



ABN: 38 131 715 645
MGT Resources Limited
Lvl 39 / 2 Park Street,
Sydney, NSW 2000
Australia

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20 October 2010

Mr Ian Craig
National Stock Exchange

Dear Mr. Craig

PLACEMENT OF 6,800,000 SHARES AT \$0.25 EACH – MGT RESOURCES LIMITED

MGT Resources has agreed to place 6,800,000 shares in the issued capital of the company at a discount to the current market price. The placement price per share is \$0.25 and it is proposed that the placement be made to a group of local and off-shore professional investors.

The number of shares placed represents less than 15% of the current issued shares in the capital of the company and application will be made to list the shares, which will be fully paid and will rank pari passu with all existing shares.

Attached hereto is an announcement to be made to the market in relation to the placement.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Alex M.' with a stylized flourish at the end.

Alex Moody
Company Secretary