



## **HMZ Metals Begins Hechi Copper Smelter Expansion** *Two-phase program to double smelter capacity to 10,000 tpy by October, 2005*

**TORONTO, CANADA/HECHI, CHINA**, April 27, 2005 – HMZ Metals Inc. (TSX:HMZ) today announced the commissioning of the Hechi copper smelter expansion. The expansion program is designed to double smelter capacity to 10,000 tonnes of blister copper annually, increase operating efficiencies and enhance the smelter's environmental performance.

“As outlined during the IPO, this expansion will take our smelting operation to a new level by bringing modern and efficient production practices to the region,” said President Kerry D. Smith. “HMZ owns one of the two existing copper smelters in Guangxi province. By doubling capacity, this program will enable the Company to efficiently capitalize on regional copper production while keeping capital costs to a minimum.”

The copper smelter expansion is a two-phase program. Phase One, with an estimated cost of US\$900,000 (RMB 7.3 million) consists of the construction of an oxygen plant and the addition of a second blast furnace which together are expected to double capacity by enabling the smelter to operate continuously. Completion of Phase One is expected in October, 2005.

Phase Two consists of the construction of a new sulphuric acid plant that will exceed current emission standards. With a projected cost of US\$2.8 million (RMB 22.7 million) construction will begin following the implementation of Phase One. Completion of Phase Two is expected in June, 2006. No downtime is expected during either Phase One or Phase Two.

An official ceremony announcing the smelter expansion program was held yesterday in Hechi, China and was attended by Mr. Liang Sheng Li, Secretary of the Party and Mr. Yang Caishou, Mayor of Hechi. At the ceremony, Gilles Laverdière, HMZ's Vice-Chairman and Chief Executive Officer commented that the “Guangxi Guanghe Metals Co. Ltd. (HMZ's Chinese Subsidiary) is honored today with the presence of such senior officials from the Hechi Government for the official start of the expansion of our copper refinery. We are committed to developing many other projects in Hechi through the use of advanced technologies for the exploration, mining and milling of mineral resources. With the support of the Hechi government, the development of these new projects will be profitable for the economy of Hechi and will create well paid new jobs for Hechi citizens.”

### **About HMZ Metals**

HMZ Metals Inc. is a producing metals company with assets in China including the Hechi copper smelter; a 9% interest (with a letter of intent to acquire an additional 20% interest) in the Gaofeng zinc, tin, lead, antimony mine; the Wuxu Mill, a custom concentrator; and letters of intent on gold and base metal properties in the Guangxi Zhuang Autonomous Province of the People's Republic of China

For further information, please visit our website at [www.hmzmetals.com](http://www.hmzmetals.com), or contact:

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