



ASX Announcement

17 September 2013

Capital Raising

Matsa Resources Limited ("Matsa" or "the Company" ASX:MAT) is pleased to advise that it has raised A\$2.5 million, before costs, in a placement to domestic and international institutional and sophisticated investors.

The placement of approximately 8.3 million shares was made at a price of A\$0.30 per share which represents a 8.81% discount to the 20 day VWAP of A\$0.329 per share. Patersons Securities was the Lead Manager to the raising and Andover Corporate Finance assisted the Company.

Matsa has used this opportunity to bolster an already strong financial position to further explore a number of the Company's projects in the Fraser Range.

The funds raised will be applied by the Company for:

1. Additional drilling of the Symons Hill, Killaloe, and Fraser Range North projects;
2. Development and geological work on prospective projects including Symons Hill;
3. General working capital; and
4. Potential corporate opportunities.

The Company's Executive Chairman, Mr Paul Poli said "We are delighted by the strong enquiry received for the Placement from a number of new investors in a still very difficult market. The strong interest we have received highlights the positive sentiment towards the future prospects

CORPORATE SUMMARY

Executive Chairman

Paul Poli

Director

Frank Sibbel

Director & Company Secretary

Andrew Chapman

Shares on Issue

134.62 million

Unlisted Options

11 million @ \$0.31 - \$0.45

Top 20 shareholders

Hold 51%

Share Price on 12 September 2013

36 cents

Market Capitalisation

\$48.46 million

of Matsa and its projects, in particular the opportunities seen at Symons Hill and Killaloe as well as the fundamentals of the Mt Henry JV project.”

He added further, “the nature of the new investors coming aboard is bound to create further awareness from another new and sophisticated source of investors not currently exposed to the Matsa story. This raising is not about the next 2 or 3 months but generating long term investor interest.”

The placement shares represent a modest 6.2% of the issued capital of the Company and shares will be issued pursuant to the Company’s 15% capacity under ASX Listing Rule 7.1.

For further information please contact:

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