



General Moly Achievements in 2019 Pave the Way for Expanded Strategic Alternatives Effort, Coinciding with Promising Moly Market Outlook

LAKESWOOD, COLORADO, January 21, 2020 – [General Moly, Inc.](#) (General Moly or the “Company”) (NYSE American and TSX: GMO), the only western-exchange listed, pure-play molybdenum (“moly”) mineral development company, announced that the Company will enter the next phase of its evaluation of strategic alternatives. This initiative will be supported by the backdrop of a positive molybdenum (“moly”) market outlook and by the benefit of the Company’s many accomplishments of 2019, underscored by the Mt. Hope Project having become fully permitted.

According to projections by the CPM Group (“CPM”), a metals research, econometrics, and consulting firm, based in New York, moly is anticipated to run into a deficit over 2020-2024. CPM anticipates the sharpest supply deficit in 2021 and 2022. CPM is forecasting moly real prices to increase by more than 30% in 2020 to average above \$12.50/lb, compared to the current price of \$9.60/lb, with a further increase to over \$13.50/lb in 2021. (See further details in the section below on Moly Market Update and Outlook.)

Evaluation of Strategic Alternatives Based on Foundation of 2019 Accomplishments

In addition to the anticipated improvements in the moly market, General Moly enters 2020 in a solid position to pursue strategic alternatives given the significant accomplishments achieved in 2019. The Company is working with its financial advisors on securing incremental financing and evaluating other strategic alternatives, including the potential addition of new Mt. Hope Project partners, additional Corporate Strategic investors, merger opportunities, and/or the possible sale or privatization of the Company. The Company’s financial advisors are XMS Capital Partners, Headwall Partners, and Odinbrook Global Advisors (see the Company’s March 13, 2019 news release.)

General Moly’s Chief Executive Officer Bruce Hansen further commented, “We appreciate the support of our shareholders, noteholders, Amer NA, and our strategic partner POS-Minerals Corporation, who holds the 20% membership interest in the Mt. Hope Project operating company. We also thank our small team of employees and our financial advisors for their dedication and commitment for the achievements described below.”

- The Mt. Hope moly project in Nevada became fully permitted upon receipt of the Record of Decision (“ROD”) from the federal Bureau of Land Management (“BLM”) in conjunction with approval of the Supplemental Environmental Impact Statement (“SEIS”) by the BLM and the U.S. Department of Interior for the Mt. Hope Project in September 2019. (See the Company’s September 30, 2019 news release.)
- The Nevada State Engineer issued the water permits for mining use at the Mt. Hope Project as announced by the Company in July 2019. (See the Company’s July 29, 2019 news release.)
- General Moly and its largest shareholder Amer International Group and its affiliates (“Amer”) resolved their dispute, and Amer invested \$4 million in a private placement at \$0.40 per common share in December 2019. Amer agreed to use its reasonable best efforts to assist the Company to obtain up to \$700 million of Chinese Bank financing toward the funding of the Company’s 80% membership interest contribution for the construction and development of the Mt. Hope Project. (See the Company’s December 10, 2019 news release.)



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- The Company closed in December 2019 a private offer to exchange (the “Exchange Offer”) its outstanding 10% Senior Convertible Promissory Notes and 10% Senior Promissory Notes both due December 26, 2019 (together, the “Old Notes”), for units consisting of its newly issued 12% Senior Promissory Notes due December 26, 2022 (the “Exchange Notes”) and warrants (the “Warrants”) to purchase shares of the Company’s common stock, par value \$0.001 per share (“Common Stock”), upon the terms and conditions set forth in the Offer to Exchange and Subscription Offer dated November 27, 2019. In a resoundingly successful Exchange Offer program, eligible holders tendered 95% of the outstanding Old Notes with an original principal amount of \$6.89 million of the total outstanding of \$7.25 million. (See the Company’s January 3, 2020 news release.)
- In addition, certain eligible holders who tendered their Old Notes in the Exchange Offer also elected to participate in the accompanying Subscription Agreement to purchase (the “Subscription Offer”) 13,355 units for \$100 each, consisting of the Company’s newly issued 13% Senior Promissory Notes also due 2022 (the “Supplemental Notes”) and accompanying Warrant. Mr. Hansen and the largest Old Notes holder also participated in the Subscription Offer for Supplemental Notes. (See the Company’s January 3, 2020 news release.)

Moly Market Outlook

During the first 10 months of 2019, CPM’s Molybdenum Quarterly reported that moly production fell by 6.2 million pounds (M lb), a 1.5% decrease, to 419.7M lb from the 2018 period. Increased production at Rio Tinto’s Kennecott Bingham Canyon Mine and Grupo Mexico mines during the first 10 months of 2019 did not offset decreased moly output from Chile and China. CPM anticipates that the moly market was in balance or in a small deficit for 2019.

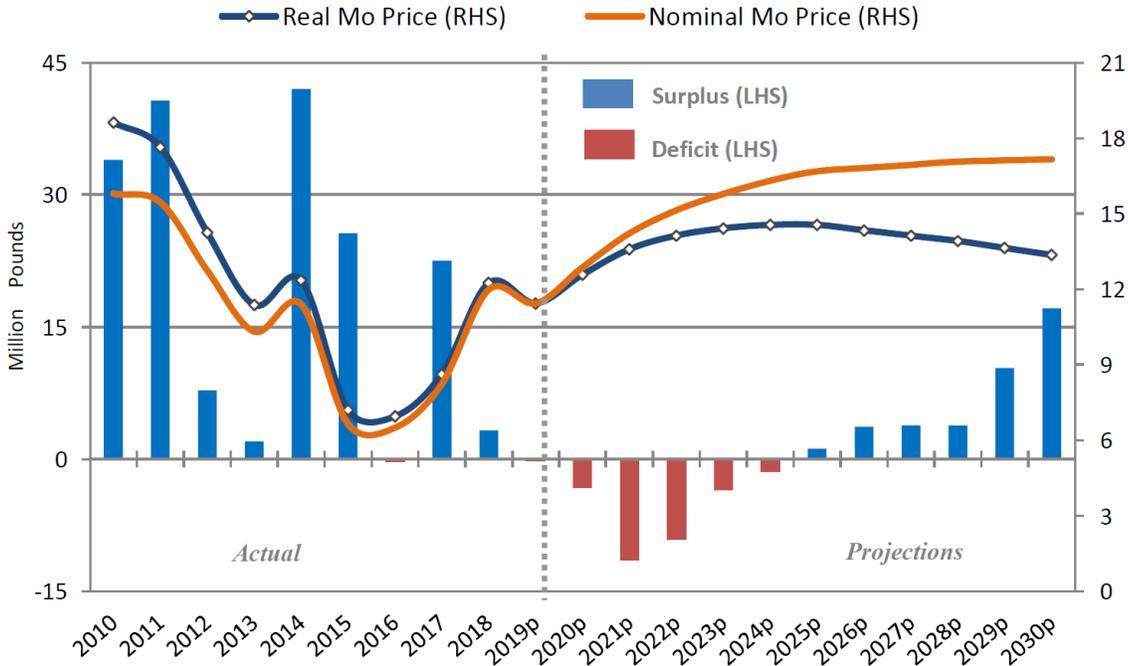
Looking ahead, CPM forecasts a moly price recovery from further supply shortfall from tight mine supply and incremental improving demand. Chilean mine supply in particular is projected to continue to fall after double-digit reductions in both 2018 and 2019, driven by reduced government funding going forward for state-owned Codelco. Demand is anticipated to improve with a stabilizing global economy, normalizing 300 series stainless steel demand and a moly demand boost from continued global Liquefied Natural Gas (LNG) developments, including those related to the July 2019 announced liberalization of oil and gas laws in China to spur foreign direct investment in gas infrastructure.

CPM projects an average moly real price of \$12.58 per lb and nominal price of \$12.87 per lb for 2020 (using a base of 2019). CPM further projects average moly per lb real price of \$14.25 and nominal price of \$15.63 for the five-year period 2021-2025; and average real price of \$13.88 and nominal price of \$17.02 for 2026-2030.



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Chart 1: Moly Supply and Demand Balance and Prices to 2030



Source: CPM

About General Moly

General Moly is a U.S.-based, molybdenum mineral exploration and development company listed on the NYSE American, previously known as the NYSE MKT and former American Stock Exchange, 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 primary molybdenum producer in the world.

Molybdenum is a metallic element used primarily as an alloy agent in steel manufacturing. When added to steel, molybdenum enhances steel strength, resistance to corrosion and extreme temperature performance. In the chemical and petrochemical industries, molybdenum is used in catalysts, especially for cleaner burning fuels by removing sulfur from liquid fuels, and in corrosion inhibitors, high performance lubricants and polymers.

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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 availability of cash to continue ongoing operations, availability of insurance, 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, reclamation risks, political, operational and project development risks, 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 molybdenum, 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.