

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. Ordinary shares2. Listed shareholder 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. 17,540,000 shares2. 8,770,000 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) | <ol style="list-style-type: none">1. Fully paid ordinary shares2. Each option entitles holder to subscribe for one ordinary share of the Company at exercise price of 17 cents on or before 30/6/2010. All options expired after 30/6/2010. |

+ See chapter 19 for defined terms.

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<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>1. The ordinary shares rank equally in all aspects with the ordinary shares currently on issue.</p> <p>2. 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>1. 10 cents per ordinary share. 2. Nil consideration</p>								
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>The ordinary shares and options are issued under the Share Purchase Plan announced by the Company on 26/3/2008.</p>								
<p>7 Dates of entering ⁺securities into uncertificated holdings or despatch of certificates</p>	<p>5 May 2008</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="686 1444 989 1489">Number</th> <th data-bbox="989 1444 1279 1489">⁺Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="686 1489 989 1556">333,005,918</td> <td data-bbox="989 1489 1279 1556">Ordinary Shares</td> </tr> <tr> <td data-bbox="686 1556 989 1624">And</td> <td data-bbox="989 1556 1279 1624"></td> </tr> <tr> <td data-bbox="686 1624 989 1706">8,770,000</td> <td data-bbox="989 1624 1279 1706">Listed shareholder option</td> </tr> </tbody> </table>	Number	⁺ Class	333,005,918	Ordinary Shares	And		8,770,000	Listed shareholder option
Number	⁺ Class								
333,005,918	Ordinary Shares								
And									
8,770,000	Listed shareholder option								

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	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	20,000,000	HMCAI Option expiring 30-Jun-2010 Ex16.76C
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 <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	
19 Closing date for receipt of acceptances or renunciations	

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- | | | |
|----|---|--|
| 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? | |

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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

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Entities that have ticked box 34(b)

38 Number of securities for which
 +quotation is sought

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39 Class of +securities for which
 quotation is sought

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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

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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)

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	Number	+Class
42 Number and +class of all +securities quoted on ASX (including 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: 5 May 2008

Print name:

Pipvide Tang

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+ See chapter 19 for defined terms.

Schedules to items 35 and 36

Item 35 – Top 20 largest “listed shareholder option” holders

Name	No. of options	%
Chemmet Pty Limited	25,000	0.29
Bradleys Polaris Pty Limited	25,000	0.29
Penswood Pty ltd	25,000	0.29
Mr Paul Guerin	25,000	0.29
Mr John Charles Thomas Lee & Ms Anne Lynette Meier	25,000	0.29
Chemmet Pty limited <Super fund A/C>	25,000	0.29
Brian Gregory Wright & Wendy Joy Wright	25,000	0.29
Mr Gordon Menzies Wilson	25,000	0.29
Mr Edmond Wing Kin Cheung & Mrs Eliza Siu Ling Cheung	25,000	0.29
Investment And Money Management Pty Ltd	25,000	0.29
Mr Pipvide Tang	25,000	0.29
HNS Investments Pty Ltd	25,000	0.29
Mr Brian Gregory Wright & Mrs Patricia Gladys Wright	25,000	0.29
Rixon Pass Pty Ltd	25,000	0.29
O’Connor Financial Services Pty Limited	25,000	0.29
Berkon Pty Limited	25,000	0.29
Bak Securities Pty Limited	25,000	0.29
Mr Tony Bracks	25,000	0.29
Mr Allan Sidney Cross	25,000	0.29
Mr Mark Anthony Gusman	25,000	0.29

Item 36 - distribution schedule of the “listed shareholder option”

	No. of option holders
0 – 1,000	0
1,001 – 5,000	95
5,001 – 10,000	98
10,001 – 100,000	273
100,001 and over	0
Total	466

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