



A.B.N. 71 002 802 646

TO: Shareholders

DATE: 17 February 2012

RE: **SIMON HENRY**

The Board of Hydromet Corporation Limited (**HMC**) has been informed that a number of shareholders may have received an unsolicited offer from Simon Henry for the purpose of buying shares in HMC or inviting shareholders to make an offer to Simon Henry to sell their shares in HMC.

HMC has taken legal advice in relation to at least one of these letters. That advice identifies a number of ways in which the letters from Simon Henry may infringe the Corporations Act 2001 and, indeed, amount to offences under various provisions of the Corporations Act 2001.

HMC has reported these letters to the Australian Securities and Investments Commission (ASIC) requesting that the offers by Simon Henry be investigated and that ASIC take such action as it may deem appropriate.

If you have received an offer from Simon Henry in relation to your shares, HMC recommends that you take advice immediately as you may have rights in relation to that offer which rights could be lost by the passing of time.

Yours faithfully

A handwritten signature in black ink, appearing to read "Lakshman Jayaweera", written over a horizontal line.

Lakshman Jayaweera
Chairman