



# Becoming a Gold Producer

**MATSA**  
RESOURCES

**ASX : MAT**

**[matsa.com.au](https://matsa.com.au)**

**Paul Poli | Noosa | July 2021**

# Disclaimer

## 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 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.

## Production Targets and Forecast Financial Information

The information in this presentation that relates to production targets and financial information is extracted from ASX announcements dated 22 January 2021 (Concept Study 600,000tpa Treatment Plant Lake Carey Project) and 14 April 2021 (Devon Pit Scoping Study Delivers Excellent Results). Matsa confirms that all material assumptions underpinning the production targets and forecast financial information derived from production targets set out in those announcements, including the cost and pricing assumptions, continue to apply and have not materially changed.

## Competent Persons Statements

The information contained within this presentation that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on, and fairly represents information prepared by Mr Pascal Blampain, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy (AusIMM) and Australian Institute of Geoscientists (AIG). Mr Blampain is a Director of Matsa Resources Ltd and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resource and Ore Reserves”. Mr Blampain consents to the inclusion in this presentation of the matters based on his information in the form and context in which it appears.

# Corporate Overview



## CORPORATE SNAPSHOT

**315.96M**  
SHARES ON ISSUE

**93.5M** at \$0.17 – 0.35  
OPTIONS

**A\$30.02M** at \$0.095  
MARKET CAPITALISATION  
12/07/21

## MAT: TWELVE MONTH SHAREPRICE



## KEY SHAREHOLDERS as at 13/7/21

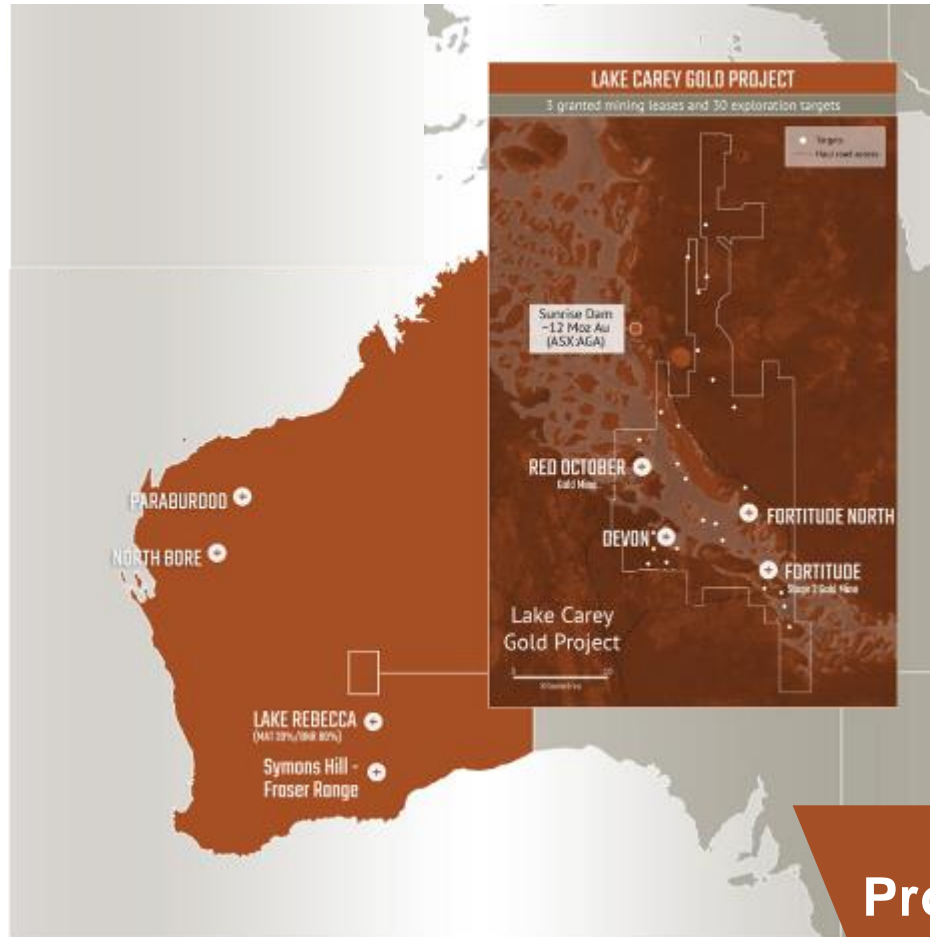
BNP Paribas - Clearstream	15.51%
BNP Paribas - DRP	11.81%
Sparta AG	6.66%
Paul Poli	4.32%
<b>Top 20 Shareholders</b>	<b>~55.41%</b>

## DIRECTORS

<b>Paul Poli</b>	Executive Chairman & Managing Director
<b>Pascal Blampain</b>	Executive Director
<b>Frank Sibbel</b>	Non-Executive Director
<b>Andrew Chapman</b>	Executive Director & Company Secretary



# New Strategy – building gold inventory, a new plant and shareholder value



- Mineral Resources of 694,000oz\*
- 503km<sup>2</sup> target rich tenement package in Western Australia
- Three mines - Fortitude Stage 2, Devon Pit and Red October
- Excellent exploration pipeline with proven high-grades
- Concept study on 600ktpa standalone plant highlighted significant economic benefits
- Devon high grades support standalone near term mining opportunity
- Excellent potential to become a significant mid-tier Australian gold producer
- Strong exposure to Nickel through IGO JV – Fraser Range

**Projected A\$96.15M surplus – Fortitude / Devon alone**

# Symons Hill - Fraser Range

- **Commanding land holding in Fraser Range provides strategic Ni exposure from 225km<sup>2</sup> tenement package**
- Matsa completed tenement wide EM on E69/3070, IGO undertaking diamond drilling and exploration
- E28/2916 – 5km NW of Nova, Matsa reviewing historical data
- E39/2159 and E39/2162 in the north recently granted
  - Strong magnetic and gravity signatures
  - Known occurrences of Ni in area

**Nova  
Operation**

**21AFDD105**

**E69/3070 JV  
tenement**





# Symons Hill - Fraser Range

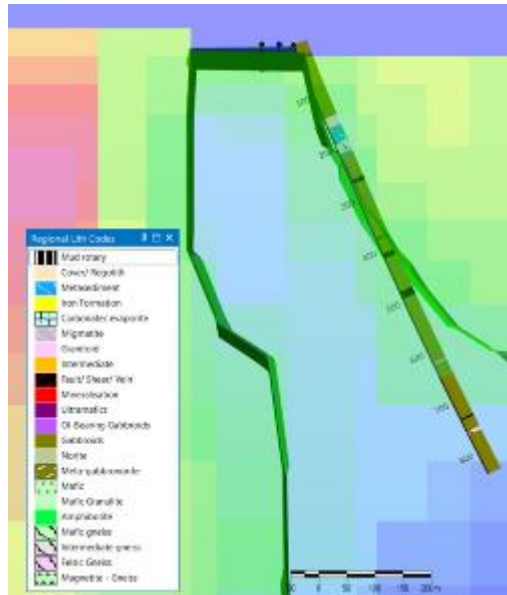


MATSA  
RESOURCES

- **Standout 410m\* intercept of blebby to semi massive sulphide zone** with pyrrhotite, chalcopyrite and pentlandite
- Drill hole testing historical Bottom Of Hole (AC) anomalism of 1m @ 0.10% Ni and 0.11% Cu & 1m @ 0.09% Ni and 0.10% Cu
- Anticipating further drilling following assay review



Assays pending



Cross Section looking NE of 21AFDD105 showing the interpreted position of the gabbronorite intrusive



Semi massive 3 phase sulphides in cumulate gabbronorite, 576.8m

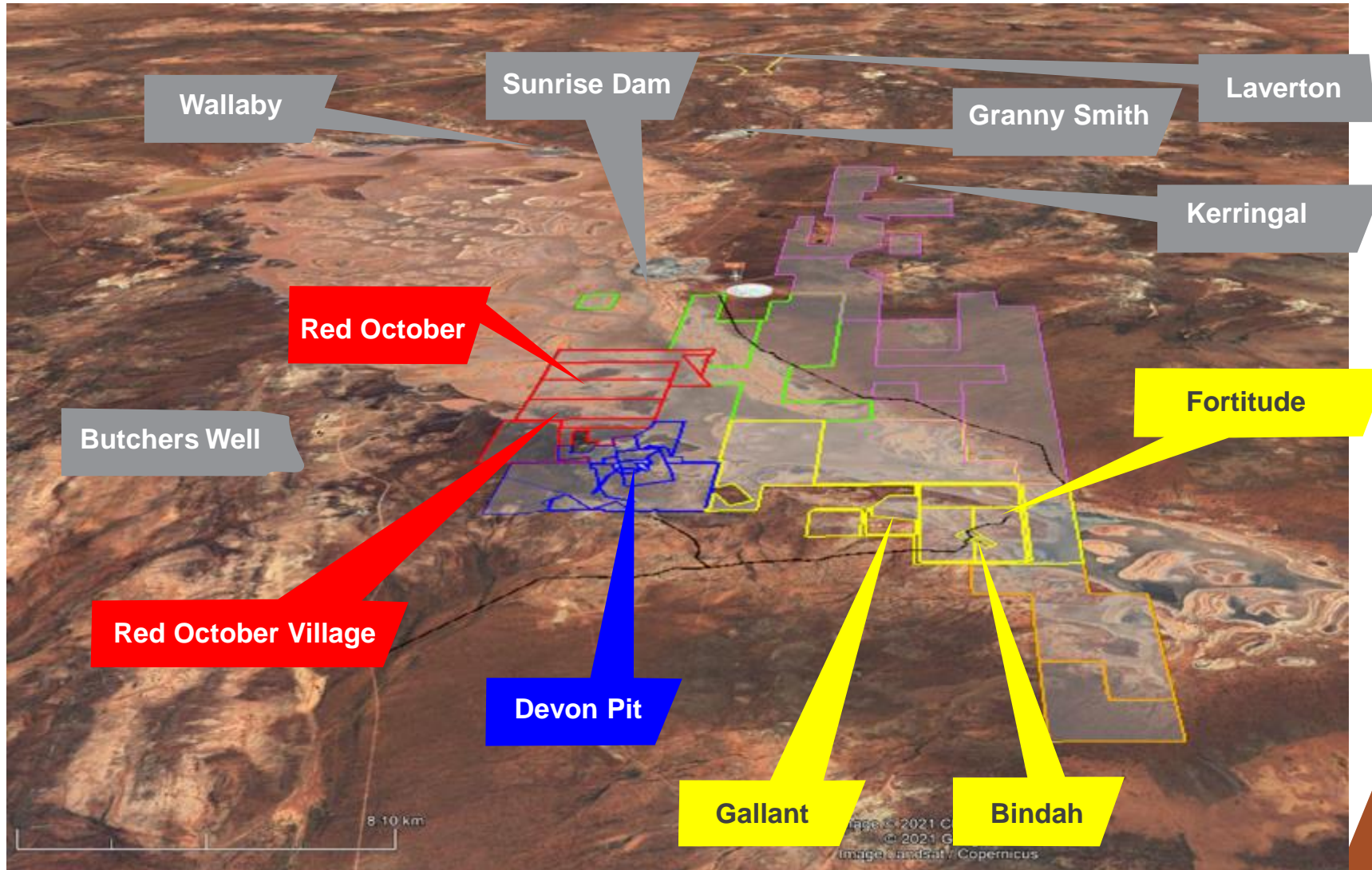
# Symons Hill - Fraser Range

- Symons Hill Nickel project is located ~6km SW of IGO's Nova operation
- 843m drill hole completed by **IGO/MAT, A\$7M JV earn-in agreement**
- JV conditions:
  - A\$625,000 paid to Matsa for first 24mths exploration period
  - A\$1,375,000 payable to Matsa for next 12 months exploration period
  - After 3<sup>rd</sup> year IGO can elect to acquire 70% interest with payment of A\$1,500,000 to Matsa
  - Matsa retain 30% free carried interest through to decision to mine
    - IGO in-ground expenditure commitment A\$1,500,000 in first period and A\$2,000,000 in second period





# Lake Carey





# Lake Carey – 694,000oz gold resource

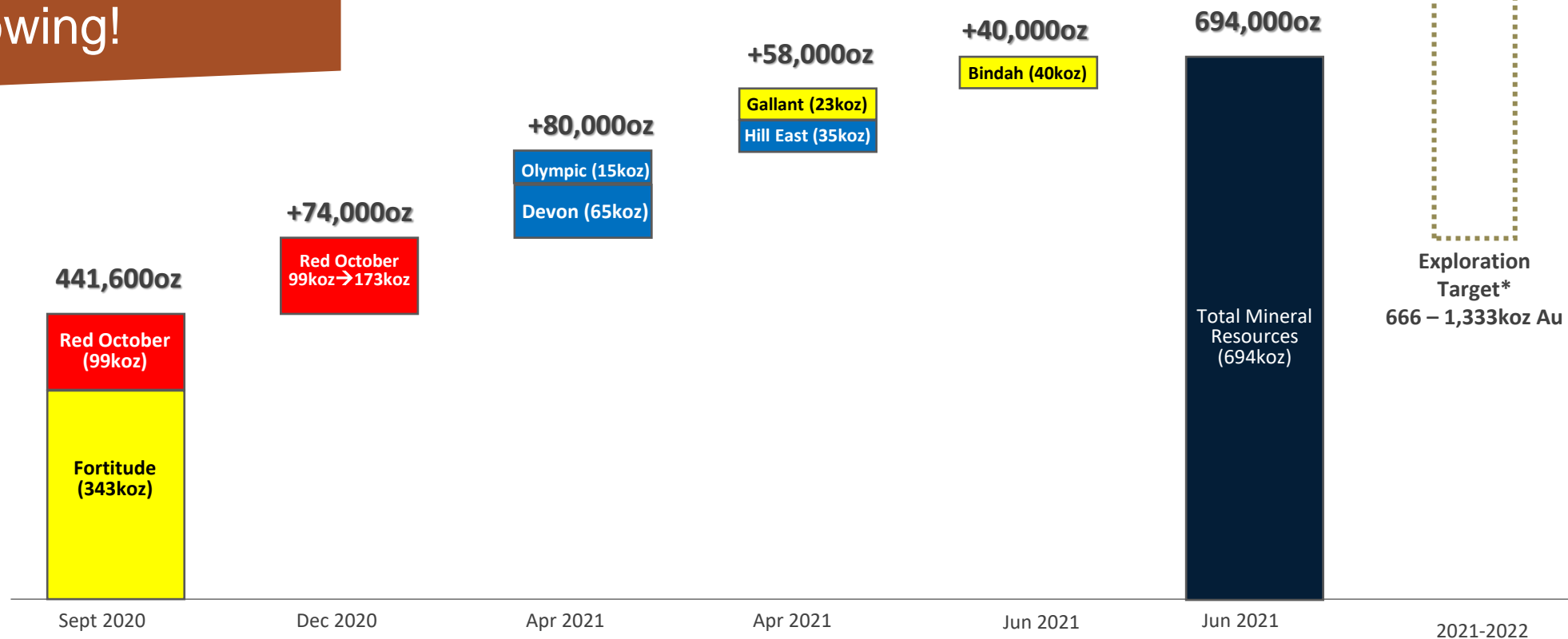
Project	Cutoff g/t Au	Measured		Indicated		Inferred		Total Resource		
		('000t)	g/t Au	('000t)	g/t Au	('000t)	g/t Au	('000t)	g/t Au	('000 oz)
<b>Red October</b>										
Red October UG	2.0	71	8.8	445	5.0	416	6.1	932	5.8	173
<b>Red October Subtotal</b>		<b>71</b>	<b>8.8</b>	<b>445</b>	<b>5.0</b>	<b>416</b>	<b>6.1</b>	<b>932</b>	<b>5.8</b>	<b>173</b>
<b>Devon</b>										
Devon Pit	1.0	-	-	341	4.8	102	3.6	443	4.6	65
Olympic	1.0	-	-	-	-	171	2.8	171	2.8	15
Hill East	1.0	-	-	-	-	633	1.7	633	1.7	35
<b>Devon Subtotal</b>		<b>-</b>	<b>-</b>	<b>341</b>	<b>4.8</b>	<b>906</b>	<b>2.1</b>	<b>1247</b>	<b>2.9</b>	<b>115</b>
<b>Fortitude</b>										
Fortitude Stage 2	1.0	-	-	2,945	1.8	2,503	2.1	5,449	2.0	343
Gallant	1.0	-	-	-	-	341	2.1	341	2.1	23
Bindah	1.0	-	-	43	3.3	483	2.3	526	2.4	40
<b>Fortitude Subtotal</b>		<b>-</b>		<b>2,988</b>	<b>1.8</b>	<b>3,328</b>	<b>2.1</b>	<b>6,316</b>	<b>2.0</b>	<b>406</b>
<b>Total</b>		<b>71</b>	<b>8.8</b>	<b>3,774</b>	<b>2.5</b>	<b>4,650</b>	<b>3.0</b>	<b>8,495</b>	<b>2.5</b>	<b>694</b>

Pathway to building our own mill



# Lake Carey – delivering growth

Mineral Resources up  
57% in nine months  
and growing!



\* See slide 8 for full exploration target details

# Matsa's Exploration Targets\*

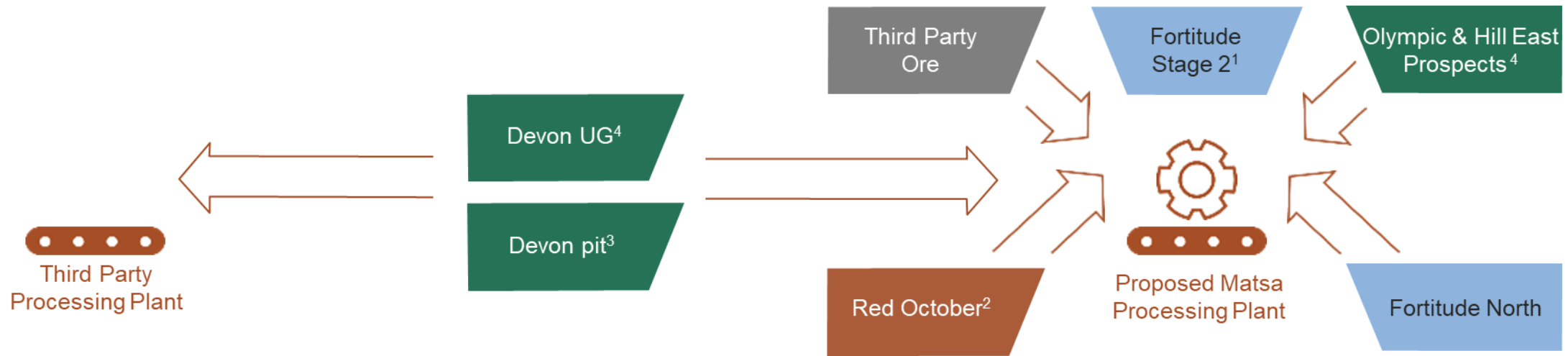
EXPLORATION TARGETS*						
EXPLORATION TARGET	Lower Case Target			Upper Case Target		
	Tonnes	Grade	Ounces Gold	Tonnes	Grade	Ounces Gold
Red October	900,000	6.9	200,000	1,740,000	6.1	340,000
Devon	1,040,000	3.0	100,000	2,600,000	3.0	250,000
Olympic	180,000	4	20,000	560,000	6	110,000
Fortitude North Supergene	1,130,000	4.7	70,000	2,020,000	4.7	310,000
Fortitude North Primary	1,350,000	3.2	140,000	2,810,000	3.2	290,000
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	6,000
Gallant	280,000	2.2	20,000	350,000	2.2	25,000
<b>TOTALS</b>	<b>5,190,000</b>	<b>4.0</b>	<b>666,000</b>	<b>10,670,000</b>	<b>3.9</b>	<b>1,357,000</b>

\*ASX Announcement 18 August 2020

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.



# Matsa's Focus – our own mill



## Strategic pathway to long term production

- Underpinned by Fortitude Stage 2 and Devon mines
- Strong prospect pipeline with significant Exploration Targets\*
- Positive concept study for 600,000tpa centralised gold processing plant within a 10km radius
- Multiple high grade open pit and underground ore sources

# Matsa owned and operated 600ktpa plant is the pathway to shareholder value

- Study shows a 100% owned plant significantly and positively impacts Matsa

Plant Cost	~ A\$42.5M
Other Costs	~ A\$16.3M
Ore Processing Costs	~A\$32.50/t

- Fortitude Stage 2 positive cashflow from mining increases to A\$55.4M\* and Devon to A\$40.75M\*
- Planning and construction could be completed within 18 months from lodgement of permitting applications

**A Matsa owned treatment facility has the potential to also unlock regional mining opportunities and produce gold from several low grade stockpiles**

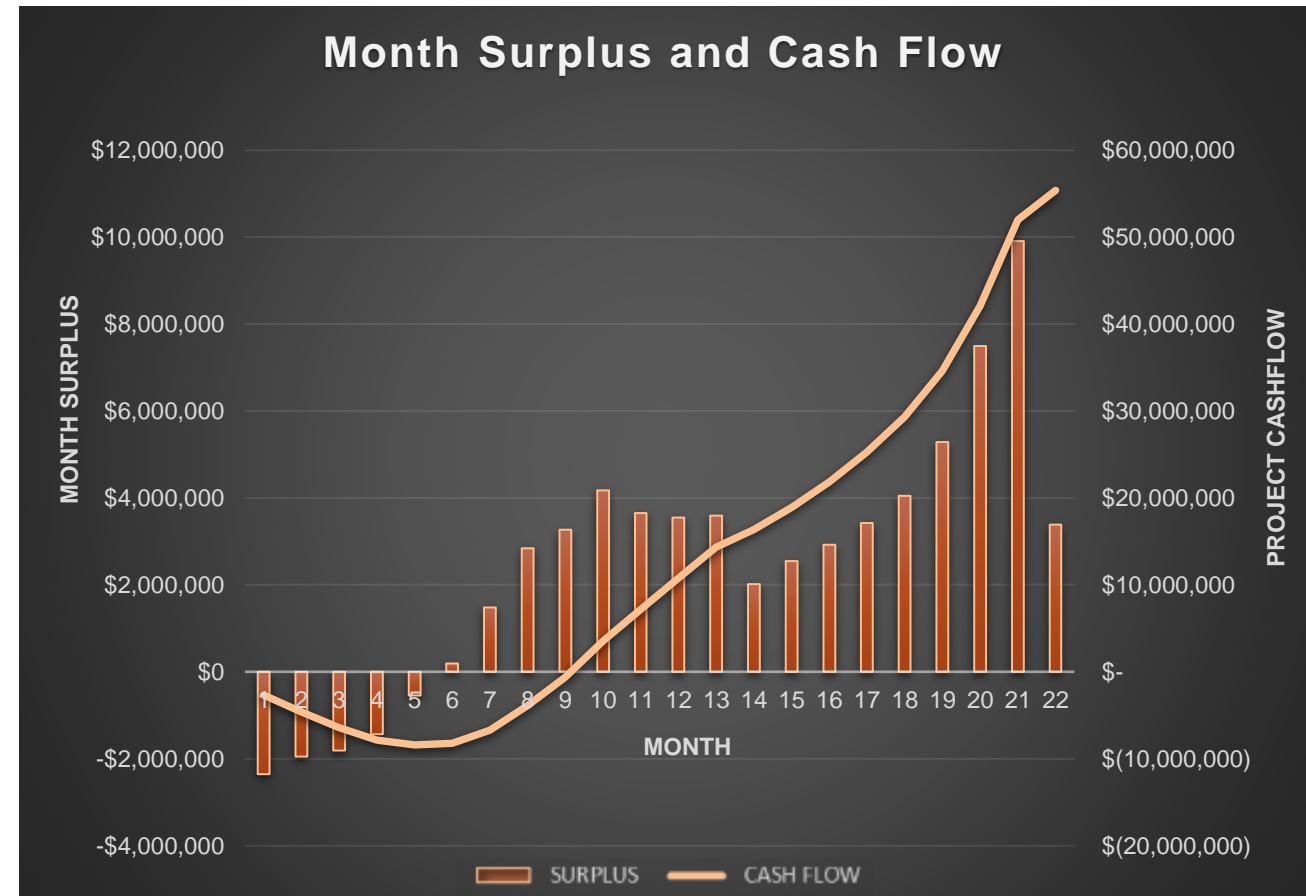
## Key Features

- ✓ Granted mining leases
- ✓ 694,000 oz gold resource
- ✓ 72 person camp
- ✓ Haul roads in place
- ✓ Experienced team
- ✓ Significant exploration upside

# Fortitude Stage 2 delivers A\$55.4M

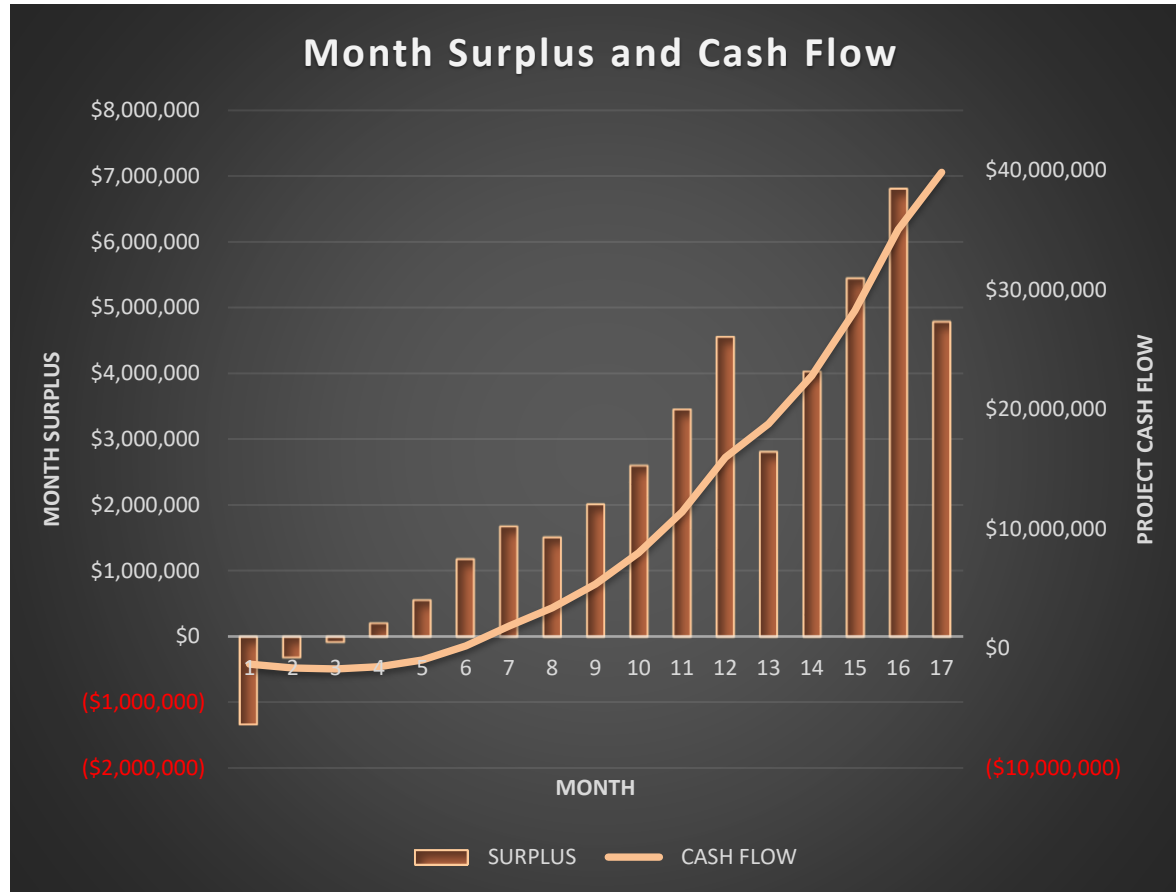
- Cash surplus of **A\$55.4M** at A\$2,500/oz
- Expected **22-month mine life**
- Fully permitted and development ready
- Previous trial mine provides high level of confidence
- Production of **54,400oz** gold at 93% recovery with potential to increase
- Capital outlay of A\$6.6M, which includes pre-stripping
- Maximum cash exposure A\$8.4M
- Operating cash cost of **A\$1,483/oz** gold
- Further improvements expected

**Significant upside potential exists**





# Devon Open Pit delivers A\$40.75M



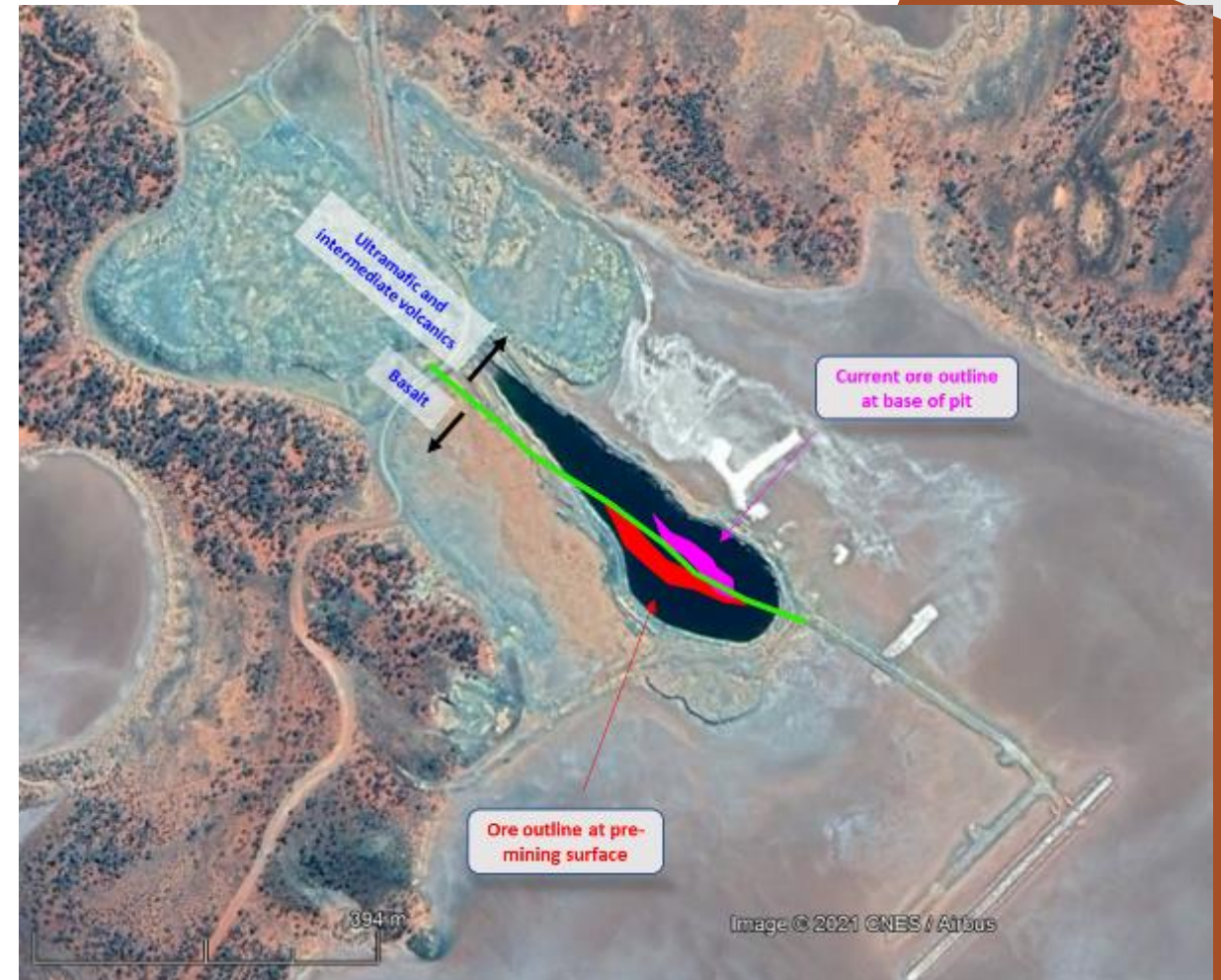
- Cash surplus of **A\$40.75M** at A\$2,250/oz
- Expected **12-month mine life**
- Granted mining lease
- Previous GME operated mine provides high level of confidence
- Planned production of **36,737 oz Au** at 93% recovery with potential to increase
- Operating cash cost of **A\$1,144/oz Au**
- Further improvements expected through increased drilling

**Further exploration has strong potential to deliver substantial upside**

# Bindah – newest Mineral Resource Estimate

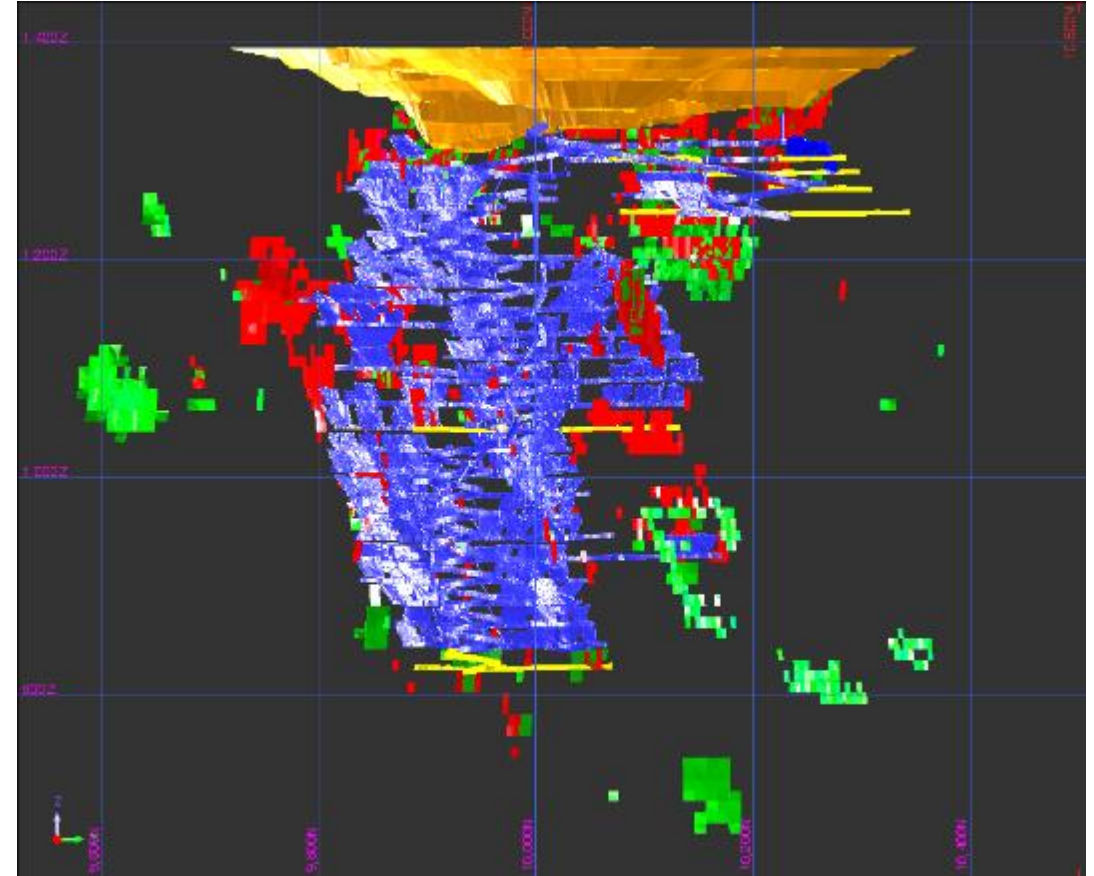
- Bindah is located 2km south of Fortitude Mine
- New Mineral Resource of **526kt @ 2.4g/t Au** for **40,000oz Au**
- Further exploration potential remains along strike to the northwest and downdip
- Single lode of mineralisation with relatively consistent strike extent
- Historically mined in two campaigns with high oxide grades of 6.8g/t Au - 7.5g/t Au
- Located partially on a Mining Lease and partially on a Prospecting Lease easily converted to a Mining Lease

**Mining feasibility studies underway**



# Red October Gold Mine

- Existing Mineral Resource **932,000t @ 5.8 g/t Au for 173,000oz Au<sup>1</sup>**
- Red October is a high-grade structurally controlled narrow vein gold deposit with significant exploration upside potential
- March 2021 quarterly production of 1,576 oz gold at **C1 cash costs of A\$1,259 oz and AISC A\$2,272 oz**
- Production is winding down to allow for major exploration programs to build long life mine plan
- New substantial exploration targets parallel to the east and west, extensions to current mining fronts to the north and south also targeted
- Mining fleet, surface and underground equipment 100% Matsa owned and remain in place

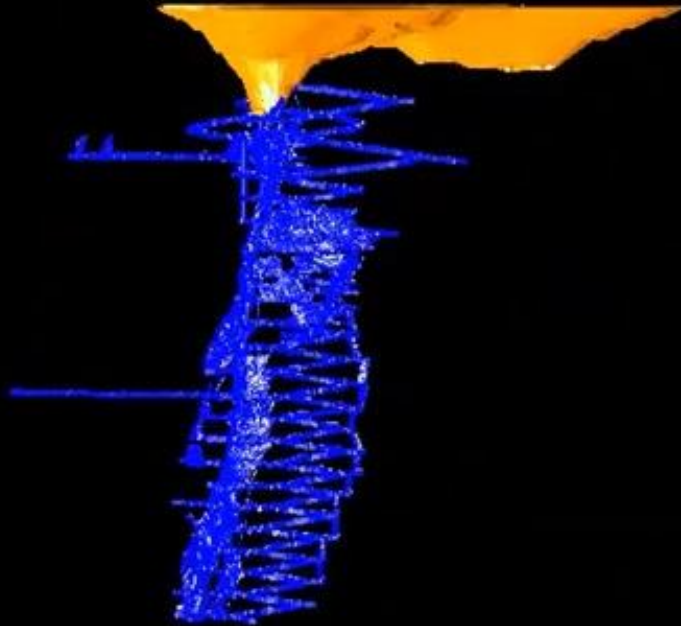


**Red October has significant value and is poised to grow**



# Red October Gold Mine

## Sensational past drilling results



### Nemo

12m @ 23.8g/t Au *RCRD023*  
11m @ 28.9g/t Au *ROC104:*  
3.1m @ 94.9g/t Au *ROGEX032*

### Lion Fish

2m @ 91.0g/t Au *ROEX041*  
7.3m @ 4.8g/t Au *RORD106*

### Bruce

2m @ 26.3g/t Au *ROC164*  
0.8m @ 8.3g/t Au *RORD029*

### Splay/Anchor

5.8m @ 8.3g/t Au *RORD058*

### Marlin 410

0.8m @ 37.7g/t Au *ROEX047w2*  
0.7m @ 9.0g/t Au *ROEX047w1*

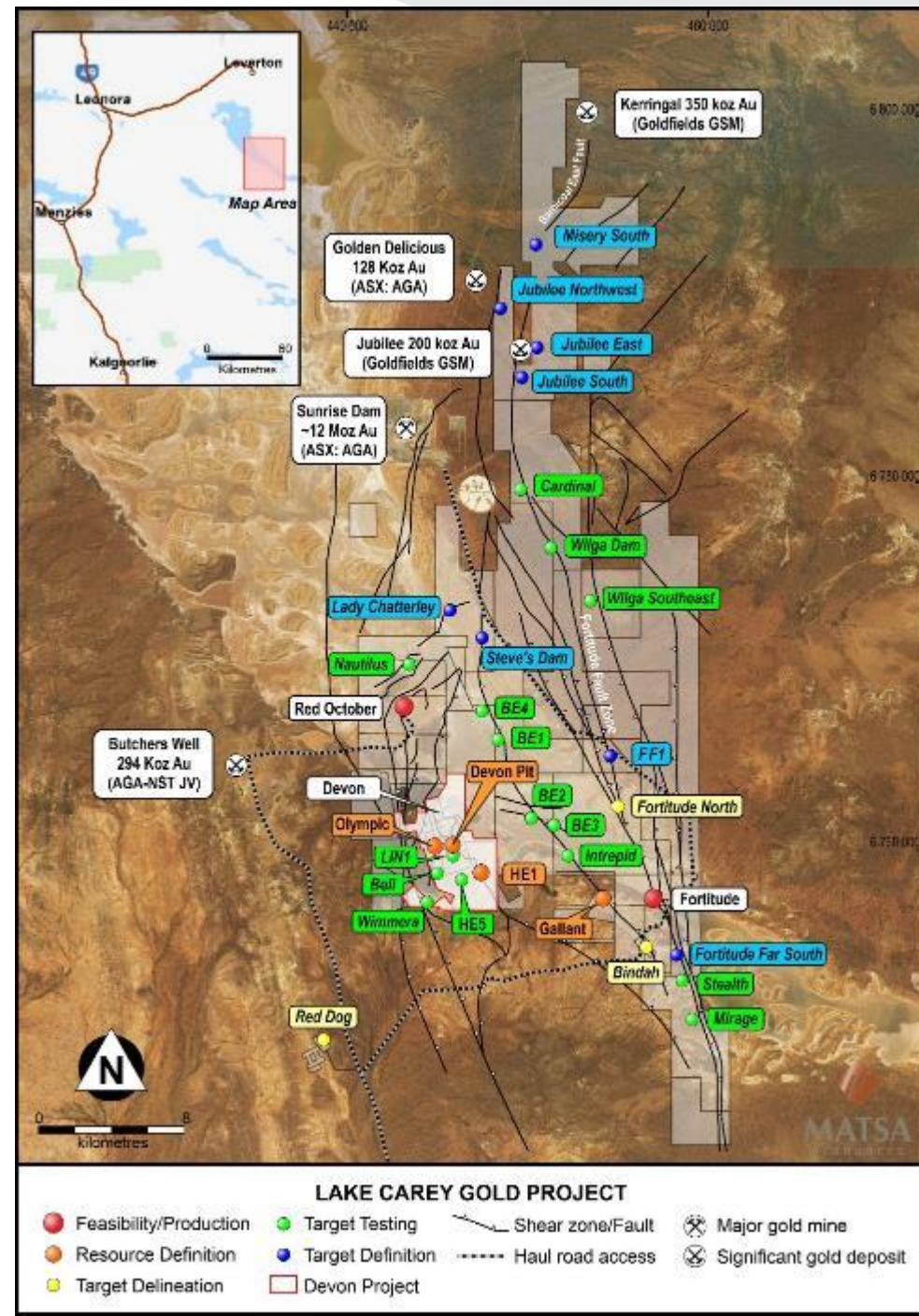
# Upcoming news flow

- ✓ Devon regional exploration drilling results (1m sample results)
- ✓ Bindah mining study
- ✓ Red October model updates (Lion Fish, Marlin, Nautilus)
- ✓ Fortitude Stage 2 update model
- ✓ Devon / Hill east update models
- ✓ Matsa ore processing plant progress update
- ✓ Fortitude North initial model
- ✓ Fraser Range assay results and work program

**Delivering shareholder growth through action**

# Lake Carey regional potential

- 503km<sup>2</sup> high quality area in north east goldfields region surrounded by world class mines
- Multiple corridors along an extensive 69km of strike
- Significant pipeline of 30 exploration targets ready for drilling
- Favourable structural settings along major faults
- Salt lakes have seen little previous exploration
- Matsa's new discoveries include
  - **BE 1, BE 4, FF1 and Fortitude North**
- 2nd and 3rd order structures host Sunrise Dam, Red October and Wallaby mines



# Matsa's Exploration Targets\*

EXPLORATION TARGETS*						
EXPLORATION TARGET	Lower Case Target			Upper Case Target		
	Tonnes	Grade	Ounces Gold	Tonnes	Grade	Ounces Gold
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# Significant Regional Prospectivity

## Devon Hub

**Devon pit** – strong exploration potential remains at depth

**Hill East** – >1km gold-in-soil anomaly, numerous historical workings, shallow drill tested

## Fortitude Hub

**Fortitude North** – Matsa discovery, 7km north of Fortitude pit

**Bindah / Gallant trend** – 1.3km shear zone bookended by Bindah and Gallant

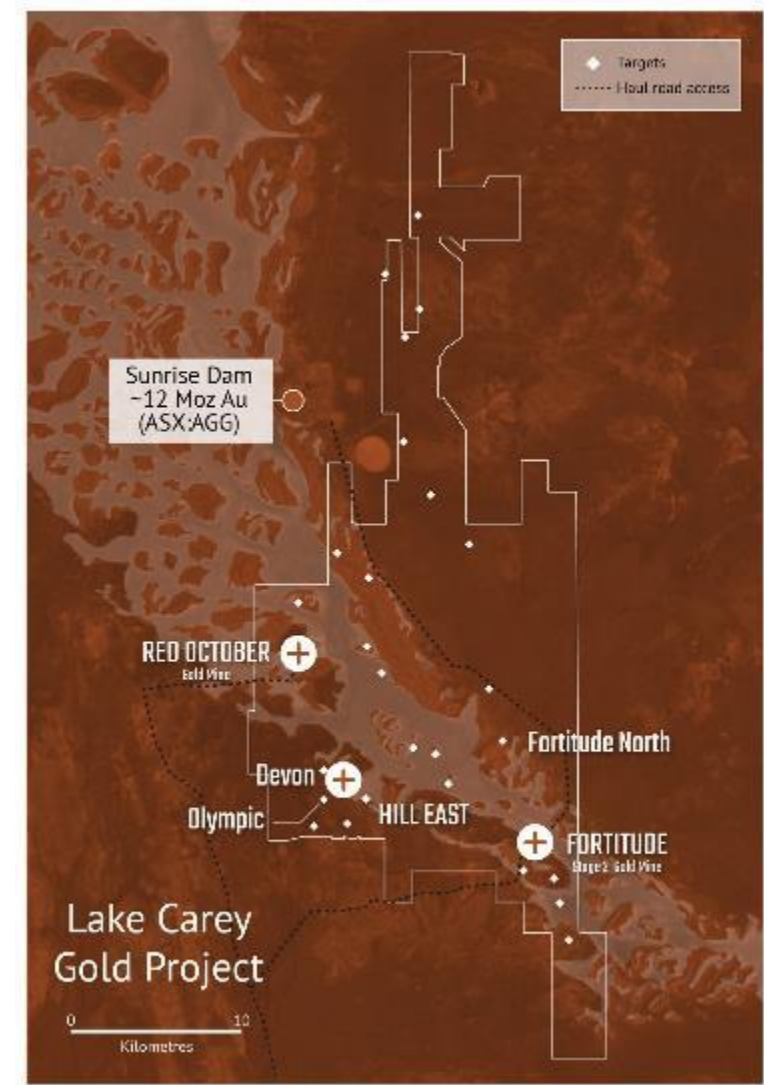
## Red October Hub

**Red October** – New targets interpreted from seismic and magnetics

**Nautilus** – 1.5km trend anomalous gold parallel to Red October

## Lake Carey Regional

**Over 30** prospects identified and prioritised for drill testing



# Devon – May 2021 drilling\*

## 3m Composite results\*

### Devon Pit

- 3m of 7.20 g/t Au from 63m (21HERC053)
- 6m of 2.33 g/t Au from 69m (21HERC054)

### LIN5

- 3m of 6.91 g/t Au from 15m (21HERC061)

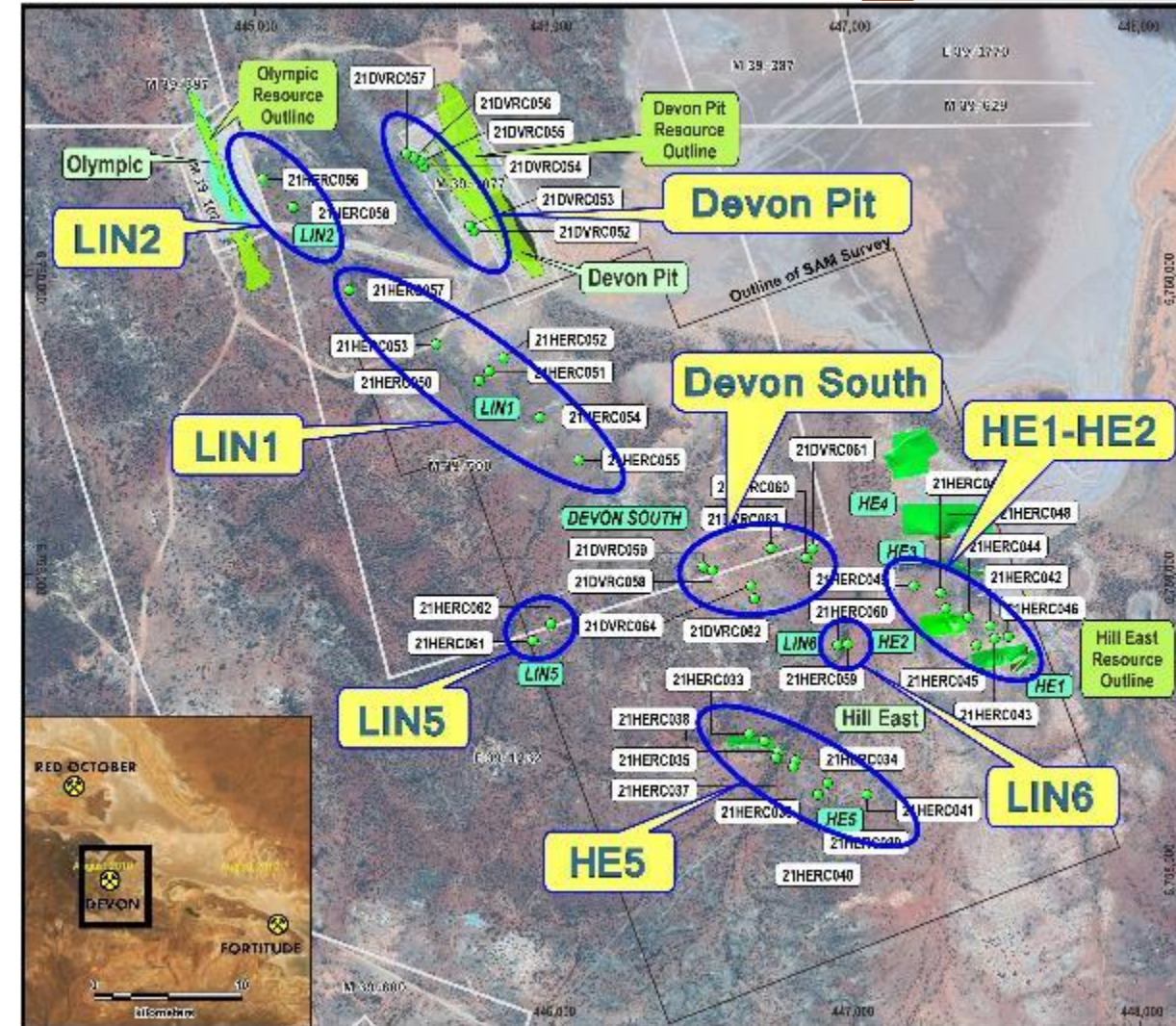
### HE1-HE2

- 3m of 16.8 g/t Au from 123m (21HERC042)
- 3m of 6.88 g/t Au from 84m (21HERC046)
- 9m of 1.99 g/t Au from 63m (21HERC045)

### HE5

- 3m of 3.07g/t Au from 9m (21HERC035)

Final 1m results expected end July 2021





# Fortitude North – a Substantial Discovery

- BIG system - 1.5km strike, 600koz gold exploration target\*
- Previous drilling results include:

**47m @ 2.55 g/t Au incl. 5m @ 17 g/t Au**

18FNAC071

**26m @ 1.95 g/t Au incl. 5m @ 5.41 g/t Au**

18FNAC036

**8m @ 2.94 g/t Au incl. 5.8m @ 3.8g/t Au**

19FNDD001

**3.4m @ 12.28 g/t Au and 17.2m @ 3.4g/t Au**

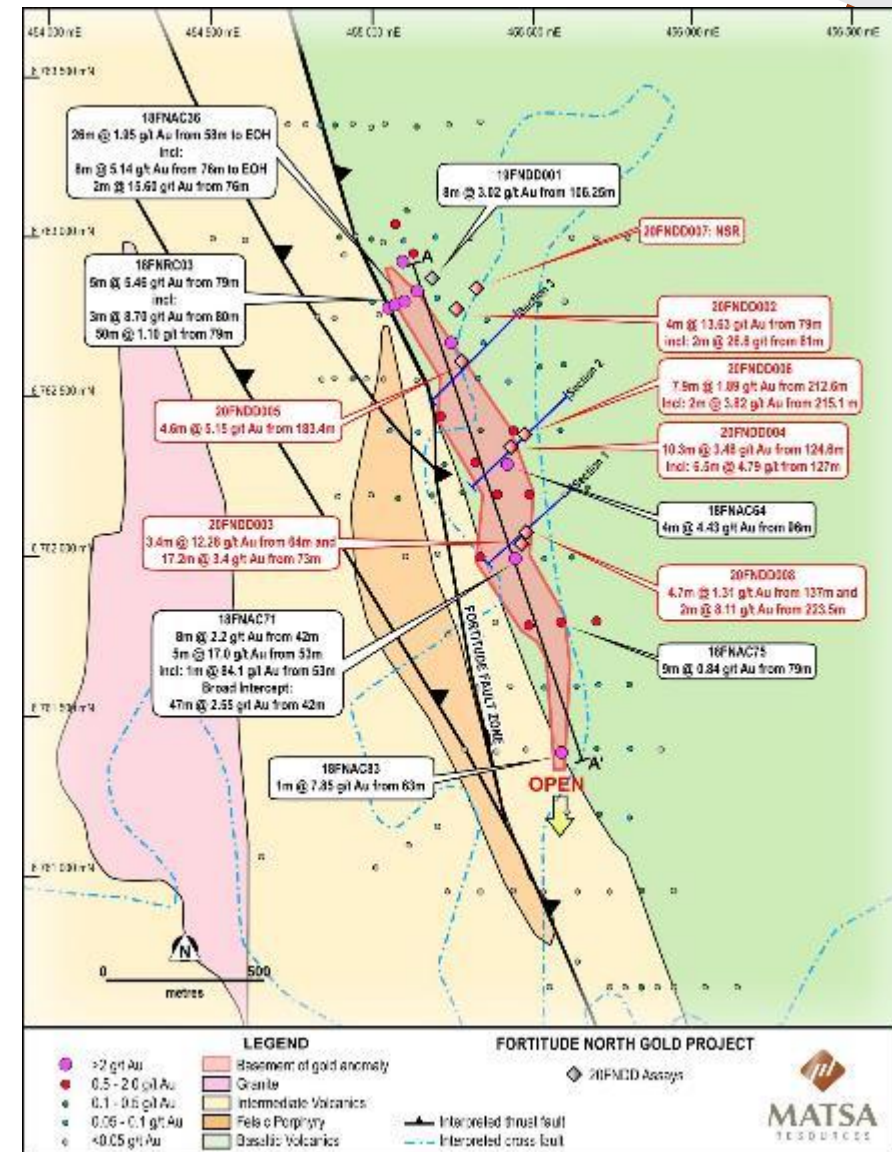
20FNDD003

**10.3m @ 3.48 g/t Au**

20FNDD004

- Potential to substantially enhance production profile at Matsa's 100% owned gold processing plant
- ~7km north of Fortitude Gold Mine

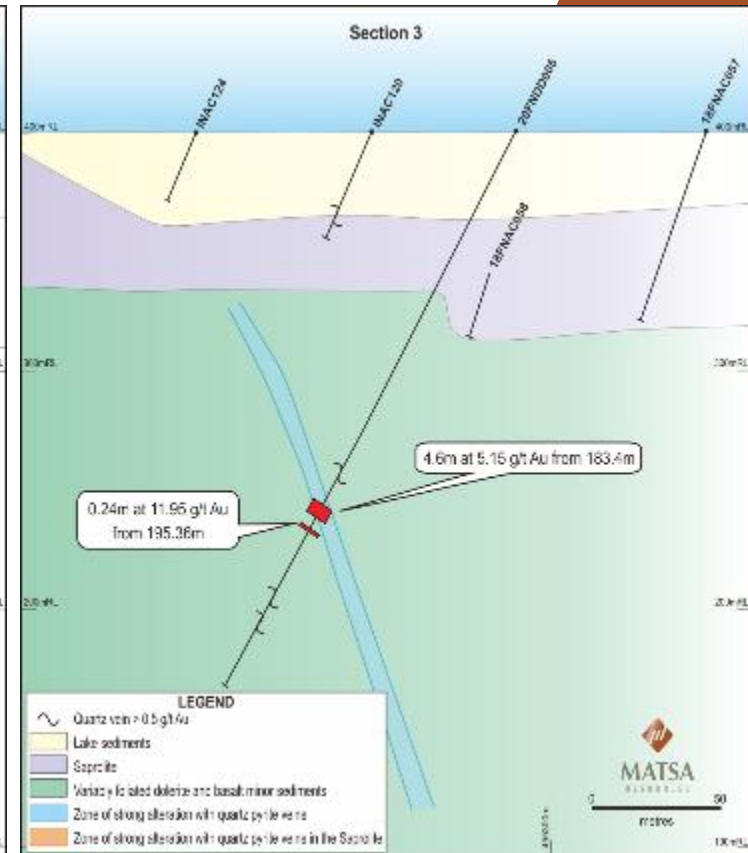
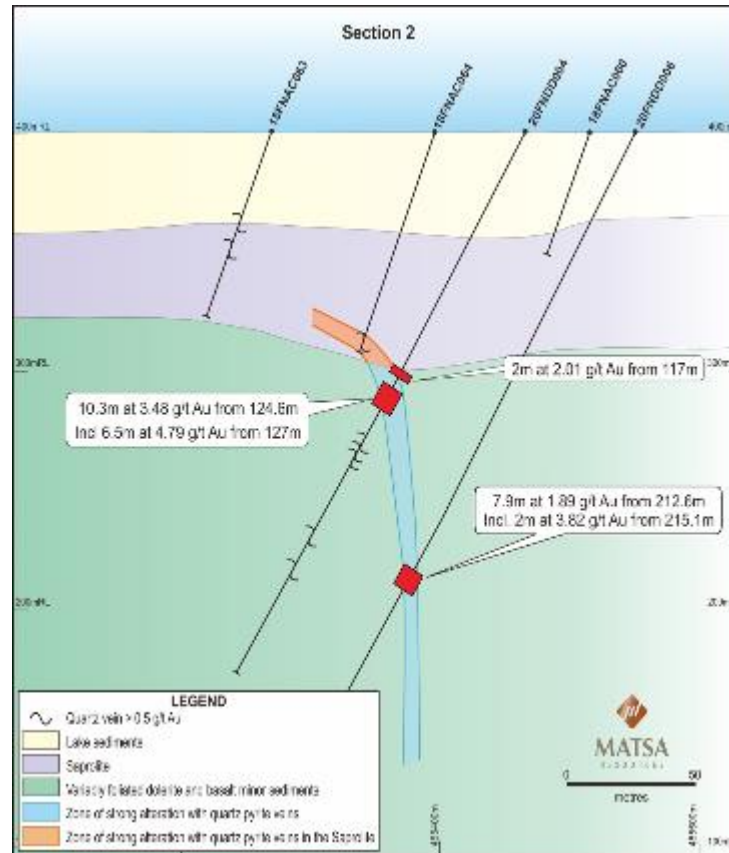
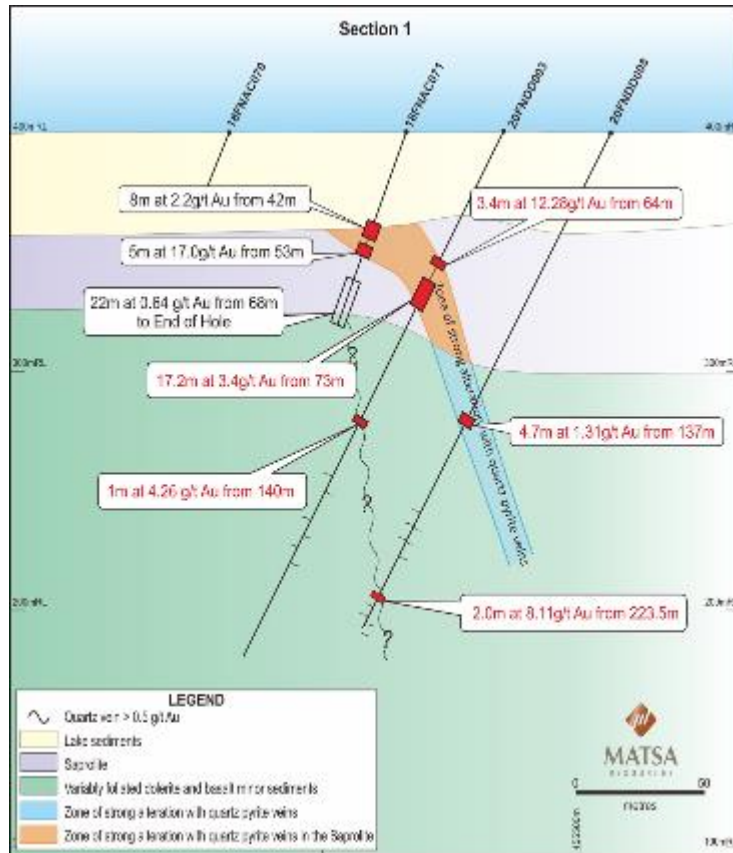
**Potential for a large new mine**



\* See slide 18 for full exploration target details

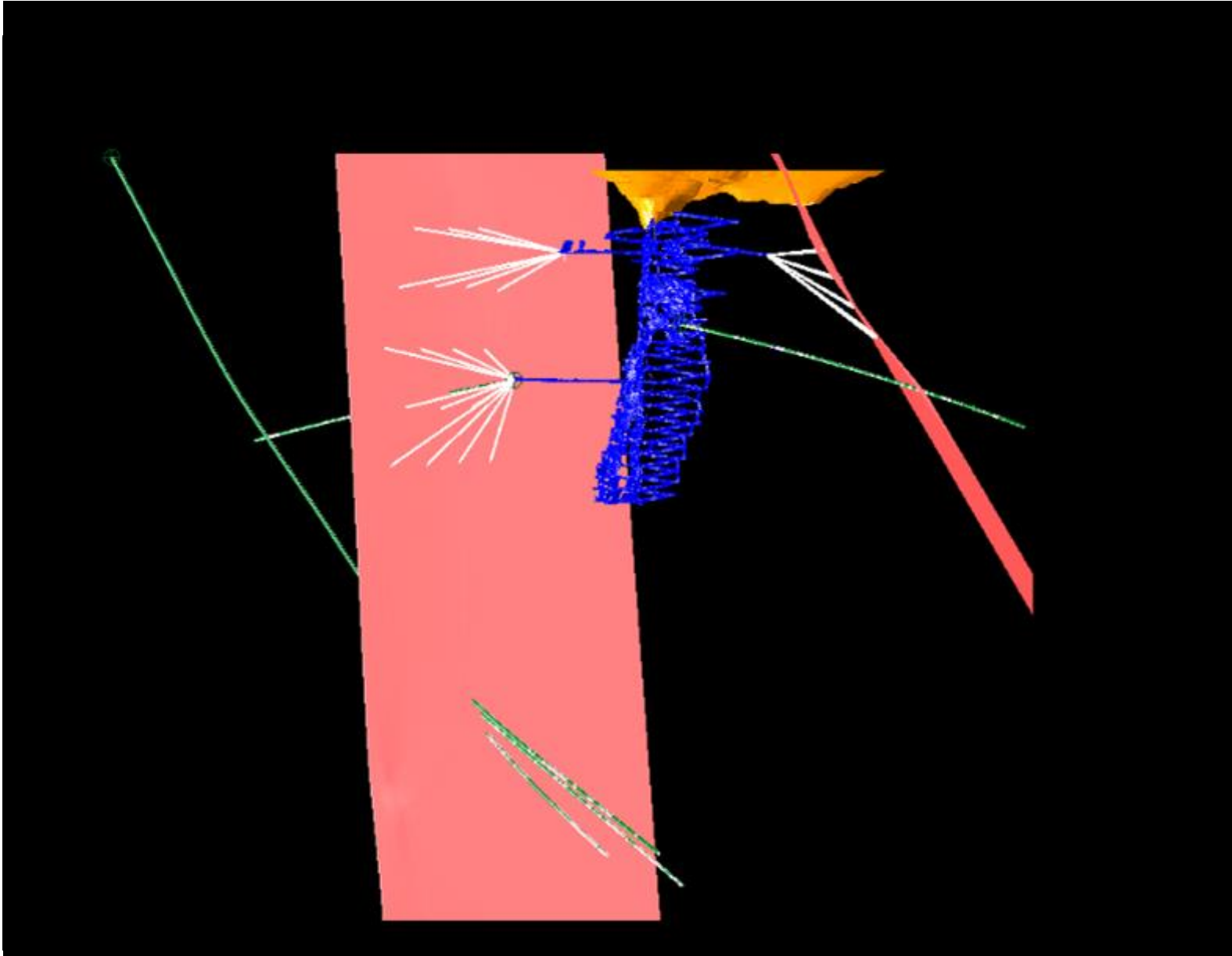
# Fortitude North

- Very strong early indications of multiple lode system with intercepts between 50m and 200m below surface
- Lake exploration historically challenging – provides a largely untapped exploration frontier
- Less than 50% of strike tested below aircore refusal





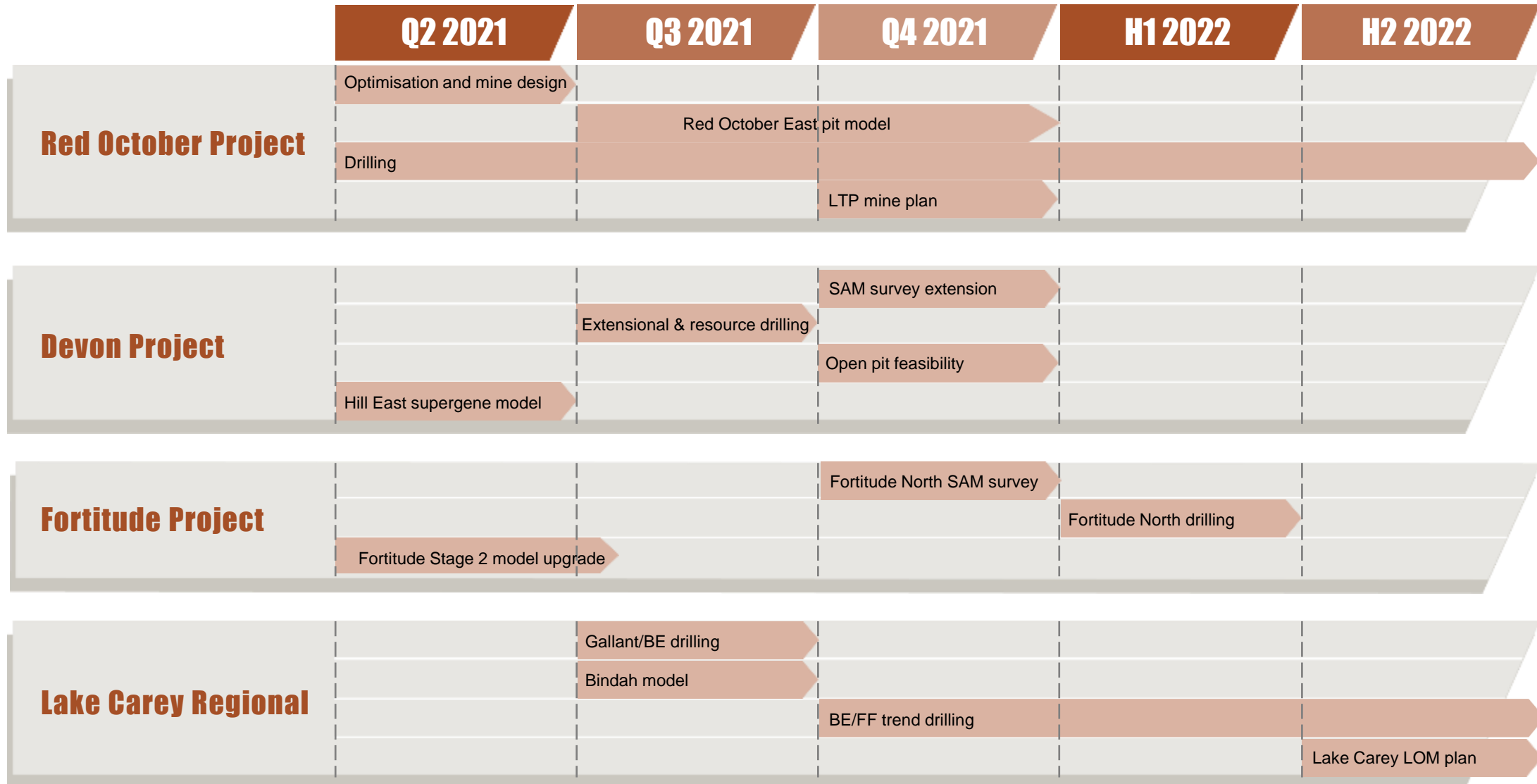
# Red October - New Western and Eastern Targets



**Matsa will drill test from existing underground development**  
(traces shown in white)

- Co-incident seismic and sub-audio magnetic (SAM) anomalies
- Limited previous drilling consists of only 2 holes + 3 wedges, which intersected these 'new' structures at depth
  - all of which show strong alteration assemblages (quartz / carbonate / sericite) with anomalous gold

# Planned Work Schedule



# Exploration will deliver shareholder value

- Focus and commitment to transform Matsa to mid tier gold producer
- **Fortitude and Devon alone deliver potential A\$96M, with more to come**
- Two existing mining centres (Red October & Fortitude) with 3rd developing (Devon) on granted MLs
- High-grade Devon deposit can be developed through own plant or sooner through third party mill
- 600,000tpa mill strategy also unlocks many regional opportunities
- Number of walk-up drill ready targets
- Extensive project pipeline across exploration stages
- Supporting mine and amenities infrastructure/permitting in place
- New processing centre offers opportunities to capture value from regionally stranded assets



## **CONTACT**

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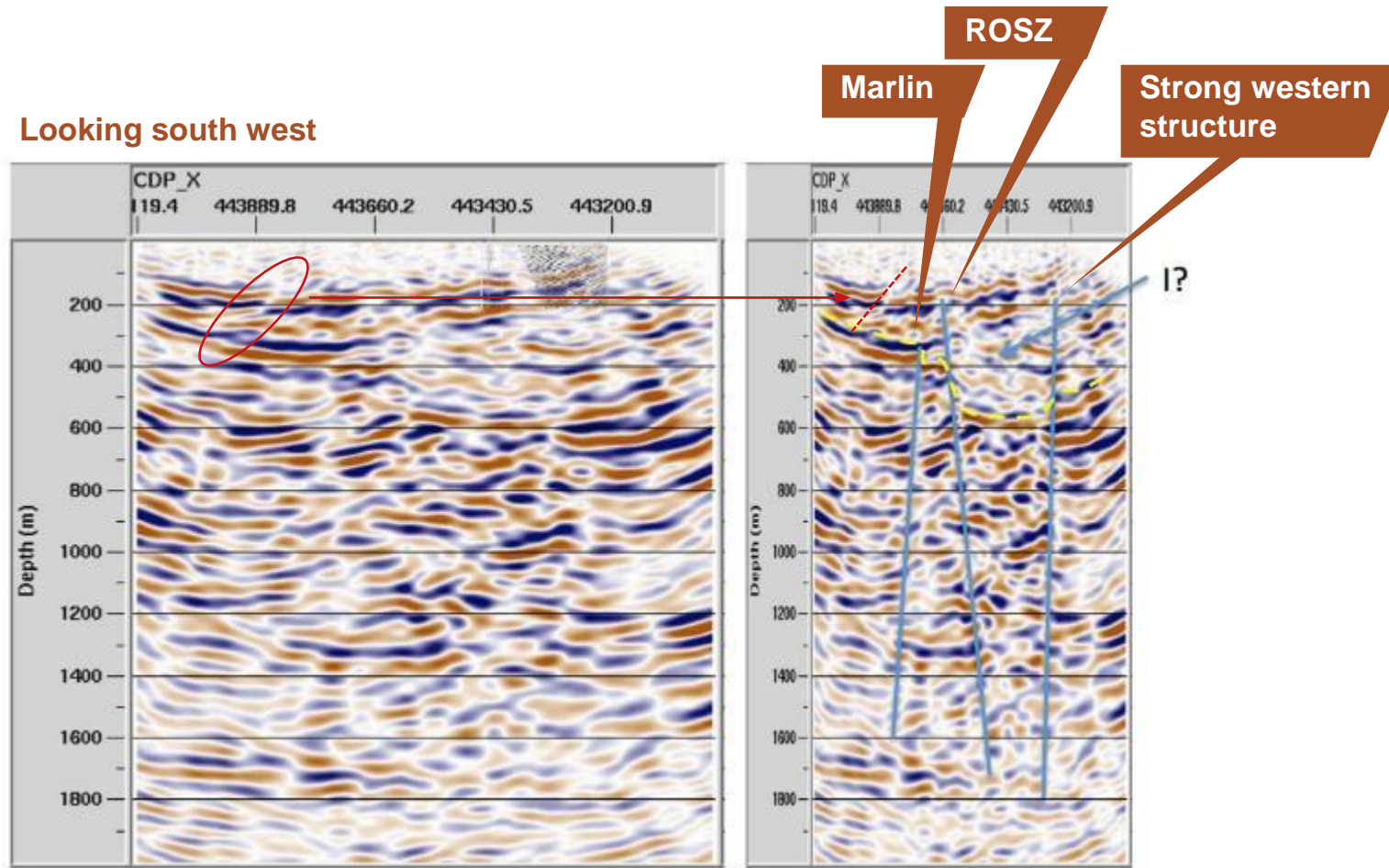


# Appendix



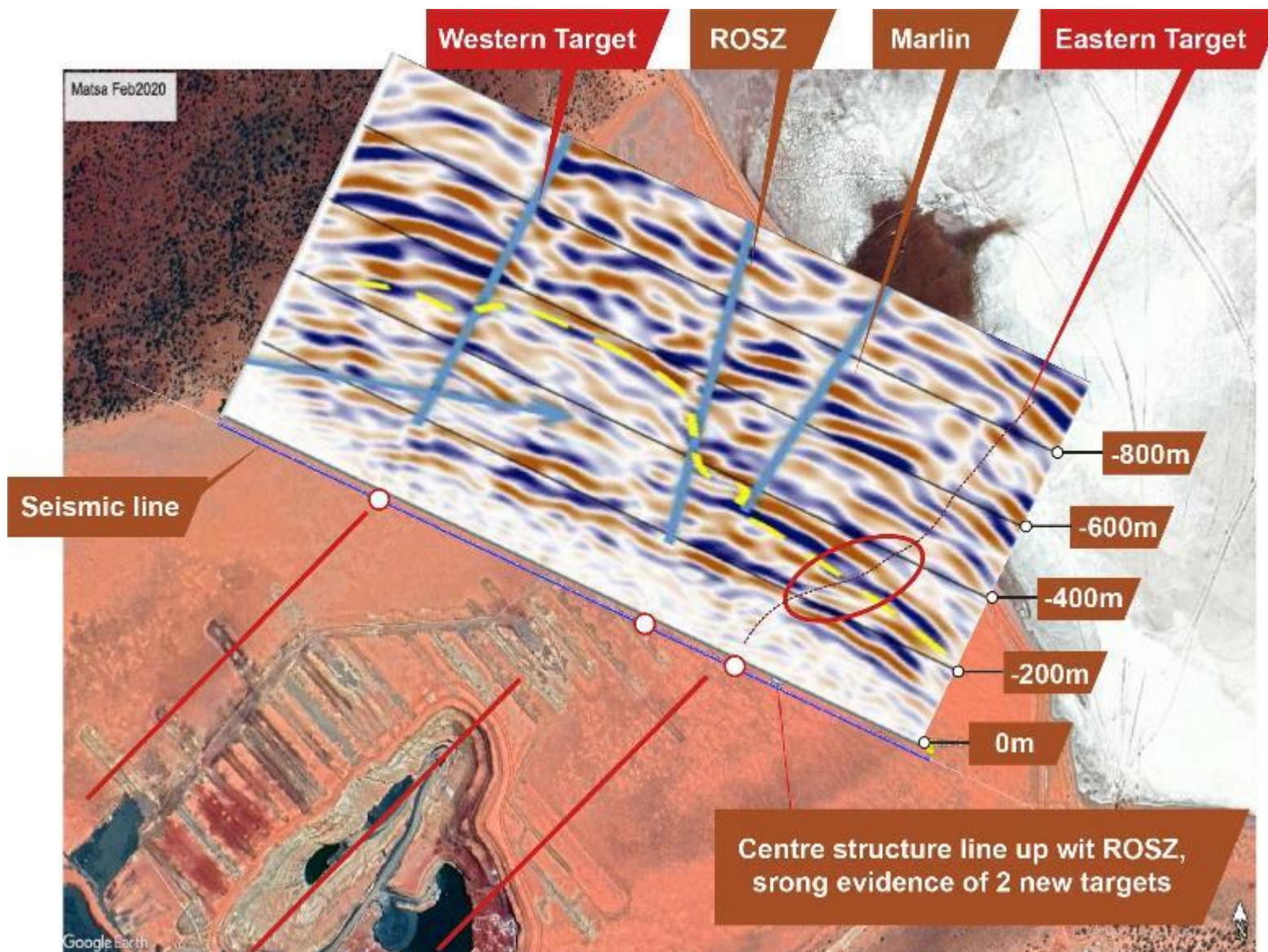
# Successful Seismic Survey - March 2020

Strong structures in seismic line-up with Marlin and Red October Shear Zone (ROSZ)



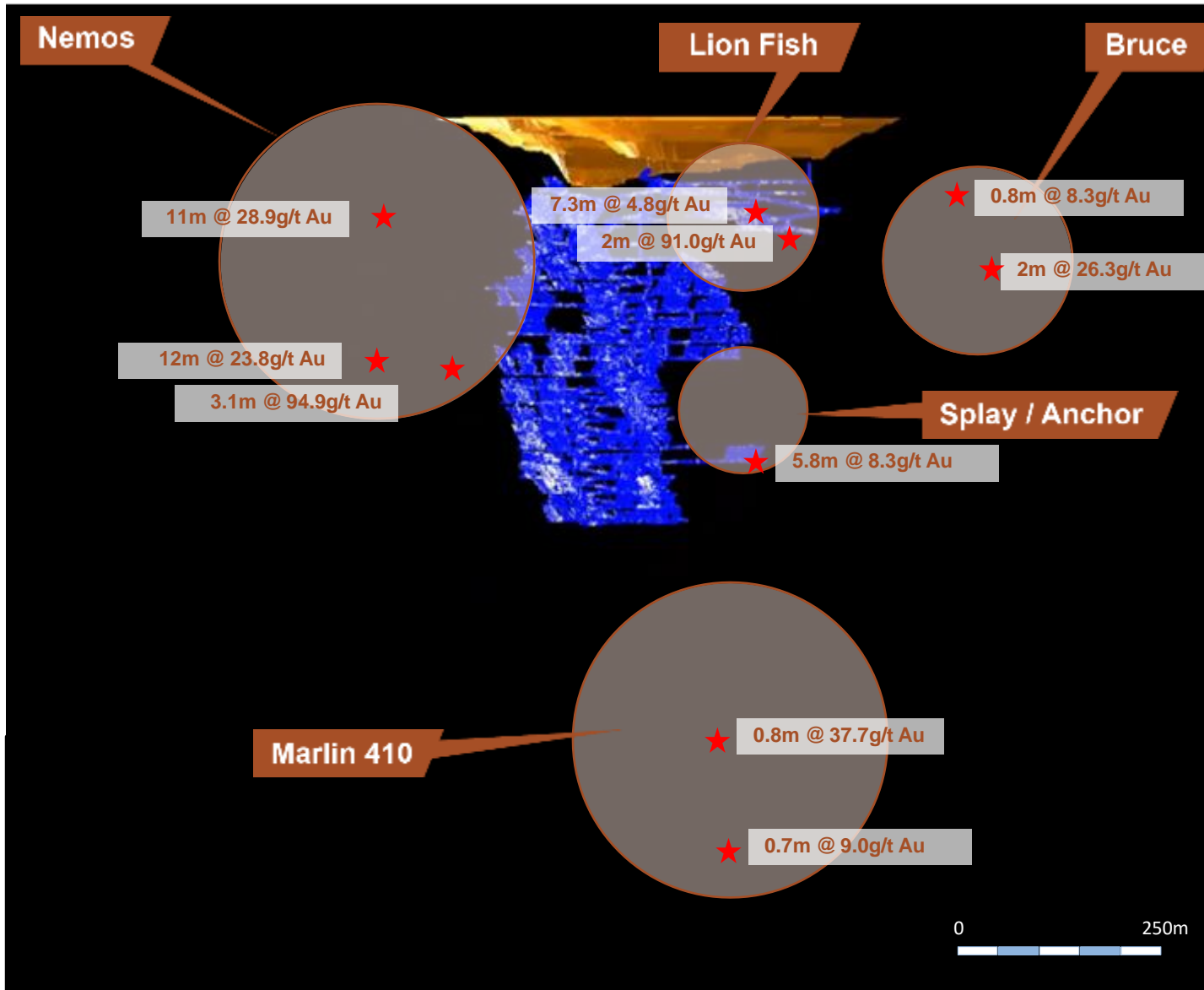
Curtin University – Distributed Acoustic Sensing (DAS) technology under MERIWA research program, MINEX CRC

# Red October - 2D Seismic Section





# Red October Exploration Targets



To be followed up:

## Nemos

RCRD023: 12m @ 23.8g/t Au

ROC104: 11m @ 28.9g/t Au

ROGEX032: 3.1m @ 94.9g/t Au

## Lion Fish

ROEX041: 2m @ 91.0g/t Au

RORD106: 7.3m @ 4.8g/t Au

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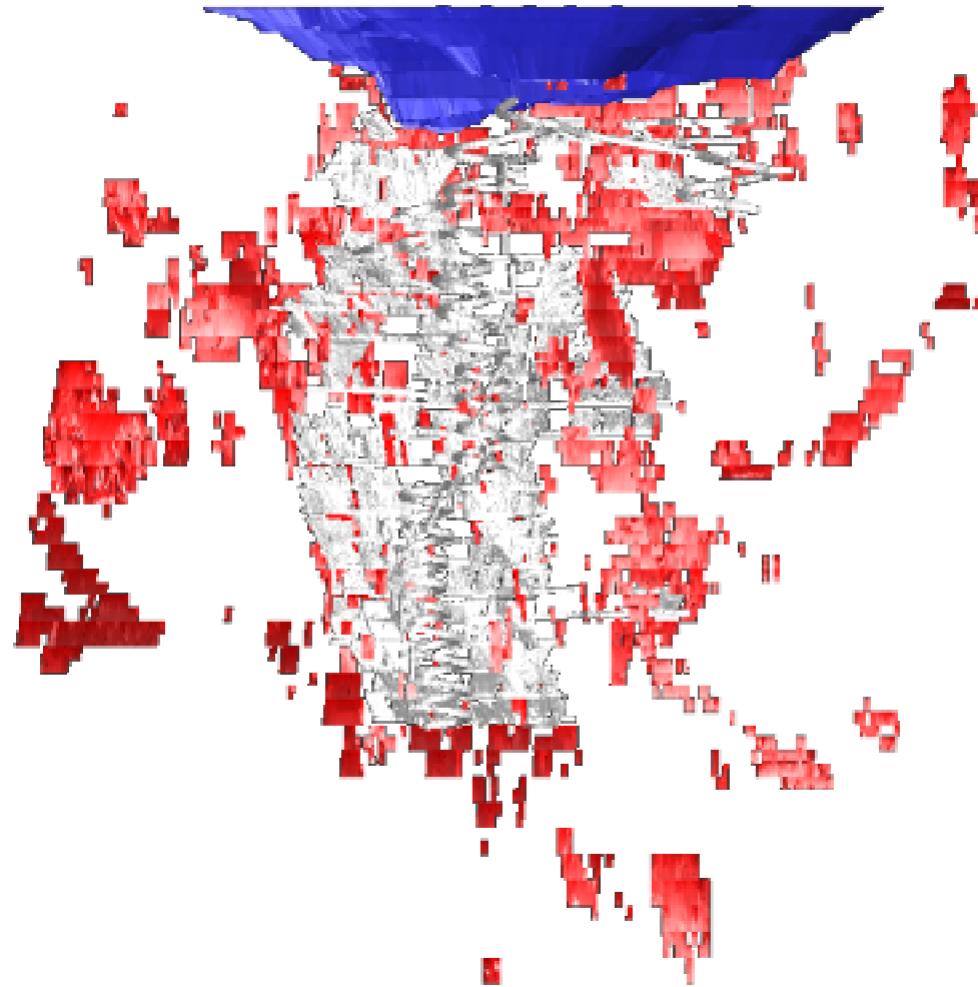


# Red October - Revised Outlook

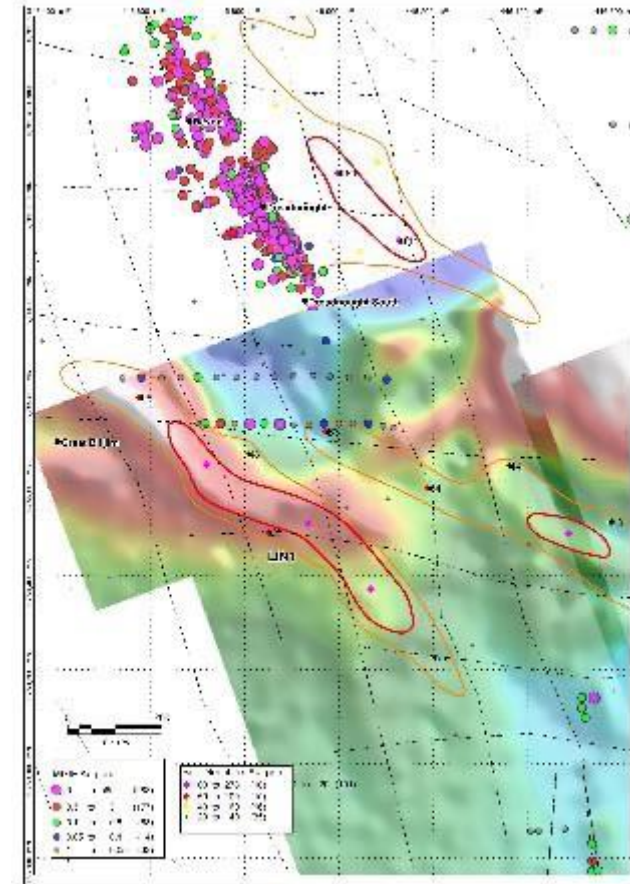


**MATSA**  
RESOURCES

- 173koz Au in Measured, Indicated & Inferred\*
- **Strong exploration and mining potential demonstrated in MSO**
- Numerous in-mine and brownfields exploration targets



- LIN1 – A strong 1.1km coincident Au, As, Te, TFEM anomaly
- Limited historical drilling with healthy grades (1m @ 4.35g/t and 1m @ 3.04g/t) drilled in wrong direction!





# Wider Devon Area SAM Survey



MATSA  
RESOURCES

- 38 strong Sub-audio magnetic (SAM) anomalies identified immediately south of Devon pit
- 3 walk up drill targets supported by anomalous geophysics and geochemistry
- LIN1, MMC HE1, MMC HE5 – drilling being organised as we speak, results expected soon

