ASX Announcement

30th January 2025

$3M to Fast-Track Development Devon Pit Gold Mine

HIGHLIGHTS

- Matsa has completed a share placement to 3 corporate investors at an issue price of $0.038 per share to raise $3.13M.
- The funds raised will fast-track the commencement of development and mining of the Devon Pit Gold Mine ("Devon") and working capital requirements
- The placement introduces The Flagship Fund, a new sophisticated shareholder to the Matsa share register, an Australian based fund manager for sophisticated investors
- Matsa's two largest shareholders, Deutsche Balaton and Bulletin Resources Limited (ASX: BNR), also continue to strongly support Matsa and have participated in the placement
- Discussions with mining contractors, third party processing plant operators and lending institutions for Devon continue and are being finalised with agreements expected by the end of this quarter

CORPORATE SUMMARY

Directors

Paul Poli - Executive Chairman

Pascal Blampain

Andrew Chapman

Shares on Issue

650.237 million

Unlisted Options

226.16 million @ $0.05 - $0.10

Top 20 shareholders

Hold 65.68%

Share Price on 28th January 2025

3.6 cents

Market Capitalisation

A$23.41 million

INTRODUCTION

Matsa Resources Limited ("Matsa", "Company") is pleased to announce it has completed a capital raising of $3.13 million before costs via a placement.

The capital raising was well supported by Matsa's two largest shareholders, Deutsche Balaton (Delphi/Sparta) and its associates who are the Company's largest shareholder and the second being Bulletin Resources Limited ("Bulletin"; ASX: BNR). In addition, a new sophisticated investor, The Flagship Fund, who cornerstoned this placement, has taken a substantial position in Matsa.

The Share Placement ("Placement") will comprise the issue of 82.36M shares at an issue price of $0.038 per share. There is no discount to the market price and no attaching options being issued in this Placement.

The shares to be issued under the Placement will be issued under the Company's available placement capacity under ASX Listing Rule 7.1.

Matsa Executive Chairman Mr Paul Poli said:

"This capital raising has been conducted at around Matsa's current market price and is strongly supported by our two largest shareholders, in Deutsche Balaton, who have been a long term supporter of Matsa, and Bulletin Resources Limited. Bulletin became a substantial shareholder in 2024 and with Deutsche, have continued to be strong supporters of both Matsa and its projects. The support level for the placement at market, is testament to the quality of the projects Matsa is developing and in particular the value of bringing Devon into production which will provide substantial benefits to Matsa in a relatively short period of time.

I am particularly pleased that Matsa has attracted a new domestic fund manager onto the register who are supportive of Matsa's pathway to production. This is very pleasing and I welcome them as a shareholder of our Company.

This capital raising is aimed at commencing mining at Devon ASAP. Finalisation of selecting a mining contractor, processing facility and financing is being wrapped up with an expectation these should be finalised by the end of this quarter. I look forward to bringing you more news on Devon in the near term.

Use of Funds

The funds raised from the Placement will be used to finalise all works necessary to commence mining at Devon and working capital.

Placement

Under the Placement, $3,129,798 will be raised via the issue of 82,363,105 fully paid ordinary shares ("Shares") at $0.038 per Share pursuant to the Company's existing placement capacity under ASX Listing Rule 7.1.

The Placement issue price of $0.038 per Share is at market and a discount of 6.2% to the VWAP of $0.04052 for the 15 days up to and including 24 January 2025.

The Flagship Fund will receive 15M unlisted options for being the cornerstone investor in the placement on the same terms as the loyalty options which are exercisable at $0.05 each and expiring 30 September 2027. Corsair Corporate Pty Ltd will receive a 6% fee and $20k management fee on the capital raised.

Settlement of the new shares has occurred with allotment to occur on Friday, 31 January 2025 *.

* This timetable is indicative only and is subject to change without notice.

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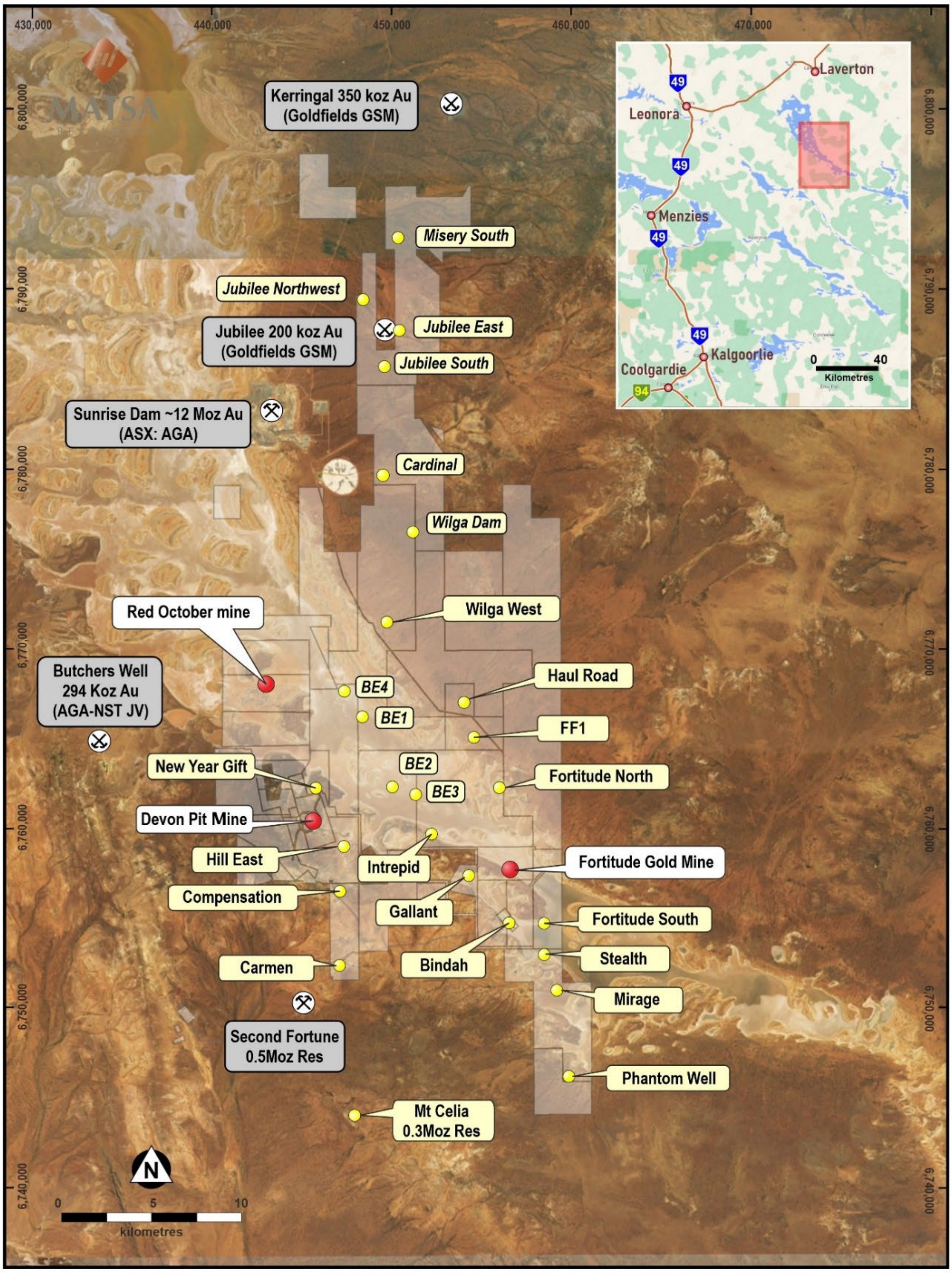

Figure 1: Lake Carey Gold Project showing Matsa tenements and key projects

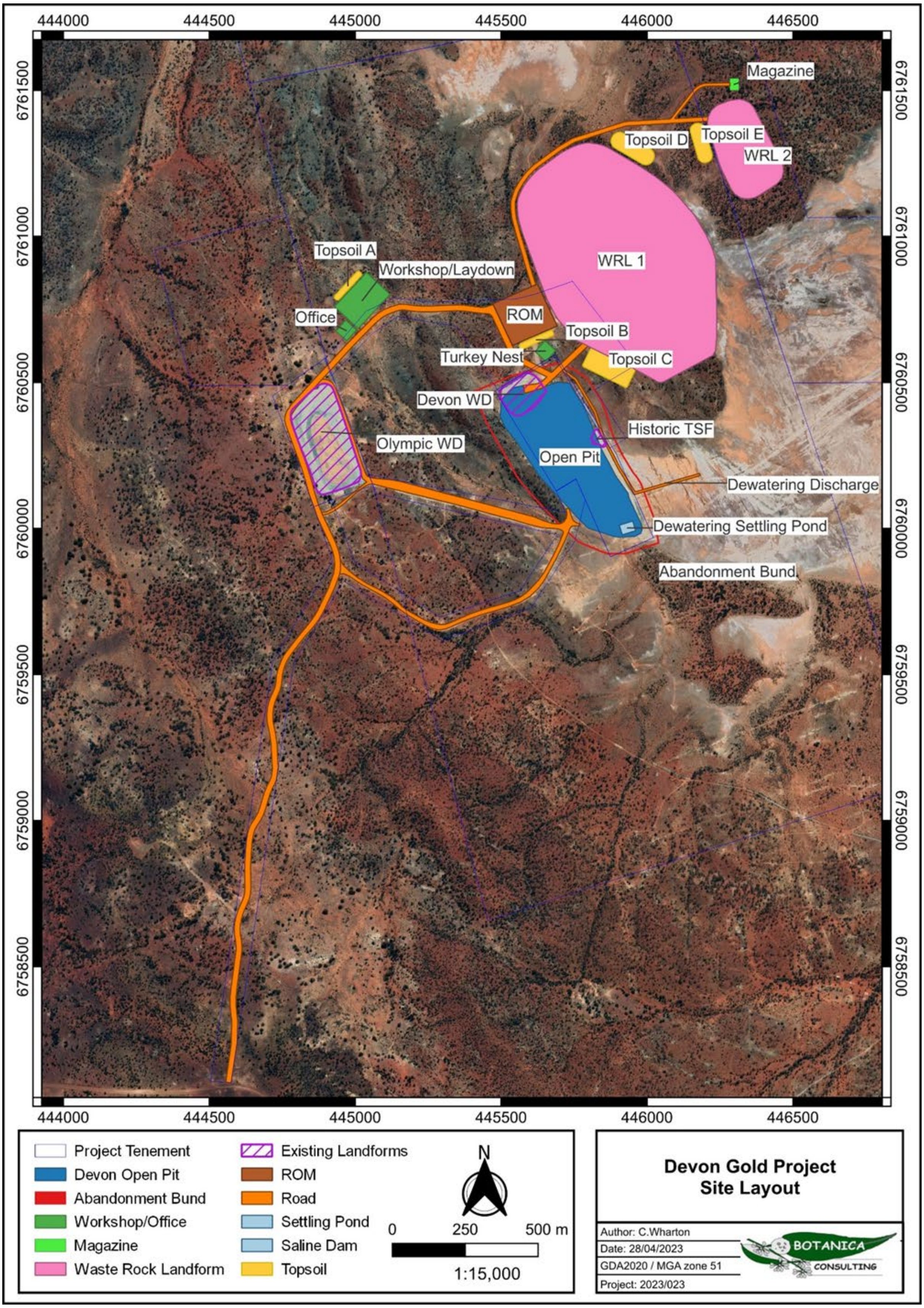

Figure 2: Devon Open Pit Gold Mine proposed layout for mining

MINERAL RESOURCES

The global Mineral Resource Estimate for Lake Carey stands at **949,000oz @ 2.5g/t Au** as outlined in Table 1 below.

	Cutoff	Measured		Indicated		Inferred		Total Resource		
	g/t Au	('000t)	g/t Au	('000t)	g/t Au	('000t)	g/t Au	('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	450	5.3	21	5.4	488	5.2	82
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		***-***	***-***	***450***	***5.3***	***940***	***2.2***	***1407***	***3.2***	***145***
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**	**4,079**	**2.8**	**7,342**	**2.2**	**11,861**	**2.5**	**949**

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 30 June 2024 Quarterly Report announced on 30 July 2024.*

MINERAL RESERVES

The global Reserve Estimate for the Lake Carey stands at **104,000oz @ 2.4g/t Au** as outlined in Table 2 below.

Project	Proven		Probable		Total Reserve		
	('000t)	g/t Au	('000t)	g/t Au	('000t)	g/t Au	('000 oz)
Red October UG	-	-	-	-	-	-	-
Devon Pit	-	-	309	4.6	309	4.6	46
Fortitude Pit	-	-	1,029	1.8	1029	1.8	58
Total	**-**	**-**	**1,338**	**2.4**	**1,338**	**2.4**	**104**

Table 2**: Lake Carey Reserve*

** Matsa confirms that it is not aware of any new information or data that materially affects the Reserves as stated. All material assumptions and technical parameters underpinning the Reserves Estimate continue to apply and have not changed since the last release announced on 24 January 2025.The reserves are stated as at the delivery point at a 3rd Party processing plant.*

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

The information in this report that relates to Exploration results, Mineral Resources, Ore Reserves or Feasibility Studies, is based on information 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.

Forward Looking Statements

This ASX announcement may contain forward looking statements that are subject to risk factors associated with gold exploration, mining and production businesses. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially, including but not limited to price fluctuations, actual demand, currency fluctuations, drilling and production results , Reserve estimations , loss of market, industry competition , environmental risks, physical risks, legislative, fiscal and regulatory changes , economic and financial market conditions in various countries and regions, political risks, project delay or advancement , approvals and cost estimates.

Forward-looking statements, including projections, forecasts and estimates, are provided as a general guide only and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Matsa Resources Limited. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward looking statements or other forecast.