



ASX Announcement

29th April 2024

Successful Completion of Placement

HIGHLIGHTS

- Matsa has received very strong support from existing shareholders and intends to complete a \$2.15M share placement as follows:
 - The issue of 71.65M shares to a number of existing shareholders and some new strategic investors (maximum amount allowable under ASX Listing Rule 7.1)
 - The issue of 23.88M options to participating shareholders at 1 for every 3 shares issued, exercisable at \$0.07 within 18 months of issue, at no cost which will be subject to shareholder approval at a shareholder meeting
 - The issue of 20M options exercisable at \$0.07 within 18 months of issue at an issue price of \$0.001 which will be subject to shareholder approval at a shareholder meeting
- Matsa Directors intend to seek shareholder approval to acquire shares and options on the same terms as this placement
- Matsa has also received further applications to participate in the placement (oversubscription), which the board is currently considering. If the additional applications are approved by the board, it will be subject to shareholder approval at a shareholder meeting
- Funds raised will be used to:
 - Conduct drilling at Fortitude North including a significant 800m deep hole which has received EIS Round 29 co-funded approval (Matsa will receive a 50% grant from the West Australian government against the drilling costs)
 - Complete works required to commence mining activities at the Devon Pit Gold Mine
 - Assess other opportunities within the Lake Carey Gold Project where previous exploration has identified gold mineralisation
 - Advance the planning for drilling at Matsa's Thailand lithium projects

CORPORATE SUMMARY

Executive Chairman

Paul Poli

Directors

Pascal Blampain

Andrew Chapman

Shares on Issue

478.82 million

Unlisted Options

67.33 million @ \$0.07 - \$0.105

Top 20 shareholders

Hold 59.4%

Share Price on 23th April 2024

3.2 cents

Market Capitalisation

A\$15.32 million

INTRODUCTION

Matsa Resources Limited (“Matsa”, “Company”) is pleased to announce a strongly supported capital raising of \$2,149,533 before costs. The Company has received firm, binding commitments from institutional and sophisticated investors for a Share Placement (“Placement”) comprising the issue of 71,651,105 shares at an issue price of \$0.03 per share and the issue of 23,883,702 unlisted options comprising 1 free option for every three new shares issued, exercisable at \$0.07, within 18 months of issue.

A placement of 20M new options will take place, subject to shareholder approval, at an issue price of \$0.001 each to raise \$20,000 and these new options will be on the same terms and conditions as the options issued under the Placement. A Notice of Meeting to approve the issue of the new options under the option placement will be issued in due course.

The shares to be issued under the Placement will be issued under the Company’s available placement capacity under ASX Listing Rule 7.1. The associated 1 for 3 options under the Placement, any excess shares and options associated with oversubscription and the new option issue will be subject to shareholder approval through a shareholders meeting.

The Placement was largely undertaken to a number of current and sophisticated shareholders with a small number of new strategic sophisticated investors.

Matsa Executive Chairman Mr Paul Poli said:

“We are very pleased with the success of this capital raising, which has the ongoing support of our existing shareholders and a number of new investors which we consider are important to our Company.

Importantly, the Placement will allow Matsa to expand its 936,000 oz Lake Carey Gold Project with focussed exploration programmes aimed at expanding the resource base, particularly at Fortitude North, as well as highlighting the exploration prospectivity elsewhere. Pleasingly, Matsa has won an EIS round 29 grant to undertake an 800m deep hole at Fortitude North where Matsa is extremely keen to see the results of this drilling in this highly exciting prospect. This could be a significant step forward in understanding the true potential of Fortitude North at depth.

Matsa will also continue to build on its Thailand lithium vision by obtaining new granted licences and paving the way for a maiden drilling program in the not too distant future, which will define a clear pathway for our ambitions in Thailand. The support that we are receiving from the Thailand government and potential outside strategic investors is unprecedented.

I look forward to sharing the results of our drilling and the Devon Pit Gold Mine activities with you as they come to hand. Matsa is absolutely focussed on advancement of all projects and generate excitement for all in the very near future.

I would like to thank our existing shareholders who participated in this placement for their ongoing support and I take the opportunity to welcome our new shareholders.”

Use of Funds

The funds raised from the Placement will be used for:

- Undertaking new drilling programs at Fortitude North where previous drilling has identified a mineralised footprint of 1.7km strike and approximately 250m across strike. Plans are underway for a deep 800 metre diamond hole to provide information on the potential of Fortitude North at depth. Previous drilling results returned exceptional widths providing strong encouragement with the deepest drilling returning 35m @ 3g/t from 150m indicating

that further drilling may lead to defining a resource that compliments the nearby Fortitude Gold Mine

- Assessment of other prospects within the Lake Carey Gold Project including Hill East which is just south of the Devon Pit Gold Mine and which has an existing inferred resource of 48,000 oz. There are a number of other prospects that require further exploration activities
- A small drilling program at Red October which is part of a R&D seismic research project to identify the possibility for mining opportunities
- Finalisation of the grant process of a number of lithium prospective Special Prospecting Licences (“SPLs”) with a view to a maiden drilling program in the second half of 2024 where a number of new lithium bearing pegmatites have been identified, mapped and sampled
- General working capital requirements

Placement

Under the Placement, \$2,149,533 will be raised (before costs) via the issue of 71,651,105 fully paid ordinary shares (“Shares”) at \$0.03 per Share pursuant to the Company’s existing placement capacity under ASX Listing Rule 7.1.

A shareholder meeting will be held for approval of the following:

- a. issue of 23,883,702 options comprised of 1 free option for every three new shares issued, exercisable at \$0.07 each;
- b. issue of any further shares and options to be issued as determined by the board from oversubscriptions in the placement;
- c. issue of 20M new options, at an issue price of \$0.001 each to raise \$20,000 and these new options will be on the same terms and conditions as the options issued under the Placement;
- d. The issue of shares and options to Directors who intend to participate in the share and or option placement.

The Placement issue price of \$0.03 per Share represents a discount of 6.25% to the closing price of \$0.032 on 23 April 2024 and a discount of 11.6% to the VWAP of \$0.0339 for the 15 days up to and including 23 April 2024.

Settlement of the new shares is scheduled to occur on Monday, 6 May 2024 with allotment to occur Thursday, 7 May 2024*.

* This timetable is indicative only and is subject to change without notice

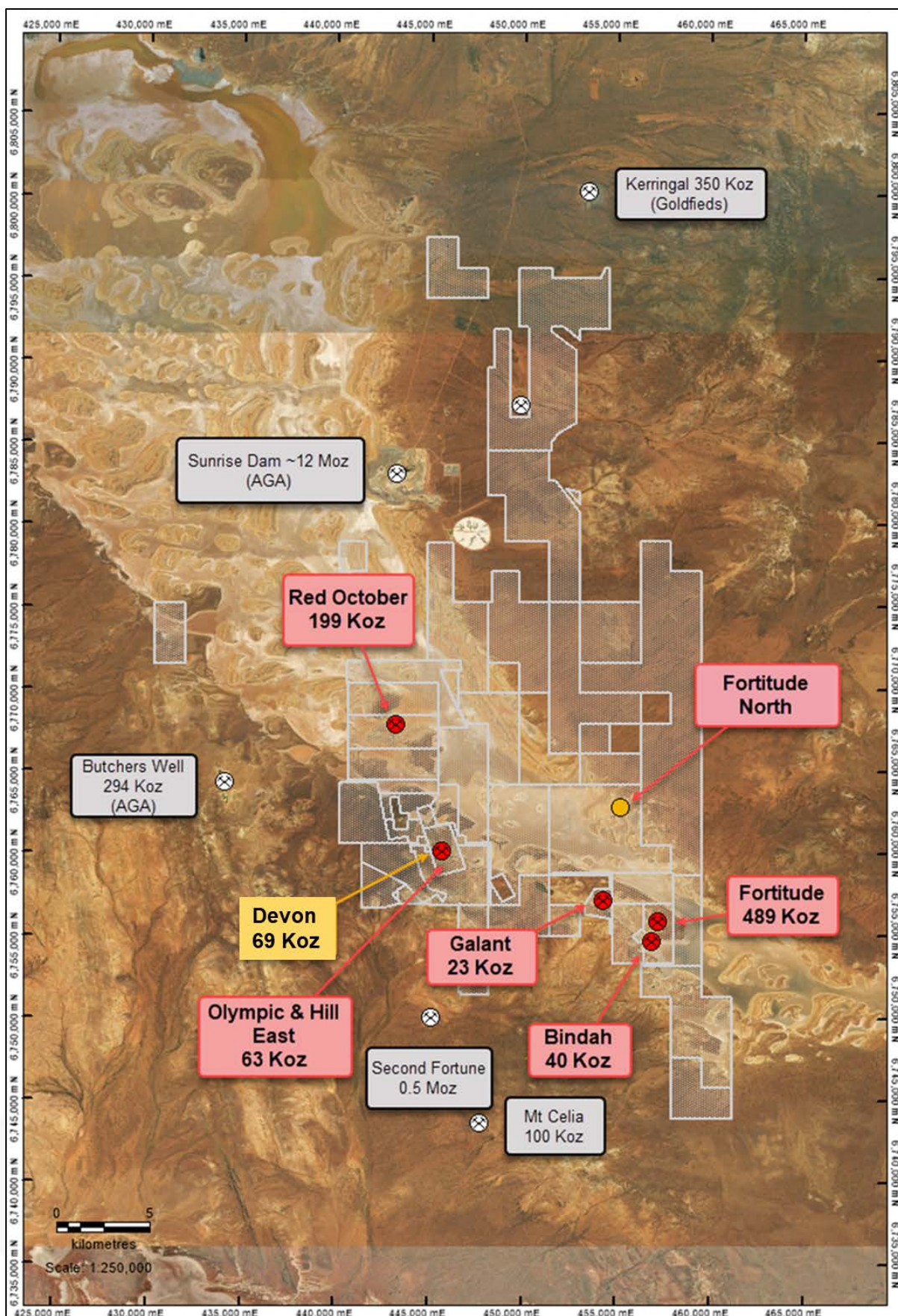


Figure 1: Matsa's Lake Carey Gold Project and Devon Pit Gold Mine

MINERAL RESOURCES

The global Mineral Resource Estimate for the Lake Carey Gold Project remains at **936,000oz @ 2.5g/t Au** as outlined in Table 2 below.

	Cutoff g/t Au	Measured		Indicated		Inferred		Total Resource		
		('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	434	4.6	16	6.0	467	4.6	69
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		-	-	434	4.6	935	2.2	1386	3.0	132
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	4,063	2.7	7,337	2.2	11,840	2.5	936

Table 2: 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. There have been no changes in the above table since the last release.

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

For further information please contact:

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 Executive Chairman
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Competent Person Statement

Exploration results

The information in this report that relates to Exploration results 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.