



ASX Announcement

27th February 2025

Matsa and AngloGold Ashanti Execute A\$101 Million Deal Lake Carey Gold Project

HIGHLIGHTS

- AngloGold Ashanti Australia Ltd and Matsa have executed an agreement whereby AngloGold Ashanti has the option to acquire the majority of the Lake Carey Gold Project for a cash consideration of A\$101M *
- The Devon Pit Gold Mine, the Fortitude North project and Red October Village and associated tenements are excluded from the transaction and will be retained by Matsa
- The consideration, payable in cash, consists of:
 - An Option Fee (once paid is non-refundable) of A\$8M including A\$5M by satisfaction or waiver of conditions precedent
 - 1.875% of the gold price multiplied by the agreed Resource of 936,000 oz at the time of exercise, less A\$6M already paid, within 18 months of satisfaction or waiver of the conditions precedent (current value approximately A\$73M at A\$86.81 per ounce*)
 - A deferred consideration up to of A\$20M based on JORC Resources discovered by AngloGold Ashanti post-acquisition based on 1% of the gold price at the time
- The Agreement is subject to a number of conditions which are common for a transaction of this nature which must be satisfied or waived
- Completion of this transaction allows Matsa to focus on the commencement of mining at Devon and exploration on Fortitude North where recent high grade results illustrated the exploration potential¹

*Assumes a gold price of A\$4,500

CORPORATE SUMMARY

Directors

Paul Poli - Executive Chairman

Pascal Blampain

Andrew Chapman

Shares on Issue

732.60 million

Unlisted Options

241.16 million @ \$0.05 - \$0.10

Top 20 shareholders

Hold 68.28%

Share Price on 21th February 2025

5.3 cents

Market Capitalisation

A\$38.83 million

¹ ASX Announcement 11 February 2025 - High Grade Gold Intercept of 12.98g/t at Fortitude North

Matsa Resources Limited (“Matsa”, “Company”) is pleased to advise that it has executed a Tenement Option Agreement (“Agreement”) with global mining company AngloGold Ashanti Australia Limited (“AngloGold Ashanti”). AngloGold Ashanti has the option to acquire the majority of Matsa’s Lake Carey Gold Project near Laverton Western Australia, for A\$101M (at a gold price of A\$4,500) (subject to the satisfaction of certain conditions precedent).

Importantly, Matsa retains the near-term production Devon Pit Gold Mine (“Devon”), the Fortitude North Project and the Red October Accommodation Village, as well as associated tenements (Figure 1).

Matsa Executive Chairman Mr Paul Poli commented:

“This transaction is the culmination of negotiations over the past 12 months with AngloGold Ashanti and I am thrilled with this outcome. To attribute a value of approximately A\$101M to the Lake Carey Gold Project speaks volumes for the exploration potential of this project. Not only that, Matsa retains the highly valuable, near term production Devon project, Red October Accommodation Village and what I consider to be a very exciting exploration project in Fortitude North where recent drilling highlighted its potential.

This transaction has been a long time in the making. I would like to thank AngloGold Ashanti and their team for the way in which the negotiations were conducted. To have a party of the ilk of AngloGold Ashanti speaks to the true potential value of Matsa’s assets and has attributed a ‘see through’ value of in excess of A\$85 per resource ounce based on the current market gold price.

I believe shareholders can now have a better understanding of the value of Matsa and what that now means for them and in to the future.

Transaction Details

AngloGold Ashanti will be granted an option (Option) to acquire the majority of the Lake Carey Gold Project. The Option may be exercised by AngloGold Ashanti at any time during the period that is 18 months from the satisfaction of certain conditions precedent (detailed below).

Consideration

The consideration payable by AngloGold Ashanti to Matsa under the terms of the Agreement is comprised purely of cash payments and is structured as follows:

1. An Option Fee of A\$8M, payable in the following instalments:
 - (a) A\$500,000 on execution of the Agreement (paid);
 - (b) A\$4,500,000 on the satisfaction of all conditions precedent;
 - (c) A\$1,500,000 on the date that is 6 months after completion of all conditions precedent and receipt of funds in (b) above; and
 - (d) A\$1,500,000 on the date that is 12 months after completion of all conditions precedent and receipt of funds in (b) above;

Each instalment, once paid, is not refundable irrespective of whether the option is ultimately exercised.

2. Option Exercise Fee – A\$73M*

The Option is able to be exercised within 18 months after satisfaction or waiver of the conditions precedent (see 1(b) above). If AngloGold Ashanti exercises the Option, the Option Exercise Fee is calculated based on the gold price at the time of exercise multiplied by 1.875% of the value of the agreed Resource of 936,000 oz. An amount of A\$6M will be deducted from

this sum being a proportion of the Option Fee already paid in 1 above. An example of this formula in practice is outlined below:

$$936,000\text{oz} \times 1.875\% \times \text{A\$}4,500 \text{ (gold price*)} - \text{A\$}6,000,000 - \text{ROFR Value}^1 = \text{A\$}72,975,000$$

**gold price is the USD gold price (US\$2,850)/USD-AUD exchange rate (\$0.633) = \$4,500*

¹ ROFR Value refers to the value of any tenements whereby a party with a Right of First Refusal exercises that right to acquire the relevant tenement. For the purposes of this example, the ROFR has been assumed to be nil.

3. Deferred Consideration - A\$20M

Following exercise of the Option in 2 above Matsa is entitled to receive further discovery royalties up to \$20M from AngloGold Ashanti, for any JORC compliant resources discovered on the tenements included in the sale to AngloGold Ashanti calculated at 1% of the gold price at the date of the exercise of the Option in 2 above multiplied by the new resource ounces. There is no sunset date on this payment.

In addition to the above, Matsa will be reimbursed for all tenement related expenses incurred and paid by Matsa, such as fees, rents, rates and other levies since 18 June 2024 up until the time the conditions precedent have been met under 1(b) above.

Conditions Precedent

There are several conditions precedent attached to this transaction which must be satisfied or waived for the option to be granted and the Option Fee instalments beyond the A\$500,000 on execution to become payable (in the timing noted earlier). The key conditions are:

1. Matsa obtaining all necessary approvals required by the Corporations Act, the ASX Listing Rules and its constitution to give effect to this transaction, including shareholder approval under Listing Rule 11.2.
2. Matsa to obtain consent in writing from each of its lenders to enter the Agreement and for Matsa to not increase its indebtedness to the lenders. The lenders will also need to discharge their mortgages at the time the Option is exercised.
3. There are a limited number of Right of First Refusals (ROFR's) and third-party consents attached to specific tenements held by third parties for which Matsa must seek waiver of the ROFR's or such consents from those parties. If the third parties choose to exercise their respective ROFR's that third party must pay Matsa the attributable ROFR amount which would be deducted from the Option Exercise Fee payable by AngloGold Ashanti. If a ROFR is exercised or required consent withheld, AngloGold Ashanti can elect to exclude those tenements (such that the condition can still be satisfied) or terminate for the condition not being satisfied.

There are a number of other conditions precedent that are common to an agreement of this nature, including assignment of any applicable royalties, which can be waived by AngloGold Ashanti should it choose to.

The Company has engaged with the ASX who have confirmed that Listing Rule 11.2 does not apply to the transaction and accordingly shareholder approval will not be required.

Other Key Points

The other key features of the Agreement are as follows:

1. Should all the conditions precedent not be met or waived within the stipulated timeframe, being 6 months from the date the Agreement was entered into, either party can withdraw from the Agreement.

2. Within 90 days of the condition's precedent being met and receipt of the A\$4.5M Option Fee instalment, AngloGold Ashanti can withdraw from acquiring specific tenements. This will not result in any adjustment to the Option Fee paid or Option Exercise Fee.
3. AngloGold Ashanti may withdraw from the option completely at any time upon satisfaction or waiver of the conditions precedent up to expiry of the option period. Where it does so, any Option Fee installments that have been paid to Matsa prior to that withdrawal are non-refundable.
4. AngloGold Ashanti will be responsible to ensure all the tenements the subject of this Agreement are kept in good standing and they will have the right to conduct exploration on those tenements during the Option period.
5. AngloGold Ashanti will have a first right of refusal over Fortitude North such that should Matsa enter in to any agreement to dispose of that project or project tenements AngloGold Ashanti has a right to match the sale value.
6. Matsa retains ownership of the Red October camp and village and these assets are not the subject of the option granted under the Agreement. This infrastructure remains a key part of the development and mining of the Devon project.

Matsa will now seek to meet all the conditions precedent relevant to it and do all things necessary to ensure it meets its obligations.

Use of Consideration Funds

Funds expected to be received from this transaction will be used to advance the Company's remaining assets, being the near term production Devon Pit Gold Mine, further exploration at the Fortitude North project, corporate activities and working capital.

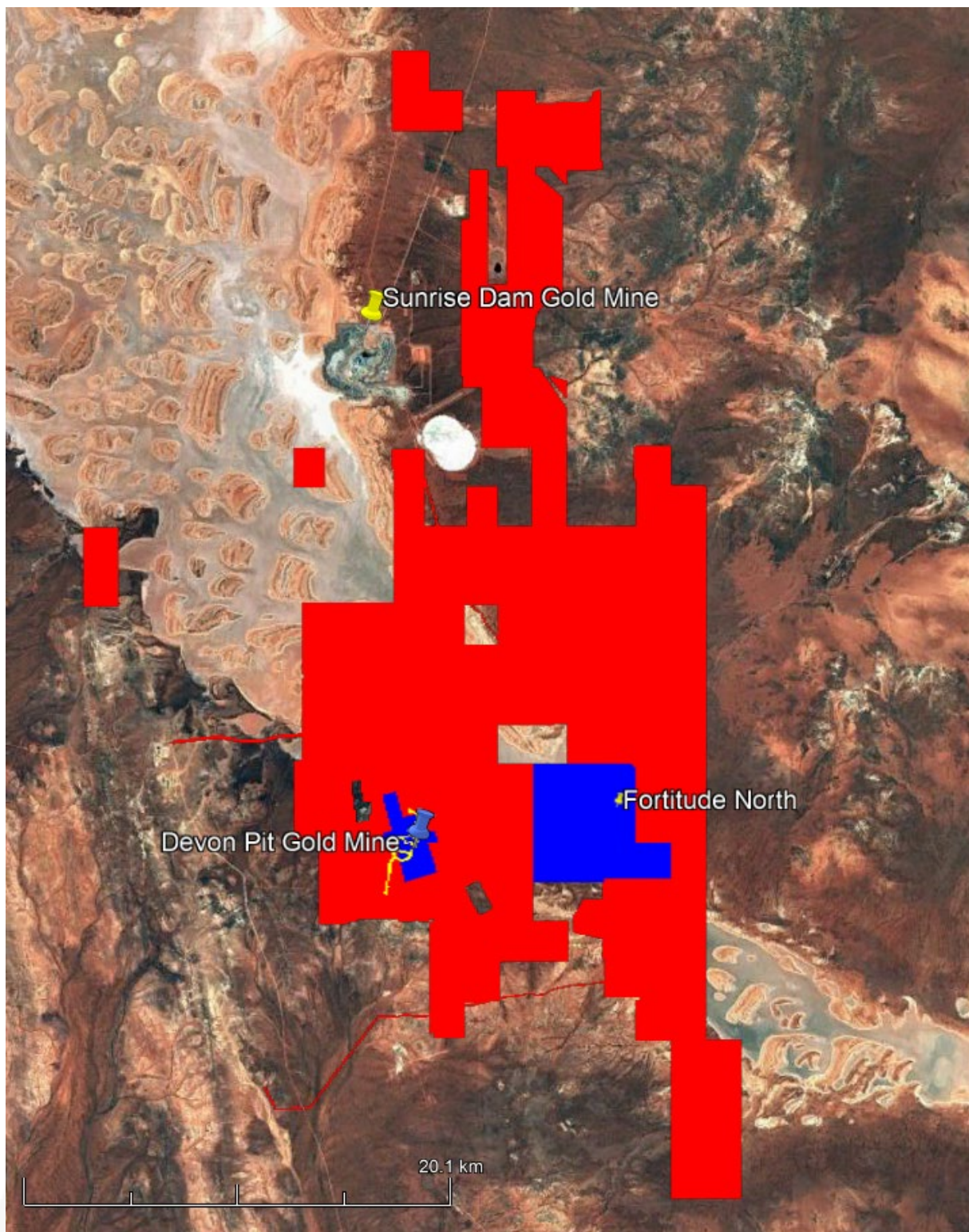


Figure 1: Lake Carey Gold Project Showing AngloGold Ashanti Option (in Red) and Matsa's Retained Projects (in Blue)

MINERAL RESOURCES

The global Mineral Resource Estimate for the Lake Carey Gold Project remains at **949,000oz @ 2.5g/t Au** as outlined in Table 1 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 8.4	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 dated 24 January 2025.

MINERAL RESERVES

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

Project	Proven (^{'000t}) g/t Au	Probable (^{'000t}) g/t Au	Total Reserve (^{'000t}) g/t Au (^{'000 oz})
Red October UG	- -	- -	- - -
Devon Pit	- -	309 4.6	309 4.6 46
Fortitude Pit ¹	- -	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 Resource as stated. All material assumptions and technical parameters underpinning the Mineral Reserve estimate continue to apply and have not changed since the last release dated 24 January 2025.

The reserves are stated as at the delivery point of 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 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.

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.