



**Montem Resources**

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## ASX Announcement

22 September 2020

### Montem commences drilling at the Chinook Project, Canada

#### HIGHLIGHTS

- Montem has commenced a drill program at its Chinook Project focusing on the Chinook Vicary area
- The exploration aims to confirm the Chinook Vicary product coal quality as hard coking coal
- Additionally, the drilling aims to intersect and define areas of structurally thickened coal seams at Chinook Vicary
- Commencement of drilling at Chinook follows Montem's \$8M IPO and successful listing on the ASX last week.

**Montem Resources Limited (ASX: MR1) ("Montem" or the "Company")** is pleased to announce it has commenced drilling at the Chinook Vicary area of the Chinook Project in the Crowsnest Pass of southwest Alberta, Canada.

Montem's Chinook Project ("**Project**") is made up of two areas, Chinook Vicary and Chinook South. Dahrouge Geological Consulting Ltd. prepared a JORC resource report for the Project based on historical drilling, trenching and adits totaling 149.1Mt coal (103.8Mt Indicated and 45.3Mt Inferred). The JORC resource report also included a Chinook Vicary Exploration Target estimate of an additional 125Mt to 450Mt<sup>1</sup>. For full details on the Chinook Project, see Montem's ASX announcement released on 15 September 2020, and the Montem Prospectus lodged with the ASX on 31 July 2020.

Montem's drilling aims to confirm the Chinook Vicary product coal quality as hard coking coal. An assessment of historical coal quality results, completed earlier this year, evaluated product coal at Chinook Vicary to be hard coking coal. Prior to shutting down in the late 1970s, the Vicary Mine, located within the Chinook Vicary area of the project, supplied high quality hard coking coal to the Japanese steel industry.

The drill program also aims to further investigate the open-cut mining potential of the Project by focusing on areas of structurally thickened coal seams, which were identified by historical drilling.

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<sup>1</sup> The potential quantity and quality of the Exploration Target is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of Mineral Resources.

Montem's Managing Director and CEO, Peter Doyle, said "This is an important step for Montem to progress its strategy of building multiple coking coal mines in the Crowsnest Pass. The Chinook Project contains a large, high-quality coking coal resource that we believe has the potential to host a new large-scale mining complex. The concept study completed last year identified areas of high potential for open-cut mining, and these are the areas where our drilling will focus this year. Drilling commenced 21 September 2020, one week after our successful listing on the ASX. We look forward to updating investors on our progress."



Large diameter drill rig at Chinook Vicary, 21 September 2020

For further information on the Company, our assets and development plans, please visit our website:  
[www.montem-resources.com](http://www.montem-resources.com)

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 (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 ([www.montem-resources.com](http://www.montem-resources.com)).

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.

## Competent Person Statement

The information in this announcement that relates to JORC resources estimates for the Chinook Project (inclusive of Chinook South and Chinook Vicary) are derived from a JORC Resource report completed in March 2020 (**JORC Report**), and fairly represents, information compiled or reviewed by Mr. Bradley Ulry, Mr. Matthew Carter, Mr. John Gorham and Mr. Nathan Schmidt, who are employees of Dahrouge Geological Consulting Ltd. Mr. Bradley Ulry, Mr. Matthew Carter and Mr. John Gorham are registered as Professional Geologists with the Association of Professional Engineers and Geoscientists of Alberta and are Competent Persons as defined in the JORC Code (2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves") having sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that they are undertaking. Mr. Nathan Schmidt is a member of the Engineers and Geoscientists of British Columbia and is a Competent Person as defined in the JORC Code (2012 Edition of the "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves") having sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that he is undertaking. Mr. Bradley Ulry, Mr. Matthew Carter, Mr. John Gorham and Mr. Nathan Schmidt consent to the inclusion of the matters based on their information and have reviewed all statements pertaining to this information and consent to this statement and to references in this announcement to them in the form and context in which they appear.

The JORC Report is available to view on the Company's website ([www.montem-resources.com](http://www.montem-resources.com)). The Company confirms that it is not aware of any new information or data that materially affects the information included in the JORC Report and that all material assumptions and technical parameters underpinning the estimates in the JORC Report continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons' findings are presented have not been materially modified from the JORC Report.

## 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.