

TECHNICAL CONSULTANTS APPOINTED FOR LUBLIN COAL PROJECT

Prairie Downs Metals Limited (“**Prairie**” or “**Company**”) is pleased to announce the appointment of UK based Wardell Armstrong International Limited (“**WAI**”) to review existing geological data and to undertake the preparation of an Exploration Target for the Company’s Lublin Coal Project (“**Project**”). WAI will also, if appropriate, prepare an initial estimate of the Coal Resources (in accordance with the JORC Code) associated with the Project.

WAI is a leading geological and mining consulting firm and is highly regarded in the international coal sector, having been involved in the sector for 175 years. Its dedicated coal sector team has operated in all major coal producing countries.

Importantly for the Company’s Project, WAI’s specialist coal sector team has substantial experience in coal basins located in Poland and other Central and Eastern Europe countries. Most recently, WAI was appointed as the mineral expert for the estimation of Coal Resources and Coal Reserves (in accordance with the JORC Code) for the Initial Public Offering (“**IPO**”) of Jastrzębska Spółka Węglowa SA (“**JSW**”) in 2011; Poland’s largest ever IPO of a coal company on the Warsaw Stock Exchange.

WAI was also recently involved in the geological modelling, JORC Code Resource estimation and completion of a full feasibility study for an underground hard coking coal project in Western Ukraine.

WAI’s experience will be crucial in expediting the initial review of the available geological data on the Project.

WAI will be working towards the following milestones which are expected to be completed by the end of the first quarter 2013;

- Initial review of existing geological data;
- Preparation of an exploration target for release to the market during the December 2012 quarter;
- Geological modelling of existing core holes and other data;
- If appropriate, the preparation of an initial Coal Resource Estimate in accordance with the JORC Code; and
- Development of an exploration programme to update and expand on the existing geological data.

The appointment of WAI follows the Company securing four coal licences in the Lublin Coal Basin in South East Poland in early August 2012. The licenses cover 182km² and are located adjacent to the existing Bogdanka coal mine in the Lublin Coal Basin (see Figure 1).

The Project area was subject to exploration activities undertaken by the Polish Government and its agencies during the 1970's and 1980's. These activities consisted of regional geological mapping and drilling programs which demonstrated the region is highly prospective.

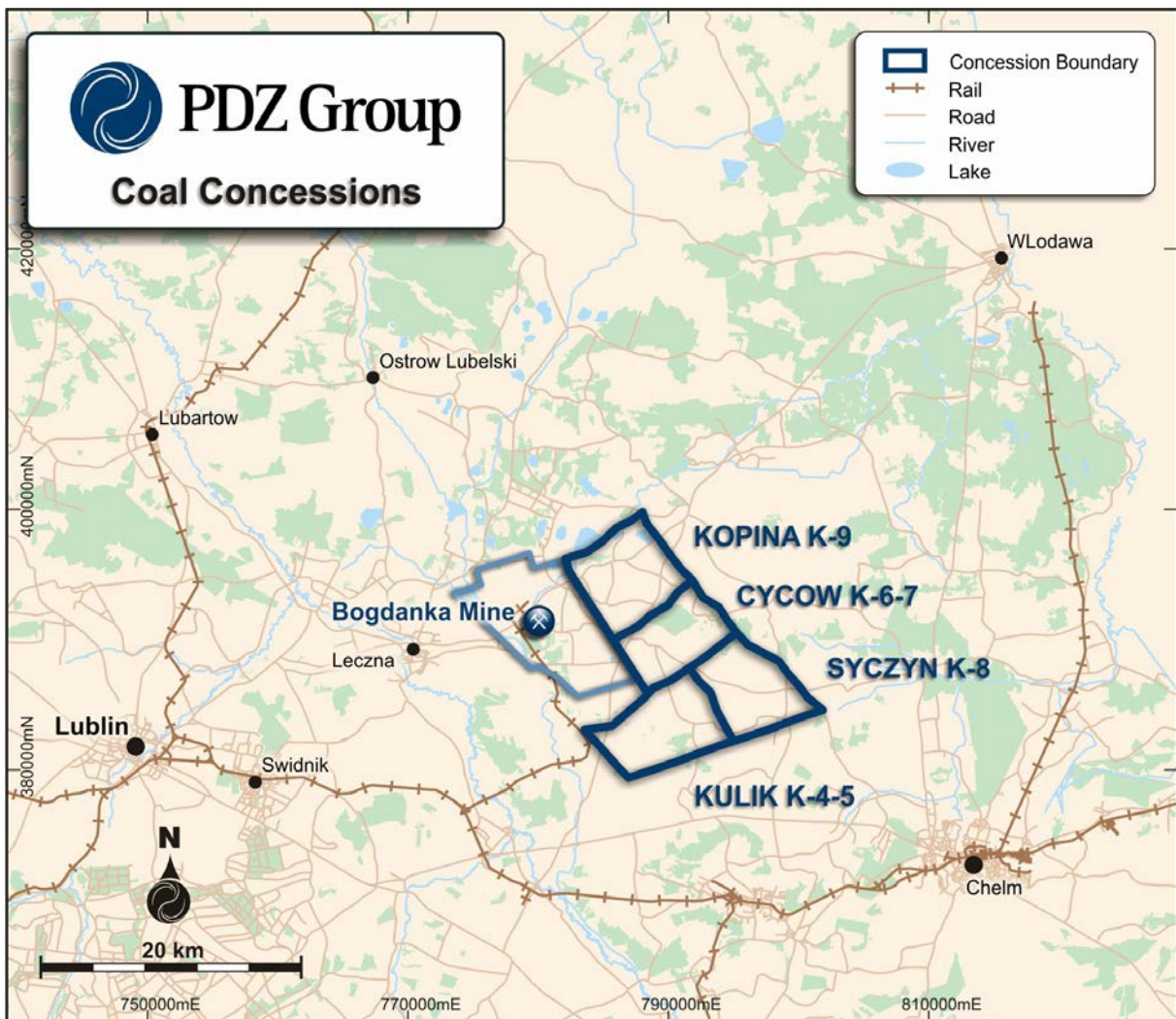


Figure 1: Lublin Coal Project Location

The Company is delighted to appoint such a well-respected and well-credentialed firm as WAI and looks forward to working closely with WAI as the Project develops. The Company will update the market when key milestones are reached over the coming months.

About Wardell Armstrong International Limited (“WAI”)

WAI is part of Wardell Armstrong LLP, a leading multidisciplinary consultancy, which this year celebrates its 175th anniversary, providing a comprehensive and diverse set of professional services to a broad client base.

WAI has a long track record of providing high quality technical services to the mining industry worldwide. This has involved projects in over 70 countries, with the principal expertise focused on Central and Eastern Europe, Russia, Kazakhstan, Mongolia, China, Southern Africa, and South America.

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