



Matador Announces Successful Completion of A\$4.5 Million Placement to Advance Newfoundland Exploration Programs

Highlights

- The Company has successfully completed a placement of A\$2.0 million plus a flow through raise of A\$2.5 million, issuing 36.7 million shares at an average share price of A\$0.123
- The Company received strong demand from existing shareholders and several new major resource funds based in Canada
- Proceeds will be used to advance greenfield exploration targets to drill-ready status and commence inaugural drilling at the high-priority Malachite target area
- Share Purchase Plan offered to existing shareholders in Australia and New Zealand to raise up to A\$1.0 million

Matador Mining Limited (ASX: MZZ; OTCQX: MZZMF; FSE: MA3) (“Matador” or the “Company”) is pleased to announce that it has successfully raised A\$4.5 million (before costs) through a share placement (“Placement”) to institutional, professional and sophisticated investors of 36.7 million shares at an average price of A\$0.123 per share (“New Shares”). The Placement was completed through two primary tranches: hard dollar and flow-through. The final details of the Placement are as follows:

- Hard Dollar Placement raising A\$2.0 million in gross proceeds at a share price of A\$0.115 per share (“Offer Price”) representing a 14.8% discount to the last close of Matador shares on 12 July 2022 of A\$0.135 and an 18.8% discount to the 5-day volume weighted average price of Matador shares to 12 July 2022 of A\$0.1417 per share.
- Flow-through placement yielding A\$2.5 million in gross proceeds at a share price of A\$0.13 per share representing a premium of 13% to the Offer Price.
- A further 1.8 million shares have been subscribed for on the same terms as the Placement by Directors of the Company, subject to shareholder approval.
- In conjunction with the raising, the Company will offer eligible shareholders the opportunity to participate in a Share Purchase Plan (“SPP”) at the same issue price as the Placement A\$0.115 per New Share.

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.

Matador CEO, Sam Pazuki commented:

“We are very pleased with the broad-based support we have received from both our existing large shareholders and new institutional investors, adding two new major, resource-focused institutional shareholders based in Canada. This demand highlights the support for and confidence in Matador’s revised strategy that focuses on new major discoveries along one of the largest mineral tenement packages on the multi-million-ounce Cape Ray Shear in Newfoundland, Canada.

We have recently advanced field work at priority targets within the Malachite target area with an aim to commence inaugural drilling targeted for late summer. We will continue with this work in Malachite as well as other top priority areas such as Bunker Hill, Grandy’s and Hermitage to build a pipeline of drill-ready targets.

Our exploration program is in one of the most underexplored, top-tier jurisdictions globally and is designed to unlock the significant value we believe exists for the owners of the business. With a current Mineral Resource of 837,000 ounces grading 2 grams per tonne and with nearly all of this resource close to surface, we have a strong foundation in which to grow gold ounces and advance our projects going forward.

We look forward to retail shareholders taking up the opportunity to invest alongside these institutional investors via the Share Purchase Plan and supporting Matador as we continue our very exciting exploration activities.”

Placement Details

The Placement comprises the issue of 36,656,857 New Shares at an average price of A\$0.123 per share will utilise Matador’s issuance capacity under ASX Listing Rules 7.1 and 7.1A, with:

- 29,302,851 New Shares issued under Matador’s Listing Rule 7.1 issuance capacity; and
- 5,527,919 New Shares issued under Matador’s Listing Rule 7.1A issuance capacity.

Accordingly, no shareholder approval is required in connection with the Placement. The New Shares will rank equally with the Company’s existing fully paid ordinary shares.

A further 1,826,087 shares will be issued to Directors of the Company on the same terms as the Placement. The participation of Directors in the Placement is subject to the approval of Matador shareholders at the Company’s next general meeting. Details of the shareholder meeting will be advised by the Company in due course.

The dilutive effect of the Placement on existing shareholders is as follows:

	Shares	% of shares on issue before Placement
Shares on issue before 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%
Shares to be issued to Directors subject to Shareholder Approval	1,826,087	0.8%
Total shares on issue after Placement	254,176,362	
Total % of existing shares on issue		16.9%

There was no underwriting agreement entered into in relation to the Placement.

Shaw and Partners Limited and Desjardins Securities Inc. acted as joint lead managers to the Placement. Bank of Montreal (BMO) acted as co-manager. Corrs Chambers Westgarth was acting as Australian legal adviser to Matador in connection with the Placement. PWC provided tax advice related to the flow-through placement.

Share Purchase Plan

In conjunction with the raising, the Company will offer eligible shareholders with registered addresses in Australia or New Zealand, the opportunity to participate in a SPP up to the value of A\$1.0M on the same terms as the Placement.

The SPP allows eligible shareholders, being those shareholders that are residents of Australia or New Zealand that held Matador shares on Thursday, 14 July 2022 (Record Date), to subscribe for up to A\$30,000 worth of New Shares without incurring any brokerage or transaction costs.

New Shares will be offered under the SPP at A\$0.115 cents per share, being the same issue price as the Placement.

As the SPP is not underwritten, the SPP may raise more or less than this amount. In the event that the subscriptions received exceed A\$1.0 million, the Company may decide in its absolute discretion to conduct a scale back of applications. The scale back may be applied to the extent and in the manner Matador sees fit, which may include taking into account a number of factors, such as the size of an applicant's shareholding at the Record Date, the extent to which the applicant has sold or purchased shares since the Record Date, whether the applicant has multiple registered holdings, the date on which the application was made and the total applications received from eligible shareholders.

The terms and conditions of the SPP will be contained in an offer booklet, which is expected to be lodged on the ASX on or about 22 July 2022 and sent to eligible shareholders shortly thereafter.

Indicative Timetables

An indicative timetable for the Placement is set out below. The timetable remains subject to change at the Company's discretion, subject to compliance with applicable laws and the ASX Listing Rules.

Key Event	Date
Trading halt lifted	15 July 2022
Settlement of Placement Shares	20 July 2022
Allotment of Placement Shares	21 July 2022

An indicative timetable for the SPP is set out below. The timetable remains subject to change at the Company's discretion, subject to compliance with applicable laws and the ASX Listing Rules.

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	5 August 2022
Announce Results of SPP	12 August 2022
Allotment of SPP Shares	19 August 2022

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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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. In November 2021 Matador was the recipient of the CIM NL Prospector/Explorer of the Year award. 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). Matador acknowledges the financial support of the Junior Exploration Assistance Program, Department of Industry, Energy and Technology, Provincial Government of Newfoundland and Labrador, Canada.

