



Matador Mining Quarterly Activities Report

Quarter Ended 30 June 2022

Matador Mining Limited (ASX: MZZ; OTCQX: MZZMF; FSE: MA3) (“**Matador**” or the “**Company**”) is pleased to provide its Quarterly Activities Report for the quarter ended 30 June 2022. All dollar amounts are Australian dollars unless stated otherwise.

Matador is exploring in Newfoundland, Canada, on 120 kilometres of continuous strike along the proven, yet under-explored multi-million-ounce regional-scale Cape Ray Shear Zone (“**CRSZ**”). Additionally, the Company holds the tenements over a 27-kilometre continuous strike at its Hermitage property located on the Hermitage Flexure.

The Company hosts a Mineral Resource (reported in May 2020) of approximately 837,000 ounces of gold grading 2 g/t with over 96% of the resource located less than 200 metres from surface.

Highlights

Corporate

- Subsequent to the end of the June 2022 quarter, the Company successfully completed a capital raising yielding gross proceeds of \$5.0 million to advance its exploration program in Newfoundland.
- Capital raising participants include existing large shareholders and the addition of two new and large resource-focused funds based in Toronto, Canada.
- On 1 May 2022, Sam Pazuki commenced his tenure as Chief Executive Officer and was appointed by the Board of Directors (the “**Board**”) as Managing Director.
- On 1 May 2022, the Company announced additional changes to the Board:
 - Ian Murray became Non-Executive Chairman from Executive Chairman
 - Mick Wilkes, previously Non-Executive Director retired from the Board to pursue new opportunities.

Greenfields Exploration

- A total of 17 high-tenor gold grain anomalies identified from till sampling at Malachite within the 15 x 4 kilometre structural target area.
- High tenor gold grain anomalies included:
 - 716 gold grain sample containing 607 pristine gold grains 2.9 kilometres north of the CRSZ;
 - 336 gold grain sample containing 161 pristine gold grains 0.4 kilometres south of the CRSZ;

- Cluster of gold grain anomalies on a major structural bend to the south-west of the target area; and
- Dispatched field crews in June 2022 to follow-up with additional sampling including till sampling and bottom-of-hole sampling with the intent of identifying specific areas in which to diamond drill.

Brownfields Exploration - Winter Drilling

CRD352 (Central Zone):

- **13.3 g/t Au over 6 metres** from 214 metres (incl. **45.8 g/t Au over 1 metre** from 217 metres and **11.7 g/t Au over 1 metre** from 219 metres); and
- **7.1 g/t Au over 6 metres** from 228 metres (incl. **22.4 g/t Au over 1 metre** from 229 metres).

CRD351 (Central Zone):

- **5.4 g/t Au over 5 metres** from 53 metres (incl. **8.9 g/t Au over 2.9 metres** from 53 metres); and
- **11.1 g/t Au over 2 metres** from 64 metres (incl. **13.6 g/t Au over 1 metre** from 64 metres).

CRD325 (PW-East):

- **2.9 g/t Au over 11 metres** from 44 metres (including **11.1 g/t Au over 1 metre** from 44 metres and **15.6 g/t Au over 1 metre** from 47 metres).

CRD336 (PW-East):

- **10.7 g/t Au over 3 metres** from 26 metres (incl. **29.4 g/t Au over 1 metre** from 28 metres).

Increased Newfoundland Tenement Package

- New claims staked immediately adjacent to Matador tenements following a detailed review of historic data associated with prospective ground along the CRSZ.
- Increased overall land position by 6% or 62km² to a total of 1,033km²



Figure 1: Location map of Matador tenements in south-west Newfoundland

Corporate

Capital Raise

Subsequent to the end of the June 2022 quarter, the Company successfully completed a capital raising (“**Placement**”) yielding gross proceeds of \$5 million through a share placement to institutional, professional and sophisticated investors. Several major investors participated in this Placement including some of the Company’s largest shareholders. It also included the addition of two new and large resource-specific funds based in Toronto, Canada.

The capital raising resulted in the issuance of 40,969,901 shares and consisted of three tranches of investment: hard dollar, flow-through and a private placement. The details of each are summarised below.

Hard Dollar Placement

The hard dollar placement yielded gross proceeds of \$2 million at a share price of \$0.115 per share (“**Offer Price**”) representing a 14.8% discount to the last close of Matador shares on 12 July 2022 of \$0.135 and an 18.8% discount to the 5-day volume weighted average price of \$0.1417.

Flow-Through Placement

This placement yielded gross proceeds of \$2.5 million at a share price of \$0.13 per share representing a 13% premium to the Offer Price.

Private Placement

Subsequent to the initial capital raising completion date, one of Matador’s largest shareholders who had intended on participating in the initial capital raise but was unable to do so due to time limitations associated with required paperwork and compliance, invested \$500,000 at the Offer Price for an additional 4.31 million shares.

Directors’ Participation

Subject to shareholder approval, the full Board have indicated their intention to subscribe for a total 1.83 million shares. The Company expects shareholders will be afforded an opportunity to approve this arrangement at the Company’s next Annual General Meeting expected later in the year.

The dilutive effect of the capital raising on existing shareholders was as follows:

	Shares	% of shares on issue before Placement
Shares on issue before Previous Placement	217,519,505	
Shares issued under ASX Listing Rule 7.1	29,302,851	13.5%
Shares issued under Listing Rule 7.1A	5,527,919	2.5%
Large Shareholder shares issued under Listing Rule 7.1A	4,313,044	2.0%
Shares to be issued to Directors subject to Shareholder Approval	1,826,087	0.8%
Total shares on issue after Placement	258,489,406	
Total % of existing shares on issue		18.8%

Share Purchase Plan

In conjunction with the raising, the Company has offered eligible shareholders with registered addresses in Australia and New Zealand, the opportunity to participate in a Share Purchase Plan (“SPP”) up to the value of \$1 million on the same terms as the Placement.

The SPP allows eligible shareholders, being those shareholders that are residents of Australia and New Zealand that held Matador shares at 5:00pm on Thursday, 14 July 2022 (“**Record Date**”), to subscribe for up to \$30,000 worth of New Shares without incurring any brokerage or transaction costs. New Shares will be offered under the SPP at \$0.115 cents per share, being the same issue price as the hard dollar placement.

The terms and conditions of the SPP are contained in an offer booklet, which was dispatched on 22 July 2022.

A timetable for the SPP is set out below.

Key Event	Date
Record Date for Eligibility to participate in the SPP	14 July 2022
Announcement of SPP	15 July 2022
Dispatch SPP documentation	22 July 2022
Closing Date of SPP	12 August 2022
Announce Results of SPP	17 August 2022
Allotment of SPP Shares	18 August 2022
Commencement of trading of New Shares	19 August 2022
Dispatch of holding statements	19 August 2022

The proceeds from the Placement and SPP will be primarily used to advance greenfield exploration with a focus on drill target generation in the new high-priority Malachite target area and additional high-priority targets including Bunker Hill, Grandy’s and Hermitage. In addition to advancing greenfield exploration targets, proceeds will be used to commence the inaugural diamond core drill program on the priority Malachite drill targets and for general corporate working capital purposes.

Changes to the Board and Commencement of New Managing Director and CEO

On 1 May 2022, the Company’s new CEO, Sam Pazuki, commenced his tenure with the Company following a successful 10-year professional career with multinational, mid-tier producer OceanaGold Corporation (ASX & TSX: OGC). Sam is a professional engineer with a Master’s in Finance based in Toronto. He brings a wealth of strategy and corporate development experience to the Company.

On the same date, the Company announced changes to the Board of Directors. Ian Murray, previously Executive Chairman transitioned to Non-Executive Chairman, Mick Wilkes, previously Non-Executive Director retired from the Board to pursue new opportunities; and Sam Pazuki was appointed to the Board as Managing Director.

Financial Overview

Cash

As at 30 June 2022, the Company had a cash balance of approximately \$3.1 million. Refer to the attached Appendix 5B for further information. This excludes net proceeds associated with the subsequent capital raising.

Share Capital

As at 30 June 2022, the Company had 217,519,505 ordinary fully paid shares on issue.

On 1 July 2022 5,000,000 options, and on 2 July 2022, 12,791,250 options expired unexercised.

As at 3 July 2022, there were approximately 13 million options outstanding.

Payments to Related Parties

During the quarter, the Company made payments to related parties of \$114,907, which related entirely to payments for directors' fees and the salary of the Managing Director.

Environmental, Social and Governance (ESG)

Much of the Company's ESG focus during the June 2022 quarter related to increased engagement with key stakeholder groups in Newfoundland. During the quarter, the Company completed in-person meetings with key stakeholder groups including all cabin owners near and within the project boundary as well as the outfitters specific to current Company activities in Newfoundland.

The Company has held several constructive meetings with the two First Nation communities namely the Miawkpukek First Nation and Qalipu First Nation.

Greenfields Exploration

Malachite Till Sampling and Gold Grain Analysis

The Malachite area is situated in the centre of Matador's 120-kilometre-long Cape Ray Project, and specifically on the largest structural bend along this multi-million-ounce corridor which hosts Marathon Gold's (TSX: MOZ) 5.1 Moz Au Mineral Resource and Matador's 837 koz Au Mineral Resource. The area is geologically complex, with a complex array of interpreted faults and shear zones splaying off the CRSZ and wrapping around and deflecting past multiple intrusions and other prospective host rocks.

Results returned during this quarter include conventional one-kilogram till geochemistry samples collected at a 400 x 100 metre spacing and 12-kilogram till samples, collected on a 400 x 400 metre sample location grid which were submitted for detailed gold grain analysis (completed for Matador by Overburden Drilling Management Ltd).

Two thirds of the gold grain results were reported on 20 April 2022, with those results identifying nine high-tenor gold grain anomalies, three of which were at the edge of the survey area and open in multiple orientations¹. Of the nine anomalies identified, one sample at the northern edge of the survey area returned a gold grain count of 716 grains, including 607 pristine grains indicating the sample was potentially taken less than 100 metres from a basement gold source. This sample was taken proximal to the junction of second and third order fault splays 2.9 kilometres north of the CRSZ (Figure 2). The remaining gold grain analyses were reported on 8 June 2022, revealing an additional eight high-tenor gold anomalies in the western portion of the program area with one sample 400 metres to the south of the CRSZ at the edge of the survey area returning a count of 336 gold grains (including 161 pristine grains) (Figure 2)².

¹ ASX announcement 20 April 2022

² ASX announcement 8 June 2022

Based on these findings, Matador considers Malachite to be a key greenfields exploration target area that is larger than Marathon Gold's Valentine Lake gold camp, and which has been prioritised for further work.

Multiple field crews are scheduled to infill and extend till sampling around the priority anomalies throughout the 2022 summer field season, as well as generating near-term diamond drill targets using Matador's power auger basement geochemistry core sampling methodology. Field crews were dispatched in June 2022 to undertake follow-up surface and power-auger basement core sampling (assays pending) of the area containing the 716-gold grain anomaly, with the aim of identifying a potential basement gold source of the high tenor anomaly for follow-up diamond drilling.

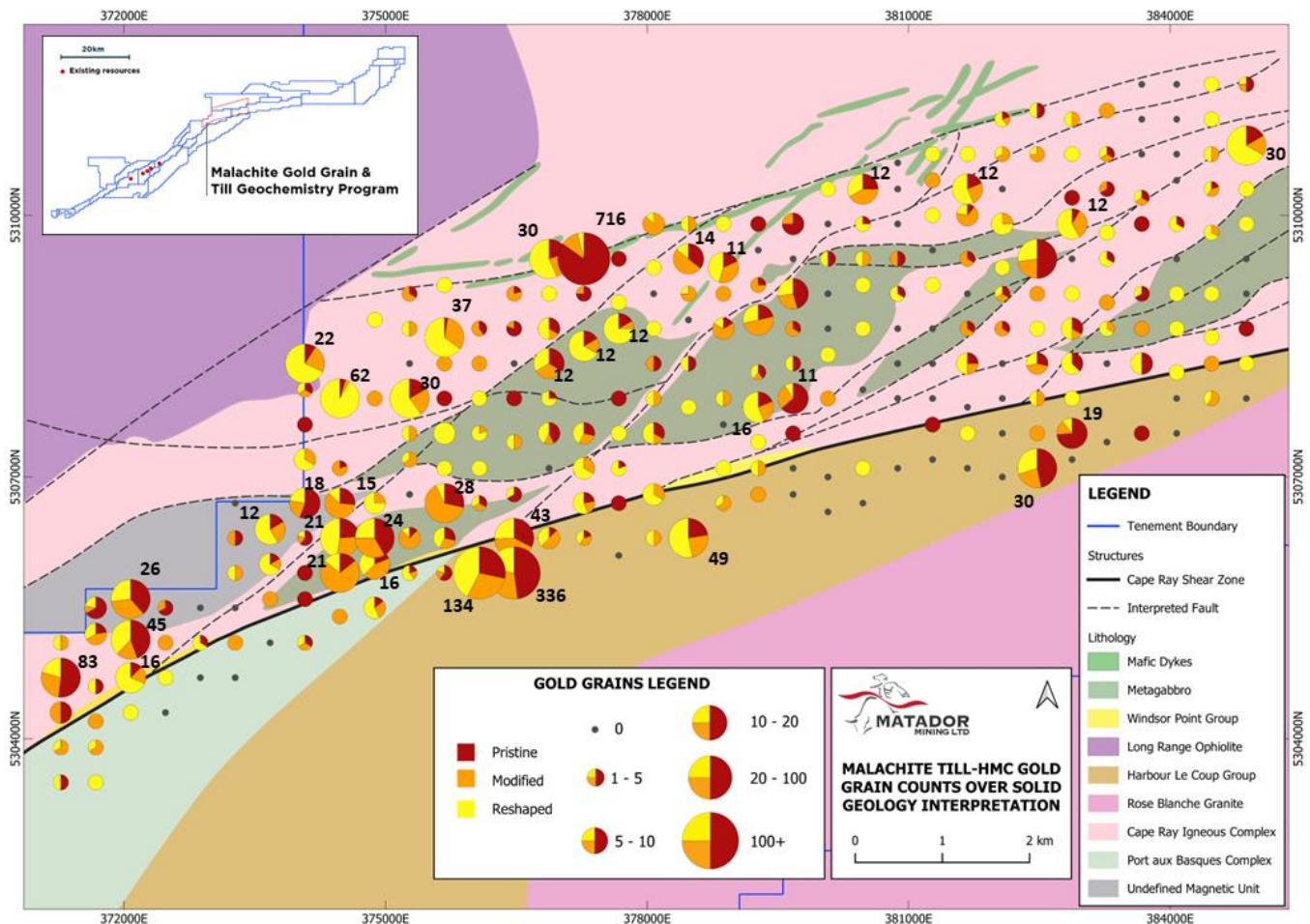


Figure 2: Total gold grain abundance in heavy mineral concentrate ("HMC") till samples highlighting the proportion of pristine:modified:reshaped grains, plotted on new solid geology interpretation derived from detailed magnetics and historic government mapping

Winter Drill Program

The Company completed its inaugural winter drill program in April 2022. Efficient drilling and favourable winter weather conditions enabled 5,930 metres to be drilled in total against a planned 3,500 to 4,000 metres. In addition to testing several drill targets (Central Zone Brownfields Exploration³, PW-East, and Stag Hill) the Company also demonstrated its ability to deliver safe and efficient drilling through the winter months, which de-risks future winter drill campaigns.

³ ASX announcement 26 May 2022

Brownfields Exploration

Central Zone

Two Central Zone diamond holes targeted an 80-metre gap in the current mineral resource drilling (CRD352) and twinned a historic hole to provide supplementary structural information on mineralisation controls (CRD351), respectively. Gold mineralisation at the Central Zone deposits is associated with quartz veins and vein arrays parallel to and splaying off the CRSZ. The gold bearing quartz veins dip moderately to steeply towards the south-east, and typically develop within sediments at or near the contact with a footwall graphitic schist (Figure 3).

Drill hole CRD352 successfully returned multiple high-grade gold intercepts (**13.3 g/t Au over 6 metres** from 214 metres, and **7.1 g/t Au over 6 metres** from 228 metres) with assays totalling 130.4 sum grams x metres Au (uncut⁴), confirming the interpreted upward continuation of a wide mineralised zone encountered at depth (Figure 4).

Drill hole CRD351 encountered a zone of highly sheared graphitic schist coincident with the gold zone resulting in core loss and poor core orientation results. However, the hole successfully intersected the targeted mineralised zone, and returned high-grade intercepts of **5.38 g/t Au over 5 metres** from 53 metres (incl. **8.9 g/t Au over 2.9 metres** from 53 metres), and **11.1 g/t Au over 2 metres** from 64 metres (incl. **13.6 g/t Au over 1 metre** from 64 metres).

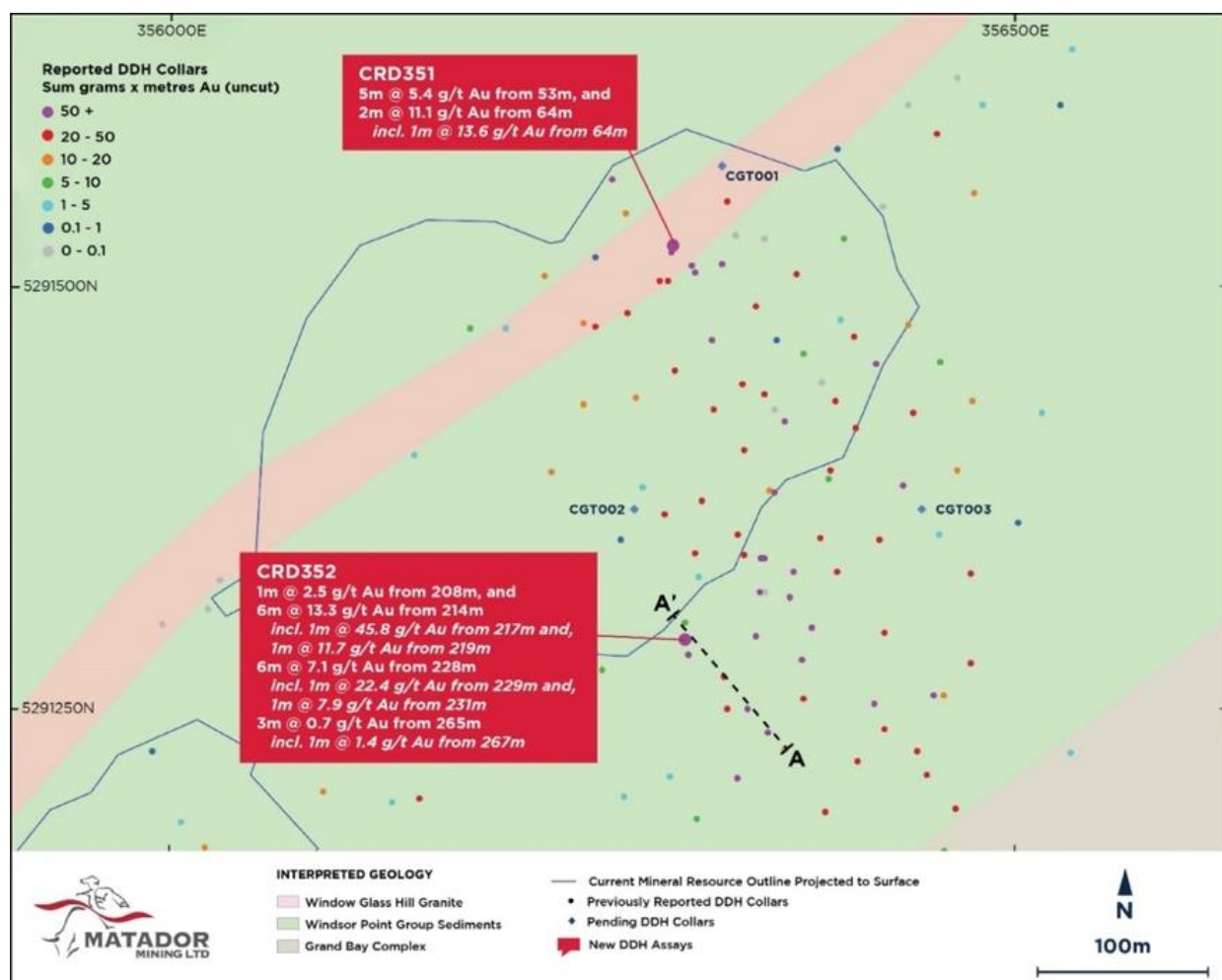


Figure 3: Collar Plan of Reported Central Zone DDH

⁴ Sum of Au grams x metres for the entire drill hole

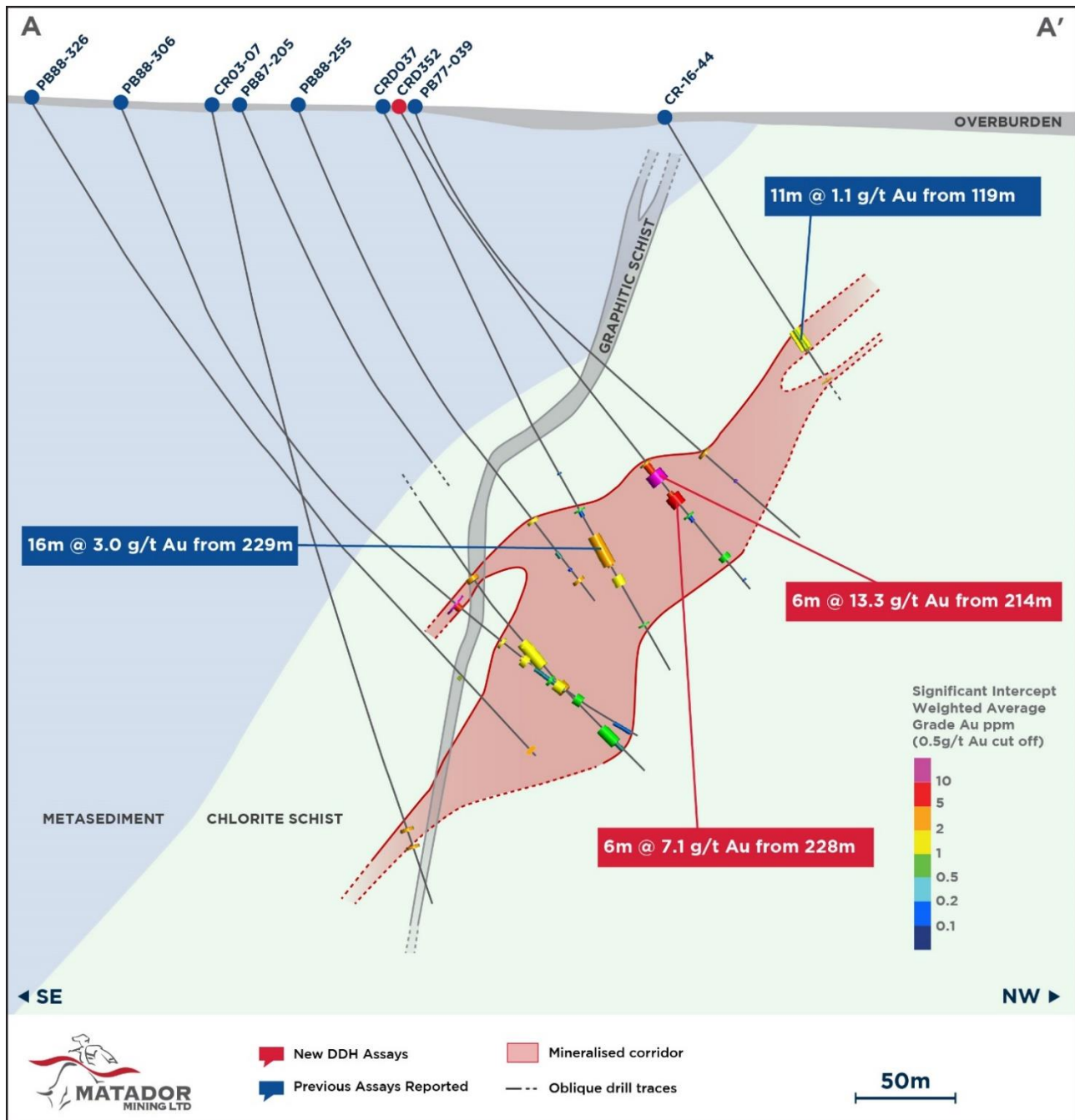


Figure 4: Cross section of CRD352 displaying interpreted mineralised corridor

PW-East Exploration

Twenty diamond holes were drilled at PW-East for a total of 3,190 metres (Figure 5). This program aimed to test the potential sheared north-eastern extension of the gold bearing Window Glass Hill Granite (“**WGHG**”). The granite is proven to be a favourable host for gold mineralisation and has been re-interpreted to extend for up to three kilometres to the north-east of WGH in the footwall and parallel to the Central Zone deposits. The PW-East drilling tested approximately 1.2 kilometres of this north-east extension.

Drilling confirmed that WGHG-hosted gold mineralisation extends to at least 275 metres north-east of the eastern most historic significant intercept within the PW Mineral Resource. Notably, CRD325 intersected a mineralised zone **2.9 g/t Au over 11 metres** from 44 metres (incl. **11.1 g/t Au over 1 metre** from 44 metres and **15.6 g/t Au over 1 metre** from 47 metres) (Figure 5Error! Reference source not found.).

The PW-East drilling indicates gold rich quartz veining is localized within the brittle granite host (WGHG) due to the competency contrast with surrounding ductile sheared sediments (Figure 5). This same competency contrast focuses the shearing in the sediments hosting the high-grade Central Zone resources. A new intercept of **10.7 g/t Au over 3 metres** from 26 metres (CRD336) in the Cape Ray shear zone occurs in the sparsely drilled gap between the existing Central Zone 41 & 51 Mineral Resources, indicating potential for additional near-surface mineralisation and incremental resource growth in the poorly drilled gaps in the vicinity of the existing resources.

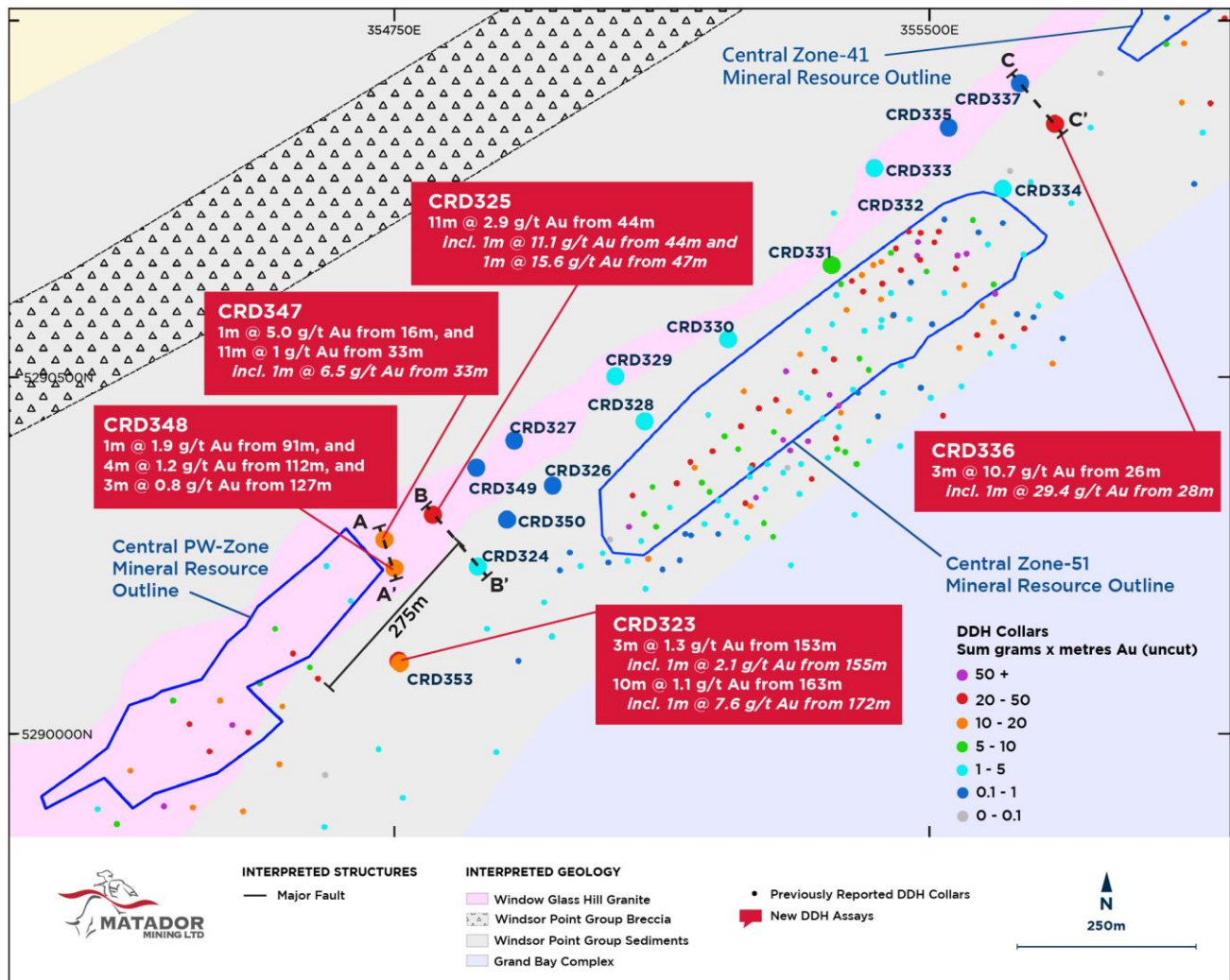


Figure 5: Collar plan of PW-East drilling with significant intercepts

Stag Hill Exploration

The Stag Hill area, approximately three kilometres north-east of Central Zone 4 deposit, was targeted based on coincident gold and pathfinder geochemical anomalism and a prominent structural bend or jog identified in the detailed magnetics.

A nine-hole diamond drill program was designed to test the peak geochemical anomaly over the interpreted fault jog. While low-grade gold results (best of 1.0 g/t Au over 3 metres from 14.5 metres, including 3.6 g/t Au over 0.55 metres from 14.45 metres in hole CRD346) confirmed gold mineralisation the target has been downgraded in priority and no further work will be contemplated in the near term.

Tenement Acquisition

During the quarter, the Company increased its landholding in Newfoundland following a comprehensive internal targeting workshop held in collaboration with external industry experts during the March 2022 quarter (Figure 6).

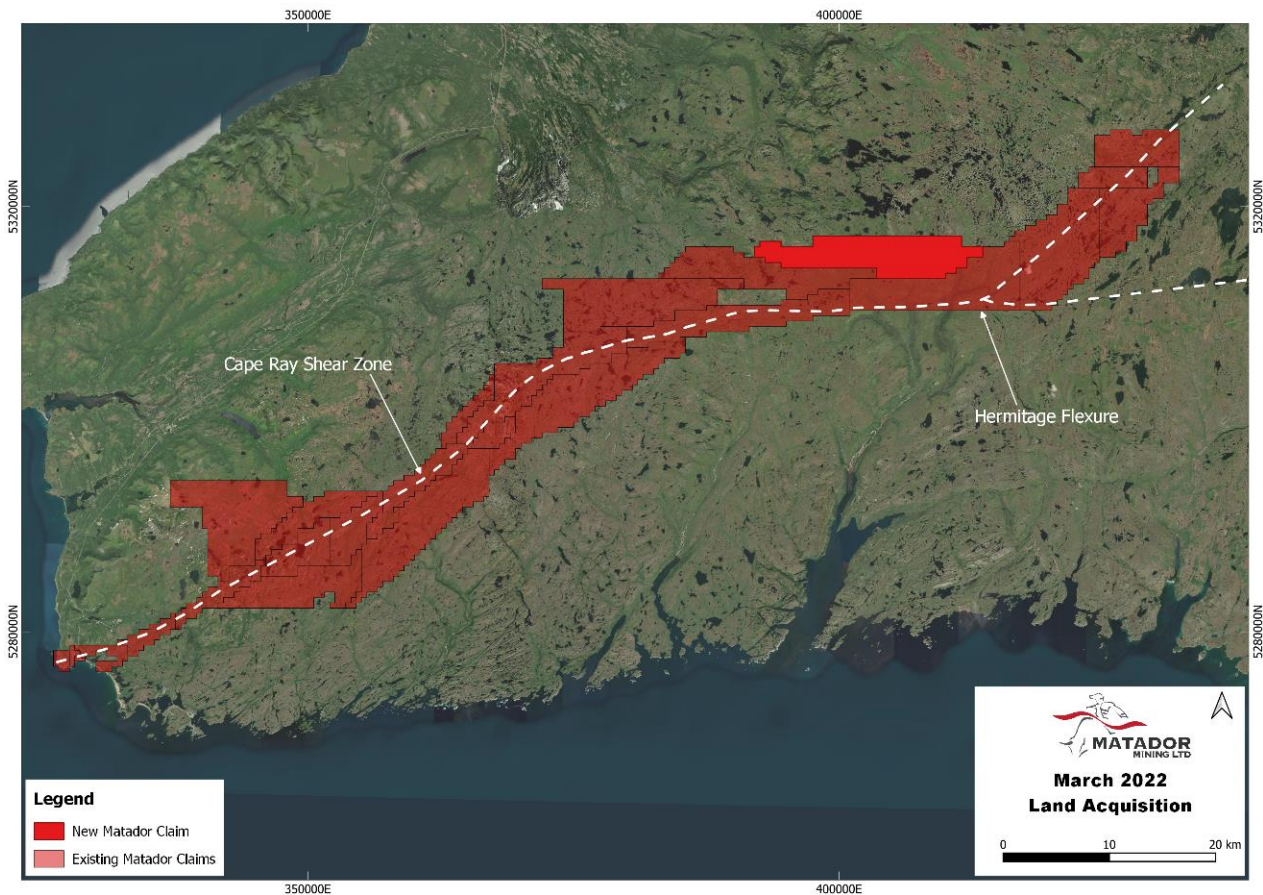


Figure 6: Map of Matador's updated tenement holdings at the Cape Ray Gold Project

The newly acquired claims are contiguous with the Company's existing Cape Ray tenement package, located north of the priority Bunker Hill target area, which the Company expects to explore in the current field season. The new package presents multiple prospective elements including highly anomalous historic lake sediments (RioCanEx 1979-1980) coincident with the projection of faults and shears splaying off the largest regional flexure in the multi-million-ounce CRSZ.

In addition to this, fault splays are coincident with a VTEM⁵ conductivity anomaly immediately south of the lake sediment anomaly (Marathon Gold Corp 2012 airborne geophysical survey). There has been no testing of any of the identified historic anomalies with any detailed surface or basement geochemical sampling, and there is no historic drilling in the new claim area.

⁵ VTEM = Versatile Time Domain Electro Magnetic (airborne geophysical survey)

Environmental Impact Statement Update

Work continued to ensure the environmental assessment activities and the preparation of the Environmental Impact Statement (“EIS”) Report are completed and ready for draft submission to the regulators in the September 2022 quarter.

Baseline studies are near complete with only kinetic geochemical testing of waste materials still ongoing. The focus is now on completing the impact assessments, identifying mitigation measures and write-ups of the various chapters leading into the compilation of the final report.

During the quarter, the Company submitted a draft EIS to Impact Assessment Agency Canada (“IAAC”). The purpose of this submission was to demonstrate to IAAC the substantial progress the Company has made on its EIS document including a list of items underway and yet to be completed ahead of the formal submission. The Company has requested a two-year extension to cover the additional time required to submit the EIS and information requests that could follow-on. The Company has not yet received a decision from IAAC.

The Company is currently expecting to submit a draft EIS to the provincial regular for re-registration of the project and to IAAC for a formal technical review in the fall of 2022. The Company is currently expecting to lodge the formal EIS document in the June quarter of 2023.

Tenement Interests

There was a material change to the Company’s tenement interests during the quarter. Table 1 below shows the Company’s tenement interests as at 30 June 2022.

Table 1. Tenement interests as at 30 June 2022

Holder	Licence No.	Project	No. of Claims	Area (km2)	Comments
Cape Ray Mining Limited	025560M	Cape Ray	20	5.00	
Cape Ray Mining Limited	025855M	Cape Ray	32	8.00	Royalty (d)
Cape Ray Mining Limited	025856M	Cape Ray	11	2.75	Royalty (d)
Cape Ray Mining Limited	025857M	Cape Ray	5	1.25	Royalty (d)
Cape Ray Mining Limited	025858M	Cape Ray	30	7.50	Royalty (d)
Cape Ray Mining Limited	026125M	Cape Ray	190	47.50	
Cape Ray Mining Limited	030881M	Cape Ray	255	63.75	
Cape Ray Mining Limited	030884M	Cape Ray	255	63.75	
Cape Ray Mining Limited	030889M	Cape Ray	50	12.50	
Cape Ray Mining Limited	030890M	Cape Ray	118	29.50	
Cape Ray Mining Limited	030893M	Cape Ray	107	26.75	
Cape Ray Mining Limited	030996M	Cape Ray	205	51.25	
Cape Ray Mining Limited	030997M	Cape Ray	60	15.00	Royalty (d)
Cape Ray Mining Limited	031557M	Cape Ray	154	38.5	
Cape Ray Mining Limited	031558M	Cape Ray	96	24	
Cape Ray Mining Limited	031559M	Cape Ray	32	8	
Cape Ray Mining Limited	031562M	Cape Ray	37	9.25	
Cape Ray Mining Limited	032060M	Cape Ray	81	20.25	Royalties (a) (b) (c)
Cape Ray Mining Limited	032061M	Cape Ray	76	19	Royalties (a) (b) (c)
Cape Ray Mining Limited	032062M	Cape Ray	72	18	Royalties (a) (b) (c)
Matador Canada PTY Ltd.	032764M	Hermitage	256	64	Pegged 20 May 2021
Matador Canada PTY Ltd.	032770M	Hermitage	252	63	Pegged 20 May 2021
Matador Canada PTY Ltd.	032818M	Hermitage	95	23.75	Pegged 22 May 2021
Matador Canada PTY Ltd.	032940M	Cape Ray	255	63.75	Pegged 28 May 2021

Holder	Licence No.	Project	No. of Claims	Area (km2)	Comments
Matador Canada PTY Ltd.	032941M	Cape Ray	256	64	Pegged 28 May 2021
Matador Canada PTY Ltd.	033080M	Cape Ray	190	47.5	Pegged 14 June 2021
Matador Canada PTY Ltd.	033083M	Cape Ray	256	64	Pegged 14 June 2021
Matador Canada PTY Ltd.	033085M	Cape Ray	256	64	Pegged 14 June 2021
Matador Canada PTY Ltd.	033110M	Hermitage	183	45.75	Pegged 18 June 2021
Cape Ray Mining Limited	034316M	Cape Ray	247	61.79	Pegged 10 March 2022
	Total		4132	1033	

Table 2. Mineral Resource Estimate – May 2020

Cape Ray Gold Project Summary Mineral Resource																	
			Indicated					Inferred					Total				
Deposit	Cut-off	RL	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Contained Au (Koz)	Contained Ag (Koz)	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Contained Au (Koz)	Contained Ag (Koz)	Tonnes (Mt)	Au (g/t)	Ag (g/t)	Contained Au (Koz)	Contained Ag (Koz)
Z4/41	0.5	>100mRL	2.1	2.83	8	191	545	1.3	1.48	6	61	236	3.4	2.32	7	252	781
	2	<100mRL	0.2	3.10	11	23	77	0.2	2.90	9	17	56	0.4	3.01	10	40	133
Z51	0.5	>200mRL	0.8	4.25	9	103	211	0.0	1.43	5	1	3	0.8	4.18	9	104	214
	2	<200mRL	0.2	4.41	11	32	77	0.1	2.59	3	12	15	0.4	3.71	8	43	92
HZ	0.5	All	0.2	1.11	1	8	8	0.0	0.90	1	0	0	0.2	1.11	1	8	8
PW	0.25	All	-	-	-	-	-	2.2	1.12	4	80	257	2.2	1.12	4	80	257
IAM	0.5	All	-	-	-	-	-	0.8	2.39	2	60	60	0.8	2.39	2	60	60
Big Pond	0.5	All	-	-	-	-	-	0.1	5.30	3	19	12	0.1	5.30	3	19	12
WGH	0.25	All	-	-	-	-	-	4.7	1.55	10	232	1,455	4.7	1.55	10	232	1,455
	Total		3.5	3.15	8	356	918	9.4	1.60	7	481	2,094	12.9	2.02	7	837	3,012
Note: Figures have been rounded and rounding errors may apply. Contained metal figures do not take metallurgical recovery into account. Reported cut-offs from Zones 51, 4/41 cover both open-pit resources scenario (0.5a/t Au cut-off) and underground scenario (2a/t Au cut-off). 2020 resource updates for Zones 4/41, 51. WGH and PW use 2 t/m³ density.																	

Note: Figures have been rounded and rounding errors may apply. Contained metal figures do not take metallurgical recovery into account. Reported cut-offs from Zones 51, 4/41 cover both open-pit resources scenario (0.5g/t Au cut off) and underground scenario (2g/t Au cut off). 2020 resource updates for Zones 4/41, 51, WGH and PW use 2.8t/m³ density.

- All Mineral Resources are completed in accordance with the JORC Code 2012 Edition.
- All figures are rounded to reflect appropriate levels of confidence. Apparent differences may occur due to rounding.
- Cut-off grade assumptions approximately reflect a US \$1,550 per ounce gold price as per the Cape Ray Scoping Study.
- Open Pit Mineral Resources are reported at various cut-off grades to reflect assumed Reasonable Prospects of Eventual Economic Extraction as derived from the Cape Ray Scoping Study: Z4/41 - 0.50 g/t Au cut-off above 100mRL; Z51 – 0.5 g/t Au cut-off above 200mRL; HZ, IAM and WGH all reported at 0.5 g/t Au cut-off with no constraint; Big Pond and PW reported at 0.25 g/t Au cut-off with no constraint.
- Underground Mineral Resources are reported at a 2.0 g/t Au cut-off grade to reflect assumed Reasonable Prospects of Eventual Economic Extraction as derived from the Cape Ray Scoping Study: Z4/41 – 2.0 g/t Au cut-off below 100mRL; Z51 – 2.0 g/t Au cut-off below 200mRL.

This Quarterly Activities Report has been authorised for release by the Company's Board of Directors.

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

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Alex Cowie – Investor Relations
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 Email: alexc@nwrcommunications.com.au

Reference to Previous ASX Announcements

In relation to the exploration results included in this announcement, the dates of which are referenced, the Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements.

In relation to the Mineral Resource estimate announced on 6 May 2020 (see Table 2), Matador confirms that it is not aware of any new information or data that materially affects the information included in that announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimate in the announcement of 6 May 2020 continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

In relation to the results of the Scoping Study which were announced on 6 May 2020, Matador confirms that all material assumptions underpinning the production target and forecast financial information included in that announcement continue to apply and have not materially changed.

About the Company

Matador Mining Limited (ASX: MZZ; OTCQX: MZZMF; FSE: MA3) is a gold exploration company with tenure covering 120 kilometres of continuous strike along the highly prospective, yet largely under-explored Cape Ray Shear in Newfoundland, Canada. The Company released a Scoping Study which outlined an initial potential seven-year mine life, with a forecast strong IRR (51% post Tax), rapid payback (1.75 year) and LOM AISC of US\$776/oz Au (ASX announcement 6 May 2020). The Company is currently undertaking exploration across the Cape Ray tenements, targeting both brownfield expansion and greenfields exploration. Matador acknowledges the financial support of the Junior Exploration Assistance Program, Department of Industry, Energy and Technology, Provincial Government of Newfoundland and Labrador, Canada.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Matador Mining Limited

ABN

45 612 912 393

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(280)	(928)
	(e) administration and corporate costs	(443)	(2,495)
1.3	Dividends received (see note 3)		
1.4	Interest received	-	2
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other Business development activities)	(9)	(124)
1.9	Net cash used in operating activities	(732)	(3,545)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities		
	(b) tenements	-	(17)
	(c) property, plant and equipment	(4)	(315)
	(d) exploration & evaluation	(4,265)	(16,577)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash used in investing activities	(4,269)	(16,909)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	1,043
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(201)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	842

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	7,173	22,016
4.2	Net cash used in operating activities (item 1.9 above)	(732)	(3,545)
4.3	Net cash investing activities (item 2.6 above)	(4,269)	(16,909)
4.4	Net cash from (used in) financing activities (item 3.10 above)	-	842

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	933	701
4.6	Cash and cash equivalents at end of period	3,105	3,105

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,105	7,173
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,105	7,173

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	131
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(732)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(4,265)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(4,997)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,105
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,105
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.62
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: Towards the end of the quarter the Company pivoted to a greenfields strategy that will initially focus on extensive field work to identify drill targets, with drilling expected mid Canadian summer 2022, which will see a lower level of spend over the next 1-2 quarters. The Company is also targeting a reduction in corporate and administration costs. A capital raise of \$5m was completed on 20 July 2022. A Share Purchase Plan is also being undertaken to raise up to a further \$1m.	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: Yes, the Company completed a capital raise of \$5m on 20 July 2022. A Share Purchase Plan is also being undertaken to raise up to a further \$1m.	

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, through a combination of lower exploration and corporate and administration spend and the successful completion of a capital raise in July, the Company expects to be able to continue its operations and to meet its business objectives.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27 July 2022

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.