

## BLM Reduces Reclamation Financial Guarantee to \$2.8 Million

LAKEWOOD, Colo., Feb. 23 , 2016 /CNW/ -- [General Moly Inc.](#) (the "Company") (NYSE MKT and TSX: GMO), a U.S.-based molybdenum mineral development, exploration and mining company, announced the decision from the U.S. Bureau of Land Management ("BLM") reducing the reclamation financial guarantee requirement from \$75.1 million to \$2.8 million, based only on current disturbance at the Mt. Hope Project site, and the net receipt of \$4.3 million from reclamation surety collateral reductions.

As a result of the ongoing suspension of pre-construction activities at the Mt. Hope Project site, the operator Eureka Moly, LLC, ("EMLLC") of which General Moly is an 80% member, requested the BLM reduce the reclamation financial guarantee obligations to reflect current disturbance resulting from pre-construction activities that commenced in 2013. Previous financial guarantee requirements of \$75.1 million were based on projected Mt. Hope Project construction and operational disturbance plans for the first three years.

EMLLC had previously funded the \$75.1 million financial guarantee with bonds placed with multiple surety underwriters. With the reduction to \$2.8 million, based on current disturbance, EMLLC re-negotiated its reclamation surety program to reduce annual premiums and to reduce collateral supporting the surety bonds from \$4.6 million to \$0.3 million, resulting in a net return to EMLLC of approximately \$4.3 million.

Bruce D. Hansen, Chief Executive Officer, said, "The decision of the BLM, which allowed EMLLC to negotiate a net return of approximately \$4.3 million from its reclamation surety program, provides the Company with an improved Mt. Hope Project and corporate liquidity profile."

Mr. Hansen concluded, "The Company remains focused on managing its financial liquidity and flexibility to sustain the Company over the mid-term, and on working jointly with its strategic partner and largest shareholder AMER International Group to identify value-accretive acquisition opportunities with a focus on base metal prospects in North America."

The Company will be releasing its 2015 year-end results and annual report on Form 10 K, targeted for release in early March, 2016.

### About General Moly

General Moly is a U.S.-based molybdenum mineral development, exploration and mining company listed on the NYSE MKT and the Toronto Stock Exchange under the symbol GMO. The Company's primary asset, an 80% interest in the Mt. Hope Project located in central Nevada, is considered one of the world's largest and highest grade molybdenum deposits. Combined with the Company's wholly-owned Liberty Project, a molybdenum and copper property also located in central Nevada, General Moly's goal is to become the largest pure play primary molybdenum producer in the world.

Contact:  
Scott Roswell  
(303) 928-8591  
[info@generalmoly.com](mailto:info@generalmoly.com)

Website: [www.generalmoly.com](http://www.generalmoly.com)

### Forward-Looking Statements

Statements herein that are not historical facts are "forward-looking statements" within the meaning of Section 27A of the Securities Act, as amended and Section 21E of the Securities Exchange Act of 1934, as amended and are intended to be covered by the safe harbor created by such sections. Such forward-looking statements involve a number of risks and uncertainties that could cause actual results to differ materially from those projected, anticipated, expected, or implied by the Company. These risks and uncertainties include, but are not limited to, metals price and production volatility, global economic conditions, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, exploration risks and results, political, operational and project development risks, including the Company's ability to obtain a re-grant of its water permits and to maintain required federal and state permits to continue construction, commence production and its ability to raise required project financing, adverse governmental regulation and judicial outcomes, including the appeal of the Record of Decision and estimates related to cost of production, capital, operating and exploration expenditures. For a detailed discussion of risks and other factors that may impact these forward looking statements, please refer to the Risk Factors and other discussion contained in the Company's quarterly and annual periodic reports on Forms 10-Q and 10-K, on file with the SEC. The Company undertakes no obligation to update forward-looking statements.

Logo - <http://photos.prnewswire.com/prnh/20160223/336603LOGO>

To view the original version on PR Newswire,  
visit:<http://www.prnewswire.com/news-releases/general-moly-announces-reduction-of-reclamation-financial-guarantee-requirements>

SOURCE [General Moly Inc.](#)