



ASX Announcement

Date: 23 June 2014

ASX Code: COY

FAVOURABLE VARIATION OF REACQUISITION AGREEMENT

Coppermoly Limited is pleased to announce that it has reached agreement with Barrick (PNG Exploration) Ltd (**Barrick**) to amend the terms of its agreement for the acquisition of Barrick's interests in the three Exploration Licences, EL1043 – Nakru, EL 1077 – Simuku and EL 1445 – Talelumas (**Reacquisition Agreement**).

Under the terms of the amended Reacquisition Agreement, Coppermoly may, prior to 31 July 2014, elect to satisfy the second payment due to Barrick, of \$1,331,836 (**Second Purchase Price**) in whole or part by issuing fully paid ordinary shares in Coppermoly (**Shares**) to Barrick or its nominee (**First Election**).

In the event that Coppermoly elects to satisfy some but not all of the Second Purchase Price in Shares the remaining portion of the Second Purchase Price (the **Deferred Purchase Price**) will be deferred until 30 November 2014.

Provided that Coppermoly Shareholders approve the issue of any Shares issued under the First Election Coppermoly may also elect to satisfy the Deferred Purchase Price wholly or partly in Shares (**Second Election**).

"This is an extremely valuable agreement, Coppermoly Managing Director Maurice Gannon said.

We are pleased with Barrick's co-operation in agreeing to this variation, which enables us to satisfy the Second Purchase Price without drawing upon cash and to focus our efforts on exploration.

Our recent work has proven that we have truly excellent exploration assets and this has really put the reacquisition strategy into perspective.

In recent months we've brought together a great team. We have so many exciting prospects and we have carefully planned how we will go about proving them.

Now and for the next few years at least any funds raised can be finally be dedicated to the fullest extent possible to 'in-the-ground', high quality exploration. We have been working tirelessly to bring this to fruition for a long time, Mr Gannon said.

The issue price of any Shares issued will be at a 10% discount to the VWAP of Coppermoly's Shares over the 30 days preceding the date of the First Election and Second Election, respectively (as applicable), and is subject to such issue not causing Barrick or any of its associate's voting power in Coppermoly increasing to more than 20% and compliance with the ASX Listing Rules.

In August 2014 Coppermoly will acquire an additional 21% interest from Barrick, taking Coppermoly to a 72% interest in the three Exploration Licences (EL1043 – Nakru, EL 1077 – Simuku and EL 1445 – Talelumas), on the satisfaction of requirements of the First Election.

The final payment under the Reacquisition Agreement, when Coppermoly will acquire the final 28% interest from Barrick, taking Coppermoly to a 100% interest in the three Exploration Licences, requires payment of \$3,000,000.00 on or before the earlier of:

- August 2018; and
- the date that Coppermoly releases a feasibility study on any one or more of the exploration licences to the ASX.



Maurice Gannon
MANAGING DIRECTOR

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About Coppermoly

Coppermoly's mineral exploration activities are focused entirely on the island of New Britain in Papua New Guinea where it holds six exploration licences. These licences cover copper, gold, silver, zinc, molybdenum and iron mineralisation. The tenements are Simuku, Talelumas, Nakru, Makmak, Powell and Wowonga.