

Medgold Resources Corp. Completes Reverse Takeover of Balkan Metals Corp.

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January 18 - Vancouver, Canada - Electrum Discovery Corp. ("Electrum" or the "Company") (TSXV:ELY) (formerly [Medgold Resources Corp.](#) (TSXV:MED) ("Medgold")) is pleased to announce the closing ("Closing") of its previously-announced transaction resulting in the reverse takeover of Medgold by Balkan Metals Corp. ("BMC"), along with completion of a concurrent non-brokered private placement (the "Private Placement"), a 16-1 share consolidation (the "Consolidation") and name change (collectively, the "Transaction").

As a result of the Transaction, Electrum now holds a portfolio of exploration licences in Serbia covering close to 1,000 square kilometres, making Electrum the largest holder of highly prospective exploration ground in Serbia. Management looks forward to advancing the Company's flagship Timok East Project ("Timok East").

The Transaction

Pursuant to the terms of an amalgamation agreement entered into between Medgold, BMC and 1397383 B.C. Ltd., a wholly-owned subsidiary of Medgold ("MergeCo") dated January 27, 2023, as amended (the "Amalgamation Agreement"), the Company completed a three-cornered amalgamation (the "Amalgamation") under the Business Corporations Act (British Columbia) with BMC and MergeCo pursuant to which BMC and MergeCo amalgamated and the Company issued 54,888,763 common shares of the Company post -Consolidation (the "Resulting Issuer Shares") to BMC shareholders in exchange for their common shares of BMC (the "BMC Shares").

The Transaction constituted a "reverse takeover" pursuant to the policies of the TSX Venture Exchange (the "TSXV"). Please refer to Medgold's management information circular (the "Circular") dated July 14, 2023, filed under the Company's profile on SEDAR+ at www.sedarplus.ca, for further details of the Transaction. Immediately prior to closing of the Transaction, Medgold completed the Consolidation, and, at closing of the Transaction, changed its name to "Electrum Discovery Corp."

Financing

In connection with the Transaction, BMC completed the Private Placement consisting of the sale of 21,600,000 subscription receipts ("Subscription Receipts") at a price of Cdn\$0.10 per Subscription Receipt to raise gross proceeds of Cdn\$2,160,000. Immediately prior to the completion of the Amalgamation, each Subscription Receipt automatically became, without any further action or payment of any additional consideration, one unit of BMC (the "BMC Units"), with each such unit consisting of one BMC Share and one common share purchase warrant. As a result of the Amalgamation, the holders of the BMC Shares received one Resulting Issuer Share for every BMC Share held, and all outstanding share purchase warrants of BMC were exchanged for share purchase warrants of Electrum on a one for one basis.

BMC paid 7% cash finder's fees in the aggregate amount of Cdn\$41,300 to certain finders. BMC also issued to the finders an aggregate of 413,000 share purchase warrants ("Finders' Warrants") having the same terms as the warrants issued pursuant to the Private Placement (such amount being equal to 7% of the total number of BMC Units purchased by subscribers that the finders introduced to BMC). The Finders' Warrants entitles the holder thereof to purchase one Resulting Issuer Share at a price of Cdn\$0.20 per share for a period of 12 months.

On closing of the Transaction, a total of Cdn\$2,118,700 is available to the Company which the Company intends to use as follows:

- geochemical, geophysical and drilling work at Timok East: Cdn\$1,200,000;
- the payment of expenses related to the Transaction: Cdn\$434,517; and
- anticipated general and administrative expenses for the next year: Cdn\$250,000,

with unallocated working capital of Cdn\$234,183.

A detailed update on Electrum's technical program will be issued in the coming days.

As a result of the Transaction, the Company has 63,313,064 Resulting Issuer Shares outstanding on a non-diluted basis and 90,247,214 Resulting Issuer Shares outstanding on a fully diluted basis.

Please refer to the reconciliation below of the 63,313,064 Resulting Issuer Shares issued and outstanding:

Medgold issued and outstanding common shares immediately prior to Closing (after completion of the Consolidation):	8,424,301
Resulting Issuer Shares issued to holders of BMC Shares (prior to the Pre-Closing Financing) (as defined below) (please refer to the Circular for more information) and prior to the exercise of BMC warrants:	28,132,757
Resulting Issuer Shares issued to settle an aggregate of Cdn\$250,000 of BMC debt at Cdn\$0.15 (please refer to the Circular for further information):	1,666,667
Resulting Issuer Shares issued to settle an aggregate of Cdn\$330,000 of Medgold debt at C\$0.20 (please refer to the Circular for further information):	1,650,000
Resulting Issuer Shares issued to holders of BMC Shares previously issued pursuant to a pre-closing financing (the "Pre-Closing Financing") and the exercise of BMC warrants prior to Closing:	1,839,339
Resulting Issuer Shares issued pursuant to the Private Placement:	21,600,000
Total Resulting Issuer Shares outstanding:	63,313,064

On completion of the Transaction, the principals of BMC and certain other shareholders of BMC, as required by the policies of the TSXV, entered into a Tier 2 Value Escrow Agreement (the "Escrow Agreement") with the Company and Computershare Investor Services Inc., as escrow agent, in respect of 13,549,365 Resulting Issuer Shares, 500,000 Resulting Issuer Share purchase warrants and 68,750 Resulting Issuer stock options. Under the terms of the Escrow Agreement, 10% of such escrowed securities are to be released upon the TSXV's issuance of its final bulletin in respect of the Transaction, with subsequent 15% releases occurring 6, 12, 18, 24, 30 and 36 months from Closing.

In addition, 419,685 Resulting Issuer Shares are subject to contractual restrictions consistent with Tier 2 Value Escrow and further 641,400 Resulting Issuer Shares are subject to contractual resale restrictions providing that such Resulting Issuer Shares are released as follows: 10% are to be released upon the TSXV's issuance of its final bulletin in respect of the Transaction, with subsequent 15% releases occurring in 6, 12, 18, 24, 30 and 36 months.

TSXV Approval and Resumption of Trading

The Transaction remains subject to receipt of final approval from the TSXV and fulfillment of all of the requirements of the TSXV in order to obtain such approval. Until final approval of the TSXV is obtained and a Final Exchange Bulletin is issued which is expected on or about January 19, 2024, trading in the Resulting Issuer Shares will remain halted. Resumption of trading is expected on or about January 23, 2024. Upon resumption of trading, the Resulting Issuer Shares will trade under the symbol "ELY" and the Company will be listed as a Tier 2 Mining Issuer.

Board of Directors and Executive Management

Concurrently with the completion of the Transaction, the following individuals were appointed as directors or officers of Electrum:

Dr. Elena Clarici - President, Chief Executive Officer and Director

Michael Thomsen - Director

Eric Rasmussen - Director

Ralph Rushton - Director

Kevin Bales - Chief Financial Officer

Brett Kagetsu - Corporate Secretary

Also concurrently with the completion of the Transaction, Jeremy Crozier resigned as President, CEO and director, Michael Skead resigned as a director, and Sally Whittall resigned as Corporate Secretary of Medgold.

Warrant Re-pricing

Prior to Closing, the exercise price of 3,332,046 common share purchase warrants previously issued by BMC (the "Pre-closing Warrants") as disclosed in the Circular has been reduced from Cdn\$0.25 for the first year after issuance and Cdn\$0.30 until expiry to an exercise price of Cdn\$0.20 to better reflect current market conditions. All other terms of the Pre-closing Warrants have remained unchanged, save and except for such Pre-closing Warrants are now exercisable purchase Resulting Issuer Shares.

Renewal of Luka Claims

On August 3, 2023, the Serbian Ministry of Mining and Energy advised BMC that it had issued decision no. 310-02-736/2018-02 with respect to the renewal of the Luka claims and to allow for further exploration to be conducted on such claims. BMC received a formal copy of the decision on October 2, 2023.

Additional Information

The CUSIP / ISIN number for the Resulting Issuer Shares is 28616D108 / CA28616D1087.

About Electrum Discovery Corp.

Electrum Discovery Corp. is an emerging, Canadian-based mineral exploration and development company focused on the Western Tethyan Belt with activities in the Republic of Serbia. The current focus of the Company is its flagship copper-gold Timok East Project.

Electrum's management team has been focused on maximizing shareholder value through the acquisition and advancement of a large portfolio of copper-gold assets, while fostering sustainability, governance and knowledge transfer in the region.

Additional information on Electrum can be found by reviewing the Company's page on SEDAR+ at www.sedarplus.ca.

On behalf of Electrum Discovery Corp.

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President, CEO and director

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Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Electrum, to be materially different from any results, performance or achievements expressed or implied by forward-looking information. Such uncertainties and factors include, among others, risk relating to obtaining final approval of the TSXV; risk related to the failure to obtain adequate financing on a timely basis and on acceptable terms; changes in general economic conditions and financial markets; risks associated with the results of exploration and development activities, and the geology, grade and continuity of mineral deposits; unanticipated costs and expenses; and such other risks detailed from time to time in Electrum's quarterly and annual filings with securities regulators and available under Electrum's profile on SEDAR+ at www.sedarplus.ca. Although Electrum has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking information, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended.

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