ASX Announcement **19th February 2025**

Devon Feasibility Study Delivers A$60M Surplus

Lake Carey Gold Project

HIGHLIGHTS

- Devon Pit Gold Mine feasibility study delivers a potential pre-tax A$59.8M at a A$4,250/oz gold price, positive free cash flow
- Key results of the study include:
  - Project cash flow surplus (pre-tax) of **A$59.8M over 18 months (at A$4,250/oz)**
  - Production of **340kt @ 4.6g/**t for 50koz (including 4koz of Inferred Resources)
  - 50koz mined, 42koz recovered (83.9% recovery)
  - All-in costs of A$2,829/oz gold
  - Mining of ore commences from surface
- Project is fully permitted and mine ready
- Low Capex expected (A$3M) with major infrastructure (haul roads, accommodation village) already in place
- Mining, processing and funding arrangements nearing completion
- Further extensional drilling to the north of Devon has good potential to increase the size of the Devon Pit Gold Mine to substantially increase gold ounces produced

CORPORATE SUMMARY

Directors

Paul Poli - Executive Chairman

Pascal Blampain

Andrew Chapman

Shares on Issue

732.60 million

Unlisted Options

241.16 million @ $0.05 - $0.10

Top 20 shareholders

Hold 68.28%

Share Price on 18th February 2025

5.0 cents

Market Capitalisation

A$36.63 million

Matsa Resources Limited ("Matsa", "Company") is pleased to advise the results of the Company's Feasibility Study ("FS") on the Devon Pit Gold Mine (Devon) which is expected to go into production by late Q1 - early Q2 2025 under an anticipated profit share arrangement between Matsa (80%) and a mining contractor (20%).

The FS demonstrates a strong financial outcome with potential to mine the Devon Pit over a 18-month mine life generating positive cash flows of **$59.8M** using a gold sale price of A$4,250/oz and up to A$73.4M using a current gold spot price of A$4,550/oz.

February 2025 Feasibility Study (pre-tax)	**Base Case** ($4,250/oz)	**Upside Case** ($4,550/oz)
Mining inventory	340kt @ 4.6 g/t Au for 50,267 ounces (contained)	
Life of mine (**LOM**)	18 months	
LOM Revenue net royalties ($M)	$179.2M	$191.9M
LOM CAPEX ($M)	$3.0M	$3.0M
LOM OPEX ($M)	$116.3M	$119.9M
Royalties ($M)	$5.4M	$5.8M
LOM Project Free Cash Flow ($M)	$59.8M	$73.4M
All-in cost per ounce ($/oz)	$2,829/oz	$2,915/oz

***Table 1:* Summary of Scoping Study Financials**

Matsa Executive Chairman Mr Paul Poli commented:

"We are delighted with the results of the Feasibility Study for the Devon Pit. We have always been confident the shallow high grade nature of the deposit provides a sound foundation to achieving strong returns and the rising gold price environment provides a compelling case for the Company to get this project into production as soon as possible.

Devon is a great little project and the projected returns are significantly higher than Matsa's current market capitalisation. I expect we should see a re-rate of the Company based on these results. At today's gold price, this project returns twice as much as our current market value. You can now understand why Matsa has been saying that the Company is significantly undervalued.

I'm also pleased to add that Matsa is very close to finalising mining, processing and financing arrangements and we hope to be on the ground preparing Devon for mining very shortly."

Recent and relevant announcements relating to Devon lodged on the ASX include:

Date	Announcement
10 February2025	Appointment General Manager Operations Devon Pit Gold Mine
30 January 2025	$3M to Fast Track Development of Devon Pit Gold Mine
24 January 2025	Maiden Ore Reserve - Devon Pit Gold Project
30 October 2024	Devon Pit Gold Mine Fully Permitted and Mine Ready
5 September 2024	Matsa Extends Discussions with AngloGold re Lake Carey
22 March 2024	Further High-Grade Gold Assays - Devon Pit Gold Mine
15 March 2024	Approval of Licence to Take Water - Devon Pit Gold Mine
15 February 2024	Further High-Grade Assay Results - Devon Pit Gold Mine
19 December 2023	New High Grade Gold Assays - Devon Pit Gold Mine

Devon Pit Gold Mine - Feasibility Study

Matsa has completed the study to feasibility level into the development of Devon in the eastern goldfields of Western Australia (Figures 1 & 2). The study assesses Devon to an appropriate level to support the estimation of a JORC compliant maiden Ore Reserve[1] and to enable the Matsa Board to determine the viability of the project so as to commit to the project's development.

Optimisation studies were completed by Entech Pty Ltd using a gold price of A$3,500/oz with detailed feasibility studies and cash flow models completed using gold sale price of A$4,250/oz.

The pit is expected to be staged whereby timing for both NE and NW pit extensions (Figure 3) can be scheduled either early or late providing optionality in the mine plan. Metrics for the stages are shown below:

Stage	Ore (Kt)	Grade (g/t)	Mined Oz (koz)	Waste (Mt)
Stage 1	152	5.5	27	5.7
Stage 2	146	4.1	19	5.0
NW pit extension	27	3.5	3	1.3
NE pit extension	16	2.9	1	0.5
Totals*	**340**	**4.6**	**50**	**12.4**

* Note numbers are rounded, mined tonnes and grade are diluted tonnes and grade using an assumed 30% mining dilution and 5% mining ore losses, the production target includes inferred inventory

Life of Mine (LOM) Summary

Key life of mine physicals are summarised below:

Devon Pit Gold Mine Summary	
Waste volume (BCM millions)	4.9
Ore volume (BCM '000s)	120
Total volume (BCM millions)	5.0
Mined Ore Tonnes* ('000)	340
Mined Grade (g/t Au)	4.6
Mined Ounces ('000)	50

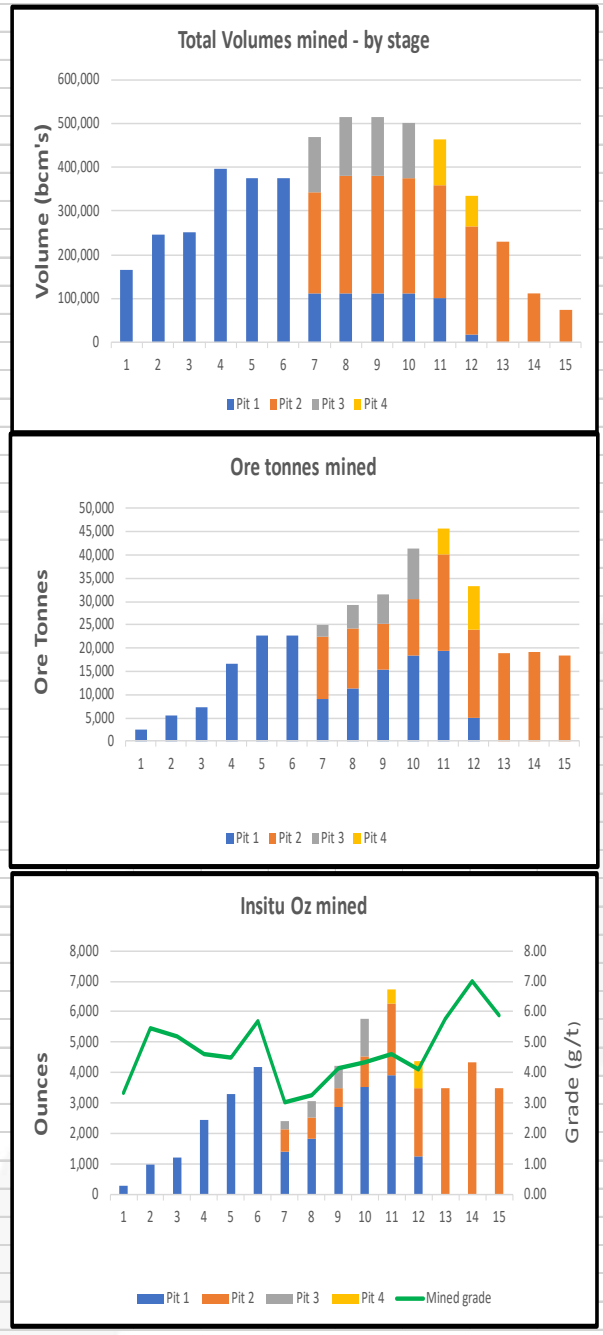
[1] ASX Announcement 24 January 2025 - Maiden Ore Reserve - Devon Pit Gold Project

Recovery^	84%
Ounces Recovered ('000)	42
Mine life (months)	18

Notes:

***** *Mined ore tonnes is not the reserve tonnes and includes Inferred inventory which will be upgraded through grade control drilling*

^ *Recoveries =>* 84% using standard CIL plant used for this study (90% could be achieved using fine grind/flotation plant)



Ore production at Devon starts in month 1 and peaks in months 10 & 11 with plus 40,000t of ore produced in each of these months with an average production of 22kt per month for the Life of Mine project. The pit will be staged such that the unmined west lode will be used for the starter pit with the ultimate pit taking in the main lode which has been seen historical underground and more recent open pit mining. This will allow for mining and ore production on the west lode whilst dewatering of the main lode/pit is undertaken reducing the lead time to ore production.

Mining will commence with a 100T excavator and 85T rigid haul trucks then increasing the mining fleet at month 7 to include an 85T excavator with 40T articulated trucks. All haulage roads are already in place and the mine will use Matsa's Red October accommodation village. Ground water will be discharged onto the nearby Lake Carey with all abstraction and discharge licencing and permits already in place.

Ore will be transported to one of the regional processing facilities and processed either under a toll processing arrangement (TPA) or an ore purchase agreement (OPA). Matsa expects to finalise options for processing the ore in the coming weeks.

Scheduled total movement and ore tonnes mined by month is shown in the graphs (left) with scheduling showing a consistent +4g/t mined head grade forecast. The Devon Pit is a high-grade development project which hosts a Mineral Resource of 488kt at 5.2g/t for 82koz Au with 82% of the Mineral Resource within the JORC (2012) Indicated category.

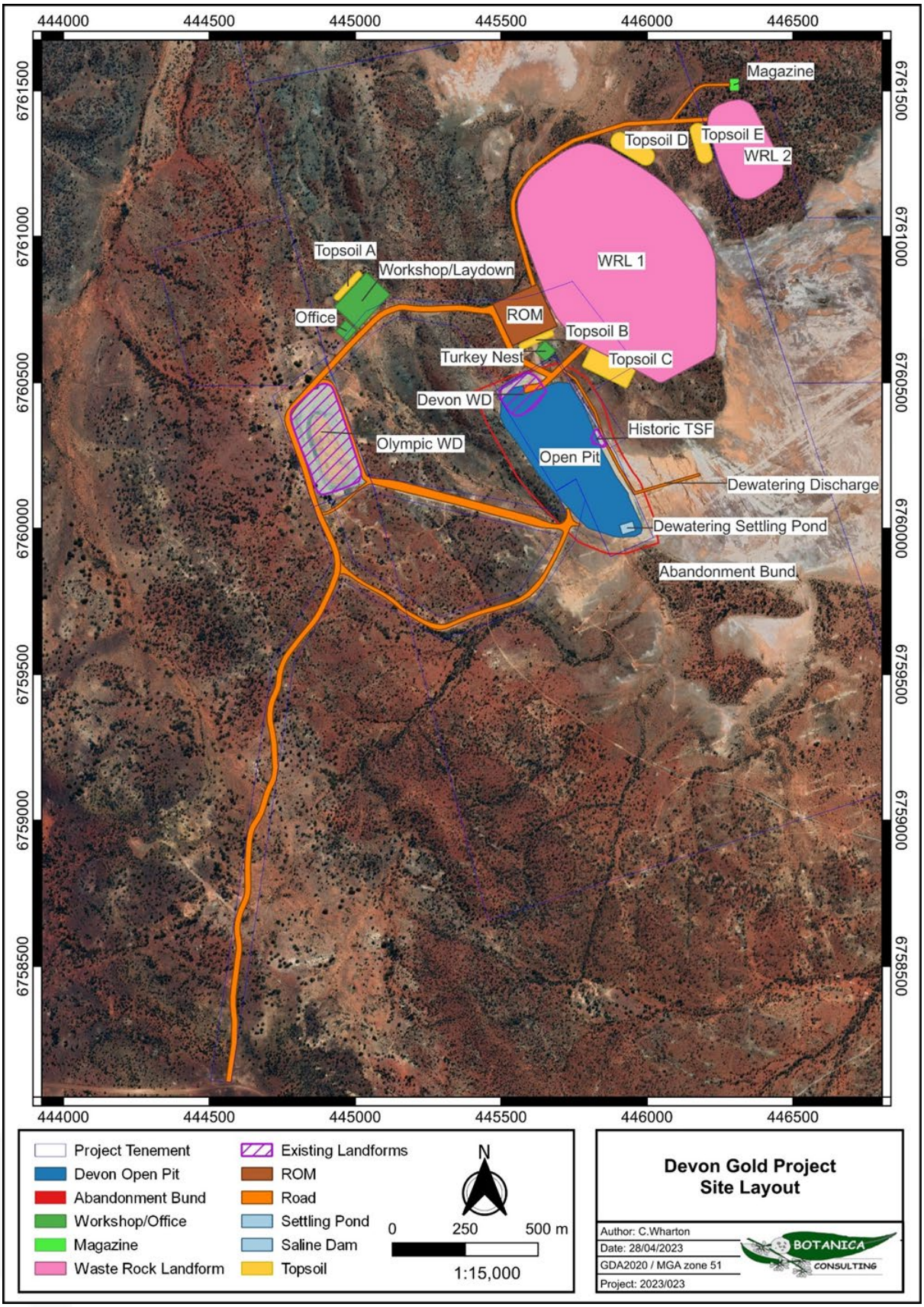


Figure 1: ***Devon Open Pit Gold Mine proposed layout for mining***

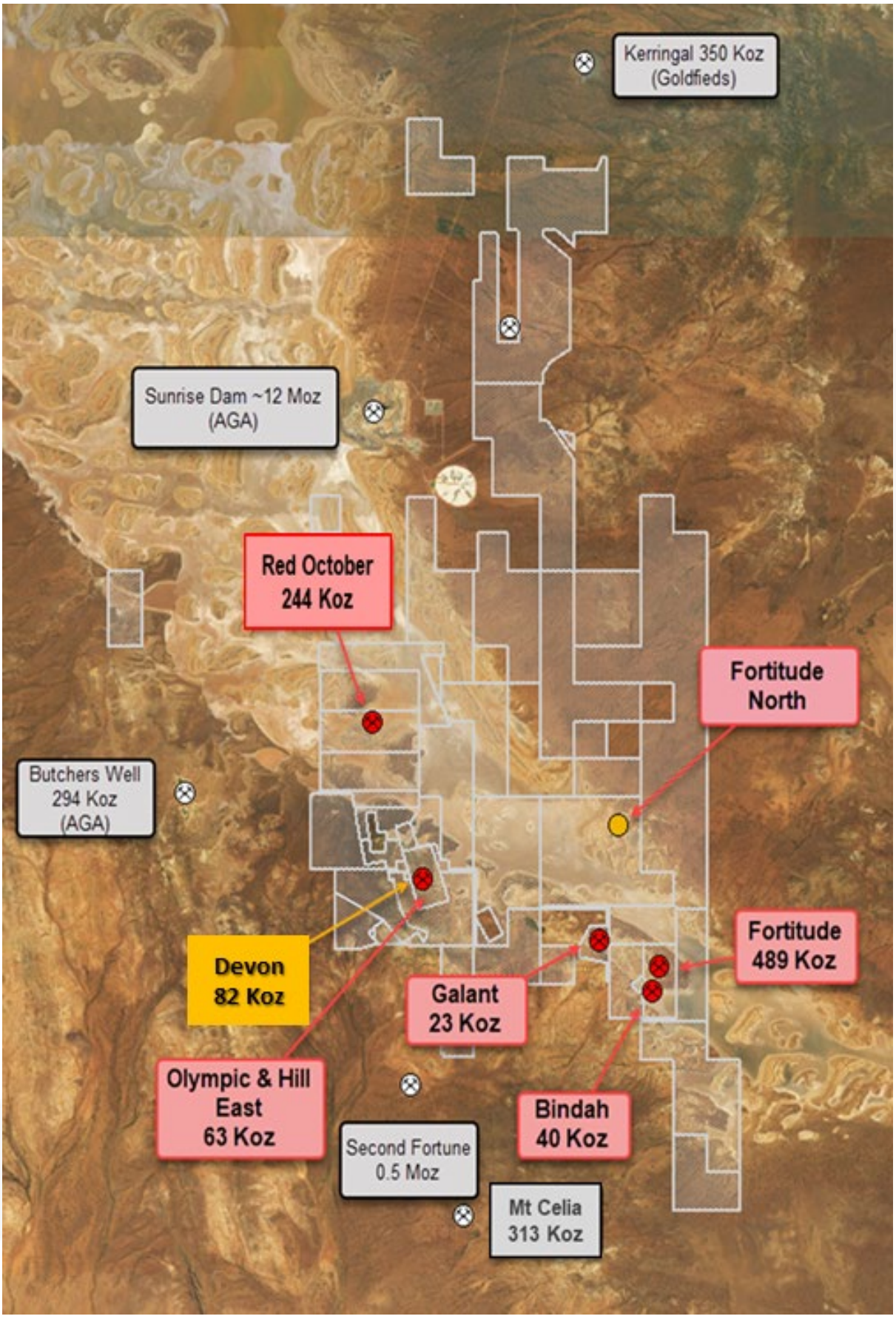


Figure 2: ***Matsa's Lake Carey Gold Project Resources and Devon Pit Gold Mine***

Pit Designs

Pit optimisation was completed for Devon for a traditional open pit operation, with ore processed at one of the regional processing plants. Matsa has obtained processing costs from the regional processing facilities for the feasibility study.

The pit was optimised by Entech Pty Ltd using a gold price of A$3,500/oz with detailed pit design (Figure 3) completed by Perth Mining Consultants. Feasibility studies and cash flow models were completed using a gold price of A$4,250/oz. Final production numbers and cash flow models were subject to a further 10% load and haul dilution factor.

Pit shell element (optimisation)	Value
Gold price (pit shell optimisation)	$3,500 AUD
Gold sale price (revenue generation)	$4,250 & $4,550 AUD
Royalty	3.5% (2.5% government, 1.0% other)
Mining recovery	95%
Dilution	20%
Pit slope	Oxide 50° Transitional 60° Fresh 70°
Metallurgical recovery	80% Fresh 85% Trans 90% Ox
Bench Height	10m
Overall wall angle	38° – 46°
Processing Costs ($/t ore)	$75
Haulage costs ($/t ore)	$45
Mining Costs incl G&A ($/t material)	$4.95

***Table 2:** Inputs of Pit Optimisation Study*

Key outputs of the pit optimisation study are shown below:

Gold Price (optimisation)	Ore (kt)	Grade Au (g/t)	Waste (M bcm)	Mined Oz (koz)	Produced Oz (koz)
$3,500	309	5.06	4.9	50.3	42.1

***Table 3:** Outputs of Pit Optimisation Study*

Cut-Off grade

Mining cutoff grades were calculated as follows:

	Oxide	Trans	Fresh
Recovery	90%	85%	80%
Cutoff	1.28	1.36	1.44
Rounded	**1.3**	**1.35**	**1.4**

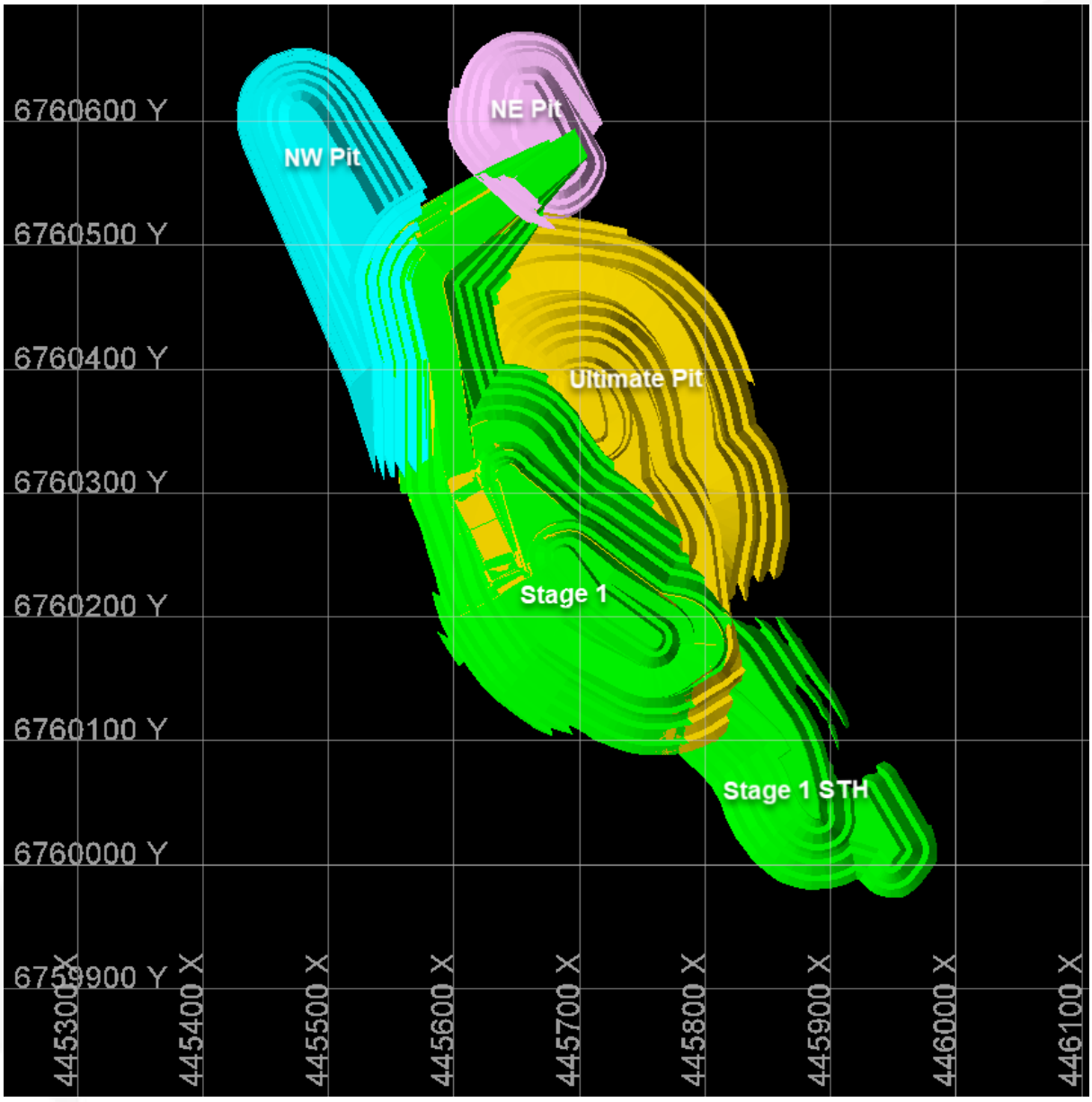


Figure 1: Proposed Pit Design Devon Pit

Metallurgy and Processing

In 2023, a testwork program, designed by JTMet, was developed to understand the key metallurgical attributes of the ore across the proposed pit using conditions typical of the Gwalia processing plant, which was taking 3rd party ore at that time.

A compositing plan was developed for the discrete ore zones of the proposed pit cutback, which included testing of the two prominent lodes, the Main Lode (ML) and the West Lode (WL). Composites were compiled using half core diamond drill samples from eight diamond drill holes (Figure 4) drilled along the strike of the proposed pit.

A total of 55 half diamond core samples were used to compile the composites, with the second half of the core used for resource definition and assay purposes. The holes and samples were considered representative of the proposed pit being considered in the feasibility study.

The recovery testwork was focussed on fresh ores from the main lode and an oxide composite from within the west lode.

A summary of the results is presented below:

		West Lode HW	Main Lode South	Main Lode Deeps	Main Load VC	Estimated Recovery	Historical Production ^	Estimated Plant Recovery
Composite Recovery *		93.0%	87.4%	68.2%	75.0%			
Ore Domains	**% Mill Feed #**	**Estimated Proportions in Ore Domain**						
Oxide	7	100%	-	-	-	93.0%	93%	93%
Trans	22	-	-	-	-	n/a	92%	92%
Fresh (above Deeps)	66	-	50%	0%	50%	81.2%		81.2%
Fresh Deeps	5	-	10%	70%	20%	71.5%		71.5%
							Project Recovery	**83.9%**

Current design work incorporates more of the West Lode in the production profile than envisaged in 2023, with further work on fresh ores of the West Lode currently underway. This additional work will be adopted in the final mine plan.

Matsa has used a conservative 80% recovery in fresh ores, 85% for transitional ores and 90% for oxide ores providing an average of 83.9% in this feasibility study.

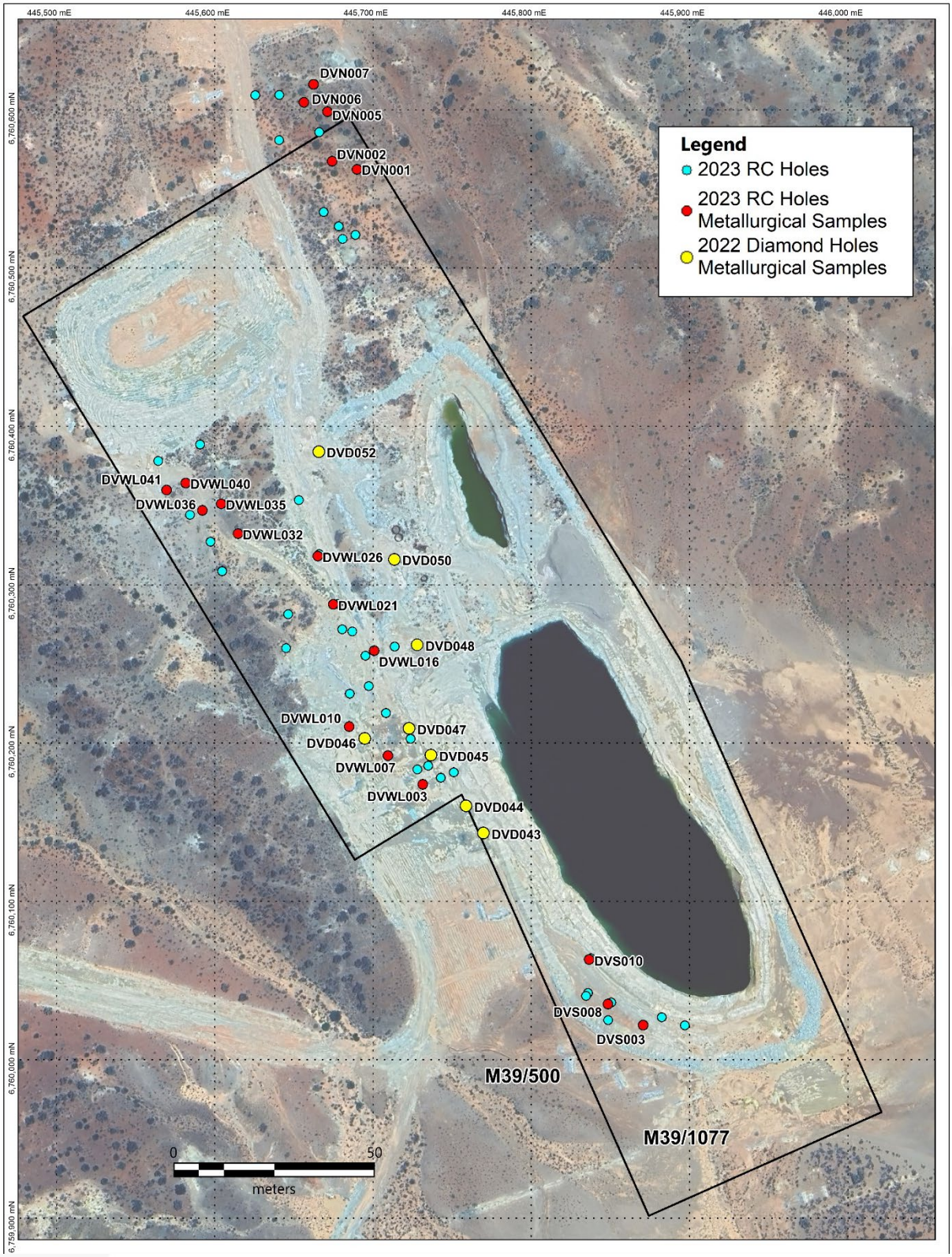


Figure 4: **Metallurgical sampling across the Devon orebody**

Physical Ore Properties

Comminution testwork was completed at ALS Metallurgy, comprising:

- Bond Impact Crushing Work Index (CWi)

- Bond Abrasion Index (Ai)
- Bond Ball Mill Work Index (BWi)

The table below shows the key metallurgical results from the testwork program:

Index	Sample	Value	unit	Classification
Crusher Work Index (CWi)	**'Devon' sample**	**12.32**	kWh/t	Slightly Hard
Bond Abrasion index (Ai)	ML- Southern Comp	0.0272	-	Slightly Abrasive
	ML- Deep Comp	0.0842	-	Moderately Abrasive
	ML- Variability Comp	0.0952	-	Moderately Abrasive
	Average	**0.0689**		Moderately Abrasive
Bond Ball Work Index (BBWi)	**ML Master comp**	**15.8**	kWh/t	Moderately Hard

The results are considered favourable and are typical of WA goldfields ores.

Infrastructure

Haulage roads are already established at Lake Carey with Devon having been previously mined in 2015 and 2016. The Red October accommodation village is readily accessible approximately 25km Northwest by dirt road.

There are two unsealed nearby airstrips as well as the sealed Sunrise Dam Gold Mine airstrip for FIFO staff. Kalgoorlie is approximately 250km to the south.

Power will need to be established via portable generators. Water availability for dust management is not expected to be an issue and it is likely that dewatering of the operation will be an ongoing requirement with dewatering generating surplus water volumes that will need to be discharged. An onsite workshop, washbay and fuel facility will be established at Devon.

The Devon mine will be supported by the following infrastructure (Figures 5 & 6):

- Existing mine access and haul roads;
- Existing accommodation village at Red October;
- Existing administration offices, workshops and stores at Red October;
- Unsealed airstrips within 10km of the project for FIFO workforce;
- Water supply from dewatering of the operation for dust management.

Processing Plant

There is no processing plant at Devon and as such a 3rd party processing option will need to be arranged to treat the Devon ore. Matsa is in discussions with potential processors to provide either a toll treatment or ore purchase arrangements.

Notionally, it is expected that a toll treatment contract will require campaign delivery and processing of around 50,000t ore parcels per campaign. The ore would be processed and the final gold production returned to Matsa during the campaign with all processing costs having been deducted from the returned Dore. In contrast, an ore purchase agreement is expected to provide Matsa with cash payments as ore is delivered to the purchaser and the purchaser retains the gold produced.

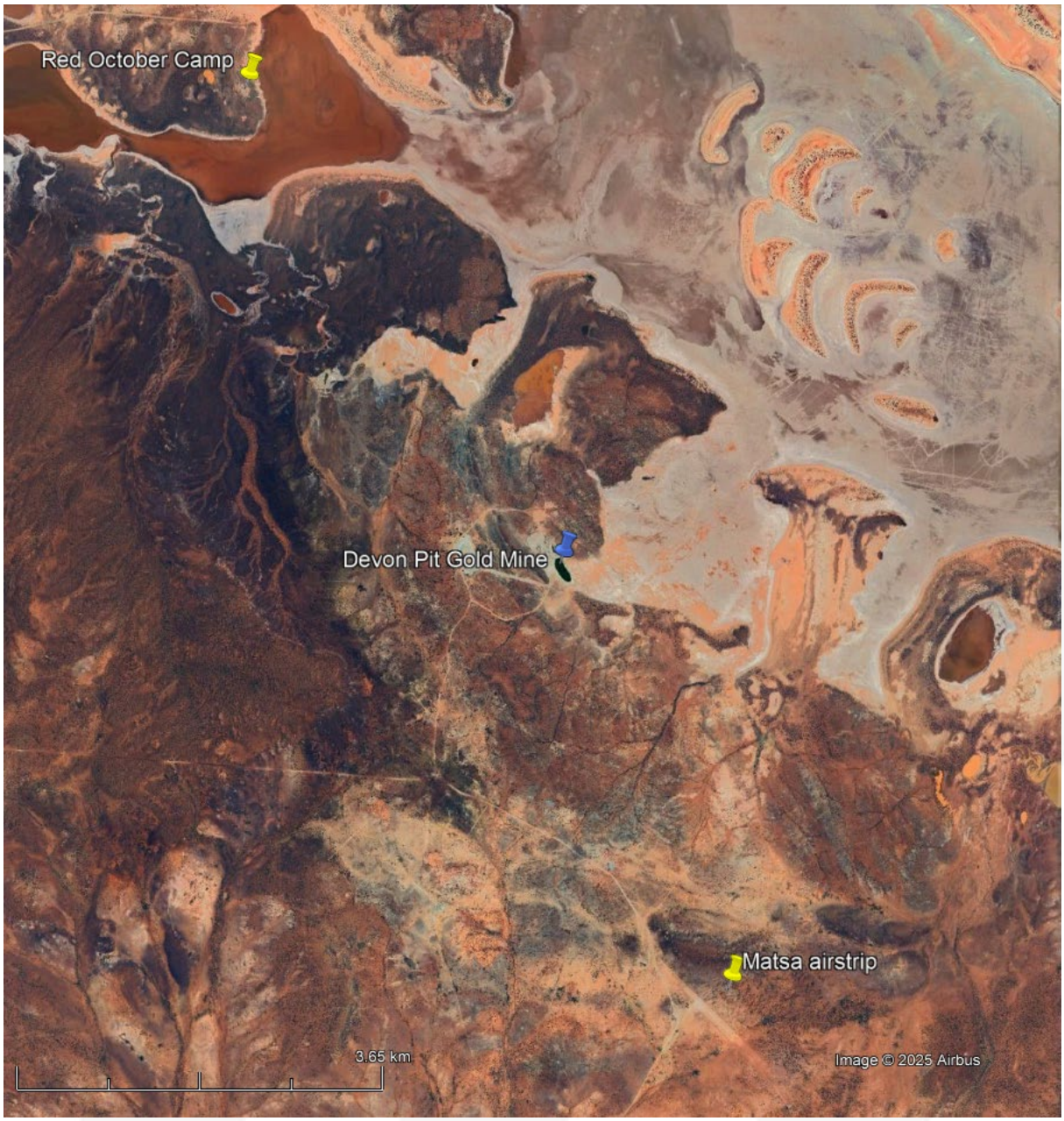


Figure 5: Locality map - Devon Open Pit Gold Mine , Red October Village and Matsa's airstrip

Mine Location and Ownership

Devon is located in the north-eastern Goldfields of Western Australia, within the Shire of Leonora. It lies approximately 170km south-east of Leonora and 230km north-east of the regional hub of Kalgoorlie-Boulder. It is situated on the western edge of Lake Carey, one of several salt lakes in the region.

Access to the site from Kalgoorlie is via the Yarri Road which, after Edjudina, turns north and becomes the Mount Celia Road. The Mount Celia Road forks at Kangaroo Bore Mine; ~6 km south of Second Fortune Gold Mine. The right fork (known as Linden Road) is travelled for a distance ~10 km at which point the road forks again (~3 km north of Second Fortune Gold Mine). The right fork (known as the Yundamindra-Linden Road) is travelled for ~6 km where the short haul road into Devon intersects the road from the north (i.e., right turn into Devon). The Yarri/ Mount Celia/ Linden/ Yundamindra-Linden Roads are unsealed but trafficable in most weather conditions. Total distance from Kalgoorlie to the project site via this route is approximately 220 km.

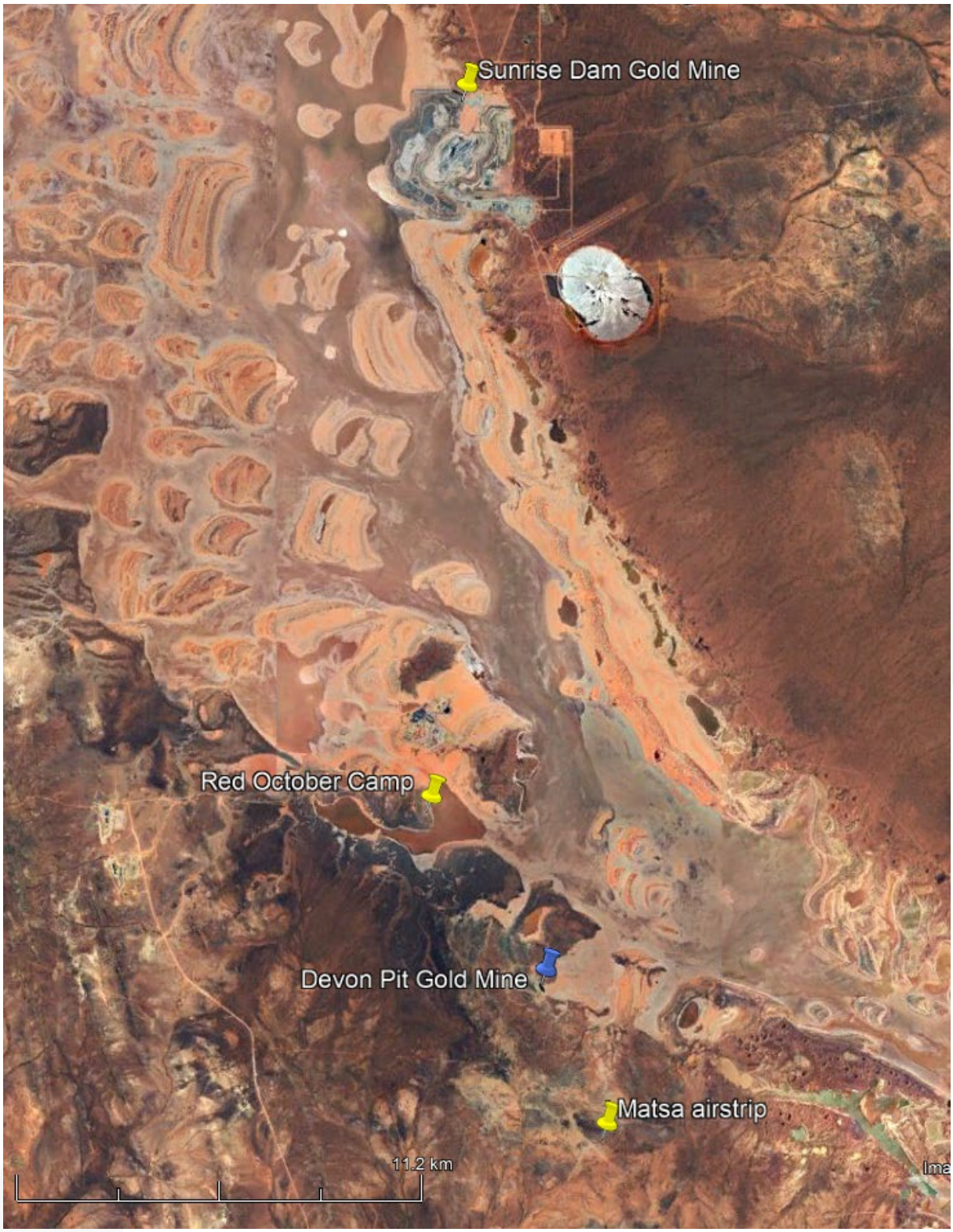


*Figure 6: **Devon Open Pit Gold Mine regional setting***

The Project area overlies Crown Reserve R11318 (Common), Crown Reserves R5085 (Linden Townsite) and R5086 (Government Buildings), and Unallocated Crown Land (UCL) associated with the unoccupied Linden Townsite, and the Yundamindra Pastoral Station (L PL N049876); held by Minara Pastoral Holdings Pty Ltd, a wholly owned subsidiary of Minara Resources Pty Ltd). The location of the Project tenements in relation to the townsite boundary, the pastoral lease, and Crown reserves is shown in Figure 12. The Yundamindra homestead is the closest residence to the Project located

approximately 30 km to the west, whilst the town of Laverton is the nearest populated township Laverton (~70 km to the north).

Environment

The Project area overlies Crown Reserve R11318 (Common), Crown Reserves R5085 (Linden Townsite) and R5086 (Government Buildings), and Unallocated Crown Land (UCL) associated with the unoccupied Linden Townsite, and the Yundamindra Pastoral Station (L PL N049876; held by Minara Pastoral Holdings Pty Ltd, a wholly owned subsidiary of Minara Resources Pty Ltd).

The Yundamindra homestead is the closest residence to Devon located approximately 30 km to the west, whilst the town of Laverton is the nearest populated township (~70 km to the north).

Baseline studies associated with the environmental impacts review show that:

- There are no DBCA managed lands or lands of interest located within the Project area
- There are no Environmentally Sensitive Areas (ESAs) located within the Project area
- There are no Nationally Important or RAMSAR wetlands located within the Project area
- The nearest significant environmental feature is Lake Marmion, located approximately 90 km southwest of the Project area. This area is categorised as a Nationally Important Wetland and as an ESA. Implementing the proposed activities are unlikely to impact these features
- The proposed mine water discharge is likely to present a very low risk to the key environmental receptors of birdlife and Priority 1 flora nearby
- As no users of the aquifer exists within a radius of the site which far exceeds the estimated drawdown impact zone, the risk of the operations impacting on third party users is considered low
- There are no Registered Aboriginal Heritage Sites occurring within the Project tenements
- Given the proposed activity occurs within a “Significantly Altered Environment” and the area has been subjected to Aboriginal ethnographic and anthropologic surveys in consultation with Traditional Owners (AHDS, 2013; O’Connor, 2015). whereby no areas or places of Aboriginal significant were identified, the risk of potential impacts to Aboriginal heritage is considered unlikely
- Dust management will utilise water carts for dust suppression purposes across active work areas, namely the haul road and ROM, during operation
- Given the distance of the Project from sensitive receptors (i.e. the Yundamindra homestead located approximately 30 km to the west), impacts from noise generation are unlikely

Environmental management will be achieved via a number of monitoring programs with set achievement and performance criteria outlined in the mining proposal which has been approved by regulatory authorities.

Project Approvals

As recently[2] announced, all regulatory approvals and permitting is now in place:

[2] ASX announcement 30 October 2024 - Devon Pit Gold Mine Fully Permitted and Mine Ready

Item	Purpose	Status	Comment
Tenements		Granted mining (and miscellaneous) leases	Valid to December 2034
Haulage	Allows ore haulage on public roads	Shire approvals obtained	Menzies and Leonora shires
Mining Proposal	Approval for construction of infrastructure and undertake mining activities	Approved	Approved 9 July 2024
Mine Closure Plan	Defines rehabilitation and closure prescriptions	Approved	Approved 9 July 2024
Clearing permit	Authorises clearing of native vegetation for project development	Approved	Approved 25 October 2024
Water abstraction licence	Enables extraction and use of water from project	Approved	Valid to 14 January 2030
Works approval	Permit to construct premises	Approved	Consent given July 2023
Operating licence	Licence to operate premises		To be submitted once dewatering commissioned
Mining Operations Notice	Allows mining of an operation		To be issued once mining contractor appointed

Operating Costs

Financial analysis has been completed using current contractor quotes including major cost components including Drill & Blast, Load & Haul, Fuel and other incidentals/overheads including grade control drilling/assays, G&A (flights, village accommodation, transport, technical support).

The Operating Costs (mining) including all these individual components amount to approximately A$61M.

Processing & haulage costs will vary significantly based on distance from the operation which ranges from 65km road distance to 440km and processing costs between $75/t and $129/t. Matsa has used the higher processing costs in its financial study.

Cash Flow

Project finance requirements will be very dependent on whether the Company enters into an Ore Purchase Agreement (OPA) or Toll Treat Processing Arrangement (TPA). It is expected that an OPA will provide a more favourable (upfront) revenue schedule.

The feasibility study assumes an OPA arrangement whereby the maximum negative cashflow has been estimated at A$9M for the operation having considered potential operational/environmental delays impacting timing of the revenue expected from the first ore batch processed.

Capital Costs

With key infrastructure in place including haulage roads, airstrip and accommodation village there is minimal upfront capital requirement.

Pre-mining costs will include site establishment including pit dewatering, office and workshop setup, clearing/grubbing and contractor mobilisation. These costs have been estimated at up to A$3M although there is opportunity to complete dewatering of the main pit simultaneous to commencing

the starter pit on the virgin West Lode. In addition, synergies such as using the Red October magazine (explosives) could result in cost savings to the project.

Financing

The Company is currently working with a number of potential financiers to provide up to A$15M as a working capital drawdown facility. Whilst the FS indicates the total A$15M is unlikely to be required it is envisaged that interest costs will only be incurred as and when the funds are drawn.

Matsa has budgeted for financing costs of approximately A$3M in the study.

PROJECT RISK

Consideration has been given to:

- Inherent risk in current macro economic global setting
- Safety and environmental risks (legislative compliance, emergency response, WHS, OHS, EHS)
- Commercial risk (incl funding, cost escalation, AUD gold price, budgets and forecasts)
- Technical risk (project execution, ore processing behaviour and recoveries)
- Project implementation risk (delays in contractor mob and setup, skills shortages, equipment reliability, capital purchases – delivery lead time, contractor/owner management plans and relationships/responsibility matrix)
- 3rd Party contracts (contractor/sub-contractor going concern, scheduling/process flow/downtime/knock on effects of delays)
- Operational risk (realising and delivering the plan)

Risk	Mitigation
Safety and environmental	Contractor selection criteria, (EHS) project management plans in place, strong supervision and safety systems, mutual aid (SDGM & Second Fortune)
Water management	Effective pit floor and dewatering designs and management
Copper related refractory ores	Distribution within the deposit mapped, copper ore production scheduling, blending and access to refractory/fine grind processing plant
3rd party milling dependency	Tight contractual arrangements regarding timeliness of process ore, revenue turn around, GIC calculations, met presence on behalf of Matsa, ore spec control at GC/mine scheduling level, OPA v TT
Resource – grade and ore tonnes	MRE is robust, GC drilling to be completed once funding in place
Revenue (scheduled delivery of ore for processing & ore meets mill specs)	Matsa develop copper, arsenic, recovery models to assist ore blending and scheduling, contractor equipment and staffing reliability, strong pit scheduling systems, redundancy in working capital
Geotech	Diamond holes into west wall once project funding in place, pit wall mapping of existing pits once dewatered, ensure appropriate dewatering of pit walls
Operational risks – congestion in small pit	Contractor fleet management and effective scheduling, GC drilling completed
Supply chain	Stock management accounting for potential rainfall events, contractor managed

Next Steps

Key next steps to advance the Devon Pit Gold Mine to a mining operation include:

- Finalise mining, milling and financing contracts and arrangements
- Finalise detailed mining and ore haulage schedules dependent on which processing facility is selected
- Commence site preparations once contracts have been signed

MINERAL RESOURCES

The global Mineral Resource Estimate for the Lake Carey Gold Project remains at **949,000oz @ 2.5g/t Au** as outlined in Table 1 below.

	Cutoff	Measured		Indicated		Inferred		Total Resource		
	g/t Au	('000t)	g/t Au	('000t)	g/t Au	('000t)	g/t Au	('000t)	g/t Au	('000 oz)
Red October										
Red October UG	2.0	105	8.4	608	5.4	635	5.4	1348	5.6	244
Red October Subtotal		***105***	***8.4***	***608***	***5.4***	***635***	***5.4***	***1348***	***5.6***	***244***
Devon										
Devon Pit (OP)	1.0	18	4.4	450	5.3	21	5.4	488	5.2	82
Olympic (OP)	1.0	-	-	-	-	171	2.8	171	2.8	15
Hill East (OP)	1.0	-	-	-	-	748	2.0	748	2.0	48
Devon Subtotal		***-***	***-***	***450***	***5.3***	***940***	***2.2***	***1407***	***3.2***	***145***
Fortitude										
Fortitude	1.0	127	2.2	2,979	1.9	4,943	1.9	8,048	1.9	489
Gallant (OP)	1.0	-	-	-	-	341	2.1	341	2.1	23
Bindah (OP)	1.0	-	-	43	3.3	483	2.3	526	2.4	40
Fortitude Subtotal		***127***	***2.2***	***3021***	***2.0***	***5,767***	***1.9***	***8,915***	***1.9***	***553***
Stockpiles		***-***	***-***	***-***	***-***	***191***	***1.0***	191	1.0	6
Total		**232**	**5.0**	**4,079**	**2.8**	**7,342**	**2.2**	**11,861**	**2.5**	**949**

Table 1: Lake Carey Resource*

**Matsa confirms that it is not aware of any new information or data that materially affects the Resource as stated. All material assumptions and technical parameters underpinning the Mineral Resource estimate continue to apply and have not changed since the last release dated 24 January 2025.*

MINERAL RESERVES

The global Mineral Reserve Estimate for the Lake Carey Gold Project now stands at **104,000oz @ 2.4g/t Au** as outlined in Table 2 below.

Project	Proven		Probable		Total Reserve		
	('000t)	g/t Au	('000t)	g/t Au	('000t)	g/t Au	('000 oz)
Red October UG	-	-	-	-	-	-	-
Devon Pit	-	-	309	4.6	309	4.6	46
Fortitude Pit[1]	-	-	1,029	1.8	1029	1.8	58
Total	**-**	**-**	**1,338**	**2.4**	**1,338**	**2.4**	**104**

Table 2: Lake Carey Reserve*

**Matsa confirms that it is not aware of any new information or data that materially affects the Resource as stated. All material assumptions and technical parameters underpinning the Mineral Reserve estimate continue to apply and have not changed since the last release dated 24 January 2025.*

The reserves are stated as at the delivery point of a 3rd Party processing plant.

This ASX announcement is authorised for release by the Board of Matsa Resources Limited.

For further information please contact:

Paul Poli
Executive Chairman
T 08 9230 3555
E reception@matsa.com.au

Competent Person Statement

The information in this report that relates to Exploration results, Mineral Resources, Ore Reserves or Feasibility Studies is based on information and compiled by Pascal Blampain, who is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Blampain serves on the Board and is a full time employee of Matsa Resources Limited. Mr Blampain has sufficient experience which is relevant to the style of mineralisation and the type of ore deposit under consideration and the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Blampain consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

This ASX announcement may contain forward looking statements that are subject to risk factors associated with gold exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results , Reserve estimations , loss of market, industry competition , environmental risks, physical risks, legislative, fiscal and regulatory changes , economic and financial market conditions in various countries and regions, political risks, project delay or advancement , approvals and cost estimates.

Forward-looking statements, including projections, forecasts and estimates, are provided as a general guide only and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Matsa Resources Limited. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward looking statements or other forecast.