

3 September 2021

Madeleine Green
Principal Adviser, Listings Compliance (Perth)
ASX Limited
Level 40, Central Park,
152-158 St Georges Terrace
PERTH WA 6000

RESPONSE TO ASX PRICE QUERY

Dear Madeleine,

In response to your letter dated 31 August 2021, Mont Royal Resources Limited (**the Company** or **MRZ**) (ASX:MRZ) wishes to address each of your queries regarding the increase in the price of MRZ securities on 30 August 2021, as follows:

1. At the time of the price query, the Company was negotiating, and on 2 September 2021 executed, a Term Sheet relating to the acquisition of a 75% interest in Northern Lights Minerals Pty Ltd, which could explain the trading in the Company's securities, if known by some. The Company does not however, believe that this information ceased to be confidential until such time as it was announced to ASX today.
2. The Company was relying on Listing Rule 3.1A not to announce the information until such time as the Term Sheet was agreed between the parties and duly executed, specifically as the information concerned an incomplete negotiation and was insufficiently definite to announce until that point. The Company has now announced the transaction.
3. Not applicable
4. The Company confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1. Further, the Company notes that it has regularly disclosed that it is searching for additional opportunities in the resources sector which demonstrate capacity to add long term shareholder value.
5. The Company's responses have been authorised and approved under its published continuous disclosure policy and also by an officer with delegated responsibility from the Board to respond to ASX on disclosure matters.

Trading Halt

This is the response to the ASX Price Query referred to in the Company's request for Trading Halt on 31 August 2021.

Further Details

This notice is authorised to be issued by the Board.

Please contact Shaun Menezes for any further inquiries at (02) 8651 7800.



31 August 2021

Mr Shaun Menzies
Company Secretary
Mount Royal Resources Limited

By email: shaun@patchresources.com.au

Dear Mr Menzies

Mount Royal Resources Limited ('MRZ'): Price - Query

ASX refers to the following:

- A. The change in the price of MRZ's securities from a low of \$0.29 to an intra-day high of \$0.35 on Monday, 30 August 2021.
- B. The change in the price of MRZ's securities over the month of August 2021 from a low of \$0.195 at the close of trade on Wednesday 4 August 2021 to a high of \$0.35 today, Tuesday 31 August 2021.

Request for information

In light of this, ASX asks MRZ to respond separately to each of the following questions and requests for information:

1. Is MRZ aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is "yes".
 - (a) Is MRZ relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in MRZ's securities would suggest to ASX that such information may have ceased to be confidential and therefore MRZ may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is "no", is there any other explanation that MRZ may have for the recent trading in its securities?
4. Please confirm that MRZ is complying with the Listing Rules and, in particular, Listing Rule 3.1.
5. Please confirm that MRZ's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of MRZ with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **7:30 AM AWST Wednesday, 1 September 2021**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, MRZ's obligation is to disclose the

information ‘immediately’. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require MRZ to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsCompliancePerth@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is “yes” and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in MRZ’s securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in MRZ’s securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to MRZ’s obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that MRZ’s obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Yours sincerely

Madeleine Green
Principal Adviser, Listings Compliance (Perth)