

**ASX**

AUSTRALIAN SECURITIES EXCHANGE

MARKET RELEASE

23 November 2010

Pegasus Metals Limited**TRADING HALT**

The securities of Pegasus Metals Limited (the "Company") will be placed in pre-open at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in pre-open until the earlier of the commencement of normal trading on Thursday, 25 November 2010 or when the announcement is released to the market.

Security Code: PUN

Jill Hewitt
Senior Adviser Listings (Perth)



PEGASUS METALS LIMITED

23 November 2010

Ms Jill Hewitt
Australian Securities Exchange Limited
Level 8 Exchange Plaza
2 The Esplanade
Perth WA 6000

Dear Jill,

TRADING HALT REQUEST

Further to our telephone conversation I request that the securities of Pegasus Metals Limited be placed in trading halt as follows:

1. The trading halt has been requested pending an announcement by the Company of a potential project acquisition;
2. The trading halt should be until the release of an announcement by the Company, expected to be by no later than market open Thursday 25 November 2010;
3. The Company is not aware of any reason why the trading halt should not be granted.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'G. Anderson'.

Graham Anderson
Director and Company Secretary