General Moly Updates Exploration Program for Copper, Silver, and Zinc at Mt. Hope Project

05.04.2018 | CNW

- 3D Induced Polarization Results Reinforces 2D Analysis Previously Produced, Geologic Review Underway

LAKEWOOD, Colo., April 5, 2018 /CNW/ -- General Moly Inc. (the "Company" or "General Moly") (NYSE American and TSX: GMO), the only western-exchange listed, pure-play molybdenum development company, recently received a Titan Direct Current and Induced Polarization "DCIP" survey report to assist in the evaluation of potential high-grade, copper-silver exploration target zone ("Cu-Ag Target") immediately adjacent to the Mt. Hope molybdenum deposit in central Nevada.

The high-intensity, ground-based, IP survey, including 2D and 3D inversions of acquired DCIP field data, was completed in February 2018 by Quantec Geoscience. An apparent contiguous group of high chargeability anomalies appear to align with the recently identified Cu-Ag Target the Company previously reported in its March 1, 2018 news release.

The final IP survey report includes 2D and 3D IP inversions that identify resistivity and chargeability anomalies with enhanced accuracy within several hundred feet of the surface. Interpretive evaluation of the 3D IP sections with available historic drill results should improve follow-up drill targeting.

General Moly has engaged the firm Mine Mappers, LLC, with Mark Osterberg, Ph.D., P.G., as Principal Consulting Geologist, to support the Company's internal staff in the evaluation of the geophysical and historic drilling results. The planned work will refine the geologic and lithological interpretation of the anomalous target areas and integrate the historic drill results, including geochemical assay results, with the Titan DCIP survey findings. Dr. Osterberg and his colleagues at Mine Mappers have mapped surface geology and logged diamond drill core at the Mt. Hope project in several previous campaigns.

General Moly anticipates this planned work will define untested drill targets, which will be evaluated subject to financing. The Company expects to have an initial exploration plan completed within the next few months.

The Figure 1: Plan Map below shows the Company's interpretation of a halo of 2% zinc from historic drill intercepts. The zinc mineralized area of interest measures approximately 17 acres in size and covers past historic underground mining of zinc as the primary produced metal.

The IP survey, which focused on the Cu-Ag Target, comprised six 2,400-foot long lines with two lines running SW to NE (lines 1 and 6), and 4 lines (lines 4, 3, 2 and 5) running SE to NW and perpendicular to lines 1 and 6. (Please refer to Figure 1: Plan Map.)

Compared to the previously completed 2D IP results, the new 3D images show an expanded high chargeability zone, indicated by orange and red colors, underlying a layer of resistive rock, seen in blue and green colors. The cross sections also show historical drill intercepts within approximately 100 feet of the vertical cross sections, with the colored boxes along the drill lines designating assays of copper equal to or greater than 0.5% with red, zinc equal to or greater than 1.0% with light blue, and silver equal to or greater than 20 opt with gray. Please refer to cross section of Line 3, as Figure 2, and Line 2 shown as Figure 3.

Most of the drill data referenced in the figures and located in the zinc mineralized area southeast of the Mt.

Hope molybdenum deposit, comes from historic drill campaigns and their reported results lack modern quality assurance and controls for samples and assays, which cannot be independently confirmed. Such data may not be relied upon for any evidence or likelihood of a mineral resource, mineral reserve or mineral deposit. The Cu-Ag Target and larger zinc mineralized area do not contain any mineral resource estimate as defined by the Canada National Instrument 43-101 ("NI 43-101") or any proved or probable reserves as defined by the United States Securities and Exchange Industry Guide 7, nor is there any certainty that further exploration will result in any targets becoming part of a mineral resource or mineral reserve.

The Cu-Ag Target within the zinc mineralized area appears to be close enough to the surface and to the ultimate Mt. Hope molybdenum pit to be potentially accessed by a decline from either the surface or the pit, if development is warranted.

The Company's intent is to substantiate the occurrence of copper and silver mineralization lying below previously mined bodies of zinc ore. The target is open to the northeast and at depth. The approximate intersection of DCIP survey lines 1 and 3 is a particularly attractive and high priority target. (Please refer to the Appendix Plan Map.) The Company's goal is to define sufficient tonnage and grade to justify the formal scoping study of a standalone mining operation or a mining operation associated with the planned Mt. Hope molybdenum mine.

The Company, which holds an 80% interest in the Mt. Hope Project, has presented the promising findings described herein to POS-Minerals, its 20% joint venture partner, and is discussing value-sharing investment options with POS-Minerals. Any mining operation to exploit economic mineralization will require the approval of POS-Minerals.

About General Moly

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

Contact:
Scott Roswell
(303) 928-8591
info@generalmoly.com

Website: www.generalmoly.com

Qualified Person's Statement

The scientific and technical information in this news release was reviewed by Mark W. Osterberg, Principal Consulting Geologist of Mine Mappers, LLC. Mr. Osterberg is a "qualified person" as defined by NI 43-101. He is a Professional Geologist, with a master's and doctorate degrees in geology. Mr. Osterberg has extensive minerals industry experience that is relevant to the evaluation of the style and nature of mineralization described above.

Forward Looking Statement

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.

SOURCE General Moly Inc.