MATADOR MINING LIMITED

ABN 45 612 912 393

INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED

31 DECEMBER 2018

MATADOR MINING LIMITED
ABN 45 612 912 393

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MATADOR MINING LIMITED
ABN 45 612 912 393

DIRECTORS' REPORT

The Directors present their report together with the interim financial report of Matador Mining Limited and its subsidiary ("Matador" or the "Group") for the half year ended 31 December 2018 and the independent auditor's review report thereon.

Directors

The names of the Directors in office at any time during or since the end of the half year are:

Keith Bowes (Executive Director, Technical) – appointed 1 February 2019
Adam Kiley (Executive Director, Corporate) – appointed 1 February 2019
Grant Davey (Non-Executive Director) – appointed 3 July 2018
Paul Criddle (Managing Director) – appointed 20 July 2018; resigned 1 February 2019
Scott Patrizi (Executive Director) – appointed 28 June 2016; resigned 3 July 2018
Marat Abzalov (Non-Executive Director) – appointed 28 June 2016; resigned 1 February 2019
Patrick Walta (Non-Executive Director) – appointed 28 June 2016; resigned 3 July 2018
Peter Woods (Non-Executive Director) – appointed 17 November 2016; resigned 1 February 2019

Principal Activities

The principal activities of the Group are mining and mineral exploration. No significant change in the nature of these activities occurred during the half year.

Review of Operations

On 3 July 2018, the Company completed the transaction with Benton Resources Inc. and Nordmin Engineering Ltd to acquire the Cape Ray Gold Project in Newfoundland, Canada.

During the half year, the Group focused on exploration and evaluation activities on its Cape Ray Gold Project in Canada, including completion of a drilling program.

Financial Results

The loss of the Group for the period ended 31 December 2018 was $2,664,795 (31 December 2017: $264,803). During the half year, total expenses amounted to $2,695,530 (31 December 2017: $292,229) which included share based payments expense of $2,022,050 in relation to the issue of shares and options to directors and consultants.

Cash and cash equivalents amounted to $1,034,386 as at 31 December 2018 (30 June 2018: $6,707,076).

Events Subsequent to the End of the Reporting Period

On 1 February 2019:

- The Company appointed Keith Bowes as Executive Director (Technical) and Adam Kiley as Executive Director (Corporate);
- Paul Criddle resigned as Managing Director; and
- Marat Abzalov and Peter Woods resigned as Non-Executive Directors.

Other than the above, no other matters or circumstances have arisen since the end of the financial year that significantly affect or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

MATADOR MINING LIMITED
ABN 45 612 912 393

DIRECTORS' REPORT (continued)

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under s 307C of the *Corporations Act 2001* is set out on page 3.

No officer of the Group is or has been a partner/director of any auditor of the Group.

This Directors' Report is signed in accordance with a resolution of the Board of Directors.

Keith Bowes
Executive Director

Dated this 15th day of March 2019, Perth walker wayland audit

Auditor's Independence Declaration Under Section 307C of The Corporations Act 2001 to The Directors of Matador Mining Limited

I declare that, to the best of my knowledge and belief, during the half-year end 31 December 2018 there have been no contraventions of:

(i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and

(ii) any applicable code of professional conduct in relation to the review.

Walker Wayland WA Audit Pty Ltd

WALKER WAYLAND WA AUDIT PTY LTD

John Dorazio FCA
Director
Level 3, 1 Preston Street, COMO WA 6152

Dated this 15th **day of March 2019.**

MATADOR MINING LIMITED
ABN 45 612 912 393

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2018

	Note	31 Dec 2018	31 Dec 2017
		$	$
Revenue		30,735	27,426
Administration expenses		(329,538)	(157,158)
Consultants & management expenses		(276,363)	(88,759)
Depreciation & amortisation		(4,862)	-
Share based payments expense	7	(2,022,050)	-
Exploration expenses		(62,717)	(46,312)
Loss before income tax		(2,664,795)	(264,803)
Income tax expense		-	-
Loss for the half year		(2,664,795)	(264,803)
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Exchange rate differences on translating foreign operations		(43,902)	-
Total other comprehensive income for the half year, net of tax		(43,902)	-
Total comprehensive loss for the half year		(2,708,697)	(264,803)
Loss for the half year attributable to:			
Non-controlling interest		(10,222)	-
Members of Matador Mining Limited		(2,654,573)	(264,803)
		(2,664,795)	(264,803)
Total comprehensive loss for the half year attributable to:			
Non-controlling interest		(10,120)	-
Members of Matador Mining Limited		(2,698,577)	(264,803)
		(2,708,697)	(264,803)
		$	$
Basic and diluted loss per share		(0.05)	(0.01)

The accompanying notes form part of these financial statements.

MATADOR MINING LIMITED
ABN 45 612 912 393

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2018

	Note	31 Dec 2018	30 Jun 2018
		$	$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	2	1,034,386	6,707,076
Trade and other receivables		21,333	52,278
Other assets		94,666	59,467
TOTAL CURRENT ASSETS		1,150,385	6,818,821
NON-CURRENT ASSETS			
Exploration and evaluation costs	4	9,446,406	3,800,000
Property, plant and equipment		41,824	46,686
TOTAL NON-CURRENT ASSETS		9,488,230	3,846,686
TOTAL ASSETS		10,638,615	10,665,507
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		1,234,094	3,563,884
TOTAL LIABILITIES		1,234,094	3,563,884
NET ASSETS		9,404,521	7,101,623
EQUITY			
Contributed equity	5	10,952,362	8,328,517
Reserves	6	2,529,890	186,144
Accumulated losses		(4,067,611)	(1,413,038)
Total equity attributable to the owners of Matador Mining Ltd		9,414,641	7,101,623
Non-controlling interest		(10,120)	-
TOTAL EQUITY		9,404,521	7,101,623

The accompanying notes form part of these financial statements.

MATADOR MINING LIMITED
ABN 45 612 912 393

STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2018

	Note	Contributed Equity	Option Reserve	Foreign Currency Translation	Accumulated Losses	Non-controlling Interest	Total
		$	$	$	$	$	$
Balance at 1 July 2018		8,328,517	186,144	-	(1,413,038)	-	7,101,623
Comprehensive income							
Currency translation differences		-	-	(44,004)	-	102	(43,902)
Loss for the half year		-	-	-	(2,654,573)	(10,222)	(2,664,795)
Total comprehensive income		-	-	(44,004)	(2,654,573)	(10,120)	(2,708,697)
Transactions with owners, in their capacity as owners							
Shares issued		2,636,500	-	-	-	-	2,636,500
Options issued	6(a)	-	2,387,750	-	-	-	2,387,750
Transaction costs		(12,655)	-	-	-	-	(12,655)
Balance at 31 December 2018		10,952,362	2,573,894	(44,004)	(4,067,611)	(10,120)	9,404,521
Balance at 1 July 2017		3,376,933	27,144	-	(245,532)	-	3,158,545
Comprehensive income							
Loss for the half year		-	-	-	(264,803)	-	(264,803)
Total comprehensive loss		-	-	-	(264,803)	-	(264,803)
Transactions with owners, in their capacity as owners							
Options issued	5	-	159,000	-	-	-	159,000
Share based payments	7	(22,705)	-	-	-	-	(22,705)
Balance at 31 December 2017		3,354,228	186,144	-	(510,335)	-	3,030,037

The accompanying notes form part of these financial statements.

MATADOR MINING LIMITED
ABN 45 612 912 393

STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2018

	Note	31 Dec 2018	31 Dec 2017
		$	$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers and employees		(452,519)	(231,970)
Interest received		20,535	26,915
Net cash used in operating activities		(431,984)	(205,055)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration expenditure		(1,838,052)	(70,449)
Payments for acquisition of mining tenements		(3,400,000)	-
Proceeds from sale of mining tenements		10,000	-
Security deposit		-	(50,000)
Net cash used in investing activities		(5,228,052)	(120,449)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of options		-	159,000
Transaction costs		(12,654)	(22,705)
Net cash generated from financing activities		(12,654)	136,295
Net decrease in cash held		(5,672,690)	(189,209)
Opening cash and cash equivalents		6,707,076	3,018,590
Cash and cash equivalents at end of half year	2	1,034,386	2,829,381

The accompanying notes form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2018

The financial statements and notes represent those of Matador Mining Limited ("Company") and controlled entity ("Group" or "Consolidated Entity") for the half year reporting period ended 31 December 2018.

The financial statements were authorised for issue on 15th March 2019 by the Directors of Matador Mining Limited.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Australian Accounting Standards set out accounting policies that the Australian Accounting Standards Board has concluded would result in financial statements containing relevant and reliable information about transactions, events and conditions. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards. Material accounting policies adopted in the preparation of the financial statements are presented below and have been consistently applied unless stated otherwise.

This interim financial report for the half year reporting period ended 31 December 2018 has been prepared in accordance with Australian Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Act 2001*, as appropriate for 'for-profit' orientated entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting.*

This interim financial report does not include all notes of the type normally included in an annual financial report and therefore cannot be expected to provide a full understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial report.

The financial statements, except for cash flow information, have been prepared on an accruals basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded off to the nearest dollar unless stated otherwise.

Going concern

As at 31 December 2018, the Group had a net current asset deficit of $83,709 (30 June 2018: surplus of $3,254,937) and incurred a loss attributable to owners of $2,664,795 (31 December 2017: $264,803). The Group has entered into an unsecured loan facility of up to $500,000 with an entity associated with Grant Davey, to assist with meeting its financial commitments. The ability of the Group to continue as a going concern is dependent upon the future successful raisings of the necessary funding through equity and/or debt and the successful exploitation of the Group's tenements.

The Directors believe it is appropriate to prepare the Financial Statements on a going concern basis because the Directors have appropriate plans to raise additional funds if required.

These Financial Statements have been prepared on the basis that the Group can meet its commitments as and when they fall due and can therefore continue normal business activities and the realisation of its assets and settlement of its liabilities can occur in the ordinary course of business.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

In the event the Group is not able to achieve the above requirements, there is uncertainty whether the Group will continue as a going concern and realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in its financial report.

Accounting Policies

a. **Accounting Principles**

The financial statements incorporate all of the assets, liabilities and results of the Matador Mining Limited and its subsidiary.

b. **Exploration and Evaluation Expenditure Assets**

Exploration and evaluation expenditure in relation to separate areas of interest for which rights of tenure are current is carried forward as an asset in the Statement of Financial Position where it is expected that the expenditure will be recovered through the successful development and exploitation of an area of interest, or by its sale; or exploration activities are continuing in an area and activities have not reached a stage which permits a reasonable estimate of the existence or otherwise of economically recoverable reserves. Where a project or an area of interest has been abandoned, the expenditure incurred thereon is written off in the period in which the decision is made.

Costs incurred before the Group has obtained the legal rights to explore an area are recognised in the Statement of Profit or Loss and Other Comprehensive Income.

c. **Comparative Figures**

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

Where the Group retrospectively applies an accounting policy, makes a retrospective restatement of items in the financial statements or reclassifies items in its financial statements, a third statement of financial position as at the beginning of the preceding period in addition to the minimum comparative financial statements is presented.

d. **Critical Accounting Estimates and Judgements**

The directors evaluate estimates and judgements incorporated into the financial statements based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key estimates

(i) *Impairment – general*

The Group assesses impairment at the end of each reporting period by evaluation of conditions and events specific to the Group that may be indicative of impairment triggers. Where impairment has been triggered, assets are written down to their recoverable amounts.

(ii) *Options value*

The options issued by the Group during the half year (refer Note 7) have been valued by the Directors using the Black-Scholes option pricing model based on the inputs shown at Note 7.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (*continued*)

e. **Share based payments**

The fair value of options granted is recognised as an expense with a corresponding increase in equity. The fair value is measured at grant date and recognised over the period during which the option holder become unconditionally entitled to the options.

The fair value of the options at grant date is independently determined using the Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the Share price at grant date and expected price volatility of the underlying Share, the expected dividend yield and the risk-free interest rate for the term of the option.

The fair value of the options granted is adjusted to reflect market vesting conditions, but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each reporting date, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate. The impact of the revision to original estimates, if any, is recognised in the statement of comprehensive income with a corresponding adjustment to equity.

The fair value of these equity instruments does not necessarily relate to the actual value that may be received in future by the recipients.

f. **Segment Reporting**

Operating segments are now reported in a manner that is consistent with the internal reporting to the Chief Operating Decision Maker, which has been identified by the Group as the Managing Director and other members of the board of directors.

The Group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors in assessing performance and determining the allocation of resources. Reportable segments disclosed are based on aggregating operating segments, where the segments have similar characteristics. For the current reporting period, the Group's sole activity was mineral exploration and resource development within Canada and Australia. The reportable segment information is shown at Note 10.

g. **New Standards and Interpretations**

In the half year ended 31 December 2018, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group's operations and effective for annual reporting periods commencing on or after 1 July 2018. It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Group and, therefore, no change is necessary to accounting policies.

The adoption of AASB 9 Financial Instruments from 1 July 2018 has not affected balances of the Company because no financial instrument held by the Company is recognised or measured differently by this standard. Future effects of the implementation of this standard will mostly depend on any form of hedging by the Company.

The adoption of AASB 15 Revenue from Contracts with Customers from 1 July 2018 has not affected balances of the Company because no revenue or potential revenue of the Company is recognised or measured differently by this standard. Future effects of the implementation of this standard will mostly depend on the wording and effect of relevant contracts.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2018

NOTE 2: CASH AND CASH EQUIVALENTS

	31 Dec 2018	30 June 2018
	$	$
Cash at bank and on hand	1,034,386	4,987,075
Term deposits	-	1,720,001
	1,034,386	6,707,076

NOTE 3: FINANCIAL ASSETS

For all financial instruments held as at 31 December 2018, the carrying value approximates fair value.

NOTE 4: EXPLORATION AND EVALUATION ASSETS

	31 Dec 2018	30 June 2018
	$	$
Opening balance	3,800,000	-
Tenement acquisition costs	2,952,200	3,800,000
Capitalised exploration expenditure	2,694,206	-
	9,446,406	3,800,000

The balance carried forward represents the expenditure on projects which are in the exploration and evaluation phase. Ultimate recoupment of exploration expenditure carried forward is dependent on successful development and commercial exploitation, or alternatively, sale of respective areas.

NOTE 5: CONTRIBUTED EQUITY

(a) Share capital

	31 Dec 2018	30 June 2018
	$	$
Fully paid ordinary shares	10,952,362	8,328,517
Total share capital	10,952,362	8,328,517

Ordinary shares participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. At the shareholders' meetings each ordinary share is entitled to one vote when a poll is called; otherwise each shareholder has one vote on a show of hands.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2018

NOTE 5: CONTRIBUTED EQUITY (*continued*)

(b) Movements in ordinary share capital

Date	Details	Number of Shares	Issue Price	$
1 July 2017	Balance as at 1 July 2017	23,850,001		3,376,933
	Shares issued in consideration for the project right for the acquisition of the Cape Ray Gold Project	1,000,000	$0.30*	300,000
	Issue of Shares	20,000,000	$0.25	5,000,000
	Less: Transaction costs	-		(348,416)
30 June 2018	Balance as at 30 June 2018	44,850,001		8,328,517
	Shares issued in consideration for the acquisition of the Cape Ray Gold Project	8,000,000	$0.285**	2,280,000
	Issue of shares	833,333	$0.345***	287,500
	Issue of shares	200,000	$0.345***	69,000
	Less: Transaction costs	-		(12,655)
31 December 2018	**Balance as at 31 December 2018**	53,883,334		10,952,362

* Fair value of shares at 16 April 2018.
** Fair value of shares at 3 July 2018.
*** Fair value of shares at 6 July 2018.

NOTE 6: RESERVES

	31 Dec 2018 $	30 June 2018 $
(a) Reserves		
Options Reserve	2,573,894	186,144
Foreign Currency Translation Reserve	44,004	-
	2,529,890	186,144
Movements in Options Reserve:		
Opening balance of Options Reserve	186,144	27,144
Share based payments (Note 7)	2,387,750	-
Proceeds from listed options issued	-	159,000
Closing balance of Options Reserve	2,573,894	186,144

(b) Nature and purpose of reserves – options

The options reserve recognises the grant date fair value of options issued to shareholders but not exercised.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2018

NOTE 6: RESERVES (*continued*)

(c) Share based payments – related parties

During the half year ended 31 December 2018, the following options, which vested immediately, were issued to Directors and Officers of the Company:

Option series	Grant date	No. of options	Fair value per option	Total fair value of options issued
Director Options #1	6 July 2018	3,000,000	$0.2022	$606,600
Director Options #2	6 July 2018	3,000,000	$0.1796	$538,800
Director Options #3	6 July 2018	3,000,000	$0.1623	$486,900
Director Options #4	26 July 2018	2,500,000	$0.1483	$370,750
Total		**11,500,000**		**$2,003,050**

NOTE 7: SHARE BASED PAYMENTS

During the half year ended 31 December 2018, the following options, which vested immediately, were issued and recorded in the reserve at $2,387,750 being the fair value on the grant date. The options have been valued by the Directors using the Black-Scholes option pricing model based on the following:

	Cape Ray Acquisition Options #1	Cape Ray Acquisition Options #2	Cape Ray Acquisition Options #3	Director Options #1	Director Options #2	Director Options #3	Director Options #4
Underlying value of the security	$0.285	$0.345	$0.345	$0.345	$0.345	$0.345	$0.315
Exercise price	$0.300	$0.416	$0.480	$0.400	$0.550	$0.700	$0.400
Valuation date	3/7/18	6/7/18	6/7/18	6/7/18	6/7/18	6/7/18	26/7/18
Expiry date	3/7/20	6/7/20	6/7/20	6/7/21	6/7/21	6/7/21	26/7/20
Life of Options in years	2	2	2	3	3	3	2
Volatility	96.62%	97.78%	97.78%	97.78%	97.78%	97.78%	99.46%
Risk free rate	2.06%	2.08%	2.08%	2.08%	2.08%	2.08%	2.11%
Number of Options	833,333	1,000,000	666,667	3,000,000	3,000,000	3,000,000	2,500,000
Valuation per Option	$0.1434	$0.1640	$0.1518	$0.2022	$0.1796	$0.1623	$0.1483
Valuation	$119,500	$164,000	$101,200	$606,600	$538,800	$486,900	$370,750

In addition, a fair value adjustment of $19,000 was expensed as a share based payment in relation to 200,000 ordinary share issued to a consultant for payment of services.

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2018

NOTE 7: SHARE BASED PAYMENTS (*continued*)

Share based payments were either classified as acquisition costs of the Cape Ray Gold Project in the Statement of Financial Position or share based payments expense in the Statement of Profit or Loss and Other Comprehensive Income as follows:

	Shares	Options	Total
Acquisition Costs of Cape Ray Gold Project:			
Cape Ray Acquisition Options #1	-	$119,500	$119,500
Cape Ray Acquisition Options #2	-	$164,000	$164,000
Cape Ray Acquisition Options #3	-	$101,200	$101,200
Sub-Total	**-**	**$384,700**	**$384,700**
Share Based Payments Expense:			
Director Options #1	-	$606,600	$606,600
Director Options #2	-	$538,800	$538,800
Director Options #3	-	$486,900	$486,900
Director Options #4	-	$370,750	$370,750
Fair Value Adjustment of Consultants Shares	$19,000	-	$19,000
Sub-Total	**$19,000**	**$2,003,050**	**$2,022,050**
Total	**$19,000**	**$2,387,750**	**$2,406,750**

No share based payments were made during the half year ended 31 December 2017.

NOTE 8: CAPITAL AND LEASING COMMITMENTS

a. Mineral exploration expenditure

Following completion of the sale agreement in relation to the acquisition of the Cape Ray Gold Project, the Group must meet the following tenement expenditure commitments to maintain them in good standing until they are joint ventured, sold, reduced, relinquished, exemptions from expenditure are applied or are otherwise disposed of. These commitments are not provided for in the financial statements and are:

	31 Dec 2018 $	30 June 2018 $
Not later than one year	121,258	119,605
After one year but less than five years	416,432	410,753
	537,690	530,358

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2018

NOTE 8: CAPITAL AND LEASING COMMITMENTS (*continued*)

b. Other commitments due within 1 year

	31 Dec 2018 $	30 June 2018 $
Operating lease of serviced office	12,000	48,000
	12,000	48,000

The Directors are not aware of any other commitments that have not been recognised as liabilities in the accounts as of 31 December 2018 (30 June 2018: Nil).

NOTE 9: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Group has no contingent liabilities or contingent assets at the date of this report.

NOTE 10: SEGMENT REPORTING

The segment information provided to the Board of Directors for the reportable segments for the half year ended 31 December 2018 is as follows:

	Operating Profit/(Loss)		Total Assets		Total Liabilities	
	31/12/2018 $	31/12/2017 $	31/12/2018 $	31/12/2017 $	31/12/2018 $	31/12/2017 $
Copper and Gold (Western Australia)	7,529	(46,312)	-	199,381	-	-
Gold (Canada)	(63,116)	-	9,488,230	-	(1,189,398)	-
Corporate	(2,609,208)	(218,491)	1,150,385	2,893,756	(44,696)	(63,100)
	(2,664,795)	(264,803)	10,638,615	3,093,137	(1,234,094)	(63,100)

NOTE 11: EVENTS AFTER THE REPORTING PERIOD

On 1 February 2019:

- The Company appointed Keith Bowes as Executive Director, Technical and Adam Kiley as Executive Director, Corporate;
- Paul Criddle resigned as Managing Director; and
- Marat Abzalov and Peter Woods resigned as Non-Executive Directors.

Other than the above, no other matters or circumstances have arisen since the end of the financial year that significantly affect or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Matador Mining Limited, the Directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 15, are in accordance with the *Corporations Act 2001* and:

   a. comply with Australian Accounting Standards which, as stated in accounting policy Note 1 to the financial statements, constitutes compliance with International Financial Reporting Standards; and

   b. give a true and fair view of the financial position as at 31 December 2018 and of the performance for the half year ended on that date of the Company.

2. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Keith Bowes
Executive Director

Dated this 15th day of March 2019, Perth walker wayland audit

Independent Auditor's Review Report
To the Members of Matador Mining Limited

REPORT ON THE HALF-YEAR FINANCIAL REPORT

We have reviewed the accompanying half-year financial report of Matador Mining Limited ("the Company") and its controlled entities ("the Group") , which comprises the consolidated statement of financial position as at 31 December 2018, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the group's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the *Corporations Regulations 2001*. As the auditor of Matador Mining Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Matador Mining Limited, would be in the same terms if given to the directors as at the time of this auditor's report.

walker wayland
audit

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Matador Mining Limited is not in accordance with the *Corporations Act 2001* including:

(i) giving a true and fair view of the group's financial position as at 31 December 2018 and of its performance for the half-year ended on that date;

(ii) and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

Emphasis of Matter - Going Concern

Without modifying our opinion, we draw attention to the following matter. As a result of the matters disclosed in Note 1 "Going Concern" of the financial report, there is a material uncertainty whether the group can continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at amounts stated in the financial report. The ability of the group to continue as a going concern is dependent upon its ability to generate additional funding through further capital raising and the successful exploitation of its tenements.

Walker Wayland WA Audit Pty Ltd

WALKER WAYLAND WA AUDIT PTY LTD

John Dorazio FCA
Director
Level 3, 1 Preston Street, COMO WA 6152

Dated this 15th **day of March 2019.**