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MEDALLION METALS LIMITED

ASX ANNOUNCEMENT

16 May 2025 **ASX:MM8**

$27.5 Million Institutional Placement to Accelerate Ravensthorpe-Forrestania Gold Copper Production Strategy

Highlights

- **Medallion has received firm commitments to raise $27.5 million through a targeted Institutional Placement with a select group of high quality, long only resources investors**
- **The strongly supported Placement is a significant endorsement of the Company's team, assets and strategy**
- **Post completion of the Placement, Medallion will be well funded with circa $31 million in cash (net of capital raising costs) to progress the near-term gold and copper production opportunity for the Ravensthorpe Gold Project (RGP) with processing at Forrestania**
- **Scoping Study announced in December 2024 confirms the technical and commercial merits of the unique low capex, rapid pathway to gold and copper production through the FNO infrastructure**
- **Placement proceeds to de-risk and accelerate the proposed acquisition of the Forrestania Nickel Operation (FNO)[1], relevant pre-development activities and for general working capital**
- **Infill drilling, test work and permitting activities significantly advanced at RGP, with work on a Bankable Feasibility Study (BFS) now well underway to support the proposed development**
- **Final Investment Decision (FID) targeted for fourth quarter calendar 2025**

Managing Director, Paul Bennett, commented:

"Medallion emerges from this capital raising in an extremely strong position to accelerate the sulphide development strategy. The Board has confidence that tremendous value can be unlocked for Medallion shareholders by bringing Ravensthorpe resources together with the Forrestania infrastructure. Recent drill results suggest that opportunity will continue to grow with continued investment. Additionally, the recent amendments to proposed transaction terms to acquire the Forrestania tenure add a broader strategic dimension to the growth options open to the business. We thank new and existing shareholders for their support of the capital raising, the backing from this group of high quality resources investor is a significant endorsement of the team, assets and near term gold copper production strategy. Shareholders can look forward to a strong pipeline of positive news and de-risking milestones throughout the remainder of 2025 and into 2026."

[1] For further information relating to the proposed acquisition of FNO, refer to the Company's ASX announcement dated 5 May 2025.

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Placement Details

Medallion Metals Limited (ASX:MM8, the "Company" or "Medallion") has received binding commitments for a two tranche placement to raise approximately $27.5 million before costs ("Placement").

The Placement comprises:

- the issue of 28,635,020 fully paid ordinary shares to sophisticated investors ("Tranche 1 Placement") at an issue price of 21 cents per share to raise approximately $6.0 million, placed under the Company's ASX Listing Rule 7.1 and 7.1A capacity; and
- the issue of 102,317,361 fully paid ordinary shares to sophisticated investors ("Tranche 2 Placement") at an issue price of 21 cents per share to raise approximately $21.5 million, subject to shareholder approval.

The Placement shares will rank equally with existing shares on issue. Tranche 1 Placement shares are expected to settle on Friday 23 May 2025 and commence trading on the ASX on a normal basis on Monday 26 May 2025.

Shareholders will be provided with a notice of meeting in relation to a general meeting to approve all matters in relation to Tranche 2 of the Placement in due course. The general meeting is expected to be held in mid-June 2025.

Canaccord Genuity acted as Sole Lead Manager and Bookrunner to the Placement.

Institutional Endorsement

The Placement received strong support from new and existing institutional and professional shareholders.

A select group of high quality Australian, European and United States domiciled resource focused institutions participated in the Placement. The support of these sophisticated groups highlights the merits of the Company's strategy to rapidly advance toward gold and copper production through the proposed acquisition of the Forrestania processing infrastructure.

The Forrestania Opportunity

Medallion is well advanced in exclusive discussions with IGO Limited (ASX: IGO) in relation to the proposed acquisition of the Forrestania Nickel Operation (FNO), inclusive of the Cosmic Boy Flotation Plant (Proposed Transaction). As a sulphide flotation plant, FNO process infrastructure is well suited to treating RGP gold-copper bearing sulphide mineralisation. The combination of the RGP mineral resources and FNO infrastructure creates a near term, capital efficient pathway to new gold and copper production in Western Australia.

In December 2024, Medallion reported the results of the initial Scoping Study for RGP with processing at FNO (the Project) (Study) [2].

The Study was premised upon the completion of the Proposed Transaction with IGO. Study results confirm the Project as a technically and commercially robust development opportunity, generating strong cashflows and offering returns on investment which are attractive relative to the risks identified through the Study process.

All figures presented below are approximate. All dollars are Australian Dollars ($) unless stated otherwise.

Study Highlights:

- Initial production inventory of **2.7Mt @ 3.9 g/t Au & 0.6 % Cu for 342 koz Au & 16 kt Cu contained**
- Total initial metal production of **336 koz Au & 13 kt Cu**
- Mine life 5.5 years generating pre-tax cashflows averaging **$90 million per annum** under base case assumptions

[2] Refer to the Company's ASX Announcement dated 17 December 2024 for further information in relation to the Scoping Study.

- **Pre-tax free cash flow of $498 million** assuming A$3,615/oz Au, A$5.54/lb Cu (base case)
- **Pre-tax free cash flow of $637 million** assuming A$4,000/oz Au, A$6.15/lb Cu
- Forecast average **All-In-Sustaining-Cost (AISC) of A$1,845/oz** of Au produced (net of by-product credit)
- **Total pre-production capital cost of $73 million** inclusive of mine establishment and process plant modifications
- **Pre-tax NPV_{10} of $329 million & IRR 129%** (base case)
- **Pre-tax NPV_{10} of $429 million & IRR 169%** (A$4,000/oz)
- **Payback period: 12 months (base case), 9 months (A$4,000/oz)**
- Establishment of proven & industry standard process route of gravity-flotation-CIL (Deflector analogy) at Forrestania to deliver **high gold recovery (98%) and copper recovery (80%)** to saleable products over the Project life
- **Significant potential to enhance Project returns through increased throughput rate and mine life extension**

In addition to the initial production inventory considered in the Study, multiple strategic growth opportunities present themselves through the establishment of gold processing capability at FNO. The Forrestania greenstone belt is a historically significant gold producing region, which includes the Bounty Gold Mine (historical production approximately 1.4Moz at 5.1 g/t gold) and remains highly prospective for gold with multiple deposits and prospects situated within economic trucking distance of the established processing infrastructure at FNO.

Next Steps

Proceeds from the Placement will be directed towards various work streams to progress the Sulphide Development Strategy, in addition to providing general working capital to the Company.

Medallion expects to provide material updates in relation to both the Proposed Transaction and the RGP permitting pathway over the June and September quarters of 2025. A 17,000 metre in-fill and extensional drilling program is approaching completion and is expected to conclude in May. Drilling results will continue to flow through June and July. Assay results will inform a Mineral Resource Estimate (MRE) update which will in turn inform an updated mine plan to a BFS level standard.

The Company remains alert to opportunities to compress development timelines subject to the successful conclusion of negotiations to acquire FNO assets including certain pre-development works and securing of long lead time items. Placement proceeds provide flexibility to act on these initiatives when the Board determines those investments are appropriate.

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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CAUTIONARY STATEMENT

The Company notes there is no guarantee that the Proposed Transaction will proceed or that negotiations will result in a binding sale agreement and that there is no guarantee that if the Proposed Transaction proceeds, that it will proceed on the terms disclosed as no binding terms have been agreed between Medallion and IGO in relation to the Proposed Transaction. If the Proposed Transaction proceeds, the Company will announce the binding terms of the negotiated transaction to ASX in due course.

PREVIOUSLY REPORTED INFORMATION

References in this announcement may have been made to certain ASX announcements, including exploration results, Mineral Resources, Ore Reserves, production targets and forecast financial information. For full details, refer to 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 other mentioned announcements, the Company confirms that 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, Ore Reserves, production targets and forecast financial information that all material assumptions and technical parameters underpinning the estimates in the relevant announcement continue to apply and have not materially changed other than as it relates to the content of this announcement. 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. For further details regarding the global RGP Mineral Resources refer to the Company's ASX announcements dated 22 June 2022 and 13 February 2023. For further information regarding the sulphide subset of the RGP Mineral Resources refer to the Company's ASX announcement dated 8 August 2024. For further information regarding the Scoping Study refer to the Company's ASX announcement dated 17 December 2024.

RGP MRE FRESH COMPONENT INDIVIDUAL RESOURCE CATEGORIES

Mineral Resource Estimate for the Ravensthorpe Gold Project (fresh component)					
Classification	**kt**	**Au g/t**	**Au koz**	**Cu %**	**Cu kt**
Indicated	2,990	4.4	420	0.7	21
Inferred	2,630	4.1	350	0.6	15
Grand Total	**5,620**	**4.3**	**770**	**0.6**	**36**

Table 1: RGP MRE (fresh component) by resource classification.

INCLUSION OF INFERRED MINERAL RESOURCES

The production target and forecast financial information referred to in this announcement is primarily underpinned by Indicated Mineral Resources (approximately Indicated 71% and approximately 29% Inferred Mineral Resources). The Company draws attention to there being a lower level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target will be achieved. Accordingly, the Company has scheduled production such that Inferred Mineral Resources do not feature as a significant proportion of the early stages of the 73 month mine plan. Inferred Mineral Resources represent approximately 8% of the material mined over the first 12 months and 18% of the material mined over the first 24 months respectively. The Company is satisfied that the Inferred Mineral Resources included in production target are not the determining factors of the viability of the Project.

FORWARD LOOKING STATEMENTS

Some statements in this announcement are forward-looking statements. Such statements include, but are not limited to, statements with regard to capacity, future production and grades, projections for sales, sales growth, estimated revenues and reserves, the construction cost of a new project, projected operating costs and capital expenditures, the timing of expenditure, future cash flow, cumulative negative cash flow (including maximum cumulative negative cash flow), the outlook for minerals and metals prices, the outlook for economic recovery and trends in the trading environment and may be (but are not necessarily) identified by the use of phrases such as "will", "would", "could", "expect", "anticipate", "believe", "likely", "should", "could", "predict", "plan", "propose", "forecast",

"estimate", "target", "outlook", "guidance" and "envisage". By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future and may be outside the Campany's control. Actual results and developments may differ materially from those expressed or implied in such statements because of a number of factors, including levels of demand and market prices, the ability to produce and transport products profitably, the impact of foreign currency exchange rates on market prices and operating costs, operational problems, political uncertainty and economic conditions in relevant areas of the world, the actions of competitors, suppliers or customers, activities by governmental authorities such as changes in taxation or regulation. Given these risks and uncertainties, undue reliance should not be placed on forward-looking statements which speak only as at the date of this announcement. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, the Company does not undertake any obligation to publicly release any updates or revisions to any forward-looking statements contained in this material, whether as a result of any change in the Company's expectations in relation to them, or any change in events, conditions or circumstances on which any such statement is based.

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