



METAL STORM LIMITED

ACN 064 270 006

METAL STORM DIRECTOR RETIRES

Brisbane, Australia – 16 February 2009: Metal Storm Limited (ASX trading code: MST, OTC Symbol: MTSXY; POMSOX Code: MSTG).

Metal Storm Limited today announced that Dr. Peter Jonson will retire as a director of the company, effective immediately, due to demands from both public and private sector commitments.

Dr Jonson was appointed a Director of Metal Storm in February 2006.

In his resignation letter Dr Jonson advises that he regrets the need to resign but he has a responsibility which requires his urgent, undivided attention. Specifically he serves as Chairman of the Federal Government's Committee for Cooperative Research Centres which controls and monitors the funding of 49 cooperative research centres (CRC) nationwide. With a new CRC funding round requiring peak input in coming months, he has an exceptional increase in workload and needs to reduce other commitments.

"As a result of these pressing demands, Dr Jonson has made the difficult decision to withdraw from certain commitments, including as a director of Metal Storm," Dr Finniear said. "The Company has been fortunate for his input and dedication to the task of commercialising the technology and the skills he has brought in that respect. Dr Jonson is positive and enthusiastic about Metal Storm's progress towards commercial production of its weapons systems. We know Peter will expect to see his work with us lead to a successful application of the technology and we intend to meet his expectation in due course."

Dr Jonson said today: "Metal Storm has made great progress and now has a real prospect of getting its revolutionary weapons technology into the field. I have been pleased to be able to help with this progress."

Chairman Terry O'Dwyer thanked Dr Jonson saying: "His contribution to Metal Storm over the past three years had been significant and the Company and Board wish him the very best for his future endeavours."

ENDS

Notes:

Metal Storm's Australian Stock Exchange trading code: MST
Metal Storm's OTC Symbol: MTSXY

Company Contact:

Australia & USA

Dr Lee Finniear - Chief Executive Officer, Metal Storm Limited - Ph: +61 7 3123 4700

About Metal Storm

Metal Storm Limited is a multi-national defence technology company engaged in the development of electronically initiated ballistics systems using its unique "stacked projectile" technology. The company is headquartered in Brisbane, Australia and incorporated in Australia. Metal Storm Limited technology and products are represented in the USA by Metal Storm Inc., which has offices in Arlington Virginia. Metal Storm is working with government agencies and departments, as well as industry, to develop a variety of systems utilising the Metal Storm non-mechanical, electronically fired stacked ammunition system.

Metal Storm's weapon technology uses computer-controlled electronic ignition and a system of stacked projectiles, to achieve a completely nonmechanical gun that is very lightweight and compact, providing a very high firepower to weight ratio. The Metal Storm weapons system utilizes multiple barrels mounted together on one platform which allows varying munitions types to be deployed in a single, low cost, lightweight weapon system. Firing the weapons by electronic ignition requires no moving parts, allowing reliable long term unattended weapon operation.

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 US, 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