



June Quarterly Activities Report Quarter Ended 30 June 2019

Highlights

- **Commenced 12,000m exploration drill program at the Cape Ray Gold Project**
- **Strong initial results received post Quarter end, with each of the first three drill holes assayed encountering gold mineralisation. Highlights included¹:**
 - 16m at 3.0g/t Au (CRD037), (see cross section in Image 3)
 - 7.2m at 2.2g/t Au (CRD035)
- **A total of 12 holes (3,655m) have been drilled to date (total drill program – 69 holes for 12,000m). Five holes have been processed with assay results expected shortly, the other three are being logged and processed**
- **Objective of the 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 Au²) which remains open in all directions (Image 2). Multiple interpreted open high-grade trends (+50gram x metre)³ have been identified and are priority targets for potential expansion (Image 4)
 - 15% of the drill program will be at Window Glass Hill targeting extensions to the current resource (134,000oz Au¹) as well as testing additional stacked lodes (Image 6)
 - 15% of the program will test greenfield structural and geochemical targets where no drilling has historically been undertaken
- **Completion of the acquisition of the outstanding 20% interest in the Project increasing the Company's ownership in Cape Ray to 100%**
- **Completion of Tranche 2 of the placement that was announced on 3 April 2019 – issue of 18,029,167 shares at \$0.16 per share to raise \$2.9 million for a cash balance of \$4.6 million as at 2 July 2019**
- **Hosted numerous Australian and international investors on a site visit to Newfoundland following increased investor interest**

12,000m drill program commences at Cape Ray

During the Quarter, **Matador Mining Limited (ASX: MZZ, MZZO)** ("Matador" or the "Company") commenced an 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 Au². 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

¹ ASX announcement 18 July 2019 titled "Strong start to exploration program".

² ASX announcement 30th January 2019 titled "Gold Resource Exceeds 1 Million Ounces at Cape Ray".

sub-lodes (+50gram x metre⁴), extensions at depth as well as testing geochemical targets along strike (Images 2 and 3).

- **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 6).
- **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 8).

IMAGE 1: DRILL RIG AT CENTRAL ZONE



⁴ ASX announcements 5th April 2018, 18th April 2018, 11th July 2018, 18th July 2018, 7th August 2018.

Central Zone – Strong results to commence program

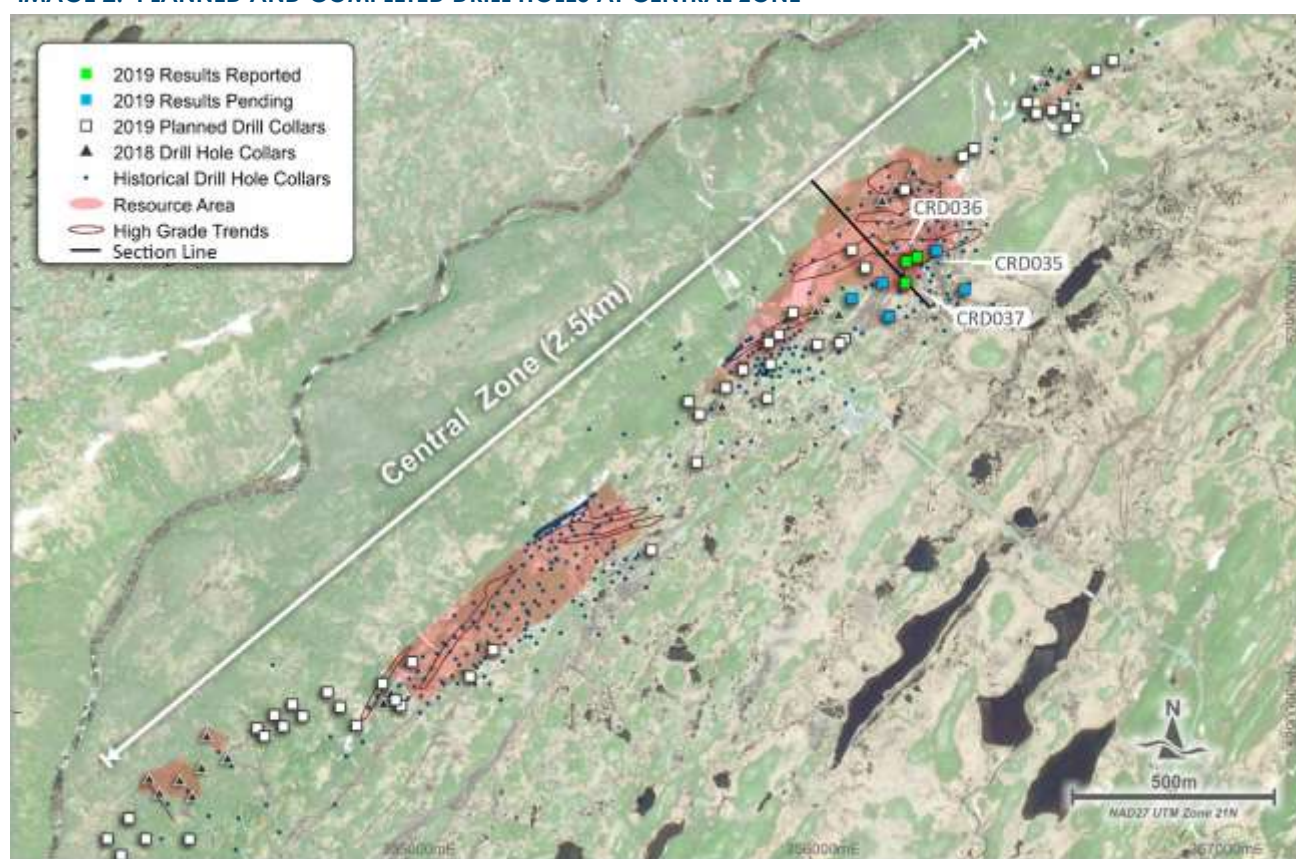
Central Zone is the most advanced project at the Cape Ray Gold Project as it hosts a current defined JORC resource of 810,000oz at 2.6g/t Au¹. Central Zone is also the major target for the 2019 exploration drill program with 9,000m (55 holes) of the total 12,000m planned for this area.

The first ten holes drilled were diamond and have targeted interpreted plunging structures at the Central Zone. These were done early in the program given these holes were the most easily accessible from the camp and were not dependent on the availability of the RC drill rig which is only due at site in August. The majority of holes remaining at Central Zone are intended to be targeted by the RC rig and will be drilled to an average depth of 200m.

The Company has completed, and post Quarter end, received assay results from the first three holes. An additional five holes have been processed, with results to be released shortly. The remaining three holes are currently being logged and processed. Image 2 below highlights the location of the planned and completed drill holes. Assay results released to date include¹:

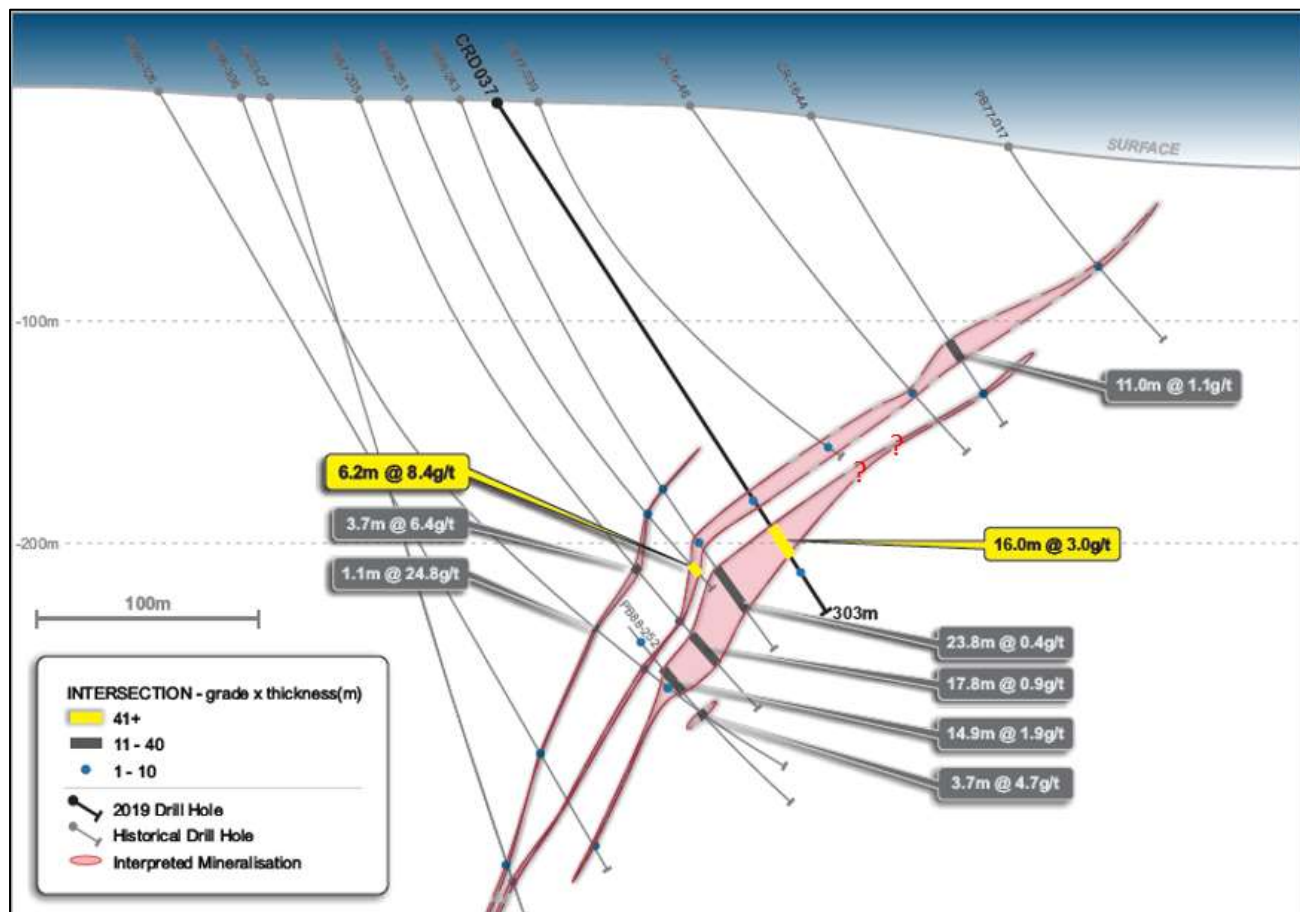
- CRD037 - 16m @ 3.0g/t Au, from 229m, including 6m @ 5.0g/t Au from 239m
- CRD035 - 7.2m @ 2.2g/t, from 225m
- CRD036 - 0.5m @ 2.2 g/t from 222.5m (hole lifted off target)

IMAGE 2: PLANNED AND COMPLETED DRILL HOLES AT CENTRAL ZONE



CRD037 targeted the newly interpreted upward plunging structural grade trends and intersected 16m @ 3.0g/t gold from 229m (approximately 190m below surface) including 6m @ 5.0g/t gold from 239m.¹ A cross section of the result and historical drilling in the area is shown in Images 2 and 3 below.

IMAGE 3: CROSS SECTION HOLE CRD037¹



The mineralisation in this hole is significantly higher than surrounding holes (~35 to 45m away), with the nearest closest historical result (45m up-dip) only character sampled in 1977. The Company plans to resample the historical result in this area and is considering further drilling to better define the plunge. This area is currently outside of the JORC resource.

Hole CRD035 (7.2m at 2.2g/t Au)¹ was a metallurgical/QAQC hole, with results in line with surrounding holes.

IMAGE 4: LONG SECTION OF CURRENT AND HISTORICAL DRILL RESULTS AT CENTRAL ZONE¹

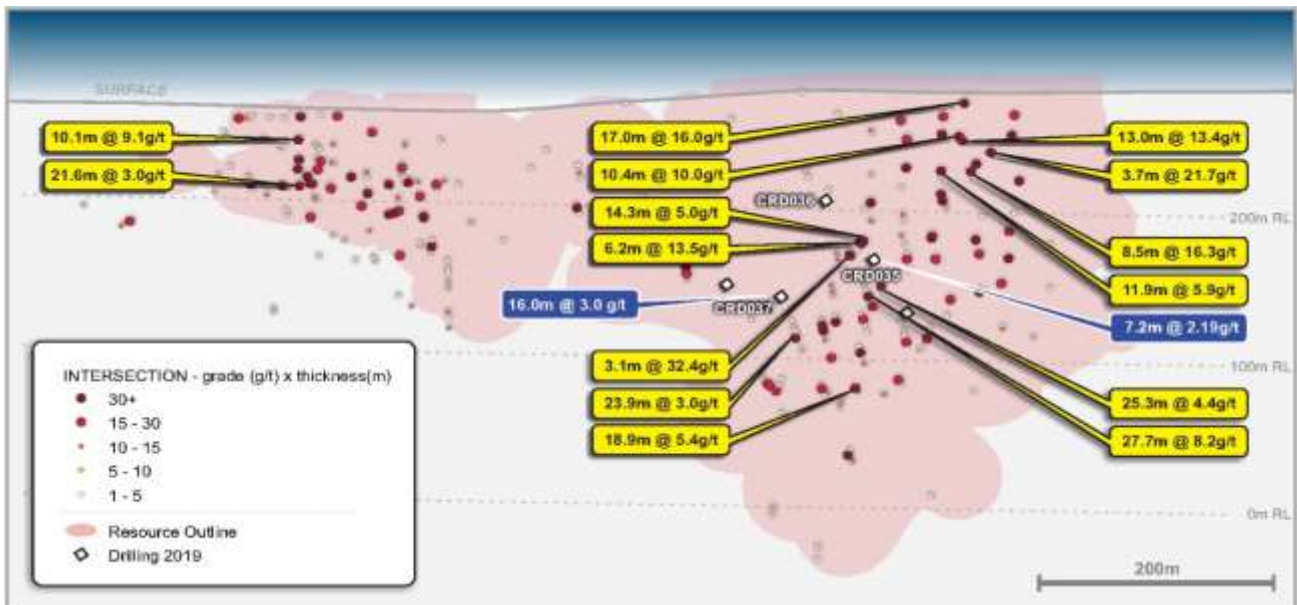


IMAGE 5: GEOLOGIST INSPECTING THE CORE AT CENTRAL ZONE

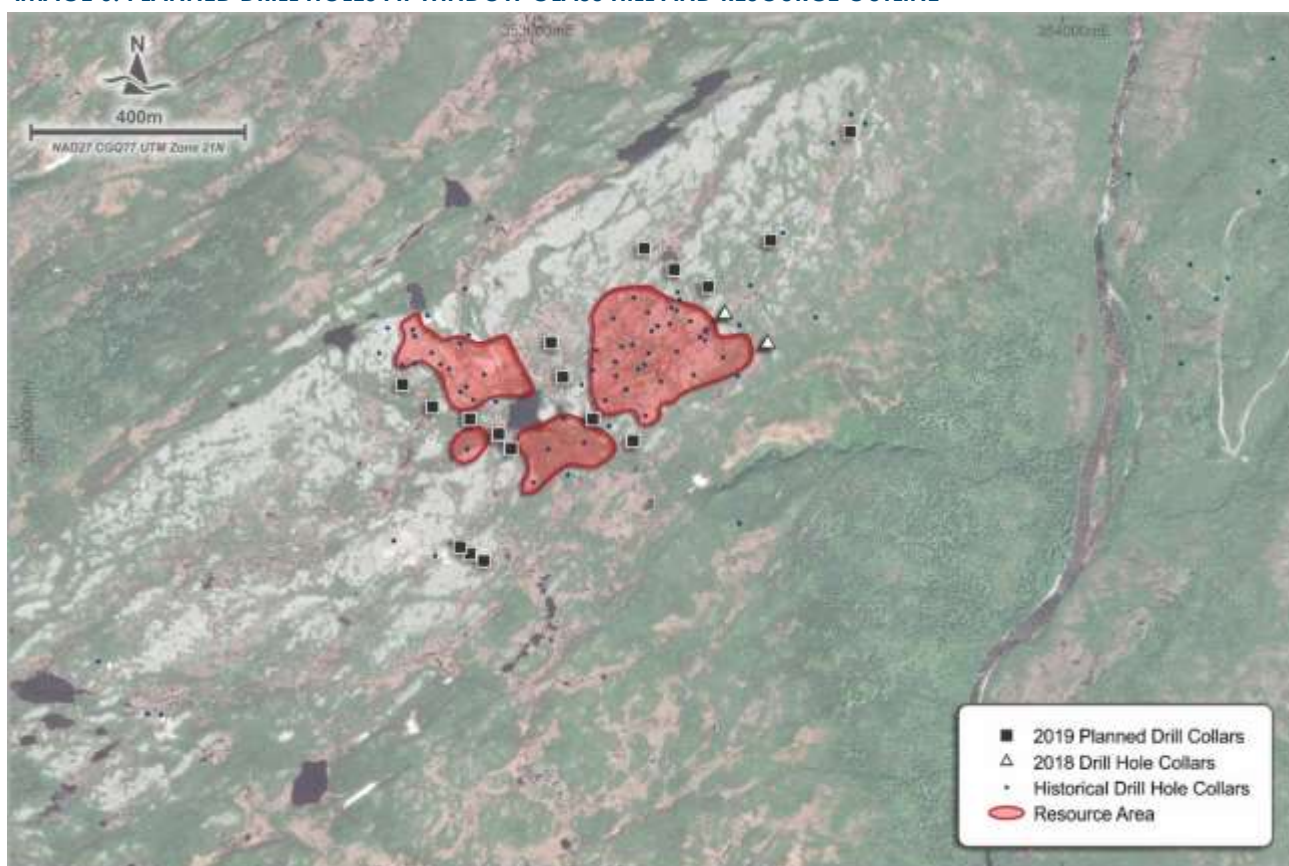


Window Glass Hill - 1,500m drill program

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.

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 potential holes is highlighted in Image 6 below.

IMAGE 6: PLANNED DRILL HOLES AT WINDOW GLASS HILL AND RESOURCE OUTLINE



Drilling at Window Glass Hill is anticipated to commence during August following the construction of a bridge which is now completed (Image 7). This bridge provides much easier access between the camp (located adjacent to Central Zone) and deposits/prospects located on the other side of the river, including WGH, Big Pond and Target 1. The bridge also reduces the long-term cost of exploration activities, as historically, drilling at these areas required helicopter access.

IMAGE 7: BRIDGE PROVIDING ACCESS BETWEEN CENTRAL ZONE AND WINDOW GLASS HILL

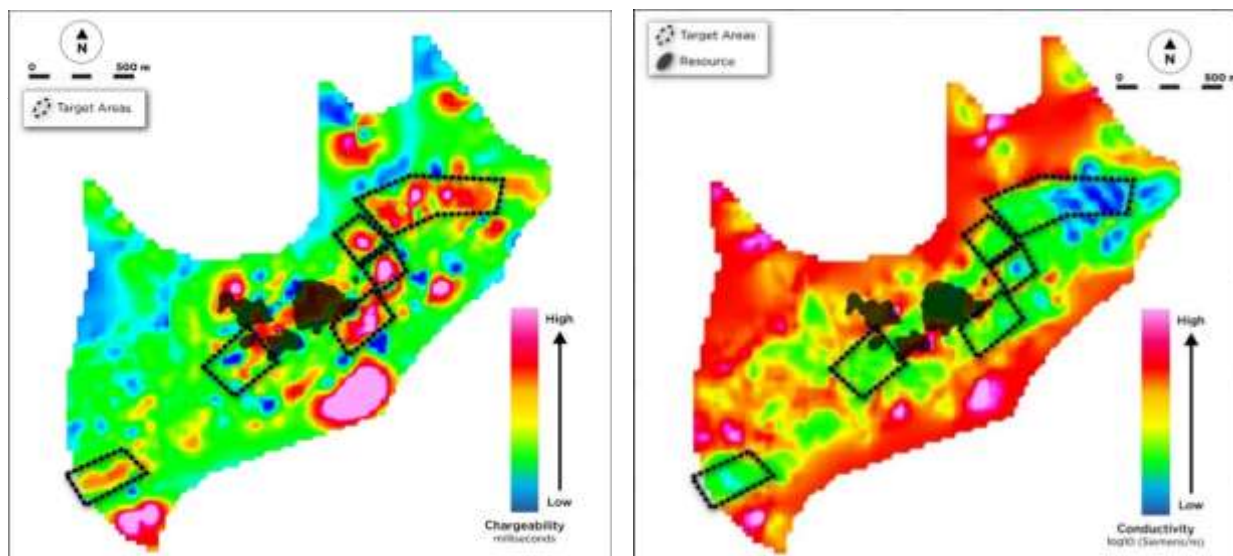


In addition to the current 1,500m drill program, the Company is likely to expand the WGH drill program to test previously identified geophysical anomalies.

A total of six priority geophysical anomalies were identified and are highlighted in Image 8 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 titled "Matador acquires the Cape Ray Gold Project".

IMAGE 8: 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.

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 completed 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

⁶ ASX announcement 2nd May 2019 titled "Geophysical anomalies identified for drill testing".

Zone resource and is untested by drilling. Further geochemical analysis will be completed at Target 3 to refine the drill targets for later in the season.

Corporate

Capital Raising

On 2 July 2019, the Company completed the placement of 18,029,167 shares at \$0.16 cents per share to professional and sophisticated investors to raise \$2.9 million ("**Placement**"), this being the second tranche of the placement that was announced on 3 April 2019.

Cash

As at 30 June 2019, the Company had \$2.9 million cash, \$1.0 million of which was early receipt of proceeds from the Placement. On 2 July 2019, the Company received the remaining \$1.8 million of proceeds from the Placement, which took the Company's cash balance to \$4.6 million.

Investor site visit

Following significant interest from both local and international investors, the Company hosted a site visit during July. The purpose of the visit was to demonstrate the progress being made at the Project and explain the regulatory and permitting process in Newfoundland. The site visit included a presentation from the local member of parliament and Newfoundland and Labrador's Attorney General and Government House Leader, Andrew Parsons. Mr Parsons expressed his support for the Project development given the long-term economic benefit it would bring to the region.

IMAGE 9: INVESTORS, BROKERS AND STAFF AT CAPE RAY PROJECT



Matador tenement listing

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 31 December 2018.

Project	Location	Licence No.	Interest
Cape Ray Gold Project	Newfoundland, Canada	017072M	80%
		007833M	80%
		008273M	80%
		009839M	80%
		009939M	80%
		024125M	80%
		024359M	80%

Project	Location	Licence No.	Interest
		025560M	80%
		025854M	80%
		025855M	80%
		025858M	80%
		025856M	80%
		025857M	80%
		026125M	80%

No tenements were acquired or disposed of during the quarter.

ASX Announcements

The following specific ASX announcements have been referred to in this announcement:

- ASX announcement 18 July 2019 titled "Strong start to exploration program".
- ASX announcement 30th January 2019 titled "Gold Resource Exceeds 1 Million Ounces at Cape Ray".
- ASX announcement 2nd May 2019 titled "Geophysical anomalies identified for drill testing".
- ASX announcement 5th April 2018 titled "Matador acquires the Cape Ray Gold Project".
- ASX announcement 18th April 2018 titled "Matador Mining Investor Presentation".
- ASX announcement 11th July 2018 titled "Exploration commences at Cape Ray Gold Project".
- ASX announcement 19th July 2018 titled "Initial sampling results show exciting extensions".
- ASX announcement 7th August 2018 titled "Matador Mining Investor Presentation".

In relation to the announcement of 30th January 2019, 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.

In relation to all other announcements listed above, Matador confirms that it is not aware of any new information or data that materially affects the information included in those announcements.

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) as shown in Table 1 below (see footnote 2, page 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:

Keith Bowes – Director (Technical) +61 8 6117 0478

Adam Kiley – Director (Corporate) +61 8 6117 0478