

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity	PEGASUS METALS LIMITED
ABN	40 115 535 030

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Michael George FOTIOS
Date of last notice	16 June 2014

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Indirect
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	<p>A. Michael George Fotios <Michael Fotios Family a/c> an account in which the Director is controller and has a substantial interest.</p> <p>B. Delta Resources Pty Ltd – a company in which the Director is a controller and beneficial shareholder.</p> <p>C. Investmet Ltd – a company of which the Director is one of five directors and in which the Director and his associates have a shareholding of just under 30% (<i>pre buy-back</i>)</p> <p>D. Michael George Fotios ATF <the Michael Fotios Family Trust> a trust in which the Director is controller and has a substantial interest.</p> <p>E. Mulgara Minerals Limited – a company in which Investmet Ltd has a substantial interest.</p>

+ See chapter 19 for defined terms.

Date of change	13 June 2014
No. of securities held prior to change	<p>A. 4,341,893 Ordinary Shares</p> <p>B. 1,012,566 Ordinary Shares</p> <p>C. 41,641,331 Ordinary Shares</p> <p>D. Nil</p> <p>E. 8,000,000 Options expiring 31 December 2015 exercisable at 35 cents (vesting conditions apply)</p>
Class	Ordinary Shares
Number acquired	Nil
Number disposed	24,631,929
Value/Consideration <small>Note: If consideration is non-cash, provide details and estimated valuation</small>	Nil
No. of securities held after change	<p>A. 4,341,893 Ordinary Shares</p> <p>B. 1,012,566 Ordinary Shares</p> <p>C. 17,009,402 Ordinary Shares</p> <p>D. Nil</p> <p>E. 8,000,000 Options expiring 31 December 2015 exercisable at 35 cents (vesting conditions apply)</p>
Nature of change <small>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</small>	Distribution of Pegasus Metals Limited shares by Investmet Limited as a result of Investmet Limited's Share Buy-Back.

+ See chapter 19 for defined terms.

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	Nil
Nature of interest	N/A
Name of registered holder (if issued securities)	N/A
Date of change	N/A
No. and class of securities to which interest related prior to change <small>Note: Details are only required for a contract in relation to which the interest has changed</small>	N/A
Interest acquired	N/A
Interest disposed	N/A
Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small>	N/A
Interest after change	N/A

Part 3 – +Closed period

Were the interests in the securities or contracts detailed above traded during a +closed period where prior written clearance was required?	Yes
If so, was prior written clearance provided to allow the trade to proceed during this period?	No - the increase in shares is a result of a Buy Back Deed between Investmet Limited and the shareholders of Investmet Limited. The buy-back arrangements were approved by Investmet shareholders at their meeting on 11 June 2014 and the consideration for the buy-back included shares in Pegasus Limited. Michael Fotios is a Director and shareholder of both Investmet Limited and Pegasus Limited.
If prior written clearance was provided, on what date was this provided?	N/A

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