

29 July 2022

ASX:MM8

June 2022 Quarterly Activities Report

Highlights

Ravensthorpe Gold Project (RGP), Western Australia (100%)

- Interim Mineral Resource Estimate update for Kundip Mining Centre substantially increases JORC resource by 79% to 1.4Moz AuEq @ 2.60g/t AuEq

Mineral Resource Estimate for the Kundip Mining Centre – June 2022							
Classification	kt	Au g/t	Au koz	Cu %	Cu kt	AuEq g/t	AuEq koz
Indicated	11,020	2.1	740	0.3	32	2.6	920
Inferred	5,430	2.1	360	0.3	18	2.6	460
Grand Total	16,450	2.1	1,100	0.3	50	2.6	1,370

- Update based on approximately 26,000m of drilling carried out during 2021 and 2022 with a further 19,000m of drilling completed at KMC and regional targets likely to deliver further MRE growth this year
- Approximately 2,800m of drilling completed at Kundip Mining Centre during the quarter
- Multiple high-grade gold and copper results were reported from extensional drilling at KMC, highlights include;
 - 3.29m @ 65.62 g/t Au, 0.68% Cu, 11.69 g/t Ag from 99.43m (DD21KP1033) – Gem
 - 19m @ 2.26 g/t Au, 2.33% Cu, 13.03 g/t Ag from 69m (RC22KP1082) – Harbour View
 - 5m @ 2.49 g/t Au, 5.61 % Cu, 48.5 g/t Ag from 104m (RC22KP1083) – Harbour View
 - 2m @ 18.5 g/t Au, 5.91 % Cu, 43.95 g/t Ag from 253m (RC22KP1075) – Harbour View
 - 12m @ 2.27 g/t Au, 1.18% Cu, 10.8 g/t Ag from 164m (RC22KP1079A) – Harbour View
 - 4m @ 3.78 g/t Au, 2.83 % Cu, 36.35 g/t Ag from 260m (RC22KP1075) – Harbour View
 - 3m @ 4.73 g/t Au, 2.28 % Cu, 20.53 g/t Ag from 244m (RC22KP1075) – Harbour View
- Major step out holes targeting extensions to the Harbour View and May lodes intersect visual quartz-sulphide mineralisation (assays pending) up to 180m from closest drilling

Corporate

- Cash balance at quarter end \$1.9 million
- Investment in NickelSearch (ASX: NIS) market value of approximately \$2.0 million at quarter end



RAVENSTHORPE GOLD PROJECT (WESTERN AUSTRALIA) (ownership – 100%)

Medallion Metals Limited (ASX:MM8, the Company or Medallion) is pleased to report on activities at its projects during the June 2022 quarter. The Company has completed 46,211m of drilling at the Ravensthorpe Gold Project (RGP) since listing on the ASX in March 2021. Of that, 40,696m was carried out at Kundip Mining Centre (KMC), with the remainder completed at the Company's highly prospective regional targets (Figure 1).

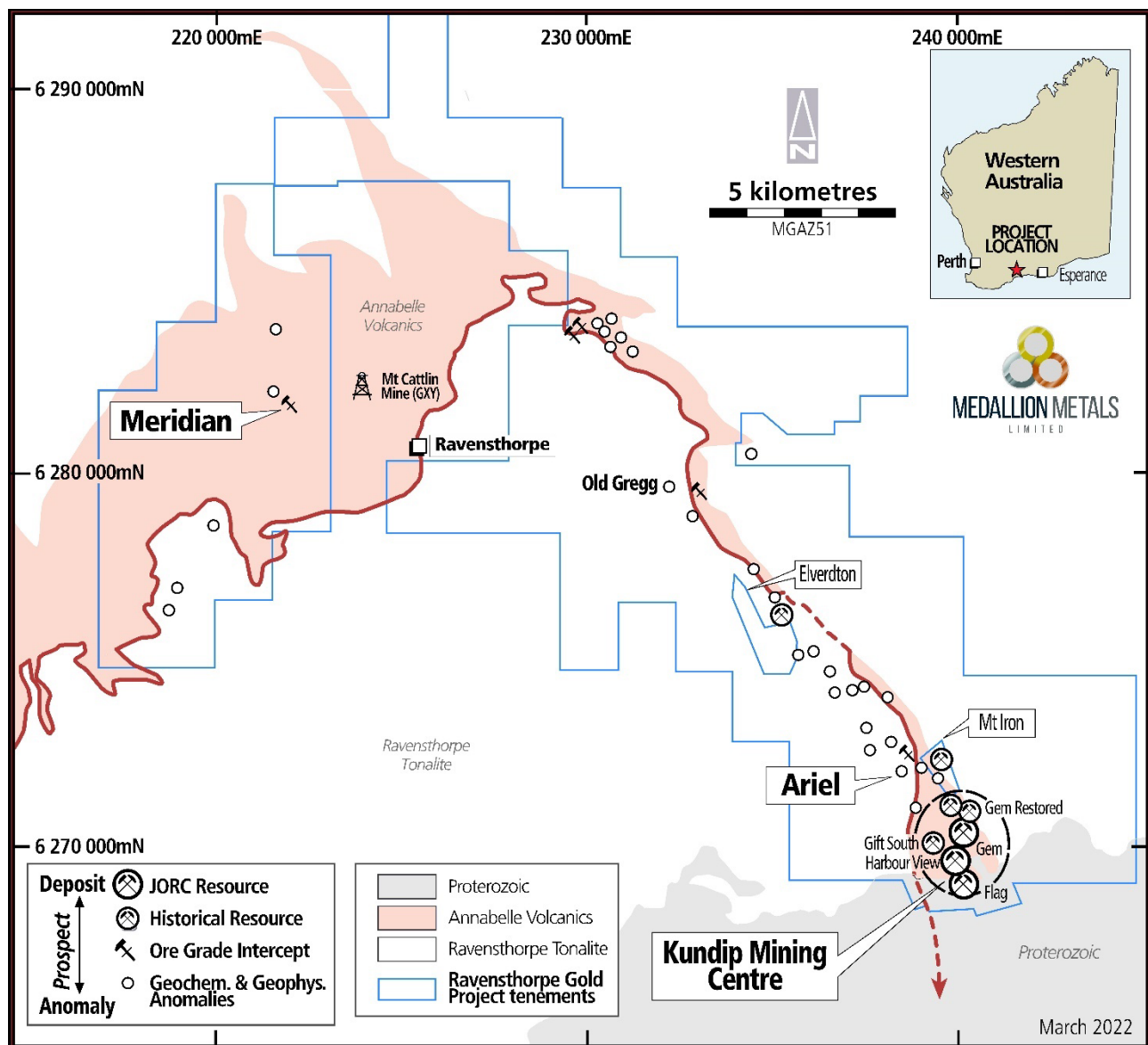


Figure 1: Plan view of the Ravensthorpe Gold Project highlighting Medallion's dominant ground holding over the Annabelle Volcanics. The Kundip Mining Centre is situated at the south-east extent of the belt.

KMC – Interim Mineral Resource Estimate Update

During the quarter, Medallion reported a significantly expanded JORC 2012 Mineral Resource Estimate (MRE) at KMC. The MRE now totals 16.5Mt @ 2.1 g/t gold and 0.3% copper for 1.1 million ounces of gold and 50,000 tonnes of copper metal contained. 67% of the gold estimated is in the Indicated category, the remainder in Inferred¹. The revised gold content represents a 64% increase from the previous MRE of 674,000 ounces @ 2.4 g/t.² The KMC mineralised system extends over 2.5km from north to south, remains open at depth and along strike and is relatively shallowly drilled (Figure 2).

¹ For full details of the tonnes, gold, silver and copper grades by deposit, by resource classification and by resources potentially available for open pit and underground mining, refer to the Company's ASX announcement dated 14 June 2022.

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

June 2022 MRE: 16.5Mt @ 2.6g/t for 1.4Moz AuEq

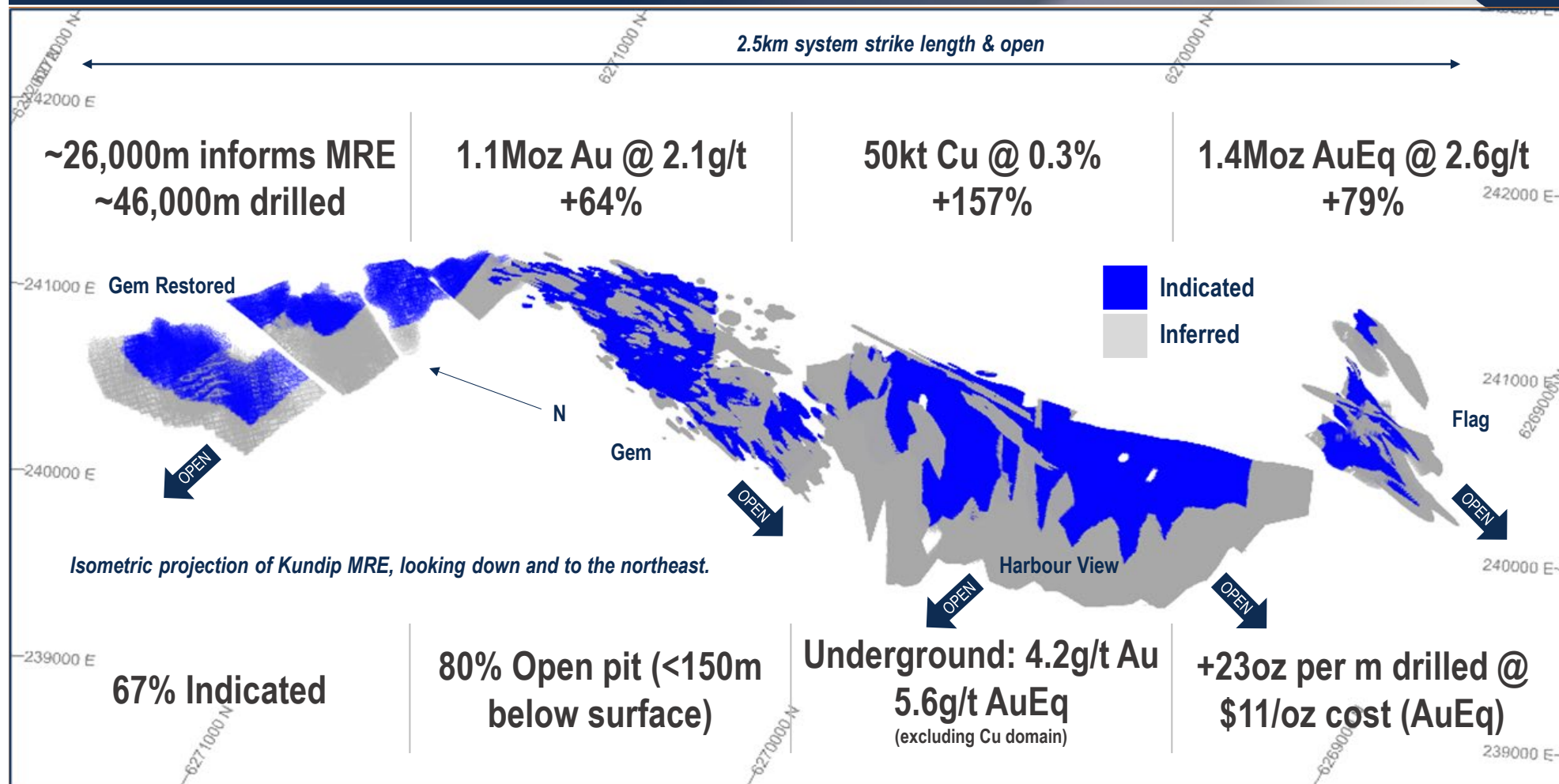


Figure 2: Isometric view of KMC MRE by resource classification (looking down and to the northeast).



The updated MRE incorporates 26,308m of new drilling completed at KMC throughout 2021-22 targeting high-grade strike and depth extensions of the known mineralised structures.

New drilling that informs the updated MRE has yielded an additional 607,000 ounces of gold equivalent (AuEq³) metal (428koz Au), a discovery rate of 23 AuEq ounces per drill meter (16oz/m Au). Discovery cost is \$11 per AuEq ounce (\$15/oz Au).

The following statements of Mineral Resources (Tables 1 & 2) conform to the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code), 2012 Edition. All tonnages are dry metric tonnes. Minor discrepancies may occur due to rounding to appropriate significant figures.

Mineral Resource Estimate for the Kundip Mining Centre – June 2022							
Classification	kt	Au g/t	Au koz	Cu %	Cu kt	AuEq g/t	AuEq koz
Indicated	11,020	2.1	740	0.3	32	2.6	920
Inferred	5,430	2.1	360	0.3	18	2.6	460
Grand Total	16,450	2.1	1,100	0.3	50	2.6	1,370

Table 1: KMC MRE by classification.

Mineral Resource Estimate for the Kundip Mining Centre – June 2022							
Classification	kt	Au g/t	Au koz	Cu %	Cu kt	AuEq g/t	AuEq koz
Open pit	14,680	1.9	880	0.2	35	2.3	1,060
Underground	1,770	3.9	220	0.9	16	5.4	310
Grand Total	16,450	2.1	1,100	0.3	50	2.6	1,370

Table 2: KMC MRE by open pit and underground subdivision.

A further 19,903m of drilling has been completed which will inform the next update of the global MRE expected in the second half of calendar 2022.

KMC – Drilling Results

Drill results received during the quarter were from drilling targeting depth and strike extensions of the known high-grade deposits at Harbour View and Gem.

Assays confirmed anticipated high grades from visible gold observed in DD21KP1033 from the Gem deposit (see ASX announcement 3 May 2022);

- 3.29m @ 65.62 g/t Au, 0.68% Cu, 11.69 g/t Ag from 99.43m including
- 1.94m @ 110.26 g/t Au, 1.09 % Cu, 18.56 g/t Ag from 100.78m

DD21KP1033 was targeting down dip extensions of the historical Beryl workings which host some of the highest gold and copper grades from KMC. Down dip extensions remain open at depth.

Significant new drilling results (>10 g/t Au x metres) reported from Harbour View (Figure 3) during the quarter include (see ASX announcement 4 April 2022):

- 3m @ 4.73 g/t Au, 2.28 % Cu, 20.53 g/t Ag from 244m (RC22KP1075)
- 2m @ 18.5 g/t Au, 5.91 % Cu, 43.95 g/t Ag from 253m (RC22KP1075)
- 4m @ 3.78 g/t Au, 2.83 % Cu, 36.35 g/t Ag from 260m (RC22KP1075)
- 4m @ 2.54 g/t Au, 1.14 % Cu, 11.34 g/t Ag from 205m (RC22KP1085)
- 7m @ 3.71 g/t Au, 0.34 % Cu, 1.93 g/t Ag from 222m (RC22KP1085)

³ Gold equivalent (AuEq) grade calculation: $\text{AuEq g/t} = \text{Au g/t} + \text{Cu \%} \times 1.61 + \text{Ag g/t} \times 0.01$, refer to the Company's ASX announcement dated 14 June 2022 for further details.



- 3m @ 3.89 g/t Au, 1.76 % Cu, 26.57 g/t Ag from 219m (RC22KP1086)
- 6m @ 1.82 g/t Au, 0.67 % Cu, 5.1 g/t Ag from 235m (RC22KP1072)
- 12m @ 2.27 g/t Au, 1.18% Cu, 10.8 g/t Ag from 164m (RC22KP1079A)
- 4m @ 2.1 g/t Au, 2.88 % Cu, 37.28 g/t Ag from 197m (RC22KP1080) including
 - 1m @ 15.1 g/t Au, 0.60 % Cu, 3.6 g/t Ag from 223m
- 19m @ 2.26 g/t Au, 2.33% Cu, 13.03 g/t Ag from 69m (RC22KP1082)
- 5m @ 2.49 g/t Au, 5.61 % Cu, 48.5 g/t Ag from 104m (RC22KP1083) including
 - 1m @ 3.03 g/t Au, 16.4 % Cu, 139 g/t Ag from 105m
- 6m @ 2.13 g/t Au, 2.19% Cu, 22 g/t Ag from 133m (RC22KP1084)

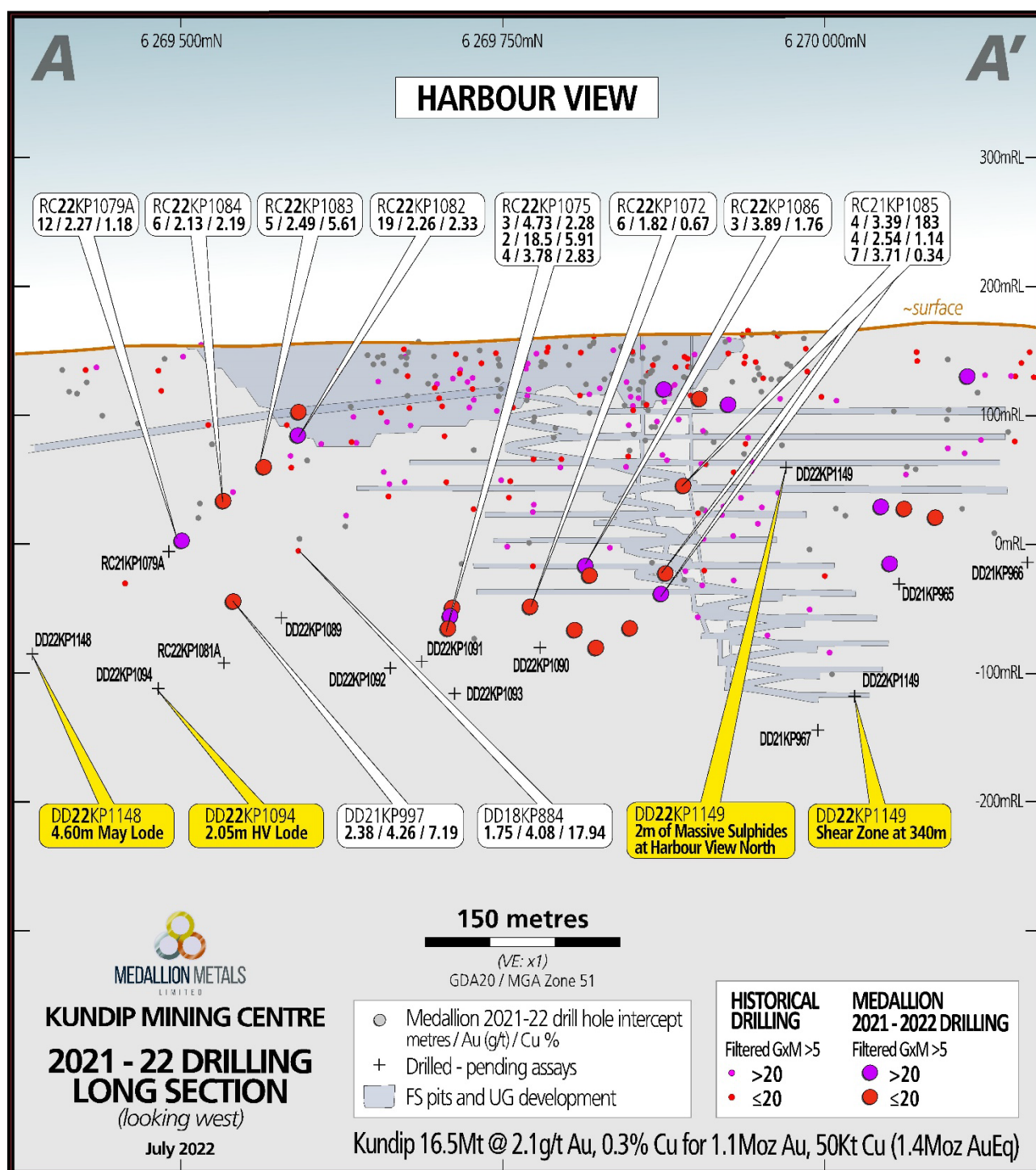


Figure 3: KMC long section looking west showing historical and 2021-2022 drilling at greater than 5 g/t Au x metres



In addition to assay results, major step out holes targeting extensions to the Harbour View and May lodes intersected visual quartz-sulphide mineralisation up to 180m from closest drilling. The intersections are characteristic Kundip style quartz-pyrite-chalcopyrite veins and indicate a significant extension to known mineralisation. The visual results validate the structural geological model and clearly shows the system is expansive and capable of delivering material resource growth (Figures 3 and 4-7). For further information please refer to the Company's ASX announcement dated 7 June 2022.



Figure 4: DD22KP1094 highlighting quartz-sulphide veining between 162.6m – 164.65m with associated dark green chlorite alteration. Total sulphide abundances estimated at 60% comprised of 20% chalcopyrite and 40% pyrite.



Figure 5: DD22KP1148 with quartz-sulphide vein between 243.2m - 244.8m comprised of 30% pyrite and 10% chalcopyrite. Sulphide stringer veins and chlorite alteration are observed in the footwall to the vein.

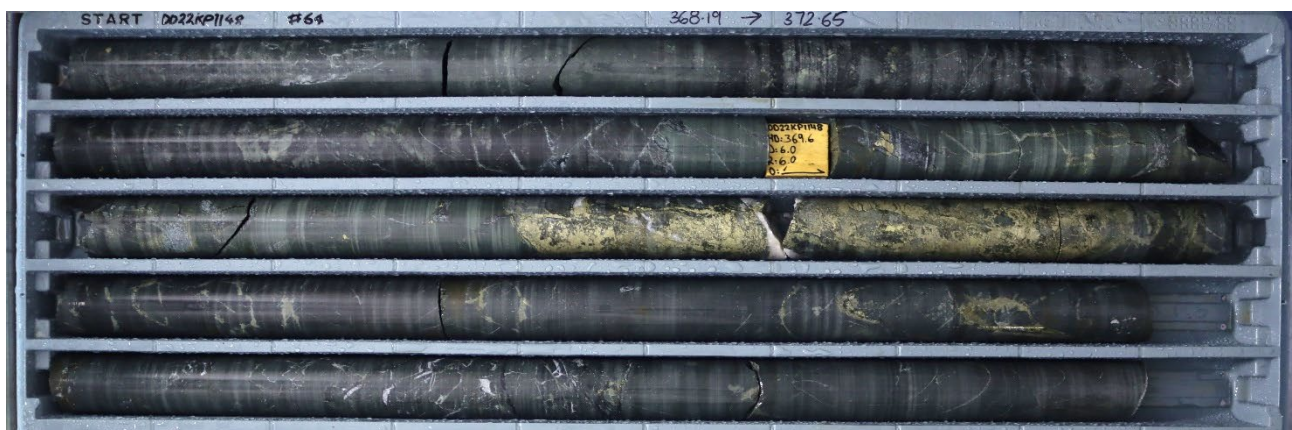


Figure 6: DD22KP1148 sulphide dominant vein between 370.3m - 370.8m. Sulphide consists of pyrite 50% and chalcopyrite (5%). Approximately 5% sulphide stringer veins persist for an additional 1.5m into the footwall of the vein.

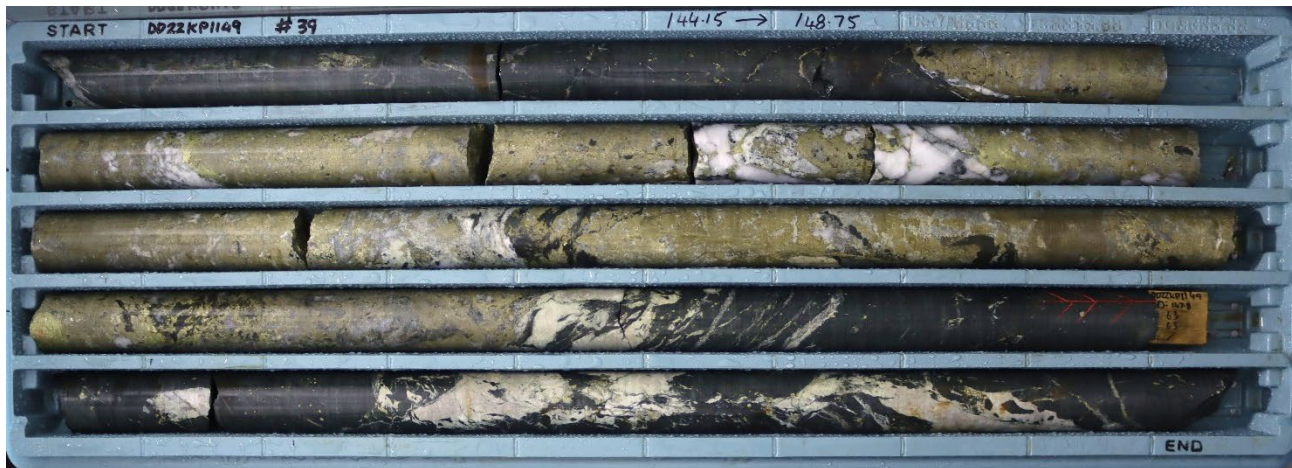


Figure 7: DD22KP1149 with approximately 2m of massive sulphides at the Harbor View lode. Mineralisation consists of pyrite (75%) and chalcopyrite (15%) with quartz.

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 4,985 accommodation days 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 June 2022, Medallion held approximately \$1.9 million in cash (31 March 2022: \$4.9 million). Full details regarding the Company's cash movements during the quarter can be found in the attached Appendix 5B.

NickelSearch

Medallion holds a 15.1% interest in NickelSearch Limited (ASX:NIS, NickelSearch), a dedicated WA nickel sulphide explorer focused on advancing the Carlingup Nickel Sulphide Project. Medallion acquired the interest in NickelSearch following the divestment of the RAV8 Nickel Project and certain mineral rights over select tenure in 2021.

Medallion's holding in NickelSearch has a market value of approximately \$2.0 million as at the end of the quarter.

Further information regarding NickelSearch and its activities can be found at: <https://nickelsearch.com>

SEPTEMBER 2022 QUARTER

Capital Raising

On 28 July 2022, Medallion entered into a trading halt in relation to a capital raising. The Company expects to make an announcement on Monday, 1 August 2022, which is expected to end the trading halt and will provide further details in relation to the capital raising.

Exploration Programme

The recent interim MRE update was based on 26,308m of new drilling. A further 19,903m of drilling has been completed but has not been included in the MRE update. When assays return from the laboratory for this drilling, it will inform a further update of the global MRE expected later in 2022. Subsequent to the quarter end, the Company reported additional results from the Gem deposit and Meridian providing further encouragement that additional growth can be expected from down dip extensions to the south at KMC and also regionally (refer ASX announcement 5 July 2022 and 26 July 2022). At the time of writing, assays are pending for approximately 10,000m of drilling, which will be reported over coming weeks.

Numerous projects are underway reviewing the data gathered during the 2021-22 drill programme. These include structural mapping and analysis, processing and interpretation of Down Hole Electro-Magnetic (DHEM)



surveys and ground based Sub-Audio Magnetic (SAM) surveys completed during the drill programme at KMC and the regional targets. These various work streams will form the basis for planning future drill programmes that seek to grow the global Mineral Resources, both at KMC and regionally.

One of the most significant outcomes of Medallion's drilling campaigns is that the KMC deposits are open in multiple directions and are still relatively shallowly drilled. In addition, numerous opportunities have been identified to uncover new mineralised lodes proximal to the known deposits. Combined with significant regional discovery potential within Medallion's dominant land position, the Company sees multiple opportunities to grow Project resources to a scale that can support the development of a long-life, low-cost gold and copper mine. The interim MRE update and ongoing drill results clearly show that well-funded exploration programmes, led by our capable and experienced team, will deliver results at RGP. The Company is in the advanced stages of planning its next phase of growth and will inform the market of the details of those plans when finalised.

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.

CAUTIONARY STATEMENT

Certain information in this announcement may contain references to visual results. The Company draws attention to the inherent uncertainty in reporting visual results.

REPORTING OF GOLD EQUIVALENT GRADES

Gold Equivalent (AuEq) grades that are applied as cut off criteria and reported for the resource were 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.

FORWARD LOOKING STATEMENTS

This announcement may contain forward-looking information about the Company and its operations. In certain cases, forward-looking information may be identified by such terms as "anticipates", "believes", "should", "could", "estimates", "target", "likely", "plan", "expects", "may", "intend", "shall", "will", or "would". These statements are based on information currently available to the Company and the Company provides no assurance that actual results will meet management's expectations. Forward-looking statements are subject to risk factors associated with the Company's business, many of which are beyond the control of the Company. It is believed that the expectations reflected in these statements are reasonable but they may be affected by a variety of variables and changes in underlying assumptions which could cause actual results or trends to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements.



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 \$2,780,000 (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 \$139,000. 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	11.2	(2.6)
Corporate and administration	2.3	1.9	0.4
Expenses of the Offer	0.9	0.1	0.8
Shareholder loan principal and interest payments	0.6	1.0	(0.4)
General working capital	0.1	-	0.1
Capital raising (net of costs)	-	(4.5)	4.5
Total	12.5	9.7	2.8

The Company has expedited the 32,000m drilling programme contemplated in the two year "use of funds" statement in its IPO Prospectus, and in January 2022, completed the entire 32,000m programme. Accordingly, the Company considers exploration and related expenses on track to the end of the quarter and the drilling programme contemplated in the IPO Prospectus has been delivered within the funding received from the IPO.

The Company has undertaken a Placement, raising approximately \$4.5 million (net of costs) during the year. The Placement was conducted to fund additional exploration work at RGP beyond that contemplated in the IPO Prospectus. This includes the completion of approximately 13,000m of drilling in addition to the 32,000m contemplated in the IPO Prospectus. Refer ASX announcement on 22 December 2021 for further information regarding the Placement.

Camp cash receipts of approximately \$2.4 million have been netted against associated Camp operating expenses, which are allocated within the category of exploration and related expenditure.

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 and Expenses of the Offer in the intervening period from 1 January 2021 and the date of admission to ASX's Official List on 18 March 2021.

Other material variances are a result of the Company being admitted to the Official List on 18 March 2021, therefore actual expenditure for only four 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-l	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	All mineral rights other than Ni, Co & PGEs	100%	100%
E74/0638	Western Australia	All mineral rights other than Ni, Co & PGEs	100%	100%
E74/0639	Western Australia	Granted	100%	100%
E74/0653	Western Australia	Granted	100%	100%
E74/0683	Western Australia	All mineral rights other than Ni, Co & PGEs	100%	100%
L74/0034	Western Australia	Granted	100%	100%
L74/0058	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-l	Western Australia	All mineral rights other than Ni, Co & PGEs	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%	0%
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%
E74/0740	Western Australia	Application	0%	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.

Interests in mining tenements relinquished, reduced or lapsed: E74/557, partial surrender with interest reducing from 42 blocks to 25 blocks at quarter end.

Interests in mining tenements acquired or increased: E74/740, application pending grant.

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 June 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	696	2,088
1.2	Payments for		
	(a) exploration & evaluation	(1,335)	(4,322)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(632)	(2,266)
	(e) administration and corporate costs	(129)	(584)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	10
1.5	Interest and other costs of finance paid	(61)	(240)
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	(1,461)	(5,314)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(30)	(665)
	(d) exploration & evaluation	(1,445)	(5,450)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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	(1,475)	(6,115)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	4,763
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	-	(309)
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	-	4,454

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,856	8,895
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,461)	(5,314)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,475)	(6,115)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	4,454

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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,920	1,920

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	1,846	4,782
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)	1,920	4,856

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	139
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

Payments disclosed at 6.1 are in respect of Directors' fees, salaries and superannuation accruing to Directors' for services rendered during the period.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>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>The loan disclosed at 7.1 is a shareholder loan from Bolong (Australia) Investment Management Pty Ltd ("Bolong"). 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 the receipt of the proceeds following a sale of RGP, a change of control of the Company or 120 days after a decision to commence development of RGP.</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,461)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,445)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(2,906)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,920
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,920
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.66
	<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: Following the demobilisation of all drill rigs from the Company's projects in the June quarter, the Company expects that exploration and evaluation expenditure will fall significantly in the September quarter. Expenditure levels in subsequent quarters is dependent on the outcome of the capital raising discussed at item 8.8.2.</p>	

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:

On 28 July 2022, the Company entered into a trading halt in relation to a capital raising. The Company expects to make an announcement on Monday, 1 August 2022, which is expected to end the trading halt and which will provide further details in relation to the capital raising.

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:

Subject to the successful completion of the capital raising described at item 8.8.2, the Company expects to continue operational activities consistent with previous quarters.

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 July 2022

Authorised by: The board of directors of Medallion Metals Limited
(Name of body or officer authorising release – see note 4)

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.