

Ausmet

Ausmet Resources Limited

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Company Announcements Office
Australian Stock Exchange Limited
4th Floor
20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

PROPOSED ACQUISITION OF BOUNTY INDUSTRIES AUSTRALIA PTY LTD

Further to our previous notice issued on 10 November 2004 the Directors wish to advise that the due diligence regarding the proposed acquisition of Bounty Industries is expected to be completed within the next 5 business days.

The due diligence is approximately 10 days behind schedule as a result of Bounty expanding its business opportunities significantly over the past month. This has necessitated a review of the additional mining opportunities as well as a review of the financial structure necessary to accommodate the expanded business model.

The Directors thank shareholders for their patience.

Yours faithfully

HOWARD DAWSON
Chairman