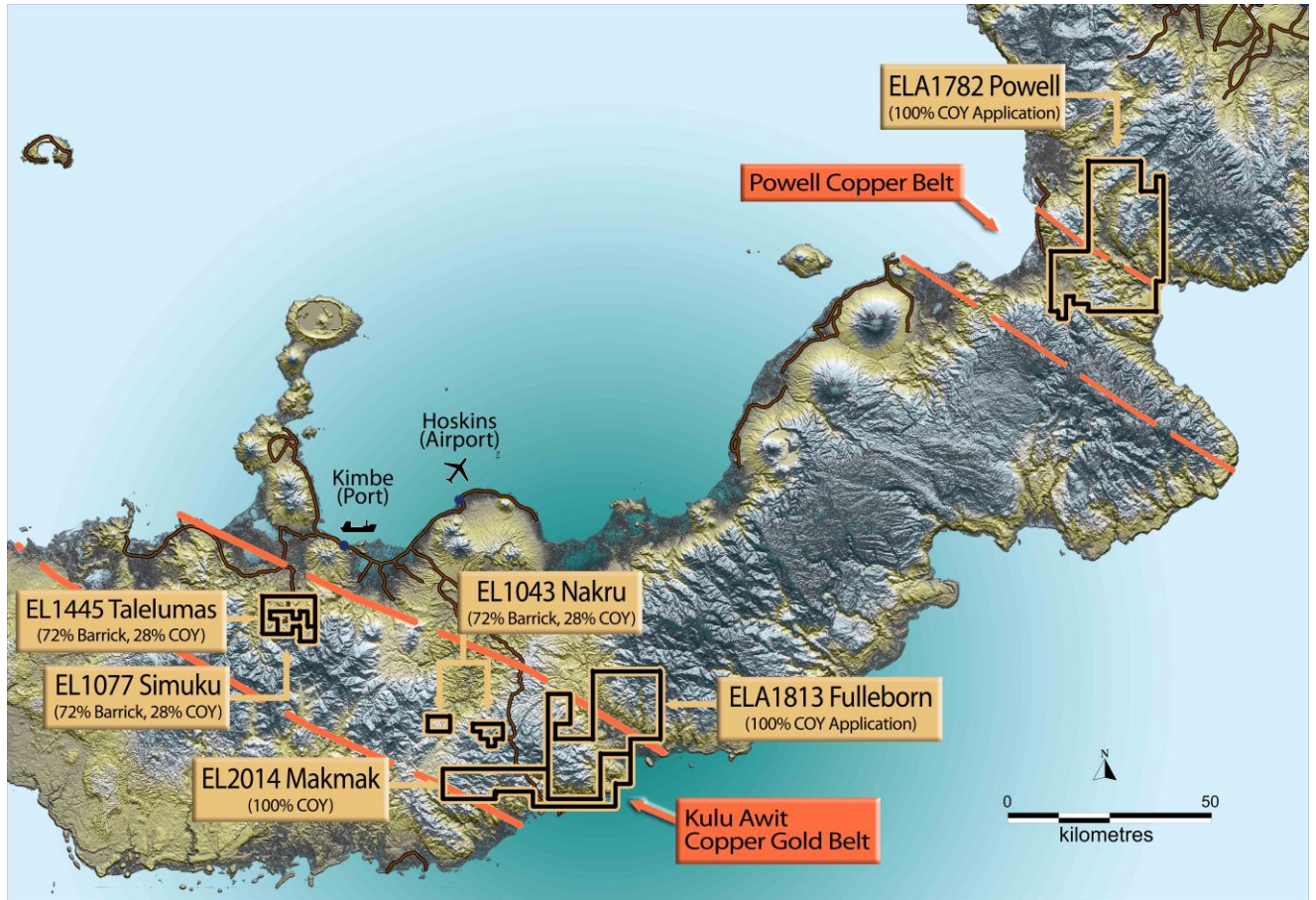


Figure 1: Location of Coppermoly projects on New Britain Island, PNG

On behalf of the board,



Peter Swiridiuk
MANAGING DIRECTOR

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:

- Co-ordinates from PNG projects are given in UTM Zone 56, AGD66 datum.
- Drillhole samples from drillholes in PNG were transported to the camp site then to the town of Kimbe where they were logged, orientated and sampled between 1m and 2m intervals from core split by saw. The split samples were then freighted to Intertek in Lae (PNG) for sample preparation. Samples were dried to 106 degrees C and crushed to < 2 mm. Samples greater than 2kg were rifle split down to 1.5kg and pulverised to 75 microns. The final 300g sized pulp samples were then sent to Intertek laboratories in Jakarta for geochemical analysis. Intertek analysed for gold using a 50g Fire Assay with Atomic Absorption Spectroscopy finish. Other elements were assayed with ICPAES Finish. Copper values greater than 0.5% were re-assayed. Intertek laboratories have an ISO 17025 accreditation. Unused half core is stored in sheltered premises in the town of Kimbe.
- The resource statement for Nakru-01 has been compiled by Golder Associates in accordance with the guidelines defined by the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore reserves (The JORC Code). Golder Associates has verified the data disclosed. The key assumptions, parameters and methods used to estimate the minerals resources are set out in the 'Nakru Copper-Gold Deposit – Mineral Resource Statement' in a release dated 26th July 2012. The estimate of mineral resources is not materially affected by any known environmental, permitting, legal, title, taxation or political issues. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.
- The Conceptual Mining Study for Nakru-01 was completed by Mr David Swain, FAusIMM, Principal of Swain Engineers, Consulting Mining Engineers, at the request of Coppermoly Ltd.