



29 October 2021

ASX:MM8

Quarterly Activities Report

for the period ended 30 September 2021

Highlights

- During the quarter 19 diamond drill holes (4,352m) and 21 RC drill holes (3,010m) were completed. Of the 131 holes drilled in this program to date there have been assays reported for 69 holes.
- Multiple high-grade gold and copper results were reported from assays received during the quarter, confirming grade and geological continuity at both Gem Restored and Kaolin. Highlights include;
 - 2.6m @ 19.8 g/t Au, 3.6 % Cu, 35.8 g/t Ag from 226.9m (DD21KP915) – Gem Restored
 - 11.5m @ 2.2 g/t Au, 0.1 % Cu, 1.8 g/t Ag from 70.7m (DD21KP912) – Gem Restored
 - 6.0m @ 3.3 g/t Au, 0.3 % Cu, 7.7 g/t Ag from 192m (RC21KP929) – Gem Restored
 - 1.5m @ 19.4 g/t Au, 1.3 % Cu, 6.5 g/t Ag from 225.9m (DD21KP1026) – Gem Restored
 - 3.4m @ 8.9 g/t Au, 1.2 % Cu, 6.5 g/t Ag from 249.7m (DD21KP1026) – Gem Restored
 - 3.1m @ 4.5 g/t Au, 0.4 % Cu, 4.2 g/t Ag from 173.4m (15GRR001) – Gem Restored
 - 0.9m @ 8.5 g/t Au, 0.1 % Cu, 7.4 g/t Ag from 126.0m (DD21KP920) – Gem Restored
 - 3.3m @ 10.1 g/t Au, 3.1 % Cu, 38.6 g/t Ag from 54m (DD21KP962) – Kaolin
 - 12m @ 3.4 g/t Au, 0.2% Cu, 1.5 g/t Ag from 78m (RC21KP977) – Kaolin
 - 1m @ 23 g/t Au, 0.03 % Cu, 3.0 g/t Ag from 133m (RC21KP973) – Kaolin
 - 5m @ 3.5 g/t Au, 0.2 % Cu, 1.3 g/t Ag from 115m (RC21KP951) – Kaolin
 - 4m @ 3.1 g/t Au, 0.1% Cu, 0.5 g/t Ag from 99m (RC21KP951) – Kaolin
 - 2m @ 6.5 g/t Au, 0.4% Cu, 5.7 g/t Ag from 72m (RC21KP979) – Kaolin
- Camp revenue of \$0.6M during the quarter.
- Cash balance at quarter end \$5.9 million.
- Planned activities for the December 2021 quarter include;
 - 32,000m drill programme continuing and expected to be completed in December. High grade intercepts, including 5m @ 11.4g/t Au, reported at the regional Meridian prospect subsequent to the end of the September quarter.
 - GR Engineering to conduct metallurgical review and process route recommendation to support a future Definitive Feasibility Study for the Ravensthorpe Gold Project.



Medallion Metals Limited (ASX:MM8, the "Company" or "Medallion") is pleased to report on activities at its projects during the September 2021 quarter.

RAVENSTHORPE GOLD PROJECT

Drill Program

Medallion continued to advance the 32,000m combined reverse circulation ("RC") and diamond ("DDH") drill program during the quarter. A total of 7,362m of drilling was completed over the reporting period with the programme on target to be completed by the end of 2021. Of the planned 32,000m of drilling, ~26,000m is being undertaken at the Kundip Mining Centre ("KMC") (Figure 1), which is host to the Company's high grade JORC 2012 gold Mineral Resource Estimate ("MRE") of approximately 674,000 oz¹.

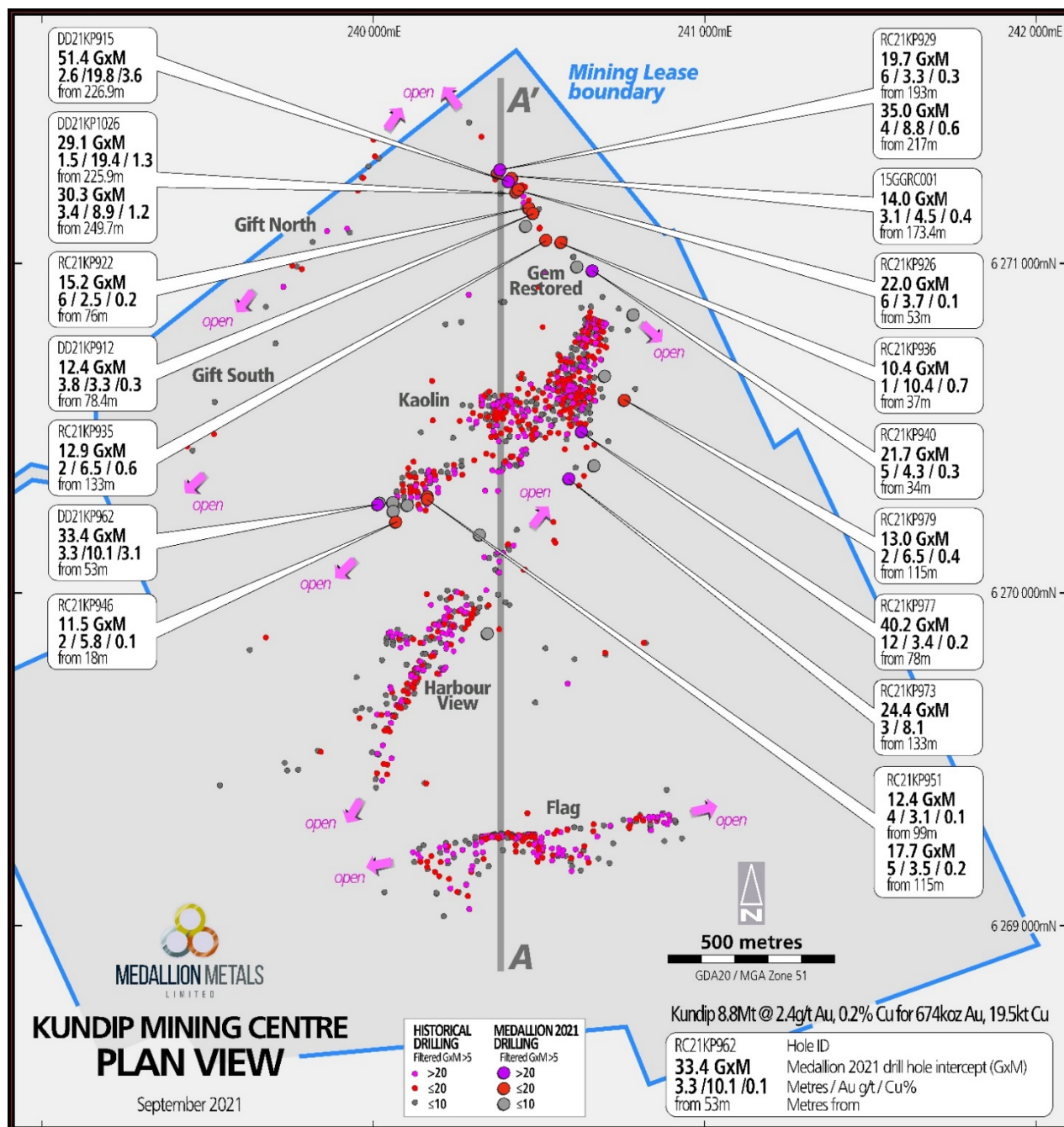


Figure 1: Plan of KMC showing historical and 2021 drill pierce points > 5 GxM Au, with 2021 results > 10 GxM Au annotated

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.



Drilling completed during the quarter was carried out at KMC targeting depth and strike extensions of the known high-grade deposits at Kaolin and Harbour View in addition to near mine prospects at Gem Restored.

Significant new drilling results (>10 g/t Au x metres) reported from KMC include:

- 2.6m @ 19.8 g/t Au, 3.6 % Cu, 35.8 g/t Ag from 226.9m (DD21KP915) – Gem Restored
- 11.5m @ 2.2 g/t Au, 0.1 % Cu, 1.8 g/t Ag from 70.7m (DD21KP912) – Gem Restored
- 6.0m @ 3.3 g/t Au, 0.3 % Cu, 7.7 g/t Ag from 192m (RC21KP929) – Gem Restored
- 1.5m @ 19.4 g/t Au, 1.3 % Cu, 6.5 g/t Ag from 225.9m (DD21KP1026) – Gem Restored
- 3.4m @ 8.9 g/t Au, 1.2 % Cu, 6.5 g/t Ag from 249.7m (DD21KP1026) – Gem Restored
- 3.1m @ 4.5 g/t Au, 0.4 % Cu, 4.2 g/t Ag from 173.4m (15GRRC001) – Gem Restored
- 0.9m @ 8.5 g/t Au, 0.1 % Cu, 7.4 g/t Ag from 126.0m (DD21KP920) – Gem Restored
- 3.3m @ 10.1 g/t Au, 3.1 % Cu, 38.6 g/t Ag from 54m (DD21KP962) – Kaolin
- 12m @ 3.4 g/t Au, 0.2% Cu, 1.5 g/t Ag from 78m (RC21KP977) – Kaolin
- 1m @ 23 g/t Au, 0.03 % Cu, 3.0 g/t Ag from 133m (RC21KP973) – Kaolin
- 5m @ 3.5 g/t Au, 0.2 % Cu, 1.3 g/t Ag from 115m (RC21KP951) – Kaolin
- 4m @ 3.1 g/t Au, 0.1% Cu, 0.5 g/t Ag from 99m (RC21KP951) – Kaolin
- 2m @ 6.5 g/t Au, 0.4% Cu, 5.7 g/t Ag from 72m (RC21KP979) – Kaolin

All drilling results reported above 10 g/t Au x metre are labelled in Figures 1 & 2. For further information about the drilling results, please refer to the Company's ASX announcements dated 14 July 2021, 2 August 2021 and 9 September 2021.

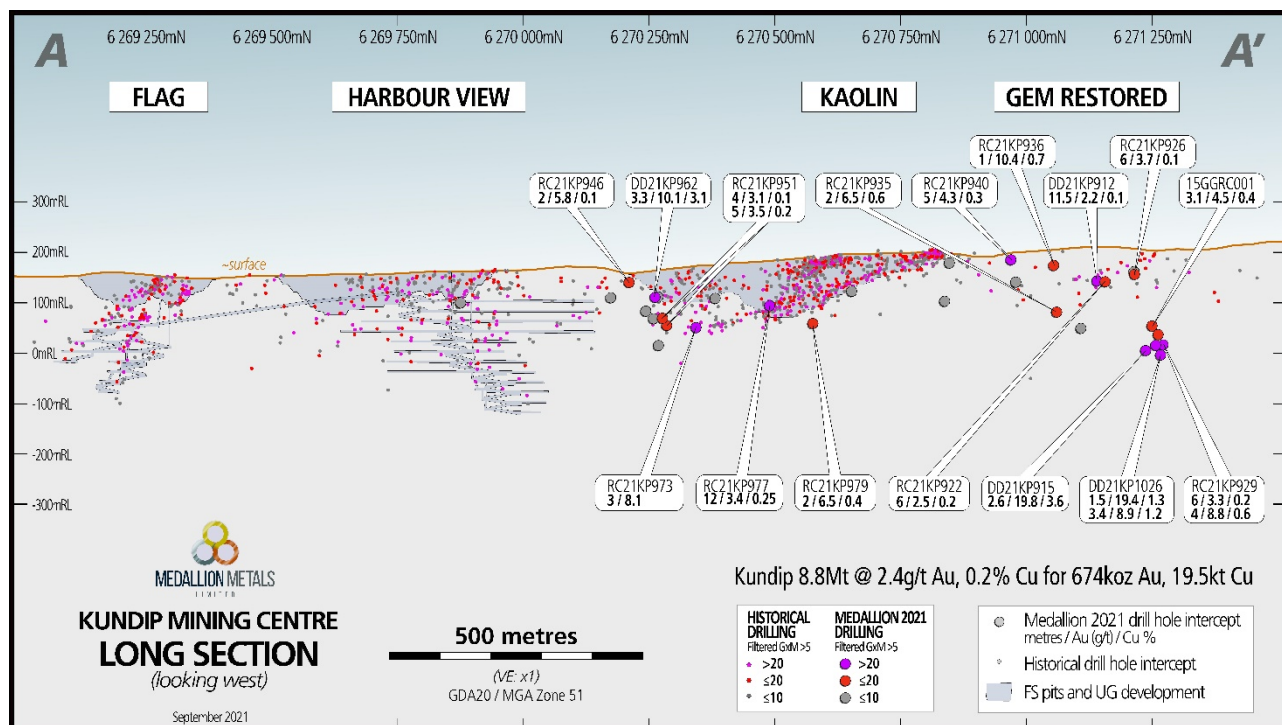


Figure 2: Plan of KMC showing historical and 2021 drill pierce points > 5 GxM Au, with 2021 results > 10 GxM Au annotated

Figure 2 is a section through KMC looking west. Drill pierce points above 5 g/t Au x metres are shown overlain on Feasibility Study² open pit designs and underground development, demonstrating the open nature of the

² Refer to the Company's Prospectus announced on the ASX on 18 March 2021 for further details regarding the Feasibility Study.



mineralised structures at depth, down plunge and to where they are projected to intersect. All drilling reported from the Gem Restored prospect is outside the current MRE.

Both RC and DDH drilling has been undertaken on an approximate 40m x 40m pattern, extending to an 80m x 40m pattern at the deposit extremities. In combination with historical drilling, the expanded and enhanced dataset will support a global update of the MRE at KMC which is expected to be completed during the March quarter of 2022.

A significant quantity of samples (62 holes) are with the laboratory and results are being reported on a regular basis. Sample submissions have been made regularly throughout the drill programme and the Company expects results will continue to flow on a consistent basis.

RAVENSTHORPE CAMP

Medallion's 89-person Worker Accommodation Village ("Camp") located in the regional centre of Ravensthorpe continued to provide accommodation services to third party businesses operating in the region. A total of 5,105 accommodation bookings were invoiced during the quarter, resulting in Camp revenue of approximately \$0.6 million. The Company expects strong demand to continue for accommodation services at the Camp for the foreseeable future.

CORPORATE

Cash Position

At 30 September 2021, Medallion held approximately \$5.9 million in cash (30 June 2021: \$8.9 million). Full details regarding the Company's cash movements during the quarter can be found in the attached Appendix 5B.

NickelSearch IPO

During the quarter, Medallion continued to progress the divestment of the RAV8 Nickel Project and nickel rights over certain nickel tenure to NickelSearch Limited (ASX:NIS, "NickelSearch"). The divestment was completed in October 2021 following NickelSearch's successful \$10 million Initial Public Offer ("IPO") and the issue of 15,713,662 NickelSearch consideration shares to Medallion. Medallion holds approximately 15.1% of the total NickelSearch shares on issue.

DECEMBER 2021 QUARTER

Drill Program

2 drill rigs (1 RC and 1 DDH) remain deployed at RGP to rapidly conclude Medallion's 32,000m drill programme by the end of the calendar year.

The Company completed first pass reconnaissance RC drilling at Meridian in the December quarter, which is located 21km along strike from KMC. The drilling has confirmed a mineralised system over 700m of strike length, which remains open at depth and along strike. Significant drill results included³;

- 5m @ 11.4 g/t Au, 1,572 ppm Cu, 1.4 g/t Ag from 32m (RC21MR009) including;
 - 2m @ 26.70 g/t Au, 1,750 ppm Cu, 2.1 g/t Ag from 32m.
- 2m @ 6.12 g/t Au, 1498 pp, Cu, 1.91 g/t Ag from 125m (RC21MR003).
- 4m @ 2.89 g/t Au, 411 ppm Cu, 0.13 g/t Ag from 58m (RC21MR003).

The remaining drill program for the December quarter will target Harbour View and Gem Restored at KMC and the regional prospect Ariel. Following the conclusion of the 2021 drill programme, the Company anticipates releasing an updated MRE in Q1 2022 targeting 1 million gold ounces.

³ Refer to ASX announcement on 18 October 2021 for further details



Metallurgical Review and Process Route Recommendation

Medallion has consolidated and reported the significant amount of historical testwork performed at the Ravensthorpe Gold Project ("RGP"). Recovery averages of 95.9% and 92.5% for gold from historical gravity-flotation-leach and gravity-leach tests and recovery averages of 73.0% for copper for historical flotation tests have been reported on RGP ores.

GR Engineering Services Limited ("GRES") has been engaged to review the consolidated historical metallurgical testwork to confirm conventional process route for RGP ore and to advise on further work required to support a future Definitive Feasibility Study. The Company expects to report the findings of the GRES metallurgical review in December 2021.

Please refer to please refer to the Company's ASX announcement dated 13 October 2021 for further details regarding the metallurgical review.

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.



APPENDIX 1 – ADDITIONAL ASX LISTING RULE DISCLOSURES

Compliance

For the purpose of ASX Listing Rule 5.3.1, payments for exploration, evaluation and development during the quarter totalled approximately \$2,392,000 (exclusive of RGP exploration salaries and payments for property, plant and equipment). Material developments, changes in exploration activities and details of exploration activities undertaken during the quarter are as described in the preceding quarterly and appendices.

For the purpose of ASX Listing Rule 5.3.2, the Company confirms there were no mining production and development activities undertaken during the quarter.

For the purpose of ASX Listing Rule 5.3.5, payments to directors of Medallion during the quarter totalled approximately \$129,000. The payments were in respect of directors' salaries, fees and superannuation.

Pursuant to ASX Listing Rule 5.3.4, the Company provides its actual expenditure on the individual items in the two year "use of funds" statement in its IPO Prospectus since the date of its admission to ASX's Official List (being 18 March 2021) against the estimated expenditure on those items and an explanation of any material differences.

Use of Funds	Prospectus estimate (2 years) \$ millions	Actual use from 18 March 2021 to quarter end \$ millions	Variance \$ millions
Exploration and related expenses	8.6	4.9	3.7
Corporate and administration	2.3	-	2.3
Expenses of the Offer	0.9	0.1	0.8
Shareholder loan principal and interest payments	0.6	0.9	(0.3)
General working capital	0.1	-	0.1
Total	12.5	5.9	6.6

The two-year estimate of "Shareholder loan principal and interest repayments" was presented net of the Company's existing cash balances as at 31 December 2020 (being the last practical balance date prior to the finalisation of the prospectus). The variance in relation to the actual use of funds in the table above is a result of the use of existing cash balances to meet the Company's expenditure commitments in the intervening period from 1 January 2021 and the date of admission to ASX's Official List on 18 March 2021.

Actual corporate and administration expenditure of approximately \$0.9 million has been presented net of Camp cash receipts received during the period of approximately \$0.9 million.

Other material variances are a result of the Company being admitted to the Official List on 18 March 2021, therefore actual expenditure for only two quarters and 14 days is represented against the two year "use of funds" statement. The Company believes it is on schedule to achieve its objectives as stated in its IPO Prospectus.

Tenement Summary

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter.

Tenement	Location	Nature of Interest	Interest at beginning of quarter	Interest at end of quarter
Ravensthorpe Gold Project				
E74/0311	Western Australia	Granted	100%	100%
E74/0379-I	Western Australia	All mineral rights other than Li/Ta	100%	100%
E74/0399	Western Australia	All mineral rights other than Li/Ta	100%	100%
E74/0406	Western Australia	All mineral rights other than Li/Ta	100%	100%
E74/0486	Western Australia	Granted	100%	100%
E74/0560	Western Australia	Granted	100%	100%
E74/0602	Western Australia	Granted	100%	100%
E74/0638	Western Australia	Granted	100%	100%
E74/0639	Western Australia	Granted	100%	100%
E74/0653	Western Australia	Granted	100%	100%
E74/0656	Western Australia	Granted	100%	100%



E74/0657	Western Australia	Granted	100%	100%
E74/0683	Western Australia	Granted	100%	100%
L74/0034	Western Australia	Granted	100%	100%
L74/0058	Western Australia	Granted	100%	100%
M74/0013	Western Australia	Granted	100%	100%
M74/0041	Western Australia	Granted	100%	100%
M74/0051	Western Australia	Granted	100%	100%
M74/0053	Western Australia	Granted	100%	100%
M74/0083-I	Western Australia	Granted	100%	100%
M74/0135	Western Australia	Granted	100%	100%
M74/0136	Western Australia	Granted	100%	100%
M74/0163	Western Australia	Granted	100%	100%
M74/0165	Western Australia	Granted	100%	100%
M74/0180	Western Australia	Granted	100%	100%
M74/0184	Western Australia	Granted	100%	100%
Jerdacuttup Project				
E74/0636	Western Australia	Granted	80%	80%
E74/0413	Western Australia	Granted	100%	100%
E74/0462	Western Australia	Granted	100%	100%
E74/0498	Western Australia	Granted	100%	100%
E74/0557	Western Australia	Granted	100%	100%
E74/0578	Western Australia	Granted	100%	100%
E74/0605	Western Australia	Granted	100%	100%
E74/0630	Western Australia	Granted	100%	100%
E74/0631	Western Australia	Granted	100%	100%
E74/0637	Western Australia	Granted	100%	100%
E74/0642	Western Australia	Granted	100%	100%
E74/0643	Western Australia	Granted	100%	100%
E74/0644	Western Australia	Granted	100%	100%
E74/0665	Western Australia	Granted	100%	100%
E74/0671	Western Australia	Granted	100%	100%
L74/0035	Western Australia	Granted	100%	100%
L74/0045	Western Australia	Granted	100%	100%
M74/0176	Western Australia	Granted	100%	100%
P74/0385	Western Australia	Granted	100%	100%
P74/0386	Western Australia	Granted	100%	100%

The Company did not enter into any farm-in or farm-out agreements during the quarter.

The Company disposed of the following tenements during the quarter: nil.

The Company acquired the following tenements during the quarter: nil.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

MEDALLION METALS LIMITED

ABN

89 609 225 023

Quarter ended ("current quarter")

30 September 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	566	566
1.2	Payments for		
	(a) exploration & evaluation	(944)	(944)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(470)	(470)
	(e) administration and corporate costs	(187)	(187)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	4	4
1.5	Interest and other costs of finance paid	(59)	(59)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(1,090)	(1,090)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(465)	(465)
	(d) exploration & evaluation	(1,448)	(1,448)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(1,913)	(1,913)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	8,895	8,895
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,090)	(1,090)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,913)	(1,913)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	5,892	5,892

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	5,818	8,821
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (Cash held as bank securities)	74	74
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	5,892	8,895

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	129
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-
<p><i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i></p> <p>Payments disclosed at 6.1 are in respect of Directors' fees, salaries and superannuation accruing to Directors' for services rendered during the period.</p>	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	4,000	4,000
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities	4,000	4,000
7.5	Unused financing facilities available at quarter end		-
7.6	<p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> <p>Loan disclosed at 7.1 is a shareholder loan from Bolong (Australia) Investment Management Pty Ltd. The loan is unsecured and accrues interest at 6% p.a. payable in arrears at the end of each calendar quarter. The loan is repayable upon:</p> <ul style="list-style-type: none"> a change of control; receipt of the proceeds from the sale of all or part of the Company's projects; or within 120 days of a decision to commence development of the Company's projects. 		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,090)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,448)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,538)
8.4	Cash and cash equivalents at quarter end (item 4.6)	5,892
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	5,892
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.32
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	<p>If item 8.7 is less than 2 quarters, please provide answers to the following questions:</p> <p>8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?</p> <p>Answer: Not applicable</p>	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer:

Not applicable

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer:

Not applicable

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 October 2021

Authorised by: By the board of Medallion Metals Limited

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.