



MOLY MINES LIMITED

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22 January 2018

MOLY MINES' TAKEOVER OFFER FOR QMC CLOSED, COMPULSORY ACQUISITION TO PROCEED

Moly Mines Limited is pleased to announce that it will proceed to compulsory acquisition of all ordinary shares in Queensland Mining Corporation Limited that were not acquired under its takeover offer which closed at 7.00pm (Sydney time) 19 January 2018

On 15 December 2017, Moly Mines Limited ("**Moly**") announced a takeover bid under which it offered to acquire all of the issued shares in Queensland Mining Corporation Limited ("**QMC**") on terms set out in an offer contained in a bidder's statement that was lodged with ASIC on that date ("**Offer**").

As at 7.00pm (Sydney time) on 19 January 2018, being the date on which the Offer closed, Moly had received acceptances representing 95.59% of QMC's issued ordinary shares.

Moly intends to proceed to compulsory acquisition of all remaining ordinary shares in QMC that it did not acquire under its takeover offer. Moly expects ASX to suspend quotation of QMC's ordinary shares in early February 2018, with removal of QMC from ASX's official list to follow shortly thereafter.

Advisers

Moly's advisers for the transaction are BurnVoir Corporate Finance Limited (financial and commercial) and Lander & Rogers (legal).

ABOUT MOLY MINES

Moly Mines is an Australian unlisted public company with a focus on identifying near-term mining opportunities. Moly Mines was incorporated in 2004 and quickly focussed on developing projects on the Spinifex Ridge tenements in the Pilbara region of Western Australia. The Spinifex Ridge Molybdenum-copper project was progressed to full permitting and DFS (Definitive Feasibility Study) in 2008 prior to the GFC (Global Financial Crisis) where commodity price changes adversely impacted the economics of the project. The project currently remains on care and maintenance.

In 2010, Moly Mines developed the Spinifex Ridge Iron Ore Mine which operated successfully until 2014, producing direct ship ore exported through Port Hedland. The latter part of the mining operation was undertaken by a 3rd party under a Mine Gate Sale agreement which de-risked the project against iron ore price fluctuations, whilst retaining the tenements under Moly Mines ownership. The money generated from the mining operation and the Mine Gate Sale has been utilised to acquire QMC and to fund its development.

Following payment of amounts owed to QMC shareholders under the compulsory acquisition process, the Company and its wholly owned subsidiaries will have a cash balance of approximately A\$4.5 million.

ABOUT QMC

Queensland Mining Corporation Limited is an emerging, junior mineral resources company focused on developing gold and copper projects in the Cloncurry region of Queensland. Their basic strategy had been the identification and procurement of mining leases and assessment by management and leading industry engineers to ascertain the prospective value.

QMC aims to maximise shareholder value through the targeted exploration and development of its projects, especially within the White Range project, where QMC has already established significant resources on which to base growth and development of the project with the ultimate aim of producing copper and gold.

QMC possesses an extensive landholding in the Mount Isa / Cloncurry Region of Northern Queensland including the White Range Project with JORC Resources containing approximately 240kt copper (at 0.8% copper), 165koz gold and 11kt cobalt. The White Range Project was the subject of a Feasibility Study by Matrix Metals in 2005.

FORWARD LOOKING STATEMENTS AND IMPORTANT NOTICE

This announcement presentation includes “forward-looking statements” as that term within the meaning of securities laws of applicable jurisdictions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond Moly Mines’ control. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding Moly Mines’ future expectations. Readers can identify forward-looking statements by terminology such as “aim,” “anticipate,” “assume,” “believe,” “continue,” “could,” “estimate,” “expect,” “forecast,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “risk,” “should,” “will” or “would” and other similar expressions. Risks, uncertainties and other factors may cause Moly Mines’ actual results, performance, production or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements). These factors include the failure to complete and commission the mine facilities, processing plant and related infrastructure in the time frame and within estimated costs currently planned; variations in global demand and price for molybdenum and copper; fluctuations in exchange rates between the U.S. dollar and the Australian dollar; failure to recover the resource and reserve estimates of the Project; the failure of Moly Mines’ suppliers and service providers to fulfil their obligations under construction, supply and tolling agreements; unforeseen geological, physical or meteorological conditions, natural disasters or cyclones; changes in the regulatory environment, industrial disputes, labour shortages, political and other factors; the inability to obtain additional financing, if required, on commercially suitable terms; and global and regional economic conditions. Readers are cautioned not to place undue reliance on forward-looking statements. We assume no obligation to update such information.