



22 March 2023

ASX:MM8

Project Update

Medallion Metals Limited (ASX:MM8, the Company or Medallion) provides the following project update in relation to the Company's 100% owned flagship Ravensthorpe Gold Project (RGP), located 550km south-east of Perth in Western Australia.

Since listing in March 2001, the Company has successfully completed 54,000m of new drilling resulting in a series of MRE updates. The current MRE stands at 19.5Mt @ 2.1 g/t gold and 0.3% copper for 1.3 million ounces of gold and 59,000 tonnes of contained copper metal. 790koz (61%) of the gold and 36kt of the copper (60%) metal estimated is in the Indicated category, the remainder is in Inferred. Overall gold equivalent metal content has increased by 112% (855koz), comprising a 93% (+627koz) uplift in gold and a 238% (+42kt) uplift in contained copper metal¹ since March 2021.

Given the significant uplift in contained metal, the Company will complete a Pre-feasibility Study (PFS or the Study) to assess the technical and commercial viability of the Mineral Resources contained within the Kundip Mining Centre (KMC or the Project). The Study will benefit from the significant amount of work already completed for the 2020 Feasibility Study² including geotechnical analysis, metallurgical testwork, surface and ground water studies and environmental assessments. The PFS will consider multiple mining and processing options available to maximise the value of the Project which now contains a significantly expanded MRE in contrast to the basis of the 2020 study (674koz Au). PFS work has commenced and is expected to be completed in the third quarter of calendar year 2023. The following industry recognised consultants have been engaged to assist in the completion of the Study:

- Snowden Optiro: Mineral Resource Estimation
- Mining Plus: mine design, mine scheduling and Ore Reserve Estimation
- GR Engineering: metallurgy and process engineering
- Resource Engineering Consultants: site civil engineering, surface geotechnical and Tailings Storage Facility (TSF) design
- Talis: permitting and approvals

The PFS will consider the development of a standalone gold and copper mining and processing operation at KMC, located 17km to the southeast of the regional centre of Ravensthorpe. The work will target mining and processing rates of up to 100kozpa AuEq from open pit and underground utilising an industry standard processing flow sheet comprising gravity, flotation and cyanidation of flotation tailings to recover gold, copper and silver to saleable products (concentrate & dore). The development envisaged at KMC will leverage off excellent local access and infrastructure including Medallion's operating Camp and the 1,700m sealed airstrip located 10km south of KMC and operated by the Shire of Ravensthorpe. An updated Ore Reserve Estimate will be declared as part of the PFS outcomes.

¹ Compared to 765koz AuEq (8.8Mt @ 2.4g/t Au & 0.2% Cu for 674koz of gold and 18kt of copper) on ASX listing date.

² Refer to the Company's Prospectus dated 18 March 2021 for further details.



Timing of the PFS coincides with the Australian Dollar gold price at record highs (Figure 1). While copper is a significant by-product, gold drives Project economics at KMC, particularly in the early years of mine life when mining and processing near surface oxide ores.

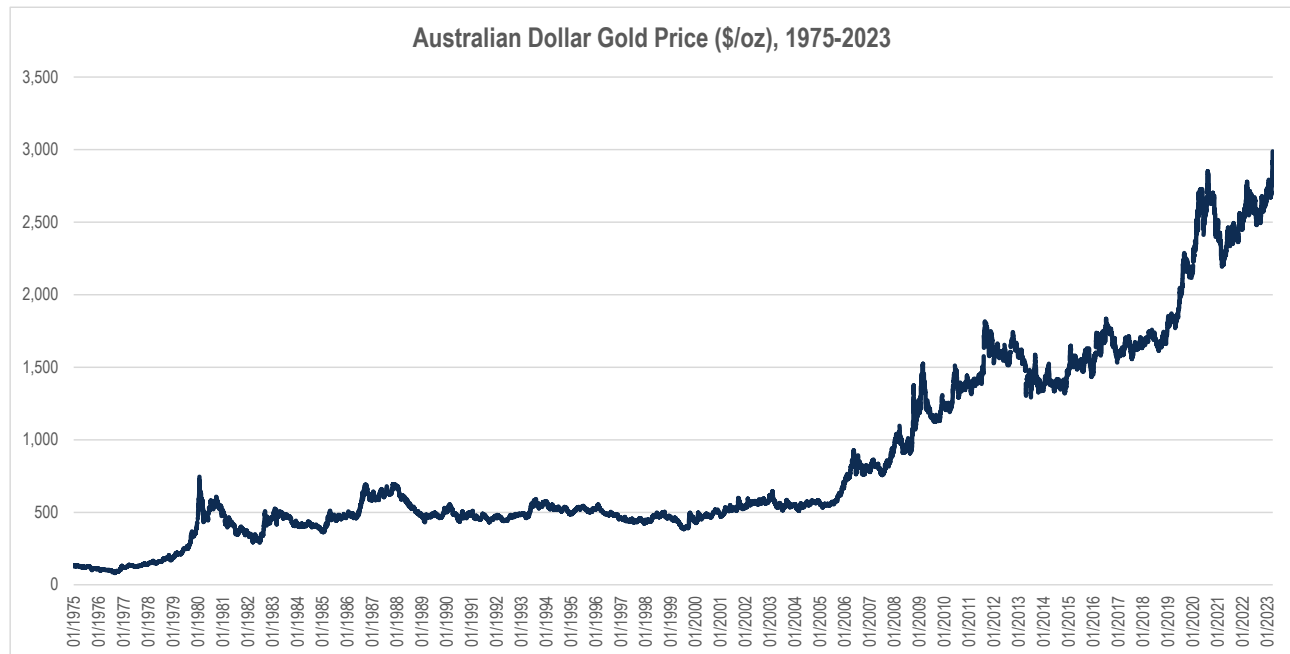


Figure 1: Australian Dollar Gold Price, Source: Perth Mint

Medallion believes RGP represents one of the few genuine greenfields gold development opportunities that has both scale (>1.5Moz AuEq) and grade (>2.0g/t AuEq) located in Western Australia. In addition, the established Mineral Resources are hosted within a dominant land package across the highly prospective Annabelle Volcanics.

During the Study period, the Company will preserve financial resources and focus on de-risking the established MRE so that it is optimally positioned to take advantage of any improvement in sentiment in the gold sector.

Further drilling will be deferred until after the completion of the PFS. As a result, the Company has implemented a number of cost reduction measures including reducing employee numbers at site and in the Perth office. The Company acknowledges those individuals who are no longer part of the Medallion team and thanks them for their efforts. While regrettable, these measures are necessary given the focus of the Company is now on the Study work.

The size of the Board will also be reduced from four to three members. Medallion wishes to acknowledge the contribution of Mr Edmund Ainscough, who is retiring as a Non-Executive Director of the Company today. Mr Ainscough was instrumental in identifying and motivating the original investment in Medallion's flagship Ravensthorpe assets in 2016. He is a founding Director of the Company (formerly ACH Minerals Pty Ltd) and played a critical role in the acquisition and the growth of the business subsequent. The Board wishes Mr Ainscough well in his future endeavours and thanks him for his guidance, vision and enthusiasm.

Non-Executive Director, Edmund Ainscough, commented:

"Since the acquisition of the Ravensthorpe Project back in 2016, it has delivered discoveries, both gold and copper, and grown impressively, just as we had hoped. The Mineral Resource at Kundip is now a substantial asset whilst regionally, we have only begun to scratch the surface of the rest of the belt. However, it's time for me to focus 100% on advancing Lunnon Metals, so I wish the Medallion team all the best for the future; I have no doubt they will be successful and generate an excellent outcome for shareholders."



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.

INDIVIDUAL RESOURCE CATEGORIES REPORTED IN THIS ANNOUNCEMENT³

Mineral Resource Estimate for the Ravensthorpe Gold Project, February 2023							
	kt	Au g/t	Au koz	Cu %	Cu kt	AuEq g/t	AuEq koz
Indicated	12,110	2.0	790	0.3	36	2.5	980
Inferred	7,370	2.2	510	0.3	23	2.7	640
Grand Total	19,480	2.1	1,300	0.3	59	2.6	1,620

Table 1: Individual Resource categories at RGP

REPORTING OF GOLD EQUIVALENT GRADES

Gold Equivalent (AuEq) grades are 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.

³ Refer ASX announcements dated 13 February 2023 for further information.