



## HMZ launches Legal Action

**TORONTO, CANADA, July 18, 2007** – HMZ Metals Inc. (“HMZ” or the “Company”) announced today that the People’s High Court, Guangxi Province, PRC has accepted its application to proceed with legal action against HMZ’s joint venture partner; Hechi Industrial Co. Ltd (“Hechi”).

This court action is launched in response to unauthorized actions by Hechi on behalf of HMZ’s majority owned joint venture company; Guangxi Guanghe Metals Co. Ltd. (“GGM”). After substantial efforts to find an acceptable business solution, court action has become the only viable option for HMZ to seek restitution from Hechi.

HMZ has retained a Chinese consulting group to facilitate the above action and is confident of a positive resolution.

For more information visit [www.hmzmetals.com](http://www.hmzmetals.com) or call Kerry Smith at 416-214-3270

HMZ金屬有限公司(以下简称“HMZ” “该公司”)今天宣佈中华人民共和国广西壮族自治区高級人民法院已接受该公司对它的合作伙伴 西河池市矿业有限责任公司(以下简称“河池公司”)進行法律行动的申请。

开展法律诉讼是回应河池公司对HMZ作为主要股东的合资公司：广西广河金屬有限责任公司(以下简称“GGM”)所作出未经授权的行为。经过相当的努力去尋求可接受的商业性解决办法後,法律途徑是唯一为HMZ追尋賠償的办法。

HMZ已聘请了一个中国顾问团协调上述的行动。並有信心得到一个正面的决议。