

INSTITUTIONAL PLACEMENT TO RAISE A\$6 MILLION

Prairie Downs Metals Limited ('**Prairie**' or '**Company**') is pleased to announce that it will make a placement of 12,000,000 ordinary shares in the Company at an issue price of A\$0.50 per share to institutional and sophisticated investors in Australia, Europe and Asia to raise gross proceeds of A\$6,000,000 (the '**Placement**').

Investec Bank (Australia) Limited acted as Lead Manager to the Placement with Hartleys Limited acting as Co-Manager to the Placement.

Proceeds from the Placement will be used to accelerate exploration and development initiatives at the Company's projects, including completion of the planned drilling program and mining studies at the Lublin Coal Project, and to provide working capital.

Commenting on the Placement, Executive Director, Mr Anastasios (Taso) Arima said:

"The funds raised from the Placement together with our existing cash reserves and marketable securities will put Prairie in a strong financial position and provide a platform for the Company to achieve its goal of establishing a project in the Lublin coal basin and being part of a new strategic source of coal supply for European and Eurasian economies."

For further information contact:

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