



ASX Announcement

18th April 2019

Quarterly Activities Report – 31st March 2019

HIGHLIGHTS

Red October Gold Project

- Mining commenced with grade control drilling, decline preparation and equipment placement completed. First ore production still scheduled for April 2019
- Stage 1 mining is forecast to produce 56,673t of ore at 5.61g/t for 10,222 oz gold over a seven month period
- All in Sustaining Cost (AISC) of approximately A\$1,300 per ounce
- Toll milling/ore sale agreement is currently being finalised
- A number of new near-mine exploration targets were identified from grade control drilling and structural modelling

Red Dog Gold Project

- Red Dog gold mine completed with rehabilitation finalised producing a cash surplus which exceeded expectations
- Final payment received for ore delivered to AGAA's Sunrise Dam processing facility
- First diamond drill hole looking for deeper extensions to the Red Dog orebody

Lake Carey – Exploration

- A combined diamond and RC drilling programme comprising 43 drillholes for 3,295m was carried out which included:
 - Fortitude North 1 diamond drillhole for 321.4m and 5 RC drillholes (911m)
 - Tin Dog 1 diamond drillhole (183.3m) and 31 RC drillholes (1,372m)
 - Red Dog 1 diamond drill hole (75.4m)
 - Golden Ring 4 RC drill holes (432m)
- Results are currently being validated and compiled for release to the market

Corporate

- Cash and liquid investments as at 31 March 2019 ~ A\$4.7 million. Debt of \$3 million remains

CORPORATE SUMMARY

Executive Chairman

Paul Poli

Director

Frank Sibbel

Director & Company Secretary

Andrew Chapman

Shares on Issue

176.93 million

Unlisted Options

22.4 million @ \$0.17 - \$0.30

Top 20 shareholders

Hold 53.16%

Share Price on 18th April 2019

13.5 cents

Market Capitalisation

A\$23.88 million

INTRODUCTION

Matsa Resources Limited (“Matsa” or “the Company” ASX: MAT) is pleased to report on its development, exploration and corporate activities for the quarter ended 31st March 2019.

The current quarter has been the most energetic period in Matsa’s recent history which not only delivered the highly anticipated and company transforming step of commencing mining at Red October, but also included:

- Acquisition and refurbishment of mining fleet, equipment and infrastructure
- Exploration drilling in four locations with final results due shortly
- Sampling and detailed analysis of historic drilling at Red October South

The Company achieved a great deal during the quarter and looks forward to seeing the results of this effort.

COMPANY ACTIVITIES

As noted activities have been principally focused on bringing the Red October gold mine into production and advancing exploration in the ~673km² Lake Carey Gold project south of Laverton (Figure 1).

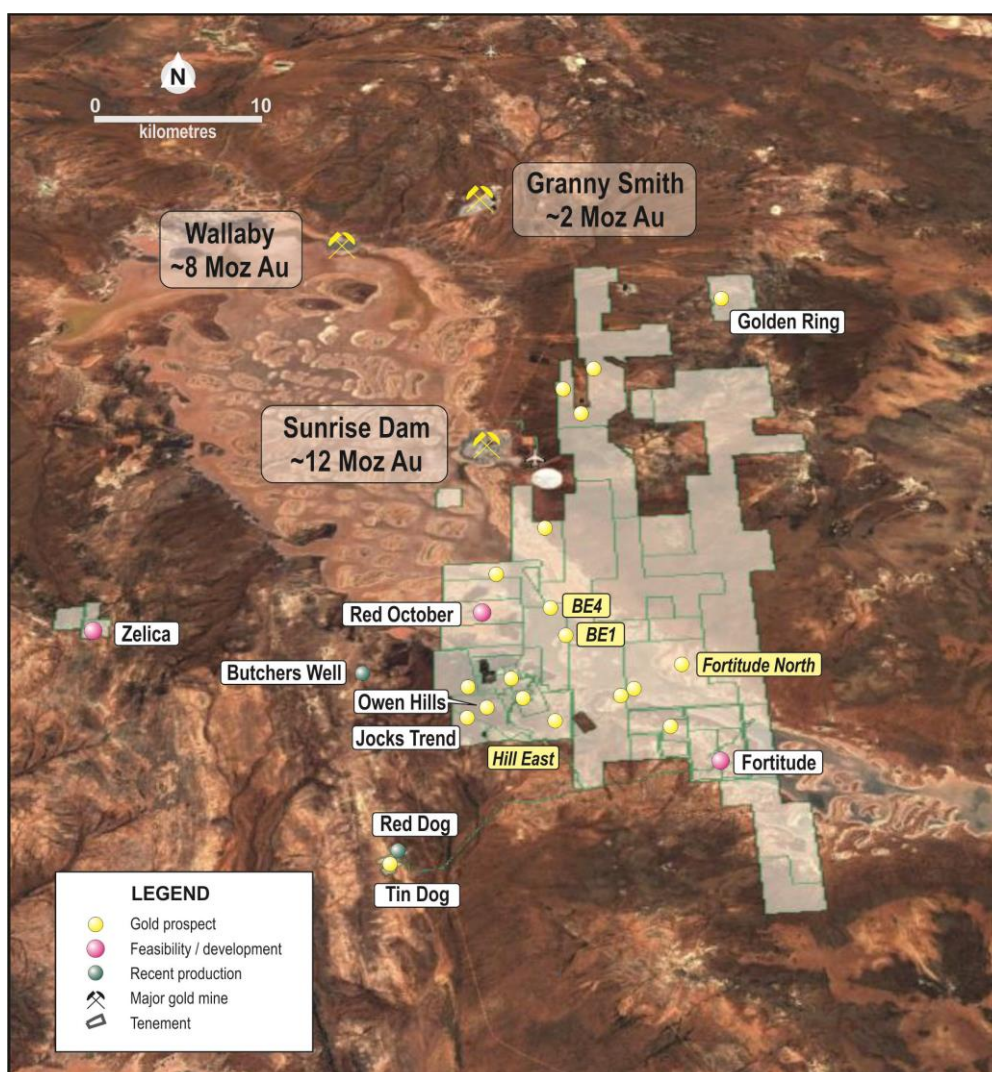


Figure 1: Lake Carey Gold Project

RED OCTOBER GOLD MINE

Following the completion of mining studies, Matsa announced the commencement of underground mining operations at the 100% owned Red October gold mine in Western Australia's Eastern Goldfields. *(MAT announcement to ASX 18th February 2019)*

During the quarter the following activities were carried out:

- Completion of initial mine plan
- Mining commenced including decline and equipment refurbishment
- Geo-mechanical strain model completed
- Completion of grade control drilling
- Negotiations for ore purchase/toll milling agreement nearing completion
- Purchase of mining, vehicles and ancillary plant and equipment

Initial Mine Plan

Mine studies have delivered a comprehensive mine plan, forecast a profitable, low cost targeted mining operation over an initial seven month period. There is strong potential to extend mining in line with the Company's goal of delivering a substantial long term mining operation at Red October.

The mining study strongly supports immediate commencement of mining producing 56,673 tonnes of ore at 5.61g/t for 10,222oz sourced from 8 lodes (Table 1). The mine will be operated by Matsa as an owner operator with all mining equipment and machinery already purchased.

This mining operation is forecast to generate revenue of A\$16.09 million and deliver a net cash surplus A\$4.075 million at a gold price of A\$1,750 per oz gold. *(MAT announcement to ASX 18 February 2019).*

All necessary approvals for mining at Red October are in place, and toll milling/ore purchase agreements are currently being finalised.

Key Project Statistics	
Mineral Resources (Underground)	
Indicated Resources: 89,000t at 12.1 g/t Au	35,000 oz
Inferred Resources: 106,000t at 14.6 g/t Au	50,000 oz
Total Resources: 195,000t at 13.6 g/t Au	85,000 oz
Production Summary	
Mine Plan: 56,673t at 5.6 g/t Au	10,222 oz
Initial mining phase (months)	7
Initial mining phase incl. haulage & rehab (months)	8
Metallurgical Recovery	90%
Gold Mined (oz)	10,222 oz
<i>(average stope width of 1.5m)</i>	
Project Economics	
Gold Price (A\$/oz)	1,750
Revenue (A\$M)	16.09
Costs (A\$M)	12.02
Cash Surplus (A\$M)	4.075
AISC (A\$/oz)	1,307

Table 1: Red October Initial 7 month mine Key Parameters (Refer Forward Looking and Cautionary Statements below)

Forward Looking and Cautionary Statements

Information included in this release constitutes forward looking statements. Often, but not always, forward looking statements can generally be identified by the use of forward-looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “continue” and “guidance” or other similar words, and may include, without limitation, statements regarding plans, strategies and objectives of management, anticipated production or construction commencement dates and expected costs or production outputs.

Forward looking statements inherently involve known and unknown risks, uncertainties and other factors that may cause the company’s actual results, performance and achievements to differ materially from any future results, performance or achievements. Relevant factors may include, but are not limited to, changes in commodity prices, foreign exchange fluctuations and general economic conditions, increased costs and demand for production inputs, the speculative nature of exploration and project development, including the risks of obtaining necessary licences and permits and diminishing quantities or grades of reserves, political and social risks, changes to the regulatory framework within which the company operates or may in the future operate, environmental conditions including extreme weather conditions, staffing and litigation. Forward looking statements are based on the company and its management’s assumptions made in good faith relating to the financial, market, regulatory and other relevant environments that exist and affect the company’s business operations in the future. Readers are cautioned not to place undue reliance on forward looking statements.

Forward looking statements are only current and relevant for the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, in providing this information the Company does not undertake any obligation to publicly update or revise any of the forward-looking statements or advise of any change in events, conditions or circumstances on which such statement is based.

The Company believes that it has a reasonable basis for making the forward-looking statements in this announcement, including with respect to any mining and financial estimates, based on the information compiled in this announcement. Key aspects of the mining study were compiled by specialist consulting groups, each with a particular expertise for the area of study reported. The Company considers that the investigations and studies carried out for this study comply with the requirements of a mining study.

Grade Control Drilling

Underground grade control drilling was successfully completed in March 2019 for a total of ~1,800m of NQ diamond core (Figure 2). The grade control drilling programme was designed to fulfil two functions:

- de-risk the preliminary mine plan; and
- define new potentially mineable gold mineralisation.

Assays and QAQC checks are currently being compiled and validated, and final assay results will be released to the market when this has been completed, which is expected shortly.

The grade control drilling program marks the start of Matsa’s long-term strategy for the mine, with key learnings to be compiled and knowledge used for future drill targeting and planning.

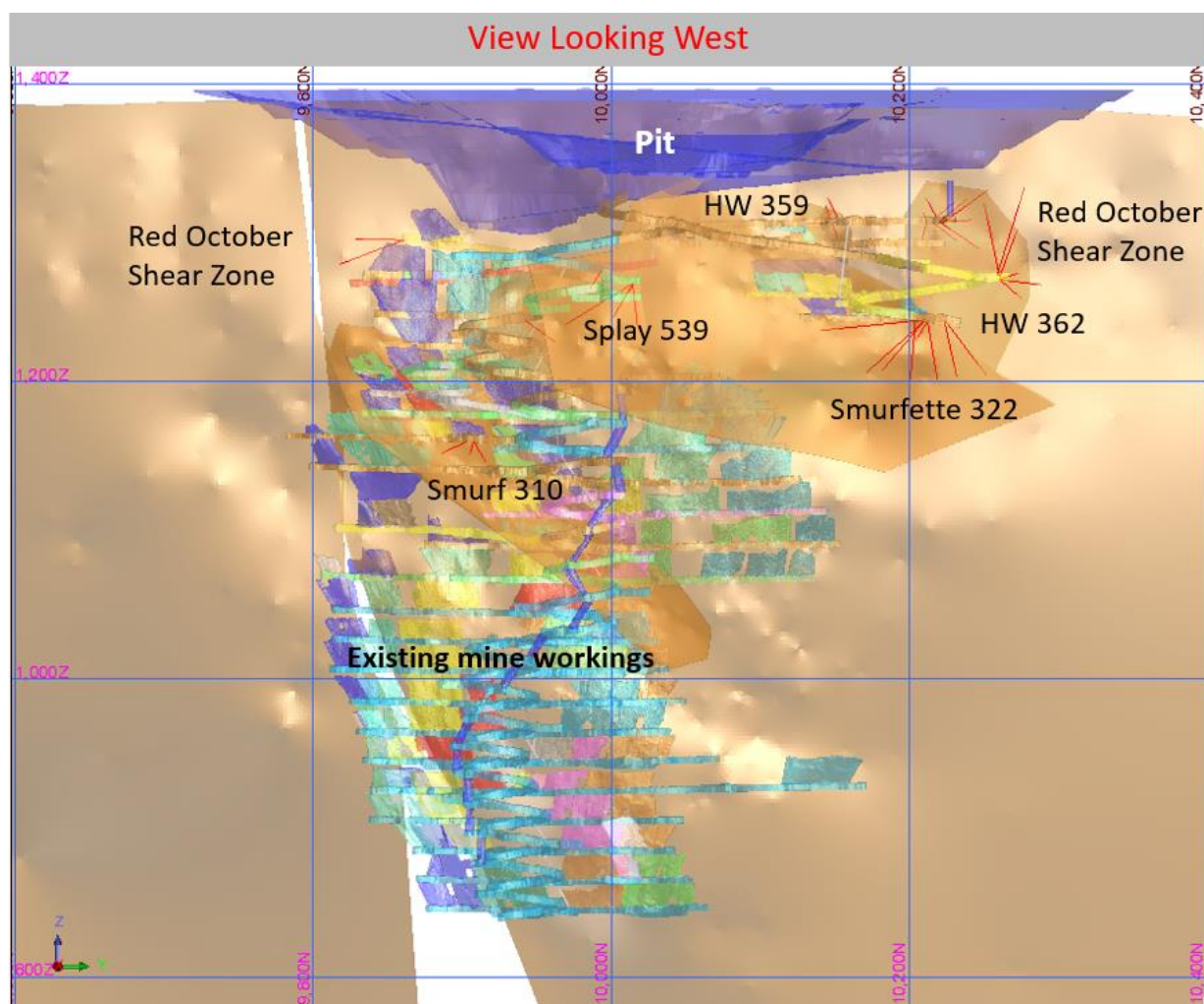


Figure 2: Red October, Summary Longitudinal Section and Location of Grade Control Drilling (in red)

Potential for Extension to Mining

The initial phase of mining at Red October represents the start of Matsa's planned long-term mining operation at Red October.

At the conclusion of the initial seven month mining operation, Matsa's intention is to continue mining operations as mining characteristics and controls on mineralisation become clearer and new mineralisation is defined by further exploration drilling.

A number of new targets have already been identified for future mining as a result of the mining studies undertaken to date.

The Red October resource remains open, and Matsa considers the deposit as under-explored along strike and down-dip (Figure 3). There is evidence of high-grade gold intersections within the existing drilling dataset, both within and outside the existing mine footprint. This strongly supports the potential to expand mining immediately, both adjacent to existing workings and further afield.

The initial mining operation represents an opportunity for Matsa to fine-tune narrow-vein mining techniques, undertake diamond drilling to define new mining areas.

There is also the opportunity to learn more about the detailed geological controls on gold mineralisation to guide exploration.

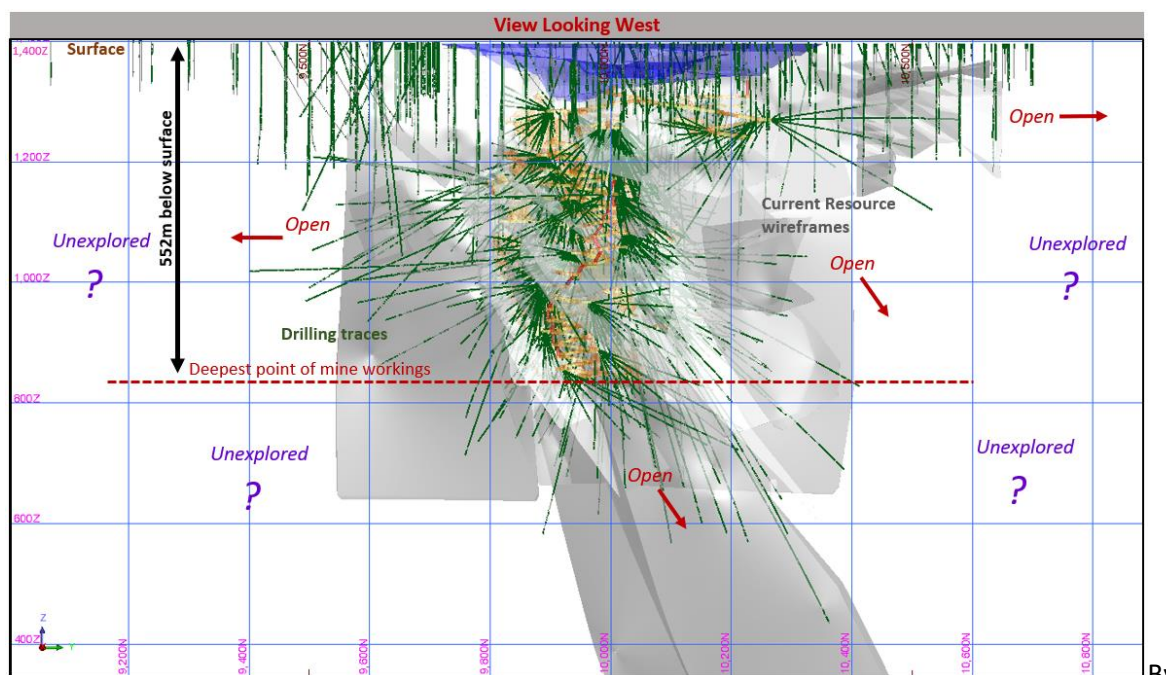


Figure 3: Red October, Longitudinal Section showing existing resource wireframes, drilling and mine workings (RO mine grid co-ordinates)

With excellent potential to extend and increase the gold resource base at Red October through further drilling, Matsa expects mining to continue well beyond the initial 7 month operation.

Geomechanical Strain Studies

During 2018, Matsa commissioned the services of GMEX (Dr. John McLellan) to construct a geomechanical model to aid in the prediction of mineralised fluid flow within structures. The technique has been used successfully at Red October previously by Saracen Minerals Ltd, and has also been used at Sunrise Dam by AngloGold Ashanti Australia Ltd (AGAA). The geomechanical model was instrumental in the 2Moz+ Vogue deposit discovery at Sunrise Dam by AGAA.

The Red October model has recently been completed, and initial results show favourable conditions along known structures for localised fluid flow and potential for mineralisation. Initial gold targets from first pass interpretation of the geomechanical model are shown in Figure 4.

Further interrogation of the model in conjunction with existing structural geology, lithology, geochemistry and geophysics datasets, will be a key aspect in developing an exploration targeting pipeline.

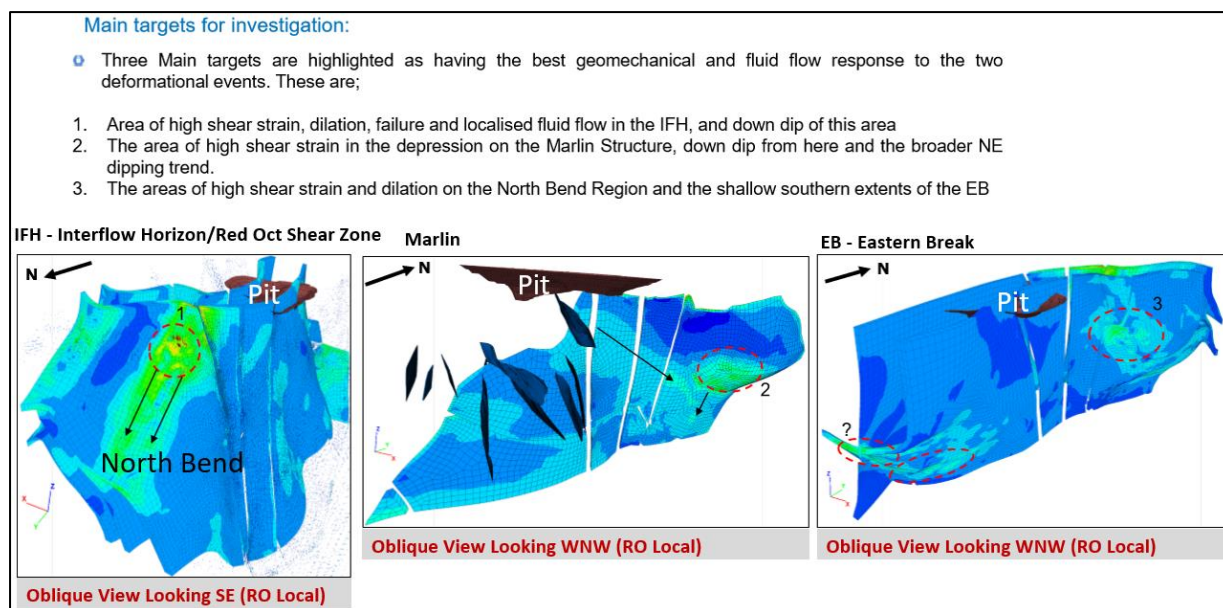


Figure 4: Initial Exploration Target Areas from the GMEX Geomechanical Model

Red October Gold Mine Background

The Red October gold mine and project area covers 44 km² and consists of six granted Mining Leases (ML's), an extensive well-maintained underground mine, a 68-person camp, offices, workshops and exploration base, underground mine equipment and a JORC 2012 compliant Mineral Resource of ~99,000 oz of gold, which importantly includes **85,000 oz @ 13.6g/t Au**.

The Red October mine is a structurally controlled gold deposit located in the Laverton Tectonic Zone which hosts a number of world class gold mines with resources >25M oz of gold which include Sunrise Dam, Granny Smith, Wallaby and Mt Morgans (Figure 1). Red October is located only 18km west of Matsa's Fortitude Gold Mine.

RED DOG GOLD PROJECT

As previously advised mining operations at the Red Dog project were completed in late November 2018, and haulage of ore to the Sunrise Dam Gold Mine (SDGM) under Matsa's ore purchase agreement with AGAA was completed in late December 2018 with final proceeds from the ore delivered received in early January 2019 from AGAA.

The mining at Red Dog delivered an outstanding result, generating production of 12,704 ounces and an operating cash surplus of \$5.5 million, which exceeded the forecast in the original mine study.

Activities during the Quarter included the following:

- Environmental rehabilitation at Red Dog
- Diamond Drilling at Red Dog and Tin Dog
- RC Drilling Tin Dog

Environmental

Rehabilitation of the Red Dog minesite was undertaken subsequent to completion of mining, and environmental monitoring is ongoing.

Drilling

During the quarter Matsa carried out an exploration RC and diamond drilling programme within its 100% owned Red Dog project as well as the adjacent Tin Dog lease M39/1011 which is subject to an option agreement with a third party. The drilling programme targeted potential extensions or repetitions of the Red Dog style gold mineralisation (Figure 5). There are strong geological similarities between the Tin Dog prospect and the Butchers Well project 18km to the NW along the Horner Fault, which AGAA are evaluating in joint venture with Saracen Minerals. Gold mineralisation at both prospects is associated with syenite intrusions.

Drillhole location and collar set ups are summarised in Appendix 2.

Assay results from this programme are currently coming to hand and will be announced as soon as all results have been compiled, validated and interpreted.

Diamond Drilling Red Dog

Drilling data was reviewed subsequent to completion of mining at Red Dog, which showed the essentially flat dipping mineralised zone in the mine, to steepen and remain open towards the SW. One diamond drillhole 19RDDD01 for 75.4m was designed to test for continuity of this mineralisation and to provide oriented structural data.

This diamond drillhole intersected variably altered basalt containing anastomosing quartz veins which are expected to be extensions to the Red Dog orebody. The drillhole also intersected a narrow interval of intrusive syenite which had not been seen in the mine area. Assay results to be announced when they have been compiled and validated.

RC and Diamond Drilling Tin Dog

This drilling programme targeted gold mineralisation at shallow depth from previous drilling (Figure 5). One diamond drillhole for 183.3 m and 31 RC drillholes for a total of 1,372m of drilling were completed.

Vertical RC drillholes to a maximum of 80m depth were designed to test potential for flat lying gold mineralisation at shallow depth, similar to the Red Dog orebody. Diamond drillhole 19RD0002 was designed with the same purpose with the added objective of providing oriented drill core to determine key structural orientations.

Geology of the Tin Dog prospect consists of basalt with numerous intervals of intrusive syenite. Potentially gold mineralised quartz-calcite veins were observed in a number of drill holes within variably hematite-carbonate altered basalt and syenite.

Assays are currently coming to hand and results will be announced as soon as they have been compiled and validated.

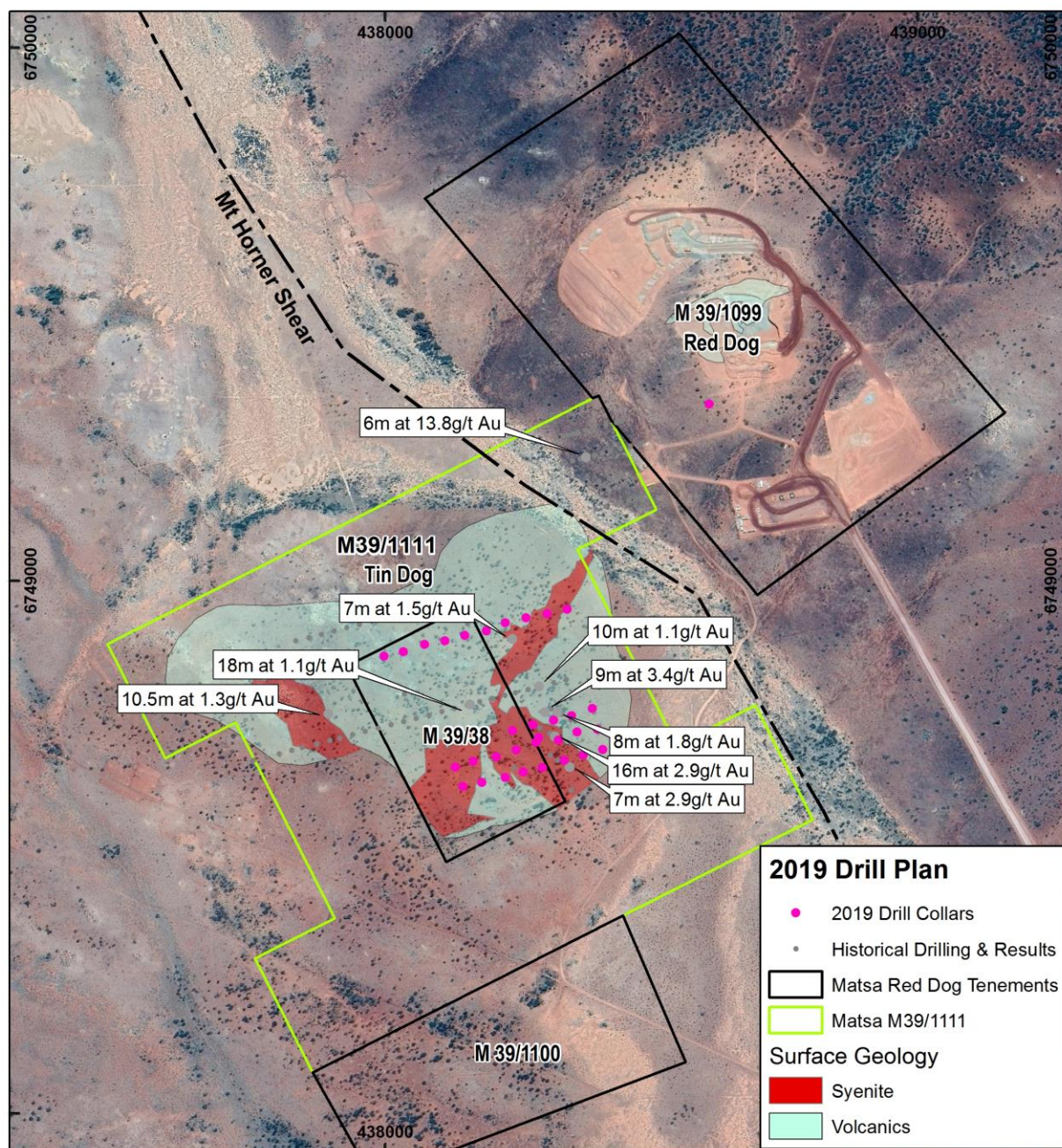


Figure 5: Diamond and RC Drilling Tin Dog and Red Dog Highlighting Gold Intercepts from Past Drilling

FORTITUDE GOLD MINE

No gold production or exploration was carried out during the quarter under review.

Matsa continues to conduct mining studies and prepare budgets into the commencement of a longer-term mining operation at Fortitude.

The strong relationship established with AGAA through the ore purchase agreement which underpinned the trial mining project, also provides an excellent foundation for future mining operations at Fortitude. All mining permits applicable to the Stage 2 mining operation are already in hand as part of the permitting for the trial mine.

LAKE CAREY EXPLORATION

Exploration at Lake Carey during the quarter comprised the following:

- Diamond and RC Drilling Fortitude North
- RC Drilling Golden Ring
- Diamond and RC Drilling Tin Dog and Red Dog (See Red Dog Project above)
- Multi element assays on historic drill holes

Drill collar location and setups are listed in Appendix 2.

Drilling Results Fortitude North

The Fortitude North Target is located ~7km northwest of Matsa's Fortitude Gold Mine, and is also located along the Fortitude Fault. Aircore drilling to date has defined a linear zone of bedrock mineralisation almost 2km long with most of this mineralisation located under the lake where access is restricted to specialised lake drilling equipment (Figure 6).

Gold intercepts in previous drilling at Fortitude North are mostly in deeply weathered basement rocks (meta-basalt and dolerite). Higher-grade intercepts in previous aircore and RC drill holes (eg. **5m @ 17.7 g/t Au** 18FNAC071) with individual gold values up to 84.1 g/t Au, were interpreted to reflect supergene enrichment in the weathering profile above primary gold mineralisation.

Anomalous gold up to 0.78 g/t Au in transported lake clays to the east of the zone of basement mineralisation is interpreted as the product of erosion and dispersion of adjacent basement gold mineralisation during deposition of the lake sediments (Figure 6, Figure 7).

During the quarter, drilling was carried out on the northern end of the bedrock gold anomaly where access was possible for truck mounted drilling equipment. This drilling was designed to discover primary mineralisation beneath/adjacent to the supergene mineralisation in the weathered profile.

In particular, this drilling was designed test the hypothesis that mineralisation may dip at a shallow to moderate angle towards the east (*MAT announcement to ASX 22nd October 2018*).

A total of 5 RC drillholes and 1 diamond hole were completed to test for primary mineralisation associated with Matsa's aircore and RC drill intersections in 2018 including **5m @ 5.46 g/t Au** (RC drill hole 18FNRC03) and **8m @ 5.46 g/t Au** (18FNAC36).

Drill holes encountered variably to strongly sheared and altered basalt beneath up to 40m of lake sediments and 20-60m of weathered basement.

Assay results are currently being compiled and validated as they come to hand and will be announced to the market once this has been completed.

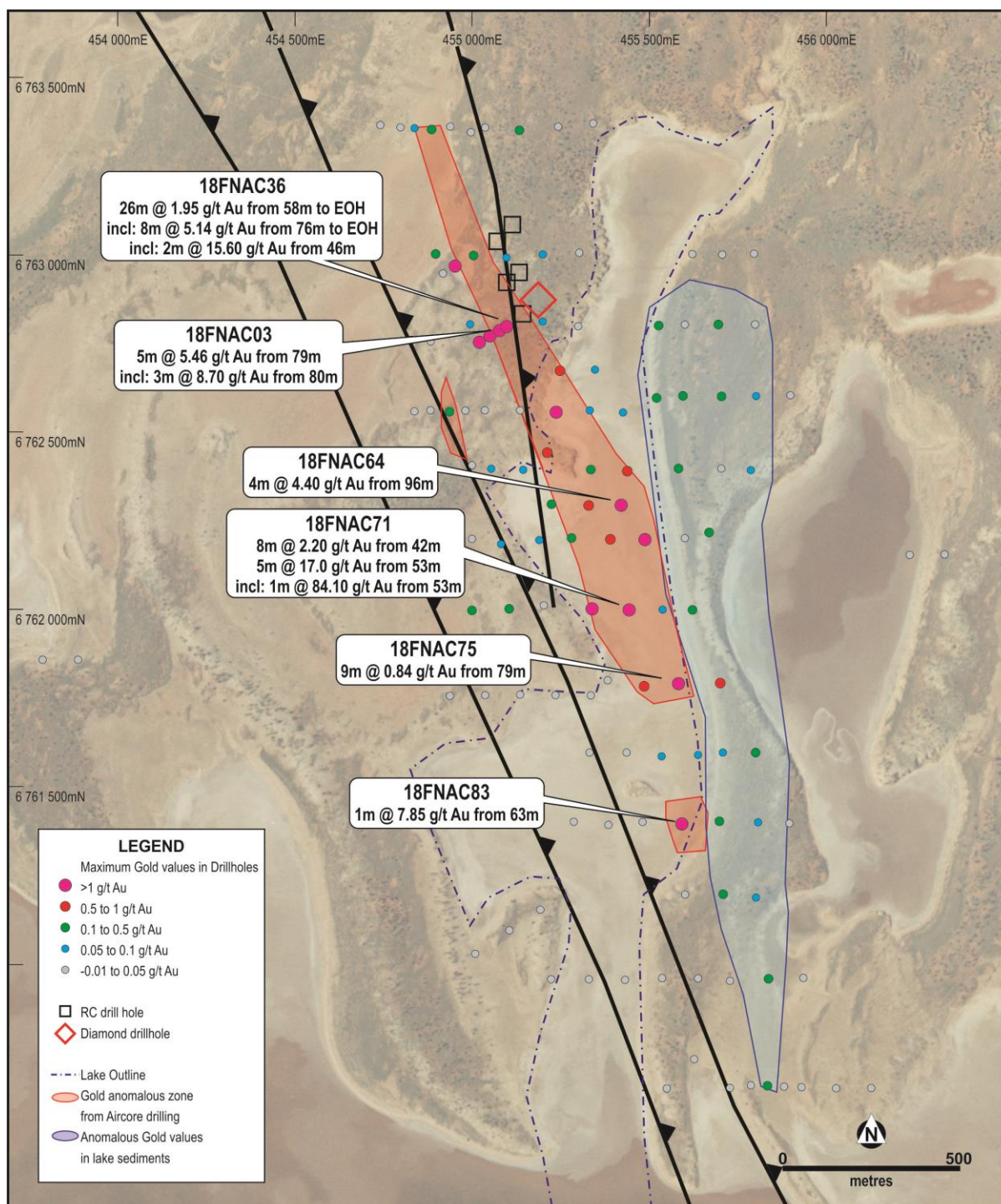


Figure 6: Fortitude North Summary Drill Results and Location of New RC and Diamond Drilling

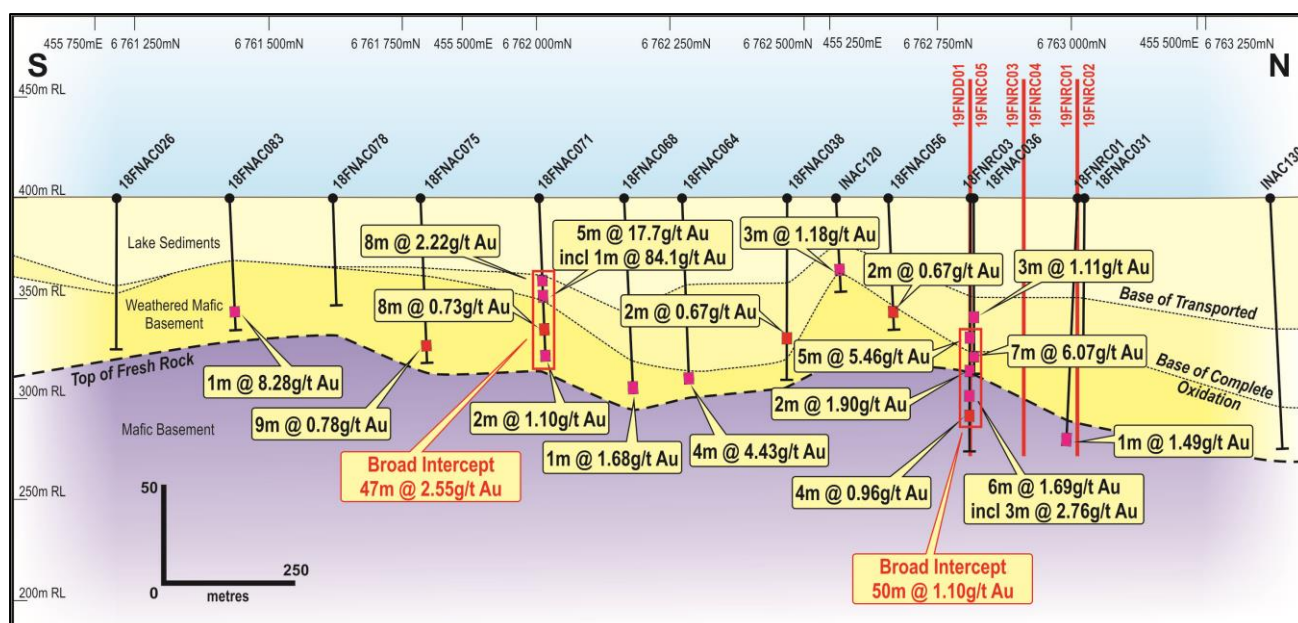


Figure 7: Fortitude North, Interpretive Oblique Longitudinal Section showing Location of Recent RC and Diamond drilling

Next Steps at Fortitude North

A total of 10 RC and one diamond hole have been completed on the prospect to date with full assay results from the current diamond and RC programme currently coming to hand. This represents only ~20% of the interpreted 2km strike extent of bedrock mineralisation. The southern 80% of the mineralised zone has only been defined by comparatively wide spaced (200m x 100m) aircore drilling.

RC and diamond drilling using specialised lake drilling equipment is planned to target primary gold mineralisation in and adjacent to this zone.

RC Drilling Golden Ring Prospect

A total of 4 RC drill holes for 432m of drilling were completed at the Golden Ring/Golden Orb prospect. Drilling was carried out to test for extensions to outcropping high grade quartz-vein hosted mineralisation exposed in historic gold workings. Results of this drilling have been received and returned a best result of 1m @ 0.62g/t Au from 70m in drill hole 19GRRC04. This drilling has downgraded this prospect and no further work is planned at this stage (Table 2).

Hole ID	Sample	From (m)	To (m)	Au ppm
19GRRC002	RDO3172	67	68	0.16
19GRRC003	RDO3247	58	59	0.44
19GRRC003	RDO3248	59	60	0.12
19GRRC004	RDO3360	45	46	0.34
19GRRC004	RDO3361	46	47	0.26
19GRRC004	RDO3385	70	71	0.62
19GRRC004	RDO3386	71	72	0.16
19GRRC004	RDO3394	79	80	0.21

Table 2: Golden Ring Prospect, assay values >0.1 g/t Au

Red October South

Previous exploration has been focused on extensions of the NS Red October “mine corridor” comprising basalts and ultramafic rocks which have been strongly sheared and faulted along the same structures that are associated with gold mineralisation at Red October.

Past exploration includes extensive auger soil sampling which identified a number of gold targets including Jacks Trend and Owen Hills. More than 700 mostly shallow (<50m RAB/Aircore and RC drill holes have also been completed (Figure 1, Figure 8). Most of these drill holes include assays for gold only.

Matsa revisited these drill sites in late 2018 and found small quantities of fresh drill-cuttings at 447 drill sites which were sampled for a multi-element suite of assays including gold and also samples for mineralogical analysis. The objective of this sampling was to use multi-element and mineralogical data to refine basement geology, potentially identify pathfinder element signatures, and use multi-element assays as a tool to map hydrothermal alteration footprints thereby identifying and prioritising targets for further drilling.

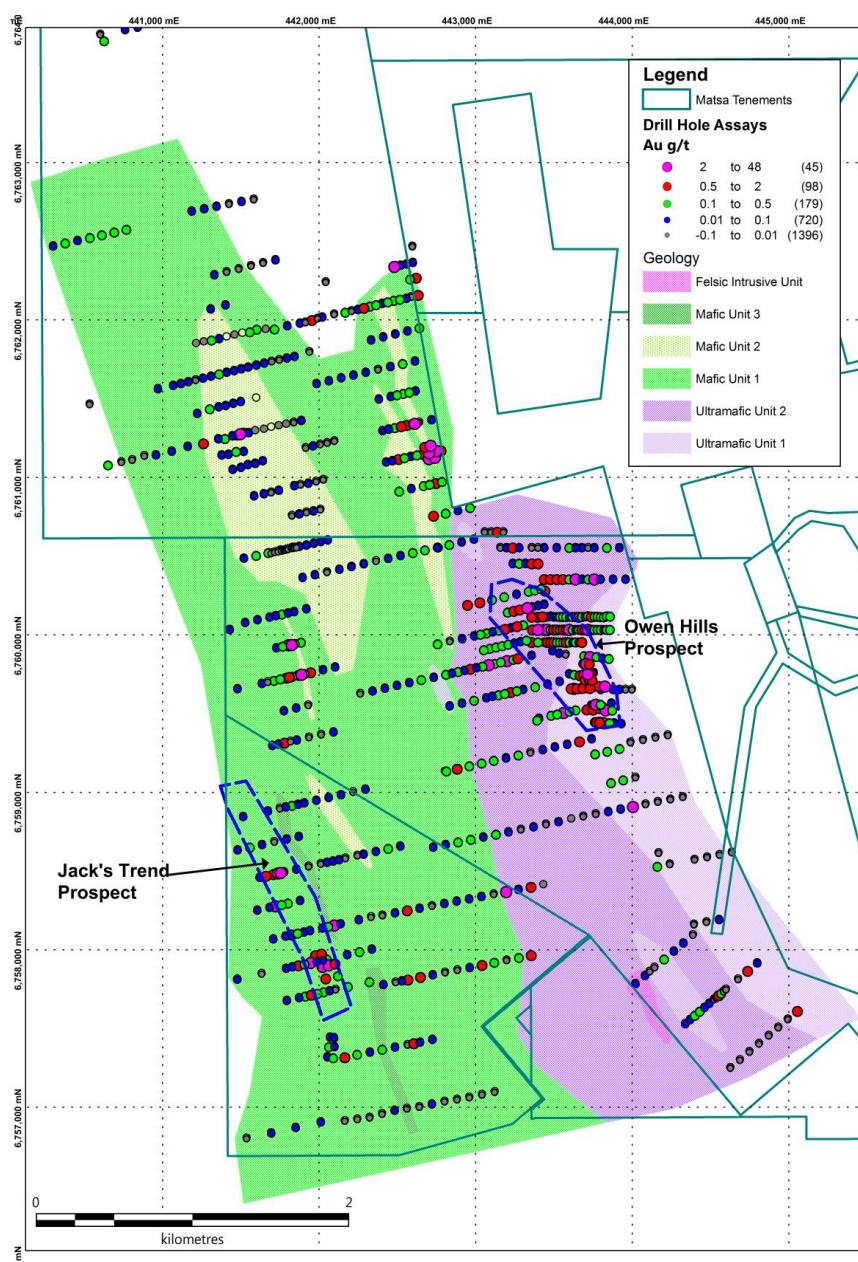


Figure 8: Red October South, Summary of previous drill holes showing maximum gold values

Summary Statistics of selected pathfinder element assay results is given in Table 3. Summary sampling and assay protocols are described in Appendix 1.

447 rows - Univariate	Au_ppm	As_ppm	Sb_ppm	Pb_ppm
Count	443	446	446	447
Unique Values	96	187	101	22
Minimum	-0.001	0.1	-0.05	-2
Maximum	2.13	>250	11.65	83
Mean	0.05	21.59	0.36	5.33
Median	0.005	3.9	0.15	4
Range	2.13	250	11.63	82
Interquartile Range	0.02	10.45	0.24	7
Standard Deviation	0.21	49.37	0.77	5.74
25 percentile	0.001	1.68	0.08	-2
75 percentile	0.02	12.13	0.32	8
90 percentile	0.06	55.71	0.86	10
95 percentile	0.16	132.00	1.40	11
99 percentile	1.50	250.10	3.74	20.56

Table 3: Red October South, Selected Pathfinder Element Assay Results

A re-interpretation of litho-geochemical data, has resulted in a new geological interpretation, which separates an eastern ultramafic group mostly made up of pyroxenite with minor peridotites from a mafic unit in the west made up mostly of basalts with minor dolerite. Minor granite intrusions are also evident from this re-interpretation.

Furthermore, a comprehensive review of major element data from the fresh sample materials, has given two areas with geochemical patterns which can be interpreted to represent large areas of hydrothermal alteration at the Jacks Trend and Owen Hills prospects. The predominant alteration signature at Jacks Trend is a sericite overprint, while Owen Hills is characterised by a very strong albite chlorite signature.

Drilling data is currently being reviewed in order to plan selective deeper drilling on these large areas of hydrothermal alteration.

ZELICA PROJECT

Matsa completed the acquisition of the Zelica gold project in mid-January 2019. During the quarter initial work has focussed on the potential for a small scale mining operation which can be commenced in a relatively short timeframe. This study is continuing.

DEVON GOLD PROJECT

Matsa completed the acquisition of the Devon gold mining project and the adjacent New Years Gift exploration licence from GME Resources in January 2019. The tenements acquired under this agreement in conjunction with the option acquired over the Anova tenements make up the rest of the greater Devon project gives Matsa control of the known gold mineralised areas surrounding the Devon mine, which is currently on care and maintenance (Figure 9).

Matsa is planning a follow-up RC drilling programme to better define and assess the potential of this high-grade mineralisation to commence in the first half of 2019.

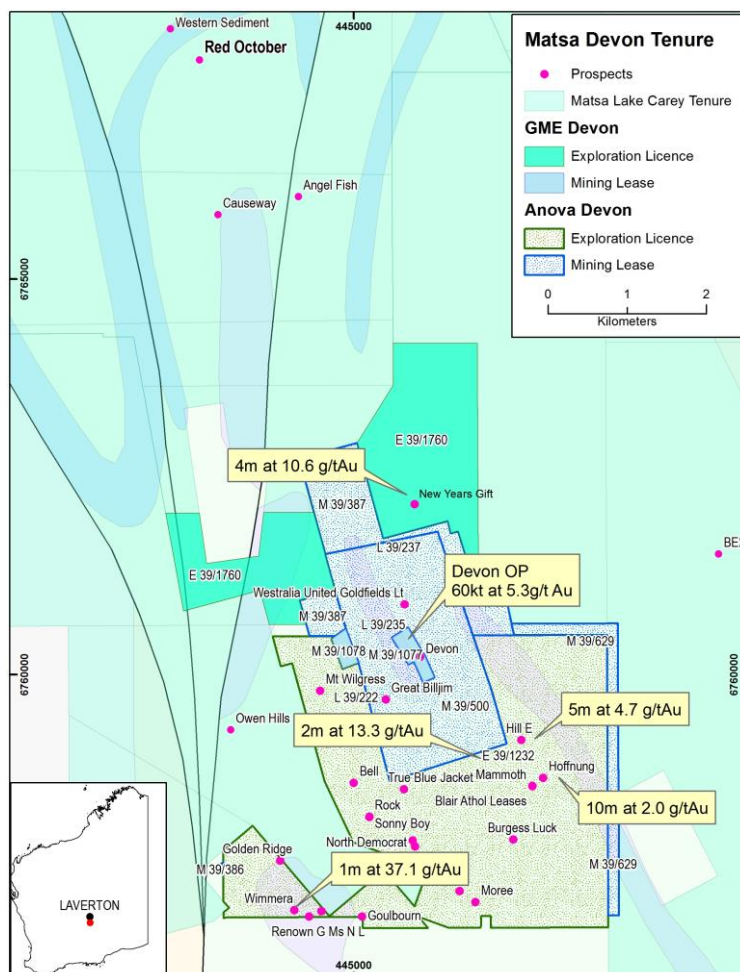


Figure 9: Summary of the Anova-Devon and GME-Devon Projects and Significant Drill Results

SYMONS HILL (Nickel Fraser Range)

Matsa engaged in a R&D programme comprising a 2D Seismic Survey over its 100% owned Symons Hill project. The survey was carried out by Curtin University's Department of Geophysics. The survey was carried out on three lines, each line is oriented E-W, is 4km long and lines are spaced 2.4km apart.

Survey lines were designed to pass over nickel bearing troctolite gabbros identified in Matsa earlier drilling programmes. These gabbro bodies are interpreted to be very similar to the host rocks at the nearby Nova mine.

The use of seismic survey techniques in the district by Independence Group (ASX-IGO), operator of Nova nickel mine, announced encouraging results from seismic surveys at Nova. (*IGO Quarterly Report to the ASX, Dec 2018*).

Objectives of the survey were to:

- evaluate equipment and in particular the use of cheap fibre optic cable
- determine the effectiveness of 2D seismic in mapping potential mineralizing structures

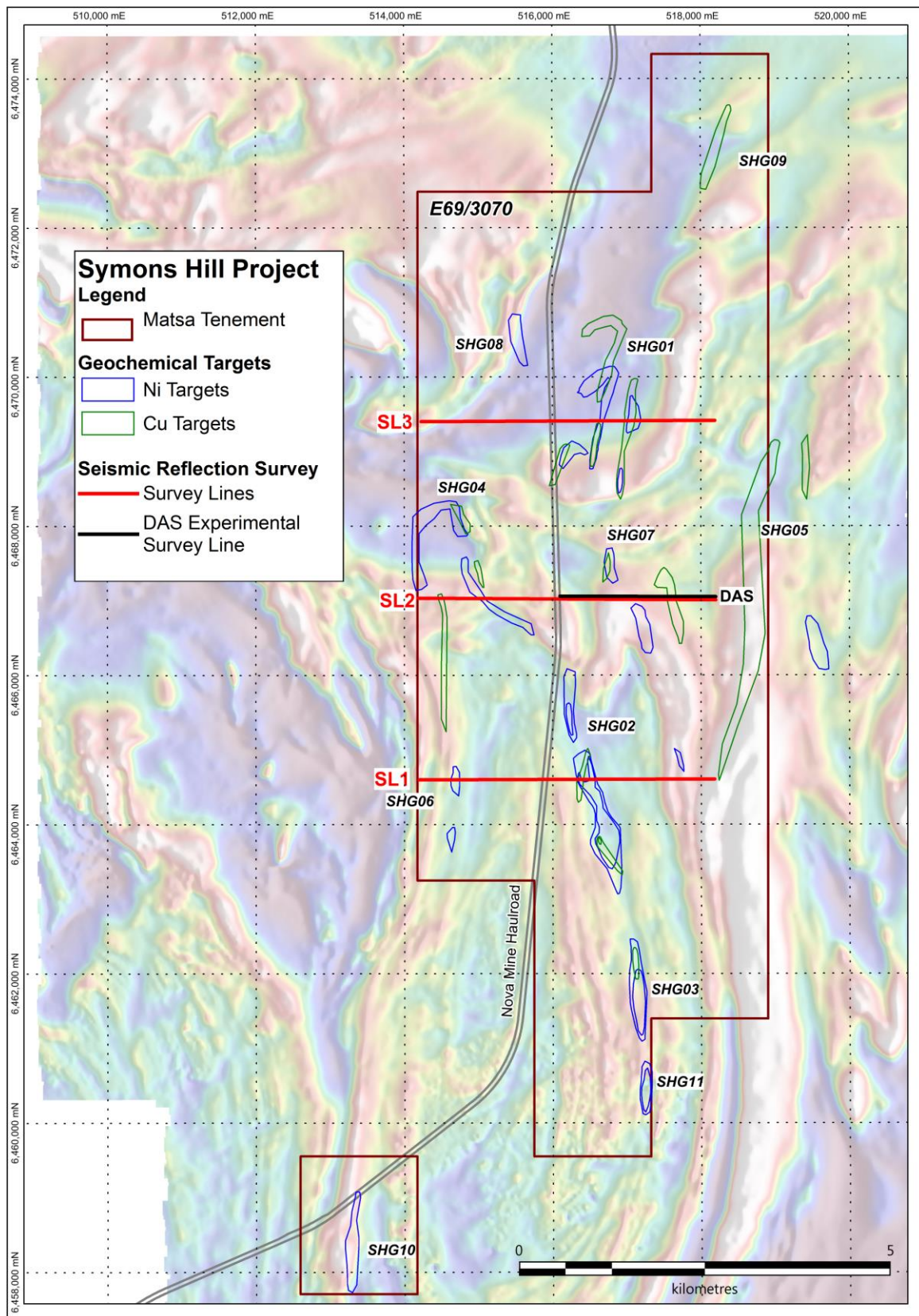


Figure 10: Symons Hill E69/3070 Showing Experimental Seismic Survey Location on Summary Magnetics and Basement Geochemistry

This survey also serves as a test platform for an experimental fibre optic cable or distributed acoustic sensing (DAS) technology that is being developed by Curtin University to replace conventional geophones in the future as part of Matsa's R&D efforts. The DAS will be for the first time in the exploration history to be trialed in a "dragging mode". This is a highly courageous trial but if successful would revolutionize mineral exploration of both brown and green fields that will make seismic reflection survey significantly cheaper and faster to implement. Seismic reflection survey which will map structures down to at least 1km beneath the surface have potential for routine use in nickel exploration but for the very high cost of using conventional seismic equipment. This R&D project seeks to make seismic surveys cheaper and more appropriate for use in mineral exploration.

Processing and compilation of results is currently in progress.

CORPORATE

Cash and liquid assets total approximately A\$4.7 million as at 31st March 2019. The long-term debt facility of A\$4 million remained constant and drawn down to only A\$3 million during the quarter. However, subsequent to the end of the quarter Matsa intends to extend the loan repayment date to 31 July 2020, increase the debt facility to A\$5 million and draw down a further A\$1 million, to be used for the acquisition of mining equipment and refurbishment. Terms and conditions of the loan have not changed.

Please refer to Appendix 5B for further details.

For further Information please contact:

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Competent Person Statement

The information in the report to which this statement is attached that relates to Exploration Results and Mineral Resources related to the Red October Resource Estimate is based upon information compiled by Mr Daniel Howe, a Competent Person who is a member of the Australian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Daniel Howe is a full-time employee of Saracen Mineral Holdings Limited. Daniel Howe has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Daniel Howe consents to the inclusion in the report of matters based on his information in the form and context in which it appears.

Exploration results

The information in this report that relates to Exploration results is based on information compiled by David Fielding, who is a Fellow of the Australasian Institute of Mining and Metallurgy. David Fielding is a full time employee of Matsa Resources Limited. David Fielding has sufficient experience which is relevant to the style of mineralisation and the type of ore deposit under consideration and the activity which he is undertaking 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'. David Fielding consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Competent Person – Red Dog Gold Project

The information in this report that relates to Exploration results is based on information compiled by Mark Csar, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mark Csar is a full time employee of Matsa Resources Limited. Mark Csar has sufficient experience which is relevant to the style of mineralisation and the type of ore deposit under consideration and the activity which he is undertaking 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'. Mark Csar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information contained in this ASX release relating to Mineral Resources has been compiled by Susan Havlin of Optiro Ltd. Susan Havlin is a Member of The Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she is undertaking 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". Susan Havlin consents to the inclusion in the report of the matters based on her information in the form and context in which it appears.

Appendix 1 - Matsa Resources Limited – Lake Carey Project

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> <i>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.</i> <i>Measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i> <i>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.</i> 	<p>RC drill cuttings sampled at 1m intervals through cone splitter into numbered bag. Bulk residues placed in green plastic bags on the ground with one metre split sample on top. Composites Samples ~3kg in weight representing 3m downhole scooped from sample piles and submitted for gold only assay. 1m splits assayed over all composite intervals >0.1 g/t Au.</p> <p>Diamond drill core, split with obviously mineralised intervals submitted for assay in first pass.</p> <p>Composites are collected by hand scooping ~3kg from bulk residue bags and are poorer quality samples than the cone split 1m samples. Consequently, all significantly anomalous intervals are re-assayed via the 1m samples.</p> <p>All Composite Samples and 180 1m splits for anomalous composites submitted to ALS Laboratories Kalgoorlie for Aqua Regia digest ICP analysis. Detection limit 0.01ppm Au. No special measures were taken to account for coarse gold.</p>
Drilling techniques	<ul style="list-style-type: none"> <i>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.).</i> 	<p>Drilling was carried out using a truck mounted multipurpose Diamond and RC rig. Drilling employed a high quality face sampling RC system with sampling carried out through a cyclone and cone splitter which was cleaned regularly.</p>

Criteria	JORC Code explanation	Commentary
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. 	RC: Sample recovery as determined by bulk residue volume was reasonably consistent and sufficient for an exploration drilling programme. Diamond: Core recovery through lake sediments and saprolite at Fortitude North, <100% in some instances. Core recovery in hard rock at Fortitude North, Red Dog and Tin Dog close to 100%.
	<ul style="list-style-type: none"> Measures taken to maximise sample recovery and ensure representative nature of the samples. 	RC; Every effort made to clean sample system at the end of each 6m rod. Bulk residues bagged to prevent contamination. Diamond core no issues found.
	<ul style="list-style-type: none"> 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. 	RC, no issues likely. Diamond, core recovery in unconsolidated rocks and high water inflows in the upper part of the hole at Fortitude North between 75% in saprolite and 33% in the lake profile. Core loss in saprolite may be associated with some loss of supergene mineralisation.
Logging	<ul style="list-style-type: none"> 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. 	Simple qualitative geological logs using standard geological coding sheets carried out on both diamond and RC core.
	<ul style="list-style-type: none"> Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. 	Logging is qualitative in nature.
	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. 	Logging was carried out on all RC cuttings and diamond drill core.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. 	Core split in half with one half submitted for assay.
	<ul style="list-style-type: none"> If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. 	RC Composite samples were scooped or "grab" sampled from bulk residue bags. 1m samples bagged at cyclone through rotary splitter.
	<ul style="list-style-type: none"> For all sample types, the nature, quality and appropriateness of the sample preparation technique. 	Sample prep in Lab is standard for all assay procedures, whereby sample is dried, homogenized and pulverised. No issues identified with this.
	<ul style="list-style-type: none"> Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples 	1m splits within and adjacent to composite intervals returning >0.1 g/t gold were assayed and compared with composites.
	<ul style="list-style-type: none"> 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 	Diamond holes Tin Dog, Red Dog, Fortitude North, one blank and one standard every 40 samples. RC holes Golden Orb and Fortitude North, No specific QA QC samples RC Tin Dog, Red Dog, 1 blank and 1 duplicate per hole.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Whether sample sizes are appropriate to the grain size of the material being sampled. 	Sample weights of ~3kg documented are adequate for fine gold. Evidence of coarse gold suggests that special screen fire assays may be appropriate in some sections.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 	<p>Drill samples were dispatched for low level gold determination by 30g Fire Assay with AAS finish which is an industry standard process. Assay accuracy determined by laboratory QACQ process.</p> <p>Samples of fresh cuttings from historic drill holes Red October South were submitted for multi element analysis to ALS using their CCP PKG1 group analysis. This group comprises a number of fusion, digestion and assay techniques, depending on the analyte and appropriate detection limits.</p>
	<ul style="list-style-type: none"> 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. 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. 	<p>Not applicable.</p> <p>QA, QC samples consisted on standard samples and blanks from Geostats Pty Ltd as well as field duplicate samples.</p>
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<p>Composites validated by individual 1m splits. All assay and sampling procedures verified by company personnel. All results reviewed by Exploration Manager Dave Fielding.</p> <p>No twinned holes carried out.</p> <p>Geological and sampling data recorded on Toughbook in the field to minimise transcription errors. Hole locations recorded on GPS and compared prior to upload to database.</p> <p>All assays reported in this announcement were from cone split 1m samples (splits) based on preliminary assays of 3m composite samples.</p>
Location of data points	<ul style="list-style-type: none"> 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. 	Collar location surveyed by hand held GPS to an accuracy of +-5m. RC drill holes were set up at surface using a compass and clinometer. Downhole measurements of azimuth, dip and total magnetic intensity were carried out using an Eastman Multishot camera at ~30m intervals and manually recorded on daily drill records. Downhole Surveys have been incorporated into the interpretive cross section in the body of the report.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i> 	<p>GDA94 UTM co-ordinate system Zone 51.</p> <p>+10m from AHD has been assumed for regional exploration holes used in designing the follow up programme. For practical purposes the RL for all holes is given as the level of Lake Carey namely 400m AHD.</p>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <i>Data spacing for reporting of Exploration Results.</i> 	RC drilling was designed as follow up of anomalous values in aircore drilling. Two drill lines are spaced at ~200m apart as shown in the body of the report. This is not a definitive test of the aircore results and further drilling is required to evaluate the significance of the bedrock gold mineralisation.
	<ul style="list-style-type: none"> <i>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.</i> <i>Whether sample compositing has been applied.</i> 	<p>Drill hole spacing too large to confidently assign continuity of anomalous values. Drilling was designed to test a preliminary interpretation that mineralisation is likely to be vertically oriented or steeply dipping.</p> <p>Compositing of samples from 1m to a maximum of 3m was carried out for first pass assay.</p>
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>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.</i> 	<p>Drilling carried out on lines oriented at 060 to take into account NW trending structural interpretation. Vertical holes not ideal for steeply dipping rocks but selected to minimize drilling difficulties in deep clays.</p> <p>Drilling too wide spaced for bias to be a problem. Orientation of continuous in-situ mineralisation yet to be determined.</p>
<i>Sample security</i>	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	Samples are delivered to the laboratory by Matsa Staff. No special security procedures are carried out in the field.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	No audit carried out yet.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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. 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. 	Exploration was carried out over Matsa's Lake Carey/Red October project group of tenements as attached to the quarterly.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	The Lake Carey project is located in an area considered to be very mature in exploration terms. Significant work has been carried out by previous individuals and companies.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	The deposit types being sought are orogenic syntectonic gold mineralisation similar to Fortitude which is located 5km south on the same major fault system.
Drill hole Information	<ul style="list-style-type: none"> 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"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. 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. 	<p>Drill hole, collar setup reported for all drilling.</p> <p>Assays reported only for the Golden Ring prospect with other assays awaited.</p> <p>Assays for previous drill holes were announced as a summary.</p> <p>Significant assays summarized in the report. Hole collar parameters and all significantly anomalous assays >0.1g/t Au reported in the body of the report.</p> <p>No significant information was excluded deliberately.</p>
Data aggregation methods	<ul style="list-style-type: none"> 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. 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. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	Quoted intercepts refer to individual 1m split samples sometimes averaged over two or three samples. Aggregates did not include assays <0.5 g/t Au. Aggregates are reported as simple averages of individual assay results.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 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'). 	<p>All intercepts quoted relate to downhole depth and true width is unknown.</p> <p>Current interpretation suggests that drill holes need to be oriented from east towards the west to test for a combination of subvertical to shallow east dipping structures.</p> <p>Intercepts in aircore drill holes are expressed in downhole metres.</p>
Diagrams	<ul style="list-style-type: none"> 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. 	Plans and cross sections summarising salient aspects of drilling has been included in the text.
Balanced reporting	<ul style="list-style-type: none"> 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. 	All drilling information has been used to determine exploration targets.
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	The review made use of publicly available aeromagnetics and gravity, past drilling by Midas Gold Ltd which was acquired with purchase of the Lake Carey Fortitude project.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	The planned drilling is intended to test hypotheses regarding stratigraphic and structural targets Lake Carey.

Appendix 2: Drill Collars for Drilling Completed during March Quarter 2018

Prospect	Hole_ID	Hole_Type	Depth	MGA_East	MGA_North	Orig_RL	Dip	Azimuth
Fortitude North	19FNDD001	DDH	321.4	455187	6762871	403	-70	230
Fortitude North	19FNRC001	RC	150	455071	6763039	401	-60	230
Fortitude North	19FNRC002	RC	150	455109	6763082	400	-60	230
Fortitude North	19FNRC003	RC	193	455099	6762921	400	-60	230
Fortitude North	19FNRC004	RC	209	455129	6762950	400	-60	230
Fortitude North	19FNRC005	RC	209	455141	6762831	400	-60	230
Golden Ring	19GRRC001	RC	102	460244	6799101	453	-60	120
Golden Ring	19GRRC002	RC	84	460275	6799188	475	-60	120
Golden Ring	19GRRC003	RC	126	460065	6799290	458	-60	90
Golden Ring	19GRRC004	RC	120	460052	6799188	470	-60	90
Red Dog Mine	19RDDD001	DDH	75.4	438609	6749332	380	-60	40
Tin Dog	19RDDD002	DDH	183.3	438389	6748705	390	-60	90
Tin Dog	19RDRC003	RC	66	438284	6748697	390	-90	0
Tin Dog	19RDRC004	RC	30	438247	6748682	390	-90	0
Tin Dog	19RDRC005	RC	30	438209	6748670	390	-90	0
Tin Dog	19RDRC006	RC	30	438166	6748661	390	-90	0
Tin Dog	19RDRC007	RC	30	438132	6748650	388	-90	0
Tin Dog	19RDRC008	RC	30	438147	6748614	389	-90	0
Tin Dog	19RDRC009	RC	30	438182	6748621	385	-90	0
Tin Dog	19RDRC010	RC	30	438226	6748631	383	-90	0
Tin Dog	19RDRC011	RC	30	438260	6748641	382	-90	0
Tin Dog	19RDRC012	RC	30	438296	6748649	385	-90	0
Tin Dog	19RDRC013	RC	80	438337	6748663	387	-90	0
Tin Dog	19RDRC014	RC	80	438373	6748673	382	-90	0
Tin Dog	19RDRC015	RC	80	438409	6748683	380	-90	0
Tin Dog	19RDRC016	RC	24	438399	6748721	378	-90	0
Tin Dog	19RDRC017	RC	80	438361	6748716	387	-90	0
Tin Dog	19RDRC018	RC	80	438390	6748760	385	-90	0
Tin Dog	19RDRC019	RC	80	438351	6748747	386	-90	0
Tin Dog	19RDRC020	RC	80	438317	6748738	388	-90	0
Tin Dog	19RDRC021	RC	42	438278	6748730	385	-90	0
Tin Dog	19RDRC022	RC	30	438240	6748719	393	-90	0
Tin Dog	19RDRC023	RC	80	438326	6748701	388	-90	0
Tin Dog	19RDRC024	RC	30	438342	6748946	380	-90	0
Tin Dog	19RDRC025	RC	30	438305	6748938	378	-90	0
Tin Dog	19RDRC026	RC	30	438265	6748930	383	-90	0
Tin Dog	19RDRC027	RC	30	438226	6748921	387	-90	0
Tin Dog	19RDRC028	RC	30	438191	6748906	390	-90	0
Tin Dog	19RDRC029	RC	30	438150	6748897	390	-90	0
Tin Dog	19RDRC030	RC	30	438113	6748887	388	-90	0
Tin Dog	19RDRC031	RC	30	438075	6748880	389	-90	0
Tin Dog	19RDRC032	RC	30	438035	6748867	387	-90	0
Tin Dog	19RDRC033	RC	30	437999	6748859	381	-90	0

MATSA RESOURCES LIMITED

SCHEDULE OF TENEMENTS HELD AT 31 MARCH 2019

Tenement	Project	Interest at Beginning of Quarter	Interest at End of Quarter	Change During Quarter
E 69/3070	Symons Hill	100%	100%	
E 09/2162	Glenburg	100%	100%	
E 52/3339		100%	100%	
E 28/2600	Lake Rebecca	100%	100%	
E 28/2635		100%	100%	
E 38/2948	Mount Weld	100%	100%	
E 38/2949		100%	100%	
E 38/3102		100%	100%	
E 39/1287	Lake Carey	100%	100%	
E38/2945		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 38/2938		90% ²	90% ²	
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%	
L 39/247		100%	100%	
L 39/267		100%	100%	
L 39/268		100%	100%	
M 39/1		100%	100%	
M39/1099		100%	100%	
M39/1100		100%	100%	
M39/38		100%	100%	
M 39/1065		100%	100%	
M 39/1089		100%	100%	

MATSA RESOURCES LIMITED

SCHEDULE OF TENEMENTS HELD AT 31 MARCH 2019

Tenement	Project	Interest at Beginning of Quarter	Interest at End of Quarter	Change During Quarter
M 39/286		100%	100%	
M 39/709		100%	100%	
M 39/710		100%	100%	
P 39/5293		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 39/1760	Devon	0%	100%	Acquired during quarter
L39/222		0%	100%	Acquired during quarter
L 39/235		0%	100%	Acquired during quarter
L 39/237		0%	100%	Acquired during quarter
M 39/1077		0%	100%	Acquired during quarter
M 39/1078		0%	100%	Acquired during quarter
E 39/1897	Zelica	0%	100%	Acquired during quarter
L 39/261		0%	100%	Acquired during quarter
M 39/1101		0%	100%	Acquired during quarter
L 39/273	Red October	100%	100%	
M 39/411		100%	100%	
M 39/412		100%	100%	
M 39/413		100%	100%	
M 39/599		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%	
SPL 22/2558	Siam Project	100%	0%	Relinquished tenement
SPL 23/2558		100%	0%	Relinquished tenement
SPL 39/2558		100%	0%	Relinquished tenement
SPL 41/2558		100%	0%	Relinquished tenement
SPL 44/2558		100%	0%	Relinquished tenement
SPL 52/2558		100%	0%	Relinquished tenement
SPL 80/2558		100%	100%	

All tenements are located in Western Australia apart from the Siam Project which is located in Thailand.

¹ = Joint venture with Raven Resources Pty Ltd

² = Joint venture with Bruce Legendre

+Rule 5.5

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

MATSA RESOURCES LIMITED

ABN

48 106 732 487

Quarter ended ("current quarter")

31 March 2019

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	5,157	12,221
1.2 Payments for		
(a) exploration & evaluation	(1,378)	(2,445)
(b) development	-	(46)
(c) production	(2,213)	(6,206)
(d) staff costs	(289)	(901)
(e) administration and corporate costs	(381)	(1,061)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	12	34
1.5 Interest and other costs of finance paid	(97)	(305)
1.6 Income taxes paid	-	-
1.7 Research and development refunds		
1.8 Other – Other income	38	136
- Red October Care & Maintenance	(663)	(1,570)
1.9 Net cash from / (used in) operating activities	186	(143)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(119)	(867)
(b) tenements (see item 10)	(250)	(1,125)
(c) investments	-	(225)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	80
	(b) tenements (see item 10)	-	-
	(c) investments	270	270
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – Bond Deposits	(20)	(39)
2.6	Net cash from / (used in) investing activities	(119)	(1,906)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(27)	(74)
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	(27)	(74)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,629	3,792
4.2	Net cash from / (used in) operating activities (item 1.9 above)	186	(143)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(119)	(1,906)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(27)	(74)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,669	1,669

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	1,619	1,579
5.2 Call deposits	50	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)	1,669	1,629
Shares held in listed investments*	3,029	3,498
Total cash and liquid investments at end of quarter	4,698	5,127

* Market value at 31 March 2019 (Previous quarter 31 December 2018)

6. Payments to directors of the entity and their associates

	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	177
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

7. Payments to related entities of the entity and their associates

	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	4,000	3,000
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

On 8 August 2017 Matsa entered into a secured \$4M loan facility split equally between two separate parties. The loan attracts a 12% per annum interest rate and is repayable by 31 July 2019. At 31 March 2019 the Company had drawn down \$3M of the facility.

9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	1,045
9.2 Development	-
9.3 Production	1,809
9.4 Staff costs	194
9.5 Administration and corporate costs	620
9.6 Other (provide details if material)	-
9.7 Total estimated cash outflows	3,668

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	<u>Siam Project (Thailand)</u>			
	SPL 22/2558	Direct	100%	0%
	SPL 23/2558	Direct	100%	0%
	SPL 39/2558	Direct	100%	0%
	SPL 41/2558	Direct	100%	0%
	SPL 44/2558	Direct	100%	0%
	SPL 52/2558	Direct	100%	0%
10.2 Interests in mining tenements and petroleum tenements acquired or increased	<u>Devon (WA)</u>			
	E 39/1760	Direct	100%	0%
	L 39/222	Direct	100%	0%
	L 39/235	Direct	100%	0%
	L39//237	Direct	100%	0%
	M 39/1077	Direct	100%	0%
	M 39/1078	Direct	100%	0%
	<u>Zelica (WA)</u>			
	E 39/1897	Direct	100%	0%
	L 39/261	Direct	100%	0%
	M 39/1101	Direct	100%	0%

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.

Sign here: 
(Director/Company secretary)

Date: 18 April 2019

Print name: Andrew Chapman

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.