

5 June 2024

## Matador Identifies Several New Diamond Drill Targets at Central Zone

### Key Highlights

- Recent assay result from previously drilled geotechnical diamond drillhole (CGT006) returned 11 metres at 2.39 g/t gold (not true thickness) including 0.55 metres at 8.2 g/t gold from 126.75 metres and 1 metre at 10.3 g/t gold from 135 metres from the Central Zone footwall.
- Geotechnical drillhole (CGT005) returned 3 metres at 8.24 g/t gold from 127 metres, including 1 metre at 13.9 g/t gold from 129 metres within the Z41 deposit.
- Currently preparing the remaining four geotechnical footwall holes for assaying.
- Company data analysis has identified significant geochemical anomalies in key structural locations untested by historical drilling in the footwall of the Central Zone deposits and along kilometres of strike.
- Identified prospective down-plunge extension targets at Central Zone deposits following comprehensive structural review and through 2023 Mineral Resource estimate update.
- 2024 phase one diamond drilling and planned electro-magnetic survey to identify and test additional Central Zone targets for phase two.
- Phase one diamond drilling expected to commence in the near-term.

Matador Mining Limited (ASX:MZZ | OTCQB:MZZMF) ("**Matador**" or "**the Company**") is pleased to announce a recent significant intersection from assay of historic drill core in the Central Zone footwall area, and definition of new diamond drill targets aimed at discovering stand-alone gold deposits within the resource corridor, particularly at the Cape Ray Project. The Company is finalising plans to test these targets with the first phase of diamond

drilling expected to start in the near-term. The resource corridor is located along the Cape Ray Shear Zone (“CRSZ”) in Newfoundland and Labrador, Canada and already hosts 610 koz of gold in Mineral Resource<sup>1</sup>.

**Matador’s Managing Director and CEO, Sam Pazuki commented:**

“Over the past two decades, exploration activities within the resource corridor focused mainly on the Central Zone and Window Glass Hill deposits, yielding a considerable amount of data. We recently undertook a comprehensive reassessment of our database and improved the Mineral Resource, which we announced in May 2023. Over the past 15 months, in particular, the Company has undertaken comprehensive analysis on the vast quantities of data collected historically, by other companies and by Matador, to better understand the structural and geological controls, test old and new geological theories, and develop new and innovative geological models including more recently we developed the first-ever three-dimensional geological model covering the entire resource corridor.

“What we also found was that nearly all previous exploration work was primarily within the deposits, which do remain open along strike and at depth. The previous exploration activities in the resource corridor neglected kilometres of strike from the deposits, never tested the foot- or hanging wall zones, nor drilled many holes deeper than 200 metres below the surface.

“In 2022, Matador drilled nine geotechnical drillholes at Central Zone that were never previously assayed for gold. We undertook a re-logging program on five of these holes, including one near the Central Zone footwall, identifying potential mineralised zones that were never assayed. One drillhole from the footwall at Central Zone revealed gold mineralisation with an intersection of 11 metres (not true thickness) at 2.39 g/t gold, the first ever known gold in the area. We are currently preparing the remaining four geotechnical holes from the Central Zone footwall for assaying.

“These targets offer potential for discovering large gold deposits adjacent to existing mineral resources. The summer diamond drill program will initially prioritise these Central Zone targets, followed by additional targets within the resource corridor and new prospects in the Greenfields, such as the large, mineralised zones we have identified at Malachite from our highly successful winter RC drill program.”

---

<sup>1</sup> ASX Announcement 30 May 2023

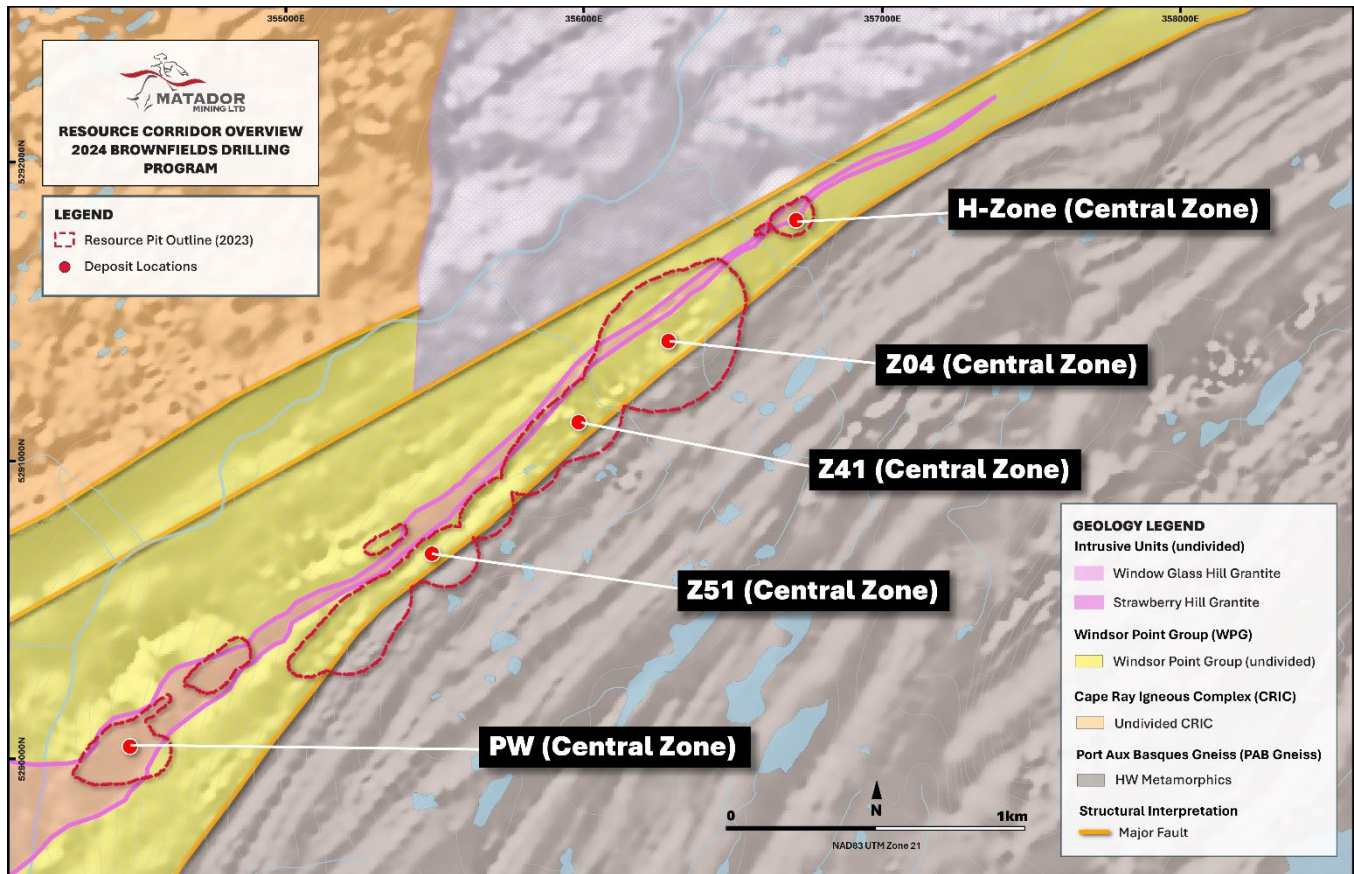


FIGURE 1: OVERVIEW OF THE CENTRAL ZONE DEPOSITS

## Mineralised Zones of the Central Zone Footwall

Recently, the Company processed five of the nine geotechnical drillholes that were drilled in 2022 at Central Zone to support the Company’s previous study works. These holes were drilled to provide geotechnical information for pit wall optimisation, which formed part of the Company’s previous strategy of developing a “starter” mine on the Cape Ray Gold Project. These holes had never been sampled, however recent relogging of drillhole CGT006 revealed a significant zone of visual mineralisation in a footwall location that was selected for sampling.

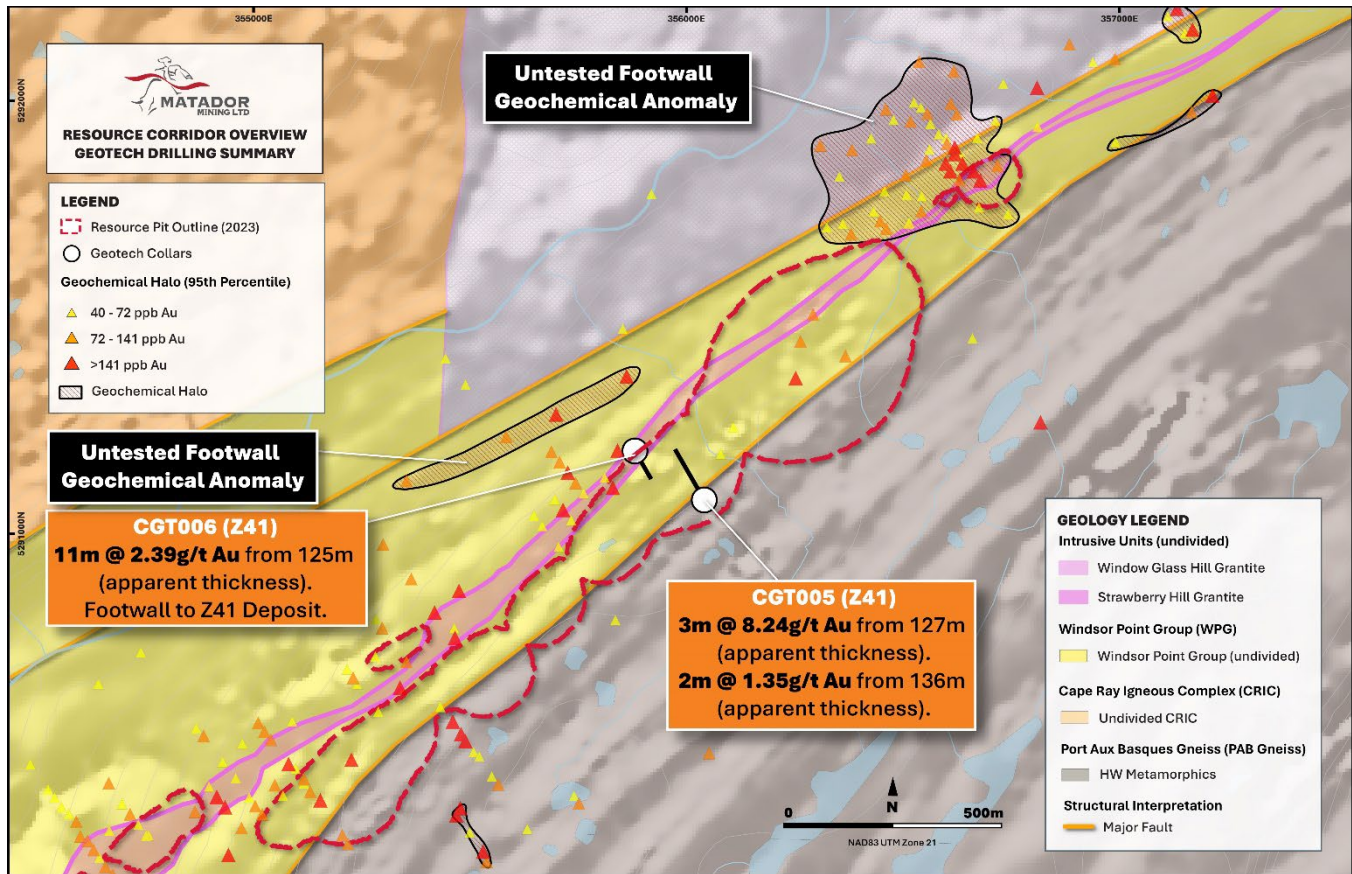
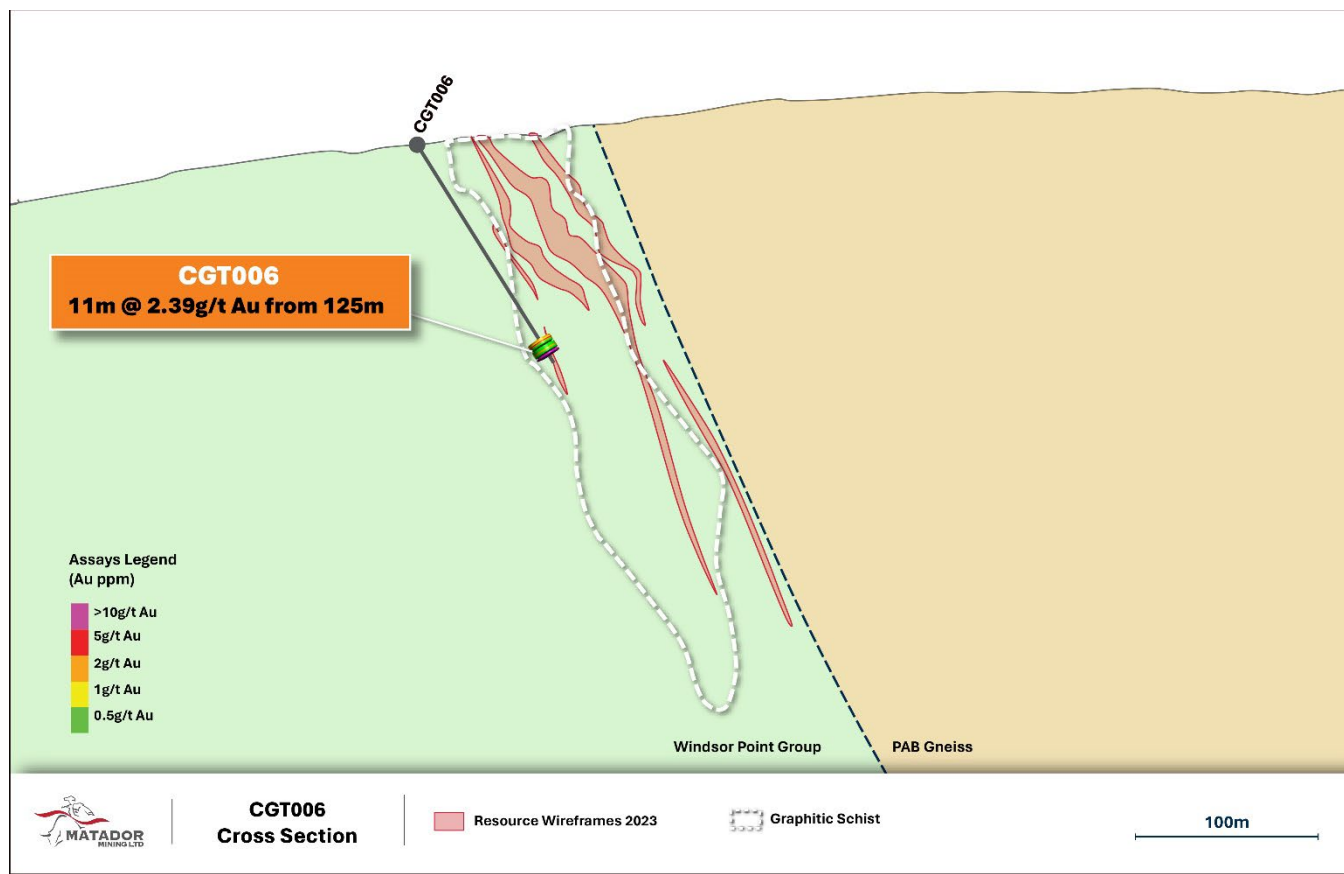


FIGURE 2: OVERVIEW OF THE GEOTECHNICAL DRILLHOLES FROM THE CENTRAL ZONE DEPOSITS

The drillhole, located in the footwall of the main plane of mineralisation and likely drilled sub-parallel to the main trend of mineralisation, returned a downhole intersection of 11 metres at 2.39 g/t gold. This intersection consisted of an intensely sericite altered tuffaceous unit intercalated with zones of graphitic schist hosting brecciated polymetallic sulphide quartz veins. This style of mineralisation and lithological host is typical of the Central Zone deposits and the discovery of more of these zones has the potential to add to the Company's existing resource inventory.

Historically, there has been no previous drilling to test the footwall areas at Central Zone and very limited surface works. This intersection, along with a strong geochemical expression in the structural footwall of the Central Zone deposits, presents potential for discovery of additional mineralised zones of unknown scale in a very substantial area of untested geology parallel to the full length of the Central Zone deposits.



**FIGURE 3: CROSS-SECTION OF CGT006 (30M SLICE LOOKING TOWARDS 060) DISPLAYING THE MINERALISED ZONE IN THE FOOTWALL OF Z41 DEPOSIT**

## Geochemical and Structural Targets

In 2018, Matador completed a targeted soil survey near the footwall at Central Zone as a follow-up to a historic soil survey completed by Dolphin in 1988. Results from the Company's 2018 soil survey<sup>2</sup> identified a sizeable anomalous halo of gold-in-soil greater than 40 ppb gold, which is almost 15 times the average crustal abundance of gold. The area measures 500 metres by 300 metres, a size comparable to the Central Zone Z04 deposit footprint that hosts an open pit Mineral Resource of 252 koz @ 2.32 g/t gold<sup>3</sup>.

The Company has also recently identified a second, highly prospective historical geochemical anomaly in the footwall of the Central Zone Z41 deposit. This anomaly consists of a 560 metre-long linear gold-in-soil trend with

<sup>2</sup> ASX Announcement 9 November 2018

<sup>3</sup> ASX Announcement 30 May 2023

values up to 1,440 ppb (or 1.44 g/t) gold. This large-scale gold anomaly is coincident with an untested occurrence of the Windsor Point Group, the most prospective sedimentary host of the Company's entire Mineral Resource.

### Down Plunge Potential at Central Zone

The Company's recent analysis on the structural movement of CRSZ mineralisation, coupled with this historical data, adds further favourability and prospectivity of the largely overlooked footwall geological zone.

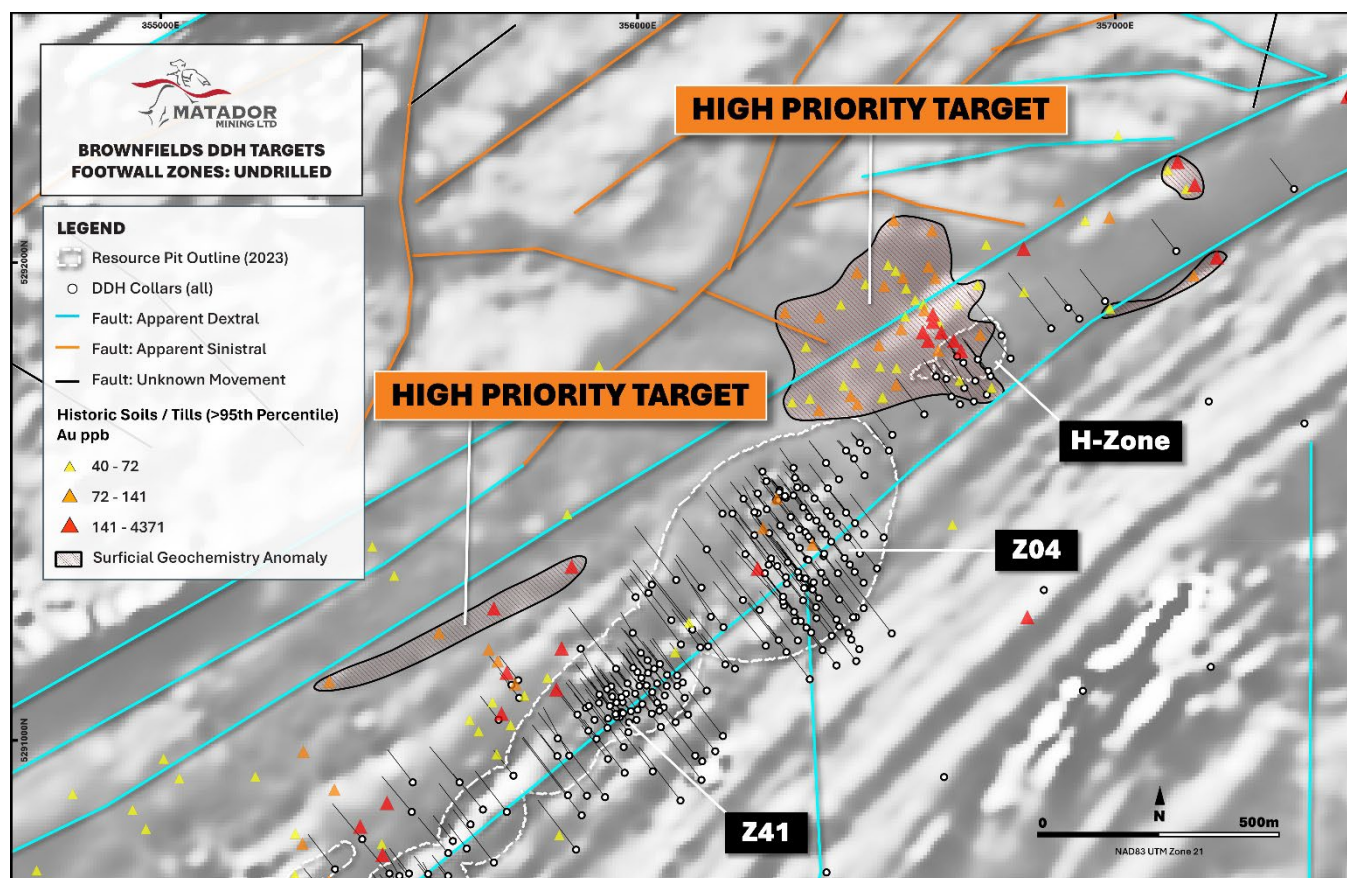
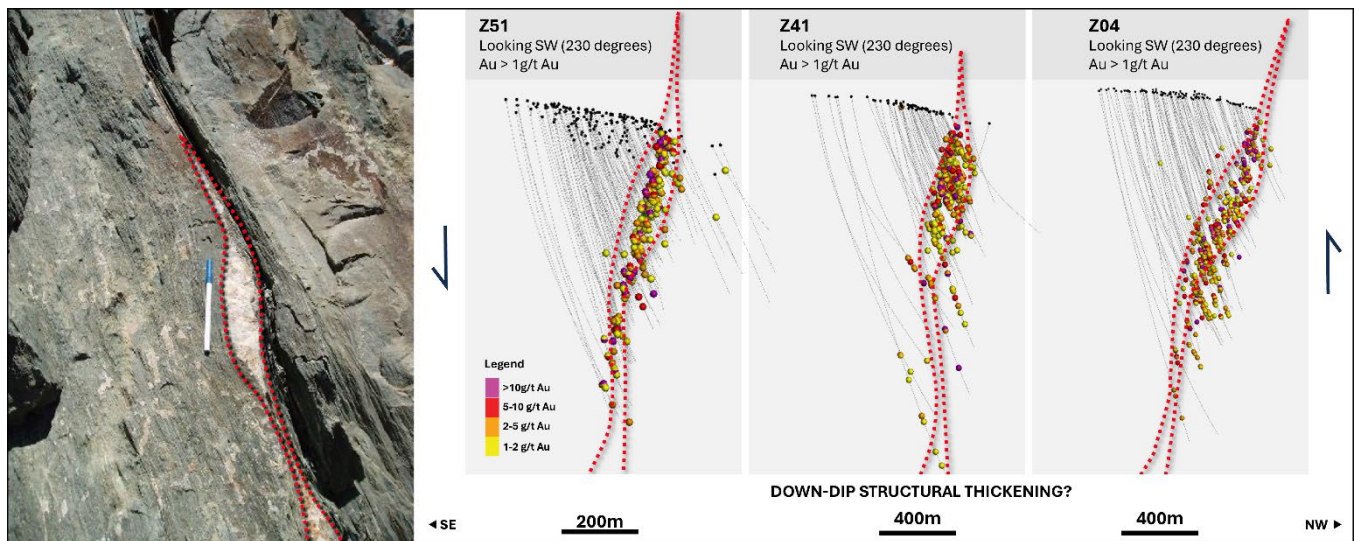


FIGURE 4: OVERVIEW UNTESTED GEOCHEMICAL TARGETS IN THE CENTRAL ZONE FOOTWALL

Recent structural studies also identified that gold mineralisation is associated with an apparent sinistral (left direction of movement) structural event (Figure 4). When applied in both plan view and in cross-section, these asymmetrical sinistral boudinaged geometries of the Central Zone deposits are continuous along the strike of the three Central Zone deposits (Z51, Z41 and Z04). It also appears to define potential down-dip thickening, which has not been previously tested.

Future drilling will test zones of structural complexity including the confluence of both dextral and highly prospective sinistral structures and potential for stacked mineralised gold structures.

Recent generation of longitudinal projections through the Central Zone deposits compiled as part of the 2023 Mineral Resource estimate update also highlighted that significant down-plunge exploration opportunity exists at all deposits. Dominant plunges within Z41 and Z04 have been identified and remain open at depth. Of particular interest are associated high-grade shoots from the two deposits, which appear to plunge towards each other, with the projected intersection point of the shoots remaining untested (Figure 6). These down-plunge extensions and projected intersection points are considered high-priority targets for the Company with potential to add significant high-grade ounces to the Company's inventory.



**FIGURE 5: LEFT EXAMPLE OF ALONG STRIKE THICKENING OF THE BOUDINAGED VEINS WHICH ARE REPRESENTED BY THE Z51, Z41 & Z04 DEPOSITS. RIGHT: CROSS-SECTION OF CENTRAL ZONE DEPOSITS (Z51, Z41 & Z04) DISPLAYING THE SE-SIDE-DOWN KINEMATICS AND LIKELIHOOD OF THICKENED ZONES DOWN PLUNGE.**

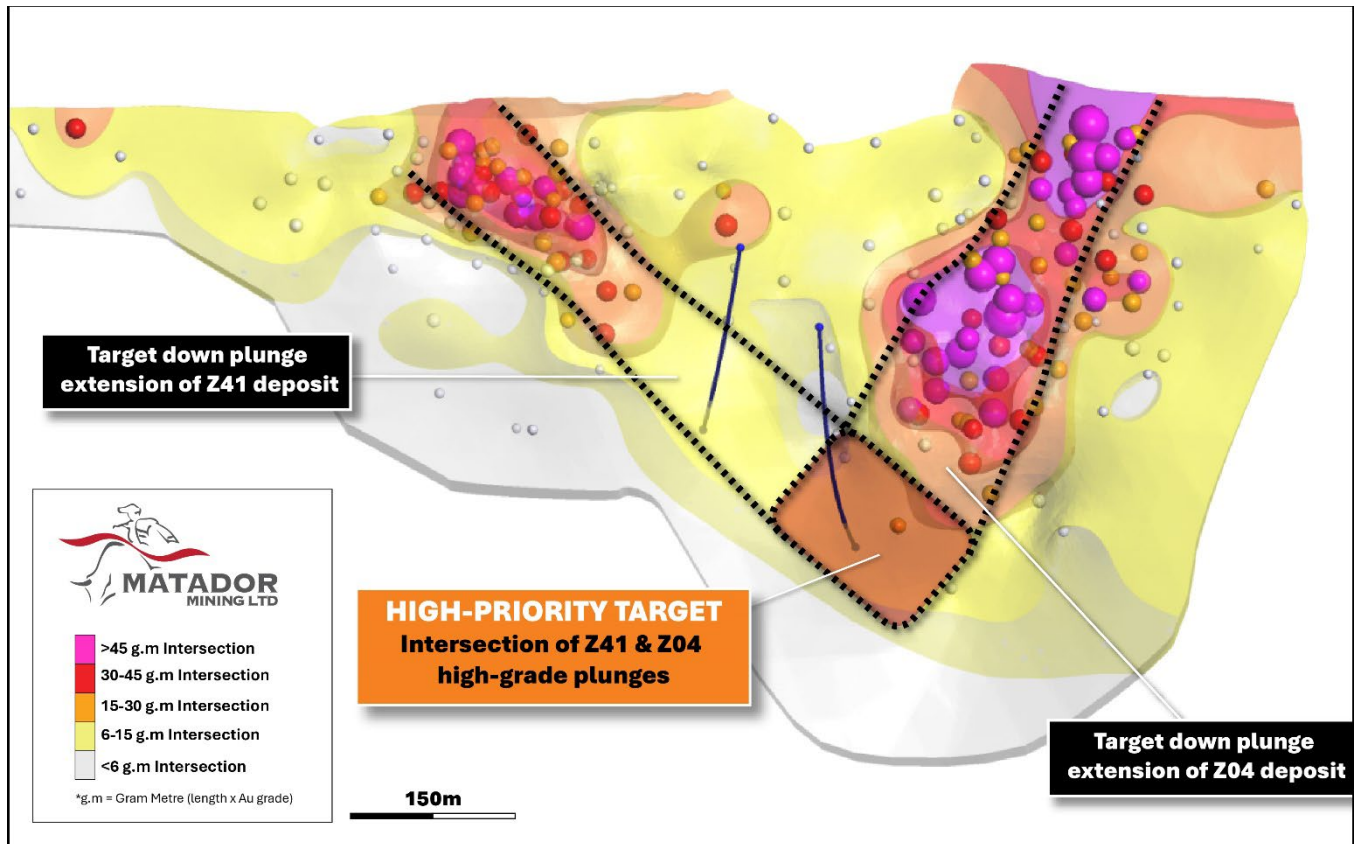


FIGURE 6: LONG SECTION OF THE Z04 & Z41 DEPOSITS SHOWING DOWN-PLUNGE OPPORTUNITIES.

## Next Steps

The Company will continue to assess the geochemical and structural targets throughout the resource corridor. To assist in further target generation, an electro-magnetic (“EM”) survey is planned for later this summer. The EM Survey will assist in detecting the important graphitic schist horizon within the Windsor Point Group. This horizon is considered a favourable rheological and geochemical unit that hosts most of the high-grade Central Zone Mineral Resources.

The Company is also conducting a comprehensive targeting workshop that will be led by structural expert, Brett Davis, and will include Company personnel including Matador Chair Justin Osborne and B2Gold geologists.

The Company expects the Phase One diamond drilling to commence in the coming weeks with Phase Two expected later in the summer.

– ENDS –

This announcement has been authorised for release by the Company's Board of Directors.

To learn more about the Company, please visit [www.matadormining.com.au](http://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](mailto:info@matadormining.com.au)

### **About the Company**

Matador Mining Limited (**ASX:MZZ** | **OTCQB:MZZMF**) is an exploration company focused on making gold discoveries in Newfoundland, Canada. The Company is one of only four gold companies with a defined gold Mineral Resource, currently 610,000 ounces grading 1.96 grams per tonne. Matador is well positioned with an extensive land package comprising 120-kilometres of continuous strike along the under-explored, multi-million-ounce Cape Ray Shear, a prolific gold structure in Newfoundland that currently hosts several major mineral deposits. Additionally, the Company holds 27-kilometres of continuous strike at the Hermitage prospect which is located on the highly prospective Hermitage Flexure. The Company also has an Option Agreement over the Blue Cove Copper Project in southeastern Newfoundland, which is highly prospective for copper and other base metals.

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

### **Reference to Previous ASX Announcements**

In relation to the Mineral Resource estimate announced on 30 May 2023, the Company confirms that all material assumptions and technical parameters underpinning the estimates in that announcement 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.

**TABLE 1: 2023 MINERAL RESOURCE ESTIMATE**

	<b>Cut-off Grade g/t Au</b>	<b>Tonnes Mt</b>	<b>Grade g/t Au</b>	<b>Contained Metal koz Au</b>
<b>OPEN PIT – TOTAL INDICATED &amp; INFERRED MINERAL RESOURCES</b>				
<b>Central Zone</b>	0.30	4.2	2.82	377
<b>Window Glass Hill</b>	0.30	4.5	0.96	140
<b>Isle Aux Morts</b>	0.30	0.5	2.35	35
<b>Big Pond</b>	0.30	0.1	3.01	9
<b>TOTAL OPEN PIT</b>	<b>0.30</b>	<b>9.3</b>	<b>1.88</b>	<b>560</b>
<b>UNDERGROUND – TOTAL INDICATED &amp; INFERRED MINERAL RESOURCES</b>				
<b>Central Zone</b>	2.00	0.4	3.80	49
<b>TOTAL UNDERGROUND</b>	<b>2.00</b>	<b>0.4</b>	<b>3.80</b>	<b>49</b>
<b>OVERALL – TOTAL INDICATED &amp; INFERRED MINERAL RESOURCES</b>				
<b>TOTAL RESOURCE</b>		<b>9.7</b>	<b>1.96</b>	<b>610</b>

## Competent Person's Statements

### Exploration Results

The information contained in this announcement that relates to exploration results is based upon information reviewed by Mr. Spencer Vatcher, P. Geo. who is an independent consultant employed with Silvertip Exploration Consultants Inc. Mr. Vatcher is a Member of the Professional Engineers and Geoscientists of Newfoundland and Labrador (PEGNL) and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC Code 2012. Mr. Vatcher consents to the inclusion in the announcement of the matters based upon the information in the form and context in which it appears.

## Appendix 1 Reverse Circulation Drillhole Collars

**Table 1: Drill Collar Location**

Hole ID	NAD83_X	NAD83_Y	NAD83_Z	Azimuth	Dip	Depth (m)	Assays
CGT001	356327	5291571	315.26	325	-60	100	Reported
CGT002	356275	5291368	330.65	325	-60	250	Reported
CGT004	355990	5291225	312.76	330	-60	101	Reported
CGT005	356041	5291079	331.89	330	-60	260	Reported
CGT006	355881	5291192	313.06	160	-60	140	Reported

**Table 2: Significant Drill Hole Intersections (0.2g/t Au and 0.5g/t Au cut-off)**

Hole ID	0.2 g/t Au cutoff			0.5 g/t Au cutoff			Comments
	From	Width (m)	Au (g/t)	From	Width (m)	Au (g/t)	
CGT001 (Z04)	-	-	-	-	-	-	NSR
CGT002 (Z04)	-	-	-	-	-	-	NSR
CGT004 (Z41)	-	-	-	-	-	-	NSR
CGT005 (Z41)	127	8	<b>3.15</b>	127	3	<b>8.24</b>	Inc. <b>1m @ 13.9g/t</b> Au from 129m
	136	5	0.59	136	2	<b>1.33</b>	
	146	1	0.27	-	-	-	
	156	1	<b>1.68</b>	156	1	<b>1.68</b>	
	175	5	0.22	-	-	-	
	189	3	0.76	-	-	-	
	-	-	-	190	1	<b>1.63</b>	
CGT006 (Z41)	122	14	<b>1.91</b>	-	-	-	Inc. <b>0.55m @ 8.2g/t</b> Au from 126.75m & <b>1m @ 10.3g/t</b> Au from 135m
	-	-	-	125	11	<b>2.39</b>	

NSR = No Significant Results

\*All composites are reported with a maximum of 4 metres of internal waste material

## Appendix 2 JORC Code 2012 Table 1 Reporting

### Section 1. Sampling Techniques and Data

Criteria	Explanation	Commentary
Sampling Techniques	Nature and quality of sampling (e.g., cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.	<p><b>Diamond drill core samples reported in this release:</b></p> <p>Core was cut in half to produce a ½ core sample using a core saw.</p> <p>All sampling was either supervised by, or undertaken by, qualified geologists.</p> <p>½ core samples were then prepared on site by SGS in their Grand Falls – Windsor Sample Preparation Facility. The entire sample is crushed to 80% pass 2mm, a 250g (rotary) split was then pulverised to generate a 250g pulp at the SGS preparation lab in Grand Falls-Windsor. This pulp was then shipped by SGS to their analytical facility in Burnaby, BC for analysis.</p> <p>Historic diamond drilling results by Matador and others have employed various sampling techniques over time. For historic drill results, methodology and reporting standards, refer to Matador’s announcement dated 6 May 2020.</p>
	Aspects of the determination of mineralisation that are Material to the Public Report.	The entirety of diamond drill core from holes reported in this release were sampled. Sample lengths are between 0.2 and 1.2m.
Drilling Techniques	Drill type (e.g., core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g., core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	NQ-sized (47.6 mm diameter) core drilling has been completed by Major’s Contracting utilising a Duralite 1800 track-mounted rig. Standard tube drilling methods were generally employed with triple tube drilling methods in areas of poor recovery. Drill core is oriented using a Reflex ACT III core orientation tool. Downhole surveys are recorded using a Reflex Ezy Shot survey tool.
Drill Sample Recovery	Method of recording and assessing core and chip sample recoveries and results assessed.	Diamond drill hole core recoveries were recorded during logging by measuring the length of core recovered per 1m interval. Core recovery was calculated as a percentage recovery of actual core length divided by expected core length.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.  Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	Triple tube core barrels were used in areas of expected poor recovery through the main fault zones. Some sample bias may occur in zones of poor recovery in friable material due to the loss of fine material.
Logging	Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.	All diamond drill core is logged onsite by geologists to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.

<b>Logging</b>	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging of drill core is qualitative and records lithology, grain size, texture, weathering, structure, strain intensity, alteration, veining and sulphides. Geotechnical logging records core recovery, RQD, fracture counts and fracture sets. Density measurements are recorded for each core box using standard dry/wet weight "Archimedes" technique. All drill core is digitally photographed wet.
	The total length and percentage of the relevant intersections logged.	All drill holes are logged in full.
<b>Sub-Sampling techniques and sample preparation</b>	If core, whether cut or sawn and whether quarter, half or all core taken.	<p>Diamond drill core samples reported in this release:</p> <p>Core was cut in half to produce a ½ core sample using a core saw.</p> <p>Historical diamond drilling results by Matador and others have employed various sampling techniques over time. For historic drill results methodology and reporting standards, refer to Matador's announcement dated 6 May 2020.</p>
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	N/A
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	<p><b>Diamond drill core samples reported in this release:</b></p> <p>Core was cut in half to produce a ½ core sample using a core saw.</p> <p>All sampling was either supervised by, or undertaken by, qualified geologists.</p> <p>½ core samples were then prepared on site by SGS in their Grand Falls – Windsor Sample Preparation Facility. The entire sample is crushed to 80% pass 2mm, a 250g (rotary) split was then pulverised to generate a 250g pulp at the SGS preparation lab in Grand Falls-Windsor. This pulp was then shipped by SGS to their analytical facility in Burnaby, BC for analysis.</p> <p>Historic diamond drilling results by Matador and others have employed various sampling techniques over time. For historic drill results, methodology and reporting standards, refer to Matador's announcement dated 6 May 2020.</p>
	Quality control procedures adopted for all sub-sampling stages to maximise representativity of samples.	All half core samples are selected from the same side to remove sample bias, with the ½ core containing orientation line retained in the core tray.
	Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.	No field duplicates are submitted – samples are selected for duplicate re-assaying based on assay results. Coarse rejects from original samples are re-split and pulverised for re-assay.
<b>Quality of assay data and laboratory tests</b>	The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.	All prepared core samples in this release were assayed for gold by 30g fire-assay with AAS finish (5 – 10,000 ppb Au). Mineralised veins, selected zones of alteration and/or routine 1:5 samples are analysed using 49 element full digest geochemistry (ICP-AES and ICP-MS finish).

<b>Quality of assay data and laboratory tests</b>	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No new geophysical surveys are reported in this release.
	Nature of quality control procedures adopted (e.g., standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (e.g., lack of bias) and precision have been established.	Diamond drill samples: Certified reference material (CRM) samples sourced from OREAS were inserted every 20 samples and coarse blank samples have been inserted after expected high grade samples.
<b>Verification of sampling and assaying</b>	The verification of significant intersections by either independent or alternative company personnel.	No independent sampling/assay check have been undertaken.
	The use of twinned holes.	N/A
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	All drill hole logging is completed on digital logging templates with built-in validation. Logging spreadsheets are uploaded and validated in an SQL database (Datashed). All original logging spreadsheets are also kept in archive.
	Discuss any adjustment to assay data.	No assay data was adjusted, and no averaging was employed.
<b>Location of data points</b>	Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.	Drill hole collars are located using handheld GPS with 3-5m accuracy. Drill hole collars are subsequently surveyed using Differential GPS (sub-metre accuracy) at the end of each field season.  A Reflex EZ Trac downhole survey tool is used to record drill hole deviation. All downhole surveys are corrected to True Azimuth based on local magnetic declination.
	Specification of the grid system used	Drill hole collars are recorded in NAD 83 UTM Zone 21N.
	Quality and adequacy of topographic control	SRTM (satellite) DEM data provides approximately 5m topographic elevation precision across the entire project. LiDAR survey coverage provides <1m topographic elevation precision across the main Cape Ray Shear Zone corridor.
<b>Data spacing and distribution</b>	Data spacing for reporting of Exploration Results.	Drill hole spacing was designed for Geotechnical Drilling purposes only.
	Whether the data spacing, and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Geotechnical Drilling data is not used for the purposes of Mineral Resource estimation.

<b>Data spacing and distribution</b>	Whether sample compositing has been applied.	As all samples are from drill core, no physical compositing of samples has been applied. Methods used for numeric/calculated compositing of grade intervals are discussed elsewhere.
<b>Orientation of data in relation to geological structure</b>	Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.	Geotechnical Drilling was designed for pit-optimisation studies and the orientation was designed with geotechnical parameters. Intersections have been reported as 'apparent thickness' where the drill hole angle is not optimal to the main structural grain.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Orientation bias is evident in CGT006. Geotechnical Drilling was designed for pit-optimisation studies and the orientation was designed with geotechnical parameters. Intersections have been reported as 'apparent thickness' where the drill hole angle is not optimal to the main structural grain.
<b>Sample Security</b>	The measures taken to ensure sample security.	All core sample intervals are labelled in the core boxes with sample tags and aluminium tags. Cut core samples are collected in plastic bags labelled with the sample number and a sample tag. Plastic sample bags are collected in large rice bags for despatch with 10 samples per rice bag. Rice bags are labelled with the company name, sample numbers and laboratory name, and are delivered to the SGS Preparation Facility in Grand-Falls by Matador Staff and/or approved contractors.
<b>Audits or reviews</b>	The results of any audits or reviews of sampling techniques and data.	No audits or reviews have been conducted at this time. The sample preparation, security and analytical procedures are consistent with current industry standards and are appropriate and acceptable for the styles of mineralisation on the Project.

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<p>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</p> <p>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</p>	<p>Matador owns 100% of all tenements on the Cape Ray Gold Project, which is located approximately 20km northeast of Port aux Basques, and 100% of all tenements on the Hermitage Project located approximately 50km North of Grey River, Newfoundland, Canada. All tenements are in good standing at the time of reporting.</p> <p>See Appendix 3.</p> <p>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 Cape Ray Project and 90km from the Hermitage Project site. It is not known at this time if the Project sites 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.</p> <p>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.</p> <p>There has been no commercial production at the property as of the time of this report.</p>
<b>Mineral tenement and land tenure status</b>	<p>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</p>	<p>The claims are in good standing.</p> <p>Permits that will potentially be required for exploration work include a Surface Lease and Mineral Exploration Approval both issued by the Newfoundland Department of Natural Resources, Mineral Development Division. A Water Use Licence has been acquired from the Newfoundland Department of the Environment and Conservation, Water Resources Division, as well as a Certificate of Approval for Septic System for water use and disposal for project site facilities.</p>
<b>Exploration done by other parties</b>	<p>Acknowledgment and appraisal of exploration by other parties.</p>	<p>Cape Ray Gold Project: initially discovered in 1977 by Rio Canada Exploration Limited (Riocanex). Since that period the area has been the subject of numerous academic and government geological studies, and exploration by various mining companies. Historical work is summarised in Matador Announcement 19 July 2018.</p>
<b>Geology</b>	<p>Deposit type, geological setting and style of mineralisation.</p>	<p>The Cape Ray Gold Project lies within the Cape Ray Fault Zone (CRFZ), which acts as a major structural boundary and hosts the Cape Ray Gold Deposits (CRGD); zones 04, 41 and 51 (Central Zone), Window Glass, Big Pond and Isle Aux Morts.</p>

Criteria	JORC Code explanation	Commentary
<b>Geology</b>		<p>The CRFZ is approximately 100km long and up to 1km wide extending from Cape Ray in the southwest to Granite Lake to the Northeast.</p> <p>Areas along and adjacent to the southwest portion of the Cape Ray Fault Zone have been subdivided into three major geological domains. From northwest to southeast they include: The Cape Ray Igneous Complex (CRIC), the Windsor Point Group (WPG) and the Port aux Basques gneiss (PABG). These units are intruded by several pre to late tectonic granitoid intrusions.</p> <p>The CRIC comprises mainly large mafic to ultramafic intrusive bodies that are intruded by granitoid rocks. Unconformably overlying the CRIC is the WPG, which consists of bimodal volcanics and volcanoclastics with associated sedimentary rocks. The PABG is a series of high grade, kyanite-sillimanite-garnet, quartzofeldspathic pelitic and granitic rocks intercalated with hornblende schist or amphibolite.</p> <p>Hosted by the CRFZ are the Cape Ray Gold Deposits consisting of three main mineralised zones: the 04, the 41 and the 51 Zones, which have historically been referred to as the “Main Zone”. These occur as quartz veins and vein arrays along a 1.8 km segment of the fault zone at or near the tectonic boundary between the WPB and the PABG.</p> <p>The gold bearing quartz veins are typically located at or near the southeast limit of a sequence of highly deformed and brecciated graphitic schist. Other veins are present in the structural footwall and represent secondary lodes hosted by more competent lithologies.</p> <p>Gold bearing quartz veins at the three locations are collectively known as the “A vein” and are typically located at (41 and 51 Zones) or near (04 Zone) the southeast limit of a sequence of highly deformed and brecciated graphitic schists of the WPG. The graphitic schists host the mineralisation and forms the footwall of the CRFZ. Graphitic schist is in fault contact with highly strained chloritic schists and quartz-sericite mylonites farther up in the hanging wall structural succession.</p> <p>The protolith of these mylonites is difficult to ascertain, but they appear to be partly or totally retrograded PABG lithologies. Other veins (C vein) are present in the structural footwall and represent secondary lodes hosted by more competent lithologies.</p> <p>In the CRGD area, a continuous sequence of banded, highly contorted, folded and locally brecciated graphitic schists with intercalations of chloritic and sericite-carbonate schists and banded mylonites constitutes the footwall and host of the mineralised A vein. The banded</p>

Criteria	JORC Code explanation	Commentary
		<p>mylonites are characterized by cm-wide siderite-muscovite-quartz-rich bands within graphitic chlorite-quartz-muscovite schist. The mylonites are commonly spatially associated with local Au-mineralised quartz veins, vein breccias and stringer zones.</p> <p>The graphitic schist unit becomes strongly to moderately contorted and banded farther into the footwall of the fault zone, but cm- to m-wide graphitic and/or chloritic gouge is still common. The graphitic schist unit contains up to 60% quartz or quartz-carbonate veins. At least three mineralised quartz breccias veins or stockwork zones are present in the footwall of the 41 Zone and these are termed the C vein. The thickness of the graphitic-rich sequence ranges from 20-70m but averages 50-60 m in the CRGD area.</p> <p>The CRGD consists of electrum-sulphide mineralisation that occurs in boudinaged quartz veins within an auxiliary shear zone (the “Main Shear”) of the CRFZ. The boudinaged veins and associated mineralisation are hosted by chlorite-sericite and interlayered graphitic schists of the WPG (Table 7.1), with sulphides and associated electrum occurring as stringers, disseminations and locally discrete massive layers within the quartz bodies.</p> <p>The style of lode gold mineralisation in the CRGD has a number of characteristics in common with mesothermal gold deposits. The relationship of the different mineral zones within a major ductile fault zone, the nature of quartz veins, grade of metamorphism, and alteration style are all generally compatible with classic mesothermal lode gold deposits.</p>
<b>Drill hole Information</b>	<p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> <li>• easting and northing of the drill hole collar</li> <li>• elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>• dip and azimuth of the hole.</li> <li>• down hole length and interception depth</li> <li>• hole length.</li> </ul> <p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	<p>All diamond drill hole collar co-ordinates, hole orientations, depths and significant intercepts are reported in Appendix 1.</p>

Criteria	JORC Code explanation	Commentary
<b>Data aggregation methods</b>	<p>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.</p> <p>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p> <p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	<p>Significant intercepts are determined based on &gt;1m composite samples as length-weighted averages and are reported with a cut-off grade of 0.2 g/t Au and 0.5g/t Au with a maximum of 4m of consecutive internal waste dilution.</p> <p>Where significant short intervals of high-grade material form part of a broad lower grade composite, these intervals are explicitly stated in the drill hole information table.</p> <p>No metal equivalents have been reported.</p>
<b>Relationship between mineralisation widths and intercept lengths</b>	<p>These relationships are particularly important in the reporting of Exploration Results.</p> <p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</p> <p>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g., 'down hole length, true width not known').</p>	<p>Geotechnical Drilling was designed for pit-optimisation studies and the orientation was designed with geotechnical parameters. Intersections have been reported as 'apparent thickness' where the drill hole angle is not optimal to the main structural grain.</p>
<b>Diagrams</b>	<p>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</p>	<p>See figures 1-6 in release.</p>
<b>Balanced reporting</b>	<p>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.</p>	<p>All diamond drill holes have been reported in Appendix 1 (including holes with no significant results (NSR)).</p>
<b>Other substantive exploration data</b>	<p>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</p>	<p>All relevant/material data has been reported.</p>
<b>Further work</b>	<p>The nature and scale of planned further work (e.g., tests for lateral extensions or depth extensions or large-scale step-out drilling).</p> <p>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</p>	<p>Continue exploration in the Brownfields "Resource Corridor" targeting potential footwall hosted mineralisation to the existing deposits.</p>

### Appendix 3 Matador Tenements

Holder	Licence #	Project	Project	# of Claims	Area (km <sup>2</sup> )	Comments
Cape Ray Mining Limited	025560M	Cape Ray	Cape Ray	20	5.00	
Cape Ray Mining Limited	025855M	Cape Ray	Long Range	32	8.00	Royalty (d)
Cape Ray Mining Limited	025856M	Cape Ray	Long Range	11	2.75	Royalty (d)
Cape Ray Mining Limited	025857M	Cape Ray	Long Range	5	1.25	Royalty (d)
Cape Ray Mining Limited	025858M	Cape Ray	Long Range	30	7.50	Royalty (d)
Cape Ray Mining Limited	026125M	Cape Ray	Bunker Hill	190	47.50	
Cape Ray Mining Limited	030881M	Cape Ray	Intersection	255	63.75	
Cape Ray Mining Limited	030884M	Cape Ray	Intersection	255	63.75	
Cape Ray Mining Limited	030996M	Cape Ray	Malachite	205	51.25	
Cape Ray Mining Limited	030997M	Cape Ray	Long Range	60	15.00	Royalty (d)
Cape Ray Mining Limited	031557M	Cape Ray	Long Range	154	38.5	
Cape Ray Mining Limited	031558M	Cape Ray	Cape Ray	96	24	
Cape Ray Mining Limited	031559M	Cape Ray	Grandy's	32	8	
Cape Ray Mining Limited	031562M	Cape Ray	Grandy's	37	9.25	
Cape Ray Mining Limited	032060M	Cape Ray	Cape Ray	81	20.25	Royalties (a) (b) (c)
Cape Ray Mining Limited	032061M	Cape Ray	Cape Ray	76	19	Royalties (a) (b) (c)
Cape Ray Mining Limited	032062M	Cape Ray	Isle aux Morts	72	18	Royalties (a) (b) (c)
Cape Ray Mining Limited	032764M	Hermitage	Hermitage	256	64	
Cape Ray Mining Limited	032770M	Hermitage	Hermitage	252	63	
Cape Ray Mining Limited	032818M	Hermitage	Hermitage	95	23.75	
Cape Ray Mining Limited	032940M	Cape Ray	Long Range	255	63.75	
Cape Ray Mining Limited	032941M	Cape Ray	Malachite	256	64	
Cape Ray Mining Limited	033080M	Cape Ray	Bunker Hill	190	47.5	
Cape Ray Mining Limited	033085M	Cape Ray	Malachite	256	64	
Cape Ray Mining Limited	033110M	Hermitage	Hermitage	183	45.75	
Cape Ray Mining Limited	034316M	Cape Ray	Bunker Hill	247	61.75	
Cape Ray Mining Limited	035822M	Cape Ray	Bunker Hill	38	9.5	
Cape Ray Mining Limited	032256M	Hermitage	Hermitage	12	4	Royalties (e)
Cape Ray Mining Limited	036567M	Hermitage	Hermitage	44	11	
Cape Ray Mining Limited	036749M	Hermitage	Hermitage	10	2.5	
Cape Ray Mining Limited	032774M	Hermitage	Hermitage	8	2	Royalties (e)
Cape Ray Mining Limited	037478M	Cape Ray	Moraine	104	26.0	
Cape Ray Mining Limited	037525M	Hermitage	Hermitage	10	2.5	
Cape Ray Mining Limited	037529M	Hermitage	Hermitage	4	1.0	
Spencer Vatcher	037526M	Hermitage	Hermitage	4	1.0	

Holder	Licence #	Project	Project	# of Claims	Area (km <sup>2</sup> )	Comments
Cape Ray Mining	037159M	Blue Cove	Blue Cove	8	2	Royalties (f)
Spencer Vatcher	037774M	Blue Cove	Blue Cove	30	7.5	
Cape Ray Mining	037158M	Blue Cove	Blue Cove	22	5.5	Royalties (f)
Cape Ray Mining	037160M	Blue Cove	Blue Cove	18	4.5	Royalties (f)
Cape Ray Mining	036866M	Blue Cove	Blue Cove	20	5	Royalties (f)
Spencer Vatcher	037775M	Blue Cove	Blue Cove	13	3.25	
Cape Ray Mining	036879M	Blue Cove	Blue Cove	10	2.5	Royalties (f)
Spencer Vatcher	037776M	Blue Cove	Blue Cove	11	2.75	
Spencer Vatcher	037778M	Blue Cove	Blue Cove	13	3.25	
Spencer Vatcher	037777M	Blue Cove	Blue Cove	7	1.75	
Spencer Vatcher	037790M	Blue Cove	Blue Cove	39	9.75	
<b>Total</b>				<b>4,282,4026</b>	<b>1,0705 1006.5</b>	

**Notes:**

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% Net Smelter Return ("NSR") royalty 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% NSR royalty 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 NSR royalty 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% NSR royalty 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.
- (e) 1.0% NSR royalty pursuant to an option agreement with Roland and Eddie Quinlan (50% each) with an option to repurchase 0.5% of the royalty at a later date for a sum of C\$500,000. The Company retained a First Right of Refusal on the sale of the royalty.
- (f) 1.0% NSR royalty pursuant to an option agreement with Wayde and Myrtle Guinchard with an option to repurchase 0.5% of the royalty at a later date for a sum of C\$500,000. The Company retained a First Right of Refusal on the sale of the royalty.