



**MATSA**

R E S O U R C E S

LIMITED

ABN 48 106 732 487

**ASX Announcement**

**31 July 2015**

## **Sale of Mt Henry Gold Project**

### **Highlights**

- **Panoramic Resources Limited (ASX: PAN) and Matsa have agreed to sell their respective interests in the Mt Henry Gold Project to Metals X Limited (ASX: MLX).**
- **Consideration to be 22 million MLX fully paid ordinary shares.**
- **Matsa's share (30%) of the consideration is 6.6 million MLX shares (\$7.5M in value).**
- **On conclusion of the disposal Matsa will have \$14M in cash, anticipated refunds and liquid investments.**

### **CORPORATE SUMMARY**

#### **Executive Chairman**

Paul Poli

#### **Director**

Frank Sibbel

#### **Director & Company Secretary**

Andrew Chapman

#### **Shares on Issue**

144.15 million

#### **Unlisted Options**

15.47 million @ \$0.25 - \$0.43

#### **Top 20 shareholders**

Hold 51.7%

#### **Share Price on 31 July 2015**

15 cents

#### **Market Capitalisation**

\$21.62 million

## Matsa Resources Limited

Matsa is very pleased to report that both it and Panoramic Resources Limited (Panoramic) have entered into an Asset Sale and Purchase agreement to dispose of their respective interests in the Mt Henry Gold Project to Metals X Limited (MLX). Matsa holds a 30% interest and Panoramic a 70% interest in the project.

In May 2015 Panoramic announced the results of the detailed feasibility study conducted on the Mt Henry Gold Project which illustrated a Probable Ore Reserve estimate of 20.2Mt @ 1.42g/t Au (contained gold 922,900oz), a mine life of over 7 years and an annual production profile of 120,000 ounces per annum (*refer ASX announcement dated 14 May 2015*).

At that time Panoramic indicated they had received indicative terms sheets from two Australian banks for debt financing of the project, which indicated that a significant portion of the project's construction cost could be debt funded. However while the Joint Venture parties could proceed to financing and development of Mt Henry both parties are of the view that shareholders are best served by exploring alternative avenues to realise value such as an IPO or trade sale.

MLX approached Panoramic and Matsa with a view to acquiring the Mt Henry Gold Project and an Asset Sale and Purchase agreement has been executed to that effect. The consideration for the disposal (100%) is the issue of 22 million fully paid ordinary shares in MLX, freely tradeable with no restriction provisions.

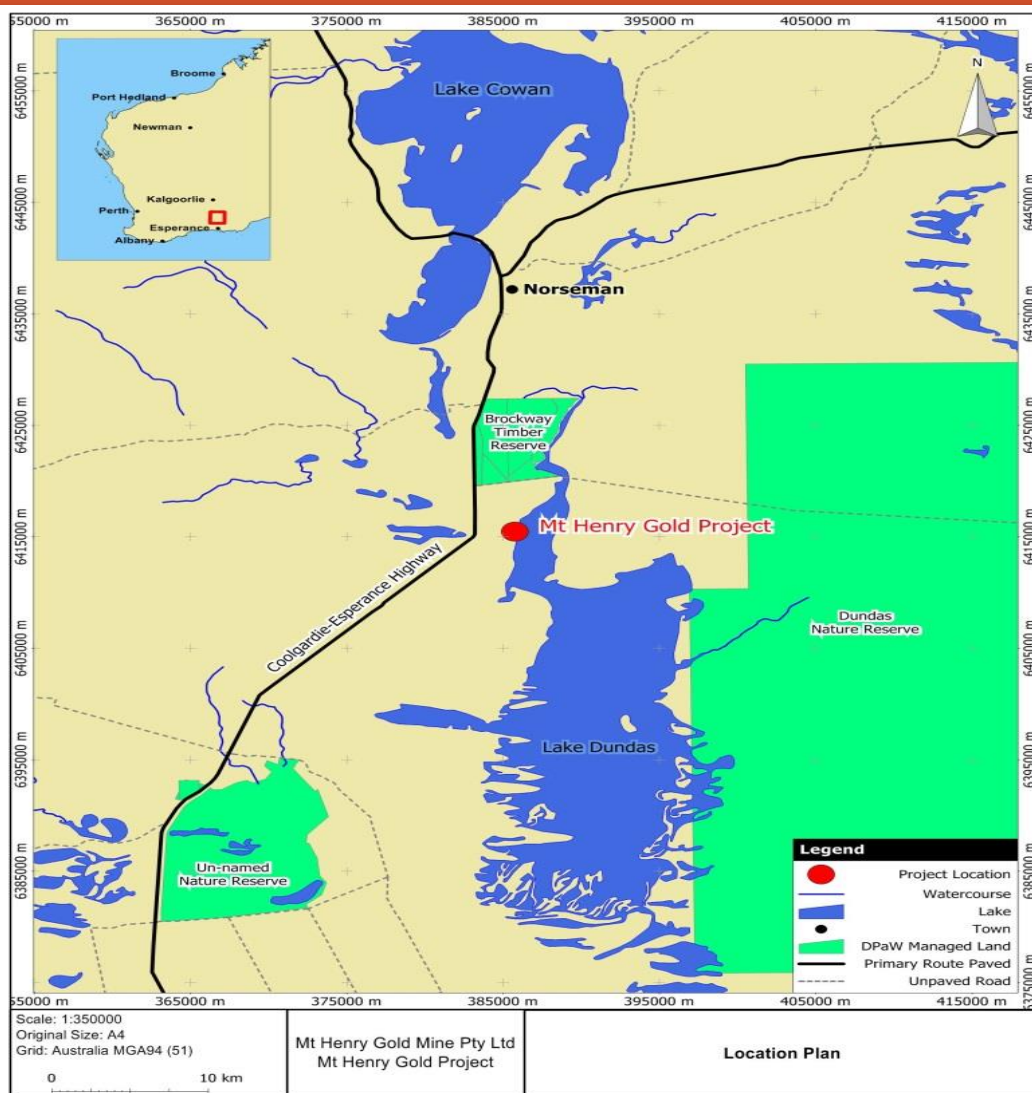
The condition precedent for this transaction to proceed include receipt of ministerial approval, FIRB approval (if required) and any other ASX and regulatory approvals that may be required.

Matsa will receive 6.6 million fully paid ordinary shares in MLX on settlement which, based on current market price, values the MLX shares at \$7.5 million.

GMP Securities Australia acted as financial advisor to Matsa and Panoramic on the sale.

Executive Chairman, Mr Paul Poli said "Upon settlement the disposal of Matsa's interest in the Mt Henry Joint Venture will produce an excellent outcome in providing Matsa with 6.6 million shares in Metals X Limited, Australia's largest tin producer, a top 10 Australian gold producer with a pipeline of assets from exploration to development in gold and nickel who we believe will continue to grow.

The Mt Henry Gold Project has been a wonderful asset for the Company that has resulted in realising more than \$20 million in value over the past three years to Matsa shareholders. Upon completion of this transaction Matsa will have \$14 in cash, anticipated refunds and liquid investments available to it to pursue exploration and growth opportunities."



**Figure 1: Mt Henry JV Project Location (30% Interest)**

For further Information please contact:

**Paul Poli**  
Executive Chairman

**Phone** +61 8 9230 3555  
**Fax** +61 8 9227 0370  
**Email** [reception@matsa.com.au](mailto:reception@matsa.com.au)  
**Web** [www.matsa.com.au](http://www.matsa.com.au)