

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 hold an Annual General Meeting

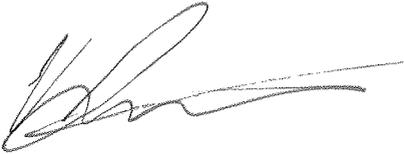
On 29 October 2010 the Administrators wrote to ASIC requesting an extension to hold the Annual General Meeting (AGM) of members (which was due to be held no later than 30 November 2010). The reasons for the request were as follows:

1. During the period the Company was in liquidation (i.e. 18 June 2009 to 16 September 2010) the Liquidators relied on class order 03/392 which exempts a company, in liquidation, from complying with all financial reporting obligations.
2. In addition, Regulatory Guide 174 "Externally administered companies: Financial Reporting and AGMs" provides relief, of no action, to a company for not holding an AGM. Accordingly, no AGM for the Company was held in 2009.
3. On 16 September 2010, the Company was placed back into Voluntary Administration, and accordingly, the relief, of no action, in respect to holding an AGM is no longer available.
4. As the class order 03/392 was relied upon, annual financial accounts have not been prepared for the financial years ended 30 June 2009 and 2010. Additional time is therefore required to prepare such accounts so they can be tabled at the AGM.
5. It is likely an Extraordinary General Meeting (EGM) will be held sometime in the first quarter of the 2011 calendar year in respect of the recapitalisation of the Company (please refer to previous announcements for more detail). Accordingly, to reduce costs, it is preferable for the AGM and EGM to be held on the same day.

On 3 December 2010 the Australia Securities and Investments Commission granted the request and extended the period within which the Company must hold its AGM from 30 November 2010 to 31 March 2011.

As with any AGM, shareholders will be provided with the requisite notice of an AGM in due course.

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



Vincent Smith
Joint and Several Deed Administrator

6 December 2010