

LAKEWOOD, Colo., Nov. 7, 2016 /CNW/ -- [General Moly Inc.](#) (the "Company" or "General Moly") (NYSE MKT and TSX: GMO) finished the third quarter of 2016 with a cash balance of approximately \$11.0 million and \$15.1 million in restricted cash and remained on track to run its current business activities into early 2018.

Third quarter highlights:

- The Company continued to prudently manage liquidity, with Corporate and Liberty spend, excluding due-diligence related expenses, at \$1.3 million in the third quarter, lower than previous guidance of \$1.6 million. During the final quarter of the year, the Company anticipates that Corporate and Liberty spend will be in line with previous guidance at \$1.6 million.
- The Mt. Hope Project's joint venture operating company Eureka Moly, LLC ("EMLLC") ended the third quarter with a balance of \$13.0 million (100% basis) in a cash reserve account that is expected to fund ongoing projected care and maintenance expenses through 2021.
- The Company continued working jointly with its long-term strategic partner and largest shareholder AMER International Group ("AMER") in assessing value-accretive acquisition opportunities concentrated on base metal prospects in North America, incurring year-to-date due-diligence related expenses of \$0.6 million, which are sourced from a restricted cash account available for that purpose.

For the third quarter ended September 30, 2016 the Company reported a net loss of \$2.1 million (\$0.02 per share), compared to a net loss of \$2.7 million (\$0.03 per share) for the prior year period. The decrease in quarterly net loss was primarily due to reduced overall ongoing expenditures in 2016 versus 2015 and from continued cash conservation and cost control efforts.

During the third quarter, cash use of \$2.0 million, sourced from both restricted and unrestricted funds, was the result of \$0.7 million of EMLLC owners' costs, \$0.1 million of Liberty Project costs, and \$1.2 million in general and administrative expenses.

Bruce Hansen, Chief Executive Officer, remarked, "2016 has been a challenging year as the molybdenum market slowly recovers. We remain focused on maintaining our permits at the Mt. Hope and Liberty projects, progressing efforts toward the reinstatement of our water rights for the Mt. Hope Project, and continuing to control our ongoing spending levels in alignment with our cash conservation and liquidity management goals. Together with our largest shareholder AMER, we have continued to methodically evaluate a number of base metal and molybdenum prospects over the last three quarters. AMER remains patient and committed to the acquisition opportunity process continuing in earnest into 2017, as we anticipate an improved molybdenum market going forward as we see the oil market stabilize and energy related steel production increasing.

Table 1: Financial Summary

(\$ and Shares in 000)	3Q 2016	3Q 2015	3Q YOY Variance
Exploration & evaluation expenses	\$ 235	\$ 464	-49%
General and administrative expenses	1,589	2,169	-27%
Total Operating Expenses	1,824	2,633	-31%
Interest expense	(266)	(56)	375%
Net Loss	\$ (2,090)	\$ (2,674)	-22%
Net Loss Per Share	\$ (0.02)	\$ (0.03)	-33%
Avg. Weighted Shares Outstanding	110,568	95,725	16%

Table 2: Balance Sheet Summary

(\$ in 000)	September 30, 2016	December 31, 2015
Cash and Cash Equivalents	\$ 11,030	\$ 13,047
Current Assets	11,039	13,197
Current Liabilities	1,192	2,404
Working Capital	9,847	10,793
Restricted cash held at EMLLC	13,025	16,636
Other restricted cash	2,099	6,782
Total Assets	338,935	346,311
Long term debt	1,415	1,517
Senior Convertible Promissory Notes	5,529	5,316
Return of contributions payable to POS-Minerals	33,641	33,884
Other liabilities	12,976	12,523
Long term liabilities	53,561	53,240
Contingently Redeemable Non-controlling Interest	172,668	173,265
Total Shareholders' Equity	\$ 111,514	\$ 117,402

Fourth Quarter 2016 and 2017 Outlook and Priorities

As was previously discussed in the Company's 2015 year-end financial results news release, General Moly's priorities for the fourth quarter and into 2017 remain to:

- Prudently manage financial liquidity and flexibility to sustain the Company over the medium term, including continued stringent cost management throughout the organization to fund current business activities into early 2018, excluding potential additional AMER equity investments into General Moly;
- Continue to leverage General Moly's technical and financial skills and expertise to work jointly with AMER to identify value-accretive acquisition opportunities with a focus on base metal prospects in North America;
- Effect reinstatement of permits for water rights at the Mt. Hope Project, which would lead to the Tranche 2 investment of \$6.0 million by AMER, contingent on a molybdenum price rise to \$8 per pound for 30 consecutive calendar days;
- Maintain existing federal and state permit status for the Mt. Hope and Liberty projects.

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.

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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, as well as adverse governmental regulation and judicial outcomes such as 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.

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