



## ASX Announcement

14<sup>th</sup> September 2021

## Fortitude is the preferred site for a new gold processing plant Lake Carey Gold Project

### Highlights

- In January 2021, Matsa announced the results of a concept study into a proposed new 600,000tpa processing plant to service Lake Carey<sup>1</sup>
- The Study demonstrated a Matsa owned and operated treatment plant would significantly and positively impact the financial results of Matsa's mining opportunities
- A preferred site has been selected and relevant work activities are progressing for a new plant to be constructed at the Fortitude gold mine
- As a result of the recent announcement regarding an upgrade to the Fortitude Mineral Resource Estimate, re optimisation of the resource is underway and expected to deliver strong benefits to the mill strategy

### Matsa Executive Chairman Mr Paul Poli commented:

*"Our work at the Fortitude mine, Devon and Fortitude North highlights that a mill in this location just makes sense. Over the coming months we'll be advancing the relevant works to obtain the necessary permitting for this cornerstone component of recommencing gold production."*

### CORPORATE SUMMARY

#### Executive Chairman

Paul Poli

#### Directors

Frank Sibbel

Pascal Blampain

#### Director & Company Secretary

Andrew Chapman

#### Shares on Issue

358.15 million

#### Listed Options

28.12 million @ \$0.17

#### Unlisted Options

65.38 million @ \$0.17 - \$0.35

#### Top 20 shareholders

Hold 55.41%

#### Share Price on 13<sup>th</sup> Sept 2021

6.1 cents

#### Market Capitalisation

\$21.85 million

<sup>1</sup> ASX Announcement 22 January 2021 - Concept Study 600,000tpa Treatment Plant Lake Carey Project

Matsa Resources Limited (**“Matsa”** or **“the Company”** **ASX: MAT**) is pleased to provide an update to the Company’s proposed construction of a new 600,000tpa (upgradable to 1Mt pa) processing plant for the Lake Carey Gold Project.

Whilst exploration, resource modelling and mine design works remain in progress, it is becoming increasingly likely that sufficient ore stocks to support a new processing plant will be realised in the near future. To that end, in preparation for this, Matsa has identified a preferred site to locate a new processing plant and is progressing the relevant work activities to lodge and obtain permitting for the construction.

## **Fortitude (formerly Stage 2)**

The Fortitude trend is shaping up to provide the bulk of the base load ore feed for the proposed new processing plant. Whilst more drilling and mining studies are currently progressing, Matsa is confident these projects can provide the impetus to support a business case for a new processing plant.

One of the key criteria to permitting a new processing plant, is the management and disposal of tailings. To that end, the preferred approach to tailings management will be to design the processing plant and tailings facility such that the tailings are disposed of within the Fortitude waste dump (IWL TSF – integrated waste landform tailings storage facility). Precedents using this approach exist in the WA goldfields, which should expedite the permitting process and is considered cost effective and environmentally responsible.

Whilst a final layout based on results of the updated Fortitude Resource and impending optimisation works is yet to be confirmed, the existing layout of site infrastructure as outlined in the approved Mining Proposal is not expected to substantially change (refer Figure 1).

A number of work activities are progressing in order to facilitate the permitting process for the new processing plant at Lake Carey.

## **Centralised Location**

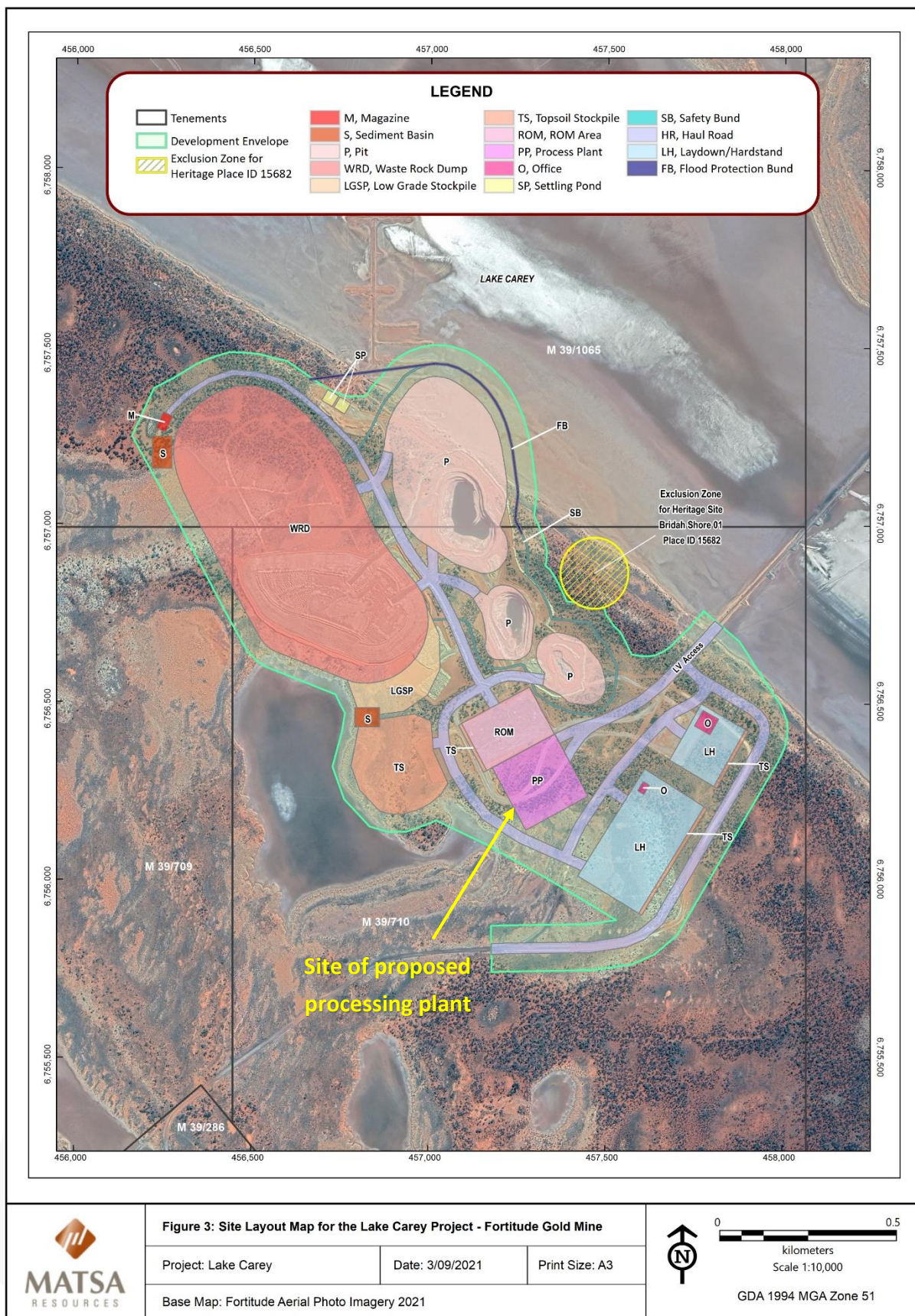
Matsa has a number of advanced stage projects at Lake Carey including the Fortitude, Devon Pit and Red October gold mines. Resources have also been established at Hill East, Bindah and Gallant, and further exploration is commencing at Fortitude North and Devon, which are all within close proximity to the proposed location of a new processing plant at Lake Carey.

The proposed mill location at the Fortitude mine is well positioned to service Matsa’s other projects that are by and large within 20km of the proposed site location (refer Figure 2).

A new processing plant at this location also opens up opportunities for 3<sup>rd</sup> party satellite deposits who do not have ready access to a processing plant within short to medium haulage distances.

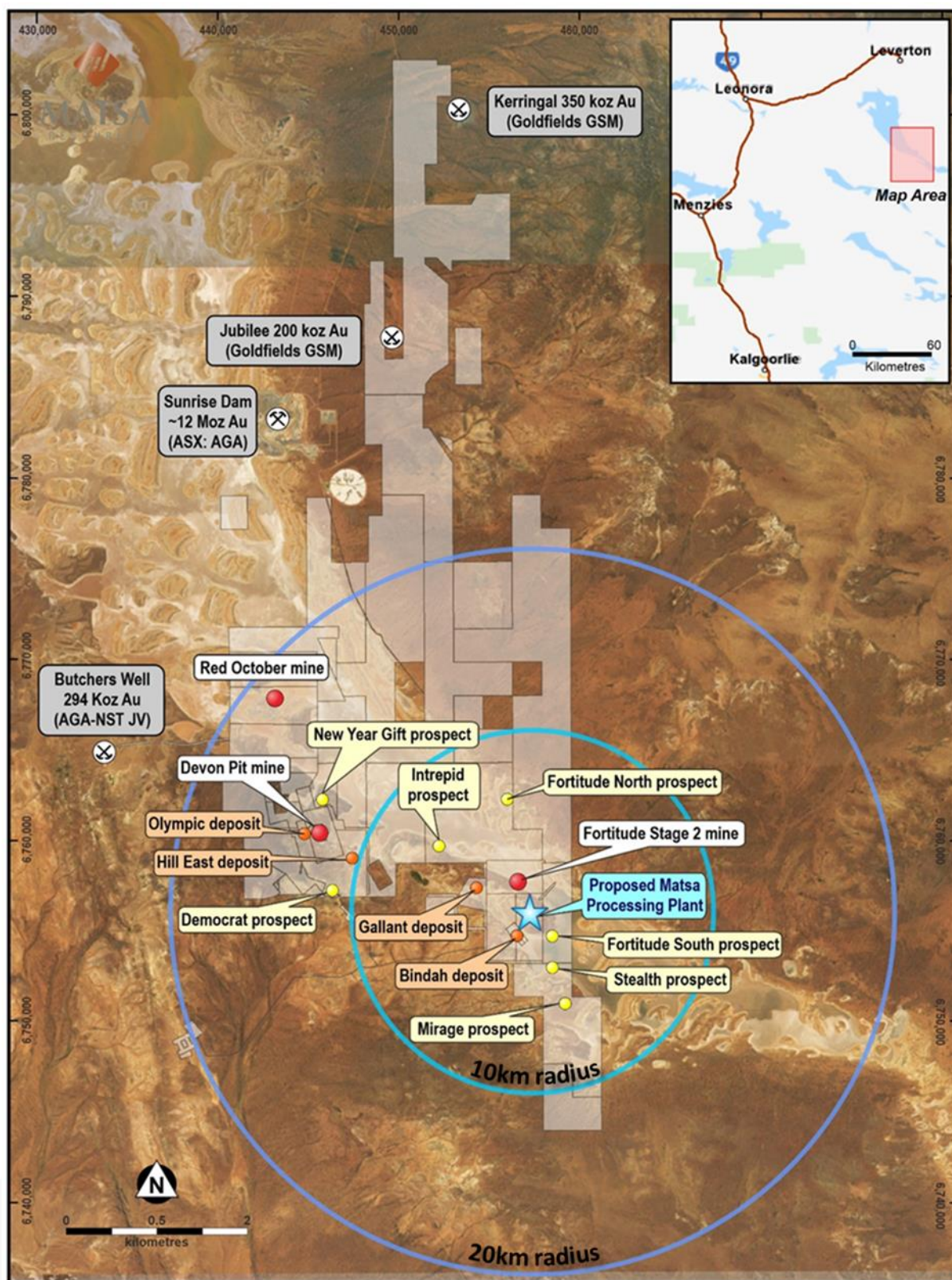
## **News Flow**

Matsa is expecting to provide an update on exploration, Fortitude optimisation and progress on the permitting of the proposed new processing plant in the coming months as new work is completed.



**Figure 1: Proposed site layout of Fortitude mine**





**Figure 2: Proposed site for Matsa processing plant showing key projects within 10km and 20km radius**

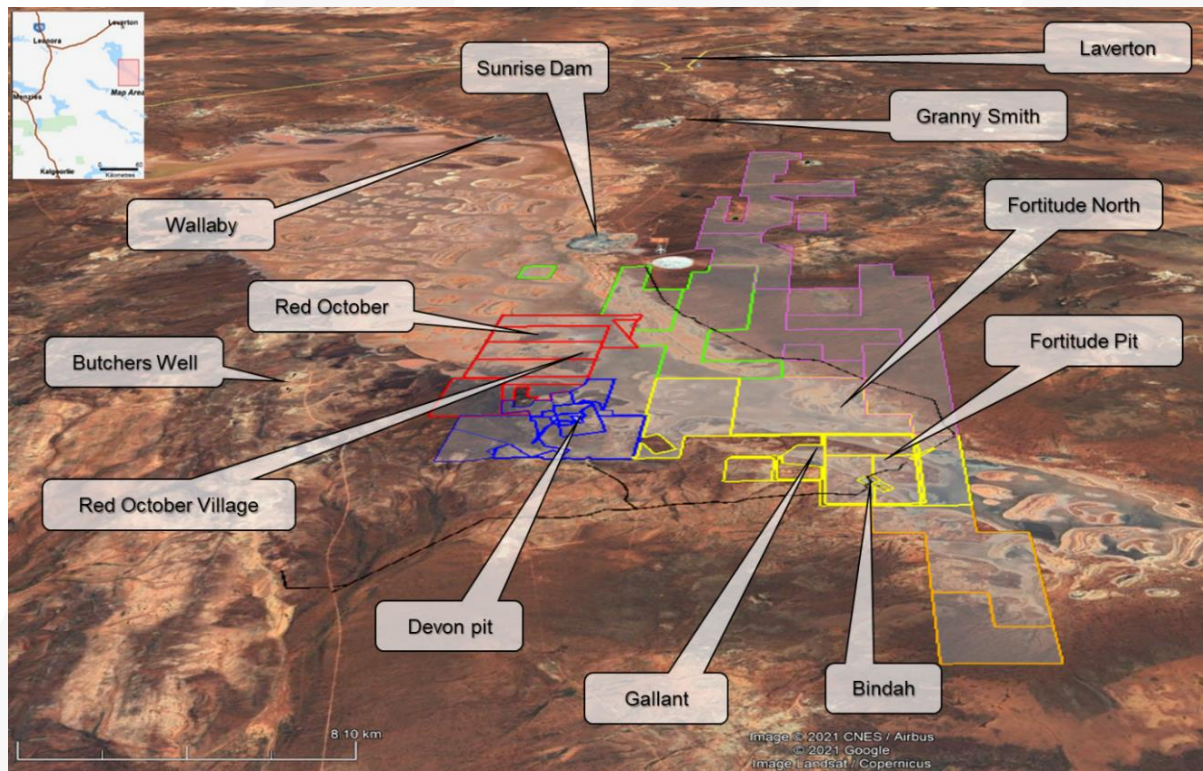


## TOTAL MINERAL RESOURCES – SEPTEMBER 2021

Matsa's global Mineral Resource Estimate stands at 874,000oz#.

Project	Cutoff g/t Au	Measured (‘000t) g/t Au	Indicated (‘000t) g/t Au	Inferred (‘000t) g/t Au	Total Resource		
					(‘000t) g/t Au	(‘000 oz)	
<b>LAKE CAREY</b>							
<b>Red October Hub</b>							
Red October UG	2.0	105	8.4	519	5.6	421	6.3
<b>Red October Subtotal</b>		<b>105</b>	<b>8.4</b>	<b>519</b>	<b>5.6</b>	<b>421</b>	<b>6.3</b>
<b>Devon Hub</b>							
Devon Pit	1.0	-	-	341	4.8	102	3.6
Olympic	1.0	-	-	-	-	171	2.8
Hill East	1.0	-	-	-	-	633	1.7
<b>Devon Subtotal</b>		<b>-</b>	<b>-</b>	<b>341</b>	<b>4.8</b>	<b>906</b>	<b>2.1</b>
<b>Fortitude Hub</b>							
Fortitude	1.0	127	2.2	2,979	1.9	4,943	1.9
Gallant	1.0	-	-	-	-	341	2.1
Bindah	1.0	-	-	43	3.3	483	2.3
<b>Fortitude Subtotal</b>		<b>127</b>	<b>2.2</b>	<b>3021</b>	<b>2.0</b>	<b>5,767</b>	<b>1.9</b>
<b>Total</b>		<b>232</b>	<b>5.0</b>	<b>3,882</b>	<b>2.7</b>	<b>7,094</b>	<b>2.2</b>
						<b>11,207</b>	<b>2.4</b>
							<b>874</b>

#The Company confirms that it is not aware of any new information or data that materially affects the information included in the ASX Announcement of 2 September 2021 “Lake Carey Gold Resource Nears 1 Million Oz Milestone”, and that all material assumptions and technical parameters underpinning the estimates in that announcement continue to apply and have not materially changed.



**Lake Carey Gold Project and Tenement package colour coded by hubs**

### Hubs:

Red October (red)  
Devon (blue)

Fortitude (yellow)  
Lake Carey South (orange)

Lake Carey North (pink)  
Lake Carey Central (green)

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

**For further information please contact:**

**Paul Poli**

Executive Chairman

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**Competent Person**

*The information in this report that relates to Exploration results, is based on information compiled by Pascal Blampain, who is a Member of the Australasian Institute of Mining and Metallurgy and Australian Institute of Geoscientists. Mr Blampain is a full-time employee, and serves on the Board, of Matsa Resources Limited and 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'. 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*