



MATRIX METALS
LIMITED

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Uranium Drilling at North West Queensland JV

Matrix Metals Limited ("Matrix") is pleased to advise that Deep Yellow Limited ("DYL") has today reported drilling results within the North West Queensland Joint Venture north of Mt Isa, Queensland."

EPM14916 is subject to the NW Queensland JV between Matrix and DYL. This ground is owned 100% by Matrix and Deep Yellow is currently farming into the ground and has the opportunity to acquire up to 80% ownership of the joint venture and ultimately 100% of the uranium rights on each specific uranium resource (see below for specifics of the ownership path).

Matrix is encouraged by these drilling results and looks forward to receiving further drill results from the joint venture area.

The details of the announcement are as follows:

EWEN PROJECT (EPM 14916 – North West Queensland - Matrix Metals Ltd)

Slance Northeast Prospect

An RC drill programme commenced on Ewen EPM in late July. Early results from the Conquest Central prospect were announced to the ASX on 21 August 2008.

XRF chemical assay results have been received for holes DSRC009 and DSRC010 from the Slance North East prospect returning two major intercepts of 16 m at 427 ppm U₃O₈ from 34 m and 19 m at 774 U₃O₈ from 51 m respectively.

Hole DSRC010 is a 20 metre 'step back hole' from DSRC009 i.e. an undercut hole confirming mineralisation extending to depth. Additional holes will be drilled in the prospect area as follow-up to the intersections. Both intersections occur within chlorite-albite-carbonate altered pyritic basalt ± brecciation. This style of mineralisation is typical of the major uranium deposits of the area.

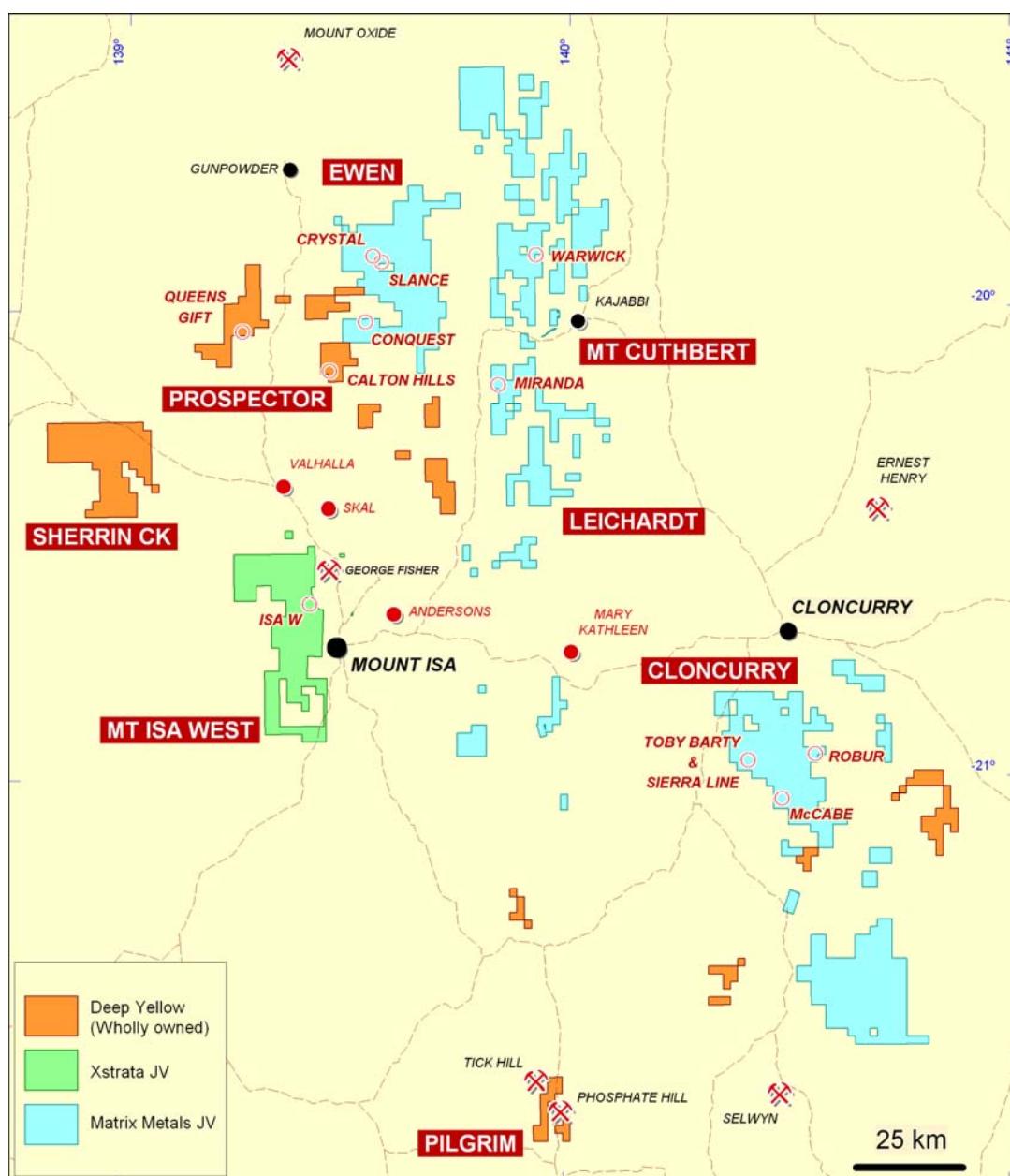
Note this drilling has only tested the mineralisation to a vertical depth of 50 metres below surface.

Table 1 : Slance North East RC Percussion Drill Results

Drillhole	UTM [‡]		Azi (T)	Dip	TD (m)	Depth (m)		Interval (m)	U ₃ O ₈ (ppm)
	East	North				From	To		
DSRC009	352512	7797962	090	-60°	90	34	50	16	427
DSRC010	352492	7797961	090	-60°	120	51	70	19	774

[‡] Datum MGA Zone 54/GDA 94

* XRF Chemical Assays

**Figure 1: Mt Isa District Projects**

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Dr Leon Pretorius a Fellow of The Australasian Institute of Mining and Metallurgy. Dr Pretorius has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Dr Pretorius consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

End of announcement.

Ownership Path for the North West Queensland Joint Venture

In summary, DYL must spend \$3 million on exploration within the joint venture by 28 February 2009, to acquire a 51% interest in the NWQJV. DYL will then have the option to acquire a further 29% in the NWQJV by direct payment of \$3 million to Matrix prior to commencement of "a bankable feasibility study in relation to a resource which contains commercially viable uranium ore". DYL can ultimately buy out each individual uranium resource, by additional payments to Matrix of 15% of the in ground value of each individual specific uranium resource times Matrix's then holding in the NWQJV (nominally a minimum of 20% or maximum of 49% of the NWQJV). These payments cannot reduce Matrix's joint venture position in the greater NWQJV, its then position continues for the greater joint venture.

Yours Faithfully



Shane McBride
Managing Director

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