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29 October 2020 ASX Code: **COY**

September 2020 Quarterly Activities Report

The following report details the operating and corporate activities of Coppermoly Ltd (**Coppermoly** or **the Company**) for the quarter ended 30 September 2020**.**

HIGHLIGHTS

- **All planned exploration activity, including the previously proposed drilling program at the Mt Nakru prospect, has been deferred indefinitely due to COVID-19 related restrictions on travel between Australia and PNG**

Corporate

- **Coppermoly is well capitalised with cash reserves of $4.3 million as at 30 September 2020.**

Exploration Activity

Mt Nakru (EL 1043)

The Mt Nakru Cu-Au project (EL 1043) comprises two known deposits, Nakru 1 and Nakru 2, which are 1.5km apart. The Mt Nakru Project hosts Mineral Resources, classified in accordance with JORC (2012), which were estimated by Mining Associates in February 2019 and are summarised in Table 1.[1] High-grade copper-zinc mineralisation has also been exposed at surface at the Nakru 2 North-West and Nakru 3 Prospects.

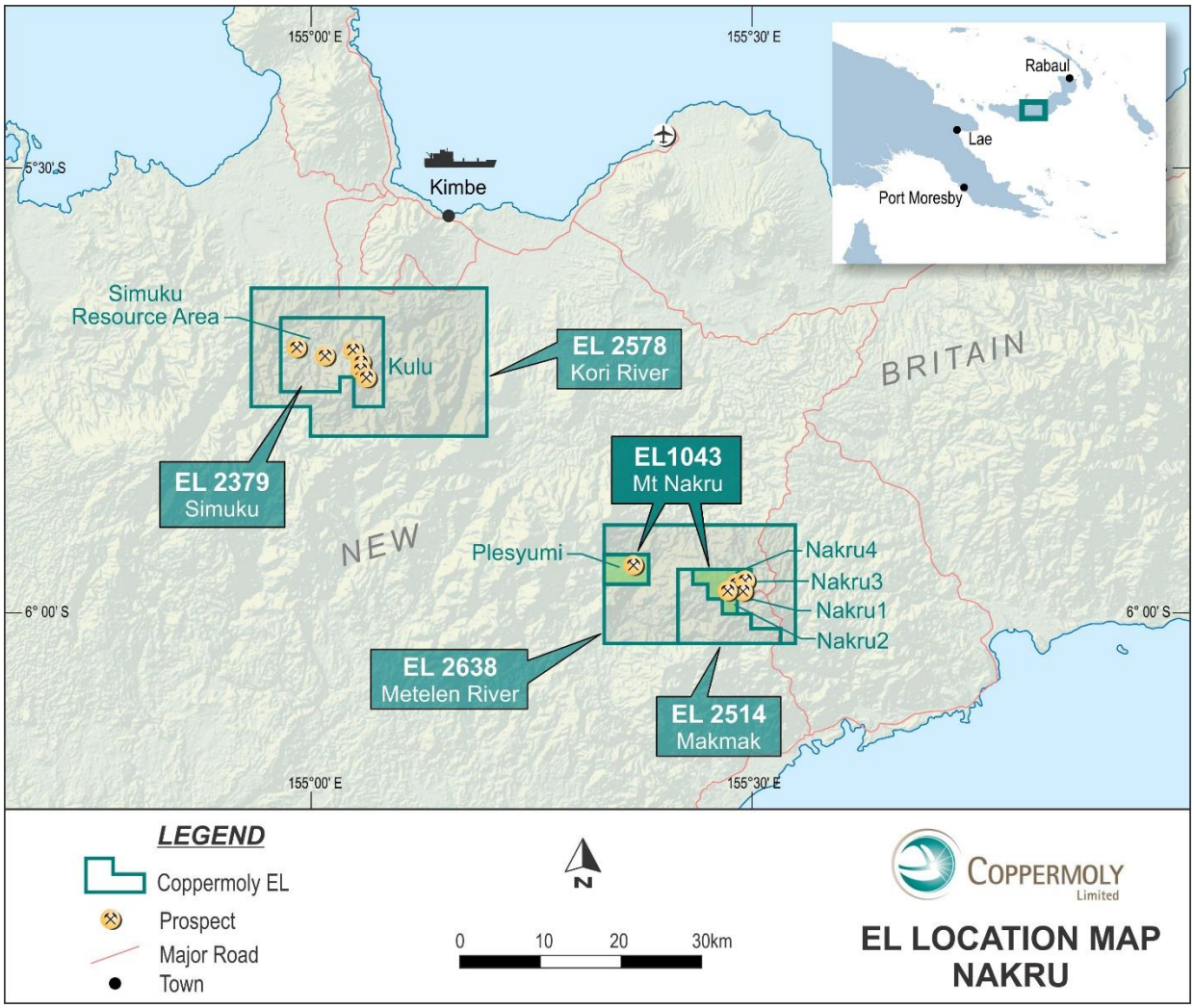
Table 1. Nakru Project Indicated and Inferred Mineral Resource Estimate, Feb 2019 (> 0.3% Cu)

Resource	Mineralised	Grade			Metal		
Category	Tonnes (millions)	Copper %	Gold g/t	Silver g/t	Copper (kt)	Gold (koz)	Silver (koz)
Indicated	7.03	1.00	0.28	1.81	70	64	409
Inferred	34.36	0.69	0.21	1.55	239	237	1,707
Total	**41.39**	**0.75**	**0.23**	**1.59**	**309**	**300**	**2,116**

A planned exploration drilling program at Mt Nakru to define the strike length and depth extent of the currently exposed massive and disseminated sulphides has been deferred pending the lifting of COVID-19 related restrictions on travel between Australia and Papua New Guinea.

[1] See Coppermoly ASX Announcement 28 February 2019. The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcement and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

Figure 1 – Location of Coppermoly's exploration projects



Simuku (EL 2379)

The Simuku Project comprises Exploration Licence 2379 on the island of New Britain in Papua New Guinea (Figure 1). Mineralisation at Simuku is copper-molybdenum-gold porphyry style associated with the Simuku-Kulu Intrusive Complex, which is Upper Oligocene in age. Three and potentially four porphyry copper-molybdenum-gold prospects, spaced along a 3 to 4 km, north to northeast trending zone, have been recognised on the Simuku Project.

Table 2 details the Simuku Mineral Resource, which reported in March 2020 at a 0.2% copper cut off

Table 2 - Simuku Mineral Resource Statement[2]

Category	Mt	Cu %	Au g/t	Ag ppm	Mo ppm	Cut-Off
Inferred	373.6	0.31	0.05	2.1	59	0.2% Cu

[2] See Coppermoly ASX Announcement 4 March 2020 for full details of the Simuku Mineral Resource Estimate. The Company is not aware of any new information or data that materially affects the information included in the referenced ASX announcement and confirms that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed.

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Coppermoly's exploration strategy is to investigate areas adjacent to the Simuku Mineral Resource for similar styles of mineralisation in order to expand the overall Mineral Resource. Recent geophysical studies completed by the Company have outlined target areas in close proximity to the Simuku Mineral Resource for follow up exploration.

No significant exploration activity was undertaken on the Simuku project during the quarter.

Mak Mak (EL2514)

Mak Mak is a greenfields exploration tenement that lies proximal to the Nakru tenement. There are several sites within the tenement where rock chip and stream sediment samples have returned elevated copper and gold.

No significant exploration activity was undertaken on the Mak Mak project during the quarter.

Kori River (EL2578)

EL2578 is valid for an initial term of 2 years expiring March 2021 at which time the Company may apply for a further extension. The Company's minimum expenditure under the exploration is PGK50,000 per annum for the initial two-year term.

No significant exploration activity was undertaken on EL2578 during the quarter.

Metelen River (EL2638)

Metelen River occupies an area of 246km^2 and is located adjacent to the Company's existing Mt Nakru and Mak Mak exploration licences.

No work was undertaken on EL2578 during the quarter.

Corporate Activity

As at 30 September 2020 the Company had cash reserves of $4.3 million.

During the September quarter the Company made payments totalling $26,000 to related parties or their associates. These payments represented remuneration, including superannuation, paid to the Managing Director.

Outlook

Due to the COVID-19 pandemic and the related restrictions on the ability of Australian based personnel to travel to PNG to oversee exploration programs, the Company has deferred all planned exploration activities including the proposed drilling program at Mt Nakru.

The Company remains well funded to resume exploration activities when circumstances allow.

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Exploration Portfolio at 30 September 2020

As at 30 September 2020, the Company had interests in the following mineral exploration tenements:

PROJECT	PERIOD ACQUIRED	AREA	LOCATION
Granted Exploration Licences			
EL 1043 Mt Nakru*	Jan 2008	47km²	West New Britain
EL 2379 Simuku*	Jan 2008	122km²	West New Britain
EL 2514 Mak Mak	Sep 2017	269km²	West New Britain
EL 2578 Kori River	Feb 2019	396km²	West New Britain
EL 2638 Metelen River	May 2020	246km²	West New Britain

* *Two of the Company's exploration licences, EL 1043 Mt Nakru and EL 2379 Simuku, together known as the West New Britain Projects (**WNB Projects**), were previously subject to a farm-in agreement with Barrick (PD) Australia Ltd (**Barrick**), a subsidiary of Barrick Gold Corporation. Barrick earned a 72% interest in the WNB Projects by spending more than $20 million on exploration. In July 2013 Coppermoly entered into an agreement with Barrick to reacquire 100% ownership of the WNB Projects' licences on a staged basis. Barrick still holds a nominal 28% interest in the WNB Projects, which the Company has a binding agreement to acquire, completion of which will be affected on the payment of a further $4.5 million to Barrick within 6 months following the commencement of commercial production at the WNB Projects. Barrick do not have to contribute any further costs for exploration or development of the WNB Projects nor are they entitled to any profits from the projects.*

Authorised on behalf of Coppermoly Limited by the Managing Director, Dr Wanfu Huang.

For further information please contact

Dr Wanfu Huang

Managing Director

wfhuang@coppermoly.com.au

Corporate Directory

Coppermoly Limited (ABN 54 126 490 855)

Executive Director	**Registered office**
Dr Wanfu Huang	Unit 2, 42 Morrow Street,
Non-Executive Directors	Taringa, Queensland 4068
Mr Kevin Grice	Telephone: +61 7 3217 7544
Mr Zule Lin	Facsimile: +61 7 3876 0695
Mr Jincheng Yao	
Mr Xuan Jian	
Company Secretary	Email: info@coppermoly.com.au
Mr Stephen Kelly	Website: www.coppermoly.com.au

About Coppermoly

Coppermoly (COY) is an ASX listed junior exploration company which has been listed on the ASX since 2008. Coppermoly's head office is located in Brisbane, Australia and 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.

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

COPPERMOLY LIMITED

ABN	Quarter ended ("current quarter")
54 126 490 855	**30 SEPTEMBER 2020**

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (Three months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(71)	(71)
	(e) administration and corporate costs	(51)	(51)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1	1
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)	-	-
1.9	**Net cash from / (used in) operating activities**	**(121)**	**(121)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(7)	(7)
	(d) exploration & evaluation (if capitalised)	(145)	(145)
	(e) investments	-	-
	(f) other non-current assets	-	-

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Consolidated statement of cash flows		Current quarter $A'000	Year to date (Three months) $A'000
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 (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(152)**	**(152)**

3.	**Cash flows from financing activities**		
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)	-	-
3.10	**Net cash from / (used in) financing activities**	**-**	**-**

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Consolidated statement of cash flows		Current quarter $A'000	Year to date (Three months) $A'000
4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	4,623	4,623
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(121)	(121)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(152)	(152)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	(1)	(1)
4.6	**Cash and cash equivalents at end of period**	**4,349**	**4,349**

5.	Reconciliation of cash and cash Equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	4,349	4,623
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**4,349**	**4,623**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	26
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	-	-

7.5	**Unused financing facilities available at quarter end**	-
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.	

Not applicable

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (Item 1.9)	(121)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(145)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(266)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	4,349
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	4,349
8.7	**Estimated quarters of funding available (Item 8.6 divided by Item 8.3)**	16.34

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

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

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

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Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

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

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: **29 October 2020**

Authorised by: **Dr Wanfu Huang, Managing Director of Coppermoly Limited**

(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".