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METAL STORM LIMITED

A.C.N. 064 270 006

METAL STORM LIMITED – RESOLUTIONS PASSED AT EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS

BRISBANE, AUSTRALIA - 4 March 2010 – Metal Storm Limited (ASX trading code: **MST**, OTC symbol **MTSXY**, PoMSOX code: **MSTG**) announces the resolutions passed at the company's Extraordinary General Meeting of Shareholders, held in Brisbane today.

SPECIAL BUSINESS

1 Approval of issue of securities to GEM under facility agreement

That for the purposes of ASX listing rule 7.1 and for all other purposes, shareholders approve the issue of the following securities to GEM or its nominee in accordance with the terms of the facility agreement, details of which are set out in the explanatory statement:

(a) up to 520,000,000 shares at an issue price determined in the manner set out in the explanatory statement; and

(b) up to 100,000,000 unquoted options.

Proxies to vote for 155,576,319

Proxies to vote against 3,168,029

Proxies to abstain 714,502

Proxies to vote at the proxy's discretion 11,093,976

This resolution was decided by a show of hands.

2 Approval of previous issue of unquoted options to GEM under facility agreement

That for the purposes of ASX listing rule 7.4 and for all other purposes, the previous issue of 8,000,000 unquoted options to GEM, in accordance with the terms of the facility agreement, details of which are set out in the explanatory statement, be authorised and approved.

Proxies to vote for 155,197,106

Proxies to vote against 3,571,539

Proxies to abstain 740,224

Proxies to vote at the proxy's discretion 11,043,957

This resolution was decided by a show of hands.

3. Approval of issue of shares to Empire Equity

That subject to and conditional upon resolution 1 being passed and for the purposes of ASX listing rule 7.1 and for all other purposes, shareholders approve the issue of the following shares to empire equity in accordance with the terms of the mandate, details of which are set out in the explanatory statement:

(a) up to 44,444,444 shares in connection with payment of the mandate commitment fee; and

(b) up to 5,000,000 shares in connection with payment of mandate ongoing fees,

at an issue price determined in the manner set out in the explanatory statement.

Proxies to vote for 155,390,804
Proxies to vote against 3,827,808
Proxies to abstain 752,035
Proxies to vote at the proxy's discretion 10,582,179

This resolution was decided by a show of hands.

4. Approval of previous shares issued to Empire Equity

That for the purposes of ASX listing rule 7.4 and for all other purposes, the previous issue of 44,444,444 shares to Empire Equity at an issue price of \$0.018, in accordance with the terms of the mandate details of which are set out in the explanatory statement, be authorised and approved.

Proxies to vote for 154,842,680
Proxies to vote against 4,117,521
Proxies to abstain 1,010,446
Proxies to vote at the proxy's discretion 10,582,179

This resolution was decided by a show of hands.

5. Approval of issue of security to Andrew Doyle

That for the purposes of ASX listing rule 7.1 and for all other purposes, shareholders approve the issue of shares and Doyle options to Andrew Doyle in accordance with the terms of the subscription agreement, details of which are set out in the explanatory statement.

Proxies to vote for 145,952,773
Proxies to vote against 2,717,371
Proxies to abstain 1,210,656
Proxies to vote at the proxy's discretion 10,582,656

This resolution was decided by a show of hands.

6. Approval of previous issue of shares to Alan Waters

That for the purposes of ASX listing rule 7.4 and for all other purposes, the previous issue of 6,666,666 shares to Alan Waters at an issue price of \$0.015, details of which are set out in the explanatory statement, be authorised and approved.

Proxies to vote for 155,792,954
Proxies to vote against 2,664,193
Proxies to abstain 1,499,389
Proxies to vote at the proxy's discretion 10,596,290

This resolution was decided by a show of hands.

7. Approval of issue of shares to Andrew Doyle

That for the purposes of ASX listing rule 7.4 and for all other purposes, the previous issue of 48,392,857 shares to Andrew Doyle, details of which are set out in the explanatory statement, be authorised and approved.

Proxies to vote for 145,117,588
Proxies to vote against 2,976,962
Proxies to abstain 1,457,767
Proxies to vote at the proxy's discretion 10,910,662

This resolution was decided by a show of hands.

8. Approval of issue of quoted options

That for the purposes of ASX listing rule 7.1 and for all other purposes, shareholders approve the issue of up to 176,720,447 quoted options to former option holders, details of which are set out in the explanatory statement.

Proxies to vote for 138,801,852
Proxies to vote against 4,527,456
Proxies to abstain 1,430,955
Proxies to vote at the proxy's discretion 10,183,497

This resolution was decided by a show of hands.

-Ends-

Company Contact:

Australia & USA

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About Metal Storm

Metal Storm Limited is a defence technology company, employing 60 staff, headquartered in Brisbane, Australia and incorporated in the US, with offices in Washington DC and a defence engineering capability located in Seattle, operating as ProCam Machine LLC. The Company has invented 100% electronic ballistics technology that has no known conventional equivalent. Metal Storm is working with government agencies and departments, and the defence industry to develop a variety of systems utilising the Metal Storm non-mechanical, electronically fired stacked ammunition system.

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 U.S., 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.