



**ASX Announcement**

**16<sup>th</sup> February 2023**

## **Strong Gold Intercepts Continue at Fortitude North Lake Carey Gold Project**

### **HIGHLIGHTS**

- New results received from the reverse circulation (RC) drill holes completed at Fortitude North continue to deliver significant intercepts including:
  - **14m @ 2.87g/t Au** from 130m
  - **19m @ 3.77g/t Au** from 100m  
incl. **14m @ 4.59g/t** from 100m
  - **16m @ 1.44g/t Au** from 88m
  - **4m @ 3.32g/t Au** from 110m
- This builds on the previously announced thick intercepts of:
  - **26m @ 3.22g/t Au** from 147m
  - **11m @ 4.20g/t Au** from 130m
  - **6m @ 2.10 g/t Au** from 148m
- The drilling results are substantially thicker grading intercepts than any previous drilling results and importantly, indicate the system remains open to the north
- A 1.6km mineralised system has been defined thus far and the new drilling provides confidence that the system extends further north and is bigger than first thought
- This new understanding of this northern high grade shoot geometry, suggests the remaining 1,792m of drilling, yet to be completed, will unveil additional thick, high grade shoots not yet defined by existing drilling
- 1,518m of a planned 3,310m drilling program has been completed to date with the balance scheduled to be drilled during March 2023

### **CORPORATE SUMMARY**

#### **Executive Chairman**

Paul Poli

#### **Directors**

Frank Sibbel

Pascal Blampain

Andrew Chapman

#### **Shares on Issue**

412.00 million

#### **Listed Options**

49.22 million @ \$0.17

#### **Unlisted Options**

23.55 million @ \$0.08 - \$0.21

#### **Top 20 shareholders**

Hold 55.38%

#### **Share Price on 15<sup>th</sup> February 2023**

3.7 cents

#### **Market Capitalisation**

A\$15.24 million

Matsa Resources Limited ("Matsa", "Company") is pleased to advise it has received further excellent results from the remaining seven holes (Figure 1) of the of nine completed holes as part of a 19 hole 3,310m RC drilling program at Fortitude North, Lake Carey (Figure 3). The drilling has provided significant insights into the geometry of high grade shoots in the Fortitude North mineralised system and importantly, indicates that the system remains open to the north and the south.

The results include:

- **14m @ 2.87g/t Au** from 130m (23FNRC010)
- **19m @ 3.77g/t Au** from 100m (23FNRC011)  
incl. **14m @ 4.59g/t** from 100m
- **16m @ 1.44g/t Au** from 88m (23FNRC012)
- **4m @ 3.32g/t Au** from 110m (23FNRC013)
- **11m @ 1.21g/t Au** from 67m (23FNRC014)

These results (Tables 1 and 2) are substantially thicker grading intercepts than any drilling results from past drilling and importantly, indicate the system remains open to the north. The results demonstrate that the Fortitude North mineralised system contains high grade shoots with thicker widths than previously thought (Figures 2a, 2b and 2c).

At Fortitude Gold Mine, a resource of 489,000oz has been defined and Matsa believes the geology, thickness, grade and morphology of the mineralisation at Fortitude North is comparable, if not stronger, than that of Fortitude Gold Mine.

***To date the grades, widths and strike length identified shows that Fortitude North is a significant mineralised system that has the potential to be mined by open pit or underground methods\*.***

The mineralisation is shear zone hosted and associated with laminated quartz veining, albite alteration and pyrite. Similar geological setting and mineralising style has been observed at Matsa's Fortitude Gold Project some 6km south, where trial open pit mining has taken place.

This focussed RC drilling program of an initial 3,310m is aimed at providing sufficient drilling coverage to establish a maiden resource over the northern portion of the prospect which represents only one third of the identified 1.6km strike extent of Fortitude North.

**Matsa Executive Chairman Mr Paul Poli commented:**

*"These results continue to support our view that Fortitude North is a bigger system than the Fortitude Gold Mine where Matsa has an established resource of 489,000oz and a 2021 mining study that indicates a positive cash flow of AUD\$95M.*

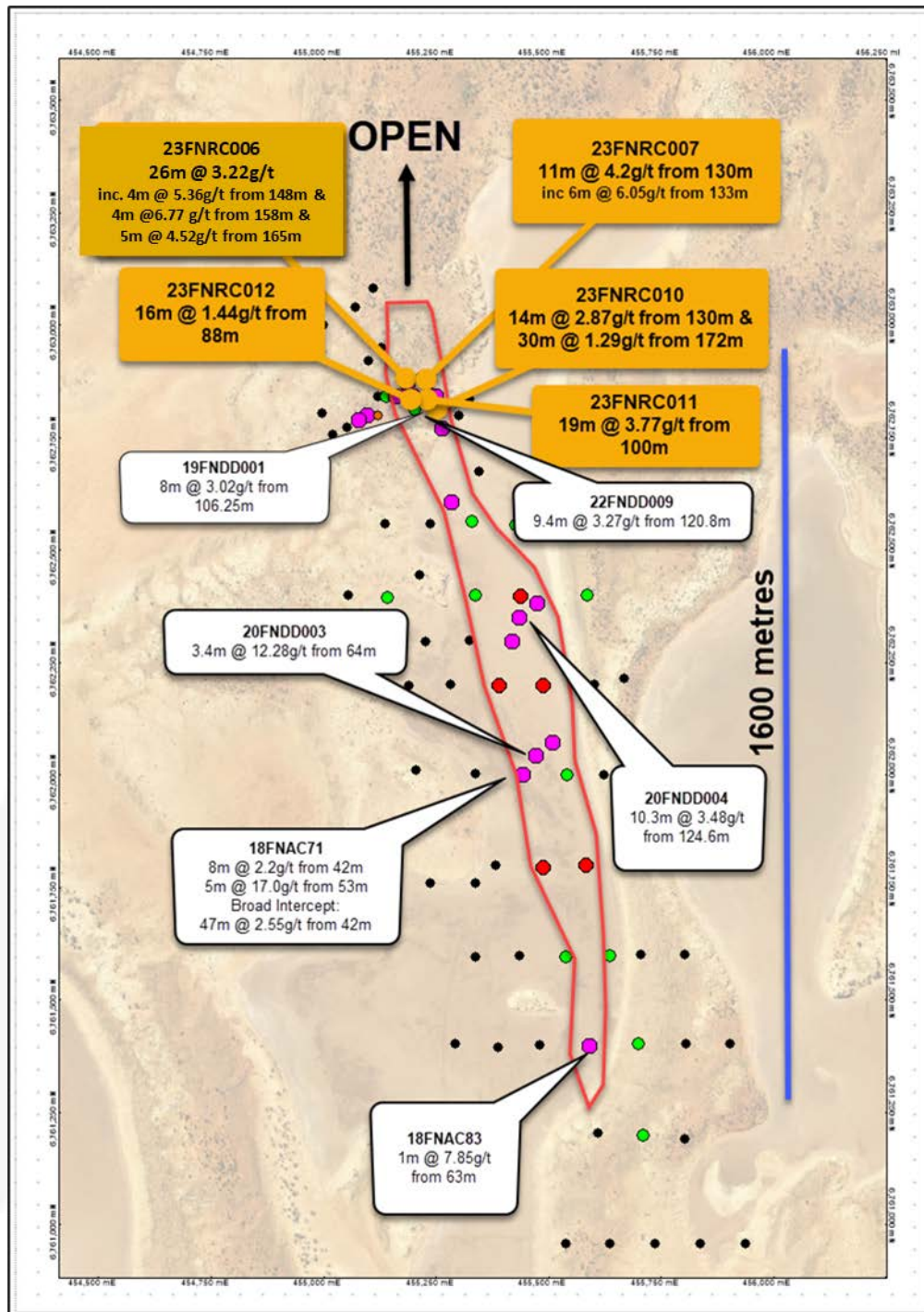
*The thicker intercepts in the high grade shoots provide substantial volumes of gold not seen in previous drilling and certainly eclipse what we have seen at Fortitude Gold Mine. I am confident that with additional drilling, we can start to replicate some of these results further along strike and back towards the south.*

*\* There has been insufficient exploration to model a JORC 2012 compliant Mineral Resource Estimate at Fortitude North and it is uncertain if further exploration will result in a Mineral Resource Estimate or if there is the potential for a future mining operation.*

*What is really exciting, is that the drilling previously completed to the north appears to have completely missed the orientation of these high grade shoots. This new drilling emphatically indicates the system remains open to the north, potentially due to simple fault offset. The results have forced us to rethink our model in a very positive way.*

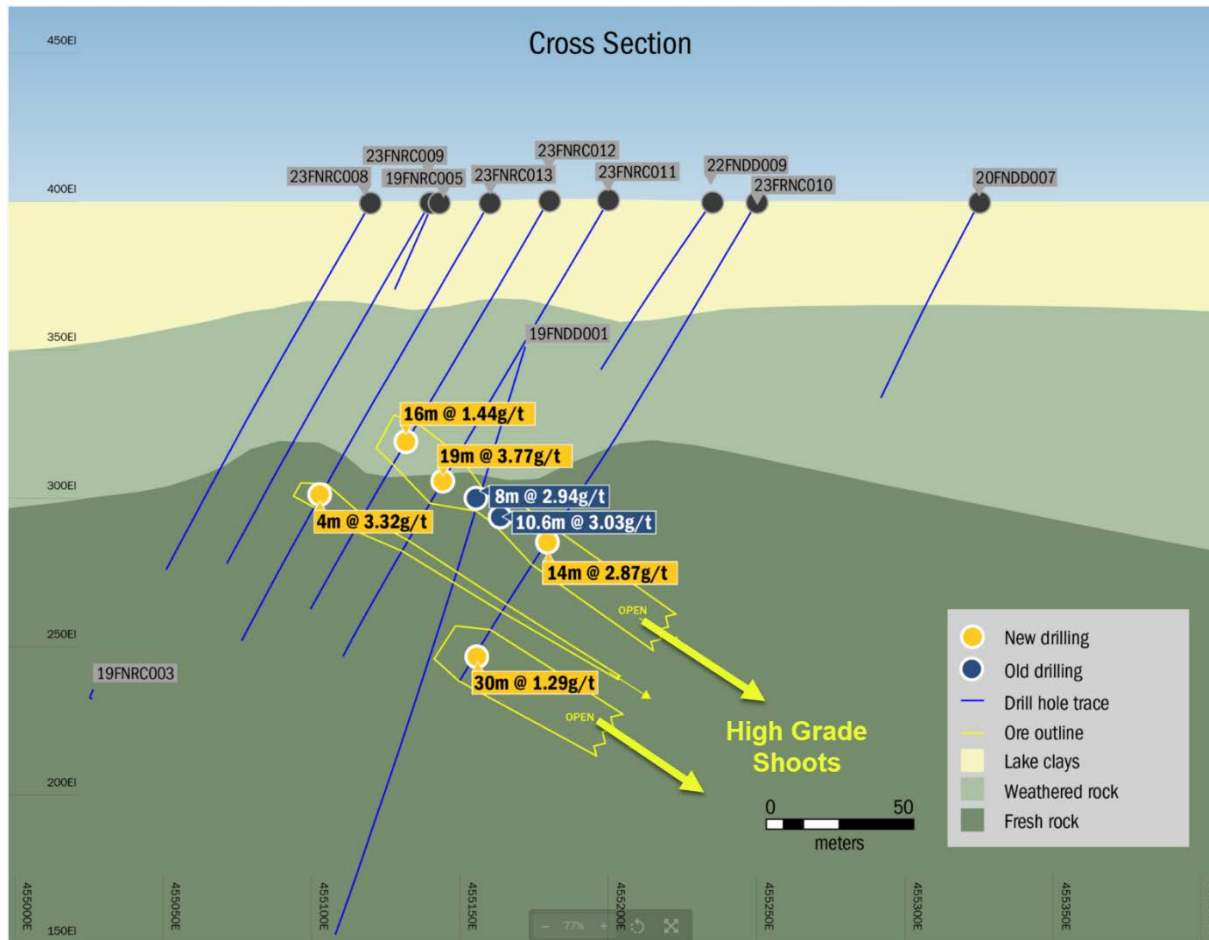
*I want to reinforce that this year, we have set out a clear key objective for Matsa. We aim to deliver a maiden resource at Fortitude North and take our total Lake Carey Gold Project resource base to over 1 million ounces before mid-year. Never have I been more confident that we can deliver on this objective.*

*In 2023, Matsa is determined to deliver strong exploration results in both precious and green metals, and I am confident this will be a real turning point for the Company."*



**Figure 1: Summary of existing Fortitude North drilling with recent results**



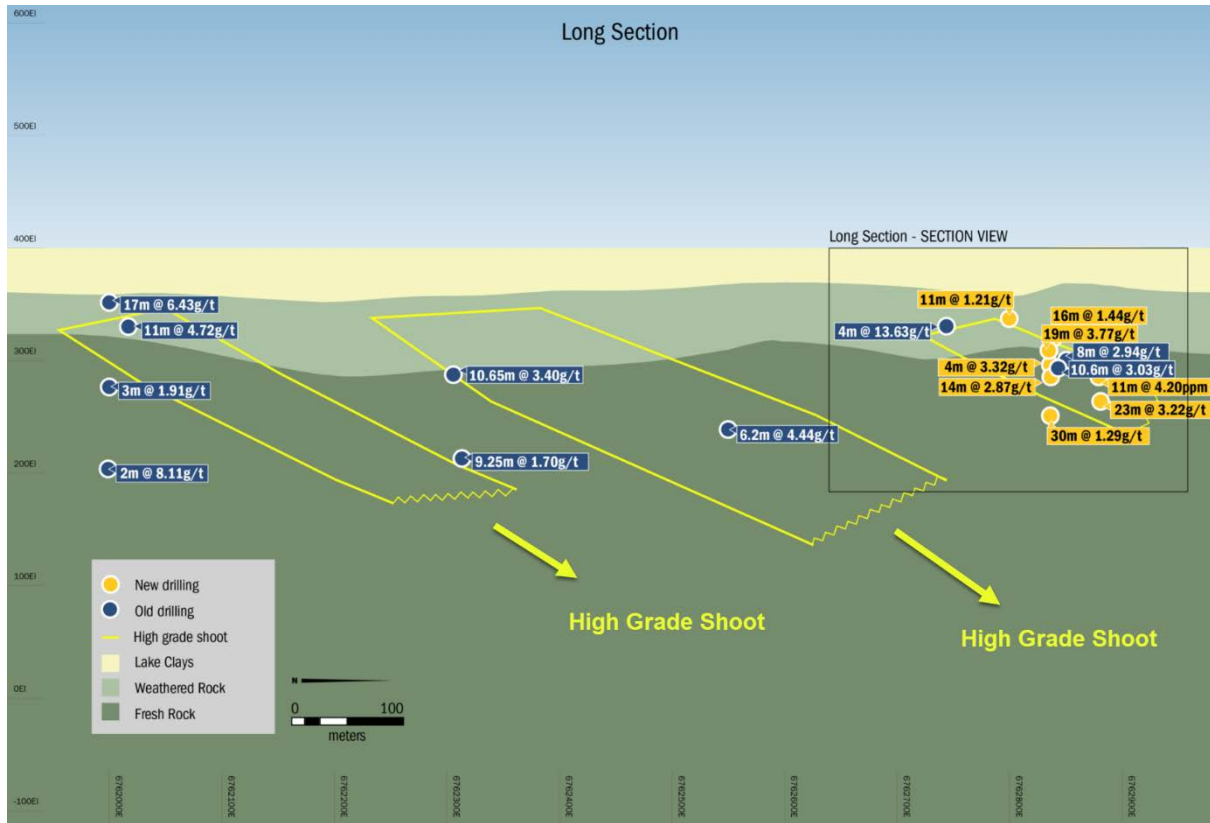


**Figure 2a: Interpreted Section 6762840m (looking north)**

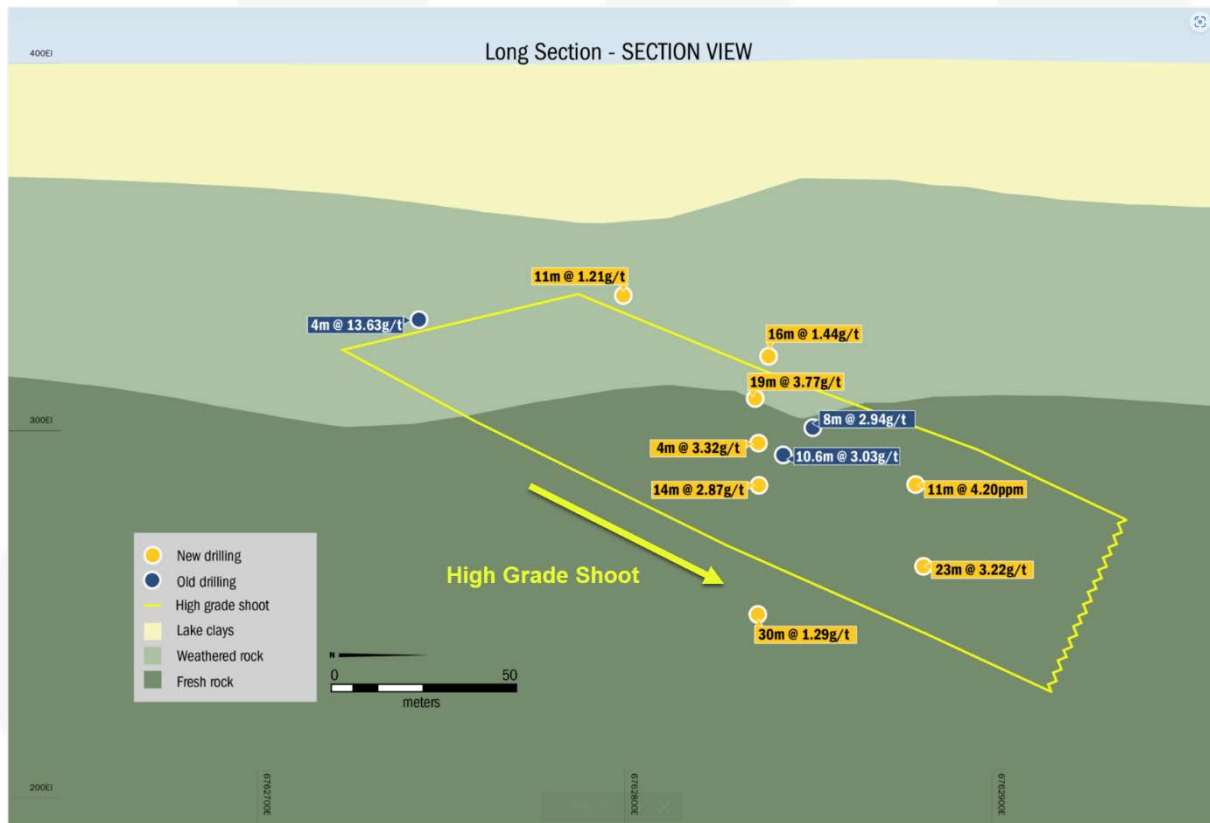
This focussed RC drilling program of an initial 3,310m is aimed at providing sufficient drilling coverage to establish a maiden resource for the northern portion of the prospect.



**Photo: Drilling at Fortitude North**

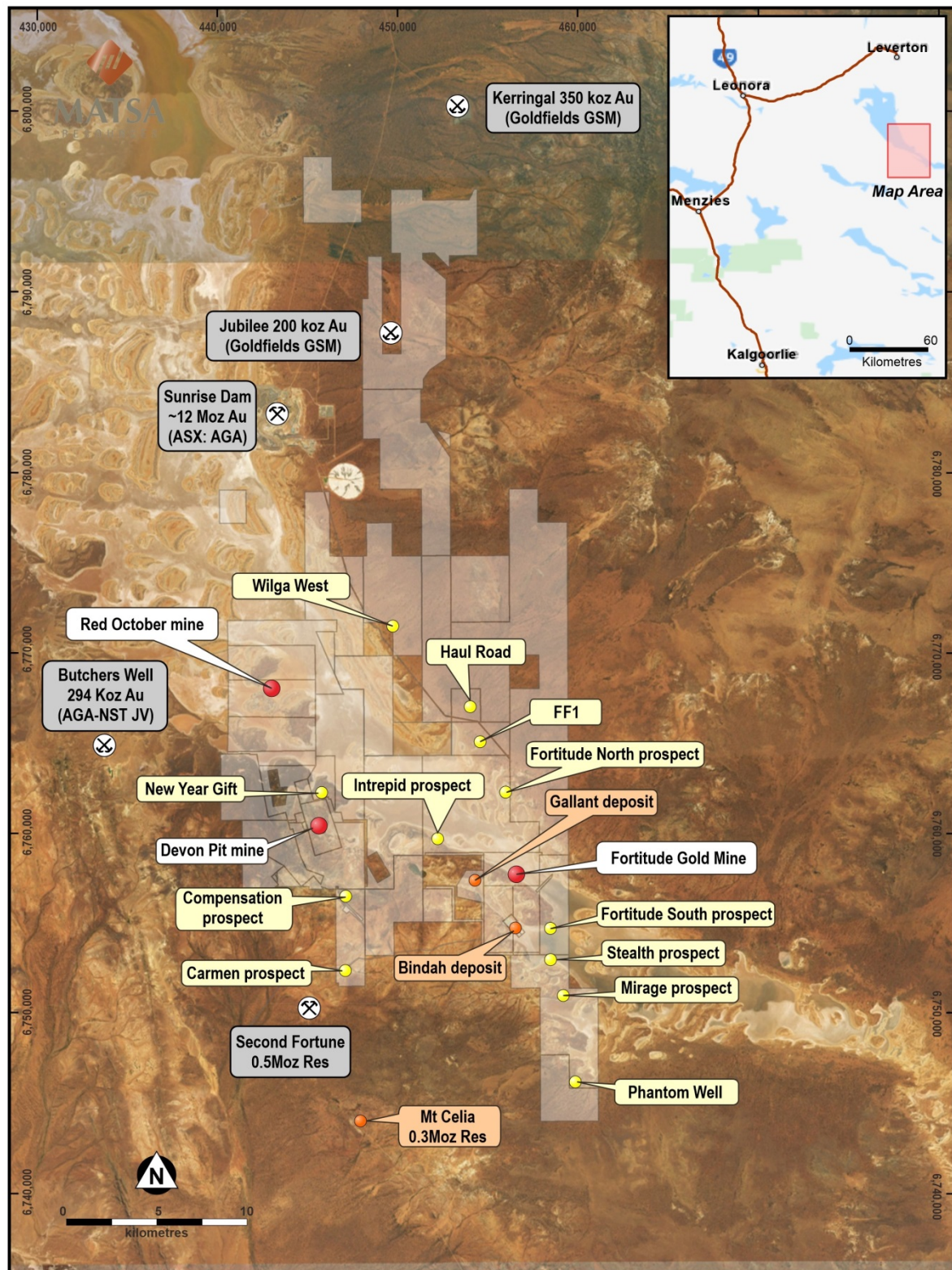


**Figure 2b: Long Section of Fortitude North with new drilling (see inset next image 2c)**



**Figure 2c: Long Section of Fortitude North high grade shoot (refer Figure 2b)**





**Figure 3: Matsa's Lake Carey Gold Project showing the location of the Fortitude North prospect and Fortitude Gold Mine**

## MINERAL RESOURCES

The global Mineral Resource Estimate for the Lake Carey Gold Project remains at **886,000oz @ 2.4g/t Au** as outlined in Table 2 below.

	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>Red October</b>					
Red October UG	2.0	105 8	483 5.7	411 6.3	999 6.2 199
<b>Red October Subtotal</b>		<b>105 8.4</b>	<b>483 5.7</b>	<b>411 6.3</b>	<b>999 6.2 199</b>
<b>Devon</b>					
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
<b>Devon Subtotal</b>		<b>- -</b>	<b>341 4.8</b>	<b>1021 2.3</b>	<b>1362 2.9 128</b>
<b>Fortitude</b>					
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
<b>Fortitude Subtotal</b>		<b>127 2.2</b>	<b>3021 2.0</b>	<b>5,767 1.9</b>	<b>8,915 1.9 553</b>
<b>Stockpiles</b>		<b>- -</b>	<b>- -</b>	<b>191 1.0</b>	<b>191 1.0 6</b>
<b>Total</b>		<b>232 5.0</b>	<b>3,845 2.7</b>	<b>7,199 2.2</b>	<b>11,467 2.4 886</b>

**Table 2: 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 Devon Pit project, representing 65koz, are subject to the profit share Joint Venture Agreement announced on 23 December 2022<sup>1</sup>.

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

For further information please contact:

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## Competent Person Statement

### Exploration results

The information in this report that relates to Exploration results is based on information and 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.

<sup>1</sup> ASX Announcement 23rd December 2022-Settlement of Devon Pit JVA With Linden - Devon Gold Project

**Table 1: Collar Details**

Hole_ID	East	North	RL	Azimuth	Dip	Max_Depth
23FNRC006	455180	6762880	402	270	-60	178
23FNRC007	455220	6762880	402	270	-60	220
23FNRC008	455120	6762840	400	270	-60	142
23FNRC009	455140	6762840	400	270	-60	140
23FNRC010	455250	6762840	400	270	-60	190
23FNRC011	455200	6762840	400.5	270	-60	178
23FNRC012	455180	6762840	401	270	-60	160
23FNRC013	455160	6762840	400	270	-60	170
23FNRC014	455120	6762800	400	270	-60	140



**Table 2: Assay Results >1.00g/t Au**

Hole_ID	Depth_From	Depth_To	Sample ID	Au_ppm	Au_Batch_No	Laboratory
23FNRC006	147	148	190155	1.65	KA23007265	ALS
23FNRC006	148	149	190156	3.76	KA23007265	ALS
23FNRC006	149	150	190157	6.33	KA23007265	ALS
23FNRC006	150	151	190158	6.44	KA23007265	ALS
23FNRC006	151	152	190159	4.91	KA23007265	ALS
23FNRC006	152	153	190160	2.46	KA23007265	ALS
23FNRC006	153	154	190162	1.16	KA23007265	ALS
23FNRC006	158	159	190167	5.71	KA23007265	ALS
23FNRC006	159	160	190168	7.12	KA23007265	ALS
23FNRC006	160	161	190169	10.6	KA23007265	ALS
23FNRC006	161	162	190170	3.66	KA23007265	ALS
23FNRC006	162	163	190171	1.06	KA23007265	ALS
23FNRC006	165	166	190174	3.14	KA23007265	ALS
23FNRC006	166	167	190175	2.8	KA23007265	ALS
23FNRC006	167	168	190176	7.61	KA23007265	ALS
23FNRC006	168	169	190177	3.9	KA23007265	ALS
23FNRC006	169	170	190178	5.15	KA23007265	ALS
23FNRC006	170	171	190179	1.58	KA23007265	ALS
23FNRC006	171	172	190180	1.39	KA23007265	ALS
23FNRC007	130	131	190325	1.44	KA23007265	ALS
23FNRC007	131	132	190326	2.04	KA23007265	ALS
23FNRC007	132	133	190327	2.68	KA23007265	ALS
23FNRC007	133	134	190328	3.85	KA23007265	ALS
23FNRC007	134	135	190329	6.42	KA23007265	ALS
23FNRC007	135	136	190330	5.38	KA23007265	ALS
23FNRC007	136	137	190331	6.99	KA23007265	ALS
23FNRC007	137	138	190332	8.11	KA23007265	ALS
23FNRC007	138	139	190333	5.52	KA23007265	ALS
23FNRC007	139	140	190334	2.23	KA23007265	ALS
23FNRC007	140	141	190335	1.57	KA23007265	ALS
23FNRC007	148	149	190344	1.72	KA23007265	ALS
23FNRC007	149	150	190345	3.71	KA23007265	ALS
23FNRC007	150	151	190346	2.77	KA23007265	ALS
23FNRC007	151	152	190347	1.69	KA23007265	ALS
23FNRC007	152	153	190348	1.56	KA23007265	ALS
23FNRC007	153	154	190349	1.16	KA23007265	ALS
23FNRC009	115	116	190690	1.74	KA23011178	ALS
23FNRC009	116	117	190691	1.32	KA23011178	ALS
23FNRC010	130	131	190853	5.48	KA23011513	ALS
23FNRC010	132	133	190855	3.13	KA23011513	ALS
23FNRC010	133	134	190856	3.09	KA23011513	ALS
23FNRC010	134	135	190857	3.25	KA23011513	ALS
23FNRC010	135	136	190858	2.34	KA23011513	ALS
23FNRC010	136	137	190859	1.49	KA23011513	ALS
23FNRC010	137	138	190860	1.26	KA23011513	ALS
23FNRC010	138	139	190862	3.21	KA23011513	ALS
23FNRC010	139	140	190863	4.9	KA23011513	ALS
23FNRC010	140	141	190864	4.67	KA23011513	ALS
23FNRC010	141	142	190865	1.01	KA23011513	ALS
23FNRC010	143	144	190867	3.45	KA23011513	ALS
23FNRC010	148	149	190872	1.01	KA23011513	ALS
23FNRC010	151	152	190875	1.92	KA23011513	ALS
23FNRC010	154	155	190878	1.88	KA23011513	ALS
23FNRC010	160	161	190885	4.38	KA23011513	ALS
23FNRC010	164	165	190889	1.18	KA23011513	ALS
23FNRC010	165	166	190890	1.57	KA23011513	ALS

Hole_ID	Depth_From	Depth_To	Sample ID	Au_ppm	Au_Batch_No	Laboratory
23FNRC010	166	167	190891	3.6	KA23011513	ALS
23FNRC010	167	168	190892	1.17	KA23011513	ALS
23FNRC010	172	173	190897	1.9	KA23011513	ALS
23FNRC010	176	177	190902	1.11	KA23011513	ALS
23FNRC010	177	178	190903	1.41	KA23011513	ALS
23FNRC010	178	179	190904	3.09	KA23011513	ALS
23FNRC010	179	180	190905	1.22	KA23011513	ALS
23FNRC010	180	181	190906	1.57	KA23011513	ALS
23FNRC010	182	183	190908	1.58	KA23011513	ALS
23FNRC010	183	184	190909	1.08	KA23011513	ALS
23FNRC010	184	185	190910	2.54	KA23011513	ALS
23FNRC010	188	189	190914	1.16	KA23011513	ALS
23FNRC010	189	190	190915	1.07	KA23011513	ALS
23FNRC011	100	101	191022	4.47	KA23011513	ALS
23FNRC011	101	102	191023	6.54	KA23011513	ALS
23FNRC011	102	103	191024	4.92	KA23011513	ALS
23FNRC011	103	104	191025	4.53	KA23011513	ALS
23FNRC011	104	105	191026	4.42	KA23011513	ALS
23FNRC011	105	106	191027	4.72	KA23011513	ALS
23FNRC011	106	107	191028	4.1	KA23011513	ALS
23FNRC011	107	108	191029	2.3	KA23011513	ALS
23FNRC011	108	109	191030	3.7	KA23011513	ALS
23FNRC011	109	110	191031	1.56	KA23011513	ALS
23FNRC011	110	111	191032	1.72	KA23011513	ALS
23FNRC011	111	112	191033	8.07	KA23011513	ALS
23FNRC011	112	113	191034	8.81	KA23011513	ALS
23FNRC011	113	114	191035	4.46	KA23011513	ALS
23FNRC011	114	115	191036	1.57	KA23011513	ALS
23FNRC011	115	116	191037	2.54	KA23011513	ALS
23FNRC011	116	117	191038	1.21	KA23011513	ALS
23FNRC011	117	118	191039	1.03	KA23011513	ALS
23FNRC011	118	119	191040	1.02	KA23011513	ALS
23FNRC011	135	136	191059	1.59	KA23011513	ALS
23FNRC011	136	137	191060	3.7	KA23011513	ALS
23FNRC012	88	89	191197	1.14	KA23012035	ALS
23FNRC012	89	90	191198	1.12	KA23012035	ALS
23FNRC012	91	92	191200	3.93	KA23012035	ALS
23FNRC012	94	95	191204	1.14	KA23012035	ALS
23FNRC012	97	98	191207	3.35	KA23012035	ALS
23FNRC012	98	99	191208	2.42	KA23012035	ALS
23FNRC012	100	101	191210	2	KA23012035	ALS
23FNRC012	101	102	191211	2.46	KA23012035	ALS
23FNRC012	103	104	191213	1.2	KA23012035	ALS
23FNRC012	124	125	191235	1.48	KA23012035	ALS
23FNRC012	125	126	191236	2.7	KA23012035	ALS
23FNRC012	126	127	191237	1.77	KA23012035	ALS
23FNRC012	127	128	191238	1.15	KA23012035	ALS
23FNRC013	110	111	191390	1.78	KA23013028	ALS
23FNRC013	111	112	191391	1.66	KA23013028	ALS
23FNRC013	112	113	191392	6.27	KA23013028	ALS
23FNRC013	113	114	191393	3.56	KA23013028	ALS
23FNRC014	67	68	191524	2.13	KA23013003	ALS
23FNRC014	69	70	191526	3.72	KA23013003	ALS
23FNRC014	71	72	191528	1	KA23013003	ALS
23FNRC014	74	75	191531	1.43	KA23013003	ALS
23FNRC014	76	77	191533	1.23	KA23013003	ALS
23FNRC014	77	78	191534	1.04	KA23013003	ALS
23FNRC014	105	106	191564	1.35	KA23013003	ALS
23FNRC014	106	107	191565	1.85	KA23013003	ALS
23FNRC014	116	117	191575	1.56	KA23013003	ALS
23FNRC010	85	88	192128	1.15	KA23011513	ALS

## 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
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<p>RC samples were collected directly off the drill rig cyclone in pre-numbered calico sample bags after passing through a rig mounted cone splitter. The splitter and cyclone were free flowing at all times and were cleaned at the end of each rod.</p> <p>3meter composite samples were taken while drilling through the transported overburden using a scoop. All composite samples that assay &gt;0.1g/t Au will have the original 1m splits assayed at a later date.</p>
	<ul style="list-style-type: none"> <li>Measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> </ul>	<p>Duplicate sample were taken every 20m and the assays compared to the original.</p>
	<ul style="list-style-type: none"> <li>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.</li> </ul>	<p>Samples up to 3kg were pulverised to produce a 30g charge for fire assay. Samples &gt;3kg were split prior to pulverization.</p>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>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.).</li> </ul>	<p>Drilling was carried out using a truck mounted RG rig and face sampling hammer.</p>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> </ul>	<p>Sample recovery was determined as being appropriate if the bulk residue volume was reasonably consistent.</p>
	<ul style="list-style-type: none"> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> </ul>	<p>Every effort was made to clean sample system at the end of each 6m rod. The cyclone was kept free flowing even when samples became wet. Drill penetration was paused at each meter if the samplers could not keep up.</p>



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>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.</li> </ul>	Not applicable, no relationship between sample recovery and grade has been identified.
<b>Logging</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<p>All holes were logged for colour, lithology, regolith, alteration, mineralization and texture directly into Logchief software using standard geological logging codes.</p> <p>Logging is qualitative in nature and washed samples were stored in chip trays and photographed.</p> <p>All sample intervals were logged.</p>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples</li> <li>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</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<p>Not applicable.</p> <p>Samples were collected directly off a rig mounted cone splitter in calico sample bags. When samples became wet the cyclone was kept free flowing. Composite samples were collected using a scoop from bagged RC residues. The 1m original samples were stored for later assay if required.</p> <p>All samples dried and subject to conventional crushing and pulverizing appropriate for 30g fire assay.</p> <p>Matsa employed detailed QAQC procedures utilising field duplicates every 20m as well as having standard and blank samples inserted into the sample sequence.</p> <p>Field duplicates were taken every 20m and compared with the original results.</p> <p>Sample weights of 2-3kg are adequate for gold.</p>
<b>Quality of assay data and</b>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> </ul>	30g fire assay is standard for gold and considered total.

Criteria	JORC Code explanation	Commentary
<b>laboratory tests</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	<p>Not Applicable</p> <p>The use of standards, blanks and field duplicates have established that there is no significant bias cause by sampling or laboratory procedures and an appropriate level of precision has been established.</p>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>Discuss any adjustment to assay data.</li> </ul>	<p>All assay and sampling procedures have been verified by company personnel. All results reviewed and cross checked internally.</p> <p>No twinned holes were completed.</p> <p>Geological and sampling data recorded using Logchief software in the field. Data was verified both in the database as well as in section and plan.</p> <p>Not Applicable, no adjustment has been made to assay data.</p>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<p>Collar location was set out using a DGPS and after completion of the program will be picked up by DGPS accurate to 10cm</p> <p>GDA94 UTM co-ordinate system Zone 51.</p> <p>DGPS set out and pickups are accurate to 10cm.</p>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>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.</li> <li>Whether sample compositing has been applied.</li> </ul>	<p>Drill hole spacing for this program varies between 40m x 40m and 20m x 20m.</p> <p>Not Applicable, no Mineral Resource or Ore Reserve figure have been quoted from this drilling.</p> <p>Samples were composited to 3meters only in the barren transported overburden.</p>

Criteria	JORC Code explanation	Commentary
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> </ul>	The lode orientation was determined by previous RC and Diamond drilling. Drilling was planned to intersect both the primary lodes and supergene mineralization at a high angle.
	<ul style="list-style-type: none"> <li>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.</li> </ul>	Drilling was planned to intersect both the primary lodes and supergene mineralization at a high angle
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	Samples are delivered directly to the laboratory in Kalgoorlie by Matsa Staff. Sample submission (chain of custody) forms were completed and verified with the samples delivered by laboratory staff. Any discrepancies were corrected prior to sample preparation and assay.
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	Not applicable, no audit carried out.

## Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>	Exploration was carried out over the following tenements: E39/1864, the tenement is 100% held by Matsa Gold Ltd, a wholly owned subsidiary of Matsa Resources Ltd.
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	Not applicable
<b>Geology</b>	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	Drilling was carried out based on a target concept of orogenic gold mineralisation along major NNW trending shear zones including the Fortitude Fault.



Criteria	JORC Code explanation	Commentary
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>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: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>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.</li> </ul>	<p>Drill hole information including setout co-ordinates, dip, azimuth and hole depths are tabled in Appendix 1 of this report.</p> <p>Not applicable, no significant information was excluded.</p>
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>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.</li> <li>Where aggregate intercepts incorporate short lengths of high grade 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.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<p>Gold results were averaged to a cut-off of 0.5g/t and included up to 2m of internal waste. No high grade cuts were applied</p> <p>Short lengths of high grade results &gt;3g/t Au were reported within larger lower grade intersections. Where this occurred, it was clearly noted in the report as “including”.</p> <p>Not Applicable, no metal equivalents have been used</p>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>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’).</li> </ul>	<p>All intercepts quoted relate to downhole depth and true widths have not been quoted.</p> <p>Drilling was planned to intersect the mineralisation at a high angle, however true widths still have not been reported.</p> <p>Intercepts are expressed in downhole metres.</p>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	<p>Appropriate maps and sections have been included in the body of the report.</p>

Criteria	JORC Code explanation	Commentary
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	All drill intercepts >1 g/t Au are reported and tabled in Appendix 1.
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>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.</li> </ul>	Not applicable, no other substantive data is being reported.
<b>Further work</b>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	The nature of further work is discussed in the report including the completion of the current drilling program as a priority.