



RESOURCES

MONT ROYAL RESOURCES LIMITED

ASX:MRZ

COMPLEMENTARY ACQUISITION

**A DOMINANT POSITION IN AN  
UNDEREXPLORED GREENSTONE BELT,  
QUEBEC, CANADA**

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Investor Presentation  
October 2021





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The information in this announcement that relates to historical exploration results were reported by the Company in accordance with listing rule 5.7 on 22nd October 2021. The Company confirms it is not aware of any new information or data that materially affects the information included in the previous announcement.

This announcement has been authorized for release by the Board of Mont Royal Resources Limited.

# Northern Lights Minerals - Acquisition Highlights



## STRATEGIC LOCATION

Surrounding Benz Mining Corp's (BZ.TSXV/BZM.ASX) Eastmain Deposit located in the Upper Eastmain Greenstone belt, 320 km northwest of Chibougamau and 800km North of Montreal, Canada.

## UNDEREXPLORED

The Upper Eastmain Greenstone Belt is one of several Archean greenstone belts situated within the Canadian Shield. Due to historically perceived remoteness, the region is under explored.

## HISTORICAL DISCOVERIES

Benz Mining has delivered exploration success on the neighbouring deposit and along strike. Mont Royal endeavours to replicate this success following completion of the proposed acquisition.

## EXISTING INFRASTRUCTURE

316 km by road from Chibougamau, a mining centre with workforce and processing plants, and an all weather road (Route 167 Nord) allowing year round access to the Eastmain property.

## MODERN EXPLORATION

Australian methodologies and techniques deployed at the Eastmain deposit will also be utilised by Mont Royal, including the use of electromagnetic (EM) geophysics.

## COMPLEMENTARY PROJECTS

The Northern Lights acquisition assets and the JV assets are complimentary to the Wapatik Gold Copper Project located in the Lower Eastmain region of James Bay.

# Board of Directors



**Gary Lawler - BA, LLB, LLM (Hons), Master of Laws (Applied Laws) (Wills and Estates)**  
**Non-Executive Chairman**

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- Significant expertise in the areas of mergers and acquisitions and corporate governance, having practiced in this space for over 40 years.
- Advised many listed companies and investment banks on a wide range of corporate transactions including hostile takeovers, takeover defences, agreed mergers and corporate reconstructions.
- Has held board positions with Dominion Mining Limited, Riversdale Mining Limited, Riversdale Resources Limited (Canada), Cartier Iron Corporation (CNX:CFE). Currently a Non-Executive Champion Iron Limited (ASX/TSX:CIA).



**Peter Ruse - B Comm, Grad Cert Applied Finance and Investment**  
**Executive Director**

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- Finance professional with 15 years' experience in Equity Funds Management and Private/Institutional Wealth Management in the Mining/Minerals and Industrial related sectors.
- Extensive private and public equity market experience as a former Executive Director/Portfolio Manager of ALR Investments Pty Limited, a Western Australian family office investment company.
- Currently a Non-Executive Director of Gunsynd PLC (AIM:GUN).



**Michael O'Keeffe - B.App.Sc (Metallurgy)**  
**Non-Executive Director**

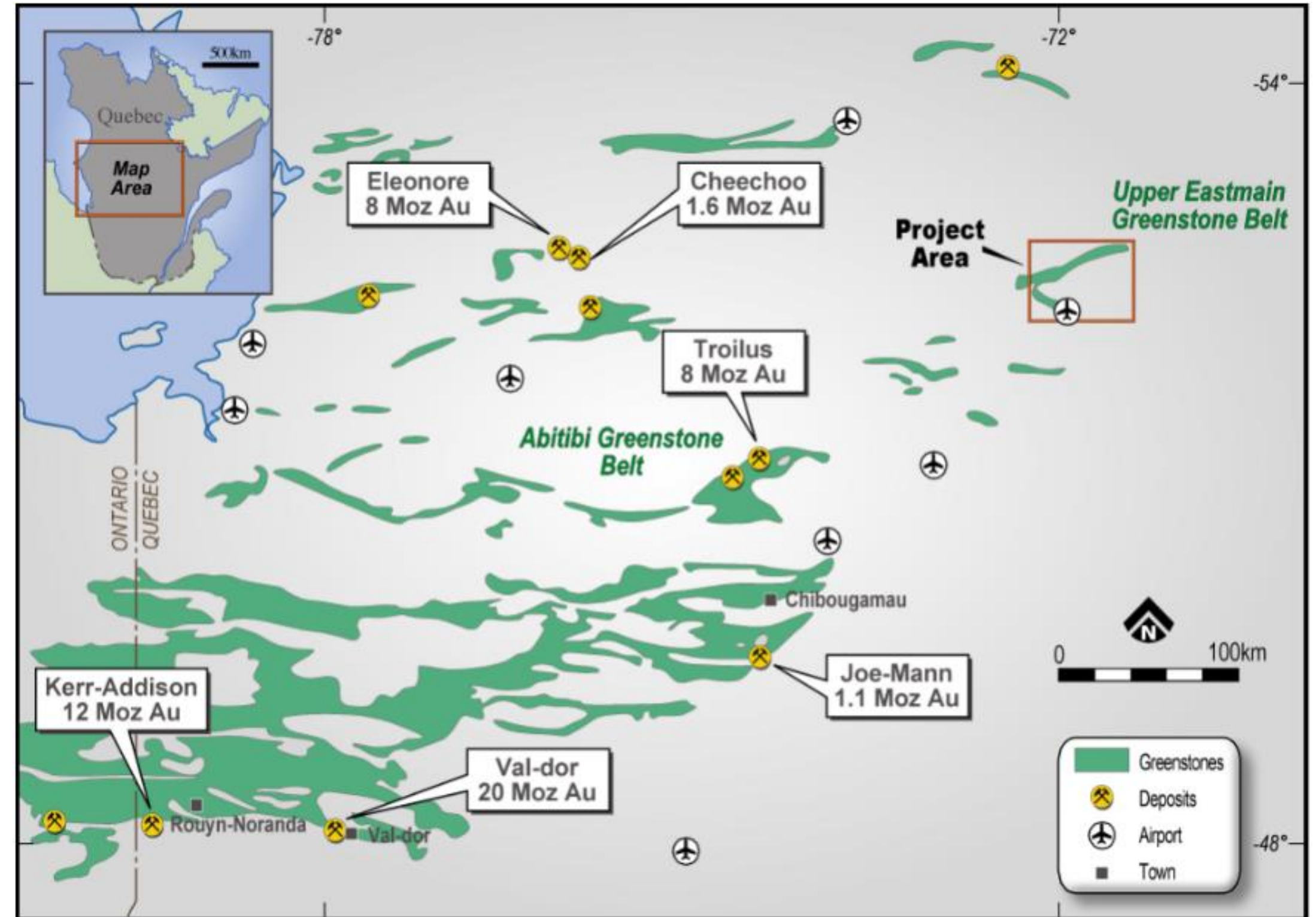
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- A metallurgist by training, Mr O'Keeffe's knowledge of the mining industry and his extensive experience managing large companies has resulted in an impressive track record of achievements.
- Has held previous board positions as Executive Chairman of Riversdale Mining Limited, Riversdale Resources Limited (Canada), Managing Director of Glencore Australia Limited (1995-2004)
- Current Executive Chairman of Champion Iron Limited (TSX/ASX:CIA), Non Executive Director Burgundy Diamonds Mines Limited (ASX:BDM).



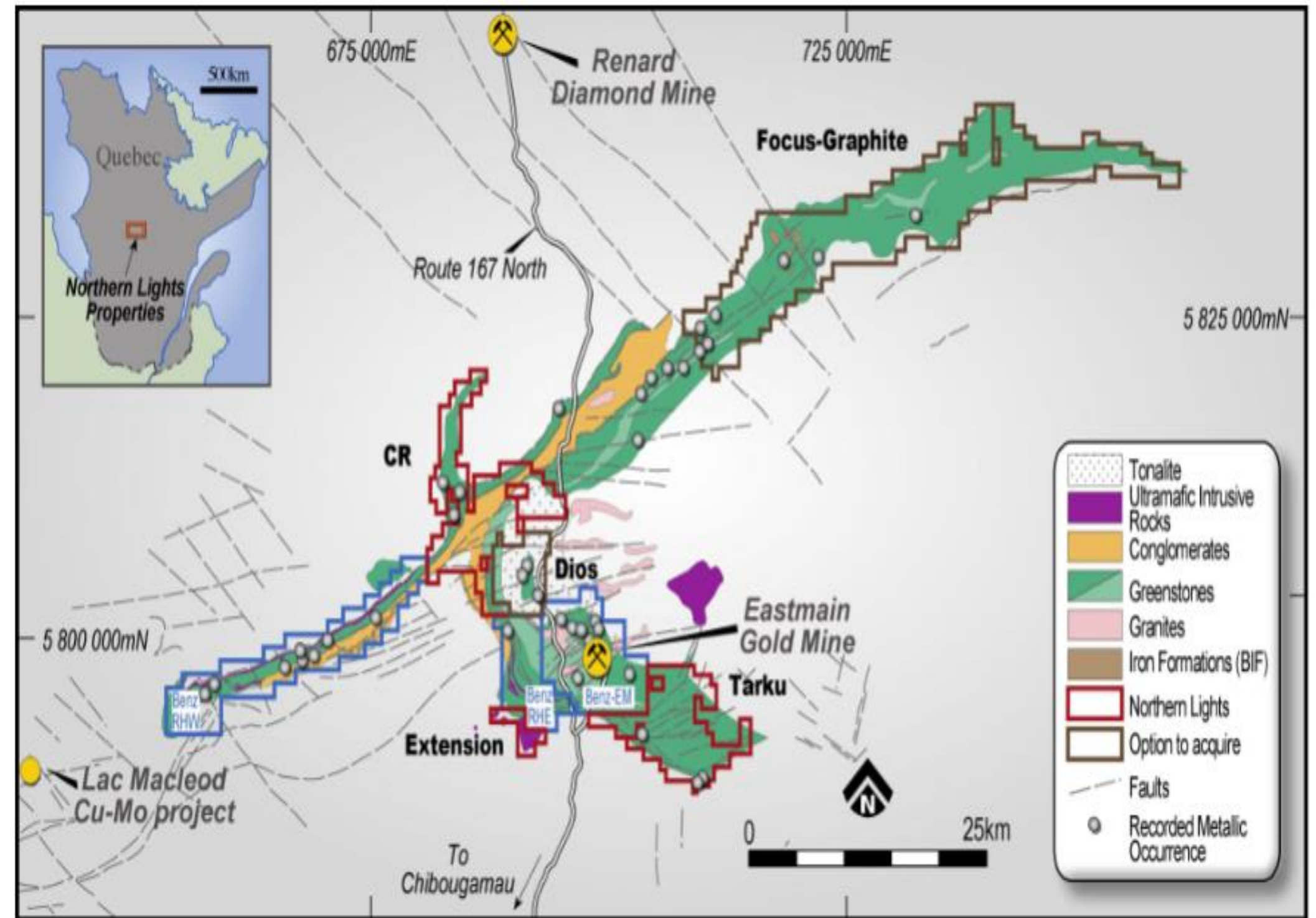
# Regional Location – Upper Eastmain Greenstone Belt

- Situated in the Upper Eastmain Greenstone belt, 300km NNE of the town of Chibougamau; 56km south of Renard Diamond mine.
- The Upper Eastmain Greenstone Belt is one of several Archean greenstone belts situated within the Canadian Shield.
- Due to its northerly location and historical remoteness, the region has not received the same level of exploration compared to the belts to the south - the Abitibi Greenstone Belt hosts a number of world class mines including (Kirkland Lake, Rouyn Noranda, Malartic and Kerr Addison).



# Access and Infrastructure

- Total land package of 536 km<sup>2</sup>.
- Underexplored greenstone belt ~150km in length and up to 20km wide.
- 316 km by road from Chibougamau, mining centre with workforce and process plants.
- Territory covered by Société du Plan Nord (SPN) projects in Northern Quebec, a Government initiative to fund development. (comparable to NAIF in Australia).
- SPN completed the construction of an all weather road (Route 167 Nord) allowing year round access.





# Project Acquisition - Agreement Summary & Conditions Precedent



- MRZ is proposing to acquire a 75% shareholding in Northern Lights Minerals Pty Ltd (NLM) by issuing 5,000,000 MRZ shares to NLM.
- Consideration shares to be escrowed for 12 months from date of issue.
- MRZ to free carry NLM until the JV achieves a Bankable feasibility study (BFS).
- Northern Lights holds a 100% beneficial interest in certain mining claims Tarku, RHE-Extension, CR (Northern Lights Assets).
- Northern Lights is party to agreement(s) with:
  - 1 - Focus Graphite** providing Northern Lights the right to acquire a 100% interest in the Focus assets  
To satisfy the terms of this agreement combined cash payments of CA\$1.8m must be made over a 3 year period, Northern Lights can elect to pay this in cash and shares. Any consideration satisfied by shares will be capped at 50% for each tranche and the shares to be issued will be based off a 10-day VWAP trading price.
  - 2 - Dios Exploration Inc (Dios) (Dios Agreement)** providing Northern Lights the right to acquire a 70% interest in the certain claims (and associated mining information) (the Dios Assets)  
To satisfy the terms of this agreement combined cash payments of CA\$160,000 must be made over a 4 year period. In addition, in order to exercise the option, Northern Lights must expend not less than CA\$1.4m of exploration expenditure over a 5-year period.

The Proposed Acquisition remains subject to the conditions precedent set out in the announcement of 3 September 2021, being:

- v. satisfaction of Mont Royal's due diligence investigations;
- vi. completion of a capital raising of no less than A\$4,000,000 (before costs);
- vii. shareholder approval for the issue of the Consideration Shares and the capital raising;
- viii. (iv) entry into a formal agreement.

# Details of new option Agreements

## Focus Graphite option: Earn-in to 100%

Cash/Share Consideration Payments (CA\$)	Payment Dates
\$500,000	December 2021
\$500,000	December 2022
\$800,000	December 2023
<b>CA\$1,800,000 *</b>	

\*Any consideration satisfied by shares will be capped at 50% for each tranche and the shares to be issued will be based off a 10-day VWAP trading price.

## Dios Exploration option: Earn-in up to 70%

Payment Dates	Minimum Expenditures (CA\$)	Cash Payments (CA\$)
July 2022		\$30,000
July 2023		\$30,000
July 2024		\$50,000
July 2025	1,400,000*	\$50,000
<b>Total</b>	<b>CA\$1,400,00</b>	<b>CA\$160,000</b>

In addition, in order to exercise the option, Northern Lights must expend not less than CA\$1.4m of exploration expenditure over a 4-year period. Year 1 complete by NLM.



# Tarku Property

- The property is the eastern extension of the Eastmain Project, with similar geology and contains gold mineralisation distributed along the faults.
- The area is characterised by presence of several heli-borne TDEM anomalies similar to that explored by Benz Mining at the Eastmain project.

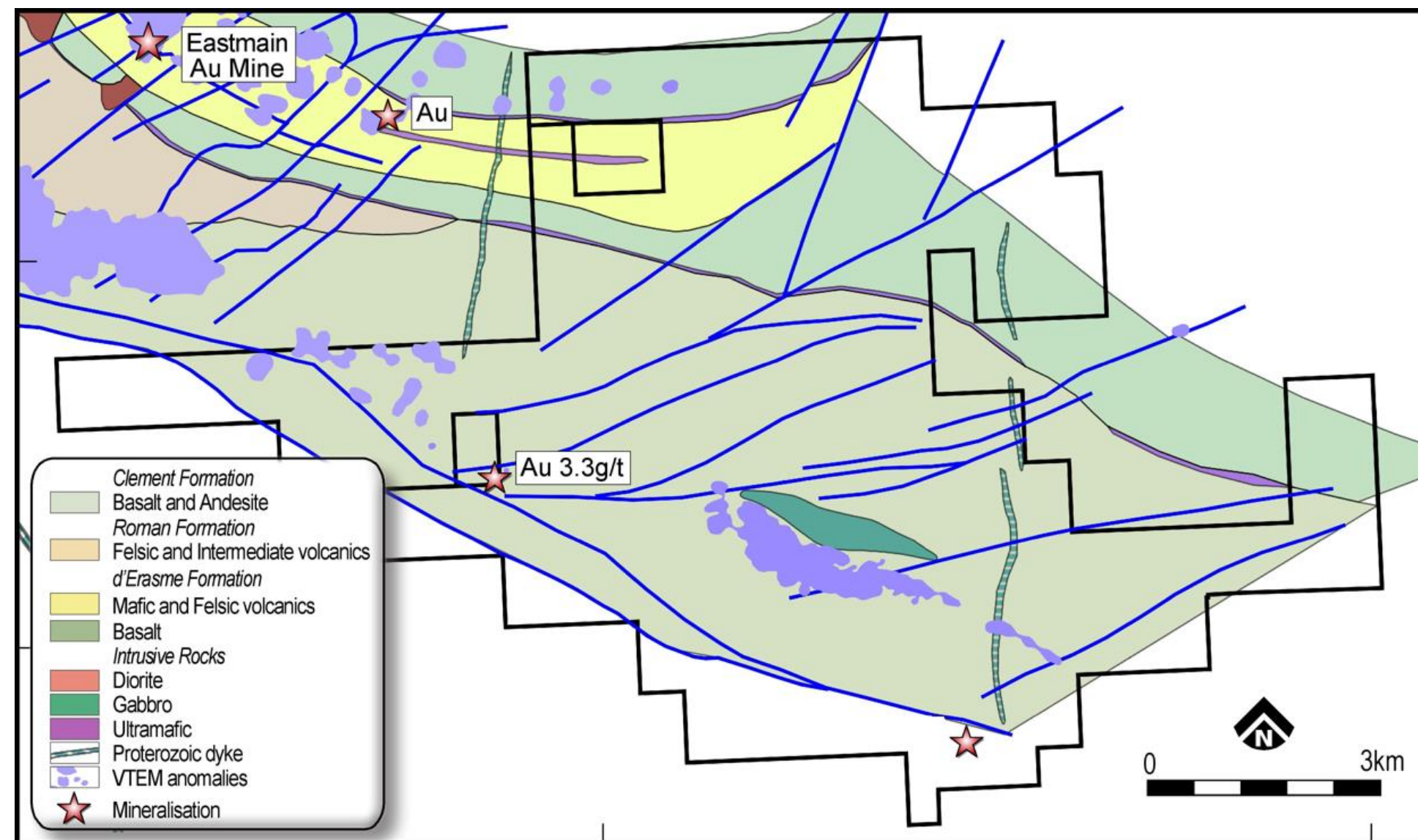


Fig 1: Geology of the Tarku property showing the heli-borne TDEM anomalies



# Tarku - Further enhance initial targets defined by NLM

**Target 1** Located along the southern contact of the tenements continuing from the heli-borne EM anomalies and Au occurrences on the north-west to south-east of the tenure up to the Ag occurrences

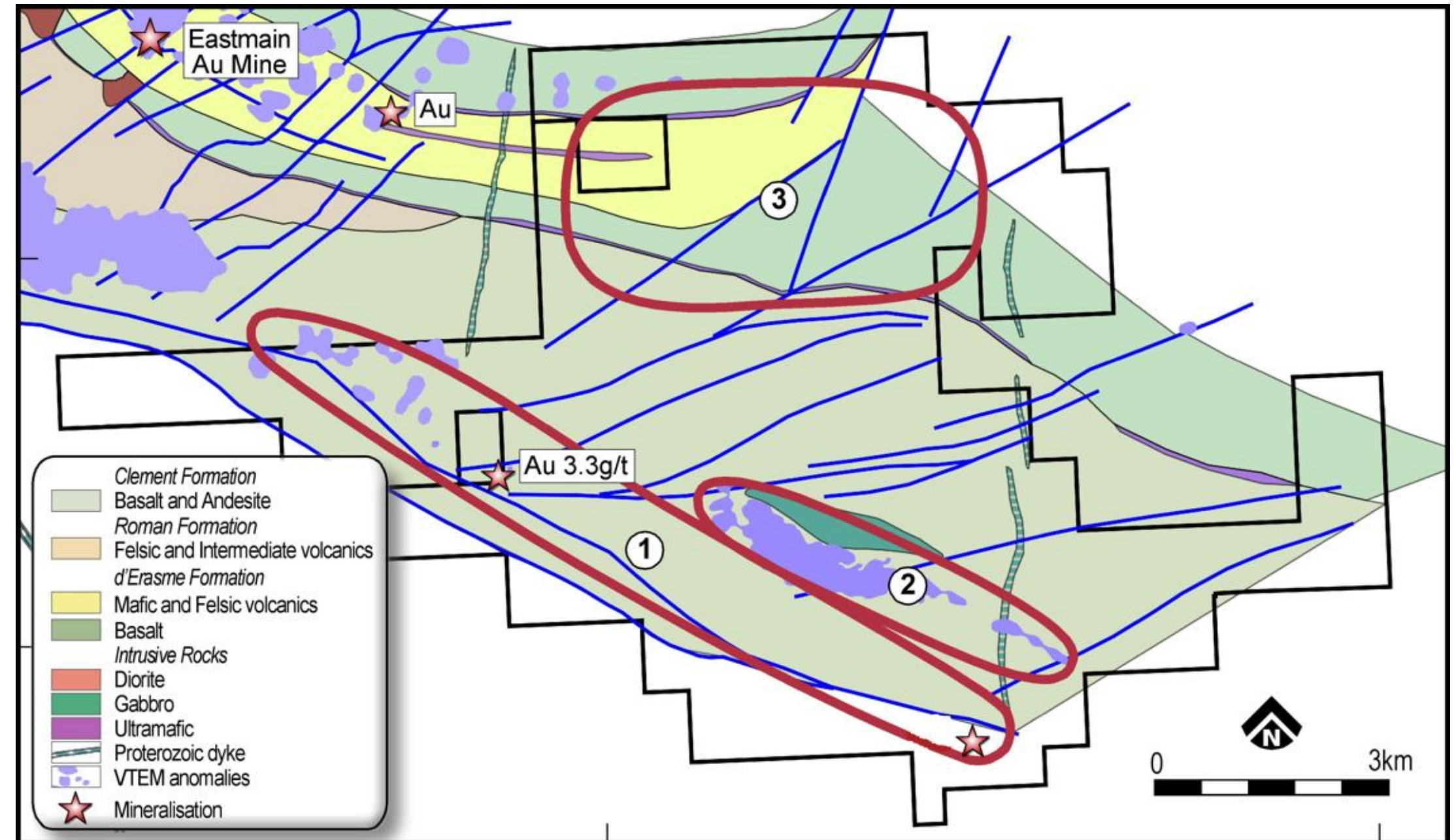
- The approach used for target generation at the Eastmain project - Benz Mining will be adopted

**Target 2** Encompasses the strong and large heli-borne EM anomaly located along the contact of the gabbro intrusion

- Significant in both size and intensity it can be related to highly conductive host rocks.
- The anomaly associates with pyrite-pyrrhotite mineralisation observed in the outcrops. Detailed prospecting (mapping) and geochem sampling in this area is recommended

**Target 3** Extension of the Eastmain deposit mining stratigraphy and shall be explored using the same approach used at the Benz Mining properties. Geochemical Au anomalies on the neighbouring property were identified all the way to the border with Tarku, however the Tarku project was not geochemically surveyed

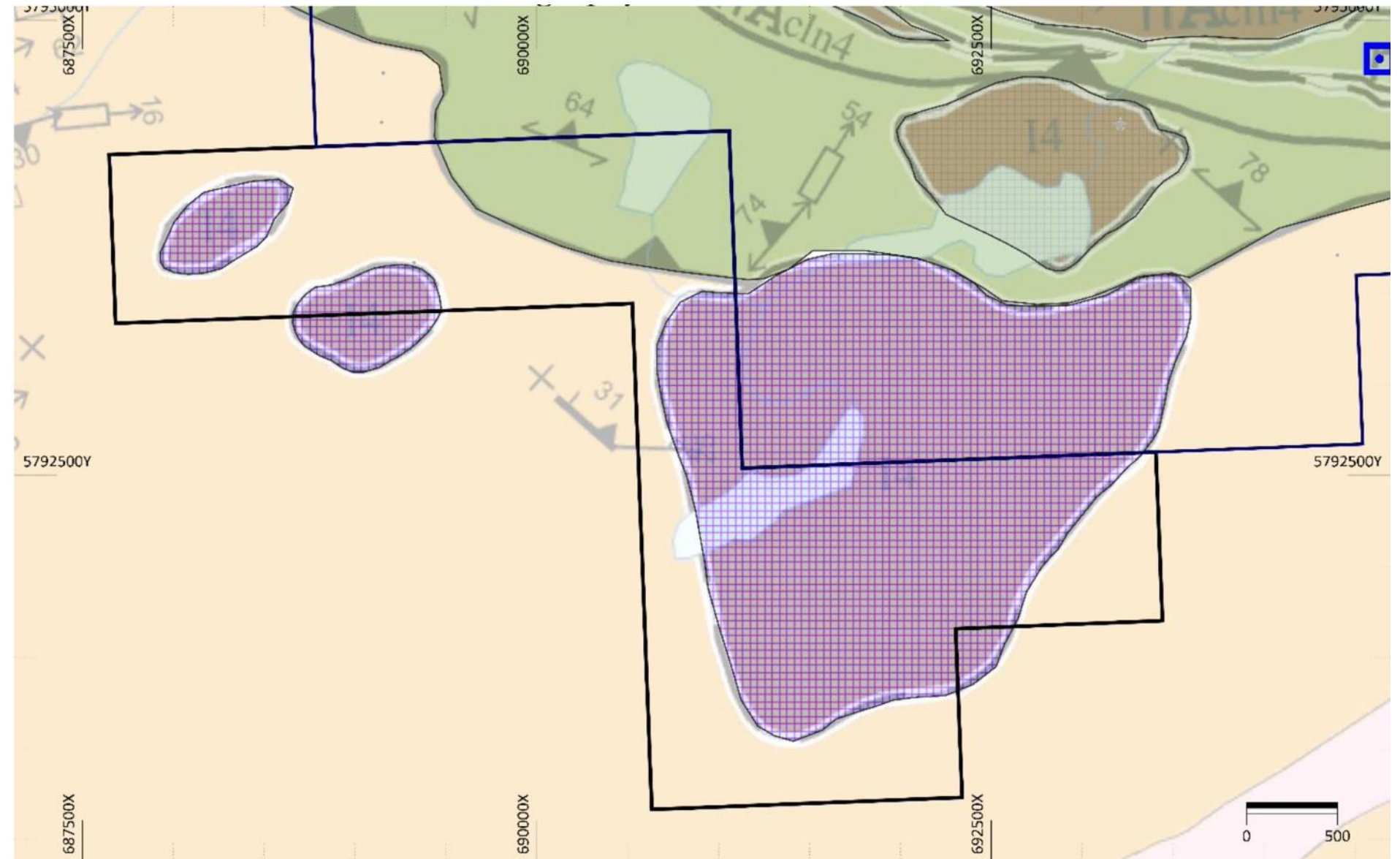
- Prospecting and detailed mapping, sampling, Electro Magnetic survey and drill-testing of the generated anomalies





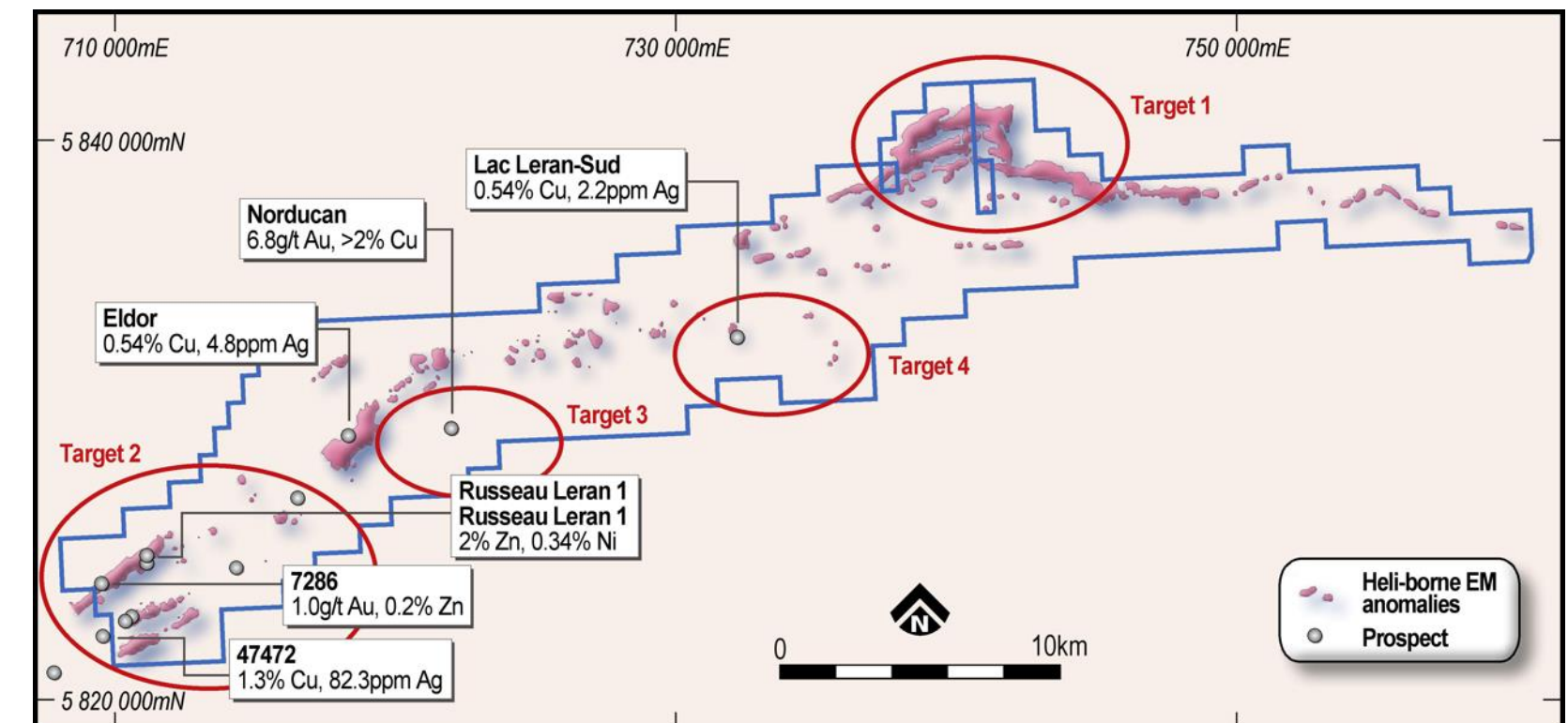
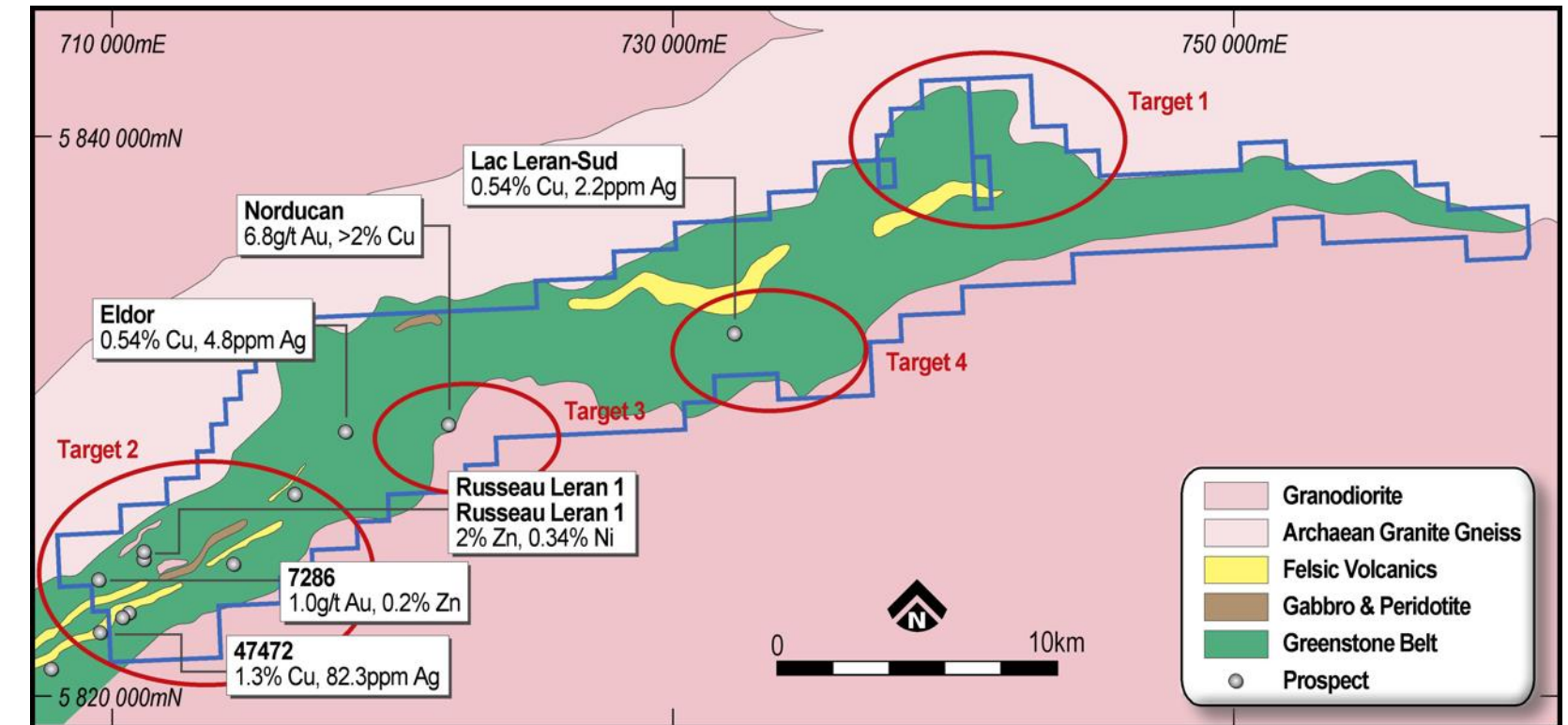
# Northern Lights – RH Extension - Ni-S Project

- Ruby Hill Extension (RH Extension) includes several blocks that Northern Lights added to the south of the Benz Mining's - Ruby Hill East property. This is a Nickel-Sulphide project with the target area encompassing a swarm of a small ultramafic intrusions interpreted from the magnetic data.
- These ultramafic intrusions potentially represent the magma conduit that forms the feeder system for the large differentiated mafic-ultramafic intrusion that spread through the contact of the Northern Light's (RHE-extension) and Benz Mining's (RHE) tenements.
- Interpreted feeder system and its inlet at the intrusive complex are the main exploration targets.
- Limited geochemical or geophysical data on Ruby Hill to date - underexplored with geological mapping largely based on interpretation of the magnetic data.
- MRZ proposes the following work programs:
  - Prospecting and outcrop mapping./sampling
  - Ground fixed loop EM
  - Testing of the generated drill targets



# Focus Graphite – JV to Earn-in to 100%

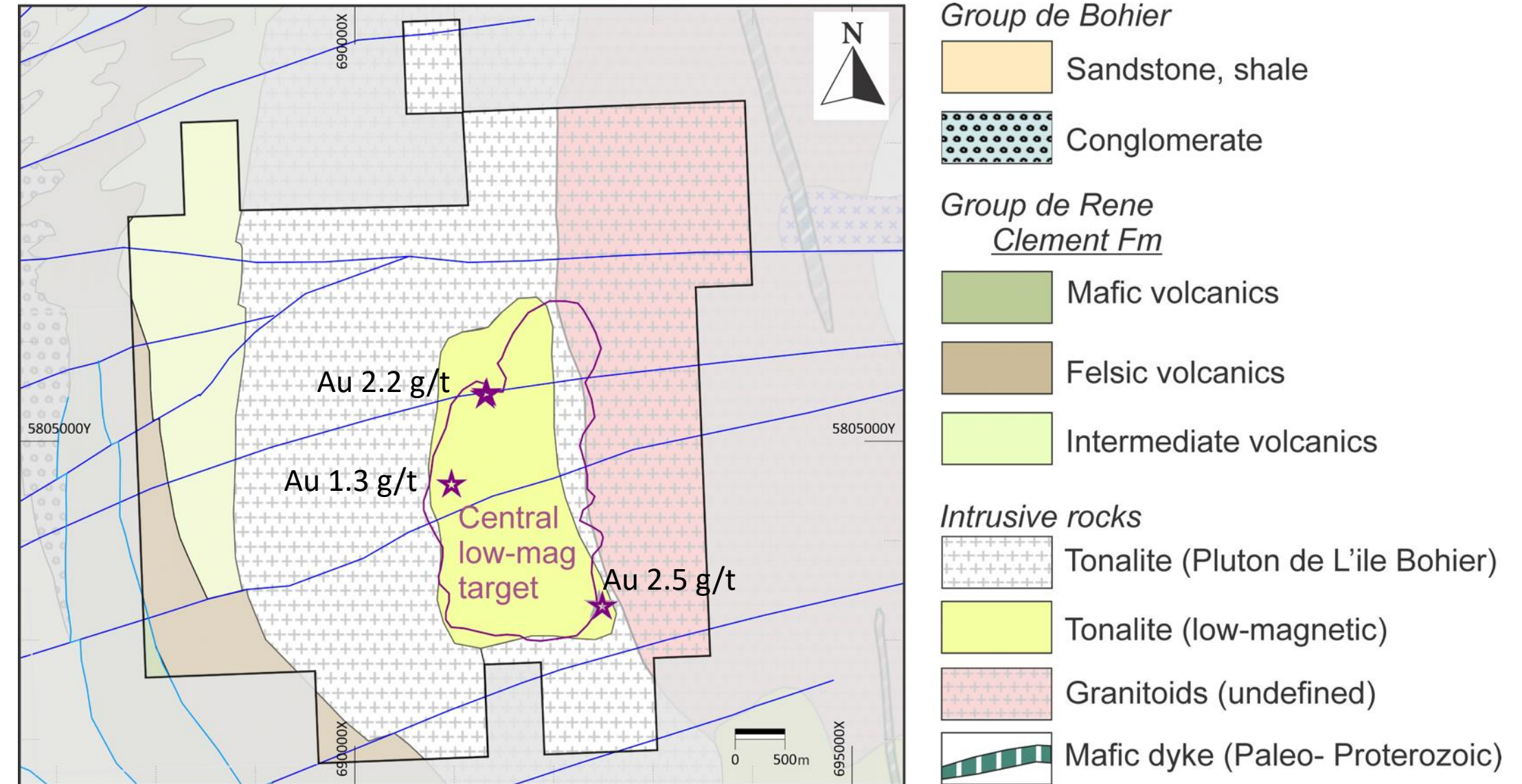
- **Target 1:** Strong EM and Mag anomalies, broad fold suggesting good permeability along the fold related cleavage fan plans. Broadly similar to structural settings of the A,B,C shoots at the EM deposit, with potential also as a Ni-S target.
- **Target 2:** Most advanced target from past work, due to the Gossan sampled using trenching. VTEM anomalies are coincident with intercalation of felsic and mafic volcanics. Rock samples (outcrops) returned 0.6 – 0.7 g/t Au. The same stratigraphy hosts high grade Au mineralisation. Sample collected 8.5km South-West along strike returned 25.9 g/t Au.
- **Targets 3 & 4:** Focused around the known prospects:
  - **Target 3** - To date, best Au grade at the outcrop 6.62 g/t.
  - **Target 4** – Exposed quart-sulphide veins, bearing gold mineralisation





# Dios Property - JV to Earn-in to 70%

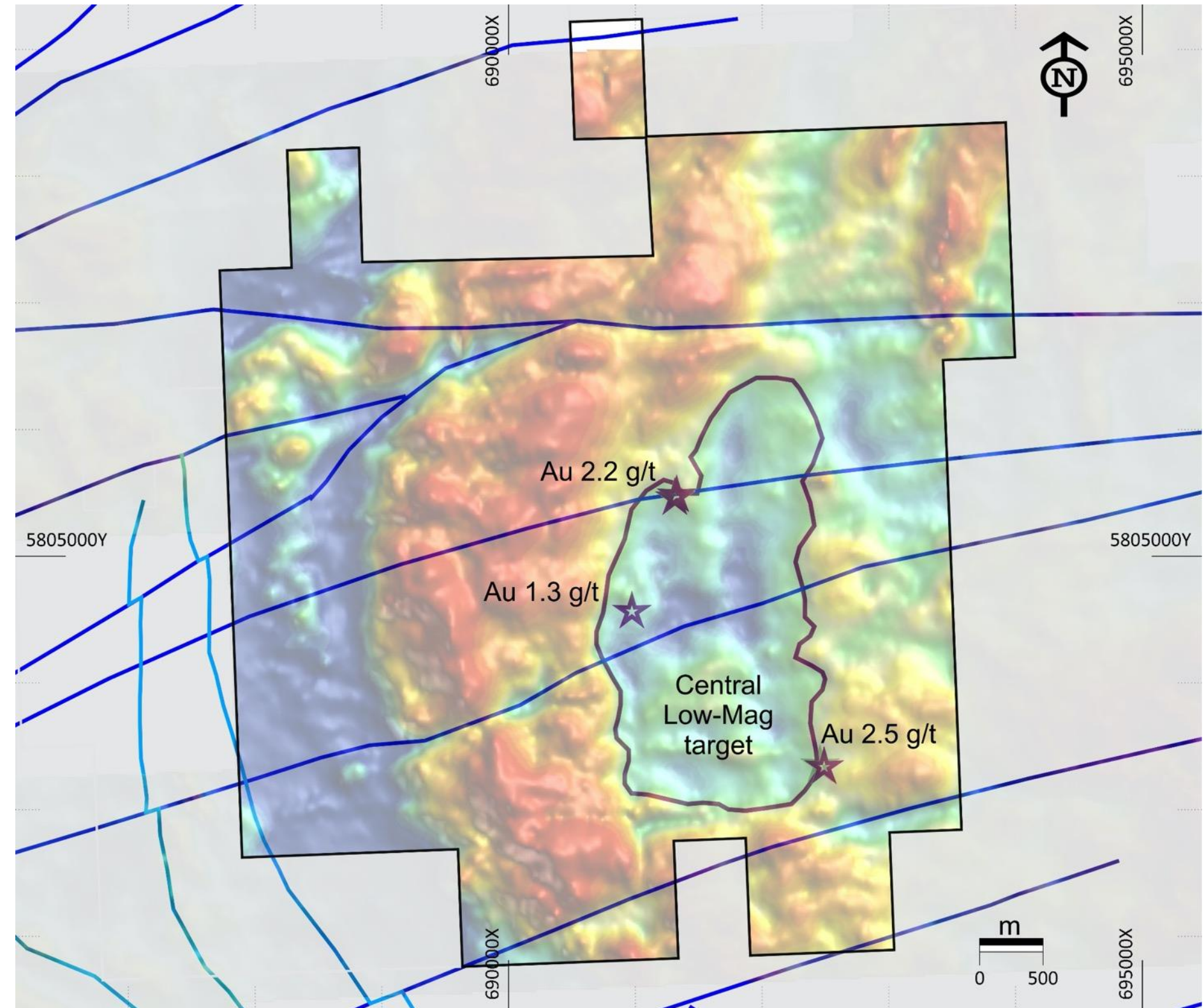
- The property covers the contact between the Bohier Tonalite and felsic to intermediate volcanics of the Eastmain river greenstone belt to the West and with a large Granodiorite pluton to the East.
- Au-Ag-Cu-Bi mineralized occurrences are contained in and/or in close proximity to a magnetic-low within the Bohier Tonalite.





# Dios Property - JV to Earn-in to 70%

- The magnetic-low area is represented by a tonalite, that locally intensely silicified and demagnetised.
- Further de-magnetized zones are believed to represent alteration zones distributed along the faults (solid blue lines). These also represents the orogenic gold exploration targets.





# Acquisition Assets 2021/2022

## Exploration Program



Exploration Activity	Dec 21 Quarter	Mar 22 Quarter	June 22 Quarter	Sept 22 Quarter
<b>Reprocessing of the historic geophysical data</b> Focussed on airborne VTEM and MAG survey data from the Focus Graphite area (surveyed 2013) and in the Tarku area (surveyed 2015), with the objective of enhancing the earlier identified anomalies and generating the 3D inversion models.				
<b>Geochemical soil sampling</b> To be undertaken in the Tarku, CR and Extension tenements areas following the regular sampling grid, similar to that is used at the EM properties of BENZ.				
<b>Detailed geochemical soil sampling</b> Focusing on earlier identified targets revising them in accordance with the reprocessed geophysical data.				
<b>IP survey</b> To be undertaken at the Dios Project.				
<b>EM survey (Airborne &amp; Ground)</b> Fixed loop (or Heliborne VTEM) on the RH Extension & Tarku properties. Heliborne TDEM data from the 2015 survey will be reprocessed with objective to generate 3D Inversions.				

\*following shareholder approval at the upcoming AGM.



# Proposed Capital Raising and Use of Funds

Mont Royal intends to undertake a capital raising in connection with the Acquisition to raise approximately AU\$4,000,000 through the issue of 20,000,000 Shares (Capital Raising Shares) at a deemed issue price of \$0.20 per share, subject to Shareholder approval under Listing Rule 7.1 (Capital Raising).

The Company’s proposed use of funds over the next 12 months are outlined in the following table:

Projects	Exploration Expenditure (AUD)
Northern Lights Assets	\$1,250,000
Focus Assets	\$500,000
Dios Assets	\$500,000
Wapatik Project	\$800,000
Costs of transaction & Working Capital	\$950,000
<b>Total</b>	<b>AU\$4,00,000</b>



# Proposed Capital Structure – Pre & Post Transaction



## MRZ Capital Structure – Pre-Transaction

	Shares	Options
Shares on Issue	37,878,715	
Options		4,000,000
<b>TOTAL</b>	<b>37,878,715</b>	<b>4,000,000</b>

## MRZ Capital Structure – Post Transaction

	Shares	Options
Shares on Issue	37,878,715	
Options		4,000,000
Vendor Shares	5,000,000	
Capital Raise (\$4m @ \$0.20)	20,000,000	
Broker Options \$0.35 exercise price with expiry 3 years from issue		5,000,000
Board and Management Options		4,750,000
<b>TOTAL</b>	<b>62,878,715</b>	<b>13,750,000</b>

# Corporate Snapshot



Mont Royal Resources (ASX:MRZ) is building a dominant position in an underexplored greenstone belt in Quebec, Canada through the acquisition of the Northern Lights, Dios and Focus Assets. Located in the upper Eastmain greenstone belt with significant historical discoveries, the Acquisition Assets are strategically located, with existing infrastructure and are complementary to Mont Royal’s Watapik Project.

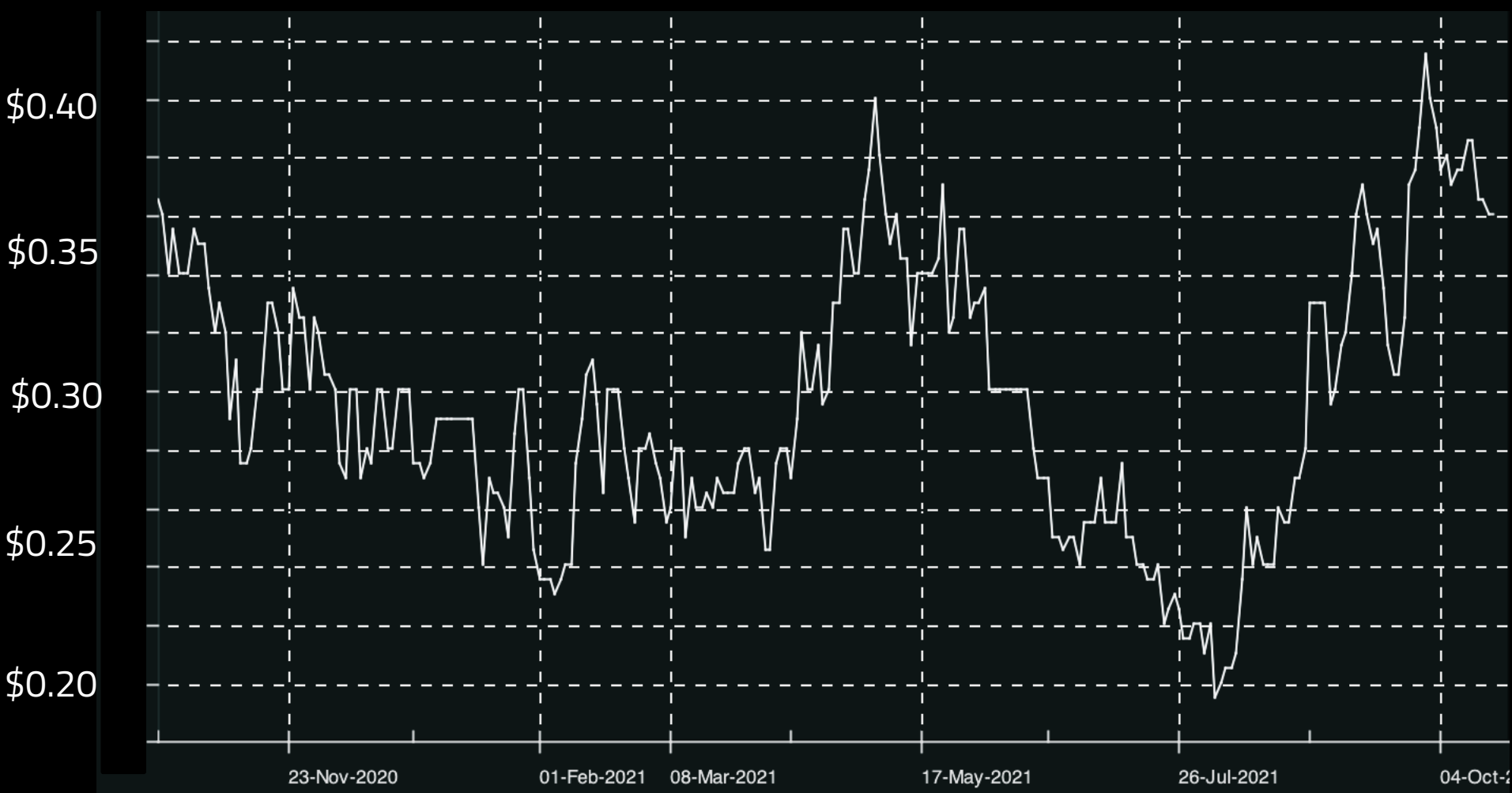
Mont Royal Resources proposes to issue 5,000,000 ordinary shares to Northern Lights Minerals Pty Limited as consideration for the acquisition. It also proposes to raise \$4,000,000 by the issue of 20,000,000 ordinary shares in connection with the acquisition.

## Key Metrics

ASX	MRZ
Share Price (20/10/2021)	\$0.36
Fully Paid Shares (Post transaction) (1)	62.9m
Market Capitalisation	\$22m
Restricted Vendor Shares (2)	5,000,000
Options (3)(4)	13,750,000
Enterprise Value	\$16m
Cash Balance	\$6.1m

- 1. 20,000,00 shares raised @ 0.20c (subject to shareholder approval)
- 2. Restricted for 12 months from date of issue (October 2021)
- 3. Director Options (4,000,00 May 2022 exp), (4,750,000 October 2024 exp, (subject to shareholder approval)
- 4. Broker options 5,000,000 (October 2024 exp) (subject to shareholder approval)

## 12 Month Share Price Performance





# Wapatik Property

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Wapatik Property  
Option/Joint Venture  
to earn 70%

**Lower Eastmain Greenstone belt,  
James Bay Region, Quebec.**





# Overview - Wapatik Property



- 220 claims totalling 115sq/km in continuous tenure - underexplored with highly limited modern exploration.
- Located in the James Bay-Eeyou Itchee region, in the lower Eastmain Greenstone belt, part of the La grande Sub-province of the Archean Superior Province, which has been subject to significant exploration activity.
- The region is host to the Éléonore gold mine (Newmont Corporation NEM.US) and recent Patwon discovery/Elmer property, with Azimut consolidating the tenure 13km west of the Wapatik following the Patwon discovery<sup>1</sup>.
- Lithostructural interpretation completed by Mont Royal and Azimut in May 2021, providing a new higher-fidelity geologic map of the property.
- Fieldwork currently underway that will guide the prioritisation of subsequent work ultimately leading to a maiden drill program in late 2021.
- Geological formation which hosts Azimut's Elmer project extends east to west associated with high magnetic/iron formations, with five faults identified on the eastern side of the property.
- The transaction is enabling Mont Royal to deploy its cash position via the earn-in partnership arrangement, whilst leveraging Azimut's strong technical exploration team, to unlock the full potential of the Wapatik project.

<sup>1</sup> Source: [www.azimut-exploration.com](http://www.azimut-exploration.com)



# Wapatik Exploration Program 2021/2022



## Ongoing exploration program in 2021:

- Systematic till sampling survey **Completed in June 2021 results pending**
- Focused prospecting to assess target zones following receipt of the till survey results – expected soon. **To Commence October 2021**
- Mechanized stripping and trenching, to provide better access to outcrops of interest
- A ground IP survey to be commissioned during the winter or summer months
- Drill targeting and maiden drill program design





# Creating Shareholder Value



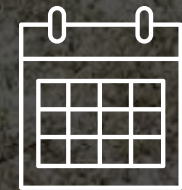
## **Building a strong Partnerships with new and existing partners**

- Newly established option(s) to JV in Quebec
- Continuing a strong technical and operational partnership with Azimut Exploration



## **Leverage off modern electromagnetic (EM) geophysics in its future exploration programs**

- Immediate deployment of Electromagnetic (EM) geophysics
- Ongoing implementation of AzTech predictive modeling



## **Progressing Early-Stage Exploration Projects**

- Fieldwork programs at NLM and JV assets to commence following MRZ's AGM and shareholder meeting
- Fieldwork currently underway that will guide the prioritisation of subsequent work ultimately leading to a maiden drill program at Wapatik in December quarter 2021/2022



## **De-risked Projects underpinned by strong technical data**

- Continue to advance Wapatik, Tarku to first pass drill target identification



# Contact

## MONT ROYAL RESOURCES

Level 8, 2 Bligh St Sydney NSW 2000

## WEBSITE

[www.montroyalres.com](http://www.montroyalres.com)

## EMAIL

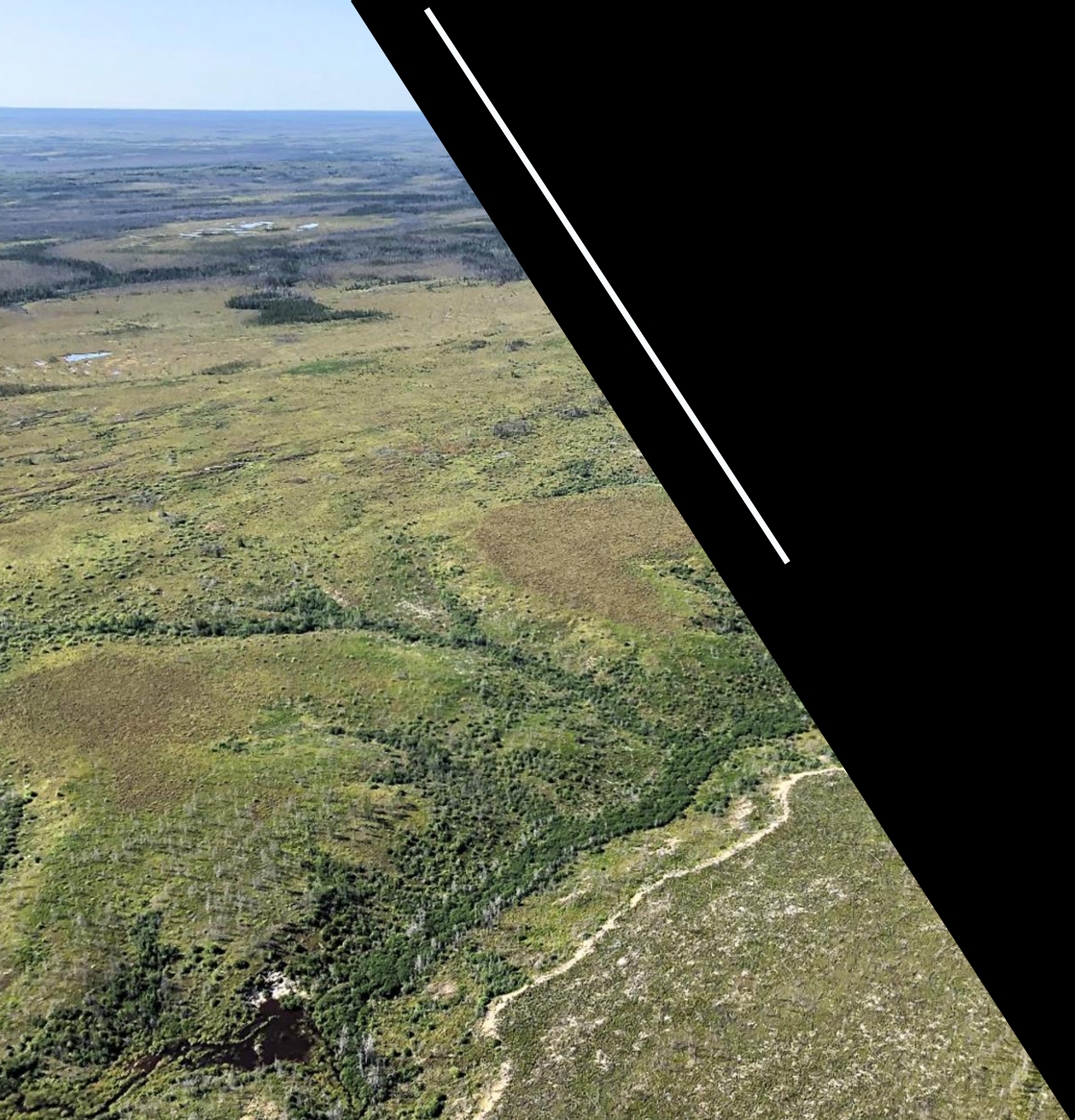
[info@montroyalres.com](mailto:info@montroyalres.com)

## SOCIAL MEDIA

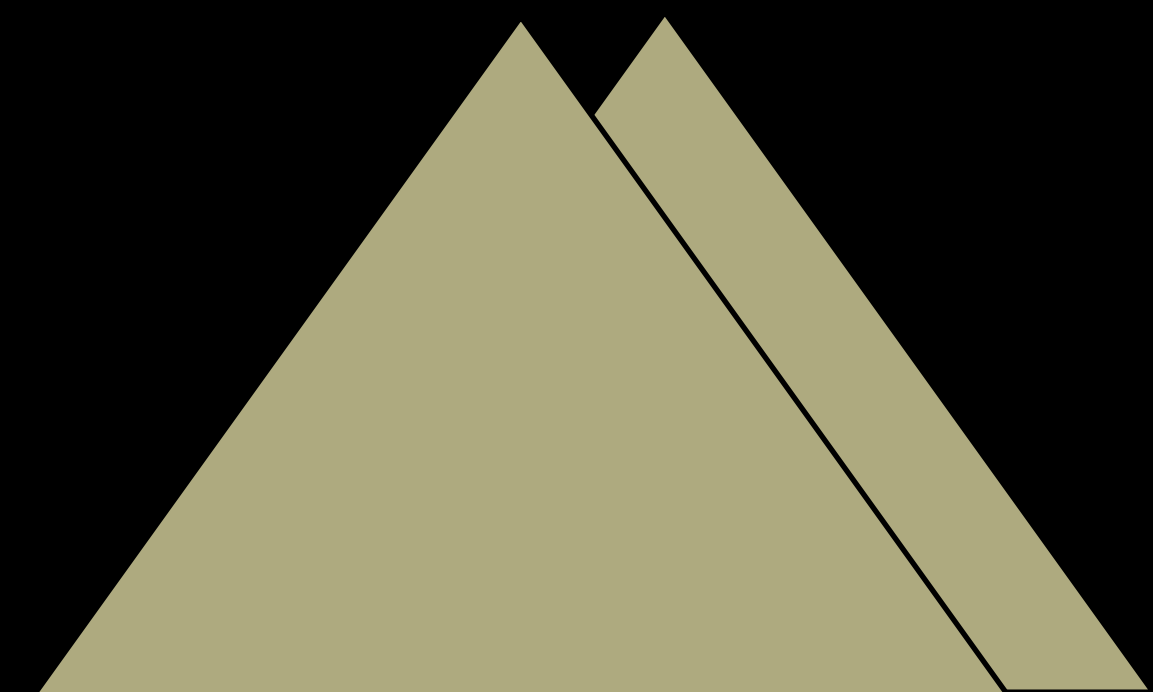
[@MontRoyalRes](https://www.instagram.com/MontRoyalRes)







# APPENDICES





# Why Quebec?

- One of the most active regions for Gold and Copper exploration in Canada
- A world-class jurisdiction for exploration and future project development
- Very low geopolitical risk
- Highly supportive Mining Tax Act – allowing deduction of exploration and development expenses
- Well understood mining regulatory environment
- Access to very cheap Hydro-electric power
- Highly skilled workforce
- Application of modern exploration near-mine or at depth

2017 Canada **\$2.2B**

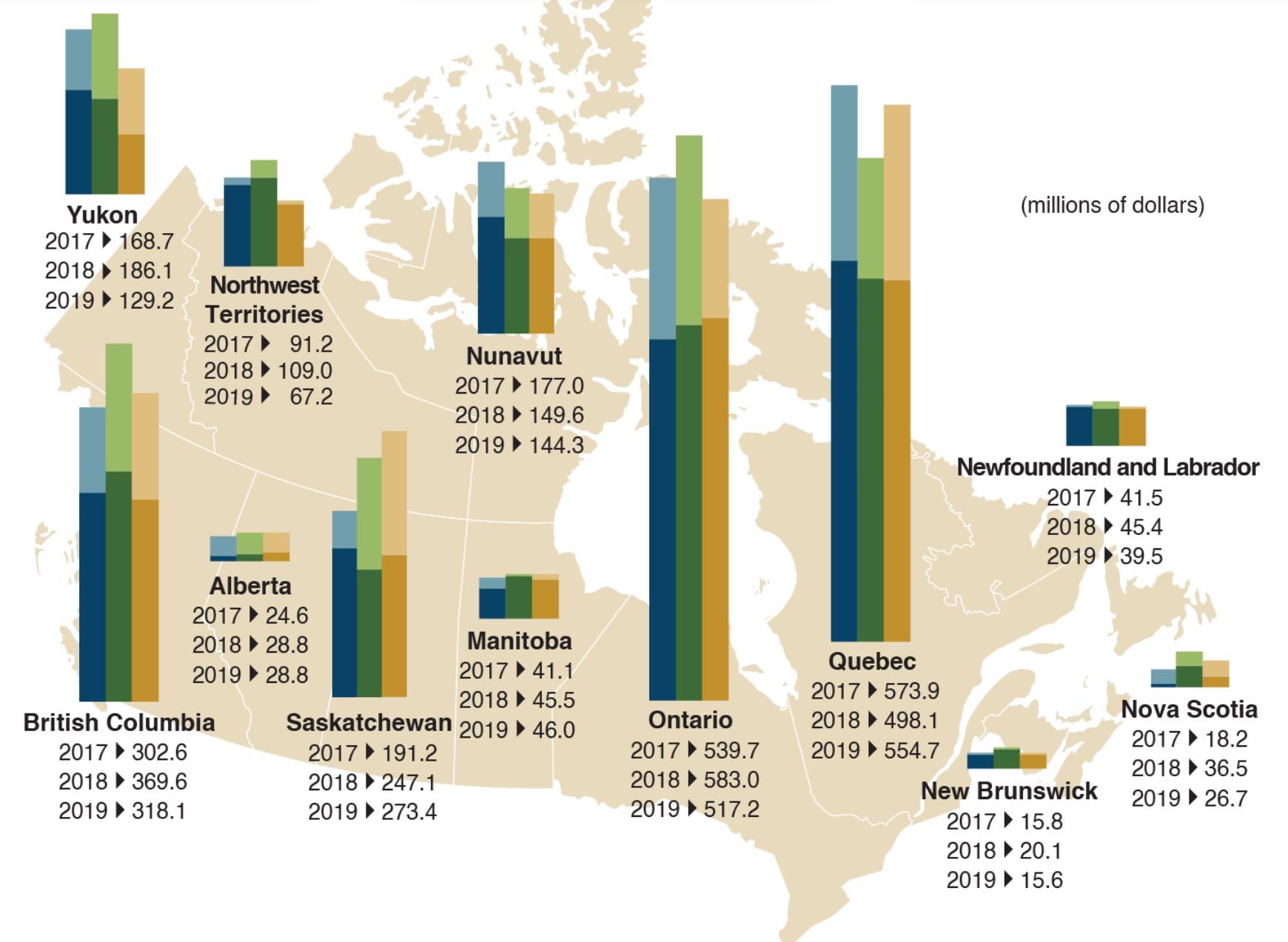
Exploration **\$1.5B**  
Deposit appraisal **\$0.6B**

2018 (p) Canada **\$2.3B**

Exploration **\$1.5B**  
Deposit appraisal **\$0.8B**

2019 (si) Canada **\$2.2B**

Exploration **\$1.5B**  
Deposit appraisal **\$0.7B**



Sources: Natural Resources Canada, Institut de la statistique du Québec.  
B = billion, p = preliminary expenditures, si

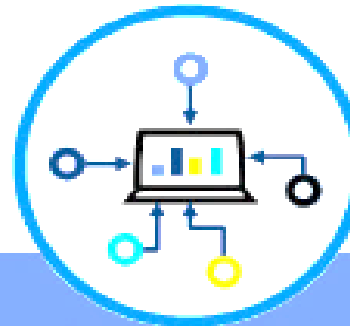
# AZtechMine™ - Predictive modelling



- By Partnering with Azimut, Mont Royal will benefit from the in-house technology and the strong technical expertise successfully applied to exploration in Quebec
- The AZtechMine™ expert system is a pioneer data processing and analytics methodology, that uses large geoscientific databases, and can be precisely tuned to model the footprint of undiscovered mineral deposits
- Big Data techniques are leveraged on geoscientific databases to obtain a big picture view of vast territories
- The approach ensures efficient identification of high quality (Tier 1) targets in the most prospective areas
- Provides a model for success in a challenging world of rising exploration costs and declining rates of discovery

## THE PROCESS

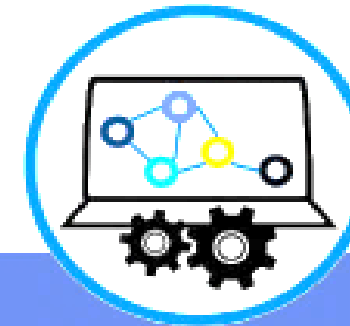
### Data Evaluation



A large geoscientific database is used to discriminate Tier 1 footprints from marginal or second-order targets. The methodology is applicable wherever the right database exists.

**We ensure you have suitable data.**

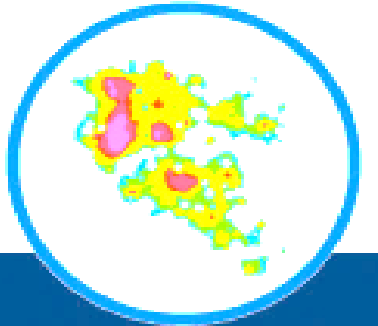
### Processing & Modelling



Our unique statistical approach links regional-scale measurements to a database of mineral prospects and deposits to extract reliable footprints for selected deposit types. No interpreted data. No bias introduced by subjective weightings.

**We know how to handle large datasets.**

### Targeting & Ranking



The footprints of known deposits are transposed onto discovery-probability maps that highlight comparable hallmark signatures in unexplored areas. Areas of interest are expertly validated and ranked to generate new targets for efficient exploration.

**We generate quality targets.**