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ASX Release

### **FIRB APPROVES HANLONG INVESTMENT IN MOLY MINES**

- FIRB approves Hanlong's US\$200m deal to acquire majority control of Moly Mines
- Key condition of Hanlong Subscription Agreement met
- Meeting of shareholders to approve Hanlong Subscription Agreement - 16 December 2009

Moly Mines Limited (TSX and ASX symbol: "MOL") is pleased to announce that it has received confirmation that the Australian Foreign Investment Review Board ("FIRB") has no objections to the proposed US\$200 million controlling interest investment in Moly Mines by the Sichuan Hanlong Group through its Australian subsidiary, Hanlong Mining Investment Pty Ltd.

The FIRB approval is a key condition of the Hanlong transaction, which is now conditional primarily on Moly Mines shareholder approval and approval of various regulatory agencies of the People's Republic of China.

A shareholder meeting to approve the Hanlong transaction will be held on 16 December 2009.

Moly Mines CEO and Managing Director Dr Derek Fisher commented "this is a great outcome for our shareholders, and for Australia in general, as it is Hanlong's intention to immediately organize the financing for the development of our Spinifex Ridge molybdenum mine.

"Spinifex Ridge will be Australia's first major molybdenum mine and FIRB approval, which has been received less than a month after signing the Hanlong Agreement, is another major step toward that goal."

There remain two major conditions precedent to the completion of the Hanlong Subscription Agreement announced to the ASX on 19 October 2009:

<b>Condition Precedent Outstanding</b>	<b>Status</b>
Approval of the transaction by Moly Mines shareholders	Meeting will be held on 16 December 2009. Notice of Meeting and Explanatory Memorandum dated 13 November 2009 have been distributed to shareholders
Hanlong receiving certain regulatory approvals in the People's Republic of China by 31 January 2010	Hanlong has advised Moly Mines that this approvals process is underway

### **Key terms of the Hanlong Subscription Agreement**

Under the terms of the Subscription Agreement signed on 19 October 2009, Hanlong will:

- Subscribe for 207.1 million shares in Moly Mines for US\$140 million – being A\$0.747 per share (“Share Subscription”);
- Provide Moly Mines with an interest bearing US\$60 million 10-year project loan (“Hanlong Loan”); and
- Arrange debt financing for up to US\$500 million by 30 June 2010 for the Spinifex Ridge Molybdenum Project (“Project Finance Loan”). Receive 35.5 million unlisted C\$1.00 options (3 year maturity) that vest on Hanlong successfully organizing the Project Finance Loan

Hanlong has agreed to provide parent or related-party guarantee support for the Project Finance Loan.

Moly Mines’ Perth office will remain the Company’s headquarters.

Yours Sincerely

Andrew Worland  
Company Secretary

See over for details about Hanlong.

## **About Hanlong**

Hanlong is a subsidiary of the China-based, privately-owned, Sichuan Hanlong Group Co.

Sichuan Hanlong Group is a large, privately-held Chinese company with a wide portfolio of investments including mines and mineral resources, electricity production, infrastructure development, pharmaceutical production, food and alcoholic beverages, real estate development, environmental technology, tourism development and high tech industries. The group has more than 12,000 employees worldwide and revenues in excess of RMB9.5 billion in 2008 (~A\$1.5 billion). Hanlong Group is well known for its philanthropic work in China, especially in its home province of Sichuan.