

Deepgreen Minerals Corporation Limited

ABN 90 008 744 983



All Correspondence to:

Level 9
175 Collins Street
Melbourne Vic 3000
Australia

Tel: (03) 9639 1533
Fax: (03) 9650 0066
<http://www.deepgreen.com.au>
Email: deepgreen@dgm.com.au

3 May 2004

The Manager Companies
Australian Stock Exchange (Melbourne) Ltd.
530 Collins Street
MELBOURNE VIC 3000

MERGER WITH CAMBRIAN MINING PLC

Discussions have been held between the Australian Securities and Investments Commission and the independent expert engaged by Deepgreen to prepare the report required by the Corporations Act for the Schemes of Arrangement to be considered by Deepgreen share and option holders.

These discussions have identified fundamental differences of opinion as to the appropriate valuation methodologies, which have proven to be incapable of resolution.

Deepgreen has therefore engaged another independent expert to prepare a new report, and has adjourned the application to the court seeking orders to convene the Scheme meetings to a date to be fixed, pending completion of the new report. Deepgreen will seek to take the matter back to the court as soon as practicable.

As previously advised the boards of Deepgreen and its major shareholder, Cambrian Mining Plc, have agreed to merge the two companies through the Schemes of Arrangement. Under the terms of the Schemes, Deepgreen shareholders will receive one share in Cambrian for every 24 shares they hold and Deepgreen optionholders will receive one Cambrian share for every 75 options they hold.

Yours faithfully
DEEPGREEN MINERALS CORPORATION LTD

JURGEN DEBRODT
Company Secretary