

ASX Announcement

ASX:MTM

28 February 2023

\$3 MILLION PLACEMENT TO FUND POMME REE-Nb PROJECT EXPLORATION

Highlights:

- Firm commitments received for a two-tranche Placement of new shares at \$0.10 per Share to raise gross proceeds of up to \$3.0 million (before costs)
- Strong support from new and existing sophisticated and institutional investors, employees of Mt Monger and the Board of Directors
- Proceeds from the Placement will primarily be applied towards the Company's maiden diamond drill program at its recently acquired Pomme rare earth element (REE) and niobium (Nb) project, located in Québec, Canada
- Pomme is host to a known carbonatite-hosted mineralisation with two historic drill holes (completed 2012), including:
 - MVX-12-01 - 508.3m @ 0.43% TREO, 413ppm Nb₂O₅ and 1.48% P₂O₅, from 73.7m
 - Incl.: 7.5m @ 1.28% TREO, 499ppm Nb₂O₅ and 1.43% P₂O₅ from 319.5m
 - 16.5m @ 1.44% TREO, 92ppm Nb₂O₅ and 0.46% P₂O₅ from 403.5m
 - 7.5m @ 1.77% TREO, 183ppm Nb₂O₅ and 0.59% P₂O₅ from 483m
 - MVP-12-02B - 478.1m @ 0.12% TREO, 340 ppm Nb₂O₅ and 2.14% P₂O₅, from 25.9m to EOH.

Mt Monger Resources Limited (ASX:MTM) (**Mt Monger** or the **Company**) is pleased to announce that it has received firm commitments from professional and sophisticated investors pursuant to section 708 of the Corporations Act 2001 (Cth) for a two tranche placement to raise up to \$3.0 million via the issue of up to 30.0 million fully paid ordinary shares (**Shares**) at an issue price of \$0.10 per Share (**Placement**).

Funds raised from the Placement will be applied principally to support the forthcoming exploration program at the recently acquired Pomme REE-Nb project in Canada (see *Mt Monger ASX announcement dated 23 February 2023*). The Placement was strongly supported by new and existing professional and sophisticated shareholders.

Commenting on the Placement, Managing Director, Lachlan Reynolds said:

"We are very pleased with the strong level of demand for the Placement which has validated our recently announced acquisition of the Pomme rare earth element and niobium project in Canada."

Proceeds from the placement will enable the Company to rapidly progress the drilling and metallurgical test work at the Pomme Project, planning for which has already begun and will accelerate from early March when I travel to site to progress our maiden drilling program.

We welcome new shareholders to the Company and thank all of our existing shareholders for their support as we look to advance our critical metals focused exploration program in Canada and Western Australia.”

Placement details

The Placement will be undertaken in two-tranches for up to 30.0 million Shares to professional and sophisticated investors pursuant to s708 of the Corporations Act 2001 (Cth) at the Issue Price of \$0.10 per Share to raise up to \$3.0 million (before costs).

- Tranche 1 Placement: unconditional placement of up to 12.4 million Shares under the Company's existing ASX Listing Rule 7.1 and 7.1A capacity, at the Issue Price of \$0.10 to raise \$1.24 million; and
- Tranche 2 Placement: conditional placement of up to 17.6 million Shares at the Issue Price of \$0.10 to raise \$1.76 million; subject to shareholder approval.

The Issue Price of \$0.10 per Share is a 4.8% discount to the last traded price of \$0.105 on 23 February 2023.

Subject to shareholder approval under ASX Listing Rule 10.11, all Directors of the Company have committed to increase their significant shareholding in the Company via the Placement for a further \$70,000 consisting of:

- Non-executive Director, David Izzard, 250,000 Shares to raise \$25,000; and
- Non-executive Director, John Hannaford, 250,000 Shares to raise \$25,000; and
- Managing Director, Lachlan Reynolds, 200,000 Shares to raise \$20,000.

Subject to shareholder approval, each Share issued in the Placement will entitle participants to one (1) free listed option (**Option**) for every two (2) Shares issued (exercise price \$0.25 and an expiry 26 November 2024).

The Placement Shares will rank equally with existing ordinary shares on issue. Each quoted Option will be in the same class as the company's existing Quoted Options (ASX:MTMO).

In coming weeks, Mt Monger will convene a meeting of shareholders to seek approval for the Tranche 2 Placement Shares and Options to be issued under the Placement.

The Tranche 1 Placement Shares are expected to be issued on or about Monday 6 March 2023 and the Tranche 2 Placement Shares and Options will be issued following shareholder approval, expected to be in early April 2023.

Lazarus Corporate Finance Pty Ltd (**Lazarus**) have acted as lead manager to the Placement.

Use of Proceeds

Funds raised from the Placement will be used towards the Company's exploration programs in Canada and Western Australia, for general working capital and to pay the costs of the Placement (Table 1).

Table 1: Use of Funds

Use of Funds	\$ '000	%
Exploration expenditure Canada ¹	2,100	70
Exploration expenditure WA ¹	500	17
Working capital ²	220	8
Estimated expenses of the Placement	180	5
Total Funds Allocated	\$3,000	100%

- 1 Comprises exploration activities including geophysical studies, drilling, trenching, soil sampling and associated costs including assaying and geological labour costs.
- 2 Working capital includes the general costs associated with the management and operation of the business including administration expenses, rent and other associated costs. Working capital also includes surplus funds.

This announcement has been authorised for release by the Board of Directors.

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About Mt Monger Resources Limited

Mt Monger Resources Limited is an exploration company which is focused on searching for rare earth elements (REE), gold, lithium, nickel, and base metals in the Goldfields and Ravensthorpe districts of Western Australia and in the Abitibi region of the Province of Québec. The Company holds over 4,500km² of tenements in three prolific and highly prospective mineral regions in Western Australia and has an option to acquire, through an earn-in arrangement, a 100% interest in 2,400 ha of exploration rights in Québec, Canada. The East Laverton Projects is made up of a regionally extensive package of underexplored tenements prospective for REE, gold and base metals. The Mt Monger Gold Project comprises an area containing known gold deposits and occurrences in the Mt Monger area, located ~70km SE of Kalgoorlie and immediately adjacent to the Randalls gold mill operated by Silver Lake Resources Limited. The Ravensthorpe Project contains a package of tenements in the southern part of Western Australia between Esperance and Bremer Bay which are prospective for a range of minerals including REE, lithium, nickel and graphite. The Pomme project on Québec is a known carbonatite intrusion that is enriched in REE and niobium (Nb) and is considered to be an extremely prospective exploration target adjacent to a world class REE resource (Montviel). Priority drilling targets have been identified in all project areas and the Company is well funded to undertake effective exploration programs. The Company has an experienced Board and management team which is focused on discovery to increase value for Shareholders.

Previous Disclosure

The information in this announcement is based on the following Mt Monger Resources Limited ASX announcements, which are all available from the Mt Monger Resources website www.mtmongerresources.com.au and the ASX website www.asx.com.au.

- 23 February 2023 “Mt Monger to Acquire Advanced Carbonatite REE-Nb Project in Canada”

The Company confirms that it is not aware of any new information or data that materially affects the information included in the Prospectus or the original ASX announcements and that all material assumptions and technical parameters underpinning the Prospectus and relevant ASX announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are represented have not been materially modified from the original ASX announcements.

Cautionary Statement Regarding Values & Forward-Looking Information

The figures, valuations, forecasts, estimates, opinions and projections contained herein involve elements of subjective judgment and analysis and assumption. Mt Monger Resources does not accept any liability in relation to any such matters, or to inform the Recipient of any matter arising or coming to the company's notice after the date of this document which may affect any matter referred to herein. Any opinions expressed in this material are subject to change without notice, including as a result of using different assumptions and criteria. This document may contain forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “believe”, “plan”, “expect”, and “intend” and statements than an event or result “may”, “will”, “should”, “could”, or “might” occur or be achieved and other similar expressions. Forward-looking information is subject to business, legal and economic risks and uncertainties and other factors that could cause actual results to differ materially from those contained in forward-looking statements. Such factors include, among other things, risks relating to property interests, the global economic climate, commodity prices, sovereign and legal risks, and environmental risks. Forward-looking statements are based upon estimates and opinions at the date the statements are made. Mt Monger Resources undertakes no obligation to update these forward-looking statements for events or circumstances that occur subsequent to such dates or to update or keep current any of the information contained herein. The Recipient should not place undue reliance upon forward-looking statements. Any estimates or projections as to events that may occur in the future (including projections of revenue, expense, net income and performance) are based upon the best judgment of Mt Monger Resources from information available as of the date of this document. There is no guarantee that any of these estimates or projections will be achieved. Actual results will vary from the projections and such variations may be material. Nothing contained herein is, or shall be relied upon as, a promise or representation as to the past or future. Mt Monger Resources, its affiliates, directors, employees and/or agents expressly disclaim any and all liability relating or resulting from the use of all or any part of this document or any of the information contained herein.