



# METAL STORM LIMITED

ACN 064 270 006

## METAL STORM GETS FIVE NEW PATENTS IN THE USA

**Brisbane, Australia** – Wednesday, 27 January 2010: Metal Storm Limited (ASX trading code: MST, OTC Symbol: MTSXY).

Metal Storm Limited is pleased to announce that the US Patent Office has recently allowed and will grant 5 more Patents to Metal Storm. These important Patents provide certain protections for current Company products and some of the anticipated methods of deploying those products. Each Patent is paraphrased below.

Patent Serial No. 12/280108 is important for Metal Storm weapon and ammunition systems. It provides Patent protection for the internal sealing system within Metal Storm ammunition. The Patent defines one of the key inventions that allows Metal Storm ammunition to be fired using conventional propellants, while also making sure that when one projectile is fired, the hot gases do not ignite projectile propellants further down the projectile stack.

Patent Serial No. 12/273702 is important for less lethal and for large calibre weapons. It provides patent protection for systems that provide selectable kinetic energy (selectable velocity) using externally arranged propellant chambers. This is particularly important in multiple range less lethal weapon systems where you need to hit targets at different ranges with the same force, and other situations where the trajectory arc as well as range needs to be controlled.

Patent Serial No. 10/555510 includes a safety system that detects whether a projectile has moved after being fired. This provides feedback to the fire control system that it is safe to arm and fire the next projectile in the projectile stack.

Patent No. 7631600 is important for missile and incoming projectile defence. It protects the target interception system designed for Redback and that the Company may use in other systems in the future. The Patent covers a series of Metal Storm barrels on a mount, together with a controller and sensor configuration that determines the position of a target, computes a geographic and temporal projectile deployment pattern, and then fires projectiles to create that pattern to intercept the target. Example targets could include incoming missiles, rocket propelled grenades and explosive or kinetic rounds.

Patent No. 7637195 has important implications for the future of minefields. It protects the system of deploying multi-barrel weapon systems for set defence where each barrel contains a sensor projectile followed by a series of other projectiles. On deployment, the weapon system fires the sensor from each of the barrels to cover an area with sensors. If any sensor is triggered, the barrel to which it belongs fires a subsequent projectile to the same point as the

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sensor to provide an effect at that position. Applications can include lethal or less-lethal effect options depending on the nature of the expected threat.

The system protected by this patent has several key benefits:

- it could be deployed over large areas in seconds and provide unmanned defence for extended periods;
- Unlike conventional minefields it is “self healing”, if an incursion triggers a firing, there would still be more projectiles in each barrel to maintain the protection at that point;
- The protection could be switched off instantly, either over the entire area or for a path through the area;
- The system could be instantly removed with no mines or other explosive ordnance remaining in the area that had been protected.

Metal Storm CEO Dr Lee Finniear said he believed this series of patents significantly reinforces the IP protection and current value of the Metal Storm IP Portfolio.

“These Patents are particularly relevant as they increase the IP protection of our current series of weapons and ammunition before they are released to market”, Dr Finniear said. “Maintaining and protecting our technical leadership in small arms is critical for the Company’s future”.

Dr Finniear added, “We are very fortunate to have a small but excellent team of talented engineers that are capable of creating these solutions, augmented by our dedicated in-house IP specialists who have pursued these patent claims to such a positive outcome”.

**END**

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**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 utilises 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.