

Alloycorp Mining Inc. Announces Extension to Facility Maturity Dates and Operational Update

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[Alloycorp Mining Inc.](#) (TSX VENTURE: AVT) ("Alloycorp" or the "Company") announced today that it has entered into agreements to extend the maturity dates of both the Bridge Loan Facility dated July 12, 2013 and amended on December 31, 2014 and June 30, 2015 (the "2013 Bridge Loan Agreement"), among the Company, Avanti Kitsault Mine Ltd. ("Avanti Kitsault"), Resource Capital Fund IV L.P. ("RCF IV") and Resource Capital Fund VI L.P. ("RCF VI", and together with RCF IV, "RCF"), and the Loan Agreement dated December 19, 2013 and amended on December 31, 2014 and June 30, 2015 (the "Preconstruction Loan Agreement" and collectively with the 2013 Bridge Loan Agreement, the "Loans"), among the Company, Avanti Kitsault and RCF VI (the "Extensions").

The terms of the Extensions provide that the scheduled maturity date of the Loans will be extended from December 31, 2015 to January 31, 2016, unless RCF, in its sole discretion, elects to further extend the maturity date in one month increments thereafter through and until June 30, 2016. No consideration will be payable by the Company to RCF in connection with the Extensions and the Company remains free to prepay all amounts owing under the Loans at any time.

The Extensions remain subject to final acceptance by the TSX Venture Exchange. The Extensions were considered and approved by the board of directors of the Company, other than the director of the Company who is also affiliated with RCF, who did not participate in the deliberations and abstained from such approval. There was no materially contrary view or abstention by any director approving Extensions. It is expected that the closing of the Extensions will occur less than 21 days after the date of this press release, which is reasonable in the circumstances since the Loans have scheduled maturity dates of December 31, 2015 and the Extensions will improve the financial position of the Company by affording it additional time to identify financing options.

RCF is an "insider" (as defined in applicable securities laws) of the Company. Pursuant to Multilateral Instrument 61-101 - Protection of Minority Security Holders in Special Transactions ("MI 61-101"), the Extensions are considered "related party transactions". The Extensions are exempt from the requirements to obtain a formal valuation pursuant to the exemption in section 5.5(b) of MI 61-101, as the Company is not listed on a specified market, and are exempt from minority shareholder approval pursuant to section 5.7(e) of MI 61-101, as the anticipated commitments under the Loans are in excess of the Company's cash on hand and the Company has neither sufficient funds nor reasonably available financing options to satisfy these obligations.

Operational Update

On November 13, 2015 Alloycorp announced results from the Front End Engineering Design Study, based on a 45,500 tpd operation. In the current context of continuing weak molybdenum prices and a challenging financing market, alternative project development scenarios are being considered. Management believes these would focus on a higher cut-off grade with a corresponding reduction in initial project scope and hence capital cost. Management as part of its 2016 work program is considering evaluation of these opportunities.

About the Avanti Kitsault Project

The Avanti Kitsault Project (the "Kitsault Project") is located in the Nass Valley area, approximately 140 km north of Prince Rupert, in British Columbia, Canada. Alloycorp holds a 100 percent interest in the Kitsault Project through its wholly owned subsidiary, Avanti Kitsault Mine Ltd. Alloycorp is spending approximately C\$1.2 billion to develop the Kitsault Project into one of the top four primary molybdenum mines in the world. The Kitsault Project is fully permitted for construction, receiving its environmental assessment certificate from the Province of British Columbia in March of 2013, and an amended Mines Act permit on June 16, 2014. A Cooperation and Benefits Agreement was announced with the Nisga'a Lisims Government on June 3, 2014.

Molybdenum is a key alloying agent in the production of steel. Molybdenum is used to enhance strength, toughness, and wear and corrosion resistance to types of steels used in pipelines, storage tanks, bridges, aircraft engines and many, many other products. The versatility of molybdenum means that it plays a

significant role in everyday life now and in the future.

About Alloycorp

Alloycorp is a TSX-Venture listed company headquartered in Toronto with an operations office in Vancouver. Alloycorp's strategy is to become the unique supplier of steel alloy metals. Cornerstone to this strategy is the development of the Kitsault Project. Parallel to this, Alloycorp is seeking to grow through the acquisition of other assets with commodities that supply to the steel alloys industry.

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking Statements: This news release contains certain forward-looking information concerning the business of Alloycorp. All statements, other than statements of historical fact, included herein, including, without limitation, the anticipated development of the Kitsault Project, project scope and capital cost, are forward-looking statements. These forward-looking statements are based on the opinions of management at the date the statements are made and are based on assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events to differ materially from those projected in forward-looking statements. Important factors that could cause actual results to differ materially from the Company's expectations include fluctuations in commodity prices and currency exchange rates; uncertainties relating to interpretation of drill results and the geology, continuity and grade of mineral deposits; uncertainty of estimates of capital and operating costs, recovery rates, production estimates and estimated economic return; the need for cooperation of government agencies and native groups in the exploration and development of properties and the issuance of required permits; the need to obtain additional financing to develop properties and uncertainty as to the availability and terms of future financing; the possibility of delay in exploration or development programs or in construction projects and uncertainty of meeting anticipated program milestones; and other risks and uncertainties disclosed in the Company's Annual Information Form for the year ended December 31, 2014, which is available at www.sedar.com. The Company is under no obligation to update forward-looking statements if circumstances or management's opinions should change, excepting as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

For further information, please contact:

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