



**MATSA**  
RESOURCES

LIMITED  
ABN 48 106 732 487

**ASX Announcement**

**25<sup>th</sup> July 2017**

## **Mining Commences Fortitude Gold Project**

### **Highlights**

- *Mining has commenced at the Fortitude Gold Project*
- *Construction of office blocks, workshops and sediment ponds has been completed*
- *Projected revenue and costs remain in accordance with the Trial Mining Study showing the trial mining operation is economically viable at a gold price of A\$1,600*
  - *Cash surplus \$5.2M over 8 months*
  - *Total production 185,000t @ 2.2g/t (12,100 oz)*

### **CORPORATE SUMMARY**

#### **Executive Chairman**

Paul Poli

#### **Director**

Frank Sibbel

#### **Director & Company Secretary**

Andrew Chapman

#### **Shares on Issue**

144.7 million

#### **Unlisted Options**

17.02 million @ \$0.25 - \$0.30

#### **Top 20 shareholders**

Hold 54.64%

#### **Share Price on 24 July 2017**

20 cents

#### **Market Capitalisation**

\$28.94 million

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Matsa Resources Limited (“Matsa” or “the Company” ASX: MAT) is pleased to advise that mining has now officially commenced at the Fortitude Gold Project in accordance with the Trial Mining Study (MAT announcement to ASX dated 22 February 2017).

Since late June the mining contractor, Quadrio Earthmoving Pty Ltd (QEM) was mobilised to site and site construction including offices, workshops, removal of topsoil and sediment ponds are now complete. The bore field has been commissioned and mine dewatering commenced. Topsoil has been removed and stockpiled from the north pit, offices, workshop and waste dump areas.

Grade control was completed and assays were received for the natural surface on all three trial pit areas. Ore will be trucked and processed at the nearby Sunrise Dam Gold Mine (owned by AngloGold Ashanti Australia Limited) only 35km north of Fortitude where a ore purchase agreement has been entered into for the entire production of the Trial Mine.

Mining has commenced in the North Pit on single shift basis with double shifts expected to commence on 31<sup>st</sup> July.

Executive Chairman Mr Paul Poli said *“It is pleasing to announce that mining has commenced at the Fortitude Gold Project which is Matsa’s first production activity. We expect that the revenue and cost projections released in the Trial Mining Study in February 2017 should not have any material changes.”*

For further information please contact:

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**Figure 1: Overburden Mining in the North Pit**



**Figure 2: Sediment Ponds**



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**Figure 3: Ore trucks being part of the mining fleet at Fortitude**



**Figure 4: Overburden Mining in the North Pit**