



# MONT ROYAL RESOURCES QUARTERLY REPORT

## MARCH 31, 2020

### Highlights

- Company maintains strong financial position
- Maintains strict low G&A expenses to preserve cash position
- Fieldwork and desktop studies ceased at Edjudina

Mont Royal Resources Limited (“**Mont Royal**” or the “**Company**”)(ASX:MRZ) is pleased to release its quarterly report. During the quarter, Mont Royal ceased its exploration efforts at its 100% owned Edjudina Gold Project in Western Australia.

### Edjudina Project

Over the last quarter, the Company carried out a comprehensive desk top analysis and technical review of the results of its air core drill program for the purpose of determining whether any follow-up exploration work or activities are required. The results of the review do not in the Board’s view justify the further expenditure of funds on this project.

During the recent quarter Board has decided to cease any further exploration program and expenditure at the Edjudina project. The Company has committed its attention to assessing various advanced exploration opportunities in the precious and base metals sector while at the same time maintaining strict control over its expenditures.

### Financial position and outlook

The Company remains very well-funded with \$3.8m in cash at the end of the Quarter. As stated in a recent announcement, Mont Royal has always upheld strict cost controls with no large general and administrative (G&A) expenses, and Board and management fees continue to be well below many peer companies. This stance will continue through volatile and uncertain conditions across global stock markets.

A summary of the expenditure incurred on exploration activities, payments to related parties and tenements held are set out in the annexure to the Appendix 5B.

A comparison of the use of funds as set out in the Prospectus and the actual use of funds is set out in the annexure to this announcement.

For further information please refer to the Appendix 5B.

ENDS.

For and on Behalf of the Board  
Shaun Menezes | Company Secretary

### CORPORATE DIRECTORY

**Gary Lawler**  
Non-Executive Chairman

**Peter Ruse**  
Executive Director

**Michael O’Keeffe**  
Non-Executive Director

**Shaun Menezes**  
Company Secretary

### CONTACT DETAILS

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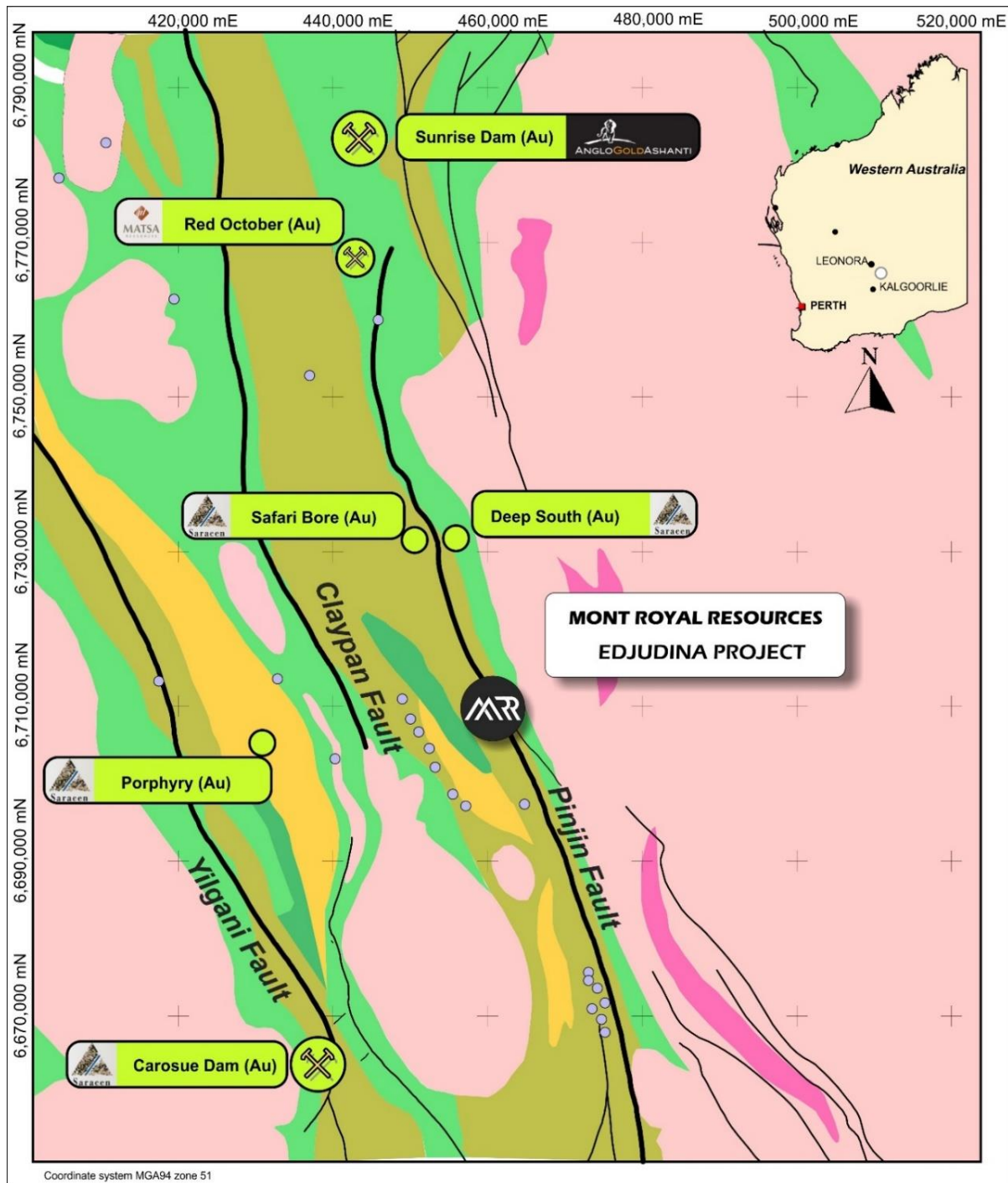


Figure 1: Location of the Edjudina Project

**Competent Person's Statement**

The information in this announcement which relates to exploration results for the Edjudina Gold Project was first released by the Company to ASX in its prospectus dated 5 March 2019, released on 3 May 2019. Subsequent exploration results were released on 27 September 2019. The Company confirms that it is not aware of any new information or data that materially affects the information included in the prospectus and announcement of 3 May 2019.

**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. For further information regarding Mont Royal Resources Limited please visit the ASX platform (**ASX:MRZ**) or the Company's website [www.montroyalres.com](http://www.montroyalres.com)



## Annexure

A comparison of the proposed use of funds set out in the prospectus against the actual use of funds to date is set out below:

Description	Prospectus disclosure (Year 1)	Pro-rata (from date of IPO to current)	Actual Expenditure	Commentary
Exploration – Edjudina Project	1,000,000	916,667	448,000	A.
Exploration – Yule River Project	25,000	22,917	-	B.
Directors' fees	200,000	183,333	189,340	
General administration fees and working capital	235,000	215,417	257,924	
Future acquisition costs	465,000	426,250	35,012	C.
Estimated expenses of the Public Offer	500,000	500,000	537,000	
<b>Total</b>	<b>2,425,000</b>	<b>2,264,583</b>	<b>1,467,276</b>	

### *Commentary:*

A. Actual expenditure on the Edjudina Project is lower than planned expenditure as the results from air core drilling program and subsequent desktop reviews were not sufficiently positive to warrant further expenditure.

B. As stated in the September 2019 Quarter Activities Report, the Mont Royal board resolved to relinquish the option to acquire the Yule River Project from Centrepeak Resources Group.

C. The Company has not incurred significant expenditure in this area to date as it has been focussed on the Edjudina Project.