

TORONTO, ONTARIO--(Marketwired - Oct 31, 2016) - [Moly Mines Ltd.](#) (ASX:MOL) ("Moly" or "the Company") reports the highlights of their Quarterly Activities Report and Quarterly Cashflow Report for the period ending September 30, 2016.

HIGHLIGHTS (all amounts are in A\$ unless otherwise stated)

Corporate and Finance (unaudited)

- During the Quarter Moly entered into an Offer Implementation Agreement ('IOA') whereby Moly agreed to make offers to acquire all the issued shares in Gulf [Alumina Ltd.](#) ('Gulf'), an unlisted public company which owns (100%) of the high quality Skardon River Bauxite Project ('Skardon River') in Queensland.
- In addition to the IOA, Moly entered into pre offer acceptance agreements with shareholders representing 55.6% of the Gulf shares.
- As part of the transaction, Moly agreed to provide Gulf with an interim loan facility of \$1.9 million, increased to \$2.9 million subsequent to the end of the Quarter, in order to allow Gulf to continue progressing Skardon River toward development.
- Subsequent to the end of the Quarter, Moly notes the announcement on 25 October 2016 by Metro Mining regarding Gulf. The Metro announcements refer to its 'intention' to make a 'superior' offer, however to date no formal offer has been made.
- Cash on hand at the end of the Quarter was \$61.4 million (unaudited).

Operations (unaudited)

- The Spinifex Ridge Project remains on care and maintenance.
- Subsequent to the end of the Quarter, work by Gulf at Skardon River is being accelerated ahead of the wet season in Far North Queensland. This includes drilling activity in order to deliver a reserve and resource upgrade.

Exploration

- No exploration activity was undertaken on Moly Mines tenements during the Quarter.

The full Quarterly Activities Report and Quarterly Cash Flow Report are available on the Company website(www.molymines.com) and on SEDAR (www.sedar.com).

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