



ASX Announcement

1st October 2020

Commencement of Drilling Devon Gold Mine

Highlights

- A 5,400m RC drill program has commenced at Devon as part of a longer-term drilling campaign to test Matsa's recently announced Exploration Targets at Lake Carey
- This program is designed to define continuity and extents of high grade mineralisation at Devon which remains open at depth and along strike
- Drilling is focused on significant gold mineralisation in the Main Lode and Hanging-Wall Lode and follows up Matsa's high grade drilling results announced in January 2020 which included:

Main Lode

2m @ 21 g/t Au from 93m

2m @ 19.1 g/t Au from 105m

Hanging-Wall Lode

8m @ 27 g/t Au from 25m

- The Devon drill program is being carried out concurrently with diamond drilling at Red October as part of an aggressive campaign to discover new gold mineralisation in the Lake Carey Project

CORPORATE SUMMARY

Executive Chairman

Paul Poli

Director

Frank Sibbel

Director & Company Secretary

Andrew Chapman

Shares on Issue

271.14 million

Unlisted Options

25.6 million @ \$0.17 - \$0.35

Top 20 shareholders

Hold 57.99%

Share Price on 30th September 2020

13 cents

Market Capitalisation

\$35.25 million

Matsa Resources Limited (“Matsa” or “the Company” ASX: MAT) is pleased to advise that a 5,400m RC drill program has commenced at the Devon gold mine as part of the Company’s aggressive exploration program to discover and develop new gold mineralisation at Lake Carey.

Matsa has defined an exploration target between 100,000 oz gold and 250,000 oz gold in the Main Lode and Hanging-Wall Lodes where high grade gold mineralisation was confirmed in Matsa’s drilling program at Devon (*MAT Announcements to ASX 18th August 2020 and 22nd January 2020*).

Mining of the Main Lode by GME Resources Ltd in 2015 and 2016 produced 60,622t at an average grade of 5.31 g/t Au for 9,593 oz gold, confirming its high grade potential.

Key drilling results in Matsa’s initial program included high gold grades in both the Main Lode and the Hanging-Wall lode as follows:

Main Lode

2m @ 21 g/t Au	from 93m	19DVRC001
1m @ 6.24 g/t Au	from 106m	19DVRC002
2m @ 19.1 g/t Au	from 105m	19DVRC005
and	1m @ 3.01 g/t Au	from 110m

Hanging-Wall Lode

8m @ 27 g/t Au	from 25m	19DVRC003
incl.	3m @ 8.32 g/t Au	from 25m
and	2m @ 94 g/t Au	from 29m

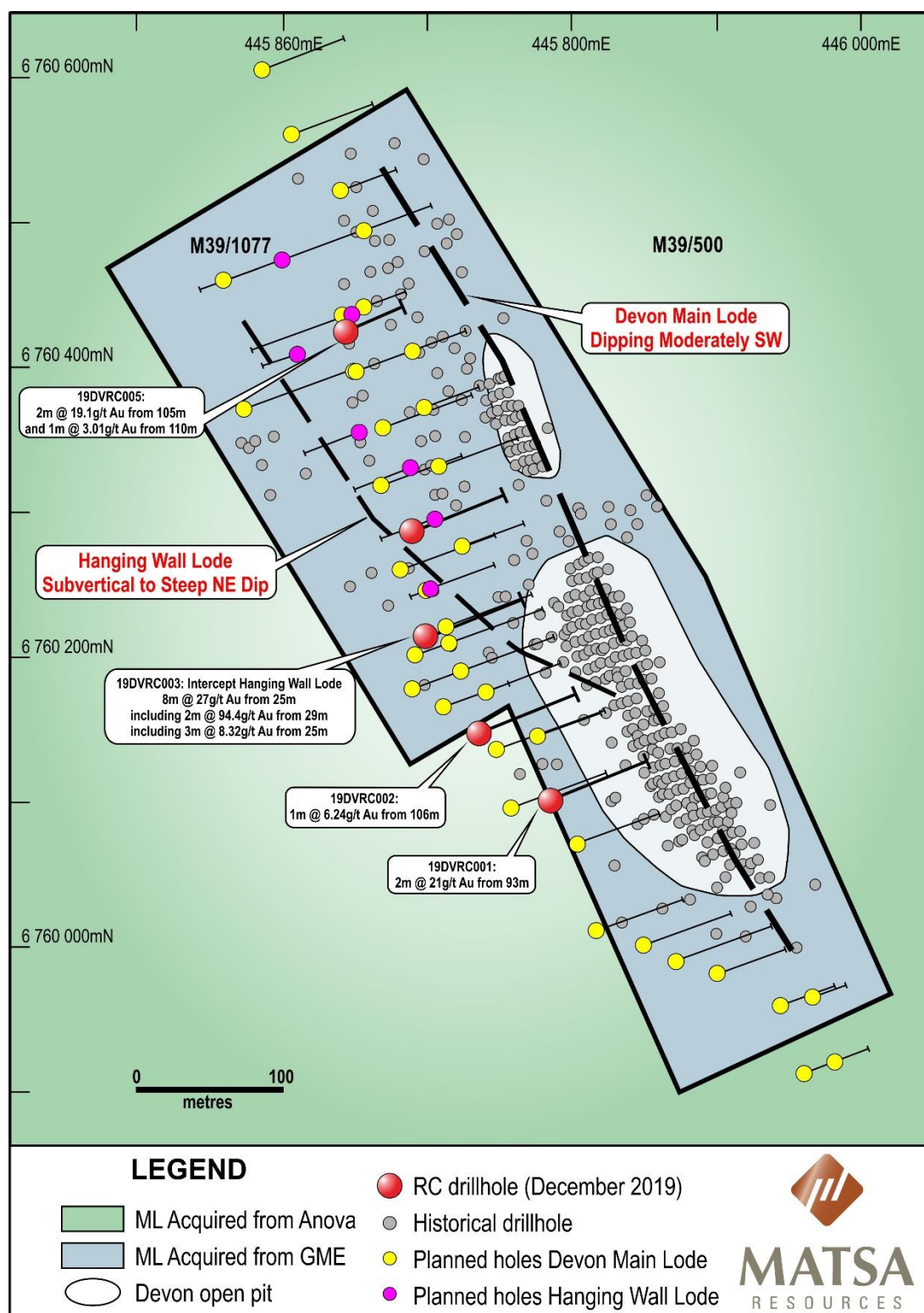
The objective of the current drilling programme is to assess the resource potential at Devon and more specifically the extents and continuity of high grade “shoots” in the Main Lode and Hanging-Wall Lodes.

Main Lode

- Infill drilling to confirm continuity and nature of mineralisation and potential for structural repeats.
- Step out drilling to test for strike extensions to the NW and SE where mineralisation remains open.
- Deeper drilling to explore gold mineralisation at depth where mineralisation is open below 100m.

The Hanging-Wall Lode

- Infill and step out drilling to define this lode which remains under-explored by existing drilling.
- Deeper drilling is designed to both test for continuity at depth and also to explore the interpreted intersection between the Hanging-Wall Lode and the Main Lode. This intersection is a structural location potentially highly favourable for gold mineralisation and remains untested by current drilling.



It is expected that the results of this drilling campaign will be followed by further resource definition drilling and commencement of mining studies at Devon as part of the longer-term aim to increase the resource base and gold production of the Lake Carey gold project.



Figure 2: Devon RC Drilling currently in progress, September 2020

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

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