



Adanac Announces Emergence from CCAA

Vancouver, British Columbia – February 28, 2011. Adanac Molybdenum Corporation (“Adanac” or the “Company”) (TSX: AUA) is pleased to announce that it has successfully implemented its plan of compromise and arrangement (the “Plan”) and has emerged from creditor protection under the *Companies’ Creditors Arrangement Act* (“CCAA”).

Adanac emerges from creditor protection with limited current liabilities, no legacy liabilities, and with cash for reasonable working capital purposes. On implementation of the Plan, Adanac’s outstanding common shares were consolidated on a 150 to 1 basis, with 24,698,688 post-consolidation common shares issued to creditors. Following its emergence, Adanac will have 25,462,544 issued and outstanding common shares. Adanac’s common shares are listed on the Toronto Stock Exchange (“TSX”) and are expected to start trading on a consolidated basis on March 3, 2011.

In connection with the Plan, Adanac has received conditional approval to list its common shares on the TSX Venture Exchange (“TSXV”). The Company expects to satisfy the listing conditions and have its common shares listed on the TSXV in the near future. The transition from trading on the TSX to the TSXV will be coordinated so that there is no gap in trading. There are no issued or outstanding options or warrants.

Adanac’s primary focus is on partnering with an entity interested in developing Adanac’s 100% - owned and substantially permitted Ruby Creek Property.

The following sets out the name and background of the Adanac’s new directors and officers:

Leonard J. Sojka

Mr. Sojka will serve as President and director and as a member of Adanac’s audit committee.

Mr. Sojka has served as the Chief Restructuring Officer of Adanac since July 2010. In that capacity, he has orchestrated Adanac’s emergence from creditor protection under the CCAA, including bringing Adanac into compliance with its financial filings and negotiating with equipment vendors to dispose of mining equipment and related liabilities.

Mr. Sojka also serves as the Chief Financial Officer of a TSX-V listed natural resource company. Mr. Sojka has served as a director of TSX-V listed and NYSE Amex listed natural resource companies. In both instances, Mr. Sojka served on the audit committee and was intimately involved with the mergers and acquisitions function. Mr.

Sojka has more than 25 years experience in the investment management and securities industries, with more recent focus on the global metals and mining sector.

Mr. Sojka received an MBA in Finance from the University of Chicago Graduate School of Business in 1986, and a BSB in Accounting from the University of Minnesota in 1979. Mr. Sojka was also a practicing Certified Public Accountant in Minnesota.

John W. Cutler

Mr. Cutler will serve as an independent director and as a member of Adanac's audit committee.

Mr. Cutler is a director, President and CEO of a TSX-V listed natural resource company. Mr. Cutler is also an independent director of an NYSE Amex listed natural resource company. In both instances, he serves on the audit committee and is intimately involved with the mergers and acquisitions function. Previously, Mr. Cutler was an investment strategist with a multi fund manager specializing in energy and natural resource investments. Mr. Cutler has compiled more than 30 years experience in the investment management and securities industries.

Mr. Cutler received a BS in Finance from the University of Virginia – McIntire School of Commerce in 1974. He also pursued further studies at The New York Institute of Finance and The New School, NYC.

Robert H. Pinsent

Mr. Pinsent will serve as an independent director and as a member of Adanac's audit committee.

Mr. Pinsent has worked as a consulting geologist for the previous 10 years. Mr. Pinsent's experience includes serving as the chief geologist for Adanac during its most recent series of drilling campaigns at Adanac's flagship Ruby Creek Project. In the capacity of chief geologist, Mr. Pinsent was instrumental in shepherding Ruby Creek through its feasibility process and the British Columbia Environmental Assessment Review process. Mr. Pinsent's familiarity with Adanac began with initial field work in 1981. Mr. Pinsent has over 35 years experience working in the natural resource field, both for private industry and provincial agencies.

Mr. Pinsent received a B.Sc., (Honours), Geology from the University of Aberdeen, Scotland in 1968, a M.Sc., Geology from the University of Alberta, Edmonton in 1971, and a Ph.D., Geology from the University of Durham, England in 1976.

Maria L. Tejada

Ms. Tejada will serve as Adanac's Chief Financial Officer.

Ms. Tejada has served as a Senior Accountant and then as Adanac's Controller since May 2007. In that capacity, Ms. Tejada has been heavily involved in all aspects of Adanac's financial and operational history leading up to and through the CCAA process. Ms. Tejada was instrumental in helping Adanac to regain compliance with its financial

Adanac Molybdenum Corporation

filings. Previously, Ms. Tejada held accounting positions in the Philippines and in British Columbia.

Ms. Tejada received a BS in accounting from St. Louis University in Baguio City, Philippines in 1985.

Alicia D. Marshall

Ms. Marshall will serve as Adanac's Vice President - Administration.

Ms. Marshall has served in a wide variety of capacities since February 2007. Most recently, she has been instrumental in facilitating due diligence for the pending sales transaction of Adanac's major equipment items. Ms. Marshall's contributions have also been crucial in furthering Adanac's effort to emerge from CCAA protection. Ms. Marshall will continue in her multifaceted administrative role in Adanac's forthcoming effort to find partners to develop the Ruby Creek Project.

Information and documents relating to Adanac's financial filings are available on www.sedar.com. Information and documents relating to Adanac's CCAA proceedings, including the Plan, are available on the website of Adanac's Court-appointed Monitor, KPMG Inc.: www.kpmg.ca/adanac.

About Adanac Molybdenum Corporation

Adanac owns the Ruby Creek Project, which is located in northwest British Columbia. Adanac has advanced this primary molybdenum property through feasibility studies and an updated resource estimate.

Information Contact

Leonard J. Sojka – President
Suite #200 – 2055 152 Street, Surrey, B.C. V4A 4N7
Telephone: (604) 535-6834 Facsimile: (604) 536-8411
Email: info@adanacmoly.com

Cautionary Notice: This news release contains "forward-looking information" within the meaning of applicable Canadian securities legislation and United States securities laws including the implementation of the Plan. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". Forward-looking information is based on the opinions and estimates of management at the date the information is made, and is based on a number of assumptions and subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward looking information. Many of these assumptions are based on factors and events that are not within the control of the Company and there is no assurance they will prove to be correct. Factors that could cause actual results to vary materially from results anticipated by such forward looking information include risk factors discussed in the Annual Information Form for the year ended April 30, 2010 for the Company available at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results not to be anticipated, estimated or intended. There can be no assurance that forward-looking

Adanac Molybdenum Corporation

information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. The Company undertakes no obligation to update forward-looking information if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking information.

These securities have not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities law, and may not be offered or sold in the United States unless an exemption from such registration is available.