



A.B.N. 71 002 802 646

1 May 2012

ASX Market Announcements
Australian Securities Exchange
20 Bridge Street
Sydney NSW 2000

Dear Sir/Madam,

Updated Response to Takeover Offer

Hydromet Corporation Ltd (the Company) (ASX: HMC) refers to the off-market takeover offer for all the shares in the Company by Mr Simon Henry lodged on 19 April 2012.

Mr Morgan Parker, a Director of the Company, has informed the board of the Company that he is intending to recommend that shareholders accept Mr Henry's offer on the basis that no higher offer has materialised, Mr Henry's offer appears reasonable and that his associates (Sell & Parker Pty Ltd, Ssor Pty Ltd and Ms Bree-Annan Parker) do not wish to remain minority shareholders in the Company.

Further, Sell & Parker Pty Ltd intends selling all of its shares on market for not less than the offer price of 4.8 cents per share. Mr Parker's remaining associates intend accepting Mr Henry's offer of 4.8 cents per share under the bid. Mr Parker's associates' shares represent, in aggregate, 12.8% of the issued capital of the Company.

The remaining Directors of the Company, who represent a majority on the board, are still considering their position in relation to the takeover offer and intend to advise shareholders of their recommendation in due course.

For further enquiries, please contact:

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Yours Truly

A handwritten signature in black ink, appearing to read 'Pipvide Tang', is positioned above the printed name and title.

Pipvide Tang
Company Secretary