



MOLY MINES LIMITED

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17 April 2018

MOLY MINES INITIATES CHANGES TO THE BOARD OF DIRECTORS TO DRIVE PROJECT DEVELOPMENT

With the acquisition of Queensland Mining Corporation Limited (and its flagship White Range Project) now completed, the Board of Moly Mines has initiated substantial change to its composition, to lead the company through its project development phase and bring the White Range Project into production.

Moly Mines Limited (“**Moly**”) announced today that Dr Lakshman Jayaweera has joined the Board of Moly Mines. As the former Chairman of Queensland Mining Corporation (“**QMC**”), Dr. Jayaweera brings a wealth of valuable experience and continuity of knowledge of the White Range Project, together with important relationships with key project stakeholders.

Moly is also pleased to announce that Mr. Trevor Coombe, a seasoned mining engineer with over 30 years of mine project development and operational mining experience, has also joined the Board. Mr. Coombe will serve as an Executive Director. Details of the relevant experience and credentials of both Dr Jayaweera and Mr Coombe are set out below.

Mr Greg Jones and Mr Ivo Polovineo have both decided to resign as Directors of Moly. In addition, Mr Gou Qing Lou has decided not to stand for re-election at the next Annual General Meeting.

Moly’s Chairman, Nelson Chen, thanked Mr Jones and Mr Polovineo for their important contributions to the business, particularly their valuable contributions to Moly’s successful takeover offer for QMC.

Dr Lakshman Jayaweera

Dr Jayaweera was appointed a director of QMC in January 2013 and was appointed the Chairman of QMC in July 2013. He is a chemical engineer by profession with over 30 years of experience in the field of resource recovery in Australia, including with Rio Tinto (formerly CRA Ltd) from 1980 to 1986. He was the founder of Hydromet Corporation Limited, a company specialising in metallurgical processing and metal recycling field in Australia. During his time at Hydromet from 1990 to 2012, he held various positions including the position as Managing Director and Executive Chairman. Dr Lakshman was the Chairman of the Board of Investment of Sri Lanka from 2012 to 2014, which is the premier agency responsible for attracting foreign direct investment into the country.

On Dr Jayaweera’s appointment, Moly’s Chairman, Nelson Chen said “*I am pleased that we have been able to retain Lakshman’s valuable input and energy to advance the development of the White Range assets.*”

Lakshman had been the Chairman of QMC for the past four and a half years and has extensive knowledge of QMC's White Range and other assets. Furthermore, he has long standing relationships with government and other key stakeholders and would be important in maintaining our engagement with these parties on behalf of Moly."

Mr Trevor Coombe

Mr Coombe was previously the Chief Executive Officer of the Kurri Kurri aluminium smelter in the Hunter Valley, New South Wales (which under his stewardship was one of the largest industrial complexes in New South Wales, with a total direct and indirect workforce of up to 2,000 people) and Norske Hydro's Head of Global Alumina and Smelter Growth for the Oceania Region. Norske Hydro is one of the major global integrated aluminium producers. Mr. Coombe served in these roles for a period of over 13 years.

Prior to entering the aluminium industry, Mr. Coombe was involved in the mining industry for over 30 years, including as Chief Executive Officer of Savage Resources' coal mining operation at Liddell Mine in the Hunter Valley, and General Manager of Pasminco's silver-lead-zinc-gold-copper mining operations at Rosebery, Tasmania. He has also spent substantial parts of his early career at Broken Hill and Cobar (with CRA) and as the Senior Mining Engineer for the Lady Loretta joint venture in the Cloncurry region.

On Mr Coombe's appointment, the Chairman said *"Trevor has significant relevant development and operational experience. Having worked in senior positions at several large mining companies, Trevor has the commercial and technical expertise to assist Moly in developing the White Range assets. I welcome Trevor onto the Board of Moly and look forward to working with him."*

Update on Operations

Queensland Mining Corporation Limited

As announced to its shareholders on 20 March 2018, following its takeover bid for QMC, Moly Mines has compulsorily acquired the remaining shares in QMC which was effected on 2 March 2018. QMC has been delisted from the ASX and is now a wholly owned subsidiary of Moly Mines.

The acquisition of QMC and the White Range Project provides Moly with ownership of an advanced, high quality copper project, well located around existing copper operations and infrastructure, with strong near-term development potential. The Cloncurry region is well known to contain significant copper deposits with a number of existing mining operations, including Glencore's Mt. Isa and Ernest Henry copper mines and CuDeco's Rocklands copper mine.

Over the past few years QMC has been focused on exploration work within the White Range area resulting in a published JORC 2012 Mineral Resource of 29.2Mt @ 0.82% copper, 0.18 g/t gold and 0.03% cobalt.

In addition, the White Range package of assets continue to show excellent exploration upside, as QMC demonstrated in their most recent announcement reporting assay results received from its recently completed RC drilling program in Young Australian (QMC ASX Announcement 3 October 2017, "Very Significant Drill Intercept of 60 metres @ 1.0% Copper Returned from a New Zone in Young Australian").

Moly Mines considers that White Range has strong potential to be brought into production and intends to shortly commence work, including a Project Feasibility Study to bring the project to development. Recent exploration work by QMC (e.g. drilling of the Young Australian deposit) suggests substantial exploration upside for White Range and the potential for significant additional Resources to extend the potential mine life.

The copper market has seen strong supply-demand fundamentals over the past 12 months, underpinned by expectations of strong demand from top consumer China. The metal, used in power and construction, has seen benchmark prices on the London Metal Exchange rise more than 40 per cent over the past 2 years.

Moreover, the consensus view among brokers is that tight supply in the global refined copper market would result in the base case for copper remaining solid, with few indications that demand will slow. Moly believes that the White Range development will allow it to take advantage of this projected strong demand cycle and bring the project into operation during a period of forecast solid copper prices.

Name Change and Corporate Rebranding

Moly plans to rename/rebrand the Company to reflect its acquisition of QMC and the White Range project and its move to become a significant copper producer. This work is well progressed and it is expected that the recommended changes will be presented to shareholders for approval at the Company's AGM to be held at the end of May (date yet to be finalized).

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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 help fund its development.

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.