



Extensive 12,000m drill campaign underway at Cape Ray Gold Project

Highlights

- **A 12,000m exploration drill program has commenced at the Cape Ray Gold Project**
- **The major objective for the 2019 program is to expand upon the current 1.02Moz JORC resource¹ whilst testing a number of high priority greenfield exploration targets**
 - 70% of drilling will be at Central Zone (810,000oz at 2.7g/t Au¹) which remains open in all directions (Image 1). Multiple interpreted open high-grade trends (+50gram x metre)² have been identified and are priority targets for potential expansion (Image 2)
 - 15% of the drill program will be at Window Glass Hill targeting extensions to the current resource (134,000oz Au¹) as well as test additional stacked lodes (Image 3)
 - 15% of the program will test greenfield structural and geochemical targets where no drilling has historically been undertaken (Image 5)
- **Additional greenfield exploration work is also planned in the upcoming season which includes further mapping, geochemistry, structural and geophysics work across the Company's 65km of strike**
- **2019 exploration program is fully funded following the recent \$5m capital raising³**

Matador Mining Limited (ASX: MZZ, MZZO) ("Matador" or the "Company") is pleased to announce the commencement of its exploration drill program at its Cape Ray Gold Project ("Cape Ray" or the "Project") in Newfoundland, Canada.

Central to the 2019 exploration program is an initial 12,000m drilling campaign aimed primarily at expanding the current JORC Resource of 1.02Moz Au at 2.2g/t Au¹. In addition, the Company will also test a number of highly prospective greenfield exploration targets where limited historical drilling has been completed. Details of the key targets are highlighted below.

- **Central Zone** – 9,000m of RC and diamond drilling is planned. Drilling will include infill targets between the current deposits, potential trend extents of multiple interpreted open high-grade sub-lodes (+50gram x metre²), extensions at depth as well as testing geochemical targets along strike (Images 1 and 2).
- **Window Glass Hill (WGH)** – a minimum of 1,500m of drilling is planned at WGH targeting extensions to the current resource and interpreted lode repeats (Image 3).
- **Greenfields** – a minimum of 1,500m of drilling is planned for greenfield exploration targets defined by mapping and soils/rock geochemistry. The major focus will be at Target 1 where significant geochemistry results have been recorded (Image 5).

¹ ASX announcement 30th January 2019 titled "Gold Resource Exceeds 1 Million Ounces at Cape Ray". Matador confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 30th January 2019 and that all material assumptions and technical parameters underpinning the Mineral Resource estimate in the announcement of 30th January 2019 continue to apply and have not materially changed.

² ASX announcements 5th April 2018, 18th April 2018, 11th July 2018, 18th July 2018, 7th August 2018. Matador confirms that it is not aware of any new information or data that materially affects the information included in those announcements.

³ Subject to shareholder approval at a general meeting to be held on 26th June 2019 – see ASX announcement 3 April 2019.

Executive Director Keith Bowes commented:

"Following the success of our inaugural exploration program last year, which saw the gold resource at Cape Ray exceed 1Moz Au, we are pleased to announce that drilling has recommenced, with at least 12,000m of drilling planned, almost three times more than that carried out last year.

The major objective for this year's program is continued growth of the existing resource, focused on areas that can potentially be converted into mineable material. This sees the majority of drilling at Central Zone (810,000oz at 2.7g/t)¹. Recent analysis has identified a number of interpreted high-grade plunges which remain open. Success in extending these trends offers a significant opportunity for additional high-grade resource expansion at Central Zone.

We currently have planned 1,500m of drilling at Window Glass Hill, focused on testing extensions to the current resource. We will also test a number of previously announced geophysical anomalies which share strong geological similarities to the 4.2Moz Valentine Lake deposit (Marathon Resources, TSXV: MOZ). Prior to testing these targets, additional geochemical analysis will be undertaken to refine the drill targets.

Finally, we are excited to test a number of greenfield exploration targets for the first time. The standout is Target 1, which is located on a secondary splay (all gold resources at our Project are located on secondary splays) whilst also having the most significant geochemical signature identified at the Project to date (Image 5). No drilling has previously been completed at Target 1.

We also note there has been a significant recent increase in activity by Australian gold producers acquiring, or proposing to acquire, North American gold projects with a combined valuation of more than \$2.2bn.⁴ We believe Australian gold producers seeking low jurisdictional risk similar to Australia with strong mining cultures, see North America and in particular Canada, as an excellent location.

With valuations of TSX listed gold companies having fallen in recent times compared to ASX listed gold companies, Australian companies appear to be taking advantage of this opportunity. This was a major factor in Matador's acquisition of the Cape Ray Project last year. With a lack of advanced gold opportunities currently available in Australia, we believe the trend of Australian companies looking to Canada for gold projects is likely to continue."

⁴ St Barbara Limited proposed acquisition of Atlantic Gold Corporation(\$768m); Newcrest Mining Limited acquisition of Imperial Metals Corp's Red Chris mine (\$1.1bn); Northern Star Resources Limited acquisition of Sumitomo Corp's Pogo gold mine (\$347m).

Central Zone – 9,000m drilling campaign underway

The major focus of the 2019 program will be at the Company's flagship Central Zone Project (810,000oz at 2.2g/t Au¹) with 52 holes for 9,000m of RC and diamond drilling planned. Drilling at Central Zone has commenced, with the hole locations highlighted in Images 1 and 2 below.

Image 1: Planned drill holes and current resource at Central Zone

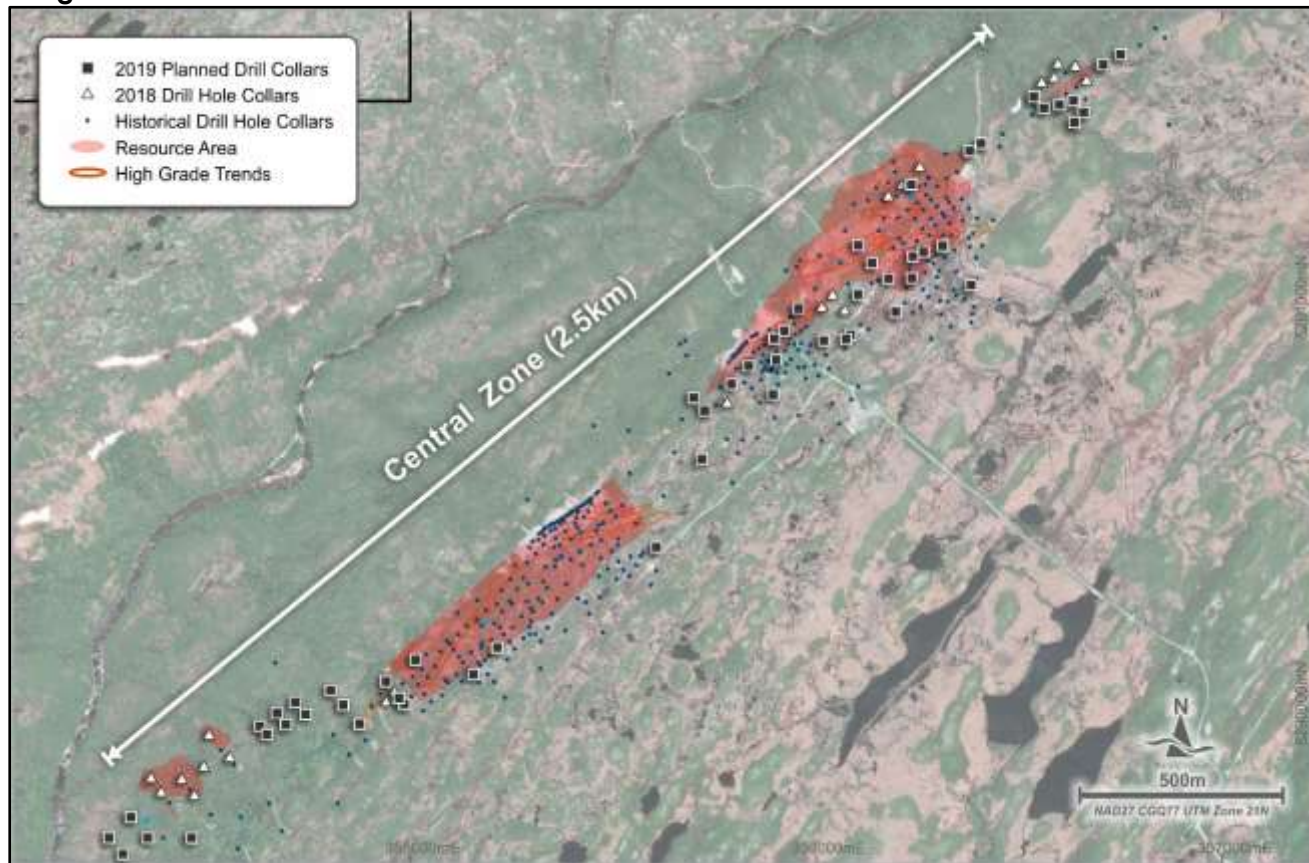
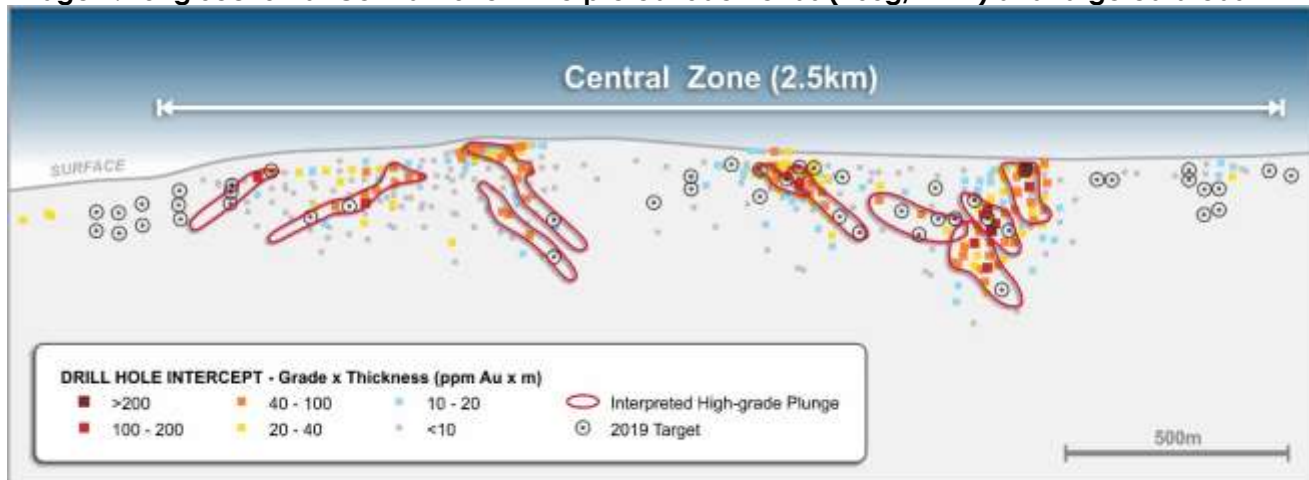


Image 2: Long Section at Central Zone - Interpreted lode trends (+50g/t x m) and targeted areas



Drilling includes 5,400m targeting high-grade trend extensions to known mineralisation where multiple +50g/t x metre targets² are interpreted to remain open as highlighted in Image 2 above. Success in extending these trends offers the best opportunity for continued additional high-grade resource expansion in the future.

Testing these high-grade trends also provide further information on potential zone linkage, QAQC drilling to verify historical results as well as metallurgical and geotechnical samples. This is expected to further de-risk the Project as it progresses towards a study in the future.

The remaining 3,600m of drilling at Central Zone will target interpreted strike extensions. This will target resources within the top 150 vertical metres and test the current geological model along the shear. This area includes areas inside the current defined 2.5km of strike where there has been limited drilling, as well as targets outside of this area where strong geochemical results have been recorded.

Mineralisation at Central Zone is hosted in quartz vein rich zones between 1m and 10m in thickness within a graphitic schist unit of the Windsor Point Group, the most prospective host lithology along the Cape Ray Shear.

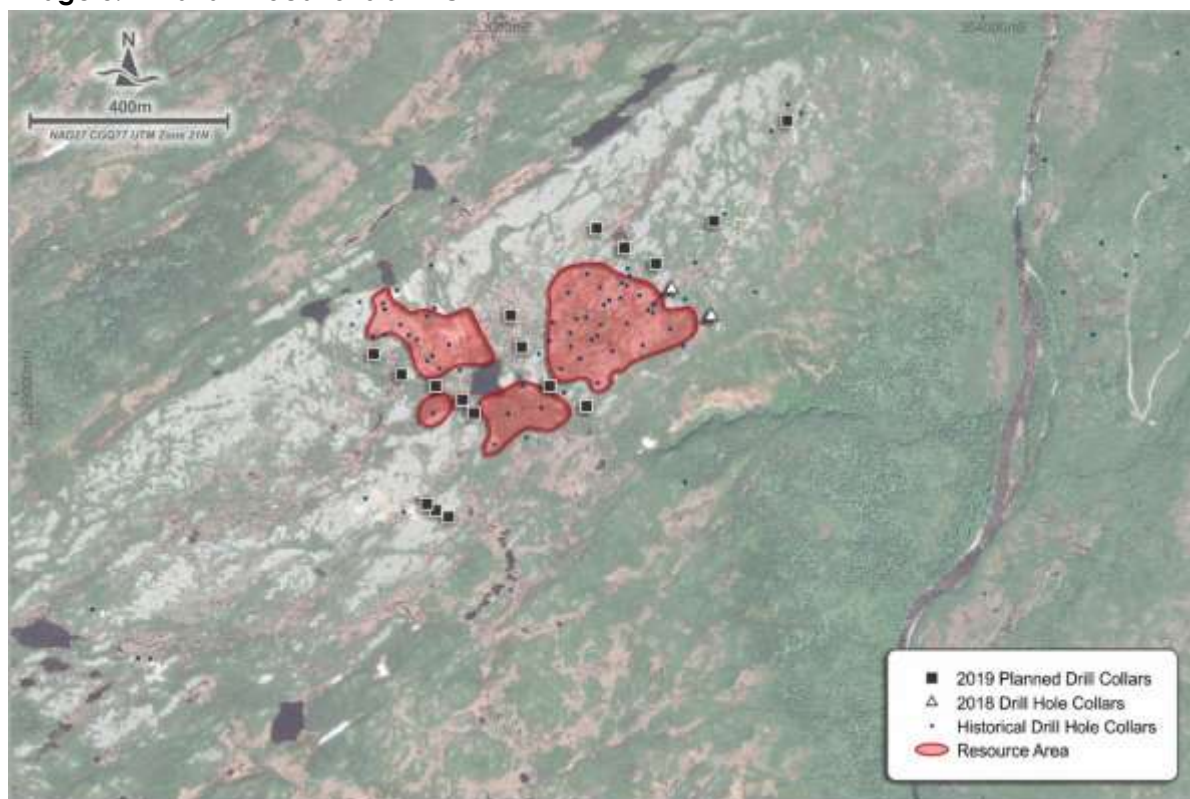
Window Glass Hill - 1,500m drill program

WGH hosts an existing resource of 134,000oz Au grading 1.2g/t Au¹ and is located approximately 2.5km from Central Zone. Unlike Central Zone, where mineralisation is hosted along the Cape Ray Shear Zone or its secondary structures, mineralisation at WGH is hosted within a large granitic intrusion, similar to Marathon Resources 4.2Moz Au Valentine Lake project. Extensions of the granite into nearby stratigraphy are also thought to have a strong control in mineralisation at the eastern and western margins of the Central Zone.

Extension of the WGH granite is located to the north and parallel to the main lode-style mineralisation at Central Zone. Only a small portion of this area along strike has been drilled, with approximately 2.5km of prospective strike remaining untested.

A minimum of 1,500m of drilling is planned at WGH during this season, targeting extensions to the current resource and interpreted lode repeats. The location of these holes is highlighted in Image 3 below.

Image 3: Initial drill locations at WGH

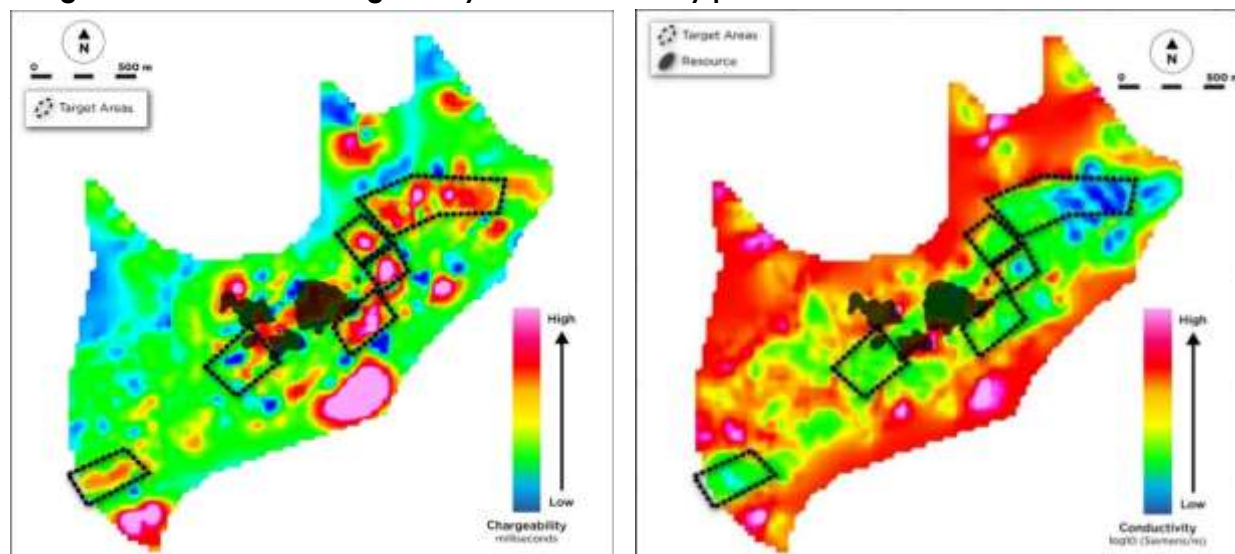


In addition to the current 1,500m drill program, the Company is likely to expand the WGH drill program to test previously identified geophysical anomalies.

A total of six priority geophysical anomalies were identified and are highlighted in Image 4 below, based on the remodelled geophysical data. The most promising anomalies are located towards the North-West of the deposit. No drilling in this area has been completed, however a number of rock chip samples, which yielded results greater than 5g/t Au⁵, have been collected. Prior to drill testing these targets further geochemical analysis and mapping is required.

⁵ ASX announcement 5th April 2018. Matador confirms that it is not aware of any new information or data that materially affects the information included in that announcement.

Image 4 - Remodelled chargeability and conductivity plot for Window Glass Hill⁶



Greenfield Exploration – 1,500m drill program

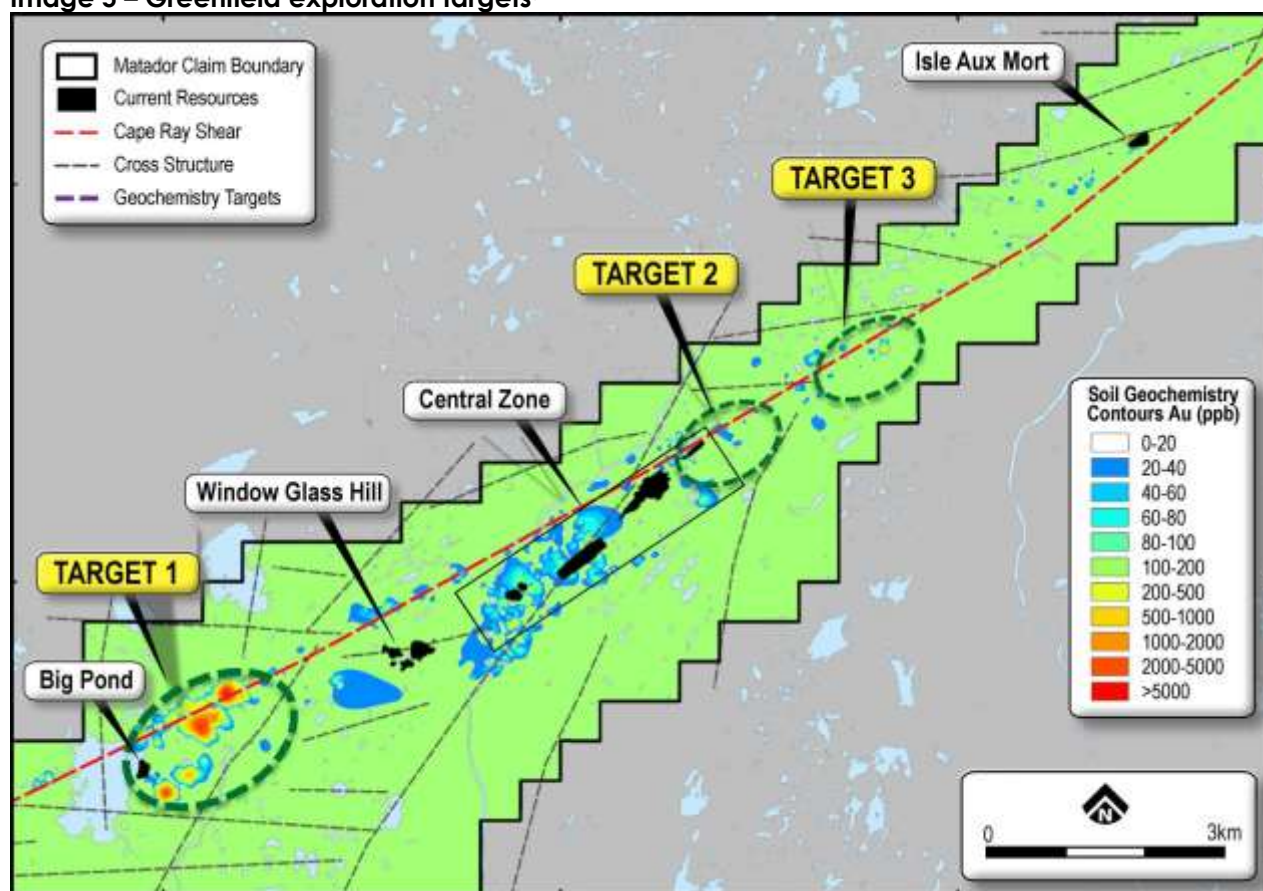
Structural geology and mapping have been used with great success throughout Newfoundland, as a large number of gold deposits discovered across the Province occur along either the main Cape Ray Shear or on second order structures (splays) off the main shear.

During 2018, Matador completed a structural analysis (using geophysical outputs) and mapping program to assist the Company in better understanding the structures that exist within its tenement package and how these structures control the mineralisation.

In conjunction with this work, a detailed geochemical program was undertaken which included analysis of both historical work and results from the 2018 field season. The results from both the structural / geophysics and geochemical programs were combined to determine key areas of interest. This analysis identified three high priority targets as highlighted in Image 5 below. All targets will be tested during the upcoming season.

⁶ ASX announcement 2nd May 2019. Matador confirms that it is not aware of any new information or data that materially affects the information included in that announcement.

Image 5 – Greenfield exploration targets⁷



Target 1 is located 1km to the north-east of the current resource at Big Pond. This target is characterised by a significant 1km strike length gold in soil anomaly and coincident with an area of multiple interpreted cross faults and magnetic anomalies. Further geochemical analysis will be complete at Target 1 as a high priority to refine the drill targets.

Target 2 is characterised by a +100m strike length gold in soil anomaly of >100ppb Au and coincident with an area of multiple interpreted cross faults. The close proximity of Target 2 to structures at Central Zone indicates a potential extension of mineralisation along strike to the east of the current defined resource. Target 2 is untested by drilling. Given Targets 2 proximity to Central Zone, drilling here is included as part of the Central Zones 9,000m program.

Target 3, which is located 2.5km to the east of Central Zone, is characterised by a similar coincident soil anomaly of >100ppb Au over 100m and interpreted cross faults. The target is located along the continuation of the mylonite-hydrothermal breccia zone that hosts the eastern margin of the Central Zone resource and is untested by drilling. Further geochemical analysis will be complete at Target 3 to refine the drill targets for later in the season.

⁷ ASX announcement 12th March 2019. Matador confirms that it is not aware of any new information or data that materially affects the information included in that announcement.

About the Company

Matador Mining Limited (ASX: MZZ) is a gold exploration company with tenure covering 65km of continuous strike along the highly prospective, yet largely under-explored Cape Ray Shear in Newfoundland, Canada. Within the package is a 14km zone of drilled strike which hosts a JORC resource of 1.02Moz Au (14.25Mt at 2.2g/t Au) (see Table 1 below).¹ The exploration opportunity at Cape Ray is extensive with only a small portion of the 65km strike drilled, and high-grade gold occurrences observed along trend. The Company is currently developing a large-scale exploration and project development program to unlock the value in this considerable package.

Table 1: CAPE RAY GOLD PROJECT, JORC 2012 Classified Resource Summary – Gold resource only

	Indicated			Inferred			Total		
	Mt	Au (g/t)	Koz (Au)	Mt	Au (g/t)	Koz (Au)	Mt	Au (g/t)	Koz (Au)
Central	7.69	2.7	660	2.03	2.3	150	9.72	2.6	810
Isle Aux Mort	-	-	-	782	2.4	60	0.78	2.4	60
Big Pond	-	-	-	111	5.3	18	0.11	5.3	18
WGH	-	-	-	3,635	1.2	134	3.63	1.2	134
Total	7.69	2.7	660	6.56	1.7	360	14.25	2.2	1.02

Note: reported at 0.5 g/t Au cutoff grade

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

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