



Donner Metals Ltd

October 25, 2011

Number: 9-11

TSX Venture Exchange Symbol: DON
Frankfurt Stock Exchange Symbol: D4M

DONNER METALS ANNOUNCES C\$2,440,000 OF PRIVATE PLACEMENT FINANCINGS

NOT FOR DISSEMINATION IN THE UNITED STATES OR FOR DISTRIBUTION TO U.S. NEWSWIRE SERVICES

Vancouver, British Columbia – October 25, 2011 – Donner Metals Ltd. (“Donner” or the “Company”) is pleased to announce that it has entered into an agreement with Haywood Securities Inc. (“Haywood”) under which Haywood has agreed to act as agent for the private placement, on a guaranteed agency basis, of 9,090,910 common shares of the Company designated as flow-through shares for purposes of the Income Tax Act (Canada) (the "Flow-Through Shares") at a price of C\$0.22 per Flow-Through Share, for gross proceeds to the Company of C\$2,000,000.

The Company also intends to complete a concurrent non-brokered private placement of 2,000,000 Flow-Through Shares at a price of C\$0.22 per Flow-Through Share for gross proceeds to the Company of C\$440,000.

The aggregate proceeds from the sale of the Flow-Through Shares will be used for the advancement of the Matagami Project in Quebec.

The closing of the financing is subject to the completion of formal documentation, receipt of all necessary regulatory approvals, including the approval of the TSX Venture Exchange, and other customary conditions.

The Flow-Through Shares will be subject to a four-month hold period.

This press release does not constitute an offer to sell, nor is it a solicitation of an offer to buy, securities.

These securities have not been and will not be registered under the United States Securities Act of 1933, as amended, or the securities laws of any state, and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons unless an exemption from the registration requirements of the United States Securities Act of 1933, as amended, and all applicable state securities laws is available. This press release does not constitute an offer to sell or the solicitation of an offer to buy these securities in the United States or to, or for the account or benefit of, U.S. persons.

Donner Metals Ltd.

Donner Metals Ltd. is a Canadian development and exploration company focused on base and precious metal projects in Québec. Donner's flagship project is a partnership with Xstrata Canada Corporation in the Matagami Mining Camp covering both the current development of a new mine and on-going exploration activities. The project is located in the Abitibi region of central Québec and it is supported by Xstrata's existing mine infrastructure, a highly experienced workforce and an operating 2,950 tonne per day mill. As well, the area is serviced by highway, power, airport, railway and town site infrastructure.

ON BEHALF OF THE BOARD OF

DONNER METALS LTD.

“David Patterson”
Chairman

NEITHER THE TSX VENTURE EXCHANGE NOR ITS REGULATION SERVICES PROVIDER (AS THAT TERM IS DEFINED IN THE POLICIES OF THE TSX VENTURE EXCHANGE) ACCEPTS RESPONSIBILITY FOR THE ADEQUACY OR ACCURACY OF THIS NEWS RELEASE.

Donner Metals Ltd.

Suite 2150, 885 West Georgia Street, Vancouver, British Columbia, Canada V6C 3E8
Telephone: (604) 683-0564 Fax: (604) 602-9311 or Toll Free: 1-800-909-8311
E-mail: donner@bed-rock.com or Web: <http://www.donnermetals.com>