



**MATSA**  
RESOURCES  
LIMITED  
ABN 48 106 732 487

ASX Announcement

19th December 2012

**Conductors identified by VTEM Survey  
at Symons Hill**

**HIGHLIGHTS**

- VTEM Survey identifies a number of electromagnetic conductors which could represent Ni Cu massive sulphide mineralisation within and adjacent to the interpreted Symons Hill Fault Zone
- 2 conductors, SH\_VA4 and SH\_VA5 support Matsa's previously announced coincident Ni Cu soil anomaly SH01
- 4 conductors, SH\_VA1, SH\_VA2, SH\_VA3 and SH\_VA6 are within and adjacent to Symons Hill Fault Zone and represent potential new targets
- Additional conductors have been identified which support previously announced soil anomalies SH02 and SH04
- Further conductors have revealed new targets to be followed up with further soil sampling, ground EM and IP surveys
- A palaeochannel in the northern part of the tenement may have masked any underlying conductors from the aerial VTEM

**CORPORATE SUMMARY**

Executive Chairman

Paul Poli

Director

Frank Sibbel

Director & Company Secretary

Andrew Chapman

Shares on Issue

134.52 million

Unlisted Options

13.15 million @ \$0.273 - \$0.45

Top 20 shareholders

Hold 52.9%

Share Price on 18 December 2012

33 cents

Market Capitalisation

\$44.39 million

Matsa is pleased to announce the successful completion of the combined airborne VTEM (Versatile Time Domain Electromagnetic) and Magnetic survey which commenced as previously announced on the 22<sup>nd</sup> November 2012. The survey was delayed due to weather and atmospheric conditions.

The survey has successfully identified numerous conductors.

Preliminary results are highly encouraging. They support all 4 existing soil geochemical targets as well as define other additional exploration targets for Ni Cu massive sulphide mineralisation at Matsa's Symons Hill project.

Electromagnetic and Magnetic Data was acquired by the Aerial Survey over the entire tenement area along EW oriented lines spaced 200m apart for a total of 557.5 line kilometres of surveying. A further 55 line kilometres of infill surveying was carried out over priority targets (Figures 1 and 2).

While a detailed report on the survey is being prepared by Matsa's geophysical consultants, Southern Geoscience Consultants (SGC), preliminary observations on the results of the survey are provided below.

Figure 1 depicts targets in yellow and magenta each of which may reflect concealed Ni Cu massive sulphide mineralisation.

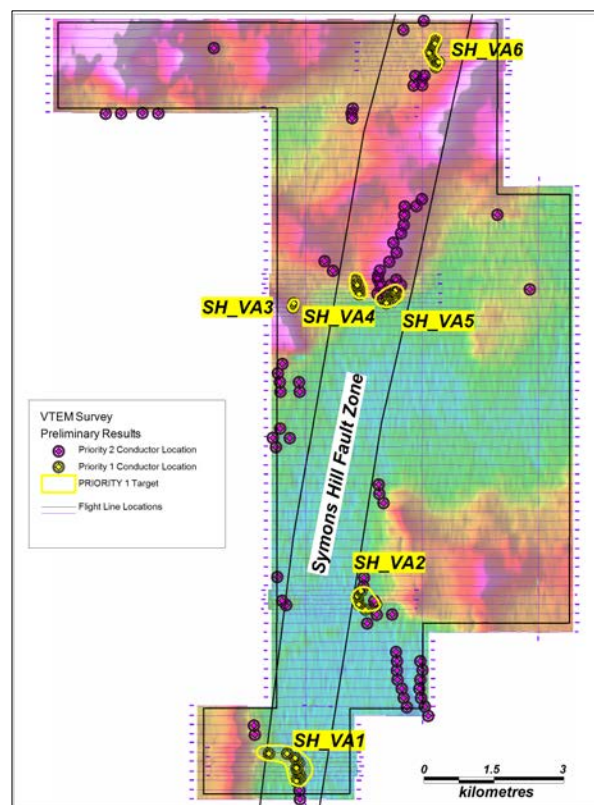


Figure 1: Imaged Late Time VTEM Data and Preliminary Target Locations

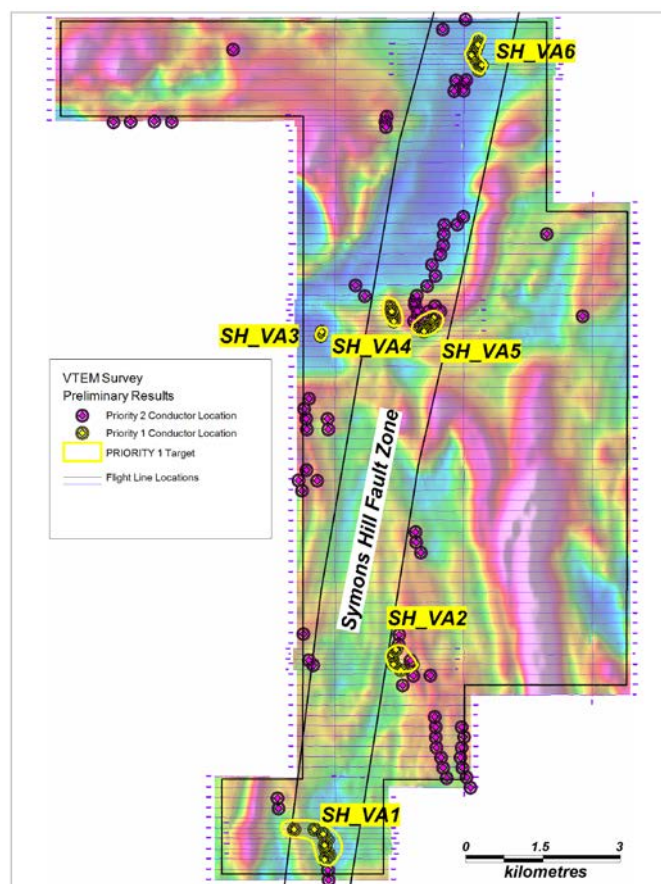


Figure 2: Imaged Magnetic Data and Location of Preliminary VTEM Targets

Among the numerous conductors delineated, the survey identified 6 higher priority conductors (in yellow) designated SH\_VA1 – SH\_VA6 located within and adjacent to the interpreted Symons Hill Fault zone. It can be seen that these targets have already been more accurately defined by infill VTEM survey lines spaced 100m apart.

2 conductors, SH\_VA4 and SH\_VA5, support and further strengthen the prospectivity of the Ni Cu soil anomaly SH01 previously reported by the Company.

High amplitude conductors detected in the NE part of the survey area are interpreted to reflect conductive alluvium in a NE trending palaeochannel system. This strongly conductive alluvium may have the effect of masking other conductors associated with basement mineralisation. Ground Electromagnetic and Induced Polarisation surveys may see through the alluvium and thereby identify any potentially masked Ni Cu sulphide deposits.

It can be seen in Figure 3 that a 2.4km long conductor (shown in Magenta) lies beneath and adjacent to SH01 within the interpreted palaeochannel.

Ground Electromagnetic and Induced Polarisation surveys will commence on and around the Ni Cu soil anomaly including conductors SH\_VA4 and SH\_VA5 and the conductor highlighted in magenta described above, after granting of the tenement.

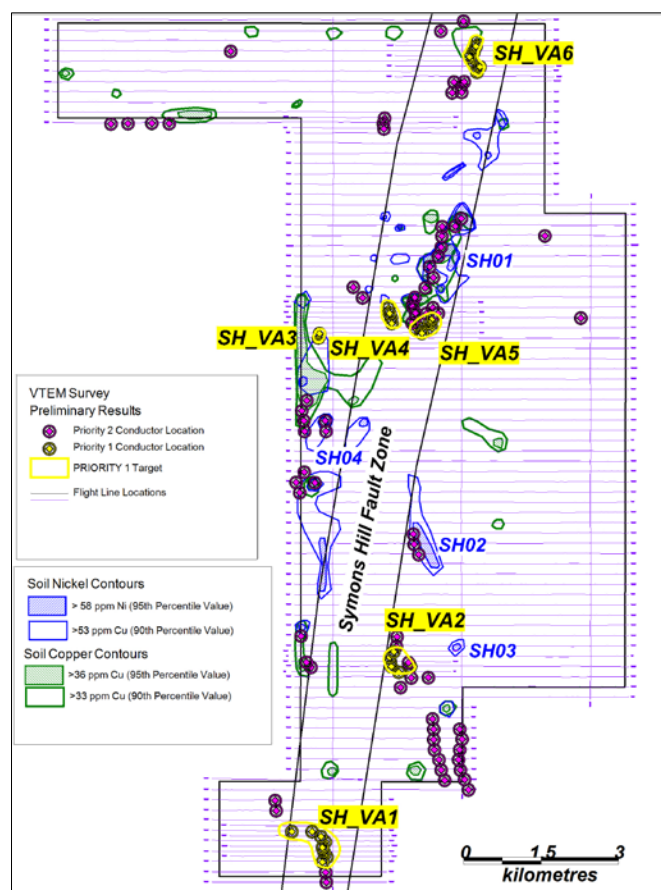


Figure 3: Preliminary VTEM Targets and Location of Soil Copper and Nickel Anomalies

Each of the high priority conductor targets has been briefly described by SGC as follows:

- SH\_VA1 – Strong, low amplitude VTEM anomaly apparent over ~6-8 main survey lines, strike ~750m+, complex geometry/shape, structural breaks apparent. Appears to be related to a local weak magnetic anomaly flanking a potential broader intrusive body.
- SH\_VA2 – Moderate-strong, low amplitude VTEM anomaly apparent over ~4-5 main survey lines, strike ~400m. Appears to be related to a local weak magnetic anomaly flanking a N-S structure.
- SH\_VA3 – Moderate-strong, high amplitude VTEM anomaly apparent

over ~2 main survey lines, strike ~200m. Appears to be within a magnetic low, possibly relating to an intrusive body.

- SH\_VA4 – Moderate, low amplitude VTEM anomaly apparent over ~3-4 main survey lines, strike ~300-400m. Appears to be coincident with a discrete moderate magnetic anomaly.
- SH\_VA5 – Moderate-strong, high amplitude and broad VTEM anomaly apparent over ~3-4 main survey lines, strike ~300-400m. Appears to be coincident with a discrete moderate magnetic anomaly.
- SH\_VA6 – Strong, low amplitude VTEM anomaly apparent over ~6-7 main survey lines, strike ~500-600m, complex geometry/shape, structural breaks apparent. No obvious relationship to magnetic anomalism, but adjacent to structure/faulting.

The additional Magnetic data which was acquired has provided a significant improvement on the earlier 400m spaced data as a much more accurate reflection of concealed bedrock geology.

Compilation and interpretation of the data is expected to directly benefit exploration targeting, including planning of ground electrical surveys and drilling.

Matsa continues to plan and undertake exploration activities as a priority at Symons Hill. To this extent, Matsa is pleased to advise that regional soil sampling has now also been completed over the entire project area with results due in early 2013.

Detailed submissions to DEC and DMP are currently being prepared to enable access to the exploration targets with ground surveys and drilling to be undertaken as soon as possible.

Matsa plans to access the target areas as soon as statutory environmental and heritage approvals have been obtained after the tenement has been granted.

Current expectation is that granting of E69/3070 will occur in early 2013.

A detailed final report by SGC on the results of the combined VTEM and magnetic survey is being prepared.

### About Matsa

Matsa is an ASX listed exploration and development company based in Western Australia. The Corporate office is located in Perth with offices in Norseman and Bangkok, Thailand.

Matsa aims to increase shareholder wealth through the discovery and development of mineral properties within Australia and South East Asia.

For further Information please contact:

**Paul Poli**  
**Executive Chairman**

**Frank Sibbel**  
**Director**

**Phone** +61 8 9230 3555  
**Email** [reception@matsa.com.au](mailto:reception@matsa.com.au)  
**Web** [www.matsa.com.au](http://www.matsa.com.au)

### Exploration results

*The information in this report that relates to Exploration results, is based on information compiled by David Fielding, who is a Fellow of the Australasian Institute of Mining and Metallurgy. David Fielding is a full time employee of Matsa Resources Limited. David Fielding has sufficient experience which is relevant to the style of mineralisation and the type of ore deposit under consideration and the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. David Fielding consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.*