



MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

ACN: 625 237 658

**Financial Report
For the Half Year Ended
31 December 2022**

MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

ABN: 50 145 842 995

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MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

DIRECTORS' REPORT

Your directors present their report on the consolidated group for the half year ended 31 December 2022.

Directors

The names, qualifications and experience of the directors in office at any time during, or since the end of, the period are as follows. Directors have been in office for the entire period unless otherwise stated.

Gary Lawler (Non-Executive Chairman)
Peter Ruse (Executive Director)
Michael O'Keeffe (Non-Executive Director)

Principal Activities

The principal activity of the consolidated group during the period was the farm-in and exploration of the Wapatik Gold-Copper Project and the exploration on the Northern Lights Minerals projects in the Upper Eastmain Greenstone Belt in Quebec, Canada.

Review of Operations

The consolidated loss of the consolidated group for the financial period after providing for income tax amounted to \$405,769 (2021: \$1,583,883).

Wapatik Project

Completion of Phase 2 and 3 drilling:

During the Period, MRZ completed phase 2 drilling at the Wapatik Project ("Wapatik", "Project") in the James Bay Region of Quebec, Canada, with the results demonstrating that the Project is in nickel-copper mineralised system hosted within the ultramafic intrusion, justifying the additional drilling program.

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)

A third diamond drilling phase started at Wapatik in October 2022, targeting nickel-copper massive sulfide mineralization via a 1,100m diamond drilling program. The third phase drill program comprises of five (5) diamond drill holes have been completed by Azimut and the drilling carried out by Chibougamau Drilling Ltd of Chibougamau (Quebec).

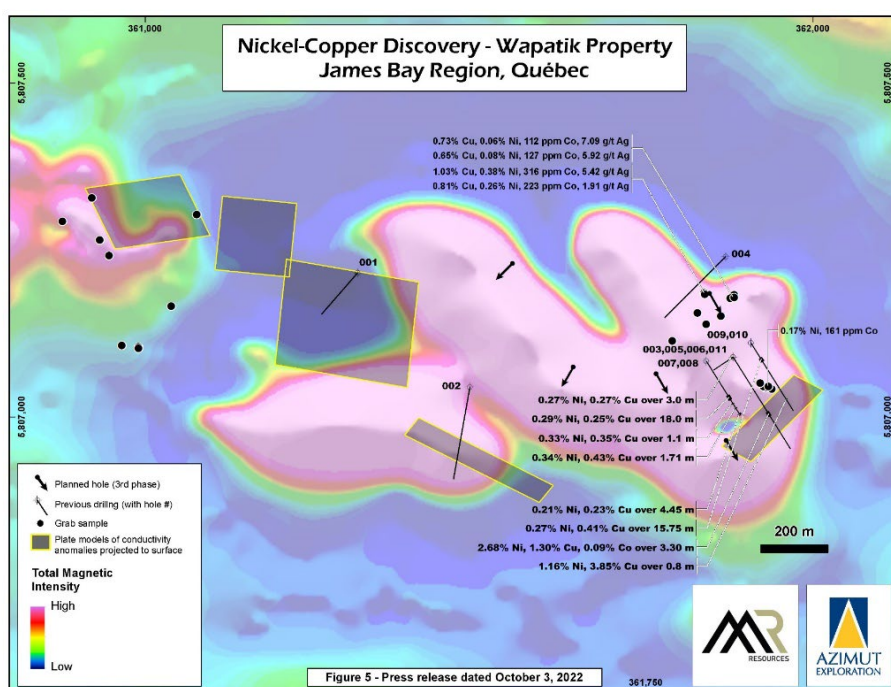


Fig 1: Completed and planned holes from phase 1-3 drilling programs Source: Azimut Exploration

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Second Nickel-Copper-Bearing Intrusion at Wapatik

A focused prospecting program was completed in the September/October 2022 at Wapatik which led to the discovery of a second new nickel-copper-bearing surface discovery 2 kilometers north of where the Company had 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.

Northern Lights

Eastmain L ran - Soil Survey Program

In Mid-June 2022 MRZ commenced a soil survey program where a series of sampling grids were designed to cover areas of known mineralisation (including a 2017 soil anomaly) located in the priority 1 area targeted by Mont-Royal. 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 L ran and Banana Lake grids have been included (see Fig 2,3 & 4). The L ran 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.

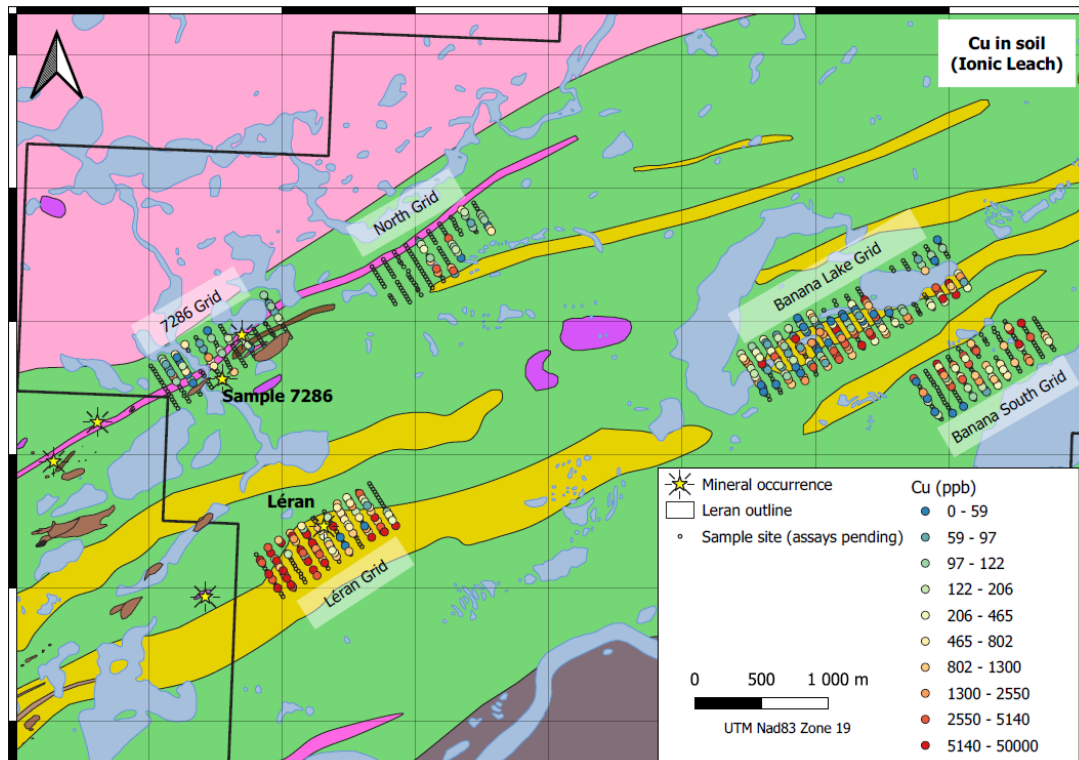


Fig 2: Initial Soil Sampling results – Copper (Cu) Source: IOS Geoscientifique January 2023

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DIRECTORS' REPORT**

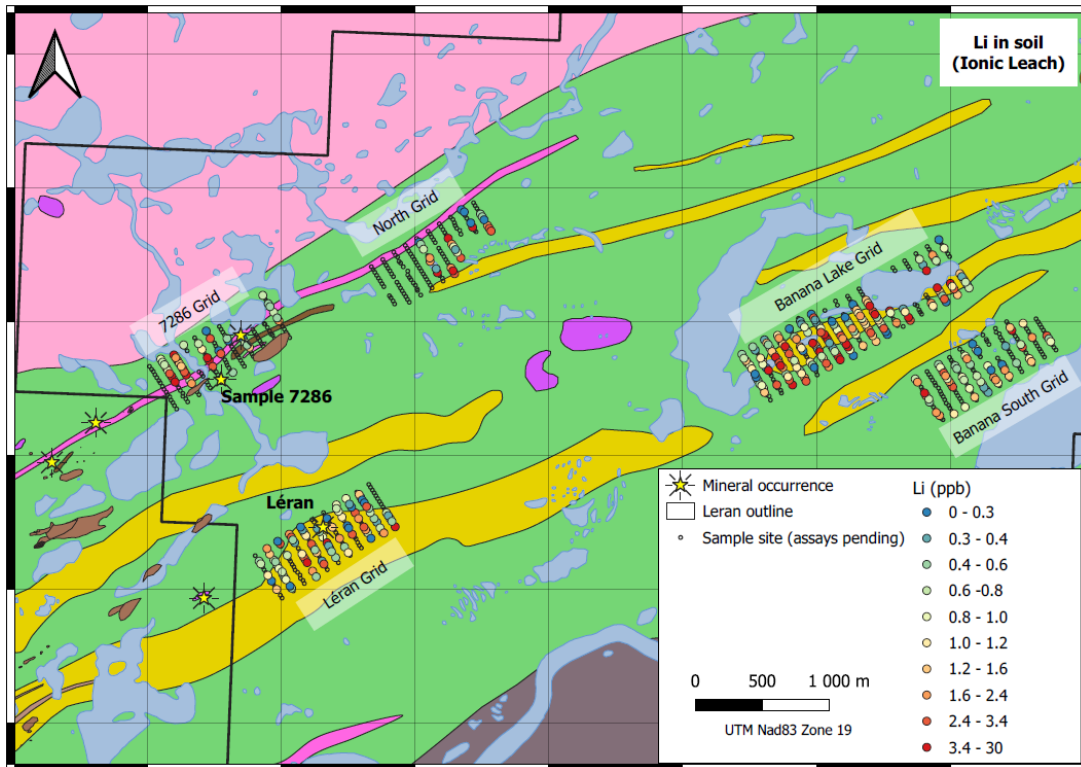


Fig 3: Initial Soil Sampling results targeting Lithium (Li) Source: IOS Geoscientifique January 2023

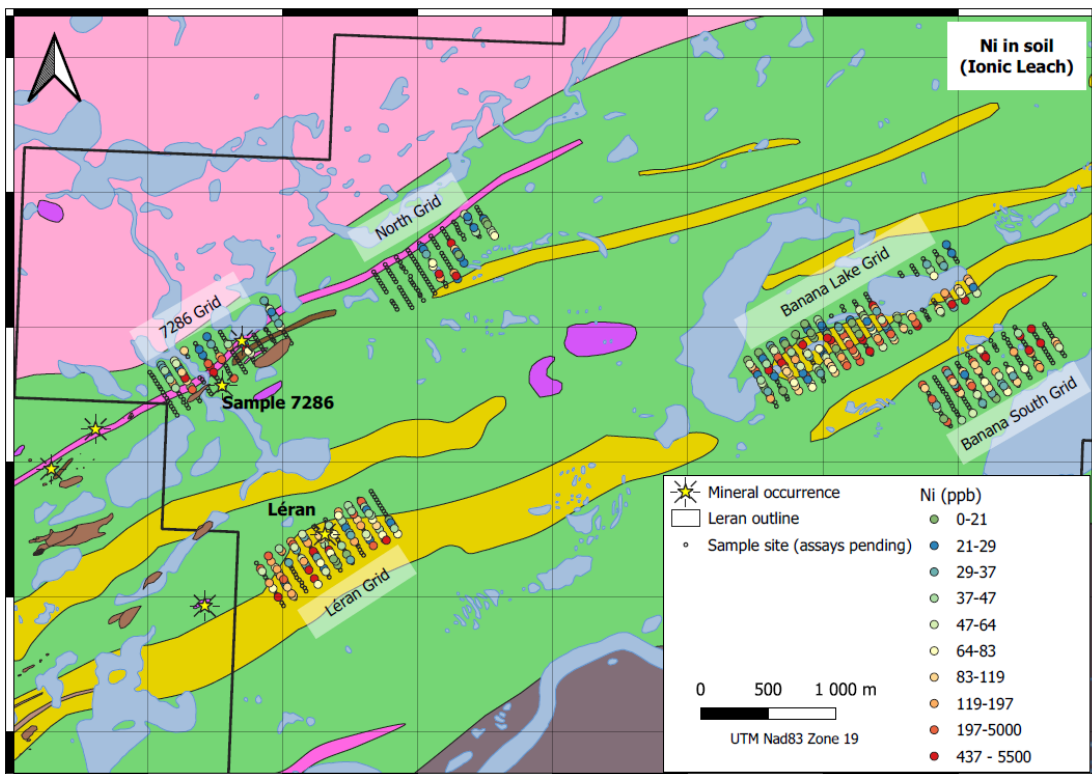


Fig 4: Initial Soil Sampling results – Nickel (Ni) Source: IOS Geoscientifique January 2023

Precious/Base Metals and Early Stage Lithium exploration

The initial results from the soil survey at Eastmain Lérans indicate that the Lérans occurrence remains the primary target in the area. The logistics and planning required for a 1,000m winter drilling program is 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 the Reporting Period, a series of 39 claims located along the Wahemen Granite, north of the Upper Eastmain Greenstone Belt, were added to the Lérans property, with granite showing the characteristics of a LCT (Lithium-Cesium-Tantalum) pegmatites parent magma. Lithium exploration on the Lérans property includes prospecting and

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sampling of the Wahemen Granite and other smaller intrusions in the area, with 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.

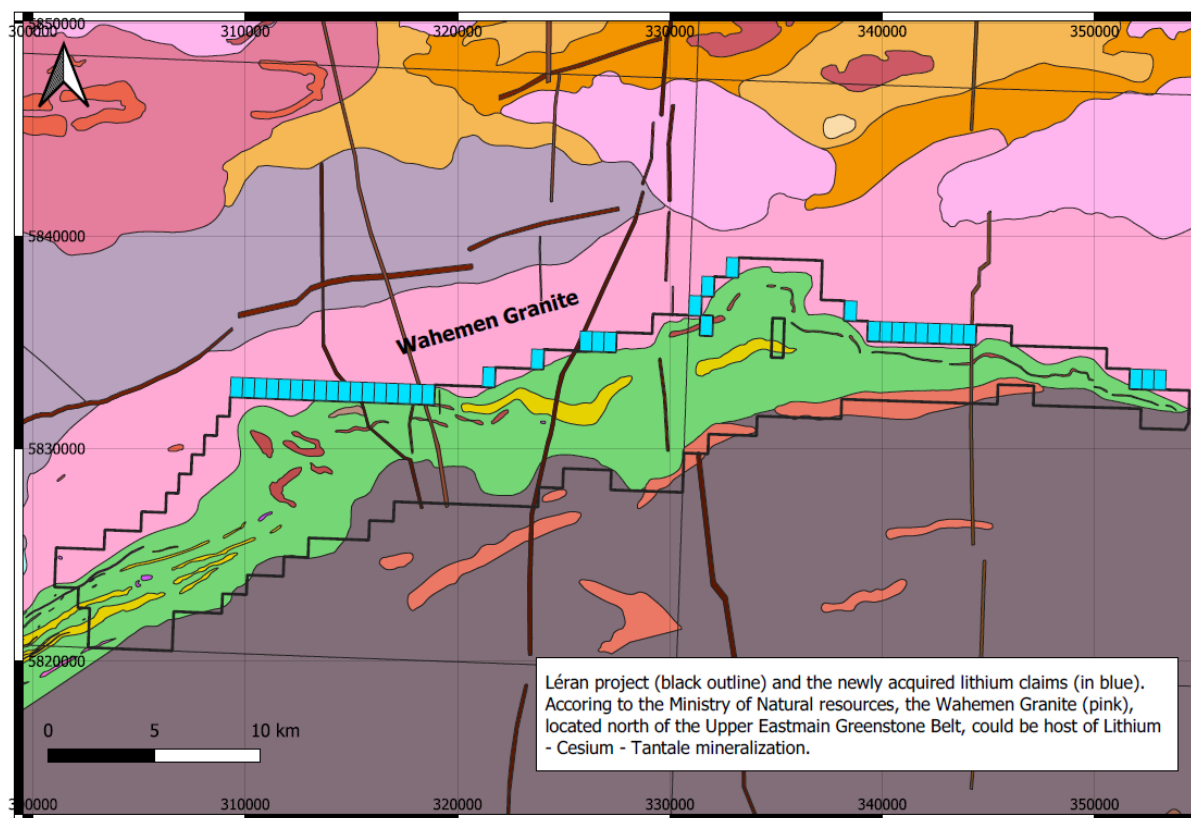


Fig 5: New Acquired claims on Eastmain Léran norther boundary Source: IOS Geoscientifique November 2022

Focus Graphite Inc. Second Milestone Payment

Mont Royal announced that the Company 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).

Significant Changes in the State of Affairs

There were no significant changes in the consolidated group's state of affairs during the financial period.

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial period which significantly affected or may significantly affect the operations of the consolidated group, the results of those operations, or the state of affairs of the consolidated group in future financial periods.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included within this financial report.

Signed in accordance with a resolution of the Directors.

On behalf of the Directors

Peter Ruse
Executive Director
15 March 2023

DECLARATION OF INDEPENDENCE BY JACKSON WHEELER TO THE DIRECTORS OF MONT ROYAL RESOURCES LIMITED

As lead auditor for the review of Mont Royal Resources Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Mont Royal Resources Limited and the entities it controlled during the period.



Jackson Wheeler

Director

BDO Audit (WA) Pty Ltd

Perth

15 March 2023

MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2022

	Note	31 December 2022 \$	31 December 2021 \$
Interest income		9,528	576
Corporate		(415,297)	(500,717)
Share-based payments expense	8	-	(1,083,742)
Loss before tax		(405,769)	(1,583,883)
Income tax expense		-	-
Loss for the period		(405,769)	(1,583,883)
Other comprehensive loss			
<i>Items which may be re-classified to profit or loss</i>			
Exchange differences on translation of foreign operations		(234,054)	(52,278)
Total comprehensive loss for the period attributable to the members		(639,823)	(1,636,161)
<i>Loss for the period attributable to:</i>			
Members of the parent entity		(405,769)	(1,583,883)
Non-controlling interests		-	-
		(405,769)	(1,583,883)
<i>Total comprehensive loss for the period attributable to:</i>			
Members of the parent entity		(619,463)	(1,625,699)
Non-controlling interests		(20,360)	(10,462)
		(639,823)	(1,636,161)
		Cents	Cents
Basic and diluted loss per share (cents per share)	2	(0.60)	(3.77)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	31 December 2022 \$	30 June 2022 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	2,739,336	4,386,497
Trade and other receivables	4	1,377,768	711,714
Prepayments		8,604	134,598
TOTAL CURRENT ASSETS		4,125,708	5,232,809
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	5	5,217,742	4,350,267
TOTAL NON-CURRENT ASSETS		5,217,742	4,350,267
TOTAL ASSETS		9,343,450	9,583,076
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		158,405	95,167
Income tax payable		124,770	62,687
TOTAL CURRENT LIABILITIES		283,175	157,854
TOTAL LIABILITIES		283,175	157,854
NET ASSETS		9,060,275	9,425,222
EQUITY			
Issued capital	6	11,361,378	11,086,502
Reserves	7	2,035,793	2,249,487
Accumulated losses		(4,914,458)	(4,508,689)
Total parent entity interest		8,482,713	8,827,300
Non-controlling interest		577,562	597,922
TOTAL EQUITY		9,060,275	9,425,222

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	Note	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total \$	Non-controlling interest \$	Total \$
Consolidated Group							
Balance at 1 July 2022		11,086,502	2,249,487	(4,508,689)	8,827,300	597,922	9,425,222
Loss for the period		-	-	(405,769)	(405,769)	-	(405,769)
Other comprehensive income		-	(213,694)	-	(213,694)	(20,360)	(234,054)
Total comprehensive loss for the period		-	(213,694)	(405,769)	(619,463)	(20,360)	(639,823)
<i>Equity transactions:</i>							
Share-based payments		274,876	-	-	274,876	-	274,876
Balance at 31 December 2022		11,361,378	2,035,793	(4,914,458)	8,482,713	577,562	9,060,275
Balance at 1 July 2021		5,263,448	122,622	(2,456,530)	2,929,540	-	2,929,540
Loss for the period		-	-	(1,583,883)	(1,583,883)	-	(1,583,883)
Other comprehensive income		-	(41,816)	-	(41,816)	(10,462)	(52,278)
Total comprehensive loss for the period		-	(41,816)	(1,583,883)	(1,625,699)	(10,462)	(1,636,161)
<i>Equity transactions:</i>							
Placement	6	5,914,636	-	-	5,914,636	-	5,914,636
Capital raising costs	6	(1,176,582)	960,332	-	(216,250)	-	(216,250)
Share-based payments		-	1,083,742	-	1,083,742	-	1,083,742
Non-controlling interest recognised on current period acquisition		-	-	-	-	583,333	583,333
Balance at 31 December 2021		10,001,502	2,124,880	(4,040,413)	8,085,969	572,871	8,658,840

The above consolidated statement of change in equity should be read in conjunction with the accompanying notes.

MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2022

	31 December 2022	31 December 2021
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	9,528	576
Payments to suppliers and employees	(481,754)	(521,397)
Net cash used in operating activities	(472,226)	(520,821)
CASH FLOWS FROM INVESTING ACTIVITIES		
Government grants and tax incentives	126,903	-
Payments for exploration and evaluation expenditure (capitalised)	(1,301,838)	(556,633)
Net cash used in investing activities	(1,174,935)	(556,633)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	-	4,000,000
Payments for share issue costs	-	(216,250)
Net cash from financing activities	-	3,783,750
Net increase/(decrease) in cash held	(1,647,161)	2,706,296
Cash and cash equivalents at the beginning of the period	4,386,497	2,468,619
Cash and cash equivalents at the end of the period	2,739,336	5,174,915

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

**MONT ROYAL RESOURCES LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The interim consolidated financial report is a general purpose financial report prepared in accordance with the requirements of the Corporations Act 2001 and Accounting Standard AASB 134: Interim Financial Reporting. Compliance with AASB 134 ensures that the financial report and notes also comply with International Financial Reporting Standards IAS 34: Interim Financial Reporting.

It is recommended that this consolidated interim financial report be read in conjunction with the annual financial report for the year ended 30 June 2022 and any public announcements made by Mont Royal Resources Limited and its controlled entities during the half-year in accordance with the continuous disclosure requirements arising under the Corporations Act 2001 and ASX Listing Rules.

The interim consolidated financial report does not include full disclosures of the type normally included in annual financial reports.

The interim consolidated financial report has been prepared on an accruals basis and is based on historical costs, cost is based on the fair value of the consideration given in exchange for assets.

(b) Statement of compliance

The interim financial statements were authorised for issue on 15 March 2023.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International Financial Reporting Standards (IFRS).

(c) New accounting standards and interpretations

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Standards and Interpretations applicable to 31 December 2022

In the period ended 31 December 2022, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Group and effective for the current reporting period. As a result of this review, the Directors have determined that there is no material impact of the new and revised Standards and Interpretations on the Group and, therefore, no material change is necessary to Group accounting policies.

Accounting standards and interpretations issued but not yet effective

Certain Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and have not been adopted by the Group for the reporting period ended 31 December 2022. The Directors have not early adopted any of these new or amended standards or interpretations. The Directors have not yet fully assessed the impact of these new or amended standards (to the extent relevant to the Group) and interpretations.

**MONT ROYAL RESOURCES LIMITED
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

2. LOSS PER SHARE

The following reflects the income and data used in the calculations of basic and diluted earnings/(loss) per share:

	2022	2021
	\$	\$
Loss per share (cents)	(0.60)	(3.77)
Loss used in calculating basic and diluted loss per share	405,769	1,583,883
	# shares	# shares
Weighted average number of ordinary shares used in calculating basic loss per share:	67,281,023	41,998,225

3. CASH AND CASH EQUIVALENTS

	31 December 2022	30 June 2022
	\$	\$
Cash at bank and on hand	2,739,336	4,386,497

4. OTHER RECEIVABLES

	31 December 2022	30 June 2022
	\$	\$
Tax credit and mining rights receivable	1,099,957	614,031
GST/QST receivable	276,573	96,445
Other	1,238	1,238
Total	1,377,768	711,714

5. EXPLORATION AND EVALUATION EXPENDITURE

	31 December 2022	30 June 2022
	\$	\$
Balance at the beginning of the period	4,350,267	461,861
Exploration and evaluation expenditure incurred during the period	1,616,494	1,991,601
Canadian exploration tax credit offset during the period	(582,336)	(614,031)
Acquisition of Northern Lights Minerals Pty Ltd	-	1,750,000
Non-controlling interest in Northern Lights Minerals Pty Ltd	-	597,922
Foreign currency translation movement	(166,683)	162,914
Balance at the end of the period	5,217,742	4,350,267

The value of the exploration tenements carried forward is dependent upon:

- (a) The continuance of the Consolidated Entity's rights to tenure of the area of interest;
 - (b) The results of future exploration; and
- The recoupment of costs through successful development and exploitation of the areas of interest or alternatively by their sale.

6. ISSUED CAPITAL

(a) Issued Capital

	31 December 2022	30 June 2022
	\$	\$
Fully paid ordinary shares	11,361,378	11,086,502

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6. ISSUED CAPITAL (continued)

(b) Movement in ordinary share capital of the Company:

Date	Details	No. of shares	\$
1/7/2021	Balance at beginning of period	37,876,715	5,263,448
25/11/2021	Placement	20,000,000	4,000,000
	Cost of capital raising	-	(1,176,582)
1/12/2021	Acquisition instalment payment for Focus Graphite	459,236	164,636
1/12/2021	Acquisition of Northern Lights Minerals Pty Ltd	- ¹	1,750,000
31/12/2021	Balance at end of period	<u>58,335,951</u>	<u>10,001,502</u>
1/7/2022	Balance at beginning of period	67,035,951	11,086,502
1/12/2022	Acquisition instalment payment for Focus Graphite	1,446,717	274,876
31/12/2022	Balance at end of period	<u>68,482,668</u>	<u>11,361,378</u>

¹. As at the date of acquisition, the shareholder of Northern Lights had not nominated the parties to whom the consideration shares were to be issued. Pursuant to a Letter Deed, completion occurred on the basis that the consideration shares would be issued at a later date. On 28 January 2022, the Company issued 5,000,000 ordinary fully paid shares to the vendors of Northern Lights Minerals Pty Ltd as consideration for the acquisition

7. RESERVES

(a) Share based payments and foreign currency translation reserve

	31 December 2022 \$	30 June 2022 \$
Share based payments reserve	<u>2,159,727</u>	<u>2,159,727</u>
Foreign currency translation reserve	<u>(123,934)</u>	<u>89,760</u>

(b) Nature and purpose of reserves

Share based payments reserve

The share based payments reserve is the value of equity benefits provided to directors, employees and consultants by the Company as part of their remuneration.

Foreign currency translation reserve

The foreign currency translation reserve records exchange differences arising on translation of foreign subsidiary accounts.

**MONT ROYAL RESOURCES LIMITED
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8. SHARE BASED PAYMENTS

(a) Options

No options were granted during the period ended 31 December 2022.

(b) Shares

On 1 December 2022 the Company issued 1,446,717 fully paid ordinary shares with a fair value of \$274,876 (C\$250,000) as part consideration towards the C\$500,000 third instalment payment for the Focus Assets, with the balance paid in cash (Refer note 9(c)).

9. CONTINGENT LIABILITIES, LEASE COMMITMENTS AND CONTINGENT ASSETS

As at 31 December 2022 there were no contingent liabilities or contingent assets.

(a) Exploration commitments

At 31 December 2022, the Group has the following commitments relating to exploration expenditure incurred in prospecting the licensed area of the group's tenements.

	2022 \$	2021 \$
Within one year	149,947	-
After one year but not more than five years	112,630	-
Longer than five years	-	-
	262,577	-

(b) Earn-in to Wapatik Gold-Copper Project

On 22 September 2020, the Company announced that it had entered into a binding JV option agreement ("Agreement") with Azimut Exploration Inc. ("Azimut") (TSXV: AZM), to earn-in up to 70% of the Wapatik Gold-Copper Project ("Project"). The 70% earn-in is comprised of two earn-in options. The first option is described below.

First option: Mont Royal has an exclusive option to earn a 50% interest (the "First Option"): by making cash payments to Azimut aggregating C\$80,000; and by funding not less than C\$4,000,000 in exploration expenditures on the Project (the "First Option Earn-In Expenditures"), of which the first C\$600,000 ("Initial Commitment") constitutes a firm commitment of Mont Royal. Subsequent to the Initial Commitment, Mont Royal has the right not to proceed with the First Option. The First Option is set out below:

Period	Minimum First Option Earn-In Expenditures	Cash Payments
At the latest on the first (1 st) anniversary of the Effective Date ¹ .	C\$600,000	C\$20,000
At the latest on the second (2 nd) anniversary of the Effective Date ¹ .	C\$800,000	C\$20,000
At the latest on the third (3 rd) anniversary of the Effective Date	C\$1,200,000	C\$20,000
At the latest on the fourth (4 th) anniversary of the Effective Date	C\$1,400,000	C\$20,000
Total	C\$4,000,000	C\$80,000

¹. These amounts have been incurred as at 31 December 2022.

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9. CONTINGENT LIABILITIES, LEASE COMMITMENTS AND CONTINGENT ASSETS (continued)

(c) Northern Lights Minerals Projects

On 1 December 2021, the Company acquired a 75% interest in Northern Lights Minerals Pty Ltd ("Northern Lights"). Northern Lights has the right to acquire certain assets pursuant to the following agreements:

- (i) Northern Lights is party to an agreement with Dios Exploration Inc ("Dios") providing Northern Lights the right to acquire a 70% interest in the certain claims (and associated mining information) ("Dios Agreement") ("Dios Assets"); and
- (ii) a subsidiary of Northern Lights holds rights to acquire 100% of the rights in assets held by Focus Graphite Inc ("Focus Agreement") ("Focus Assets").

Focus Agreement

Pursuant to the Focus Agreement, Northern Lights via its wholly owned subsidiary has the right to acquire a 100% interest in the Focus Assets in consideration for the payment referred to below which is in addition to the payment of C\$1,500,000 which has already been paid.

- C\$800,000 in cash or shares by 1 December 2023.

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 Agreement

Pursuant to the Dios Agreement, Northern Lights has the option to acquire an interest in 70% of the Dios Assets by making the following further cash payments:

- C\$30,000 on 1 July 2023;
- C\$50,000 on 1 July 2024; and
- C\$50,000 on 1 July 2025.

In addition, in order to exercise the option, Northern Lights must expend not less than C\$1.4m of exploration expenditure over a 5-year period.

10. FINANCIAL RISK MANAGEMENT

The Group's financial instruments consistent mainly of deposits with banks, short-term investments and payables.

The carrying amounts of the current receivables, current payables and other liabilities are considered to be a reasonable approximation of their fair value.

11. INVESTMENT IN SUBSIDIARY

Interests are held in the following subsidiary companies:

Name	Principal Activity	Country of Incorporation	Ownership Interest	
			31 December 2022	30 June 2022
Mont Royal Exploration Australia Pty Ltd	Mineral Exploration	Australia	100%	100%
Mont Royal Resources Canada Inc	Mineral Exploration	Canada	100%	100%
Mont Royal Resources Quebec Inc	Mineral Exploration	Canada	100%	100%
Northern Lights Minerals Pty Ltd	Mineral Exploration	Australia	75%	75%
1256137 BC Ltd	Mineral Exploration	Canada	75%	75%

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12. EVENTS AFTER THE REPORTING PERIOD

There have been no events subsequent to the financial period end that will affect the results as disclosed in this report.

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DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Mont Royal Resources Limited, the directors of the Company declare that:

1. In the opinion of the directors:

- (a) the interim financial statements and notes of the Consolidated Group are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Consolidated Group's financial positions as at 31 December 2022 and of their performance for the half year ended on that date; and
 - (ii) complying with Australian Accounting Standards, the Corporations Regulations 2001, professional reporting requirements and other mandatory requirements;
- (b) there are reasonable grounds to believe that the Company and the consolidated group will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the Directors in accordance with Section 303(5) of the Corporations Act 2001 for the half-year ended 31 December 2022.

Signed in accordance with a resolution of the board of directors



Peter Ruse
Executive Director
15 March 2023

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Mont Royal Resources Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Mont Royal Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2022, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (i) Giving a true and fair view of the Group's financial position as at 31 December 2022 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be the same terms if given to the directors as at the time of this auditor's review report.

Responsibility of the directors for the financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.



Auditor's responsibility for the review of the financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its financial performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

BDO Audit (WA) Pty Ltd

A handwritten signature in black ink, appearing to read 'JW', is written over a horizontal line. Above the signature, the letters 'BDO' are handwritten in a cursive style.

Jackson Wheeler

Director

Perth

15 March 2023