



PEGASUS METALS LIMITED

2009 ANNUAL GENERAL MEETING

THURSDAY 17 DECEMBER 2009

WEST PERTH



AGENDA

- Corporate Summary
- 2009 Exploration Program
 - Overview
 - East Kimberley Projects [Au, Zn, Cu]
 - McLarty Range Copper Project, West Kimberley [Cu +/- Au]
- 2010 Planning



CORPORATE SUMMARY

PEGASUS METALS LIMITED

ASX:PUN

- IPO issued in February 2007
- Listed on ASX 7 March 2007 - \$3.5m raised
- May 2007 Loyalty Option Issue - \$357,500
- 36,002,501 shares (PUN)
- 35,747,501 20^c options – 31.3.10 (PUNO)
- 583 shareholders
- Cash at 30 November 2009 = \$0.97 million
- Market Capitalisation = AUD\$3.8 million
- 52 week high \$0.15; low \$0.02; today \$0.105



PUN:ASX Share Price Chart





PEOPLE

- Craig Munro Chairman
- Graham Anderson Director & Company Secretary
- Peter Andrews Director
- George Katchan* Managing Director/Geologist
- Miles Smith* Exploration Geologist

* Full – time employees



2009 Overview

- Western Australia:
 - focus in east Kimberley
 - Sampling of geophysical target areas
 - Christmas Creek Prospect – sampling and mapping of gold-bearing quartz veins
 - tenement reductions [partial & full surrenders]
 - McLarty Range Copper Project due diligence
- Canada [Ontario]:
 - Option agreement terminated in December 2008



McLarty Range
Copper Project



KIMBERLEY
BASIN



orogenic belts

East
Kimberley
Projects



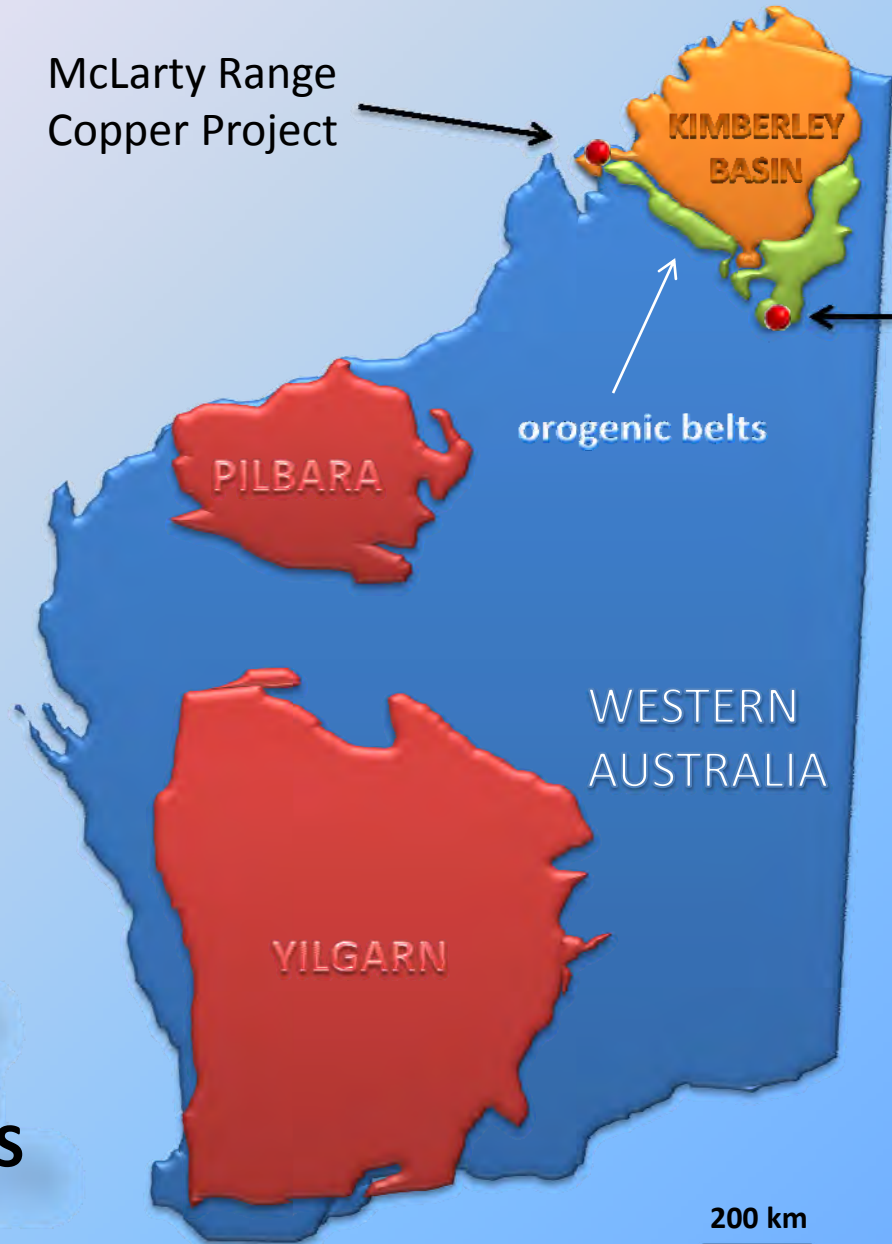
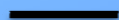
PILBARA

WESTERN
AUSTRALIA

YILGARN

**PEGASUS
METALS
WA PROJECTS**

200 km





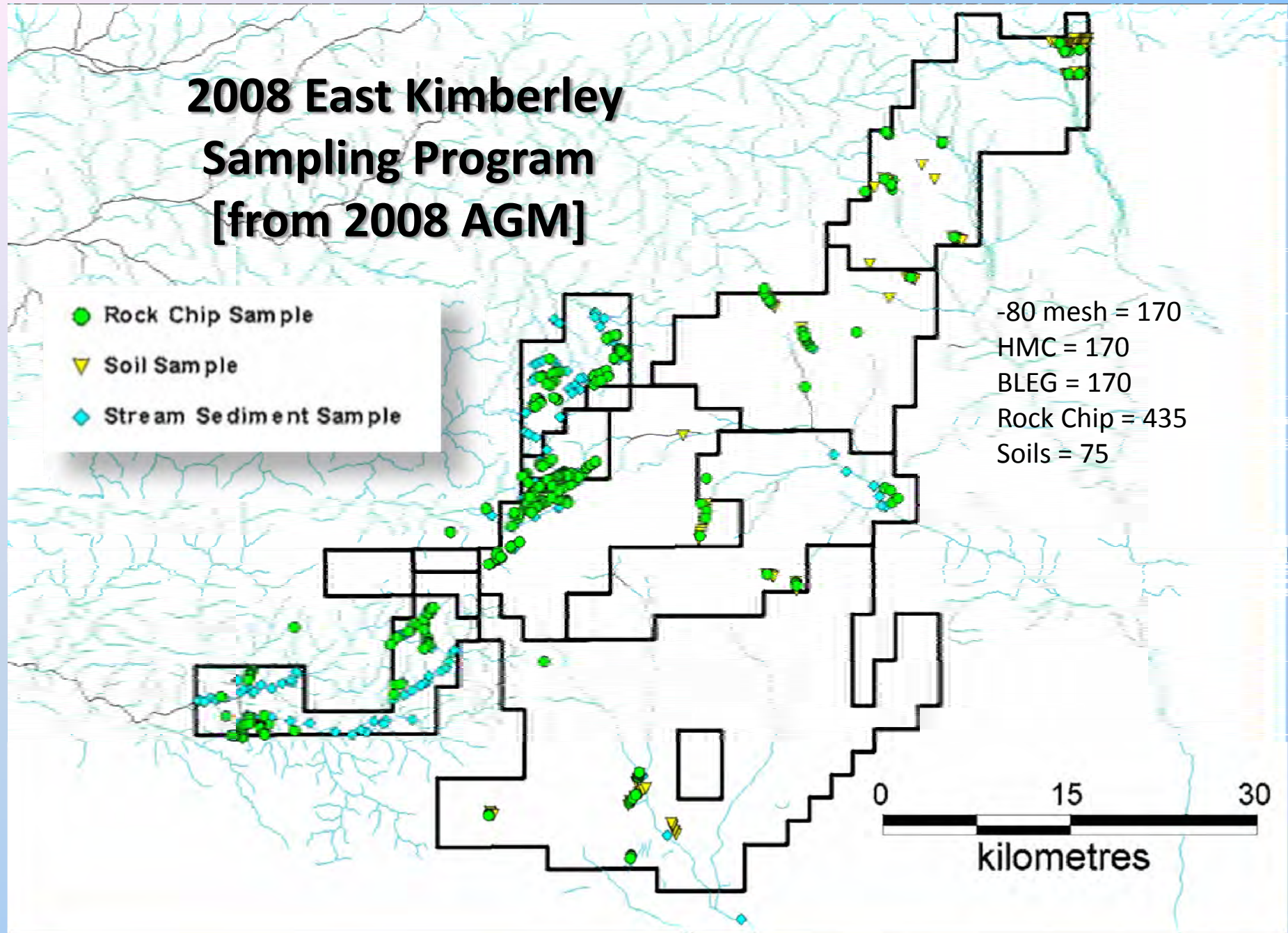
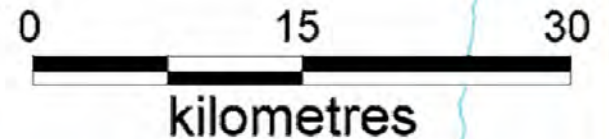
2009 Activities Summary

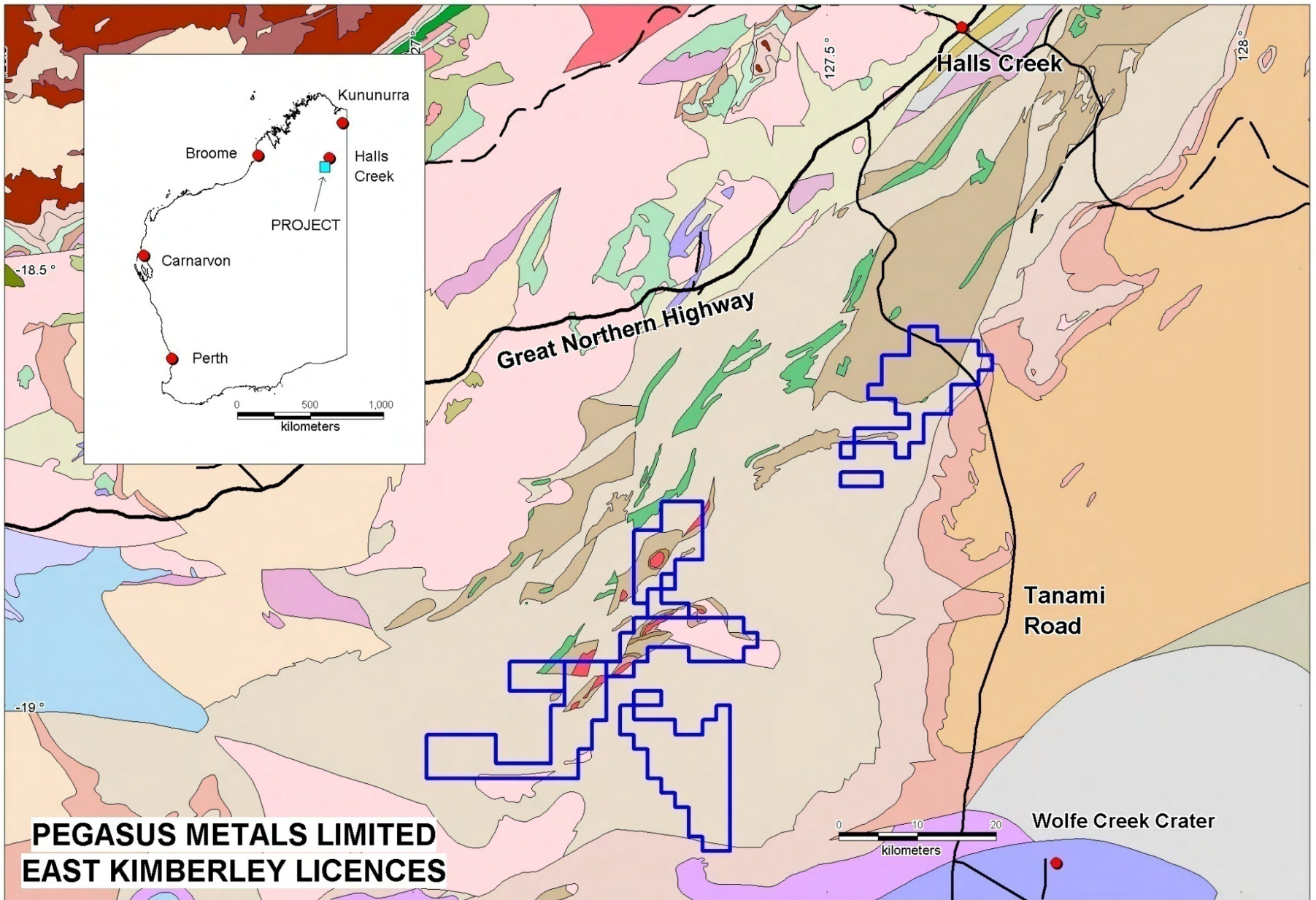
- Investigation of geophysical and geochemical targets across east Kimberley licences
- Geophysical targets generated by 2008 GPX airborne survey
- Geochemical targets generated by 2008 stream sediment sampling
- Prospect-scale sampling/mapping in couple areas (Taylor Lookout and Christmas Creek)
- Attempted to farm-out Gascoyne-Nullagine licences
- Evaluation of several new opportunities

2008 East Kimberley Sampling Program [from 2008 AGM]

- Rock Chip Sample
- ▼ Soil Sample
- ◆ Stream Sediment Sample

-80 mesh = 170
HMC = 170
BLEG = 170
Rock Chip = 435
Soils = 75





**PEGASUS METALS LIMITED
EAST KIMBERLEY LICENCES**



Pegasus Metals Limited: WA Exploration Licences

Licence	Locality	Area (ha)	Granted Date	Minimum Expenditure	Period Ending
E80/3612	Ruby Plains	13,946	12-Mar-07	\$43,000	11-Mar-10
E80/3883	Bulara	16,829	10-Jul-08	\$52,000	9-Jul-10
E80/3827	Christmas Creek	13,597	14-Jan-08	\$42,000	13-Jan-10
E80/3829	McClintock Range	7,130	14-Jan-08	\$22,000	13-Jan-10
E80/3250	Taylor Lookout	9,068	11-Apr-06	\$46,625	10-Apr-10
E80/3374	Taylor Lookout	1,620	11-Apr-06	\$20,834	10-Apr-10
TOTAL		62,190		\$226,459	

7,940,000 mN
280,000 mE

300,000 mE

320,000 mE

340,000 mE

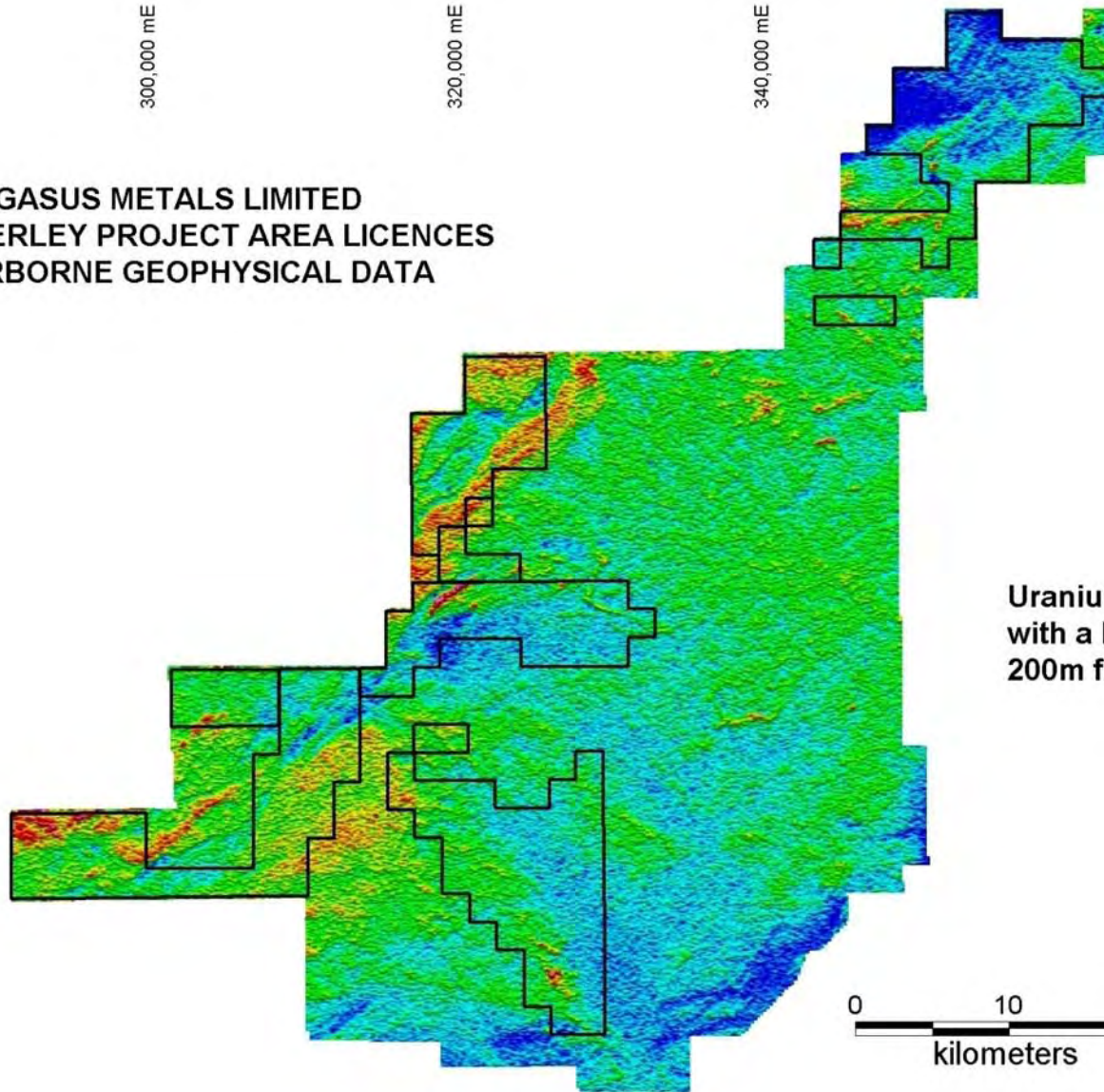
380,000 mE

**PEGASUS METALS LIMITED
EAST KIMBERLEY PROJECT AREA LICENCES
GPX AIRBORNE GEOPHYSICAL DATA**

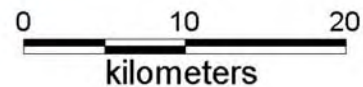
7,920,000 mN

7,900,000 mN

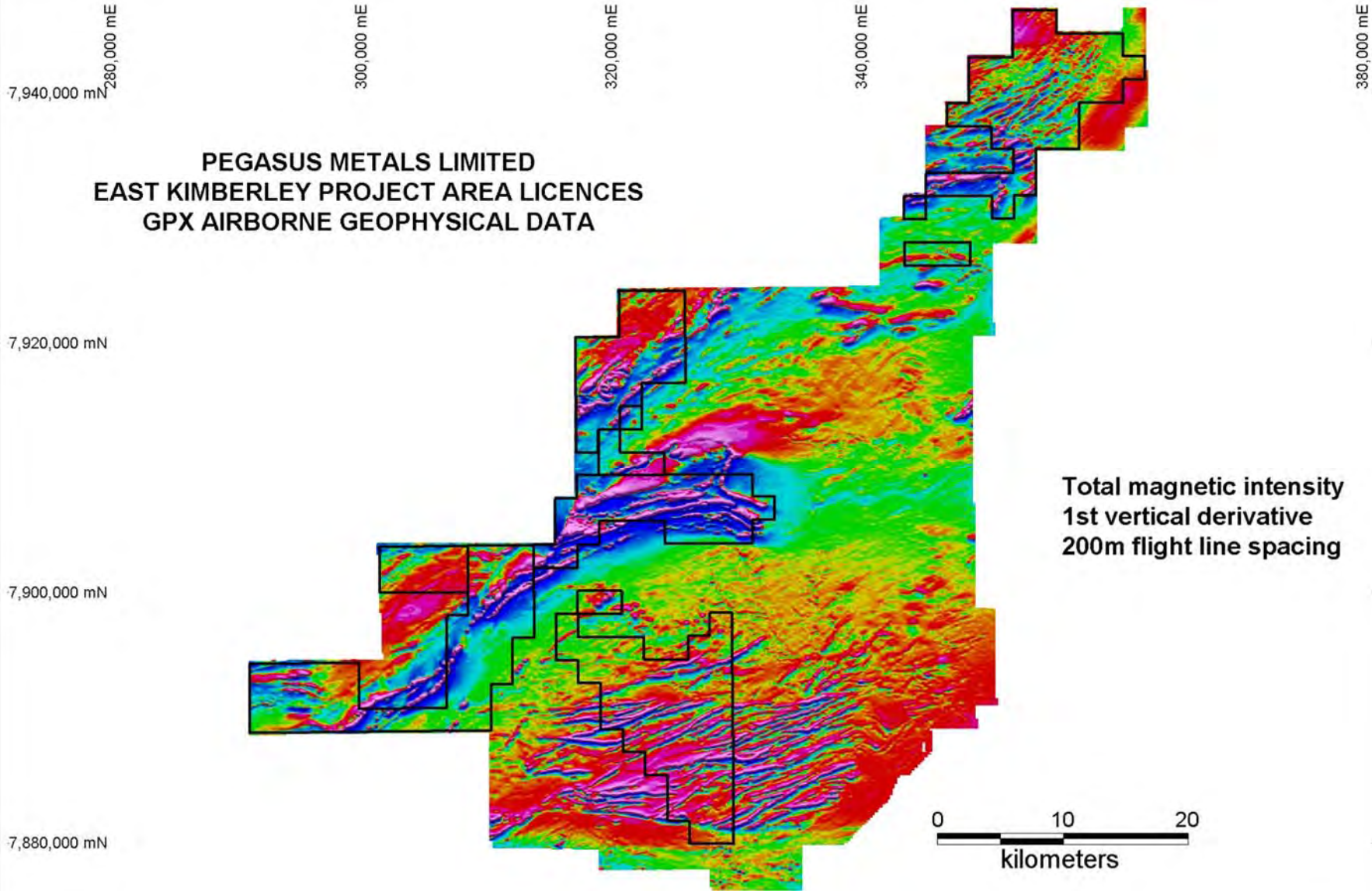
7,880,000 mN



**Uranium channel data
with a linear stretch
200m flight line spacing**



**PEGASUS METALS LIMITED
EAST KIMBERLEY PROJECT AREA LICENCES
GPX AIRBORNE GEOPHYSICAL DATA**



7,940,000 mN
280,000 mE

300,000 mE

320,000 mE

340,000 mE

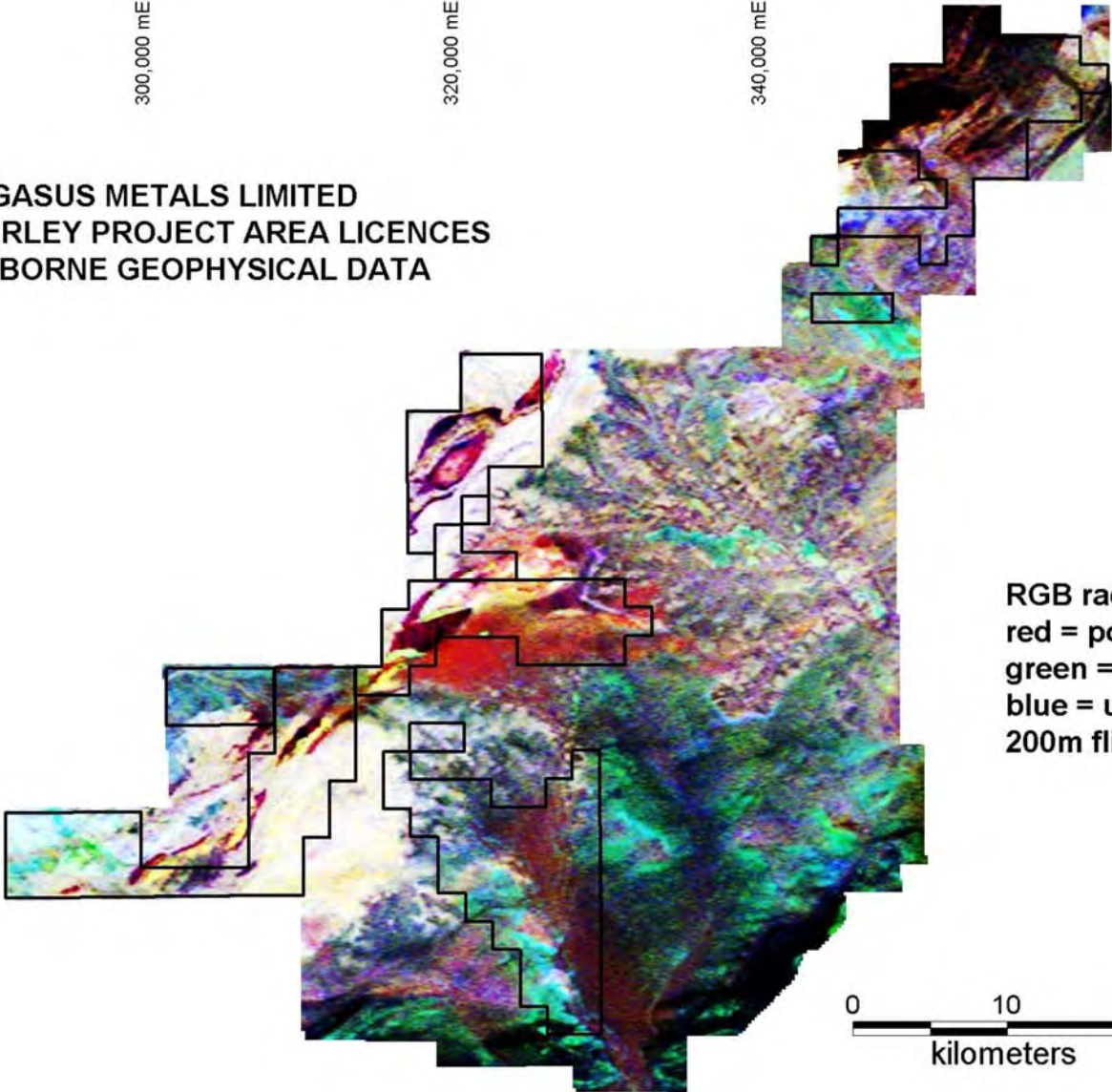
380,000 mE

**PEGASUS METALS LIMITED
EAST KIMBERLEY PROJECT AREA LICENCES
GPX AIRBORNE GEOPHYSICAL DATA**

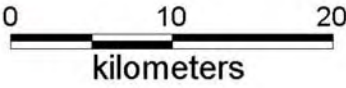
7,920,000 mN

7,900,000 mN

7,880,000 mN



**RGB radiometric image
red = potassium
green = thorium
blue = uranium
200m flight line spacing**



7,940,000 mN
280,000 mE

300,000 mE

320,000 mE

340,000 mE

380,000 mE

PEGASUS METALS LIMITED EAST KIMBERLEY PROJECT AREA LICENCES GPX AIRBORNE GEOPHYSICAL DATA

Geological
interpretation
based on
geophysical data

Hawke Geophysics Pty Ltd

7,920,000 mN

7,900,000 mN

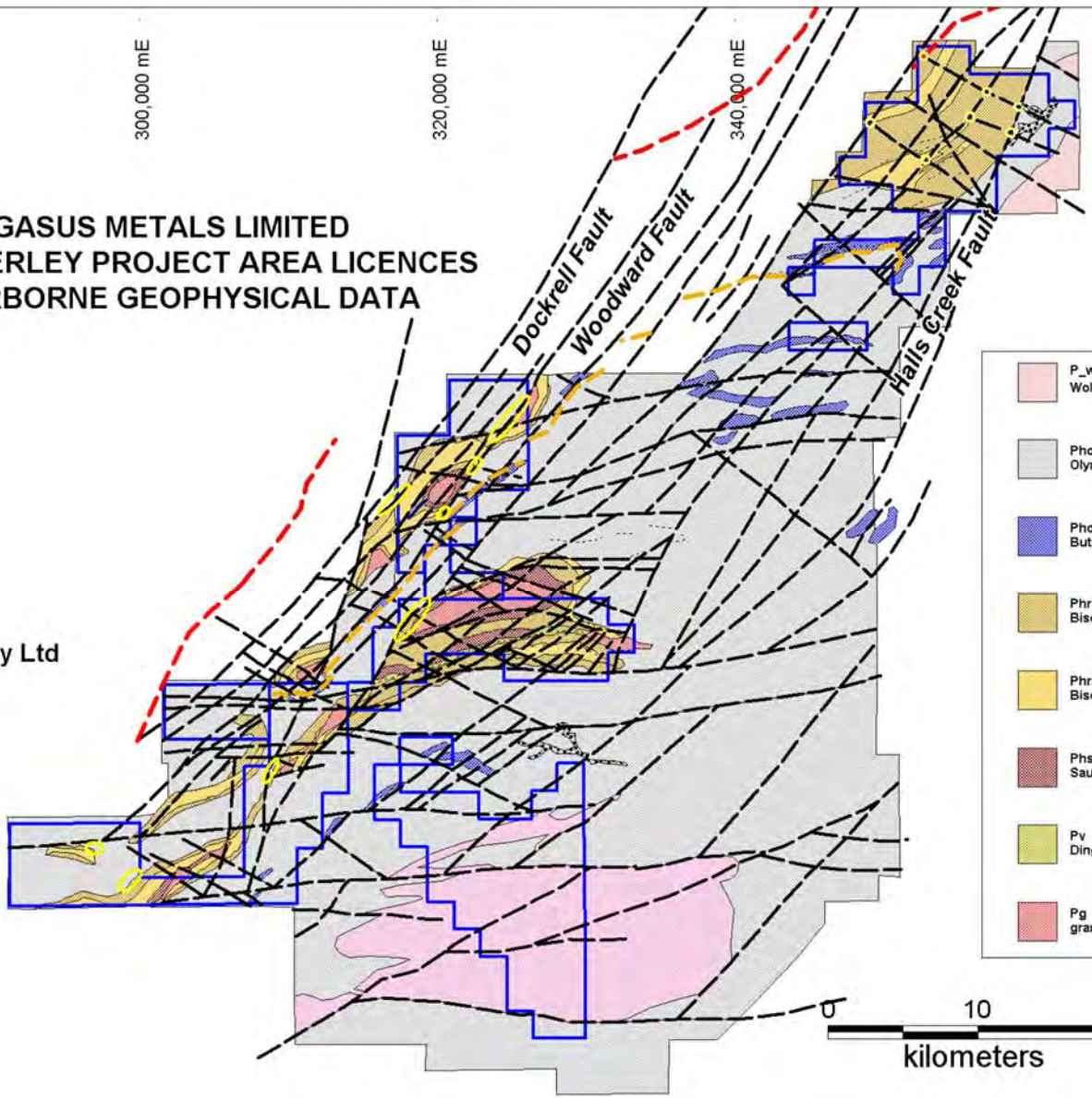
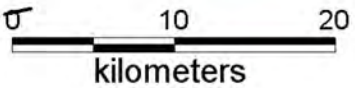
7,880,000 mN

Dockrell Fault

Woodward Fault

Halls Creek Fault

- P_w Wolfe Basin
- Pho Olympio Formation
- Phob Butchers Gully Member
- Phr Biscay Formation
- Phrs Biscay Formation - shale
- Phs Saunders Creek Formation
- Pv Ding Dong Downs Volcanics
- Pg granite



7,940,000 mN
280,000 mE

300,000 mE

320,000 mE

340,000 mE

360,000 mE

380,000 mE

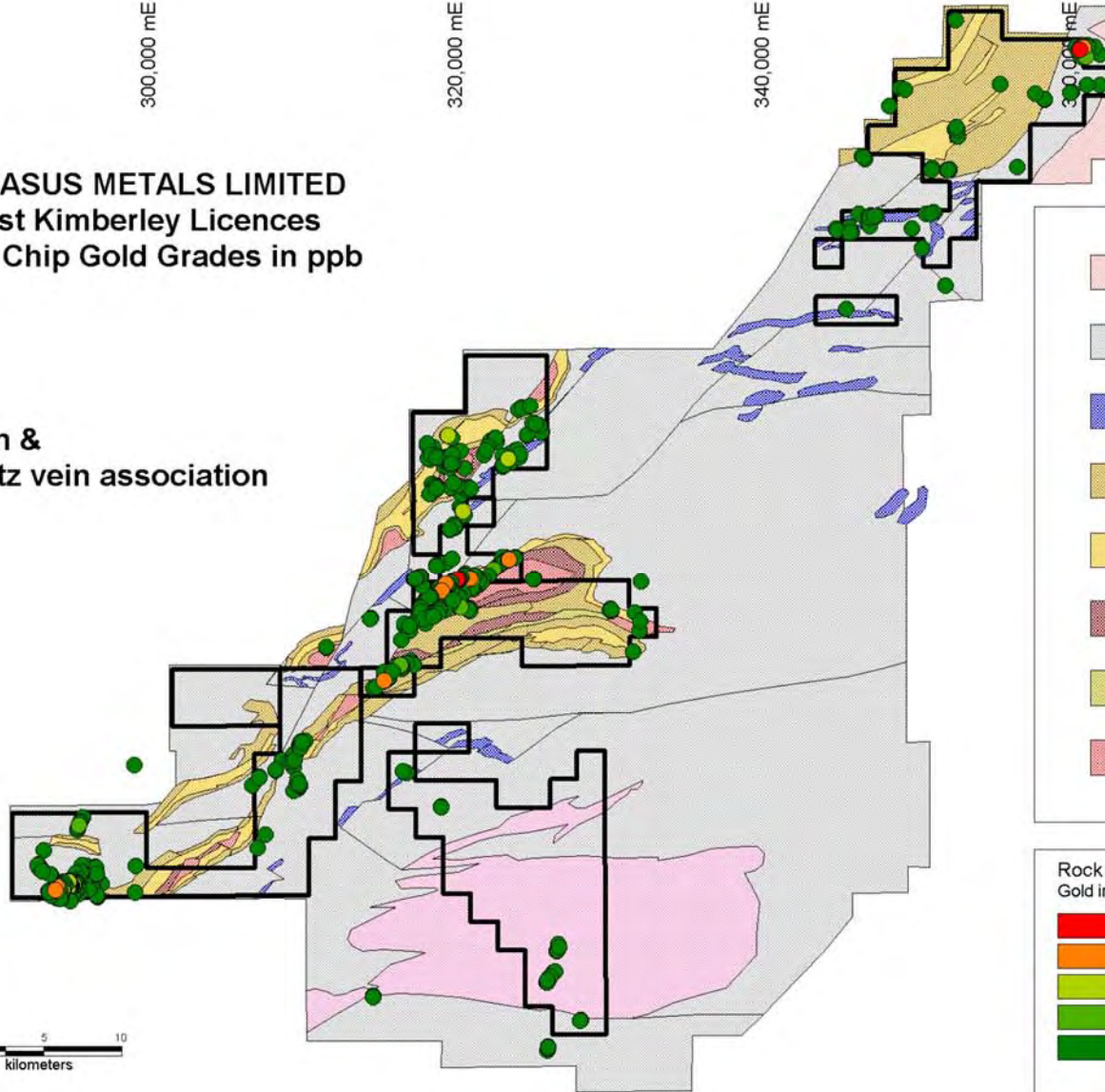
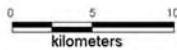
PEGASUS METALS LIMITED East Kimberley Licences Rock Chip Gold Grades in ppb

7,920,000 mN

skarn & quartz vein association

7,900,000 mN

7,880,000 mN



- P_w Wolfe Basin
- Pho Olympio Formation
- Phob Butchers Gully Member
- Phr Biscay Formation
- Phrs Biscay Formation - shale
- Phs Saunders Creek Formation
- Pv Ding Dong Downs Volcanics
- Pg granite

Rock Chip Samples Gold in ppb

1,000 to 2,410	(6)
500 to 1,000	(10)
100 to 500	(25)
50 to 100	(14)
0 to 50	(670)

7,940,000 mN
280,000 mE

300,000 mE

320,000 mE

340,000 mE

360,000 mE

380,000 mE

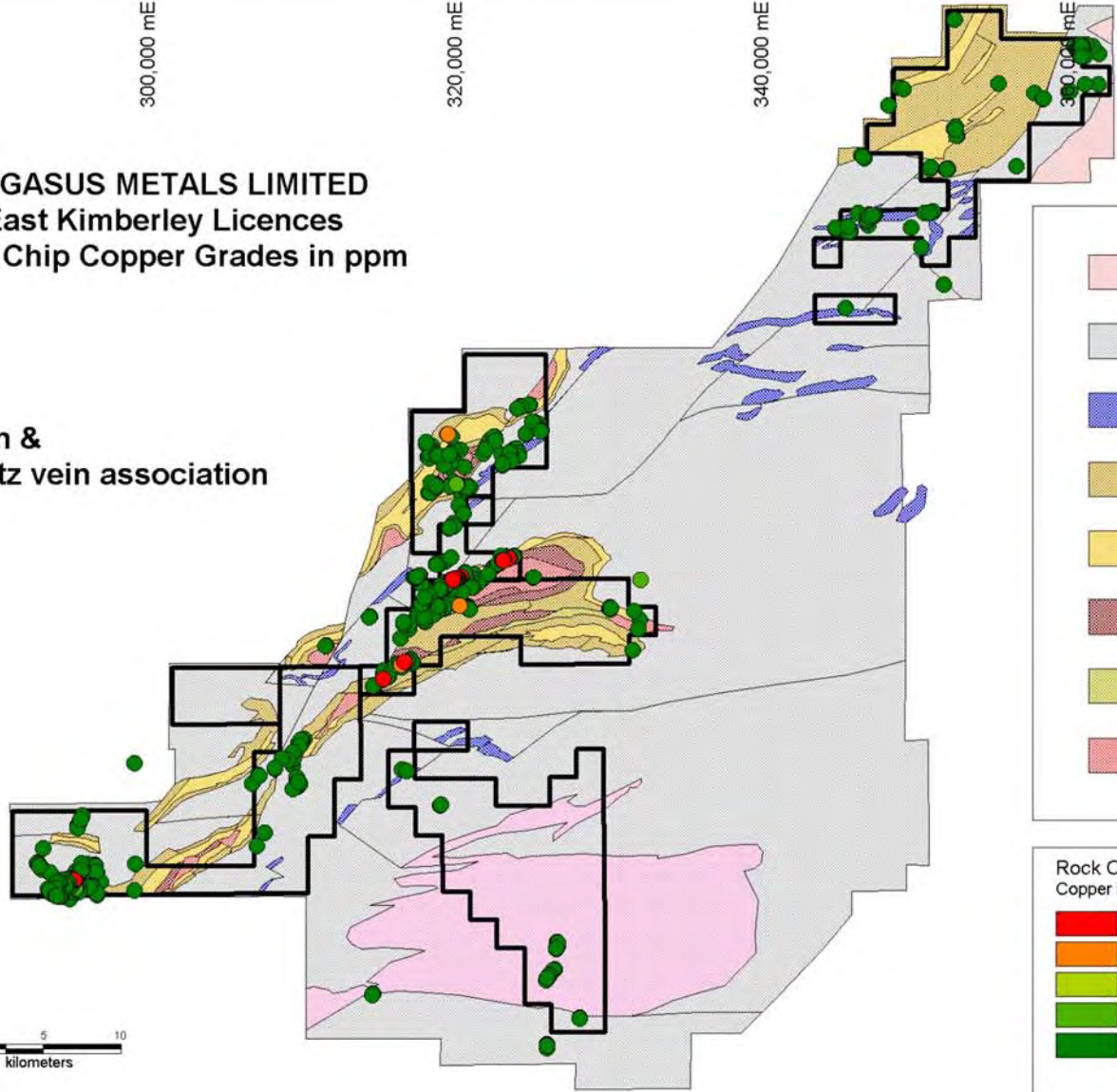
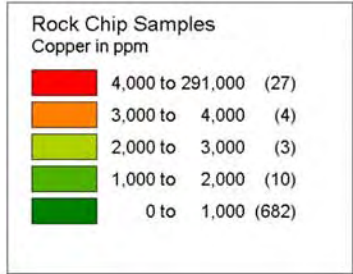
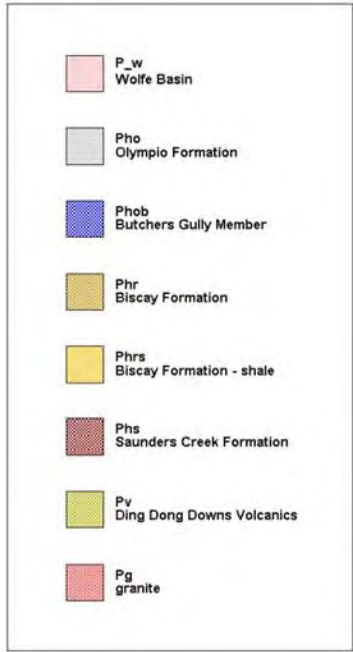
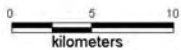
PEGASUS METALS LIMITED East Kimberley Licences Rock Chip Copper Grades in ppm

7,920,000 mN

skarn &
quartz vein association

7,900,000 mN

7,880,000 mN



7,940,000 mN
280,000 mE

300,000 mE

320,000 mE

340,000 mE

360,000 mE

380,000 mE

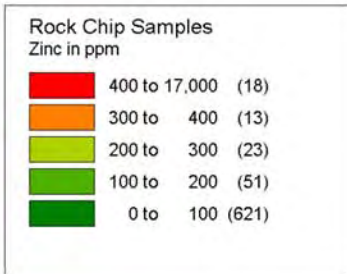
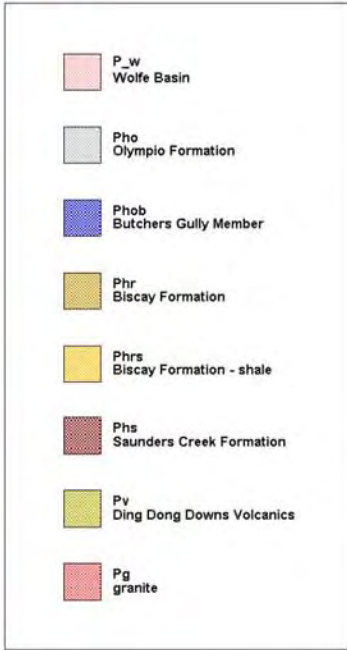
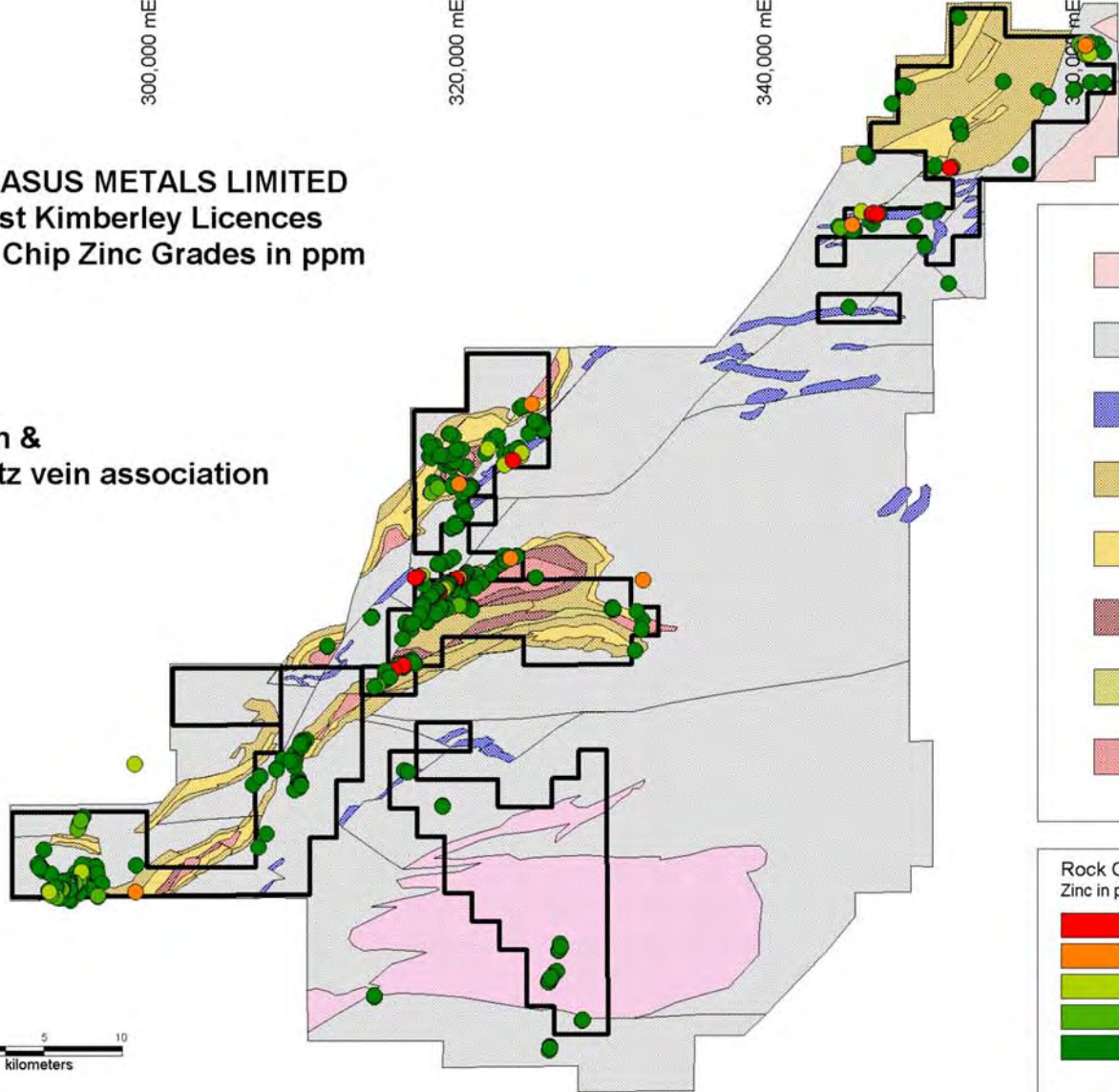
PEGASUS METALS LIMITED East Kimberley Licences Rock Chip Zinc Grades in ppm

7,920,000 mN

skarn &
quartz vein association

7,900,000 mN

7,880,000 mN



7,940,000 mN
280,000 mE

300,000 mE

320,000 mE

340,000 mE

360,000 mE

380,000 mE

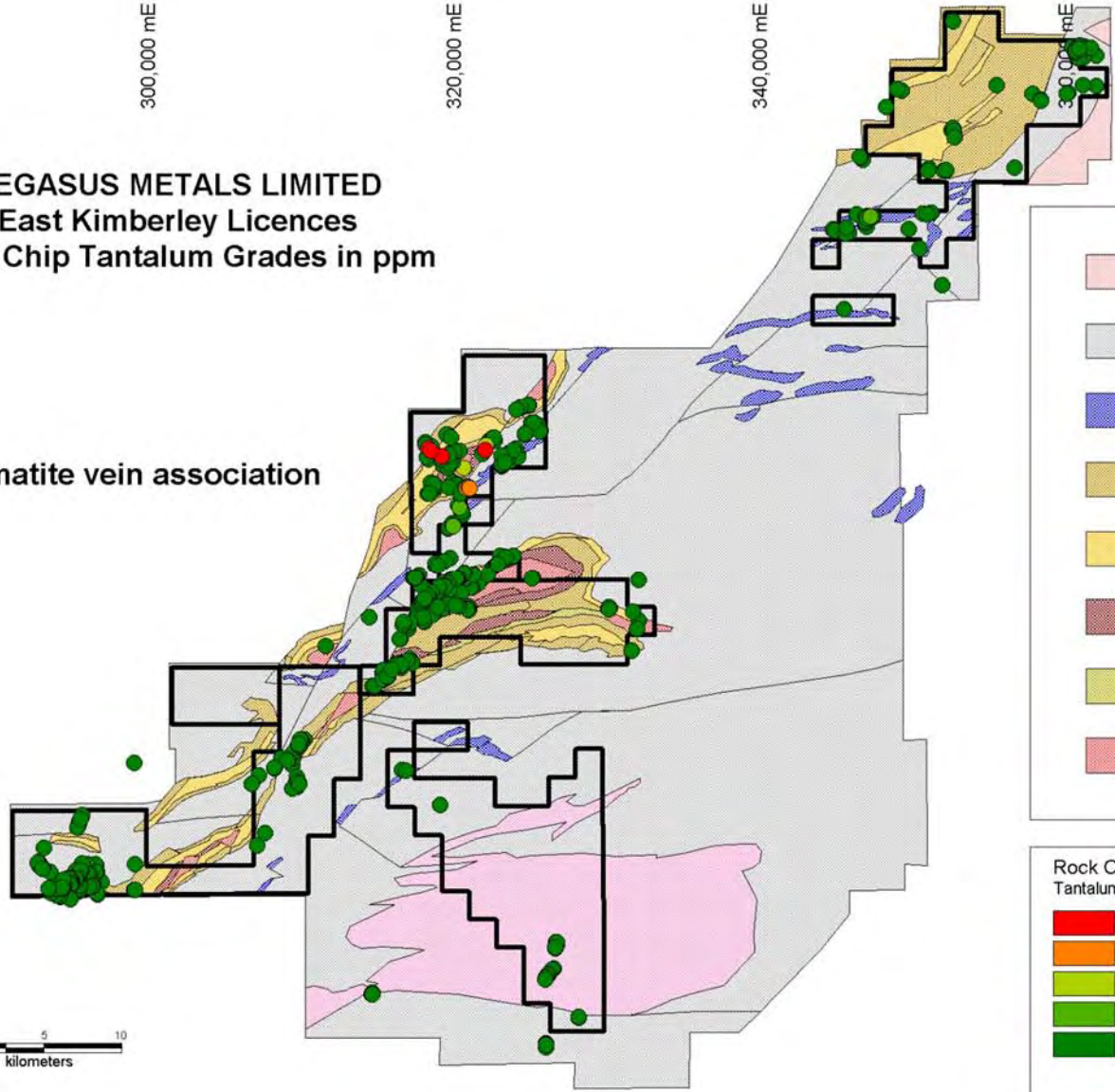
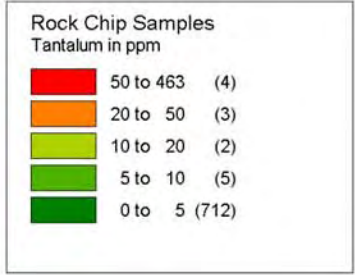
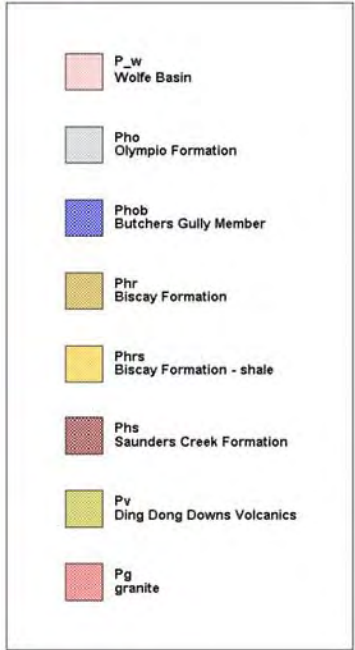
PEGASUS METALS LIMITED East Kimberley Licences Rock Chip Tantalum Grades in ppm

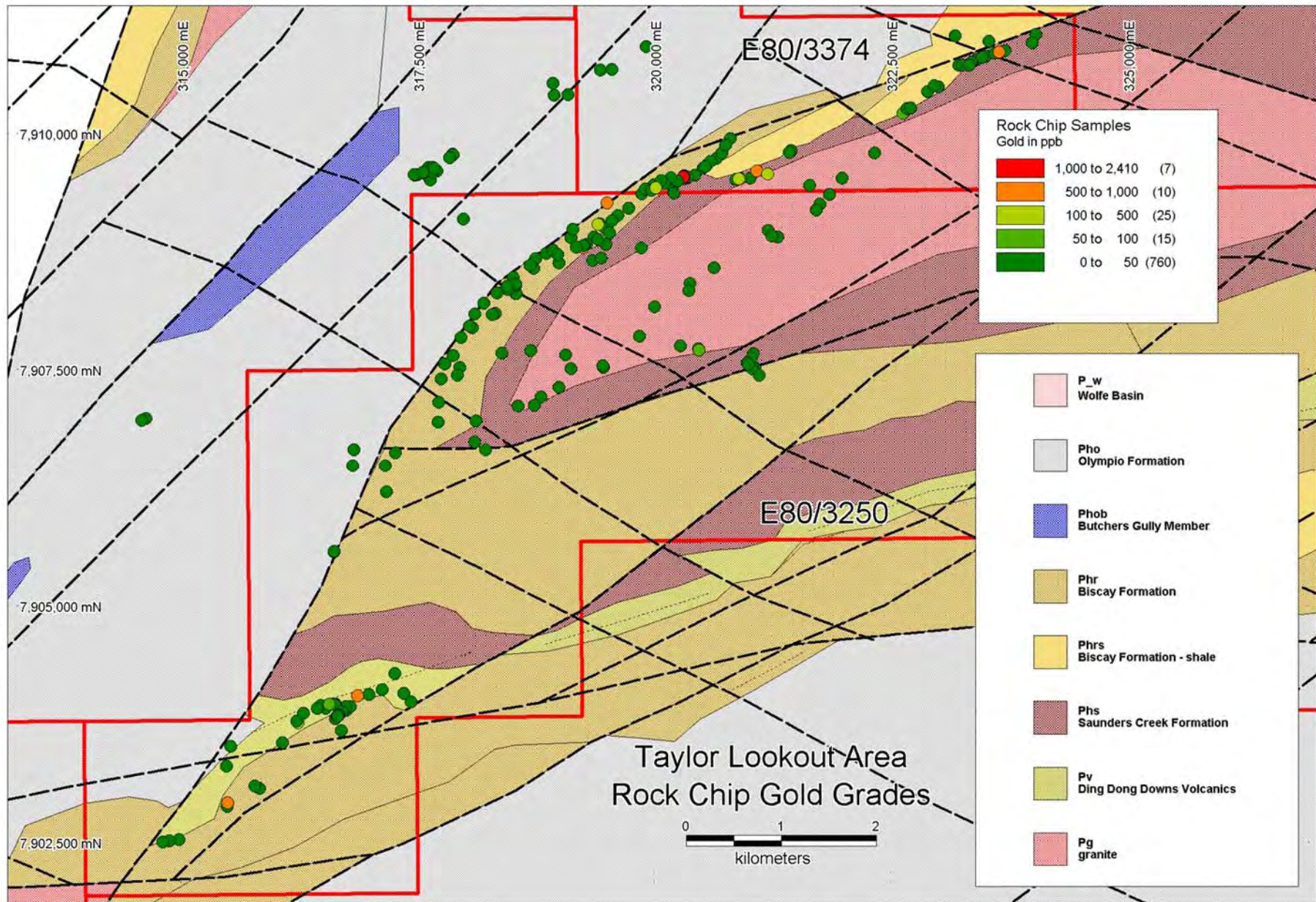
7,920,000 mN

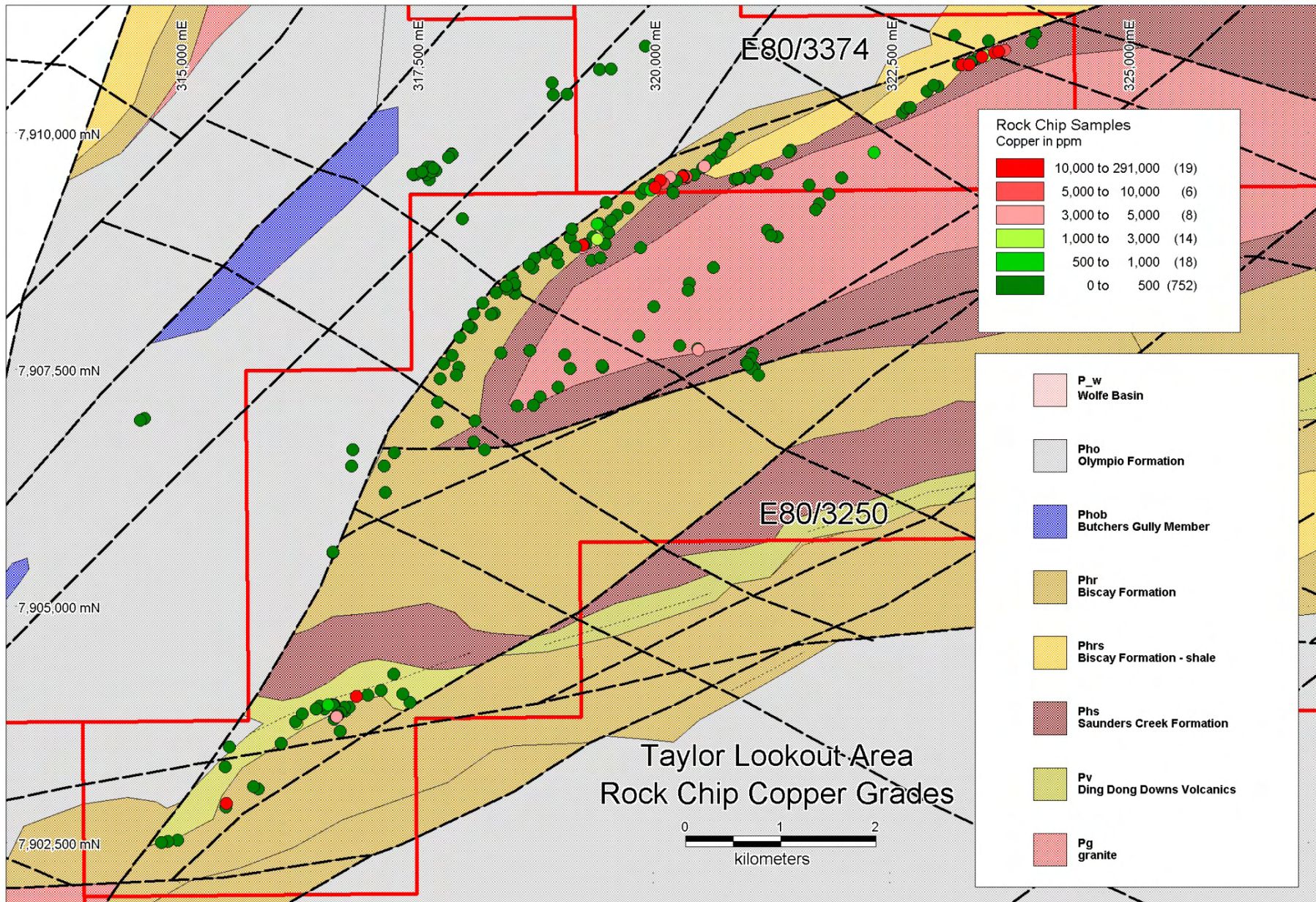
pegmatite vein association

7,900,000 mN

7,880,000 mN





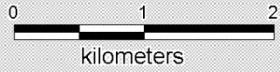


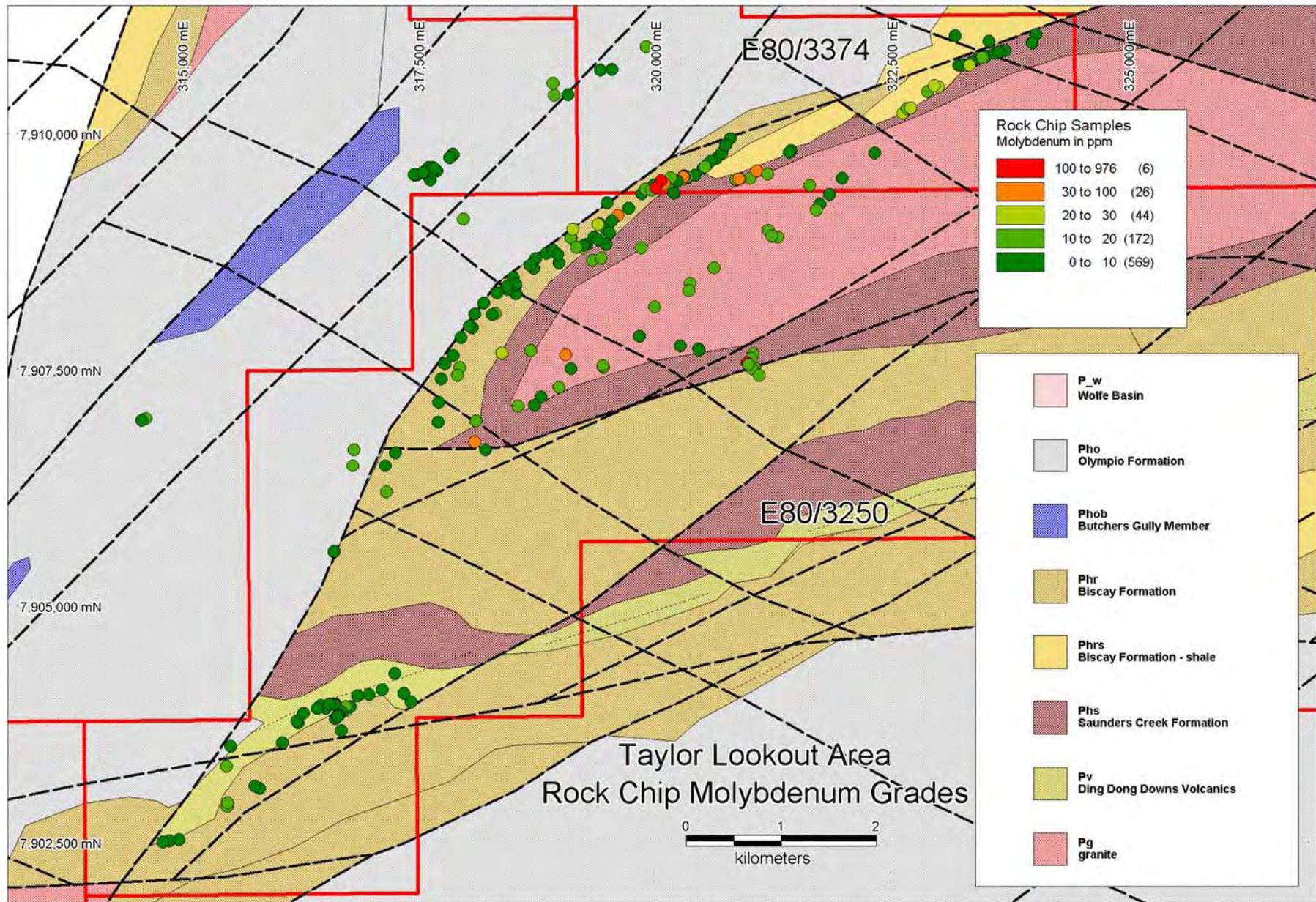
Rock Chip Samples
Copper in ppm

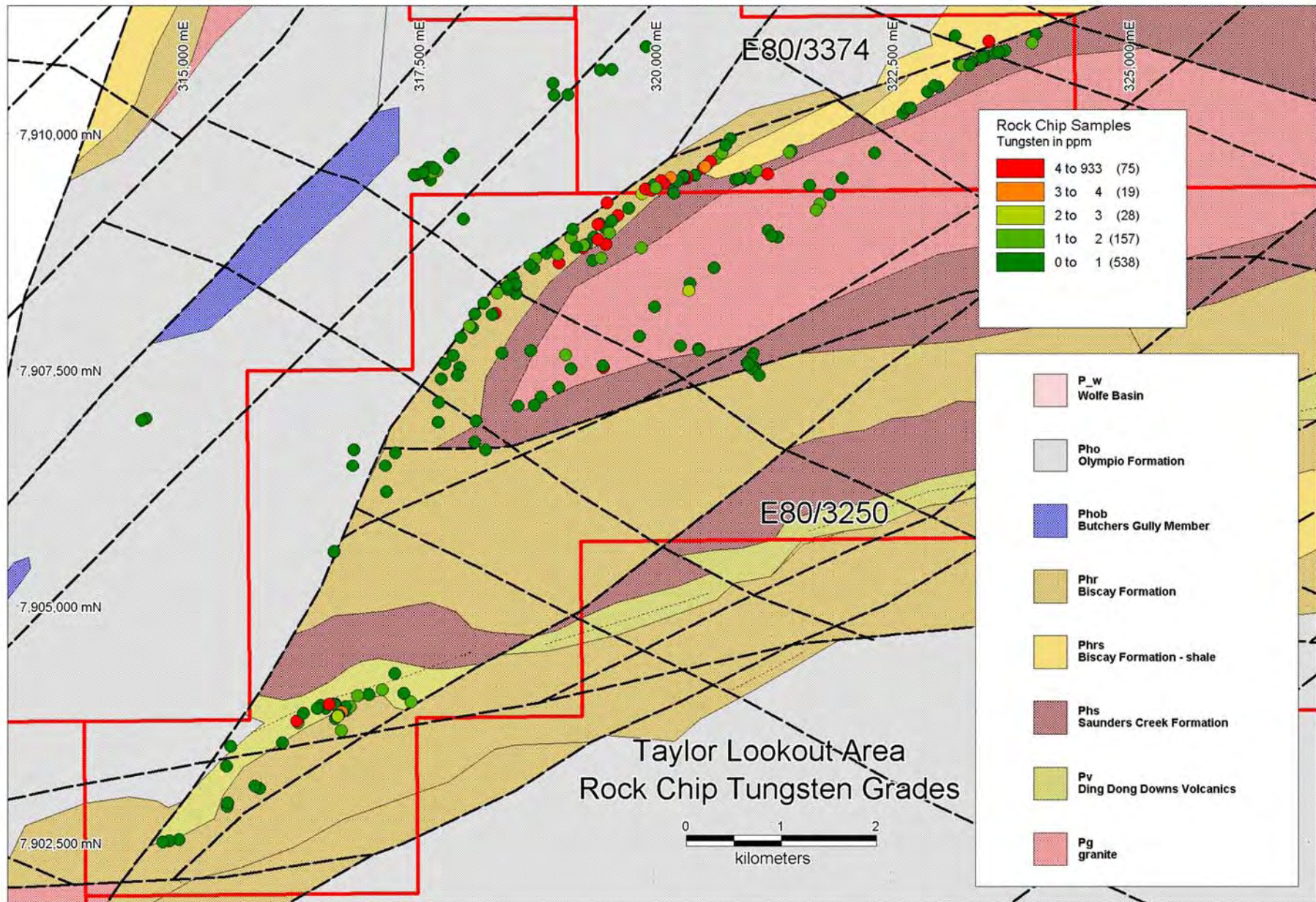
■	10,000 to 291,000 (19)
■	5,000 to 10,000 (6)
■	3,000 to 5,000 (8)
■	1,000 to 3,000 (14)
■	500 to 1,000 (18)
■	0 to 500 (752)

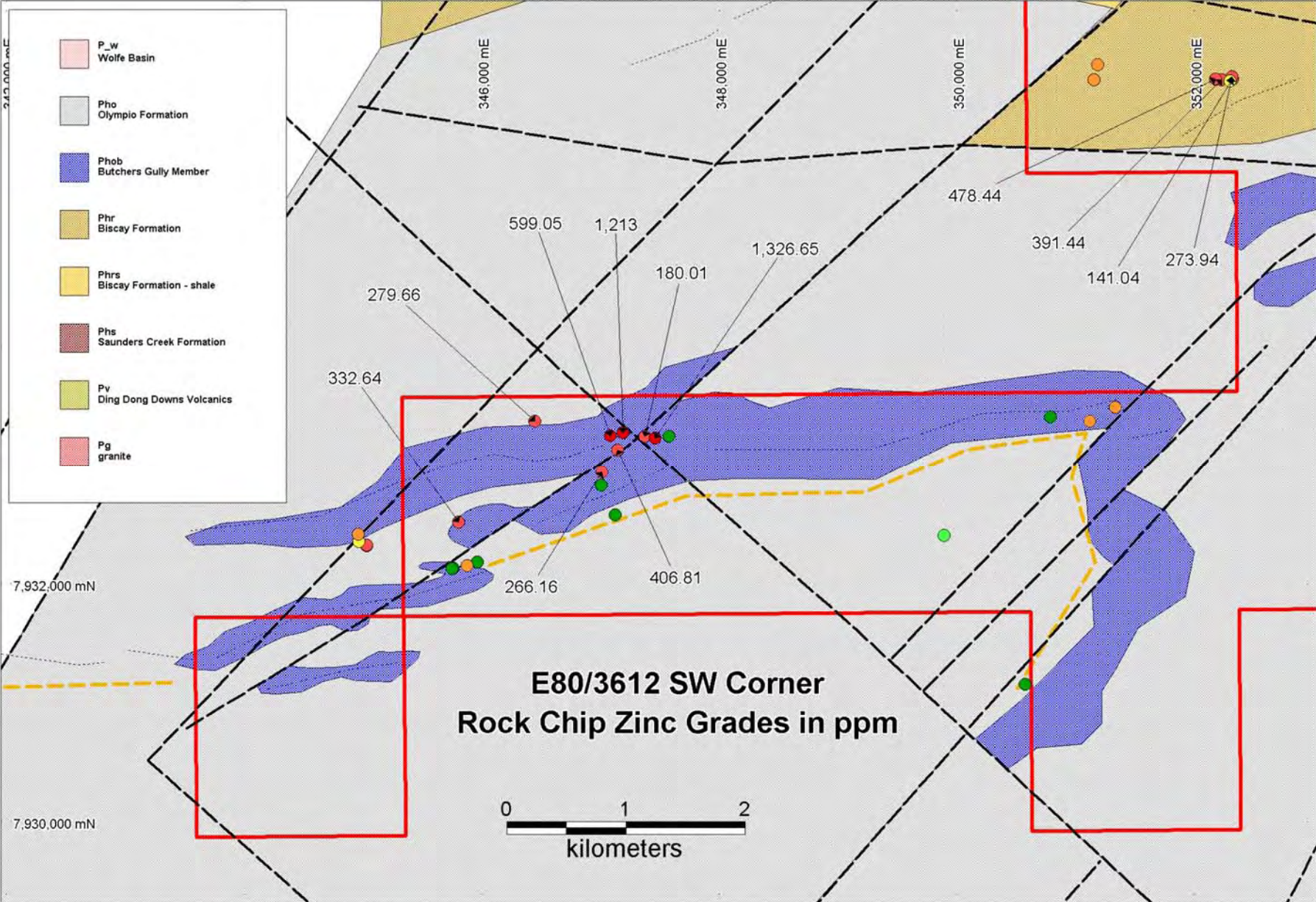
■	P_w Wolfe Basin
■	Pho Olympio Formation
■	Phob Butchers Gully Member
■	Phr Biscay Formation
■	Phrs Biscay Formation - shale
■	Phs Saunders Creek Formation
■	Pv Ding Dong Downs Volcanics
■	Pg granite

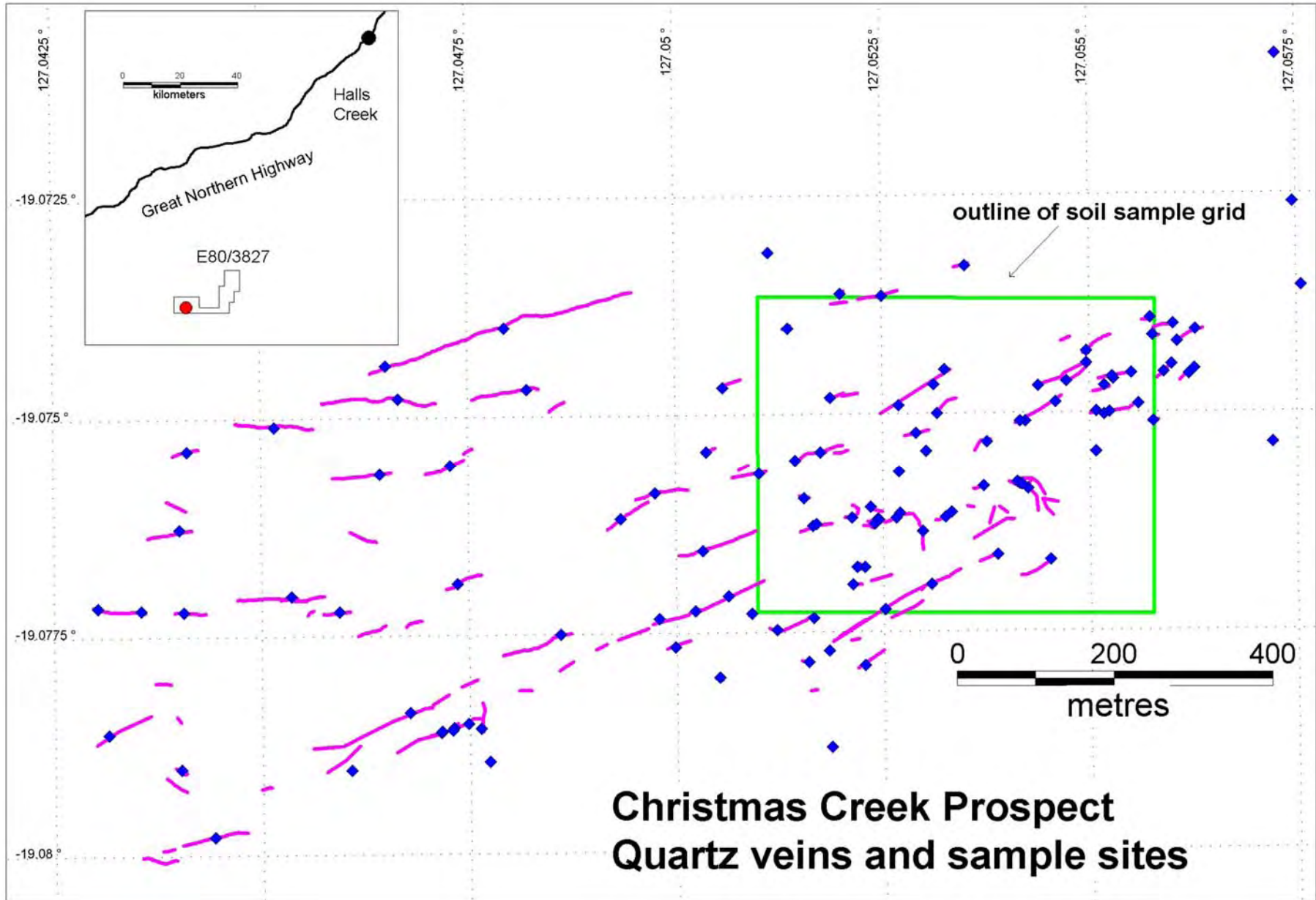
Taylor Lookout Area
Rock Chip Copper Grades

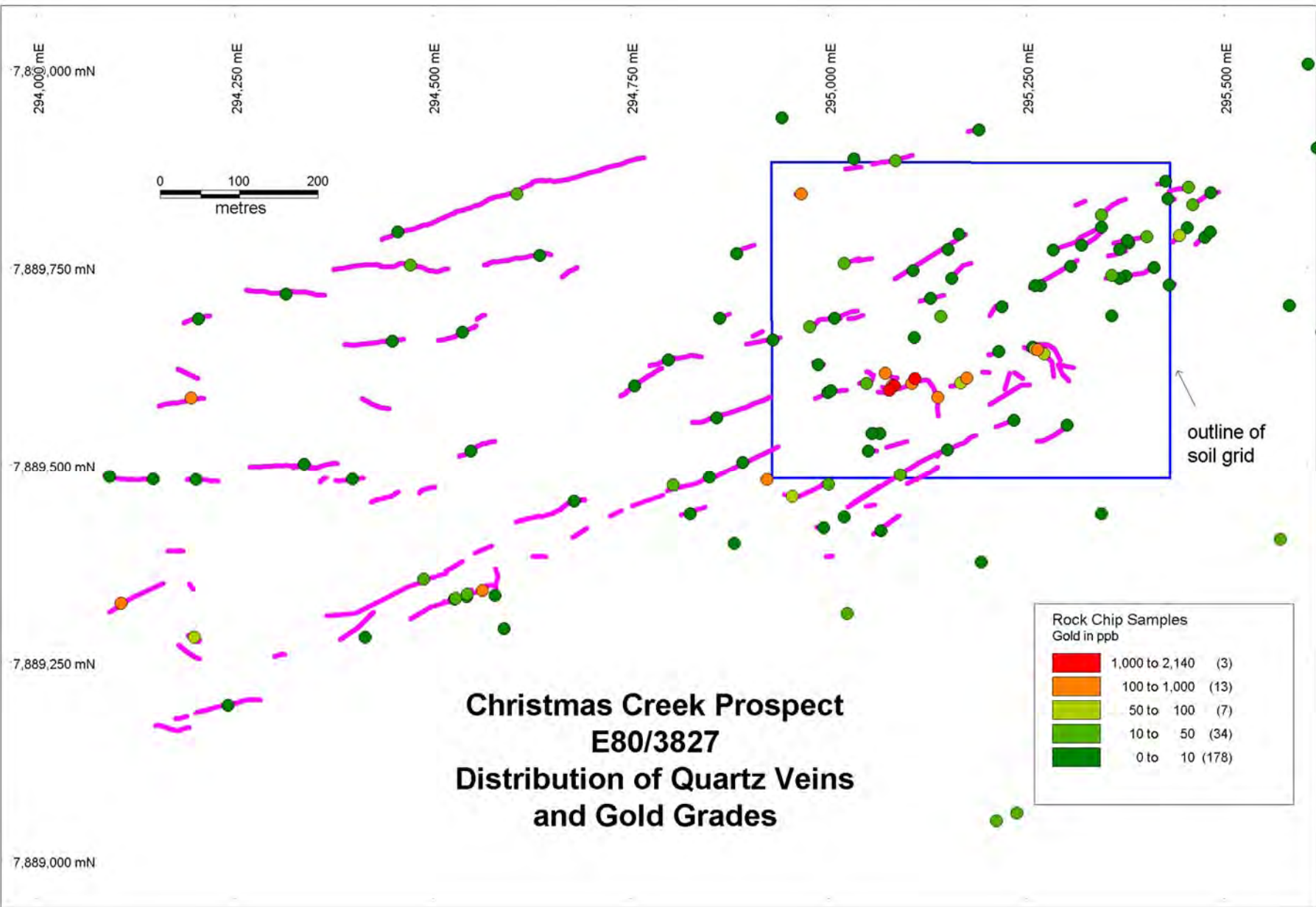












**Christmas Creek Prospect
E80/3827
Distribution of Quartz Veins
and Gold Grades**

Rock Chip Samples	
Gold in ppb	
Red	1,000 to 2,140 (3)
Orange	100 to 1,000 (13)
Light Green	50 to 100 (7)
Medium Green	10 to 50 (34)
Dark Green	0 to 10 (178)

outline of soil grid

Outcropping quartz vein
at Christmas Creek



The 2.1 g/t gold
exposure at
Christmas Creek



294,800 mE
7,889,900 mN

294,900 mE

295,000 mE

295,100 mE

295,200 mE

295,300 mE

295,400 mE

295,500 mE

295,600 mE

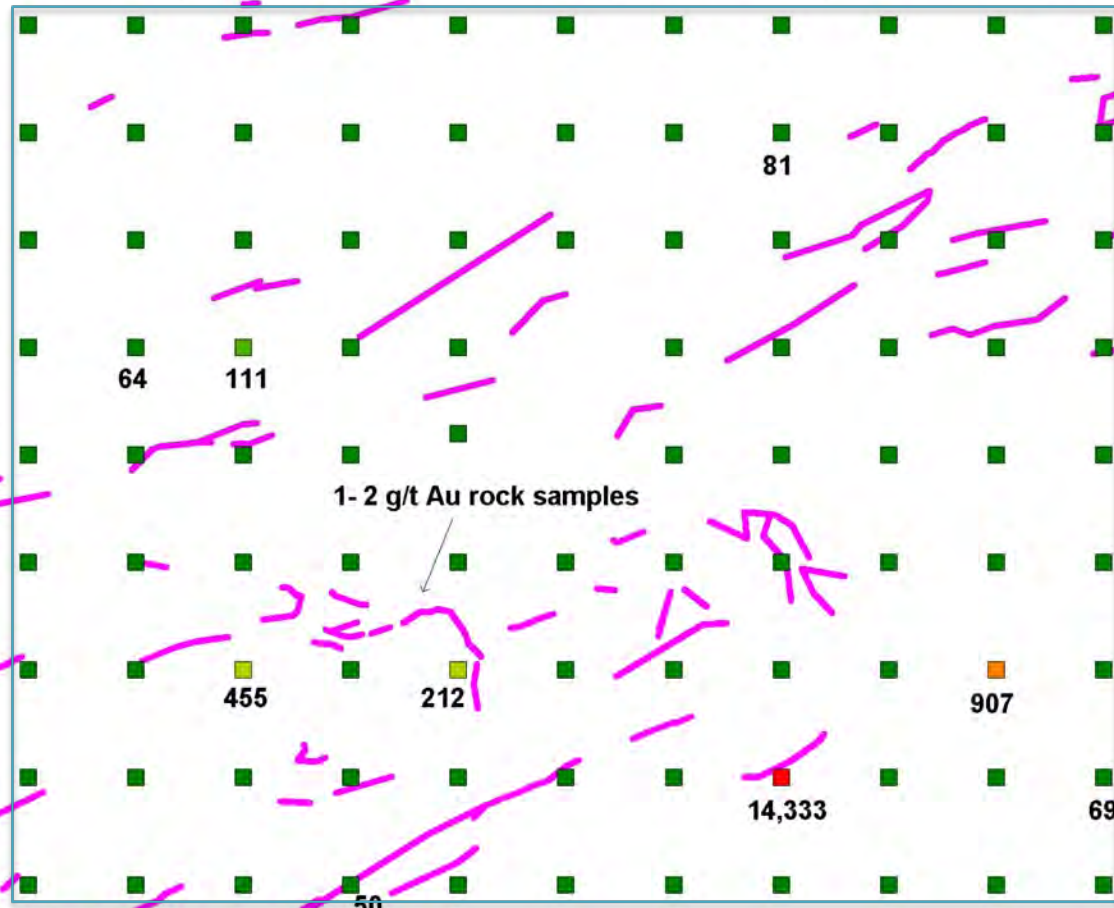
7,889,800 mN

7,889,700 mN

7,889,600 mN

7,889,500 mN

7,889,400 mN

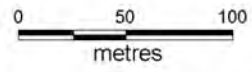


Christmas Creek Prospect

Grid Soil Samples Gold Grades in ppb

Samples with + 50 ppb are labelled

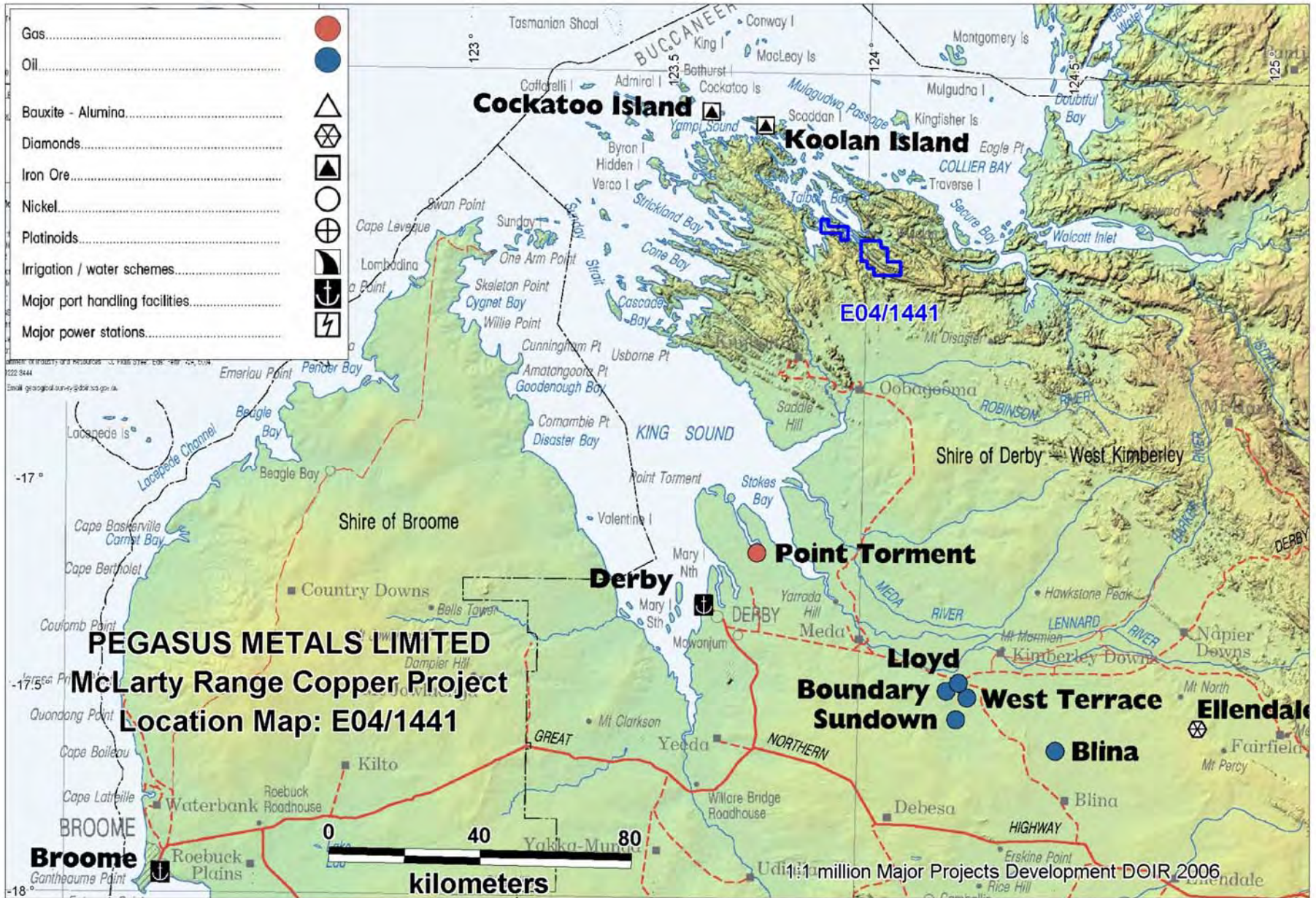
Grid Soil Samples Gold in ppb	
■	1,000 to 14,400 (1)
■	500 to 1,000 (1)
■	200 to 500 (2)
■	100 to 200 (1)
■	0 to 100 (92)





East Kimberley

- **Christmas Creek:** gold mineralisation though locally high grade is patchy; worth checking strike extensions for possible increases in width/grade
- **Calcsilicate-hosted zinc:** planning grid-based soil sampling to determine size

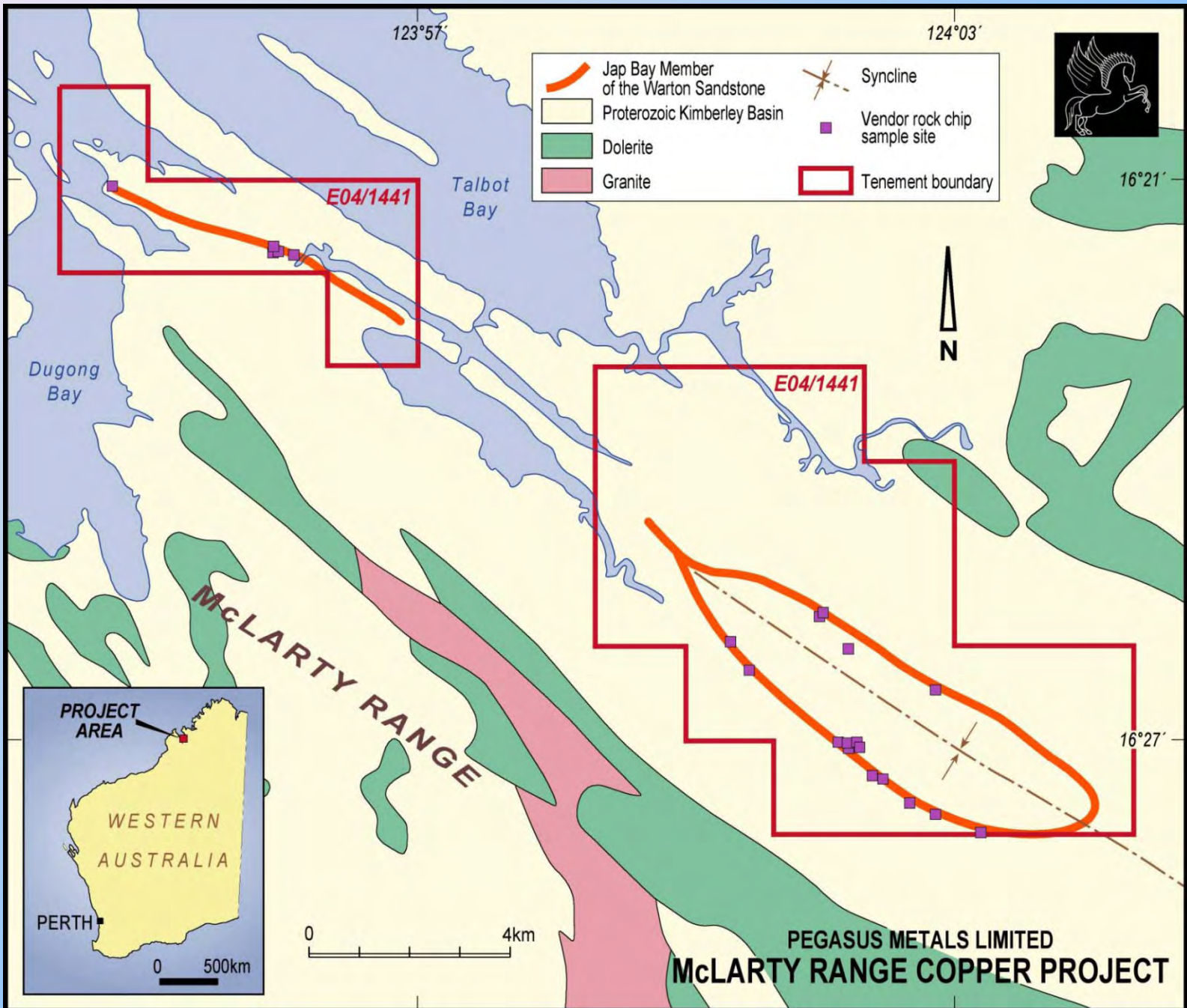


PEGASUS METALS LIMITED
McLarty Range Copper Project
Location Map: E04/1441



McLarty Range Copper Project

- Details announced to ASX 12 October 2009
- Project located 250 km northeast of Broome
- E04/1441 held by Kimminco Pty Ltd
- Near western edge of Kimberley Basin
- Palaeoproterozoic age (1.8 billion year old rocks)
- Sediments and volcanics deposited in a shallow marine environment
- Considered to be prospective for sediment-hosted copper





Kimminco Pty Ltd: Exploration Licence

Licence	Year	Minumum Expenditure	Total Expenditure	Area (blocks)
E04/1441 *	2006	\$63,000	\$99,727	70
	2007	\$52,000	\$106,565	46
	2008	\$46,000	\$103,625	26
	2009	\$39,000	\$119,406	26
	2010	\$39,000		
TOTAL		\$239,000	\$429,323	

* Kimminco Pty Ltd
Granted 8.8.2005

Expires 7.8.2010 (application procedure for extension)

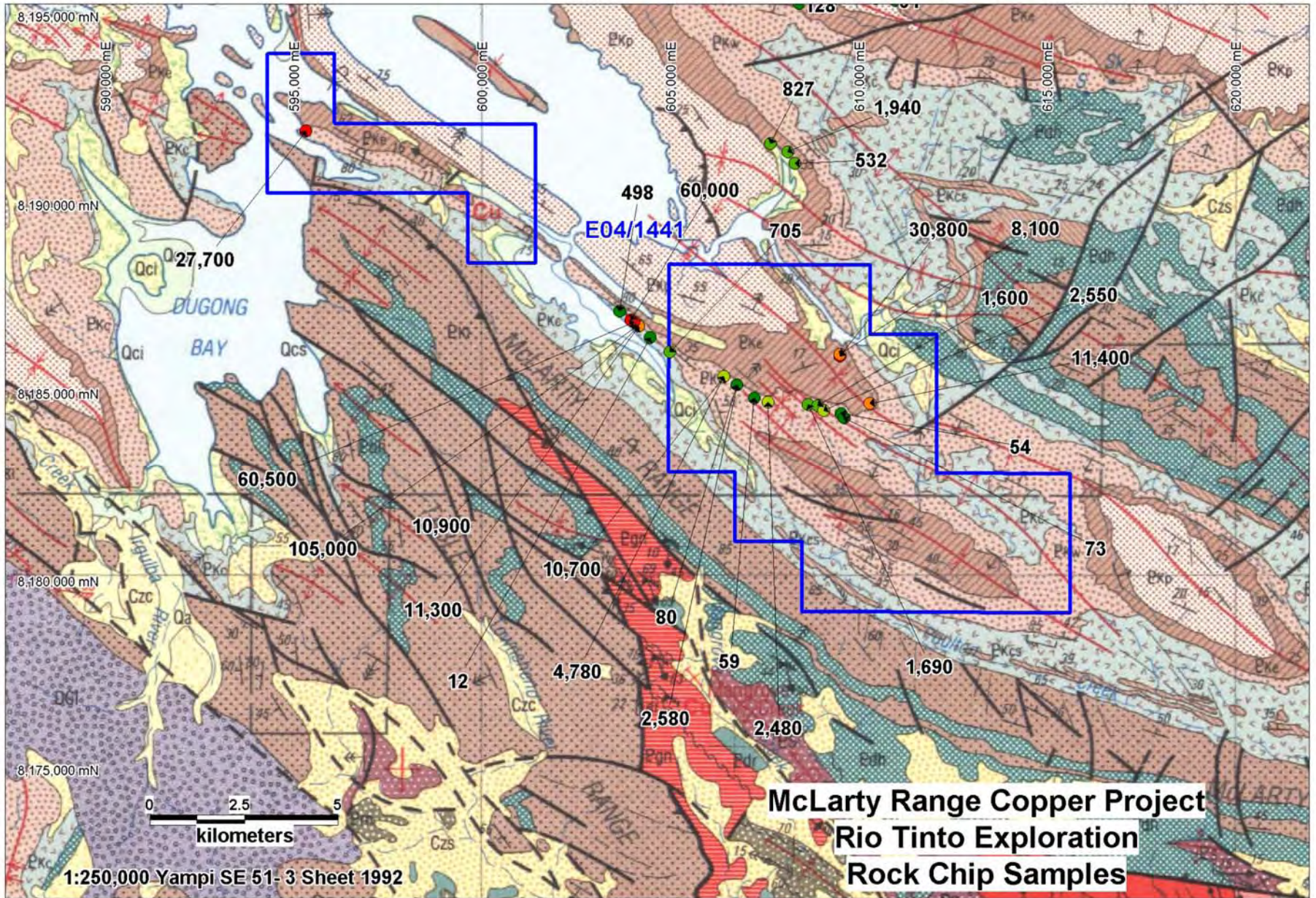
8,532 ha (85 sq.km)



McLarty Range Copper Project

Past Exploration

- Pre-1920: some small-scale mining of copper in region
- 1972: Amax reported “Jap Bay Member ... contains low grade copper mineralisation over a total strike length of 36km”; average thickness reported to be 5m
- 1990’s: In a data review CRAE/RTE identified the region to be prospective for “sediment hosted copper deposits”
 - 1999: 136 stream sediment & 34 rock chip samples
 - drainage anomaly SE of Talbot Bay
 - noted copper within Elgee Siltstone, near its base
 - rock chip assays up to 10.5% copper at “McLarty Prospect”
 - flew magnetic – radiometric survey
 - 2000-01: JV with Sipa Exploration; 69 rock chip samples; up to 18% Cu



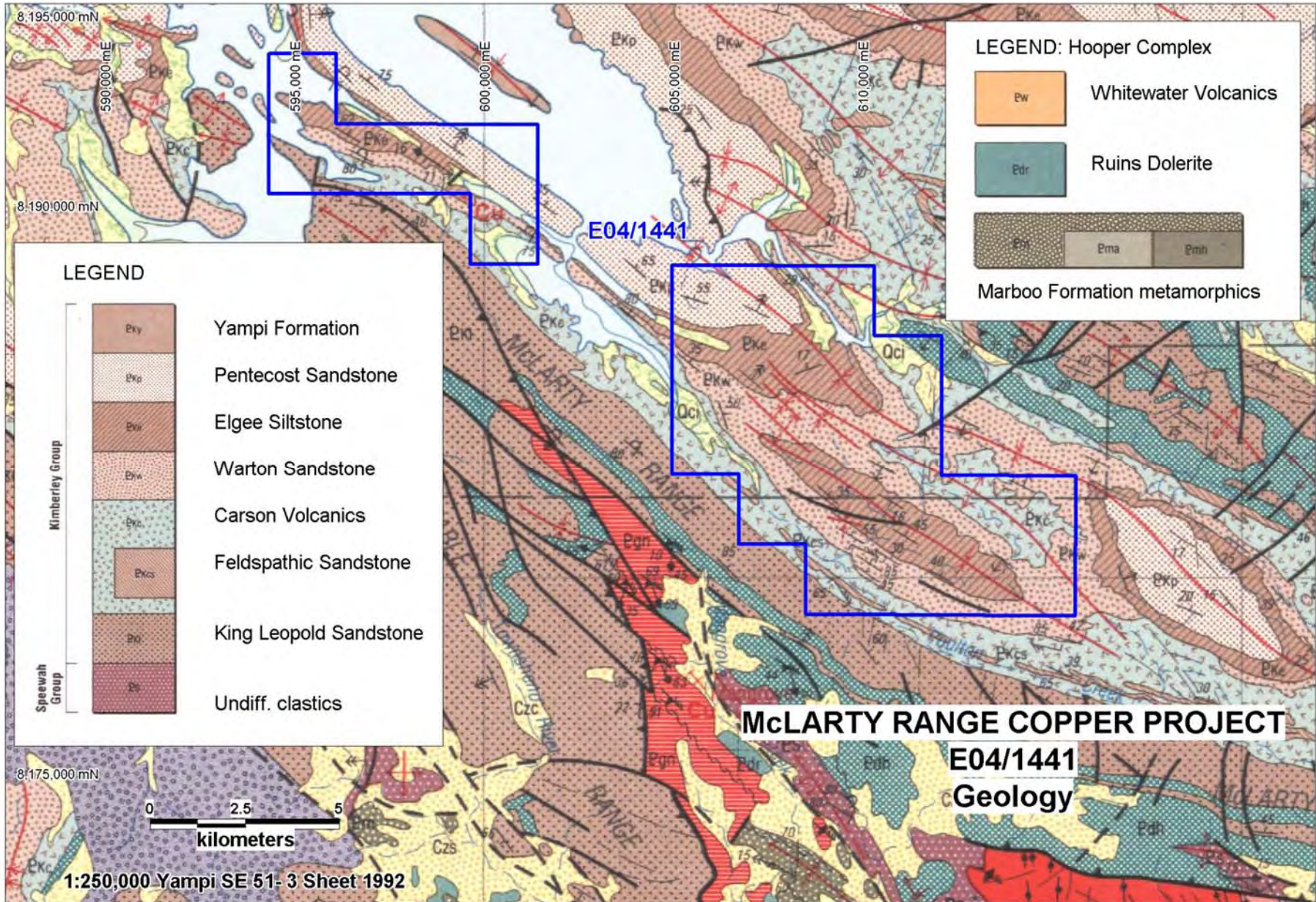
1:250,000 Yampi SE 51- 3 Sheet 1992

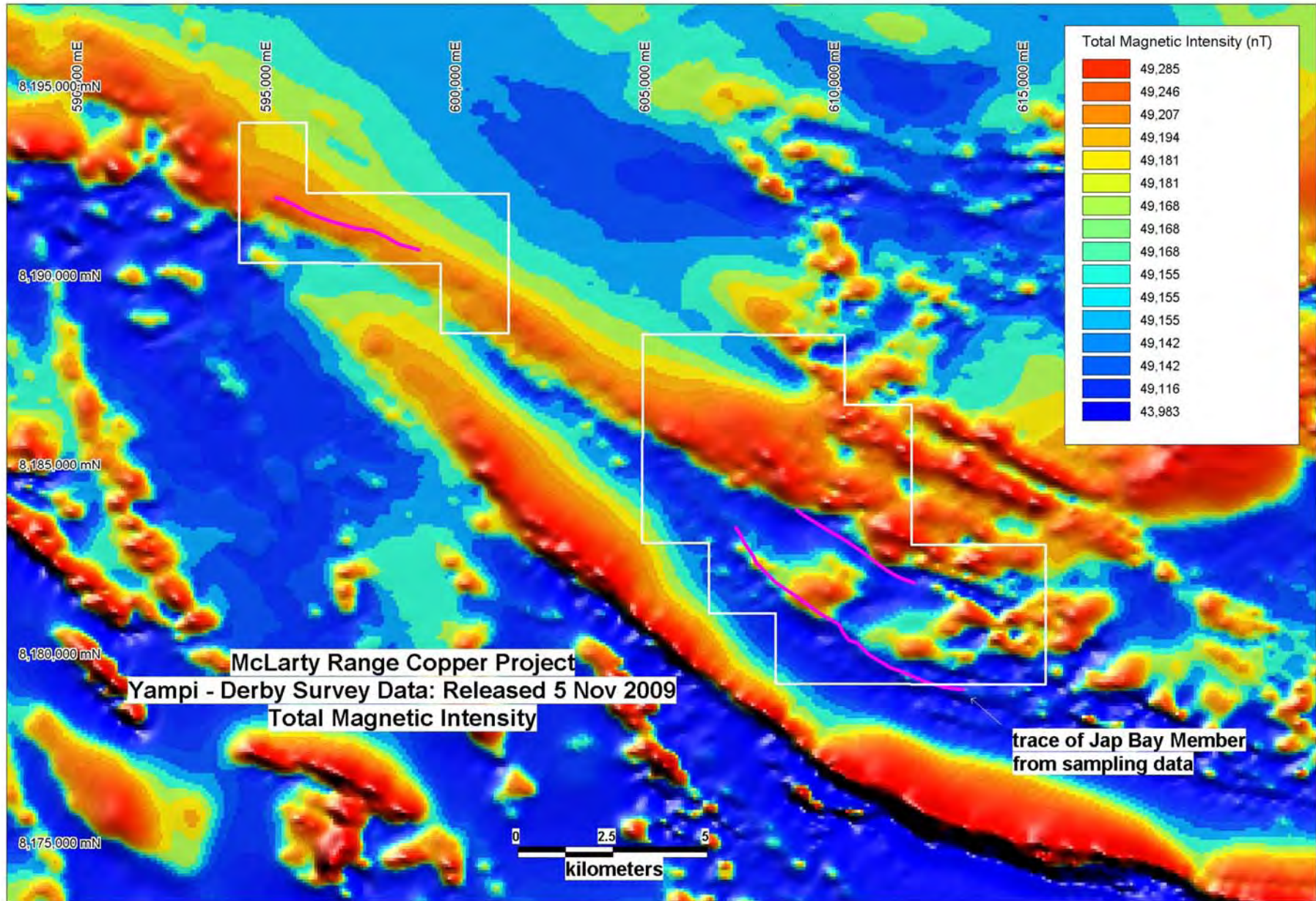


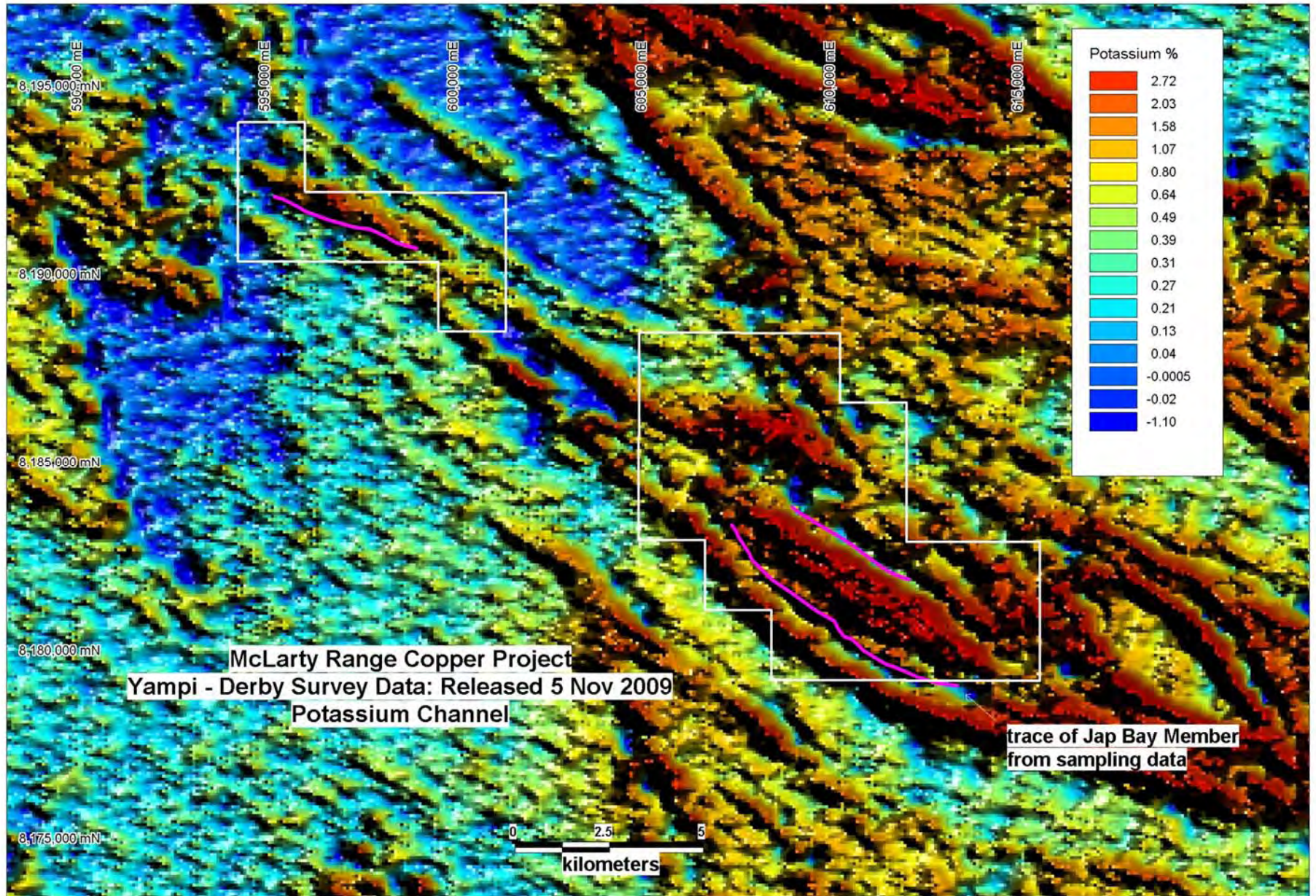
Gossan outcropping over the Jap Bay Member; a 1m chip-channel sample assayed 0.62% copper

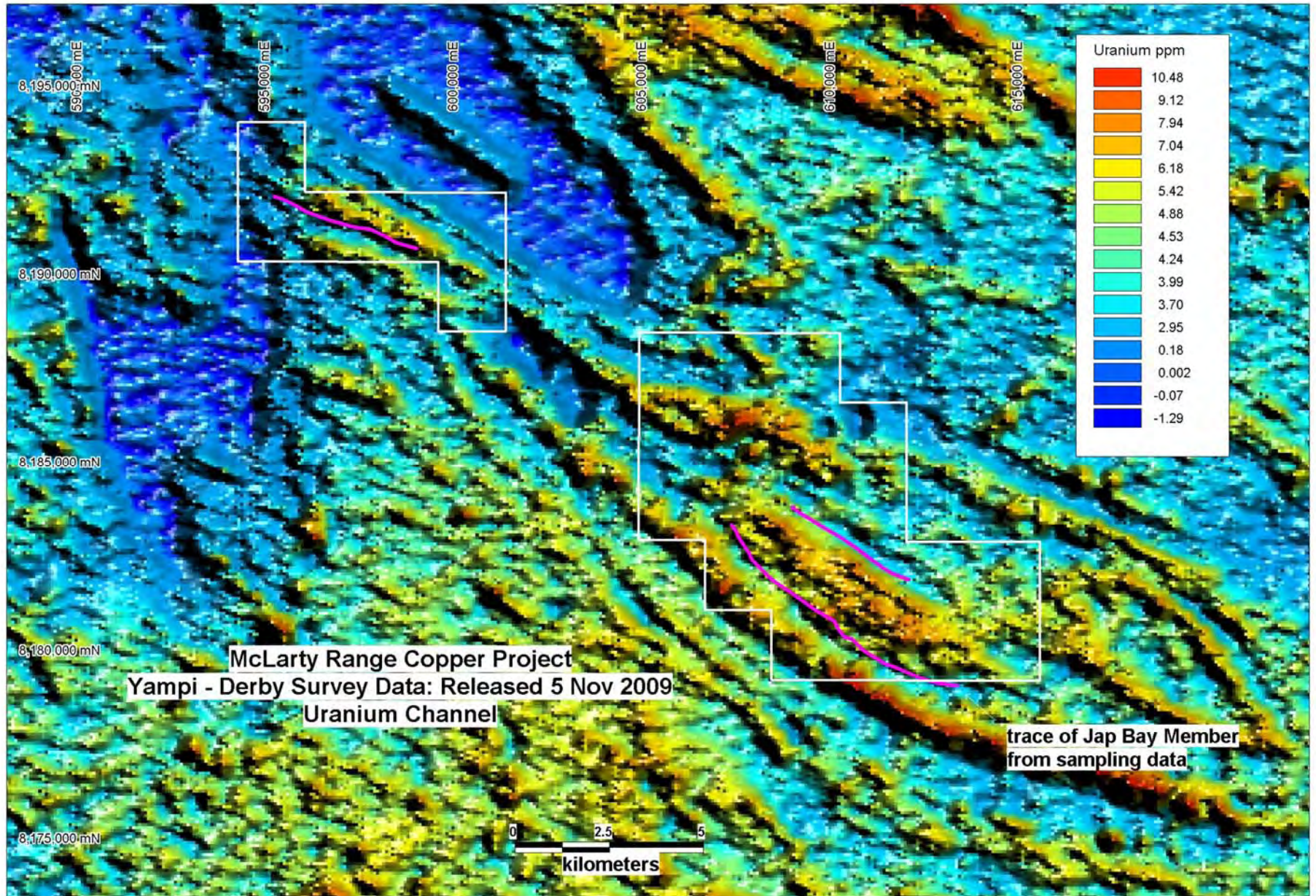


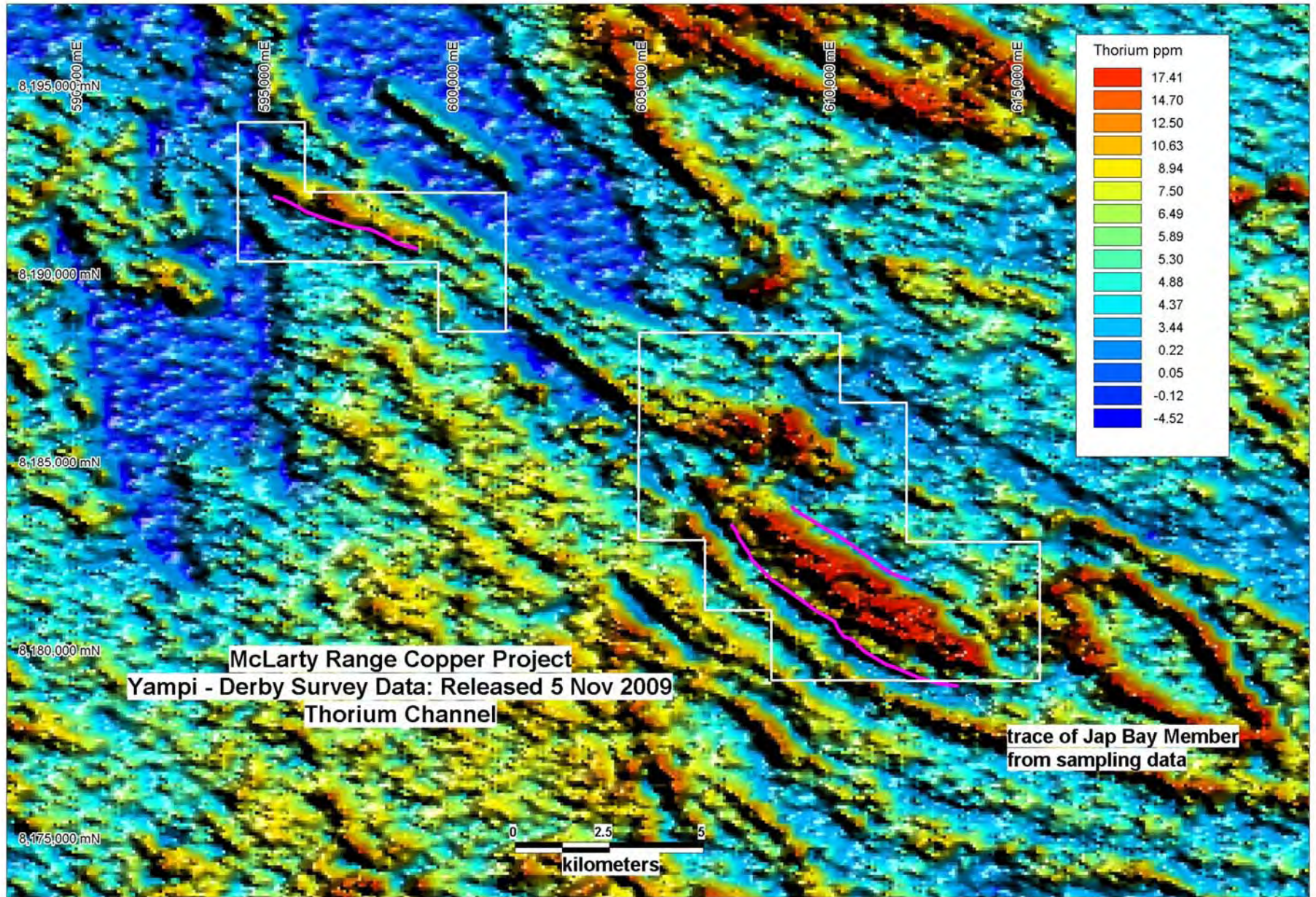
Copper stained metasediments stratigraphically above the mineralised Jap Bay Member

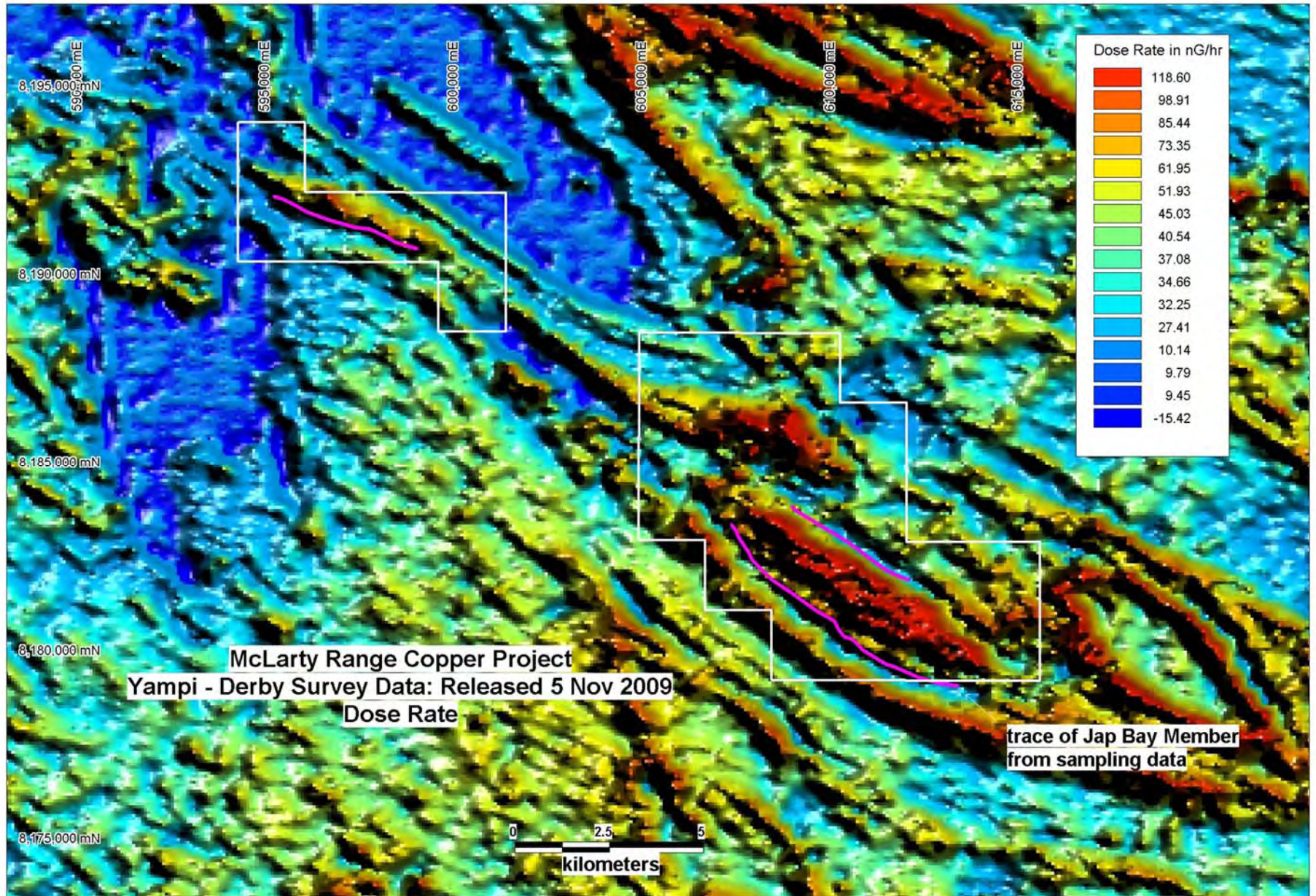














2010 Planning

- Scout drilling program on main copper showings at McLarty
- Considering use of helicopter-portable drill rig to minimise “footprint”
- Extend mapping/sampling away from known showings at McLarty
- Evaluation of available satellite imagery and airborne geophysical data
- East Kimberley prospect-scale work



The information in this presentation which relates to Exploration Results is based on information compiled by George Katchan, who has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. George Katchan consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.