



## Medallion's Concentrate Undergoing Separation Testing

VANCOUVER, British Columbia, Aug. 21, 2018 -- Medallion Resources Ltd. (TSX-V: MDL; OTCQX: MLLOF; Frankfurt: MRDN – “Medallion” or the “Company”), today announced it has received notice from Rare Earth Salts Separations & Refining LLC (“RES”), that the rare earth sample concentrate it recently received from Medallion is now undergoing testing to separate into individual rare-earth oxides.

“It’s an important step for our magnet-metal rich concentrate to be put through Rare Earth Salts’ novel separation process as rare-earth oxides are the quoted and readily marketable products within the industry,” said Don Lay, Medallion President & CEO. “RES have announced plans for significant expansion of their production output to meet customer demands. Medallion’s feedstock concentrate can be an important long-term source. We anticipate oxide separation test results within a few weeks.”

RES operates a new rare-earth refinery in Beatrice, Nebraska, using an environmentally-friendly, proprietary separation technology that demonstrates significant cost advantages versus the standard solvent extraction process.

### Rare Earths Magnets - US Fiscal 2019 National Defense Authorization Act

On August 13, 2018, US President Trump signed into law the Fiscal Year 2019 National Defense Authorization Act (NDAA), which sets an increased budget for defense expenditure. Section 871 of the NDAA specifically prevents purchase of US military equipment containing rare-earths magnets from certain non-allied nations, which includes China. Today, China dominates the rare-earth magnet market globally with greater than 80% market share.

US national defense requirements, along with growing market demand for rare-earth magnet metals, adds to the growing industry interest in non-Chinese sources. Medallion is well positioned to source and process monazite supplies from North American heavy-mineral sands providers and, in partnership with refiner RES, to quickly build-out a North American rare-earth supply chain.

### Medallion and Rare Earth Salts Business Model

Medallion and RES are cooperating on a business model to produce and market rare-earth products based on an integrated North American production chain. By combining business models and technologies, Medallion and RES are using the abundant and available by-product mineral monazite and processing it to marketable rare-earth oxides. This approach is expected to be very cost-competitive relative to Chinese production—all within North America.

Medallion’s role is to produce a rare-earth concentrate by sourcing and extracting rare earths from monazite sand, a by-product of heavy-mineral sands mining operations.

RES will then separate and refine commercial quantities of Medallion’s monazite-derived, rare earth concentrate into marketable rare-earth oxides. RES plans to expand the rare-earth separation capacity incrementally at its Nebraska facility with a target output of 3,500 tonnes per year of rare-earth oxides by 2022. The current annual global market for rare-earth oxides is approximately 140,000 tonnes.

### About Medallion Resources

Medallion Resources is pursuing near-term magnet metal production, firstly in North America, by exploiting by-product monazite. Monazite is a rare earth element (REE) phosphate mineral containing significant amounts of the key magnet metals neodymium and praseodymium (NdPr). NdPr is the key input material for the high-powered permanent rare earth magnets required for growing demands of vehicle electrification, wind power generation and robotics. Monazite is widely available as a by-product from heavy mineral sand mining operations and has a history as a commercial REE resource and well-understood metallurgy. Medallion is committed to following best practices and accepted international standards in all aspects of mineral transportation, processing and the safe management of waste materials. More about Medallion: [medallionresources.com](http://medallionresources.com).

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*Medallion's plans. These forward looking statements are made as of the date of this press release, and, other than as required by applicable securities laws, Medallion disclaims any intent or obligation to update publicly any forward looking statements, whether as a result of new information, future events or results or otherwise.*