

Matrix Metals Limited

ACN 082 593 235

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West Perth

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30 January 2012

Elizabeth Harris
Principal Adviser, Listings
ASX Compliance Pty Ltd
Level 8, Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Elizabeth

Response to ASX query

I refer to your letter dated 27 January 2012 in which you have requested a response to questions raised about the late lodgement of an Appendix 3Y for Mr Jason Bontempo.

In response to your questions we advise as follows:

1. *Please explain why the Appendix 3Y was lodged late.*

The Appendix 3Y was lodged by the Company based on information provided by Mr Bontempo, which included a standard off market transfer form dated 10 January 2012 ("Transfer Form"). Mr Bontempo has subsequently advised the Company that the date recorded on the Transfer Form represents the date the buyer signed the form and that the Transfer Form was not signed by the beneficial seller until 22 January 2012. Mr Bontempo provided the Transfer Form to the Company on 23 January 2012 and the Appendix 3Y was lodged with ASX the following day.

Mr Bontempo was not given an opportunity to review the Appendix 3Y before it was lodged with ASX and it may be that had he done so, he would have identified the incorrect transfer date, which had been extracted from the Transfer Form.

Based on the additional information provided by Mr Bontempo to the Company, the Appendix 3Y should have reflected 22 January 2012 as the date Mr Bontempo's interest in the Company changed. The Company has lodged an amended Appendix 3Y today.

2. *What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?*

All directors of the Company are aware of their obligations in relation to Listing Rule 3.19A. The Company has the required agreement in place with Mr Bontempo to ensure timely provision of information in relation to notifiable interests, however, as noted above, an incorrect date of change was initially provided by Mr Bontempo to the Company. Based on the actual transfer date of 22 January 2012, the relevant information pertaining to the transfer was provided to the Company on a timely basis.

3. *If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?*

The Company believes the current arrangements for compliance with Listing Rules 3.19B are adequate, and Directors will now be required to sign off on announcements that contain matters relating to them personally prior to their release.

Yours sincerely



Fiona Taylor
Company Secretary



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27 January 2012

Ms Fiona Taylor
Company Secretary
Matrix Metals Ltd
Level 1
2 Ord Street
WEST PERTH WA 6005

Dear Fiona

Matrix Metals Ltd (the "Company")

We refer to the following:

1. The Company's announcement lodged with ASX Ltd ("ASX") on 24 January 2012 regarding a change of director's interest notice for Mr Jason Bontempo ("Appendix 3Y");
2. Listing rule 3.19A which requires an entity to tell ASX the following:

3.19A.1 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the following times:

- On the date that the entity is admitted to the official list.
- On the date that a director is appointed.

The entity must complete an Appendix 3X and give it to ASX no more than 5 business days after the entity's admission or a director's appointment.

3.19A.2 A change to a notifiable interest of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust). The entity must complete an Appendix 3Y and give it to ASX no more than 5 business days after the change occurs.

3.19A.3 The notifiable interests of a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) at the date that the director ceases to be a director. The entity must complete an Appendix 3Z and give it to ASX no more than 5 business days after the director ceases to be a director.

3. Listing rule 3.19B which states as follows.

An entity must make such arrangements as are necessary with a director of the entity (or in the case of a trust, a director of the responsible entity of the trust) to ensure that the director discloses to the entity all the information required by the entity to give ASX completed Appendices 3X, 3Y and 3Z within the time period allowed by listing rule 3.19.A. The entity must enforce the arrangements with the director.



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5. The Companies Update dated 27 June 2008, reminding listed entities of their obligation to notify ASX within 5 business days of the notifiable interests in securities held by each director and outlining the action that ASX would take in relation to breaches of listings rules 3.19A and 3.19B.

The Appendix 3Y indicates a change in the notifiable interest of Mr Bontempo occurred on 10 January 2012 so the appendix should have been lodged with the ASX by 17 January 2012. As the Appendix 3Y was lodged on 24 January 2012 it appears that the Company may be in breach of listing rules 3.19A and/or 3.19B.

Please note that ASX is required to record details of breaches of the listing rules by listed companies for its reporting requirements.

ASX reminds the Company of its contract with ASX to comply with the listing rules. In the circumstances ASX considers that it is appropriate that the Company make necessary arrangements to ensure there is not a reoccurrence of a breach of the listing rules.

Having regard to listing rules 3.19A and 3.19B and Guidance Note 22: "Director Disclosure of Interests and Transactions in Securities - Obligations of Listed Entities", we ask that you answer each of the following questions.

1. Please explain why the Appendix 3Y were lodged late.
2. What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?
3. If the current arrangements are inadequate or not being enforced, what additional steps does the Company intend to take to ensure compliance with listing rule 3.19B?

Your response should be sent to me by e-mail to Elizabeth.Harris@ASX.com.au or by facsimile on facsimile number (08) 9221 2020. It should not be sent to the Company Announcements Office.

A response is requested as soon as possible and, in any event, not later than **3:00PM WST on Tuesday 31 January 2012**.

Under listing rule 18.7A, a copy of this query and your response will be released to the market, so your response should be in a form suitable for release and must separately address each of the questions asked. If you have any queries or concerns, please contact me immediately.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Elizabeth Harris'.

Elizabeth Harris
Principal Adviser, Listings (Perth)