



MATSA

RESOURCES

LIMITED
ABN 48 106 732 487

ASX Announcement

1 July 2013

RC and Aircore Drilling Set to Commence at Killaloe

HIGHLIGHTS

Killaloe (MAT Earning 70% from Cullen Resources)

- *Approved POW's received for RC and Aircore drill programmes*

Matsa Resources Limited ("Matsa" or "the Company" ASX:MAT) is pleased to advise that all approvals have been received with regard to the Programme of Works (POW's) to allow RC and Aircore drilling to commence at its Killaloe project, targeting both nickel and gold/base metal mineralisation (Figure 1).

The nickel targets are identified as KC26, KC31 and KC50. The gold/base metal targets are identified as Gossan E, KLGT01 and KLGT02/Gossan E Extension. Matsa is now finalising statutory heritage clearances and selection of the drilling contractor.

A total of 7 Reverse Circulation (RC) drill holes and 70 Aircore holes are proposed to be carried out in conjunction with the Fraser Range North drilling programme as announced on 26 June 2013. The drill target locations have been summarised in Figures 2 - 4.

Further approval's concerning Matsa's other projects are also anticipated and the market will be advised as they are received and proposed drilling programmes scheduled.

The reader is referred to supplementary baseline technical data provided in prior releases to the ASX on 30th April 2013 and 18th June 2013. This information is provided in compliance with revised reporting guidelines in the JORC 2012 code.

CORPORATE SUMMARY

Executive Chairman

Paul Poli

Director

Frank Sibbel

Director & Company Secretary

Andrew Chapman

Shares on Issue

134.62 million

Unlisted Options

13.05 million @ \$0.31 - \$0.45

Top 20 shareholders

Hold 51%

Share Price on 28 June 2013

33 cents

Market Capitalisation

\$44.42 million

For personal use only

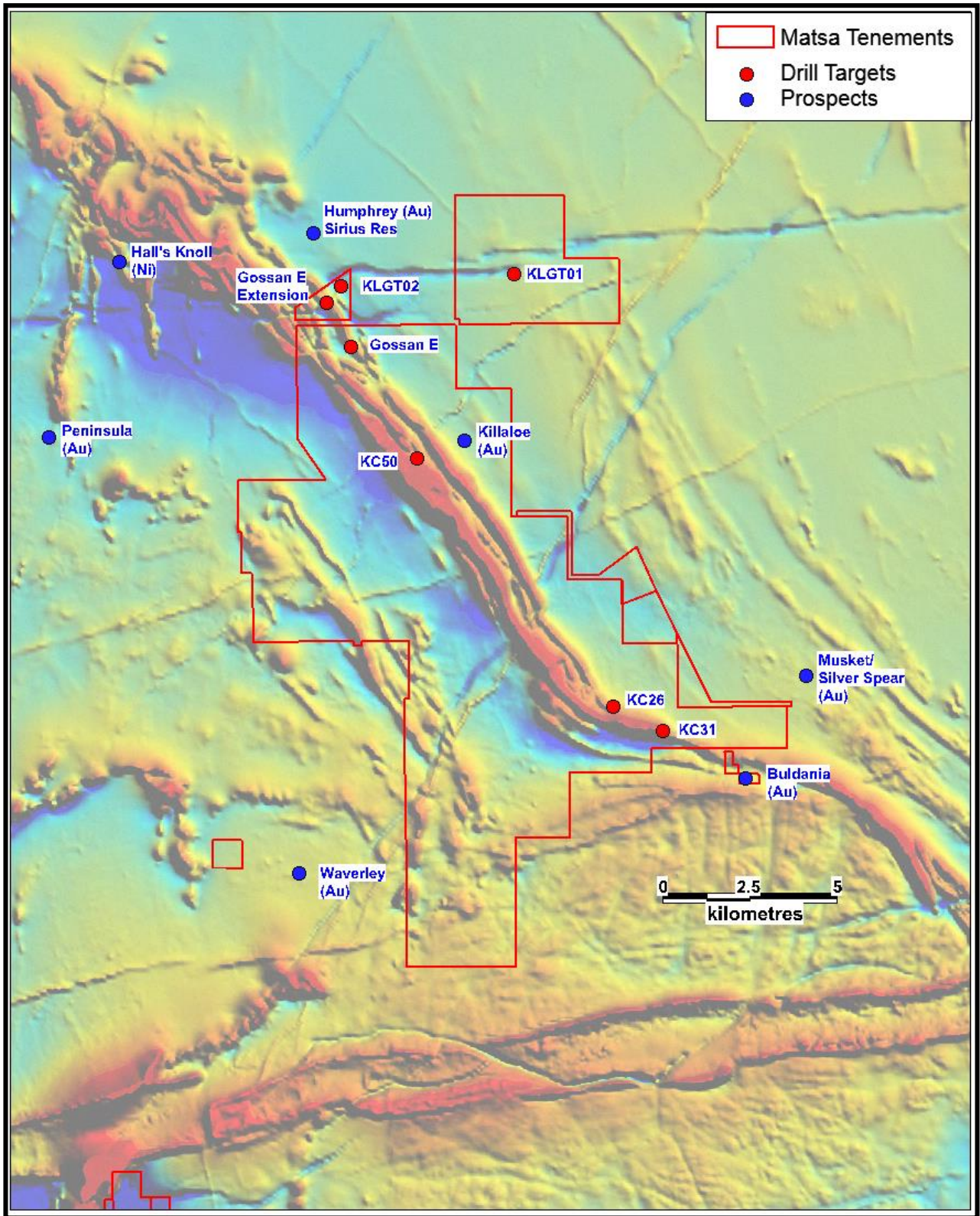


Figure 1: Killaloe Drill Target Locations on regional magnetics.

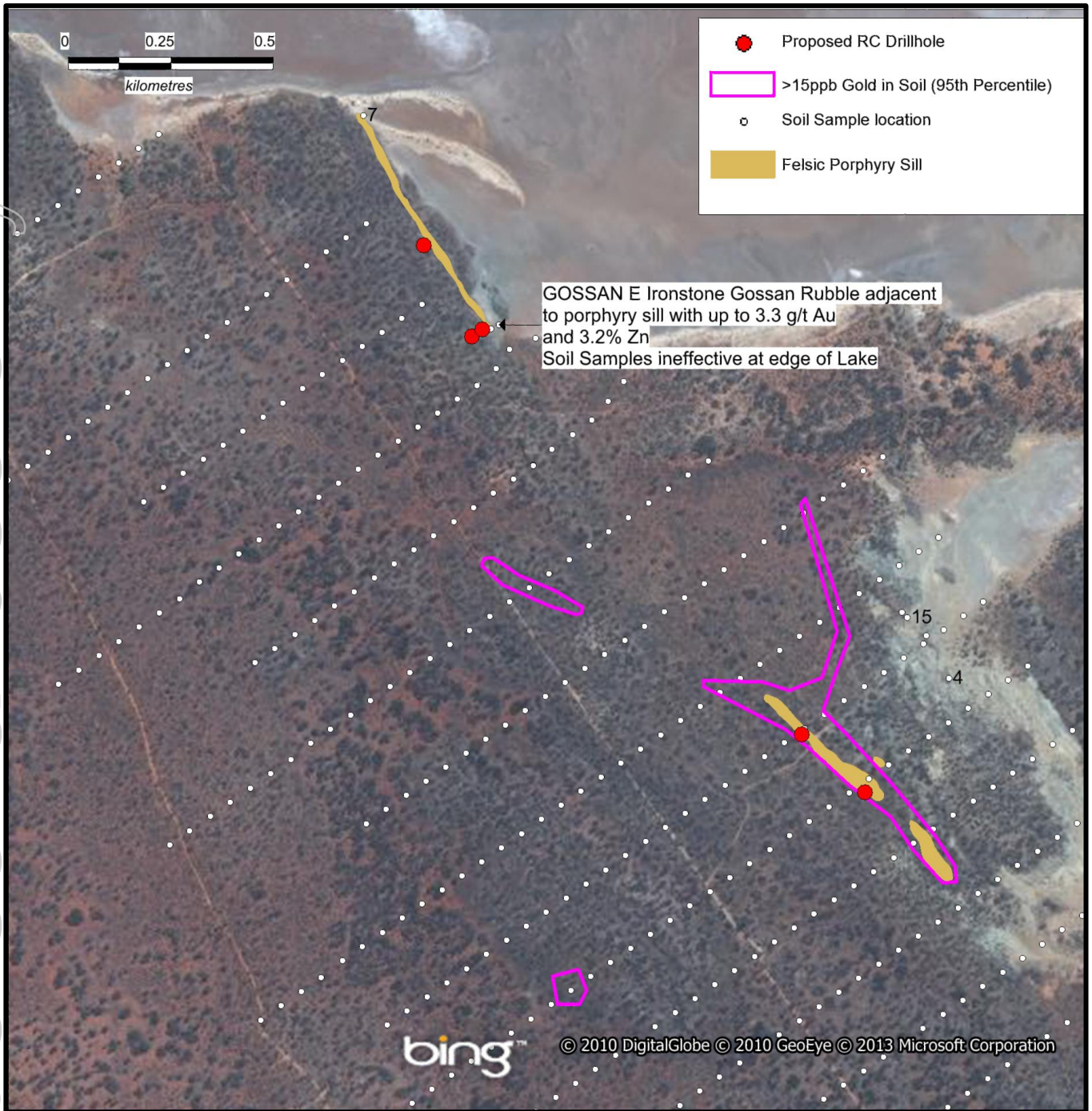


Figure 2: Planned RC drilling on Gossan E. Drilling will also test potential for structurally controlled gold mineralisation associated with strong gold in soil anomaly over Felsic porphyry intrusive SE of Gossan E.

For personal use only

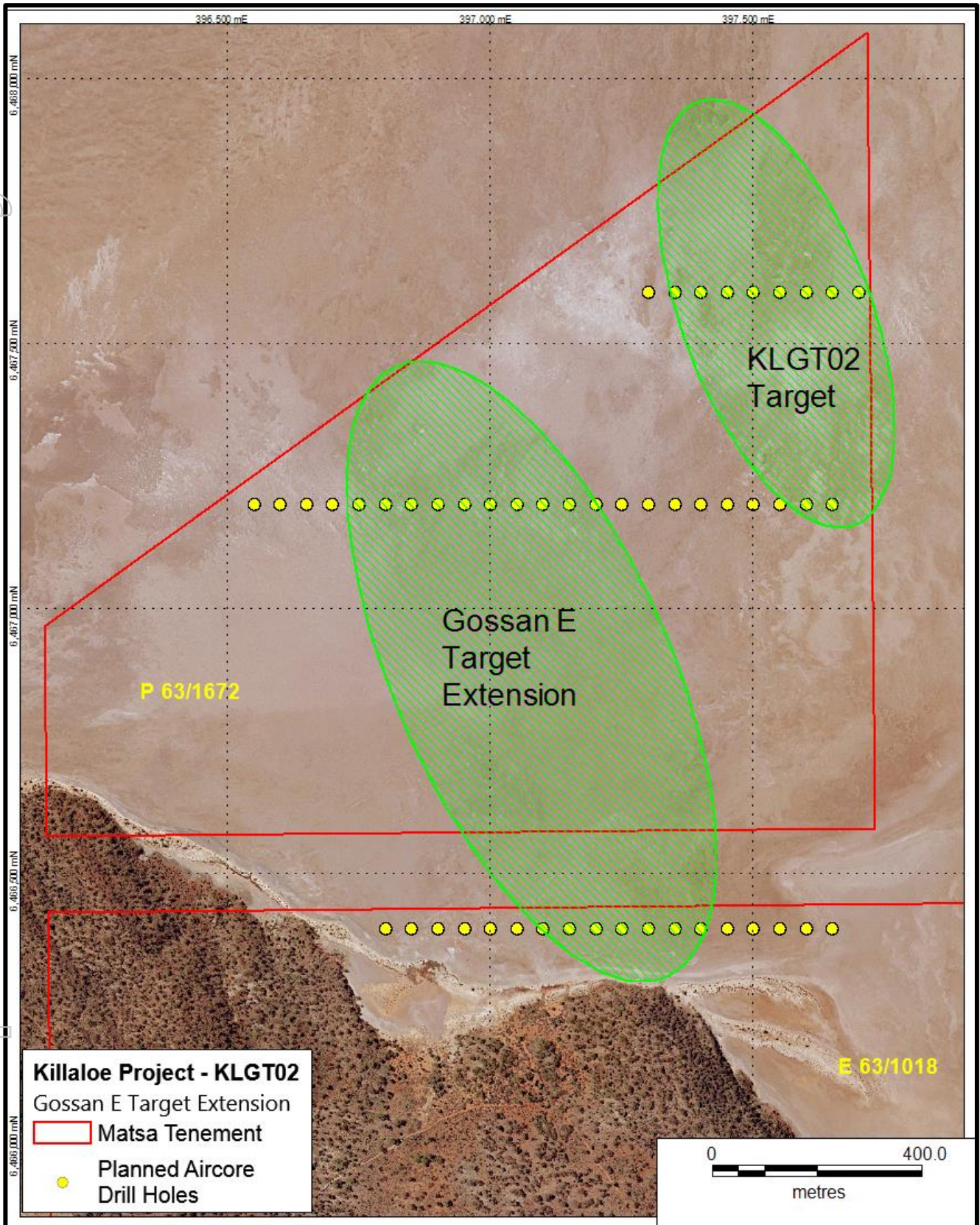


Figure 3: Proposed Aircore drilling on lake bed with KLG T02 target adjacent to Sirius Polar Bear Prospect, and Gossan East Extension testing coincident gold and zinc soil values which may be related to outcropping mineralisation at Gossan E to the SE.

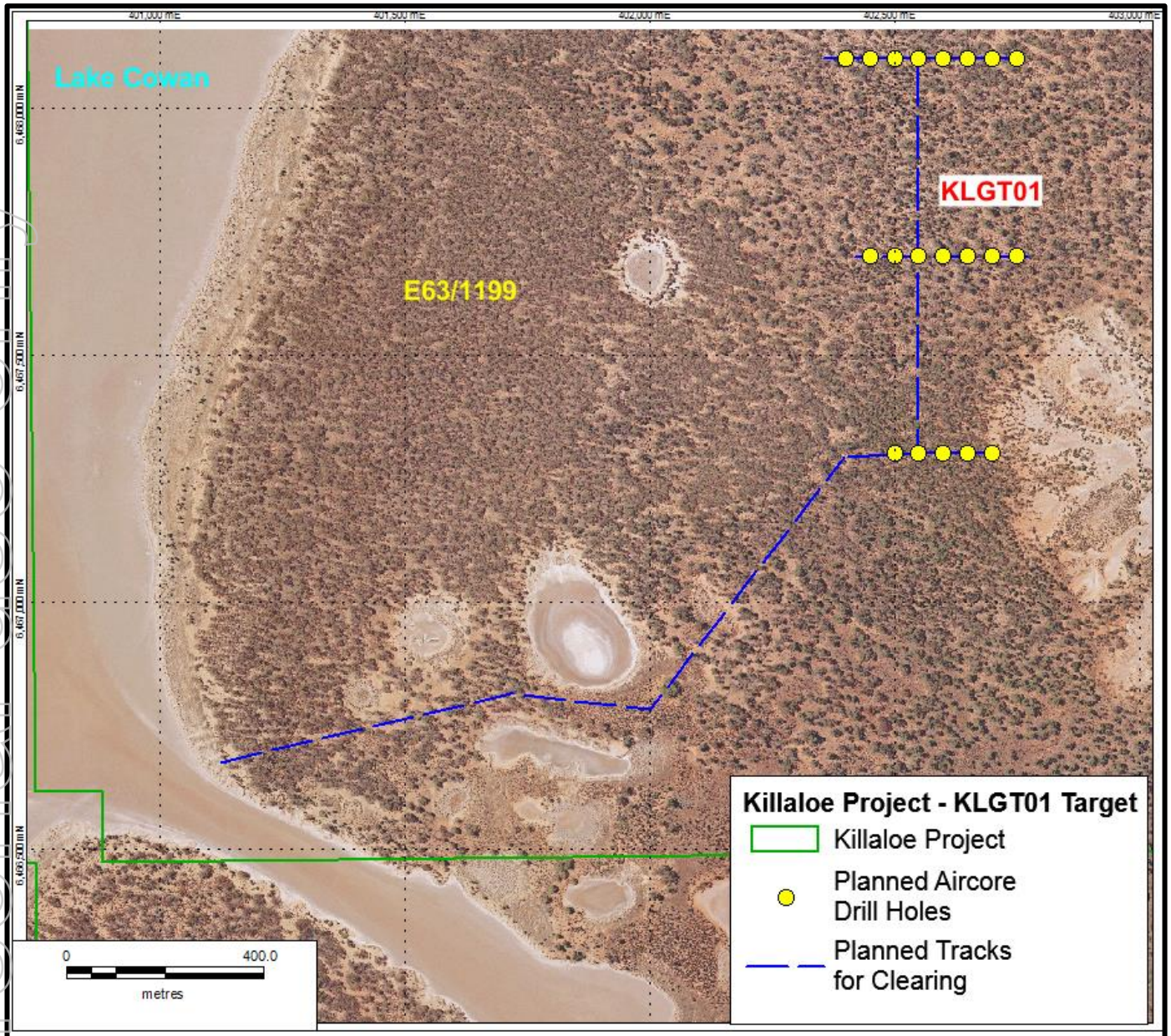


Figure 4: Planned Aircore drilling over gold silver MMI soil anomaly KLG01.

For further Information please contact:

Paul Poli
Executive Chairman

Frank Sibbel
Director

Phone +61 8 9230 3555
Fax +61 8 9227 0370
Email reception@matsa.com.au
Web www.matsa.com.au