



CORPORATION LIMITED
A.B.N. 71 002 802 646

8th June 2001

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

By Facsimile to: 1300 300 021

Dear Sir/Madam,

**Issue of Restricted Securities &
Update on the Stanton Project**

Issue of Restricted Securities

The Directors of HydroMet Corporation Limited wish to inform the market that the issue of the following restricted securities were made today to Chemmet Pty Limited as consideration for the Stanton Prospect Acquisition on behalf of the Company's wholly owned subsidiary Mineral Estates Pty Limited ACN 009 088 340 as approved by members at the general meeting held on 29th September 2000.

- 6,000,000 ordinary shares restricted for 12 months to 8th June 2002 as fully paid to 4.0 cents per share,
- 6,000,000 options restricted for 12 months to 8th June 2002 without premium with an exercise price of 15.0 cents per option expiring on 28th August 2003.

Progress Update on the Stanton Project

The Directors are currently obtaining scope of work and quotations to carry out infill drilling at the Stanton Prospect lease to further confirm the nature and size of the ore body.

The infill drilling is expected to be carried out before the end of October 2001.

Yours sincerely,

Neil Smith
Company Secretary