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Company	GVM Metals Ltd
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GVM METALS LIMITED**Share Placement, Proposed Notice of GM and Update on Coal Assets****Placing of 40,295,000 new ordinary shares to raise up to £13.7m****Placing and notice of EGM**

GVM Metals Limited ('GVM' or the 'Company') is pleased to announce that it has today completed fundraising of up to £13.7m by way of a placing of up to 40,295,000 new ordinary shares in GVM at 34p per share (the '**Placing**').

The monies have been raised from clients of London based Blue Oar Securities Plc* and Mirabau Securities Limited, as joint brokers to the Company, together with certain institutional investors based in South Africa and will be used to fund the acquisition of Kelso Mining Limited ("Kelso") as announced on 7 February 2007, subject to the board of Directors (the "Board") resolving that it is in the best interests of the Company and its shareholders to exercise an option to acquire 70% of the issued share capital of Coal of Africa Limited ("CoAL"), which owns the Mooiplaats Coal Project.

The Placing requires the approval of GVM shareholders at a General Meeting ("GM"), which the Company anticipates will be held during the week ending 11 May 2007. In conjunction with the Placing, the notice of GM will also seek:

1. the ratification of the placing of 12,200,000 new GVM ordinary shares at 20p each to GVM Management plc as announced on 21 December 2006;
2. the ratification of the appointment to the Board of Directors of Messrs Steve Bywater and Graham Taggart from Global Coal Management plc;
3. the approval of the placing of 8,333,333 new GVM ordinary shares at 30p each to raise £250 million previously announced on 20 February 2007; and
4. the approval, as may be required, to allot further shares in GVM of up to a maximum of 30 million new GVM ordinary shares.

The Notice of General Meeting will be distributed to shareholders in due course.

Subject to and following approval of the resolutions, application will be made for the new ordinary shares that are the subject of the placings to be admitted to trading on AIM, ASX and the JSE as required.

Update on the acquisition of other coal interests

The Company is pleased to advise that it has received South African Ministerial Approval under Section 11 for the Baobab Coal Project, thus clearing the way for to the completion of the acquisition of the coal interests of Motjoli Resources (Proprietary) Limited ("Motjoli Coal Interests"). To reiterate, finalisation of the Motjoli Coal Interests acquisition will allow completion of GVM's acquisition of the remain interests in Limpopo, Holfontein and Baobab, thereby taking its interest therein in each case to 100%.

With regard to the proposed acquisition of the Kelso Mining Limited, GVM is still awaiting a final CPR on the Mooiplaats Coal Project, which is expected within 6 weeks.

Following receipt of the CPR for Mooiplaats and an Independent Expert's Report on the Motjoli C Interests (as required by the Corporations Act), GVM will announce and post a further notice of ge meeting to seek shareholder approval for both the Kelso and Motjoli Coal Interests acquisitions.

The Company also advises that discussions have also commenced with Eskom regarding the conclusion of a possible off-take agreement from the Mooiplaats Coal Project.

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* Blue Oar Securities Plc was formerly Corporate Synergy Plc and acts as Nominated Adviser & Joint Broker to the Company.

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