



Significant progress regarding Environmental Assessments moves Cape Ray closer to production

Highlights

- **Significant progress made this year regarding Environmental Assessments which has reduced the potential timeline to start Project construction**
 - Activities carried out by previous owners have advanced the development timeline by almost two years
 - Potential for Cape Ray to now become the next significant gold producing asset in Newfoundland
- **Federal and Provincial Environmental Assessments on target for submission in late 2020**
- **Environmental Baseline studies to satisfy EIS Guidelines well progressed**
- **First Nation and stakeholder consultation has commenced and will continue**
- **Project EIS approvals targeted for Q2 2021**

Matador Mining Limited (ASX: MZZ, MZZO) ("Matador" or the "Company") is pleased to provide an update regarding the Environmental Assessment (EA) process for the Cape Ray Gold Project ("Project") which recommenced earlier this year.

Activities carried out by the previous owners at the Project have allowed Matador to effectively "pick-up" the work well into the process on the back of previous submissions. This means the Company has gained almost two years of initial work, such that submissions to the regulators can now be targeted for Q3 2020, with Project permitting to follow. Timelines towards construction have therefore been reduced significantly from previous estimations, with the Company looking to execute the Project in early 2022 and start production the year after. The Company will provide an update regarding the commencement of a development study shortly.

The Cape Ray Project has a total resource of 1.02Moz, of which 660koz at 2.7g/t Au is classified in the indicated category (ASX announcement 30th January 2019). Mineralisation at the Project starts from surface with the majority of the resource contained at depths less than 200m from surface, meaning the Project is amenable to open pit mining.

Technical Director Keith Bowes commented:

"The pace at which we have been able to move ahead with our Environmental Assessment for the Cape Ray Gold Project has been very encouraging and initial discussions with elected officials in Newfoundland have garnered significant Project support with the permitting expected to be completed in a relatively short time frame."

"In parallel with our assessment work we are also pursuing options for grid power connections for a future operation. Newfoundland has an abundance of hydroelectric power (through the new Maritime link) which will benefit the Project as grid connections are in close proximity to the site and power authorities have already expressed willingness to support the Project."

"Given the current status of the Environmental Assessment, the progress made with the exploration program and our initial assessment work, Matador is on track to potentially become the next major gold producing mine in Newfoundland."

Development Timeline - Way Forward

Matador will continue its efforts to aggressively advance the EA and consultation process through the remainder of this year and into 2020. Preparation of the Environmental Impact Statement (EIS) will begin in earnest in early 2020, while the remainder of the environmental baseline studies are being completed. Anticipated target for EIS submission is late Q3 2020, with Project permitting to follow once the EA is approved. Table 1 below highlights the major milestones as well as the targeted timeline to Project construction and production.

TABLE 1: HIGH LEVEL, INDICATIVE ENVIRONMENTAL ASSESSMENT AND DEVELOPMENT TIMELINE

Category of Task / Activity	Task / Activity	2019		2020				2021				2022				2023	
		Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Environmental Assessment Process	Meeting with CEAA and Provincial EA representatives																
	First Nation Consultation																
	Other stakeholders																
Technical Studies	Gap analysis																
	Spring Baseline studies																
	Winter baseline studies																
	Predictive Modelling																
	Scoping Study																
	Pre-Feasibility Study																
	Bankable Feasibility Study																
Environmental Assessment & Permitting Process	Complete Federal EA Process and submit EIS																
	Complete Provincial EA Process and submit EIS																
	Respond to supplemental information requests																
	EIS accepted and project approved by CEAA and NL EA																
	Obtain Federal authorizations and Provincial Permits to construct																
Construction	Commence construction																
Production	Commence production & ramp up																

Environmental Assessment - History

The previous owners of the Project, the Benton Resources and Nordmin Engineering JV, had submitted a Project Description to both the Newfoundland and Labrador Environmental Assessment Agency (NLEAA) and the Federal Canadian Environmental Agency (CEAA) in July 2016 which initiated the EA process.

The Project Description is the first step in the Canadian project approvals and permitting process and is used by the regulators to prepare the final guidelines for the EIS. The NLEAA and CEAA issued their respective guidelines for the Project in December 2016 and April 2017 respectively.

It was confirmed in meetings held during March 2019 that the guidelines are still relevant and apply to the execution and operation strategy that Matador has proposed for the Project. Both agencies also agreed to one EIS submission that would satisfy both provincial and federal guidelines which is expected to further streamline the process.

Matador subsequently requested an extension to the timeline for the EIS submission, due to the hiatus between the issuing of the guidelines and Matador taking ownership of the Project. This request was dually approved in March 2019, with the extension granted until 24 August 2020 (and a further one-year extension also available if required). Planning for the outstanding baseline studies commenced in April and field work has continued in conjunction with the current 12,000m drill program.

IMAGE 1: BASELINE ENVIRONMENT AT CAPE RAY



Environmental Assessment – current status

Environmental Applications Group Inc. (EAG) has been retained as environmental consultants for the Project to oversee the EA process and permitting, with their Principal Scientist, John Sferrazza leading the effort. Mr Sferrazza has been involved with the Project since 2014 when Benton and Nordmin were the owners and initiated the EA process for the Project on their behalf. The work carried out to date on the EA activities include the following:

- Gap analysis report to identify environmental baseline data gaps
- Development of EA and Permitting Strategy and timelines
- Preparation of First Nation and Stakeholder Consultation Plan

Current Environmental Baseline Surveys onsite include:

- Fish Community and Habitat
- Avifauna (Birds) including Raptors and Owls
- Habitat and Ecological Land Classification
- Caribou and Small Mammals
- Surface Water Quality and Hydrology

- Groundwater Quality and Hydrogeology
- Geochemistry (ore, development rock and overburden)

Environmental Baseline Surveys planned for 2020 (which will conclude the baseline work) include:

- Caribou (calving, overwintering survey)
- Continuation of Surface and Groundwater Program
- Continuation of Hydrology and Hydrogeology Program
- Atmospheric Data collection including Meteorological

First Nation Consultation

Matador has had initial meetings with the Chiefs and some members of Council of the Qalipu and Miawpukek Mi'kmaq First Nation Communities regarding the Project. Further to this, a comprehensive Consultation Plan has been prepared to guide the consultation efforts with First Nation Communities. These include:

- Continued meetings with Chief and Council of both communities
- Conduct Open Houses in both communities for all members to disseminate Project information and listen to concerns
- Continued notifications regarding Project status
- Involvement of community members in baseline data collection

Other Stakeholders

Matador has also initiated consultation efforts with other Project stakeholders including municipal governments, outfitters, special interest groups and members of the public. These include:

- Public information meetings in all municipalities surrounding the Project site
- Meetings with government officials regarding the Project
- Meetings with regulatory officials
- Dissemination of Project information through various media
- Continued meetings with EA Committee

Early Exploration Permitting

In addition to advancing the EA process, Matador has also been successful in acquiring several key permits which have allowed the exploration efforts to broaden and target new areas of interest that were previously difficult to access. These include:

- Permit to install temporary bridge over the Isle aux Morts River, making the Window Glass Hill deposit accessible for track mounted drill rigs
- Permits for minor alterations to water bodies to allow drill trail construction to new target areas
- Authorization to upgrade main access road making site access faster, safer and more efficient

IMAGE 2: TEMPORARY BRIDGE OVER THE ISLE AUX MORTS RIVER TO ACCESS WINDOW GLASS HILL



About the Company

Matador Mining Limited (ASX: MZZ) is a gold exploration company with tenure covering 80km 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 2 below).¹ The exploration opportunity at Cape Ray is extensive, with only a small portion of the 80km strike drilled, and high-grade gold occurrences observed along trend. The current drilling program is part of a larger-scale exploration and project development plan that is focused on unlocking the value in this considerable package.

TABLE 2: 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 cut-off grade

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

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Reference to previous ASX announcements

In relation to the Mineral Resource estimate previously reported on 30 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 30 January 2019 and that all material assumptions and technical parameters underpinning the Mineral Resource estimate in the announcement of 30 January 2019 continue to apply and have not materially changed.

¹ ASX announcement 30th January 2019