



General Moly Reports Second Quarter Results

LAKESWOOD, COLORADO – August 14, 2018, [General Moly, Inc.](#) (the “Company” or “General Moly”) (NYSE AMERICAN and TSX: GMO) announced its financial results today for the second quarter ended June 30, 2018. The Company is positioned as the only western-exchange listed, pure-play molybdenum (“moly”) development company poised to benefit as the moly spot price has strengthened to \$12.23/lb at the date of this release, up 15% since the end of 2Q 2018 and 19% since the end of 2017.

Second quarter and year-to-date highlights:

- The Company has commenced its initial 10-hole drilling program to follow up on a recently identified high-grade copper-silver mineral zone (“Cu-Ag Target”) within an anomalous zinc mineralized halo at the [Mt. Hope Project site](#) in central Nevada, with assay results expected in the fall;
- The Company's 80%-owned joint venture company, which owns and operates the Mt. Hope Project, Eureka Moly, LLC (“EMLLC”); ended the quarter with a restricted cash balance of \$8.2 million (100% basis) in a reserve account, and remains self-funded through 2021, based on estimated care and maintenance expenses; and
- The moly oxide daily global spot price averaged \$11.63/lb during the quarter, up 45 percent over the average of \$8.03/lb in 2Q 2017, according to Platts.

The Company reported a consolidated net loss for the three months ending June 30, 2018 of \$3.1 million (\$0.02 per share), compared to a consolidated net loss of \$1.9 million (\$0.02 per share) for the 2Q 2017. However, the net loss attributable to General Moly was \$2.9 million, after attributing a loss of \$174,000 to POS-Minerals for its 20% ownership of EMLLC. The increase in net loss was primarily the result of \$0.9 million in accelerated depreciation related to an enterprise management software purchased in 2009 that was recorded as capitalized development related to the Mt. Hope Project. The Company will reduce its ongoing operating expenses by switching to a less costly enterprise management system. The second quarter net loss also includes approximately \$0.2 million related to non-cash stock compensation charges.

The Company ended the second quarter with \$4.7 million in unrestricted cash and equivalents. Consistent with guidance in its March 13, 2018 release, the Company anticipates its quarterly unrestricted cash burn rate to average approximately \$1.3 million per quarter for the full year 2018, excluding the Cu-Ag Target drill program discussed above. Based on the Company’s current operating forecast, independent of the Mt. Hope Project, the Company expects to be able to fund its corporate needs, exploration drilling program and Liberty Project into the first quarter of 2019.

The Company has potential near-term sources for strengthening its financial liquidity, including its remaining \$19.5 million At-The-Market stock offering (“ATM”) offering availability and the existing Tranche 3 \$10.0 million private placement with its largest shareholder, AMER International Group (“AMER”). The Tranche 3 private placement is priced at \$0.50 per share, upon the earlier of the completion of a joint business opportunity involving 10 million shares or receipt of water permits for the Mt. Hope Project, anticipated in early 2019.

During the second quarter, total cash use of \$2.1 million was the result of \$0.6 million spent at the Mt. Hope Project related to EMLLC owners’ costs, which was funded by the restricted cash reserve account, and \$1.4 million cash spent for general and administrative (“G&A”) expenses, including costs incurred at the Liberty Project. The G&A expenses were funded by \$1.2 million in unrestricted cash and \$0.2 million drawn from a restricted cash account for business development activities.



The Company continues to evaluate joint business development opportunities in base metal and ferroalloys with AMER. In 2Q 2018, the Company disbursed \$0.2 million on business development activities from its restricted cash account with AMER designed to cover costs related to Mt. Hope Project financing and other jointly sourced business development opportunities. This restricted cash account was funded by a portion of the AMER Tranche 1 and 2 private placements made in 2015 and 2017.

Bruce D. Hansen, Chief Executive Officer, said, “We look forward to the September hearing before the Nevada State Engineer on our water applications, and the anticipated reissuance of our water permits. With receipt of the water permits we can close the Tranche 3 investment by AMER, providing additional liquidity as we move into 2019.

“In the meantime, we also are focused on building near-term value for shareholders through our current exploration drilling program for copper, silver and zinc. It is exciting to have a drill rig running at the attractive Cu-Ag Target at the Mt. Hope Project site. Our goal is to define sufficient tonnage and grade so as to fast track this project and justify a scoping study for a standalone mining operation or in association with the planned Mt. Hope moly mine.”

Mr. Hansen also commented on the strengthening moly price, “Importantly, we encourage investors to take a closer look at the moly market, which is a second-best performer for the past one year, after alumina, in BMO Capital Market’s metals and mining universe in its research report of August 1, 2018. In the past month, moly has averaged \$11.52/lb, according to Platts, which is a 57% increase from the corresponding period in 2017. We are gratified to see the moly price increase above \$12/lb and look for it to continue into the teens as demand and supply fundamentals improve into 2019.”

Table 1: Financial Summary

(\$ and Shares in 000, Except Per Share)	2Q 2018	2Q2017	2Q YOY Variance
Exploration & evaluation expenses	\$ 147	\$ 137	7%
General and administrative expenses, including non-cash stock compensation	2,732	1,586	72%
Total Operating Expenses	2,880	1,723	67%
Interest expense	(225)	(225)	n.a.
Consolidated Net Loss	\$ (3,105)	\$ (1,948)	59%
Less: Net loss attributable to Contingently Redeemable Non-controlling Interest	\$ 174	\$ 5	n.a.
Net Loss attributable to General Moly	\$ (2,931)	\$ (1,943)	51%
Net Loss Per Share	\$ (0.02)	\$ (0.02)	0%
Avg. Weighted Shares Outstanding	127,983	111,168	15%



Table 2: Balance Sheet Summary

(\$ in 000)	June 30, 2018	Dec. 31, 2017
Cash and Cash Equivalents	\$ 4,660	\$ 6,676
Current Assets	4,706	6,790
Current Liabilities	1,270	1,102
Working Capital	3,436	5,688
Restricted cash held at EMLLC	8,175	9,911
Other restricted cash	1,282	1,787
Total Assets	330,896	335,775
Long term debt	1,340	1,340
Senior convertible notes	5,764	5,745
Return of contributions payable to POS-Minerals	33,641	33,641
Other liabilities	13,543	13,529
Long term liabilities	54,288	54,255
Contingently Redeemable Non-controlling Interest	172,275	172,633
Total Shareholders' Equity	\$ 103,063	\$ 107,785

Water Permit & Supplemental EIS Update

An eight-day hearing with the Nevada State Engineer regarding the Mt. Hope Project's application for water rights is scheduled to begin on September 11, 2018, as previously described in the Company's May 8, 2018 news release. A decision from the State Engineer is anticipated by early 2019.

In addition, the Company and the Bureau of Land Management ("BLM") continue to move the Draft Supplemental Environmental Impact Statement ("DSEIS") for the Mt. Hope Project forward in preparation of its notice of availability and publication in the Federal Register. The DSEIS was shared with cooperating agencies for their comments, pursuant to the National Environmental Policy Act ("NEPA"), including the County of Eureka, Nevada, Nevada Department of Wildlife, and the National Park Service. Thereafter, the DSEIS will be referred to the federal Department of Interior for publication in the Federal Register for public review and comment. Following completion of the NEPA public review and comment process, the BLM will prepare the Final Supplemental Environmental Impact Statement (FSEIS), which will also be published in the Federal Register. The Company anticipates receipt of a Record of Decision ("ROD") approving the FSEIS from the BLM in early 2019.

Mt. Hope Project Status

Engineering remains approximately 65% complete at the Mt. Hope Project. Currently, there is no ongoing engineering and procurement effort. The Company anticipates EMLLC will re-initiate its engineering and procurement programs once market conditions allow for full Mt. Hope Project financing.



Drilling at Cu-Ag Target at Mt. Hope Project Site

A 10-hole, 9,400-foot drill program is underway on the patented claims at the Mt. Hope Project focused on copper-silver-zinc mineralized skarns immediately adjacent to the Mt. Hope molybdenum deposit. The \$0.8 million exploration drilling program, described in the Company's June 21, 2018 news release, is designed to confirm and extend the high-grade Cu-Ag Target defined by historical drilling and to test for extensions of horizons of zinc mineralization, which were historically mined.

The Company identified the Cu-Ag Target and prospective zinc zone from a review of historical drill results from the 1930s to 2008. The Company then tested the area with an IP survey in February 2018, including 2D and 3D inversions, which produced positive results reported by the Company in its news releases on [June 21, 2018](#), [March 1, 2018](#) and [April 5, 2018](#). Refer to these news releases for further information and disclosure, including the review of technical information by a Qualified Person, as defined in Canadian National Instrument 43-101.

To date the preliminary exploration work is being undertaken solely by General Moly. Any mining operation to exploit economic mineralization will require the approval of its 20% EMLLC joint venture partner at the Mt. Hope Project, POS-Minerals Corporation, a subsidiary of POSCO, which is a large South Korean steel company.

Increasing Molybdenum Prices

During the first half of 2018, the moly price has maintained its double-digit price but it has been volatile, trading from a high of \$13/lb on March 2, 2018 to a low of \$10.60 on June 28, 2018. Since the end of the second quarter, the moly price has increased to over \$12/lb.

Approximately 70% of molybdenum's first use is for steel production as molybdenum is a premier alloy to strengthen steel and make it corrosion resistant. Demand has been strong for molybdenum due to increased steel containing molybdenum output, driven by a strengthening oil and gas industry. Worldwide oil drilling using specialty steel and high-strength tubular steel has increased 10% year-over-year in the first six months of 2018, according to the oil rig count by Baker Hughes, a GE Company.

In addition, global crude steel production increased 4.6% year-over-year in the first six months of 2018, according to the World Steel Association. China, which produces over half of the world's steel, recorded a corresponding 6% increase. On the molybdenum supply side, the CPM Group, a commodities research firm in New York, estimates that the molybdenum market will near equilibrium with a slight surplus in 2018. CPM projects that molybdenum will tip into deficit in 2019, which will be exacerbated in 2020 and 2021.

(See the moly price chart in the Appendix.)

2018 Outlook and Priorities

General Moly's ongoing priorities for 2018 are to:

- Continue to reduce overhead costs and enhance financial liquidity opportunistically to provide for longer-term sustainability of operations.
- Leverage the Company's technical and financial skills and expertise to work jointly with AMER and others to identify value-accretive acquisition opportunities with a focus on base metal and ferroalloy prospects.



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- Proceed with geologic assessment and further exploration of the potential copper-silver target and zinc mineralization at the Mt. Hope Project;
- Continue to progress towards obtaining a ROD approving the FSEIS and the issuance of water permits for the Mt. Hope Project.

About General Moly

General Moly is a U.S.-based molybdenum mineral development, exploration and mining company listed on the NYSE American 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

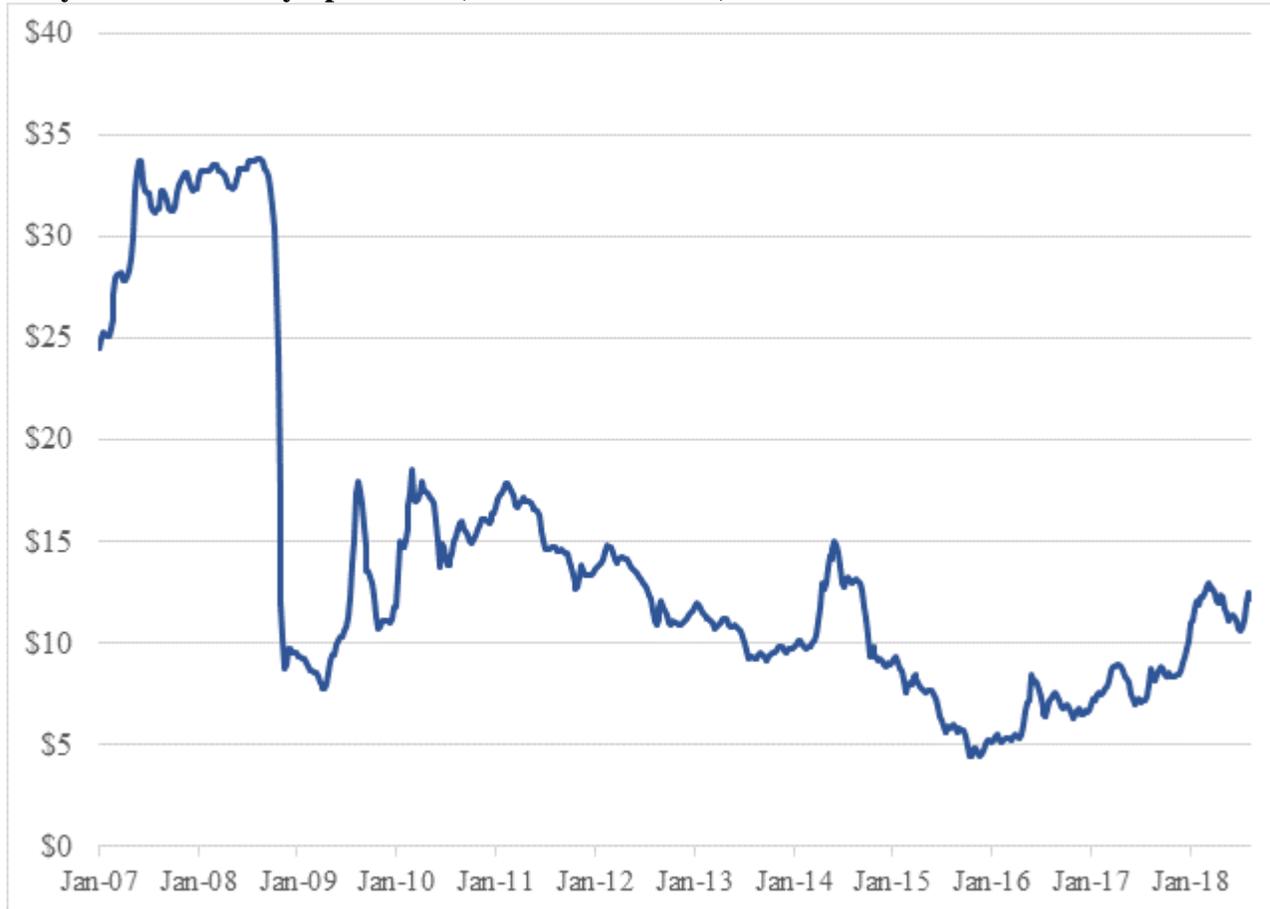
Statements herein that are not historical facts are "forward-looking statements" within the meaning of Section 27A of the Securities Act, as amended and Section 21E of the Securities Exchange Act of 1934, as amended and are intended to be covered by the safe harbor created by such sections. Such forward-looking 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 Record of Decision, ability to maintain required federal and state permits to continue construction, and commence production of molybdenum, copper, silver, lead or zinc, ability to identify any economic mineral reserves of copper, silver, lead or zinc; ability of the Company to obtain approval of its joint venture partner at the Mt. Hope Project in order to mine for copper, silver, lead or zinc, ability to raise required project financing or funding to pursue an exploration program related to potential copper, silver, lead or zinc deposits at Mt. Hope, ability to respond to adverse governmental regulation and judicial outcomes, and ability to maintain and /or adjust 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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Appendix:

Molybdenum Weekly Spot Price (1/4/2007-8/12/2018)



Source: Platts