



**MONT ROYAL RESOURCES
LIMITED AND ITS
CONTROLLED ENTITIES**

ACN: 625 237 658

**Financial Report
For the Half Year Ended
31 December 2023**

MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

CONTENTS	Page
Directors' Report	2
Auditor's Independence Declaration	5
Consolidated Statement of Profit or Loss and Other Comprehensive Income	6
Consolidated Statement of Financial Position	7
Consolidated Statement of Changes in Equity	8
Consolidated Statement of Cash Flows	9
Notes to the Consolidated Financial Statements	10
Directors' Declaration	15
Independent Auditor's Review Report	16

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 2023.

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)
Ronnie Beevor (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 \$465,361 (2022: \$405,769).

Mont Royal Resources (ASX: MRZ) has built a significant position in an underexplored greenstone belt in the James Bay area of Quebec, Canada, with the Company's Northern Lights and Wapatik Lithium Projects, both strategically located in the lower and upper regions of the belt (Figure 1). The projects are prospective for lithium, precious (gold, silver) and base metal mineralisation (copper, nickel).

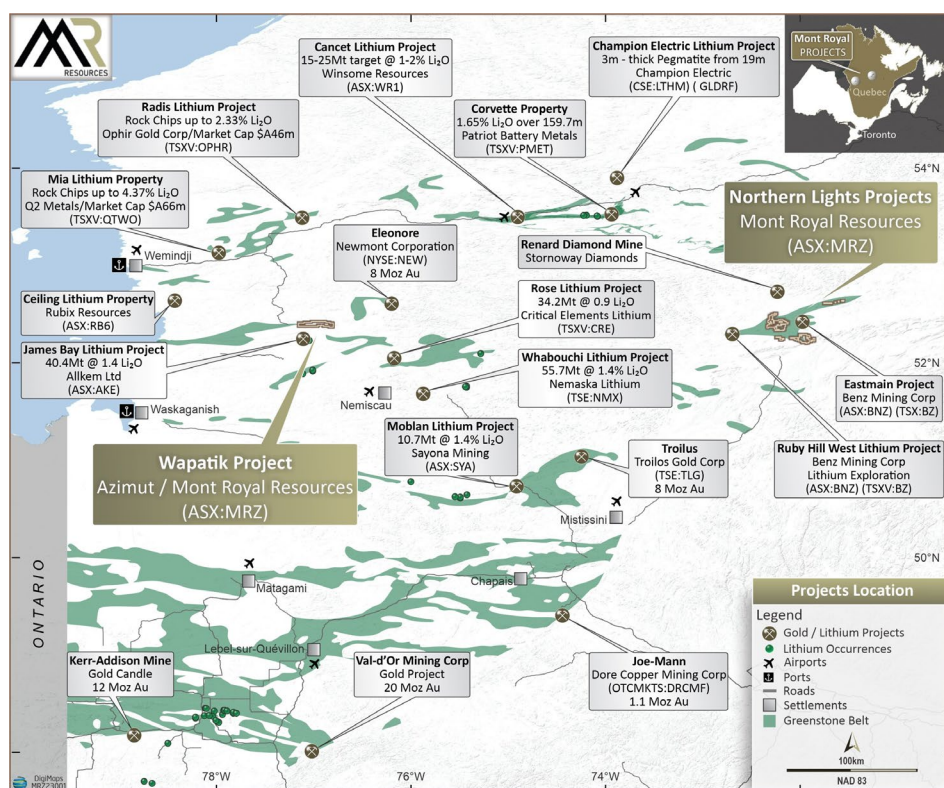


Figure 1: Project Locations

Northern Lights Projects

As a result of successful exploration programs, Mont Royal has established three distinct target areas across the Company's Northern Lights tenements in Quebec:

- The Bohier LCT-bearing pegmatite outcrops, including a 500-metre long exploration target;
- High-grade discoveries within the Eastmain-Léran Wahemem Boulder field; and
- The Eastmain-Léran Central Boulder discovery and 8km tantalum zone.

The Bohier LCT-bearing pegmatite outcrops were identified through the Company's first lithium prospecting phase in July/August 2023. Follow-up field work comprised a gravimetry survey undertaken in parallel with trenching and channel sampling at the Bohier Pegmatite.

The gravimetry survey focused on the western end of the greenstone units, extending from the property's west end to the north-east of the pegmatite outcrops. The trenching and channel sampling program was designed firstly to

MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES DIRECTORS' REPORT

define the thickness and lateral extents of the pegmatite and secondly to identify the source of any preliminary gravimetric anomalies identified.

Gravimetric data identified a series of gravimetric lows (which is significant as pegmatites are less dense than surrounding greenstones). One of these gravimetric lows represents the direct continuation of the known pegmatite exposure at surface and extends 500m to the west.

This anomaly extends over a small pegmatite outcrop with traces of spodumene (assays from surface sampling returned values of 75ppm Li), which indicates that the gravimetric low is related to the spodumene pegmatite – making it a priority focus for exploration.

Five other anomalies were interpreted with lengths varying from 200m to 400m.

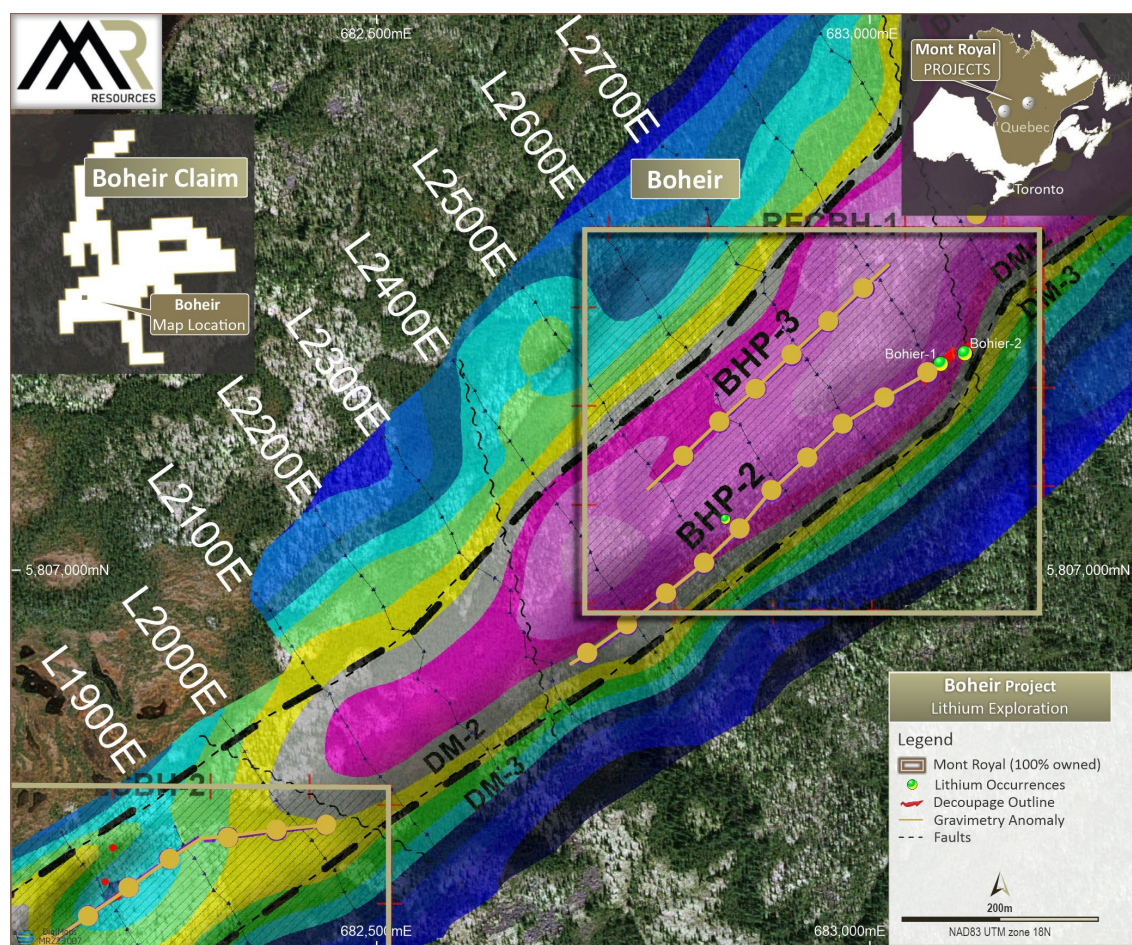


Figure 2 – Gravimetric survey results showing the 500m target zone and the three known pegmaties. Source: IOS Géoscientifique.

High-grade results from the trenching and channel sampling program included 6.05m @ 1.78% Li_2O , 7m @ 1.71% Li_2O and 1m @ 1.97% Li_2O .

Planning is well advanced for an initial drilling program at Bohier commencing in H1 2024.

At the Eastmain Lérans Wahemen Boulder field, grab sampling at the Wahemen Boulder field returned results including 2.41%, 3.51% and 4.02% Li_2O in an area approximately 1km northeast of a historical lithium occurrence (press release dated 4th September 2023).

Observations from field work have confirmed the pegmatite boulders, up to 4m long, contain spodumene crystals up to 50cm long and beryl. The other boulders from the field are composed of local greenstones.

The boulder field location and boulders' composition strongly suggest that the source of these blocks is located northeast (i.e., up-ice), in a greenstone unit and no further than 1.2km away from where the contact between greenstone and granite has been found. Geological mapping and sampling along a series of closely spaced NW-SE traverses has since been completed.

A review of IOS Services Géoscientifiques' ARTGold™ data from a 2017 till survey highlighted a few tantalum oxide dispersion trains. This new Tantalum-rich zone in the central section of the Eastmain-Lérans Property was the focus of a prospecting program. A spodumene-bearing boulder was identified which returned an assay of 1.12% Li_2O , opening up a new prospective area approximately 8km from the Wahemen Boulder field.

MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES DIRECTORS' REPORT

A 90km² LiDAR survey was flown across the Tantalum-rich zones and boulder field area at the Eastmain L ran Project. LiDAR data will be interpreted in Q1 2024 to support planning for the 2024 mapping/prospecting season.

Given the scarcity of outcrops and signs of a low gravimetric signature near the Wahemen Boulder field, an additional gravimetric survey is planned during the winter to further identify target(s) to be drilled as a secondary program in addition to the advanced exploration target at the Bohier Project.

Wapatik Project

During the reporting period, Mont Royal and its joint venture partner, Azimut Exploration, completed a lithium exploration program at the Wapatik Project.

The Wapatik Project encompasses several pegmatite dykes visible from the air. The project is situated 18km north of the Alkem's James Bay Lithium Project (Mineral Resource Estimate of 40.3Mt at 1.4% Li₂O and Ore Reserve of 37.2Mt at 1.3% Li₂O.; ref. Alkem Website).

Till sampling was used to target priority areas with Tantalum and Caesium analysis. The western third of the property appears prospective, as well as several areas in its centre. Targeting will be further advanced using in-house remote sensing processing.

Corporate

Eastmain-L ran Project, Third Milestone Payment and completion of Project acquisition

During the reporting period, Mont Royal completed the third and final milestone payment to Focus Graphite Inc. (TSXV: FMS) to acquire the Eastmain L ran Project in Quebec's Upper Eastmain Greenstone Belt. Completion of the transaction occurred on 4 December 2023.

The Board of Mont Royal satisfied the 4 December 2023 payment obligation on the following basis:

- Cash Consideration: C\$400,000
- Share consideration: 2,734,858 Fully Paid Ordinary shares in MRZ

The share consideration, which represents C\$400,000, was calculated on the basis of a deemed issue price \$0.163 (10-day average closing price of MRZ) and an exchange rate AUD/CAD: 0.8973.

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
28 February 2024

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 2023, 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

28 February 2024

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 2023

	Note	31 December 2023 \$	31 December 2022 \$
Interest income		16,583	9,528
Corporate		(456,660)	(415,297)
Share-based payments expense	8	(25,284)	-
Loss before tax		<u>(465,361)</u>	<u>(405,769)</u>
Income tax expense		-	-
Loss for the period		<u>(465,361)</u>	<u>(405,769)</u>
Other comprehensive loss			
<i>Items which may be re-classified to profit or loss</i>			
Exchange differences on translation of foreign operations		(220,364)	(234,054)
Total comprehensive loss for the period attributable to the members		<u>(685,725)</u>	<u>(639,823)</u>
<i>Loss for the period attributable to:</i>			
Members of the parent entity		(457,364)	(405,769)
Non-controlling interests		(7,997)	-
		<u>(465,361)</u>	<u>(405,769)</u>
<i>Total comprehensive loss for the period attributable to:</i>			
Members of the parent entity		(661,515)	(619,463)
Non-controlling interests		(24,210)	(20,360)
		<u>(685,725)</u>	<u>(639,823)</u>
		Cents	Cents
Basic and diluted loss per share (cents per share)	2	(0.58)	(0.60)

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 2023

	Note	31 December 2023 \$	30 June 2023 \$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	1,888,782	2,259,958
Trade and other receivables	4	1,829,111	1,238,134
Prepayments		17,590	28,431
TOTAL CURRENT ASSETS		<u>3,735,483</u>	<u>3,526,523</u>
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	5	7,486,801	6,076,557
TOTAL NON-CURRENT ASSETS		<u>7,486,801</u>	<u>6,076,557</u>
TOTAL ASSETS		<u>11,222,284</u>	<u>9,603,080</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		397,257	611,894
TOTAL CURRENT LIABILITIES		<u>397,257</u>	<u>611,894</u>
TOTAL LIABILITIES		<u>397,257</u>	<u>611,894</u>
NET ASSETS		<u>10,825,027</u>	<u>8,991,186</u>
EQUITY			
Issued capital	6	13,562,268	11,361,378
Reserves	7	2,467,918	2,353,411
Accumulated losses		(5,779,929)	(5,322,583)
Total parent entity interest		10,250,257	8,392,206
Non-controlling interest		574,770	598,980
TOTAL EQUITY		<u>10,825,027</u>	<u>8,991,186</u>

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 2023

	Note	Issued Capital \$	Reserves \$	Accumulated Losses \$	Total \$	Non-controlling interest \$	Total \$
Consolidated Group							
Balance at 1 July 2023		11,361,378	2,353,393	(5,322,565)	8,392,206	598,980	8,991,186
Loss for the period		-	-	(457,364)	(457,364)	(7,997)	(465,361)
Other comprehensive loss		-	(204,151)	-	(204,151)	(16,213)	(220,364)
Total comprehensive loss for the period		-	(204,151)	(457,364)	(661,515)	(24,210)	(685,725)
<i>Equity transactions:</i>							
Issue of shares	6	2,655,745	-	-	2,655,745	-	2,655,745
Capital raising costs	6	(454,855)	-	-	(454,855)	-	(454,855)
Share-based payments	8	-	318,676	-	318,676	-	318,676
Balance at 31 December 2023		13,562,268	2,467,918	(5,779,929)	10,250,257	574,770	10,825,027
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 loss		-	(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

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 2023

	31 December 2023	31 December 2022
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	16,583	9,528
Payments to suppliers and employees	(449,512)	(481,754)
Net cash used in operating activities	<u>(432,929)</u>	<u>(472,226)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Government grants and tax incentives	17,059	126,903
Payments for exploration and evaluation expenditure (capitalised)	(2,003,807)	(1,301,838)
Net cash used in investing activities	<u>(1,986,748)</u>	<u>(1,174,935)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	2,209,963	-
Payments for share issue costs	(161,462)	-
Net cash from financing activities	<u>2,048,501</u>	<u>-</u>
Net increase/(decrease) in cash held	(371,176)	(1,647,161)
Cash and cash equivalents at the beginning of the period	2,259,958	4,386,497
Cash and cash equivalents at the end of the period	<u>1,888,782</u>	<u>2,739,336</u>

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

**MONT ROYAL RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
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 2023 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 28 February 2024.

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 2023

In the period ended 31 December 2023, 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 2023. 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
AND ITS CONTROLLED ENTITIES
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:

	2023	2022
	\$	\$
Loss per share (cents)	(0.58)	(0.60)
Loss used in calculating basic and diluted loss per share	457,364	405,769
	# shares	# shares
Weighted average number of ordinary shares used in calculating basic loss per share:	79,392,402	67,281,023

3. CASH AND CASH EQUIVALENTS

	31 December 2023	30 June 2023
	\$	\$
Cash at bank and on hand	1,888,782	2,259,958

4. OTHER RECEIVABLES

	31 December 2023	30 June 2023
	\$	\$
Tax credit and mining rights receivable	1,583,604	1,026,606
GST/QST receivable	242,173	210,290
Other	3,335	1,238
Total	1,829,111	1,238,134

5. EXPLORATION AND EVALUATION EXPENDITURE

	31 December 2023	30 June 2023
	\$	\$
Balance at the beginning of the period	6,076,557	4,350,267
Exploration and evaluation expenditure incurred during the period	2,304,122	2,600,241
Canadian exploration tax credit offset during the period	(598,371)	(1,065,745)
Foreign currency translation movement	(295,507)	191,794
Balance at the end of the period	7,486,801	6,076,557

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 2023	30 June 2023
	\$	\$
Fully paid ordinary shares	13,562,268	11,361,378

**MONT ROYAL RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

6. ISSUED CAPITAL (continued)

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

Date	Details	No. of shares	\$
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
30/06/2023	Balance at end of period	68,482,668	11,361,378
1/7/2023	Balance at beginning of period	68,482,668	11,361,378
15/8/2023	Placement	13,812,267	2,209,963
	Cost of capital raising ⁽¹⁾		(454,854)
4/12/2023	Acquisition instalment payment for Focus Graphite (Note 8(b))	2,734,858	445,782
	Balance at end of period	85,029,793	13,562,269

⁽¹⁾ Includes value of broker options (Note 8(a))

7. RESERVES

(a) Share based payments and foreign currency translation reserve

	31 December 2023	30 June 2023
	\$	\$
Share based payments reserve	2,525,246	2,206,570
Foreign currency translation reserve	(57,328)	146,841

(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.

8. SHARE BASED PAYMENTS

(a) Options

During the half-year ended 31 December 2023, the Company granted 3,000,000 options exercisable at \$0.35 expiring 10 November 2026 to the lead manager as part of a capital raising fee. The following table lists the inputs to the model used for the valuation of the options issued during the half-year.

	Lead Manager
Number of options	3,000,000
Fair value at measurement date (cents)	\$0.098
Dividend yield (%)	Nil
Expected volatility (%)	90%
Risk free rate (%)	3.83%
Expected life of option	3
Share price (cents)	\$0.20
Exercise price (cents)	\$0.35
Model used	Black – Scholes
Value of options	\$293,392

**MONT ROYAL RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

8. SHARE BASED PAYMENTS (continued)

(a) Options

During the year ended 30 June 2023, the Company granted 1,500,000 options exercisable at \$0.30 expiring 3 years from date of issue. The options vest in three tranches:

- 500,000 options on grant;
- 500,000 options after 12 months of service;
- 500,000 options after 24 months of service;

(b) Shares

On 4 December 2023 the Company issued 2,734,858 fully paid ordinary shares with a fair value of \$445,782 (C\$400,000) as part consideration towards the C\$800,000 final instalment payment for the Focus Assets, with the balance paid in cash.

9. CONTINGENT LIABILITIES, LEASE COMMITMENTS AND CONTINGENT ASSETS

As at 31 December 2023 there were no contingent liabilities or contingent assets.

(a) Exploration commitments

At 31 December 2023, the Group has the following commitments relating to exploration expenditure incurred in prospecting the licensed area of the group's tenements.

	2023	2022
	\$	\$
Within one year	54,206	149,947
After one year but not more than five years	158,845	112,630
Longer than five years	-	-
	<u>213,051</u>	<u>262,577</u>

(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 ² .	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 2023.

² The full amount of the earn-in expenditure has not been incurred as at 31 December 2023 however Azimut has agreed to roll the balance of the expenditure into the fourth year commitment.

**MONT ROYAL RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**

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") which was completed on 4 December 2023.

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\$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 2023	30 June 2023
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%

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.

**MONT ROYAL RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES**

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 2023 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 2023.

Signed in accordance with a resolution of the board of directors



Peter Ruse
Executive Director
28 February 2024

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 2023, 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 2023 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 2023 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

The image shows a handwritten signature in black ink. Above the signature, the letters 'BDO' are written in a casual, handwritten style. The signature itself is a stylized, cursive script.

Jackson Wheeler

Director

Perth, 28 February 2024