

MATADOR MINING LTD
ABN 45 612 912 393
AND CONTROLLED ENTITY

ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED
30 JUNE 2019



**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

TABLE OF CONTENTS

Corporate Directory	3
Directors' Report.....	4
Corporate Governance Statement.....	24
Auditor's Independence Declaration	25
Statement of Profit or Loss and Other Comprehensive Income.....	26
Statement of Financial Position	27
Statement of Changes in Equity.....	28
Statement of Cash Flows	29
Notes to the Financial Statements.....	30
Directors' Declaration	63
Independent Auditor's Report	64
ASX Additional Information	69

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

CORPORATE DIRECTORY

Directors	Mr Grant Davey – <i>Non-executive Director</i> Mr Keith Bowes – <i>Executive Director</i> Mr Adam Kiley – <i>Executive Director</i>
Secretary	Mr Stuart McKenzie
Principal registered office in Australia	Level 1 Emerald House, 1202 Hay Street West Perth WA 6005 Phone: +61 8 6117 0478 Email: info@matadormining.com.au
Share register	Automic Registry Services Level 5, 126 Philip Street Sydney NSW 2000 Tel: (02) 9698 5414
Auditor	Walker Wayland WA Audit Pty Ltd Level 3, 1 Preston Street, Como WA 6152
Securities exchange listings	The shares of Matador Mining Limited are listed on the Australian Securities Exchange (ASX) under the code MZZ
Website address	http://www.matadormining.com.au

MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY

DIRECTORS' REPORT (continued)

The Directors present their report together with the annual financial report of Matador Mining Ltd ("**Matador**", "**Group**" or the "**Company**"), for the year ended 30 June 2019 and the independent auditor's review report thereon.

Directors

The names of the Directors in office at any time during or since the end of the year are:

Grant Davey (Non-Executive Director) – appointed 3 July 2018
Keith Bowes (Executive Director) – appointed 1 February 2019
Adam Kiley (Executive Director) – appointed 1 February 2019
Paul Criddle (Managing Director) – appointed 20 July 2018, resigned 1 February 2019
Marat Abzalov (Non-Executive Director) – resigned 1 February 2019
Peter Woods (Non-Executive Director) – resigned 1 February 2019
Scott Patrizi (Executive Director) – resigned 3 July 2018
Patrick Walta (Non-Executive Director) – resigned 3 July 2018

Principal Activities

The principal activities of the Company are mining and mineral exploration. No significant change in the nature of these activities occurred during the year.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

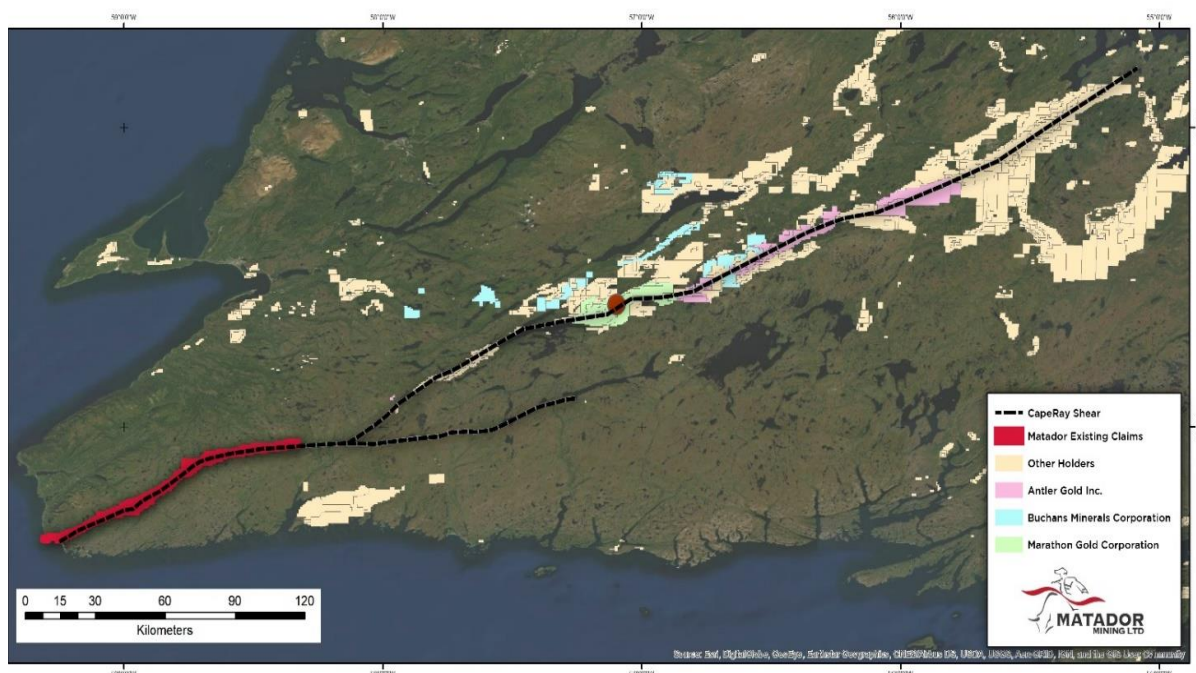
DIRECTORS' REPORT (continued)

Review of Operations

Cape Ray Gold Project, Canada

Matador Mining Limited (ASX: MZZ) owns 100% of the Cape Ray Gold Project in Newfoundland, Canada. Newfoundland is an island on the East Coast of Canada. Matador owns 80km of continuous strike along the Cape Ray shear, making the Company the largest holder of continuous ground along the Cape Ray Shear, one of the more prospective, yet under explored regions in Canada.

IMAGE 1: CAPE RAY SHEAR AND THE MAJOR HOLDERS



The Company has defined a JORC resource across the Project of 1.02Moz Au (14.25Mt at 2.2g/t Au) (see Table 1 below). the break down of the resource and classification is shown below.

TABLE 1: CAPE RAY, JORC 2012 CLASSIFIED RESOURCE SUMMARY

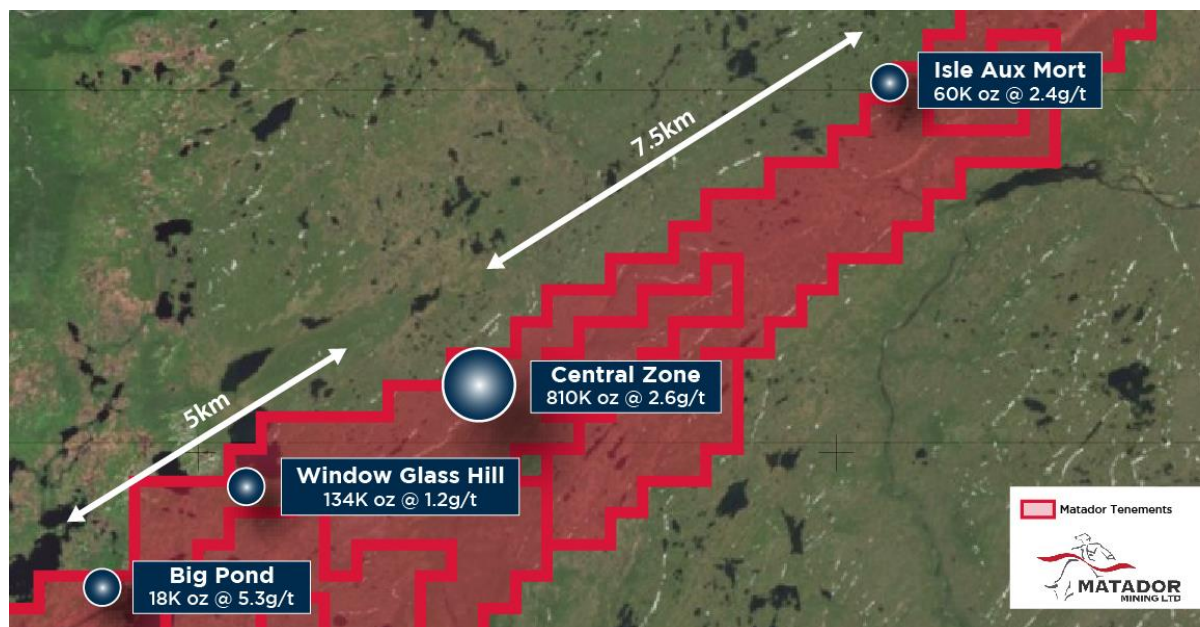
	Indicated			Inferred			Total		
	Mt	Au (g/t)	Koz (Au)	Mt	Au (g/t)	Koz (Au)	Mt	Au (g/t)	Koz (Au)
Central Zone	7.69	2.7	660	2.03	2.3	150	9.72	2.6	810
Isle Aux Mort	-	-	-	0.78	2.4	60	0.78	2.4	60
Big Pond	-	-	-	0.11	5.3	18	0.11	5.3	18
WGH	-	-	-	3.64	1.2	134	3.64	1.2	134
Total	7.69	2.7	660	6.56	1.7	360	14.25	2.2	1,020

MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY

DIRECTORS' REPORT (continued)

The resource is defined across a strike of 14km and four areas, consisting of the Central Zone, WGH, Big Pond and Isle Aux Morts. The location of each deposit is highlighted in Image 2 below.

IMAGE 2: MAP OF RESOURCES LOCATION



A distinct characteristic of the Cape Ray Project is that at each of the individual deposits, mineralisation not only starts from surface, but in most cases has high-grade material within the upper portion of the resource. This has the potential to benefit an open-pit mining operation, as high-grade material would be mined from the commencement of production, with a favourable pre-strip.

Given this, the company announced that they had commenced work on a Development Study. The Study (“**Study**”) will assess an open-pit operation, with the majority of ore expected to be sourced from the flagship Central Zone deposit which hosts an indicated resource of 660,000oz at 2.7g/t Au.¹ Other deposits at the Project – Window Glass Hill, Isle Aux Mort and Big Pond – are less than 7km from Central Zone, these deposits will be assessed as satellite deposits. Window Glass Hill, the largest of the satellite deposits (134,000oz Au)¹, is located only 2km from Central Zone.

As high-grade mineralisation outcrops at surface in Central Zone (and Isle Aux Mort), it is expected that pre-strip and strip ratios will be relatively low. The Company anticipates completing the Study by Q12020.

Work is already under way on a number of the key aspects that will form part of this report. Additional and on-going work required includes the following.

- Resource upgrade
- Pit optimisations
- Preliminary mine schedules and mine design
- Flowsheet development and plant design
- Tailings Management Facility (TMF) design

MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY

DIRECTORS' REPORT (continued)

- Ground water modelling
- Surface water infrastructure
- Operating cost estimates (Class 4)
- Capital Cost Estimates (Class 4)
- Discounted Cashflow Model to demonstrate economics of project

Permitting and Environmental

Activities carried out by the previous owners at the Project have allowed Matador to effectively “pick-up” the work well into the process and draw heavily on previous submissions. This means the Company has saved almost two years of upfront work, such that submissions to regulators can be targeted for Q3 2020, with Project permitting to follow. Estimated timelines towards construction have now been reduced significantly from previous estimations with the Company now targeting project execution by early 2022 and production the year thereafter. Table 2 below highlights the key milestones and timeline to production.

TABLE 2: INDICATIVE 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																

Metallurgical Testwork

The Company completed an initial metallurgical testwork program at the Project in January 2019. The work completed consisted of cyanide leach tests, gravity recovery testwork as well as flotation testwork. The results showed excellent gold recoveries from both the cyanide (average 96% recovery) and the flotation testwork (average 90% recovery) and were in line with results achieved historically. The gravity testwork averaged 28% recoveries and was also in line with historical results. A summary of the results is shown in Table 3 below.

MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY

DIRECTORS' REPORT (continued)

TABLE 3: METALLURGICAL TESTWORK

	Gold Recovery		
	Gravity	Whole Ore Cyanide	Whole Ore Flotation
Central Zone (04)	25%	97%	95%
Central Zone (41)	33%	96%	91%
Isle Aux Mort	9%	95%	80%
Window Glass Hill (WGH)	59%	99%	97%
Big Pond	44%	99%	94%
Average	28%	96%	90%

2019 exploration drill program

The Company commenced a 12,000m drilling campaign in May 2019, aimed primarily at expanding the current JORC Resource of 1.02Moz Au at 2.2g/t Au and following up the brownfield and greenfield targets identified above. Details of the program 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 metre¹), extensions at depth as well as testing geochemical targets along strike.
- **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.
- **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.

Over-subscribed placement raises \$5M

During April, the Company completed a \$5 million capital raising to professional and sophisticated investors ("**Placement**"). The Placement was oversubscribed from both existing and new investors.

The Placement was undertaken in two tranches, the first of which comprised the issue of 13,220,833 shares at a price of \$0.16 per share using the Company's existing placement capacity under Australian Securities Exchange (ASX) Listing Rules 7.1 and 7.1A ("**Tranche One Placement**").

Investors in the Tranche One Placement received one free attaching option for every one share subscribed for ("**Tranche One Options**"). The Tranche One Options have an exercise price of \$0.23,

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

DIRECTORS' REPORT (continued)

with an expiry date of 2 July 2022. The issue of the Tranche One Options was approved by the Company's shareholders at a general meeting held in June 2019 ("**June General Meeting**").

The second tranche, comprising the issue of 18,029,167 shares at a price of \$0.16 per share ("**Tranche Two Placement**"). Investors in the Tranche Two Placement received one free attaching option for every one share subscribed for ("**Tranche Two Options**"). The Tranche Two Options have an exercise price of \$0.23, with an expiry date of 2 July 2022. The Tranche Two Placement was approved by the Company's shareholders at the June General Meeting.

Financial Results

The loss of the Company after providing for income tax for the period ending 30 June 2019 was \$3,321,602 (30 June 2018: \$1,167,506) During the year, total expenses amounted to \$3,386,219 (30 June 2018: \$1,218,848).

Cash and cash equivalents amounted to \$2,956,176 as at 30 June 2019 (30 June 2018: \$6,707,076).

Significant changes in state of affairs

During the year, the following significant changes in the state of affairs of the Company occurred. The Company entered into an agreement to acquire an 80% interest in the Cape Ray Gold Project in Newfoundland, Canada. Shareholder approval for the acquisition of the Cape Ray Gold Project was received on 29 May 2018 and the Company completed the transaction on 3 July 2018.

The Company acquired the remaining 20% of the Project, when it reached agreement with Maple Mining Pty Ltd to acquire 20% of the issued share capital of Matador Canada Pty Ltd, a transaction that was approved by shareholders in June 2019.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

DIRECTORS' REPORT (continued)

Events Subsequent to the End of the Reporting Period

Subsequent to the end of the reporting period the Company:

- On 5 July 2019 the Company repaid the outstanding debt outlined in Note 14 in its entirety.
- Completed the Tranche Two Placement.
- Issued 13,470,834 shares to complete the acquisition of the remaining 20% ownership of the Company's subsidiary Matador Canada Pty Ltd that was owned by Maple Mining Pty Ltd. The Company owns 100% of Matador Canada Pty Ltd and the Cape Ray Gold Project.
- Issued 5,000,000 unquoted options to the Company's corporate advisor.
- Issued 2,040,947 unquoted options to the Company's Executive Directors, Management and consultants under the Company's Employee Securities Incentive Plan.

Other than the above, no other matters or circumstances have arisen since the end of the financial year that significantly affect or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

Likely Developments and Expected Results of Operations

In the opinion of the Directors, there is nothing else to report, except as outlined in the Directors' Report, which relates to likely developments in the operations of the Group and the expected results of those operations in financial years subsequent to 30 June 2019.

Dividends

No dividends have been paid or declared by the Company.

Environmental Regulation

The Company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY

DIRECTORS' REPORT (continued)

Options

As at 30 June 2019, there were 22,950,000 unquoted options and 15,900,001 quoted options on issue.

Date option issued	Expiry date	Exercise price of options	Number under option
7 November 2016 (unquoted)	7/11/2019	\$0.20	7,250,000
30 August 2017 (quoted; ASX Code: MZZO)	30/08/2020	\$0.20	13,822,227
22 November 2017 (quoted; ASX Code: MZZO)	30/08/2020	\$0.20	2,077,774
26 July 2018 (unquoted)	26/07/2020	\$0.40	2,500,000
6 July 2018 (unquoted)	06/07/2021	\$0.40	3,000,000
6 July 2018 (unquoted)	06/07/2021	\$0.55	3,000,000
6 July 2018 (unquoted)	06/07/2021	\$0.70	3,000,000
26 June 2019 (unquoted)	25/06/2022	\$0.40	1,700,000
3 July 2018 (unquoted)	03/07/2020	\$0.30	833,333
6 July 2018 (unquoted)	06/07/2020	\$0.42	1,000,000
6 July 2018 (unquoted)	06/07/2020	\$0.48	666,667
Total issued for the year ended 30 June 2019			38,850,001
Options issued after year end			
2 July 2019 (unquoted)	02/07/2022	\$0.23	31,250,000
5 July 2019 (unquoted)	01/07/2022	Nil	987,337
5 July 2019 (unquoted)	01/07/2024	Nil	1,053,610
Total issued after 30 June 2019			33,290,947

During the year no unquoted options expired or were exercised. No shares were issued during or since the end of the year as a result of the exercise of an option over unissued shares or interests.

Insurance and Indemnification of Officers

The Company's constitution allows the Company to indemnify each Director or Officer of the Company, to the extent permitted by law, against liability incurred in or arising out of the conduct of the business of the Company or the discharge of the duties of the Directors or Officers.

The Group has granted indemnities under deeds of indemnity with its current Directors and Officers. In conformity with the constitution, each deed of indemnity indemnifies the relevant Director or Officer to the full extent permitted by law. Where applicable, each deed of indemnity indemnifies the relevant Director, Officer or employee to the fullest extent permitted by law for liabilities incurred whilst acting as a Director, Officer or employee of the Company, any of its related bodies corporate and any outside entity, where such an office is held at the request of the Company.

The Group has a policy that it will, as a general rule, support and hold harmless an employee who, while acting in good faith, incurs personal liability to others as a result of working for the Group.

No indemnity has been granted to an auditor of the Group in their capacity as auditors of the Group.

During the period, the Group paid insurance premiums (inclusive of fees and charges) in respect of Directors' and Officers' liability insurance of \$13,875 (ex goods and services tax (GST)).

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

DIRECTORS' REPORT (continued)

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against officers in their capacity as officers of entities in the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a wilful breach of duty by the Officers or the improper use by the Officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Company.

Proceedings on Behalf of Company

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

The Company was not a party to any such proceedings during the year.

Information on Directors

Information in relation to the Directors of the Company for the reporting period and up to the date of this report is as follows:

Grant Davey – Non-Executive Director (appointed 3 July 2018)

Experience and expertise

Mr Davey is a mining engineer with over 25 years of senior management and operational experience in the construction and operation of mines in Africa, Australia, South America and Russia. He was previously responsible for the Vaal Reefs South Uranium plant between 2005 and 2008 when it produced up to 6 million pounds of uranium per year and was one of the largest uranium producers in the southern hemisphere at the time.

Other current directorships

Cradle Resources Limited (appointed 27 July 2017)

Graphex Mining Limited (appointed 3 March 2016, resigned 25 September 2019)

Superior Lake Resources Limited (appointed 27 February 2018)

Former directorships in last 3 years

Boss Resources Limited (resigned 7 February 2019)

Cradle Resources Limited (appointed 15 April 2013; resigned 10 November 2015)

Interests in shares and options

250,000 ordinary shares and 66,667 quoted options are held directly

18,159,334 ordinary shares, 66,667 quoted options and 10,562,500 unquoted options are held indirectly

Keith Bowes – Non-Executive Director (appointed 1 February 2019)

Experience and expertise

Mr Bowes is a process engineer with over 20 years' experience in metallurgy, project management and operations. He has worked in Africa, South America and Australia for major mining houses on projects and plants covering a wide range of commodities and processes. He led the study team involved in the development of the world class Panda Hill Niobium Project located in Tanzania and is currently involved in a number of new developments including; uranium in South Australia, graphite in Africa and base metal and gold projects in North America and Africa.

Other current directorships

Nil

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

DIRECTORS' REPORT (continued)

Former directorships in last 3 years

Nil

Interests in shares and options

40,000 ordinary shares, 1,456,000 unquoted options held indirectly

Adam Kiley – Non-Executive Director (appointed 1 February 2019)

Experience and expertise

Mr Kiley has over 15 years' experience in the mining sector with a depth of experience in providing corporate and financial advisory services to ASX listed companies in both Australia and the United Kingdom.

Other current directorships

Nil

Former directorships in last 3 years

Nil

Interests in shares and options

12,000 ordinary shares held directly

1,100,000 ordinary shares and 2,156,000 unquoted options are held indirectly

Paul Criddle – Managing Director (appointed 20 July 2018, resigned 1 February 2019)

Experience and expertise

Mr Criddle is an experienced metallurgist and project developer who graduated from Murdoch University and is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Criddle previously held senior corporate and executive operational roles at Roxgold Inc., Azimuth Resources, Perseus Mining, Mineral Deposits and Placer Dome. In the last 20 years, he has been involved in mining operations and development projects in Australia, Papua New Guinea, Tanzania, Senegal, Ghana, Cote d'Ivoire, Guyana and Burkina Faso.

Other current directorships

None

Former directorships in last 3 years

None

Interests in shares and options

2,500,000 unquoted options are held directly

Marat Abzalov – Non-Executive Director (resigned 1 February 2019)

Experience and expertise

Dr Abzalov obtained a PHD in geology in 1987 and has undertaken post graduate studies in Applied Mathematics and Geostatistics. He has over 30 years' experience including with WMC Resources Limited and also with Rio Tinto Limited. He has managed and consulted to a wide range of mining projects including technical reviews, and detailed studies varying from scoping to bankable feasibility. He has a solid expertise in all aspects of exploration programs and ore body knowledge, with an emphasis in geostatistical resource estimation, sampling and quality assurance/control and geological/mathematical 3D modelling.

Other current directorships

None

Former directorships in last 3 years

Boss Resources Limited (appointed 2 April 2014; resigned 1 August 2017)

Primary Gold Ltd (appointed 23 June 2016; resigned 31 December 2017)

Interests in shares and options

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

DIRECTORS' REPORT (continued)

500,000 ordinary shares, 1,000,000 unquoted options and 333,334 quoted options are held directly
Peter Woods – Non-Executive Director (resigned 1 February 2019)

Experience and expertise

Mr Woods holds a Graduate Diploma of Applied Finance and Bachelor of Commerce from University of Western Australia. Mr Woods has been involved in the financial services industry for 10 years with a focus on wealth advisory and raising capital for both unlisted and listed companies. Previous advisory roles included periods at two of Australia's leading independent investment and wealth management firms, Shaw & Partners (Melbourne) and Euroz Securities, where he gained extensive equity capital market experience advising on a broad range of instruments including equities, derivatives and alternative assets.

Other current directorships

Bunji Corporation Limited (appointed 24 August 2018)

Former directorships in last 3 years

None

Interests in shares and options

666,666 ordinary shares, 1,000,000 unquoted options and 333,334 quoted options are held indirectly

Scott Patrizi – Executive Director (resigned 3 July 2018)

Experience and expertise

Mr Patrizi is a corporate finance professional previously employed with Deloitte. Mr Patrizi holds a Bachelor of Commerce from the University of Western Australia. During his time at Deloitte, Mr Patrizi worked across a wide range of industries including mining, oil and gas, healthcare, education and private equity providing merger and acquisition, valuation and due diligence services. Prior to Deloitte, Mr Patrizi worked for Argonaut, a full service advisory, stockbroking & research and investment house focussed on clients in the natural resources sector where he gained significant equity capital market experience.

Other current directorships

Clancy Exploration Limited (appointed 7 July 2016)

Elixir Petroleum Ltd (appointed 12 October 2016)

Former directorships in last 3 years

None

Interests in shares and options (as at date of resignation)

1 ordinary share is held directly

600,000 ordinary shares, 1,000,000 unquoted options and 366,668 quoted options are held indirectly

Patrick Walta – Non-Executive Director (resigned 3 July 2018)

Experience and expertise

Mr Walta graduated from Melbourne University with degrees in Chemical Engineering and Science. He has also completed post graduate studies including an MBA, Diploma of Project Management and Masters in Mineral Economics. He is an experienced metallurgist and mineral economist, having previously worked in both technical and commercial roles across the mining and water treatment industries.

Other current directorships

New Century Resources Ltd (appointed 13 July 2017)

Former directorships in last 3 years

Primary Gold Ltd (appointed 23 June 2016; resigned 31 May 2017)

Carbine Resources Ltd (appointed 3 April 2014; resigned 13 April 2016)

Interests in shares and options

MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY

DIRECTORS' REPORT (continued)

500,000 ordinary shares, 1,000,000 unquoted options and 333,334 quoted options are held directly

Directors' Meetings

During the financial year, three meetings of Directors were held. Attendances by each Director during the year were as follows:

	Directors' Meetings	
	Eligible to Attend	Attended
Grant Davey (appointed 3 July 2018)	3	3
Keith Bowes (appointed 1 February 2019)	1	1
Adam Kiley (appointed 1 February 2019)	1	1
Paul Criddle (resigned 1 February 2019)	2	2
Marat Abzalov (resigned 1 February 2019)	2	1
Peter Woods (resigned 1 February 2019)	2	2
Scott Patrizi (resigned 3 July 2018)	-	-
Patrick Walta (resigned 3 July 2018)	-	-

Company Secretary

The following persons held the position of company secretary at the end of the financial year:

Stuart McKenzie (appointed 1 February 2019)

Mr McKenzie has over 30 years of experience in senior commercial roles with IMX Resources, Anvil Mining Limited, Ok Tedi Mining Limited, Ernst and Young and HSBC. Stuart holds a Bachelor of Laws a Bachelor of Economics and is a member of the Governance Institute of Australia.

Mathew O'Hara (appointed 22 October 2018, resigned 1 February 2019)

Mr O'Hara has over 14 years' experience in corporate finance, accounting and governance and has been employed by, and acted as, company secretary and CFO of several companies in the resource sector. Mr O'Hara has a Bachelor of Commerce.

Oonagh Malone (resigned 22 October 2018)

Ms Malone is a principal of a corporate advisory firm which provides company secretarial and administrative services. She has almost 10 years' experience in administrative and company secretarial roles for listed companies and is a member of the Governance Institute of Australia. She currently acts as company secretary for ASX-listed companies New Century Resources Ltd, Boss Resources Ltd, Bunji Corporation Ltd and Clancy Exploration Ltd, and is a Non-Executive Director and Company Secretary of Hawkstone Mining Limited and Carbine Resources Ltd.

Remuneration Report - audited

The information provided in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001.

Remuneration policy

In determining competitive remuneration rates, the Board seeks independent advice on local and international trends among comparative companies and industry generally.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

DIRECTORS' REPORT (continued)

Independent advice may be obtained to confirm that executive remuneration is in line with market practice and is reasonable in the context of Australian executive reward practices.

Performance-based remuneration

The Board recognises that the Company operates in a global environment. To prosper in this environment the Company must attract, motivate and retain key executive staff.

The principles supporting the remuneration policy are that:

- reward reflects the competitive global market in which the Company operates;
- rewards to executives are linked to creating value for shareholders;
- remuneration arrangements are equitable and facilitate the development of senior management across the Company;
- where appropriate, senior managers receive a component of their remuneration in equity to align their interests with those of the shareholders; and
- long term incentives are used to ensure that remuneration of key management personnel reflects the Company's financial performance, with particular emphasis on the Company's growth and the consequence of the Company's performance on shareholder wealth.

Additional information for consideration of shareholder wealth

This table summarises the earnings of the consolidated entity and other factors that are considered to affect shareholder wealth.

	2019	2018
Loss after income tax attributable to shareholders (\$)	(3,321,601)	(1,167,506)
Share price at financial year end (\$)	0.18	0.31
Movement in share price for the year (\$)	(0.13)	0.12
Total dividends declared (cents per share)	-	-
Basic loss per share (cents per share)	(5.85)	(4.74)

MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY

DIRECTORS' REPORT (continued)

Market Comparisons

Consistent with attracting and retaining talented executives, the Board endorses the use of incentives under the Employee Securities Incentive Plan. The Board continues to seek external advice to ensure reasonableness in remuneration scale and structure, and to compare the Company's position with the external market. The impact and high cost of replacing senior employees and the competition for talented executives requires the Board to reward key employees when they deliver consistently high performance.

Board Remuneration

The Board determines fees paid to Directors and reviews their remuneration annually based on independent external advice with regard to market practice, relativities, and the duties and accountabilities of Directors. A review of Directors' remuneration is conducted annually to benchmark overall remuneration including retirement benefits.

Directors' Fees

Executive

The objective of the Company's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The framework aligns executive reward with achievement of strategic objectives and the creation of value for shareholders.

The Board ensures that executive reward satisfies the following key criteria for good reward corporate governance practices:

- Competitiveness and reasonableness;
- Acceptability to shareholders;
- Performance linkage/alignment of executive compensation;
- Transparency; and
- Capital management.

The Company has structured an executive framework that is market competitive and complementary to the reward strategy for the organisation.

The Board's policy for determining the nature and amount of remuneration for Board members and executives of the Company is as follows:

- The remuneration policy, setting the terms and conditions for executive Directors and executives, was developed and approved by the Board. All executives receive a fee, part of which may be taken as superannuation, and from time to time, options. Options issued to Directors are subject to approval by Shareholders. The Board reviews executive packages regularly by reference to the Company's performance, executives' performance and comparable information from industry sectors and other listed companies in similar industries. The Board may in its discretion establish a performance based bonus system to provide reward in addition to the base salary level to the executives on such terms as the Board may determine.
- Salaried executive Directors and specified executives are allocated superannuation guarantee contributions as required by law, and do not receive any other retirement benefits. From time to time, some individuals may choose to sacrifice their salary or consulting fees to increase payments towards superannuation.
- All remuneration paid to Directors and specified executives is valued at the cost to the Company and expensed. Options are valued using either the ASX trading price (for listed options issued) or the Black-Scholes methodology (for unlisted options issued).

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

DIRECTORS' REPORT (continued)

Service Agreements

A summary of service agreements entered into with Executives is set out below:

Executive	Term of Agreement	Base salary per annum including any superannuation ¹ (Non-performance based)	Termination Conditions	Proportion of elements of remuneration related to performance
Mr Paul Criddle ²	No specified term	\$306,000	3-month notice period	n/a
Mr Keith Bowes ³	No specified term	\$120,000	6-month notice period	n/a
Mr Adam Kiley ³	No specified term	\$120,000	6-month notice period	n/a

¹ Base salary quoted is the position as at 30 June 2019; salaries are reviewed annually.

² Mr Criddle was appointed on 20 July 2018 and resigned on 1 February 2019 and did not receive any remuneration for the year ended 30 June 2018.

³ Mr Bowes and Mr Kiley were appointed 1 February 2019 and did not receive any remuneration for the year ended 30 June 2018.

Non-Executive Remuneration

Shareholders approve the maximum aggregate remuneration for non-executive Directors. The maximum aggregate remuneration approved for Non-Executive Directors is currently \$300,000.

It is recognised that non-executive Director remuneration is ideally structured to exclude equity-based remuneration. However, whilst the Company remains small and not generating income it is in shareholders interests to remunerate Director with equity incentives rather than primarily as cash salaries or fees.

Bonus or Profit Participation Plan

Performance incentives may be offered to executive Directors and Senior Management of the Company through the operation of Employee Securities Incentive Plan at the ultimate discretion of the Board.

Management Options

During the year ended 30 June 2019, there was 13,200,000 unlisted options granted to Directors and key management personnel (2018: nil).

The options below were issued to the following Directors and key management personnel during the year ended 30 June 2019 as part of their performance-based remuneration:

MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY

DIRECTORS' REPORT (continued)

	Number of options issued	Exercise price	Total value of options	Expiry date	Options expensed in 2019
Mr. Grant Davey	3,000,000	\$0.40	606,600	06/07/21	606,600
Mr. Grant Davey	3,000,000	\$0.55	538,800	06/07/21	538,800
Mr. Grant Davey	3,000,000	\$0.70	486,900	06/07/21	486,900
Mr. Keith Bowes	1,000,000	\$0.40	136,300	02/07/22	136,300
Mr. Adam Kiley	700,000	\$0.40	95,410	02/07/22	95,410
Mr. Paul Criddle	2,500,000	\$0.40	370,750	26/07/20	370,750
Total	13,200,000		2,234,760		2,234,760

Details of remuneration for year ended 30 June 2019

Details of the remuneration of the Directors and key management personnel of the Company (as defined in AASB 124 *Related Party Disclosures*) are set out in the following tables.

	Salary, Fees and Commissions	Super-annuation Contribution	Non-cash Benefits	Share-based payments	Total
	\$	\$	\$	\$	\$
Key Management Person					
Mr. Grant Davey ¹	90,000	-	-	1,632,300	1,722,300
Mr. Keith Bowes ²	50,000	-	-	136,300	186,300
Mr. Adam Kiley ²	50,000	-	-	95,410	145,410
Mr. Paul Criddle ^{3,4}	168,353	14,173	-	370,750	553,276
Mr. Marat Abzalov ⁴	19,178	1,822	-	-	21,000
Mr. Peter Woods ⁴	19,178	1,822	-	-	21,000
Mr. Scott Patrizi ⁵	-	-	-	-	-
Mr. Patrick Walta ⁵	-	-	-	-	-
Mr. Stuart McKenzie ²	29,656	-	-	-	29,656
Mr. Mathew O'Hara ^{4,7}	4,000	-	-	-	4,000
Ms. Oonagh Malone ⁶	10,000	-	-	-	10,000
Total	440,365	17,816	-	2,234,760	2,692,942

¹ Appointed 3 July 2018

² Appointed 1 February 2019

³ Appointed 20 July 2018

⁴ Resigned 1 February 2019

⁵ Resigned 3 July 2018

⁶ Resigned 22 October 2018

⁷ Appointed 22 October 2018

MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY

DIRECTORS' REPORT (continued)

Details of remuneration for year ended 30 June 2018

Details of the remuneration of the Directors and key management personnel of the Company (as defined in AASB 124 *Related Party Disclosures*) are set out in the following tables.

	Salary, Fees and Commissions \$	Super- annuation Contribution \$	Non-cash Benefits \$	Share- based payments \$	Total \$
Key Management Person					
Mr Scott Patrizi ¹	46,000	-	-	-	46,000
Mr Patrick Walta ¹	36,000	-	-	-	36,000
Dr Marat Abzalov	32,877	3,123	-	-	36,000
Mr Peter Woods	32,877	3,123	-	-	36,000
Ms Oonagh Malone	24,000	-	-	-	24,000
Total	171,754	6,246	-	-	178,000

¹ Resigned 3rd July 2018

Equity instrument disclosures relating to key management personnel

(i) Share holdings

The numbers of shares in the Company held during the financial year by each Director of Matador and other key management personnel of the Company, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

2019	Balance at the start of the year	Received during the year on exercise of options	Balance on appointment / (resignation)	Other changes during the year	Balance at the end of the year
Ordinary shares					
Mr. Grant Davey	-	-	1,165,000	1,571,900	2,736,900
Mr. Keith Bowes	-	-	-	40,000	40,000
Mr. Adam Kiley	-	-	100,000	12,000	112,000
Mr. Paul Criddle	-	-	-	-	-
Mr Scott Patrizi	600,001	-	(550,001)	-	-
Mr Patrick Walta	500,000	-	(500,000)	-	-
Dr Marat Abzalov	500,000	-	(500,000)	-	-
Mr Peter Woods	666,666	-	(666,666)	-	-
Ms Oonagh Malone	250,000	-	(250,000)	-	-
Total	2,516,667	-	(1,201,667)	1,623,900	2,888,900

MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY

DIRECTORS' REPORT (continued)

2018	Balance at the start of the year	Received during the year on exercise of options	Other changes during the year	Balance at the end of the year
Ordinary shares				
Mr Scott Patrizi	550,001	-	50,000	600,001
Mr Patrick Walta	500,000	-	-	500,000
Dr Marat Abzalov	500,000	-	-	500,000
Mr Peter Woods	500,000	-	166,666	666,666
Ms Oonagh Malone	250,000	-	-	250,000
Total	2,300,001	-	216,666	2,516,667

ii) Option holdings

The numbers of options over ordinary shares in the Company held during the financial year ended 30 June 2019 by each Director of Matador and other key management personnel of the Company, including their personally related parties, are set out below.

2019	Balance at start of the year	Granted as Compensation	Acquired	Lapsed/ Forfeited	Balance on appointment / (resignation)	Balance at end of the year	Vested
G Davey	-	9,000,000	-	-	133,334	10,695,834	10,695,834
K Bowes	-	1,000,000	-	-	-	1,456,000	1,456,000
A Kiley	-	700,000	-	-	-	2,156,000	2,156,000
P Criddle	-	2,500,000	-	-	(2,500,000)	-	-
S Patrizi	1,366,668	-	-	-	(1,366,668)	-	-
P Walta	1,333,334	-	-	-	(1,333,334)	-	-
M Abzalov	1,333,334	-	-	-	(1,333,334)	-	-
P Woods	1,333,334	-	-	-	(1,333,334)	-	-
O Malone	416,667	-	-	-	(416,667)	-	-
Total	5,783,337	13,200,000	-	-	(8,150,003)	14,307,834	14,307,834

2018	Balance at start of the year	Granted as Compensation	Acquired	Lapsed/ Forfeited	Balance at end of the year	Vested	Escrowed until 7 Nov 2018
S Patrizi	1,000,000	-	366,668	-	1,366,668	1,366,668	1,000,000
P Walta	1,000,000	-	333,334	-	1,333,334	1,333,334	1,000,000
M Abzalov	1,000,000	-	333,334	-	1,333,334	1,333,334	1,000,000
P Woods	1,000,000	-	333,334	-	1,333,334	1,333,334	1,000,000
O Malone	250,000	-	166,667	-	416,667	416,667	250,000
Total	4,250,000	-	1,533,337	-	5,783,337	5,783,337	4,250,000

iii) Shares provided on exercise of remuneration options

During the reporting period, no shares were issued to Directors or key management personnel on the exercise of options previously granted as remuneration.

This is the end of the audited Remuneration report.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

DIRECTORS' REPORT (continued)

Non-audit services

No non-audit services were performed by the Company's auditor, Walker Wayland WA Audit Pty Ltd, during the year ended 30 June 2019 (2018: nil)

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under s 307C of the *Corporations Act 2001* is set out on page 30.

No officer of the Company is or has been a partner/Director of any auditor of the Company.

This Directors' Report is signed in accordance with a resolution of the Board of Directors.

Annual Statement of Ore Reserves and Mineral Resources

Mineral Resource Estimate as at 26 September 2019

	Indicated			Inferred			Total		
	Mt	Au (g/t)	Koz (Au)	Mt	Au (g/t)	Koz (Au)	Mt	Au (g/t)	Koz (Au)
Central Zone	7.69	2.7	660	2.03	2.3	150	9.72	2.6	
Isle Aux Mort	-	-	-	0.78	2.4	60	0.78	2.4	
Big Pond	-	-	-	0.11	5.3	18	0.11	5.3	
WGH	-	-	-	3.64	1.2	134	3.64	1.2	
Total	7.69	2.7	660	6.56	1.7	360	14.25	2.2	1,020

Note: reported at 0.5 g/t Au cutoff grade

Competent persons' statements

Mineral Resources

The information contained in this report that relates to mineral resource estimates for 51 and Window Glass Hill is based on, and fairly reflects, information compiled by Mr. Marc Jutras, an independent consultant to Matador Mining Limited. Mr. Marc Jutras is a (P.Eng., Association of Professional Engineers and Geoscientist of British Columbia) and was engaged as a consultant to Matador to sign off on the JORC (2012) resource. Mr. Jutras 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 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Jutras consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information contained in this report that relates to mineral resource estimates for 04, 41, PW, H, Big Pond and Isle Aux Mort is based on, and fairly reflects, information compiled by Mr. Alfred Gillman, an independent consultant to Matador Mining Limited. Mr. Alfred Gillman is a Fellow and Chartered Professional of the Australian Institute of Mining and Metallurgy and was engaged as a consultant to Matador Mining Limited to complete the JORC (2012) resource. Mr. Gillman has sufficient experience which is relevant to the style of mineralisation and type of deposit under

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

DIRECTORS' REPORT (continued)


consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr. Gillman consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Ore Reserves and Mineral Resources Governance

Matador reviews its Mineral Resource and Ore Reserve estimates on an annual basis. The Annual Statement of Mineral Resources and Ore Reserves (see page 30) is prepared in accordance with the JORC Code 2012 and the ASX Listing Rules.

Competent Persons named by the Company are members of the Australian Institute of Mining and Metallurgy and/or the Australian Institute of Geoscientists and qualify as Competent Persons as defined under the JORC Code 2012.

The Company engages external consultants and Competent Persons to prepare and calculate estimates of its Mineral Resources and Ore Reserves. These estimates and underlying assumptions are reviewed by the Directors and management for reasonableness and accuracy. The results of the Mineral Resource and Ore Reserve estimates are then reported in accordance with the JORC Code 2012 and the ASX Listing Rules. Where material changes occur to a project during the period, including the project's size, title, exploration results or other technical information, previous resource estimates and market disclosures are reviewed for completeness. The Company reviews its Mineral Resources and Ore Reserves as at 30 June each year and where a material change has occurred in the assumptions or data used in previously reported Mineral Resources and Ore Reserves, a revised estimate will be prepared as part of the annual review process.



Grant Davey
Non-Executive Director

Dated this 27th day of September 2019

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

CORPORATE GOVERNANCE STATEMENT

Matador and the Board are committed to achieving and demonstrating the highest standards of corporate governance. Matador has reviewed its corporate governance practices against the Corporate Governance Principles and Recommendations (3rd edition) published by the ASX Corporate Governance Council.

The 2019 corporate governance statement is dated as at 30 June 2019 and reflects the corporate governance practices in place throughout the 2019 financial year. The 2019 corporate governance statement was approved by the Board on 26 September 2019. A description of the Group's current corporate governance practices is set out in the Group's corporate governance statement which can be viewed on the Company's website at www.matadormining.com.au.

**Auditor's Independence Declaration
Under Section 307c of the Corporations Act 2001
To The Directors of Matador Mining Limited and Controlled Entity**

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2019 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Walker Wayland WA Audit Pty Ltd

WALKER WAYLAND WA AUDIT PTY LTD



**John Dorazio FCA
Director**

Level 3, 1 Preston Street, COMO WA 6152

Dated this 27th day of September 2019

MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2019

	Note	2019 \$	2018 \$
Revenue			
Other income	3	64,618	51,342
Total revenue		<u>64,618</u>	<u>51,342</u>
Expenses			
Administration expenses	3	(616,605)	(311,195)
Consultants and management expenses	3	(458,181)	(222,597)
Depreciation and Amortisation	11	(10,970)	(921)
Share based payments expense	16	(2,234,760)	-
Exploration costs expensed or written off	5	-	(684,135)
Business development costs		(65,703)	-
Total expenses		<u>(3,386,219)</u>	<u>(1,218,848)</u>
Loss before income tax		(3,321,601)	(1,167,506)
Income tax expense	6	-	-
Loss for the year		<u>(3,321,601)</u>	<u>(1,167,506)</u>
Other comprehensive income		-	-
Items that will not be reclassified subsequently to profit or loss		-	-
Total other comprehensive income for the year, net of tax		-	-
Total comprehensive loss for the year		<u>(3,321,601)</u>	<u>(1,167,506)</u>
Loss attributable to:			
Members of the Company		<u>(3,321,601)</u>	<u>(1,167,506)</u>
Total comprehensive income attributable to:			
Members of the Company		<u>(3,321,601)</u>	<u>(1,167,506)</u>
Basic and diluted loss per share (cents per share)	19	(5.85)	(4.74)

The accompanying notes form part of these financial statements.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	7	2,956,176	6,707,076
Trade and other receivables	8	352,179	52,278
Other current assets	9	61,780	59,467
TOTAL CURRENT ASSETS		3,370,135	6,818,821
NON-CURRENT ASSETS			
Exploration and evaluation assets	10	9,990,300	3,800,000
Property, plant and equipment	11	69,455	46,686
TOTAL NON-CURRENT ASSETS		10,059,755	3,846,686
TOTAL ASSETS		13,429,890	10,665,507
LIABILITIES			
CURRENT LIABILITIES			
Funds received for shares to be issued	12	1,253,882	-
Trade and other payables	13	510,713	3,563,884
Borrowings	14	526,376	-
TOTAL LIABILITIES		2,290,971	3,563,884
NET ASSETS		11,138,919	7,101,623
EQUITY			
Contributed equity	15	13,067,698	8,328,517
Reserves	16	2,805,860	186,144
Accumulated losses		(4,734,639)	(1,413,038)
TOTAL EQUITY		11,138,919	7,101,623

The accompanying notes form part of these financial statements.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	Contributed Equity \$	Option Reserve \$	Foreign currency translation reserve \$	Accumulated Losses \$	Total \$
At 1 July 2018		8,328,517	186,144	-	(1,413,038)	7,101,623
Loss for the year		-	-	-	(3,321,601)	(3,321,601)
Currency translation gain		-	-	256	-	256
Other comprehensive income for the year		-	-	-	-	-
Total other comprehensive income		-	-	-	-	-
Total comprehensive loss		-	-	256	(3,321,601)	(3,321,345)
Transactions with owners, in their capacity as owners						
Issue of 8,833,000 shares for acquisition of Cape Ray Project	15	2,586,500	-	-	-	2,586,500
Issue of shares to consultants	15	50,000	-	-	-	50,000
Placement of shares at \$0.16 per share	15	2,115,333	-	-	-	2,115,333
Issue of options for the acquisition of Cape Ray	16	-	384,700	-	-	384,700
Issue of options to Directors and employees	16	-	2,234,760	-	-	2,234,760
Transaction costs	15	(12,652)	-	-	-	(12,652)
		4,739,181	2,619,460	-	-	7,358,641
Balance at 30 June 2019		13,067,698	2,805,604	256	(4,734,639)	11,138,919

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2019**

	Contributed Equity	Option Reserve	Accumulated Losses	Total
Note	\$	\$	\$	\$
At 1 July 2017	3,376,933	27,144	(245,532)	3,158,545
Loss for the year	-	-	(1,167,506)	(1,167,506)
Other comprehensive income for the year	-	-	-	-
Total other comprehensive income	-	-	-	-
Total comprehensive loss	-	-	(1,167,506)	(1,167,506)
Transactions with owners, in their capacity as owners				
Issue of 1,000,000 shares for acquisition of Cape Ray Project	300,000	-	-	300,000
Placement of 20,000,000 shares at \$0.25 per share	5,000,000	-	-	5,000,000
Issue of 15,900,001 options at \$0.01	-	159,000	-	159,000
Transaction costs	(348,416)	-	-	(348,416)
	4,951,584	159,000	-	5,110,584
Balance at 30 June 2018	8,328,517	186,144	(1,413,038)	7,101,623

The accompanying notes form part of these financial statements.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2019**

	Note	2019 \$	2018 \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(1,034,130)	(558,064)
Payments for expenditure on mining interests		(5,837,190)	(467,682)
Other income		64,618	51,255
Net cash from operating activities	22	(6,806,702)	(974,491)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for acquisition of mining tenements		(3,400,000)	(100,000)
Payments for property, plant and equipment		(33,740)	(47,607)
Payments for security bonds		-	(50,000)
Net cash from investing activities		(3,433,740)	(197,607)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		4,751,836	5,000,000
Proceeds from shares yet to be issued		1,253,882	-
Proceeds from loan		500,000	-
Proceeds from issue of options		-	159,000
Share issue transaction costs		(12,655)	(298,416)
Net cash from financing activities		6,493,063	4,860,584
Net increase in cash held		(3,747,379)	3,688,486
Opening cash and cash equivalents		6,707,076	3,018,590
Effects of exchange rate changes on cash and cash equivalents		(3,521)	-
Cash and cash equivalents at end of year	7	2,956,176	6,707,076

The accompanying notes form part of these financial statements.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

The financial statements and notes represent those of Matador Mining Limited, which is a company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised for issue on 27 September 2019 by the Directors of Matador Mining Limited.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

New and amended standards adopted by the Company

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2018 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

Historical cost convention

These financial statements have been prepared on an accruals basis under the historical cost convention, as modified by the revaluation of certain classes of property, plant and equipment.

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 1(o).

Going concern assessment

As at 30 June 2019, the Group had working capital surplus of \$1,079,164 (30 June 2018: surplus of \$3,254,937) and returned a loss attributable to owners of \$3,321,601 (30 June 2018: \$1,167,506). The Group has entered into an unsecured loan facility of up to \$500,000 with an entity associated with Director Mr. Grant Davey, to assist with meeting its financial commitments. This loan was repaid in July 2019.

The ability of the Group to continue as a going concern is dependent upon the future successful raising of the necessary funding through equity and/or debt and the successful exploitation of the Group's tenements.

The Directors believe it is appropriate to prepare the Financial Statements on a going concern basis because the Directors have appropriate plans to raise additional funds if required.

These Financial Statements have been prepared on the basis that the Group can meet its commitments as and when they fall due and can therefore continue normal business activities and the realisation of its assets and settlement of its liabilities can occur in the ordinary course of business.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Accounting Policies

a. Accounting Principles

The financial statements incorporate all of the assets, liabilities and results of the Matador Mining Limited and its subsidiaries.

Principles of consolidation

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

b. Income Tax

The income tax expense (income) for the year comprises current income tax expense (income) and deferred tax expense (income).

Current income tax expense charged to profit or loss is the tax payable on taxable income. Current tax liabilities (assets) are therefore measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense (income) is charged or credited outside profit or loss when the tax relates to items that are recognised outside profit or loss.

Except for business combinations, no deferred income tax is recognised from the initial recognition of an asset or liability, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled and their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability. With respect to non-depreciable items of property, plant and equipment measured at fair value and items of investment property measured at fair value, the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of the asset will be recovered entirely through sale. When an investment property that is depreciable is held by the Company in a business model whose objective is to consume substantially all of the economic benefits embodied in the property through use over time (rather than through sale), the related deferred tax liability or deferred tax asset is measured on the basis that the carrying amount of such property will be recovered entirely through use.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profit will be available against which the benefits of the deferred tax asset can be utilised.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Where temporary differences exist in relation to investments in subsidiaries, branches, associates and joint ventures, deferred tax assets and liabilities are not recognised where the timing of the reversal of the temporary difference can be controlled and it is not probable that the reversal will occur in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where: (a) a legally enforceable right of set-off exists; and (b) the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

c. Fair Value of Assets and Liabilities

The Company measures some of its assets and liabilities at fair value on either a recurring or non-recurring basis, depending on the requirements of the applicable Accounting Standard.

Fair value is the price the Company would receive to sell an asset or would have to pay to transfer a liability in an orderly (ie unforced) transaction between independent, knowledgeable and willing market participants at the measurement date.

As fair value is a market-based measure, the closest equivalent observable market pricing information is used to determine fair value. Adjustments to market values may be made having regard to the characteristics of the specific asset or liability. The fair values of assets and liabilities that are not traded in an active market are determined using one or more valuation techniques. These valuation techniques maximise, to the extent possible, the use of observable market data.

To the extent possible, market information is extracted from either the principal market for the asset or liability (ie the market with the greatest volume and level of activity for the asset or liability) or, in the absence of such a market, the most advantageous market available to the entity at the end of the reporting period (ie the market that maximises the receipts from the sale of the asset or minimises the payments made to transfer the liability, after taking into account transaction costs and transport costs).

For non-financial assets, the fair value measurement also takes into account a market participant's ability to use the asset in its highest and best use or to sell it to another market participant that would use the asset in its highest and best use.

The fair value of liabilities and the entity's own equity instruments (excluding those related to share based payment arrangements) may be valued, where there is no observable market price in relation to the transfer of such financial instrument, by reference to observable market information where such instruments are held as assets. Where this information is not available, other valuation techniques are adopted and, where significant, are detailed in the respective note to the financial statements.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

d. Financial Instruments

Initial recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the financial instrument. For financial assets, this is equivalent to the date that the entity commits itself to either purchase or sell the asset (ie trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified “at fair value through profit or loss” in which case transaction costs are recognised as expenses in profit or loss immediately.

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest method or cost. Where available, quoted prices in an active market are used to determine fair value. In other circumstances, valuation techniques are adopted.

Amortised cost is calculated as the amount at which the financial asset or financial liability is measured at initial recognition less repayments made and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the *effective interest method*.

The *effective interest method* is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying amount with a consequential recognition of an income or expense item in profit or loss.

The Company does not designate any interests in subsidiaries, associates or joint ventures as being subject to the requirements of Accounting Standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at “fair value through profit or loss” when they are held for trading for the purpose of short-term profit taking, derivatives not held for hedging purposes, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed by key management personnel on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying amount being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial asset is derecognised.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

(iii) *Financial liabilities*

Non-derivative financial liabilities other than financial guarantees are subsequently measured at amortised cost. Gains or losses are recognised in profit or loss through the amortisation process and when the financial liability is derecognised.

Impairment

At the end of each reporting period, the Company assesses whether there is objective evidence that a financial asset has been impaired. A financial asset (or a group of financial assets) is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events (a "loss event") having occurred, which has an impact on the estimated future cash flows of the financial asset(s).

In the case of available-for-sale financial assets, a significant or prolonged decline in the market value of the instrument is considered to constitute a loss event. Impairment losses are recognised in profit or loss immediately. Also, any cumulative decline in fair value previously recognised in other comprehensive income is reclassified into profit or loss at this point.

In the case of financial assets carried at amortised cost, loss events may include: indications that the debtors or a group of debtors are experiencing significant financial difficulty, default or delinquency in interest or principal payments; indications that they will enter bankruptcy or other financial reorganisation; and changes in arrears or economic conditions that correlate with defaults.

For financial assets carried at amortised cost (including loans and receivables), a separate allowance account is used to reduce the carrying amount of financial assets impaired by credit losses. After having taken all possible measures of recovery, if the Directors establish that the carrying amount cannot be recovered by any means, at that point the anticipated loss is charged to the allowance account or the carrying amount of impaired financial assets is reduced directly if no impairment amount was previously recognised in the allowance account.

When the terms of financial assets that would otherwise have been past due or impaired have been renegotiated, the Company recognises the impairment for such financial assets by taking into account the original terms as if the terms have not been renegotiated so that the loss event that has occurred is duly considered.

Derecognition

Financial assets are derecognised when the contractual rights to receipt of cash flows expire or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised when the related obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

e. Employee Benefits

Short-term employee benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

The Company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as part of current trade and other payables in the statement of financial position. The Company's obligations for employees' annual leave and long service leave entitlements are recognised as provisions in the statement of financial position.

Other long-term employee benefits

Provision is made for employees' long service leave and annual leave entitlements not expected to be settled wholly within 12 months after the end of the annual reporting period in which the employees render the related service. Other long-term employee benefits are measured at the present value of the expected future payments to be made to employees. Expected future payments incorporate anticipated future wage and salary levels, durations of service and employee departures and are discounted at rates determined by reference to market yields at the end of the reporting period on government bonds that have maturity dates that approximate the terms of the obligations. Upon the re-measurement of obligations due to changes in assumptions for other long-term employee benefits, the net change in the obligation is recognised in profit or loss as part of employee benefits expense in the periods in which the changes occur.

The Company's obligations for long-term employee benefits are presented as non-current provisions in its statement of financial position, except where the Company does not have an unconditional right to defer settlement for at least 12 months after the end of the reporting period, in which case the obligations are presented as current provisions.

f. Provisions

Provisions are recognised when the Company has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured.

Provisions are measured using the best estimate of the amounts required to settle the obligation at the end of the reporting period.

g. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at-call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown as borrowings in current liabilities on the statement of financial position.

h. Exploration and Evaluation Expenditure Assets

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the statement of financial position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the period in which the decision is made.

Costs incurred before the Company has obtained the legal rights to explore an area are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

i. Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred for more than one year is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

Interest revenue is recognised using the effective interest method, which for floating rate financial assets is the rate inherent in the instrument.

Dividend revenue is recognised when the right to receive a dividend has been established.

All revenue is stated net of the amount of goods and services tax.

j. Trade and Other Receivables

Trade and other receivables include amounts due from customers for goods sold and services performed in the ordinary course of business. Receivables expected to be collected within 12 months of the end of the reporting period are classified as current assets. All other receivables are classified as non-current assets.

Trade and other receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Refer to Note 1(d) for further discussion on the determination of impairment losses.

k. Trade and Other Payables

Trade and other payables represent the liabilities for goods and services received by the Company that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of recognition of the liability.

l. Contributed Equity

Ordinary shares are classified as equity. Costs directly attributable to the issue of new Shares or Options are shown as a deduction from the equity proceeds, net of any income tax benefit recognised.

m. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the ATO is included as part of receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from financing and investing activities which are recoverable from, or payable to, the ATO are presented as operating cash flows included in receipts from customers or payments to suppliers.

n. Comparative Figures

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Where the Company retrospectively applies an accounting policy, makes a retrospective restatement of items in the financial statements or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

o. Critical Accounting Estimates and Judgements

The Directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Company.

Key estimates and judgements

(i) *Impairment - general*

The Company assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the Company that may be indicative of impairment triggers. Recoverable amounts of relevant assets are reassessed using value-in-use calculations, which incorporate various key assumptions. No impairment is recognised for the Cape Ray Gold Project because the Company has an ongoing right to explore over the project with substantive ongoing exploration planned, the Company has not decided to discontinue exploration in the project area, and insufficient data exists that could indicate that the carrying amount of the project is unlikely to be recovered in full from successful development or by sale.

(ii) *Options value*

There were 13,200,000 options issued as share-based payments to Directors and key management personnel and 2,500,000 options issued as consideration for the acquisition of the Cape Ray Gold Project during the year. The options issued by the Company during the financial year (refer Note 16) are valued by the Directors using the Black-Scholes option pricing model based on the underlying share issue price at the time of issues, an estimated share price volatility of for the past 12 months and risk free rate of return based on a government bond with a similar life to that of the option.

p. Share based payments

The fair value of options granted is recognised as an expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the option holder become unconditionally entitled to the options.

The fair value of the options at grant date is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the Share price at grant date and expected price volatility of the underlying Share, the expected dividend yield and the risk-free interest rate for the term of the option.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

The fair value of the options granted is adjusted to reflect market vesting conditions but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the statement of comprehensive income with a corresponding adjustment to equity.

The fair value of these equity instruments does not necessarily relate to the actual value that may be received in future by the recipients.

q. Segment Reporting

Operating segments are now reported in a manner that is consistent with the internal reporting to the Chief Operating Decision Maker, which has been identified by the Company as the Managing Director and other members of the board of Directors.

The Company has identified its operating segment based on the internal reports that are reviewed and used by the board of Directors in assessing performance and determining the allocation of resources. Reportable segments disclosed are based on aggregating operating segments, where the segments have similar characteristics. For the current reporting period, the Company's sole activity was mineral exploration and resource development wholly within Australia, which is its only reportable segment.

The reportable segment is represented by the financial statements forming this financial report.

r. New Standards and Interpretations

In the year ended 30 June 2019, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company's operations and effective for annual reporting periods commencing on or after 1 July 2018. It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Company and, therefore, no change is necessary to accounting policies.

AASB 9 Financial Instruments

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard replaces all previous versions of AASB 9 and completes the project to replace IAS 39 'Financial Instruments: Recognition and Measurement'. AASB 9 introduces new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost, if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows, which arise on specified dates and solely principal and interest. All other financial instrument assets are to be classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading) in other comprehensive income ('OCI').

For financial liabilities, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements will use an 'expected credit loss' ('ECL') model to recognise an allowance.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

Impairment will be measured under a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. The standard introduces additional new disclosures. The Company has adopted this standard from 1 July 2018 and the impact of its adoption is immaterial.

AASB 15 Revenue from Contracts with Customers

This standard is applicable to annual reporting periods beginning on or after 1 January 2018. The standard provides a single standard for revenue recognition. The core principle of the standard is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard will require: contracts (either written, verbal or implied) to be identified, together with the separate performance obligations within the contract; determine the transaction price, adjusted for the time value of money excluding credit risk; allocation of the transaction price to the separate performance obligations on a basis of relative stand-alone selling price of each distinct good or service, or estimation approach if no distinct observable prices exist; and recognition of revenue when each performance obligation is satisfied. Credit risk will be presented separately as an expense rather than adjusted to revenue.

For goods, the performance obligation would be satisfied when the customer obtains control of the goods. For services, the performance obligation is satisfied when the service has been provided, typically for promises to transfer services to customers. For performance obligations satisfied over time, an entity would select an appropriate measure of progress to determine how much revenue should be recognised as the performance obligation is satisfied. Contracts with customers will be presented in an entity's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the entity's performance and the customer's payment. Sufficient quantitative and qualitative disclosure is required to enable users to understand the contracts with customers; the significant judgments made in applying the guidance to those contracts; and any assets recognised from the costs to obtain or fulfil a contract with a customer. The Company has adopted this standard from 1 July 2018 and the impact of its adoption is immaterial.

s. New Accounting Standards for application in future periods

The AASB has issued new and amended accounting standards and interpretations that have mandatory application dates for future reporting periods and which the Company has decided not to early adopt. A discussion of those future requirements and their impact on the Company is as follows:

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

AASB 16 Leases

This standard is applicable to annual reporting periods beginning on or after 1 January 2019. The standard replaces AASB 117 'Leases' and for lessees will eliminate the classifications of operating leases and finance leases. Subject to exceptions, a 'right-of-use' asset will be capitalised in the statement of financial position, measured at the present value of the unavoidable future lease payments to be made over the lease term. The exceptions relate to short-term leases of 12 months or less and leases of low-value assets (such as personal computers and small office furniture) where an accounting policy choice exists whereby either a 'right-of-use' asset is recognised or lease payments are expensed to profit or loss as incurred. A liability corresponding to the capitalised lease will also be recognised, adjusted for lease prepayments, lease incentives received, initial direct costs incurred and an estimate of any future restoration, removal or dismantling costs. Straight-line operating lease expense recognition will be replaced with a depreciation charge for the leased asset (included in operating costs) and an interest expense on the recognised lease liability (included in finance costs).

In the earlier periods of the lease, the expenses associated with the lease under AASB 16 will be higher when compared to lease expenses under AASB 117. However, EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) results will be improved as the operating expense is replaced by interest expense and depreciation in profit or loss under AASB 16.

For classification within the statement of cash flows, the lease payments will be separated into both a principal (financing activities) and interest (either operating or financing activities) component. For lessor accounting, the standard does not substantially change how a lessor accounts for leases. The Company will adopt this standard from 1 July 2019. The Company has assessed the impact of the adoption of this standard and the impact will be immaterial.

t. Current and non-current classification

Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are always classified as non-current.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 2: SEGMENT INFORMATION

The Company's operations are in one reportable business segment, being the exploration for gold. The Company operates in one geographical segment, being Canada.

As a result of entering an agreement to acquire the Cape Ray Gold Project in Canada during the year ended 30 June 2018, the Group has changed its internal organisation and the composition of its reportable segments.

Operating segments are reported in a manner that is consistent with the internal reporting to the chief operating decision maker (CODM), which has been identified by the Group as the board of Directors.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components.

At 30 June 2019, the Group had the following segments:

	Operating Profit/(Loss)		Total Assets		Total Liabilities	
	30/6/2019	30/6/2018	30/6/2019	30/6/2018	30/6/2019	30/6/2018
	\$	\$	\$	\$	\$	\$
Copper and Gold (Western Australia)	-	(241,794)	-	-	-	-
Gold (Canada)	-	(396,029)	3,241,987	3,846,686	(75,623)	(3,400,000)
Corporate	3,321,601	(529,683)	10,187,903	6,818,821	(2,215,348)	(163,884)
	<u>3,321,601</u>	<u>(1,167,506)</u>	<u>13,429,890</u>	<u>10,665,507</u>	<u>(2,290,971)</u>	<u>(3,563,884)</u>

NOTE 3: LOSS BEFORE INCOME TAX

	2019	2018
	\$	\$
a. Revenue		
Interest received	24,827	51,342
Other income	39,791	-
	<u>64,618</u>	<u>51,342</u>
b. Administration expenses		
Administration fees	195,282	120,000
Audit fees	20,902	17,644
Legal fees	60,577	60,008
Occupancy	82,433	48,738

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 3: LOSS BEFORE INCOME TAX

Promotion	82,798	2,595
Compliance	58,095	36,769
Other administration expenses	116,518	25,441
	616,605	311,195
	616,605	311,195

c. Consultants and management expenses

Non-executive Directors' fees	132,000	24,000
Salaries, wages, superannuation and executive Director fees	282,525	153,999
Other consultants and management expenses	43,656	44,598
	458,181	222,597
	458,181	222,597

NOTE 4: AUDITOR'S REMUNERATION

	2019	2018
	\$	\$
Remuneration of the auditor for:		
Audit or review of the financial report of the Company and controlled entities:	20,902	17,500
	20,902	17,500
	20,902	17,500

NOTE 5: EXPLORATION COSTS EXPENSED OR WRITTEN OFF

	2019	2018
	\$	\$
Capitalised exploration costs and acquisition costs written off (Western Australian tenements)	-	142,476
Exploration and project evaluation expenses	-	541,659
	-	684,135
	-	684,135

MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 6: TAXATION

	2019	2018
	\$	\$
a. Income tax benefit/(expense)		
Current tax	-	-
Deferred tax	-	-
	-	-
b. Reconciliation of income tax expense to prima facie tax payable		
Profit/(loss) before income tax expense	(3,321,602	(1,167,506)
Tax at the Australian tax rate of 27.5% (2017: 27.5%)	(913,441)	(321,064)
Tax effect of expenditure not deductible in calculating taxable income:		
Capital raising expenditure	(34,169)	(33,473)
Share based payments	614,559	-
Other amounts not deductible or taxable in calculating taxable income	39,552	49,108
Income tax benefits not recognised	293,499	305,429
Total income tax (benefit)	-	-
c. Unrecognised deferred tax assets		
Tax losses	293,499	305,429
Capital raising expenditure	88,892	119,582
Other timing differences	48,515	8,524
Deferred tax assets not brought to account.	430,906	433,535

The Company has not recognised any deferred tax assets or liabilities.

These benefits will only be obtained if:

- (i) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefits from the deduction for the losses to be realised;
- (ii) the Company continues to comply with the conditions for deductibility imposed by tax legislation; and
- (iii) no changes in tax legislation adversely affect the Company in realising the benefit from the deduction for the losses.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 6: TAXATION

d. Franking credits

The Company has no franking credits available.

NOTE 7: CASH AND CASH EQUIVALENTS

	2019	2018
	\$	\$
Cash at bank and on hand	2,956,176	4,987,075
Term deposits	-	1,720,001
	<u>2,956,176</u>	<u>6,707,076</u>

NOTE 8: TRADE AND OTHER RECEIVABLES

	2019	2018
	\$	\$
Sundry debtor	1,048	-
GST/HST refundable	351,131	51,189
Accrued revenue	-	1,089
	<u>352,179</u>	<u>52,278</u>

NOTE 9: OTHER ASSETS (CURRENT)

	2019	2018
	\$	\$
Prepayments	11,780	9,467
Security deposit	50,000	50,000
	<u>61,780</u>	<u>59,467</u>

NOTE 10: EXPLORATION AND EVALUATION ASSETS

	2019	2018
	\$	\$
Tenement acquisition costs	6,752,200	3,800,000
Capitalised exploration expenditure	3,238,100	-
	<u>9,990,300</u>	<u>3,800,000</u>

As at 30 June 2018, all capitalised expenditure and acquisition costs in relation to the Western Australia tenements were written off.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 10: EXPLORATION AND EVALUATION ASSETS

Capitalised tenement acquisition costs at 30 June 2019 relate wholly to the Cape Ray Project in Canada and consist of the following:

	2019	2018
	\$	\$
Opening balance	3,800,000	-
Issue of 8,000,000 ordinary shares at a fair value of \$0.285 per share	2,280,000	-
Issue of 833,333 options at a fair value of \$0.1434 per option	119,500	-
Issue of 833,333 ordinary shares at a fair value of \$0.345 per share	287,500	-
Issue of 1,000,000 options at a fair value of \$0.164 per option	164,000	-
Issue of 666,667 options at a fair value of \$0.1518 per option	101,200	-
Fair value of shares issued in consideration for the project right for the acquisition of the Cape Ray Gold Project	-	300,000
Exclusivity fees paid to Benton Resources Inc. which form part of the cash consideration for the acquisition	-	100,000
Payable to Benton Resources Inc. for balance of cash consideration for interest in Cape Ray Gold Project (paid 2 July 2018)	-	3,150,000
Payable to Nordmin Engineering Limited for interest in Cape Ray Gold Project (paid 6 July 2018)	-	250,000
Capitalisation of exploration and evaluation expenditure	3,238,100	-
	<u>9,990,300</u>	<u>3,800,000</u>

The balance carried forward represents the acquisition costs of the Cape Ray Gold Project which is in the exploration and evaluation phase. Ultimate recoupment of exploration expenditure carried forward is dependent on successful development and commercial exploitation, or alternatively, sale of respective areas.

MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 11: PLANT AND EQUIPMENT

	Plant & Equipment \$	Motor Vehicle \$	Computer Equipment \$	Total \$
At 30 June 2019				
At cost	29,168	15,987	36,193	81,347
Accumulated depreciation	(6,329)	(3,539)	(2,024)	(11,892)
	22,839	12,448	34,169	69,455

Movements in carrying value

Year ended 30 June 2019

Balance 1 July 2018	28,673	15,644	2,369	46,686
Additions	-	-	33,740	33,740
Disposals	-	-	-	-
Depreciation expense for the year	(5,834)	(3,197)	(1,940)	(10,970)
Balance at 30 June 2019	22,839	12,448	34,169	69,455

	Plant & Equipment \$	Motor Vehicle \$	Computer Equipment \$	Total \$
At 30 June 2018				
At cost	29,168	15,986	2,453	47,607
Accumulated depreciation	(495)	(342)	(84)	(921)
	28,673	15,644	2,369	46,686

Movements in carrying value

Year ended 30 June 2018

Balance 1 July 2017	-	-	-	-
Additions	29,168	15,986	2,453	47,607
Disposals	-	-	-	-
Depreciation expense for the year	(495)	(342)	(84)	(921)
Balance at 30 June 2018	28,673	15,644	2,369	46,686

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 12: FUNDS RECEIVED FOR SHARES TO BE ISSUED

	2019	2018
	\$	\$
Funds received during the year relating to shares issued post year end	1,253,882	-
	<u>1,253,882</u>	<u>-</u>

On the 2 July 2019 the Company completed the issue of 18,029,167 shares at an issue price of \$0.16 for total subscriptions before costs of \$2,884,667. Of the total subscriptions received, an amount of \$1,253,882 was received prior to 30 June 2019. Given the shares had not yet been issued at year end, the Company has no legal entitlement to \$1,253,882 of the funds received and recognised in cash and cash equivalents so is offset by this liability.

NOTE 13: TRADE AND OTHER PAYABLES

	2019	2018
	\$	\$
Trade creditors	334,295	128,663
Balance of cash consideration payable for acquisition of Cape Ray Gold Project (paid July 2018)	-	3,400,000
Accrued expenses	167,264	32,086
PAYG payable	9,154	3,135
	<u>510,713</u>	<u>3,563,884</u>

NOTE 14: BORROWINGS

	2019	2018
	\$	\$
Principle amount	500,000	-
Capitalised accrued interest	26,376	-
	<u>526,376</u>	<u>-</u>

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

Note 14: BORROWINGS (continued)

During the year the Company borrowed \$500,000 from Davey Management Pty Ltd (**Davey Management**). Non-Executive Director Mr. Grant Davey is the shareholder and Director of Davey Management. The loan was on the following arm's length terms:

Terms	30 June 0219
Total facility	\$500,000
Interest rate	12% up to 31 March 2019 15% following 31 March 2019
Interest terms	Capitalising quarterly
Security	Unsecured
Maturity	6 February 2019

NOTE 15: CONTRIBUTED EQUITY

a. Share capital

	2019	2018
	\$	\$
67,104,167 (2018: 44,850,001) fully paid ordinary shares	13,067,698	8,328,517
Total share capital	13,067,698	8,328,517

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called; otherwise each shareholder has one vote on a show of hands. At 30 June 2019 there were 22,950,000 (2018: 7,250,000) unlisted options over ordinary shares, and 15,900,001 (2018: 15,900,001) listed options over ordinary shares, in the Company.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 15: CONTRIBUTED EQUITY (continued)

**b. Movements in ordinary share capital:
2019**

Date	Details	Number of shares	Issue Price	\$
30 June 2018	Balance as at 30 June 2018	44,850,001		8,328,517
3 July 2018	Shares issued in consideration for the project right for the acquisition of the Cape Ray Gold Project	8,000,000	\$0.29	2,280,000
6 July 2018	Shares issued in consideration for the project right for the acquisition of the Cape Ray Gold Project	833,000	\$0.37	306,500
6 July 2018	Issue of shares to corporate advisor	200,000	\$0.25	50,000
8 April 2019	Placement of shares	13,220,833	\$0.16	2,115,333
	Less: Transaction costs	-		(12,652)
30 June 2019	Balance as at 30 June 2019	67,104,167		13,067,698

2018

Date	Details	Number of shares	Issue Price	\$
30 June 2017	Balance as at 30 June 2017	23,850,001		3,376,933
	Shares issued in consideration for the project right for the acquisition of the Cape Ray Gold Project	1,000,000	\$0.30*	300,000
	Issue of Shares	20,000,000	\$0.25	5,000,000
	Less: Transaction costs	-		(348,416)
30 June 2018	Balance as at 30 June 2018	44,850,001		8,328,517

* Fair value of shares at 16 April 2018.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 16: RESERVES

	2019 \$	2018 \$
a. Reserves		
Foreign currency translation reserve		
Options	2,805,860	186,144
Movements:		
Options		
Opening balance	186,144	27,144
Share based payment for Cape Ray acquisition	384,700	
Share based payments to Directors	2,234,760	-
Proceeds from listed options issued	-	159,000
Closing balance	2,805,604	186,144

Nature and purpose of reserves – options

The options reserve recognises the grant date fair value of options issued but not exercised.

b. Share based payments – related parties

During the year ended 30 June 2019, the following options, which vested immediately, were issued to Directors and Officers of the Company.

During the year ended 30 June 2018, there were no share-based payments made to related parties.

2019 Option series	Grant date	No. of options	Fair value per option	Total fair value of options issued
Director Options #1	6 July 2018	3,000,000	\$0.2022	\$606,600
Director Options #2	6 July 2018	3,000,000	\$0.1796	\$538,800
Director Options #3	6 July 2018	3,000,000	\$0.1623	\$486,900
Director Options #4	26 July 2018	2,500,000	\$0.1483	\$370,750
Directors Options #5	26 June 2019	1,700,000	\$0.136	\$231,710
Total		13,200,000		\$2,234,760

MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019

NOTE 17: SHARE BASED PAYMENTS

During the year ended 30 June 2019, the following Management Options and Non-Related Party (**NRP**) Options, which vested immediately, were issued and recorded at their fair value in the option reserve. The options have been valued by the Directors using the Black-Scholes option pricing model based on the following:

	Cape Ray Acquisition Options #1	Cape Ray Acquisition Options #2	Cape Ray Acquisition Options #3	Director Options #1	Director Options #2	Director Options #3	Director Options #4	Director Options #5
Underlying value of the security	\$0.285	\$0.345	\$0.345	\$0.345	\$0.345	\$0.345	\$0.315	\$0.285
Exercise price	\$0.300	\$0.416	\$0.480	\$0.400	\$0.550	\$0.700	\$0.400	\$0.400
Valuation date	3/7/18	6/7/18	6/7/18	6/7/18	6/7/18	6/7/18	26/7/18	26/6/19
Expiry date	3/7/20	6/7/20	6/7/20	6/7/21	6/7/21	6/7/21	26/7/20	26/6/22
Life of Options in years	2	2	2	3	3	3	2	3
Volatility	96.62%	97.78%	97.78%	97.78%	97.78%	97.78%	99.46%	87.01%
Risk free rate	2.06%	2.08%	2.08%	2.08%	2.08%	2.08%	2.11%	0.99%
Number of Options	833,333	1,000,000	666,667	3,000,000	3,000,000	3,000,000	2,500,000	1,700,000
Valuation per Option	\$0.1434	\$0.1640	\$0.1518	\$0.2022	\$0.1796	\$0.1623	\$0.1483	\$0.1363
Valuation	\$119,500	\$164,000	\$101,200	\$606,600	\$538,800	\$486,900	\$370,750	\$231,710

The total share-based payment expense for options during the year ended 30 June 2019 was 2,234,760 (2018: nil)

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 17: SHARE BASED PAYMENTS (continued)

A summary of the movements of options issued as share-based payments is as follows:

	Number	Weighted Average Exercise Price (\$)
Options outstanding as at 30 June 2017	7,250,000	0.20
Granted	-	-
Forfeited	-	-
Exercised	-	-
Expired	-	-
Options outstanding as at 30 June 2018	7,250,000	0.20
Granted	15,700,000	0.49
Forfeited	-	-
Exercised	-	-
Expired	-	-
Options outstanding as at 30 June 2019	22,950,000	0.40
Options exercisable as at 30 June 2019	22,950,000	0.40
Options exercisable as at 30 June 2018	7,250,000	0.20

The weighted average remaining contractual life of options outstanding at year end was 1.35 years (2018: 1.36 years).

The fair value of options granted to employees is deemed to represent the value of the employee services received over the vesting period.

The weighted average fair value of options granted during the year ended 30 June 2019 was \$0.1668 (2018: nil).

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 18: COMMITMENTS

a. Mineral exploration expenditure

The Company must meet the following tenement expenditure commitments to maintain its tenements in good standing until they are joint ventured, sold, reduced, relinquished, exemptions from expenditure are applied or are otherwise disposed of. These commitments are not provided for in the financial statements and are as follows.

	2019	2018
	\$	\$
Not later than one year	-	119,605
After one year but less than five years	505,982	410,753
	<u>505,982</u>	<u>530,358</u>

Expenditure commitments as at 30 June 2018 relate wholly to the Cape Ray Gold Project tenements. These expenditure commitments are denominated in Canadian dollars ("CAD") and the amounts shown above are the Australian dollar ("AUD") equivalent based on an exchange rate of 1 AUD = 0.97456 CAD. The Company's Western Australian tenements were disposed of in August 2018 and accordingly, there are no further expenditure commitments to the Company in relation to these tenements.

b. Other commitments due within 1 year

	2019	2018
	\$	\$
Operating lease of serviced office	-	48,000
	<u>-</u>	<u>48,000</u>

The Directors are not aware of any other commitments that have not been recognised as liabilities in the accounts as of 30 June 2019 (30 June 2018: Nil).

NOTE 19: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Company has no contingent liabilities or contingent assets as at 30 June 2019.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 20: EVENTS AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period the Company:

- On the 5 July 2019 the Company repaid the outstanding debt outlined in Note 14 in its entirety.
- completed the second tranche of a two-tranche placement to sophisticated and professional investors via the issue of 18,029,167 shares at a price of \$0.16, each with an attaching option with a strike price of \$0.23, expiring on the 2 July 2022.
- Issued 13,470,834 shares to complete the acquisition of the remaining 20% ownership of the Company's subsidiary Matador Canada Pty Ltd that was owned by Maple Mining Pty Ltd. After the transaction is complete the Company owns 100% of Matador Canada Pty Ltd and the Cape Ray Gold Project.
- Issued 5,000,000 unquoted options to the Company's corporate advisor.
- Issued 2,040,947 unquoted options to the Company's Executive Directors, Management and consultants under the Company's Employee Securities Incentive Plan.

Other than the above, no other matters or circumstances have arisen since the end of the financial year that significantly affect or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

NOTE 21: LOSS PER SHARE

Loss per share from continuing operations attributable to the ordinary equity holders of the company	2019 \$	2018 \$
Basic/diluted loss per share in cents from continuing operations	(5.85)	(4.74)
Weighted average number of ordinary shares used in the calculation of basic/diluted loss per share	56,806,975	24,606,165
Basic/diluted loss from continuing operations	(3,321,602)	(1,167,506)

The 38,850,001 options on issue at 30 June 2019 (2018: 23,150,001) were anti-dilutive, and therefore diluted loss per share was the same as basic loss per share.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 22: CASH FLOW INFORMATION

a. Reconciliation of cash flow from operations with loss after income tax

	2019	2018
	\$	\$
Loss after income tax	(3,321,602)	(1,167,506)
Non-cash flows in loss:		
Depreciation	10,970	921
Share based payments expense	2,619,460	142,476
Interest expense capitalised	26,376	-
Net exchange differences	3,778	-
Changes in assets and liabilities net of effects of purchase of subsidiaries:		
(Increase) / decrease in trade and other receivables	(299,901)	11,542
Increase in prepayments	(2,312)	(21,709)
(increase) / decrease in exploration and evaluation asset	(6,190,300)	-
Increase / (decrease) in trade and other payables	(3,053,171)	59,785
Decrease in trade and other payables associated with Cape Ray acquisition	3,400,000	-
Net cash used in operating activities	(6,806,702)	(974,491)

b. Acquisition of subsidiaries

During the year ended 30 June 2019, the Company's subsidiaries were the same as 2018. (2018: the company incorporated the Matador Canada Pty Ltd) as detailed in Note 25.

c. Non cash financing and investing activities

The Company issued \$2,567,500 (2018: \$300,000) of shares and \$384,700 of options as consideration for tenement acquisitions as detailed in Note 10.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 23: FINANCIAL INSTRUMENTS

Financial Risk Management

The Company's principal financial instruments are cash, receivables, deposits held as security guarantees, and payables (including convertible notes).

Overview

The Company has exposure to the following financial risks from their use of financial instruments:

- liquidity risk
- credit risk
- Interest rate risk

This note presents information about the Company's exposure to each of the above risks. The Company has no foreign exchange risk for 2019 or 2018 as the Company had no foreign currency transactions or balances.

Financial Risk Management Policies

The Board of Directors has overall responsibility for the establishment and oversight of the risk management framework.

Risk management policies are established by the Board of Directors to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

	2019	2018
	\$	\$
Financial Assets		
Cash and cash equivalents	2,956,176	6,707,076
Trade and other receivables	352,179	52,278
	3,308,356	6,759,354
Financial Liabilities		
Trade and other payables	510,713	3,563,884
	510,713	3,563,884

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 23: FINANCIAL INSTRUMENTS (Continued)

Liquidity Risk and Liquidity Risk Management

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure that it will have sufficient cash to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of credit facilities or other fund raising initiatives.

The Board frequently reviews budget variance analyses that include working capital projections to monitor working capital requirements and optimise cash utilisation.

The Company continuously monitors forecast and actual cash flows and the maturity profiles of financial assets and financial liabilities to manage its liquidity risk.

The following are the contractual maturities of financial liabilities:

At 30 June 2019

Non derivative financial liabilities:	Carrying Amount	Under 6 Months	6 – 12 Months	1 - 2 years	2 – 5 years
Trade and other payables (Note 12)	510,713	510,713	-	-	-
	510,713	510,713	-	-	-

At 30 June 2018

Non derivative financial liabilities:	Carrying Amount	Under 6 Months	6 – 12 Months	1 - 2 years	2 – 5 years
Trade and other payables (Note 12)	3,563,884	3,563,884	-	-	-
	3,563,884	3,563,884	-	-	-

Credit Risk

Credit risk refers to the risk that counterparties will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted the policy of only dealing with credit worthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults.

Banks and financial institutions are chosen only if they are independently rated parties with a minimum rating of 'A'.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 23: FINANCIAL INSTRUMENTS (Continued)

The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics.

The carrying amount of financial assets recorded in the financial statements, net of any provisions for losses, represents the Company's maximum exposure to credit risk without taking account of the value of any collateral or other security obtained.

Interest Rate Risk

Interest rate risk is managed with a mixture of fixed and floating rate debt. The Company's exposure to interest rate risk and the effective weighted average interest rate for each class of financial assets and financial liabilities is set out in the following table:

2019	Weighted Average Interest Rate	Floating Interest Rate	Fixed Interest Maturing in 1 Year or Less	Fixed Interest Maturing in over 1 Year	Non- Interest Bearing	Total
	%	\$	\$	\$	\$	\$
Financial Asset						
Cash and cash equivalents	0.40%	1,689,773	-	-	12,522	1,702,295
Trade and other receivables	-	-	-	-	352,179	352,179
Financial Liabilities						
Trade and other payables	-	-	-	-	(510,713)	(510,713)
Net Financial Assets		1,689,773	-	-	(146,012)	1,543,761

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 23: FINANCIAL INSTRUMENTS (Continued)

2018	Weighted Average Interest Rate	Floating Interest Rate	Fixed Interest Maturing in 1 Year or Less	Fixed Interest Maturing in over 1 Year	Non- Interest Bearing	Total
	%	\$	\$	\$	\$	\$
Financial Asset						
Cash and cash equivalents	1.37%	4,980,759	1,720,000	-	6,317	6,707,076
Trade and other receivables	-	-	-	-	52,278	52,278
Financial Liabilities						
Trade and other payables	-	-	-	-	(3,563,884)	(3,563,884)
Net Financial Assets		4,980,759	1,720,000	-	(3,505,289)	3,195,470

The following tables summarises the sensitivity of the Company's financial assets and financial liabilities to interest rate risk:

2019		-1%		+1%	
	Carrying Amount	Profit	Equity	Profit	Equity
	\$	\$	\$	\$	\$
Cash and cash equivalents	2,956,176	(16,897)	(16,897)	16,897	16,897
Trade and other receivables	352,179	-	-	-	-
Trade and other payables	(510,713)	-	-	-	-
Total increase/(decrease)		(16,897)	(16,897)	16,897	16,897

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 23: FINANCIAL INSTRUMENTS (Continued)

2018		-1%		+1%	
	Carrying	Profit	Equity	Profit	Equity
	Amount				
	\$	\$	\$	\$	\$
Cash and cash equivalents	6,707,076	(67,007)	(67,007)	67,007	67,007
Trade and other receivables	52,278	-	-	-	-
Trade and other payables	(3,563,883)	-	-	-	-
Total increase/(decrease)		(67,007)	(67,007)	67,007	67,007

Financial risk management objectives

The Company's activities expose it to a variety of financial risks: market risk (including price risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management program seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses different methods to measure different types of risk to which it is exposed. These methods include sensitivity analysis in the case of interest rate and other price risks, and ageing analysis for credit risk.

Risk management is carried out by the Board of Directors. These policies include identification and analysis of the risk exposure of the Company and appropriate procedures, controls and risk limits.

NOTE 24: INTERESTS OF KEY MANAGEMENT PERSONNEL

Refer to the remuneration report contained in the Directors' Report for additional details of the remuneration paid or payable to each member of the Company's key management personnel (KMP) for the year ended 30 June 2019.

The totals of remuneration paid to KMP of the Company and the Company during the year are as follows:

	Short-Term Benefits	Post Employment Benefits	Termination Payments	Share-Based Payments	Total KMP Compensation
	\$	\$	\$	\$	\$
2019 Total	440,365	17,816	-	2,234,760	2,692,942
2018 Total	171,754	6,246	-	-	178,000

Other KMP Transactions

For details of other transactions with KMP, refer to Note 24 Related Party Transactions and Balances.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2019**

NOTE 25: RELATED PARTY TRANSACTIONS AND BALANCES

The Company's only related entities are the key management personnel. Key management personnel are any people having authority and responsibility for planning, controlling and directing the activities of the entity, directly or indirectly, including any Director (whether executive or otherwise). The Company has determined that the only key management personnel are the Directors and company secretary.

All related party transactions are on normal arms' length terms.

Mr. Grant Davey, who is a non-executive Director of the Company is a Director and shareholder of Matador Capital Pty Ltd (**Matador Capital**). The Company makes payments to Matador Capital under a Shared Services Agreement in which Matador Capital provides office space and general office costs to the Company at cost plus 2%. Mr. Davey is also a Director of Graphex Mining Limited, an ASX listed Company that has a Shared Services Agreement with the Company for the provision of company secretarial, accounting and administration services to the Company. Payments made under these arrangements for the half year are set out below.

	2019	2018
	\$	\$
Related party transactions		
Payments to Matador Capital Pty Ltd	136,594	-
Payments to Graphex Mining Limited	94,122	-
	230,716	-

During the year Mr Grant Davey also loaned the Company \$500,000 as an unsecured loan. Details of this transaction and the terms of this loan are outlined in Note 14.

Subsidiary

The subsidiary of the Company is listed in the following table:

Name	Nature of investment	Country of incorporation	Equity interest (%)		Investment (\$)	
			2019	2018	2019	2018
Matador Canada Pty Ltd	Ordinary shares	Australia	100%	100%	1	1

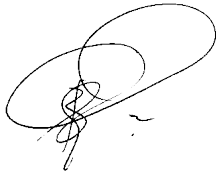
Matador Canada Pty Ltd was incorporated by the Company as a 100% owned subsidiary on 21 March 2018. Subsequent to the year ended 30 June 2018, a 20% interest in Matador Canada Pty Ltd was issued to Maple Mining Pty Ltd, a related entity of Mr Grant Davey, in relation to the acquisition of the Cape Ray Gold Project.

MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY

DIRECTORS' DECLARATION

In accordance with a resolution of the Directors of Matador Mining Limited, the Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 31 to 67, are in accordance with the *Corporations Act 2001* and:
 - a. comply with Australian Accounting Standards which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and
 - b. give a true and fair view of the financial position as at 30 June 2019 and of the performance for the year ended on that date of the Company.
2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.



Grant Davey
Non-Executive Director

Dated this 27th day of September 2019

**Independent Auditor's Report
To the Members of Matador Mining Limited**

REPORT ON THE AUDIT OF THE FINANCIAL REPORT

Opinion

We have audited the financial report of Matador Mining Limited ("the Company") and its controlled entity ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2019, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a) giving a true and fair view of the Group's financial position as at 30 June 2019 and of its financial performance for the year then ended; and
- b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

Without modifying our opinion, we draw attention to the following matter. As a result of the matters disclosed in Note 1a) "Going Concern" of the financial report, there is a material uncertainty whether the group can continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the financial report. The ability of the group to continue as a going concern is dependent upon its ability to generate additional funding through further capital raising and the successful exploitation of its tenements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
Exploration and Evaluation Assets (Note 10) (AASB 6)	
<p>The Group has incurred exploration and evaluation expenditures which have been capitalised. Exploration and Evaluation Assets had a net carrying value of \$9,990,300 as at 30 June 2019. As the carrying value of exploration and evaluation assets represents a significant asset of the company, we considered it necessary to assess whether facts and circumstances existed to suggest that the carrying amount of this asset may exceed its recoverable amount. As a result, the asset was required to be assessed for impairment.</p> <p>This area has been designated a key audit matter, due to the assets being located outside Australia, as well as the subjectivity and management judgement applied in the assessment of whether costs meet the capitalisation criteria described in AASB 6.</p>	<p>Audit procedures carried out in accordance with the guidance set out in AASB 6 Exploration for and Evaluation of Mineral Resources and included amongst others the following:</p> <ul style="list-style-type: none"> - We obtained evidence that the company has a valid right to explore the areas represented by the capitalised exploration and evaluation expenditure; - We enquired with and reviewed management budgets to ensure that further exploration for and evaluation of the company's interest were planned; - We enquired with management and reviewed minutes of directors' meetings to ensure that the company had not decided to discontinue activities in an area of interest; - We selected a number of amounts capitalised to their supporting documentation and ensured they met the requirements of AASB 6; and - We reviewed the related disclosures within the financial statements.

Share Based Payments (Note 16 and 17) (AASB 2)

The company has issued 13,200,000 options to directors and officers of the Company during the year. The value of the options was \$2,234,760. The options were valued using the Black-Scholes option pricing model

Share based payments has been considered as a key audit matter; due to the high level of judgement required in evaluating the value.

Audit procedures include amongst other the following:

- obtaining and reviewing managements valuation model including the reasonableness of all inputs into the model;
- reviewing the company's share price movements to assess volatility;
- review and discuss the disclosures in the financial statements with management.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2019 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON THE REMUNERATION REPORT

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 15 to 21 of the directors' report for the year ended 30 June 2019.

In our opinion, the Remuneration Report of Matador Mining Limited for the year ended 30 June 2019 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



WALKER WAYLAND WA AUDIT PTY LTD



John Dorazio FCA
Director

Level 3, 1 Preston Street, COMO WA 6152

Dated this 27th day of September 2019

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

ASX ADDITIONAL INFORMATION

Additional information required by the Australian Securities Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 19 September 2019.

Class of Shares and Voting Rights

The voting rights attached to the fully paid ordinary shares of the Company are:

- a) At a meeting of members or classes of members, each member entitled to vote, may vote in person or by proxy or by attorney; and
- b) On a show of hands, every person present who is a member has one vote, and on a poll, every person present in person or by proxy or attorney has one vote each for each ordinary share held.

Options do not carry any voting rights.

Distribution of Equity Securities

Ordinary Shares

Holding Ranges	Number of Holders	Total Units	% Issued Share Capital
1 - 1,000	24	1,473	0.00%
1,001 - 5,000	50	158,225	0.16%
5,001 - 10,000	51	432,097	0.44%
10,001 - 100,000	258	12,687,808	12.87%
100,001 - 9,999,999,999	137	85,324,565	86.53%
Totals	520	98,604,168	100.00%

There are 28 holders of unmarketable parcels of fully paid ordinary shares comprising a total of 8,058 shares.

Listed Options – exercisable at \$0.20, expiring 30 August 2020

Holding Ranges	Number of Holders	Total Units	% Issued Share Capital
1 - 1,000	4	143	0.00%
1,001 - 5,000	4	10,134	0.06%
5,001 - 10,000	18	138,375	0.87%
10,001 - 100,000	98	4,120,997	25.92%
100,001 - 9,999,999,999	35	11,630,352	73.15%
Totals	159	15,900,001	100.00%

There are 9 holders of unmarketable parcels of Listed Options comprising a total of 15,731 Listed Options.

Unlisted Options

Holding Ranges	Number of Holders	Total Units	% Issued Share Capital
1 - 1,000	-	-	-
1,001 - 5,000	-	-	-
5,001 - 10,000	2	11,506	0.02%
10,001 - 100,000	17	1,119,769	1.83%
100,001 - 9,999,999,999	67	60,109,673	98.15%
Totals	86	61,240,948	100.00%

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

ASX ADDITIONAL INFORMATION

Twenty Largest Shareholders (as at 19 September 2019)

Position	Holder Name	No. Shares	%
1	MAPLE MINING PTY LTD	13,470,834	13.66%
2	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	6,015,188	6.10%
3	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	2,405,072	2.44%
4	DAVEY MANAGEMENT (AUS) PTY LTD <DAVEY FAMILY SUPER A/C>	2,137,500	2.17%
5	TOPAZ HOLDINGS PTY LTD <MYLES K ERTZEN FAMILY A/C>	1,962,500	1.99%
6	ROLLASON PTY LTD <THE GIORGETTA SUPER PLAN A/C>	1,562,500	1.58%
6	MR MARK JOHN CLARK	1,562,500	1.58%
6	PIAMA PTY LTD <FENA SUPER PLAN A/C>	1,562,500	1.58%
6	MUTUAL INVESTMENTS PTY LTD <MITCHELL SUPER FUND A/C>	1,562,500	1.58%
7	CROSSPICK RESOURCES PTY LTD	1,383,654	1.40%
8	PORTBARB PTY LTD	1,362,500	1.38%
9	ARALAD MANAGEMENT PTY LTD <TRK SUPER FUND A/C>	1,305,000	1.32%
10	MR KIM ANDREW MASSEY <MASSEY FAMILY A/C>	1,250,000	1.27%
10	PRECISION OPPORTUNITIES FUND LTD <INVESTMENT A/C>	1,250,000	1.27%
11	INVIA CUSTODIAN PTY LIMITED <D & E MACKAY-COGHILL SF A/C>	1,245,000	1.26%
12	LIBERTY MANAGEMENT PTY LTD	1,167,918	1.18%
13	MRS TARA ELIZABETH KILEY & MR ADAM LEE KILEY <KILEY FAMILY A/C>	1,100,000	1.12%
13	MR KEVIN ANTHONY LEO & MRS LETICIA LEO	1,100,000	1.12%
14	J C O'SULLIVAN PTY LTD <J C O'SULLIVAN P/L S/F A/C>	1,000,000	1.01%
14	SUBURBAN HOLDINGS PTY LIMITED <SUBURBAN SUPER FUND A/C>	1,000,000	1.01%
14	TWO TOPS PTY LTD	1,000,000	1.01%
15	KONKERA PTY LTD <KONKERA FAMILY A/C>	900,000	0.91%
16	MRS LINDA ANNE MAZZEGA <NUMBER 2 A/C>	848,750	0.86%
17	NORDMIN ENGINEERING LTD	833,333	0.85%
18	PERSHING AUSTRALIA NOMINEES PT Y LTD <ACCUM A/C>	800,255	0.81%
19	DAVEY HOLDINGS (AUS) PTY LTD	800,000	0.81%
19	KOBIA HOLDINGS PTY LTD	800,000	0.81%
20	BNP PARIBAS NOMINEES PTY LTD <IB AU NOMS RETAILCLIENT DRP>	772,169	0.78%
Total		52,159,673	52.90%

MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY

ASX ADDITIONAL INFORMATION

Twenty Largest Listed Option Holders (as at 19 September 2019)

Position	Holder Name	No. Shares	%
1	KONKERA PTY LTD <KONKERA FAMILY A/C>	1,111,112	6.99%
2	KINGSLANE PTY LTD <CRANSTON SUPER PENSION A/C>	1,000,000	6.29%
3	KOBIA HOLDINGS PTY LTD	763,334	4.80%
4	MR BRADLEY KEITH MOIR	700,000	4.40%
5	MR CHRISTOPHER DYLAN JUDD & MRS REBECCA JANE JUDD <JUDD SUPERANNUATION A/C>	500,000	3.14%
6	MR ANTHONY JOHN VETTER & MRS JEANNETTE VETTER	468,000	2.94%
7	MR PETER ROBERT WISHART & MR EDWIN KEITH WISHART <PRW SUPERFUND A/C>	440,000	2.77%
8	HAKUNA MATATA INVESTMENTS PTY LTD <C RICHARDSON FAMILY A/C>	400,000	2.52%
9	TRIZ SUPER PTY LTD <AGNEII SUPER FUND A/C>	366,668	2.31%
10	WEST SIDE SALES PTY LTD	350,000	2.20%
11	MR MARAT ABZALOV & MRS SVETLANA ABZALOV <MASSA SUPERFUND A/C>	333,334	2.10%
11	BLACKBIRD CAPITAL PTY LTD <BLACKBIRD A/C>	333,334	2.10%
12	MR MURRAY JOHN JACOB	312,222	1.96%
13	MR FERRAS BALLAN	310,870	1.96%
14	MISS KATHRYN LOUISE MOIR	300,000	1.89%
14	MR PATRICK WALTA <FJB ASSOCIATES A/C>	300,000	1.89%
14	HAKUNA MATATA INVESTMENTS PTY LIMITED <C & G RICHARDSON S/F A/C>	300,000	1.89%
15	MR CARL WILLIAM REID	292,783	1.84%
16	ROJUL NOMINEES PTY LTD <RR MARTIN SUPER FUND A/C>	283,334	1.78%
17	DR STUART LLOYD PHILLIPS <STUART PHILLIPS FAMILY A/C>	275,000	1.73%
18	BLU BONE PTY LTD	256,667	1.61%
19	NOAH'S ARK INVESTMENT GROUP PTY LTD	250,000	1.57%
20	MR ALA IMAD	225,638	1.42%
Total		9,872,296	62.09%

Substantial Holders

Grant Davey and his associated hold 18.77% of issued and outstanding shares.

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

ASX ADDITIONAL INFORMATION

Unquoted Securities (as at 19 September 2019)

Class	Total Holdings
FULLY PAID ORDINARY SHARES SUBJECT TO ESCROW	13,470,834
OPTIONS EXERCISABLE @ \$0.20 EXPIRING 07/11/19	7,250,000
OPTIONS EXERCISABLE @ \$0.30 EXPIRING 03/07/20	833,333
OPTIONS EXERCISABLE @ \$0.416 EXPIRING 6/7/2020	1,000,000
OPTIONS EXERCISABLE @ \$0.48 EXPIRING 6/7/2020	666,667
OPTIONS EXERCISABLE @ \$0.40 EXPIRING 6/7/21	3,000,000
OPTIONS EXERCISABLE @ \$0.55 EXPIRING 6/7/21	3,000,000
OPTIONS EXERCISABLE @ \$0.70 EXPIRING 6/7/21	3,000,000
OPTIONS EXERCISABLE @ \$0.40 EXPIRING 26/7/20	2,500,000
OPTIONS EXERCISABLE @ \$0.23 EXPIRING 02/07/2022	31,250,000
OPTIONS EXERCISABLE @ ZERO EXPIRING 01/07/2022	987,337
OPTIONS EXERCISABLE @ \$0.40 EXPIRING 02/07/2022	1,700,000
OPTIONS EXERCISABLE @ ZERO EXPIRING 01/07/2024	1,053,611
OPTIONS EXERCISABLE @ \$0.35 EXPIRING 01/07/2022	1,250,000
OPTIONS EXERCISABLE @ \$0.40 EXPIRING 01/07/2022	1,250,000
OPTIONS EXERCISABLE @ \$0.45 EXPIRING 01/07/2022	1,250,000
OPTIONS EXERCISABLE @ \$0.50 EXPIRING 01/07/2022	1,250,000

Unquoted Securities >20% Holders (as at 19 September 2019)

Class	Holder	Number
FULLY PAID ORDINARY SHARES SUBJECT TO ESCROW		13,470,834
OPTIONS EXERCISABLE @ \$0.20 EXPIRING 07/11/19	KONKERA PTY LTD	7,250,000
OPTIONS EXERCISABLE @ \$0.30 EXPIRING 03/07/20	BENTON RESOURCES INC	833,333
OPTIONS EXERCISABLE @ \$0.416 EXPIRING 6/7/2020	NORDMIN ENGINEERING	1,000,000
OPTIONS EXERCISABLE @ \$0.48 EXPIRING 6/7/2020	NORDMIN ENGINEERING	666,667
OPTIONS EXERCISABLE @ \$0.40 EXPIRING 6/7/21	DAVEY HOLDINGS (AUS) PTY LTD	3,000,000
OPTIONS EXERCISABLE @ \$0.55 EXPIRING 6/7/21	DAVEY HOLDINGS (AUS) PTY LTD	3,000,000
OPTIONS EXERCISABLE @ \$0.70 EXPIRING 6/7/21	DAVEY HOLDINGS (AUS) PTY LTD	3,000,000
OPTIONS EXERCISABLE @ \$0.40 EXPIRING 26/7/20	MR PAUL CRIDDLE	2,500,000
OPTIONS EXERCISABLE @ \$0.40 EXPIRING 02/07/2022	MIKENTY PTY LTD	1,000,000
OPTIONS EXERCISABLE @ \$0.40 EXPIRING 02/07/2022	KILEY FAMILY A/C	700,000
OPTIONS EXERCISABLE @ \$0.35 EXPIRING 01/07/2022	CG NOMINEES (AUSTRALIA) LIMITED	1,250,000
OPTIONS EXERCISABLE @ \$0.40 EXPIRING 01/07/2022	CG NOMINEES (AUSTRALIA) LIMITED	1,250,000
OPTIONS EXERCISABLE @ \$0.45 EXPIRING 01/07/2022	CG NOMINEES (AUSTRALIA) LIMITED	1,250,000
OPTIONS EXERCISABLE @ \$0.50 EXPIRING 01/07/2022	CG NOMINEES (AUSTRALIA) LIMITED	1,250,000

**MATADOR MINING LTD ABN 45 612 912 393
AND CONTROLLED ENTITY**

ASX ADDITIONAL INFORMATION

Schedule of Mining Tenements (as at 19 September 2019)

Tenement name	Location	Licence Number	Interest
Cape Ray Gold Project	Newfoundland, Canada	025560M	100%
		024125M	
		008273M	
		024359M	
		007833M	
		009839M	
		009939M	
		017072M	
		025854M	
		025855M	
		025856M	
		025857M	
		025858M	
		026125M	