

20 April 2021

ASX:MM8

Essential Metals Royalty Extinguished

Highlights

- **Royalty over the Ravensthorpe Gold Project extinguished for consideration of \$200,000 payable in Medallion shares**
- **Medallion's interest in the Ravensthorpe Gold Project strengthened through increased exposure to the highly prospective Annabelle Volcanics ground holding**

Medallion Metals Limited (ASX:MM8, the "Company" or "Medallion") announces that it has entered into a Royalty Termination and Release Deed ("Royalty Termination Deed") with Essential Metals Limited (ASX:ESS, "ESS") in relation to royalty obligations over the Company's Ravensthorpe Gold Project ("RGP" or "the Project").

The Royalty Termination Deed extinguishes the Company's obligations to pay ESS a royalty from certain areas of the RGP, comprised of:

- a) 1.5% of the net smelter return for the sale of all minerals from certain areas (excluding iron ore and manganese); and
- b) 3.5% of the net smelter return for the sale of all iron ore and manganese from the certain areas.

(the "ESS Royalty")

The areas subject to the ESS Royalty are as shown below in Figure 1. Please refer to the Company's Prospectus announced on the ASX on 18 March 2021 for further details regarding the ESS Royalty.

In consideration for the termination of the ESS Royalty, Medallion will issue ESS with 785,695 ordinary shares of Medallion ("Shares") under the Company's existing ASX Listing Rule 7.1 capacity. The number of Shares is based on total consideration value of \$200,000 with a deemed issue price per Share equal to the VWAP of the Shares traded on the ASX in the 5 trading days prior to the date of execution of the Royalty Termination Deed. Settlement of the Royalty Termination Deed and the issue of the Shares will occur on 23 June 2021.

Managing Director, Paul Bennett, commented:

"Buying back the ESS Royalty is a great result for Medallion, allowing us to further strengthen our position in the Ravensthorpe Gold Project and our already dominant footprint in the Phillips River Goldfield. We now look forward to updating shareholders with drill results from our recently commenced 32,000m drill program in the coming weeks."

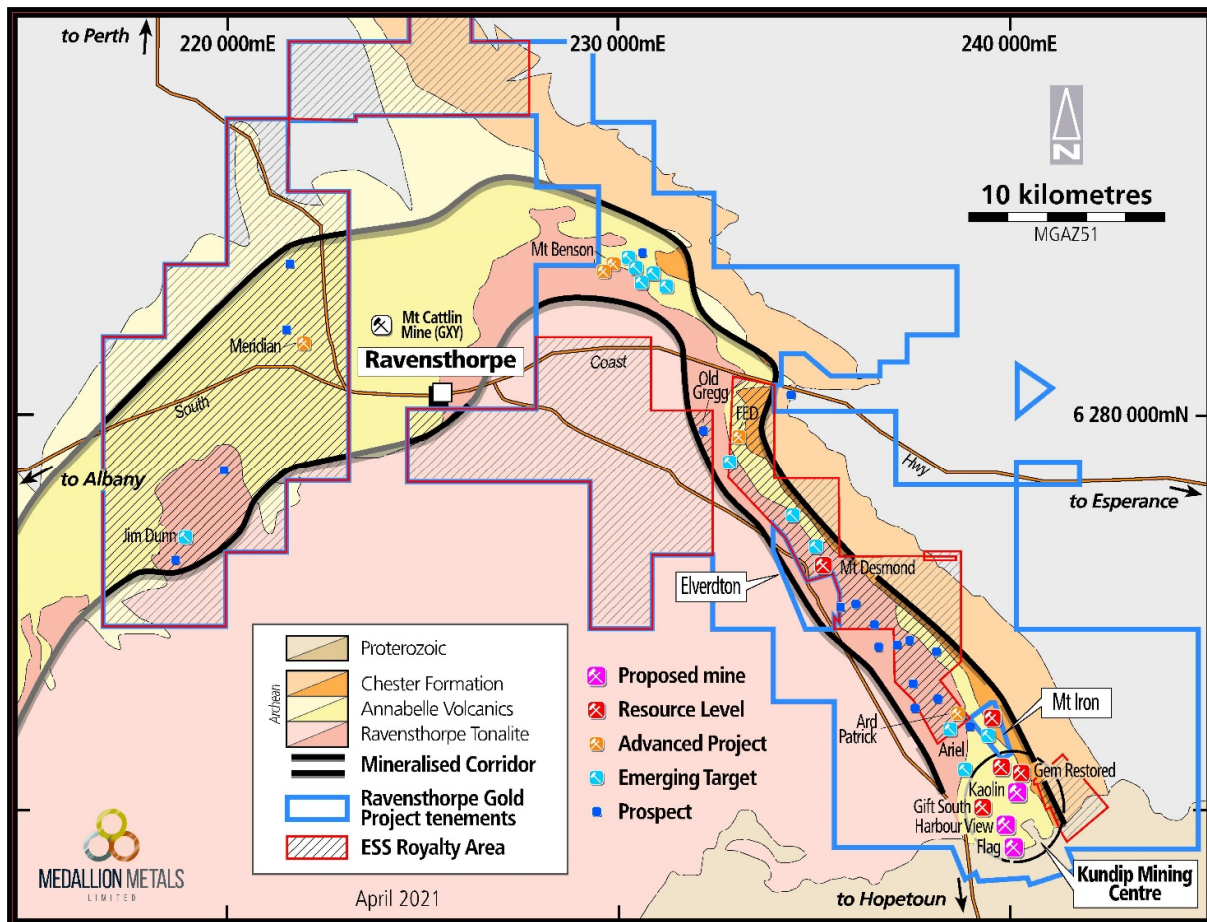


Figure 1: Medallion tenure subject to the ESS Royalty. NB: Mt Iron & Elverdton tenements not held by MM8.

This announcement was authorised for release by the Board. 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.