

11 August 2005

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
No of pages: 5

Dear Sir,

ANNOUNCEMENT

Uranium Mineralisation and Anomalism

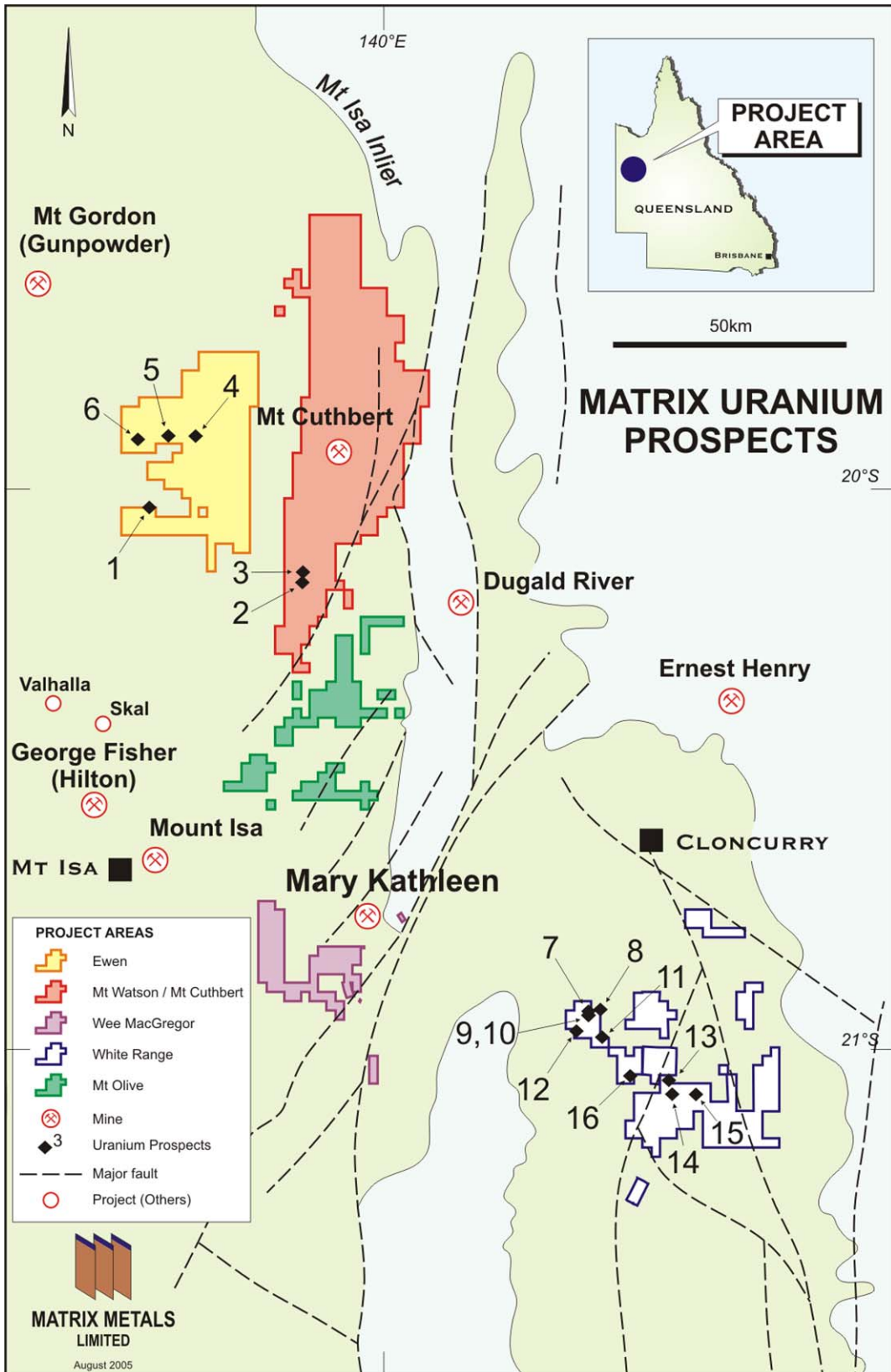
Matrix Metals Limited commenced a detailed data search and regional exploration program (Program) across the Company's entire Mt Isa region tenement portfolio commencing in late 2004. The Company is pleased to announce that this Program has confirmed numerous significant occurrences of high grade uranium mineralisation and several extensive under explored anomalous uranium zones within the Company's 3,500 square kilometre, 100% owned, tenement holding. These occurrences are within close proximity to the Mary Kathleen uranium mine and the large undeveloped Valhalla and Skal uranium deposits.

Uranium occurrences of note include the following:

- Percussion drilling reporting results up to 0.38% U_3O_8 , diamond drilling results up to 4m @ 0.12% and 0.84% U_3O_8 in rock chips on the Conquest Line in the Ewen Group Project Area, (Prospect #1 in Figure1). The majority of the prospects in the Ewen Group are hosted by sediments within the Eastern Creek Volcanics which host the Skal & Valhalla uranium deposits. (resource grade of 0.14% U_3O_8)
- A 12 kilometre long very prospective co-incident geochemical and airborne radiometric uranium anomaly along the Sierra Line in the White Range Project area (Prospects #10 to 12). The uranium anomalies in the White Range area are hosted by the Mary Kathleen Group geological package in which the Mary Kathleen uranium mine occurred.
- Values of up to 1.18% U_3O_8 in rock chips taken at the Miranda Prospect (Prospect #2) located about 23km SSW of Mt Cuthbert.

The top 15 uranium occurrences identified on Matrix's tenements at this time are located in Figure 1 below. Specific details of the top 15 occurrences are set out in Table 1.

Figure 1 Matrix Uranium Prospect Locations



Uranium History in the Region

The Mt Isa region has a significant history in regard to the discovery and mining of uranium. The most notable uranium discovery in the Mt Isa region is the Mary Kathleen mine. This mine operated in two phases between 1958 and 1982. A total of 9.2 million tonne grading 0.13% U_3O_8 was produced during the period.

Various other major uranium occurrences have been identified in the region, with the most notable of these being a series of deposits located some 40 kilometres south west of the Matrix's Mt Cuthbert and Ewen tenement blocks. These deposits, owned by a third party, comprise indicated and inferred resources of approximately 75 million pounds of U_3O_8 .

Recent Work by Matrix Metals

As part of the regional exploration program commenced by Matrix in late 2004, a significant number of uranium occurrences have been identified via researching of existing data bases. In addition, recent geochemical sampling carried out by Matrix in the White Range area has identified a 12 kilometre long uranium geochemical anomaly along the Sierra Line. Modelling of the anomalous uranium assays from lag sampling programs completed along the Sierra Line produces the 3D contour image as presented in Figure 2 below.

Figure 2 **Sierra Line Uranium Anomalies**

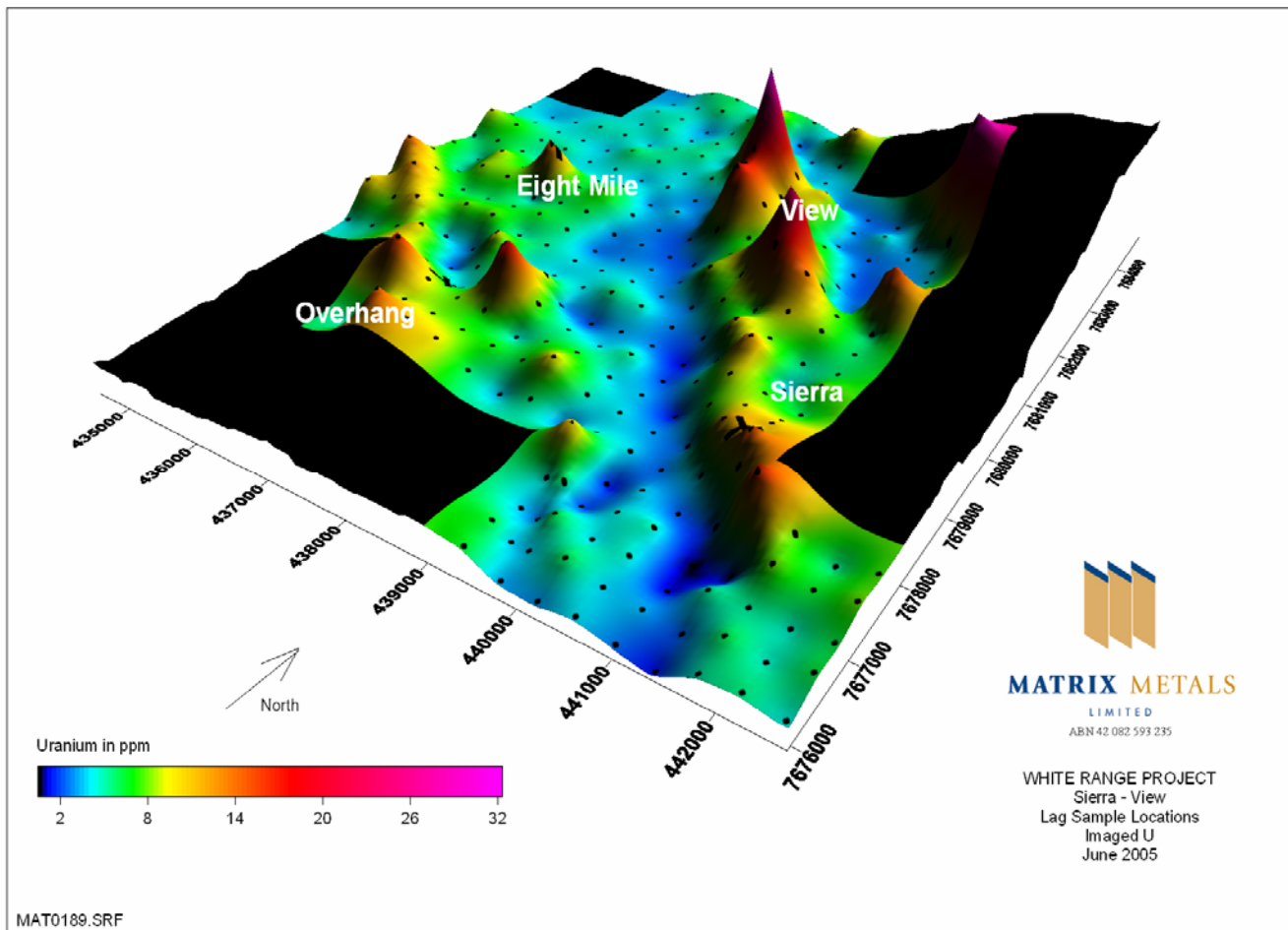


Table 1 Details of the Top 15 Uranium Prospects Identified by Matrix

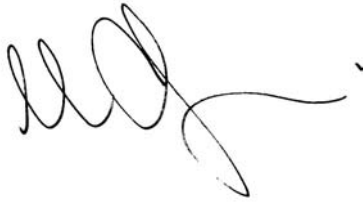
Prospect No. <i>(Figure 1)</i>	Prospect Name	Nature of Uranium Identified
1.	Conquest – Barrier – Impassable Line	Line of radioactive occurrences over a strike length of 2kms. Maximum rock chip of 0.84% U ₃ O ₈ . Maximum percussion drill intersection of 0.2 metres @ 0.38% U ₃ O ₈ . Maximum diamond drill intersection of 4.0 metres at 0.12% U ₃ O ₈
2.	Miranda	Line of radioactive occurrences over a strike length of 1km. Rock chips up to 1.18% U ₃ O ₈
3.	Prospect	Line of radioactive occurrences over a strike length of 1km. Rock chips up to 0.145% U ₃ O ₈
4.	Lochness	Large structure noted as anomalous in Uranium.
5.	Shock – Stance	Line of radioactive occurrences over a strike length of 1.5km. Rock chips up to 0.25% U ₃ O ₈
6.	Wahn	Structure noted as anomalous in Uranium.
7.	Great Western	Peak lag value to date of 33.7 ppm Uranium
8.	Mother's Delight	Lag programme underway. Peak lag value to date of 31.3 ppm Uranium, near radiometric anomaly.
9.	Cyril	Lag programme underway. Peak lag value to date of 26.8 ppm Uranium, near radiometric anomaly.
		See Figure 2 for 4 km anomaly covering Prospects 10 – 12. This anomaly is within the major 12 kilometre Sierra Line anomaly (as defined by lag, old workings & airborne radiometric).
10.	View	Rock chips up to 209 ppm Uranium. Previous drilling +1% Cu but not assayed for Uranium.
11.	Sierra South	Peak lag value to date of 17.9 ppm Uranium, coincident with radiometric anomaly.
12.	Overhang East	Lag programme underway. Peak lag value to date of 17.2 ppm Uranium. Very strong Molybdenum anomaly (234ppm). Mo and U are commonly associated.

13.	Big Mick	Strong airborne Uranium/Thorium anomaly, near high level granites.
14.	Prospect	Uranium/Thorium anomaly coincident with magnetic anomaly, some 2.5 km SSE of Big Mick.
15.	Prospect	Strong airborne Uranium/Thorium anomaly, near a granite contact, some 6 km SE of Big Mick.

Further Work by Matrix

In addition to the priority copper related exploration and resource drilling programs that are continuing at White Range, and specifically at McCabe, further evaluation of the uranium prospects will continue. This ongoing work will include field work involving both geochemical and geophysical programs and drilling programs.

Yours Faithfully



Andrew Chapman
Managing Director

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Tony Alston and Bob Dennis. Mr Alston and Mr Bob Dennis are both Members of the Australasian Institute of Mining and Metallurgy and are full-time employees of the Company. Messrs Alston and Dennis have sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, the JORC Code". Messrs Alston and Dennis, each consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

END