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ASX Announcement

29 August 2019 **ASX Code: COY**

Simuku IP Survey identifies multiple high priority targets

Highlights

- **A 21km IP Survey was completed at Simuku in June to follow up anomalies identified by the 2017 VTEM survey**
- **Modelling of the IP survey data has revealed multiple anomalous chargeability and conductivity responses on every line in the survey which correlate strongly with known sulphide occurrences and are extrapolated to other untested areas**
- **A Classic Porphyry Model fits the Simuku Central mineralised zone which is adjacent to a pyrite-rich halo that has a strong IP response**
- **Several large volcanic centres were identified and have been interpreted as calderas which may host porphyry systems**
- **This mineralisation model was integrated with geological, geochemistry and geophysical data, which highlights two high ranked target areas that show features of the classic porphyry mineralisation system at Simuku East and Misusu.**
- **Follow up work involves confirming and extending the historical surface geological mapping and geochemistry, especially on structural features to further delineate the most productive drill sites.**

Coppermoly Limited (**ASX:COY**) advises that the 2D and 3D modelling and interpretation of the survey data from the Simuku Induced Polarisation (IP) undertaken in May and June 2019 is complete. This work was undertaken by the Company in conjunction with independent geophysical consultants, Geodiscovery Group.

Coppermoly's Managing Director Dr Wanfu Huang commented that the IP program has been successful in confirming multiple potential drill targets at the Simuku Project

"The 3D IP models and interpretation have provided some real insights into the known porphyry mineralisation systems in the area. Ongoing reviews of historic data with new data from our planned field works are expected to lead to the drilling of high potential mineralisation targets in near future," he said.

Overview

An induced polarisation (and resistivity) survey was conducted at the Simuku tenement (EL2379) during May and June 2019. The objective of the survey was to follow up areas several EM anomalies associated with structural zones and intrusive complexes that were identified in the 2017 VTEM survey[1].

Five areas were surveyed with 100m pole-dipole configuration after commencing the survey using a 100m dipole-dipole configuration (see Figure 1 for areas). Eleven east-west lines for a total of 21 kms were surveyed as single, two, or three-line blocks in each area.

The IP data quality is very high, to the maximum N separation of 8. 2D inverse modelling was undertaken on every line and 3D inverse modelling on each of the 5 areas (Figure 1). All modelling incorporated high resolution LiDAR topography information.

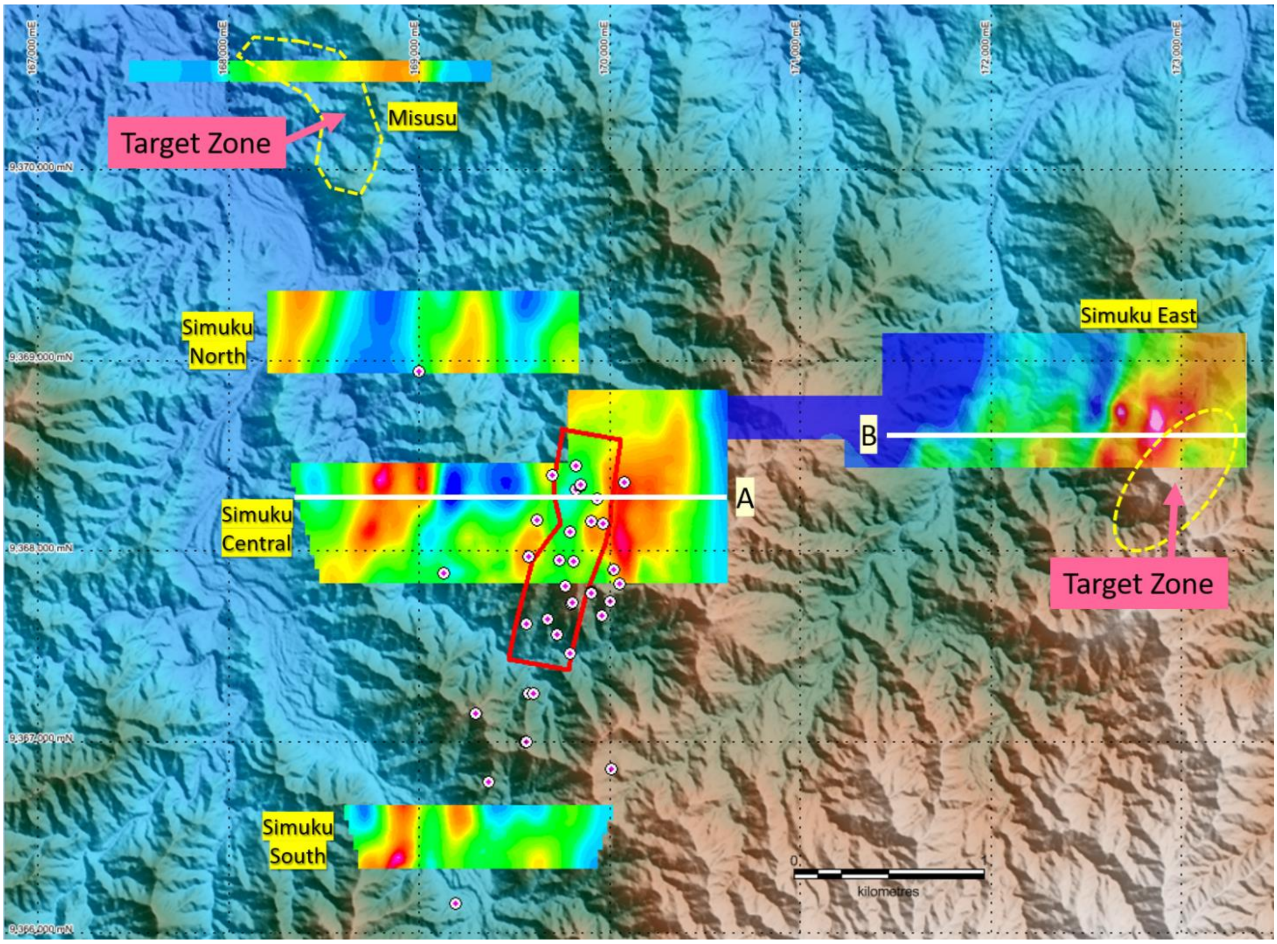

__Figure 1.__ 3DIP 100m depth drape. The bright colours in the image represent anomalous chargeability zones. The yellow dashed outlines represent the high priority targets generated from the new interpretation. The circles represent historical drilling and the red polygon is the outline of known mineralised zone[2]. Note: Depth drape is the sliced plan view image extracted from the 3D model at a constant depth below the topography. The background image is the LiDAR topography. The white line 'A' is the location of IP section through Simuku Central (Fig 2a). The white line 'B' is the location of the IP section through Simuku East (Fig 2b). UTM co-ordinate zone: WGS84_56S.

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[1] Refer ASX announcement dated 23 April 2018. The Company is not aware of any new information or data that materially affects the information contained in that announcement

[2] Refer Table 1 and Table 2 for locations of, and significant intercepts from, historical Simuku drillholes.

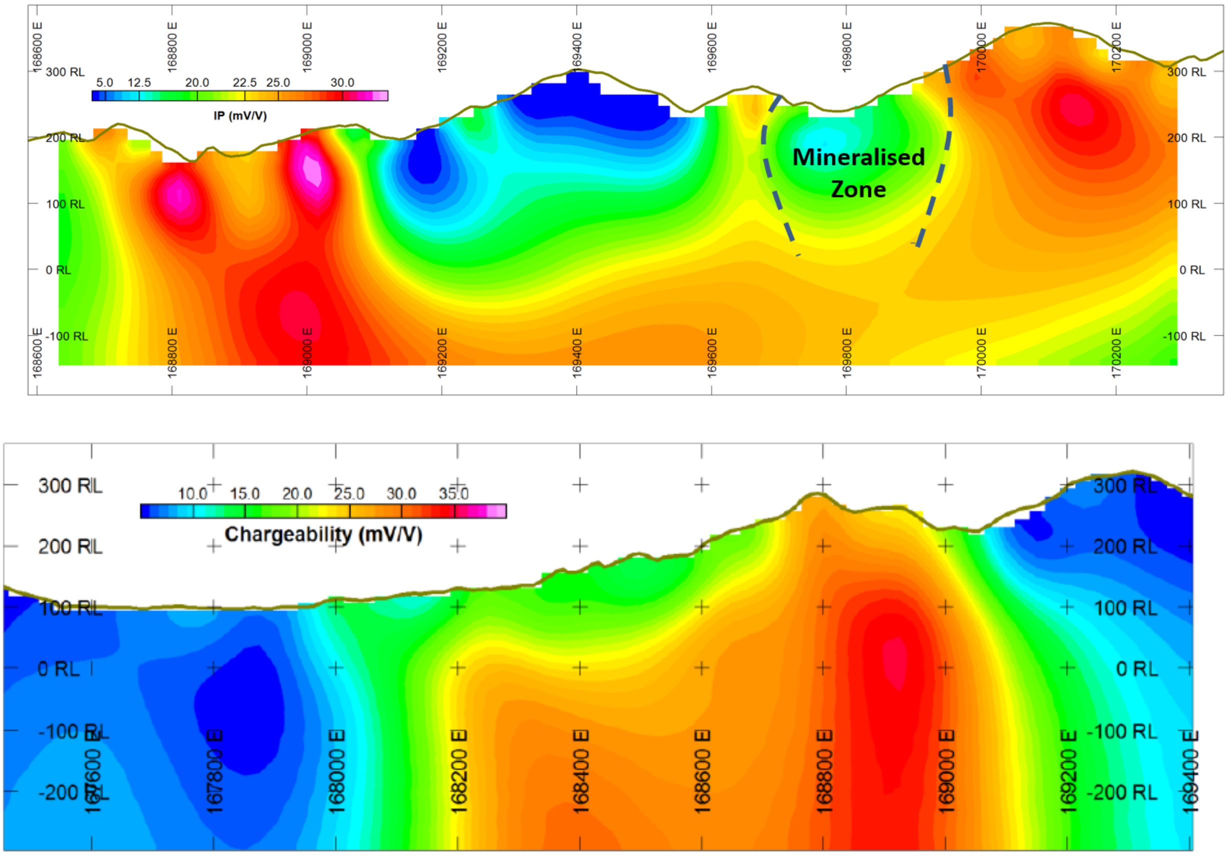

Figure 2a and b. Sections of 3DIP model west to east along the line SIM19_06 through Simuku Central (a. upper) and SIM19_04 through Simuku East (b.lower) from the 2019 survey (location Line A and B respectively in Figure 1). Note the spatial relationship between the known mineralisation zone at Simuku Central (grey dashed outline) and the comparison to the IP chargeability high at Simuku East.

Target Generation

The 2019 survey covered the known mineralisation zone at Simuku Central, but also revealed other high potential zones of similar mineralisation.

Simuku Central

Simuku Central is represented by the 3 IP lines that cross historical drill holes with known Cu mineralisation and the surrounding area.

There are several significant chargeability responses, the most interesting of which is directly juxtaposed with the currently known mineralised drill holes. The IP chargeability response in the mineralised zone is low to moderate compared to the high chargeability response directly to the east (Figure 3). The one drill hole through this chargeability zone shows a spike in pyrite content and consistently low Cu values (Location of BWNBDD0019A on Figure 3 and assay results in Table 1).

When compared to some type example global porphyry systems, the Simuku deposit appears to fit a classic model where the high chargeability zones represent a pyrite-rich halo next to a mineralised porphyry which correspondingly has a relatively lower chargeability response (one such type example is Batu Hijau deposit in Indonesia).

The high chargeability zones to the west of the mineralisation zones are not well understood to date. However, several high chargeability zones coincide with zones of high magnetic response, which form a ring feature around a broad magnetite destruction core (Figure 4).

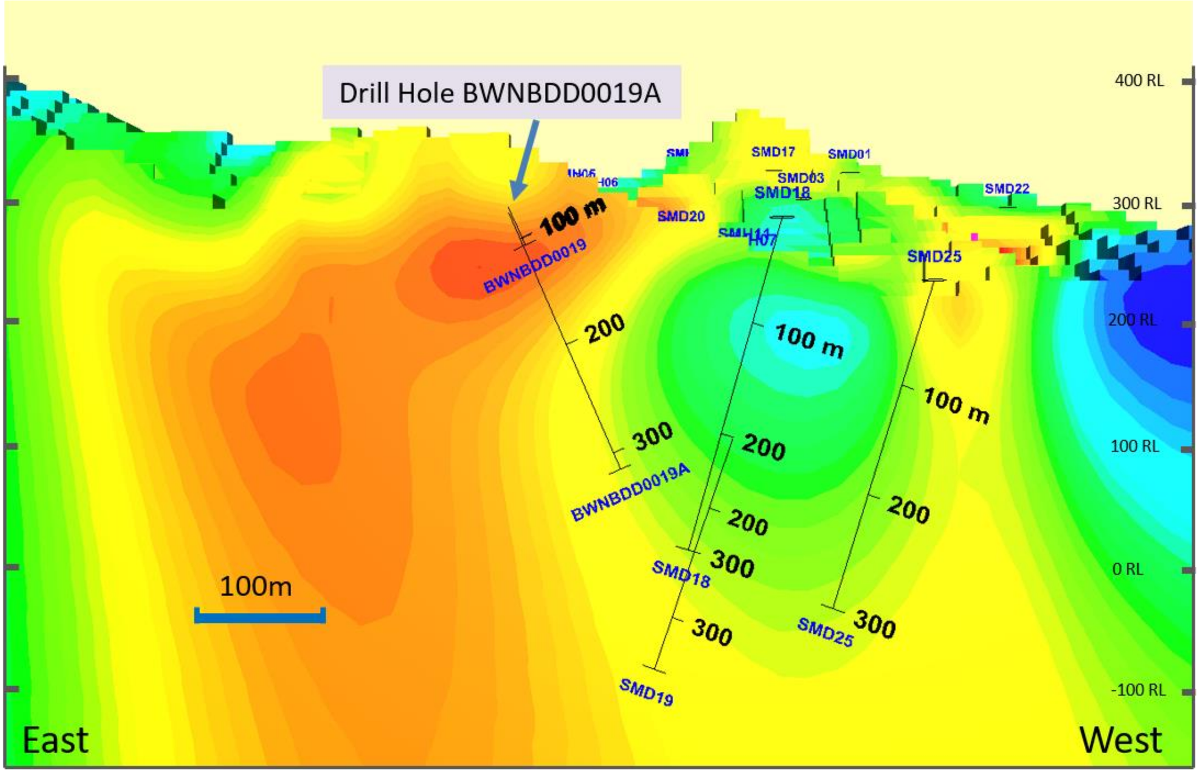

Figure 3. *East to West section extracted from IP Line SIM19_06 which crosses directly by drill hole BWNBDD0019A that penetrates through the high IP chargeability anomaly (orange). This hole has elevated pyrite content up to 8-10% within the anomalous IP zone whereas the other holes in the lower chargeability zones have pyrite values rarely above 1%. The classic porphyry model has ring of pyrite-rich, Cu-poor sulphide content which corresponds to a high chargeability response with a central Cu-mineralised zone of lower chargeability which has lower overall volume of pyrite.*[3]

This interpreted model implies that current known mineralisation at Simuku lies within part of a large circular magnetic feature that is likely to represent a volcanic centre such as a caldera. (Figure 4). This caldera feature has a reasonably coherent ring of high magnetic response which associates quite well with high IP chargeability around its margin. The known mineralised zones lie within the magnetic and IP low in the central portions.

Follow up field check on the high chargeability zones around the caldera is considered for the next phase of the Simuku exploration program.

[3] Refer Table 1 and Table for locations of, and significant intercepts from, historical Simuku drillholes

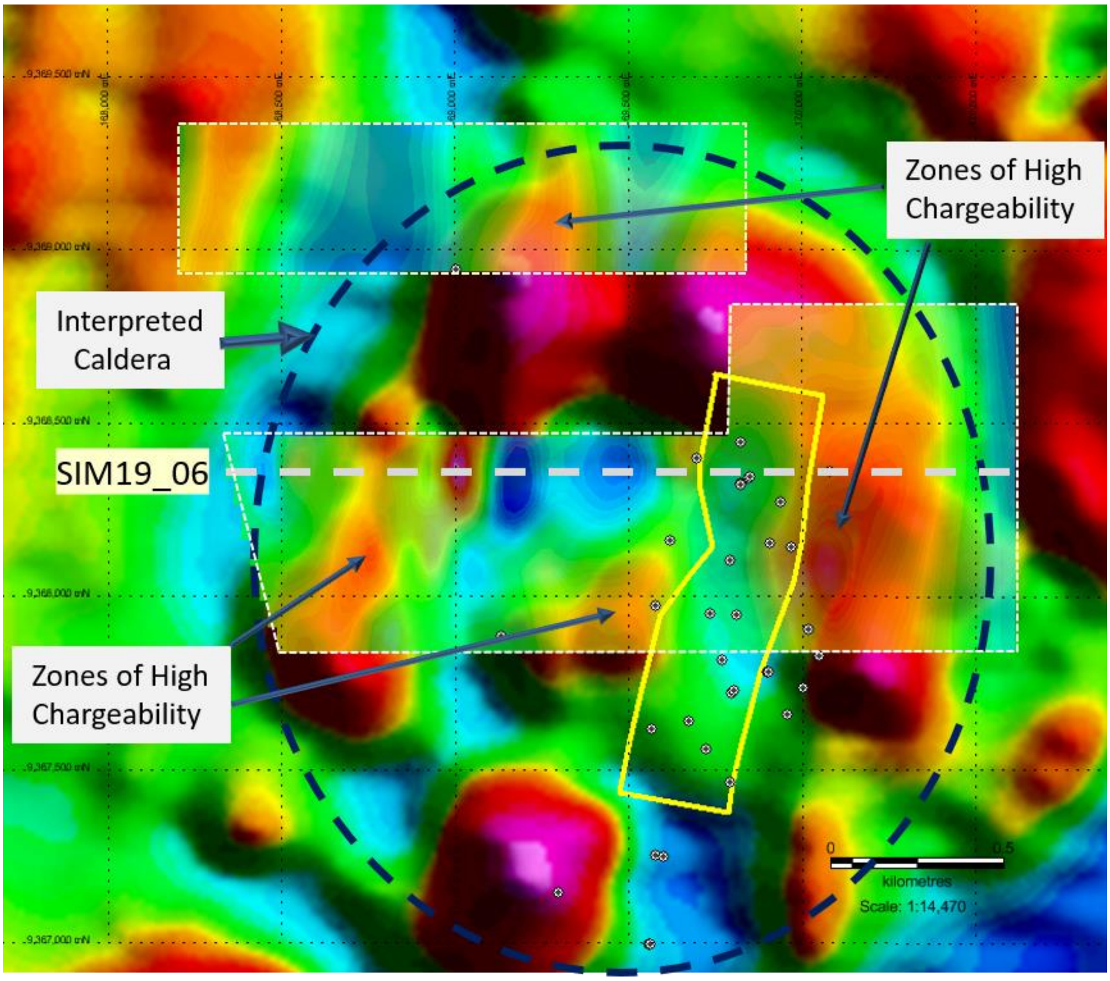

***Figure 4**. Interpretation of an approximately 2km diameter caldera hosting a porphyry intrusive cluster. Modelled magnetic image (RTP 1VD colour) overlain by IP chargeability layer (inside white dashed lines). SIM19_06 is the location of IP section shown in Figures 2 and 3. Black circles are the drill holes. The yellow outline is the area where drill holes have recorded significant Cu intercepts.*

This model can be translated to other similar looking areas within the Simuku tenement that have sufficient IP coverage such as Simuku East and Misusu as explained below.

Simuku East Porphyry Target

Three IP lines went through the Simuku East area, which revealed a zone of very high chargeability sitting on the west margin of a magnetic ring feature (Figure 5)

Historical mapping observed a felsic porphyry intrusive unit surrounded by more dominant dioritic and volcanic units very similar to those at Simuku Central. Also, the historical stream sediment data for this area has several occurrences of elevated Cu values draining from the centre of this target zone (Figure 5). A short visit to verify a surface IP zone confirmed that pyrite was the probable source of the chargeability anomaly.

If the model for Simuku Central is applied to this area it may represent a good size target to host a potential mineralised porphyry within the interpreted zone of magnetite destruction (Figure 5)

The follow up work program for this area is to review the historical mapping and geochemistry in order to define drill targets.

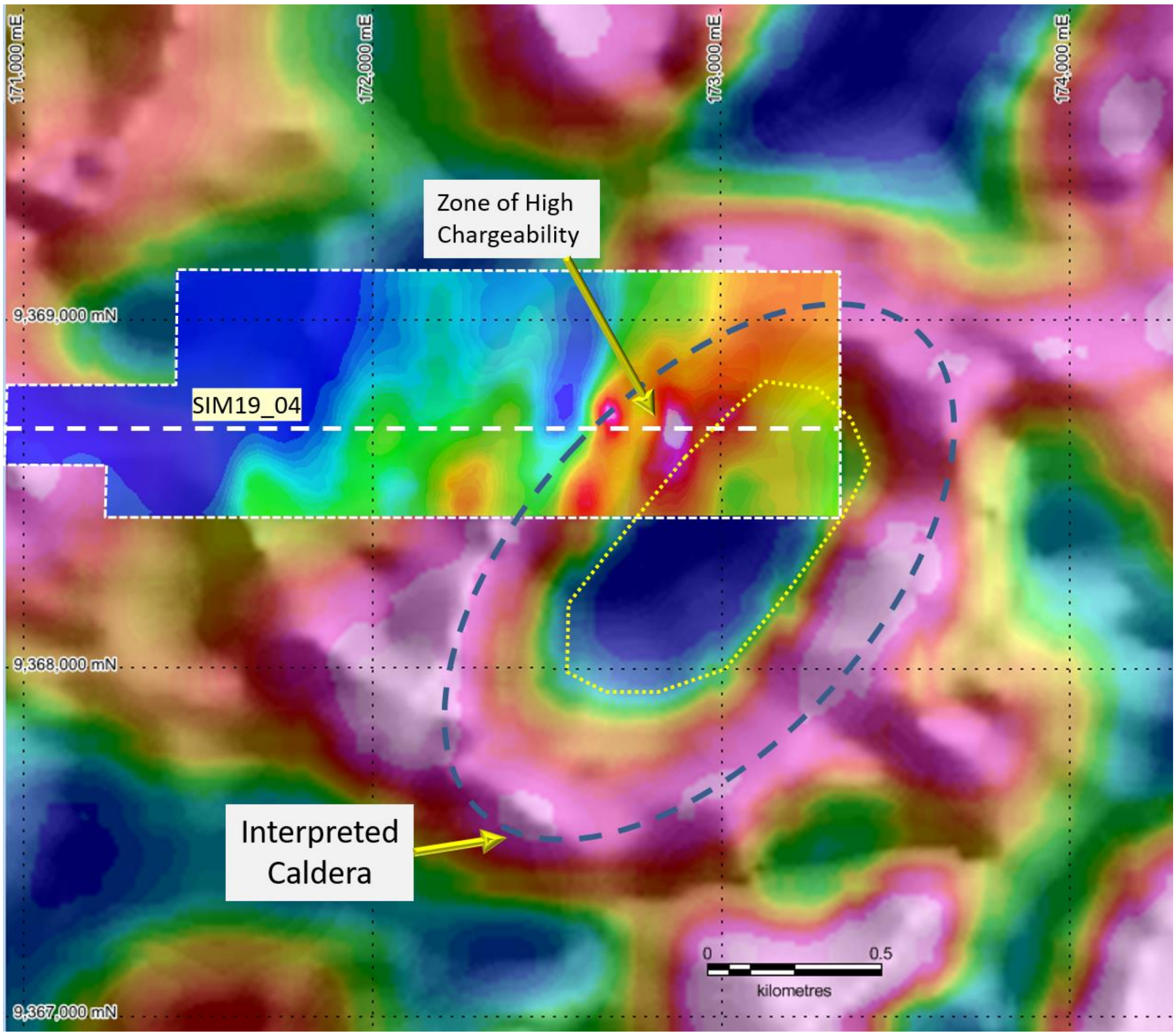

Figure 5. *Simuku East IP survey area. The yellow dashed line defines the interpreted zone of magnetite destruction and represents a target of interest to potentially host a porphyry system. The 3DIP 100m depth chargeability drape overlies the background image of VTEM modelled magnetic susceptibility 200m depth slice. The white dashed line represents the location of the IP section (line SIM19_04) shown in Figure 2.*

Misusu

Only one IP line crossed this area in the 2019 survey. The combination of the 2019 IP survey model with the historical GAIP data and VTEM magnetic model allowed for the interpretation of a semi-circular 'caldera' structure. Once again there is a correlation with the higher IP chargeability and the stronger magnetic zones (Figure 6).

Historical mapping has highlighted scattered zones of 'porphyry' stockwork and stream sediment geochemistry recorded irregular elevated Cu values which made this area an attractive prospect. The main target zone of interest lies within the inner part of the caldera feature which could be greater than 1,000 x 500m.

The follow up exploration plan is to confirm and expand on historical mapping and geochemistry to delineate more precise information, especially structural orientation, that could be crucial to define drill targets.

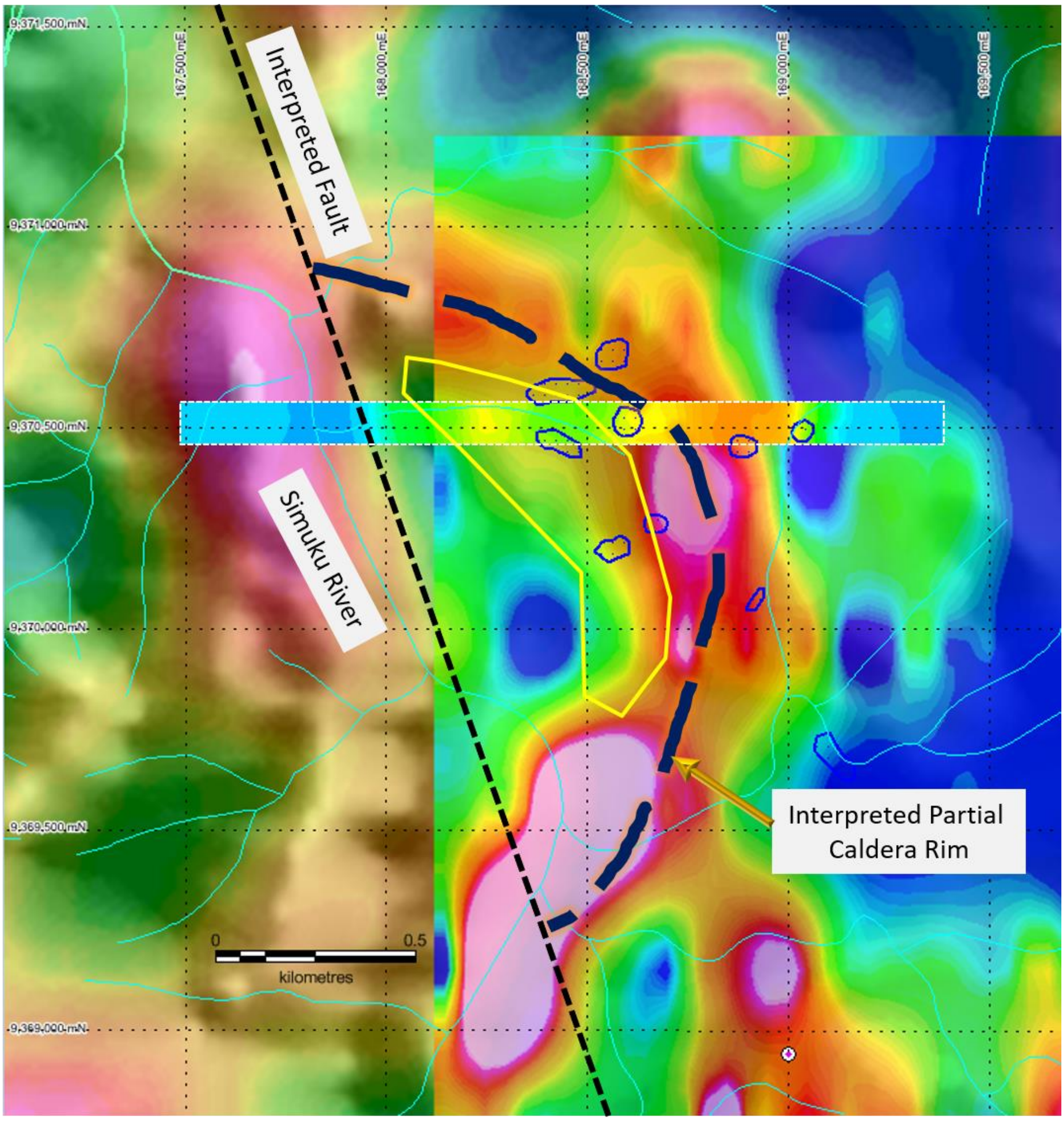

Figure 6. *3DIP 100m depth drape (white dashed line polygon) overlies GAIP image with strong chargeability zone in pink with the interpreted 'caldera' rim outlined by the thick dashed line. It is interpreted to be cut off by a major fault along the Simuku River. The internal zone outlined in yellow is lying within the caldera represents an attractive porphyry target. The background image is the VTEM modelled magnetic susceptibility 200m depth slice*

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- **End** -

About Coppermoly

Coppermoly Ltd (COY) is an ASX listed junior exploration company which has been listed on the ASX since 2008. Coppermoly's head office is located on the Gold Coast, Australia and its mineral exploration activities are focused entirely on the island of New Britain in PNG where it is exploring for copper, gold, silver, zinc, and molybdenum.

Competent Persons Statement

The information in this announcement that relates to Exploration Results is based on information compiled by Dr Peter Victor Crowhurst, who is a Member and Registered Professional Geologist with the Australian Institute of Geoscientists. Dr Crowhurst has sufficient experience which is relevant to the style of mineralisation under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Crowhurst is the full time Exploration Manager at Coppermoly and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

This release may include forward-looking statements, which may be identified by words such as "expects", "orebodies", "believes", "projects", "plans", and similar expressions. These forward-looking statements are based on Coppermoly's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Coppermoly, which could cause actual results to differ materially from such statements. There can be no assurance that forward-looking statements will prove to be correct. Coppermoly makes no undertaking to subsequently update or revise the forward-looking statements made in this release, to reflect the circumstances or events after the date of that release.

Table 1 - Location of previously drilled Simuku drillholes reported in figures 1 and 3

HOLE_ID	HOLE_TYPE	MAX_DEPTH	NORTH	EAST	RL	Dip	Azimuth
BWNBDD0004	DD	685.5	9365990	169085	280	-60.2	292.9
BWNBDD0005	DD	547.9	9366633	169254	342	-62	295.2
BWNBDD0006	DD	402.3	9365402	168840	356	-59.5	319
BWNBDD0014	DD	1004.9	9367670	169940	365	-60	310
BWNBDD0015	DD	686.4	9367500	169848	340	-60	295
BWNBDD0016	DD	900	9366700	169900	410	-60	300
BWNBDD0018	DD	617.2	9365182	175095	450	-61.6	271.1
BWNBDD0019	DD	107.3	9368203	169969	362	-61.3	300.2
BWNBDD0019A	DD	314.9	9368203	169969	362	-62.7	299.8
BWNBDD0020	DD	288	9367459	169456	290	-61	298
SMD01	DD	174.5	9367793	169625	374	-70	115
SMD02	DD	150	9366989	169188	374	-90	0
SMD03	DD	150.2	9367945	169682	333	-70	115
SMD04	DD	150	9367564	169688	398	-90	0
SMD13	DD	70.8	9367092	169489	321	-45	262
SMD14	DD	100.1	9367096	169466	323	-70	202
SMD15	DD	50.8	9366840	169450	374	-70	276
SMD16	DD	123.1	9366839	169454	375	-70	29
SMD17	DD	177.3	9367789	169703	377	-90	0
SMD18	DD	300	9368287	169713	285	-60	30
SMD19	DD	346.1	9368166	169711	223	-60	37
SMD20	DD	375.9	9367997	169796	292	-90	0
SMD21	DD	365	9367402	169612	264	-60	287
SMD22	DD	261.4	9367814	169468	336	-90	0
SMD23	DD	100.5	9367728	169022	293	-90	0
SMD24	DD	307.4	9368784	168892	201	-50	107
SMD25	DD	300	9368242	169587	237	-60	37
SMD26	DD	321	9368165	169713	223	-60	210
SMD27	DD	325.8	9367659	169660	384	-75	107
SMD28	DD	97.3	9367986	169857	257	-60	52
SMD29	DD	348.2	9367483	169562	298	-60	280
SMD30	DD	348.2	9367307	169682	256	-60	287
SMD31	DD	225.2	9368002	169509	248	-60	100
SMH05	DD	100	9367745	169910	360	-90	0
SMH06	DD	100	9367576	169892	369	-90	0
SMH07	DD	63	9368185	169736	255	-55	126
SMH08	RC	66	9367624	169791	395	-90	0
SMH09	RC	93	9367623	169792	395	-90	0
SMH10	RC	82	9367569	169695	389	-90	0
SMH11	DD	77	9368189	169741	260	-90	0
SMH12	DD	276.6	9368113	169827	276	-75	316

Table 2 Significant intersections from previously drilled Simuku drillholes reported in Figures 1 and 3

Simuku Drill holes significant intersections that lie within the IP survey and are less than 300m

Drillhole ID	From (m)	To (m)	Width (m)	Cu%	Mo ppm	Au ppm	Ag ppm
SMH05	47	49	2	0.58	8	0.01	1
SMH07	0	63	63	0.52	65	0.12	2.1
SMH11	0	77	77	0.49		0.11	
SMH12	0	91.3	91.3	0.43		0.06	
SMD01	8	15	7	0.45	14	0.02	0.01
SMD03	17	24	7	0.54	4.8	0.1	0.8
SMD03	69	150	81	0.49	36	0.07	3
SMD17	7	20	13	0.37	22	0.07	3.5
SMD18	0	115	115	0.39	84	0.07	1.7
including	42	74	32	0.71	136	0.08	1.3
SMD19	8	101	93	0.59	68	0.07	2.5
including	18	36	18	1.00	140	0.11	4.4
SMD20	250	375.9	125.9	0.36	74	0.06	1.4
SMD22	5	18	13	0.38	47	0.08	2.5
SMD25	39	161	122	0.33	83	0.04	1.3
including	41	55	14	0.49	219	0.14	3.4
SMD26	18	300	282	0.45	64	0.07	2
SMD31	124	225.2	101.2	0.41	73	0.06	1.7
BWNBDD0019	no significant intersections						
BWNBDD0019A	no significant intersections						

JORC Code, 2012 Edition – Table 1 Simuku IP Survey June 2019

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• No drilling completed during this program however the details from historical drilling is presented in this table • Drill core was sampled on site • All drill samples were dispatched for assay to a recognised independent laboratory. • Diamond core drilling was used to obtain nominal 1 m (Barrick drill holes) or a combination of 1 and 2 m (Coppermoly drill holes) samples of half core, with sample intervals adjusted to geological contacts where necessary. • RC samples were split with a cone splitter over 2m intervals. • No field duplicate samples were collected during any of the drill programs, so an assessment of sample representivity cannot be undertaken.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• Diamond core drilling, standard tube HQ (63.5mm diameter), with some PQ diameter at top of holes. • Barrick holes were orientated. • Reverse Circulation Drilling (4.25-inch face sampling hammer)
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Core recovery was determined by direct measurement of the length of recovered core within each core run. • Core recovery for diamond core averaged greater than 90% within mineralised zones. • No data exists for RC recovery • The relationship between recovery and grade was assessed by plotting recovery against the grade of samples collected. No relationship exists between core recovery and grade of copper or gold.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate*	• All core and RC chips have been geologically logged, with details of lithology, alteration, weathering and mineralisation recorded in a

Criteria	JORC Code explanation	Commentary
	Mineral Resource estimation, mining studies and metallurgical studies. • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	manner considered by the Competent Person to be adequate for the purposes of Mineral Resource Estimation. • Barrick also relogged older Coppermoly holes into a common format • Geotechnical logging is restricted to RQD measurements on recovered core. • Core logging was both qualitative and quantitative depending on the property being assessed • All core was photographed wet and dry prior to cutting
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Sub-samples from diamond core was collected by sawing 1m or 2m of HQ core in half using a diamond-impregnated circular saw blade. • RC samples were split with a cone splitter. • All samples were crushed, pulverised and split prior to assaying at Intertek Laboratories in Lae and Townsville. Sample preparation procedures were not observed by the Competent Person and could not be verified. • No field duplicates/second-half sampling of core has occurred. • Sample preparation techniques are considered appropriate for the style of mineralisation being assessed. • Sample sizes are considered appropriate to the grain size and style of material being sampled: copper mineralisation is generally distributed fairly homogeneously throughout the core at the scale of sampling.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	• The IP data were acquired using a GDD Receiver (GRx8-32 Channels) coupled with a Zonge Transmitter (Model GGT-10). Full waveform data were recorded using a transmitter fundamental frequency of 0.125 Hz. • Barrick Sample Process: • Base metal analysis used a 4-acid digest with ICP-OES finish. Analyses returning above detection limit results were re-digested and re-analysed by ICP-OES. Gold analysis used a 50g charge for Fire Assay with AAS finish. Both techniques are considered to provide total assays for metal content. • Standards and blanks for copper and gold, were sourced reputable Australian suppliers and were inserted into sample batches by onsite geologists • Acceptable levels of accuracy have been established by the analysis of standards, and no contamination was detected by analysis of blanks. • Precision levels have not been assessed. • Intertek Laboratories maintain a rigorous Quality Management System.

Criteria	JORC Code explanation	Commentary
		• Coppermoly Sample Process: - Drilling samples were transported to the camp site, logged, photographed and sampled at 2 metre intervals from core split by core saw - The split samples were then transported to the town of Kimbe where they are air freighted to Intertek in Lae (PNG) for sample preparation. Samples are dried to 106 degrees C and crushed to 2-3 mm. Samples greater than 2kg are 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 analyse for gold using a 50g Fire Assay with Atomic Absorption Spectroscopy finish. - Other elements were assayed with ICPAES Finish. Copper values greater than 1000ppm are re-assayed using a multi acid digest (hydrochloric, nitric, perchloric and hydrofluoric acid) to leach out the copper with an ICP finish. - Molybdenum samples greater than 100ppm were check assayed using X-Ray diffraction. Intertek laboratories have an ISO 17025 accreditation.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Significant intersections have not been validated by independent personnel. • Primary sampling data is recorded on paper log sheets and transferred to a spreadsheet and then to a central relational database (MS Access). Assay results are obtained electronically from the assay laboratory, uploaded to the database and matched with the appropriate sample intervals using a database query. • No adjustments have been made to any assay data. • AusThai Geophysical Consultants Ltd (ATG) collected the data on site and conducted internal checks with regular transfer of data to Independent Geophysical Consultant from Geodiscovery Group Ltd (GDG) for verification

Criteria	JORC Code explanation	Commentary
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All IP survey control points using non-differential GPS referenced to WGS84_UTM56S. Elevations recorded from GPS and corrected relative to LiDAR data. Position precision – Horizontal +/- 2m, Vertical +/- 5m. • Drill collar locations were surveyed using hand-held GPS with a horizontal accuracy of ±3m and a vertical accuracy ±9-12m. • Exploration uses coordinates in Australian Geodetic Datum 1966 (AGS66), zone 56. • Topographic control is very good and is provided by a LiDAR survey. Drill collar elevations have been corrected from their GPS coordinates to match the LiDAR surveyed surface. • Downhole surveys were taken using an electronic multi-shot tool using the wireline drilling system. RC holes were surveyed in the rods, thus no reliable azimuths were available for RC holes.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• IP receiver electrode spacing of 100m, transmitter electrode spacing of 100m and line spacing 200m which is adequate for porphyry style targets. A combination of DP-DP and PDIP were used during this program. • Mineral resource estimation under 2012 JORC code has not been conducted as yet
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• The IP survey was orientated perpendicular to the prevailing known mineralization trend and locally mapped geology to reduce any bias • Drill hole orientations are varied depending on drilling program. • No sampling bias is considered to be introduced by drill hole orientation
Sample security	• *The measures taken to ensure sample security.*	• Samples were placed in numbered calico bags and loaded into wooden crates for shipment to the assay laboratory in Lae. • Prior to shipment all samples were stored in the Company's secure exploration base in Kimbe, West New Britain Province.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews of sampling techniques and data has occurred

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	Exploration licence, EL2379, was granted by the Independent State of Papua New Guinea on September 2015 for a 2-year period. It was the amalgamation of 2 historical tenements. Renewal applications have been submitted for a further 2-year period at each anniversary. The tenement covers 122.72 km2 (36 sub-blocks) and lies approximately 23km southwest of the town of Kimbe which is the capital of West New Britain Province. The tenement is held by Copper Quest (PNG) Ltd which is a wholly owned subsidiary of Coppermoly Limited. Barrick still have a nominal 28% interest in the licence. The tenement lies within an area owned by traditional landowners whom support the project through the government regulated warden hearing process.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	The project area has a long history of intermittent exploration since the discovery of mineralization in the 1960's. Companies that have previous held the ground or been involved in joint ventures include; CRA, BHP-Utah, Nord Resources, Esso, City Resources, Placer, Cyprus-Amax, Macmin, Coppermoly and New Guinea Gold Ltd. Multiple drilling campaigns have been completed within the tenement and the material drill hole data relevant to the Simuku Prospect are listed in Appendix 1 accompanying this document. In 1994-95 Placer Dome acquired a Gradient Array Induced Polarisation (GAIP) grid over the Simuku prospect area. 30 line kilometres was collected using 400m spaced lines with receiver dipoles spaced 50m apart. The transmitter dipoles were 1.5km long and a frequency of 0.5 Hz was used. The modelled image of the GAIP is shown in Figure 4. Based on the GAIP data, two lines of Dipole-Dipole (DP-DP) were obtained in order to further test mineralization potential in the area. A line spacing of 100m was used surveying to n=5 resulting in a depth penetration of ~150m. Data has been digitized from original hardcopy reports and re-gridded (GAIP) and reprocessed using the Zonge 2D smooth inversion routine (DDIP).
Geology	• *Deposit type, geological setting and style of mineralisation.*	Copper-Molybdenum Porphyry style. Volcanic arc, calc-alkaline intrusives and volcanics. Quartz-feldspar (dacitic) porphyry is the main host of mineralization with chalcopyrite the primary sulphide with minor molybdenite and pyrite and overlain by a variable thickness supergene zone with more common oxides including chalcocite.

Criteria	JORC Code explanation	Commentary
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Refer Table 1 in the Market Announcement
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	Not Applicable
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	Not Applicable
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Appropriate maps are included in the body of the report to show location of IP survey and drill holes
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of*	Not Applicable

Criteria	JORC Code explanation	Commentary
	Exploration Results.	
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Twenty-one (21) line kilometres of combined 2D Dipole-Dipole (DP-DP) and Pole-Dipole Induced Polarisation (PDP-IP) survey over high ranked VTEM anomalies. On each line a measurement was collected every 100m along E-W orientated lines to an optimal depth of depth of n=8. Quality control was checked by an Independent Geophysics Consultant and data was modelled in 2D and 3D using Geosoft software Inversion of any geophysics data is a best case estimate of the physical features that generated the response from the available data. The various algorithms and constraining parameters are based largely on the experience of the geophysicist to produce an appropriate 2D or 3D model. From there several experienced geologists used this model to extrapolate the geology with assistance by other datasets and again experience related to this style of mineralisation
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Current interpretation by in house geologists with relevant experience is aiming to define potential drill targets