

1 August 2022

ASX:MM8

\$5.2 million Capital Raising to Continue to Advance the 1.37 Moz Ravensthorpe Gold Project

Highlights

- Medallion to raise \$5.2 million through a fully underwritten, non-renounceable entitlement issue (Offer)
- Strengthened balance sheet to support aggressive exploration programmes and advance the Company's projects, primarily the Ravensthorpe Gold Project (RGP)
- The RGP has an existing Mineral Resource Estimate (MRE) at RGP is 16.5Mt @ 2.6 g/t AuEq for 1.37Moz and is open in all directions¹ (67% Indicated, 80% within 150m of surface)
- Interim MRE is based on 26,000m of drilling, with additional 20,000m completed at the Kundip Mining Centre (KMC) and highly prospective regional targets to drive further MRE growth in 2022
- A further MRE update is expected in November 2022
- Drilling on track to re-commence in early September

Managing Director, Paul Bennett, commented:

"Undertaking this capital raising is critically important to expanding Medallion's growth ambitions. We are now in a strong position to mobilise drills back to Ravensthorpe with the strategic objective to continue growing the resource and test the multiple regional discovery opportunities to understand the true potential of the field. We have a substantial growing resource base and target portfolio and look forward to continuing to advance this outstanding project."

Offer Details

Medallion Metals Limited (ASX:MM8, the Company or Medallion) has launched a pro-rata, non-renounceable entitlement issue to raise approximately \$5.2 million before costs. The Offer is priced at 16 cents and conducted on the basis of one (1) share for every six (6) shares held at the record date, being 4 August 2022. The Offer is fully underwritten by Canaccord Genuity (Australia) Limited (Canaccord or the Underwriter).

¹ Refer to the Company's announcement on the ASX on 14 June 2022 ('Kundip Resource Increases to 1.37Moz AuEq') for further details regarding the MRE, Gold Equivalence and Competent Person's Statements.



Based on the capital structure of the Company, a maximum of 32,613,353 shares may be issued pursuant to the Offer, increasing the shares on issue from 195,680,115 to 228,293,468. The Offer shares will rank equally with existing shares on issue.

The issue price of 16 cents represents a 13% discount to the last traded price of 18.5 cents on 27 July 2022 and a 22% discount to the thirty-day volume weighted average ("VWAP") price of 21 cents.

The Company will lodge its prospectus in respect of the Offer with ASIC on 1 August 2022 (Prospectus).

Proceeds of the Offer will be applied to resource extension drilling at KMC, regional exploration, the Company's general working capital requirements, and to cover the costs associated with the Offer.

Entitlement Offer

Medallion will offer all eligible shareholders who have a registered address in Australia, New Zealand and Hong Kong the opportunity to participate in the Offer.

Shortfall Offer

Pursuant to the Prospectus, eligible shareholders will also be entitled to apply for (in excess of their entitlement) any shares not subscribed for by other eligible shareholders in accordance with the Offer (Shortfall Offer). Applications pursuant to the Shortfall Offer will only be satisfied to the extent that there is a shortfall pursuant to the Offer and will be subject to the terms and conditions outlined in the Prospectus.

Underwriting Agreement

The Offers are fully underwritten by Canaccord upon and subject to the terms and conditions of the Underwriting Agreement. Refer to the Prospectus for a summary of the material terms of the Underwriting Agreement.

Proposed timing of the Offers;

Lodgement of Prospectus with the ASIC and ASX	1 August 2022
Company announces Offer and lodges Appendix 3B with ASX	1 August 2022
"Ex" date	3 August 2022
Record Date for determining Entitlements (7.00pm AEST)	4 August 2022
Offers Open, Prospectus sent out to Eligible Shareholders & Company announces this has been completed	9 August 2022
Last day Company can extend Closing Date	18 August 2022
Closing Date of the Offer* (5.00pm WST)	23 August 2022
Securities quoted on a deferred settlement basis from market open	24 August 2022
Notification of Shortfall to Underwriter	25 August 2022
Announcement of results of the Offer	26 August 2022
Settlement with Underwriter	29 August 2022
Issue date of Shares under the Offer / Lodgement of Appendix 2A with ASX*	30 August 2022

** The dates above are indicative only and are subject to change. The Directors may vary these dates subject to any applicable requirements of the Corporations Act or the Listing Rules. The Directors may extend the Closing Date by giving at least three (3) Business Days' notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.*



Shareholders will be provided with all relevant documents in relation to the Offer in due course.

Exploration Programme

Subsequent to the MRE update on 14 June 2022, the Company has reported additional results from the Gem deposit and regional Meridian prospect, providing encouragement that additional growth can be expected from down dip extensions to the south at KMC and also regionally (refer ASX announcement 5 July 2022 and 26 July 2022). At the time of writing, assays are pending for approximately 8,000m of drilling, which will be reported over coming weeks.

Numerous projects are underway reviewing the data gathered during the 2021-22 drill programme. These include structural mapping and analysis, processing and interpretation of Down Hole Electro-Magnetic (DHEM) surveys and ground based Sub-Audio Magnetic (SAM) surveys completed during the drill programme at KMC and the regional targets. These various work streams will form the basis for planning future drill programmes that seek to grow the global Mineral Resources, both at KMC and regionally.

One of the most significant outcomes of Medallion's drilling campaigns is that the KMC deposits are open in multiple directions and are still relatively shallowly drilled. In addition, numerous opportunities have been identified to uncover new mineralised lodes proximal to the known deposits. Combined with significant regional discovery potential within Medallion's dominant land position, the Company sees multiple opportunities to grow Project resources to a scale that can support the development of a long-life, low-cost gold and copper mine. The interim MRE update and ongoing drill results clearly show that well-funded exploration programmes, led by our capable and experienced team, will deliver results at RGP. Subject to the successful closure of the Offer, the majority of the proceeds will be applied to further MRE growth and testing of regional targets at RGP.

This announcement is authorised for release by the Board of Medallion Metals Limited.

~ ENDS ~

For further information please visit the Company's website www.medallionmetals.com.au or contact:

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DISCLAIMER

References in this announcement may have been made to certain ASX announcements, including exploration results, Mineral Resources and Ore Reserves. For full details, refer said announcement on said date. The Company is not aware of any new information or data that materially affects this information. Other than as specified in this announcement and mentioned announcements, the Company confirms it is not aware of any new information or data that materially affects the information included in the original market announcement(s), and in the case of estimates of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant 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 announcement.

REPORTING OF GOLD EQUIVALENT GRADES

Gold Equivalent (AuEq) grades that are applied as cut off criteria and reported for the resource were calculated using the following formula: $\text{AuEq g/t} = \text{Au g/t} + (\text{Cu \%} \times 1.61) + (\text{Ag g/t} \times 0.01)$. Cu equivalence to Au was determined using the following formula: $1.61 = (\text{Cu price} \times 1\% \text{ per tonne} \times \text{Cu recovery}) / (\text{Au price} \times 1 \text{ gram per tonne} \times \text{Au recovery})$. Ag equivalence to Au was determined using the following formula: $0.01 = (\text{Ag price} \times 1 \text{ gram per tonne} \times \text{Ag recovery}) / (\text{Au price} \times 1 \text{ gram per tonne} \times \text{Au recovery})$. Metal prices applied in the calculation were: Au = 2,946 AUD per ounce, Cu = 16,768 AUD per tonne, Ag = 42 AUD per ounce. Metallurgical recoveries applied were: Au = 94.6%, Cu = 86.1%, Ag = 73.3%. Refer to the Company's ASX announcement dated 28 March 2022 for further information relating to metallurgical recovery.