



A.B.N. 71 002 802 646

11<sup>th</sup> May 2009.

### **Placement Completed**

The Board of Directors is pleased to announce that the 15% share placement with Jiangsu Chunxing Alloys Co., Ltd (Chunxing) of Nanjing, China reported on the 9<sup>th</sup> of March 2009 has been concluded with 49,924,000 shares issued at \$0.06 cents per share.

The placement represents the opportunity for Hydromet to develop its battery recycling project to full potential ahead of original expectation with the support of a major shareholder/customer who has over 30 years experience in used lead acid battery recycling in China.

Chunxing is the largest secondary lead producer in China processing used lead acid batteries to produce lead metal utilising its extensive lead smelting experience. Chunxing is recognised as a leader in lead smelter equipment design/implementation with proven technology developed by the company.

Mr YANG Chun Ming, Chairman of Chunxing has joined the Hydromet Board. Mr Yang founded Chunxing in the late 1970's, is a chemical engineer and recognised expert in used lead acid battery recycling in China. Mr Yang is the Vice Chairman of both the Lead and Zinc Metal Recycling Division of China Non- Ferrous Metal Industry Association and Vice Chairman of the China Environment Protection Association.

The Directors and management look forward to Chunxing's invaluable contribution in battery processing and lead production technology to optimise Hydromet's well established battery recycling business. The partnership will also facilitate the exchange of experience and strategies between our respective operating personnel benefiting both companies as we move forward.

Although business conditions in all metals markets remain challenging, we strongly believe that the partnership will assist in meeting and strengthening our lead recycling objectives, open other important opportunities and improve shareholder value from the close association of our two companies.

Yours sincerely

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

Gregory W Wrightson  
Managing Director.

Lot 3, Five Islands Road, Unanderra NSW 2526 Australia  
PO Box 42, Unanderra NSW 2526 Australia  
Telephone: +61 2 4271 1822 Facsimile: +61 2 4271 6151  
Website: [www.hydromet.com.au](http://www.hydromet.com.au) email: [office@hydromet.com.au](mailto:office@hydromet.com.au)