



COPPERMOLY
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ASX Announcement

30 May 2019

ASX Code: COY

COPPERMOLY ENTERS INTO \$6 MILLION PLACEMENT AGREEMENT

- Shanghai Fuyuan Investment Co. Ltd (**SFIL**) has subscribed for up to 404,170,658 shares in Coppermoly Limited at an issue price of \$0.015 per share to raise up to \$6.06 million.
- Completion of the placement is conditional on SFIL receiving all required Chinese regulatory approvals by 31 July 2019.
- SFIL will hold up to 19% of the Company's fully paid ordinary shares on completion of the placement.
- It is proposed that the funds will be used for the following:
 - Further drilling at the Mt Nakru Cu-Au Project.
 - Progressing geotechnical and environmental programs at Mt Nakru.
 - Scoping / Pre-feasibility study for the Mt Nakru Cu-Au Project.
 - Modelling and interpretation of newly acquired IP data at the Simuku Porphyry Cu Project.
 - Test drilling new targets at Simuku Porphyry Cu Project.
 - Assessment of regional targets at the Mak Mak and Kori River Projects.
 - General working capital purposes.

Coppermoly Limited (ASX:COY) has entered into a Placement Agreement with Shanghai Fuyuan Investment Co Limited (**SFIL**) pursuant to which SFIL has subscribed for up to 404,170,658 fully paid ordinary shares (**Placement Shares**) in the Company to raise up to \$6.062 million. The issue price for the Placement Shares is \$0.015.

Completion of the Placement and the issuance of the Placement Shares is subject to SFIL obtaining any necessary governmental or regulatory approvals required in connection with the Placement pursuant to any requirement of the Peoples Republic of China (**China**) on or before 5.00pm AEST on 31 July 2019.

The proceeds from the Placement will be used for development of the Company's flagship project, the Mt Nakru Cu-Au Project, and progressing several prospective exploration projects including the Simuku Porphyry Cu Project, in Papua New Guinea, and for general working capital purposes.

Managing Director Dr Wanfu Huang said he was delighted to welcome SFIL as a significant investor in Coppermoly.

"SFIL's commitment to this Placement at a substantial premium reflects the excellent progress that Coppermoly has made over recent months in the development of its highly prospective portfolio of PNG copper gold exploration projects," he said.

“The most recent drilling campaign at Mt Nakru delivered excellent results, resulting in the declaration of a maiden indicated JORC resource. The Mt Nakru deposits are open in multiple directions and the funds raised under the Placement will enable us to undertake further drilling to expand the size and quality of the Mt Nakru deposits and to undertake scoping potentially feasibility studies. “

“We welcome the strong support of SFIL and our existing shareholders and look forward to reporting further strong progress over the remainder of the year,” he said.

Placement details:

The issue price for the Placement Shares is \$0.015 and as at the date of this announcement satisfies the pricing requirements specified under 7.3.3 and 7.1A.3 of the Listing Rules. The Placement Agreement provides that to the extent that the Company is prohibited from issuing any Placement Shares in accordance with Listing Rule 7.1A, the Company may elect to issue such lesser number of Placement Shares to SFIL and repay the balance of any subscription funds received, in order to ensure compliance with Listing Rule 7.1A.

The Placement Shares will be allocated as below (assuming the maximum number of Placement Shares are issued) :

- A. 258,456,500 of the Placement Shares will be issued pursuant to the Company’s placement capacity under ASX Listing Rule 7.1; and
- B. 145,714,158 of the Placement Shares will be taken from the Company’s 10% additional placement capacity under ASX Listing Rule 7.1A.

Pursuant to ASX Listing Rule 3.10.5A, the Company states that:

- A. The dilutive effect of the New Shares on existing shareholders as a result of the Placement is approximately 19%, of which 12.15% is as a result of the shares issued pursuant to the Company’s placement capacity under ASX Listing Rule 7.1, and 6.85% as a result of the Placement Shares to be issued under ASX Listing Rule 7.1A. Following completion of the Placement, pre-Placement security holders will hold approximately 81% of fully paid ordinary shares on issue;
- B. The Company considered the Placement as the most efficient and expedient method for raising the necessary funds required by Coppermoly in order to progress its planned exploration activity;
- C. The Placement is not underwritten; and
- D. Fees and costs incurred in connection with the issue will total approximately \$12,000 inclusive of share registry fees, ASX listing fees and legal costs.

- End -

About Coppermoly

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