

Circular to Shareholders**Matrix Metals Limited
(Subject to Deed of Company Arrangement)
(In liquidation) (Receivers and Managers Appointed)
ACN 082 593 235
("the Company")****Extension to lodge half year account**

On 14 March 2011, the Company requested an extension of time to 31 March 2011 to lodge the half year accounts for the period 1 July 2010 to 31 December 2010. The reasons for the request were as follows:

1. As a consequence of having been in liquidation and, more recently administration, the Company has had limited resources available to it and these resources have been focussed on preparing the annual reports for the years ended 30 June 2009 and 30 June 2010 which will be tabled at the AGM on 31 March 2011.
2. The Company is only seeking a 2 week extension to the date by which it must lodge its Half Year Accounts and not a complete waiver of the requirement to prepare the Half Year Accounts.
3. The Company is committed to lodging its Half Year Accounts with ASIC by 31 March 2011 and does not envisage any impediment to meeting the extended timetable. Further, Matrix has received verbal confirmation from ASX that, as part of the process to recapitalise the Company, ASX requires all half-yearly and annual reports that the Company failed to lodge during the period since entering voluntary administration on 11 November 2008 to the current date (which includes the Half Year Accounts), to be filed with ASX as a pre-listing condition.
4. The grant of ASIC relief under sub-section 340(1) requested in the Application is unlikely to negatively impact the market or third parties as Matrix has been suspended from trading on ASX since 12 November 2008. In addition, the Half Year Accounts are likely to be of limited use to shareholders given the Administrators and the Receivers and Managers are exercising all the management functions of the Company and the ongoing economic interest of shareholders is limited to the proposed recapitalisation being successful.

On 16 March 2011, the Australia Securities and Investments Commission granted the request and extended the period within which the Company must lodge its half year accounts from 16 March 2011 to 31 March 2011.

Should you wish to discuss your enquiries with someone from the Deed Administrators' offices, please contact Mr Stuart Macliver at Ernst & Young on 08 9429 2222.

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

Vincent Smith
Joint and Several Deed Administrator

17 March 2011
