

# Quarterly Activities Report

## December 2015



### Moly Mines Limited

ASX Code: MOL

#### Principal & Registered Office

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E : [info@molymines.com](mailto:info@molymines.com)

#### Issued Capital

Ordinary Shares: 384,893,989  
Warrants / Options: 11,665,477

#### Board of Directors

Nelson Chen - Chairman  
Kang Huan Jun  
Cathie Wu  
Lou Guo Qing  
Gregory Jones  
Anthony Martin

#### Officers

Graeme Kininmonth - Acting CEO  
Ric Vittino – CFO  
Susan Hunter - Company Secretary

#### Investor Relations

Natalie Frame (Canada):  
+1 416 371 7541

#### Share Register

Computershare  
Level 11 / 172 St Georges Terrace  
Perth, WA, 6000  
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F: +61 8 9323 2033  
[www.computershare.com](http://www.computershare.com)

### HIGHLIGHTS FOR THE DECEMBER QUARTER

#### Operations (unaudited)

- Operational activities were confined to maintaining the Spinifex Ridge infrastructure in good condition and monitoring of the rehabilitated areas of the Iron Ore Project
- A number of outstanding issues from the Iron Ore project were progressed. The final payment of the Spinifex Ridge Iron Ore sale will be determined by arbitration.
- The Spinifex Ridge Molybdenum / Copper Project remains on care and maintenance.

#### Corporate and Finance (unaudited)

- Cash on hand at end of Quarter was \$69.1M in cash, down from \$72.7M at end of previous Quarter.
- Moly continues to review a range of M&A opportunities both within Australia and overseas.

#### Exploration

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

Note - all dollar amounts are in A\$ unless otherwise stated

### Corporate and Finance

At Quarter end Moly Mines had \$69.1M in cash, down from \$72.7M at the end of the September 2015 quarter. This decrease is primarily due to currency fluctuations, as a significant portion of the Company's cash is held in US dollars.

The Company reviewed a number of potential M&A opportunities during the quarter. A detailed due diligence was undertaken on an operating copper mine, but it was determined that the price expectation was in excess of what Moly considered fair value.

Moly continues to review other projects as they are identified. Details on individual projects can only be provided in line with ongoing ASX disclosure requirements.

### Board & Executive Changes

There were no Board or management changes during the Quarter.

### Securities on Issue

During the Quarter there was no change to the number of ordinary shares on issue.

	Balance 30 December 2015
Ordinary shares	384,893,989
Options	
- EIG Warrants	4,832,157
- Employee options	6,833,320
<b>Total</b>	<b>11,665,477</b>
<b>Diluted Total</b>	<b>396,559,466</b>

The shares of the company remain suspended from official quotation by ASX. Moly remains an ASX listed entity and provided it is able to recommence operations of a level adequate to justify, in the opinion of the ASX, quotation of Moly's securities in the future, Moly will be able to again seek quotation of its shares.

MOL continues to be a Reporting Issuer in Canada.

### Operations

The Spinifex Ridge Molybdenum / Copper Project remains on care and maintenance.

Activities in relation to the Spinifex Ridge Iron Ore Project were confined to monitoring of rehabilitated areas, maintenance of retained infrastructure and ongoing legislative compliance.

Finalisation of the Iron Ore Sales agreement with Mineral Resources Limited (“MRL”) continued during the quarter. The Expert determination of the quantity of iron ore available on site at the time of transfer to MRL was completed. This determination had an outcome that would have resulted in Moly paying MRL approximately \$4.2M to MRL when all outstanding amounts were included. However, Moly is of the view that this determination is not valid. Moly issued MRL with a Dispute Notice on this issue on December 23<sup>rd</sup> 2015. Moly was served with a generally indorsed writ of summons from MRL on December 24<sup>th</sup> 2015 claiming \$4.9M, calculated by reference to the Expert determination. Both parties have subsequently agreed that this issue, and all other outstanding issues between the parties, will be determined by arbitration. It is expected that this process will be finalised in the first half of 2016.

### Appendix A: Mining Tenements

Mining tenements held at the end of the December 2015 quarter, and their location, are given in the table below.

#### Western Australia

Tenement ID	District	Description	Ownership (100%)	Status
M45/1095	Marble Bar	Spinifex Ridge Project	Moly Metals	Granted
M45/1096	Marble Bar	Spinifex Ridge Project	Moly Metals	Granted
M45/1164	Marble Bar	Spinifex Ridge Project	Moly Metals	Granted
G45/276	Marble Bar	Spinifex Ridge Project	Moly Metals	Granted
L45/159	Marble Bar	Spinifex Ridge Infrastructure	Moly Metals	Granted
L45/160	Marble Bar	Spinifex Ridge Infrastructure	Moly Metals	Granted
L45/185	Marble Bar	Spinifex Ridge Infrastructure	Moly Metals	Granted
L45/186	Marble Bar	Spinifex Ridge Infrastructure	Moly Metals	Granted