

Monday, 1 November 2010

PLUTON COMPLETES \$13.3M PLACEMENT

Highlights

- **\$13.3m placement at \$0.57 per share**
- **Funds to be used to complete the Irvine Island PFS and continue exploration**
- **Issue closed oversubscribed, with a number of new institutions added to the register**

Pluton Resources Limited (ASX:PLV) announced today that it has successfully completed a placement of 23,407,482 shares to raise gross proceeds of \$13.3m. The price of \$0.57 per share represented an 11.6% discount to the last traded price for Pluton shares.

The Placement received strong support from both existing shareholders and new investors and closed substantially oversubscribed. This resulted in the introduction of a number of new institutional shareholders to Pluton's register, both domestic and offshore.

Investec Bank (Australia) Limited and Austock Securities Limited acted as joint lead managers in relation to the Placement.

Use of funds

Net funds raised under the Placement will be used to provide funding for:

- completion of the Pre-Feasibility Study (PFS) for the Irvine Island Project which is expected to be completed by the end of March 2011;
- continued exploration at Irvine Island, including the Hardstaff Peninsula and the Isthmus; and
- working capital.

Dependant on the results of the PFS, it is Pluton's intention to move into a Definitive Feasibility Study expected to be completed by the end of calendar year 2011 which will require additional funding. The total capital cost for the project as per the 2009 AMC Concept Study is currently estimated to be approximately \$350 million.

Pluton's Managing Director, Tony Schoer commented "we are delighted by the support from our existing institutional shareholder base and welcome a number of new institutional shareholders to the register".

Details of the Placement

The placement has been made to institutional and sophisticated investors pursuant to Section 708 of the Corporations Act 2001 and Pluton's 15% capacity under ASX Listing Rule 7.1. Shares to be issued under the placement are expected to commence trading on 10 November 2010.

Contact

For more information contact:

Mr. Tony Schoer
Managing Director
0411 232 711
tschoer@plutonresources.com.

Not for distribution or release in the United States or to US Persons.

This release is not an offer or an invitation to acquire Pluton shares. In particular, this release does not constitute an offer to sell, or the solicitation of an offer to buy any securities in the United States or to, or for the account or benefit of, a "US person" as defined in Regulation S under the US Securities Act of 1933 ("Securities Act"). The Pluton shares to be offered and sold in the capital raising referred to herein have not been, and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States or to any US Person without being so registered or pursuant to an exemption from registration.