



**Breakaway  
Research**

May 2012

**Grant Craighead** | Research Manager  
gcraighead@breakawayinvestmentgroup.com

**Andrew McLeod** | Research Analyst  
amcleod@breakawayinvestmentgroup.com

### Company Information

ASX Code	MAT
Share Price	A\$0.14
Ord Shares	131.2m
Options	19.1m
<b>Market Cap</b>	<b>A\$18.4m</b>
Cash (Mar 12)	A\$1.1m
Total Debt	A\$0m
<b>Enterprise Value</b>	<b>A\$17.2m</b>

### Directors

Chairman	Paul Poli
Non-Executive Director	Frank Sibbel
Non-Executive Director	Andrew Chapman

### Substantial Share Holders

JP Morgan Nom's	11.63%
HF Resources	8.97%
Paul Poli	8.04%
RASL Au LLC	6.73%

Source: Bloomberg

### Company Details

Address	Suite 11, 139 Newcastle Street Perth WA 6000
Phone	+618 9230 3555
Web	www.matsa.com.au

### 1 Year Price Chart



Source: Bloomberg

# Matsa Resources (MAT)

*Corporate activity likely to lead to a fast track in production and a cash injection*

**Recommendation: Speculative BUY**

### Key Points

- **JORC resource of 26.5Mt @ 1.7g/t for 1.47Moz of gold at Norseman**
- **Likely co-production of gold and a magnetite concentrate**
- **Advanced negotiations for the potential JV of Norseman project**
- **JV may provide significant cash injection to fund further exploration**
- **Nearby Dundas iron ore project has +300Mt potential**
- **Thailand projects provide longer term opportunities**

*Matsa Resources is advancing a significant gold asset located in the Norseman Gold Field in WA. Advanced negotiations are underway with a potential JV partner, which may see a short term development timetable and a sizeable cash injection into the company. The nearby Dundas and Thailand based projects provide a pipeline of opportunities which are likely to benefit from more aggressive exploration in the coming months.*

### Company Overview

Matsa Resources (ASX: MAT) has a diverse portfolio of projects at various stages of assessment. The most advanced is the Norseman gold/magnetite project which hosts a JORC resource of 26.5Mt @ 1.7g/t Au for a total of 1.47Moz of gold.

Gold mineralisation at Norseman is predominantly hosted within a Banded Iron Formation (BIF). Matsa has conducted metallurgical studies exploring the concept of recovering gold plus a magnetite concentrate by-product in the processing route. Early indications from these studies suggest this process is feasible and should serve to make a meaningful reduction to the reported costs per ounce of gold produced.

Negotiations of a joint venture for the Norseman project are well advanced with the final terms expected to be agreed imminently. Once completed, further exploration programs, feasibility studies and ultimately development of the project (targeting 2mtpa by 2015) are likely to follow.

Matsa has a strong project pipeline of earlier stage projects. Approximately 5km north of the Norseman project, the company has identified large widths of magnetite iron ore at Dundas. A further drilling program is required to define a JORC inferred resource, although the company has established an exploration target of +300Mt. Production synergies may exist with the Norseman project.

Matsa is also awaiting further licence application approvals from the Thailand government over tenure prospective for iron ore, copper and gold.



## Investment Review

---

Matsa Resources has a large portfolio of projects, located in Western Australia and Thailand, at various stages of assessment. The cornerstone project and the most advanced is the Norseman gold project.

*1.47Moz gold resource*

The Norseman gold project hosts a JORC resource of **26.5Mt @ 1.7g/t Au for a total of 1.47Moz** of contained gold, with the majority of the resource hosted by two closely spaced deposits. In 2008, a scoping study was conducted focusing on the production of gold (only) and emphasised the economic potential of the project. Based on a A\$1,500/oz gold price, independent consulting group element CMC estimated Norseman had an NPV of ~A\$300m.

*Gold mineralisation hosted within BIF's*

Gold mineralisation at Norseman is predominantly hosted within banded iron formations and Matsa has explored the concept for the co-recovery of gold and magnetite iron ore. Metallurgical studies have been carried out and indicate the potential for a ~66.5% Fe magnetite concentrate to be produced. In-house studies suggest 300,000tpa of magnetite concentrate and ~100kozpa of gold may be achievable based on a 2Mtpa operation. Breakaway estimates the production of a magnetite by-product may reduce the total production costs per ounce of gold by ~\$A150/oz.

*Co-production of a magnetite concentrate likely*

*Advanced negotiations with potential JV partner*

**Matsa Resources is currently in advanced negotiations with an undisclosed company for the joint venture development of the Norseman gold project**, with agreement expected to be finalised in the coming weeks. Using a value of A\$ 20/oz for existing resource, in line with a number of corporate transactions, implies the Norseman project would be valued at ~A\$ 30m.

*Possible cash injection*

The formation of a JV will likely lead to a viable funding and development strategy as well as injecting cash into Matsa to support acceleration of exploration on the other earlier stage projects in the portfolio.

*Nearby Dundas has +300Mt exploration target*

The Dundas iron ore project, located 5km north of the Norseman gold project, is likely to be the 'next cab off the rank'. Drilling has already identified wide intercepts of magnetite mineralisation and a further infill and extensional drilling campaign will likely lead to JORC resource by late 2012. Matsa has an exploration target of +300Mt and should this be achieved, it would significantly boost the company valuation.

*Thailand projects provide project pipeline*

Matsa also has a pipeline of earlier stage projects prospective for gold, copper and iron ore. Of particular interest to Breakaway is the Thailand based Paisali iron ore project. Ground magnetic surveys have highlighted large magnetic anomalies which are believed to be shallow magnetite skarn deposits. Formal granting of exploration licences is expected imminently at which point drilling programs can commence.

*Breakaway believes EV of A\$17m undervalues Matsa*

**With an enterprise value of \$17m, Breakaway believes Matsa has been overlooked by the market and is significantly undervalued. The JV agreement, currently in negotiation, provides a near term opportunity for a share price re-rating as the likely outcome will involve a sizable boost to cash reserves and a pathway to production of the 1.47Moz Norseman gold project.**



## Project Review

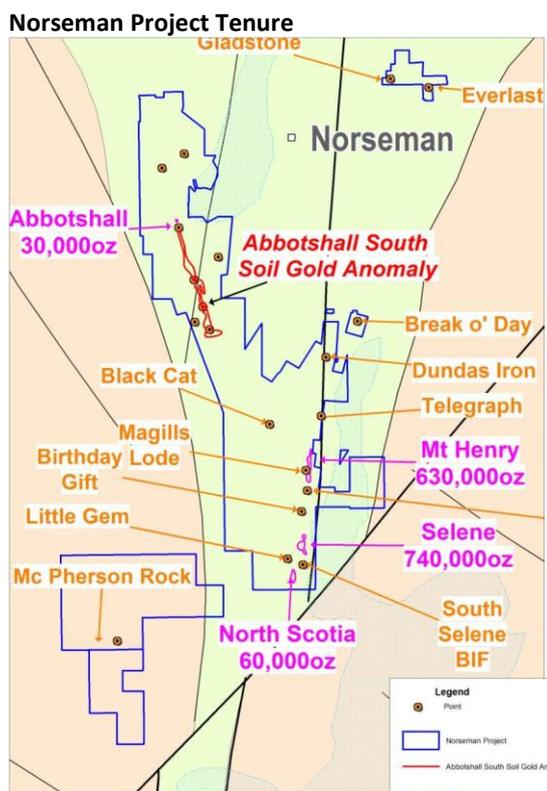
Matsa Resources has five projects at various stages of development however the most advanced and the company flagship is the Norseman gold/iron ore project located ~200km south of Kalgoorlie, WA.

*Diverse portfolio at different stages of development*

- **Norseman Gold Project** – 26Mt @ 1.7g/t Au for 1.47 million ounces of gold (WA)
- **Dundas Iron Ore** - 350Mt target for magnetite iron ore (WA)
- **Paisali Iron Ore** – Magnetite prospect with drilling targeted 2H 2012 (Thailand)
- **Siam Copper** – Early stage copper project (Thailand)
- **KT Gold** - Early stage gold exploration (Thailand)

### Norseman Gold Project

Matsa has a 100% interest in the Norseman gold project which consists of 348km<sup>2</sup> of tenure in the southern part of the Norseman-Wiluna Greenstone belt, WA.



*Large tenure position with numerous targets yet to be drill tested*

Source: Matsa Resources

### Geological Setting

The town of Norseman is the most southern gold mining centre of the Norseman-Wiluna gold belt which has an endowment of over 270 million ounces of gold. The Norseman region has been a major gold producer, with production in excess of 5.5 million ounces of gold since 1935. Although the greenstone rocks from the Norseman region can be broadly correlated with those of the Kalgoorlie-Kambalda region, they form a distinct terrain which is bounded on all sides by major regional shears. The Norseman terrain has a prominent 16km Banded Iron Formation (BIF) which distinguishes it from the Kalgoorlie-Kambalda terrain.

*Prolific gold producing region*

The Norseman gold project is seeking to exploit the gold mineralisation hosted within the southern 6km of this BIF.



## Norseman Gold Project - JORC Resources

Matsa's largest deposits are Mt Henry and Selene which together host ~1.4Moz's of the current gold resource (1.47Moz).

*Mt Henry and Selene deposits host 1.4Moz of current resource*

Deposit	Tonnes (Mt)	Grade (g/t Au)	Ounces (oz)
<b>Indicated</b>			
Mt Henry	5.6	1.9	350,000
Selene	11.8	1.6	600,000
North Scotia	0.2	5.2	36,000
<b>Total</b>	<b>17.6</b>	<b>1.8</b>	<b>990,000</b>
<b>Inferred</b>			
Mt Henry	4.9	1.8	280,000
Selene	3.1	1.4	140,000
North Scotia	0.3	2.2	24,000
Abbotshall	0.5	2.0	30,000
<b>Total</b>	<b>8.9</b>	<b>1.7</b>	<b>480,000</b>
<b>Total</b>	<b>26.5</b>	<b>1.7</b>	<b>1,470,000</b>

Source: Matsa Resources

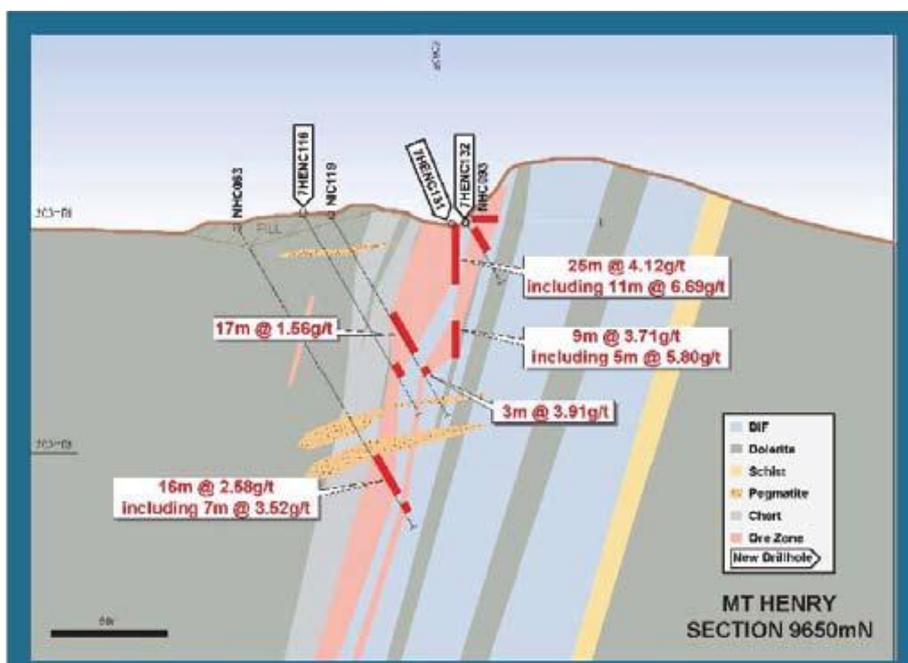
### The Mt Henry Deposit

The Mt Henry deposit currently hosts a total resource 630,000oz of gold with approximately half the resource in the 'indicated' JORC category.

*Gold mineralisation hosted in Banded Iron Formations*

The deposit extends along a strike length of 1.9km within a BIF. The main load is 6-10 metres wide and dips at 65 degrees towards the west. The ore zone generally occurs as a mineralised shear along the hanging wall contact of the BIF.

### Mt Henry Cross Section



Source: Matsa Resources



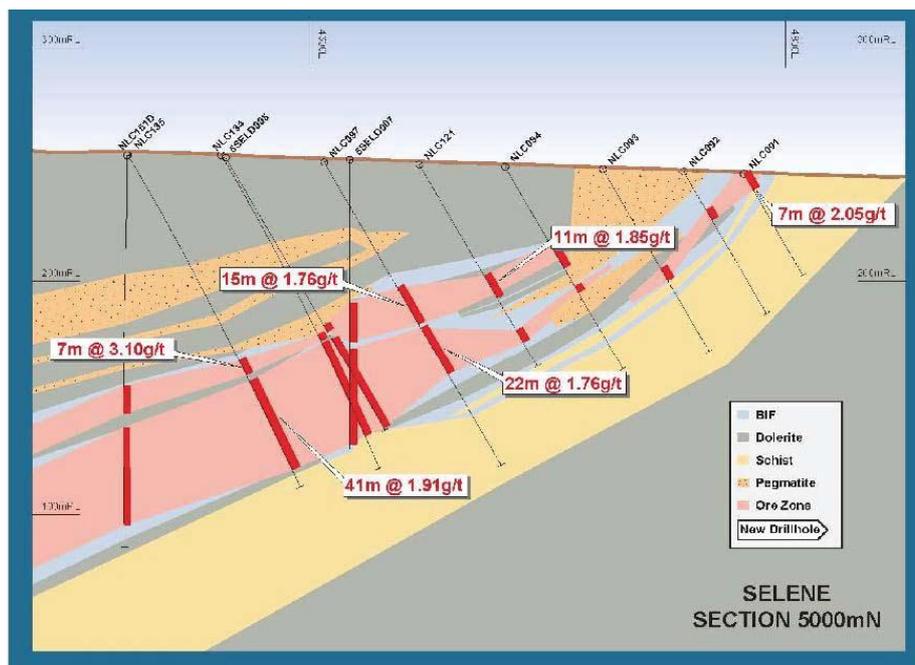
### The Selene Deposit

The Selene deposit lies approximately 5km south of Mt Henry and hosts a total resource of 740,000oz.

As with Mt Henry, Selene is a BIF hosted deposit with gold mineralisation predominantly occurring in the hanging wall of the BIF. The Selene deposit extends along 1.3km strike and is interpreted to be shallow dipping (~20°) to the west, with the load thickness in the central part of the deposit around 35-40m.

*740koz Selene deposit located 5km from Mt Henry 630koz Au deposit*

### Selene Cross Section



Source: Matsa Resources

### Additional nearby deposits and further exploration

The **North Scotia** deposit is located ~2km south of the Selene deposit and hosts a JORC resource of 60koz of which 36koz is in the indicated category at an average grade of 5.2g/t Au. Gold mineralisation is hosted within near surface quartz veins which plunge steeply (70°) to the west. A number of mineralised shoots remain open at depth and will require further drilling to fully define the extent of the mineralisation.

*Nearby deposits and additional exploration targets provide further opportunity*

The **Abbotshall** deposit hosts a small 30koz inferred resource in the vicinity of the old Abbotshall mine. Matsa discovered 3 priority target zones directly along strike of known mineralisation at the Abbotshall mine known as the 'Abbotshall South Soil Anomaly' which is a semi continuous zone extending ~7.5km along strike. The zone hosts anomalous gold values supported by gold path finder elements such as arsenic, copper and antimony. Matsa is currently undertaking infill soil sampling which will be used to better define the targets prior to drilling.



## Potential for recovery of magnetite iron ore as a by product

Much of the early test work conducted on the Norseman gold project focused on the recovery of gold as the only objective of any potential operation. In 2009, Matsa Resources broadened this test work to explore the concept of recovering both gold and iron ore from its operations.

*Co-production of gold and a magnetite concentrate likely*

As the gold mineralisation is primarily hosted within a BIF unit, waste rock and tailings would potentially contain significant grades of magnetite iron ore. Cost savings conceptually exists as the iron rich 'waste' rock will have to be mined anyway to access the gold ore whilst the tailings have the advantage of already being finely ground.

Preliminary metallurgical test work has been undertaken to assess optimal grind size, recoveries and magnetic susceptibility readings. At a 32 micron grind size (fine grind), a 66.5% Fe magnetite concentrate can be produced with acceptable contaminant levels. A further flotation circuit may be required to remove sulphur (a contaminant) from some of the magnetite concentrate and opportunity exists to recover further gold credits at this stage.

### Scoping Study

In 2008 a scoping study was completed by Kalgoorlie Boulder Resources Ltd (KBRL) which purely focused on a gold only operation.

Based on a 1.8Mtpa open cut operation and a 7 year mine life, the key out comes are as follows:

#### Scoping study – Project economics

*Economics outlined in scoping study should be improved with co-production scenario*

Gold Price	A\$990/oz
Mine Life	7 years
Average NPV @ 10% DR	A\$80 million
Net project cash flow after capital costs	A\$143m
Operating costs	A\$660/oz
Capital costs	A\$75m

*Source: Matsa Resources and KBRL*

Based on the same metrics, and adjusting the gold price to A\$1,500, the project NPV is estimated by KBRL to be ~A\$300 million. These estimates would obviously need to be updated for current capital and operating costs

### Updated economics for magnetite by-product

Matsa Resources has since completed an in house re-assessment of the 2008 scoping study to account for the co-production of gold and a magnetite concentrate. The company envisage a further A\$20m capex (total capex ~A\$100m) would be required for a plant capable of delivering 100,000ozpa of gold and 300,000tpa of magnetite concentrate. Early in house estimates indicate a gross margin of ~A\$50/t for iron ore concentrate may be achievable at current iron ore pricing, producing an extra A\$15mpa to net revenue.



## Breakaway's View

In the scoping study completed in 2008, Element CMC estimate operating costs of ~A\$660/oz gold which, based on Breakaway Research estimates, translate to costs of ~A37/t of ore processed.

However, since 2008, the industry has encountered significant inflationary pressures in capital costs and Breakaway estimate the cost per tonne of ore mined would now be closer to A\$50/t. Assuming Matsa construct a 2mtpa operation (as targeted), this would raise the total C1 costs per ounce of gold produced to ~A\$ 1,000/oz.

*Costs per ounce of gold produced may fall by ~A\$150/oz when factoring in magnetite 'credit'*

Work undertaken by Matsa suggests a by-product of 300,000tpa of magnetite concentrate may be achievable. Assuming Matsa achieve a A\$50/t margin (estimated margin based on current magnetite concentrate price and metallurgical work undertaken by Matsa), this may effectively reduce C1 costs by A\$15m per year. Breakaway estimate, under this scenario, Matsa would be able to produce gold at ~A\$ 850/oz and generate an EBITDA of ~A\$75mpa using current spot pricing.

Breakaway is encouraged by the progress made by the company in exploring the co-production of gold and a magnetite concentrate. Clearly this has the potential to improve the overall project economics, however this needs to be confirmed in a planned feasibility study.

*JV may provide short term development strategy*

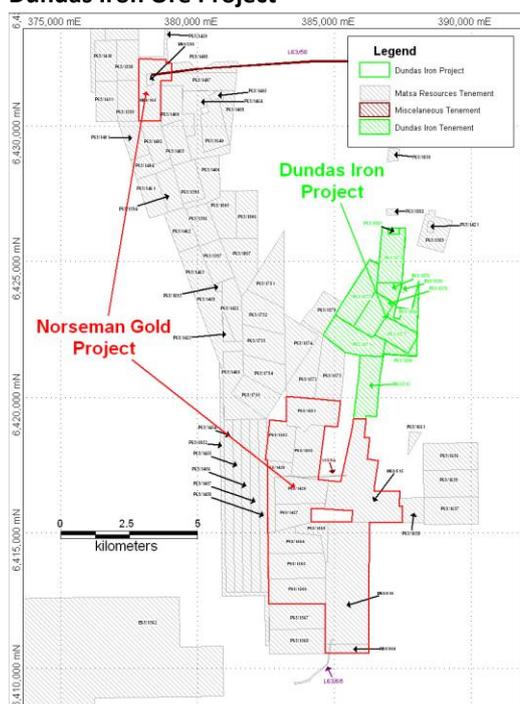
Matsa Resources is currently in advanced negotiations with a potential JV partner. On completion of the agreement, Matsa expects to move straight to a Bankable Feasibility Study (BFS) which would cost ~A\$10m and take ~9 months to complete.

## Dundas Iron Ore Project

*Excellent surrounding infrastructure*

The Dundas Iron ore project is located approximately 5km north of the Mt Henry gold deposit and lies at the southern end of the Norseman – Wiluna Greenstone belt. The project site is particularly well serviced by roads, railway (with spare capacity), nearby gas pipeline and the Port of Esperance 190km to the south.

### Dundas Iron Ore Project



Source: Matsa Resources



An Initial 21 hole RC drilling campaign carried out in late 2010 identified potentially economic magnetite iron mineralisation over a strike length of more than 4.7km.

Highlights include:

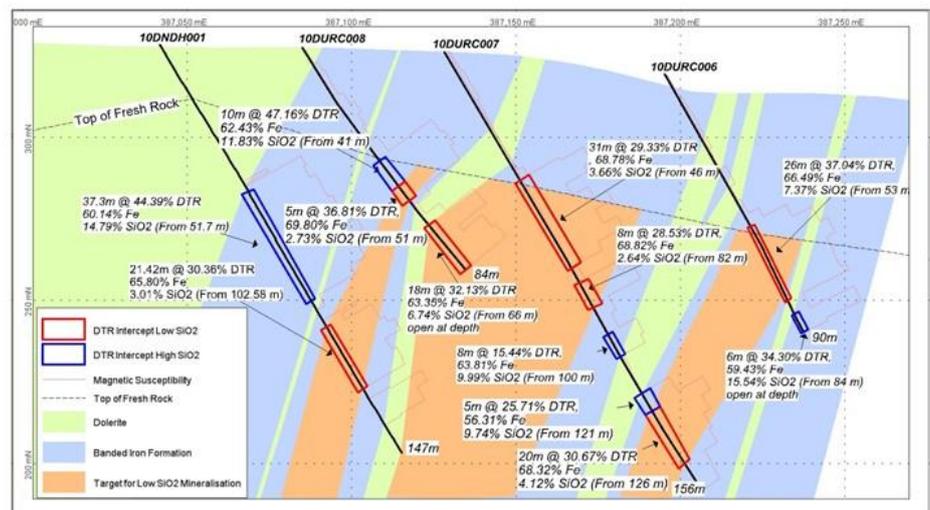
- 56m @ 31.78% DTR, 67.81% Fe and 4.95% SiO<sub>2</sub> (From 40m)
- 31m @ 29.33% DTR, 68.78% Fe and 3.66% SiO<sub>2</sub> (From 46m)
- 26m @ 37.04% DTR, 66.49% Fe and 7.37% SiO<sub>2</sub> (From 53m)
- 20m @ 30.67% DTR, 68.32% Fe and 4.12% SiO<sub>2</sub> (From 126m)
- 19m @ 36.20% DTR, 69.79% Fe and 3.24% SiO<sub>2</sub> (From 53m)
- 15m @ 41.41% DTR, 67.23% Fe and 6.02% SiO<sub>2</sub> (From 35m)
- 15m @ 34.97% DTR, 68.18% Fe and 4.40% SiO<sub>2</sub> (From 45m) open at depth
- 59m @ 37.66% DTR, 65.30% Fe and 7.57% SiO<sub>2</sub> (From 49m) open at depth

*Significant widths of 'ore grade' mineralisation*

Davis Tube Recovery (DTR) test work indicates the weighted average magnetite recovery is ~35% delivering a concentrate grade of 67% Fe. Encouragingly, assays also demonstrated acceptable levels of contaminants (sulphur, alumina, phosphorous), well within target specifications for Chinese steel mills.

*Suitable for Chinese steel mills*

### Dundas Section



Source: Matsa Resources

*Further infill drilling required for JORC resource*

Target BIF units are interlayered with dolerite in a sequence dominated by basaltic volcanic rocks, as illustrated in the section above. Matsa has proposed a two stage follow up drilling campaign in 2012 to delineate a JORC resource ahead of a scoping study.

### Dundas Joint Venture

In December 2011, Matsa Resources agreed 'farm-in and development terms' with Haina Resources, a subsidiary Haina International trading HK Ltd (a controlled entity of Shandong Shanshi International trading Co), subject to a 90 day due diligence period.

*JV agreement suspended due to Norseman gold negotiations*

Under the deal structured, Haina was to provide Matsa with the financial means to develop the Dundas project in return for an increasing interest in the project, up to a maximum of 80% once the project reached production.

Discussions with Haina have since been suspended at the request of Matsa (within the due diligence period) pending the outcome of the Norseman Gold JV negotiations currently underway.



## **Breakaway's View**

The fact Haina entered into a provisional agreement with Matsa to develop the Dundas iron ore project highlights the value opportunity that exists.

*Dundas suspended negotiations highlights value and prospectivity of the project*

Dundas has demonstrated numerous wide intersections of ore grade magnetite with DTR metallurgical work suggesting an upgraded concentrate is suitable for Chinese steel mills.

Should the Norseman gold JV agreement be reached, Matsa would likely receive a sizable cash injection into the company. In this event, Matsa would have the option of funding a further drilling campaign at Dundas and advancing the project to a JORC inferred resource, thus increasing the perceived value of the project. Matsa may then seek more favourable terms for any future joint venture agreement.

Breakaway also note that there are a number of possible synergies which could exist with the development of the Norseman gold project such as plant, infrastructure and workforce. These synergies would also alter the value proposition of the Dundas project.

## **Additional Exploration Opportunities**

### **Early stage gold exploration WA – Norseman, Dunnsville and Killaloe projects**

#### **Further exploration at Norseman**

*Additional early stage exploration opportunities*

Matsa has identified 28 high priority exploration targets within the Norseman tenure which will be followed up in due course. Breakaway also note that the existing pit designs on the current resource have been optimised at \$850/oz. Re-assessment of the pit designs at the current gold price would likely lead to a resource upgrade.

The 60,000oz Au North Scotia deposit (immediately south of Selene) appears to be a typical Norseman quartz hosted gold deposit and has significant resource potential at depth. Matsa plan to conduct further deep drilling in future drill campaigns.

#### **Dunnsville Gold Project**

The Dunnsville gold project comprises of a group of exploration licences 65km WNW of Kalgoorlie. The most advanced prospect at Dunnsville is 'Big Red', a grass-roots discovery extending over a distance of 3km. In 2010, Matsa completed 138 holes to test geochemical targets and intersected relatively high grade, narrow vein mineralisation. These intersections confirm the discovery of potentially significant gold mineralisation however exploration is still at an early stage. Further opportunity exists 4.5km to the south of Big Red around the Heins Dam area where further anomalous gold-in-soil values have been identified.

#### **Killaloe Farm in agreement**

In 2011, Matsa entered into a farm in agreement with Cullen Resources to farm-in to a 70% interest in the Killaloe project, located ~35km northeast of the Norseman gold project.

Exploration as a whole is still at an early stage, however soil sampling programs are well advanced at three of the key prospects; namely the Cashel Fault, Duke and Target 28 prospects.



## **Thailand**

### **Early Stage Copper, Gold and Iron Ore Exploration**

Matsa Resources has a total of 121 licence applications in Thailand, amassing a total area of ~1,750km<sup>2</sup> prospective for gold, copper and iron ore.

*Large area under application*

The priority licence applications encompass Matsa's three most advanced projects in the Thailand portfolio, namely Siam (copper), KT (gold) and Paisali (magnetite iron ore). Matsa recently received formal consent from the Department of Primary Industries and Mining (DPMI) and it is expected that the Mineral Act Committee (the final step in the process) will formally grant the 5 year exploration licences in the coming months.

*Majority of licences awaiting approval from DPMI*

#### **Primary Thailand Exploration Projects**

Project	No. of licence applications	Area km <sup>2</sup>
Siam Copper Project	8	125
KT Gold Project	2	31
Paisali Iron Project	8	124
<b>Total</b>	<b>18</b>	<b>280</b>

*Source: Matsa Resources*

The remaining 103 licences under application are still awaiting DPIM approval.

#### **Siam Copper**

*Visible 'native' copper evident in rock chips*

The Siam copper project was initially targeted by Matsa based on the results from a stream sediment survey carried out by DMR in 2006. The survey highlighted anomalous zones where accumulations of visible native copper were evident in rock chip samples.

Matsa has 8 licences applications approved by the DPIM (awaiting final approval from Minerals Act Committee) which encompassing these prospective target zones and surrounding tenure. On formal granting of these licences, Matsa intend to fast track exploration efforts by conducting detailed soil sampling, ground geophysical surveys, trenching and drilling to better understand the geology and the source of the anomalous copper values.

#### **KT Gold**

*20km east of Kingsgate's 5Moz deposit*

KT gold is strategically located 200km north of Bangkok and just 20km east of Kingsgate's 5Moz Chatree gold mine.

Previous early stage exploration (rock chip and stream sediment sampling) has identified two distinct gold anomalies. The north-west anomaly is 3km long and up to 1km wide while the south east anomaly is 2.5km long and up to 500m wide. Drilling by the Thai government along strike from these anomalies intersected 6m@ 2.42g/t Au from 62m metres including 2m at 4.66g/t Au.

*Drill targets identified*

Extensive geological mapping has been since been completed and drill targets have now been identified. Once the Thai authorities formally grant the licences, more detailed exploration campaigns (trenching, drilling) can begin.



### Paisali Iron Ore

The Paisali iron ore project consist of a large number of strong magnetic anomalies which are mostly concealed under soil cover in an area of low lying, low value, agricultural land.

*Historical drilling intercepted magnetite mineralisation at +60% Fe*

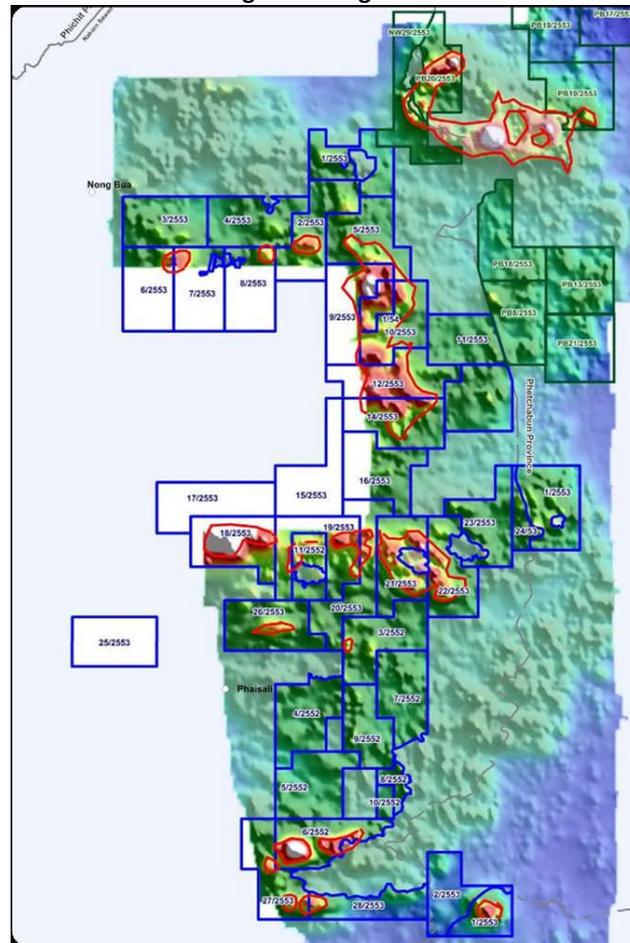
Historic small scale mining of magnetite iron ore has been carried out in the region at reported grades of ~60% Fe. Nearby, drilling by the Thai government confirmed this high grade potential with some intercepts assaying as high as 62% Fe (using a hand held XRF analyser). Although Matsa is yet to conduct a formal drilling campaign of its own, the Thai government drill campaign suggests the mineralisation may have widths of ~30m.

Matsa has completed ~1,200 line kilometres of ground magnetic surveys and has identified 12 targets which will be drill tested soon after formal granting of the licences with a JORC inferred resource targeted within 12 months.

*Large magnetic anomaly*

*12 defined targets*

### Paisali Iron Ore – Magnetic Image



Source: Matsa Resources

### Breakaway's View

Matsa has applied for a significant acreage position in Thailand with numerous opportunities and commodities targeted. Paisali is the most advanced and is also of most interest to Breakaway given the encouraging magnetic survey already carried out and the very high grades intersected by the Thai government drilling campaign.

*Drilling to commence on formal granting of licences*

These early stage projects provide the company with a useful pipeline capable of delivering significant value with further exploration.



## Directors

---

### Executive Chairman

**Paul Poli** is a fellow of the Australian Society of Certified Practising Accountants and was the founder and managing partner of an accounting firm established in 1989. He has extensive accounting and taxation experience in business through his role as a consultant to many varied clients and through his own involvement in ownership of businesses in Western Australia, the Northern Territory of Australia and South East Asia.

### Non-Executive Director

**Frank Sibbel** is a Mining Engineer who has over 40 years of extensive operational and management experience in overseeing large and small scale mining projects from development through to successful production. He was formerly the Operations Director of Tanami Gold NL until his resignation on 30 June 2008, and has worked as the Principal in his own established mining consultancy firm where he has undertaken numerous projects for both large and small mining companies.

### Non-Executive Director & Company Secretary

**Andrew Chapman** is a chartered accountant with over 18 years' experience with publicly listed companies where he has held positions as Company Secretary and Chief Financial Officer and has experience in the areas of corporate acquisitions, divestments and capital raisings. He has worked for a number of public companies in the mineral resources, oil and gas and technology sectors. Mr Chapman is the company secretary and CFO for Westgold Resource and is an associate member of the Institute of Chartered Accountants (ICAA) and a Fellow of the Financial Services Institute of Australasia (Finsia).

### Managing Director - Thailand

**Ratha Kheowkhamseang** has 20 years Thai management experience. He is a director of 5 Thai and Thai/Japanese companies mainly in the manufacturing and industrial sectors and brings extensive Thai business knowledge and contacts within the Government sphere.

*\*Directors and management profiles taken from company website*



### **Analyst Verification**

We, Grant Craighhead and Andrew McLeod, as the Research Analysts, hereby certify that the views expressed in this research accurately reflect our personal views about the subject securities or issuers and no part of analyst compensation is directly or indirectly related to the inclusion of specific recommendations or views in this research.

### **Disclosure**

Breakaway Investment Group (AFSL 290093) may receive corporate advisory fees, consultancy fees and commissions on sale and purchase of the shares of Matsa Resources and may hold direct and indirect shares in the company. It has also received a commission on the preparation of this research note.

### **Disclaimer**

Any observations, conclusions, deductions, or estimates of figures that have been made by Breakaway Research and the Breakaway Investment Group in this report should not be relied upon for investment purposes and the reader should make his or her own investigations. This publication has been issued on the basis that it is only for the information and exclusive use of the particular person to whom it is provided. Any recommendations contained herein are based on a consideration of the securities alone. In preparing such general advice no account was taken of the investment objectives, financial situation and particular needs of a particular person. Before making an investment decision on the basis of this advice, investors and prospective investors need to consider, with or without the assistance of a securities adviser, whether the advice is appropriate in light of the particular investment needs, objectives and financial circumstances of the investor or the prospective investor. Although the information contained in this publication has been obtained from sources considered and believed to be both reliable and accurate, no responsibility is accepted for any opinion expressed or for any error or omission that may have occurred therein.

**Breakaway Investment Group**  
AFSL 290093 ABN 84127962387  
T+61292621363  
F+61292792727  
PO Box H116 Australia Square  
Sydney, NSW 2001  
Suite 505, 35 Lime Street,  
Sydney, NSW 2000