



Montem Resources

Montem Resources Limited

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ASX Announcement

15 September 2020

Montem Resources commences trading on ASX

HIGHLIGHTS

- Montem lists on the ASX today under the code MR1 after raising \$8 million at \$0.25/share, with an indicative market capitalisation of \$50.7 million
- Montem was established in 2016 to develop hard coking coal projects in western Canada
- The Company has three primary assets: the Tent Mountain Mine; the Chinook Project; and the greenfield exploration Isola, 4-Stack and Oldman projects
- Montem will primarily use funds from the IPO to prepare the Tent Mountain Mine for construction, and to explore the Chinook Project
- First coal sales from the Tent Mountain Mine are expected in 2022, and the commencement of drilling at the Chinook Project is imminent
- Montem's projects are surrounded by well-known industry players including Teck Resources, Hancock's Riversdale Resources and Atrium Coal
- Combined, Managing Director Peter Doyle and Chairman Mark Lochtenberg have more than 50 years of coal industry experience.

Montem Resources Limited (ASX: MR1) ("Montem" or the "Company") will commence trading on the Australian Securities Exchange (ASX) at 11am today after completing an Initial Public Offering (IPO) raising A\$8 million.

The Company issued 32 million shares at \$0.25 per share under the IPO and has an implied market capitalisation of \$50.7 million upon listing. Montem is trading under the ASX code MR1.

The IPO received strong support from institutional and retail investors, as well as existing shareholders.

Montem has a portfolio of hard coking coal (steelmaking coal) projects in western Canada's Crowsnest Pass region including the Tent Mountain Mine re-start Project (Tent Mountain), the Chinook Project (Chinook), and the greenfield exploration Isola, 4-Stack and Oldman projects.

The Tent Mountain Mine is a permitted mine which ceased operations in 1983. Montem has completed a Definitive Feasibility Study for the re-start of operations at Tent Mountain and is on track to lodge applications to re-start the mine with the Alberta regulators in Q4 2020. Montem will use IPO funds to move Tent Mountain through required applications for the re-start, and into the construction stage. The Company aims to restart hard coking coal sales of ~1.1Mtpa from the mine in H1 2022.

The Chinook Project covers approximately 10,000 hectares and is inclusive of the historical Vicary Mine, which ceased operations in the late 1970s. Montem will use IPO funds to undertake drilling at Chinook, and complete a concept study for the mining complex. Drilling is planned to commence at the Chinook Vicary area of the project next week, and the Company expects to announce results of the concept study in Q4 2020.

Montem also has three greenfield exploration projects including the highly prospective Isola Project, the 4-Stack Project, and the Oldman Project.

Montem is led by Managing Director Peter Doyle and Chairman Mark Lochtenberg, who combined have more than 50 years of coal industry experience. Mr Doyle, who is based in Canada, worked in the coal industry in NSW and Queensland, as well as China, Mongolia, and the US before becoming involved in developing Montem's projects. Mr Lochtenberg was previously co-head of Glencore's coal business unit and founded Cockatoo Coal.

Mr Doyle said the Company's debut on the ASX was an exciting milestone.

"We are focused on bringing the Tent Mountain Mine back into production as soon as possible, and completion of our IPO and listing on the ASX are important steps in that process. Our goal is to achieve first coal sales from Tent Mountain in early 2022 and we plan to use cash flow from that operation to fund development of additional mines at Chinook, as well as explore the vast potential of our other projects," he said.

"Our projects are located in Canada's best hard coking coal region, surrounded by Teck Resources' operations, Hancock's Riversdale Resources' Grassy Mountain Project and Atrium Coal's Elan and Isolation South projects."

Mr Doyle said permitting for Tent Mountain was advanced.

"We have secured rail and port access for Tent Mountain and expect to submit the applications required to re-start the mine to the Alberta Energy Regulator (AER), in the coming weeks. Beyond Tent Mountain, we are very excited about the potential of the Chinook and Isola projects, and drill rigs are ready to start exploration at Chinook next week," he said.

Morgans was Lead Manager and Underwriter for Montem's IPO.

- Ends -

For further information on the Company, our assets and development plans, please visit our website: www.montmem-resources.com

Additionally, view our initial Investor Presentation which has been lodged with the ASX.

This ASX release was authorised on behalf of the Board of Directors by Peter Doyle, Managing Director and CEO.

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About Montem Resources

Montem Resources (ASX: MR1) is a steelmaking coal development company that owns and leases coal tenements in the Canadian provinces of Alberta and British Columbia. The Company's objective is to become the operator of steelmaking coal mines in Canada by developing its properties in the Crowsnest Pass. The Company is planning an integrated mining complex in the Crowsnest Pass, focusing on low cost development of open-cut operations that leverage central infrastructure. The first component of this objective is to re-establish mining at the Tent Mountain Mine.

Montem completed a Definitive Feasibility Study (DFS) on the Tent Mountain Mine in 2020. The DFS is providing guidance for the re-start project, with the aim to be exporting coal in 2022. Details of the DFS are available on Montem's website.

Montem is also progressing the Chinook Project which covers historical mines that previously exported hard coking coal to Japanese steel mills. The Chinook Project has the potential to produce multiple open-cut hard coking coal mines, and the Company plans to explore, define and develop these mines.

Forward looking statements

This ASX Announcement may contain forward looking statements, which may be identified by words such as "may", "could", "believes", "estimates", "expects" or "intends" and other similar words that connote risks and uncertainties. Certain statements, beliefs, and opinions contained in this ASX Announcement, in particular those regarding the possible or assumed future financial or other performance, industry growth or other trend projections are only predictions and subject to inherent risks and uncertainties. Except as required by law, and only to the extent so required, neither the Company, its Directors nor any other person gives any assurance that the results, performance or achievements expressed or implied by any forward looking statements contained in this ASX Announcement will actually occur and investors are cautioned not to place undue reliance on such forward looking statements. Any forward looking statements are subject to various risk factors, many of which are beyond the control of the Company and its Directors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. The Company has no intention to update or revise any forward looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this ASX Announcement, except where required by law.