

19 April 2004

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



ABN 42 082 593 235

Delivery: Electronic
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Dear Sir,

Tranche One of Placement Completed
- update to Appendix 3B dated 1 April 2004

Matrix Metals Limited is pleased to announce that on 19 April 2004, 55,737,746 ordinary shares were issued by the Company using its 15% placement capacity in accordance with ASX Listing Rule 7.1. The issue completes the first tranche of the placement announced on 1 April 2004 and has raised \$6,409,841, 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.

Please find following an update to the Appendix 3B originally announced on 1 April 2004.

Yours sincerely,



Shane McBride
Company Secretary

Update to Appendix 3B dated 1 April 2004

We refer to the original Appendix 3B dated 1 April 2004, provide the following update, and request quotation of the Tranche A shares.

2	Number of ⁺ securities issued or to be issued (if known) or maximum number which may be issued	Tranche A 55,737,746 in accordance with Listing Rule 7.1.																					
7	Dates of entering ⁺ securities into uncertificated holdings or despatch of certificates	Tranche A 19 April 2004.																					
8	Number and ⁺ class of all ⁺ securities quoted on ASX (including the securities in clause 2 if applicable)	427,322,725	Ordinary fully paid shares																				
9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the securities in clause 2 if applicable)	<table><tr><th>Number</th><th>⁺Class</th></tr><tr><td>3,893,036</td><td>20 March 2005 options</td></tr><tr><td>625,000</td><td>31 August 2005 options</td></tr><tr><td>2,250,000</td><td>14 June 2006 options</td></tr><tr><td>612,500</td><td>31 Jan. 2007 options (15 cents/share)</td></tr><tr><td>34,250,000</td><td>30 Sept. 2006 options</td></tr><tr><td>750,000</td><td>30 June 2005 options</td></tr><tr><td>750,000</td><td>30 June 2006 options</td></tr><tr><td>750,000</td><td>30 June 2007 options</td></tr><tr><td>75,000</td><td>30 Jan. 2007 options (10 cents/share)</td></tr></table>	Number	⁺ Class	3,893,036	20 March 2005 options	625,000	31 August 2005 options	2,250,000	14 June 2006 options	612,500	31 Jan. 2007 options (15 cents/share)	34,250,000	30 Sept. 2006 options	750,000	30 June 2005 options	750,000	30 June 2006 options	750,000	30 June 2007 options	75,000	30 Jan. 2007 options (10 cents/share)	
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Quotation agreement

- 1 ⁺Quotation of our additional ⁺securities is in ASX's absolute discretion. ASX may quote the ⁺securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the ⁺securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those ⁺securities should not be granted ⁺quotation.
 - An offer of the ⁺securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



(Company Secretary)

Date: 19 April 2004

Print name: Shane McBride