



ABN 48 106 732 487

ASX Announcement

30 November 2009

Annual General Meeting – Chairman’s Address

Dear Shareholders,

Thank you for making the time to attend today, we trust that we as your board and management team are delivering on your expectations and creating a company with some diversity and interest.

The talk today will intentionally be brief and spend its time concerning the direction of the company rather than rehashing geological or financial data. Whilst these statistics are very important and we would never downgrade the importance of this information, we feel that rarely does a company get the opportunity to talk about its intentions and future aspirations in a forum such as this platform.

Today we will talk about;

Norseman,

Thailand,

And the Share Purchase Plan.

NORSEMAN

We, over the last 11 months have been able to identify several small high grade mining opportunities and this is where the significant amount of our work and finances have been utilized. We are happy to confirm that this work has been very successful and we have identified further high grade opportunities, which certainly adds to the bulk of the amount of gold ore that we will have available to mine next year. It is also very important to note that we are confident, and in fact have already gone a long way to identify even more high grade deposits which will enable the company to extend into a second year of small high grade mining and possibly beyond on this strategy if we so desire. We point out that all aspects of this mining strategy are progressing and that whilst nothing is ever easy we see no significant impediments to the company commencing mining next year and that we are satisfied with the progress of our work so far. Our friends at Focus Minerals Ltd are experts in their field and we are pleased that we have a great relationship with Campbell Baird and his team. We look forward to delivering gold ore to them. We can also say that we have been approached by other companies with spare milling opportunities and we have had very advanced discussions with a major player in the region

and as a result we hope that we are close to an agreement with a second mill operator so that we can expand on the tonnage of ore that can be treated next year at the same time.

All in all, we are go for mining next year and this should please our shareholders as it will under pin our other exploration and development strategies without the need for continued referral back to share holders for more capital.

We think that it is also appropriate to discuss the bigger or greater Norseman project as we like to call it. This is the construction of our own mill and bringing into production the large scale mining project. Much of the work completed to date concerning the small scale mining is very relevant to the large scale operation, and the increased knowledge that we have accumulated thus far is invaluable. We have had discussions with a firm to construct the mill and whilst we have been silent on this subject it should not be read that your company has not been active here. On the contrary, especially with the escalating price of gold today which we believe is here to stay, the large project is feasible and as soon as the small scale mining is underway our attention will be focused on determining the appropriateness of commencing feasibility studies here. Currently, we feel that under the existing parameters a large scale mining operation is feasible, in fact worthwhile and large scale mining processed by our own mill could be a reality within 2 to 3 years.

We have never lost sight of the fact that we have almost 1.5 million ounces of gold sitting there waiting to be mined. We note that from the Scoping Study completed in 2008, costs of mining could now be lower and that the revenue from the sale of gold is now substantially higher. There has been a dramatic increase in the positives of that Scoping Study. It is industry fact that many borderline projects could now well be beneficial. This all supports the logic of considering a definitive feasibility study in the greater Norseman project with the eventual aim of entering production. The gold project could be aimed at producing initially 60 000 ounces per annum from a 1.2 million ton plant with an eventual target of 100 000 ounces per annum from an upgraded plant with the capacity of up to 2 million tons per annum. Further discussions and study here are ongoing.

THAILAND

Gold

We consider Thailand to be a safe country to invest in as we know that they have a well entrenched legal and business system and they are much more sophisticated than what many people give them credit for.

The purpose for being in Thailand is simple. We believe that significant opportunities exist in Thailand for many major discoveries of world class mineral deposits with exceptionally low mining costs. I note that Kingsgate Consolidated Ltd's total costs are US\$280 per ounce which includes a US\$60 per ounce royalty to the Thai government. This is very low cost mining. They have a resource of 5 million ounces and expect to prove up to 10 million ounces in total. Their company is now a billion dollar enterprise.

We over the last 2 years have built a formidable team of respected professionals and developed strategic relationships that will serve us well. Building a business and developing these relationships with trust worthy people in Thailand is not easy and we suggest to you that it is a very difficult thing to put together. None the less this is what we have achieved and we think that the recent land applications completed in Thailand are testimony to that and we expect positive results from those applications which are currently being processed. We understand and obviously are aware that applications for Special Prospecting Licenses for gold is a very slow process, but we consider this to play into our hands as it will allow the company to develop its cash reserves from Norseman before having to expend any hard won cash. It works out very well.

The land which has been applied for is near the impressive Chatree mine and is in fact only 20 kms to the east of this world class asset. We know that this address is valuable. In total we have applied for approximately 180 sq. kms here and looking for more.

We have an extensive knowledge base on the land which has been developed by our Thai geological team which is overseen by our very own Andy Viner and we will examine this data bank in much more detail when the time is right. It includes many samples taken over several years which already demonstrate the potential existence of mineralization and two distinct gold anomalies several kilometres in length. We could be lucky enough to be witnessing a new Chatree style of mineralization. We are confident that with our team of Thai geologists, we will be able to quickly determine the potential of this area and develop a model and work plan to suit. I for one am excited by this prospect. We should note that opportunities for an increased holding of land could well exist in this locality and we are for ever vigilant in this pursuit.

Iron Ore

Just last week we announced that we have applied for approximately 107 sq. kms being 55 kms south of the Chatree mine. It is a magnetite skarn. The significance of this is that many magnetite skarn prospects are part of a gold/copper mineralization and that particularly in South East Asia we consider this to be a significant detail. None the less we applied for this land on the premises that it is an interesting Iron Ore play.

We have considered the costs of mining, crushing and transport in Thailand and to us it seems that if the deposit contains enough Iron Ore of the correct grade a profitable mine can be developed at minimal costs in quite a short time. The Iron Ore that we believe we have is of a very high grade and that the Iron Ore could be mined as a direct transport ore operation and delivered to a steel mill by truck, probably similar in style to the Chinese local mining industry. This means no shipping or port infrastructure requirements which would mean significant reduction in costs and a dramatic reduction in the size of the reserve required to develop a mine. We are developing a business model based on a direct shipping operation using trucks to transport the ore which we are seeing grades of over 60% Iron without any beneficiation at all. Whilst this type of Iron Ore is rare in Australia, it is not unique as we know of several other operations including two Australian resources similar in nature but different in business model. Furthermore, we believe that the tenements which have been applied for could contain at least 5 deposits each of several million tons. To us this says that we could have 5 smaller mines each producing 200 000 tons per annum utilizing a fleet of only 15 20 ton trucks with a potential mine life exceeding 10 years. The processing of the Iron Ore is minimal and will likely only require crushing which would be at a very low cost.

At the risk of sounding repetitive this is another project which simply excites us a lot. We believe we could have a profitable low capital cost magnetite mine and we already see tell tale signs of gold/copper mineralization, all this is in Thailand's low cost environment.

There is every reason to believe that the applications lodged could be granted in 3 to 6 months just in time to see significant recoveries in the world price of Iron Ore.

Your company believes that the prospects in Thailand are very real, achievable and provide for significant profit potential in the near term whilst providing the company diversity in projects and types of minerals that the company is exposed to.

SHARE PURCHASE PLAN

Over recent months we have had many approaches by smaller share holders who feel disappointed that because of their size and nature, thus not being classed as sophisticated investors, they have missed the opportunity of acquiring shares at a discount to market.

The board in response to this has decided to today announce a share purchase plan at 25 cents to provide a reward to existing shareholders who are not always capable of participating in private placements. Under the plan which has received approval by the Australian Stock Exchange shareholders will be able to apply for a maximum of \$10 000 of shares within the next 2 weeks or so. The proceeds of that plan will be used to advance our large scale mine project at Norseman and further the other Australian gold exploration projects which the company owns and is now beginning to evaluate such as Mt Veters and Dunnsville, which will provide further interest in the company.

All in all we think you will agree that Andy Viner and I together with our team in Australia and Thailand have been very busy creating a valuable and diverse range of projects which the company can grow.

We thank you for your support during this most interesting year and we pledge to you our continued hard work and diligence.

Yours sincerely

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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Andrew Viner, who is a member of the Australasian Institute of Mining and Metallurgy. Andrew Viner is a full time employee of Matsa Resources. Andrew Viner 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 2004 Edition of the 'Australasian Code for Reporting of Mineral Resources and Ore Reserves. Andrew Viner consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.