



## ASX Announcement

29<sup>th</sup> August 2022

### Placement Completed to Advance Gold and Lithium Projects

#### HIGHLIGHTS

- Successful, heavily subscribed for 52M share placement to raise \$1.98M to advance the Lake Carey Gold project and building on the lithium prospectivity in Thailand
- The funds raised will be used for:
  - Drilling at Fortitude North to infill and extend mineralisation identified in the recent assay results
  - Regional reconnaissance drilling at Lake Carey to test new prospects
  - Work to define a maiden resource for Fortitude North
  - Finalise assay results from a recent stream sediment sampling program in Thailand where exploration for lithium continues
  - Continuation of identification and building of a prospective lithium project in Thailand
  - Working capital
- The capital raising was managed by Westar Capital Limited which was very well supported and introduced new sophisticated investors to the Company
- The placement is via the issue of 52 million shares at \$0.038 per share

#### CORPORATE SUMMARY

##### Executive Chairman

Paul Poli

##### Directors

Frank Sibbel

Pascal Blampain

Andrew Chapman

##### Shares on Issue

358.95 million

##### Listed Options

49.22 million @ \$0.17

##### Unlisted Options

59.08 million @ \$0.17 - \$0.35

##### Top 20 shareholders

Hold 62.11%

##### Share Price on 24<sup>th</sup> Aug 2022

4.3 cents

##### Market Capitalisation

A\$15.43 million

## INTRODUCTION

**Matsa Resources Limited** (“Matsa” or “the Company” ASX: MAT) is pleased to advise that it has successfully completed a placement to institutional and sophisticated investors to raise approximately \$1.98 million before costs and was heavily oversubscribed.

The funds raised will be used as follows:

- Fortitude North – drilling aimed at infilling and extending the mineralisation following on from the results from the recent drilling program where assay results<sup>1</sup> returned a broader mineralised envelope of **9.6m @ 3.27 g/t Au** from 120.8m including a higher grade zone of **2.1m @ 7.76 g/t Au** from 121.65m
- Following the above-mentioned drilling program establish an initial mineral resource for Fortitude North to add to and build on the Company’s existing resource base
- Additional regional drilling programs to test new prospects/anomalies recently identified
- Finalise the assay results from recent stream sediment program in Thailand where lithium bearing pegmatites have been previously mapped
- Identification of further lithium prospective areas in Thailand and lodge applications for the more prospective areas

### **Matsa Executive Chairman Mr Paul Poli said:**

*“This very successful capital raising, which was heavily oversubscribed, allows the Company to conduct further drilling programs at Fortitude North with the aim of establishing a maiden resource. It also allows Matsa to build on its Thailand lithium ambitions where Matsa has been quietly identifying and applying for the more prospective lithium areas. Success in either or both of these projects could really enhance Matsa’s prospects.*

*I would like to thank Westar Capital and all the participants in the capital raising and take the opportunity to welcome our new shareholders.”*

### **Placement**

Under the Placement, \$1.98M has been raised (before costs) via the issue of 52,000,000 fully paid ordinary shares at \$0.038 per share. All of the shares under the Placement will be issued utilising the Company’s remaining existing capacity under ASX Listing Rules 7.1. The placement received firm bids significantly above the \$1.97 million, requiring a scale back of applications.

Placement shares have been allocated to a range of new institutional and sophisticated investors. The placement issue price of \$0.038 per share represents a discount of 11.6% to the closing price of \$0.043 on 24 August 2022 and a discount of 13% to the VWAP of \$0.0437 for the 15 days up to and including 24 August 2022.

Westar Capital Limited (“Westar”) has acted as Lead Manager to the placement and will receive a 6% fee for their role. As part of Westar’s fee, they will receive 15M unlisted options at an issue price of

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<sup>1</sup> ASX Announcement 12 August 2022 – New Drilling Results Lake Carey Gold Project

\$0.0001 each with an exercise price of \$0.08 expiring three years from the date of issue. The issue of the options will be subject to shareholder approval at the Company's next shareholder meeting.

Settlement of the new shares is scheduled to occur on Wednesday, 31 August 2022 with allotment to occur Thursday, 1 September 2022.

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

**For further information please contact:**

**Paul Poli**

Executive Chairman

T 08 9230 3555

E [reception@matsa.com.au](mailto:reception@matsa.com.au)