17 August 2026
ASX Release
ASX | SGC

Sinclair Executes Binding Earn-In Agreement for the Sala Project

Sinclair Gold Ltd (**ASX: SGC**) is pleased to announce that it has executed a binding Earn-In Agreement with Medaro Mining Corp. (CSE: MEDA) ("Medaro") in relation to the Sala Project in Sweden.

The Sala Project is located in the Bergslagen mining district of Sweden and comprises the Company's Sala silver-zinc-lead project.

The agreement replaces the non-binding Letter of Intent announced by Sinclair to ASX on 14 May 2026 and provides Medaro with the right to earn up to a 100% interest in the Sala Project, with key commercial terms materially in-line with those previously announced.

The transaction represents up to $3.4m[1] in potential cash consideration, shares and Medaro-funded exploration expenditure, while Sinclair will retain exposure to the future success of Sala through a net smelter return royalty. The Company intends to use any funds received for exploration activities at the Mt Henry Gold Project and for general working capital.

The binding agreement provides for:

- up to $1.3 million in cash consideration to Sinclair;
- up to 1.2 million Medaro shares (or cash equivalent), currently valued at ~$300,000[1];
- $1.75 million[1] in exploration expenditure funded by Medaro; and
- a 1% net smelter return royalty if Medaro earns a 90% interest in the Project, increasing to 2% if Medaro acquires the remaining 10%.

Further details of the binding agreement are set out in Appendix A. The agreement remains subject to the parties obtaining any necessary third-party and regulatory approvals, with completion expected before Q4 FY27.

Sinclair Chief Executive Jeff Sansom said:

"Medaro is well-placed to unlock the full value at Sala through further exploration. This agreement allows Sala to do that while Sinclair and its shareholders retain exposure to its future success.

"At the same time, it allows us to remain firmly focused on growing and advancing the Mt Henry Gold Project".

This announcement has been approved for release by the Board of Directors of Sinclair Gold.

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1. Assumes Medaro share price C$0.25 and CAD:AUD exchange rate of 1.02 as at 11 August 2026

About Sinclair Gold

Sinclair Gold Ltd (ASX: SGC) has acquired the Mt Henry Gold Project in Western Australia (refer ASX announcement dated 16 February 2026). Mt Henry hosts total Mineral Resources of 24Mt at 1.2g/t gold for 0.915Moz contained gold and sits within a 16km mineralised corridor. The mineralisation remains open along strike and down dip with clear potential for rapid Resource growth and broader district scale upside. Prior drilling returned substantial widths and grades from unmined areas highlighting the scale and continuity of mineralisation. The Project's Mineral Resources are located on granted mining leases with sealed-road access ~1.5km east of the Coolgardie–Esperance Highway, benefiting from proximity to established regional infrastructure.

Sinclair also has an interest in tenements in Sweden's highly regarded mining region of Bergslagen, including the world class Falun copper-gold and polymetallic skarn project and the historic Sala silver-zinc-lead Project. Sinclair's strategy is driven by a Board and Management team comprising a broad range of expertise, including extensive technical, operational, financial and commercial skills as well as experience in mining exploration, strategy and corporate finance.

About Medaro Mining Corp.

Medaro is a mineral exploration company focused on the acquisition and advancement of high-quality mineral projects in Ontario, Quebec and Sweden. The Company's strategy is to build shareholder value through systematic exploration, disciplined project evaluation, and responsible development.

Competent Persons Statement

The information in this announcement that relates to the Mineral Resource Estimates for the Mt Henry Gold Project (see below) has been extracted from the Company's announcement titled "Acquisition and Capital Raising – Clarification Announcement" which was released to the ASX on 19 December 2025.

	Measured			Indicated			Inferred			Total		
Deposit	**Tonnes (kt)**	**Au Grade (g/t)**	**Gold (koz)**	**Tonnes (kt)**	**Au Grade (g/t)**	**Gold (koz)**	**Tonnes (kt)**	**Au Grade (g/t)**	**Gold (koz)**	**Tonnes (kt)**	**Au Grade (g/t)**	**Gold (koz)**
Mt Henry	1,051	1.5	51	2,750	1.5	135	982	1.5	46	4,783	1.5	232
Selene	9,992	1.2	373	7,276	1.0	230	1,438	1.0	48	18,706	1.1	651
North Scotia	-	-	-	145	2.6	12	3	2.4	0	148	2.6	12
Stockpiles	864	0.7	20	-	-	-	-	-	-	864	0.7	20
Total	**11,907**	**1.2**	**444**	**10,172**	**1.2**	**378**	**2,424**	**1.2**	**94**	**24,501**	**1.2**	**915**

Notes:

1. Mineral Resources are classified and reported in accordance with the 2012 JORC Code as at 30 June 2025.
2. Mineral resources have been reported in a pit shell at A$2,160/oz gold price and at a 0.4g/t gold cut-off grade.
3. Numbers may not add up due to rounding.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. 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 market announcements.

Forward Looking Statements

This announcement may contain certain forward-looking statements and projections, including statements regarding Sinclair's plans, forecasts, and projections with respect to its mineral properties and programmes. Although the forward-looking statements contained in this release reflect management's current beliefs based upon information currently available to management and based upon what management believes to be reasonable assumptions, such forward looking statements/projections are estimates for discussion purposes only and should not be relied upon. They are not guarantees of future performance and involve known and unknown risks, uncertainties, and other factors many of which are beyond the control of Sinclair. Sinclair does not make any representations and provides no warranties concerning the accuracy of the projections and disclaims any obligation to update or revise any forward-looking statements/projections based on new information, future events or otherwise except to the extent required by applicable laws.

Appendix A - Key Transaction Terms

Item	**Summary**
Parties	Sinclair Gold Ltd and Medaro Mining Corp ("Medaro")
Project	Sala Project, Sweden (Sala nr 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112)
Transaction Structure	Earn-in agreement under which Medaro may earn up to a 100% interest in the Sala Project through staged cash payments, share issuances and exploration expenditure commitments. The parties will enter an incorporated joint venture via a newly incorporated Swedish entity (**Joint Venture**), with each party holding an initial 50% interest (**Joint Venture Interest**). Medaro may elect to satisfy any share-issuance obligation in cash, calculated using the 20-trading-day VWAP (being the volume weighted average price of Medaro Shares, calculated over the 20 trading days immediately preceding the applicable payment date).
Earn-in consideration and expenditure requirements	1) Within five Business Days after the satisfaction of the conditions precedent (**Commencement Date**), Medaro will pay C$50,000 in cash consideration and issue 250,000 Medaro shares to Sinclair. 2) Medaro will hold an initial 50% interest in the Joint Venture. To retain that interest, Medaro must: a. incur at least C$750,000 in exploration expenditure during the year after the Commencement Date; and b. upon satisfying the expenditure requirement, pay C$250,000 and issue 250,000 Medaro shares to Sinclair (**Stage 1**). If Medaro does not complete Stage 1, its 50% interest in the Joint Venture will be transferred to Sinclair, in which case Sinclair will retain a 100% interest in the Sala Project. 3) Medaro may acquire a further 40% interest in the Joint Venture (increasing its ownership to 90%) (**Stage 2**) by: a. incurring a further C$1,000,000 in exploration expenditure during the period ending on the later of two years after the Commencement Date and one year after satisfying the Stage 1 expenditure requirement; and b. upon satisfying the expenditure requirement, paying C$500,000 and issuing 300,000 Medaro shares to Sinclair. 4) Medaro may acquire the remaining 10% interest in the Joint Venture by the third anniversary of the Commencement Date by paying C$500,000 and issuing 400,000 Medaro shares to Sinclair.
NSR Royalty	Upon completion of Stage 2, Sinclair will be granted a 1.0% net smelter returns royalty. The royalty will increase to 2.0% if Medaro acquires 100% of the Joint Venture Entity.
Joint Venture	Medaro will be the manager and operator of the joint venture.
Free Carry	Upon formation of the Joint Venture, Sinclair's Joint Venture interest will be free-carried by Medaro through to the delivery of a Mineral Resource Estimate reported in accordance with NI 43-101.

Item	Summary
Governance and funding	While each party holds a 50% interest in the Joint Venture, each may appoint two directors to the board of the Joint Venture Entity. If Medaro completes Stage 2 (increasing its interest to 90% interest), Sinclair will retain the right to appoint one director of the Joint Venture Entity for so long as it holds a Joint Venture interest of at least 10%.
Conditions and withdrawal	The transaction is subject to certain conditions precedent (**Conditions Precedent**), including but not limited to: (a) the Parties obtaining all necessary corporate, governmental and regulatory approvals, consents and waivers to allow the Parties to lawfully complete the matters set out in the Agreement including: (i) in relation to Medaro, any comments provided by the CSE in relation to the Form 9 (Notice of Issuance or Proposed Issuance of Listed Securities) lodged by Medaro in connection with the transaction having been resolved to the satisfaction of the CSE; (ii) the clearance, approval or confirmation of no further action by the Swedish Inspectorate of Strategic Products (Sw. Inspektionen för strategiska produkter) (ISP) under the Swedish Foreign Direct Investment Screening Act in respect of Sinclair's acquisition or incorporation of the Joint Venture Entity and the transfer of the Sala Project to the Joint Venture Entity; and (iii) the approval by the Mining Inspectorate of Sweden (Sw. Bergsstaten) under the Swedish Minerals Act to the transfer the Sala Project to the Joint Venture Entity; and (b) the Parties obtaining any necessary third-party, shareholder and/or regulatory approvals, consents and waivers to allow the Parties to lawfully complete the matters set out in the Agreement. Sinclair shareholder approval is not required. Either party may terminate the agreement if the Conditions Precedent are not satisfied or waived within seven months after the relevant Swedish FDI/ISP filing (or a later date agreed by the parties).