



## ASX Announcement

30<sup>th</sup> August 2023

### \$2M Placement Completed

#### HIGHLIGHTS

- **Matsa Resources Limited** (“Matsa” or “the Company”, ASX: MAT) is pleased to announce a successful, strongly supported \$2.0m share placement to professional and sophisticated investors (“Placement”) to advance the Lake Carey Gold project and continue building on the lithium prospectivity in Thailand
- The Placement was well supported by existing shareholders including substantial shareholder, Deutsche Balaton, and several new institutional and sophisticated investors
- Net proceeds (after costs) of the Placement will be used for holding and transaction costs associated with the Lake Carey Gold Project during negotiations with AngloGold on a potential transaction along with fielding sampling for project generation in Australia and advancement of the Company’s lithium projects in Thailand
- Directors intend to participate in the placement subject to shareholder approval
- Wentworth Securities acted as the Lead Manager to the placement which was very well supported and introduced new sophisticated investors to the Company

#### CORPORATE SUMMARY

##### Executive Chairman

Paul Poli

##### Directors

Pascal Blampain

Andrew Chapman

##### Shares on Issue

412.07 million

##### Unlisted Options

27.15 million @ \$0.08 - \$0.21

##### Top 20 shareholders

Hold 59.16%

##### Share Price on 25<sup>th</sup> August 2023

3.5 cents

##### Market Capitalisation

A\$14.42 million

## INTRODUCTION

**Matsa** is pleased to advise that it has received firm, binding commitments to raise approximately \$2.0m before costs via a Placement to institutional and sophisticated investors and was oversubscribed.

The Placement was well supported by major shareholder, Deutsche Balaton, and several new high quality institutional and sophisticated investors which represents a strong endorsement of Matsa's exploration program at Fortitude North and the wider Lake Carey Gold Project, as well as the development of a lithium focussed business in Thailand.

The Placement will be used for:

- Holding and transaction costs associated with the Lake Carey Gold Project during negotiations with AngloGold on a potential transaction
- Finalisation of the grant process of several lithium prospective Special Prospecting Licences ("SPLs") including five new lithium discoveries at Rose Panther, Spotted Panther, Poly Panther, Pink Panther and Black Panther
- Maiden drilling program of the highly prospective SPL's to assess the lithium bearing pegmatites identified, mapped and sampled
- General working capital requirements

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

*"We are very pleased with the success of this capital raising, which was oversubscribed, and was well supported by major shareholders, including Deutsche Balaton, and a number of new investors.*

*The Placement will allow Matsa to build on its Thailand lithium ambitions by progressing selected existing SPLA's to granted licences and paving the way for a maiden drilling program. We are excited to continue the momentum in these projects where future results could really enhance Matsa's prospects. The Placement also provides Matsa with suitable funding while it continues its negotiations with AngloGold.*

*I would like to thank lead manager Wentworth Securities and all the participants in the capital raising and take the opportunity to welcome our new shareholders."*

### **Placement**

Under the Placement, \$2.0 million has been raised (before costs) via the issue of 66,666,667 fully paid ordinary shares ("Shares") at \$0.03 per Share. All of the Shares under the Placement will be issued utilising the Company's existing capacity under ASX Listing Rules 7.1 (29,795,272 Shares) and 7.1A (33,871,395 Shares) and 3,000,000 Shares subject to shareholder approval. The placement received firm bids significantly above the \$2 million, requiring a scale back of applications.

Placement Shares have been allocated to current shareholders and a range of new institutional and sophisticated investors. The placement issue price of \$0.03 per Share represents a discount of 14.3% to the closing price of \$0.035 on 25 August 2023 and a discount of 18.9% to the VWAP of \$0.037 for the 15 days up to and including 25 August 2023.

In addition to the Shares being issued under the Placement, each participant will receive 1 free attaching unlisted option ("Option") for every 2 Shares taken up in the Placement which will have an exercise price of \$0.07 each expiring two (2) years from the date of issue.

Wentworth Securities has acted as Lead Manager to the placement and will receive a 6.0% fee for their role. As part of Wentworth Securities fee, they will receive 10M Options, of which 5M will have an exercise price of \$0.07 each and 5M will have an exercise price of \$0.105 each expiring three years from the date of issue.

The issue of the Options to Wentworth Securities will be subject to shareholder approval at the Company's next shareholder meeting which Matsa will convene in the next few weeks.

Settlement of the new shares is scheduled to occur on Wednesday, 6 September 2023 with allotment to occur Thursday, 7 September 2023.

## MINERAL RESOURCES

The global Mineral Resource Estimate for Lake Carey stands at **936,000oz @ 2.5g/t Au** as outlined in Table 1 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 8.4	608 5.4	635 5.4	1348 5.6 244
<b>Red October Subtotal</b>		<b>105 8.4</b>	<b>608 5.4</b>	<b>635 5.4</b>	<b>1348 5.6 244</b>
<b>Devon</b>					
Devon Pit (OP)	1.0	18 4.4	434 4.6	16 6.0	467 4.6 69
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>434 4.6</b>	<b>935 2.2</b>	<b>1386 3.0 132</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>4,063 2.7</b>	<b>7,337 2.2</b>	<b>11,840 2.5 936</b>

**Table 1: Lake Carey Resource\***

\* Changes since the last release include the addition of 4koz at the Devon Pit project following a model update after completion of new drilling and an increase of 45koz at Red October following modelling of the Costello lode along strike of the Red October (Shear Zone) main workings. These changes represent a 5.9% increase on previous reporting.<sup>1</sup> All other 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 69koz, are subject to the profit share Joint Venture Agreement announced on 23 December 2022<sup>2</sup>.

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

For further information please contact:

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<sup>1</sup> ASX Announcement 31 July 2023 – 30 June 2023 Quarterly Report

<sup>2</sup> ASX Announcement 23rd December 2022-Settlement of Devon Pit JVA With Linden - Devon Gold Project