



## MOLY MINES LIMITED

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16 February 2010

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### HANLONG and TCW UPDATE

On 26 October 2009, Moly Mines and the Trust Company of the West (**TCW**) executed a variation to the US\$150 million Interim Finance Facility (the **Restructure Agreement**) which formalized the previously agreed Restructure Term Sheet, the details of which were announced by Moly Mines on 31 August 2009.

The Restructure Agreement primarily describes the maturity allocation and repayment schedule for the balance of the debt owed by Moly Mines to TCW for which a **Restructure Fee** equal to 5.96 million warrants was due and payable to TCW.

The Restructure Agreement also contemplated the completion of the Subscription Agreement between Moly Mines and Hanlong Mining Investment Pty Ltd dated 19 October 2009 (**Hanlong Subscription Agreement**). TCW agreed to waive the Restructure Fee if the Interim Finance Facility was repaid by 15 February 2010.

Moly Mines and Hanlong have been in negotiations to extend the 31 January 2010 cut-off date for the satisfaction of all conditions precedent under the Hanlong Subscription Agreement to accommodate for the delays caused by the Chinese New Year holidays (as previously advised on 2 February 2010).

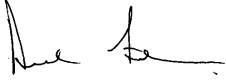
There is only one outstanding People's Republic of China approval required, that of the State Administration of Foreign Exchange with Hanlong already having received the approvals of the National Development Reform Commission and the Ministry of Commerce.

Moly Mines and Hanlong remain in negotiations to extend this cut-off date.

Accordingly Moly Mines has issued the warrants comprising the Restructure Fee to TCW (the issue of these warrants was approved by Moly Mines' shareholders at a general meeting held by the company on 26 October 2009). Refer Appendix 3B lodged separately.

Meanwhile Moly Mines, Hanlong and lenders remain actively engaged in due diligence for the provision of the US\$500 million Project Finance Loan Facility for the Spinifex Ridge Molybdenum Project as described under the Hanlong Subscription Agreement.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Derek Fisher', with a stylized, cursive script.

Derek Fisher  
Chief Executive Officer