

Medallion cancels option to buy Amazing Grace

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Mr. William Bird reports

AMAZING GRACE PROPERTY OPTION TERMINATED

Medallion Resources Ltd. has terminated its option to acquire the Amazing Grace, British Columbia, gold exploration property. With present market conditions, the company's Romaine iron-titanium project, which is in a more advanced state and offers greater potential value to shareholders, must take financing precedence. Medallion will continue to focus on the advancement of the Romaine project to build shareholder value.

Medallion's Romaine iron-titanium project

The Romaine iron-titanium project, located 40 kilometres north of Havre-Saint-Pierre, Que., is centred on a historical resource estimated to be 234 million tonnes grading 10.8 per cent titanium oxide (TiO₂) and 17.9 per cent iron.* Area infrastructure includes nearby roads, rail, hydroelectric power and a deepwater port on the Gulf of St. Lawrence. The province of Quebec is one of the top mining jurisdictions in the world, with a government and a mining culture that provide significant support to the mining industry.

Medallion's fall field mapping program indicates a potential to increase the historical tonnage. The mapping expanded the outcrop area of iron-titanium mineralization to a total length of over three kilometres and a width that ranges from 200 metres to 460 metres. The mineralization remains open along strike and down dip.

Fall field program sampling, along with information from the 1960s and 1970s, suggests that there also is good potential for increasing the grade over that which was reported for the historical resource.* Assays of 67 surface-core samples, collected systematically along the full length of the main body of mineralization, average 13.66 per cent titanium oxide (TiO₂) and 30.39 per cent iron oxide (Fe₂O₃). These averages represent a significant increase over those of the historical resource, which are 10.8 per cent titanium oxide (TiO₂) and 17.9 per cent iron (17.9 per cent iron is approximately 26.5 per cent Fe₂O₃).*

The Romaine project minerals are hematite (Fe₂O₃) and ilmenite (FeTiO₃), which also are the minerals mined at the nearby QIT mine. Rio Tinto's QIT mine, with a roughly 50-million-tonne reserve (as of 2007) three kilometres to the west, is a leading producer of high-quality titanium and steel products, and it is presently the largest iron-titanium mine of its type in the world.

*The historical resource estimate and the Romaine property reports supporting the estimate were prepared before the introduction of NI 43-101. They may not be relied upon until they are confirmed using methods and standards that comply with those

required by NI 43-101. The potential for the Romaine property mineralization to replicate the historical resource estimate, or for new data to expand its tonnage and grade, is conceptual and is based on historical reports and field observations, which cite approximate lengths, widths, depths, grades, metallurgical testwork and projections of the historical resource. Investors are cautioned that a qualified person has not yet completed sufficient exploration, testwork or one examination of past work to define a resource that is currently compliant with NI 43-101. The company further cautions that there is a risk that exploration and testwork will not result in the delineation of such a currently compliant resource. Neither the company nor its personnel treat the historical resource estimate or the historical data as defining a current mineral resource, as defined under NI 43-101, nor do they rely upon the estimate or the data for evaluation purposes; however, these data are considered relevant and will be used to guide exploration as the company develops new data to support a current mineral resource estimate in accordance with the requirements of NI 43-101.

We seek Safe Harbor.