



25 March 2021

ASX:MM8

Mobilisation underway for 32,000m drill program

Highlights

- Mobilising for 32,000m of drilling at the Ravensthorpe Gold Project, the first significant drilling in several years
- Drilling contractor (PXD) engaged to undertake the drill program
- Geophysical (SAM) survey to commence
- Project team bolstered with the addition of key geology and field technician personnel
- Ravensthorpe Camp re-activated and open to third parties to create revenue stream

Medallion Metals Limited (ASX:MM8, the “Company” or “Medallion”) is pleased to report that preparations for the 32,000m drill program at the Company’s flagship Ravensthorpe Gold Project (“RGP” or the “Project”) are rapidly advancing following the successful closure of the heavily oversubscribed \$12.5 million Initial Public Offer.

The key areas targeted in the drill program have recorded historical production of approximately 128Kt at 18g/t for 75koz¹ of gold. The planned drill program represents the first drilling at the Project since 2018 where a limited drill program comprising 3,100m of diamond drilling resulted in a 9% increase in the Mineral Resources at RGP¹.

DRILLING PROGRAM

Medallion has engaged Precision Exploration Drilling Pty Ltd (“PXD”) to undertake the combined reverse circulation (“RC”) and diamond (“DDH”) drill program throughout the 2021 field season. Dedicated RC and DDH rigs will be deployed at the Project. Requisite approvals are in place and drilling is planned to commence in early April, with first results expected in mid-May.

Of the planned 32,000m of drilling, ~26,000m will be undertaken at the Kundip Mining Centre (“Kundip”), which is host to the Company’s JORC 2012 gold Mineral Resource Estimate (“MRE”) of approximately 674,000 oz¹. The initial drilling will target depth and strike extensions of the known high grade deposits at Kaolin, Harbour View and Flag, in addition to near mine prospects at Gem Restored and Gift. Drilling of the known deposits currently extends to a maximum depth of only

¹ 8.8 Mt @ 2.4 g/t Au (7.0 Mt @ 2.3 g/t Au Indicated and 1.8 Mt @ 2.6 g/t Au Inferred). Refer to the Company’s Prospectus announced on the ASX on 18 March 2021 for further details regarding the MRE, historical production and Competent Person’s Statement.



300m below surface, which is relatively shallow for Archean gold lodes. Figure 1 is a long section through the Project area looking west. Drill traces with composites above 5 g/t Au are highlighted, demonstrating the mineralised structures are both open at depth and along strike.

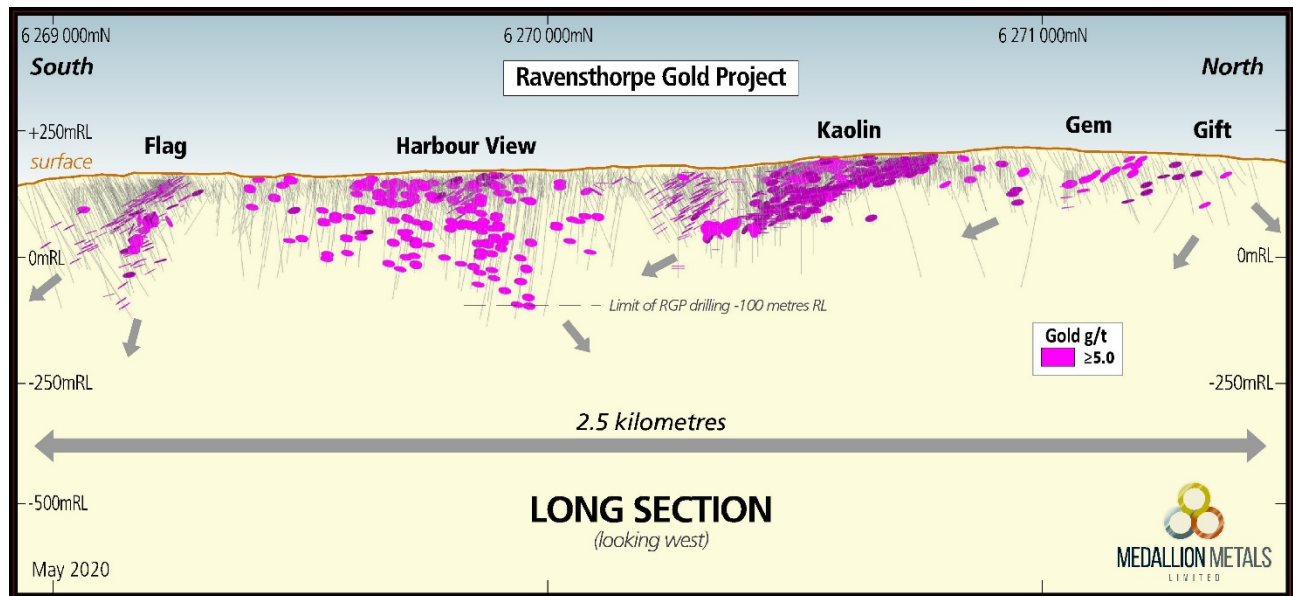


Figure 1: Long section through Kundip (looking west) with drill traces and 1 m composites >5.0 g/t Au².

GEOPHYSICAL SURVEYS TO TARGET SULPHIDES

Significant opportunities exist proximal to the Mineral Resources defined at Kundip where the known high grade structures are projected to meet and intersect. These same structures also extend beneath younger Proterozoic cover that has historically impeded exploration efforts. To exploit these opportunities, and based on the highly conductive nature of the massive sulphide lodes observed at Kundip, the Company will conduct Sub-Audio Magnetic (“SAM”) surveys, in conjunction with ongoing downhole Electromagnetic (“EM”) surveys, to “fingerprint” the response of the known high grade mineralisation before then applying these techniques in the highly prospective target areas described.

GAP Geophysics Pty Ltd has been engaged to undertake these SAM surveys across key parts of Kundip commencing in late April. The Company expects that these geophysical approaches will enhance drill planning when the discovery effort moves into targeting possible high grade, sulphide rich lode intersections and extensions at depth and under cover.

² Refer to the Company’s Prospectus announced on the ASX on 18 March 2021 for further details.



Figure 2: Historical workings at Western Gem (foreground), Two Boys (centre right) and Kaolin (top); view to the northeast

PROJECT TEAM

To support the effective execution of field activities and to assist with the significant data collection and data processing effort associated with drill program and geophysical surveys, Medallion has bolstered its technical and field operational capability with the addition of key geology and field technician personnel.

RAVENSTHORPE CAMP

Medallion owns an 89 person Worker Accommodation Village ("Camp") located in the regional centre of Ravensthorpe approximately 17km from Kundip. The Company has recently appointed an experienced camp management services company to administer Camp operations during the current drill program. The Camp manager has mobilised to site and has commenced providing accommodation and messing services.

In addition to housing Medallion's employees and contractors, the Camp is also providing services to third party businesses operating in the Ravensthorpe region and is currently accommodating 25 paying guests. The Company has received significant external interest to accommodate additional personnel and expects third party occupancy levels to continue to grow, creating an unbudgeted revenue stream which, after taking into account the incremental cost of housing the additional guests, can be deployed to further fund the Company's exploration efforts.



Figure 3: Kitchen and administration buildings at Medallion's Camp in Ravensthorpe

Managing Director, Paul Bennett, commented:

"It is pleasing to see how rapidly we have obtained the necessary permits, secured key project personnel and commenced mobilisation ahead of our comprehensive 32,000m drill program. We have partnered with top quality organisations which provides confidence that the drilling can be executed safely and efficiently. We're looking forward to commencing the first significant drilling at the Project in many years and the reporting of drill results during the next quarter, which I'm confident will contribute to rapidly expanding our existing mineral resources."

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.