



Over \$5 million raised through a private placement

Highlights

- **Matador Mining has completed a private placement to institutional, professional and sophisticated investors to raise over \$5 million.**
 - The placement introduced a number of new institutional and high net worth investors to the share register
- **Proceeds will be used towards the completion of a Scoping Study ("Study") which remains on track to be completed later this quarter, as well as the recommencement of exploration activities at the Company's Cape Ray Gold Project.**
- **The capital raising follows the recent increase to the resource at the Cape Ray Project, where**
 - The updated Mineral Resource now stands at 16.7Mt at 2.2g/t Au and 6.6g/t Ag for 1.2Moz Au and 3.9Moz Ag (ASX announcement 4 February 2020)
 - The total discovery cost per ounce, inclusive of all drilling was US\$12/oz (A\$18/oz).^{1,2,3}
- **The updated Mineral Resource will underpin the Study**
 1. Total drilling costs for 2019 \$3m – inclusive of drilling, assays, contractors and personnel.
 2. \$A\$:US exchange rate – 0.67.
 3. Total of 12,632 metres drilled in 2019 exploration program

Matador Mining Limited (ASX: MZZ, MZZO) ("Matador" or the "Company") is pleased to announce that the Company has raised \$5.2 million via a private placement of shares to institutional, professional and sophisticated investors at a price of \$0.20 per share ("Placement"). The Placement includes participation by directors of the Company, who subscribed for 1.35 million shares, the issue of which will be subject to the approval of Matador shareholders at the Company's next general meeting.

The funds raised in the Placement will be used for the following activities:

- Completion of the Study to assess gold production at the Cape Ray Gold Project. The Study is assessing the potential for an open pit mining operation at the Project and is expected to be completed later this quarter;
- Recommencement of exploration activities at the Cape Ray Project. The Company will release further information regarding its 2020 exploration program following the release of the Study;
- Continuing with the various environmental and stakeholder studies that will support the submission of the Environmental Impact Statement for the Cape Ray Project later in the year;
- Working capital and general corporate purposes.

Placement details

The issue of 24,179,620 ordinary shares at 20.0 cents per share under the Placement ("**New Shares**") will utilise Matador's issuance capacity under ASX Listing Rules 7.1 and 7.1A, with:

- 14,881,321 New Shares issued under Matador's Listing Rule 7.1 issuance capacity; and
- 9,298,299 New Shares issued under Matador's Listing Rule 7.1A issuance capacity.

Accordingly, no shareholder approval is required in connection with the Placement. The New Shares will rank equally with the Company's existing fully paid ordinary shares.

A further 1.35 million shares will be issued to directors of the Company, the issue of which will be subject to the approval of Matador shareholders at the Company's next general meeting.

The issue price of 20.0 cents per New Share represents:

- A 16.7% discount to the last closing price of Matador shares on 31 January 2020 of 24.0 cents per share; and
- A 17.4 % discount to the 15-day volume weighted average price of Matador shares to 31 January 2020 of 24.2 cents per share.

About the Company

Matador Mining Limited (ASX: MZZ) is a gold exploration company with tenure covering 80km of continuous strike along the highly prospective, yet largely under-explored Cape Ray Shear in Newfoundland, Canada. Within the package is a 14km zone of drilled strike which hosts a JORC resource of 1.2Moz Au (16.7Mt at 2.2g/t Au) (see Table 1 below for a full summary of Resources) (ASX announcement 4th February 2020). The exploration opportunity at Cape Ray is extensive, with only a small portion of the 80km strike drilled, and high-grade gold occurrences observed along trend. The company is undertaking a large-scale exploration and project development program that is focused on unlocking the value in this considerable package.

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

	Indicated			Inferred			Total		
	Mt	Au (g/t)	Koz (Au)	Mt	Au (g/t)	Koz (Au)	Mt	Au (g/t)	Koz (Au)
Central Zone	6.8	3.0	640	4.4	1.6	228	11.2	2.4	870
Isle Aux Mort	-	-	-	0.8	2.4	60	0.8	2.4	60
Big Pond	-	-	-	0.1	5.3	19	0.11	5.3	19
WGH				4.5	1.6	230	4.5	1.6	230
Total	6.8	3.0	640	9.8	1.7	537	16.7	2.2	1.2Moz

In relation to the Mineral Resource estimate announced on 4th February 2020, Matador confirms that it is not aware of any new information or data that materially affects the information included in the announcement of 4th February 2020 and that all material assumptions and technical parameters underpinning the Mineral Resource estimate in the announcement of 4th February 2020 continue to apply and have not materially changed.

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

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