ASX Announcement **31st October 2022**

Quarterly Activities Report to 30th September 2022

HIGHLIGHTS

- Matsa and Linden Gold Alliance Limited have negotiated an alternative non-binding term sheet to be the basis of a future formal agreement following Linden not completing the contemplated SPA, which sees Matsa receive a $4M prepayment from a proposed profit sharing joint venture on the Devon Pit gold mine with all tenements associated with the transaction retained and 100% Matsa owned
- Matsa has made a new lithium bearing pegmatite discovery in the Phang Nga province, Western Thailand, with visually coarse lepidolite in pegmatite outcrop and float recorded over an area of 2km x 500m
- Regional stream sediment sampling in Thailand has identified 6 anomalous lithium areas with follow up work planned
- At Lake Carey, assays were received for two recent diamond drill holes at Fortitude North and FF1 with key assay intercepts including:
  - **9.4m @ 3.27 g/t Au** from 120.8m at Fortitude North
  - **1.0m @ 6.57 g/t Au** from 148m at FF1
- Partial assays received from Devon pit drilling (completed by LGA during the previous quarter) include:
  - **0.3m @ 59.3 g/t Au** from 69.2m
  - **1.5m @ 4.22g/t Au** from 76.5m
- 259 new soil assays were collected over the Compensation prospect with the geochemical data to be integrated with past drilling data to identify further drilling
- At Paraburdoo, ground penetrating radar (GPR) was used to define channels known to host alluvial gold
- At Koorabooka (E09/2538) 3 soil and 20 stream sediment samples were taken to test for rare earth potential

CORPORATE SUMMARY

Executive Chairman

Paul Poli

Directors

Frank Sibbel

Pascal Blampain

Andrew Chapman

Shares on Issue

411.85 million

Listed Options

49.22 million @ $0.17

Unlisted Options

59.08 million @ $0.17 - $0.35

Top 20 shareholders

Hold 55.38%

Share Price on 28th October 2022

4.0 cents

Market Capitalisation

A$16.47 million

INTRODUCTION

Matsa Resources Limited ("Matsa" or "the Company" ASX: MAT) is pleased to report on its exploration and corporate activities for the quarter ended 30th September 2022.

Exploration activities in Western Australia were focused on the Company's Lake Carey, Paraburdoo and North Bore base metals projects (Figure 1). In Thailand, Matsa has focused on its exciting new lithium projects at Phang Nga (Figure 1). Matsa's lithium projects are located within Thailand's highly prospective western granite belt which is one of the world's great tin districts extending from Myanmar to Indonesia.

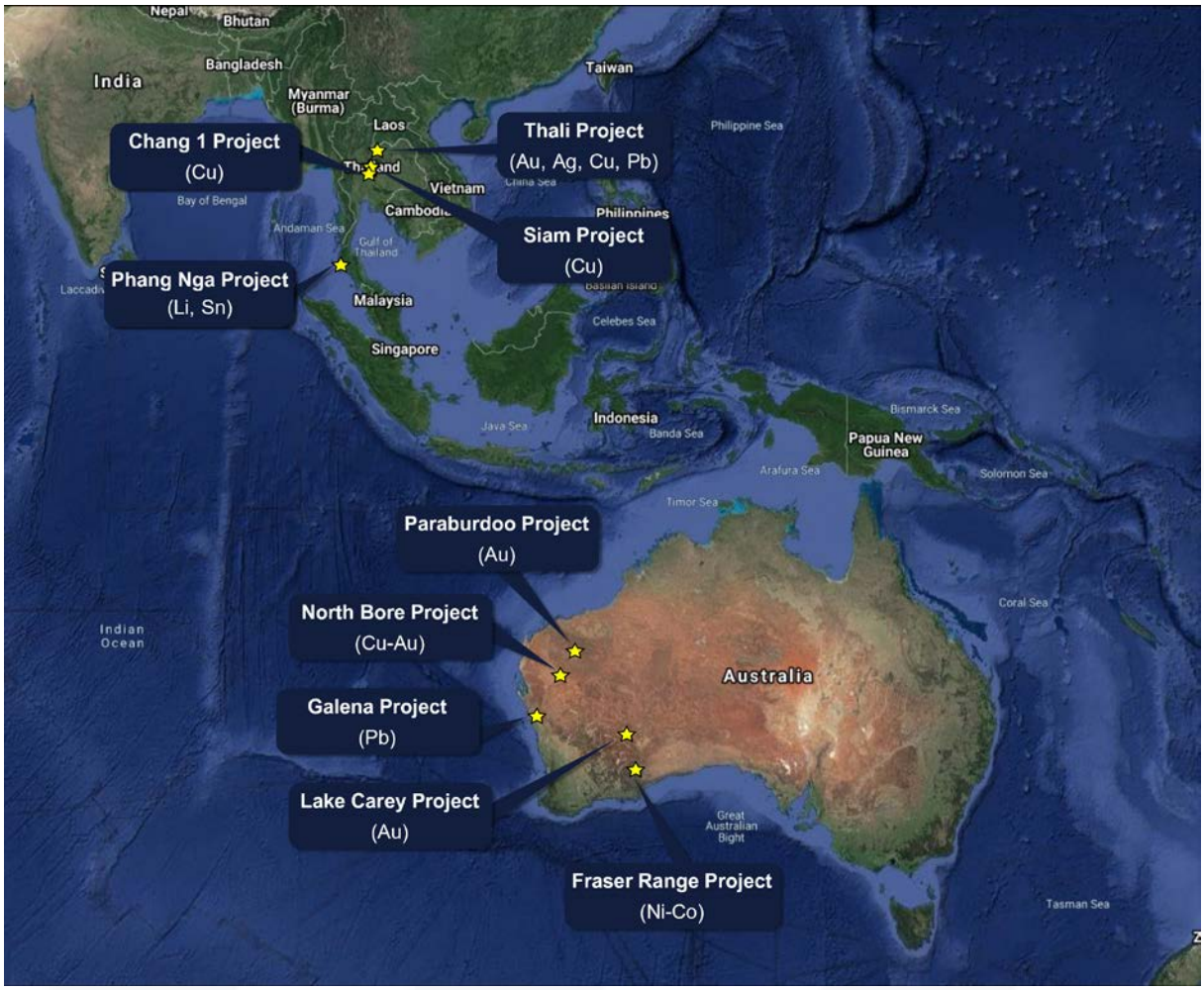

***Figure 1:* Matsa projects**

Exploration during the quarter comprised the following:

<u>Lake Carey</u>

- Assays were returned for diamond drilling completed in the previous quarter, which comprised one diamond drill hole at each of Fortitude North and FF1. Gold mineralisation was intersected in both drill holes and results from the Fortitude North hole, has been used to update the mineralising model at Fortitude North
- Assay results were received for soil samples collected over the Compensation prospect with results currently being integrated with historic drilling data to develop new gold targets

- Metal detecting by freelance gold prospectors continued to find gold nuggets at shallow depth at Lake Carey and mostly within E39/1232. Gridded soil sampling and mapping is underway over selected sites with a view to defining drill targets

Paraburdoo

- A total of 312 stream sediment, 80 soil and 9 rock chip samples were collected to follow up gold anomalies defined by Matsa's earlier sampling and to follow up well defined trains of gold nuggets found by freelance gold prospectors using gold detectors
- A trial 14 line kilometers ground penetrating radar (GPR) survey was conducted to map potential channel positions in extensive alluvial gravels where many gold nuggets have been found by prospectors

Gascoyne (North Bore, Koorabooka and Nigel's Find)

- Field inspection of proposed drill sites targeting Iron Oxide Copper Gold (IOCG) mineralisation at North Bore, where drilling is proposed to test discrete coincident gravity and magnetic anomalies within the Dumby granodiorite
- Previous work has identified the rare earth mineral Alanite in the Dumby granodiorite at North Bore. A program of 121 stream sediment and 78 soil samples were collected for multi-element analysis to define potential Rare Earth targets within this highly sheared 8km x 1km intrusion (assays pending)
- 20 stream sediment samples were collected at Koorabooka for multi-element analysis to define potential rare earth element targets (assays pending)
- 18 soil samples were collected at Nigels Find prospect over an area of reported surface gold occurrences (assays pending)

Thailand

- New lepidolite bearing pegmatite outcrops have been discovered in the Phang Nga province in southern Thailand covering an area of 2km long by 500m wide
- First pass stream sediment sampling continued at Phang Nga (partial results received)
- Discussions are well advanced with Thailand government departments to progress granting of selected applications to enable drilling

LAKE CAREY GOLD PROJECT

The Red October and Devon gold projects and surrounding exploration tenements have been subject to a Sale and Purchase Agreement (SPA – Figure 2) with Linden Gold Alliance Limited ("LGA"). As such Matsa has therefore focussed it exploration efforts elsewhere, notably on the Fortitude Shear zone, host to the Fortitude Gold Mine and the Fortitude North and FF1 prospects.

Additional regional work has commenced with soil sample programs at Compensation.

At the Devon Pit, some assays have been received by Linden Gold for the drilling completed during the previous quarter.

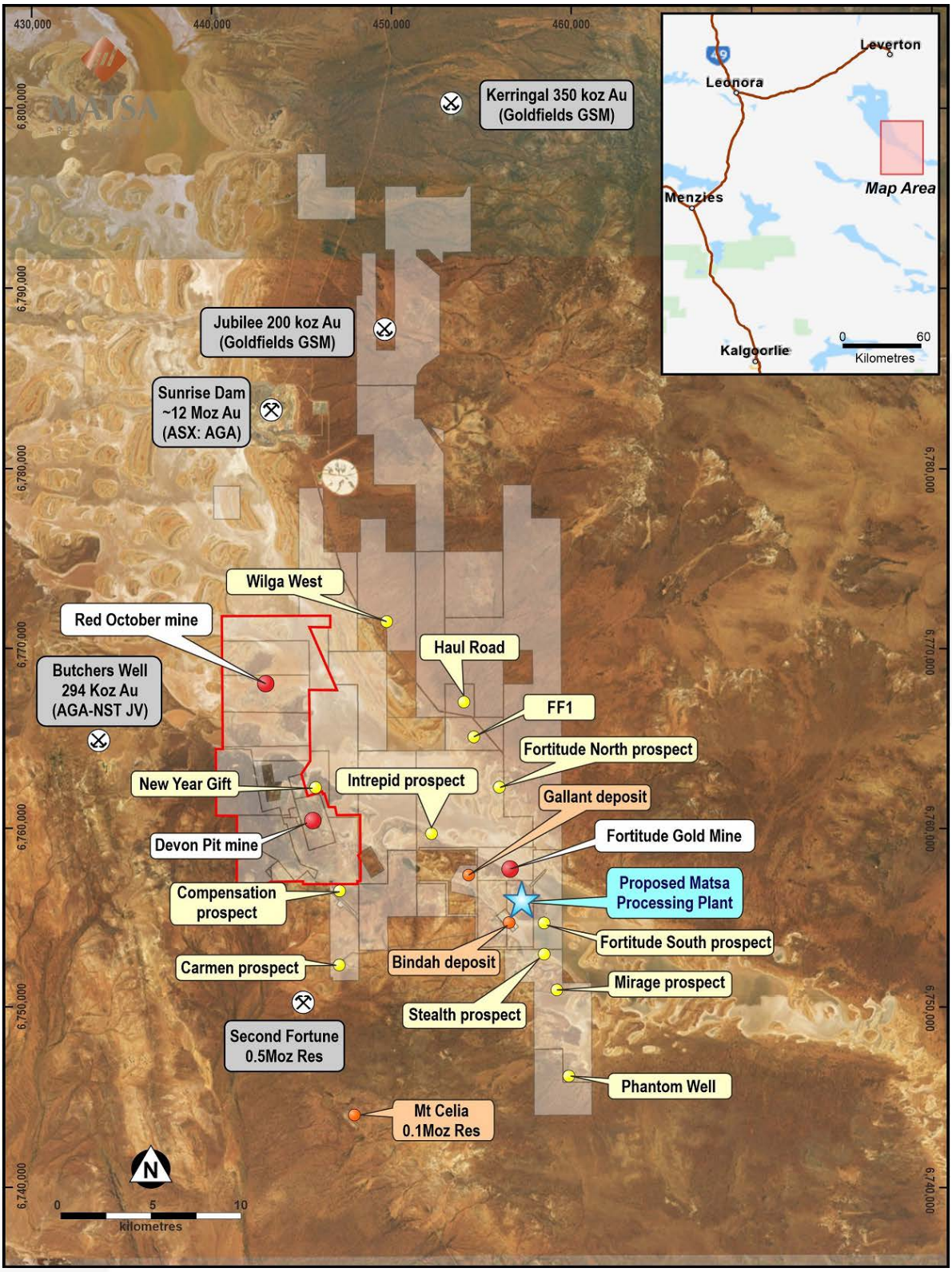

Figure 2: ***Lake Carey Gold Project showing the tenements subject to the SPA outlined in red***

LAKE CAREY DIAMOND DRILLING

Assays were received for diamond drilling comprising two diamond drill holes for 572.7m which were completed during the June quarter[1]. These included one drill hole at Fortitude North (22FNDD009 for

[1] ASX Announcement 28th July 2022 Quarterly Activities Report to 30th June 2022

230.7m) and one drill hole at FF1 (22FFD001 for 341.7m). Drilling at both prospects was essentially focussed on the Fortitude Fault system host to the 489koz resource at Fortitude Gold Mine which is located 6km south of Fortitude North (Figure 2)[2].

Fortitude North

Diamond drill hole 22FNDDD009 (Figures 3 & 4) was completed to test potential down-dip continuity of the mineralised intersection in diamond drill hole 19FNDD001, which intersected **8m @ 2.94 g/t Au from 106.25m** including **5.75m @ 3.8 g/t Au**[3].

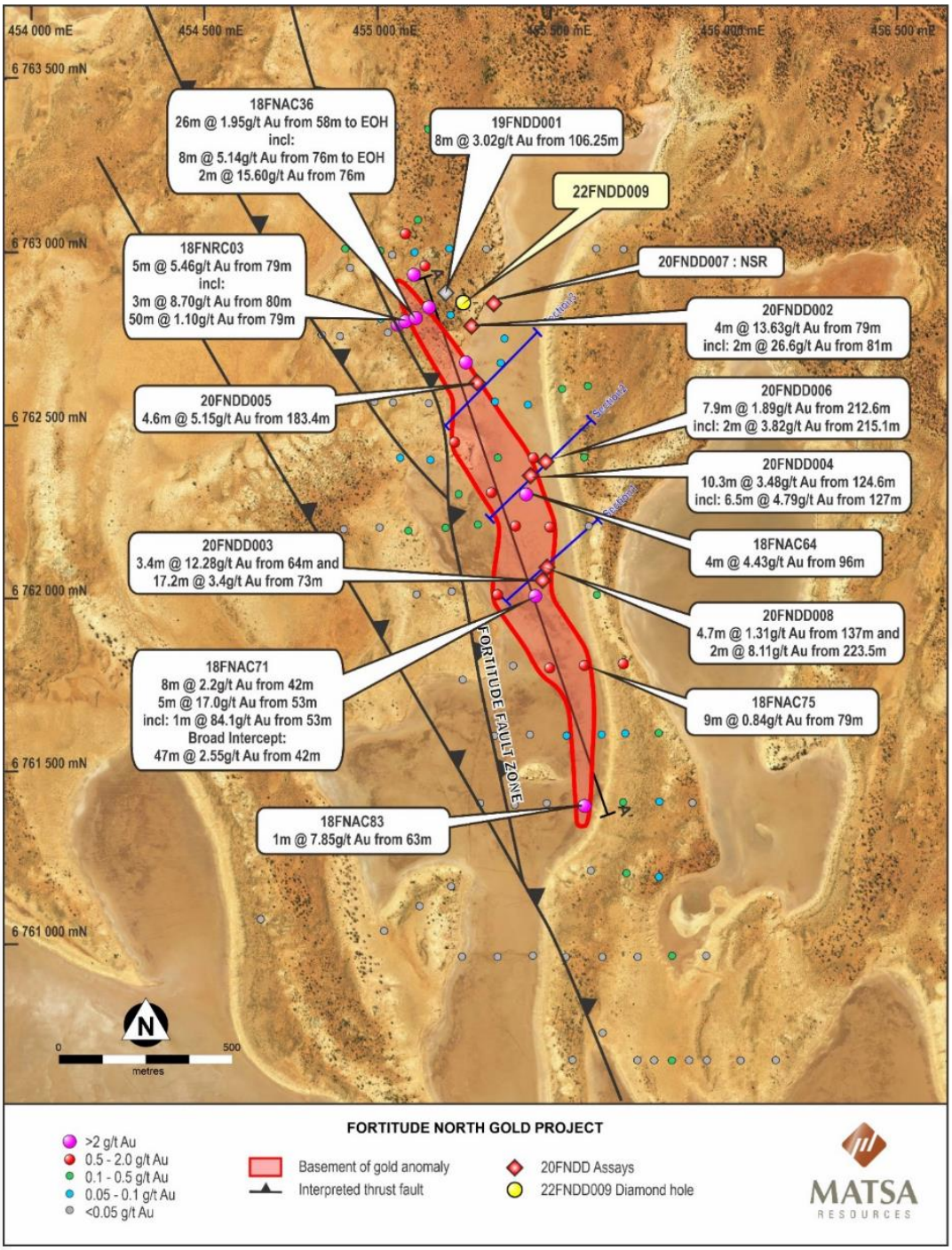

***Figure 3:* Fortitude North drilling**

[2] ASX Announcement 12th August 2022 New Drilling Results Lake Carey Gold Project
[3] ASX Announcement 7th May 2019 New Gold Results Enhance Fortitude North Lake Carey Gold Project

Significant new assays in 22FNDD009 include **9.4m @ 3.27 g/t Au** from 120.8m, which includes a higher grade zone of **2.1m @ 7.76 g/t Au** from 121.65m.

Mineralisation is associated with a zone of fine grained albite silica alteration, hydraulic fracturing, quartz veining, and disseminated sulphides, which is identical to, and an extension of, the mineralised intercept in 19FNDD001.

Lode interpretation and results of the drilling is shown in cross section in Figure 4. The Company now has a better understanding of the context and attitude of these high grade shoots with an interpreted plunge and dip to the northeast compared to earlier expectations of dips to the northwest.

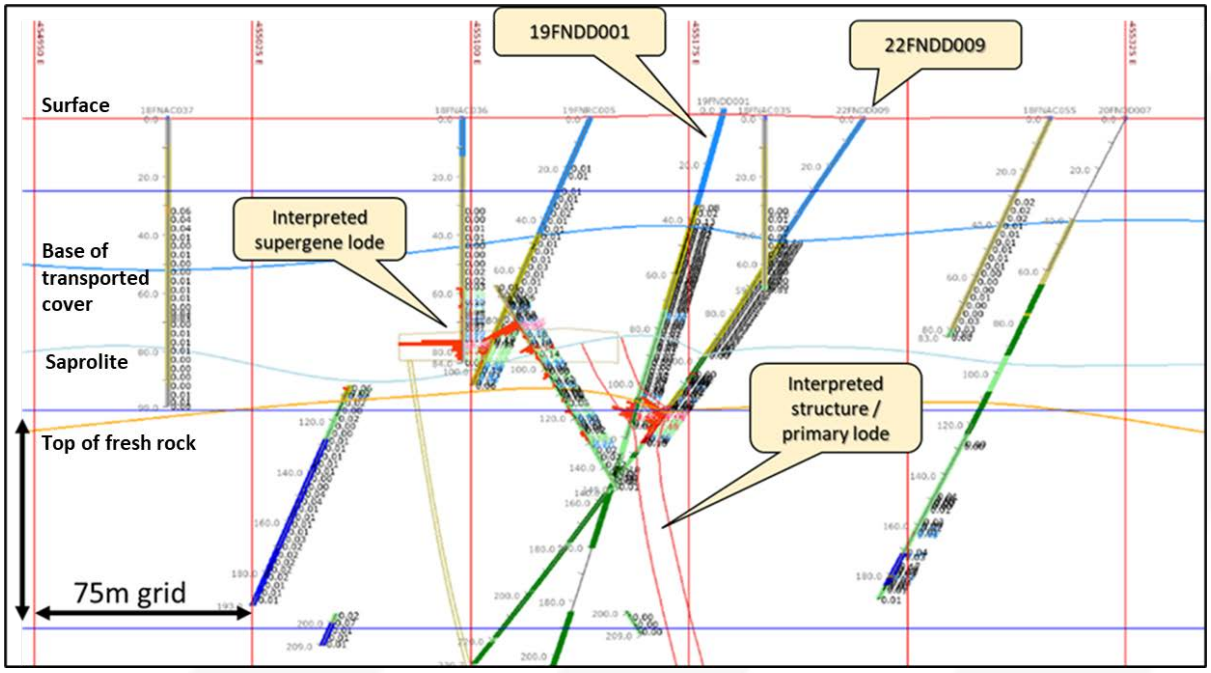

***Figure 4:* Fortitude North cross section with new drill hole 22FNDD009**

FF1 Prospect

The FF1 prospect is defined by a large gold in basement anomaly situated over a magnetic high along the Fortitude Fault and is located approximately 1km north of the Fortitude North prospect and 7km to the northwest of Fortitude Gold Mine (Figure 1).

Past aircore drilling has defined a wide (200m - 300m) basement anomaly, however there is no drilling to any significant depth to provide sufficient geological information to interpret the geological context of the identified gold anomalism.

A maiden diamond drill hole was drilled to evaluate the basement gold intercept below aircore refusal identified in Matsa's 2020 aircore drilling. The lithologies intersected include strongly sheared and variably altered dolerite and basalt with distinct zones of chlorite carbonate veining. Logging indicates a thick sequence of basalt/mafic rocks cut by numerous minor narrow bodies of feldspar porphyry.

Logging has identified a number of zones of alteration typically associated with gold mineralisation. Assay results have returned anomalous gold grades including:

- **10m @ 0.83 g/t Au** from 123m, incl 3m @ 1.43g/t from 123m and;
- **1.0m @ 6.57 g/t Au** from 148m

The geometrical relationship between the gold anomalism identified in the aircore drilling and the deeper gold anomalism identified in the diamond drill core is not yet clear. It is expected more information on the potential attitude and dimensions of high grade shoots may be obtained from an updated 3D magnetic model which would assist drill design and targeting for future drilling programs.

LAKE CAREY SOIL SAMPLING AND PROSPECTING

E39/2128 Compensation Soils

This target, approximately 4km along strike to the SE of Devon (Figure 2), is centred on a number of historic gold workings in meta-basalts in an area of mostly residual soil cover and widespread quartz float. Soil sampling was undertaken at 40m intervals along lines spaced 160m apart for a total of 259 samples.

A total of 15 samples returned anomalous values gold values between 20ppb and 55ppb Au mostly in the vicinity of historic workings (Figure 5). An interpretation of results together with historic drilling information and geological mapping is currently underway to develop new drill targets.

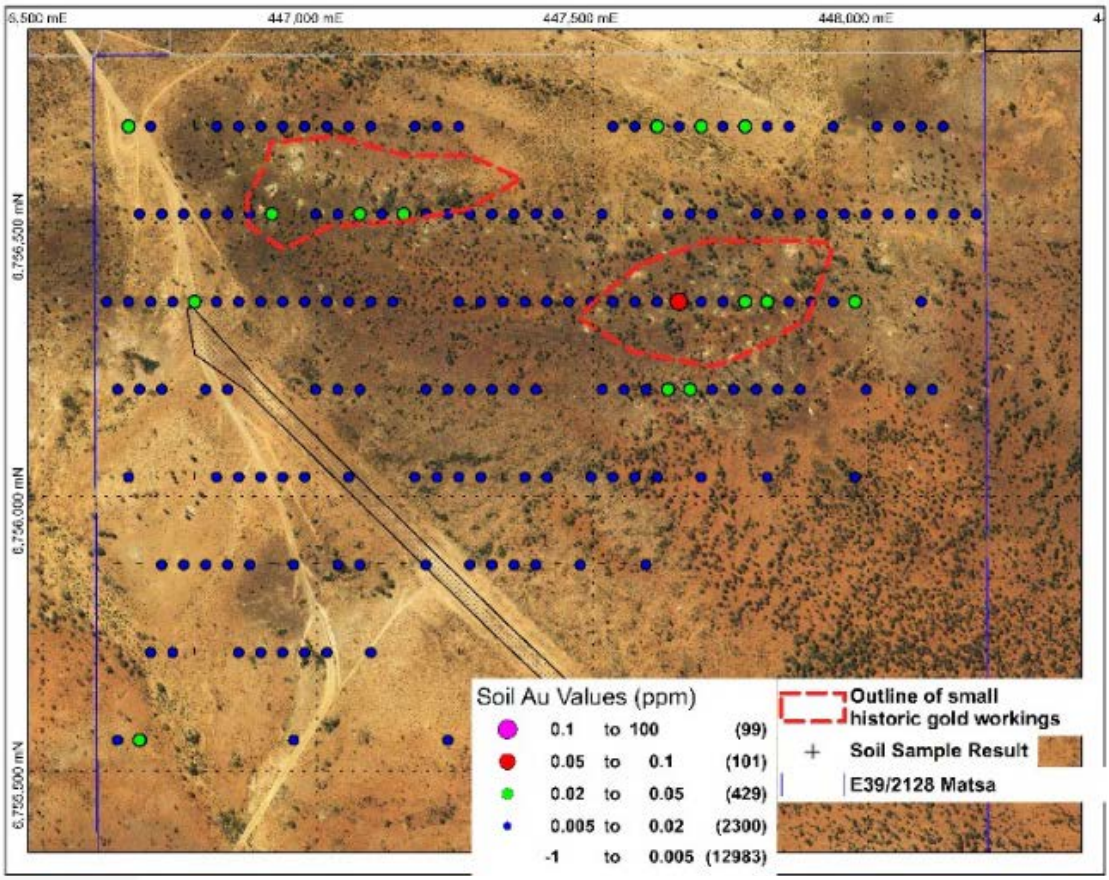

Figure 5: ***Compensation Prospect, soil gold assay summary***

PILBARA AND GASCOYNE PROJECTS

During the quarter soil, stream and rock chip sampling programs were conducted on Matsa's projects in the Pilbara and Gascoyne Regions (Figure 6).

PARABURDOO PROJECT (PILBARA)

Matsa pegged E47/3518 Paraburdoo in 2016, following reported discovery of coarse free gold by local prospectors using metal detectors in a potentially favourable geological setting ~15km north of

Paraburdoo. This gold nugget occurrence is currently held by a third party under mining lease application M47/1630 (Figure 7) and have been found in deep leads (paleochannels) now covered by sheet wash.

Exploration targets for primary gold mineralisation included:

- Structurally controlled vein hosted gold mineralisation akin the ~1Moz Paulsens gold mine 160km to the NW which is located in a similar stratigraphic and structural position
- Stratabound gold mineralisation in conglomerates of the lower Hardey Formation which overlies volcanics of the Mt Roe Basalt in the core of the Bellary Dome, akin to the South African Witwatersrand Basin deposits of similar age

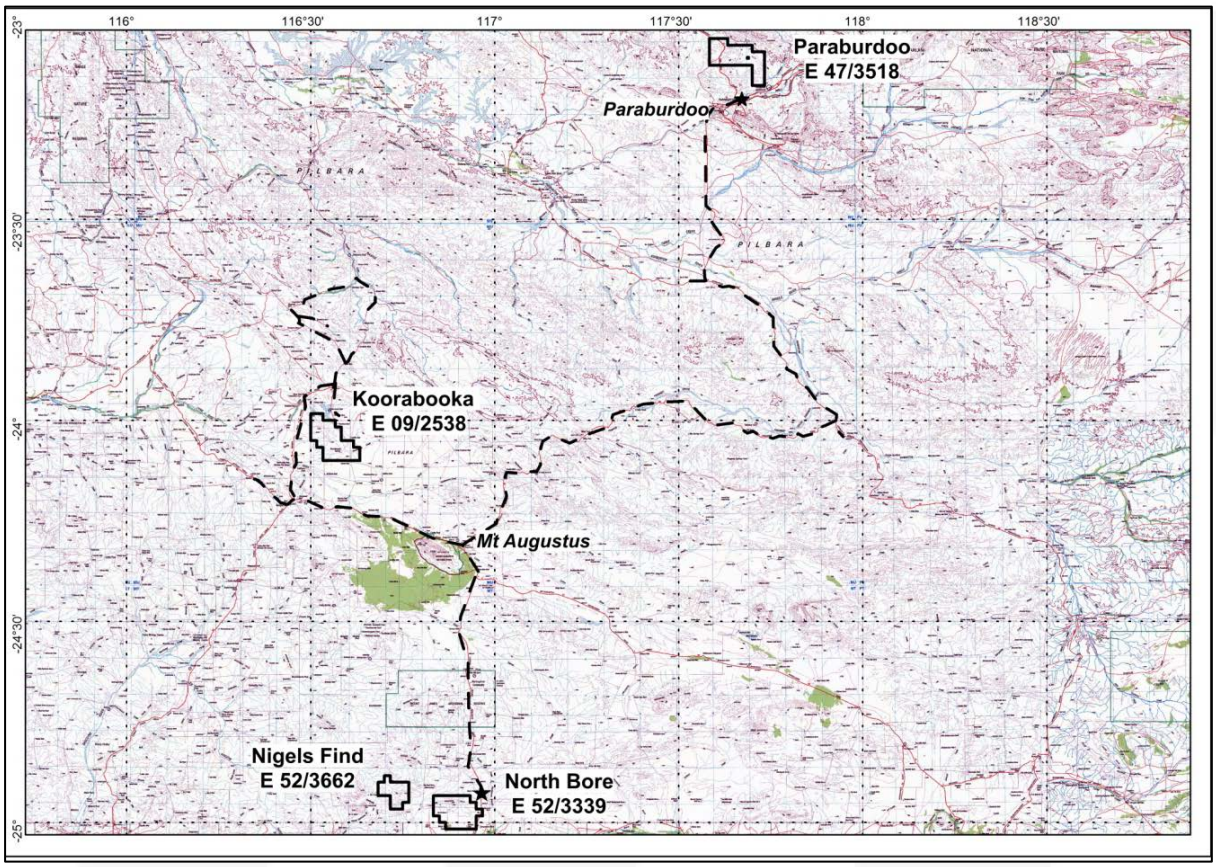

Figure 6: **Matsa's Exploration Licences in the Pilbara and Gascoyne Regions**

Broad spaced stream sediment sampling by Matsa in 2017 defined a 12km stream sediment anomaly (P_3) with peak gold values up to 380 ppb Au. These anomalous catchments cover sandstones, conglomerates and dolerite of the lower Hardey Formation along the northern rim of the Bellary Dome. Stream sediment sampling also identified a second anomaly (P_4) which was defined by a single sample containing 7.8ppb Au[4] (Figure 7).

Subsequent to gold discovery within M47/1630, a number of further gold nugget occurrences were reported to Matsa, these have been grouped as Targets P1 and P2 in Figure 7. All of the known gold occurrences (including M47/1630) are located in an area where older alluvial deposits have been partially stripped revealing scattered outcrops of exposed basement rocks.

[4] ASX Announcement 5th October 2017 Paraburdoo Gold Project Pilbara, Highly anomalous Gold Values in Stream Samples

Geochemical Sampling

Primary gold mineralisation remains the principal target at Paraburdoo. It was recognised that Matsa's earlier, first pass sampling, was comparatively broad spaced with typically 1 sample per each 2-3km^2 catchment, and in a number of cases, samples were collected in broad sandy streams draining much larger catchments. Consequently follow up sampling over targets P_1 to P_4 was extended over the entire tenement for a total of 318 samples. An additional 80 soil samples were collected over Target P_1 to test for potential primary gold mineralisation in bedrock. All samples were submitted for gold – only assay. Results are awaited.

Geology

Weakly goethitic quartz vein occurrences were observed during the sampling program, mostly as rubbly outcrops. A total of 9 rock chip samples were collected and submitted for assay with results pending.

During the sampling program, the extent of alluvial gravels overlying palaeo-proterozoic basement rocks was recognised. A variably stripped gravel profile was recognised broadly following the underlying basement stratigraphy over a distance of 8km. Furthermore, as noted above, known gold occurrences in the licence (P_1-P_3) appeared to be located in areas of scattered patchy basement outcrop where alluvial gravels have largely been stripped. Matsa sees potential for significant alluvial (palaeochannel) gold in older alluvial gravels within the interpreted boundary as shown in Figure 8.

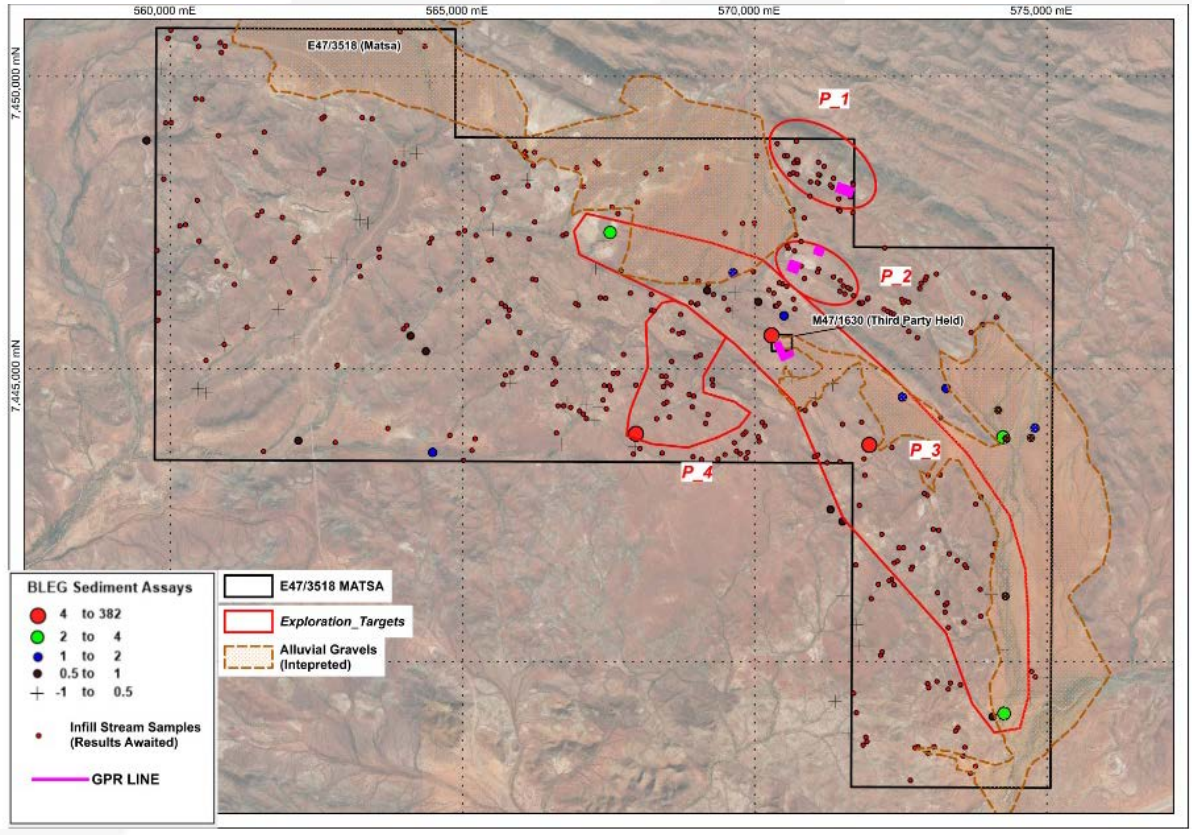

Figure 7: E47/3518 Paraburdoo sampling exploration summary

Trial Ground Penetrating Radar Survey

A trial survey using the ground penetrating radar technique was completed over 4 small grids centred on known gold detector occurrences (Figure 7). Surveying was conducted along NE oriented lines 40m apart.

GPR Surveys map changes at shallow depth (~10m) are commonly used in archaeological and engineering applications. The 4 trial grids were designed to map the basement profile close to known gold occurrences and potentially detect deeper channels which may contain alluvial gold mineralisation.

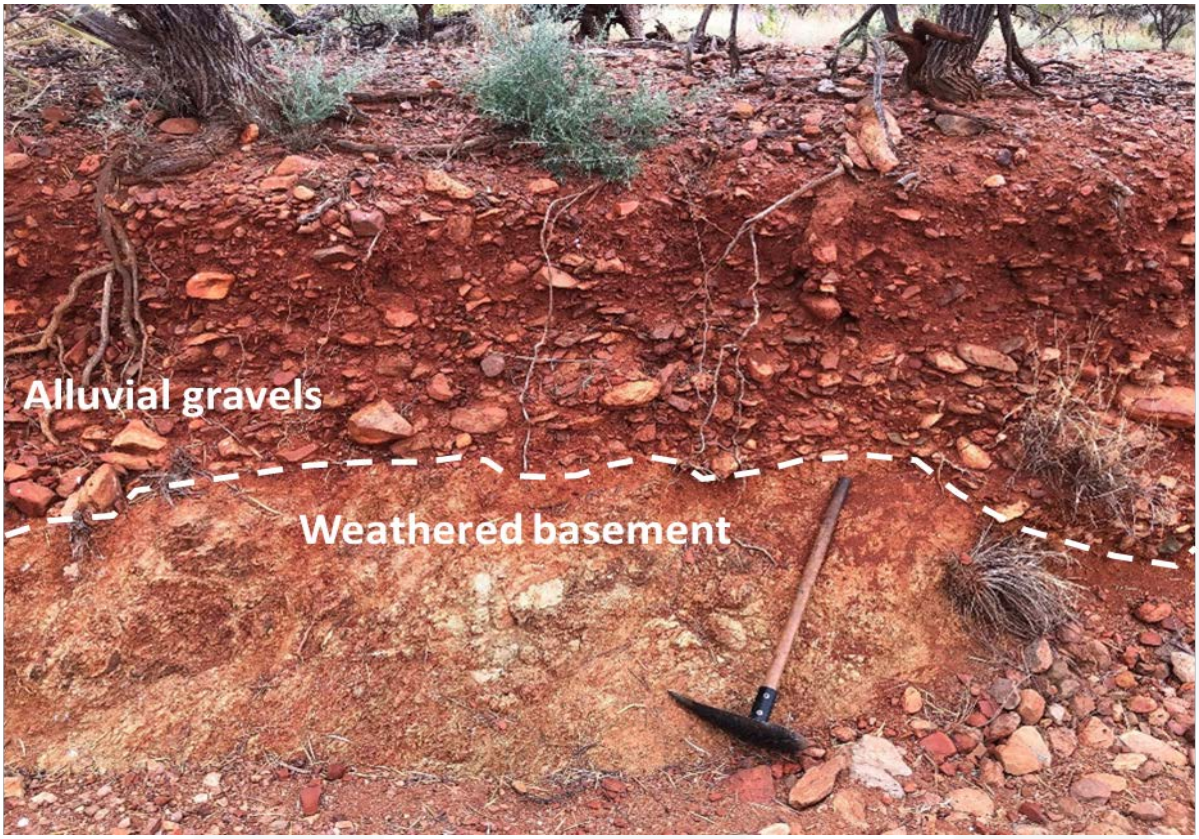

Figure 8: Alluvial Gravels on weathered basalt basement Target P_3

A preliminary inspection of survey results (Figure 9) indicates that GPR is mapping an irregular boundary at shallow depth which is interpreted to be the base of soil or alluvium cover over basement rocks. Consultant Geophysicist Mat Cooper of CoreGPX commented "*The results appear promising with a variable near surface layer being defined in all areas. In each area deeper alluvial channels can be interpreted*".

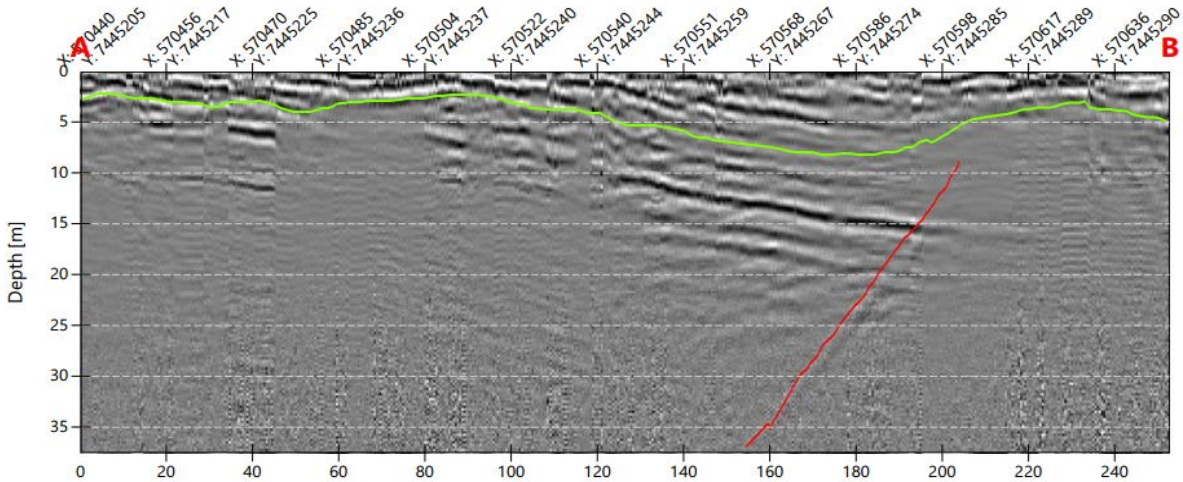

Figure 9: GPR Profile Target P_3, interpreted base of alluvium shown in green

It is planned to test the interpreted deeper parts of the profile using shallow auger drilling or costeaning to ground truth the technique before committing to more surveys.

GASCOYNE PROJECTS

NORTH BORE

Matsa's North Bore project is located in the Proterozoic Capricorn Orogen between the Archaean Yilgarn and Pilbara Cratons. The principal target at North Bore is a discrete ESE trending 8km long magnetic anomaly (Figure 10) along a major fault and close to a number of major fault intersections.

The magnetic anomaly is partly co-incident with a mapped granodiorite intrusion Dumby Granodiorite) which is part of the Palaeoproterozoic Moorarie Supersuite. The western part of the magnetic anomaly is largely concealed by transported cover.

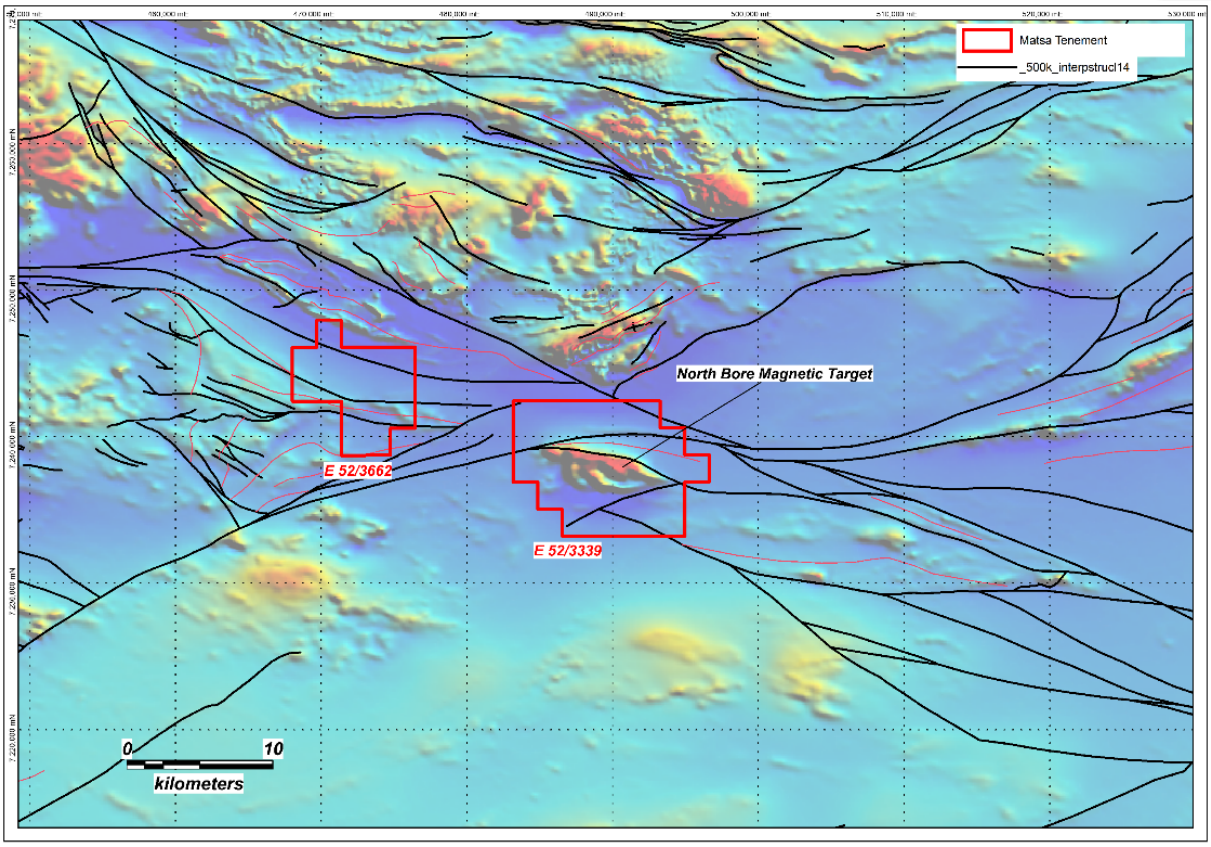

***Figure 10:* Location of North Bore project on aeromagnetic image and summary of major faults**

Exploration targets at North Bore include:

- Iron-oxide copper gold (IOCG) mineralisation associated with magnetic anomaly over the Dumby Granodiorite. As previously reported, a 54 line kilometer gravity survey was completed which resulted in two targets selected for RC drill testing[5].

- Rare Earth mineralisation associated with the Dumby Granodiorite based on historic records showing total Rare Earth values, up to 1500ppm[6] (Appendix 2). This is supported by

[5] ASX Announcement 29th July 2021: Quarterly Activities Report to 30th June 2021
[6] WAMEX Report No A100370 Aurora Gold Dec 2013

anomalous soil sample results of Ce and La from Matsa's own sampling at North Bore during 2017 (Appendix 3).

Surface Geochemistry

Exploration during the quarter was focused on detailed stream sediment (and soil geochemistry) over and immediately adjacent to the Dumby Granodiorite (Figure 11). All samples have been submitted for multi-element analysis including the full suite of Rare Earth Elements. Assays are awaited.

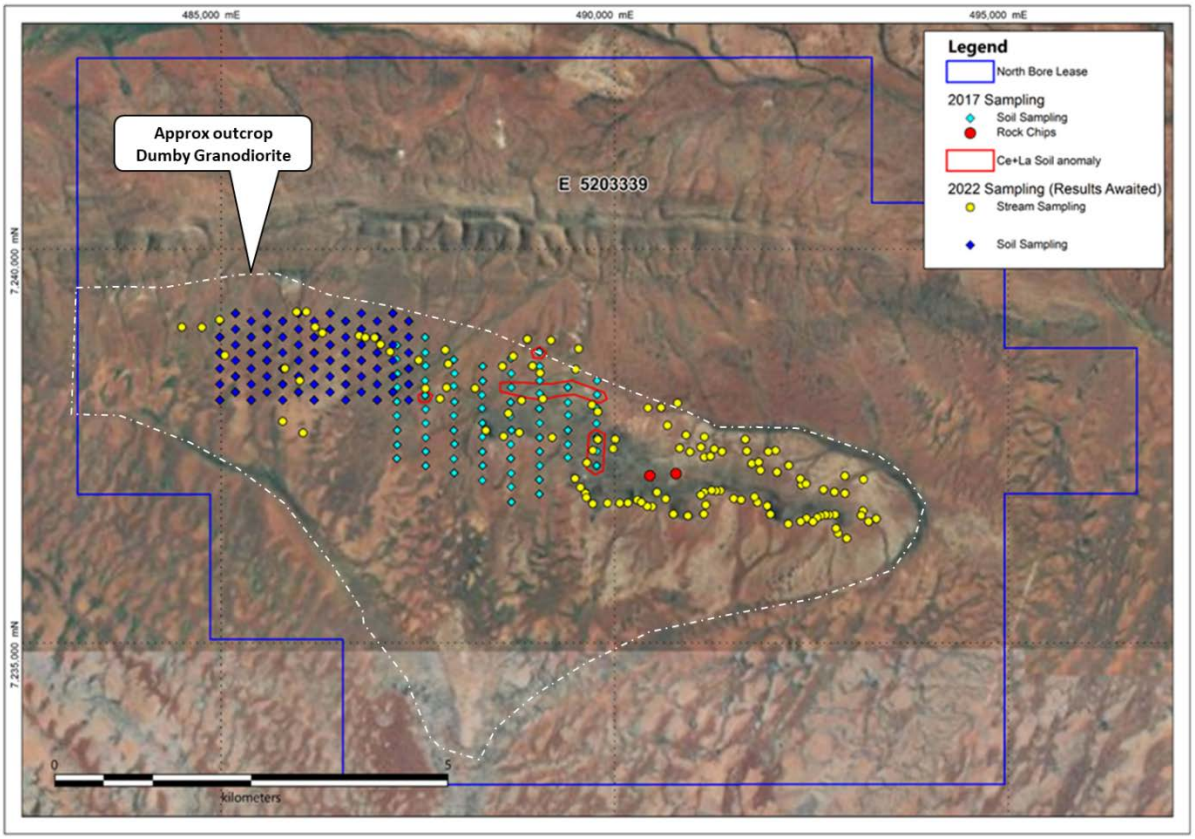

***Figure 11:* North Bore Summary of soil and stream sediment sampling**

A brief field visit was made to Nigels Find which is located 15km west of North Bore (Figure 10) to inspect areas where previous exploration by Aurora highlighted potential for gold mineralisation[7]. The field visit focused on reported occurrences of coarse gold at surface by prospectors using metal detectors. A total of 18 soil samples were collected at 80m intervals along lines 160m apart over an area of iron rich duricrust over strongly lateritised probable metasediments. Assay results are awaited.

KOORABOOKA

E09/2538 (Koorabooka) was pegged by Matsa to follow up strongly anomalous base metal values in Meso-Proterozoic sediments of the Edmund Basin reported by previous explorers including BHP[8] and Encounter Resources[9]. In addition previous exploration by Newmont Ltd highlighted potential for rare earth mineralisation within the SW portion of Koorabooka underlain by granites of the older Gascoyne Province which underlies the Edmund Basin[10].

[7] WAMEX Report No A117198 Geological Report Nigels God Project 5th February 2015
[8] WAMEX Report A19281 BHP Minerals Limited 1986
[9] WAMEX Report A82572 Encounter Resources Ltd 2008
[10] WAMEX Report A32886 Newmont Australia Ltd 1991

Exploration in the 1980's under Newmont's extensive Gifford Creek project led to the discovery of significant rare earth element mineralisation approximately 10km NW of Koorabooka associated with carbonatite intrusives. This mineralisation is currently being developed as the Yangibana Project by Hastings Technology Metals Ltd (Figure 12).

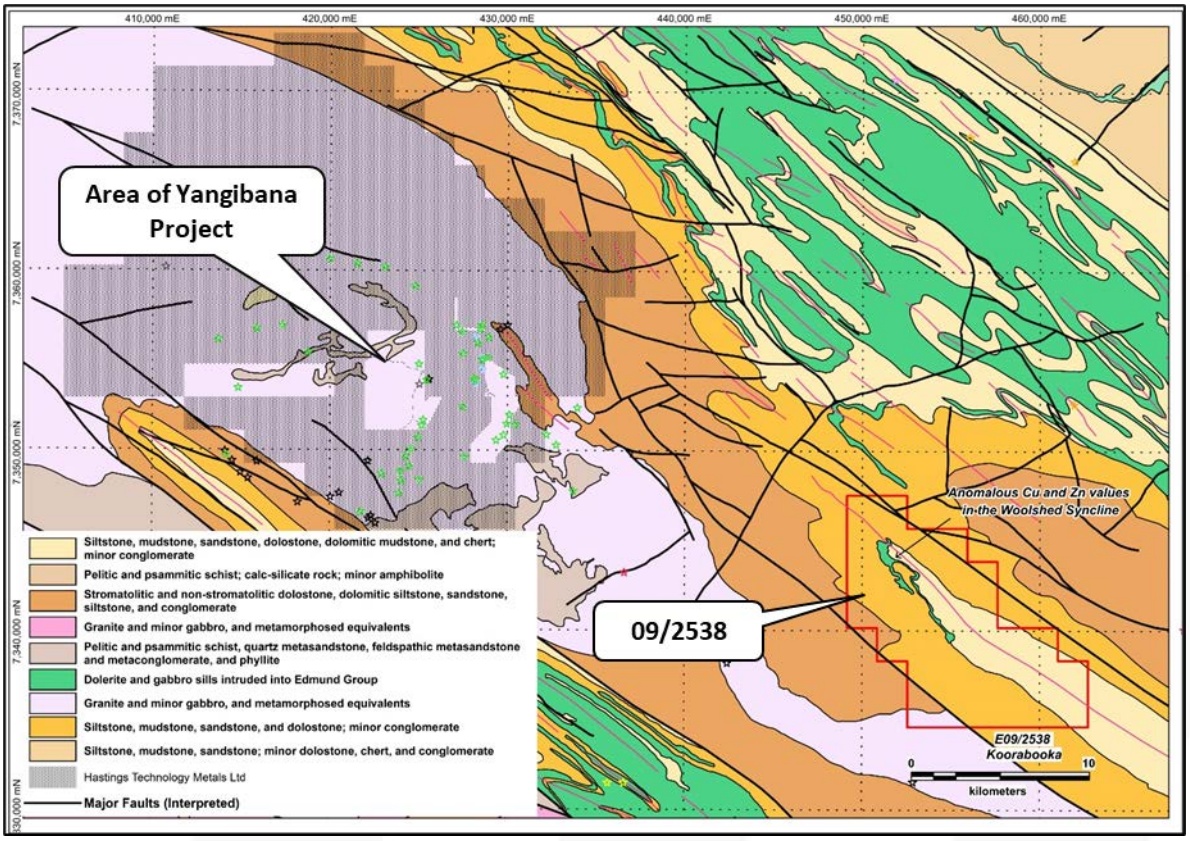

***Figure 12:* Koorabooka Project (E09/2538) location on regional geology (GSWA 1:500K)**

A total of 20 stream sediment samples from a planned total of 52 samples were collected in minor drainages over the Woolshed Syncline, where the Edmund Basin sequence is made up of strongly folded sandstone and siltstone units (Kiangi Creek Formation), cherts (Discovery Formation) and dolerite-gabbro sills of the Narimbuna Dolerite. The exploration program was interrupted by heavy rains and will be completed as soon as practical. Assays are awaited.

THAILAND

Matsa has discovered new outcropping lepidolite bearing pegmatite cluster over 2km at its Phang Nga project in southern Thailand (Figure 13). Visual coarse grained lepidolite was observed at a number of sites and samples have arrived in Perth for assaying at one of the commercial laboratories. Matsa has used a Bruker Bravo Raman Spectrometer to confirm the micas are lithium bearing and supports the field determination of lepidolite bearing pegmatites.

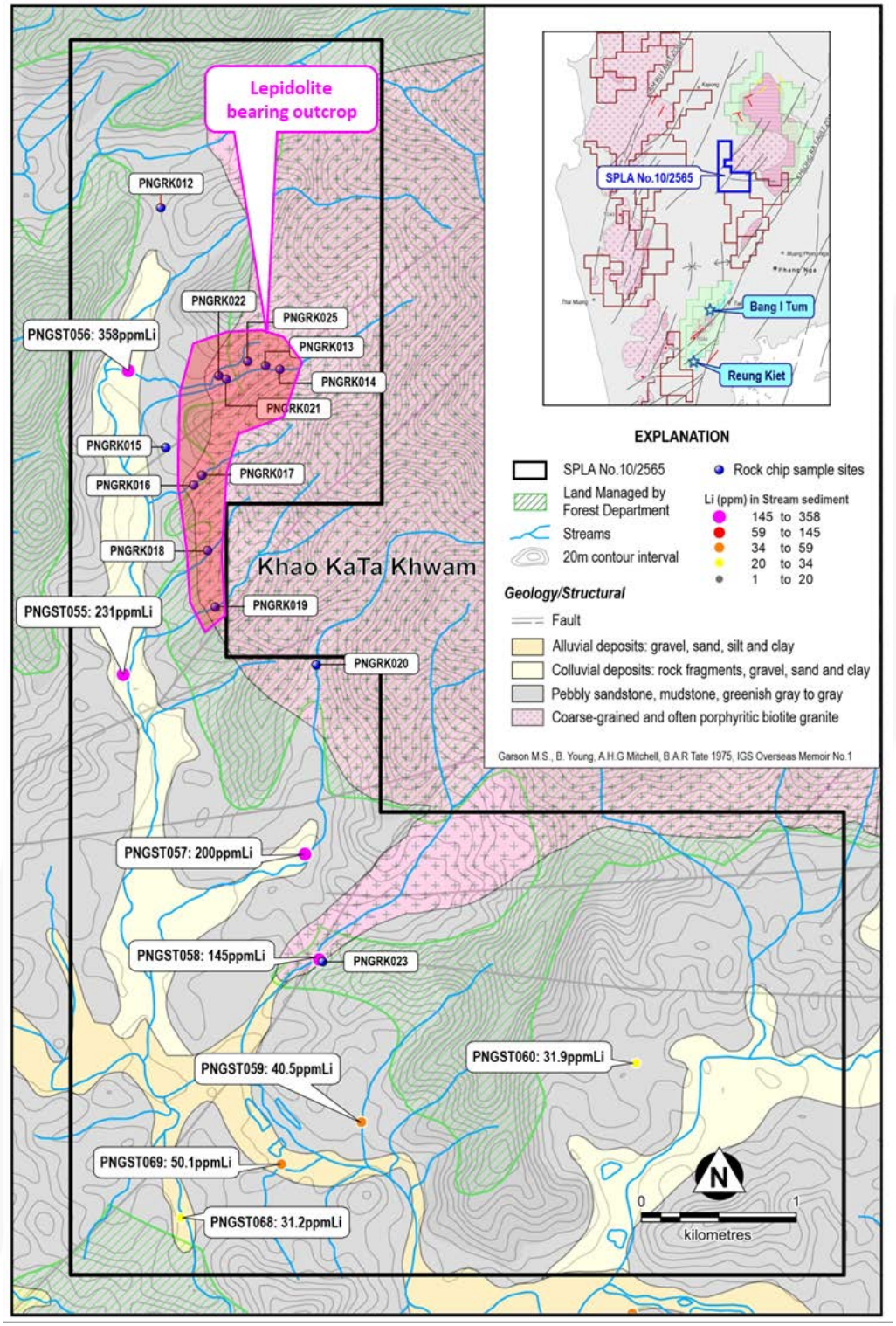

***Figure 13:** Locations of Matsa's regional sampling areas in the Phang Nga Province*

The discovery follows assay results from stream sediment sampling indicating a cluster of anomalous lithium (up to 358ppm Li) in SPLA 10/2565, which was subsequently prioritised and targeted for reconnaissance field mapping.

Stream sediment sampling and analysis of results is ongoing and will continue to be used as the primary exploration tool to define new prospects.

In SPLA 18/2565 where Matsa previously identified tin/lithium anomalism, which returned a tin assay of 0.9% tin and 620ppm lithium in rock chip sample PNGRK008, results for the gridded hand auger program have been received and outline anomalous lithium (Figure 14) up to 312ppm.

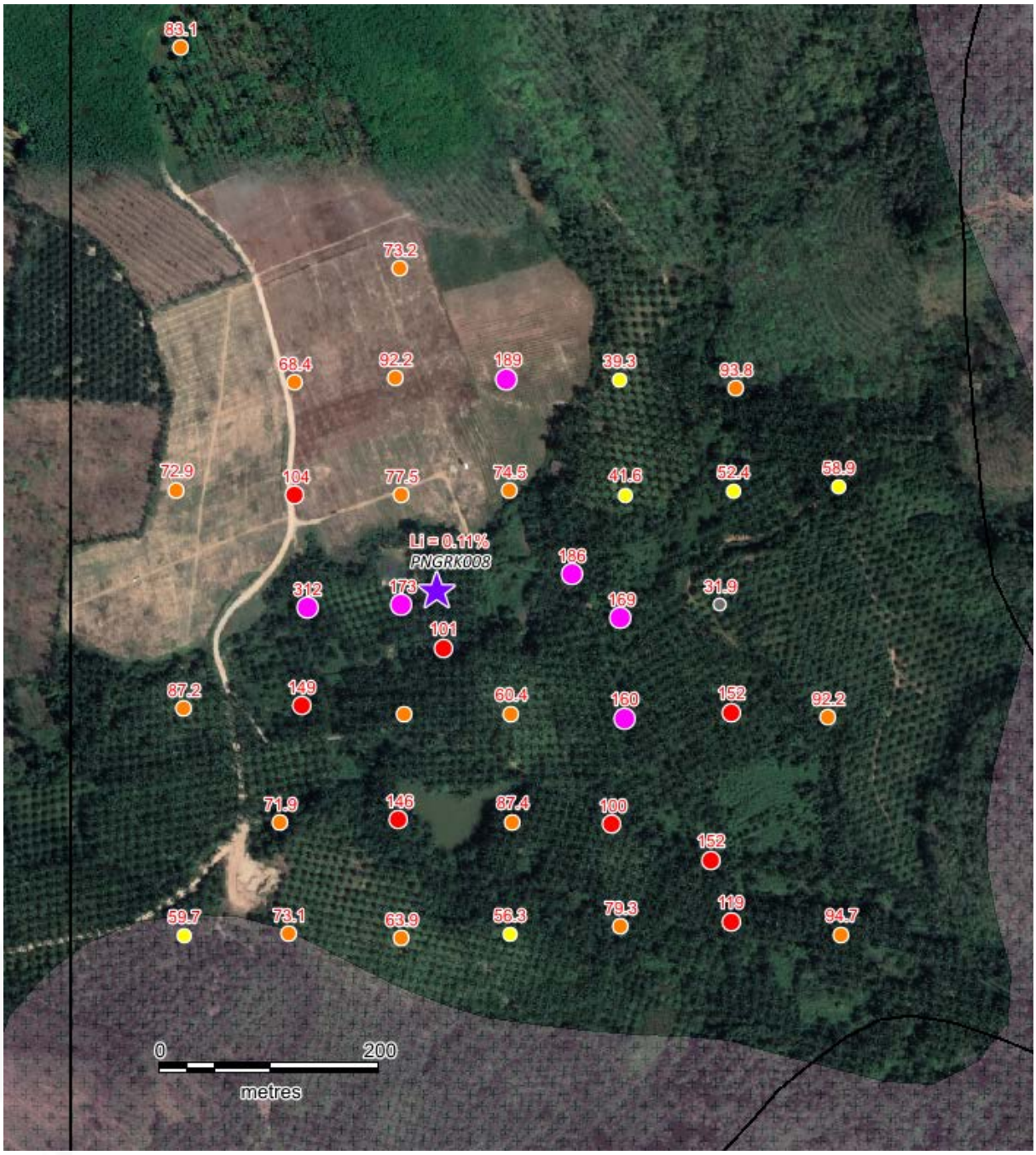

Figure 14: ***Gridded soil auger sampling results (lithium) in SPLA18/2565)***

The results suggest further exploration for pegmatite is warranted and Matsa expects to progress this tenement to grant so that drilling operations can commence.

EXPLORATION WORK FOR THE COMING QUARTER

Lake Carey

- Drill planning and site preparation at Fortitude North aimed at defining a maiden resource
- Ongoing regional soil sampling programs
- Finalise and conclude Linden transaction for Devon Pit
- Costeaning at New Years Gift prospect to expose bedrock and expected lode structures for mapping and sampling
- Gridded soil sampling/survey on E39/1840 which is located approximately 5km to the southwest of Sunrise Dam

Other Australia

- Assessment of pending multi element assay data to identify priorities and determine work programs
- Ongoing field mapping and sampling at North Bore, Paraburdoo and Koorabooka in the Pilbara and Gascoyne regions of Western Australia where there is identified potential for gold, base metals and rare earths

Thailand

- Detailed mapping and gridded soil sampling at newly discovered lepidolite bearing pegmatites at Phang Nga
- Follow up of anomalous stream sediment results with additional infill/extensional stream sediment sampling program and field mapping
- Laboratory analysis of samples to determine percentages of lithium and other rare elements for samples collected
- Obtain appropriate approvals to progress SPLAs to granted licences
- Ascertain land use and agreements required to advance exploration to drilling operations
- Obtain relevant local sub district mineral exploration licences to sample and progress other project areas in the northern provinces of the western granite belt

CORPORATE

On 7 October 2022 Matsa announced that that it had executed a non-binding indicative term sheet ("Term Sheet") with Linden Gold Alliance Limited ("LGA") whereby Matsa and LGA form an equal 50/50 development and profit sharing joint venture to advance the Devon Pit ("Devon") to a feasibility study and subsequently into production.

The Term Sheet will be the basis for a formal binding agreement to be finalised no later than 11 November 2022. Following execution of the formal joint venture agreement, Linden must pay Matsa $3.9M within 4 weeks as an upfront prepayment from profits from the joint venture. LGA has already paid a non-refundable deposit of $100,000.

Matsa will be free carried by LGA for all costs of development including all development capital, sustaining capital, attributable debt financing and operating working capital including completion and closure of mining activities. Matsa will retain 100% ownership in the Devon tenements at all times.

LGA will recover all of Matsa's attributed share of costs (including the $4M) from Matsa's share of proceeds from the sale of its share of production of the Joint Venture and meet specific deadlines. Should Matsa's share of proceeds be insufficent for LGA to recover its costs and the upfront $4M, Matsa will have no liability to pay any outstanding balance.

Matsa originally entered into a $20M Sale and Purchase Agreement ("SPA") with LGA for the sale of Red October and Devon Pits and associated tenements in December 2021, which has delivered Matsa $3M in non-refundable deposits.

On 28 September 2022 Matsa advised that LGA had not received conditional approval for admission to the ASX as required by the SPA and that LGA had 5 business days to advise Matsa whether or not it will complete the sale via a cash payment of $12M. LGA were not able to do so and therefore could not complete the transaction as per the SPA.

Following ongoing discussions with LGA a proposal for a joint venture for the Devon Pit was agreed on the above terms. Matsa will retain 100% of all the Red October Gold project and Devon Gold project tenements listed in the SPA and continue to conduct exploration activities on these projects (excluding the Devon Pit area) unhindered. Matsa has received $3M in non-refundable deposits from LGA under the SPA.

Upon execution of the Joint Venture agreement and receipt of the full $4M the SPA will be terminated. Matsa and LGA will continue to work towards constructing a separate transaction for Red October.

Should LGA not complete this Joint Venture agreement, all tenements remain 100% Matsa owned and Matsa reserves all its rights in respect of the SPA, which until execution of the Joint Venture agreement remains in force.

On August 29th, the Company completed a A$1.98M placement[11] via the issue of approximately 52 million shares at A$0.038 per share.

Financial Commentary

An overview of the Company's financial activities for the quarter ending 30 September 2022 (Appendix 5B) notes that:

- There was a negative operating cashflow for the quarter of $856,000 after taking into account corporate and other overhead expenditure.
- Care and maintenance of the Red October mine for the quarter was $174,000. As noted above LGA reimburses all costs associated with the care and maintenance of Red October and that reimbursement is reflected in Other income.
- Exploration expenditure for the quarter on the Company's projects was $513,000. This covers expenditure in both Western Australia and Thailand.
- The total amount paid to directors of the entity and their associates in the period (Item 6.1 of the Appendix 5B) was $234,000 and includes salary, director's fees, consulting fees and superannuation.
- Cash on hand was approximately A$1,698,000 as at 30 September 2022.

11 ASX Announcement dated 29 August 2022 - Placement to Advance Gold and Lithium Projects

- A loan facility of A$5M drawn down to A$4M is available to the Company.

Conferences and Marketing

During the quarter, the Company presented at the Noosa Mining Conference. All presentations are available on the Company's website.

2022 SEPTEMBER QUARTER - ASX ANNOUNCEMENTS

This Quarterly Activities Report contains information extracted from ASX market announcements reported in accordance with the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" ("2012 JORC Code"). Further details (including 2012 JORC Code reporting tables where applicable) of exploration results referred to in this Quarterly Activities Report can be found in the following announcements lodged on the ASX:

Date	Announcement
1 July 2022	IGO Acquires 70% Interest in Fraser Range Tenements
20 July 2022	Noosa Mining Conference Presentation
28 July 2022	30 June 2022 Quarterly Report
12 August 2022	New Drilling Results Lake Carey Gold Project
29 August 2022	Placement to Advance Gold and Lithium Projects
28 September 2022	Extension of Loan Agreement
29 September 2022	Update on Linden Gold Alliance Transaction
30 September 2022	Full Year Statutory Accounts
30 September 2022	Appendix 4G and Corporate Governance Report
30 September 2022	2022 AGM Notification

These announcements are available for viewing on the Company's website under the Investors centre tab under ASX Announcements. The Company confirms that it is not aware of any new information or data that materially affects the information included in any original ASX announcement.

MINERAL RESOURCES

The global Mineral Resource Estimate for Lake Carey stands at **886,000oz @ 2.4g/t Au** as outlined in Table 1 below.

	Cutoff	Measured		Indicated		Inferred		Total Resource		
	g/t Au	('000t)	g/t Au	('000t)	g/t Au	('000t)	g/t Au	('000t)	g/t Au	('000 oz)
Red October										
Red October UG	2.0	105	8	483	5.7	411	6.3	999	6.2	199
Red October Subtotal		***105***	***8.4***	***483***	***5.7***	***411***	***6.3***	***999***	***6.2***	***199***
Devon										
Devon Pit (OP)	1.0	-	-	341	4.8	102	3.6	443	4.6	65
Olympic (OP)	1.0	-	-	-	-	171	2.8	171	2.8	15
Hill East (OP)	1.0	-	-	-	-	748	2.0	748	2.0	48
Devon Subtotal		***-***	***-***	***341***	***4.8***	***1021***	***2.3***	***1362***	***2.9***	***128***
Fortitude										
Fortitude	1.0	127	2.2	2,979	1.9	4,943	1.9	8,048	1.9	489
Gallant (OP)	1.0	-	-	-	-	341	2.1	341	2.1	23
Bindah (OP)	1.0	-	-	43	3.3	483	2.3	526	2.4	40
Fortitude Subtotal		***127***	***2.2***	***3021***	***2.0***	***5,767***	***1.9***	***8,915***	***1.9***	***553***
Stockpiles		***-***	***-***	***-***	***-***	***191***	***1.0***	191	1.0	6
Total		**232**	**5.0**	**3,845**	**2.7**	**7,199**	**2.2**	**11,467**	**2.4**	**886**

Table 1*: Lake Carey Resource

**Matsa confirms that it is not aware of any new information or data that materially affects the Resource as stated. All material assumptions and technical parameters underpinning the Mineral Resource estimate continue to apply and have not changed since the last release.*

****Special note**: The Resources of the Red October and Devon projects, representing 314koz, are subject to the Sale and Purchase Agreement announced on 20 December 2021*[12].

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

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Competent Person Statement

Exploration results

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 the Australian Institute of Geoscientists. Mr Blampain serves on the Board and is a full time employee, of Matsa Resources Limited. Mr Blampain has sufficient experience which is relevant to the style of mineralisation and the type of ore deposit under consideration and the activities undertaken 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.

[12] ASX Announcement 20th December 2021-$20M Sale of the Red October and Devon Gold Projects

Appendix 1 **- *Matsa Resources Limited***

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*	Aircore Drilling: Bulk residues stacked on the ground with bagged individual one metre split sample on top. Composites samples ~3kg in weight representing 3m downhole intervals are hand scooped from bulk residue submitted for gold-only assay. Only composite results are referred to in this report. Diamond Drilling; Regolith / transported materials and saprolite sludge sampling of return water and drill cuttings at 1m intervals. Sampling of cut core typically half core or quarter core for longer sample intervals
	• *Measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*	Aircore: Hand scooped composite samples are collected in the same way as 1m samples, but are used to identify mineralised intervals. 1m samples which will better define the mineralised intercepts typically >0.1 g/t but selectively through lower grade intervals for continuity down hole, have been collected for submission to laboratory. Diamond Sludge sampling through regolith at 1m intervals generally poor quality sample of return water. Sampling of cut core carried out to within logged geological units and as far as possible sampled to geological boundaries.
	• *Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	Aircore samples of 2-3kg were collected for both composite and 1m split sample intervals. No special measures were taken for coarse gold. 3m composites samples were assayed by ALS laboratories Kalgoorlie using the 30g fire assay technique with AAS finish. Diamond Sampling typically ½ core for intervals up to 1m and quarter core for intervals of 2m or greater. Samples submitted to ALS Kalgoorlie for assay, Assays awaited.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	Aircore drilling was carried out using a truck mounted Aircore rig. overall sample quality was good and even in intervals withe strong water inflows was considered to be acceptable. Diamond: Truck mounted diamond rig, rotary drilling through transported overburden and saprolite, NQ core drilling commenced in saprock to end of hole

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.*	Aircore: Sample recovery as determined by bulk residue volume was reasonably to highly consistent and sufficient for first pass aircore drilling. Diamond: Excellent core recovery and very high quality samples returned.
	• *Measures taken to maximise sample recovery and ensure representative nature of the samples.*	Aircore Every effort was made to clean sample system at the end of 3m rod run. Particular care was taken close to the base of transported cover. Hand sampling of composites was carried out carefully to avoid any contamination by soil.
	• *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	No significant change in volume of drill cuttings was observed. Not applicable for diamond drilling.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Simple qualitative geological logs using standard geological coding sheets.
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.*	Logging is qualitative in nature. Diamond core logged qualitatively with full suite of measurements of structural elements, magnetic susceptibility etc. All core was photographed.
	• *The total length and percentage of the relevant intersections logged.*	
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	Aircore Non-core. Diamond, half NQ core for intervals up 1.5m, quarter NQ core for longer intervals.
	• *If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.*	Both Composite samples and 1m split samples were scooped from bulk residue piles.
	• *For all sample types, the nature, quality and appropriateness of the sample preparation technique.*	Sample prep: All samples dried and subject to conventional crushing and pulverizing appropriate for 30g fire assay.
	• *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples*	Aircore: No QA QC samples inserted in the field, and assay integrity based on laboratory procedure. Diamond Standards and blanks submitted in proportion to around 1 sample in 20. QA samples to be confirmed before assays are compiled.
	• *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling*	Scooped composite samples correspond to individual drill rods and are expected to be highly representative of in situ mineralisation.

Criteria	JORC Code explanation	Commentary
	• *Whether sample sizes are appropriate to the grain size of the material being sampled.*	Sample weights of ~3kg documented are adequate for fine gold.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Assay accuracy determined by laboratory QACQ process. All samples were assayed by conventional 30g fire assay.
	• *For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*	Diamond core Magnetic susceptibility readings taken at 1m intervals using hand held K9 meter.
	• *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie. lack of bias) and precision have been established.*	Aircore, No QA QC samples inserted. Diamond core QAQC samples were inserted 1 blank or standard in 20.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.*	All assay and sampling procedures have been verified by company personnel. All results reviewed and cross checked by Exploration Manager Dave Fielding.
	• *The use of twinned holes.*	No twinned holes were completed.
	• *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	Geological and sampling data recorded on Toughbook in the field to minimise transcription errors. Hole locations recorded on GPS and compared prior to upload to database.
	• *Discuss any adjustment to assay data.*	Assays reported in this announcement are assays of 3m composite samples.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Collar location surveyed by hand held GPS to an accuracy of <5m. All are vertical holes. No further surveys carried out.
	• *Specification of the grid system used.*	GDA94 UTM co-ordinate system Zone 51.
	• *Quality and adequacy of topographic control.*	Collar locations subject to accuracy of hand held GPS and likely <3m accuracy in x & y and 5m in RL.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.*	Aircore Drilling was spaced at 100m intervals along EW lines. Drilling designed to test major thrust shear zone positions interpreted from airborne magnetic data. Such broad drill hole spacings has been shown to effectively detect secondary of dispersion of gold in the weathered basement (saprolite profile)

Criteria	JORC Code explanation	Commentary
		which can be in the order of hundreds of metres away from primary basement sources. Diamond drilling was oriented EW to potentially cover NNW and NE trending structures, both of which may be significant in controlling gold mineralization.
	• *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	Aircore: This drilling was exploratory drilling with general hole spacing set to test lateral dispersion of gold by supergene processes away from primary mineralisation. Vertical holes have been shown to be more effective in penetration of unconsolidated transported cover. Infill aircore and RC drilling would be required to define primary mineralisation. Compositing of samples from 1m to a maximum of 3m was carried out for first pass assay. Diamond drilling tested most recently interpreted position of mineralisation in unweathered basement.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Aircore EW Drill traverses of vertical drill holes were oriented to take into account the NNW oriented major shears which are considered to be a primary control on mineralisation. As noted, drilling of EW oriented diamond drill holes was carried out to intersect both NW and NE faults/shears which may both have been responsible for control of mineralisation.
	• *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	Vertical aircore drill holes Unlikely to be biased. Diamond Drilling designed to be as closely as possible, to test a range of orientations between NW and NE
Sample security	• *The measures taken to ensure sample security.*	Samples are delivered to the laboratory by Matsa Staff. No special security procedures are carried out in the field.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	No audit carried out yet.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a license to operate in the area.*	Exploration was carried out over the following tenements: E39/1834, E39/1958, E39/1803, E39/1980, E39/1819 which are all 100% held by Matsa Gold Ltd. Drilling on E39/1889 containing the Wilga West prospect is held 90% Matsa Gold Ltd and 10% by JV partner Raven Resources Pty Ltd.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	Aeromagnetic and geological interpretative data from the Geological survey and other open file sources and previous drilling, forms the basis for Matsa's regional interpretation. Drilling from previous explorers has been collated prior to drilling and current drilling was carried out in areas of minimal to no previous drilling
Geology	• *Deposit type, geological setting and style of mineralisation.*	Drilling was carried out based on a target concept of orogenic gold mineralisation along major NNW trending shear zones including the Fortitude Fault This applies to both diamond drill holes also.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	Drill hole information is summarized in the report, with diamond collar location setup information and diagrams in the body of the report, aircore setup and collar information as Appendix 2. Aircore assays >0.1 g/t Au are included as Appendix 2. Significant assays are presented in the body of the report. Reference is made to historic drilling, which has been summarized in the body of the report. Diamond drill assays are awaited. No significant information was excluded deliberately.
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg. cutting of high grades) and cut-off grades are usually material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade*	Available assays are all from aircore drilling. Quoted intercepts are based on amalgamations of 3m composite samples >0.1 g/t Au. Aggregates are reported as simple averages of individual assay results all quoted intercepts include bounding samples returning 0.1 g/t Au, these can include internal waste intervals.

Criteria	JORC Code explanation	Commentary
	results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	All diamond drill sample results are awaited. No metal equivalents have been used.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	All intercepts quoted relate to downhole depth and true widths have not been quoted. Intercepts are expressed in downhole metres.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Aircore Drill results are shown in summary drilling plans. The location of diamond drill holes is shown in plan relative to summarized historic results.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All drill intercepts >0.1 g/t Au are discussed. A full list of all drill intercepts greater than 0.1g /t Au has been included in Appendices.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	The review made use of publicly available aeromagnetics and gravity. Past drilling by a number of companies on the project as compiled by GME Resources was acquired upon acquisition of the project. The report refers to recent reporting by Matsa regarding gold in soil and SAM geophysical results used to generate drill targets the subject of this program and announcement.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	A complete revision of geological information will be completed once all final 1m composite sample assays have been received to determine the most appropriate follow up drilling program (if warranted). Domains of anomalous saprolite gold mineralisation are to be targeted in upcoming drilling programs.

Appendix 2: Historic Rare Earth Element Assays (WAMEX Report A100370 Aurora Gold Ltd

Sample_ID	Easting_MGA	Northing_MGA	Sample_Type	La2O3_pct	Ce2O3_pct	Pr2O3_pct	Nd2O3_pct	Sm2O3_pct	Eu2O3_pct	Gd2O3_pct	Dy2O3_pct	Er2O3_pct	Ho2O3_pct	Lu2O3_pct	Tb2O3_pct	Tm2O3_pct	Yb2O3_pct	Y2O3_pct	TREO_pc	LREO_pct	HREO_pct	TREE_pct
284902	490343	7236774	StrmSed	0.01536	0.02753	0.00310	0.01084	0.00165	0.00022	0.00150	0.00073	0.00039	0.00014	0.00006	0.00015	0.00007	0.00037	0.00423	0.0663	0.0602	0.0061	0.0565
284903	490552	7236737	StrmSed	0.01841	0.03373	0.00382	0.01365	0.00204	0.00027	0.00184	0.00095	0.00051	0.00019	0.00009	0.00020	0.00008	0.00052	0.00565	0.0819	0.0738	0.0082	0.0697
284904	490633	7236732	StrmSed	0.01431	0.02577	0.00294	0.01047	0.00168	0.00019	0.00143	0.00075	0.00042	0.00016	0.00007	0.00016	0.00008	0.00043	0.00432	0.0632	0.0568	0.0064	0.0538
284905	490798	7236552	StrmSed	0.01431	0.02612	0.00300	0.01082	0.00179	0.00020	0.00151	0.00080	0.00042	0.00015	0.00008	0.00017	0.00008	0.00049	0.00458	0.0645	0.0577	0.0068	0.0549
284906	490974	7236513	StrmSed	0.01489	0.02694	0.00315	0.01122	0.00187	0.00021	0.00164	0.00087	0.00051	0.00019	0.00008	0.00019	0.00008	0.00050	0.00541	0.0678	0.0599	0.0078	0.0576
284907	491359	7236805	StrmSed	0.01525	0.02764	0.00316	0.01113	0.00174	0.00022	0.00153	0.00072	0.00038	0.00015	0.00007	0.00016	0.00007	0.00040	0.00398	0.0666	0.0607	0.0059	0.0567
284908	491278	7236802	StrmSed	0.01665	0.03022	0.00351	0.01248	0.00195	0.00022	0.00164	0.00074	0.00036	0.00014	0.00006	0.00017	0.00006	0.00036	0.00404	0.0726	0.0667	0.0059	0.0618
284909	491271	7236777	StrmSed	0.02674	0.04837	0.00566	0.02018	0.00315	0.00032	0.00265	0.00114	0.00050	0.00020	0.00009	0.00027	0.00009	0.00048	0.00615	0.1160	0.1071	0.0089	0.0988
284910	491626	7236655	StrmSed	0.03659	0.08199	0.00795	0.02858	0.00451	0.00037	0.00372	0.00157	0.00064	0.00028	0.00011	0.00038	0.00011	0.00066	0.00796	0.1754	0.1637	0.0117	0.1495
284911	491761	7236605	StrmSed	0.01701	0.03139	0.00356	0.01260	0.00202	0.00023	0.00172	0.00086	0.00037	0.00015	0.00006	0.00018	0.00007	0.00037	0.00422	0.0748	0.0685	0.0063	0.0637
284912	492010	7236360	StrmSed	0.01982	0.03690	0.00432	0.01516	0.00246	0.00022	0.00203	0.00102	0.00048	0.00018	0.00008	0.00023	0.00008	0.00052	0.00516	0.0887	0.0809	0.0078	0.0755
284913	492454	7236441	StrmSed	0.01489	0.02682	0.00311	0.01105	0.00181	0.00023	0.00156	0.00080	0.00045	0.00016	0.00007	0.00018	0.00008	0.00043	0.00493	0.0666	0.0595	0.0071	0.0566
284914	492683	7236415	StrmSed	0.02909	0.05318	0.00629	0.02286	0.00366	0.00030	0.00307	0.00131	0.00056	0.00023	0.00009	0.00031	0.00009	0.00050	0.00644	0.1280	0.1184	0.0095	0.1090
284915	492849	7236368	StrmSed	0.01525	0.02881	0.00334	0.01213	0.00201	0.00020	0.00171	0.00086	0.00041	0.00016	0.00007	0.00019	0.00008	0.00042	0.00450	0.0701	0.0634	0.0067	0.0597
284916	493324	7236534	StrmSed	0.02721	0.04966	0.00590	0.02135	0.00342	0.00028	0.00289	0.00131	0.00059	0.00023	0.00009	0.00030	0.00010	0.00056	0.00668	0.1206	0.1107	0.0099	0.1027
284917	493341	7236575	StrmSed	0.01231	0.02272	0.00259	0.00931	0.00153	0.00018	0.00131	0.00071	0.00039	0.00015	0.00006	0.00015	0.00006	0.00036	0.00400	0.0558	0.0500	0.0059	0.0475
284918	493508	7236063	StrmSed	0.00896	0.01605	0.00187	0.00686	0.00113	0.00019	0.00104	0.00058	0.00034	0.00014	0.00006	0.00012	0.00007	0.00039	0.00394	0.0417	0.0361	0.0056	0.0354
284919	492626	7235727	StrmSed	0.00558	0.01017	0.00118	0.00427	0.00073	0.00013	0.00068	0.00044	0.00027	0.00010	0.00005	0.00009	0.00005	0.00027	0.00296	0.0270	0.0227	0.0042	0.0229
284920	492275	7235917	StrmSed	0.01066	0.01944	0.00224	0.00803	0.00135	0.00019	0.00120	0.00069	0.00039	0.00015	0.00006	0.00015	0.00007	0.00047	0.00401	0.0491	0.0431	0.0060	0.0417
284921	491553	7235575	StrmSed	0.01302	0.02331	0.00268	0.00963	0.00159	0.00021	0.00136	0.00076	0.00043	0.00015	0.00007	0.00016	0.00007	0.00040	0.00462	0.0585	0.0518	0.0067	0.0497
284922	491733	7235936	StrmSed	0.00965	0.01722	0.00200	0.00720	0.00115	0.00016	0.00102	0.00058	0.00030	0.00011	0.00005	0.00012	0.00006	0.00030	0.00326	0.0432	0.0384	0.0048	0.0367
284923	491616	7236080	StrmSed	0.02310	0.04217	0.00490	0.01761	0.00290	0.00025	0.00233	0.00103	0.00047	0.00018	0.00007	0.00024	0.00007	0.00041	0.00518	0.1009	0.0933	0.0077	0.0860
284924	491371	7236218	StrmSed	0.00722	0.01324	0.00156	0.00579	0.00087	0.00015	0.00088	0.00056	0.00034	0.00012	0.00005	0.00012	0.00006	0.00036	0.00391	0.0352	0.0297	0.0055	0.0299
284925	490854	7235922	StrmSed	0.00854	0.01570	0.00188	0.00684	0.00100	0.00017	0.00092	0.00057	0.00035	0.00012	0.00005	0.00012	0.00006	0.00036	0.00385	0.0405	0.0350	0.0055	0.0344
284926	490292	7235786	StrmSed	0.00792	0.01488	0.00176	0.00631	0.00095	0.00017	0.00092	0.00059	0.00036	0.00013	0.00006	0.00012	0.00006	0.00036	0.00412	0.0387	0.0329	0.0058	0.0328
284927	490797	7236189	StrmSed	0.00898	0.01663	0.00197	0.00710	0.00108	0.00014	0.00093	0.00058	0.00034	0.00011	0.00005	0.00012	0.00006	0.00034	0.00381	0.0422	0.0368	0.0054	0.0359
284928	490400	7236238	StrmSed	0.01255	0.02261	0.00267	0.00956	0.00133	0.00022	0.00127	0.00075	0.00044	0.00015	0.00007	0.00015	0.00008	0.00043	0.00493	0.0572	0.0502	0.0070	0.0486
284929	489951	7236246	StrmSed	0.01701	0.03244	0.00379	0.01353	0.00198	0.00022	0.00173	0.00090	0.00046	0.00016	0.00007	0.00020	0.00008	0.00042	0.00539	0.0784	0.0707	0.0077	0.0667
284930	489931	7236405	StrmSed	0.01085	0.02108	0.00240	0.00856	0.00130	0.00018	0.00120	0.00075	0.00044	0.00015	0.00007	0.00015	0.00008	0.00048	0.00516	0.0528	0.0456	0.0073	0.0449
284931	489714	7236423	StrmSed	0.00954	0.01804	0.00204	0.00734	0.00108	0.00020	0.00100	0.00065	0.00040	0.00014	0.00006	0.00013	0.00007	0.00040	0.00451	0.0456	0.0392	0.0064	0.0387

Appendix 3: Ce_La Assays (Matsa 2017)

SAMPLE	GDA east	GDA north	Ce ppm	La ppm	Ce+La ppm
NB24F	489044	7238697	332	137	469
NB59F	487592	7238144	271	137	408
NB13F	489406	7238246	251	133	384
NB21F	489047	7238168	222	111.5	334
NB33F	488688	7238245	216	104	320
NB6F	489778	7238154	210	107.5	318
NB1F	489770	7237253	208	108	316
NB2F	489774	7237436	198.5	107.5	306
NB3F	489779	7237614	197.5	108	306
NB20F	489042	7237975	193	102	295
NB9F	489406	7237523	189.5	97.8	287
NB10F	489406	7237701	184	101	285
NB12F	489406	7238053	184	99.1	283
NB5F	489774	7237980	187	94.9	282
NB19F	489047	7237792	179.5	95.1	275
NB35F	488686	7238614	171.5	87.9	259
NB30F	488688	7237700	169	90.1	259
NB11F	489410	7237893	165.5	88.8	254
NB4F	489769	7237788	160	83.3	243
NB14F	489043	7236891	160.5	81.1	242
NB27F	488684	7237156	155.5	81.7	237
NB8F	489406	7237353	158	78.6	237
NB15F	489043	7237074	156	77.5	234
NB58F	487599	7237967	140.5	75.4	216
NB40F	488320	7237792	138.5	71.6	210
NB31F	488674	7237879	134.5	75	210
NB29F	488679	7237522	137.5	68.5	206
NB16F	489047	7237252	132.5	66.7	199
NB25F	488689	7236790	130	68.3	198
NB26F	488684	7236982	126.5	66.4	193
NB18F	489047	7237609	124.5	67.8	192
NB45F	487962	7237160	118	61.3	179
NB39F	488320	7237618	113	60	173
NB17F	489047	7237431	112.5	58.6	171
NB57F	487600	7237791	113	56	169
NB34F	488686	7238422	108.5	56.3	165
NB36F	488321	7237064	108	55.8	164
NB54F	487600	7237251	106.5	55.7	162
NB53F	487957	7238598	101	55.4	156
NB55F	487600	7237431	103	52.2	155
NB37F	488325	7237252	101.5	53.2	155
NB41F	488315	7237979	99.5	51.2	151
NB56F	487600	7237607	98.7	51.1	150
NB38F	488320	7237430	96.2	51.5	148
NB43F	488324	7238328	98.3	48.4	147
NB46F	487957	7237338	94.7	49.4	144
NB28F	488679	7237344	94.4	49.4	144
NB48F	487957	7237700	95.7	47.5	143
NB47F	487966	7237526	90.5	45.7	136
NB32F	488679	7238057	89.9	46	136
NB50F	487965	7238061	88.1	45.6	134
NB62F	487595	7238688	87.6	41.1	129
NB22F	489047	7238332	82.3	43.2	126
NB7F	489778	7238333	83.7	40.6	124
NB42F	488315	7238149	79.5	40.7	120
NB65F	487238	7237517	77.6	39.7	117
NB64F	487234	7237344	75	39.8	115
NB51F	487956	7238263	74.4	37.8	112
NB72F	487233	7238781	75	35.3	110
NB23F	489048	7238513	72.4	37.3	110
NB49F	487956	7237887	70.4	37.4	108
NB63F	487591	7238883	68.6	36.9	106
NB44F	488323	7238512	67.5	35.8	103
NB61F	487599	7238519	68.3	34.8	103
NB60F	487592	7238331	67.5	34.9	102
NB71F	487229	7238601	67.5	34.1	102
NB70F	487241	7238421	67.6	32	100
NB69F	487237	7238248	63.8	31	95
NB66F	487237	7237701	61.7	32.2	94
NB52F	487965	7238422	59.8	31.7	92
NB67F	487234	7237884	56.9	30.3	87
NB68F	487233	7238065	55.6	29.1	85

MATSA RESOURCES LIMITED

SCHEDULE OF TENEMENTS HELD AT 30 SEPTEMBER 2022

Tenement	Project	Interest at Beginning of Quarter	Interest at End of Quarter	Change During Quarter
E 69/3070	Symons Hill	30%	30%	
E 28/2916	Fraser Range	30%	30%	
E 39/2159		30%	30%	
E39/2162		30%	30%	
E 52/3339	Glenburg	100%	100%	
E 28/2600	Lake Rebecca[3]	20%	20%	
E 28/2635		20%	20%	
E38/2945	Lake Carey	100%	100%	
E 39/1837		100%	100%	
E 39/1863		100%	100%	
E 39/1864		100%	100%	
E 39/1957		100%	100%	
E 39/1958		100%	100%	
E 39/1980		100%	100%	
E 39/1981		100%	100%	
P 39/5652		100%	100%	
E 39/1796		90%[2]	90%[2]	
E 39/1752		100%	100%	
E 39/1770		100%	100%	
E 39/1803		100%	100%	
E 39/1812		100%	100%	
E 39/1819		100%	100%	
E 39/1834		100%	100%	
E 39/1840		100%	100%	
E 39/1889		90%[1]	90%[1]	
E 39/2015		100%	100%	
E39/2128		100%	100%	
L 39/247		100%	100%	
L 39/260		100%	100%	
L 39/267		100%	100%	
L 39/268		100%	100%	
L 39/291		100%	100%	
L39/295		100%	100%	
M 39/1		100%	100%	
M 39/1065		100%	100%	
M 39/1089		100%	100%	
M 39/286		100%	100%	
M 39/709		100%	100%	

MATSA RESOURCES LIMITED

SCHEDULE OF TENEMENTS HELD AT 30 SEPTEMBER 2022

Tenement	Project	Interest at Beginning of Quarter	Interest at End of Quarter	Change During Quarter
M 39/710		100%	100%	
P 39/5669		100%	100%	
P 39/5670		100%	100%	
P 39/5694		100%	100%	
P 39/5841		100%	100%	
E 47/3518	Paraburdoo	100%	100%	
E 09/2538	Cundeelee	0%	100%	Granted during the quarter
E 39/1760		100%	100%	
E 39/1232		100%	100%	
L39/222		100%	100%	
L 39/235		100%	100%	
L 39/237		100%	100%	
M 39/386		100%	100%	
M 39/387	Devon	100%	100%	
M 39/500		100%	100%	
M 39/629		100%	100%	
M 39/1077		100%	100%	
M 39/1078		100%	100%	
P 39/6116		100%	100%	
P 39/6117		100%	100%	
L 39/217		100%	100%	
L 39/273		100%	100%	
M 39/411		100%	100%	
M 39/412		100%	100%	
M 39/413		100%	100%	
M 39/599	Red October	100%	100%	
M 39/600		100%	100%	
M 39/609		100%	100%	
M 39/610		100%	100%	
M 39/611		100%	100%	
M 39/721		100%	100%	
E66/105	Galena	100%	100%	

All tenements are located in Western Australia.

[1] = Joint venture with Raven Resources Pty Ltd
[2] = Joint venture with Bruce Legendre
[3] = Joint venture with Bulletin Resources Limited

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

MATSA RESOURCES LIMITED

ABN	Quarter ended ("current quarter")
48 106 732 487	30 September 2022

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(324)	(324)
	(e) administration and corporate costs	(344)	(344)
	(f) care and maintenance costs	(174)	(174)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(105)	(105)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)		
	- Other	83	83
1.9	**Net cash from / (used in) operating activities**	**(864)**	**(864)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(3)	(3)
	(d) exploration & evaluation	(513)	(513)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	81	81
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	**Net cash from / (used in) investing activities**	**(435)**	**(435)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,977	1,977
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(127)	(127)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(433)	(433)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	**Net cash from / (used in) financing activities**	**1,417**	**1,417**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,572	1,572
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(864)	(864)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(435)	(435)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,417	1,417

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**1,690**	**1,690**

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter $A'000	Previous quarter $A'000
5.1	Bank balances	1,640	1,522
5.2	Call deposits	50	50
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**1,690**	**1,572**

6.	Payments to related parties of the entity and their associates	Current quarter $A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	234
6.2	Aggregate amount of payments to related parties and their associates included in item 2	

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Payments to directors and related parties are included in Item 1

7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	5,000	4,000
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	5,000	4,000

7.5	**Unused financing facilities available at quarter end**	1,000

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

On 8 August 2017 Matsa entered into a secured $4M loan facility split equally between two separate parties. The loan attracts a 12% per annum interest rate and is repayable by 30 November 2022. On 6 May 2019 a variation to the loan increased the facility to $5M. At 30 June 2020 the Company had drawn down $4M of the facility.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(864)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(513)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,377)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,690
8.5	Unused finance facilities available at quarter end (item 7.5)	1,000
8.6	Total available funding (item 8.4 + item 8.5)	2,690
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	1.95

Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: The Company believes its operating expenditures will remain similar for the December 2022 quarter as care and maintenance costs for the Red October mine site are being reimbursed by Linden Gold Alliance Limited (LGA) under a Sale and Purchase Agreement to sell the Red October and Devon gold projects. On 7 October 2022 Matsa advised that it had entered into a proposed joint venture with LGA for the Devon gold mine. LGA is required to remit to Matsa $4M no later than 4 weeks after 11 November 2022. At that time the existing SPA will be terminated. Exploration expenditure is expected to be lower compared to the June quarter.

8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?
Answer: As noted in 8.8.1 the Company expects to receive $4M in cash no later than 4 weeks after 11 November 2022 from LGA as per the proposed joint venture ASX announcement. The Company continues to evaluate its ongoing future capital requirements including any need to raise additional cash to fund its operations.	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?
Answer: Yes. Please refer to above responses.	

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

2 This statement gives a true and fair view of the matters disclosed.

Date: 31 October 2022

Authorised by: ..... By the Board.....
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.

2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – eg Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".

5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.