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Manager Company Announcements
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Leichhardt Operation Final Operating Approval Received

Matrix Metals Limited ("Matrix") is pleased to announce that the final statutory approval required for the commencement of production at the Leichhardt Operation was received from the Queensland Environmental Protection Agency yesterday, 6 December 2006.

The approval relates to an amendment to the Mt Cuthbert Plan of Operation allowing the Mt Cuthbert plant and infrastructure to move from a care and maintenance status to operating status.

Along with the approved Plan of Operations for the development of the Mt Watson mine and the Environmental Authorities related to both Plans of Operations, all approvals are now in place for the commencement of operations at the Leichhardt Operation.

Pre-Production Activities at the Leichhardt Operation Continue

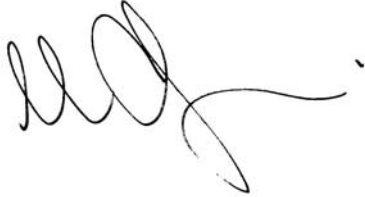
Work activities related to the commencement of copper production from the Leichhardt Operation continue and include the following:

- Refurbishment of the Mt Cuthbert SX/EW plant and associated infrastructure.
- An order has been placed (value of \$1.2m) for stage one of the Village upgrade and sewage system with delivery of stage one to site due in early January 2007.
- Mobilisation is scheduled within the next few weeks for a contractor to commence various earthworks projects including the upgrade to the

access road, reinstatement of the Leichhardt River crossing, a program of work in the leach pad area and general works in the Village area.

- The tender document for the combined mining, ore haulage and crushing and stacking contract is scheduled to be issued later today.

Yours Faithfully

A handwritten signature in black ink, appearing to be 'A. Chapman', with a long horizontal flourish extending to the right.

Andrew Chapman
Managing Director