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## **FIRB approves proposed Hanlong investment in Moly Mines**

*Friday, 20 Nov, 2009*

Moly Mines Limited has received approval from the Australian Foreign Investment Review Board for the proposed USD 200 million controlling interest investment in the Company by China's Sichuan Hanlong Group, through its Australian subsidiary, Hanlong Mining Investment Pty Limited. The proposed transaction includes an undertaking by Hanlong to procure a USD 500 million project finance facility to fund development of Moly's 10 million tonne per annum Spinifex Ridge moly copper project in Western Australia.

Dr Derek Fisher CEO of Moly Mines said that "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. This 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."

The key highlights and benefits of the transaction are:

1. Moly will rise up to USD 200 million in equity and debt funding from Hanlong. This is additional to the Company's recently announced institutional placement and share purchase plan.
2. The proceeds will allow Moly to repay the outstanding amounts under the Interim Financing Facility with Trust Company of the West by February 15th 2010.
3. Commitment by Hanlong to procure USD 500 million of debt funding from Chinese lenders for the Spinifex Ridge.
4. Hanlong's access to Chinese lenders should mean that Moly will secure debt funding on more favourable terms and within a shorter timeframe than might otherwise been available. This would be significantly ahead of the point at which funding from traditional debt and equity markets becomes possible.
5. Funding may allow Moly to commence development of Spinifex Ridge as early as mid 2010.
6. Hanlong is a strong, major project partner with a substantial balance sheet and diversified operation which include mining interests.

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