ASX ANNOUNCEMENT
ASX : MRZ | 30- 05-2019

GEOPHYSICAL SURVEY CONFIRMS STRUCTURAL CORRIDOR AT EDJUDINA GOLD PROJECT

Highlights

- **Detailed sub-audio magnetic (SAM) survey complete**
- **Survey has confirmed the location of the Pinjin Fault as well as several second-order structures**
- **Multiple targets defined, to be drill tested within the next quarter**

Mont Royal Resources Limited ("**Mont Royal**" or the "**Company**")(**ASX:MRZ**) is pleased to confirm the completion of a SAM survey at its 100% owned Edjudina Gold Project. This survey covers part of the southern portion of the tenement package where historic drilling is sparse and largely ineffectual. Preliminary interpretation of results has defined several targets that will be tested by aircore drilling, expected to begin within the first quarter of the 2019-2020 financial year.

The survey covered an area of 16.1km^2, consisted of 233-line km's of data and was recorded on 75m line spacing.

Mont Royal Executive Director Peter Ruse said that "*the results from the Company's maiden field work program have provided important information as the first step in a systematic exploration effort within a well-endowed part of Western Australia. We look forward to receiving the interpreted results, and drill testing the new targets in due course.*"

About Sub-Audio Magnetics

SAM is a geophysical technique where an active source current is channelled into conductive sub-surface features, generating an electromagnetic field that is detected at the surface. In general, the Equivalent Magnetometric Resistivity(EQMMR) highs can be interpreted as rock units, structures or contacts of increased current flow often defined by an increased weathering profile in the regolith. EQMMR lows highlight more resistive or less weathered areas.

Together with EQMMR, the SAM technique records Total Magnetic Intensity (TMI), Total Field Electromagnetics (TFEM) and Digital Elevation data (DEM).

Figure 1: SAM survey includes the generation of an electric source from a transmitter (left) that is channelled into the ground (right) and detected at surface (centre)

CORPORATE DIRECTORY

Gary Lawler
Non-Executive Chairman

Peter Ruse
Executive Director

Michael O'Keefe
Non-Executive Director

Shaun Menezes
Company Secretary

CONTACT DETAILS

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Target Generation

Multiple anomalies have been generated, with the highest priority targets interpreted to be related to the regionally significant Pinjin Fault. The geophysical signature associated with this structure can be traced for over 6km within E39/1992 and in places is coincident with de-magnetization of the host lithology, potentially representing alteration and gold deposition. There are also several jogs/changes in orientation of the structure which empirically represents robust target areas.

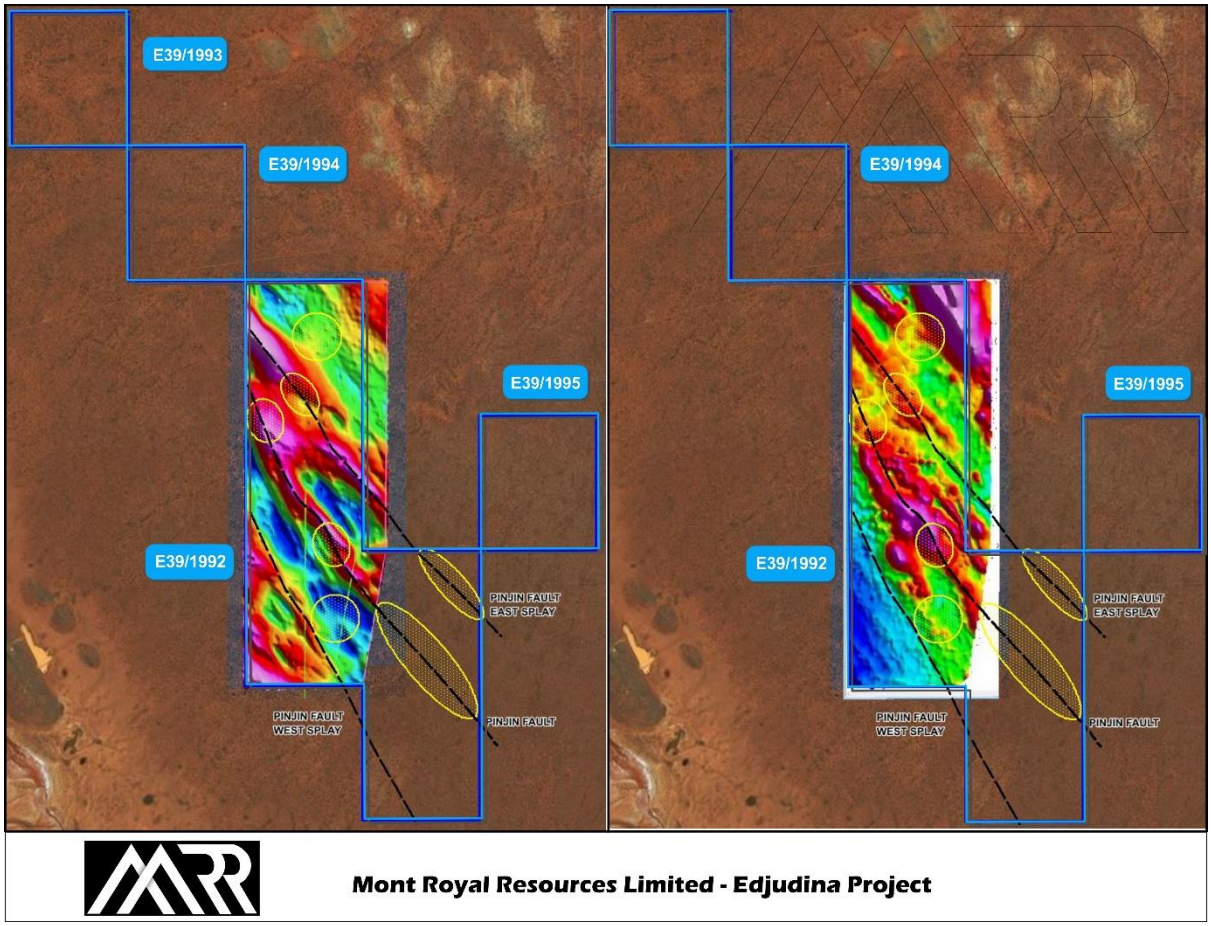

Figure 2: Results of the Sub-Audio Magnetics (SAM) survey shown above. EQMMR displayed on the left and TMI displayed on the right. Identified targets highlighted in yellow

Edjudina Geology

The Edjudina Project is located in the Eastern Goldfields portion of the Yilgarn Craton, more specifically, within the Kurnalpi Terrane of the eastern portion of the Norseman-Wiluna Greenstone Belt.

The Archaean rocks in the area consists of supracrustal sequences, comprising metamorphosed sedimentary and volcanic rocks in greenstone belts of lower greenschist to mid-upper amphibolite facies adjacent to regional granitoid and migmatitic gneisses. The area is almost entirely covered by transported material consisting of colluvium, subordinate laterite, alluvium, dunes and playas lake clays. The greenstone and granitoids are dominated by north–north westerly trending folds, and parallel fault zones that commonly mark apparent truncations of the lithostatigraphy.

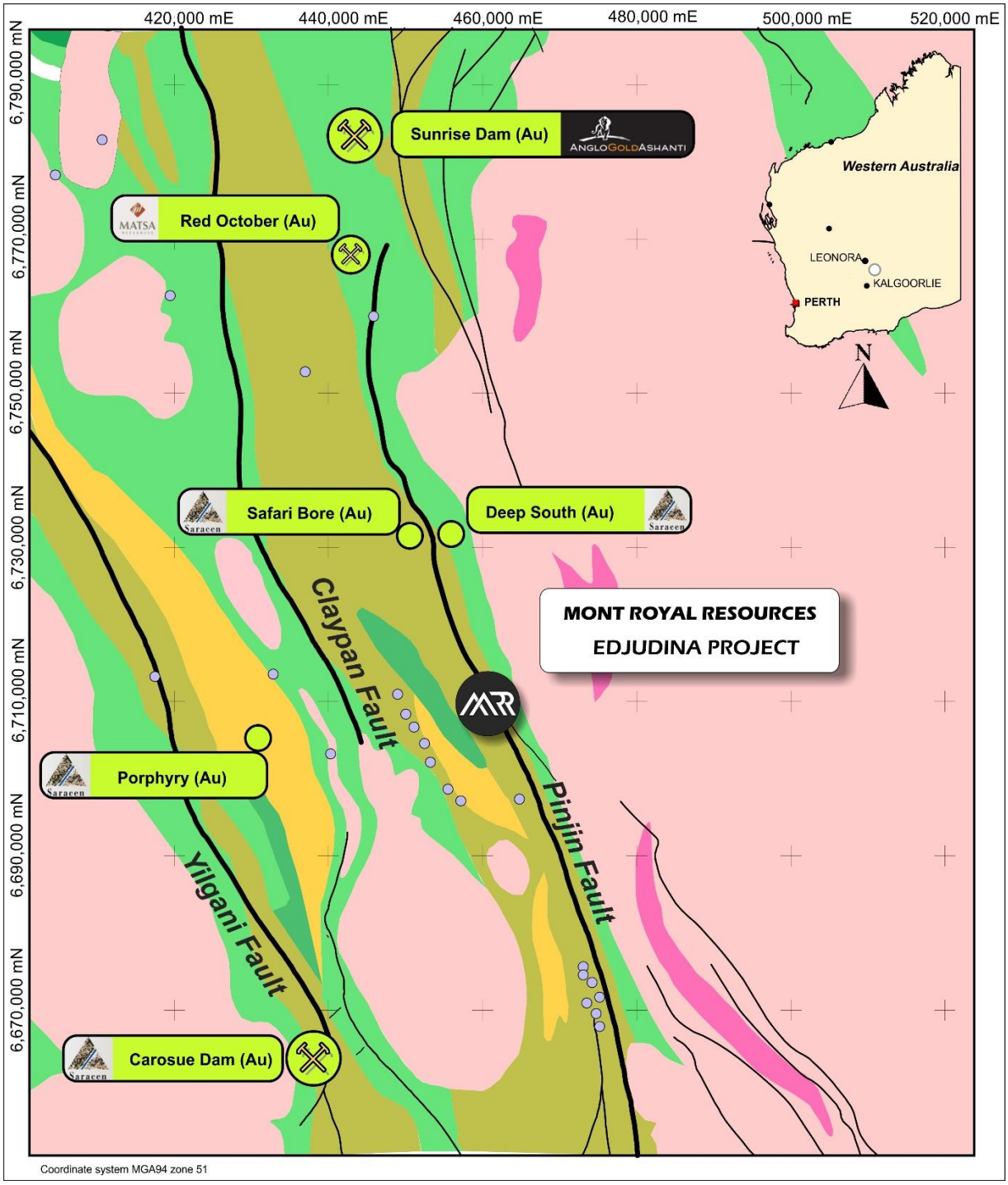

Figure 3: Location of the Edjudina Project

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 Toby Wellman, a Competent Person who is a Member of the Australian Institute of Mining and Metallurgy ("AusIMM"). Mr Wellman is a consultant to the Company. Mr Wellman 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 Wellman 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 is an Australian company incorporated for the purpose of pursuing various mining opportunities in the resources sector designed to add shareholder value by acquiring, exploring, evaluating and exploiting mineral resource project opportunities. Since incorporation, the Company has acquired a 100% interest in four exploration licences in Western Australia comprising the Edjudina Project which is considered to be prospective for Archaean lode style gold deposits. The tenements comprising the Edjudina Project are held in the name of the Company's wholly owned subsidiary, Mont Royal Exploration Australia Pty Ltd. The Company also has an exclusive option to acquire an additional exploration licence comprising the Yule River Project which is prospective for Archaean mesothermal lode style gold deposits. For further information regarding Mont Royal Resources Limited please visit the ASX platform (**ASX:MRZ**) or the Company's website www.montroyalres.com

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole 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 (eg '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 (eg submarine nodules) may warrant disclosure of detailed information.*	• A sub-audio magnetics (SAM) survey was completed at the Edjudina Project by Gap Geophysics Australia Pty Ltd. The survey consisted of 233-line kms of surveying completed on 75m line spacings.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg 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).*	• Not applicable as no drilling completed.
Drill sample recovery	• *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.*	• Not applicable as no drilling completed.
Logging	• *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*	• Not applicable as no drilling completed.

Criteria	JORC Code explanation	Commentary
	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.*	
Sub-sampling techniques and sample preparation	• *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.*	• Not applicable as no drilling completed.

Quality of assay data and laboratory tests	• *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 (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*
		• The geophysical equipment used:
		  ○ Transmitter: Gap GeoPack High Power HPTX-70
		  ○ Base Station: A magnetometer capable of recording to 0.1nT
		  ○ Receiver: Gap TM-7 Magnetometer sampling at 2400Hz
		• QAQC of survey results is completed following transmission of data to Gap Geophysics.

Verification of sampling and assaying	• *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.*	• Raw geophysical data was captured electronically in the field and sent to Gap Geophysics daily for internal validation. The modelled data was completed by Core Geophysics and interpreted internally by Mont Royal Resources. All quality control was completed by GAP Geophysics and reviewed by Core Geophysics.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	• All spatial data was collected in GDA94 Zone 51 via a GPS receiver nominally accurate to 5m.

Criteria	JORC Code explanation	Commentary
	• *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	
Data spacing and distribution	• *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.*	• Lines were completed on 75m line spacing.
Orientation of data in relation to geological structure	• *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.*	• A nominal line direction of 45 degrees was completed (perpendicular to orientation of lithology and structure)
Sample security	• *The measures taken to ensure sample security.*	• Not applicable as no sampling taken.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews of the sampling technique were completed.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.*	• Completed survey was conducted on the 100% owned E39/1992, part of the Edjudina Project.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• The Edjudina Project has been explored previously by numerous explorers including Newcrest Mining, Aberfoyle Resources, PacMin Mining Corporation, Gutnick resources, Sons of Gwalia, Great Gold Mines, St Barbara Mines, Hawthorn Resources and Saracen Gold

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>Mines.</td></tr>
<tr><td>Geology</td><td>• Deposit type, geological setting and style of mineralisation.</td><td>• The Edjudina Project is located in the Eastern Goldfields portion of the Yilgarn Craton, more specifically, within the Kurnalpi Terrane of the eastern portion of the Norseman-Wiluna Greenstone Belt.The Archaean rocks in the area consists of supracrustal sequences, comprising metamorphosed sedimentary and volcanic rocks in greenstone belts of lower greenschist to mid-upper amphibolite facies adjacent to regional granitoid and migmatitic gneisses. The area is almost entirely covered by transported material consisting of colluvium, subordinate laterite, alluvium, dunes and playas lake clays. The greenstone and granitoids are dominated by north–north westerly trending folds, and parallel fault zones that commonly mark apparent truncations of the lithostatigraphy.</td></tr>
<tr><td>Drill hole Information</td><td>• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:
○ easting and northing of the drill hole collar
○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
○ dip and azimuth of the hole
○ down hole 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.</td><td>• No drilling was completed, however a geophysical survey was undertaken that is non-invasive and recorded at surface.
• The survey was completed across two grids with the corners of each grid listed below:
<table><tr><th></th><th>Easting _MGA</th><th>Northing_MGA</th></tr><tr><td rowspan="6">GRID 1</td><td>45690.9</td><td>6712543.1</td></tr><tr><td>461306.4</td><td>6712530.3</td></tr><tr><td>461632.5</td><td>6712527.0</td></tr><tr><td>461632.5</td><td>6708847.0</td></tr><tr><td>461330.0</td><td>670700.9</td></tr><tr><td>459718.7</td><td>6706995.5</td></tr><tr><td rowspan="6">GRID 2</td><td>461630.0</td><td>6708870.0</td></tr><tr><td>462975.0</td><td>6708870.0</td></tr><tr><td>462947.3</td><td>6705159.7</td></tr><tr><td>461336.4</td><td>6705154.2</td></tr><tr><td>461330.0</td><td>6707000.9</td></tr><tr><td>460890.0</td><td>6707000.0</td></tr><tr><td></td><td>461235.0</td><td>6708865.0</td></tr></table></td></tr>
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Criteria	JORC Code explanation	Commentary
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg 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.*	• Not applicable as no drilling completed.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• Not applicable as no drilling completed.
Diagrams	• *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 drill hole collar locations and appropriate sectional views.*	• Not applicable as no drilling completed. Geophysical survey location and relative corner points are shown in Figure 2 above.
Balanced reporting	• *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.*	• Not applicable. All survey results are shown visually in Figure 2.
Other substantive exploration data	• *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.*	• Historical drill collars are shown in Figure 2 relative to the survey extents.
Further work	• *The nature and scale of planned further work (eg 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.*	• Aircore drilling is proposed to test target areas delineated by the survey