



ASX Announcement

2nd February 2021

\$5.6M Partial Sale of Lake Rebecca Gold Project

Highlights

- *Bulletin Resources Limited (Bulletin, BNR) and Matsa Resources Limited (Matsa, MAT) have through their 80/20 joint venture entered sold a 400m wide strip (1.35km²) of the 576km² Lake Rebecca gold project to Apollo Consolidated Limited (Apollo, AOP) for a total consideration of approximately \$5.6M*
- *The sale crystallises significant value while preserving the Lake Rebecca gold project's exciting exploration potential, whilst simultaneously providing exposure to AOP's promising Rebecca Gold Project with Matsa receiving 2.15 million AOP shares as part of its share of the consideration*
- *The sale allows Matsa to monetise part of a non-core interest, provides Bulletin with significant capital to continue exploration or potential acquisitions, exposure to AOP's Rebecca project and allows Apollo the opportunity to maximise the potential of the >1Moz gold Rebecca Deposit and progress mining plans unhindered by tenement boundaries*
- *Total consideration comprises:*
 - *10,750 000 AOP shares to be issued upfront (currently \$0.315 per share) (subject to voluntary escrow as outlined below)*
 - *\$250,000 in cash payable on satisfaction of certain conditions*
 - *\$1.0M on the earliest of the granting of a Mining Lease to AOP over the sale area or 24 months from signing, payable in cash or AOP shares at AOP's election*
 - *\$1.0M on earliest of AOP decision to mine the Rebecca Deposit or 48 months from signing, payable in cash or AOP shares at AOP's election*
- *Bulletin (80%) and Matsa (20%) will split the consideration in proportion to their respective interests and Matsa will forgo their 1% royalty on the area disposed*
- *The drilling program at Lake Rebecca was completed on 15 January 2021 and results will be released as they come to hand*

CORPORATE SUMMARY

Executive Chairman

Paul Poli

Director

Frank Sibbel

Director & Company Secretary

Andrew Chapman

Shares on Issue

271.14 million

Unlisted Options

77.78 million @ \$0.17 - \$0.35

Top 20 shareholders

Hold 56.86%

Share Price on 1st February 2021

10.5 cents

Market Capitalisation

\$28.47 million

Matsa Resources Limited (“Matsa” or “the Company” (**ASX: MAT**)) is pleased to advise that it and Bulletin Resources Limited (“Bulletin”, “BNR”) have sold a 400m wide strip of land totalling 1.35km² of the Lake Rebecca gold project to Apollo Consolidated Limited (“Apollo”; ASX: AOP) for a total consideration of approximately \$5.6M.

Bulletin’s 576km² (prior to sale of 1.35km²) Lake Rebecca gold project (BNR 80%; MAT 20%) is located 150km east north-east of Kalgoorlie, Western Australia and is immediately along strike of AOP’s 1.03M oz gold Rebecca project (refer ASX: AOP announcement dated 10 February 2020).

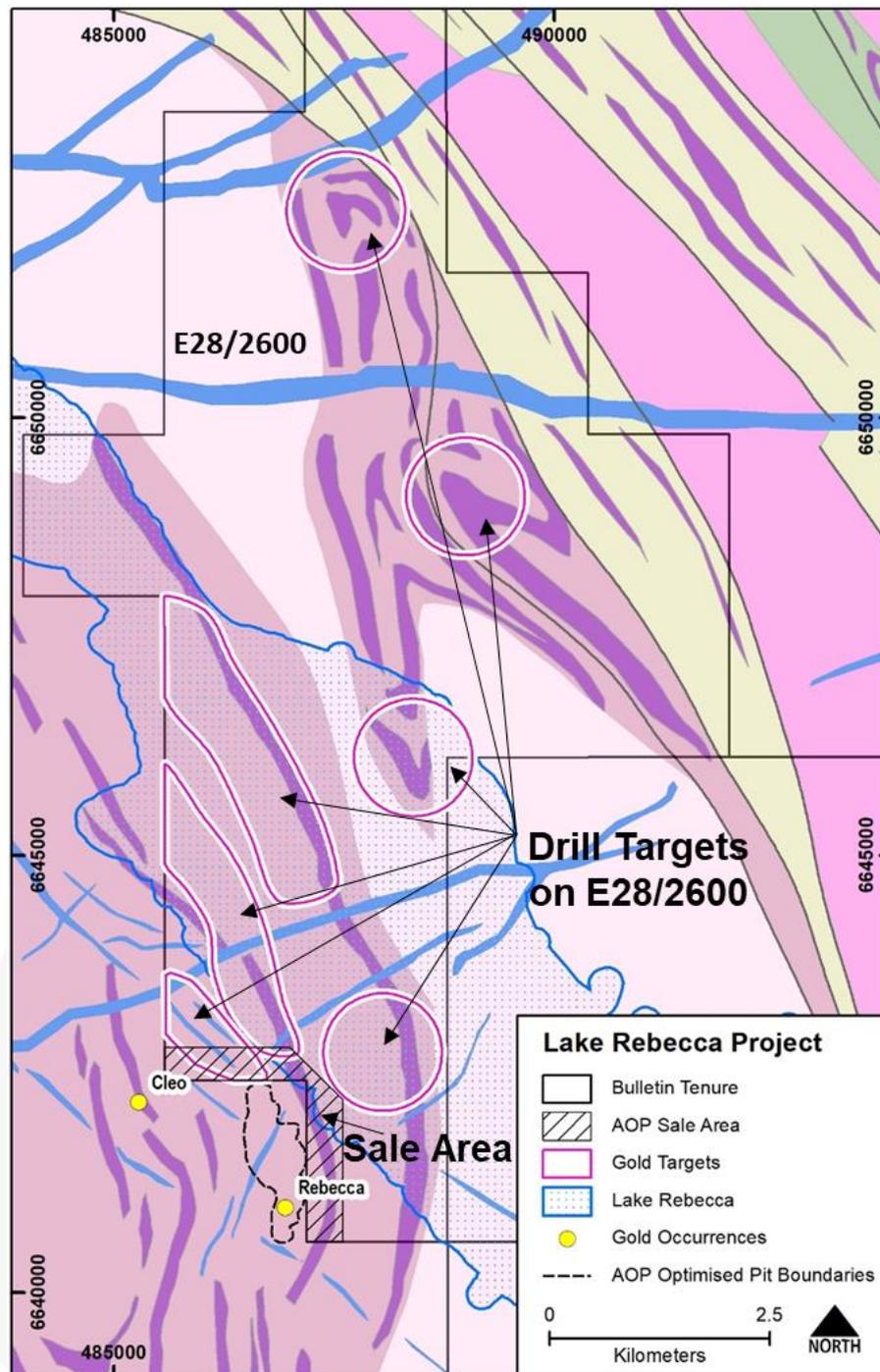


Figure 1: Sale area and Bulletin’s priority gold targets for drilling on Lake Rebecca

The sale of a 400m wide strip of land totalling 1.35km² of tenement E28/2600 crystallises significant value for the BNR/MAT joint venture while preserving its Lake Rebecca land area and highlights the exploration potential of the project.

Importantly, it provides the BNR/MAT joint venture partners with significant exposure to AOP's Rebecca Gold Project through the acquisition of a combined 4% interest in AOP via the issue of 10.75 million shares as part of the consideration.

The total consideration for the sale of the land parcel relevant mining data comprises:

- 10.75 million AOP shares upfront (50% escrowed for 6 months and 50% escrowed for 12 months)
- \$250,000 in cash payable on satisfaction of certain conditions
- \$1.0M payable in cash or AOP shares at AOP's election, on the earliest of the granting of a Mining Lease to AOP over the sale area or 24 months from signing
- \$1.0M payable in cash or AOP shares at AOP's election, on the earliest of AOP's decision to mine the Rebecca Deposit or 48 months from signing

Chairman of Bulletin and Matsa, Mr Paul Poli said *"the sale of this small area of the BNR/MAT joint venture ground to Apollo provides a 'win-win' situation for both parties. Apollo can get on with progressing development of Apollo's Rebecca gold project without tenement boundary restrictions and BNR/MAT can continue to exploit the exploration potential of its ground now having illustrated value. It's great that any success in Apollo will now reward both BNR/MAT through their shareholding in Apollo."*

Importantly, the sale allows Bulletin to continue their current planned exploration programs at the Lake Rebecca Project fully funded. The current drilling program was completed 15th January 2021 with results expected in the coming weeks.

As part of the sale, Matsa have agreed to give up their 1% royalty interest over the sale area but retains the royalty over the remainder of E28/2600. As part of the transaction Apollo will acquire first right of refusal over exploration licences E28/2600 and E28/2635 should Bulletin and Matsa look to dispose of any or all of their interest in these tenements.

Both Bulletin and Matsa will receive consideration from the sale in proportion to their interest in the tenement. By obtaining AOP shares both Bulletin and Matsa can benefit from any success Apollo achieves as it progresses its development and mining plans for its Rebecca project. Matsa retains a 26.8% interest in Bulletin and is free-carried in the joint venture until completion of a bankable feasibility study.

This ASX announcement is authorised for release by the Board of Matsa Resources Limited.

For further information please contact:

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