

MARCH 2025 QUARTERLY ACTIVITIES REPORT

MONT ROYAL ANNOUNCES MERGER WITH COMMERCE RESOURCES TO CREATE A NEW ASX/TSXV-LISTED CANADIAN-FOCUSED CRITICAL METALS DEVELOPMENT COMPANY

Mont Royal Resources (ASX: MRZ) (“Mont Royal”, the “Company”) is pleased to provide its activities report for the quarter ended 31ST March 2025 (“Quarter”, “Reporting Period”) and accompanying Appendix 5B.

HIGHLIGHTS

- Mont Royal shares were suspended from the ASX on 17 February 2025 pending completion of a proposed re-compliance transaction under Listing Rule 11.1.
- On 10 April 2025, a merger was announced with TSXV-listed Commerce Resources Corp. (“Commerce”) (TSXV: CCE; OTCQX: CMRZF; FSE: D7H0) by way of a statutory plan of arrangement under the *Business Corporations Act* (British Columbia) (the “Plan of Arrangement”), pursuant to which Mont Royal will acquire 100% of the issued and outstanding common shares of Commerce (the “Transaction”).
- The Transaction, which is targeted for completion by late July 2025, will create a Canadian-focused critical metals company with core assets located in the Province of Quebec: Commerce’s 100%-owned Eldor Property which hosts the Ashram Rare Earth and Fluorspar Deposit as well as highly prospective niobium assets – namely the Mallard and Miranna Prospectus – adding a robust project portfolio complemented by Mont Royal’s Northern Lights lithium, copper and gold exploration projects.
- The flagship Ashram Project is the largest monazite-dominant carbonatite-hosted Rare Earth Element (“REE”) deposit in North America. Ashram hosts an Indicated Resource of 73.2Mt at 1.89% rare earth oxide (“REO”) and 6.6% CaF₂ (fluorspar) and an Inferred Resource of 131.1Mt at 1.91% REO and 4.0% CaF₂¹ at a cut-off NMR of \$287.² Mineral resources are not mineral reserves as they have not demonstrated economic viability.
- The Eldor Property’s niobium assets, located immediately adjacent south-east of the Ashram Deposit, represents a compelling advanced exploration opportunity.

The Mineral Resource estimates relating to Commerce Resources Corp. (“Commerce”) contained in this announcement have been prepared in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects (“NI 43-101”) and have not been reported in accordance with the 2012 Joint Ore Reserves Committee’s Australasian Code for Reporting of Mineral Resources and Ore Reserves (“JORC Code”). Refer to Commerce’s website at www.commerceresources.com or under Commerce’s profile on SEDAR+ at www.sedarplus.com for information in relation to the Mineral Resource estimates prepared by Commerce. **A Competent Person has not done sufficient work to classify the Mineral Resource estimates as mineral resources in accordance with the JORC Code and it is uncertain that following evaluation and/or further**

¹ Refer to the technical report titled “Mineral Resource Estimate for the Ashram Rare Earth Element and Fluorspar Deposit, Nunavik, Québec, Canada” with an effective date of 4 April 2024 which was prepared in accordance with NI43-101 and is available on Commerce’s profile on SEDAR+ at www.sedarplus.ca. Refer to the Commerce - Foreign Estimate Disclosures in Schedule 1 of this announcement. Refer to the cautionary statement on Page 1 of this announcement. Mont Royal confirms that it is not aware of, nor aware that Commerce possesses any, new information or data relating to the Mineral Resource estimates that materially impacts the reliability of the estimates, and that the information underpinning the estimates provided in the Company’s ASX Announcement dated 10 April 2025 continues to apply and have not materially changed.

² Refer to footnote 1 above.

exploration work that the estimates will be able to be reported as a Mineral Resource in accordance with the JORC Code. Please refer to further disclosure required by the ASX Listing Rules, in particular foreign estimate disclosure under ASX Listing Rule 5.12 and a more detailed Mineral Resource table for the Ashram Rare Earth Element and Fluorspar Deposit provided in the Company's ASX Announcement dated 10 April 2025.

Overview

The March 2025 Quarter represented a transformational period for Mont Royal Resources, culminating in the announcement of a merger with TSXV-listed Commerce Resources Corp. to create an ASX and TSX-V listed, Québec-focused, critical minerals developer and exploration company with a strong focus on rare earths, fluorspar, niobium and lithium exploration.

In addition to the proposed merger, Mont Royal continued to progress activities at its Northern Lights lithium tenements in the world-class James Bay region of Quebec, Canada.

Mont Royal's Executive Director, Peter Ruse, said: *"The March quarter marked the culmination of an exciting period of business development activity for Mont Royal, with the Company requesting a voluntary suspension of its shares from the ASX on 17 February pending a re-compliance transaction. This has led to the announcement of a proposed merger with Commerce Resources shortly after the end of the reporting period.*

This merger represents an outstanding opportunity to create value for our shareholders, creating a dual listed exploration company with a suite of high-quality critical minerals assets in Québec. Commerce Resources' Ashram Project represents a genuinely world-scale rare earths and fluorspar deposit and its niobium exploration opportunity within close proximity to North America places it in prime position to feed into local manufacturing industries.

Following completion of the merger, the combined entity will have a high-quality Quebec-based team with proven experience in exploring, building and operating large resource projects.

We are now in the midst of many workstreams required to complete this transaction, which we are looking forward to finalising by late July, with Mont Royal shares expected to re-commence trading on the ASX in early August."

PROPOSED MERGER WITH COMMERCE RESOURCES CORP.

On 10 April 2025, Mont Royal Resources announced that it had entered into a definitive arrangement agreement, pursuant to which Mont Royal will acquire 100% of the issued and outstanding shares of Commerce Resources Corp. ("Commerce Shares") by way of a statutory plan of arrangement under the *Business Corporations Act* Business Columbia ("BCBCA").

The Transaction between Mont Royal and Commerce creates an ASX and TSX-V listed, Québec-focused, critical minerals developer and exploration company with a strong focus on rare earths, fluorspar, niobium and lithium exploration ("Merged Group").

Highlights of the Merged Group include:

- The flagship 100% owned Ashram Project ("Ashram") is the largest undeveloped monazite-mineralised carbonatite-hosted Rare Earth Elements ("REE") deposit in North America.
- Ashram has been extensively drilled and Commerce provided an updated Mineral Resource Estimate ("MRE") (published 22 May 2024):
 - **Indicated Resource:** 73.2Mt at 1.89% REO and 6.6% CaF₂; and
 - **Inferred Resource:** 131.1Mt at 1.91% REO and 4.0% CaF₂.³

³ Refer to footnote 1 above.

- The adjacent and highly prospective Mallard and Miranna niobium prospects, located within the Eldor Property, provide the opportunity to define a second high-value project that could leverage the infrastructure of Ashram.
- A complementary exploration asset package at Mont Royal’s Northern Lights Project, covering an area of 536km² in the Upper Eastmain Greenstone Belt, offering lithium, copper, and gold potential.
- Achieving a dual listing on the ASX and TSXV aims to attract a broader range of investors for the Merged Group, increase liquidity and greater ability to raise capital.
- The ASX has a greater number of listed developing rare earth companies, providing a stronger group of peer companies to benchmark the Ashram Project.
- Having access to the combined experience of key members of the Commerce and Mont Royal Boards, senior management and major shareholders, who have held former and current roles with successful international resource groups.
- At completion of the Transaction, the Merged Group proposes to have an in-country CEO and Managing Director and a technical team capable of advancing the Ashram and Eldor REE and Niobium assets, and the Northern Lights Project.

Full details of the proposed merger were provided in the Company’s ASX Announcement dated 10 April 2025 (“**Transaction Announcement**”). The Company notes that Commerce’s Convertible Notes Financing referenced in the Transaction Announcement has not yet completed and is subject to the approval of the TSXV. An update on the Convertible Notes Financing will be provided following completion of the financing by Commerce.

MONT ROYAL NORTHERN LIGHTS EXPLORATION ASSETS

During the March Quarter, the Company continued to assess the results to date to determine the most prospective area for the future exploration programs.

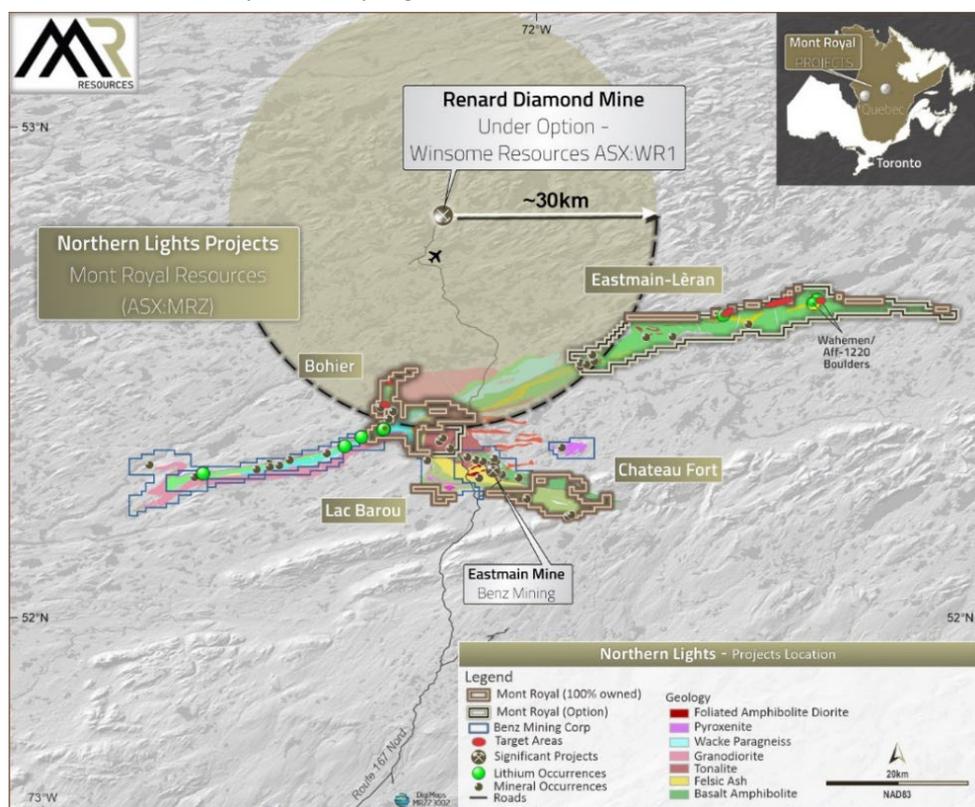


Figure 1: Location of the Northern Lights Projects.

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FINANCIAL POSITION

The Company held \$1.26 million in cash at 31 March 2025. 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 March 2025 Quarter.

Appendix 5B reference	ASX description reference	Amount	Company Summary
2.1(d)	Exploration and evaluation (if capitalised)	\$136,000	This item relates to final payments for the drilling program at Bohier, the prospecting programs at both Léran and Bohier and claims renewals.

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.

For and on behalf of the Board

ENDS.

Shaun Menezes | Company Secretary

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About Mont Royal Resources

Mont Royal Resources Limited (ASX: MRZ) is an Australian company that owns 75% of Northern Lights Minerals 536km² tenement package located in the Upper Eastmain Greenstone belt. The projects are located in the emerging James Bay area, a Tier-1 mining jurisdiction of Quebec, Canada, and are prospective for lithium, precious (Gold, Silver) and base metals mineralisation (Copper, Nickel).

For further information regarding Mont Royal Resources Limited, please visit the ASX platform (ASX: MRZ) or the Mont Royal's website www.montroyalres.com

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Important Notices & Disclaimers

Forward Looking Statements

This announcement contains certain “forward looking statements” within the meaning of Australian securities laws and “forward looking information” within the meaning of Canadian securities laws (collectively referred to as “forward looking statements”). All statements, other than statements of historical fact, that address circumstances, events, activities or developments that could, or may or will occur are forward looking statements. Forward looking statements involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies including those risk factors associated with the mining industry, many of which are outside the control of, change without notice, and may be unknown to Mont Royal or Commerce. These risks and uncertainties include but are not limited to liabilities inherent in mine development and production, geological, mining and processing technical problems, the inability to obtain any additional mine licences, permits and other regulatory approvals required in connection with mining and third party processing operations, competition for amongst other things, capital, acquisition of reserves, undeveloped lands and skilled personnel, incorrect assessments of the value of acquisitions, changes in commodity prices and exchange rates, currency and interest fluctuations, various events which could disrupt operations and/or the transportation of mineral products, including labour stoppages and severe weather conditions, the demand for and availability of transportation services, the ability to secure adequate financing and management’s ability to anticipate and manage the foregoing factors and risks.

Forward looking statements in this announcement include, but are not limited to, statements regarding: the expected timetable, outcome and effects of the Transaction; the anticipated benefits of the Transaction to Mont Royal’s and Commerce’s shareholders; the prospects and outcomes of Mont Royal’s and Commerce’s assets; the ability of Mont Royal and Commerce to complete the Transaction on the terms described herein or at all; the plans and strategies of Mont Royal or Commerce; the future performance of Mont Royal or Commerce; the ability to obtain the requisite regulatory, stock exchange, court and shareholder approvals for the Transaction; and statements about market and industry trends, which are based on interpretation of market conditions. Forward looking statements can generally be identified by the use of forward looking words such as “anticipate”, “expect”, “likely”, “propose”, “will”, “intend”, “should”, “could”, “may”, “believe”, “forecast”, “estimate”, “target”, “outlook”, “guidance” (including negative or grammatical variations) and other similar expressions. No representation, warranty, guarantee or assurance, express or implied, is given or made in relation to any forward looking statement. In particular no representation, warranty or assumption, express or implied, is given in relation to any underlying assumption or that any forward looking statement will be achieved. There can be no assurance that the forward looking statements will prove to be accurate. Actual and future events may vary materially from the forward looking statements and the assumptions on which the forward looking statements were based, because events and actual circumstances frequently do not occur as forecast and future results are subject to known and unknown risks such as changes in market conditions and regulations.

Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements, and should rely on their own independent enquiries, investigations and advice regarding information contained in this announcement. Any reliance by a reader on the information contained in this announcement is wholly at the reader’s own risk.

To the maximum extent permitted by law or any relevant listing rules of the ASX, Mont Royal and its respective related bodies corporate and affiliates and its respective directors, officers, employees, advisors, agents and intermediaries disclaim any obligation or undertaking to disseminate any updates or revisions to the information in this announcement to reflect any change in expectations in relation to any forward looking statements or any such change in events, conditions or circumstances on which any such statements were based. Nothing in this announcement will, under any circumstances (including by reason of this announcement remaining available and not being superseded or replaced by any other announcement or publication with

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respect to Mont Royal, Commerce or the subject matter of this announcement), create an implication that there has been no change in the affairs of Mont Royal or Commerce since the date of this announcement.

Limitation on Information Regarding Mont Royal and Commerce

All information in this announcement in relation to Commerce – including in relation to the estimates of Mineral Resources and other technical and financial information – has been sourced from, prepared for, or provided by Commerce and its related bodies corporate. Whilst Mont Royal has undertaken due diligence in order to seek to verify the accuracy of this information, no representation or warranty, expressed or implied, is made as to the fairness, accuracy, correctness, completeness or adequacy of any such information relating to Commerce.

Not Investment Advice

This announcement is not financial product, investment advice or a recommendation to acquire securities of Mont Royal or Commerce and has been prepared without taking into account the objectives, financial situation or needs of individuals. Each recipient of this announcement should make its own enquiries and investigations regarding all information in this announcement, including, but not limited to, the assumption, uncertainty and contingencies which may affect future operations of Mont Royal and/or Commerce and the impact that different future outcomes may have on Mont Royal and/or Commerce. Before making an investment decision, prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs, and seek legal, taxation and financial advice appropriate to their jurisdiction and circumstances.

Unless otherwise stated, all dollar values in this Announcement are reported in Australian dollars.

Annexure – Mining Tenement Information

The Company owns of 75% of Northern Lights Minerals Pty Limited (“NLM”) which holds a substantial land package across the Upper Eastmain Greenstone belt in Quebec, Canada.

The following tenements are held at 31 March 2025:

Project	Location	Tenement/Title Number
Northern Lights	Quebec, Canada	2556889-894
		2556900-912
		2556915
		2556918-925
		2556926
		2556928-933
		2556934-935
		2556936-946
		2556947
		2556948-953
		2556954-956
		2556957-958
		2556959-971
		2556974-984
		2556990
		2556991-999
		2557000
		2558307-322
		2558323-325
		2565968 – 2565972
		2706113
		2784482-485
		2802682
		2557011-012
		2557016-020
		2557025-038
		2557040-061
		2557064-086
		2557088-100
		2557102-164
		2557174-175
2557183-185		
2557188-189		
2627133		
2565973-2565987		
2619769-2619772		
Eastmain Leran	Quebec, Canada	28001 – 28020
		28133
		32570 – 32577
		47480 – 47482

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Eastmain-Leran (North) Staked Claims	Quebec, Canada	2691234 - 272 2366180 – 308 2366403 – 504 2366511 – 512 2367332 – 339 2486140 – 145 2513157 – 400 2515373 2520337 – 338 2530140 - 150
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The following tenements were disposed of during the quarter:

Project	Location	Tenement/Title Number
Northern Lights	Quebec, Canada	2556880-888 2556895-899 2556913-914 2556916-917 2556927 2556972-973 2556985-989 2565968-972 2557001-010 2557013-015 2557021-024 2557039 2557062-063 2557087 2557101 2557165-173 2557176-082 2557186-187

The Company confirms that no tenements were acquired during the quarter.

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