



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 January 2013**

Quarterly Activities Report – Period Ended 31 December 2012

Highlights

- **Follow-up geochemical sampling and geological mapping was completed at the Inkerman-Princess prospect, and reconnaissance of EPM17904 commenced before early wet season rainfalls in mid-November curtailed the program.**
- **Three new occurrences of copper mineralisation were located on EPM17904 with rock chip grab samples returning anomalous grades (1.9 – 24.7% Cu).**
- **Finalisation of this initial exploration program is planned after the wet season.**
- **Consistent with the Company's stated objective, Matrix continued to review potential mineral and energy growth opportunities during the December 2012 quarter.**

Corporate

Matrix Metals Limited (ASX: MRX) ("Matrix" or the "Company") is an ASX listed exploration company based in Perth, Western Australia. The objective of the Company is to initially focus on the evaluation and exploration of its 100% owned Wee MacGregor Project, located in Queensland, whilst actively pursuing new business opportunities in the mineral and energy sectors.

At 31 December 2012, the Company had \$0.7 million cash at bank.

Wee MacGregor Copper Project ("Wee MacGregor Project" or "Project")

The Wee MacGregor Project is located approximately 30km southeast of Mt Isa in Queensland (refer Figure 1). The Project comprises five granted Exploration Permits for Minerals ("EPMs") covering an area of 209km² and one EPM application covering an area of approximately 19.2km² (refer Figure 2). The tenements are prospective for oxide and sulphide copper, gold and cobalt mineralisation. The Company has commenced an initial exploration program with the objective of determining the potential for standalone and/or satellite oxide and sulphide copper-gold deposits.

Fieldwork comprising soil and rock chip geochemical sampling, and geological mapping commenced in the September 2012 quarter with follow-up work commencing in November. Follow-up work planned comprised infill soil geochemical sampling and geological mapping at the Inkerman-Princess, Rosebud and Copper Cone prospects in the east of the Project

area, and reconnaissance of the western area. Infill geochemical sampling and geological mapping was completed at Inkerman-Princess, and reconnaissance of the western tenements (refer Figure 2) was commenced. The program was prematurely curtailed due to bush fires followed by early wet season rainfall, which prevented safe access to the eastern and western areas.

A total of 83 infill soil geochemical samples were collected at Inkerman-Princess and four rock chip samples were collected in the west on EPM17904.

Inkerman-Princess Prospects

The Inkerman prospect is located on EPM17907 and flanks the old Inkerman workings located on a small Mining Claim in the north (not held by the Company); the Princess prospect is located on a similar trend 600m to the south. The follow-up soil geochemical sampling program was designed to infill the zone between the two prospects.

A simplified geological map of the prospects is shown in Figure 3. The infill geochemical sampling confirmed the continuity of the copper, and gold-in-soil geochemical anomaly between the two prospects but at a lower tenor, possibly due to an ephemeral cross-cutting drainage at approximately 7,691,300mN.

Western Area – EPM17904

Reconnaissance on EL17904 located three occurrences of structurally-controlled copper mineralisation. These comprised the Saddle Tramp prospect and two un-named occurrences in the north (refer Figure 2). Rock chip sample assay results are summarised in Table 1.

Table 1: Rock Chip Sample Assay Results

Sample ID	Prospect	NAT_East	NAT_North	NAT_Grid_ID	Au (ppm)	Cu (%)	Co (ppm)
MMRK20	Saddle Tramp	371,642	7,672,299	MGA94_54	0.15	5.2	75
MMRK21	Saddle Tramp	371,647	7,672,300	MGA94_54	0.54	2.6	227
MMRK22	Un-named southern	367,651	7,692,791	MGA94_54	0.60	24.7	n/a
MMRK23	Un-named northern	370,520	7,697,790	MGA94_54	0.04	1.9	n/a

Notes: Nominal outcrop grab sample weight 0.5-1kg. Samples analysed at ALS Laboratories, Townsville with methods Au-TLS and ME-ICP43 for the other elements. Locations by hand-held GPS.

Copper mineralisation at Saddle Tramp is hosted in a narrow, steeply dipping northwest trending vein located in sheared siltstones of the Leichhardt Volcanics. Away from the workings the shear zone is not exposed.

Cupriferous outcrops were noted in two places in the north of EPM17904 (refer Figure 2). Outcrop in the area is generally poor. The southernmost occurrence comprised a small outcrop of ferruginous gossan with secondary copper mineralisation in the vicinity of an inferred contact between dolerite and the Kalkadoon Granodiorite. The northern occurrence comprised a mineralised shear on the contact between the Kalkadoon Granodiorite and volcanic rocks trending north.

Future work

Work planned following the wet season (June quarter 2013) is to complete the follow-up campaign and western reconnaissance, with the objective of prioritising the prospects, and determining the next stages of work. A field program is also planned on EL19429, once this licence is granted.

Yours sincerely



Joe Ariti
Executive Director

For more information, please contact:

Joe Ariti
Executive Director

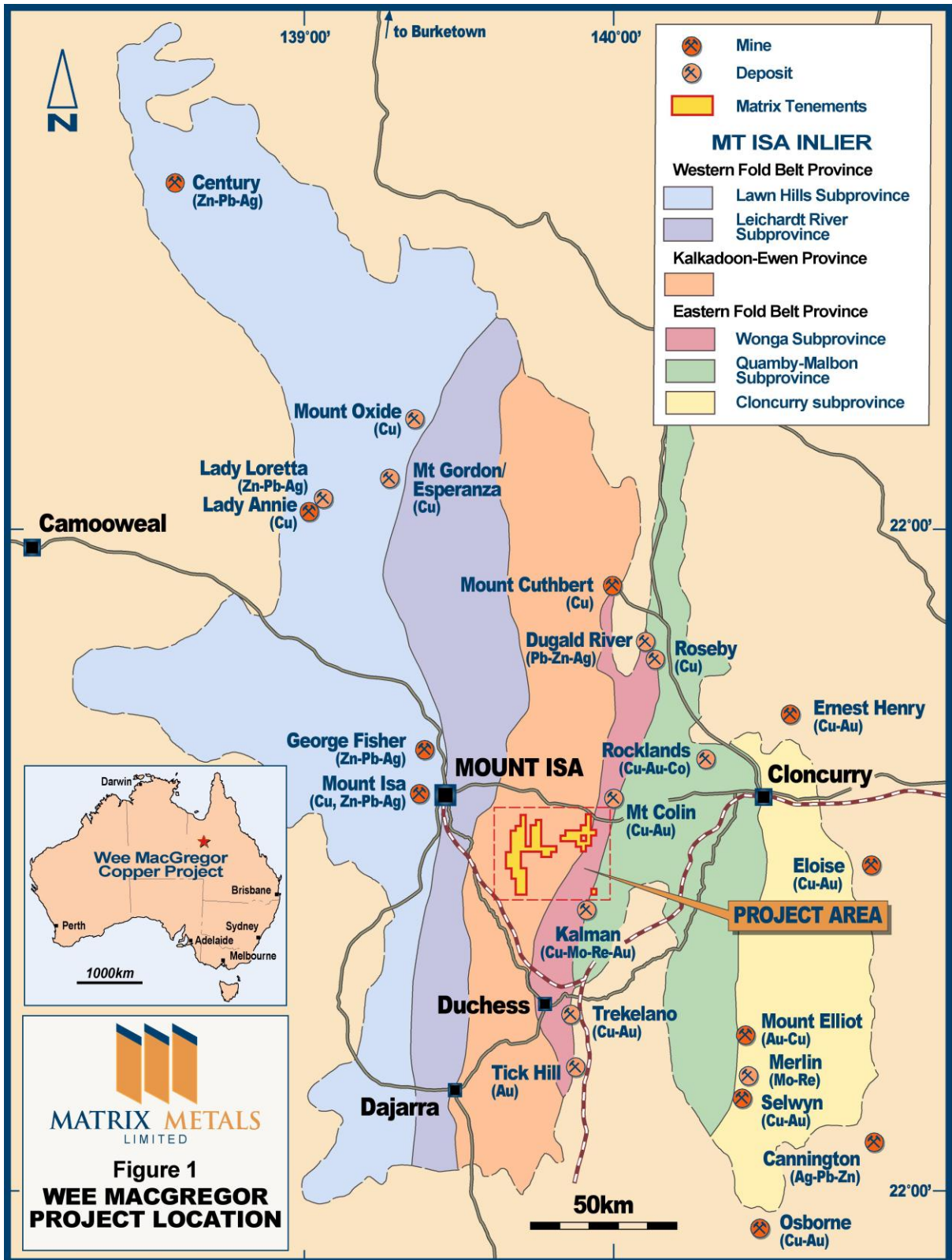
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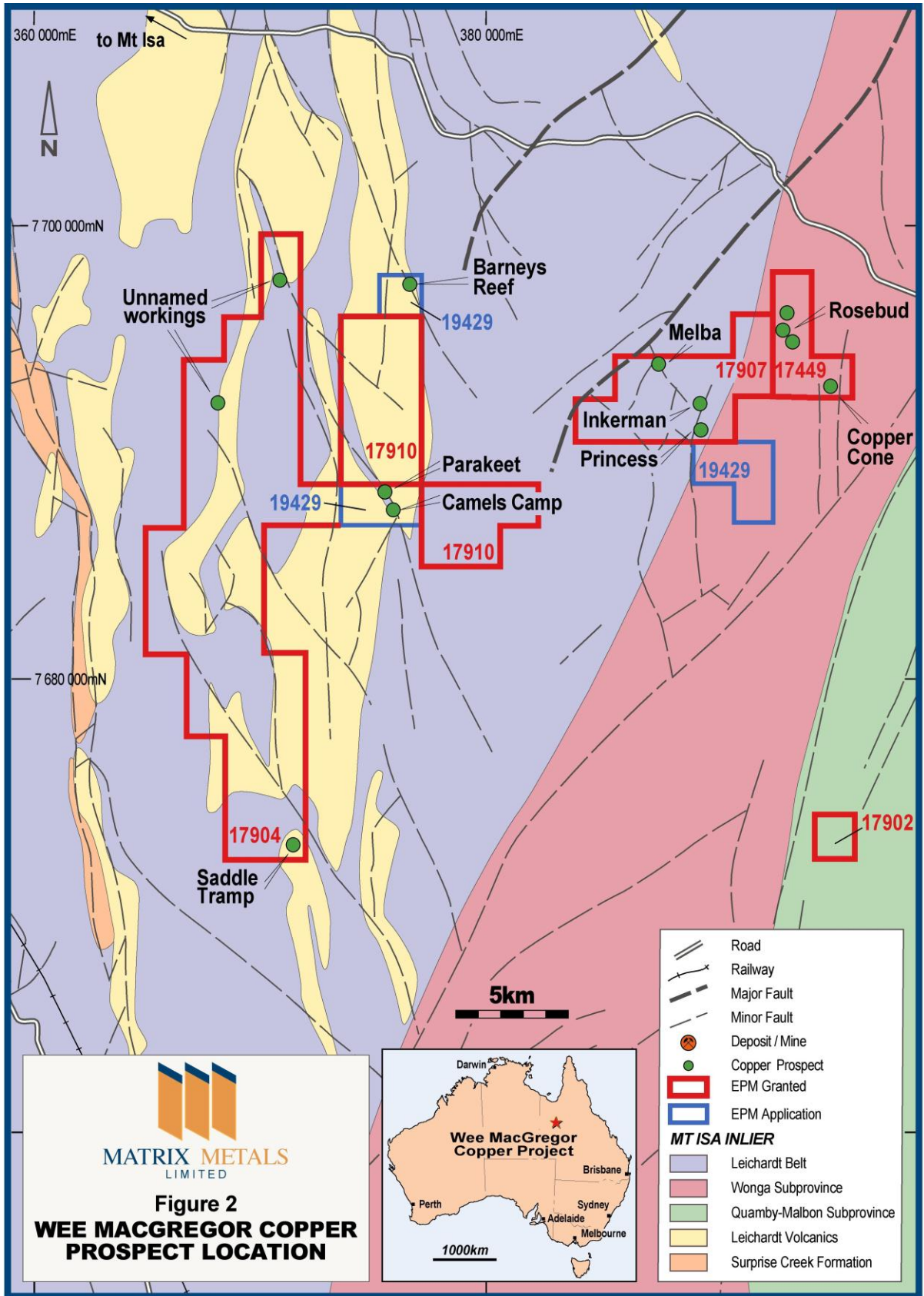
Competent Person's Statement:

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Mr. Kim Bischoff, a member of The Australasian Institute of Mining and Metallurgy. Mr. Bischoff is a consultant to Matrix Metals Limited and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking to qualify as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Bischoff consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.



MATRIX METALS LIMITED

Figure 1
WEE MACGREGOR PROJECT LOCATION



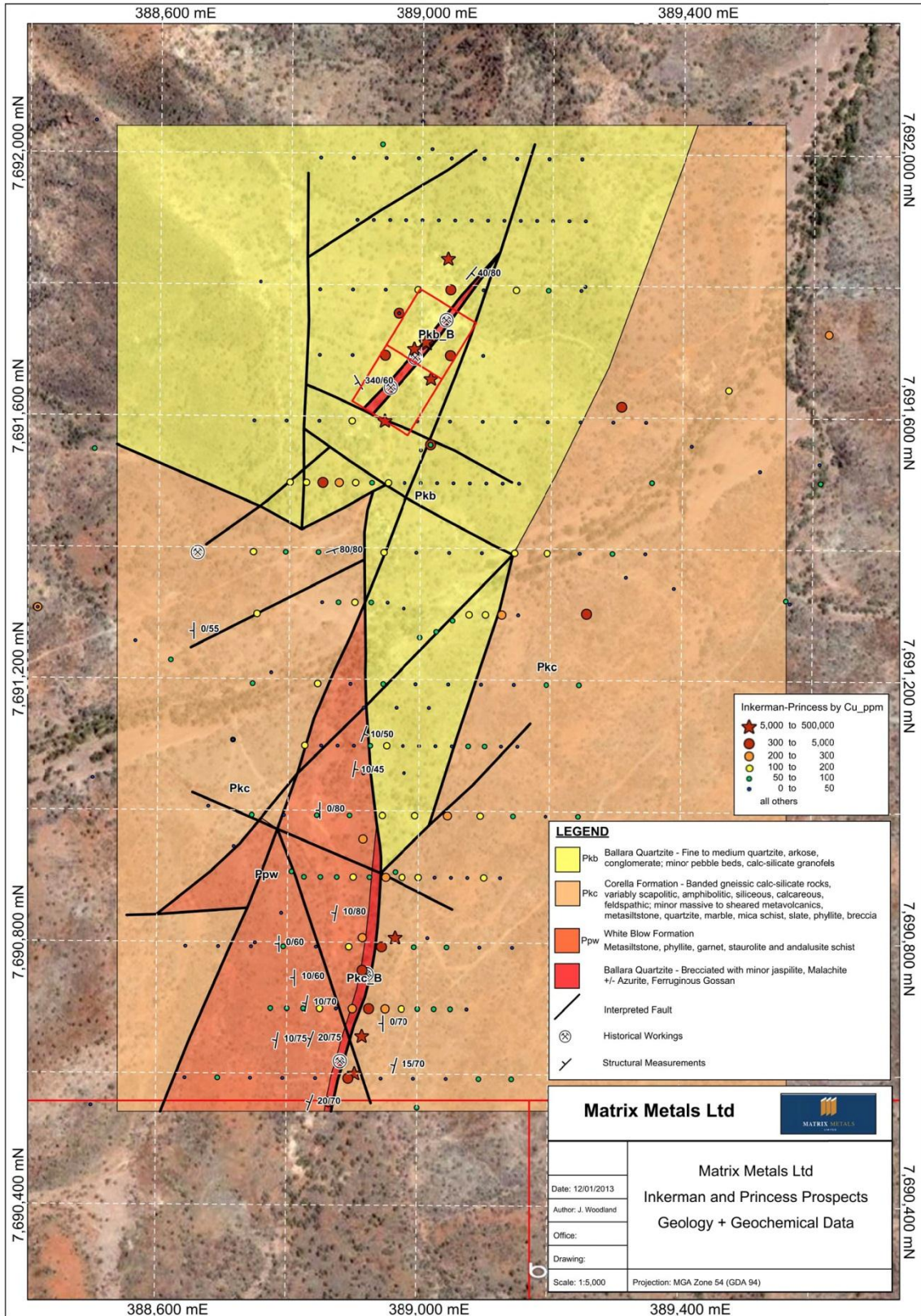


Figure 3: Inkerman and Princess – Geology and Copper Soil Geochemistry

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

MATRIX METALS LIMITED

ABN

42 082 593 235

Quarter ended ("current quarter")

31 December 2012

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	(53)	(109)
(b) development	-	-
(c) production & care & maintenance costs	-	-
(d) administration	(23)	(53)
1.3 Dividends received	-	-
1.4 Interest and similar items received	2	7
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other		
Net Operating Cash Flows	(74)	(155)
Cash flows related to investing activities		
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: Payment of transaction related and business development costs	(175)	(175)
Net investing cash flows	(175)	(175)
1.13 Total operating and investing cash flows	(249)	(330)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows carried forward	(249)	(330)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other: cash balances under control of Administrator transferred to Creditors Trust	-	-
	Other: payment of capital raising costs	-	-
	Net financing cash flows	-	-
	Net (decrease) in cash held	(249)	(330)
1.20	Cash at beginning of quarter/year to date	962	1,043
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	713	713

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 3 months presented which had a material effect on consolidated assets and liabilities but did not involve cash flows:

N/A

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

+ 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
Total	120

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	713	962
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.22)	713	962

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	Relinquishment of three blocks equivalent to 9km ² of EPM17449			
6.2 Interests in mining tenements acquired or increased	N/A			

+ 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 Preference +securities <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	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 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	40,000,000	-	Exercise price \$0.005	Expiry date 31 Dec 2016
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired / forfeited during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

