



**ASX Announcement**

**11 November 2020**

## **Investor Presentation Noosa Mining Conference**

Matsa Resources Limited (ASX:MAT) advises that Executive Chairman Paul Poli will be presenting at the 2020 Noosa Mining and Exploration Investor Conference (11-13 November).

A copy of the presentation is attached.

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

**For further information please contact:**

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### **CORPORATE SUMMARY**

#### **Executive Chairman**

Paul Poli

#### **Director**

Frank Sibbel

#### **Director & Company Secretary**

Andrew Chapman

#### **Shares on Issue**

271.14 million

#### **Unlisted Options**

25.6 million @ \$0.17 - \$0.35

#### **Top 20 shareholders**

Hold 51.68%

#### **Share Price on 10<sup>th</sup> November 2020**

13 cents

#### **Market Capitalisation**

\$35.25 million



# An Emerging Gold Producer with Substantial Exploration Potential

November 2020 Presentation

Paul Poli, Executive Chairman





# IMPORTANT NOTICE



## Disclaimer and Forward Looking Statements

This presentation has been prepared by Matsa Resources Limited ("Matsa" or the "Company"). It should not be considered as an offer or invitation or inducement to subscribe for or the purchase of any securities in the Company. This presentation may contain certain "forward-looking statements" which may not have been based solely on historical facts, but rather may be based on Matsa's current expectations about future events and results. Where the Company expresses or implies an expectation or belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. Actual results and developments may differ materially from those expressed or implied.

The material in this presentation is intended to be a summary of current and proposed activities, selected geological data and Mineral Resource estimates. This data is based on information available to at the time. It does not include all available information and should not be used in isolation as a basis to invest in the Company. This overview of Matsa does not purport to be all-inclusive or to contain all information which its recipients may require in order to make an informed assessment of the Company's prospects. You should conduct your own investigation and perform your own analysis in order to satisfy yourself as to the accuracy and completeness of the information, statements and opinions contained in this presentation before making any investment decision.

This presentation includes information and graphics relating to a conceptual mining study, completed Mineral Resource estimate and a scoping study and includes "forward looking statements" which include, without limitation, estimates of gold production based on mineral resources that are currently being evaluated.

While the Company has a reasonable basis on which to express these estimates, any forward looking statement is subject to risks, uncertainties, assumptions and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements. Risks include, without limitation, gold metal prices, foreign exchange rate movements, project funding capacity and estimates of future capital and operating costs. The Company does not undertake to release publicly any revisions to forward looking statements included in this report to reflect events or results after the date of this presentation, except as may be required under applicable securities regulations.

Any potential investor should refer to publicly available reports on the ASX website and seek independent advice before considering investing in the Company.

## Competent Persons Statements

### Exploration Results

The information in this report that relates to Exploration results, is based on information compiled by David Fielding, who is a Fellow of the Australasian Institute of Mining and Metallurgy. David Fielding is a full time employee of Matsa Resources Limited. David Fielding has sufficient experience which is relevant to the style of mineralisation and the type of ore deposit under consideration and the activity which he is undertaking 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". David Fielding consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

### Mineral Resources Fortitude

The information in this report that relates to Mineral Resources has been compiled by Matthew Cobb, who is a full-time employee of CSA Global Pty Ltd, and Richard Breyley who is a full time employee of Matsa Resource Ltd. Dr Cobb is a Member of both the Australian Institute of Geoscientists and the Australian Institute of Mining and Metallurgy. Mr Breyley is a member of the Australian Institute of Mining and Metallurgy. Both Dr Cobb and Mr Breyley have sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activities which they are undertaking to qualify as a Competent Persons as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Cobb and Mr Breyley consent to the disclosure of this information in this report in the form and context in which it appears.

### Mineral Resources Red October

The information in the report to which this statement is attached that relates to Exploration Results and Mineral Resources related to the Red October Resource Estimate is based upon information compiled by Mr Daniel Howe, a Competent Person who is a member of the Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Daniel Howe is a full-time employee of Saracen Resources. Daniel Howe has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Daniel Howe consents to the inclusion in the report of matters based on his information in the form and context in which it appears.

# CORPORATE OVERVIEW



## CORPORATE SNAPSHOT

TICKER  
**ASX:MAT**

SHARES ON ISSUE  
**271.14 M**

UNLISTED OPTIONS  
**25.60 M**  
@ \$0.17 - \$0.35

MARKET CAPITALISATION  
**A\$36.60 M**  
@ \$0.135 (9 Nov. 2020)

## SIGNIFICANT SHAREHOLDERS (as at 9 Nov 2020)

JP Morgan Ltd	16.77 %
BNP Paribas Nominees	12.49 %
Deutsche Balaton AG	8.00 %
HF Resources Pty Ltd	4.78 %
Paul Poli	4.41 %
<b>Top 20 Shareholders</b>	<b>56.09 %</b>

## DIRECTORS

Paul Poli	Executive Chairman, Managing Director
Frank Sibbel	Non-Executive Director
Andrew Chapman	Non-Executive Director & Company Secretary

## MAT: TWELVE MONTH SHAREPRICE



Source: ASX



A photograph of a mining or construction site under a clear blue sky. A line of yellow CAT 777F dump trucks is parked on a dirt road. To the right, a white water truck is visible with a sign that says "KEEP LEFT" and an arrow pointing left. The ground is reddish-brown dirt with tire tracks.

# Why invest in Matsa?

# LAKE CAREY GOLD PROJECT



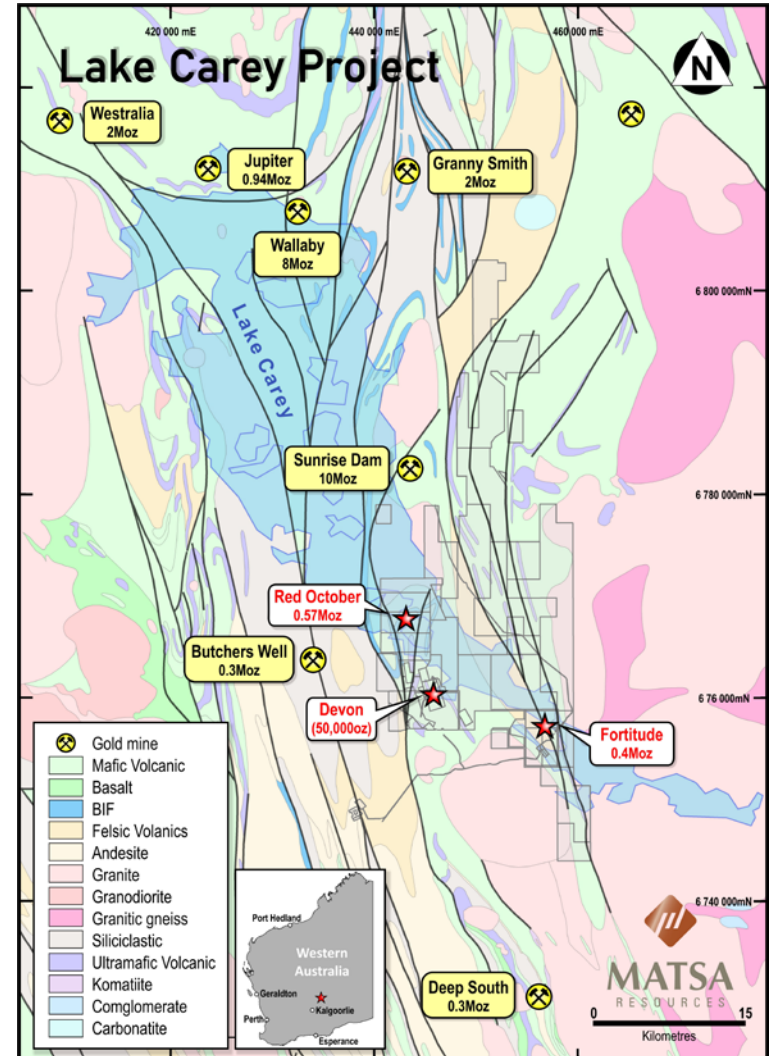
## WORLD CLASS GOLD MINES NEARBY

- Sunrise Dam >10 Moz
- Wallaby >7Moz
- Granny Smith >2Moz

## PATHWAY FOR 2020 AND BEYOND

- Red October underground mining continuing on a long-term basis
- Fortitude Stage 2 mining, forecast positive cashflow of approximately **A\$21.9M\*** in 22 months at A\$2,150/oz gold. Current gold price would have a dramatic positive effect.
- Increasing gold resources through drilling Fortitude North, Devon and Red October

*Ongoing extensive drilling program*





## Producer

### Exposure to Production Growth

- Red October underground
- Fortitude open pit
- Devon open pit and underground



## Explorer

### Exposure to Exploration Success

- Red October
- Fortitude North
- Devon and Surrounds
- Olympic
- Hill East
- BE1 – BE4
- Nautilus



# PROVEN CAPACITY TO MINE SUCCESSFULLY



## PROVEN DEVELOPMENT CAPABILITY

- Red October underground mining becoming long-term and cashflow positive
- Fortitude trial mine, excellent knowledge base for larger Stage 2 mine
- Mining Studies on Devon commencing

## ANGLOGOLD ASHANTI RELATIONSHIP

- Excellent working relationship underpins MOU at Lake Carey
- 5-year ore purchase agreement in place
- Sunrise Dam ore treatment plant is ideally located for Matsa's Lake Carey project

## BUILDING ON SUCCESS

- Becoming recognised as a regional player and able to take advantage of opportunities as they arise

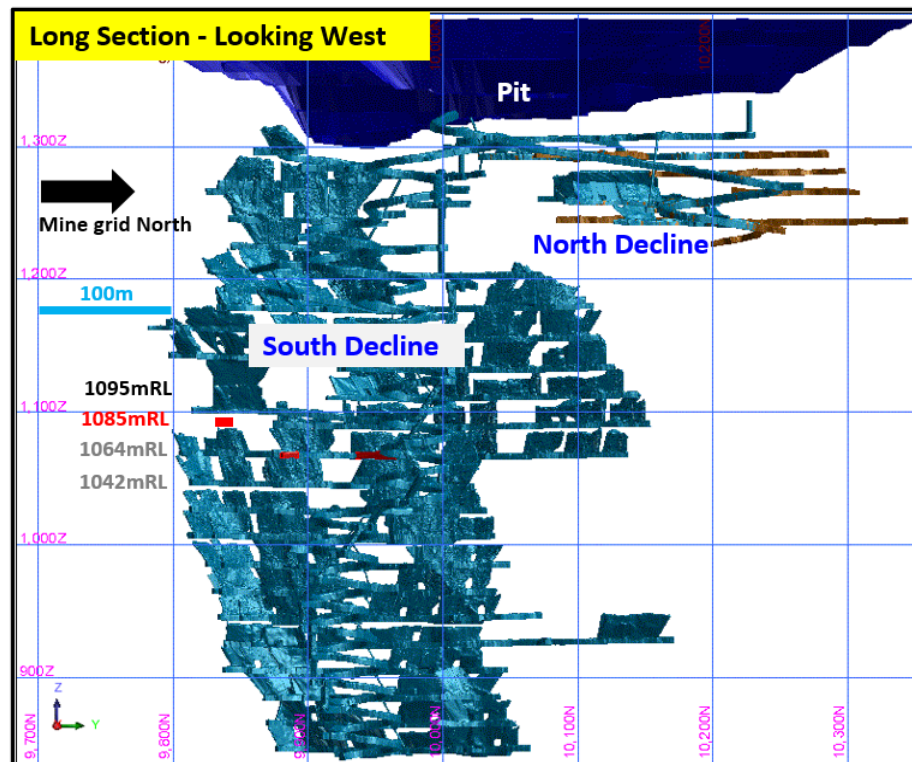




# RED OCTOBER GOLD MINE



- Underground resource **85,000oz @ 13.6 g/t Au**
- 100% Matsa owned and operated
- Red October is a high-grade structurally controlled narrow vein gold deposit with significant exploration potential
- Historical production of 342,000 oz gold at an average grade of 6.1g/t
- Mine is fully accessible with all ventilation, emergency access and dewatering infrastructure in place and operating efficiently to the full extents of the mine
- Mining fleet, surface and underground equipment 100% owned
- Modern 68-person camp with full accommodation, messing, workshop and admin facilities



# RED OCTOBER GOLD MINE

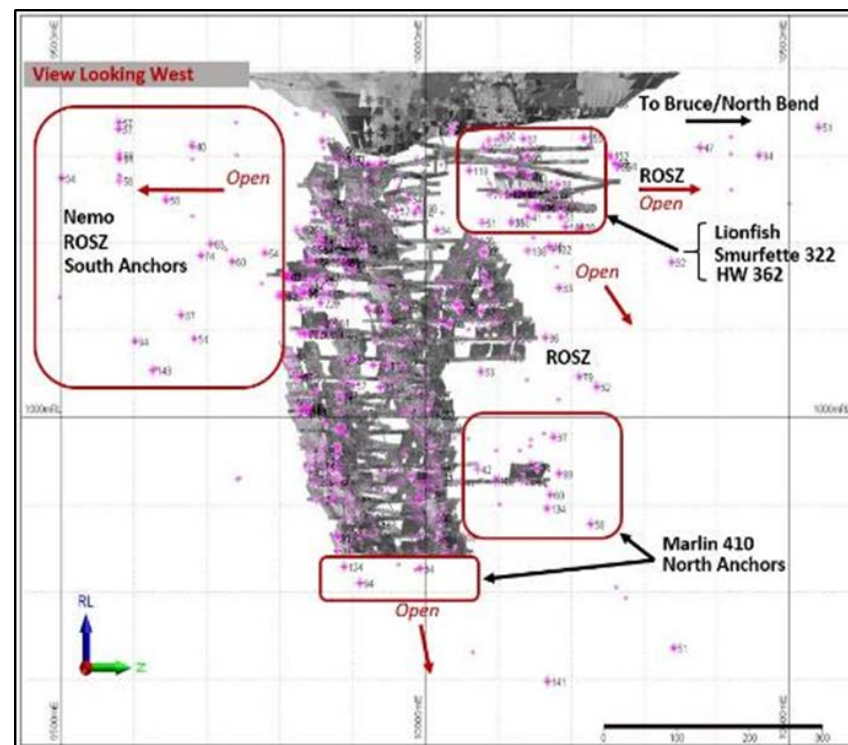


## MINING OPERATIONS IMPROVING

- Waste mining started April 20 19
- Ore mining started June 20 19
- Ore delivery commenced July 20 19
- Mining rate of 1,000oz of gold per month to increase as the mine ramps up

## NEW DRILL PROGRAM IN PROGRESS

- Exciting results received, more to come
- Targeting new high-grade shoots
- Proving up new areas of mineralisation
- Proving up potential for long term underground mining
- Increasing gold resources and reserves
- +4,000m diamond drilling campaign completed (being phase 1 of a continuous exploration program that will extend well into 2021)

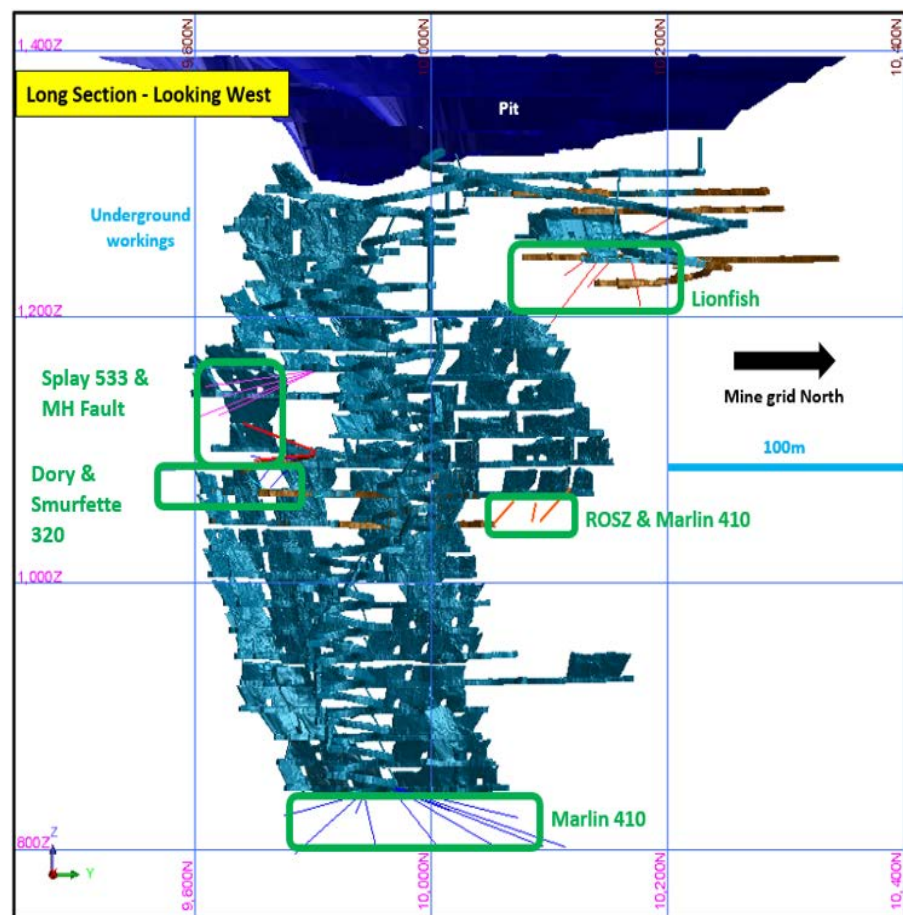


# RED OCTOBER GOLD MINE



## Early Drill Results

- Phase 1 underground drilling completed
- Multiple intersections of high-grade gold, further assays pending
- **Lionfish Phase 1 infill drilling**
  - 0.70m @ 137.50 g/t Au ROGC747
  - 1.59m @ 5.04 g/t Au ROGC749
  - and 2.00m @ 16.14 g/t Au ROGC749
  - 3.00m @ 3.50 g/t Au ROGC750
  - 0.28m @ 161.50 g/t Au ROGC751
- **Marlin 410:**
  - 2.00m @ 28.97g/t Au ROGC762
  - incl. 0.50m @ 105.50g/t Au
  - 1.30m @ 8.14g/t Au ROGC757
  - 1.70m @ 51.68g/t Au ROGC758
- **Dory & Smurfette 320:**
  - 0.81m @ 22.00g/t Au ROGC735
  - 7.00m @ 5.24g/t Au
  - and 4.04m @ 4.62g/t Au ROGC738
- **MH Fault:**
  - 3.80m @ 30.98g/t Au ROGC741
  - 1.60m @ 5.94g/t Au ROGC742 (previously unidentified lode)
- **Results demonstrate strong potential for adding new ounces into the mine plan**



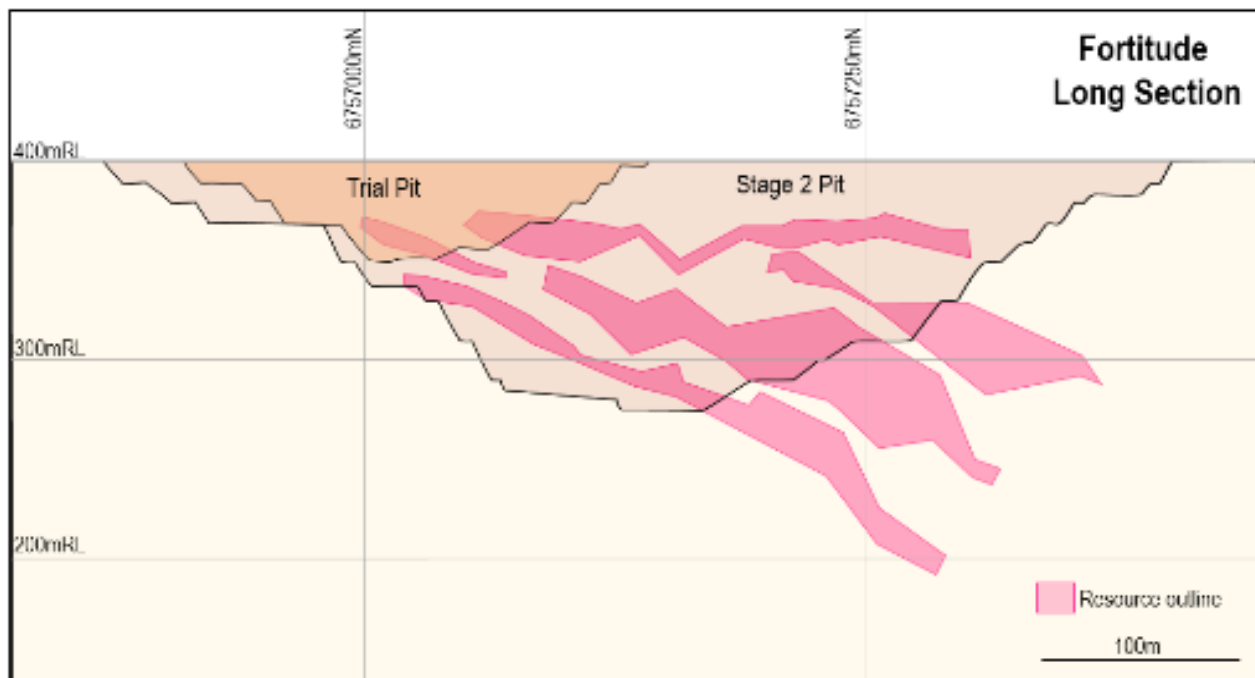
Drill Target Areas



# DEVELOPMENT OPPORTUNITY: FORTITUDE STAGE 2 GOLD MINE



- Trial Mine result provides high confidence of gold resource and metallurgical recoveries
- Ore treatment options being evaluated
- All mining permits and approvals in place allowing for immediate start
- Mine life has strong potential to grow from new optimisations
- Potential for future underground mining to be assessed
- Excellent exposure to rising gold price



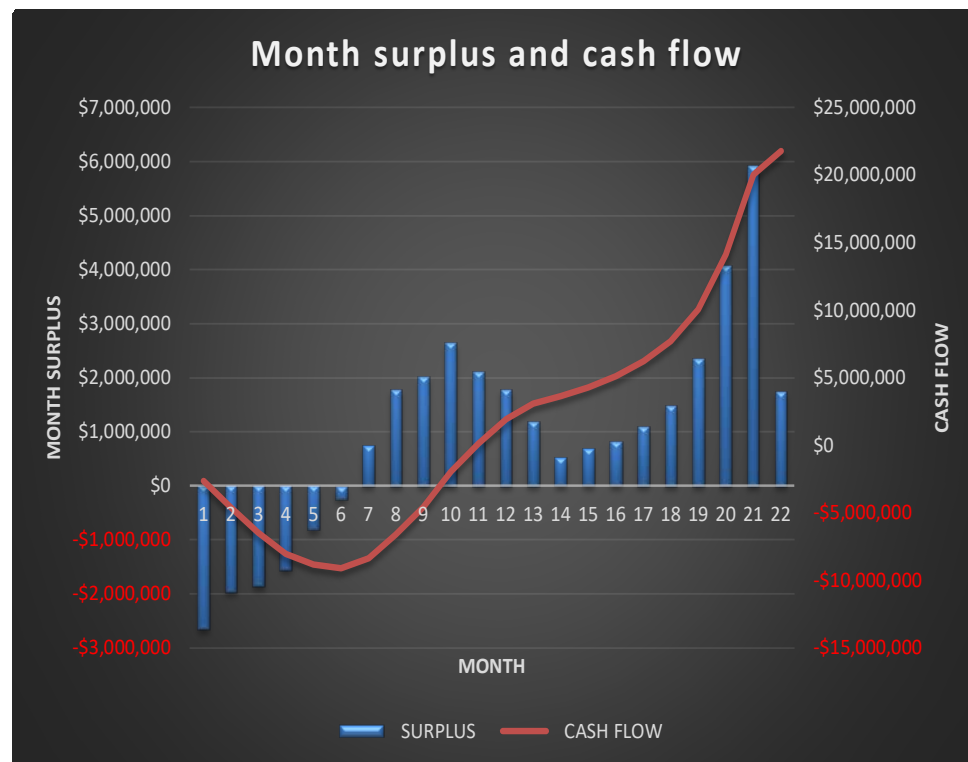
*Fortitude has all permits in place*

# FORTITUDE STAGE 2 GOLD MINE STUDIES



## STAGE 2 MINE STUDY RESULTS\*

- The current gold price (A\$2,650/oz) would have a substantial positive effect on the project
- Expected 22-month mine life
- Production of 54,400 oz gold at 93% recovery, can increase
- Capital outlay of A\$6.6M which includes pre-stripping
- Maximum cash exposure A\$9.1M
- Operating cash cost of A\$1,628/oz gold
- Cash surplus of A\$21.9M at Feasibility average gold price of A\$2,150/oz
- Further improvements expected



*Significant upside potential exists*

\* Matsa ASX Announcement dated 21 August 2019. The information contained within that announcement has not materially changed



*We are an Explorer*

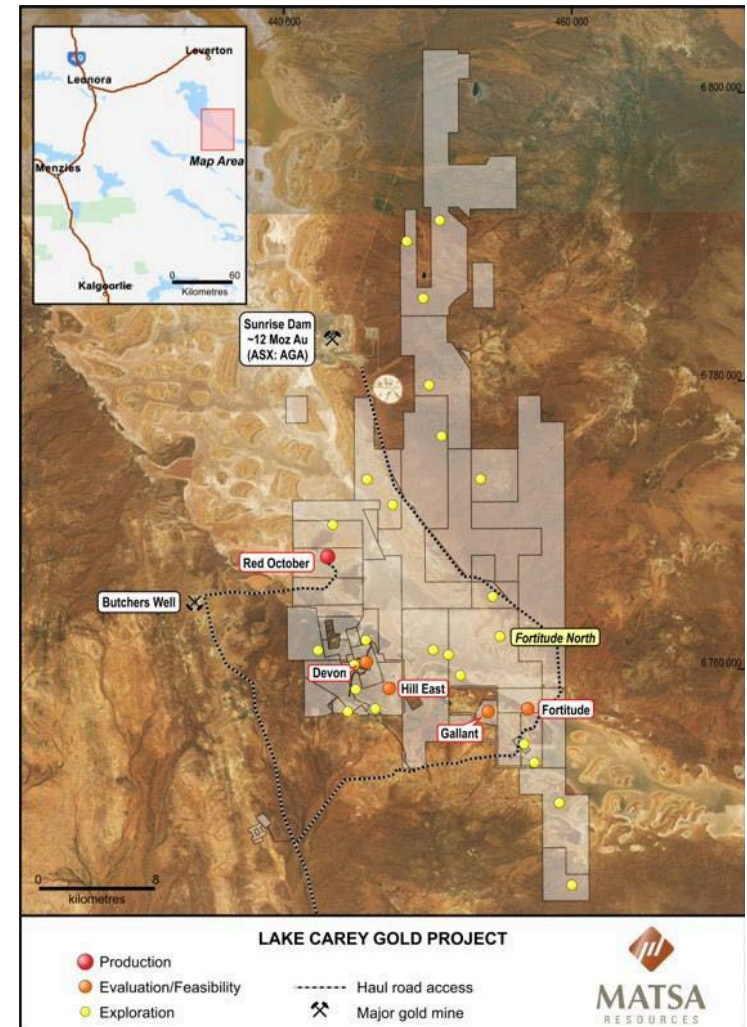


# LAKE CAREY - EXPLORATION UPSIDE

## 563km<sup>2</sup> HIGHLY PROSPECTIVE TENEMENT PACKAGE

- In the Laverton tectonic zone near world class gold mines
- Considerable scope for regional exploration success, with 2020 drilling demonstrating opportunities
- Areas covered by salt lakes with little or no exploration now more accessible due to better equipment
- Favourable structural locations along major faults have been targeted and are yielding outstanding results
- Targeting program continually growing and expanding exploration targets
- Significant aircore, RC and diamond drilling set to commence

*Drilling programs continuing through 2020-21*



# RECENT DRILLING HIGHLIGHTS

## FORTITUDE NORTH DISCOVERY

- Only 800m of 1,500m long target drilled so far
- Gold seen in 7 of 8 diamond drill holes incl.  
4m @ 13.63 g/t Au and 10.3m @ 3.48 g/t Au

## DEVON MINE

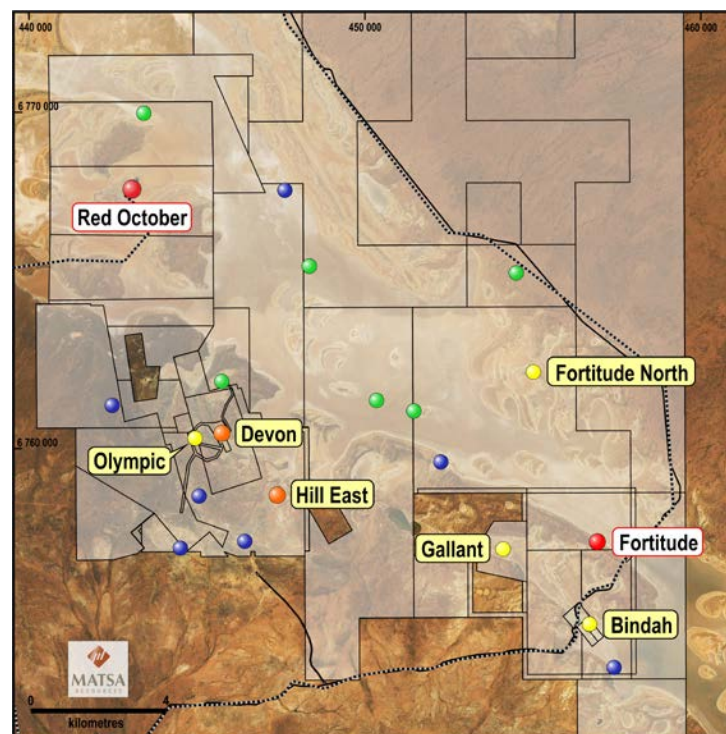
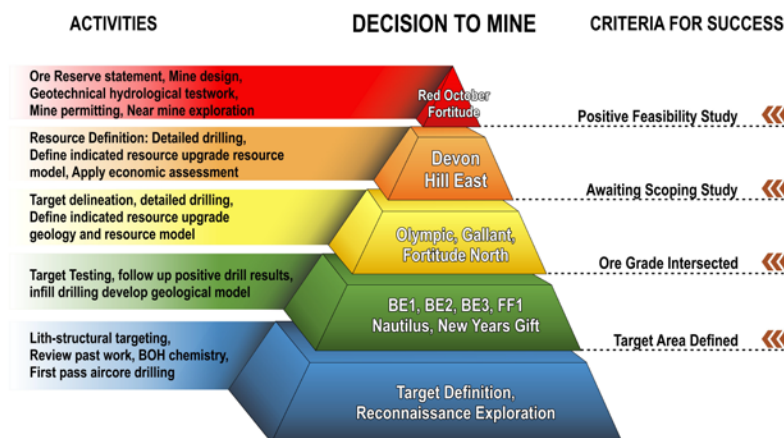
- 4 of 5 RC holes intersected high grade gold incl.  
3m @ 35.03 g/t Au and 2m @ 94.4 g/t Au
- Geological similarities with Red October
- No drilling below 100m, continuous mineralisation over 500m open to north and south

## HILL EAST

- Drilled 39 RC drill holes on 6 targets (HE 1 – HE 6)
- Gold mineralisation at shallow depth in 5 of 6 Targets incl. 6m @ 4.0 g/t Au and 3m @ 6.82 g/t Au near surface
- Large gold target identified under HE 1 – HE 4

## OLYMPIC

- 800m west of Devon on parallel structure
- Gold intersected in 6 of 8 drill holes incl.  
8m @ 6.94 g/t Au



# MATSA'S EXPLORATION TARGETS



## 12 MONTH EXPLORATION PROGRAM TIMELINE

EXPLORATION TARGET	Q3			Q4			Q1			Q2			Q3		
	July	August	September	October	November	December	January	February	March	April	May	June	July	August	September
Red October															
Devon															
Olympic															
Hill East															
Fortitude North Supergene															
Fortitude North Primary															
Gallant															



# MATSA'S EXPLORATION TARGETS



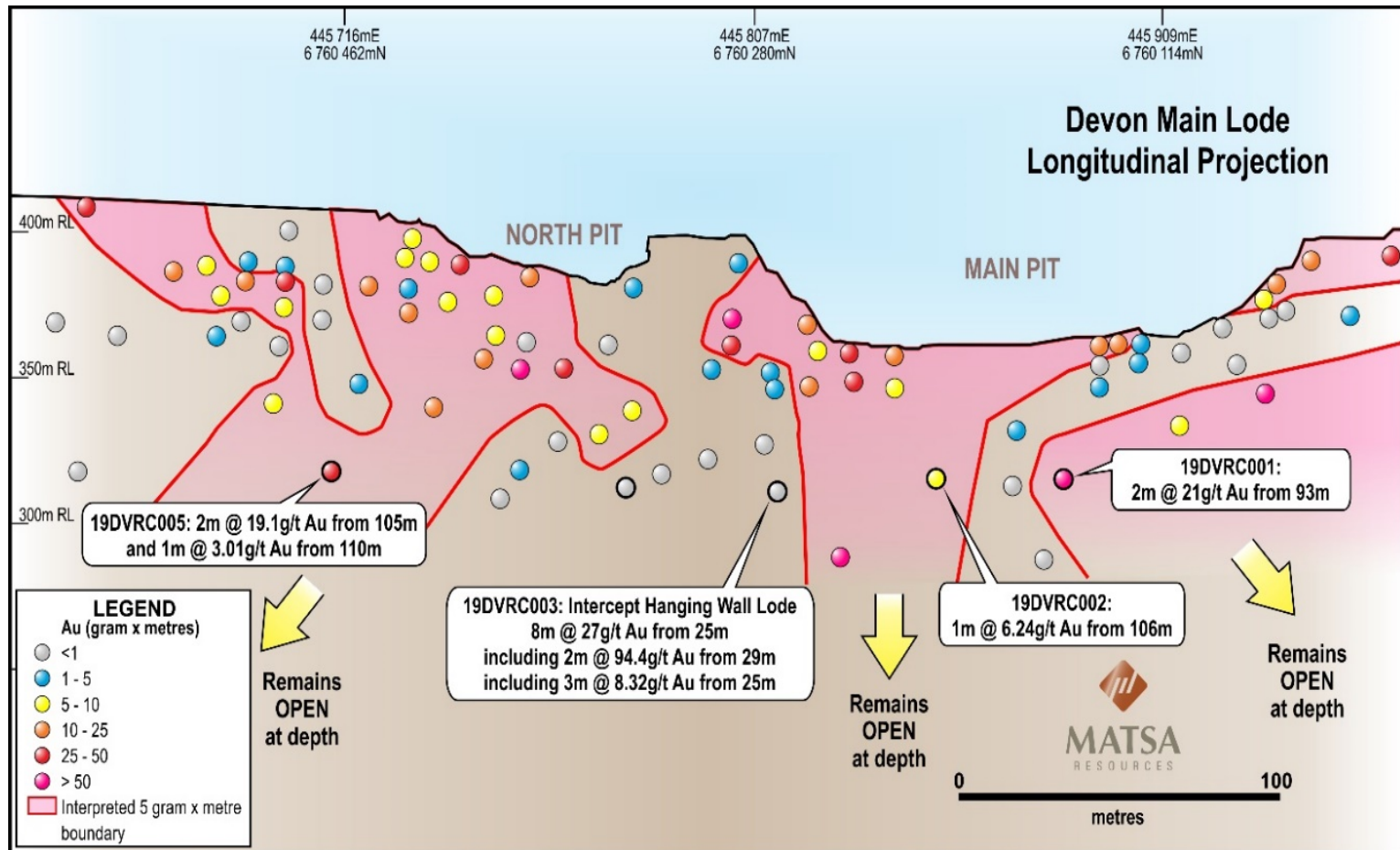
EXPLORATION TARGETS						
EXPLORATION TARGET	Lower Case Target			Upper Case Target		
	Tonnes	Grade	Ounces Gold	Tonnes	Grade	Ounces Gold
Red October	900,000	6.9	200,000	1,740,000	6.1	340,000
Devon	1,040,000	3.0	100,000	2,600,000	3.0	250,000
Olympic	180,000	4	20,000	560,000	6	110,000
Fortitude North Supergene	1,130,000	4.7	170,000	2,020,000	4.7	310,000
Fortitude North Primary	1,350,000	3.2	140,000	2,810,000	3.2	290,000
Fortitude North Total	2,480,000	3.9	310,000	4,830,000	3.8	600,000
Hill East (HE 1)	60,000	1.7	3,000	120,000	1.7	6,000
Hill East Exploration Target	252,000	1.7	13,000	470,000	1.7	26,000
Gallant	280,000	2.2	20,000	350,000	2.2	25,000
<b>TOTALS</b>	<b>7,670,000</b>	<b>2.7</b>	<b>670,000</b>	<b>15,500,000</b>	<b>2.7</b>	<b>1,350,000</b>
EXISTING RESOURCES						
Fortitude	6,289,000	2.0	342,600	6,289,000	2.0	342,600
Red October	446,000	6.9	99,000	446,000	6.9	99,000
<b>TOTAL EXISTING RESOURCES</b>	<b>6,735,000</b>	<b>2.3</b>	<b>441,600</b>	<b>6,735,000</b>	<b>2.3</b>	<b>441,600</b>

*The Exploration Target is an important tool whereby available information can be used to guide exploration and prioritise drill hole planning. The potential quantity and grade of an Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.*

# DEVON GOLD MINE

## DRILLING IN PROGRESS

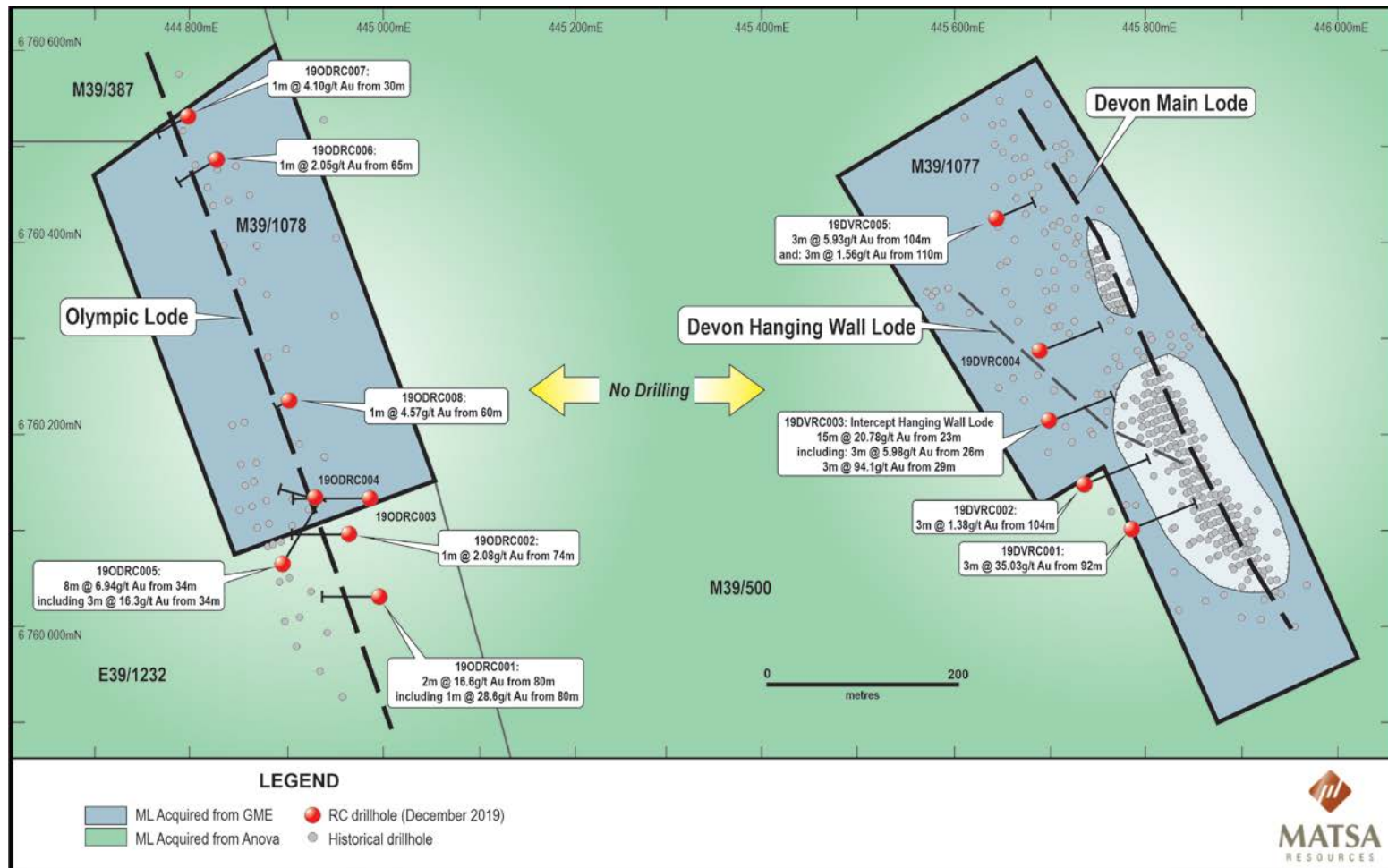
- Main lode intersections confirm the continuation of high-grade gold mineralisation below previously mined open pit by GME Resources Ltd (47,302t at 5.3 g/t Au).
- Phase 1 campaign includes 4,500m RC and 450m diamond drilling



# DEVON GOLD MINE

## THE DEVON OPPORTUNITY

- Matsa resolved previous boundary impediments which makes this opportunity possible
- All mining licences and permits in place and makes mining quick and easily restarted.

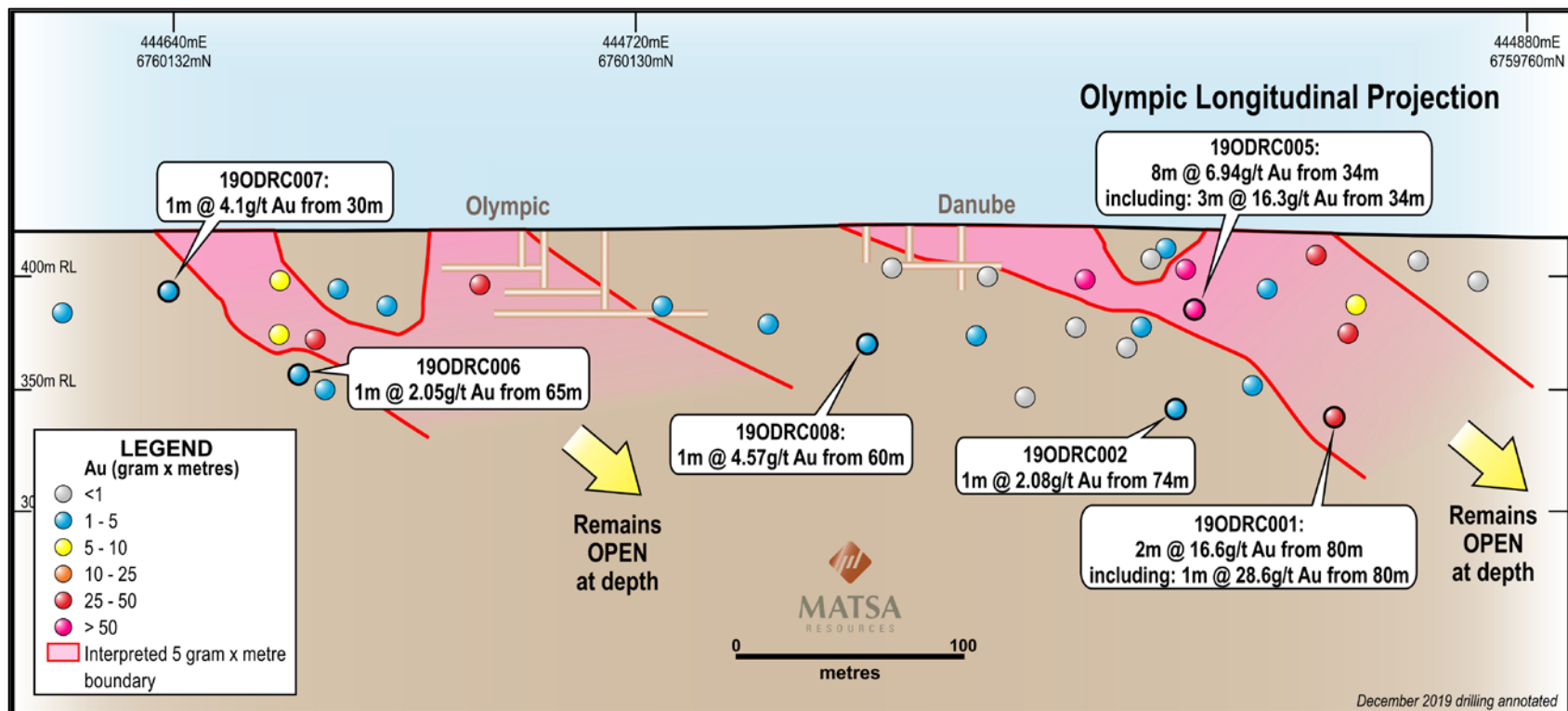




# DEVON GOLD MINE

## OLYMPIC MINERALISED SHOOTS OPEN AT DEPTH

- Phase 1 campaign includes 2,000m RC and 300m diamond drilling



# LAKE CAREY - FORTITUDE NORTH

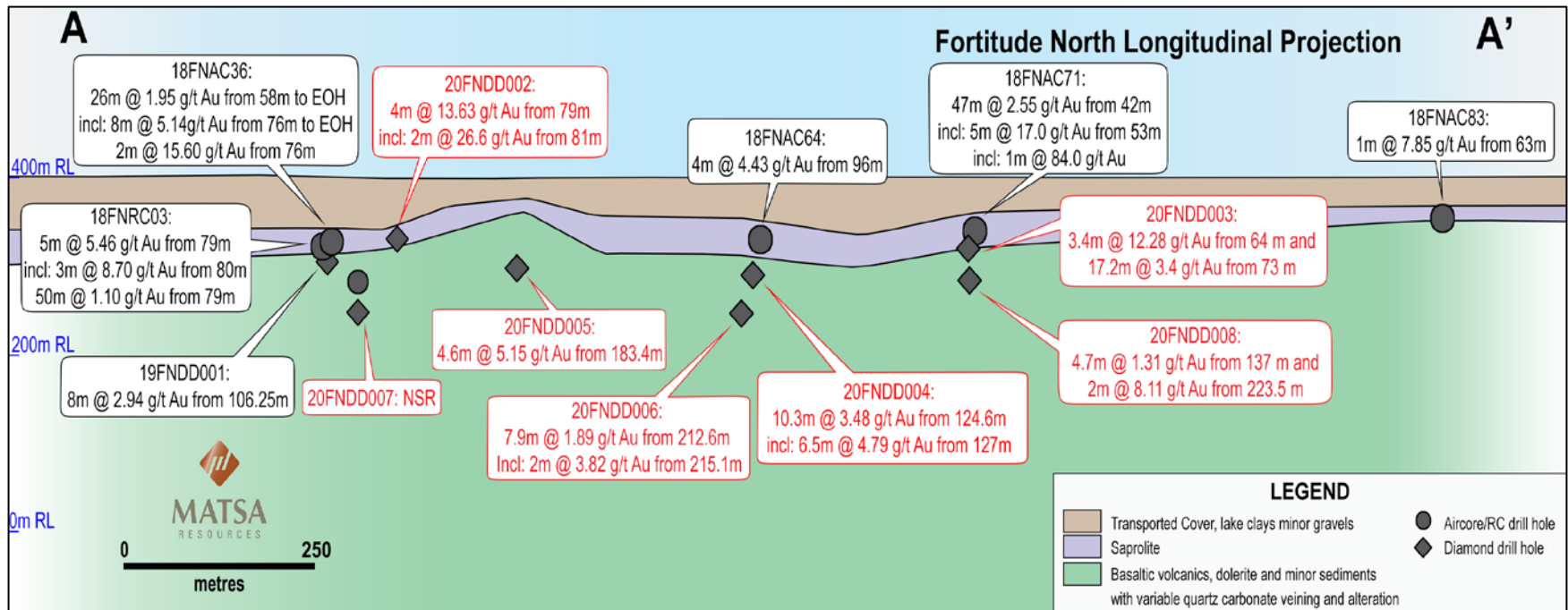


## POTENTIAL FOR MAJOR STAND-ALONE DEPOSIT

Previous assays include:

- 4m @ 13.63 g/t Au from 79m
- 10.3m @ 3.48 g/t Au from 124.6m
- 47m @ 2.55 g/t Au

- Phase 1 campaign includes 10,000m aircore and 3,150m diamond drilling



*Gold mineralised zone open for 1.5km*



# Success in Mining and Exploration will Deliver Shareholder Value

## CONTACT

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