



Adanac Molybdenum Corporation to Evaluate Strategic Alternatives Under CCAA Protection

December 19, 2008 - Vancouver, British Columbia

Adanac Molybdenum Corporation (“Adanac or the Company”, - TSX: AUA, Pink Sheets: AUAYF, Frankfurt: A9N) announced today that it has obtained creditor protection under the *Companies’ Creditors Arrangement Act* (Canada) (the “CCAA”) pursuant to an initial order granted on December 19, 2008 (the “Initial Order”) by the Supreme Court of British Columbia (the “Court”). The Company’s Board of Directors authorized the Company to take this action as the best alternative for the long-term interests of the Company, its employees, creditors and other stakeholders.

Adanac has sought protection under the CCAA as its current cash in hand would not allow it to meet its current obligations. CCAA protection will stay creditors, suppliers and others from enforcing any rights against the Company and will afford the Company the opportunity to restructure its affairs. The Court has granted CCAA protection for an initial period of 28 days expiring January 16, 2009, to be extended thereafter as the Court deems appropriate. If by January 16, 2009 Adanac has not filed a Plan of Arrangement (the “Plan”), or obtained an extension of the CCAA protection, creditors and others will no longer be stayed from enforcing their rights. Adanac will provide a further news release on or before January 16, 2009 which will provide an update.

While under CCAA protection, Adanac’s management remains responsible for the day-to-day operations of the Company, under the supervision of KPMG Inc., who is the Court-appointed Monitor, and who will be responsible for reviewing Adanac’s ongoing operations, assisting with the development and filing of the Plan, liaising with creditors and other stakeholders and reporting to the Court.

Although CCAA protection enables Adanac to continue with its day-to-day operations until its CCAA status changes, the implications for Adanac’s shareholders are less clear. Adanac continues to explore a number of alternatives, a sale of Adanac or its assets. However, the Plan must be approved by the requisite number and value of the affected creditors, as required by law, as well as by the Court. At the end of the restructuring process, the value of what is left for shareholders will depend upon the terms of the Plan approved by the affected creditors. If the Plan is not so approved it is possible that Adanac would be placed into receivership or bankruptcy. Every effort will be made to ensure that all stakeholders of Adanac are kept informed of developments as they occur.

The Order appointed KPMG Inc. as Adanac's Monitor. Enquiries may be directed to:

Attention: Mr. Mark Kemp-Gee,
KPMG Inc.
777 Dunsmuir Street, PO Box 10426
Vancouver, BC V7Y 1K3
Telephone: (604) 691-3397
Facsimile: (604) 691-3036
Email: mkempgee@kpmg.ca

About Adanac Molybdenum Corporation

Adanac Molybdenum Corporation is listed on the TSX and Frankfurt exchanges and owns the Ruby Creek Project in northern British Columbia. The Company has advanced the project through feasibility studies, a production decision and has previously ordered long-lead equipment, completed permitting for construction, constructed a road to the site and secured US\$80 million in bridge financing.

Information Contact

Peter R. Jones – Chairman & CEO
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. 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, 2008 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 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 registration is available.