

ASX Announcement

13 May 2021 | ASX: MZZ, OTCQX: MZZMF; FSE: MA3



Company Announcements Platform
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Dear Sir / Madam

Amendment to ASX Release of 12 May 2021 – Power-Auger Drilling Commences with Early Success

In response to a query from the ASX, when visual estimates are included in an ASX release, please find attached an amended announcement including JORC tables in accordance with Listing Rule 5.7.

Yours faithfully

CAROL MARINKOVICH
Company Secretary
Matador Mining Limited

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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 bottom-of-hole auger core samples (Figure 1) confirms sulphide-bearing quartz veins and strong alteration (approximately 68% albite, 20% sericite, 5% chlorite 5% vein quartz and 2% pyrite) similar to gold mineralisation in diamond drill core from the WGH deposit¹;
- 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 drill hole 5717 showing typical WGH-style vein assemblages - from a previously untested area of the Window Glass Hill Granite

¹ It is important to note that visual estimates of sulphide mineral abundance should never be considered a proxy or substitute for laboratory analyses where metal concentrations or grades are the factor of principal economic interest. Assay results from laboratory analyses are expected late June 2021.

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 discovery² 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.

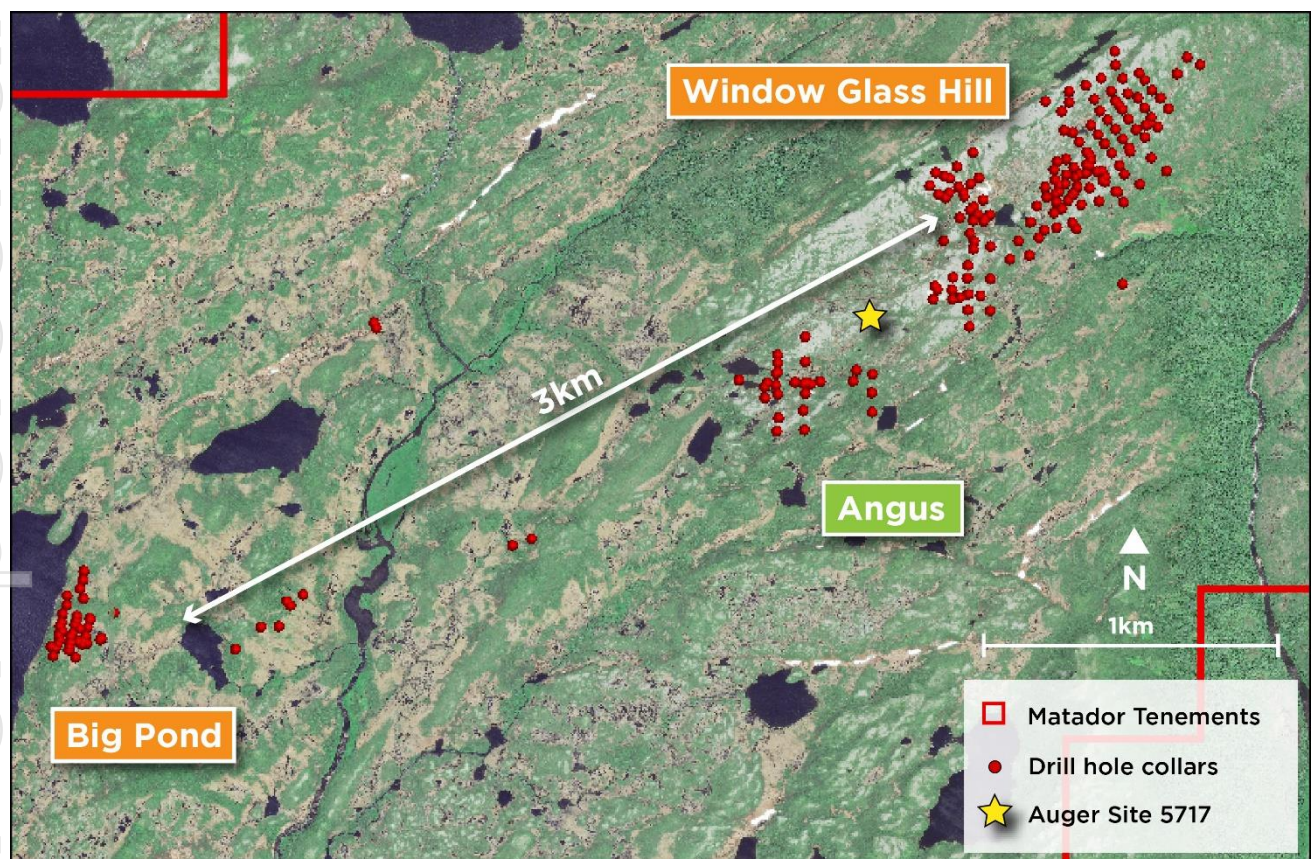
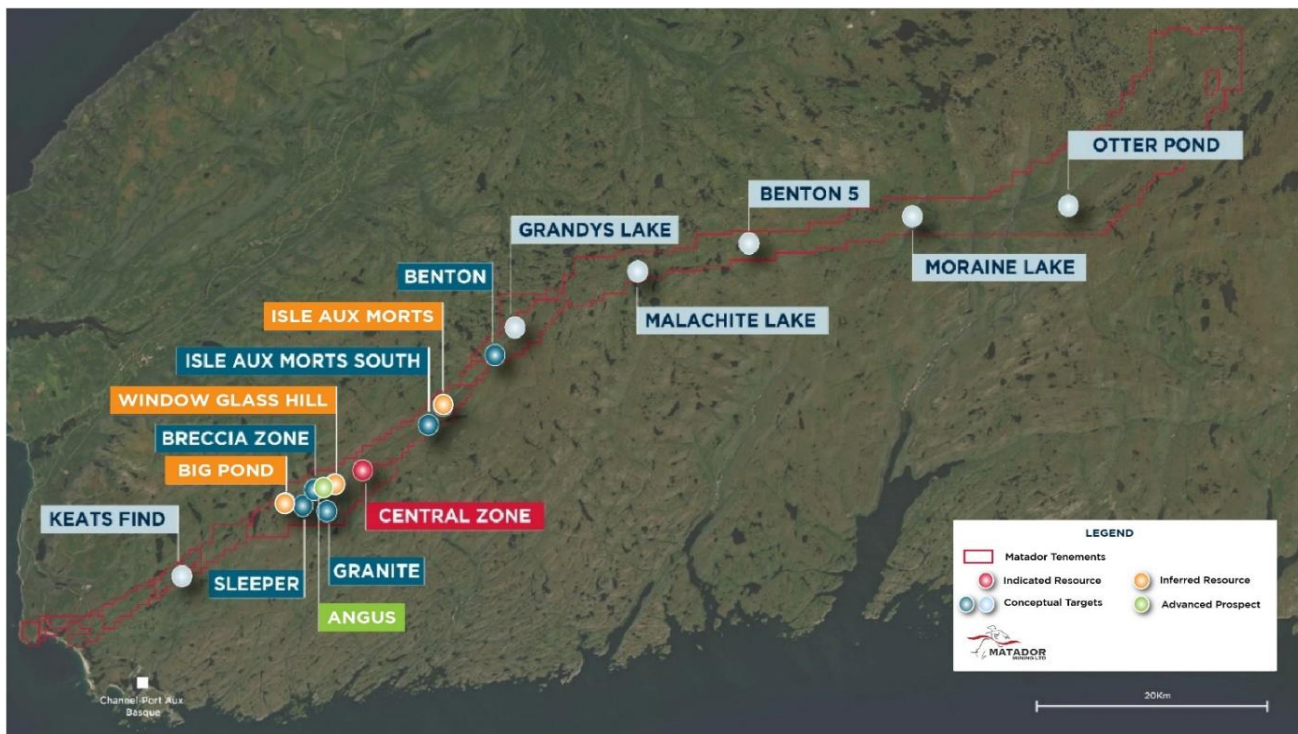


Figure 4: Priority Target Area between Big Pond and Window Glass Hill Deposits with location of auger hole 5717 between WGH and Angus

² 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.



Forward Looking Statements

Statements regarding plans with respect to Matador's project are forward-looking statements. There can be no assurance that the Company's plans for development of its projects will proceed as currently expected. These forward-looking statements are based on the Company's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of the Company, which could cause actual results to differ materially from such statements. The Company makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of that announcement.

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.

Mineral Resource Estimate – May 2020

| Cape Ray Project Summary Mineral Resource | | | | | | | | | | | | | | | | | |
|--|---------|---------|-------------|----------|----------|--------------------|--------------------|-------------|----------|----------|--------------------|--------------------|-------------|----------|----------|--------------------|--------------------|
| | | | Indicated | | | | | Inferred | | | | | Total | | | | |
| Deposit | Cut-off | RL | 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 | 1,455 |
| WGH | 0.5 | All | - | - | - | - | - | 4.7 | 1.55 | 10 | 232 | 1,455 | 4.7 | 1.55 | 10 | 232 | 3,013 |
| | Total | | 3.5 | 3.15 | 8 | 356 | 918 | 9.4 | 1.60 | 7 | 481 | 2,094 | 12.9 | 2.02 | 7 | 837 | 3,013 |
| 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 (0.5a/t Au cut off) and underground scenario (2a/t Au cut off). 2020 resource updates for Zones 4/41, 51. WGH and PW use 2.8t/m ³ density. | | | | | | | | | | | | | | | | | |

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 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 Scoping Study: Z4/41 – 2.0 g/t Au cut-off below 100mRL; Z51 – 2.0 g/t Au cut-off below 200mRL

Competent Person's Statement

The information contained in this announcement that relates to exploration results is based upon information compiled by Mr. Warren Potma, who is an employee of Matador Mining Limited in the position of Exploration Manager. Mr. Potma is a Member of the Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the December 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (JORC Code 2012). Mr Potma consents to the inclusion in the announcement of the matters based upon the information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements, and in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements 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 announcements.

Appendix 1

Table 1 - Drill hole collar details

| Hole | Prospect | UTM E | UTM N | RL | Azimuth | Dip | Depth (m) |
|-------------------|----------|--------|--------|------|---------|-----|-----------|
| Window Glass Hill | | | | | | | |
| 5717 | WGH | 352608 | 528915 | 327m | 000 | -90 | 2.0 |

Appendix 2

JORC Code 2012 Table 1 Reporting

Section 1. Sampling Techniques and Data

| Criteria | Explanation | Commentary |
|---|--|---|
| Sampling Techniques | Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. | All Power auger core samples reported in this release are 5-20cm long small diameter (32 millimetre diameter) diamond core samples cut by the power auger. All samples are collected on a pre-designed grid and represent unbiased gridded sampling of basement (not selective sampling). All sampling was either supervised by, or undertaken by, qualified geologists. |
| | Aspects of the determination of mineralisation that are Material to the Public Report. | Not Applicable |
| Drilling techniques | Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). | Power auger bottom of hole diamond core samples are BQ diameter (36.5 mm). Holes are approximately vertical and Power Auger core is not orientated. |
| Drill Sample Recovery | Method of recording and assessing core and chip sample recoveries and results assessed. | Two samples are collected from the Power Auger drilling, a >250 gram base of till sample using a conventional auger bit or hand auger for sampling, and a single >300 gram bottom of hole (basement) diamond core sample (usually approximately 10cm long). Both samples are weighed and logged, however recoveries are not estimated. |
| | Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. | Recoveries are not estimated, although sample weights are collected to ensure adequate sample support. |
| Logging | Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. | All power auger core and till samples are logged onsite by geologists to a level of detail to support appropriate exploration targeting, and interpretation of the sample geochemistry. The power auger samples are not intended to be used as a quantitative input into any Mineral Resource estimation, mining or metallurgical studies. |
| | Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. | Logging of power auger drill core is qualitative and records lithology, grain size, texture, weathering, structure, strain intensity, alteration, veining and sulphides. All power auger drill core is digitally photographed wet. |
| | The total length and percentage of the relevant intersections logged. | Only the bottom of hole power auger drill core is logged in detail. Key interfaces in the transported till and soil profile are recorded and the till sample is described texturally. |
| Sub-Sampling techniques and sample preparation | If core, whether cut or sawn and whether quarter, half or all core taken. | Whole core is sampled for the power auger bottom of hole core sample |
| | If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. | Till samples can be wet or dry, and are dried and riffle split prior to assaying. |
| | For all sample types, the nature, quality and appropriateness of the sample preparation technique. | Samples have not yet been submitted for assay. Sample preparation technique will be described when assays are reported. |

| Criteria | Explanation | Commentary |
|---|--|---|
| Sub-Sampling techniques and sample preparation (cont...) | Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. | Samples have not yet been submitted for assay. Quality control procedures will be described when assays are reported. |
| | Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling. | No field duplicates are collected/submitted and whole core is assayed, however, as results will only be used for exploration targeting of subsequent diamond drill holes, and will not be used as quantitative input into Mineral Resource estimation, mining or geometallurgical studies this is deemed appropriate. |
| Quality of assay data and laboratory tests | The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. | Samples have not yet been submitted for assay. Assay procedures will be described when assays are reported. |
| | For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. | No geophysical analysis is reported in this release. |
| | Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. | Samples have not yet been submitted for assay. Quality control procedures will be described when assays are reported. |
| Verification of sampling and assaying | The verification of significant intersections by either independent or alternative company personnel. | No assays or significant intercepts reported in this release. |
| | The use of twinned holes. | No twin holes are used in the Power Auger program. |
| | Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. | All drill hole logging is completed on digital logging templates with built-in validation. Logging data are uploaded and validated in a central MS Access database. All original logging spreadsheets are also kept in archive. |
| | Discuss any adjustment to assay data. | No assay data was adjusted, and no averaging was employed. |
| Location of data points | Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. | Drill hole collars are located using handheld GPS with 3-5m accuracy. However, quantitative data from these holes will not be used in Mineral Resource estimation. |
| | Specification of the grid system used | Drill hole collars are recorded in UTM NAD 83 Zone 21N. |
| | Quality and adequacy of topographic control | No Applicable |
| Data spacing and distribution | Data spacing for reporting of Exploration Results. | Power auger drill holes are generally spaced on a regular 200 x 50 metre pattern over prospective target areas, with selective local infill to 100 x 50 metres. |
| | Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. | Not applicable – Power Auger data are not used for Mineral Resource estimation. |

| Criteria | Explanation | Commentary |
|--|--|---|
| Data spacing and distribution (cont....) | Whether sample compositing has been applied. | No sample compositing is applied. |
| Orientation of data in relation to geological structure | Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. | Power auger drill hole pattern grid lines are designed to be orthogonal to the interpreted strike of mineralisation, however, the short vertical holes are not able to representatively sample any steep structures. |
| | If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. | Not Applicable |
| Sample Security | The measures taken to ensure sample security. | All samples are collected in plastic bags labelled with the sample number and a sample tag. Plastic sample bags are collected in large rice bags for despatch with 10 samples per rice bag. Rice bags are labelled with the company name, sample numbers and laboratory name, and are delivered to the lab directly by Matador personnel. |
| Audits or reviews | The results of any audits or reviews of sampling techniques and data. | Not Applicable |

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|-------------|---------------|---------------|------------|----------|---------|---|----|------|------|---------|---|----|------|-----|---------|---|----|------|-----|---------|---|---|------|-----|---------|---|----|------|-----|---------|---|-----|-------|------|---------|---|-----|-------|--|---------|---|-----|-------|--|---------|---|----|-------|--|---------|---|-----|-------|--|---------|---|-----|-------|--|---------|---|-----|-------|------|---------|---|----|-------|-----|---------|---|-----|-------|-------------|-------|--|-------|--------|--|
| Mineral tenement and land tenure status | <p>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.</p> <p>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> | <p>Matador owns 100% of the Cape Ray Gold Project, which is located approximately 20km northeast of Port aux Basques, Newfoundland, Canada.</p> <table><tr><th>Licence No.</th><th>Known Deposit</th><th>No. of Claims</th><th>Area (km2)</th><th>Royalty*</th></tr><tr><td>025560M</td><td>-</td><td>20</td><td>5.00</td><td>none</td></tr><tr><td>025855M</td><td>-</td><td>32</td><td>8.00</td><td>(d)</td></tr><tr><td>025856M</td><td>-</td><td>11</td><td>2.75</td><td>(d)</td></tr><tr><td>025857M</td><td>-</td><td>5</td><td>1.25</td><td>(d)</td></tr><tr><td>025858M</td><td>-</td><td>30</td><td>7.50</td><td>(d)</td></tr><tr><td>026125M</td><td>-</td><td>190</td><td>47.50</td><td>none</td></tr><tr><td>030881M</td><td>-</td><td>255</td><td>63.75</td><td></td></tr><tr><td>030884M</td><td>-</td><td>255</td><td>63.75</td><td></td></tr><tr><td>030889M</td><td>-</td><td>50</td><td>12.50</td><td></td></tr><tr><td>030890M</td><td>-</td><td>118</td><td>29.50</td><td></td></tr><tr><td>030893M</td><td>-</td><td>107</td><td>26.75</td><td></td></tr><tr><td>030996M</td><td>-</td><td>205</td><td>51.25</td><td>none</td></tr><tr><td>030997M</td><td>-</td><td>60</td><td>15.00</td><td>(d)</td></tr><tr><td>030998M</td><td>Window Glass Hill, Central Zone, Isle Aux Morts, Big Pond</td><td>229</td><td>57.25</td><td>(a) (b) (c)</td></tr><tr><td>Total</td><td></td><td>1,567</td><td>391.75</td><td></td></tr></table> <p>Refer to Announcement for Royalty Schedule.</p> <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> | Licence No. | Known Deposit | No. of Claims | Area (km2) | Royalty* | 025560M | - | 20 | 5.00 | none | 025855M | - | 32 | 8.00 | (d) | 025856M | - | 11 | 2.75 | (d) | 025857M | - | 5 | 1.25 | (d) | 025858M | - | 30 | 7.50 | (d) | 026125M | - | 190 | 47.50 | none | 030881M | - | 255 | 63.75 | | 030884M | - | 255 | 63.75 | | 030889M | - | 50 | 12.50 | | 030890M | - | 118 | 29.50 | | 030893M | - | 107 | 26.75 | | 030996M | - | 205 | 51.25 | none | 030997M | - | 60 | 15.00 | (d) | 030998M | Window Glass Hill, Central Zone, Isle Aux Morts, Big Pond | 229 | 57.25 | (a) (b) (c) | Total | | 1,567 | 391.75 | |
| Licence No. | Known Deposit | No. of Claims | Area (km2) | Royalty* | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 025560M | - | 20 | 5.00 | none | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 025855M | - | 32 | 8.00 | (d) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 025856M | - | 11 | 2.75 | (d) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 025857M | - | 5 | 1.25 | (d) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 025858M | - | 30 | 7.50 | (d) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 026125M | - | 190 | 47.50 | none | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 030881M | - | 255 | 63.75 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 030884M | - | 255 | 63.75 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 030889M | - | 50 | 12.50 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 030890M | - | 118 | 29.50 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 030893M | - | 107 | 26.75 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 030996M | - | 205 | 51.25 | none | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 030997M | - | 60 | 15.00 | (d) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 030998M | Window Glass Hill, Central Zone, Isle Aux Morts, Big Pond | 229 | 57.25 | (a) (b) (c) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total | | 1,567 | 391.75 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <p>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> | <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 | <p>Acknowledgment and appraisal of exploration by other parties.</p> | <p>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.</p> | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Criteria | JORC Code explanation | Commentary |
|----------|---|---|
| Geology | Deposit type, geological setting and style of mineralisation. | <p>The Cape Ray Gold 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. 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> <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> |

| Criteria | JORC Code explanation | Commentary |
|---|---|--|
| 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>All new drill hole details related to reported data are provided in Appendix 1.</p> <p>The complete power auger drill hole information table for the 230 holes completed to date will be provided when the assay results for these holes are returned and reported. At this stage, bottom of hole core sample logging has not yet been completed for all power auger drill holes, and samples have not yet been submitted for analysis.</p> |
| Data aggregation methods | <p>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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> | No assays have been reported |
| 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 (eg 'down hole length, true width not known').</p> | No assays have been reported |
| 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> | See body of announcement for diagrams. |
| 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 to avoid misleading reporting of Exploration Results.</p> | No assays have been reported, a single bottom of hole core sample is pictured and described for illustrative purposes. When the program is complete and assays returned assay results will be representatively reported. |

| Criteria | JORC Code explanation | Commentary |
|---|---|--|
| Other substantive exploration data | 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. | Not Applicable |
| Further work | <p>The nature and scale of planned further work (eg 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> | <p>Power Auger drilling will continue over the summer field season.</p> <p>A detailed heli-magnetic survey is planned for 2021.</p> <p>Diamond drilling is planned to test targets generated by the power auger geochemistry program as well as additional conceptual geophysical targets (coincident IP/magnetic anomalies) and other regional targets.</p> |