

ASX Code: MBN
TSX Code: MNB

Number of shares:
367,162,725

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Mirabela Prices US\$165 million Equity Raising

Mirabela Nickel Limited (TSX: MNB, ASX: MBN) ("**Mirabela**" or the "**Company**") is pleased to announce that it has priced an institutional bookbuild to raise US\$165 million ("**Global Offer**").

The Global Offer is being privately placed with institutional investors in Australia, Canada and internationally and was priced at A\$1.60 (C\$1.52) per share. This represents a 11.2% discount to Mirabela's closing price on the TSX on 7 September 2010, a 8.9% discount to the 5 day VWAP of the Company on the ASX and a 7.8% discount to the 5 day VWAP of the Company on the TSX.

Mirabela's Chief Executive Officer Ian Purdy said the successful completion of this equity raising will materially reduce the Company's financial indebtedness and provide Mirabela with a strong platform for future growth.

"The successful completion of this equity raising will also allow Mirabela to move forward with the continued ramp-up of operations at Santa Rita".

"We have implemented a number of key changes to our operations at Santa Rita, including recruitment of a new management team, and we are making positive steps to deal with challenges faced during the ramp-up period."

In addition to funds being raised under the Global Offer, Mirabela has also received binding subscription agreements for US\$7 million from related party entities, namely Lancaster Park SA and Executive Chairman, Craig Burton ("**Related Party Placements**"), which are subject to shareholder approval.

Mirabela expects to issue 55.1 million ordinary shares (US\$80.6 million) on settlement of the unconditional portion of the Global Offer on or about Friday, 17 September 2010 ("**Closing Date**").

Mirabela has also received commitments for the conditional portion of the Global Offer for the purchase of a further 57.7 million ordinary shares (US\$84 million) to be split between shares and subscription receipts. These ordinary shares will be issued and the subscription receipts will convert into shares subject to shareholder approval and other closing conditions being satisfied. Closing of the conditional portion of the Global Offer is expected to occur on or about 25 October, 2010.

The proceeds from the issue of the subscription receipts will be paid to Mirabela on the Closing Date and placed in escrow pending shareholder approval and satisfaction of certain other release conditions. Upon satisfaction of the release conditions, each subscription receipt will convert into one ordinary share of Mirabela.

Assuming shareholder approval to the conditional portion of the Global Offer and the Related Party Placements is obtained, the total funds raised under the Global Offer and the Related Party Placements will be US\$172.0 million. As previously announced, Mirabela is also planning to conduct a Share Purchase Plan (“SPP”) to raise up to a further US\$10 million. The SPP will be offered to eligible shareholders in Australia and New Zealand. The record date for the SPP will be 7 September 2010.

Macquarie Capital Advisers Limited (Macquarie Capital Markets Canada Ltd.) and UBS AG (UBS Securities Canada Inc.) acted as Joint Lead Managers and Joint Bookrunners, GMP Securities L.P. acted as Joint Bookrunner and Argonaut Securities Pty Ltd and Haywood Securities Inc. acted as Co-Managers to the Global Offer.

Completion of the Global Offer, the Related Party Placements and the SPP is subject to certain regulatory approvals, including the approval of the Toronto Stock Exchange.

For and on behalf of the Board

Ian Purdy

Chief Executive Officer

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Additional notes:

This news release shall not constitute an offer to sell or the solicitation of an offer to buy securities in the United States, nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The Shares offered have not been, and will not be, registered under the United States Securities Act of 1933, as amended

(the “1933 Act”), or any state securities laws and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the 1933 Act and applicable state securities laws.

This news release contains “forward-looking statements” and “forward-looking information”, which may include, but is not limited to the completion of the Offer, the receipt of shareholder approval to the Conditional Placement and the Related Party Placement and the use of proceeds of the Global Offer. Readers are cautioned that forward-looking information involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Mirabela and/or its subsidiaries to be materially different from future results, performance or achievements expressed or implied by the forward-looking information. Forward-looking information contained herein are made as of the date of this document based on the opinions and estimates of management on the date statements containing such forward looking information are made, and Mirabela disclaims any obligation to update any forward-looking information, whether as a result of new information, estimates or opinions, future events or results or otherwise, except as required by law. There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward looking information.