



A.B.N. 71 002 802 646

3rd December 2007.

The Manager
Company Announcements Office
Australian Stock Exchange Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam,

Re – Issue of Options and Unmarketable Parcel Buy Back.

The Board of Directors of HydroMet Corporation Limited wishes to advise that 10,000,000 Unlisted Share Options have been issued 42 eligible employees of Hydromet in accordance with the rules of the Hydromet Employee Share Option Plan.

In addition the shareholders approved the issue of 10,000,000 Unlisted Share Options to Directors at the Annual General Meeting (AGM) held on 30th November 2007.

All options have a 16.76 cent exercise price and were granted on 3rd December 2007 based on the weighted average share price of the 5 trading days prior granting of the options on 30th November 2007. 50% are exercisable from date of grant, 25% are exercisable from 1st July 2008 and 25% are exercisable from 1st July 2009. All options will expire on the earlier of 30th June 2010 and the date the employee/director terminates his/her employment with the Company. Details are as per Appendix 3B and 3Y attached.

The Board of Directors also wishes to announce the approval of a Selective Buy Back of unmarketable parcels of shares currently held by Hydromet shareholders as prescribed in Appendix 3C attached.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Gregory W Wrightson', is written over a large, stylized circular scribble.

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 email: office@hydromet.com.au

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

Hydromet Corporation Limited

ABN

71 002 802 646

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | <ol style="list-style-type: none">1. Unlisted Employee Option2. Unlisted Director Option |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | <ol style="list-style-type: none">1. 10,000,000 options2. 10,000,000 options |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | <p>Each option entitles holder to subscribe for one ordinary share of the Company at exercise price of 16.76 cents.</p> <p>The options were granted on 3/12/2007. 50% of the options granted are exercisable from date of grant; 25% are exercisable from 1 July 2008 and 25% are exercisable from 1 July 2009.</p> <p>All options will expire on the earlier of 30 June 2010 and the date the employee/director terminates his/her employment with the Company.</p> |

+ See chapter 19 for defined terms.

<p>4 Do the ⁺securities rank equally in all respects from the date of allotment with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>When the options are exercised, the ordinary shares that issued rank equally in all aspects with the ordinary shares currently on issue.</p>				
<p>5 Issue price or consideration</p>	<p>Nil consideration</p>				
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>10,000,000 options were issued under the Employee Share Option Plan approved by the shareholders on 29 September 2000.</p> <p>10,000,000 options were issued under approval of shareholders in the Annual General Meeting held on 30 November 2007.</p>				
<p>7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p>	<p>3 December 2007</p>				
<p>8 Number and ⁺class of all ⁺securities quoted on ASX (including the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="766 1400 1069 1444">Number</th> <th data-bbox="1069 1400 1362 1444">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="766 1444 1069 1650">315,465,918</td> <td data-bbox="1069 1444 1362 1650">Ordinary Shares</td> </tr> </tbody> </table>	Number	⁺ Class	315,465,918	Ordinary Shares
Number	⁺ Class				
315,465,918	Ordinary Shares				

+ See chapter 19 for defined terms.

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	10,000,000	Unlisted employee options
	10,000,000	Unlisted director options
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	N/A	

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required?	
12 Is the issue renounceable or non-renounceable?	
13 Ratio in which the +securities will be offered	
14 +Class of +securities to which the offer relates	
15 +Record date to determine entitlements	
16 Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17 Policy for deciding entitlements in relation to fractions	
18 Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19 Closing date for receipt of acceptances or renunciations	

+ See chapter 19 for defined terms.

20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	

+ See chapter 19 for defined terms.

- 32 How do ⁺security holders dispose of their entitlements (except by sale through a broker)?
- 33 ⁺Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1
- (b) All other securities
- Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders
- 36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional ⁺securities

⁺ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of securities for which
+quotation is sought

--

39 Class of +securities for which
quotation is sought

--

40 Do the +securities rank equally in all
respects from the date of allotment
with an existing +class of quoted
+securities?

If the additional securities do not
rank equally, please state:

- the date from which they do
- the extent to which they
participate for the next dividend,
(in the case of a trust,
distribution) or interest payment
- the extent to which they do not
rank equally, other than in
relation to the next dividend,
distribution or interest payment

--

41 Reason for request for quotation
now

Example: In the case of restricted securities, end of
restriction period

(if issued upon conversion of
another security, clearly identify that
other security)

--

	Number	+Class
42	Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)	

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

(Director/Company secretary)

Date: 3 December 2007

Print name:

Pipvide Tang

====

+ See chapter 19 for defined terms.

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity HYDROMET CORPORATION LIMITED
ABN 71 002 802 646

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Gregory Wrightson
Date of last notice	19/4/2007

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	
Date of change	3/12/2007
No. of securities held prior to change	1,078,300 ordinary shares
Class	Ordinary
Number acquired	2,000,000 unlisted director options
Number disposed	none
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	nil
No. of securities held after change	1,078,300 ordinary shares 2,000,000 unlisted director option

+ See chapter 19 for defined terms.

<p>Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</p>	<p>Options granted with shareholders' approval on 30/11/07</p>
---	--

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	Not applicable
Nature of interest	Not applicable
Name of registered holder (if issued securities)	Not applicable
Date of change	Not applicable
No. and class of securities to which interest related prior to change <small>Note: Details are only required for a contract in relation to which the interest has changed</small>	Not applicable
Interest acquired	Not applicable
Interest disposed	Not applicable
Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small>	Not applicable
Interest after change	Not applicable

+ See chapter 19 for defined terms.

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity HYDROMET CORPORATION LIMITED
ABN 71 002 802 646

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Dr Lakshman Jayaweera
Date of last notice	21/9/2007

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	indirect
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	As a director & major shareholder of Chemmet Pty Ltd and as the beneficiary of Chemmet Pty Ltd Super Fund
Date of change	3/12/2007
No. of securities held prior to change Chemmet Pty Ltd Chemmet Pty Ltd Super fund	31,680,011 ordinary shares 3,947,500 ordinary shares
Class	Ordinary
Number acquired	2,000,000 unlisted director options
Number disposed	none
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	nil
No. of securities held after change Chemmet Pty Ltd Chemmet Pty Ltd Super fund Lakshman Jayaweera	31,680,011 ordinary shares 3,947,500 ordinary shares 2,000,000 unlisted director options

+ See chapter 19 for defined terms.

Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Options granted with shareholders' approval on 30/11/07
---	---

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	Not applicable
Nature of interest	Not applicable
Name of registered holder (if issued securities)	Not applicable
Date of change	Not applicable
No. and class of securities to which interest related prior to change <small>Note: Details are only required for a contract in relation to which the interest has changed</small>	Not applicable
Interest acquired	Not applicable
Interest disposed	Not applicable
Value/Consideration <small>Note: If consideration is non-cash, provide details and an estimated valuation</small>	Not applicable
Interest after change	Not applicable

+ See chapter 19 for defined terms.

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity HYDROMET CORPORATION LIMITED
ABN 71 002 802 646

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	PIPVIDE TANG
Date of last notice	2/4/2007

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Direct and indirect
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	Register holder: Pipvide Tang Trustee and beneficiary of PJ Pty Limited Superannuation Fund
Date of change	3/12/2007
No. of securities held prior to change	859,000 ordinary shares (indirect) 2,000,000 ordinary shares (direct)
Class	Ordinary
Number acquired	2,000,000 unlisted director options
Number disposed	none
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	nil
No. of securities held after change	859,000 ordinary shares (indirect) 2,000,000 ordinary shares (direct) 2,000,000 unlisted director option (direct)

+ See chapter 19 for defined terms.

<p>Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</p>	<p>Options granted with shareholders' approval on 30/11/07</p>
---	--

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	Not applicable
Nature of interest	Not applicable
Name of registered holder (if issued securities)	Not applicable
Date of change	Not applicable
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	Not applicable
Interest acquired	Not applicable
Interest disposed	Not applicable
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	Not applicable
Interest after change	Not applicable

+ See chapter 19 for defined terms.

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity HYDROMET CORPORATION LIMITED
ABN 71 002 802 646

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	STEPHEN KWAN
Date of last notice	19/12/2002

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	direct
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	
Date of change	3/12/2007
No. of securities held prior to change	46,000 ordinary shares
Class	Ordinary
Number acquired	2,000,000 unlisted director options
Number disposed	none
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	nil
No. of securities held after change	46,000 ordinary shares 2,000,000 unlisted director option
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	Options granted with shareholders' approval on 30/11/07

+ See chapter 19 for defined terms.

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	Not applicable
Nature of interest	Not applicable
Name of registered holder (if issued securities)	Not applicable
Date of change	Not applicable
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	Not applicable
Interest acquired	Not applicable
Interest disposed	Not applicable
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	Not applicable
Interest after change	Not applicable

+ See chapter 19 for defined terms.

Appendix 3Y

Change of Director's Interest Notice

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 30/9/2001.

Name of entity HYDROMET CORPORATION LIMITED
ABN 71 002 802 646

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Timothy Allen
Date of last notice	13/8/2007

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	indirect
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	Registered holder: Lenvat Pty Ltd Trustee and beneficiary of Lenvat Super Fund
Date of change	3/12/2007
No. of securities held prior to change	300,000 ordinary shares
Class	Ordinary
Number acquired	2,000,000 unlisted director options
Number disposed	none
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	nil
No. of securities held after change	300,000 ordinary shares (indirect) 2,000,000 unlisted director option (direct)

+ See chapter 19 for defined terms.

<p>Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</p>	<p>Options granted with shareholders' approval on 30/11/07</p>
---	--

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	Not applicable
Nature of interest	Not applicable
Name of registered holder (if issued securities)	Not applicable
Date of change	Not applicable
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	Not applicable
Interest acquired	Not applicable
Interest disposed	Not applicable
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	Not applicable
Interest after change	Not applicable

+ See chapter 19 for defined terms.

Appendix 3C

Announcement of buy-back (*except* minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001.

Name of entity	ABN
HYDROMET CORPORATION LIMITED	71 002 802 646

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	Selective buy-back
2	+Class of shares which is the subject of the buy-back (<i>eg, ordinary/preference</i>)	Ordinary
3	Voting rights (<i>eg, one for one</i>)	One for one
4	Fully paid/partly paid (<i>and if partly paid, details of how much has been paid and how much is outstanding</i>)	Fully paid
5	Number of shares in the +class on issue	315,465,918
6	Whether shareholder approval is required for buy-back	The shareholders have approved the buy-back on 30 November 2007.
7	Reason for buy-back	Buy-back unmarketable parcel of shares from shareholders who have limited way to realise their shares and reduce the company's administrative cost of managing these shareholdings.

+ See chapter 19 for defined terms.
30/9/2001

8	Any other information material to a shareholder's decision whether to accept the offer (<i>eg, details of any proposed takeover bid</i>)	N/A
---	--	-----

On-market buy-back

9	Name of broker who will act on the company's behalf	
---	---	--

10	Deleted 30/9/2001.	
----	--------------------	--

11	If the company intends to buy back a maximum number of shares - that number <small>Note: This requires a figure to be included, not a percentage.</small>	
----	--	--

12	If the company intends to buy back shares within a period of time - that period of time; if the company intends that the buy-back be of unlimited duration - that intention	
----	---	--

13	If the company intends to buy back shares if conditions are met - those conditions	
----	--	--

Employee share scheme buy-back

14	Number of shares proposed to be bought back	
----	---	--

15	Price to be offered for shares	
----	--------------------------------	--

⁺ See chapter 19 for defined terms.
30/9/2001

Selective buy-back

- | | | |
|----|--|--|
| 16 | Name of person or description of class of person whose shares are proposed to be bought back | Shareholders with less than marketable parcel of shares at the date of offer. |
| 17 | Number of shares proposed to be bought back | 518,572 ordinary shares (based on shareholdings and share price as at 28/11/2007). |
| 18 | Price to be offered for shares | 5% premium on the weighted average trading price of the Company's shares over the five day period commencing ten days immediately prior to the date of the offer and terminating five days immediately prior to the date of the offer. |

Equal access scheme

- | | | |
|----|---|--|
| 19 | Percentage of shares proposed to be bought back | |
| 20 | Total number of shares proposed to be bought back if all offers are accepted | |
| 21 | Price to be offered for shares | |
| 22 | +Record date for participation in offer

<small>Cross reference: Appendix 7A, clause 9.</small> | |

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.



Sign here:

(Director/Company secretary)

Date: 3/12/2007

Print name: Pipvide Tang

====

⁺ See chapter 19 for defined terms.