



ASX RELEASE

4 February 2009

Appointment of Managing Director

Prairie Downs Metals Limited ("Prairie" or "the Company") is pleased to announce the appointment of Mr John Welborn as Managing Director of the Company.

Mr Welborn (B.Comm, CA, MAICD, SA Fin, JP) aged 38, is a chartered accountant with extensive experience in corporate finance, company administration and investment banking. Most recently Mr Welborn was Head of Specialised Lending in WA for Investec Bank (Australia) Ltd. Prior to joining Investec Bank John has more than 15 years of experience working for national and international professional services and management consulting business's. His qualifications include a Bachelor of Commerce degree from the University of Western Australia and memberships of the Institute of Chartered Accountants in Australia, the Financial Services Institute of Australasia, and the Australian Institute of Company Directors.

Mr Welborn's is a Director of RugbyWA Ltd, the Rugby Union Players Association, the Force 15 Foundation Ltd and is also currently the Chairman of Future Now - Learning for Life.

The Company considers that Mr Welborn's unique skill set and strong business management background will provide the Company with a safe pair of hands in the current environment. The board is delighted with the appointment of John as Managing Director and looks forward to his influence on the development of the Company's existing assets in addition to his ability to originate and progress other investment opportunities for the Company.

Under the terms of Mr Welborn's employment agreement he will, subject to necessary shareholder approval, be entitled to receive 4 million options exercisable at 10 cents, expiring 5 years after issue and subject to the following vesting conditions:

- 1 million options will vest on the date of issue;
- 1 million options will vest 6 months thereafter;
- 1 million options will vest 12 months thereafter;
- 1 million options will vest 18 months thereafter;
- Subject to certain conditions, non-vested options will automatically expire on termination of employment; and
- vested options will lapse 6 months after termination of employment.

For further information contact:

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www.prairiedownsmetals.com.au