



ASX Announcement

6th June 2017

Ore Purchase Agreement Signed Fortitude Gold Mine

Highlights

- *Matsa has executed an Ore Purchase Agreement for the entire production of the Trial Mine at the Fortitude Gold Project at Lake Carey*
- *AngloGold Ashanti Australia Limited has agreed to purchase and treat all of the ore from the Trial Mine at Fortitude at the Sunrise Dam Gold Mine*
- *Revenue stream for trial mining at the Fortitude Gold Project is now locked in and in line with the Trial Mining Study*

CORPORATE SUMMARY

Executive Chairman

Paul Poli

Director

Frank Sibbel

Director & Company Secretary

Andrew Chapman

Shares on Issue

144.7 million

Unlisted Options

17.02 million @ \$0.25 - \$0.30

Top 20 shareholders

Hold 54.64%

Share Price on 5 June 2017

28 cents

Market Capitalisation

\$40.52 million

Matsa Resources Limited ("Matsa" or "the Company" ASX: MAT) is pleased to advise that it has executed an Ore Purchase Agreement (Agreement) with AngloGold Ashanti Australia Limited (AGAA) for the purchase of all of the ore from the Trial Mine at the Fortitude Gold Project which is to be treated at the AGAA-owned Sunrise Dam Gold Mine.

Whilst the terms of the agreement will remain confidential, the costs and revenues of the ore purchase agreement are entirely consistent with the factors assumed in the Trial Mining study.

The 3.8 million tonne per annum mill at the Sunrise Dam Gold Mine is located approximately 35 kms from the Fortitude Gold Project (Figure 1) and provides Matsa with access to a nearby milling solution for its ore, potentially for the long term.

Under the terms of the Agreement AGAA will purchase all the ore produced from the Trial Mine. Matsa will be responsible for mining and transporting the ore and AGAA will be responsible for milling the ore.

The execution of the Agreement will allow Matsa to immediately progress to Trial Mining at the Fortitude Gold Project at a relatively low capital cost.

Matsa's Executive Chairman, Mr Paul Poli said *"The execution of the Agreement with such a reliable and successful company as AngloGold Ashanti is a tremendous result. This agreement now removes the final hurdle to the go ahead for trial mining to commence at Fortitude. We look forward to working with AngloGold Ashanti during the term of this Agreement, and hopefully beyond to a larger mine plan in the future."*

For further information please contact:

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Executive Chairman

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Figure 1: Fortitude Gold Project in relation to Sunrise Dam