

MEGADO INITIATES STRATEGIC REVIEW AT USA RARE EARTHS PROJECT

HIGHLIGHTS

- **Recently appointed CEO, Ben Pearson, led an on-site management workshop at the North Fork Rare Earth Project in Idaho, USA**
- **Strategic review underway to determine pathway for the Company's rare earths and critical minerals development ambitions**
- **Megado's North Fork Rare Earth Project is aligned with the U.S. government's focus on securing domestic critical minerals supply**

Megado Minerals (ASX: MEG) (**Megado** or the **Company**) is pleased to provide an update on activities associated with its North Fork Rare Earth Project, located in Idaho, USA.

Following the acquisition of the North Fork Rare Earth Project, (refer to ASX Announcement [14 April 2022](#)), the Company has conducted an on-site workshop lead by new CEO, Ben Pearson and accompanied by experienced geologists and MEG non-executive directors Dr Chris Bowden and Greg Schifrin. The purpose of the workshop was to review the Company's approach and determine an optimal pathway for its US exploration and development ambitions.

As a result of the workshop, the Company is undertaking a comprehensive review of its activities including:

- A review of all historical data from areas inside and outside the Company's existing tenements
- Geological mapping to determine high-value targets for an early works program
- Collection of rock grab/chip and soil samples
- Consideration of additional value accretive projects in the USA that are consistent with a REE/critical minerals narrative
- Exploring options for U.S. government support in relation to the development of domestic and critical minerals supply

The Company expects to be in a position to release the outcome of the strategic review in coming months.

Recent Activities

As previously announced the Company completed a broad scale sampling and initial mapping program at North Fork (ASX Announcement [15 June 2022](#)). During recent visits, outcropping carbonatite veins, up to 3m wide, were located – ongoing mapping and sampling program will outline these results in future releases. Veins of this type have historically been channel sampled at Silver King and yielded Total Rare Earth Oxide (TREO) assays of up to 2m @ 10.3% including the much sought after Critical Rare Earth Oxide (CREO) components – typically Nd, Pr, Dy, Tb, and Y - assaying up to 1.2% within the same interval.¹

¹ - For full details and JORC Table 1 refer MEG ASX announcement dated [14 April 2022](#)

The exploration process at North Fork has commenced, although activities have been delayed by the Moose Fire in the Salmon-Challis National Forest. The fire has restricted site access. Despite the fire, during this summer season, the Company is aiming to complete a number of initial work programs including:

- Perfecting claims on existing tenement packages
- Broad scale surface sampling aimed at the generation of future targets for more detailed exploration
- First pass geological mapping and rock sampling aided by using handheld scintillometers, and portable XRF (pXRF) instruments. These devices allow the rapid identification of areas of thorium enrichment and pathfinder elements that may indicate the presence of REE bearing veins
- Maiden trenching and follow-up diamond drilling on the most prospective targets as identified from current detailed mapping and sampling program (subject to various statutory approvals processes)

The Company has a team of geologists and field assistants, led by Greg Schifrin, available to complete the work programs at North Fork, and assisted by Dr Chris Bowden as needed.

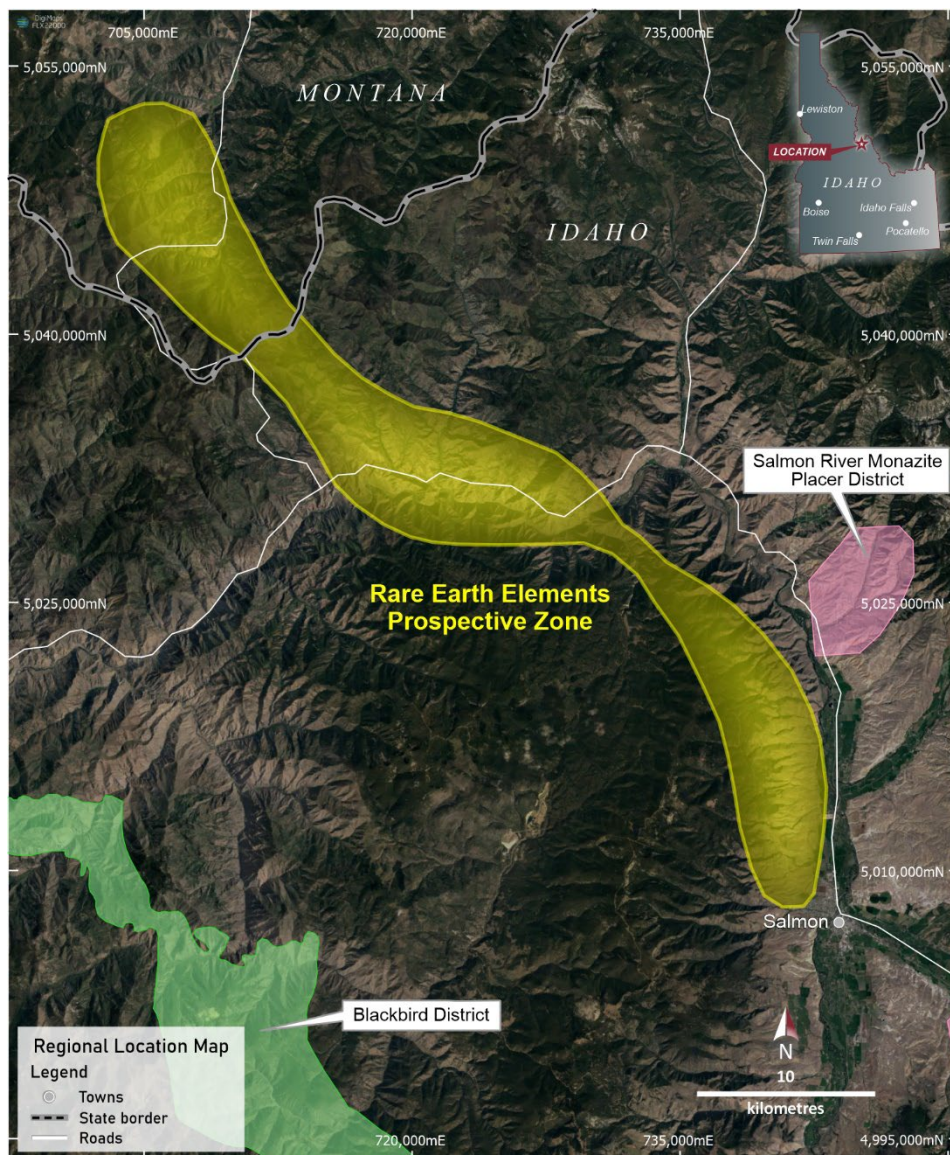


Figure 1: Rare Earth Elements Prospective Zone within Idaho, USA

About North Fork

- The North Fork claims are located approximately 40km (25 miles) northwest of Salmon, Idaho and consist of 499 unpatented/patented BLM mining lode claims (see Figure 1). The North Fork Project has seven (7) historical prospect areas warranting further exploration in the initial exploration phase.
- North Fork 499 claims (granted and in application) cover approximately 10,309 acres (42km²) with outcropping, high-grade, rare-earth element (REE) mineralised rock.
- North Fork contains multiple carbonatite-hosted, high-grade, REE mineralised veins that have been observed at surface across numerous prospects over 10km along strike.
- Previous exploration has returned exceptional grades in channel samples (see previous ASX release):
 - o Silver King Prospect: 2m @ 10.3% TREO incl. 1.2% CREO; and 2m @ 5.8% TREO; and 1.52m @ 17.7% TREO
 - o Jackpot Prospect: 0.76m @ 21.5% TREO; and 0.76m @ 14.5% TREO
 - o Monazite Queen Prospect: 0.91m @ 21% TREO; and 3m @ 2.16% TREO

For more information on North Fork, refer to ASX Announcement [14 April 2022](#) "Megado Secures Transformational Acquisition of High-Grade Rare Earth Element Project In Idaho, USA"

Related Announcements:

June 21 2022: [Felix Strategic Minerals Acquisition Completes](#)

June 15 2022: [Carbonatites located at Surface at North Fork Project, Idaho](#)

June 7 2022: [MEG Raises A\\$2.4m to Fund Initial Exploration at North Fork](#)

April 14 2022: [MEG to Acquire US High-Grade Rare Earth Element Project](#)

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Authorised for release by the Board.

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About Megado Minerals

Megado Minerals Ltd (ASX:MEG) (the Company or Megado) is an ASX-listed company with a recent rare earth acquisition in Idaho, USA and highly prospective gold assets in Ethiopia.

In June 2022, Megado completed the acquisition 100% of the rights, title and interest in the North Fork Rare Earth Project ('North Fork'), located in the mining-friendly Idaho Cobalt Belt region of Idaho, USA. North Fork consists of 499 claims (granted and in application), covering approximately 10,309 acres (42km²) with outcropping, high-grade, rare earth element (REE) mineralised rock. It contains multiple carbonatite-hosted, high-grade, REE mineralised veins that have been observed at surface across numerous prospects over 10km along strike. Previous exploration has returned exceptional grades in channel samples. REE mineralisation displayed at North Fork is high-grade and enriched in critical rare earths (CREE), (typically: Nd, Pr, Dy, Tb, Y). Idaho, where North Fork is located, is ranked the best mining policy jurisdiction in the world in 2020 by Fraser Institute.

In Ethiopia, the Company has five granted high-quality gold exploration assets covering 511km² and one licence application covering 227km² in southern and western Ethiopia with the geological potential to host gold deposits of significant scale. Ethiopia contains a world-class greenstone geological terrane and hosts part of the prolific Arabian-Nubian Shield (ANS).

The Megado Belt in southern Ethiopia is hosted within the broader Adola Belt, a granite-greenstone terrane that is part of the ANS and is characterised by a dominant N-S trending suite of metamorphosed rocks hosting significant occurrences of gold mineralisation, including Ethiopia's only modern gold mines, Lega Dembi and Sakaro (+3.0Moz Au). Megado has a premium land position immediately along strike to the north and south of the Lega Dembi and Sakaro deposits covering the same fertile greenstone host rocks and structural setting, in addition to the Chochi Project located proximal to Ethiopia's next gold mine, the +1.5Moz Tulu Kapi deposit.

Forward Looking Statements

This announcement contains 'forward-looking information' that is based on the Company's expectations, estimates and projections as of the date on which the statements were made. This forward-looking information includes, among other things, statements with respect to the Company's business strategy, plans, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, mineral reserves and resources, results of exploration and related expenses. Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'potential', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this announcement are cautioned that such statements are only predictions, and that the Company's actual future results or performance may be materially different. Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Company's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.