



Strong Progress on Environmental Assessment, Permitting and Stakeholder Engagement

Matador Mining Limited (ASX: MZZ; OTCQX: MZZMF; FSE: MA3) (“Matador” or the “Company”) is pleased to provide a progress update on the ongoing activities relating to the Environmental Assessment, Permitting, and Stakeholder Engagement for the Cape Ray Gold Project (the “Project”) in Newfoundland, Canada.

Highlights:

- **Environmental baseline studies are nearing completion. These will form the basis for the Environmental Impact Statement (“EIS”) which remains on track for completion and submission to both Federal and Provincial Governments in 2022**
- **Positive engagement with both First Nations groups and other key Project Stakeholders**
- **Commenced development of our Environmental, Social and Governance (“ESG”) framework aligned with global standards**
- **Newfoundland Power have identified potential grid connection points for the future development of the Cape Ray Gold Project and will undertake the necessary environmental work as part of their scope**
 - Newfoundland and Labrador (“NFL”) is on track for 98% green renewable hydro-electric power in the grid and are committed to net zero carbon emissions by 2050
 - Power costs in NFL are some of the lowest in Canada at less than C\$0.10/kWh

Executive Chairman Ian Murray commented:

“Canada has a well-defined methodology for progressing the Environmental Assessment and permitting process that typically incorporates an extended period of between two and five years for data collection. Matador has now completed most of this baseline work, with the Effects Assessments and Valued Component section writeups commencing shortly. Importantly, the work completed to date with our independent consultants indicates that the process should proceed on schedule, complying with all the required legislation.

In addition, discussions with local communities and government officials in Newfoundland have shown significant support for the Project with the expectation that the Project will be a significant source of jobs and income in the future”.

Environmental Assessment – History

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

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

In March 2019, following the acquisition of the Project by Matador in 2018, it was confirmed with the regulators that the existing guidelines were still relevant and applied to the execution and operation strategy that Matador had proposed for the Project. Both agencies agreed to one EIS submission that would satisfy both Provincial and Federal guidelines which will streamline the process.

Matador subsequently requested an extension to the timeline for the EIS submission, due to the hiatus between the issuing of the guidelines and Matador taking ownership of the Project. This was dually approved with the extension granted until 24 August 2022 for the Provincial regulators and 28 August 2022 for Federal regulators for the final submission.

Environmental Assessment – Current Status

Matador and its principal consultant, Environmental Applications Group Inc. (“EAG”), have been advancing the EA process for the Project since 2018 when Matador acquired the Project. The work initially focused on GAP analysis assessments to determine work to still be completed, EA strategies and setting associated plans and schedules to complete. Based on this the Company has during the past three years (2019 – 2021) collected data and undertaken field studies over various timeframes covering the following:

- Fish Community and Habitat.
- Avifauna.
- Habitat and Ecological Land Classification.
- Caribou and Small Mammals.
- Surface Water Quality and Hydrology.
- Groundwater Quality and Hydrogeology.
- Geochemistry (ore, development rock and overburden).
- Atmospheric Data collection including Meteorological.
- Archaeological and Heritage Values.
- Socio-Economic studies.
- Country Foods including berries, vegetation and fish tissue for Human Health Risk Assessment.

At the same time, the Company has engaged with the various Project stakeholders including:

- The Qalipu and Miawpukek First Nation communities.
- Port aux Basques and Isle aux Morts communities.
- Local interest groups.
- Local and provincial government.
- Provincial and federal EA agency officials.
- Outfitters and Tourism Operators.



Figure 1: Isle aux Morts River

The major items of outstanding work scheduled for the remainder of 2021 to complete the EA process include:

- Final field studies (primarily atmospheric including air quality and noise).
- Final fauna data collection (including fish and fish habitat).

- Final data collection from surface and ground water sites including water quality and sediments data.
- First Nation engagement plans.
- Completion of Traditional Knowledge and Land Use assessments.
- Effect’s Assessments.
- Valued Component (VC) write-ups for EIS.

Task	CY 2021				CY 2022				CY 2023
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
Baseline data collection		underway	outstanding						
Field studies		underway	outstanding						
Technical studies to support EIS	underway	underway	outstanding						
Impact Assessments			outstanding	outstanding					
Valued Component assessments				outstanding					
EIS Write-up				outstanding					
Peer Review					outstanding	outstanding			
EIS Submission						★			
EIS Review by regulators & stakeholders (estimate)						outstanding	outstanding		
Information Request Response (estimate)							outstanding	outstanding	
Permitting process can commence (estimate)									★

underway
 outstanding

Figure 2: EIS and Permitting Schedule

First Nation Consultation

Matador has held several meetings with the Chief and Council of the Qalipu Mi’kmaq First Nation Community (“Qalipu”) based in Corner Brook, and the Chief and Council of the Miawpukek Mi’kmaq First Nation Community (“Miawpukek”) in Conne River, regarding the Project. These were initially face-to-face meetings but as a result of COVID restrictions the later meetings were conducted virtually. Community “open house” meetings were also held with the Miawpukek community following the meeting with the Chief and Council. Meetings were well attended and positive feedback was received regarding the Project. All issues and concerns raised during these meetings have been documented and will be addressed in the EA process.

Consultation is ongoing and will continue through the remainder of the EA process, permitting, construction, operation and ultimately closure and rehabilitation stages. The key focus for the team moving forward is:

- Continued consultation with Chief and Council of both communities.
- Development of engagement agreements with the option of developing socio-economic agreements in the future.
- Further Open Houses in both communities for all members to disseminate Project information and listen to concerns.
- Traditional Knowledge and Land Use Assessments.
- Involvement of community members in studies and baseline data collection.

Other Stakeholders

Matador has held public information sessions in the local communities of Port aux Basques and Isle aux Morts. These were well attended, and community members were extremely supportive of the Project and all issues or concerns were documented so they can be addressed as part of the EA process. The Company plans on holding further public meetings in these towns and broadening the outreach to the smaller communities further away now that we have a larger presence on the island with our geological team.



Figure 3: Project Location Map

Matador has also undertaken consultation with other Project stakeholders including municipal governments, outfitters, special interest groups and regulatory authorities. In follow-up to these meetings the following activities are planned for 2021 / 2022:

- Further public information meetings in Port aux Basques, Isle aux Morts and surrounding communities.
- Meetings with local government officials regarding the Project.
- Regular update meetings with regulatory officials as we approach the EIS submission deadline.
- Meetings with special interest groups.
- Further dissemination of Project information through the Project website and various media.

Environmental, Social and Governance (ESG)

ESG performance are key drivers for the Company even at this early stage as an explorer. An ESG strategy is being developed for the Company with the assistance of a relevant expert consultant. The Company has already recognised and addressed several important ESG criteria including Board composition, environmental management and social engagement of which the last two are closely linked to the EA process. The Company will provide further updates on its ESG work as it progresses.

Update on Newfoundland Power

Matador previously met with officials from Newfoundland Power (“NP”) in which a number of potential grid connection options were presented for the Project. NP will provide a recommendation on the preferred solution and the associated permitting process. At the appropriate time NP will undertake an environmental assessment and permitting process for the transmission line corridor and grid connection.

NFL is well positioned on the ESG power generation criteria receiving the majority of their power from hydro-electric generation which includes the 5,400MW Churchill Falls generating station in Labrador. The Province is on track to achieve 98% green renewable hydro-electric power and is committed to net-zero carbon emissions by 2050.

There are two providers on the island, NP and Newfoundland and Labrador Hydro, with the choice of provider depending on location and power requirements. Powers costs for the Project are estimated at between C\$0.06/kWh and C\$0.10/kWh, some of the lowest power costs in Canada.

This announcement has been authorised for release by the Company's Board of Directors.

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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 the largest exploration program carried out at Cape Ray, with upwards of 20,000 metres of drilling, targeting 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.



Reference to Previous ASX Announcements

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.

In relation to the Mineral Resource estimate announced on 6 May 2020, the Company confirms that all material assumptions and technical parameters underpinning the estimates in that announcement 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.

Mineral Resource Estimate – May 2020

Cape Ray Gold Project Summary Mineral Resource																	
Deposit	Cut-off	RL	Indicated					Inferred					Total				
			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	0.25	All	-	-	-	-	-	0.1	5.30	3	19	12	0.1	5.30	3	19	12
WGH	0.5	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 (0.5g/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 Gold Project 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 Gold Project Scoping Study: Z4/41 – 2.0 g/t Au cut-off below 100mRL; Z51 – 2.0 g/t Au cut-off below 200mRL