



Power-Auger Drilling Commences with Early Success at Cape Ray Gold Project

Matador Mining Limited (ASX: MZZ; OTCQX: MZZMF; FSE: MA3) (“Matador” or the “Company”) is pleased to announce that the 2021 Power-Auger drill program has commenced at the Company’s 100% owned Cape Ray Gold Project (the “Project”) in Newfoundland, Canada. This systematic auger drilling program, combined with multi-element geochemistry, is a key tool that the Company is using to unlock the vast exploration potential at the Project.

Highlights

- The Power-Auger drill program commenced at the Cape Ray Gold Project with the first 230 holes already completed;
- The first area of focus is the Window Glass Hill Granite, a known host to gold mineralisation at the Window Glass Hill (“WGH”) deposit and the 2020 Angus discovery;
- Initial visual inspection of multiple bottom-of-hole auger core samples (Figure 1) confirms sulphide-bearing quartz veins and strong alteration similar to gold mineralisation in diamond drill core from the WGH deposit;
- 14 priority targets between the WGH and Big Pond deposits are the initial focus for this program. These targets were generated from interpretation of detailed ground magnetics and historic surface geochemistry; and
- All core samples from the Power-Auger drill program will be assayed using multi-element geochemistry to identify basement mineralisation footprints that typically extend up to 100 metres away from mineralised gold deposits across the Project.



Figure 1: Bottom of hole core from Power-Auger drilling showing typical WGH-style vein assemblages - from a previously untested area of the Window Glass Hill Granite

Executive Chairman Ian Murray commented:

“This is a very strong start to our 2021 field season with over 230 auger holes drilled. A large portion of the Window Glass Hill Granite area has now been tested with encouraging visual results returned from bottom of hole core samples (Figure 1). These samples still need to be assayed, with results expected during this Quarter, but the team is confident based on visual inspection alone, that several new diamond drilling targets have been identified.

With new exploration work programs ramping up every week, this promises to be an extremely busy period for the Company on multiple fronts”.



Figure 2: ATV-mounted Power-Auger drill at Window Glass Hill



Figure 3: Hand-held Power-Auger Sampling Outcrop

The 2021 field season kicked off with the systematic Power-Auger drill program, comprising both ATV-mounted (Figure 2) and hand-held (Figure 3) Power-Auger drills operating across the Window Glass Hill Granite ("WGHG"). This extensive area (2km²) of deformed granite hosts the WGH Deposit and the 2020 Angus discovery¹ and already has multiple areas of interest defined from the detailed ground magnetic survey completed in 2020 (Figure 4) and historical rock chip sampling. There has been no systematic exploration of the WGHG away from the known deposits, and no previous exploration of the potential shear-zone hosted gold targets buried under thin till cover surrounding the margins of the WGHG.

The ATV-mounted Power-Auger rig (Figure 2) is ideal for sampling areas where till cover is greater than one metre deep, while the Hand-held Power-Auger (Figure 3) drill is optimised for sampling outcrop and through very shallow cover.

The quality of the samples generated from both drills is superb, allowing the geologists to confidently identify veining and alteration features similar to those observed in mineralised diamond drill core samples from the WGH and Angus deposits. In areas of outcrop, the hand-held Power-Auger (Figure 3), which was successfully trialed last year, is proving to be highly effective.

All core samples collected will be assayed using detailed multi-element geochemistry. Twelve key pathfinder elements are being used to map basement mineralisation footprints which have been demonstrated to extend up to 100 metres away from mineralised gold deposits across the Project.

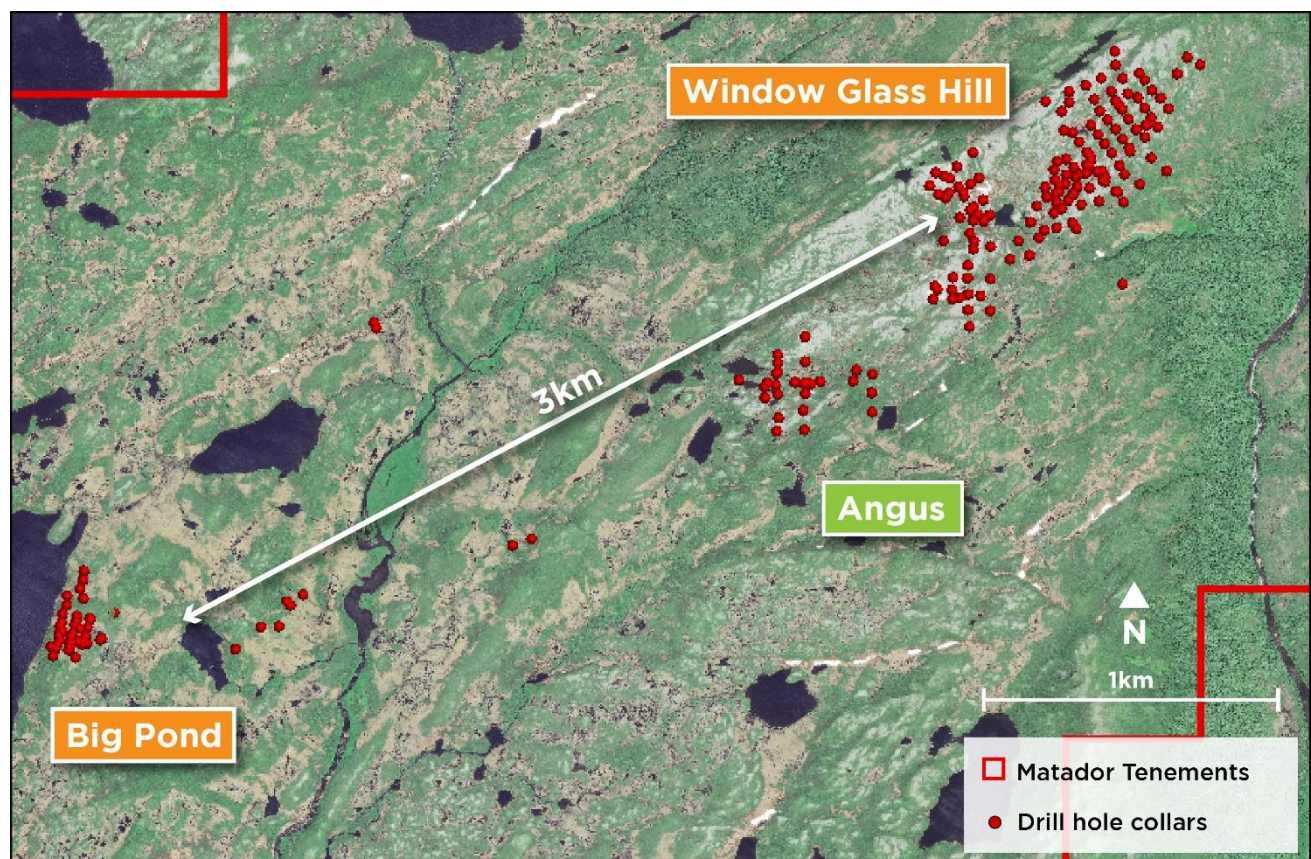
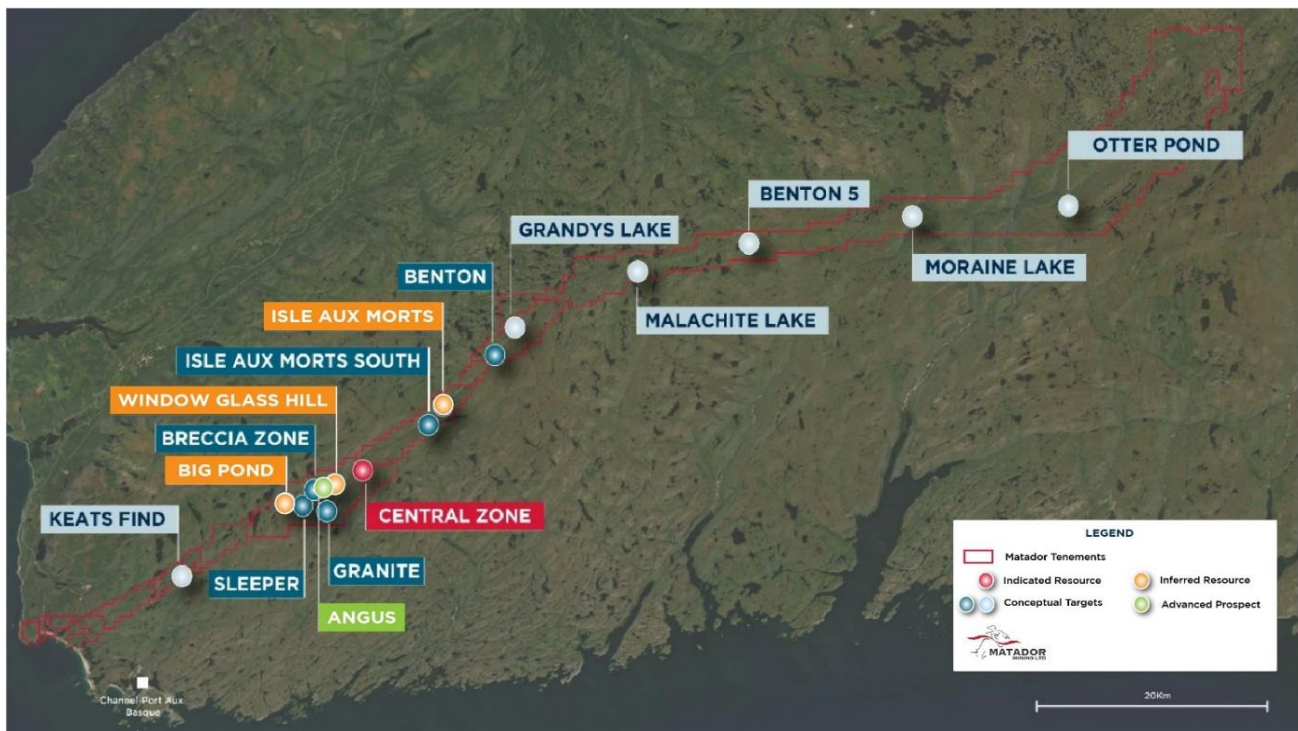


Figure 4: Priority Target Area between Big Pond and Window Glass Hill Deposits

¹ Refer ASX Announcement 6 October 2020

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.



This announcement 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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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.

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 those announcements.