

Matador Increases Newfoundland Landholding Following Annual Exploration Targeting Workshop

Matador Mining Limited (ASX: MZZ; OTCQX: MZZMF; FSE: MA3) (“Matador” or the “Company”) is pleased to announce it has increased its landholding in Newfoundland following a comprehensive internal targeting workshop held in collaboration with external industry experts during the March 2022 quarter.

Highlights

- **Increased landholdings in Newfoundland over 6% or 62km² to a total of 1,033km²**
 - New claims staked immediately adjacent to Matador tenements following a detailed review of historic data associated with prospective ground along the Cape Ray Shear Zone (“CRSZ”)
- **New ground includes highly anomalous historic lake sediment sampling and prospective Versatile Time Domain Electromagnetic (VTEM) survey**
 - Silver (Ag), Lead (Pb) & Zinc (Zn) assays in the top 3% of all lake sediment anomalies in Newfoundland - Ag, Pb & Zn are key gold pathfinder elements along the multi-million-ounce CRSZ
 - Prospective fault splays off the CRSZ identified in historic magnetic data coincident with VTEM conductivity targets and pathfinder geochemistry anomalies

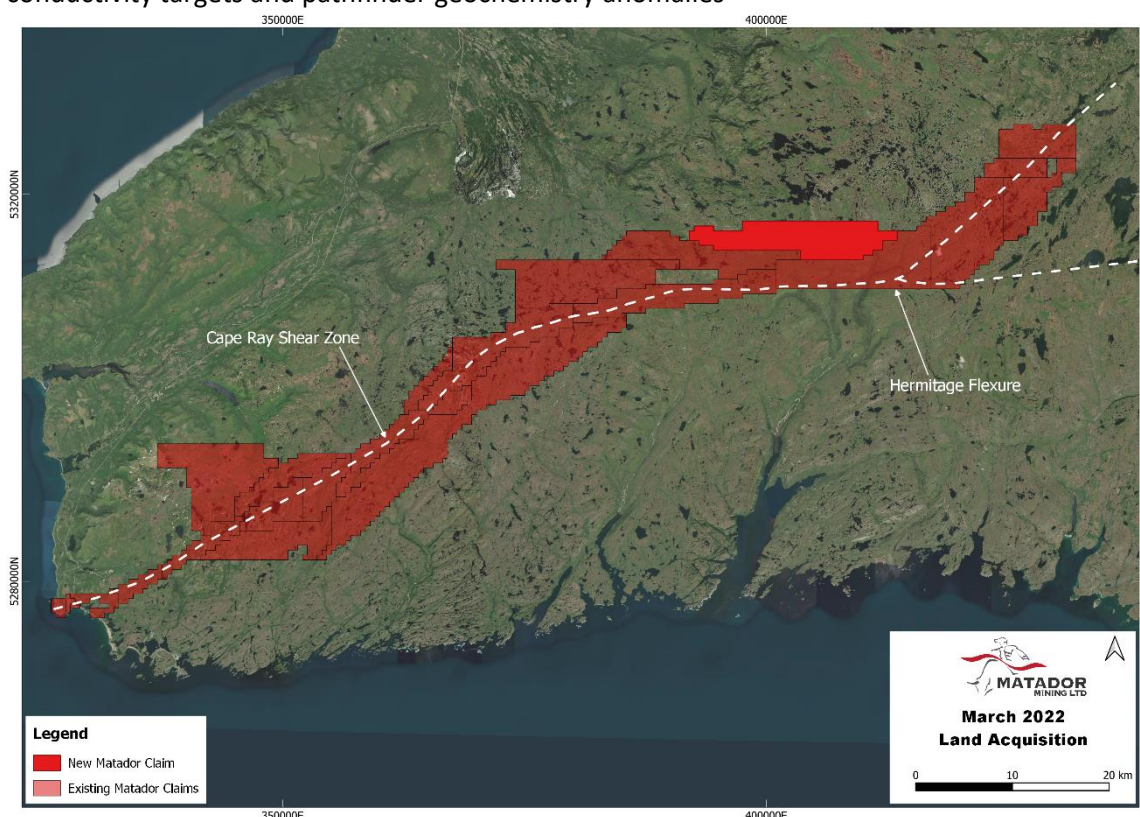


Image 1: Map of Matador's updated tenement holdings at the Cape Ray Gold Project

Chief Geologist Warren Potma commented:

"The success of the greenfield till gold grain sampling program at Malachite¹, inspired by the quality of the 2021 detailed magnetics survey, has identified a new exploration search space for Matador with demonstrated gold mineralisation potential on second and third order structures kilometres away from the main CRSZ.

These newly staked claims are adjacent to our existing tenements and located on the largest regional bend in the multi-million-ounce CRSZ. It is also close to the intersection of the CRSZ with the second richest gold structure on the island which passes through Matador's Hermitage Project and continues up through New Found Gold's Queensway Project. Structural bends and intersections in major gold rich fault zones are key factors used in the targeting of major gold deposits.

Areas like this new claim and Malachite have historically not been effectively explored. They have never been drilled, have limited, if any, systematic surface sampling, and present an incredible greenfield gold discovery opportunity in the significantly underexplored Newfoundland region."

Expansion of Cape Ray Gold Project by 62km²

The newly acquired claims are contiguous with the Company's existing Cape Ray tenement package, located north of the Bunker Hill target area. The new package presents multiple prospective elements including:

- Highly anomalous historic lake sediments (RioCanEx 1979-1980) coincident with the projection of second order faults and shears splaying off the largest regional flexure in the multi-million-ounce CRSZ
 - Silver, Lead & Zinc values in the top 3% of all lake sediment anomalies in Newfoundland (from a total of 17,128 lake sediment samples reported in the Newfoundland government dataset)
- Fault splays coincident with a VTEM² conductivity anomaly immediately south of the lake sediment anomaly (Marathon Gold Corp 2012 airborne geophysical survey)
- Anomalous silver, copper, lead, and zinc assays identified in a 1985-86 till survey completed by the Newfoundland Government which correspond with the lake sediment anomaly
- Anomalous lead and zinc stream sediment samples from 1979, and 1980, which appear to be related to the lake sediment anomaly
- No follow-up testing of these historic anomalies with any detailed surface or basement geochemistry sampling, and no drilling.

The recent till gold grain analysis results at Malachite demonstrate the gold potential of structures splaying off the largest bend in the multi-million-ounce CRSZ. These newly staked claims, which are contiguous with the existing Cape Ray Gold Project tenements, consolidate the Company's land holding along this highly prospective structural target.

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

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¹ ASX announcement 20 April 2022

² VTEM = Versatile Time Domain Electro Magnetic (airborne geophysical survey)

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.



Image 2: Drill rig at PW-East during winter drilling

Appendix 1. JORC Code 2012 Table 1 Reporting

Section 1. Sampling Techniques and Data

Section 1 is not applicable for this release as no drill results are reported.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary				
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	Matador owns 100% of all tenements on the Cape Ray Gold Project, which is located approximately 20km northeast of Port aux Basques, and 100% of all tenements on the Hermitage Project located approximately 50km North of Grey River, Newfoundland, Canada. All tenements are in good standing at the time of reporting.				
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.					
		Licence No.	Project	No. of Claims	Area (km2)	Comments
		025560M	Cape Ray	20	5.00	
		025855M	Cape Ray	32	8.00	Royalty (d)
		025856M	Cape Ray	11	2.75	Royalty (d)
		025857M	Cape Ray	5	1.25	Royalty (d)
		025858M	Cape Ray	30	7.50	Royalty (d)
		026125M	Cape Ray	190	47.50	
		030881M	Cape Ray	255	63.75	
		030884M	Cape Ray	255	63.75	
		030889M	Cape Ray	50	12.50	
		030890M	Cape Ray	118	29.50	
		030893M	Cape Ray	107	26.75	
		030996M	Cape Ray	205	51.25	
		030997M	Cape Ray	60	15.00	Royalty (d)
		031557M	Cape Ray	154	38.5	
		031558M	Cape Ray	96	24	
		031559M	Cape Ray	32	8	
		031562M	Cape Ray	37	9.25	
		032060M	Cape Ray	81	20.25	Royalties (a) (b) (c)
		032061M	Cape Ray	76	19	Royalties (a) (b) (c)
		032062M	Cape Ray	72	18	Royalties (a) (b) (c)
		032764M	Hermitage	256	64	Pegged 20 May 2021
		032770M	Hermitage	252	63	Pegged 20 May 2021
		032818M	Hermitage	95	23.75	Pegged 22 May 2021
		032940M	Cape Ray	255	63.75	Pegged 28 May 2021
		032941M	Cape Ray	256	64	Pegged 28 May 2021
		033080M	Cape Ray	190	47.5	Pegged 14 June 2021
		033083M	Cape Ray	256	64	Pegged 14 June 2021
	033085M	Cape Ray	256	64	Pegged 14 June 2021	
	033110M	Hermitage	183	45.75	Pegged 18 June 2021	
	034316M	Cape Ray	247	61.79	Pegged 10 March 2022	
	Total		4132	1033		

Criteria	JORC Code explanation	Commentary
		<p>The most proximate Aboriginal community to the Project site is the Miawpukek community in Bay d'Espoir, formerly known as "Conne River". It is approximately 230 kilometres to the east of the Project site. It is not known at this time if the Project site is proximate to any traditional territories, archaeological sites, lands or resources currently being used for traditional purposes by Indigenous Peoples. This information will be acquired as part of future environmental baseline studies.</p> <p>The Crown holds all surface rights in the Project area. None of the property or adjacent areas are encumbered in any way. The area is not in an environmentally or archeologically sensitive zone and there are no aboriginal land claims or entitlements in this region of the province.</p> <p>There has been no commercial production at the property as of the time of this report.</p> <p>Royalty Schedule legend:</p> <ul style="list-style-type: none"> a) 1.75% net smelter returns royalty (NSR) held by Alexander J. Turpin pursuant to the terms of an agreement dated June 25, 2002, as amended February 27, 2003 and April 11, 2008. The agreement between Alexander J. Turpin, Cornerstone Resources Inc. and Cornerstone Capital Resources Inc., of which 1.0% NSR can be repurchased for \$1,000,000 reducing such royalty to a 0.75% NSR. The agreement which royalty applies to Licences 14479M, 17072M, 9338M, 9339M and 9340M covering 229 claims, all as described in the foregoing agreements. b) 0.25% net smelter returns royalty (NSR) held by Cornerstone Capital Resources Inc. and Cornerstone Resources Inc. (collectively the "Royalty Holder") pursuant to the terms of an agreement dated December 19, 2012, as amended June 26, 2013, between the Royalty Holders and Benton, which royalty applies to Licence 017072M, as described in the foregoing agreement. c) Sliding scale net smelter returns royalty (NSR) held by Tenacity Gold Mining Company Ltd. pursuant to the terms of an agreement dated October 7, 2013 with Benton Resources Inc.: <ul style="list-style-type: none"> i. 3% NSR when the quarterly average gold price is less than US\$2,000 per ounce (no buy-down right); ii. 4% NSR when the quarterly average gold price is equal to or greater than US\$2,000 per ounce but less than US\$3,000 per ounce with the right to buy-down the royalty from 4% to 3% for CAD\$500,000; and iii. 5% NSR when the quarterly average gold price is equal to or greater than US\$3,000 per ounce with the right to buy-down the royalty from 5% to 4% for CAD \$500,000; On Licences 7833M, 8273M, 9839M and 9939M as described in Schedule C of the foregoing agreement. d) 1.0% net smelter returns royalty (NSR) held by Benton Resources Inc pursuant to the terms of the sale agreement between Benton and Matador of which 0.5% NSR can be repurchased for \$1,000,000 reducing such royalty to a 0.5% NSR. The agreement which the royalty applies to covers Licences 025854M, 025855M, 025858M, 025856M and 025857M covering 131 claims.
Mineral tenement and land tenure status	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	<p>The claims are in good standing</p> <p>Permits that will potentially be required for exploration work include a Surface Lease and Mineral Exploration Approval both issued by the Newfoundland Department of Natural Resources, Mineral Development Division. A Water Use Licence has been acquired from the Newfoundland Department of the Environment and Conservation, Water Resources Division, as well as a Certificate of Approval for Septic System for water use and disposal for project site facilities.</p>
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	The Cape Ray Gold Deposit was initially discovered in 1977 by Rio Canada Exploration Limited (Riocanex). Since that period the area has been the subject of numerous academic and government geological studies, and exploration by various mining companies. Historical work is summarised in Matador Announcement 19 July 2018.
Geology	Deposit type, geological setting and style of mineralisation.	<p>The Cape Ray Project lies within the Cape Ray Fault Zone (CRFZ), which acts as a major structural boundary and hosts the Cape Ray Gold Deposits; zones 04, 41 and 51 (Central Zone), Window Glass, Big Pond and Isle Aux Morts.</p> <p>The CRFZ is approximately 100km long and up to 1km wide extending from Cape Ray in the southwest to Granite Lake to the Northeast.</p> <p>Areas along and adjacent to the southwest portion of the Cape Ray Fault Zone have been subdivided into three major geological domains. From northwest to southeast they include: The Cape Ray Igneous Complex (CRIC), the Windsor Point Group (WPG) and the Port aux Basques gneiss (PABG). These units are intruded by several pre-to late-tectonic granitoid intrusions.</p> <p>The CRIC comprises mainly large mafic to ultramafic intrusive bodies that are intruded by granitoid rocks. Unconformably overlying the CRIC is the WPG, which consists of bimodal volcanics and volcanoclastics with associated sedimentary rocks. The PABG is a series of high grade, kyanite-sillimanite-garnet, quartzofeldspathic pelitic and granitic rocks intercalated with hornblende schist or amphibolite.</p> <p>Hosted by the CRFZ are the Cape Ray Gold Deposits consisting of three main mineralised zones: the 04, the 41 and the 51 Zones, which have historically been referred to as the "Main Zone". These occur as quartz veins and vein arrays along a 1.8 km segment of the fault zone at or near the tectonic boundary between the WPB and the PABG.</p> <p>The gold bearing quartz veins are typically located at or near the southeast limit of a sequence of highly deformed and brecciated graphitic schist. Other veins are present in the structural footwall and represent secondary lodes hosted by more competent lithologies.</p>

Criteria	JORC Code explanation	Commentary
		<p>Gold bearing quartz veins at the three locations are collectively known as the “A vein” and are typically located at (41 and 51 Zones) or near (04 Zone) the southeast limit of a sequence of highly deformed and brecciated graphitic schist of the WPG. The graphitic schists host the mineralisation and forms the footwall of the CRFZ. Graphitic schist is in fault contact with highly strained chloritic schists and quartz-sericite mylonites farther up in the hanging wall structural succession.</p> <p>The protolith of these mylonites is difficult to ascertain, but they appear to be partly or totally retrograded PABG lithologies. Other veins (C vein) are present in the structural footwall and represent secondary lodes hosted by more competent lithologies.</p> <p>In the CRGD area, a continuous sequence of banded, highly contorted, folded and locally brecciated graphitic schist with intercalations of chloritic and sericite-carbonate schists and banded mylonites constitutes the footwall and host of the mineralised A vein. The banded mylonites are characterized by cm-wide siderite-muscovite-quartz-rich bands within graphitic chlorite-quartz-muscovite schist. The mylonites are commonly spatially associated with local Au-mineralised quartz veins, vein breccias and stringer zones.</p> <p>The graphitic schist unit becomes strongly to moderately contorted and banded farther into the footwall of the fault zone, but cm- to m-wide graphitic and/or chloritic gouge is still common. The graphitic schist unit contains up to 60% quartz or quartz-carbonate veins. At least three mineralised quartz breccias veins or stockwork zones are present in the footwall of the 41 Zone and these are termed the C vein. The thickness of the graphitic-rich sequence ranges from 20-70m but averages 50-60 m in the CRGD area.</p> <p>The CRGD consists of electrum-sulphide mineralisation that occurs in boudinaged quartz veins within an auxiliary shear zone (the “Main Shear”) of the CRFZ. The boudinaged veins and associated mineralisation are hosted by chlorite-sericite and interlayered graphitic schists of the WPG (Table 7.1), with sulphides and associated electrum occurring as stringers, disseminations and locally discrete massive layers within the quartz bodies.</p> <p>The style of lode gold mineralisation in the CRGD has a number of characteristics in common with mesothermal gold deposits. The relationship of the different mineral zones with a major ductile fault zone, the nature of quartz veins, grade of metamorphism, and alteration style are all generally compatible with classic mesothermal lode gold deposits.</p>
Drill hole Information	<p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</p> <ul style="list-style-type: none"> • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length. <p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	<p>N/A for this release</p>

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Data aggregation methods	<p>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</p> <p>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p> <p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	N/A for this release
Relationship between mineralisation widths and intercept lengths	<p>These relationships are particularly important in the reporting of Exploration Results.</p> <p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</p> <p>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g., 'down hole length, true width not known').</p>	N/A for this release
Diagrams	<p>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</p>	N/A for this release
Balanced reporting	<p>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.</p>	N/A for this release
Other substantive exploration data	<p>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</p>	All relevant/material data has been reported
Further work	<p>The nature and scale of planned further work (e.g., tests for lateral extensions or depth extensions or large-scale step-out drilling).</p> <p>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</p>	N/A for this release