



ASX Announcement

4th March 2024

Mining Agreement Executed for Devon Pit Gold Mine

HIGHLIGHTS

- Matsa has executed a binding Heads of Agreement with BML Ventures Pty Ltd (“BML”) for the mining of the Devon Pit Gold Mine that includes the following key points:
 - BML, a Kalgoorlie based mining contractor, is managing and funding all mining activities including all mining related capital and operating costs
 - Mining anticipated to commence H2 2024 with completion of mining by late 2025
 - After the recovery of all costs, the profits to be split on a 50/50 basis between Matsa and BML
 - Formal agreement, mining schedules, feasibility and cashflow studies to be agreed within 21 days
- Preliminary mining plans demonstrate a mine life of 9-10 months. Mining studies will be released as soon as they are completed and agreed between the parties.
- Mining of the Devon Pit Gold Mine will allow Matsa to realise its commercial potential with a view to mining commencing later this year
- BML is an experienced mining contractor having conducted similar operations at Auric Mining Limited’s Jeffreys Gold Project and Brightstar Resources Limited’s Menzies Gold Project
- Discussions and negotiations are ongoing with processing arrangements with several third-party processing plants
- Regulatory approvals for key environmental permits and mining continue to progress and are expected during H1 2024

CORPORATE SUMMARY

Executive Chairman

Paul Poli

Directors

Pascal Blampain

Andrew Chapman

Shares on Issue

478.82 million

Unlisted Options

67.33 million @ \$0.07 - \$0.105

Top 20 shareholders

Hold 60.12%

Share Price on 4th March 2024

2.9 cents

Market Capitalisation

A\$13.89 million

Matsa Resources Limited ("Matsa", "Company") is pleased to advise that it has entered in to a binding Heads of Agreement ("Agreement") with BML Ventures Pty Ltd ("BML") for the mining of the Devon Pit Gold Mine (Figure 1), located within Matsa's Lake Carey Gold Project south of Laverton.

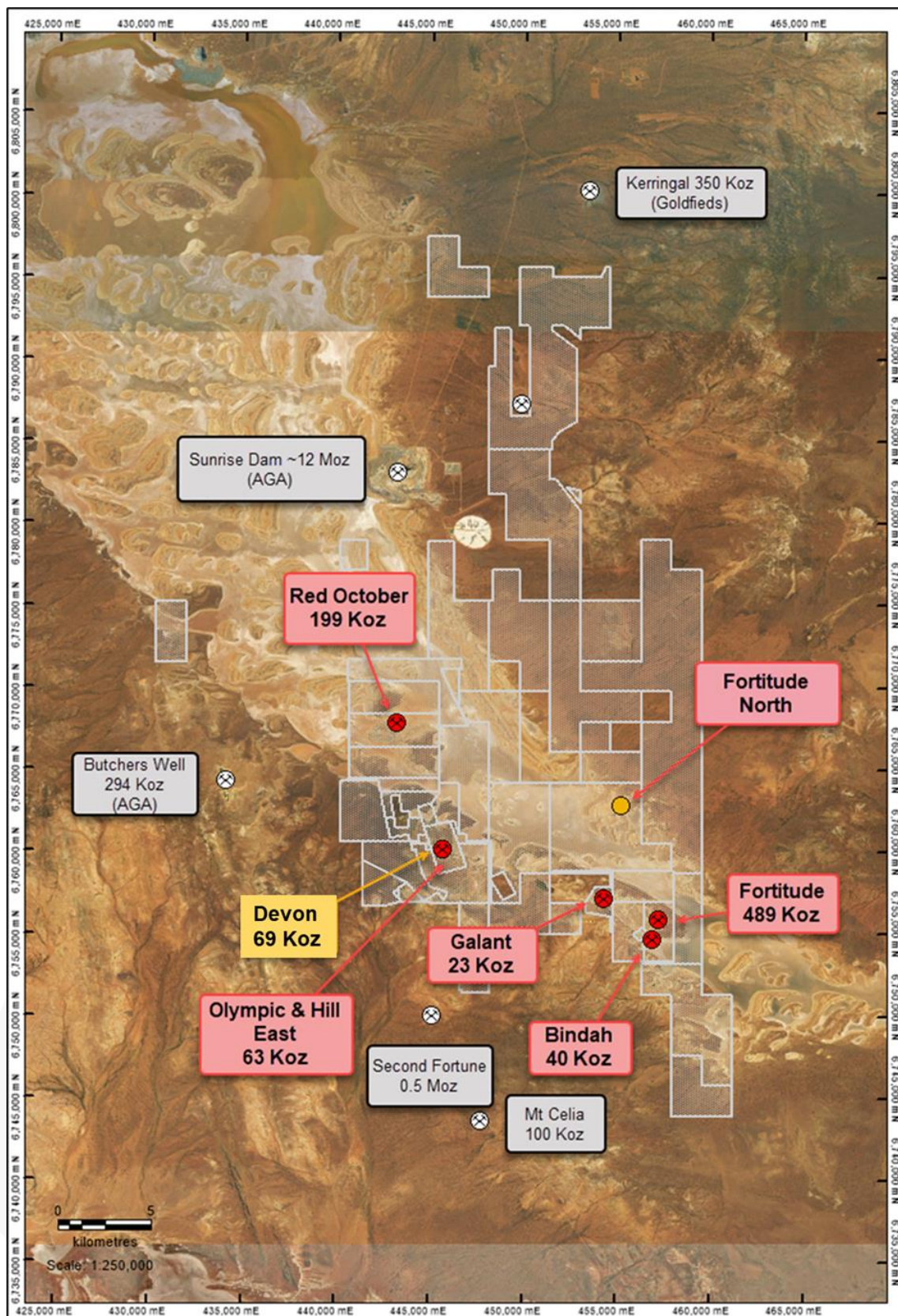


Figure 1: Plan of Devon Pit Gold Mine drilling and assay status

About BML Ventures and the Agreement

BML is a privately owned company based in Kalgoorlie and has a strong track record of funding, developing, and operating open pit gold mines. With a strong technical focus, BML leverages its low-cost owner/operator mining fleet and its relationships with local toll treatment operators to maximise profitability and cash generation from small to medium sized mining projects.

The material terms of the binding BML Agreement are as follows:

- BML will have an exclusive right for open pit mining at the Devon Pit Gold Mine with profits to be split Matsa 50%: BML 50%.
- BML will be solely responsible for, and procure all funding necessary, to undertake the mining activities at the project including all capital and operating costs associated with mining
- Discussions have commenced with several third-party processing operators who have demonstrated willingness to process the Devon ore
- BML to provide a programme of works, budget and projected cashflows acceptable to both parties
- Ore production will commence from 1 October 2024, but no later than 1 December 2024. It is expected that mining activities will be completed within 9 months

A formal agreement will be entered into once the following conditions precedent have been met:

- (a) BML demonstrating to Matsa that it has financial, technical and equipment capacity to carry out the agreed mining activities; and
- (b) BML providing a programme of works, budget and projected cashflows acceptable to both parties

Matsa expects to provide the market with further updates on approvals, feasibility and mining studies results as they come to hand.

About Devon Pit Gold Mine

The Devon Pit Gold Mine is a high-grade open pit development project which hosts a Mineral Resource of 467kt at 4.6g/t for 69koz Au with 82% of the Mineral Resource within the JORC (2012) Indicated category (refer Table 1).

Matsa is targeting a near-term restart of the mine (Figure 3), which lies on a granted mining lease with existing road infrastructure in place from previous mining activities undertaken by GME Resources in 2015 and 2016.

Applications for regulatory approvals and permitting have been submitted in advance of completing the feasibility study. Permitting is anticipated mid-2024.

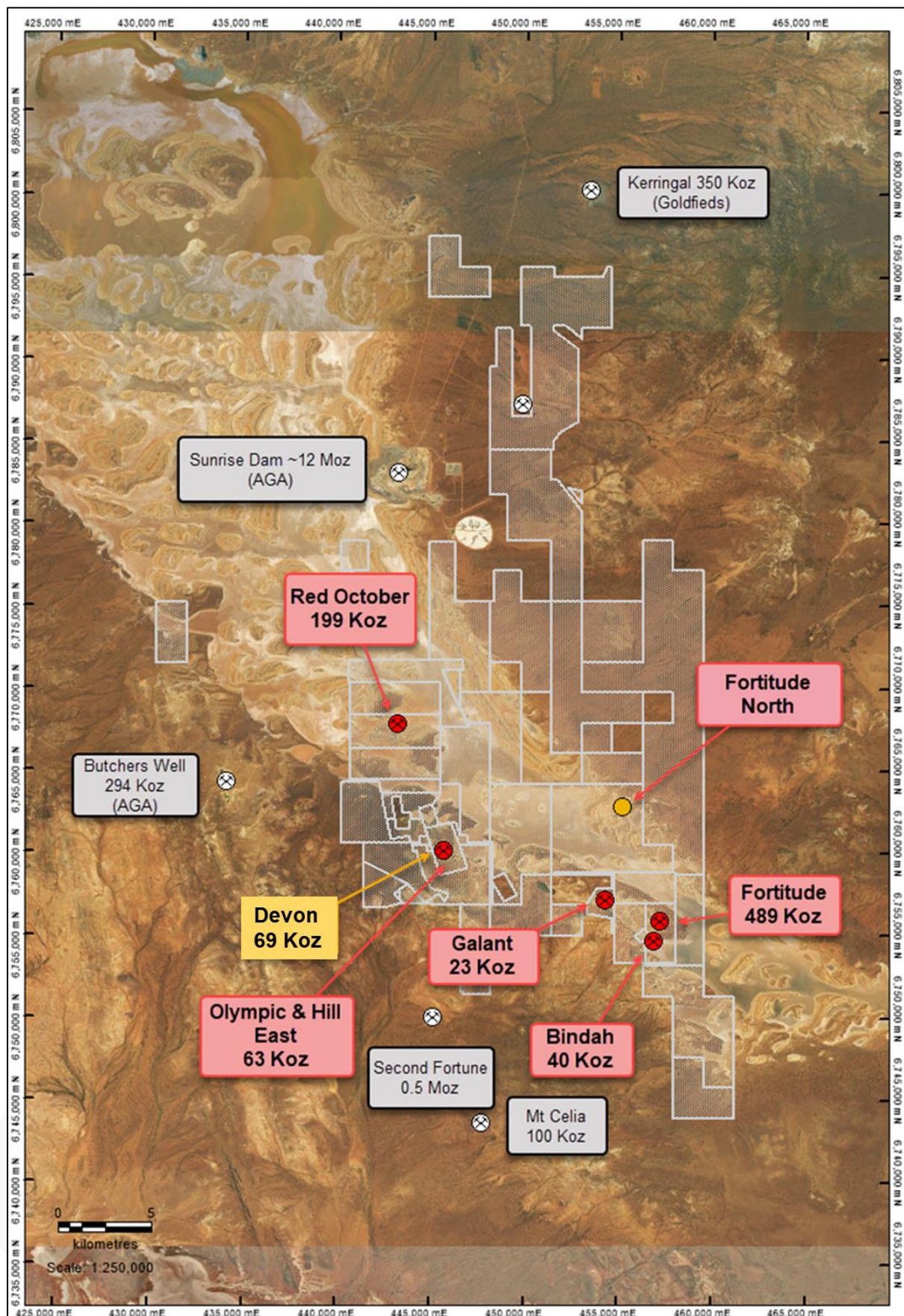


Figure 2: Matsa's Lake Carey Gold Project and Devon Pit Gold Mine

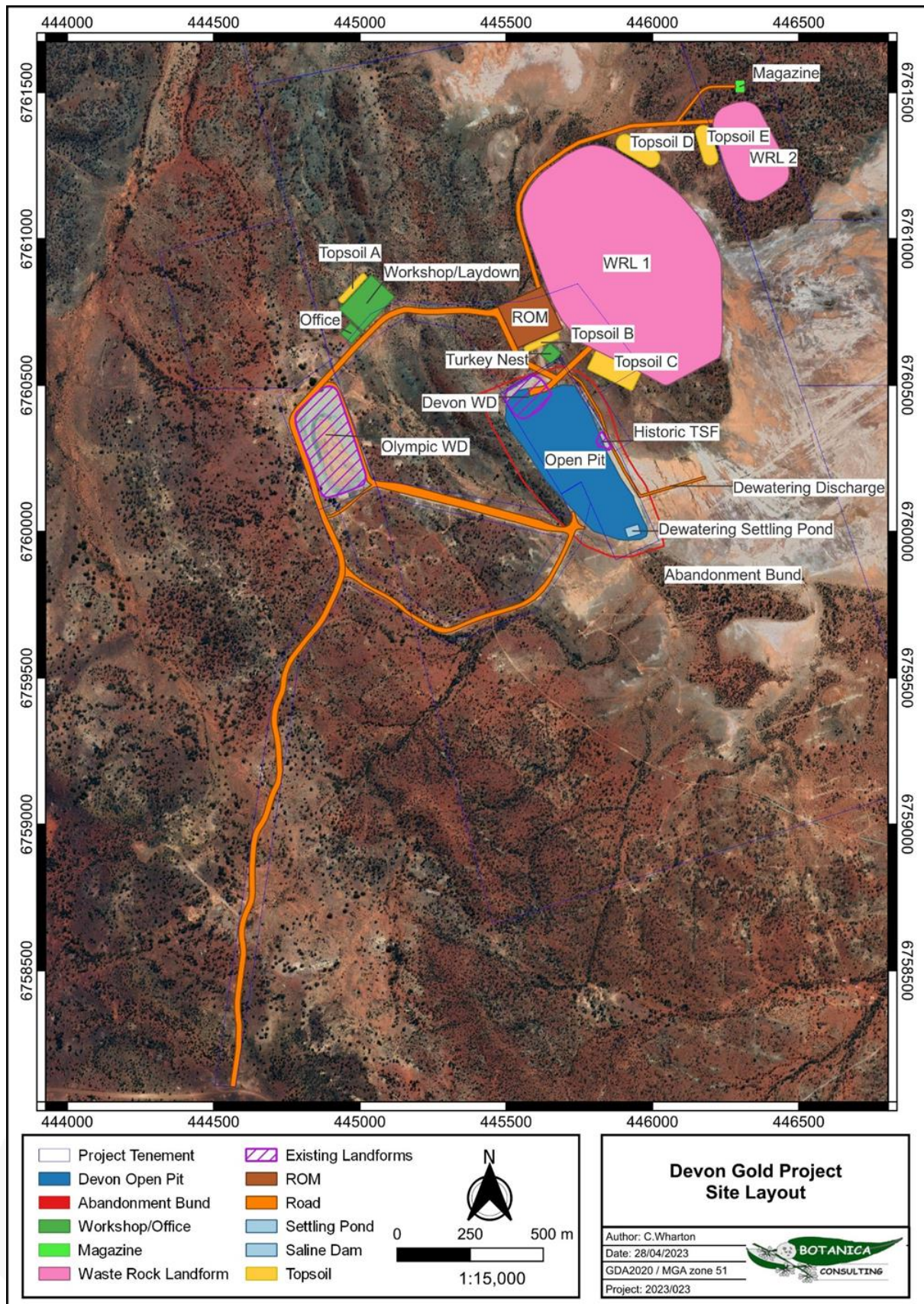


Figure 3: Devon Open Pit Gold Mine proposed layout

MINERAL RESOURCES

The global Mineral Resource Estimate for the Lake Carey Gold Project remains 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})
Red October					
Red October UG	2.0	105 8.4	608 5.4	635 5.4	1348 5.6 244
Red October Subtotal		105 8.4	608 5.4	635 5.4	1348 5.6 244
Devon					
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
Devon Subtotal		- -	434 4.6	935 2.2	1386 3.0 132
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	4,063 2.7	7,337 2.2	11,840 2.5 936

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. There have been no changes in the above table since the last release.

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.