

3<sup>rd</sup> December 2010

ASX Limited  
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Perth, WA 6000

### **SPINIFEX RIDGE MOLYBDENUM/COPPER PROJECT FINANCING – NDRC APPROVAL**

Moly Mines Limited (**ASX/TSX: MOL**) is pleased to announce that the immediate parent entity of Hanlong Mining Investment Pty Ltd (“**Hanlong**”) has received the key Chinese government approval in the process toward completing the financing for the Spinifex Ridge Molybdenum/Copper Project (“**Project**”).

The National Development and Reform Commission (“**NDRC**”) of the People’s Republic of China has confirmed its permission for Chinese funding to be allocated to the development and construction of the 10 million tonne per annum Project.

Moly Mines CEO/Managing Director Dr Derek Fisher commented, “NDRC approval is the critical government approval required for any major overseas investment by a Chinese organization. It now allows our banking syndicate to finalise the negotiation of the term sheet for the financing of the molybdenum/copper project. This important milestone caps a momentous week for the Company, the week during which we also commenced production of iron ore at Spinifex Ridge.”

Pursuant to the Subscription Agreement dated 19 October 2009, as amended, Moly Mines’ major shareholder Hanlong has committed to arranging US\$500 million in project financing for the construction of the Project by 31 January 2011.

Hanlong’s immediate parent entity, Sichuan Hanlong High Technology Development Co, sought and has now received NDRC approval to support the commitment of Hanlong. The approval is for an amount of US\$466 million, to be provided in the form of Chinese bank loans. The balance of funding is currently being sourced by Hanlong.

The approval comes a week ahead of a scheduled visit of a senior delegation from the China Development Bank and senior executives of the Hanlong Group to Perth, at which time further negotiations will take place for the financing facilities. Moly Mines anticipates completion of the Term Sheets later this month, before proceeding with full form loan documentation.

Yours sincerely



Andrew Worland  
Company Secretary