

15 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

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Dear Sir,

ANNOUNCEMENT

High Priority Uranium Tenements Granted

Matrix Metals Limited is pleased to announce that as a result of the Queensland Department of Natural Resources and Mines (DNRM) recently granting Exploration Permit (EPM) Nos 14281 and 14622, exploration on these two tenements can proceed.

These two tenements contain strong uranium occurrences, specifically:

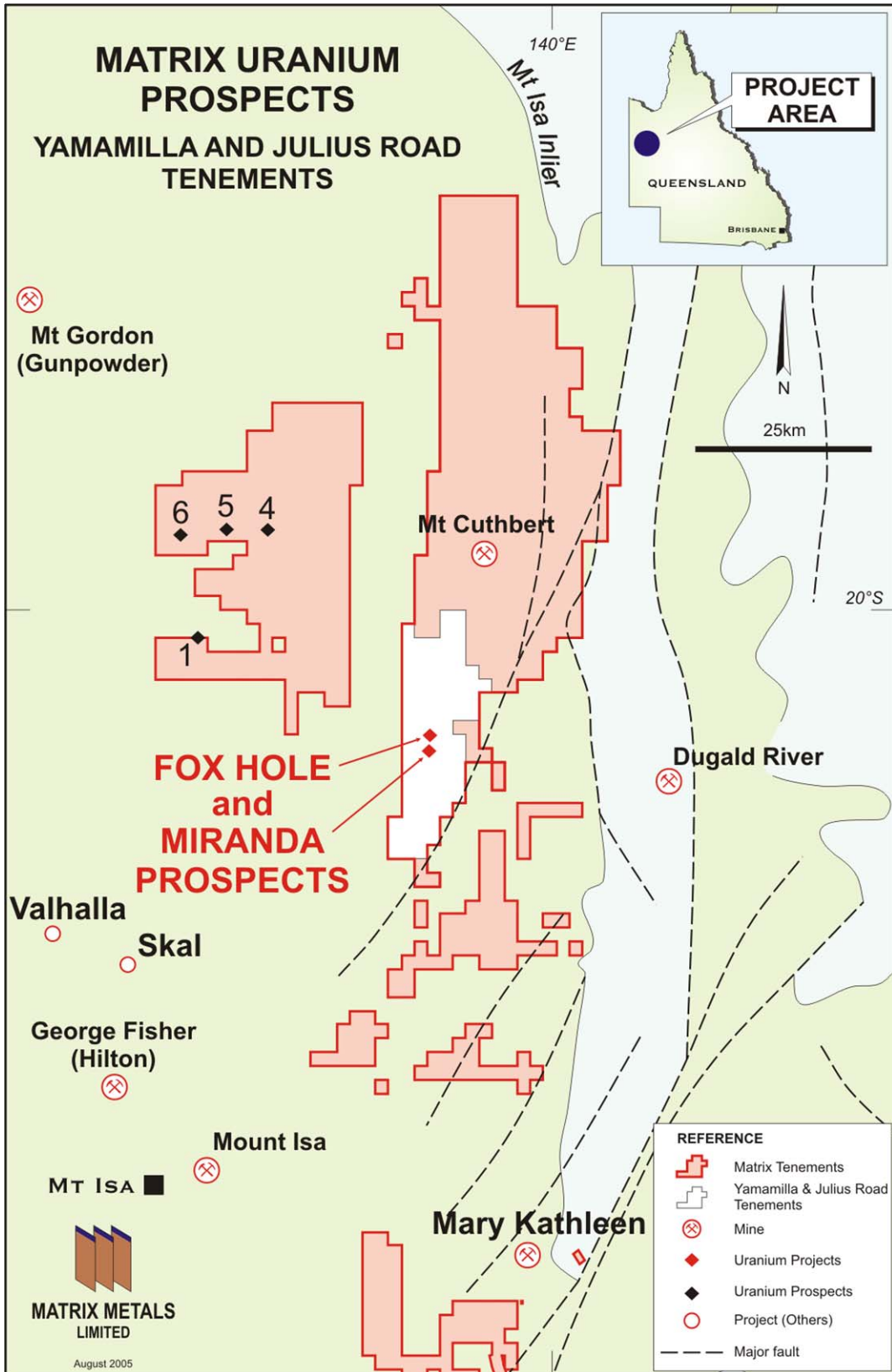
- EPM 14281, known as Yamamilla, contains the Miranda Prospect that has reported uranium occurrences over a strike length of approximately 1 kilometre with rock chips samples as high as 1.18% U₃O₈.
- The surrounding EPM 14622, known as Julius Road, contains the Foxhole Prospect that also reports uranium occurrences over a 1 kilometre strike length, with values up to 0.145% U₃O₈ reported.

The anomalies are approximately two kilometres apart and an associated airborne radiometric anomaly suggests a common origin.

The location of the Yamamilla and Julius Road EPM's, together with the Miranda and Foxhole Prospects, are presented in Figure 1.

A number of other significant uranium occurrences that have been identified to date on the Matrix tenements (as announced to ASX on 11 August 2005) are detailed below in Figure 2.

Figure 1 “Miranda & Foxhole” Uranium Prospect Locations



Uranium in the Miranda Area

The Miranda and Foxhole Prospects are hosted in the Leichardt Volcanics located to the east of five other significant uranium prospects identified to date by Matrix.

These other five prospects, located on the Ewen tenement, also contain high grade uranium mineralisation and anomalism. The location of all the uranium prospects identified to date on Matrix tenements are presented in Figure 2.

The Valhalla and Skal uranium deposits (owned by a third party) are located approximately 40 kilometres to the south west and contain a resource of approximately 75 million pounds of uranium.

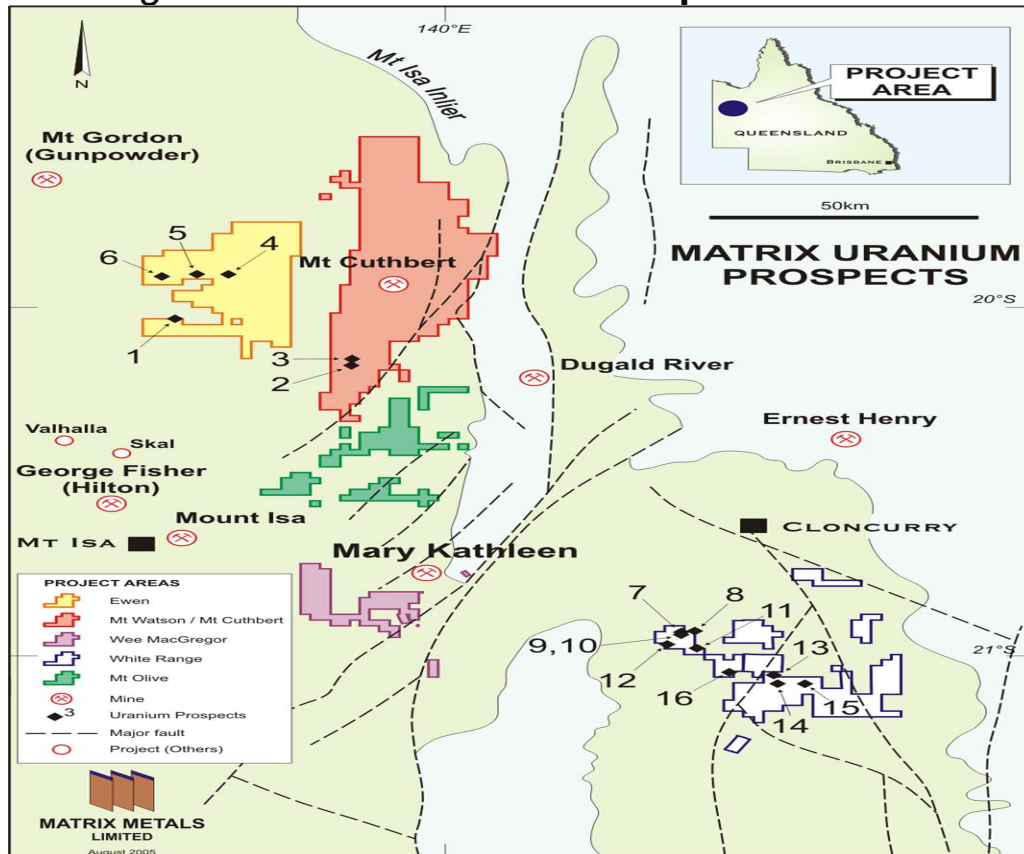
Access to Tenements and Prospects

The granting of the Yamamilla and Julius Road EPM's allows immediate access to the Miranda and Foxhole Prospects for ongoing exploration activities including drilling.

In regard to access to the other Matrix uranium prospects, Prospect 3 and Prospects 7 to 15 (as detailed in Figure 1) are on granted tenure where full access rights are in place allowing all exploration activities.

Prospects 1, 4, 5 and 6 are located on the Ewen tenement, with the DNRM advising granting of the tenement is expected in September 2005.

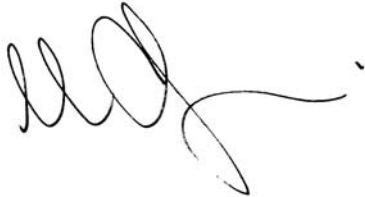
Figure 2 Matrix Uranium Prospect Locations



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 (including at the Miranda & Foxhole Prospects) involving both geochemical and geophysical programs and drilling programs.

Yours Faithfully

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

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 Mr Bob Dennis. Mr Bob Dennis is a Member of the Australasian Institute of Mining and Metallurgy and is a full-time employee of the Company. Mr Dennis has sufficient experience which is relevant to the style of mineralisation and the type of deposit under consideration and to the activity which they is 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". Mr Dennis consents to the inclusion in the report of the matters based on information in the form and context in which it appears.

END