

6 May 2004

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,

**Tranche Two of Placement and Share Purchase Plan Completed  
update to original Appendix 3B dated 1 April 2004**

**Placement:**

Matrix Metals Limited is pleased to announce that on 6 May 2004, 74,697,002 ordinary shares were issued by the Company following approval at the general meeting of shareholders conducted on 5 May 2004. The issue completes the second tranche of the placement announced on 1 April 2004 and has raised \$8,590,155, before costs of the issue. This completes the total capital raising by way of placement which has raised \$15,000,000 before costs of the issue.

The Company relies on Australian Securities and Investments Commission ("ASIC") Class Order 02/1180 as amended by Class Order 03/185 ("the Class Order") in relation to the Issue.

In accordance with the Class Order the Company notifies ASX in relation to the Issue that there is no information of the kind that would be required to be disclosed under section 713(5) of the *Corporations Act 2001* (Cth) if a prospectus were to be issued in reliance on section 713 of that Act (special prospectus content rules for continuously quoted securities) in relation to an offer of the securities comprised in the Issue.

**Share Purchase Plan:**

The Company is also pleased to announce that on 6 May 2004, 39,117,782 ordinary shares were issued by the Company in accordance Australian Securities and Investments Commission Class Order 02/831 and ASX Listing Rule 7.2 Exception 15. The issue completes the Share Purchase Plan announced on 1 April 2004 and has raised \$4,498,545, before costs of the issue.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Shane McBride".

Shane McBride  
Company Secretary