MATSA RESOURCES LIMITED

ABN 48 106 732 487

ASX Announcement **2nd November 2012**

LATEST SOIL ASSAYS SUPPORT NICKEL ANOMALY AT SYMONS HILL

HIGHLIGHTS

- **Infill sampling confirms 1.6km Ni Cu anomaly on eastern margin of interpreted mafic intrusive.**
- **Coverage over 80% of the project area completed for a total of 664 soil samples.**
- **Assays from Regional sampling identify 3 additional Ni targets with individual values up to 154ppm Ni.**
- **Ongoing exploration includes further infill and regional sampling.**
- **Helicopter borne EM to commence**.

Matsa Resources ("Matsa" or "the Company" ASX:MAT) is pleased to announce it has received 417 additional soil sample assay results at Symons Hill which strongly supports the potential for Ni - Cu mineralisation.

CORPORATE SUMMARY

Executive Chairman

Paul Poli

Director

Frank Sibbel

Director & Company Secretary

Andrew Chapman

Shares on Issue

132.42 million

Unlisted Options

9.75 million @ $0.273 - $0.45

Top 20 shareholders

Hold 53.6%

Share Price on 1 November 2012

34 cents

Market Capitalisation

$45 million

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To date 664 samples have been assayed, of which 480 were collected on 400m spacings covering approximately 80% of the project.

The remaining 184 infill samples were collected on 200m spacings to better define targets already identified by first pass sampling. They include 161 samples over the interpreted mafic intrusive in the Symons Hill Fault corridor as previously announced on 18th September 2012 (Figure 1).

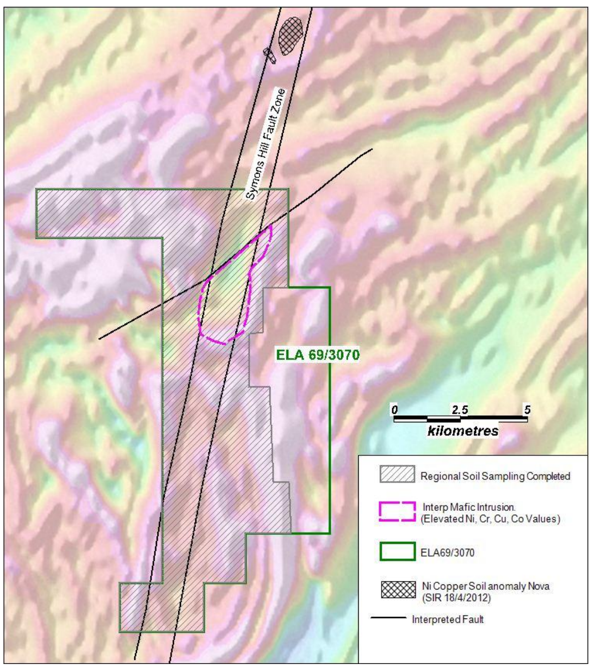

Figure 1: Soils completed and Summary Location of Target SH01 on Regional Magnetics

The infill sampling has now clearly identified a Nickel anomaly (up to 67ppm Ni) with coincident elevated Copper values (up to 50ppm Cu) located over a 1.6km zone on the eastern margin of the interpreted mafic intrusive (Figure 2).

Summary statistics for the full 53 element assay suite is provided for all samples in Appendix 1.

This anomaly may reflect base metal mineralisation along the eastern margin of the underlying intrusive (Figure 3), and as such represents Matsa's highest priority exploration target at Symons Hill to date.

Matsa is currently planning follow up sampling and mapping on this zone, now termed Target SH01. This exciting target will also form part of the planned VTEM programme to commence shortly.

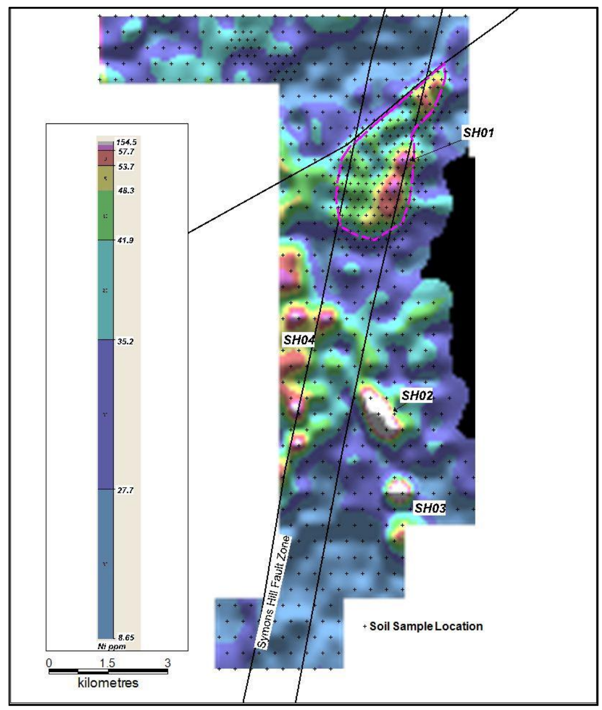

Figure 2: Target Locations and Soil Nickel Values

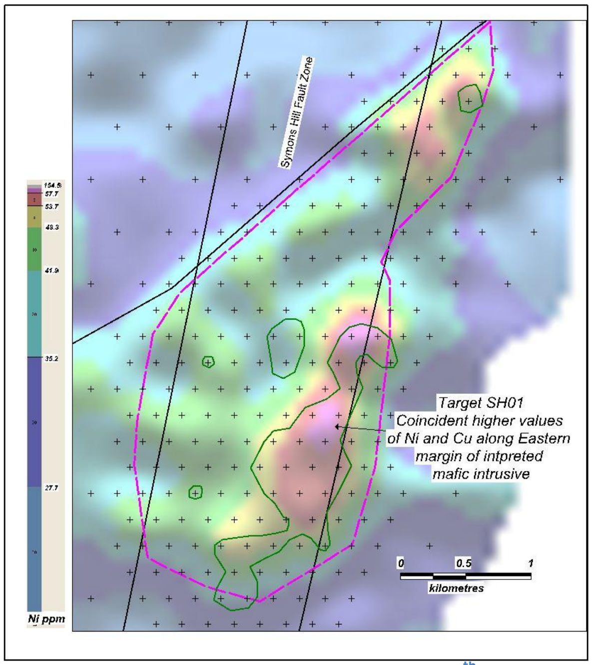

Figure 3: Target SH01 34ppm copper Contour (90th Percentile Value) on imaged nickel values

Furthermore, extended regional sampling has defined 3 new significant areas with elevated nickel values up to 157ppm Ni (Targets SH02-SH04).

SH02 and SH03 could be new mafic intrusives up to 1.5km in extent aligned on a NNW trending fault as interpreted from airborne magnetics. The significance of these two new targets is the relatively high Ni values.

SHO4 is a zone of elevated partly coincident Ni - Cu values with similarities to target SH01. It extends for 4kms down the western side of the project. SHO4 has had limited investigation at this stage and appears to be more complex than SHO2 or SHO3 and as such it is premature to speculate on the underlying geology.

All targets will require further infill sampling, prospecting and mapping to evaluate their potential for associated nickel mineralisation.

A summary of Ni and Cu values for current soil geochemistry Ni targets is presented in Table 1 below.

	Element	Samples	Min	Max	Mean
SH01	Cu_ppm	32	24.6	50	33.7
	Ni_ppm	32	37.2	69.7	55.3
SH02	Cu_ppm	11	14	26.4	19.4
	Ni_ppm	11	23.1	154.5	57.9
SH03	Cu_ppm	8	16.2	36.7	25.4
	Ni_ppm	8	27.3	125.5	48.8
SH04	Cu_ppm	40	17.2	45.5	28.4
	Ni_ppm	40	26.4	75.7	50.1
All Samples	Cu_ppm	664	5.9	50	23.5
	Ni_ppm	664	6	154.5	35.4

Table 1: Copper and Nickel Values in Targets SH01-SH04

As recently announced, a helicopter – borne electromagnetic survey (VTEM) over the entire project area by Geotech Airborne was commissioned and is due to commence in early November 2012.

Southern Geoscience Consultants have been appointed to manage the survey and to interpret and report the results.

Wide spaced sampling over the remainder of the project will commence shortly. Detailed follow up of SH01 and the other 3 new targets is expected to commence after a preliminary interpretation of results from the VTEM survey.

As previously advised Matsa does not expect the time required for tenement granting to impede its exploration program and will continue to keep the market informed of any progress.

About Matsa

Matsa is an ASX listed exploration and development company based in Western Australia. The Corporate office is located in Perth with offices in Norseman and Bangkok, Thailand.

Matsa aims to increase shareholder wealth through the discovery and development of mineral properties within Australia and South East Asia.

For further Information please contact:

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Exploration results

The information in this report that relates to Exploration results, is based on information compiled by David Fielding, who is a Fellow of the Australasian Institute of Mining and Metallurgy. David Fielding is a full time employee of Matsa Resources Limited. David Fielding 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 Exploration Results, Mineral Resources and Ore Reserves. David Fielding consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Exploration results are based on standard industry practice. Soil samples are taken from the "B" soil horizon and dry sieved to -1/16th inch. All analyses were undertaken by ALS Laboratories. The samples are pulverised to 85% passing 75microns. An aqua-regia partial digest was used with multi-element assays based on ICP-AES and ICP-MS methodology as appropriate. Trace level Au, Pt and Pd analyses was undertaken by 30g lead collection fire assay with an ICP-AES finish.

Appendix 1: Soil Sample Assay** Statistics

	Count	Min	Max	75Perc	90Perc	95Perc	98Perc
Ag_ppm	664	0.005	0.07	0.02	0.03	0.04	0.04
Al_pct	664	0.51	4.20	2.36	2.76	3.05	3.42
As_ppm	664	0.2	35.00	7.40	11.65	15.60	19.55
Au_ppb	663	0.5	20.00	4.00	5.00	7.00	8.00
B_ppm	664	5	290.00	40.00	60.00	80.00	100.00
Ba_ppm	664	10	290.00	60.00	80.00	107.50	137.00
Be_ppm	664	0.11	0.96	0.53	0.64	0.70	0.77
Bi_ppm	664	0.03	0.41	0.12	0.15	0.16	0.18
Ca_pct	664	0.07	13.05	5.44	7.08	8.44	9.46
Cd_ppm	664	0.005	0.10	0.04	0.05	0.06	0.07
Ce_ppm	664	4.35	38.70	23.58	27.25	30.83	32.77
Co_ppm	664	3.1	20.30	11.10	13.50	14.67	16.24
Cr_ppm	664	26	204.00	96.75	121.00	133.00	149.70
Cs_ppm	664	0.16	2.43	0.99	1.21	1.36	1.67
Cu_ppm	664	5.9	50.00	27.70	33.00	35.98	39.07
Fe_pct	664	1.28	9.19	4.65	5.65	6.53	7.60
Ga_ppm	664	1.49	14.60	7.01	8.37	9.25	10.30
Ge_ppm	664	0.025	0.17	0.11	0.13	0.14	0.15
Hf_ppm	664	0.03	0.67	0.17	0.23	0.26	0.32
Hg_ppm	664	0.005	0.10	0.02	0.03	0.04	0.05
In_ppm	664	0.009	0.06	0.03	0.04	0.04	0.05
K_pct	664	0.02	0.77	0.44	0.51	0.55	0.62
La_ppm	664	1.9	18.40	11.80	13.80	15.10	16.27
Li_ppm	664	2.1	24.40	11.40	13.60	15.15	17.17
Mg_pct	664	0.04	5.44	1.48	2.48	3.21	3.88
Mn_ppm	664	95	1550.00	343.00	468.50	530.50	648.10
Mo_ppm	664	0.08	1.20	0.41	0.50	0.56	0.66
Na_pct	664	0.01	0.51	0.17	0.27	0.31	0.36
Nb_ppm	664	0.05	0.73	0.31	0.39	0.46	0.52
Ni_ppm	664	6	154.50	42.58	53.05	58.40	69.41
P_ppm	664	20	300.00	80.00	90.00	110.00	140.00
Pb_ppm	664	1.9	19.20	9.90	12.00	13.25	14.37
Pd_ppm	663	0.0005	0.01	0.001	0.002	0.002	0.002
Pt_ppm	663	0.0025	0.02	0.003	0.003	0.003	0.006
Rb_ppm	664	2.3	52.50	19.30	23.20	26.98	33.61
Re_ppm	664	0.0005	0.002	0.001	0.001	0.001	0.002
S_pct	664	0.005	0.21	0.03	0.04	0.05	0.07
Sb_ppm	664	0.025	0.52	0.21	0.27	0.31	0.35
Sc_ppm	664	2.3	20.00	10.60	12.70	13.67	15.27
Se_ppm	664	0.1	1.70	0.60	0.80	1.00	1.10
Sn_ppm	664	0.3	1.50	0.70	0.80	0.90	1.00
Sr_ppm	664	3.2	1080.00	232.00	408.50	588.25	750.40
Ta_ppm	664	0.005	0.01	0.01	0.01	0.01	0.01
Te_ppm	664	0.005	0.26	0.05	0.07	0.09	0.12
Th_ppm	664	1.1	12.70	5.60	7.05	8.10	9.37
Ti_pct	664	0.009	0.26	0.07	0.09	0.11	0.13
Tl_ppm	664	0.01	0.27	0.10	0.12	0.14	0.17
U_ppm	664	0.05	3.53	0.63	1.00	1.35	2.03
V_ppm	664	30	203.00	101.75	123.50	140.75	156.40
W_ppm	664	0.025	0.21	0.08	0.09	0.10	0.12
Y_ppm	664	1.94	26.90	9.09	10.80	11.98	13.79
Zn_ppm	664	6	96.00	24.00	29.00	32.00	37.00
Zr_ppm	664	1.3	22.80	7.00	9.40	11.55	13.15