

17 November 2003

Manager Company Announcements
Company Announcements Office
Australian Stock Exchange Limited
Level 10, 20 Bond Street
SYDNEY NSW 2000



ABN 42 082 593 235

Electronic delivery
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Dear Sir,

ANNOUNCEMENT
Placement of Ordinary Shares

Matrix Metals Limited ("Matrix") is pleased to announce that it has lodged a prospectus dated 17 November 2003 in respect of the placement of up to 45,206,736 ordinary shares at an issue price of 8 cents per share to raise up to \$3,616,539 (the "Issue").

The directors have also resolved to accept over subscriptions of up to a further 25 million shares at an issue price of 8 cents per share to raise up to an additional \$2,000,000.

Matrix has reached in principle agreement with Hartley's Limited ("Hartleys") to place the \$3,616,539 and any over subscriptions to institutional and retail clients. Hartleys has advised that it anticipates receiving the placement funds by no later than Friday 28 November 2003.

The funds raised from the Issue will be applied to exploration activities at the Mt Cuthbert and White Range projects, continuing activities in regard to the Mt Cuthbert production upgrade, and for general working capital purposes. These activities will proceed in parallel with completion of the White Range Bankable Feasibility Study which has been separately funded by a debt facility secured from SG Australia Limited ("SG").

The Issue is being undertaken pursuant to the directors' 15% placement authority, with the placement subject to reinstatement of that authority at the Company's annual general meeting on 20 November 2003. The issue of shares related to any over subscriptions will be subject to separate shareholder approval, in respect of which a notice of meeting will be lodged in due course.

Yours Faithfully

A handwritten signature in black ink, appearing to be "A. Chapman", written in a cursive style.

Andrew Chapman
Chief Executive Officer