



28 April 2023

ASX Code: COY

### March 2023 Quarterly Activities Report

The following report details the operating and corporate activities of Coppermoly Ltd (**Coppermoly** or **the Company**) for the quarter ended 31 March 2023.

#### SUMMARY

- **Proposed Shareholders Meeting for sale of Papua New Guinea Projects**
- **Data Compilation and Analysis to advance Mt Isa Project in Queensland**
- **Coppermoly is capitalized with cash reserves of \$1.1 million as of 31 March 2023**

#### Exploration Projects

##### **Papua New Guinea Exploration Projects**

The Company advised in December that it had entered into a legally binding share purchase deed (**SPA**) for the sale of all of the shares in its wholly owned subsidiary, Copper Quest PNG Limited (**Sale Shares**) (**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**) (the Company's largest shareholder) (**Sale**).

The Sale was subject to, among, other things, shareholder approval and other usual regulatory approvals, further details of which were contained in the announcement of 13 December 2022 and notice of meeting seeking shareholder approval for the Sale, which was dispatched to Shareholders on 24 March 2023.

The Company engaged in discussions with MRA's Geological Survey which proposed a trial run of Seismic Reflection Survey at our Simuku prospect. The Company's local team maintains site camp and liaises with landowners, no field work are carried out during this quarter.

##### **Exploration Projects in Australia**

The Company holds substantial prospective ground for copper gold mineralisation in the Eastern Succession, Mount Isa Inlier, northwest Queensland (Fig 1, EPM 27835 Foxes Creek, EPM 27836 Mount Tracey, and EPM 28751 Windy Hill application).

A number of potential copper gold targets are highlighted on the basis of ongoing data review and modelling of historical geological, geochemical and geophysical data. In particular, a large geochemical and airborne EM anomaly is delineated at the Shuffleton Prospect.

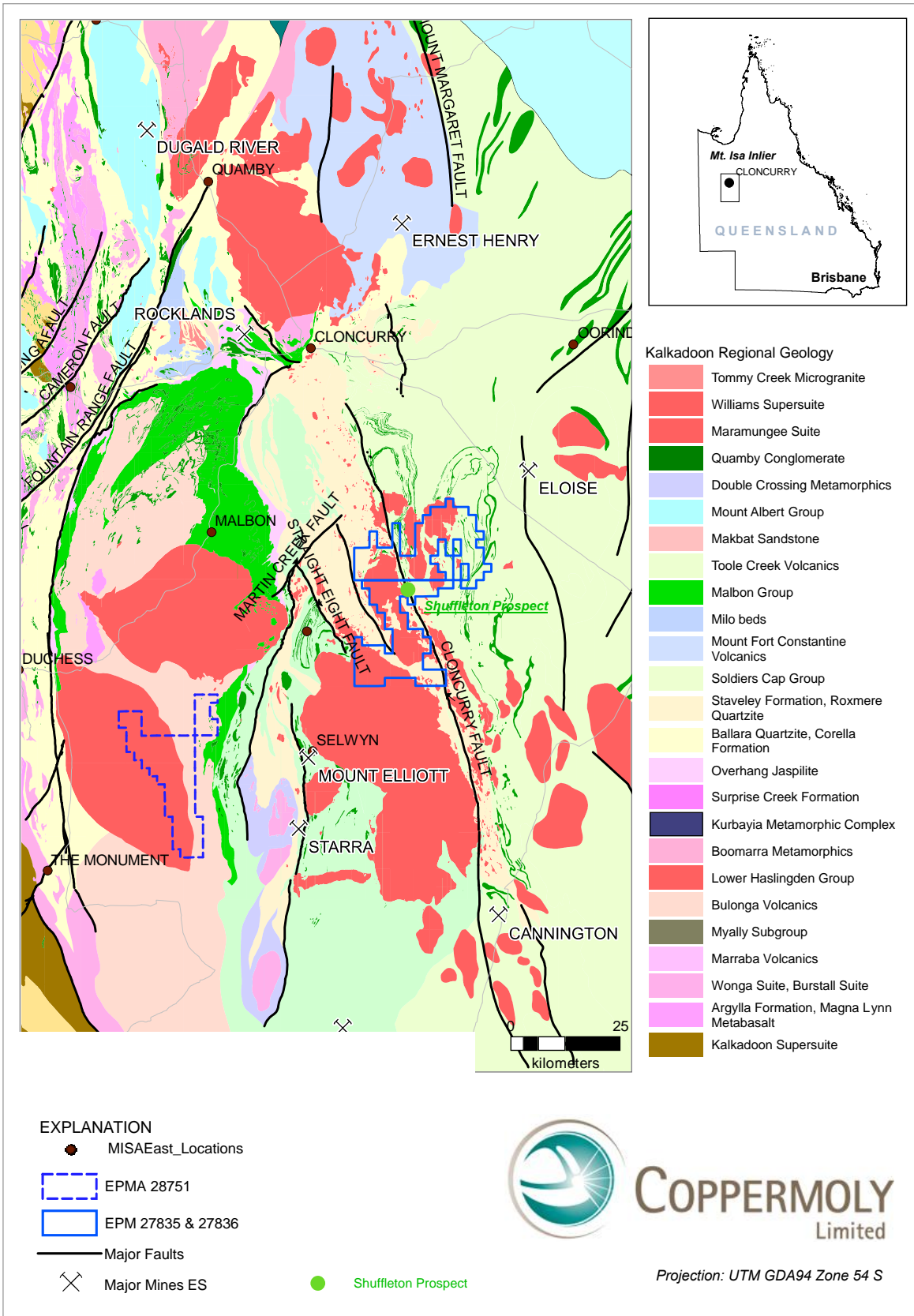


Figure 1 - Tenement location in the eastern Succession, Mt Isa Inlier, Northwest Queensland (Map compiled after Qld's Mines Department database - NWQ Geology 2011)

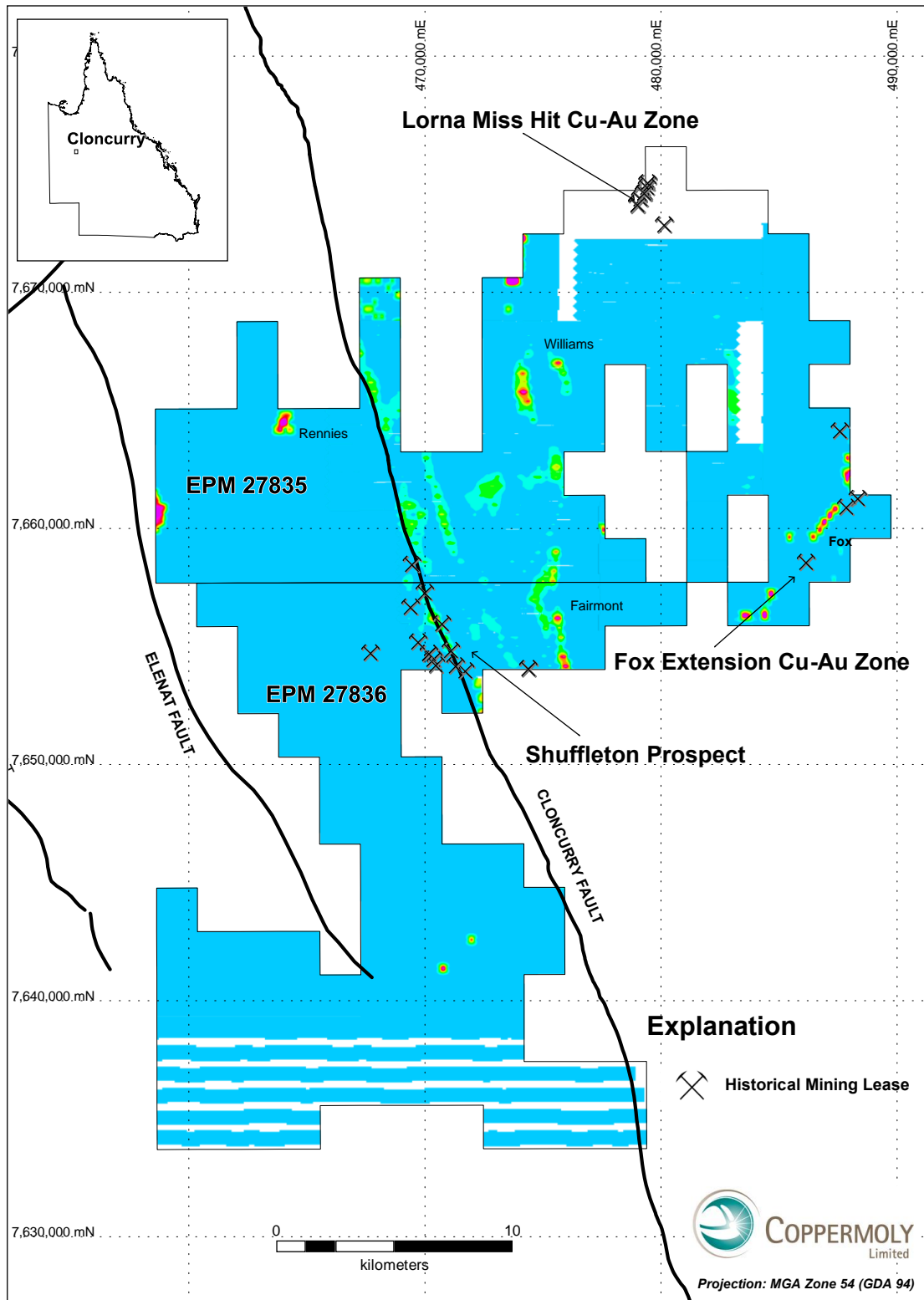


Figure 2 - A stitched map of 3 Airborne EM and GEOTEM surveys showing AEM anomalies in tenement area.

The Company has now completed the first phase of review of extensive historical data, including geochemical surveys, geological mapping and two abutting airborne GEOTEM surveys completed by BHP and Aberfoyle. Figure 2 shows a number of near surface middle to late time GEOTEM anomalies the majority of which have only been minimally investigated and not drilled.

A large airborne GEOTEM anomaly along the Cloncurry Fault Zone at Shuffleton are evident in an area of overlap of both the BHP (1992) and Aberfoyle (1990) surveys. The Shuffleton GEOTEM anomaly is coincident with a large steam sediment and rock Cu geochemical anomaly.

### ***Shuffleton Prospect***

The Shuffleton Prospect is situated along a NNE striking segment of the Cloncurry Fault (Figure 3).

Soldiers Cap Group, Staveley Formation, Corella Formation and Mesozoic cover stratigraphy intruded by a large part of the granitic Williams Batholith and numerous small mafic bodies are mapped in the area (Figure 3).

The Soldiers Cap Group comprises a fine- to coarse-grained, marine clastic sequence which includes iron formation and a suite of Fe-rich mafic igneous sills. The Soldiers Cap Group hosts numerous base metal ore bodies including Cannington and Eloise.

The calc-silicate rich Corella Formation contains significant discordant breccias in the district, in particular along and on the western edge of the Cloncurry Fault. These are polymictic sedimentary and porphyritic volcanic rock breccia with K-feldspar, albite and hematite alteration reminiscent of some of the rock types present at Ernest hennery and Mary Kathleen.

The Staveley Formation is dominated by a fine to medium grained, massive to well bedded immature and calcareous sediments with minor banded iron formations. They note ripple marks, halite casts, desiccation cracks and extensive brecciation.

The Williams Granite, 2km to the west of the Shuffleton Prospect, is dated at  $1530 \pm 8$ Ma. The Saxby Granite, which is also about 1530Ma old, is mapped about 1~3 km to the north-east of Shuffleton. A number of minor dolerite/mafic intrusions are also present within and in the vicinity of the prospect.

In more detail, a 3.5km strike by up to 20m wide gossanous (iron stained) sub-vertical quartz breccia sheet is mapped along the interpreted Cloncurry Fault Zone at Shuffleton.

Out of a total of 50 rock chips samples taken within the prospect, the quartz breccia returned 16 with concentrations greater than 0.1% and a maximum of 15.9% Cu. (Figure 3).

The bulbous, NNW oriented 8 x 2km – 80# stream sediment Cu geochemical zone (n= 236, + 50 ppm, max 235 ppm) is shown in Figure 4. The geochemical anomaly extends to include a part of the Staveley Formation and contact with the Williams Batholith. The eastern half of the geochemical anomaly follows the trace of the mapped Cloncurry Fault and surface mineralised quartz breccia. The eastern edge of the geochemical anomaly is also coincident with the similar strike length GEOTEM conductivity (Figure 4)

Within the prospect area, the Queensland Mines Department has recorded small historical production of copper from the Mt Kalkadoon Mine between 1940's and 1960s (GSQ CR 5180). The copper mine worked high grade surface oxide ores located approximately 800m west of the Cloncurry Fault.

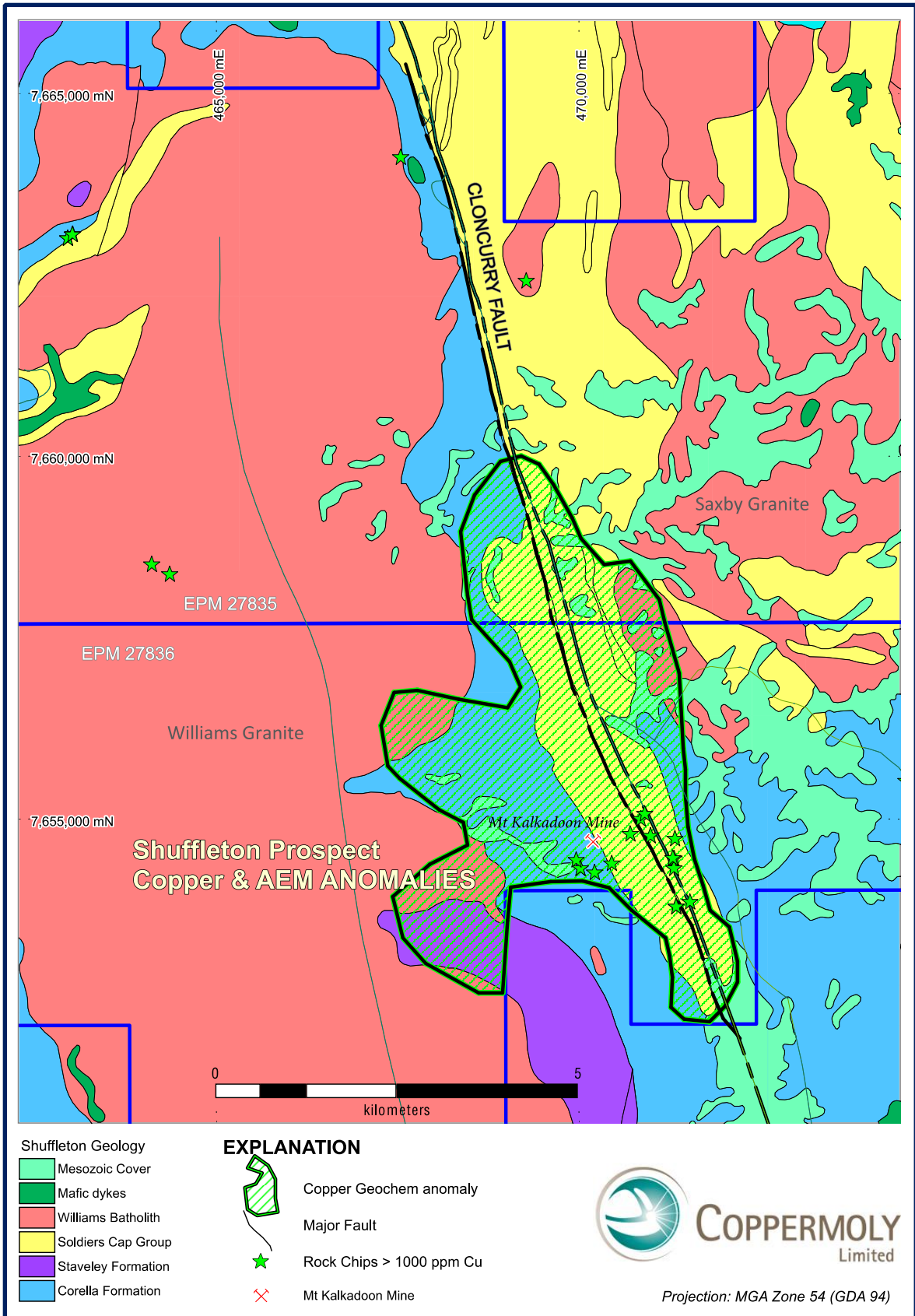
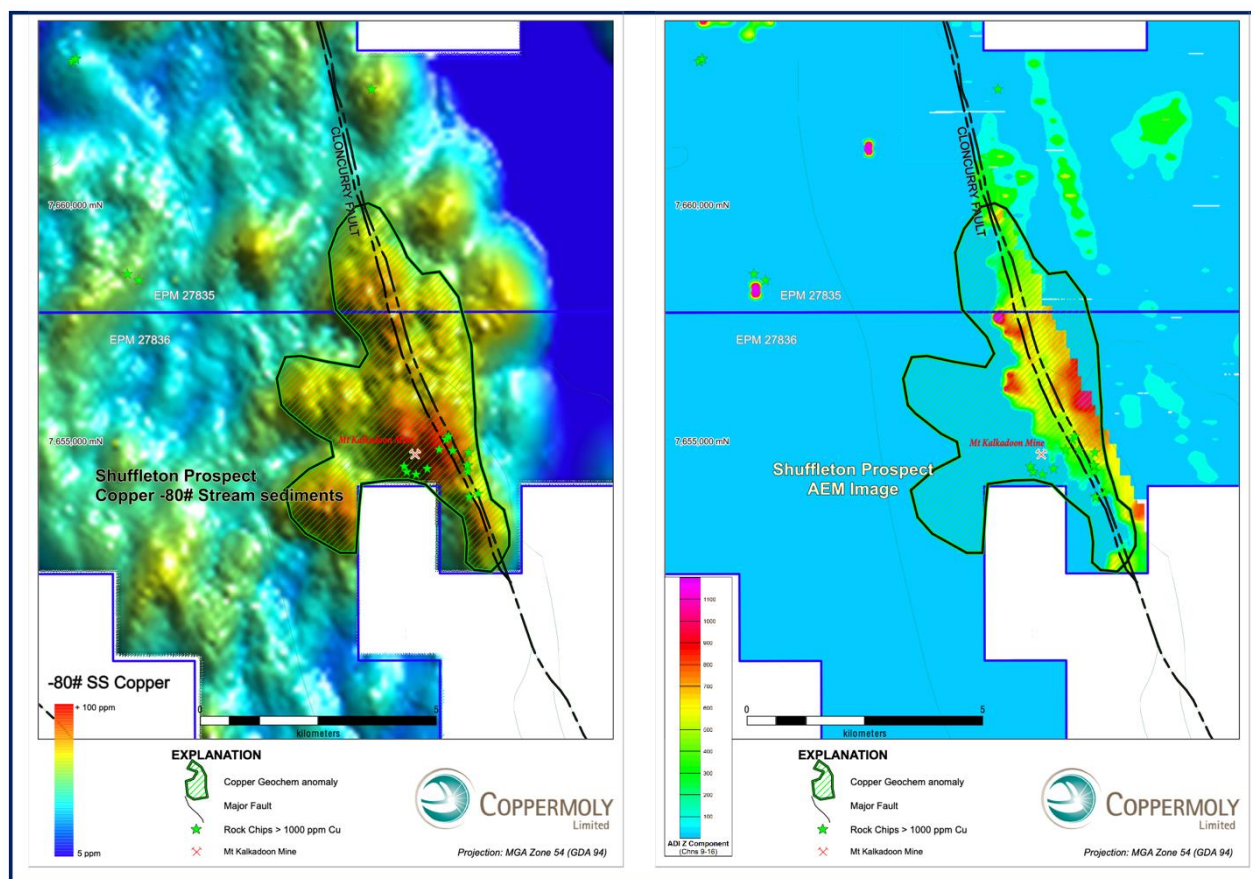


Figure 3 – Shuffleton Prospect - Geology with outline of stream geochemical anomaly overlain by location of highlight Cu rock chip results.



**Figure 4 – Shuffleton Prospect anomaly (left: -minus 80 mesh (-80#) stream sediment Cu geochemical anomaly; right: Airborne GEOTEM mid to late time conductivity anomalies) overlain by location of highlight Cu rock chip results.**

The mineralisation characteristics of known Isa Orogen Eastern Succession Cu-Au ore deposits such as the Ernest Henry and Starra include:

- Hosted within metasediments of Stavelly Formation / Corella Formation/ Upper Soldiers Cap Group or Cover Sequence 2 correlatives;
- Close to margins of fractionated syn to post tectonic 1600-1500Ma I-type granites;
- Close to minor mafic intrusives or concordant volcanics;
- Second order fault-shear structure connecting granite and host metasediment sequence;
- Significant coincident or adjacent EM conductivity anomalies;
- Local magnetic lows (magnetite alteration destruction) within generally highly magnetic domains

Most of those elements can be observed at the Shuffleton Prospect. Thus the large geochemical anomaly, surface gossan breccias along major fault zone, linear GEOTEM anomaly, and historical copper mine warrants detail exploration and potential drill testing.

The identification of Shuffleton Prospect provides a unique “turn-key” opportunity to investigate a large underexplored Cu prospect in highly competitive Mt Isa Eastern Succession which can be rapidly explored.

### **Corporate Activity**

As of 31 March 2023, the Company had cash reserves of \$1.1 million.

During the quarter the Company made payments totaling \$41,437 to related parties or their associates. These payments represented remuneration, including superannuation, paid to the Managing Director.



## Exploration Portfolio on 31 March 2023

As of 31 March 2023, the Company had interests in the following mineral exploration tenements:

PROJECT	EXPIRY DATE	AREA	LOCATION
<b><u>Granted Exploration Licences – Papua New Guinea</u></b>			
EL 1043 Mt Nakru*	7 December 2022	47km <sup>2</sup>	West New Britain
EL 2379 Simuku*	10 September 2021 <sup>^^</sup>	122km <sup>2</sup>	West New Britain
EL 2514 Mak Mak*	11 September 2021 <sup>^^</sup>	61km <sup>2</sup>	West New Britain
EL 2578 Kori River*	24 February 2021 <sup>^^</sup>	396km <sup>2</sup>	West New Britain
EL 2638 Metelen River*	17 May 2022	246km <sup>2</sup>	West New Britain
<b><u>Exploration Licences – Australia</u></b>			
EPM27835 Fox Creek <sup>@</sup>	4 October 2026	320km <sup>2</sup>	Queensland
EPM27836 Mount Tracey <sup>@</sup>	7 March 2027	294km <sup>2</sup>	Queensland
EPM28751 Windy Hill <sup>@</sup>	Application lodged on 16/03/2023	320 km <sup>2</sup>	Queensland

\* Projects disposed subsequent to quarter end as noted within the quarterly.

@ The Company holds a 100% ownership interest in the mineral exploration tenements noted other than Windy Hill, which is currently under application.

Authorised by the Managing Director of Coppermoly Limited.

**For further information please contact:**

Dr Wanfu Huang  
Managing Director  
[wfhuang@coppermoly.com.au](mailto:wfhuang@coppermoly.com.au)

<b><u>Corporate Directory</u></b>	
<b>Coppermoly Limited</b> (ABN 54 126 490 855)	
<b>Executive Director</b> Dr Wanfu Huang	<b>Registered office</b> Unit 2, 42 Morrow Street, Taringa, Queensland 4068 Telephone: +61 7 3217 7544 Facsimile: +61 7 3876 0695 Email: <a href="mailto:info@coppermoly.com.au">info@coppermoly.com.au</a> Website: <a href="http://www.coppermoly.com.au">www.coppermoly.com.au</a>
<b>Non-Executive Directors</b> Mr Kevin Grice Mr Craig McPherson	
<b>Company Secretary</b> Mr Craig McPherson	

## Appendix 5B

### Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

COPPERMOLY LIMITED

ABN

54 126 490 855

Quarter ended ("current quarter")

31 MARCH 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(58)	(162)
(e) administration and corporate costs	(139)	(428)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	10
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(193)</b>	<b>(580)</b>



## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(137)	(367)
(e) investments	-	-
(f) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(137)</b>	<b>(367)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2 Proceeds from issue of convertible debt securities	-	-
3.3 Proceeds from exercise of options	-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	1,437	2,054
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(193)	(580)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(137)	(367)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>1,107</b>	<b>1,107</b>

<b>5. Reconciliation of cash and cash equivalents</b>	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1 Bank balances	1,107	1,437
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,107</b>	<b>1,437</b>

<b>6. Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1 Aggregate amount of payments to related parties and their associates included in item 1	41
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>	

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 <b>Total financing facilities</b>	-	-
7.5 <b>Unused financing facilities available at quarter end</b>		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(193)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(142)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(335)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,107
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,107
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	3.30
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
Not applicable	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	
Not applicable	

## Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Not applicable

*Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.*

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 April 2023.....

Authorised by: The Managing Director  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg *Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.