The following Management Discussion and Analysis ("MD&A") is prepared as at June 28, 2022 and is intended to help the reader understand the accompanying audited consolidated statements of Medallion Resources Ltd. (the "Company" or "Medallion"). The information provided herein should be read in conjunction with the Company's audited consolidated financial statements and notes for the year ended March 31, 2022.

Management is responsible for the preparation and integrity of the financial statements, including the maintenance of appropriate information systems, procedures and internal controls to ensure that information used internally or disclosed externally, including the accompanying condensed consolidated financial statements and this MD&A, is complete and reliable.

The audited consolidated financial statements of the Company for the year ended March 31, 2022 have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The Company is incorporated in British Columbia, Canada and was formed on December 8, 1998 upon the amalgamation of Hera Resources Inc. and Talented Mines Ltd, and changed its name to Medallion Resources Ltd. on February 10, 1998.

From inception until 2009, the Company was focused on a portfolio of mineral exploration projects. In September 2009 the Company announced a new focus on exploring for lithium, rare earth elements ("REEs") and other metals related to clean energy. In evaluating these opportunities, the Company evaluated health and safety challenges related to processing REE ores which led to development of the proprietary Medallion Monazite Process for recovering REEs from monazite, a byproduct of heavy mineral sand mining.

Additional information relating to the Company is available on the SEDAR website: www.sedar.com under "Medallion Resources Ltd.".

All currency amounts are in Canadian dollars unless otherwise indicated.

OPERATIONS

On April 26, 2022 the Company announced a new strategic plan to position it as a technology leader within the industries essential to the generation, storage, and efficient use of clean energy. Key parts of the plan include a strengthened executive leadership team, up-listing to Nasdaq Capital Markets, and rebranding as Medallion Innovations Corp. to better reflect the Company's future direction.

Under the new strategic plan, the initial focus will be the continued commercialization of two REE processing technologies: the Medallion Monazite Process ("MMP") developed by the Company, and the Ligand Assisted Displacement ("LAD") Chromatography REE separation process initially developed by Purdue University and licensed by Medallion from Purdue Research Foundation ("Purdue") to separate REEs from all raw material feed stocks excluding coal sources and recycled materials from manufacturing wastes and recyclates from battery and magnet sources.

On March 28, 2022, following a technology review, the Company announced it had secured exclusive rights to evaluate and undertake due diligence on a proprietary and privately-owned metallization process, where REE compounds are converted to REE metal, a crucial step in the production of high strength REE permanent magnets. There are few entities outside China that have this metallization capacity. The novel and innovative technology is currently undergoing due diligence and would enable conversion of REE compounds to metal in a continuous process, requiring less energy than incumbent processes and without toxic fluorine chemistry.

Medallion is building a management team and capital structure to enable replication of the evaluation and commercialization approach that identified and delivered access to the LAD Chromatography process and identification of the REE metallization and recycling technologies. The Medallion methodology includes evaluation of commercial needs, assessment of alternative technologies, identification of undervalued disruptive technology, and support for commercial development of additional intellectual property (IP) with clear paths to commercialization.

The Company believes that partnering with research groups at universities in the US, EU and elsewhere offers excellent opportunities to bridge the gap between early-stage research and development and commercialization. Medallion plans to partner with other entities in order to leverage its expertise, enable it to commercialize more than one technology at a time, and reduce the financial and market risks associated with technology commercialization.

A key part of the strategic plan is to up-list the shares to the Nasdaq Capital Market (“NasdaqCM”) to strengthen the Company’s profile and increase the capacity for US and international shareholders to invest in the REE and clean energy technology sectors.

At the Annual General and Special Meeting of Shareholders held in Vancouver, BC on May 27, 2022 the shareholders approved two resolutions authorizing the Company to proceed with the up-listing to NasdaqCM including a share consolidation at a consolidation ratio sufficient to meet the Initial Listing Requirements of NasdaqCM, namely a US$4.00 per share minimum bid price, up to a maximum consolidation ratio of 90 pre-consolidation shares for each post-consolidation share, and, at the board’s discretion, delist from the Tier 2 of the TSX Venture Exchange.

Upon completion of the Nasdaq up-listing, Alfredo Ramos Plasencia will join the Company as Chief Executive Officer and Director, while Dr. Kurt Forrester will join the management team as Chief Technology Officer and continue to serve as a Director. Mark Saxon will continue as a Director and assume a business development role focused on mining industry opportunities. Douglas Newby, who was appointed Chief Financial Officer and Corporate Secretary on a parttime basis on June 6, 2022 will assume those roles on a fulltime basis.

Additional information relating to the Company is available on the SEDAR website: www.sedar.com under “Medallion Resources Ltd.”

All currency amounts in the following discussion and analysis are in Canadian dollars unless otherwise indicated.

Strategic Plan

Medallion’s strategic plan is intended to enhance its existing REE processing technology portfolio by identifying, incubating and gaining exclusive rights to the commercialization of additional innovative technology platforms across the entire REE value chain, and broadening its focus to include other high-performance materials. The Company believes that its technology portfolio will continue to facilitate the production of materials, deployment of processes, and/or generation of essential data for the clean energy transition.

The clean energy transition, involving the widespread generation of renewable energy and the electrification of transport is now demonstrating dramatic growth that is at risk because of weaknesses in global supply chains. The new strategic plan reflects the global shift from fossil fuel-based to a minerals-based economy centered on “aligned nations” and is intended to position the Company for better access to capital and facilitate building a team with the essential skills and experience in technology development, commercialization, and finance.

REE permanent magnets are critical components of motors in electric vehicles, generators in wind turbines and are an essential part of the modern economy, performing core functions in components of trillions of dollars in global GDP including clean energy, transportation, consumer electronics, medical equipment, robotics, and national defense.

Medallion developed the MMP to address health, safety, environmental and economic challenges associated with established processing technology. The Company identified the need for better technology solutions, undertook internal research and process engineering, and developed MMP to be ready for scale-up to demonstration plant and then commercial scale operations.

MMP extracts mixed REE concentrate from mineral sand monazite, which is accumulated as a byproduct from heavy mineral sand mining. The MMP adds value to a material that is already mined; there is no incremental mining activity.

Medallion also identified the need to separate salable REE compounds from mixed concentrates using less energy and fewer reagents than current standard practice. The Company completed extensive technical evaluation of alternative technologies and identified the LAD Chromatography process as a potential market-leading opportunity. Medallion entered into an agreement with Purdue whereby the Company and Purdue are jointly advancing the LAD Chromatography process to separate REEs from all raw material feed stocks excluding coal sources and excluding recycled materials from manufacturing wastes and recyclates from battery and magnet sources.

Medallion anticipates the LAD Chromatography process will reduce capital and operating costs for REE separation compared with incumbent technologies, and be readily adaptable to multiple feedstocks, including but not limited to monazite.

Competitive Strengths

Medallion believes its competitive strengths include:

- Experienced, qualified management with a demonstrated ability to identify, develop and commercialize process technology opportunities, especially during a period of disruptive technology change;
- An initial technology portfolio that offers low-cost, energy-efficient processes with less environmental impact than incumbent alternatives, specifically:
    - established technical leadership in extracting REEs from monazite byproduct of heavy mineral sand processing, and
    - established technical leadership in the separation of mixed REE which can be applied to a broad range of natural raw material feedstocks; and
- Global technical, operating, and financing experience and access to relevant networks in North America, Europe, Australia, and South and East Asia.

Growth Strategies

Medallion's business strategy is to identify, develop and commercialize technologies critical to the clean energy transformation. This strategy has initially been deployed in rare earth element processing through the acquisition and development of the MMP and LAD Chromatography systems.

The next steps are to secure additional licensing agreements whereby the Company will license the MMP process and advance the LAD Chromatography process towards commercial applications.

Complimentary to these technology-oriented activities, the Company will seek to identify and secure appropriate mixed REE concentrates to provide further deployment opportunities for the LAD Chromatography process.

In parallel, Medallion intends to identify, evaluate, and as appropriate, acquire and commercially develop additional innovative IP related to the clean energy transformation. This may include complimentary technologies to add value to the existing REE processes or technologies.

The Company plans to establish a portfolio of technologies targeting a variety of materials including but not limited to clean energy production and storage and other major clean technology and decarbonization applications.

Environmental, Social, and Governance ("ESG") Mandates Impacting Global Capital Allocation Throughout Value Chain

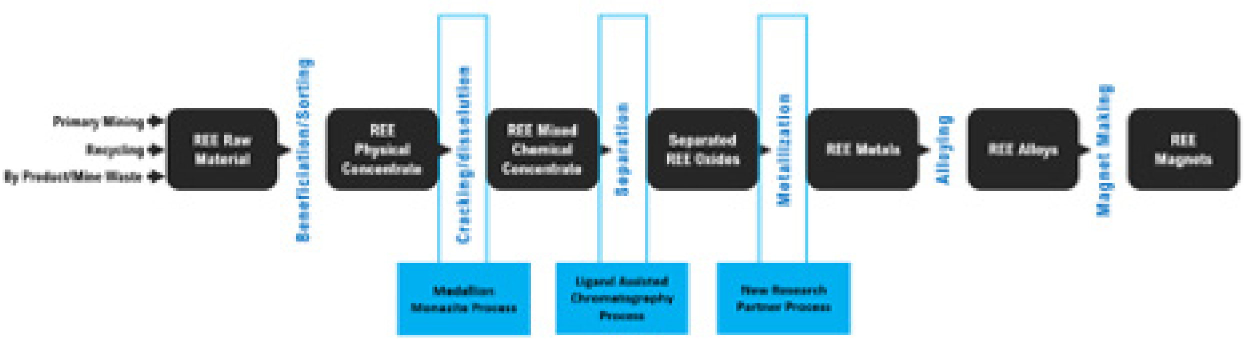
The Company believes it is essential that materials required for the clean energy transition be produced in accordance with ESG best practices. The production of EVs and clean energy technologies should not cause harm to the communities or the environment where they are produced.

MMP extracts REEs from what is otherwise a waste material that would need to be stored or disposed. It is a value-added process utilizing byproducts that does not require incremental mining activity to produce REEs. Additionally, the MMP process can be operated with no liquid discharge and there are only small volumes of solid waste that can be easily stored.

As the Company grows, it intends to further implement ESG best practices throughout its operations and activities, including advancing the 17 Sustainable Development Goals adopted by all the United Nation Member States in 2015, notably Affordable and Clean Energy (SDG 7) and Responsible Consumption and Production (SDG 12).

Medallion's Technologies

Medallion currently has two REE process technologies, namely the Medallion Monazite Process (MMP) and the Ligand Assisted Displacement (LAD) Chromatography process and is in the advance stages of evaluating a third REE process technology for metallization and recycling. Additionally, the Company continues to seek to identify and acquire process technologies or methods to complement and/or extend the current portfolio and enable the clean energy transition.



Industry Position of Medallion Technology Platforms

Commercialization of MMP

Medallion has evaluated numerous samples of monazite from heavy mineral sand producers.

The Company signed a non-binding letter of intent with an Australian private company, ACDC Metals Ltd ("ACDC"), whereby ACDC may utilize the MMP. Medallion and ACDC are currently negotiating a Definitive Licensing and Royalty Agreement under which ACDC plans to build a monazite processing hub using MMP. Medallion expects to receive milestone payments as ACDC advances the facility and long-term royalty fees from operations.

ACDC has informed Medallion that it is preparing documentation necessary to file for an Initial Public Offering on the Australian Stock Exchange ("ASX") which, subject to regulatory approval, ACDC anticipates completing in the second half of 2022.

ACDC has secured rights to acquire three extensively drilled heavy mineral sand properties and one early-stage exploration project in Victoria, Australia. Since historic drilling at the three advanced projects was not conducted to National Instrument 43-101 or equivalent JORC Code standards, one of ACDC's initial objectives is to bring those projects into JORC compliance.

Medallion invested $31,746 of cash to purchase shares of ACDC at an early stage and, as of March 31, 2022 recorded the investment at a fair value of $441,840 based on subsequent arms' length financings by ACDC. For further details regarding ACDC, please refer to Note 9 of the accompanying audited consolidated financial statements for the year ended March 31, 2022.

RESEARCH COSTS AND EXPENDITURES

Since no monazite purchase contracts or processing plant financing and development agreements are in place at this time, all expenditures, other than assets acquired separately, are being expensed in the Company's consolidated statements of loss and comprehensive loss.

To support the Company's strategy of securing monazite supply agreements for the future production of REE materials, certain consulting, travel, legal and other expenses have been incurred by the Company.

The Company expects to continue to incur such expenses during the current year. Since no monazite purchase contracts or process-plant financing and development agreements are in place at this time, all expenses associated with this strategy are being expensed in the Company's consolidated statements of loss and comprehensive loss.

During the year ended March 31, 2022, the Company paid $191,233 to support LAD Chromatography research, issued shares with a fair value of $300,000 and paid cash of $9,833 to acquire a technology license, and purchased specialized equipment in the amount of $152,146. For further details relating to project investigation expenses, please refer to Note 4 of the accompanying condensed consolidated financial statements for the year ended March 31, 2022.

RESULTS OF OPERATIONS

The Company has no commercial production at this time and accordingly the Company has no revenue from operations.

Year Ended March 31, 2022 Compared to the Year Ended March 31, 2021

The Company's loss for the year ended March 31, 2022 was $997,261 (loss per share – $0.01) compared to a loss of $1,901,259 (loss per share – $0.03) for the year ended March 31, 2021.

Excluding the non-cash share-based compensation of $90,519 (2021 - $715,522), the expenses amounted to $1,316,836 (2021 - $1,176,092). The factors that contributed to the increase in the expenses during the year ended March 31, 2022 compared with the corresponding period in 2021 were:

- Research costs for the year ended March 31, 2022 were $535,217 compared to $275,787 for the year ended March 31, 2021 as a result of the Company's active development of the LAD Chromatography REE separation technology licensed from Purdue University.
- Director fees for the year ended March 31, 2022 were $79,800 compared to $22,500 for the year ended March 31, 2021. During the current period, the Company compensated directors for their services while there was no compensation until November 2020; and
- Professional fees for the year ended March 31, 2022 were $156,316 compared to $126,738 for the year ended March 31, 2021 as a result of the preparation for the potential up-listing to the NasdaqCM.

These increased expenses were offset by the following:

- Consulting fees for the year ended March 31, 2022 were $94,235 compared to $242,445 for the year ended March 31, 2021 as a result of a reduction in use of consultants with respect to monazite sourcing, product market investigation and internet based corporate communication; and
- *Transfer agent and filing fees for the year ended March 31, 2022 were $38,998 compared to $65,153 for the year ended March 31, 2021 as a result of costs associated with private placements completed and warrants exercised in the prior period.

SUMMARY OF ANNUAL RESULTS

	2022	2021	2020
Total revenues	$ -	$ -	$ -
Loss for the year	$ (997,261)	$ (1,901,250)	$ (1,193,927)
Basic and diluted loss per share	$ (0.01)	$ (0.03)	$ (0.03)
Total assets	$ 1,762,942	$ 2,135,424	$ 165,525
Total long-term financial liabilities	$ -	$ -	$ -
Cash dividend declared - per share	N/A	N/A	N/A

LIQUIDITY AND CAPITAL RESOURCES

Fiscal Year ended March 31, 2022

As at March 31, 2022, the Company had working capital of $730,829 compared to $2,056,390 as at March 31, 2021, a decrease of $1,253,038. The working capital decrease is due to operating expenses offset by exercise of warrants during the year ended March 31, 2022.

Cash consists of $828,194 (March 31, 2021 - $2,081,232) available in the bank accounts of the Company at March 31, 2022.

During the year ended March 31, 2022, the Company issued an aggregate of 1,252,500 Common Shares for gross proceeds of $255,014 pursuant to the exercise of warrants and options.

Contributed surplus totaled $4,596,725 as at March 31, 2022 (March 31, 2021 - $4,192,305). The increase of $404,420 is due to the grant of stock options to officers, directors and consultants of the Company, the reversal of fair value of exercised options and the transfer of fair value of expired warrants.

The Company is in discussion with potential financing sources that could provide additional liquidity prior to the contemplated Nasdaq uplisting.

TRANSACTIONS WITH RELATED PARTIES

Related party transactions are as follows:

During the year ended March 31, 2022 the Company paid $144,000 (2021 - $129,161) to a private company controlled by the Chief Executive Officer of the Company, Mark Saxon, for management and consulting fees. At March 31, 2022, $Nil (2021 - $Nil) was owed to this company.

During the year ended March 31, 2022, the Company paid $8,058 (2021 - $Nil) to a private company owned by Douglas Newby, the Chief Financial Officer of the Company, for advisory services. At March 31, 2022, $6,271 (2021 - $Nil) was owed to this company.

During the year ended March 31, 2022, the Company paid $64,000 (2021 – $40,000) for accounting and consulting fees to a company of which the Company's former CFO, Robert Doyle, is a shareholder. At March 31, 2022, a total of $9,396 (2021 – $5,303) was owed to this company.

During the year ended March 31, 2022, the Company paid $16,702 (2021 - $Nil) to a private company controlled by a director of the Company, Gabriel Alonso-Mendoza, for consulting fees. The contract terminated on August 18, 2021 when Mr. Alonso-Mendoza was appointed to the board. At March 31, 2022, $Nil (2021 - $Nil) was owed to this company.

During the year ended March 31, 2022, the Company paid $14,130 (2021 - $Nil) to a private company controlled by a former director of the Company, Daniel Mamadou, for consulting fees. The contract terminated on August 18, 2021 when Mr. Mamadou was appointed to the board. At March 31, 2022, $Nil (2021 - $Nil) was owed to this company.

During the year ended March 31, 2022, the Company paid $5,603 (2021 - $Nil) to a private company controlled by Kurt Forrester, who was appointed a director of the Company on March 15, 2022. At March 31, 2022, $Nil (2021 - $Nil) was owed to this company.

During the year ended March 31, 2022, $52,000 (2021 - $88,000) was charged by a private company controlled by a former director of the Company, Don Lay, for management and consulting fees. At March 31, 2022, $Nil (2021 - $378) was owed to this company on account of management and consulting fees.

Effective October 1, 2018 the Company began accruing interest owed to a private company controlled by a former director of the Company, Don Lay, on account of management and consulting fees owed at an interest rate of prime plus 3.00%. During the year ended March 31, 2022, $Nil (2021 - $6,925) was paid to this company on account of interest. At March 31, 2021, $Nil (March 31, 2021 - $Nil) was owed to this company on account of interest.

During the year ended March 31, 2022, the Company incurred $Nil (2021 – $9,875) in rent in connection with an office sub-lease the Company entered into with a company owned by David Haber, a former director of the Company. At March 31, 2022, $Nil (2021 - $Nil) was owed to this company.
As at March 31, 2022, a principal amount of $Nil (March 31, 2021 – $Nil) was outstanding on the promissory note, payable to a company owned by a former director of the Company, David Haber, bearing interest at a rate of prime plus 3.00%. During the years ended March 31, 2022, the Company paid the interest totaling $Nil (2021 - $630).

During the year ended March 31, 2022, the Company incurred $Nil (2021 - $14,000) of consulting fees to a company owned by Thomas Arnould, the former Chief Financial Officer of the Company. At March 31, 2021, a total of $Nil (2021 – $Nil) was owed to this company.

During the year ended March 31, 2022, $77,400 (2021 - $22,500) was paid to independent directors for director fees.

During the year ended March 31, 2022, the Company granted 500,000 stock options to new directors of the Company that can be exercised at a price of $0.17 per share. The options are exercisable for 5 years and vested immediately.

Expiration of 457,500 options held by a former director, Don Lay, expired unexercised, earlier than the original term due to the cessation of the directorship.

DISCLOSURE OF OUTSTANDING SHARE DATA

The authorized share capital of the Company consists of an unlimited number of common shares without par value. The following is a summary of the Company's outstanding share data as at March 31, 2022 and June 28, 2022:

	Issued and outstanding	
	March 31, 2022	June 28, 2022
Common shares outstanding	70,194,437	70,194,437
Stock options	5,894,028	5,158,750
Warrants	10,153,658	8,726,574
Fully diluted common shares outstanding	86,242,123	84,079,761

OFF BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet transactions.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Significant estimates and assumptions include those related to the valuation allowance on deferred income taxes and share-based compensation valuations. Actual results could differ from these estimates. By their nature, these estimates are subject to measurement uncertainty and the effect on the financial statements of changes in such estimates in future periods could be significant.

FINANCIAL INSTRUMENTS

Fiscal Year ended March 31, 2022

The following table sets forth the levels in the fair value hierarchy in which the Company's financial assets and liabilities are measured and recognized in the statement of financial position. Assets are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

	Quoted prices in active markets for identical instruments (Level 1)	Significant other observable inputs (Level 2)	Significant unobservable inputs (Level 3)	Balance March 31, 2022
Cash	$ 828,194	$ -	$ -	$ 828,194
Investments	$ -	$ -	$ 441,840	$ 441,840

The fair value of the Company's accounts payables and accrued liabilities and amounts due to related parties approximates their carrying values due to the short-term nature of these instruments. The Company's financial instruments are exposed to certain financial risks including credit risk, liquidity risk, and commodity-price risk.

a) Credit risk
The Company's cash is held in a major Canadian financial institution. The Company does not have any significant exposure to credit risk.

b) Liquidity risk
Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure. Accounts payable and accrued liabilities are due within the current operating period.

c) Commodity price risk
The ability of the Company to develop its business and the future profitability of the Company are directly related to the market price of several commodities. The Company has not hedged any potential future commodity sales. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

d) Sensitivity analysis
The Company has, for accounting purposes, designated its cash and short-term investments as held-for-trading, which are measured at fair value. Accounts payable and accrued liabilities are classified as other financial liabilities which are measured at amortized cost. As of March 31, 2022, the carrying and fair value amounts of the Company's financial instruments are the same.

Based on management's knowledge and experience of the financial markets, management does not believe that the Company's current financial instruments will be affected significantly by interest rate risk, foreign currency risk and price risk. The Company does not hold significant balances in foreign currencies to give rise to exposure to foreign exchange risk. Commodity price risk could, however, affect the Company. In particular, the Company's future profitability and viability of development depends upon world markets for natural resources. The Company's investment in and potential venture with ACDC could also be affected by Commodity price risk.

As of March 31, 2022, the Company was not a producing entity. As a result, commodity price risk could affect the completion of future equity transactions such as equity offerings and the exercise of stock options and warrants. The Company closely monitors commodity prices, individual equity movements, and the stock market to determine the appropriate course of action to be taken.

MANAGEMENT OF CAPITAL

The Company manages its cash, common shares, stock options, and warrants as capital. The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the development of its mineral properties and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may look to issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash. In order to facilitate the management of its capital requirements, the Company prepares expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. In order to maximize ongoing exploration efforts, the Company does not currently pay out dividends. The Company's investment policy is to invest its short-term excess cash in highly liquid short-term interest-bearing investments issued by a major Canadian chartered bank.

There has been no change in the Company's management of capital risk during the twelve months ended March 31, 2022.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

In connection with National Instrument 52-109, Certification of Disclosure in Issuer's Annual and Interim Filings ("NI 52-109") adopted in December 2008 by each of the securities commissions across Canada, the Chief Executive Officer and Chief Financial Officer of the Company will file a Venture Issuer Basic Certificate with respect to financial information contained in the unaudited interim financial statements and the audited annual financial statements and respective accompanying Management's Discussion and Analysis. The Venture Issuer Basic Certification does not include representations relating to the establishment and maintenance of disclosure controls and procedures and internal control over financial reporting, as defined in NI52-109.

Disclosure controls and procedures

The Company's management is responsible for establishing and maintaining disclosure controls and procedures to provide reasonable assurance that: (a) material information relating to the Company is made known to management so as to allow for timely decisions to be made regarding disclosure, and (b) information required to be disclosed by the Company is recorded, processed, summarized and reported within the time periods specified in applicable securities legislation.

The Chief Executive Officer and Chief Financial Officer of the Company have evaluated, or caused to be evaluated under their supervision, the effectiveness of the Company's disclosure controls and procedures as at March 31, 2022, 2021. Based on this evaluation, the CEO and CFO of the Company have concluded that the Company's disclosure controls and procedures in place during the fiscal years ended March 31, 2022 and 2021 are effective to provide reasonable assurance that information required to be disclosed by the Company in its annual filings, interim filings or other reports filed or submitted by the Company under securities legislation is recorded, processed, summarized and reported within the time periods specified in the securities legislation and that such information is accumulated and communicated to the Company's management, including the CEO and CFO, as appropriate to allow for timely decisions regarding required disclosure.

Internal control over financial reporting

Management is responsible for establishing and maintaining an adequate system of internal control over financial reporting. The CEO and CFO of the Company have evaluated, or caused to be evaluated under their supervision, the effectiveness of the Company's internal control over financial reporting during the fiscal years ended March 31, 2022 and 2021. Based on this evaluation, the CEO and CFO have concluded that as at March 31, 2022, the Company's internal control over financial reporting continues to be effective in providing reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS.

The CEO and CFO of the Company have identified that due to the size of the Company there is limited segregation of duties. Companies of a similar size often have this limitation. Although it is possible, management of the Company does not believe that this lack of segregation of duties will lead to a material misstatement in the financial statements. Steps have been taken to minimize this risk such as ensuring that two senior officers or directors sign all cheques and outgoing wire transfer requests. In addition, senior management and the directors of the Company review quarterly and year-end financial statements on a regular basis.

There was no change in the Company's internal control over financial reporting during the fiscal years ended March 31, 2022 and 2021, that materially affected, or was reasonably likely to materially affect, the Company's internal control over financial reporting.

RISKS AND UNCERTAINTIES

The Company is developing mineral processing technologies and is exposed to a number of risks and uncertainties that are common to other companies in the same business. Some of these risks have been discussed elsewhere in this document. Additional risks include: access to necessary financing on an ongoing basis, volatility of prices of publicly traded securities, current and future political environment in areas where projects are being pursued, uncertainty regarding current and future environmental regulations that may affect existing and future projects, uncertainty regarding the rare-earth market in the future, competition from other companies undertaking similar business strategies, requirements to acquire licenses and permits to develop projects and loss of key members of management of the Company.

Starting in March 2020, there was a global pandemic outbreak of COVID-19. The actual and threatened spread of the virus globally has had material adverse effect on the global economy and, specifically, the regional economies in which the Company operates. The pandemic could continue to have a negative impact on the stock market, including trading prices of the Company's shares and its ability to raise new capital. These factors, amongst others, could have a significant impact on the Company's operations.

RECENT WORK

Subsequent Events

Events subsequent to March 31, 2022 comprise:

- On April 22, 2022 the Company entered into a binding offer of employment whereby, upon listing of the Common Shares on the Nasdaq Capital Market, Alfredo Ramos Plasencia will be appointed Chief Executive Officer and a member of the Board of Directors. Mr. Ramos has more than 20 years' experience in the process industries, having worked in diverse research and development, engineering and operational roles across a wide range of sectors including chemicals, energy and mining. He has key expertise in digital design and smart manufacturing solutions having developed and commercialized novel technologies supporting design, engineering and operation of industrial production assets; and

- On April 26, 2022 the Company announced a new strategic plan focused in clean energy technologies, building on Medallion's existing rare earth element processing technologies. The strategic plan includes listing of the Common Shares on the NasdaqCM, rebranding as Medallion Innovations Corp., potentially delisting from the TSX Venture Exchange, appointment of a new executive management team including the appointment of Alfredo Ramos Plasencia as Chief Executive Officer and Dr. Kurt Forrester as Chief Technology Officer, who will continue as a member of the Board of Directors. Mr. Saxon will transition to provide business development services focused on the mining industry and continue as a member of the Board of Directors.

- On May 27, 2022 the shareholders the shareholders approved two resolutions put forth at the Annual General and Special Meeting of Shareholders held in Vancouver, BC authorizing the Board of Directors to consolidate the Company's shares at a consolidation ratio sufficient to meet the Initial Listing Requirements of NasdaqCM, namely a US$4.00 minimum bid price, up to a maximum consolidation ratio of 90 pre-consolidation shares for each post-consolidation share and, at the board's discretion, to delist from the Tier 2 of the TSX Venture Exchange.

- On June 6, 2022 Douglas Newby was appointed Chief Financial Officer and Corporate Secretary, replacing Robert Doyle. Mr. Newby has extensive and diverse experience in finance, financial management, and project evaluation and implementation primarily focused on industrial, precious, and specialty metals including rare earth elements and lithium. He has held senior positions with global investment banks, and from 2005 until 2017 was CFO of PolyMet Mining Corp., where he managed the transition from the TSX Venture Exchange to the NYSE American and TSX. He was instrumental in implementation of Sarbanes Oxley (SOX) financial controls, and was a key part of establishing and managing that Company's relationship with Glencore plc. Unvested options granted to Proteus Capital Corp, a company controlled by Mr. Newby, vested on June 6, 2022.

Medallion Monazite Process

The proprietary MMP focuses on recovering mixed REE concentrates from monazite, a byproduct of many heavy mineral sand operations that produce the bulk of the world's supply of titanium and zirconium. Medallion designed the MMP to be highly automated, safe and cost efficient. The MMP is not limited to processing byproduct monazite and could be deployed on hard-rock derived monazite from primary mining operations.

There are several important criteria for successful extraction of REEs from monazite. Cerium, the most abundant REE (typically making up 40% of the total REE content of monazite), is mainly used in relatively mature markets such as catalysts, pigments and phosphors. As demand for NdPr for neo magnets has driven increased production of all REEs, cerium has move to oversupply. The value of the cerium in a typical monazite concentrate is less than the additional separation and transportation cost. MMP incorporates a low-cost method to remove cerium. Monazite typically contains actinides (uranium and thorium), which must be removed from the REE circuits. In the past, these actinides have not always been handled with appropriate concern for health, safety and the environment. The MMP allows the removal of these elements in a safe and stable form.

In 2012, Medallion commissioned a report by SENES Consultants Limited to review the health and safety aspects of the proposed monazite processing. SENES supported the Company's view that a highly automated commercial scale monazite processing plant could be operated safely in compliance with international mineral processing health, safety, and environmental standards.

With this confirmation of concept, Medallion sought to develop a better process that builds on the commercially standard practice – a two-step process of caustic monazite digestion and acid leaching of the caustic residue – with the following design objectives:

- Scalable, to ensure deployments can accommodate growth;
- Transferable, to ensure the Process can be deployed on multiple feedstock sources and/or multiple geographic locations;
- Extensible, to ensure the Process can be customized and augmented based on constraints imposed by the locality of the deployment
- Efficient, minimizing the demand on energy and consumables while maximizing the utilization and valorization of metals contained in the monazite;
- Automated, to reduce operator exposure to a challenging work environment as well as operate an economically-lean workforce with enhanced safety; and
- Modular, in support of both the scalable and extensible design objectives a modular approach has been adopted to expansion and customization of the Process.

Initial process development began with laboratory-scale success using a caustic metallurgical process. During subsequent development work Medallion produced a mixed REE carbonate concentrate provided to a third-party for initial product qualification that confirmed the suitability of the material for that party's process.

In 2018, the Company completed bench-scale production of cerium-depleted REE concentrate. This early version of the MMP process incorporated the removal of cerium, significantly increasing the value per kilogram of the REE concentrate. This phase of test work produced a mixed REE carbonate concentrate which would satisfy the quality specifications of established REE refineries.

The Company completed development of the proprietary flowsheet for the MMP process in 2019. Key features of the process enable:

- High degree of process automation for enhanced safety by isolating workers from harsh operating environments;
- Highly-energy efficient design employing energy recovery systems;
- Option for a zero-liquid discharge plant to provide additional flexibility on planning/permitting;
- Waste production options; and
- "Off-the-shelf" equipment – the innovations relate to how the equipment is configured and used.

In November 2019, Medallion engaged Australian-based Simulus Engineers, an independent engineering consultancy, to develop a chemical process model for the MMP process. The integrated process model incorporated the findings from the test work programs and confirmed the technical viability of the complete process.

MMP Process Flowsheet

The MMP process is designed to produce high-purity mixed REE as a chemical concentrate as well as byproduct trisodium phosphate ("TSP"), and radioactive materials in a form where they can be handled effectively for market or storage. In November 2020, Medallion extended Simulus Engineers' engagement to include a confidential techno-economic assessment ("TEA") of the MMP process.

The TEA evaluated a commercial-scale facility processing 7,000 metric tons per year of monazite feedstock. Simulus estimated the capital cost at $34 million including 15% contingency and annual operating costs of approximately $21 million, excluding the cost of the monazite feedstock.

The TEA estimated the facility would produce approximately 870,000 kilograms of NdPr contained in a cerium-depleted mixed carbonate per year, which would represent less than 2% of the global primary market of approximately 60 million kilograms, according the ADAMAS Intelligence. At 2021 average prices, Medallion estimate the value of the contained NdPr produced each year by the proposed facility would be approximately $85 million – note that a mixed concentrate is worth less than the value of the contained REOs.

In April 2021, the Company announced completion of a suite of diagnostic test work at the Australian Nuclear Science and Technology Organization ("ANSTO") in Sydney, to extract REE from monazite. The monazite was sourced from an Australian mineral sand mine. Test work was focused on correlating low cost "diagnostic" mineralogical and chemical data from "run of mine" monazite with more comprehensive extraction results from the MMP.

Medallion commissioned Minviro Ltd. to complete a Life Cycle Assessment ("LCA") to evaluate the environmental impact of processing byproduct monazite employing the MMP.

Monazite Feedstock

Medallion has conducted a suite of diagnostic analysis at ANSTO evaluating the potential to process monazite from operating and prospective heavy mineral sand operations in Australia using the MMP process. As source material becomes available, the Company will continue to grow this data bank in order to help it optimize process conditions for one or more potential processing hubs in Australia.

Medallion entered into a non-binding letter of intent ("LOI") with Australian private company ACDC Metals Pty Ltd ("ACDC") to utilize Medallion's proprietary MMP process. ACDC has secured mineral sand properties and other exploration assets in Victoria, Australia. The LOI outlines various terms and conditions that will form the basis of a binding contract, subject to mutual due diligence, provides ACDC with the right to construct a mineral sand monazite refinery in southeastern Australia utilizing the MMP, and the right to sub-license the LAD Chromatography process for REE separation from Medallion.

Medallion is in discussion with multiple partners regarding business opportunities in this area.

Ligand Assisted Displacement Process

In 2020, the Company initiated a comparative technical review of existing and emerging REE separation technologies and, on February 18, 2021 it announced the acquisition of an exclusive license to use Purdue's LAD Chromatography REE separation process to separate REEs from all raw material feed stocks excluding coal sources and recycled materials from manufacturing wastes and recyclates from battery and magnet sources..

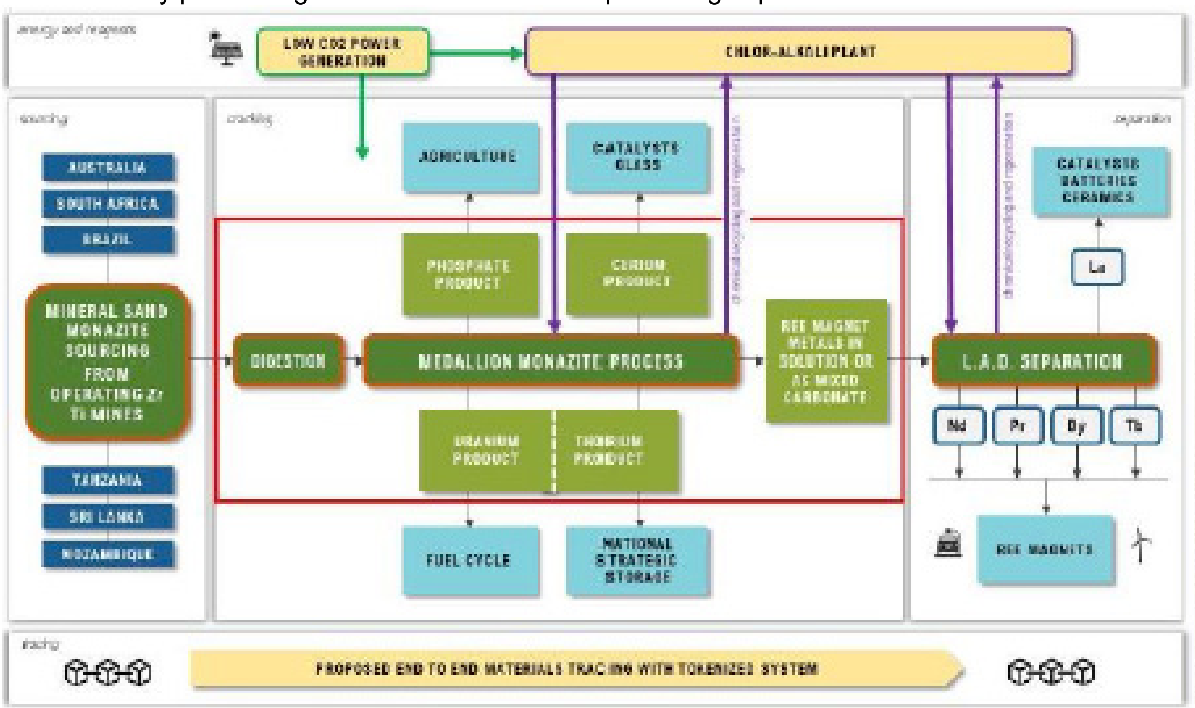
Medallion is supporting development of the LAD Chromatography process through a three-year sponsored research program with Purdue, targeting the design, development, and operation of a demonstration plant. In June 2021 the Company announced successful separation and purification of Nd and Pr from an REE chemical concentrate derived from monazite processed via the MMP.

The LAD Chromatography process is capable of processing complex multiple metal mixtures into individual metals (or groups) and, as such it may find uses in other separation processes which currently employ solvent extraction.

Medallion expects that the LAD Chromatography process will be a low-cost, low environmental impact process that will be readily adaptable to different feedstocks, unlike current standard-practice in China and elsewhere.

Vertical Integration

The MMP and LAD Chromatography processes can operate independently or can be integrated into a combined facility processing monazite feedstock and producing separated rare earth oxides.



Conceptual REE monazite to magnet supply chain utilizing the Medallion Monazite Process and Purdue's LAD Chromatography. Red box outlines the system boundary for the current Techno Economic Assessment

OUTLOOK

Medallion is currently focused on:

Process Development

- Using appropriate testing service laboratories to test specific parts of the monazite processing flowsheet in order to further optimize and produce larger sample volumes evaluation
- Supporting research at Purdue University to test and commercialize LAD Chromatography process

Customer Engagement

- Building relationships with downstream customers in the electric vehicle, wind energy and magnet industries

- Monazite Feedstock Sourcing/Partnerships
- Mixed REE Concentrate Sourcing/Partnerships
- Further developing commercial and technical relationships with mineral sand mining operators and regional governments to assess and source monazite-sand concentrate
- Finalization of supply contacts and partnerships for regions of operation
- Building a team to support all parts of monazite acquisition and transport

Opportunity Assessment and Technology Acquisitions

- Continued assessment of opportunities which are identified or offered to Medallion
- Where appropriate acquire technologies and support their development

FORWARD LOOKING STATEMENTS

Except for statements of historical fact, certain information contained herein constitutes forward- looking statements. Forward-looking statements are usually identified by the use of certain terminology, including “will”, “believes”, “may”, “expects”, “should”, “could”, “seeks”, “anticipates” or “intends” or by discussions of strategy or intentions. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Company’s actual results or achievements to be materially different from any future results or achievements expressed or implied by such forward-looking statements. Forward-looking statements are statements that are not historical facts, and include but are not limited to, estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to the effectiveness of the Company’s business plan, future operations, the impact of regulatory initiatives on the Company’s operations; general industry and macroeconomic growth rates; expectations related to possible joint and/or strategic ventures, the entering into of monazite purchase agreements and the ability of the Company to finance and advance a monazite processing facility, and other statements regarding future performance.

Forward-looking statements used in this discussion are subject to various risks and uncertainties, including the risks of price fluctuations of rare-earths, risks of obtaining required financing on suitable terms, or at all, risks of competition from larger, financially stronger competitors, and other mineral resource industry risks most of which are difficult to predict and generally beyond the control of the Company. If risks or uncertainties materialize, or if underlying assumptions prove incorrect, the Company’s actual results may vary materially from those expected, estimated or projected. Forward looking statements in this document are not a prediction of future events or circumstances, and those future events or circumstances may not occur. Given these uncertainties, users of the information included herein, including investors and prospective investors, are cautioned not to place undue reliance on such forward-looking statements.

DISCLAIMER

The information provided in this document is not intended to be a comprehensive review of all matters concerning the Company. The users of this information, including but not limited to investors and prospective investors, should read it in conjunction with all other disclosure documents provided including but not limited to all Company documents filed on SEDAR (www.SEDAR.com). No securities commission or regulatory authority has reviewed the accuracy or adequacy of the information presented herein.

BY ORDER OF THE BOARD

"*Mark Saxon*"

MARK SAXON