



ASX Announcement

11th April 2017

**Mining Proposal Approval Received
Fortitude Gold Project**

Highlights

- *Matsa has received approval for its Mining Proposal and Mine Closure Plan for the proposed Fortitude Trial Mining operation*
- *Trial mining is on track with mining operations expected to commence in June 2017*

CORPORATE SUMMARY

Executive Chairman

Paul Poli

Director

Frank Sibbel

Director & Company Secretary

Andrew Chapman

Shares on Issue

144.7 million

Unlisted Options

17.02 million @ \$0.25 - \$0.30

Top 20 shareholders

Hold 53.12%

Share Price on 10th April 2017

26 cents

Market Capitalisation

\$37.62 million

Matsa Resources Limited (“Matsa” or “the Company” ASX: MAT) is pleased to advise that it has received approval from the Department of Mines and Petroleum (DMP) for its Mining Proposal and Mine Closure Plan in relation to the Fortitude gold project which forms part of the larger Lake Carey project.

Approval from the DMP is another hurdle cleared by the Company in heading towards production from the proposed Trial Mining operation at Fortitude. The results of the Trial Mining study shows that a trial mine is economically viable with a potential cash surplus of \$5.2M over a period of 12 months with a capital investment of only \$1.2M. A sensitivity analysis indicates that such a proposal is robust with limited downside risk from reductions in the gold price, realised grade or variations in mining costs. *(Refer MAT announcement to the ASX 22nd February 2017)*

Final approval from the Department of Environmental Regulation for Works and Licence to Discharge Water remain outstanding but are expected to be received shortly.

Work towards commencing trial mining operations at Fortitude remains on track with initial mining operations to commence in June 2017 with a view towards production occurring by mid-late July. Discussions with mining contractors continue and the Company is in negotiation with a number of nearby processing plants for the treatment of ore with finalisation of a binding agreement expected in the near future.

For further information please contact:

Paul Poli
Executive Chairman

Phone	+61 8 9230 3555
Fax	+61 8 9227 0370
Email	reception@matsa.com.au
Web	www.matsa.com.au