



Drilling commences at Cape Ray Project

Highlights

- **Matador has commenced its 2020 drilling program at its 100% owned Cape Ray Project. The program includes:**
 - A 12,000-metre diamond drill program
 - An extensive greenfield exploration program
 - Regional target generation work extending over the majority of the 120-kilometre strike tenement package
- **The first drill target is at Window Glass Hill where a minimum of 3,000 metres is planned, focused on extensions to the existing Mineral Resource (Image 1).**
 - The 2019 exploration program discovered gold at US\$5/oz or 27oz/metre drilled in this area (ASX Announcement 4 February 2020).
- **The second main brownfield target is at Isle aux Morts, where approximately 2,000 metres of drilling will focus on resource extensions, infill drilling and further support for the greenfield program.**
- **Greenfield activities have also commenced with ground magnetics and mapping at the Granites, Sleeper and Breccia Zone targets (Image 2). Following this work, trenching will take place to further refine detailed drilling locations.**
- **Between 2,000 and 7,000 metres of drilling is planned for follow-up on the most prospective targets identified from the magnetics and trenching.**
- **Based on current cash reserves, the Company is fully funded for the 2020 and 2021 exploration seasons.**

Matador Mining Limited (ASX: MZZ, MZZO) ("Matador" or the "Company") is pleased to announce that drilling and greenfield exploration activities have commenced at its Cape Ray Gold Project (the "**Project**") in Newfoundland, Canada. The program consists of 12,000 metres of diamond drilling as well as extensive greenfield activities. Drilling will focus on the following areas:

- 3,000 metre brownfields drilling at Window Glass Hill
- 1,000 metre brownfields drilling at Isle aux Morts
- 1,000 metre infill drilling at Isle aux Morts
- 2,000 metres of greenfields drilling (Granites, Sleeper or Breccia)
- 5,500 metres has also been assigned for the following activities:
 - further extensional drilling at Window Glass Hill and Isle aux Morts, infill drilling and some geotechnical drilling to support pit optimisation studies
 - further greenfields drilling depending on targeting success based on reconnaissance field activities.

The greenfield activities taking place this year include ground magnetic surveys, mapping, geochemical sampling and trenching. The Company is taking a systemic approach to its greenfield strategy as it aims to increase the number of conceptual and advanced prospects (Image 4) over the Company's large, yet under explored package.

Target generation work will rely primarily on airborne and ground-based geophysics with follow-up work including structural mapping and geochemical programs, all with the focus of defining areas of interest for the 2021 field season.

Executive Chairman Ian Murray commented:

"We are very pleased to be on the ground and drilling at our Cape Ray Project this year, given the global logistical challenges we all face. Conditions are excellent and we have established a first-rate local team, who are all based in Newfoundland, and therefore allows us to work effectively within the COVID restrictions.

Our drilling starts at Window Glass Hill where we had great success last year discovering gold at less than US\$5 per ounce. Work on a number of our greenfield prospects is also underway. Whilst drilling these targets is obviously higher risk, there is significantly greater reward if they prove successful. The program aims to reduce this risk by completing a significant field program including trenching prior to the drill rigs moving in. We will keep the market updated with results as the various work programs are completed."

Window Glass Hill Drill Program

Drilling at the Window Glass Hill deposit (current JORC 2012 Inferred Resource of 232,000oz grading 1.6g/t Au) (ASX announcement 6 May 2020) comprises a program of 3,000m of NQ diamond drilling, aimed at testing projections of mineralised zones and structural intersections between splay shears and cross-cutting shears. The program will start at the holes in the northwest, which will be targeting extensions of the mineralised vein system defined in the drilling from 2019. This will be followed by holes designed to test structural intersections between the major splay fault and cross-cutting shears.

Image 1. Drilling underway at Window Glass Hill



Ground Magnetic Survey

Matador is currently conducting its first ground magnetic survey across the western half of Window Glass Hill. The survey is a pilot program to test the western extent of the Window Glass Hill granite and assist with generating targets for trenching and drilling. Further ground magnetic surveys will be carried out at Isle Aux Morts and Benton target areas, which will be combined with prospecting and mapping activities. In addition, Matador is also investigating the use of drones for capturing high-resolution airborne magnetic data to supplement the ground-based programs.

Image 2. Ground Magnetic Survey Work at Window Glass Hill and Granites Area



Project Pyramid

To assist with project development across its tenure, Matador has compiled a target map and Project Pyramid that identifies the various deposits / targets in line with their current level of development. The Pyramid is being used to support the Company's strategy as it aims to grow its resource base over the coming field seasons. As new targets are generated, these will be added to the Pyramid and form the basis for ongoing exploration activities. Just as importantly, targets that do not meet the minimum requirements will be moved out of the Pyramid ensuring focus on expenditure in the appropriate and priority areas.

Image 3. Target Location Map

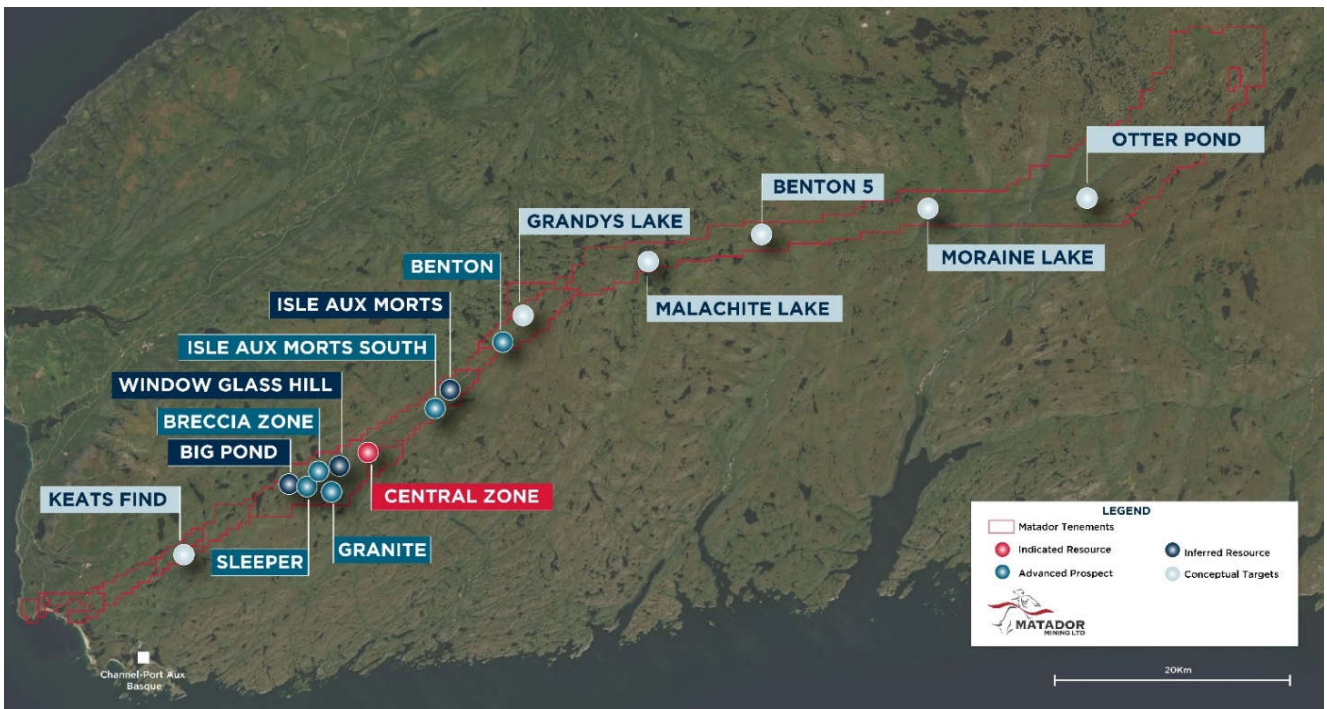
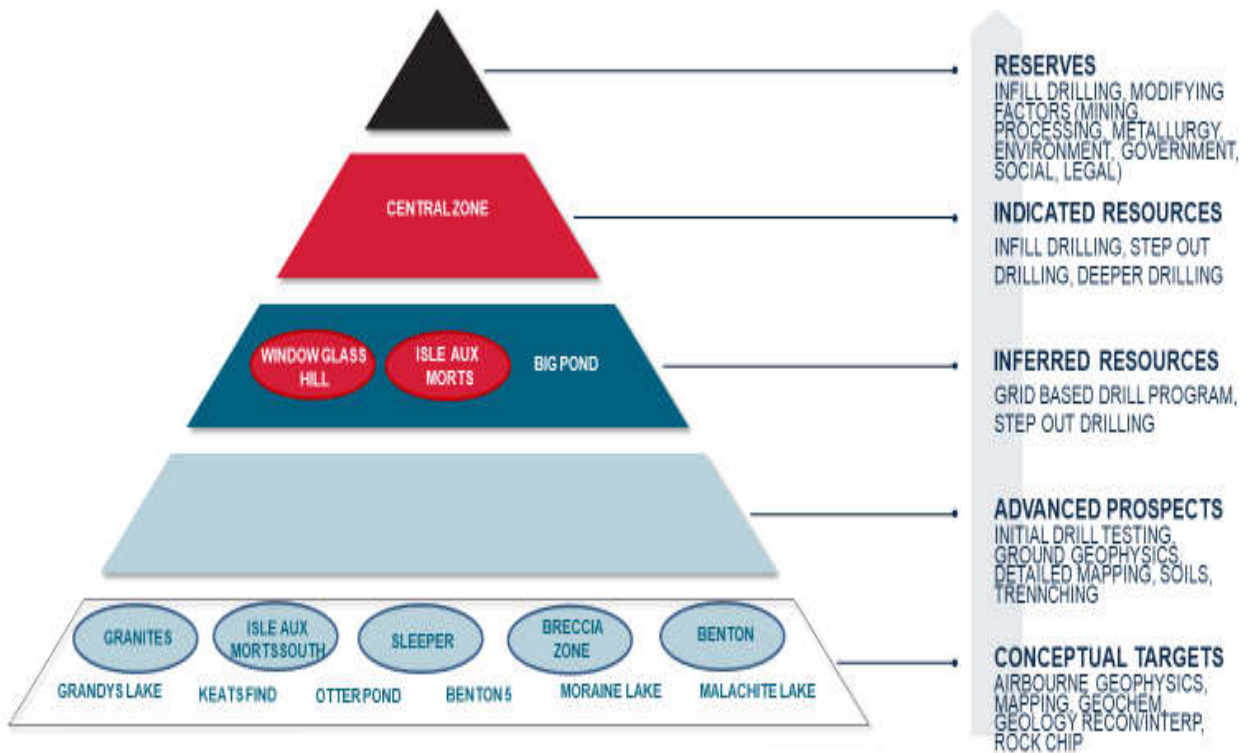


Image 4. Project Development Pyramid



About the Company

Matador Mining Limited (ASX: MZZ) is a gold exploration company with tenure covering 120km of continuous strike a strike along the highly prospective, yet largely under-explored Cape Ray Shear in Newfoundland, Canada. The Company released a Scoping Study in May 2020 which outlined an initial potential 7-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 plans to undertake a 12,000m drill program through 2020 and a major Greenfields exploration program.

TABLE 1: CAPE RAY GOLD PROJECT, MAY 2020 SCOPING STUDY JORC 2012 CLASSIFIED RESOURCE ESTIMATE SUMMARY – GOLD RESOURCE ONLY

Applied Cut-off Grade (g/t)	Deposit	Indicated			Inferred			Total		
		Mt	Au (g/t)	Koz (Au)	Mt	Au (g/t)	Koz (Au)	Mt	Au (g/t)	Koz (Au)
Open Pit 0.25 ¹ / 0.5 ² g/t Au	Central	3.06	3.06	302	3.5	1.25	141	6.6	2.01	443
	Isle Aux Mort	-	-	-	0.8	2.39	60	0.8	2.39	60
	Big Pond	-	-	-	0.1	5.30	19	0.1	5.30	19
	WGH	-	-	-	4.7	1.55	232	4.7	1.55	232
	Total	3.06	3.06	302	9.1	1.55	452	12.1	1.93	754
Underground 2.0g/t Au	Central	0.45	3.75	54	0.32	2.77	29	0.77	3.34	83
	Isle Aux Mort				-	-	-	-	-	-
	Big Pond				-	-	-	-	-	-
	WGH				-	-	-	-	-	-
	Total	0.45	3.75	54	0.32	2.77	29	0.77	3.34	83
Total Combined 0.5 / 2.0 g/t Au	Central	3.5	3.15	356	3.8	1.38	170	7.4	2.23	526
	Isle Aux Mort	-	-	-	0.8	2.39	60	0.8	2.39	60
	Big Pond	-	-	-	0.1	5.30	19	0.1	5.30	19
	WGH	-	-	-	4.7	1.55	232	4.7	1.55	232
	Total	3.5	3.15	356	9.4	1.60	481	12.9	2.02	837

1. Window Glass Hill and PW Zone
2. Central Zone deposits 04/41, 51 and Isle aux Mort and Big Pond

This announcement has been authorised for release by the Company's Executive Chairman.

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

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Reference to previous ASX announcements

In relation to the results of the Scoping Study 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.

In relation to the Mineral Resource estimate announced on 6 May 2020, 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.