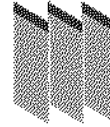


14 July 2003

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



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Dear Sir,

Drilling to Commence at Mt Earl
and
Historical Mapping, Soil and Rock Chip Results

Following the grant of EPM 13577 on 27 June 2003, the Company advises that drilling will commence at the highly prospective Mt Earl area on Wednesday, 16 July 2003. The area's excellent prospectivity for copper deposits was confirmed on review of historic mapping plus soil and rock chip data, prompting the early commencement of drilling.

The planned drilling program consists of 16 Reverse Circulation holes totalling approximately 760 metres. The program is designed to confirm the anticipated resource grade and width mineralisation potential of the prospect.

The program is focused on demonstrating the potential of the Mt Earl prospect, which will add to the current Mt Watson / Mt Cuthbert inventory. Mt Earl is approximately 7 kilometres northeast of Mt Watson. Ultimately, these areas, which are all within trucking distance of Mt Cuthbert, will support the restart of the Mt Cuthbert production facility.

The Company is also pleased to announce details from the analysis of historical geological data compiled in respect of Mt Earl.

Mt Earl has been identified as a high priority target based on geological similarities to Mt Watson. The initial drilling program at Mt Watson delineated a copper resource and two subsequent programs have each increased the resource by 50%. The total resource is 1.6 million tonnes grading 1.1% copper.

Limited previous work at Mt Earl has defined a large area of soil copper anomalies with dimensions of 1,400 m by 700 m, with values between 150 parts per million ("ppm") and 1,000 ppm (0.1 %) copper. These high values are at the top end of the range for soil anomaly values of the Mt Watson style and are closely associated with the prospective horizon documented in geologic mapping. Folding of the prospective horizon has resulted in 3,600 m of the prospective horizon outcropping within the area

and includes 1,600 m of highly prospective strike which has either visible mineralisation at surface, strong soil anomalism or both.

Previously completed, discontinuous rock chip sampling from two areas, which exhibited excellent surface indications, produced high grade copper samples from unusually wide zones. The mineralisation in the sampled area is up to 66 metres wide, narrowing at the extremities down to several tens of metres.

Yours Faithfully

A handwritten signature in black ink, appearing to read 'Shane', written in a cursive style.

Shane McBride
Company Secretary

The information in this report that relates to Mineral Resources and 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 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 he is undertaking to qualify as a Competent Person as defined in the 1999 edition of the "Australasian Code for Reporting of Mineral Resources and Ore Reserves. Mr Dennis, consents to the inclusion in the report of the matters based on information in the form and context in which it appears.