



Quarterly Report



FOR THE QUARTER ENDED

30 September 2023

Matador Mining Ltd and Controlled Entities

ABN 45 612 912 393

Matador Mining Limited (**ASX:MZZ / OTCQB:MZZMF**) (“Matador” or the “Company”) is pleased to provide its Quarterly Activities Report for the quarter ended 30 September 2023. All dollar amounts are Canadian dollars unless stated otherwise.

Matador is exploring primarily for precious metals in Newfoundland, Canada. Its flagship tenements are continuous and located along 120 kilometres of strike length, covering the proven, yet under-explored multi-million-ounce regional-scale Cape Ray Shear Zone (“CRSZ”) (Figure 1). Additionally, the Company holds tenements over a 27-kilometre continuous strike at its Hermitage property located on the Hermitage Flexure (Figure 1).

The Company’s primary tenements along the CRSZ are also subject to a JORC 2012 Mineral Resource Estimate (reported in May 2023) of 610,000 ounces of gold grading 1.96 g/t. The bulk of the mineral resource estimate is constrained within several optimised resource pit shells while the remainder is reported external to the pit shells and within continuous potentially extractable underground stope shapes.

Highlights

Corporate

- Exited the quarter with \$2.8 million (A\$3.2 million) in cash on-hand.
- Subsequent to the quarter end, the Company raised \$5.1 million (A\$5.8 million) subsequent to the quarter-end with strong support from existing investors including B2Gold and the addition of several new global institutional investors.
- Company announced a Share Purchase Plan (“SPP”) offering to target a raise of A\$1.5 million.
- Operating cash outflow was \$2.7 million including exploration activities of \$1.9 million.
- Cash outflows for the December 2023 quarter expected to be significantly lower with less exploration field activities leading into the winter season.
- Corporate strategy refined with work to include a mix of Brownfield and Greenfield exploration focussed on building a full project pipeline.

Exploration

- Majority of 2023 exploration program completed successfully with significant results across multiple target areas, identification of several new Brownfield targets and advancement of Greenfield targets.
- Subsequent to the quarter-end, the Company announced results from diamond drilling that confirmed gold in basement at Long Range and Grandy’s, expanding gold mineralisation across a 60 kilometre corridor along the CRSZ.
- Several new advanced stage exploration targets identified within the resource corridor through internal analysis and reinterpretation to complement a suite of high-ranking Greenfield targets.

- Multigram gold and high-grade arsenic samples collected, and discovery of 17 anomalous gold samples across a wide area at Hermitage, validating postulated arsenic-gold and antimony-gold associations in this geological domain.
- Acquired two new option agreements on the eastern portion of the Hermitage property.
- Phase one Long Range prospecting delivered multigram gold samples, with eight samples greater than 100 ppb gold, which significantly expands the presence of gold across a wider range at this target.

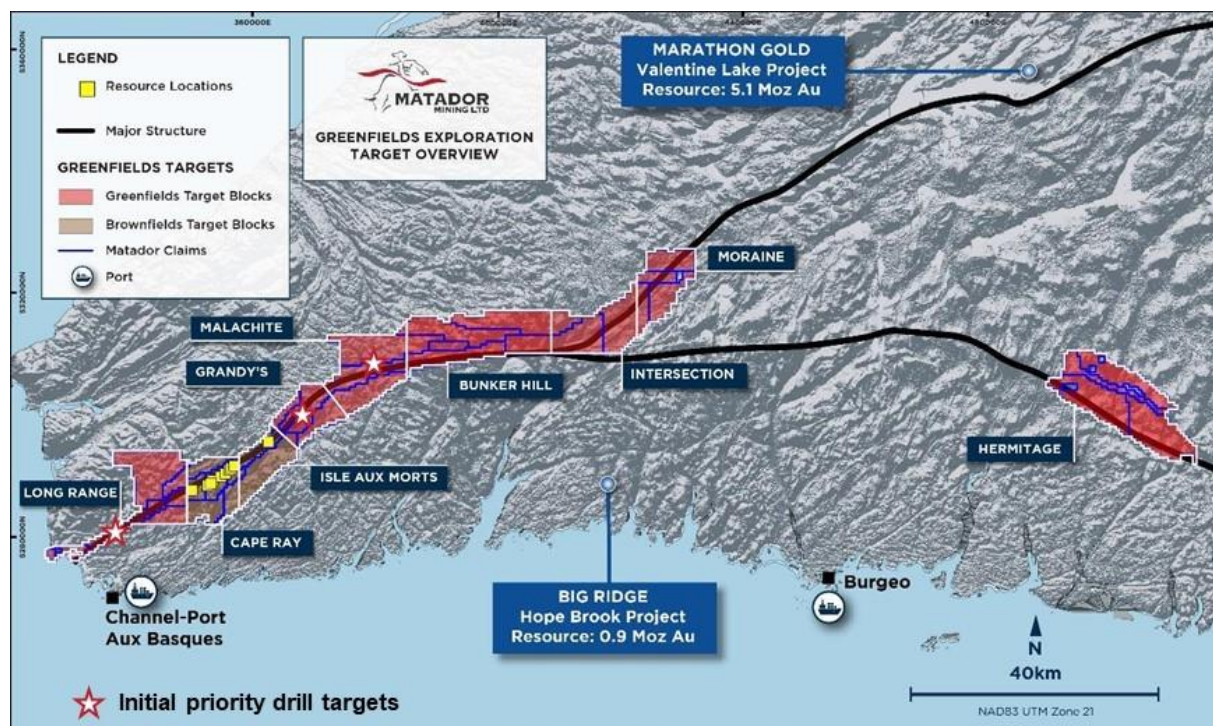


FIGURE 1: MATADOR TENEMENT OVERVIEW WITH DIAMOND DRILL TARGETS

Overview

Subsequent to the quarter end, the Company announced that it has successfully raised approximately A\$5.8 million (before costs) through an oversubscribed financing to institutional, professional and sophisticated investors of approximately 116.2 million shares at an average price of A\$0.050 per share ("New Share") (the "Equity Raising"). The Equity Raising was completed through three components, being:

- ~A\$3.8 million flow through placement to Canadian investors priced at A\$0.056 per New Share, which represents a 24.4% premium to Matador's last closing price on Friday 20 October 2023 and a 40.0% premium to the bookbuild price of A\$0.040 ("Offer Price") ("Series 1 FT");

- ~A\$1.0 million flow-through placement to Canadian investors priced at A\$0.042 per New Share, which represents a 6.7% discount to Matador's last closing price on Friday 20 October 2023 and a 5.0% premium to the Offer Price. Of which, the issue of 13,751,602 Shares will be subject to subject approval ("Series 2 FT"); and
- A\$1.0 million traditional "hard dollar" placement to sophisticated, professional and institutional investors priced at A\$0.040 per New Share, being a 11.1% discount to the last closing and a 14.3% discount to the 5-day volume weighted average price as at Friday, 20 October 2023 ("Traditional Placement"). As part of the Traditional Placement, Matador Directors have subscribed for ~2.3 million New Shares at the Offer Price. Director participation in the Traditional Placement will be subject to shareholder approval.

In conjunction with the Equity Raising, the Company will offer eligible shareholders in Australia and New Zealand the opportunity to participate in an SPP at the same issue price as the Traditional Placement at A\$0.040 per New Share.

Proceeds from the Series 1 FT and Series 2 FT will be used solely for exploration purposes, including diamond drilling new targets within the resource corridor, RC bottom of hole drilling of Greenfields targets, prospecting, sampling, mapping, geophysics and geochemistry. Proceeds from the Traditional Placement and SPP will be used for general working capital purposes

On 22 May 2023, the Company commenced its 2023 exploration field season with prospecting at the Hermitage Project. In early June 2023, the Company commenced diamond drilling including the inaugural drilling at Long Range and Grandy's. The 2023 diamond drill program was designed to test high ranking Greenfield exploration targets with a reconnaissance-style program targeting evidence of large hydrothermal mineral systems that have the potential to host multi-million ounce gold deposits. These target areas are defined by large structural, lithological and geochemical trends that support the presence of significant gold-bearing mineralised systems, with drilling success defined by confirmation of the presence of gold in basement rocks.

The drill program was interrupted in the month of July 2023 for approximately three weeks due to persistent poor weather and fog, which restricted the use of the helicopter required to support the field work.

Results of the diamond drilling were released subsequent to the quarter end and confirmed the presence of gold in basement at both Long Range and Grandy's. This successfully expanded the confirmed presence of gold in basement rocks from the eastern portion of

Long Range to the western portion of Malachite, a stretch that spans a strike length of approximately 60 kilometres.

The Company's prospecting program in 2023 focused primarily on exploring Hermitage with lesser work at Long Range and Malachite. Results from the first phase of prospecting were reported during the September 2023 quarter. Prospecting at Hermitage expanded the target area to the western portion of the property with several multigram gold samples plus an additional 17 anomalous gold samples collected from multiple locations. Prospecting at Long Range delivered high-grade gold samples and an additional eight anomalous gold samples spanning a wide range of area very close to the TransCanada highway and the Company's field office in Port-Aux-Basques.

The Company is awaiting final assay results from the second phase of prospecting at Hermitage and Long Range.

During the quarter, the Company completed internal analysis and reinterpretation related to exploration data within the resource corridor. Over the course of the Canadian summer, Matador hosted site visits with several top B2Gold exploration executives who collectively spent nearly one month in Newfoundland providing technical input into all projects. Additionally, the Company retained consultancy services of Mr. Brett Davis, a world-renowned structural geologist, who spent two weeks on site reviewing field and core data in preparing a comprehensive structural interpretation of the Cape Ray Gold Project area. During these visits, the expert visitors had an opportunity to review the geology of the CRSZ, resource corridor and targets within the Greenfields setting.

Through the Company's work, along with the external site visits, previous theories and interpretations developed over the past thirty years are now challenged, resulting in new targets being identified in the Brownfields and Greenfields areas, while existing targets within such areas as Grandy's and Malachite were confirmed to be highly prospective. This new interpretation along with completed analysis of the resource corridor will contribute significantly to the Company's operating plan going forward.

As previously flagged, the Company was evaluating opportunities that were presented to expand access to additional capital markets, mainly through a listing on the TSX Venture Exchange ("TSXV"). One option under consideration was a reverse take-over of a Canadian shell company. Ongoing work identified that the RTO process presents unnecessary challenges and complexities that may impede a successful transaction. As such, the Company will not proceed with an RTO and will continue to evaluate other options to expand capital markets access as a means to creating value for shareholders. There are no specific timelines driving this initiative.

Financial Overview

Cash

As at 30 September 2023, the Company had a cash balance of approximately \$2.8 million (A\$3.2 million). This compares to a cash balance of \$5.5 million (A\$6.2 million) in the previous quarter. The decrease in cash relates mainly to the completion of extensive exploration programs including diamond drilling. Exploration work since September 2023 has significantly scaled back leading into the Canadian winter season.

Subsequent to the quarter end, the Company raised approximately of \$5.1 million (A\$5.8 million) through an equity financing. Additionally, the Company announced an SPP to target an additional capital raise of A\$1.5 million.

Cash Flow Discussion

Operating cash outflow for the quarter was \$2.7 million with the majority of the cash outflows related to the increase in exploration activities, which significantly decreased in mid-September 2023 with the completion of diamond drilling.

Exploration expenditures for the September 2023 quarter was \$1.9 million. Exploration activities are expected to be limited for the December 2023 quarter as the Company prepares for the 2024 exploration program including a possible winter RC drilling program for Malachite.

Corporate costs in the quarter and for the year have been elevated with one-time costs related to workforce redundancies and the Company's reverse-takeover ("RTO") attempt. Corporate costs have normalised to an annualised rate of \$1.6 million.

Share Capital

As at 30 September 2023, the Company had 315,434,035 ordinary fully paid shares on issue.

As at 30 September 2023, there were approximately 8,168,764 options outstanding. As at 23 October 2023, the Company had 8,108,764 options outstanding due to a number of options being exercised in early October 2023.

Payments to Related Parties

During the quarter, the Company made payments to related parties of \$205,000 which were made to directors' fees and the salary of the Managing Director.

Capital Raise

Equity Raising Details

The Equity Raising comprises the issue of 116,244,525 New Shares at an average price of A\$0.050 per share will utilise Matador's issuance capacity under ASX Listing Rules 7.1 and 7.1A, with:

- 47,250,055 New Shares issued under Matador's Listing Rule 7.1 issuance capacity;
- 31,507,133 New Shares issued under Matador's Listing Rule 7.1A issuance capacity;
- and
- 37,487,337 New Shares to be issued following receipt of shareholder approval at forthcoming general meeting with details to be advised in due course.

New Shares issued will rank equally with the Company's existing fully paid ordinary shares. This includes 2,250,000 shares will be issued to Directors of the Company on the same terms as the Traditional Placement. The participation of Directors in the Traditional Placement is subject to the approval of Matador shareholders at the Company's next general meeting. Details of the shareholder meeting will be advised by the Company in due course. Canaccord Genuity (Australia) Limited ("Canaccord") acted as Sole Lead Manager and Bookrunner to the Equity Raising. Shaw and Partners Limited and BMO Capital Markets acted as Co-Managers.

Series 1 Flow-Through Placement Details

The Company has received firm commitments to undertake a raising of approximately C\$3.3 million (A\$3.8 million) (before costs) through the issue of 67,778,773 shares at an issue price of C\$0.049 (A\$0.056) per share ("Flow-Through Shares") to be issued as Canadian "flow-through shares", which provide tax incentives to those investors for certain expenditures that qualify under the Income Tax Act (Canada). The Flow-Through Shares will be issued at a premium to market. The term "flow-through share" is a defined term in the Income Tax Act (Canada) and is not a special type of share under corporate law.

The tax benefits associated with the Flow-Through Shares are available only to the initial subscribers (who are Canadian residents) of such shares and not to any other person who acquires the Flow-Through Shares through any future on-sale or transfer of those Flow-Through Shares.

A transaction specific prospectus under section 713 of the Corporations Act 2001 (Cth) will be issued in connection with the Series 1 FT to facilitate any secondary trading of the shares issued as part of the Series 1 FT. Shares issued under the Series 1 FT will rank equally with existing shares on issue and will be issued using the Company's available capacity under Listing Rule 7.1 and 7.1A.

The Series 1 FT has been facilitated by securities dealer, Peartree who will not receive any fees or commission from the Company for its role with respect to any of the Series 1 FT proceeds.

Share Purchase Plan

In conjunction with the raising, the Company will offer eligible shareholders with registered addresses in Australia or New Zealand, the opportunity to participate in a SPP with target raise of A\$1.5M on the same terms as the Traditional Placement with an Offer Price of A\$0.04 per New Share.

The SPP allows eligible shareholders, being those shareholders that are residents of Australia or New Zealand that held Matador shares on 24 October 2023 ("Record Date"), to subscribe for up to A\$30,000 worth of New Shares without incurring any brokerage or transaction costs.

As the SPP is not underwritten, the SPP may raise more or less than this amount. In the event that the subscriptions received exceed A\$1.5 million, the Company may decide in its absolute discretion to conduct a scale back of applications. The scale back may be applied to the extent and in the manner the Company sees fit, which may include taking into account a number of factors, such as the size of an applicant's shareholding at the Record Date, the extent to which the applicant has sold or purchased shares since the Record Date, whether the applicant has multiple registered holdings, the date on which the application was made and the total applications received from eligible shareholders. The Company's Board of Directors may also elect, at its sole discretion to accept subscriptions in excess of the A\$1.5 million target should demand exist.

The terms and conditions of the SPP will be contained in an offer booklet, which is expected to be lodged on the ASX on or about 3 November 2023 and sent to eligible shareholders shortly thereafter.

Indicative Timetables

An indicative timetable for the Equity Raising is set out below. The timetable remains subject to change at the Company's discretion, subject to compliance with applicable laws and the ASX Listing Rules.

TABLE 1: KEY EVENTS

| Key Event | Date |
|---|-----------------------------|
| Trading halt lifted | 23 October 2023 |
| Settlement of Series 2 FT | 2 November 2023 |
| Settlement of Series 1 FT and Allotment of New Shares issued under the Series 1 FT and Series 2 FT | 3 November 2023 |
| Shareholders meeting to approve New Shares issued to Directors and investors participating in the Traditional Placement | Approximately November 2023 |

An indicative timetable for the SPP is set out below. The timetable remains subject to change at the Company's discretion, subject to compliance with applicable laws and the ASX Listing Rules.

TABLE 2: SPP KEY DATES

| Key Event | Date |
|---|-----------------|
| Record Date for Eligibility to participate in the SPP | 24 October 2023 |
| Announcement of SPP | 25 October 2023 |
| Dispatch SPP documentation | 3 November 2023 |
| Opening Date of SPP | 8 November 2023 |
| Closing Date of SPP | 4 December 2023 |
| Announce Results of SPP | 8 December 2023 |
| Allotment of SPP Shares | 8 December 2023 |

Stakeholder Engagement

In early August 2023, the town of Port aux Basques hosted the Astrolabe Festival celebrating the culture and heritage of southwestern Newfoundland. Matador was a proud major sponsor of and participant in this event. Engagement with local stakeholders in the September 2023 quarter was primarily related to operational related activities.

Exploration Activities

Diamond Drilling

The Company began its 2023 diamond drill program in early June 2023. The diamond drill program was designed as a reconnaissance style program focused primarily on structural and lithological targets at specific Greenfield areas along the CRSZ.

The Company's diamond drill program was scheduled to be conducted in two phases with the first phase planned for drilling at Malachite to test structural and lithological targets, and inaugural diamond drilling at the Long Range and Grandy's targets. Significant weather delays in July 2023 related to persistent foggy weather conditions hampered exploration activities given the field work was supported by helicopter. As a result, the completion of the

first phase fell well into August, approximately one month later than originally planned. This delay was partially offset by a larger than planned diamond drill program.

In total, the Company drilled thirteen diamond drill holes for a total of approximately 2,600 metres.

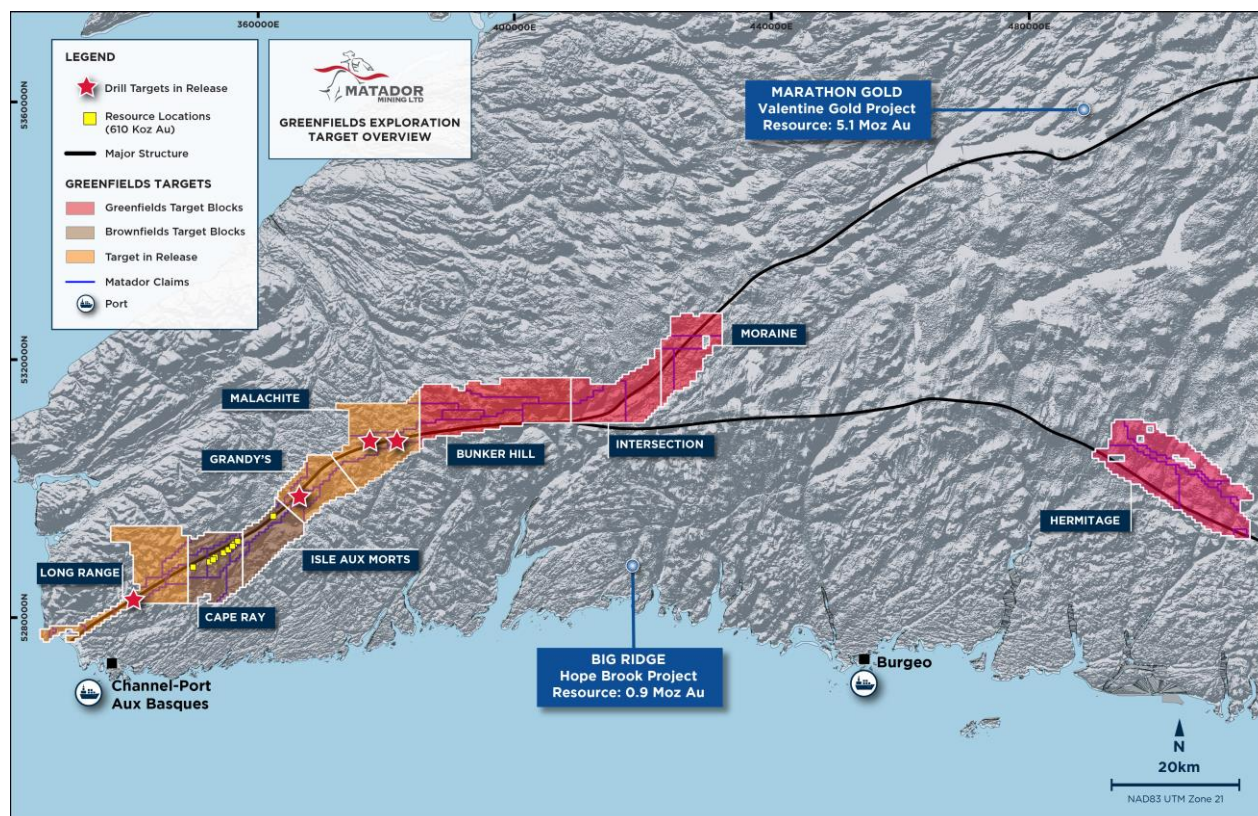


FIGURE 2: 2023 DRILL LOCATIONS

Long Range Diamond Drilling Results

The specific drill target at Long Range was classified as a high priority target based on historic multigram gold showings, upwards of 11.6 g/t gold as well as a highly anomalous geochemical anomaly extending along strike of the target, returning a peak value of 1.1 g/t gold in soil along with anomalous prospecting samples the Company collected in 2022.

First-ever anomalous gold mineralisation intersected in drilling at Long Range within basement rocks with key intercepts that included:

- 3.0 metres at 0.51 g/t gold from 99.0 metres (CRD369)
- 3.43 metres at 0.49 g/t gold from 32.17 metres (including 0.61 metres at 1.41 g/t gold from 33.0 metres) and 4.49 metres at 0.34 g/t gold from 51.58 metres (CRD366)
- 43 samples greater than 100 ppb gold
- Five holes drilled for 1,182 metres

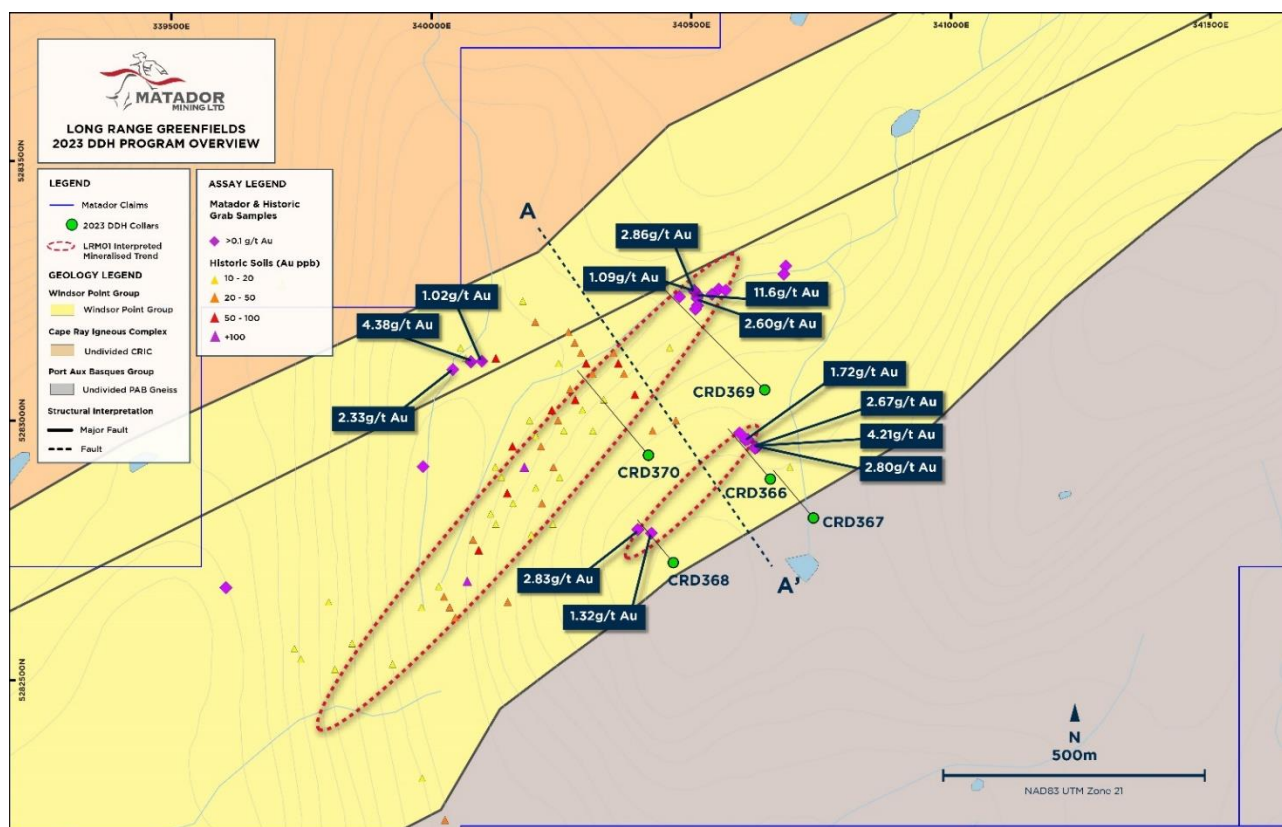


FIGURE 3: LONG RANGE DRILL RESULTS

The drilling at Long Range also intersected the first indication of a localised package of rocks dipping to the north on the CRSZ. This north dipping orientation suggests local structurally complex geology, including localised shears, faults and folding, all of which create favourable environments for the structural traps to host major gold deposits.

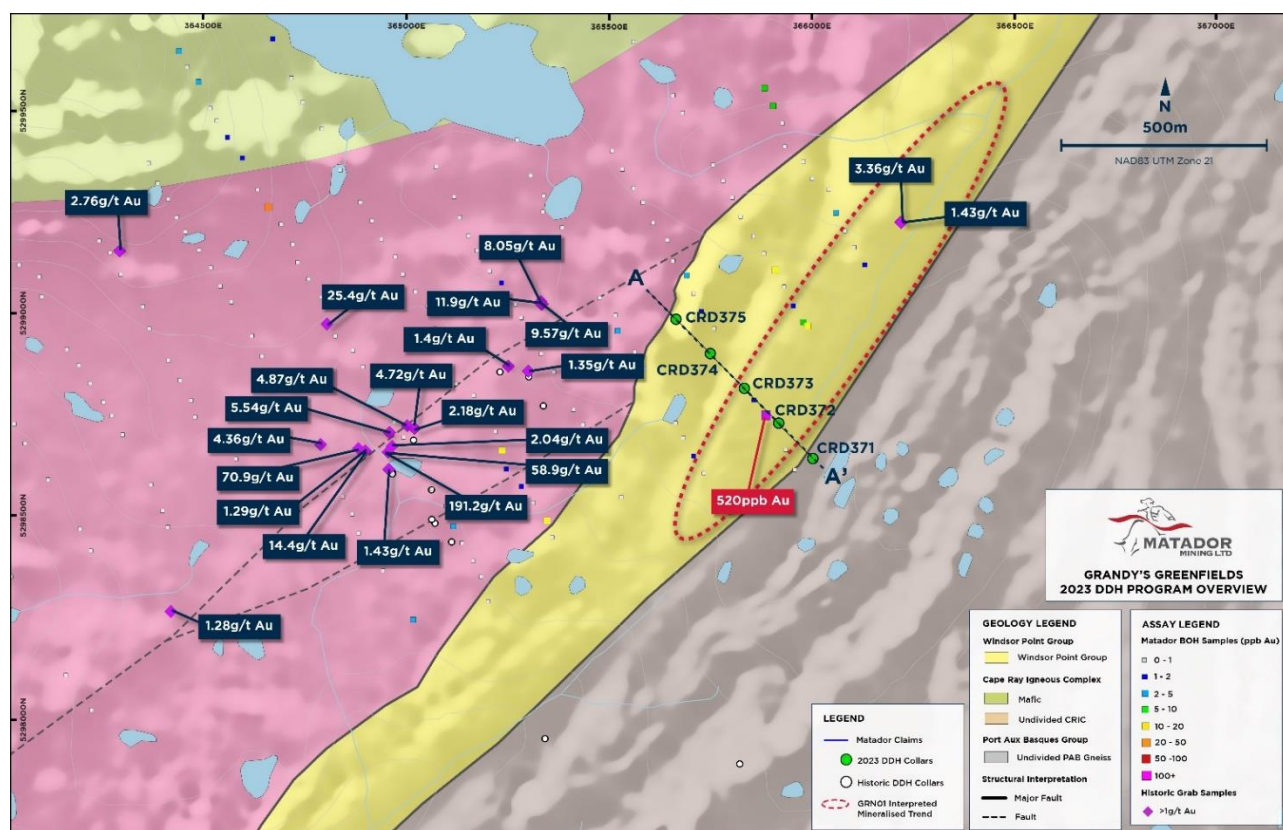
Ongoing geological interpretation and surface prospecting will be completed to identify next potential target areas for follow-up drilling.

Grandy's Diamond Drilling Results

Grandy's is located 14 kilometers northeast of the Central Zone mineral resource area and four kilometers along the same geological strike as the Isle aux Morts deposit. The target block is ten kilometres in strike length and continues to the NE where it is contiguous with the Malachite target area. Previous work has identified high grade gold boulders, one of which carried a value of 191 g/t gold.

In 2021, a power auger sampling program revealed an unknown occurrence of the favourable Windsor Point Group, the dominant host rock unit of the Company's Mineral Resource. This program defined a blind bedrock anomaly of 0.52 g/t gold sample within this prospective package.

The recent drilling results included the intersection of multiple polymetallic sulphide-bearing quartz veins, analogous to the Central Zone and Isle aux Morts mineralisation. A total of 18 samples graded greater than 100 ppb gold, which defines anomalous gold within the footwall of the CRSZ. Wide zones of hydrothermal alteration, notably ankerite-sericite and chlorite-carbonate were observed associated with an anomalous gold and pathfinder element association. Both the pathfinder geochemistry and alteration mineralogy are characteristic of typical orogenic gold systems found globally.



Malachite Diamond Drilling Results

At Malachite, the Company focussed on drill testing a recently discovered exposure of the Windsor Point Group identified from field mapping. Follow-up work indicated the presence of an intra-shear granite in float and subcrop containing smoky quartz veins with 10-20% visible sulphide mineralisation.

The results from two drill holes did not identify anomalous bedrock gold mineralisation, however, the presence of a highly deformed and altered intra-shear granite analogous to the structural position of the Window Glass Hill Granite defines a strong exploration target for this portion of the CRSZ and beyond. The Company also intersected a previously unidentified sedimentary package, potentially of a much younger age to the Windsor Point Group, which has implications for future targeting. The results from a single drill hole into a

Sigmoidal target intersected a brittle second order structure in drill core, with no anomalous gold in the hole. The large geochemical anomaly in relation to the complex structural framework still rates this as a high priority target.

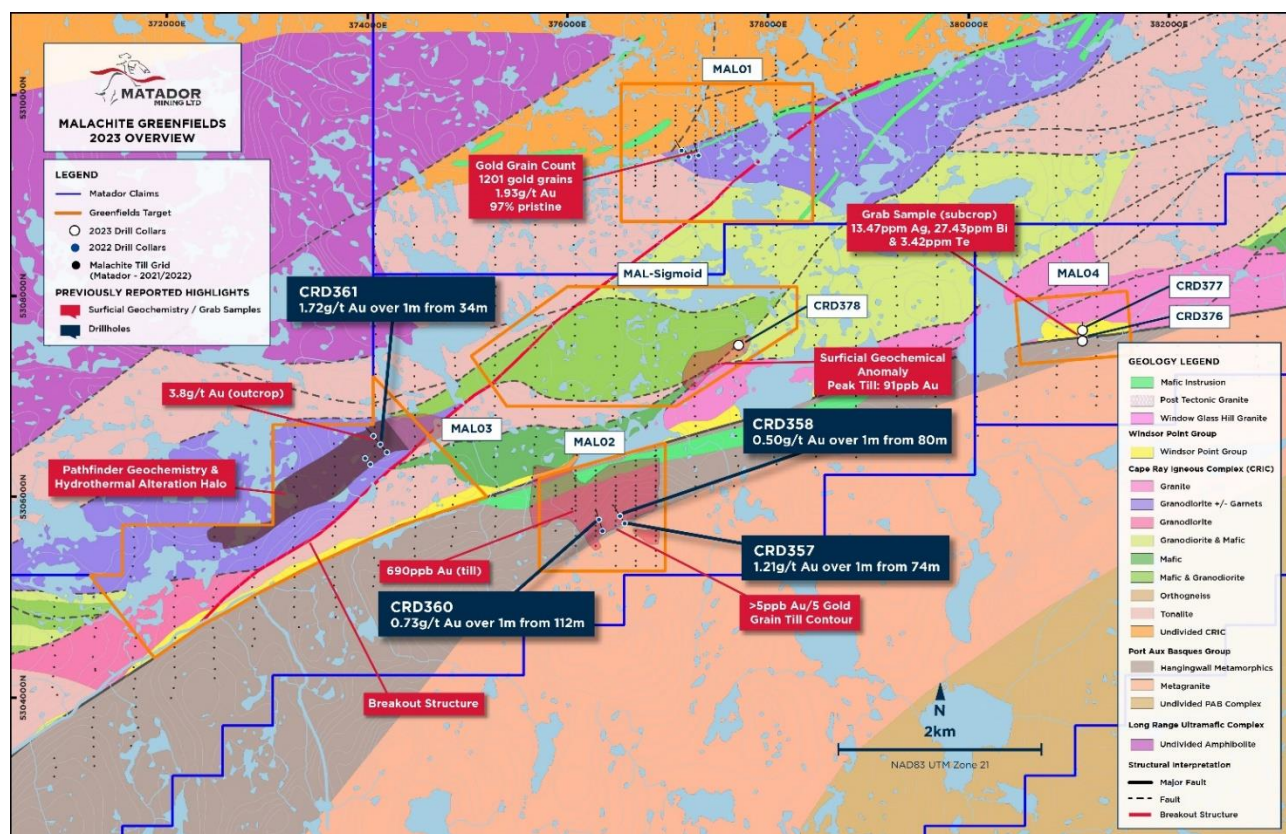


FIGURE 5: MALACHITE DRILL RESULTS

Prospecting Results

Hermitage Prospecting Results

Following up on the brief 2022 prospecting campaign, the Company has now completed its first comprehensive reconnaissance prospecting program over the Hermitage Project. Prospecting and geological mapping was carried-out from May through August 2023 with a total of 709 grab samples collected over the Hermitage area.

Hermitage is considered the largest antimony and arsenic anomaly in Newfoundland and the domain is geologically analogous to the Bendigo Terrane in Victoria, which is host to several world class gold deposits including Bendigo and Fosterville.

The prospecting results to-date discovered a second significant gold occurrence in outcrop, seven kilometres to the northwest from last year's high-grade discovery. Key anomalous gold mineralisation prospecting samples include:

- 2.15 g/t gold (MR001835 – outcrop sample) with 72.73 ppm bismuth
- 1.39 g/t gold (MR001833 – outcrop sample) with 135 ppm bismuth
- 17 samples greater than 100 ppb Au, including six samples located only seven kilometres away from the Company's 2022 high-grade discovery.

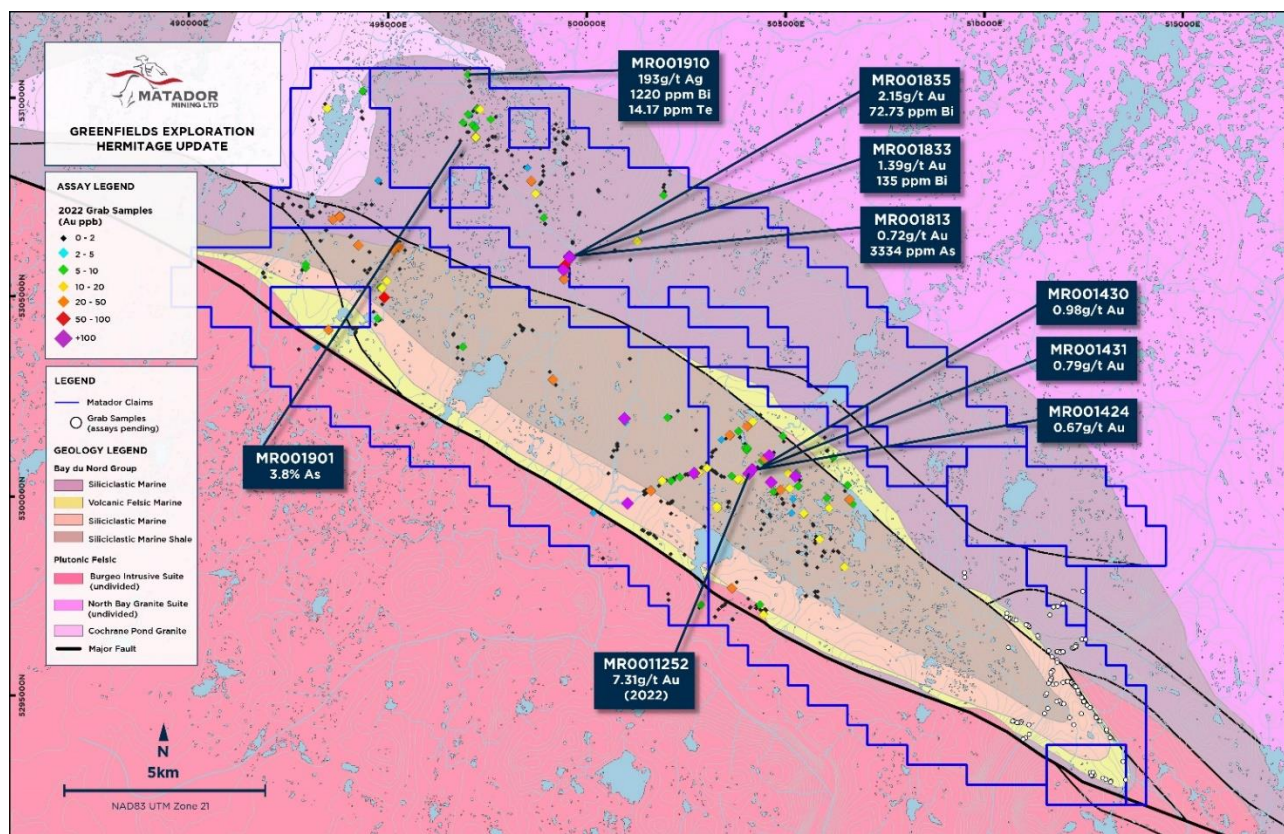


FIGURE 6: HERMITAGE PROSPECTING RESULTS

The Company also collected multiple highly anomalous arsenic samples proximal with a peak value of 3.8% arsenic, further strengthening the important association of gold and arsenic in these turbidite hosted sequences. The newly discovered gold occurrence is in a different structural setting to the 2022 discovery, located approximately one-kilometre to the north of the large-scale northwest-southeast trending shear zone.

Alongside conventional mineralised samples collected for assay, the Company initiated collection of samples for litho-geochemistry and alteration mineralogy classification, aiding the commencement of a detailed solid geology and alteration model. This will enable definition of the geochemical and alteration signatures of the mineral systems present at Hermitage required to advance identification of key zones for future diamond drilling.

Lithological host-rocks vary in both confirmed gold showings, highlighting that favourable rheological and/or geochemical conditions are not confined to a singular unit or host rock. The two high-grade occurrences so far identified highlight the prospectivity of this regional

scale project, with apparent splay structures, predominantly under glacial cover, interpreted across the broader strike area.

Geological mapping will continue to increase the confidence of the geological model and further increase the structural framework. Further work will be completed as more data becomes available in mapping out key pathfinder mineralogy and associated alteration halos that will filter into a detailed targeting matrix. All these results will be used to identify key areas of interest for future bottom-of-hole, basal-till sampling and diamond drilling programs.

The second phase of prospecting focused activities to the eastern portion of the Hermitage property. The Company is awaiting final assay results from this program.

Long Range Prospecting Results

In August 2023, the Company announced initial results from prospecting at Long Range in areas close to the TransCanada Highway as well as near the recent diamond drilling activities. This years' prospecting was aimed at identifying outcropping evidence of hydrothermal gold-bearing systems within key structural positions of the CRSZ.

Key prospecting results include:

- MR001585 (float) – 4.38 g/t gold, 1.38% copper
- MR001106 (float) – 3.54 g/t gold, 145 ppm tellurium
- MR001582 (float) – 2.33 g/t gold
- MR001584 (float) – 1.02 g/t gold
- MR001280 (float) – 107 g/t silver, 215 ppm bismuth and 3.27% lead

The footwall zone of the CRSZ at Long Range was Identified as a conceptual target by the Company earlier this year. The peak grab sample of 4.38 g/t gold with 1.38% copper (MR001585 – float) was collected in a structural setting close to the Windsor Point Group-Coastal Range Igneous contact, which is an analogous position to the Isle aux Morts gold deposit and is a zone which has seen limited historical work to date. The results highlight the prospectivity of the CRSZ footwall, currently untested by detailed mapping, prospecting or diamond drilling along the entire length from Long Range to the Central Resource corridor more than 30 kilometres along strike to the north-east.

Furthermore, prospecting results seven kilometres to the southwest displayed high-grade gold mineralisation proximal to the hangingwall of the CRSZ (see Figure 7) with a highlight of 3.54 g/t gold (MR001106 – float) and 145 ppm tellurium. Reported tellurium and bismuth values continue to display strong anomalism, from 10 to 100 times higher than in comparison to the Central Zone deposits, suggesting potential for a different mineralising fluid that could

be responsible for the gold mineralisation at Long Range as well as other targets along the CRSZ.

The Long Range target area is still largely open, with four kilometres of open strike extent awaiting outstanding assays.

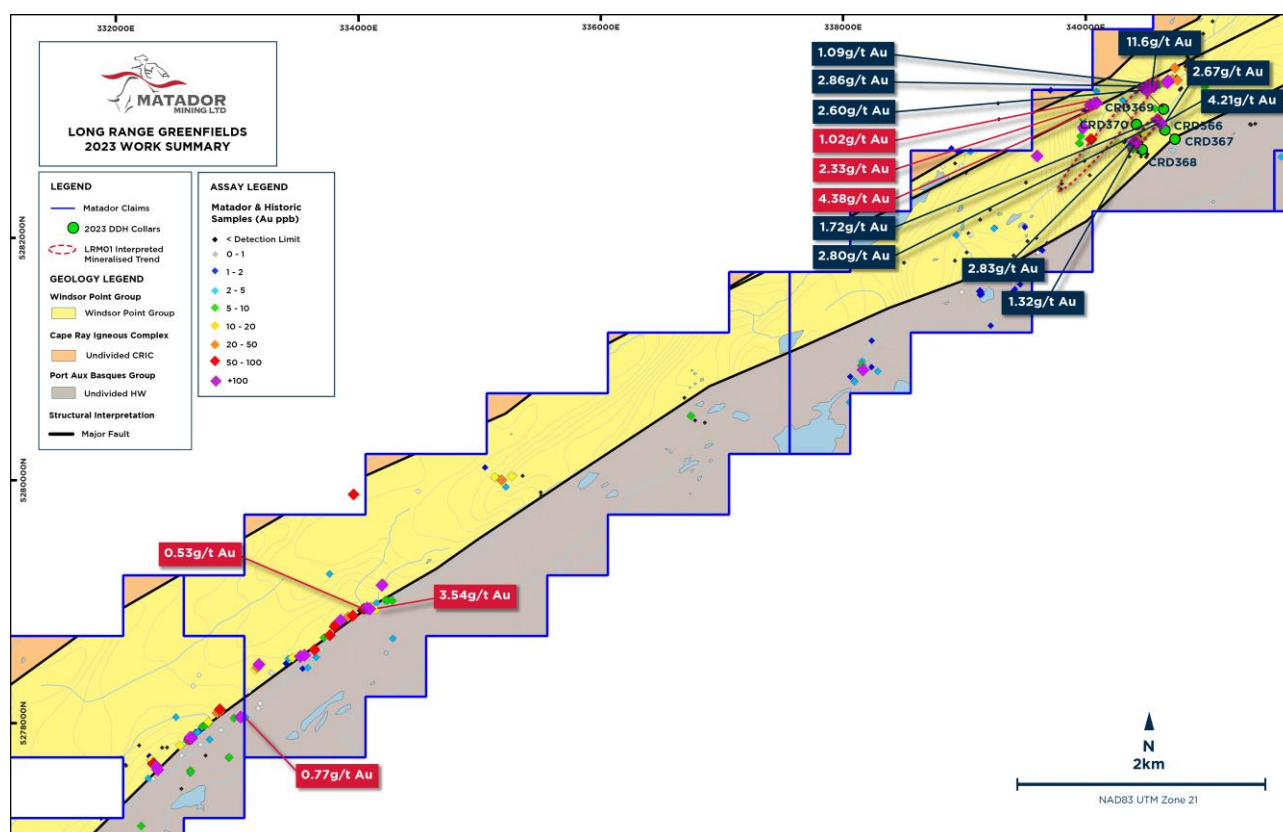


FIGURE 7: LONG RANGE PROSPECTING RESULTS

New Exploration Targets

As a result of the internal and external analysis and reinterpretation of results to-date from the Company's exploration programs, the go forward strategy will include a balanced mix of both Brownfields and Greenfields activities, with return on investment continuing to be a key driver for capital allocation and decision making.

Moreover, the Company will categorise exploration targets into three categories: Advanced Stage, Intermediate Stage and Early Stage with all focussed on building a pipeline of opportunities to most effectively advance targets to diamond drill-ready status for discovery. Expected activities for each exploration stage could include:

- Advanced Stage targets to be tested predominantly with diamond drilling and continual update of 3D geological and mineralisation models.

- Intermediate Stage targets to be tested with bottom-of-hole RC sampling and basal-till sampling, ground-based geophysics such as surface Induced Polarization (“IP”) or Electromagnetics (“EM”).
- Early-Stage targets to be tested with regional programs, incorporating activities such as prospecting, mapping, surficial geochemistry, and regional geophysics (e.g. magnetics, gravity, airborne EM).

All programs will be driven by results and achieving defined success criteria, and not just on meeting pre-defined exploration metrics such as “volume of metres drilled”. Should the Company identify a target with a potential to host a large, mineralised footprint, the exploration program will be scaled up accordingly, to rapidly progress discoveries to development stage.

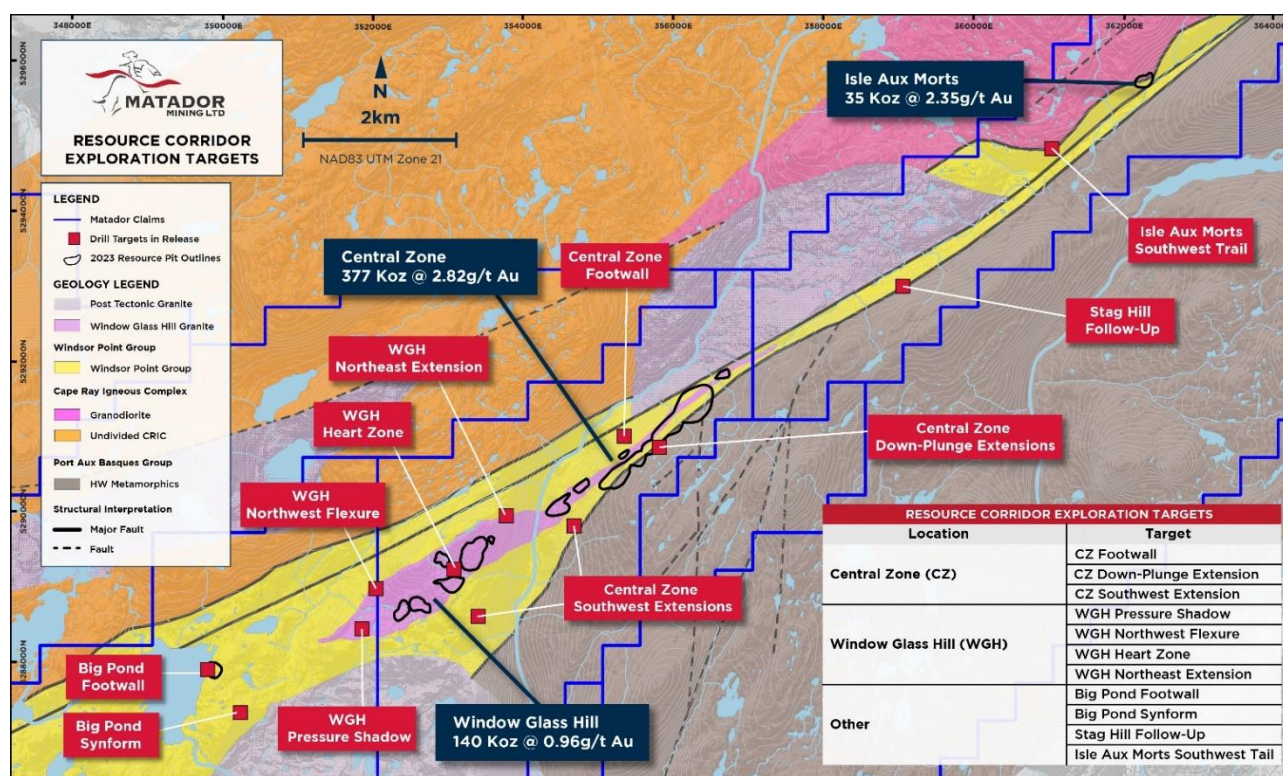


FIGURE 8: NEW RESOURCE CORRIDOR TARGETS

Following nearly an 18-month hiatus from physical exploration work within the resource corridor, the Company is planning increased exploration expenditure and capital allocation on advanced and intermediate staged exploration targets in the Brownfields regions. Target areas include:

- Along strike of the current Central Zone deposits between the PW and Big Pond deposits.

- The footwall of the Central Zone deposits assessing potential repeat mineralised zones.
- The “pressure window” areas at the east and west extremities of the Window Glass Hill Granite (“WGHG”).
- Specific structural and stratigraphic targets north of Central Zone to Stag Hill.

These new targets can be categorised as structural, geophysical, and geochemical anomalies and include identified outcropping, gold-bearing quartz veins.

Specific target examples include:

- Window Glass Hill (“WGH”) – northeast extension to WGH identified as a strong geophysical IP anomaly within the WGHG proximal to historical high-grade surface rock chips up to 11.17 g/t gold located 270 metres away from historic drilling. This target could represent a new high-grade ore shoot within the granite, near the existing resource.
- Big Pond – the deposit sits on a mineralised trend open to the south that is folded by a regional synform. Where the mineralised trend intersects this structure, historic soil geochemistry contains values of up to 710 ppb gold. Potential for multiple high-grade shoots at the intersection of potential mineralised shears cross-cutting regional folded stratigraphy.
- Central Zone – test the potential of the footwall for structural repetition creating parallel loads, which has never previously been tested. This conceptual target is further validated by historic gold in soil anomalies hundreds of meters into the footwall and up to 280 ppb gold.

The Company maintains high conviction in identifying multi-million-ounce deposits within each of the properties along the CRSZ and Hermitage Flexure. Each property possesses geological complexity and several attributes conducive to hosting large-scale mineralised gold systems. The Company currently considers the Malachite and Hermitage areas as top priority areas and will continue to advance specific targets including the major breakout structure splaying of the CRSZ at Malachite and Grandy’s, and continued target generation at Hermitage, currently the largest antimony and arsenic anomaly in Newfoundland. Other key greenfield areas include Long Range, Bunker Hill and Intersection.

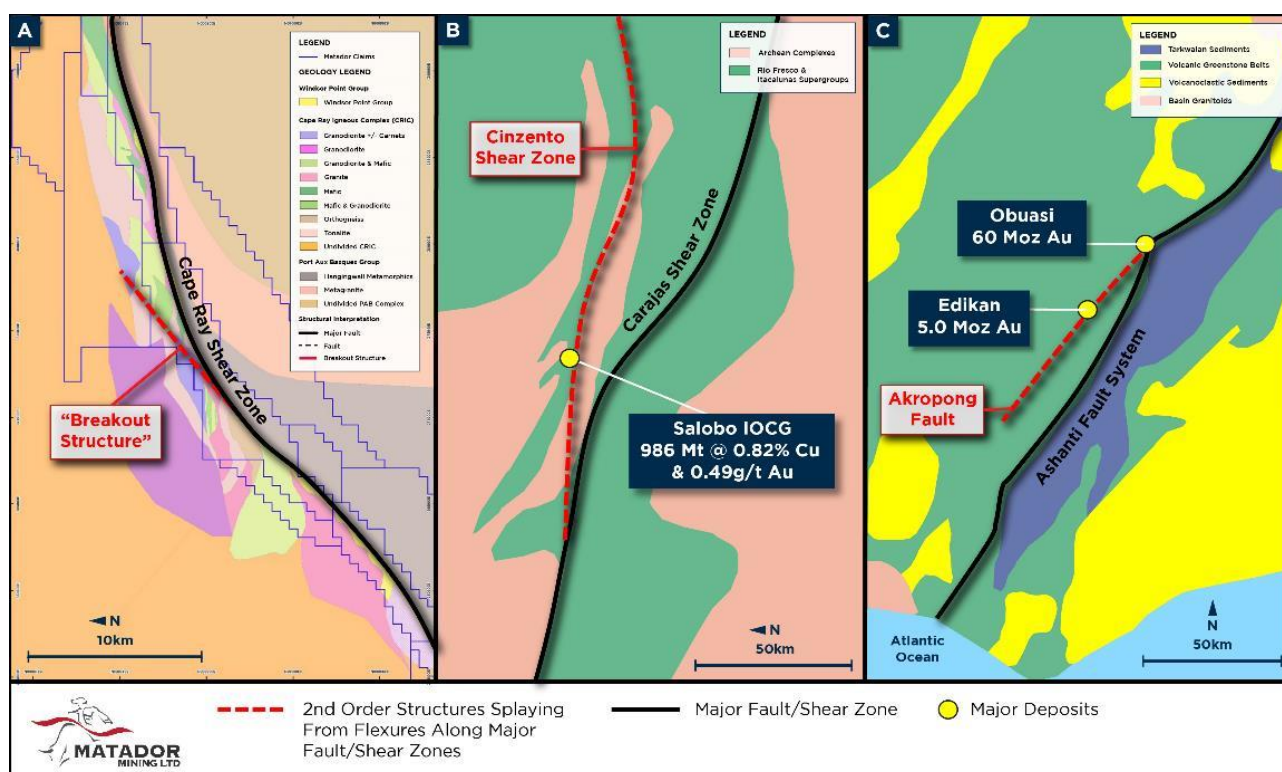


FIGURE 9: MALACHITE BREAKOUT STRUCTURE COMPARATIVES

The Company's exploration strategy is to explore into the footwall and hanging wall of the CRSZ to test these highly prospective structures in a systematic approach to maximise return on investment. An example of this is the "Breakout Structure" at Malachite at the structural bend of the CRSZ. The structural geometry is consistent with other massive hydrothermal deposits such as Vale's Salobo IOCG deposit in Brazil, and AngloGold Ashanti's Obuasi deposit in Ghana. The Company is planning for a potential gravity geophysical survey and/or a comprehensive bottom-of-hole and basal-till sampling program in this area during the winter months to improve local scale drill targeting.

Tenement Interests

Subsequent to the quarter end, the Company increased its land holding through the staking of a mineral licence within the Bunker Hill target area. Table 3 below shows the Company's tenement interests as at 30 September 2023.

TABLE 3: TENEMENT INTERESTS AS AT 30 SEPTEMBER 2023

| Holder | Licence No. | Project | No. of Claims | Area (km2) | Comments |
|--|--------------|-----------|---------------|---------------|-----------------------|
| Cape Ray Mining Limited | 025560M | Cape Ray | 20 | 5.00 | |
| Cape Ray Mining Limited | 025855M | Cape Ray | 32 | 8.00 | Royalty (d) |
| Cape Ray Mining Limited | 025856M | Cape Ray | 11 | 2.75 | Royalty (d) |
| Cape Ray Mining Limited | 025857M | Cape Ray | 5 | 1.25 | Royalty (d) |
| Cape Ray Mining Limited | 025858M | Cape Ray | 30 | 7.50 | Royalty (d) |
| Cape Ray Mining Limited | 026125M | Cape Ray | 190 | 47.50 | |
| Cape Ray Mining Limited | 030881M | Cape Ray | 255 | 63.75 | |
| Cape Ray Mining Limited | 030884M | Cape Ray | 255 | 63.75 | |
| Cape Ray Mining Limited | 030889M | Cape Ray | 50 | 12.50 | |
| Cape Ray Mining Limited | 030890M | Cape Ray | 118 | 29.50 | |
| Cape Ray Mining Limited | 030893M | Cape Ray | 107 | 26.75 | |
| Cape Ray Mining Limited | 030996M | Cape Ray | 205 | 51.25 | |
| Cape Ray Mining Limited | 030997M | Cape Ray | 60 | 15.00 | Royalty (d) |
| Cape Ray Mining Limited | 031557M | Cape Ray | 154 | 38.5 | |
| Cape Ray Mining Limited | 031558M | Cape Ray | 96 | 24 | |
| Cape Ray Mining Limited | 031559M | Cape Ray | 32 | 8 | |
| Cape Ray Mining Limited | 031562M | Cape Ray | 37 | 9.25 | |
| Cape Ray Mining Limited | 032060M | Cape Ray | 81 | 20.25 | Royalties (a) (b) (c) |
| Cape Ray Mining Limited | 032061M | Cape Ray | 76 | 19 | Royalties (a) (b) (c) |
| Cape Ray Mining Limited | 032062M | Cape Ray | 72 | 18 | Royalties (a) (b) (c) |
| Matador Canada Pty Ltd. | 032764M | Hermitage | 256 | 64 | Pegged 20 May 2021 |
| Matador Canada Pty Ltd. | 032770M | Hermitage | 252 | 63 | Pegged 20 May 2021 |
| Matador Canada Pty Ltd. | 032818M | Hermitage | 95 | 23.75 | Pegged 22 May 2021 |
| Matador Canada Pty Ltd. | 032940M | Cape Ray | 255 | 63.75 | Pegged 28 May 2021 |
| Matador Canada Pty Ltd. | 032941M | Cape Ray | 256 | 64 | Pegged 28 May 2021 |
| Matador Canada Pty Ltd. | 033080M | Cape Ray | 190 | 47.5 | Pegged 14 June 2021 |
| Matador Canada Pty Ltd. | 033083M | Cape Ray | 256 | 64 | Pegged 14 June 2021 |
| Matador Canada Pty Ltd. | 033085M | Cape Ray | 256 | 64 | Pegged 14 June 2021 |
| Matador Canada Pty Ltd. | 033110M | Hermitage | 183 | 45.75 | Pegged 18 June 2021 |
| Cape Ray Mining Limited | 034316M | Cape Ray | 247 | 61.75 | Pegged 18 March 2022 |
| Spencer Vatcher (Consultant) – staked on behalf of Matador Mining Ltd. | 035822M | Cape Ray | 38 | 9.5 | Pegged 14 March 2023 |
| | Total | | 4170 | 1042.5 | |

⁽⁵⁾ The most proximate Aboriginal community to the Project site is the Miawpukek community in Bay d'Espoir, formerly known as "Conne River." It is approximately 230 kilometres to the east of the Project site. It is not known at this time if the Project site is proximate to any traditional territories, archaeological sites, lands, or resources currently being used for traditional purposes by Indigenous Peoples. This information will be acquired as part of future environmental baseline studies.

The Crown holds all surface rights in the Project area. None of the property or adjacent areas are encumbered in any way. The area is not in an environmentally or archeologically sensitive zone and there are no Aboriginal land claims or entitlements in this region of the province.

There has been no commercial production at the property as of the time of this report.

Royalty Schedule legend:

- (a) 1.75% NSR held by Alexander J. Turpin pursuant to the terms of an agreement dated 25 June 2002, as amended 27 February 2003 and 11 April 2008. The agreement between Alexander J. Turpin, Cornerstone Resources Inc., and Cornerstone Capital Resources Inc., of which 1.0% NSR can be repurchased or \$1,000,000 reducing such royalty to a 0.75% NSR. The agreement which royalty applies to Licences 14479M, 17072M, 9338M, 9339M and 9340M covering 229 claims, all as described in the foregoing agreements.
- (b) 0.25% net smelter returns royalty (NSR) held by Cornerstone Capital Resources Inc. and Cornerstone Resources Inc. (collectively the "Royalty Holder") pursuant to the terms of an agreement dated 19 December 2012, as amended 26 June 2013, between the Royalty Holders and Benton, which royalty applies to Licence 017072M, as described in the foregoing agreement.
- (c) Sliding scale net smelter returns royalty (NSR) held by Tenacity Gold Mining Company Ltd. pursuant to the terms of an agreement dated 7 October 2013 with Benton Resources Inc.:
 - i. 3% NSR when the quarterly average gold price is less than US\$2,000 per ounce (no buy-down right).
 - ii. 4% NSR when the quarterly average gold price is equal to or greater than US\$3,000 per ounce with the right to buy-down the royalty from 5% to 4% for CAD \$500,000; On Licences 7833M, 8273M, 9839M and 9939M as described in Schedule C of the foregoing agreement.
- (d) 1.0% net smelter returns royalty (NSR) held by Benton Resources Inc pursuant to the terms of the sale agreement between Benton and Matador of which 0.5% NSR can be repurchased for \$1,000,000 reducing such royalty to a 0.5% NSR. The agreement which the royalty applies to covers licences 025854M, 025855M, 025858M, 025856M and 025857M covering 131 claims.

This Quarterly Activities Report has been authorised for release by the Company's Board of Directors.

To learn more about the Company, please visit www.matadormining.com.au, or contact:

Sam Pazuki, Managing Director & CEO

Canada Phone: +1 416 915 3178

Australia Phone: +61 8 6117 0478

Email: info@matadormining.com.au

Reference to Previous ASX Announcements

In relation to the exploration results included in this announcement, the dates of which are referenced, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements.

In relation to the Mineral Resource estimate announced on 30 May 2023, Matador confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimate in the announcement of 30 May 2023 continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

Other

Matador acknowledges the financial support of the Junior Exploration Assistance Program, Department of Industry, Energy and Technology, Provincial Government of Newfoundland and Labrador, Canada.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Matador Mining Limited

ABN

45 612 912 393

Quarter ended ("current quarter")

30 September 2023

| Consolidated statement of cash flows | Current quarter \$CAD'000 | Year to date (9 months) \$CAD'000 |
|---|------------------------------|---|
| 1. Cash flows from operating activities | | |
| 1.1 Receipts from customers | - | - |
| 1.2 Payments for | | |
| (a) exploration & evaluation | - | - |
| (b) development | - | - |
| (c) production | - | - |
| (d) staff costs | (182) | (690) |
| (e) administration and corporate costs | (552) | (1,162) |
| 1.3 Dividends received (see note 3) | - | - |
| 1.4 Interest received | 15 | 24 |
| 1.5 Interest and other costs of finance paid | - | - |
| 1.6 Income taxes paid | - | - |
| 1.7 Government grants and tax incentives | 38 | 109 |
| 1.8 Other (Business development activities) | (65) | (283) |
| 1.9 Net cash from / (used in) operating activities | (746) | (2,002) |
| 2. Cash flows from investing activities | | |
| 2.1 Payments to acquire or for: | | |
| (a) entities | - | - |
| (b) tenements | - | - |
| (c) property, plant, and equipment | - | (21) |
| (d) exploration & evaluation | (1,912) | (3,278) |
| (e) investments | - | - |
| (f) other non-current assets | - | - |

| Consolidated statement of cash flows | | Current quarter \$CAD'000 | Year to date (9 months) \$CAD'000 |
|--------------------------------------|---|------------------------------|---|
| 2.2 | Proceeds from the disposal of: | | |
| | (a) entities | - | - |
| | (b) tenements | - | - |
| | (c) property, plant, and equipment | - | - |
| | (d) investments | - | - |
| | (e) other non-current assets | - | - |
| 2.3 | Cash flows from loans to other entities | - | - |
| 2.4 | Dividends received (see note 3) | - | - |
| 2.5 | Other (Refund of deposit) | - | 66 |
| 2.6 | Net cash from / (used in) investing activities | (1,912) | (3,233) |

| | | | |
|-------------|---|------------|-------------|
| 3. | Cash flows from financing activities | | |
| 3.1 | Proceeds from issues of equity securities (excluding convertible debt securities) | - | - |
| 3.2 | Proceeds from issue of convertible debt securities | - | - |
| 3.3 | Proceeds from exercise of options | - | - |
| 3.4 | Transaction costs related to issues of equity securities or convertible debt securities | - | - |
| 3.5 | Proceeds from borrowings | - | - |
| 3.6 | Repayment of borrowings | (5) | (52) |
| 3.7 | Transaction costs related to loans and borrowings | (2) | (4) |
| 3.8 | Dividends paid | - | - |
| 3.9 | Other (Funds received in advanced for shares yet to be issued) | - | - |
| 3.10 | Net cash from / (used in) financing activities | (7) | (56) |

| | | | |
|-----------|--|---------|---------|
| 4. | Net increase / (decrease) in cash and cash equivalents for the period | | |
| 4.1 | Cash and cash equivalents at beginning of period | 5,513 | 8,326 |
| 4.2 | Net cash from / (used in) operating activities (item 1.9 above) | (746) | (2,002) |
| 4.3 | Net cash from / (used in) investing activities (item 2.6 above) | (1,912) | (3,233) |
| 4.4 | Net cash from / (used in) financing activities (item 3.10 above) | (7) | (56) |

| Consolidated statement of cash flows | | Current quarter \$CAD'000 | Year to date (9 months) \$CAD'000 |
|--------------------------------------|---|------------------------------|---|
| 4.5 | Effect of movement in exchange rates on cash held | (35) | (222) |
| 4.6 | Cash and cash equivalents at end of period | 2,813 | 2,813 |

| 5. | Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter \$CAD'000 | Previous quarter \$CAD'000 |
|-----|--|------------------------------|-------------------------------|
| 5.1 | Bank balances | 2,813 | 5,513 |
| 5.2 | Call deposits | - | - |
| 5.3 | Bank overdrafts | - | - |
| 5.4 | Other (provide details) | - | - |
| 5.5 | Cash and cash equivalents at end of quarter (should equal item 4.6 above) | 2,813 | 5,513 |

| 6. | Payments to related parties of the entity and their associates | Current quarter \$CAD'000 |
|---|---|------------------------------|
| 6.1 | Aggregate number of payments to related parties and their associates included in item 1 * | 205 |
| 6.2 | Aggregate number of payments to related parties and their associates included in item 2 | - |
| <i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i> | | |

*Payments to Directors for Director fees and the salary of the Managing Director

| 7. | Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i> | Total facility amount at quarter end \$CAD'000 | Amount drawn at quarter end \$CAD'000 |
|-----|---|---|---|
| 7.1 | Loan facilities | - | - |
| 7.2 | Credit standby arrangements | - | - |
| 7.3 | Other (Motor vehicle financing) | 101 | 101 |
| 7.4 | Total financing facilities | 101 | 101 |
| 7.5 | Unused financing facilities available at quarter end | | - |
| 7.6 | Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well. The group has a facility with the Royal Bank of Canada for motor vehicle financing. The facility is secured by the underlying assets being financed, with a fixed interest rate of 4.49% and monthly repayments until August 2026. | | |

| 8. | Estimated cash available for future operating activities | \$CAD'000 |
|---|--|-----------|
| 8.1 | Net cash from / (used in) operating activities (item 1.9) | (746) |
| 8.2 | (Payments for exploration & evaluation classified as investing activities) (item 2.1(d)) | (1,913) |
| 8.3 | Total relevant outgoings (item 8.1 + item 8.2) | (2,659) |
| 8.4 | Cash and cash equivalents at quarter end (item 4.6) | 2,813 |
| 8.5 | Unused finance facilities available at quarter end (item 7.5) | - |
| 8.6 | Total available funding (item 8.4 + item 8.5) | 2,813 |
| 8.7 | Estimated quarters of funding available (item 8.6 divided by item 8.3) | 1.1 |
| <i>Note: if the entity has reported positive relevant outgoings (e.g., a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> | | |
| 8.8 | If item 8.7 is less than 2 quarters, please provide answers to the following questions: | |
| 8.8.1 | Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not? | |
| Answer: No, the current quarter included significant payments for exploration & evaluation expenditure, which will be significantly reduced in Q4 and minimal in FY24 Q1. | | |
| 8.8.2 | Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful? | |
| <ul style="list-style-type: none">Answer: Yes, as announced on 25 October 2023, the Company raised \$5.1 million (A\$5.8 million) subsequent to the quarter-end. The Company announced a Share Purchase Plan ("SPP") subsequent to the quarter-end targeting a raise of A\$1.5 million. | | |
| 8.8.3 | Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis? | |
| Answer: Yes – See answer in 8.8.2 above. | | |
| <i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i> | | |

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: 26 October 2023

Authorised by: The Board
 (Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – e.g., Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.