



METAL STORM LIMITED

ACN 064 270 006

ASX: MST
OTC: MTSXY

Results of General Meeting

Brisbane, Australia – 16 July 2012: In accordance with Listing Rule 3.13.2 and section 251AA of the Corporations Act, Metal Storm Limited advises that Shareholders have approved the resolution for a number of items all necessary to permit the company to complete under the Umbrella Deed being the approval of amendments to the convertible note terms, the issue of shares to Australian Special Opportunity Fund LP (or ASOF) and the issue of shares to Luxinvest Capital Advisors SA (or Luxinvest).

The resolution is conditional upon Note Holder approval of the amendments to the Note Terms. A meeting of Note Holders is convened for 11.00am this morning to seek that Note Holder approval. The results from that meeting will be announced on ASX later today.

Set out below is the text of the resolutions approved by Shareholders along with the proxy information.

Resolution: Approval of amendment to Note Terms

To consider and, if thought fit, pass the following as an ordinary resolution:

That, subject to and conditional on Note Holder approval of the Note Holder Resolution, the following be authorised and approved:

- a) *for the purposes of Listing Rule 7.1 of the Listing Rules of ASX Limited and all other purposes:*
 - (i) *the modification of the Note Terms, by amending the Note Terms in the manner generally described in the Explanatory Statement and as detailed in the Amendment Deed produced at the meeting;*
 - (ii) *the issue of 1,555,555,500 Shares to ASOF upon the conversion of the Conversion Notes as described in the Explanatory Statement; and*
 - (iii) *the issue of the Luxinvest Converting Security as described in the Explanatory Statement; and*
- b) *for the purposes of Section 611 Item 7 of the Corporations Act and for all other purposes:*
 - (iv) *the issue of 4,875,000,000 Shares (being the Luxinvest Tranche 2 Shares) pursuant to the Luxinvest Agreement to Luxinvest Capital Advisors S.A at a price of \$0.0008 per Share as described in the Explanatory Statement;*
 - (v) *the issue of 125,000,000 Shares (being the Subscription Shares) pursuant to the Umbrella Deed to Luxinvest Capital Advisors S.A. at a price of \$0.0008 per Share as described in the Explanatory Statement;*
 - (vi) *the issue of 250,000,000 Shares (being the Fee Shares) pursuant to the Umbrella Deed to Luxinvest Capital Advisors S.A. at a price of \$0.0008 per Share as described in the Explanatory Statement; and*
 - (vii) *the issue of up to 375,000,000 Shares (being the Luxinvest Conversion Shares) to Luxinvest Capital Advisors S.A. upon the conversion of the Luxinvest Converting Security as described in the Explanatory*

Proxy information

Proxies to vote for	657,290,294
Proxies to vote against	15,420,358
Proxies to abstain	4,402,478
Proxies to vote at the proxy's discretion	275,402,823

The resolution was passed on a show of hands.

ENDS

Notes:

Metal Storm's Australian Stock Exchange trading code: MST
Metal Storm's OTC Symbol: MTSXY

Company Contact:

Australia & USA

Dr Lee Finniear - Chief Executive Officer, Metal Storm Limited - Ph: +61 7 3147 8600
Mr Peter Faulkner – President, Metal Storm Inc. – Ph: +1 (703) 2488218

About Metal Storm

Metal Storm Limited is a multi-national defence technology company engaged in the development of electronically initiated ballistics systems using its unique "stacked projectile" technology. The company is headquartered in Brisbane, Australia and incorporated in Australia. Metal Storm Limited technology and products are represented in the USA by Metal Storm Inc., which has offices in Arlington Virginia.

Metal Storm is working with government agencies and departments, as well as industry, to develop a variety of systems utilising the Metal Storm non-mechanical, electronically fired stacked ammunition system.

Metal Storm's weapon technology uses computer-controlled electronic ignition and a system of stacked projectiles, to achieve a completely non-mechanical gun that is very lightweight and compact, providing a very high firepower to weight ratio. The Metal Storm weapons system utilises multiple barrels mounted together on one platform which allows varying munitions types to be deployed in a single, low cost, lightweight weapon system. Firing the weapons by electronic ignition requires no moving parts, allowing reliable long term unattended weapon operation.

Safe Harbour

Certain statements made herein that use the words "estimate", "project", "intend", "expect", "believe" and similar expressions are intended to identify forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements involve known and unknown risks and uncertainties which could cause the actual results, performance or achievements of the company to be materially different from those which may be expressed or implied by such statements, including, among others, risks or uncertainties associated with the development of the company's technology, the ability of the company to meet its financial requirements, the ability of the company to protect its proprietary technology, potential limitations on the company's technology, the market for the company's products, government regulation in Australia and the US, changes in tax and other laws, changes in competition and the loss of key personnel. For additional information regarding these and other risks and uncertainties associated with the company's business, reference is made to the company's reports filed from time to time with the Securities and Exchange Commission, including the company's Form 20-F.