

03 May 2022

Transformational Acquisition of the Strategically Located and Large-Scale Scotty Lithium Project, Nevada, USA

Highlights

- **Monger to acquire up to 100% of American Consolidated Lithium Pty Ltd, which holds the rights to acquire the Scotty Lithium Project in Nevada, USA**
- **Strategically located:**
 - **Immediately adjoining and surrounding the Bonnie Claire Project which is host to one of North America's largest lithium resources**
 - **70km from Albermarle Corp's Clayton Valley (Silver Peak) Lithium Mine – the only producing lithium mine in the USA**
 - **330km from Tesla's Gigafactory, one of the largest globally; having produced in excess of 1 million EV battery packs since 2017¹**
- **Historical soil sampling returned grades of up to 300ppm Li representing similar grades to soil sampling over world-class Albermarle's Clayton Valley Mine²**
- **Large-scale sediment hosted lithium project comprising 700 placer mining claims covering circa 14,000 acres**
- **Lithium-bearing brine potential across the Project area**
- **Accretive acquisition for MMG at a cost of A\$2.0 million payable in MMG shares**
- **Binding commitments received to raise A\$1.76 million to fund initial work programs at the Scotty Lithium Project**
- **Acquisition and exploration program fully funded with circa A\$4.75 million in cash upon closing of the Acquisition Agreement**
- **High-impact exploration to commence immediately following completion of the Acquisition Agreement:**
 - **Project-wide soil sampling program to commence in June 2022**
 - **Maiden drilling program to commence in Q3 2022 following receipt of soil sampling assays**
- **U.S. President Joe Biden recently invoked the Defense Production Act to encourage domestic production of battery materials³**
 - **Ability to operate further enhanced because the Scotty Lithium Project is located in Nevada**
 - **Nevada is one of the most favourable jurisdictions for mineral exploration and development globally**
- **Clear strategy to become a leading supplier of lithium to the North American downstream battery industry through exploration and development**

¹ <https://insideevs.com/news/531057/tesla-gigafactory-nevada-1000000th-battery/>.

² Hybrid Ventures' Sarcobatus Flat Lithium Brine Project 43-101 Technical Report page 24.

³ Biden Invokes Defense Production Act to Boost Domestic Critical Minerals Production - IER (instituteeforenergyresearch.org).

Monger Gold Ltd (ASX:MMG) (Monger, MMG or the Company) is pleased to advise it has entered into a binding agreement (**Acquisition Agreement**) to acquire up to 100% of the shares and options in American Consolidated Lithium Pty Ltd (**American Consolidated Lithium or ACL**).

American Consolidated Lithium holds the rights to acquire a 100% interest in 700 unpatented placer mining claims covering approximately 14,000 acres in Nye County, southern Nevada pursuant to an option to purchase agreement with Playa Minerals Company (a Utah DBA) (**Scotty Option Agreement**). Collectively these claims comprise the Scotty Lithium Project (**Scotty Lithium Project**).



Figure 1 – Location of the Scotty Lithium Project, Nevada⁴

⁴ <https://iconicminerals.com/news/iconic-releases-positive-preliminary-economic-assessment-report-on-bonnie-claire-indicating-minimal-environmental-surface-disturbance/>

Monger's Chairman, Mr Peretz Schapiro said: *"We are delighted to secure the Scotty Lithium Project for our shareholders at a very modest upfront cost with the majority of the consideration contingent upon the delineation of a significant JORC (2012) Resource of up to 500Mt at a grade of at least 1,000ppm Li. This would be a very large Resource – which illustrates the considerable upside of this acquisition."*

"The Scotty Lithium Project is located in Nevada immediately adjacent to one of North America's largest lithium resources. The Scotty Lithium Project is also located only 70km from the only lithium producing mine in the US, and just 300km from Tesla's Gigafactory."

"The electric revolution is just getting started, with increased demand for lithium to be a feature of the world's economy for many years to come. Through development of the Scotty Lithium Project as well as continuing to seek out additional accretive acquisitions, MMG intends to become a significant player in the lithium market."

"ACL's team possesses deep in-country experience and connections. With their assistance, we will begin work at the Project in earnest, with an extensive soils campaign to begin in June, followed by a drilling campaign in Q3 of this year."

"We look forward to keeping the market informed of our progress."

RATIONALE FOR THE ACQUISITION

The acquisition of ACL provides Monger (through the Scotty Option Agreement) direct exposure to an ideally located and large-scale lithium exploration project in the Tier 1 lithium mining jurisdiction of Nevada, USA. The acquisition also provides Monger with direct access to ACL's team which has in-depth knowledge of, and experience operating in, the North American minerals exploration sector.

Strategic Lithium Asset: Ideally located asset 70kms from Albermarle Corp's Clayton Valley (Silver Peak) Lithium Project in Nevada. Silver Peak is the only producing lithium mine in the USA. The Scotty Lithium Project is also located 330kms from Tesla's Nevada Gigafactory, one of the largest globally.

Large Scale Asset: The Scotty Lithium Project area comprises 700 placer mining claims, entirely on BLM land, covering approximately 14,000 acres that immediately adjoin and surround Iconic Minerals Limited's (**Iconic**) Bonnie Claire Lithium Project. Inferred Resources at Iconic's Bonnie Claire Lithium Project comprise 3.4Bt @ 1,013ppm Li for 18.3 Mt of Li₂CO₃ equivalent.⁵

Tier 1 Mining Jurisdiction: Nevada was ranked as the most attractive jurisdiction in the world for mining investment in 2021, according to the Annual Survey of Mining Companies released by the Fraser Institute, an independent, non-partisan Canadian policy think-tank.⁶

Compelling Valuation: Minimal upfront acquisition costs of A\$2 million with the majority of the consideration payable by the Company being contingent upon satisfaction of exploration and development milestones.

Significant Exploration Upside: Inferred Resources at Iconic's adjacent Bonnie Claire Lithium Project comprise 3.4Bt @ 1,013ppm Li for 18.3 Mt of Li₂CO₃ equivalent.⁷ The Scotty Lithium Project immediately adjoins the Bonnie Claire Project and likely covers identical geological sequences to those that host Iconic's deposit. High-tenor, coherent, undrilled soil

⁵ <https://iconicminerals.com/news/iconic-releases-positive-preliminary-economic-assessment-report-on-bonnie-claire-indicating-minimal-environmental-surface-disturbance/>

⁶ <https://www.globenewswire.com/news-release/2021/02/23/2180168/0/en/Fraser-Institute-News-Release-Nevada-tops-global-mining-survey-rankings-Venezuela-ranks-last.html>

⁷ <https://iconicminerals.com/news/iconic-releases-positive-preliminary-economic-assessment-report-on-bonnie-claire-indicating-minimal-environmental-surface-disturbance/>

anomalies have been defined in limited previous work at the Scotty Lithium Project. It is believed the Scotty Lithium Project has potential to host a sizeable lithium resource.

| Western United States Lithium Projects Listed on the ASX | | | | | |
|--|----------|----------------|----------|---------------|------------|
| Company | ASX Code | Project | Location | Resource (Mt) | Grade (Li) |
| Ioneer Limited ¹ | INR | Rhyolite Ridge | Nevada | 1,465 | 1,600 |
| Morella Corporation ² | 1MC | Fish Lake | Nevada | - | - |
| Monger Gold | MMG | Scotty | Nevada | - | - |
| Arizona Lithium ³ | AZL | Big Sandy | Arizona | 32.5 | 1,850 |
| Jindalee Resources ⁴ | JRL | McDermitt | Oregon | 1,430 | 1,320 |

1. Refer to INR ASX announcement entitled "Rhyolite Ridge Ore Reserve Increased 280% to 60 million tonnes" dated 30 April 2020; <https://www.ioneer.com/rhyolite-ridge/reserves-resources>.

2. 1MC ASX Announcement entitled "Fish Lake Valley Lithium Project Update" dated 15 December 2021; <https://www.morellacorp.com/projects/>;

3. AZL ASX announcement entitled "Big Sandy Lithium Project (Arizona, USA) Maiden Mineral Resources" dated 26 September 2019;

<https://www.arizonalithium.com/big-sandy/>;

4. JRL ASX Announcement entitled "Upgraded Mineral Resource Confirms McDermitt as the Largest Lithium Deposit in the USA" dated 8 April 2021; <https://www.jindalee.net/site/projects/usa/us-lithium>.

SCOTTY LITHIUM PROJECT, NEVADA, USA



Photo illustrating terrain at the Scotty Lithium Project, Nevada

History

The Scotty Lithium Project comprises 700 placer mining claims, covering 14,000 acres, that immediately abut, to the west, south and east, the circa 915 mining claims (covering 18,300 acres) that comprise Iconic Minerals Limited's Bonnie Claire Lithium Project in southern Nevada (see Figure 2).

While very limited exploration has been undertaken at the Scotty Lithium Project previously, a very large Inferred Resource has been delineated at the adjacent Bonnie Claire Project. The geological sequences that host the Bonnie Claire Deposit extend laterally into the Scotty Lithium Project. As such, exploration techniques that have been effective at the Bonnie Claire Project are expected to be effective at the Scotty Project.

Prior to the commencement of Iconic’s exploration at its Bonnie Claire Project in 2015, the only evidence of prior geologic work in the area was very regional mapping by the USGS; which showed that the area is a generalised salt flat with little distinctive geologic features or mapping detail.

Since 2015 Iconic has completed (on their adjacent project):

- (i) A magnetotelluric (MT) geophysical survey to help characterise the depth and variability of sediments in the basin;
- (ii) Several soil sampling programs that has comprised collection and assay of approximately 330 samples;
- (iii) Drilling programs in 2016, 2017, 2018 and 2020 whereby a total of eight vertical reverse circulation holes have been drilled together with two vertical diamond holes. Depths of holes ranged from 91.4m to 603.5m, with a total of 2,278 metres drilled;
- (iv) Preliminary metallurgical testwork, where two lithium extraction techniques have been evaluated – thermal treatment and acid treatment. While more work is recommended, the former alternative is currently preferred;
- (v) Iconic’s work culminated in calculation of an Inferred Mineral Resource of 3.4Bt @ 1,013ppm Li for 18.3 Mt of Li_2CO_3 equivalent, which formed the basis of a Preliminary Economic Assessment NI 43-101 Technical Report into the potential development of the Bonnie Claire Project in 2021⁵.

Several companies have completed limited exploration work within small portions of the Scotty Lithium Project. Between 2016 and 2019 Utah Mineral Resources, Rainmaker Resources and Hybrid Ventures Limited held up to 234 placer mining claims immediately to the west of Iconic’s project area. Limited soil sampling was the only notable work completed (see below).

During 2016 and 2017 Caeneus Minerals Limited (**Caeneus**) held a 100% interest in 200 mining claims that covered approximately 4,000 acres at the southern end of the area covered by the current Scotty Lithium Project. Caeneus collected a single line of magnetotelluric (MT) data (see Figure 2 and Figure 6) and unsuccessfully attempted to drill two holes (see below). It appears no other exploration work has been undertaken at the Scotty Project.

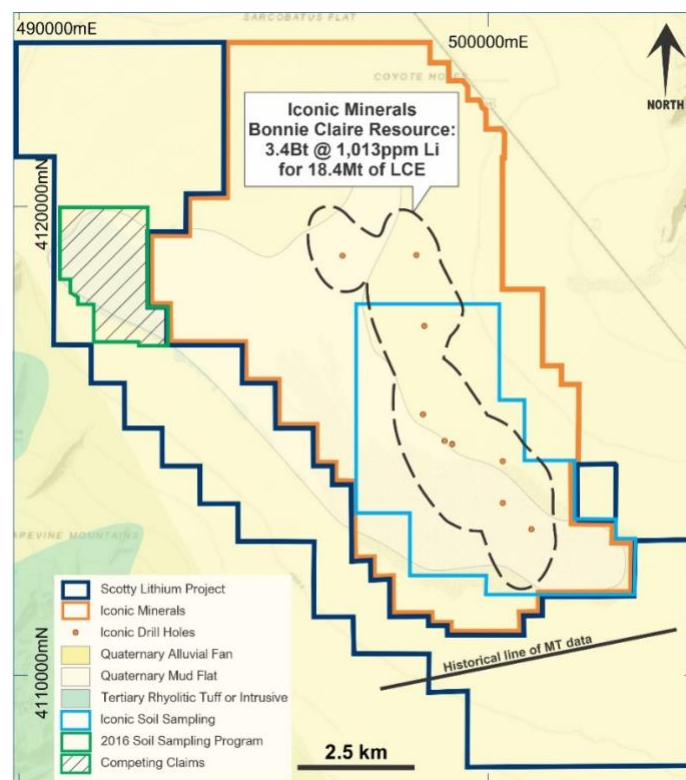


Figure 2 – Location of the Scotty Lithium Project and extent of Iconic’s Inferred Resource at its adjacent Bonnie Claire Lithium Project

Mineralisation

The mineralisation at Iconic’s adjoining Bonnie Claire Lithium Project extends from surface to depth, with lithium grades typically increasing with depth (see Figure 3).

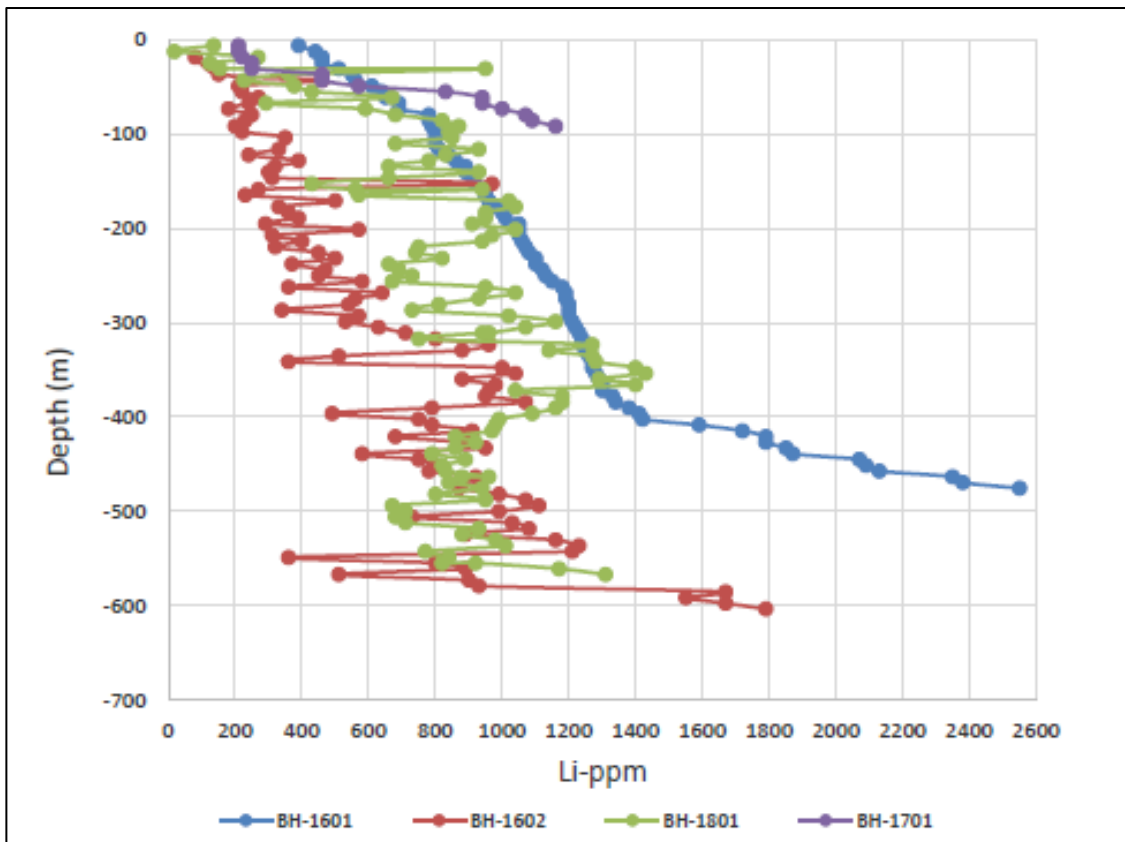


Figure 3 – Lithium grade, which consistently increases with depth, for four holes drilled within Iconic’s adjacent Bonnie Claire Lithium Project in 2016 and 2017

From a deposit-type perspective, Iconic’s Bonnie Claire Deposit is interpreted to be a sediment-hosted lithium deposit, whereby lithium compounds such as lithium carbonate and lithium salts have been deposited within the pore space of fine-grained clay, silt, and sands. Although most of the sediment-hosted lithium in the literature occurs in clays, it does not at Bonnie Claire.

Exploration Potential

Geology

The outcropping geology at the Scotty Lithium Project comprises unconsolidated mud flats and alluvial fan sequences – identical to those that outcrop above the lithium mineralisation at Iconic’s adjoining Bonnie Claire Deposit (see Figure 2).

The same sequence of underlying sediments that hosts the mineralisation at Bonnie Claire extends laterally into the Scotty Lithium Project – providing a thick sequence that is proven to host considerable lithium mineralisation.

Soil Geochemistry

Iconic has completed systematic soil-geochemistry sampling across much of its project area. Coherent anomalism >100ppm Li is typically present above the mineralisation delineated in drilling (see Figure 4). Significantly, several of the anomalies delineated by Iconic are “open” and trend into the Scotty Project area (see Figure 4). These are high-priority areas that will be targeted during initial exploration.

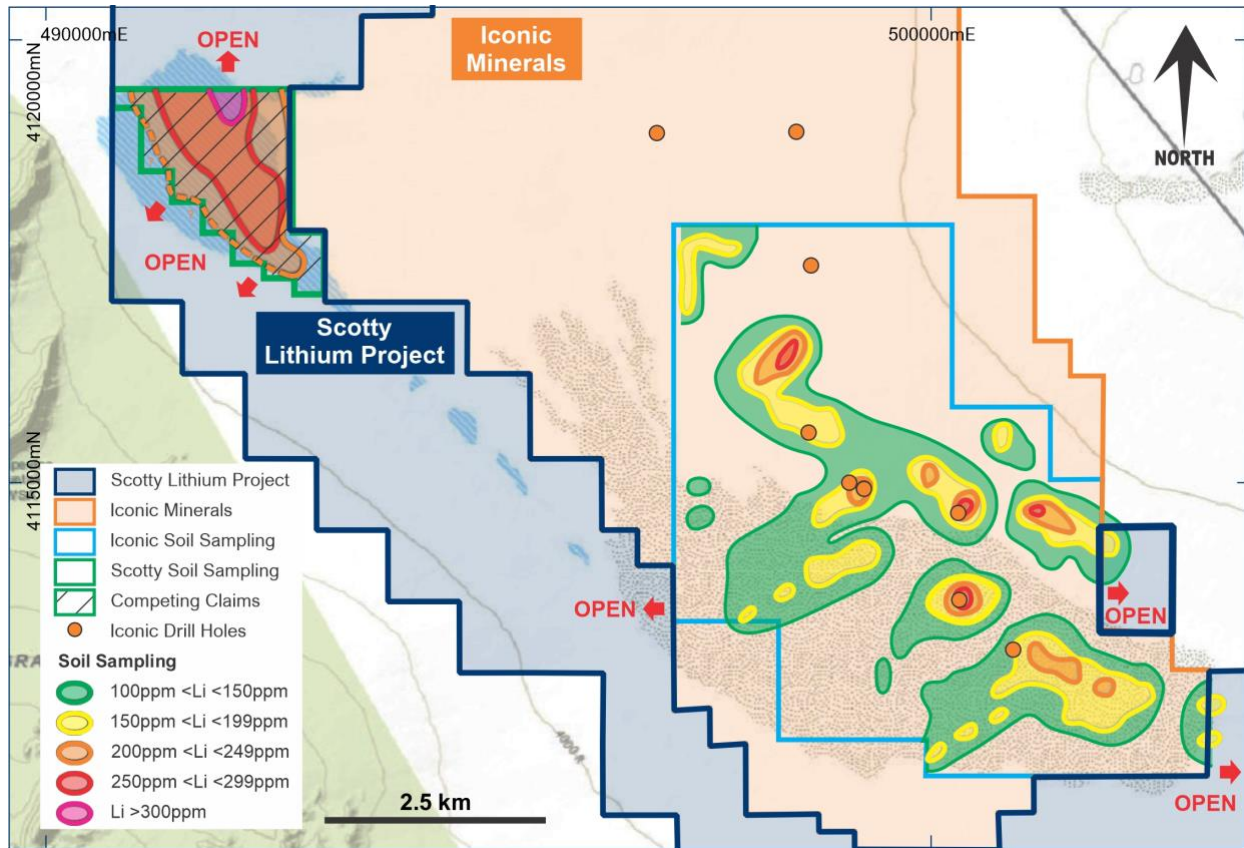


Figure 4 – Contours of lithium soil geochemistry over the small part of the Scotty Lithium Project that has been sampled previously, together with data from Iconic’s adjacent Bonnie Claire Lithium Project

In 2016 limited soil sampling was completed by Rainmaker Resources Limited within the current Scotty Project.

19 samples were collected with a hand auger from depths of 1.0 to 1.2 metres on 500m x 600m centres. This sampling covered approximately 1.5km² in the northwestern part of the Scotty Lithium Project (which equates to just 2.6% of the total area of the Scotty Lithium Project). The lithium content of all of the samples was highly anomalous, ranging from 140ppm to 300ppm, with an average assay of 233ppm lithium.

Coherent, strong soil anomalism >250ppm Li extends over >1.2km of strike (see Figures 4 and 5). This anomalism is considerably more coherent, at higher tenor, than that evident over Iconic’s adjacent Bonnie Claire Project. This anomalism remains open in both directions along strike, as well as laterally.

While this highly anomalous area within the Scotty Lithium Project provides an immediate exploration target, given just 2.6% of the total project area has been sampled to date, stronger and/or larger anomalies may be delineated, elsewhere within the project area, with further geochemistry sampling.

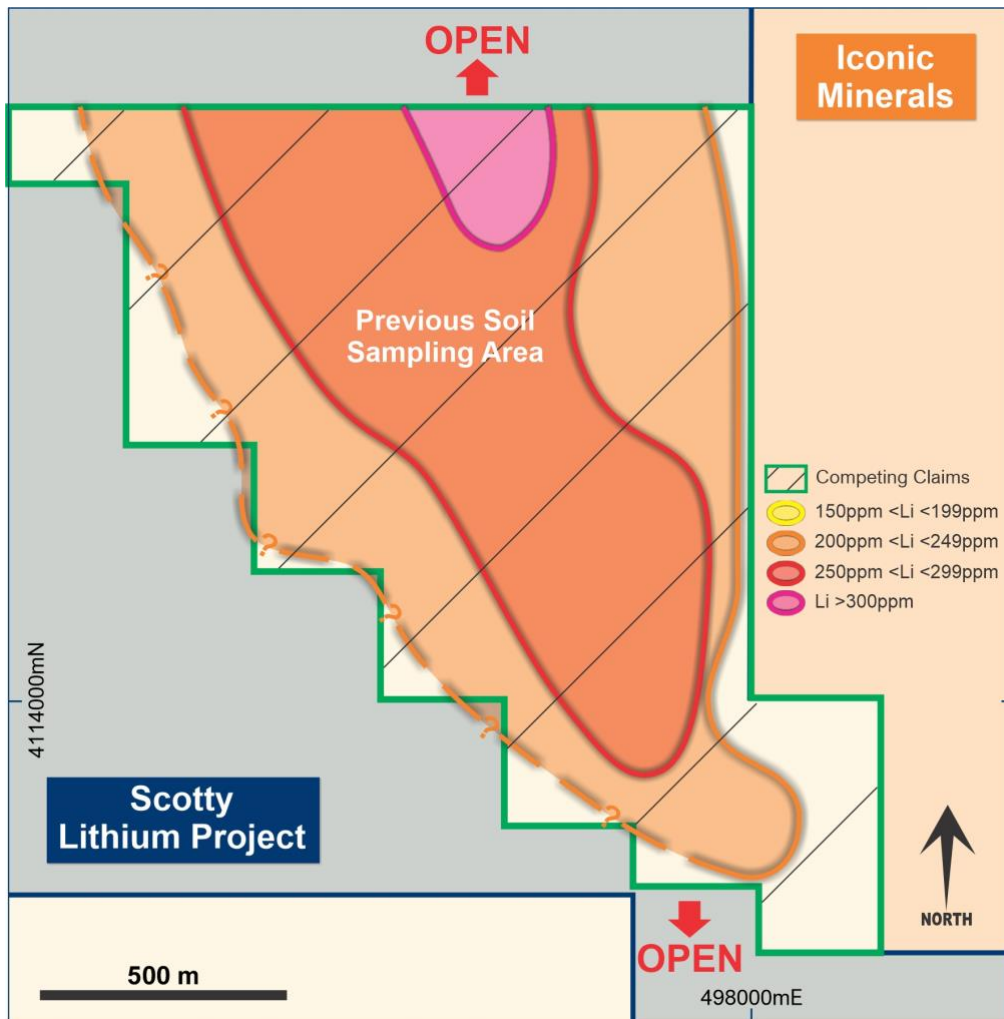


Figure 5 – Contours of lithium soil geochemistry over the small part of the Scotty Lithium Project that has been sampled previously

Brine Potential

During 2016 Caeneus collected a single line of magnetotelluric (MT) data at the southern end of the current boundaries of the Scotty Lithium Project. The location of this line is illustrated in Figure 2, and the resistivity data acquired are presented in Figure 6.

Multiple strong resistivity lows (=conductivity highs) were delineated in the MT survey. These anomalies are interpreted to potentially arise from brines within the geological sequence. The shallowest of these anomalies lies 500-800m below surface.

These anomalies are yet to be successfully drill-tested (see below). But they illustrate there is lithium-bearing brine potential in the project area.

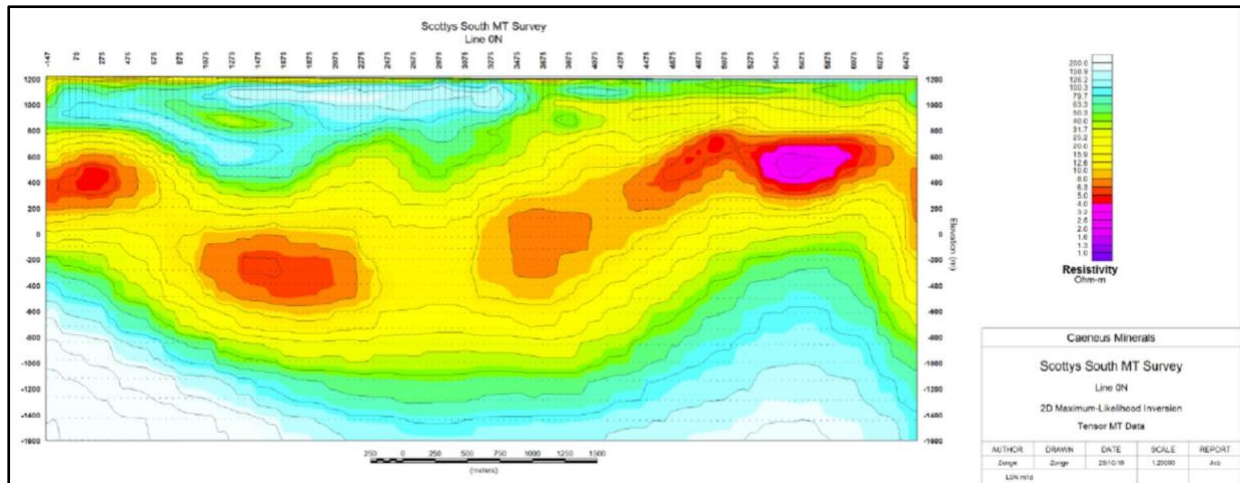


Figure 6 – Inversion of single line of MT resistivity data acquired at the southern end of the current Scotty Lithium Project by Caeneus Minerals Limited in 2016

Previous Drilling

The only previous drilling within the current boundaries of the Scotty Lithium Project was attempted by Caeneus in 2017. Two holes were attempted, to test the shallow MT anomalies evident at the southwestern and north-eastern ends of the single MT traverse (Figure 6). Both holes were abandoned, incomplete due to ground conditions. No samples were obtained from these holes. MMG is confident that there are multiple alternative drilling methods that can be utilised to effectively test these targets.

Forward Work Plan

Subject to Settlement of the Acquisition Agreement occurring, MMG anticipates implementing the following exploration activities at the Scotty Lithium Project in the coming 12 months:

- (i) Systematic soil sampling geochemistry program across the entire project area during June 2022 (see Figure 7);
- (ii) Drill target identification once assay data from the soil geochemistry program is available (Q3 2022);
- (iii) An initial 3,000 metre (minimum) drilling program (commencing Q3 2022);
- (iv) Maiden JORC (2012) Mineral Resource estimate; and
- (v) Initial metallurgical testwork

Depending on the results of this work, initial conceptual mine design work may be undertaken to assist in evaluating the most appropriate work programs to implement thereafter.

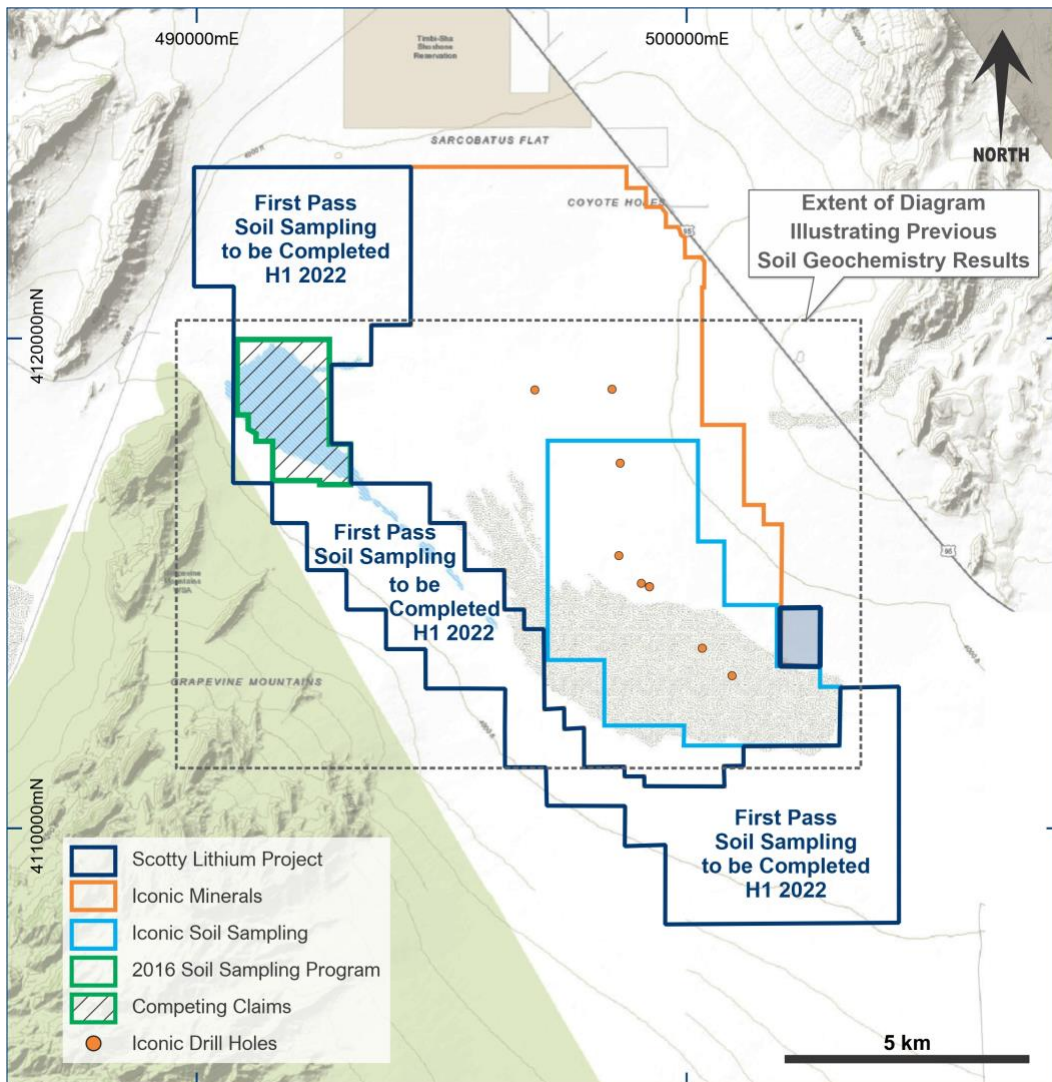


Figure 7 – Area to be covered with first-pass soil geochemistry sampling during June 2022

Project Acquisition Terms

Pursuant to the Scotty Option Agreement, ACL, through its 100% owned subsidiary, Nevlith LLC, a Nevada limited liability company, holds the rights to acquire a 100% interest in 700 unpatented placer mining claims in Nye County, Nevada known as the Scotty Lithium Project (**Scotty Lithium Project**), subject to making further payments (**Option Payments**) of:

- US\$20,000 cash by June 30, 2022;
- US\$37,500 cash or shares by 30 June 2023;
- US\$37,500 cash or shares by 30 June 2024;
- US\$37,500 cash or shares by 30 June 2025; and
- US\$37,500 cash or shares by 30 June 2026.

The underlying claim owner will retain a 1.0% NSR royalty. ACL has the right to purchase 0.5% of this NSR at any time for US\$500,000. ACL is required to make all annual payments due to maintain the BLM claims. It is noted that a third party recently notified the underlying claim owner that it believes it staked the area that is covered by approximately 52 of the 700 claims that comprise the Scotty Lithium Project before the underlying claim owner did (approximately 7.5% of the total project area). There are multiple inconsistencies in the third

party's representations. ACL, together with the underlying claim owner, intend to vigorously defend their rights to this disputed area.

ACQUISITION AGREEMENT DETAILS

The material terms of the Acquisition Agreement between Monger, American Consolidated Lithium and shareholders and option holders of American Consolidated Lithium (**Vendors**), none of whom are related parties of Monger, are summarised below:

- (i) **(80% Acquisition)** Monger agrees to purchase 80% of the fully paid ordinary shares and options in the capital of American Consolidated Lithium (collectively, **Sale Securities**).
- (ii) **(Stage 1 Consideration)** To acquire the Sale Securities (i.e. 80% of the issued capital in ACL), Monger agrees to issue to the Vendors pro-rata:
 - a. 8,000,000 fully paid ordinary shares in the capital of Monger (**Stage 1 Consideration Shares**) (at a deemed issue price of \$0.25 per Stage 1 Consideration Share); and
 - b. 4,000,000 Monger options exercisable at \$0.30 and expiring on 6 July 2024 (**Stage 1 Consideration Options**).

Subject to the transfer of the Sale Securities in American Consolidated Lithium by the Vendors in accordance with the Acquisition Agreement, Monger will hold 80% of the issued capital of American Consolidated Lithium at settlement of the 80% Acquisition (as defined above) (**Settlement**).

- (iii) **(Stage 2 Consideration)** To acquire an additional 10% of the fully paid ordinary shares (**Stage 2 Sale Shares**) and options (**Stage 2 Sale Options**) in ACL, Monger agrees to issue to the Vendors pro-rata (collectively, **Stage 2 Consideration Securities**):
 - a. 9,000,000 fully paid ordinary shares in the capital of Monger (**Stage 2 Consideration Shares**); and
 - b. 4,500,000 Monger options exercisable at \$0.50 and expiring 3 years from the date of issue (**Stage 2 Consideration Options**),

upon either of the following milestones (either, a **First Milestone**) being satisfied on or before 48 months from Settlement:

- a. delineation of a JORC (2012) Inferred Mineral Resource of at least 25Mt at a grade of at least 1,500ppm Li; or
- b. delineation of a JORC (2012) Inferred Mineral Resource of at least 250Mt at a grade of at least 1,000ppm Li,

within 10 miles of the current boundaries of the Scotty Lithium Project and subject to the transfer of the Stage 2 Sale Shares and Stage 2 Sale Options by the Vendors (being an additional 10% of the issued capital in American Consolidated Lithium), following which, Monger will hold 90% of the capital of American Consolidated Lithium.

- (iv) **(Stage 3 Consideration)** To acquire an additional 10% of the fully paid ordinary shares (**Stage 3 Sale Shares**) and options (**Stage 3 Sale Options**) in ACL, Monger agrees to issue to the Vendors pro-rata collectively, **Stage 3 Consideration Securities**):
 - a. 9,000,000 fully paid ordinary shares in the capital of Monger (**Stage 3 Consideration Shares**); and

- b. 4,500,000 Monger options exercisable at \$0.70 and expiring 3 years from the date of issue (**Stage 3 Consideration Options**),
upon either of the following milestones (either, a **Second Milestone**) being satisfied on or before 48 months from Settlement:
- c. delineation of a JORC (2012) Inferred Mineral Resource of at least 50Mt at a grade of at least 1,500ppm Li; or
- d. delineation of a JORC (2012) Inferred Mineral Resource of at least 500Mt at a grade of at least 1,000ppm Li,
within 10 miles of the current boundaries of the Scotty Lithium Project and subject to the transfer of the Stage 3 Sale Shares and Stage 3 Sale Options by the Vendors (being an additional 10% of the issued capital in American Consolidated Lithium), following which, Monger will hold 100% of the capital of American Consolidated Lithium.
- (v) (**Loan Repayment**) Monger is to repay a loan in the amount of A\$273,908, which was loaned by certain Vendors to American Consolidated Lithium in March 2022 to cover claim-staking expenses.
- (vi) (**Option Payment and Lease Payments**) Monger will pay the Option Payments (and any other payments) on behalf of Nevliith LLC pursuant to the Scotty Option Agreement, when due and payable, from Settlement.
- (vii) (**Voluntary Escrow**) The Stage 1 Consideration Options will be subject to a voluntary escrow period expiring 7 July 2023.
- (viii) (**Conditions Precedent**) The Acquisition Agreement is conditional upon the satisfaction or waiver of the following conditions:
- a. Monger obtaining confirmation from ASX that the terms of the Stage 2 and Stage 3 Consideration securities are acceptable to ASX;
- b. Monger obtaining shareholder approval for:
- i. the issue of the Stage 1, Stage 2 and Stage 3 Consideration Securities; and
 - ii. the issue of up to 6,000,000 shares at an issue price of \$0.25 per share to raise up to \$1,500,000 (Capital Raising).
- c. The parties obtaining all necessary approvals pertaining to shareholder, statutory and regulatory approvals, third party consents or waivers contemplated by the Acquisition Agreement and in order to complete the acquisition.
- (ix) (**Notice of Meeting**) Following execution of the Acquisition Agreement, Monger will prepare a notice of meeting seeking the approvals required under the Acquisition Agreement, for lodgement with the ASX.
- (x) (**Settlement**) Settlement is to occur five (5) business days after satisfaction or waiver of the above Conditions Precedent, or such other date as agreed in writing by Monger and the Vendors.
- (xi) (**Free Carried Interest**) With effect on and from Settlement, Monger agrees to free carry the Vendors' remaining American Consolidated Lithium shares and options (such that the Vendors will not be required to contribute to any American Consolidated Lithium expenditure) until the earlier of:
- a. the transfer to Monger of 100% of the issued capital of American Consolidated Lithium, which requires the First Milestone and Second Milestone to have been

satisfied for Monger to acquire the Stage 2 and Stage 3 Consideration Securities; and

- b. a decision by American Consolidated Lithium to commence development of mining operations following the completion of a definitive feasibility study (such period being the **Sole Funding Period**).

Prior to Settlement, Monger and the Vendors shall agree in writing a program and budget for the first 12 months of the Sole Funding Period.

- (xii) **(Event of Default)** An event of default occurs in relation to Monger if:
 - a. Monger fails to incur expenditure in accordance with the then current program and budget which prevents the First Milestone or Second Milestone from being satisfied;
 - b. Monger breaches any other provision of the Acquisition Agreement requiring the payment by Monger of monies to another party or government agency; or
 - c. Monger is in breach of a material term of the Acquisition Agreement, and Monger fails to rectify that breach within 30 business days of being notified of the breach.

- (xiii) **(Vendors' rights in Event of Default)** If an Event of Default is subsisting, for so long as it is continuing, the Vendors have the right (but not the obligation) for so long as the Event of Default is continuing to:
 - a. suspend all rights attaching to securities in the capital of American Consolidated Lithium held by Monger; and
 - b. require that any director of American Consolidated Lithium appointed by Monger resign with immediate effect.

If the Event of Default is not rectified within 30 business days of being notified of the breach, or is not capable of rectification, then Monger is deemed to have automatically made an offer to transfer all of its rights, title and interest in all of its American Consolidated Lithium shares and options to the Vendors pro-rata for 90% of their fair value (as determined by an independent accountant or as otherwise agreed between Monger and the Vendors in writing).

Other terms of the Acquisition Agreement (including warranties, indemnities and pre-emptive rights on transfers to third parties) are standard for an agreement of its nature.

PLACEMENT

The Company has received firm commitments to raise A\$1.76 million via a non-brokered share placement to sophisticated and professional investors through the issue of approximately 7.04 million new fully-paid ordinary shares at A\$0.25 per share (**Placement Shares**) (collectively, the **Placement**).

The Placement will be done at a discount of 10.7% to the last traded price of A\$0.28.

The issue of the Placement Shares will be subject to and conditional upon shareholder approval for the Placement and completion of the acquisition. The Placement Shares will rank equally with existing fully paid ordinary shares in the Company. No fees or option payments will be paid to third parties in relation to the Placement.

Funds raised will be used to pay the costs associated with the acquisition of American Consolidated Lithium, exploration at the Scotty Lithium Project and general working capital.

This announcement has been approved for release by the Board of MMG

For Further Information:

Peretz Schapiro – Non-Executive Chairman

info@mongergold.com.au

About Monger Gold

Monger Gold Limited is a well-structured listed gold exploration company with projects in Western Australia, ~50km SE and W of Kalgoorlie. Through the systematic exploration of tenements, The Company aims to delineate JORC compliant resources, creating value for its shareholders.

Additional Information**Qualified and Competent Person**

The information in this announcement that relates to exploration results and exploration targets is based, and fairly reflects, information compiled by Mr Darren Allingham, who is the Company's geologist. Mr Allingham is a Fellow of the Australian Institute of Geoscientists. Mr Allingham has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and the activity he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results and Mineral Resources (JORC Code). Mr Allingham consents to the inclusion in the announcement of the matters based on the information in the form and context in which it appears.

Forward Looking Statements

Any forward-looking information contained in this report is based on numerous assumptions and is subject to all of the risks and uncertainties inherent in the Company's business, including risks inherent in mineral exploration and development. As a result, actual results may vary materially from those described in the forward-looking information. Readers are cautioned not to place undue reliance on forward-looking information due to the inherent uncertainty thereof.

JORC Code, 2012 Edition – Table 1
Section 1: Sampling Techniques and Data
 (Criteria in this section applies to all succeeding sections)

| Criteria | JORC Code Explanation | Commentary |
|---------------------|--|--|
| Sampling Techniques | <ul style="list-style-type: none"> • Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as downhole gamma sondes, or handheld XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling. • Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. • Aspects of the determination of mineralisation that are Material to the Public Report. • In cases where ‘industry standard’ work has been done, this would be relatively simple (e.g. ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information | <ul style="list-style-type: none"> • Soil samples from the Scotty Lithium Project were collected using a hand auger at depths of 1.0 to 1.2 metres. • A single line of magnetotelluric (MT) data were acquired by Zonge Engineering in 2016. |
| Drilling Techniques | <ul style="list-style-type: none"> • Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.). | <ul style="list-style-type: none"> • No drilling has been successfully completed at the Scotty Lithium Project. |

| Criteria | JORC Code Explanation | Commentary |
|--|---|--|
| Drill Sample Recovery | <ul style="list-style-type: none"> • Method of recording and assessing core and chip sample recoveries and results assessed. • Measures taken to maximise sample recovery and ensure representative nature of the samples. • Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material | <ul style="list-style-type: none"> • No drilling has been successfully completed at the Scotty Lithium Project. |
| Logging | <ul style="list-style-type: none"> • Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. • Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography. • The total length and percentage of the relevant intersections logged | <ul style="list-style-type: none"> • No drilling has been successfully completed at the Scotty Lithium Project. |
| Sub-Sampling techniques and sample preparation | <ul style="list-style-type: none"> • If core, whether cut or sawn and whether quarter, half or all core taken. • If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry. • For all sample types, the nature, quality and appropriateness of the sample preparation technique. • Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. • Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. • Whether sample sizes are appropriate to the grain size of the material being sampled. | <ul style="list-style-type: none"> • No drilling has been successfully completed at the Scotty Lithium Project. |

| Criteria | JORC Code Explanation | Commentary |
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| Quality of assay data and laboratory tests | <ul style="list-style-type: none"> • The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. • For geophysical tools, spectrometers, handheld XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. • Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established | <ul style="list-style-type: none"> • Typical analytical techniques, including use of duplicates, were adopted for the soil sampling program in 2016. • Samples were assayed in Western Environmental Testing Laboratory in Sparks, Nevada. Samples were assayed for lithium, boron, magnesium and potassium using ICP-AES, after a standard trace metal digestion. |
| Verification of sampling and assaying | <ul style="list-style-type: none"> • The verification of significant intersections by either independent or alternative company personnel. • The use of twinned holes. • Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. • Discuss any adjustment to assay data | <ul style="list-style-type: none"> • 2016 soil sampling results were documented in a draft NI 43-101 Technical Report on the Sarcobatus Flat Lithium Brine Project by Healex Consulting Limited in 2019. Confirmation of the veracity of this data has not yet been completed. |
| Location of data points | <ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. | <ul style="list-style-type: none"> • Soil sample locations were recorded by hand-held GPS. |

| Criteria | JORC Code Explanation | Commentary |
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| Data Spacing and distribution | <ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. | <ul style="list-style-type: none"> • Soil samples were collected on a 500m x 600m grid array. • This spacing is considered appropriate for first-pass sampling. |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. | <ul style="list-style-type: none"> • The 500m x 600m sample density should be suitable to delineate broad trends of any orientation. |
| Sample Security | <ul style="list-style-type: none"> • The measures taken to ensure sample security | <ul style="list-style-type: none"> • Soil samples were collected by experienced personnel and North American industry-standard protocols were adopted to ensure suitable QA/QC was maintained. |
| Audits or reviews | <ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data | <ul style="list-style-type: none"> • Not undertaken. |

Section 2: Reporting of Exploration Results

(Criteria listed in section 1 also apply to this section)

| Criteria | JORC Code Explanation | Commentary |
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| Mineral tenement and land tenure status | <ul style="list-style-type: none"> • Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. • The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area | <ul style="list-style-type: none"> • American Consolidated Lithium Pty Ltd (ACL) through its 100% owned subsidiary, Nevlith LLC, a Nevada limited liability company, holds the rights to acquire a 100% interest in 700 unpatented placer mining claims in Nye County, Nevada known as the Scotty Lithium Project, subject to making further payments of: <ul style="list-style-type: none"> ▪ US\$20k cash by June 30, 2022; ▪ US\$37.5k cash or shares by 30 June 2023; ▪ US\$37.5k cash or shares by 30 June 2024; ▪ US\$37.5k cash or shares by 30 June 2025; and ▪ US\$37.5k cash or shares by 30 June 2026. • The underlying claim owner will retain a 1.0% NSR royalty. ACL has the right to purchase 0.5% of this NSR at any time for US\$500k. ACL required to make all annual payments due to maintain the BLM claims. • A third party recently notified the underlying claim owner that it believes it staked the area that is covered by approximately 52 of the 700 claims (or circa 7.5% of the area) that comprise the Scotty Lithium Project before the underlying claim owner did. There are multiple inconsistencies in the third party's representations. ACL, together with the underlying claim owner, intend to vigorously defend their rights to this disputed area. |
| Exploration done by other parties | <ul style="list-style-type: none"> • Acknowledgment and appraisal of exploration by other parties. | <ul style="list-style-type: none"> • A summary of the history of previous exploration activities is included in this announcement. |
| Geology | <ul style="list-style-type: none"> • Deposit type, geological setting and style of mineralisation | <ul style="list-style-type: none"> • The adjacent Bonnie Claire Deposit is reported to comprise a sediment-hosted lithium deposit. • There is potential to discover additional sediment-hosted lithium mineralisation within the Scotty Lithium Project, together with lithium-brine mineralisation. |

| Criteria | JORC Code Explanation | Commentary |
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| Drillhole Information | <ul style="list-style-type: none"> • A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drillholes: <ul style="list-style-type: none"> • easting and northing of the drillhole collar • elevation or RL (Reduced Level elevation above sea level in metres) of the drillhole collar • dip and azimuth of the hole • downhole length and interception depth • hole length. • If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case | <ul style="list-style-type: none"> • No drilling has been successfully completed at the Scotty Lithium Project. |
| Data aggregation methods | <ul style="list-style-type: none"> • In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually material and should be stated. • Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. • The assumptions used for any reporting of metal equivalent values should be clearly stated | <ul style="list-style-type: none"> • There has been no data aggregation. |

| Criteria | JORC Code Explanation | Commentary |
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| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> • These relationships are particularly important in the reporting of Exploration Results. • If the geometry of the mineralisation with respect to the drillhole angle is known, its nature should be reported. • If it is not known and only the downhole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known'). | <ul style="list-style-type: none"> • Not applicable. |
| Diagrams | <ul style="list-style-type: none"> • Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drillhole collar locations and appropriate sectional views | <ul style="list-style-type: none"> • Multiple diagrams are included in this announcement to illustrate the historical work completed. |
| Balanced reporting | <ul style="list-style-type: none"> • Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results | <ul style="list-style-type: none"> • Representative data is described in this announcement. |
| Other substantive exploration data | <ul style="list-style-type: none"> • Other exploration data, if meaningful and material, should be reported including (but not limited to) geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. | <ul style="list-style-type: none"> • No material information has been omitted from this announcement. |

| Criteria | JORC Code Explanation | Commentary |
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| Further Work | <ul style="list-style-type: none"> • The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). • Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. | <ul style="list-style-type: none"> • Monger Gold intends implementing a project-wide soil sampling geochemistry program. • Results from this will be used to help design a maiden drilling program. |