



16 October 2024

Dear Shareholder

FULLY UNDERWRITTEN NON-RENOUNCEABLE PRO-RATA ENTITLEMENT OFFER TO RAISE A\$260,035

On Tuesday, 8 October 2024, Matsa Resources Limited (ASX: MAT) (**Company** or **Matsa**) announced a fully underwritten non-renounceable pro-rata entitlement offer of one (1) unlisted option (**Loyalty Option**) for every five (5) fully paid ordinary shares in the Company (**Shares**) held by Eligible Shareholders (defined below), at an offer price of \$0.002 per Loyalty Option to raise \$260,035 before costs (**Entitlement Offer**). Each Loyalty Option will be exercisable at \$0.05 on or before 30 September 2027.

A prospectus containing information in respect of the Entitlement Offer was lodged with ASX and ASIC on Tuesday, 8 October 2024 (**Prospectus**). The Prospectus is available on the ASX website and the Company's website.

This letter is not an offer to issue Loyalty Options to you, nor an invitation for you to apply for Loyalty Options. **You are not required to do anything in response to this letter.**

Westar Capital Limited (ABN 28 009 372 838) (AFSL 255789) (**Westar**) has been appointed as Lead Manager and Underwriter to the Entitlement Offer, and has agreed to fully underwrite the Entitlement Offer. Westar has entered into sub-underwriting arrangements with certain related parties of the Company.

In consideration for Westar acting as underwriter and lead manager of the Entitlement Offer, the Company will pay Westar:

- (1) a lead manager fee of \$10,000; and
- (2) 6% of the total amount raised under the Entitlement Offer.

The funds raised from the Entitlement Offer are currently intended to be allocated towards continued development of the Devon Pit Gold Project contained within the Company's Lake Carey Gold Project, costs of the offer and for working capital purposes.

The Entitlement Offer is being offered to certain shareholders of the Company named on its register of members at 5:00pm (AWST) on Friday, 11 October 2024, whose registered address is in Australia, New Zealand or Germany (**Eligible Shareholders**).

All Shares issued on conversion of the Loyalty Options will rank equally with the Shares on issue at the date of the Prospectus.

Following completion of the Entitlement Offer, the Company will have issued approximately up to 130,017,500 Loyalty Options, resulting in total Shares on issue of up to approximately 650,087,503 and total options on issue of up to approximately 226,173,981.

Ineligible Shareholders

A shareholder who has a registered address outside of Australia, New Zealand and Germany (**Ineligible Shareholder**) will not be eligible to participate in the Entitlement Offer.

You are not eligible to participate in the Entitlement Offer and you will not be sent a copy of the Prospectus. This decision has been made pursuant to Listing Rule 7.7.1(a) of the ASX Listing Rules after taking into consideration:

- (1) the costs of complying with legal and regulatory requirements in jurisdictions outside of Australia, New Zealand and Germany;
- (2) the relatively small number of Ineligible Shareholders in the jurisdictions where the Entitlement Offer is not being made; and
- (3) the number and value of Loyalty Options to which the Ineligible Shareholders would otherwise be entitled.

If you have any queries concerning the Entitlement Offer, please contact the Company Secretary on +61 8 9230 3555.

Yours sincerely



Paul Poli
Chairman