

**HD RWE (CM) Alderon Implements Cash Preservation Program**

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RWE (CM) Alderon Implements Cash Preservation Program

Sydney - Wednesday - December 10 (RWE) - Alderon **Iron Ore** Corp [TSX:ADV][NYSE MKT:AXX] reports that it has implemented a comprehensive cash preservation program that will allow the **company** to maintain a healthy working capital position into 2017 without the need to access **equity** or debt financing during the intervening period, aside from the financing required to commence construction at the Kami **Iron Ore** Project.

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Measures associated with this program include a number of voluntary vendor payment deferrals and relief from debt servicing requirements such as those outlined in the transaction with Liberty Metals & **Mining** Holdings, LLC described below, and workforce reductions.

The **company** has kept its core team of executives intact which will allow it to continue to advance the Kami Project construction financing efforts and to commence construction in a rapid and seamless manner once such financing has been obtained.

"These cost savings measures do not mean we are now on care and maintenance," says Mark Morabito, Executive Chairman of Alderon.

"We are working more closely than ever with our partner Hebei **Iron** and Steel on increasing **Chinese** participation in the project in order to increase access to available capital from **China**.

Earlier this year, The **China** National Development and Reform Commission said **Chinese** steelmakers should keep building up stakes in global **iron-ore** assets in the interests of **China**'s strategic security and "speaking rights," or influence, in global trade.

**China's ore** imports rose 10% in 2013 to a record 819 **million** metric tons, according to customs data.

The NDRC also said that **China's iron-ore** demand will still rise, its reliance on imports won't change, and the degree of monopoly in global **iron-ore** resources will still keep increasing.

Mr Morabito adds, "this continuing commitment from our **Chinese** partners under NDRC mandate gives us confidence that we will be able move the Kami project into construction.

One of the critical payment deferrals is in regards to the loan agreement that Alderon and its affiliate, The Kami Mine Limited Partnership, previously entered into with LMM for an amount of \$22 **million**.

The LMM Loan has interest payable semi-annually on June 30 and December 31 of each year at a rate of 8% per annum.

The principal and interest amounts of the LMM Loan are convertible into common shares of Alderon.

LMM has agreed to defer the next two interest payments due under the LMM Loan.

These payments total \$1,795,200 with \$880,000 payable on December 31, 2014 and \$915,200 payable on June 30, 2015.

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**CO** pacsue : Alderon Iron Ore Corp.

**IN** i211 : Metal Ore Mining | ibasicm : Basic Materials/Resources | imet : Mining/Quarrying | i2111 : Iron Ore Mining

**NS** cnatrd : Natural Reserves/Resources Discovery | c24 : Capacity/Facilities | ccat : Corporate/Industrial News

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