

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
Jason Bontempo Executive Director
Tony Sage Non-executive Director
Jeff Hamilton Non-executive Director
Company Secretary
Claire Tolcon

ASX announcement
24 December 2013

Matrix Metals to acquire private company Caeneus Minerals Pty Ltd

Highlights:

- **Matrix to acquire 100% of private company Caeneus Minerals Pty Ltd.**
- **Consideration will be 7.1435 Matrix shares for each 1 Caeneus share.**
- **Caeneus holds two prospective projects in Western Australia.**
- **Acquisition subject to approval from Matrix shareholders.**

Perth based exploration company Matrix Metals Limited (ASX:MRX) (**Matrix** or the **Company**) is pleased to announce it has entered into a binding agreement to acquire 100% of the capital of private company Caeneus Minerals Pty Ltd (**Caeneus**) (**Acquisition**).

The consideration for the Acquisition will be satisfied by Matrix issuing Caeneus shareholders with 7.1435 Matrix shares for every Caeneus share held, plus one attaching unlisted option per Caeneus share exercisable at \$0.03 each within three (3) years from the date of issue.

Subject to receipt of Matrix shareholder approval, Matrix will acquire 100% of the issued capital in Caeneus from the Caeneus shareholders. On completion Matrix will change its name to Caeneus Minerals Limited.

Caeneus has secured access to a number of exploration properties in Western Australia, namely the Super Nova Project and Mt Davis Tenements.

Super Nova Project

Caeneus currently has an option agreement with the right to acquire 100% of the legal and beneficial interest in the Super Nova Project through the final payment of A\$65,000 on or before the expiry date of 14 April 2014.

The Supernova Project is located on tenement E69/3066 approximately 125km east of the gold mining centre of Norseman in Western Australia (refer Fig 1) . The project is situated within the Proterozoic Albany-Fraser Mobile Belt (**Belt**) on the south-east margin of the Yilgarn Craton. The Belt hosts the Fraser Complex which are a series of layered mafic intrusions where recently a new nickel province has emerged following the discovery of the Nova-Bollinger deposits by Sirius Resources Ltd.

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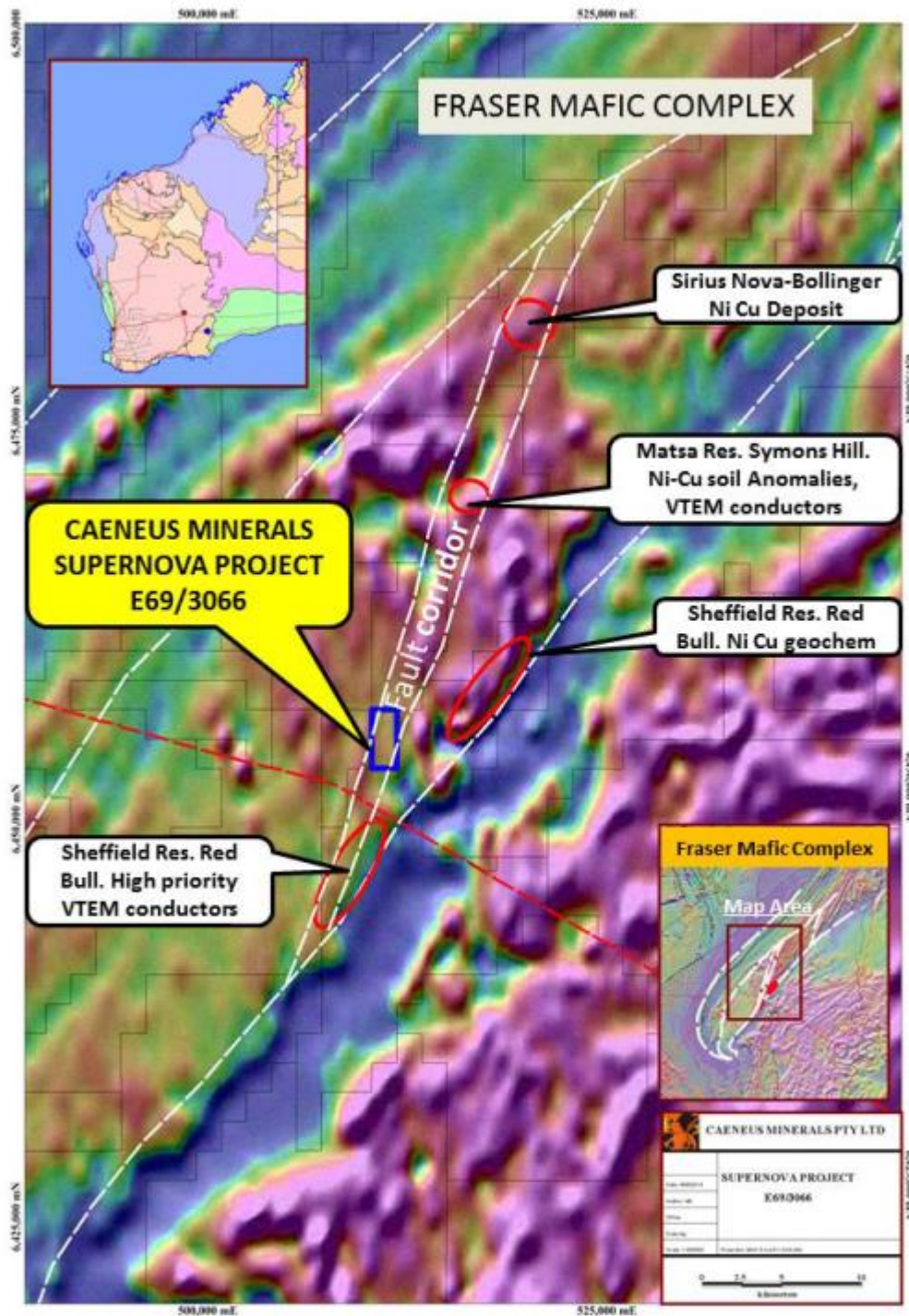


Figure 1: location of Supernova Project

The project is surrounded by explorers with ground within the layered gabbro units of the Fraser Complex, with local Prospects showing elevated copper, nickel, cobalt, and PGE's from soil sampling and drilling. Nearby companies with notable results include Enterprise Metals Ltd, Sheffield Resources Ltd, Matsa Resources Ltd and Sirius Resources Limited just 23km NNE of the Supernova Project.

Very little exploration has previously been carried out on tenement E69/3066, with only a small dimension stone quarry present in the middle of the lease. This quarry was mining "black granite" from a doleritic intrusive mafic reminiscent of nickeliferous host rocks occurring at nearby local prospects.

Caeneus recently commenced field work with a geochemical soils program targeting magmatic nickel sulphides. The east-west program comprised 150 samples with 100m spacing over 400m spaced lines. Samples were submitted to Quantum Analytical Laboratories in Welshpool for multi element analysis. Results revealed a multi-element soil anomaly centred over the area of the quarry where intrusive mafic

rocks outcrop. The program identified a positive area some 2km long and 300m wide with coincident Ni, Cu, Cr and Co that warrants additional investigation.

Further work programs will include more detailed infill soil sampling and rock-chip sampling in the short term, to be followed with a combination of detailed magnetic, gravity and electromagnetic surveying to delineate subsurface primary sulphide mineralisation and provide more discrete targets for drilling.

Mt Davis Tenements

The Mt Davis tenements near Leonora in Western Australia comprises eight contiguous prospecting licences totaling 1287ha, formerly held by Jupiter Mines Ltd (**Jupiter**) and then Bligh Resources Ltd (**Bligh**) (refer Figure 2).

The Leonora area has a long and rich gold mining history and the geology for the Mt Davis tenements has gold mineralisation associated with pyritic quartz veins in sheared mafic volcanics. The tenements are situated approximately 6km southeast of the Tarmoola Gold Mine that has produced over 3M oz of gold. The leases run parallel to the northwest to southeast trending mafic units that host the Tarmoola Deposit. P37/7803 surrounds (but does not include) the historic Grattan Well mining centre.

The western sector of the Mt Davis area is underlain by a north-northwest trending sequence of metamorphosed high magnesium basalts, dolerite-gabbro intrusives and ultramafic lenses, which occupy areas of low relief often covered by superficial alluvium and soil. Over the eastern sector of the property, high relief strike ridges formed of steep easterly dipping banded chert and jaspillite are enclosed by less resistant strongly foliated volcanoclastic metasediments, inter-layered by felsic volcanics and minor mafic and ultramafic flows.

The regionally significant Mt George fault structure is interpreted to run through the property in a north-northwest direction and to mark the contact zone between mafic and ultramafic volcanic and intrusive rocks to the west and metasediments, banded chert horizons and felsic volcanic sequences to the east. This major shear zone manifests itself as a series of parallel shears; the southwest shear running through the small Grattan Well open-cut is called the Grattan Well shear, the central is referred to as the Clifford shear, while the easterly is known as the Mt George fault structure and is associated with gold mineralisation at Mt Davis.

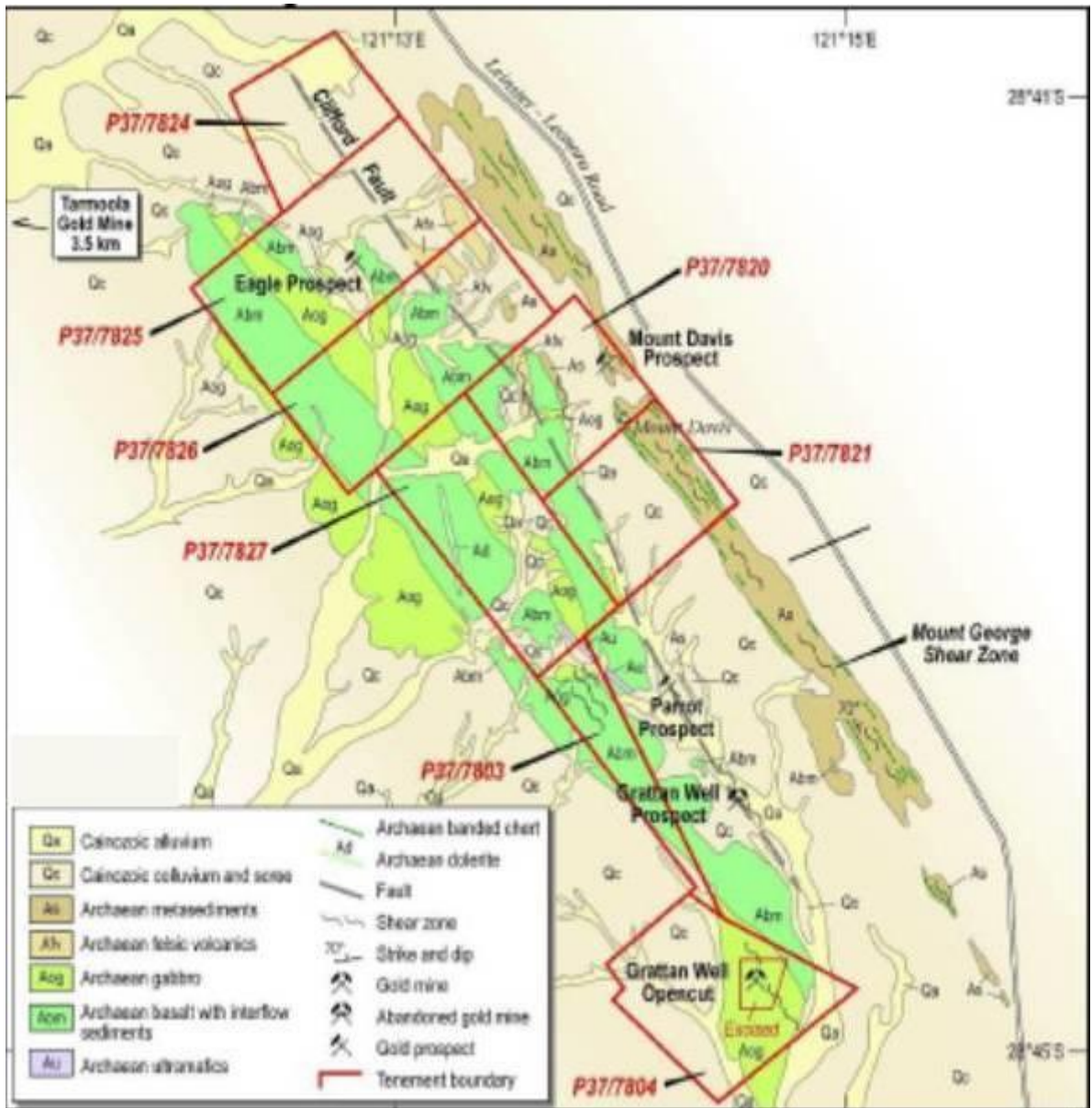


Figure 2: Mt Davis Tenements (P37/7803, P37/7804, P37/7820, P37/7821, P37/7824, P37/7825, P37/7826 and P37/7827)

New Board Structure

Subject to completion of the Acquisition, Mr Antony Sage and Mr Jeffrey Hamilton will remain on the Board as Non-Executive Directors while Mr Jason Bontempo will resign as Non-Executive Director. Mr Martin Dormer and Mr Thomas Alabakis will be appointed as new Non-Executive Directors to the Matrix Board, while Mr Keith Bowker will replace Ms Claire Tolcon as the new Company Secretary.

This transaction is subject to Matrix shareholder approval. A Notice of Meeting is currently being prepared and is expected to be issued in the coming days.

Ends

For more information please call:

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