

**Matrix Metals Limited**  
**ACN 082 593 235**

**Australian Securities Exchange**  
**Code: MRX**

**Ordinary shares**  
306,151,329

**Unlisted Options**  
40,000,000 (exercise price of \$0.005; expiry date of 31 Dec 2016)

**Board of Directors**  
Joe Ariti                      Executive Director  
Tony Sage                    Non-executive Director  
Jason Bontempo          Non-executive Director

**Company Secretary**  
Claire Tolcon

**ASX announcement**  
**31 July 2012**

## **Quarterly Activities Report – Period Ending 30 June 2012**

### **Highlights**

- EPM 17902 was granted during the Quarter increasing the Company's landholding at its 100% owned Wee MacGregor Copper Project within the prospective Mt Isa Inlier to approximately 220 square kilometres.
- A review of airborne magnetic data by independent geophysics consultant, Core Geophysics, and associated geochemistry has identified a number of prospective targets. Field work comprising ground truthing and soil and rock chip sampling to commence early in the September quarter.
- Ms Claire Tolcon, an experienced legal professional appointed Company Secretary.
- The Company has continued to assess new business opportunities in the mining and energy sectors.

### **Corporate**

Matrix Metals Limited (**ASX: MRX**) ("Matrix" or the "Company") is an ASX listed exploration company based in Perth, Western Australia.

It is the intention of the Company to initially focus on the evaluation and exploration of its 100% owned Wee MacGregor Copper Project located in Queensland (refer Figure 1) ("Project"), whilst actively pursuing new business opportunities in the mining and energy sectors.

On 3 July 2012, Ms Claire Tolcon was appointed Company Secretary. Ms Tolcon has over 14 years' of experience in the legal profession, primarily in the areas of equity capital markets, mergers and acquisitions, corporate restructuring, corporate governance and mining and resources. She was a partner of a corporate law firm for a number of years and has a Bachelor of Laws and Bachelor of Commerce (Accounting) degree and has completed a Graduate Diploma of Applied Finance with FINSIA and a Graduate Diploma of Corporate Governance with Chartered Secretaries of Australia Ltd.

## **Wee MacGregor Copper Project ("Project")**

The Project, which is 100% owned by Matrix, is located 40km southeast of Mt Isa in Queensland (refer Figure 1). The Project comprises 5 granted Exploration Permits for Minerals ("EPM") covering an area of approximately 220km<sup>2</sup> and an EPM application (EPMA 19429) covering approximately 19.2km<sup>2</sup>. During the reporting period EPM 17902 covering the Pindora North copper prospect was granted.

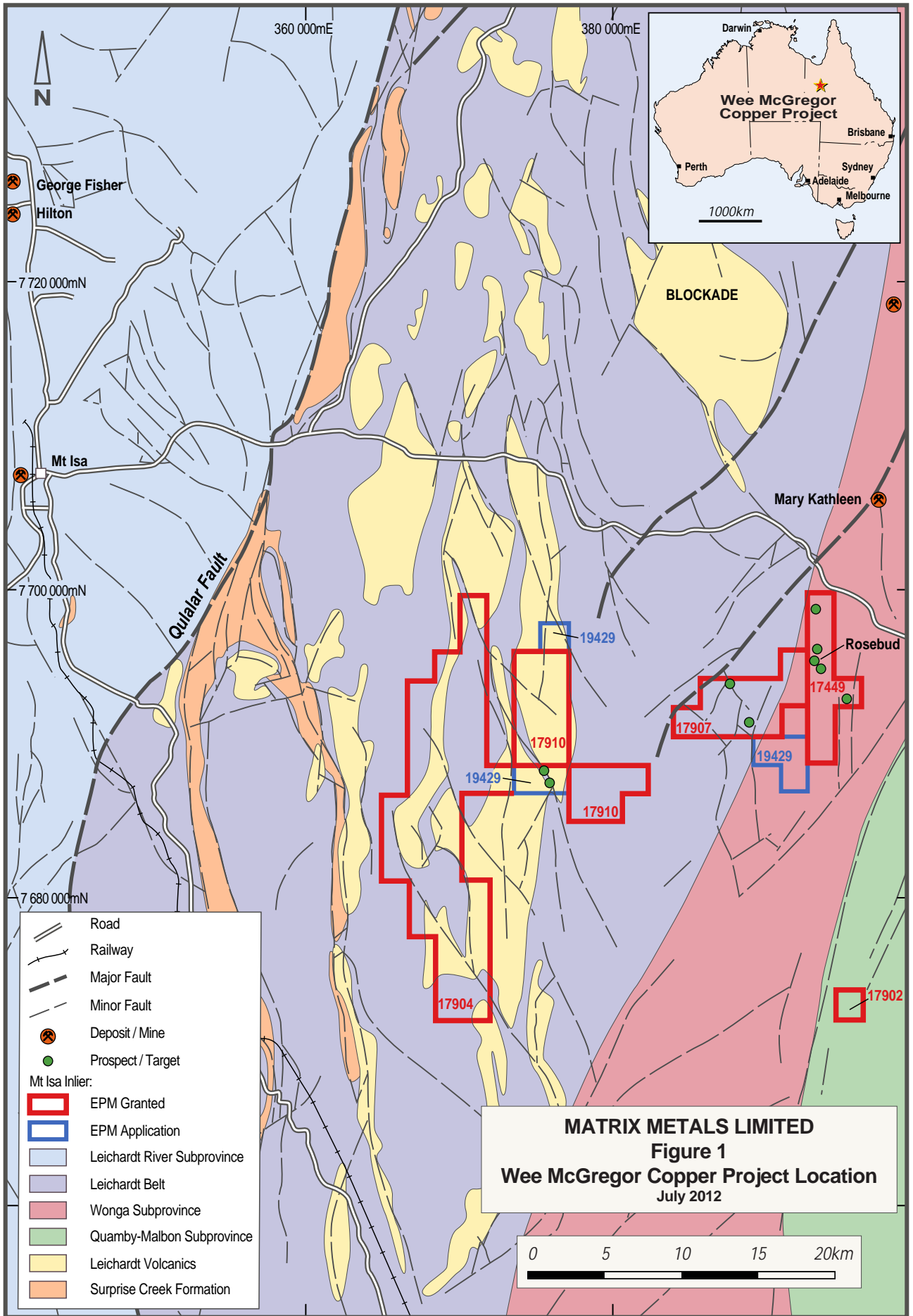
The Wee MacGregor tenements are located within the Eastern Fold Belt of the Mt Isa Inlier (Figure 1). The eastern most tenements are located in the Mary Kathleen Zone/Wonga Subprovince. The western group of tenements are located in the Kalkadoon Leichhardt Belt.

The Wee MacGregor tenements are considered mature Greenfields or Brownfields exploration acreage prospective for copper/gold and cobalt mineralisation. Several copper occurrences and minor workings occur within the tenement boundaries. The largest being the Rosebud Mine within EPM 17449, which has recorded historical production of approximately 20,000 tonnes at 7% copper.

A review of the airborne magnetic data over the Rosebud tenement (EPM 17449) recently completed by Core Geophysics identified twelve targets for follow-up. The targets are predominately magnetic highs, which are associated with structural liniments and have copper occurrences or workings on or adjacent to them. A review of the airborne magnetic data and associated geochemistry on the other four granted tenements has identified additional targets for follow-up.

To date very little drilling has been undertaken by previous explorers over the area covered by the Wee MacGregor tenements.

Field work comprising soil and rock chip geochemical sampling of identified targets will commence during the September quarter. Targets returning encouraging results are proposed to be tested with shallow drilling later in the year.



For more information, please contact:

Joe Ariti  
Executive Director

08 9200 3456

Claire Tolcon  
Company Secretary

08 9380 9555

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001.

Name of entity

<b>MATRIX METALS LIMITED</b>
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ABN

42 082 593 235
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Quarter ended ("current quarter")

30 June 2012
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### Consolidated statement of cash flows

	Current quarter	Year to date
Cash flows related to operating activities	\$A'000	\$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(36)	(43)
(b) development	-	-
(c) production & care & maintenance costs	-	-
(d) administration	(5)	(1,168)
1.3 Dividends received	-	-
1.4 Interest and similar items received	11	120
1.5 Interest and other costs of finance paid	-	(360)
1.6 Income taxes paid	-	-
1.7 Other		
Other income (tenement rent refunds received)	-	7
Payment of recapitalisation costs	-	(164)
<b>Net Operating Cash Flows</b>	<b>(30)</b>	<b>(1,608)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other: financial assurances provided	-	(22)
Other: financial assurances returned	10	697
Other: payment of business development costs	(53)	(101)
<b>Net investing cash flows</b>	<b>(43)</b>	<b>574</b>
<b>1.13 Total operating and investing cash flows</b>	<b>(73)</b>	<b>(1,034)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

<b>1.13</b>	<b>Total operating and investing cash flows carried forward</b>	<b>(73)</b>	<b>(1,034)</b>
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	2,151
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	715
1.17	Repayment of borrowings	-	(2,415)
1.18	Dividends paid	-	-
1.19	Other: cash balances under control of Administrator transferred to Creditors Trust	-	(3,454)
	Other: payment of capital raising costs	-	(9)
	<b>Net financing cash flows</b>	<b>(73)</b>	<b>(3,012)</b>
	<b>Net (decrease) in cash held</b>	<b>(73)</b>	<b>(4,046)</b>
1.20	Cash at beginning of quarter/year to date	1,116	5,089
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter</b>	<b>1,043</b>	<b>1,043</b>

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	-
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

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**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have occurred during the 9 months presented which had a material effect on consolidated assets and liabilities but did not involve cash flows:

N/A
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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A
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+ See chapter 19 for defined terms.

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

**Estimated cash outflows for next quarter**

	\$A'000
4.1 Exploration and evaluation	100
4.2 Development	-
4.3 Production	-
4.4 Administration	20
<b>Total</b>	<b>120</b>

**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,043	1,116
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>1,043</b>	<b>1,116</b>

**Changes in interests in mining tenements**

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	N/A			
6.2 Interests in mining tenements acquired or increased	EPM 17902	Beneficial	-	100%

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference +securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	306,151,329	306,151,329		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs (c) Decreases through consolidation				
7.5 <b>+Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>	40,000,000	-	<b>Exercise price</b> \$0.005	<b>Expiry date</b> 31 Dec 2016
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired / forfeited during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

+ See chapter 19 for defined terms.



