

**Erratum to Hydromet Corporation Limited (ABN 71 002 802 646)
Annual Financial Report for Year Ending 30 June 2002**

Error in Note14(a) of the Notes to the Financial Statements for the year ended 30 June 2002 appearing on page 38.

Note 14 (a) reads:

- (a) "Consideration to Chemmet Pty Ltd, a director related entity, for the acquisition of the Stanton Prospect tenement EL8413 located in the Northern Territory granted under the Mining Act 1980 (NT) in accordance with a resolution of members at the Extraordinary General Meeting on 29 September 2000. Consideration for 100% interest in the tenement consisted of:
- n 6,000,000 ordinary shares restricted to 8 June 2002, fully paid to 4.0 cents per share which have been released from escrow; and
 - n 6,000,000 options restricted to 8 June 2002, expiring on 28 August 2003, with an exercise price of 15.0 cents per option which have been released from escrow.

The options may only be exercised by the option holder, Chemmet Pty Ltd during the exercise period if:

- n the consolidated entity resolves to mine the Stanton Prospect;
- n Stanton Prospect is sold by the consolidated entity; or
- n there is a change in control of the Company.

There are no voting rights attached to the options and the options do not entitle the holder to participate in any share issue of the Company. Upon conversion the issued ordinary shares will rank equally with all ordinary shares on issue."

It should read:

- (a) "Consideration to Chemmet Pty Ltd, a director related entity, for the acquisition of the Stanton Prospect tenement EL8413 located in the Northern Territory granted under the Mining Act 1980 (NT) in accordance with a resolution of members at the Extraordinary General Meeting on 29 September 2000. Consideration for 100% interest in the tenement consisted of:
- n 6,000,000 ordinary shares restricted to 8 June 2002, fully paid to 4.0 cents per share which have been released from escrow; and
 - n 6,000,000 options restricted to 8 June 2002, expiring on 28 August 2003, with an exercise price of 15.0 cents per option which have been released from escrow.

The options may only be exercised by the option holder, Chemmet Pty Ltd during the exercise period.

If:

- n the consolidated entity resolves to mine the Stanton Prospect; or
- n Stanton Prospect is sold by the consolidated entity; or
- n there is a change in control of the Company,

the Company may issue an option notice to the option holder.

Where an option notice is issued the option holder must exercise all of the options.

An option may not be exercised by the option holder if its exercise would result in a breach by the option holder or the Company of the Listing Rules or the option agreement.

There are no voting rights attached to the options and the options do not entitle the holder to participate in any share issue of the Company. Upon conversion the issued ordinary shares will rank equally with all ordinary shares on issue."