



MARKET RELEASE

4 October 2011

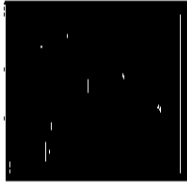
Pegasus Metals Limited

TRADING HALT

The securities of Pegasus Metals Limited (the "Company") will be placed in Trading Halt Session State at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the earlier of the commencement of normal trading on Friday 7 October 2011 or when the announcement is released to the market.

Security Code: PUN

Shreeshant Prabhakaran
Adviser, Listings (Perth)



PEGASUS METALS LIMITED

4 October 2011

Ms Tonia Oliveira
Australian Securities Exchange Limited
Level 8 Exchange Plaza
2 The Esplanade
Perth WA 6000

Dear Tonia,

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 in relation to extending the Company's interest in the McLarty Range Copper Project;
2. The trading halt should be until the release of an announcement by the Company, expected to be by no later than market open Friday 7 October 2011;
3. The Company is not aware of any reason why the trading halt should not be granted.

Yours faithfully,

Graham Anderson
Director and Company Secretary