



ASX Announcement

1st February 2023

Strong Gold Assays at Fortitude North Lake Carey Gold Project

HIGHLIGHTS

- Results received from the first two of nine reverse circulation (RC) drill holes completed at Fortitude North have returned significant intercepts including:
 - **26m @ 3.22g/t Au** from 147m
incl. **5m @ 5.63g/t** from 158m
and **5m @ 4.52g/t** from 165m
 - **11m @ 4.20g/t Au** from 130m
incl. **6m @ 6.05g/t** from 134m
 - **6m @ 2.10 g/t Au** from 148m
- Samples from a further seven holes have been submitted for assay with results awaited
- These results represent the thickest high-grade intercepts from all drilling at Fortitude North to date
- The drilling results indicate the system remains open to the north which would extend the existing strike length of the mineralised zone is beyond 1.6km
- The drilling was designed to focus on the northern strike extent of the prospect to establish a maiden resource over that part of the mineralised zone
- 1,518m of the planned 3,310m drilling program has been completed to date with the balance scheduled to be drilled in February/March 2023

CORPORATE SUMMARY

Executive Chairman

Paul Poli

Directors

Frank Sibbel

Pascal Blampain

Andrew Chapman

Shares on Issue

412.00 million

Listed Options

49.22 million @ \$0.17

Unlisted Options

23.55 million @ \$0.08 - \$0.21

Top 20 shareholders

Hold 55.38%

Share Price on 31st January 2023

3.8 cents

Market Capitalisation

A\$15.66 million

Matsa Resources Limited ("Matsa", "Company") is pleased to advise it has received excellent results from the first two holes (Figure 1) of nine completed holes as part of a 19 hole 3,310m RC drilling program at Fortitude North, Lake Carey (Figure 2). Results are awaited for seven holes.

The results include:

- **26m @ 3.22g/t Au** from 147m (23FNRC006)
 - incl. **5m @ 5.63g/t** from 158m
 - and **5m @ 4.52g/t** from 165m
- **11m @ 4.20g/t Au** from 130m (23FNRC007)
 - incl. **6m @ 6.05g/t** from 134m
- **6m @ 2.10 g/t Au** from 148m (23FNRC007)

The above results are reported from the first two drill holes on the northern most section of this program, and show that the primary mineralisation continues and is open towards the north. Wide spaced drilling completed to the north of the section shown in Figure 2 does not close off the mineralisation. The mineralised lodes are interpreted to dip toward the east-northeast extend up to the base of transported overburden (Figure 1).

To date the grades, widths and strike length identified shows that Fortitude North is a significant mineralised system that has the potential to be mined by open pit or underground methods*.

The mineralisation is shear zone hosted and associated with laminated quartz veining, albite alteration and pyrite with minor arsenopyrite sulphides. Similar geological setting and mineralising style has been observed at Matsa's Fortitude Gold Project some 6km south, where trial open pit mining has taken place.

This focussed RC drilling program of an initial 3,310m is aimed at providing sufficient drilling coverage to establish a maiden resource over the northern portion of the prospect which represents only one third of the identified 1.6km strike extent of Fortitude North.

Matsa is awaiting results from a further seven holes, with ten holes still remaining to be drilled in this program. Drilling is planned to re-commence in February/March following a swap out of the drilling rig. The program will likely be modified to take advantage of these excellent initial results.

To date Fortitude North has a strike extent of at least 1.6km and previous drilling result include:

- **9.4m @ 3.27g/t Au** from 120.8m (22FNDD009)
- **8.0m @ 2.94g/t Au** from 106.3m (19FNDD001)
- **26m @ 1.95g/t Au** from 58m (18FNAC36)
- **5.0m @ 5.46g/t Au** from 79m (18FNRC03)
- **4.0m @ 13.63g/t Au** from 79m (20FNDD002)
- **4.6m @ 5.15g/t Au** from 183.4m (20FNDD005)

** There has been insufficient exploration to model a JORC 2012 compliant Mineral Resource Estimate at Fortitude North and it is uncertain if further exploration will result in a Mineral Resource or if there is the potential for a future mining operation.*

Matsa Executive Chairman Mr Paul Poli commented:

"These intercepts are simply sensational, 26m at 3.22g/t and 11m at 4.20g/t from our very first two drill holes bodes extremely well for this program. They are the best intercepts we have seen for this deposit so far and importantly, represent the strongest high-grade thickness intercepts in the northern most drill area of Fortitude North. . It will be interesting to see what we will find with additional drilling as we move north.

This year, we have set out two clear key objectives for Matsa. Firstly, we aim to deliver a maiden resource at Fortitude North which would take our total Lake Carey Gold Project resource base to over 1 million ounces. I expect that will be achieved before mid-year.

Secondly, and I'm quite excited about this, in Thailand we will advance a number of key tenement applications to grant so that we can undertake initial drilling programs for lithium where we have identified lithium bearing pegmatites. The drilling will enable Matsa to establish continuity of these occurrences both along strike and down dip. Once we can establish that, I think we could have sufficient encouragement to warrant resource level drilling.

I am forecasting a very good year for Matsa in 2023, both in the gold and lithium space. I look forward to providing further updates in the near future as results become progressively available."

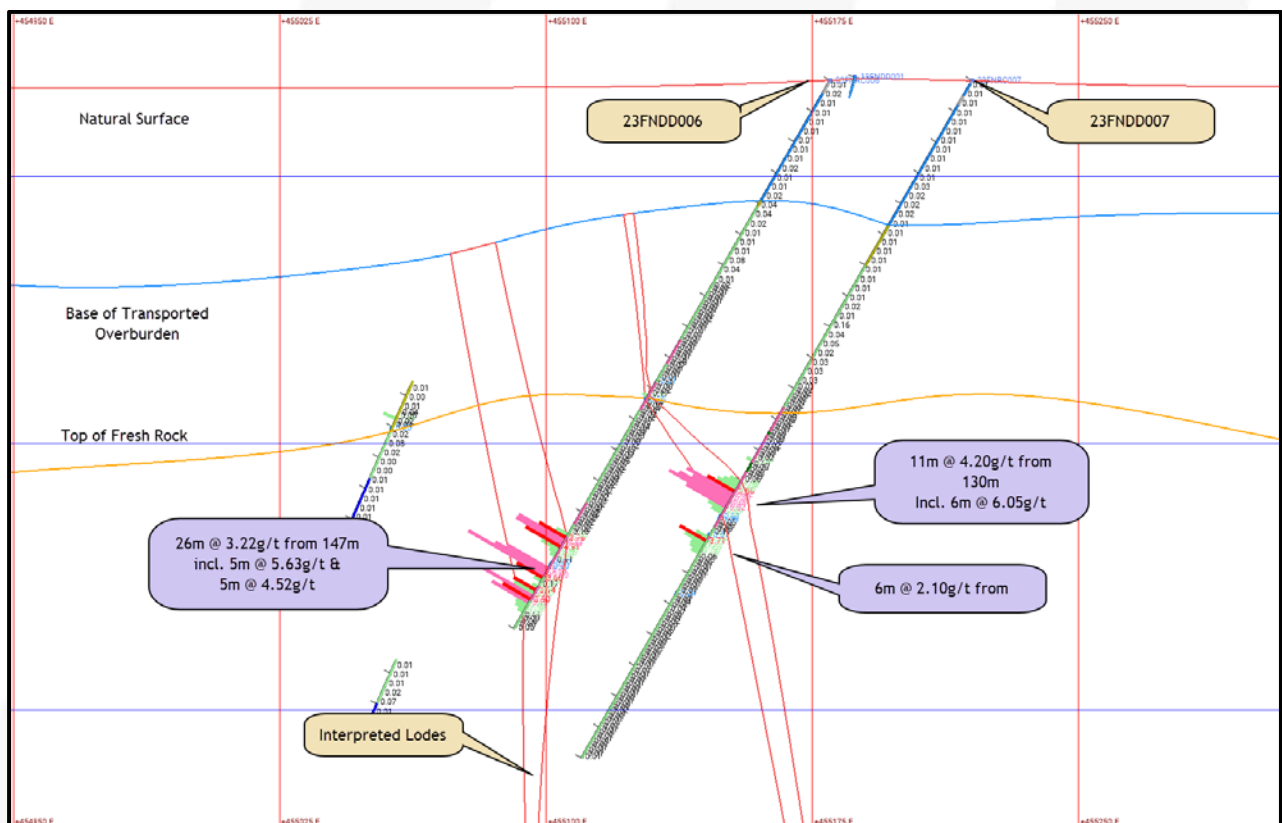


Figure 1: Interpreted Section 6762880m (looking north)

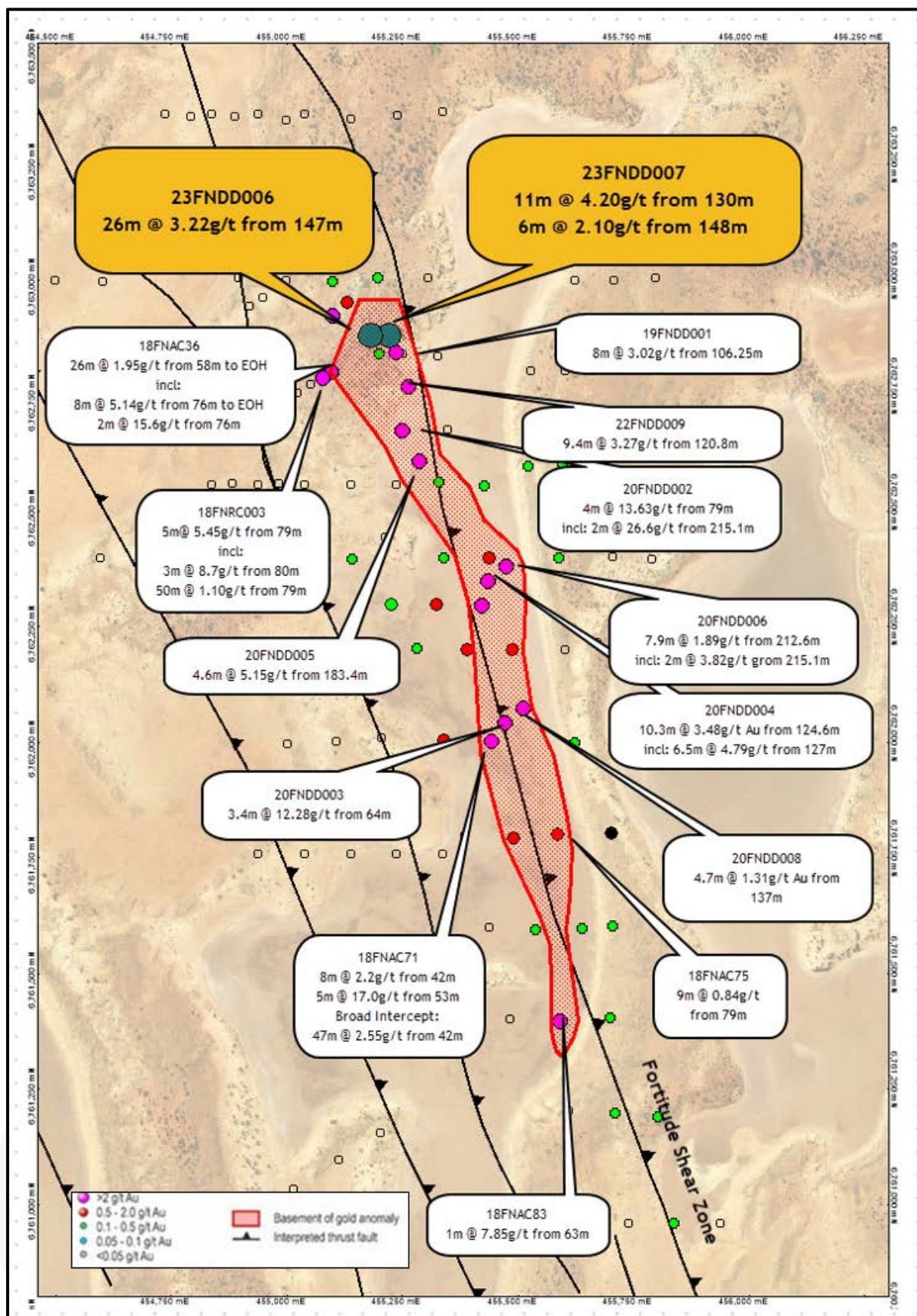


Figure 2: Summary of existing Fortitude North drilling with recent results

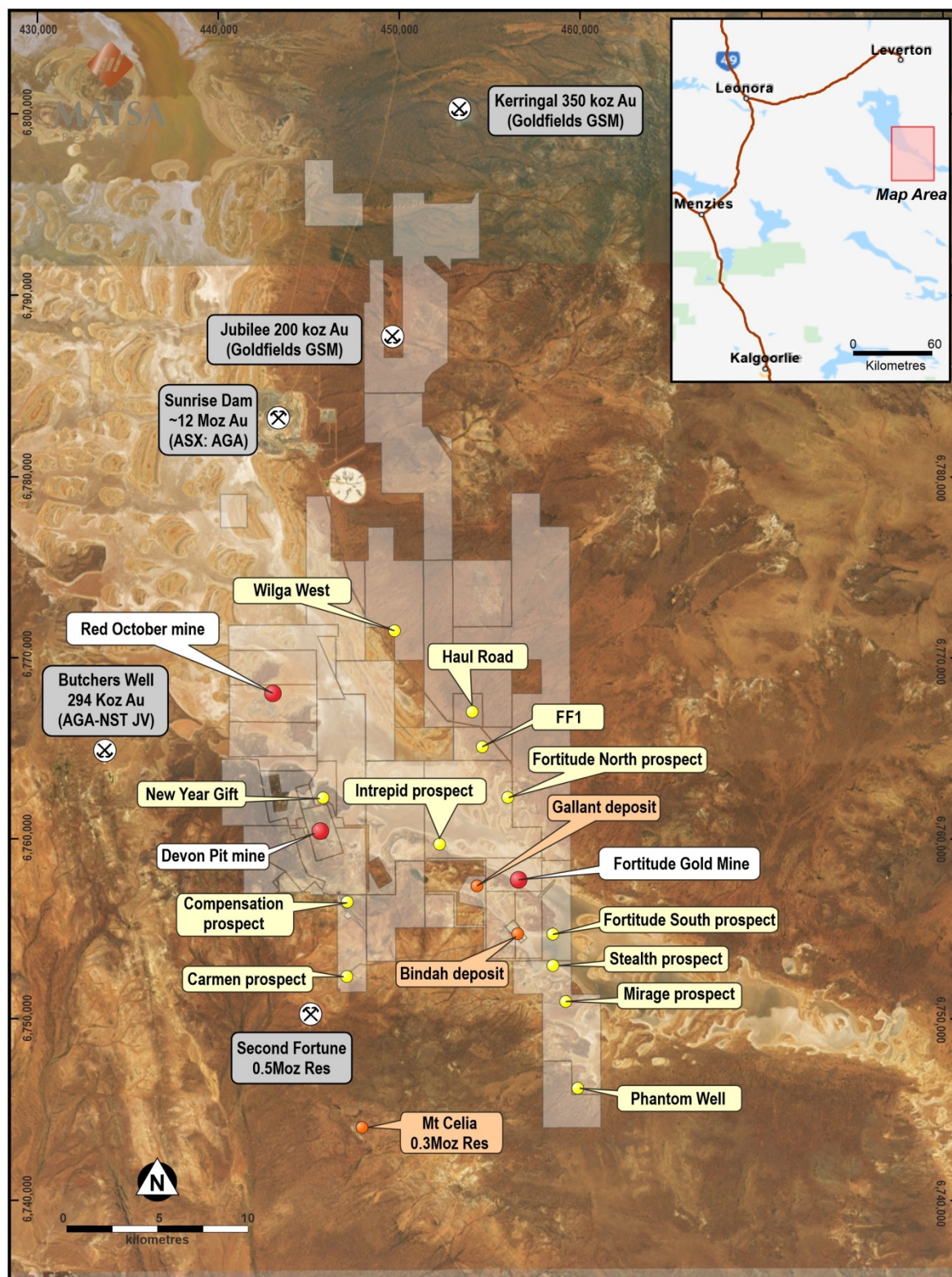


Figure 3: Matsa's Lake Carey Gold Project showing the location of key prospects and deposits

This focussed RC drilling program for an initial 3,310m is aimed at providing sufficient drilling coverage to establish a maiden resource for the northern portion of the prospect.

MINERAL RESOURCES

The global Mineral Resource Estimate for the Lake Carey Gold Project remains at **886,000oz @ 2.4g/t Au** as outlined in Table 2 below.

	Cutoff g/t Au	Measured (‘000t) g/t Au	Indicated (‘000t) g/t Au	Inferred (‘000t) g/t Au	Total Resource (‘000t) g/t Au (‘000 oz)
Red October					
Red October UG	2.0	105 8	483 5.7	411 6.3	999 6.2 199
Red October Subtotal		105 8.4	483 5.7	411 6.3	999 6.2 199
Devon					
Devon Pit (OP)	1.0	- -	341 4.8	102 3.6	443 4.6 65
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		- -	341 4.8	1021 2.3	1362 2.9 128
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	3,845 2.7	7,199 2.2	11,467 2.4 886

Table 2: 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.

***Special note:** The Resources of the Devon Pit project, representing 65koz, are subject to the profit share Joint Venture Agreement announced on 23 December 2022¹.

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

Exploration results

The information in this report that relates to Exploration results is based on information sourced from Linden Gold and 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.

¹ ASX Announcement 23rd December 2022-Settlement of Devon Pit JVA With Linden - Devon Gold Project

Appendix 1: RC Drill Collars and Assays >1.0 g/t Au

Hole_ID	East	North	RI	Max Depth	Dip	Azimuth
23FNRC006	455180	6762880	402	178	-60	270
23FNRC007	455220	6762880	402	220	-60	270
23FNRC008	455120	6762840	400	142	-60	270
23FNRC009	455140	6762840	400	140	-60	270
23FNRC010	455250	6762840	400	190	-60	270
23FNRC011	455200	6762840	400.5	178	-60	270
23FNRC012	455180	6762840	401	160	-60	270
23FNRC013	455160	6762840	400	170	-60	270
23FNRC014	455120	6762800	400	140	-60	270

Table 1: Collar Details

Hole_ID	East	North	RI	Azimuth	Dip	Max_Depth
23FNRC006	455180	6762880	402	270	-60	178
23FNRC007	455220	6762880	402	270	-60	220

Table 2: Assay Results >1.00g/t Au

Hole ID	Depth From	Depth To	Sample ID	Au ppm	Job Number	Laboratory
23FNRC006	147	148	190155	1.65	KA23007265	ALS
23FNRC006	148	149	190156	3.76	KA23007265	ALS
23FNRC006	149	150	190157	6.33	KA23007265	ALS
23FNRC006	150	151	190158	6.44	KA23007265	ALS
23FNRC006	151	152	190159	4.91	KA23007265	ALS
23FNRC006	152	153	190160	2.46	KA23007265	ALS
23FNRC006	153	154	190162	1.16	KA23007265	ALS
23FNRC006	158	159	190167	5.71	KA23007265	ALS
23FNRC006	159	160	190168	7.12	KA23007265	ALS
23FNRC006	160	161	190169	10.6	KA23007265	ALS
23FNRC006	161	162	190170	3.66	KA23007265	ALS
23FNRC006	162	163	190171	1.06	KA23007265	ALS
23FNRC006	165	166	190174	3.14	KA23007265	ALS
23FNRC006	166	167	190175	2.8	KA23007265	ALS
23FNRC006	167	168	190176	7.61	KA23007265	ALS
23FNRC006	168	169	190177	3.9	KA23007265	ALS
23FNRC006	169	170	190178	5.15	KA23007265	ALS
23FNRC006	170	171	190179	1.58	KA23007265	ALS
23FNRC006	171	172	190180	1.39	KA23007265	ALS
23FNRC007	130	131	190325	1.44	KA23007265	ALS
23FNRC007	131	132	190326	2.04	KA23007265	ALS
23FNRC007	132	133	190327	2.68	KA23007265	ALS
23FNRC007	133	134	190328	3.85	KA23007265	ALS
23FNRC007	134	135	190329	6.42	KA23007265	ALS
23FNRC007	135	136	190330	5.38	KA23007265	ALS
23FNRC007	136	137	190331	6.99	KA23007265	ALS
23FNRC007	137	138	190332	8.11	KA23007265	ALS
23FNRC007	138	139	190333	5.52	KA23007265	ALS
23FNRC007	139	140	190334	2.23	KA23007265	ALS
23FNRC007	140	141	190335	1.57	KA23007265	ALS
23FNRC007	148	149	190344	1.72	KA23007265	ALS
23FNRC007	149	150	190345	3.71	KA23007265	ALS
23FNRC007	150	151	190346	2.77	KA23007265	ALS
23FNRC007	151	152	190347	1.69	KA23007265	ALS
23FNRC007	152	153	190348	1.56	KA23007265	ALS
23FNRC007	153	154	190349	1.16	KA23007265	ALS
23FNRC008	AWAITING ASSAY RESULTS					
23FNRC009	AWAITING ASSAY RESULTS					
23FNRC010	AWAITING ASSAY RESULTS					
23FNRC011	AWAITING ASSAY RESULTS					
23FNRC012	AWAITING ASSAY RESULTS					
23FNRC013	AWAITING ASSAY RESULTS					
23FNRC014	AWAITING ASSAY RESULTS					

Appendix 2 - Matsa Resources Limited

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	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.	RC samples were collected directly off the drill rig cyclone in pre-numbered calico sample bags after passing through a rig mounted cone splitter. The splitter and cyclone were free flowing at all times and were cleaned at the end of each rod. 3meter composite samples were taken while drilling through the transported overburden using a scoop. All composite samples that assay >0.1g/t Au will have the original 1m splits assayed at a later date.
	Measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Duplicate sample were taken every 20m and the assays compared to the original.
	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.	Samples up to 3kg were pulverised to produce a 30g charge for fire assay. Samples >3kg were split prior to pulverization.
Drilling techniques	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.).	Drilling was carried out using a truck mounted RG rig and face sampling hammer.
Drill sample recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	Sample recovery was determined as being appropriate if the bulk residue volume was reasonably consistent.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Every effort was made to clean sample system at the end of each 6m rod. The cyclone was kept free flowing even when samples became wet. Drill penetration was paused at each meter if the samplers could not keep up.

Criteria	JORC Code explanation	Commentary
	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.	Not applicable, no relationship between sample recovery and grade has been identified.
Logging	- 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. - Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. - The total length and percentage of the relevant intersections logged.	All holes were logged for colour, lithology, regolith, alteration, mineralization and texture directly into Logchief software using standard geological logging codes. Logging is qualitative in nature and washed samples were stored in chip trays and photographed. All sample intervals were logged.
Sub-sampling techniques and sample preparation	- If core, whether cut or sawn and whether quarter, half or all core taken. - If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. - For all sample types, the nature, quality and appropriateness of the sample preparation technique. - Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples - 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 - Whether sample sizes are appropriate to the grain size of the material being sampled.	Not applicable. Samples were collected directly off a rig mounted cone splitter in calico sample bags. When samples became wet the cyclone was kept free flowing. Composite samples were collected using a scoop from bagged RC residues. The 1m original samples were stored for later assay if required. All samples dried and subject to conventional crushing and pulverizing appropriate for 30g fire assay. Matsa employed detailed QAQC procedures utilising field duplicates every 20m as well as having standard and blank samples inserted into the sample sequence. Field duplicates were taken every 20m and compared with the original results. Sample weights of 2-3kg are adequate for gold.
Quality of assay data and	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	30g fire assay is standard for gold and considered total.

Criteria	JORC Code explanation	Commentary
laboratory tests	- 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.	Not Applicable The use of standards, blanks and field duplicates have established that there is no significant bias cause by sampling or laboratory procedures and an appropriate level of precision has been established.
Verification of sampling and assaying	- 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.	All assay and sampling procedures have been verified by company personnel. All results reviewed and cross checked internally. No twinned holes were completed. Geological and sampling data recorded using Logchief software in the field. Data was verified both in the database as well as in section and plan. Not Applicable, no adjustment has been made to assay data.
Location of data points	- 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. - Specification of the grid system used. - Quality and adequacy of topographic control.	Collar location was set out using a DGPS and after completion of the program will be picked up by DGPS accurate to 10cm GDA94 UTM co-ordinate system Zone 51. DGPS set out and pickups are accurate to 10cm.
Data spacing and distribution	- Data spacing for reporting of Exploration Results. - 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. - Whether sample compositing has been applied.	Drill hole spacing for this program varies between 40m x 40m and 20m x 20m. Not Applicable, no Mineral Resource or Ore Reserve figure have been quoted from this drilling. Samples were composited to 3meters only in the barren transported overburden.

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	The lode orientation was determined by previous RC and Diamond drilling. Drilling was planned to intersect both the primary lodes and supergene mineralization at a high angle.
	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.	Drilling was planned to intersect both the primary lodes and supergene mineralization at a high angle
Sample security	The measures taken to ensure sample security.	Samples are delivered directly to the laboratory in Kalgoorlie by Matsa Staff. Sample submission (chain of custody) forms were completed and verified with the samples delivered by laboratory staff. Any discrepancies were corrected prior to sample preparation and assay.
Audits or reviews	The results of any audits or reviews of sampling techniques and data.	Not applicable, no audit carried out.

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	- 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 the following tenements: E39/1864, the tenement is 100% held by Matsa Gold Ltd, a wholly owned subsidiary of Matsa Resources Ltd.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Not applicable
Geology	Deposit type, geological setting and style of mineralisation.	Drilling was carried out based on a target concept of orogenic gold mineralisation along major NNW trending shear zones including the Fortitude Fault.

Criteria	JORC Code explanation	Commentary
Drill hole Information	- 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: - 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.	Drill hole information including setout co-ordinates, dip, azimuth and hole depths are tabled in Appendix 1 of this report. Not applicable, no significant information was excluded.
Data aggregation methods	- 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.	Gold results were averaged to a cut-off of 0.5g/t and included up to 2m of internal waste. No high grade cuts were applied Short lengths of high grade results >3g/t Au were reported within larger lower grade intersections. Where this occurred, it was clearly noted in the report as “including”. Not Applicable, no metal equivalents have been used
Relationship between mineralisation widths and intercept lengths	- 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’).	All intercepts quoted relate to downhole depth and true widths have not been quoted. Drilling was planned to intersect the mineralisation at a high angle, however true widths still have not been reported. Intercepts are expressed in downhole metres.
Diagrams	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.	Appropriate maps and sections have been included in the body of the report.

Criteria	JORC Code explanation	Commentary
Balanced reporting	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 drill intercepts >1 g/t Au are reported and tabled in Appendix 1.
Other substantive exploration data	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.	Not applicable, no other substantive data is being reported.
Further work	- 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 nature of further work is discussed in the report including the completion of the current drilling program as a priority.

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