

QUARTERLY ACTIVITIES REPORT FOR THE PERIOD ENDED 31 DECEMBER 2022

WAPATIK PROJECT

- **Phase 3 diamond drill program completed at Wapatik Project**
- **12 completed diamond drill holes completed across phases 1-3 in 2022 submitted for chemical assay results (entire hole)– results pending**
- **Fieldwork program delivers new Nickel-Copper surface discovery**

NORTHERN LIGHTS PROJECT

- **Initial Soil survey results from Eastmain Léran Project support a Winter exploration program**
- **Exploration to commence at Eastmain Léran Project targeting Base Metals and Lithium exploration**
- **New claims acquired expanding position North of Eastmain Léran**

Mont Royal Resources (**ASX:MRZ**) ("**Mont Royal**", the "**Company**") is pleased to provide an overview of activities for the quarter ended 31 December 2022 ("Quarter", "Reporting Period") to accompany the Appendix 5B.

During the Quarter, the Company was active in the field completing a third phase diamond drilling program to further delineate the discovery of nickel-copper massive sulfide mineralisation during its maiden 1,000m diamond drilling program at the Wapatik Project ("Wapatik", "Project"), located in the James Bay area of Quebec, Canada. Fieldwork programs delivered a second new nickel-copper-bearing surface discovery 2 kilometers north of where the company has been actively drilling, follow-up activity on this second intrusion to consist of an electromagnetic survey to detect the presence of conductors that could be related to massive sulphides. This work program is in the process of being planned and determined.

The first half of ionic leach results have been received from the soil sampling program completed at Eastmain Léran, located both the Upper Eastmain Greenstone Belts in Quebec, Canada.

Phase 3 Drilling Program Completed - Wapatik Project (Earn-in Azimut Exploration AZM.TSXV)

As previously reported, a diamond drilling program (1,100 metres, 5 holes) was completed to further evaluate the nickel-copper potential of the ultramafic body discovered in 2021 on the Property (*see press releases of October 3 and October 19, 2022*).

CORPORATE DIRECTORY

Gary Lawler
Non-Executive Chairman

Peter Ruse
Executive Director

Michael O'Keeffe
Non-Executive Director

Shaun Menezes
Company Secretary

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Phase 2 drilling returned the following results: [released 20/10/2022]

- WAP22-009: 1.16% Ni, 3.85% Cu over 0.8 m (from 152.0 m to 152.8 m)
- WAP22-007: 0.29% Ni, 0.25% Cu over 18.0 m (from 129.0 m to 147.0 m)
- WAP22-010: 0.27% Ni, 0.41% Cu over 15.75 m (from 60.0 m to 75.75 m)
- WAP22-008: 0.33% Ni, 0.35% Cu over 1.1 m (from 116.9 m to 118.0 m), and 0.34% Ni, 0.43% Cu over 1.71 m (from 129.54 m to 131.25 m)
- WAP22-011: 0.27% Ni, 0.27% Cu over 3.0 m (from 11.1 m to 14.1 m)

The intercept in hole WAP22-009 displays massive chalcopyrite, pyrrhotite and pentlandite mineralization hosted in a biotite-rich metasedimentary rock in contact with peridotite. Other intercepts are related to disseminated sulphides (mostly chalcopyrite, pyrrhotite and possibly pentlandite) hosted within the ultramafic intrusion, close to the contact with the surrounding metasediments. Assay results are still pending for several holes and will be announced to the market in due course.

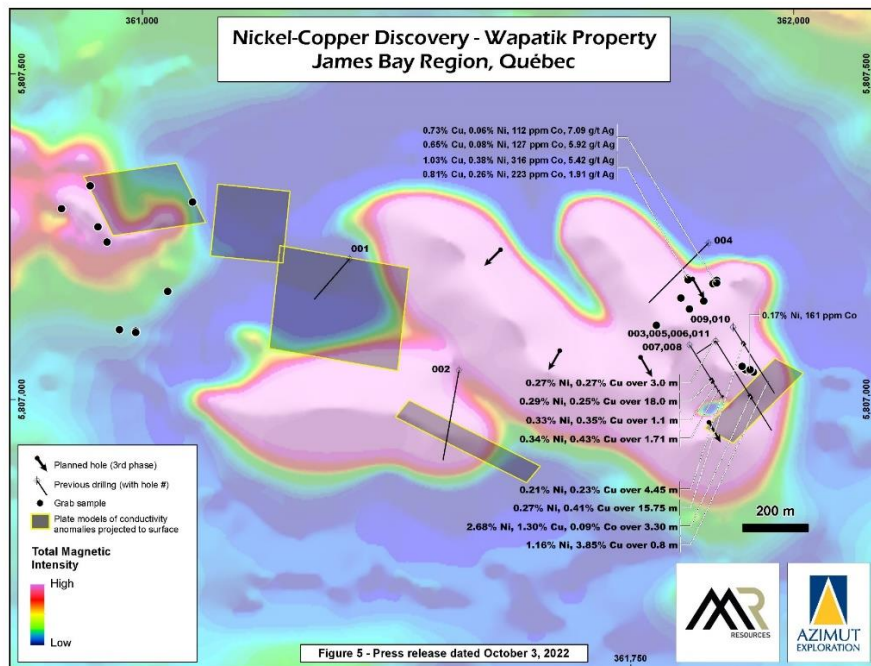


Fig 1: Completed holes from phase 1-3 drilling programs Source: Azimut Exploration

Pulse-EM borehole surveys were performed to maximize the search radius for each hole and provide information about the possible extension of any conductors encountered. Survey results revealed in-hole and off-hole anomalies, notably in hole WAP22-003. TMC Geophysics of Val-d'Or (Quebec) conducted the surveys.

Results (from phase two) received to date indicate that additional drilling is required to test other identified targets within the intrusion. A total of five (5) holes (1,100 metres) were completed during the quarter. As previously announced (press release of April 19, 2022), 3D magnetic inversion modelling indicates a potential for sulphide accumulation at the bottom of the intrusion with an interpreted basin-shaped geometry, which remains untested by the completed drilling. Pulse-EM borehole surveys will be conducted to enlarge the search radius for each hole and provide information about the possible extension of any conductors encountered. Other possible ultramafic targets have been identified at the Wapatik Project and will be subject to additional geophysics work in the winter exploration season.

All 12 completed drill holes (phase's 1-3) have been sent to ALS Laboratories in Val-d'Or, Québec, with the entire drill cores submitted for full chemical assay. The results are expected in the near term and will enable the company to determine next steps to be taken at the project.

Samples were analysed for a 48-element suite using ICP, with high-grade nickel and copper analysed using 4-acid digestion and ICP-AES finish. Gold, platinum and palladium were analysed using lead oxide collection fire assay and ICP-AES finish. Azimut applies industry-standard QA/QC procedures to its drilling programs, with all batches sent for analysis including certified reference materials, blanks, and field duplicates.

Second Nickel-Copper-Bearing Intrusion at Wapatik

A focused prospecting program was completed in the Autumn/Fall 2022 at Wapatik which led to the discovery of a second new nickel-copper-bearing surface discovery 2 kilometers north of where the company has been actively drilling. This field result is encouraging, further demonstrating the nickel-copper potential of the area, at a larger scale in the James Bay region. Follow-up on this second intrusion will consist of an electromagnetic survey to detect the presence of conductors that could be related to massive sulphides.

The new intrusion has little surface exposure but is marked by a strong magnetic footprint measuring about 1,000 m by 400 m. The best prospecting assay results to date are as follows:

Ni (%)	Cu (%)	Co (ppm)	Ag (g/t)	MgO (%)	Sample #
0.327	0.446	177.5	2.23	22.80	G395792
0.180	0.165	133.5	0.87	25.70	G395793
0.301	0.341	208.0	1.66	22.88	G395795

Table 1: Surface results from second Nickel-Copper intrusion Source: Azimut Exploration October 2022

Mineralisation comprises disseminated chalcopyrite, pyrrhotite (and maybe pentlandite) and host rocks are massive pyroxenite and/or peridotite. These grab samples have been collected from sub-

cropping blocks. It should be noted that grab samples are selective by nature and unlikely to represent average grades. Based on the magnetic data, another potential ultramafic body may exist further east, however this remains to be confirmed. Assay results from other prospecting targets sampled this fall are still pending.

Eastmain Léran - Soil Survey Program

The Company is experiencing delays in receiving the entire package of results from the sampling program completed in Autumn 2022. A large increase in industry activity has far exceeded the ALS Ionic Leach capacities which continue to affect processing of the Léran soil samples. At the end of December 2022, results for 48% of the samples were received by Mont Royal. As a quality control, samples were sent at random, therefore the five sampled grids are yet to be completed entirely. The initial results of the Léran and Banana Lake grids have been included (see Fig 2,3 & 4). The Léran grid shows several samples with grades higher than the 90th centile. Gold, Nickel and Lithium are displaying higher concentration at the Banana Lake grid. Statistical processing of the data is to be completed upon reception of all the results, which aims to identify more precise anomalies and targets.

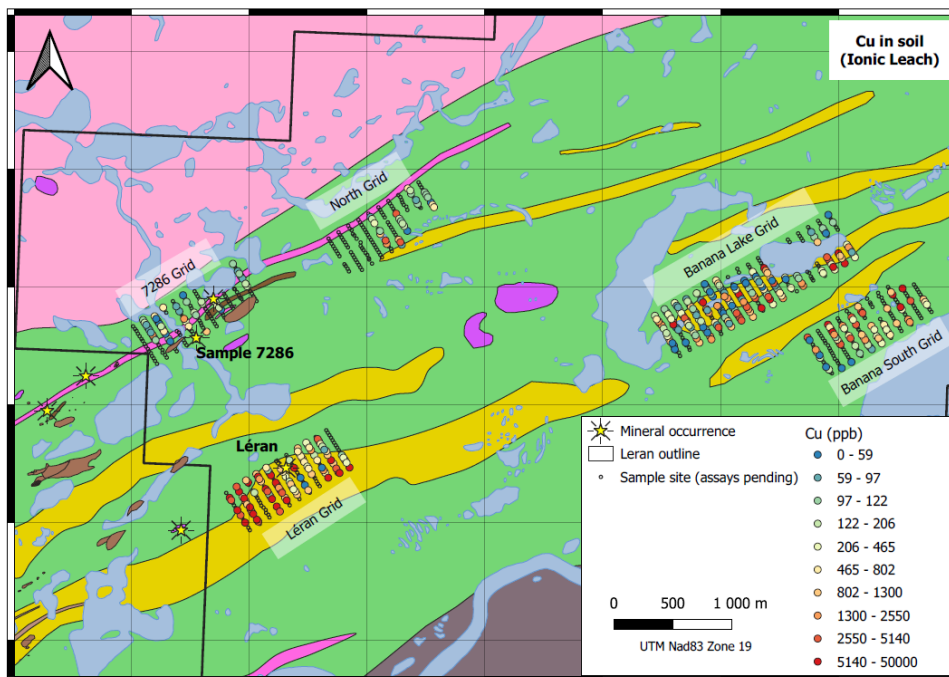


Fig 2: Initial Soil Sampling results – Copper (Cu) Source: IOS Geoscientifique January 2023

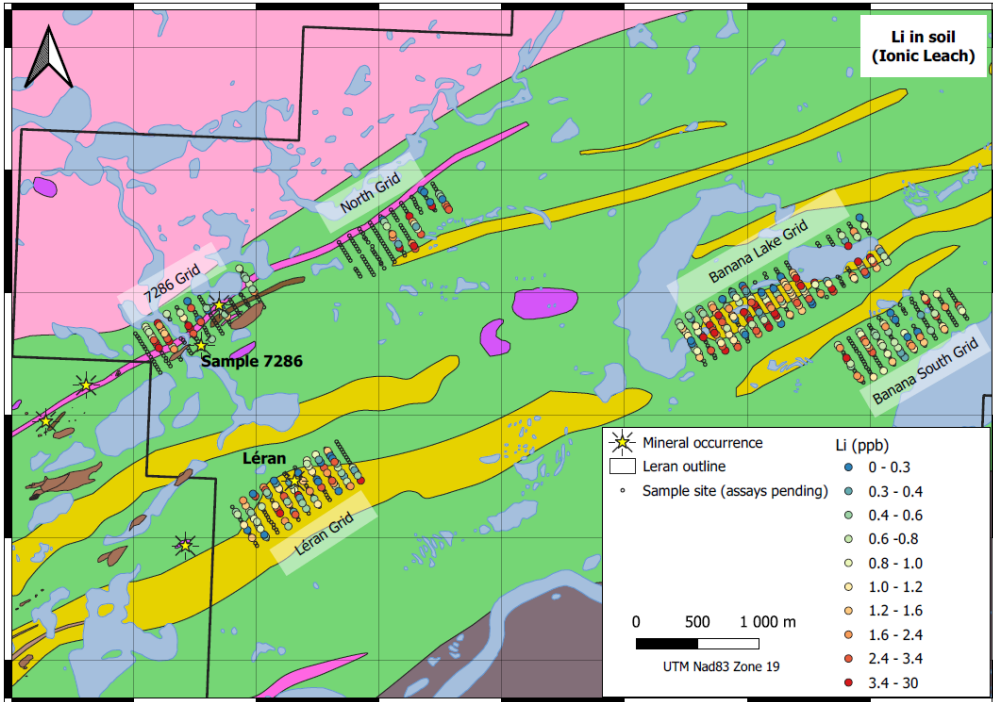


Fig 3: Initial Soil Sampling results targeting Lithium (Li) Source: IOS Geoscientifique January 2023

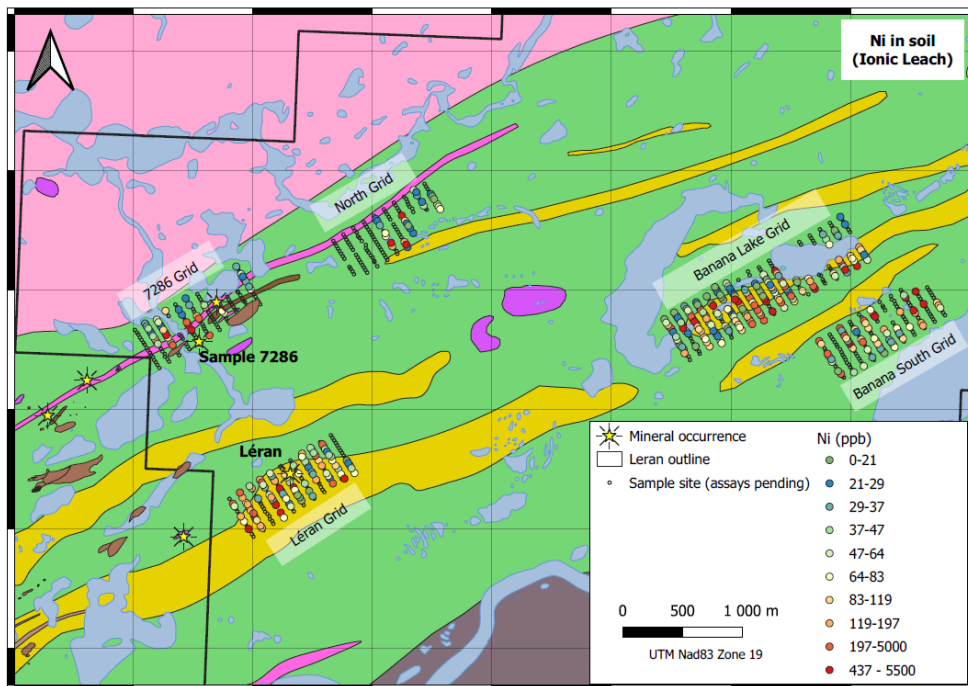


Fig 4: Initial Soil Sampling results – Nickel (Ni) Source: IOS Geoscientifique January 2023

Eastmain Léran – Precious/Base Metals and Early Stage Lithium exploration

The initial results from the soil survey at Eastmain Léran indicate that the Léran occurrence remains the primary target in the area. The logistics and planning required for a 1,000m winter drilling program is currently being evaluated and the company will update the market on this program in the short term. Furthermore, a spring/summer till survey is planned to complete a regional grid that was sampled by Focus Graphite in 2018.

In November 2022, a series of 39 claims located along the Wahemen Granite, north of the Upper Eastmain Greenstone Belt, were added to the Léran property. This granite has the characteristics of a LCT (Lithium-Cesium-Tantalum) pegmatites parent magma. Lithium exploration on the Léran property includes prospection and sampling of the Wahemen Granite and other smaller intrusions in the area, and reprocessing of the till data from the 2017-2018 Focus Graphite survey using a technique being developed by IOS Services Géoscientifiques. Tantalum-rich minerals were found in the aforementioned till survey and point to a potential LCT source on the recently acquired claims.

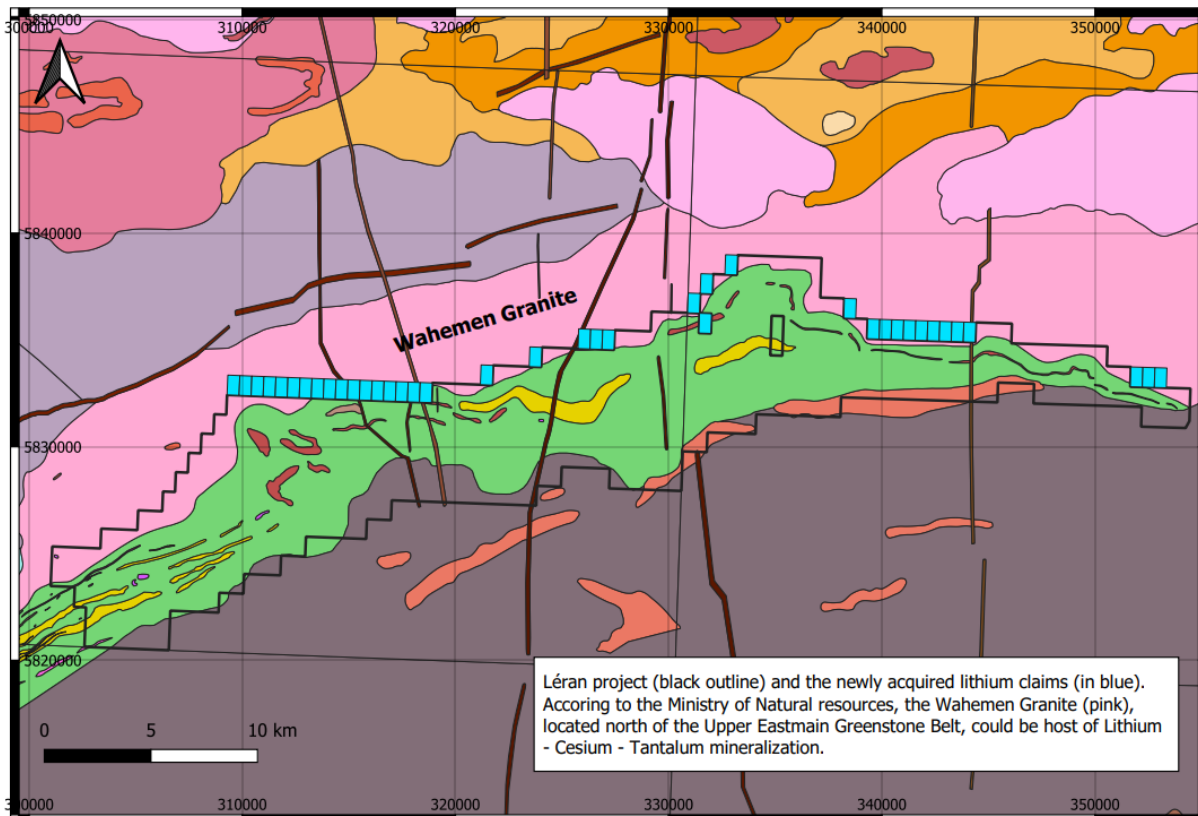


Fig 5: New Acquired claims on Eastmain Léran northern boundary Source: IOS Géoscientifique November 2022

The occurrence of LCT pegmatites at Ruby Hill West (western part of the same greenstone belt) and nearby presence of the Wahemen granite, interpreted as LCT parental granite, suggest that there is potential for lithium on the Léran property. However, given the size of the property and of the Wahemen granite, and the poor rock exposure in the area, a review is underway to determine an exploration approach at these new claims. There are already several intriguing elements in the

till data. The rare earth indicators includes Nb and Ta oxides (Longuépée, 2021) and quite interestingly Ta > Nb in some of them, which is typical of LCT pegmatites.

Focus Graphite Inc. Second Milestone Payment

During the Quarter, Mont Royal announced that it had completed the second milestone payment to Focus Graphite Inc. Northern Lights Minerals Pty Ltd (“NLM”) holds rights to acquire a package of the Acquisition Assets pursuant to an existing agreement (Focus Agreement) in place with Focus Graphite Inc. (TSXV:FMS) (Focus Assets).

Pursuant to the Focus Agreement, NLM (via its wholly owned subsidiary) has the right to acquire a 100% interest in the Focus Assets in consideration for the payments referred to below, which are additional to the payment of C\$500,000 of which NLM has already made:

- C\$500,000 in cash or shares by 1 December 2021 (complete)
- C\$500,000 in cash or shares by 1 December 2022; (complete)
- C\$800,000 in cash or shares by 1 December 2023. (outstanding)

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 average trading price.

Financial position and outlook

The Company held \$2.7 million in cash at the end of the December 2022 quarter. Mont Royal continues to maintain strict cost controls with no large recurring general and administrative (G&A) expenses.

A summary of the expenditure incurred on exploration activities is set out below. No development or production activities were undertaken during the December 2022 Quarter as set out below.

Appendix 5B reference	ASX description reference	Amount	Company Summary
2.1(d)	Exploration and evaluation (if capitalised)	\$1,284,000	This item relates to Wapatik phase 3 drilling program and assaying costs and the cash portion of Focus Graphite Inc Second Milestone Payment.

The aggregate total of payments to related parties and their associates, is disclosed in item 6.1 of the Appendix 5B pertaining to payments of executive and non-executive directors' fees.



The Board of Mont Royal would like to thank shareholders for their continued support as we gear up for an active year of exploration in 2023 across both projects in Quebec.

This announcement was approved for release by the Board.

ENDS.

For and on Behalf of the Board

Shaun Menezes | Company Secretary

Competent Person's Statement

The information in this report that relates to exploration results is based on information compiled by Mr Hugues Longu  p  e, a Competent Person who is a Member of the Ordre des G  ologues du Qu  bec. Mr Longu  p  e is a consultant to the Company. Mr Longu  p  e has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity that is being undertaken to qualify as a competent person as defined in the JORC Code 2012. Mr Longu  p  e does not hold securities in Mont Royal Resources Limited and consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

About Mont Royal Resources

Mont Royal Resources Limited (ASX:MRZ) is an Australian company incorporated for the purpose of pursuing various mining opportunities in the resources sector, with the aim of building shareholder value by acquiring, exploring, evaluating and exploiting mineral resource project opportunities. The Company has entered into a binding JV option agreement with Azimut Exploration Inc. (TSXV: AZM), to earn-in up to 70% of the Wapatik Gold-Copper Project. Mont Royal acquired 75% of Northern Lights Minerals 536 km² package located in the Upper Eastmain Greenstone belt- the projects are prospective for both precious (Gold, Silver) and base metals mineralisation (Copper, Nickel), located in James Bay area, a tier 1 mining jurisdiction of Quebec, Canada. For further information regarding Mont Royal Resources Limited, please visit the ASX platform (ASX:MRZ) or the Company's website www.montroyalres.com.

Annexure - Mining Tenement Information

The Company is party to a binding JV option agreement with Azimut Exploration Inc. (TSXV: AZM), to earn-in up to 70% of the Wapatik Gold-Copper Project, located in James Bay area, a tier 1 mining jurisdiction of Quebec, Canada.

On 1 December 2021, the Company completed the acquisition of 75% of Northern Lights Minerals Pty Limited ("NLM") which holds a substantial land package across the Upper Eastmain Greenstone belt in Quebec, Canada.

In addition, a subsidiary of NLM holds rights to acquire 100% of the rights in assets held by Focus Graphite Inc. The Company has not yet earned an interest in the tenements. Further details are set out in the Company's announcement dated 3 September 2021.

NLM also is party to an agreement with Dios Exploration Inc providing NLM the rights to acquire a 70% interest in certain claims (and associated mining information). The Company has not yet earned an interest in the tenements. Further details are set out in the Company's announcement dated 3 September 2021.

The Company confirms that no tenements were disposed of during the quarter. New tenements are listed below. The following tenements are held at 31 December 2022:

Project	Location	Tenement/Title Number
Northern Lights	Quebec, Canada	2556880 – 2557189 2558307 – 2558325 2565968 – 2565987 2538870 – 2538914 2543213 – 2543214 2543450
New Claims: Eastmain-Leran (North) Staked Claims	Quebec, Canada	2691258 - 2691272