

# BLUE BOOK

RESOURCES SECTOR



# This is an extract from a 56 page document

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**Matrix Metals Limited**  
ASX Code: MRX

Status:



|                                 |               |
|---------------------------------|---------------|
| Core Commodity                  | <b>Copper</b> |
| Price (as at 22-Sep-03)         | \$0.06        |
| Market Cap (\$M)                | 17.7          |
| Cash (\$M - as at 30 June 2003) | 2.3           |
| Cash / Share (\$)               | 0.01          |
| Turnover (\$M pa)               | 17.2          |

|   |                 |                |
|---|-----------------|----------------|
| <b>Summary activity for September quarter</b> | <b>Quantity</b> | <b>Budget</b>  |
| Soil/Rock Chipping                            | various         | \$0.05M        |
| RAB   | Na              | Na             |
| RC/Diamond                                    | 5000m (RC)      | \$0.40M        |
| Assays  | included        |                |
| Geophysics                                    |                 |                |
| Other   |                 |                |
| <b>Total Expenditure</b>                      |                 | <b>\$0.45M</b> |

**Substantial Shareholders**

|                           |       |
|---------------------------|-------|
| Constellation CopperCorp. | 43.5% |
|---------------------------|-------|

**Project 1: Mt Cuthbert**

|                    |                              |  |
|--------------------|------------------------------|--|
| Location           | 100km north of Mt Isa (Qld)  | The new discovery at Mt Earl (as detailed below) when combined with the existing resource at Mt Watson and the previously demonstrated potential to further grow the Mt Watson resource, now presents a positive medium to long term production outlook for the Mt Cuthbert Operation. Copper production at Mt Cuthbert is currently suspended pending the development of the Mt Watson ore body and improved copper prices. The Mt Cuthbert production plant will be upgraded by 40% to 8,500 tpa of cathode. |
| Commodity          | Copper                       |  |
| Qtr Production     | Suspended                    |  |
| Cash Costs         | N/A                          |  |
| FY Forecast        | N/A                          |  |
| Reserves/Resources | 4.0 mt oxide copper resource |  |

**Project 2: Mt Watson/Mt Earl**

|                   |                                  |  |
|-------------------|----------------------------------|--|
| Location          | 25 km north of Mt Cuthbert (Qld) | Drilling during June 2003 at a new prospect known as Mt Earl, which is located 8 km north of Mt Watson, identified significant new zones of resource width and grade, oxide copper mineralisation. Intersections including 16m @ 1.62% Cu, 20m @ 1.22% Cu, 19m @ 1.15 % Cu and 12m @ 1.0 % Cu were reported. It is considered further drilling at Mt Earl will see a resource defined. Resource delineation drilling will continue at Mt Watson to increase the existing resource. |
| Commodity         | Copper                           |  |
| Style             | Intrusion Related                |  |
| Best Intersection | 25m @ 1.6 % copper               |  |

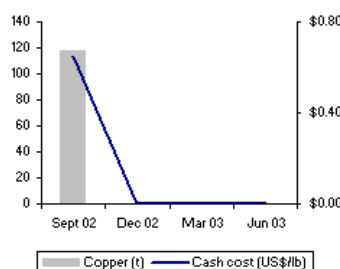
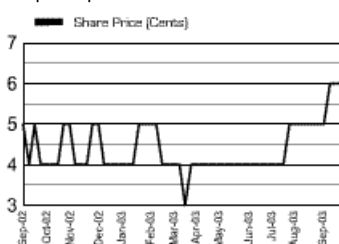
**Project 3: White Range**

|                   |                                |  |
|-------------------|--------------------------------|--|
| Location          | 35 km south of Cloncurry (Qld) | A drilling program completed in June 2003 has confirmed resource width and grade mineralisation at three new prospects in the White Range Project area. The prospects are known as Desolation, Toby Barty and Copper Canyon and returned intersections of 9m @ 1.3% Cu, 14m @ 1.0% Cu and 10m @ 0.9% Cu respectively. This successful program follows the drilling program at the Greenmount deposit completed in December 2002 that resulted in the leachable copper resource increasing from 4.0Mt to 7.3Mt. |
| Commodity         | Copper / Gold                  |  |
| Style             | Sediment Hosted                |  |
| Best Intersection | 25m @ 2.5 % copper             |  |

**Aegis Equities Comments**

- **Projects:** Exploration and resource drilling is being conducted with the aim of establishing at least five years of operation of the Mt Cuthbert plant at a rate of 8,500tpa copper cathode. The plant had been run on a small scale, campaign basis for some time before production ceased just on 12 months ago as the focus shifted to establishing additional ore reserves. In addition, the Mt White BFS is being prepared with debt and equity finance from SG. Regional exploration continues.
- **Potential:** Potential should be progressively realised as the company advances the two main projects, Mt Cuthbert and Mt White. The plan for White Range is for an SX/EW operation with output of 15,000tpa copper cathode over an eight year reserve life. Greater confidence in the project can be assumed following the financial backing by SG of the \$2.0M feasibility study. At Mt Cuthbert, the plant is being upgraded to 8,500tpa and expected to recommence in early 2004.
- **Overall:** MRX is getting more support from the market and finance providers (SG) as it moves its projects and exploration forward. Its leases are located in one of the world's most productive base metals provinces in the Mt Isa region, where both large sulphide reserves and shallow oxides have been successfully exploited.

Share price performance



Company Contact  
**Andrew Chapman (CEO)**  
61 89 486 7100

Source: Bloomberg



## Aegis Equities Research

Level 6, 33 York Street  
Sydney NSW 2000 Australia  
Locked Bag 7 Australia Square  
Sydney NSW 1215  
Phone 61 2 8296 1100  
Fax 61 2 9299 3777  
ABN 72 085 293 910  
[www.aer.com.au](http://www.aer.com.au)