

## JUNE 2025 QUARTERLY ACTIVITIES REPORT

### PROPOSED MERGER CONTINUES TO PROGRESS 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 30<sup>th</sup> June 2025 (“Quarter”, “Reporting Period”) and accompanying Appendix 5B.

#### HIGHLIGHTS

- Mont Royal shares were suspended from the ASX on 17 February 2025 pending the release of an announcement regarding a proposed re-compliance transaction under Listing Rule 11.1.
- On 10 April 2025, a landmark 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 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 – 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% CaF<sub>2</sub> (fluorspar) and an Inferred Resource of 131.1Mt at 1.91% REO and 4.0% CaF<sub>2</sub><sup>1</sup> at a cut-off NMR of \$287<sup>2</sup>. Mineral resources are not mineral reserves as they have not demonstrated economic viability.
- The administrative process of the transaction is well progressed, with key documentation well advanced in preparation of lodgement with market regulatory bodies in both Canada and Australia.
- During the Quarter, Commerce Resources appointed highly experienced international mining executive Mr Nicholas Holthouse as President & Chief Executive Officer. Following completion of the proposed merger with Commerce, Mr Holthouse will also be appointed as Managing Director of the merged entity.
- Commerce Resources completed a non-brokered private placement of secured convertible notes to raise gross proceeds of C\$2,150,000 to provide interim funding for its operations.

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](http://www.commerceresources.com) or under Commerce’s profile on SEDAR+ at [www.sedarplus.com](http://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**

<sup>1</sup> 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](http://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.

resources in accordance with the JORC Code and it is uncertain that following evaluation and/or further 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 5.18 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 June 2025 Quarter saw continued positive progress for Mont Royal Resources towards the completion of its proposed 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.

**Mont Royal's Executive Director, Peter Ruse, said:** *"The board and management teams of Mont Royal and Commerce, together with their advisors, are effectively working through the administrative and documentation process of the transaction. I am pleased to report this process is well advanced and we hope to be able to communicate material progress and an updated timetable to our shareholders in the near future."*

*"The June Quarter also saw a number of exciting and very positive developments in the global rare earths space which bode extremely well for Mont Royal and Commerce as we work towards the conclusion of the merger and bring one of the largest and most strategic undeveloped rare earths deposits in North America to the attention of investors via a new dual-listed critical minerals company that will be headquartered in Montreal, Canada and listed on both the ASX and the TSX-V."*

*"During the quarter, we also welcomed Commerce's announcement regarding the appointment of highly experienced and well-regarded rare earths executive Nick Holthouse as President and CEO. Nick will also become Managing Director of Mont Royal following completion of the merger."*

*"Nick's experience, drive and knowledge of the rare earths industry, coupled with his project building experience, will be invaluable to the merged company, and I am very much looking forward to working with him as part of the expanded Mont Royal team."*

## 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 would 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 will 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 ("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% CaF<sub>2</sub>; and
  - **Inferred Resource:** 131.1Mt at 1.91% REO and 4.0% CaF<sub>2</sub>.

- A complementary exploration asset package at Mont Royal's Northern Lights Project, covering an area of 442km<sup>2</sup> 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 Eldor Property's Ashram Project 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.

#### **COMMERCE APPOINTMENT OF PRESIDENT AND CEO**

During the Quarter, Commerce appointed highly experienced international mining executive Mr. Nicholas Holthouse as President & Chief Executive Officer, effective from 1 June 2025.

Following completion of the proposed merger between Commerce and Mont Royal, Mr. Holthouse will also be appointed as Managing Director of the merged entity and will be located in Montreal, Quebec.

Mr Holthouse is a mining engineer and accomplished resource industry executive with 36 years of experience in senior corporate, operational and project management roles, with the past seven years focused on the international rare earths industry. He has most recently served as Chief Executive Officer of Meteoric Resources Limited (ASX: MEI), which is developing the Caldeira Rare Earth Project in Brazil building and leading the company through the resource development and Scoping and Pre-Feasibility Study stages with significant share price appreciation over his tenure.

Mr Holthouse was previously also Chief Operating Officer of Hastings Technology Metals (ASX: HAS), which is currently developing the Yangibana Rare Earth Project in Western Australia delivering an integrated Bankable Feasibility Study selling Mixed Rare Earth Carbonate into Europe.

With Meteoric, Mr. Holthouse oversaw the delineation of a large-scale rare earth Mineral Resource Estimate at the Caldeira Project, while also progressing metallurgical testwork, engineering studies, project financing, environmental approvals and REE product off-takes into North America. During his tenure, he built a focused project development team from scratch and oversaw all aspects of the advancement of one of the premier new rare earth projects globally.

His extensive rare earth expertise and company building expertise will be invaluable to Commerce as it continues to advance its flagship Ashram Rare Earths & Fluorspar Project in Canada towards development, while also progressing exploration programs across the merged entity's highly prospective niobium, lithium, copper and gold assets.

In addition to his more recent roles in the global rare earths sector, Mr. Holthouse has also held senior roles across a range of jurisdictions and commodities with companies including P.T. Merdeka Copper, Finders Resources, CSA Global, Rusina Mining/European Nickel PLC, Harmony Gold and Merdeka.

#### **COMMERCE INTERIM FUNDING AGREEMENT**

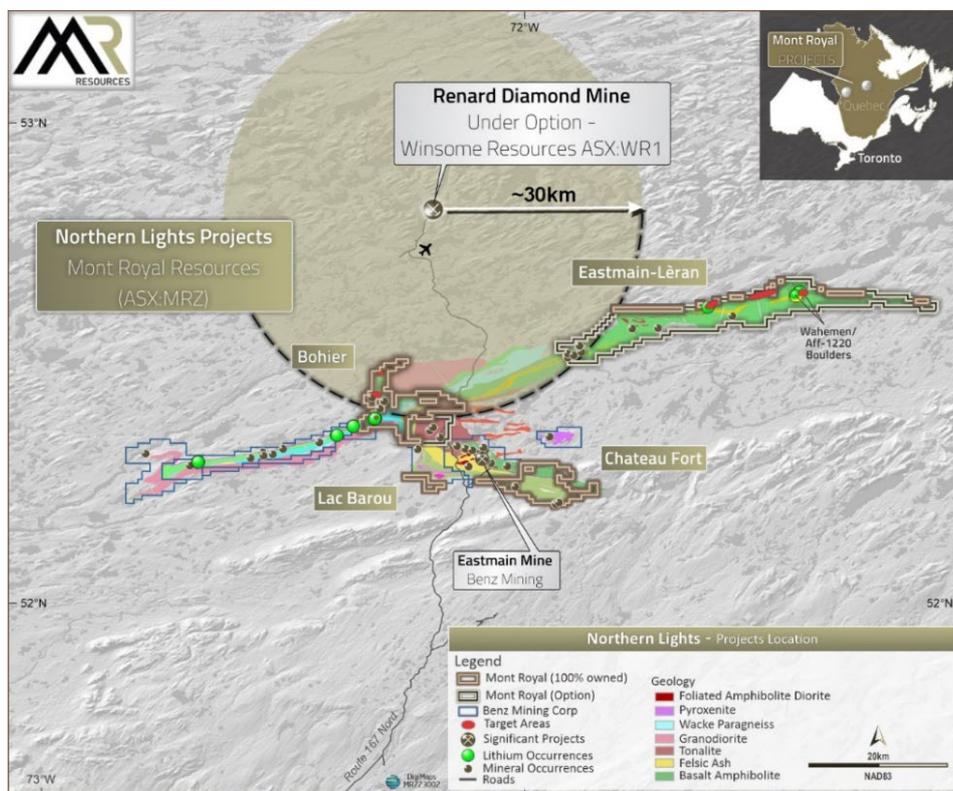
During the Quarter, Commerce completed its non-brokered private placement of secured convertible notes ("Convertible Notes") to raise gross proceeds of C\$2,150,000 ("Convertible Note Financing").

Commerce has agreed to pay Alpha Node Capital Pty Ltd. (the "Finder") a cash finder's fee in the amount of C\$66,000, representing 6% of C\$1.1 million introduced by the Finder in the Convertible Note Financing. Commerce has also agreed to issue to the Finder 1,100,000 finder warrants (the "Finder Warrants"). Each Finder Warrant is exercisable to acquire one Commerce common share with a three (3) year term, at an exercise price of C\$0.075 per common share and is subject to a customary hold period expiring four (4) months plus one (1) day following the closing of the Convertible Note Financing.

For more information relating to the Convertible Note Financing by Commerce, please refer to Mont Royal's ASX announcement, "Mont Royal to Merge with Commerce Resources", dated 10 April 2025 and Commerce's website ([www.commerceresources.com](http://www.commerceresources.com)) for its press release dated 13th May 2025.

### MONT ROYAL CRITICAL MINERAL ASSETS

During the June Quarter, the Company continued to assess the results to date to determine the most prospective area for the next exploration program.



**Figure 1: Location of the Northern Lights Projects.**

### FINANCIAL POSITION

The Company held \$0.78 million in cash at 30<sup>th</sup> June 2025. Mont Royal continues to maintain strict cost controls with no large recurring general and administrative (G&A) expenses except for costs involved in implementing the proposed merger with Commerce. The Company's estimated exploration tax rebate for FY2025 is approximately C\$0.28 (A\$0.31) million which is anticipated to be received in the next six months.

A summary of the expenditure incurred on exploration activities is set out below. No development or production activities were undertaken during the June 2025 Quarter.

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Appendix 5B reference	ASX description reference	Amount	Company Summary
2.1(d)	Exploration and evaluation (if capitalised)	\$3,000	This item relates to tenement management costs of \$18k offset by GST/QST received of \$15k.

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.

This announcement was approved by the Board.

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 442km<sup>2</sup> 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](http://www.montroyalres.com)

**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.

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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/TSX-V, Mont Royal and Commerce and their respective related bodies corporate and affiliates and their 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 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.

All information in this announcement in relation to Mont Royal – including in relation to technical and financial information – has been sourced from, prepared for, or provided by Mont Royal and its related bodies corporate. Whilst Commerce 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 Mont Royal.

#### *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 30 June 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
		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		
Eastmain Leran	Quebec, Canada	28001 – 28020
		28133
		32570 – 32577 47480 – 47482
Eastmain-Leran (North) Staked Claims	Quebec, Canada	2691234 - 272
		2366180 – 308
		2366403 – 504

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The following tenements were disposed during the quarter:

<b>Project</b>	<b>Location</b>	<b>Tenement/Title Number</b>
Northern Lights	Quebec, Canada	2565968 – 2565972 2565973 – 2565987 2619769 – 2619772

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

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