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Manager Company Announcements  
Company Announcements Office  
Australian Stock Exchange Limited  
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## **Commissioning of Expanded Production Capacity Commences**

- Solvent Extraction plant optimisation completed
- Electrowinning plant optimisation completed
- Haul road upgrade completed
- Commissioning of SX/EW has commenced
- Production anticipated to achieve 9,000 tpa rate during August 2008
- Copper cathode sales continue

### **Expanded Production - 9,000 tpa Copper Cathode Production**

The construction phase of the Leichhardt Copper Cathode plant expansion has been completed and commissioning started. Commissioning is expected to take approximately one month during which time the ramp-up of production capacity rate from 5,500 tpa copper cathode to 9,000 tpa copper cathode (60% increase in production rate) will proceed.

As well as construction of additional sections of the plant, the opportunity has been taken to optimise and streamline the production facilities, including changing the configuration of the filtration area; addition of an extra SpinTek filter; modifications to existing dual media filters; implementation of mechanically assisted cathode stripping, adjustments to the leach pond configuration plus debottlenecking of the electrowinning circuit.

Matrix has also widened and upgraded sections of the haul road and increased the road maintenance water supply from Matrix's wholly owned sources (an essential condition in this very dry year), enabling it to efficiently cater for the increased hauling capacity requirements.

Mining and crushing / stacking contractors have already scaled up activities to allow for the extra production of copper cathode.

**Electro Winning Section  
(Yellow rectangle highlights the expanded EW area).**



**Side view of the completed  
Solvent Extraction and Electro Winning Plant  
(Yellow Lines highlight the expanded section of the EW plant)  
(Green Lines highlight the Original plant)**



**The Day After Commissioning  
Three Quarters of a million dollars worth of Copper Cathode  
loaded for transport and sale**



**Stage Two Expansion Study – Life Extensions**

In addition to the Stage One Expansion, the Stage Two Study is progressing well. Stage Two aims to complete the conversion of the remainder of the Mt Watson mineral resource to reserve status. Conversion of current resources to reserves will potentially provide a minimum 5 year mine life at the expanded production rate of 9,000 tpa copper cathode, with previously identified prospects at Hidden Treasure, Mt Earl, Mt Wonder, and Boomerang all offering additional potential for significant mine life extensions.

Column test work for Mt Watson Stage 2 has commenced. Results are expected to be available early in the December quarter of 2008 - with the assessment of this stage to be completed by the end of this calendar year. If the study indicates that the project meets the Company's investment hurdles, then life extensions will result for the Leichhardt processing plant.

Yours Faithfully

A handwritten signature in black ink, appearing to read 'S McBride', written in a cursive style.

Shane McBride  
**Managing Director**