



ABN 23 108 161 593

Level 21, Allendale Square
77 St Georges Terrace
Perth WA 6000

Tel: +61 8 9324 1177
Fax: +61 8 9324 2171

info@mirabela.com.au

20 March 2009

Manager Announcements
Company Announcements Office
Australian Securities Exchange
20 Bridge Street
SYDNEY NSW 2000

via electronic lodgement

Not for Distribution to United States Newswire Services or for Dissemination in the United States

COMPLETION OF C\$120 MILLION OFFERING OF SUBSCRIPTION RECEIPTS

PERTH, AUSTRALIA. Mirabela Nickel Limited (TSX: MNB, ASX: MBN) (the “Company”) is pleased to announce that it has completed its previously announced offering (the “Offering”) of 120 million subscription receipts at a price of C\$1.00 per subscription receipt for gross proceeds of C\$120 million. The Offering was conducted by a syndicate of underwriters led by GMP Securities L.P. and included Cormark Securities Inc., Dundee Securities Corporation, Macquarie Capital Markets Canada Ltd. and Haywood Securities Inc. (collectively, the “Underwriters”).

The Company also recently announced that it completed a private placement of approximately 32.4 million ordinary shares to institutions and sophisticated investors outside of Canada, principally in Australia and Asia, at a price of C\$1.00 (A\$1.20) per share for gross proceeds of approximately C\$32.4 million (the “Concurrent Private Placement”). The Concurrent Private Placement was managed by Argonaut Securities Pty Ltd and Macquarie Capital Advisers Limited. The Company will issue ordinary shares to subscribers under the Concurrent Private Placement on a deferred settlement basis pursuant to which subscribers will only pay for the ordinary shares subscribed for by them, and such shares will only be issued, on the date that all of the conditions (as described below) to the release of the gross proceeds of the Offering are met. However if such conditions, have not been satisfied by the close of business (Perth time) on April 24, 2009, then unless such date has been extended by mutual agreement of all of the parties, subscriptions comprising the Concurrent Private Placement will be automatically terminated.

Each subscription receipt entitles the holder thereof to receive, for no additional consideration, one ordinary share of the Company upon the release of the proceeds of the Offering from escrow. The proceeds of the Offering will be released from escrow upon: (i) receipt of shareholder approval of the issuance of the ordinary shares underlying the subscription receipts in accordance with applicable corporate laws of Australia; (ii) execution of a loan agreement in respect of a revised senior term loan the amount of which, when combined with the proceeds of the Offering and the Concurrent Private Placement, will aggregate not less than US\$290 million; (iii) satisfaction of all conditions precedent to the advance of the revised senior term loan other than those which, in the opinion of the Company, are of an administrative or routine nature to be satisfied as a matter of course; and (iv) delivery of a joint notice to the escrow agent that all regulatory and other approvals to the Offering have been obtained and the other release conditions have been satisfied (collectively, the “Release Conditions”).

If the Release Conditions are not satisfied by May 19, 2009 or, if prior to such time, the Company advises that it does not intend to satisfy one or more of the Release Conditions, the escrowed proceeds, together with any accrued interest, will be returned to the holders of the Subscription Receipts.

On March 3, 2009 the Company announced that it signed a commitment letter with four lenders in respect of a secured term loan facility in the aggregate principal amount of US\$150 million. On March 6, 2009, the Company announced that an additional lender had acceded to the terms of the commitment letter for up to an additional US\$40 million increasing the aggregate amount of the loan to US\$190 million (the “**Senior Loan**”).

The Company intends to use the net proceeds of the Offering, the Concurrent Private Placement and once available, the Senior Loan, to fund the completion of construction of the Company’s Santa Rita Project in Bahia state, Brazil, remedy its working capital deficiency and pay amounts due under the Company’s project credit facilities until the Santa Rita Project becomes cash flow positive (expected to be in June 2010) and for general corporate purposes, all as more particularly set out in the Company’s final short form prospectus dated March 13, 2009.

The Toronto Stock Exchange (the “**TSX**”) has accepted for listing the Subscription Receipts which will trade under the symbol MNB.R and the ordinary shares issuable upon automatic conversion thereof on the TSX. The Concurrent Private Placement has also been conditionally approved by the TSX.

For and on behalf of the Board

Nick Poll
Managing Director

Craig Burton
Corporate Director

Background

Mirabela Nickel Ltd owns 100% of the Santa Rita nickel sulphide project and is listed on the Australian and Toronto stock exchanges.

Construction of a 6.4 mtpa nickel sulphide concentrator commenced in November 2007. Construction is now about 85% complete and the project remains on track to commence production mid 2009.

The plant will have a capacity of 18,500 tpa of nickel in a sulphide concentrate from one open-cut mine starting from mid 2009 increasing to 27,000 tpa by mid 2010. At this rate of production the project will have a mine life of at least 19 years.

Contact details

Australia contact:
Nick Poll, Managing Director
Telephone: +61 8 9324 1177
nickp@mirabela.com.au

Toronto contact (media):
Eric Tang, Porter Novelli
Telephone: +1 (416) 422-7200
eric.tang@porternovelli.com

Australia contact (media):
Warrick Hazeldine, Purple Communications
Telephone: +61 8 9485 1254
whazeldine@purplecom.com.au

Certain information in this press release, including all statements that are not historical facts, constitutes forward-looking information within the meaning of applicable Canadian securities laws. Such forward-looking information includes, but is not limited to, information which reflect management's expectations regarding Mirabela's financing plans, including its intentions to issue debt and equity. There can be no assurance that the forward-looking information will prove to be accurate.

The securities referred to herein have not been registered under the US Securities Act of 1933 and may not be offered or sold in the United States or to a US person absent registration or an applicable exemption from registration.

Additional information about the Company and its business activities is available under the Company's profile on SEDAR at www.sedar.com.