COPPERMOLY Limited

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Date: 24 March 2023 **ASX Code: COY**

DESPATCH OF MEETING MATERIALS

Coppermoly Limited ACN 126 490 855 (ASX: COY) (**Coppermoly** or the **Company**) refers to the announcement on 13 December 2022 regarding the proposed sale of the Company's exploration licences in West New Britain in the Independent State of Papua New Guinea, to Ever Leap Services Limited (**Buyer**) (the Company's largest shareholder) (**Proposed Sale**).

Coppermoly advises that it has despatched the enclosed materials convening a meeting of the Company's shareholders (**Shareholders**) to consider, among other things, the necessary resolutions to give effect to the Proposed Sale (**General Meeting**), including the proposed buy-back and cancellation of fully paid ordinary shares in the Company (**Shares**) held (or to be held) by the Buyer and certain other major Shareholders and directors (**Share Buy-Back**).

Enclosed with the notice of meeting and accompanying explanatory memorandum is a report prepared by RSM Corporate Australia Pty Ltd, which concludes that, in their opinion, the Proposed Sale, including the Share Buy-Back, is fair and reasonable to Shareholders not associated with the Proposed Sale (**Independent Expert's Report**), (together, the **Notice of Meeting**).

Mr Kevin Grice and Dr Wanfu Huang (being the **Non-Abstaining Directors**) strongly encourage Shareholders to vote in favour of each of the resolutions required to effect the Proposed Sale and Share Buy-Back, for the reasons outlined in sections 1.2 and 1.10 of the explanatory memorandum.

Shareholders should read the Notice of Meeting, including the enclosed Independent Expert's Report, in their entirety, before deciding whether or not to vote in favour of the resolutions the subject of the Notice of Meeting. If you are in doubt about how to deal with this document, please consult your legal, financial or other professional adviser

The Company will not be sending physical copies of the Notice of Meeting to Shareholders unless, in respect of a Shareholder, they have elected to receive such physical copies in accordance with section 110E of the Corporations Act. Instead, the Notice of Meeting can be viewed and downloaded from https://coppermoly.com.au/ or from the Company's ASX market announcement page.

The General Meeting will be conducted as a hybrid meeting, with Shareholders able to attend and participate through the following methods:

(a) live online: by joining the online platform at: web.lumiagm.com/302639024;

(b) in person: at the offices of Piper Alderman, Level 26, Riparian Plaza, 71 Eagle Street, Brisbane, Qld, 4000; or

(c) by proxy: by appointing a proxy to attend and vote on your behalf, using the proxy form.

If you have any difficulties accessing the Notice of Meeting or obtaining details as to how to vote or attend the General Meeting online, please contact the Company's share registry, Boardroom, on 1300 737 760 (from within Australia) and +61 2 9290 9600 (from outside of Australia).

This announcement has been authorised for release by the Board.

For further information, please contact the Company Secretary by telephone on +61 3217 7544 or by email at info@coppermoly.com.au.

Craig McPherson
Company Secretary
Coppermoly Limited

24 March 2023

Dear Shareholders,

I am pleased to advise that a general meeting of Coppermoly Limited ACN 126 490 855 (the **Company**'s) shareholders (**General Meeting**) will be held as a hybrid meeting at the offices of Piper Alderman, Level 26, Riparian Plaza, 71 Eagle Street, Brisbane, Qld, 4000 and online at 10:00am (Brisbane time) on 24 April 2023.

A notice of meeting and accompanying explanatory memorandum, together with a report prepared by RSM Corporate Australia Pty Ltd (**Independent Expert**) opining as to whether, in their opinion, the proposed sale is fair and reasonable to the Company's shareholders (**Shareholders**) not associated with the proposed sale (**Independent Expert's Report**), was released to ASX on 24 March 2023 (together, the **Notice of Meeting**) in respect of the General Meeting.

In accordance with section 249J(3) of the *Corporations Act* 2001 (Cth) (**Act**), the Company will not be sending physical copies of the Notice of Meeting to Shareholders unless, in respect of a Shareholder, they have elected to receive such physical copies in accordance with the section 110E of the Act.

Instead, the Notice of Meeting can be viewed and downloaded from https://coppermoly.com.au/. Alternatively, a complete copy of the meeting documents has been posted to the Company's ASX market announcement page. If you have elected to receive notices by email a communication will be sent to your nominated email address. If you have not elected to receive notices by email a copy of your proxy form will be posted to you, together with this Letter.

The General Meeting will be conducted as a hybrid meeting, with Shareholders able to attend and participate through the following methods:

(a) Live online: by joining the online platform at: web.lumiagm.com/302639024;

(b) In person: at the offices of Piper Alderman, Level 26 , Riparian Plaza, 71 Eagle Street, Brisbane, Qld, 4000; or

(c) By proxy: by appointing a proxy to attend and vote on your behalf, using the proxy form.

Further information on how you can participate in the General Meeting (including how to register, vote, ask questions and appoint a proxy) is set out in the Notice of Meeting and in the Online Meeting Guide available at https://coppermoly.com.au/.

For further information, please contact the Company Secretary by telephone on +61 3217 7544 or by email at info@coppermoly.com.au. This announcement has been authorised for release to the ASX by the Company Secretary.

Yours sincerely,

Craig McPherson
Company Secretary
Coppermoly Limited

COPPERMOLY LIMITED

ACN 126 490 855

Notice of General Meeting and Explanatory Memorandum

Date of Meeting:	24 April 2023
Time of Meeting:	10.00am AEST
Place of Meeting:	Piper Alderman Lawyers, Level 26 Riparian Plaza, 71 Eagle Street, Brisbane, Queensland and online at web.lumiagm.com/302639024

Independent Expert's Report: In addition to this Notice of Meeting and Explanatory Memorandum, Shareholders should carefully consider the enclosed Independent Expert's Report prepared by RSM Corporate Australia Pty Ltd (**Independent Expert**). The Independent Expert has opined that, in their opinion, the Proposed Sale is fair and reasonable to the shareholders not associated with the Proposed Sale (**Non-Associated Shareholders**).

Shareholders should read the Explanatory Memorandum, and the enclosed Independent Expert's Report, in their entirety, before deciding whether or not to vote in favour of the Resolutions the subject of this Notice of Meeting. If you are in doubt about how to deal with this document, please consult your legal, financial or other professional adviser.

Notice of Extraordinary General Meeting

Notice is given that a general meeting of the holders of the ordinary shares in Coppermoly Limited ACN 126 490 855 (**Coppermoly**) (**Shareholders**) will be held physically at the offices of **Piper Alderman Lawyers, Level 26 Riparian Plaza, 71 Eagle Street, Brisbane, Queensland** and online at web.lumiagm.com/302639024 on **24 April 2023 at 10.00am** (AEST).

The Meeting will be held as a hybrid meeting, with participation both in person and online using the virtual meeting technology of the Company's share registry, Boardroom Pty Limited (**Boardroom**).

Shareholders who attend the Meeting online are taken to be present and will be able to ask questions and vote on Resolutions in real time.

Capitalised terms used in this Notice of Meeting and the enclosed Explanatory Memorandum have the meanings ascribed to them in the Explanatory Memorandum.

This Notice of Meeting should be read in its entirety, together with the Explanatory Memorandum and Independent Expert's Report, and the enclosed Proxy Form. All references to sums of money, '$' and 'dollars' are references to Australian currency.

Instructions for attendance at the Meeting Online

If attending the Meeting online, the Company recommends logging into the online platform provided by Boardroom at least 15 minutes prior to the schedule start time for the Meeting using the instructions below:

- Enter web.lumiagm.com/302639024 into a web browser on your computer or online device;
- Shareholders will need:
    - the meeting ID, which is 302-639-024;
    - their username, which is the individual VAC (Voter Access Code) which is printed at the top of the voting form; and
    - password, which is the postcode registered to a shareholder's holding if an Australian shareholder. Overseas Shareholders should refer to the Online Meeting Guide and their password will be their three-character country code;
- Proxyholders will need to contact the Company's share registry, Boardroom, on 1300 737 760 (from within Australia) and +61 2 9290 9600 (from outside of Australia) and enquiries@boardroomlimited.com.au to receive their username and password before the Meeting.

Shareholders electing to attend the Meeting online are requested to participate via the online platform provided by Boardroom at https://www.votingonline.com.au/coyegm2023 or via the appointment of a proxy.

Attending the meeting online enables Shareholders to view the meeting live and to ask questions and cast votes as directed by the Chair, whilst the meeting is in progress. If you wish to ask a question or make a comment verbally rather than via the online platform, a questions and comments phone line will be available during the Meeting.

Further information on how to participate and vote online is set out in the Online Meeting Guide.

That Online Meeting Guide is available at https://coppermoly.com.au/, and has been lodged with the ASX, together with this Notice of Meeting.

Resolution 1 – Approval of Disposal of Copper Quest to Related Party

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

> *"That, for the purpose of Listing Rule 10.1, section 208(1) of the Corporations Act and for all other purposes, the disposal by Coppermoly of the Copper Quest Shares to the Buyer, on the terms and conditions set out in the Explanatory Memorandum, be approved, subject to the passing of Resolutions 2 and 3."*

Voting Exclusion Statement: Coppermoly will disregard any votes cast in favour of this Resolution by, or on behalf of, the Buyer and any other person who will obtain a material benefit as a result of the Proposed Sale (except a benefit solely by reason of being a holder of Shares in Coppermoly), together with any of their respective Associates.

However, Coppermoly need not disregard a vote if it is cast in favour of Resolution 1 by: a person as proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with directions given to the proxy or attorney to vote on Resolution 1 in that way; or the Chair as proxy or attorney for a person who is entitled to vote on Resolution 1, in accordance with a direction given to the Chair to vote on Resolution 1 as the Chair decides; or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (a) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on Resolution 1; and (b) the holder votes on Resolution 1 in accordance with directions given by the beneficiary to the holder to vote in that way.

Additionally, in accordance with section 224 of the Corporations Act, Coppermoly will disregard any vote cast on this Resolution (in any capacity) by or on behalf of a Related Party of Coppermoly to whom this Resolution would permit a financial benefit to be given, or an Associate of such a Related Party. However, Coppermoly need not disregard a vote if it is cast by a person as proxy appointed in writing that specifies how the proxy is to vote on the Resolution and it is cast on behalf of a person who is entitled to vote on the Resolution.

Resolution 2 – Approval of Selective Share Buy-Back

To consider and, if thought fit, to pass, the following resolution as a Special Resolution:

> *"That, for the purpose of sections 208(1) and 257D of the Corporations Act and for all other purposes, approval is given for Coppermoly to selectively buy-back and cancel up to 1,955,024,388 Shares held, or to be held, by the Major Shareholders and Buy-back Directors at Completion of the Sale Agreement, on the terms and conditions set out in the Explanatory Memorandum, subject to the passing of Resolutions 1 and 3."*

Voting Exclusion Statement: Coppermoly will disregard any votes cast in favour of this Resolution by any person whose Shares are proposed to be bought back in accordance with this Resolution or any of their Associates.

Additionally, in accordance with section 224 of the Corporations Act, Coppermoly will disregard any vote cast on this Resolution (in any capacity) by or on behalf of a Related Party of Coppermoly to whom the Resolution would permit a financial benefit to be given, or an Associate of such a Related Party. However, Coppermoly need not disregard a vote if it is cast by a person as proxy appointed by writing that specifies how the proxy is to vote on the Resolution and it is cast on behalf of a person who is entitled to vote on the Resolution.

Resolution 3 – Approval to vary Jade Convertible Note Agreement

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"That, for the purpose of Listing Rule 10.11 and for all other purposes, approval be given for Coppermoly to vary the terms of the Jade Convertible Note Agreement by increasing the number of Shares to be issued to Jade Triumph on the exercise of the Jade Convertible Notes, from 60,000,000 to 170,000,000, on the terms and conditions contained in the Explanatory Memorandum, subject to the passing of Resolutions 1 and 2."

Voting Exclusion Statement: Coppermoly will disregard any votes cast in favour of this Resolution by Jade Triumph, and any other person who will obtain a material benefit as a result of the proposed issue of Shares on the exercise of the Jade Convertible Notes, except a benefit arising solely from their capacity as a holder of Shares, and any of their Associates.

However, Coppermoly need not disregard a vote cast in favour of Resolution 3 by: a person as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with directions given to the proxy or attorney to vote on Resolution 3 in that way; or the Chair as proxy or attorney for a person who is entitled to vote on Resolution 3, in accordance with a direction given to the Chair to vote on Resolution 3 as the Chair decides; or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (a) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on Resolution 3; and (b) the holder votes on Resolution 3 in accordance with directions given by the beneficiary to the holder to vote in that way.

Resolution 4 – Approval to Issue 5,151,455 Shares to Mr Jincheng Yao in lieu of Directors' Fees

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"That, for the purpose of Listing Rule 10.11 and for all other purposes, the issue of 5,151,455 Shares to Mr Jincheng Yao in satisfaction of outstanding directors fees, in accordance with the terms set out in the Explanatory Memorandum, be approved."

Resolution 5 – Approval to Issue 5,151,455 Shares to Mr Zule Lin in lieu of Directors' Fees

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"That, for the purpose of Listing Rule 10.11 and for all other purposes, the issue of 5,151,455 Shares to Mr Zule Lin in satisfaction of outstanding directors fees, in accordance with the terms set out in the Explanatory Memorandum, be approved."

Resolution 6 – Approval to Issue 5,151,455 Shares to Mr Jian Xuan in lieu of Directors' Fees

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"That, for the purpose of Listing Rule 10.11 and for all other purposes, the issue of 5,151,455 Shares to Mr Jian Xuan in satisfaction of outstanding directors fees, in accordance with the terms set out in the Explanatory Memorandum, be approved."

Voting Exclusion Statement – Resolutions 4-6

Coppermoly will disregard any votes cast on Resolution 4 by Mr Jincheng Yao, Resolution 5 by Mr Zule Lin and Resolution 6 by Mr Jian Xuan, in each case, and any other person who will obtain a material benefit as a result of the issue of the Shares pursuant to Resolutions 4-6, except a benefit arising solely from their capacity as a holder of Shares, and, in each case, any of their respective Associates. However, Coppermoly need not disregard a vote cast in favour of a resolution if it is cast by a person as a proxy or attorney for a person who is entitled to vote, in accordance with directions given to the proxy or attorney to vote on Resolutions 4-6 in that way, or it is cast by the Chair as a proxy or attorney for a person who is entitled to vote, in accordance with a direction given to the Chair to vote as the Chair decides or a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met: (a) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting on Resolutions 4-6; and (b) the holder votes on Resolutions 4-6 in accordance with directions given by the beneficiary to the holder to vote in that way.

Voting Exclusion Statement – Resolutions 4-6

In addition to the voting exclusions set out above, Coppermoly will also disregard any votes cast on Resolution 4-6 by any person appointed as a proxy by any person who is either:

(a) a member of the Key Management Personnel; or

(b) a Closely Related Party of a member of the Key Management Personnel,

and the appointment does not specify the way the proxy is to vote on Resolutions 4-6.

However this does not apply to a vote cast in favour of Resolutions 4-6 if:

(a) it is cast by the Chair; and

(b) the appointment expressly authorises the Chair to exercise the proxy even if the Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel for Coppermoly.

For these reasons, Shareholders who intend to vote by proxy should carefully consider the identity of their proxy and are encouraged to direct their proxy as to how to vote on all Resolutions. In particular, Shareholders who intend to appoint the Chair as their proxy (including an appointment by default) are encouraged to direct the Chair as to how to vote on all Resolutions.

If the Chair is appointed, or is taken to have been appointed, as your proxy, you can direct the Chair to vote for, against or abstain from voting on a Resolution by marking the appropriate box opposite the respective Resolution on the Proxy Form.

However, if the Chair is your proxy and you do not direct the Chair how to vote, you will be deemed to have directed, and expressly authorised, the Chair to vote your proxy in favour of Resolutions 4-6. This express authorisation acknowledges that the Chair may vote your proxy even though:

(a) Resolutions 4-6 are connected directly or indirectly with the remuneration of a member of the Key Management Personnel; or

(b) the Chair may have an interest in Resolutions 4-6.

Mr Craig McPherson
Company Secretary
Coppermoly Limited
24 March 2023

Explanatory Memorandum

The following notes and the Explanatory Memorandum form part of the Notice of Meeting.

Voting and Attendance Entitlement

The Board has determined that those persons who are registered as holding Shares as at 10:00am (AEST) on 22 April 2023, will be entitled to attend and vote at the Meeting.

Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

Shareholders may vote by:

(a) Attending the Meeting in person.

(b) Attending the Meeting online by using the online platform (see 'Instructions for attendance at the Meeting Online' above). Online voting will open between the commencement of the Meeting at 10:00am (AEST) on 24 April 2023 and the time at which the Chair announces the closure of voting.

(c) Appointing a proxy to attend and vote on your behalf, using the enclosed proxy form.

If more than one joint holder of a Share is present at the Meeting (whether personally, by proxy, by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on Coppermoly's Share register will be counted.

Action to be Taken by Shareholders

A Shareholder who is entitled to attend and vote at the Meeting may appoint a person, who need not be a Shareholder of Coppermoly, as the Shareholder's proxy to attend and vote on behalf of the Shareholder.

A Shareholder who is entitled to cast 2 or more votes may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

If you wish to indicate how your proxy should vote, please mark the appropriate boxes on the Proxy Form. If in respect of any of the items of business you do not direct your proxy how to vote, you are directing your proxy to vote as he or she decides. If you mark the abstain box for a particular item you are directing your proxy to not vote on your behalf and your Shares will not be counted in computing the required majority in respect of the poll to be conducted in respect of that Resolution(s) for which you direct them to abstain.

For proxies without voting instructions that are exercisable by the Chair, the Chair intends to vote those proxies in favour of the Resolution. The Chair will be deemed to be appointed where a signed Proxy Form is returned that does not contain the name of the proxy or where the person appointed on the form is absent from the Meeting.

A Proxy Form accompanies this Notice of Meeting. Should you wish to appoint a proxy, please complete the Proxy Form and return it at least 48 hours before the Meeting, being no later than 10:00am (AEST) on 22 April 2023 to:

(a) if online: https://www.votingonline.com.au/coyegm2023

(b) if by fax: + 61 2 9290 9656;

(c) if by email: Proxy@boardroomlimited.com.au;

(d) if by mail:

Boardroom Pty Limited
GPO Box 3993
Sydney, NSW, 2001, Australia; or

(e) if by hand delivery:

Boardroom Pty Limited

Boardroom Pty Limited
Level 8, 210 George Street
Sydney, NSW, 2001, Australia

If the appointment is signed by an attorney, the power of attorney or a certified copy of it must be sent with the Proxy Form.

Attorney

A Shareholder may appoint an attorney to act on their behalf. Such appointment must be made by a duly executed power of attorney, a copy of which must be provided by the attorney at the point of entry to the Meeting (original or certified copy), together with satisfactory evidence of their identity (name and address etc.).

Corporate Representatives

A Shareholder which is a corporation may appoint an individual to act as its representative to attend and vote at the Meeting. The appointment must comply with section 250D of the Corporations Act, meaning that Coppermoly will require a certificate of appointment of corporate representative executed in accordance with section 250D of the Corporations Act. The completed certificate should be lodged with Coppermoly's share registry before the Meeting or at the registration desk on the day of the Meeting.

Required Majorities

Resolutions 1, 3, 4, 5 and 6 are Ordinary Resolutions, requiring a simple majority of the votes cast by Shareholders entitled to vote be cast in favour of those Resolutions.

Resolution 2 is a Special Resolution, requiring at least seventy-five percent (75%) of the votes cast by Shareholders entitled to vote on the Resolution be cast in favour of the Resolution.

As all Resolutions will be determined by way of a poll, every Shareholder shall have one vote for every Share registered in their name as at 10.00am (AEST) on 22 April 2023.

Shareholders participating in the Meeting will be able to vote directly at any time between the start of the Meeting and the closure of voting as announced by the Chair.

General

All Shareholders are invited and encouraged to attend the Meeting (either in person or online) or, if they are unable to attend in person, to sign and return the Proxy Form to Coppermoly in accordance with the instructions set out on the Proxy Form.

Shareholders, their proxy or corporate representatives who plan on attending the Meeting are asked to arrive at the venue at least 30 minutes prior to the time the Meeting is scheduled to commence, so that Shareholders can be checked against Coppermoly's Share register, or appointment as proxy, attorney or corporate representative can be verified and their attendance noted.

Explanatory Memorandum

This Explanatory Memorandum contains an explanation of, and information about, the Resolutions to be considered at the Meeting. Shareholders should read this Explanatory Memorandum in full. This Explanatory Memorandum forms part of the accompanying Notice of Meeting and should be read with the Notice of Meeting.

This Explanatory Memorandum does not take into account the individual investment objectives, financial situation and needs of individual Shareholders or any other person. If you are in any doubt about what to do in relation to any of the Resolutions, you should consult your financial or other professional adviser.

Capitalised terms used in the Notice of Meeting and in this Explanatory Memorandum have the meanings ascribed to them in the glossary contained in section 5 of this Explanatory Memorandum.

1. Resolution 1 – Approval of Disposal of Copper Quest Shares to Related Party

1.1 The Proposed Sale

On 12 December 2022, Coppermoly entered into a share purchase agreement with, among others, Ever Leap Services Limited (the **Buyer**)(**Sale Agreement**), pursuant to which it agreed to sell to the Buyer all of the shares held in Copper Quest (PNG) Limited (**Copper Quest**) (**Copper Quest Shares**), in consideration for the Buyer paying Coppermoly a cash amount of $500,000 and the Buyer procuring that the Major Shareholders and Buy-back Directors sell to Coppermoly the Shares held by them at Completion of the Sale Agreement (as set out in the below table) (**Buy-Back Shares**), in accordance with the Sale Agreement (**Buy-Back**)(the **Proposed Sale**).

Buy-Back Shares	
Major Shareholder	**Buy-back Shares**
Ever Leap Services Limited	924,742,508 Shares
Shanghai Fuyuan Investments Limited	404,170,658 Shares
Shenzhen Beilite Jades Limited	364,444,444 Shares
Jade Triumph International Ltd	210,000,000 Shares[1]
Total securities held	**1,903,357,610 Shares**

[1] This figure will increase to 210,000,000 Shares, from the existing 40,000,000 Shares, subject to and conditional upon the passing of Resolutions 1, 2 and 3, as a result of the conversion of the Jade Convertible Notes held by Jade Triumph, which it has elected to convert to Shares and which will be bought back pursuant to Resolution 2.

Buy-back Director	Buy-back Shares[2]
Mr Jincheng Yao[3]	21,260,530 Shares
Mr Zule Lin[4]	19,496,512 Shares
Mr Jian Xuan[5]	10,909,736 Shares
Total securities held	**51,666,778 Shares**

1.2 Background

Coppermoly is an ASX-listed company whose business is the acquisition, exploration and development of minerals projects, having originally been admitted to the Official List of ASX on 25 January 2008.

As at the date of this Notice, Coppermoly currently has an interest in the following granted mineral exploration licenses:

Project	Expiry Date	Area	Location
Australia			
EPM27835 Fox Creek	4 October 2026	320km^2	Queensland, Australia
EPM27836 Mount Tracey	7 March 2027	294km^2	Queensland, Australia
Papua New Guinea			
EL 1043 Mt Nakru	7 December 2022[6]	47km^2	West New Britain
EL 2379 Simuku	10 September 2021[6]	122km^2	West New Britain
EL 2514 Mak Mak	11 September 2021[6]	61km^2	West New Britain
EL 2578 Kori River	24 February 2023	396km^2	West New Britain
EL 2638 Metelen River	17 May 2022[6]	246km^2	West New Britain

[2] These figures include the 5,151,455 Shares proposed to be issued to each of the Buy-Back Directors in lieu of directors' fees, subject to the passing of Resolutions 4, 5 and 6.
[3] Mr Yao is an Associate of Major Shareholder Jade Triumph and a former director of Coppermoly, having ceased to be a director on 22 November 2022.
[4] Mr Lin is the CFO of Shanxi Xierun Investment Limited, the parent company of the Buyer, and a former director of Coppermoly, having ceased to be a director on 22 November 2022.
[5] Mr Xuan is an Associate of Major Shareholder Shanghai Fuyuan Investments Limited and is a current Director of Coppermoly.
[6] As at the date of this Notice, Coppermoly has submitted renewal applications for these tenements in accordance with the regulatory processes prescribed by the PNG Mining Act.

While Coppermoly has explored various other opportunities to generate Shareholder value, including the recently granted Queensland tenements, historically the majority of its expenditure has been incurred on the PNG Tenements, which are held by its wholly owned subsidiary Copper Quest.

However, with the outbreak of the COVID-19 pandemic in early 2020 and the subsequent travel restrictions imposed by the governments of numerous countries, including Australia and PNG, the exploration and development of the PNG Tenements has been significantly disrupted.

As a result, Coppermoly has in recent years has been pursuing opportunities to diversify its project portfolio to include assets in jurisdictions where Coppermoly's management can add value by progressing exploration activities with less exposure to travel and logistical disruption (and cost) and to mitigate the geo-political risk of having assets solely in PNG.

Given the above, Coppermoly made the decision that its interests are best served by disposing of the PNG Tenements and, following consideration of alternative options, Coppermoly entered into the Sale Agreement with the Major Shareholders to implement the Proposed Sale.

1.3 Future strategy and plans

The future strategy and plans of Coppermoly will be contingent on the outcome of Resolutions 1, 2 and 3.

In the event that Shareholders **do approve each of** Resolutions 1, 2 and 3, the Proposed Sale will be undertaken and Completion will occur.

The Non-Abstaining Directors intend that, following Completion, Coppermoly will continue to undertake exploration activities on its Australian projects and, in addition, pursue other opportunities to diversify its project portfolio. The Company intends to use the cash consideration to be received as part consideration for the sale ($500,000) to advance the Company's Queensland projects and for general working capital purposes.

In the event that Shareholders **do not approve any one of** Resolutions 1, 2 or 3, the Proposed Sale will not be undertaken, Completion will not occur and:

(a) Coppermoly will continue to own Copper Quest;

(b) the Major Shareholders and Buy-Back Directors will remain Shareholders; and

(c) Coppermoly will retain its obligations under both the Jade Convertible Note Agreement and the Barrick Re-Acquisition Agreement.

If this occurs, Coppermoly shall continue to undertake exploration activities on the PNG Tenements and its Australian tenements, while, if thought fit, continuing to explore suitable options for divesting its PNG assets.

1.4 The effect of the Proposed Sale on Coppermoly's Capital Structure

The primary effect of the Proposed Sale on Coppermoly is to reduce the number of Shares on issue and to increase the proportionate interest of Coppermoly's remaining Shareholders.

The below table sets out the effect on Coppermoly's capital structure if Resolutions 1, 2 and 3 are approved and Completion occurs, including the number and percentage of Shares on issue as at the date of this Notice of Meeting and in the event that Resolutions 1, 2 and 3 are approved and Completion occurs.

Description	As at date of Notice of Meeting	If Resolutions 1, 2 and 3 are approved and Completion occurs
Coppermoly Shares	2,193,956,929	424,386,906
Coppermoly Options	Nil.	Nil.
Jade Convertible Notes	60,000,000[7]	Nil.

1.5 Substantial Shareholders of Coppermoly and effect on Control

As at the date of this Notice, the Major Shareholders hold the following Shares:

Major Shareholder	Coppermoly Shares Held	%
Ever Leap Services Limited	924,742,508	42.150%
Shanghai Fuyuan Investments Limited	404,170,658	18.422%
Shenzhen Beilite Jades Limited	364,444,444	16.611%
Jade Triumph International Ltd[8]	40,000,000	1.823%
Total securities held	**1,733,357,610**	**79.006%**

As noted above, the consideration for the Copper Quest Shares is the acquisition and cancellation of the Buy-Back Shares by Coppermoly.

[7] The Jade Convertible Notes have a face value of $1,200,000 and accrued interest of approximately $625,000 as at 30 June 2022, which are being converted to 170,000,000 Shares as a condition of the Sale Agreement.

[8] Jade Triumph also holds 60,000,000 Jade Convertible Notes, having a face value of $1,200,000 and accrued interest of approximately $625,000 as at 30 June 2022. Jade Triumph will, subject to the passing of Resolutions 1, 2 and 3, be issued a further 170,000,000 Shares on the conversion of the Jade Convertible Notes prior to Completion of the Sale Agreement, in full and final satisfaction of the obligations under the Jade Convertible Note Agreement.

As a result, immediately following Completion, it is believed that the following Shareholders will have Voting Power in Coppermoly of five percent (5%) or more:

Holder of Voting Power	Coppermoly Shares Held	%
Dr Wanfu Huang	108,580,702	25.59%
Barrick Australia Pty Ltd	73,201,447	17.25%
Mr Ma Piwu	52,737,609	12.43%
Mr Joseph Tullio	33,417,627	7.87%

1.6 Board and Management of Coppermoly

As at the date of this Notice of Meeting, the directors and senior management of Coppermoly are as follows:

Dr Wanfu Huang - Non Executive Director (appointed 11 March 2015) - Dr Huang, PhD, MSc, BSc, has more than 20 years experience in the exploration industry. He has held numerous positions in the industry, covering base metals, gold, iron ore, coal and bauxite in Australia and overseas. Dr Huang is a member of the Australasian Institute of Mining and Metallurgy (AUSIMM).

Kevin Grice - Non Executive Director (appointed 15 July 2014) – Mr Grice, BComm CPA, is a successful finance executive with significant experience with listed and unlisted exploration companies. He has held Chief Financial Officer and General Management Positions.

Jian Xuan - Non Executive Director (appointed 28 August 2019) – Mr Xuan, BSc, is a finance professional based in Shanghai China. He has held various senior executive roles in private and listed groups and is currently a director of Shanghai Fuyan Investments Limited.

The interests of each director in Coppermoly are set out in section 1.12.

It is a requirement of the Sale Agreement that Mr Jian Xuan resign as a Director of Coppermoly on or before Completion.

1.7 Summary of the Sale Agreement

(a) Consideration

In consideration for the sale of the Copper Quest Shares to the Buyer, the Buyer will pay to Coppermoly a cash consideration of $500,000 and procure the agreement of the Major Shareholders and Buy-Back Directors to sell their Buy-Back Shares to Coppermoly, in accordance with the Sale Agreement.

(b) Conditions Precedent

In addition to the passing of Resolutions 1, 2 and 3, the Sale Agreement is subject to various conditions precedent, including:

(1) Copper Quest having obtained Shareholder approval for the Proposed Sale pursuant to section 110 of the *Companies Act 1997* (PNG);

(2) the Sale Agreement and the Proposed Sale being, to the extent required by law, approved by the Minister for the purposes of the PNG Mining Act;

(3) Coppermoly being satisfied, in its discretion, acting reasonably, that ASIC and ASX have issued or provided such consents and approvals, or have done such other acts or things, as Coppermoly considers necessary or desirable to give effect to the Proposed Sale and the Sale Agreement, and such consent, approval or other act has not been withdrawn or revoked before Completion;

(4) Coppermoly, the Buyer and Barrick having entered into a deed of novation in respect of the Barrick Re-Acquisition Agreement; and

(5) if required, the Buyer having received notification of clearance or authorisation from the Independent Consumer & Competition Commission for the acquisition of the Copper Quest Shares by the Buyer that is either unconditional or on conditions that are acceptable to the Buyer, acting reasonably, pursuant to section 81(3)(a), section 82(3)(a) or section 82(3)(b) of *the Independent Consumer & Competition Commission Act 2002* (PNG).

(c) Jade Convertible Agreement - Conversion

As a condition of the Sale Agreement and subject to Resolution 3 being approved, Major Shareholder Jade Triumph has elected to convert all of the Jade Convertible Notes held by it into Shares, with effect on and from the Business Day prior to Completion.

Prior to Completion, Coppermoly must issue the Jade Conversion Shares to Jade Triumph which must, from their date of issue, rank equally in all respects with all Shares on issue at the date of conversion.

Upon the issue of the Jade Convertible Shares, Coppermoly will have no further liability, including any liability to pay any amounts owing, to Jade Triumph under the Jade Convertible Note Agreement.

(d) Warranties and indemnities

Pursuant to the Sale Agreement, Coppermoly has provided various representations and warranties regarding the Copper Quest Shares and the Buyer has provided various representations and warranties regarding the Buy-Back Shares.

1.8 ASX Listing Rules

ASX Listing Rule 10.1 provides that a listed entity must not dispose or agree to dispose of a "substantial asset" to:

(a) a related party (Listing Rule 10.1.1);

(b) a child entity (Listing Rule 10.1.2);

(c) a person who is, or was at any time in the 6 months before the transaction, a substantial (10%+) holder in the listed entity (Listing Rule 10.1.3);

(d) an associate of a person referred to in Listing Rules 10.1.1 to 10.1.3 (Listing Rule 10.1.4); or

(e) a person whose relationship with the listed entity or a person referred to in Listing Rules 10.1.1 to 10.1.4 is such that, in ASX's opinion, the issue or agreement should be approved by shareholders (Listing Rule 10.1.5).

An asset is a "substantial asset" for the purpose of the ASX Listing Rules if its value, or the consideration to be received, is greater than 5% or more of the listed entity's "equity interests" as set out in the listed entity's latest accounts given to ASX.

The "equity interests" of Coppermoly as provided in the most recent financial statements given to ASX, being the full year accounts for the twelve months ending 30 June 2022, was $18,444,950.

Accordingly, as the proposed consideration for the acquisition of the Copper Quest Shares, being the $500,000 cash consideration and the Buy-Back Shares, exceeds 5% of Coppermoly's "equity interests", the sale of the Copper Quest Shares constitutes a disposal of a "substantial asset" for the purpose of the ASX Listing Rules. Therefore, the approval of Shareholders is required under ASX Listing Rule 10.1.3 because the Buyer is a substantial (10%+) holder in Coppermoly, it is a condition precedent to the Proposed Sale that Shareholders approve the transfer of the Copper Quest Shares to the Buyer for the purposes of Listing Rule 10.1.

Resolution 1 seeks the required Shareholder approval of the Proposed Sale under, and for the purpose of, ASX Listing Rule 10.1.

The consequences of Resolution 1 being passed, and not being passed, are outlined within section 1.3.

1.9 Corporations Act

In addition to approval for the purposes of the ASX Listing Rules, the Proposed Sale is also conditional on Shareholders approving:

(a) the transfer of the Copper Quest Shares to the Buyer for the purposes of section 208(1) of the Corporations Act; and

(b) the acquisition and cancellation of the Buy-Back Shares by Coppermoly for the purpose of sections 208(1) and 257D(1) of the Corporations Act.

Accordingly, the purpose of Resolutions 1 and 2 is also to seek Shareholder approval for:

(a) the transfer of Copper Quest Shares from Coppermoly to the Buyer (in the case of Resolution 1); and

(b) the acquisition of the Buy-Back Shares by Coppermoly from the Major Shareholders and Buy-Back Directors (in the case of Resolution 2),

for the purposes of section 208(1) of the Corporations Act.

Section 208(1) of the Corporations Act provides that a public company must not, without the approval of Coppermoly's members, give a financial benefit to a related party unless an exception to the prohibition as set out in sections 210 to 216 of the Corporations Act applies to that issue.

By virtue of Mr Jincheng Yao being a director of Coppermoly within the previous 6 months and being an Associate of Jade Triumph, Jade Triumph is a related party for the purposes of section 228 of the Corporations Act.

Furthermore, by virtue of Mr Jian Xuan being a current Director of Coppermoly, or in the case of Mr Jincheng Yao and Mr Zule Lin, directors of Coppermoly within the previous 6 months, the Buy-Back Directors are Related Parties of Coppermoly for the purposes of section 228(2) and section 228(5) of the Corporations Act.

The transfer of the Copper Quest Shares and the contingent Buy-Back constitutes the giving of a financial benefit to Related Parties for the purposes of section 229(3)(a) and section 229(3)(b) of the Corporations Act and none of the exceptions set out within sections 210-216 of the Corporations Act apply.

Therefore, Shareholder approval is also required for the purposes of section 208(1) of the Corporations Act.

1.10 Potential Advantages of the Proposed Sale

The Proposed Sale has a number of advantages which may affect Shareholders in different ways depending on their individual circumstances. Shareholders should also seek professional advice on their particular circumstances as appropriate.

(a) Progressing exploration activities

As summarised within section 1.2, the Copper Quest Shares are being transferred to the Buyer to facilitate the acquisition of the Buy-Back Shares from the Major Shareholders. This, in turn, will allow Coppermoly to add value by progressing exploration activities on other current and future projects it may acquire with less exposure to travel and logistical disruption (and cost) and to mitigate the geo-political risk of having assets solely in PNG. Coppermoly's cash reserves will not be reduced by the Proposed Sale as the consideration is in a non-cash form (being the disposal of the Copper Quest Shares), thus preserving cash for these exploration activities.

(b) Dilution of Voting Power and increase in proportionate interest

The acquisition of the Buy-Back Shares will remove the significant concentration of Voting Power among the Major Shareholders, which concentration some consider may serve as an impediment to raising capital from new investors.

By removing this concentration of Voting Power, it is believed that this may facilitate Coppermoly raising additional capital from new investors.

In addition, the percentage ownership of Shareholders not subject to the Buy-Back will increase and the value of each remaining Share will increase by virtue of Coppermoly's net asset value being divided by a lesser number of Shares.

The potential dividends payable in the future to remaining Shareholders will also increase per Shareholder.

(c) Relief from existing obligations

The conditions of the Sale Agreement, as outlined within section 1.7, also provide for the following benefits to Coppermoly:

(1) the Buyer assuming Coppermoly's existing obligations to Barrick under the Barrick Re-Acquisition Agreement, namely the requirement to guarantee Copper Quest's payment of $4,500,000 upon the commencement of commercial production at each of EL 1043 and EL 2379; and

(2) Jade Triumph converting all of the Jade Convertible Notes for no additional consideration (other than that outlined in the Sale Agreement) and discharging and releasing Coppermoly from its remaining obligations under the Jade Convertible Note Agreement.

1.11 Potential Disadvantages of the Proposed Sale

While Dr Huang and Mr Grice recommend that you vote in favour of both Resolutions 1 and 2, you should consider your individual circumstances, take independent professional advice where appropriate and make your own determination on the merits of the Proposed Sale. Outlined below are some of the reasons why you may choose to vote against the Proposed Sale.

(a) Undervalued

Shareholders may believe that the consideration payable for the Buy-Back Shares does not accurately reflect the underlying value in Coppermoly and/or Coppermoly's business, and therefore that the Proposed Sale undervalues Shares. This may be a result of Shareholders' belief in the underlying value of Coppermoly, or as a result of Shareholders' belief of future events arising, such as future copper and/ or gold prices, which may impact upon the value of the Shares.

(b) Investment profile

If the Proposed Sale is implemented, Shareholders will no longer have exposure to an investment in the PNG Tenements and Shareholders may have invested in reliance on these tenements. Shareholders will no longer have the opportunity to realise value from the PNG Tenements, which may be considered disadvantageous.

Certain Shareholders may consider it desirable, considering their specific financial position or investment objectives, for them to continue to hold shares in a company with Coppermoly's current specific investment profile, namely an exploration company with assets in PNG. In this scenario, certain Shareholders may consider that the Proposed Sale, if implemented, could represent a disadvantage to them by changing their investment portfolio.

(c) Expectation of other proposals or offers

Shareholders may believe that more compelling transactions than the Proposed Sale may emerge.

However, given the various potential avenues pursued to date, and the absence of any credible alternative transactions having emerged, Dr Huang and Mr Grice consider it is unlikely that another potential acquirer will make a superior offer for the Copper Quest Shares or propose another form of transaction that would benefit Shareholders at this time.

Further, the Directors are bound by their statutory and fiduciary responsibilities to Coppermoly to consider any unsolicited competing proposal, if one is made.

1.12 Directors' Relevant Interest

The below table sets out the details of the Relevant Interest of each Director in the Shares of Coppermoly as at the date of this Notice of Meeting and immediately following Completion, if Resolutions 1, 2 and 3 are passed and Completion occurs.

Coppermoly Director	Pre-transaction	Post-transaction
Mr Kevin Grice	1,299,119 Shares	1,299,119 Shares
Dr Wanfu Huang	108,580,702 Shares	108,580,702 Shares
Mr Jian Xuan	5,758,281 Shares	Nil.

1.13 Pro-forma statement of financial position

The unaudited pro-forma statement of financial position of Coppermoly as at 30 June 2022, assuming the Proposed Sale has Completed, is set out below.

The pro-forma statement of financial position has been prepared using the audited statement of financial position as at 30 June 2022, together with adjustments and assumptions set out below.

	Historical as at 30 June 2022 (actual)	Director Shares [1]	Convertible Note [2]	Acquisition and Buyback [3]	Pro-forma Consolidated
	$	$	$	$	$
ASSETS					
Current Assets					
Cash and cash equivalents	2,101,502			(129,998)	1,971,504
Other receivables	49,375			(11,625)	37,750
Total Current Assets	2,150,877	-	-	(141,623)	2,009,254
Non-Current Assets					
Other Receivables	18,183			(17,183)	1,000
Property, plant, and equipment	121,400			(109,893)	11,507
Mineral exploration and evaluation assets	18,267,835			(18,232,782)	35,053
Total Non-Current Assets	18,407,418	-	-	(18,359,858)	47,560
Total Assets	20,558,295	-	-	(18,501,481)	2,056,814
LIABILITIES					
Current Liabilities					
Trade and other payables	308,483	(120,000)		(107,353)	81,130
Provisions	22,632			(1,508)	21,124
Borrowings	1,782,230		(1,782,230)		-
Total Current Liabilities	2,113,345	(120,000)	(1,782,230)	(108,861)	102,254
Total Liabilities	2,113,345	(120,000)	(1,782,230)	(108,861)	102,254
Net Assets	18,444,950	120,000	1,782,230	(18,392,620)	1,954,560
EQUITY					
Contributed equity	31,075,539	169,998	1,870,000	(21,505,268)	11,610,269
Share Option Reserves	3,433,487				3,433,487
Foreign Currency Reserve	(739,350)			739,350	-
Accumulated losses	(15,324,726)	(49,998)	(87,770)	2,373,298	(13,089,196)
Total Equity	18,444,950	120,000	1,782,230	(18,392,620)	1,954,560

Notes:

1. Proposed issue of 15,454,365 Shares at an estimated price of $0.011 per Share in satisfaction of accrued directors' fees to Buy-Back Directors.
2. Proposed issue of 170,000,000 Shares at an estimated price of $0.011 per Share in satisfaction of the Jade Convertible Note balance outstanding.
3. Proposed buyback of 1,955,024,388 Shares at an estimated price of $0.011 per Share in consideration for the disposal of Coppermoly's subsidiary Copper Quest.

1.14 Corporations Act information requirements

For the purposes of section 219 of the Corporations Act, the following information is provided in respect of Resolutions 1 and 2:

Identity of Related Parties	The Related Party is the Buyer, Ever Leap Services Limited, being a Major Shareholder of the Company and holding Voting Power of 42.15% as at the date of this Notice. The Major Shareholders and the Buy-Back Directors, all of whose Shares are proposed to be bought back are set out in section 1.1, are each a Related Party of Coppermoly. Mr Jincheng Yao and Mr Zule Lin, each a Buy-Back Director, were directors of Coppermoly within the previous 6 months. Mr Jian Xuan, a Buy-Back Director, is a current Director of Coppermoly.
Nature of the financial benefit and reason for giving benefit	The financial benefit being provided to the Buyer, the Major Shareholders and the Buy-Back Directors is, in effect, the 19.3% interest in Copper Quest not already held by the Buyer, Major Shareholders and the Buy-Back Directors (via their existing Shareholding in Coppermoly) that is being acquired through the Share Sale. The advantages and the reasons for giving this financial benefit are discussed within sections 1.2 and 1.10.
Value of the financial benefit	The Independent Expert has ascribed a value to the financial benefit of between 3.0m to $5.4m, with a preferred value at the midpoint of $4.2m as summarised in the table below. Further information is set out within the Independent Expert's Report enclosed with this Notice.

Copper Quest (PNG) Limited $'000	IER ref	Low	High	Midpoint
Other net assets excluding PNG Tenements	Table 8	178	178	178
Market Value of PNG Tenements (AWC Report)	Table 12	15,430	27,570	21,500
Assessed Market Value (100% interest)		15,608	27,748	21,678
Value of financial benefit (19.3% indirect interest)		**3,012**	**5,355**	**4,184**

1.15 Directors' recommendation and voting intentions

Dr Wanfu Huang and Mr Kevin Grice, referred to herein as the "Non-Abstaining Directors", believe that the Proposed Sale is in the best interests of Shareholders. Accordingly, and in the absence of having received any other credible alternative proposals, Dr Huang and Mr Grice recommend that Shareholders vote in favour of Resolution 1.

In making this recommendation, Dr Huang and Mr Grice have considered the potential advantages of the Proposed Sale outlined in section 1.10 and the potential disadvantages of the Proposed Sale outlined in section 1.11.

Mr Jian Xuan is a Buy-Back Director and related to the Buyer and therefore declines to make a recommendation to Shareholders in respect of Resolutions 1, 2 and 3.

The Chair intends to vote any undirected proxies in favour of Resolution 1.

1.16 Timetable

The anticipated timetable for the Proposed Sale is set out below.

Event	Date
Dispatch NOM Materials	24 March 2023
Last date and time for receipt of Proxy Form	10.00am 22 April 2023
Date and time for determination of eligibility to vote	10.00am 22 April 2023
Meeting	10.00am 24 April 2023
Last date for satisfaction of remaining Conditions Precedent (Sunset Date)	Before 30 April 2023
Effective Date: Trading halt applied from Market Open following satisfaction of Conditions Precedent	24 April 2023**
Issue Jade Convertible Shares and Director Shares	24 April 2023**
Completion of the Proposed Sale	26 April 2023**
Resume Trading on ASX	27 April 2023**
** *Indicative date(s) only.*	

The timetable above (other than the date of the Meeting) is indicative only and may be changed at the discretion of the Directors (subject to the Listing Rules) or as required by the ASX.

1.17 Further information

Shareholders should be aware that Coppermoly has commissioned RSM Corporate Australia Pty Ltd to opine as to whether or not the Proposed Sale is fair and reasonable to those Shareholders who are not Associates of Coppermoly, are not Major Shareholders or are not persons who will otherwise obtain a benefit from the Proposed Sale (except a benefit solely in the capacity as a holder of ordinary securities in Coppermoly) or an Associate of those persons (**Non-Associated Shareholders**) (the **Independent Expert's Report**).

The Independent Expert has concluded that, in their opinion, the Proposed Sale is fair and reasonable to Non-Associated Shareholders.

Based on the information available, including that contained in this Explanatory Memorandum and the Independent Expert's Report, the Non-Abstaining Directors unanimously recommend that Shareholders vote in favour of Resolution 1 as they consider the Proposed Sale to be in the best interests of Shareholders for the following reasons:

(a) after assessment of the advantages and disadvantages referred to in sections 1.10 and 1.11, the Non-Abstaining Directors are of the view that the advantages outweigh the disadvantages; and

(b) the Independent Expert has determined the Proposed Sale to be fair and reasonable to the Non-Associated Shareholders.

Dr Wanfu Huang and Mr Kevin Grice, being the Non-Abstaining Directors who are eligible to vote on Resolution 1, confirm that they intend to vote in favour of Resolution 1 in relation to all votes that they control.

Mr Jincheng Yao, Mr Zule Lin and Mr Jian Xuan will be excluded from voting on Resolution 1 by virtue of their relationship with the Buyer and the financial benefit they will receive from the Proposed Sale.

The Chair intends to exercise all available proxies in favour of Resolution 1 except where proxies are received from any Shareholder who is subject to a voting exclusion, in which case the Chair will abstain from voting those shares.

2. Resolution 2 – Approval of Selective Share Buy-Back

As outlined in the Explanatory Memorandum in relation to Resolution 1, the consideration for the sale of the Copper Quest Shares includes the acquisition and cancellation of the Buy-Back Shares held by the Buyer, Major Shareholders and Buy-Back Directors in accordance with the terms of the Sale Agreement.

The Sale Agreement remains conditional on Shareholder approval pursuant to the requirements for a selective share buy-back under Division 2J.1 of the Corporations Act of the Buy-Back Shares.

Resolution 2 seeks Shareholder approval to enable Coppermoly to buy-back and cancel the Buy-Back Shares.

The Non-Abstaining Directors unanimously recommend that Shareholders vote in favour of Resolution 2 and intend to vote all of the Shares that they each hold or control in favour of Resolution 2.

2.1 Corporations Act

The Corporations Act provides that the rules relating to share buy-backs are designed to protect the interests of shareholders and creditors by:

(a) addressing the risk of the transaction leading to the company's solvency;

(b) seeking to ensure fairness between the shareholders of the company; and

(c) requiring the company to disclose all material information.

In particular, section 257A of the Corporations Act provides that a company may buy back its own shares if:

(a) the buy-back does not materially prejudice the company's ability to pay its creditors; and

(b) the company follows the procedures laid down in Division 2 of Part 2J.1 of the Corporations Act.

The procedures required differ for each type of buy-back. The Buy-Back is classified as a selective buy-back for the purposes of Part 2J.1, Division 2 of the Corporations Act.

Pursuant to section 257D(1) of the Corporations Act, a selective share buy-back must be approved by either:

(a) a Special Resolution passed at a general meeting of Coppermoly, with no votes being cast in favour of the resolution by any person whose shares are to be bought back or by their Associates; or

(b) a resolution agreed to, at a general meeting by all ordinary shareholders.

Pursuant to section 257D(2) of the Corporations Act, Coppermoly must include with this Notice a statement setting out all information known to Coppermoly that is material to the decision on how to vote on this Resolution 2. However, Coppermoly does not have to disclose information if it would have been unreasonable to require Coppermoly to do so because Coppermoly had previously disclosed the information to Shareholders.

Section 257H(3) of the Corporations Act provides that immediately after the registration of the transfer to a company of shares bought back, the shares are cancelled.

As outlined in section 1.9, Resolution 2 is also seeking approval for the purposes of section 208(1) of the Corporations Act for the acquisition of the Buy-Back Shares from the Major Shareholders and Buy-Back Directors.

2.2 Details of the Buy-Back

ASIC Regulatory Guide 110 sets out what ASIC expects a company to provide when disclosing such information to shareholders with a notice of meeting. This information is set out below:

(a) Coppermoly has 2,193,956,929 Shares on issue at the date of this Notice;

(b) subject to the passing of Resolutions 1, 2 and 3, the number and percentage of Shares to be bought back are 1,955,024,388 Shares representing approximately 89.11% of the Shares on issue at the date of this Notice and approximately 82.16% of the Shares on issue immediately before the Buy-Back;

(c) the terms of the Buy-Back are set out in the Sale Agreement which is summarised in section 1.7;

(d) there is no offer price for the Buy-Back as the consideration is in a non-cash form (being the disposal of the Copper Quest Shares). A valuation of the Copper Quest Shares is set out in the Independent Expert's Report;

(e) the reasons for the Buy-Back are outlined within the explanatory notes to Resolution 1 and, specifically, sections 1.2 and 1.10;

(f) Jade Triumph, Ever Leap Services Ltd, Shenzhen Beilite Jades Limited and Shanghai Fuyuan Investments Limited, being Shareholders associated with Mr Jincheng Yao, Mr Zule Lin and Mr Jian Xuan will participate in the Buy-Back through transferring the number of Buy-Back Shares outlined within section 1.1;

(g) there is a minimal financial effect of the Buy-Back and the Proposed Sale on Coppermoly as Coppermoly is receiving $500,000 as part of the Proposed Sale and there will be no effect on the level of franking credits expended as Coppermoly does not have any franking credits and no funds are required for the acquisition of the Buy-Back Shares by Coppermoly;

(h) the advantages and disadvantages of the Buy-Back and the Proposed Sale are outlined within sections 1.10 and 1.11;

(i) the effect of the Buy-Back and the Proposed Sale on the control of Coppermoly is outlined within section 1.5;

(j) the entities selling Buy-Back Shares are outlined within section 1.1; and

(k) The highest and lowest market closing price of Shares on the ASX in the three months prior to 20 March 2023 and the respective dates of those sales were:

	Date	Price
Lowest Price	6 March 2023	$0.0080
Highest Price	27 January 2023	$0.0110

2.3 Independent Expert's Report

The Independent Expert's Report annexed to this Notice sets out a detailed independent examination of the Buy-Back to enable Non-Associated Shareholders to assess the merits and decide whether to approve Resolution 2. The independent expert has concluded that the Buy-Back is fair and reasonable to the Non-Associated Shareholders.

Shareholders are urged to carefully read the Independent Expert's Report to understand its scope, the methodology of the valuation and the sources of information and assumptions made.

The Independent Expert's Report is also available on Coppermoly's website (https://coppermoly.com.au/). If requested by a Shareholder, Coppermoly will send to the Shareholder a hard copy of the Independent Expert's Report at no cost.

2.4 Directors' recommendation and voting intentions

As outlined within section 1.9, Mr Jian Xuan will gain a financial benefit from the Buy-Back and therefore declines to make a recommendation to Shareholders in respect of Resolution 2.

Each of Mr Kevin Grice and Dr Wanfu Huang, being the Non-Abstaining Directors, recommend that Shareholders vote in favour of Resolution 2.

Mr Grice and Dr Huang believe that the Buy-Back is in the best interest of Shareholders and, accordingly, recommend that Shareholders vote in favour of Resolution 2.

In making this recommendation, Mr Grice and Dr Huang have considered the potential advantages and disadvantages of the Buy-Back and the Proposed Sale outlined in sections 1.10 and 1.11 and the Independent Expert's Report in determining the Buy-Back to be fair and reasonable to the Non-Associated Shareholders.

The Non-Abstaining Directors confirm that they intend to vote in favour of Resolution 2 in relation to all votes that they control.

The Chair intends to vote any undirected proxies in favour of Resolution 2.

3. Resolution 3 – Variation to Jade Convertible Note Agreement

3.1 Background

As outlined in this Explanatory Memorandum in relation to Resolution 1, as a condition of the Sale Agreement, Jade Triumph has elected to convert all of the Jade Convertible Notes held by it into Shares.

The Existing Jade Convertible Notes were issued to Jade Triumph pursuant to the Jade Convertible Note Agreement between Coppermoly and Jade Triumph, pursuant to which Jade Triumph agreed to subscribe for, and Coppermoly agreed to issue to Jade Triumph, 60,000,000 Convertible Notes. The issue of the Existing Jade Convertible Notes was approved by Shareholders on 4 March 2015. The maturity date for the Existing Jade Convertible Notes has been extended on several occasions, most recently to 19 June 2023 to facilitate the Proposed Sale.

The terms of the Jade Convertible Note Agreement provides that the Jade Convertible Notes shall convert to Shares by dividing the face value of the Convertible Notes by $0.02.

The current face value of Jade Triumph Convertible Notes is $1,200,000 and there is accrued interest of approximately $625,000 as at 30 June 2022.

As part of the Proposed Sale, Coppermoly has agreed with Jade Triumph to amend the terms of the Jade Convertible Note Agreement to increase the number of Shares to be issued on conversion of Jade Convertible Notes from 60,000,000 to 170,000,000 (**Variation**).

For the purposes of Listing Rule 10.11, Coppermoly considers the Variation to constitute a material change to the terms of the Jade Convertible Note Agreement that were originally approved by Shareholders. Consequently, Coppermoly considers it appropriate to seek Shareholder approval for the Variation.

Accordingly, Resolution 3 seeks Shareholder approval of the Variation for the purposes of Listing Rule 10.11.

3.2 Listing Rule 10.11

Listing Rule 10.11 requires that Coppermoly obtain Shareholder approval prior to the issue of Equity Securities to a related party of Coppermoly.

As Jade Triumph is an Associate of Mr Jincheng Yao, a director of Coppermoly within the previous 6 months, Jade Triumph will fall within the definition of 'related party' for the purposes of Listing Rule 10.11.4.

Accordingly, Resolution 3 seeks Shareholder approval for the issue of the Jade Convertible Shares in accordance with Listing Rule 10.11.

For the purposes of Listing Rule 10.13, the following information is provided in respect of Resolution 3:

Maximum number of securities proposed to be issued	170,000,000 Shares, comprising of the existing 60,000,000 Shares to be issued under the Jade Convertible Note Agreement approved by Shareholders on 4 March 2015 and the 110,000,000 Additional Jade Shares to be issued subject to the passing of Resolutions 1, 2 and 3.
Issue Price	The Jade Convertible Notes have an issue price of AUD0.02, whereas the Additional Jade Shares will be issued for no additional issue price as a condition of the Proposed Sale.
Terms of the securities	The Jade Convertible Shares will, from their date of issue, rank equally in all respects with all Shares on issue as at the date of conversion.
Names of allottees	Jade Triumph International Limited.
Material terms of agreement	The Additional Jade Shares are to be issued for nil consideration.
Use of funds	There are no proceeds from the issue of the Jade Convertible Shares.
Date of issue	The Jade Convertible Shares will be issued prior to Completion and, in any event, within one (1) month of the Meeting.

3.3 Directors' recommendation and voting intentions

Dr Wanfu Huang and Mr Kevin Grice believe that the Variation to the Jade Convertible Note Agreement is in the best interests of Shareholders. Accordingly, and in the absence of having received any other credible alternative proposals, Dr Huang and Mr Grice recommend that Shareholders vote in favour of Resolution 3.

The Non-Abstaining Directors confirm that they intend to vote in favour of Resolution 3 in relation to all votes that they control.

Mr Jian Xuan is a Buy-Back Director and related to the Buyer and therefore declines to make a recommendation to Shareholders in respect of Resolution 3.

The Chair intends to vote any undirected proxies in favour of Resolution 3.

4. Resolutions 4 to 6 – Issue of Shares to directors in lieu of directors' fees

4.1 Background

Mr Jincheng Yao and Mr Zule Lin ceased to be Directors of Coppermoly on 22 November 2022 and Mr Jian Xuan remains a Director as at the date of this Notice, although he is required to resign on Completion of the Proposed Sale.
Messrs Yao, Lin and Xuan have each agreed to forego their accrued directors' fees for the period 1 July 2021 to 30 November 2022, in consideration for Coppermoly issuing them Shares in lieu.

Specifically, the Buy-Back Directors have each agreed to forego their accrued directors' fees for this period of $56,666 in exchange for being issued 5,151,455 Shares (at an agreed issue price of $0.011).

4.2 Listing Rule 10.11

Listing Rule 10.11 requires that Coppermoly obtain Shareholder approval prior to the issue of Equity Securities to a Related Party of Coppermoly.

Accordingly, Resolutions 4 to 6 seek Shareholder approval for the issue of Shares to each of Mr Jincheng Yao, Mr Zule Lin and Mr Jian Xuan in accordance with Listing Rule 10.11.

If each of Resolutions 4 to 6 are passed, each of the respective directors (or former directors) will receive their Shares.

If Resolution 4 is not passed, no Shares will be issued to Mr Jincheng Yao and Coppermoly will remain obligated to pay the accrued director's fees in cash.

If Resolution 5 is not passed, no Shares will be issued to Mr Zule Lin and Coppermoly will remain obligated to pay the accrued director's fees in cash.

If Resolution 6 is not passed, no Shares will be issued to Mr Jian Xuan and Coppermoly will remain obligated to pay the accrued director's fees in cash.

For the purposes of Listing Rule 10.13, the following information is provided in respect of Resolutions 4 to 6:

Maximum number of securities proposed to be issued	The maximum number of securities proposed to be issued to the Non-Executive Directors pursuant to Resolutions 4 to 6 is: (a) 5,151,455 Shares to Mr Jincheng Yao; (b) 5,151,455 Shares to Mr Zule Lin; and (c) 5,151,455 Shares to Mr Jian Xuan.
Relationship to Coppermoly	As Mr Jincheng Yao, Mr Zule Lin and Mr Jian Xuan are all Related Parties of Coppermoly (by virtue of their position as Directors or as Directors within the previous 6 months), they are each persons falling

	within the prescribed category set out in Listing Rule 10.11.1 and their Associates fall within Listing Rule 10.11.4.
Issue Price	The Shares are being issued to Mr Jincheng Yao, Mr Zule Lin and Mr Jian Xuan for nil consideration in lieu of their directors' fees.
Names of allottees	(a) if Resolution 4 is passed, Shares will be issued to Mr Jincheng Yao; (b) if Resolution 5 is passed, Shares will be issued to Mr Zule Lin; and (c) if Resolution 6 is passed, Shares will be issued to Mr Jian Xuan.
Material terms of agreement	The Shares are to be issued for nil consideration.
Purpose of Issue	The purpose of the issue is to discharge the accrued directors' fees owing to each of Mr Jincheng Yao, Mr Zule Lin and Mr Jian Xuan while preserving Coppermoly's cash position.
Date of issue	The Shares will be issued as soon as practicable following the Meeting, and in any event, will be issued no later than 1 month after this Meeting.

4.3 Corporations Act

Resolutions 4-6 also seek Shareholder approval for the issue of Shares to Mr Jincheng Yao, Mr Zule Lin and Mr Jian Xuan in lieu of directors' fees for the purposes of section 208(1) of the Corporations Act.

Under Chapter 2E of the Corporations Act, a public company cannot give a financial benefit to a Related Party unless an exception applies or shareholders have in a general meeting approved the giving of that financial benefit to the Related Party.

By virtue of Mr Jian Xuan being a Director, and Mr Jincheng Yao and Mr Zule Lin being directors of Coppermoly within the previous 6 months, Mr Jian Xuan, Mr Jincheng Yao and Mr Zule Lin are each a Related Party of Coppermoly for the purposes of section 228(2) and section 228(5) of the Corporations Act.

The issue of Shares to Mr Jincheng Yao, Mr Zule Lin and Mr Jian Xuan in lieu of directors' fees constitutes the giving of a financial benefit to Related Parties for the purposes of section 229(3)(e) of the Corporations Act.

Therefore, Shareholder approval is being sought for the purposes of section 208(1) of the Corporations Act.

4.4 Directors' recommendation and voting intentions

The Directors, other than Mr Jian Xuan who has abstained from providing any recommendation in respect of Resolution 6, recommend that Shareholders vote in favour of Resolutions 4 to 6 and advise that they intend to vote any Shares that they own or control in favour of Resolutions 4 to 6.

The Non-Abstaining Directors confirm that they intend to vote in favour of Resolutions 4 to 6 in relation to all votes that they control.

The Chair intends to vote any undirected proxies in favour of Resolutions 4 to 6.

4.5 Lodgement with ASIC

Coppermoly has lodged with ASIC a copy of this Notice of Meeting and the Explanatory Memorandum in accordance with Sections 218 and 257F(2) of the Corporations Act.

ASIC and its officers take no responsibility for the contents of this Notice of Meeting or the merits of the investment to which this Notice of Meeting relates.

4.6 Disclosure to the ASX and ASIC

Coppermoly is a disclosing entity pursuant to the Corporations Act and is subject to regular reporting and disclosure obligations pursuant to both the Corporations Act and the Listing Rules. Copies of documents lodged in relation to Coppermoly can be accessed at Coppermoly's ASX announcements platform or alternatively via Coppermoly's website.

4.7 No financial product advice

This document does not constitute financial product or investment advice. It has been prepared without taking into account the objectives, financial situation or needs of Shareholders or other persons. Before deciding how to vote or act Shareholders and others should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek legal, taxation and financial advice appropriate to their jurisdiction and circumstances.

Coppermoly is not licenced to provide financial project advice.

4.8 No other information

There is no other information known to Coppermoly that is material to the decision by a Shareholder on how to vote on the Resolutions other than as disclosed in the Notice of Meeting and Explanatory Memorandum and information that Coppermoly has previously disclosed to Shareholders.

Any inquiries in relation to the Resolutions or the Explanatory Memorandum should be directed to the Company Secretary:

Coppermoly Limited
Unit 2, 42 Morrow Street
TARINGA QLD 4068

Ph: +61 3217 7544
Email: cmcpherson@coppermoly.com.au

5. Glossary

Additional Jade Shares means the 110,000,000 additional Shares to be issued to Jade Triumph on the exercise of the Jade Convertible Notes, subject to the passing of Resolution 3.

AEST means Australian Eastern Standard Time.

ASIC means the Australian Securities and Investments Commission.

Associate has the meaning given to that term in the Corporations Act.

ASX means ASX Limited (ABN 98 008 624 691).

Barrick means Barrick (PNG Exploration) Limited.

Barrick Re-Acquisition Agreement means the re-acquisition deed between Coppermoly, Copper Quest and Barrick dated on or about 25 June 2013.

Board means the board of Directors of Coppermoly.

Boardroom means the Company's share registry, Boardroom Pty Limited.

Business Day means any day except a Saturday or a Sunday or other public holiday in Brisbane, Queensland, Australia.

Buyer means Ever Leap Services Limited BVI Company Number 1819731.

Buy-Back means the buy-back of the Buy-Back Shares by Coppermoly from the Major Shareholders and Buy-Back Directors.

Buy-Back Directors means each of Mr Jincheng Yao, Mr Zule Lin and Mr Jian Xuan.

Buy-Back Shares means the Shares held by the Major Shareholders and the Buy-Back Directors at Completion of the Sale Agreement and being acquired by Coppermoly under the Buy-Back, as outlined within section 1.1.

Chair means the chairman of the Meeting.

Closely Related Party has the meaning given to that term in section 9 of the Corporations Act.

Completion means completion of the Proposed Sale and the term **Completed** has a corresponding meaning.

Coppermoly means Coppermoly Limited ACN 126 490 855.

Copper Quest means Copper Quest (PNG) Limited.

Copper Quest Shares means 1 fully paid ordinary share in the capital of Copper Quest, which constitutes 100% of the issued and unissued share capital of Copper Quest.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of Coppermoly as at the date of this Explanatory Memorandum.

Equity Securities has the meaning given to that term in the Listing Rules.

Explanatory Memorandum means this explanatory memorandum that accompanies, and forms part of, the Notice of Meeting.

Independent Expert means RSM Corporate Australia Pty Ltd.

Independent Expert's Report means the report prepared by the Independent Expert and annexed to this Notice.

Jade Convertible Note Agreement means the placement and convertible note agreement between Coppermoly and Jade Triumph dated on or about 12 December 2014 (as varied).

Jade Convertible Notes means the 60,000,000 convertible notes issued to Jade Triumph in accordance with the Jade Convertible Note Agreement, which have an aggregate face value of $1,200,000 and which are, as at the date of this Notice, convertible into Shares at an issue price of $0.02 per Share (i.e. 60,000,000 Shares).

Jade Convertible Shares means the 170,000,000 Shares to be issued to Jade Triumph upon the conversion of the Jade Convertible Notes.

Jade Triumph means Jade Triumph International Limited.

Key Management Personnel means those persons having authority and responsibility for planning, directing and controlling the activities of Coppermoly, directly or indirectly, including any Director (whether executive or otherwise);

Listing Rules means the listing rules of the ASX.

Major Shareholders means each of Ever Leap Services Limited, Shanghai Fuyuan Investments Limited, Shenzhen Beilite Jades Limited and Jade Triumph, whose shareholdings as at the date of this Notice are outlined within section 1.5 of the Explanatory Memorandum.

Meeting means the general meeting of Coppermoly convened by the Notice of Meeting.

Minister means the Minister for Mining in Papua New Guinea, or such other minister who bears responsibility for matters arising under the PNG Mining Act.

Non-Abstaining Directors means Dr Wanfu Huang and Mr Kevin Grice.

Non-Associated Shareholders has the meaning given to that term in section 1.17.

Notice or **Notice of Meeting** means the notice convening the general meeting of Shareholders that accompanies this Explanatory Memorandum.

Online Meeting Guide means the online meeting guide containing information on how to participate and vote online.

Ordinary Resolution means a resolution passed by more than 50% of the votes cast by Shareholders entitled to vote on the resolution.

PNG means Papua New Guinea (**PNG**).

PNG Mining Act means the *Mining Act 1992* (PNG).

PNG Tenements means EL 1043 Mt Nakru, EL 2379 Simuku, EL 2514 Mak Mak, EL 2578 Kori River and EL 2638 Metelen River.

Proposed Sale has the meaning given to that term in section 1.1.

Proxy Form means the proxy form attached to this Notice of Meeting.

Related Party has the meaning ascribed to that term in section 228 of the Corporations Act.

Relevant Interest has the meaning ascribed to that term in the Corporations Act.

Resolution means a resolution referred to in this Notice of Meeting.

Sale Agreement has the meaning given to that term in section 1.1.

Share means a fully paid ordinary share in the capital of Coppermoly.

Shareholder means a holder of a Share.

Special Resolution has the meaning given to that term in section 9 of the Corporations Act.

Voting Power has the meaning ascribed to that term in the Corporations Act.

Annexure A – Independent Expert's Report

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COPPERMOLY LIMITED

Financial Services Guide and Independent Expert's Report

20 March 2023

For the purposes of Listing Rule 10.1, and sections 208(1) and 256C of the Corporations Act, we have concluded that the Proposed Sale is fair and reasonable to the Non-Associated Shareholders of Coppermoly

FINANCIAL SERVICES GUIDE

March 2023

RSM Corporate Australia Pty Ltd ABN 82 050 508 024 ("RSM Corporate Australia Pty Ltd" or "we" or "us" or "ours" as appropriate) has been engaged to issue general financial product advice in the form of a report to be provided to you.

In the above circumstances we are required to issue to you, as a retail client, a Financial Services Guide ("FSG"). This FSG is designed to help retail clients make a decision as to their use of the general financial product advice and to ensure that we comply with our obligations as financial services licensees.

This FSG includes information about:

- who we are and how we can be contacted;
- the financial services that we will be providing you under our Australian Financial Services Licence, Licence No 255847;
- remuneration that we and/or our staff and any associates receive in connection with the financial services that we will be providing to you;
- any relevant associations or relationships we have; and
- our complaints handling procedures and how you may access them.

Financial services we will provide

For the purposes of our report and this FSG, the financial service we will be providing to you is the provision of general financial product advice in relation to securities.

We provide financial product advice by virtue of an engagement to issue a report in connection with a financial product of another person. Our report will include a description of the circumstances of our engagement and identify the person who has engaged us. You will not have engaged us directly but will be provided with a copy of the report as a retail client because of your connection to the matters in respect of which we have been engaged to report.

Any report we provide is provided on our own behalf as a financial services licensee authorised to provide the financial product advice contained in the report.

General Financial Product Advice

In our report we provide general financial product advice, not personal financial product advice, because it has been prepared without taking into account your personal objectives, financial situation or needs.

You should consider the appropriateness of this general advice having regard to your own objectives, financial situation and needs before you act on the advice. Where the advice relates to the acquisition or possible acquisition of a financial product, you should also obtain a product disclosure statement relating to the product and consider that statement before making any decision about whether to acquire the product.

Benefits that we may receive

We charge various fees for providing different financial services. However, in respect of the financial service being provided to you by us, fees will be agreed, and paid by, the person who engages us to provide the report and such fees will be agreed on either a fixed fee or time cost basis. You will not pay to us any fees for our services; the Company will pay our fees. These fees are disclosed in the Report.

Except for the fees referred to above, neither RSM Corporate Australia Pty Ltd, nor any of its directors, employees or related entities, receive any pecuniary benefit or other benefit, directly or indirectly, for or in connection with the provision of the report.

Remuneration or other benefits received by our employees

All our employees receive a salary.

Referrals

We do not pay commissions or provide any other benefits to any person for referring customers to us in connection with the reports that we are licensed to provide.

Associations and relationships

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia, a large national firm of chartered accountants and business advisers. Our directors are partners of RSM Australia Partners.

From time to time, RSM Corporate Australia Pty Ltd, RSM Australia Partners, RSM Australia and / or RSM Australia related entities may provide professional services, including audit, tax and financial advisory services, to financial product issuers in the ordinary course of its business.

Complaints resolution

Internal complaints resolution process

As the holder of an Australian Financial Services Licence, we are required to have a system for handling complaints from persons to whom we provide financial product advice. All complaints should be directed to The Complaints Officer, RSM Corporate Australia Pty Ltd, P O Box R1253, Perth, WA, 6844.

When we receive a written complaint we will record the complaint, acknowledge receipt of the complaint within 15 days and investigate the issues raised. As soon as practical, and not more than 45 days after receiving the written complaint, we will advise the complainant in writing of our determination. If a complaint is received in advance of a shareholder meeting or other key date where shareholders or investors may be making decisions which are influenced by our report, we will make all reasonable efforts to respond to complaints prior to that date.

Referral to External Dispute Resolution Scheme

A complainant not satisfied with the outcome of the above process, or our determination, has the right to refer the matter to the Australian Financial Complaints Authority ("AFCA"). AFCA is an independent dispute resolution scheme that has been established to provide free advice and assistance to consumers to help in resolving complaints relating to the financial services industry.

Further details about AFCA are available at the AFCA website www.afca.org.au. You may contact AFCA directly by email, telephone or in writing at the address set out below.

Australian Financial Complaints Authority
GPO Box 3
Melbourne VIC 3001
Toll Free: 1800 931 678
Email: info@afca.org.au

Time limits may apply to make a complaint to AFCA, so you should act promptly or consult the AFCA website to determine if or when the time limit relevant to your circumstances expires.

Contact details

You may contact us using the details set out at the top of our letterhead on page 5 of this report.

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20 March 2023

The Directors
Coppermoly Limited
Unit 2, 42 Morrow St,
Taringa QLD 4068

Dear Directors

INDEPENDENT EXPERT'S REPORT ("REPORT")

1. Introduction

1.1 This Independent Expert's Report (the "Report" or "IER") has been prepared to accompany the Notice of Extraordinary General Meeting and Explanatory Memorandum ("Notice") to be provided to shareholders for an Extraordinary General Meeting of Coppermoly Limited ("Coppermoly", "COY" or "the Company") to be held on or around 26 April 2023, at which shareholder approval will be sought for (among other things), the sale of all of the shares in Coppermoly's wholly-owned subsidiary, Copper Quest PNG Limited ("Copper Quest"), the holder of the Company's exploration licences in West New Britain in the Independent State of Papua New Guinea ("PNG"), to Ever Leap Services Limited ("Buyer" or "Ever Leap"), the Company's largest shareholder ("Proposed Sale").

1.2 The consideration for the Proposed Sale comprises a cash payment of $500k to the Company, as well as a selective Share buy-back and cancellation ("Buy-Back") of Coppermoly Shares held by the Buyer and certain other shareholders for $nil cash consideration.

1.3 The resolutions relevant to the Proposed Sale are set out in the Notice and summarised below:

Resolution 1 – Approval of Disposal of Copper Quest to Related Party

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"That, for the purpose of Listing Rule 10.1, section 208(1) of the Corporations Act and for all other purposes, the disposal by Coppermoly of the Copper Quest Shares to the Buyer, on the terms and conditions set out in the Explanatory Memorandum, be approved, subject to the passing of Resolutions 2 and 3."

Resolution 2 – Approval of Selective Share Buy-Back

To consider and, if thought fit, to pass, the following resolution as a Special Resolution:

"That, for the purpose of sections 208(1) and 257D of the Corporations Act and for all other purposes, approval is given for Coppermoly to selectively buy-back and cancel up to 1,955,024,388 Shares held, or to be held, by the Major Shareholders and Buy-back Directors at Completion of the Sale Agreement, on the terms and conditions set out in the Explanatory Memorandum, subject to the passing of Resolutions 1 and 3."

Resolution 3 – Approval to vary Jade Convertible Note Agreement

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"That, for the purpose of Listing Rule 10.11 and for all other purposes, approval be given for Coppermoly to vary the terms of the Jade Convertible Note Agreement by increasing the number of Shares to be issued to Jade Triumph on the exercise of the Jade Convertible Notes, from 60,000,000 to 170,000,000, on the terms and conditions contained in the Explanatory Memorandum, subject to the passing of Resolutions 1 and 2."

Resolution 4 – Approval to issue 5,151,455 Shares to Mr Jincheng Yao in lieu of Directors' Fees

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"That, for the purpose of Listing Rule 10.11 and for all other purposes, the issue of 5,151,455 Shares to Mr Jincheng Yao in satisfaction of outstanding directors fees, in accordance with the terms set out in the Explanatory Memorandum, be approved."

Resolution 5 – Approval to issue 5,151,455 Shares to Mr Zule Lin in lieu of Directors' Fees

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"That, for the purpose of Listing Rule 10.11 and for all other purposes, the issue of 5,151,455 Shares to Mr Zule Lin in satisfaction of outstanding directors fees, in accordance with the terms set out in the Explanatory Memorandum, be approved."

Resolution 6 - Approval to Issue 5,151,455 Shares to Mr Jian Xuan in lieu of Directors' Fees

To consider and, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"That, for the purpose of Listing Rule 10.11 and for all other purposes, the issue of 5,151,455 Shares to Mr Jian Xuan in satisfaction of outstanding directors fees, in accordance with the terms set out in the Explanatory Memorandum, be approved."

1.4 The Directors of the Company have requested that RSM Corporate Australia Pty Ltd ("RSM"), being independent and qualified for the purpose, express an opinion as to whether the Proposed Sale, including the Buy-Back, is fair and reasonable to shareholders not associated with the Proposed Sale ("Non-Associated Shareholders" or "Shareholders"). We have had regard to Regulatory Guide 111 Content of expert reports ("RG 111"), in our assessment of the fairness and reasonableness of the Proposed Sale.

1.5 The request for approval of the sale of the shares in Copper Quest to Ever Leap is included as Resolution 1 in the Notice. The request for approval of the Buy-Back is included as Resolution 2 in the Notice. Resolution 2 is subject to the approval of Resolutions 1 and 3 inclusive, as set out in the Notice.

1.6 When considering the Proposed Sale, we have included any impact Resolutions 1, 2 and 3 will have on fairness and reasonableness. We have considered all related resolutions, conditions and revised terms as part of the Proposed Sale because, without them, the Proposed Sale will not complete.

1.7 Whilst Resolutions 4, 5 and 6 form part of the consideration structure of the Proposed Sale, as Resolutions 4 to 6 are not inter-dependent with Resolutions 1, 2 and 3, we have excluded the impact of the approval of Resolutions 4, 5 and 6 in our assessment of fairness. However, we note that approval of Resolutions 4, 5 and 6 would result in the elimination of accrued directors' fees of $170k at 31 December 2022, resulting in a marginal increase in our assessed Fair Value per Share immediately after the Proposed Sale of $0.004 per Share. No cash would be payable by the Company to settle these accrued liabilities. Accordingly, we consider that it would be in Non-Associated Shareholders' commercial interests to approve Resolutions 4, 5 and 6 should they approve Resolutions 1, 2 and 3.

1.8 The ultimate decision whether to approve the Proposed Sale should be based on each Non-Associated Shareholder's assessment of their circumstances, including their risk profile, liquidity preference, tax position and expectations as to value and future market conditions. If in doubt as to the action they should take with regard to the Proposed Sale, or the matters dealt with in this Report, Non-Associated Shareholders should seek independent professional advice.

2. Summary and conclusion

Opinion

2.1 In our opinion, and for the reasons set out in Sections 9 and 10 of this Report, for the purposes of Listing Rule 10.1, and sections 208(1) and 256C of the Corporations Act, the Proposed Sale is **fair and reasonable** to the Non-Associated Shareholders of Coppermoly.

Approach

2.2 ASX Listing Rule 10.1 states that an entity must ensure that neither it, nor any of its child entities, acquires a substantial asset from, or disposes of a substantial asset to a related party or relevant substantial shareholder or any of its associates without the approval of holders of the entity's ordinary securities.

2.3 An asset is considered substantial "if its value; or the value of the consideration being paid or received or received by the entity is, or in the ASX's opinion is, 5% or more of the equity interests of the entity as set out in the latest accounts given to the ASX under the Listing Rules".

2.4 ASX Listing Rule 10.5.10 sets out the requirement for the inclusion of an independent expert's report opining on whether the transaction is fair and reasonable.

2.5 RG 111.57 states that a proposed related party transaction is "fair" if the value of the financial benefit to be provided by the entity to the related party is equal to or less than the value of the consideration being provided to the entity.

2.6 As the terms of the Proposed Sale include the sale of all of the shares in Copper Quest ("Copper Quest Shares") and a selective Buy-Back of Coppermoly Shares, with the consideration comprising a payment of $500k in cash consideration to the Company, and the conversion (and subsequent Buy-Back) of the Company's Convertible Note Agreement with Jade Triumph International Limited ("Jade Convertible Note Agreement"), we have considered whether or not the Proposed Sale is "fair" to the Non-Associated Shareholders by assessing and comparing:

- the Fair Value of a Share in Coppermoly prior to the Proposed Sale; with
- the Fair Value of a Share in Coppermoly immediately post completion of the Proposed Sale.

2.7 Our assessment of the Fair Value of a Share in Coppermoly has been prepared on the following basis:

"the value that should be agreed in a hypothetical transaction between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, acting at arm's length".

2.8 We have also considered whether the Proposed Sale is "reasonable" to the Non-Associated Shareholders by undertaking an analysis of the other factors relating to the Proposed Sale which are likely to be relevant to the Non-Associated Shareholders in their decision of whether or not to approve the Proposed Sale.

2.9 Further information of the approach we have employed in assessing whether the Proposed Sale is "fair" and "reasonable" is set out at Section 4 of this Report.

Fairness

2.10 In assessing the fairness of the Proposed Sale, we have valued a Coppermoly Share prior to and immediately after the Proposed Sale as set out in the table below. We note that as Non-Associated Shareholders will increase their interest in the Company from 19.3% prior to the Proposed Sale, to 100.0% immediately after the Proposed Sale, we have assessed both the Fair Value of a Coppermoly Share prior to, and immediately after the Proposed Sale, on a control basis as set out in the table below.

	Ref	Low	High	Preferred
Fair Value per Share prior to the Proposed Sale (controlling basis)	Table 11	**$0.009**	**$0.017**	**$0.013**
Fair Value per Share immediately after the Proposed Sale (controlling basis)	Table 17	**$0.016**	**$0.029**	**$0.022**

RSM analysis

Table 1: Valuation summary

We have summarised the values included in the table above in the chart below.

Figure 1: Valuation summary

2.11 In our opinion, as our assessed low, high and preferred Fair Values of a Coppermoly Share (on a controlling basis) immediately after the Proposed Sale, are more than the equivalent low, high and preferred Fair Values of a Coppermoly Share (on a controlling basis) prior to the Proposed Sale, in accordance with the guidance set out in RG 111, and in the absence of any other relevant information, for the purposes of ASX Listing Rule 10.1, and sections 208(1) and 256C of the Corporations Act, we consider the Proposed Sale is **fair** to the Non-Associated Shareholders of Coppermoly.

Reasonableness

2.12 RG 111 establishes that an offer is reasonable if it is fair. It might also be reasonable if, despite not being fair, there are sufficient reasons for security holders to accept the offer in the absence of any higher bid before the offer closes. As such, we have also considered the following factors in relation to the reasonableness aspects of the Proposed Sale:

- the future prospects of the Company if the Proposed Sale does not proceed;
- the trading of Coppermoly's Shares following the announcement of the Proposed Sale;
- other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Sale proceeding; and
- alternative transactions to the Proposed Sale.

Future prospects of Coppermoly if the Proposed Sale does not proceed

2.13 Historically, the majority of Coppermoly's expenditure has been incurred on the Company's PNG Tenements (comprising EL 1043 Mt Nakru, EL 2379 Simuku, EL 2514 Mak Mak, EL 2578 Kori River and EL 2638 Metelen River) which are held by Copper Quest. However, the global outbreak of the COVID-19 pandemic in late 2019 to early 2020 and the subsequent travel restrictions imposed by the governments of numerous countries, including Australia and PNG, has significantly disrupted the exploration and development of the PNG Tenements.

2.14 As a result, in recent years, the Company has been pursuing opportunities to diversify its project portfolio to include assets in jurisdictions where Management can add value by progressing exploration activities with less exposure to travel and logistical disruption (and cost) to mitigate the geopolitical risk of having the majority of the Company's assets in PNG.

2.15 If the Proposed Sale does not proceed, the Company will:

- continue to own Copper Quest;
- the Major Shareholders and Buy-Back Directors will remain Shareholders of the Company; and
- Coppermoly will retain its obligations under both the Jade Convertible Note Agreement and its agreement with Barrick (PNG Exploration) Limited ("Barrick"), comprising the re-acquisition deed between Coppermoly, Copper Quest and Barrick dated on or about 25 June 2013, being the requirement to guarantee Copper Quest's payment of $4.5m upon the commencement of commercial production at each of EL 1043 Mt Nakru and EL 2379 Simuku ("Barrick Re-Acquisition Agreement").

2.16 If the Proposed Sale does not proceed, the Company will continue to undertake exploration activities on the PNG Tenements and its Australian tenements, while continuing to explore suitable options for divesting its PNG Tenements.

2.17 For the half-year ended 31 December 2022 ("HY23"), Coppermoly disclosed a loss before income tax of $0.5m and cash outflows from operating and investing activities totalling $0.7m. As at 31 December 2022, the Company had cash and cash equivalents of $1.4m (including cash held by Copper Quest of $76k) and net assets of $18.3m. As at 30 June 2022, the Company also had capital and other commitments, including minimum expenditure commitments relating to its mineral exploration tenements totalling $296k.

2.18 The Board considers that Coppermoly's cash and cash equivalents at 31 December 2022 are not sufficient to repay the Jade Convertible Notes on their due date, originally being 18 December 2022, and meet its full exploration expenditure commitments for its various tenements or facilitate an expanded exploration program should the Company elect to do so. To facilitate the implementation of the Proposed Sale, Jade Triumph International Limited ("Jade Triumph") has agreed to a six-month extension of the current terms of the Jade Convertible Note Agreement, with the maturity date for the Convertible Notes extended to 19 June 2023. Subject to the approval of the Proposed Sale, 170,000,000 Shares will be issued to Jade Triumph to convert the Jade Convertible Notes and extinguish any liabilities associated with the Jade Convertible Notes.

2.19 The reviewed financial statements of Coppermoly for HY23 included an emphasis of matter in the independent auditor's report issued by BDO dated 3 March 2023 that stated that a material uncertainty existed that may cast significant doubt on the Company's ability to continue as a going concern. Whilst the auditor's opinion was not modified in respect of this matter, it was noted that Coppermoly's ability to continue as a going concern was dependent on whether Coppermoly was able to undertake the Proposed Sale, or if the Proposed Sale is not approved, considering negotiating an extension of the due date for the Jade Convertible Notes (which it has been successful in doing in the past), and considering all funding options including capital raising and the establishment of joint venture partnerships, farmouts or other means of securing additional funding.

Response of the market to the Proposed Sale

2.20 The Proposed Sale was announced on 13 December 2022, with the Company's Share price closing at $0.0110. Coppermoly's volume weighted average share price ("VWAP") of $0.0090 post the announcement of the Proposed Sale was equivalent to the 10-day VWAP pre the announcement of the Proposed Sale, but lower than the 30, 60 and 90-day VWAP prior to the announcement of the Proposed Sale of $0.0097, $0.0094, and $0.0098, respectively, indicating some negative market sentiment. However, we note that Coppermoly's Shares are thinly traded with 0.18% of Shares traded over the period post the announcement of the Proposed Sale.

Advantages of approving the Proposed Sale to Non-Associated Shareholders

2.21 The advantages of the Proposed Sale are:

Advantage	Details
The Proposed Sale is fair	The Proposed Sale is fair to Non-Associated Shareholders.
Cash reserves preserved to consider other exploration activities in the short to medium term	The Proposed Sale includes the sale of the Copper Quest Shares. In addition to capitalised expenditure in relation to the PNG Tenements of $18.9m as at 31 December 2022, Copper Quest disclosed cash and cash equivalents of $76k, property, plant and equipment of $87k, and other net assets of $16k. Accordingly, the majority of the Company's cash reserves of $1.4m at 31 December 2022 will be retained by the Company to progress other exploration activities that the directors consider have less exposure to travel and logistical disruption (and cost) compared to PNG.
No further obligations in relation to the Jade Convertible Note Agreement	If the Proposed Sale is approved, the terms of the Jade Convertible Note Agreement will be varied to comprise the issue of 170,000,000 Jade Conversion Shares. The Jade Conversion Shares will form part of the Buy-Back and any liabilities associated with the Jade Convertible Notes would be fully extinguished as part of the terms of the Proposed Sale. In the absence of this agreement, should Jade seek repayment of the Jade Convertible Notes, the Company would likely need to raise capital to meet this obligation and to also have funds to meet other commitments in relation to the various PNG and Australian Tenements.
No further obligations in relation to the PNG Tenements	A condition precedent to the Proposed Sale is Coppermoly, Barrick and the Buyer entering into a deed of novation in respect of the Barrick Re-Acquisition Agreement. If the Proposed Sale is approved, the Buyer will assume the Company's existing obligations to Barrick, comprising the requirement to guarantee Copper Quest's payment of $4.5m upon commencement of commercial production at each of EL 1043 Nakru and EL 2379 Simuku. However, we note that if commercial production commenced at EL 1043 Nakru or EL 2379 Simuku, it is likely that the value of those exploration tenements would also have increased.
Increase in Non-Associated Shareholders' proportionate interest in the Company	The Non-Associated Shareholders' interest in the Company will increase from 19.3% to 100.0% immediately post the Proposed Sale.
Removal of concentration of voting power in the Company	Ever Leap currently holds a 42.2% interest in the Company. The ability of Ever Leap (and other significant shareholders) to potentially exert significant influence over Coppermoly will be removed if the Proposed Sale is approved. The removal of voting power concentration within a small number of shareholders may assist the Company in future in its ability to raise additional capital from new investors.

Table 2: Advantages of the Proposed Sale

2.22 The disadvantages of the Proposed Sale are:

Disadvantage	Details
Shareholders will not benefit in any potential upside to the value of the PNG Tenements	If the Proposed Sale is approved, Shareholders will no longer have exposure to the investment in the PNG Tenements but will also no longer benefit from any potential upside in the value of the PNG Tenements.
Change in investment portfolio	In addition to the PNG Tenements, the Company also has two granted mineral exploration licences EPM 27835 Fox Creek and EPM 27836 Mount Tracey located in Queensland ("Australian Tenements"). If the Proposed Sale is approved, Shareholders investment portfolio will be solely comprised of the Australian Tenements with no other diversification of portfolio risk.

Table 3: Disadvantages of the Proposed Sale

Alternative proposals

2.23 We are not aware of any alternative proposals which may provide greater benefit to Non-Associated Shareholders at this time.

Conclusion on Reasonableness

2.24 In our opinion, the position of the Non-Associated Shareholders of Coppermoly if the Proposed Sale is approved is more advantageous than if the Proposed Sale is not approved. Therefore, in the absence of any other relevant information and/or a superior offer, we consider that the Proposed Sale is **reasonable** for the Non-Associated Shareholders of Coppermoly.

3. Summary of Proposed Sale

Overview

3.1 On 13 December 2022, Coppermoly announced that it had entered into a binding share purchase agreement ("Sale Agreement") for the sale of all shares in the Company's wholly owned subsidiary, Copper Quest, the holder of the Company's exploration licenses in West New Britain, PNG (the PNG Tenements), to Ever Leap (Buyer), the Company's largest shareholder.

3.2 In consideration for the sale of the Copper Quest Shares to the Buyer, the Buyer will pay to Coppermoly cash consideration of $500,000 and procure the agreement of the Major Shareholders and Buy-Back Directors to sell their Buy-Back Shares to Coppermoly for $nil consideration, in accordance with the Sale Agreement.

3.3 The Major Shareholders are comprised of Ever Leap, Shanghai Fuyuan Investments Limited ("Shanghai Fuyuan"), Shenzhen Beilite Jades Limited, and Jade Triumph who collectively hold 1,733,357,610 Shares at the date of this Report (refer Table 4 below).

3.4 The Buy-Back Directors are comprised of Mr Jincheng Yao, Mr Zule Lin and Mr Jian Xuan.

3.5 Mr Yao is an associate of Major Shareholder Jade Triumph and a former director of Coppermoly, having ceased to be a director on 22 November 2022.

3.6 Mr Lin is the CFO of Shanxi Xierun Investment Limited, the parent company of the Buyer (Ever Leap), and a former director of Coppermoly, having ceased to be a director on 22 November 2022.

3.7 Mr Xuan is an associate of Major Shareholder Shanghai Fuyuan and is a current director of Coppermoly. It is a requirement of the Sale Agreement that Mr Xuan resign as a director of Coppermoly on or before completion of the Proposed Sale.

Key conditions of the Proposed Sale

3.8 Completion of the Proposed Sale is subject to and conditional upon a number of conditions precedent, including:

- **Shareholder Approval:** the Company obtaining Shareholder approval for the:
  - (1) acquisition and cancellation of the Buy-Back Shares by Coppermoly for the purposes of sections 208(1) and 257D(1) of the Corporations Act (Resolution 2);
  - (2) transfer of the Copper Quest Shares to the Buyer for the purposes of Listing Rule 10.1 and section 208(1) of the Corporations Act (Resolution 1); and
  - (3) variation to the number of Shares to be issued to Jade Triumph under the Jade Convertible Note Agreement from 60,000,000 to 170,000,000 ("Jade Conversion Shares") for the purposes of Listing Rule 7.1 and Listing Rule 10.11 (as necessary) (Resolution 3),
- **Copper Quest Shareholder Approval:** Copper Quest having obtained shareholder approval for a major transaction pursuant to section 110 of the PNG Companies Act;
- **Ministerial Approval:** the Proposed Sale, to the extent required by Law, approved by the Minister for the purposes of the PNG Mining Act and such consent is granted on terms and conditions acceptable to Coppermoly and the Buyer;
- **ASIC and ASX:** the Company being satisfied, at its discretion, acting reasonably, that ASIC and ASX have issued or provided such consents or approvals, of have done such other acts or things, as Coppermoly considers necessary or desirable to give effect to the Proposed Sale and the Sale Agreement, and such consent, approval or other act has not been withdrawn or revoked before Completion;

- **Barrick Novation:** Coppermoly, the Buyer and Barrick having entered into a deed of novation in respect of the Barrick Re-Acquisition Agreement; and
- **ICCC clearance or authorisation:** if required, the Buyer having received notification of clearance or authorisation from the Independent Consumer & Competition Commission for the acquisition of the Copper Quest Shares by the Buyer that is either unconditional or on conditions that are acceptable to the Buyer, acting reasonably, pursuant to section 81(3)(a), section 82(3)(a) or section 82(3)(b) of the Independent Consumer & Competition Commission Act 2002 (PNG).

Impact of Proposed Sale on Coppermoly's capital structure

3.9 The table below sets out a summary of the capital structure of Coppermoly prior to and immediately post the Proposed Sale.

	Number of Shares ('000)	%
Capital structure at the date of this Report		
Number of ordinary Shares held by Ever Leap	924,742,508	42.1%
Number of ordinary Shares held by Shanghai Fuyuan Investments Limited	404,170,658	18.4%
Number of ordinary Shares held by Shenzhen Beilite Jades Limited	364,444,444	16.6%
Number of ordinary Shares held by Jade Triumph International Limited	40,000,000	1.8%
Number of ordinary Shares held by Mr Jincheng Yao	16,109,075	0.7%
Number of ordinary Shares held by Mr Zule Lin	14,345,057	0.7%
Number of ordinary Shares held by Mr Jian Xuan	5,758,281	0.3%
Number of ordinary Shares held by Non-Associated Shareholders	424,386,906	19.3%
Total	**2,193,956,929**	**100.0%**
COY capital structure immediately prior to the completion of the Proposed Transaction, assuming only Resolutions 1 to 3 are approved		
Number of ordinary Shares held by Ever Leap	924,742,508	39.1%
Number of ordinary Shares held by Shanghai Fuyuan Investments Limited	404,170,658	17.1%
Number of ordinary Shares held by Shenzhen Beilite Jades Limited	364,444,444	15.4%
Number of ordinary Shares held by Jade Triumph International Limited	210,000,000	8.9%
Number of ordinary Shares held by Mr Jincheng Yao	16,109,075	0.7%
Number of ordinary Shares held by Mr Zule Lin	14,345,057	0.6%
Number of ordinary Shares held by Mr Jian Xuan	5,758,281	0.2%
Number of ordinary Shares held by Non-Associated Shareholders	424,386,906	18.0%
Total	**2,363,956,929**	**100.0%**
COY capital structure immediately prior to the completion of the Proposed Transaction, assuming Resolutions 1 to 6 are approved		
Number of ordinary Shares held by Ever Leap	924,742,508	38.9%
Number of ordinary Shares held by Shanghai Fuyuan Investments Limited	404,170,658	17.0%
Number of ordinary Shares held by Shenzhen Beilite Jades Limited	364,444,444	15.3%
Number of ordinary Shares held by Jade Triumph International Limited	210,000,000	8.8%
Number of ordinary Shares held by Mr Jincheng Yao	21,260,530	0.9%
Number of ordinary Shares held by Mr Zule Lin	19,496,512	0.8%
Number of ordinary Shares held by Mr Jian Xuan	10,909,736	0.5%
Number of ordinary Shares held by Non-Associated Shareholders	424,386,906	17.8%
Total	**2,379,411,294**	**100.0%**
COY capital structure immediately after the Proposed Transaction		
Number of ordinary Shares held by Non-Associated Shareholders	424,386,906	100.0%
Total	**424,386,906**	**100.0%**

Source: RSM analysis and Company estimates

Table 4: Share structure of Coppermoly prior to and post the Proposed Sale

3.10 We note that Coppermoly is also seeking Shareholder approval for the issue of 5,151,455 new Shares to each of the Buy-Back Directors, being Mr Yao, Mr Lin and Mr Xuan, totalling 15,454,365 new Shares, in lieu of directors' fees, under Resolutions 4, 5 and 6, respectively.

3.11 If Shareholders approve Resolutions 4, 5 and 6, these Shares to be issued to the Buy-Back Directors will form part of the 1,955,024,388 Buy-Back Shares under Resolution 2. If Shareholders do not approve Resolutions 4, 5 and 6, but do approve the Proposed Sale comprising Resolutions 1, 2 and 3, the number of Buy-Back Shares will reduce to 1,939,570,023.

3.12 As the approval of the Proposed Sale is not dependent on the approval of Resolutions 4, 5 and 6, and has no material impact on our assessment of fairness and reasonableness of the Proposed Sale, we have excluded Resolutions 4, 5 and 6 from our analysis of the Proposed Sale.

3.13 Approval of Resolutions 4, 5 and 6 would result in the elimination of accrued directors' fees of $170k at 31 December 2022, resulting in a marginal increase in our assessed Fair Value per Share immediately after the Proposed Sale of $0.004 per Share. No cash would be payable by the Company to settle these accrued liabilities. Accordingly, we consider that it would be in Non-Associated Shareholders' commercial interests to approve Resolutions 4, 5 and 6, should they approve Resolutions 1, 2 and 3.

3.14 If the Proposed Sale is approved, the Company will have 424,386,906 Shares on issue immediately after completion of the Proposed Sale, and Non-Associated Shareholders will collectively hold a 100.0% interest in the Company.

4. Scope of the Report

ASX Listing Rules

4.1 ASX Listing Rule 10.1 states that an entity must ensure that neither it, nor any of its child entities, acquires a substantial asset from, or disposes of a substantial asset to, a substantial shareholder, a related party or any of its associates without the approval of holders of the entity's ordinary securities.

4.2 An asset is considered substantial "if its value; or the value of the consideration to be received for it is, or in the ASX's opinion is 5% or more of the equity interest of the entity as set out in the latest financial statements given to the ASX".

4.3 In accordance with ASX Listing Rule 10.1.3, a substantial shareholder includes a person who holds a greater than 10% interest in an entity. Ever Leap currently holds a 42.1% interest in Coppermoly and is the Company's largest shareholder.

4.4 The equity interest of Coppermoly as provided in the most recent financial statements given to the ASX, being the financial statements for FY22, was $18.4m. Accordingly, as the proposed consideration for the acquisition of the Copper Quest Shares, being the $500k cash consideration and the Buy-Back Shares, exceeds 5% of Coppermoly's equity interest, the sale of the Copper Quest Share constitutes a disposal of a substantial asset to a substantial shareholder for the purposes of ASX Listing Rule 10.1.

4.5 ASX Listing Rule 10.5 states that the notice for the shareholders' meeting required under ASX Listing Rule 10.1 must include a report on the transaction from an independent expert. The report must state whether, in the expert's opinion, the transaction is fair and reasonable to the Non-Associated Shareholders.

4.6 Accordingly, Coppermoly is to hold a meeting of its Shareholders where it will seek approval for the Proposed Sale in accordance with Listing Rule 10.1, and the Company has engaged RSM, to prepare a report which sets out our opinion as to whether the Proposed Sale is fair and reasonable to Non-Associated Shareholders.

Corporations Act – 208(1)

4.7 Section 208(1) of the Corporations Act provides that a public company must not, without the approval of the company's members, give a financial benefit to a related party unless an exception to the prohibition as set out in sections 210 to 216 of the Corporations Act applies to that issue.

4.8 Jade Triumph is a related party for the purposes of section 228 of the Corporations Act as Mr Jincheng Yao was a director of Coppermoly within the previous 6 months and is an associate of Jade Triumph.

4.9 Further, as Mr Jian Xuan is a current director of Coppermoly, and Mr Jincheng Yao and Mr Zule Lin, were directors of Coppermoly within the previous 6 months, the Buy-Back Directors are Related Parties of Coppermoly for the purposes of section 228(2) and section 228(5) of the Corporations Act.

4.10 Therefore, Shareholder approval is also required for the purposes of section 208(1) of the Corporations Act.

Corporations Act – 257D

4.11 Section 257A of the Corporations Act provides that a company may buy back its own shares if:

- the buy-back does not materially prejudice the company's ability to pay its creditors; and
- the company follows the procedures laid down in Division 2 of Part 2J.1 of the Corporations Act.

4.12 Pursuant to section 257D(1) of the Corporations Act, a selective share buy-back must be approved by either:

- a Special Resolution passed at a general meeting of Coppermoly, with no votes being cast in favour of the resolution by any person whose shares are to be bought back or by their Associates; or
- a resolution agreed to, at a general meeting by all ordinary shareholders.

4.13 Therefore, Shareholder approval of the Buy-Back is also required for the purposes of section 257(D) of the Corporations Act

Basis of evaluation

4.14 In determining whether the Proposed Sale is "fair" and "reasonable" we have given regard to the views expressed by the ASIC in RG 111.

4.15 RG 111 provides ASIC's views on how an expert can help security holders make informed decisions about related party transactions. Specifically, it gives guidance to experts on how to evaluate whether or not a related party transaction is fair and reasonable.

4.16 RG 111 states that the expert's report should focus on:

- the issues facing the security holders for whom the report is being prepared: and
- the substance of the transaction rather than the legal mechanism used to achieve it.

4.17 RG 111.56 states that in relation to a related party transaction, the expert's assessment of fair and reasonable should not be applied as a composite test – that is, there should be a separate assessment of whether the transaction is "fair" and "reasonable" as in a control transaction.

4.18 RG 111.57 states that a proposed related party transaction is 'fair' if the value of the financial benefit to be provided by the entity to the related party is equal to or less than the value of the consideration being provided to the entity.

4.19 As the terms of the Proposed Sale include the sale of the Copper Quest Shares to the Buyer, and a selective Buy-Back of Shares held by the Major Shareholders and the Buy-Back Directors, with the consideration comprising $500k in cash consideration and the issue and subsequent selective Buy-Back of the 170,000,000 Jade Conversion Shares, we have considered whether or not the Proposed Sale is "fair" to the Non-Associated Shareholders by assessing and comparing:

- the Fair Value of a Share in Coppermoly prior to the Proposed Sale; with
- the Fair Value of a Share in Coppermoly immediately post completion of the Proposed Sale.

4.20 As Non-Associated Shareholders' interests in the Company increases from 19.3% prior to the Proposed Sale, to 100.0% immediately post the Proposed Sale, we have assessed the Fair Value of a Coppermoly Share on a controlling basis pre and post the Proposed Sale.

4.21 We have also considered whether the Proposed Sale is “reasonable” to Non-Associated Shareholders by undertaking an analysis of the other factors relating to the Proposed Sale which are likely to be relevant to Non-Associated Shareholders in their decision of whether or not to approve the Proposed Sale.

4.22 In particular, we have considered the advantages and disadvantages of the Proposed Sale in the event that the Proposed Sale proceeds or does not proceed including:

- the future prospects of the Company if the Proposed Sale does not proceed; and
- any other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Sale proceeding.

4.23 Our assessment of the Proposed Sale is based on economic, market and other conditions prevailing at the date of this Report.

5. Profile of Coppermoly Limited

Background

5.1 Coppermoly is an exploration company focused on exploring and developing deposits prospective for copper, gold and molybdenum in Papua New Guinea and Australia. It also explores for silver, zinc and polymetallic mineralised deposits.

5.2 Coppermoly's wholly owned subsidiary, Copper Quest is the holder of the Company's PNG Tenements, whilst the Company's wholly owned subsidiary Copper Quest Australia Pty Ltd ("Copper Quest Australia") is the holder of two exploration licenses in Queensland, Australia ("Australian Tenements").

5.3 The table below sets out a summary of the exploration licences held by the Company.

Project	Equity interest
PNG Tenements	
West New Britain, PNG	
EL 1043 Mt Nakru	72%
EL 2379 Simuku	72%
EL 2514 Mak Mak	100%
EL 2578 Kori River	100%
EL 2638 Metelen River	100%
Australian Tenements	
Mt Isa region, Queensland	
EPM 27835 Foxes Ck	100%
EPM 27836 Mt Tracey	100%

Source: AWC Report and Company announcements

Table 5: Summary of exploration licences

5.4 Barrick holds the remaining 28% interests in EL 1043 Mt Nakru and EL 2379 Simuku. Coppermoly has a binding agreement to acquire the remaining 28% interests via the Barrick Re-Acquisition Agreement. The terms of the Barrick-Acquisition Agreement provide that Coppermoly guarantees Copper Quest's payment of $4.5m upon the commencement of commercial production at each of EL 1043 Mt Nakru and EL 2379 Simuku.

5.5 Barrick also currently holds 73,201,447 Shares in Coppermoly through its nominee, Barrick (PD) Australia Limited (refer Table 9).

Directors and management

5.6 As at the date of the report the directors and key management of Coppermoly comprise the following:

- Dr Wanfu Huang (Executive Director);
- Mr Kevin Grice (Non-Executive Director);
- Mr Jian Xuan (Non-Executive Director); and
- Mr Craig McPherson (Company Secretary).

5.7 Whilst Mr Xuan is currently a director of Coppermoly, he will be required to resign if the Proposed Sale is approved.

Financial information of Coppermoly

5.8 The information in the following section provides a summary of the financial performance of Coppermoly for the years ended 30 June 2020 ("FY20"), 30 June 2021 ("FY21"), 30 June 2022 ("FY22"), and the half-year ended 31 December 2022 ("HY23"), extracted from the audited and reviewed financial statements of the Company.

Financial performance

5.9 The following table sets out a summary of the financial performance of Coppermoly for FY20, FY21, FY22 and HY23 (collectively, "Historical Period") as out set out in the table below.

Coppermoly Limited Financial performance ($'000)	FY20 *Audited*	FY21 *Audited*	FY22 *Audited*	HY23 *Reviewed*
Other income	**68**	**39**	**1**	**6**
Depreciation and amortisation	(41)	(47)	(48)	(6)
Employee benefits expense	(626)	(536)	(569)	(230)
Business development costs	(61)	(102)	(7)	-
Insurance expense	(63)	(44)	(31)	(20)
Corporate compliance and shareholder relation	(223)	(131)	(157)	(89)
Property expense	(45)	(35)	(30)	(40)
Finance costs	(185)	(182)	(174)	(86)
Other expenses	(37)	(7)	(8)	(72)
Total expenses	**(1,281)**	**(1,085)**	**(1,023)**	**(542)**
Loss before income tax	**(1,213)**	**(1,046)**	**(1,023)**	**(536)**
Income tax expense	-	-	-	-
Net loss for the year	**(1,213)**	**(1,046)**	**(1,023)**	**(536)**
Other comprehensive income				
Items that may be reclassified to the profit or loss				
Exchange differences on tranlsation of foreign operations	(127)	(1,612)	1,651	406
Income tax expense items of other comprehensive income	-	-	-	-
Other comprehensive income for the year	**(127)**	**(1,612)**	**1,651**	**406**
Total comprehensive income for the year	**(1,340)**	**(2,657)**	**628**	**(131)**

Source: Audited financial statements for FY21 and FY22, and reviewed financial statements for HY23

Table 6: Coppermoly's historical performance

5.10 As the Company is in the exploration phase of its mining projects, revenue generated by Coppermoly over the Historical Period comprised interest income, as well as government grants of $63k and $83k in FY20 and FY21, respectively.

5.11 The Company disclosed net losses after tax over the Historical Period of $1.0m for each of FY21 and FY22, and a net loss after tax of $0.5m for HY23. Total comprehensive income disclosed over the Historical Period comprised fluctuations in foreign exchange translations as a result of Coppermoly's operations in PNG.

Financial position

5.12 The table below sets out a summary of the financial position of Coppermoly as at 30 June 2022 and 31 December 2022.

Coppermoly Limited Financial position ($'000)	30-Jun-22 *Audited*	31-Dec-22 *Reviewed*
Current assets		
Cash and cash equivalents	2,102	1,440
Trade and other receivables	49	62
Total current assets	**2,151**	**1,501**
Non-current assets		
Trade and other receivables	18	19
Property, plant and equipment	121	93
Mineral exploration and evaluation assets	18,268	18,886
Total non-current assets	**18,407**	**18,997**
Total assets	**20,558**	**20,498**
Current liabilities		
Trade and other payables	308	281
Provisions	23	35
Borrowings	1,782	1,867
Total current liabilities	**2,113**	**2,184**
Total liabilities	**2,113**	**2,184**
Net assets	**18,445**	**18,314**
Equity		
Contributed equity	31,076	31,076
Share option reserve	3,433	3,433
Foreign currency reserve	(739)	(334)
Accumulated losses	(15,325)	(15,861)
Total equity	**18,445**	**18,314**

Source: Audited financial statements for FY22 and reviewed financial statements for HY23

Table 7: Coppermoly historical financial position

5.13 Coppermoly disclosed net assets of $18.4m and $18.3m at 30 June 2022 and 31 December 2022, respectively, with the slight decline in net assets due to total comprehensive losses of $131k disclosed for HY23.

5.14 At 31 December 2022, total assets primarily comprised cash and cash equivalents of $1.4m and total capitalised mineral exploration and evaluation assets of $18.9m.

5.15 The table below summarises the net assets and liabilities held by Copper Quest at 31 December 2022. The majority of capitalised mineral exploration and evaluation assets relate to the PNG Tenements held by Copper Quest as set out below.

Copperquest PNG Limited Disposal group ($'000)	31-Dec-22 *Reviewed*
Cash and cash equivalents	76
Current trade and other receivables	5
Non-current trade and other receivables	18
Other current assets - prepayments	8
Property, plant and equipment	87
Exploration and evaluation expenditure	18,854
Trade and other payables	(2)
Accrued expenses	(13)
Total	**19,032**

Source: Management accounts and reviewed financial statements for HY23

Table 8: Copper Quest assets and liabilities at 31 December 2022

5.16 In addition to capitalised expenditure relating to the PNG Tenements, Copper Quest disclosed other assets totalling $193k, primarily comprised of cash and cash equivalents and property, plant and equipment of $76k and $87k, respectively.

5.17 Total liabilities disclosed by Copper Quest comprised trade and other payables and accrued expenses totalling $15k at 31 December 2022.

5.18 At 31 December 2022, total consolidated liabilities primarily comprised convertible notes liabilities of $1.9m relating to the Jade Convertible Note Agreement, as well as other current trade and other payables and provisions totalling $317k.

5.19 The existing Jade Convertible Notes were issued to Jade Triumph pursuant to the Jade Convertible Note Agreement where Jade Triumph agreed to subscribe for, and Coppermoly agreed to issue to Jade Triumph, 60,000,000 Convertible Notes. The issue of the Jade Convertible Notes was approved by Shareholders on 4 March 2015. The maturity date for the Existing Jade Convertible Notes has been extended on several occasions, most recently from 19 December 2022 to 19 June 2023 to facilitate the Proposed Sale.

5.20 The terms of the Jade Convertible Note Agreement provide that the Jade Convertible Notes shall convert to Shares by dividing the face value of the Convertible Notes by $0.02. The Jade Convertible Notes bear interest at 7% with an effective interest rate of 15%. The current face value of the Jade Triumph Convertible Notes is $1,200,000, with accrued interest of $667k at 31 December 2022.

5.21 As part of the Proposed Sale, the Company is seeking Shareholder approval under Resolution 3 to amend the terms of the Jade Convertible Note Agreement to increase the number of Shares to be issued on conversion of Jade Convertible Notes from 60,000,000 to 170,000,000. If the Proposed Sale is approved, the 170,000,000 Jade Conversion Shares will be issued to Jade Triumph and cancelled as part of the Share Buy-Back (Resolution 2). If the Proposed Sale is approved, Coppermoly will have no further liability including any liability to pay any amounts owing to Jade Triumph under the Jade Convertible Note Agreement upon the issue of the Jade Convertible Shares.

Capital structure

5.22 As at the date of this Report, Coppermoly has 2.2b Shares on issue. The top 20 shareholders of Coppermoly as at 20 March 2023 are set out below.

Shareholder	Number	%
Ever Leap Services Limited	924,742,508	42.15%
Shanghai Fuyuan Investments Limited	404,170,658	18.42%
Shenzhen Beilite Jades Limited	364,444,444	16.61%
Jelsh Holdings Pty Ltd & Dr Wanfu Huang	108,580,702	4.95%
Barrick (PD) Australia Limited	73,201,447	3.34%
Mr Ma Piwu	52,737,609	2.40%
Jade Triumph International Ltd	40,000,000	1.82%
Mr Joseph Tullio	35,555,249	1.62%
Citicorp Nominees Pty Limited	21,429,816	0.98%
Mr Jincheng Yao	16,109,075	0.73%
Mr Zule Lin	14,345,057	0.65%
Mr Hao Ma	10,835,790	0.49%
Mr Peter Johannes Poort	10,000,000	0.46%
Mr David Thomas White	6,734,290	0.31%
Mr Jian Xuan	5,758,281	0.26%
Moranbah Nominees Pty Ltd <Chris Wallin Super Fund A/c>	5,500,000	0.25%
NMC Mining Corporation	3,827,646	0.17%
Mr Mohd Razali Bin Bajuri	3,777,777	0.17%
Mr David Lawson	3,606,936	0.16%
Mr Gopal Krishna Bose & Mrs Sharmila Bose	3,000,000	0.14%
	2,108,357,285	**96.10%**
Other shareholders	85,599,644	3.90%
Total	**2,193,956,929**	**100.00%**

Table 9: Coppermoly top 20 shareholders summary

Share price performance

5.23 The figure below sets out a summary of Coppermoly's closing share prices and traded volumes for the period 1 July 2021 to 16 February 2023 (the last day Shares were traded at the date of this Report).

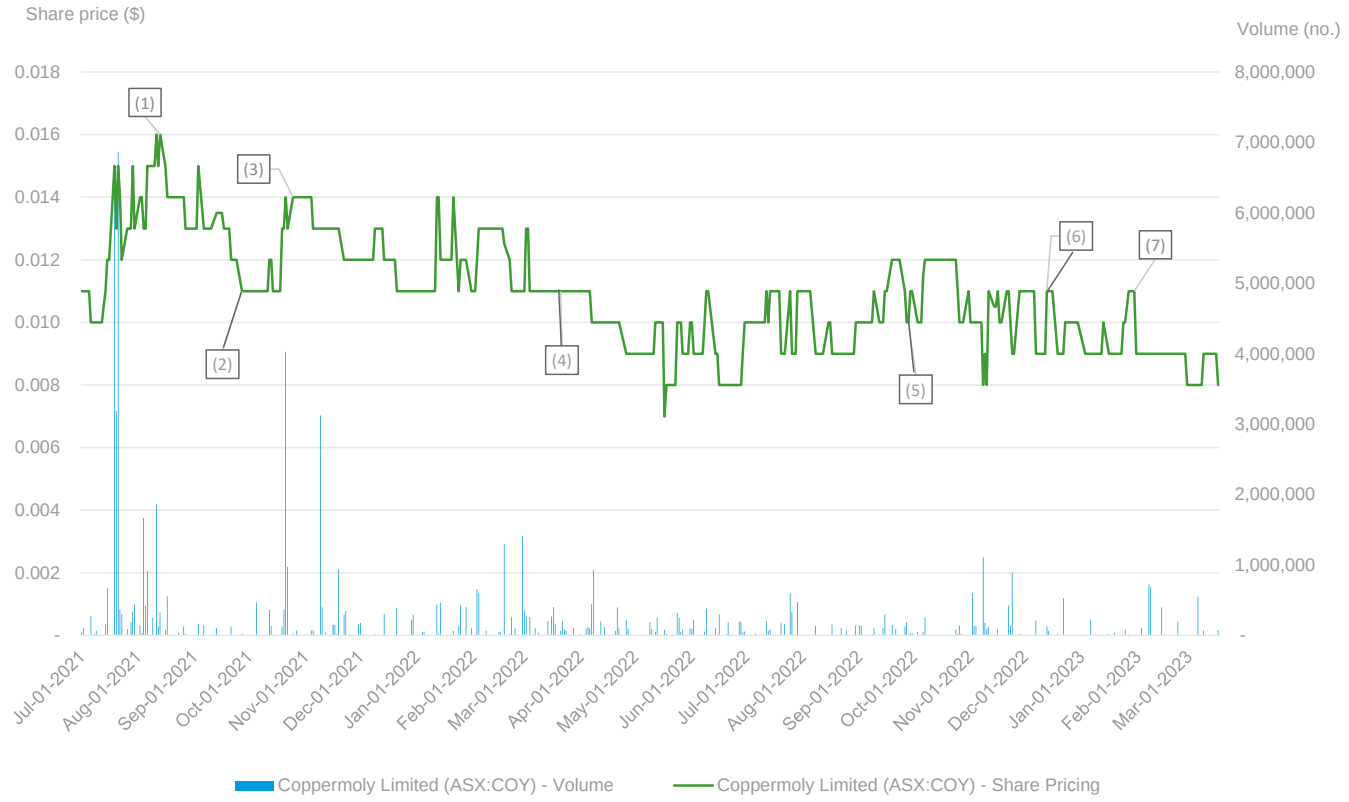


Figure 2: Historical share price and traded volumes of Coppermoly

5.24 Over the period 1 July 2021 to 17 March 2023, Shares traded from a high of $0.016 on 11 August 2021, to a low of $0.007 on 17 May 2022.

5.25 Significant announcements made by the Company over this period are summarised below.

Ref	Date	Announcement details
(1)	11 Aug 2021	The Company announced that its application for the renewal of exploration license EL1043 Mount Nakru had been approved. The renewal is for a two-year term from 8 December 2020 to 7 December 2022.
(2)	30 Sep 2021	The Company released its FY21 annual report, announcing an after-tax loss of $1.05m compared to $1.2m in FY20. Additionally, Coppermoly reported total comprehensive income loss for the year of $2.7m.
(3)	21 Oct 2021	Coppermoly announced that the Queensland Department of Natural Resources, Mines and Energy had granted exploration licence EPM 27835 Fox Creek in the Mount Isa Inlier in Northwest Queensland. The 320km^2 tenement area is highly prospective for base metal and gold mineralisation with numerous historic copper workings in the tenement area and geological resemblances to the Ernest Henry and Eloise Cu-Au deposits.

Ref	Date	Announcement details
(4)	21 Mar 2022	Coppermoly announced that the Queensland Department of Natural Resources, Mines and Energy had granted a second exploration licence EPM 27836 Mount Tracey, immediately south of previously granted EPM 27835 Fox Creek. The second licence covers an area of approximately 294km^2 in the Eastern Succession of Northwest Queensland.
(5)	28 Sep 2022	Coppermoly released its FY22 annual report, announcing a loss after tax of $1.02m compared to $1.05m in FY21. Additionally, Coppermoly reported total comprehensive income for the year of $1.65m due primarily to favourable fluctuations in foreign exchange translations from the Company's operations in PNG.
(6)	13 Dec 2022	Announcement of the terms of the Proposed Sale.
(7)	30 Jan 2023	The Company released its December 2022 quarterly activities and cash flow report, including a summary of the terms of the Proposed Sale.

Table 10: Summary of ASX Announcements

6. Valuation approach

Basis of Valuation

6.1 The valuation of Coppermoly have been prepared on the basis of Fair Value, being the value that should be agreed in a hypothetical transaction between a knowledgeable, willing but not anxious buyer and a knowledgeable, willing but not anxious seller, acting at arm's length.

Valuation methodologies

6.2 In assessing the Fair Value of an ordinary Coppermoly share prior to and immediately following the Proposed Sale, we have considered a range of valuation methodologies. RG 111 proposes that it is generally appropriate for an expert to consider using the following methodologies:

- the discounted cash flow ("DCF") method and the estimated realisable value of any surplus assets;
- the application of earnings multiples to the estimated future maintainable earnings or cash flows added to the estimated realisable value of any surplus assets;
- the amount which would be available for distribution on an orderly realisation of assets;
- the quoted price for listed securities; and
- any recent genuine offers received.

6.3 We consider that the valuation methodologies proposed by RG 111 can be split into three valuation methodology categories, as follows.

Market based methods

6.4 Market based methods estimate the Fair Value by considering the market value of a company's securities or the market value of comparable companies. Market based methods include;

- the quoted price for listed securities; and
- industry specific methods.

6.5 The recent quoted price for listed securities method provides evidence of the fair value of a company's securities where they are publicly traded in an informed and liquid market.

6.6 Industry specific methods usually involve the use of industry rules of thumb to estimate the fair value of a company and its securities. Generally, rules of thumb provide less persuasive evidence of the fair value of a company than other market-based valuation methods because they may not account for company specific risks and factors.

Income based methods

6.7 Income based methods estimate value by calculating the present value of a company's estimated future stream of earnings or cash flows. Income based methods include:

- discounted cash flow; and
- capitalisation of future maintainable earnings.

6.8 The DCF technique has a strong theoretical basis, valuing a business on the net present value of its future cash flows. It requires an analysis of future cash flows, the capital structure and costs of capital and an assessment of the residual value or the terminal value of the company's cash flows at the end of the forecast

period. This method of valuation is appropriate when valuing companies where future cash flow projections can be made with a reasonable degree of confidence.

6.9 The capitalisation of future maintainable earnings is generally considered a short form DCF, where an estimation of the Future Maintainable Earnings ("FME") of the business, rather than a stream of cash flows is capitalised based on an appropriate capitalisation multiple. Multiples are derived from the analysis of transactions involving comparable companies and the trading multiples of comparable companies.

Asset based methods

6.10 Asset based methodologies estimate the Fair Value of a company's securities based on the realisable value of its identifiable net assets. Asset based methods include:

- orderly realisation of assets method;
- liquidation of assets method; and
- net assets on a going concern basis.

6.11 The value achievable in an orderly realisation of assets is estimated by determining the net realisable value of the assets of a company which would be distributed to security holders after payment of all liabilities, including realisation costs and taxation charges that arise, assuming the company is wound up in an orderly manner. This technique is particularly appropriate for businesses with relatively high asset values compared to earnings and cash flows.

6.12 The liquidation of assets method is similar to the orderly realisation of assets method except the liquidation method assumes that the assets are sold in a shorter time frame. The liquidation of assets method will result in a value that is lower than the orderly realisation of assets method, and is appropriate for companies in financial distress or where a company is not valued on a going concern basis.

6.13 The net assets on a going concern method estimates the market values of the net assets of a company but unlike the orderly realisation of assets method it does not take into account realisation costs. Asset based methods are appropriate when companies are not profitable, a significant proportion of the company's assets are liquid, or for asset holding companies.

Valuation of Coppermoly's PNG and Australian Tenements

6.14 Andrew Waltho Consulting Trust trading as Andrew Waltho Consulting Pty Limited ("AWC") has prepared a report providing an independent technical assessment and valuation of the exploration tenements held by Coppermoly comprising the PNG Tenements and the Australian Tenements.

6.15 For the purposes of this Report, we have relied upon the valuation of Coppermoly's PNG and Australian Tenements provided by AWC in our assessment of the valuation of the Company. A copy of AWC's report ("AWC Report") is set out in Appendix E.

Selection of valuation methodologies

Valuation of Coppermoly prior to the Proposed Sale

6.16 Income based methods are appropriate where the earnings of the business are maintainable and sufficient to justify a value exceeding the value of the underlying assets. Due to the nature of the Company's exploration operations, Coppermoly disclosed losses before income tax for the Historical Period under review. As a result, and in accordance with RG 111, we have not utilised an income-based methodology in our assessment of the Fair Value of a Coppermoly Share.

6.17 In assessing the Fair Value of a Coppermoly Share, we have, therefore, utilised the net assets on a going concern basis as our primary valuation methodology. In utilising this methodology, we have relied upon the net book value of assets and liabilities as set out in Coppermoly's reviewed financial statements as at 31 December 2022, and the valuation of Coppermoly's 72% interest in EL 1043 Mt Nakru and EL 2379 Simuku, and 100% interest in the other PNG and Australian Tenements as set out in the AWC Report (refer Appendix E).

6.18 We have also utilised the quoted market share price methodology as our secondary valuation methodology. Coppermoly's Shares are listed on the ASX which means there is a regulated and observable market for its Shares. However, consideration must be paid to adequate liquidity and activity in order to rely on the quoted market price method.

6.19 Notwithstanding the relatively low liquidity of Coppermoly's Shares (discussed in further detail in section 7), we have utilised the quoted market price as our secondary methodology in valuing a Coppermoly Share.

Valuation of Coppermoly immediately after the Proposed Sale

6.20 We have also selected the net assets on a going concern basis methodology in our assessment of the value of a Share in Coppermoly immediately following the completion of the Proposed Sale. Our assessment of the value of a Share in Coppermoly immediately following the Proposed Sale is also based on the pro forma financial position at 31 December 2022 and adjusted for the terms of the Proposed Sale.

6.21 As the approval of the Proposed Sale will result in the Non-Associated Shareholders' increasing their interest in the Company from 19.3% to 100.0%, we have assessed the Fair Value of a Share in Coppermoly on a controlling basis both pre and post the Proposed Sale.

7. Valuation of Coppermoly prior to the Proposed Sale

7.1 The basis of our evaluation of "fairness" is to compare the Fair Value of a Coppermoly Share prior to, and immediately after the Proposed Sale.

Valuation of a Coppermoly Share prior to the Proposed Sale (on a controlling basis)

7.2 Our assessment of the Fair Value of a Coppermoly Share prior to the Proposed Sale (on a controlling basis) is set out in the table below.

	As at 31-Dec-22 $'000	Ref	Low Assessed Value pre Proposed Transaction $'000	High Assessed Value pre Proposed Transaction $'000	Preferred Assessed Value pre Proposed Transaction $'000
Current assets					
Cash and cash equivalents	1,440		1,440	1,440	1,440
Trade and other receivables	62		62	62	62
Total current assets	**1,501**		**1,501**	**1,501**	**1,501**
Non-current assets					
Trade and other receivables	19		19	19	19
Property, plant and equipment	93		93	93	93
Mineral exploration and evaluation assets	18,886	7.4	20,720	38,080	29,400
Total non-current assets	**18,997**		**20,831**	**38,191**	**29,511**
Total assets	**20,498**		**22,333**	**39,693**	**31,013**
Current liabilities					
Trade and other payables	281		281	281	281
Provisions	35		35	35	35
Borrowings	1,867		1,867	1,867	1,867
Total current liabilities	**2,184**		**2,184**	**2,184**	**2,184**
Total liabilities	**2,184**		**2,184**	**2,184**	**2,184**
Net assets	**18,314**		**20,149**	**37,509**	**28,829**
Number of Shares on issue ('000)	2,193,957		2,193,957	2,193,957	2,193,957
Assessed Fair Value per Share (controlling basis)	**$0.008**		**$0.009**	**$0.017**	**$0.013**

RSM analysis and AWC Report

Table 11: Assessed Fair Value of Coppermoly prior to the Proposed Sale (controlling basis)

7.3 The assessment of the Fair Value of a Coppermoly Share prior to the Proposed Sale is based on the pro forma consolidated balance sheet of the Company as at 31 December 2022.

7.4 Coppermoly's consolidated balance sheet at 31 December 2022 has been adjusted for the following:

- all capitalised mineral exploration and evaluation expenditure disclosed at 31 December 2022 of $18.9m has been removed; and
- AWC has assessed a valuation of Coppermoly's interest in the PNG and Australian Tenements to be in the range of $20.7m to $38.1m (refer paragraphs 7.8 to 7.14 below). Accordingly, we have utilised the valuation assessed by AWC in the range of $23.5m to $38.1m, with a preferred value of $30.8m, being the mid-point of the valuation range assessed by AWC.

7.5 As the terms of the Proposed Sale comprises the conversion of the Convertible Notes liability in full, we consider the carrying value of the Jade Convertible Notes as at 31 December 2022 to be reflective of Fair Value.

7.6 Based on the above, our assessed value of a Coppermoly Share prior to the Proposed Sale (on a controlling basis) is in the range of $0.009 to $0.017, with a preferred value of $0.013.

7.7 The value of a Coppermoly Share prior to the Proposed Sale is the value of a Share on a controlling basis. The net assets on a going concern methodology applied represents the value of a controlling shareholding. Accordingly, we consider no further premium is considered necessary to assess the value of Coppermoly prior to the Proposed Sale.

Summary of AWC Report

7.8 The table below sets out a summary of AWC's assessment of the Market Value of Coppermoly's interest in the PNG and Australian Tenements.

Project	Equity interest	Low Valuation $'000	High Valuation $'000
West New Britain, PNG			
EL 1043 Mt Nakru	72%	10,200	17,800
EL 2379 Simuku	72%	4,300	8,500
EL 2514 Mak Mak	100%	460	640
EL 2578 Kori River	100%	220	340
EL 2638 Metelen River	100%	250	290
Total - PNG Tenements		**15,430**	**27,570**
Mt Isa region, Queensland			
EPM 27835 Foxes Ck	100%	2,730	5,470
EPM 27836 Mt Tracey	100%	2,560	5,040
Total - Australian Tenements		**5,290**	**10,510**
Total		**20,720**	**38,080**

Source: AWC Report

Table 12: Market Value of PNG and Australian Tenements

7.9 Market Value is defined in the AWC Report as a value for which a mineral asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing, where the parties had each acted knowledgeably, prudently and without compulsion.

7.10 AWC has utilised a combination of valuation methodologies in the valuation of the PNG Tenements and Australian Tenements, comprising the Multiples of Exploration Expenditure ("MEE"), the Kilburn Geoscience Rating ("KGR"), and the comparable transactions methodologies.

7.11 The MEE valuation approach involves estimating the contribution of exploration work completed by the tenement owner to the advancement of the project through application of Prospect Enhancement Multipliers ("PEM") to project expenditure. Typical PEM values as assessed by AWC range from 0.5 to 3.0, with 0.5 characterised as "previous exploration indicates that the area has limited potential for a major discovery", and 3.0 characterised as "substantial resource identified with potential to lead to development of a mine. Further exploration is likely to lead to improvements in the size and quantity of the resource".

7.12 The KGS method attempts to quantify the relevant technical aspects of a property through the application of multipliers (factors) applied to an appropriate base (or intrinsic) value. The intrinsic value is referred to as the Base Acquisition Cost ("BAC") which forms the basis on which the valuation is developed. It represents the average cost to identify, apply for and retain a base unit of area of title.

7.13 The AWC Report has provided a valuation range for each exploration licence utilising the MEE and KGR methodologies, as well as an assessed valuation range using the comparable transactions methodology for EL 1043, EL 2379, EPM 27835 and EPM 27836, having assessed that there were no relevant comparable transactions in relation to EL 2514, EL 2578 and EL 2638.

7.14 As set out in further detail in the AWC Report, where there has been a significantly larger valuation range obtained utilising the MEE and KGS methodologies for EL1043 Mt Nakru and EL 2379 Simuku, compared to the valuation assessed using the comparable transactions methodology, AWC has attributed the lower comparable transactions value to the current nature of exploration activities in PNG including higher exploration costs, added complexity associated with international operations, and the difficulty of accessing land for exploration, relative to other countries including in Australia.

Quoted price of listed securities (secondary methodology)

7.15 In order to provide a comparison and cross check to our valuation of a Coppermoly Share under the net assets methodology, we have considered the recent quoted market price for Coppermoly Shares on the ASX prior to the announcement of the Proposed Sale.

7.16 RG 111.69 indicates that for the quoted market share price methodology to represent a reliable indicator of Market Value, there needs to be an active and liquid market for the securities. The following characteristics may be considered to be representative of a liquid and active market:

- regular trading in the company's securities;
- approximately 1% of a company's securities traded on a weekly basis;
- the bid/ask spread of a company's shares must not be so great that a single majority trade can significantly affect the market capitalisation of the company; and
- there are no significant but unexplained movements in the share price.

7.17 The Proposed Sale was announced on 13 December 2022. To provide further analysis of the quoted market prices for Coppermoly's Shares, we have considered the volume weighted average share price (VWAP) over a number of trading day periods prior to 13 December 2022. An analysis of the volume in trading in Coppermoly's Shares for the 5, 10, 30, 60, 90, 120 and 180-day trading periods is set out in the following table.

Calendar days	Share price Low $	Share price High $	No. of days traded	Volume traded	Value traded $	VWAP $	Percentage of issued capital %
5 days	0.009	0.009	-	-	-	-	0.00%
10 days	0.009	0.011	1	211,270	1,901	0.0090	0.01%
30 days	0.009	0.011	10	1,778,770	17,224	0.0097	0.08%
60 days	0.008	0.012	24	4,437,630	41,550	0.0094	0.20%
90 days	0.008	0.012	35	5,805,050	56,774	0.0098	0.26%
120 days	0.008	0.012	46	6,704,770	65,544	0.0098	0.31%
180 days	0.008	0.012	67	9,978,050	97,000	0.0097	0.45%

Source: Capital IQ and RSM analysis

Table 13: Traded volume of Coppermoly Shares prior to 13 December 2022

7.18 We note the following:

- 0.08% of Coppermoly's weighted outstanding Shares were traded in the 30-day trading period prior to the announcement of the Proposed Sale, with Shares on traded on 10 days;
- Coppermoly's VWAP ranged from $0.0090 to $0.0098 for the 10 to 180-days trading period;
- the bid/ask spread is often used to measure efficiency. For the 180-day period, the closing bid/ask spread of Coppermoly averaged 14.4% of the midpoint price. On the basis that, over a comparable period, all stocks trading on the ASX had an average bid-ask spread of 0.168%[1], we consider the bid/ask spread of Coppermoly to be large; and
- notwithstanding the low levels of liquidity, Coppermoly complies with the full disclosure regime required by the ASX. As a result, the market is fully informed about the performance of Coppermoly.

7.19 Based on the above, we have assessed the value of a Coppermoly Share (on a non-controlling basis) and having specific regard to the 10 to 90-day VWAP prior to the announcement of the Proposed Sale, to be $0.0090.

7.20 The value above is indicative of the value of a marketable parcel of securities assuming a holder does not have control of the Company. In our assessment of the Fair Value of a Coppermoly Share prior to the Proposed Sale, in accordance with the guidance set out in RG 111, we have assessed the Fair Value of a Share prior to the Proposed Sale on a controlling basis. Therefore, we should include a premium for control.

[1] Equity market data for the quarter ended 31 December 2022 – ASIC

Premium for control

7.21 Obtaining control of an entity usually provides the acquirer with a number of advantages including the following:

- access to potential synergies;
- control over decision making and strategic direction;
- access to underlying cash flows; and
- control over dividend policies.

7.22 In the case of publicly traded securities, given the advantages control of an entity provides an acquirer, they are usually expected to pay a premium to the quoted market price to achieve control, which is often referred to as a control premium. A control premium is the amount or a percentage by which the pro rata value of a controlling interest exceeds the pro rata value of a non-controlling interest in a business enterprise, to reflect the premium a buyer will pay to acquire control in a business enterprise. Consequently, earnings multiples for listed companies do not reflect the market value of a controlling interest in the company as they are derived from market prices which usually represent the buying and selling of non-controlling portfolio holdings (small parcels of shares).

7.23 RSM has conducted a study on 605 takeovers and schemes of arrangements involving companies listed on ASX over the 15.5 years ended 31 December 2020 ("RSM Control Premium Study 2021"). In determining the control premium, RSM compared the offer price to the closing trading price of the target company 20, 5 and 2 trading days pre the date of the announcement of the offer. Where the consideration included shares in the acquiring company, RSM used the closing share price of the acquiring company on the day prior to the date of the offer.

	No of Transactions	20 days pre	5 days pre	2 days pre
Average control premium (Metals & Mining)	**161**	**36.6%**	**32.5%**	**29.8%**
Average control premium (all industries)	**605**	**34.7%**	**29.2%**	**27.1%**

Source: RSM Control Premium Study 2021

Table 14: Control premium study

7.24 Based on the above, and having regard to the Company's gearing levels, we consider that a control premium in the range of 25% to 30% is appropriate in assessing the value of a Coppermoly Share on a controlling basis.

7.25 The table below sets out our assessment of the value of a Coppermoly Share on a controlling basis utilising the quoted price of listed securities methodology.

	Ref	Low	High	Preferred
Quoted market price (non-controlling basis)	7.19	$0.0090	$0.0090	$0.0090
Control premium	7.24	25.0%	30.0%	27.5%
Assessed Value per share (controlling basis) (a)		**$0.011**	**$0.012**	**$0.0115**

Source: RSM analysis

Table 15: Assessed Fair Value of a Coppermoly Share – Quoted price of listed securities method

Valuation summary and conclusion

7.26 A summary of our assessed values of a Coppermoly Share on a control basis prior to the Proposed Sale, derived under the two methodologies, is set out in the table below.

		Low	High	Preferred
Net assets on a going concern - primary method	Table 11	**$0.009**	**$0.017**	**$0.0131**
Quoted price of listed securities - secondary method	Table 15	**$0.011**	**$0.012**	**$0.0115**

RSM analysis

Table 16: Valuation of a Coppermoly Share prior to the Proposed Sale (control basis)

7.27 We have relied upon the net assets on a going concern basis as our primary methodology. Given the Company's lack of liquidity, we consider that the Fair Value assessed under the quoted price of listed securities methodology may not be reflective of the Fair Value of a Coppermoly Share. Accordingly, we have assessed the Fair Value of a Coppermoly Share prior to the Proposed Sale to be in the range of $0.009 to $0.017, with a preferred value of $0.013.

7.28 Notwithstanding the low liquidity of the Company's Shares, we consider that the valuation derived under the quoted price of listed securities method to be reasonably supportive of our valuation using the net assets on a going concern methodology.

8. Valuation of Coppermoly immediately after the Proposed Sale

8.1 Our assessment of the Fair Value of a Coppermoly Share immediately after the Proposed Sale (on a controlling basis), is set out in the table below.

	Low Assessed Value pre Proposed Transaction $'000	High Assessed Value pre Proposed Transaction $'000	Ref	Low Assessed Value post Proposed Transaction $'000	High Assessed Value post Proposed Transaction $'000
Current assets					
Cash and cash equivalents	1,440	1,440	8.2	1,864	1,864
Trade and other receivables	62	62		49	49
Total current assets	**1,501**	**1,501**		**1,912**	**1,912**
Non-current assets					
Trade and other receivables	19	19		1	1
Property, plant and equipment	93	93		6	6
Mineral exploration and evaluation assets	20,720	38,080	Table 12	5,290	10,510
Total non-current assets	**20,831**	**38,191**		**5,297**	**10,517**
Total assets	**22,333**	**39,693**		**7,209**	**12,429**
Current liabilities					
Trade and other payables	281	281		266	266
Provisions	35	35		35	35
Borrowings	1,867	1,867	8.2	-	-
Total current liabilities	**2,184**	**2,184**		**302**	**302**
Total liabilities	**2,184**	**2,184**		**302**	**302**
Net assets	**20,149**	**37,509**		**6,908**	**12,128**
Number of Shares on issue ('000)	2,193,957	2,193,957	8.2, Table 4	424,387	424,387
Assessed Fair Value per Share	**$0.009**	**$0.017**		**$0.016**	**$0.029**

RSM analysis

Table 17: Assessed Fair Value of a Coppermoly Share immediately after the Proposed Sale

8.2 The assessment of the Fair Value of a Coppermoly Share immediately after the Proposed Sale is also based on the pro forma consolidated balance sheet of the Company as at 31 December 2022. The balance sheet has been adjusted for the following:

- all capitalised mineral exploration and evaluation expenditure disclosed at 31 December 2022 of $18.9m has been removed;
- as set out in Table 12, AWC has assessed a valuation of Coppermoly's interest in the Australian Tenements to be in the range of $5.3m to $10.5m. In accordance with the terms of the Proposed Sale, we have included this valuation range in our assessment of value immediately after the Proposed Sale as the Australian Tenements do not form part of the Proposed Sale;
- the other net assets and liabilities attributable to Copper Quest totalling $178k at 31 December 2022 (refer Table 8) have been excluded;
- receipt of the cash consideration of $500,000;

- the issue of 170,000,000 Jade Conversion Shares to convert the Jade Convertible Notes liability of $1.9m; and
- the terms of the Buy-Back, reducing the number of Shares on issue from 2.2b Shares prior to the Proposed Sale to 424.4m Shares immediately after the Proposed Sale.

8.3 Based on the above, our assessed Fair Value of a Coppermoly Share immediately after the Proposed Sale (on a controlling basis) is in the range of $0.016 to $0.029.

8.4 As the Non-Associated Shareholders' interest in the Company will increase from 19.3% prior to the Proposed Sale to 100.0% immediately after the Proposed Sale, we have not ascribed a discount for lack of control in our assessment of the Fair Value of a Coppermoly Share immediately after the Proposed Sale.

9. Is the Proposed Sale Fair to Coppermoly Shareholders?

9.1 In assessing whether we consider the Proposed Sale to be fair to Non-Associated Shareholders, we have valued a Share in Coppermoly prior to and immediately after the Proposed Sale to determine whether a Non-Associated Shareholder would be better or worse off should the Proposed Sale be approved.

9.2 As the Non-Associated Shareholders would increase their interest in the Company from 19.3% prior to the Proposed Sale, to 100.0% immediately after the Proposed Sale, we have assessed the Fair Value of a Coppermoly Share prior to, and immediately after the Proposed Sale, on a control basis. Our assessed values are summarised in the table below.

	Ref	Low	High	Preferred
Fair Value per Share prior to the Proposed Sale (controlling basis)	Table 11	**$0.009**	**$0.017**	**$0.013**
Fair Value per Share immediately after the Proposed Sale (controlling basis)	Table 17	**$0.016**	**$0.029**	**$0.022**

RSM analysis

Table 18: Valuation summary

9.3 The above is represented graphically in the chart below.

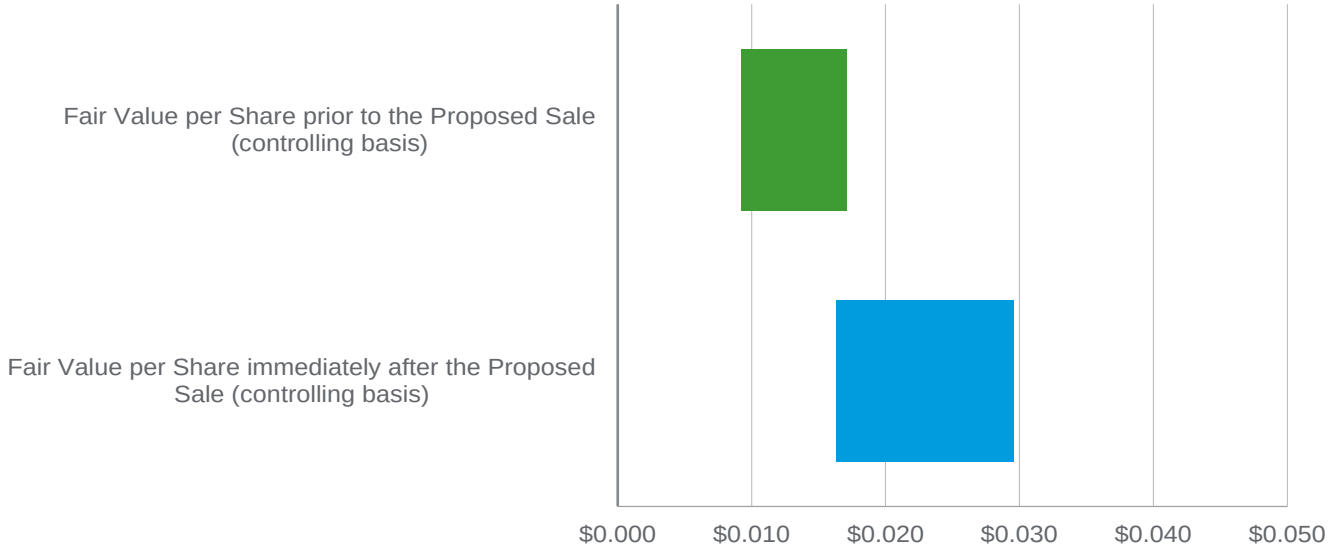


Figure 3: Valuation summary

9.4 In our opinion, as our assessed low, high and preferred Fair Values of a Coppermoly Share (on a controlling basis) immediately after the Proposed Sale, are more than the equivalent low, high and preferred Fair Values of a Coppermoly Share (on a controlling basis) prior to the Proposed Sale, in accordance with the guidance set out in RG 111, and in the absence of any other relevant information, for the purposes of ASX Listing Rule 10.1, and sections 208(1) and 256(C) of the Corporations Act, we consider the Proposed Sale is **fair** to the Non-Associated Shareholders of Coppermoly.

10. Is the Proposed Sale Reasonable to Non-Associated Shareholders?

10.1 RG 111 establishes that an offer is reasonable if it is fair. It might also be reasonable if, despite not being fair, there are sufficient reasons for security holders to accept the offer in the absence of any higher bid before the offer closes. As such, we have also considered the following factors in relation to the reasonableness aspects of the Proposed Sale:

- the future prospects of the Company if the Proposed Sale does not proceed;
- the trading of Coppermoly's Shares following the announcement of the Proposed Sale;
- other commercial advantages and disadvantages to the Non-Associated Shareholders as a consequence of the Proposed Sale proceeding; and
- alternative transactions to the Proposed Sale.

Future prospects of Coppermoly if the Proposed Sale does not proceed

10.2 Historically, the majority of Coppermoly's expenditure has been incurred on the Company's PNG Tenements (comprising EL 1043 Mt Nakru, EL 2379 Simuku, EL 2514 Mak Mak, EL 2578 Kori River and EL 2638 Metelen River) which are held by Copper Quest. However, the global outbreak of the COVID-19 pandemic in late 2019 to early 2020 and the subsequent travel restrictions imposed by the governments of numerous countries, including Australia and PNG, has significantly disrupted the exploration and development of the PNG Tenements.

10.3 As a result, in recent years, the Company has been pursuing opportunities to diversify its project portfolio to include assets in jurisdictions where Management can add value by progressing exploration activities with less exposure to travel and logistical disruption (and cost) to mitigate the geopolitical risk of having the majority of the Company's assets in PNG.

10.4 If the Proposed Sale does not proceed, the Company will:

- continue to own Copper Quest;
- the Major Shareholders and Buy-Back Directors will remain Shareholders of the Company;
- and Coppermoly will retain its obligations under both the Jade Convertible Note Agreement and the agreement with Barrick Re-Acquisition Agreement.

10.5 If the Proposed Sale does not proceed, the Company will continue to undertake exploration activities on the PNG Tenements and its Australian tenements, while continuing to explore suitable options for divesting its PNG Tenements.

10.6 For HY23, Coppermoly disclosed a loss before income tax of $0.5m and cash outflows from operating and investing activities totalling $0.7m. As at 31 December 2022, the Company had cash and cash equivalents of $1.4m (including cash held by Copper Quest of $76k), and net assets of $18.3m. As at 30 June 2022, the Company also had capital and other commitments, including minimum expenditure commitments relating to its mineral exploration tenements totalling $296k.

10.7 The Board considers that the Coppermoly Group's cash and cash equivalents at 31 December 2022 are not sufficient to repay the Jade Convertible Notes on their due date, originally being 18 December 2022, and meet its exploration expenditure commitments for its various tenements over the full terms of all its exploration tenures or facilitate an expanded exploration program should the Group elect to do so. To facilitate the implementation of the Proposed Sale, Jade Triumph has agreed to a six-month extension of the current terms of the Jade Convertible Note Agreement, with the maturity date for the Convertible Notes extended to 19 June 2023. Subject to the approval of the Proposed Sale, 170,000,000 Shares will be issued to Jade Triumph to convert the Jade Convertible Notes and extinguish any liabilities associated with the Jade Convertible Notes.

10.8 The reviewed financial statements for HY23 included an emphasis of matter in the independent auditor's report issued by BDO dated 3 March 2023 that stated that a material uncertainty existed that may cast significant doubt on the Company's ability to continue as a going concern. Whilst the auditor's opinion was not modified in respect of this matter, it was noted that Coppermoly's ability to continue as a going concern was dependent on whether Coppermoly was able to undertake the Proposed Sale, or if the Proposed Sale is not approved, consider negotiating an extension of the due date for the Jade Convertible Notes (which it has been successful in doing in the past), and considering all funding options including capital raising and the establishment of joint venture partnerships, farmouts or other means of securing additional funding.

Response of the market to the Proposed Sale

10.9 The table below sets out the VWAP of the Coppermoly share price and volumes traded in the 90 days prior to the announcement of the Proposed sale, and the period after the announcement on 13 December 2022 to 17 March 2023.

	Share price Low $	Share price High $	No. of days traded	Volume traded	Value traded $	VWAP $	Percentage of issued capital %
Calendar days prior to 13 December 2022							
10 days	0.009	0.011	1	211,270	1,901	0.0090	0.01%
30 days	0.009	0.011	10	1,778,770	17,224	0.0097	0.08%
60 days	0.008	0.012	24	4,437,630	41,550	0.0094	0.20%
90 days	0.008	0.012	35	5,805,050	56,774	0.0098	0.26%
Calendar days from 13 December 2022							
95 days	0.008	0.011	33	3,928,840	35,317	0.0090	0.18%

Source: Capital IQ and RSM analysis

Table 19: VWAP of Coppermoly Shares after the announcement of the Proposed Sale

10.10 The Proposed Sale was announced on 13 December 2022, with the Company's Share price closing at $0.011. Coppermoly's VWAP of $0.0090 post the announcement of the Proposed Sale was equivalent to the 10-day VWAP pre the announcement of the Proposed Sale, but lower than the 30, 60 and 90-day VWAP prior to the announcement of the Proposed Sale of $0.0097, $0.0094 and $0.0098, respectively, indicating some negative market sentiment. However, we note that Coppermoly's Shares are thinly traded with 0.18% of Shares traded over the period post the announcement of the Proposed Sale.

Advantages and disadvantages

10.11 In assessing whether the Non-Associated Shareholders are likely to be better off if the Proposed Sale proceeds, than if it does not, we have also considered various advantages and disadvantages that are likely to accrue to the Non-Associated Shareholders.

Advantages of approving the Proposed Sale

10.12 The advantages of approving the Proposed Sale are:

Advantage	Details
The Proposed Sale is fair	The Proposed Sale is fair to Non-Associated Shareholders.
Cash reserves preserved to consider other exploration activities in the short to medium term	The Proposed Sale includes the sale of the Copper Quest Shares. In addition to capitalised expenditure in relation to the PNG Tenements of $18.9m as at 31 December 2022, Copper Quest disclosed cash and cash equivalents of $76k, property, plant and equipment of $87k, and other net assets of $16k. Accordingly, the majority of the Company's cash reserves of $1.4m at 31 December 2022 will be retained by the Company to progress other exploration activities that the directors consider have less exposure to travel and logistical disruption (and cost) compared to PNG.
No further obligations in relation to the Jade Convertible Note Agreement	If the Proposed Sale is approved, the terms of the Jade Convertible Note Agreement will be varied to comprise the issue of 170,000,000 Jade Conversion Shares. The Jade Conversion Shares will form part of the Buy-Back and any liabilities associated with the Jade Convertible Notes would be fully extinguished as part of the terms of the Proposed Sale. In the absence of this agreement, should Jade seek repayment of the Jade Convertible Notes, the Company would likely need to raise capital to meet this obligation and to also have funds to meet other commitments in relation to the various PNG and Australian Tenements.
No further obligations in relation to the PNG Tenements	A condition precedent to the Proposed Sale is Coppermoly, Barrick and the Buyer entering into a deed of novation in respect of the Barrick Re-Acquisition Agreement. If the Proposed Sale is approved, the Buyer will assume the Company's existing obligations to Barrick, comprising the requirement to guarantee Copper Quest's payment of $4.5m upon commencement of commercial production at each of EL 1043 Nakru and EL 2379 Simuku. However, we note that if commercial production commenced at EL 1043 Nakru or EL 2379 Simuku, it is likely that the value of those exploration tenements would also have increased.
Increase in Non-Associated Shareholders' proportionate interest in the Company	The Non-Associated Shareholders' interest in the Company will increase from 19.3% to 100.0% immediately post the Proposed Sale.
Removal of concentration of voting power in the Company	Ever Leap currently holds a 42.2% interest in the Company. The ability of Ever Leap (and other significant shareholders) to potentially exert significant influence over Coppermoly will be removed if the Proposed Sale is approved. The removal of voting power concentration within a small number of shareholders may assist the Company in future in its ability to raise additional capital from new investors.

Table 20: Advantages of the Proposed Sale

Disadvantages of approving the Proposed Sale

10.13 The disadvantages of the Proposed Dale are:

Disadvantage	Details
Shareholders will not benefit in any potential upside to the value of the PNG Tenements	If the Proposed Sale is approved, Shareholders will no longer have exposure to the investment in the PNG Tenements but will also no longer benefit from any potential upside in the value of the PNG Tenements.
Change in investment portfolio	In addition to the PNG Tenements, the Company also has two granted mineral exploration licences EPM 27835 Fox Creek and EPM 27836 Mount Tracey located in Queensland. If the Proposed Sale is approved, Shareholders investment portfolio will be solely comprised of the Australian Tenements with no other diversification of portfolio risk.

Table 21: Disadvantages of the Proposed Sale

Alternative proposals

10.14 We are not aware of any alternative proposals which may provide greater benefit to Non-Associated Shareholders at this time.

Conclusion on Reasonableness

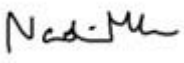
10.15 In our opinion, the position of the Non-Associated Shareholders if the Proposed Sale is approved is more advantageous than the position if it is not approved. Therefore, in the absence of any other relevant information and/or a superior offer, we consider that the Proposed Sale is **reasonable** for the Non-Associated Shareholders of Coppermoly.

10.16 An individual shareholder's decision in relation to the Proposed Sale may be influenced by their individual circumstances. If in doubt, shareholders should consult an independent advisor.

Yours faithfully

RSM CORPORATE AUSTRALIA PTY LTD

Andrew Clifford
Director



Nadine Marke
Director

APPENDICES

A. DECLARATIONS AND DISCLAIMERS

Declarations and Disclosures

RSM Corporate Australia Pty Ltd holds Australian Financial Services Licence 255847 issued by ASIC pursuant to which they are licensed to prepare reports for the purpose of advising clients in relation to proposed or actual mergers, acquisitions, takeovers, corporate reconstructions or share issues.

Qualifications

Our report has been prepared in accordance with professional standard APES 225 "Valuation Services" issued by the Accounting Professional & Ethical Standards Board.

RSM Corporate Australia Pty Ltd is beneficially owned by the partners of RSM Australia Pty Ltd (RSM) a large national firm of chartered accountants and business advisors.

Andrew Clifford and Nadine Marke are directors of RSM Corporate Australia Pty Ltd. Both Andrew Clifford and Nadine Marke are Chartered Accountants with extensive experience in the field of corporate valuations and the provision of independent expert's reports for transactions involving publicly listed and unlisted companies in Australia.

Reliance on this Report

This report has been prepared solely for the purpose of assisting Shareholders of the Company in considering the Proposed Sale. We do not assume any responsibility or liability to any party as a result of reliance on this report for any other purpose.

Reliance on Information

Statements and opinions contained in this report are given in good faith. In the preparation of this report, we have relied upon information provided by the Directors and management of Coppermoly Limited and we have no reason to believe that this information was inaccurate, misleading or incomplete. RSM Corporate Australia Pty Ltd does not imply, nor should it be construed that it has carried out any form of audit or verification on the information and records supplied to us.

The opinion of RSM Corporate Australia Pty Ltd is based on economic, market and other conditions prevailing at the date of this report. Such conditions can change significantly over relatively short periods of time.

In addition, we have considered publicly available information which we believe to be reliable. We have not, however, sought to independently verify any of the publicly available information which we have utilised for the purposes of this report.

We assume no responsibility or liability for any loss suffered by any party as a result of our reliance on information supplied to us.

Disclosure of Interest

At the date of this report, none of RSM Corporate Australia Pty Ltd, RSM, Andrew Clifford, Nadine Marke, nor any other member, director, partner or employee of RSM Corporate Australia Pty Ltd and RSM has any interest in the outcome of the Proposed Sale, except that RSM Corporate Australia Pty Ltd are expected to receive a fee of approximately $25,000 based on time occupied at normal professional rates for the preparation of this report. The fees are payable regardless of whether Coppermoly Limited receives Shareholder approval for the Proposed Sale, or otherwise.

Consents

RSM Corporate Australia Pty Ltd consents to the inclusion of this report in the form and context in which it is included with the Notice of Extraordinary General Meeting and Explanatory Memorandum to be issued to Shareholders. Other than this report, none of RSM Corporate Australia Pty Ltd or RSM Australia Pty Ltd has been involved in the preparation of the Notice of Extraordinary General Meeting and Explanatory Memorandum. Accordingly, we take no responsibility for the content of the Notice of General Meeting and Explanatory Memorandum.

B. SOURCES OF INFORMATION

In preparing this Report we have relied upon the following principal sources of information:

- Drafts and final copies of the Notice of Extraordinary General Meeting;
- Audited financial statements of Coppermoly for the years ended 30 June 2021 and 30 June 2022;
- Reviewed financial statements of Coppermoly for the half-year ended 31 December 2022;
- The independent technical assessment and valuation prepared by Andrew Waltho Consulting Pty Ltd dated 17 February 2023;
- The Share Purchase Deed between Coppermoly Limited, Ever Leap Services Limited, Copper Quest PNG Limited, the Major Shareholders and the Buy-Back Directors dated 12 December 2022;
- ASX announcements;
- S&P Capital IQ database;
- IBISWorld; and
- Discussions with Directors, Management and staff of Coppermoly

C. GLOSSARY OF TERMS AND ABBREVIATIONS

Term or Abbreviation	Definition
$	Australian dollar
Act or Corporations Act	Corporations Act 2001 (Cth)
AFCA	Australian Financial Complaints Authority
APES	Accounting Professional & Ethical Standards Board
ASIC	Australian Securities & Investments Commission
ASX	Australian Securities Exchange
ASX Listing Rules	The listing rules of ASX as amended from time to time
Australian Tenements	EPM 27835 Fox Creek and EPM 27836 Mount Tracey
AWC	Andrew Waltho Consulting Trust trading as Andrew Waltho Consulting Pty Limited
AWC Report	The independent technical assessment and valuation of Coppermoly's mining exploration assets prepared by AWC and included in Appendix E of this Report
b	Billions
Barrick	Barrick (PNG Exploration) Limited
Barrick Re-Acquisition Agreement	The re-acquisition deed between Coppermoly, Copper Quest and Barrick dated on or about 25 June 2013, which includes the requirement of the Company to guarantee Copper Quest's payment of $4.5m upon the commencement of commercial production at each of EL 1043 Mt Nakru and EL 2379 Simuku
Buy-Back	Selective Share buy-back and cancellation of Coppermoly Shares for $nil cash consideration in accordance with Resolutions 1, 2, 3, 4, 5 and 6 of the Notice
Buy-Back Directors	Collectively, Mr Jincheng Yao, Mr Zule Lin and Mr Jian Xuan
Buy-Back Shares	The Shares in Coppermoly proposed to be bought back under a selective Buy-Back from the Major Shareholders and Buy-Back Directors in accordance with the Proposed Sale and Resolutions 4, 5 and 6 as set out in the Notice
Buyer or Ever Leap	Ever Leap Services Limited
Control basis	As assessment of the Fair Value on an equity interest, which assumes the holder or holders have control of the entity in which the equity is held
Coppermoly, COY or the Company	Coppermoly Ltd
Copper Quest	Copper Quest PNG Limited
Directors	Directors of the Company
EL	Exploration Licence
EPM	Exploratory permit for minerals or coal
Explanatory Memorandum	The explanatory memorandum accompanying the Notice
Fair Value, Fair Market Value or Market Value	The amount at which an asset could be exchanged between a knowledgeable and willing but not anxious seller and a knowledgeable and willing but not anxious buyer, both acting at arm's length
FME	Future Maintainable Earnings
FSG	Financial Services Guide
FY	Financial year ended 30 June FYXX

Term or Abbreviation	Definition
HY23	Half-year ended 31 December 2022
IER	This Independent Expert Report
Jade Convertible Note Agreement	Convertible note agreement between Coppermoly and Jade Triumph where Jade Triumph agreed to subscribe for, and Coppermoly agreed to issue to Jade Triumph, 60,000,000 Convertible Notes. A variation to the Jade Convertible Agreement is being sought under Resolution 3
Jade Conversion Shares	Variation to the number of Shares to be issued to Jade Triumph under the Jade Convertible Note Agreement from 60,000,000 to 170,000,000 to be issued if the Proposed Sale is approved
Jade Triumph or Jade	Jade Triumph International Limited
k	Thousands
m	Millions
Major Shareholders	Collectively, Ever Leap, Shanghai Fuyuan, Shenzhen Beilite Jades Limited and Jade Triumph
Non-Associated Shareholders or Shareholders	Shareholders who are not a party, or associated to a party, to the Proposed Sale
Notice	The notice of extraordinary general meeting to vote on, inter alia, the Proposed Sale
Option or Options	Unlisted options to acquire Shares with varying vesting conditions
PNG	Independent State of Papua New Guinea
PNG Tenements	EL 1043 Mt Nakru, EL 2379 Simuku, EL 2514 Mak Mak, EL 2578 Kori River and EL 2638 Metelen River
Proposed Sale	Resolutions 1, 2 and 3 as set out in the Notice
Report	This Independent Expert's Report prepared by RSM dated 20 March 2023
Resolution	The resolutions set out in the Notice
RG 111	ASIC Regulatory Guide 111 Content of Expert Reports
RSM	RSM Corporate Australia Pty Ltd
Sale Agreement	The Share Purchase Deed between the Company, Copper Quest, the Buyer, the Major Shareholders and the Buy-Back Directors dated 12 December 2022
S&P Capital IQ	An entity of Standard and Poor's which is a third-party provider of company and other financial information
Shanghai Fuyuan	Shanghai Fuyuan Investments Limited
Share or Coppermoly Share	Ordinary fully paid share in the capital of the Company
Shareholder	A holder of Shares in Coppermoly
VALMIN Code	Australasian Code for Public Reporting of Technical Assessments and Valuations of Mineral Assets (2015)
VWAP	Volume weighted average share price

D. INDUSTRY OVERVIEW AND PNG PROFILE

Mining industry overview

Coppermoly operates in the Mining Industry in Australia[2] (the "Industry") and Papua New Guinea, however, due to the absence of a report of the industry in Papua New Guinea, this industry overview is solely comprised of an overview of the Australian market. The primary activities of industry participants include coal mining, oil and gas extraction and mining, metal ore mining, non-metallic mineral ore mining, other mineral mining and quarrying, services to mining, mining exploration services and contract and mining support services.

Industry revenue is expected to increase at an annualised 10.4% over the five years through 2022-23, to $469.5 billion. Rising demand from industrialising economies such as China and India and higher global commodity output and prices have driven overall revenue growth, while the COVID-19 pandemic has generally not negatively affected the sector. Some mining companies have moved from completing expansion programs to rebalancing their portfolios and implementing cost-reduction initiatives. However, industry revenue is anticipated to decrease by 11.1% in 2022-23, due to lower prices for many commodities.

IBISWorld has forecast revenue to decline at an annualised rate of 5.2% over the five years through 2027-28, to $360.2 billion. Foreign demand and production capacity expansions for a range of mineral commodities will continue to influence the industry's performance over the next five years. Low output growth and export declines are projected to reduce revenue over the period. Furthermore, exports are projected to decline at a similar rate, with export demand and pricing for natural gas, coal and iron ore declining.

The key external drivers which can influence the Industry are:

- world price of iron ore;
- actual capital expenditure on mining;
- US dollar per Australian dollar;
- world price of natural gas;
- GDP of mainland China; and
- world price of steaming coal.

According to IBISWorld, the Industry has:

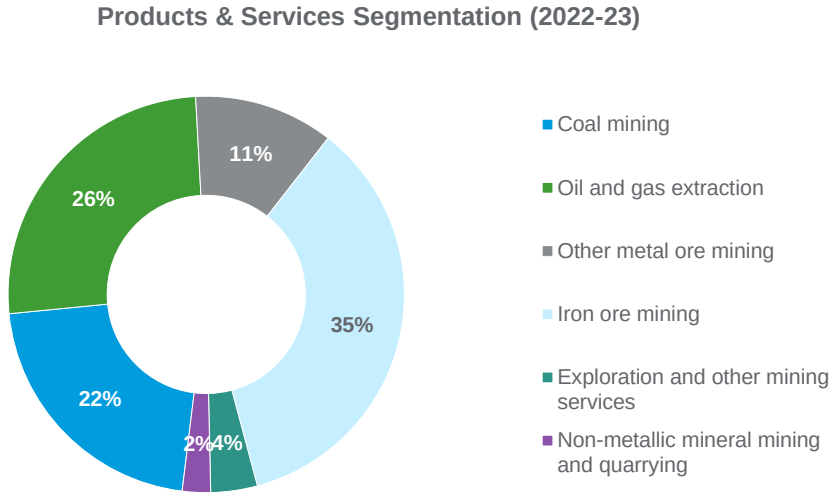
- high and increasing levels of exports;
- moderate and decreasing levels of imports;
- growth stage in the lifecycle; and
- low market share concentration.

The key success factors which can influence the Industry are:

- availability of resources;
- proximity of transport;
- effective cost controls;
- ability to control total supply on market;
- proximity to key markets; and
- output is sold under contract – incorporate long-term sales contracts.

[2] IBISWorld Industry Report B – Mining in Australia, August 2022

The chart below sets out the Industry products and services segmentation by total revenue contribution.



PNG Profile

Coppermoly's current exploration assets are primarily comprised of the PNG Tenements. The following provides a brief overview of the PNG and PNG's mining and hydrocarbon export industry.

Country profile[3]

PNG's economy has struggled in the face of the COVID-19 pandemic, fiscal constraints, issues in the mining sector and external liquidity challenges. The IMF estimates the economy grew just 1.2% in 221 following a 3.9% contraction in 2020.

Growth is considered to be dependent on the reopening of the Porgera gold mine and the management of the COVID-19 pandemic; persistent COVID-19 infections currently weigh on non-resources activity.

Overall, the IMF expects real GDP growth of 4% in 2022, helping economic output recover to pre-COVID levels. Over the medium term, real GDP growth is expected to average about 3% per annum, driven by the non-mining sector. New growth opportunities outside the resources sector requires significant improvements in governance and economic and social infrastructure.

Risks to growth stem from weaker global demand weighing on commodity prices and slower-than-expected implementation of investment projects in PNG's extractive industries. The country risk is characterised as high risk, with sub-investment grade sovereign debt ratings from major ratings agencies, underlining PNG's vulnerability to economic and financial shocks.

Most Australian investment is in PNG's resources sector, particularly gold mining and oil and gas. Australian investment has also been directed towards light manufacturing, infrastructure and service delivery.

Mining and Hydrocarbon exports[4]

Copper production was approximately 100,000 tonnes in 2019 and is projected to increase substantially with the commissioning of the Wafi-Golpu mine by 2029 and the Frieda River mine in 2031, with projected production to increase to circa 600,000 tonnes in 2021. Thereafter, production is projected to peak at just below 800,000 tonnes and decline over the years to 2055 and beyond with projected closures of the Ramu, Porgera and Wafi-Golpu mines in circa 2040, 2043 and 2055, respectively, and has highlighted the potential closure of all current major mines by 2061.

Total export revenue was PGK36.6b (circa $400m) in 2021, with non-renewable commodities (minerals and hydrocarbons) accounting for circa 80% of total export revenue, relatively consistent with prior years from 2014 to 2020, with the MRA noting that without raising growth in the renewal sector, particularly the agriculture, forestry, tourism and marine sectors, the country's current export composition would be unsustainable, with the expected closure of current key mines by 2055.

[3] Export Finance Australia website, 22 February 2023
[4] Mineral Resources Authority of Papua New Guinea ("MRA"), December 2022

E. INDEPENDENT TECHNICAL ASSESSMENT AND VALUATION

Coppermoly Limited (ASX:COY)

Independent Expert Report (including Technical Assessment and Valuation): West New Britain Projects Papua New Guinea, Foxes Creek and Mt Tracey Projects, Northwest Queensland, Australia

Report Prepared for RSM Corporate Australia Pty Ltd

Report 2023-001
16 February 2023

Andrew Waltho Consulting Pty Ltd
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Report Status	Final

Author Signatures

Author	Andrew Waltho B.App.Sc. Applied Geology (Hons), FAIG, RPGeo, FAusIMM, FGS, Professional Member SME, MIMMM, GAICD	

Declaration

This report has been prepared by Andrew Waltho Consulting at the request, and for the sole benefit, of RSM Corporate Australia Pty Ltd (RSM). Its purpose is to provide an independent technical assessment and valuation of Coppermoly Limited's Papua New Guinea and Queensland exploration assets to be used to inform shareholders of a related company transaction involving the sale of the West New Britain exploration permits to Coppermoly Limited's major shareholder, Ever Leap Services Limited.

Andrew Waltho Consulting is aware that the report will be provided to Coppermoly shareholders as part of RSM's Independent Expert Report (IER) to support the proposed exploration asset sale and consents to its use for this purpose.

This document is not intended to serve any purpose beyond that stated and should not be relied upon for any other purpose.

The report has been prepared in a form that accords with the requirements of the ASX.

The statements and opinions contained in this report are given in good faith and in the belief that they are not false or misleading. The conclusions are based on the reference date of 31 December 2022 and could alter over time depending on exploration results, mineral prices and other relevant market factors.

Executive Summary

Andrew Waltho Consulting Pty Ltd ("AWC") was instructed by RSM Corporate Australia Pty Ltd ("RSM") to prepare an Independent Technical Assessment Report (ITAR) and valuation for RSM's Independent Expert Report for a proposed related company transaction in the sale of Coppermoly Limited's West New Britain mineral exploration assets to Coppermoly's largest shareholder, Ever Leap Services Limited ("Ever Leap"), during 2023.

Coppermoly is an Australian public company, admitted to the Australian Securities Exchange (ASX:COY) on 25 January 2008. The sale of its Papua New Guinea exploration licences to Ever Leap will allow Coppermoly to focus on its Mount Isa region, Queensland, exploration permits. The proposed sale comprises a cash payment, the buy-back and cancellation of fully paid ordinary shares in Coppermoly held by Ever Leap, directors and certain other major shareholders.

This report's effective date is 16 February 2023 . The report is based upon information provided to AWC by Coppermoly's management and technical staff, and open-file data sources. AWC believes that Coppermoly provided access to all relevant information available to the date of this report for the projects examined herein.

AWC did not undertake site visits to either the Papua New Guinea or Queensland, Australia projects discussed in this report. The project sites were, however, reviewed using publicly available, recent satellite imagery.

Neither AWC, nor the author of this report, Mr Andrew Waltho, has nor has had previously, any material interest in Coppermoly or the mineral properties in which Coppermoly has an interest. AWC has a professional client and independent consultant relationship with Coppermoly.

Mineral Exploration Licences: West New Britain

Coppermoly, through its 100% owned subsidiary Copper Quest PNG Limited holds five exploration licences considered highly prospective for copper, gold, molybdenum and other metals in West New Britain Province, Papua New Guinea which are summarised in the table below.

Coppermoly's Papua New Guinea exploration licences carry a 2023 expenditure commitment of PGK 364,000, increasing to PGK 435,000 in 2024 (A$150,000 and A$179,300 respectively).

Coppermoly holds a 72% interest in EL1043 Mt Nakru and EL2379 Simuku which were previously subject to a farm-in agreement with Barrick (PD) Australia (Barrick), a wholly owned subsidiary of Barrick Gold Corporation. Barrick still holds a 28% interest which Coppermoly has a binding agreement to acquire. The remaining three exploration licences are 100% owned.

The five licences occur within a geological feature referred to as the Kulu-Awit corridor, a northwest-southeast trending geological province extending from the New Britain Trench, prospective for porphyry-style copper-gold and epithermal-style Au-Ag mineralisation. The corridor extends for 140km and contains several porphyry and epithermal systems including Mt Nakru (Cu-Au), Plesyumi (Cu-Au), Kulu (Cu-Au), Mt Penck (Au) and Simuku (Cu-Au) associated with multiphase, Late Oligocene intermediate intrusions and related volcanics.

EL 1043 Mt Nakru

Mt. Nakru is a large, acid-intermediate composition, extrusive-intrusive complex that is part of a cluster of mineralised centres and geochemical anomalies located where northeast- trending fractures visible in satellite and aeromagnetic survey imagery intersect the Kulu-Awit corridor.

Copper Quest PNG Limited Exploration Licences, West New Britain Province, Papua New Guinea

	EL1043 Mt Nakru	EL2379 Simuku	EL2514 Makmak	EL2578 Kori River	EL2638 Metelen River
Status *(at 31 Dec 22)*	Renewal Pending, Hearing Completed	Renewal Pending	Renewal Pending, Hearing Completed	Active	Renewal Pending, Hearing Completed
Commodities	Cu, Au, Mo	Cu	Cu, Au		
Area	14 sub blocks	36 sub blocks	18 sub blocks	116 sub blocks	72 sub blocks
Copper Quest PNG interest	72%	72%	100%	100%	100%
Key Dates					
Application	3 Aug 1992	9 Apr 2015	16 Dec 2016	20 Mar 2018	28 Jun 2019
Granted	8 Dec 1992	11 Sep 2015	12 Sep 2017	25 Feb 2019	18 May 2020
Expiry	7 Dec 2022	10 Sep 2021	11 Sep 2021	24 Feb 2023	17 May 2022
Last Renewal	8 Dec 2020	11 Sep 2019	12 Sep 2019	25 Feb 2021	
Renewal Application	26 Oct 2022	24 Jun 2021	24 Jun 2021	24 Nov 2020	17 May 2022

Copper-gold mineralisation has been identified within two main surface geochemical and coincident induced polarisation (IP) chargeability anomalies, Nakru-01 and Nakru-02.

The Nakru project, explored by various companies since 1987, currently comprises four Cu + Au (± Ag ± Mo ± Zn) prospects (Nakru 01 to 04) situated within an area of 3.5 km x 2.0 km. Nakru 01 and Nakru 02 have been the focus of most exploration. Drilling of the extensive surface mineralisation at Nakru-01 and -02, the identified mineralisation has identified an **Indicated + Inferred Mineral Resource of 41.40 Mt @ 0.90% Cu, 0.27 g/t Au and 309 ppm Ag**.

Potential exists for both deposits to be extended at depth. Additional infill drilling is required to improve confidence in the classification of currently identified mineral resources.

EL 2379 Simuku

Mineralisation at Simuku, explored since the 1960s, is interpreted to be copper-molybdenum-gold porphyry style associated with the Simuku-Kulu Intrusive Complex of Late Oligocene age.

The Simuku porphyry copper-molybdenum-gold deposit is discontinuous over a large area of approximately 4.5 x 2.2 km. The deposit has a distinct elongate pattern with an envelope of copper around a molybdenum core exhibiting phyllic alteration.

Coppermoly's exploration target is large scale porphyry copper + gold ± molybdenum mineralisation in the northern half of the mapped intrusive complex. The potential for increasing untested primary copper and gold grades with depth has been suggested by drill core observation of modest potassic alteration. Harmony Gold's Wafi-Golpu deposit in Papua has been cited as a potential analogue.

An **Inferred Mineral Resource of 376.3 Mt @ 0.31% Cu, 0.05 g/t Au and 2.1 ppm** Ag has been estimated for Simuku.

EL 2514 Makmak, EL 2638 Metelen River

The Makmak and Metelen River exploration licence areas abut the Mount Nakru exploration licence and cover potential extensions to the Nakru-02 and Nakru-04 prospects.

EL 2578 Kori River

EL 2578 Kori River surrounds the Simuku project licence. The exploration permit hosts three known mineralisation systems, including, skarn cu-au, porphyry copper and epithermal gold.

Mount Isa Region, Queensland Australia, Exploration Permits

Two granted, 100% owned Exploration Permits (Minerals) (EPM), Foxes Creek EPM 27835 and Mt Tracey EPM 27836, are located in the Eastern Succession of the Mount Isa Inlier, northwest Queensland Australia. The licences are located 55km south-southeast of Cloncurry and 60km west of McKinlay. Both Exploration Permits were granted with Queensland Native Title Protection Conditions. The tenements are registered as held by Copper Quest Australia Pty Ltd, a wholly owned subsidiary of Coppermoly.

Copper Quest Australia Pty Ltd Exploration Permits (Minerals), northwest Queensland

EPM Number	Project	Granted	Expiry	Area *(sub-blocks)*
27835	Foxes Creek	5 Oct 2021	4 Oct 2026	100
27836	Mount Tracey	8 Mar 2022	7 Mar 2027	92

The 2023 expenditure commitment for Coppermoly's two northwest Queensland exploration licences is A$160,000.

The Mount Isa Mineral Province is widely recognized as a world-class mining region, with more than a quarter of the world's lead and zinc reserves, 5% of the worlds silver resources and 1.5% of the worlds copper resources. These include the Mount Isa Cu-Zn-Pb-Ag deposits and the Hilton / George Fisher Zn-Pb-Ag deposits in the Western Succession of the Inlier, in the vicinity of Mount Isa. The Dugald River and Cannington Zn-Pg-Ag deposits and the Ernest Henry Cu-Au-Co-Mo deposit occur in the Eastern Succession, with numerous smaller, previously mined copper-gold deposits at Osborne, Mount Elliott and in the Selwyn Region. These deposits are situated along several, parallel linear trends representing regional-scale fault systems in the Eastern Succession. The Eastern Succession is also recognised to have gold, REE and uranium exploration potential.

The Cloncurry Fault, a regional scale, north-northwest trending structure displaces Palaeoproterozoic – Mesoproterozoic age Soldiers Cap Group and Stavely Formation metasediments in the Coppermoly exploration permits. Numerous gold and copper occurrences are present along the Cloncurry fault, primarily to the north of the Coppermoly exploration permits. Minor historical copper mining occurred at Mount Kalkadoon in the northern part of EPM 27836.

Significant deposits close to the Coppermoly tenements with similar geology include:

- the Eloise copper mine, owned by AIC Mines Limited, approximately 22 km northeast of EPM 27835, where copper-gold mineralisation occurs as steeply plunging lenses within intensely foliated arenitic metasediments and amphibolites of the Soldiers Cap Group.
- The Maronan lead-zinc-copper-gold deposit, being explored by Maronan Metals Limited, is situated approximately 12 km northeast of EPM 27835.

- The Starra-Selwyn-Mt Dore mineral field, hosted by Soldiers Cap Group metasediments, is located 40 km southwest of EPM 27836 and contains several relatively small but high-grade copper-gold-molybdenum deposits.

The major Cannington Pb-Zn-Ag deposit is located 62 km south-southeast of Coppermoly's exploration permits. Cannington occurs beneath Mesozoic cover and is hosted by intensely deformed and metamorphosed amphibolite facies metasediments and gneisses with comparable radiometric ages to the Soldiers Cap Group.

These deposits, coupled with copper, gold and uranium occurrences in the Soldiers Cap Group surrounding Coppermoly's exploration licences highlight the region's copper, gold and base metals exploration potential.

Mineral Asset Valuations

Valuations have been prepared for each of Coppermoly's West New Britain and Mount Isa region projects using a combination of approaches including:

1. Multiples of Exploration Expenditure (MEE),
2. Kilburn Geoscience Rating (KGR), and,
3. Analysis of comparable exploration tenement transactions.

These provide estimates of both Technical and Market Value for the projects. More than one valuation approach has been applied to individual projects where possible. Several recent, comparable transactions in both Papua New Guinea and the Mount Isa Inlier were identified and are discussed in the report.

The Multiples of Exploration Expenditure (MEE) approach has been applied where Coppermoly has invested significantly in exploration over several years at Mount Nakru and Simuku. The MEE approach proposed by Onley (1994) has been followed which distributes expenditure across key items and individually considers their contribution to the understanding and progression of the project. The approach proposed by Roscoe (2001) was used to apply discounts to projects that have been inactive.

The Kilburn Geoscience Rating (KGR) approach has been used for all projects is based on an estimate of Basic Acquisition Costs (BAC) for each project and location, and all available geological, geochemical and geophysical results.

Technical values have been reported as a range, particularly when prepared using the Kilburn Geoscience Rating method. This reflects uncertainties in the geological parameters used in developing the value estimates.

The West New Britain projects are considered prospective for porphyry-style copper + gold ± silver ± molybdenum, epithermal copper + gold + silver and skarn-hosted copper ± base metals mineralisation. Resource estimates have been prepared for the Mount Nakru and Simuku projects. All the projects, however, have been treated as exploration projects for valuation purposes. Under current market conditions any copper-gold project warrants regular economic review due to the strongly positive future price outlook.

Valuations estimated for each project are summarised in the table below. The recommended value ranges stated in the right column are Market Values recommended for the tenements.

Project	Equity (%)	MEE (A$ M)	KGR (A$M)		Comparable Transaction (A$ M)	Recommended Market Value (A$ M)
			Low	High		
West New Britain, Papua New Guinea						
EL 1043 Mt Nakru	72	*(23.6 after inactive project discount)*	2.67 *(3.70 on 100% equity basis)*	17.8 *(24.7 on (100% equity basis)*	1.12	10.2 – 17.8
EL 2379 Simuku	72	31.6 *(26.9 after inactive project discount)*	2.16 *(3.00 on 100% equity basis)*	4.32 *(6.00 on 100% equity basis)*	4.23 – 8.47	4.3 - 8.5
EL 2514 Makmak	100	0.467	0.183	0.637	n/a	0.460 – 0.640
EL 2578 Kori River	100	0.220	0.108	0.336	n/a	0.220 – 0.340
EL 2638 Metelen River	100	0.251	0.092	0.288	n/a	0.250 – 0.290
Mount Isa Region, Queensland Australia						
EPM 27835 Foxes Ck	100	0.153	0.246	2.73	0.54 – 10.4	2.73 – 5.47
EPM 27836 Mt Tracey	100	0.141	0.231	2.56	0.50 – 9.57	2.56 – 5.04

Proposed market values reflect a strong demand and constrained supply outlook for copper will result in a gradually increasing, long term price trend. This will, in turn catalyse exploration activity and competition for prospective land, especially in lower-risk regions with reasonable infrastructure, access to land for exploration and the availability of specialist exploration services, including geophysical surveys and drilling.

The prospectivity of the Coppermoly exploration permits, based on their location, geology and known mineralisation both within and outside the licence areas, is reflected in the valuations proposed for each tenement.

Both the West New Britain and Mount Isa region projects are situated in areas highly prospective for copper-gold mineralisation. Exploration tenements in the Mount Isa region are tightly held, creating competition for access to prospective land that could influence fair value perceptions. Potential for valuation upside exists at each of the West New Britain and Mount Isa Region exploration projects by:

- Drilling to extend and increase confidence in the resources delineated at Mt Nakru and Simuku, and further systematic exploration to identify targets for testing within the remaining West New Britain tenements; and,
- Commencement of field work to identify targets for testing within the two Mount Isa Inlier tenements.

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Terms and Abbreviations

Abbreviation / Term	Explanation
A$	Australian dollar
AusIMM	The Australasian Institute of Mining and Metallurgy
AHA	Aboriginal and Torres Strait Islander Heritage Protection Act 1984
AIG	The Australian Institute of Geoscientists
Ag	silver
ASX	Australian Securities Exchange Limited
ASIC	Australian Securities and Investments Commission
Au	gold
BAC	Base Acquisition Cost
Co	cobalt
Competent Person	A 'Competent Person' is a minerals industry professional who is a Member or Fellow of The Australasian Institute of Mining and Metallurgy, or of the Australian Institute of Geoscientists, or of a 'Recognised Professional Organisation' (RPO), as included in a list available on the JORC and ASX websites (JORC, 2012). A Competent Person must have a minimum of five years relevant experience in the style of mineralisation or type of deposit under consideration and in the activity which that person is undertaking.
Cth	Commonwealth legislation
Cu	copper
DD	Diamond (cored) drilling
DIGHEM	Proprietary airborne frequency-domain multi-coil system electromagnetic survey system operated by CGG, a French based, global geophysical services company
EL	Exploration Licence
EM	Electromagnetic geophysical survey
EPM	Exploration Permit Minerals
g/t	grams per tonne (equivalent to parts per million), usually used for describing gold grades
ha	hectare
IER	Independent Expert Report
IP	Induced Polarisation electrical geophysical survey
IVSC	International Valuation Standards Committee

JORC	Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia
KGR	Kilburn Geoscience Rating
koz	thousand troy ounces
kt	thousand tonnes / kilotonnes
LIDAR	LIDAR is an acronym of "light detection and ranging". It is a method for mapping objects and surfaces by targeting an object or a surface with a laser and measuring the time for the reflected light to return to the receiver. Lidar is commonly used to make high-resolution maps, with applications in surveying, geodesy, geography, geology and geomorphology.
Market Value	Market Value is defined by the VALMIN Code (VALMIN, 2015) as the estimated amount (or the cash equivalent of some other consideration) for which the Mineral Asset should exchange on the date of Valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing where the parties had each acted knowledgeably, prudently and without compulsion. The term Market Value has the same intended meaning and context as the IVSC term of the same name. This has the same meaning as Fair Value in RG111. In the 2005 edition of the VALMIN Code this was known as Fair Market Value.
MCA	Minerals Council of Australia
MEE	Multiples of Exploration Expenditure
Mo	molybdenum
Moz	Million troy ounces
MRA	Mineral Resources Authority Papua New Guinea
Mt	million tonnes
NPV	Net Present Value
NSR	Net Smelter Royalty (based on net proceeds received from a smelter or refinery)
oz	troy ounce
Pb	lead
PEM	Prospect Enhancement Multiplier
PGK	Papua New Guinea Kina
PNG	Papua New Guinea
ppm	parts per million (equivalent to grams per tonne)
Practitioner	Practitioner in the context of the VALMIN Code (VALMIN, 2015) is an Expert as defined in the Corporations Act, who prepares a Public Report on a Technical Assessment or Valuation

RA	Restricted Area (state government declared area subject to permissible land use restrictions)
RC	Reverse circulation (non-cored) drilling
REE	rare earth elements
Resource classification	Subdivision of an estimated Mineral Resource into Inferred, Indicated and Measured categories reflecting increasing confidence in reported estimates.
RSM	RSM Corporate Australia Pty Ltd
SG	specific gravity
sub-block	Unit of area based on longitude-latitude graticules (usually 1 x 1 minutes). The actual spherical surface area of a sub-block increases with decreasing latitude.
supergene	Supergene processes or enrichment of mineralisation that occurs relatively near the surface, frequently associated with groundwater circulation.
Technical Value	Technical Value is an assessment of a Mineral Asset's future net economic benefit at the Valuation Date under a set of assumptions deemed most appropriate by a Practitioner, excluding any premium or discount to account for market considerations. The term Technical Value has an intended meaning that is like the IVSC term Investment Value.
tm^{-3}	tonnes per cubic metre
U	uranium
US$	United States of America dollar
VALMIN	VALMIN Committee: a joint committee of the Australasian Institute of Mining and Metallurgy (AusIMM) and Australian Institute of Geoscientists (AIG) with the participation of the Minerals Council of Australia (MCA) and other key stakeholder representatives.
WACC	Weighted Average Cost of Capital
Zn	zinc

1 Introduction

1.1 Context, Scope and Terms of Reference

Andrew Waltho Consulting Pty Ltd ("AWC") was commissioned by RSM Corporate Australia Pty Ltd ("RSM") to prepare an Independent Technical Assessment Report (ITAR) and valuation for inclusion in RSM's Independent Expert Report for a proposed related company transaction in the sale of Coppermoly Limited's ("Coppermoly" or "the Company") West New Britain mineral exploration assets to Ever Leap Services Limited ("Ever Leap"), Coppermoly's largest shareholder, during 2023.

AWC is aware that the report will be provided to Coppermoly shareholders as part of RSM's Independent Expert Report (IER) to support the proposed exploration asset sale and consents to its use for this purpose.

Coppermoly is listed Australian public company admitted to the Australian Securities Exchange (ASX:COY) on 25 January 2008. Coppermoly's current exploration tenement portfolio is outlined in Figure 1. The company proposes to sell its Papua New Guinea exploration licences to Ever Leap Services Limited, to allow the company to focus on its Mount Isa region, Queensland, exploration permits.

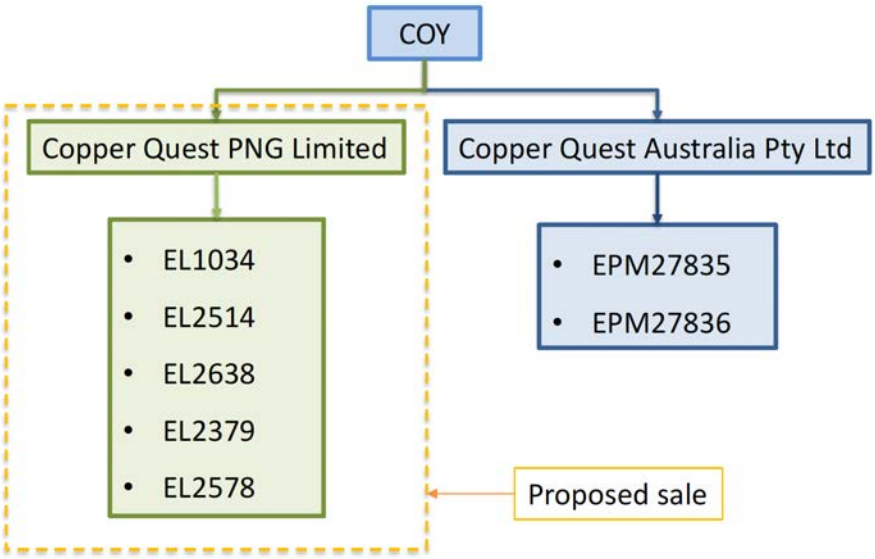

Figure 1. Summary of Coppermoly (ASX:COY) Exploration Permit holdings in Australia and Papua New Guinea

Coppermoly announced on 13 December 2022 that it had entered into an agreement for the sale of all of shares in its wholly owned subsidiary, Copper Quest PNG Limited, the holder of the company's exploration licences in the West New Britain province of Papua New Guinea, to Ever Leap Services Limited ("Ever Leap"), the Company's largest shareholder (Coppermoly Ltd, 2022a). Ever Leap is a wholly owned subsidiary of Shanxi Xierun Investment Limited, a diversified private investment company, with significant interests in various Chinese civil engineering and infrastructure projects and bauxite mines in the Shanxi region.

The proposed sale will enable Coppermoly to focus on its exploration tenements in the Eastern Succession of the Mount Isa Inlier, northwest Queensland. The proposed sale comprises cash payments and the buy-back and cancellation of fully paid ordinary shares in the Company held by Ever Leap, directors and certain other major shareholders (Coppermoly Ltd, 2022a).

1.2 Access to Information

This report is based on information provided to AWC by Coppermoly's management and technical staff, and open-file data sources. AWC believes that Coppermoly provided access to all relevant information available to the date of this report for the projects examined herein. Coppermoly has warranted to AWC that the information provided for preparation of this report correctly represents all material information relevant to the tenements. Sources of information used by AWC are cited throughout this report, with full details included in the list of references at the conclusion of the report.

1.3 Standards and Compliance

This report has been prepared by a Competent Person in compliance with the 2012 edition of The Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves ("JORC Code") (JORC, 2012) and a Practitioner meeting the definition of an Expert as defined in the Corporations Act, who prepares a Public Report on a Technical Assessment or Valuation Report for Mineral Assets or Securities in compliance with 2015 edition of The Australasian Code for the Public Reporting of Technical Assessments and Valuations of Mineral Assets ("VALMIN Code") (VALMIN, 2015).

AWC, in preparing this report:

- Relied on the accuracy and completeness of the data provided to it by Coppermoly, and that Coppermoly has made AWC aware of all material project information.
- Relied on Coppermoly's' representation that it holds tenure for the exploration and assessment of the projects to proceed under Ever Leap's ownership should the proposed sale proceed;
- Required that Coppermoly provide an indemnity to the effect that Coppermoly would compensate AWC in respect of preparing the report against any and all losses, claims, damages and liabilities to which AWC and its associates may become subject under any applicable law or otherwise arising from the preparation of the report to the extent that such loss, claim, damage or liability is a direct result of Coppermoly or any of its directors or officers knowingly providing AWC with any false or misleading information or Coppermoly, or its directors or officers knowingly withholding material information.
- Required an indemnity that Coppermoly would compensate AWC for any liability relating to any consequential extension of workload through queries, questions, or public hearings arising from the report.

1.4 Compliance with the JORC Code, VALMIN Code, ASIC and ASX Requirements

This report has been prepared in accordance with the current versions of the JORC and VALMIN Codes (JORC, 2012) (VALMIN, 2015) which are binding upon Members of the Australian Institute of Geoscientists (AIG) and the Australasian Institute of Mining and Metallurgy (AusIMM), and the rules and guidelines issued by such bodies as the Australian Securities and Investments Commission (ASIC) and Australian Securities Exchange Limited (ASX) that pertain to expert reports of this nature.

The valuations presented in this report adhere to the competence, materiality, transparency, reasonableness and independence principles for public reports prepared in accordance with the VALMIN Code.

1.5 Legal Matters

AWC was not engaged to comment on any legal matters and is not qualified to make legal representations regarding the ownership and legal standing of Coppermoly's exploration tenements. AWC has relied on information provided by Coppermoly.

1.6 Principal Sources of Information and Reliance on Other Experts

Unless otherwise stated, AWC has based its review of the projects on the information provided by Coppermoly, along with technical reports prepared by consultants, government agencies and previous tenement holders, and other relevant published and unpublished data available in the public domain.

This report is based upon information available up to its effective date.

AWC has made all reasonable enquiries, to confirm the authenticity, accuracy, and completeness of the technical data upon which this report is based.

Coppermoly was provided a final draft of this report and requested to identify any material errors or omissions prior to its lodgement.

AWC has relied on tenement information provided by Coppermoly and, where possible, independently verified that details of the tenements forming the projects conform with Papua New Guinea and Queensland government databases, accessible on-line. AWC has not further investigated the legal status or ownership of the tenements or any underlying agreements.

Coppermoly has warranted to AWC that the information relevant to the tenements has been provided and is correct.

This report contains statements attributable to third parties. These statements are made or based upon statements made in previous technical reports that are publicly available from government and other publicly accessible sources. The authors of these reports have not consented to their statements being used in this report, and these statements are included in accordance with ASIC Corporations (Consent and Statements) Instrument 2016/72.

All sources of information used in preparing this report are referenced in the report text and detailed in the list of references included in this report.

1.7 Exchange Rates

Exchange rates used in preparing this report are those recommended for June 2022 by the Australian Taxation Office. A US$:A$ exchange rate of 0.696 and PGK:A$ of 2.426 were used (ATO, 2023).

1.8 Site Visits

AWC did not undertake site visits to either the Papua New Guinea or Queensland, Australia projects discussed in this report. Each site was, however, reviewed using recent, publicly available, high resolution satellite imagery.

Each of the projects examined, apart from EL 1043 Mount Nakru and EL 2379 Simuku are at an early stage of exploration and have not been actively explored by Coppermoly for a period of some years, due to COVID-19 travel restrictions and other factors. Site visits were considered unlikely to reveal additional information material to the technical review and valuation of the projects by AWC due to revegetation and general deterioration of previous exploration evidence. Independent site visit

reports prepared by other consultants (Tear, 2013) and were reviewed and discussed with the consultants responsible for their preparation.

1.9 Report Author

This report has been prepared by AWC, a privately-owned consulting practice specialising in exploration and mining geoscience, technical improvement, due diligence and independent reviews that has been operating since August 2021. AWC is based in Queensland Australia and provides multidisciplinary services to a broad spectrum of clients across the global mining industry. Services COVER all stages of the mining cycle from project generation to exploration, resource estimation, project evaluation, development studies, operations assistance, sustainability and corporate advice, such as valuations and independent technical documentation.

This report has been prepared by Andrew Waltho, an AWC director and Principal Geoscientist.

Mr Waltho has 40 years' diverse experience in mineral exploration and mining geoscience and is a Fellow of the Australasian Institute of Mining and Metallurgy (AusIMM), The Australian Institute of Geoscientists (AIG) and the Geological Society of London. He is also a Professional Member of the Society for Mining Metallurgy and Exploration (SME) and a Registered Professional Geoscientist in the fields of Mineral Exploration and Mining Geology (RPGeo) with the Australian Institute of Geoscientists. Mr Waltho is also a Graduate Member of the Australian Institute of Company Directors and successfully completed the Institute's highly regarded Company Directors Course in 2021. Mr Waltho's education, professional affiliations and experience meets the requirements of a Competent Person defined by the JORC Code (JORC, 2012) and as a Practitioner as defined by the VALMIN Code (VALMIN, 2015) for the projects covered by this report.

1.10 Independence

Neither AWC, nor the author of this report, Mr Andrew Waltho, has nor has had previously, any material interest in Coppermoly or the mineral properties in which Coppermoly has an interest.

AWC's relationship with Coppermoly is solely one of professional association between client and independent consultant.

AWC is an independent mineral resources industry consultancy. Fees are being charged to Coppermoly at a standard commercial rate for the preparation of this report, the payment of which is not contingent upon the conclusions of the report.

Mr Waltho is not, nor is intended to be, a director, officer or other direct employee of Coppermoly.

There is no agreement of any form between AWC and Coppermoly relating to further work for AWC upon completion of this report.

Coppermoly was given the opportunity to review the report prior to finalisation for the purpose of ensuring its completeness and accuracy. The form, content and recommendations presented in the report is, however, as seen to be required by AWC to ensure compliance with relevant laws, codes and standards, consistent with AWC's independence.

1.11 Report Preparation Costs

This report has been prepared by AWC at an agreed hourly rate for consulting services of this nature. The fee for the preparation of this report was approximately A$16,000 for which an invoice was issued upon completion of the report final draft. Coppermoly exerted no influence with respect the time required to prepare this report.

1.12 Competent Person's Statement

The information presented in this report has been prepared and reported in accordance with the JORC Code (JORC, 2012) and the VALMIN Code (VALMIN, 2015). The information in this report that relates to the technical assessment of the mineral assets or exploration results is based on information compiled and conclusions derived by Mr Andrew Waltho, a Competent Person who is a Fellow of both the AIG and AusIMM and a Registered Professional Geoscientist in both Mineral Exploration and Mining Geology with AIG.

Mr Waltho has no conflict of interest in relation to this report.

Mr Waltho has sufficient experience that is relevant to the technical assessment of the mineral assets under consideration, the style of mineralisation and types of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined by the JORC Code (JORC, 2012).

Mr Waltho consents to the inclusion in the report of the matters and the supporting information based on his information in the form and context in which it appears.

1.13 Conventions Followed in this Report

This report describes exploration potential and targets for:

1. Coppermoly's West New Britain and Mount Isa region exploration tenements proposed for sale to Ever Leap; and,
2. Mount Isa regional exploration tenements.

The geology and previous mineral exploration of the projects covered by this potential transaction is discussed with the intent of providing an opinion of the exploration potential and untested prospectivity to inform a meaningful valuation of the assets. The information available for the projects has been analysed and condensed to ensure the readability of this report

All costs and expenditures described in this report are in Australian Dollars (A$) unless otherwise stated.

All coordinates used in the text, plans, maps and tables for the Papua New Guinea exploration licences and Queensland exploration permits are based on the Geodetic Datum of Australia (GDA) 2020, Map Grid of Australia Zone 55 (MGA55).

1.14 Consent

AWC consents to this report being used by Coppermoly for the purposes of informing investors of the proposed related entity transaction discussed herein. This consent also covers the inclusion of statements made by AWC and references of its name in other documents pertaining to the sale process.

AWC confirms that, having taken all reasonable care to check that such is the case and to the best of its knowledge and belief that the information contained in this report is in accordance with the facts and does not omit anything likely to affect the meaning of the information.

2 Exploration Tenure, Rights and Obligations

2.1 Overview

Coppermoly, through its 100% owned subsidiaries Copper Quest PNG Limited and Copper Quest Australia Pty Ltd, holds a series of exploration tenements considered highly prospective for copper, gold, molybdenum and other metals in West New Britain Province, Papua New Guinea and Queensland, Australia.

Information provided by Coppermoly for the Papua New Guinea exploration licences was independently verified by consulting the Papua New Guinea Mineral Resources Authority in Konedobu, Port Moresby.

Information provided by Coppermoly for the Queensland, Australia tenements was validated by AWC by referring to the Queensland Government on-line mining and exploration tenure database.

2.2 West New Britain Province, Papua New Guinea

2.2.1 Overview

Coppermoly, through its wholly owned subsidiary Copper Quest PNG Limited, holds five Exploration Licences in West New Britain province, Papua New Guinea (Table 1, Figure 2) which includes two advanced copper-gold exploration projects (Mt Nakru and Simuku).

Table 1. Copper Quest PNG Ltd West New Britain Exploration Licences

	EL1043 Mt Nakru	EL2379 Simuku	EL2514 Makmak	EL2578 Kori River	EL2638 Metelen River
Status *(at 31 Dec 22)*	Renewal Pending, Hearing Completed	Renewal Pending	Renewal Pending, Hearing Completed	Active	Renewal Pending, Hearing Completed
Commodities	Cu, Au, Mo	Cu	Cu, Au		
Area	14 sub blocks	36 sub blocks	18 sub blocks	116 sub blocks	72 sub blocks
Copper Quest PNG interest	72%	72%	100%	100%	100%
Key Dates					
Application	3 Aug 1992	9 Apr 2015	16 Dec 2016	20 Mar 2018	28 Jun 2019
Granted	8 Dec 1992	11 Sep 2015	12 Sep 2017	25 Feb 2019	18 May 2020
Expiry	7 Dec 2022	10 Sep 2021	11 Sep 2021	24 Feb 2023	17 May 2022
Last Renewal	8 Dec 2020	11 Sep 2019	12 Sep 2019	25 Feb 2021	
Renewal Application	26 Oct 2022	24 Jun 2021	24 Jun 2021	24 Nov 2020	17 May 2022

Coppermoly's five Papua New Guinea exploration licences carry a combined exploration expenditure commitment of PGK 364,000 (A$150,000) in 2023 for the five licences (Coppermoly Limited, 2022b).

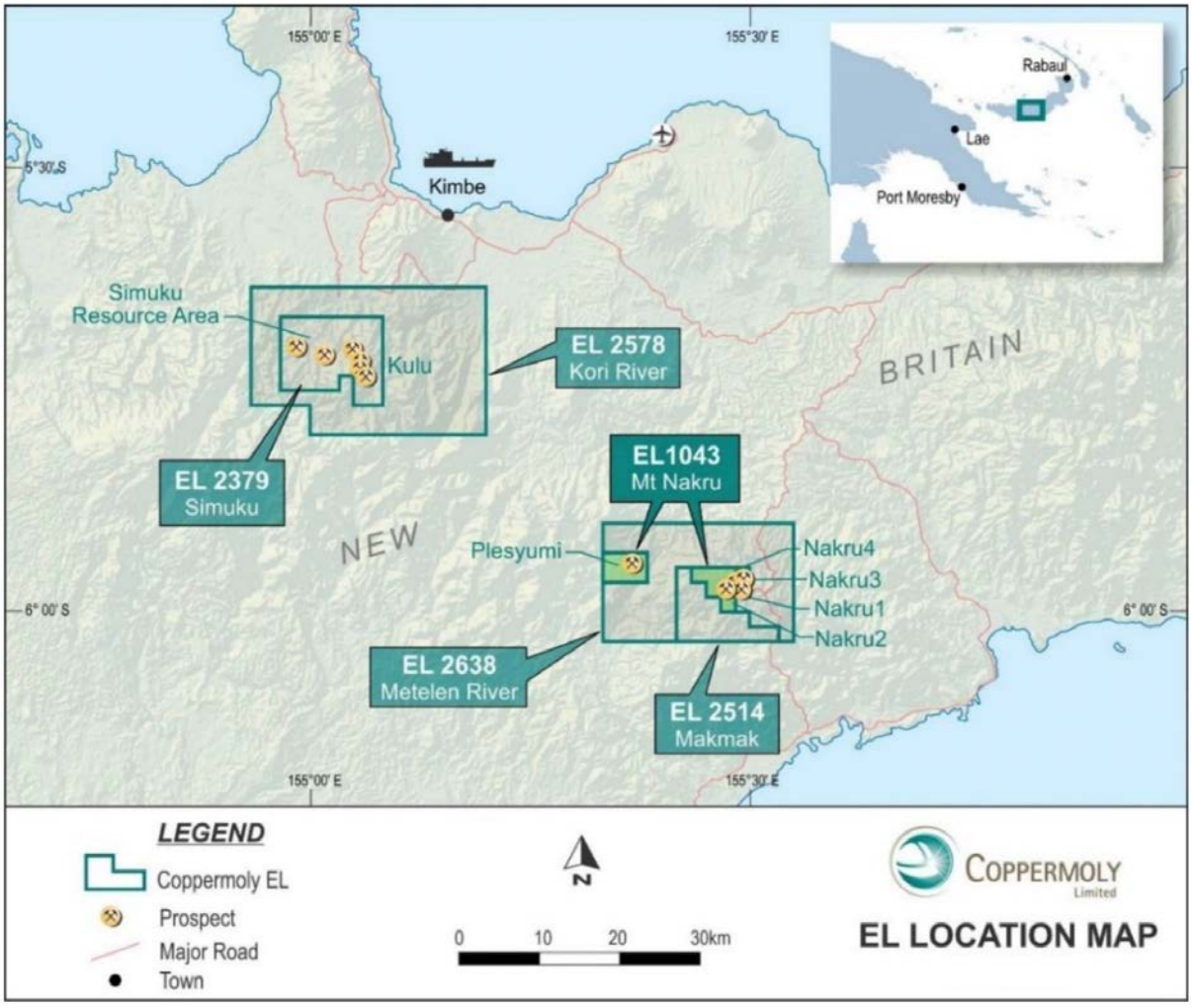

Figure 2. Coppermoly Limited's West New Britain Exploration Licences

Coppermoly holds a 72% interest in EL1043 Mt Nakru and EL2379 Simuku which were previously subject to a farm-in agreement with Barrick (PD) Australia (Barrick), a wholly owned subsidiary of Barrick Gold Corporation. Barrick still holds a 28% interest which Coppermoly has a binding agreement to acquire.

Coppermoly has submitted renewal applications for EL1043 Mt Nakru, EL2379 Simuku, EL2514 Makmak and EL2638 Metelen River to the Mineral Resources Authority of PNG (MRA) prior to 13 December 2022 in accordance with the processes set out in the PNG Mining Act (PacLII, 1992). Coppermoly's PNG tenements were confirmed as being in good standing via an email from an Assistant Registrar Mineral Tenements with the MRA. Access was also provided to AWC by the MRA to a web-portal which enabled review of the Authority's information relating to the Coppermoly exploration licences (Figure 3). The on-line MRA databases reviewed by AWC on-line contained no information on any restrictions accessing any portions of the five exploration licences to conduct mineral exploration activities.

2.2.2 Underlying Land Tenure

Traditional land tenure operates in the region covered by the exploration licences, with land controlled by local family groups. This can contribute to overlapping land claims which create complex issues for third parties, including exploration and mining companies, when securing access to land for exploration and consent for other resource development activities.

2.2.3 Exploration Regulation in Papua New Guinea

All mineral exploration and mining activities in Papua New Guinea are subject to the Mining Act 1992 (PNG). This legislation governs the tenements systems and related activities and should be read concurrently with other legislation including the Mining (Safety) Act 1977 (PNG).

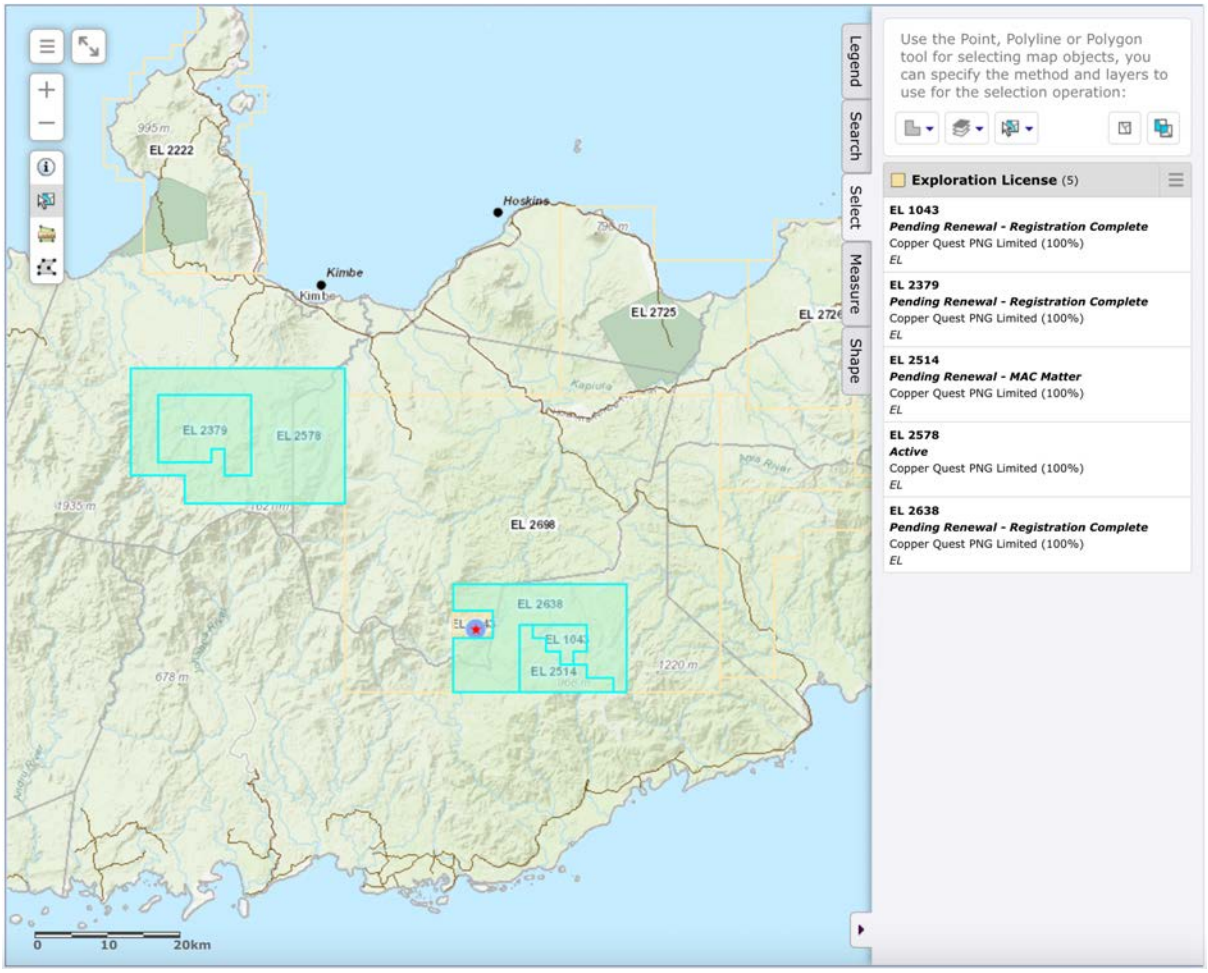

Figure 3. Screenshot of the PNG Mineral Resources Authority tenements web portal showing the status of Copper Quest PNG Limited exploration permits at 9 Jan 2023

Land in which the minerals are explored or/and mined are owned under Customary Ownership; land owned by the local landowners. Therefore to access these lands, explorers, miners and developers must acquire Tenements. The tenement application and management process is administered by the MRA, which was established and operates in accordance with the Mineral Resources Authority Act 2005 (PNG). Any company, either registered in Papua New Guinea or internationally, can conduct businesses in the country's exploration and mining sector.

2.3 Northwest Queensland Australia

2.3.1 Overview

Coppermoly holds two granted Exploration Permits (Minerals) (EPM), Foxes Creek EPM 27835 and Mt Tracey EPM 27836, in the Eastern Succession of the Mount Isa Inlier, northwest Queensland Australia, located approximately 55km south-southeast of Cloncurry and 60km west of McKinlay. Access to the exploration permits is provided by unsealed and unformed station tracks from the

Landsborough Highway, a major State road connecting Cloncurry with Winton, Longreach and part of a major road transport route between Mount Isa and Brisbane.

This section of the report is based entirely on information provided by Coppermoly and on-line searches of Queensland and Commonwealth government databases accessible on-line. Specialist legal advice was not sought.

The tenements are registered as held by Copper Quest Australia Pty Ltd, a wholly owned subsidiary of Coppermoly (Table 2, Figure 4).

Table 2. Copper Quest Australia Pty Ltd Granted Exploration Permits, northwest Queensland

EPM Number	Project	Granted	Expiry	Area *(sub-blocks)*
27835	Foxes Creek	5 Oct 2021	4 Oct 2026	100
27836	Mount Tracey	8 Mar 2022	7 Mar 2027	92

Coppermoly's northwest Queensland exploration tenements have a combined exploration expenditure commitment of A$160,000 (A$80,000 for each licence) in 2023 (Coppermoly Limited, 2022).

2.3.2 Native Title

The two Exploration Permits were granted with Native Title Protection Conditions that provide specified timeframes for accessing land for a broad range of mineral exploration activities, including drilling. Both EPM 27835 Foxes Creek and EPM 27836 Mt Tracey cover land that could be subject to determined Native Title claim or claims (Figure 5).

EPM 27835 Foxes Creek is covered by Native Title Claim QC 2015/009 by the Mitakoodi People, accepted by Native Title Tribunal 20 Aug 2020 (pink area in Figure 5). EPM 27836 Mt Tracey is also partly covered by this claim and the Kalkadoon People Native Title Determination QCD2011/007, registered 12 June 2012 (teal area in Figure 5).

Native Title in Queensland (and other Australian states) is the recognition by Australian law of Aboriginal and Torres Strait Islander people's traditional rights and interests in land and waters held under traditional law and custom. The Native Title Act 1993 (Cth) (the Native Title Act) recognises and protects native title in Australia. Native title claimants can make an application to the Federal Court of Australia to have their native title recognised by Australian law. The Native Title Act provides a mechanism that allows development to occur on land where native title may exist, whether or not determined, and sets out acceptable minimal standards of consultation with native title groups. These range from notification to approval, depending on the type of development (Australian Trade and Investment Commission, 2023).

The Native Title Protection Conditions applying to EPM 27835 Foxes Creek and EPM 27836 Mount Tracey enable exploration tenement holders to address native title rights and interests faster than through a right-to-negotiate process when the State anticipates the activities will have minimal effect on native title rights and interests (Business Queensland, 2017). Low impact exploration works covered by the expedited conditions include drilling but do not include clearing of access tracks and dense vegetation (Department of Resources, 2022).

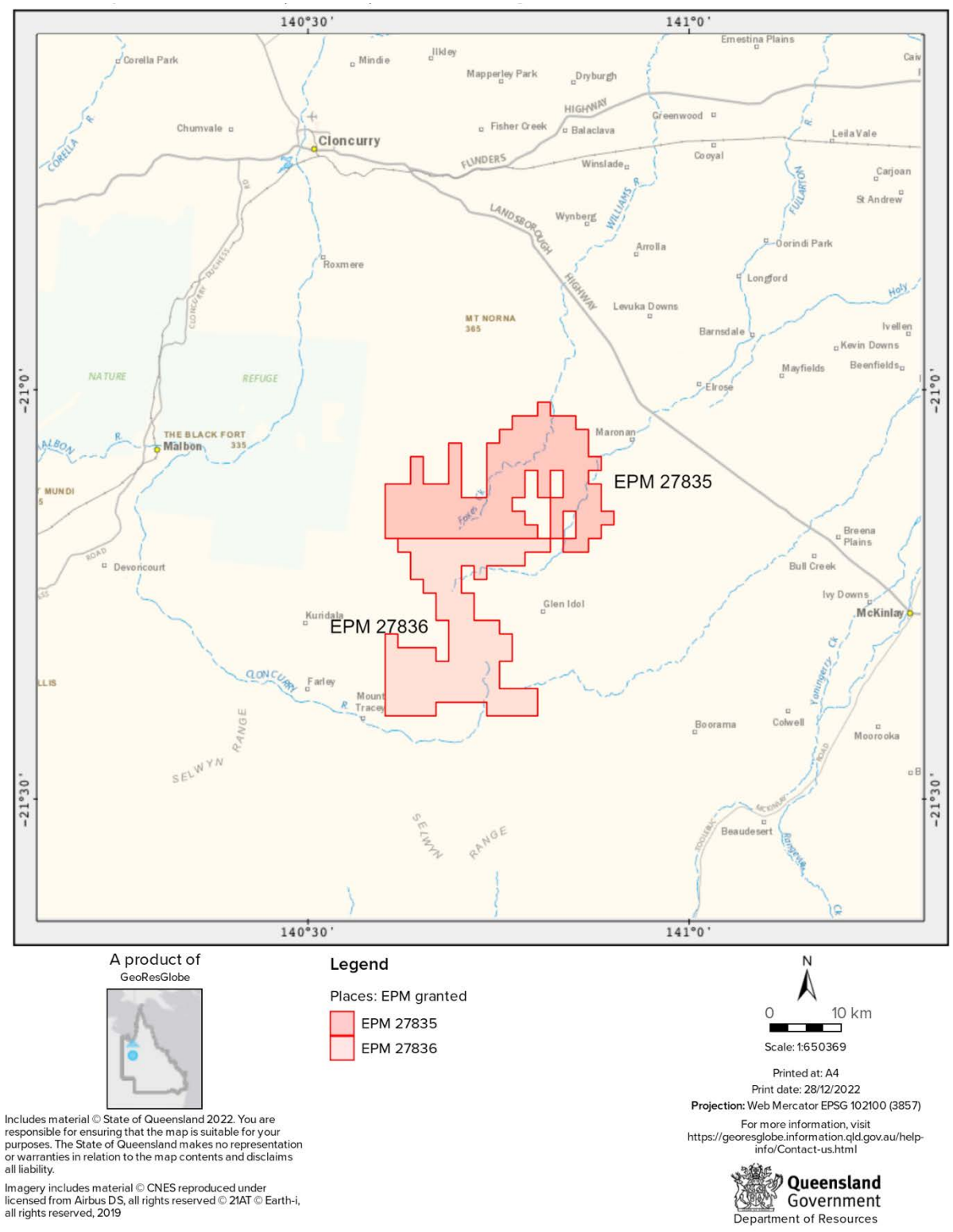

Figure 4. Copper Quest Australia Pty Ltd Exploration Permits, Mount Isa Region, Queensland, Australia

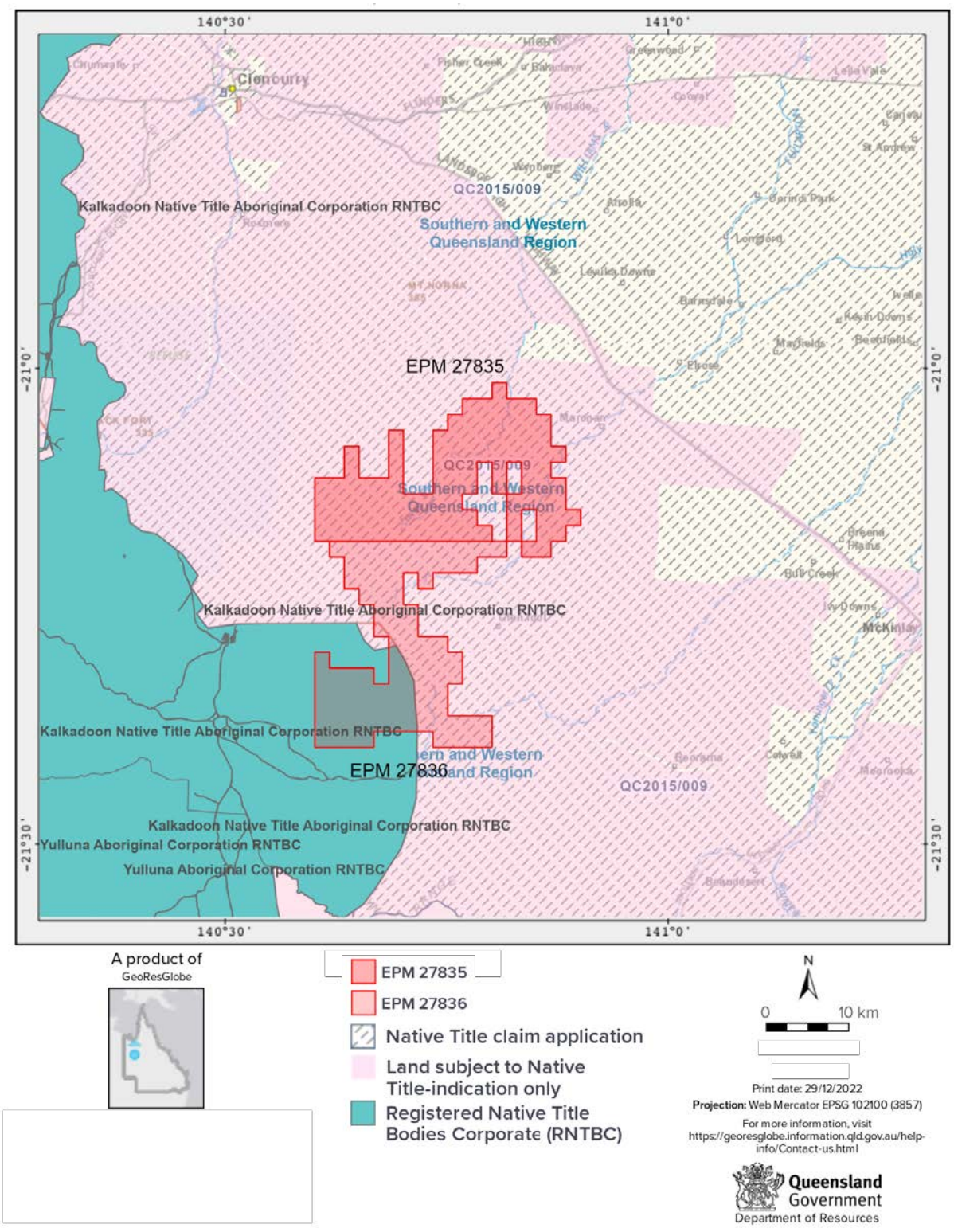

Figure 5. Native Title claims and decisions affecting Mount Isa region exploration licences

AWC believes that Coppermoly should be able to secure timely access to land for exploration in accordance with expedited Native Title procedures.

2.3.3 Aboriginal Heritage

Both State and Commonwealth laws provide for the protection of places, areas, objects and remains which are of significance to Aboriginal persons. Under the Aboriginal and Torres Strait Islander Heritage Protection Act 1984 (AHA), the Commonwealth Minister has the power to make declarations to protect and preserve areas or objects of Aboriginal significance where State or Territory processes are found to be insufficient or have not been implemented to provide appropriate protection.

The Aboriginal Cultural Heritage Act 2003 (Qld) provides effective recognition, protection and conservation of Aboriginal and Torres Strait Islander cultural heritage, including:

- Provision of blanket protection of areas and objects of traditional, customary, and archaeological significance;
- Recognition of the key role of Traditional Owners in cultural heritage matters; and,
- Establishment of practical and flexible processes for dealing with cultural heritage in a timely manner (Queensland Government, 2021).

No documented Aboriginal cultural heritage sites were revealed in the two EPMs by a search of government databases. All land users in Queensland, however, have a 'duty of care' to take all reasonable and practicable measures to ensure their activity does not harm Aboriginal cultural heritage. This applies to all land on which contains cultural heritage sites, regardless of whether it has been identified or recorded in a database. Consultation with the Aboriginal custodians for an area is necessary if there is a risk that any activity may harm Aboriginal cultural heritage.

2.3.4 Restricted Land

A search of Queensland Government databases revealed no land on which would be subject to mineral exploration restrictions affecting either EPM 27835 Foxes Creek or EPM 27836 Mt Tracey (Figure 6). Restricted Area RA 249 is surrounded by, but already excluded from EPM 27835. RA 249 is the Fullarton River Gem Site, declared 27 July 2012, on which no mineral or geothermal resource exploration is permitted. Prospecting in the area is, however, permitted.

The Kuridala Heritage Site and Ballara Nature Refuge occur to the west of Coppermoly's EPMs and have no impact on mineral exploration within Coppermoly's permits.

2.4 Access to Land for Exploration and Mining

AWC, on the information presented for Coppermoly's West New Britain and northwest Queensland exploration permits is of the view that:

- Obligations under relevant legislation to ensure that the tenements are in good standing have been satisfied; and,
- Work required to secure access to land for exploration is consistent with obligations that would apply to any group seeking to explore for minerals in these jurisdictions.

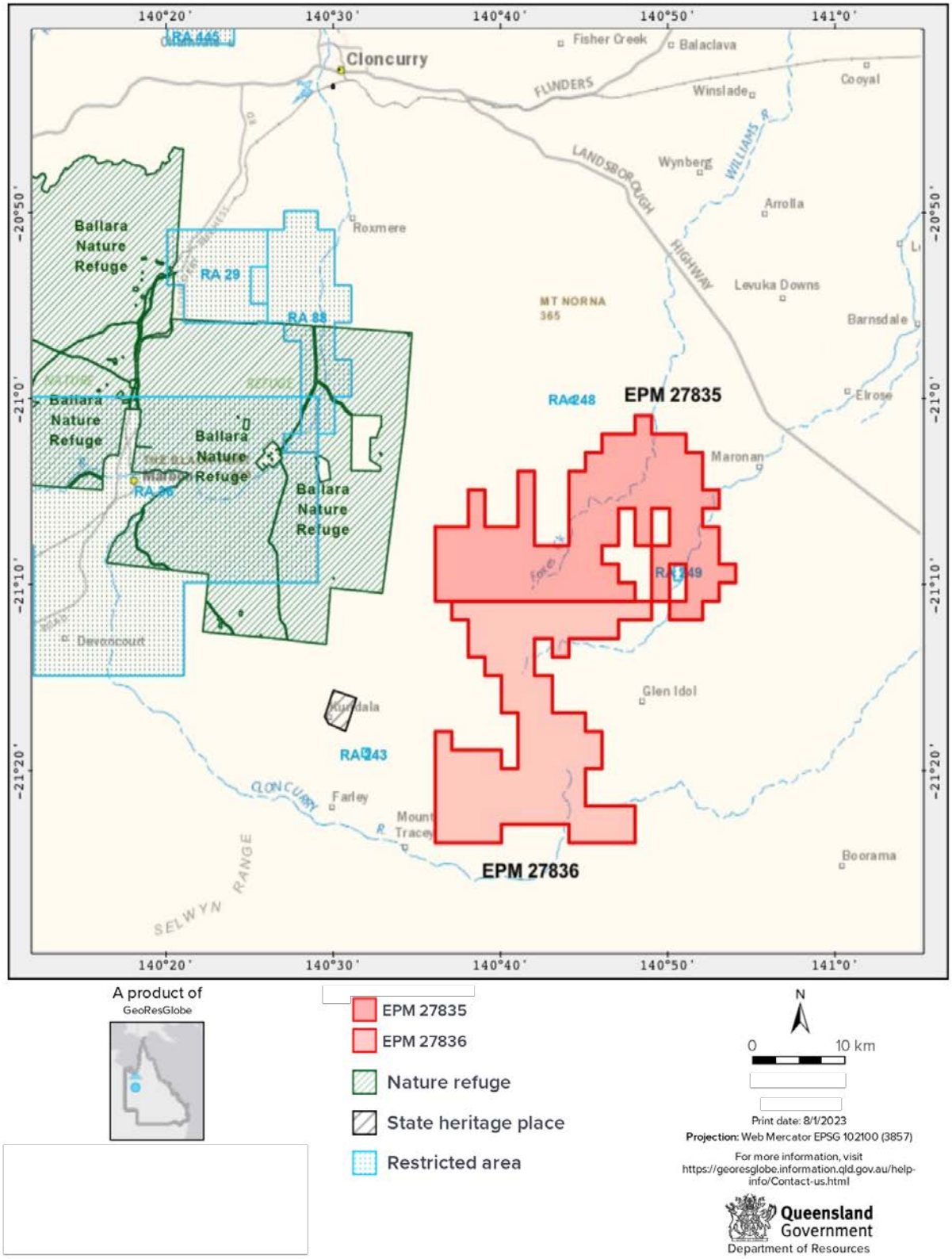

Figure 6. Restricted land in the vicinity of EPM 27835, EPM 27836

3 Regional Overview

3.1 West New Britain, Papua New Guinea Projects

3.1.1 Location and Access

The five West New Britain exploration licences held by Coppermoly through Copper Quest PNG Limited are centred on Kimbe, the West New Britain provincial capital. Kimbe had a population of 27,205 people in 2022 (All-Populations, 2023). The town provides a range of administrative, community, commercial and industry services, and is the centre of a significant palm oil industry. Several earthmoving contractors have a presence in the town. Kimbe is also a deep water port for New Britain. Regular commercial air services operate between Kimbe and Port Moresby, Papua New Guinea's capital. A helicopter charter service also operates from Kimbe airport. The helicopter flight time from Kimbe to Nakru is less than 30 minutes. Flight operations are, however, frequently restricted by low cloud.

The exploration licences all occur in areas characterised by steep terrain covered with dense, tropical forest (Figure 7). Ground access to the exploration licences is provided by a poorly maintained public road between Kimbe and the south coast of New Britain and local roads and tracks, including forestry roads that can be used by heavy equipment but which may be impassable in wet weather (Figure 8). Water is readily available to support exploration drilling operations. Communications is typically provided for the project areas by cellular telephone coverage. A UHF radio network also provides reliable communications between villages in the project areas with Kimbe (Tear, 2013).

Figure 7. View looking north towards the Willaumez Peninsula from a drill site at the Mt Nakru project showing the topography and vegetation of the project area (Taylor, 2019).

3.1.2 Climate

The Kimbe region of West New Britain experiences a hot, humid and wet tropical climate (Arateco FZ-LLC, 2023). Monthly average maximum temperatures vary between 30.3°C in May and October, and 28.3°C in February (Figure 9).

Figure 8. Access track between the Mt Nakru exploration camp and Nakru 01 prospect area

Average minimum temperatures vary by only a few degrees, from 23.8°C in April, May and December, and 23.4°C in March. Kimbe receives an average of 2,467 mm of rain annually on 332.4 days. The wettest month is March, with an average rainfall of 321 mm, and the driest month September with an average of 154 mm. Rain falls on between 25.1 (August) and 29.8 days (March) each month (Figure 10). Average relative humidity exceeds 80% throughout the year.

3.2 Mount Isa Region, Queensland Australia Projects

3.2.1 Location and Access

Coppermoly's Mount Isa region, Queensland projects are located to the west of the Landsborough Highway between McKinlay and Cloncurry. Access to the two EPMs from the highway is provided by unformed roads. Cloncurry, 108 km to the northwest of McKinlay, is a regional centre in northwest Queensland located at the intersection of the Landsborough and Flinders Highways.

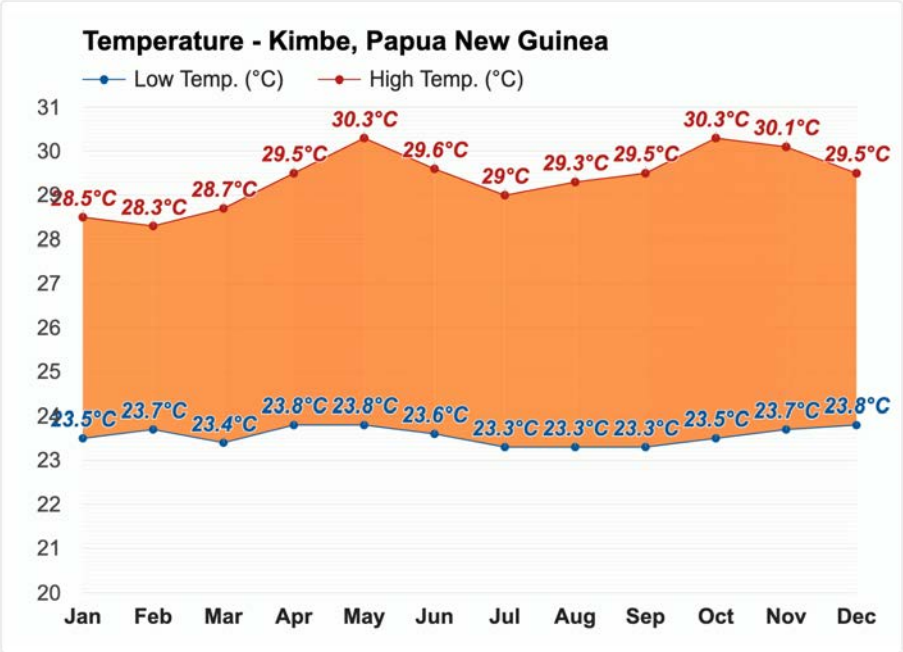

Figure 9. Kimbe, West New Britain, monthly average maximum and minimum temperatures

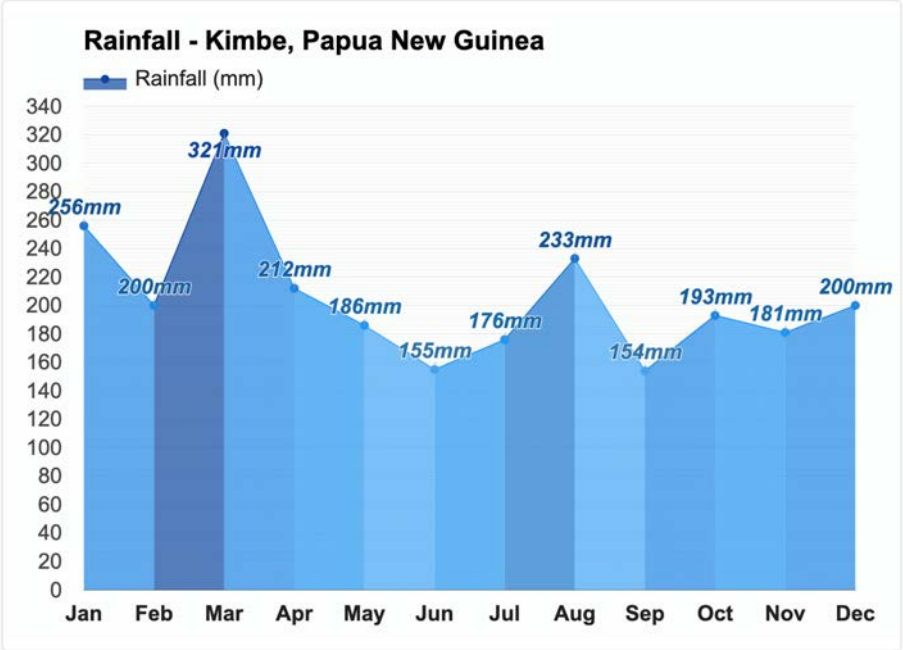

Figure 10. Kimbe West New Britain, monthly average precipitation

The Flinders Highway connects Cloncurry with Mount Isa 121 km to the west and Townsville 783 km to the east, and forms part of a major road transport routes connecting Brisbane and Townsville with Darwin in the Northern Territory. Cloncurry is situated on a major rail link between Townsville and Mount Isa and is served by regular air services to Townsville. The town is also a tourist centre with road connections to towns along the Gulf of Carpentaria coast and the Lawn Hill National Park.

Cloncurry had a population of 2,719 people at the 2016 Australian Census. The town has community services including a school and medical facilities.

Mount Isa is a major mining and industrial centre and the largest city in northwest Queensland with a population of 16,871 people at the 2016 Australian Census. The city has several schools and a major regional hospital and Royal Flying Doctor Service base servicing the northwest Queensland region. Mount Isa is also served by regular air services to both Townsville, Brisbane and smaller regional towns in northwest and western Queensland. The city is immediately adjacent to Glencore's Mount Isa Mines mining and base metal smelting operations.

The project area is sparsely populated and comprises rugged, moderately hilly land with sparse, tropical savannah vegetation, used for beef cattle grazing on leasehold properties.

3.2.2 Climate

The Cloncurry area experiences a semi-arid climate with a pronounced summer wet season associated with the Northern Australia monsoon. Monthly average maximum temperatures vary between 26.2°C in June and 38.8°C in December. Monthly average minimum temperatures vary from 10.8°C in July to 25.1°C in both December and January (Figure 11) (Bureau of Meteorology, Australia, 2023).

Cloncurry receives an average of 497.1mm of rain annually, with monthly averages ranging from 4.1mm in August to 156.6mm in January (Figure 12). Some 409mm, more than 80% of the yearly total, falls in the four months between December and March. Rain exceeding 1.0mm falls on an average of only 34.7 days annually (Bureau of Meteorology, Australia, 2023).

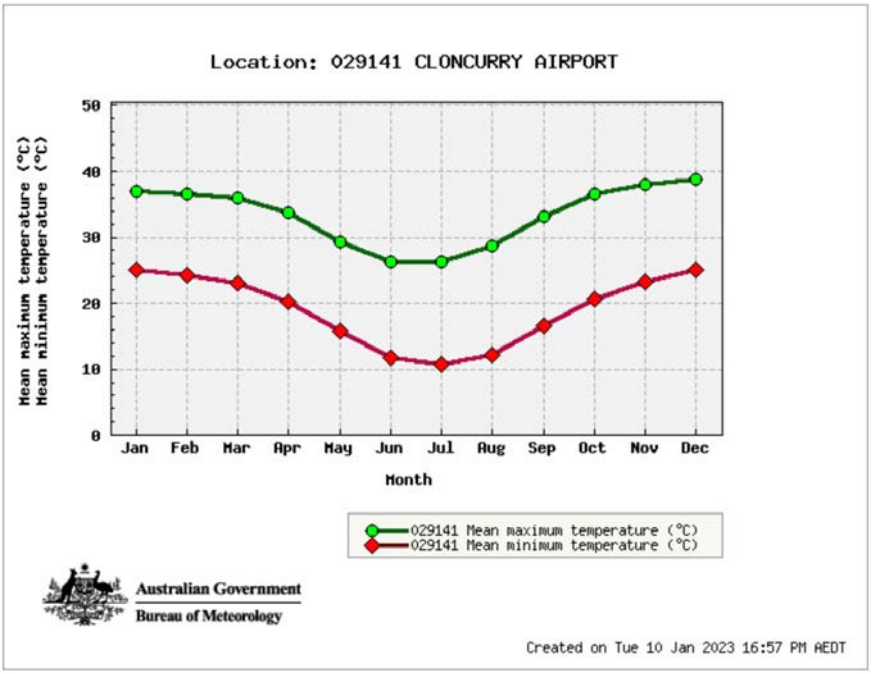

Figure 11. Cloncurry Qld - monthly average maximum and minimum temperatures (Bureau of Meteorology, Australia, 2023)

3.2.3 Underlying Land Tenure

Both EL 27835 Foxes Creek and EL 27836 Mount Tracey span the boundary between the Cloncurry and McKinlay Shire Council administrative areas (Figure 13). The exploration licences cover several, large, pastoral leases. The size of the pastoral leases limits the complexity of landholder negotiations and agreements required to secure access to land for exploration. Land reserved as travelling stock routes does not affect the exploration licences.

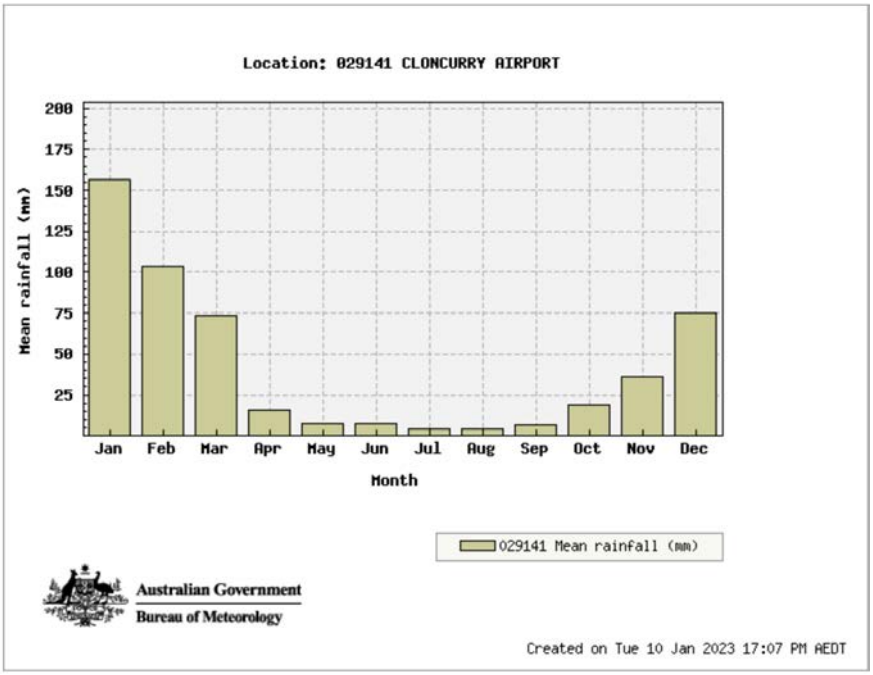

Figure 12. Cloncurry Qld - average monthly rainfall (Bureau of Meteorology, Australia, 2023)

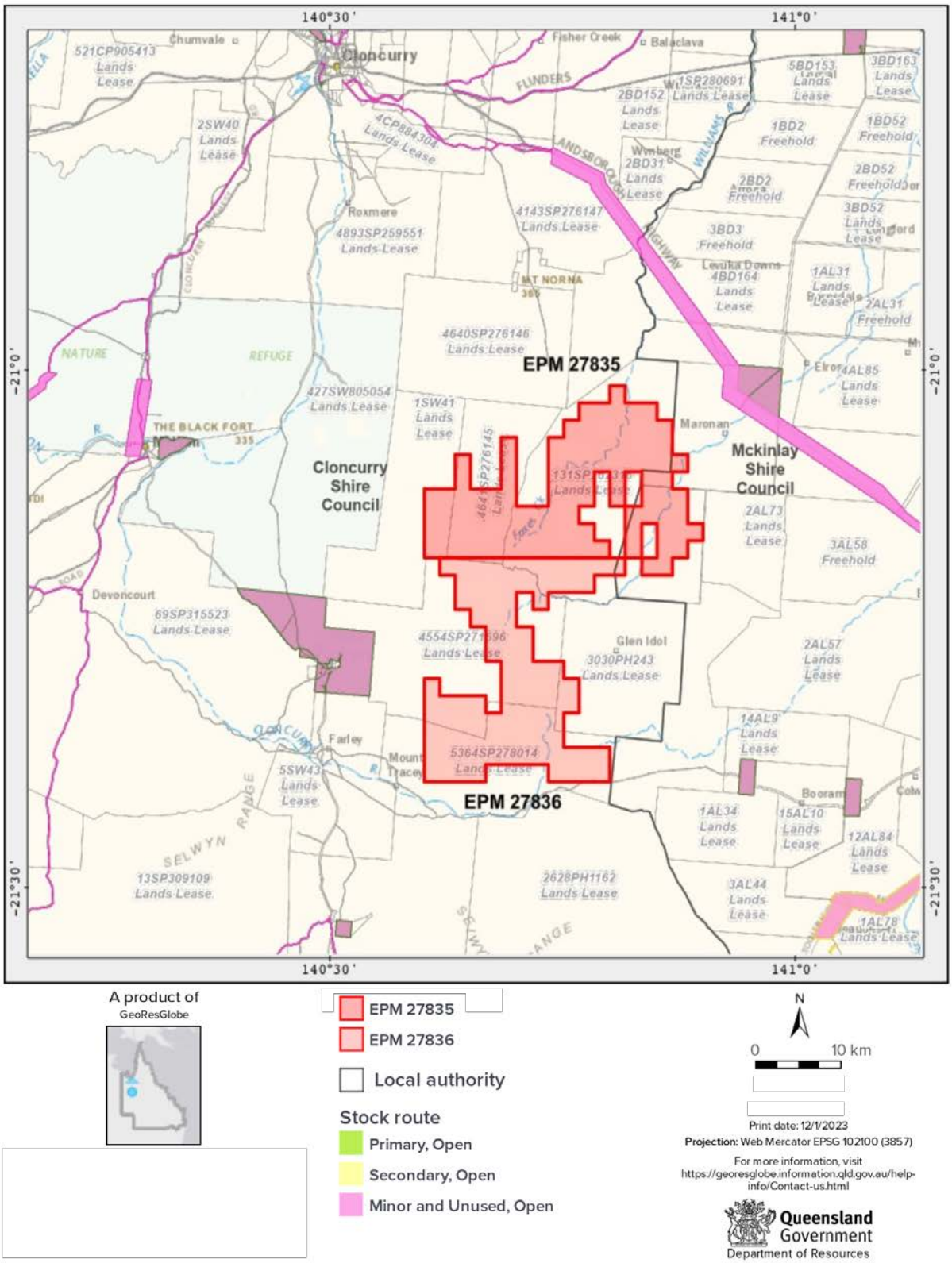

Figure 13. Cloncurry Qld - administrative boundaries and underlying land tenure

4 Geology, Mineral Resources and Exploration Potential – West New Britain Projects

4.1 Overview

Coppermoly's five West New Britain projects (Table 1, Figure 2) comprise a mixture of advanced projects where several copper-gold resources have already been identified by exploration and adjacent land where exploration is at an early stage. Access to the project areas for exploration has, in recent years, been restricted by travel restrictions intended to constrain the spread of COVID-19 which affected both travel between Papua New Guinea and Australia and within Papua New Guinea.

The Exploration Licences occur within the Kulu-Awit corridor of central New Britain, a northwest-southeast trending transfer structure extending from the New Britain Trench, prospective for prospective for porphyry-style copper-gold and associated epithermal-style Au-Ag mineralisation (Tear, 2013, Francis, 2018) (Figure 14, Figure 15). The corridor extends for 140km and contains several porphyry and epithermal systems including Mt Nakru (Cu-Au), Plesyumi (Cu-Au), Kulu (Cu-Au) and Simuku (Cu-Au) associated with multiphase, Late Oligocene intermediate intrusions. The Mt Penck (Au) epithermal deposit occurs within a Pleistocene volcanic complex that may overlie a porphyry Cu-Au system (Tear, 2013).

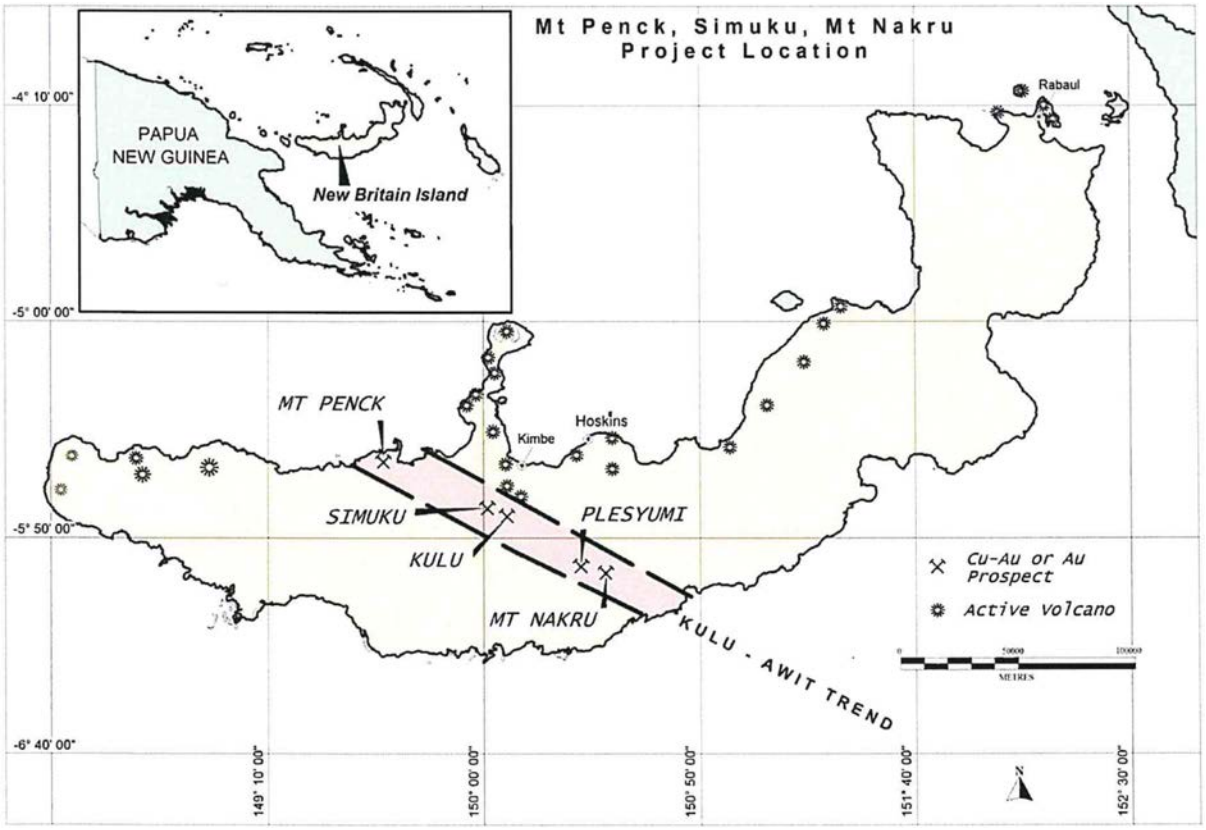

Figure 14. The Kulu-Awit Corridor of central New Britain is considered prospective for porphyry-style Cu-Au mineralisation

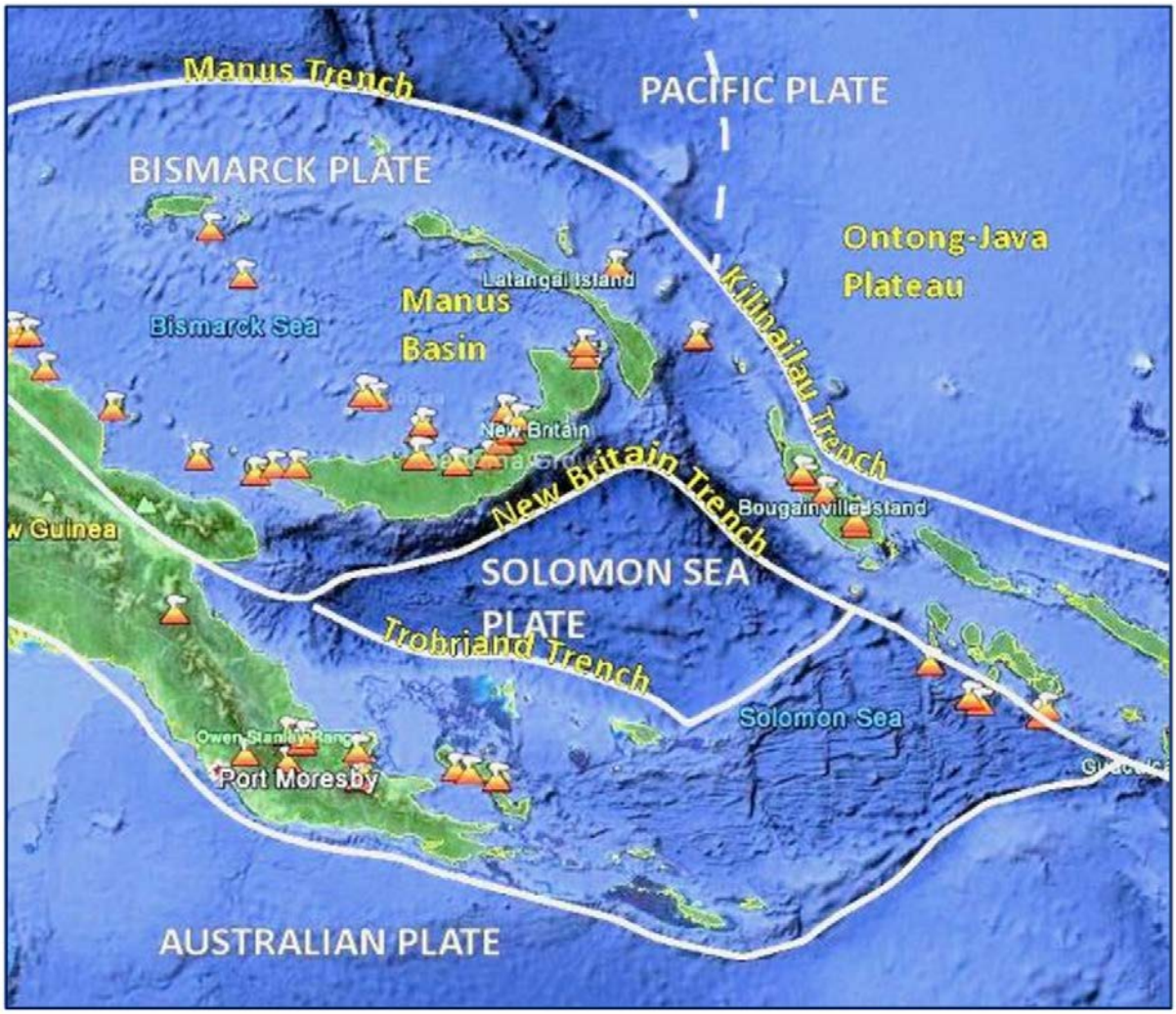

Figure 15. Tectonic setting of New Britain (Francis, 2018)

4.2 EL 1043 Mt Nakru

4.2.1 Geology and Mineralisation

Western New Britain is underlain by Lower Tertiary basement rocks consisting of island arc volcanics, volcanoclastic rocks and coeval intrusives. Three major units are recognised:

- Merai Volcanics (Late Oligocene)
- Kapuluk Volcanics (Late Oligocene)
- Baining Volcanics (Late Eocene).

The Baining Volcanics are submarine volcanics comprising basaltic to andesitic lavas, volcanoclastic lavas and breccias. The Merai Volcanics found in east New Britain are interpreted to be equivalent to the Kapuluk Volcanics in central and western New Britain and comprise tuffs, basic to intermediate lavas and coeval hypabyssal rocks and volcanic breccias.

Volcanism ceased in the Early Miocene throughout which time the Yalam Limestone was accumulated during a period of regional subsidence. Renewed volcanism during the Pliocene deposited the Kapiura Volcanics.

Pleistocene to Recent active volcanism is confined to the north coast of New Britain and has contributed up to several metres of post-mineral volcanic ash cover over much of the Mt Nakru project area (Taylor, 2019).

Mt. Nakru is a large, acid-intermediate composition, extrusive-intrusive complex, referred to as the Nakru Intrusive Complex, that marks the topographically highest point within the Kulu-Awit corridor. Mt Nakru is part of a cluster of mineralised centres and geochemical anomalies, including Plesyumi, Mololo Creek, Lae River Skarn, Mingoe, Mickeyek, Raingnu and Armi, located where northeast-trending fractures visible in satellite and aeromagnetic survey imagery intersect the Kulu-Awit corridor (Tear, Independent assessment of the Coppermoly exploration properties PNG, 2013).

The Nakru Intrusive Complex forms a broadly elongate, west-northwest-trending, approximately 9km x 2.Skm zone. Local geology at Mt Nakru is dominated by a rhyolitic 'flow-dome' complex that overlies Late Eocene to Late Oligocene age andesitic and basaltic volcanics. A generally thin blanket (0.5m to 15m on average, and locally up to 70m) of Pleistocene to Recent tephra covers the local area (Tear, 2013, Taylor, 2019). Rhyolite occurs as massive, flow banded, aphanitic or sparsely quartz-phyric (1-3 mm, up to 5%) rock. Flow banding occurs on the mm to cm scale, and is manifested by colours (typically, various shades of grey, yellowish- and greenish grey), which are highlighted by alteration (e.g. hydrothermal pyrite). Flow banding can be planar or undulating. Breccias include matrix- to clast-supported types consisting of angular to sub rounded clasts 0.5 cm - 3 cm in fine fragmental rock matrix. Clast composition is dominantly rhyolite, identical to rocks described above. Breccias vary from monomictic rhyolitic clasts to polymictic types where rhyolite clasts of various colours are accompanied by relatively rare rock types (aphanitic mafic to intermediate rocks). Typically, breccias are massive and do not show reliable bedding indicators. Features resembling gradational bedding occur very rarely and are insufficient to reliably the constrain orientation of the units.

Sulphide-bearing, silicified float occurs in all creeks draining the Nakru complex suggesting the presence of a very large alteration zone. Pervasive weak sericitic, argillic and chloritic alteration is widespread in the tuffs, which also typically carry 1-2% fine disseminated pyrite. Rhyodacite domes have been tentatively identified (Figure 16) (Tear, 2013).

Post-mineral volcanics were identified only at Nakru-02 where they were intersected by drill holes (Coppermoly NAK2001 and NAK2002 and Barrick BWNBDD0003) and are also exposed in some road cuts and trenches. Based on drilling data, they form up to 70 m thick cover on top of strongly altered and mineralised breccia and rhyolite. The post-mineral volcanics consist of andesitic volcaniclastic breccias, lavas, pillow breccias, hyaloclastites and polymictic volcaniclastic sandstones/fine breccias containing along with other lithologies, clasts of quartz-veined rhyolites. Some of these rocks locally contain weak mineralisation (mostly pyrite) and show anomalous Cu and Zn values, which implies either some temporal overlap between their deposition, or perhaps re-sedimentation of eroding proximal mineralisation. Nevertheless, composition (largely intermediate) and alteration (locally chloritic, overall relatively weak) of these volcanics are very different from underlying, intensely silica-sericite altered and mineralised units.

Post-mineral sills varying compositionally from andesite to dacite composition are widespread at Nakru. Textures vary from aphanitic (commonly vesicular) to porphyritic (feldspar ± hornblende-phyric) and thicknesses are from 20-30 cm to 20-30 m. In surface outcrops sills are distinguished by characteristic reddish saprolitic weathering. Fresh sills observed in drill core are typically dark green to dark grey; they have sharp intrusive contacts with chilled margins against intensely altered mineralised rocks.

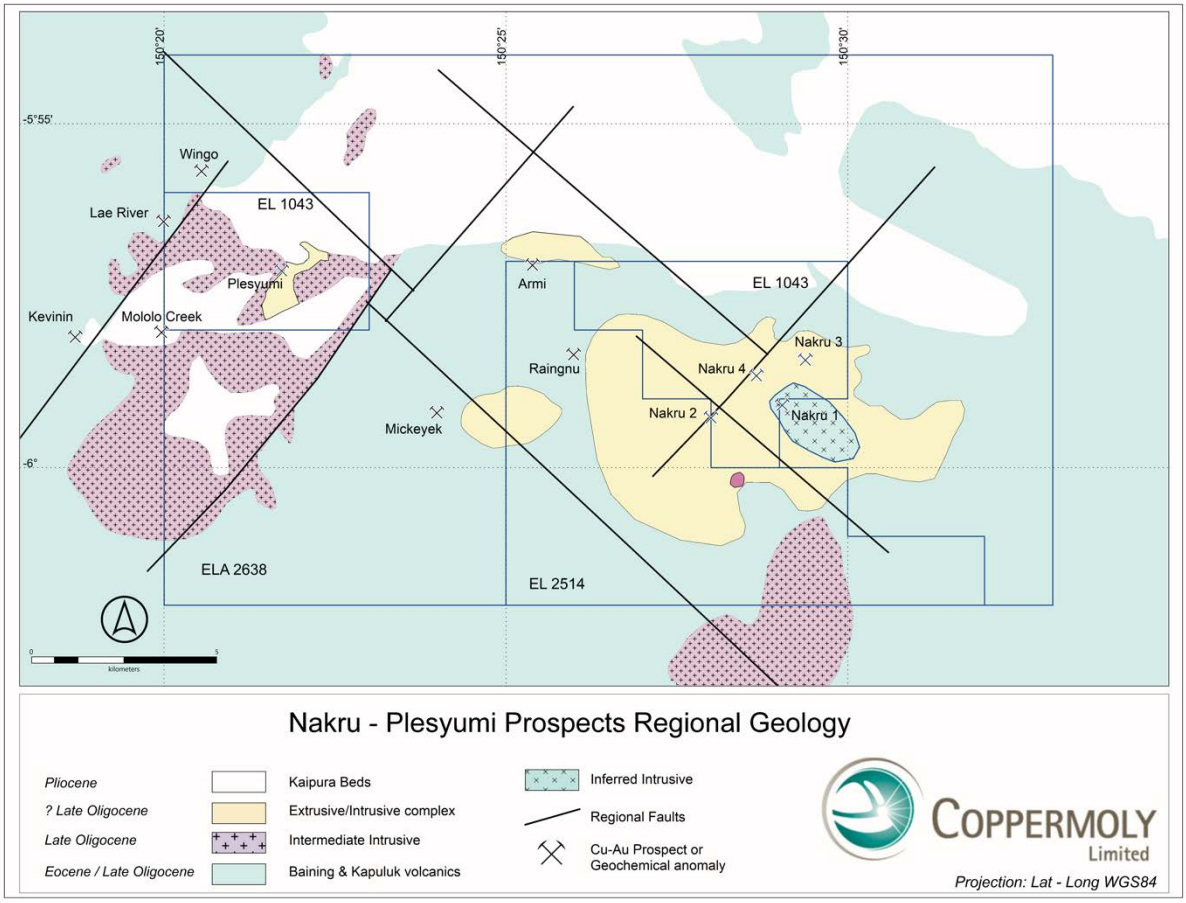

Figure 16. Mt Nakru generalised geology (Tear, Independent assessment of the Coppermoly exploration properties PNG, 2013)

Copper-gold mineralisation at Nakru-01 and Nakru-02 is marked by surface geochemical anomalies and strong chargeability highs in induced polarisation data. Most mineralisation is veinlet and disseminated style hosted by strongly quartz-sericite altered volcanic breccias, with some thin (~30 cm) veins of massive sulphide. Sills of andesitic to dacitic composition cross-cut mineralisation and vary in thickness from less than 1 m to 10 m. Textural evidence indicates that mineralisation was emplaced at a high level in a submarine environment. Nakru is classified as a low sulphidation epithermal system hosted in a rhyolite flow dome.

4.2.2 Previous Exploration

The Nakru project area has been explored by various companies since 1987. Four Cu + Au (± Ag ± Mo ± Zn) prospects (Nakru 01 to 04) have been discovered within an area of 3.5 km x 2.0 km, within which Nakru 01 and Nakru 02 have been the focus of most exploration effort. Surface exploration has included mapping, regional stream sediment sampling, soil sampling, trenching and geophysics (2D IP, 3D IP, magnetics and EM), summarised in Table 3.

The most advanced prospect, Nakru 01, is located at the northwestern end of a sub-surface intrusion interpreted from magnetic data that coincides with a zone of slightly anomalous copper ± gold in bulk cyanide leach (BLEG) stream sediment samples. This coincident magnetic-geochemical anomaly suggests the Nakru 01 system may be larger than the area currently tested. Both Nakru 01 and Nakru 02 correspond with intense apparent chargeability anomalies in IP survey data (Figure 17).

Table 3. Historical exploration summary - Mt Nakru

Years	Operator	Exploration Activities	Results
1981-1983	Esso (PNG)	Regional aeromagnetics Regional geochemical survey	
1984-1987	City Resources	Surface trenching 3 diamond (cored) drill holes for 397m of drilling	Discovery of Nakru 01 Cu-Au mineralisation
1988-1989	BHP – City Resources Joint Venture	5 diamond (cored) drill holes for 563m of drilling	Continued drilling of Nakru 01. BHP withdrew from the joint venture, deciding that the prospect did not have potential to meet corporate resource tenor objectives
1999	Cyprus – New Guinea Gold Joint Venture	Aeromagnetic survey Airborne EM survey (DIGHEM) Surface trenching Mapping	Significant EM anomaly identified at Nakru 02. Cyprus discontinued work following a corporate merger with Phelps Dodge.

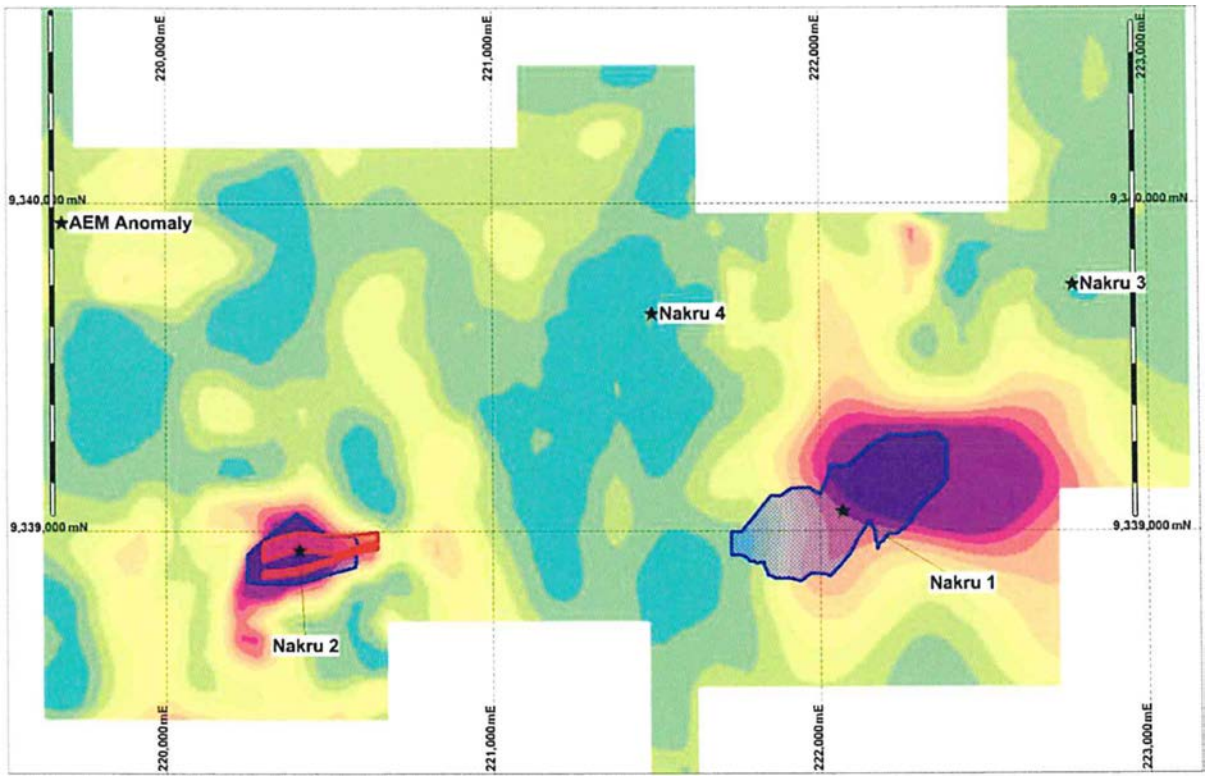

Figure 17. Modelled IP chargeability anomalies interpreted to be associated with mineralisation forming Nakru 1 and Nakru 2

Drilling at Nakru 01 between 1987 and 1999 comprised 12 cored drill holes for 1,503 m of drilling (Taylor, 2019), testing mineralisation potential to a depth of around 100 m below surface (Table 3).

Coppermoly acquired the project in 2008 and have completed 35 drill holes for 9,041 m of drilling (including 12 holes for 4,821 m drilled by Barrick under a joint venture arrangement), testing mineralisation potential beyond the 100 m depth investigated by previous explorers. In 2018 Coppermoly undertook a drill programme to increase resource confidence and extend the known mineralisation up-dip. The programme consisted of 17 holes (6 diamond holes for 962.0 m and 11 RC holes for 1071 m). Exploration by Coppermoly since 2008 is summarised in Table 4. Drilling at Nakru-01 is summarised in Figure 18.

Table 4. Summary of exploration at Mt Nakru by Coppermoly since 2008

Years	Operator	Exploration Activities	Results
2008	Coppermoly	3D IP survey at Nakru-01 and Nakru-02 7 diamond core holes for 882 m (Nakru-01 and 02)	Delineation of chargeability highs at Nakru-01 and 02 High-grade copper intercepts at Nakru-02
2010-2012	Barrick - Coppermoly Joint Venture	3D IP survey 12 diamond core holes for 4821 m Mapping and surface geochemistry LiDAR airborne topographic survey	Continued definition of Nakru-01 and Nakru-02 mineralisation
2012-2017	Coppermoly	16 diamond core holes for 3338 m	Continued definition of Nakru-01 and Nakru-02 mineralisation
2018	Coppermoly	6 diamond (2 with pre-collars) and 11 reverse circulation holes for 1296 m diamond and 701.5m RC drilled	Infill drilling to increase confidence in the mineral resource and extension drilling to increase the size of Nakru-01
2018-2022	Coppermoly	Field work suspended due to COVID-19 related travel and site access restrictions	Good standing of PNG tenements maintained while fieldwork could not be undertaken to progress the project.

4.2.3 Mineralisation

Nakru-01 and Nakru-02 are the principal prospects identified by exploration in EL 1043 to date. Mineralisation is marked by strong IP chargeability highs and surface geochemical (mainly Cu-Au) anomalies. Nakru-01 has an intense Cu-Au geochemical anomaly while the anomaly at Nakru-02 is more subtle.

The bulk of Cu-Au mineralisation identified by current exploration is characterised by quartz veinlet controlled and disseminated in style. Mineralisation occurs as chalcopyrite bearing (chalcopyrite < pyrite) zones of quartz veinlets and stockworks, accompanied in places by bulk silica flooding, especially in breccias.

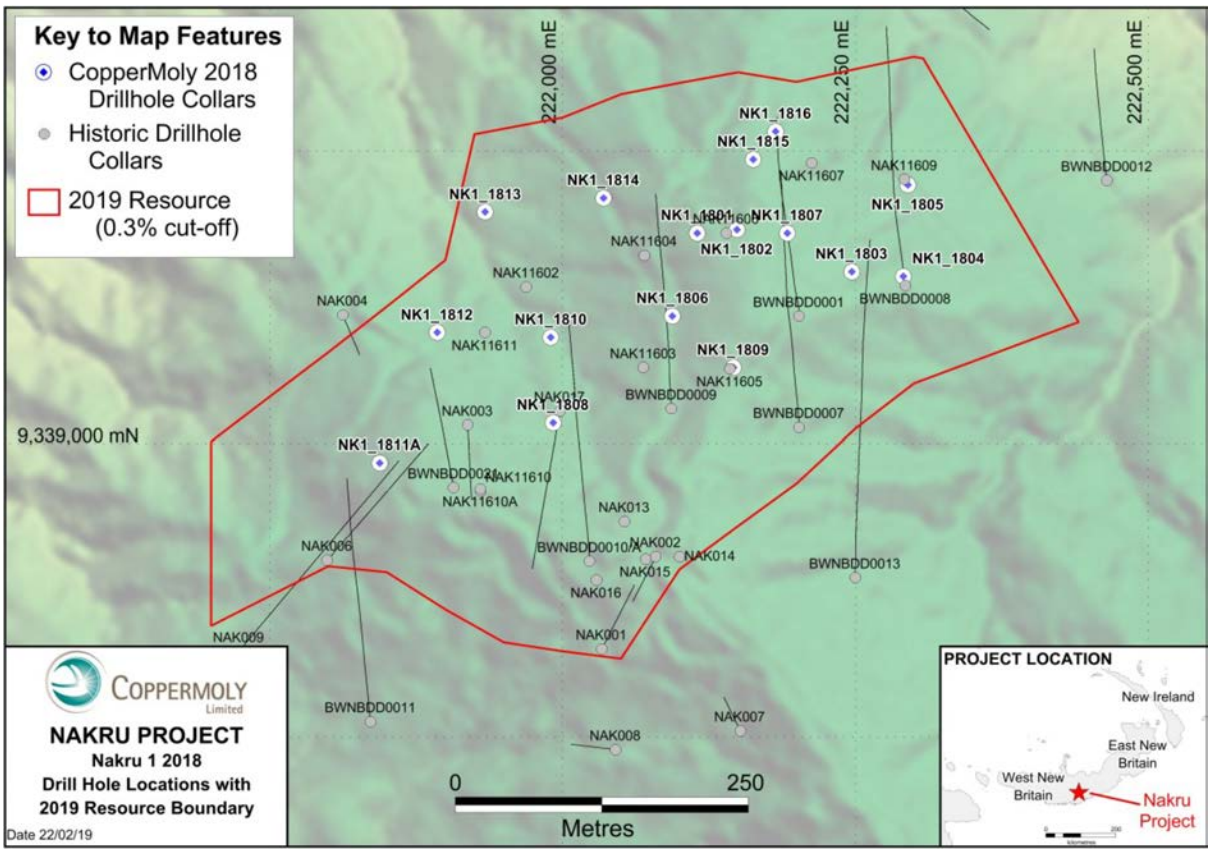

Figure 18. Drilling at Nakru-01 by Coppermoly and previous explorers to 2018. The boundary of the 2019 resource estimate for the prospect prepared by Mining Associates (Taylor, 2019) is also shown.

Quartz veinlets show typical epithermal crustiform and vuggy textures, indicative of emplacement at shallow levels. Macroscopic and petrographic observations indicate presence of 2-3 related veinlet generations. Veinlet orientations in Nakru-01 drill core show two prominent orientations:

1. dipping steeply to the south-southeast at 60°-70° and
2. subordinate, gently to moderately northeast dipping veinlets.

In many porphyry – epithermal Cu-Au systems, breccias, often both silica flooded and veined, tend to be better sulphide mineralisation hosts than rhyolites. Rhyolites tend to host veinlets where veinlet density is proportional to mineralisation intensity.

The most abundant sulphide minerals are pyrite, chalcopyrite and sphalerite (py-cp-sp); the latter tends to occur predominantly in late quartz veinlets. Chalcopyrite occurs in irregular quartz veins that cross-cut silicified breccias. Pervasive quartz-sericite-pyrite and, in places, some chlorite alteration is present. (Figure 19). Apart from Cu and variably elevated Au, mineralisation is characterised by locally elevated Zn, Ag, and erratic Bi. Te. Mo, As and Sb concentrations are relatively low in hypogene mineralisation.

The geometry of Nakru-01, interpreted from drill hole data, is complex. Higher grade (>0.5 % Cu) zones appear as a series of stacked lenses dipping shallowly south-southeast. A lower grade (0.3-0.5 % Cu) zone surrounds the high grades as a more diffuse halo. To the west mineralisation appears stoped out by a late rhyolite intrusion. The trend of higher grade lenses appears to broadly surround barren, post-mineralisation sills possibly suggesting that they share similar structures.

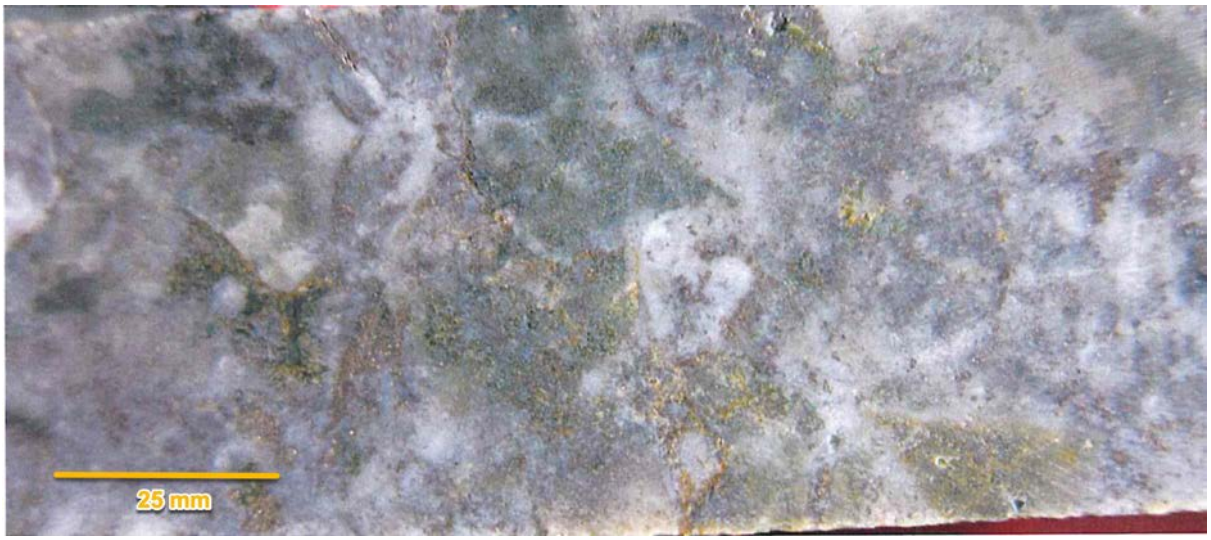

Figure 19. Silicified rhyolite breccia with finely disseminated pyrite mineralisation (est. 2-3% py), Nakru 1 (Drill hole BWNBDD0001 @ 122m)

The best intersection obtained to date at Nakru 1 is 190.85 metres grading 1.01% copper and 0.36g/t gold which is considered to demonstrate the potential of the prospect to host significant zones of copper ± gold mineralisation.

Barrick geologists proposed that Nakru 1 represented volcanic-hosted massive sulphide (VHMS) mineralisation (Tear, 2013). Tear (2013) preferred a simpler model of silica flooding with a pyrite phase and subsequent silica-copper veining in a sub-volcanic environment.

Trenching at Nakru-02 identified an extensive clay-silica-pyrite alteration zone with massive sulphur mineralisation veins (Figure 20). At Nakru-02, mineralisation also occurs as up to 5 m thick massive sulphide lenses stratigraphically above strongly silica-sericite altered, mineralised breccia and rhyolite, and below post-mineral volcanics.

Massive sulphide mineralisation has also been observed in an exploration trench at the less explored Nakru-03 prospect (Figure 21). Samples of the exposed, weathered mineralisation in Figure 21 returned grades of 2.23 % Cu, 2.0 g/t Au, 8.23 % Zn, 0.61 % Pb and 237 ppm Ag over a horizontal width of 6 m.

The style of mineralisation intersected by the 2008 Coppermoly drill holes NAK2001 and NAK2002 at Nakru-01 comprised massive pyrite, chalcopyrite, sphalerite, traces of bornite, and minor amounts of sericite- and chlorite-altered lithic fragments. The mineralisation showed massive, fragmental and crudely layered textures.

Three stacked sub-horizontal lenses within a low-grade (> 0.3 % Cu) shell are defined at Nakru 02. Post-mineralisation andesite sills partially occupy the space between the mineralised lenses. Drilling has not entirely closed off mineralisation, particularly the upper lens that is within 5 m of surface at its eastern end. High-grade (>0.5 % Cu) zones are well defined in the upper two lenses and conform to the sub-horizontal geometry defined by lower grades.

Both Nakru-01 and Nakru-02 are interpreted to have formed at relatively shallow levels in a submarine sub-volcanic environment. Based on the textural features and geochemistry the deposits have most affinity with allow sulphidation epithermal system within a rhyolite flow-dome.

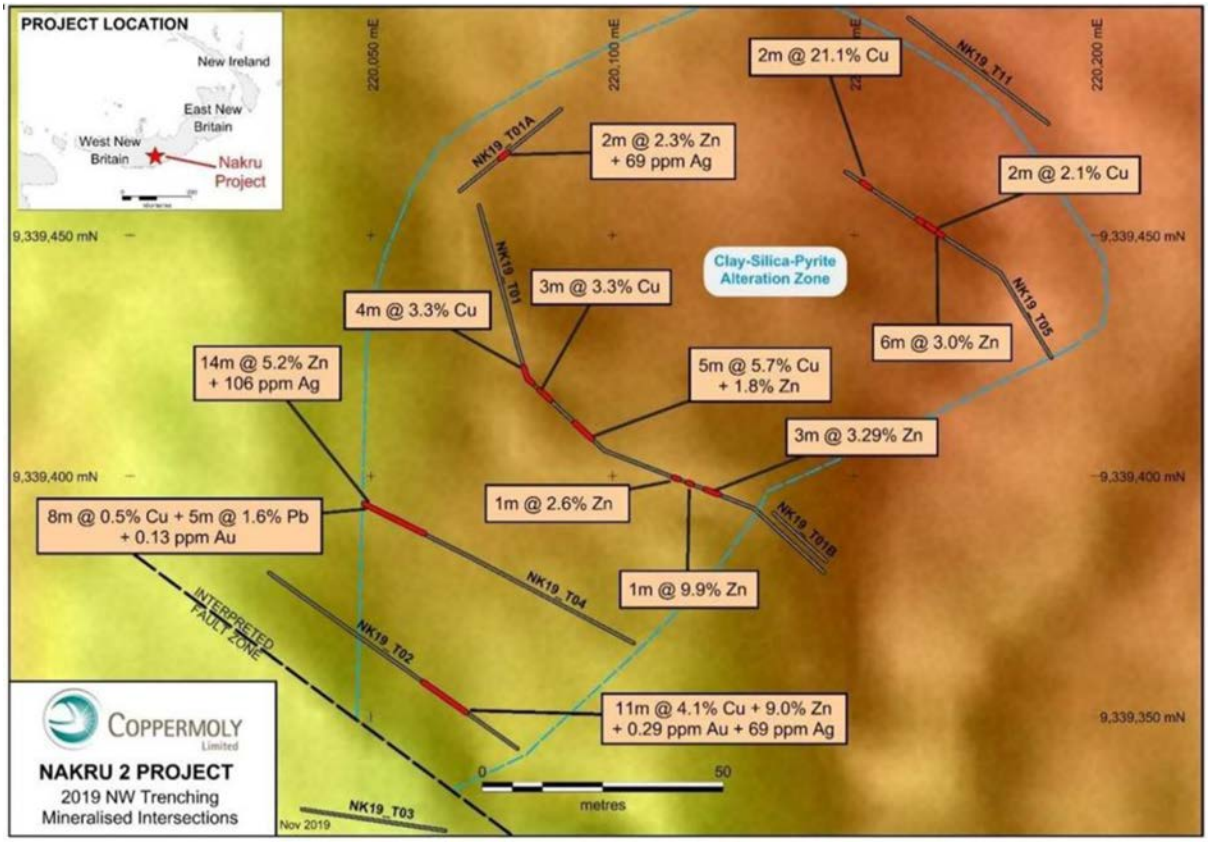

Figure 20. Summary of mineralisation identified in exploration trenches at Nakru-02. Trenching identified an extensive clay-silica-pyrite alteration zone with massive sulphur mineralisation veins

Although massive sulphide intersections are rare (only thin bands found in Nakru-02), the level of emplacement, alteration assemblage and association with volcanic breccias may suggest that they represent is the 'stringer' or stockwork vein zone that typically underlies seafloor massive sulphide deposits.

Twinned drill holes and repeat assays of both diamond and RC drilling samples demonstrated the somewhat "nuggety" character of Nakru-01 mineralisation consistent with the observed character of mineralisation (Figure 22, Figure 23) (Taylor, 2019).

4.2.4 Metallurgical Testing

Initial metallurgical testing of Nakru-01 mineralisation was conducted by the Barrick-Coppermoly Joint Venture during 2011 and 2012. Three fresh ore samples (43 kg, 23 kg and 49 kg) of drill core were subjected to Modified Comminution Testing, Bond Ball Index Testing, specific gravity (SG) measurements and chemical assay. The test work, analysis and reporting by JK Tech was completed on 8 December, 2011. (JK Tech Pty Ltd, 2011). Modified commination test results showed average drop weight test equivalent parameters of A 53.8, b 0.6 and Axb 30.9. The bond work index classified the three samples as hard (14-20kWh/t).

Figure 21. Massive sulphide mineralisation surrounded by clay-sericite alteration exposed at Nakru-03

ALS Ammtec carried out metallurgical test work on a single composite of mineralised samples from Nakru-01 in 2012. The tested composite had a head grade of 0.4% Cu, 0.33 ppm Au and 1.07 ppm Ag. Test work comprised Rougher Flotation, Cleaner Flotation and Locked Cycle Flotation using a grind size of 80% passing 0.106 mm. Metal recoveries from the Locked Cycle Flotation test were 87% for copper and 53% for gold, with no significant penalty elements in the tested sample.

4.2.5 Exploration Management

Measures employed to ensure the quality of data used in exploration and resource estimate preparation for the project to 2018 are described in detail by Taylor (2019) and were consistent with best-practice.

Drill core from drilling at Mt Nakru is stored in open sheds and shipping containers at a core storage facility maintained by Coppermoly in Kimbe (Figure 24, Figure 25).

A planned exploration drilling program at Mt Nakru to define the strike length and depth extent of the currently exposed massive and disseminated sulphides was deferred during 2021 - 2022 pending the lifting of COVID-19 related restrictions on travel between Australia and Papua New Guinea.

4.2.6 Mineral Resources

Coppermoly, in July 2012, announced an Inferred Mineral Resource of 38.4 Mt @ 0.61% Cu, 0.28 g/t Au and 1.8 g/t Ag for the Nakru-01 deposit. This resource estimate was reported under JORC Code (2004) guidelines.

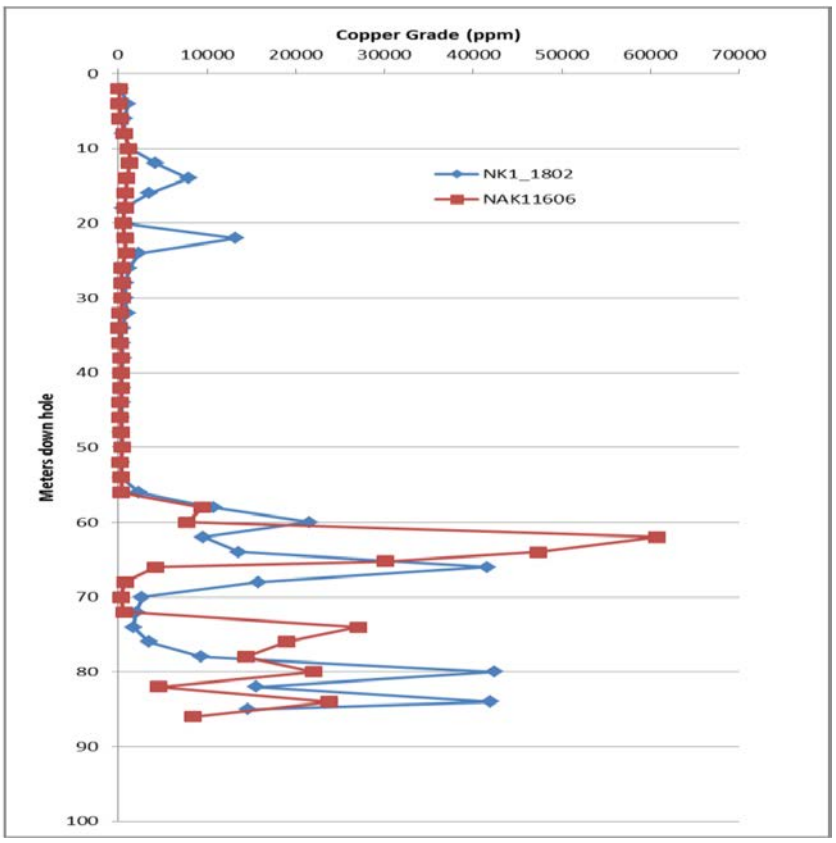

Figure 22. Downhole copper grades in twinned drill holes NK11801 and NAN11606. Although individual sample results vary, the mineralised zones evident in the drill holes correlate closely

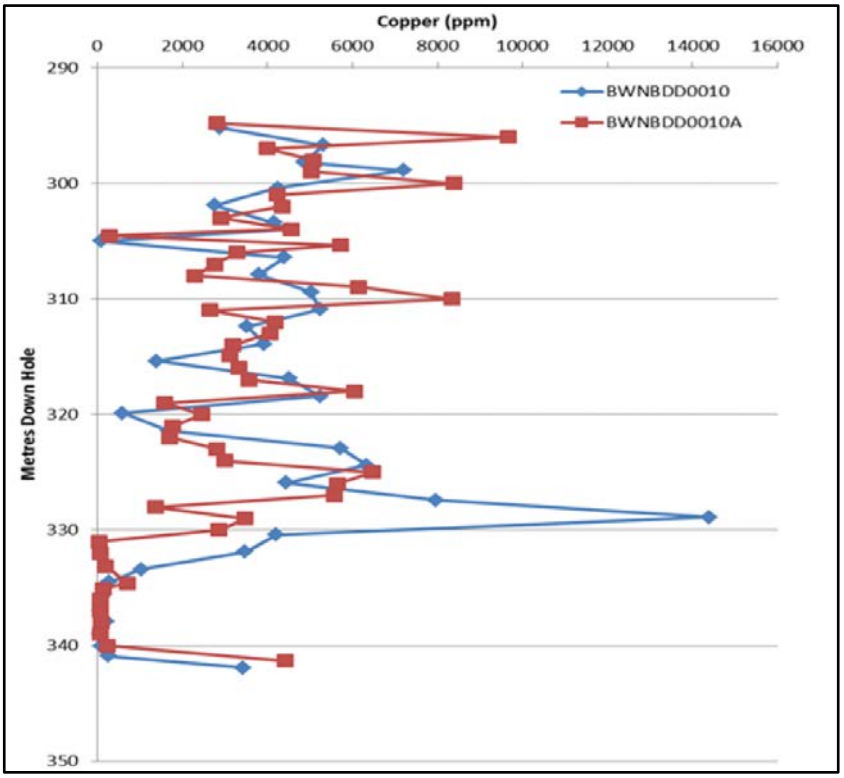

Figure 23. Down hole plot of copper (ppm) for twinned drill holes BWNBDD010 and BWNBDD010A

Figure 24. Coppermoly's Kimbe Core storage facility. Core is stored in open sheds and shipping containers (Taylor, 2019) (Taylor, 2019)

Figure 25. NAK11606 drill core laid out for logging and sampling in the Kimbe core yard (Taylor, 2019)

In June 2017 Coppermoly announced 29 Mt @ 0.92% Cu and 0.22 g/t Au using a cut-off grade of 0.3% Cu (Nakru-01 and -02 deposits) reported under JORC Code (2012) guidelines (JORC, 2012) (Coppermoly Ltd, 2017).

Mining Associates prepared a further resource update in 2019 of Indicated + Inferred resources of 41.4 Mt @ 0.90 % Cu, 0.27 g/t Au and 1.9 ppm Ag (Taylor, 2019). Resources for individual deposits are presented in Table 5 (Nakru-01) and Table 6 (Nakru-02) and the combined estimate for the two deposits in Table 7. The estimated Mineral Resources for both prospects were reported at a 0.3% Cu cut-off and maximum depth of 200m below surface. The resources were reported in compliance with JORC (2012) guidelines (JORC, 2012). Mineralisation forming the Nakru-01 deposit has been identified over a strike length of 750 m and width of 350 m. Nakru-02 is smaller, with a strike length of 400 m and width of 250 m. Both deposits have been investigated to a depth of approximately 250 m below surface (Figure 26).

Table 5. Mineral Resource Estimate (2019) - Nakru-01 using 0.3% Cu cut-off grade (Taylor, 2019)

Class.	Weathering	Tonnes (Mt)	Cu (%)	Au (ppm)	Ag (ppm)	Cu (in-situ kt)	Au (in-situ koz)	Ag (in-situ koz)
Indicated	Oxide	0.01	0.37	0.07	1.3	0.04	0.03	0.5
	Transitional	0.89	1.23	0.22	3.1	11	6.4	89
	Fresh	6.13	0.96	0.29	1.6	59	57	320
Indicated (sub-total)		**7.03**	**1.00**	**0.28**	**1.8**	**70**	**64**	**409**
Inferred	Oxide	1.00	0.87	0.21	2.6	8.7	6.6	85
	Transitional	4.32	0.79	0.26	2.2	34	35	308
	Fresh	22.71	0.62	0.26	1.2	142	187	837
Inferred (sub-total)		**28.03**	**0.66**	**0.26**	**1.4**	**185**	**229**	**1,230**
Inferred + Indicated		**35.06**	**0.72**	**0.26**	**1.5**	**255**	**293**	**1,639**

Table 6. Mineral Resource Estimate (2019) - Nakru-02 using 0.3% cut-off grade (Taylor, 2019)

Class.	Weathering	Tonnes (Mt)	Cu (%)	Au (ppm)	Ag (ppm)	Cu (in-situ kt)	Au (in-situ koz)	Ag (in-situ koz)
Inferred	Oxide	0.09	0.45	0.06	2.8	0.4	0.2	8
	Transitional	0.49	1.81	0.10	4.9	8.9	1.6	78
	Fresh	5.76	0.78	0.03	2.1	45	5.6	391
Total Inferred		**6.34**	**0.85**	**0.04**	**2.3**	**54**	**7.4**	**477**

Table 7. Mt Nakru project Resource Estimate (Nakru-01 and Nakru-02) at 0.3% Cu cut-off

Class.	Weathering	Tonnes (Mt)	Cu (%)	Au (ppm)	Ag (ppm)	Cu (in-situ kt)	Au (in-situ koz)	Ag (in-situ koz)
Indicated	Oxide	0.01	0.37	0.07	1.3	0.04	0.03	0.5
	Transitional	0.89	1.23	0.22	3.1	11	6.4	89
	Fresh	6.13	0.96	0.29	1.6	59	57	320
Indicated (sub-total)		**7.03**	**1.00**	**0.28**	**1.8**	**70**	**64**	**409**
Inferred	Oxide	1.09	0.84	0.20	2.6	9.1	6.8	93
	Transitional	4.81	0.89	0.24	2.5	43	37	386
	Fresh	28.47	0.65	0.21	1.4	187	193	1228
Inferred (sub-total)		**34.37**	**0.70**	**0.22**	**1.6**	**239**	**236**	**1,707**
Inferred + Indicated		**41.40**	**0.90**	**0.27**	**1.9**	**309**	**300**	**2,116**

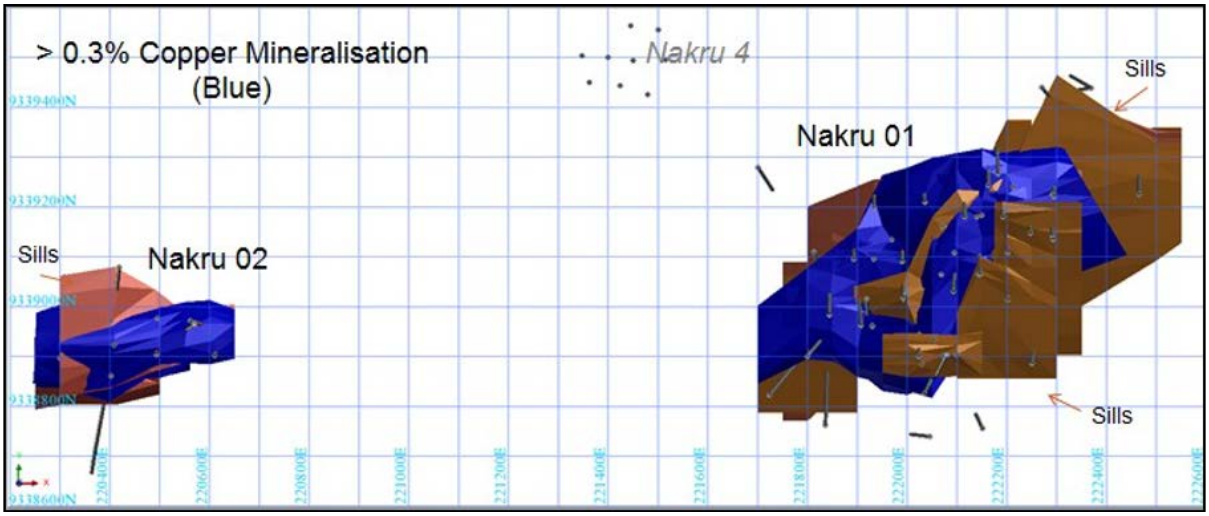

Figure 26. Plan view of geological models developed by Mining Associates for the 2019 resource estimate (Taylor, 2019)

A plan view of Nakru-01 and Nakru-02 showing estimated grades is presented in Figure 27, which also shows the locations of long sections A-A' and B-B' through Nakru-01 and Nakru-02 respectively. The estimated distribution of mineralisation in Nakru-01 is shown in Figure 28, with the interpreted base of oxidation, top of fresh rock, interpreted sills, drill holes used to inform the geological model and resource estimate and estimated copper grades. Comparable views through Nakru-02 are presented in Figure 29 and Figure 30.

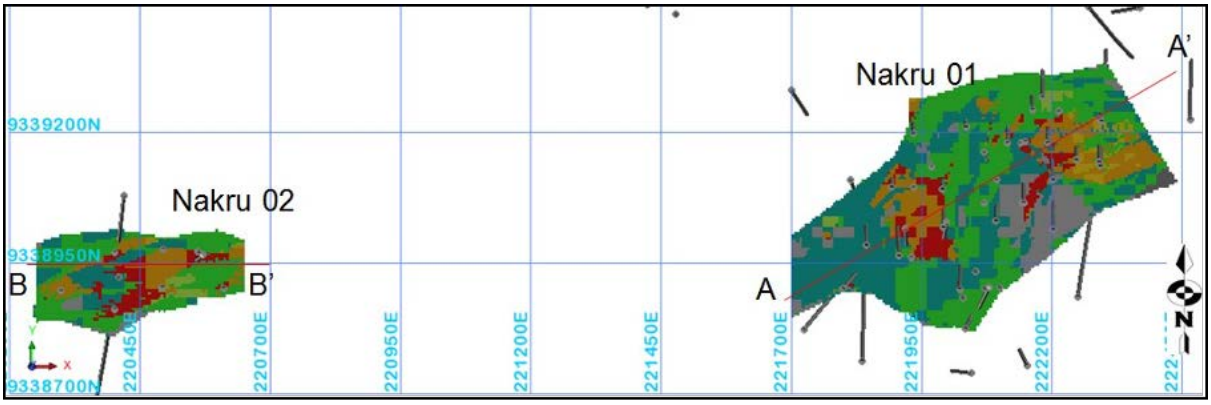

Figure 27. Plan view of estimated grades showing the locations of sections A-A' and B'B' through Nakru-01 and Nakru-02 respectively (Taylor, 2019)

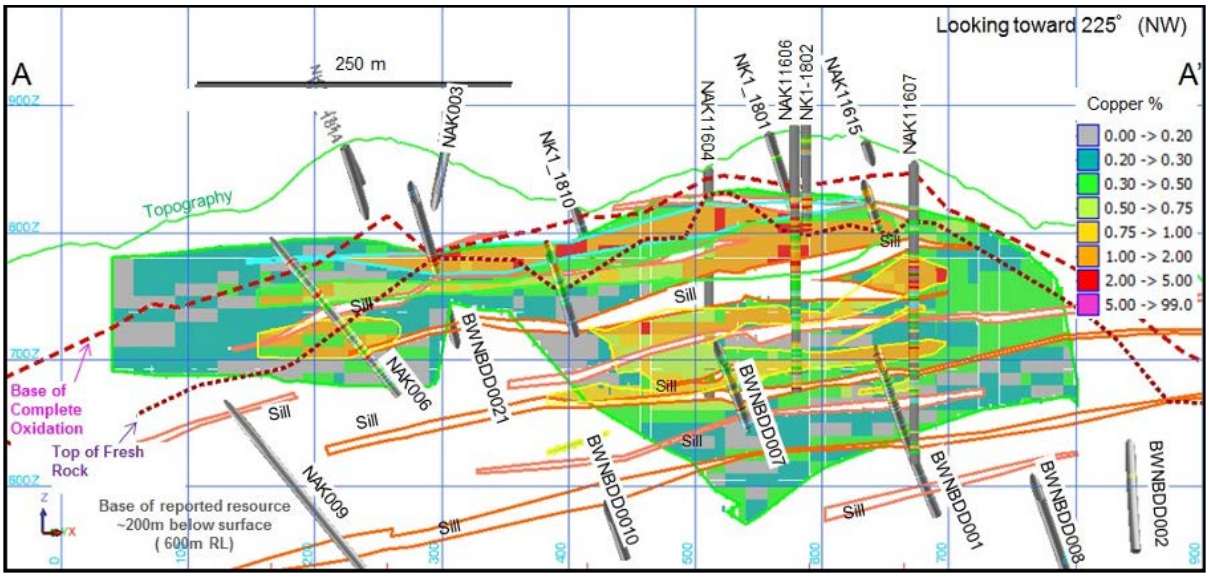

Figure 28. Long section A-A' through Nakru-01, looking northwest. The section shows the base of oxidation, top of fresh rock, interpreted sills and drill hole traces

The 2019 Nakru Project Resource Estimate includes the results of the 2018 drilling programme that successfully focused on defining indicated mineralisation and up-dip extensions to the north which resulted in the reported increase in the Indicated + Inferred resource compared with the 2017 resource estimate. The 2019 resource estimate report noted that the down-dip plunge of Nakru-01 is closed by only one drill hole (Taylor, 2019).

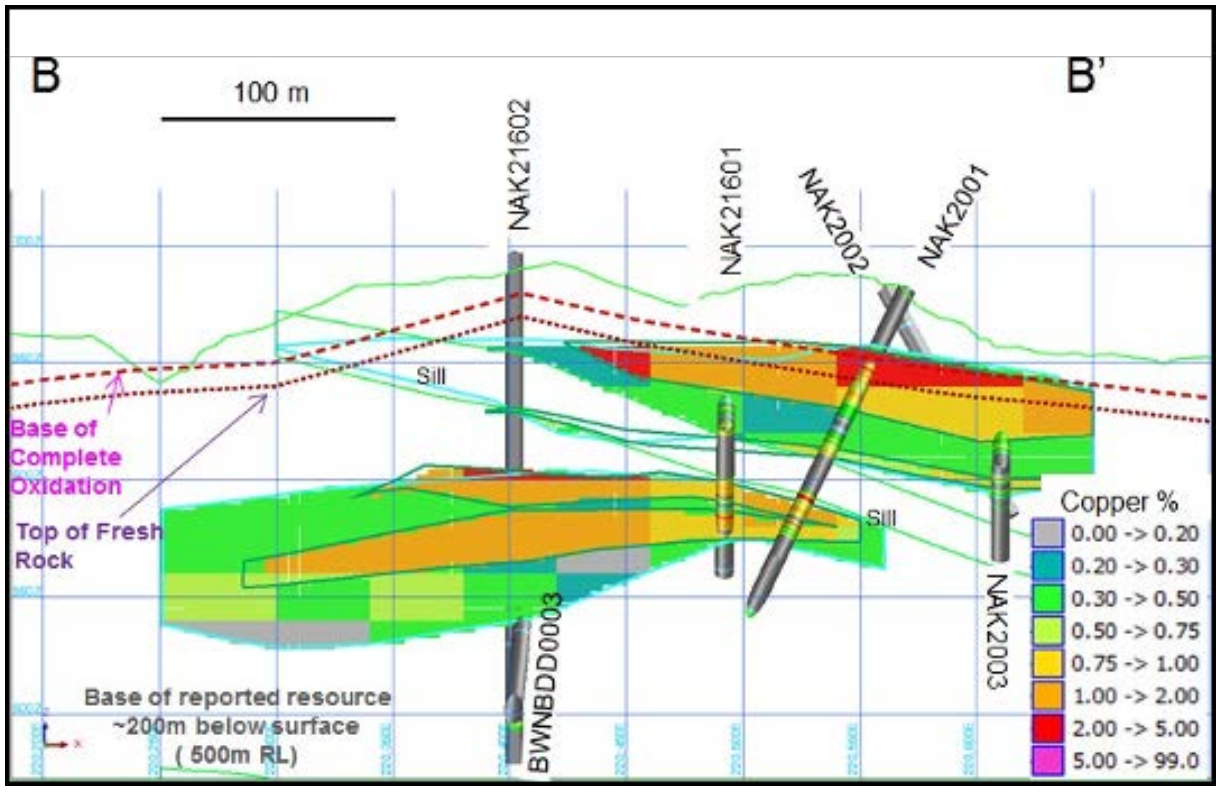

Figure 29. Long section B-B' through Nakru-02, looking north. The section shows the base of oxidation, top of fresh rock, interpreted sills and drill hole traces and estimated copper grades

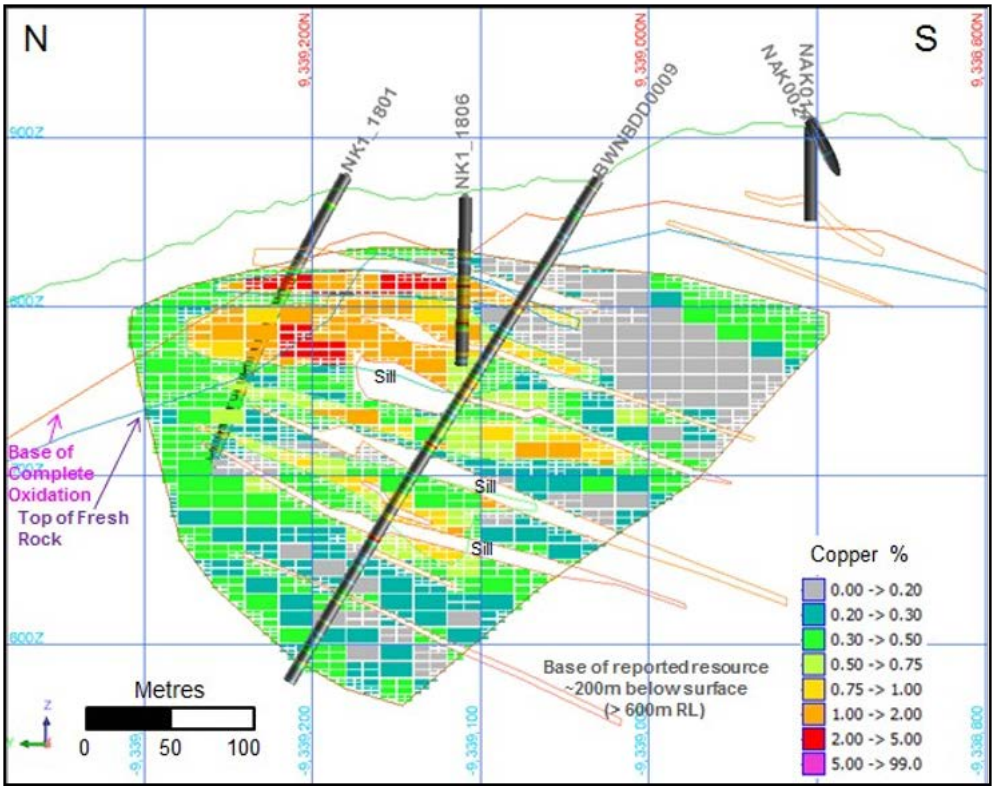

Figure 30. North-south cross section 222100 mE through Nakru-02 looking west showing base of oxidation, top of fresh rock, interpreted sills, drill hole traces and estimated copper grades

4.2.7 Exploration Potential

Potential exists for both deposits to be extended by a combination of down-plunge and deeper drilling, although topography and the depth below surface of deeper mineralisation needs to be considered when assessing the potential for deeper mineralisation to meet the eventual economic extraction requirements of the JORC Code (JORC, 2012). Additional infill drilling is required to improve the classification of currently identified mineral resources, with three-quarters of the 2019 resource contained copper being classified as Inferred Resources (Taylor, 2019).

AWC reviewed the report describing preparation of the 2019 resource estimate for the Mount Nakru project and believes that the work performed by Mining Associates (Taylor, 2019) makes effective use of available data and represents a robust and appropriately classified resource estimate, consistent with best practice procedures.

4.3 EL2379 Simuku

4.3.1 Overview

Mineralisation at Simuku is interpreted to be copper-molybdenum-gold porphyry style associated with the Late Oligocene Simuku-Kulu Intrusive Complex.

Access to the project site between 2019 and 2022 was impeded by COVID-19 travel restrictions.

4.3.2 Location, Access and Land Tenure

The Simuku deposit is located 23 km southwest of Kimbe (Figure 2). Poorly maintained roads and forestry tracks provide access to the steep, hilly, rainforest covered project area, similar to Mt Nakru.

Exploration licence, EL 2379, was originally granted by the Independent State of Papua New Guinea in September 2015 and represents the amalgamation of two historical tenements.

Like Mount Nakru, the tenement lies within an area owned by traditional landowners who support the project through the government regulated warden hearing process. The land tenure situation at Simuku is simpler than at Mount Nakru, with one principal landholder in the project area with whom consent for exploration activities needs to be secured (Tear, 2013).

4.3.3 Previous Exploration

The project area has a long history of intermittent exploration since the discovery of mineralization in the 1960s. Companies that have previously been involved include CRA, BHP-Utah, Nord Resources, Esso (PNG), City Resources, Placer, Cyprus-Amax, Macmin, Coppermoly and New Guinea Gold.

Several companies have completed drilling campaigns since 1983 (Table 8). No additional drilling has been completed since 2012. Coppermoly holds data for all drilling completed by previous explorers. Other exploration including geological mapping and a LIDAR topographic survey of the deposit have been completed.

Drill holes are spaced at 100 m to 200 m in the northern portion of the deposit, and up to 400 m in the south. A geological map of the deposit, drill hole locations and an interpreted outline of the 2020 mineral resource prepared by H&S Consulting for Coppermoly is presented in Figure 31 (Tear, 2020).

Table 8. Summary of previous exploration at Simuku

Company	Year(s)	Drilling			
		Type	Drill Holes	Drilled (m)	Drill Hole Identifiers
Esso (PNG)	1983	DD	4	625.0	SMD01 - SMD04
New Guinea Gold	1996-97	DD	5	617.0	SMH05 - SMH07, SMH11 - SMH12
		RC	3	241.0	SMH08, 09 & 10
New Guinea Gold	2002	DD	2	170.9	SMD13 -SMD14
Coppermoly – New Guinea Gold Joint Venture	2006-08	DD	17	4,364.9	SMD15 - SMD31
Barrick – Coppermoly Joint Venture	2010-12	DD	9	4,937.0	BWNBDD 4, 5, 6, 14, 15, 16, 19, 19A & 20
TOTALS		**DD**	**37**	**10,723**	
		RC	**3**	**241.0**	
		All	**40**	**10,964**	

4.3.4 Geological Setting

The Simuku deposit consists of an elongate north-northeast trending, steeply east-dipping to subvertical series of felsic porphyry intrusions with interfingering quartz porphyry bodies. The copper-molybdenum-gold mineralisation is predominantly hosted within the feldspar porphyry and to a lesser extent in the andesitic volcanics, diorite and volcaniclastics. Porphyry Cu-Mo-Au mineralisation is distributed discontinuously over a 4.5 x 2.2 km area. The deposit has a very distinct elongate pattern to the mineralisation with an envelope of copper around a molybdenum core exhibiting phyllic alteration (Figure 31).

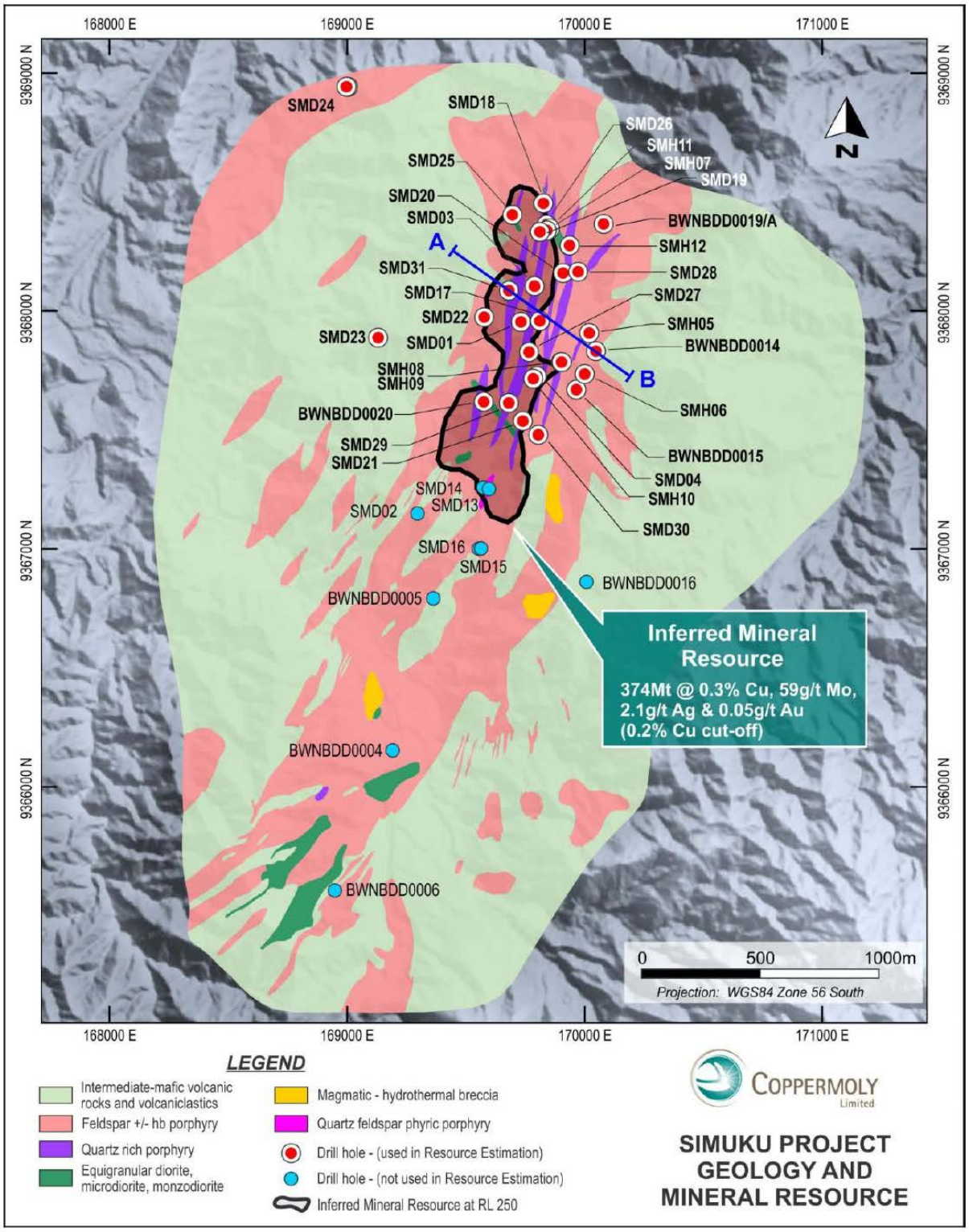

Figure 31. Simuku project geology, drill hole locations and 2020 resource outline (Tear, 2020)

The chalcopyrite (copper + iron sulphide) content is quite variable throughout the deposit, whereas pyrite associated with alteration, is ubiquitous across the deposit varying from weak to fine disseminations (<0.5% vol), fracture in-fill, replacements, and veins. The copper mineralisation is interpreted to be epigenetic, infiltrated along faults and fractures.

The Coppermoly exploration target is large scale porphyry Cu + Au ± Mo mineralisation in the northern half of the mapped intrusive complex. Cross section A-B shown in Figure 31 is presented in Figure 32 which shows interpreted interfingering of porphyry styles with skarn material within a broad envelope of propylitic alteration in the mafic-intermediate host rocks and dominantly phyllic alteration of the felsic-intermediate porphyries. Modest amounts of potassic alteration have been observed in drill core from the deeper portions of the deposit which previous explorers interpreted as potential for increasing primary copper and gold grades with depth, with Harmony Gold's Wafi-Golpu deposits in Papua being cited as a potential analogue (Tear, 2020).

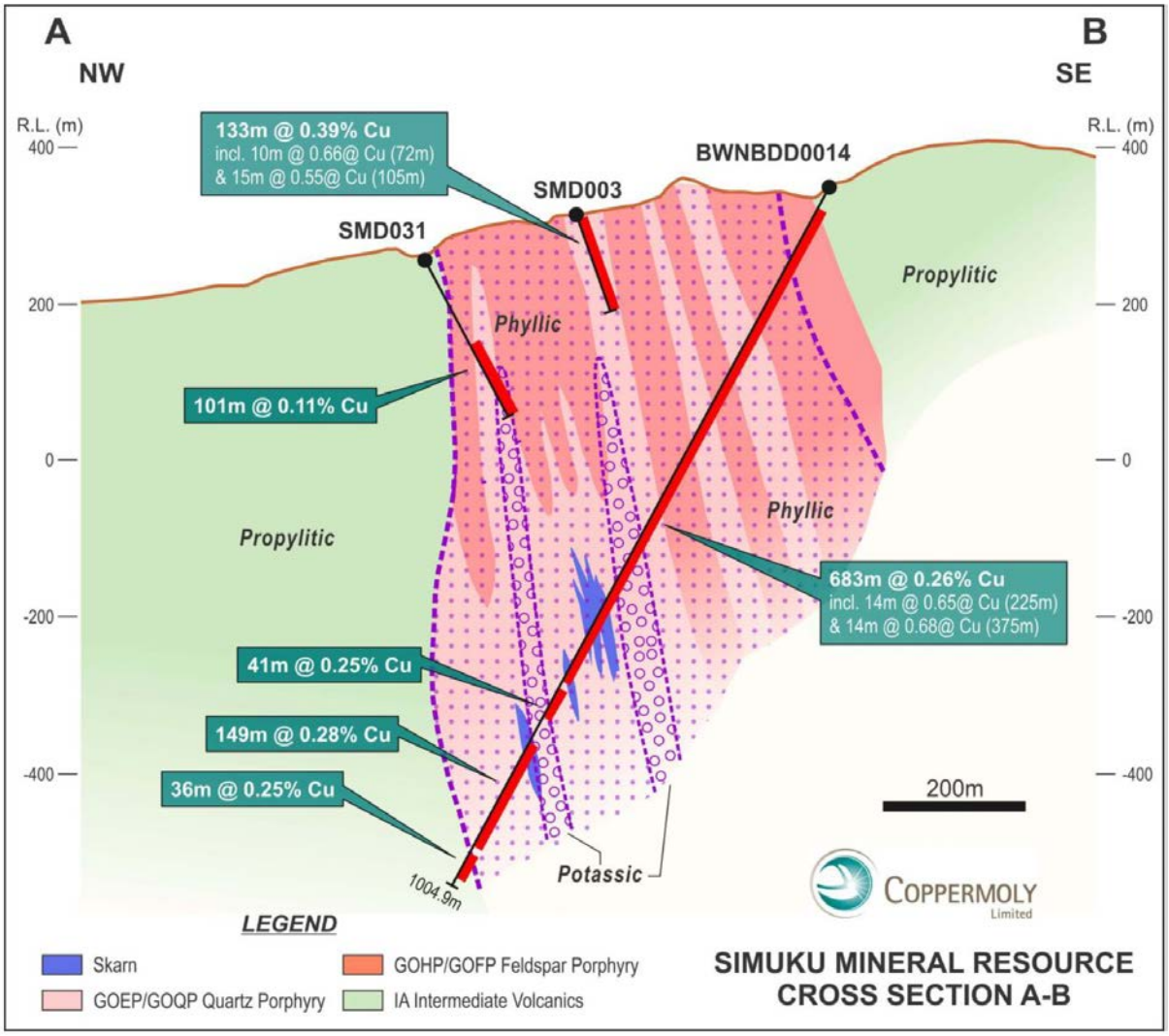

Figure 32. Northwest - southeast cross section (looking north) showing the interpreted subvertical, elongate character of intermediate-felsic intrusions, associated mafic-intermediate host rocks and associated skarns forming the northern portion of the Simuku deposit ((Tear, 2020)

4.3.5 Mineralisation

Summary, significant copper intersections in several drill holes (SMD003 drilled by Esso (PNG), SMD031 drilled by the Coppermoly – New Guinea Gold JV and BWNBDD0014 drilled by the Barrick-Coppermoly JV) are also presented in Figure 32. These intersections demonstrate the broad but lower grade character of mineralisation forming the deposit. The intersection thicknesses for SMD003 and SMD031 are enhanced by these holes being drilled largely down-dip. Drill hole

BWNBDD0014, however, intersected significant true-width mineralisation over the full mapped width of the porphyry intrusive and skarn complex.

4.3.6 Exploration Strategy

Coppermoly's exploration strategy is to investigate areas peripheral to the established Simuku resource for similar mineralisation to expand the identified mineral resource. Similarities have been drawn to the Yandera deposit in the Highlands of PNG which has a Measured and Indicated Resource of 729Mt at 0.33% Cu and 0.01% Mo and 0.1g/t Au scattered across several proximal porphyry-style deposits.

Geophysical (3D induced polarisation) surveys completed by Coppermoly have outlined nearby target areas to Simuku for drilling. Inverse modelling of the IP survey data revealed multiple anomalous chargeability and conductivity responses on every line which are interpreted to correlate strongly with known sulphide occurrences that also extrapolate to untested areas.

The bright colours in Figure 33 show the anomalous chargeability zones draped over the LiDAR topography. The yellow dashed outlines represent the high priority drill targets generated from the most recent IP data interpretation. The circles represent historical drilling and the red polygon is the surface outline of the mineralisation comprising the 2020 mineral resource estimate (Tear, 2020).

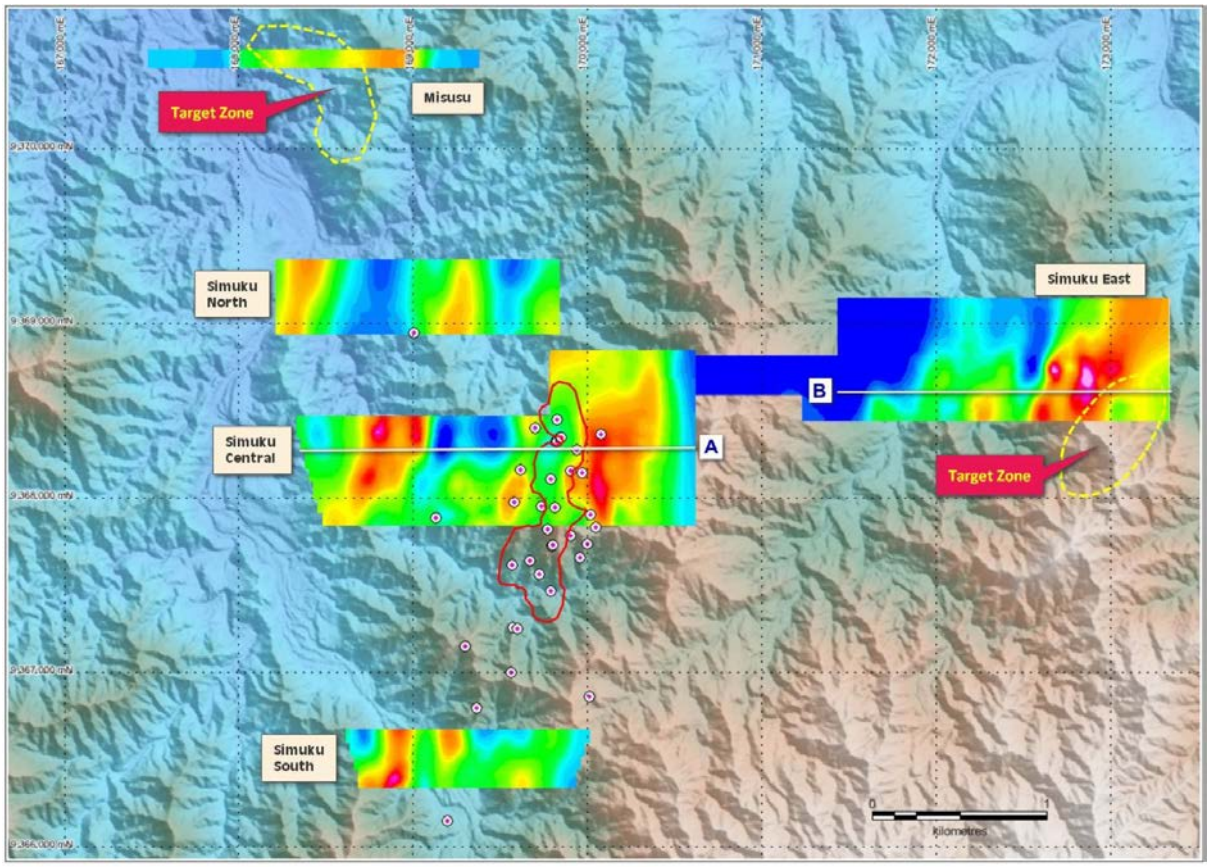

Figure 33. Inverse modelled 100m depth 3D IP survey apparent chargeability data draped on the LIDAR topography model for Simuku.

Follow up work proposed by Coppermoly includes confirming and extending the historical surface geological mapping and geochemistry, especially on structural features, to delineate the most prospective drill sites for the discovery of additional mineralisation.

Mineralisation forming the Simuku deposit is interpreted to be open to the north both along strike and down plunge (black ellipse in Figure 34). Other potential exploration targets may exist around the individual, widely spaced drill holes (red ellipses) (Figure 34) south of the current mineral resource estimate boundary (Figure 31), which contain low grade copper mineralisation.

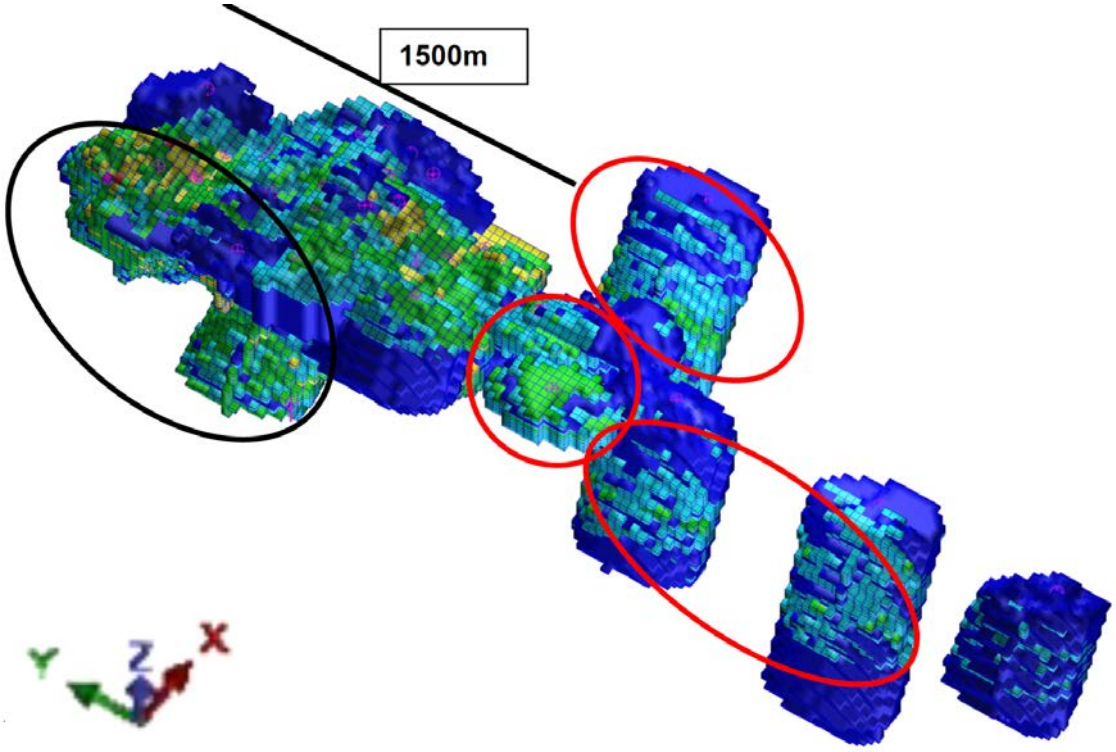

Figure 34. Interpreted exploration potential surrounding the Simuku deposit, view looking down to the northeast.

4.3.7 Resource Estimate

A resource estimate employing all historical drilling within the northern portion of the deposit where data are relatively close-spaced was completed by H&S Consultants Pty Ltd for Coppermoly in January, 2020 using a 0.2% copper cut-off and a fixed density of 2.57 tm^{-3} (Table 9) (Tear, 2020). The resource is reported north of local grid northing of 52145mN. The resource estimate report was not subdivided by oxidation state (oxidised vs fresh material).

Table 9. Simuku: January 2020 Mineral Resource Estimate (Tear, 2020)

Class.	Mt	Cu	Au	Ag	Mo	Cu	Au	Ag	Mo
		%	g/t	ppm	ppm	kt	koz	Moz	kt
Inferred	373.6	0.31	0.05	2.1	59	11,600	613	25.3	22

The geological model on which the resource estimate is based, however, does include an interpreted base of weathering surface based on lithological logs available in the project database (Tear, 2020).

No evidence for supergene enrichment, or significant difference in estimated copper grades between oxidised and fresh material were noted by Tear (2020).

Mineralisation grades were estimated using Ordinary Kriging which was considered suitable due to low coefficients of variation exhibited by the metals of interest (Tear, 2020). AWC supports this decision on the evidence presented in the resource estimation study report (Tear, 2020). Modest correlation was evident between copper and gold grades was noted by Tear (2020), which was not considered to be sufficiently close to require grade co-estimation.

The resulting grade model for the deposit was interrogated to report copper grades and tonnages above a range of copper cut-off grades between 0 % (geological cut-off) and 0.9 % copper (Figure 35).

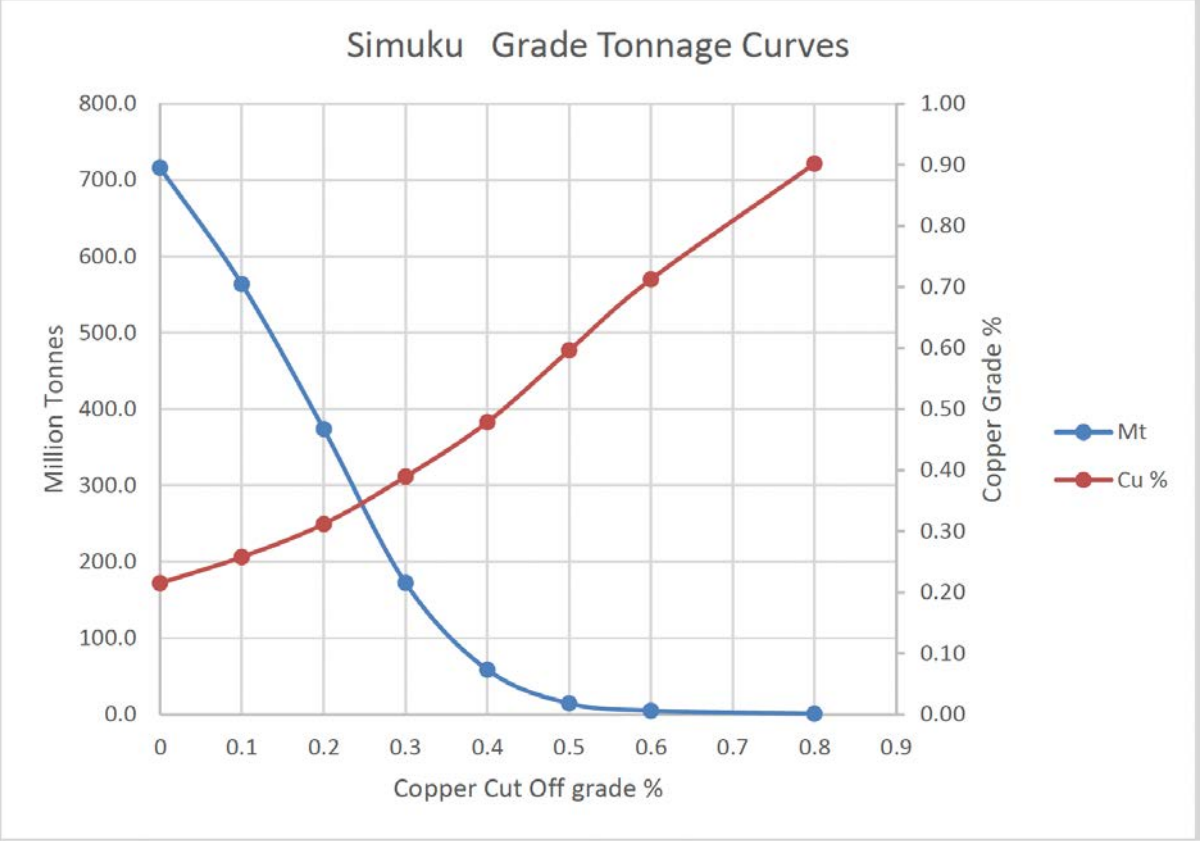

Figure 35. Average copper grades and tonnages for a range of copper cut-off grades between 0.0 % and 0.9 %

The tonnage curve is steep below 0.4 % Cu, with little mineralisation exceeding this grade identified in the deposit.

The resource statement is considered to provide a robust assessment of mineral resource potential by AWC.

There has been insufficient metallurgical test work completed to understand how mineral recovery may be influenced by oxidation state. Completing this work is critical to better understand the project's resource potential.

4.3.8 Opportunities

Opportunities exist to expand the identified mineral resource by drilling identified geophysical targets that could be further refined and extended with additional 3D IP survey lines. Considerable additional drilling would also be required to upgrade the classification of the mineral resource and to

better interpret the base of weathering needed to report oxidised, potentially supergene, and fresh mineralisation separately.

Exploration target size could be revised upward with further positive mapping, surface geochemistry and geophysical survey results.

Use of field portable hyperspectral data collection while mapping could also better map and characterise alteration and identify additional potassic alteration of intermediate to felsic intrusives in the project area.

4.4 EL 2514 Makmak

4.4.1 Location and Access

EL 2514 Makmak is located 70 km southeast of Kimbe and approximately 20 km inland from the southern coast of New Britain, within the same Kulu-Awit corridor as the other Coppermoly properties (Figure 2, Figure 14). The Makmak exploration licence area abuts the southwestern side of the eastern portion of the Mount Nakru exploration licence where it covers potential extensions of the Nakru-02 and Nakru-04 prospects beyond the boundary of EL 1043.

4.4.2 Exploration

Exploration of the licence area by Coppermoly is at an early stage. There are several sites within the licence where rock chip and stream sediment samples have returned elevated copper and gold analysis. The exploration plan for Makmak is to conduct a follow-up sampling program around the best known surface results to delineate the extent of potential mineralisation and possibly define a source zone. Three prospects have been identified by previous explorers.

4.5 EL 2578 Kori River

EL 2578 Kori River surrounds EL2379 Simuku (Figure 2). Historical data review was completed, and two mineralisation occurrences, namely Dagi Scarn Cu-Au and Cori Au were identified for field sampling.

4.6 EL 2638 Metelen River

EL 2638 Metelen River is located adjacent to the Company's existing Mt Nakru and Makmak exploration licences (Figure 2). Several stream sediment and rock chip samples have returned elevated copper, gold and zinc values. Dry season follow-up field mapping and surface sampling are planned.

5 Geology, Mineral Resources and Exploration Potential – Mount Isa Region Qld Projects

5.1 Overview

The Coppermoly Mount Isa region exploration permits (EPM 27835 Foxes Creek and EPM 27836 Mount Tracey) are located in the Eastern Succession of the Proterozoic Mount Isa Inlier which hosts several world-class Pb-Zn-Ag and Cu-Au-Mo deposits (Figure 36).

The Mount Isa Inlier is a world-class mining region, with more than a quarter of the world's lead and zinc reserves, 5% of the worlds silver resources and 1.5% of the worlds copper resources. These include the Mount Isa Cu-Zn-Pb-Ag deposits and the Hilton / George Fisher Zn-Pb-Ag deposits in the Western Succession of the Inlier, in the vicinity of Mount Isa. The Dugald River and Cannington Zn-Pg-Ag deposits and the Ernest Henry Cu-Au-Co-Mo deposit along with numerous smaller but potentially economic, previously mined Cu-Au deposits at Osborne, Mount Elliott and in the Selwyn Region occur in the Eastern Succession. These deposits are situated along several, parallel linear trends representing regional-scale fault systems extending north and south of Cloncurry (Figure 36) (Gow, Valenta, & Fox, 2023).

The Eastern Succession of the Mount Isa inlier is also recognised to have gold, REE and uranium exploration potential.

5.2 Regional Geology

The Eastern Succession is composed of a thick sequence of variably metamorphosed and intensely deformed Paleoproterozoic sedimentary and volcanic rocks. The rocks are mostly shales, sandstones, siltstones, and conglomerates, with minor amounts of quartzites, dolomites, limestones, and basic to intermediate igneous rocks. These rocks were deposited in a shallow marine environment between 1.7 and 1.6 billion years ago. The succession includes several distinctive stratigraphic units, including the Soldiers Cap and the Fullarton River Groups. Regional metamorphism reaches amphibolite facies grade. The rocks are also significantly intruded by granites, gabbros, and diorites.

Mapping in the Cloncurry-Selwyn region has revealed an early volcanosedimentary basinal cycle that probably pre-dates others in the inlier (Beardsmore , Newbury, & Laing, 1988).

The Soldiers Cap Group comprises gneiss, migmatite, schist, quartzite, feldspathic quartzite, pegmatite; minor amphibolite and banded iron formation extensively intruded by basaltic dykes and sills (Geoscience Australia, 2023a). The Soldiers Cap Group, a lateral equivalent of the Kuridala Group, overlies older, intensely metamorphosed, folded and faulted quartzofeldspathic metasediments of the Fullarton River Group.

The Soldiers Cap and Fullarton River Groups collectively comprise the Maronan Supergroup, a conformable sequence approximately 10 km thick, containing bimodal volcanics and terrigenous and volcaniclastic sediments deposited in a marine environment. Grain-size indicators suggest an easterly sediment source, but some quartzo-feldspathic material may have been derived from Barramundi Igneous Suite rocks to the west. The Maronan Supergroup is interpreted as a complete cycle of basin sedimentation, probably related to ensialic rifting (Beardsmore , Newbury, & Laing, 1988). Metasediments forming the Soldiers Cap Group have been determined to be 1681 ± 10 Ma by isotopic (U/Pb-Pb/Pb ion probe) dating (Geoscience Australia, 2023a).

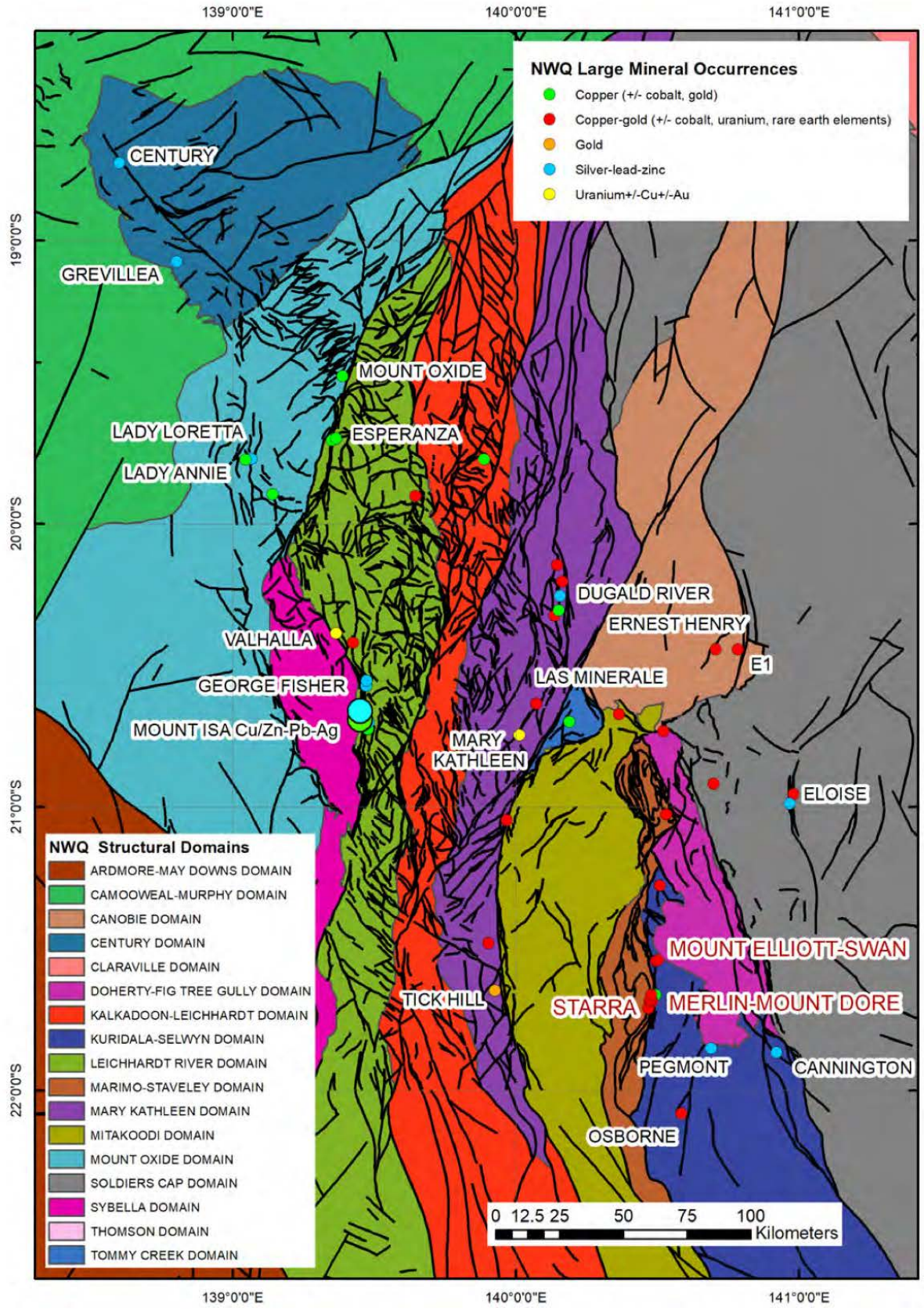

Figure 36. Major structural domains of the Mount Isa Inlier and major mineral deposits (Gow, Valenta, & Fox, 2023)

The Stavely Formation comprises calcareous to ferruginous, feldspathic and siliceous arenite, siltstone and mudstone, minor marble, conglomerate; matrix-supported breccias of calcareous sandstone and siltstone breccia and local massive ironstone lenses. A radiometric age of 1743 ± 4 Ma, again by isotopic (U/Pb-Pb/Pb ion probe) dating has been determined (Geoscience Australia, 2023b).

The Cloncurry Fault, a regional scale, north-northwest trending fault system displaces Palaeoproterozoic – Mesoproterozoic age Soldiers Cap Group and Stavely Formation metasediments in the Coppermoly exploration permits (Figure 37).

Total magnetic intensity survey data for the region highlights the complex pattern of folding and faulting present in the Proterozoic sequence (Figure 38). The magnetic survey data shows:

1. That Proterozoic strata extend eastwards, beneath Mesozoic cover
2. The Cloncurry Fault as a well-defined linear feature trending north-northwest through the centre of EPM 27835 Mt Tracey and along the eastern boundary of EPM 27836 Foxes Creek, and,
3. The potential extent of Soldiers Cap Group and similar rocks to the north, west and south of Coppermoly's exploration permits.

Crossed pick symbols shown in Figure 38 are the locations of small, lapsed, pre-1950 mining leases that do not appear in Queensland Geological Survey mineral occurrence records that were used to prepare Figure 39.

5.3 Mineral Occurrences, Current and Historical Mining Activity

Numerous gold and copper occurrences have been identified along the trend of the Cloncurry Fault, primarily to the immediate north of the Coppermoly exploration permits, but not within the permits themselves which are considered to have lacked systematic exploration (Figure 39).

Geological Survey of Queensland records show most previous, small scale, historic mining focussed on copper and gold, with some mining of iron, limestone and manganese from historic workings to the north-northwest of Coppermoly's licences. Copper was historically mined at Mount Kalkadoon in the central northern portion of EPM 27836. There are also a number of small, poorly documented MLs located with the Coppermoly EPMs, especially in the vicinity of the Mt Kalkadoon (Figure 38).

Other copper, gold, silver and uranium occurrences are present in the immediate vicinity of the Coppermoly tenements in the same geological units. The Fullarton River Gem Site, excluded from EPM 27836, is a garnet prospecting field.

The Eloise copper mine, owned by AIC Mines Limited is located 22 km northeast of EPM 27835 (Figure 37). The Eloise deposit was discovered by BHP Minerals in 1986 during follow up diamond drilling of coincident EM and major aeromagnetic anomalies concealed beneath Mesozoic cover. Eloise is hosted by Proterozoic age, predominantly arenitic metasediments and amphibolites, that are intensely foliated and tentatively assigned to the Toole Creek Volcanics and Mount Norna Quartzite members of the Soldier's Cap Group (Derrick, Wilson, & Hill, 1976). Mineralisation forming the deposit is hosted within an intensely foliated Proterozoic metasedimentary sequence comprising arenites and schists (Hodkinson, Grimsley, & Baensch, 2003). The metasediment sequence also contains a coarse-grained amphibolite body possibly representing an early intrusion of gabbroic composition. The deposit has been described as a breccia-hosted mineralized system, composed of quartz-sericite-pyrite, with chalcopyrite and sphalerite deposited from hydrothermal fluids injected into the Soldiers Cap Group host rocks along penetrative foliations and fractures.

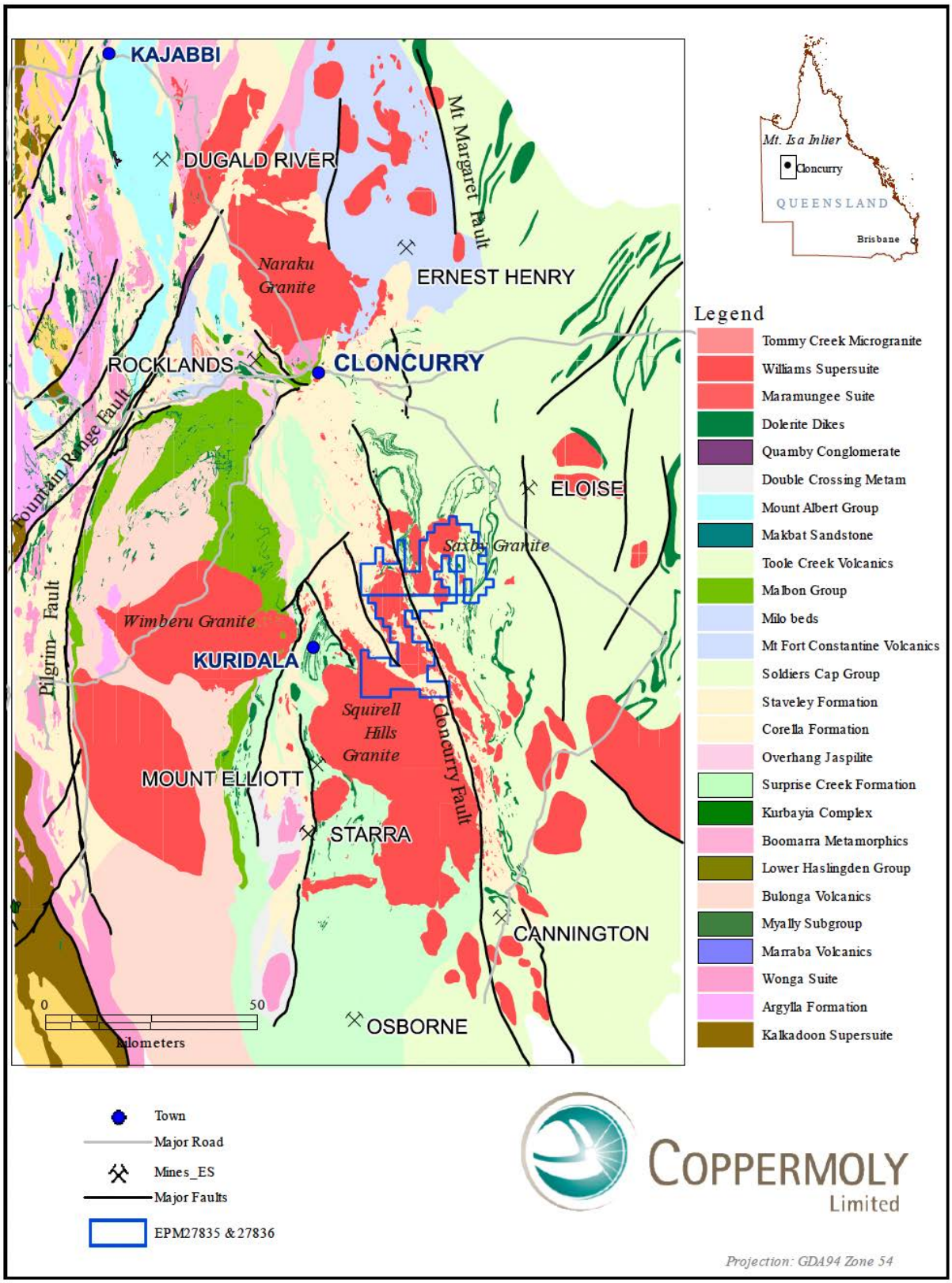

Figure 37. Regional Geology - Copper Quest Australia Pty Ltd Mt Isa Region exploration permits (Coppermoly Limited, 2022c)

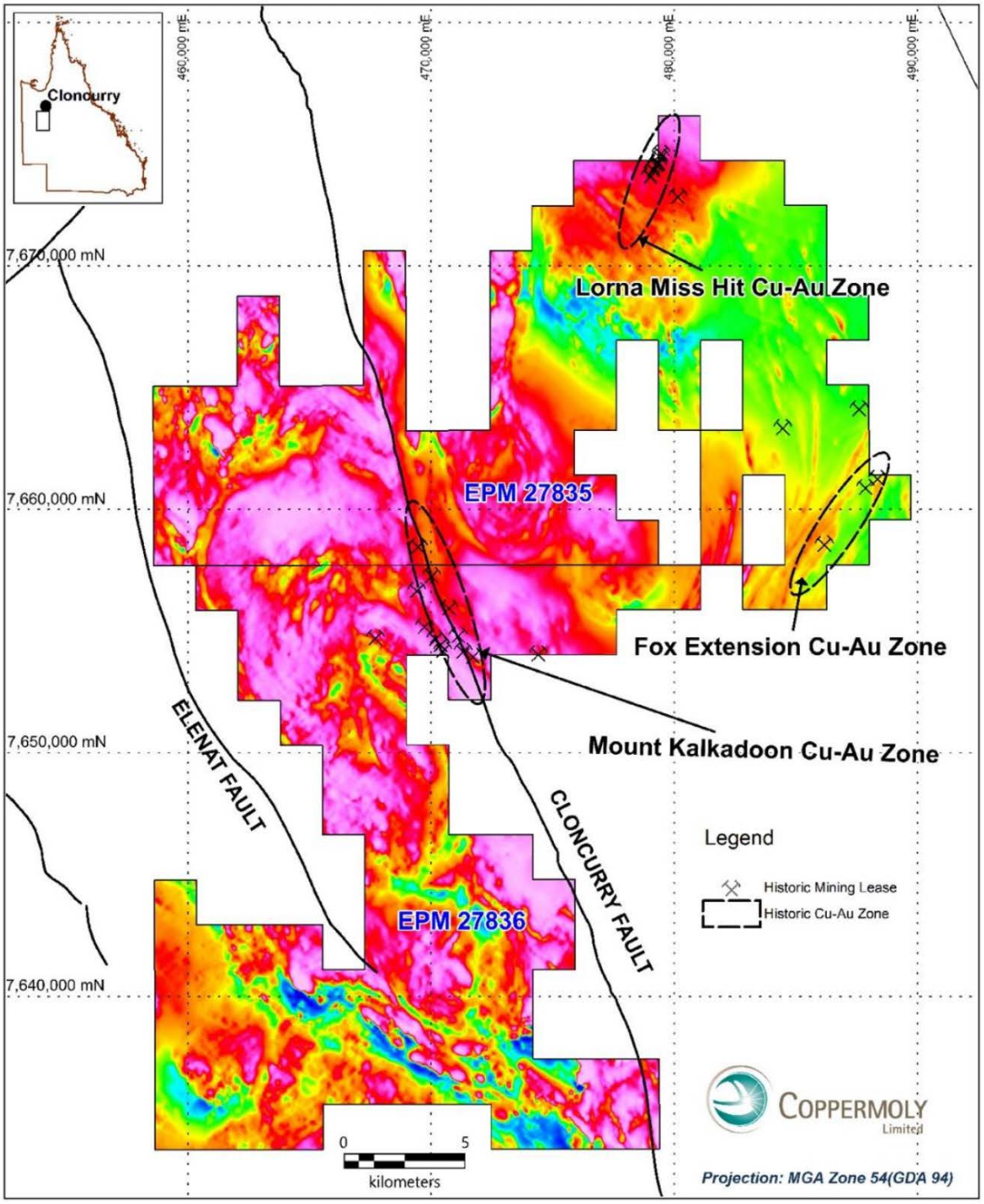

Figure 38. Granted Exploration Permits Minerals (EPM) 27835 and 27836 overlain on total magnetic intensity image, south of Cloncurry, northwest Queensland.

Economic mineralisation characteristically occurs as a series of steeply plunging lenticular bodies with strike lengths of between 100 and 200 m and maximum widths approaching 25 m (Hodkinson, Grimsley, & Baensch, 2003). Magnetite is present in variable amounts and may be locally significant in some of the smaller satellite orebodies.

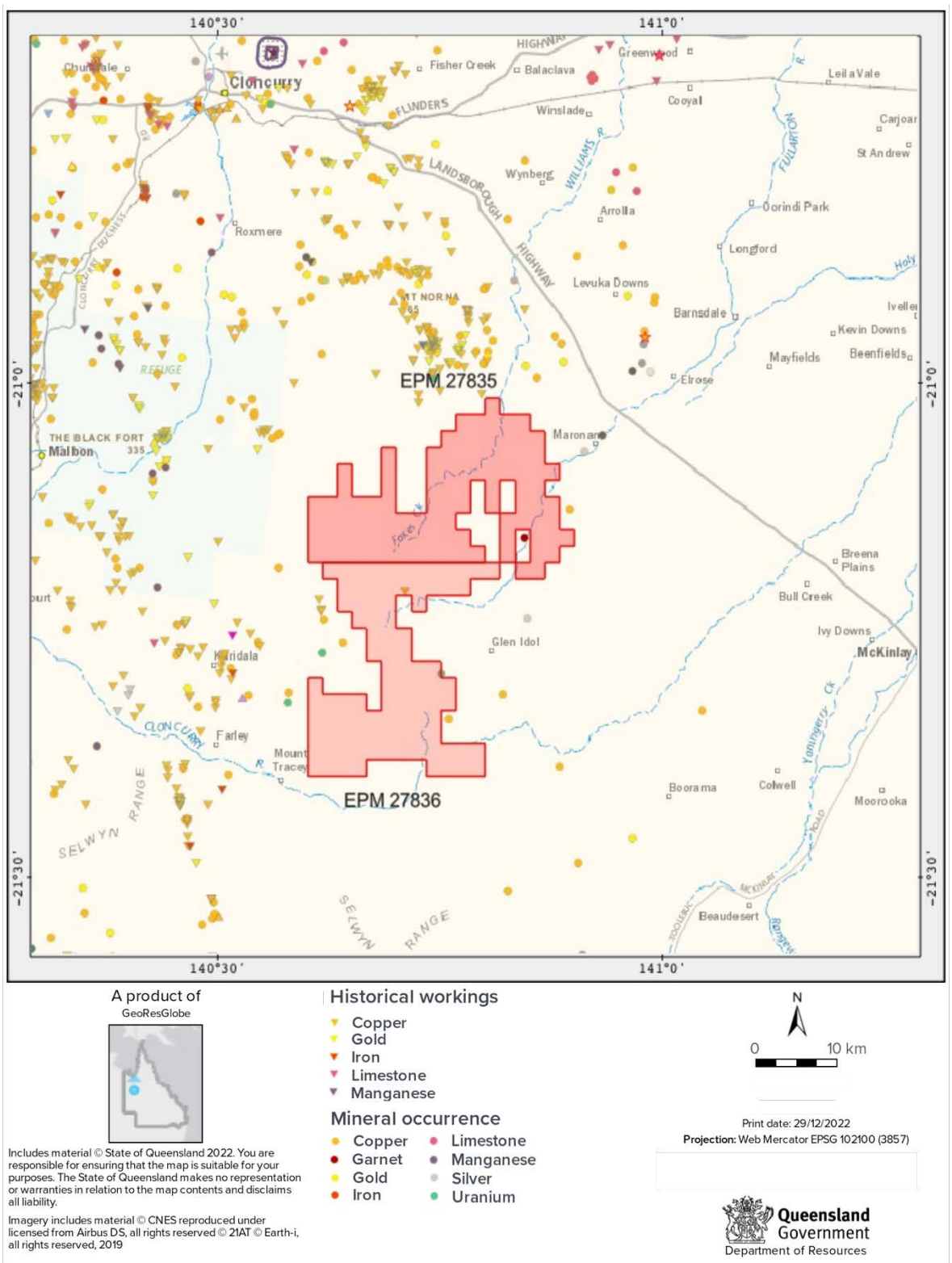

Figure 39. Mineral occurrences and historic mine workings in the vicinity of Coppermoly's Mount Isa region exploration licences

The Maronan lead-zinc-copper-gold deposit, being explored by Maronan Metals Limited, is situated approximately 12 km northeast of EPM 27835. The geological setting of the deposit is similar to that of Coppermoly's exploration licences. An intense drilling program commenced in August 2020 with the objectives of:

- definition of a continuous zone of copper-gold mineralisation from 40 metres below surface.
- Assessing potential for higher grade supergene-enriched copper and gold mineralisation (as chalcocite) 40 to 700 metres below surface.
- Examining the potential for the currently identified copper-gold shoot to transition with depth from dominantly iron sulphide to dominantly copper sulphide, offering potential for thicker intervals and higher Cu-Au grades.
- Testing potential for very high Pb-Ag grades in thickened fold hinge zones between the existing wide spaced drilling.
- Exploring additional, regional copper-gold exploration targets.
- Progressively integrating new drilling data into the existing geological model to identify additional targets for continuous, higher-grade zones of mineralisation within the deposit (Maronan Metals Ltd, 2022).

The Starra-Selwyn-Mt Dore mineral field is located approximately 40 km southwest of EPM 27836 (Figure 37) and contains several, historical and recently mined, relatively small but high-grade copper-gold-molybdenum deposits hosted by Soldiers Cap Group metasediments. The mineral field contains several major structures, including the prominent north-south trending, multi-aged Mt Dore Fault zone, the adjacent Selwyn and Starra shears and the Answer Fault. The empirical distribution of mineral occurrences and deposits indicates that these regional-scale structures provide the principal controls on the location of the observed metasomatic and mineralizing processes within the Selwyn area (Sleigh, 2002).

The largest mineral deposit in the region is the Cannington Pb-Zn-Ag deposit, located 62 km south-southeast of Coppermoly's exploration permits. Cannington is a world-class Pb-Zn-Ag deposit currently being mined by South32 Limited. The deposit was discovered by BHP Minerals in 1990 and the mine was commissioned in 1997. Current underground production is over 3 Mtpa (Mining Technolgy, 2021). Cannington occurs beneath Mesozoic cover in amphibolite facies migmatitic quartzo-feldspathic gneisses and is characterized by intense deformation and metamorphism. These are assigned to either the Soldiers Cap Group (Walters & Bailey, 1998) or the underlying Fullarton Group (Porter, 2017). Radiometric dates favour the Cannington host rocks being coeval with the Soldiers Cap Group (Giles & Nutman, 2003).

Other significant Pb-Zn occurrences, including Cowie, Black Rock, Marramungee and Dingo, also occur within the Soldiers Cap Group in a linear belt extending north-northwest from Cannington towards Coppermoly's exploration permits (Walters & Bailey, 1998).

These deposits, coupled with Cu-Au and U mineral occurrences in the Soldiers Cap Group in the vicinity of Coppermoly's exploration licences, demonstrate the region's multicommodity mineral exploration potential.

The areas now held by Coppermoly under EPM 27835 and 27836 have been held previously by multiple explorers that have mainly completed only early-stage exploration. Coppermoly has compiled and is currently analysing historical open file reports to refine exploration concepts and strategies for these tenements.

5.4 Exploration Strategy

Both of Coppermoly's exploration permits in the Mount Isa region are recently granted, significant exploration opportunities.

The known deposits, historical mining leases and the broad range of mineral occurrences in the vicinity of Coppermoly's exploration permits point to their prospectivity and provide deposit attributes and analogues including:

- The presence of steeply dipping, faulted, massive sulphide lodes containing both pyrite and copper, zinc and lead sulphide minerals, all of which have potential to exhibit strong electrical and electromagnetic geophysical responses and surface geochemical anomalies;
- The potential presence of magnetite which could be associated with intense magnetic anomalies proximal to mineralisation; and,
- The importance of mapping to understand the character of folding and faulting present in the licence areas.

Integrated mapping, surface geochemistry and geophysics are key components of Coppermoly's exploration strategy for its Mount Isa exploration permits. Analysis of the geology of surrounding mineral deposits and compilation of previous exploration data for the two licences, which is still in progress, points to the need for drilling to test both geophysical anomalies and their margins for mineralisation.

Coppermoly's exploration permits are partly covered by Queensland Department of Resources hyperspectral surveys (Figure 40). Hyperspectral surveys collect the near infrared signatures being emitted by rock-forming minerals exposed at surface. Numerous iron oxide and clay minerals associated with alteration and hydrothermal mineralisation development are spectrally active and readily mapped using this technology.

The hyperspectral technique involves collecting and analysing data from a variety of sources, including satellite data, aircraft-based imaging, and ground-based spectroscopy. Data are mathematically analysed to identify and map the presence of minerals. Hyperspectral mapping has been used in modern mineral exploration to identify and map the presence of minerals in the Eastern Succession of the Mount Isa Inlier and is able to map the presence of various minerals, including quartz, feldspar, mica, and chlorite, as well as various ore minerals including pyrite, chalcopyrite, and sphalerite. The technique has also been used to identify and map the presence of hydrothermally altered minerals, such as sericite, chlorite, and carbonates.

Data collected by airborne platforms may be integrated with readily available and low-cost laboratory measurements, or measurements collected using field-portable equipment by geologists while mapping or logging drill core. The technique provides an additional tool for systematic minerals exploration in a variety of terranes. Survey SP099503 which covers the central portion of both Coppermoly exploration permits was acquired in 2006 (Business Queensland, 2021).

Coppermoly is engaging with other explorers to secure additional, prospective land for exploration in the Mount Isa Inlier Eastern Succession, with comparable geology to the two existing exploration tenements. All land considered to be potentially prospective is currently held by other explorers. Securing access to prospective land for exploration requires that a current holder relinquish tenement that then becomes vacant ground available for competitive applications after a moratorium period. Alternatively, potential explorers can commercially negotiate acquisition or joint venture of current permits. Coppermoly intends to actively pursue both methods.

Maintaining a focus on the Eastern Succession of the Mount Isa Inlier, where Coppermoly already holds exploration permits, is considered an effective strategy to maximise logistics and existing contacts with local communities, service providers and traditional owner groups.

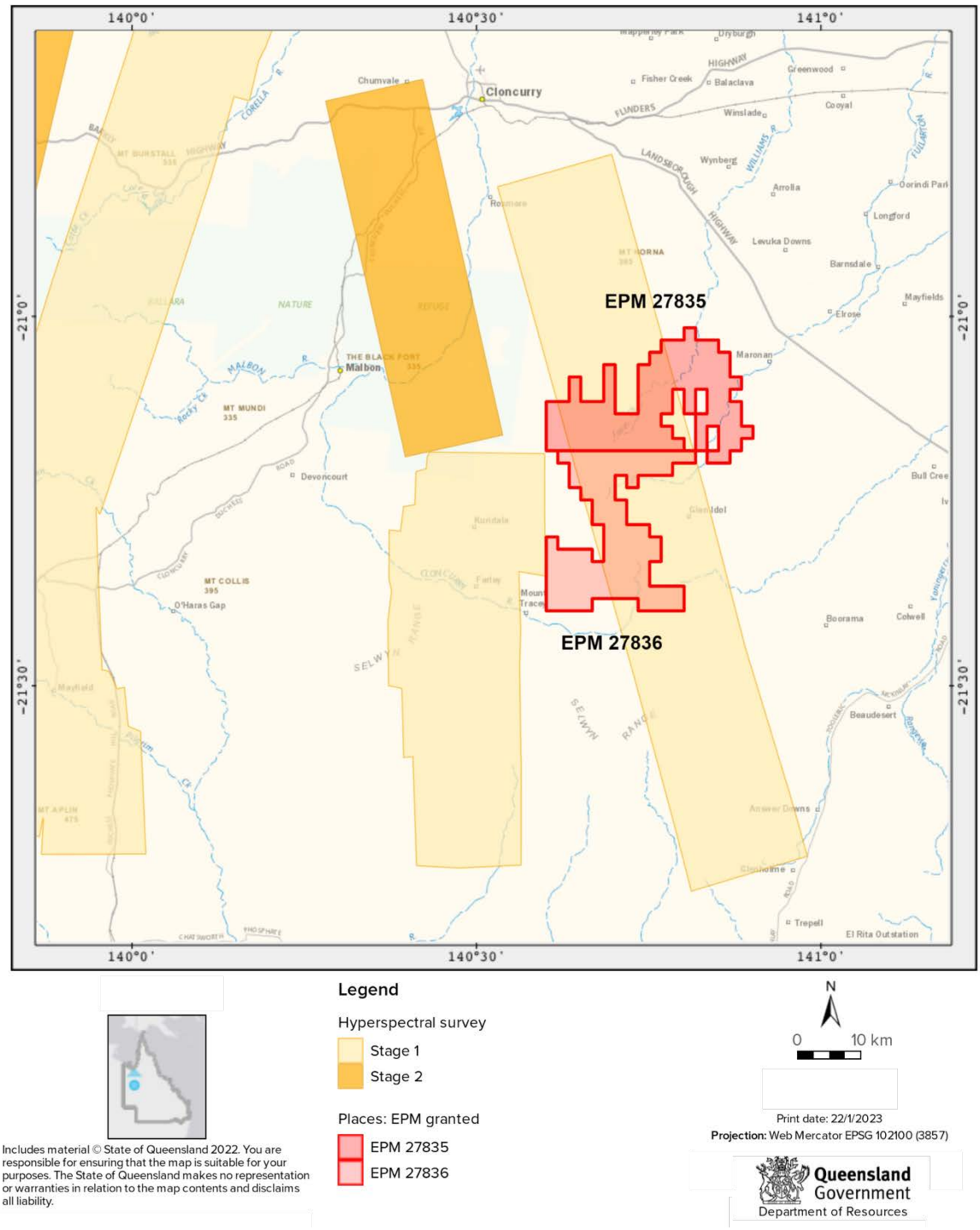

Figure 40. Recently completed, publicly accessible hyperspectral survey coverage in the vicinity of Coppermoly's exploration licences

6 Mineral Asset Valuations

6.1 Purpose

Valuations have been prepared to assist Coppermoly shareholders who are required to approve the proposed sale of the company's shares in its wholly owned subsidiary Copper Quest PNG Limited to Ever Leap (Coppermoly Ltd, 2022a). Copper Quest PNG Limited is the registered holder of Coppermoly's exploration licences in West New Britain Province, Papua New Guinea.

The valuations comply with the current version of the VALMIN Code (VALMIN, 2015), relevant ASIC Regulatory Guides (ASIC, 2014) and ASX Listing Rules (ASX, 2023).

6.2 Valuation of Early-Stage Exploration Projects

6.2.1 Principles

Exploration properties without identified Mineral Resources are usually valued using a cost-based approach via methods including Multiples of Exploration Expenditure (MEE), Kilburn Geoscience Rating (KGR), recent comparable transactions (acquisitions and divestments) or Joint Venture / Earn-in Terms.

Best practice requires the use of more than one method for each asset to be valued. Differences between approaches need to be compared and why the chosen valuation method was selected discussed. The VALMIN Code (VALMIN, 2015) also requires that a range of valuations must be developed (high / most likely / low) to reflect confidence in the underlying data and interactions between uncertainties inherent in the valuation.

6.2.2 Methodologies

A combination of valuation methodologies has been applied to Coppermoly's West New Britain and Mount Isa region tenements:

1. Multiples of Exploration Expenditure (MEE)
2. Kilburn Geoscience Rating (Kilburn, 1990) (KGR)
3. Market Value based on Comparable Transactions

At least two valuation methods have been applied to each project to enable any differences in valuations to be discussed in determining the preferred valuation for the tenement.

Conversions of sub-blocks to square kilometres use factors of 3.4 and 3.2 in Papua New Guinea and the Mount Isa Inlier respectively to assist in the evaluation of comparable transactions. The 3.4 square kilometres per sub-block factor is specified by the Mineral Resources Authority for use throughout Papua New Guinea. The 3.2 square kilometres per sub-block figure used for the Mount Isa Inlier exploration permits was obtained from the AusIMM Field Geologists' Manual (Rutter, 2011).

6.3 Recent Comparable Transactions

A review of available literature revealed a small number of recent, potentially comparable transactions.

6.3.1 Papua New Guinea

1. Kainantu Resources Limited (TSX-V:KRL) Kili-Teke Copper Gold Project Acquisition from Harmony Gold (PNG) Exploration Limited (2022)

The project comprises an exploration licence (EL 2310) in the Papua New Guinea highlands and has an Inferred Resource comprising 237 Mt @ 0.34% Cu and 0.24 g/t Au estimated from 54 drill holes for 36,325 m of drilling (Gwinnett, 2022). KRL agreed to pay Harmony an initial cash consideration of US$1M, and a further US$3M and US$4M, plus a 1.5% net smelter return royalty on future production upon completion of a positive Preliminary Economic Assessment (PEA) and Feasibility Study. EL 2310 is in the process of being renewed over an area of 74 sub-blocks (252 km^2).

2. Tempest Minerals Limited (ASX:TEM) Acquisition of Tolukuma and Mt Penck projects from Lole Mining Limited (2022)

Tolokuma is a previously mined gold deposit in the Papua New Guinea highlands and Mt Penck is a previously identified series of exploration targets in the Kulu-Awit corridor of West New Britain. The acquisition comprises the amalgamation of the two companies which has an estimated value of A$25.7 M and a tenement area of more than 2,000 km^2. Previous mining at Tolokuma was from both small scale open-pit and underground operations (Sandell-Hay, 2022). The mine has been on care and maintenance since 2015. The contribution of Mt Penck to the acquisition is not able to be determined from available information.

3. Acquisition of Footprint Resource Pty Ltd by Los Cerros Limited (LCL) (2022)

This acquisition was announced to the ASX 25 Nov 2022 (Stirbinskis, 2022). LCL acquired all of Footprint's exploration licences and exploration licence applications in the Papua New Guinea highlands covering 3,867 km^2 at five locations that include a suite of exploration targets for copper-gold and nickel mineralisation, all of which are at an early stage of exploration. LCL immediately announced plans for prospecting, trenching and a 3,000 m drilling program to test gold potential at Kusi and a planned geophysical survey to assess the exploration potential of the Veri Veri nickel prospect. The acquisition comprised A$350,000 cash, ten percent of LCL shares (estimated value A$2.73 M) and employment of Footprint's principals as LCL's Papua New Guinea Exploration Manager and Principal Geologist, providing valuable experience for LCL. The financial value of the transaction represents A$3.08 M or approximately A$2,550 per sub-block / A$796 per square kilometre of tenure.

4. Freeport Resources Inc (TSX-V:FRI) Yandera Copper Project Acquisition from Carpo Resources Inc.

FRI acquired all capital in Carpo Resources, a private Canadian company, 19 Aug 2021 for 20 million FRI shares. Yandera Copper Project has been drilled intensively by previous owners including BHP and Era Resources (573 drill holes for 177,000 metres of drilling) that resulted in definition of a Measured + Indicated Resource of 728 Mt @ 0.39% Cu equivalent (Streetwise Reports, 2021). The value at the time of the transaction represented CA$13.2M with an FRI share price of CA$0.66.

The transactions described above demonstrate interest in Papua New Guinea exploration and mining properties amongst investors in both Australia and Canada but are not considered comparable with Coppermoly's West New Britain projects due to differences in the size, grade and confidence in identified mineral resources. Kainantu Resources' Kili Teke acquisition could be considered to represent payment of US$1M or A$1.44M at a US$-A$ exchange rate of 0.696 (ATO, 2023) at a nominal US$0.86 per tonne of contained copper without allowance for metallurgical recovery, or US$0.69 per tonne after allowance for metallurgical recovery and smelter charges (factor of 0.8 applied). These metrics are useful in assessing the value of the Mt Nakru and Simuku resources.

6.3.2 Mount Isa Region

There have been a series of recent copper-gold project acquisitions in the Mount Isa region.

1. Cooper Metals Limited (ASX:CPM) Acquisition of Ardmore Resources (2022)

Cooper Metals has an active copper-gold exploration project in the Eastern Succession of the Mount Isa Inlier. The acquisition, announced 22 Oct 2022, secured control of EPM 19125 which spans a regional scale, north-northwest trending fault associated with numerous copper-gold mineral occurrences (Cooper Metals Limited, 2022a). EPM 19125 was Ardmore Resources' only asset. The EPM is covered by a detailed aeromagnetic survey and regional stream sediment and rock chip geochemical sampling. EPM 19125 covers 21 sub-blocks or approximately 67 km^2. The transaction was funded by the issue of new Cooper Metals shares with a value of A$113,000, equivalent to approximately A$5,380 per sub-block.

2. Cooper Metals Limited (ASX:CPM) Acquisition of EPM 28087 from Revolution Mining Pty Ltd (2022)

Cooper Metals announced the acquisition of an 85% interest in EPM Application 28087 in the Mount Isa Inlier in January 2022. Cooper Metals agreed to pay A$70,000 cash for the tenement and reimburse Revolution Mining for all costs associated with securing the tenement (Cooper Metals Limited, 2022b). EPM 28087 has an area of 60 sub-blocks (approximately 192 km^2), valuing the acquisition at between A$1,167 per sub-block to A$1,260 per sub-block (between A$365 and A$394 per square kilometre), with the range reflecting uncertainty around tenement application costs and allowing for Revolution Mining's continuing 15% interest in the tenement. EPM 28087 had yet to be granted at the effective date of this report.

3. Cooper Metals Limited (ASX:CPM) Acquisition of EPM 27537 from Nuclear Energy Pty Ltd (2022)

Cooper Metals announced the acquisition of EPM 27537 from Nuclear Energy Pty Ltd 23 Mar 2022 (Cooper Metals Limited, 2022) in the Mount Isa Inlier, contiguous with existing tenements held by the company. EPM 27537 contains five documented copper-gold occurrences. Cooper Metals agreed to pay A$50,000 for a 100% interest in the tenement with an area of 23 sub-blocks (approximately 74 km^2), valuing the acquisition at A$2,174 per sub-block (approximately A$676 per square kilometre).

4. Strategic Energy Resources Limited (ASX:SER) Acquisition of Newcrest Mining Limited's Mount Isa North Project (2021)

Strategic Energy Resources acquired three EPMs (EMP 26439, EPM 25440 and EPM 26442) with an aggregate area of 976 km^2 containing documented copper-gold mineral occurrences in the Western Succession of the Mount Isa Inlier on 4 May 2021 (Strategic Energy Resources Limited, 2021). SER acquired the tenements in return for Newcrest retaining a First Right of Refusal on any future transaction involving the project, a 1% Net Smelter Royalty (NSR) capped at ten years of production and access to all technical data relating to the project.

5. Hammer Metals Limited (ASX:HMX) Acquisition of Chinalco Yunnan Copper Resources Ltd Mount Isa Region Exploration Tenements (2016)

Hammer Metals agreed to acquire three EPMs (EPM 14019, EPM 14022, EPM 12205) from Chinalco which included copper-gold exploration targets and several mineral resources (Hammer Metals Ltd, 2016). The tenements have an aggregate area of 24 sub-blocks or approximately 77 km^2. Identified mineral resources included:

- Elaine-Dorothy copper gold deposit comprising an Inferred Mineral Resource of 27 Mt @ 0.53% Cu and 0.08 g/t Au (Chinalco Yunnan Copper Resources Limited, 2012)
- Gem Prospect copper-gold resource comprising an Inferred Resource of 0.49 Mt @ 0.5% Cu and 0.2 g/t Au at a 0.2% copper cut-off (China Yunnan Copper Resources Australia Limited, 2010)

The acquisition also included a 51% interest in EPM 14467, adjacent to the former Mary Kathleen uranium mine, containing several copper occurrences and historic mines, held by Chinalco in a joint venture with a third party.

Hammer Metals issued Chinalco with 1,500,000 ordinary shares, representing a value of A$105,000 at Hammer's share price of A$0.07 per share at the date of the transaction or A$130,200 in January 2023 dollar terms. This represents approximately A$5,425 per sub-block (approximately A$1,695 per square kilometre).

6. Young Australian Mines Limited Sale of Queensland Mining Corporation Pty Ltd to Fetch Metals Limited (2022)

Young Australian Mines (YAML) announced the sale of Queensland Mining Corporation Pty Ltd (QMC) to Fetch Metals Pty Ltd (Fetch) 23 Feb 2022. Fetch agreed to purchase 100% of the shares in QMC for A$52 million in cash (Young Australian Mines Ltd, 2022). The projects comprise more than 1,600 km^2 (approximately 500 sub-blocks) of exploration permits (EPM) and mineral development licences (MDL) in the Cloncurry region that include a publicly reported, combined Measured + Indicated + Inferred Mineral Resource of 29.3 Mt @ 0.82% Cu, 0.18 g/t Au and 0.03% Co distributed across six prospects. The individual Mineral Resources are relatively small with the largest, Greenmount, comprising 12.7 Mt @0.74% Cu and 0.29 g/t Au which is unlikely to be an economically viable stand-alone development but considered an attractive indication of exploration potential. The transaction represents a value of A$104,000 per sub-block (approximately A$32,000 per square kilometre).

7. ActiveEX Limited Cloncurry Project Sale to Fetch Metals Limited (2023)

ActivEX Limited (ActivEX) announced the sale of its Cloncurry copper project to Fetch Metals (Fetch) in January 2023 for cash and shares with an aggregate value of A$3 million (Activex Limited, 2023). The Cloncurry Project comprises 432 km^2 (approximately 135 sub-blocks) of Exploration Permit (Minerals) to the north of Cloncurry in the Eastern Succession of the Mount Isa Inlier (ActivEX Limited, 2021). The transaction values the tenements at approximately A$6,950 per square kilometre or A$22,220 per sub-block.

6.4 Multiples of Exploration Expenditure Approach

The Multiples of Exploration Expenditure (MEE) valuation approach involves estimating the contribution of exploration work completed by the tenement owner to the advancement of the project through application of Prospect Enhancement Multipliers (PEM) to project expenditure. A single PEM may be applied to the total expenditure for the project. A more granular approach requires dividing expenditure amongst the key exploration activities undertaken and assigning them with individual multipliers to enable calculation of a weighted average PEM (Onley, 1994). The latter approach is more transparent than the single PEM approach and enables the rationale for PEM selection to be more clearly explained.

Typical PEM values are presented in Table 10 (based on Schodde, 2002).

Table 10. Examples of PEM Values Used in MEE Valuations

PEM	Explanation / Application
0.5	Previous exploration indicates that the area has limited potential for a major discovery
1.0	Existing data supports undertaking further exploration
1.5	Direct evidence of an interesting target. Further work to evaluate the target is warranted
2.0	Licences contain a defined drill target with significant mineralised intersections
2.5	Exploration is well advanced with exploration likely to define an economically viable resource
3.0	Substantial resource identified with potential to lead to development of a mine. Further exploration is likely to lead to improvements in the size and quality of the resource

1. *PEM values may vary between 0.0 and 5.0, but values between 0.5 and 3.0 are typically used.*
2. *Duncan (1994) argues that PEMs of 3.0 or more should not be used as this level of exploration and resource evaluation should permit use of income-based valuation approaches. This approach has been adopted for the purposes of this report.*

Prospect Enhancement Multipliers (PEM) used in this report generally follow those proposed by Schodde (2002). Duncan (1994) argues that PEMs of 3.0 or more should not be used as this level of study should permit use of income-based valuation approaches. A PEM cap of 3.0 has been applied in this study. The ratios of the four aspect categories, for projects that are being enhanced by exploration and resource evaluation, tend to increase for on-property, anomaly and geology aspects and decrease for off-property aspects as a project matures.

Roscoe (2001) discussed the merits of applying an additional discount to properties that have been dormant for a period of time (van der Merwe, 2017). This accounts for costs and work associated with rebuilding corporate knowledge and re-establshing contacts with stakeholders that may have lapsed during the period of inactivity.

The rationale for MEE discounts proposed by Roscoe (2001) is presented in Table 11.

Roscoe (2001) proposes that Technical Values for properties with Mineral Resources but no work for some years where future work is warranted should be discounted by 25%.

6.5 Kilburn Geoscience Rating Approach

The Kilburn Geoscience Rating Method (KGR) (Kilburn, 1990) attempts to quantify the relevant technical aspects of a property through the application of multipliers (factors) applied to an appropriate base (or intrinsic) value. The intrinsic value is referred to as the Base Acquisition Cost (BAC) which is critical as it forms the basis on which the valuation is developed. It represents the average cost to identify, apply for and retain a base unit of area of title (Schodde, 2002).

The approach recognises the basic premise of the larger the tenement being considered, the greater the chance of identifying a mineral deposit that may be viably developed, and the greater the value of the tenement accordingly.

The Kilburn Geoscience Rating approach presented in this report adheres to the initially published approach (Kilburn, 1990) but uses elements of a modified approach advanced by SRK Consulting (McKibben, 2019) which explicitly promotes estimation of a valuation range for projects and uses contemporary definitions for aspects underpinning the valuation.

Table 11. MEE Discount Factors for Suspended or Inactive Projects (Roscoe, 2001)

Guideline	Retained Portion of Past Expenditures
Property with Mineral Resources but no work done for some years. Some future work is warranted. Usually, a property with marginal Resources and potential for more but not quite exciting enough to attract exploration expenditures easily. May be at the sub-surface exploration stage.	75%
Property with sub-economic mineralisation, but may have some potential in future, conditional on commodity prices, infrastructure, improved technology, economic conditions, etc. No work recommended at time of valuation. Could be a property with potential for a commodity with a low price or low demand at the time of valuation.	50%
Inactive property with sub-economic mineralisation considered to have very little potential for development but cannot write it off completely. The mineralisation represents in situ mineral inventory with a low probability of eventual development. No work recommended.	25%
Inactive property with no Resources or known mineralisation and negligible or very little exploration potential. Could be a property with all the geophysical targets tested that will be dropped when assessment credits run out.	0% to 10%
Inactive property with indeterminate but low or negligible exploration potential. Could be a property with little or no data available, but in a geologically uninteresting area.	Nominal value ($5,000 - $10,000)

Multipliers are considered for off-property aspects, on-property aspects, anomaly (e.g. geophysical and geochemical) aspects, and geology aspects (Table 12).

Kilburn (1990) originally envisaged that the Geoscience Rating approach would be applied at the level of individual claims (in Canada, 40 acres or 16.2 ha). Properties may comprise multiple claims that Kilburn envisaged would be rated individually to derive a valuation for the complete property. The Geoscience Rating approach may, however, be applied to tenements of any size through use of an appropriate BAC as the basis. The approach also recognises that tenements may be secured over prospective land, or to protect prospective land or restrict competitor access to land for exploration that may be required for other purposes. The latter attract location ratings but do not attract ratings for on-property, anomaly or geology aspects, reducing their technical value.

The application of the Kilburn Geoscience Rating approach relies on judgement in a number of areas, including the distance that may be used for the application of off-property aspects. Kilburn (1990) also recognised that geologists would modify multipliers applied to valuation aspects to address local considerations and take account of personal, professional experience.

6.6 Technical Value Ranges

Technical values in this report may be reported as ranges rather than a single values, particularly when prepared using the Kilburn Geoscience Rating method. This reflects uncertainties in the geological parameters used in developing the KGR estimate and may result in relatively broad valuation ranges for projects at an early stage of exploration or where Mineral Resources have been identified at a low-level of confidence (e.g. Inferred Mineral Resources). The valuation range provided provides an estimate of both low and high Technical Values for a project accordingly.

Table 12. Kilburn Geoscience Rating Approach

Rating	Off Property Factors	On-Property Factors	Geological Factors	Anomaly Factors
0.1			Unfavourable geological setting	No mineralisation identified. Area sterilised
0.5			Generally favourable geological setting, under cover or complexly deformed or metamorphosed	Poor results to date
1.0	No known mineralisation in district	No known mineralisation on lease	Generally favourable geological setting	No targets outlined
1.5	Minor workings	Minor workings or mineralised zones exposed		Target identified; initial indications positive
2.0	Several old workings in district	Several old workings or exploration targets identified	Multiple exploration models being applied simultaneously	
2.5			Well defined exploration model applied to new areas	Significant grade intercepts evident but not linked on cross sections or ling sections
3.0	Mine or abundant workings with significant previous production	Mine or abundant workings with significant previous production	Significant mineralised zones exposed in prospective host rock	
3.5				Several economic grade intercepts on adjacent sections
4.0	Along strike from a major deposit	Major mine with significant historical production	Well understood exploration model with valid targets in a structurally complex area or under cover	
5.0	Along strike from a world class deposit		Well understood exploration model with valid targets in well understood stratigraphy	
6.0			Advanced exploration model constrained by known and well-understood mineralisation	
10.0		World class mine		

6.7 West New Britain Exploration Licences

6.7.1 Value Drivers

For valuation purposes all Coppermoly's projects are considered to represent exploration projects: mineral assets that are being actively explored for mineral deposits where economic viability has yet to be demonstrated. Exploration properties with this intensity of exploration, have asset values derived from their economic deposit discovery potential (Rupprecht & Njowa, 2018).

The West New Britain exploration licences, described in Table 1, are located in a geological and tectonic terrane considered to be prospective for porphyry-style Cu + Au ± Ag ± Mo, with associated epithermal Au + Ag ± Cu and skarn-hosted Cu ± base metals mineralisation based on the region's tectonic setting and application of well-understood exploration models.

Exploration of two licences has identified mineral resources with further exploration potential. The remaining three licences are at an early stage of exploration.

Resource estimates for Coppermoly's Mt Nakru and Simuku projects are classified as Indicated + Inferred and Inferred respectively. Further work is required to improve resource confidence and develop an understanding of modifying factors required to meaningfully examine project viability and estimate Ore Reserves.

Preliminary economic analysis of the Mt Nakru resource would assist in guiding future exploration and resource evaluation at Mt Nakru. AWC considers the currently identified mineral resource at Mt Nakru as being unlikely to be economic but this is mainly due to its current size. Grades are not considered to be the principal issue. An improved understanding of project economics may assist in prioritising future exploration targets with a view to expand the currently identified resource. The Simuku project is in a similar position, requiring further exploration to both increase identified resources and improve mineral resource confidence.

Continuing strong demand for copper is creating an upward price trend due to a forecast shortfall between supply and demand driven by increased use of copper in electrification and other emerging technologies. This should catalyse re-examination of the economic potential of both Mt Nakru and Simuku using projected long-term prices.

6.7.2 Expenditure Commitments

The proposed expenditure commitments for 2023 are specified in Table 13. Data were derived from Coppermoly exploration licence renewal documents submitted to the Papua New Guinea Mineral Resources Authority.

The proposed expenditure commitments exceed the minimum expenditure specified in Papua New Guinea mining regulations for Mt Nakru, Simuku, Makmak and Metelen River. The proposed expenditure for Kori River is lower than would normally be required, but it could be argued that COVID-19 restrictions impeded access to the project for several years, restricting Coppermoly's ability to progress the project.

The 2023 expenditure per sub-block figures in Table 13 have been used to estimate BACs for each exploration licence for use in Kilburn Geoscience Rating Technical Valuations (Table 14).

Table 13. Proposed Expenditure Commitments for Coppermoly's PNG Exploration Licences (subject to MRA approval)

Exploration Licence	Area (sub-block)	2023 Commitment			2024 Commitment		
		PGK	A$[1]	A$/sb	PGK	A$[1]	A$/sb
EL 1043 Mt Nakru	14	950,000	391,600	27,970	750,000	309,200	22,080
EL 2379 Simuku	36	273,000	112,500	3,130	300,000	123,700	3,440
EL 2514 Makmak	18	50,000	20,600	1,150	50,000	20,600	1,150
EL 2578 Kori River	116	73,000	30,100	259	75,000	30,900	267
EL 2638 Metelen River	72	58,000	23,900	332	60,000	24,700	344

1. *Expenditure commitments are proposed to the MRA in PGK. A$ equivalent values are based on an exchange rate of PNG:A$ 2.426* (ATO, 2023)*, rounded to the nearest A$100 (total) or nearest A$10 (per sub-block).*

Table 14. Estimated Base Acquisition Costs - Papua New Guinea Exploration Licences

Cost	Rationale	Cost Estimate
Project Generation	Estimated two weeks by geological team, per licence[1].	A$6,000
	EL 1043 Mt Nakru (per sub-block)	A$429
	EL 2379 Simuku (per sub-block)	A$167
	EL 2514 Makmak (per sub-block)	A$333
	EL 2578 Kori River (per sub-block)	A$52
	EL 2638 Metelen River (per sub-block)	A$83
EL Application	EL Application Fee – PGK 5,000 (A$2,016) Supporting administrative work (A$3,000) Legal support (A$2500)	A$7500 (rounded)[2]
	EL 1043 Mt Nakru (per sub-block)	A$536
	EL 2379 Simuku (per sub-block)	A$208
	EL 2514 Makmak (per sub-block)	A$417
	EL 2578 Kori River (per sub-block)	A$65
	EL 2638 Metelen River (per sub-block)	A$104
Annual Rental	PGK 90 per sub-block (A$36.30)	A$36
Expenditure Commitment	EL 1043 Mt Nakru (per sub-block)	A$27,971
	EL 2379 Simuku (per sub-block)	A$3,126
	EL 2514 Makmak (per sub-block)	A$1,145
	EL 2578 Kori River (per sub-block)	A$259
	EL 2638 Metelen River (per sub-block)	A$332

Cost	Rationale	Cost Estimate
Statutory Reporting	Six monthly report submission to MRA – estimated two weeks work by geology team with administrative support	A$6,000 per licence
	EL 1043 Mt Nakru (per sub-block)	A$429
	EL 2379 Simuku (per sub-block)	A$167
	EL 2514 Makmak (per sub-block)	A$333
	EL 2578 Kori River (per sub-block)	A$52
	EL 2638 Metelen River (per sub-block)	A$83
BAC	EL 1043 Mt Nakru	A$29,400
	EL 2379 Simuku	A$3,704
	EL 2514 Makmak	A$2,264
	EL 2578 Kori River	A$464
	EL 2638 Metelen River	A$639

1. *This cost has been applied to all licences following the logic that in the first period of tenure, the costs will be directed to area selection while in subsequent years, technical work will be dedicated to consideration of partial relinquishment of tenements.*
2. *Costs incurred on initial application and at each renewal*

6.7.3 Base Acquisition Costs

BAC values are a critical component of the KGR valuation approach. The BAC needs to meaningfully incorporate all relevant costs associated with selecting, applying for, securing and maintaining tenements for a twelve month period.

These costs should consider:

- Project generation – studies to assess exploration accessibility and potential for targeted commodities and styles of mineralisation;
- Company registration and certification costs with regulatory authorities;
- Costs associated with completing tenement applications, including company costs associated with completing applications and developing work programs required to accompany applications in Papua New Guinea and Queensland, Australia;
- Legal support costs;
- Application lodgement fees;
- Additional fees levied on a per unit area basis, such as rentals; and,
- Minimum expenditure commitments per unit area.

6.8 EL 1043 Mt Nakru

Mt Nakru may be valued using several approaches including a Multiple of Exploration Expenditure (MEE), Kilburn Geoscience Rating (KGR) and analysis of comparable transactions with projects possessing identified mineral resources in Papua New Guinea.

Coppermoly's accounts record A$23.75 million in expenditure for Mt Nakru. Exploration completed at Mt Nakru has included:

- Stream sediment, soil and rock-chip sampling that contributed to the recognition of a series of geochemical anomalies;
- Exploration trenching to expose host rocks beneath younger tephra cover;
- Magnetic and EM geophysical surveys which revealed anomalies coincident with geochemical anomalies and revealed additional anomalies without prominent geochemical signatures that may otherwise have not been identified;
- IP surveys of coincident geophysical and geochemical anomalies;
- Exploration and resource evaluation drilling of two prospects (Nakru-01 and Nakru-02 to facilitate;
- Resource estimation and preliminary economic studies intended to improve understanding of the potential of the resource and help establish future exploration priorities.

The reported cost includes both direct expenditure on exploration and corporate overhead costs incurred by Coppermoly.

6.8.1 Multiples of Exploration Expenditure

Exploration activities at Mt Nakru have been itemised in estimating the Multiple of Exploration Expenditure for the project, using the approach recommended by Onley (1994), are presented in Table 15.

Table 15. MEE - EL 1043 Mt Nakru

Work Performed	Estimated Expenditure (A$ 'M)	Results of Work	PEM
Geological mapping, regional and prospect scale stream sediment, rock chip and soil geochemistry	4.0	Identification of a series of prospects with anomalous Cu-Au geochemistry	1.0
Exploration trenching to expose potential host rocks	1.2	Exposure of host rocks allowing direct observation of the style of mineralisation, minerals present and associated alteration	1.2
Magnetics and EM surveys	3.2	Identification of potential drill targets in geophysical anomalies coincident with geochemical anomalies	1.5
IP surveys	3.2	Improved drill target definition and potential extent of mineralisation	1.5
Drilling, Sampling and Assaying	11.4	Intersection of ore-grade mineralisation and demonstration of mineralisation continuity at two prospects	2.0
Resource Estimation	0.4	Established ore-grade Indicated + Inferred mineral resource over two mineralised zones and defined options for future resource expansion drilling.	1.5

Work Performed	Estimated Expenditure (A$ 'M)	Results of Work	PEM
Conceptual Mine Planning and Economic Studies	0.4	Demonstrated that the project was uneconomic at current prices	0.5
Expenditure	**23.8**	**PEM**	**1.62**
Estimated Technical Value (A$M) (100% Equity Basis)			**38.6**
Discounted Technical Value (A$M) (100% Equity Basis)			**32.8**
Estimated Technical Value (A$M) (72% equity basis)			**27.8**
Discounted Technical Value (A$M) (72% equity basis)			**23.6**

The PEM estimated for EL 1043 Mt Nakru is 1.63 (Table 15). Application of an inactivity discount proposed by Roscoe (2001) is considered appropriate, to account for the additional costs of re-establishing exploration at the project following several years of field work suspension due to COVID-19 travel restrictions.

Based on reported exploration expenditure by Coppermoly of A$23.5 million under EL 1043, the Mt Nakru project is estimated to have an undiscounted Technical Value of A$38.6 million and A$32.8 million after applying a 15% discount for discontinuous exploration, which is less than the 25% discount proposed by Roscoe (2001) that may be more applicable to projects that have been dormant for a longer period of time, or have changed ownership. The Technical Value is for a 100% equity basis. Coppermoly currently has 72% equity in the project with the remaining 28% held by Barrick under an agreement where Coppermoly has an obligation to purchase this interest. On a 72% equity basis, Coppermily's share of estimated Technical Value using the MEE approach would be A$27.8 million and A$23.6 million after applying an inactive project discount.

6.8.2 Kilburn Geoscience Rating

A summary of the KGR analysis for Mt Nakru is presented in Table 16. The full valuation worksheet (following the form presented in Table 12) is presented in the Appendix to this report. A low estimated Technical Value of A$3.70 million and high Technical Value of A$24.7 million is reported on a 100% equity basis. Again, on a 72% equity basis, the corresponding low and high KGR valuations would be estimated to ne A$2.67 million and A$17.8 million respectively.

Table 16. Kilburn Geoscience Rating EL 1043 Mt Nakru

Permit	EL 1043 Mt Nakru	**Area (sub-blocks)**	14	**BAC (A$) (sub-block)**	29,400	**Equity**	72%
Off Property		**On-Property**		**Anomaly**		**Geology**	
Low	**High**	**Low**	**High**	**Low**	**High**	**Low**	**High**
1.5	2.0	1.0	1.5	2.0	4.0	3.0	5.0
Market Factor		**1**	**Valuation (A$ M)**	**Low (100%) Low (72%)**	**A$3.70 A$2.67**	**High (100%) High (72%)**	**A$24.7 A$17.8**

6.8.3 Market Value (Comparable Transaction)

The acquisitions of the Kili Teke copper-gold project by Kainantu Resources Limited and Yanderra Copper Project Acquisition from Carpo Resources Inc. by Freeport Resources Inc., discussed in Section 6.3.1 (above) have been used to estimate Market Values for EL 1043 Mt Nakru.

The Kili Teke acquisition represents a value of A$87 per tonne of in-situ contained copper in an Inferred Resource. This represents an implied in-situ copper price of A$10.07 per tonne contained in-situ copper (0.075% of the prevailing 3 month contract copper price).

Freeport effectively acquired a Measured + Indicated Resource of 728 Mt @ 0.39 % copper equivalent (copper + gold) for which the component copper and gold grades were not publicly reported. The actual copper grade is lower than 0.39%. This corresponds with 2,840 kt of contained copper equivalent, assumed to be copper for the purposes of this discussion. The resource is large and requires economic studies to better understand the project's development potential.

The London Metals Exchange 3 Month Contract price of copper at the time of these transactions was approximately US$9,500 (A$13,495) per tonne (Figure 41) (London Metals Exchange, 2023).

The implied copper price for the transaction is US$3.47 (A$5.00) per tonne, representing 0.04% of the prevailing 3 month contract copper price.

The Kili Teke implied copper price is as much as double the Kainantu price due to the lower resource classification for the project (inferred vs Measured + Indicated Resource) (Table 17). This needs to be considered when using the transactions to value another project. The ratio of Measured to Indicated Resources at Kainantu is not known, so the resource has been conservatively considered to be largely an Indicated Resource.

Table 17. Insitu copper values in Comparable transactions: Kili Teke and Yandera deposits, Papua New Guinea

Project	**Resource Category**	**In-situ Copper** *(A$/t)*	**Resource Category Adjustment**	**Comparison in-situ Copper** *(A$/t)*
Kili Teke	Inferred	10.07	0.5	5.04
Kainantu	Measured + Indicated	5.00	1.0	5.00

Mt Nakru has an estimated 309 kt of contained copper (in-situ) within an Indicated + Inferred Resource. The current LME 3 month contract copper price is approximately A$13,495 per tonne. The two comparable transactions suggest that this should be valued at A$5.00 per tonne in-situ, representing 0.04% of the LME 3 month contract copper price at the time of the transaction.

A comparable Market Value for Mt Nakru based on contained copper is estimated to be A$1.55 million on a 100% equity basis, or A$1.12 million for 72% equity. Additional value should be ascribed to the untested exploration potential to increase identified resources at Mt Nakru through further drilling. Comparable Transactions utilising contained metal appear to significantly undervalue the project. The Market value for Mount Nakru should also include an allowance for additional resource discovery based on comparable, early stage exploration. tenement transactions. The Footprint Resources acquisition by LCL values the early stage projects involved at A$3140 per sub-block. This

would add only A$44,000 leaving the estimated value largely unchanged. After rounding to an appropriate number of significant figures.

6.8.4 Discussion

The three valuation methodologies applied to Mt Nakru yield significantly different results and demonstrate potential for differing perceptions of the project's value.

The highest 100% equity Technical Value of A$32.8 million is obtained using the MEE approach. After applying a discount of 15% to account for the project being dormant for several years, this reduces to A$23.6 million on a 72% equity basis.

Technical Valuations obtained using the Kilburn Geoscience Rating Approach vary significantly from A$3.70 million to A$24.7 million on a 100% equity basis, or between A$2.67 million and A$17.8 million on a 72% equity basis.

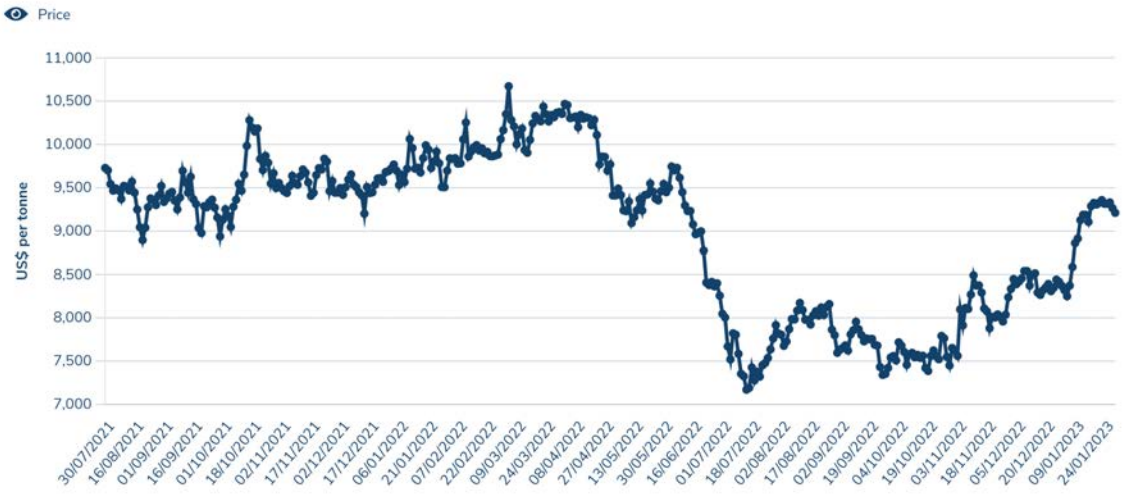

Figure 41. LME 3 Month Contract Copper Prices 1 Aug 2021 - 31 Jan 2023 (US$/tonne)

A Comparable Transaction value of A$1.12 million was derived for the project by comparing a recent copper-gold exploration project acquisition based on contained copper at broadly similar levels of resource confidence, and allowing for additional land on which a discovery could be made within the licence area.

The Kilburn Geoscience Rating Technical Values are approximately half the Technical Value identified using the MEE approach. Both are considerably higher than the Market Value based on analysis of Comparable Transactions.

The relevance of the use of past exploration expenditures and holding costs is often raised in criticism of the MEE approach (Onley, 1994), although MEE forms the starting point for many exploration joint venture negotiations, where a potential joint venture partner may earn equity by matching a proportion of previous expenditure by the vendor. The higher value derived using the MEE approach compared to the KGR valuation range obtained may reflect the relatively high cost of exploring in Papua New Guinea compared with other regions, including Australia.

The Technical valuation figures quoted do not include any allowance for market conditions and premiums that may be attached to the project. The MEE approach for Mt Nakru and Simuku provides Technical Values that are much higher than those obtained using the KGR approach. MEE and KGR Technical Values for early stage projects are more closely aligned. This trend is evident across all five of Coppermoly's West New Britain projects. This may be attributed to the very high

cost of drilling and geophysical surveys (and other contracted geoscientific services) in Papua New Guinea relative to other countries which is not allowed for in the MEE approach.

The KGR Technical Value is preferred tor Mt Nakru.

6.9 EL 2379 Simuku

Simuku has also been valued using Multiple of Exploration Expenditure (MEE), Kilburn Geoscience Rating (KGR) and Comparable Transaction approaches.

Coppermoly has reported exploration expenditure of A$19,275,493 for the Simuku project (Coppermoly Limited, 2022b). No drilling has been undertaken since EL 2379 was granted in September 2015. Other studies, including revision of the mineral resource estimate for the project, were completed during this period. Previous work by Coppermoly and joint venture partners includes geological mapping, surface geochemical sampling, IP surveys and a combination of diamond (DD) and reverse circulation (RC) drilling.

6.9.1 Multiples of Exploration Expenditure

A Technical Valuation for the project using the MEE approach is presented in Table 18.

Table 18. MEE - EL 2379 Simuku

Work Performed	Estimated Expenditure (A$ 'M)	Results of Work	PEM
Geological mapping, regional and prospect scale stream sediment, rock chip and soil geochemistry	4.5	Identification of a prospect with anomalous Cu-Au geochemistry	1.0
IP surveys	4.5	Improved drill target definition and potential extent of mineralisation	1.5
Drilling, Sampling and Assaying	9.8	Intersection of ore-grade mineralisation and demonstration of mineralisation continuity at two prospects	2.0
Resource Estimation	0.5	Established ore-grade Indicated + Inferred mineral resource over two mineralised zones and defined options for future resource expansion drilling.	1.5
Expenditure	**19.3**	**PEM**	**1.64**
Estimated Technical Value (A$M) (100% equity basis)			**31.6**
Discounted Technical Value (A$M) (100% equity basis)			**26.9**
Estimated Technical Value (A$M) (72% equity basis)			**22.8**
Discounted Technical Value (A$M) (72% equity basis)			**19.4**

Simuku is assessed as having a PEM of 1.64, with positive results achieved by geophysical surveys and drilling in defining the project's reported Inferred Mineral Resource. A Technical value based on

the MEE approach of A$31.6 million, and A$26.9 million when discounted to account for the project being unable to be accessed for further exploration over an extended period (Roscoe, 2001) during the COVID-19 pandemic. These estimates are based on 100% equity in the project and correspond with A$22.8 million and A$19.4 million respectively at 72% equity.

6.9.2 Kilburn Geoscience Rating

A Kilburn Geoscience Rating for EL 2379 Simuku is presented in Table 19. Technical valuations between A$3.00 million and A$6.00 million were estimated for the project on a 100% equity basis and A$2.16 million and A$4.32 million at 72% equity.

Table 19. Kilburn Geoscience Rating EL 2379 Simuku

Permit	EL 2379 Simuku	**Area (sub-blocks)**	36	**BAC (A$) (sub-block)**	3,704	**Equity**	100%
Off Property		**On-Property**		**Anomaly**		**Geology**	
Low	**High**	**Low**	**High**	**Low**	**High**	**Low**	**High**
2.0	2.0	1.5	1.5	2.5	3.0	3.0	5.0
Market Factor		**1**	**Valuation (A$ M)**	**Low (100%) Low (72%)**	**A$3.00 A$2.16**	**High (100%) High (72%)**	**A$6.00 A$4.32**

6.9.3 Market Value (Comparable Transaction)

The most appropriate recent transactions are the Kili Teke and Yandera transactions used to estimate a market value for contained copper in the identified Inferred Mineral Resource, plus an allowance for additional tenement at an early stage of exploration.

Simuku has an estimated Inferred Mineral Resource of 373.6 Mt @ 0.31% Cu, 0.05 g/t Au, 2.1 ppm Ag and 59 ppm Mo, corresponding with 1,160 kt of contained copper in-situ. The exploration potential of tenement excluding the identified copper resource could be valued at A$3144 per sub-block based on the Footprint Resources acquisition. The range of estimated Market Values based on Comparable Transactions for Simuku is outlined in Table 20.

The Market Value Range for Simuku is estimated to be between A$5.88 million and A$11.76 million on a 100% equity basis or A$4.23 million– A$8.47 million.

6.9.4 Discussion

The three valuation approaches adopted for Simuku provided the following estimates of value, without allowance for market factors:

- MEE approach: Technical Value A$26.9 million at 100% equity after applying an inactive project discount of 15%. This equates with A$19.4 million at 72% equity
- Kilburn Geoscience Rating Approach: Technical Value A$3.00 million to A$6.00 million on a 100% equity basis, or A$2.16 million to A$4.32 million on a 72% equity basis.
- Comparable Transaction Approach: A$4.23 million to A$8.47 million (at 72% equity).

The Technical Value estimated using the Kilburn Geoscience Rating and Market Value obtained using the Comparable Transaction analysis are considered comparable, remembering that the KGR valuation is a Technical value that does not take account of market sentiment.

Table 20. EL 2379 Simuku - estimated market value based on comparable transactions (100% equity basis)

Contained in-situ Copper (kt)	**Classification**	**Kainantu Transaction Cu** (A$/t)	**Kili Teke Transaction Cu** (A$/t)	**Estimated Value Range** (A$M)
1,160	Inferred	5.00	10.07	5.80 - 11.68
Licence Area (sub-blocks)	Unexplored Area (sub-blocks)	Comparable Transaction (A$/ sub-block)		Estimated Value (A$M)
36	27	3,140		0.0848
Estimated Value Range (100% equity basis)				**5.88 – 11.76**
Estimated Value Range (72% equity basis)				**4.23 – 8.47**

The Comparable Transactions approach may be conservative due to value being ascribed to the identified copper resource only, without allowance for realisation of additional resource potential through continued exploration for extensions to known mineralisation and new, undiscovered mineralised systems on-licence.

The Market Value based on comparable transactions is slightly lower than the Technical Value based on the KGR approach, which is considered to be due to available information for recent transactions not being truly comparable.

The MEE Technical Valuation is significantly higher the KGR approach. The KGR based Technical Value is the preferred Technical Value for this project.

6.10 EL 2514 Makmak

6.10.1 Exploration to Date (MEE)

EL 2514 Makmak is located immediately south of the eastern block of EL 1043 Mt Nakru. The early stage of exploration for this project limits options for valuing the project. Coppermoly have expended A$467,194 since the project was granted in September 1997 (less than A$100,000 per annum).

Due to limited work and early project stage, the MEE approach would essentially value the licence at or less than the expenditure made to date.

6.10.2 Kilburn Geoscience Rating

Use of the Kilburn Geoscience Rating for EL 2514 is considered appropriate due to the rating valuing the licence's location and off-property attributes (Table 21). The Kilburn Geoscience Rating approach estimates a Technical Value for Makmak of between A$0.183 million and A$0.637 million. The valuation reflects the relatively small size of the exploration licence, limiting the probability of a significant discovery, despite the proximity of Makmak to Nakru-02 and potential for Mt Nakru mineralisation to extend westward into the tenement, and untested exploration potential in a geological and tectonic terrane with porphyry and epithermal mineralisation potential.

6.10.3 Comparable Transactions

Makmak could, arguably, be valued using a Comparable Transaction based on the Footprint Resources acquisition by LCL in 2022. This acquisition provides a Market Value of A$57,000. The Footprint Resources transaction is not, however, considered comparable due to the vastly different size of the tenement package involved.

Table 21. Kilburn Geoscience Rating EL 2514 Makmak

Permit	EL 2514 Makmak	**Area (sub-blocks)**	18	**BAC (A$) (sub-block)**	2,264	**Equity**	100%
Off Property		**On-Property**		**Anomaly**		**Geology**	
Low	**High**	**Low**	**High**	**Low**	**High**	**Low**	**High**
2.0	2.5	1.5	2.5	1.0	1.0	1.5	2.5
Market Factor		**1**	**Valuation (A$ M)**	**Low**	**A$0.183**	**High**	**A$0.637**

6.10.4 Discussion

The preferred Kilburn Geoscience Rating approach estimates a Technical Value for Makmak of between A$0.183 million and A$0.637 million and is the preferred valuation approach for the project. A MEE valuation would be expected to provide a technical valuation reflecting Coppermoly's expenditure to date for the project of A$0.467 million. The MEE Technical Value is within the range provided by the KGR approach.

The Kilburn Geoscience Rating Technical Value is recommended as the preferred valuation for the project.

6.11 EL 2578 Kori River

6.11.1 Exploration to Date (MEE)

EL 2578 Kori River surrounds EL 2379 Simuku in the northwestern portion of the Kulu-Awit corridor (Figure 2). EL 2578 Kori River covers 116 sub-blocks and was granted 25 Feb 2019. COVID-19 travel restrictions have impeded Coppermoly from undertaking systematic exploration of the licence area. Coppermoly has reported expenditure to date of A$220,420 on the licence (Coppermoly Limited, 2022b).

6.11.2 Valuation

With little systematic prior exploration, the MEE approach would result in a Technical Value close to the recorded expenditure of A$220,420.

The Kilburn Geoscience Rating Approach estimates a Technical Value between A$108,000 and A$336,000, reflecting the location and size of the licence, and its proximity to known mineralisation within EL 2379 Simuku. This range of values spans the estimated value of A$220,000 that would be expected using the MEE approach (Table 22).

Table 22. Kilburn Geoscience Rating EL 2578 Kori River

Permit	EL 2578 Kori River	**Area (sub-blocks)**	116	**BAC (A$) (sub-block)**	464	**Equity**	100%
Off Property		**On-Property**		**Anomaly**		**Geology**	
Low	**High**	**Low**	**High**	**Low**	**High**	**Low**	**High**
2.0	2.5	1.0	1.0	1.0	1.0	1.0	2.5
Market Factor		**1**	**Valuation (A$ '000)**	**Low**	**A$108**	**High**	**A$336**

6.11.3 Comparable Transactions

Kori River could, arguably, be valued using a Comparable Transaction based on the Footprint Resources acquisition by LCL in 2022. This acquisition provides a Market Value of A$365,000. The Footprint Resources transaction is not, however, considered comparable due to the vastly different size of the tenement package involved.

6.11.4 Discussion

The Kilburn Geoscience Rating Technical Value of between A$108,000 and A$336,000 is the preferred valuation for EL 2578 Kori River. The MEE Technical Value falls within the value range provided by the MEE approach.

6.12 EL 2638 Metelen River

6.12.1 Exploration to Date (MEE)

EL 2638 Metelen River comprises 72 sub-blocks and was granted 18 May 2020. COVID-19 travel restrictions have prevented Coppermoly from commencing systematic exploration of the licence area.

Coppermoly has reported total expenditure of A$250,713 on the exploration licence to date (Coppermoly Limited, 2022b). A MEE valuation would provide a technical valuation close to Coppermoly's reported expenditure.

EL 2638 Metelen River shares most Kilburn Geoscience Rating aspects with EL 2578 Kori River (Table 23).

Table 23. Kilburn Geoscience Rating EL 2638 Metelen River

Permit	EL 2638 Metelen River	**Area (sub-blocks)**	72	**BAC (A$) (sub-block)**	639	**Equity**	100%
Off Property		**On-Property**		**Anomaly**		**Geology**	
Low	**High**	**Low**	**High**	**Low**	**High**	**Low**	**High**
2.0	2.5	1.0	1.0	1.0	1.0	1.0	2.5
Market Factor		**1**	**Valuation (A$ '000)**	**Low**	**A$92.0**	**High**	**A$288**

The Kilburn Geoscience Rating Approach estimates a Technical Value between A$92,000 and A$288,000, reflecting both the location and size of the licence.

6.12.2 Comparable Transactions

Metelen River could, arguably, be valued using a Comparable Transaction based on the Footprint Resources acquisition by LCL in 2022. This acquisition provides a Market Value of A$226,000. The Footprint Resources transaction is not, however, considered to be comparable due to the vastly different size of the tenement package involved.

6.12.3 Discussion

A MEE Technical Value for EL 2638 Metelen River would be expected to be close to Coppermoly's estimated expenditure of A$251,000 for the project, based on little exploration having been completed to date. The KGR Technical Value of between A$92,000 and A$288,000 span the estimated MEE Technical Value.

The KGR Technical Value is recommended as the preferred valuation for the project.

6.13 Mount Isa Region, Queensland Exploration Permits

6.13.1 Exploration Overview

The Mount Isa Inlier, where Coppermoly's two Queensland, Australia Exploration Permits are located, is one of the most sought-after and contested mineral exploration terranes in Australia, with explorers targeting a broad selection of commodities, focussing on copper, gold and base metals.

Copper-gold exploration forming hydrothermal deposits are currently the principal exploration target in the Eastern Succession of the Mount Isa Inlier, although the presence of the Cannington and Dugald River deposits in this terrane also highlights the Eastern Successions lead-zinc-silver potential.

Coppermoly has secured 100% equity in two, relatively large, contiguous exploration permits in an area where exploration tenement is tightly held and ownership is frequently transferred through commercial transactions. Tenement relinquishments and applications for untenured ground are rare in the current, vibrant mineral exploration environment.

Mineral exploration is supported by both Queensland and Commonwealth government initiatives including public access to extensive pre-competitive exploration data. This includes published geological mapping, company reports describing previous exploration, and extensive geochemical and geophysical data that may be accessed as both maps and in digital form. The Queensland government also has a cooperative drilling initiative where the government part-funds innovative exploration projects submitted by junior explorers working in the state.

Land access restrictions affecting potential exploration areas are clearly documented throughout the state. Expedited Native Title provisions enable low-risk exploration activities by providing a timeframe for negotiations between explorers and Native Title holders, while protecting Traditional Owner interests.

Extensive logistic support for exploration in the region is readily accessible in both Cloncurry and Mount Isa.

6.13.2 Valuation Options

Several recent comparable transactions are available to help assess the market value of exploration tenure. Kilburn Geoscience Ratings are also considered useful in valuing exploration licences at an early stage of exploration.

BAC values used by the KGR approach are based on similar principles to those applying in West New Britain. Development of BAC values for the two EPMs is outlined in Table 24. Expenditure of A$293,272 on the two exploration permits (Coppermoly Limited, 2022b) has been apportioned by area as the basis of MEE Technical Values for the two EPMs. This provides values of A$152,745 for EPM 27835 Foxes Creek and A$140,526 for EPM 27836 Mt Tracey.

Table 24. BAC estimation for EPM 27835 Foxes Creek and EPM 27836 Mount Tracey, Mount Isa Region, Queensland

Cost	**Rationale**	**Cost Estimate**	
		EPM 27835 Foxes Creek	**EPM 27836 Mt Tracey**
Project Generation	Estimated two weeks by geological team (may support multiple applications or be applied to different sized areas). These costs do not apply to exploration licence renewals due to area selection being previously completed. Estimate A$6000 both EPMs	A$31 per sub-block	
EPM Application	Queensland Government application fees, estimated legal and tenement management/support fees, work program development costs, preparation of financial and technical capability statements. Application Fees currently comprise A$1042.43. The maximum size of an EPM in Queensland is 100 sub-blocks. Estimate $7,500 both EPMs.	A$39 per sub-block	
Security Deposit	Bank guarantee required	-	-
Annual Rental	Charged per sub-block (currently A$171.89)	A$172	A$172
Reporting	Two weeks by geological, finance and administrative support teams (estimated A$5,000).	A$50	A$54
Expenditure Commitment	A$80,000 in 2023 for each EPM	A$800 per sub-block	A$870 per sub-block
BAC	(per sub-block)	A$1,092	A$1,116

Proposed MEE values of A$153,000 and A$141,000 are proposed for EPM 27835 Foxes Creek and EPM 27836 Mt Tracey respectively.

6.14 EPM 27835 Foxes Creek

6.14.1 Valuation

EPM 27835 Foxes Creek covers 100 sub-blocks and was granted on 5 Oct 2021. Minimal exploration has been performed by Coppermoly due to COVID-19 travel restrictions within Queensland for much of the time since the EPM was granted. This would result in a MEE Technical Value of A$153,000 for the EPM.

6.14.2 Kilburn Geoscience Rating

A Kilburn Geoscience Rating valuation was completed for the EPM which takes account of the tenement's location and geological features follows (Table 25). The Kilburn Geoscience Rating approach estimates a Technical Value for EPM 27835 Foxes Creek between A$0.164 million and A$2.73 million based largely on the tenement's location and geology, without consideration of market factors, which may be material due to competition for prospective land in the Mount Isa Inlier.

Table 25. Kilburn Geoscience Rating EPM 27835 Foxes Creek, Mount Isa Region, Northwest Queensland

1. Permit	EPM 27835 Foxes Creek	**Area (sub-blocks)**	100	**BAC (A$) (tenement)**	$1,092	**Equity**	100%
Off Property		**On-Property**		**Anomaly**		**Geology**	
Low	**High**	**Low**	**High**	**Low**	**High**	**Low**	**High**
3.0	5.0	1.5	2.0	1.0	1.0	0.5	2.5
Market Factor		**1**	**Valuation (A$ M)**	**Low**	**A$0.246**	**High**	**A$2.73**

6.14.3 Comparable Transactions

2. Cooper Metals Limited Acquisition of Ardmore Resources (2022)

EPM 19125, Ardmore Resources' sole asset, spans a regional scale, north-northwest trending fault associated with numerous copper-gold mineral occurrences (Cooper Metals Limited, 2022a) and is covered by a detailed aeromagnetic survey and regional stream sediment and rock chip geochemical sampling. This is similar to EPM 27835 which is covered by existing, relatively recent regional airborne magnetic and radiometric survey data and surface geochemical sampling by previous explorers. The ascribed value of A$5,381 ascribed per sub-block for the Ardmore transaction allows prediction of a Market Value of A$0.54 million for EPM 27835, which is within the valuation range predicted by the KGR approach. The Market Value of EPM 27835 may attract a premium due to the larger EPM providing a statistically higher probability of a discovery.

3. Cooper Metals Limited Acquisition of EPM 27537 from Nuclear Energy Pty Ltd

Cooper Metals' acquisition of EPM 27537 from Nuclear Energy Pty Ltd is also considered to provide a comparable transaction for valuation of EPM 27835 Foxes Creek. EPM 27537 contains several documented mineral occurrences but limited exploration by Nuclear Energy Pty Ltd did not deliver results that justified continued work. Part of the value to Cooper Metals in EPM

27537 is its proximity to other Cooper Metals tenements, creating potential exploration synergies.

EPM 27537 was acquired by Cooper Metals for a cash payment of A$50,000, effectively setting a market value of A$2,174 per sub-block, which would value EPM 27835 Foxes Creek at A$217,400. This is approximately half the market value estimated for the property using Cooper Metals' acquisition of Ardmore Resources. Much of the perceived value in the EPM 27537 to Cooper Metals would not be realised by another company.

4. Young Australian Mines Limited Sale of Queensland Mining Corporation Pty Ltd

This value of this transaction is largely based on the exploration potential of the QMC exploration tenements. The QMC acquisition is considered to represent A$104,000 per sub-block, or an overall value of A$10.4 million for EPM 27835 Foxes Creek.

5. ActiveEX Limited Cloncurry Project Sale to Fetch Metals Limited

This transaction also involves exploration permits with copper-gold potential in the Cloncurry area. The value of this transaction, applied to EPM 27835 Foxes Creek would is estimated to be A$2.04 million.

6.14.4 Discussion

Analysis of four comparable transactions provided Market Value estimates of between A$0.54 million and A$10.4 million. The narrower Market Value range of between A$0.54 million and A$2.04 million provided by the Cooper Metals acquisition of Ardmore Resources and Fetch Metals acquisition of ActiveEX's Cloncurry project is preferred but may not fully represent the potential market value range for the exploration permit.

The value range for the selected Comparable Transactions is slightly lower than the Technical Value range estimated using the KGR approach of between A$0.246 million and A$2.72 million.

A MEE Technical Value of A$0.153 million for the EPM reflects Coppermoly's expenditure on the licence while being constrained from commencing systematic exploration. The MEE is lower than the KGR Technical Value range. The KGR Technical Value is considered to better reflect the value of mineral potential associated with historic, small scale mining activity within the EPM.

The KGR Technical Value is the preferred valuation for this project.

6.15 EPM 27836 Mount Tracey

6.15.1 Valuation

The valuation rationale for EPM 27836 Mount Tracey is similar to that for EPM 27835 Foxes Creek. EPM 27836 Mt Tracey covers 92 sub-blocks and was granted 8 Mar 2022. Minimal exploration has been performed by Coppermoly since the EPM was granted. This would result in a MEE Technical Value of A$141,000 for the EPM.

6.15.2 Kilburn Geoscience Rating

A Kilburn Geoscience Rating valuation was completed for the EPM which takes account of the tenement's location, documented on-property mineral occurrences and geological features is presented in Table 26.

The Kilburn Geoscience Rating approach estimates a Technical Value for EPM 27836 Mount Tracey between A$0.231 million and A$2.56 million based largely on the tenement's location and geology.

Table 26. Kilburn Geoscience Rating EPM 27836 Mount Tracey, Mount Isa Region, Northwest Queensland

Permit	EPM 27836 Mount Tracey	**Area (sub-blocks)**	92	**BAC (A$) (tenement)**	$1,116	**Equity**	100%
Off Property		**On-Property**		**Anomaly**		**Geology**	
Low	**High**	**Low**	**High**	**Low**	**High**	**Low**	**High**
3.0	5.0	1.5	2.0	1.0	1.0	0.5	2.5
Market Factor		**1**	**Valuation (A$ M)**	**Low**	**A$0.231**	**High**	**A$2.56**

6.15.3 Comparable Transactions

The four comparable transactions considered for EPM 27835 Foxes Creek may also be applied to EPM27836 Mt Tracey and provide a value range between A$0.50 million and A$9.57 million for the permit. The narrower Market Value range of between A$0.50 million and A$1.88 million provided by the Cooper Metals acquisition of Ardmore Resources and Fetch Metals acquisition of ActiveEX's Cloncurry project is preferred but may not fully represent the potential market value range for the exploration permit.

6.15.4 Discussion

A Market Valuation of between A$0.50 and A$9.57 million is supported by analysis of four comparable transactions. The estimated Market Value range is lower than the Technical Values estimated using the KGR approach which is unexpected. This is attributed to the Technical Values not including any allowance for market conditions and sentiment which would be expected to contribute positively to recent transactions in the Mount Isa region.

A MEE valuation is considered unlikely to deliver additional insight on the EPM's potential value due to Coppermoly yet to commence systematic exploration of the recently granted exploration permit.

The KGR Technical Value is preferred for the project.

6.16 Valuation Analysis and Discussion

6.16.1 Technical Value

The Technical Values preferred for each project are summarised in Table 27.

Table 27. Technical values and preferred valuation approach

Project	Valuation Method	Valuation Type	Recommended Value A$
West New Britain, Papua New Guinea			
EL 1043 Mt Nakru	Kilburn Geoscience Rating	Technical	A$2.67M – A$17.8M
EL 2379 Simuku	Kilburn Geoscience Rating	Technical	A$2.16M – A$4.32M
EL 2514 Makmak	Kilburn Geoscience Rating	Technical	A$183,000 – A$637,000
EL 2578 Kori River	Kilburn Geoscience Rating	Technical	A$108.000 – A$336,000

EL 2638 Metelen River	Kilburn Geoscience Rating	Technical	A$92,000 – A$288,000
Mount Isa Inlier, Queensland Australia			
EPM 27835 Foxes Ck	Kilburn Geoscience Rating	Technical	A$164,000 – A$2.73M
EPM 27836 Mt Tracey	Kilburn Geoscience Rating	Technical	A$231,000 – A$2.56M

Generally, the KGR valuation method is considered to provide more consistent Technical Values than the MEE approach. The range of KGR values estimated for individual projects narrows as geological understanding of mineralisation identified on exploration permits increases due to on-property, anomaly and geological factors becoming a greater proportion of the multiplier obtained for the project if exploration is successful in establishing the tenor and continuity of mineralisation present and adds to understanding of geological factors controlling mineralisation distribution (Table 28, Figure 42).

Table 28. Relative contributions of off-property, on-property, anomaly and geology factors to KGR values

Project	Off-Property (%)		On-Property (%)		Geology (%)		Anomaly (%)		KGR Multiplier	
	Low	High	Low	High	Low	High	Low	High	Low	High
West New Britain, Papua New Guinea										
EL 1043 Mt Nakru	20	16	13	12	27	32	40	40	9.0	60.0
EL 2379 Simuku	22	17	17	13	28	26	33	43	22.5	45.0
EL 2514 Makmak	33	29	25	29	17	12	25	29	4.5	9.4
EL 2578 Kori River	40	36	20	14	20	14	20	36	2.0	6.3
EL 2638 Metelen River	40	36	20	14	20	14	20	18	2.0	6.3
Mount Isa Inlier, Queensland Australia										
EPM 27835 Foxes Ck	55	48	18	19	18	10	9	24	1.5	25
EPM 27836 Mt Tracey	50	48	25	19	17	10	8	24	2.3	25

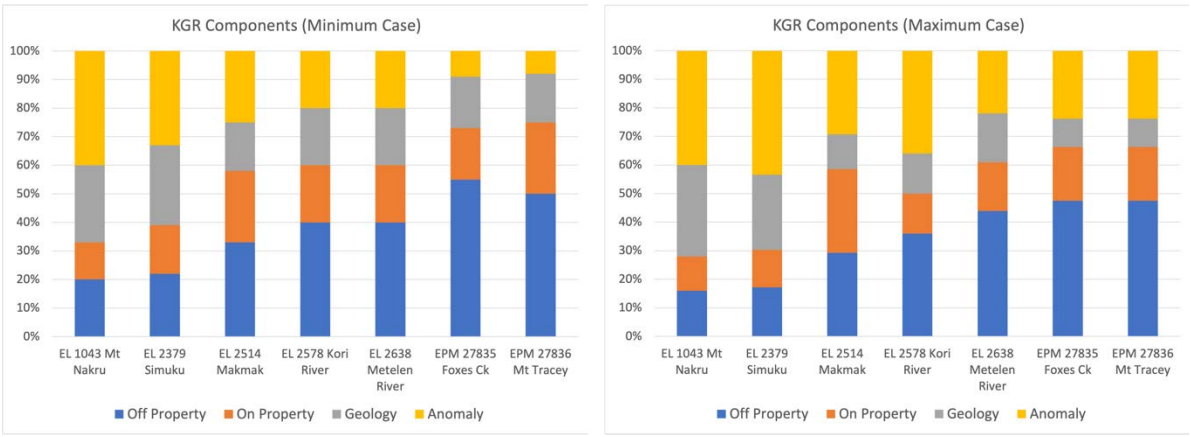

Figure 42. Contributions of KGR parameters to overall ratings for individual projects

Figure 42 demonstrates the proportionally larger contribution of off-property factors in early stage projects, and how on-property and geology factors become more significant as a project matures, particularly if mineralisation is discovered and evaluated.

The MEE valuation approach produces Technical Values for EL1043 Mt Nakru and EL2379 Simuku that are significantly higher than those estimated using the KGR approach. The reasons for this are unclear but are likely to reflect the very high costs of geophysical surveys and drilling in Papua New Guinea. Past expenditures on both exploration permits appear to be high for the work that has been completed when compared with other countries. The costs associated with securing and maintaining licences in Papua New Guinea which determine BAC values that KGR estimates take into account are more comparable with those incurred in other jurisdictions.

The projects examined in this report are at different stages of exploration development. This influences multipliers applied under both the MEE (PEM) and KGR valuation approaches. The technical values of early stage projects, in particular, could be subject to rapid and substantial change due to the assessment of early exploration results. This affects all projects except EL 1043 Mt Nakru and EL 2379 Simuku.

6.16.2 Market Values

Market Values are required for each project to effectively value transactions involving exploration tenements. Technical Values provide guidance, but do not incorporate additional market factors that can influence a buyer's perception of the value of an exploration that may either enhance or detract from the value of an exploration tenement. These factors may, and are frequently, perceived differently by individual potential purchasers for a variety of reasons.

Market Value may be estimated using approaches that include comparable transactions and joint venture terms. There should be some alignment evident between Market and Technical Value estimates, but the extent to which this occurs is also governed by individual purchaser perceptions of market factors.

The definition of Market Value is critical and worth restating:

> *Market Value represents a value for which a mineral asset should exchange on the date of valuation between a willing buyer and a willing seller in an arm's length transaction after appropriate marketing, where the parties had each acted knowledgeably, prudently and without compulsion.*

Factors contributing to Market Value may include market sentiment around specific commodities, competition for access to prospective land for exploration, rivalry between prospective purchasers, synergies associated between tenements and projects being offered for sale and those already held by a prospective purchaser and perceptions of technical, sovereign and project execution risks.

The comparable transactions examined in this report include an example of perceptions of an anomalously high valuation due to the perceived strategic value of the transaction by the purchaser. The 2022 sale of Queensland Mining Corporation Pty Ltd to Fetch Metals Limited by Young Australian Mines Limited (Young Australian Mines Ltd, 2022) provides an effective price per sub-block that is almost 50 times that of the next highest value comparable transaction. This is considered to represent an extreme case, but it demonstrates the influence of intangible factors in determining market values, which may affect values based on both acquisitions and joint venture terms.

In examining factors that may influence the market value of Coppermoly's West New Britain and Mount Isa region projects:

- All of the projects target copper-gold mineralisation. Copper is currently commanding relatively high prices due to perceptions of a growing gap between global supply and demand (Figure 43) (Wood McKenzie, 2017).
- The energy transition towards renewables from fossil fuels and increasing electric vehicle production is driving strong copper demand.
- Access to prospective land in intensely competitive in the Mount Isa region where there is effectively no untenured land available for EPM applications. The land tenure situation is less competitive in the Kulu-Awit corridor of West New Britain but there are multiple explorers active in the region and current tenements cover intrusions and associated volcanics prospective for porphyry and epithermal Cu-Au±Mo mineralisation.

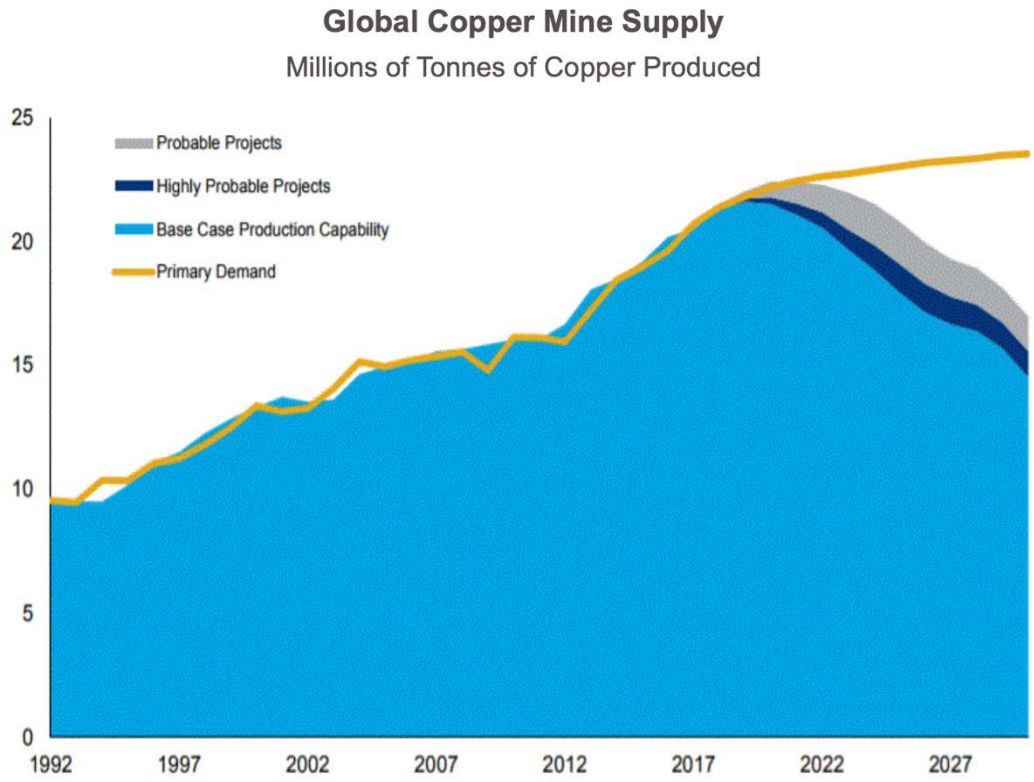

Figure 43. Global primary copper supply and forecast demand to 2030 (Source: Wood McKenzie)

- Markets are concerned that copper discoveries are not helping to build the global primary copper resource inventory which is driving a long-term trend for rising prices (Figure 44). This perception may not be strictly correct. The resource base of known, undeveloped deposits established, producing mines is continually being expanded by brownfield exploration. This is seldom reported as a new discovery. Additionally, many analysts record incremental additions to known resources against the discovery date of the deposit rather than the year in which additional resources were reported, creating an artificial impression of resource depletion. The data required to correct this is readily and reliably available in company annual reports. There is, however, no doubt that the global copper inventory needs to increase but the timing of the need for new resources may be different to that currently being discussed.
- S&P Global Market Intelligence recently reported that global copper exploration expenditure increased 21% to just under US$2.8 billion in 2022, the highest level since 2014 (S&P Global

Market Intelligence, 2022) (Figure 44). The same report highlighted the perceived lack of discoveries contributing to the emerging copper supply shortfall, discussed above.

- Concern also exists that copper production is sourced more from non-OECD than OECD countries, contributing to supply risks, continuity of exploration investment and potential for sovereign risk to influence both exploration expenditure and investment in new operations (Figure 45).
- The West New Britain and Mount Isa regions will be subject to differing perceptions of risk.
- Site access and logistics are considerably more difficult in West New Britain than Mount Isa, contributing to significantly higher exploration costs.

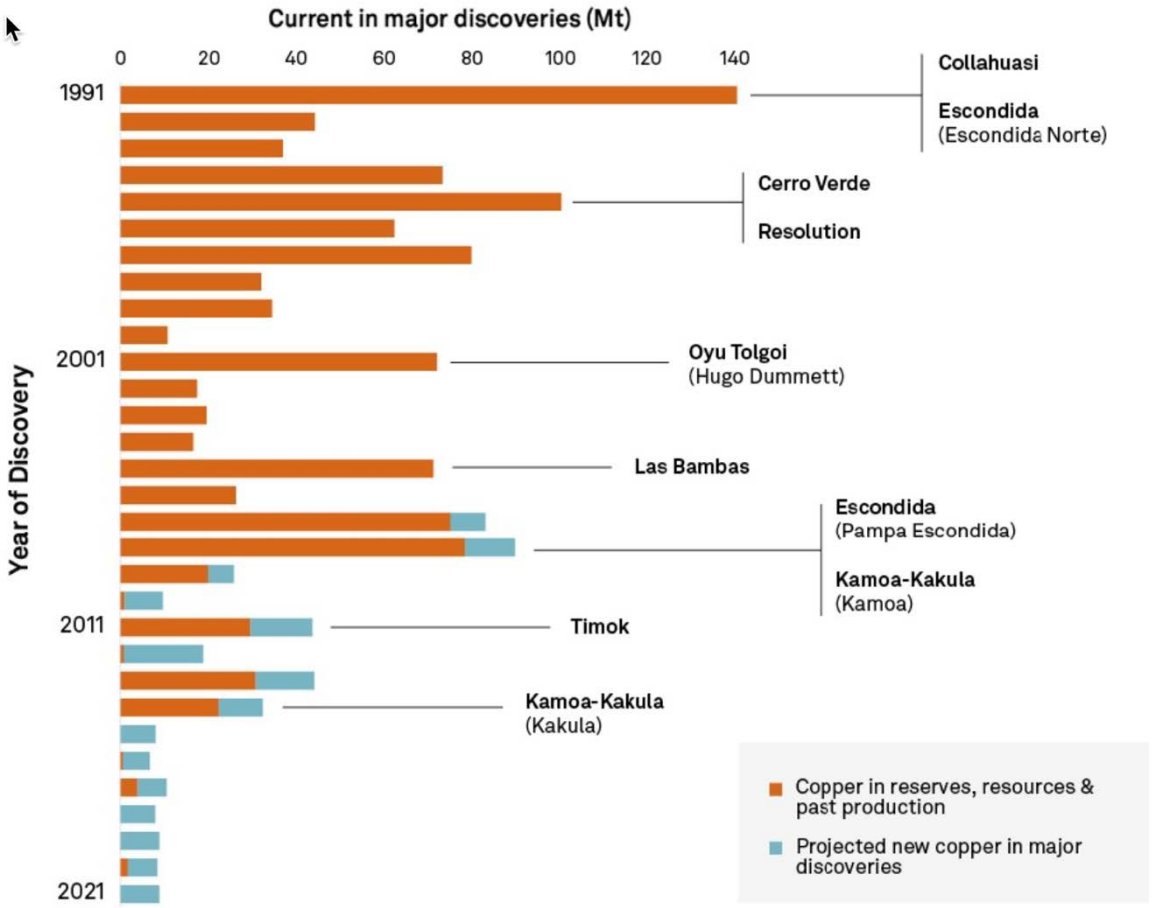

Figure 44. Major copper discoveries 1991 - 2021 (Source: S&P Global Market Intelligence)

Comparable transaction values for each project are summarised in Table 29.

6.16.3 Recommended Market Values

Comparable transactions, alone, do not appear to provide adequate estimates of market values for some projects.

Mount Nakru has been valued on the basis of contained copper using values provided by two comparable transactions which both suggest a value of A$5.00 per tonne for in-situ contained copper identified in EL 1043. Additional potential value exists in EL 1043 in geochemical and geophysical targets (Nakru-03 and Nakru-04) which have yet to be further investigated and other land covered by the exploration licence that is at an early stage of exploration.

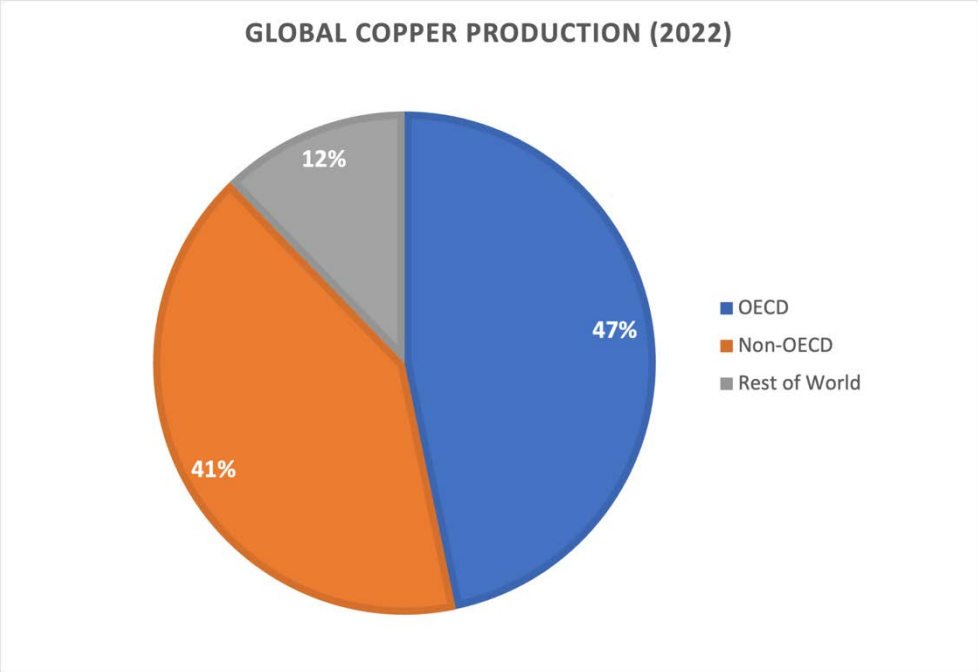

Figure 45. Sources of copper production in 2022. Most of the rest of world production was also sourced from non-OECD countries

Table 29. Comparable Transaction summary - West New Britain and Mount Isa region projects

Project	Area	Comparable Transactions	
	(sub-blocks)	*Low (A$M)*	*High (A$M)*
West New Britain, Papua New Guinea			
EL 1043 Mt Nakru	14	1.12	
EL 2379 Simuku	36	4.23	8.47
EL 2514 Makmak	18	n/a	
EL 2578 Kori River	116	n/a	
EL 2638 Metelen River	72	n/a	
Mount Isa Inlier, Queensland Australia			
EPM 37835 Foxes Creek	100	0.54	10.4
EPM 27836 Mt Tracey	92	0.50	9.57

Applying the sub-block value of early stage exploration land provided by the Footprint Resources acquisition provides a small amount of additional value but the comparability of the transaction is considered questionable due to the vastly different areas of EL 1043 and the Footprint Resources tenements (18 sub-blocks compared with around 1210 sub-blocks). The larger size of the Footprint Resources tenements has a relatively high statistical probability of containing a discovery, but the potential for additional resources is also high due to there being a significant resource already identified within the licence.

Market conditions and sentiment, intuitively, should result in Mt Nakru having a higher Market than Technical Value, but this needs to also consider perceptions of Papua New Guinea as a destination for exploration investment. There are fewer companies exploring in Papua New Guinea than, for example, Australia due to a combination of factors including higher exploration costs, added complexity associated with international operations and the difficulty of accessing land for exploration. These could combine to reduce competition for licences offered for sale or joint venture. A Market Value towards the upper end of the Technical Value range for the project is considered appropriate. A Market Value range of A$13.0 – A$17.87 million is proposed.

Analysis of comparable transactions provides a relatively high valuation for Simuku due to the relatively large, but lower confidence resource identified by exploration at the site. The range of comparable transaction values overlap the KGR Technical Value range estimated for the project. The KGR factors would improve considerably if further drilling were to demonstrate mineralisation continuity and upgrade the Mineral Resource classification above Inferred Resources. Comparable Transactions are considered to provide a reasonable guide for the Market Value for Simuku and a range of A$4.3 to A$8.5 million is proposed.

EL 2514 Makmak, EL2578 Kori River and EL 2638 Metelen River are at an early stage of exploration. Expenditure to date would be s starting point for a discussion of Market Value for each permit. In each case, these are within the range of Technical Values provided by the KGR approach. Market Value ranges between the MEE and upper KGR Value for the three projects are recommended, which are higher than the Comparable Transactions derived values (summarised in Table 30).

Table 30. Valuation Summary - West New Britain and Mount Isa Region Projects

Project	Equity (%)	MEE (A$ M)	KGR (A$M)		Comparable Transaction (A$ M)	Recommended Market Value (A$ M)
			Low	High		
West New Britain, Papua New Guinea						
EL 1043 Mt Nakru	72	*(23.6 after inactive project discount)*	2.67 *(3.70 on 100% equity basis)*	17.8 *(24.7 on (100% equity basis)*	1.12	10.2 – 17.8
EL 2379 Simuku	72	31.6 *(26.9 after inactive project discount)*	2.16 *(3.00 on 100% equity basis)*	4.32 *(6.00 on 100% equity basis)*	4.23 – 8.47	4.3 - 8.5
EL 2514 Makmak	100	0.467	0.183	0.637	n/a	0.460 – 0.640
EL 2578 Kori River	100	0.220	0.108	0.336	n/a	0.220 – 0.340
EL 2638 Metelen River	100	0.251	0.092	0.288	n/a	0.250 – 0.290
Mount Isa Region, Queensland Australia						
EPM 27835 Foxes Ck	100	0.153	0.246	2.73	0.54 – 10.4	2.73 – 5.47
EPM 27836 Mt Tracey	100	0.141	0.231	2.56	0.50 – 9.57	2.56 – 5.04

Comparable Transactions provide four valuation points for EL 27835 Foxes Creek and EL 27836 Mt Tracey, two of which are broadly similar (A$5,381, A$2,174 per sub-block), one approximately an

order of magnitude higher (A$22,220 per sub-block for the sale of ActiveEX's Cloncurry project to Fetch Metals) and one that is considerably higher (A$104,000 per sub-block). All four transactions relate to relatively early stage exploration projects and were completed under the current strong market conditions. Where the tenements contain identified mineral resources, they are arguably sub-economic and, consequently, should not be considered more significant than an expression of exploration potential. The high transaction arguably represents an outlier reflecting an individual perception of value by Fetch Metals in the QMC tenements, but is evidence of what the market will accommodate.

Market Value ranges of between A$2.73 million and A$5.47 million are proposed for EPM 27835 Foxes Creek and A$2.56 million and A$5.04 million for EPM 27836 Mt Tracey. The upper values are based on the midpoint between the third highest and highest Comparable Transaction values. The logic underlying this recommendation is:

- The Competent Transactions examined were completed under similar market conditions to those prevailing currently.
- There is extreme competition for prospective land in the Mount Isa region.
- KGR Technical Values for both exploration permits would increase significantly on receipt of positive exploration results, which would also enhance the perceived Market Value of both permits.
- The recommended values do not exceed the values of recent comparable transactions in the region, but do not approach the high value considered to represent an outlier that may not be replicated in different circumstances.

7 Conclusions

Coppermoly's West New Britain and Mount Isa region exploration tenements are considered to have exploration potential for copper, gold and other metals and are in regions with identified mineral occurrences.

EL 1043 Mt Nakru and EL 2379 Simuku are advanced exploration projects where drilling has permitted estimation of Indicated + Inferred and Inferred Mineral Resources respectively. The remaining three West New Britain exploration licences and two Mount Isa region exploration permits are earlier stage exploration projects where further work is needed to identify targets for testing.

Coppermoly's exploration strategy is based on the application of appropriate exploration models and innovative use of geochemical and geophysical mapping and surveying techniques appropriate to the terrain in which exploration will be conducted and the styles of mineralisation being targeted.

All tenements were in good standing at the effective date of this report. Access to land for exploration has either been successfully negotiated with traditional landowners in West New Britain or is able to be conducted in accordance with Queensland state expedited Native Title processes that provide certainty of timelines required to secure access for exploration activities recognised as being low impact to Native Title.

No other land access restrictions affect the West New Britain or Mount Isa region tenements.

A strong demand and constrained supply outlook for copper will result in a gradually increasing, long term price trend. This will, in turn catalyse exploration activity and competition for prospective land, especially in lower-risk regions with reasonable infrastructure, access to land for exploration and the availability of specialist exploration services, including geophysical surveys and drilling.

The prospectivity of the Coppermoly exploration permits, based on their location, geology and known mineralisation both within and outside the licence areas, is reflected in the valuations proposed for each tenement.

These valuations adhere to the competence, materiality, transparency, reasonableness and independence principles for public reports prepared in accordance with the VALMIN Code (2015) (VALMIN, 2015).

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Appendix: Kilburn Geoscience Rating Valuation Worksheets

West New Britain Projects, Papua New Guinea

EL 1043 Mt Nakru

1. Rating	Off Property Factors	On-Property Factors	Geological Factors	Anomaly Factors
0.1			Unfavourable geological setting	No mineralisation identified. Area sterilised
0.5			Generally favourable geological setting, under cover or complexly deformed or metamorphosed	Poor results to date
1.0	No known mineralisation in district	No known mineralisation on lease	Generally favourable geological setting	No targets outlined
1.5	Minor workings	Minor workings or mineralised zones exposed		Target identified; initial indications positive
2.0	Several old workings in district	Several old workings or exploration targets identified	Multiple exploration models being applied simultaneously	
2.5			Well defined exploration model applied to new areas	Significant grade intercepts evident but not linked on cross sections or ling sections
3.0	Mine or abundant workings with significant previous production	Mine or abundant workings with significant previous production	Significant mineralised zones exposed in prospective host rock	
3.5				Several economic grade intercepts on adjacent sections
4.0	Along strike from a major deposit	Major mine with significant historical production	Well understood exploration model with valid targets in a structurally complex area or under cover	
5.0	Along strike from a world class deposit		Well understood exploration model with valid targets in well understood stratigraphy	
6.0			Advanced exploration model constrained by known and well-understood mineralisation	
10.0		World class mine		

Permit	EL 1043 Mt Nakru	Area (sub-blocks)	14	BAC (A$) (sub-block)	29,400	Equity	72%
Off Property		On-Property		Anomaly		Geology	
Low	High	Low	High	Low	High	Low	High
1.5	2.0	1.0	1.5	2.0	4.0	3.0	5.0
Market Factor		1	Valuation (A$ M)	Low (100%) Low (72%)	A$3.70 A$2.67	High (100%) High (72%)	A$24.7 A$17.8

EL 2379 Simuku

2. Rating	Off Property Factors	On-Property Factors	Geological Factors	Anomaly Factors
0.1			Unfavourable geological setting	No mineralisation identified. Area sterilised
0.5			Generally favourable geological setting, under cover or complexly deformed or metamorphosed	Poor results to date
1.0	No known mineralisation in district	No known mineralisation on lease	Generally favourable geological setting	No targets outlined
1.5	Minor workings	Minor workings or mineralised zones exposed		Target identified; initial indications positive
2.0	Several old workings in district	Several old workings or exploration targets identified	Multiple exploration models being applied simultaneously	
2.5			Well defined exploration model applied to new areas	Significant grade intercepts evident but not linked on cross sections or ling sections
3.0	Mine or abundant workings with significant previous production	Mine or abundant workings with significant previous production	Significant mineralised zones exposed in prospective host rock	
3.5				Several economic grade intercepts on adjacent sections
4.0	Along strike from a major deposit	Major mine with significant historical production	Well understood exploration model with valid targets in a structurally complex area or under cover	
5.0	Along strike from a world class deposit		Well understood exploration model with valid targets in	

2. Rating	Off Property Factors	On-Property Factors	Geological Factors	Anomaly Factors
			well understood stratigraphy	
6.0			Advanced exploration model constrained by known and well-understood mineralisation	
10.0		World class mine		

Permit	EL 2379 Simuku	**Area (sub-blocks)**	36	**BAC (A$) (sub-block)**	3,704	**Equity**	100%
Off Property		**On-Property**		**Anomaly**		**Geology**	
Low	**High**	**Low**	**High**	**Low**	**High**	**Low**	**High**
2.0	2.0	1.5	1.5	2.5	3.0	3.0	5.0
Market Factor		**1**	**Valuation (A$ M)**	**Low (100%) Low (72%)**	**A$3.00 A$2.16**	**High (100%) High (72%)**	**A$6.00 A$4.32**

EL 2514 Makmak

Rating	Off Property Factors	On-Property Factors	Geological Factors	Anomaly Factors
0.1			Unfavourable geological setting	No mineralisation identified. Area sterilised
0.5			Generally favourable geological setting, under cover or complexly deformed or metamorphosed	Poor results to date
1.0	No known mineralisation in district	No known mineralisation on lease	Generally favourable geological setting	No targets outlined
1.5	Minor workings	Minor workings or mineralised zones exposed		Target identified; initial indications positive
2.0	Several old workings in district	Several old workings or exploration targets identified	Multiple exploration models being applied simultaneously	
2.5			Well defined exploration model applied to new areas	Significant grade intercepts evident but not linked on cross sections or ling sections
3.0				

Rating	Off Property Factors	On-Property Factors	Geological Factors	Anomaly Factors
3.5	Mine or abundant workings with significant previous production	Mine or abundant workings with significant previous production	Significant mineralised zones exposed in prospective host rock	Several economic grade intercepts on adjacent sections
4.0	Along strike from a major deposit	Major mine with significant historical production	Well understood exploration model with valid targets in a structurally complex area or under cover	
5.0	Along strike from a world class deposit		Well understood exploration model with valid targets in well understood stratigraphy	
6.0			Advanced exploration model constrained by known and well-understood mineralisation	
10.0		World class mine		

Permit	EL 2514 Makmak	**Area (sub-blocks)**	18	**BAC (A$) (sub-block)**	2,264	**Equity**	100%
Off Property		**On-Property**		**Anomaly**		**Geology**	
Low	**High**	**Low**	**High**	**Low**	**High**	**Low**	**High**
2.0	2.5	1.5	2.5	1.0	1.0	1.5	2.5
Market Factor		**1**	**Valuation (A$ M)**	**Low**	**A$0.183**	**High**	**A$0.637**

EL 2578 Kori River

Rating	Off Property Factors	On-Property Factors	Geological Factors	Anomaly Factors
0.1			Unfavourable geological setting	No mineralisation identified. Area sterilised
0.5			Generally favourable geological setting, under cover or complexly deformed or metamorphosed	Poor results to date

Rating	Off Property Factors	On-Property Factors	Geological Factors	Anomaly Factors
1.0	No known mineralisation in district	No known mineralisation on lease	Generally favourable geological setting	No targets outlined
1.5	Minor workings	Minor workings or mineralised zones exposed		Target identified; initial indications positive
2.0	Several old workings in district	Several old workings or exploration targets identified	Multiple exploration models being applied simultaneously	
2.5			Well defined exploration model applied to new areas	Significant grade intercepts evident but not linked on cross sections or ling sections
3.0	Mine or abundant workings with significant previous production	Mine or abundant workings with significant previous production	Significant mineralised zones exposed in prospective host rock	
3.5				Several economic grade intercepts on adjacent sections
4.0	Along strike from a major deposit	Major mine with significant historical production	Well understood exploration model with valid targets in a structurally complex area or under cover	
5.0	Along strike from a world class deposit		Well understood exploration model with valid targets in well understood stratigraphy	
6.0			Advanced exploration model constrained by known and well-understood mineralisation	
10.0		World class mine		

Permit	EL 2578 Kori River	**Area (sub-blocks)**	116	**BAC (A$) (sub-block)**	464	**Equity**	100%
Off Property		**On-Property**		**Anomaly**		**Geology**	
Low	**High**	**Low**	**High**	**Low**	**High**	**Low**	**High**
2.0	2.5	1.0	1.0	1.0	1.0	1.0	2.5
Market Factor		**1**	**Valuation (A$ '000)**	**Low**	**A$108**	**High**	**A$336**

EL 2638 Metelen River

Rating	Off Property Factors	On-Property Factors	Geological Factors	Anomaly Factors
0.1			Unfavourable geological setting	No mineralisation identified. Area sterilised
0.5			Generally favourable geological setting, under cover or complexly deformed or metamorphosed	Poor results to date
1.0	No known mineralisation in district	No known mineralisation on lease	Generally favourable geological setting	No targets outlined
1.5	Minor workings	Minor workings or mineralised zones exposed		Target identified; initial indications positive
2.0	Several old workings in district	Several old workings or exploration targets identified	Multiple exploration models being applied simultaneously	
2.5			Well defined exploration model applied to new areas	Significant grade intercepts evident but not linked on cross sections or ling sections
3.0	Mine or abundant workings with significant previous production	Mine or abundant workings with significant previous production	Significant mineralised zones exposed in prospective host rock	
3.5				Several economic grade intercepts on adjacent sections
4.0	Along strike from a major deposit	Major mine with significant historical production	Well understood exploration model with valid targets in a structurally complex area or under cover	
5.0	Along strike from a world class deposit		Well understood exploration model with valid targets in well understood stratigraphy	
6.0			Advanced exploration model constrained by known and well-understood mineralisation	
10.0		World class mine		

Permit	EL 2638 Metelen River	**Area (sub-blocks)**	72	**BAC (A$) (sub-block)**	639	**Equity**	100%
Off Property		**On-Property**		**Anomaly**		**Geology**	
Low	**High**	**Low**	**High**	**Low**	**High**	**Low**	**High**
2.0	2.5	1.0	1.0	1.0	1.0	1.0	2.5
Market Factor		**1**	**Valuation (A$ '000)**	**Low**	**A$92.0**	**High**	**A$288**

Mount Isa Inlier Projects, Northwest Queensland, Australia

EPM 27835 Foxes Creek

Rating	Off Property Factors	On-Property Factors	Geological Factors	Anomaly Factors
0.1			Unfavourable geological setting	No mineralisation identified. Area sterilised
0.5			Generally favourable geological setting, under cover or complexly deformed or metamorphosed	Poor results to date
1.0	No known mineralisation in district	No known mineralisation on lease	Generally favourable geological setting	No targets outlined
1.5	Minor workings	Minor workings or mineralised zones exposed		Target identified; initial indications positive
2.0	Several old workings in district	Several old workings or exploration targets identified	Multiple exploration models being applied simultaneously	
2.5			Well defined exploration model applied to new areas	Significant grade intercepts evident but not linked on cross sections or ling sections
3.0	Mine or abundant workings with significant previous production	Mine or abundant workings with significant previous production	Significant mineralised zones exposed in prospective host rock	
3.5				Several economic grade intercepts on adjacent sections
4.0	Along strike from a major deposit	Major mine with significant historical production	Well understood exploration model with valid targets in a structurally complex area or under cover	
5.0	Along strike from a world class deposit		Well understood exploration model with valid targets in well understood stratigraphy	
6.0			Advanced exploration model constrained by known and well-understood mineralisation	
10.0		World class mine		

Permit	EPM 27835 Foxes Creek	Area (sub-blocks)	100	BAC (A$) (tenement)	$1,092	Equity	100%
Off Property		On-Property		Anomaly		Geology	
Low	High	Low	High	Low	High	Low	High
3.0	5.0	1.5	2.0	1.0	1.0	0.5	2.5
Market Factor		1	Valuation (A$ M)	Low	A$0.246	High	A$2.73

EPM 27836 Mount Tracey

Rating	Off Property Factors	On-Property Factors	Geological Factors	Anomaly Factors
0.1			Unfavourable geological setting	No mineralisation identified. Area sterilised
0.5			Generally favourable geological setting, under cover or complexly deformed or metamorphosed	Poor results to date
1.0	No known mineralisation in district	No known mineralisation on lease	Generally favourable geological setting	No targets outlined
1.5	Minor workings	Minor workings or mineralised zones exposed		Target identified; initial indications positive
2.0	Several old workings in district	Several old workings or exploration targets identified	Multiple exploration models being applied simultaneously	
2.5			Well defined exploration model applied to new areas	Significant grade intercepts evident but not linked on cross sections or ling sections
3.0	Mine or abundant workings with significant previous production	Mine or abundant workings with significant previous production	Significant mineralised zones exposed in prospective host rock	
3.5				Several economic grade intercepts on adjacent sections
4.0	Along strike from a major deposit	Major mine with significant historical production	Well understood exploration model with valid targets in a structurally complex area or under cover	
5.0	Along strike from a world class deposit		Well understood exploration model with valid targets in well	

Rating	Off Property Factors	On-Property Factors	Geological Factors	Anomaly Factors
			understood stratigraphy	
6.0			Advanced exploration model constrained by known and well-understood mineralisation	
10.0		World class mine		

Permit	EPM 27836 Mount Tracey	**Area (sub-blocks)**	92	**BAC (A$) (tenement)**	$1,116	**Equity**	100%
Off Property		**On-Property**		**Anomaly**		**Geology**	
Low	**High**	**Low**	**High**	**Low**	**High**	**Low**	**High**
3.0	5.0	1.5	2.0	1.0	1.0	0.5	2.5
Market Factor		**1**	**Valuation (A$ M)**	**Low**	**A$0.231**	**High**	**A$2.56**

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ONLINE SHAREHOLDERS' MEETING GUIDE 2023

Attending the AGM virtually

If you choose to participate online, you will be able to view a live webcast of the meeting, ask questions and submit your votes in real time.

To access the meeting:

Visit web.lumiagm.com/302639024 on your computer, tablet or smartphone. You will need the latest version of Chrome, Safari, Edge or Firefox. Please ensure your browser is compatible.

Meeting ID: 302-639-024

To login you must have your Voting Access Code (VAC) and Postcode or Country Code

The website will be open and available for log in from 2:00pm AEST, Tuesday 25th April 2023

Using the Lumi AGM platform:

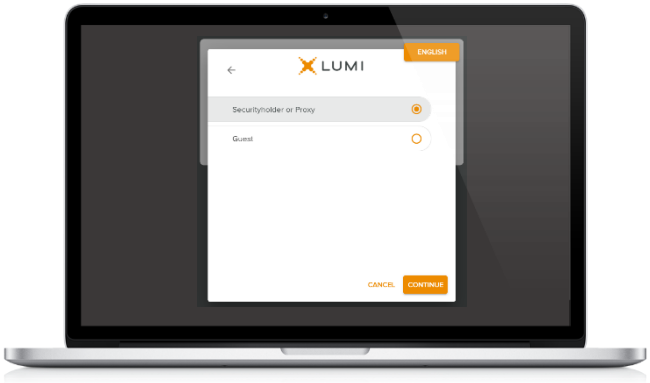
ACCESS

The 1st page of the platform will ask in what capacity you are joining the meeting.

Shareholders or appointed proxies should select

"Shareholder or Proxyholder"

Guests should select "Guest"

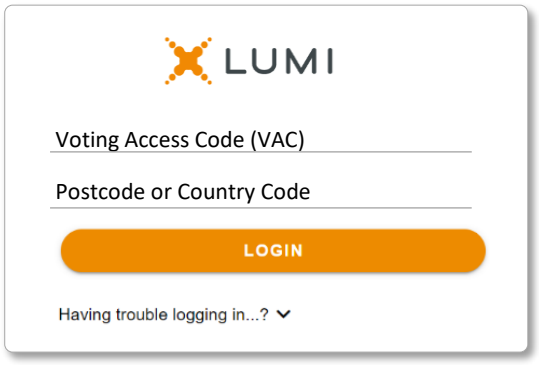


CREDENTIALS

Shareholders/Proxys

Your username is your Voting Access Code and your password is your Postcode or Country Code, or, for Non-Australian residents, your 3-letter country code.

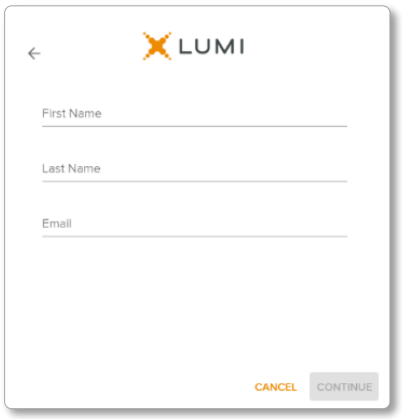
Proxy holders should obtain their log in credentials from the registrar by calling 1300 737 760



Guests

Please enter your name and email address to be admitted into the meeting.

Please note, guests will not be able to ask questions or vote at the meeting.



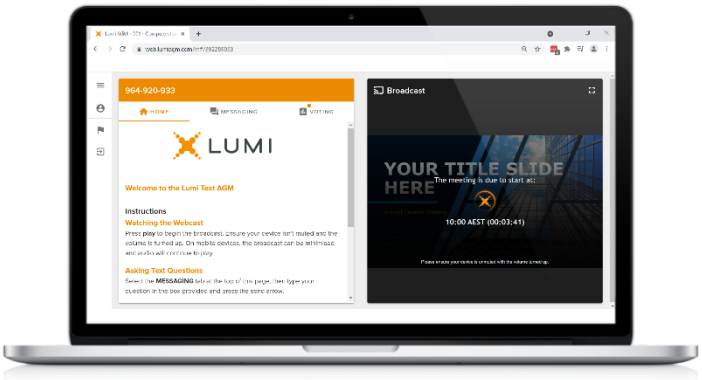
NAVIGATION

Once successfully authenticated, the home page will appear. You can view meeting instructions, ask questions and watch the webcast.

If viewing on a computer the webcast will appear at the side automatically once the meeting has started.

On a mobile device, select the broadcast icon at the bottom of the screen to watch the webcast.

During the meeting, mobile users can minimise the webcast at any time by selecting the arrow by the broadcast icon. You will still be able to hear the meeting. Selecting the broadcast icon again will reopen the webcast.



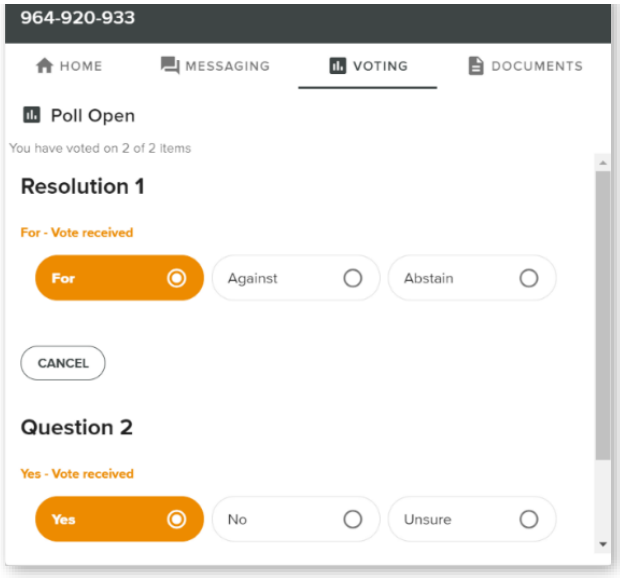
Desktop / Laptop users can watch the webcast full screen, by selecting the full screen icon.

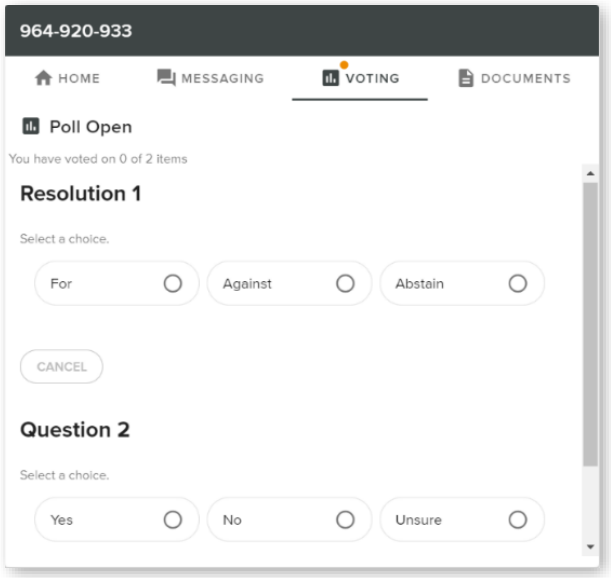
To reduce the webcast to its original size, select the X at the top of the broadcast window.

VOTING

The Chair will open voting on all resolutions at the start of the meeting. Once voting has opened, the voting tab will appear on the navigation bar.

Selecting this tab will open a list of all resolutions and their voting options.





To vote, simply select your voting direction from the options displayed on screen. Your selection will change colour and a confirmation message will appear.

To change your vote, simply select another option. If you wish to cancel your vote, please press cancel.

There is no need to press a submit or send button. Your vote is automatically counted.

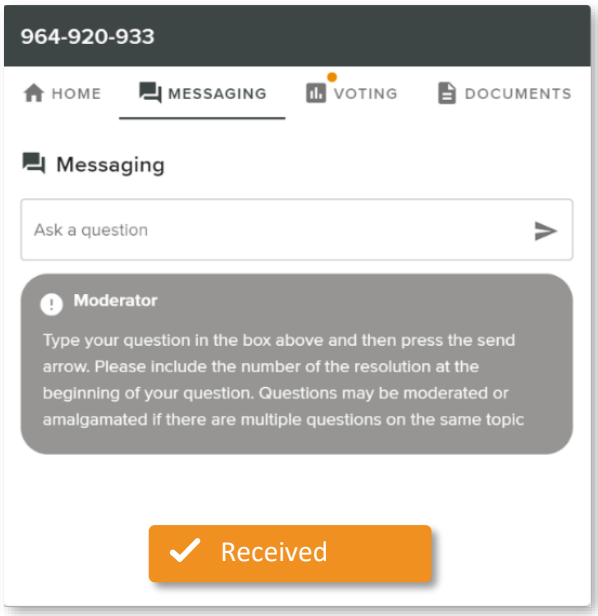
Voting can be performed at any time during the meeting until the Chair closes the poll.

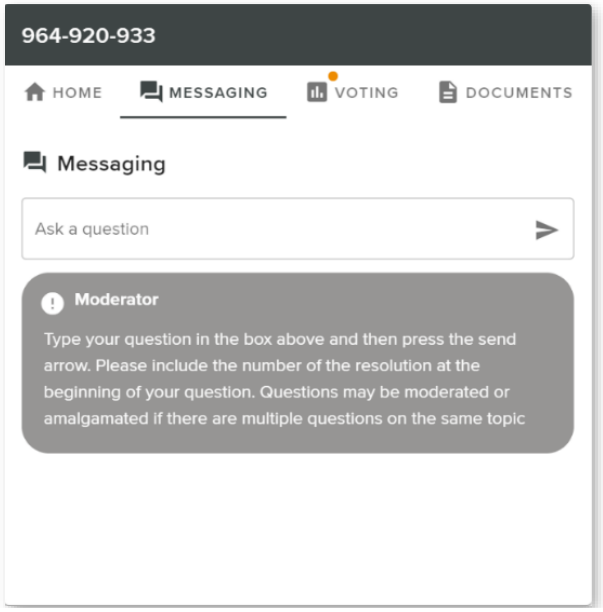
QUESTIONS

Any shareholder or appointed proxy is eligible to ask questions.

If you would like to ask a question. Select the messaging tab.

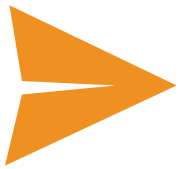
Messages can be submitted at any time from the start of the meeting, up until the Chair closes the Q&A session.





Select the “Ask a Question” box and type in your message.

Once you are happy with your message, select the send icon.



Questions sent via the Lumi platform may be moderated before being sent to the Chair. This is to avoid repetition and remove any inappropriate language.

Asking Audio Questions

If you are a shareholder or proxy you can ask a verbal question. Dial by your location below:
+61 7 3185 3730 Australia
+61 8 6119 3900 Australia
+61 8 7150 1149 Australia
+61 2 8015 6011 Australia
+61 3 7018 2005 Australia

Find your local number:
https://us06web.zoom.us/u/kbuBC7fhOb

Once dialled in you will be asked to enter a meeting ID. Please ensure your webcast is muted before joining the call.

You will be asked for a participant pin however simply press # to join the meeting. You will be muted upon entry. To ask a question press *9 to signal the moderator. Once your question has been answered your line will be muted. Feel free to either hang up or stay on the line. For additional questions press *9 to signal the operator.

Meeting ID: 302-639-024

To login you must have your Voting Access Code (VAC) and Postcode or Country Code

The website will be open and available for log in from 2:00pm AEST, Tuesday 25th April 2023

Country Codes

For overseas shareholders, select your country code from the list below and enter it into the password field.

ABW	Aruba
AFG	Afghanistan
AGO	Angola
AIA	Anguilla
ALA	Aland Islands
ALB	Albania
AND	Andorra
ANT	Netherlands Antilles
ARE	United Arab Emirates
ARG	Argentina
ARM	Armenia
ASM	American Samoa
ATA	Antarctica
ATF	French Southern
ATG	Antigua & Barbuda
AUS	Australia
AUT	Austria
AZE	Azerbaijan
BDI	Burundi
BEL	Belgium
BEN	Benin
BFA	Burkina Faso
BGD	Bangladesh
BGR	Bulgaria
BHR	Bahrain
BHS	Bahamas
BIH	Bosnia & Herzegovina
BLM	St Barthelemy
BLR	Belarus
BLZ	Belize
BMU	Bermuda
BOL	Bolivia
BRA	Brazil
BRB	Barbados
BRN	Brunei Darussalam
BTN	Bhutan
BUR	Burma
BVT	Bouvet Island
BWA	Botswana
CAF	Central African Republic
CAN	Canada
CCK	Cocos (Keeling) Islands
CHE	Switzerland
CHL	Chile
CHN	China
CIV	Cote D'ivoire
CMR	Cameroon
COD	Democratic Republic of Congo
COK	Cook Islands
COL	Colombia
COM	Comoros
CPV	Cape Verde
CRI	Costa Rica
CUB	Cuba
CYM	Cayman Islands
CYP	Cyprus
CXR	Christmas Island
CZE	Czech Republic
DEU	Germany
DJI	Djibouti
DMA	Dominica
DNK	Denmark
DOM	Dominican Republic
DZA	Algeria
ECU	Ecuador
EGY	Egypt
ERI	Eritrea
ESH	Western Sahara
ESP	Spain
EST	Estonia
ETH	Ethiopia
FIN	Finland
FJI	Fiji
FLK	Falkland Islands (Malvinas)
FRA	France
FRO	Faroe Islands
FSM	Micronesia
GAB	Gabon
GBR	United Kingdom
GEO	Georgia
GGY	Guernsey
GHA	Ghana
GIB	Gibraltar
GIN	Guinea
GLP	Guadeloupe
GMB	Gambia
GNB	Guinea-Bissau
GNQ	Equatorial Guinea
GRC	Greece
GRD	Grenada
GRL	Greenland
GTM	Guatemala
GUF	French Guiana
GUM	Guam
GUY	Guyana
HKG	Hong Kong
HMD	Heard & Mcdonald Islands
HND	Honduras
HRV	Croatia
HTI	Haiti
HUN	Hungary
IDN	Indonesia
IMN	Isle Of Man
IND	India
IOT	British Indian Ocean Territory
IRL	Ireland
IRN	Iran Islamic Republic of
IRQ	Iraq
ISM	Isle of Man
ISL	Iceland
ISR	Israel
ITA	Italy
JAM	Jamaica
JEY	Jersey
JOR	Jordan
JPN	Japan
KAZ	Kazakhstan
KEN	Kenya
KGZ	Kyrgyzstan
KHM	Cambodia
KIR	Kiribati
KNA	St Kitts And Nevis
KOR	Korea Republic of
KWT	Kuwait
LAO	Laos
LBN	Lebanon
LBR	Liberia
LBY	Libyan Arab Jamahiriya
LCA	St Lucia
LIE	Liechtenstein
LKA	Sri Lanka
LSO	Lesotho
LTU	Lithuania
LUX	Luxembourg
LVA	Latvia
MAC	Macao
MAF	St Martin
MAR	Morocco
MCO	Monaco
MDA	Republic Of Moldova
MDG	Madagascar
MDV	Maldives
MEX	Mexico
MHL	Marshall Islands
MKD	Macedonia Former Yugoslav Rep
MLI	Mali
MLT	Mauritania
MMR	Myanmar
MNE	Montenegro
MNG	Mongolia
MNP	Northern Mariana Islands
MOZ	Mozambique
MRT	Mauritania
MSR	Montserrat
MTQ	Martinique
MUS	Mauritius
MWI	Malawi
MYS	Malaysia
MYT	Mayotte
NAM	Namibia
NCL	New Caledonia
NER	Niger
NFK	Norfolk Island
NGA	Nigeria
NIC	Nicaragua
NIU	Niue
NLD	Netherlands
NOR	Norway Montenegro
NPL	Nepal
NRU	Nauru
NZL	New Zealand
OMN	Oman
PAK	Pakistan
PAN	Panama
PCN	Pitcairn Islands
PER	Peru
PHL	Philippines
PLW	Palau
PNG	Papua New Guinea
POL	Poland
PRI	Puerto Rico
PRK	Korea Dem Peoples Republic of
PRT	Portugal
PRY	Paraguay
PSE	Palestinian Territory Occupied
PYF	French Polynesia
QAT	Qatar
REU	Reunion
ROU	Romania
RUS	Russian Federation
RWA	Rwanda
SAU	Saudi Arabia Kingdom Of
SDN	Sudan
SEN	Senegal
SGP	Singapore
SGS	Sth Georgia & Sth Sandwich Isl
SHN	St Helena
SJM	Svalbard & Jan Mayen
SLB	Solomon Islands
SCG	Serbia & Outlying
SLE	Sierra Leone
SLV	El Salvador
SMR	San Marino
SOM	Somalia
SPM	St Pierre And Miquelon
SRB	Serbia
STP	Sao Tome And Principe
SUR	Suriname
SVK	Slovakia
SVN	Slovenia
SWE	Sweden
SWZ	Swaziland
SYC	Seychelles
SYR	Syrian Arab Republic
TCA	Turks & Caicos Islands
TCD	Chad
TGO	Togo
THA	Thailand
TJK	Tajikistan
TKL	Tokelau
TKM	Turkmenistan
TLS	Timor-Leste
TMP	East Timor
TON	Tonga
TTO	Trinidad & Tobago
TUN	Tunisia
TUR	Turkey
TUV	Tuvalu
TWN	Taiwan
TZA	Tanzania United Republic of
UGA	Uganda
UKR	Ukraine
UMI	United States Minor
URY	Uruguay
USA	United States of America
UZB	Uzbekistan
VNM	Vietnam
VUT	Vanuatu
WLF	Wallis & Futuna
WSM	Samoa
YEM	Yemen
YMD	Yemen Democratic
YUG	Yugoslavia Socialist Fed Rep
ZAF	South Africa
ZAR	Zaire
ZMB	Zambia
ZWE	Zimbabwe

COPPERMOLY Limited

All Correspondence to:

By Mail Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia

By Fax: +61 2 9290 9655

Online: www.boardroomlimited.com.au

By Phone: (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10:00am (AEST) on Saturday 22 April 2023.**

TO VOTE ONLINE

BY SMARTPHONE

STEP 1: VISIT https://www.votingonline.com.au/coyegm2023

STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)

STEP 3: Enter your Voting Access Code (VAC):

Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.

If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

(a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.

(b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10:00am (AEST) on Saturday, 22 April 2023.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

Online	https://www.votingonline.com.au/coyegm2023
By Fax	+ 61 2 9290 9655
By Mail	Boardroom Pty Limited GPO Box 3993, Sydney NSW 2001 Australia
In Person	Boardroom Pty Limited Level 8, 210 George Street Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Coppermoly Limited
ACN 126 490 855

☐ **Your Address**
This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes.
Please note, you cannot change ownership of your securities using this form.

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Coppermoly Limited** (Company) and entitled to attend and vote hereby appoint:

☐ the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Extraordinary General Meeting of the Company to be held as a hybrid meeting, both online and at **Piper Alderman Lawyers, Level 26 Riparian Place, 71 Eagle Street, Brisbane QLD on Monday, 24 April, 2023 at 10:00am (AEST)** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

The Chair of the Meeting intends to vote all undirected proxies in favour of all Items of business.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Approval of Disposal of [illegible] Quest to [illegible]ated Pa[illegible]	☐	☐	☐
Resolution 2	Approval of Selective S[illegible] Buy [illegible]ck	☐	☐	☐
Resolution 3	Approval to vary Jade Convertible Note Agreement	☐	☐	☐
Resolution 4	Approval to Issue 5,151,455 Shares to Mr Jincheng Yao in lieu of Directors Fees	☐	☐	☐
Resolution 5	Approval to Issue 5,151,455 Shares to Mr Zule Lin in lieu of Directors Fees	☐	☐	☐
Resolution 6	Approval to Issue 5,151,455 Shares to Mr Jian Xuan in lieu of Directors Fees	☐	☐	☐

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary

Contact Name…….. Contact Daytime Telephone……..... Date / / 2023