



MATSA

R E S O U R C E S

L I M I T E D

ABN 48 106 732 487

ASX Announcement

11 May 2015

Diamond Drilling at Symons Hill

Highlights

- *The Matsa board has approved a diamond drill programme to test newly discovered conductors C42 and C56 at Symons Hill.*
- *A diamond drill rig has been mobilised to site and drill site access and pad preparation is in progress.*
- *A minimum of 2 diamond holes for a total of 800m of drilling have been designed to test whether the two conductors are associated with Nova-Bollinger style Ni-Cu sulphide mineralisation.*
- *Drilling is scheduled to commence targeting the modeled conductor at C56 followed by the conductor at C42.*

CORPORATE SUMMARY

Executive Chairman

Paul Poli

Director

Frank Sibbel

Director & Company Secretary

Andrew Chapman

Shares on Issue

144.15 million

Unlisted Options

14.85 million @ \$0.25 - \$0.43

Top 20 shareholders

Hold 50.36%

Share Price on 8 May 2015

25 cents

Market Capitalisation

\$36.04 million

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Matsa is very pleased to report that the board has approved a diamond drilling programme to test for the presence of Nova-Bollinger style Ni-Cu sulphides associated with the recently discovered high priority conductors C42 and C56 at Symons Hill.

A diamond drilling rig to carry out the upcoming programme comprising a minimum of 2 holes for approximately 800m of diamond drilling, has been mobilised to site. Drilling is expected to commence within the next 5 days.

Downhole EM surveys will be carried out on all holes completed in order to confirm any in-hole conductors and to detect potential off-hole conductors which may not have been intersected by the drilling.

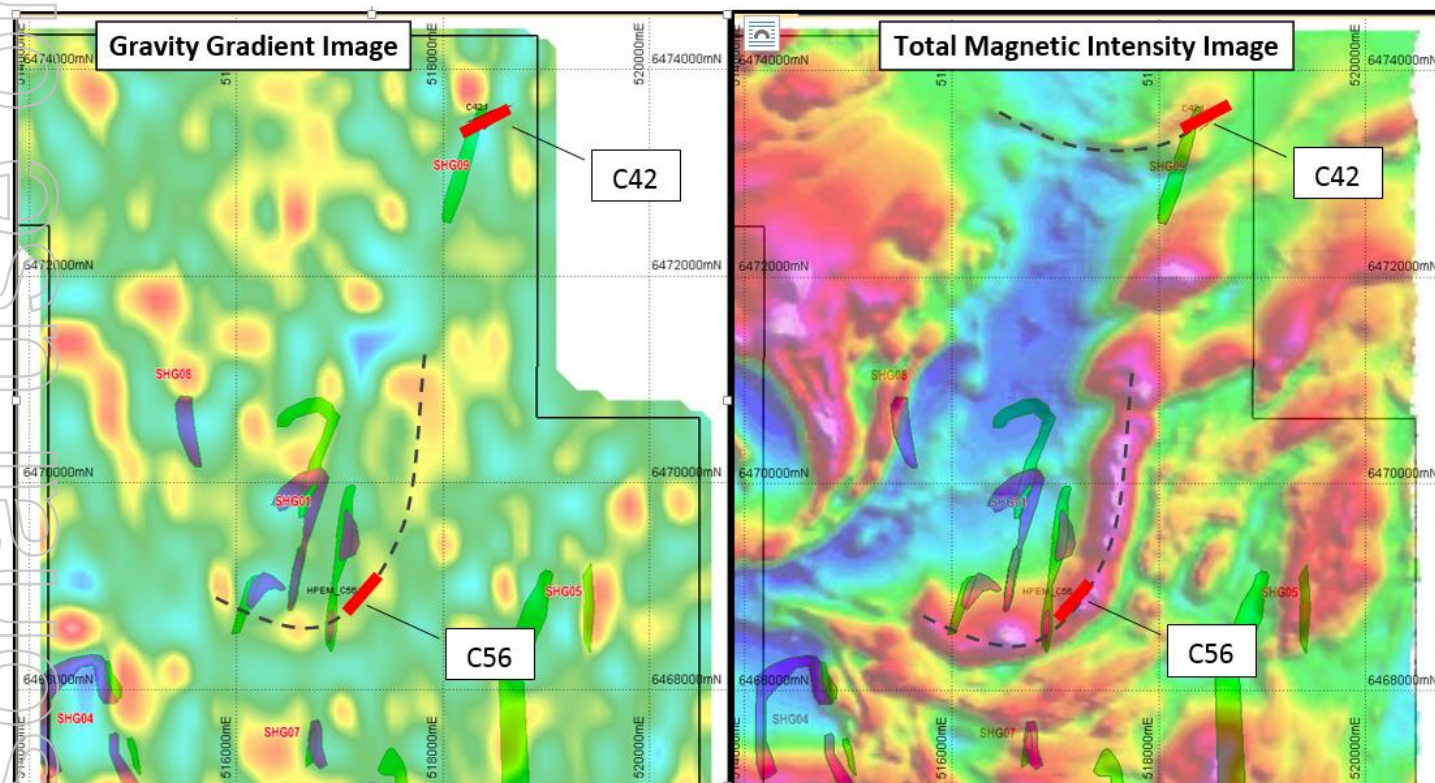


Figure 1: Image of C42 and C56 conductors over gravity, magnetics and bedrock Ni and Cu anomalies (Blue = Ni, Green = Cu).

Diamond Drilling

Conductor C56 – A minimum of one angled diamond hole oriented towards the SE and approximately 300m long is planned to directly test whether the EM conductivity response is caused by Ni-Cu sulphide mineralisation.

Conductor C42 - A minimum of one angled diamond hole oriented towards the SE and approximately 500m long is planned to directly test whether the EM conductivity response is caused by Ni-Cu sulphide mineralisation.

DHEM surveys are planned to be carried out upon completion of the two drillholes to confirm the location of inhole conductors and potentially identify nearby offhole conductors.

Symons Hill Project Background

The Symons Hill Project is located within Matsa's 100% owned E69/3070 with an area of 96km². The project is located within the Fraser Range Tectonic zone, 6kms SSW of Sirius Resources Ltd's (ASX: SIR) Nova nickel mine. Matsa has been actively exploring the project since 2012 with aircore, RC and diamond drilling confirming the presence of nickel anomalous (0.2 – 0.3% Ni) olivine bearing gabbro at targets SHG02, SHG03 and SHG11, which exhibit near surface enrichment in the weathered profile of up to 1.3% Ni.

Matsa Resources Limited

Matsa commenced a regional, high powered (150-200A) EM survey in December 2014 which has been designed to cover the majority of the Symons Hill Project area. The survey is being carried out as part of a research and development project which is designed to develop and improve state of the art EM equipment to explore for massive sulphide deposits of Nova-Bollinger type, to a depth of >700m below surface.

The survey has been designed to test three successive, prioritised areas with the highest priority assigned to favourable structural/stratigraphic locations based on interpretation of gravity, aeromagnetic, geochemical and drilling data. Results have been received for 43 out of 97 planned survey loops.

For further information please contact:

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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 2012 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.