ASX Announcement **30th October 2026**

Deed of Company Arrangement Proposal for Matsa Subsidiaries

Matsa Resources Limited ("Matsa" or "the Company") advises that it has proposed a Deed of Company Arrangement ("Proposed DOCA") in respect of Matsa Gold Pty Ltd (Receivers and Managers Appointed) (Administrators Appointed) and Devon Gold Mining Pty Ltd (Receivers and Managers Appointed) (Administrators Appointed), each of which are wholly owned subsidiaries of Matsa ("Matsa Subsidiaries").

The Proposed DOCA is to be considered at the second meetings of the Matsa Subsidiaries creditors on Friday, 6 November 2026. The administrators of the Matsa Subsidiaries, Richard Tucker and Jared Palandri of KordaMentha ("Administrators") have released their report to creditors which includes a recommendation that creditors vote in favour of the Proposed DOCA. The report is available at 261027-Matsa-Report-to-Creditors-IPR-75-225-RST.pdf (along with the terms of the Proposed DOCA).

Key Terms of the Proposed DOCA

The objectives of the Proposed DOCA are to (amongst other matters):

1. allow for the payment of all participating creditors' debts in full and/or to otherwise ensure that any creditors' current position is not prejudiced;
2. provide a timely and more certain outcome than liquidation;
3. preserve the Matsa Subsidiaries businesses and assets, including the Devon Gold Project ("Devon Mine"); and
4. minimise the administration and receivership costs.

The Proposed DOCA will comprise three key elements as follows:

1. A DOCA Fund – whereby the Company will contribute $4.4 million in the fund when the DOCA is executed to cover the payment of the Administrators' remuneration, costs and expenses and provide an uncapped, unsecured guarantee and indemnity for any of the Administrators' and Deed Administrators' unpaid remuneration, fees and costs from time to time.
2. A BCM Trust Fund – a separate creditors' trust for Blue Cap Mining Pty Ltd ("BCM") which will hold and/or receive the following assets:
    a. a $13.75 million cash contribution from the Company;
    b. any surplus available from the DOCA Fund;
    c. replacement priority security over assets that BCM has security over (in effect, giving BCM the benefit of a first-ranking security over the assets over which it presently has security

when read together with the deed of priority to be provided by Deutsche Balaton Aktiengesellschaft ("Deutsche") as a condition precedent to completion of the Proposed DOCA); and

d. the provision of an unsecured guarantee and indemnity in favour of the BCM Trust Fund trustees for any shortfall in meeting BCM's adjudicated claims and the receivers' and BCM Trust Fund trustees' remuneration cost and expenses.

3. A Devon Trust Fund – a separate trust fund will be established for all of the other creditors of the Matsa Subsidiaries with a cash contribution of $1 million from Matsa and the provision of an unsecured guarantee and indemnity in favour of the Devon Trust Fund trustees for any shortfall in meeting all other creditors' adjudicated claims and the Devon Trust Fund trustees' remuneration cost and expenses.

Upon effectuation of the Proposed DOCA, control of the Matsa Subsidiaries will revert to the directors nominated by Matsa.

The implementation of the Proposed DOCA is subject to a number of conditions precedent, including:

- Deutsche agreeing to continue its facilities, not exercise its rights, consenting to the Proposed DOCA (in its capacity as secured creditor) and agreeing to any terms, or entering into any other agreements required under the Proposed DOCA.
- The Company procuring and entering in to all ancillary documentation specified in the Proposed DOCA.
- Court orders or directions being obtained to bind BCM to the Proposed DOCA (unless BCM consents to the Proposed DOCA in which case such court orders or directions would not be required).

The Administrators have recommended that creditors of the Matsa Subsidiaries approve the Proposed DOCA at the second creditors meetings for (amongst others) the following reasons:

- the Proposed DOCA represents a proposal that would be in the best interests of creditors and stakeholders of the Matsa Subsidiaries (including Matsa as shareholder of the Matsa Subsidiaries and, by extension, the Matsa shareholders) and would allow the Matsa Subsidiaries to exit voluntary administration and deed administration as quickly as possible;
- the Proposed DOCA contains mechanisms for a return to all participating creditors of 100c/$ on their adjudicated claims and/or otherwise does not prejudice creditors vis-à-vis their current position in a voluntary administration or liquidation and provides a better, more timely, certain and higher return than liquidation or the alternative deed of company arrangement proposed by BCM; and
- the Proposed DOCA provides for working capital and financial support from Matsa and Deutsche necessary to continue the Matsa Subsidiaries businesses and operations following effectuation.

The Company considers the Proposed DOCA to be the initial step of a wider range of initiatives being undertaken and/or to be potentially implemented by the Company, which includes its ongoing operational review with the aim of Matsa being reinstated to trading on the ASX.

Matsa will advise shareholders on the status and progress of the Proposed DOCA by way of further ASX announcements as this matter progresses.

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

For further information please contact:

Paul Poli
Executive Chairman
T 08 9230 3555
E reception@matsa.com.au