



Montem Resources

Montem Resources Limited

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ASX Announcement

18 February 2021

Montem completes capital raising to advance the Chinook Project scoping study and Tent Mountain Mine permitting

HIGHLIGHTS

- Successful \$5.2 million share placement to sophisticated or professional investors
- Placement strongly supported by new and existing investors
- Several new Australian and offshore institutional investors join Montem's register
- Funds to advance Montem's Chinook scoping study and Tent Mountain Mine permitting

Montem Resources Limited (ASX: MR1) ("Montem" or the "Company") is pleased to announce the successful completion of a \$5.2 million placement at \$0.17 per share to advance its projects in Canada.

Montem has a portfolio of hard coking coal (steelmaking coal) projects in western Canada's Crowsnest Pass region including the Tent Mountain Mine re-start project (Tent Mountain), the Chinook Project (Chinook), and greenfield exploration projects.

Montem intends to use funds from the Placement to advance the Chinook scoping study and complete the permitting for the re-start of the Tent Mountain Mine. This Placement positions the Company strongly to advance its two hard coking coal projects. They are both located within Category 4 of the 1976 Coal Development Policy for Alberta (Coal Policy) which allows for surface mining subject to the normal permitting process. This status is unaffected by the Alberta Government's recent decision to reinstate the Coal Policy.

The Company is on track to submit the mining licence application and permit amendments for the Tent Mountain Mine in mid-2021 providing near-term production, with restart of production targeted for early 2023. The Company will also advance the potentially world class Chinook Project, which the recent Scoping Study indicated as an economic and technically viable Project with upside, justifying progression to the Pre-Feasibility stage.

Managing Director and CEO Peter Doyle said: *"We are delighted with the support for the placement and welcome a number of highly credentialed institutional investors to the register. On behalf of the Board, I also thank our existing shareholders for their ongoing support."*

"The Company is fortunate to have an exciting portfolio of hard coking coal assets, with both Tent Mountain and Chinook located on favorable Category 4 land. The Placement affirms our belief in the potential of our projects and provides a clear signal that the investment community understands the opportunity and differentiation Montem presents in the region."

Petra Capital Pty Limited acted as sole lead manager and sole bookrunner to the Placement.



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Total funds raised were \$5,166,984 at \$0.17 per share, with 30,394,021 new shares issued.

This ASX release was authorised on behalf of the Board of Directors by Peter Doyle, Managing Director and CEO.

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About Montem Resources

Montem Resources (ASX: MR1) is a steelmaking coal development company that owns and leases coal tenements in the Canadian provinces of Alberta and British Columbia. The Company's objective is to become the operator of steelmaking coal mines in Canada by developing its properties in the Crowsnest Pass. The Company is planning an integrated mining complex in the Crowsnest Pass, focusing on low-cost development of open-cut operations that leverage central infrastructure. The first component of this objective is to re-establish mining at the Tent Mountain Mine.

Montem completed a Definitive Feasibility Study (DFS) on the Tent Mountain Mine in 2020. The DFS is providing guidance for the re-start project, with the aim to be exporting coal in 2023. Details of the DFS are available on Montem's website.

Montem is also progressing the Chinook Project which covers historical mines that previously exported hard coking coal to Japanese steel mills. The Chinook Project has the potential to produce multiple open-cut hard coking coal mines, and the Company plans to explore, define and develop these mines.

Forward looking statements

This ASX Announcement may contain forward looking statements, which may be identified by words such as "may", "could", "believes", "estimates", "expects" or "intends" and other similar words that connote risks and uncertainties. Certain statements, beliefs, and opinions contained in this ASX Announcement, in particular those regarding the possible or assumed future financial or other performance, industry growth or other trend projections are only predictions and subject to inherent risks and uncertainties. Except as required by law, and only to the extent so required, neither the Company, its Directors nor any other person gives any assurance that the results, performance or achievements expressed or implied by any forward looking statements contained in this ASX Announcement will actually occur and investors are cautioned not to place undue reliance on such forward looking statements. Any forward looking statements are subject to various risk factors, many of which are beyond the control of the Company and its Directors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. The



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Company has no intention to update or revise any forward looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this ASX Announcement, except where required by law.