



MOLY MINES LIMITED

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Response to Metro Mining announcement

Moly Mines Limited (ASX: MOL) ('Moly') notes the announcement on 25 October 2016 by Metro Mining Limited (ASX:MMI) regarding Gulf Alumina Limited ('Gulf'), which is currently the subject of a recommended acquisition proposal by Moly.

Moly notes that Metro has currently only signaled its 'intention' to make an offer and it does not believe that the Metro proposal satisfies the criteria of a 'Superior Proposal' as specified in the Offer Implementation Agreement. It is also unclear whether the Metro proposal in its current form will ever satisfy those requirements.

Under the terms of the Offer Implementation Agreement between Moly and Gulf, Moly will have 5 business days in which to match any competing offer which is determined to be a 'Superior Proposal', before Gulf Directors can withdraw their recommendation of Moly's offer.

Accordingly, Moly will continue to progress its offer in accordance with the Offer Implementation Agreement and does not intend to make any further response to the Metro stated intentions at this stage.

FUTHER INFORMATION

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