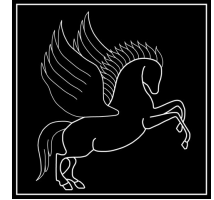


PEGASUS METALS LIMITED



26 November 2014

APPLICATION TO WIND UP COMPANY – PROCEEDINGS DISMISSED BY THE FEDERAL COURT

Pegasus Metals Limited (ASX: PUN) (**Company**) refers to Company's announcement yesterday regarding an application made by Kimberley Sustainable Development Pty Ltd to the Federal Court for orders to wind up the Company pursuant to section 459P of the *Corporations Act 2001* (Cth).

As foreshadowed in the announcement, the Company confirms that the Federal Court has dismissed the proceedings at the hearing into the matter yesterday.

The parties expect to resolve the matter by negotiation.

A handwritten signature in black ink, appearing to read 'G. Anderson', with a long horizontal flourish extending to the right.

GRAHAM ANDERSON
Chairman