

VANCOUVER, BC--(Marketwired - August 12, 2015) - [Medallion Resources Ltd.](http://www.medallionresources.com) (TSX VENTURE: MDL) (OTC PINK: MLLOF) ("Medallion" or the "Company"), today reported detailed results of its bench-scale metallurgical tests, strongly supporting the viability of the Company's plan to extract rare earths from by-product monazite sand.

The metallurgical tests recovered an average of 91% of ten rare-earth elements and yielded a mixed rare-earth concentrate from the tested monazite. This high-purity chemical concentrate is expected to be suitable for input into standard commercial rare-earth refineries or separation plants, which separate the concentrate into individual rare-earth oxides and other rare-earth products. Medallion's sample concentrate product will soon be provided to interested refineries for testing under appropriate confidentiality arrangements.

"Our bench-scale testing applied a tried-and-true caustic-leach process approach, was fed with by-product monazite from a major mineral-sands miner, and yielded a high-purity rare-earth concentrate. This is an excellent result suggesting our project plan is sound and offers relatively low technical risk," commented Don Lay, Medallion President & CEO. "This is also a key de-risking step and, combined with feedstock agreements and a low capital-cost processing facility in North America, both of which we are advancing, indicates a viable path to new rare-earth production."

The tested by-product monazite sand sample contained approximately 47% rare-earth oxide (REO) content -- with the rare-earth elements found predominately in the mineral monazite, a rare-earth phosphate. The test recovery percentages for the ten commercial rare-earth elements (and yttrium) ranged between 72% and 96%, with a weighted average recovery of 91%. Although this is an excellent recovery percentage, the Company is confident that further metallurgical testing can improve the recovery values to even higher levels and also optimize individual rare-earth element recoveries based on market pricing.

Significantly, the tests showed that the magnet-related elements (Nd, Pr, Dy, Tb) are critical to the project's economics, as in this case they represented 86% of the value of the concentrate, using current standard Chinese FOB prices (source: Asian Metal August 2015).

All metallurgical testing was conducted at the lab of J E Litz and Associates of Denver, Colorado, using a standard commercial caustic-leach process to extract rare-earths from monazite. The test flow sheet mimicked a commercial process in all regards except for the recycling of leach solutions. Standard laboratory equipment was used, including a bench-scale autoclave for accurate temperature control. The standard-method rare-earth ICP assays (Inductively Coupled Plasma spectroscopic analysis of fused mineral samples and four-acid digested lab-produced samples), used to measure the rare-earth quantities of the different test products and to calculate mass balances and rare-earth recoveries, were performed by Hazen Research, Inc. of Denver, Colorado. Standard QA/QC procedures for tests of this type were implemented to ensure reliability of results. William H Bird, PhD, PGeo, who is the Company's Chief Technical Advisor and Qualified Person, oversaw the tests and approves of the technical information contained in this news release.

About Medallion Resources

Medallion Resources is focused on the opportunity for low-cost, near-term, rare-earth production by exploiting the mineral monazite. Monazite is a rare-earth phosphate that is available as a by-product from existing mining and mineral-sands sources, principally in the Indian Ocean basin. Rare earths are used in critical components for virtually all computing and mobile electronic products, as well as wind turbines, electric and hybrid vehicles, and strategic defense systems. Medallion is committed to following best practices and accepted international standards in all aspects of mineral processing and the safe management of waste materials. More about Medallion (TSX-V: MDL; OTC: MLLOF; Frankfurt: MRD) can be found at medallionresources.com.

Medallion management takes full responsibility for content and has prepared this news release. Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release. Some of the statements contained in this release are forward-looking statements, such as statements relating to completion of extraction processing tests, and estimates and statements that describe Medallion's future production and financing plans, objectives or goals, including words to the effect that Medallion or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties, including the risks inherent in completing laboratory-scale processing tests and applying the results to full-scale production and other risks outlined in the Company's management discussion and analysis of financial results. Actual results in each case could differ materially from those currently anticipated in these statements. Such risks include expectations that may be raised by discussing potential business, acquisitions or development plans. Also, in order to proceed with Medallion's plans, additional funding will be necessary and, depending on market conditions, this funding may not be forthcoming on a schedule or on terms that facilitate Medallion's plans.

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