



MOLY MINES LIMITED

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COMPANY UPDATE

- **Outstanding Fe drill results received, maiden resource calculation being finalized**
- **Mr David Craig appointed as Chairman**

Spinifex Ridge Iron Ore

Results from the March 2009 infill drill programs have been received. Significant results include:

- **40m @ 62% Fe from 37m**
- **62m @ 63% Fe from 3m; including 14m @ 67% Fe from 24m**
- **40m @ 64% Fe from 2m**
- **46m @ 63% Fe from 41m; including 11m @ 66% Fe from 58m**
- **41m @ 62% Fe from 37m**
- **43m @ 62% Fe from 3m; including 13m @ 65% Fe from 21m**

These results are derived from a 27 hole RC drill program for 2,209m drilled to an average depth of 82m – refer Table 1. The drilling was spread across 3 of the 4 prospects - Auton, Auton North East and Gallifrey, all of which occur on the Spinifex Ridge mining leases.

The majority of the drilling was targeted into the Auton North East prospect to expand and close off the mineralisation, with some further infill completed into the Auton and Gallifrey prospects.

This program completes the majority of the RC drilling required to finalise a maiden Iron Resource estimate on these small but rich iron occurrences.

The Company's senior engineers and technical personnel are now fast-tracking detailed studies for mining and exploiting this material as Direct Shipping Ore (DSO). These studies are initially targeting a 1 million tonne per annum operation, and currently, advanced discussions are underway with parties interested in assisting with and/or purchasing the production. Spinifex Ridge's location is a major advantage with it being within easy trucking distance over paved roads from the major iron ore exporting infrastructure at Port Hedland,.

Appointment of Board Chairman

The Board of Moly Mines is very pleased to advise the appointment of Mr David Craig to the Company as non-executive Chairman.

Mr Craig (B.Juris (Hons) LLB (Hons) LLM (London) GDipAppFin (Finsia) MAICD) is an experienced businessman and lawyer, who has held and holds Executive and Board positions in the fields of law, financial services and the resources industry.

As a partner of a major Perth law firm he specialised in resources and commercial legal advice, which included work on resources joint ventures, the acquisition and disposal of interests in companies and projects, and capital raisings by companies. This was followed by ten years in the financial services industry as a stockbroker and an executive director in a national stockbroking and investment banking company. Mr Craig then spent five years working with Woodside Petroleum Ltd in an Executive position in the field of public and government affairs. He brings to the Board expertise in the law, financial markets, stakeholder engagement, relationship management, strategic planning, and risk management.

Mr Craig's remuneration package will include **100,000** options in the Company exercisable at **A\$0.40** per share expiring **31 December 2010** consistent with the allocations to other non-executive directors announced in January 2009. The grant of the options is subject to shareholder approval which will be sought at an appropriate time in the coming months.

The Company also advises Mr Kurt Talbot has resigned from the Board and the Board thank Mr Talbot for his services.

Yours sincerely

Derek Fisher
Managing Director and Chief Executive Officer
Moly Mines Limited

The information in this report that relates to Exploration Results is based on information compiled by Dr Derek Fisher who is a Member of The Australasian Institute of Mining and Metallurgy. Dr Fisher is Managing Director of Moly Mines Limited, and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr. Fisher is also a Qualified Person within the meaning of such term under NI-43-101. Dr Fisher consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Table 1

Hole Number	Prospect	Easting GDA	Northing GDA	EOH depth (m)	Azimuth	Dip		From (m)	To (m)	Interval (m)	Fe (%)	SiO2 (%)	Al2O3 (%)	S (%)	P (%)	LOI (%)
SRC387	Auton NE	196877.9	7687943	109	180	-60		37	77	40	62.26	2.50	0.86	0.00	0.16	5.47
SRC388	Auton NE	196874.8	7687913	100	180	-60		40	46	6	58.18	6.03	0.87	0.00	0.21	8.76
							Low Grade	51	62	11	52.17	13.47	0.85	0.00	0.20	9.14
SRC389	Auton NE	196902.7	7687938	100	180	-60		3	65	62	63.31	3.24	0.89	0.00	0.15	4.30
							Including	24	38	14	67.36	2.17	0.61	0.00	0.05	0.69
SRC390	Auton NE	196925.4	7687933	79	180	-60		2	42	40	63.80	3.19	1.09	0.00	0.17	3.83
							and	45	48	3	61.83	3.06	0.41	0.01	0.27	7.10
SRC391	Auton NE	196947.8	7687831	100	360	-60		41	87	46	63.06	2.81	0.52	0.00	0.15	5.72
							Including	58	69	11	65.59	2.50	0.15	0.00	0.08	3.14
SRC392	Auton NE	196926	7687829	97	360	-60		8	16	8	58.89	11.59	1.56	0.01	0.10	2.27
							and	37	78	41	61.75	3.62	0.35	0.00	0.13	4.36
SRC393	Auton NE	196975.6	7687831	85	360	-60		50	60	10	62.44	3.25	0.44	0.00	0.11	4.58
SRC394	Auton NE	196896.3	7687883	115	180	-60		21	28	7	63.04	4.38	1.88	0.03	0.04	3.15
							and	34	42	8	61.34	4.47	1.53	0.01	0.16	5.53
							and	76	87	11	60.68	5.94	1.21	0.01	0.10	3.99
							and	90	94	4	61.35	4.25	1.80	0.00	0.12	4.93
SRC395	Auton NE	196876.6	7687871	109	180	-60		29	47	18	57.79	2.27	2.77	0.03	0.39	10.82
							and	57	80	23	58.64	6.30	1.63	0.03	0.20	6.30
SRC396	Auton NE	196901.7	7687807	100	315	-60		77	89	12	60.14	6.68	0.87	0.02	0.18	4.81
SRC397	Auton NE	196871.9	7687801	79	135	-60	Low Grade	31	42	11	51.75	17.78	1.42	0.01	0.20	6.23
SRC398	Auton NE	196924.6	7687798	79	360	-60	No significant result									
SRC399	Auton	196822.1	7687706	115	360	-60		35	75	40	58.59	4.96	1.94	0.01	0.09	8.75
							and	88	98	10	58.88	13.61	0.87	0.00	0.05	0.83
SRC400	Auton	196850.2	7687722	85	360	-60		32	44	12	58.52	12.13	2.47	0.01	0.04	1.40
							and	65	75	10	53.69	21.77	0.55	0.00	0.04	0.57
SRC401	Auton	196773.5	7687800	85	180	-60	Low Grade	51	62	11	55.06	20.40	0.20	0.00	0.04	0.40
SRC402	Auton	196651.3	7687781	100	180	-60		86	100 (EOH)	14	57.91	10.55	3.08	0.01	0.11	2.67
SRC403	Auton	196701.6	7687742	80	360	-60		5	47	42	58.21	8.95	2.80	0.01	0.12	4.08
							Including	32	45	13	62.52	5.50	1.46	0.01	0.11	3.15
SRC404	Auton NE	196902.4	7687941	80	360	-60	No significant result									
SRC405	Auton NE	196868.9	7687918	79	270	-70		77	79 (EOH)	2	57.55	7.51	0.65	0.00	0.18	7.34
SRC406	Gallifrey	196259.6	7687838	50	360	-90	No significant result									
SRC407	Gallifrey	196220.2	7687840	50	360	-90	No significant result									
SRC408	Gallifrey	196179.2	7687840	50	360	-90	No significant result									
SRC409	Gallifrey	196348.1	7687750	49	135	-60		30	48	18	61.78	8.03	0.45	0.00	0.15	2.71
SRC410	Gallifrey	196404.9	7687759	80	315	-60		0	27	27	60.09	7.98	1.75	0.01	0.10	3.70
SRC411	Gallifrey	196417.2	7687794	80	315	-60	No significant result									
SRC412	Gallifrey	196343.5	7687685	13	315	-60	Low Grade	0	13	13	55.38	12.42	1.73	0.01	0.16	5.61
SRC413	Gallifrey	196348.2	7687753	61	315	-60		3	46	43	61.73	5.86	1.89	0.01	0.11	3.49
							Including	21	34	13	65.40	3.44	0.76	0.00	0.08	2.00

Notes:
 1. Co-ordinate Datum is GDA94 Zone 51
 2. Samples assayed using lithium metaborate fusion and XRF at ALSChemex in Perth
 3. Intervals allow 2m internal dilution
 4. EOH stands for End Of Hole
 5. SRC, SRCD & SRD prefixes denote RC, RC with diamond tail and diamond drill holes respectively

This news release 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 news release, 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 fulfill 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, labor 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.