Permit No. 76362

THE STATE OF NEVADA

PERMIT TO APPROPRIATE WATER

Name of applicant:	**LIBERTY MOLY, LLC**
Source:	**UNDERGROUND**
Basin:	**BIG SMOKY VALLEY-TONOPAH FLAT**
Manner of Use:	**MINING AND MILLING**
Period of Use:	**January 1st to December 31st**
Priority Date:	**10/09/2007**

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APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water placed to beneficial use. The totalizing meter must be installed before any use of water begins, or before the Proof of Completion of Work is filed. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

The total combined duty of water under Permit 35776, Certificate 12878; Permit 40520, Certificate 12880; Permit 40521, Certificate 12881; Permit 40524, Certificate 12882; Permit 42480, Certificate 12884; Permit 42835, Certificate 12885; Permit 42836, Certificate 12886 and Permits 76362 and 76363 shall not exceed 8,370 acre-feet annually.

The manner of use of water under this permit is by nature of its activity a temporary use and any application to change the manner of use granted under this permit will be subject to additional determination and evaluation with respect to the permanent effects on existing rights and the resource within the groundwater basin.

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

This permit will allow the permittee to dewater the mine area. It is understood that any water produced as a result of this dewatering operation shall be used first by the permittee for mining, milling and related uses.

(Continued on Page 2)

Monthly records shall be kept of the following and reported within 15 days after the end of each quarter:

A. The total volume of water pumped from each diversion in acre-feet.

B. The maximum flow rate from each diversion in cubic feet per second.

C. The water level from each production and monitoring well in feet above mean sea level.

D. The volume of water consumptively used for mining and milling in acre-feet.

E. The amount of water lost through evaporation or other system losses project wide.

The point of diversion and place of use are as described on the submitted application to support this permit.

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, **and not to exceed 1.5 cubic feet per second or 1,085 acre-feet annually.**

Work must be prosecuted with reasonable diligence and proof of completion of work shall be filed on or before:	**July 13 2011**
Water must be placed to beneficial use and proof of the application of water to beneficial use shall be filed on or before:	**July 13 2015**
Map in support of proof of beneficial use shall be filed on or before:	**N/A**

IN TESTIMONY WHEREOF, I, JASON KING, P.E.,

State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 13th day of **July**, A.D. **2010**

P.E.

State Engineer

Completion of work filed _____

Proof of beneficial use filed _____

Cultural map filed _____

Certificate No. _____ Issued _____

Serial No. 76362

APPLICATION FOR PERMIT TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

THIS SPACE FOR OFFICE USE ONLY

Date of filing in State Engineer's Office OCT 0 9 2007

Returned to applicant for correction

Corrected application filed Map filed MAR 0 5 1980 under 40520

The applicant General Moly Inc.

1726 Cole Blvd. (Street and No. Or P.O Box No.) of Lakewood (City and Town)

Colorado, 80401 (State and Zip code No.) hereby make application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association give names of members.)

Reincorporated in Delaware effective October 8, 2007.

1. The source of the proposed appropriation is Underground (Name of stream, lake, spring, underground or other source)

2. The amount of water applied for is 1.5 cfs second feet. (One second foot equals 448.83 gallons per minute)

   (a) If stored in reservoir give number of acre-feet

3. The water is to be used for Mining, Milling and Domestic (Irrigation, power, mining, commercial, domestic or other use. Must limit to one major use.)

4. If use is for:

   (a) Irrigation, state number of acres to be irrigated

   (b) Stockwater, state number and kind of animals

   (c) Other use (describe fully "No. 12. Remarks")

   (d) Power:

      (1) Horse Power developed

      (2) Point of return of water to stream

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5. The water is to be diverted from its source at the following point NE1/4 SE1/4 of Section 35, T.6N., R.41E., M.D.B.&M. at
Describe as being within a 40-acre subdivision of public
a point from which the NE corner of Section 1, T.5N., R.41E., M.D.B.&M. bears S. 71° 53' 50" E., a distance of 7,088.40
survey, and by course and distance to section corner. If on unsurveyed land, it should be so stated.
feet.

6. Place of use Sections 5, 6, 7, T.5N., R.42E., M.D.B.&M; Sections 31 and 32, T.6N., R.42E., M.D.B.&M;
Describe by legal subdivision. If on unsurveyed land, it should be so stated.
Section 36, T.6N., R.41E., M.D.B.&M; and Sections 1 and 12, T.5N., R.41E., M.D.B.&M.

7. Use will begin about January 1st and end about December 31st of each year.
Month and Day Month and Day

8. Description of proposed works (Under the provisions of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) Existing drilled well, cased, submersible pump and motor, storage
State manner in which water is to be diverted, i.e. diversion structure,
reservoir and distribution system.
ditches and flumes, drilled well with pump and motor, etc

9. Estimated cost of works $100,000

10. Estimated time required to construct works well is drilled, new pump and motor and upgrading of distribution system
If well completed, descaibe works.
will be required.

11. Estimated time required to complete the application of water to beneficial use 10 years

12. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use:

This application is a top filing on permit 40521 to be used in conjunction with certificated permits 35776, 40520, 40521, 40524, 42480, 42835, and 42836. New mine water requirements are expected to exceed the current volume authorized by the above listed certificates.Please refer to the map filed under permit 40520.

2007 OCT -9 PM 2:27
STATE ENGINEER'S OFFICE
RECEIVED

TELEPHONE NUMBER

(775) 323-1601

By [signature]
Signature, applicant or agent
50 W. LIBERTY ST. STE 975
Street and No., or P.O. Box No.
RENO, NV 89501
City, State, Zip code No.

APPLICATION MUST BE SIGNED BY THE APPLICANT OR AGENT

$250 FILING FEE MUST ACCOMPANY APPLICATION

902424.1