

**MATSA RESOURCES LIMITED  
ACN 106 732 487**

---

**NOTICE OF ANNUAL GENERAL MEETING**

**PROXY FORM**

**AND**

**EXPLANATORY MEMORANDUM**

---

**DATE OF MEETING**

Friday, 27 November 2020

**TIME OF MEETING**

10.30am

**PLACE OF MEETING**

Suite 11  
139 Newcastle Street  
PERTH WA

These papers should be read in their entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their accountant, solicitor or other professional adviser without delay.

# MATSA RESOURCES LIMITED

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2020 Annual General Meeting of the Shareholders of Matsa Resources Limited (**Company**) will be held in the Company's offices at Suite 11, 139 Newcastle Street, Perth, Western Australia on Friday, 27 November 2020 at 10.30am WST for the purpose of transacting the following business referred to in this Notice of Meeting.

An Explanatory Memorandum containing information in relation to each of the following Resolutions accompanies and forms part of this Notice of Meeting.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Annual General Meeting are those who are registered Shareholders at 4.00pm (WST) on Wednesday, 25 November 2020.

Please note terms used in the Resolutions contained in this Notice of Meeting have the same meaning as set out in the glossary of the Explanatory Memorandum accompanying this Notice.

### AGENDA

#### BUSINESS

#### ANNUAL REPORT

To receive and consider the annual financial report of the Company for the financial year ended 30 June 2020, together with the declaration of the directors, the directors' report, the Remuneration Report and the auditors' report.

#### RESOLUTION 1 – Remuneration Report

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as a **non-binding Resolution**:

*“That, for the purpose of section 250R(2) of the Corporations Act and for all other purposes, approval is given for the adoption of the Remuneration Report as contained in the Company's annual financial report for the year ended 30 June 2020.”*

**Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.**

#### **Voting Exclusion Statement:**

A vote on this Resolution must not be cast (in any capacity) by or on behalf of any of the following persons:

- (a) a member of the Key Management Personnel, details of whose remuneration are included in the Remuneration Report; or
- (b) a Closely Related Party of such a member.

However, a person (the voter) described above may cast a vote on this Resolution as a proxy if the vote is not cast on behalf of a person described above and either:

- |  |
|--|
| <p>(a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on this Resolution; or</p> <p>(b) the voter is the Chair and the appointment of the Chair as proxy:</p> <ul style="list-style-type: none"><li>(i) does not specify the way the proxy is to vote on this Resolution; and</li><li>(ii) expressly authorises the Chair to exercise the proxy even though this Resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.</li></ul> |
|--|

### **RESOLUTION 2 – Re-Election of Mr Andrew Chapman as a Director**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary Resolution**:

*"That, for the purposes of clause 11.2 of the Company's Constitution, ASX Listing Rule 14.4, and for all other purposes, Mr Andrew Chapman, a Director, retires by rotation, and being eligible, is re-elected as a Director."*

### **RESOLUTION 3 – Ratification of Issue of 10,000,000 Shares**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary Resolution**:

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 10,000,000 Shares on the terms and conditions set out in the Explanatory Memorandum."*

#### **Voting Exclusion Statement:**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, or an Associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **RESOLUTION 4 – Ratification of Issue of 150,000 Shares**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary Resolution**:

*"That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 150,000 Shares on the terms and conditions set out in the Explanatory Memorandum."*

**Voting Exclusion Statement:**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, or an Associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**RESOLUTION 5 – Ratification of Issue of 22,387,605 Shares**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary Resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 22,387,605 Shares on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion Statement:**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, or an Associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**RESOLUTION 6 – Ratification of Issue of 21,691,736 Shares**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary Resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 21,691,736 Shares on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion Statement:**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of a person who participated in the issue, or an Associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

**RESOLUTION 7 – Approval to Issue Placement Options**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary Resolution**:

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 44,079,341 Options on the terms and conditions set out in the Explanatory Memorandum.”*

**Voting Exclusion Statement:**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an Associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **RESOLUTION 8 – Approval to Issue Options to Taylor Collison**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary Resolution**:

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 4,000,000 Options to Taylor Collison Limited, or its nominee, on the terms and conditions set out in the Explanatory Memorandum.”*

### **Voting Exclusion Statement:**

The Company will disregard any votes cast in favour of the Resolution by or on behalf of a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an Associate of that person (or those persons). However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **RESOLUTION 9 – Approval of 10% Placement Facility**

To consider and, if thought fit, to pass, the following Resolution as a **special Resolution**:

*“That, pursuant to and in accordance with ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum.”*

### **Voting Exclusion Statement**

The Company will disregard any votes cast in favour of this Resolution by or on behalf of:

- (a) a person who is expected to participate in or who will obtain a material benefit as a result of the proposed issue (except a benefit solely in the capacity of a holder of ordinary securities); or
- (b) any Associates of those persons.

However, the Company will not disregard a vote if it is cast in favour of the Resolution by:

- (a) the person as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way;

- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
- the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an Associate of a person excluded from voting, on the Resolution; and
  - the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

## **OTHER BUSINESS**

To deal with any other business which may be lawfully brought forward in accordance with the Company's Constitution and the Corporations Act.

## **BY ORDER OF THE BOARD**



**Andrew Chapman**  
**Company Secretary**

Dated: 15 October 2020

## PROXIES

Members are encouraged to attend the meeting, but if you are unable to attend the meeting, we encourage you to complete and return the enclosed Proxy Form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has the right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

To vote by proxy, please complete and sign the enclosed Proxy Form and return by:

- delivering it to Matsa Resources Limited, Suite 11, 139 Newcastle Street, Perth WA
- post to Matsa Resources Limited, PO Box 376, Northbridge, WA 6865; or
- facsimile to the Company on facsimile number +61 8 9227 0370; or
- email to the Company at [reception@matsa.com.au](mailto:reception@matsa.com.au).

To be effective, a Proxy Form and, if the Proxy Form is signed by the Shareholder's attorney, the authority under which the appointment is signed (or a certified copy of that authority) must be received by the Company not later than 48 hours before the time specified for the commencement of the General Meeting.

Section 250BB(1) of the Corporations Act provides that an appointment of a proxy may specify the way the proxy is to vote on a particular resolution and, **if it does**:

- the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way (i.e. as directed); and
- if the proxy has 2 or more appointments that specify different ways to vote on the resolution – the proxy must not vote on a show of hands; and
- if the proxy is the chair of the meeting at which the resolution is voted on – the proxy must vote on a poll, and must vote that way (i.e. as directed); and
- if the proxy is not the chair – the proxy need not vote on the poll, but if the proxy does so, the proxy must vote that way (i.e. as directed).

Section 250BC of the Corporations Act provides that, if:

- an appointment of a proxy specifies the way the proxy is to vote on a particular resolution at a meeting of the Company's members; and
- the appointed proxy is not the chair of the meeting; and
- at the meeting, a poll is duly demanded on the resolution; and
- either of the following applies:
  - the proxy is not recorded as attending the meeting;
  - the proxy does not vote on the resolution,

the chair of the meeting is taken, before voting on the resolution closes, to have been appointed as the proxy for the purposes of voting on the resolution at the meeting.

All Resolutions shall be conducted by poll.

## CORPORATE REPRESENTATIVES

A body corporate that is a Shareholder, or which has been appointed as proxy, may appoint an individual to act as its representative at the Annual General Meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the meeting evidence of his or her appointment, including any authority under which it is signed, unless it has previously been given to the Company.



## **DATE FOR DETERMINING HOLDERS OF SHARES**

In accordance with Regulation 7.11.37 of the Corporations Regulations 2001 (Cth), the Directors have set a date to determine the identity of those entitled to attend and vote at the Annual General Meeting. For the purposes of determining voting entitlements at the Annual General Meeting, Shares will be taken to be held by the persons who are registered as holding at 4.00pm (WST) on 25 November 2020. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Annual General Meeting.

## **COVID 19 HEALTH RESTRICTIONS**

The Company is continuously monitoring the ongoing COVID-19 pandemic and is directing particular attention to public health concerns and government limits on gatherings of people. The health and safety of Shareholders, personnel and stakeholders remains the highest priority for the Company. In the event that restrictions on public gatherings change, the Company will consider the circumstances and any necessary update as regards the meeting arrangements will be provided to Shareholders on the Company's website at [www.matsa.com.au](http://www.matsa.com.au) and the ASX Company's Announcement Platform at [asx.com.au](http://asx.com.au) (ASX:MAT). This may include the inability of Shareholders to physically attend the Annual General Meeting.

Accordingly, the Directors strongly encourage all Shareholders to lodge a directed proxy form prior to the Annual General Meeting and appoint the Chair as their proxy.

# MATSA RESOURCES LIMITED

## ACN 106 732 487

### EXPLANATORY MEMORANDUM

This Explanatory Memorandum is intended to provide Shareholders with sufficient information to assess the merits of the Resolutions contained in the accompanying Notice of Annual General Meeting (**Notice of Meeting**) of Matsa Resources Limited (**Company**).

The Directors recommend Shareholders read this Explanatory Memorandum (which forms part of the Notice of Meeting) in full before making any decision in relation to the Resolutions. If you have any questions regarding the matters set out in this Explanatory Memorandum or the Notice of Meeting, please contact your stockbroker or other professional adviser.

Terms used in this Notice of Meeting have defined meanings which are explained in the Glossary appearing at the end of this Explanatory Memorandum.

#### Financial Reports

In accordance with the Constitution, the business of the Meeting will include receipt and consideration of the annual financial report of the Company for the financial year ended 30 June 2020 together with the declaration of the directors, the directors' report, the Remuneration Report and the auditor's report.

The Company will not provide a hard copy of the Company's annual financial report to Shareholders unless specifically requested to do so. The Company's annual financial report is available on its website at [www.matsa.com.au](http://www.matsa.com.au).

Shareholders will be given an opportunity to ask questions of the Directors and the Company's Auditors in relation to the accounts of the Company at the Annual General Meeting.

#### 1. RESOLUTION 1 – Adoption of Remuneration Report

##### 1.1 General

Section 250R(2) of the Corporations Act requires that at a listed company's annual general meeting, a resolution that the remuneration report be adopted must be put to the shareholders. However, such a resolution is advisory only and does not bind the directors or the company.

The remuneration report sets out the company's remuneration arrangements for the directors and senior management of the company. The remuneration report is part of the directors' report contained in the annual financial report of the company for the financial year.

The chair of the meeting must allow a reasonable opportunity for its shareholders to ask questions about or make comments on the remuneration report at the annual general meeting.

##### 1.2 Voting Consequences

Under Part 2G.2 Division 9 of the Corporations Act, a company is required to put to its shareholders a resolution proposing the calling of another meeting of shareholders to consider the appointment of directors of the company (**Spill Resolution**) if, at two consecutive annual general meetings, at least 25% of the votes cast on a remuneration report resolution are voted against adoption of the remuneration report and at the first of those annual general meetings a Spill Resolution was not put to a vote. If required, the Spill Resolution must be put to a vote at the second of those annual general meetings.

If more than 50% of votes cast are in favour of the Spill Resolution, the company must convene a shareholder meeting (**Spill Meeting**) within 90 days of the second annual general meeting.

All of the directors of the company who were in office when the directors' report (as included in the company's annual financial report for the previous financial year) was approved, other than the managing director of the company, will cease to hold office immediately before the end of the Spill Meeting but may stand for re-election at the Spill Meeting.

Following the Spill Meeting those persons whose election or re-election as directors of the company is approved will be the directors of the company.

### 1.3 Previous voting results

At the Company's previous annual general meeting the votes cast against the remuneration report considered at that annual general meeting were less than 25%.

Accordingly, the Spill Resolution is not required for this Annual General Meeting.

### 1.4 Proxy Restrictions

Shareholders appointing a proxy for this Resolution should note the following:

- ***If you appoint a member of the Key Management Personnel (other than the Chair) whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member as your proxy:***

***You must direct the proxy how they are to vote*** on this Resolution. Undirected proxies granted to these persons will not be voted and will not be counted in calculating the required majority if a poll is called on this Resolution.

- ***If you appoint the Chair as your proxy (where he/she is also a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report, or a Closely Related Party of such a member):***

You ***do not*** need to direct your proxy how to vote on this Resolution. However, if you do not direct the Chair how to vote, ***you are taken to expressly authorise the Chair to exercise his/her discretion in exercising your proxy even though this Resolution is connected directly or indirectly with the remuneration of Key Management Personnel. The Chair intends to exercise such proxies in favour of this Resolution.***

- ***If you appoint any other person as your proxy:***

You ***do not*** need to direct your proxy how to vote on this Resolution.

## 2. RESOLUTION 2 – Re-Election of Mr Andrew Chapman as a Director

Clause 11.3 of the Company's Constitution requires that at each annual general meeting, one-third of the Directors for the time being, or, if their number is not a multiple of 3, then the number nearest one-third, must retire from office, provided always that no Director (except the Managing Director) shall hold office for a period in excess of 3 years, or the third annual general meeting following his or her appointment, whichever is the longer, without submitting himself or herself for re-election.

The Directors to retire at any annual general meeting are those who have been in office longest since their last election, but, as between persons who became Directors on the same day, those to retire must (unless they otherwise agree among themselves) be determined by drawing lots.

A retiring director under clause 11.4 of the Company's Constitution is eligible for re-election.

The Company currently has three directors and accordingly one must retire.

Mr Chapman, the Director longest in office since his last election, retires by rotation at this Meeting. Mr Chapman, being eligible, offers himself for re-election.

Mr Chapman is a chartered accountant with over 20 years' experience with publicly listed companies where he has held positions as Director, Company Secretary and Chief Financial Officer and has experience in the areas of corporate acquisitions, divestments and capital raisings. Since 1993 he has worked for a number of public companies in the mineral resources, oil and gas and technology sectors.

Mr Chapman is an associate member of the Chartered Accountants Australia and New Zealand (CAANZ), a Fellow of the Financial Services Institute of Australasia (Finsia) and a graduate member of the Australian Institute of Company Directors (AICD).

Mr Chapman is also the Company Secretary of Bulletin Resources Limited.

All of the Directors, except Mr Chapman who has abstained from making a recommendation, recommend that Shareholders vote in favour of Resolution 2.

### **3. RESOLUTION 3 – Ratification of Issue of 10,000,000 Shares**

On 2 March 2020 the Company announced it was undertaking a capital raising via a placement to a new institutional investor, being Deutsche Balaton AG, issuing 10,000,000 fully paid ordinary Shares at an issue price of \$0.155 each (**March Capital Raising**). The total consideration received from the March Capital Raising was \$1.55 million before costs.

The Company issued the 10,000,000 Shares the subject of the March Capital Raising without prior Shareholder approval out of its 15% annual placement capacity under Listing Rule 7.1 on 5 March 2020.

Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 10,000,000 Shares referred to above pursuant to the March Capital Raising (**First Ratification**).

#### **Listing Rule requirements**

Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more Equity Securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period, without Shareholder approval.

The issue pursuant to the March Capital Raising does not fit within any of these exceptions and, as it has not yet been approved by the Company's Shareholders, it effectively uses up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further Equity Securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue.

Listing Rule 7.4 sets out an exception to Listing Rule 7.1. It provides that where a company in general meeting ratifies the previous issue of securities made pursuant to Listing Rule 7.1 (and provided that then previous issue did not breach Listing Rule 7.1) those securities will be deemed to have been made with shareholder approval for the purpose of Listing Rule 7.1. If Shareholders do ratify the issue, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the Company's capacity to issue further Equity Securities without shareholder approval under that rule. By ratifying the issue the subject of Resolution 3, the Company will retain the flexibility to issue Equity Securities in the future up to the 15% annual

placement capacity set out in Listing Rule 7.1, without the requirement to obtain prior Shareholder approval.

To this end, Resolution 3 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 10,000,000 Shares referred to above pursuant to the March Capital Raising (**First Ratification**).

If Resolution 3 is passed, the First Ratification will be excluded in calculating the Company's 15% limit (or 25% limit if Resolution 9 is passed) in Listing Rule 7.1 and Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of issue.

If Resolution 3 is not passed, the First Ratification will be included in calculating the Company's 15% limit (or 25% limit if Resolution 9 is passed), effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the date of issue.

#### **Information required under Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 3:

- (a) 10,000,000 fully paid ordinary Shares were issued;
- (b) the Shares were issued on 5 March 2020 at an issue price of \$0.155 per Share;
- (c) the Shares were issued to a single institutional investor, Deutsche Balaton AG, who is not a Related Party of the Company;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the funds raised from the March Capital Raising were to increase the production capacity and efficiency at Red October underground mine and to further exploration drilling within the mine; and
- (f) a voting exclusion statement is included in this Notice.

All of the Directors recommend that Shareholders vote in favour of Resolution 3.

#### **4. RESOLUTION 4 – Ratification of Issue of 150,000 Shares**

In August 2017, the Company announced that it had entered into a loan facility with Goldbondsuper Pty Ltd as Trustee for Goldbondsuperone and Robert Paul Martin and Susan Pamela Martin as Trustees for Nitro Super Fund (**Lenders**) for a total of \$4 million, with each Lender loaning the Company \$2 million each (**Loan**).

On 4 June 2020 the Company announced it had entered into an agreement with the Lenders, whereby the Loan repayment date was extended for two years to 31 July 2022.

In exchange for the Lenders extending the repayment date Matsa agreed to pay each of the Lenders an annual facility fee of 150,000 fully paid ordinary Shares for every year or part year that the Loans remain outstanding (**Facility Fee**). The first Facility Fee was issued on 5 June 2020 and the second Facility Fee is expected to be issued on or about 1 June 2021. The Company will update the market with respect to the Loan and any subsequent Facility Fees, in compliance with its disclosure obligations as required.

The Company issued the 150,000 Shares the subject of the first Facility Fee without prior Shareholder approval out of its 15% annual placement capacity under Listing Rule 7.1.

Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 150,000 Shares referred to above, being the first Facility Fee.

### **Listing Rule requirements**

Summaries of Listing Rule 7.1 and Listing Rule 7.4 are provided in Section 3 of the Explanatory Memorandum above.

By ratifying the issue the subject of Resolution 4, the Company will retain the flexibility to issue Equity Securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without the requirement to obtain prior Shareholder approval.

To this end, Resolution 4 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 150,000 Shares referred to above pursuant to the first Facility Fee (**Second Ratification**).

If Resolution 4 is passed, the Second Ratification will be excluded in calculating the Company's 15% limit (or 25% limit if Resolution 9 is passed) in Listing Rule 7.1 and Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the first Facility Fee issue date.

If Resolution 4 is not passed, the Second Ratification will be included in calculating the Company's 15% limit (or 25% limit if Resolution 9 is passed), effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the first Facility Fee issue date.

### **Information required under Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 4:

- (a) 150,000 fully paid ordinary Shares were issued;
- (b) the Shares were issued on 5 June 2020 at an issue price of \$0.115 per Share;
- (c) the Shares were issued in equal amounts to the Lenders. The lenders are not Related Parties of the Company;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the first Facility Fee was provided as partial consideration for the Lenders extending the repayment date of the Loan to 31 July 2022; and
- (f) a voting exclusion statement is included in this Notice.

All of the Directors recommend that Shareholders vote in favour of Resolution 4.

## **5. RESOLUTION 5 – Ratification of Issue of 22,387,605 Shares**

On 3 September 2020 the Company announced it was undertaking a capital raising via a placement to new institutional and sophisticated investors issuing 44,079,341 fully paid ordinary shares at an issue price of \$0.15 each with a conditional, one free unlisted option for every share subscribed for with an exercise price of \$0.30 each and expiring 2 years after the date of issue (**September Capital Raising**). The total consideration received from the placement was \$6,611,901 before costs. The Shares the subject of the September Capital Raising were issued on 10 September 2020 (**September Capital Raising Issue Date**).

The Company issued 22,387,605 of the Shares the subject of the September Capital Raising without prior Shareholder approval out of its 15% annual placement capacity under Listing Rule 7.1 (**LR 7.1 Share Issue**).

The Company also issued 21,691,736 Shares the subject of the September Capital Raising without prior Shareholder approval pursuant to the Company's capacity under ASX Listing Rule 7.1A, which was approved by Shareholders at the annual general meeting held on 28 November 2019 (**LR 7.1A Share Issue**). The Company also seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the LR 7.1A Share Issue (and that ratification is the subject of Resolution 6).

In addition, participants in the September Capital Raising will receive one free unlisted option for every Share subscribed for, being a total of 44,079,341 Options, with an exercise price of \$0.30 each and expiring two years after the date of issue (**September Capital Raising Options**). The issue of the September Capital Raising Options remains subject to Shareholder approval (and is the subject of Resolution 7).

Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 22,387,605 Shares referred to above, being the LR 7.1 Share Issue.

### **Listing Rule requirements**

Summaries of Listing Rule 7.1 and Listing Rule 7.4 are provided in Section 3 of the Explanatory Memorandum above.

By ratifying the issue the subject of Resolution 5, the Company will retain the flexibility to issue Equity Securities in the future up to the 15% annual placement capacity set out in Listing Rule 7.1, without the requirement to obtain prior Shareholder approval.

To this end, Resolution 5 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 22,387,605 Shares referred to above pursuant to the LR 7.1 Share Issue (**Third Ratification**).

If Resolution 5 is passed, the Third Ratification will be excluded in calculating the Company's 15% limit (or 25% limit if Resolution 9 is passed) in Listing Rule 7.1 and Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the September Capital Raising Issue Date.

If Resolution 5 is not passed, the Third Ratification will be included in calculating the Company's 15% limit (or 25% limit if Resolution 9 is passed), effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the September Capital Raising Issue Date.

### **Information required under Listing Rule 7.4**

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 5:

- (a) 22,387,605 fully paid ordinary Shares were issued;
- (b) the Shares were issued on 10 September 2020 at an issue price of \$0.15 per Share;
- (c) the Shares were issued to various institutional and sophisticated investors, who were determined on the basis of applications received from such investors, who are clients of the sole lead manager, Taylor Collison, together with clients of other brokers to the September Capital Raising, and include current substantial Shareholder Deutsche Balaton AG. None of the institutional or sophisticated investors are Related Parties of the Company;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the purpose of the issue was to raise funds from the September Capital Raising, which for use as follows:

- (i) New underground exploration and development aimed at extending the current mine life within the Red October underground gold mine;
  - (ii) New drilling programs at Devon and Fortitude North aimed at expanding and increasing gold resources;
  - (iii) Discovery of new target areas to build on the Company's strategy to build its gold resources; and
- (f) a voting exclusion statement is included in this Notice.

All of the Directors recommend that Shareholders vote in favour of Resolution 5.

## 6. RESOLUTION 6 – Ratification of Issue of 21,691,736 Shares

On 3 September 2020 the Company announced the completion of the September Capital Raising, the details of which are described in Section 5 of this Explanatory Memorandum above.

In addition to the LR 7.1 Share Issue, the Company also issued 21,691,736 Shares the subject of the September Capital Raising without prior Shareholder approval pursuant to the Company's capacity under ASX Listing Rule 7.1A, which was approved by Shareholders at the annual general meeting held on 28 November 2019, being the LR 7.1A Share Issue.

The Company also issued 22,387,605 Shares the subject of the September Capital Raising without prior Shareholder approval out of its 15% annual placement capacity. The Company also seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares and Options (and that ratification is the subject of Resolution 5).

The issue of 44,079,341 Options remains subject to Shareholder approval (and is the subject of Resolution 7).

Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of 21,691,736 Shares as referred to above, being the LR 7.1A Share Issue.

### Listing Rule requirements

Summaries of Listing Rule 7.1 and Listing Rule 7.4 are provided in Section 3 of the Explanatory Memorandum above. A summary of Listing Rule 7.1A is provided in Section 9 of the Explanatory Memorandum below.

By ratifying the issue the subject of Resolution 6, the base figure (ie variable "A" as defined in Listing Rule 7.1 and Listing Rule 7.1A) in which the Company's 15% and 10% annual placement capacities are calculated will be a higher number which in turn will allow a proportionately higher number of securities to be issued without prior Shareholder approval.

To this end, Resolution 6 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of the 21,691,736 Shares referred to above pursuant to the LR 7.1A Share Issue (**Fourth Ratification**).

If Resolution 6 is passed, the Fourth Ratification will be excluded in calculating the Company's 10% limit (or 25% limit if Resolution 9 is passed) in Listing Rule 7.1A, effectively increasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the September Capital Raising Issue Date.

If Resolution 6 is not passed, the Fourth Ratification will be included in calculating the Company's 10% limit (or 25% limit if Resolution 9 is passed) in Listing Rule 7.1A, effectively decreasing the number of Equity Securities it can issue without Shareholder approval over the 12 month period following the September Capital Raising Issue Date.



## Information required under Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to Resolution 6:

- (a) 21,691,736 fully paid ordinary Shares were issued;
- (b) the Shares were issued on 10 September 2020 at an issue price of \$0.15 per Share;
- (c) the Shares were issued to various institutional and sophisticated investors, who were determined on the basis of applications received from such investors, who are clients of the sole lead manager, Taylor Collison, together with clients of other brokers to the September Capital Raising, and include current substantial Shareholder Deutsche Balaton AG. None of the institutional or sophisticated investors are Related Parties of the Company;
- (d) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (e) the purpose of the issue was to raise funds from the September Capital Raising, for use as follows:
  - (i) New underground exploration and development aimed at extending the current mine life within the Red October underground gold mine;
  - (ii) New drilling programs at Devon and Fortitude North aimed at expanding and increasing gold resources;
  - (iii) Discovery of new target areas to build on the Company's strategy to build its gold resources; and
- (f) a voting exclusion statement is included in this Notice.

All of the Directors recommend that Shareholders vote in favour of Resolution 6.

## 7. RESOLUTION 7 – Approval to Issue Placement Options

On 3 September 2020 the Company announced the completion of the September Capital Raising, the details of which are described in Section 5 of this Explanatory Memorandum above.

The issue of the 44,079,341 September Capital Raising Options remains subject to Shareholder approval.

### Listing Rule requirements

Resolution 7 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of up to 44,079,341 Options with an exercise price of \$0.30 each and an expiry date of 5.00pm WST on the date that is 2 years from the date of issue, for nil cash consideration to various institutional and sophisticated investors under the September Capital Raising on the basis of 1 Option for every 1 Share subscribed for and issued (**Option Placement**).

A summary of ASX Listing Rule 7.1 is set out in Section 3 of the Explanatory Memorandum above.

The Option Placement does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

Resolution 7 seeks the required Shareholder approval to the Option Placement under and for the purposes of Listing Rule 7.1.

If Resolution 7 is passed, the Company will be able to proceed with the Option Placement and will be able to issue the September Capital Raising Options to participants to the September Capital Raising. In addition, the Option Placement will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 7 is not passed, the Company will not be able to proceed with the Option Placement.

#### **Information required under Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 7:

- (a) the maximum number of Options to be issued is 44,079,341;
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (c) the issue price of the Options will be nil as they will be issued free attaching with the Shares issued pursuant to the September Capital Raising on a 1:1 basis;
- (d) the Options will be issued to various institutional and sophisticated investors, who participated in the September Capital Raising (described above, and were determined on the basis of applications received from such investors, who are clients of the sole lead manager, Taylor Collison, together with clients of other brokers to the September Capital Raising, and include current substantial Shareholder Deutsche Balaton AG). None of the Options will be issued to Related Parties of the Company;
- (e) the Options will be issued on the terms and conditions set out in Schedule 1;
- (f) no funds will be raised from the Option Placement as the Options are being issued for nil cash consideration;
- (g) the purpose of the issue of the Options was as an incentive to participation in the September Capital Raising, on the basis that those who participated in the September Capital Raising received a right to receive the Options under the Option Placement if approved by Shareholders for no further consideration; and
- (h) a voting exclusion statement is included in this Notice.

All of the Directors recommend that Shareholders vote in favour of Resolution 7.

#### **8. RESOLUTION 8 – Approval to Issue Options to Taylor Collison**

Taylor Collison Limited acted as lead manager to the September Capital Raising that is the subject of Resolutions 5 to 7. Further details of the September Capital Raising are provided in Section 5 of this Explanatory Memorandum above.

A component of the fee that Taylor Collison receive for their role as lead manager is that they are to be issued 4,000,000 Options, to be issued in two tranches:

- (i) 2,000,000 Options with an exercise price of \$0.25 each expiring two years from the date of issue, and with the terms and conditions described in Schedule 2 to this Explanatory Memorandum (**First Tranche**); and
- (ii) 2,000,000 Options with an exercise price of \$0.35 each expiring two years from the date of issue, and with the terms and conditions described in Schedule 3 to this Explanatory Memorandum (**Second Tranche**),

(together, the “**Option Fee**”)

The issue of 4,000,000 Options pursuant to the Option Fee remains subject to Shareholder approval.

### **Listing Rule requirements**

Resolution 8 seeks Shareholder approval for the purposes of Listing Rule 7.1 for the issue of 4,000,000 Options for nil cash consideration to Taylor Collison Limited, being the Option Fee with the terms described above, as part of their fee as a result of the September Capital Raising as lead manager.

A summary of ASX Listing Rule 7.1 is set out in Section 3 of the Explanatory Memorandum above.

The Option Fee does not fall within any of these exceptions and exceeds the 15% limit in Listing Rule 7.1. It therefore requires the approval of the Company's Shareholders under Listing Rule 7.1.

Resolution 8 seeks the required Shareholder approval to the Option Fee under and for the purposes of Listing Rule 7.1.

If Resolution 8 is passed, the Company will be able to proceed with the Option Fee and will be able to issue 4,000,000 Options to Taylor Collison. In addition, the Option Fee will be excluded from the calculation of the number of Equity Securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 8 is not passed, the Company will not be able to proceed with the Option Fee and the Company will be required to source alternative means of remunerating Taylor Collison for their services as lead manager to the September Capital Raising.

### **Information required under Listing Rule 7.1**

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to Resolution 8:

- (a) the maximum number of Options to be issued is 4,000,000;
- (b) the Options will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules);
- (c) the issue price of the Options will be nil as they will be issued free as part of the fee paid to Taylor Collison for acting as lead manager for the September Capital Raising;
- (d) the Options will be issued to Taylor Collison who is not a Related Party of the Company;
- (e) the Options issued under the First Tranche will be issued on the terms and conditions set out in Schedule 2 to this Explanatory Memorandum;
- (f) the Options issued under the Second Tranche will be issued on the terms and conditions set out in Schedule 3 to this Explanatory Memorandum; and
- (g) no funds will be raised from the Option Fee as the Options are being issued for nil cash consideration;
- (h) the purpose of the Option Fee is to provide part of the fee to Taylor Collison for acting as lead manager for the September Capital Raising; and
- (i) a voting exclusion statement is included in this Notice.

All of the Directors recommend that Shareholders vote in favour of Resolution 8.

## **9. RESOLUTION 9 – Approval of 10% Placement Facility**

### **9.1 General**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of Equity Securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

Listing Rule 7.1A enables eligible entities to seek Shareholder approval to issue Equity Securities up to 10% of their issued capital through placements without shareholder approval over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity with a market capitalisation of \$37.96M as at 5 October 2020 for the purposes of Listing Rule 7.1A.

The Company is seeking Shareholder approval by way of a special Resolution to have the ability to issue Equity Securities under the 10% Placement Facility pursuant to Resolution 9.

The maximum number of Equity Securities that may be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 9.2(c) of the Explanatory Memorandum below).

The Company intends to use any funds raised under the 10% Placement Facility towards further exploration on the Lake Carey project aimed at increasing the Company's resource base, continued development at the Red October gold project, and/or for general working capital. In addition, the Company may, in future, choose to evaluate new investments and may use the funds raised for acquisitions (including expenses associated with such acquisitions).

If Resolution 9 is passed, the Company will be able to issue Equity Securities up to the combined 25% limit in Listing Rules 7.1 and 7.1A without any further Shareholder approval.

If Resolution 9 is not passed, the Company will not be able to access the additional 10% Placement Facility to issue Equity Securities without Shareholder approval provided for in Listing Rule 7.1A and will remain subject to the 15% limit on issuing Equity Securities without Shareholder approval set out in Listing Rule 7.1

Resolution 9 is a special Resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

### **9.2 Description of Listing Rule 7.1A**

#### **(a) Shareholder approval**

The ability to issue Equity Securities under the 10% Placement Facility is subject to Shareholder approval by way of a special Resolution at an annual general meeting.

#### **(b) Equity Securities**

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company and issued for a cash consideration per securities which is not less than 75% of the VWAP for securities in that class, calculated over the 15 Trading Days on which trades in that class were recorded immediately before:

- (i) The date on which the price at which the securities are to be issued is agreed by the entity and the recipient of the securities; or
- (ii) Of the securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the securities are issued.

As at the date of this Notice of Annual General Meeting, the Company has on issue:

- (i) 271,146,709 fully paid ordinary Shares; and
- (ii) 25,600,000 unlisted Options.

The Company has only one class of quoted Equity Securities, being Shares.

**(c) Formula for calculating 10% Placement Facility**

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the period of the approval, a number of Equity Securities calculated in accordance with the following formula:

**(A x D) – E**

**A** is the number of fully paid ordinary securities on issue at the commencement of the Relevant Period:

- (a) plus the number of fully paid ordinary securities issued in the Relevant Period under an exception in Listing Rule 7.2 other than exception 9, 16 or 17,
- (b) plus the number of fully paid ordinary securities issued in the Relevant Period on the conversion of convertible securities within Listing Rule 7.2 exception 9 where:
  - the convertible securities were issued or agreed to be issued before the commencement of the Relevant Period; or
  - the issue of, or agreement to issue, the convertible securities was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4,
- (c) plus the number of fully paid ordinary securities issued in the Relevant Period under an agreement to issue securities within Listing Rule 7.2 exception 16 where:
  - the agreement was entered into before the commencement of the Relevant Period; or
  - the agreement or issue was approved, or taken under the Listing Rules to have been approved, under Listing Rule 7.1 or Listing Rule 7.4
- (d) plus the number of any other fully paid ordinary securities issued in the Relevant Period with approval under Listing Rule 7.1 or Listing Rule 7.4,
- (e) plus the number of partly paid ordinary securities that became fully paid in the Relevant Period;
- (f) less the number of fully paid ordinary securities cancelled in the Relevant Period.

Note that “A” has the same meaning in Listing Rule 7.1 when calculating an entity’s 15% placement capacity.

**D** is 10%.

**E** is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the Relevant Period where the issue or agreement has not been subsequently approved by the holders of its ordinary securities under Listing Rule 7.4.

**Relevant Period** means:

- (a) if the entity has been admitted to the official list for 12 months or more, the 12 month period immediately preceding the date of the issue or agreement; or

- (b) the entity has been admitted to the official list for less than 12 months, the period from the date the entity was admitted to the official list to the date immediately preceding the date of the issue or agreement.

**(d) Listing Rule 7.1 and Listing Rule 7.1A**

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 9.2(c) of the Explanatory Memorandum above).

## **9.2 Listing Rule 7.1A**

The effect of Resolution 9 will be to allow the Company to issue Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

## **9.3 Specific information required by Listing Rule 7.3A**

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A commences from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:
  - (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
  - (ii) the time and date of the entity's next annual general meeting; or
  - (iii) the time and date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking) (**10% Placement Period**)
- (b) The Equity Securities will be issued for a cash consideration per security which is not less than 75% of the VWAP of the Company's Equity Securities in the same class calculated over the 15 Trading Days on which trades were recorded in that class immediately before:
  - (i) the date on which the price at which the Equity Securities are to be issued is agreed by the entity and the recipient of the securities; or
  - (ii) if the Equity Securities are not issued within 10 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (c) If Resolution 9 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, there is a risk that the economic value and voting power of each Share in the Company may be diluted, including a risk that:
  - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of approval of this Resolution at the Annual General Meeting; and
  - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date.

The below table shows the possible dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable 'A' calculated in accordance with the formula in Listing Rule 7.1A.2 as at the date of this Notice (with numbers rounded to the nearest whole number). This assumes the Company has its full capacity available under Listing Rule 7.1A and Resolution 9 is passed at the Annual General Meeting.

The formula in Listing Rule 7.1A.2 is outlined in Section 9.2(c) of the Explanatory Memorandum above.

The table also shows:

- (a) two examples where variable 'A' has increased, by 50% and 100%. Variable 'A' is based on the number of Shares the Company currently has on issue. The number of Shares on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and
- (b) two examples of where the issue price of Equity Securities has decreased by 50% and increased by 50% as against the current market price.

Variable 'A' in Listing Rule 7.1A.2		Dilution		
		\$0.07 50% decrease in Issue Price	\$0.14 Issue Price	\$0.21 50% increase in Issue Price
Current Variable A 271,146,709 Shares	10% Voting Dilution	27,114,670 Shares	27,114,670 Shares	27,114,670 Shares
	Funds Raised	\$1,898,027	\$3,796,054	\$5,694,080
50% increase in current Variable A 406,720,063 Shares	10% Voting Dilution	40,672,006 Shares	40,672,006 Shares	40,672,006 Shares
	Funds Raised	\$2,847,040	\$5,694,081	\$8,541,121
100% increase in current Variable A 542,293,418 Shares	10% Voting Dilution	54,229,341 Shares	54,229,341 Shares	54,229,341 Shares
	Funds Raised	\$3,796,054	\$7,592,108	\$11,388,162

**Note:** The table has been prepared on the following assumptions:

1. The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
  2. No Options are exercised into Shares before the date of the issue of Equity Securities.
  3. The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue.
  4. The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Annual General Meeting.
  5. The table shows only the effect of issue of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
  6. The issue of Equity Securities under the 10% Placement Facility consists only of Shares.
  7. The issue price is \$0.14, being the closing price of the Shares on the ASX on 14 October 2020.
- (c) The Company will only issue the Equity Securities during the 10% Placement Period.
  - (d) The Company may seek to issue the Equity Securities for cash consideration towards further exploration on the Lake Carey project aimed at increasing the Company's resource base, continued development at the Red October gold project, and/or for general working capital. In addition, the Company may, in future, choose to evaluate new investments

and may use the funds raised for acquisitions (including expenses associated with such acquisitions).

The Company will comply with its disclosure obligations under the Listing Rules upon issue of any Equity Securities.

- (e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the subscribers of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
  - (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
  - (ii) the effect of the issue of the Equity Securities on the control of the Company;
  - (iii) the financial situation and solvency of the Company; and
  - (iv) advice from corporate, financial and broking advisors (if applicable).

The subscribers under the 10% Placement Facility have not been determined as at the date of this Notice of Annual General Meeting but may include existing Shareholders and/or new Shareholders who are not Related Parties or Associates of a Related Party of the Company.

- (f) The Company previously obtained Shareholder approval under Listing Rule 7.1A at its 2019 annual general meeting held on 28 November 2019.

The total number of Equity Securities issued by the Company in the 12 months preceding the date of the Annual General Meeting is 71,979,341. The percentage those Equity Securities represent of the total number of Equity Securities on issue at the commencement of that 12 month period is 33.18%. The table at Annexure A details all issues of Equity Securities by the Company during the 12 months preceding the date of the Annual General Meeting as required by Listing Rule 7.3A.

Of the total number of Equity Securities issued by the Company in the 12 months preceding the date of the Annual General Meeting, the Company has issued 21,691,736 Shares under Listing Rule 7.1A.2, being the LR 7.1A Share Issue the subject of Resolution 6 in the Notice. Pursuant to and in accordance with Listing Rule 7.3A.6, the following information is provided in relation to the LR 7.1A Share Issue:

- (i) 21,691,736 fully paid ordinary Shares were issued, being 10% of the total number of Equity Securities on issue at the commencement of that 12 month period;
- (ii) the Shares the subject of the LR 7.1A Share Issue were issued to various institutional and sophisticated investors, who were determined on the basis of applications received from such investors, who are clients of the sole lead manager, Taylor Collison, together with clients of other brokers to the September Capital Raising, and include current substantial Shareholder Deutsche Balaton AG;
- (iii) the Shares the subject of the LR 7.1A Share Issue that were issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (iv) the Shares the subject of the LR 7.1A Share Issue were issued on 10 September 2020 at an issue price of \$0.15 per Share, representing a nil discount to the closing market price of the Company's Shares on that date;



- (v) the total cash consideration received for the Shares the subject of the LR 7.1A Share Issue was \$3,253,760, of which all of this amount is to be applied to underground exploration and development at Red October, drilling at Devon and Fortitude North, and for the discovery of new target areas.
- (g) A voting exclusion statement in relation to this Resolution 9 is included in the Notice of Annual General Meeting. At the date of the Notice of Annual General Meeting, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in an issue of Equity Securities pursuant to this Resolution 9. No existing Shareholder's votes will therefore be excluded under the voting exclusion in this Notice.

All of the Directors recommend that Shareholders vote in favour of Resolution 9.

## GLOSSARY

**\$** means Australian dollars.

**10% Placement Facility** has the meaning given in section 9.1 of the Explanatory Memorandum.

**10% Placement Period** has the meaning given in section 9.4(a) of the Explanatory Memorandum.

**Annual General Meeting** or **Meeting** means the annual general meeting of the Company the subject of the Notice of Meeting.

**Associate** has the meaning given in sections 11 to 17 of the Corporations Act.

**ASX** means the Australian Securities Exchange or ASX Limited, as the context requires.

**Auditor's Report** means the auditor's report included with the annual report of the Company for the financial year ended 30 June 2020.

**Board** means the current board of Directors of the Company.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chair** means the chair of the Meeting.

**Closely Related Party** has the same meaning as in section 9 of the Corporations Act.

**Company** means Matsa Resources Limited ACN 106 732 487.

**Constitution** means the Company's constitution.

**Corporations Act** means *Corporations Act 2001* (Cth) including any Class Orders or Legislative Instruments made by the Australian Securities and Investments Commission.

**Directors** means the current directors of the Company.

**Directors' Report** means the directors' report included with the annual report of the Company for the financial year ended 30 June 2020.

**Equity Securities** has the same meaning as in the Listing Rules.

**Explanatory Memorandum** means the explanatory memorandum which accompanies and forms part of this Notice of Meeting.

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Listing Rules** means the Listing Rules of ASX.

**Notice of Meeting** means this notice of annual general meeting including the Explanatory Memorandum and the Proxy Form.

**Option** means a right to subscribe for a Share.

**Optionholder** means the holder of an Option.

**Proxy Form** means the proxy form accompanying the Notice of Meeting.

**Related Party** means a party so defined by section 228 of the Corporations Act.

**Related Party Nominee** in relation to a person means a spouse, an entity controlled by the spouse or that person or a trust or superannuation fund in which the spouse and/or that person are primary beneficiaries.

**Remuneration Report** means the remuneration report appearing in the Director's report section of the Company's annual financial report for the year ended 30 June 2020.

**Resolution** means a resolution proposed pursuant to the Notice of Meeting.

**Section** means a section of the Notice of Annual General Meeting and Explanatory Statement.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a person entered in the Company's register as a holder of a Share.

**Spill Meeting** has the meaning given to it in Section 1.2 of the Explanatory Memorandum.

**Spill Resolution** has the meaning given to it in Section 1.2 of the Explanatory Memorandum.

**Taylor Collison** means Taylor Collison Limited.

**Trading Day** means a day determined by ASX to be a trading day in accordance with the Listing Rules.

**VWAP** means the volume weighted average market price.

**WST** means Western Standard Time in Perth, Western Australia.

## ANNEXURE A

## ISSUES OF EQUITY SECURITIES BY THE COMPANY OVER THE LAST 12 MONTHS PRIOR TO THE DATE OF THE ANNUAL GENERAL MEETING

Date of Issue	Number of Equity Securities Issued	Class of Equity Securities Issued and Summary of Terms of that Class	Names of Allottees or Basis on which Allottees Determined	Price at which Equity Securities Issued and Discount to Market Price <sup>1</sup>	Total Cash Consideration <sup>2</sup>	Amount of Cash Spent and Use of Cash	Intended Use of Remaining Cash	Non-cash consideration	Current Value of Non-cash consideration
29/11/2019	11,000,000	Unlisted options with an exercise price of \$0.25 each expiring 31 May 2021	Optionholders	Nil	Nil	N/A	N/A	N/A	N/A
29/11/2019	1,000,000	Unlisted Options with an exercise price of \$0.35 each expiring 30 November 2022	Optionholders	Nil	Nil	N/A	N/A	N/A	N/A
29/11/2019	5,750,000	Unlisted options with an exercise price of \$0.175 each expiring 30 November 2022	Optionholders	Nil	Nil	N/A	N/A	N/A	N/A
5/3/2020	10,000,000	Ordinary Shares	Placement to sophisticated investor	Issue price - \$0.155 Market price - \$0.14 Premium to market price – 10.7%	\$1,550,000	Increase Red October production capacity and efficiency and exploration drilling within the mine	N/A	N/A	N/A
5/6/2020	150,000	Ordinary Shares	Goldbondsuper Pty Ltd as Trustee for Goldbondsuper one; Robert Paul Martin and Susan Pamela Martin as Trustees for Nitro Super Fund	Issue price - \$0.115 Market price - \$0.115	Nil	Facility fee for loan extension	N/A	\$17,500	\$17500
10/09/2020	44,079,341	Ordinary Shares	Placement to sophisticated and professional investors	Issue price - \$0.15 Market price - \$0.15	\$6,611,901	Underground exploration and development at Red October, drilling at Devon and Fortitude North, discovery of new target areas	N/A	N/A	N/A

**NOTES**

<sup>1</sup> Market price is the closing price on the trading platform, excluding special crossings, overnight sales and ETO exercises.

<sup>2</sup> Number of Equity Securities issued multiplied by the issue price less costs of the issue.

## SCHEDULE 1

### TERMS AND CONDITIONS OF PLACEMENT OPTIONS

The following are the terms and conditions of the Placement Options:

1. Nil consideration will be payable per Option for the issue of the Options.
2. The Options shall expire at 5.00pm WST on the date that is two (2) years from the date of issue (**Expiry Date**).
3. Subject to condition 15, the amount payable upon exercise of each Option will be \$0.30 each.
4. Subject to these terms and conditions each Option will entitle the holder to subscribe for one fully paid ordinary share (**Share**) in Matsa Resources Limited ACN 106 732 487 (**Company**) by paying the full amount of the Exercise Price.
5. Options may be exercised at any time from the date of issue until the Expiry Date.
6. Options not exercised on or before the Expiry Date will automatically lapse.
7. The Exercise Price shall be payable in full on exercise of the Options.
8. Options may only be exercised by the delivery to the registered office of the Company of a notice in writing. The notice must specify the number of Options being exercised and must be accompanied by:
  - (a) payment for the Exercise Price for each Options being exercised; and
  - (b) the certificate for those Options, for cancellation by the Company.

The notice is only effective (and only becomes effective) when the Company has received value for the full amount of the Exercise Price (for example, if the Exercise Price is paid by cheque, by clearance of that cheque) on or before the Expiry Date.
9. Subject to condition 7, within 10 Business Days after the notice referred to in condition 8 becoming effective, the Company must:
  - (a) allot and issue the number of Shares specified in the notice to the holder;
  - (b) cancel the Certificate for the Options being exercised; and
  - (c) if applicable, issue a new certificate for any remaining Options covered by the certificate accompanying the notice.
10. The Company will not apply for the Options to be quoted on ASX.
11. The Options are transferable.
12. Shares allotted pursuant to an exercise of the Options shall rank, from the date of allotment, *pari passu* with existing Shares of the Company in all respects.
13. The Company shall, in accordance with the Listing Rules, make application to have Shares allotted pursuant to an exercise of Options quoted on ASX.
14. There are no participating rights or entitlements inherent in the Options to participate in any new issues of capital which may be made or offered by the Company to its Shareholders from time to time prior to the expiry date unless and until the Options are exercised. However, the

Company must give notice as required under the Listing Rules to Optionholders of any new issue of capital before the record date for determining entitlements to the issue in accordance with the Listing Rules.

15. If, prior to the expiry of any Options, there is a reorganisation of the issued capital of the Company, Options will be reorganised in accordance with the Listing Rules and Corporations Act at the time of the reorganisation.
16. If, prior to the expiry of an Option, there is a bonus issue to the holders of shares in the Company, the number of shares over which the Option is exercisable may be increased by the number of shares which the Optionholder would have received if the Option had been exercised before the record date for the bonus issue.
17. The Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.
18. If at any time prior to the Expiry Date the Optionholder dies, the deceased holder's legal personal representative may:
  - (a) elect to be registered as the new Optionholder of the deceased Optionholder's Options;
  - (b) whether or not he or she becomes so registered, exercise those Options as if he or she were the holder of them in accordance with those terms and conditions; and
  - (c) if the deceased Optionholder has already given a notice of exercise of his Options, pay the Exercise Price in respect of those Options.
19. There is no right to change the Exercise Price of an Option or the number of underlying Shares over which the Option can be exercised.
20. In these terms and conditions the capitalised terms have the meanings given to them in the Glossary of the Notice of Annual General Meeting.

## SCHEDULE 2

### TERMS AND CONDITIONS OF TRANCHE 1 TAYLOR COLLISON OPTIONS

The following are the terms and conditions of the Options:

1. Nil consideration will be payable per Option for the issue of the Options.
2. The Options shall expire at 5.00pm WST on the date that is two (2) years from the date of issue (**Expiry Date**).
3. Subject to condition 15, the amount payable upon exercise of each Option will be \$0.25 each.
4. Subject to these terms and conditions each Option will entitle the holder to subscribe for one fully paid ordinary share (**Share**) in Matsa Resources Limited ACN 106 732 487 (**Company**) by paying the full amount of the Exercise Price.
5. Options may be exercised at any time from the date of issue until the Expiry Date.
6. Options not exercised on or before the Expiry Date will automatically lapse.
7. The Exercise Price shall be payable in full on exercise of the Options.
8. Options may only be exercised by the delivery to the registered office of the Company of a notice in writing. The notice must specify the number of Options being exercised and must be accompanied by:
  - (a) payment for the Exercise Price for each Options being exercised; and
  - (b) the certificate for those Options, for cancellation by the Company.

The notice is only effective (and only becomes effective) when the Company has received value for the full amount of the Exercise Price (for example, if the Exercise Price is paid by cheque, by clearance of that cheque) on or before the Expiry Date.
9. Subject to condition 7, within 10 Business Days after the notice referred to in condition 8 becoming effective, the Company must:
  - (a) allot and issue the number of Shares specified in the notice to the holder;
  - (b) cancel the Certificate for the Options being exercised; and
  - (c) if applicable, issue a new certificate for any remaining Options covered by the certificate accompanying the notice.
10. The Company will not apply for the Options to be quoted on ASX.
11. The Options are non-transferable.
12. Shares allotted pursuant to an exercise of the Options shall rank, from the date of allotment, *pari passu* with existing Shares of the Company in all respects.
13. The Company shall, in accordance with the Listing Rules, make application to have Shares allotted pursuant to an exercise of Options quoted on ASX.
14. There are no participating rights or entitlements inherent in the Options to participate in any new issues of capital which may be made or offered by the Company to its Shareholders from time to time prior to the expiry date unless and until the Options are exercised. However, the

Company must give notice as required under the Listing Rules to Optionholders of any new issue of capital before the record date for determining entitlements to the issue in accordance with the Listing Rules.

15. If, prior to the expiry of any Options, there is a reorganisation of the issued capital of the Company, Options will be reorganised in accordance with the Listing Rules and Corporations Act at the time of the reorganisation.
16. If, prior to the expiry of an Option, there is a bonus issue to the holders of shares in the Company, the number of shares over which the Option is exercisable may be increased by the number of shares which the Optionholder would have received if the Option had been exercised before the record date for the bonus issue.
17. The Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.
18. If at any time prior to the Expiry Date the Optionholder dies, the deceased holder's legal personal representative may:
  - (a) elect to be registered as the new Optionholder of the deceased Optionholder's Options;
  - (b) whether or not he or she becomes so registered, exercise those Options as if he or she were the holder of them in accordance with those terms and conditions; and
  - (c) if the deceased Optionholder has already given a notice of exercise of his Options, pay the Exercise Price in respect of those Options.
19. There is no right to change the Exercise Price of an Option or the number of underlying Shares over which the Option can be exercised.



### SCHEDULE 3

#### TERMS AND CONDITIONS OF TRANCHE 2 TAYLOR COLLISON OPTIONS

The following are the terms and conditions of the Options:

1. Nil consideration will be payable per Option for the issue of the Options.
2. The Options shall expire at 5.00pm WST on the date that is two (2) years from the date of issue (**Expiry Date**).
3. Subject to condition 15, the amount payable upon exercise of each Option will be \$0.35 each.
4. Subject to these terms and conditions each Option will entitle the holder to subscribe for one fully paid ordinary share (**Share**) in Matsa Resources Limited ACN 106 732 487 (**Company**) by paying the full amount of the Exercise Price.
5. Options may be exercised at any time from the date of issue until the Expiry Date.
6. Options not exercised on or before the Expiry Date will automatically lapse.
7. The Exercise Price shall be payable in full on exercise of the Options.
8. Options may only be exercised by the delivery to the registered office of the Company of a notice in writing. The notice must specify the number of Options being exercised and must be accompanied by:
  - (a) payment for the Exercise Price for each Options being exercised; and
  - (b) the certificate for those Options, for cancellation by the Company.

The notice is only effective (and only becomes effective) when the Company has received value for the full amount of the Exercise Price (for example, if the Exercise Price is paid by cheque, by clearance of that cheque) on or before the Expiry Date.
9. Subject to condition 7, within 10 Business Days after the notice referred to in condition 8 becoming effective, the Company must:
  - (a) allot and issue the number of Shares specified in the notice to the holder;
  - (b) cancel the Certificate for the Options being exercised; and
  - (c) if applicable, issue a new certificate for any remaining Options covered by the certificate accompanying the notice.
10. The Company will not apply for the Options to be quoted on ASX.
11. The Options are non-transferable.
12. Shares allotted pursuant to an exercise of the Options shall rank, from the date of allotment, pari passu with existing Shares of the Company in all respects.
13. The Company shall, in accordance with the Listing Rules, make application to have Shares allotted pursuant to an exercise of Options quoted on ASX.
14. There are no participating rights or entitlements inherent in the Options to participate in any new issues of capital which may be made or offered by the Company to its Shareholders from time to time prior to the expiry date unless and until the Options are exercised. However, the Company must give notice as required under the Listing Rules to Optionholders of any new

issue of capital before the record date for determining entitlements to the issue in accordance with the Listing Rules.

15. If, prior to the expiry of any Options, there is a reorganisation of the issued capital of the Company, Options will be reorganised in accordance with the Listing Rules and Corporations Act at the time of the reorganisation.
16. If, prior to the expiry of an Option, there is a bonus issue to the holders of shares in the Company, the number of shares over which the Option is exercisable may be increased by the number of shares which the Optionholder would have received if the Option had been exercised before the record date for the bonus issue.
17. The Options will not give any right to participate in dividends until Shares are allotted pursuant to the exercise of the relevant Options.
18. If at any time prior to the Expiry Date the Optionholder dies, the deceased holder's legal personal representative may:
  - (a) elect to be registered as the new Optionholder of the deceased Optionholder's Options;
  - (b) whether or not he or she becomes so registered, exercise those Options as if he or she were the holder of them in accordance with those terms and conditions; and
  - (c) if the deceased Optionholder has already given a notice of exercise of his Options, pay the Exercise Price in respect of those Options.
19. There is no right to change the Exercise Price of an Option or the number of underlying Shares over which the Option can be exercised.

# MATSA RESOURCES LIMITED

ACN 106 732 487

## PROXY FORM

Name: \_\_\_\_\_

Address: \_\_\_\_\_

SRN / HIN: \_\_\_\_\_

### Appointment of a proxy

I/We being a member(s) of Matsa Resources Limited hereby appoint:

\_\_\_\_\_  
(Write here the name of the person you are appointing)

or failing the person named, or if no person is named, the Chairman as my/our proxy and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Matsa Resources Limited to be held at Suite 11, 139 Newcastle Street, Perth Western Australia at 10.30am (WST) on Friday, 27 November 2020 and at any adjournment of that meeting.

**The Chairman of the Annual General Meeting intends to vote all undirected proxies in favour of all Resolutions in which the Chairman is entitled to vote.**

**Should you so desire to direct the proxy how to vote, you should place a cross in the appropriate box(es) below:**

I/We direct my/our Proxy to vote in the following manner:

		For	Against	Abstain
<b>Resolution 1</b>	Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 2</b>	Re-election of Director: Andrew Chapman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 3</b>	Ratification of Issue of 10,000,000 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 4</b>	Ratification of Issue of 150,000 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 5</b>	Ratification of Issue of 22,387,605 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 6</b>	Ratification of Issue of 21,691,736 Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 7</b>	Approval of Issue of Placement Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 8</b>	Approval of Issue of Options to Taylor Collison	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<b>Resolution 9</b>	Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

**IMPORTANT** - If the Chairman of the Meeting is your proxy or is appointed as your proxy by default and you do not mark any of the boxes above in respect of Resolution 1 you are expressly authorising and directing the Chairman of the Meeting to exercise your proxy on that Resolution in accordance with the Chairman's voting intentions as set out above and in the Notice of Annual General Meeting, even though Resolution 1 is connected directly or indirectly with the remuneration of a member of Key Management Personnel.

*This Proxy is appointed to represent \_\_\_\_\_% of my voting right, or if two proxies are appointed Proxy 1 represents \_\_\_\_\_% and Proxy 2 represents \_\_\_\_\_% of my/our total votes.  
My/our total voting right is \_\_\_\_\_ shares.*

### IF THE SHAREHOLDER IS AN INDIVIDUAL OR JOINT HOLDER:

Signature: \_\_\_\_\_

Signature: \_\_\_\_\_

### IF THE SHAREHOLDER IS A COMPANY:

Affix common seal (if required by Constitution)

\_\_\_\_\_  
Director/Sole Director and Secretary

\_\_\_\_\_  
Director/Secretary

Dated:

In addition to signing the Proxy Form above please provide the information below in case we need to contact you.

\_\_\_\_\_  
Contact name

\_\_\_\_\_  
Contact Daytime Telephone

## INSTRUCTIONS FOR APPOINTMENT OF PROXY

- (a) A Shareholder entitled to attend and to cast two or more votes is entitled to appoint no more than two proxies to attend and vote at this Annual General Meeting as the Shareholder's proxy. A proxy need not be a Shareholder of the Company.
- (b) Where more than one proxy is appointed, each proxy must be appointed to represent a specific proportion of the Shareholder's voting rights. If such appointment is not made then each proxy may exercise half of the Shareholder's voting rights. Fractions shall be disregarded. Where more than one proxy is to be appointed or where voting intentions cannot be adequately expressed using this form an additional form of proxy is available from the Company, or alternatively you may copy this form.
- (c) The proxy form must be signed personally by the Shareholder or his attorney, duly authorised in writing. If a proxy is given by a corporation, the proxy must be executed in accordance with its constitution or its duly authorised attorney. In the case of joint Shareholders, this proxy must be signed by each of the joint Shareholders, personally or by a duly authorised attorney.
- (d) If a proxy is executed by an attorney of a Shareholder, then the original of the relevant power of attorney or a certified copy of the relevant power of attorney, if it has not already been noted by the Company, must accompany the proxy form.
- (e) Completion of a Proxy Form will not prevent individual members from attending the Annual General Meeting in person if they wish. Where a member completes and lodges a valid Proxy Form and attends the Annual General Meeting in person, then the proxy's authority to speak and vote for that member is suspended while the member is present at the Annual General Meeting.
- (f) To be effective, forms to appoint proxies must be received by the Company no later than 48 hours before the time appointed for the holding of this Annual General Meeting by post, facsimile or email to the address stipulated in this proxy form. If the proxy form specifies a way in which the proxy is to vote on any of the Resolutions stated above, then the following applies:
  - the proxy need not vote on a show of hands, but if the proxy does so, the proxy must vote that way; and
  - if the proxy has two or more appointments that specify different ways to vote on the resolution, the proxy must not vote on a show of hands; and
  - if the proxy is Chairman, the proxy must vote on a poll and must vote that way; and
  - if the proxy is not the Chairman, the proxy need not vote on a poll, but if the proxy does so, the proxy must vote that way.
- (g) If a proxy is also a Shareholder, the proxy can cast any votes the proxy holds as a Shareholder in any way that the proxy sees fit.
- (h) To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - delivering it to Matsa Resources Limited in person at Suite 11, 139 Newcastle Street, Perth WA;
  - post to Matsa Resources Limited, PO Box 376, Northbridge, WA 6865;
  - facsimile to the Company on facsimile number +61 8 9227 0370; or
  - email to the Company at [reception@matsa.com.au](mailto:reception@matsa.com.au),so that it is received not less than 48 hours prior to commencement of the Meeting.

**Proxy Forms received later than this time will be invalid.**