



Paradigm Metals

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ASX / Media Announcement

PDM Share Purchase Plan Allocation

Details of SPP Scale Back

As foreshadowed in the Company's ASX announcement of 24 August 2009, the Directors of Paradigm Metals Ltd (PDM) have now determined the basis for pro rata scale back pursuant to the Share Purchase Plan (SPP) to raise \$758,000. The SPP was oversubscribed by 620% therefore SPP applications have needed to be significantly scaled back. The Directors have taken independent advice to determine the appropriate scale back process to be applied, as explained below.

In accordance with the Terms and Conditions, SPP applicants have been scaled back pro rata based on the size of their holding of PDM shares as at the Record Date of 28 July 2009. A number of multiple applications from individuals were first removed from the calculation as were several improper custodian applications. Applicants were then allotted the lower of:

- the value of securities they applied for in the SPP; or
- 58% of the number of securities they held on the Record Date, subject to each applicant receiving a minimum allocation of 10,000 securities (\$350) and a maximum allocation of 428,571 securities (\$15,000).

A total of 21,654,025 PDM securities were issued under the SPP. The issue price of each security is \$0.035. For applications scaled back, the difference between the application monies received by PDM and the value of securities allotted will be refunded to applicants in accordance with the SPP Terms and Conditions.

Securities under the SPP will be allotted on Friday 28 August. Transaction statements and refunds are expected to be dispatched also on Friday 28 August.

The Directors wish to thank all shareholders for their very strong support of the SPP.

Drilling Timetable

The Company is pleased to announce that the drilling contractor for the Blue Bush project near Cloncurry is currently mobilising to site. We expect to be drilling at Blue Bush by 2 September. Drill site preparation at the Rosedale and Kangiara projects in NSW is also under way.

Yours sincerely,

Mr Graham Carman
Managing Director

PDM is a gold and gold-copper explorer and developer with its key projects located in the Lachlan Fold Belt of New South Wales and the Cloncurry region of Queensland.
