

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **2013-05-16** | Period of Report: **2013-05-14**
SEC Accession No. [0001104659-13-042418](#)

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FILER

General Moly, Inc

CIK: [1275229](#) | IRS No.: **910232000** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: [001-32986](#) | Film No.: **13851266**
SIC: **1000** Metal mining

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Earliest Event Reported: **May 14, 2013**

General Moly, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-32986
(Commission
file number)

91-0232000
(IRS employer
identification no.)

1726 Cole Blvd., Suite 115
Lakewood, CO 80401
(Address of principal executive offices, including zip code)

(303) 928-8599
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 210.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.02 Termination of a Material Definitive Agreement

On May 14, 2013, General Moly, Inc. (the "Company") and Hanlong (USA) Mining Investment, Inc. ("Hanlong"), an affiliate of Sichuan Hanlong Group, a large privately held Chinese company, mutually agreed to terminate the \$125 million subordinated loan agreement dated as of October 26, 2012, intended to supplement a \$665 million Chinese sourced term loan for the financing of the Mt. Hope Project. The subordinated loan agreement, which would have become available upon receipt of the Chinese sourced term loan, was terminated to provide the Company with greater flexibility in securing an additional Chinese strategic partner. The termination of the subordinated loan agreement also cancels the arrangement fee of \$6.25 million payable to Hanlong upon closing of a Chinese sourced term loan.

In connection with the termination of the subordinated loan agreement, the common stock purchase warrant with a 2.5 year maturity to purchase ten million shares of the Company's common stock at a strike price of \$4.23 per share, issued to Hanlong on October 26, 2012, was terminated.

The foregoing description is qualified in its entirety by reference to the full text of the Termination Agreement, a copy of which is filed as Exhibit 10.1 hereto and incorporated herein by reference.

Item 8.01 Other Events

On May 15, 2013, the Company issued a press release announcing the termination of the subordinated loan agreement and the warrant. A copy of the press release is attached hereto as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
10.1	Termination Agreement dated as of May 14, 2013, by and between General Moly, Inc. and Hanlong (USA) Mining Investment, Inc.
99.1	Press Release of General Moly, Inc. dated May 15, 2013.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

GENERAL MOLY, INC.

Dated: May 16, 2013

By: /s/ David A. Chaput
David A. Chaput
Chief Financial Officer

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TERMINATION AGREEMENT

This **TERMINATION AGREEMENT** (this "Agreement") is entered into as of May 14, 2013 by and between Hanlong (USA) Mining Investment, Inc., a Delaware corporation ("Lender"), and General Moly, Inc., a Delaware corporation ("Borrower"). Each of Lender and Borrower shall be referred to as a "Party" and collectively as the "Parties."

RECITALS

Whereas, Lender and Borrower are parties to that certain Subordinated Loan Agreement dated as of October 26, 2012 (the "Loan Agreement");

Whereas, as of the date hereof, no money has been lent pursuant to the Loan Agreement;

Whereas, in connection with the execution of the Loan Agreement, Borrower issued to Lender that certain Common Stock Purchase Warrant, dated as of October 26, 2012 (the "Warrant");

Whereas, as of the date hereof, the Warrant has not been exercised;

Whereas, pursuant to the terms of the Loan Agreement, including without limitation Section 9.3(c) of the Loan Agreement, Borrower and Lender have mutually agreed and consented to terminate the Loan Agreement as of the date hereof (the "Termination Date"); and

Whereas, in connection with the termination of the Loan Agreement, Borrower and Lender have additionally agreed to terminate the Warrant as of the Termination Date.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements contained herein, the Parties covenant and agree as follows:

AGREEMENT

1. Affirmation. Lender hereby acknowledges and affirms that, since the Signing Date (as defined in the Loan Agreement), no monies have been borrowed by Borrower under the Loan Agreement.

2. Termination.

a. Loan Agreement. Lender and Borrower hereby terminate the Loan Agreement and acknowledge and agree that the Loan Agreement is deemed to have no further force or effect.

b. Warrant. Lender and Borrower hereby terminate the Warrant and acknowledge and agree that the Warrant is deemed to have no further force or effect.

c. Security Interests. Lender and Borrower hereby terminate (i) any security interest in any asset of Borrower granted under the Loan Agreement, and (ii) any related documents contemplated in connection with the creation of any such security interest granted under the Loan Agreement, including, but not limited to, any security agreement, mortgage, and/or Uniform Commercial Code security filing that may currently exist. In addition, Lender and Borrower acknowledge and agree that

any such security interest and/or related document is deemed to have no further force or effect, with all parties thereto being hereby released from any and all liability and obligation thereunder.

d. Arrangement Fee. Borrower shall have no obligation to pay to Lender the arrangement fee contemplated by Section 2.5 of the Loan Agreement (the “Arrangement Fee”).

3. Releases. Borrower does hereby forever release and discharge Lender from all duties, obligations and Claims arising from or relating to the Loan Agreement and any other documents or agreements entered into expressly in connection with the Loan Agreement or the loan transactions contemplated with respect thereto. Lender does hereby forever release and discharge Borrower from all duties, obligations and Claims arising from or relating to the Loan Agreement and the Warrant and any other documents, instruments or agreements entered into expressly in connection with the Loan Agreement or the loan transactions contemplated with respect thereto, including without limitation, the Arrangement Fee. For purposes of this Agreement, the term “Claims” means any and all possible claims, demands, causes of action, fees, costs, expenses and liabilities whatsoever, contingent or fixed, known or unknown, at law or in equity, originating in whole or in part, on or before the date of this Agreement, which such Party, or any of its officers, directors, partners, limited partners, members, shareholders, agents or employees, may now or hereafter have against the other Party and irrespective of whether such Claims arise out of contract, tort, violation of laws or regulation, or otherwise

4. Further Assurances. Lender further agrees to furnish to Borrower, at Lender’s expense, any additional releases and/or termination statements and such other and further documents, instruments and agreements as may be reasonably requested by Borrower, in order to effect the transactions contemplated by this Agreement and to effect the release of any collateral of Borrower subject to a security interest of Lender and/or effect and evidence more fully the matters covered hereby. Lender hereby irrevocably and unconditionally authorizes Borrower (or its designee) to file at any time and from time to time all Uniform Commercial Code in lieu financing statements, releases and/or terminations as Borrower deems necessary or desirable in order to release the any collateral of Borrower subject to a security interest of Lender and/or effectuate the purposes and intents of Section 1 hereof, including, without limitation, UCC Financing Statement Amendments that terminate all existing financing statements filed by or on behalf of Lender (or its predecessors) as secured party and Borrower as debtor.

5. Delivery of Warrant. Lender agrees to deliver to Borrower for cancellation, upon the effectiveness hereof, (a) the original Warrant; or (b) in the event that Lender cannot locate the original Warrant, an executed affidavit certifying the loss of the Warrant and agreeing to indemnify and hold harmless Borrower and all assignees of the Warrant against any losses or liability which Borrower may incur as a result of Lender’s inability to deliver the original Warrant to Borrower.

6. Authority. Each Party hereby represents and warrants to the other Party as follows: Such Party has the requisite power and authority to deliver this Agreement, perform its respective obligations herein, and consummate the transactions contemplated hereby. Such Party has duly executed and delivered this Agreement and has obtained the necessary authorization to execute and deliver this Agreement and to perform such Party’s respective obligations herein and to consummate the transactions contemplated hereby. This Agreement is a valid, legal, and binding obligation of such Party, enforceable against such Party in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, or similar laws affecting the enforcement of creditors rights generally and subject to general principles of equity (regardless of whether such enforcement is considered in a proceeding at law or in equity).

7. Entire Agreement. This Agreement, including exhibits or other documents referred to herein or that specifically indicate that they were delivered in connection with this Agreement, embodies the entire agreement and understanding between the Parties with respect to the subject matter hereof and supersedes all prior oral or written agreements and understandings relating to the subject matter hereof. No statement, representation, warranty, covenant or agreement of any kind not expressly set forth in this Agreement shall affect, or be used to interpret, change or restrict, the express terms and provisions of this Agreement.

8. Governing Law; Language. This Agreement and the rights and obligations of the Parties hereunder shall be construed in accordance with and governed by the laws of the State of New York, including Section 5-1401 of the New York General Obligation Law, applicable to agreements made and to be performed

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entirely within the State of New York, without giving effect to the conflict of law principles thereof that would cause the application of the laws of any jurisdiction other than the State of New York. This Agreement has been negotiated and executed by the Parties in English. In the event any translation of this Agreement is prepared for convenience or any other purpose, the provisions of the English version shall govern.

9. Severability. In the event that any court of competent jurisdiction shall determine that any provision, or any portion thereof, contained in this Agreement shall be unreasonable or unenforceable in any respect, then such provision shall be deemed limited to the extent that such court deems it reasonable and enforceable, and as so limited shall remain in full force and effect. In the event that such court shall deem any such provision, or portion thereof, wholly unenforceable, the remaining provisions of this Agreement shall nevertheless remain in full force and effect.

10. Fees and Expenses. Each of the Parties shall pay its own fees and expenses (including the fees of any attorneys, accountants, or others engaged by such Party) in connection with this Agreement and the transactions contemplated hereby.

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IN WITNESS WHEREOF, Borrower and Lender have caused this Agreement to be executed by their duly authorized officers effective as of the day and year first above written.

BORROWER:

GENERAL MOLY, INC.

By: /s/ Bruce D. Hansen

Name: Bruce D. Hansen

Title: Chief Executive Officer

LENDER:

HANLONG (USA) MINING INVESTMENT, INC.

By: /s/ Nelson Feng Chen

Name: Nelson Feng Chen

Title: Managing Director



General Moly, Inc. – NYSE MKT and TSX: GMO

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GENERAL MOLY PROVIDES FINANCING UPDATE

LAKESWOOD, COLORADO – May 15, 2013, General Moly, Inc. (the “Company”) (NYSE MKT and TSX: GMO), a U.S.-based molybdenum mineral development, exploration and mining company, provided an update on finance activities.

On May 14, 2013, General Moly and Hanlong (USA) Mining (“Hanlong”) mutually agreed to terminate a \$125 million subordinated loan agreement intended to supplement a \$665 million Chinese sourced term loan for the financing of the Mt. Hope Project. The subordinated loan agreement, which would have become available upon receipt of the Chinese sourced term loan, was terminated to provide General Moly with greater flexibility in securing an additional Chinese strategic partner. The termination of the subordinated loan agreement also cancels the arrangement fee of \$6.25 million payable upon closing of a Chinese sourced term loan. Further, the warrant with a 2.5 year maturity to purchase ten million shares of General Moly common stock at a strike price of \$4.23 per share was terminated.

Bruce D. Hansen, Chief Executive Officer of General Moly, said, “Hanlong’s cooperation and assistance is appreciated as we move forward to secure another Chinese strategic partner capable of advancing the full financing of the Mt. Hope Project and reinvigorating advanced stage loan negotiations with China Development Bank.”

Mr. Hansen added, “Our efforts to secure such a strategic partner are incrementally enhanced by the elimination of these warrants which reduces the potential for future dilution. We are actively marketing the Mt. Hope Project as a fully permitted, construction-ready, high grade / lower cost molybdenum deposit supported by our joint venture partner POS-Minerals, and recently attracted a number of parties in China who are beginning to engage in due diligence.”

Mr. Hansen concluded, “We are also in discussions to negotiate an equipment lease agreement on the mobile mining fleet to replace all or part of the subordinated loan agreement component of our Mt. Hope Project finance plan.”

In a previous project financing update, the Company reported that on March 20, 2013, the Company was notified that China Development Bank had provided instructions to its legal counsel to suspend work on the \$665 million term loan. This suspension relates to reports that Mr. Liu Han, Founder of Sichuan Hanlong Group has been detained by Chinese authorities.

* * * *

General Moly is a U.S.-based molybdenum mineral development, exploration and mining company listed on the NYSE MKT (formerly the NYSE AMEX) and the Toronto Stock Exchange under the symbol GMO. Our primary asset, our 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 our second molybdenum property, the Liberty project that is also located in central Nevada, our goal is to become the largest pure play primary molybdenum producer in the world. For more information on the Company, please visit our website at <http://www.generalmoly.com>.

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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 maintain required permits to continue construction, commence production and its ability to raise required project financing, adverse governmental regulation and judicial outcomes, including recent request for preliminary injunction and appeal of the Record of Decision, and appeal of water permits. The closing of tranche 2 of the Hanlong transaction, Hanlong's ability to procure bank financing may not be fulfilled. 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.