



A.B.N. 71 002 802 646

2nd June 2008

The Manager
Company Announcements Office
Australian Stock Exchange Limited
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam,

Market Update - Further Information

The Directors of HydroMet wish to provide further information to the market update announced this morning.

Base on internal management account, forecast metal price and foreign exchange rate, the Company is expecting a 30% increase in after tax profit in 2008 financial year over the previous corresponding period.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Gregory W Wrightson', written over a horizontal line.

Gregory W Wrightson
Managing Director