

ASX Code: MBN  
TSX Code: MNB

Number of shares:  
367,162,725

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## Mirabela Launches Equity Capital Raising

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Perth, Australia – 8 September 2010 : Mirabela Nickel Limited (TSX: MNB, ASX: MBN) (“**Mirabela**” or the “**Company**”) has launched an institutional share placement seeking to raise a minimum of US\$135 million and a maximum of US\$165 million (“**Global Offer**”). Subject to approval of Mirabela’s shareholders, the Company will also raise US\$7 million through a placement of shares to certain directors of the Company and up to a further US\$10 million from a share purchase plan (“**SPP**”).

The Joint Lead Managers to the Global Offer are Macquarie Capital Advisers Limited and UBS AG.

The Global Offer will consist of:

- an unconditional placement of ordinary shares to settle on the Company’s Australian register in respect of those shares issuable without prior shareholder approval (“**Unconditional Placement**”);
- a placement of ordinary shares to settle on the Company’s Australian register in respect of those shares issuable only upon shareholder approval pursuant to ASX Listing Rule 7.1 (relating to the issuance of more than 15% of the issuer’s share capital) (“**Conditional Placement**” and together with the Unconditional Offer, the “**ASX Offer**”);
- a placement to settle on the Company’s Canadian register consisting of (i) ordinary shares; and (ii) subscription receipts, each entitling the holder thereof (without the payment of additional consideration) to one ordinary share of the Company upon satisfaction of certain conditions (the “**Release Conditions**”), including shareholder approval to the issue of those underlying shares (the “**TSX Offer**”).

The proceeds from the issue and sale of the subscription receipts under the TSX Offer will be placed in escrow pending satisfaction of the Release Conditions described above.

The Company will also undertake a placement of ordinary shares to certain directors of the Company (who are considered under ASX Listing Rules to be related parties of the Company), which is subject to shareholder approval pursuant to ASX Listing Rule 10.11 (relating to the issuance of shares to a related party of the issuer) (“**Related Party Placement**”).

The Global Offer price and the final offer size will be determined after conducting a single, global bookbuild. The Related Party Placement ordinary shares will also be issued at the Global Offer price.

Following the Global Offer, Mirabela will offer existing eligible shareholders (primarily in Australia and New Zealand) the opportunity to participate in a non-underwritten share purchase plan (“SPP”). The SPP will provide eligible shareholders in Australia and New Zealand with the opportunity to subscribe for up to A\$4,995 worth of Mirabela ordinary shares without incurring brokerage or other costs. Further details of the SPP will be provided in due course. The SPP will raise a maximum of US\$10 million and will also be priced at the Global Offer price.

Securities purchased by investors resident in or otherwise subject to the laws of Canada, will be subject to a four month hold period (commencing from the date of settlement of those securities), during which they will not be able to sell or transfer those securities allocated to them except pursuant to an exemption from the prospectus and registration requirements of Canadian securities laws or pursuant to a prospectus.

Closing of the TSX Offer and the Unconditional Placement under the ASX Offer is expected to occur contemporaneously on Friday, 17 September 2010. The Unconditional Placement ordinary shares are expected to be officially quoted on ASX on or about Monday, 20 September 2010. Closing of the Conditional Placement and the Related Party Placements and the satisfaction of the Release Conditions in respect of the subscription receipts are expected to occur on or about Tuesday, 26 October 2010, and is subject to receipt of shareholder approval at a General Meeting of Mirabela’s shareholders to be held on Tuesday, 19 October 2010.

The proceeds of the Global Offer (US\$135 million to US\$165 million), the Related Party Placement (US\$7 million) and the SPP (up to US\$10 million) are anticipated to be used in the following manner:

- US\$38.1million towards pre-payment of principal amounts due during 2011 under Mirabela’s existing US\$190m senior finance facility;
- US\$15.0 million as an addition to Mirabela’s Contingent Support Account;
- US\$40.0 million to fund the expansion of the plant at Santa Rita to above 7Mtpa, producing an estimated 23,000tpa – 25,000tpa of Nickel in concentrate (2010: 10,000t estimated);
- US\$34.3million – US\$81.3 million for general working capital to fund operations and to pursue growth; and
- US\$7.6 million to pay the expenses of the Offer.

Subject to meeting a number of conditions including (a) a minimum of US\$100 million in new equity being raised, and (b) Mirabela applying US\$38.1 million of the proceeds of such raising to make the pre-payments set out above, the lenders of the Credit Facility have

agreed to waive testing of certain covenants of the Credit Facility during 2011. These banking concessions will allow Mirabela's management team to focus on ramp-up at Santa Rita and expansion of the open pit. Following the pre-payment of the US\$38.1 million of senior debt, Mirabela will not have any principal repayments due under the Credit Facility until March 2012.

The Offer is subject to a trading halt in Australia which is expected to remain in place until the markets resume trading on the Australian Securities Exchange on Thursday, 9 September 2010.

***For and on behalf of the Board***

**Ian Purdy**

**Chief Executive Officer**

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***Additional notes:***

*The scientific or technical information contained in this news release has been prepared by or under the supervision of Mr. Carlos Guzman a consultant to Mirabela Nickel Limited and a "qualified person" in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects.*

*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, the use of proceeds of the Global Offer, the expansion of the Santa Rita Project, and future production at the Santa Rita Project. In making and providing the forward-looking information included in this new release, the Company has made numerous assumptions. These assumptions include among other things: (i) that the Offer is completed successfully; (ii) there are no material delays in ramp up and optimization of the Santa Rita Project (including the proposed expansion); (iii) future production and recovery at the Santa Rita Project; (iv) capital cost of the proposed expansion; (v) the price of nickel; and (vi) future operating costs. Although management believes that the assumptions made and the expectations represented by such statements or information are reasonable, there can be no assurance that the forward-looking information will prove to be accurate. 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. Such risks, uncertainties and other factors include, among others: (i) the risk that the Offer is not completed (in whole or in part) and the Company is unable to secure alternative financing; (ii) failure to comply with restrictions and covenants in the senior credit facility (including the waiver referred to herein); (iii) unforeseen delay in the optimization and expansion of the Santa Rita Project; (iv) the risk that capital and operating costs are higher than anticipated; (v) adverse fluctuations in the price of nickel; and (vi) the risk that production and recovery are less than anticipated. 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.*