



Electrometals Technologies Limited

ABN 25 000 751 093

13 July 2006

The Manager
Company Announcements Office
Australian Stock Exchange

BUSINESS UPDATE

We refer to the previous announcement by Electrometals to the Australian Stock Exchange on 31 January, in which we advised that Electrometals is the preferred tenderer for the supply of an EMEW® electrowinning plant, to recover silver and gold at the Palmarejo mine in Chihuahua State, northern Mexico.

Directors are pleased to advise that the order for this plant has now been confirmed, for a total contract price of \$4.047 million, a slight increase on the figure previously advised. On the current timetable, it is anticipated this contract will be substantially complete at 31 December 2006 and will be finalised and delivered ex works in either late January or early February 2007.

The owner of the Palmarejo project is Planet Gold SA de CV, a Mexican company wholly owned by Palmarejo Silver and Gold Corporation, a Canadian TSV venture exchange listed corporation, which is a 74% owned subsidiary of Bolnisi Gold NL, a company listed on the Australian Stock Exchange.

Yours faithfully,

R.E. KEEVERS
Chairman & CEO