

4 May 2015

ASX Code: COY

UPDATE - FURTHER HIGH GRADE COPPER RESULTS IN SURFACE FLOAT SAMPLES AT NAKRU

This is an update to last Thursday's announcement. It updates the Competent Person Statement and removes the "n/a" references in the attached JORC Code, 2012 Edition – Table 1.

Mineral explorer Coppermoly Limited (ASX /POMSIX: COY) is pleased to announce further high grade copper in preliminary assays from rock float samples collected at the Nakru 2 Northwest and Nakru 4 prospects on the Company's Nakru exploration licence (EL 1043) on New Britain Island in Papua New Guinea.

Fifteen (15) rock float (talus debris) samples were collected at the Nakru 2 Northwest and Nakru 4 prospects located approximately 500m to 1000m northwest from known mineralisation at Nakru 2 and Nakru 1 prospects in February (Figure 1).

The sample coordinates and copper, gold, silver, zinc and molybdenum assay results include:

Sample Number	Copper (Cu) (%)	Gold (Au) (ppm)	Silver (Ag) (ppm)	Zinc (Zn) (ppm)	Moly (Mo) (ppm)	Northing (AMG66)	Easting (AMG66)
NK2-0011	>2	0.450	46.8	>2%	240	9339201	220116
NK2-0012	>2	0.365	181.7	3511	327	9339104	219994
NK2-0013	>2	0.414	119.0	1944	602	9339310	220116
NK4-0014	>2	0.353	17.7	115	48	9339992	221540
NK4-0015	0.17	0.039	0.8	21	16	9340064	221700
NK4-0016	>2	0.695	6.6	50	76	9340056	221745
NK4-0017	0.99	0.138	3.7	36	31	9339766	221382
NK4-0018	0.06	0.039	0.2	164	6	9339787	221425
NK4-0019	1.02	0.070	2.3	94	7	9339762	221388
NK4-0020	>2	0.660	7.5	45	43	9339776	221362
NK4-0021	0.48	0.075	0.9	39	17	9339789	221886
NK4-0022	0.83	0.106	2.1	38	30	9339808	221398
NK4-0023	1.20	0.168	2.1	58	14	9339795	221404
NK4-0024	1.17	0.088	1.9	29	24	9339805	221428
NK4-0025	0.78	0.227	1.6	58	45	9339886	221563

The three (3) samples from Nakru 2 Northwest (NK2-0011 to NK2-0013) each assayed >2%Cu and together with highly anomalous Au, Ag, Zn and Mo confirm previously reported high grade float samples in this area (COY ASX report 20th January 2014). The samples may indicate a new parallel mineralised zone north west of Nakru 2.

Six (6) of the twelve (12) float samples (NK4-014 to NK14-025) collected from the Nakru 4 prospect assayed greater than 1% copper with two greater than 2% copper. The samples may indicate a new parallel mineralised zone to the north of Nakru 1 prospect.

The assay results are preliminary with final results expected early in May. Samples with copper assays greater than 2% (>2%) are being reanalysed at Intertek Genalysis Townsville using an ore grade method.

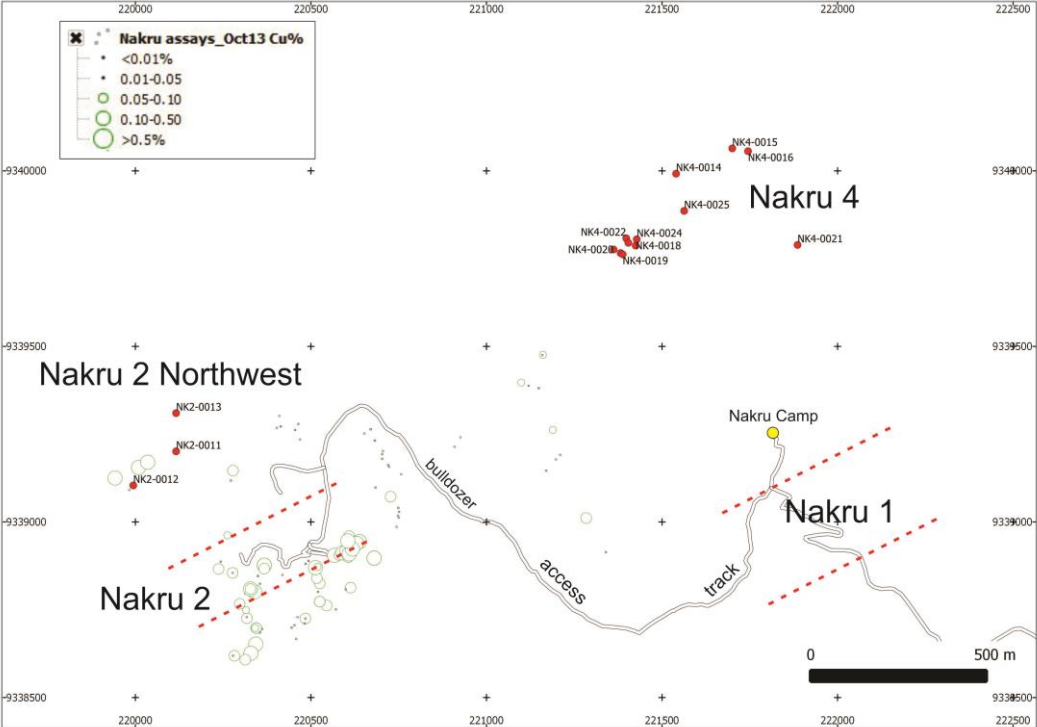


Figure 1: Nakru project location map. Surface rock samples from the March 2015 programme are shown in red. Samples from the October 2014 rock float programme are also shown.

The samples were collected in the field by Peter Ainge (company geologist and Coppermoly PNG Country Manager) and air-freighted to Lae Papua New Guinea for preparation and gold assaying at Intertek Laboratories. Intertek Lae then air-freighted the pulps to Intertek Genalysis Laboratories in Townsville Australia for multi-element analysis.

All of the samples with elevated copper contain sulphides with little or no oxidation. The dominant sulphides are pyrite and secondary chalcocite with some chalcopyrite (Figure 2). The float samples are considered to have a local provenance as the topography is relatively subdued limiting downslope movement and the samples are relatively unoxidised suggesting recent exhumation. The sulphide mineralisation is associated with strongly developed silica + sericite + clay altered rho-dacite breccias. Similar rocks host mineralisation at Nakru 1 and Nakru 2 prospects.

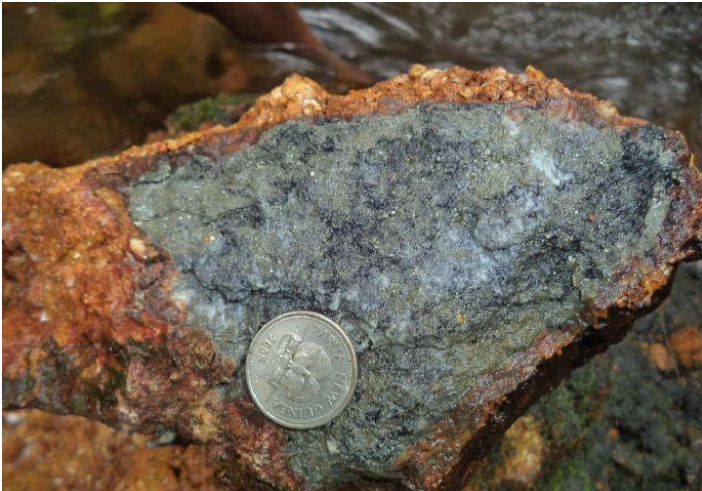


Figure 2: Silica + clay + pyrite + chalcocite altered volcanic from Nakru 4 prospect

The results of the samples further extend the potential of the Nakru prospect to host a significant copper and gold deposit. Coppermoly is planning a detailed surface mapping and sampling programme to determine the full extent of the mineralised system at Nakru.

On behalf of the Board.

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About Coppermoly

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

Competent Person Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr. Mike Erceg, who is a Member of the Australasian Institute of Geoscientists. Mr. Erceg has sufficient experience which is relevant to the style of mineralisation under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Erceg is a contracted consultant to Coppermoly and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

NOTE:

ROCK FLOAT SAMPLES WERE COLLECTED ON THE NAKRU EXPLORATION LICENCE (EL 1043)

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Nakru rock float (talus debris) samples are selective grab samples from boulders whose provenance is thought to be local.
Drilling techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.). 	<ul style="list-style-type: none"> No drilling is reported.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential 	<ul style="list-style-type: none"> No drilling is reported

Criteria	JORC Code explanation	Commentary
	<i>loss/gain of fine/coarse material.</i>	
Logging	<ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnical logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. • The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> • No drilling is reported.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> • <u>NAKRU Rock Float Samples:</u> • All samples were dried and dispatched to Intertek Laboratories in Lae where they were prepared for assay. Gold was determined by Fire Assay 50g charge. • The elements silver, arsenic, copper, zinc and molybdenum were assayed at Intertek Genalysis Townsville by 4 Acid Digest and ICP/OES • Where copper exceeded the upper detection limit of 2% an ore-grade method was requested (assays awaited)
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established. 	<ul style="list-style-type: none"> • <u>NAKRU Rock Float Samples:</u> • The assay methods are industry standard for the precious and base metals of interest.
Verification of sampling and assaying	<ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> • No drilling is reported
Location of data points	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations 	<ul style="list-style-type: none"> • No drilling is reported

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> NAKRU – the sampling program was focused upon an area that is considered highly prospective with the objective of defining potential future drilling targets.
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> NAKRU – the sampling program was focused upon an area that is considered highly prospective with the objective of defining potential future drilling targets.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> All samples are stored securely at the Company's exploration base. Any samples sent for assay are sent by courier and managed internally by the assay laboratory.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> n/a

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> The NAKRU exploration licence is in good standing. The licence is held by Coppermoly's 100% owned PNG subsidiary, Copper Quest (PNG) Limited. Current interests in the licence are 72% Coppermoly / 28% Barrick (PNG Exploration) Limited. An agreement is in-place which entitles Coppermoly to reacquire 100% ownership six months after the commencement of commercial production. The licence is subject to current (routine) renewal application.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> The Nakru licence has been explored by a number of companies, most recently Barrick under an exploration agreement with Coppermoly.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> NAKRU – Au-basemetal mineralization in volcanic rocks

Criteria	JORC Code explanation	Commentary
Drill hole Information	<ul style="list-style-type: none"> • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> • No drilling is reported
Data aggregation methods	<ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> • No drilling is reported; samples are selective grab samples.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. • If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). 	<ul style="list-style-type: none"> • No drilling is reported; samples are selective grab samples.
Diagrams	<ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> • Refer to Figure 2
Balanced reporting	<ul style="list-style-type: none"> • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of 	<ul style="list-style-type: none"> • All samples selective of rock float (talus debris)

Criteria	JORC Code explanation	Commentary
	<i>Exploration Results.</i>	
Other substantive exploration data	<ul style="list-style-type: none"> • <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> • There is no material exploration data that has not been previously reported.
Further work	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • Refer to the Announcement.

Sections 3 to 5 are not applicable to the results reported.