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TSX.V-RAY

RAYTEC FINALIZES FARM-IN WITH AFRICA OIL AND ACQUIRES ADDITIONAL BLOCK

August 20, 2009, Vancouver, BC – Further to an earlier release, Raytec Metals Corp. (the “**Company**” or “**Raytec**”) (TSX.V – RAY) announces today that it has finalized a farm-in agreement (the “**Agreement**”) with Africa Oil Corp. (“**Africa Oil**”), a member of the Lundin Group of Companies. The Agreement relates to production sharing contracts in which Africa Oil has interests in the Republic of Kenya and the State of Puntland, Somalia.

Kenya

Africa Oil will transfer to Raytec a 10% interest in the Block 9 Production Sharing Agreement, a 25% license interest in the Block 10A Production Sharing Contract and a previously unannounced 20% interest in Block 10BB Production Sharing Contract.

Block 10BB, recently acquired by Africa Oil from Turkana Energy Inc., is a large block encompassing approximately 13,000 square kilometres in the Rift Valley of northwestern Kenya. The block is within the Tertiary rift trend of East Africa, which has recently yielded major oil discoveries by operators such as Heritage Oil Corp. and Tullow Oil plc, both active in the Lake Albert region of Uganda. Block 10BB is located immediately west of Blocks 9 and 10A.

Puntland, Somalia

Africa Oil will transfer a 15% license interest to Raytec in the Nogal and Dharoor Petroleum Production Sharing Agreements.

“The alliance with Africa Oil is a unique opportunity to partner with the Lundin Group, one of the most respected names in the energy resource industry,” said Brian Thurston, President and CEO of Raytec. “Our participation in the Kenya Block 10BB reinforces Raytec’s commitment to create opportunities for our shareholders to participate in world-class exploration plays in East Africa”.

This farm-in transaction is subject to TSX Venture Exchange (the “**Exchange**”) acceptance, as well as approvals of the appropriate regulatory authorities from the Republic of Kenya and the government of Puntland, Somalia. A finders fee will be payable in accordance with Exchange policies.

About Raytec:

Raytec Metals Corp. is a well-financed, Canadian exploration company with recently signed agreements with Africa Oil Corp. and Encanto Potash Corp. The Company holds an approximately 20% interest in Sulphur Solutions Inc., an emerging fertilizer company developing state-of-the-art patented technology for the production of micronized sulphur fertilizer. The Company is further diversified with a uranium joint venture project in the Athabasca Basin of Saskatchewan and an iron ore project in Ontario.

To find out more about Raytec Metals Corp., please visit the company website at www.raytecmetals.com or review the documents filed on www.sedar.com.

On behalf of the Board,
RAYTEC METALS CORP.

“Brian Thurston”
President and CEO

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

This release includes certain statements that may be deemed “forward-looking statements”. All statements in this release, other than statements of historical facts, that address exploration drilling, exploration activities and events or developments that the Company expects to occur, are forward-looking statements. Forward-looking statements in this news release include statements regarding the Agreement and interests to be transferred to Raytec there under, and any future exploration plans and expenditures. Although, the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance and actual results or developments may differ materially from those forward-looking statements. Factors that could cause actual results to differ materially from those in forward-looking statements include market prices, exploration and exploration successes, and continued availability of capital and financing and general economic, market or business conditions. These statements are based on a number of assumptions, including among others, assumptions regarding general business and economic conditions, the timing and receipt of regulatory and governmental approvals for the transactions described herein, the ability of the Company and other parties to satisfy Exchange and other regulatory requirements in a timely manner, the availability of financing for the Company’s proposed transactions and programs on reasonable terms, and the ability of third-party service providers to deliver services in a timely manner. Investors are cautioned that any such statements are not guarantees of future performance and actual results or developments may differ materially from those projected in the forward-looking statements. The Company does not assume any obligation to update or revise its forward-looking statements, whether as a result of new information, future events or otherwise.