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Manager Company Announcements
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Drilling to commence on Miranda Prospect to test for Uranium Mineralisation

Matrix Metals Limited ("Matrix") is pleased to advise that Deep Yellow Limited ("DYL") will commence drilling to test for uranium mineralisation at the Miranda Prospect in North West Queensland.

Drilling to commence at the Miranda Prospect - EPM 14281 – NW Queensland JV (DYL earning 80%)

DYL has today released an announcement to the ASX which advises the following.

"*The Miranda Prospect was targeted in an initial RC drilling campaign by DYL during 2006. Unfortunately the drilling programme was terminated early due to bush fires in the prospect area.*

The prospect comprises an outcrop of variably chlorite-magnetite altered, weakly pyritic granitoid, and contains inclusions of (magnetite)-(quartz)-chlorite-schist occurring either strongly foliated or as structurally deformed zones.

Previous assay and drilling results outlined a ***broad zone of uranium mineralisation*** *with a strong iron oxide association including significant intersections of* ***12 m at 960 ppm*** U_3O_8 *from 9 m in hole DMRC-001 and* ***3 m at 730 ppm*** U_3O_8 *from 43 m in hole DMRC-002. Previous drilling at Miranda by CRAE in 1982 returned* ***18 m at 810 ppm*** U_3O_8 *from 30 m depth and surface rock chips collected by Matrix Metals Ltd. 100 m NNE of the drill holes assayed up to 1.18%* U_3O_8.

RC percussion drilling comprising 8 holes for 1,000 m will test the strike and depth extensions to the mineralised zone. The recently flown low-level radiometric and magnetic survey over the Miranda Prospect has returned a number of outlying uranium anomalies in the area which will be 'scout drilled'. Two targets Miranda North and Foxhole are similar magnitude uranium anomalies to Miranda. In addition an interpreted deep magnetic halo to the uranium mineralisation will also be drill tested in the light of the strong iron oxide (magnetite) and pyrite association with uranium mineralisation at Miranda and Queen's Gift."

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Matrix' Uranium Strategy

Matrix's plus 4,300 square kilometres of tenements in the Mt Isa district of north west Queensland host many uranium anomalies. Rather than divert from its copper exploration and development strategy Matrix elected to make arrangements with a specialist uranium explorer for exploration of the uranium potential.

Matrix-DYL North West Queensland Joint Venture

DYL can earn a participating interest of 51% in the NW Uranium Joint Venture by spending a total of $3,000,000 by 28 February 2009. DYL then have the option to acquire a further 29% in the JV by payment of $3 million to Matrix, after that DYL may buy out each individual uranium resource, as identified. The Major Joint Venture Ownership Terms were included in Matrix's December 2006 Quarterly Activities Report and prior disclosures.

Matrix's Uranium Potential

The Matrix/DYL North West Queensland Joint Venture is exploring ground with high potential for uranium deposits in the Mt Isa Inlier. In late 2004, Matrix commenced a detailed data search and regional exploration program (Program) across the Company's entire Mt Isa/Cloncurry region tenements, the findings have been previously announced to the ASX. This Program confirmed significant occurrences of high grade uranium mineralisation and several extensive under explored anomalous uranium zones within the Company's tenement holdings (refer Figure 1). Some of these occurrences are within close proximity to the Mary Kathleen uranium mine and the large undeveloped Valhalla and Skal uranium deposits owned by Summit Resources.

Uranium occurrences of note include the following:

- Values of up to 1.18% U_30_8 in rock chips taken at the Miranda Prospect (Prospect #2 in Figure 1) located about 23km SSW of Mt Cuthbert.
- Percussion drilling reporting results up to 0.38% U_30_8, diamond drilling results up to 4m @ 0.12% and 0.84% U_30_8 in rock chips on the Conquest Line in the Ewen Group Project Area, (Prospect #1 in Figure 1). The majority of the prospects in the Ewen Group are hosted by sediments within the Eastern Creek Volcanics which host the Skal & Valhalla uranium deposits (resource grade of 0.14% U_30_8).
- A 12 kilometre long prospective co-incident geochemical and airborne radiometric uranium anomaly along the Sierra Line in the White Range Project area (Figure 1, Prospects #10 to 12) and Figure 3. The uranium anomalies in the White Range area are hosted by the Mary Kathleen Group geological package in which the Mary Kathleen uranium mine occurred.
- Sixteen (16) uranium occurrences identified on Matrix's tenements at that time are located in Figure 1 below.

Figure 1 **Matrix Uranium Prospect Locations**

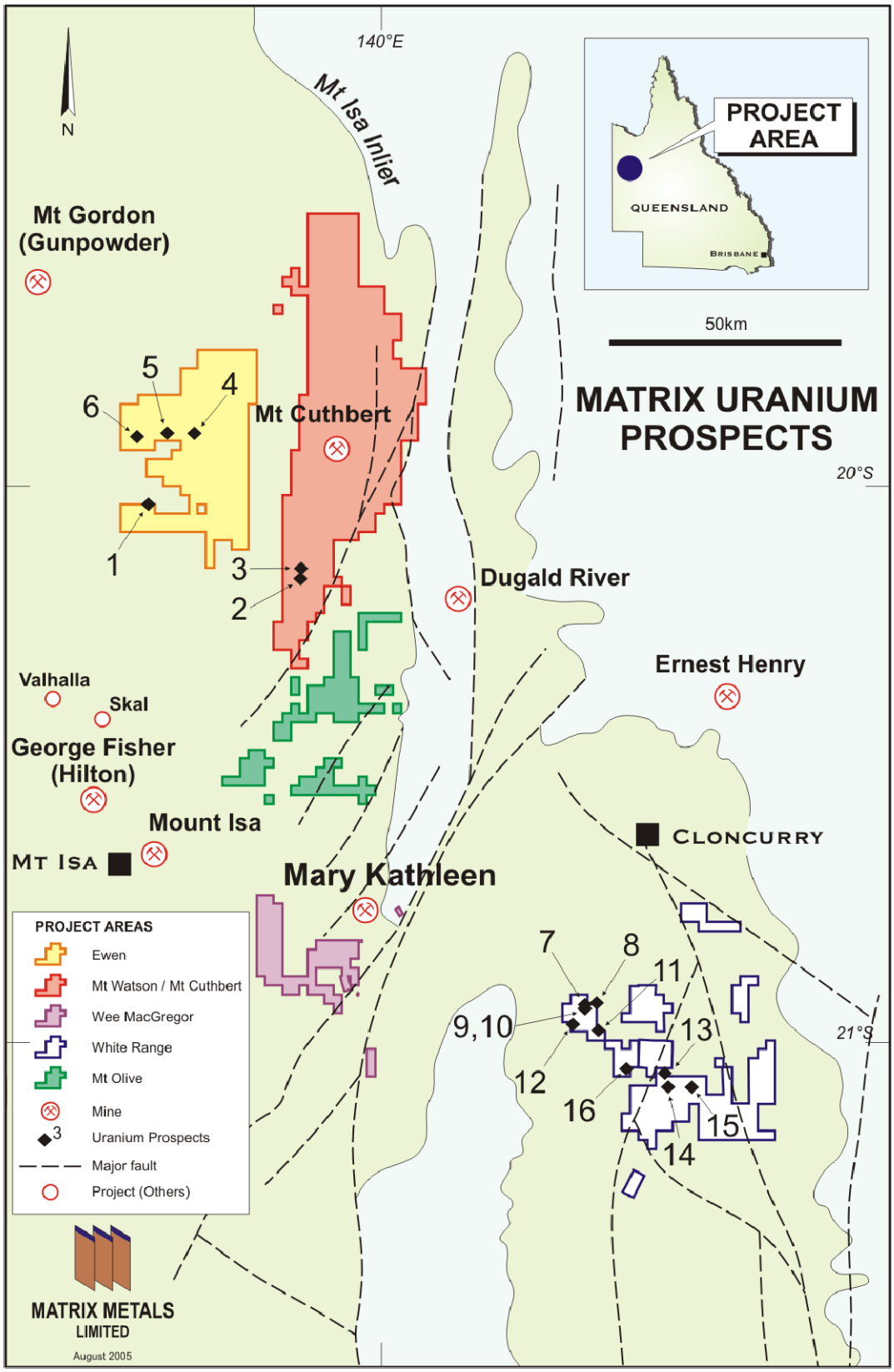


Figure 2 **Uranium Radiometric Anomalies**
Matrix Southern Area

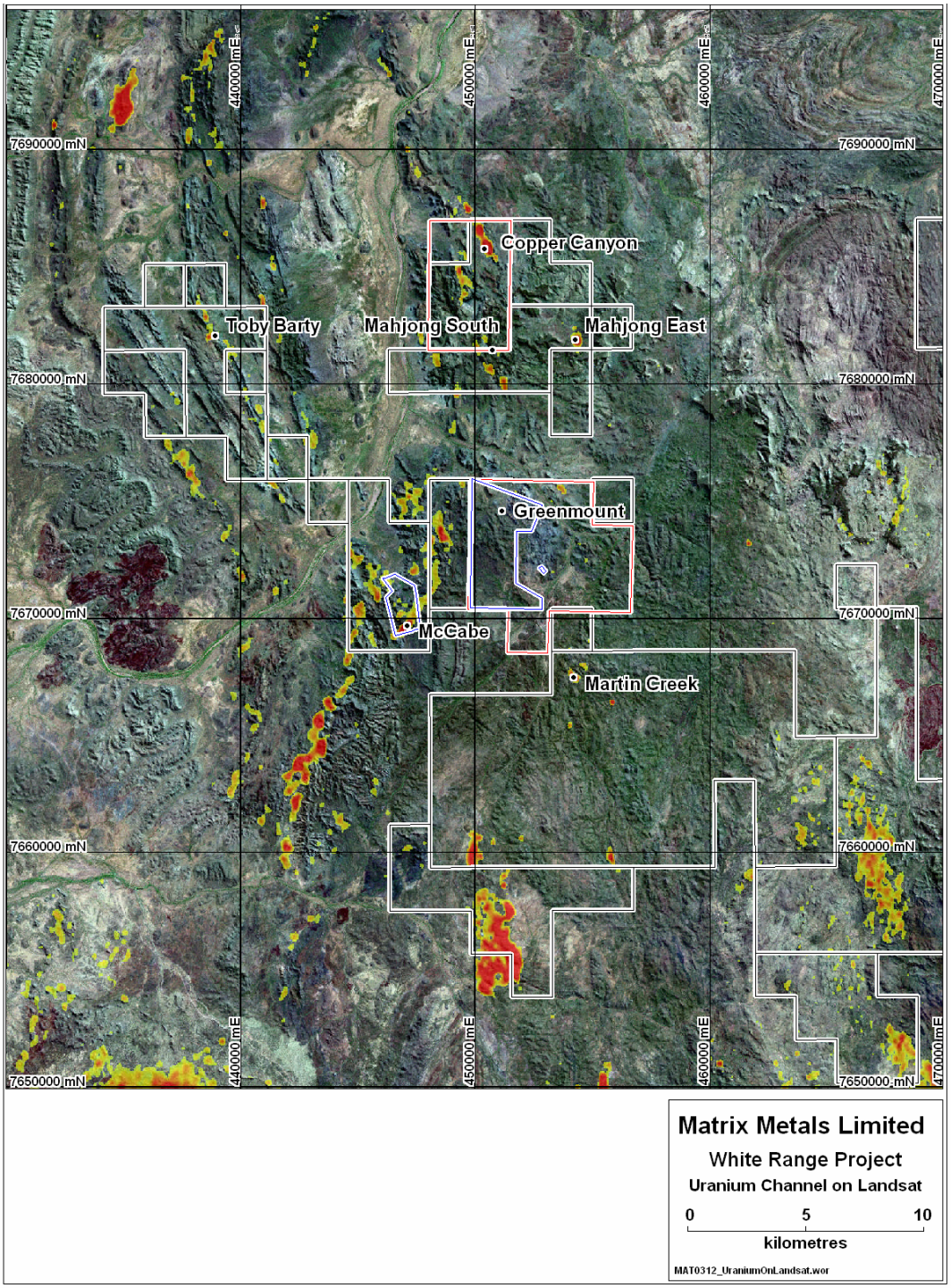
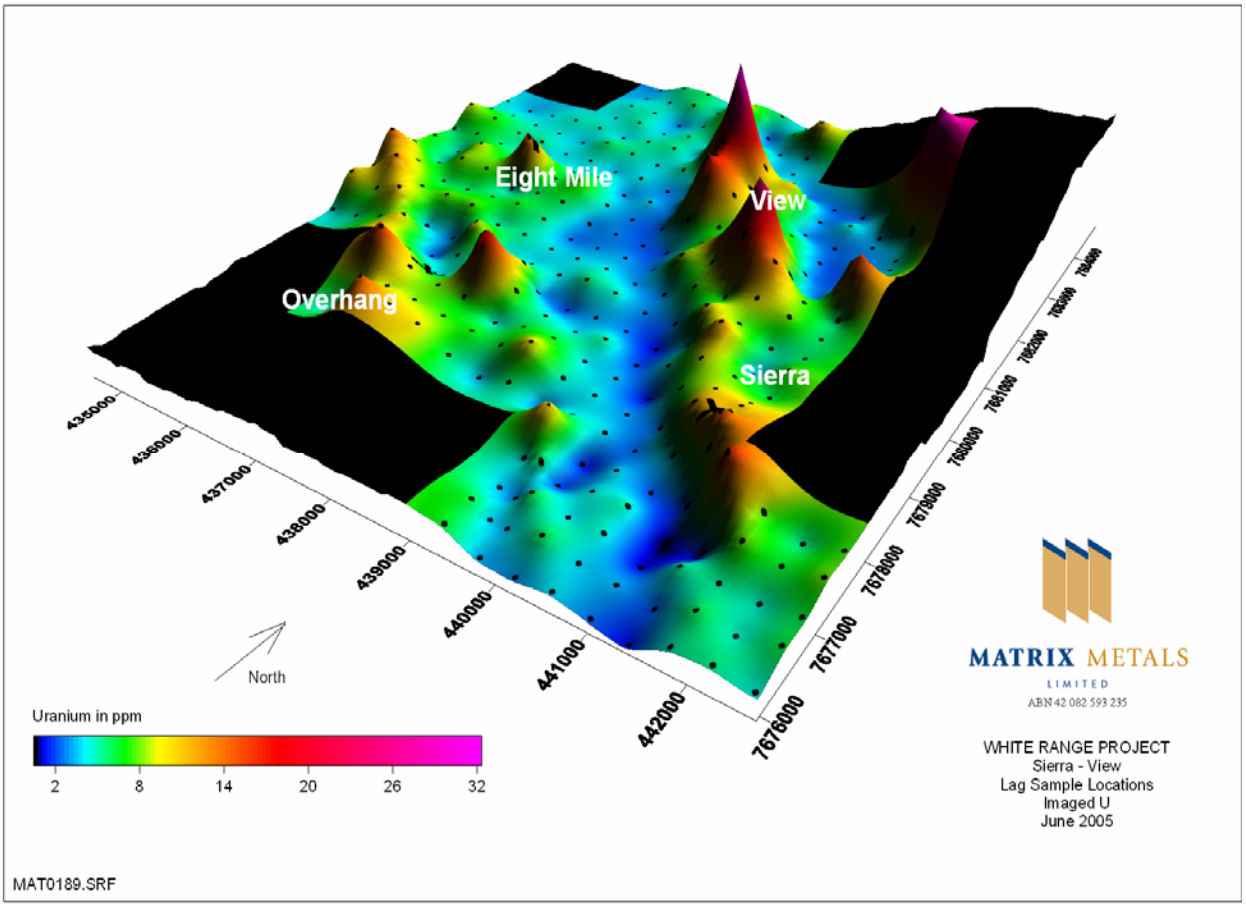


Figure 3 **Sierra Line/Toby Barty Uranium Anomalies**



Yours Faithfully

Shane McBride
Managing Director