



HMZ Corporate Update

TORONTO, CANADA, May 18, 2006 – HMZ Metals Inc. (“HMZ” or the “Company”) provides an update pursuant to the Management Cease Trade Order announced April 18, 2006.

1. Appointment of Kerry D. Smith as Chief Executive Officer
2. Appointments to the Company’s Joint Venture Company in China
3. Advisory Committee established
4. Forensic Audit and Audited Financial Statements for the year ended December 31, 2005

The Company announces the appointment of Kerry D. Smith as chief executive officer. Mr. Smith assumes this additional management role pursuant to Mr. Gilles Laverdiere stepping down as Vice Chairman, Chief Executive Officer and Director of the Company and various subsidiary company positions. The Company would like to take this opportunity to recognize his role in the formation of the Company and thank Mr. Laverdiere for his contributions over the past eight years.

The Company also announced the resignation of Pierre O’Dowd. Mr. O’Dowd served on the board of directors of the Company since its inception and the Company thanks him for his many contributions over the years and wishes him all the best in the future.

The Company has effected a re-organization of the board of directors and management structure of its 92% owned Chinese joint venture company; Guangxi Guanghe Metals (“GGM”). Mr. Smith has been appointed Chairman and legal representative and director of GGM. The Company also welcomes Mr. John Gruetzner to the GGM board of directors. Mr. Gruetzner is fluent in mandarin and a principal of Intercedent Limited, a Beijing based consulting company providing business development services for foreign companies operating in China. Intercedent has been advising the Company on its Chinese operations since late 2005. Together with the Company’s former CFO Rene Galipeau, the Company’s representatives on the GGM board of directors constitute a majority of the five member board.

The Company has established an Advisory Committee which will include individuals with appropriate business, legal and regulatory experience. The Company expects to announce appointments to the Advisory Board in the near future.

The Company’s independent legal and forensic accounting review of its Chinese operations will include an on-site review which is currently scheduled for early June. The Company plans to file annual audited financial statements for the year ended December 31, 2005 on or before July 31, 2006.

For more information visit www.hmzmetals.com or call Kerry Smith at 416-214-3270