



METAL STORM LIMITED

ACN 064 270 006

METAL STORM COMPLETES MAUL WEAPON DEMONSTRATION

ARLINGTON, VA, May 28, 2009 – Metal Storm Limited (ASX trading code: MST, OTC Symbol: MTSXY, POMSOX code: MSTG).

Weapons developer Metal Storm today announced that Metal Storm Inc. has successfully completed a Live Fire Demonstration under a contract with the Office of Naval Research (ONR). The demonstration was conducted at Nellis Air Force Base in Nevada in front of United States military and key defence industry figures.

Metal Storm General Manager, Mr Peter D. Faulkner said the demonstration was the last of seven tasks on the contract with ONR that began just 12 months prior.

“The event was a tremendous success and clearly demonstrated the viability of our technology in a field environment. It also shows how rapidly we are able to turn concepts into realisable weapons” said Mr. Faulkner.

“The range at Nellis was set up to simulate an operationally equivalent environment for the MAUL in a crowd control situation. We fired a total of eighty less-lethal rounds at several 25 metres targets. The response from observers was universally positive” he said.

Mr. Faulkner said the Company is now focusing its attention on munitions for the MAUL. “With the launcher system development essentially complete, we’ll be looking to expand the complement of less-lethal as well as lethal munitions. The demonstrations thus far have allowed us to prioritize the munition candidates and we’ll be concentrating on those that offer the most utility to the broadest user base” he said.

ENDS

Notes:

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

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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 non-mechanical 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 company's reports filed from time to time with the Securities and Exchange Commission, including the company's Form 20-F.