ASX Announcement **28th April 2023**

Quarterly Activities Report to 31st March 2023

HIGHLIGHTS

- Strong gold intercepts from RC drilling conducted at Fortitude North were received with 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
  - **26m @ 3.22g/t Au** from 147m
  - **11m @ 4.20g/t Au** from 130m
- Definition of a 1.5km mineralised system substantially improved with the system remaining open to the north, south and east
- Mobilisation of drilling crews to Fortitude North underway end of March
- Drilling commenced at Devon Pit in preparation of resource optimisation and pit design works
- Significant new lithium bearing pegmatites discovered in Kanchanaburi and Ratchaburi Provinces (Thailand) with LIBS analyser testing confirming 3.45% Li (**7.4% Li_2O**) in lepidolite
- Sample Testing Cooperation letter agreement executed with Yongxing Special Materials Technology Co., Ltd, in the Jiangxi province, China, to conduct testwork on samples from Matsa's Thailand lithium projects for conventional lepidolite processing
- Yongxing have confirmed lithium can be commercially extracted from Matsa's Thailand lepidolite using their processing facilities in Jiangxi in southern China and described samples as high grade

CORPORATE SUMMARY

Executive Chairman

Paul Poli

Directors

Pascal Blampain

Andrew Chapman

Shares on Issue

412.00 million

Listed Options

49.22 million @ $0.17

Unlisted Options

27.15 million @ $0.08 - $0.21

Top 20 shareholders

Hold 58.9%

Share Price on 28th April 2023

4.2 cents

Market Capitalisation

A$17.30 million

OVERVIEW

Matsa Resources Limited ("Matsa" or "the Company" ASX: MAT) is pleased to report on its exploration and corporate activities for the quarter ended 31st March 2023. Exploration activities were focused on the Company's flagship Lake Carey Gold Project in Western Australia and Matsa's lithium projects in western Thailand. Matsa's lithium projects are located within Thailand's highly prospective western granite belt which is one of the world's great tin districts.

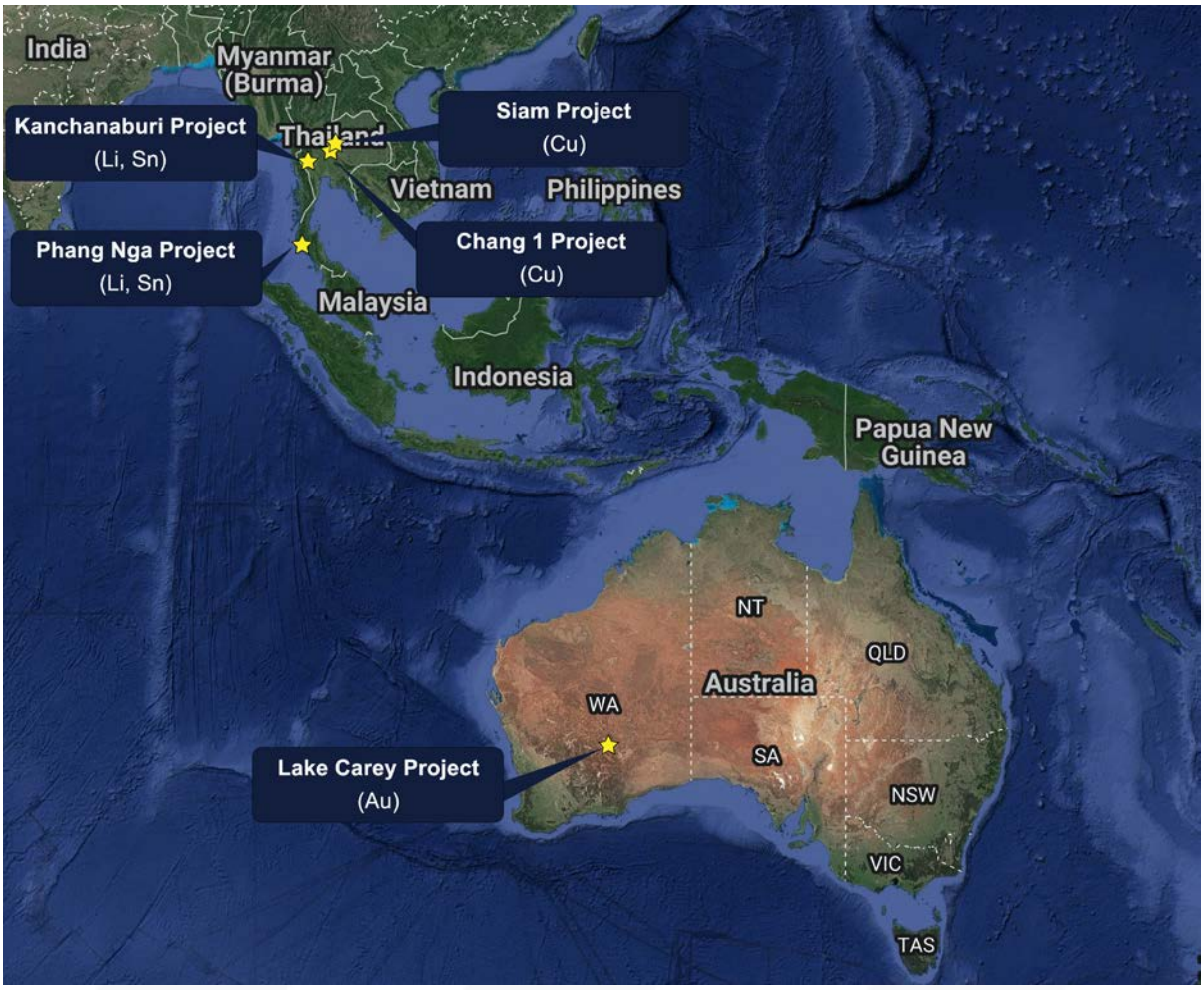

Figure 1: ***Matsa's Lake Carey gold project and lithium and base metals projects***

Exploration during the quarter comprised the following:

Lake Carey

- Completion of 9 RC holes from a larger 19 hole program (Figures 2 and 3) focused on the northern portion of the 1.5km mineralised system and highlighted the possibility of extensions to the system further north. Mobilisation for the drilling program commenced at the end of March using an alternate drilling rig, to test for further extensions to the north. Results are discussed
- A small drilling program at New Years Gift commenced late March which was completed in early April. 5 holes were drilled into the exposed lode. Best results were 3m @ 2.67g/t
- RC drilling program commenced at Devon for resource optimisation and pit design works

- Modelling of the Costello prospect at Red October has continued between drilling campaigns with results expected in the second quarter of 2023

Thailand

- Discovery of significant new lithium bearing pegmatites in Kanchanaburi and Ratchaburi Provinces, central western Thailand where LIBS analyser testing has confirmed 3.45% Li (7.4% Li_2O) in lepidolite bearing pegmatites at Kanchanaburi

- Acquisition of 6 new Special Prospecting Lease Applications (SPLA) comprising 90km^2 to capture new lithium bearing pegmatites at Kanchanaburi and Ratchaburi

- Execution of a Sample Testing Cooperation letter agreement executed with Yongxing Special Materials Technology Co., Ltd, (Yongxing) in the Jiangxi province. This was followed up by a Matsa directors site visit to the Yongxing processing facility in China where Matsa supplied Yongxing with four 20kg samples of lepidolite and other lithium ores for testwork

- Testwork of Matsa's lepidolite samples from Pink Panther and Rose Panther (Figure 4) at Yongxing's lepidolite processing facility in Jiangxi during March, has confirmed lithium extraction at a recovery rate of approximately 95% can be achieved and described by Yongxing as impressive and high grade

Lake Carey R&D Research work

- preparation for potential 3D seismic survey at Fortitude North (under a Minex CRC research program) to assist structural interpretation at depth in light of excellent recent drilling results, re interpretation of logging and potential structural setting and hypothesised mineralised system at depth

- The recent relogging has highlighted a system that has undergone multi episodic hydrothermal alteration and pressurisation, and cataclysmic brittle depressurisation associated with high grade gold and mineral precipitation which would suggest a 3D seismic program should define a complex structural setting which can be more optimally targeted in future drilling

- In detail, the logging characterises a mineralising setting where a complex shear has resulted in brittle ductile tectonic fracturing of the host sequence, with development of polyphase stockwork quartz + pyrite ± arsenopyrite vein system accompanied by localised vein and tectono – hydrothermal breccias

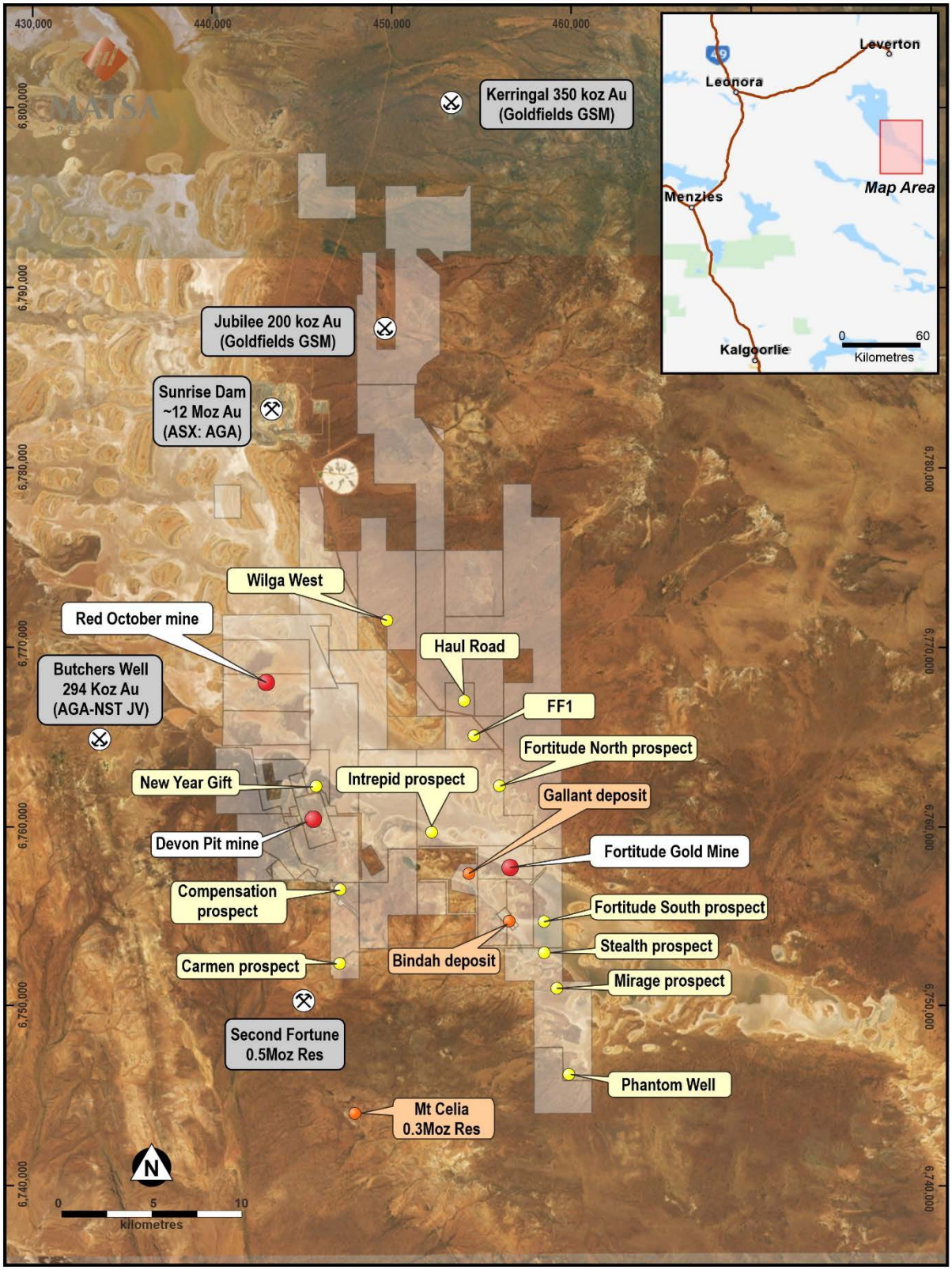

Figure 2: ***Lake Carey Gold Project showing Matsa tenements***

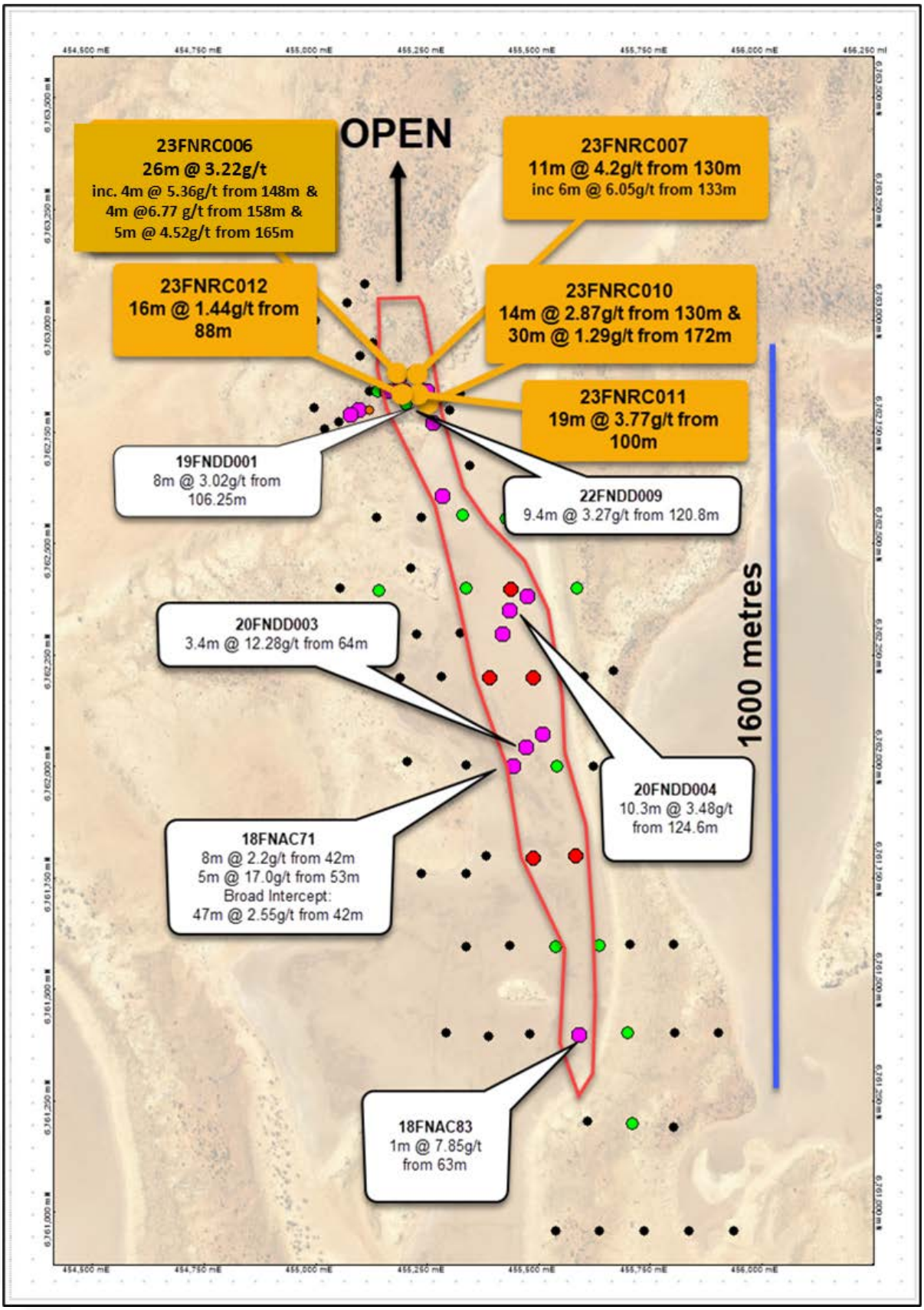

Figure 3: ***Summary of existing Fortitude North drilling with recent results (colour scheme: black = <1g/t, green = 1-3g/t, red = 3-5g/t, magenta = 5–31g/t)***

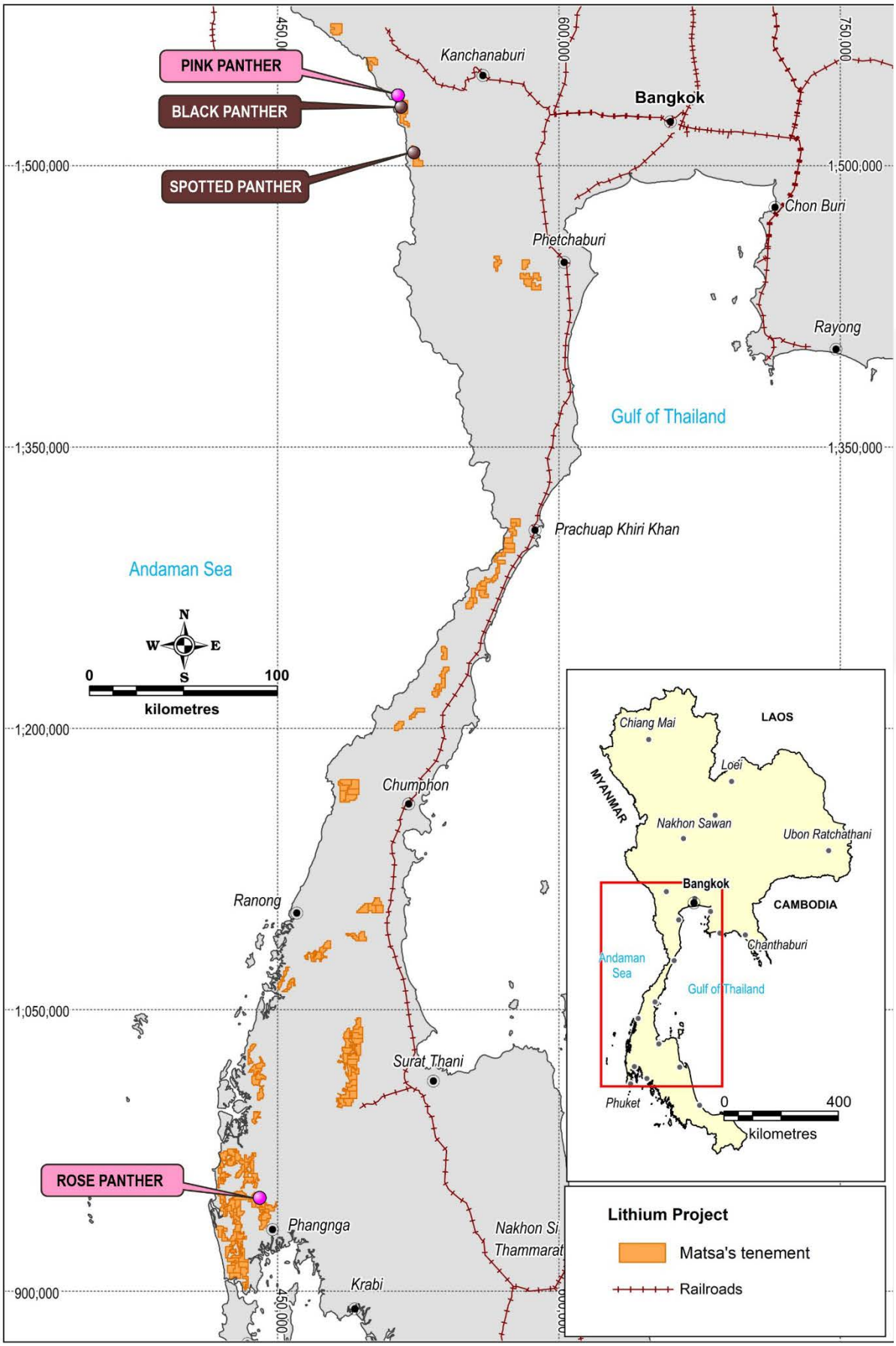

Figure 4: ***Matsa's SPLA coverage and new lithium discoveries in western Thailand***

EXPLORATION AND DEVELOPMENT

LAKE CAREY

Matsa completed nine RC holes as part of a larger original 19 RC hole drilling program at Fortitude North, Lake Carey (Figures 2 & 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, south and east.

The results include:

- **26m @ 3.22g/t Au** from 147m (23FNRC006)
  - incl. **5m @ 5.63g/t** from 158m and **5m @ 4.52g/t** from 165m
- **11m @ 4.20g/t Au** from 130m (23FNRC007)
  - incl. **6m @ 6.05g/t** from 134m
- **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)
- **6m @ 2.10 g/t Au** from 148m (23FNRC007)

These results are substantially thicker grading intercepts than any previous drilling results and importantly, indicate the system remains open to the north. They demonstrate that the Fortitude North mineralised system contains high grade shoots with thicker widths than previously thought (Figures 5a, 5b and 5c). Drill collars and all assays above 1g/t are presented in Tables 1 & 2 below.

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.

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

In early April, drilling recommenced at Fortitude North to complete the original RC drilling program, although the program was redesigned taking in to account the results and knowledge gained from the first 9 holes.

Whilst the program was aimed at providing sufficient drilling coverage to establish a maiden resource over the northern portion of the mineralised zone. The drilling results received to date indicate an opportunity to extend the mineralisation beyond its known extent which cannot be ignored. As such, the program will include components of close spaced drilling to provide detailed information on mineralisation continuity and more broad drilling to establish lateral extensions to the mineralised anomaly.

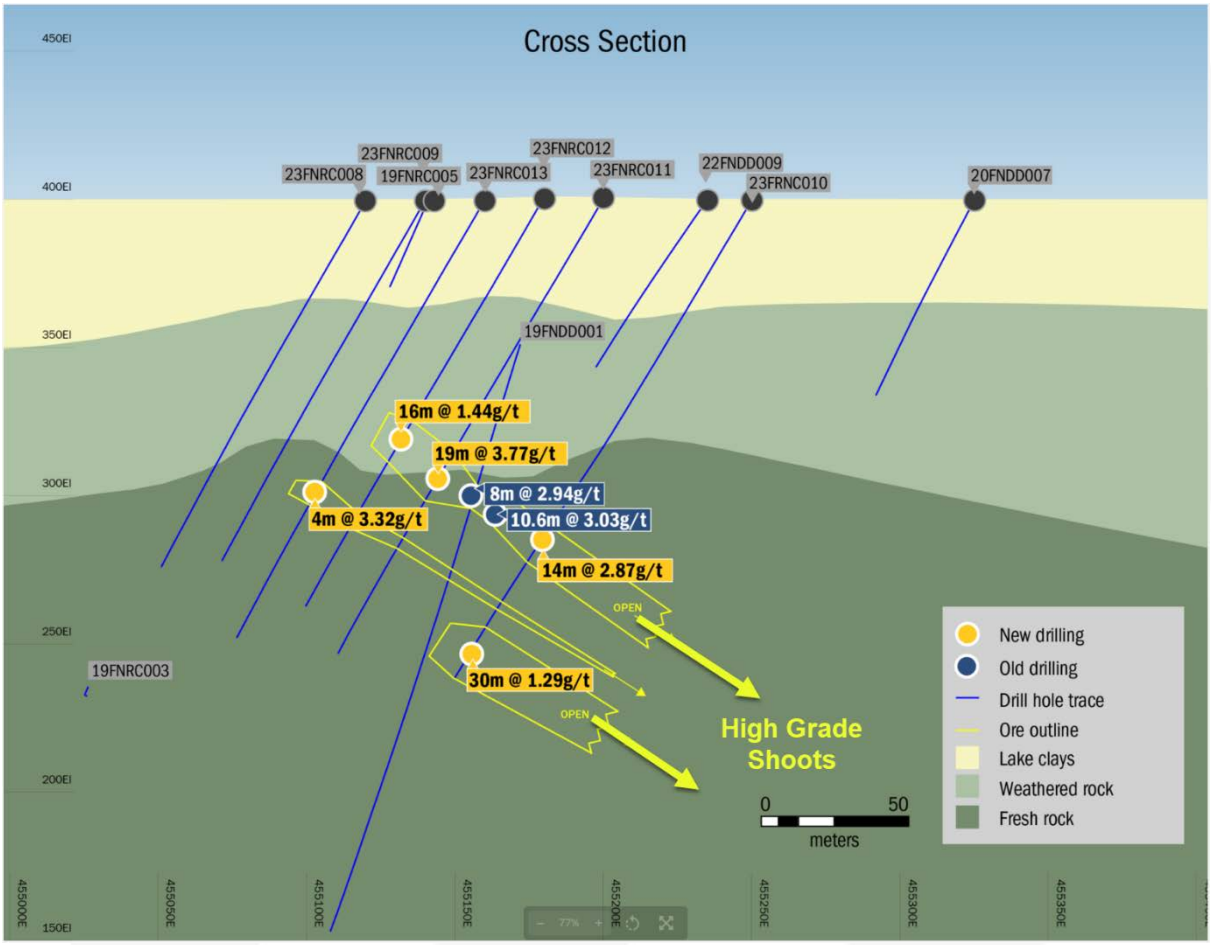

Figure 5a: ***Interpreted Section 6762840m (looking north)***

Photo: Drilling at Fortitude North (April 2023)

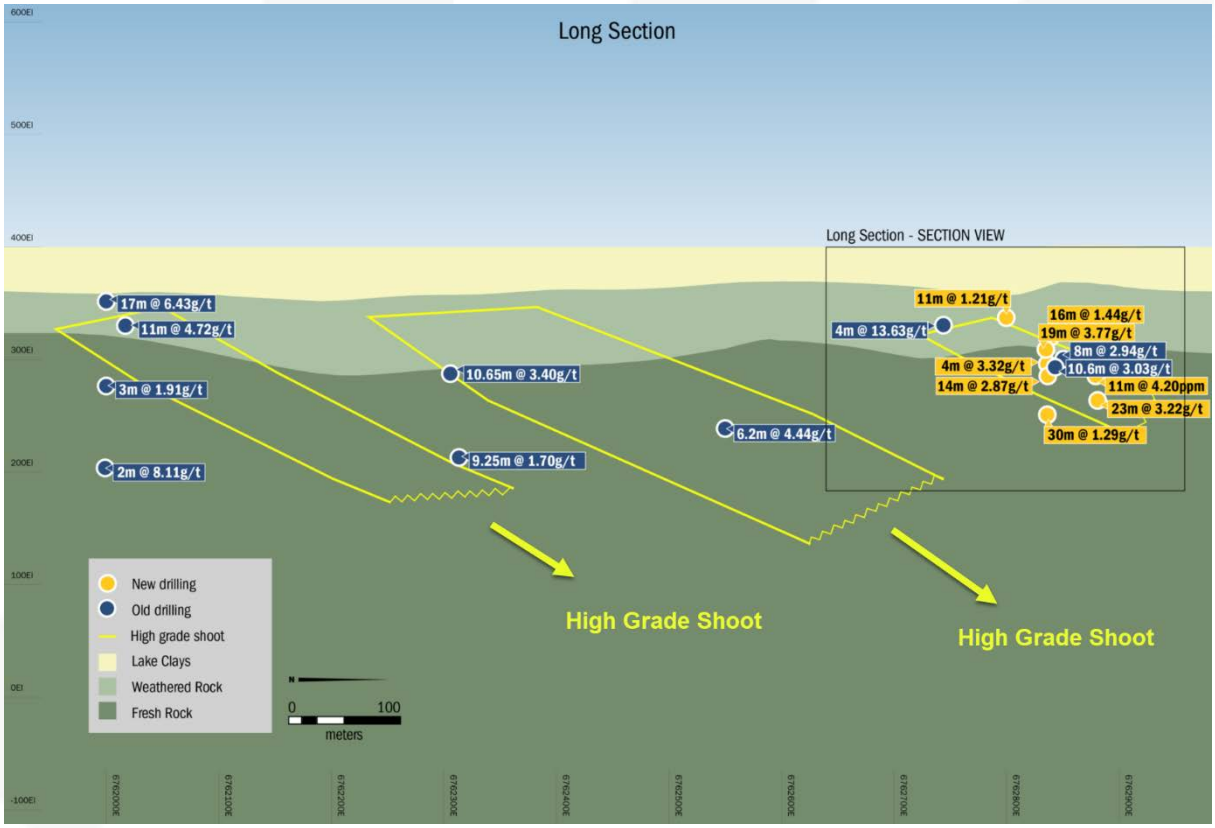

Figure 5b: ***Long Section of Fortitude North with new drilling*** **(see inset next image 2c)**

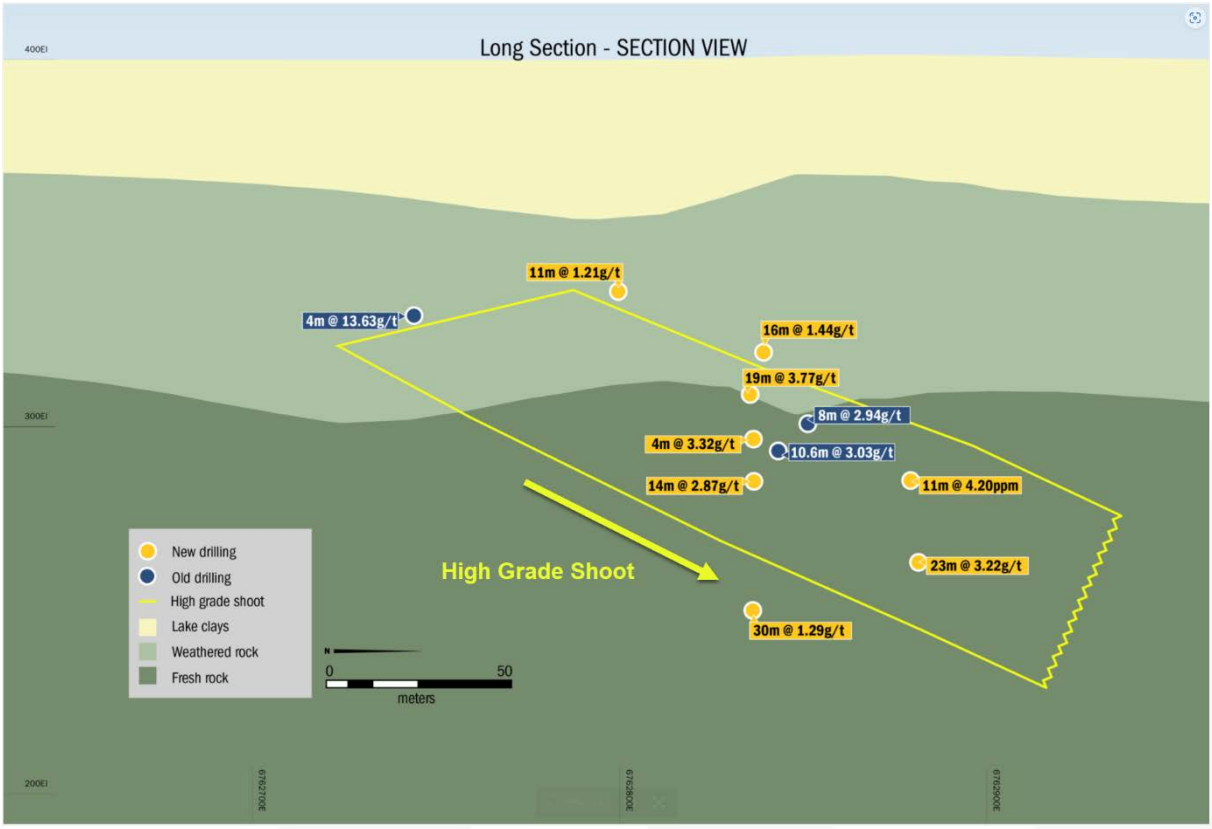

Figure 5c: ***Summary of existing Fortitude North drilling and focus of new drilling (blue outline)***

At New Years Gift, a small five RC hole drilling program was completed by quarter end. The aim of the drilling was to follow up exposed lode structures where previous drilling intersected narrow high-grade shoots and to assess if there was continuity of shoot mineralisation at this prospect. Best results returned 3m @ 2.67g/t.

THAILAND

In February 2023, Matsa advised that it had discovered two new lithium provinces hosting widespread lithium bearing pegmatite outcrops and float at Kanchanaburi (Pink Panther and Black Panther) and Ratchaburi (Spotted panther) in western Thailand (Figure 6). Extensive lithium bearing pegmatites were discovered and cover an area of approximately 6km strike by 1km wide at Kanchanaburi and 2km long by 0.5km wide at Ratchaburi. These discoveries are in addition to Matsa's previous lepidolite discovery in the Phang Nga province some 600km to the south[1] (Figure 6).

Matsa is now arguably one of the larger holders of tenure, prospective for lithium in south-east Asia and has a quality pipeline of lithium projects.

[1] ASX Announcement 4 October 2022 – Lithium Bearing Pegmatites Discovered Phang Nga Thailand

Photo: Rock samples from Pink Panther (Kanchanaburi) where LIBS analyser testing confirmed 3.45% Li (7.4% Li_2O) in lepidolite bearing pegmatites

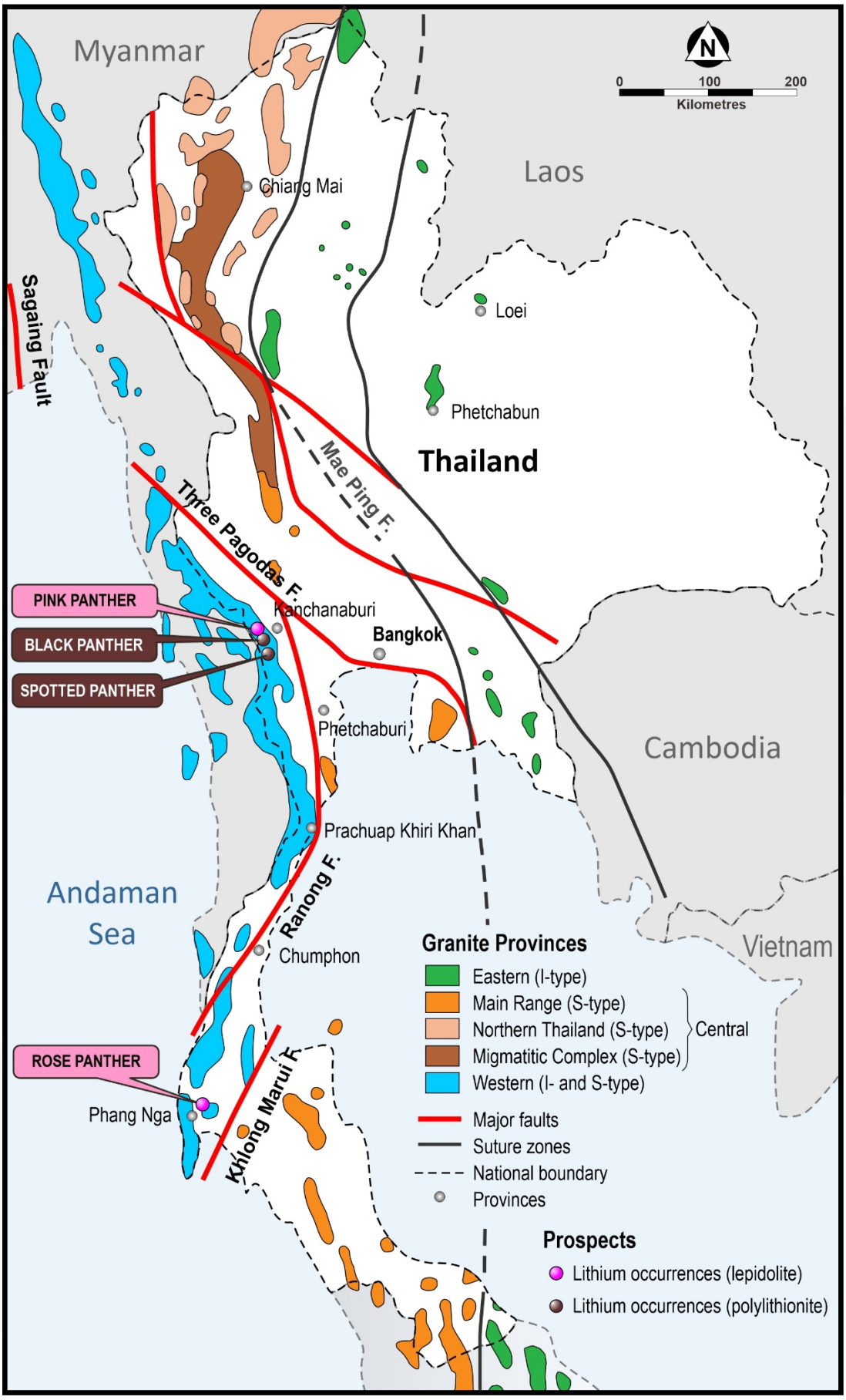

Figure 6: ***Matsa's lithium discoveries in western Thailand***

Matsa signed a lithium sample testing cooperation agreement letter with Yongxing Special Materials Co., Ltd, China. Matsa directors Mr Poli and Mr Blampain visited Yongxing's Jiangxi lepidolite mining operation and processing facility in March 2023 and delivered four 20kg samples of lepidolite and other lithium ores to Yongxing who conducted testwork on the samples in their processing facilities in Jiangxi to confirm:

1. The ability to process the ore from Matsa's Thailand lithium projects using the Yongxing processing plant;

2. The recovery grade of the lithium ore; and

3. The potential for beneficiation to produce a concentrate in any future development scenario.

The results of testwork on lithium extraction and recovery from Matsa's lepidolite and polylithionite samples were excellent achieving a minimum 94.8% lithium recovery from the lepidolite concentrate and a minimum 91% recovery from the lepidolite DSO samples, using Yongxing's sulphate roasting technology[2]. Importantly, the lepidolite processing results has confirmed a battery grade lithium carbonate product can be produced from Matsa's Thailand lithium project at Yongxing's lepidolite processing facilities.

Photo: At Yongxing's head office in Huzhou (from left to right Yongxing's Chairman Mr Xingjiang Gao, Matsa's Executive Chairman Paul Poli and Executive Director Pascal Blampain)

2 ASX Announcement 4 April 2023 – Positive Lepidolite Processing Test Results Thailand Lithium

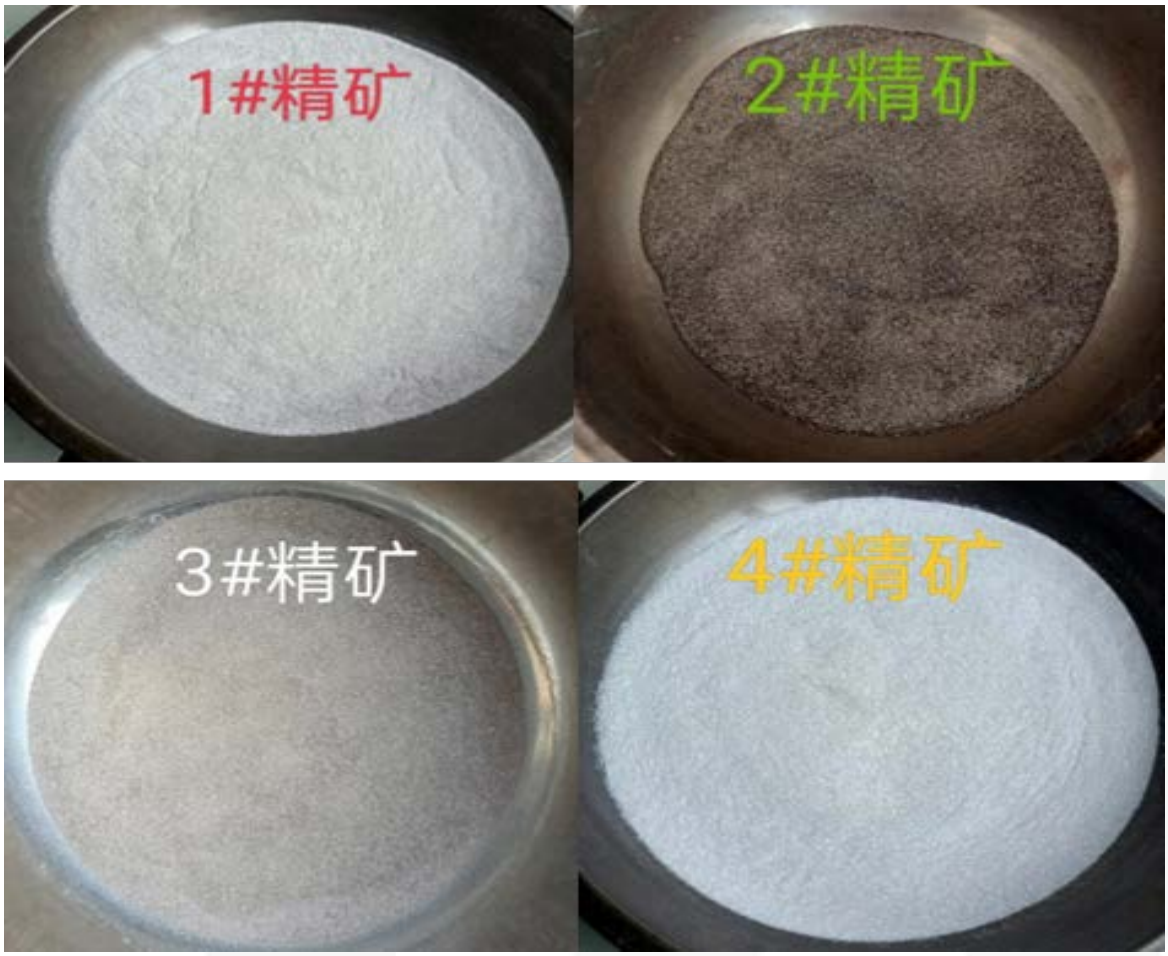

Photo set: Concentrate samples from left to right and top to bottom; lepidolite concentrate from Pink Panther, polylithionite concentrate from Black Panther, polylithionite concentrate from Spotted Panther & lepidolite concentrate from Rose Panther

Discussions regarding potential ongoing arrangements and cooperative exploration and development continue with both Yongxing and other Thai and Chinese parties.

About Yongxing Special Materials Co., Ltd

Yongxing Special Materials Co. Ltd (Yongxing) has been producing lithium carbonate from lepidolite since 2019. The processing plant has been processing 1.2Mtpa of locally sourced lepidolite ore running at 0.6% lithium oxide and for the 2022 calendar year, generated sales of A$3.26B and a net profit of A$1.33B.

Yongxing plan to upgrade the processing facilities to lift output to above 30ktpa of lithium carbonate. This upgrade will require a feed rate of 3.6Mtpa of lepidolite ore.

The Yongxing processing plant located in Jiangxi Province of China, produces a battery grade lithium carbonate

Yongxing Materials has developed its own low-temperature roasting technology using composite salts, together with advanced fluorine fixation technology, to greatly reduce equipment corrosion as well as reduce costs. The company also created a "one-step" battery-grade lithium carbonate production line, instead of upgrading industrial grade carbonates, as most smelters would do. This has shortened the production period and further reduced costs. Current carbonate production costs from lepidolite are around RMB35,000/t, which is competitive with the average cost producing lithium carbonate from spodumene[3].

[3] https://www.crugroup.com/knowledge-and-insights/insights/2022/scrutinising-the-lithium-technology-boom-part-3/ 11 March 2022

EXPLORATION WORK FOR THE COMING QUARTER

Lake Carey

- Complete drilling, assays and model update at Fortitude North
- Drilling, assays and modelling at Devon (managed by Linden Gold under JV)
    - Submission of a Mining Proposal to DMIRS
    - Submission of Works Program for Devon
    - Submission of clearing application to commence site works at Devon
- Completion of review of potential mineable inventory at Red October

Thailand

- Progress applications for grant of Special Prospecting Leases (SPL) that will enable Matsa to conduct drilling operations at Phang Nga and Kanchanaburi, granting is expected late June
- Undertake detailed ground geophysical surveys to assist drill design planning at Rose Panther and Pink Panther
- Conduct drilling to define lateral extent of lithium pegmatites at Pink Panther and Rose Panther once SPL has been granted
- To expedite assay results due to ongoing delays and backlog at commercial laboratories, Matsa will build a small sample preparation facility in Thailand that should reduce the turn-around time to receive assay results from its ongoing regional sampling programs

CORPORATE

On 3 March 2023, Matsa announced the retirement of long time non-executive director Franciscus (Frank) Sibbel from the board.

Financial Commentary

An overview of the Company's financial activities for the quarter ending 31 March 2023 (Appendix 5B) notes that:

- There was a negative operating cashflow for the quarter of $1,638,000 after taking in to account care and maintenance costs at Red October, project review and evaluation expenditure and corporate and other overhead expenditure. Matsa has elected to show Linden transaction costs separately from this quarter due to them becoming more significant rather than as included with general administration and corporate costs. The year to date numbers have been amended to reflect this change.
- Care and maintenance of the Red October mine for the quarter was $610,000 after taking over responsibility again during the December quarter. Previously Linden reimbursed Matsa for all costs associated with the care and maintenance of Red October. Reimbursement of those expenses is reflected in Other income.
- Exploration expenditure for the quarter on the Company's projects was $524,000. 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 $252,000 and includes salary, director's fees, consulting fees and superannuation.
- Cash on hand was approximately A$1,857,000 as at 31 March 2023.

Conferences and Marketing

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

2023 MARCH 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
11 January 2023	RC Drilling Commenced at Fortitude North - Lake Carey
30 January 2023	31 December 2022 Quarterly Report
1 February 2023	Strong Gold Assays at Fortitude North Lake Carey Project
14 February 2023	Excellent Preliminary Lithium Results in Western Thailand
15 February 2023	Lithium Testing Agreement with Yongxing – Thailand Lithium
16 February 2023	Strong Gold Intercepts Continue at Fortitude North
17 February 2023	RIU Explorers Conference Presentation
3 March 2023	Retirement of Director
3 March 2023	Final Director's Interest Notice
16 March 2023	Half Year Accounts
21 March 2023	Drilling Commenced At Devon Pit – Lake Carey Gold Project

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 Devon Pit project, representing 65koz, are subject to the profit share Joint Venture Agreement announced on 23 December 2022[4].*

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

For further information please contact:

Paul Poli
Executive Chairman
T 08 9230 3555
E reception@matsa.com.au

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.

[4] ASX Announcement 23rd December 2022-Settlement of Devon Pit JVA With Linden - Devon Gold Project

MATSA RESOURCES LIMITED

SCHEDULE OF TENEMENTS HELD AT 31 MARCH 2023

Tenement	Project	Interest at Beginning of Quarter	Interest at End of Quarter	Change During Quarter
E 69/3070	Symons Hill	30%	0%	Surrendered
E 28/2916	Fraser Range	30%	0%	Surrendered
E 39/2159		30%	0%	Surrendered
E39/2162		30%	0%	Surrendered
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 31 MARCH 2023

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	100%	0%	Surrendered
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%[4]	100%[4]	
M 39/629		100%	100%	
M 39/1077		100%[4]	100%[4]	
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%	0%	Surrendered

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
[4] = Subject to a profit sharing joint venture with Linden Gold Alliance 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	31 March 2023

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration and evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(283)	(820)
	(e) administration and corporate costs	(459)	(1,030)
	(f) care and maintenance costs	(610)	(980)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(128)	(369)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	96	96
1.8	Other (provide details if material)		
	- Devon JV Proceeds from Linden	-	4,000
	- Linden transaction costs	-	(116)
	- Other income	22	178
	- Project review and evaluation	(276)	(486)
1.9	**Net cash from / (used in) operating activities**	**(1,638)**	**473**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(101)	(149)

Consolidated statement of cash flows		Current quarter $A'000	Year to date (9 months) $A'000
	(d) exploration & evaluation	(524)	(1,347)
	(e) investments	-	(80)
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	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**	**(625)**	**(1,495)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	1,978
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	-	(128)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(54)	(543)
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**	**(54)**	**1,307**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	4,174	1,572
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,638)	473
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(625)	(1,495)

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (9 months) $A'000**
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(54)	1,307
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**1,857**	**1,857**

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	807	4,124
5.2	Call deposits	1,050	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)**	**1,857**	**4,174**

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	252
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	4,000	4,000
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	4,000	4,000

7.5	**Unused financing facilities available at quarter end**	-

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 2 December 2022 Matsa announced that it has entered in to a new 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 2025. This new loan facility replaces the previous loan facility held with the same parties that expired 30 November 2022.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,638)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(524)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,162)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,857
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,857
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	0.86

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: Expenditure for the coming quarter is expected to be lower than this quarter due to lower project review and evaluation costs. As an exploration company, the level of exploration expenditure incurred is flexible and can be reduced accordingly to suit the Company's needs.

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 an exploration company, Matsa is conscious of the need for additional cash requirements to continue funding its operations and regularly evaluates its ongoing future capital requirements including any need to raise additional funds for its operations. Matsa has a proven record of raising capital in the past and believes it can do so in the future as required.

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 the 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: 28 April 2023

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.