

MATERIAL CHANGE REPORT

Section 75 of the Securities Act (Ontario)
Section 85 of the Securities Act (British Columbia)
Section 118 of the Securities Act (Alberta)

Item 1. Reporting Issuer

HMZ Metals Inc.
Suite 500 – 2 Toronto Street
Toronto, Ontario
M5C 2B6
Telephone: 416-214-3270 ext 226
Facsimile: 416-214-3276

Item 2. Date of Material Change

June 30, 2006

Item 3. Press Release

July 4, 2006

Item 4. Summary of Material Change

See attached press release

Item 5. Full Description of Material Change

See attached press release

Item 6. Reasons for Confidentiality

N/A

Item 7. Omitted Information

N/A

Item 8. Senior Officer

Inquiries in respect of the material change referred to herein may be made to:

Timothy Campbell
Vice - President
Suite 500 - 2 Toronto Street
Toronto, Ontario
M5C 2B6
Telephone: 416-214-3270 ext 226
Facsimile: 416-214-3276

Item 9. Statement of Senior Officer

The foregoing accurately discloses the material change referred to herein.

DATED at Toronto, Ontario the 4th day of July 2006

“Timothy Campbell”

Vice - President
HMZ Metals Inc.

HMZ announces Advisory Board appointments, private placement

TORONTO, CANADA, July 4, 2006 – HMZ Metals Inc. (“HMZ” or the “Company”) announced today the appointment of Mr. John K. Kwong and Mr. John Gruetzner to the Company’s Advisory Board.

John K. Kwong currently serves as Executive Director, Global Finance Solutions Engineering, Sycnetix Inc.; a global finance solution consulting group. Prior to Sycnetix, Mr. Kwong was vice president and Head of Global Export Finance, Global Corporate and Investment Banking at Citigroup where he specialized in structuring and marketing global trade finance, project and structured finance solutions to the bank’s leading corporate clients. His career history also includes international investment and infrastructure project financing, global trade finance at Bank of America, Royal Bank of Canada and HSBC Hang Seng Bank. He is a Fellow of the Institute of Canadian Bankers (FICB) since 1980.

John Gruetzner is a principal of Intercedent Limited, a Beijing based consulting company providing business development services for foreign companies operating in China. Intercedent has been retained by the Company since late 2005 and has provided strategic advice to the Company regarding its Chinese operations. Mr. Gruetzner is based in Beijing, fluent in mandarin and has been providing consulting services to foreign companies operating in China for over twenty years.

Kerry D. Smith, President of HMZ Metals Inc. said “ We’re extremely pleased to welcome these two outstanding individuals to our newly constituted Advisory Board, they bring extensive Chinese business experience and fluency in Mandarin to our management team which will further enhance our ability to work effectively in China”.

HMZ Metals Inc also announced that it has raised \$302,000 under a first Closing of a non-brokered Unit private placement under which the Company will raise up to \$600,000. The Units consist of one common share and one-half common share purchase warrant exercisable at \$0.10 per common share for the first twelve months after Closing and exercisable at \$0.15 per common share during the second twelve months after Closing. A finders fee equal to 8% of cash raised and warrants to purchase common shares equal to 10% of the number of Units placed is payable under the Offering. Proceeds from the financing will be used to fund working capital requirements as well as due diligence costs associated with the review of various new project opportunities.

For more information visit www.hmzmetals.com or call Kerry Smith at 416-214-3270