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Commerce Resources Corp. Management Information Circular dispatched

Mont Royal Resources Ltd ("**Mont Royal**" or "**the Company**") (ASX: **MRZ**) is pleased to announce that the management information circular ("**Circular**") in relation to the acquisition of 100% of the issued and outstanding common shares in Commerce Resources Corp. (TSX-V: CCE; OTCQX: CMRZF; FSE: D7H0) ("**Commerce**") by Mont Royal, pursuant to a statutory plan of arrangement under the *Business Corporations Act* (British Columbia) (the "Arrangement"), was dispatched to Commerce securityholders on 11 September 2025 (Toronto time).

A copy of the Circular is attached to this announcement and can also be accessed under Commerce's profile on SEDAR + at www.sedarplus.ca.

The special meeting of Commerce shareholder to approve the Arrangement will be held on 10 October 2025 at 9:00am (Vancouver time) and, subject to satisfaction or waiver of all conditions precedent to the Arrangement, including obtaining the requisite approval of the Commerce shareholders, a final order from the British Columbia Supreme Court approving the Arrangement, and conditional acceptance of the TSX-V, it is anticipated that the Arrangement will be completed in October 2025.

Sections 707(3) and 707(4) of the *Corporations Act 2001* (Cth) ("the **Act**") require Mont Royal to make disclosure under Part 6D.2 of the Act if any Mont Royal shares issued to Commerce shareholders under the Arrangement are to be sold within 12 months of their issue. However, Mont Royal has applied for relief from this requirement from the Australian Securities and Investments Commission ("**ASIC**") so that Commerce shareholders who receive Mont Royal shares under the Arrangement may freely trade their Mont Royal shares within Australia (including on the ASX) without the need for such disclosure under Part 6D.2 of the Act ("the **Relief**"). It is anticipated that the Relief, if granted, will be conditional on, amongst other things, the Circular being provided to ASX for release to the market prior to any on-sale of Mont Royal shares issued under the Arrangement. It is intended that this condition will be satisfied by this announcement.

Cautionary statement

Mont Royal cautions that the Circular was prepared by Commerce in accordance with the requirements of applicable Canadian securities laws. This Circular includes, amongst other things, exploration results and a foreign mineral resource estimate at Commerce's Ashram Project ("**Foreign MRE**") which have reported in accordance with the National Instrument 43-101 Standards of Disclosure for Mineral Projects (NI 43-101), defined in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definition Standards. The information in the Circular relating to the Foreign MRE has been previously disclosed by Mont Royal in accordance with Listing Rule 5.12 in its announcement of 10 April 2025 titled "Mont Royal to Merge with Commerce Resources". In accordance with Listing Rule 5.13, Mont Royal confirms that it is not in possession of any new information or data referring to the Foreign MRE that materially impacts on the reliability of the estimate or its ability to verify the estimates as Mineral Resources under the 2012 Joint Ore Reserves Committee's Australasian Code for Reporting of Mineral Resources and Ore Reserves ("**JORC Code**") and that the supporting information included in the original announcement continues to apply and has not materially changed.

The Circular is disclosed solely for the purposes of satisfying the conditions of the Relief, on the assumption that the application will be granted by ASIC in due course. Mont Royal cautions investors against making investment decisions based on the exploration results reported in the Circular.

This announcement has been authorized for release by the Board of Directors of Mont Royal.

For and on behalf of the Board

ENDS.

Shaun Menezes | Company Secretary

For Further Information:

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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 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).

On 10 April 2025, Mont Royal announced the planned merger of the Company with Commerce Resources Corp. ("**Commerce**") (TSXV: CCE, FSE: D7H0, OTCQX: CMRZF) ("**Proposed Transaction**"). Under the Proposed Transaction, Mont Royal and Commerce propose to combine their respective businesses in a merger transaction, pursuant to which, Mont Royal has agreed to acquire 100% of the issued and outstanding common shares of Commerce ("**Commerce Shares**") by way of a court-approved Plan of Arrangement under the Business Corporate Act (British Columbia).

For further information regarding Mont Royal Resources Limited, please visit the ASX platform (ASX: MRZ) or Mont Royal's website www.montroyalres.com, for further information regarding the Proposed Transaction, copies of all relevant announcement are available here: https://montroyalres.com/investor-centre/

About Commerce Resources

Commerce Resources Corp. is a junior mineral resource company focused on the development of the Ashram Rare Earth and Fluorspar Deposit located within their Eldor Property, in northern Quebec, Canada. The Ashram Deposit is characterized by simple rare earth (monazite, bastnaesite, xenotime) and gangue (carbonates) mineralogy, a large tonnage resource at favourable grade, and has demonstrated the production of high-grade (more than 30 – 45% TREO) mineral concentrates at high recovery (more than 60 – 75%) in line with active global producers.

The Ashram Deposit also has a fluorspar component which makes it one of the largest potential sources of fluorspar in the world and could be a long-term supplier to the met-spar and acid-spar markets. Commerce is positioning itself to be one of the lowest cost rare earth producers globally, with a specific focus on being a long-term supplier of mixed rare earth carbonate and/or NdPr oxide to the global market.

Additionally, Commerce is committed to exploring the potential of other high-value commodities on the Property such as niobium and phosphate minerals, which may help advance Ashram by reducing costs through shared development.

For more information, please visit Commerce's corporate website at www.commerceresources.com or email info@commerceresources.com.

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These materials are important and require your immediate attention. They require securityholders of Commerce Resources Corp. to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal or other professional advisor.

Neither the TSX Venture Exchange Inc. nor any securities regulatory authority has in any way passed upon the merits of the transactions described in this information circular.



NOTICE OF MEETING

and

MANAGEMENT INFORMATION CIRCULAR

for the

ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

to be held on

October 10, 2025

dated as of September 4, 2025

The Board of Directors of Commerce Resources Corp.
UNANIMOUSLY recommends that shareholders vote FOR the Arrangement Resolution.

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COMMERCE RESOURCES CORP.

Suite 1450 - 789 West Pender Street
Vancouver, BC
Canada V6C 1H2

September 4, 2025

Dear CCE Shareholder:

You are invited to attend an annual general and special meeting (the "**Meeting**") of the holders (the "**CCE Shareholders**") of common shares ("**CCE Shares**") in the capital of Commerce Resources Corp. ("**Commerce**" or the "**Corporation**"), to be held at Suite 3000, 1055 Dunsmuir Street, Vancouver, British Columbia, Canada V7X 1K8 on October 10, 2025 at 9:00 a.m. (Vancouver time).

At the Meeting, CCE Shareholders will be asked to consider and vote on a special resolution (the "**Arrangement Resolution**") approving a statutory plan of arrangement (the "**Plan of Arrangement**") pursuant to Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") (the "**Arrangement**"), subject to the terms and conditions of an arrangement agreement dated April 9, 2025, as amended on July 29, 2025, entered into between Commerce and Mont Royal Resources Limited ("**Mont Royal**") (as may be amended, modified or supplemented from time to time, the "**Arrangement Agreement**").

The board of directors of the Corporation (the "**CCE Board**") and the special committee established by the CCE Board (the "**Special Committee**") have unanimously determined that the Arrangement is in the best interests of the Corporation and that the Arrangement is fair to the CCE Shareholders. The Special Committee unanimously recommended that the CCE Board approve the Arrangement and that the CCE Board recommend to CCE Shareholders that they vote **FOR** the Arrangement Resolution.

However, the Arrangement can only proceed if, among other conditions, it receives the approval of not less than two-thirds (66⅔%) of the votes cast on the Arrangement Resolution by CCE Shareholders in person or by proxy at the Meeting. **The CCE Board unanimously recommends that CCE Shareholders vote FOR the Arrangement Resolution to approve the Arrangement.**

Under the Arrangement Agreement, the parties have agreed to effect the Arrangement, pursuant to which Mont Royal will acquire all of the issued and outstanding CCE Shares, and CCE Shareholders will be entitled to receive, for each CCE Share held immediately prior to the effective time of the Arrangement (the "**Effective Time**"), 2.3271 fully paid ordinary shares (the "**Consideration**") in the capital of Mont Royal (each one whole share, a "**MRZ Share**"), prior to the consolidation of the MRZ Shares on the basis of 0.2195 post-consolidation MRZ Shares for each one (1) pre-consolidation MRZ Share (the "**MRZ Consolidation**").

As a result of, and immediately following the completion of, the Arrangement, Commerce will be an indirect wholly owned subsidiary of Mont Royal and the former CCE Shareholders will be entitled to receive the Consideration for each CCE Share previously held by them immediately prior to the Effective Time (subject to rounding, as provided for in the Plan of Arrangement).

Under the Arrangement, (a) each outstanding option to purchase CCE Shares granted under the CCE Plan (each, a "**CCE Option**") that is outstanding immediately prior to the Effective Time will be exchanged for an option to purchase from Mont Royal 2.3271 pre-MRZ Consolidation MRZ Shares per underlying CCE Share, at an exercise price per MRZ Share equal to the quotient determined by dividing (i) the exercise price per CCE Share at which such CCE Option was exercisable immediately prior to the Effective Time, by (ii) 2.3271 and (b) each outstanding performance share unit of Commerce ("**CCE PSUs**") granted under the CCE Plan that is outstanding immediately prior to the Effective Time will be exchanged for a performance right of Mont Royal exercisable to purchase from Mont Royal 2.3271 pre-MRZ Consolidation MRZ Shares per underlying CCE Share, all as more particularly provided for in the Plan of Arrangement.

In addition, as a result of the Arrangement, (a) each warrant to purchase CCE Shares (each, a "**CCE Warrant**") outstanding immediately prior to the Effective Time will, in accordance with the adjustment provisions of the

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certificates governing the CCE Warrants, entitle the holder to purchase from Mont Royal 2.3271 pre-MRZ Consolidation MRZ Shares per underlying CCE Share at an exercise price per MRZ Share equal to the quotient determined by dividing (i) the exercise price per CCE Share at which such CCE Warrant was exercisable immediately prior to the Effective Time, by (ii) 2.3271, as more particularly described in the Plan of Arrangement, and (b) the outstanding principal amount and interest owing under the secured convertible notes (the "**CCE Convertible Notes**") shall convert into pre-MRZ Consolidation MRZ Shares in accordance with the terms and conditions of the CCE Convertible Notes.

The MRZ Shares issuable pursuant to the exercise or conversion of the securities of MRZ issued in exchange for the CCE Options, CCE PSUs, CCE Warrants and CCE Convertible Notes will be subject to the MRZ Consolidation.

The CCE Board unanimously recommends that CCE Shareholders vote FOR the Arrangement Resolution to approve the Arrangement. All of the directors, and certain shareholders of the Corporation have entered into agreements with Mont Royal to support the Arrangement. In reaching its conclusion that the Arrangement is fair to CCE Shareholders and that the Arrangement is in the best interests of the Corporation, the CCE Board and the Special Committee considered and relied upon a number of factors and reasons, including those described under the headings "*Part 7 – The Arrangement – Background to the Arrangement*", "*Part 7 – The Arrangement – Reasons for the Arrangement*", and "*Part 7 – The Arrangement – Fairness Opinion*" of the accompanying management information circular for the Meeting (the "**Circular**").

For the Arrangement to become effective, the Arrangement Resolution must first be approved at the Meeting by the affirmative vote of at least two-thirds (66⅔%) of the votes cast on the Arrangement Resolution by CCE Shareholders, (the "**CCE Shareholder Approval**").

The Arrangement is also subject to certain other conditions, including the approval of the British Columbia Supreme Court.

The accompanying notice of annual general and special meeting and the Circular describe the Arrangement and also include certain additional information to assist you in considering how to vote on the Arrangement Resolution. You are urged to read this information carefully and, if you require assistance, to consult your financial, legal, tax or other professional advisors.

In addition, at the Meeting, CCE Shareholders will also be asked: (i) to receive the audited financial statements of the Corporation for the year ended October 31, 2024, and the accompanying report of the auditors; (ii) to set the number of directors of the Corporation for the ensuing year at three (3); (iii) to elect Jeremy Robinson, Ian Graham and Adam Ritchie as directors of the Corporation to hold office until the next annual general meeting of the Corporation, or until such time as their successors are duly elected or appointed in accordance with the Corporation's constating documents; (iv) to appoint DeVisser Gray LLP, Chartered Professional Accountants, as the auditors of the Corporation for the fiscal year ending October 31, 2025 and to authorize the directors of the Corporation to fix their remuneration; and (v) to transact such further or other business as may properly come before the Meeting and any adjournment or postponement thereof.

Your vote is important regardless of the number of CCE Shares that you own. Even if you are a registered holder of CCE Shares and plan to attend the Meeting, the CCE Board encourages you to take the time to consider and follow the instructions on the enclosed forms of proxy so that your CCE Shares can be voted at the Meeting in accordance with your instructions. We encourage you to use the internet or telephone voting options to ensure your vote is received prior to the voting deadline. Alternatively, you can complete, sign, date and return the enclosed form of proxy by mail.

If you hold your CCE Shares through a broker, trustee, participant, financial institution, administrator of a self-administered retirement savings plan, retirement income fund, education savings plan or other similar self-administered savings or investment plan registered under the *Income Tax Act* (Canada), or a nominee of any of the foregoing that holds your securities on your behalf or other intermediary, you will receive instructions from such intermediary, or Odyssey Trust Company on the intermediary's behalf, on how to vote your CCE Shares. We encourage non-registered CCE Shareholders to carefully follow such instructions so that your CCE Shares can be voted at the Meeting.

If you are a registered holder of CCE Shares, we encourage you to complete, sign, date and return the enclosed Letter of Transmittal, along with the share certificate(s) or Direct Registration System advice(s) representing your CCE Shares, to the depositary for the Arrangement, Odyssey Trust Company, at the address specified in the Letter of Transmittal. The Letter of Transmittal contains procedural information relating to the Arrangement and should be reviewed carefully. It is recommended that you complete, sign and return the Letter of Transmittal (with accompanying CCE Share certificate(s) or Direct Registration System advice(s) if you are a registered holder of CCE Shares) to Odyssey Trust Company, the depositary for the Arrangement, as soon as possible.

Subject to obtaining court approval and satisfying certain other conditions, including the CCE Shareholder Approval, it is anticipated that the Arrangement will be completed in October 2025, but no later than May 29, 2026, subject to an extension in accordance with the terms of the Arrangement Agreement, unless otherwise agreed to between Commerce and Mont Royal.

Sincerely,

On behalf of the CCE Board,

(*Signed*) "*Jeremy Robinson*"

Jeremy Robinson
Director
Commerce Resources Corp.

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COMMERCE RESOURCES CORP.

Suite 1450 - 789 West Pender Street
Vancouver, BC
Canada V6C 1H2

NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE is hereby given that an annual general and special meeting (the "**Meeting**") of the holders ("**CCE Shareholders**") of common shares ("**CCE Shares**") of Commerce Resources Corp. (the "**Corporation**" or "**Commerce**") will be held at the offices of Commerce located at Suite 3000 – 1055 Dunsmuir Street, Vancouver, British Columbia V7X 1K8 Canada on October 10, 2025 at 9:00 a.m. (Vancouver time), for the following purposes:

1. To consider, pursuant to an interim order of the British Columbia Supreme Court dated September 4, 2025 (the "**Interim Order**"), and, if thought advisable, to pass, with or without amendment, a special resolution (the "**Arrangement Resolution**") of CCE Shareholders, the full text of which is set forth in Appendix B to the accompanying management information circular (the "**Circular**"), to approve a statutory plan of arrangement (the "**Plan of Arrangement**") under Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") (the "**Arrangement**"), subject to the terms and conditions of an arrangement agreement (the "**Arrangement Agreement**") dated April 9, 2025, as amended on July 29, 2025, entered into between Commerce and Mont Royal Resources Limited. ("**Mont Royal**"), as more particularly described in the Circular.

2. To receive the audited financial statements of the Corporation for the year ended October 31, 2024, and the accompanying report of the auditors.

3. To set the number of directors of the Corporation for the ensuing year at three (3).

4. To elect Jeremy Robinson, Ian Graham and Adam Ritchie as directors of the Corporation to hold office until the next annual general meeting of the Corporation, or until such time as their successors are duly elected or appointed in accordance with the Corporation's constating documents.

5. To appoint DeVisser Gray LLP, Chartered Professional Accountants, as the auditors of the Corporation for the fiscal year ending October 31, 2025 and to authorize the directors of the Corporation to fix their remuneration.

6. To transact such further and other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The directors of the Corporation have fixed the close of business on August 29, 2025 as the record date (the "**Record Date**") for the determination of the CCE Shareholders entitled to receive this notice of the Meeting (this "**Notice of Meeting**"). A CCE Shareholder wishing to be represented by proxy at the Meeting or any adjournment thereof must deposit his, her or its duly executed form of proxy with the Corporation's transfer agent, Odyssey Trust Company, by mail at Suite 350 – 409 Granville Street, Vancouver, British Columbia V6C 1T2 (Attention: Proxy Department) at least 48 hours (excluding Saturdays, Sundays and holidays recognized in the Province of British Columbia) before the time and date of the Meeting or any adjournment or postponement thereof. The time limit for the deposit of proxies may be waived or extended by the chairman of the Meeting at his discretion, without notice. A registered CCE Shareholder may also vote by telephone or via the internet by following the instructions on the applicable form of proxy. If a CCE Shareholder votes by telephone or via the internet, completion or return of the form of proxies is not needed.

If you are a non-registered CCE Shareholder, please refer to "*Part 5 – General Proxy Information – Non-Registered CCE Shareholders"* of the Circular for information on how to vote your CCE Shares.

Take notice that, pursuant to the Interim Order, each registered CCE Shareholder as of the close of business on the Record Date has been granted the right to dissent in respect of the Arrangement Resolution and, if the Arrangement

becomes effective, to be paid the fair value of the CCE Shares in respect of which such registered CCE Shareholder validly dissents, in accordance with the dissent procedures contained in Division 2 of Part 8 of the BCBCA, as modified and supplemented by the Interim Order, the Plan of Arrangement and the Final Order (as defined in the Circular). To exercise such right: (a) a written objection with respect to the Arrangement Resolution from the registered CCE Shareholder must be received by Osler, Hoskin & Harcourt LLP, 1055 Dunsmuir St, Suite 3000, Vancouver, BC V7X 1K8, Attention: Teresa Tomchak, by no later than 4:00 p.m. (Vancouver time) on October 8, 2025, being two business days prior to the date of the Meeting; (b) the registered CCE Shareholder must not have voted in favour of the Arrangement Resolution; and (c) the registered CCE Shareholder must have otherwise complied with the dissent procedures in Division 2 of Part 8 of the BCBCA, as modified and supplemented by the Interim Order, the Plan of Arrangement and the Final Order. The right to dissent is described in the Circular, and the text of each of the Plan of Arrangement, the Interim Order and Division 2 of Part 8 of the BCBCA is set forth in Appendix C, Appendix D and Appendix G, respectively, to the Circular.

Failure to strictly comply with the provisions of the BCBCA, as modified and supplemented by the Interim Order, the Plan of Arrangement and the Final Order, may result in the loss of any right of dissent.

The Circular accompanying this Notice of Meeting is incorporated into, and shall be deemed to form part of, this Notice of Meeting.

DATED as of the 4th day of September, 2025.

By Order of the CCE Board

(*signed*) "*Jeremy Robinson*"

Jeremy Robinson
Director
Commerce Resources Corp.

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COMMERCE RESOURCES CORP.

MANAGEMENT INFORMATION CIRCULAR

This management information circular and accompanying form of proxy are furnished in connection with the solicitation of proxies by the management of Commerce Resources Corp. for use at the annual general and special meeting of CCE Shareholders to be held at the offices of Osler, Hoskin & Harcourt LLP located at 1055 Dunsmuir Street, Suite 3000, Vancouver, BC V7X 1K8 on October 10, 2025 at 9:00 a.m. (Vancouver time) and at any adjournment or postponement thereof, for the purposes set forth in the accompanying notice of annual general and special meeting. All summaries of, and references to, the Arrangement Agreement, the Plan of Arrangement, the Arrangement Resolution, the Fairness Opinion, and the Technical Report in this Circular are qualified in their entirety by reference to the complete texts of those documents, each of which is either included as an appendix to this Circular or filed under the Corporation's issuer profile on SEDAR+ at www.sedarplus.ca. CCE Shareholders are urged to carefully read the full text of these documents.

PART 1. GENERAL MATTERS

Defined Terms

In this Circular, unless otherwise indicated or the context otherwise requires, terms defined in Appendix A – *Glossary of Terms* shall have the meanings attributed thereto. Words importing the singular include the plural and vice versa, and words importing gender include all genders.

Information Contained in this Circular

The information contained in this Circular, unless otherwise indicated, is given as of August 29, 2025.

No person has been authorized by the Corporation to give any information (including any representations) in connection with the matters to be considered at the Meeting other than the information contained in this Circular. This Circular does not constitute an offer to buy, or a solicitation of an offer to acquire, any securities, or a solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or is unlawful. Information contained in this Circular should not be construed as legal, tax or financial advice, and CCE Shareholders should consult their own professional advisors concerning the consequences of the Arrangement in their own circumstances.

This Circular and the transactions contemplated by the Arrangement Agreement and the Plan of Arrangement have not been approved or disapproved by any securities regulatory authority, nor has any securities regulatory authority passed upon the fairness or merits of such transactions or upon the accuracy or adequacy of the information contained in this Circular. Any representation to the contrary is unlawful.

Information Contained in this Circular Regarding Mont Royal

Certain information included in this Circular pertaining to Mont Royal, including, but not limited to, the information pertaining to Mont Royal set forth in Appendix I of this Circular, has been furnished by Mont Royal. With respect to this information, the Corporation has relied exclusively upon Mont Royal, without independent verification by the Corporation. Although the Corporation does not have any knowledge that would indicate that such information is untrue or incomplete, neither the Corporation nor any of its directors or officers assumes any responsibility for the accuracy or completeness of such information, or for the failure by Mont Royal to disclose events or information that may affect the completeness or accuracy of such information.

For further information regarding Mont Royal, please refer to Appendix I of this Circular.

Financial Information

Unless otherwise indicated, all historical financial statements included in this Circular relating to Mont Royal are reported in Australian dollars and prepared in accordance with Australian Accounting Standards as issued by the

AASB, which also comply with IFRS, and Mont Royal's financial report for the half-year ended June 30, 2024 has been prepared in accordance with AASB 134 Interim Financial Reporting.

Currency

Unless otherwise indicated, all references to "$", "C$" or "dollars" set forth in this Circular are to Canadian dollars, all references to "A$" set forth in this Circular are to Australian dollars and all references to "US$" set forth in this Circular are to United States dollars.

PART 2. NOTICE TO CCE SECURITYHOLDERS IN THE UNITED STATES

THE ARRANGEMENT AND THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SEC OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE OF THE UNITED STATES, NOR HAS THE SEC OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE OF THE UNITED STATES PASSED UPON THE FAIRNESS OR MERITS OF THE ARRANGEMENT OR UPON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

The MRZ Shares, as well as the Replacement Options and Replacement Performance Rights, to be issued to CCE Securityholders in connection with the Arrangement have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and such securities are being issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by the Section 3(a)(10) Exemption on the basis of the approval of the Court, which will consider, among other things, the substantive and procedural fairness of the Arrangement to CCE Securityholders as further described in "*Part 9 – Securities Law Matters – United States Securities Law Matters*" of this Circular, and in reliance on exemptions from or qualifications under the registration requirements under any applicable securities laws of any state of the United States. The Section 3(a)(10) Exemption provides for securities issued in exchange for one or more *bona fide* outstanding securities, or partly in such exchange and partly for cash, where the terms and conditions of the issuance and exchange of such securities have been approved by a court authorized to grant such approval after a hearing upon the fairness of the terms and conditions of the issuance and exchange at which all persons to whom the securities will be issued have the right to appear and have received adequate notice thereof. However, the Section 3(a)(10) Exemption is not available for the issuance of the MRZ Shares issuable upon exercise of the Replacement Options and Replacement Performance Rights. Accordingly, the Final Order of the Court will, if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act, pursuant to the Section 3(a)(10) Exemption, with respect to the issuance of the MRZ Shares and the Replacement Options and Replacement Performance Rights pursuant to the Arrangement.

All CCE Securityholders who will receive the Consideration in the Arrangement are entitled to appear and be heard at the fairness hearing to be held by the Court prior to granting the Final Order. For further information about how to appear and be heard at the fairness hearing, see "*Part 7 – The Arrangement – Court Approval of the Arrangement – Final Order*" in this Circular and Appendix D and Appendix E to this Circular. Prior to the hearing on the Final Order, the Court will be informed of the Parties' intended reliance on the Final Order as the basis for the Section 3(a)(10) Exemption.

The MRZ Shares received by the CCE Securityholders pursuant to the Arrangement (which, for avoidance of doubt, does not include the MRZ Shares issuable upon exercise of the Replacement Options, Replacement Performance Rights or CCE Warrants) will be freely tradeable under the U.S. Securities Act after the completion of the Arrangement; however, the U.S. Securities Act imposes restrictions on the resale of MRZ Shares received pursuant to the Arrangement by persons who will be "affiliates" of Mont Royal after the Effective Time or who have been "affiliates" of Mont Royal within 90 days of the Effective Time.

PART 3. CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

This Circular and the documents incorporated into this Circular by reference contain "forward-looking statements" and "forward-looking information" within the meaning of applicable Canadian and U.S. securities legislation (forward-looking statements and forward-looking information being collectively referred to as "**forward-looking information**") that are based on expectations, estimates and projections as at the date of this Circular or the dates of

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the documents incorporated by reference. Forward-looking information may include, without limitation, statements and information concerning: the Arrangement; the anticipated timing for completion of the Arrangement; the anticipated benefits of the Arrangement; the likelihood of the Arrangement being completed; the principal steps of the Arrangement; statements made in, and based upon, the Fairness Opinion; statements relating to the business and future activities of the Corporation and Mont Royal after the date of this Circular and prior to the Effective Time; the completion of the MRZ Equity Raise; statements relating to the business and future activities of the Combined Company after the Effective Time; CCE Shareholder and Court approval of the Arrangement; regulatory approval of the Arrangement; the listing of the MRZ Shares on the TSXV and other statements that are not historical facts.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, identified by words or phrases such as "expects" or "does not expect", "is expected", "anticipates" or "does not anticipate", "believes", "budget", "scheduled", "forecasts" "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives", "potential", "possible" or variations thereof or stating that certain actions, events, conditions or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking information and are intended to identify forward-looking information.

Forward-looking information is based on the beliefs, expectations and opinions of the management of Commerce and Mont Royal, as well as on assumptions and other factors, which management of Commerce and Mont Royal believe to be reasonable based on information available at the time such information was given. Such assumptions include, among other things, the satisfaction of the terms and conditions of the Arrangement, including the approval of the Arrangement and its fairness by the Court, the anticipated completion of the MRZ Equity Raise, and the receipt of the required governmental and regulatory approvals and consents.

By its nature, forward-looking information is based on assumptions and involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Commerce and Mont Royal to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information, including, without limitation: the Arrangement Agreement may be terminated in certain circumstances; general economic conditions; industry conditions; volatility of commodity prices; currency fluctuations; environmental risks; competition from other industry participants; and stock market volatility. This list is not exhaustive of the factors that may affect any of the forward-looking information of Commerce and Mont Royal.

Forward-looking information is information about the future and is inherently uncertain. There can be no assurance that the forward-looking information will prove to be accurate. Actual results could differ materially from those reflected in the forward-looking information as a result of, among other things, the matters set out or incorporated by reference in this Circular generally and economic and business factors, some of which may be beyond the control of Commerce and Mont Royal. Some of the more important risks and uncertainties that could affect forward-looking information are described further under the heading "*Part 13 – Risk Factors Relating to the Arrangement*". Additional risks are discussed (a) in respect of Commerce, in filings by Commerce with Canadian regulatory authorities on SEDAR+, and (b) in respect of Mont Royal, in Appendix I of this Circular. Commerce and Mont Royal expressly disclaim any intention or obligation to update or revise any information contained in this Circular (including forward-looking information) except as required by applicable laws, and CCE Shareholders should not assume that any lack of update to information contained in this Circular means that there has been no change in that information since the date of this Circular and should not place undue reliance on forward-looking information.

PART 4. SUMMARY

The following is a summary of the principal features of the Arrangement and certain other matters and should be read together with the more detailed information contained elsewhere in this Circular, including the appendices hereto, or incorporated by reference in this Circular. Capitalized terms have the meanings ascribed to such terms in the "Glossary of Terms" included in Appendix A of this Circular. This summary is qualified in its entirety by the more detailed information appearing or referred to elsewhere herein.

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The Meeting and Record Date

The Meeting will be held at Suite 3000, 1055 Dunsmuir Street, Vancouver, British Columbia, Canada V7X 1K8 on October 10, 2025 at 9:00 a.m. (Vancouver time).

The CCE Board has fixed the close of business on August 29, 2025 as the Record Date for the determination of the CCE Shareholders entitled to receive notice of, and vote at, the Meeting. Only CCE Shareholders whose names have been entered in the applicable register of the Corporation as of the close of business on the Record Date will be entitled to receive notice of, and to vote at, the Meeting.

Purpose of the Meeting

The purpose of the Meeting is, among other things, for CCE Shareholders to consider and vote upon the Arrangement Resolution.

For the Arrangement to become effective, the Arrangement Resolution must first be approved at the Meeting by the affirmative vote of at least two-thirds (66⅔%) of the votes cast on the Arrangement Resolution by CCE Shareholders.

See "*Part 7 – The Arrangement – Approval of Arrangement Resolution*" and "*Part 5 – General Proxy Information – Voting Matters*" of this Circular.

In addition, at the Meeting, the CCE Shareholders will also be asked (i) to receive and consider the consolidated financial statements of the Corporation for the financial period ended October 31, 2024, together with the auditors' report thereon, (ii) to fix the number of directors of the Corporation at three (3), (iii) to elect the directors of the Corporation for the ensuing year, and (iv) to appoint the auditors of the Corporation for the ensuing year and to authorize the directors of the Corporation to fix their remuneration.

See "*Part 4 – Summary – Other Matters to be Acted Upon at the Meeting*".

The Arrangement

If completed, as a result of the Arrangement: (i) Mont Royal will acquire all of the issued and outstanding CCE Shares and Commerce will become a wholly owned subsidiary of Mont Royal; and (ii) CCE Shareholders (other than Dissenting Shareholders) will be entitled to receive the Consideration consisting of 2.3271 pre-MRZ Consolidation MRZ Shares for each CCE Share held immediately prior to the Effective Time, prior to the consolidation of the MRZ Shares on the basis of 0.2195 post-consolidation MRZ Shares for each one (1) pre-consolidation MRZ Share.

Pursuant to the Plan of Arrangement, (a) each CCE Option outstanding immediately prior to the Effective Time (whether vested or unvested) shall, without any further action on the part of any holder thereof, notwithstanding the terms of the CCE Plan or any award or similar agreement pursuant to which the CCE Options were granted or awarded, be cancelled and exchanged for a Replacement Option to acquire from Mont Royal such number of pre-MRZ Consolidation MRZ Shares equal to (1) that number of CCE Shares that were issuable upon exercise of such CCE Option immediately prior to the Effective Time, multiplied by (2) the Exchange Ratio (provided that if the foregoing would result in the issuance of a fraction of a MRZ Share on any particular exercise of Replacement Options in the aggregate, then the number of MRZ Shares otherwise issuable shall be rounded down to the nearest whole number of MRZ Shares), at an exercise price per MRZ Share equal to the quotient determined by dividing (X) the exercise price per CCE Share at which such CCE Option was exercisable immediately prior to the Effective Time, by (Y) the Exchange Ratio (provided that the aggregate exercise price payable on any particular exercise of Replacement Options shall be rounded up to the nearest whole cent); provided that the exercise price of such Replacement Option shall be, and shall be deemed to be, adjusted by the amount, and only to the extent, necessary to ensure that the In-the-Money Amount of such Replacement Option immediately following the exchange does not exceed the In-the-Money Amount (if any) of such CCE Option immediately before the exchange, and (b) each outstanding performance share unit of Commerce granted under the CCE Plan (each, a "**CCE PSU**") that is outstanding immediately prior to the Effective Time will be, notwithstanding the terms of the CCE Plan or any award or similar agreement pursuant to which the CCE PSUs were granted or awarded, exchanged for a performance right of Mont Royal (each, a "**Replacement Performance Right**") exercisable to purchase from Mont Royal 2.3271 pre-MRZ Consolidation MRZ Shares per underlying CCE Share, all as more particularly provided for in the Plan of Arrangement.

As a result of the completion of the steps set out in the Plan of Arrangement, (a) each CCE Warrant outstanding immediately prior to the Effective Time shall, without any further action on the part of any holder thereof, in accordance with the adjustment provisions of the certificates governing the CCE Warrants, following the Effective Time entitle the holder to such number of pre-MRZ Consolidation MRZ Shares equal to (1) that number of CCE Shares that were issuable upon exercise of such CCE Warrant immediately prior to the Effective Time, multiplied by (2) the Exchange Ratio (provided that if the foregoing would result in the issuance of a fraction of a MRZ Share on any particular exercise of CCE Warrants in the aggregate, then the number of MRZ Shares otherwise issuable shall be rounded down to the nearest whole number of MRZ Shares), at an exercise price per MRZ Share equal to the quotient determined by dividing (X) the exercise price per CCE Share at which such CCE Warrant was exercisable immediately prior to the Effective Time, by (Y) the Exchange Ratio (provided that the aggregate exercise price payable on any particular exercise of CCE Warrants shall be rounded up to the nearest whole cent), and all certificates governing the CCE Warrants shall be cancelled and replaced with replacement certificates representing such adjusted CCE Warrants and (b) each CCE Convertible Note outstanding immediately prior to the Effective Time shall convert into pre-MRZ Consolidation MRZ Shares in accordance with the terms and conditions of the CCE Convertible Notes.

The MRZ Shares issuable pursuant to the exercise or conversion of the Replacement Options, Replacement Performance Rights, CCE Warrants and CCE Convertible Notes will be subject to the MRZ Consolidation.

A Dissenting Shareholder who validly exercises Dissent Rights in respect of his, her or its CCE Shares and who has not withdrawn, or been deemed to have withdrawn, such exercise of Dissent Rights is entitled, upon the Arrangement becoming effective, to be paid the fair value of such CCE Shares.

See "*Part 7 – The Arrangement – Arrangement Mechanics*" of this Circular for a more detailed description of the Arrangement steps and Appendix C to this Circular for a copy of the Plan of Arrangement.

Background to the Arrangement

The execution of the Arrangement Agreement was the result of arm's length negotiations among representatives of Commerce and Mont Royal and their respective legal and financial advisors. A summary of the material events which led to the negotiation of the Arrangement Agreement and the material meetings, negotiations, discussions and actions between the parties that preceded the execution and public announcement of the Arrangement Agreement is set out under the heading "*Part 7 – The Arrangement – Background to the Arrangement*" of this Circular.

Fairness Opinion

Pursuant to the Engagement Letter, Evans & Evans was engaged to evaluate the fairness, from a financial point of view, of the Consideration to be received by CCE Shareholders pursuant to the Arrangement and provide the Fairness Opinion. On March 20, 2025, Evans & Evans provided its Fairness Opinion orally, which was subsequently confirmed in writing, to the effect that, as of the date of such Fairness Opinion, and subject to the assumptions, limitations and qualifications set out therein, the Consideration to be received by the CCE Shareholders pursuant to the Arrangement, is fair, from a financial point of view, to the CCE Shareholders. The full text of the Fairness Opinion, which sets forth, among other things, the scope of review undertaken, the assumptions made, matters considered, procedures followed and limitations and qualifications thereof, is attached as Appendix F to this Circular. CCE Shareholders are urged to, and should, read the Fairness Opinion in its entirety. This summary is qualified in its entirety by reference to the full text of the Fairness Opinion. See "*Part 7 – The Arrangement – Fairness Opinion*" of this Circular.

Subject to the terms of its engagement, Evans & Evans has consented to the inclusion in this Circular of its Fairness Opinion in its entirety, and the references to the Fairness Opinion herein. The Fairness Opinion was provided to the CCE Board and the Special Committee for their exclusive use only in considering the Arrangement and may not be relied upon by any other person or for any other purpose or published or disclosed to any other person, relied upon by any other person or used for any other purpose without the express written consent of Evans & Evans The Fairness Opinion is not, and should not be construed as, valuations of Mont Royal or Commerce (or any of their respective affiliates) or their respective assets, liabilities or securities or as a recommendation to any CCE Shareholder as to how to vote with respect to the Arrangement Resolution or any other matter at the Meeting.

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Recommendation of the Special Committee with Respect to the Arrangement

The Special Committee, after consultation with its financial and legal advisors and having taken into account the Fairness Opinion and such other matters as it considered necessary and relevant, including the factors set out below under the heading "*Part 7 – The Arrangement – Reasons for the Arrangement*", has unanimously determined that the Arrangement is in the best interests of Commerce and is fair to the CCE Shareholders. Accordingly, the Special Committee unanimously recommended that the CCE Board approve the Arrangement and that the CCE Board recommend to CCE Shareholders that they vote **FOR** the Arrangement Resolution.

Recommendation of the CCE Board with Respect to the Arrangement

The CCE Board, after consultation with its financial and legal advisors and having taken into account the Fairness Opinion and such other matters as it considered necessary and relevant, including the factors set out below under the heading "*Part 7 – The Arrangement – Reasons for the Arrangement*" and the unanimous recommendation of the Special Committee, has unanimously determined that the Arrangement is in the best interests of Commerce and is fair to the CCE Shareholders. **Accordingly, the CCE Board unanimously recommends that CCE Shareholders vote FOR the Arrangement Resolution.**

Mont Royal has entered into CCE Voting and Lock-up Agreements with each of its directors and certain shareholders as stated in Schedule "E" of the Arrangement Agreement pursuant to which each of the directors and certain shareholders has agreed to, among other things, support the Arrangement and to vote any CCE Shares they own in favour of the Arrangement Resolution. All of the directors and certain shareholders of Commerce intend to vote all of their CCE Shares in favour of the Arrangement Resolution, subject to the terms of the Arrangement Agreement and the CCE Voting and Lock-up Agreements.

See "*Part 7 – The Arrangement – Recommendation of the CCE Board*", "*Part 7 – The Arrangement – Reasons for the Arrangement*" and "*Part 7 – The Arrangement – Commerce Voting and Lock-up Agreements*" of this Circular.

Reasons for the Arrangement

The Special Committee and the CCE Board reviewed and considered a significant amount of information and considered a number of factors relating to the Arrangement, with the benefit of advice from Commerce's management, and the financial and legal advisors of the Special Committee and the CCE Board. The following is a summary of the principal reasons for the unanimous recommendations of the Special Committee and the CCE Board:

- **Enhanced Capital Markets Presence and Trading Liquidity.** Upon completion of the Arrangement, it is proposed that the Combined Company will be listed on both the ASX and the TSXV, providing it with greater exposure to capital markets than is currently available to Commerce. The Combined Company, being a larger, ASX and TSXV dual-listed company, will enjoy an enhanced profile with an elevated capital markets presence and value proposition to a wider range of global investors. Additionally, the increased size of the Combined Company and the anticipated ASX and TSXV dual listing of the MRZ Shares is expected to provide for greater liquidity and access to additional capital markets for shareholders of the Combined Company. Furthermore, the ASX has a greater number of listed developing rare earth companies, providing a stronger group of peer companies against which to benchmark the Ashram Project.

- **Strong Combined Management.** The Arrangement integrates the board and management of Mont Royal and Commerce, and the Combined Company is expected to benefit from the unique combination of Mont Royal's and Commerce's management teams providing for strong capital markets experience and proven exploration success, project development and operational expertise. The Mont Royal team has been involved in certain transactions which returned shareholder value over time, such as Champion Iron Limited, Green Technology Metals, Primero Group Limited, Riversdale Resources Limited, and Bannerman Energy Limited. The Combined Company's Board will be comprised of three members nominated by Commerce and one board member nominated by Mont Royal.

- **Expansion of Exploration Asset Portfolio.** The addition of Mont Royal's Northern Lights Lithium Project (the "**Northern Lights Project**"), to Commerce's Ashram Rare Earths and Fluorspar Project (the "**Ashram Project**") and Eldor Niobium exploration project (the "**Eldor Niobium Project**"), expands the asset portfolio

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of the Combined Company, covering an area of 442km^2 in the Upper Eastmain Greenstone Belt, offering lithium, copper and gold potential. It is expected that upon completion of the Arrangement, existing MRZ Shareholders and former CCE Shareholders will own approximately 14.70% and 85.30%, respectively, of the outstanding MRZ Shares. These percentages assume a total of 108,302,216 MRZ Shares are issued as consideration for the Arrangement (on a post-MRZ Consolidation basis and includes the MRZ Shares issued on conversion of the CCE Convertible Notes), and that no other MRZ Shares or CCE Shares are issued prior to completion of the Arrangement.

- **Fairness Opinion.** Evans & Evans has provided the Fairness Opinion to the effect that, as of the date thereof, and subject to the assumptions, limitations and qualifications set out therein, the Consideration to be received by the CCE Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the CCE Shareholders.

- **Support by Directors and certain CCE Shareholders.** All of the directors of Commerce have entered into CCE Voting and Lock-up Agreements with Mont Royal. Under the CCE Voting and Lock-up Agreements, each of the directors and certain CCE Shareholders have agreed to, among other things, support the Arrangement and to vote any CCE Shares they own in favour of the Arrangement Resolution.

- **Reasonable Termination Payment.** The Termination Fee equal to approximately 1.15% of the undiluted equity value, A$250,000 which is payable in certain circumstances by Commerce, is reasonable. In the view of the Special Committee and the CCE Board, the Termination Fee would not preclude a third party from potentially making a Superior Proposal to Commerce.

In making their respective determinations and recommendations, the Special Committee and the CCE Board also observed that a number of procedural safeguards were in place and present to protect the interests of Commerce, CCE Shareholders and other Commerce stakeholders. These procedural safeguards include, among others:

- **Ability to Respond to Unsolicited Superior Proposals.** Under the terms of the Arrangement Agreement, the CCE Board is able to respond to any unsolicited *bona fide* written proposal that, having regard to all of the terms and conditions of such proposal, constitutes or would reasonably be expected to constitute a Superior Proposal.

- **Negotiated Transaction.** The Arrangement Agreement is the result of an arm's length negotiation process, with Commerce having retained and received advice from its financial and legal advisors.

- **Shareholder Approval.** In order to become effective, the Arrangement must first have received the CCE Shareholder Approval at the Meeting.

- **Court Approval.** In order to become effective, the Arrangement must be approved by the Court, which will consider, among other things, the substantive and procedural fairness and reasonableness of the Arrangement to CCE Shareholders.

- **Dissent Rights.** The Interim Order provides that a Registered CCE Shareholder as at the Record Date may, upon strict compliance with certain conditions, exercise Dissent Rights and, if ultimately successful, receive the fair value of their CCE Shares in accordance with the Plan of Arrangement.

In making their respective determinations and recommendations with respect to the Arrangement, the Special Committee and the CCE Board also considered a number of potential risks and potential negative factors, which the Special Committee and the CCE Board concluded were outweighed by the positive substantive and procedural factors of the Arrangement described above, including the following:

- **Integration Challenges.** The challenges inherent in combining two businesses of the diversity and complexity of Commerce and Mont Royal.

- **Diversion of Management Attention.** The potential risk of diverting management's attention and resources from the operation of Commerce's business, including other strategic opportunities and operational matters, in the short-term, while working toward the completion of the Arrangement.

- **Impact on Commerce's Relationships.** The potential negative effect of the Arrangement on Commerce's business, including its relationships with employees, suppliers, and communities in which it operates.

- **Limitations on Operation of Business during Interim Period.** The restrictions on the conduct of Commerce's business prior to the completion of the Arrangement, which could delay or prevent Commerce from undertaking business opportunities that may arise pending completion of the Arrangement.

- **Retention of Key Personnel.** The potential adverse impact that business uncertainty pending the completion of the Arrangement could have on Commerce's ability to attract, retain and motivate key personnel until the completion of the Arrangement.

- **Risk of Non-Completion.** The risk that the Arrangement may not be completed despite Commerce's and Mont Royal's efforts or that completion of the Arrangement may be unduly delayed, even if the CCE Shareholder Approval is obtained, including the possibility that conditions to Commerce's and Mont Royal's obligations to complete the Arrangement may not be satisfied, and the potential resulting negative impact this could have upon Commerce's business.

- **Limitations on Solicitation of Alternative Transactions.** The limitations contained in the Arrangement Agreement on Commerce's ability to solicit additional interest from third parties, given the deal protections in the Arrangement Agreement, as well as the fact that if the Arrangement Agreement is terminated under certain circumstances, Commerce will be required to pay the Termination Fee to Mont Royal.

- **Difficulty of Negotiating an Alternative Transaction if the Arrangement Agreement is Terminated.** The fact that if the Arrangement Agreement is terminated and Commerce decides to seek another transaction or business combination, it may be unable to find a party willing to pay greater or equivalent value compared to the Consideration being provided to the CCE Shareholders under the Arrangement.

- **Risks Related to Regulatory Approvals.** The risk that the Court and regulatory agencies may not approve the Arrangement or may impose terms and conditions on their approvals that may adversely affect the business and financial results of the Combined Company.

- **Transaction Costs.** The fact that Commerce has incurred and will continue to incur significant transaction costs and expenses in connection with the Arrangement, regardless of whether the Arrangement is completed.

The foregoing summary of the information considered by the Special Committee and the CCE Board is not, and is not intended to be, exhaustive. In view of the wide variety of factors and information considered in connection with their evaluation of the Arrangement, the Special Committee and the CCE Board did not find it practicable to, and therefore did not, quantify or otherwise attempt to assign any relative weight to each specific factor or item of information considered in reaching their conclusions and recommendations.

See "*Part 3 – Cautionary Statement Regarding Forward-Looking Information*", "*Part 7 – The Arrangement – Reasons for the Arrangement*" and "*Part 13 – Risk Factors Relating to the Arrangement*" of this Circular.

Commerce Voting and Lock-up Agreements

Effective April 9, 2025, Mont Royal entered into CCE Voting and Lock-up Agreements with the directors and CCE Shareholders listed in Schedule "E" of the Arrangement Agreement.

The CCE Voting and Lock-up Agreements set forth, among other things, the agreement to vote the CCE Shares covered by such CCE Voting and Lock-up Agreements in favour of the Arrangement Resolution.

See "*Part 7 – The Arrangement – Commerce Voting and Lock-Up Agreements*" of this Circular.

Information Concerning Commerce

Commerce is a Canadian mineral exploration and development company, listed on Tier 1 of the TSXV in Canada ("**CCE**"), the Frankfurt Stock Exchange in Germany ("**D7H**"), and the OTCQX ("**CMFZF**"). Commerce's primary

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focus is on rare earth elements ("**REEs**") and the rare metals tantalum and niobium. It was incorporated under the laws the BCBCA on May 19, 1999. The CCE Shares were subsequently listed on the TSXV and began trading under the symbol "CCE". Commerce's office is located at Suite 1450, 789 West Pender Street, Vancouver, BC V6C 1H2.

Commerce's principal assets are the Eldor Property in Quebec (the "**Eldor Property**") and the Blue River Tantalum-Niobium Property in British Columbia. The Eldor Property is 100%-owned by the Corporation and is composed of 244 claims comprising approximately 11,475 hectares, including the Ashram Rare Earth Deposit (the "**Ashram Deposit**" or "**Ashram**").

For further information regarding Commerce, see "*Part 17 – Information Concerning Commerce*" of this Circular.

Information Concerning Mont Royal

Mont Royal is an Australia-based mineral exploration company. It is involved in the acquisition, exploration and development of mineral resource projects. Mont Royal's principal assets include the Wapatik Gold-Copper Project in Quebec, Canada, and the Northern Lights Minerals Pty Ltd. in the Upper Eastmain Greenstone Belt in Quebec, Canada.

The head office and registered office of Mont Royal is located at Level 8, 2 Bligh Street Sydney, New South Wales 2000 Australia. The MRZ Shares are listed and posted for trading on the ASX under the symbol "MRZ".

For more information on Mont Royal, see "*Part 18 – Information Concerning Mont Royal*" and Appendix I of this Circular.

Information Concerning the Combined Company

On completion of the Arrangement, Mont Royal will directly own all of the issued and outstanding shares in the capital of Commerce. After completion of the Arrangement, the business and operations of Commerce will be managed and operated as a subsidiary of Mont Royal. Mont Royal expects that the business and operations of Mont Royal and Commerce will be consolidated and the principal executive office of the Combined Company will be located at Level 1, 1 Alvan Street, Subiaco 6008, Western Australia, Australia.

For more information on the Combined Company, see "*Part 19 – Information Concerning the Combined Company*" of this Circular and Appendix J of this Circular.

MRZ Equity Raise

Under the MRZ Equity Raise will seek to raise a minimum of A$8,000,000 (before costs) ("**Minimum Subscription**") and a maximum of A$10,000,000 (before costs) ("**Maximum Subscription**") through an offer of a minimum of 40,000,000 MRZ Shares and a maximum of 50,000,000 MRZ Shares at an issue price of A$0.20 per MRZ Share (on a post-MRZ Consolidation basis). The MRZ Equity Raise will involve a public offer in Australia and will be made under a prospectus (the "**Prospectus**") for the purposes of satisfying the disclosure requirements of Chapter 6D of the Corporations Act. The MRZ Equity Raise will be subject to certain terms and conditions that will be outlined in the Prospectus.

This Circular does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the MRZ Equity Raise in any jurisdiction.

MI 61-101 Protection of Minority Security Holders in Special Transactions

Commerce is subject to the requirements of MI 61-101. MI 61-101 establishes a securities regulatory framework that mitigates risks to minority security holders when a "related party" (as defined in MI 61-101) of the issuer, who may have superior access to information or significant influence, is involved in certain transactions. MI 61-101 does this generally by requiring enhanced disclosure, approval by a majority of securityholders excluding interested or related parties and/or, in certain instances, independent valuations. The protections of MI 61-101 generally apply to "business combinations" (as defined in MI 61-101) that terminate the interests of certain securityholders without their consent.

The Arrangement does not constitute a "business combination" because under the Plan of Arrangement, all CCE Shareholders are treated identically and no "related party" will receive any "collateral benefit" as defined in MI 61-101. For more information on the applicability of MI 61-101 to the Arrangement, see "*Part 7 – The Arrangement – MI 61-101 Protection of Minority Security Holders in Special Transactions*" of this Circular.

Court Approval of the Arrangement

Under the BCBCA, the Arrangement requires Court approval.

Interim Order

On September 4, 2025, Commerce obtained the Interim Order providing for the calling and holding of the Meeting, the grant of Dissent Rights and certain other procedural matters. The text of the Interim Order is set out in Appendix D of this Circular.

Final Order

Subject to the terms of the Arrangement Agreement, provided the Arrangement Resolution is approved by CCE Shareholders at the Meeting in the manner required by the Interim Order, Commerce intends to make an application to the Court for the Final Order.

The application for the Final Order approving the Arrangement is currently scheduled for October 15**,** 2025 at 9:45 a.m. (Vancouver time), or as soon thereafter as counsel may be heard, or at any other date and time as the Court may direct. Any CCE Securityholder or any other interested party who wishes to appear or be represented and to present evidence or arguments at that hearing of the application for the Final Order must serve and file a Response to Petition and any evidence upon which they intend to rely forthwith and by no later than 4:00 p.m. (Vancouver time) on October 10, 2025, along with any other documents required, all as set out in the Interim Order and the Notice of Hearing of Petition, the text of which are set out in Appendix D and Appendix E to this Circular, and satisfy any other requirements of the Court. Such persons should consult with their legal advisors as to the necessary requirements. In the event that the hearing is adjourned, then, subject to further order of the Court, only those persons having previously served and filed a Response to Petition will be given notice of the adjournment.

For a copy of the Interim Order, see Appendix D of this Circular and for a copy of the Notice of Hearing of Petition in respect of the Final Order, see Appendix E of this Circular. See also "*Part 9 – Securities Law Matters – United States Securities Law Matters*" of this Circular.

The Arrangement Agreement

A description of certain provisions of the Arrangement Agreement is included in this Circular under the heading "*Part 8 – The Arrangement Agreement*". The description is not comprehensive and is qualified in its entirety by the full text of the Arrangement Agreement, which has been filed under the Corporation's issuer profile on SEDAR+ at www.sedarplus.ca.

Conditions to the Arrangement Becoming Effective

Under the Arrangement Agreement, certain conditions, which are summarized below, must first have been satisfied or waived in order for the Arrangement to become effective. See "*Part 8 – The Arrangement Agreement – Conditions to the Arrangement Becoming Effective*" of this Circular.

Mutual Conditions

The obligations of the Parties to complete the transactions contemplated by the Arrangement Agreement are subject to the fulfillment, on or before the Effective Date, of each of the following conditions precedent, each of which is for the mutual benefit of the Parties and which may only be waived with the mutual consent of the Parties at any time, in whole or in part:

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(a) the Interim Order and the Final Order shall each have been obtained on terms consistent with this Arrangement Agreement, in form and substance satisfactory to each of Commerce and Mont Royal, acting reasonably, and shall not have been set aside or modified in a manner unacceptable to Commerce or Mont Royal, acting reasonably, on appeal or otherwise;

(b) the CCE Shareholder Approval shall have been obtained at the Meeting in accordance with the Interim Order and applicable Laws;

(c) the MRZ Shareholder Approval shall have been obtained at the MRZ Meeting in accordance with applicable Laws and the ASX Listing Rules;

(d) Mont Royal shall have completed the MRZ Equity Raise;

(e) there shall not exist any prohibition at Law, including a cease trade order, injunction or other prohibition or order at Law or under applicable legislation, against Mont Royal or Commerce which prevents the consummation of the Arrangement;

(f) no Proceeding shall be pending or threatened by any Governmental Entity in any jurisdiction that is reasonably likely to (i) cease trade, enjoin, prohibit, or impose any limitations, damages, or conditions on Mont Royal's ability to acquire, hold, or exercise full rights of ownership over any CCE Shares, including the right to vote the CCE Shares, or (ii) prohibit or enjoin Commerce or Mont Royal from consummating the Arrangement;

(g) this Arrangement Agreement shall not have been terminated in accordance with its terms;

(h) the distribution of the securities pursuant to the Arrangement shall either: (i) be exempt from the prospectus and registration requirements of applicable Securities Laws either by virtue of exemptive relief granted from the securities regulatory authorities of Australia (including in respect of the on-sale disclosure obligations imposed by subsections 707(3) and (4) of the Corporations Act 2001 (Cth) for the on-sale of MRZ Shares following implementation of the Arrangement) and each of the provinces and territories of Canada or by virtue of applicable exemptions under Securities Laws and shall not be subject to resale or on-sale restrictions or disclosure obligations under applicable Securities Laws (other than as applicable to control persons or pursuant to Section 2.6 of National Instrument 45-102 – *Resale of Securities*); or (ii) if exemptive relief from the prospectus and registration requirements under applicable Australian Securities Laws is not granted by the securities regulatory authorities of Australia, Mont Royal shall have filed a prospectus in connection with the issuance of the MRZ Shares to be issued pursuant to the Arrangement;

(i) the Key Regulatory Approvals (including for certainty, the Stock Exchange Approval) and Key Third Party Consents required to be obtained by each of Commerce and Mont Royal shall have been obtained; and

(j) the distribution of the Consideration and the Replacement Options pursuant to the Arrangement shall be exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof and applicable securities laws of any state of the United States.

Mont Royal Conditions

The obligations of Mont Royal to complete the transactions contemplated by the Arrangement Agreement shall also be subject to the fulfillment, on or before the Effective Date, of each of the following conditions precedent (each of which is for the exclusive benefit of Mont Royal and may be waived by Mont Royal on behalf of itself at any time, in whole or in part, in its sole discretion and without prejudice to any other rights that Mont Royal may have):

(a) all covenants of Commerce under the Arrangement Agreement to be performed on or before the Effective Date which have not been waived by Mont Royal shall have been duly performed by Commerce in all material respects, and Mont Royal shall have received a certificate of Commerce

addressed to Mont Royal and dated the Effective Date, signed on behalf of Commerce by an executive officer (without personal liability), confirming the same as at the Effective Date;

(b) all representations and warranties of Commerce set forth in the Arrangement Agreement that are qualified by the expression "Material Adverse Effect" or other materiality qualifiers shall be true and correct in all respects, as though made on and as of the Effective Date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), and all other representations and warranties made by Commerce in this Agreement that are not so qualified shall be true and correct in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties made as of a specified date the accuracy of which shall be determined as of that specified date), except as affected by transactions, changes, conditions, events or circumstances expressly permitted by this Agreement, and Mont Royal shall have received a certificate of Commerce addressed to Mont Royal and dated the Effective Date, signed on behalf of Commerce by an executive officer of Commerce (without personal liability), confirming the same as at the Effective Date;

(c) since the date of the Arrangement Agreement, there shall not have occurred or have been disclosed to the public (if previously undisclosed to the public) any event, occurrence, development or circumstance that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect on Commerce which is continuing, and Mont Royal shall have received a certificate of Commerce addressed to Mont Royal and dated the Effective Date, signed on behalf of Commerce by an executive officer of Commerce (without personal liability), confirming the same as at the Effective Date;

(d) holders of no more than 5% of the CCE Shares shall have exercised Dissent Rights; and

(e) Commerce has received effective resignations and mutual releases (in a form satisfactory to Mont Royal, acting reasonably) of each member of the CCE Board, effective as of the Effective Date, as designated by Mont Royal to Commerce prior to the Effective Date.

Commerce Conditions

The obligation of Commerce to complete the transactions contemplated by the Arrangement Agreement shall also be subject to the fulfillment, on or before the Effective Date, of each of the following conditions precedent (each of which is for the exclusive benefit of Commerce and may be waived by Commerce at any time, in whole or in part, in its sole discretion and without prejudice to any other rights that Commerce may have):

(a) all covenants of Mont Royal under the Arrangement Agreement to be performed on or before the Effective Date which have not been waived by Commerce shall have been duly performed by Mont Royal in all material respects, and Commerce shall have received a certificate of Mont Royal, addressed to Commerce and dated the Effective Date, signed on behalf of Mont Royal by an executive officer of Mont Royal (without personal liability), confirming the same as at the Effective Date;

(b) all representations and warranties of Mont Royal set forth in the Arrangement Agreement that are qualified by the expression "Material Adverse Effect" or other materiality qualifiers shall be true and correct in all respects, as though made on and as of the Effective Date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), and all other representations and warranties made by Mont Royal in this Agreement that are not so qualified shall be true and correct in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties made as of a specified date the accuracy of which shall be determined as of that specified date), except as affected by transactions, changes, conditions, events or circumstances expressly permitted by this Agreement; and Commerce shall have received a certificate of Mont Royal, addressed to Commerce and dated the Effective Date, signed on behalf of Mont Royal by an executive officer of Mont Royal (without personal liability), confirming the same as at the Effective Date;

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(c) since the date of this Agreement, there shall not have occurred or have been disclosed to the public (if previously undisclosed to the public) any event, occurrence, development or circumstance that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect on Mont Royal which is continuing, and Commerce shall have received a certificate of Mont Royal, addressed to Commerce and dated the Effective Date, signed by an executive officer of Mont Royal (without personal liability), confirming the same as at the Effective Date; and

(d) Mont Royal shall have complied with its obligations under Section 2.8 of the Arrangement Agreement and the Depositary shall have confirmed receipt of the MRZ Shares contemplated thereby.

Non-Solicitation Covenants

Pursuant to the Arrangement Agreement, Commerce has agreed not to, directly or indirectly, make, solicit, initiate, entertain, encourage, promote or facilitate any Acquisition Proposals. However, the CCE Board does have the right to consider and accept a Superior Proposal under certain conditions. Mont Royal has the right to offer to amend the terms of the Arrangement Agreement in response to any Acquisition Proposal that the CCE Board has determined is a Superior Proposal in accordance with the Arrangement Agreement. If Commerce accepts a Superior Proposal and either party terminates the Arrangement Agreement, then Commerce must pay Mont Royal the Termination Fee.

See "*Part 8 – The Arrangement Agreement – Non-Solicitation Covenant*" of this Circular.

Termination of Arrangement Agreement and Termination Fee

Under the Arrangement Agreement, Mont Royal is entitled to be paid a Termination Fee in the amount of A$250,000 upon the occurrence of certain events.

See "*Part 8 – The Arrangement Agreement – Termination*" of this Circular.

Regulatory Matters

It is a condition of the Arrangement that the TSXV shall have approved for listing and posted for trading, subject only to satisfaction of the standard listing conditions, the MRZ Shares at the Effective Time. It is also a condition of the Arrangement that the ASX shall have approved for listing or official quotation the MRZ Shares forming part of the Consideration. The MRZ Shares are currently listed on the ASX. Mont Royal has applied for the MRZ Shares to be listed on the TSXV. In the case of the TSXV, listing is subject to the approval of the TSXV in accordance with its minimum listing requirements, and there is no assurance that the TSXV will approve the listing application.

The Arrangement is an "Arm's Length Transaction" within the meaning of TSXV Policy 1.1 – *Interpretation*.

Securities Law Matters

CCE Shareholders are urged to obtain independent advice in respect of the consequences to them of the Arrangement having regard to their particular circumstances. Each CCE Shareholder is urged to consult his or her professional advisors to determine the conditions and restrictions applicable to trades in MRZ Shares.

The issuance of the MRZ Shares pursuant to the Arrangement will constitute a distribution of securities under Canadian securities laws that is exempt from the prospectus requirements of applicable Canadian securities legislation and is exempt from or otherwise is not subject to the registration requirements under applicable Canadian securities legislation. The MRZ Shares received pursuant to the Arrangement will not be legended and may be resold in Canada provided that: (i) the trade is not a "control distribution" (as defined in NI 45-102); (ii) no unusual effort is made to prepare the market or to create a demand for MRZ Shares; (iii) no extraordinary commission or consideration is paid to a person in respect of such sale; and (iv) if the selling securityholder is an insider or officer of Mont Royal, the selling securityholder has no reasonable grounds to believe that Mont Royal is in default of applicable Canadian securities laws.

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For more information, see "*Part 9 – Securities Law Matters – Canadian Securities Law Matters*", "*Part 9 – Securities Law Matters – United States Securities Law Matters*" and "*Part 9 – Securities Law Matters – Australian Securities Law Matters*" of this Circular.

Dissent Rights

Registered CCE Shareholders have Dissent Rights with respect to the Arrangement. Any Registered CCE Shareholders who dissent from the Arrangement Resolution in accordance with sections 237 to 247 of the BCBCA, as amended by the Plan of Arrangement, the Interim Order and the Final Order (if applicable), will be entitled to be paid by Commerce the fair value of the CCE Shares held by such CCE Shareholders determined as at the point in time immediately before the Arrangement Resolution is approved by the CCE Shareholders. The Dissent Rights with respect to the Arrangement must be strictly complied with in order for Registered CCE Shareholders to receive cash representing the fair value of CCE Shares held.

To exercise the Dissent Rights with respect to the Arrangement Resolution, a written notice of dissent to the Arrangement Resolution must be received at 1055 Dunsmuir Street, Suite 3000, Vancouver, BC V7X 1K8 (Attention: Teresa Tomchak) by 4:00 p.m. (Vancouver time) on October 8, 2025, or two business days prior to any adjournment or postponement of the Meeting.

The right to dissent is described in this Circular and the text of each of the Plan of Arrangement, the Interim Order and sections 237 to 247 of the BCBCA, being set forth in Appendices C, D and G, respectively, to this Circular.

See "*Part 12 – Dissent Rights*" of this Circular.

Risk Factors Relating to the Arrangement

CCE Shareholders should carefully consider the risk factors relating to the Arrangement. Some of these risks include, but are not limited to, the following: (a) the combination of Mont Royal and Commerce may not integrate successfully; (b) the Combined Company will own different types of assets, which may be technically more difficult to manage and require more oversight; (c) the unaudited pro forma financial information of the Combined Company are presented for illustrative purposes only and may not be an indication of the Combined Company's financial condition or results of operations following the Arrangement; (d) the issuance of a significant number of MRZ Shares, or securities convertible into MRZ Shares, could adversely affect the market price of the MRZ Shares; (e) the Arrangement Agreement may be terminated in certain circumstances, including in the event of a change having a Material Adverse Effect on Commerce; (f) there can be no certainty that all conditions precedent to the Arrangement will be satisfied, which may also result in termination of the Arrangement Agreement; (g) the Consideration is fixed and will not be adjusted to reflect any change in the market value of the MRZ Shares or CCE Shares prior to the closing of the Arrangement; (h) Commerce will incur costs even if the Arrangement is not completed and may have to pay the Termination Fee to Mont Royal in certain circumstances; (i) if the Arrangement is not approved by the CCE Shareholders, or the Arrangement is otherwise not completed, then the market price for CCE Shares may decline; (j) owning MRZ Shares will expose CCE Shareholders to different risks; (k) the value of the MRZ Shares may fluctuate; and (l) the TSXV may not approve the listing of the MRZ Shares. The foregoing list is not exhaustive. Please carefully read all of the risks disclosed elsewhere in this Circular, as well as risks disclosed in Commerce's publicly disclosed documents available on SEDAR+.

In addition to the risk factors relating to the Arrangement, CCE Shareholders should also carefully consider the risk factors associated with the businesses of Commerce and Mont Royal included in this Circular and in the documents incorporated by reference herein, including the risks found in Appendix I of this Circular. If any of the risk factors materialize, the expectations, and the predictions based on them, may need to be re-evaluated.

See "*Part 3 – Cautionary Statement Regarding Forward-Looking Information*" and "*Part 13 – Risks Factors Relating to the Arrangement*" of this Circular.

Procedure for Receipt of Consideration

Each person who is a Registered CCE Shareholder immediately prior to the Effective Time must forward a properly completed and signed Letter of Transmittal, along with the accompanying CCE Share certificates or a DRS Advice

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representing CCE Shares, if applicable, and such other documents as the Depositary may require, to the Depositary in order to receive the aggregate Consideration to which such CCE Shareholder is entitled under the Arrangement.

A Letter of Transmittal is being mailed, together with this Circular, to each person who was a Registered CCE Shareholder on the Record Date. It is recommended that Registered CCE Shareholders complete, sign and return the Letter of Transmittal, along with the accompanying CCE Share certificates or a DRS Advice representing CCE Shares, if applicable, to the Depositary as soon as possible.

CCE Shareholders whose CCE Shares are registered in the name of a nominee (bank, trust company, securities broker or other nominee) should contact that nominee for assistance in depositing their CCE Shares.

To the extent a CCE Shareholder has not deposited the Transmittal Documents with the Depositary on or before the date that is six years after the Effective Date, then the Consideration that such CCE Shareholder was otherwise entitled to receive under the Arrangement may be cancelled without any repayment of capital in respect thereof, and the interest of such CCE Shareholder in such Consideration will be terminated.

See "*Part 14 – Delivery of Consideration*" of this Circular.

Fractional Shares

No fractional MRZ Shares shall be issued to Former CCE Shareholders. Where the aggregate number of MRZ Shares to be issued to a Former CCE Shareholder under the Arrangement would otherwise result in a fraction of a MRZ Share being issuable, the number of MRZ Shares to be issued to such Former CCE Shareholder shall be rounded down to the nearest whole MRZ Share, and such Former CCE Shareholder shall not be entitled to any compensation in respect of such fractional MRZ Share.

Withholding Rights

Mont Royal, Commerce, the Depositary and their respective agents, as applicable, shall be entitled to deduct and withhold from any Consideration or any other amount payable or otherwise deliverable to any CCE Shareholder or any other person under the Plan of Arrangement (including any payment to Dissenting Shareholders and holders of CCE Options, CCE PSUs, CCE Convertible Notes and CCE Warrants) such Taxes or other amounts as Mont Royal, Commerce, the Depositary or their respective agents, as the case may be, may reasonably determine is required to be deducted or withheld with respect to such payment under the Tax Act, the U.S. Tax Code, the Australian Tax Act or any provision of Laws in respect of Taxes. For the purposes of the Transaction, all such deducted or withheld amounts shall be treated as having been paid to the person in respect of which such deduction or withholding was made on account of the obligation to make payment to such person, provided that such deducted or withheld amounts are timely remitted to the appropriate Governmental Entity by or on behalf of Mont Royal, Commerce, the Depositary or their respective agents, as the case may be. To the extent that the amount so required to be deducted or withheld from any payment to a CCE Shareholder exceeds the cash component, if any, of the amount otherwise payable, subject to the prior approval of Mont Royal, any of Mont Royal, Commerce, the Depositary or their respective agents, as the case may be, are authorized to sell or otherwise dispose of such portion of the Consideration or other Mont Royal securities, as applicable, issuable as is necessary to provide sufficient funds to Mont Royal, Commerce, the Depositary or their respective agents, as the case may be, to enable it to comply with all applicable deduction or withholding requirements, and Mont Royal, Commerce, the Depositary or their respective agents, as the case may be, shall remit the applicable portion of the net proceeds of such sale (after deduction of all fees, commissions or costs in respect of such sale) to the appropriate Governmental Entity and shall remit to such CCE Shareholder any unapplied balance of the net proceeds of such sale. Any sale will be made in accordance with applicable Laws and at prevailing market prices and none of Mont Royal, Commerce, the Depositary or their respective agents, as the case may be, shall be under any obligation to obtain a particular price, or indemnify any CCE Shareholder in respect of a particular price, for the portion of the Consideration or other MRZ Shares, as applicable, so sold.

Effects of the Arrangement on CCE Shareholders' Rights

The rights of CCE Shareholders are governed by the BCBCA and by Commerce's articles and notice of articles. Following the Arrangement, CCE Shareholders who receive MRZ Shares as part of the Arrangement will become MRZ Shareholders and as such their rights will be governed by the Corporations Act, the ASX Listing Rules, and by

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the MRZ Constitution. **The rights of a shareholder of an Australian corporation differ from the rights of a shareholder of a BCBCA corporation. See Appendix H of this Circular for a summary comparison of the rights of CCE Shareholders and MRZ Shareholders.** CCE Shareholders are encouraged to consult with their legal advisors for greater detail with respect to these differences.

Certain Canadian Federal Income Tax Considerations

For a summary of the principal Canadian federal income tax considerations generally applicable under the Tax Act to CCE Shareholders in connection with the Arrangement, see "*Part 15 – Certain Canadian Federal Income Tax Considerations*" of this Circular.

The summary at "*Part 15 – Certain Canadian Federal Income Tax Considerations*" of this Circular is not intended to be legal or tax advice to any particular CCE Shareholder. Accordingly, CCE Shareholders are urged to consult their own tax advisors with respect to their particular circumstances.

Other Matters to be Acted Upon at the Meeting

In addition, at the Meeting, the CCE Shareholders will also be asked (i) to receive and consider the consolidated financial statements of the Corporation for the financial period ended October 31, 2024, together with the auditors' report thereon, (ii) to fix the number of directors of the Corporation at three (3), (iii) to elect the directors of the Corporation for the ensuing year, and (iv) to appoint the auditor of the Corporation for the ensuing year and to authorize the directors of the Corporation to fix their remuneration.

PART 5. GENERAL PROXY INFORMATION

Solicitation of Proxies

This Circular is furnished in connection with the solicitation by management of the Corporation of proxies to be used at the Meeting on October 10, 2025 at 9:00 a.m. (Vancouver time) at the offices of Commerce located at Suite 3000, 1055 Dunsmuir Street, Vancouver, British Columbia, Canada V7X 1K8, and at all postponements or adjournments thereof, for the purposes set forth in the Notice of Meeting. The solicitation of proxies by the Corporation will be conducted by mail and may be supplemented by telephone or other personal contact to be made without special compensation by the directors, officers and employees of the Corporation. The Corporation does not reimburse shareholders, nominees or agents for costs incurred in obtaining authorization from their principals to execute forms of proxy, except that the Corporation has requested brokers and nominees who hold stock in their respective names to furnish this proxy material to their customers, and the Corporation will reimburse such brokers and nominees for their related out of pocket expenses. No solicitation will be made by specifically engaged employees or soliciting agents. The cost of solicitation will be borne by the Corporation.

No person has been authorized to give any information or to make any representation other than as contained in this Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Corporation. The delivery of this Circular shall not create, under any circumstances, any implication that there has been no change in the information set forth herein since the date of this Circular. This Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

Appointment of Proxies

Only Registered CCE Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. A shareholder is entitled to one vote for each CCE Share that such shareholder holds on the Record Date on the resolutions to be voted upon at the Meeting, and any other matter to come before the Meeting. Voting instructions for Non-Registered CCE Shareholders are set forth below under the heading "*Non-Registered CCE Shareholders*".

The purpose of a proxy is to designate persons who will vote the proxy on a Registered CCE Shareholder's behalf in accordance with the instructions given by the Registered CCE Shareholder in the proxy. The persons named in the

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enclosed form of proxy are officers and/or directors of the Corporation. **A Registered CCE Shareholder has the right to appoint a person (who need not be a CCE Shareholder) other than the persons specified in such form of proxy to attend and act on behalf of such Registered CCE Shareholder at the Meeting.** Such right may be exercised by striking out the names of the persons specified in the form of proxy, inserting the name of the person to be appointed, and if desired, an alternate to such person, in the blank space provided in the form of proxy, signing the form of proxy and returning it in the manner set forth in the form of proxy. Such Registered CCE Shareholder should notify the nominee of the appointment, obtain the nominee's consent to act as proxy, and should provide instruction to the nominee on how the Registered CCE Shareholder's CCE Shares should be voted. The nominee should bring personal identification to the Meeting.

If you are a Registered CCE Shareholder, desiring to be represented at the Meeting by proxy, you must deposit your form of proxy with the Corporation's registrar and transfer agent, Odyssey Trust Company as follows:

1. by signing and returning by mail the applicable enclosed proxy form appointing the named persons (or some other person you choose, who need not be a CCE Shareholder) to represent you as proxyholder and vote your CCE Shares at the Meeting;

2. via telephone at the toll-free number specified in the enclosed proxy form; or

3. via the internet as specified in the enclosed proxy form.

Proxies must be received by 9:00 a.m. (Vancouver time) on October 8, 2025. The Corporation may refuse to recognize any instrument of proxy deposited in writing, by telephone or by the internet received later than forty-eight (48) hours (excluding Saturdays, Sundays and statutory holidays in British Columbia) prior to the Meeting or any adjournment thereof. The deadline for deposit of proxies may be waived or extended by the Chairman of the Meeting at his discretion, without notice.

Execution of Proxy

A proxy may not be valid unless it is dated and signed by the CCE Shareholder who is giving it or by that CCE Shareholder's attorney-in-fact duly authorized by that shareholder in writing or, in the case of a corporation, dated and executed by a duly authorized officer or attorney-in-fact for the corporation. A form of proxy executed by the CCE Shareholder's personal representative or by a person acting in some other representative capacity, including an officer of a corporation which is a CCE Shareholder, should indicate the capacity in which such person is signing. If a form of proxy is executed by an attorney-in-fact for an individual shareholder or joint shareholders, or by an officer or attorney-in-fact for a corporate shareholder, the instrument so empowering the officer or attorney-in-fact, as the case may be, or a notarially certified copy thereof, must accompany the form of proxy.

Revocation of Proxies

A CCE Shareholder who has given a proxy may revoke it at any time before it is exercised by an instrument in writing: (a) executed by that shareholder or by that shareholder's attorney-in-fact authorized in writing or, where the shareholder is a corporation, by a duly authorized officer of, or attorney-in-fact for, the corporation; and (b) delivered either: (i) to the Corporation at the address set forth above, at any time up to and including the last business day preceding the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (ii) to the chairman of the Meeting prior to the vote on matters covered by the proxy on the day of the Meeting or, if adjourned or postponed, any reconvening thereof, or (iii) in any other manner provided by law. Also, a proxy will automatically be revoked by either: (i) attendance at the Meeting and participation in a poll (ballot) by a shareholder, or (ii) submission of a subsequent proxy in accordance with the foregoing procedures. A revocation of a proxy does not affect any matter on which a vote has been taken prior to any such revocation.

Exercise of Discretion by Proxies

A shareholder may indicate the manner in which their personal representative is to vote with respect to a matter to be voted upon at the Meeting by marking the appropriate space. If the instructions as to voting indicated in the proxy are certain, the CCE Shares represented by the proxy will be voted or withheld from voting in accordance with the instructions given in the proxy. **The CCE Shares represented by a proxy will be voted or withheld from voting in**

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accordance with the instructions of the shareholder on any ballot that may be called for and if the shareholder specifies a choice with respect to any matter to be acted upon, the CCE Shares will be voted accordingly. In the absence of any such specifications, such CCE Shares will be voted FOR the Arrangement Resolution.

The enclosed form of proxy confers discretionary authority upon the persons named therein with respect to amendments to or variations of matters identified in the Notice of Meeting and with respect to other matters, if any, which may properly come before the Meeting. At the date of this Circular, management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting. However, if any other matters that are not now known to management should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgment of the named proxy.

The time limit for the deposit of proxies may be waived or extended by the Chair at his discretion, without notice.

Non-Registered CCE Shareholders

The information set forth in this section is of significant importance to many holders of CCE Shares, as a substantial number of CCE Shareholders do not hold CCE Shares in their own name. Beneficial owners of CCE Shares who are not Registered CCE Shareholders ("**Non-Registered CCE Shareholders**") should note that only proxies deposited by Registered CCE Shareholders can be recognized and acted upon at the Meeting. If CCE Shares are listed in an account statement provided to a CCE Shareholder by a broker, then, in almost all cases, those CCE Shares will not be registered in the CCE Shareholder's name on the records of the Corporation. Such CCE Shares will more likely be registered under the name of the shareholder's broker or an agent of that broker. More particularly, a person is a Non-Registered CCE Shareholder in respect of CCE Shares which are held on behalf of that person but which are registered either: (i) in the name of an intermediary that the Non-Registered CCE Shareholders deals with in respect of the CCE Shares (intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc. ("**CDS**")), of which the intermediary is a participant. In Canada, the vast majority of such shares are registered under the name of CDS, which acts as nominee for many Canadian brokerage firms, and in the United States, the vast majority of such CCE Shares are registered under the name of Cede & Co. as nominee for The Depository Trust Company (which acts as depositary for many U.S. brokerage firms and custodian banks). CCE Shares held by brokers or their nominees can only be voted upon the instructions of the Non-Registered CCE Shareholder. Without specific voting instructions, brokers and their nominees are prohibited from voting CCE Shares held for Non-Registered CCE Shareholders. **Therefore, Non-Registered CCE Shareholders should ensure that instructions respecting the voting of their CCE Shares are communicated to the appropriate person or that the CCE Shares are duly registered in their name.**

The Corporation does not have access to the names of Non-Registered CCE Shareholders. Applicable Canadian securities regulatory policy requires intermediaries/brokers to seek voting instructions from Non-Registered CCE Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Non-Registered CCE Shareholders in order to ensure that their CCE Shares are voted at the Meeting. The form of proxy supplied to a Non-Registered CCE Shareholder by its broker (or the agent of the broker) is similar to the form of proxy provided to Registered CCE Shareholders by the Corporation. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the Non-Registered CCE Shareholder.

In Canada, the majority of brokers now delegate responsibility for obtaining voting instructions from Non-Registered CCE Shareholders to Broadridge Investor Communication Solutions ("**Broadridge**"). Broadridge typically supplies a voting instruction form ("**VIF**") and asks Non-Registered CCE Shareholders to return the completed forms to Broadridge. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of CCE Shares to be represented at the Meeting. **A Non-Registered CCE Shareholder receiving such a form from Broadridge cannot use that form to vote CCE Shares directly at the Meeting. The form must be returned to Broadridge well in advance of the Meeting in order to have the CCE Shares voted.**

A Non-Registered CCE Shareholder who wishes to attend the Meeting and vote in person may write the name of the Non-Registered CCE Shareholder in the place provided for that purpose on the VIF. **A Non-Registered CCE Shareholder also has the right to appoint a person or company other than the persons designated in the Proxy, who need not be a CCE Shareholder, to attend the Meeting and act on behalf of the Non-Registered CCE**

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Shareholder. Unless prohibited by law, the person whose name is written in the space provided in the VIF will be appointed as proxy holder for the Non-Registered CCE Shareholder and will have full authority to present matters to the Meeting and vote on all matters that are presented at the Meeting, even if those matters are not set out in the VIF or this Circular. A Non-Registered CCE Shareholder should consult a legal advisor if the Non-Registered CCE Shareholder wishes to modify the authority of the person to be appointed as proxy holder in any way.

Distribution to OBOs

Every intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by Non-Registered Shareholders in order to ensure "objecting beneficial holders" ("OBOs" as defined indefined by National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*) who wish to attend the Meeting and vote in person can do so.

Broker Non-Votes

A broker non-vote occurs when shares held by a broker for the account of a beneficial owner are not voted for or against a particular proposal because the broker has not received voting instructions from that beneficial owner and the broker does not have discretionary authority to vote those shares. CCE Shares constituting broker non-votes are not counted or deemed to be present in person or by proxy for the purpose of voting on a non-routine matter at the Meeting and, therefore, are not counted for the purpose of determining whether CCE Shareholders have approved any matter because all proposals at the Meeting are considered non-routine. If you do not provide voting instructions to your broker, your broker will not have discretion to vote your CCE Shares.

Voting Matters

The following chart describes the proposals to be considered at the Meeting, the voting options and the vote required for each matter:

Matter	Voting Options	Required Vote
Arrangement Resolution	For; Against	at least two-thirds (66⅔%) of the votes cast at the Meeting by CCE Shareholders.

PART 6. VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Record Date and Voting Securities

The record date for the determination of CCE Shareholders entitled to receive the Notice of Meeting has been fixed as August 29, 2025 (the "**Record Date**"). Only CCE Shareholders of record at the close of business on the Record Date who either attend the Meeting in person or complete, sign and deliver a VIF or applicable form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their CCE Shares voted at the Meeting. A quorum for the transaction of business at the Meeting is the presence of one or more persons entitled to vote at the meeting to be represented in person or by proxy or by a duly authorized representative of a CCE Shareholder.

The authorized capital of the Corporation consists of an unlimited number of CCE Shares and an unlimited number of preferred shares, issuable in series. As of the Record Date, the Corporation had an aggregate of 212,021,555 CCE Shares outstanding, and no preferred shares outstanding. Each CCE Share carries the right to one vote per CCE Share with respect to all matters to be voted on at the Meeting.

Principal Holders of CCE Shares

To the knowledge of the directors and executive officers of the Corporation, as at the Record Date, no person or company beneficially owned or controlled or directed, directly or indirectly, voting securities of the Corporation carrying 10% or more of the voting rights attached to any class of voting securities of the Corporation.

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PART 7. THE ARRANGEMENT

At the Meeting, CCE Shareholders will be asked to consider, and, if determined advisable, to pass, the Arrangement Resolution to approve the Arrangement under the BCBCA pursuant to the terms of the Arrangement Agreement and the Plan of Arrangement. The Arrangement, the Plan of Arrangement and the terms of the Arrangement Agreement are summarized below. This summary does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement, which has been filed under Commerce's issuer profile on SEDAR+ at www.sedarplus.ca, and the Plan of Arrangement, which is attached to this Circular as Appendix C.

A copy of the Arrangement Resolution is set out in Appendix B of this Circular. The Arrangement is also subject to certain other conditions, including the approval of the Court.

Unless otherwise directed, it is Commerce management's intention to vote FOR the Arrangement Resolution. If you do not specify how you want your CCE Shares voted, the persons named as proxyholders in the proxy forms that accompany this Circular will cast the votes represented by your proxy at the Meeting FOR the Arrangement Resolution.

The Arrangement will take effect commencing at the Effective Time, which will be at 12:01 a.m. (Vancouver time) on the Effective Date. If the Arrangement Resolution is approved at the Meeting and all other required approvals (including the Final Order) and conditions to the completion of the Arrangement are satisfied or waived, the Effective Date is expected to occur in October 2025. In no event shall the Effective Date be later than May 29, 2026, unless otherwise agreed to between Commerce and Mont Royal. On the Effective Date, upon completion of the Arrangement, Commerce and Mont Royal will publicly announce that the Arrangement has been implemented.

Background to the Arrangement

In February 2024, Commerce announces to the market a desire to list on ASX via its investor presentation dated February 14, 2024. During February 2024, Commerce commenced assessment of the ASX initial public offering ("**IPO**") process and other strategic options including IPO and takeovers.

During June of 2024, Commerce was approached by Mont Royal regarding a potential merger to help deliver to Commerce an ASX listing and combined Canadian focused critical minerals company and during July 2024, Commerce received a non-binding indicative offer from Mont Royal to acquire Commerce.

In July 2024, Commerce formed a steering committee to assess the offer and at that point CCE entered into a non-disclosure agreement with Mont Royal for mutual due diligence.

In August 2024, Commerce sent a non-binding proposal to Mont Royal, for the acquisition of Mont Royal via a takeover on terms similar to the Mont Royal non-binding indicative offer to acquire Commerce. The non-binding proposal was structured so Commerce would be listed on the ASX via Chess Depository Interests following the acquisition.

Mutual due diligence continued from August through to December 2024, including assessment of initial niobium drilling results released to market October 2024 – December 2024. In December 2024, Commerce received a revised non-binding proposal from Mont Royal that was formally accepted.

Commerce and its legal counsel provided Mont Royal and its counsel a draft form of arrangement agreement on February 6, 2025. Between February 6, 2025 and April 9, 2025, senior management of both companies and their respective legal and financial advisors convened multiple meetings and phone calls to discuss certain due diligence matters and negotiate the terms of the Arrangement documents.

On March 18, 2025, the CCE Board established the Special Committee of independent directors consisting of Adam Ritchie and Ian Graham for the purpose of supervising Commerce's consideration and assessment of the proposed Arrangement with Mont Royal.

While the Arrangement documents were being negotiated, Commerce and Evans & Evans agreed to the terms upon which Evans & Evans would evaluate the terms of the Arrangement and provide an opinion to the CCE Board and the

Special Committee as to the fairness, from a financial point of view, of the Consideration to be received by CCE Shareholders pursuant to the Arrangement and provide the Fairness Opinion. On February 17, 2025, Commerce executed an engagement letter with Evans & Evans for the provision of the Fairness Opinion.

On March 20, 2025, the CCE Board and Special Committee met to review the terms of the draft Arrangement Agreement and discuss with their legal advisor a number of matters pertaining to the Arrangement Agreement, including the amount of the termination payment and the Exchange Ratio. In conjunction with this meeting, Commerce's legal advisors reported on the results of its legal due diligence. At this meeting, the CCE Board and Special Committee received a verbal fairness opinion from Evans & Evans that the Consideration to be received by CCE Shareholders pursuant to the Arrangement was fair, from a financial point of view, to CCE Shareholders.

On April 4, 2025, the Special Committee and CCE Board each met to consider the merits of the Arrangement and final terms and conditions of the Arrangement Agreement which was substantially in the same form as the draft provided to the CCE Board and Special Committee on March 20, 2025. The Special Committee and the CCE Board received advice from their legal advisors regarding the process of negotiating the Arrangement Agreement and the related transaction documents, and a summary of the final terms and conditions of the Arrangement. Following receipt of the written Fairness Opinion and advice from its financial and legal advisors, the Special Committee deliberated and considered the proposed terms and conditions of the Arrangement. After deliberations, the Special Committee unanimously determined that the Arrangement was in the best interests of Commerce and is fair to the CCE Shareholders. Accordingly, the Special Committee unanimously recommended that the CCE Board approve the Arrangement and that the CCE Board recommend to CCE Shareholders that they vote for the Arrangement Resolution. Following receipt of the unanimous recommendation of the Special Committee, the written Fairness Opinion and advice from its financial and legal advisors, the CCE Board deliberated and considered the proposed terms and conditions of the Arrangement. After deliberations, the CCE Board unanimously determined that the Arrangement was in the best interests of Commerce and is fair to the CCE Shareholders, approved the entering into of the Arrangement Agreement and related documents and determined to unanimously recommend to CCE Shareholders that they vote for the Arrangement Resolution.

The Arrangement Agreement and related transaction agreements were entered into on April 9, 2025 prior to market open and the terms of the Arrangement were publicly announced by a press release issued by Commerce before trading commenced on April 9, 2025.

The Arrangement Agreement and Plan of Arrangement were subsequently amended on July 29, 2025 to clarify that the MRZ Consolidation will occur upon completion of the Arrangement, to extend the Outside Date and certain other dates, to update Commerce's capitalization structure and to make other housekeeping changes.

Fairness Opinion

Pursuant to the Engagement Letter, Commerce retained Evans & Evans to evaluate the fairness, from a financial point of view, of the Consideration to be received by CCE Shareholders pursuant to the Arrangement and provide the Fairness Opinion.

Under the Engagement Letter, a fixed fee was paid to Evans & Evans by the Corporation, for the delivery of the Fairness Opinion. The fixed fee for the Fairness Opinion was not conditioned on whether or not the Fairness Opinion was favourable or that the Arrangement is completed. Commerce has also agreed to reimburse Evans & Evans for its reasonable out-of-pocket expenses, whether or not the Arrangement is completed, and to indemnify Evans & Evans, its affiliates and subsidiaries, and their respective officers, directors, employees, consultants, partners and shareholders against certain potential liabilities and expenses arising from its engagement. The fees paid to Evans & Evans in connection with the Evans & Evans Engagement Letter are not financially material to Evans & Evans.

On April 4, 2025, the CCE Board held a meeting to evaluate the Arrangement and reviewed the written Fairness Opinion to the effect that, as of the date of the Fairness Opinion, and subject to the assumptions, limitations and qualifications set out therein, the Consideration to be received by the CCE Shareholders pursuant to the Arrangement, is fair, from a financial point of view, to the CCE Shareholders. The CCE Board and the Special Committee reviewed and accepted the Fairness Opinion.

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In preparing the Fairness Opinion, Evans & Evans performed a variety of financial and comparative analyses. The full text of the Fairness Opinion, which also describes the assumptions made, procedures followed, matters considered and qualifications and limitations on the review undertaken, is attached as Appendix F to this Circular. The description of the Fairness Opinion set forth in this Circular is qualified in its entirety by reference to the full text of the Fairness Opinion, which is incorporated by reference herein in its entirety. The Fairness Opinion was for the benefit of the CCE Board and the Special Committee in connection with their evaluation of the Arrangement and did not address any terms or other aspects of the Arrangement other than the Consideration to be received by CCE Shareholders to the extent expressly specified in the Fairness Opinion. The Fairness Opinion did not address the relative merits of the Arrangement as compared to any other transaction or business strategy in which Commerce might engage or the merits of the underlying decision by Commerce to engage in the Arrangement. The Fairness Opinion is not intended to and does not constitute a recommendation to any CCE Shareholder as to how any such CCE Shareholder should vote or act with respect to the Arrangement or any matter relating thereto.

Subject to the terms of its engagement, Evans & Evans has consented to the inclusion in this Circular of the Fairness Opinion, in its entirety, and the references to the Fairness Opinion herein. The Fairness Opinion was provided to the CCE Board and the Special Committee for their exclusive use only in considering the Arrangement and may not be relied upon by any other person or for any other purpose or published or disclosed to any other person, without the express written consent of Evans & Evans The Fairness Opinion does not address the relative merits of the Arrangement as compared to any other transaction or business strategy in which Commerce might engage or the merits of the underlying decision by Commerce to engage in the Arrangement. The Fairness Opinion does not and should not be construed as a recommendation to the CCE Board to approve the Arrangement or the Special Committee to recommend the Arrangement, nor is it a recommendation to any CCE Shareholder as to how to vote or act at the Meeting or as advice as to the price at which the CCE Shares or the MRZ Shares may trade or the value of Commerce or Mont Royal (or any of their respective affiliates) or their respective assets, liabilities or securities at any future date.

Recommendation of the Special Committee

The Special Committee, after consultation with its financial and legal advisors and having taken into account the Fairness Opinion and such other matters as it considered necessary and relevant, including the factors set out below under the heading "*Part 7 – The Arrangement – Reasons for the Arrangement*", has unanimously determined that the Arrangement is in the best interests of Commerce and is fair to the CCE Shareholders. **Accordingly, the Special Committee unanimously recommended that the CCE Board approve the Arrangement and that the CCE Board recommend to CCE Shareholders that they vote FOR the Arrangement Resolution.**

Recommendation of the CCE Board

The CCE Board, after consultation with its financial and legal advisors and having taken into account the Fairness Opinion and such other matters as it considered necessary and relevant, including the factors set out below under the heading "*Part 7 – The Arrangement – Reasons for the Arrangement*" and the unanimous recommendation of the Special Committee, has unanimously determined that the Arrangement is in the best interests of Commerce and is fair to the CCE Shareholders. **Accordingly, the CCE Board unanimously recommends that CCE Shareholders vote FOR the Arrangement Resolution.**

Mont Royal has entered into CCE Voting and Lock-up Agreements with each of the individuals and entities listed on Schedule "E" of the Arrangement Agreement, pursuant to which each of listed individuals and entities has agreed to, among other things, support the Arrangement and to vote any CCE Shares they own in favour of the Arrangement Resolution. All of the directors of Commerce intend to vote all of their CCE Shares in favour of the Arrangement Resolution, subject to the terms of the Arrangement Agreement and the CCE Voting and Lock-up Agreements.

Reasons for the Arrangement

The Special Committee and the CCE Board reviewed and considered a significant amount of information and considered a number of factors relating to the Arrangement, with the benefit of advice from Commerce's management, and the financial advisors and legal advisors of the Special Committee and the CCE Board. **The following is a summary of the principal reasons for the unanimous recommendations of the Special Committee and the CCE Board.**

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- **Enhanced Capital Markets Presence and Trading Liquidity.** Upon completion of the Arrangement, it is proposed that the Combined Company will be listed on both the ASX and the TSXV, providing it with greater exposure to capital markets than is currently available to Commerce. The Combined Company, being a larger, ASX and TSXV dual-listed company, will enjoy an enhanced profile with an elevated capital markets presence and value proposition to a wider range of global investors. Additionally, the increased size of the Combined Company and the anticipated ASX and TSXV dual listing of the MRZ Shares is expected to provide for greater liquidity and access to additional capital markets for shareholders of the Combined Company. Furthermore, the ASX has a greater number of listed developing rare earth companies, providing a stronger group of peer companies against which to benchmark the Ashram Project.

- **Strong Combined Management.** The Arrangement integrates the board and management of Mont Royal and Commerce, and the Combined Company is expected to benefit from the unique combination of Mont Royal's and Commerce's management teams providing for strong capital markets experience and proven exploration success, project development and operational expertise. The Mont Royal team has been involved in certain transactions which returned shareholder value over time, such as Champion Iron Limited, Green Technology Metals, Primero Group Limited, Riversdale Resources Limited, and Bannerman Energy Limited. The Combined Company's board of directors will be comprised of three members nominated by Commerce and one board member nominated by Mont Royal.

- **Expansion of Exploration Asset Portfolio.** The addition of Mont Royal's Northern Lights Project to Commerce's Ashram Project and the Eldor Niobium Project expands the asset portfolio of the Combined Company, covering an area of 442km^2 in the Upper Eastmain Greenstone Belt, offering lithium, copper and gold potential. It is expected that upon completion of the Arrangement, existing MRZ Shareholders and former CCE Shareholders will own approximately 14.70% and 85.30%, respectively, of the outstanding MRZ Shares. These percentages assume a total of 108,302,216 MRZ Shares are issued as Consideration for the Arrangement (on a post-Consolidation basis and includes the MRZ Shares issued on conversion of the CCE Convertible Notes), and that no other MRZ Shares or CCE Shares are issued prior to completion of the Arrangement.

- **Fairness Opinion.** Evans & Evans has provided the Fairness Opinion to the effect that, as of the date thereof, and subject to the assumptions, limitations and qualifications set out therein, the Consideration to be received by the CCE Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the CCE Shareholders.

- **Support by Directors and Certain CCE Shareholders.** All of the directors and certain CCE Shareholders have entered into CCE Voting and Lock-up Agreements with Mont Royal. Under the CCE Voting and Lock-up Agreements, each of the directors and certain CCE Shareholders have agreed to, among other things, support the Arrangement and to vote any CCE Shares they own in favour of the Arrangement Resolution.

- **Reasonable Termination Payment.** The Termination Fee equal to approximately 1.15% of the undiluted equity value, which is payable in certain circumstances by Commerce, is reasonable. In the view of the Special Committee and the CCE Board, the Termination Fee would not preclude a third party from potentially making a Superior Proposal to Commerce.

In making their respective determinations and recommendations, the Special Committee and the CCE Board also observed that a number of procedural safeguards were in place and present to protect the interests of Commerce, CCE Shareholders and other Commerce stakeholders. These procedural safeguards include, among others:

- **Ability to Respond to Unsolicited Superior Proposals.** Under the terms of the Arrangement Agreement, the CCE Board is able to respond to any unsolicited *bona fide* written proposal that, having regard to all of the terms and conditions of such proposal, constitutes or would reasonably be expected to constitute a Superior Proposal.

- **Negotiated Transaction.** The Arrangement Agreement is the result of an arm's length negotiation process, with Commerce having retained and received advice from its financial and legal advisors.

- **Shareholder Approval.** In order to become effective, the Arrangement must first have received the CCE Shareholder Approval at the Meeting.

- **Court Approval.** In order to become effective, the Arrangement must be approved by the Court, which will consider, among other things, the substantive and procedural fairness and reasonableness of the Arrangement to CCE Shareholders.

- **Dissent Rights.** The Interim Order provides that a Registered CCE Shareholder as at the Record Date may, upon strict compliance with certain conditions, exercise Dissent Rights and, if ultimately successful, receive the fair value of their CCE Shares in accordance with the Plan of Arrangement.

In making their respective determinations and recommendations with respect to the Arrangement, the Special Committee and the CCE Board also considered a number of potential risks and potential negative factors, which the Special Committee and the CCE Board concluded were outweighed by the positive substantive and procedural factors of the Arrangement described above, including the following:

- **Integration Challenges.** The challenges inherent in combining two businesses of the diversity and complexity of Commerce and Mont Royal.

- **Diversion of Management Attention.** The potential risk of diverting management's attention and resources from the operation of Commerce's business, including other strategic opportunities and operational matters, in the short-term, while working toward the completion of the Arrangement.

- **Impact on Commerce's Relationships.** The potential negative effect of the Arrangement on Commerce's business, including its relationships with employees, suppliers, and communities in which it operates.

- **Limitations on Operation of Business during Interim Period.** The restrictions on the conduct of Commerce's business prior to the completion of the Arrangement, which could delay or prevent Commerce from undertaking business opportunities that may arise pending completion of the Arrangement.

- **Retention of Key Personnel.** The potential adverse impact that business uncertainty pending the completion of the Arrangement could have on Commerce's ability to attract, retain and motivate key personnel until the completion of the Arrangement.

- **Risk of Non-Completion.** The risk that the Arrangement may not be completed despite Commerce's and Mont Royal's efforts or that completion of the Arrangement may be unduly delayed, even if the CCE Shareholder Approval is obtained, including the possibility that conditions to Commerce's and Mont Royal's obligations to complete the Arrangement may not be satisfied, and the potential resulting negative impact this could have upon Commerce's business.

- **Limitations on Solicitation of Alternative Transactions.** The limitations contained in the Arrangement Agreement on Commerce's ability to solicit additional interest from third parties, given the deal protections in the Arrangement Agreement, as well as the fact that if the Arrangement Agreement is terminated under certain circumstances, Commerce will be required to pay the Termination Fee to Mont Royal.

- **Difficulty of Negotiating an Alternative Transaction if the Arrangement Agreement is Terminated.** The fact that if the Arrangement Agreement is terminated and Commerce decides to seek another transaction or business combination, it may be unable to find a party willing to pay greater or equivalent value compared to the Consideration being provided to the CCE Shareholders under the Arrangement.

- **Risks Related to Regulatory Approvals.** The risk that the Court and regulatory agencies may not approve the Arrangement or may impose terms and conditions on their approvals that may adversely affect the business and financial results of the Combined Company.

- **Transaction Costs.** The fact that Commerce has incurred and will continue to incur significant transaction costs and expenses in connection with the Arrangement, regardless of whether the Arrangement is completed.

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The foregoing summary of the information considered by the Special Committee and the CCE Board is not, and is not intended to be, exhaustive. In view of the wide variety of factors and information considered in connection with their evaluation of the Arrangement, the Special Committee and the CCE Board did not find it practicable to, and therefore did not, quantify or otherwise attempt to assign any relative weight to each specific factor or item of information considered in reaching their conclusions and recommendations.

The Special Committee and the CCE Board's reasons for recommending the Arrangement include certain assumptions relating to forward-looking information, and such information and assumptions are subject to various risks. See "*Part 3 – Cautionary Statement Regarding Forward-Looking Information*" and "*Part 13 – Risk Factors Relating to the Arrangement*" of this Circular.

Arrangement Mechanics

Under the Plan of Arrangement, the following steps or transactions shall, unless specifically provided otherwise in the Plan of Arrangement, occur and shall be deemed to occur sequentially in the following order without any further authorization, act or formality, in each case at one-minute intervals starting at the Effective Time:

(a) each CCE Share outstanding immediately prior to the Effective Time held by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all liens, claims and encumbrances, to Mont Royal and Mont Royal shall thereupon be obliged to pay the amount therefor determined and payable in accordance with Dissent Rights hereof, and:

  (i) the name of such registered holder shall be removed from the central securities register of Commerce as a holder of CCE Shares;

  (ii) such Dissenting Shareholders will cease to have any rights as CCE Shareholders other than the right to be paid the fair value for their CCE Shares; and

  (iii) Mont Royal shall be entered in Commerce's central securities register of holders of CCE Shares as the legal and beneficial owner of such CCE Shares, free of all liens, claims and encumbrances;

(b) each CCE Share outstanding immediately prior to the effective time of the transfer (other than a CCE Share held immediately before the Effective Time by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised and a CCE Share held by Mont Royal or any of their affiliates) shall be deemed to be transferred by the holder thereof, without any further act or formality by such CCE Shareholder, free and clear of all liens, claims and encumbrances, to Mont Royal in exchange for the Consideration, and Mont Royal shall be deemed to have directed the Depositary to issue and to deliver to such holder the Consideration to which such holder is entitled, and upon such exchange:

(c) each holder of such CCE Shares shall cease to be the holder thereof and to have any rights as a CCE Shareholder other than the right to be paid the Consideration and in accordance with the Plan of Arrangement;

(d) each Former CCE Shareholder shall be removed from Commerce's central securities register of holders of CCE Shares;

(e) Mont Royal shall be entered in Commerce's central securities register of holders of CCE Shares as the legal and beneficial owner of such CCE Shares, free of all liens, claims and encumbrances; and

(f) each Former CCE Shareholder shall be entered in Mont Royal's register of holders of MRZ Shares in respect of MRZ Shares deliverable to such Former CCE Shareholder;

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(g) concurrently with the transfer, Mont Royal will issue as consideration for the Consideration issued to CCE Shareholders, an equal number of MRZ Shares and add to its stated capital an amount equal to the fair market value of the Consideration;

(h) each CCE Option outstanding immediately prior to the Effective Time (whether vested or unvested) shall, without any further action on the part of any holder thereof, notwithstanding the terms of the CCE Plan or any award or similar agreement pursuant to which the CCE Options were granted or awarded, cancelled and exchanged for a Replacement Option to acquire from Mont Royal, such number of pre-Consolidation MRZ Shares equal to (1) that number of CCE Shares that were issuable upon exercise of such CCE Option immediately prior to the Effective Time, multiplied by (2) the Exchange Ratio (provided that if the foregoing would result in the issuance of a fraction of a MRZ Share on any particular exercise of Replacement Options in the aggregate, then the number of MRZ Shares otherwise issuable shall be rounded down to the nearest whole number of MRZ Shares), at an exercise price per MRZ Share equal to the quotient determined by dividing (X) the exercise price per CCE Share at which such CCE Option was exercisable immediately prior to the Effective Time, by (Y) the Exchange Ratio (provided that the aggregate exercise price payable on any particular exercise of Replacement Options shall be rounded up to the nearest whole cent); provided that the exercise price of such Replacement Option shall be, and shall be deemed to be, adjusted by the amount, and only to the extent, necessary to ensure that the In-the-Money Amount of such Replacement Option immediately following the exchange does not exceed the In-the-Money Amount (if any) of such CCE Option immediately before the exchange; and

(i) each CCE PSU that is outstanding immediately prior to the Effective Time will be exchanged for a Replacement Performance Right exercisable to purchase from Mont Royal 2.3271 pre-MRZ Consolidation MRZ Shares per underlying CCE Share, all as more particularly provided for in the Plan of Arrangement.

As a result of the completion of the steps set out in the Plan of Arrangement, (a) each CCE Warrant outstanding immediately prior to the Effective Time shall, without any further action on the part of any holder thereof, in accordance with the adjustment provisions of the certificates governing the CCE Warrants, following the Effective Time entitle the holder to such number of pre-MRZ Consolidation MRZ Shares equal to (1) that number of CCE Shares that were issuable upon exercise of such CCE Warrant immediately prior to the Effective Time, multiplied by (2) the Exchange Ratio (provided that if the foregoing would result in the issuance of a fraction of a MRZ Share on any particular exercise of CCE Warrants in the aggregate, then the number of MRZ Shares otherwise issuable shall be rounded down to the nearest whole number of MRZ Shares), at an exercise price per MRZ Share equal to the quotient determined by dividing (X) the exercise price per CCE Share at which such CCE Warrant was exercisable immediately prior to the Effective Time, by (Y) the Exchange Ratio (provided that the aggregate exercise price payable on any particular exercise of CCE Warrants shall be rounded up to the nearest whole cent), and all certificates governing the CCE Warrants shall be cancelled and replaced with replacement certificates representing such adjusted CCE Warrants, and (b) each CCE Convertible Note outstanding immediately prior to the Effective Time shall convert into pre-MRZ Consolidation MRZ Shares in accordance with the terms and conditions of the CCE Convertible Notes.

At such time following the completion of those transactions described in the foregoing paragraphs, as promptly as possible after all conditions therefor have been met, Commerce will file or cause to be filed the prescribed form of election under the Tax Act with the Canada Revenue Agency electing to cease being a public corporation for the purposes of the Tax Act.

The MRZ Shares issuable pursuant to the exercise or conversion of the Replacement Options, Replacement Performance Rights, CCE Warrants and CCE Convertible Notes will be subject to the MRZ Consolidation.

See Appendix C of this Circular for a copy of the Plan of Arrangement.

Fractional Shares

No fractional MRZ Shares shall be issued to Former CCE Shareholders. Where the aggregate number of MRZ Shares to be issued to a Former CCE Shareholder under the Arrangement would otherwise result in a fraction of a MRZ Share being issuable, the number of MRZ Shares to be issued to such Former CCE Shareholder shall be rounded down to

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the nearest whole MRZ Share, and such Former CCE Shareholder shall not be entitled to any compensation in respect of such fractional MRZ Share.

Withholding Rights

Mont Royal, Commerce, the Depositary and their respective agents, as applicable, shall be entitled to deduct and withhold from any Consideration or any other amount payable or otherwise deliverable to any CCE Shareholder or any other person under the Plan of Arrangement (including any payment to Dissenting Shareholders and holders of CCE Options, CCE PSU, CCE Convertible Notes and CCE Warrants) such Taxes or other amounts as Mont Royal, Commerce, the Depositary or their respective agents, as the case may be, may reasonably determine is required to be deducted or withheld with respect to such payment under the Tax Act, the U.S. Tax Code, the Australian Tax Act or any provision of Laws in respect of Taxes. For the purposes of the Transaction, all such deducted or withheld amounts shall be treated as having been paid to the person in respect of which such deduction or withholding was made on account of the obligation to make payment to such person, provided that such deducted or withheld amounts are timely remitted to the appropriate Governmental Entity by or on behalf of Mont Royal, Commerce, the Depositary or their respective agents, as the case may be. To the extent that the amount so required to be deducted or withheld from any payment to a CCE Shareholder exceeds the cash component, if any, of the amount otherwise payable, subject to the prior approval of Mont Royal, any of Mont Royal, Commerce, the Depositary or their respective agents, as the case may be, are authorized to sell or otherwise dispose of such portion of the Consideration or other Mont Royal securities, as applicable, issuable as is necessary to provide sufficient funds to Mont Royal, Commerce, the Depositary or their respective agents, as the case may be, to enable it to comply with all applicable deduction or withholding requirements, and Mont Royal, Commerce, the Depositary or their respective agents, as the case may be, shall remit the applicable portion of the net proceeds of such sale (after deduction of all fees, commissions or costs in respect of such sale) to the appropriate Governmental Entity and shall remit to such CCE Shareholder any unapplied balance of the net proceeds of such sale. Any sale will be made in accordance with applicable Laws and at prevailing market prices and none of Mont Royal, Commerce, the Depositary or their respective agents, as the case may be, shall be under any obligation to obtain a particular price, or indemnify any CCE Shareholder in respect of a particular price, for the portion of the Consideration or other MRZ Shares, as applicable, so sold.

Approval of Arrangement Resolution

At the Meeting, CCE Shareholders will be asked to consider, and if thought advisable, to approve the Arrangement Resolution, the full text of which is set out in Appendix B of this Circular.

In order for the Arrangement to become effective, the Arrangement Resolution must be approved at the Meeting by the affirmative vote of at least two-thirds (66⅔%) of the votes cast on the Arrangement Resolution by CCE Shareholders (the "**CCE Shareholder Approval**"). If the CCE Shareholder Approval is not obtained at the Meeting, the Arrangement will not be completed.

The CCE Board has approved the terms of the Arrangement Agreement and the Plan of Arrangement, and unanimously recommends that CCE Shareholders vote **FOR** the Arrangement Resolution.

See "*Part 7 – The Arrangement – Recommendation of the CCE Board*" of this Circular.

Commerce Voting and Lock-up Agreements

Mont Royal has entered into a CCE Voting and Lock-up Agreement with each of the directors and certain CCE Shareholders listed on Schedule "E" of the Arrangement Agreement.

Under the CCE Voting and Lock-up Agreements, each of the CCE Locked-up Shareholders has agreed to, among other things, support the Arrangement and to vote their CCE Shares (including any CCE Shares issued upon the exercise or exchange or conversion of CCE Options, CCE PSUs, CCE Warrants, and CCE Convertible Notes) in favour of the Arrangement Resolution and against any Acquisition Proposal or other proposal or transaction involving the Corporation or any of its subsidiaries which would reasonably be regarded as being directed towards or likely to prevent or delay the Meeting or the successful completion of the Arrangement or which would reasonably be expected to result in a Material Adverse Effect.

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Under the terms of the CCE Voting and Lock-up Agreements, Mont Royal has acknowledged that any CCE Locked-up Shareholder who is also a director of Commerce is bound under the CCE Voting and Lock-up Agreements only in such person's capacity as a CCE Shareholder (and not in his or her capacity as a director of Commerce).

The CCE Voting and Lock-up Agreements terminate upon, among other things: (a) mutual agreement; (b) if, without the prior written consent of the CCE Locked-up Shareholder, the Arrangement Agreement is amended in a manner that (i) decreases the amount of consideration payable to such securityholder, (ii) changes the form of consideration payable in a manner that is material and adverse to the securityholder, or (iii) is otherwise material and adverse to the securityholder; (c) a party's election following a breach of the other party's covenant, representation or warranty; (d) the completion of the Arrangement; and (e) the date of termination of the Arrangement Agreement in accordance with the terms thereof.

Interests of Certain Persons in the Arrangement

In considering the unanimous recommendation of the CCE Board with respect to the Arrangement, CCE Shareholders are advised that certain members of Commerce's management and the CCE Board have certain interests in connection with the Arrangement that may present them with actual or potential conflicts of interest in connection with the Arrangement. The CCE Board is aware of these interests and considered them along with other matters described under "*Part 7 – The Arrangement – Reasons for the Arrangement*" of this Circular above.

Ownership of Securities of Commerce

As of the Record Date, directors and senior officers of Commerce beneficially own, directly or indirectly, or exercise control or direction over, in the aggregate, 9,991,944 CCE Shares, as well as an aggregate of 36,607,440 CCE Shares issuable upon the exercise of 3,000,000 CCE Options, 18,607,440 CCE Warrants and 15,000,000 CCE PSUs, representing, on a partially diluted basis, approximately 20.21% of the CCE Shares outstanding as of the close of business on the Record Date.

CCE Options, CCE Warrants and CCE PSUs

Pursuant to the Plan of Arrangement, each CCE Option outstanding immediately prior to the Effective Time shall, without any further action on the part of any holder thereof, in accordance with the terms of the CCE Plan, be cancelled and exchanged for a Replacement Option to acquire from Mont Royal, such number of pre-MRZ Consolidation MRZ Shares equal to (1) that number of CCE Shares that were issuable upon exercise of such CCE Option immediately prior to the Effective Time, multiplied by (2) the Exchange Ratio (provided that if the foregoing would result in the issuance of a fraction of a MRZ Share on any particular exercise of Replacement Options in the aggregate, then the number of MRZ Shares otherwise issuable shall be rounded down to the nearest whole number of MRZ Shares), at an exercise price per MRZ Share equal to the quotient determined by dividing (X) the exercise price per CCE Share at which such CCE Option was exercisable immediately prior to the Effective Time, by (Y) the Exchange Ratio (provided that the aggregate exercise price payable on any particular exercise of Replacement Options shall be rounded up to the nearest whole cent); provided that the exercise price of such Replacement Option shall be, and shall be deemed to be, adjusted by the amount, and only to the extent, necessary to ensure that the In-the-Money Amount of such Replacement Option immediately following the exchange does not exceed the In-the-Money Amount (if any) of such CCE Option immediately before the exchange. Each outstanding CCE PSU that is outstanding immediately prior to the Effective Time will be exchanged for a Replacement Performance Right exercisable to purchase from Mont Royal 2.3271 pre-MRZ Consolidation MRZ Shares per underlying CCE Share, all as more particularly provided for in the Plan of Arrangement.

As a result of the completion of the steps set out in the Plan of Arrangement, each CCE Warrant outstanding immediately prior to the Effective Time shall, without any further action on the part of any holder thereof, in accordance with the adjustment provisions of the certificates governing the CCE Warrants, following the Effective Time entitle the holder to such number of pre-MRZ Consolidation MRZ Shares equal to (1) that number of CCE Shares that were issuable upon exercise of such CCE Warrant immediately prior to the Effective Time, multiplied by (2) the Exchange Ratio (provided that if the foregoing would result in the issuance of a fraction of a MRZ Share on any particular exercise of CCE Warrants in the aggregate, then the number of MRZ Shares otherwise issuable shall be rounded down to the nearest whole number of MRZ Shares), at an exercise price per MRZ Share equal to the quotient determined by dividing (X) the exercise price per CCE Share at which such CCE Warrant was exercisable

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immediately prior to the Effective Time, by (Y) the Exchange Ratio (provided that the aggregate exercise price payable on any particular exercise of CCE Warrants shall be rounded up to the nearest whole cent), and all certificates governing the CCE Warrants shall be cancelled and replaced with replacement certificates representing such adjusted CCE Warrants.

The MRZ Shares issuable pursuant to the exercise of the Replacement Options, Replacement Performance Rights, and CCE Warrants will be subject to the MRZ Consolidation.

See "*Part 7 – The Arrangement – Arrangement Mechanics"*.

As at the date of this Circular, there are an aggregate of: (i) 4,750,000 CCE Options, (ii) 155,022,499 CCE Warrants and (iii) 15,000,000 CCE PSUs outstanding.

The CCE Options, CCE PSUs and CCE Warrants do not have votes attached to them for the purposes of the matters before the Meeting.

Indemnification and Insurance

In order to ensure that Commerce's directors do not lose or forfeit their protection under liability insurance policies maintained by Commerce, the Arrangement Agreement provides for the customary maintenance of such protection for six years.

Pursuant to the Arrangement Agreement, prior to the Effective Time, Commerce shall purchase customary "tail" directors' and officers' liability insurance providing coverage for a period of six years from the Effective Date with respect to claims arising from or related to facts, circumstances or events which occur on or prior to the Effective Date, provided that the total cost of such run-off directors' and officers' liability insurance shall not exceed 300% of Commerce's and its subsidiaries' current annual aggregate premium for directors' and officers' liability insurance currently maintained by the Corporation or its subsidiaries.

MRZ Equity Raise

The MRZ Equity Raise will consist of the following offers made by MRZ:

- Public Offer; and
- Lead Manager Offer

(together, the "**Offers**").

The Offers are being made under the Prospectus. The Offers will be subject to certain terms and conditions which will be outlined in the Prospectus.

A summary of the Offers is set out directly below.

Public Offer

Pursuant to the Public Offer, MRZ is seeking to raise a minimum of A$8,000,000 (before costs) and a maximum of A$10,000,000 (before costs) through an offer of a minimum of 40,000,000 MRZ Shares and a maximum of 50,000,000 MRZ Shares at an issue price of A$0.20 per MRZ Share (on a post-MRZ Consolidation basis).

Subject to the restrictions set out in Section 7.12 of the Prospectus, the Public Offer will be open to the general public in Australia and certain investors in certain permitted jurisdictions.

The MRZ Shares to be issued by MRZ pursuant to the Public Offer, are of the same class and will rank equally with the existing MRZ Shares on issue.

Lead Manager Offer

The Prospectus includes a separate offer of between 6,000,000 and up to 8,000,000 unquoted MRZ Options with an exercise price of $0.30 and expiring on the date that is three years from the issue date (the "**Broker Options**") to the

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Lead Manager and Co-Lead Manager (or their respective nominees) (the "**Lead Manager Offer**"). The Lead Manager and Co-Lead Manager (or their respective nominees) will receive 0.75 Broker Options for every $1.00 raised in the Public Offer.

The Broker Options will be issued for a nominal issue price of $0.00001 per Broker Option, accordingly, nominal funds, up to A$80.00, will be raised from the Lead Manager Offer.

The terms and conditions of the Broker Options are set out in Section 9.4 of the Prospectus. If the Broker Options are exercised, the resultant MRZ Shares will be of the same class and will rank equally in all respects with the existing MRZ Shares. The Lead Manager Offer is being made under the Prospectus to remove the need for an additional disclosure document to be issued upon the sale or transfer of any MRZ Shares issued upon exercise of the Broker Options.

Only the Lead Manager and Co-Lead Manager (or their respective nominees) may accept the Lead Manager Offer. A personalised Application Form in relation to the Lead Manager Offer will be issued to the Lead Manager and Co-Lead Manager (or their respective nominees) together with a copy of the Prospectus.

The MRZ Shares to be issued by MRZ pursuant to the Offer, are of the same class and will rank equally with the existing MRZ Shares on issue.

MI 61-101 Protection of Minority Security Holders in Special Transactions

MI 61-101 provides that, in certain circumstances, where a "related party" of an issuer is entitled to receive a "collateral benefit" (as defined in MI 61-101) in connection with certain transactions (such as the Arrangement), such transaction may be considered a "business combination" for the purposes of MI 61- 101 and may be subject to minority approval requirements.

The Arrangement does not constitute a "business combination" because under the Plan of Arrangement, all CCE Shareholders are treated identically and no "related party" will receive any "collateral benefit" as defined in MI 61-101.

Court Approval of the Arrangement

An arrangement under the BCBCA requires Court approval.

Interim Order

On September 4, 2025, Commerce obtained the Interim Order providing for the calling and holding of the Meeting, the grant of Dissent Rights and certain other procedural matters. The text of the Interim Order is set out in Appendix D to this Circular.

Final Order

Subject to the terms of the Arrangement Agreement, provided the Arrangement Resolution is approved by CCE Shareholders at the Meeting in the manner required by the Interim Order, Commerce intends to make an application to the Court for the Final Order.

The application for the Final Order approving the Arrangement is currently scheduled for October 15, 2025 at 9:45 a.m. (Vancouver time), or as soon thereafter as counsel may be heard, or at any other date and time as the Court may direct. Any CCE Shareholder or any other CCE Securityholder who wishes to appear or be represented and to present evidence or arguments at that hearing of the application for the Final Order must serve and file a Response to Petition and any evidence upon which they intend to rely forthwith and by no later than October 10, 2025 at 4:00 p.m. (Vancouver time), along with any other documents required, all as set out in the Interim Order and the Notice of Application, the text of which are set out in Appendix D and Appendix E to this Circular, and satisfy any other requirements of the Court. Such persons should consult with their legal advisors as to the necessary requirements. In the event that the hearing is adjourned, then, subject to further order of the Court, only those persons having previously served and filed a Response to Petition will be given notice of the adjournment.

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The Court has broad discretion under the BCBCA when making orders with respect to the Arrangement. The Court will consider, among other things, the fairness and reasonableness of the Arrangement, both from a substantive and a procedural point of view. The Court may approve the Arrangement, either as proposed or as amended, on the terms presented or substantially on those terms. Depending upon the nature of any required amendments, Mont Royal and/or Commerce may determine not to proceed with the Arrangement.

The MRZ Shares to be issued pursuant to the Arrangement, as well as the Replacement Options and Replacement Performance Rights to be issued pursuant to the Arrangement, have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and will be issued and exchanged in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof and exemptions provided from or qualifications under the registration requirements of any applicable securities laws of any state of the United States in which CCE Shareholders reside. Section 3(a)(10) of the U.S. Securities Act exempts the issuance of any securities issued in exchange for one or more *bona fide* outstanding securities, or partly in such exchange and partly for cash, from the general requirement of registration where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing upon the fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and receive timely and adequate notice thereof. The Court will be advised prior to the hearing of the application for the Final Order that if the terms and conditions of the Arrangement, and the fairness thereof, are approved by the Court, the MRZ Shares to be received by CCE Shareholders pursuant to the Arrangement and the Replacement Options and Replacement Performance Rights to be received by holders of CCE Options and CCE PSUs pursuant to the Arrangement will not require registration under the U.S. Securities Act. Accordingly, the Final Order of the Court will, if granted, constitute a basis for the Section 3(a)(10) Exemption with respect to the issuance and exchange of the MRZ Shares to be issued to CCE Shareholders pursuant to the Arrangement and the Replacement Options and Replacement Performance Rights to be granted to holders of CCE Options and CCE PSUs pursuant to the Arrangement. However, the Section 3(a)(10) Exemption will not be available for the issuance of any MRZ Shares that are issuable upon exercise of the Replacement Options and Replacement Performance Rights. Therefore, the MRZ Shares issuable upon the exercise of the Replacement Options and CCE PSUs will be "restricted securities" within the meaning of Rule 144 and may be issued only pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws or following registration under such Laws.

For a copy of the Interim Order, see Appendix D of this Circular and for a copy of the Response to Petition in respect of the Final Order, see Appendix E of this Circular. See also "*Part 9 – Securities Law Matters – United States Securities Law Matters*" of this Circular.

Completion of the Arrangement

Subject to the satisfaction or waiver of the conditions in the Arrangement Agreement, and subject to any Order of the Court, the Arrangement will, become effective on the Effective Date commencing at the Effective Time. The Effective Date will not occur until all of the conditions to completion of the Arrangement set out in the Arrangement Agreement have been satisfied or waived in accordance with the Arrangement Agreement. If the Arrangement Resolution is approved at the Meeting and all other required approvals (including the Final Order) and conditions to the completion of the Arrangement are satisfied or waived, the Effective Date is expected to occur in October 2025. In no event shall the Effective Date be later than May 29, 2026, unless otherwise agreed to between Commerce and Mont Royal. On the Effective Date, upon completion of the Arrangement, Commerce and Mont Royal will publicly announce that the Arrangement has been implemented.

Effects of the Arrangement on CCE Shareholders' Rights

CCE Shareholders receiving MRZ Shares under the Arrangement will become MRZ Shareholders. Mont Royal is incorporated under the Laws of Western Australia.

The rights of a shareholder of an Australian corporation differ from the rights of a shareholder of a BCBCA corporation. See Appendix H of this Circular for a summary comparison of the rights of CCE Shareholders and MRZ Shareholders. The rights of CCE Shareholders are governed by the BCBCA and by Commerce's articles and notice of articles. Following the Arrangement, CCE Shareholders who receive MRZ Shares as part of the Arrangement will become MRZ Shareholders, and as such their rights will be governed by the Corporations Act, the

ASX Listing Rules, and by the MRZ Constitution. CCE Shareholders are encouraged to consult with their legal advisors for greater detail with respect to these differences.

PART 8. THE ARRANGEMENT AGREEMENT

The description of the Arrangement Agreement, both below and elsewhere in this Circular, is a summary only, is not exhaustive, is not intended as a substitute for reviewing the Arrangement Agreement and is qualified in its entirety by reference to the full text of the Arrangement Agreement, which can be found under the Corporation's issuer profile on SEDAR+ at www.sedarplus.ca.

The description of the Arrangement Agreement has been included in this Circular to provide CCE Shareholders with information regarding terms of the Arrangement. It is not intended to provide any other factual information about the Parties to the Arrangement Agreement or their respective subsidiaries or affiliates. See "*Part 8 – The Arrangement Agreement – Representations and Warranties*" below for additional detail.

Effective Date and Conditions of Arrangement

If the Arrangement Resolution is passed, the Final Order approving the Arrangement is obtained, every requirement of the BCBCA relating to the Arrangement has been complied with and all other conditions to the Arrangement Agreement as summarized under "*Part 8 – The Arrangement Agreement – Conditions to the Arrangement Becoming Effective*" are satisfied or waived, the Arrangement will become effective on the Effective Date commencing at the Effective Time.

Representations and Warranties

The Arrangement Agreement contains representations and warranties made by Commerce to Mont Royal and representations and warranties made by Mont Royal to Commerce. The representations and warranties were made solely for purposes of the Arrangement Agreement and are subject to important qualifications, limitations and exceptions agreed to by the Parties in connection with negotiating its terms. In particular, some of the representations and warranties are subject to a contractual standard of materiality or Material Adverse Effect standard, which is different from that generally applicable to public disclosure to CCE Shareholders or may have been used for the purpose of allocating risk between the Parties to the Arrangement Agreement.

CCE Shareholders are not third-party beneficiaries under the Arrangement Agreement and should not rely on the representations and warranties contained in the Arrangement Agreement as statements of factual information at the time they were made or otherwise.

Representations and Warranties of Commerce

The representations and warranties provided by Commerce in favour of Mont Royal relate to, among other things: "Organization"; "Authorization; Validity of Agreement"; "Execution and Binding Obligations"; "Consents and Approvals; No Violations"; "Required Approvals"; "Subsidiaries"; "Compliance with Laws and Constating Documents"; "Permits"; "Capitalization"; "Shareholders' and Similar Agreements"; "Reporting Issuer Status and Stock Exchange Compliance"; "Reports"; "Comments, Review, Audits, Etc."; "Financial Statements"; "Undisclosed Liabilities"; "Indirect Australian Real Property Interest"; "Flow-Through Financings"; "No Hedging"; "Environmental Matters"; "Indigenous Matters"; "Employment Matters"; "Absence of Certain Changes or Events"; "Litigation; Orders"; "Taxes"; "Books and Records"; "Minute Books"; "Insurance"; "Non-Arm's Length Transactions"; "Benefit Plans"; "Restrictions on Business Activities"; "Material Contracts"; "Real Property and Personal Property"; "Title to the Assets"; "Sufficiency of Assets"; "No Options, etc. to Purchase Assets"; "Condition of Tangible Assets"; "Accounts Receivable"; "Interest in Properties and CCE Mineral Rights"; "Mineral Resources"; "Operational Matters"; "Corrupt Practices Legislation"; "Compliance with Sanction Legislation"; "Intellectual Property; Data Protection; Cybersecurity"; "Brokers; Expenses"; and "Opinion of Evans & Evans, Inc.".

Representations and Warranties of Mont Royal

The representations and warranties provided by Mont Royal in favour of Commerce relate to, among other things: "Organization"; "Authorization; Validity of Agreement"; "Execution and Binding Obligations"; "Consents and

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Approvals; No Violations"; "Required Approvals"; "Subsidiaries"; "Compliance with Laws and Constating Documents"; "Permits"; "Capitalization"; "Shareholders' and Similar Agreements"; "Securities Law Matters"; "Financial Statements"; "No Undisclosed Liabilities"; "No Hedging"; "Environmental Matters"; "Indigenous Matters"; "Employment Matters"; "Absence of Certain Changes or Events"; "Litigation; Orders"; "Taxes"; "Books and Records"; "Minute Books"; "Insurance"; "Non-Arm's Length Transactions"; "Benefit Plans"; "Restrictions on Business Activities"; "Material Contracts"; "Real Property and Personal Property"; "Title to the Assets"; "Sufficiency of Assets"; "No Options, etc. to Purchase Assets"; "Condition of Tangible Assets"; "Accounts Receivable"; "Inventories"; "Interest in MRZ Mineral Rights"; "Mineral Resources"; "Operational Matters"; "Corrupt Practices Legislation"; "Compliance with Sanction Legislation"; "Intellectual Property; Data Protection; Cybersecurity"; "Investment Canada Act"; and "Brokers; Expenses".

Conditions to the Arrangement Becoming Effective

In order for the Arrangement to become effective, certain conditions precedent must have been satisfied or waived, which conditions are summarized below.

Mutual Conditions Precedent

The obligations of the Parties to complete the transactions contemplated by the Arrangement Agreement are subject to the fulfillment, on or before the Effective Date, of each of the following conditions precedent, each of which is for the mutual benefit of the Parties and which may only be waived with the mutual consent of the Parties at any time, in whole or in part:

(a) the Interim Order and the Final Order shall each have been obtained on terms consistent with the Arrangement Agreement, in form and substance satisfactory to each of Commerce and Mont Royal, acting reasonably, and shall not have been set aside or modified in a manner unacceptable to Commerce or Mont Royal, acting reasonably, on appeal or otherwise;

(b) the CCE Shareholder Approval shall have been obtained at the Meeting in accordance with the Interim Order and applicable Laws;

(c) the MRZ Shareholder Approval shall have been obtained at the MRZ Meeting in accordance with applicable Laws and the ASX Listing Rules;

(d) Mont Royal shall have completed the MRZ Equity Raise;

(e) there shall not exist any prohibition at Law, including a cease trade order, injunction or other prohibition or order at Law or under applicable legislation, against Mont Royal or Commerce which prevents the consummation of the Arrangement;

(f) no Proceeding shall be pending or threatened by any Governmental Entity in any jurisdiction that is reasonably likely to (i) cease trade, enjoin, prohibit, or impose any limitations, damages, or conditions on Mont Royal's ability to acquire, hold, or exercise full rights of ownership over any CCE Shares, including the right to vote the CCE Shares, or (ii) prohibit or enjoin Commerce or Mont Royal from consummating the Arrangement;

(g) the Arrangement Agreement shall not have been terminated in accordance with its terms;

(h) the distribution of the securities pursuant to the Arrangement shall either: (i) be exempt from the prospectus and registration requirements of applicable Securities Laws either by virtue of exemptive relief granted from the securities regulatory authorities of Australia (including in respect of the on-sale disclosure obligations imposed by subsections 707(3) and (4) of the *Corporations Act 2001* (Cth) for the on-sale of MRZ Shares following implementation of the Arrangement) and each of the provinces and territories of Canada or by virtue of applicable exemptions under Securities Laws and shall not be subject to resale or on-sale restrictions or disclosure obligations under applicable Securities Laws (other than as applicable to control persons or pursuant to Section 2.6 of National Instrument 45-102 – *Resale of Securities*); or (ii) if exemptive relief from the prospectus and

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registration requirements under applicable Australian Securities Laws is not granted by the securities regulatory authorities of Australia, Mont Royal shall have filed a prospectus in connection with the issuance of the MRZ Shares to be issued pursuant to the Arrangement;

(i) the Key Regulatory Approvals (including for certainty, the Stock Exchange Approval) and Key Third Party Consents required to be obtained by each of Commerce and Mont Royal shall have been obtained; and

(j) the distribution of the Consideration and the Replacement Options pursuant to the Arrangement shall be exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof and applicable securities laws of any state of the United States.

Additional Conditions Precedent for the Obligations of Mont Royal

The obligations of Mont Royal to complete the transactions contemplated by this Agreement shall also be subject to the fulfillment, on or before the Effective Date, of each of the following conditions precedent (each of which is for the exclusive benefit of Mont Royal and may be waived by Mont Royal at any time, in whole or in part, in its sole discretion and without prejudice to any other rights that Mont Royal may have):

(a) all covenants of Commerce under the Arrangement Agreement to be performed on or before the Effective Date which have not been waived by Mont Royal shall have been duly performed by Commerce in all material respects, and Mont Royal shall have received a certificate of Commerce addressed to Mont Royal and dated the Effective Date, signed on behalf of Commerce by an executive officer (without personal liability), confirming the same as at the Effective Date;

(b) all representations and warranties of Commerce set forth in the Arrangement Agreement that are qualified by the expression "Material Adverse Effect" or other materiality qualifiers shall be true and correct in all respects, as though made on and as of the Effective Date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), and all other representations and warranties made by Commerce in this Agreement that are not so qualified shall be true and correct in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties made as of a specified date the accuracy of which shall be determined as of that specified date), except as affected by transactions, changes, conditions, events or circumstances expressly permitted by this Agreement, and Mont Royal shall have received a certificate of Commerce addressed to Mont Royal and dated the Effective Date, signed on behalf of Commerce by an executive officer of Commerce (without personal liability), confirming the same as at the Effective Date;

(c) since the date of the Arrangement Agreement, there shall not have occurred or have been disclosed to the public (if previously undisclosed to the public) any event, occurrence, development or circumstance that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect on Commerce which is continuing, and Mont Royal shall have received a certificate of Commerce addressed to Mont Royal and dated the Effective Date, signed on behalf of Commerce by an executive officer of Commerce (without personal liability), confirming the same as at the Effective Date;

(d) holders of no more than 5% of the CCE Shares shall have exercised Dissent Rights; and

(e) Commerce has received effective resignations and mutual releases (in a form satisfactory to Mont Royal, acting reasonably) of each member of the CCE Board, effective as of the Effective Date, as designated by Mont Royal to Commerce prior to the Effective Date.

Additional Conditions Precedent to the Obligations of Commerce

The obligation of Commerce to complete the transactions contemplated by the Arrangement Agreement shall also be subject to the fulfillment, on or before the Effective Date, of each of the following conditions precedent (each of which

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is for the exclusive benefit of Commerce and may be waived by Commerce at any time, in whole or in part, in its sole discretion and without prejudice to any other rights that Commerce may have):

(a) all covenants of Mont Royal under the Arrangement Agreement to be performed on or before the Effective Date which have not been waived by Commerce shall have been duly performed by Mont Royal in all material respects, and Commerce shall have received a certificate of Mont Royal, addressed to Commerce and dated the Effective Date, signed on behalf of Mont Royal by an executive officer of Mont Royal (without personal liability), confirming the same as at the Effective Date;

(b) all representations and warranties of Mont Royal set forth in the Arrangement Agreement that are qualified by the expression "Material Adverse Effect" or other materiality qualifiers shall be true and correct in all respects, as though made on and as of the Effective Date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), and all other representations and warranties made by Mont Royal in this Agreement that are not so qualified shall be true and correct in all material respects as of the Effective Date as if made on and as of such date (except for representations and warranties made as of a specified date the accuracy of which shall be determined as of that specified date), except as affected by transactions, changes, conditions, events or circumstances expressly permitted by this Agreement; and Commerce shall have received a certificate of Mont Royal, addressed to Commerce and dated the Effective Date, signed on behalf of Mont Royal by an executive officer of Mont Royal (without personal liability), confirming the same as at the Effective Date;

(c) since the date of the Arrangement Agreement, there shall not have occurred or have been disclosed to the public (if previously undisclosed to the public) any event, occurrence, development or circumstance that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect on Mont Royal which is continuing, and Commerce shall have received a certificate of Mont Royal, addressed to Commerce and dated the Effective Date, signed by an executive officer of Mont Royal (without personal liability), confirming the same as at the Effective Date; and

(d) Mont Royal shall have complied with its obligations under Section 6.2 of the Arrangement Agreement and the Depositary shall have confirmed receipt of the MRZ Shares contemplated thereby.

Covenants of Commerce

Covenants Relating to Conduct of Business

Commerce covenants and agrees that, during the period from the date of the Arrangement Agreement until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms, except as required or permitted by the Arrangement Agreement or the Plan of Arrangement, as required in connection with the CCE Financing, as set out in the CCE Disclosure Letter (which, for greater certainty, do not require the consent of Mont Royal), as required by applicable Laws or any Governmental Entities and subject to Section 5.1(f) of the Arrangement Agreement, or as consented to by Mont Royal in writing (such consent not to be unreasonably withheld or delayed), Commerce shall:

(a) conduct its business and affairs and maintain its properties and facilities in, and not take any action except in, the ordinary course of business consistent with past practice;

(b) use commercially reasonable efforts to preserve intact its present business organization, assets (including Intellectual Property), Permits and goodwill, maintain the CCE Mineral Rights and its real property interests (including title to, and leasehold interests in respect of, any real property) and all Material Contracts in good standing, keep available the services of its officers and employees as a group and preserve the current material relationships with suppliers, distributors, employees, consultants, customers and others having business relationships with it;

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(c) comply in all material respects with all applicable Laws, including Securities Laws and Tax Laws;

(d) make or cooperate as necessary in the making of all necessary filings and applications under all applicable Laws required in connection with the transactions contemplated by the Arrangement Agreement; and

(e) keep Mont Royal fully informed as to material decisions or actions made or required to be made with respect to, and material developments relating to, the operation of its businesses and consult with Mont Royal, as Mont Royal may reasonably request, to allow Mont Royal to monitor and provide input with respect to the direction and control of, any such material decisions or actions or developments.

Without limiting the generality of the foregoing, from the date of the Arrangement Agreement until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms, except as required by Law, required or permitted by the Arrangement Agreement or the Plan of Arrangement, as required in connection with the CCE Financing or as set out in the CCE Disclosure Letter (which, for greater certainty, do not require the consent of Mont Royal), Commerce shall not, directly or indirectly, without the prior written consent of Mont Royal (which consent shall not be unreasonably withheld or delayed):

(a) amend, restate, rescind, alter, enact or adopt all or any portion of any of the Constating Documents of Commerce;

(b) other than the issue of the CCE Convertible Notes pursuant to the CCE Financing, issue, sell, pledge, lease, dispose of or encumber, or agree to issue, sell, pledge, lease, dispose of or encumber, any securities of or any securities convertible into securities of Commerce (other than in connection with the exercise or conversion, in accordance with their respective terms, of outstanding CCE Options, CCE PSUs, CCE Convertible Notes or CCE Warrants) or except as provided for in the Arrangement Agreement, amend, extend or terminate, or agree to amend, extend or terminate, any of the terms of, or agreements governing, any outstanding securities of Commerce or right that is linked in any way to the price of any securities of Commerce; split, consolidate or reclassify, or propose to split, consolidate or reclassify, any of its shares or undertake or propose to undertake any other capital reorganization or change in its common shares, any other of its securities or its share capital;

(c) reduce the stated capital of any of its securities;

(d) make, declare, set aside or pay any dividend or other distribution (whether in cash, securities or property or any combination thereof) on, or purchase, redeem, repurchase or otherwise acquire, any securities of Commerce;

(e) create any subsidiary;

(f) adopt a plan of complete or partial liquidation, arrangement, dissolution, amalgamation, merger, consolidation, restructuring, recapitalization, winding-up or other reorganization of Commerce (other than pursuant to the Arrangement Agreement and the transactions contemplated by the Arrangement Agreement), or file a petition in bankruptcy under any applicable Law on behalf of Commerce, or consent to the filing of any bankruptcy petition against Commerce under any applicable Law;

(g) sell, sell and lease back, pledge, licence, lease, sublease, alienate, dispose, swap, transfer or voluntarily lose the right to use, in whole or in part, or otherwise dispose of, or subject to any Lien (other than Permitted Liens), any asset or any interest in any asset, or waive, cancel, release or assign to any person (other than Commerce) any material right or claim (including indebtedness owed to Commerce), in either case having a value greater than A$250,000, except for (A) assets sold, leased, disposed of or otherwise transferred in the ordinary course and that are not, individually or in the aggregate, material to Commerce, (B) obsolete, damaged or destroyed assets in the ordinary course of business and that are not, individually or in the aggregate, material to Commerce, (C) returns of leased assets at the end of the lease term, (D) transfers of assets between Commerce and a subsidiary

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of Commerce, and (E) as required pursuant to the terms of any Material Contract in effect on the date of the Arrangement Agreement and set out in the CCE Disclosure Letter;

(h) acquire or agree to acquire (by merger, amalgamation, acquisition of shares or assets or otherwise) any company, partnership or other business organization or division, or incorporate or form, or agree to incorporate or form, any company, partnership or other business organization or make or agree to make any investment either by purchase of shares or securities, contributions of capital, property transfer or purchase of, any property or assets of any other person, company, partnership or other business organization having a value greater than A$250,000 in the aggregate;

(i) except as contemplated by the Arrangement Agreement, pursue any corporate acquisition, merger or make any other material change to its business or affairs;

(j) enter into or agree to the terms of any joint venture or similar agreement, arrangement or relationship;

(k) make any capital expenditures or commitments other than (A) capital expenditures that are included in the CCE Budget, or (B) any other capital expenditures that do not exceed A$250,000 in the aggregate;

(l) make, rescind or amend any material Tax election, information schedule, return or designation, settle or compromise any material Tax claim, assessment, reassessment or liability, or change any of its methods of reporting income, deductions or accounting for income Tax purposes;

(m) take any action inconsistent with past practice relating to the filing of any Tax Return or the withholding, collecting, remitting and payment of any Tax;

(n) enter into any Tax sharing, Tax allocation, Tax related waiver or Tax indemnification agreement, or consent to any extension or waiver of the limitation period applicable to any claim or assessment in respect of Taxes;

(o) fail to pay or cause to be paid all material accounts when due or invoices promptly upon receipt, in any way related to the business, operations and assets of Commerce, in each case in the ordinary course of business, consistent with past practice;

(p) pay, discharge or satisfy any material claims, liabilities or obligations other than (A) the payment, discharge or satisfaction, in the ordinary course of business consistent with past practice, of liabilities reflected or reserved against in the CCE Financial Statements, (B) as reflected in the CCE Budget, (C) any other claims, liabilities, obligations or expenditures that do not exceed A$250,000 in the aggregate, or (D) incurred in the ordinary course of business consistent with past practice;

(q) waive, release, grant or transfer any rights of value or modify or change in any material respect any existing material licence, lease, Permit, Material Contract or other material document, without first advising Mont Royal and obtaining Mont Royal's consent (which consent shall not be unreasonably withheld or delayed) and direction, acting reasonably, as to any action to be taken in that regard, and forthwith taking any action directed by Mont Royal, acting reasonably;

(r) enter into or modify any employment, consulting, severance, or similar agreements or arrangements with, or grant any bonuses, salary or fee increases, severance or termination pay to, any officers or directors or, in the case of employees or consultants who are not officers or directors, take any action other than in the ordinary, regular and usual course of business and consistent with past practice with respect to the grant of any bonuses, salary or fee increases, severance or termination pay or with respect to any increase of benefits payable in effect on the date of the Arrangement Agreement provided, however, that: (A) Commerce shall take such action as may be required in order to ensure that the provisions of Section 2.11 of the Arrangement Agreement are complied with; and (B) Commerce will abide by the terms and conditions of any employment agreements and consulting agreements in respect of any person who will no longer be employed or retained by Mont Royal or

Commerce, as the case may be, after the Arrangement, including with respect to the payments of any severance amounts or change of control payments, if applicable, or if amendments or revisions are to made to the terms and conditions of any employment agreements and consulting agreements, such amendments and revisions will be made with the prior written consent of Mont Royal;

(s) hire any new employees or full-time consultants of Commerce other than to replace any employee who has voluntarily resigned or has been terminated for poor performance, for just cause or with a serious reason since the date of the Arrangement Agreement, provided that the terms of the employment, consulting or similar agreement with the new employee or full-time consultant are substantially the same as the employment agreement previously entered into with the employee being replaced, or as set out in the CCE Budget;

(t) (A) incur, create, assume or otherwise become liable for any indebtedness, other than: (1) indebtedness under credit cards incurred in the ordinary course of business and lines of credit and factoring agreements incurred in the ordinary course of business which for the purpose of this provision shall include any such debt which funds operations of the business not in excess of A$250,000; (2) as contemplated in the CCE Budget; or (3) any other loans or, advances guarantees or other obligations, individually or in the aggregate, in an amount not to exceed A$250,000 or (B) incur, create, assume or otherwise become liable for any other material liability or obligation, other than in the ordinary course of business or (C) issue any debt securities, or guarantee, endorse or otherwise become responsible for, the obligations of any other person; or make any loans or advances to any other person, other than loans or advances made by Commerce to a subsidiary of Commerce, or by a subsidiary to Commerce, or pursuant to transactions contemplated in the Arrangement Agreement;

(u) enter into any interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales contracts, off-take, royalty or similar financial instruments including any streaming transactions;

(v) commence, pay, discharge, settle, satisfy, compromise, waive, assign or release any claims, rights, liabilities or obligations relating to any Proceeding or threatened Proceeding (A) by any Governmental Entity; or (B) the settlement of which would result in any relief, other than the payment by Commerce of an amount in cash, including debarment, corporate integrity agreements, any undertaking restricting the operations of Commerce's business or the granting of licenses, deferred prosecution agreements, consent decrees, plea agreements or mandatory or permissive exclusion, seizure or detention of product, or notification, repair or replacement; other than the payment, discharge, settlement, or satisfaction of liabilities reflected or reserved against in Commerce's consolidated annual financial statements, or payment of any fees related to the Arrangement;

(w) enter into or adopt any shareholder rights plan or similar agreement or arrangement;

(x) enter into, modify or terminate or cancel any Collective Agreement, or enter into any Contract that would be a Collective Agreement if in effect on the date hereof or grant recognition to any labour union or similar labour organization for purposes of collective bargaining;

(y) engage in any transaction with any senior management Employee, vice- president, director or any of their immediate family members (including spouses) or any related party (within the meaning of MI 61-101), other than (A) expense reimbursements and advances in the ordinary course of business, (B) employment Contracts with Employees hired in accordance with Section 5.1(b)(xix) of the Arrangement Agreement, or (C) transactions between Commerce and a subsidiary of Commerce;

(z) prepay any long-term indebtedness before its scheduled maturity;

(aa) enter into any agreement or arrangement that would limit or restrict in any material respect Commerce from competing or carrying on any business in any manner;

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(bb) materially change the business carried on by Commerce, taken as a whole;

(cc) enter into or amend any Contract with any broker, finder or investment banker, including any amendment to any Contracts listed in Section 31(a) of the CCE Disclosure Letter;

(dd) disclose any material trade secrets or material confidential information pertaining to Commerce to any person, other than in the ordinary course of business to persons who are under a contractual, legal, or ethical obligation to maintain the confidentiality of such information or as otherwise required by Law;

(ee) amend any existing material Permit of Commerce, or abandon or fail to diligently pursue any application for or renewal of any required material Permit, or take or omit to take any action that would reasonably be expected to lead to the termination of, or imposition of conditions on, any such material Permit of Commerce;

(ff) conduct any write-off, capitalisation or other action in respect of any intercompany loans and balances between Commerce and/or between any other wholly owned subsidiary of Commerce except in the ordinary course of business consistent with past practice or in connection with the Arrangement Agreement or the transactions contemplated hereby;

(gg) engage in any conduct that would, or is reasonably likely to, result in a Material Adverse Effect;

(hh) make or forgive any loans or advances to any of its officers, directors, employees, agents or consultants;

(ii) take any action or fail to take any action that would result in the termination, variance or relinquishment of any CCE Mineral Rights;

(jj) take any action that could reasonably be expected to interfere with or be inconsistent with the completion of the Arrangement or the transactions contemplated in the Arrangement Agreement; or

(kk) authorize, agree, resolve or otherwise commit, whether or not in writing, directly or indirectly, to do any of the foregoing.

Commerce shall use its commercially reasonable efforts to cause the current insurance (or re-insurance) policies maintained by Commerce, including directors' and officers' insurance, not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing having comparable deductions and providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect; provided that, subject to certain exceptions set forth in the Arrangement Agreement, Commerce obtain or renew any insurance (or re-insurance) policy for a term exceeding 12 months.

Commerce shall promptly notify Mont Royal in writing of any circumstance or development that, to the knowledge of Commerce, has or could reasonably be expected to have a Material Adverse Effect on Commerce. Nothing contained in this prior to the Effective Time. Prior to the Effective Time, Commerce shall exercise, consistent with the terms of this Agreement, control and supervision over its business and operations. Nothing in this Agreement, including any of the restrictions set forth herein, shall be interpreted in such a way as to place any Party in violation of applicable Law.

Commerce has also agreed with Mont Royal that, prior to the Effective Time, Commerce shall exercise, consistent with the terms of the Arrangement Agreement, control and supervision over its business and operations.

Covenants Relating to the Arrangement

Commerce shall, and shall cause its subsidiaries to, perform all obligations required to be performed by Commerce or any of its subsidiaries under the Arrangement Agreement, cooperate with Mont Royal in connection therewith, and

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do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated in the Arrangement Agreement and, without limiting the generality of the foregoing, Commerce shall and, where applicable, shall cause its subsidiaries to:

(a) use commercially reasonable efforts to satisfy, or cause satisfaction of, all conditions precedent in the Arrangement Agreement and take all steps set forth in the Interim Order and the Final Order applicable to it and comply promptly with all requirements imposed by Law applicable to it or its subsidiaries with respect to this Agreement or the Arrangement; apply for and use its commercially reasonable efforts to, as soon as reasonably practicable following the date hereof, obtain and maintain all Regulatory Approvals (including the Stock Exchange Approvals, as applicable), third party notices or other notices and consents, waivers, Permits, exemptions, orders, approvals, agreements, amendments or confirmations that are reasonably required or reasonably requested by Mont Royal relating to Commerce or any of its subsidiaries in connection with the Arrangement or the other transactions contemplated hereby (including the Key Third Party Consents including those reasonably required under any Contract to which Commerce or a subsidiary of Commerce is a party or those needed to maintain in full force and effect any Permit held by the Commerce or a subsidiary of Commerce) provided, that the Parties agree that it shall not be a condition to closing of the Arrangement that such waivers, consents and approvals are obtained other than as set out in Article 6 of the Arrangement Agreement, in each case on terms that are reasonably satisfactory to Mont Royal and without paying, and without committing itself or Mont Royal to pay, any consideration or incur any liability or obligation without the prior written consent of Mont Royal and, in doing so, keep Mont Royal reasonably informed as to the status of the proceedings related to obtaining such approvals, including providing Mont Royal with copies of all related applications, notices and notifications, in draft form, in order for Mont Royal to provide its reasonable comments thereon, which shall be given due and reasonable consideration.

(b) on or before the Effective Time, obtain and deliver to Mont Royal duly executed resignation and release letters, in a form and substance agreed to by Mont Royal, acting reasonably, effective as of the Effective Time, of those directors and officers of Commerce and its subsidiaries designated by Mont Royal to Commerce prior to the Effective Time;

(c) defend all lawsuits or other legal, regulatory or other Proceedings against Commerce challenging or affecting the Arrangement Agreement or the consummation of the transactions contemplated hereby;

(d) if any of the CCE Shareholders, together with its associates, is or anticipates becoming a 10% or greater CCE Shareholder prior to the Effective Time, Commerce will procure the provision of a 'vendor declaration' as defined in subsection 14-225(2) of the Taxation Administration Act 1953 from such CCE Shareholder(s) to Mont Royal prior to the Effective Time; and

(e) until the earlier of the Effective Time and termination of the Arrangement Agreement, subject to applicable Law, make available and cause to be made available to Mont Royal, information reasonably requested by Mont Royal for the purposes of preparing, considering and implementing integration and strategic plans for the combined businesses of Mont Royal and Commerce following the Effective Date and confirming the representations and warranties of Commerce set out in the Arrangement Agreement.

Commerce shall promptly notify Mont Royal of:

(a) any notice or other communication from any person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such person (or another person) is or may be required in connection with the Arrangement, the Arrangement Agreement or any of the transactions contemplated thereby;

(b) unless prohibited by Law, any notice or other communication from any person in connection with the transactions contemplated by the Arrangement Agreement (and Commerce shall contemporaneously provide a copy of any such written notice or communication to Mont Royal);

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(c) any breach or default, or any notice of alleged breach or default, by Commerce or its subsidiaries of any Material Contract or Permit to which it is a party or by which it is bound;

(d) any written notice or other communication from any Governmental Entity in connection with the Arrangement Agreement (and Commerce shall contemporaneously provide a copy of any such written notice or communication to Mont Royal); and

(e) any (A) Proceedings commenced or, to the knowledge of Commerce, threatened against, relating to or involving or otherwise affecting the Arrangement, the Arrangement Agreement or any of the transactions contemplated hereby, and (B) material Proceedings commenced or, to the knowledge of Commerce, threatened against, relating to or involving or otherwise affecting Commerce or its subsidiaries.

Covenants of Mont Royal

Covenants Relating to Conduct of Business

Mont Royal has made certain covenants to Commerce, including that, until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms, except as required or permitted by the Arrangement Agreement or the Plan of Arrangement, as required in connection with the MRZ Equity Raise, as required in connection with the MRZ Equity Raise, as set out in the MRZ Disclosure Letter (which, for greater certainty, do not require the consent of Commerce), as required by applicable Laws or any Governmental Entities and subject to certain exceptions set out in the Arrangement Agreement or as consented to by Commerce in writing (such consent not to be unreasonably withheld or delayed), Mont Royal shall, and shall cause each of its subsidiaries to:

(a) conduct its business and affairs and maintain its properties and facilities in, and not take any action except in, the ordinary course of business consistent with past practice;

(b) use commercially reasonable efforts to preserve intact its present business organization, assets (including Intellectual Property), Permits and goodwill, maintain the MRZ Mineral Rights and its real property interests (including title to, and leasehold interests in respect of, any real property) and all Material Contracts in good standing, keep available the services of its officers and employees as a group and preserve the current material relationships with suppliers, distributors, employees, consultants, customers and others having business relationships with it;

(c) comply in all material respects with all applicable Laws, including Securities Laws and Tax Laws;

(d) make or cooperate as necessary in the making of all necessary filings and applications under all applicable Laws required in connection with the transactions contemplated by the Arrangement Agreement; and

(e) keep Commerce fully informed as to material decisions or actions made or required to be made with respect to, and material developments relating to, the operation of its businesses and consult with Commerce, as Commerce may reasonably request, to allow Commerce to monitor and provide input with respect to the direction and control of, any such material decisions or actions or developments.

Without limiting the generality of the foregoing, from the date of the Arrangement Agreement until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms, except as required by Law, required or permitted by this Agreement or the Plan of Arrangement, as required in connection with the MRZ Equity Raise, as required in connection with the MRZ Consolidation, or as set out in the MRZ Disclosure Letter (which, for greater certainty, do not require the consent of Commerce), Mont Royal shall not, nor shall it permit any of its subsidiaries to, directly or indirectly, without the prior written consent of Commerce (which consent shall not be unreasonably withheld or delayed):

(a) amend, restate, rescind, alter, enact or adopt all or any portion of any of the Constating Documents of Mont Royal or any of its subsidiaries;

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(b) issue, sell, pledge, lease, dispose of or encumber, or agree to issue, sell, pledge, lease, dispose of or encumber, any securities of or any securities convertible into securities of Mont Royal (other than in connection with the exercise or conversion, in accordance with their respective terms, of outstanding options or other convertible securities or right that is linked in any way to the price of any securities of Mont Royal) or except as provided for in the Arrangement Agreement, amend, extend or terminate, or agree to amend, extend or terminate, any of the terms of, or agreements governing, any outstanding securities of Mont Royal or right that is linked in any way to the price of any securities of Mont Royal;

(c) split, consolidate or reclassify, or propose to split, consolidate or reclassify, any of its shares or undertake or propose to undertake any other capital reorganization or change in its common shares, any other of its securities or its share capital;

(d) reduce the stated capital of any of its securities;

(e) make, declare, set aside or pay any dividend or other distribution (whether in cash, securities or property or any combination thereof) on, or purchase, redeem, repurchase or otherwise acquire, any securities of Mont Royal or a subsidiary of Mont Royal;

(f) create any subsidiary;

(g) adopt a plan of complete or partial liquidation, arrangement, dissolution, amalgamation, merger, consolidation, restructuring, recapitalization, winding-up or other reorganization of Mont Royal or any of its subsidiaries (other than pursuant to the Arrangement Agreement and the transactions contemplated by the Arrangement Agreement), or file a petition in bankruptcy under any applicable Law on behalf of Mont Royal or any of its subsidiaries, or consent to the filing of any bankruptcy petition against Mont Royal or any of its subsidiaries under any applicable Law;

(h) sell, sell and lease back, pledge, licence, lease, sublease, alienate, dispose, swap, transfer or voluntarily lose the right to use, in whole or in part, or otherwise dispose of, or subject to any Lien (other than Permitted Liens), any asset or any interest in any asset, or waive, cancel, release or assign to any person (other than Mont Royal or a subsidiary of Mont Royal) any material right or claim (including indebtedness owed to Mont Royal or a subsidiary of Mont Royal) in either case having a value greater than A$250,000, except for (A) assets sold, leased, disposed of or otherwise transferred in the ordinary course of business and that are not, individually or in the aggregate, material to Mont Royal or a subsidiary of Mont Royal, (B) obsolete, damaged or destroyed assets in the ordinary course of business and that are not, individually or in the aggregate, material to Mont Royal or a subsidiary of Mont Royal, (C) returns of leased assets at the end of the lease term, (D) transfers of assets between Mont Royal and a subsidiary of Mont Royal, and (E) as required pursuant to the terms of any Mont Royal Material Contract in effect on the date of this Agreement as set out in the MRZ Disclosure Letter;

(i) acquire or agree to acquire (by merger, amalgamation, acquisition of shares or assets or otherwise) any company, partnership or other business organization or division, or incorporate or form, or agree to incorporate or form, any company, partnership or other business organization or make or agree to make any investment either by purchase of shares or securities, contributions of capital, property transfer or purchase of, any property or assets of any other person, company, partnership or other business organization having a value greater than A$250,000 in the aggregate;

(j) except as contemplated by the Arrangement Agreement, pursue any corporate acquisition, merger or make any other material change to its business or affairs;

(k) enter into or agree to the terms of any joint venture or similar agreement, arrangement or relationship;

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(l) make any capital expenditures or commitments other than (A) capital expenditures that are included in the MRZ Budget, or (B) any other capital expenditures that do not exceed A$250,000 in the aggregate;

(m) make, rescind or amend any material Tax election, information schedule, return or designation, settle or compromise any material Tax claim, assessment, reassessment or liability, or change any of its methods of reporting income, deductions or accounting for income Tax purposes;

(n) take any action inconsistent with past practice relating to the filing of any Tax Return or the withholding, collecting, remitting and payment of any Tax;

(o) enter into any Tax sharing, Tax allocation, Tax related waiver or Tax indemnification agreement, or consent to any extension or waiver of the limitation period applicable to any claim or assessment in respect of Taxes;

(p) fail to pay or cause to be paid all material accounts when due or invoices promptly upon receipt, in any way related to the business, operations and assets of Mont Royal or a subsidiary of Mont Royal, in each case in the ordinary course of business, consistent with past practice;

(q) pay, discharge or satisfy any material claims, liabilities or obligations other than (A) the payment, discharge or satisfaction, in the ordinary course of business consistent with past practice, of liabilities reflected or reserved against in the Mont Royal Financial Statements, (B) as reflected in the MRZ Budget, (C) any other claims, liabilities, obligations or expenditures that do not exceed A$250,000 in the aggregate, or (D) incurred in the ordinary course of business consistent with past practice;

(r) waive, release, grant or transfer any rights of value or modify or change in any material respect any existing material licence, lease, Permit, Material Contract or other material document, without first advising Commerce and obtaining Commerce's consent (which consent shall not be unreasonably withheld or delayed) and direction, acting reasonably, as to any action to be taken in that regard, and forthwith taking any action directed by Commerce, acting reasonably;

(s) enter into or modify any employment, consulting, severance, or similar agreements or arrangements with, or grant any bonuses, salary or fee increases, severance or termination pay to, any officers or directors or, in the case of employees or consultants who are not officers or directors, take any action other than in the ordinary, regular and usual course of business and consistent with past practice with respect to the grant of any bonuses, salary or fee increases, severance or termination pay or with respect to any increase of benefits payable in effect on the date of the Arrangement Agreement provided, however, that Mont Royal will abide by the terms and conditions of any employment agreements and consulting agreements in respect of any person who will no longer be employed or retained by Commerce or Mont Royal, as the case may be, after the Arrangement, including with respect to the payments of any severance amounts or change of control payments, if applicable;

(t) hire any new employees or full-time consultants of Mont Royal or any of its subsidiaries other than to replace any employee who has voluntarily resigned or has been terminated for poor performance, for just cause or with a serious reason since the date of the Arrangement Agreement, provided that the terms of the employment, consulting or similar agreement with the new employee or full-time consultant are substantially the same as the employment agreement previously entered into with the employee being replaced;

(u) (A) incur, create, assume or otherwise become liable for any indebtedness, other than: (1) indebtedness under credit cards incurred in the ordinary course of business and lines of credit and factoring agreements incurred in the ordinary course of business which for the purpose of this provision shall include any such debt which funds operations of the business not in excess of A$250,000; (2) as contemplated in the MRZ Budget; or (3) any other loans or, advances guarantees or other obligations, individually or in the aggregate, in an amount not to exceed A$250,000 or (B) incur, create, assume or otherwise become liable for any other material liability or obligation, other

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than in the ordinary course of business or (C) issue any debt securities, or guarantee, endorse or otherwise become responsible for, the obligations of any other person; or make any loans or advances to any other person, other than loans or advances made by Mont Royal to a subsidiary of Mont Royal, or by a subsidiary to Mont Royal, or pursuant to transactions contemplated in the Arrangement Agreement;

(v) enter into any interest rate, currency, equity or commodity swaps, hedges, derivatives, forward sales contracts, off-take, royalty or similar financial instruments including any streaming transactions;

(w) commence, pay, discharge, settle, satisfy, compromise, waive, assign or release any claims, rights, liabilities or obligations, relating to any Proceeding or threatened Proceeding (A) by any Governmental Entity; or (B) the settlement of which would result in any relief, other than the payment by Mont Royal or a subsidiary of Mont Royal of an amount in cash, including debarment, corporate integrity agreements, any undertaking restricting the operations of Mont Royal or a subsidiary of Mont Royal's business or the granting of licenses, deferred prosecution agreements, consent decrees, plea agreements or mandatory or permissive exclusion, seizure or detention of product, or notification, repair or replacement; other than the payment, discharge, settlement, or satisfaction of liabilities reflected or reserved against in Mont Royal's consolidated annual financial statements, or payment of any fees related to the Arrangement;

(x) enter into or adopt any shareholder rights plan or similar agreement or arrangement;

(y) enter into, modify or terminate or cancel any Collective Agreement, or enter into any Contract that would be a Collective Agreement if in effect on the date hereof or grant recognition to any labour union or similar labour organization for purposes of collective bargaining;

(z) engage in any transaction with any senior management Employee, vice-president, director or any of their immediate family members (including spouses) or any related party (within the meaning of MI 61-101), other than (i) expense reimbursements and advances in the ordinary course of business, (ii) employment Contracts with Employees hired in accordance with Section 5.2(b)(xix), or (iii) of the Arrangement Agreement transactions between Mont Royal and a subsidiary of Mont Royal;

(aa) prepay any long-term indebtedness before its scheduled maturity;

(bb) enter into any agreement or arrangement that would limit or restrict in any material respect Mont Royal and the subsidiaries of Mont Royal from competing or carrying on any business in any manner;

(cc) materially change the business carried on by Mont Royal and the subsidiaries of Mont Royal, taken as a whole;

(dd) enter into or amend any Contract with any broker, finder or investment banker, including any amendment to any Contracts listed in Section 27(a) of the MRZ Disclosure Letter;

(ee) disclose any material trade secrets or material confidential information pertaining to Mont Royal or a subsidiary of Mont Royal to any person, other than in the ordinary course of business to persons who are under a contractual, legal, or ethical obligation to maintain the confidentiality of such information or as otherwise required by Law;

(ff) amend any existing material Permit of Mont Royal or a subsidiary of Mont Royal, or abandon or fail to diligently pursue any application for or renewal of any required material Permit, or take or omit to take any action that would reasonably be expected to lead to the termination of, or imposition of conditions on, any such material Permit of Mont Royal or a subsidiary of Mont Royal;

(gg) engage in any conduct that would, or is reasonably likely to, result in a Material Adverse Effect;

(hh) make or forgive any loans or advances to any of its officers, directors, employees, agents or consultants;

(ii) take any action that could reasonably be expected to interfere with or be inconsistent with the completion of the Arrangement or the transactions contemplated in the Arrangement Agreement; or

(jj) authorize, agree, resolve or otherwise commit, whether or not in writing, directly or indirectly, to do any of the foregoing.

Mont Royal shall use its commercially reasonable efforts to cause the current insurance (or re-insurance) policies maintained by Mont Royal or any of its subsidiaries, including directors' and officers' insurance, not to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance or re-insurance companies of nationally recognized standing having comparable deductions and providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect.

Mont Royal shall promptly notify Commerce in writing of any circumstance or development that, to the knowledge of Mont Royal, has or could reasonably be expected to have a Material Adverse Effect on Mont Royal.

Mont Royal has also agreed with Commerce that, prior to the Effective Time, Mont Royal shall exercise, consistent with the terms of the Arrangement Agreement, control and supervision over its business and operations. Furthermore, Mont Royal has also agreed to complete the MRZ Consolidation immediately following completion of the Arrangement.

Covenants Relating to the Arrangement

Mont Royal shall, and shall cause its subsidiaries to, perform all obligations required to be performed by Mont Royal or any of its subsidiaries under the Arrangement Agreement, cooperate with Commerce in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated in the Arrangement Agreement and, without limiting the generality of the foregoing, Mont Royal shall and, where applicable, shall cause its subsidiaries to:

(a) use commercially reasonable efforts to satisfy, or cause satisfaction of, all conditions precedent in the Arrangement Agreement and take all steps set forth in the Interim Order and the Final Order applicable to it and comply promptly with all requirements imposed by Law applicable to it or its subsidiaries with respect to the Arrangement Agreement or the Arrangement;

(b) apply for and use its commercially reasonable efforts to, as soon as reasonably practicable following the date hereof, obtain and maintain all Regulatory Approvals (including the Stock Exchange Approvals, as applicable), third party notices or other notices and consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations that are reasonably required or reasonably requested by Commerce relating to Mont Royal or any of its subsidiaries in connection with the Arrangement or the other transactions contemplated hereby (including the Key Third Party Consents including those reasonably required under any Contract to which Mont Royal or a subsidiary of Mont Royal is a party or those needed to maintain in full force and effect any Permit held by the Mont Royal or a subsidiary of Mont Royal) provided, that the Parties agree that it shall not be a condition to closing of the Arrangement that such waivers, consents and approvals are obtained other than as set out in Article 6 of the Arrangement Agreement, in each case on terms that are reasonably satisfactory to Commerce and without paying, and without committing itself or Commerce to pay, any consideration or incur any liability or obligation without the prior written consent of Commerce and, in doing so, keep Commerce reasonably informed as to the status of the proceedings related to obtaining such approvals, including providing Commerce with copies of all related applications, notices and notifications, in draft form, in order for Commerce to provide its reasonable comments thereon, which shall be given due and reasonable consideration;

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(c) subject to the terms and conditions of the Arrangement Agreement and of the Plan of Arrangement and applicable Laws, issue the MRZ Shares to be issued pursuant to the Arrangement at the time provided herein;

(d) ensure that, with effect as and from the Effective Time, Mr. Cameron Henry shall be appointed Non-Executive Chairman and CEO of Mont Royal and the MRZ Board will be constituted of Messrs. Cameron Henry, Jeremy Robinson, Adam Ritchie, Ronnie Beevor and Nicholas Holthouse, provided all such members of the MRZ Board consent to act as director on the MRZ Board, meet the qualification requirements to serve as a director under the rules and policies of the Exchange and shall be eligible under applicable Law to serve as a director;

(e) defend all lawsuits or other legal, regulatory or other Proceedings against Mont Royal challenging or affecting the Arrangement Agreement or the consummation of the transactions contemplated thereby; and

(f) until the earlier of the Effective Time and termination of the Arrangement Agreement, subject to applicable Law, make available and cause to be made available to Commerce, information reasonably requested by Commerce for the purposes of preparing, considering and implementing integration and strategic plans for the combined businesses of Mont Royal and Commerce following the Effective Date and confirming the representations and warranties of Mont Royal set out in the Arrangement Agreement.

Mont Royal shall promptly notify Commerce of:

(a) any notice or other communication from any person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such person (or another person) is or may be required in connection with the Arrangement, the Arrangement Agreement or any of the transactions contemplated thereby;

(b) unless prohibited by Law, any notice or other communication from any person in connection with the transactions contemplated by the Arrangement Agreement (and Mont Royal shall contemporaneously provide a copy of any such written notice or communication to Commerce);

(c) any breach or default, or any notice of alleged breach or default, by Mont Royal or a subsidiary of Mont Royal of any Material Contract or Permit to which it is a party or by which it is bound;

(d) any written notice or other communication from any Governmental Entity in connection with the Arrangement Agreement (and Mont Royal shall contemporaneously provide a copy of any such written notice or communication to Commerce); and

(e) any (i) Proceedings commenced or, to the knowledge of Mont Royal, threatened against, relating to or involving or otherwise affecting the Arrangement, the Arrangement Agreement or any of the transactions contemplated thereby, and (ii) material Proceedings commenced or, to the knowledge of Mont Royal, threatened against, relating to or involving or otherwise affecting Mont Royal, its subsidiaries.

Mutual Covenants

Each of the Parties have also agreed that, until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms, except as contemplated in the Arrangement Agreement:

(a) it shall, and shall cause its subsidiaries to, use commercially reasonable efforts to take, or cause to be taken, as promptly as practicable, all other action and to do, or cause to be done, all other things necessary, proper or advisable under all applicable Laws to complete the Plan of Arrangement, including using its commercially reasonable efforts to cooperate with the other Parties in connection with the performance by it and its subsidiaries of their obligations under the Arrangement Agreement, including giving the other Parties a reasonable opportunity to review and comment on

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any filing or submission being made to a Governmental Entity in connection with the Regulatory Approvals, which comments the receiving Party shall give due consideration to, and providing the other Parties with a final copy of any filing or submission made to a Governmental Entity (where a Party regards any information in a filing or submission to be both confidential and competitively sensitive, the supplying Party may restrict the supply of such information to the receiving Party's outside legal counsel only and such receiving Party shall not request or receive such information from its outside legal counsel without the supplying Party's written consent); provided that for greater certainty, no Party shall make any filing with a Governmental Entity relating to the transactions contemplated by the Arrangement Agreement unless the Parties have mutually agreed such filing shall be made;

(b) it shall not take any action, refrain from taking any commercially reasonable action, or permit any action to be taken or not taken, which is inconsistent with the Arrangement Agreement or which would reasonably be expected to significantly impede the making or completion of the Plan of Arrangement except as permitted by the Arrangement Agreement; and

(c) it shall use its commercially reasonable efforts to ensure that the Section 3(a)(10) Exemption is available for the issuance of the Consideration to the CCE Shareholders in exchange for their CCE Shares and the Replacement Options pursuant to the Plan of Arrangement.

Non-Solicitation Covenant

Each Party has covenanted and agreed that, except as permitted in accordance with the Arrangement Agreement, it shall not, and shall not authorize or permit any of its Representatives or its subsidiaries, directly or indirectly, to:

(a) knowingly make, solicit, initiate, entertain, encourage, promote or facilitate, including by way of furnishing information, permitting any visit to its facilities or properties or entering into any form of agreement, arrangement or understanding (other than a confidentiality agreement permitted pursuant to Section 7.2 of the Arrangement Agreement), any inquiries or the making of any proposals regarding, in the case of Commerce, an Acquisition Proposal or, in the case of Mont Royal, a MRZ Intervening Event or that would reasonably be expected to constitute or lead to, in the case of Commerce, an Acquisition Proposal or, in the case of Mont Royal, a MRZ Intervening Event;

(b) enter into, engage in or participate, directly or indirectly, in any discussions or negotiations regarding, or furnish to any person any information or otherwise cooperate with, respond to, assist or participate in, in the case of Commerce, any Acquisition Proposal or potential Acquisition Proposal or, in the case of Mont Royal, any MRZ Intervening Event or potential MRZ Intervening Event, provided however that a Party may communicate and participate in discussions with a third party for the purpose of (A) advising such third party of the non-solicitation restrictions set forth in this Section 7.2, (B) clarifying the terms of any proposal in order to determine if it would reasonably be expected to result in, in the case of Commerce, a Superior Proposal or, in the case of Mont Royal, a MRZ Intervening Event, and (C) advising such third party that in the case of Commerce, an Acquisition Proposal does not constitute a Superior Proposal or is not reasonably expected to constitute or lead to a Superior Proposal or, in the case of Mont Royal, that its inquiry, proposal or offer does not constitute a MRZ Intervening Event or is not reasonably expected to constitute or lead to a MRZ Intervening Event;

(c) in respect of Commerce only, remain neutral with respect to, or agree to, approve or recommend any Acquisition Proposal or potential Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to a publicly disclosed Acquisition Proposal until five (5) Business Days following public disclosure of such Acquisition Proposal, or, in the event the Meeting is scheduled to occur within such five (5) Business Day period, prior to the third (3rd) Business Day before the date of the Meeting (or, if the public announcement were made less than three (3) Business Days prior to the Meeting, prior to the first (1st) Business Day before the date of the Meeting) shall not be considered to be a violation of this Section 7.2(b)(iii), provided that the CCE Board has rejected such Acquisition Proposal and, as applicable, affirmed its recommendation

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by press release before the end of such period) or (y) in respect of Mont Royal only, remain neutral with respect to, or agree to, approve or recommend any MRZ Intervening Event or potential MRZ Intervening Event (it being understood that publicly taking no position or a neutral position with respect to a publicly disclosed MRZ Intervening Event until five (5) Business Days following public disclosure of such MRZ Intervening Event, or, in the event the MRZ Meeting is scheduled to occur within such five (5) Business Day period, prior to the third (3rd) Business Day before the date of the MRZ Meeting (or, if the public announcement were made less than three (3) Business Days prior to the MRZ Meeting, prior to the first (1st) Business Day before the date of the MRZ Meeting) shall not be considered to be a violation of Section 7.2(b)(iii) of the Arrangement Agreement provided that the MRZ Board has rejected such MRZ Intervening Event and, as applicable, affirmed its recommendation by press release before the end of such period);

(d) in respect of Commerce only, fail to unanimously recommend or withdraw, modify, qualify or change in a manner adverse to Mont Royal, or publicly propose to or publicly state that it intends to withdraw, modify, qualify or change in a manner adverse to Mont Royal the approval, recommendation or declaration of advisability of its board of directors of the Arrangement and the transaction contemplated in the Arrangement Agreement other than following the occurrence of a Material Adverse Effect on Mont Royal, as applicable (a "**Change in Recommendation**") (it being understood that failing to publicly affirm the approval or recommendation of its board of directors of the Arrangement and the transactions contemplated in the Arrangement Agreement (without qualification) within five (5) Business Days after an Acquisition Proposal relating to Commerce has been publicly announced (or, in the event the Meeting is scheduled to occur within such five (5) Business Day period, prior to the third (3rd) Business Day before the date of the Meeting (or, if the public announcement were made less than three (3) Business Days prior to the Meeting, prior to the first (1st) Business Day before the date of the Meeting)) shall be considered an adverse modification);

(e) accept or enter into any agreement, arrangement, letter of intent or understanding related to any Acquisition Proposal (other than a confidentiality agreement permitted pursuant to the Section 7.2 of the Arrangement Agreement); or

(f) make any public announcement to do any of the foregoing.

(g) if Commerce or any of their respective Representatives (in this section, the "**Solicited Party**") receives any inquiry, proposal or offer that constitutes or would reasonably be expected to constitute or lead to an Acquisition Proposal, or any request for copies of, access to, or disclosure of, confidential information relating to such Solicited Party, including information, access or disclosure relating to the properties, facilities, Books and Records of such Solicited Party or any discussions or negotiations are sought to be initiated or continued with such Solicited Party in connection with an actual or potential Acquisition Proposal, the Solicited Party shall:

(h) promptly notify Mont Royal, at first orally within 24 hours, and then promptly and in any event within 48 hours in writing, of such Acquisition Proposal, inquiry, proposal, offer or request, including a description of its material terms and conditions, the identity of all persons making the Acquisition Proposal, inquiry, proposal, offer or request, and copies of all written documents, material correspondence or other material received in respect of, from or on behalf of any such person; and

(i) keep Mont Royal fully informed, on a prompt basis, of the status of all material developments with respect to such Acquisition Proposal, inquiry, proposal, offer or request, including any material changes, modifications or other amendments to any such Acquisition Proposal, inquiry, proposal, offer or request and shall promptly provide to the other Party copies of all material correspondence if in writing or electronic form, and if not in writing or electronic form, a description of the material or substantive terms of such correspondence communicated to the Solicited Party by or on behalf of any person making such Acquisition Proposal, inquiry, proposal, offer or request.

Notwithstanding the foregoing part of Section 7.2 and any other provisions of the Arrangement Agreement:

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(a) the CCE Board may prior to the CCE Shareholder Approval having been obtained consider, participate in any discussions or negotiations with and provide information to, any person who has delivered a written Acquisition Proposal which was not solicited or encouraged by Commerce after the date of the Arrangement Agreement, if and only if,

(b) the CCE Board first determines in good faith, after consultation with its financial advisor and outside legal counsels, such Acquisition Proposal, including any clarifying statements made pursuant to Section 7.2(b)(ii) of the Arrangement Agreement, constitutes or would reasonably be expected to constitute a Superior Proposal;

(c) such person making the Acquisition Proposal was not restricted from making such Acquisition Proposal pursuant to an existing confidentiality, standstill, non-disclosure, non-solicitation or similar agreement, restriction or covenant contained in any Contract entered into with Commerce;

(d) Commerce has been and continues to be in compliance in all material respects with its obligations under Section 7.2 of the Arrangement Agreement, other than an immaterial breach of Commerce's obligation under Section 7.2 to provide notice of an Acquisition Proposal to Mont Royal within a prescribed period;

(e) if Commerce provides confidential non-public information to such person, prior to doing so, Commerce obtains a confidentiality and standstill agreement from the person making such Acquisition Proposal that is substantively the same as the confidentiality agreement between the Parties hereto, and otherwise on terms no more favourable to such person than such confidentiality agreement, including a standstill provision at least as stringent as contained in such confidentiality agreement, provided, however, that such agreement shall not preclude such person from making an Acquisition Proposal or related communications to Commerce and such agreement shall not restrict or prohibit Commerce from disclosing to Mont Royal any details concerning the Acquisition Proposal or any Superior Proposal made by such person; and

(f) prior to engaging in or participating in discussions or negotiations with such person regarding such Acquisition Proposal (excluding, for certainty, negotiations regarding the confidentiality agreement that do not relate to the terms and conditions of the Acquisition Proposal) or providing any such copies, access or disclosure, Commerce provides Mont Royal with:

(g) written notice stating Commerce's intention to participate in such discussions or negotiations and to provide such copies, access or disclosure and that the CCE Board has determined that failure to take such action would be inconsistent with its fiduciary duties;

(h) promptly, a copy of any such confidentiality agreement referred to in this Section 7.2(d)(i) of the Arrangement Agreement upon its execution; and

(i) a list of the information provided to such person and is immediately provided with access to similar information to which such person was provided (to the extent that such information had not previously been provided or otherwise made available to Mont Royal).

Nothing contained in Article 7 of the Arrangement Agreement shall prohibit the CCE Board from:

(a) responding through a directors' circular or otherwise making disclosure to CCE Shareholders as required by Law to an Acquisition Proposal, provided that to the extent practicable the Commerce shall provide to Mont Royal and its outside legal counsels with a reasonable opportunity to review the form and content of such circular or other disclosure and shall consider all reasonable amendments as requested by Mont Royal and its counsel; or

(b) calling and/or holding a meeting of CCE Shareholders requisitioned in accordance with applicable Laws or taking any other action with respect to an Acquisition Proposal to the extent ordered or otherwise mandated by a Governmental Entity or court of competent jurisdiction in accordance with Law.

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(c) Each Party shall ensure that its officers, directors and employees and its subsidiaries and their officers, directors, employees and any financial advisors or other advisors or Representatives retained by it are aware of the provisions of this Section 7.2, and it shall be responsible for any breach of this Section 7.2 by such officers, directors, employees, financial advisors or other advisors or Representatives.

Right to Accept Superior Proposal and Right to Match

If Commerce receives an Acquisition Proposal that constitutes a Superior Proposal prior to the CCE Shareholder Approval having been obtained, Commerce may make a Change in Recommendation in respect of such Superior Proposal, may approve, recommend or enter into a definitive agreement with respect to such Superior Proposal and terminate the Arrangement Agreement if, and only if:

(a) the person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing confidentiality, standstill, non-disclosure, non-solicitation or similar agreement, restriction or covenant contained in any Contract entered into with Commerce;

(b) Commerce has been, and continues to be, in compliance with its obligations under Section 7.2 of the Arrangement Agreement, other than an immaterial breach of Commerce's obligation to provide notice of an Acquisition Proposal to Mont Royal within a prescribed period;

(c) Commerce has provided Mont Royal with a copy of all documentation required pursuant to Sections 7.2(c) and 7.2(d) of the Arrangement Agreement and a summary of all material terms and conditions of the definitive agreement for the Superior Proposal (including a summary of the material terms and conditions of any supporting agreements);

(d) Commerce has delivered to Mont Royal a written notice advising it that the CCE Board has resolved to make a Change in Recommendation or to terminate the Arrangement Agreement or to accept, approve, recommend or enter into an agreement in respect of such Superior Proposal subject only to Section 7.3 of the Arrangement Agreement (including a notice as to the value in financial terms that the CCE Board has, in consultation with its financial advisors, determined should be ascribed to any non-cash consideration offered under the Superior Proposal) (a "**Superior Proposal Notice**");

(e) at least five (5) full Business Days (the "**Matching Period**") have elapsed from the date that is the later of the date on which Mont Royal received the Superior Proposal Notice and the date on which Mont Royal received all of the materials referred to in Section 7.3(a)(iii) of the Arrangement Agreement;

(f) during any Matching Period, Mont Royal has had the opportunity (but not the obligation) to offer to amend the Arrangement Agreement in order for such Acquisition Proposal to cease to be a Superior Proposal;

(g) after the Matching Period, the CCE Board has determined in good faith, after consultation with its outside legal counsel and financial advisors, that such Acquisition Proposal continues to constitute a Superior Proposal (if applicable, compared to the terms of the Arrangement as proposed to be amended under Section 7.3(a)(vi) of the Arrangement Agreement), and determined in good faith, after consultation with its outside legal counsel that the failure by the CCE Board to approve, recommend or enter into a definitive agreement with respect to such Superior Proposal would be inconsistent with its fiduciary duties; and

(h) prior to or concurrently with entering into such definitive agreement or making a Change in Recommendation, Commerce shall terminate the Arrangement Agreement pursuant to Section 8.2 thereof and pay the Termination Fee pursuant to Section 7.4 thereof, as applicable.

During any Matching Period, or such longer period as Commerce may approve, in its sole discretion: (a) Mont Royal has the opportunity (but not the obligation) to offer to amend the Arrangement Agreement in order for such Acquisition

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Proposal to cease to be a Superior Proposal and the CCE Board will review any written proposal to amend the terms of the Arrangement Agreement in good faith in order to determine, in the exercise of its fiduciary duties, whether the amended proposal would, upon acceptance by Commerce, result in such Superior Proposal ceasing to be a Superior Proposal; and (b) Commerce shall, and shall cause its Representatives to, negotiate in good faith with Mont Royal to make such mutually agreed amendments to the terms of the Arrangement Agreement and the Plan of Arrangement as would enable Mont Royal to proceed with the transactions contemplated by the Arrangement Agreement on such amended terms. If the CCE Board so determines, Commerce will enter into an amended agreement with Mont Royal reflecting the amended proposal as mutually agreed and shall take and cause to be taken all such actions as are necessary to give effect to the foregoing. If the CCE Board does not so determine, Commerce may accept, approve, recommend or enter into an agreement, understanding or arrangement in respect of such Superior Proposal.

Each successive amendment or modification to any Acquisition Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by Commerce's securityholders or other material terms or conditions thereof shall constitute a new Acquisition Proposal, and Mont Royal shall be afforded a new full five (5) Business Day Matching Period from the later of the date on which Mont Royal received the Superior Proposal Notice and the date on which Mont Royal received a copy of the proposed definitive agreement and all supporting materials with respect to each new Acquisition Proposal from Commerce.

The CCE Board shall promptly reaffirm its recommendation of the Arrangement (being the CCE Board Recommendation) by news release after any Acquisition Proposal which is not determined to be a Superior Proposal is publicly announced or Commerce determines that a proposed amendment to the terms of the Arrangement Agreement would result in an Acquisition Proposal constituting a Superior Proposal no longer being a Superior Proposal. Commerce shall provide Mont Royal and its outside legal counsel with a reasonable opportunity to review the form and content of any such news release and shall make all reasonable amendments to such news release as requested by Mont Royal and its outside legal counsel.

If the Meeting is to be held during a Matching Period, Commerce may, and shall at the request of Mont Royal, postpone or adjourn the Meeting to a date that is not more than fifteen (15) days after the scheduled date of the Meeting, but in any event the Meeting shall not be postponed or adjourned to a date that would prevent the Effective Date from occurring prior to the Outside Date.

Other Covenants

Alternative Transaction

If Mont Royal concludes that it is necessary or desirable to proceed with another form of transaction (such as a formal take-over bid or amalgamation) or amend the Arrangement (an "**Alternative Transaction**") whereby Mont Royal or its affiliates would continue to effectively acquire all of the CCE Shares within approximately the same time periods and on economic terms and other terms and conditions (including tax treatment) that are no less favourable to CCE Shareholders (and other securityholders of Commerce) than those contemplated by the Arrangement Agreement ("**Alternative Transaction Conditions**"), Commerce has agreed to consider such Alternative Transaction in good faith and if Commerce determines, acting reasonably, that the Alternative Transaction Conditions are satisfied, it will support the completion of such Alternative Transaction in the same manner as the Arrangement and shall otherwise fulfill its covenants contained in the Arrangement Agreement in respect of such Alternative Transaction.

Pre-Closing Reorganization

Commerce has agreed that, upon request of Mont Royal, Commerce shall (i) perform such reorganizations of its corporate structure, capital structure, business, operations and assets or such other transactions as Mont Royal may request, acting reasonably (each a "**Pre-Closing Reorganization**"), and (ii) cooperate with Mont Royal and its advisors to determine the nature of the Pre-Closing Reorganizations that might be undertaken and the manner in which they would most effectively be undertaken; and (iii) cooperate with Mont Royal and its advisors to seek to obtain any consents, approvals, waivers or similar authorizations which are reasonably required by Mont Royal (based on the terms of any Contract or Permit) in connection with the Pre-Closing Reorganizations, if any.

However, Commerce will not be obligated to participate in any Pre-Closing Reorganization unless such Pre-Closing Reorganization:

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(a) can be completed as close as reasonably practicable prior to the Effective Date, and can be unwound in the event the Arrangement is not consummated without adversely affecting Commerce or any of its securityholders or subsidiaries in any material manner;

(b) is not prejudicial to Commerce, any of its subsidiaries or the CCE Securityholders in any material respect (including any Taxes being imposed or adverse Tax consequences); and

(c) does not impair the ability of Commerce to consummate, and will not materially delay the consummation of, the Arrangement.

Mont Royal must provide written notice to Commerce of any proposed Pre-Closing Reorganization at least ten (10) Business Days prior to the Effective Date. Upon receipt of such notice, Commerce and Mont Royal shall work cooperatively and use their commercially reasonable efforts to prepare prior to the Effective Time all documentation necessary and do such other acts and things as are necessary to give effect to such Pre-Closing Reorganization, including any amendment to the Arrangement Agreement or the Plan of Arrangement and shall seek to have any such Pre-Closing Reorganization made effective as of the last moment of the Business Day ending immediately prior to the Effective Date (but after Mont Royal has waived or confirmed that all of the conditions set out in Section 6.1 and Section 6.2 of the Arrangement Agreement have been satisfied).

Mont Royal has agreed that it will be responsible for all costs and expenses associated with any Pre-Closing Reorganization to be carried out at its request and shall indemnify and save harmless Commerce and its affiliates and Representatives from and against any and all liabilities, losses, damages, claims, costs, expenses, interest awards, judgements and penalties suffered or incurred by any of them in connection with or as a result of any such Pre-Closing Reorganization (including in respect of any reversal, modification or termination of a Pre-Closing Reorganization) and that any Pre-Closing Reorganization will not be considered in determining whether a representation or warranty of Commerce under the Arrangement Agreement has been breached (including where any such Pre-Closing Reorganization requires the consent of any third party under a Contract).

Public Communications

Except as required by applicable Law, no Party shall issue any news release, make any filing with any Governmental Entity or Exchange, or make any other public statement or disclosure with respect to the Arrangement Agreement or the transactions contemplated thereby without the prior written consent of the other Parties (which consent shall not be unreasonably withheld, conditioned or delayed); provided that, any Party that, in the opinion of outside legal counsel, is required to make disclosure by applicable Law shall use commercially reasonable efforts to give the other Parties prior oral or written notice and a reasonable opportunity to review or comment on such disclosure (other than with respect to confidential information contained in such disclosure) and if such prior notice is not permitted by applicable Law, shall give such notice immediately following the making of such disclosure. The Party making such disclosure shall give reasonable consideration to any comments made by the other Parties or their counsel.

Insurance and Indemnification

Prior to the Effective Date, Commerce shall, in consultation with Mont Royal, purchase customary "tail" or "run off" directors' and officers' liability insurance from an insurance company of nationally recognized standing providing protection no less favourable in the aggregate to the protection provided by the policies maintained by Commerce and its subsidiaries which are in effect immediately prior to the Effective Time and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Time and Mont Royal shall, or shall cause Commerce and its subsidiaries to maintain such tail policies in effect without any reduction in scope or coverage for six years after the Effective Date; provided that Mont Royal shall not be required to pay any amounts in respect of such coverage prior to the Effective Time and provided further that the cost of such policies shall not exceed 300% of Commerce's and its subsidiaries' current annual aggregate premium for directors' and officers' liability insurance policies currently maintained by Commerce or its subsidiaries.

Mont Royal has acknowledged that the rights to indemnification or exculpation now existing in favour of present and former Employees, officers and directors of Commerce and its subsidiaries under applicable Law, Contracts that are disclosed in the CCE Disclosure Letter or set forth in the Constating Documents of Commerce, shall, in accordance

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with their terms, survive the completion of the Plan of Arrangement and shall continue in full force and effect for a period of not less than six years after the Effective Date.

Exchange De-listing and Listing of MRZ Shares

Subject to applicable Law, each of Commerce and Mont Royal have agreed to use its commercially reasonable efforts and cooperate with the other Party in taking, or causing to be taken, all actions necessary to enable (a) the de-listing of the CCE Shares from the TSXV, the Frankfurt Stock Exchange, and the OTCQX (including, if requested by Mont Royal, such items as may be necessary to de-list the CCE Shares on or promptly following the Effective Date), (b) Commerce to cease being a reporting issuer under applicable Canadian Securities Laws, as promptly as practicable following the Effective Time; and (c) the listing of Mont Royal and the MRZ Shares on the TSXV on or promptly following the Effective Date of the Arrangement.

Termination

The Arrangement Agreement may be terminated and the Arrangement may be abandoned at any time prior to the Effective Time (notwithstanding any approval of the Arrangement Agreement or the Arrangement Resolution by the CCE Shareholders, or the approval of the Arrangement by the Court):

(a) by mutual written agreement of Commerce and Mont Royal; or

(b) by either Commerce or Mont Royal, if:

(i) the Effective Time has not occurred on or before the Outside Date, except that such right to terminate the Arrangement Agreement will not be available to any Party whose failure to fulfill any of its obligations or whose breach of any of its representations and warranties set forth in the Arrangement Agreement has been the cause of, or resulted in, the failure of the Effective Time to occur by the Outside Date; or

(ii) after the date of the Arrangement Agreement, there shall be enacted, enforced, amended or made any applicable Law that makes consummation of the Arrangement illegal or otherwise prohibited or enjoins Commerce or Mont Royal from consummating the Arrangement and such Law (if applicable) or enjoinment shall have become final and non-appealable provided that the Party seeking to terminate the Arrangement Agreement has used its commercially reasonable efforts, to, as applicable, prevent, appeal or overturn such Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement; or

(iii) the CCE Shareholder Approval is not obtained at the Meeting (including any adjournment or postponement thereof) in accordance with the Interim Order provided that a Party may not terminate the Arrangement Agreement if the failure to obtain the approval of the CCE Shareholders has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement; or

(iv) the MRZ Shareholder Approval is not obtained at the MRZ Meeting (including any adjournment or postponement thereof), provided that a Party may not terminate this Agreement pursuant to this Section if the failure to obtain the MRZ Shareholder Approval has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement; or

(c) by Mont Royal, if:

(i) the CCE Board makes a Change in Recommendation; or

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(ii) subject to the notice and cure provisions of the Arrangement Agreement, Commerce breaches any representation or warranty or fails to perform any covenant or agreement set forth in the Arrangement Agreement (other than as set forth in the non-solicitation provisions of the Arrangement Agreement), which breach would cause the mutual conditions precedent or the conditions precedent to the obligations of Mont Royal in the Arrangement Agreement not to be satisfied, and such conditions are incapable of being cured or satisfied by the Outside Date; provided that any Willful Breach shall be deemed to be incapable of being cured and provided further that Mont Royal is not then in breach of the Arrangement Agreement so as to directly or indirectly cause any of the mutual conditions precedent or the conditions precedent to the obligations of Commerce set forth in the Arrangement Agreement not to be satisfied; or

(iii) Commerce is in breach of any of its obligations or covenants set forth in the non-solicitation provisions of the Arrangement Agreement, other than an immaterial breach of Commerce's obligation to provide notice of an Acquisition Proposal to Mont Royal within a prescribed period; or

(iv) Commerce enters into a legally binding agreement relating to a Superior Proposal (other than a confidentiality agreement permitted by and accordance with Section 7.2(d) of the Arrangement Agreement); or

(v) there has occurred a Material Adverse Effect on Commerce which is incapable of being cured on or prior to the Outside Date; or

(vi) prior to obtaining the MRZ Shareholder Approval, the MRZ Board makes a Change in MRZ Recommendation (as defined herein);

(d) by Commerce, if:

(i) the MRZ Board (1) fails to unanimously recommend or withdraws, amends, modifies or qualifies, or publicly proposes or states an intention to withdraw, amend, modify or qualify, in a manner adverse to Commerce, the MRZ Board Recommendation (as defined in the Arrangement Agreement); (2) fails to convene and conduct the MRZ Meeting in accordance with Section 5.6 of the Arrangement Agreement; (3) fails to publicly reaffirm the MRZ Board Recommendation (as defined in the Arrangement Agreement) (without qualification) within five (5) Business Days after having been requested in writing by Commerce to do so acting reasonably (collectively, a "**Change in MRZ Recommendation**"); or (4) Mont Royal breaches Article 7 of the Arrangement Agreement in any material respect; or

(ii) prior to the approval of the Arrangement Resolution at the Meeting, Commerce enters into a legally binding agreement with respect to a Superior Proposal (other than a confidentiality agreement permitted by and accordance with Section 7.2(d) of the Arrangement Agreement), provided that concurrently with such termination, Commerce pays the Termination Fee payable to Mont Royal; or

(iii) subject to the notice and cure provisions of the Arrangement Agreement, Mont Royal breaches any representation or warranty or fails to perform any covenant or agreement set forth in the Arrangement Agreement (other than as set forth in the non-solicitation provisions of the Arrangement Agreement), which breach would cause the mutual conditions precedent or the conditions precedent to the obligations of Commerce in the Arrangement Agreement not to be satisfied, and such conditions are incapable of being cured or satisfied by the Outside Date; provided that any Willful Breach shall be deemed to be incapable of being cured and provided further that Commerce is not then in breach of the Arrangement Agreement so as to cause any of the mutual conditions precedent or the conditions precedent to the obligations of Mont Royal set forth in the Arrangement Agreement not to be satisfied; or

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(iv) Mont Royal is in breach or in default of any of its non-solicitation obligations or covenants, other than an immaterial breach of Mont Royal's obligation to provide notice of an Acquisition Proposal to Commerce within a prescribed period; or

(v) there has occurred a Material Adverse Effect on Mont Royal which is incapable of being cured on or prior to the Outside Date.

The Party desiring to terminate the Arrangement Agreement must give notice of such termination to the other Parties.

If the Arrangement Agreement is terminated pursuant to Section 8.2 of the Arrangement Agreement, the provisions of Section 8.2(c) and Sections 2.4(b), 2.4(d), 5.10(d), 5.12, 7.4, 7.5(d), and Article 9 of the Arrangement Agreement shall survive any termination hereof pursuant to Section 8.2(a) of the Arrangement Agreement, provided further that neither the termination of the Arrangement Agreement nor anything contained in Section 8.2 of the Arrangement Agreement shall relieve a Party from any liability arising prior to such termination.

Termination Fee and Expense Reimbursement

If any of the following events occur, Commerce shall pay Mont Royal as consideration for the disposition by Commerce of its rights under the Arrangement Agreement and the Plan of Arrangement (by wire transfer of immediately available funds) the Termination Fee of A$250,000:

(a) the Arrangement Agreement has been terminated by Mont Royal as a result of a Change in Recommendation by the CCE Board;

(b) the Arrangement Agreement has been terminated by Mont Royal as a result of a breach or default on the part of Commerce of any of its obligations or covenants set forth in the non-solicitation provisions of the Arrangement Agreement other than an immaterial breach of Commerce's obligation to provide notice of an Acquisition Proposal to Mont Royal within a prescribed period;

(c) the Arrangement Agreement has been terminated by Mont Royal as a result of Commerce entering into a legally binding agreement relating to a Superior Proposal;

(d) the Arrangement Agreement has been terminated by Commerce as a result of Commerce entering into a legally binding agreement with respect to a Superior Proposal (other than a confidentiality agreement permitted by and in accordance with Section 7.2(d) of the Arrangement Agreement), provided that Commerce pays the Termination Fee;

(e) pursuant to Section 8.2(a)(ii)(A) or Section 8.2(a)(ii)(C) or by Mont Royal pursuant to Section 8.2(a)(iii)(B) if in either case:

(f) the Arrangement Agreement has been terminated by:

(i) either Commerce or Mont Royal as a result of the failure to complete the Arrangement by the Outside Date or the failure to obtain the CCE Shareholder Approval at the Meeting, or

(ii) Mont Royal as a result of a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Commerce under the Arrangement Agreement (other than as set forth in the non-solicitation provisions of the Arrangement Agreement), which breach would cause the mutual conditions precedent or the conditions precedent to the obligations of Mont Royal in the Arrangement Agreement not to be satisfied, and such breach or failure is incapable of being cured or is not cured in accordance with the notice and cure provisions of the Arrangement Agreement; provided that any Willful Breach shall be deemed to be incapable of being cured and provided further that Mont Royal is not then in breach of the Arrangement Agreement so as to directly or indirectly cause any of the mutual conditions precedent or the conditions precedent to the obligations of Commerce set forth in the Arrangement Agreement not to be satisfied, if in either case:

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prior to the earlier of the termination of the Arrangement Agreement or the holding of the Meeting, a *bona fide* Acquisition Proposal with respect to Commerce shall have been made to Commerce or publicly announced by any person (other than Mont Royal or any of its affiliates); and

within 12 months following the date of such termination (including on the date of such termination) Commerce or one or more of its subsidiaries, directly or indirectly, in one or more transactions, enters into an agreement in respect of any Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to above) and such Acquisition Proposal is later consummated (whether or not within 12 months after such termination);

provided that, for the purposes of this paragraph, all references to "**20%**" in the definition of "Acquisition Proposal" shall be deemed to be references to "**50%**".

Commerce shall pay to Mont Royal an expense reimbursement fee in the amount of $250,000 in the event that the Arrangement Agreement is terminated by Mont Royal as a result of the failure to obtain the CCE Shareholder Approval at the Meeting.

Amendment

The Arrangement Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting but not later than the Effective Time, be amended by mutual written agreement of the Parties without, subject to applicable Laws, further notice to or authorization on the part of the CCE Shareholders, and any such amendment may, subject to the terms of the Interim Order, the Final Order, the Plan of Arrangement and applicable Law, without limitation:

(a) change the time for performance of any of the obligations or acts of the Parties;

(b) waive any inaccuracies or modify any representation or warranty contained in the Arrangement Agreement or in any document delivered pursuant hereto;

(c) waive compliance with or modify any of the covenants in the Arrangement Agreement contained and waive or modify performance of any of the obligations of the Parties; and/or

(d) waive compliance with or modify any mutual conditions precedent contained in the Arrangement Agreement.

Waiver

Any Party may:

(a) extend the time for the performance of any of the obligations or acts of the other Party;

(b) except as otherwise provided in the Arrangement Agreement, waive compliance with any of the other Party's agreements or the fulfilment of any conditions precedent to its own obligations contained in the Arrangement Agreement; or

(c) waive inaccuracies in any of the other Party's representations or warranties contained in the Arrangement Agreement or in any document delivered by any other Party;

provided that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such Party and, unless otherwise provided in the written waiver, will be limited to the specific breach or condition waived. A single or partial exercise of any right will not preclude a Party from any other or further exercise of that right or the exercise of any other right.

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PART 9. SECURITIES LAW MATTERS

The following is a brief summary of the securities law considerations applicable to the Arrangement and transactions contemplated thereby. This summary is of a general nature only and is not intended to be, and should not be construed to be, legal or business advice to any particular CCE Shareholder. This summary does not include any information regarding securities law considerations for jurisdictions other than Canada, the United States, Australia, Germany, Hong Kong, Malaysia, Switzerland and Thailand. CCE Shareholders are urged to obtain independent advice in respect of the consequences to them of the Arrangement having regard to their particular circumstances.

Canadian Securities Law Matters

Each CCE Shareholder is urged to consult his, her or its professional advisors to determine the Canadian conditions and restrictions applicable to trades in MRZ Shares.

Status under Canadian Securities Laws

Commerce is a reporting issuer in the provinces of Alberta, British Columbia and Ontario. The CCE Shares currently trade on the TSXV. Following the completion of the Arrangement, the CCE Shares will be de-listed from the TSXV, the Frankfurt Stock Exchange and the OTCQX (anticipated to be effective two or three Business Days following the Effective Date) and Mont Royal expects to apply to the applicable Canadian securities regulators to have Commerce cease to be a reporting issuer.

Mont Royal is an Australian listed public company. MRZ Shares are listed and posted for trading on the ASX under the symbol "MRZ". MRZ Shares are currently tradeable on the ASX. Mont Royal has applied for its MRZ Shares to be listed on the TSXV. It is a condition to the completion of the Arrangement that both the TSXV and ASX shall have conditionally approved (or provided equivalent approval for) the listing thereon of the MRZ Shares issuable under the Arrangement, subject only to satisfying the customary listing conditions of the TSXV and the ASX as applicable. Mont Royal will, upon completion of the Arrangement, be required to comply with Canadian statutory financial and other continuous and timely reporting requirements, including the requirement for insiders of Mont Royal to file reports with respect to trades of Mont Royal securities.

Distribution and Resale of MRZ Shares under Canadian Securities Laws

The distribution of the MRZ Shares pursuant to the Arrangement will constitute a distribution of securities that is exempt from the prospectus requirements of applicable Canadian securities legislation and is exempt from or otherwise is not subject to the registration requirements under applicable Canadian securities legislation. The MRZ Shares received pursuant to the Arrangement will not be legended and may be resold in Canada provided that: (i) the trade is not a "control distribution" (as defined in NI 45-102); (ii) no unusual effort is made to prepare the market or to create a demand for MRZ Shares; (iii) no extraordinary commission or consideration is paid to a person in respect of such sale; and (iv) if the selling securityholder is an insider or officer of Mont Royal, the selling securityholder has no reasonable grounds to believe that Mont Royal is in default of applicable Canadian securities laws.

United States Securities Law Matters

The following discussion is a general overview of certain requirements of U.S. federal securities laws that may be applicable to CCE Shareholders. All CCE Shareholders or holders of CCE Options or CCE PSUs are urged to consult with their own legal counsel to ensure that any subsequent transfer, distribution or resale of MRZ Shares to be received in exchange for their CCE Shares, or Replacement Options to be received in exchange for their CCE Options, or Replacement Performance Rights to be received in exchange for their CCE PSUs pursuant to the Arrangement complies with applicable securities legislation.

Further information applicable to CCE Shareholders in the United States is disclosed under the heading "*Part 2 – Notice to CCE Securityholders in the United States*" of this Circular.

The following discussion does not address the Canadian securities laws that will apply to the issue of MRZ Shares or the transfer, distribution or resale of these securities within Canada by CCE Shareholders in the United States. CCE Shareholders in the United States reselling their MRZ Shares in Canada must, in addition to complying with U.S.

securities laws, comply with all applicable Canadian securities laws. See "*Part 9 – Securities Law Matters – Canadian Securities Law Matters – Distribution and Resale of MRZ Shares under Canadian Securities Laws*" of this Circular.

Exemption from the Registration Requirements of the U.S. Securities Act

The MRZ Shares forming the Consideration to be received by CCE Shareholders pursuant to the Arrangement, as well as the Replacement Options and Replacement Performance Rights to be issued pursuant to the Arrangement, will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and, subject to the grant of the Final Order, will be issued and exchanged in reliance upon the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act and exemptions from or qualifications under the registration requirements under the securities laws of applicable states of the United States.

Section 3(a)(10) of the U.S. Securities Act exempts the issuance of any securities issued in exchange for one or more *bona fide* outstanding securities, or partly in such exchange and partly for cash, from the registration requirements of the U.S. Securities Act, where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by Law to grant such approval, after a hearing upon the substantive and procedural fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and have received timely and adequate notice thereof. The Court is authorized to conduct a hearing at which the procedural and substantive fairness of the terms and conditions of the Arrangement will be considered. Prior to the mailing of this Circular, the Court issued the Interim Order, and, subject to the approval of the Arrangement by the CCE Shareholders, a hearing for a Final Order approving the Arrangement is currently anticipated to take place on October 15, 2025 at 9:45 a.m. (Vancouver time) or as soon after that time as the application may be heard. Any CCE Shareholder or holder of CCE Options to be issued MRZ Shares, Replacement Options or Replacement Performance Rights, or any other interested party is entitled to appear and be heard at this hearing, provided that they satisfy the applicable conditions set forth in the Interim Order. Accordingly, the Final Order will, if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof with respect to the Consideration to be received by CCE Shareholders in exchange for their CCE Shares pursuant to the Arrangement, as well as the Replacement Options to be issued to holders of CCE Options and Replacement Share Rights to be issued to holders of CCE PSUs pursuant to the Arrangement.

Section 3(a)(10) of the U.S. Securities Act does not exempt the issuance of securities upon the exercise of securities that were previously issued pursuant to the Section 3(a)(10) of the U.S. Securities Act. As a result, the Section 3(a)(10) Exemption will not be available for the issuance of any MRZ Shares that are issuable upon exercise of the Replacement Options, Replacement Performance Rights or the CCE Warrants. Therefore, unless and until Mont Royal files a registration statement registering the issuance and resale of the MRZ Shares that are issuable upon exercise of the Replacement Options, Replacement Performance Rights or the CCE Warrants, the MRZ Shares issuable upon the exercise of the Replacement Options, Replacement Performance Rights or CCE Warrants will be "restricted securities" within the meaning of Rule 144, and may be issued to a person in the United States only pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws or following registration under such Laws. Mont Royal has no current intention to file, or take effective steps to file, such registration statements in the future. Prior to the issuance of MRZ Shares to a person in the United States pursuant to any such exercise, Mont Royal may require the delivery of an opinion of counsel or other evidence reasonably satisfactory to such issuer to the effect that the issuance of such MRZ Shares does not require registration under the U.S. Securities Act or applicable state securities laws.

The foregoing discussion is only a general overview of certain requirements of the U.S. Securities Act applicable to the exemption from the registration requirements of the U.S. Securities Act. All holders of such securities are urged to consult with counsel to ensure that the resale of their securities complies with applicable securities legislation.

Australian Securities Law Matters

Sections 707(3) and 707(4) of the Corporations Act require that if Mont Royal issues securities without disclosure under Part 6D.2 of the Corporations Act, and the purpose of a person to whom the securities were issued ("**Acquirer**") was to sell or transfer the securities, an offer of those securities for sale by the Acquirer within 12 months after their issue needs disclosure to investors under Part 6D.2 unless section 708 of the Corporation Act states otherwise. Mont Royal has applied for in-principle relief from ASIC to permit the on-sale of the MRZ Shares issued under the

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Arrangement or within 12 months from their date of issue without requiring a disclosure document to be lodged in accordance with sections 707(3) and (4) of the Corporations Act so that CCE Securityholders who receive MRZ Shares under the Arrangement may freely trade their MRZ Shares within Australia (including on the ASX) without the need for such disclosure under Part 6D.2.

Listing on the ASX

MRZ Shares are listed and posted for trading on the ASX under the symbol "MRZ". Mont Royal will apply for quotation of the MRZ Shares issuable by Mont Royal under the Arrangement on the ASX.

German Securities Law Matters

This Circular is not a prospectus under Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation"). Therefore, the Circular has not been, and will not be, registered with or approved by any securities regulator in Germany or elsewhere in the European Union. Accordingly, this Circular may not be made available, nor may the MRZ Shares be offered for sale or exchange, in Germany except in circumstances that do not require the obligation to publish a prospectus under the Prospectus Regulation.

In accordance with Article 1(4) of the Prospectus Regulation, an offer of MRZ Shares in Germany is limited:

- to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation);
- to fewer than 150 other natural or legal persons; and
- in any other circumstance falling within Article 1(4) of the Prospectus Regulation.

Hong Kong Securities Law Matters

WARNING: The contents of this Circular have not been reviewed or approved by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the Plan of Arrangement. If you are in any doubt about any of the contents of this Circular, you should obtain independent professional advice.

This Circular does not constitute an offer or invitation to the public in Hong Kong to acquire or subscribe for or dispose of any securities. This Circular also does not constitute a prospectus (as defined in section 2(1) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong)) or notice, circular, brochure or advertisement offering any securities to the public for subscription or purchase or calculated to invite such offers by the public to subscribe for or purchase any securities, nor is it an advertisement, invitation or document containing an advertisement or invitation falling within the meaning of section 103 of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

Accordingly, unless permitted by the securities laws of Hong Kong, no person may issue or cause to be issued this Circular in Hong Kong, other than to persons who are "professional investors" (as defined in the Securities and Futures Ordinance and any rules made thereunder) or in other circumstances that do not constitute an offer to the public within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

No person may issue or have in its possession for the purposes of issue, this Circular or any advertisement, invitation or document relating to these securities, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than any such advertisement, invitation or document relating to securities that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors.

Copies of this Circular may be issued to CCE Shareholders in Hong Kong in a manner that does not constitute any issue, circulation or distribution of this Circular, or any offer or an invitation in respect of these securities, to the public in Hong Kong. This Circular is for the exclusive use of CCE Shareholders in connection with the Plan of Arrangement. No steps have been taken to register or seek authorisation for the issue of this Circular in Hong Kong.

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This Circular is confidential to the person to whom it is addressed and no person to whom a copy of this Circular is issued may issue, circulate, distribute, publish, reproduce or disclose (in whole or in part) this Circular to any other person in Hong Kong or use for any purpose in Hong Kong other than in connection with consideration of the Plan of Arrangement by CCE Shareholders.

Malaysian Securities Law Matters

No approval from, or recognition by, the Securities Commission of Malaysia has been, or will be, obtained in relation to any offer of the MRZ Shares. The MRZ Shares may not be issued or transferred in Malaysia except to persons who are shareholders of Commerce in compliance with the Plan of Arrangement.

Swiss Securities Law Matters

The MRZ Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this Circular nor any other offering material relating to the MRZ Shares constitutes a prospectus or a similar notice as such terms are understood pursuant to art. 35 of the Swiss Financial Services Act (FinSA) or the listing rules of any stock exchange or regulated trading facility in Switzerland. Neither this Circular nor any other offering material relating to the MRZ Shares may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Circular nor any other offering material relating to the MRZ Shares have been, or will be, filed with or approved by any Swiss regulatory authority or authorized review body. In particular, this Circular will not be filed with, and the offer of MRZ Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (FINMA).

This Circular may be distributed in Switzerland only to existing shareholders of Commerce and is not for general circulation in Switzerland.

Thai Securities Law Matters

This Circular is not intended to be an offer, sale or invitation for subscription or purchase of securities in Thailand. This Circular has not been registered as a prospectus with the Office of the Securities and Exchange Commission of Thailand. Accordingly, this Circular and any other document relating to the offer, sale or invitation for subscription or purchase, of the MRZ Shares may not be circulated or distributed, nor may the securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to the public of Thailand. This Circular may be distributed in Thailand only to existing CCE Shareholders.

PART 10. REGULATORY MATTERS

It is a condition to the completion of the Arrangement that each of the Key Regulatory Approvals will have been received by the Parties.

Listing of the MRZ Shares

It is a condition of the Arrangement that the TSXV shall have approved for listing and posted for trading, subject only to satisfaction of the standard listing conditions, the MRZ Shares at the Effective Time. It is also a condition of the Arrangement that the ASX shall have approved for listing or official quotation the MRZ Shares forming part of the Consideration. The MRZ Shares are currently listed on the ASX. Mont Royal has applied for the MRZ Shares to be listed on the TSXV. In the case of the TSXV, listing is subject to the approval of the TSXV in accordance with its minimum listing requirements, and there is no assurance that the TSXV will approve the listing application.

Other Regulatory Approvals

Other than the necessary approvals and/or waivers of the TSXV, ASIC and the ASX, and the need to obtain the Final Order from the Court prior to the completion of the Arrangement, Commerce is not aware of any material approval, consent or other action by any federal, provincial, state or foreign government or any administrative or regulatory agency that would be required to be obtained in order to complete the Arrangement. In the event that any such

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approvals or consents are determined to be required, such approvals or consents will be sought. Any such additional requirements could delay the Effective Date or prevent the completion of the Arrangement. While there can be no assurance that any regulatory consents or approvals that are determined to be required will be obtained, Commerce currently anticipates that any such consents and approvals that are determined to be required will have been obtained or otherwise resolved by the Effective Date. Subject to approval of the Arrangement Resolution at the Meeting in accordance with the Interim Order, receipt of the Final Order and the satisfaction or waiver of all other conditions specified in the Arrangement Agreement, the Effective Date is expected to occur in October 2025. In no event shall the Effective Date be later than May 29, 2026, unless otherwise agreed to between Commerce and Mont Royal. On the Effective Date, upon completion of the Arrangement, Commerce and Mont Royal will publicly announce that the Arrangement has been implemented.

PART 11. STOCK EXCHANGE DE-LISTING AND REPORTING ISSUER STATUS

The CCE Shares are currently listed and posted for trading on the TSXV under the symbol "CCE". It is expected that following the completion of the Arrangement the CCE Shares will be de-listed from the TSXV, the Frankfurt Stock Exchange, and the OTCQX, subject to the rules of the TSXV, the Frankfurt Stock Exchange, and the OTCQX.

Commerce will also seek a ruling of applicable Canadian securities regulators that upon the completion of the Arrangement Commerce will cease to be a reporting issuer under applicable Canadian Securities Laws.

PART 12. DISSENT RIGHTS

As contemplated in the Plan of Arrangement and the Interim Order, copies of which are attached as Appendix C and Appendix D, respectively, to this Circular, Commerce has granted to registered CCE Shareholders who object to the Arrangement the Dissent Rights. The Dissent Rights adopt the dissent procedures set forth in Division 2 of Part 8 of the BCBCA, as may be modified by the Plan of Arrangement, the Interim Order and the Final Order. A copy of Division 2 of Part 8 of the BCBCA is attached as Appendix G to this Circular.

The following is a summary of the Dissent Rights. Such summary is not a comprehensive statement of the procedures to be followed by a CCE Shareholder who seeks to exercise such Dissent Rights and is qualified in its entirety by reference to the full text of the Plan of Arrangement, the Interim Order, and Division 2 of Part 8 of the BCBCA, which are attached as Appendix C, Appendix D and Appendix G, respectively, to this Circular.

The Dissent Rights are technical and complex. Any CCE Shareholders who wish to exercise their Dissent Rights should seek independent legal advice, as failure to comply strictly with the Dissent Rights may result in the loss or unavailability of their right of dissent.

Registered CCE Shareholders may exercise rights of dissent ("**Dissent Rights**") in connection with the Arrangement pursuant to the Interim Order and in the manner set forth in Sections 237 to 247 of the BCBCA (collectively, the "**Dissent Procedures**"), provided that the written notice setting forth the objection of such Registered CCE Shareholder to the Arrangement contemplated by Section 242 of the BCBCA must be received by Commerce not later than 4:00 p.m. (Vancouver time) on the Business Day that is two (2) Business Days before the Meeting.

CCE Shareholders who duly and validly exercise Dissent Rights with respect to their CCE Shares ("**Dissenting Shares**") and who:

(a) are ultimately entitled to be paid fair value for their Dissenting Shares, will be deemed to have transferred their Dissenting Shares to Mont Royal and shall be paid an amount equal to such fair value by Mont Royal out of its separate assets; or

(b) for any reason are ultimately not entitled to be paid fair value for their Dissenting Shares, will be deemed to have participated in the Arrangement on the same basis as a non-dissenting CCE Shareholder and will receive MRZ Shares on the same basis as every other non-dissenting CCE Shareholder,

but in no case will Commerce or Mont Royal be required to recognize such persons as holding CCE Shares on or after the Effective Date. For greater certainty, in no case shall Commerce, Mont Royal or any other Person be required to

recognize Dissenting Shareholders as CCE Shareholders after the Effective Time, and the names of such Dissenting Shareholders shall be deleted from the central register of holders of CCE Shares as of the Effective Time.

In addition to any other restrictions set forth in the BCBCA, none of the following shall be entitled to exercise Dissent Rights: (a) holders of CCE Options, CCE PSUs, CCE Convertible Notes or CCE Warrants (in their capacity as holders of such securities); (b) CCE Shareholders who voted or instructed a proxyholder to vote CCE Shares in favour of the Arrangement Resolution; (c) MRZ and any of their affiliates; and (d) any person who is not a registered holder of CCE Shares.

Non-Registered CCE Shareholders of CCE Shares who wish to dissent with respect to their CCE Shares should be aware that only Registered CCE Shareholders may exercise Dissent Rights in respect of CCE Shares registered in such holder's name. In many cases, CCE Shares beneficially owned by a Non-Registered CCE Shareholder are registered either (i) in the name of an intermediary; or (ii) in the name of a clearing agency (such as CDS & Co.) of which the intermediary is a participant. Accordingly, Non-Registered CCE Shareholders of CCE Shares will not be entitled to exercise their Dissent Rights directly, unless the CCE Shares are re-registered in the Non-Registered CCE Shareholder's name and the procedures to exercise Dissent Rights are strictly complied with. A Non-Registered CCE Shareholder of CCE Shares who wishes to exercise Dissent Rights should immediately contact the intermediary with whom such Non-Registered CCE Shareholder deals in respect of its CCE Shares and either: (i) instruct such intermediary to exercise the Dissent Rights on such Non-Registered CCE Shareholder's behalf (which, if the CCE Shares are registered in the name of CDS & Co. or other clearing agency, may require that the CCE Shares first be re-registered in the name of such intermediary), or (ii) instruct such intermediary to re-register such CCE Shares in the name of such Non-Registered CCE Shareholder, in which case such Non-Registered CCE Shareholder would be able to exercise the Dissent Rights directly without the involvement of such intermediary.

A dissenting Shareholder ("**Dissenting Shareholder**") must dissent with respect to all CCE Shares in which the holder owns a beneficial interest. A Registered CCE Shareholder who wishes to dissent must deliver written notice of dissent (a "**Notice of Dissent**") to Osler, Hoskin & Harcourt LLP, 1055 Dunsmuir Street, Suite 3000, Vancouver, BC V7X 1K8, Attention: Teresa Tomchak, and such Notice of Dissent must strictly comply with the requirements of the Dissent Rights. Pursuant to the Plan of Arrangement and the Interim Order, the Notice of Dissent must be received not later than 4:00 p.m. (Vancouver time) on the Business Day that is two (2) Business Days before the Meeting or on the Business Day that is two (2) business days preceding any date to which the Meeting may be postponed or adjourned. Any failure by a Dissenting Shareholder to strictly comply with the Dissent Rights may result in the loss of that holder's Dissent Rights. A Non-Registered CCE Shareholder who wishes to exercise Dissent Rights must arrange for the Registered CCE Shareholder holding their CCE Shares to deliver the Notice of Dissent in strict compliance with the Dissent Rights or for beneficially owned CCE Shares to be registered in his, her or its name.

The delivery of a Notice of Dissent does not deprive a Dissenting Shareholder of the right to vote at the Meeting on the Arrangement Resolution; however, the Plan of Arrangement and Interim Order provide that a Dissenting Shareholder who has delivered a Notice of Dissent and who votes in favour of the Arrangement Resolution will no longer be considered a Dissenting Shareholder. A CCE Shareholder need not vote its CCE Shares against the Arrangement Resolution in order to dissent. A vote against the Arrangement Resolution, whether in person or by proxy, does not constitute a Notice of Dissent.

A Dissenting Shareholder must prepare a separate Notice of Dissent for himself, herself or itself, if dissenting on his, her or its own behalf, and for each other person who beneficially owns CCE Shares registered in the Dissenting Shareholder's name and on whose behalf the Dissenting Shareholder is dissenting; and must dissent with respect to all of the CCE Shares registered in his, her or its name beneficially owned by the Non-Registered CCE Shareholders on whose behalf he, she or it is dissenting.

The Notice of Dissent must set out the name and address of the Dissenting Shareholder, the number of CCE Shares in respect of which the Notice of Dissent is being given (the "**Notice Shares**") and whichever of the following is applicable: (a) if the Notice Shares constitute all of the CCE Shares of which the Dissenting Shareholder is both the registered and beneficial owner and the Dissenting Shareholder holds no other CCE Shares as beneficial owner, a statement to that effect; (b) if the Notice Shares constitute all of the CCE Shares of which the Dissenting Shareholder is both the registered and beneficial owner but the Dissenting Shareholder owns additional CCE Shares beneficially, a statement to that effect and the names of the Registered CCE Shareholders of such additional CCE Shares, the number of such additional CCE Shares held by each of those registered owners and a statement that Notices of Dissent

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are being, or have been, sent with respect to all such additional CCE Shares; or (c) if the Dissent Rights are being exercised by a Registered CCE Shareholder on behalf of a Non-Registered CCE Shareholder who is not the Dissenting Shareholder, a statement to that effect and the name and address of the Non-Registered CCE Shareholder and a statement that the Registered CCE Shareholder is dissenting with respect to all CCE Shares of the Non-Registered CCE Shareholder that are registered in such Registered CCE Shareholder's name.

CCE is required, promptly after the later of: (i) the date on which it forms the intention to proceed with the Arrangement and (ii) the date on which the Notice of Dissent was received, to notify each Dissenting Shareholder of its intention to act on the Arrangement Resolution. If the Arrangement Resolution is approved and if CCE notifies the Dissenting Shareholders of its intention to act upon the Arrangement Resolution, the Dissenting Shareholder is then required, within one month after CCE gives such notice, to send to CCE the certificates representing the Notice Shares if such shares are certificated, and a written statement that requires Mont Royal to purchase all of the Notice Shares. If the Dissent Right is being exercised by the Dissenting Shareholder on behalf of a Non-Registered CCE Shareholder who is not the Dissenting Shareholder, a statement signed by the Non-Registered CCE Shareholder is required which sets out whether the Non-Registered CCE Shareholder is the beneficial owner of other CCE Shares and, if so, (i) the names of the registered owners of such CCE Shares; (ii) the number of such CCE Shares; and (iii) that dissent is being exercised in respect of all of such CCE Shares. Upon delivery of these documents, the Dissenting Shareholder is deemed to have sold the CCE Shares and CCE is deemed to have purchased them. Once the Dissenting Shareholder has done this, the Dissenting Shareholder may not vote or exercise any shareholder rights in respect of the Notice Shares.

The Dissenting Shareholder and Commerce may agree on the payout value of the Notice Shares; otherwise, either party may apply to the Court to determine the payout value of the Notice Shares or apply for an order that value be established by arbitration or by reference to the registrar or a referee of the Court. After a determination of the payout value of the Notice Shares, Commerce must then promptly pay that amount to the Dissenting Shareholder. Pursuant to the Plan of Arrangement, Commerce is required to pay the payout value of the Notice Shares out of its separate assets.

A Dissenting Shareholder loses his, her or its Dissent Rights if, before full payment is made for the Notice Shares, Commerce abandons the corporate action that has given right to the Dissent Right (namely the Arrangement), a court permanently enjoins the action, or the Dissenting Shareholder withdraws the Notice of Dissent with Commerce's consent. When these events occur, Commerce must return the share certificates, if applicable, to the Dissenting Shareholder and the Dissenting Shareholder regains the ability to vote and exercise shareholder rights.

The discussion above is only a summary of the Dissent Rights, which are technical and complex. A CCE Shareholder who intends to exercise Dissent Rights should carefully consider and comply with the provisions of Division 2 of Part 8 of the BCBCA, as may be modified by the Interim Order, the Plan of Arrangement and the Final Order. Persons who are Non-Registered CCE Shareholders of CCE Shares registered in the name of an intermediary or in some other name, who wish to dissent should be aware that only the registered owner of such CCE Shares is entitled to dissent.

It is suggested that any CCE Shareholder wishing to avail himself or herself of the Dissent Rights seek his or her own legal advice as failure to comply strictly with the applicable provisions of the BCBCA, as modified by the Interim Order and the Plan of Arrangement, may prejudice the availability of such Dissent Rights. Dissenting Shareholders should note that the exercise of Dissent Rights can be a complex, time-consuming and expensive process.

Section 246 of the BCBCA outlines certain events when Dissent Rights will cease to apply where such events occur before payment is made to the Dissenting Shareholders of the fair value of the CCE Shares surrendered (including if the Arrangement Resolution is not approved or is otherwise not proceeded with). In such events, the Dissenting Shareholder will be entitled to the return of the applicable share certificate(s), if any, and rights as a CCE Shareholder in respect of the applicable CCE Shares will be regained.

Any CCE Shareholder wishing to avail himself or herself of the Dissent Rights that, for any reason, does not properly fulfill the Dissent Procedures in accordance with the applicable requirements, acts inconsistently with such dissent, or who, for any other reason, is not entitled to be paid the fair value of their CCE Shares shall be treated as if the CCE Shareholder had participated in the Arrangement on the same basis as a non-dissenting CCE Shareholder.

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It is a condition to the completion of the Arrangement that holders of no more than 5% of the issued and outstanding CCE Shares have exercised Dissent Rights in respect of the Arrangement.

See "*Part 8 – The Arrangement Agreement – Conditions to the Arrangement Becoming Effective*" of this Circular.

PART 13. RISK FACTORS RELATING TO THE ARRANGEMENT

In evaluating the Arrangement, CCE Shareholders should carefully consider the following risk factors relating to the Arrangement. The following risk factors are not a definitive list of all risk factors associated with the Arrangement. Additional risks and uncertainties, including those currently unknown or considered immaterial by Commerce, may also adversely affect the trading price of the CCE Shares, the MRZ Shares, and/or the businesses of Commerce and Mont Royal following the Arrangement.

In addition to the risk factors relating to the Arrangement set out below, CCE Shareholders should also carefully consider the risk factors associated with the businesses of Commerce and Mont Royal included in this Circular and in the documents incorporated by reference herein, including the risks found in Appendix I of this Circular. If any of the risk factors materialize, the expectations, and the predictions based on them, may need to be re-evaluated.

The risks associated with the Arrangement are listed below.

Mont Royal and Commerce may not integrate successfully.

If approved, the Arrangement will involve the integration of companies that previously operated independently. As a result, the Arrangement will present challenges to management, including the integration of the operations, systems and personnel of the two companies (including geographically dispersed management and directors), and special risks, including possible unanticipated liabilities, unanticipated costs, diversion of management's attention and the loss of key employees.

The difficulties management encounters in the transition and integration process could have an adverse effect on the revenues, level of expenses and operating results of the Combined Company. As a result of these factors, it is possible that any benefits expected from the Arrangement will not be realized.

There can be no certainty that all conditions precedent to the Arrangement will be satisfied.

The completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of Commerce, including receipt of the Final Order, approval by the CCE Shareholders of the Arrangement Resolution and receipt of other regulatory approvals, including the listing of the MRZ Shares on the TSXV and the ASX. There can be no certainty, nor can Commerce provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied or waived. If the Arrangement is not completed, the market price of the CCE Shares may decline to the extent that the current market price reflects a market assumption that the Arrangement will be completed. If the Arrangement is not completed and the CCE Board decides to seek another merger or arrangement, there can be no assurance that it will be able to find a party willing to pay an equivalent or greater price than the Consideration to be paid pursuant to the Arrangement.

The Combined Company will own different types of assets, which may be technically more difficult to manage and require more oversight.

Commerce's and Mont Royal's deposits are different in metal type, geometry, origination and other technical factors. The exploration and eventual resource determination, mining, processing and marketing are different. As a result, the Combined Company will require more technical and business expertise to manage all the properties than would be required for just one type of deposit.

The issuance of a significant number of MRZ Shares, or securities convertible into MRZ Shares, could adversely affect the market price of the MRZ Shares.

If the Arrangement is completed, a significant number of additional MRZ Shares will be issued and will become available for trading in the public market. Any increase in the number of MRZ Shares, or any new offering of Mont

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Royal securities, may lead to sales of such shares or the perception that such sales may occur, either of which may adversely affect the market for, and the market price of, MRZ Shares. See the risk factors in Appendix I of this Circular.

The Arrangement Agreement may be terminated in certain circumstances, including in the event of a change having a Material Adverse Effect on Commerce.

Each of Commerce and Mont Royal has the right to terminate the Arrangement Agreement and Arrangement in certain circumstances. Accordingly, there is no certainty, nor can Commerce provide any assurance, that the Arrangement Agreement will not be terminated by either Commerce or Mont Royal before the completion of the Arrangement. For example, Mont Royal has the right, in certain circumstances, to terminate the Arrangement Agreement if changes occur that, in the aggregate, have a Material Adverse Effect on Commerce. There is no assurance that a change having a Material Adverse Effect on Commerce will not occur before the Effective Date, in which case Mont Royal could elect to terminate the Arrangement Agreement and the Arrangement would not proceed.

The Consideration is fixed and will not be adjusted to reflect any change in the market value of the MRZ Shares or CCE Shares prior to the closing of the Arrangement.

Under the Arrangement, Former CCE Shareholders will be entitled to receive as the Consideration under the Arrangement 2.3271 MRZ Shares for every CCE Share held prior to the MRZ Consolidation. Because the number of MRZ Shares to be received as the Consideration is fixed and will not be adjusted to reflect any change in the market price of the MRZ Shares or the CCE Shares, the value of the Consideration received under the Arrangement may vary significantly from the closing price of the MRZ Shares and the CCE Shares on April 8, 2025, the last trading day before the Arrangement Agreement was entered into. If the market price of the MRZ Shares increases or decreases, the value of the MRZ Shares issued as the Consideration that CCE Shareholders are entitled to receive pursuant to the Arrangement will correspondingly increase or decrease. There can be no assurance that the market price of the MRZ Shares on the Effective Date will not be lower than the price used to calculate the Consideration. Many of the factors that affect the market price of the MRZ Shares and the CCE Shares are beyond the control of Mont Royal and Commerce, respectively. These factors include fluctuations in commodity prices, fluctuations in currency exchange rates, changes in the regulatory environment, adverse political developments, prevailing conditions in the capital markets and interest rate fluctuations.

Commerce will incur costs even if the Arrangement is not completed and has agreed to pay the Termination Fee to Mont Royal in certain circumstances.

Certain costs related to the Arrangement, such as legal, accounting and certain financial advisor fees, must be paid by Commerce even if the Arrangement is not completed. Commerce and Mont Royal are each liable for their own costs incurred in connection with the Arrangement. If the Arrangement Agreement is terminated and the Arrangement is not completed, Commerce may, in certain circumstances, be required to pay Mont Royal a C$250,000 million expense reimbursement or A$250,000 Termination Fee. See "*Part 8 – The Arrangement Agreement –Termination*" of this Circular.

The Termination Fee may discourage other parties from attempting to acquire CCE Shares or otherwise making an Acquisition Proposal to Commerce, even if those parties would otherwise be willing to offer greater value to CCE Shareholders than that offered by Mont Royal under the Arrangement.

If the Arrangement is not approved by the CCE Shareholders, or the Arrangement is otherwise not completed, then the market price for the CCE Shares may decline.

If the Arrangement is not approved by the CCE Shareholders, or the Arrangement is otherwise not completed, then the market price of the CCE Shares may decline, to the extent the current market price of the CCE Shares reflects an assumption by the market that the Arrangement will be completed. If the Arrangement Resolution is not approved and the CCE Board decides to seek another merger or Arrangement, there can be no assurance that it will be able to find a party willing to pay an equivalent or more attractive price than the total Consideration to be paid pursuant to the Arrangement.

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Owning MRZ Shares will expose CCE Shareholders to different risks.

Mont Royal is subject to different risks than those to which Commerce is subject; for a full description of such risks please see the section entitled "*Risk Factors*" in Appendix I of this Circular. Mont Royal is an Australian company, and as such Mont Royal's operations are exposed to various risks normally associated with the conduct of business in foreign countries, including various levels of political and economic risk and other risks and uncertainties. The existence or occurrence of one or more of the circumstances or events described in the section entitled "*Risk Factors*" in Appendix I of this Circular could have a material adverse impact on Mont Royal's profitability or the viability of Mont Royal's affected foreign operations, which could have a Material Adverse Effect on Mont Royal's future cash flows earnings, results of operations and financial condition.

While the Arrangement is pending, Commerce is restricted from taking certain actions

The Arrangement Agreement restricts Commerce from taking certain specified actions until the Arrangement is completed without the consent of Mont Royal. These restrictions may prevent Commerce from pursuing attractive business opportunities that may arise prior to the completion of the Arrangement.

PART 14. DELIVERY OF CONSIDERATION

Under the Arrangement, Former CCE Shareholders will, upon completion of the Arrangement, be entitled to receive, for each CCE Share held by them immediately prior to the Effective Time, the Consideration, comprised of 2.3271 MRZ Shares prior to the MRZ Consolidation. The aggregate number of CCE Shares that a Former CCE Shareholder is entitled to receive pursuant to the Arrangement will be rounded down to the nearest whole number of shares, without any payment or compensation to the Former CCE Shareholders for any cancelled fraction of a share. In calculating such fractional interests, all MRZ Shares registered in the name of, or beneficially held by, a holder of MRZ Shares, or their respective nominee, shall be aggregated.

After the Effective Time and until surrendered for cancellation as contemplated by Section 5.2 of the Plan of Arrangement, each certificate or DRS advice statement that immediately prior to the Effective Time represented one or more CCE Shares (other than CCE Shares in respect of which Dissent Rights have been validly exercised and not withdrawn or CCE Shares held by MRZ or any of their affiliates) shall be deemed at all times to represent only the right to receive in exchange therefor the Consideration that the holder of such certificate is entitled to receive in accordance with Section 3.1 of the Plan of Arrangement, less any amounts withheld pursuant to Section 5.5 of the Plan of Arrangement.

Former CCE Shareholders

In order to receive the Consideration that they are entitled to receive under the Arrangement, Former CCE Shareholders must comply with the exchange procedures contained in the Plan of Arrangement, which are summarized below.

A Non-Registered CCE Shareholder who holds CCE Shares that are registered in the name of an intermediary such as a broker, investment dealer, bank or trust company should contact the intermediary for instructions and assistance in depositing their CCE Shares with the Depositary, in order to ensure they receive the Consideration that they are entitled to receive under the Arrangement.

Deposit of Transmittal Documents with Depositary

In order to receive the Consideration that they are entitled to receive under the Arrangement, a Former CCE Shareholder must deliver to the Depositary a duly completed and signed Letter of Transmittal in respect of the CCE Shares held by such shareholder, together with the applicable CCE Share certificate(s) or DRS Advice(s), if any, and such other documents or instruments as the Depositary may reasonably require (collectively, the "**Transmittal Documents**"). Upon receipt by the Depositary of such Transmittal Documents, the Depositary shall, following the Effective Time, deliver to such Former CCE Shareholder a DRS Advice representing the MRZ Shares forming the Consideration which such holder is entitled to receive in accordance with the Plan of Arrangement, less any amounts that the Depositary is entitled to withhold in accordance with the Plan of Arrangement.

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A Letter of Transmittal (printed on white paper) is being mailed, together with this Circular, to each person who was a Registered CCE Shareholder on the Record Date. A copy of the Letter of Transmittal may also be obtained by contacting the Depositary. The Letter of Transmittal will also be available under Commerce's issuer profile on SEDAR+ at www.sedarplus.ca. In order to receive the Consideration to which such Registered CCE Shareholder is entitled under the Arrangement, it is recommended that Registered CCE Shareholders complete, sign and return the Letter of Transmittal (with accompanying CCE Share certificate(s) or DRS Advice(s)) to the Depositary as soon as possible.

The method used by a CCE Shareholder to deliver the Transmittal Documents to the Depositary is at the option and risk of the CCE Shareholder, and delivery will be deemed effective only when such documents are actually received by the Depositary. Commerce recommends that the Transmittal Documents be hand delivered to the Depositary, and a receipt obtained therefor; otherwise the use of registered mail with return receipt requested, and with proper insurance obtained, is recommended.

Mont Royal reserves the right to waive, or not to waive, any and all errors or other deficiencies in any Letter of Transmittal or other Transmittal Document, and any such waiver or non-waiver will be binding upon the CCE Shareholder submitting such documentation. The granting of a waiver to one or more CCE Shareholders does not constitute a waiver for any other CCE Shareholder, and Commerce and Mont Royal reserve the right to demand strict compliance with the terms of the Letter of Transmittal.

Lost Certificates

If any certificate that immediately prior to the Effective Time represented one or more outstanding CCE Shares that were exchanged in accordance with Section 3.1 of the Plan of Arrangement shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost, stolen or destroyed certificate, the Consideration that such holder is entitled to receive in accordance with Section 3.1 of the Plan of Arrangement and such holder's Transmittal Letter. When authorizing such delivery of the Consideration that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom the Consideration is to be delivered shall, as a condition precedent to the delivery of the Consideration, give a bond satisfactory to MRZ and the Depositary in such amount as MRZ and the Depositary may direct, or otherwise indemnify MRZ and the Depositary in a manner satisfactory to MRZ and the Depositary, against any claim that may be made against MRZ or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the Constating Documents of Commerce.

Withholding Rights

MRZ, Commerce, the Depositary and their respective agents, as applicable, shall be entitled to deduct and withhold from any Consideration or any other amount payable or otherwise deliverable to any CCE Shareholder or any other person under this Plan of Arrangement (including any payment to Dissenting Shareholders and holders of CCE Options, CCE PSUs, CCE Convertible Notes and CCE Warrants) such Taxes or other amounts as MRZ, Commerce, the Depositary or their respective agents, as the case may be, may reasonably determine is required to be deducted or withheld with respect to such payment under the Tax Act, the U.S. Tax Code, the Australian Tax Act or any provision of Laws in respect of Taxes. For the purposes hereof, all such deducted or withheld amounts shall be treated as having been paid to the person in respect of which such deduction or withholding was made on account of the obligation to make payment to such person hereunder, provided that such deducted or withheld amounts are timely remitted to the appropriate Governmental Entity by or on behalf of MRZ, Commerce, the Depositary or their respective agents, as the case may be. To the extent that the amount so required to be deducted or withheld from any payment to a CCE Securityholder exceeds the cash component, if any, of the amount otherwise payable, subject to the prior approval of MRZ, any of MRZ, Commerce, the Depositary or their respective agents, as the case may be, are hereby authorized to sell or otherwise dispose of such portion of the Consideration or other MRZ securities, as applicable, issuable as is necessary to provide sufficient funds to MRZ, Commerce, the Depositary or their respective agents, as the case may be, to enable it to comply with all applicable deduction or withholding requirements, and MRZ, Commerce, the Depositary or their respective agents, as the case may be, shall remit the applicable portion of the net proceeds of such sale (after deduction of all fees, commissions or costs in respect of such sale) to the appropriate Governmental Entity and shall remit to such CCE Securityholder any unapplied balance of the net proceeds of such sale. Any sale will be made in accordance with applicable Laws and at prevailing market prices and none of MRZ, Commerce, the

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Depositary or their respective agents, as the case may be, shall be under any obligation to obtain a particular price, or indemnify any CCE Securityholder in respect of a particular price, for the portion of the Consideration or other MRZ securities, as applicable, so sold.

Limitation and Proscription After Six Years

To the extent that a Former CCE Shareholder shall not have complied with the provisions of Section 5.2 or Section 5.3 of the Plan of Arrangement on or before the date that is six (6) years after the Effective Date (the "final proscription date"), then the Consideration that such Former CCE Shareholder was entitled to receive, in each case together with all entitlements to dividends and distributions thereon held for such Former CCE Shareholder, shall be automatically cancelled without any repayment of capital in respect thereof and the certificates, holding statements or DRS advice-statements representing MRZ Shares shall be delivered to MRZ by the Depositary and the certificates, holding statements and DRS advice-statements representing such MRZ Shares shall be cancelled by MRZ, and the interest of the Former CCE Shareholder in the Consideration (and dividends and distributions thereon).

PART 15. CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date of this Circular, a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to CCE Shareholders who beneficially own CCE Shares immediately prior to the Effective Time and exchange their CCE Shares pursuant to the Arrangement, and who at all relevant times, for purposes of the Tax Act, (i) hold their CCE Shares, and will hold any MRZ Shares acquired pursuant to the Arrangement, as capital property, and (ii) deal at arm's length with all of, and are not affiliated with any of, Commerce or Mont Royal (each such CCE Shareholder, a "**Holder**").

Generally, CCE Shares and MRZ Shares will be considered to be capital property to the holder thereof provided that they are not used or held in the course of carrying on a business of trading or dealing in securities and have not been acquired in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary does not address the Canadian federal income tax considerations applicable to holders of CCE Options, CCE PSUs, CCE Warrants, or CCE Convertible Notes in connection with the Arrangement. **Such holders should consult their own tax advisors.**

This summary is based upon the provisions of the Tax Act in force on the date of this Circular and an understanding of the current published administrative policies and assessing practices of the Canada Revenue Agency (the "**CRA**") made publicly available in writing prior to the date of this Circular. This summary takes into account all specific proposals to amend the Tax Act which have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date of this Circular (the "**Proposed Amendments**") and assumes that the Proposed Amendments will be enacted in their current form; however no assurance can be given that any of the Proposed Amendments will be enacted in the form proposed, or at all. Except for the Proposed Amendments, this summary does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial decision or action, or changes in the administrative or assessing practices and policies of the CRA, nor does it take into account other federal or any provincial, territorial or foreign tax legislation or considerations, which may differ significantly from the Canadian federal income tax considerations discussed herein.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations applicable to a Holder in respect of the transactions described herein. The income or other tax consequences to a Holder will vary depending on the particular circumstances of the Holder, including the country, province or territory in which the Holder resides or carries on business. Accordingly, this summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Holder, and no representations with respect to the income tax consequences to any particular Holder are made. Moreover, no advance income tax ruling has been applied for or obtained from the CRA to confirm the tax consequences of any of the transactions described herein. Holders should consult their own legal and tax advisors with respect to the tax consequences of the transactions described in this Circular based on their own particular circumstances.

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Currency Conversion

Subject to certain exceptions that are not discussed herein, for the purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of securities (including dividends, adjusted cost base and proceeds of disposition) must be expressed in Canadian dollars. Amounts denominated in a foreign currency must generally be converted into Canadian dollars based on the rate quoted by the Bank of Canada for the exchange of the foreign currency for Canadian dollars on the date such amounts arise, or such other rate of exchange as is acceptable to the Minister of National Revenue.

Holders Resident in Canada

The following summary under this heading "*Holders Resident in Canada*" is generally applicable to a Holder who at all relevant times, for purposes of the Tax Act, is or is deemed to be resident in Canada (a "**Resident Holder**").

This portion of the summary does not apply to a Holder: (i) that is a partnership; (ii) that beneficially owns their CCE Shares through a partnership; (iii) that is a "financial institution" (as defined in the Tax Act) for the purposes of the mark-to-market rules; (iv) that is a "specified financial institution" (as defined in the Tax Act); (v) an interest in which is a "tax shelter investment" (as defined in the Tax Act); (vi) that has made a "functional currency" election under section 261 of the Tax Act; (vii) that has acquired, or acquires, CCE Shares upon the exercise or settlement (or deemed exercise or settlement) of a CCE Option, CCE PSU, CCE Warrant, or CCE Convertible Notes or pursuant to any employee compensation plan (including pursuant to the Arrangement); (viii) that is a corporation resident in Canada that is, or becomes (or does not deal at "arm's length", within the meaning of the Tax Act, with a corporation resident in Canada that is or becomes), as part of a transaction or event or series of transactions or events that includes the Arrangement, controlled by a non-resident corporation, a non-resident individual, a non-resident trust or a group of persons (comprising any combination of non-resident corporations, non-resident individuals and non-resident trusts) that do not deal with each other at arm's length, for purposes of section 212.3 of the Tax Act; (ix) that has entered into, or enters into, a "derivative forward agreement" or "synthetic disposition arrangement" (each as defined in the Tax Act) with respect to its CCE Shares or MRZ Shares; (x) that receives dividends on its CCE Shares or MRZ Shares under or as part of a "dividend rental arrangement" (as defined in the Tax Act); (xi) that is exempt from tax under Part I of the Tax Act; or (xii) with respect to whom Mont Royal is or will be a "foreign affiliate" within the meaning of the Tax Act. **Such Holders should consult their own tax advisors.**

The following portion of this summary, other than the portion under the heading "*Holders Resident in Canada – Dissenting Resident Holders*", applies to Resident Holders that are not Dissenting Shareholders.

Disposition of CCE Shares in Exchange for MRZ Shares

A Resident Holder who disposes of CCE Shares in exchange for MRZ Shares under the Arrangement will be considered to have disposed of such CCE Shares for proceeds of disposition equal to the aggregate fair market value, at the effective time of the exchange, of the MRZ Shares received by the Resident Holder in exchange for such CCE Shares. As a result, a Resident Holder will realize a capital gain (or capital loss) to the extent that the Resident Holder's proceeds of disposition for such CCE Shares, net of any reasonable costs of disposition, exceed (or are less than) the Resident Holder's adjusted cost base of such CCE Shares immediately before the exchange.

A Resident Holder's cost of the MRZ Shares received by the Resident Holder on the exchange will be equal to the fair market value of the MRZ Shares at the time of the exchange. The adjusted cost base to a Resident Holder of such Resident Holder's MRZ Shares will be determined by averaging the cost of the MRZ Shares acquired by the Resident Holder pursuant to the Arrangement with the adjusted cost base of any other MRZ Shares held by the Resident Holder as capital property determined immediately prior to the exchange.

See "*Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" below for a general description of the treatment of capital gains and capital losses under the Tax Act.

Disposition of MRZ Shares Following the Arrangement

A Resident Holder who disposes, or is deemed to dispose, of a MRZ Share following the completion of the Arrangement generally will realize a capital gain (or capital loss) equal to the amount, if any, by which the proceeds

of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of such share to the Resident Holder immediately before the disposition.

See "*Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" below for a general description of the treatment of capital gains and capital losses under the Tax Act.

Taxation of Capital Gains and Capital Losses

Generally, a Resident Holder is required to include in computing its income for a taxation year one-half of the amount of any such capital gain (a "**taxable capital gain**") realized in the year, and is required to deduct one-half of the amount of any such capital loss (an "**allowable capital loss**") sustained in a taxation year from taxable capital gains realized in the year by such Resident Holder. Allowable capital losses in excess of taxable capital gains realized in a taxation year may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such year to the extent and under the circumstances described in the Tax Act.

The amount of any capital loss otherwise realized by a Resident Holder that is a corporation on a disposition or deemed disposition of CCE Shares or MRZ Shares may be reduced by the amount of certain dividends received or deemed to be received by it on such share (and, in certain circumstances, a share for which such share was exchanged), in each case to the extent and under the circumstances specified by the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns such shares, or where a partnership or trust of which the corporation is a member or beneficiary is a member of a partnership or a beneficiary of a trust that owns such shares. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

A Resident Holder that is, throughout the relevant taxation year, a "Canadian-controlled private corporation" or, at any time in the year, a "substantive CCPC", each as defined in the Tax Act, may be liable to pay an additional tax on its "aggregate investment income", as defined in the Tax Act, which includes certain amounts in respect of taxable capital gains and interest income. Such additional tax may be refundable in certain circumstances.

Capital gains realized by individuals and certain trusts may, in certain circumstances, give rise to the alternative minimum tax under the Tax Act. Recent amendments to the Tax Act enacted on June 20, 2024 may affect the liability of a Resident Holder for alternative minimum tax. **Resident Holders should consult their own tax advisors with respect to the minimum tax provisions**.

Foreign tax, if any, levied on any gain realized on a disposition of MRZ Shares may be eligible for a foreign tax credit under the Tax Act to the extent and under the circumstances described in the Tax Act. Resident Holders should consult their own tax advisors with respect to the availability of a foreign tax credit, having regard to their particular circumstances.

Dividends on MRZ Shares

A Resident Holder generally will be required to include in computing its income for a taxation year any dividends received or deemed to be received on such Resident Holder's MRZ Shares during such taxation year.

Foreign withholding tax on dividends received or deemed to be received on MRZ Shares generally may be eligible for foreign tax credits or deductions under the Tax Act to the extent and under the circumstances described in the Tax Act. Resident Holders should consult their own tax advisors regarding the availability of a foreign tax credit or deduction, having regard to their particular circumstances.

Taxable dividends received or deemed to be received by individuals and certain trusts may, in certain circumstances, give rise to the alternative minimum tax under the Tax Act. Recent amendments to the Tax Act enacted on June 20, 2024 may affect the liability of a Resident Holder for alternative minimum tax. **Resident Holders should consult their own tax advisors with respect to the minimum tax provisions.**

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Foreign Property Information Reporting

A Resident Holder that is a "specified Canadian entity" (as defined in the Tax Act) for a taxation year or a fiscal period and whose total "cost amount" of "specified foreign property" (as such terms are defined in the Tax Act), including MRZ Shares, at any time in the year or fiscal period exceeds $100,000 will be required to file an information return for the year or period disclosing prescribed information. Subject to certain exceptions, a taxpayer resident in Canada, other than a corporation or trust exempt from tax under Part I of the Tax Act, will be a "specified Canadian entity", as will certain partnerships. Penalties may apply where a Resident Holder fails to file the required information return in respect of such Holder's "specified foreign property" on a timely basis in accordance with the Tax Act.

The reporting rules in the Tax Act relating to "specified foreign property" are complex and this summary does not purport to address all circumstances in which reporting may be required by a Resident Holder. **Resident Holders should consult their own tax advisors regarding the reporting rules contained in the Tax Act.**

Offshore Investment Fund Property

The Tax Act contains rules which may require a taxpayer to include in income in each taxation year an amount in respect of the holding of an "offshore investment fund property". These rules could apply to a Resident Holder in respect of MRZ Shares if two conditions are both satisfied.

The first condition for such rules to apply is that the value of such MRZ Shares may reasonably be considered to be derived, directly or indirectly, primarily from portfolio investments in: (i) shares of one or more corporations; (ii) indebtedness or annuities; (iii) interests in one or more corporations, trusts, partnerships, organizations, funds or entities; (iv) commodities; (v) real estate; (vi) Canadian or foreign resource properties; (vii) currency of a country other than Canada; (viii) rights or options to acquire or dispose of any of the foregoing; or (ix) any combination of the foregoing (the "**Investment Assets**").

The second condition for such rules to apply is that it must be reasonable to conclude that one of the main reasons for the Resident Holder acquiring or holding MRZ Shares was to derive a benefit from portfolio investments in Investment Assets in such a manner that the taxes, if any, on the income, profits and gains from such Investment Assets for any particular year are significantly less than the tax that would have been applicable under Part I of the Tax Act had the income, profits and gains been earned directly by the Resident Holder.

In determining whether these rules may apply, regard must be had to all of the circumstances, including (i) the nature, organization and operation of any non-resident entity, including Mont Royal, and the form of, and the terms and conditions governing, the Resident Holder's interest in, or connection with, any such non-resident entity, (ii) the extent to which any income, profit and gains that may reasonably be considered to be earned or accrued, whether directly or indirectly, for the benefit of any non-resident entity, including Mont Royal, are subject to an income or profits tax that is significantly less than the income tax that would be applicable to such income, profits and gains if they were earned directly by the Resident Holder, and (iii) the extent to which any income, profits and gains of any non-resident entity, including the Mont Royal, for any fiscal period are distributed in that or the immediately following fiscal period.

The CRA has taken the position that the term "portfolio investment" should be given a broad interpretation. While it should be unlikely that the value of the MRZ Shares should be regarded as being derived primarily from portfolio investments in Investment Assets, there is a possibility that the CRA may take a different view. Even if the value of the MRZ Shares may reasonably be considered to be derived, directly or indirectly, primarily from portfolio investments in Investment Assets, these rules will apply to a Resident Holder only if it is reasonable to conclude that one of the main reasons for the Resident Holder acquiring, holding or having the MRZ Shares was to derive a benefit from Investment Assets in such a manner that the taxes, if any, on the income, profits and gains from such Investment Assets for any particular year are significantly less than the tax that would have been applicable under Part I of the Tax Act if the income, profits and gains had been earned directly by the Resident Holder.

If applicable, these rules would generally require a Resident Holder to include in income for each taxation year in which the Resident Holder owns MRZ Shares: (i) an imputed return for the taxation year computed on a monthly basis and determined by multiplying the Resident Holder's "designated cost", as defined in the Tax Act, of the MRZ Shares at the end of the month by 1/12th of the applicable prescribed rate of interest for the period that includes such month, plus two percentage points; less (ii) the Resident Holder's income for the year (other than a capital gain) from the

MRZ Shares determined without reference to these rules. Any amount required to be included in computing a Resident Holder's income under these provisions will be added to the adjusted cost base and designated cost to the Resident Holder of its MRZ Shares.

These rules are complex and the application of these rules depends, in part, on the reasons for a Resident Holder acquiring or holding MRZ Shares. **Resident Holders are urged to consult their own tax advisors regarding the application and consequences of these rules, in their own particular circumstances.**

Dissenting Resident Holders

The following portion of this summary is generally applicable to a Resident Holder that is a Dissenting Shareholder who validly exercises Dissent Rights under the Arrangement (a "**Dissenting Resident Holder**").

A Dissenting Resident Holder who, as a result of the valid exercise of Dissent Rights, is entitled to be paid the fair value of their CCE Shares by Commerce, will be considered to have disposed of such CCE Shares for proceeds of disposition equal to the payment received (other than that portion that is in respect of interest, if any, awarded by the Court). The Dissenting Resident Holder will, in general, realize a capital gain (or a capital loss) equal to the amount by which such proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to such holder of the CCE Shares immediately before their disposition to Mont Royal pursuant to the Arrangement. Any such capital gain or capital loss will be subject to the same tax treatment as described above under the heading "*Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*".

Interest, if any, awarded by the Court to a Dissenting Resident Holder will be included in the Dissenting Resident Holder's income for the purposes of the Tax Act.

Dissenting Resident Holders should consult their own tax advisors with respect to the tax implications to them of the exercise of Dissent Rights.

Eligibility for Investment

The MRZ Shares received by CCE Shareholders pursuant to the Arrangement will be "qualified investments" under the Tax Act at a particular time for a trust governed by a "registered retirement savings plan", "registered retirement income fund", "registered education savings plan", "registered disability savings plan", "first home savings account" or "tax-free savings account" (collectively, "**Registered Plans**") or a trust governed by a "deferred profit sharing plan" (each as defined in the Tax Act) if, at the particular time, such MRZ Shares are listed on a "designated stock exchange" (as defined in the Tax Act, which currently includes the ASX and Tiers 1 and 2 of the TSXV).

Notwithstanding that the MRZ Shares may be "qualified investments" under the Tax Act for Registered Plans as described above, the holder of, or annuitant or subscriber under, a Registered Plan (the "**Controlling Individual**") will be subject to a penalty tax in respect of any MRZ Shares held in a Registered Plan if such shares are a "prohibited investment" (as defined in the Tax Act) for the particular Registered Plan. A MRZ Share generally will be a "prohibited investment" for a Registered Plan if the Controlling Individual does not deal at arm's length with Mont Royal for purposes of the Tax Act or the Controlling Individual has a "significant interest" (as defined in subsection 207.01(4) of the Tax Act) in Mont Royal.

Notwithstanding the foregoing, a MRZ Share generally will not be a "prohibited investment" for a Registered Plan if such share is "excluded property" as defined in subsection 207.01(1) of the Tax Act for a Registered Plan.

Resident Holders that intend to hold their MRZ Shares through a Registered Plan should consult their own tax advisors as to whether any MRZ Shares receivable pursuant to the Arrangement will be a "prohibited investment" in their particular circumstances.

Holders Not Resident in Canada

The following summary under this heading "*Holders Not Resident in Canada*" is generally applicable to a Holder who at all relevant times, for purposes of the Tax Act, (i) is not resident in Canada and is not deemed to be resident in Canada, (ii) does not use or hold, and is not deemed to use or hold, its CCE Shares (or any MRZ Shares) in, or in the

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course of carrying on, a business in Canada, (iii) is not a person who carries on an insurance business in Canada and elsewhere, (iv) is not an "authorized foreign bank" (as defined in the Tax Act), and (v) is not a "foreign affiliate" (as defined in the Tax Act) of a person resident in Canada (a "**Non-Resident Holder**").

The following portion of this summary, other than the portion under the heading "*Holders Not Resident in Canada – Dissenting Non-Resident Holders*", applies to Non-Resident Holders that are not Dissenting Shareholders.

Disposition of CCE Shares in Exchange for MRZ Shares

A Non-Resident Holder will generally not be subject to tax under the Tax Act on any capital gain, or be entitled to deduct any capital loss, realized on the exchange of its CCE Shares for MRZ Shares pursuant to the Arrangement unless such CCE Shares are (or are deemed to be) "taxable Canadian property" (as defined in the Tax Act) to the Non-Resident Holder at the time of such exchange and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

Provided that the CCE Shares are listed on a "designated stock exchange" (as defined in the Tax Act, which currently includes Tiers 1 and 2 of the TSXV) at the time of disposition, the CCE Shares disposed of by a Non-Resident Holder pursuant to the Arrangement generally will only be "taxable Canadian property" of the Non-Resident Holder at such time if, at any time during the 60-month period immediately preceding the disposition, both of the following conditions are satisfied concurrently: (i) one or any combination of (A) the Non-Resident Holder, (B) persons with whom the Non-Resident Holder did not deal at arm's length for purposes of the Tax Act, and (C) partnerships in which the Non-Resident Holder or a person described in (B) holds a membership interest directly or indirectly through one or more partnerships, owned 25% or more of the issued shares of any class or series of the capital stock of Commerce, and (ii) more than 50% of the fair market value of the CCE Shares at such time was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" or "timber resource properties" (each as defined in the Tax Act), or options in respect of, or interests in, or for civil law rights in, any such properties. Notwithstanding the foregoing, a CCE Share may also be deemed to be "taxable Canadian property" in certain circumstances, subject to the detailed rules in the Tax Act. Non-Resident Holders should consult their own tax advisors in this regard.

Even if the CCE Shares are "taxable Canadian property" to a Non-Resident Holder, such Non-Resident Holder may be exempt from Canadian tax on any capital gain realized on the exchange of its CCE Shares pursuant to the Arrangement by virtue of an applicable income tax treaty or convention to which Canada is a signatory. Non-Resident Holders whose CCE Shares may constitute "taxable Canadian property" should consult their own tax advisors in this regard.

If the CCE Shares are or are deemed to be "taxable Canadian property" of a Non-Resident Holder and such Non-Resident Holder is not eligible for relief pursuant to an applicable income tax treaty or convention to which Canada is a signatory, then the exchange of such Non-Resident Holder's CCE Shares pursuant to the Arrangement will generally be subject to the same Canadian tax consequences applicable to a Resident Holder as discussed above under the heading "*Holders Resident in Canada – Disposition of CCE Shares in Exchange for MRZ Shares*".

The cost to a Non-Resident Holder of the MRZ Shares acquired on the exchange of CCE Shares pursuant to the Arrangement will be computed in the same manner as described above with respect to a Resident Holder under the heading "*Holders Resident in Canada – Disposition of CCE Shares in Exchange for MRZ Shares*".

Dissenting Non-Resident Holders

The following portion of this summary applies to a Non-Resident Holder that is a Dissenting Shareholder who validly exercises Dissent Rights under the Arrangement (a "**Dissenting Non-Resident Holder**").

A Dissenting Non-Resident Holder who, as a result of the valid exercise of Dissent Rights, is entitled to be paid the fair value of their CCE Shares by Commerce will be considered to have disposed of such CCE Shares for proceeds of disposition equal to the payment received (other than that portion that is in respect of interest, if any, awarded by the Court). A Dissenting Non-Resident Holder will, in general, realize a capital gain (or a capital loss) equal to the amount by which such proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to such holder of the CCE Shares immediately before their disposition pursuant to the Arrangement. A Non-

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Resident Dissenting Holder will generally not be subject to tax under the Tax Act on any capital gain, or be entitled to deduct any capital loss, realized on the disposition of its CCE Shares unless such CCE Shares are "taxable Canadian property" of the Non-Resident Holder and the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention.

Interest, if any, awarded by the Court to a Dissenting Non-Resident Holder will not be subject to Canadian withholding tax, provided that such interest does not constitute "participating debt interest" as defined in the Tax Act.

Dissenting Non-Resident Holders should consult their own tax advisors with respect to the tax implications to them of the exercise of their Dissent Rights.

PART 16. MANAGEMENT CONTRACTS

Management services for the Corporation are not, to any material degree, performed by persons other than the directors and executive officers of the Corporation.

PART 17. INFORMATION CONCERNING COMMERCE

Commerce is a Canadian mineral exploration and development company, listed on Tier 1 of the TSXV in Canada ("**CCE**"), the Frankfurt Stock Exchange in Germany ("**D7H**"), and the OTCQX ("**CMFZF**"). Commerce's primary focus is on rare earth elements ("**REEs**") and the rare metals tantalum and niobium. Commerce was incorporated under the laws of British Columbia on May 19, 1999. The CCE Shares were subsequently listed on the TSXV and began trading under the symbol "CCE". Commerce's office is located at Suite 1450, 789 West Pender Street, Vancouver, BC V6C 1H2.

Commerce's principal asset is the Eldor Property in Quebec. The Eldor Property is 100%-owned by the Corporation and is composed of 244 claims comprising approximately 11,475 hectares, including the Ashram Deposit.

General Development of the Business

The following is a description of the general development of Commerce's business over the last two completed financial years and the subsequent period up to the date of this Circular, with a focus on acquisitions and dispositions that have influenced the general development of Commerce's business.

On November 8, 2023, the Corporation announced the resignation of Dr. Axel Hoppe as a director and Chairman of the Corporation. Additionally, the Corporation announced the appointment of Jeremy Robinson as a new director.

On January 11, 2024, the Corporation announced the termination of the option agreement for the Niobium Claim Group, which is part of the overall Eldor Property, and the forgiveness of debt with Saville Resources Inc.

On January 23, 2024, the Corporation announced the resignation of David Hodge as a director of the Corporation. Additionally, the Corporation announced the appointment of Adam Ritchie as a director.

On March 1, 2024, the Corporation announced the appointment of Patrik Schmidt as its new Vice President of Exploration, replacing Jody Dahrouge who stepped down but remained a director of the Corporation until December 2024.

On May 21, 2024, the Corporation announced it entered into a property purchase agreement (the "**Purchase Agreement**") with an arm's length private company (the "**Purchaser**") to sell its interest in certain mineral claims comprising the "Blue River" property (the "**Blue River Claims**") located near Blue River, British Columbia. As part of the transaction, the sale will also include certain real property owned by the Corporation also located in Blue River, B.C. (the "**Blue River Land**", and together with the Blue River Claims, the "**Blue River Assets**"). As consideration for the Blue River Assets, the Corporation will receive 20,000,000 common shares in the capital of the Purchaser at a deemed price of $0.02 per share (the "**Blue River Shares**"). Completion of the Blue River transaction is subject to the conditions set forth in the Purchase Agreement, including, if required, acceptance by the TSXV.

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On May 22, 2024, the Corporation announced an updated mineral resource estimate ("**MRE**") for the Ashram Deposit. The updated MRE firmly establishes the Ashram Deposit as a globally significant rare earth element deposit, and one of the largest monazite-mineralized carbonatite REE deposits in the world: 73.2 Mt at 1.89% TREO and 6.6% CaF2 (indicated), and 131.1 Mt at 1.91% TREO and 4.0% CaF2 (inferred), at a cut-off of $287 Net Metal Return ("**NMR**") per tonne with an Effective Date of April 4, 2024. Mineral resources are not mineral reserves as they do not have demonstrated economic viability. The Ashram Deposit MRE demonstrates very high NdPr distributions (i.e., percent of neodymium plus praseodymium oxide of the TREO) for a carbonatite hosted deposit at 21.2% NdPr (indicated) and 21.4% NdPr (inferred), exceeding that of several active global producers.

On May 29, 2024, the Corporation announced that planning was underway for a diamond drill program at the Eldor Property, targeting further delineation of niobium (± tantalum and phosphate) mineralization at the Mallard Prospect, and continued exploration at the Miranna Prospect. A total of twenty (20) to thirty (30) NQ-size drill holes, for a minimum of 7,500 m, are planned for the program.

On June 17, 2024, the Corporation announced, further to its news release dated May 21, 2024, that it has completed the sale of its interest in certain mineral claims comprising the Blue River property. Pursuant to the Purchase Agreement, as consideration for the Blue River Assets, the Corporation received the Blue River Shares. It is the Corporation's current intention to distribute the Blue River Shares to its shareholders on a pro rata basis at a later date. Any disposition of the Blue River Shares will, if undertaken, be conducted in compliance with applicable corporate and securities laws, and the policies of the TSXV.

On June 21, 2024, the Corporation announced that it closed its non-brokered private placement of 28,000,000 flow-through units (each, a "**FT Unit**") at a price of $0.18 per FT Unit for aggregate gross proceeds of $5,040,000. Each FT Unit consists of one CCE Share and one transferable common share purchase warrant (each, a "**Warrant**"). Each Warrant entitles the holder to acquire one additional non-flow through CCE Share (each, a "**Warrant Share**") at a price of $0.25 per Warrant Share for a period of 24 months from the closing date. The FT Units were issued pursuant to an arrangement structured by Peartree Securities Inc. Pursuant to an engagement agreement (the "**Term Sheet**") between the Corporation and Churchill SIG Pty Ltd. ("**Churchill**"), the Corporation paid cash finder's fees to Churchill in the amount of approximately $162,890 and issued 3,231,945 finder's warrants (each, a "**Finder's Warrant")** to Churchill as consideration for their services in introducing certain investors who acquired securities in connection with the distribution. Each Finder's Warrant entitles Churchill to acquire one additional CCE Share (a "**Finder's Warrant Share**") at a price of $0.20 per Finder's Warrant Share for a period of two (2) years from the date of issuance of the Finder's Warrants. As a director of the Corporation is also a director of Churchill, Churchill is a related party of the Corporation.

On July 5, 2024, the Corporation announced the commencement of the summer drill program on the Eldor Property.

On July 8, 2024, the Corporation released a MRE for the Ashram Deposit.

On August 1, 2024, the Corporation announced the appointment of Mr. Ross Carroll as the new President of the Corporation and CCE CEO. Mr. Carroll also joined the CCE Board. The Corporation also announced the resignation of Mr. Christopher Grove as President, CCE CEO and director of the Corporation. Mr. Grove remained on as the Corporation's Director of Corporate Development.

On August 12, 2024, the Corporation closed a non-brokered private placement offering of 16,000,000 units (each, a "**Unit**") at a price of $0.126 per Unit for gross proceeds of up to $2,016,000 (the "**Offering**"). Each Unit consists of one CCE Share and one Warrant, with each Warrant entitling the holder to purchase one CCE Share at a price of $0.25 per CCE Share for a period of two (2) years from closing of the Offering (the "**Closing**"). Pursuant to an engagement agreement (the "**Term Sheet**") between the Corporation and Churchill, the Corporation paid cash finder's fees to Churchill in the amount of approximately $70,235 and issued 1,393,551 Finder's Warrants to Churchill as consideration for their services in introducing certain non-Canadian resident investors to the Corporation who acquired securities in connection with the distribution. Each Finder's Warrant entitles Churchill to acquire one additional Finder's Warrant Share at a price of $0.20 per Finder's Warrant Share for a period of two (2) years from the date of issuance of the Finder's Warrants. The Units, CCE Shares, Warrants, Warrant Shares, Finder's Warrants and Finder's Warrant Shares are subject to a statutory hold period expiring four months and one day after closing of the Offering.

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On October 10, 2024, the Corporation announced results of the first set of drill holes of the 2024 program with the most significant intercept being 122.5 m at 0.62% Nb_2O_5 (EC24-208) at the Mallard Prospect, Eldor Property, Quebec. The drill hole successfully demonstrated the down-dip continuity of niobium- enrichment within carbonatite intersected at Mallard. Two (2) holes drilled at the Spoke Target (EC24-212 and EC24-213) returned promising results with niobium-mineralized intercepts, including an interval of 27.5 m at 0.60% Nb2O5 (EC24-212) and two intervals in EC24-213 of 17.9 m at 0.66% Nb2O5 in addition to a wider interval of 21.3 m at 0.60% Nb2O5.

On October 29, 2024, the Corporation announced the discovery of the Knox niobium Prospect by drilling 69.4 m of 0.61% Nb2O5 and extends mineralization at the Miranna Prospect, Eldor Property, Quebec. Inaugural drilling at the previously untested geophysical anomaly referred to as the "Knox Prospect" or "Knox", has identified substantial high-grade intercepts of niobium, including 69.4 m at 0.61% Nb2O5 within a wider interval of 96.5 m at 0.51% Nb2O5 (EC24-220). Further to the new discovery made at the Knox Prospect, follow-up drill testing at the Miranna Prospect delivered the best niobium-mineralized intercepts to-date for this prospect, factoring both grade and length of drill hole intercepts – 65.7 m at 0.53% Nb2O5, including 35.7 m at 0.67% Nb2O5 (EC24-215).

On November 14, 2024, the Corporation announced it produced High-Grade Rare Earth Mineral Concentrate (36% REO) at Strong Recovery in Flotation Locked-Cycle Testing. The locked-cycle test ("**LCT**") program was completed on the Ashram Deposit's simplified flotation-only beneficiation flowsheet (see news release dated March 4, 2024) and has demonstrated improved grade and recovery compared to the prior bench-scale test program. Monazite dominate rare earth mineral concentrates grading 35.8 to 36.8% REO at 65 to 68% overall recovery were achieved through the LCT test work on the flotation-only beneficiation flowsheet. The locked-cycle test was carried out by SGS at their Lakefield, ON, facility and utilized bulk sample material (~2.1% REO head grade) collected from an outcrop of the Ashram Deposit.

On December 16, 2024, the Corporation announced the final set of drill results from the 2024 campaign that confirms the significance of the niobium discovery at Mallard with new results, including 24 m of 0.91% Nb2O5 within a wider interval of 45.5 m at 0.65% Nb2O5 (EC24-232). EC24-225 tested the most southeastern part of the magnetic high anomaly that defines the core of the Mallard Prospect and intercepted several well mineralized horizons (16.8 m at 0.60% Nb2O5, 11.0 m at 0.67% Nb2O5, 16.0 m at 0.62% Nb2O5), with mineralization open in multiple directions. Drill holes completed during the program targeting the Mallard, Spoke, Northwest, Moira, and Loon prospects. Each target except Loon intercepted significant niobium mineralization.

On December 23, 2024, the Corporation announced the resignation of Jody Dahrouge from the CCE Board. On February 7, 2025, the Corporation announced that it has received conditional approval for funding of up to a total of $2,606,977 CAD from Natural Resources Canada's (NRCan) Critical Minerals Infrastructure Fund ("**CMIF**"), for progression of the access road to the Corporation's wholly owned Ashram REE/ Fluorspar Deposit in Nunavik, Quebec. The Corporation has received conditional funding approval up to C$2,606,977 from Natural Resources Canada (NRCan) as part of the CMIF program, subject to completion of due diligence and the execution of a written agreement. The funding is critical to enable the development of a road between the Ashram project and the Koksoak River (175kms), providing greater access to the Nunavik region and supporting multiple projects and Indigenous groups in the area. This funding will be vital in advancing the Corporation's baseline studies, pre-feasibility study, and feasibility study.

On March 17, 2025, the Corporation announced that Mr. Ross Carroll stepped down as President and Chief Executive Officer and as a member of the CCE Board. Mr. Jeremy Robinson, who is currently a non-executive Director, assumed the role of interim President and Chief Executive Officer.

On May 12, 2025, the Corporation announced that it completed its non-brokered private placement of the CCE Convertible Notes for aggregate gross proceeds of approximately C$2,150,000. The CCE Convertible Notes accrue interest at a rate of 20.0% per annum, calculated on the basis of the actual number of days elapsed in an applicable interest period and on the basis of a year of 365 or 366 days, as the case may be and mature on May 12, 2027. Unless converted or redeemed in accordance with the terms of the CCE Convertible Notes, the principal amount of the CCE Convertible Notes will be owing and accrued interest due and payable at the maturity date. As previously disclosed, the Corporation intends to use the proceeds as interim funding to be used for the continuation of studies for the development of the Ashram Project and for working capital while the Corporation completes the Arrangement.

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On June 5, 2025, the Corporation announced the appointment of Mr. Nicholas Holthouse as President and Chief Executive Officer, effective from June 1, 2025. Mr. Holthouse will also be appointed as the Managing Director of the Combined Company.

On July 10, 2025, the Corporation announced the appointment of Joel Ives as Chief Financial Officer and Company Secretary and the promotion of Cindy Valence to the role of Vice-President Government Relations and Sustainability. Commerce also advised that Jody Bellefleur will step down as Chief Financial Officer and Company Secretary.

On July 28, 2025, Commerce announced the grant of a cumulative 15,000,000 CCE PSUs and 3,000,000 CCE Options to Messrs. Nicholas Holthouse, Jeremy Robinson and Adam Ritchie.

On July 29, 2025, Commerce and Mont Royal entered into an amending agreement dated July 29, 2025, to amend certain terms of the Arrangement Agreement and the Plan of Arrangement.

Description of Capital Structure

Commerce is authorized to issue an unlimited number of CCE Shares and an unlimited number of preferred shares, issuable in series.

Common Shares

The holders of CCE Shares are entitled to: (i) receive notice of and to vote at every meeting of CCE Shareholders and shall have one vote thereat for each such CCE Share so held; (ii) receive such dividend as the directors may from time to time declare on shares of any class or series of shares; and (iii) no CCE Shares may be sold, transferred or otherwise disposed of without the consent of the directors and the directors are not required to give any reason for refusing to consent to any such sale, transfer or other disposition.

Preferred Shares

The preferred shares may be issued in one or more series, and the directors of Commerce are authorized to fix the number of shares in each series, and to determine the designation, rights, privileges, restrictions and conditions attached to the shares of each series. The preferred shares are entitled to preference over the CCE Shares with respect to the payment of dividends, if any, and in the distribution of assets in the event of liquidation, dissolution or winding up of Commerce.

Market Price and Trading Volume Data

The CCE Shares are listed and posted for trading on the TSXV under the symbol "CCE". The following table sets out the price ranges and volume of the CCE Shares that were traded on the TSXV for the twelve-month period preceding the date of this Circular (source: TSXV).

Month	Price Range (C$)		Monthly Trading Volume (Shares)
	High	Low	
September 2024	0.12	0.095	727,283
October 2024	0.165	0.10	2,358,867
November 2024	0.125	0.075	4,686,819
December 2024	0.085	0.07	3,702,419
January 2025	0.09	0.065	1,982,864
February 2025	0.115	0.065	5,420,815
March 2025	0.08	0.065	2,398,290
April 2025	0.075	0.06	2,921,715

Month	Price Range (C$)		Monthly Trading Volume (Shares)
	High	Low	
May 2025	0.07	0.05	3,158,937
June 2025	0.08	0.05	3,671,668
July 2025	0.12	0.075	4,421,623
August 2025	0.11	0.075	1,599,856
September 1 – 3, 2025	0.115	0.09	675,194

On April 8, 2025, being the last trading day on which the CCE Shares traded prior to the announcement of the entering into of the Arrangement Agreement, the closing price of the CCE Shares on the TSXV was $0.06 per CCE Share. As of the close of markets September 3, 2025, the last trading day prior to the date of this Circular, the closing price of the CCE Shares on the TSXV was $0.115 per CCE Share.

Following the completion of the Arrangement, it is expected that the CCE Shares will be de-listed from the TSXV, the Frankfurt Stock Exchange and the OTCQX with effect as promptly as practicable following the Effective Date.

Previous Purchases and Sales

The following CCE Shares and other securities of Commerce have been issued by Commerce during the 12-month period preceding the date of this Circular.

Date of Issue	Type of Security	Description	Number Issued	Issue / Exercise Price	Gross Proceeds
August 12, 2024	Units and finder's warrants	Convertible into one CCE Share and one common share purchase warrant to purchase one additional CCE Share	216,000,000 units	Unit Issue: $0.126 Unit Exercise: $0.25 Finder's warrant exercise: $0.20	$2,016,000
March 18, 2025	CCE Options	CCE Options issued under the CCE plan	2,500,000 CCE Options	Exercise: $0.12	N/A
May 12, 2025	CCE Convertible Notes	Private placement of CCE Convertible Notes	Principal amount of $2,150,000	Conversion price set forth in the CCE Convertible Notes	$2,150,000
July 12, 2025	CCE PSUs	CCE PSUs issued under the CCE Plan	9,000,000 CCE PSUs	N/A	N/A
July 28, 2025	CSE PSUs	CCE PSUs issued under the CCE Plan	6,000,000 CCE PSUs	N/A	N/A
July 28, 2025	CCE Options	CCE Options issued under the CCE Plan	3,000,000 CCE Options	Exercise: $0.139	N/A

Dividends

Commerce has not declared any cash dividends or distributions on the CCE Shares since its inception. There are no restrictions in the Constating Documents of Commerce that would restrict or prevent Commerce from paying dividends. However, Commerce currently intends to retain all available funds to finance its business. Any decision to pay dividends on the CCE Shares in the future will be made by the CCE Board based on the earnings, financial requirements, and other conditions existing at such time. The Arrangement Agreement provides that Commerce may

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not declare, set aside or pay any dividends in respect of the CCE Shares, subject to certain exceptions set out in the Arrangement Agreement.

Material Mineral Projects

Information relating to the Corporation's material mineral properties is set out below. PLR Resources Inc., L3 Process Development, and DRA Global Limited jointly prepared a technical report in accordance with NI 43-101 entitled "NI 43-101 Technical Report, Mineral Resource Estimate for the Ashram Deposit, Nunavik, Québec, Canada" dated July 4, 2024 with an effective date of April 4, 2024 (the "**Technical Report**"). The summary section of the Technical Report is reproduced below, and readers should consult the full Technical Report to obtain further particulars regarding the Corporation's material mineral projects. The Technical Report is available for review electronically on SEDAR+ at www.sedarplus.ca under Commerce's issuer profile and is incorporated by reference in its entirety herein. All scientific and technical information in the following summary has been extracted from the Technical Report, which was prepared Jeffrey Cassoff, P.Eng., Pierre-Luc Richard, P.Eng., Tommee Larochelle, P.Eng., and Jordan Zampini, P.Eng., each of whom is a qualified person under NI 43-101.

Summary

The following Report presents the results of the Mineral Resource Estimate for the Ashram Deposit. Commerce Resources Corp. ("**Commerce**" or the "**Corporation**") mandated engineering consulting group BBA Inc. to lead and perform MRE, based on contributions from a number of independent consulting firms including PLR Resources Inc., L3 Process Development, and DRA Global Limited.

Terms of Reference

This Technical Report supports the disclosure in Commerce's news release dated May 22, 2024, titled "Commerce Resources Announces Significant Increase in Indicated Mineral Resource for the Ashram Deposit, Quebec". The effective date of the Technical Report is April 4, 2024.

All measurement units used in this Technical Report are metric. Currency is expressed in Canadian dollars ("CAD" or "$") unless otherwise noted.

As of the effective date of this Technical Report, the authors of this Technical Report (the "**Report Authors**") are not aware of any known litigation potentially affecting the Project. The qualified persons ("**QPs**") did not verify the legality or terms of any underlying agreement(s) that may exist concerning the Project ownership, permits, off-take agreements, license agreements, royalties or other agreement(s) between Commerce and any third parties.

The opinions contained herein are based on information collected during investigations by the QPs, which in turn reflects various technical and economic conditions at the time of writing. Given the nature of the mining business, these conditions can change significantly over relatively short periods of time. Consequently, actual results can be significantly more or less favourable.

Contributors

The QPs and their respective areas of responsibility are presented in Table 1-1.

Table 1-1: Report contributors

Qualified Person / Consulting Firm	General Overview of Responsibilities
BBA Inc.	
▪ Jeffrey Cassoff, P.Eng.	▪ Pit constrained cut-off grade and pit optimization
PLR Resources Inc.	

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Qualified Person / Consulting Firm	General Overview of Responsibilities
▪ Pierre-Luc Richard, P.Geo.	▪ Technical report lead ▪ OP Site visit ▪ Description of historical work ▪ Description of geology ▪ Description of deposit type ▪ Description of exploration and drilling programs ▪ Drill hole Database validation ▪ Updated Mineral Resource Estimate ▪ Interpretation of the results and production of conclusions leading to recommendations to improve value and reduce risks ▪ Recommendations for additional studies and data collection to advance the Project.
L3 Process Development	
▪ Tommee Larochelle, P.Eng.	▪ Hydrometallurgical test work
DRA Global Limited	
▪ Jordan Zampini, P.Eng.	▪ Mineral Processing test work

Property Description, Location and Ownership

The Eldor Property is situated approximately 130 km south of the Inuit community of Kuujjuaq, QC, directly adjacent to the western shore of Lac Le Moyne, covering portions of NTS map sheets 24C16 and 24F01. The Eldor Property is located on Category III land within the Nunavik Territory, as defined under the James Bay and Northern Quebec Agreement (JBNQA).

The Eldor Property was acquired to cover the postulated extent of the Eldor Carbonatite Complex. REEs are the main commodity of interest. However, the Eldor Property contains significant potential for niobium, tantalum, phosphate, and fluorspar.

The Eldor Property's size consists of one contiguous block totaling 244 claims (11,474.70 ha). Commerce is the sole registered title holder with 100% interest in the claim block.

Of the 244 claims, eight form the original Eldor Property claim acquisition and are subject to third-party royalty interests with partial buyback provisions.

Royalties and Encumbrances

The original eight claims acquired from Virginia Gold Mines Inc. ("**Virginia**") are subject to a 1% NSR royalty in favour of Virginia and a 5% NPI royalty in favour of two individuals. Commerce has the right to buy back the 5% NPI royalty in consideration of $500,000. The Ashram Deposit is not situated within the Virginia claims and is not subject to any royalties.

Geology

The Eldor Property is located in the Paleoproterozoic New Quebec Orogen, which is interpreted to be the western margin of the Southeastern Churchill Province ("**SECP**"). The New Quebec Orogen is bound to the west by the Archean Superior Province, to the south by the Proterozoic Grenville Province, and extends as far as Ungava Bay to the north. To the east, the New Quebec Orogen is in contact with a composite terrain of the SECP named the Core Zone, composed of Archean and Paleoproterozoic lithologies.

In general, metamorphic grade increases from west to east across the orogeny. The foreland passes from sub-greenschist to upper greenschist facies and the hinterland from upper greenschist, amphibolite and/or granulite facies. The carbonatite suite of rocks has undergone greenschist facies metamorphism. The Eldor Carbonatite Complex and

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its surrounding rocks, were deformed during the Hudsonian Orogeny along with the rocks of the Kaniapiskau Supergroup.

The geology of the Eldor Carbonatite is very complex, with several lithological subdivisions proposed/identified and separate eruptive centres postulated. More recent interpretation indicates the carbonatite was emplaced as sills and dykes over multiple intrusive stages, brecciating and metasomatizing the local host rocks. Multiple stages of crosscutting phoscorite (apatite, olivine, ±magnetite) and calcite carbonatite intrusions characterize the main complex.

Pyrochlore-group minerals are the dominant host of niobium and tantalum in the primary carbonatite and phoscorite, while columbite-(Fe) and nioboaeschynite-(Ce) are the dominant host in the altered carbonatite and phoscorite. Magnetite, apatite, and biotite are the most common accessory minerals associated with the pyrochlore-group minerals, while apatite, fluorite, and pyrite are the most common accessory minerals associated with columbite-(Fe) and nioboaeschynite-(Ce).

An REE-mineral bearing dolomite carbonatite was emplaced in the centre of the complex as a final stage of development and characterizes the Ashram Deposit. The intrusion is interpreted to be an ~500-m-wide pipe-like body of REE-rich Fe-rich dolomite – ankerite - siderite carbonatite with accessory fine-grained apatite, fluorite, and monazite. Their body extends throughout the complex as common narrow dykes.

The REE mineralization at Ashram is hosted primarily (essentially 100%) by monazite, with minor rare earth fluorocarbonates (bastnäsite, parisite, and lesser synchysite) and lesser xenotime. Rare earth mineralization at Ashram is consistent throughout the Deposit with minimal dilution from unmineralized fragments and clasts.

Drilling since 2012

Seven diamond drilling exploration programs (2013, 2014, 2015, 2016, 2019, 2021, and 2022) were completed on the Project since the previous MRE (2012). Except for 2019, every program had some diamond drill holes targeting the Ashram Deposit to define its footprint and improve the geological model confidence.

The sample preparation, analytical procedures, and security of the samples during these procedures followed industry best practices. Sufficient efforts were made to identify items that were out of specification. The quality assurance / quality control (QA/QC) data indicates that the overall assay results from the Corporation's drilling program are valid and can be relied upon for the purpose of this Report. It is the QP's opinion that the sample preparation, analyses and security procedures are adequate and follow best practices.

Data Verification

The MRE in this Technical Report is based on drill data from 2008 to 2022.

For the purpose of this MRE, the QP performed a basic validation on the entire database. All data were provided by Commerce in UTM NAD 83 zone 19. The database close-out date for the resource estimate is December 19, 2023.

The Ashram database contains 213 surface diamond drill holes, six surface channels and 32,962 samples. Of these 213 drill holes, 117, for a total of 28,783 m, were used to interpolate the block model.

Pierre-Luc Richard visited Ashram from September 19 to 20, 2021. The site visit included a visual inspection of cores drilled by Commerce, as well as a field tour and discussions of the geological interpretations with geologists employed by Commerce. The site visit also included a review of sampling and assaying procedures, the QA/QC program, downhole survey methodologies, and the descriptions (logging) of lithologies, alteration and structures. Selected drill collars in the field were also validated using a handheld GPS.

The QP reviewed several sections of mineralized core while visiting Ashram. All core boxes were labelled and properly stored. In the reviewed core boxes, sample tags were present, and it was possible to validate sample numbers and confirm the presence of mineralization in witness half- core samples from the mineralized zones. Drilling was not underway during Mr. Richard's site visit, but the Commerce's geological consultants involved during the drilling programs explained the entire path of the drill core, from the drill rig to the logging and sampling facility and finally to the laboratory.

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The QP is of the opinion that the drilling protocols in place are adequate. The database for the Project is of good overall quality. Some recommendations for improvement have been made during the validation process, but have no material impact on the current MRE. In the QP's opinion, the Ashram database is suitable for mineral resource estimation.

Mineral Processing and Metallurgical Testing

A number of mineral processing test work programs have been carried out on the Ashram Project to develop a beneficiation flowsheet to produce a rare earth mineral concentrate suitable for hydrometallurgical processing. The objective of the test work programs completed varied, with some investigating generating a high-grade mineral concentrate, others investigated producing a lower-grade mineral concentrate while maximizing REE recovery and generating a fluorspar by- product. The current objective of the beneficiation flowsheet is to create a high-grade mineral concentrate to reduce the complexity and cost of the hydrometallurgical processing.

An ongoing program is being completed at SGS Canada in Lakefield ("**SGS**"). This work has not yet been reported on and has been based on a beneficiation flowsheet development work completed by CanmetMINING in which a high-grade mineral concentrate was produced using a relatively simple flotation scheme.

Table 1-2 shows the individual recoveries considered for this MRE and is based on full TREO assays.

Table 1-2: Selected mineral processing recoveries

Element	Recovery	Element	Recovery
La	63.7	Dy	47.1
Ce	63.0	Ho	42.6
Pr	62.0	Er	34.4
Nd	62.1	Tm	30.2
Sm	60.1	Yb	26.7
Eu	58.9	Lu	27.5
Gd	57.5	Y	33.2
Tb	52.1	TREO	62.1

Sulphuric acid bake and water leach experiments were performed at L3 using flotation concentration supplied by SGS. acid bake and water leach recoveries were in line with previously reported recoveries by Hazen, although at much lower acid dosages.

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Table 1-3 shows the individual recoveries considered for this MRE and is based on relevant REE assays.

Table 1-3: Selected hydromet processing recoveries

Element	Recovery
La, Ce, Pr, Nd	95.0
Sm, Eu, Gd	88.0
Tb, Dy,Y	82.0
Ho to Lu	82.0

Mineral Resource Estimate

This MRE covers the Ashram Deposit. Leapfrog Geo™ v.2023.2.2 was used to model the geological and mineralized zones and to generate the drill hole intercepts for each solid. Leapfrog was used for compositing, 3D block modelling and interpolation. Statistical studies were conducted using Excel and Snowden Supervisor™ v.8.15.

The methodology used to estimate the mineral resources involved the following steps:

- Database verification;
- 3D modelling of the geological units;
- 3D modelling of the mineralized zones;
- Drill hole intercept and composite generation;
- Basic statistics;
- Capping;
- Geostatistical analysis including variography;
- Block modelling and grade interpolation;
- Block model validation;
- Mineral resource classification;
- Cut-off grade calculation and pit shell optimization;
- Preparation of the mineral resource statement.

Wireframes were constructed by Commerce geologists in Leapfrog Geo™ with only minor modifications made by the QP during his review of the geological model. The model comprises four REE-bearing zones (A-zone, B-zone, Breccia Classic, and BD-zone), as well as three lithological groups (Carbonatites, Metavolcanics, and Lamprophyre). Only three of the REE-bearing zones were interpolated and considered for this MRE, the BD-zone requiring additional metallurgical studies due to its different REE-bearing mineralogy before being considered for mineral resources.

The interpolation was run on a set of points extracted from the capped composited data. The block model grades were estimated using the ordinary kriging ("**OK**") method. Hard boundaries were applied between the mineralized zones individually and between surrounding country rocks to prevent grades from adjacent lithologies from being used during interpolation. As a block was estimated, it was tagged with the corresponding pass number, slope of the regression value, kriging efficiency, number of composites used, number of drill holes used, and drill spacing.

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A kriging neighbourhood analysis ("**KNA**") was conducted on the mineralized zone with Snowden Supervisor™ software. KNA provides a quantitative method of testing different estimation parameters (i.e., block size, discretization and min/max of composites used for the interpolation) by evaluating their impact on the quality of the results. This analysis helps select the optimal value for each parameter.

The block model was validated using several methods, including statistical analyses and a visual review of the grades in the associated drill hole. Based on these visual and statistical reviews, it is the QP's opinion that the Ashram block model provides a reasonable estimate of in situ mineral resources.

The mineral resources were classified according to CIM Definition Standards. The estimated block grades were classified as either Inferred or Indicated using the drill spacing, geological continuity of mineralization, grade continuity, and overall confidence level. No Measured Mineral Resources were defined for this phase of the Project.

Inferred Mineral Resources were defined for blocks within the A-zone, B-zone, and Breccia Classic zones with a drill spacing of 200 m or better.

Indicated Mineral Resources were defined where the following criteria were met:

- Drill spacing of 70 m or less (most of the Indicated Resource is 50 m or less);
- Demonstrated geological continuity;
- Grade continuity at the reported cut-off grade.

When needed, a series of clipping boundaries were created manually to either upgrade or downgrade classification to avoid issues caused by automatically generated classification. All remaining estimated but unclassified blocks were not reported.

The Ashram MRE (Table 1-4) was prepared by Pierre-Luc Richard (P.Geo.) of PLR, with contributions from Jeffrey Cassoff (P.Eng.) of BBA Inc. for the cut-off grades and pit shell optimization, Tommee Larochelle (P.Eng.) of L3 Process Development for the hydrometallurgical parameters and Jordan Zampini (P.Eng.) of DRA Global Limited for the mineral processing parameters. The QP considers the MRE reliable and based on quality data, reasonable hypotheses and parameters that follow CIM Definition Standards. After completing the MRE and performing a detailed review of all pertinent information, the QPs concluded the following:

- Using a cut-off, expressed as a NMR of $287/t the Indicated Mineral Resources amount to 73.2 Mt at 1.89% TREO and 6.6% CaF2.
- Using a cut-off, expressed as a NMR of $287/t the Inferred Mineral Resources amount to 131.1 Mt at 1.91% TREO and 4.0% CaF2.

Table 1-4: Ashram Mineral Resource Estimate

Cut-off NMR		**$287/t**	
Category		**Indicated**	**Inferred**
Tonnes	**Mt**	**73.2**	**131.1**
Total TREO	%	**1.89**	**1.91**
Nd+Pr Oxide/TREO		21.2	21.4
Tb+Dy Oxide/TREO		0.7	0.5
La_2O_3	ppm	**4,829**	**4,969**
Ce_2O_3		8,753	8,933
Pr_2O_3		**907**	**927**

Cut-off NMR		$287/t	
Category		**Indicated**	**Inferred**
Nd_2O_3		**3,112**	**3,162**
Sm_2O_3		412	385
Eu_2O_3		98	87
Gd_2O_3		223	195
Tb_2O_3		**24**	**19**
Dy_2O_3		**102**	**73**
Ho_2O_3		14	10
Er_2O_3		31	21
Tm_2O_3		3	2
Yb_2O_3		18	13
Lu_2O_3		2	2
Y_2O_3		**419**	**280**
Fluorspar (CaF_2)	%	**6.6**	**4.0**

Notes on the Ashram Resource table (Table 1-4):

1. Mineral resources are not mineral reserves as they have not demonstrated economic viability. The quantity and grade of reported Inferred Resources in this MRE are uncertain in nature and there has been insufficient exploration to define these Inferred Resources as Indicated or Measured. However, it is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

2. Resources are presented as undiluted and in situ for an open-pit scenario and are considered to have reasonable prospects for eventual economic extraction. The constraining pit shell was developed using an overall pit slope of 52 degrees, and the resulting strip ratio is 2.7:1.

3. Three-dimensional modelling was prepared using Leapfrog Geo v.2023.2.1 with a database of 213 surface drill holes, six surface channels and 32,962 samples, of which 117 drill holes and a total of 18,495 assays were used to interpolate the block model mineralized zones.

4. Resources encompass three REE-bearing zones (A-zone, B-zone, and Breccia (Classic)), each defined by wireframes. A value of zero grade was applied in cases of core not assayed.

5. High-grade capping was done on the composited assay data and established on a per-zone basis for each element.

6. Density values were interpolated using ordinary kriging for four rock types in the geological model, including the three mineralized rock types (A-zone, B-zones and Breccia (Classic)), with density averages of 3.08 g/cm3 for A-zone, 3.00 g/cm3 for B-zone, 3.05 g/cm3 for Breccia (Classic), and 2.92 g/cm3 for BD-zone. Surrounding country rock lithologies were given a fixed density value from their range median values: Carbonatites ranging from 2.85 g/cm3 to 2.97 g/cm3, Metavolcanic = 2.84 g/cm3, and Lamprophyre = 2.97 g/cm3. Grade model resource estimation was interpolated from drill hole data using an OK interpolation method in a sub-blocked block model using blocks measuring 5 m x 5 m x 5 m in size and sub-blocks down to 1.25 m x 1.25 m x 1.25 m.

7. The MRE cut-off, expressed as a NMR value, was calculated to be CAD154/t, which is based on a 3-year annualized average (2021, 2022 and 2023) for the five payable oxides; (USD1.25/kg for La2O3, USD95/kg for Pr2O3, USD95/kg for Nd2O3, USD1,500/kg for Tb2O3, and USD375/kg for Dy2O3), estimated metal recoveries, and operating costs for mining, processing, transportation and G&A. A cut-off of CAD287/t is considered as the base case for the MRE and is guided by reasonable prospects of eventual economic extraction over a reasonable timeframe. The cut-off grade considers a CAD:USD exchange rate of 1.30. Metal prices sourced from Adamas Intelligence's Rare Earth Pricing Quarterly Outlook (Q1 2024).

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8. Inferred mineral resources are constrained to areas where drill spacing is less than 200 m, and where reasonable geological and grade continuity is shown. Indicated mineral resources are constrained to areas where drill spacing is less than 70 m, and where reasonable geological and grade continuity is displayed.

9. An open-pit mining method was considered for the MRE and a conceptual pit shell to constrain the resources was developed using Hexagon's MinePlan 3D software, Version 16.05.

10. TREO is the sum of lanthanides (as oxides) + yttrium oxide. NdPr distribution is calculated as (Nd2O3 + Pr2O3) / TREO x 100. TbDy distribution calculated as (Tb2O3 + Dy2O3) / TREO x 100. CaF2 is calculated from fluorine assay using factor of 2.055 (F to CaF2) and assumes all fluorine is contained within the mineral fluorite ("fluorspar").

11. Calculations used metric units (metre, tonne). Metric tonnages have been rounded, and any discrepancies in total amounts are due to rounding errors.

12. CIM definitions and guidelines (2019) ("**CIM Definition Standards**") for Mineral Resource Estimates have been followed.

13. The QPs are unaware of any known environmental, permitting, legal, title-related, taxation, socio-political or marketing issues or any other relevant issues that could materially affect this MRE.

Conclusions and Recommendations

The Ashram Project demonstrates a strong potential for growth, with the Eldor Property showing a strong potential for additional significant discovery of niobium-tantalum mineralization; most notably from the Mallard and Miranna Prospect within the Southeast Area.

The Ashram Deposit is one of the largest rare earth deposits globally. Furthermore, the deposit hosts a monazite dominant rare earth mineralogy with demonstrated mineral processing ability to produce high-grade (+30% REO) monazite mineral concentrates using conventional process techniques. Additionally, the Ashram Deposit has a fluorspar component that makes it one of the largest potential sources of fluorspar in the world.

The QPs recommend that the Ashram Project proceeds to the next phase of project development through a Preliminary Economic Assessment (PEA), and that there is significant potential on the Eldor Property to delineate additional resources and that further drilling and exploration are warranted.

The following proposed work program will help advance the Eldor Property and provide key inputs needed to evaluate its economic viability:

- Phase 1:
    - PEA on the Ashram Deposit;
    - Mineral processing testing;
    - Hydrometallurgical process development;
    - Drilling exploration on the niobium targets.
- Phase 2:
    - Definition drilling on Ashram.

The estimated cost for the recommended work program is approximately $10.4M for Phase 1 and $13.0M for Phase 2 for a total of $23.3M, based on certain assumptions and current site costs. The estimate includes a 15% contingency.

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Statement of Executive Compensation

Executive Compensation and Provision of Services by Insiders

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table sets forth all direct and indirect compensation paid, payable, awarded, granted, given or otherwise provided, directly or indirectly, by the Corporation thereof to each CCE NEO and each director of the Corporation, in any capacity, including, for greater certainty, all plan and non-plan compensation, direct and indirect pay, remuneration, economic or financial award, reward, benefit, gift or perquisite paid, payable, awarded, granted, given or otherwise provided to the CCE NEO or director for services provided and for services to be provided, directly or indirectly, to the Corporation:

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission ($)	Bonus ($)	Committee or Meeting Fees ($)	Value of Perquisites[1] ($)	Value of All Other Compensation ($)	Total Compensation ($)
Ross Carroll[2]	2024	116,872	Nil	Nil	Nil	Nil	116,872
President and CCE CEO	2023	Nil	Nil	Nil	Nil	Nil	Nil
Axel Hoppe[3]	2024	Nil	Nil	Nil	Nil	Nil	Nil
Former Chairman and Former Director	2023	Nil	Nil	Nil	Nil	45,291	45,291
David Hodge[4]	2024	Nil	Nil	Nil	Nil	Nil	Nil
Former CCE *CEO and Former Director*	2023	Nil[5]	Nil	Nil	Nil	Nil	Nil
Christopher Grove[6]	2024	177,606	Nil	Nil	Nil	Nil	177,606
Former President, Former CCE CEO and Former Director	2023	170,000[7]	Nil	Nil	Nil	Nil	170,000
Jody Bellefleur[8]	2024	Nil	Nil	Nil	Nil	Nil	Nil
Former CCE CFO	2023	Nil[9]	Nil	Nil	Nil	Nil	Nil
Jody Dahrouge[10]	2024	Nil	Nil	Nil	Nil	30,000	30,000
Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
Ian Graham[11]	2024	Nil	Nil	Nil	Nil	50,000	50,000
Director	2023	Nil	Nil	Nil	Nil	Nil	Nil
Jeremy Robinson[12]	2024	Nil	Nil	Nil	Nil	30,000	30,000
Director	2023	Nil	Nil	Nil	Nil	Nil	Nil

Name and Position	Year	Salary, Consulting Fee, Retainer or Commission ($)	Bonus ($)	Committee or Meeting Fees ($)	Value of Perquisites[(1)] ($)	Value of All Other Compensation ($)	Total Compensation ($)
Adam Ritchie[(13)]	2024	Nil	Nil	Nil	Nil	23,750	23,750
Director	2023	Nil	Nil	Nil	Nil	Nil	Nil

Notes:

(1) "Perquisites" include perquisites provided to a CCE NEO or director that are not generally available to all employees and that, in aggregate, are: (a) $15,000, if the CCE NEO or director's total salary for the financial year is $150,000 or less, (b) 10% of the CCE NEO or director's salary for the financial year if the CCE NEO or director's total salary for the financial year is greater than $150,000 but less than $500,000, or (c) $50,000 if the CCE NEO or director's total salary for the financial year is $500,000 or greater.

(2) Ross Carroll was the President and CCE CEO of the Corporation from August 1, 2024 to March 17, 2025. Mr. Carroll resigned as President and CEO on March 17, 2025.

(3) Axel Hoppe was the Chairman and director of the Corporation from April 22, 2008 to November 1, 2023. The Corporation announced Dr. Hoppe's resignation on November 8, 2023.

(4) David Hodge was the CCE CEO of the Corporation from May 8, 2009 to June 22, 2023 and was a director since May 19, 1999. Mr. Hodge resigned as a director and officer of the Corporation on June 22, 2023.

(5) Pursuant to an employment agreement between the Corporation and Mr. Hodge dated August 28, 2019, Mr. Hodge received an annual base salary of $90,000, which salary was paid by Zimtu. See "*Employment, Consulting and Management Agreements*". Mr. Hodge resigned as a director and officer of the Corporation on June 22, 2023. As a result of Mr. Hodge's resignation, his employment agreement was terminated pursuant to the terms thereof, and no additional amounts were paid to Mr. Hodge after June 22, 2023.

(6) Christopher Grove was the President of the Corporation from September 12, 2014, CCE CEO of the Corporation from June 22, 2023 and a director from November 16, 2012. The Corporation announced Mr. Grove's resignation as President, CCE CEO and director on August 1, 2024.

(7) See "*Oversight and Description of Director and CCE NEO Compensation*" below. For November and December 2020, Christopher Grove was employed by Zimtu Capital Corp. ("**Zimtu**") and the Corporation paid Zimtu to cover his salary. Effective January 1, 2021, Christopher Grove became an employee of the Corporation, and was paid a rate of $12,500 per month. Effective January 1, 2021, Mr. Grove's monthly fee was increased to $14,500. Mr. Grove's agreement was terminated with the last effective date being August 14, 2024.

(8) Jody Bellefleur was the CCE CFO of the Corporation from October 19, 2010 to July 10, 2025. Ms. Bellefleur's agreement was terminated with the last effective date being July 10, 2025.

(9) Pursuant to an employment agreement between the Corporation and Ms. Bellefleur dated August 28, 2019, Ms. Bellefleur received an annual base salary of $75,000, which salary was paid by Zimtu. See "*Employment, Consulting and Management Agreements*".

(10) Jody Dahrouge resigned as a Director on December 12, 2023.

(11) Ian Graham has been a director of the Corporation since October 19, 2009.

(12) Jeremy Robinson has been a director of the Corporation since November 1, 2023. Mr. Robinson was appointed Interim President and CCE CEO on March 17 2025 and was replaced by Nicholas Holthouse on June 1, 2025.

(13) Adam Ritchie has been a director of the Corporation since January 15, 2024.

Stock Options and Other Compensation Securities

The following table sets out all Compensation Securities granted or issued to each director and CCE NEO by the Corporation or any subsidiary thereof, in the year ended October 31, 2024 for services provided, or to be provided, directly or indirectly, to the Corporation or any subsidiary thereof:

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Compensation Securities							
Name and Position	**Type of Compensation Security**	**Number of Compensation Securities, Number of Underlying Securities and Percentage of Class**	**Date of Issue or Grant**	**Issue, Conversion or Exercise Price $**	**Closing Price of Security or Underlying Security on Date of Grant $**	**Closing Price of Security or Underlying Security at Year End $**	**Expiry Date**
Ross Carroll President and CCE CEO	-	-	-	-	-	-	-
Axel Hoppe *Former Chairman and Former Director*	-	-	-	-	-	-	-
David Hodge *Former CCE CEO and Former Director*	-	-	-	-	-	-	-
Christopher Grove *Former President, Former CCE CEO an*d *Former Director*	-	-	-	-	-	-	-
Jody Bellefleur *Former CCE CFO*	-	-	-	-	-	-	-
Jody Dahrouge *Director*	-	-	-	-	-	-	-
Ian Graham *Director*	-	-	-	-	-	-	-
Jeremy Robinson *Director*	-	-	-	-	-	-	-

Exercise of Compensation Securities by Directors and CCE NEOs

No CCE NEO or director exercised any Compensation Securities, being solely comprised of stock options, during the year ended October 31, 2024.

Stock Option Plans and Other Incentive Plans

Equity Incentive Plan

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The Corporation's current equity incentive plan (the "**2022 Equity Incentive Plan**"), which it adopted on June 6, 2022, amended on April 5, 2024, and was approved by CCE Shareholders at the annual general and special meeting on May 8, 2024, is a "fixed" twenty (20%) percent plan under TSXV Policy 4.4 that would permit the Corporation to grant the following kinds of security based incentive compensation: stock options, deferred share units, performance share units, restricted share units and stock appreciation rights.

The following summary is intended as a brief description of the 2022 Equity Incentive Plan and is qualified in its entirety by the full text of the 2022 Equity Incentive Plan attached as Schedule "C" to the Information Circular dated April 5, 2024 and filed on SEDAR+ at www.sedarplus.ca.

Purpose

The purpose of the 2022 Equity Incentive Plan is to promote the long-term success of the Corporation and the creation of shareholder value by: (i) encouraging the attraction and retention of eligible persons; (ii) encouraging such eligible persons to focus on critical long-term objectives; and (iii) promoting greater alignment of the interests of such eligible persons with the interests of the Corporation.

The 2022 Equity Incentive Plan provides flexibility to the Corporation to grant equity-based incentive awards in the form of CCE Options, restricted share units ("**RSUs**"), performance share units ("**PSUs**") and deferred share units ("**DSUs**" and, collectively with the RSUs and PSUs, the "**Performance-Based Awards**") to eligible persons.

Shares Subject to the 2022 Equity Incentive Plan

The 2022 Equity Incentive Plan is a "fixed" plan such that the aggregate number of CCE Shares that may be issued upon the exercise or settlement of CCE Options and Performance-Based Awards granted under the 2022 Equity Incentive Plan (and all of the Corporation's other Security-Based Compensation Arrangements), shall not exceed, in the aggregate, 20% of the Corporation's issued and outstanding CCE Shares at the time that the 2022 Equity Incentive Plan is implemented, such number being 19,969,361 as at April 5, 2024, and approved by CCE Shareholders at the annual general and special meeting on May 8, 2024.

Participation Limits

The 2022 Equity Incentive Plan provides that:

(a) unless the Corporation has obtained disinterested shareholder approval, the maximum aggregate number of CCE Shares issuable to insiders under the 2022 Equity Incentive Plan, within any 12 month period, together with CCE Shares reserved for issuance to insiders under all of the Corporation's other Security-Based Compensation Arrangements, shall not exceed twenty (20%) percent of the issued and outstanding CCE Shares (calculated as at the date of any grant);

(b) unless the Corporation has obtained disinterested shareholder approval, the maximum aggregate number of CCE Shares issuable to insiders under the 2022 Equity Incentive Plan, at any point in time, together with CCE Shares reserved for issuance to insiders under all of the Corporation's other Security-Based Compensation Arrangements, shall not exceed twenty (20%) percent of the issued and outstanding CCE Shares;

(c) unless the Corporation has obtained disinterested shareholder approval, the maximum aggregate number of CCE Shares issuable to any participant (as defined in the 2022 Equity Incentive Plan) under the 2022 Equity Incentive Plan, within any 12 month period, together with CCE Shares reserved for issuance to such participant (and to Companies wholly-owned by that participant) under all of the Corporation's other Security-Based Compensation Arrangements, shall not exceed five (5%) percent of the issued and outstanding CCE Shares (calculated as at the date of any grant);

(d) the maximum aggregate number of CCE Shares issuable to any one consultant (as defined in the 2022 Equity Incentive Plan) under the 2022 Equity Incentive Plan, within any twelve (12) month period, together with CCE Shares issuable to such consultant under all of the Corporation's other

Security-Based Compensation Arrangements, shall not exceed two (2%) percent of the issued and outstanding CCE Shares (calculated as at the date of any grant); and

(e) the maximum aggregate number of CCE Shares issuable pursuant to grants of CCE Options to all investor relations service providers performing investor relations activities under the 2022 Equity Incentive Plan, within any 12-month period, shall not in aggregate exceed two (2%) percent of the issued and outstanding CCE Shares (calculated as at the date of any grant). For the avoidance of doubt, persons performing investor relations activities are only eligible to receive CCE Options under the 2022 Equity Incentive Plan; they are not eligible to receive any Performance-Based Award or other type of securities-based compensation under the 2022 Equity Incentive Plan.

Administration of the 2022 Equity Incentive Plan

The 2022 Equity Incentive Plan shall be administered by the CCE Board and the CCE Board has full authority to administer the 2022 Equity Incentive Plan, including the authority to interpret and construe any provision of the 2022 Equity Incentive Plan and to adopt, amend and rescind such rules and regulations for administering the 2022 Equity Incentive Plan as the CCE Board may deem necessary in order to comply with the requirements of the 2022 Equity Incentive Plan.

Eligible Persons under the 2022 Equity Incentive Plan

When used in connection with the grant of CCE Options, all officers, directors, employees, management company employees and consultants of the Corporation are eligible to participate in the 2022 Equity Incentive Plan. When used in connection with the grant of Performance-Based Awards, all officers, directors, employees, management company employees and consultants of the Corporation that do not perform investor relations activities are eligible to participate in the 2022 Equity Incentive Plan. The extent to which any such individual is entitled to receive a grant of an award pursuant to the 2022 Equity Incentive Plan will be determined in the sole and absolute discretion of the CCE Board. Each person who receives a grant under the 2022 Equity Incentive Plan is referred to as a Participant.

Types of Awards

Awards of CCE Options, RSUs, PSUs and DSUs may be granted under the 2022 Equity Incentive Plan. All of the awards described below are subject to the conditions, limitations, restrictions, exercise price, vesting, settlement and forfeiture provisions determined by the CCE Board, in its sole discretion, subject to such limitations provided in the 2022 Equity Incentive Plan, and will generally be evidenced by an award agreement.

CCE Options

A CCE Option entitles a holder thereof to purchase a prescribed number of CCE Shares at an exercise price determined by the CCE Board at the time of the grant of the CCE Option, provided that the exercise price of a CCE Option granted under the 2022 Equity Incentive Plan shall not be less than the Discounted Market Price (as defined in the policies of the Exchange), provided that if a CCE Option is proposed to be granted by the Corporation after the Corporation has just been recalled for trading following a suspension or halt, the Corporation must wait at least ten trading days since the day on which trading in the Corporation's securities resumes before setting the exercise price for and granting the CCE Option. Each CCE Option shall, unless sooner terminated, expire on a date to be determined by the CCE Board which will not exceed ten (10) years from the date of grant of the CCE Option. The CCE Board may, in its absolute discretion, upon granting CCE Options under the 2022 Equity Incentive Plan, specify different time periods following the dates of granting the CCE Options during which the Participant may exercise their CCE Options to purchase CCE Shares and may designate different exercise prices and numbers of CCE Shares in respect of which each Participant may exercise CCE Options during each respective time period. Subject to the discretion of the CCE Board, the CCE Options granted to a Participant under the 2022 Equity Incentive Plan shall vest as determined by the CCE Board on the date of grant of such CCE Options. If the CCE Board does not specify a vesting schedule at the date of grant, then CCE Options granted to persons, other than those conducting investor relations activities, shall vest fully on the date of grant, and in any event in accordance with the policies of the Exchange. CCE Options issued to Persons conducting Investor Relations Activities must vest (and shall not otherwise be exercisable) in stages over a minimum of 12 months such that:

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A. no more than 1/4 of the CCE Options vest no sooner than three months after the grant date;

B. no more than another 1/4 of the CCE Options vest no sooner than six months after the grant date;

C. no more than another 1/4 of the CCE Options vest no sooner than nine months after the grant date; and

D. the remainder of the CCE Options vest no sooner than 12 months after the grant date.

For stock options granted under the 2022 Equity Incentive Plan, cashless exercise facilitated by loans from brokerage firms will be permitted, whereby the brokerage firm lends some or all of the exercise payment to option-holders and then sells a sufficient number of CCE Shares to repay the loan. Upon such cashless exercise, the brokerage firm involved will receive a number of CCE Shares from the exercise of a Participant's CCE Options to repay the loan so provided, and the Participant receives the balance of CCE Shares or the cash proceeds from the balance of such CCE Shares.

If the award agreement for the grant of CCE Options so provides, in the event of a change of control (as defined in the 2022 Equity Incentive Plan), all CCE Options granted to a Participant that ceases to be an eligible person shall become fully vested and shall become exercisable by the Participant in accordance with the terms of such award agreement and the 2022 Equity Incentive Plan. No acceleration of the vesting of any CCE Options shall be permitted without prior Exchange review and acceptance for CCE Options issued to persons conducting investor relations activities.

Other than as may be set forth in the award agreement for the grant of CCE Options, upon the death of a Participant, any CCE Options granted to such Participant which, prior to the Participant's death, have not vested, will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect; and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any CCE Options granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable award agreement will accrue to the Participant's estate in accordance with 2022 Equity Incentive Plan and may be exercised by the Participant's estate within one year of the death of the Participant.

Where a Participant's relationship with the Corporation is terminated by the Corporation or a subsidiary for cause, all CCE Options granted to the Participant under the 2022 Equity Incentive Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date.

Where a Participant's relationship with the Corporation terminates by reason of termination by the Corporation or a subsidiary without cause, by voluntary termination, voluntary resignation or due to retirement by the Participant, such that the Participant no longer qualifies as an eligible person, all CCE Options granted to the Participant under the 2022 Equity Incentive Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date; provided, however, that any CCE Options granted to such Participant which, prior to the Participant's termination without cause, voluntary termination, voluntary resignation or retirement, had vested pursuant to the terms of the applicable award agreement will accrue to the Participant in accordance with the 2022 Equity Incentive Plan and shall be exercisable by such Participant for a period of 90 days following the date the Participant ceased to be an eligible person, or such longer period as may be provided for in the award agreement or as may be determined by the CCE Board provided such period does not exceed 12 months after the termination date.

Where a Participant becomes afflicted by a disability, all CCE Options granted to the Participant under the 2022 Equity Incentive Plan will continue to vest in accordance with the terms of such CCE Options; provided, however, that no CCE Options may be redeemed during a leave of absence. Where a Participant's relationship is terminated due to disability such that the Participant ceases to be an eligible person, all CCE Options granted to the Participant under this Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date; provided, however, that any CCE Options granted to such Participant which, prior to the termination of the Participant's relationship with the Corporation due to disability, had vested pursuant to terms of the applicable award agreement, will accrue to the Participant in accordance with the 2022 Equity Incentive Plan

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and shall be exercisable by such Participant for a period of 90 days following the date the termination date, or such longer period as may be provided for in the award agreement or as may be determined by the CCE Board.

Restricted Share Units

A RSU is a right awarded to a Participant, as compensation for employment or consulting services or services as a director or officer, to receive for no additional cash consideration, securities of the Corporation upon specified vesting criteria being satisfied, and subject to the terms and conditions of the 2022 Equity Incentive Plan and the applicable award agreement, and which may be paid in cash and/or CCE Shares. The number of RSUs to be credited to each participant shall be determined by the CCE Board in its sole discretion in accordance with the 2022 Equity Incentive Plan. All RSUs will vest and become payable by the issuance of CCE Shares at the end of the restriction period if all applicable restrictions have lapsed, as such restrictions may be specified in the award agreement.

RSUs shall be subject to such restrictions as the CCE Board, in its sole discretion, may establish in the applicable award agreement, which restrictions may lapse separately or in combination at such time or times and on such terms, conditions and satisfaction of objectives as the CCE Board may, in its discretion, determine at the time a RSU is granted. The CCE Board shall determine any vesting terms applicable to the grant of RSUs, however, no RSUs may vest before the date that is one (1) year following the date of the award.

If the award agreement so provides, in the event of a change of control (as defined in the 2022 Equity Incentive Plan) and the Participant ceases to be an eligible person, all restrictions upon any RSUs held by such Participant shall lapse immediately and all such RSUs shall become fully vested in such Participant in accordance with the 2022 Equity Incentive Plan.

Other than as may be set forth in the applicable award agreement, upon the death of a Participant, any RSUs granted to such Participant which, prior to the Participant's death, have not vested, will be immediately and automatically forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever. Any RSUs granted to such Participant which, prior to the Participant's death, had vested pursuant to the terms of the applicable award agreement will accrue to the Participant's estate in accordance with the 2022 Equity Incentive Plan.

Where a Participant's relationship with the Corporation is terminated by the Corporation or a subsidiary for cause, all RSUs granted to the Participant under this Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date.

Where a Participant's relationship with the Corporation terminates by reason of termination by the Corporation or a subsidiary without cause, by voluntary termination, voluntary resignation or due to retirement by the Participant, all RSUs granted to the Participant under the 2022 Equity Incentive Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date and the Participant shall have no right, title or interest therein whatsoever; provided, however, that any RSUs granted to such Participant which, prior to the Participant's termination without cause, voluntary termination, voluntary resignation or retirement, had vested pursuant to the terms of the applicable award agreement will accrue to the Participant in accordance with the 2022 Equity Incentive Plan.

Where a Participant becomes afflicted by a disability, all RSUs granted to the Participant under the 2022 Equity Incentive Plan will continue to vest in accordance with the terms of such RSUs; provided, however, that no RSUs may be redeemed during a leave of absence. Where a Participant's relationship is terminated due to disability such that the Participant ceases to be an eligible person, all RSUs granted to the Participant under the 2022 Equity Incentive Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date and the Participant shall have no right, title or interest therein whatsoever; provided, however, that any RSUs granted to such Participant which, prior to the Participant's termination due to disability, had vested pursuant to terms of the applicable award agreement will accrue to the Participant in accordance with the 2022 Equity Incentive Plan.

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As soon as practicable after each vesting date of a RSU, the Corporation shall, at the sole discretion of the CCE Board, either: (a) issue to the Participant from treasury the number of CCE Shares equal to the number of RSUs that have vested; or (b) make a cash payment in an amount equal to the Market Unit Price (as defined in the 2022 Equity Incentive Plan) on the next trading day after the vesting date of the RSUs, net of applicable withholdings.

Performance Share Units

A PSU is a right awarded to a Participant, as compensation for employment or consulting services or services as a director or officer, to receive, for no additional cash consideration, securities of the Corporation upon specified performance and vesting criteria being satisfied, subject to the terms and conditions of the 2022 Equity Incentive Plan and the applicable award agreement, and which may be paid in cash and/or CCE Shares. No PSUs may vest before the date that is one year following the date of the award.

Subject to the provisions of the 2022 Equity Incentive Plan and such other terms and conditions as the CCE Board may prescribe, the CCE Board may, from time to time, grant awards of PSUs to eligible persons that do not perform investor relations activities. The number of PSUs to be awarded to any Participant shall be determined by the CCE Board, in its sole discretion, in accordance with the 2022 Equity Incentive Plan. Each PSU shall, contingent upon the attainment of the performance criteria within the performance cycle, represent one Share.

The CCE Board will select, settle and determine the performance criteria (including without limitation the attainment thereof), for purposes of the vesting of the PSUs, in its sole discretion. An award agreement may provide the CCE Board with the right to revise the performance criteria and the award amounts if unforeseen events (including, without limitation, changes in capitalization, an equity restructuring, an acquisition or a divestiture) occur which have a substantial effect on the financial results and which in the sole judgment of the CCE Board make the application of the performance criteria unfair unless a revision is made.

All PSUs will vest and become payable to the extent that the performance criteria set forth in the award agreement are satisfied in the performance cycle, the determination of which satisfaction shall be made by the CCE Board on the determination date. No PSU may vest before the date that is one year following the date of the award.

If the award agreement so provides, in the event of a change of control (as defined in the 2022 Equity Incentive Plan) and the Participant ceases to be an eligible person, all PSUs granted to such Participant shall become fully vested in such Participant (without regard to the attainment of any performance criteria) and shall become payable to the Participant in accordance with the 2022 Equity Incentive Plan.

Other than as may be set forth in the applicable award agreement and below, upon the death of a Participant, all PSUs granted to the Participant which, prior to the Participant's death, have not vested, will immediately and automatically be forfeited and cancelled without further action and without any cost or payment, and the Participant or his or her estate, as the case may be, shall have no right, title or interest therein whatsoever; provided, however, the CCE Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable performance criteria have been satisfied in that portion of the performance cycle that has lapsed.

Where a Participant's relationship with the Corporation is terminated by the Corporation or a subsidiary for cause, all PSUs granted to the Participant under the 2022 Equity Incentive Plan will immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date.

Where a Participant's relationship with the Corporation terminates by reason of termination by the Corporation or a subsidiary without cause, by voluntary termination, voluntary resignation or due to retirement by the Participant, all PSUs granted to the Participant which have not vested will, unless the award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date, and the Participant shall have no right, title or interest therein whatsoever; provided, however, the CCE Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable performance have been satisfied in that portion of the performance cycle that has lapsed.

Where a Participant becomes afflicted by a disability, all PSUs granted to the Participant under the 2022 Equity Incentive Plan will continue to vest in accordance with the terms of such PSUs; provided, however, that no PSUs may

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be redeemed during a leave of absence. Where a Participant's relationship is terminated due to disability such that the Participant ceases to be an eligible person, all PSUs granted to the Participant under the 2022 Equity Incentive Plan that have not vested will, unless the applicable award agreement provides otherwise and subject to the provisions below, immediately terminate without payment, be forfeited and cancelled and shall be of no further force or effect as of the termination date, and the Participant shall have no right, title or interest therein whatsoever; provided, however, that the CCE Board may determine, in its sole discretion, the number of the Participant's PSUs that will vest based on the extent to which the applicable performance criteria have been satisfied in that portion of the performance cycle that has lapsed.

Payment to Participants in respect of vested PSUs shall be made after the determination date for the applicable award and in any case within ninety-five (95) days after the last day of the performance cycle to which such award relates. The Corporation shall, at the sole discretion of the CCE Board, either: (a) issue to the Participant the number of CCE Shares equal to the number of PSUs that have vested on the determination date; or (b) make a cash payment in an amount equal to the Market Unit Price (as defined in the 2022 Equity Incentive Plan) on the next trading day after the determination date of the PSUs that have vested, net of applicable withholdings.

Deferred Share Units

A DSU is a right granted to a Participant, as compensation for employment or consulting services or services as a director or officer, to receive, for no additional cash consideration, securities of the Corporation on a deferred basis upon specified vesting criteria being satisfied, subject to the terms and conditions of the 2022 Equity Incentive Plan and the applicable award agreement, and which may be paid in cash and/or CCE Shares. DSUs may not be granted to any Participant performing investor relation activities.

Subject to the provisions of the 2022 Equity Incentive Plan and such other terms and conditions as the CCE Board may prescribe, the CCE Board may, from time to time, grant awards of DSUs to directors in lieu of fees (including annual CCE Board retainers, chair fees, meeting attendance fees or any other fees payable to a director) or to other eligible persons as compensation for employment or consulting services. The number of DSUs to be credited to each Participant shall be determined by the CCE Board in its sole discretion in accordance with the 2022 Equity Incentive Plan. The number of DSUs shall be specified in the applicable award agreement. Each director may elect to receive any or all of his or her fees in DSUs under this Plan.

The number of DSUs shall be calculated by dividing the amount of fees selected by a director by the Market Unit Price (as defined in the 2022 Equity Incentive Plan) on the grant date (or such other price as required under the policies of the Exchange) which shall be the 10th business day following each financial quarter end. Any fractional DSU shall be rounded down and no payment or other adjustment will be made with respect to the fractional DSU.

No DSUs may vest before the date that is one year following the date of the award of the DSU.

Each participant shall be entitled to receive, after the effective date that the Participant ceases to be an eligible person for any reason, on a day designated by the Participant and communicated to the Corporation by the Participant in writing at least fifteen (15) days prior to the designated day (or such earlier date after the participant ceases to be an eligible person as the participant and the Corporation may agree, which date shall be no later than one year after the date upon which the participant ceases to be an eligible person) and if no such notice is given, then on the first anniversary of the effective date that the Participant ceases to be an eligible person, at the sole discretion of the CCE Board, either: (a) that number of CCE Shares equal to the number of vested DSUs credited to the participant's account, such CCE Shares to be issued from treasury of the Corporation; or (b) a cash payment in an amount equal to the Market Unit Price on the next trading day after the Participant ceases to be an eligible person of the vested DSUs, net of applicable withholdings.

In the event that the value of a DSU would be determined with reference to a period commencing at a fiscal quarter-end of the Corporation and ending prior to the public disclosure of interim financial statements for the quarter (or annual financial statements in the case of the fourth quarter), the cash payment of the value of the DSUs will be made to the Participant with reference to the five (5) trading days immediately following the public disclosure of the interim financial statements for that quarter (or annual financial statements in the case of the fourth quarter).

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Upon the death of a Participant holding DSUs that have vested, the Participant's estate shall be entitled to receive, within 120 days after the Participant's death and at the sole discretion of the CCE Board, a cash payment or CCE Shares that would have otherwise been payable in accordance with the 2022 Equity Incentive Plan to the Participant upon such Participant ceasing to be an eligible person.

General Provisions of the 2022 Equity Incentive Plan

Non-Transferability

No CCE Option or Performance-Based Award and no right under any such CCE Option or Performance-Based Award shall be assignable, alienable, saleable, or transferable by a participant otherwise than by will or by the laws of descent and distribution and only then if permitted by the policies of the Exchange. No CCE Option or Performance-Based Award and no right under any such CCE Option or Performance-Based Award, may be pledged, alienated, attached, or otherwise encumbered, and any purported pledge, alienation, attachment, or encumbrance thereof shall be void and unenforceable against the Corporation.

Black-out Periods

In the event that the date provided for expiration, redemption or settlement of an award falls within a blackout period imposed by the Corporation pursuant to a trading policy as the result of the bona fide existence of undisclosed material information, the expiry date, redemption date or settlement date, as applicable, of the award shall automatically be extended to the date that is ten (10) business days following the date of expiry of the blackout period which shall occur promptly following general disclosure of the undisclosed material information. Notwithstanding the foregoing, there will be no extension of any award if the Corporation (or the Participant) is subject to a cease trade order (or similar order under applicable law).

Deductions

Whenever cash is to be paid in respect of DSUs, RSUs or PSUs, the Corporation shall have the right to deduct from all cash payments made to a Participant any taxes required by law to be withheld with respect to such payments. The Corporation is authorized to withhold any payment due under any award or under the 2022 Equity Incentive Plan until the Participant has paid or made arrangements for the payment of the amount of any withholding taxes due in respect of an award, its exercise, or any payment under such award or under this Plan. At the sole discretion of the CCE Board, a Participant may be permitted to satisfy the foregoing requirement by, all in accordance with the Policies of the Exchange by delivering an irrevocable direction to a securities broker approved by the Corporation to sell all or a portion of the CCE Shares and deliver to the Corporation from the sales proceeds an amount sufficient to pay the required withholding taxes.

Amendments to the 2022 Equity Incentive Plan

The CCE Board may at any time or from time to time, in its sole and absolute discretion and without the approval of CCE Shareholders, amend, suspend, terminate or discontinue the 2022 Equity Incentive Plan and may amend the terms and conditions of any CCE Options or Performance-Based Awards granted hereunder, subject to:

(i) any required disinterested shareholder approval to (i) reduce the exercise price of an award issued to an insider or (ii) extend the term of an CCE Option granted to an insider, in either event in accordance with the policies of the Exchange;

(ii) any required approval of any applicable regulatory authority or the Exchange; and

(iii) any approval of CCE Shareholders as required by the Policies of the Exchange or applicable law, provided that CCE Shareholder approval shall not be required for the following amendments and the CCE Board may make any changes which may include but are not limited to (except that the Exchange may require approval of the shareholders of the Corporation for amendments pursuant to Sections C to G below):

A. amendments of a "housekeeping nature";

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B. amendments for the purpose of curing any ambiguity, error or omission in the 2022 Equity Incentive Plan or to correct or supplement any provision of the 2022 Equity Incentive Plan that is inconsistent with any other provision of the 2022 Equity Incentive Plan;

C. amendments which are necessary to comply with applicable law or the requirements of the Exchange;

D. amendments respecting administration and eligibility for participation under the 2022 Equity Incentive Plan;

E. amendments to the terms and conditions on which CCE Option or Performance-Based Awards may be or have been granted pursuant to 2022 Equity Incentive Plan including amendments to the vesting provisions and terms of any CCE Options or Performance-Based Awards;

F. with the exception of CCE Options granted to persons performing investor relations activities, amendments which alter, extend or accelerate the terms of vesting applicable to any CCE Options or Performance-Based Awards; and

G. changes to the termination provisions of an CCE Option, Performance-Based Award or the 2022 Equity Incentive Plan which do not entail an extension beyond the original fixed term.

Term

The 2022 Equity Incentive Plan shall terminate automatically 10 years after the Effective Date and may be terminated on any earlier date as provided in the 2022 Equity Incentive Plan.

Obtaining a copy of the Plan

A copy of the 2022 Equity Incentive Plan is attached as Schedule "C" to the Information Circular dated April 5, 2024 and filed on SEDAR+ at www.sedarplus.ca.

Employment, Consulting and Management Agreements

The Corporation is not a party to any employment, consulting or management agreements other than as set forth below.

The Corporation and Christopher Grove entered into an employment agreement dated August 28, 2019, pursuant to which Mr. Grove provided his services in the role as President to the Corporation. Mr. Grove resigned as the President and CCE CEO on August 14, 2024.

The Corporation and David Hodge entered into an employment agreement dated August 28, 2019, pursuant to which Mr. Hodge provided his services in the role as CCE CEO to the Corporation for $90,000 per year. Mr. Hodge resigned as the CCE CEO on June 22, 2023 and the employment agreement was terminated.

The Corporation and Ross Carroll entered into an employment agreement dated August 1, 2024, pursuant to which Mr. Carroll provided his services in the role of President and CCE CEO to the Corporation. Mr. Carroll resigned as the President and CCE CEO on March 17, 2025.

The Corporation and Nicholas Holthouse entered into an employment agreement date June 1, 2025, pursuant to which Mr. Holthouse provides his services as CCE CEO and President of the Corporation for an agreed A$375,000 per annum (plus superannuation, less applicable statutory deductions and withholdings and payable in accordance with the Corporation's payroll practices in force from time to time) base salary. The Corporation will have the ability to set short-term and long-term incentives; however, as at the date of this Circular, no incentives have been agreed on the basis that the Consideration Performance Rights are being issued to replace Mr. Holthouse's existing long-term

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incentives granted while he was president and CCE CEO. The agreement is for an indefinite term, unless terminated by either party in accordance with the agreement. The Corporation may terminate the agreement by giving not less than one month's written notice of termination to Mr. Holthouse (or a shorter period in limited circumstances). Mr. Holthouse may terminate the agreement by giving not less than three months' written notice of termination to the Corporation (or a shorter period in limited circumstances).

The Corporation and Jody Bellefleur entered into an employment agreement dated August 28, 2019, pursuant to which Ms. Bellefleur provided her services in the role as CCE CFO. Ms. Bellefleur resigned as CCE CFO effective June 30, 2025.

External Management Companies

The Corporation had a Management and Administrative Services Agreement in place with Zimtu. Zimtu provided the Corporation with administrative and managerial services (performed indirectly by directors and senior officers of the Corporation), which included corporate maintenance, continuous disclosure and corporate compliance services, salaries, and office space and was paid a monthly fee of $12,500. The Management and Administrative Services Agreement between Zimtu and the Corporation was subsequently terminated on June 30, 2025.

Oversight and Description of Director and CCE NEO Compensation

The Corporation is a junior mineral exploration company and trades on the TSXV. The Corporation's resources and capital are limited. The Corporation has no revenue from mineral producing operations and as a result, the CCE Board has to consider not only the financial situation of the Corporation at the time of determining executive compensation but also the estimated financial situation of the Corporation in the mid to long term.

Jody Bellefleur, former CFO**,** was not compensated directly by the Corporation, as she was compensated by Zimtu which provides professional services to the Corporation. The Corporation had a management services contract with Zimtu pursuant to which Commerce paid Zimtu a monthly fee of $12,500, for a variety of services in addition to those related to the CCE CFO functions. Christopher Grove was employed directly by the Corporation, pursuant to an employment agreement, and receives a monthly fee of $14,500. Mr. Grove's employment agreement was terminated on March 17, 2025, and Ms. Bellefleur's agreement was terminated on July 10, 2025.

Performance-Based Awards

An element of executive compensation that is available to the Corporation is the granting of Performance-Based Awards under the 2022 Equity Incentive Plan. Performance-Based Awards are granted to provide an incentive to participate in the long-term development of the Corporation and to increase shareholder value. Other than Chris Grove and Ross Carroll, executive officers and directors are not paid a salary by the Corporation and are reimbursed for expenses incurred in carrying out the business of the Corporation.

The CCE Board evaluates the number of CCE Options an officer has been granted, the exercise price of the CCE Options and the term remaining on those CCE Options when considering grants. CCE Options are usually priced at the closing trading price of the CCE Shares on the business day immediately preceding the date of grant and the current policy of the CCE Board is that CCE Options expire five years from the date of grant.

The CCE Board has not adopted any specific policies or practices to determine the compensation for the Corporation's directors and officers, other than disclosed above. The Corporation has not established a compensation committee.

Pension Plan Benefits

The Corporation does not have any pension plans that provide for payments or benefits to the CCE NEOs at, following, or in connection with retirement, including any defined benefits plan or any defined contribution plan. The Corporation does not have a deferred compensation plan with respect to any CCE NEO.

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Securities Authorized for Issuance Under Equity Compensation Plans

The following table sets out equity compensation plan information as at the end of the financial year ended October 31, 2024:

Plan Category	Number of securities to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by securityholders	2,900,000	$0.185	17,069,361
Equity compensation plans not approved by securityholders	Nil	Nil	Nil
Total	**2,900,000**	**$0.185**	**17,069,361**

A copy of the 2022 Equity Incentive Plan is attached as Schedule "C" to the Corporation's Information Circular dated April 5, 2024 as filed on SEDAR+ at www.sedarplus.ca.

Material Contracts

Other than contracts entered into in the ordinary course of business and the Arrangement Agreement, there are no material contracts entered into by Commerce since the beginning of the most recently completed fiscal year, or that are still in effect as of the date of this Circular.

Auditor, Transfer Agent and Registrar

The independent auditors of Commerce are DeVisser Gray LLP, having an address at 905 West Pender St., Vancouver, British Columbia, V6C 1L6, Canada. DeVisser Gray LLP was appointed by Commerce effective November 19, 2020.

Odyssey Trust Company, at its offices located at Suite 350 – 409 Granville Street, Vancouver, British Columbia V6C 1T2, acts as the registrar and transfer agent of the CCE Shares.

Statement of Rights

Securities legislation in the provinces and territories of Canada provides securityholders with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or notice that is required to be delivered to those securityholders. However, such rights must be exercised within prescribed time limits. Securityholders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult a lawyer.

Further information regarding the business of Commerce, its corporate structure, operations and its mineral properties can be found in Commerce's public filings available on SEDAR+ at www.sedarplus.ca under Commerce's issuer profile. In particular, Commerce's management discussion and analysis for the years ended October 31, 2024 and 2023 are available on SEDAR+ at www.sedarplus.ca under Commerce's issuer profile. Commerce's condensed consolidated interim financial statements for the three and six months ended April 30, 2025 are also available on SEDAR+ (www.sedarplus.ca) under Commerce's issuer profile. The most recent interim financial statements of Commerce will be sent without charge to any CCE Shareholder requesting them.

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PART 18. INFORMATION CONCERNING MONT ROYAL

Mont Royal is an Australia-based mineral exploration company. It is involved in the acquisition, exploration and development of mineral resource projects. Mont Royal's project includes the Wapatik Gold-Copper Project in Quebec, Canada, and the Northern Lights Minerals Pty Ltd in the Upper Eastmain Greenstone Belt in Quebec, Canada.

The head office and registered office of Mont Royal is located at Level 8, 2 Bligh Street Sydney, New South Wales 2000 Australia. The MRZ Shares are listed and posted for trading on the ASX under the symbol "MRZ". For more information regarding the business of Mont Royal, its operations and mineral properties, see Appendix I to this Circular.

PART 19. INFORMATION CONCERNING THE COMBINED COMPANY

On completion of the Arrangement, Mont Royal will indirectly own all of the issued and outstanding shares in the capital of Commerce. After completion of the Arrangement, the business and operations of Commerce will be managed and operated as an indirect subsidiary of Mont Royal. Mont Royal expects that the business and operations of Mont Royal and Commerce will be consolidated and the principal executive office of the Combined Company will be located at Mont Royal's current principal executive office, being Level 1, 1 Alvan Street, Perth, Western Australia 6008, Australia.

For more information regarding the businesses, operations and mineral properties of the Combined Company following the completion of the Arrangement, see Appendix J to this Circular.

PART 20. PARTICULARS OF OTHER MATTERS TO BE ACTED UPON AT THE MEETING

Receipt of Financial Statements

The directors will place before the Meeting the audited consolidated financial statements for the financial year ended October 31, 2024 together with the auditors' reports thereon.

Election of Directors

The directors of the Corporation are elected at each annual general meeting and hold office until the next annual general meeting or until their successors are elected or appointed, unless his or her office is earlier vacated in accordance with the articles of the Corporation or with the provisions of applicable corporate legislation. In the absence of instructions to the contrary, the enclosed form of proxy will be voted for the nominees listed in the form of proxy, all of whom are presently members of the CCE Board.

At the Meeting, CCE Shareholders will be asked to pass an ordinary resolution to set the number of directors for the ensuing year at three. The number of directors will be approved if the affirmative vote of the majority of CCE Shares present or represented by proxy at the Meeting and entitled to vote are voted in favour to set the number of directors at three.

The Corporation's articles contain an advance notice provision (the "**Advance Notice Provision**") of the nomination of directors in certain circumstances. To be timely, the advance notice by the nominating shareholder (the "**Nominating Shareholder**") must be made:

(a) in the case of an annual meeting of shareholders, not less than 30 and not more than 65 days prior to the date of the annual meeting of shareholders; provided, however, that in the event that the annual meeting of shareholders is to be held on a date that is less than 50 days after the date (the "**Notice Date**") on which the first public announcement of the date of the annual meeting was made, notice by the Nominating Shareholder is to be made not later than the close of business on the 10th day after the Notice Date in respect of such meeting; and

(b) in the case of a special meeting (which is not also an annual meeting) of shareholders called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the

15th day following the day on which the first public announcement of the date of the special meeting of shareholders was made.

No nominations of directors for the Meeting by the Nominating Shareholders were received in accordance with the provisions of the Advance Notice Provision. Management of the Corporation proposes to nominate the persons named in the table below for election by the shareholders as directors of the Corporation. Information concerning such persons, as furnished by the individual nominees, is as follows:

Name, Province or State, Country of Residence and Position(s) with the Corporation[1]	Periods during which Nominee has Served as a Director	Present Principal Occupation, Business or Employment of each Director and Proposed Director	Number of Voting Securities of the Corporation Beneficially Owned or Controlled or Directed, Directly or Indirectly[1]
Jeremy Robinson[2] Director Australia	November 1, 2023	Businessperson, Principal of Churchill Strategic Investments Group, director of RareX Limited (ASX:REE), Cosmos Exploration Limited (ASX:C1X), Kincora Copper Limited (ASX:KCC), Brazilian Critical Minerals Limited (ASX:BCM) and Ardiden Limited (ASX:ADV).	9,491,944[3]
Ian Graham[2] Director British Columbia, Canada	October 19, 2009	Businessperson, Geologist; President and Director of Oroco Resource Corp.; director of Fidelity Minerals Corp.; Director of Pantera Silver Corp.; director of Green Battery Minerals Inc., President of Kwazi Resource Management Inc. a private company providing consulting services to the mining and exploration industry.	-
Adam Ritchie Director Australia	January 15, 2024	Professional Engineer; Managing Director of Loyal Lithium Limited.	500,000[4]

Notes:

(1) The information as to country of residence and principal occupation, and CCE Shares beneficially owned or over which a director exercises control or direction, as at September 4, 2025, not being within the knowledge of the Corporation, has been furnished by the respective nominees as at the date of this Circular.

(2) Member of Audit Committee.

(3) Mr. Robinson holds 1,000,000 CCE Options and 3,000,000 CCE PSUs exercisable into an aggregate of 4,000,000 CCE Shares, that are not included in the total. He also holds 17,163,889 CCE Warrants through Churchill Strategic Investments Group Pty Ltd., exercisable into an aggregate of 17,163,889 CCE Shares, that are not included in the total.

(4) Mr. Ritchie holds 1,000,000 CCE Options, 3,000,000 CCE PSUs and 500,000 CCE Warrants exercisable into an aggregate of 4,500,000 CCE Shares, that are not included in the total.

The term of office of those nominees set out above, who are presently directors, will expire as of the date of the Meeting. All of the directors who are elected at the Meeting will have their term of office expire at the next annual

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general meeting or at such time when their successors are duly elected or appointed in accordance with the articles, or with the provisions of applicable corporate legislation or until such director's earlier death, resignation or removal.

Management recommends the approval of each of the nominees listed above for election as directors of the Corporation for the ensuing year.

Management does not contemplate that any of its nominees will be unable to serve as directors. If any vacancies occur in the slate of nominees listed above before the Meeting, then the designated proxyholders intend to exercise discretionary authority to vote the CCE Shares represented by proxy for the election of any other persons as directors.

Orders

Except as listed below, no proposed director of the Corporation is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director, chief executive officer or chief financial officer of any company that:

(a) was subject to an order that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

For the purposes of the above, "order" means: (a) a cease trade order; (b) an order similar to access trade order; or (c) an order that denied the relevant company access to any exemption and securities legislation, that was in effect for a period of more than 30 consecutive days.

Ian Graham was a director of Cache Exploration Inc. when it was subject to a cease trade order issued by the British Columbia Securities Commission on January 28, 2021 for failure to file financial statements and management's discussion and analysis for the period ended September 30, 2020 within the prescribed time period. The cease trade order was revoked on April 6, 2021. Ian Graham was a director of Spey Resources Corp. (CSE) when it was subject to a cease trade order issued by the British Columbia Securities Commission on August 12, 2021 in connection with disclosure regarding that company's acquisition of Tech One Lithium Resources Corp. The order was revoked effective August 12, 2022.

The above information was provided by individual directors of the Corporation.

Bankruptcies

No proposed director of the Corporation is, as at the date of this Circular, or has been, within 10 years before the date of this Circular, a director or an executive officer of any company that, while the person was acting in that capacity, or within a year of that person ceasing to act in the capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

No proposed director of the Corporation has, within the 10 years before the date of this Circular, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director.

The above information was provided by individual directors of the Corporation.

Penalties or Sanctions

No proposed director of the Corporation has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

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(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable security-holder in deciding whether to vote for a proposed director. The above information was provided by individual directors of the Corporation.

Appointment of Auditor

CCE Shareholders will be asked to approve the appointment of DeVisser Gray LLP, Chartered Professional Accountants as auditor for the Corporation to hold office until the next annual general meeting of the shareholders, at a remuneration to be fixed by the directors.

Management recommends shareholders vote for the appointment of DeVisser Gray as the Corporation's auditor for the Corporation's fiscal year ending October 31, 2025 at a remuneration to be fixed by the CCE Board.

PART 21. LEGAL MATTERS

Certain Canadian legal matters in connection with the Arrangement as they pertain to Commerce will be passed upon by Osler, Hoskin & Harcourt LLP.

PART 22. INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Certain of the Corporation's current directors and officers will serve as directors and/or officers of Mont Royal after the completion of the Arrangement. Information concerning such directors and officers is provided under the heading "*Directors and Executive Officers*" in Appendix J to this Circular. Other than as set forth in "*Part 7 – The Arrangement – Interests of Certain Persons in the Arrangement*", management of the Corporation is not aware of any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, of any person who has been a director or executive officer of the Corporation at any time since the beginning of the Corporation's last financial year or of any associate or affiliate of any such persons, in any matter to be acted upon at the Meeting.

PART 23. INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

During the last completed fiscal year, no director, executive officer, senior officer or nominee for director of the Corporation or any of their associates has been indebted to the Corporation or any of its subsidiaries, nor has any of these individuals been indebted to another entity which indebtedness is the subject of a guarantee, support in agreement, letter of credit or other similar arrangement or understanding provided by the Corporation or any of its subsidiaries.

PART 24. CORPORATE GOVERNANCE

Pursuant to National Instrument 58-101 *Disclosure of Corporate Governance Practices* ("**NI 58-101**"), the Corporation is required to disclose its corporate governance practices with respect to the corporate governance guidelines adopted in NI 58-101. These guidelines are not prescriptive, but have been used by the Corporation in adopting its corporate governance practices. The Corporation's approach to corporate governance is set out in this Circular attached as Appendix "L".

PART 25. AUDIT COMMITTEE

Under National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"), venture issuers are required to provide certain disclosure with respect to their audit committee, including the text of the audit committee's charter, the composition

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of the audit committee and the fees paid to the external auditor. This information with respect to the Corporation is provided in Appendix "M".

PART 26. MANAGEMENT CONTRACTS

Management functions of the Corporation are generally performed by directors and senior officers of the Corporation and not, to any substantial degree, by any other person to whom the Corporation has contracted.

The Corporation had a Management and Administrative Services Agreement in place with Zimtu. Zimtu provided the Corporation with administrative and managerial services (performed indirectly by directors and senior officers of the Corporation; see "*Executive Compensation*" above), which included corporate maintenance, continuous disclosure and corporate compliance services and office space and was paid a monthly fee of $12,500.

PART 27. ADDITIONAL INFORMATION

Commerce files a management information circular and financial statements with Canadian securities regulators, which are filed by Commerce under its issuer profile on SEDAR+ at www.sedarplus.ca. Additional information may be obtained about Commerce through the website maintained by Commerce at https://commerceresources.com/, and about Mont Royal on the ASX website at www.asx.com.au/markets/company/Mont Royal and through the website maintained by Mont Royal at www.montroyalres.com. The information contained in Commerce's website and Mont Royal's website is not incorporated by reference into this Circular.

The Canadian Securities Administrators allow certain information filed with the Canadian Securities Administrators to be incorporated by reference into this Circular, which means that important information can be disclosed to you by referring you to other documents filed separately with Canadian Securities Administrators. You should read the information incorporated by reference because it is an important part of this Circular.

PART 28. OTHER MATTERS

Management of Commerce is not aware of any other matter to come before the Meeting other than as set forth in the Notice of Meeting.

PART 29. APPROVAL

The contents of this Circular and the sending thereof to the CCE Shareholders have been approved by the CCE Board.

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DATED as of the 4th day of September, 2025.

BY ORDER OF THE CCE BOARD

(*signed*) "*Jeremy Robinson*"

Jeremy Robinson
Director
Commerce Resources Corp.

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PART 30. CONSENT OF EVANS & EVANS, INC.

To: The Board of Directors of Commerce Resources Corp.

We refer to the full text of the written fairness opinion dated April 3, 2025 (the "**Fairness Opinion**") which we prepared solely for the benefit and use of the board of directors and the special committee of the board of directors of Commerce Resources Corp. ("**Commerce**") in connection with the plan of arrangement involving, among others, Commerce, its securityholders and Mont Royal Resources Limited (as described in Commerce's management information circular dated September 4, 2025 (the "**Circular**")).

We hereby consent to the inclusion of the full text of the Fairness Opinion as "*Appendix F – Evans & Evans Inc. Fairness Opinion*" attached to the Circular, and to the references to our firm name and the Fairness Opinion in the Circular.

Our Fairness Opinion was given as of April 3, 2025 and remains subject to the assumptions, qualifications and limitations contained therein. In providing our consent, Evans & Evans, Inc. does not intend that any person other than the board of directors and the special committee of the board of directors of Commerce shall be entitled to, may or will rely on the Fairness Opinion.

DATED as of September 4, 2025

(signed) "Evans & Evans, Inc."

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APPENDIX A

GLOSSARY OF TERMS

In this Circular, unless there is something in the subject matter inconsistent therewith, the following terms shall have the respective meanings set out below, words importing the singular number shall include the plural and vice versa, and words importing any gender shall include all genders.

"**20% Rule**" has the meaning ascribed thereto in "*Appendix H – Comparison of Relevant Laws*" of this Circular.

"**2022 Equity Incentive Plan**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – Statement of Executive Compensation*" of this Circular.

"**AASB**" means Australian Accounting Standards Board.

"**Acquisition Proposal**" means, other than the transactions contemplated by this Agreement and other than any transaction involving only a Party and/or one or more of its wholly-owned subsidiaries, any offer, proposal or inquiry from any person or group of persons acting jointly or in concert, whether or not in writing and whether or not delivered to the shareholders of a Party, after the date hereof relating to:

(a) any acquisition or purchase, direct or indirect, of: (i) the assets of that Party and/or one or more of its subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of that Party and its subsidiaries, taken as a whole, or which contribute 20% or more of the consolidated revenue of a Party and its subsidiaries, taken as a whole (or any lease, long-term supply or off-take agreement, hedging arrangement or other transaction having the same economic effect as a sale of such assets) (in each case, determined based upon the most recent publicly available consolidated financial statements of that Party), or (ii) 20% or more of the issued and outstanding voting or equity securities of that Party or any one or more of its subsidiaries that, individually or in the aggregate, contribute 20% or more of the consolidated revenues or constitute 20% or more of the consolidated assets of that Party and its subsidiaries, taken as a whole (in each case, determined based upon the most recent publicly available consolidated financial statements of that Party);

(b) any direct or indirect take-over bid, tender offer or exchange offer that, if consummated, would result in such person or group of persons beneficially owning 20% or more of the issued and outstanding voting or equity securities of any class of voting or equity securities of that Party;

(c) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving that Party or any of its subsidiaries whose assets or revenues, individually or in the aggregate, constitute 20% or more of the consolidated assets or revenues, as applicable, of that Party and its subsidiaries, taken as a whole (in each case, determined based upon the most recent publicly available consolidated financial statements of that Party); or

(d) any other similar transaction or series of transactions involving the Party or any of its subsidiaries, and, in all cases, whether in a single transaction or in a series of related transactions.

"**affiliate**" has the meaning given to it in the Securities Act.

"**allowable capital loss**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" of this Circular.

"**Alta Royalties**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**Alternative Transaction**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Other Covenants – Alternative Transaction*" of this Circular.

"**Alternative Transaction Conditions**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Other Covenants – Alternative Transaction*" of this Circular.

"**Anti-Bribery and Corruption Policy**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**Applicable Law**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**Arrangement**" means an arrangement pursuant to the provisions of Division 5 of Part 9 of the BCBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of this Agreement or made at the direction of the Court in the Final Order with the prior written consent of CCE and MRZ, each acting reasonably.

"**Arrangement Agreement**" means the arrangement agreement dated April 9, 2025, as amended on July 29, 2025, between Commerce and Mont Royal, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof.

"**Arrangement Resolution**" means the special resolution of the CCE Shareholders approving the Arrangement to be considered at the Meeting, in the form and content of Appendix B to this Circular.

"**Ashram**" or "**Ashram Deposit**" has the meaning ascribed thereto in "*Part 4 – Summary –Information Concerning Commerce*" of this Circular.

"**Ashram Project**" has the meaning ascribed thereto in *"Part 4 – Summary — Reasons for the Arrangement"* of this Circular.

"**ASIC**" means the Australian Securities & Investments Commission.

"**associate**" has the same meaning as ascribed to the term "associated entity" in MI 61-101.

"**ASX**" means the Australian Securities Exchange.

"**ASX Limit**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**ASX Listing Rules**" means the official listing rules of the ASX as varied, waived or modified from time to time.

"**Australian Tax Act**" means the *Income Tax Assessment Act 1936 (Cth)* and *Income Tax Assessment Act 1997 (Cth)* and the regulations thereunder, as amended from time to time.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**Blue River Assets**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

"**Blue River Claims**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

"**Blue River Land**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

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"**Blue River Shares**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

"**Books and Records**" means the books and records of a Party and its subsidiaries including, to the extent existing, financial, corporate, operations and sales books, records, books of account, sales, purchase and billing records, lists of suppliers and customers, business reports, reports of customer contacts, employee documents and files, human resources materials and all other documents, files, records, and other data and information, financial or otherwise including all data, information and databases stored on computer-related or other electronic media, and all Tax records and Tax Returns.

"**Broadridge**" has the meaning ascribed thereto in "*Part 5 – General Proxy Information – Non-Registered CCE Shareholders*" of this Circular.

"**Business Day**" means a day, other than a Saturday or a Sunday, on which the principal commercial banks located in Vancouver, British Columbia and Perth, Western Australia are open for the conduct of business.

"**Canadian Securities Administrators**" or "**CSA**" means the umbrella organization of Canada's provincial and territorial securities regulators.

"**CCE Board**" means the board of directors of Commerce as the same is constituted from time to time.

"**CCE Budget**" means CCE's budget for 2025, including capital expenditures, in the form appended to Section 1.1 of the CCE Disclosure Letter.

"**CCE CEO**" means each individual who acted as chief executive officer of the Corporation or acted in a similar capacity for any part of the most recently completed financial year.

"**CCE CFO**" means each individual who acted as chief financial officer of the Corporation or acted in a similar capacity for any part of the most recently completed financial year.

"**CCE Convertible Notes**" means the secured convertible notes of CCE in accordance with their terms.

"**CCE Disclosure Letter**" means the disclosure letter executed by CCE and delivered to MRZ on April 9, 2025.

"**CCE Financial Statements**" means the audited consolidated financial statements of CCE for the fiscal years ended October 31, 2024 and 2023.

"**CCE Financing**" means the non-brokered private placement of CCE Convertible Notes for aggregate gross proceeds of up to C$2,200,000.

"**CCE Locked-Up Shareholder**" means each of the directors and significant CCE Shareholders listed on Schedule "E" to the Arrangement Agreement.

"**CCE Mineral Rights**" means all of CCE's interests in any rights, titles and interests held in respect of mining claims, mining leases, mining concessions, exploration licenses, leases to mine minerals, surface deposit rights, other forms of mineral or land tenures, whether contractual, statutory or other, and other mining titles, granted, assigned, acquired or held by any person at any time and from time to time (including any mining rights as defined in the *Mining Act* (Québec)).

"**CCE Named Executive Officer**" or "**CCE NEO**" means each of the following individuals:

(a) each individual who served as CCE CEO of the Corporation, or who performed functions similar to a CCE CEO, during any part of the most recently completed financial year,

(b) each individual who served as CCE CFO of the Corporation, or who performed functions similar to a CCE CFO, during any part of the most recently completed financial year,

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(c) the most highly compensated executive officer of the Corporation or any of its subsidiaries (if any) other than individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than $150,000 for that financial year, and

(d) each individual who would be a CCE NEO under paragraph (c) but for the fact that the individual was neither an executive officer of the Corporation or its subsidiaries, nor acting in a similar capacity, at the end of that financial year.

"**CCE Options**" means the outstanding options of CCE to purchase CCE Shares issued under the CCE Plan.

"**CCE Plan**" means the equity incentive plan of CCE, which was most recently approved by CCE Shareholders at the annual general and special meeting on May 8, 2024, as amended and supplemented.

"**CCE PSU**" means the outstanding performance share unit awards to purchase CCE Shares issued under the CCE Plan.

"**CCE Securities**" means the CCE Shares, CCE Options, CCE PSUs, CCE Warrants and the CCE Convertible Notes.

"**CCE Securityholder**" means the CCE Shareholders or holders of CCE Options, CCE PSUs, CCE Convertible Notes and CCE Warrants.

"**CCE Shareholder Approval**" has the meaning ascribed thereto in "*Part 7 – The Arrangement – Approval of Arrangement Resolution*" of this Circular.

"**CCE Shareholders**" means the holders of CCE Shares.

"**CCE Shares**" means the common shares in the capital of Commerce, as constituted on the date hereof.

"**CCE Voting and Lock-up Agreements**" means the voting and support agreements (including all amendments thereto) between MRZ and the CCE Locked-up Shareholders setting forth the terms and conditions upon which they agree to vote their CCE Shares, CCE Options, CCE PSUs and CCE Warrants in favour of the Arrangement Resolution.

"**CCE Warrants**" means the outstanding warrants to purchase CCE Shares issued by Commerce.

"**CDS**" has the meaning ascribed thereto in "*Part 5 – General Proxy Information – Non-Registered CCE Shareholders*" of this Circular.

"**Change in Recommendation**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Non-Solicitation Covenant*" of this Circular.

"**Churchill**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

"**CIM**" means the Canadian Institute of Mining, Metallurgy and Petroleum.

"**CIM Definition Standard**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – Mineral Resource estimate*" of this Circular.

"**Circular**" means this management information circular of Commerce, including all appendices to this Circular, sent to CCE Shareholders in connection with the Meeting, including any amendments or supplements thereto in accordance with the terms of the Arrangement Agreement.

"**CMIF**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

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"**Code of Conduct**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**Collective Agreement**" means any collective agreement, collective bargaining agreement or related bargaining agent document that is binding on a Party or its subsidiary, including any arbitration decision, letter or memorandum of understanding or agreement with bargaining agents, letter of intent with bargaining agents or other written communication with bargaining agents, in each case, which covers or would pertain to the employment of any Employee of such Party or impose any obligations upon such Party in connection with the employment of any Employee.

"**Combined Company**" means Mont Royal and Commerce collectively following the completion of the Arrangement.

"**Combined Company Board**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**Commerce**" or the "**Corporation**" means Commerce Resources Corp., a corporation existing under the BCBCA.

"**Compensation Securities**" includes stock options, convertible securities, exchangeable securities and similar instruments including stock appreciation rights, deferred share units and restricted stock units granted or issued by the Corporation or one of its subsidiaries (if any) for services provided or to be provided, directly or indirectly to the Corporation or any of its subsidiaries (if any).

"**Consideration**" means the pre-MRZ Consolidation MRZ Shares to be issued to the CCE Shareholders pursuant to the Plan of Arrangement, being 2.3271 pre-MRZ Consolidation MRZ Shares for each (one) 1 CCE Share, subject to further adjustments in accordance with Section 2.12 of the Arrangement Agreement.

"**Constating Documents**" means notice of articles, articles of incorporation, amalgamation, arrangement or continuation, as applicable, articles, by-laws, certificates of incorporation, certificates of change of company name (as applicable), constitutions or other constating documents and all amendments thereto.

"**Contract**" means any contract, agreement, license, lease, arrangement or other right or obligation to which Commerce or Mont Royal or any of their respective subsidiaries is a party or by which Commerce or Mont Royal or any of their respective subsidiaries is bound or affected or to which any of their respective properties or assets is subject.

"**Controlling Individual**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Eligibility for Investment*" of this Circular.

"**Convertible Security**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**Corporations Act**" means the *Corporations Act 2001* (Cth).

"**Court**" means the British Columbia Supreme Court.

"**CRA**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations*" of this Circular.

"**Data Room**" means the data room used by CCE and MRZ to exchange transaction information and documentation.

"**Depositary**" means Odyssey Trust Company in its role as depositary for the purpose of, among other things, exchanging certificates and DRS Advices representing CCE Shares for certificates or statements representing the Consideration pursuant to the Arrangement.

"**Director**" means the Director appointed pursuant to Part 5 Division 1 of the BCBCA.

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"**Dissent Rights**" means the rights of dissent in respect of the Arrangement described in the Plan of Arrangement.

"**Dissenting Non-Resident Holder**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada – Dissenting Non-Resident Holders*" of this Circular.

"**Dissent Procedures**" has the meaning ascribed thereto in "*Part 12 – Dissent Rights*" of this Circular.

"**Dissenting Resident Holder**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Dissenting Resident Holders*" of this Circular.

"**Dissenting Shareholder**" means a Registered CCE Shareholder as at the Record Date that has duly and validly exercised their Dissent Rights and that has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights and that is ultimately determined to be entitled to be paid the fair value of its CCE Shares.

"**Division 1A**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**DRS Advice**" means a Direct Registration System Advice evidencing the securities held by a securityholder in book-based form in lieu of a physical share certificate.

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

"**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date.

"**Eldor Niobium Project**" has the meaning ascribed thereto in *"Part 4 – Summary– Reasons for the Arrangement"* of this Circular.

"**Eldor Property**" has the meaning ascribed thereto in *"Part 4 – Summary – Information Concerning Commerce"* of this Circular.

"**Eligible Participant**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**Employees**" means all employees of a Party or its subsidiaries, as the case may be, including part-time and full-time employees, in each case, whether active or inactive, unionized or non-unionized.

"**Engagement Letter**" means the engagement letter between Commerce and Evans & Evans Inc. dated effective February 17, 2025.

"**Environmental Laws**" means all Laws and Contracts with Governmental Entities relating to reclamation or restoration of properties; abatement of pollution; protection of the environment; public health; occupational safety; protection of wildlife, including endangered species; processing, distribution, use, handling, transport, management, treatment, storage, disposal or control of, or exposure to, Hazardous Substances; Releases or threatened Releases of Hazardous Substances, and all Permits issued or required pursuant to such Laws.

"**Evans & Evans**" means Evans & Evans, Inc.

"**Exchange**" means with respect to Commerce, the TSXV, and with respect to Mont Royal, the ASX.

"**Exchange Ratio**" means 2.3271 MRZ Shares for each CCE Share on a pre-MRZ Consolidation basis.

"**Fairness Opinion**" means the opinion of Evans & Evans Inc. to the effect that, as of the date of such opinion and based upon and subject to the assumptions, limitations and qualifications set forth therein, the Consideration to be received by the CCE Shareholders under the Arrangement is fair, from a financial point of view, to such holders. A copy of the Fairness Opinion is attached as Appendix F to this Circular.

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"**Final Order**" means the final order of the Court, after being informed of the intention to rely upon the exemption from the registration requirements under section 3(a)(10) of the U.S. Securities Act with respect to the issuance and distribution of the Consideration, the Replacement Options and the Replacement Performance Rights, approving the Arrangement, in form and substance acceptable to both CCE and MRZ, each acting reasonably, made pursuant to Section 291 of the BCBCA, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the consent of both CCE and MRZ, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn, abandoned or denied, as affirmed or as amended on appeal (provided that any such amendment is acceptable to both CCE and MRZ, each acting reasonably).

"**Finder's Warrant**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

"**Finder's Warrant Share**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

"**Fiscal 2022**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular

"**Fiscal 2023**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular

"**Fiscal 2024**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular

"**Focus**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**Focus Royalty 1**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**Focus Royalty 2**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**Former CCE Shareholders**" means the holders of CCE Shares (other than Dissenting Shareholders and Mont Royal, and any of their affiliates) immediately prior to the effective time of the transaction described in Section 3.1(e) of the Plan of Arrangement.

"**forward-looking information**" and "**forward looking statements**" have the meanings ascribed thereto in "*Part 3 – Cautionary Statement Regarding Forward-Looking Information*" of this Circular.

"**FT Unit**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

"**Governmental Entity**" means: (a) any multinational, federal, provincial, state, territorial, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau or agency, domestic or foreign; (b) any subdivision, agent, commission, bureau, board or authority of any of the foregoing; (c) any quasi-governmental or private body, including any tribunal, commission, regulatory agency or self-regulatory organization, exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; or (d) any stock exchange, including the Exchanges.

"**Hazardous Substance**" means any substance that is prohibited, regulated, designated or classified as dangerous, hazardous, radioactive, explosive, toxic, a waste or a contaminant pursuant to any applicable Environmental Laws, including petroleum products or by-products, asbestos and asbestos-containing material, lead-containing paint or plumbing, polychlorinated biphenyls, radioactive materials, radon, and perfluoroalkyl.

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"**Holder**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations*" of this Circular.

"**IFRS**" means International Financial Reporting Standards as issued by the International Accounting Standards Board, at the relevant time, prepared on a consistent basis.

"**Indicated Mineral Resources**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – Mineral Resource estimate*" of this Circular.

"**Inferred Mineral Resources**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – Mineral Resource estimate*" of this Circular.

"**Intellectual Property**" means all intellectual property, in any jurisdiction throughout the world, whether or not registrable, including all: (a) patents, applications for patents and reissues, divisionals, continuations, renewals, re-examinations, extensions and continuations-in-part of patents or patent applications, (b) proprietary confidential information, including inventions (whether patentable or not), invention disclosures, improvements, discoveries, trade secrets, confidential information, know-how, methods, models, formulas, algorithms, processes, designs, technology, technical data, schematics, formulae and customer lists, and documentation relating to any of the foregoing, (c) copyrights, copyright registrations and applications for copyright registration, (d) integrated circuit, topographies, integrated circuit topography registrations and applications, mask works, mask work registrations and applications, (e) designs, design registrations, design registration applications, industrial designs, industrial design registrations and industrial design applications, (f) trade names, business names, corporate names, domain names, social media accounts and user names, social media identifiers and identities, website names and world wide web addresses, common law trade-marks, trade-mark registrations, trade mark applications, trade dress and logos, and the goodwill associated with any of the foregoing, (g) all intellectual property rights in and to software and technology, including rights and data in databases, and (h) any other intellectual property and industrial property rights throughout the world, however denominated.

"**Interim Order**" means the interim order of the Court, after being informed of the intention to rely upon the exemption from the registration requirements under section 3(a)(10) of the U.S. Securities Act with respect to the issuance and distribution of the Consideration, the Replacement Options and the Replacement Performance Rights, to be issued following the application therefor contemplated by Section 2.2 of this Agreement and made pursuant to Section 291 of the BCBCA, providing for, among other things, the calling and holding of the Meeting, as the same may be affirmed, amended, modified, supplemented or varied by the Court with the consent of both CCE and MRZ, each acting reasonably.

"**Investment Assets**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Offshore Investment Fund Property*" of this Circular.

"**In-the-Money Amount**" means in respect of a CCE Option or Replacement Option at any time, the amount, if any, by which the aggregate fair market value, at that time, of the shares subject to the option exceeds the aggregate exercise price under the option.

"**Key Regulatory Approvals**" means those Regulatory Approvals required to proceed with the Arrangement, the failure of which to obtain would reasonably be expected to have a Material Adverse Effect on such Party, including those specified in Section 5 of the CCE Disclosure Letter or Section 5 of the MRZ Disclosure Letter.

"**Key Third Party Consents**" means those consents and approvals specified in the CCE Disclosure Letter or the MRZ Disclosure Letter.

"**KNA**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – Mineral Resource Estimate*" of this Circular.

"**Last Practicable Date**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

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"**Law**" or "**Laws**" means all laws (including common law), bylaws, statutes, rules, regulations, principles of law and equity, Orders, rulings, ordinances, judgments, injunctions, determinations, awards, decrees or other requirements, whether domestic or foreign, and the terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity, and the term "**applicable**" with respect to such Laws and in a context that refers to one or more Parties, means such Laws as are applicable to such Party or its business, undertaking, property or securities and emanate from a person having jurisdiction over the Party or Parties or its or their business, undertaking, property or securities.

"**LCT**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

"**Letter of Transmittal**" means the letter of transmittal delivered by Commerce to Registered CCE Shareholders together with this Circular, providing for the delivery of CCE Shares to the Depositary.

"**Liens**" means any hypothecs, mortgages, pledges, assignments, liens, charges, security interests, royalties, encumbrances and adverse rights or claims, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing.

"**Mallard Prospect**" means the niobium exploration prospect, located within the Eldor Property and which are adjacent to the Ashram Project's Mineral Resource.

"**Market Unit Price**" has the meaning ascribed thereto in the 2022 Equity Incentive Plan.

"**Market Value**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**Matching Period**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Non-Solicitation Covenant – Right to Accept Superior Proposal and Right to Match*" of this Circular.

"**Material Adverse Effect**" means, in respect of a person, any fact, change, event, occurrence, effect, state of facts, liability and/or circumstance that, individually or in the aggregate with other such facts, changes, events, occurrences, effects, states of facts, liabilities or circumstances, is or could reasonably be expected to be material and adverse to the current and future business, operations, results of operations, assets, properties, condition (financial or otherwise), liabilities (contingent or otherwise) or capitalization of such person and its subsidiaries taken as a whole, other than any fact, change, event, occurrence, effect, state of facts, liability or circumstance resulting from or arising in connection with:

(a) any fact, change, event, occurrence, effect, state of facts, liability or circumstance generally affecting the industries in which the Parties or their subsidiaries operate, including any change in the price of rare metals, rare earth elements or lithium;

(b) any fact, change, event or occurrence in global, national or regional economic, political, or financial conditions, including changes in (i) financial markets, credit markets or capital markets, (ii) interest rates and credit ratings, (iii) inflation and (iv) currency exchange rates;

(c) any hurricane, flood, tornado, earthquake or other natural or man-made disaster or acts of God, epidemic, pandemic or disease outbreak or any material worsening of such conditions existing as of the date of the Arrangement Agreement;

(d) any act of terrorism or any outbreak of hostilities or declared or undeclared war, cyberterrorism, civil unrest, civil disobedience, sabotage, cybercrime, national or international calamity, military action, declaration of a state of emergency or any other similar event (including the current conflict between the Russian Federation and Ukraine and the conflict in the Middle East), or any change, escalation or worsening thereof;

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(e) any change in Law, IFRS, AIFRS or changes in regulatory accounting or Tax requirements, or in the interpretation, application or non-application of the foregoing by any Governmental Entity, after the date of the Arrangement Agreement;

(f) any specific action taken (or omitted to be taken) by a Party to the Arrangement Agreement that is expressly required to be taken (or, in the case of an omission, expressly prohibited to be taken) pursuant to the Arrangement Agreement or with the express prior written consent or at the written direction of the Parties hereto, provided that this clause (g) shall not apply to any representation or warranty (or any Party's obligation to consummate the Arrangement Agreement relating to such representation or warranty) to the extent the purpose of such representation or warranty is to address the consequences resulting from the execution and delivery of the Arrangement Agreement or the consummation of the Arrangement and the other transactions contemplated hereby;

(g) any change in the market price or trading volume of a Party's securities (it being understood that the causes underlying such change in market price or trading volume may, to the extent not otherwise excluded from the definition of Material Adverse Effect, be taken into account in determining whether a Material Adverse Effect has occurred);

(h) the failure in and of itself of a Party to meet any internal or published projections, forecasts or guidance or estimates of revenues, earnings, cash flows or other financial operating metrics of such Party or of any securities analysts before, on or after the date of the Arrangement Agreement (it being understood that the causes underlying such failure may, if not otherwise excluded from this definition of Material Adverse Effect, be deemed either alone or in combination to constitute, or be taken into account in determining whether a Material Adverse Effect has occurred); or

(i) any fact, change, event, occurrence, effect, state of facts, liability and/or circumstance directly resulting from the announcement of the Arrangement Agreement or the Arrangement or the implementation of the Arrangement, including any loss or threatened loss of, or adverse change or threatened adverse change in, the relationship of CCE or MRZ with any of their customers, employees, shareholders, vendors, distributors, partners or suppliers arising as a direct consequence of same (it being understood that this clause (j) shall not apply with respect to any representation or warranty the purpose of which is to address the effect of the announcement, execution, delivery and performance of the Arrangement Agreement or the transactions contemplated hereby, including the Arrangement, or the performance of any obligations hereunder),

but, in the case of clauses (a) through to and including (e) above, only to the extent that any such fact, change, event, occurrence, effect, state of facts, liability or circumstances does not have a disproportionate effect on CCE or MRZ, as applicable, taken as a whole, relative to comparable entities operating in the industry in which they operate, and references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretative for purposes of determining whether a Material Adverse Effect has occurred.

"**material change**" has the meaning ascribed to such term in the Securities Act.

"**Material Contract**" means, in respect of any Party, any Contract:

(a) that if terminated or modified or if it ceased to be in effect, would reasonably be expected to have a Material Adverse Effect on such Party;

(b) under which such Party or any of its subsidiaries has directly or indirectly guaranteed any liabilities or obligations of a third party in excess of A$250,000 in the aggregate;

(c) relating to indebtedness for borrowed money, whether incurred, assumed, guaranteed or secured by any asset, with an outstanding principal amount in excess of A$250,000;

(d) restricting the incurrence of indebtedness by such Party or any of its subsidiaries (including by requiring the granting of an equal and rateable Lien) or the incurrence of any Liens on any

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properties or assets of such Party or any of its subsidiaries, or restricting the payment of dividends by such Party;

(e) under which the Party or any of its subsidiaries is obligated to make or expects to receive payments in excess of A$250,000 over the remaining term;

(f) providing for the establishment, organization or formation of any joint venture, limited liability company, partnership, royalty or stream interest;

(g) that creates an exclusive dealing arrangement or right of first offer or refusal;

(h) that is a Collective Agreement;

(i) with a Governmental Entity;

(j) providing for employment severance or change in control payments;

(k) providing for the purchase, sale or exchange of, or option to purchase, sell or exchange, any property or asset where the purchase or sale price or agreed value or fair market value of such property or asset exceeds A$250,000;

(l) that limits or restricts (i) the ability of such Party or any of its subsidiaries to engage in any line of business or carry on business in any geographic area, or (ii) the scope of persons to whom such Party or any of its subsidiaries may sell products or deliver services;

(m) such Party has filed with the Securities Authorities as a material contract in accordance with applicable Securities Laws;

(n) that is made out of the ordinary course of business;

(o) that is otherwise material to such Party and its subsidiaries, considered as a whole; and

(p) that creates an exclusive dealing arrangement or grants "most favoured nation" status in a manner that would restrict or affect the future business activity of a Party or its subsidiaries in any material respect.

"**Maximum Subscription**" has the meaning ascribed thereto in "*Part 4 – Summary – MRZ Equity Raise*" of this Circular.

"**Meeting**" means the annual general and special meeting of the CCE Shareholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and any other matters as may be set out in the Circular and agreed to in writing by Mont Royal, acting reasonably.

"**MI 61-101**" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*.

"**Minimum Subscription**" has the meaning ascribed thereto in "*Part 4 – Summary – MRZ Equity Raise*" of this Circular.

"**Miranna Prospect**" means the niobium exploration prospect, located within the Eldor Property and which are adjacent to the Ashram Project's Mineral Resource.

"**Mont Royal**" or "**MRZ**" means Mont Royal Resources Limited, a company existing under the laws of Western Australia.

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"**Mont Royal Announcements**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**MRE**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

"**MRZ Board**" means the board of directors of Mont Royal as the same is constituted from time to time.

"**MRZ Board Charter**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**MRZ Budget**" means Mont Royal's budget for 2024, including capital expenditures, in the form appended to the MRZ Disclosure Letter.

"**MRZ Consolidation**" means the consolidation of the MRZ Shares on the basis of 0.2195 post-consolidation MRZ Shares for each one (1) pre-consolidation MRZ Share.

"**MRZ Constitution**" means the constitution of Mont Royal.

"**MRZ Disclosure Letter**" means the disclosure letter delivered by Mont Royal to Commerce on April 9, 2025.

"**MRZ Equity Raise**" means the equity raise by MRZ of aggregate gross proceeds of no greater than A$10 million (before costs) to be funded through a public equity offering by Mont Royal.

"**MRZ Financial Statements**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**MRZ Group**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**MRZ Intervening Event**" means any event, development, circumstance, change, effect, condition or occurrence that, as of the date of this Agreement, was not, after due inquiry, known to the MRZ Board.

"**MRZ Meeting**" means the meeting of MRZ Shareholders, including any adjournment or postponement of such meeting in accordance with the terms of this Agreement, to be called and held for the purpose of seeking the MRZ Shareholder Approval.

"**MRZ Mineral Rights**" means all of MRZ's and MRZ's subsidiaries' interests in any rights, titles and interests held in respect of mining claims, mining leases, mining concessions, exploration licenses, leases to mine minerals, surface deposit rights, other forms of mineral or land tenures, whether contractual, statutory or other, and other mining titles, granted, assigned, acquired or held by any person at any time and from time to time (including any mining rights as defined in the *Mining Act* (Québec) and mining tenements (as that term is defined in the *Mining Act* 1978 (Western Australia))).

"**MRZ Options**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**MRZ Performance Rights**" means a performance rights exercisable to acquire a MRZ Share, subject to certain terms and conditions.

"**MRZ Plan**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**MRZ Resolutions**" means the resolutions of the MRZ Shareholders approving the matters agreed between MRZ and CCE as being required or desirable to implement the transactions contemplated by, or related to, the Arrangement,

including pursuant to the ASX Listing Rules, the MRZ Equity Raise and the MRZ Consolidation, and any applicable Laws.

"**MRZ Shareholder Approval**" means the approval of the MRZ Shareholders who vote at the MRZ Meeting by the requisite majority in favour of the MRZ Resolutions;

"**MRZ Shareholders**" means the holders of MRZ Shares.

"**MRZ Shares**" means the ordinary shares in the capital of Mont Royal.

"**NEO**" or "**named executive officer**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**New Plan**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**New Plan Shares**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**NI 43-101**" means National Instrument 43-101 – *Standards of Disclosure for Mineral Projects,* together with the Companion Policy thereto, as issued by the Canadian Securities Administrators, as amended from time to time.

"**NI 45-102**" means National Instrument 45-102 – *Resale of Securities*, together with the Companion Policy thereto, as issued by the Canadian Securities Administrators, as amended from time to time.

"**NLM Acquisition**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**NMR**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

"**Non-Registered CCE Shareholder**" has the meaning ascribed thereto in "*Part 5 – General Proxy Information – Non-Registered CCE Shareholders*" of this Circular.

"**Non-Resident Holder**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Not Resident in Canada*" of this Circular.

"**Northern Lights Project**" has the meaning ascribed thereto in *"Part 4 – Summary – Reasons for the Arrangement"* of this Circular.

"**Notice of Dissent**" has the meaning ascribed thereto in *"Part 12 – Dissent Rights"* of this Circular.

"**Notice of Hearing of Petition**" has the meaning ascribed thereto in *"Appendix D – Interim Order"* of this Circular.

"**Notice of Meeting**" means the notice of annual general and special meeting to the CCE Shareholders which accompanies this Circular.

"**Offering**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

"**Offers**" has the meaning ascribed thereto in "*Part 7 – The Arrangement – MRZ Equity Raise*" of this Circular.

"**OK**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – Mineral Resource estimate*" of this Circular.

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"**ordinary course of business**", "**ordinary course of business consistent with past practice**", or any similar reference, means, with respect to an action taken by a person, that such action is consistent with the past practices of such person and is taken in the ordinary course of the normal day-to-day business and operations of such person.

"**Outside Date**" means May 29, 2026, or such later date as may be agreed to in writing by the Parties.

"**Participant**" means with respect to Commerce, a participant pursuant to the CCE Plan, and with respect to Mont Royal, a participant pursuant to the MRZ Plan or the New Plan, as applicable.

"**Party**" means either Commerce or Mont Royal as the case may be, and "**Parties**" means all of them, collectively.

"**Performance-Based Awards**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – Statement of Executive Compensation*" of this Circular.

"**Permit**" means with respect to any person, any license, permit, certificate, consent, order, grant, approval, classification, registration, clearance or other authorization of and from any Governmental Entity that is binding upon or applicable to such person.

"**Permitted Liens**" means any one or more of the following:

(a) Liens for Taxes which are not delinquent or that are being contested in good faith and that have been adequately reserved on the Party's financial statements;

(b) inchoate or statutory Liens of contractors, subcontractors, mechanics, workers, suppliers, materialmen, carriers and others in respect of the construction, maintenance, repair or operation of the assets, provided that such Liens are related to obligations not due or delinquent, are not registered against title to any assets and in respect of which adequate holdbacks are being maintained as required by applicable Law;

(c) the right reserved to or vested in any Governmental Entity by any statutory provision or by the terms of any lease, licence, franchise, grant or permit of a Party or any of its subsidiaries, to terminate any such lease, licence, franchise, grant or permit, or to require annual or other payments as a condition of their continuance;

(d) easements, rights of way, zoning ordinances, and other similar land use and environmental regulations which are not, individually or in the aggregate, material in amount or effect on the business of Commerce or MRZ, as applicable;

(e) Royalty Agreements in respect of mineral properties as made available in the Data Room; and

(f) Liens listed and described in Section 1.1 of the CCE Disclosure Letter or Section 1.1 of the MRZ Disclosure Letter.

"**person**" includes an individual, partnership, association, body corporate, trustee, executor, administrator, legal representative, government (including any Governmental Entity) or any other entity, whether or not having legal status.

"**Plan of Arrangement**" means the plan of arrangement, substantially in the form of Appendix C to this Circular, and any amendments or variations thereto made in accordance with the Arrangement Agreement or the Plan of Arrangement or at the direction of the Court and agreed to in writing by both Commerce and Mont Royal, each acting reasonably.

"**Plan Shares**" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

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"**Pre-Closing Reorganization**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Other Covenants – Pre-Closing Reorganization*" of this Circular.

"**Proceeding**" means any suit, claim, action, charge, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, audit, examination, assessment, enquiry, investigation or other proceeding commenced, brought, conducted or heard by or before, any Governmental Entity.

"**Projects**" means the current projects of both MRZ and Commerce, which upon completion of the Arrangement Agreement will be the Merged Groups projects, this includes the Northern Lights Project and the Ashram Project.

"**Proposal**" has the meaning ascribed thereto in "*Appendix H – Comparison of Relevant Laws*" of this Circular.

"**Proposed Amendments**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations*" of this Circular.

"**Prospectus**" has the meaning ascribed thereto in "*Part 4 – Summary – MRZ Equity Raise*" of this Circular.

"**Public Offer**" has the meaning ascribed thereto in "*Part 7 – The Arrangement – MRZ Equity Raise*" of this Circular.

"**PSUs**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

"**Purchaser**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

"QPs" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – Terms of Reference*" of this Circular.

"**Record Date**" has the meaning ascribed thereto in "*Part 6 – Voting Securities and Principal Holders Thereof – Record Date and Voting Securities*" of this Circular.

"**REEs**" has the meaning ascribed thereto in "*Part 4 – Summary –Information Concerning Commerce*" of this Circular.

"**Registered CCE Shareholder**" means a registered holder of CCE Shares.

"**Registered Plans**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Eligibility for Investment*" of this Circular.

"**Regulatory Approval**" means any sanctions, rulings, consents, authorizations, clearances, orders, exemptions, permits and other approvals (including the lapse, without objection, of a prescribed time under a statute or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an order prohibiting closing being made) required from any Governmental Entity to proceed with the Arrangement and the transactions contemplated thereby, including the Key Regulatory Approvals.

"**Reinstatement**" has the meaning ascribed thereto in "*Appendix J – Information Concerning the Combined Company Following the Arrangement*" of this Circular.

"**Replacement Option**" means an option to purchase a MRZ Share (subject to the terms and conditions of the option) to be issued by Mont Royal to former holders of CCE Options on a pre-MRZ Consolidation basis.

"**Replacement Performance Right**" means a performance right to acquire a MRZ Share (subject to the terms and conditions of the performance right) to be issued by Mont Royal to former holders of CCE PSUs on a pre-MRZ Consolidation basis.

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"Report Authors" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce –Terms of Reference*" of this Circular.

"**Representatives**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Non-Solicitation Covenant*" of this Circular.

"**Resident Holder**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada*" of this Circular.

"**RESP**" means a registered education savings plan.

"**RRIF**" means a registered retirement income fund.

"**RRSP**" means a registered retirement savings plan.

"**Rule 144**" means Rule 144 under the U.S. Securities Act.

"**SEC**" means the U.S. Securities and Exchange Commission.

"SECP" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – Geology*" of this Circular.

"**Section 3(a)(10) Exemption**" means the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof.

"**Securities Act**" means the *Securities Act* (British Columbia) and the rules, regulations and published policies made thereunder, as now in effect and as they may be promulgated or amended from time to time.

"**Securities Authorities**" means, in respect of Mont Royal, ASIC and, in respect of Commerce, the applicable securities commissions and other securities regulatory authorities in each of the provinces of Canada in which Commerce is a reporting issuer.

"**Securities Laws**" means the Securities Act, together with all other applicable provincial securities laws, rules and regulations and published policies thereunder, as now in effect and as they may be promulgated or amended from time to time, and applicable securities laws in Australia and the respective regulations or rules made thereunder, together with all applicable published policy statements, orders, rulings, notices and interpretation notes of the ASIC.

"**Security-Based Compensation Arrangements**" has the meaning ascribed thereto in the rules and policies of the Exchange, or in the event that such term is not defined in the rules and policies of the Exchange, shall mean a stock option plan, including the CCE Plan, employee stock purchase plan, long-term incentive plan or any other compensation or incentive mechanism involving the issuance or potential issuance of CCE Shares to one or more full time employees, officers, insiders, service providers or consultants of the Corporation or a subsidiary, including a share purchase from treasury by a full-time employee, officer, insider, service provider or consultant which is financially assisted by the Corporation or a subsidiary by way of loan, guarantee or otherwise.

"**SEDAR+**" means the System for Electronic Data Analysis and Retrieval + described in National Instrument 13-103 – System for Electronic Data Analysis and Retrieval and available for public view at www.sedarplus.ca.

"SGS" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – Mineral Processing and Metallurgical Testing*" of this Circular.

"**Solicited Party**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Non-Solicitation Covenant*" of this Circular.

"**Special Committee**" means the special committee established by the CCE Board.

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"**Stock Exchange Approval**" means (i) MRZ receiving means a written confirmation from the ASX confirming that the ASX will reinstate the MRZ Shares to official quotation on ASX and terminate any suspension of trading of MRZ Shares, subject to the satisfaction of such terms and conditions (if any) as are prescribed by ASX or the ASX Listing Rules and set out in the confirmation; and (ii) any approval required from the TSXV in connection with the Arrangement, the transactions contemplated by this Agreement and the de-listing of the CCE Shares

"**subsidiary**" means, with respect to a specified body corporate, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class or classes shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such specified body corporate and shall include any body corporate, partnership, joint venture or other entity over which such specified body corporate exercises direction or control or which is in a like relation to a subsidiary.

"**Superior Proposal**" means any unsolicited bona fide Acquisition Proposal made in writing by a third party or third parties acting jointly or in concert with one another (other than MRZ and its affiliates), who deal at arm's length to CCE, on or after the date hereof, to acquire not less than: (i) all of the outstanding CCE Shares not already owned by such person or group of persons, or (ii) all or substantially all of the assets of CCE on a consolidated basis, that in the good faith determination of the CCE Board, after receipt of advice from its outside financial advisor and legal counsels:

(a) complies with all applicable Laws and did not result from a breach of Section 7.2 of this Agreement, by CCE or its Representatives, other than an immaterial breach of CCE's obligation under Section 7.2 of the Arrangement Agreement to provide notice of an Acquisition Proposal to MRZ within a prescribed period;

(b) is reasonably capable of being completed in accordance with its terms without undue delay, taking into account all legal, financial, regulatory and other aspects of such Acquisition Proposal and the person making such Acquisition Proposal;

(c) is not subject to a due diligence or access condition;

(d) in the case of a transaction that involves the acquisition of CCE Shares, is made available to all CCE Shareholders on the same terms and conditions (including the form and the amount of consideration);

(e) failure to recommend such Acquisition Proposal to CCE Shareholders would be inconsistent with the CCE Board's fiduciary duties; and

(f) taking into account all of the terms and conditions of such Acquisition Proposal, if consummated in accordance with its terms (but not assuming away any risk of non- completion), would result in a transaction more favourable to CCE Shareholders, taken as a whole, from a financial point of view, than the Arrangement (after taking into account any adjustment to the terms and conditions of the Arrangement proposed by MRZ pursuant to Section 7.3(b) of the Arrangement Agreement).

"**Superior Proposal Notice**" has the meaning ascribed thereto in "*Part 8 – The Arrangement Agreement – Non-Solicitation Covenant – Right to Accept Superior Proposal and Right to Match*" of this Circular.

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time.

"**Tax Returns**" means returns, reports, declarations, elections, designations, notices, filings, forms, statements and other documents (whether in tangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, made, prepared, filed or required by a Governmental Entity to be made, prepared or filed by Law in respect of Taxes.

"**taxable capital gain**" has the meaning ascribed thereto in "*Part 15 – Certain Canadian Federal Income Tax Considerations – Holders Resident in Canada – Taxation of Capital Gains and Capital Losses*" of this Circular.

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"**Taxes**" mean any and all taxes, imposts, levies, withholdings, duties, fees, premiums, assessments and other charges of any kind, however denominated and instalments in respect thereof, including any interest, penalties, fines or other additions that have been, are or will become payable in respect thereof, imposed by any Governmental Entity, including for greater certainty all income or profits taxes (including Canadian federal, provincial and territorial income taxes), payroll and employee withholding taxes, employment taxes, unemployment insurance, disability taxes, social insurance taxes, sales and use taxes, ad valorem taxes, excise taxes, goods and services taxes, harmonized sales taxes, franchise taxes, gross receipts taxes, capital taxes, business license taxes, mining royalties, alternative minimum taxes, estimated taxes, abandoned or unclaimed (escheat) taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, severance taxes, workers' compensation, Canada and other government pension plan premiums or contributions and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing, which a Party or any of its subsidiaries is required to pay, withhold or collect, together with any interest, penalties or other additions to tax that may become payable in respect of such taxes, and any interest in respect of such interest, penalties and additions whether disputed or not.

"**Technical Report**" means all current technical reports filed on SEDAR+ in accordance with National Instrument 43-101 – Standards of Disclosure for Mineral Projects.

"**Term Sheet**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

"**Termination Fee**" means A$250,000.

"**Transaction**" means the transactions undertaken pursuant to the Arrangement.

"**Transmittal Documents**" has the meaning ascribed thereto in "*Part 14 – Delivery of Consideration– Former CCE Shareholders – Deposit of Transmittal Documents with Depositary*" of this Circular.

"**TSXV**" means the TSX Venture Exchange.

"**TSXV Rules**" has the meaning ascribed thereto in "*Appendix H – Comparison of Relevant Laws*" of this Circular.

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"**U.S. Tax Code**" means the United States Internal Revenue Code of 1986, as amended.

"**United States**" means the United States of America, its territories and possessions, any State of the United States and the District of Columbia.

"**Upper Eastmain Greenstone Belt**" has the meaning ascribed thereto in "*Part 18 – Information Concerning Mont Royal*" of this Circular.

"**VIF**" has the meaning ascribed thereto in "*Part 5 – General Proxy Information – Non-Registered CCE Shareholders*" of this Circular.

"Virginia" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – Royalties and Encumbrances*" of this Circular.

"VMS" has the meaning ascribed thereto in "*Appendix I – Information Concerning Mont Royal*" of this Circular.

"**Wapatik Gold-Copper Project**" has the meaning ascribed thereto in "*Part 18 – Information Concerning Mont Royal*" of this Circular.

"**Warrant**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

"**Warrant Share**" has the meaning ascribed thereto in "*Part 17 – Information Concerning Commerce – General Development of the Business*" of this Circular.

"**Willful Breach**" of any representation, warranty or covenant of a Party means that, as applicable, the breaching Party (a) had actual knowledge that a representation or warranty of the Party was materially false when made, or (b) as to a covenant in the Arrangement Agreement, directed or allowed the applicable Party to take an action, fail to take an action or permit an action to be taken or occur that the applicable Party knew at such time constituted a material breach of a covenant in the Arrangement Agreement by such Party.

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APPENDIX B

ARRANGEMENT RESOLUTION

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the arrangement (the "**Arrangement**") under Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**") of Commerce Resources Corp. (the "**Corporation**"), all as more particularly described and set forth in the management information circular of the Corporation (the "**Circular**") accompanying the notice of this meeting (as the Arrangement may be, or may have been, modified or amended in accordance with its terms), and all transactions contemplated thereby, are hereby authorized, approved and adopted;

2. the arrangement agreement dated April 9, 2025, as amended on July 29, 2025 (the "**Arrangement Agreement**") between Mont Royal Resources Limited and the Corporation, as it may be, or may have been, amended, modified or supplemented from time to time, the transactions contemplated therein, the actions of the directors of the Corporation in approving the Arrangement and the Arrangement Agreement and the actions of the directors and officers of the Corporation in executing and delivering the Arrangement Agreement and any amendments thereto and causing the performance by the Corporation of its obligations thereunder, including the Corporation's application for an interim order from the Supreme Court of British Columbia, are hereby confirmed, ratified, authorized and approved;

3. the plan of arrangement as it has been or may be amended, modified or supplemented in accordance with the Arrangement Agreement (the "**Plan of Arrangement**") of the Corporation implementing the Arrangement, the full text of which is set out in Schedule "A" to the Arrangement Agreement, is hereby authorized, approved and adopted;

4. the Corporation be and is hereby authorized to apply for a final order from the Supreme Court of British Columbia to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be amended, modified or supplemented and as described in the Circular);

5. notwithstanding that this resolution has been passed (and the Plan of Arrangement adopted) by the shareholders of the Corporation or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of the Corporation are hereby authorized and empowered, without further notice to, or approval of, the shareholders of the Corporation to:

    a. amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or

    b. subject to the terms of the Arrangement Agreement, not proceed with the Arrangement;

6. any director or officer of the Corporation is hereby authorized and directed for and on behalf of the Corporation to execute, whether under corporate seal of the Corporation or otherwise, and to deliver such other documents as are necessary or desirable in accordance with the Arrangement Agreement for filing; and

7. any director or officer of the Corporation is hereby authorized, for and on behalf and in the name of the Corporation, to execute and deliver, whether under the corporate seal of the Corporation or otherwise, all such agreements, forms, waivers, notices, certificates, confirmations and other documents and instruments, and to do or cause to be done all such other acts and things, as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Arrangement Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:

    a. all actions required to be taken by or on behalf of the Corporation, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and

    b. the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by the Corporation;

such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

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APPENDIX C

PLAN OF ARRANGEMENT

See attached.

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PLAN OF ARRANGEMENT
UNDER DIVISION 5 OF PART 9 OF THE
BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

ARTICLE 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions

Unless indicated otherwise, where used in this Plan of Arrangement, capitalized terms used but not defined shall have the meanings specified in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):

"**affiliate**" has the meaning given to it in the Securities Act;

"**Arrangement**" means an arrangement pursuant to the provisions of Division 5 of Part 9 of the BCBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations to this Plan of Arrangement made in accordance with the terms of the Arrangement Agreement or Section 5.1 of this Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the CCE and MRZ, each acting reasonably;

"**Arrangement Agreement**" means the arrangement agreement dated April 9, 2025, as amended on July 29, 2025 between MRZ and CCE, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms thereof;

"**Arrangement Resolution**" means the special resolution of the CCE Shareholders approving the Arrangement to be considered at the CCE Meeting, substantially in the form and content of Schedule "B" to the Arrangement Agreement;

"Australian Tax Act" means the *Income Tax Assessment Act 1936 (Cth)*, *Income Tax Assessment Act 1997 (Cth)* and *Taxation Administration Act 1953 (Cth)* and the regulations thereunder, as amended from time to time;

"**BCBCA**" means the *Business Corporations Act* (British Columbia);

"**Business Day**" means a day, other than a Saturday or a Sunday, on which the principal commercial banks located in Vancouver, British Columbia and Sydney, Australia are open for the conduct of business;

"**CCE**" means Commerce Resources Corp.;

"**CCE Circular**" means the notice of the CCE Meeting and accompanying management information circular, including all schedules, appendices, and exhibits thereto, to be sent to the CCE Shareholders in connection with the CCE Meeting, as amended, supplemented or otherwise modified from time to time;

"**CCE Convertible Notes**" means the outstanding secured convertible notes of CCE;

"**CCE Meeting**" means the special meeting of the CCE Shareholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and any other matters as may be set out in the CCE Circular and agreed to in writing by MRZ, acting reasonably;

"**CCE Options**" means the outstanding options of CCE to purchase CCE Shares issued under the CCE Plan;

"**CCE PSUs**" means the outstanding performance share unit awards of CCE to purchase CCE Shares issued under the CCE Plan;

"**CCE Plan**" means the equity incentive plan of CCE, which was most recently approved by CCE Shareholders at the annual and special meeting on May 8, 2024, as amended and supplemented;

"**CCE Securities**" means the CCE Shares, CCE Options, CCE PSUs, CCE Warrants and the CCE Convertible Notes;

"**CCE Shareholders**" means the holders of the CCE Shares;

"**CCE Shares**" means the common shares in the capital of CCE, as constituted immediately prior to the Effective Time;

"**CCE Warrants**" means the outstanding warrants to purchase CCE Shares issued by CCE;

"**Consideration**" means the pre-MRZ Consolidation MRZ Shares to be issued to the CCE Shareholders pursuant to the Plan of Arrangement, being 2.3271 pre-MRZ Consolidation MRZ Shares for each (one) 1 CCE Share, subject to further adjustments in accordance with Section 2.12 of this Agreement;

"**Court**" means the Supreme Court of British Columbia,

"**Depositary**" means any trust company, bank or financial institution agreed to in writing between the Parties for the purpose of, among other things, exchanging certificates representing CCE Shares for certificates representing the Consideration pursuant to the Arrangement;

"**Dissent Rights**" shall have the meaning ascribed thereto in Section 4.1;

"**Dissenting Shareholder**" means a registered holder of CCE Shares that has duly and validly exercised their Dissent Rights and that has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights and that is ultimately determined to be entitled to be paid the fair value of its CCE Shares;

"**DRS**" shall have the meaning ascribed thereto in Section 5.2;

"**Effective Date**" means the date upon which the Arrangement becomes effective pursuant to the Plan of Arrangement;

"**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date;

"**Exchange Ratio**" means 2.3271 MRZ Shares for each CCE Share on a pre-MRZ Consolidation basis;

"**Final Order**" means the final order of the Court, after being informed of the intention to rely upon the exemption from the registration requirements under section 3(a)(10) of the U.S. Securities Act with respect to the issuance and distribution of the Consideration, the Replacement Options and the Replacement Performance Rights, approving the Arrangement, in form and substance acceptable to both CCE and MRZ, each acting reasonably, made pursuant to Section 291 of the BCBCA, after a hearing upon the procedural and substantive fairness of the terms and conditions of the Arrangement as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the consent of both CCE and MRZ, each

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acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn, abandoned or denied, as affirmed or as amended on appeal (provided that any such amendment is acceptable to both CCE and MRZ, each acting reasonably);

"**final proscription date**" shall have the meaning ascribed thereto Section 5.6;

"**Former CCE Shareholders**" means the holders of CCE Shares (other than Dissenting Shareholders and MRZ and any of their affiliates) immediately prior to the effective time of the transaction described in Section 3.1(b);

"**In-the-Money Amount**" means in respect of a Replacement Option at any time, the amount, if any, by which the aggregate fair market value, at that time, of the shares subject to the option exceeds the aggregate exercise price under the option;

"**Interim Order**" means the interim order of the Court, after being informed of the intention to rely upon the exemption from the registration requirements under section 3(a)(10) of the U.S. Securities Act with respect to the issuance and distribution of the Consideration, the Replacement Options and the Replacement Performance Rights, to be issued following the application therefor contemplated by Section 2.2 of this Agreement and made pursuant to Section 291 of the BCBCA, providing for, among other things, the calling and holding of the CCE Meeting, as the same may be affirmed, amended, modified, supplemented or varied by the Court with the consent of both CCE and MRZ, each acting reasonably;

"**MRZ**" means Mont Royal Resources Limited, a company existing under the laws of Australia with ACN 625 237 658;

"**MRZ Consolidation**" the consolidation of the MRZ Shares on the basis of 0.2195 post-consolidation MRZ Shares for each one (1) pre-consolidation MRZ Shares;

"**MRZ Share**" means a fully paid ordinary share in the capital of MRZ;

"**Party**" means any of CCE or MRZ as the case may be, and "**Parties**" means all of them, collectively;

"**Plan of Arrangement**" means this plan of arrangement and any amendments or variations hereto made in accordance with Section 8.3 of the Arrangement Agreement or Section 6.1 of this Plan of Arrangement or at the direction of the Court and agreed to in writing by both CCE and MRZ, each acting reasonably;

"**Replacement Option**" means an option to purchase a MRZ Share (subject to the terms and conditions of the option) to be issued by MRZ to former holders of CCE Options on a pre-MRZ Consolidation basis;

"**Replacement Performance Right**" means a performance right to acquire a MRZ Share (subject to the terms and conditions of the performance right) to be issued by MRZ to former holders of CCE PSUs on a pre-MRZ Consolidation basis;

"**Tax**" or "**Taxes**" mean any and all taxes, imposts, levies, withholdings, duties, fees, premiums, assessments and other charges of any kind, however denominated and instalments in respect thereof, including any interest, penalties, fines or other additions that have been, are or will become payable in respect thereof, imposed by any Governmental Entity, including for greater certainty all income or profits taxes (including Canadian federal, provincial and territorial income taxes), payroll and employee withholding taxes, employment taxes, unemployment insurance, disability taxes, social insurance taxes, sales and use taxes, ad valorem taxes, excise taxes, goods and services taxes, harmonized sales taxes, franchise taxes, gross receipts taxes, capital taxes, business license taxes, mining royalties, alternative minimum taxes,

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estimated taxes, abandoned or unclaimed (escheat) taxes, occupation taxes, real and personal property taxes, stamp taxes, environmental taxes, transfer taxes, severance taxes, workers' compensation, Canada and other government pension plan premiums or contributions and other governmental charges, and other obligations of the same or of a similar nature to any of the foregoing, which a Party or any of its subsidiaries is required to pay, withhold or collect, together with any interest, penalties or other additions to tax that may become payable in respect of such taxes, and any interest in respect of such interest, penalties and additions, whether or not disputed.

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time;

"**Transmittal Letter**" means the letter of transmittal sent to holders of CCE Shareholders for use in connection with the Arrangement;

"**U.S. Securities Act**" means the *United States Securities Act of 1933*; and

"**U.S. Tax Code**" means the United States Internal Revenue Code of 1986.

In addition, words and phrases used herein and defined in the BCBCA and not otherwise defined herein or in the Arrangement Agreement shall have the same meaning herein as in the BCBCA unless the context otherwise requires.

1.2 Interpretation Not Affected by Headings

The division of this Plan of Arrangement into articles, sections, subsections, paragraphs and subparagraphs and the insertion of headings herein are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement. The terms "this Plan of Arrangement", "hereof", "herein", "hereto", "hereunder" and similar expressions refer to this Plan of Arrangement and not to any particular article, section or other portion hereof and include any instrument supplementary or ancillary hereto. Unless the contrary intention appears, references in this Plan of Arrangement to an Article or Section, by number or letter or both refer to the Article or Section, respectively, bearing that designation in this Plan of Arrangement.

1.3 Number, Gender and persons

In this Plan of Arrangement, unless the context otherwise requires, words importing the singular shall include the plural and vice versa, words importing the use of either gender shall include both genders and neuter and the word person and words importing persons shall include a natural person, firm, trust, partnership, association, corporation, joint venture or government (including any governmental agency, political subdivision or instrumentality thereof) and any other entity or group of persons of any kind or nature whatsoever.

1.4 Date for any Action

If the date on which any action is required or permitted to be taken hereunder is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.

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1.5 Statutory References

Any reference in this Plan of Arrangement to a statute includes all rules and regulations made or promulgated thereunder, all amendments to such statute or regulation in force from time to time and any statute or regulation that supplements or supersedes such statute or regulation.

1.6 Currency

Unless otherwise stated, all references herein to amounts of money are expressed in lawful money of Canada.

1.7 Governing Law

This Plan of Arrangement shall be governed, including as to validity, interpretation and effect, by the laws of the Province of British Columbia and the federal laws of Canada applicable therein.

ARTICLE 2
ARRANGEMENT AGREEMENT

2.1 Arrangement Agreement

This Plan of Arrangement constitutes an arrangement under Division 5 of Part 9 of the BCBCA and is made pursuant to, and is subject to the provisions of, the Arrangement Agreement, except in respect of the sequence of the steps comprising the Arrangement, which shall occur in the order set forth herein. If there is any conflict between the provisions of this Plan of Arrangement and the provisions of the Arrangement Agreement regarding the Arrangement, the provisions of this Plan of Arrangement shall govern.

2.2 Binding Effect

This Plan of Arrangement and the Arrangement will become effective, and be binding on CCE, MRZ, all registered and beneficial CCE Securityholders (including Dissenting Shareholders), the registrar and transfer agent of CCE and the Depositary at and after the Effective Time, in each case without any further act or formality required on the part of any person, the part of the Court or the registrar, except as expressly provided in this Plan of Arrangement.

ARTICLE 3
ARRANGEMENT

3.1 Arrangement

Commencing at the Effective Time, the following steps or transactions shall, unless specifically provided otherwise in this Section 3.1, occur and shall be deemed to occur sequentially in the following order without any further authorization, act or formality, in each case at one-minute intervals starting at the Effective Time:

(a) each CCE Share outstanding immediately prior to the Effective Time held by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all liens, claims and encumbrances, to MRZ and MRZ shall thereupon be obliged to pay the amount therefor determined and payable in accordance with Article 4 hereof, and:

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(i) the name of such registered holder shall be removed from the central securities register of CCE as a holder of CCE Shares;

(ii) such Dissenting Shareholders will cease to have any rights as CCE Shareholders other than the right to be paid the fair value for their CCE Shares; and

(iii) MRZ shall be entered in CCE's central securities register of holders of CCE Shares as the legal and beneficial owner of such CCE Shares, free of all liens, claims and encumbrances;

(b) each CCE Share outstanding immediately prior to the effective time of the transfer under this Section 3.1(b) (other than a CCE Share held immediately before the Effective Time by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised and a CCE Share held by MRZ or any of their affiliates) shall be deemed to be transferred by the holder thereof, without any further act or formality by such CCE Shareholder, free and clear of all liens, claims and encumbrances, to MRZ in exchange for the Consideration, and MRZ shall be deemed to have directed the Depositary to issue and to deliver to such holder the Consideration to which such holder is entitled pursuant to this Section 3.1(b), and upon such exchange:

(i) each holder of such CCE Shares shall cease to be the holder thereof and to have any rights as a CCE Shareholder other than the right to be paid the Consideration pursuant to this Section 3.1(b) and in accordance with this Plan of Arrangement;

(ii) each Former CCE Shareholder shall be removed from CCE's central securities register of holders of CCE Shares;

(iii) MRZ shall be entered in CCE's central securities register of holders of CCE Shares as the legal and beneficial owner of such CCE Shares, free of all liens, claims and encumbrances; and

(iv) each Former CCE Shareholder shall be entered in MRZ's register of holders of MRZ Shares in respect of MRZ Shares deliverable to such Former CCE Shareholder pursuant to this Section 3.1(b);

(c) concurrently with the transfer in Section 3.1(b), MRZ will issue as consideration for the Consideration issued to CCE Shareholders pursuant to such Section 3.1(b), an equal number of MRZ Common Shares and add to its stated capital an amount equal to the fair market value of the Consideration;

(d) each CCE Option outstanding immediately prior to the Effective Time (whether vested or unvested) shall, without any further action on the part of any holder thereof, notwithstanding the terms of the CCE Plan or any award or similar agreement pursuant to which the CCE Options were granted or awarded, cancelled and exchanged for a Replacement Option to acquire from MRZ, such number of MRZ Shares equal to (1) that number of CCE Shares that were issuable upon exercise of such CCE Option immediately prior to the Effective Time, multiplied by (2) the Exchange Ratio (provided that if the foregoing would result in the issuance of a fraction of a MRZ Share on any particular exercise of Replacement Options in the aggregate, then the number of MRZ Shares otherwise issuable shall be rounded down to the nearest whole number of MRZ Shares), at an exercise price per MRZ Share equal to the quotient determined by dividing (X) the

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exercise price per CCE Share at which such CCE Option was exercisable immediately prior to the Effective Time, by (Y) the Exchange Ratio (provided that the aggregate exercise price payable on any particular exercise of Replacement Options shall be rounded up to the nearest whole cent); provided that the exercise price of such Replacement Option shall be, and shall be deemed to be, adjusted by the amount, and only to the extent, necessary to ensure that the In-the-Money Amount of such Replacement Option immediately following the exchange does not exceed the In-the-Money Amount (if any) of such CCE Option immediately before the exchange; and

(e) each CCE PSU outstanding immediately prior to the Effective Time (whether vested or unvested) shall, without any further action on the part of any holder thereof, notwithstanding the terms of the CCE Plan or any award or similar agreement pursuant to which the CCE PSUs were granted or awarded, cancelled and exchanged for a Replacement Performance Right to acquire from MRZ, such number of MRZ Shares equal to (1) that number of CCE Shares that were issuable upon exercise of such CCE PSU immediately prior to the Effective Time, multiplied by (2) the Exchange Ratio (provided that if the foregoing would result in the issuance of a fraction of a MRZ Share on any particular exercise of Replacement Performance Rights in the aggregate, then the number of MRZ Shares otherwise issuable shall be rounded down to the nearest whole number of MRZ Shares).

At such time following the completion of those transactions described in the foregoing paragraphs of this Section 3.1, as promptly as possible after all conditions therefor have been met, CCE shall file or cause to be filed the prescribed form of election under the Tax Act with the Canada Revenue Agency electing to cease being a public corporation for the purposes of the Tax Act.

3.2 No Fractional Shares

No fractional MRZ Shares shall be issued to Former CCE Shareholders. Where the aggregate number of MRZ Shares to be issued to a Former CCE Shareholder under the Arrangement would otherwise result in a fraction of a MRZ Share being issuable, the number of MRZ Shares to be issued to such Former CCE Shareholder shall be rounded down to the nearest whole MRZ Share, and such Former CCE Shareholder shall not be entitled to any compensation in respect of such fractional MRZ Share.

3.3 Effect of Arrangement on CCE Warrants and CCE Convertible Notes

As a result of the completion of the steps set out in Section 3.1:

(a) each CCE Warrant outstanding immediately prior to the Effective Time shall, without any further action on the part of any holder thereof, in accordance with the adjustment provisions of the certificates governing the CCE Warrants, following the Effective Time entitle the holder to such number of MRZ Shares equal to (1) that number of CCE Shares that were issuable upon exercise of such CCE Warrant immediately prior to the Effective Time, multiplied by (2) the Exchange Ratio (provided that if the foregoing would result in the issuance of a fraction of a MRZ Share on any particular exercise of CCE Warrants in the aggregate, then the number of MRZ Shares otherwise issuable shall be rounded down to the nearest whole number of MRZ Shares), at an exercise price per MRZ Share equal to the quotient determined by dividing (X) the exercise price per CCE Share at which such CCE Warrant was exercisable immediately prior to the Effective Time, by (Y) the Exchange Ratio (provided that the aggregate exercise price payable on any particular exercise of CCE Warrants shall be rounded up to the nearest whole cent), and all certificates

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governing the CCE Warrants shall be cancelled and replaced with replacement certificates representing such adjusted CCE Warrants;

(b) each CCE Convertible Note outstanding immediately prior to the Effective Time shall adjust in accordance with the terms and conditions of the CCE Convertible Notes; and

(c) the CCE Plan and all agreements relating thereto shall be terminated and shall be of no further force and effect.

ARTICLE 4
DISSENT RIGHTS

4.1 Dissent Rights

Registered holders of CCE Shares as of the deadline for exercising dissent rights may exercise dissent rights with respect to all of the CCE Shares held by such registered holders ("**Dissent Rights**") in connection with the Arrangement pursuant to and in the manner set forth in Division 2 of Part 8 of the BCBCA, as modified by the Interim Order, the Final Order, any other order of the Court and this Article 4, provided that, notwithstanding Subsection 242(1)(a) of the BCBCA, the written objection to the Arrangement Resolution referred to in Subsection 242(1)(a) of the BCBCA must be received by CCE no later than 5:00 p.m. (Vancouver time) two (2) Business Days immediately preceding the date of the CCE Meeting (as it may be adjourned or postponed from time to time).

Each Dissenting Shareholder who duly exercises Dissent Rights and who is ultimately determined to be:

(a) entitled to be paid fair value for their CCE Shares, (i) shall be deemed to have transferred such CCE Shares to MRZ as provided, and as of the time stipulated, in Section 3.1(a), (ii) shall be deemed not to have participated in the transactions in Article 3 (other than Section 3.1(a)), (iii) shall be entitled to be paid the fair value of such CCE Shares by MRZ, less any applicable withholdings, which fair value, notwithstanding anything to the contrary in the BCBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted at the CCE Meeting, and (iv) will not be entitled to any other payment or consideration, including any payment or consideration that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such CCE Shares; or

(b) not entitled, for any reason, to be paid the fair value for such CCE Shares, (i) shall be deemed to have transferred such CCE Shares to MRZ as provided, and as of the time stipulated, in Section 3.1(b), and (ii) shall be deemed to have participated in the Arrangement on the same basis and at the same time as CCE Shareholders who have not exercised Dissent Rights in respect of such CCE Shares and shall be entitled to receive the Consideration to which CCE Shareholders who have not exercised Dissent Rights are entitled under Section 3.1(b).

4.2 Recognition of Dissenting Holders

(a) In no case shall any Party, the Depositary or any other person be required to recognize any Dissenting Shareholder or any other person exercising Dissent Rights unless such person (i) as of the deadline for exercising Dissent Rights, is the registered holder of those CCE Shares in respect of which such rights are sought to be exercised and (ii) has strictly

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complied with the procedures for exercising Dissent Rights and has not withdrawn such dissent prior to the Effective Time.

(b) In no case shall any Party or any other person be required to recognize any holder of CCE Shares who validly exercises Dissent Rights as a holder of such CCE Shares after the completion of the transfer under Section 3.1(a), and the names of such Dissenting Shareholders shall be removed from the registers of holders of CCE Shares at the same time as the event described in Section 3.1(a) occurs.

(c) CCE Shareholders who withdraw, or are deemed to withdraw, their right to exercise Dissent Rights shall be deemed to have participated in the Arrangement, as of the Effective Time, and shall be entitled to receive the Consideration to which CCE Shareholders who have not exercised Dissent Rights are entitled under Section 3.1(b).

(d) In addition to any other restrictions under the Interim Order or Division 2 of Part 8 of the BCBCA, none of the following shall be entitled to exercise Dissent Rights: (a) holders of CCE Options, CCE PSUs, CCE Convertible Notes or CCE Warrants (in their capacity as holders of such securities); (b) CCE Shareholders who voted or instructed a proxyholder to vote CCE Shares in favour of the Arrangement Resolution; (c) MRZ and any of their affiliates; and (d) any person who is not a registered holder of CCE Shares.

ARTICLE 5
DELIVERY OF CONSIDERATION

5.1 Payment of Consideration

MRZ will, following receipt of the Final Order and the satisfaction or, where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of the conditions set out in Article 6 of the Arrangement Agreement (excluding conditions that, by their terms, cannot be satisfied until the Effective Date, but subject to the satisfaction or, where not where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of those conditions as of the Effective Date) and in any case not later than three (3) Business Day prior to the Effective Date, deliver or cause to be delivered to the Depositary in escrow (the terms of such escrow to be satisfactory to CCE and MRZ, each acting reasonably) pending the Effective Time, sufficient MRZ Shares (and any treasury directions addressed to MRZ's transfer agent as may be necessary) to satisfy the aggregate Consideration to be paid to CCE Shareholders (other than CCE Shareholders who have validly exercised their Dissent Rights and who have not withdrawn their notice of dissent) pursuant to this Plan.

5.2 Delivery of Consideration

(a) Upon surrender to the Depositary for cancellation of a certificate or direct registration statement ("**DRS**") advice-statement that immediately before the Effective Time represented one or more outstanding CCE Shares that were transferred to MRZ in accordance with Section 3.1, together with a duly completed Transmittal Letter and such other documents and instruments as would have been required to effect the transfer of the CCE Shares formerly represented by such certificate or DRS advice-statement under the BCBCA and the constating documents of CCE and such additional documents and instruments as the Depositary may reasonably require, the Former CCE Shareholder surrendering such certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder following the Effective Time, a certificate, holding statement or DRS advice-statement representing the MRZ Shares that such holder is

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entitled to receive in accordance with Section 3.1, less any amounts withheld pursuant to Section 5.5 and any certificate or DRS advice-statement representing such CCE Shares so surrendered shall forthwith thereafter be cancelled.

(b) After the Effective Time and until surrendered for cancellation as contemplated by this Section 5.2, each certificate or DRS advice-statement that immediately prior to the Effective Time represented one or more CCE Shares (other than CCE Shares in respect of which Dissent Rights have been validly exercised and not withdrawn or CCE Shares held by MRZ or any of their affiliates) shall be deemed at all times to represent only the right to receive in exchange therefor the Consideration that the holder of such certificate is entitled to receive in accordance with Section 3.1, less any amounts withheld pursuant to Section 5.5.

5.3 Lost Certificates

If any certificate that immediately prior to the Effective Time represented one or more outstanding CCE Shares that were exchanged in accordance with Section 3.1 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary shall deliver in exchange for such lost, stolen or destroyed certificate, the Consideration that such holder is entitled to receive in accordance with Section 3.1 and such holder's Transmittal Letter. When authorizing such delivery of the Consideration that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom the Consideration is to be delivered shall, as a condition precedent to the delivery of the Consideration, give a bond satisfactory to MRZ and the Depositary in such amount as MRZ and the Depositary may direct, or otherwise indemnify MRZ and the Depositary in a manner satisfactory to MRZ and the Depositary, against any claim that may be made against MRZ or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed and shall otherwise take such actions as may be required by the constating documents of CCE.

5.4 Distributions with Respect to Unsurrendered Certificates

No dividend or other distribution declared or made after the Effective Time with respect to MRZ Shares with a record date after the Effective Time shall be delivered to the holder of any unsurrendered certificate or DRS advice-statement that, immediately prior to the Effective Time, represented outstanding CCE Shares unless and until the holder of such certificate or DRS advice-statement shall have complied with the provisions of Section 5.2 or Section 5.3. Subject to applicable Law and to withholding required pursuant to Section 5.5, at the time of such compliance, there shall, in addition to the delivery of certificates representing MRZ Shares to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such MRZ Shares.

5.5 Withholding Rights

MRZ, CCE, the Depositary and their respective agents, as applicable, shall be entitled to deduct and withhold from any Consideration or any other amount payable or otherwise deliverable to any CCE Shareholder or any other person under this Plan of Arrangement (including any payment to Dissenting Shareholders and holders of CCE Options, CCE PSUs, CCE Convertible Notes and CCE Warrants) such Taxes or other amounts as MRZ, CCE, the Depositary or their respective agents, as the case may be, may reasonably determine is required to be deducted or withheld with respect to such payment under the Tax Act, the U.S. Tax Code, the Australian Tax Act or any provision of Laws in respect of Taxes. For the purposes hereof, all such deducted or withheld amounts shall be treated as having been paid to the person in respect of which such deduction or withholding was made on account of the obligation to make payment to such person hereunder, provided that such deducted or withheld amounts are timely remitted to the

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appropriate Governmental Entity by or on behalf of MRZ, CCE, the Depositary or their respective agents, as the case may be. To the extent that the amount so required to be deducted or withheld from any payment to a CCE Securityholder exceeds the cash component, if any, of the amount otherwise payable, subject to the prior approval of MRZ, any of MRZ, CCE, the Depositary or their respective agents, as the case may be, are hereby authorized to sell or otherwise dispose of such portion of the Consideration or other MRZ securities, as applicable, issuable as is necessary to provide sufficient funds to MRZ, CCE, the Depositary or their respective agents, as the case may be, to enable it to comply with all applicable deduction or withholding requirements, and MRZ, CCE, the Depositary or their respective agents, as the case may be, shall remit the applicable portion of the net proceeds of such sale (after deduction of all fees, commissions or costs in respect of such sale) to the appropriate Governmental Entity and shall remit to such CCE Securityholder any unapplied balance of the net proceeds of such sale. Any sale will be made in accordance with applicable Laws and at prevailing market prices and none of MRZ, CCE, the Depositary or their respective agents, as the case may be, shall be under any obligation to obtain a particular price, or indemnify any CCE Securityholder in respect of a particular price, for the portion of the Consideration or other securities of MRZ, as applicable, so sold.

5.6 Limitation and Proscription

To the extent that a Former CCE Shareholder shall not have complied with the provisions of Section 5.2 or Section 5.3 on or before the date that is six (6) years after the Effective Date (the "**final proscription date**"), then the Consideration that such Former CCE Shareholder was entitled to receive, in each case together with all entitlements to dividends and distributions thereon held for such Former CCE Shareholder, shall be automatically cancelled without any repayment of capital in respect thereof and the certificates, holding statements or DRS advice-statements representing MRZ Shares shall be delivered to MRZ by the Depositary and the certificates, holding statements and DRS advice-statements representing such MRZ Shares shall be cancelled by MRZ, and the interest of the Former CCE Shareholder in the Consideration (and dividends and distributions thereon) shall be terminated as of such final proscription date.

5.7 No Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any liens, claims and encumbrances of third parties of any kind.

ARTICLE 6
AMENDMENTS

6.1 Amendments to Plan of Arrangement

(a) MRZ and CCE reserve the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification or supplement must be (i) set out in writing, (ii) agreed to in writing by MRZ and CCE, (iii) filed with the Court and, if made following the CCE Meeting, approved by the Court, and (iv) communicated to CCE Shareholders.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by CCE or MRZ at any time prior to the CCE Meeting provided that MRZ and CCE, each acting reasonably, shall have consented thereto in writing, with or without any other prior notice or communication, and, if so proposed and accepted by the persons voting at the CCE Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

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(c) CCE and MRZ may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time after the CCE Meeting and prior to the Effective Time with the approval of the Court, and, if and only if: (i) it is consented to in writing by each of MRZ and CCE, each acting reasonably; and (ii) if required by the Court, it is consented to by some or all of the CCE Shareholders voting in the manner directed by the Court.

(d) Notwithstanding anything to the contrary contained herein, CCE and MRZ may amend, modify and/or supplement this Plan of Arrangement without the approval of the Court, the CCE Shareholders or any other persons, provided that each such amendment, modification and/or supplement (i) must concern a matter which, in the reasonable opinion of each of CCE and MRZ, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement, and (ii) is not adverse to the economic interests of any CCE Shareholders.

6.2 Termination

This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.

ARTICLE 7
FURTHER ASSURANCES

7.1 Further Assurances

Notwithstanding that the transactions and events set out herein will occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Parties will make, do and execute, or cause to be made, done and executed, any such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by any of them in order to further document or evidence any of the transactions or events set out herein.

ARTICLE 8
U.S. SECURITIES LAW MATTERS

8.1 U.S. Securities Law Matters

Notwithstanding any provision herein to the contrary, this Plan of Arrangement will be carried out with the intention that all MRZ Shares to be issued and distributed to CCE Shareholders, all Replacement Options to be issued and distributed to holders of CCE Options and all Replacement Performance Rights to be issued and distributed to holders of CCE PSUs pursuant to this Plan of Arrangement, as applicable, will be issued and exchanged in reliance on the exemption from the registration requirements of the U.S. Securities Act as provided by Section 3(a)(10) thereof and pursuant to the terms, conditions and procedures set forth in the Arrangement Agreement.

ARTICLE 9
PARAMOUNTCY

From and after the Effective Time (i) this Plan of Arrangement shall take precedence and priority over any and all CCE Shares, CCE Options, CCE PSUs, CCE Convertible Notes and CCE Warrants issued prior to the Effective Time, (ii) the rights and obligations of registered and beneficial holders of CCE Shares (including Dissenting Shareholders), CCE Options, CCE PSUs, CCE Convertible Notes and CCE Warrants and CCE, MRZ, the Depositary and any trustee or registrar and transfer agent for the CCE Shares, CCE

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Options, CCE PSUs, CCE Convertible Notes and CCE Warrants, shall be solely as provided for in this Plan of Arrangement, and (iii) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any CCE Shares, CCE Options, CCE PSUs, CCE Convertible Notes and CCE Warrants shall be deemed to have been settled, compromised, released and determined without liability except as set forth herein.

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APPENDIX D

INTERIM ORDER

See attached.

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SUPREME COURT
OF BRITISH COLUMBIA
VANCOUVER REGISTRY

SEP 0 4 2025

ENTERED

No. S256569
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING COMMERCE RESOURCES CORP., AND ITS SECURITYHOLDERS AND MONT ROYAL RESOURCES LIMITED

COMMERCE RESOURCES CORP.

PETITIONER

ORDER MADE AFTER APPLICATION

BEFORE Associate Judge Robinson) The 4th day of September, 2025

ON THE APPLICATION of the Petitioner, Commerce Resources Corp. ("**Commerce**" or the "**Petitioner**"), dated September 2, 2025 without notice, coming on for hearing at 800 Smithe Street, Vancouver, British Columbia on September 4, 2025 and reading the materials filed herein and on hearing Teresa Tomchak and Maya Churilov, counsel for the Petitioner and upon being advised that it is the intention of the parties to rely on section 3(a)(10) of the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") and that the declaration of fairness of, and the approval of, the Arrangement by this Honourable Court will serve as a basis for an exemption from the registration requirements of the US Securities Act pursuant to section 3(a)(10) thereof, for the issuance of securities in connection with the Arrangement.

THIS COURT ORDERS that:

Definitions

1. As used in this Interim Order, unless otherwise defined, terms beginning with capital letters shall have the respective meanings set out in the Petition and in the management

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information circular (the "**Circular**"), which is attached as Exhibit "A" to the Affidavit of Nicholas Holthouse dated September 2, 2025 (the "**Interim Order Affidavit**").

The Meeting

2. Pursuant to section 291(2)(b)(i) and section 289(1)(a)(i) and (e) of the *Business Corporations Act*, S.B.C. 2002, c. 57 (the "**BCBCA**"), Commerce is authorized and directed to call, hold and conduct an annual general and special meeting (the "**Meeting**") of the shareholders of the Petitioner (the "**CCE Shareholders**"), to be held on October 10, 2025 at 9:00 a.m. at Suite 3000, 1055 Dunsmuir Street, Vancouver, British Columbia, or at such other time and location to be determined by Commerce provided that the CCE Shareholders have due notice of the same.

3. At the Meeting, the CCE Shareholders will be asked to consider and, if thought advisable, approve, with or without variation, a special resolution authorizing and approving the Arrangement and the Plan of Arrangement (the "**Arrangement Resolution**").

4. The Meeting shall be called, held and conducted in accordance with the BCBCA, the Circular and the articles of Commerce (the "**Articles**"), subject to the terms of this Interim Order and any further Order of this Court, and the rulings and directions of the Chair of the Meeting, such rulings and directions not to be inconsistent with this Interim Order. To the extent there is any inconsistency between this Interim Order and the terms of the foregoing, this Interim Order shall govern or, if not specified in the Interim Order, the final version of the Circular shall govern.

5. The record date for determining the CCE Shareholders entitled to receive the Meeting Materials, as defined below, and to attend and vote at the Meeting, shall be the close of business on August 29, 2025 (the **"Record Date**"), or such other date as the Board may determine in accordance with the Articles, the BCBCA, or as disclosed in the Meeting Materials.

6. The only persons entitled to attend the Meeting shall be:

   (a) CCE Shareholders as at the close of business on the Record Date, or their respective proxyholders;

   (b) directors, officers, and advisors of Commerce;

   (c) directors, officers and advisors of Mont Royal Resources Limited ("**Mont Royal**"); and

   (d) other persons with the permission of the Chair of the Meeting,

   and the only persons entitled to vote at the Meeting shall be CCE Shareholders, or their respective proxyholders.

Quorum

7. Quorum for the Meeting, is one or more persons who are, or who represent by proxy, CCE Shareholders who are entitled to vote at the meeting.

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Amendments to the Arrangement and the Plan of Arrangement

8. Commerce is authorized to make, in the manner contemplated by and subject to the Plan of Arrangement, such amendments, modifications or supplements to the Arrangement, the Plan of Arrangement, and the Circular as it may determine without any additional notice to or authorization of any of the CCE Shareholders, or further orders of this Court. The Plan of Arrangement and the Circular, as so amended, modified, or supplemented, shall be the Plan of Arrangement and the Circular to be submitted to the CCE Securityholders, as applicable, and the subject of the Arrangement Resolution.

Adjournments and Postponements

9. Notwithstanding the provisions of the BCBCA and the Articles, and subject to the terms of the Arrangement Agreement, the Board of Directors of Commerce (the "**Board**") by resolution shall be entitled to adjourn or postpone the Meeting or the date of the hearing for the Final Order (defined below) on one or more occasions without the necessity of first convening the Meeting or first obtaining any vote of the CCE Shareholders respecting the adjournment or postponement, and without the need for approval of this Court. Commerce shall provide due notice of any such adjournment or postponement by press release, newspaper advertisement or notice sent to the Company Shareholders by one of the methods specified in paragraphs 12 and 13 of this Interim Order, as determined to be the most appropriate method of communication by Commerce. This provision shall not limit the authority of the Chair of the Meeting in respect of adjournments or postponements.

10. The record date for CCE Shareholders entitled to notice of and to vote at the Meeting will not change in respect of adjournments or postponements of the Meeting.

Notice of Meeting

11. The Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of section 290(1)(a) of the BCBCA, and Commerce shall not be required to send to the CCE Shareholders any other or additional statement pursuant to section 290(1)(a) of the BCBCA.

12. To effect the notice of the Meeting, Commerce shall send the Circular, the form of proxy and voting instruction form, as applicable, and the letter of transmittal, along with such amendments or additional documents as Commerce may determine are necessary or desirable and are not inconsistent with the terms of the Interim Order (collectively, the "**Meeting Materials**"), as follows:

    (a) to the registered CCE Shareholders at the close of business on the Record Date, at least 21 days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting, by one or more of the following methods:

        (i) by pre-paid ordinary or first class mail at the addresses of the CCE Shareholders as they appear on the books and records of Commerce, or its registrar and transfer agent, at the close of business on the Record Date and if no address is shown therein, then the last address of the person known to the Corporate Secretary of Commerce;

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(ii) by delivery, in person or by recognized courier service or inter-office mail, to the address specified in (i) above; or

(iii) by facsimile or electronic transmission to any CCE Shareholder, who is identified to the satisfaction of Commerce, who requests such transmission in writing and, if required by Commerce;

(b) to non-registered CCE Shareholders by providing sufficient copies of the Meeting Materials to intermediaries and registered nominees in a timely manner, in accordance with National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*; and

(c) directors and auditors of Commerce by delivery in person, by recognized courier service, by prepaid ordinary or first class mail or with the consent of the person, by facsimile or email transmission, at least 21 days prior to the Meeting, excluding the date of sending and the date of the Meeting.

13. Concurrently with the sending of the Meeting Materials described in paragraph 12 of this Interim Order, the Petitioner shall send a copy of the Circular and any other communications or documents determined by the Petitioner to be necessary or desirable to the holders of the CCE Options, CCE PSUs, CCE Warrants and CCE Convertible Notes to the email addresses as they appear on the books and records of the Petitioner or its registrar and transfer agent at the close of business on the Record Date.

14. The Company will include in the Meeting Materials a copy of this Interim Order, as well as the Notice of Hearing of Petition in substantially the form attached as Appendices D and E to the Circular which is attached as Exhibit "A" to the Interim Order Affidavit (the "**Court Materials**"). A copy of the Petition to the Court, the Notice of Application for the Interim Order, and the other documents that were filed in support of the Interim Order will be filed in support of the Petition and will be furnished to any Company Securityholder upon a request in writing addressed to the solicitors of the Petitioner, as set out in the Notice of Hearing of Petition.

15. Delivery of the Court Materials with the Meeting Materials in accordance with this Interim Order will constitute good and sufficient service of such Court Materials upon all persons who are entitled to receive the Court Materials pursuant to this Interim Order, and shall be deemed to have been served at the times specified in accordance with paragraph 19 of this Interim Order, whether such persons reside within British Columbia or within another jurisdiction, and no other form of service need be effected and no other material need be served on such persons in respect of these proceedings.

16. In the event of an interruption in or cessation of postal services due to strike or otherwise, the Petitioner shall be authorized, in addition to or as an alternative to the methods of delivery specified in paragraphs 12 and 13 above to communicate notice of the Company Meeting by publishing notice of the Company Meeting in one of the following newspapers:

(i) The Globe and Mail (National edition); or

(ii) The National Post,

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which publication shall include specific reference to locations (including www.sedarplus.ca) at which copies of the Meeting Materials or Court Materials will be available.

17. Substantial compliance with paragraphs 11 to 16 above will constitute good and sufficient notice of the Meeting and delivery of the Meeting Materials.

18. Accidental failure of or omission by Commerce to give notice to any one or more CCE Shareholder, or the non-receipt of such notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Commerce shall not constitute a breach of this Interim Order or, in relation to notice to CCE Shareholders, a defect in the calling of the Meeting and shall not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission is brought to the attention of Commerce, then it shall use reasonable best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

19. The Meeting Materials and any amendments, modifications, updates or supplements to the Meeting Materials and any notice of adjournment or postponement of the Meeting, shall be deemed to have been received,

(a) in the case of mailing, the day, Saturday and holidays excepted, following the date of mailing as specified in section 6 of the BCBCA;

(b) in the case of delivery in person, upon receipt thereof at the intended recipient's address or, in the case of delivery by courier, one business day after receipt by the courier;

(c) in the case of transmission by email or facsimile, upon the transmission thereof;

(d) in the case of advertisement, news release or press release, at the time of publication of the advertisement, news release or press release;

(e) in the case of electronic filing on SEDAR+, upon the transmission thereof; and

(f) in the case of beneficial CCE Shareholders, three (3) days after the delivery thereof to intermediaries and registered nominees.

20. Notice of any amendments, modifications, updates or supplements to any of the information provided in the Meeting Materials may be communicated, at any time prior to the Meeting, to the CCE Shareholders by press release, news release, newspaper advertisement or by notice sent to the CCE Shareholders using any of the means set forth in paragraph 12, as determined to be the most appropriate method of communication by the Board.

Solicitation of Proxies

21. Commerce is authorized to use the form of proxy and voting instruction form, as applicable, for CCE Shareholders in substantially the same form as is found in Exhibit "B" to the Interim Order Affidavit, subject to Commerce's ability to insert dates and other relevant information in the final forms and to make other non-substantive changes and

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changes legal counsel advise are necessary or appropriate. Commerce or Mont Royal is authorized, at their expense, to solicit proxies, directly or through their officers, directors or employees, and through such agents or representatives as they may retain for that purpose, and by mail or such other forms of personal or electronic communication as they may determine.

22. The procedures for the use of proxies at the Meeting and revocation of proxies shall be as set out in the Meeting Materials.

Voting

23. The only persons entitled to vote on the Arrangement Resolution or such other business as properly brought before the Meeting, shall be those CCE Shareholders who hold CCE Shares as of the close of business on the Record Date.

24. At the Meeting, the votes in respect of the Arrangement Resolution shall be taken on the basis of one vote per CCE Share held. In order for the Plan of Arrangement to be implemented, the Arrangement Resolution must be passed, with or without variation, at the Meeting by 66⅔% of the votes cast by CCE Shareholders present in person or represented by proxy and entitled to vote at the Meeting.

Scrutineer

25. The Chair of the Meeting, or such other person as may be designated by the Chair of the Meeting upon consultation with legal counsel to Commerce, will be authorized to act as scrutineer for the Meeting.

Chair of the Meeting

26. The Chair of the Meeting shall be an officer or director of the Petitioner or such other person as may be designated by the Petitioner, or such other person as may be appointed by the CCE Shareholders for that purpose.

27. The Chair of the Meeting is at liberty to call on the assistance of legal counsel at any time and from time to time, as the Chair of the Meeting may deem necessary or appropriate, during the Meeting, and such legal counsel is entitled to attend the Meeting for this purpose.

28. The Chair of the Meeting shall be permitted to ask questions of, and demand the production of evidence, from CCE Shareholders or such other persons in attendance or represented at the Meeting, as he or she considers appropriate having regard to the orderly conduct of the Meeting, the authority of any person to vote at the Meeting, and the validity and propriety of the votes cast and the proxies submitted in respect of the Arrangement Resolution.

29. The Chair of the Meeting may, in the Chair's sole discretion, waive the deadline specified in the form of proxy for the deposit of proxies.

30. The Chair or another representative of the Petitioner present at the Meeting, shall, in due course, file with the Court an affidavit verifying the actions taken and the decisions reached at the Meeting with respect to the Arrangement.

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Dissent Rights

31. Registered holders of CCE Shares as of the deadline for exercising dissent rights may exercise dissent rights with respect to all of the CCE Shares held by such registered holders in connection with the Arrangement pursuant to and in the manner set forth in Division 2 of Part 8 of the BCBCA, as modified by the Interim Order, the Final Order, any other order of the Court and Article 4 of the Plan of Arrangement, provided that, notwithstanding Subsection 242(1)(a) of the BCBCA, the written objection to the Arrangement Resolution referred to in Subsection 242(1)(a) of the BCBCA must be received by Commerce no later than 4:00 p.m. (Vancouver time) two (2) Business Days immediately preceding the date of the CCE Meeting (as it may be adjourned or postponed from time to time).

32. Each Dissenting Shareholder who duly exercises Dissent Rights and who is ultimately determined to be:

(a) entitled to be paid fair value for their CCE Shares, (i) shall be deemed to have transferred such CCE Shares to Mont Royal as provided, and as of the time stipulated, in Section 3.1(a) of the Plan of Arrangement, (ii) shall be deemed not to have participated in the transactions in Article 3 (other than Section 3.1(a)), (iii) of the Plan of Arrangement shall be entitled to be paid the fair value of such CCE Shares by Mont Royal, less any applicable withholdings, which fair value, notwithstanding anything to the contrary in the BCBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted at the Meeting, and (iv) will not be entitled to any other payment or consideration, including any payment or consideration that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such CCE Shares; or

(b) not entitled, for any reason, to be paid the fair value for such CCE Shares, (i) shall be deemed to have transferred such CCE Shares to Mont Royal as provided, and as of the time stipulated, in Section 3.1(b) of the Plan of Arrangement, and (ii) shall be deemed to have participated in the Arrangement on the same basis and at the same time as CCE Shareholders who have not exercised Dissent Rights in respect of such CCE Shares and shall be entitled to receive the Consideration to which CCE Shareholders who have not exercised Dissent Rights are entitled under Section 3.1(b) of the Plan of Arrangement. .

33. In no case shall any person be required to recognize any Dissenting Shareholder or any other person exercising Dissent Rights unless such person (i) as of the deadline for exercising Dissent Rights, is the registered holder of those CCE Shares in respect of which such rights are sought to be exercised and (ii) has strictly complied with the procedures for exercising Dissent Rights and has not withdrawn such dissent prior to the Effective Time.

34. In no case shall any person be required to recognize any holder of CCE Shares who validly exercises Dissent Rights as a holder of such CCE Shares after the completion of the transfer under Section 3.1(a) of the Plan of Arrangement, and the names of such Dissenting Shareholders shall be removed from the registers of holders of CCE Shares at the same time as the event described in Section 3.1(a) occurs.

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35. CCE Shareholders who withdraw, or are deemed to withdraw, their right to exercise Dissent Rights shall be deemed to have participated in the Arrangement, as of the Effective Time, and shall be entitled to receive the Consideration to which CCE Shareholders who have not exercised Dissent Rights are entitled under Section 3.1(b) of the Plan of Arrangement. (d) In addition to any other restrictions under the Interim Order or Division 2 of Part 8 of the BCBCA, none of the following shall be entitled to exercise Dissent Rights: (a) holders of CCE Options, CCE Convertible Notes or CCE Warrants(in their capacity as holders of such securities); (b) CCE Shareholders who voted or instructed a proxyholder to vote CCE Shares in favour of the Arrangement Resolution; (c) Mont Royal and any of their affiliates; and (d) any person who is not a registered holder of CCE Shares

Final Order

36. Upon the approval, with or without variation, by the CCE Shareholders of the Arrangement Resolution, in the manner set forth in this Interim Order, Commerce may apply for an order of this Court approving the Arrangement, pursuant to section 291 of the BCBCA (the "**Final Order**"), at the Courthouse at 800 Smithe Street, Vancouver, British Columbia on October 15, 2025 at 9:45 a.m. (Vancouver time) or at such other date and time as the Board may advise or as the Court may direct.

37. Any CCE Securityholder has the right to appear (either in person or by counsel) and make submissions at the hearing of the Petition, provided that such CCE Securityholder shall file with this Court a Response to Petition in the form prescribed by the *Supreme Court Civil Rules* together with any evidence or material on which such CCE Securityholder intends to rely at the hearing of the Petition, and provided that such CCE Securityholder shall deliver the filed Response to Petition together with a copy of all materials on which such CCE Securityholder intends to rely at the hearing of the Petition to Commerce's counsel at:

Osler, Hoskin & Harcourt LLP
Suite 3000, Bentall Four
1055 Dunsmuir Street
Vancouver, BC V7X 1K8

Attention: Teresa Tomchak/Maya Churilov

by 4:00 p.m. (Vancouver time) on October 10, 2025.

38. Commerce and Mont Royal may attend the hearing of the Petition by way of video conference pursuant to Rule 23-5(4) of the *Supreme Court Civil Rules*, without further order of this Court.

39. In the event that the hearing of the Petition is adjourned, then only those persons who filed and delivered a Response to Petition in accordance with this Interim Order need be served with notice of the adjourned date.

40. Commerce shall not be required to comply with Rule 8-1, and Rule 16-1 of the *Supreme Court Civil Rules* in relation to the hearing of the Petition for the Final Order approving the Plan of Arrangement, and in particular any materials to be filed by Commerce in

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support of the hearing for the Final Order may be filed at any time prior to the hearing for the Final Order without further order of this Court.

Variance

41. Commerce shall be entitled, at any time, to apply to vary this Interim Order.

42. To the extent of any inconsistency or discrepancy between this Interim Order and the Circular, the BCBCA, or the Articles, this Interim Order will govern.

43. Commerce shall not be required to comply with Rule 8-1 and Rule 16-1 of the *Supreme Court Civil Rules* in relation to any application to vary this Interim Order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Teresa Tomchak/Maya Churilov
Counsel for the Petitioner

By the Court.

Registrar

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No. S-256569
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING COMMERCE RESOURCES CORP., AND ITS SECURITYHOLDERS AND MONT ROYAL RESOURCES LIMITED

COMMERCE RESOURCES CORP.

PETITIONER

ORDER MADE AFTER APPLICATION

TMT/ M#1259002

OSLER, HOSKIN & HARCOURT LLP
Suite 3000, Bentall Four
1055 Dunsmuir Street
Vancouver, BC V7X 1K8

APPENDIX E

NOTICE OF HEARING OF PETITION

See attached.

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No. S-256569
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING COMMERCE RESOURCES CORP., AND ITS SECURITYHOLDERS AND MONT ROYAL RESOURCES LIMITED

COMMERCE RESOURCES CORP.

PETITIONER

NOTICE OF HEARING OF PETITION

NOTICE IS HEREBY GIVEN that a Petition to the Court has been filed by Commerce Resources Corp. ("**Commerce**") in the Supreme Court of British Columbia for approval, pursuant to section 291 of the *Business Corporations Act*, S.B.C. 2002 c. 57 and amendments thereto, of an arrangement proposed by Commerce and set out in a plan of arrangement as more particularly described and set forth in the management information circular of Commerce dated September 4, 2025 (the "**Arrangement**").

NOTICE IS FURTHER GIVEN that by Order of the Supreme Court of British Columbia, dated September 4, 2025, the Court has given directions by means of an interim order (the "**Interim Order**") on the calling of an annual general and special meeting (the "**Meeting**") of the holders of common shares (the "**CCE Shareholders**") for the purpose, among others, of considering and voting upon a special resolution to approve the Arrangement and the Plan of Arrangement (the "**Arrangement Resolution**").

NOTICE IS FURTHER GIVEN that if the Arrangement Resolution is approved at the Meeting, the Petitioner intends to apply to the Supreme Court of British Columbia for a final order (the "**Final Order**") approving the Arrangement and declaring it to be fair and reasonable, which application will be heard at the courthouse at 800 Smithe Street, in the City of Vancouver, in the Province of British Columbia or as the Court may direct on October 15, 2025 at 9:45 a.m. or as soon thereafter as counsel may be heard or at such other date and time as the board of Commerce or the Court may direct.

IF YOU WISH TO BE HEARD AT THE HEARING OF THE APPLICATION FOR THE FINAL ORDER OR WISH TO BE NOTIFIED OF ANY FURTHER PROCEEDINGS, YOU MUST GIVE NOTICE OF YOUR INTENTION by filing a form entitled "Response to Petition" together with any evidence or materials which you intend to present to the Court at the Vancouver Registry of the Supreme Court of British Columbia or as the Court may direct and YOU MUST ALSO DELIVER a copy of the Response to Petition and any other evidence or materials to Commerce's address for delivery, which is set out below, on or before October 10, 2025 at 4:00 p.m. (Vancouver time).

YOU OR YOUR SOLICITOR may file the Response to Petition. You may obtain a form of Response to Petition at the Registry during business hours or online from the BC Supreme Court website. The address of the Registry is 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1.

IF YOU DO NOT FILE A RESPONSE TO PETITION AND ATTEND EITHER IN PERSON (OR AS DIRECTED BY THE COURT) OR BY COUNSEL at the time of the hearing of the application for the Final Order, the Court may approve the Arrangement, as presented, or may approve it subject to such terms and conditions as the Court deems fit, all without further notice to you.

A copy of the Petition to the Court and the other documents that were filed in support of the Interim Order and will be filed in support of the Final Order will be furnished to any Company Securityholder upon request in writing addressed to the solicitors of the Petitioner at the address for delivery set out below.

The Petitioner's address for delivery is:

Osler, Hoskin & Harcourt LLP
Suite 3000, Bentall Four
1055 Dunsmuir Street
Vancouver, BC V7X 1K8

Attention: Teresa Tomchak/Maya Churilov

DATED this 2nd day of September, 2025.

Signature
☐ Party ☒ Lawyers for the Petitioner
Teresa Tomchak/Maya Churilov

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APPENDIX F

EVANS & EVANS, INC. FAIRNESS OPINION

See attached.

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EVANS & EVANS, INC.

SUITE 130, 3RD FLOOR, BENTALL II, 555 BURRARD STREET
VANCOUVER, BRITISH COLUMBIA
CANADA V7X 1M8

19TH FLOOR, 700 2ND STREET SW
CALGARY, ALBERTA
CANADA T2P 2W2

357 BAY STREET
TORONTO, ONTARIO
CANADA M5H 4A6

April 3, 2025

COMMERCE RESOURCES CORP.
Suite 1450 – 789 West Pender Street
Vancouver, British Columbia Canada V6C 1H2

Attention: Special Committee of the Board of Directors

Dear Sirs:

Subject: Fairness Opinion

1.0 Introduction

1.01 Evans & Evans, Inc. ("Evans & Evans" or the "authors of the Opinion") was engaged by the Special Committee (the "Committee") of the Board of Directors (the "Board") of Commerce Resources Corp. ("Commerce" or the "Company") of Vancouver, British Columbia to prepare a Fairness Opinion (the "Opinion") with respect to the proposed share exchange with Mont Royal Resource Limited ("Mont Royal" or "MRZ" and together with Commerce the "Companies") (the "Proposed Transaction"). The Proposed Transaction is summarized in section 1.03 of this Opinion.

Evans & Evans has been requested by the Committee to prepare the Opinion to provide an independent opinion as to the fairness of the Proposed Transaction, from a financial standpoint, to the shareholders of Commerce (together the "Commerce Shareholders").

Commerce is a reporting issuer whose shares are listed for trading on the TSX Venture Exchange (the "TSXV") under the symbol "CCE". Mont Royal is a registrant whose shares are listed on the Australian Stock Exchange ("ASX" and together with the TSXV the "Exchanges") under the symbol "MRZ".

1.02 Unless otherwise noted, all monetary amounts referenced herein are Canadian dollars. Where appropriate, an exchange rate of A$0.8938 is used.

1.03 On December 5, 2024, the Companies entered into a non-binding indicative offer (the "Offer") setting out the terms of the Proposed Transaction. Evans & Evans also reviewed the draft Arrangement Agreement (the "Agreement"). A summary of the key terms of the Proposed Transaction is provided below.

1. The Proposed Transaction will be affected by way of a plan of arrangement (the "Arrangement") under the *Business Corporations Act* (British Columbia).

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2. Mont Royal may incorporate an acquisition company ("Acquireco") to effect the Proposed Transaction.

3. Mont Royal will acquire all of the issued and outstanding Commerce common shares (the "Commerce Shares") for a consideration of 2.33 Mont Royal common shares ("Mont Royal Shares") per each Commerce common share ("Commerce Share") held (the "Exchange Ratio").

4. All outstanding Commerce options and warrants will be exchanged for Mont Royal securities appropriately adjusted for the Exchange Ratio.

5. A termination fee of $250,000 will be payable by either party to the other if the Proposed Transaction is terminated under certain circumstances as outlined in the Agreement.

6. The Agreement does set out a mechanism for dealing with either of the Companies receiving a superior acquisition proposal following announcement of the Proposed Transaction.

7. Certain executive officers, directors, and shareholders of Commerce will enter into voting support agreements in support of the Proposed Transaction.

8. Mont Royal will be required to conduct a capital raising in conjunction with the Proposed Acquisition to meet ASX Listing Rule requirements and to adequately capitalize the merged entity (the "Capital Raising"). Peloton Capital Pty Ltd. *("Peloton"), has provided a Letter of Support demonstrating its support of the Proposed Transaction and the Capital Raising. Peloton acted as Lead Manager to Mont Royal's A$0.6 million pre-initial public offer capital raising in 2019, A$6 million initial public offering capital raising in 2019, and to a A$4 million share placement in 2021.*

9. Following the closing the Proposed Transaction, Mont Royal will be required to consolidate its shares (the "MRZ Consolidation") on the basis of one post-consolidation MRZ Shares for each 0.2195 pre-consolidation MRZ Shares. The MRZ Consolidation is required to ensure the trading price of MRZ post-Proposed Transaction is in excess of A$0.20 ($0.18). As such, depending of the pricing of the Capital Raising, the consolidation ratio may change.

Post-Proposed Transaction, Commerce senior management will lead MRZ and Commerce will appoint the majority of the new Board of Directors.

Management of Commerce has noted to Evans & Evans that the Company has secured $2.2 million in interim funding via a convertible note (the "CCE Note") that will close concurrent with the signing of the Agreement. The CEE Note will automatically convert into Mont Royal shares on completion of the Proposed Transaction at the Exchange Ratio. If the Proposed Transaction doesn't proceed the CCE Note has a two year maturity and carries a 20% interest rate. The CEE Note is being predominantly taken by existing shareholders of the Companies.

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Following completion of the Proposed Transaction, Commerce Shareholders will hold approximately 85% of the merged entity (the "Resulting Issuer").

The Proposed Transaction had not been publicly announced as of the date of the Opinion.

1.04 The Committee retained Evans & Evans to act as an independent advisor to Commerce and to prepare and deliver the Opinion to the Committee to provide an independent opinion as to the fairness of the Proposed Transaction, from a financial point of view, to the Commerce Shareholders as of April 3, 2025.

1.05 Commerce was incorporated on May 19, 1999, under the *Company Act* of British Columbia. Commerce is a junior mineral resource company focused on the development of the Ashram Rare Earth and Fluorspar Deposit located in Quebec, Canada (the "Ashram Project").

The Ashram Project is the subject of a National Instrument 43-101 ("NI 43-101") report – *Mineral Resource Estimate for the Ashram Rare Earth Element and Fluorspar Deposit"* with an effective date of April 4, 2024 prepared for the Company by BBA Inc., PLR Resources Inc., L3 Process Development and DRA Global Limited (the "Ashram Tech Report"). The Ashram Tech Report sets out in an indicated and inferred mineral resource estimate ("MRE").

The following description of the Ashram Project is derived from various public disclosure documents and the Ashram Tech Report.

The Ashram Project's size consists of one contiguous block totaling 244 claims (11,474.70 hectares). Commerce is the sole registered title holder with 100% interest in the claim block. The Ashram Project is characterized by simple rare earth (monazite, bastnaesite, xenotime) and gangue (carbonates) mineralogy, a large tonnage resource at favourable grade, and has demonstrated the production of high-grade mineral concentrates at high recovery in line with active global producers.

The original eight claims acquired from Virginia Gold Mines Inc. ("Virginia") are subject to a 1% net smelter return ("NSR") royalty in favour of Virginia and a 5% net profits interest ("NPI") royalty in favour of two individuals. Commerce has the right to buy back the 5% NPI royalty in consideration of $500,000. The Ashram deposit within the Ashram Project is not situated within the Virginia claims and is not subject to any royalties.

The Company is focused on advancing the Ashram Project to the next phase of project development through a Preliminary Economic Assessment ("PEA").

The rare earth element ("REE") mineralization at the Ashram Project is hosted primarily (essentially 100%) by monazite, with minor rare earth fluorocarbonates (bastnäsite, parisite, and lesser synchysite) and lesser xenotime. Rare earth mineralization at Ashram is consistent throughout the Deposit with minimal dilution from unmineralized fragments and clasts.

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Seven diamond drilling exploration programs (2013, 2014, 2015, 2016, 2019, 2021, and 2022) were completed on the Ashram Project since the previous MRE (2012). Except for 2019, every program had some diamond drill holes targeting the Ashram Deposit to define its footprint and improve the geological model confidence. On December 16, 2024, Commerce announced significant niobium discoveries forming two high-grade trends at the Ashram Project discovered as part of the 2024 drill program. The Company noted in its press release that 2024 program "*has significantly expanded the niobium mineralized footprint at the Property, including the discovery of several new high-grade zones."* In total, the 2024 drill program included 29 holes totaling 8,253 metres between July and September 2024.

A number of mineral processing test work programs have been carried out on the Ashram Project to develop a beneficiation flowsheet to produce a rare earth mineral concentrate suitable for hydrometallurgical processing.

As outlined in the Ashram Tech Report - *the Ashram Deposit is one of the largest rare earth deposits globally. Furthermore, the deposit hosts a monazite dominant rare earth mineralogy with demonstrated mineral processing ability to produce high-grade (+30% REO [1]) monazite mineral concentrates using conventional process techniques. Additionally, the Ashram Deposit has a fluorspar component that makes it one of the largest potential sources of fluorspar in the world.*

Financial Position

Commerce's fiscal year ("FY") ends on October 31. As an exploration stage company, Commerce has no revenues and generated a cumulative loss from operations of approximately $18.5 million between February 1, 2021 and October 31, 2024. As of the date of the Opinion, the Company had no interest bearing debt and less than $500,000 in cash and marketable securities. The Company's net loss for FY 2024 was $28.7 million, primarily as a result of the loss on the sale of the Blue River Assets of $28.5 million.

The Company does require financings to continue to operate as a going concern and to advance the Ashram Project. Commerce has estimated its short-term capital requirements in the range of $8 to $10 million. The Ashram Tech Report set out a Phase 1 budget of approximately $10.4 million for the PEA, drilling, mineral processing testing and hydrometallurgical process development.

On May 21, 2024, the Company announced it had entered into a property purchase agreement (the "Purchase Agreement") with an arm's length private company (the "Purchaser") to sell its interest in certain mineral claims comprising the Blue River property (the "Blue River Claims") located near Blue River, British Columbia. As part of the transaction, the sale will also include certain real property owned by the Company (together with the Blue River Claims, the "Blue River Assets"). As consideration for the Blue River

[1] Rare earth oxides which are the oxides of the 17 REEs, a subset of critical minerals essential for various technologies, including those used in clean energy and defense.

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Assets, the Company will receive 20,000,000 common shares in the capital of the Purchaser (the "Blue River Shares"). Completion of the Blue River transaction is subject to the conditions set forth in the Purchase Agreement, including, if required, acceptance by the TSXV. It is the Company's current intention to distribute the Blue River Shares to its shareholders on a pro rata basis at a later date.

Share Structure

As of the date of the Opinion, there were 212,021,555 Commerce Shares issued and outstanding. In addition, Commerce has 151,184,123 warrants to acquire common shares at exercise prices ranging from $0.12 to $0.44, 10,172,27 finders' warrants with exercise prices ranging grom $0.12 to $0.44, and 5,700,000 options outstanding at exercise prices ranging from $0.12 to $0.19 outstanding.

Financings

On February 7, 2025, Commerce announced that it had received conditional approval for funding of up to a total of $2,606,977 from Natural Resources Canada's Critical Minerals Infrastructure Fund, for progression of the access road to the Ashram Project.

On August 13, 2024, Commerce announce that it had closed its previously announced non-brokered private placement offering of 16,000,000 units (each, a "Unit") at a price of $0.126 per Unit for gross proceeds of up to $2,016,000 (the "Offering"). Each Unit consisted of one common share of the Company (each, a "Share") and one common share purchase warrant (each, a "Warrant"), with each Warrant entitling the holder to purchase one Share at a price of $0.25 per Share for a period of two (2) years from closing of the Offering (the "Closing").

On June 21, 2024, Commerce announced that it had closed a non-brokered private placement of 28,000,000 flow-through units (each, a "FT Unit") at a price of $0.18 per FT Unit for aggregate gross proceeds of $5,040,000. Each FT Unit consisted of one common share in the capital of the Company and one transferable common share purchase warrant.

On October 30, 2023, Commerce announce that it has closed a non-brokered private placement that was over-subscribed. In total the Company issued 68,174,150 units at a price of $0.08 per unit for gross proceeds of $5,453,980. Each unit consisted of one common share in the capital of the Company and one common share purchase warrant entitling the holder to acquire one additional share at a price of $0.12 per Warrant Share for a period of three years from the closing date.

As of the date of the Opinion, Commerce's ten-day volume weighted average price ("VWAP") was $0.073, an approximate 42% discount to price of the August 2024 Unit financing.

1.06 Mont Royal was incorporated on March 26, 2018 and is domiciled in Australia. Mont Royal is an exploration stage company focused on the exploration of the Northern Lights minerals

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projects ("Northern Lights Project" or "Northern Lights") in the Upper Eastmain Greenstone Belt in Quebec, Canada. Mont Royal has three wholly owned subsidiaries and two 75% owned subsidiaries.

On December 1, 2021, Mont Royal completed the acquisition of 75% of Northern Lights Minerals Pty Ltd. ("NLM"), an Australian proprietary limited company with mining claims (held by a Canadian subsidiary) and the rights to acquire a land package of mining claims which form the Northern Lights Project.

In November 2024, Mont Royal resolved not to continue with the option to earn the initial 50% interest in a joint venture between Mont Royal and Azimut Exploration Inc. ("Azimut") in connection with the Wapatik gold-copper project ("Option") in Quebec. Mont Royal had the right to earn-in up to a total of 70% of the Wapatik gold-copper project, da. Over the course of the Option, the project delivered mixed results in nickel, copper and cobalt across three drilling campaigns. Due to challenging commodity headwinds, the board of directors of Mont Royal chose not to embark into the fourth year of exploration commitments and therefore did not satisfy the required spending commitments to earn an initial 50% ownership interest in Wapatik. Accordingly, the option was not exercised by its expiry date of November 9, 2024 with the result that it has lapsed.

Northern Lights Project

The following description of the Northern Lights Project is derived from various Mont Royal public disclosure documents.

The Northern Lights Project is situated the Upper Eastmain Greenstone belt, located 300 kilometres ("km") north-northeast of the town of Chibougamau and 56 km south of Renard Diamond mine. The Northern Lights Project can be accessed year-round access via the Route 167 highway. As consideration for the acquisition of the Northern Lights Project, Mont Royal issued 5.0 million ordinary shares with a fair value of A$1.75 million.

Following the acquisition of the Norther Lights Project, Mont Royal conduced drilling programs and geophysics on both copper-gold and lithium targets.

Mont Royal is focused on exploration across three distinct target areas within the Northern Lights tenements: (1) Bohier lithium-cesium-tantalum ("LCT")-bearing pegmatite outcrops and 500-metre exploration target; (2) Eastmain Léran Wahemen Boulder field high-grade discoveries; and (3) Eastmain Léran Central Boulder discovery and 8km tantalum zone.

Mont Royal successfully completed its 2024 summer drilling program at the Bohier target area during the quarter ended September 30, 2024. A total of eight holes were drilled totalling 744 metres. Mont Royal has noted the next phase of exploration, which will include drilling of untested targets, will include drill holes located on both sides of the targeted anomalies to increase the chances of success.

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Recently completed reconnaissance fieldwork at the Léran target area delivered a number of new targets for follow-up exploration at the Petit Léran prospect. Petit Léran is the westernmost prospect on the property and was targeted based on the discovery of a spodumene-bearing boulder in 2023. No outcrops were observed due to the significant layer of glacial cover; however, several additional spodumene-mineralised blocks were found in the central part of the area, up-ice of the 2023 discovery. The size and shape of these blocks suggest a nearby source of spodumene mineralisation. Mont Royal plans for follow-up exploration work to be undertaken at Petit Léran to determine the source of the spodumene blocks.

As of the date of the Opinion, there is no NI 43-101 or JORC[2] compliant MRE on the Northern Lights Project.

Financial Results and Position

Mont Royal's FY ends on June 30. As of December 31, 2024, Mont Royal had approximately A$1.76 million ($1.6 million) in cash and no interest bearing debt. Between July 1, 2020 and December 31, 2024, Mont Royal's cumulative loss from operations was approximately A$6.7 million ($6.1 million).

In the first six months of FY 2025, Mont Royal expended approximately A$540,000 on exploration and evaluation activities. In FY 2024, Mont Royal's exploration and evaluation expenditures declined to approximately A$2.4 million, down from A$2.0 million in 2023. In each of FYs 2022 and 2023, Mont Roya expended approximately A$2.0 million on exploration and evaluation activities on the Norther Lights Project and the Wapatik property.

Financings & Share Structure

As of the date of the Opinion, Mont Royal had 85,029,793 ordinary shares issued and outstanding. Mont Royal had no options or warrants issued and outstanding as of the date of the Opinion.

The last financing undertaken by Mont Royal was on August 15, 2023, when Mont Royal completed a capital raising for gross proceeds of A$2.2 million through the issuance of 13,812,267 ordinary shares at A$0.16 each.

On February 17, 2025, Mont Royal requested a voluntary suspension to the company's securities on the ASX, pending the release of an announcement of the Proposed Transaction (the "Suspension Date").

[2] Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves, a professional code of practice that sets minimum standards for public reporting of mineral exploration results, mineral resources, and ore reserves in Australasia.

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As of the Suspension Date, the 10-day VWAP of Mont Royal was $0.029 and its market capitalization was in the range of $2.4 million to $2.5 million.

2.0 Engagement of Evans & Evans, Inc.

2.01 Evans & Evans was formally engaged by the Committee pursuant to an engagement letter signed February 19, 2025 (the "Engagement Letter"). The Engagement Letter provides the terms upon which Evans & Evans has agreed to provide the Opinion to the Committee.

The terms of the Engagement Letter provide that Evans & Evans is to be paid a fixed professional fee for its services, including the delivery of the Opinion. In addition, Evans & Evans is to be reimbursed for its reasonable out-of-pocket expenses and to be indemnified by Commerce in certain circumstances. The fee established for the Opinion is not contingent upon the opinions presented or the successful completion of the Proposed Transaction.

3.0 Scope of Review

3.01 In connection with preparing the Opinion, Evans & Evans has reviewed and relied upon, or carried out, among other things, the following:

- Reviewed the non-binding indicative offer dated December 5, 2024 between the Companies.
- Reviewed the draft Arrangement Agreement between the Parties.
- Interviewed representatives of Commerce to gain an understanding of the current position of the Company, the plans going forward and the rationale for the Proposed Transaction.
- Reviewed the Companies' press releases for the 18 months preceding the date of the Opinion.
- Reviewed information on the Companies' markets from a variety of sources.
- Reviewed information on mergers and acquisitions involving REE companies and projects.
- Reviewed information on mergers and acquisitions involving lithium companies and projects.
- Reviewed financial, trading and resource information on the following REE companies: Avalon Advanced Materials Inc.; ABx Group Limited; American Rare Earths Limited; Apex Critical Metals Corp.; Arafura Rare Earths Limited; Australian Rare Earths Limited; Coda Minerals Limited; Cosmos Exploration Limited; Energy

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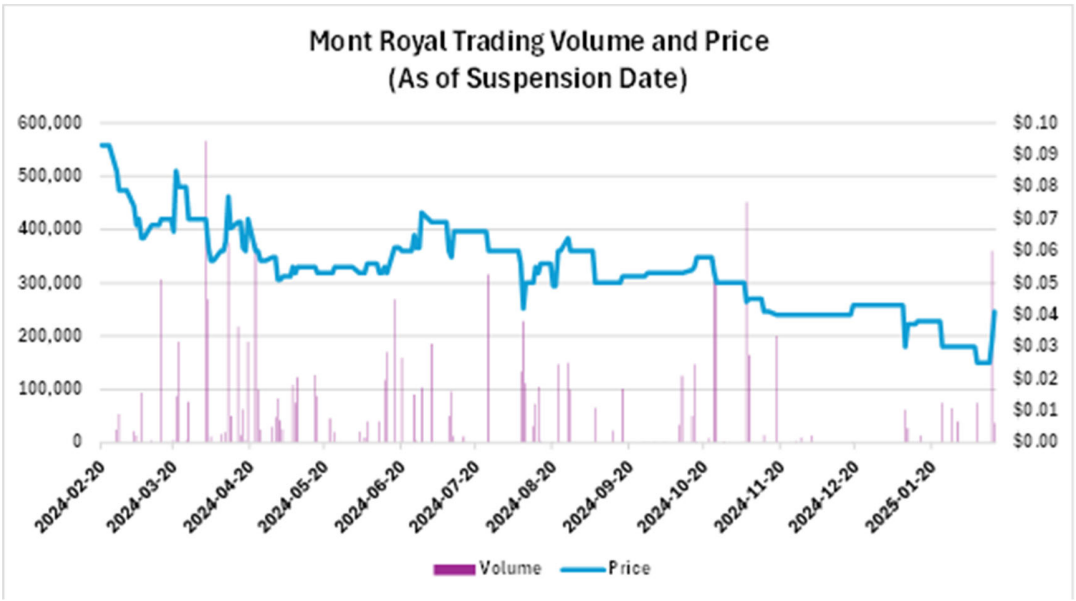
Transition Minerals Ltd.; Enova Mining Limited; Geomega Resources Inc.; Hastings Technology Metals Limited; Integral Metals Corp.; Krakatoa Resources Limited; Litchfield Minerals Limited; Many Peaks Minerals Limited; NioCorp Developments Ltd.; Pioneer Lithium Limited; Power Minerals Limited; Quantum Critical Metals Corp.; Search Minerals Inc.; Sunrise Energy Metals Limited; Ucore Rare Metals Inc.; and VHM Limited.

- Reviewed financial, trading and resource information on the following companies with lithium projects: Patriot Battery Metals Inc.; American Lithium Corp.; Winsome Resources Limited; Azimut Exploration Inc.; Brunswick Exploration Inc.; United Lithium Corp.; Battery Mineral Resources Corp.; Imagine Lithium Inc.; Consolidated Lithium Metals Inc.; Champion Electric Metals Inc.; Vision Lithium Inc.; Azincourt Energy Corp.; Stria Lithium Inc.; Beyond Lithium Inc.; Scotch Creek Ventures Inc.;D2 Lithium Corp.; and Protium Clean Energy Corp.

- Reviewed the trading price of the Companies for the 12 months preceding the date of the Opinion. As can be seen from the following charts, the trading price of MRZ had been trending down prior to the Suspension Date. Over the 52 weeks preceding the Suspension Date, MRZ had a high of A$0.09 per share and a low of A$0.03, closing at A$0.04 on the Suspension Date. Commerce's trading price trended downward in the fourth quarter of calendar 2024, but had stabilized as of the date of the Opinion. Over the 53 weeks preceding the date of the Opinion, the Commerce had a high of $0.17 and a low of $0.07, with a closing price of $0.07 on April 2, 2025.



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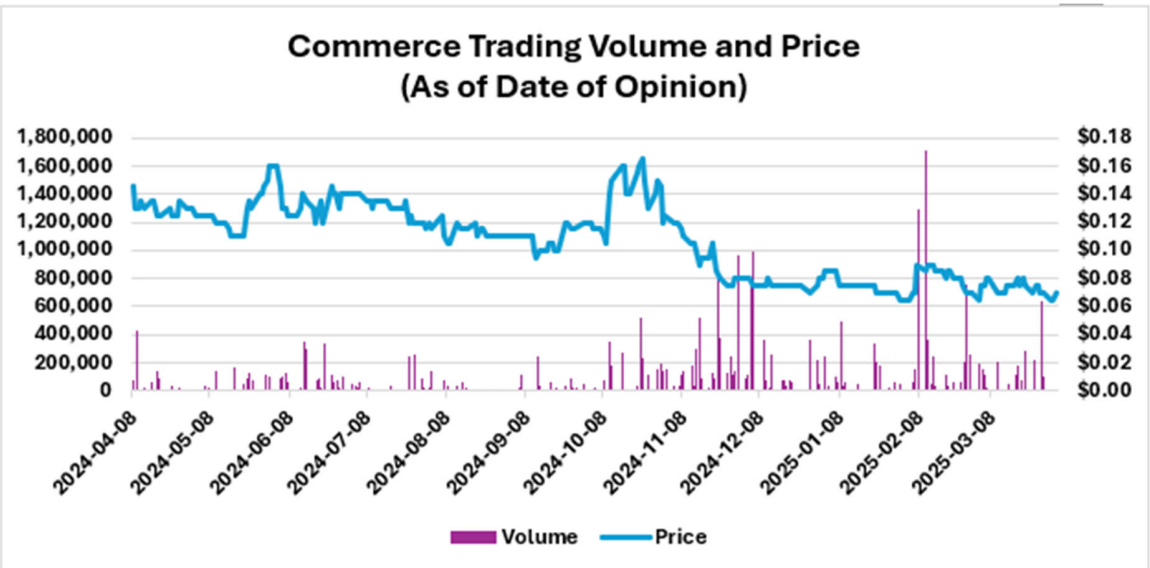

Commerce

- Reviewed the Commerce website (commerceresources.com) and the February 2025 Investor Presentation.
- Reviewed Commerce's unaudited balance sheet as of January 31, 2025.
- Reviewed Commerce's Management Discussion & Analysis for the years ended October 31, 2022 to 2024.
- Reviewed the Commerce Financial Statements for the years ended October 31, 2020 to 2024 as audited by DeVisser Gray LLP, of Vancouver, British Columbia.
- Reviewed and relied extensively on the National Instrument 43-101 report – Mineral Resource Estimate for the Ashram Rare Earth Element and Fluorspar Deposit" with an effective date of April 4, 2024 prepared for the Company by BBA Inc., PLR Resources Inc., L3 Process Development and DRA Global Limited.

Mont Royal

- Reviewed the Mont Royal website (montroyalres.com) and the August 2023 Investor Presentation.
- Reviewed Mont Royal's financial report for the half year ended December 31, 2024.
- Reviewed Mont Royal's financial statements for the six months ended December 31, 2024 as reviewed by BDO Audit Pty Ltd.

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- Reviewed Mont Royal's Annual Financial Report for the year ended June 30, 2021 to 2024.
- Reviewed Mont Royal's financial statements for the years ended June 30, 2021 to 2024 as reviewed by BDO Audit Pty Ltd.
- Reviewed Mont Royal's Half Year Report for the six months ended December 31, 2024.

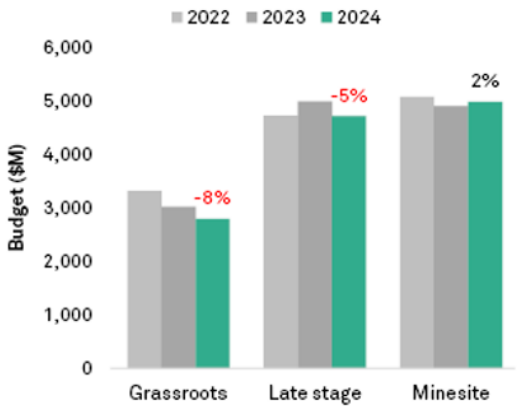
Limitation and Qualification: Evans & Evans did not visit any of the mineral resource properties referenced in the Opinion. Evans & Evans has, therefore, relied on management's disclosure with respect to the properties / operations of the Companies and the various technical reports outlined in section 3.0 of this Opinion.

4.0 Market Overview

4.01 In determining the fairness of the Proposed Transaction as of the date of the Opinion, Evans & Evans reviewed the overall REE market conditions and the market for exploration and development stage companies.

4.02 Global nonferrous exploration budgets witnessed a decline in 2024. Budgets for grassroots and late-stage exploration fell by 8% and 5%, respectively, while minesite exploration saw a 2% year-over-year("y-o-y") increase. The reduction in gold exploration budgets had a negative impact on both early and late-stage exploration allocations, while increased spending on minesite exploration for copper, gold, and lithium contributed to the growth in that sector. As a result, the rate of new discoveries has been adversely impacted. With decarbonization and electrification on the horizon, identifying new mineral deposits is critical to meet the growing demand.[3]

Share of Development Stages 2022 – 2024 (US$ million)



[3] Metals And Mining Research- S&P Capital IQ, issued November 25, 2024

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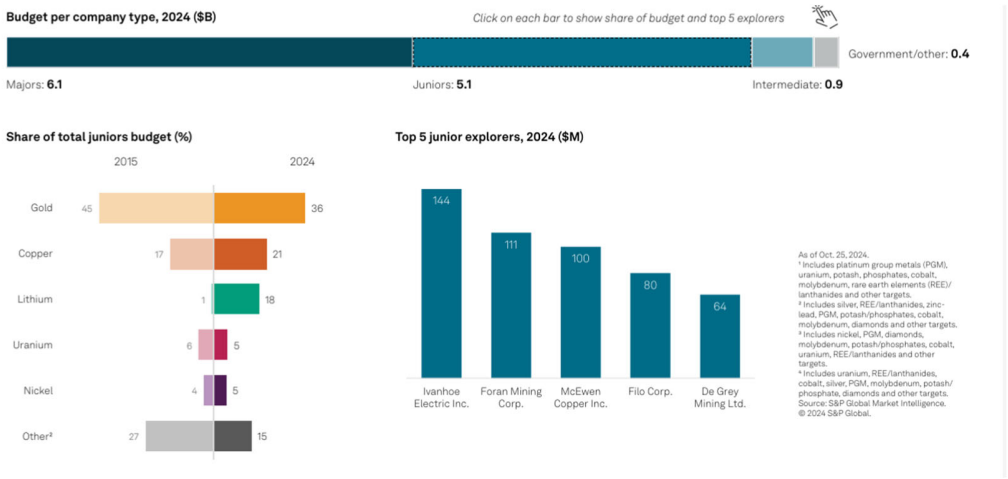
4.03 The junior sector's exploration budget decreased for the second consecutive year in 2024, mainly due to difficulties in securing funding. The juniors' budget, which makes up 41% of total exploration budgets, dropped by 7% to US$5.08 billion, more than offsetting the majors' modest 0.7% increase to US$6.09 billion. Allocations from intermediate companies fell for the third year in a row, reaching a seven-year low of US$942 million. On the other hand, budgets from government and other companies rose by 16% to $373 million.[3]



Overall, the majority of exploration budgets across most company types were directed towards gold, followed by copper. The majors allocated half of their total budget to gold, up from 45% in 2015. In contrast, the juniors' share for gold exploration dropped to a record low of 36% in 2024, after a 20% decline year-over-year. The intermediates' allocation for gold exploration increased to 66%, up from 56% in 2015. Copper continued to be the preferred commodity for the government/others group, accounting for 41% of their budget, up from 31% in 2015.[3]

4.04 Rare earth elements, or rare earth metals, comprise 17 chemical elements, including cerium, dysprosium, erbium, europium, gadolinium, holmium, lanthanum, lutetium, neodymium, praseodymium, promethium, samarium, scandium, terbium, thulium, ytterbium, and yttrium. The largest subgroup consists of the 15 lanthanides, with scandium and yttrium as the remaining two elements.

Total rare earth oxides ("TREO"), includes all the rare earth oxides ("REO") plus yttrium oxide ("Y2O3"), which are further categorized as light rare earth oxides ("LREO") and heavy rare earth oxides ("HREO").

These rare earth elements play a crucial role in a wide range of advanced technologies, such as lasers, battery electrodes, magnets, MRI contrast agents, catalysts, and alloys, among others.[4] The global rare earth metals market was expected to be worth US$3.75

[4] https://www.statista.com/statistics/268011/top-countries-in-rare-earth-mine-production/

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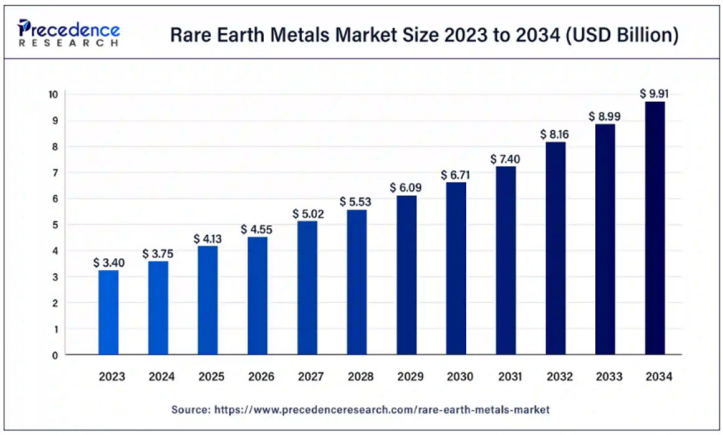
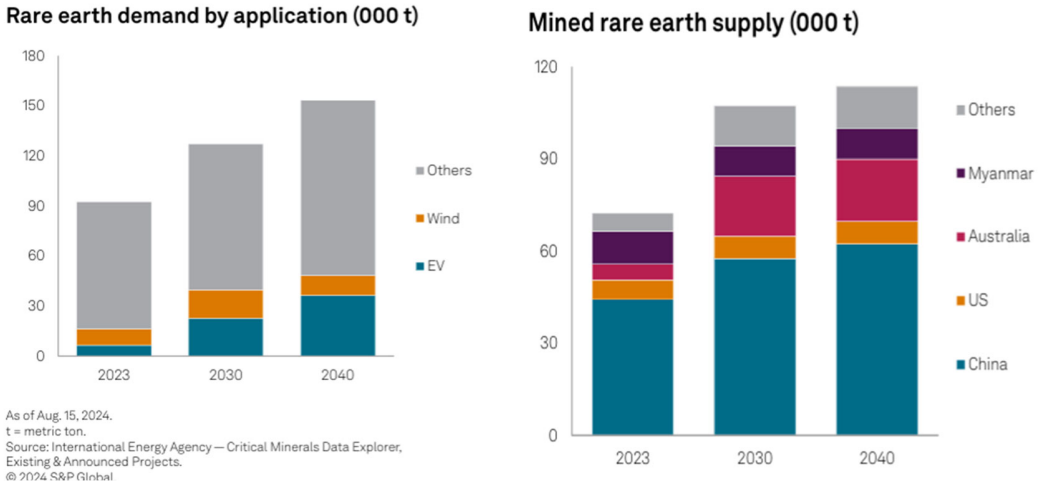
billion in 2024 and is expected to grow to approximately US$9.91 billion by 2034, with a strong compound annual growth rate ("CAGR") of 10.21% during the forecast period from 2024 to 2034. The growth in this market was supported by factors such as the global adoption of electric vehicles ("EV") and the increasing demand for smart technologies, which rely on permanent magnets that can be sourced from rare earth metals.[5]



4.05 According to the International Energy Agency's ("IEA") stated policies scenario, demand for rare earth oxides ("REO") could reach 153,000 metric tonnes by 2040, representing a 65.5% increase from 2023. The demand for rare earth magnets used in EV motors is expected to be the primary driver, with a CAGR of 10.6% through 2040. The share of total rare earth demand attributed to EV motors is projected to rise significantly, from 7.1% to 23.8% during this period. The mined supply of REOs is anticipated to reach 114,000 metric tons by 2040, with China and Australia expected to contribute most of the supply growth.[6]



[5] https://www.precedenceresearch.com/rare-earth-metals-market
[6] S&P Global Market Intelligence- Critical Minerals Briefing-September Quarter 2024

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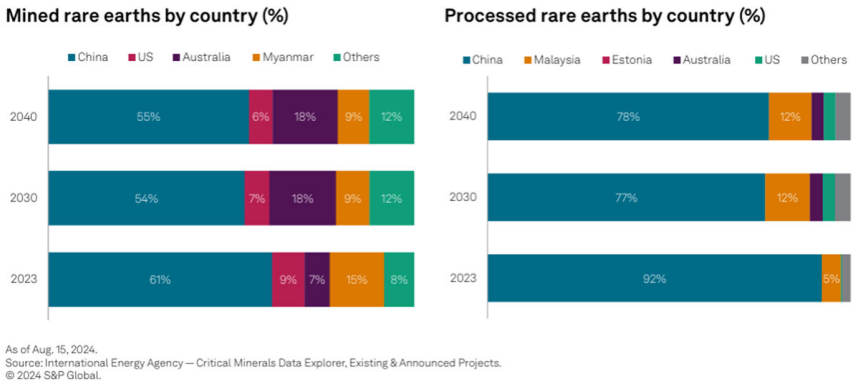
4.06 According to the IEA, China accounted for 61.2% of global rare earth element mine production in 2023, followed by Myanmar (14.9%), the Unted States (8.8%), and Australia (6.9%). The concentration in refining was even more significant, with China responsible for 92.1% of global refining, while Malaysia held 5.2%. However, as supply security becomes a growing priority for other regions, sources of mined and refined rare earths are expected to diversify. By 2030, China's share of mined rare earths is projected to decrease to 53.7%, and its share of refined rare earths is expected to fall to 76.5%. Australia is forecast to rise from its current position behind the US and Myanmar to second place in mined rare earths by 2030, with an 18.2% share. In rare earth processing, Malaysia is set to strengthen its second-place position, with a market share of 12.3% by 2030, while Australia will secure third place with a 3.5% share.6



As of Aug. 15, 2024.
Source: International Energy Agency — Critical Minerals Data Explorer, Existing & Announced Projects.
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4.07 Lithium mining involves extracting lithium, a soft, silvery-white metal that is essential for various applications, primarily in batteries. This process typically occurs in two ways: hard rock mining and lithium brine extraction. Hard rock mining involves extracting lithium-containing minerals, such as spodumene, while brine extraction involves pumping lithium-rich water from underground salt flats to the surface, where it evaporates and leaves behind lithium salts. The global lithium market size surpassed US$3.94 billion in 2024 and is predicted to reach US$5.71 billion by 2031, growing at a CAGR of 5.23% from 2024 to 2031. [7]

Lithium is a crucial component in rechargeable batteries, playing a vital role in various electronic devices like smartphones, laptops, and electric vehicles ("EVs"). Due to its ability to efficiently store and release electrical energy, lithium-ion batteries have become the preferred choice for powering modern technology. Moreover, lithium has garnered significant attention in the renewable energy sector, where it is essential for storing energy generated by solar panels and wind turbines.

4.08 In 2024, Chile held the largest reserves of lithium which amounted to an estimated 9.3 million metric tonne, followed by Australia which holds a total lithium reserve of some 7

[7] https://www.verifiedmarketresearch.com/product/lithium-mining-market/

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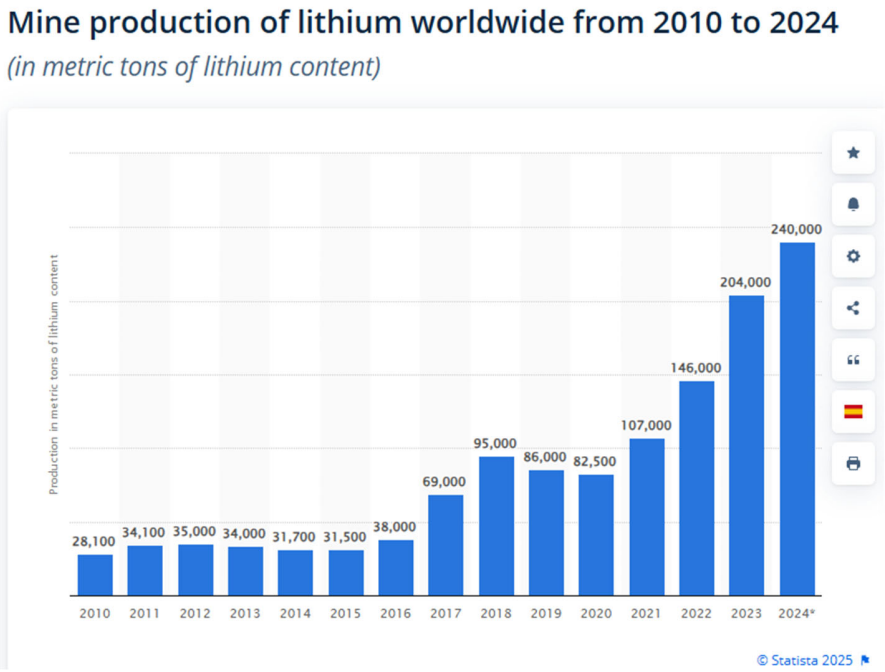
million metric tonnes.[8]

Australia was the top country in lithium mine production in 2024, with an output of 88 thousand metric tonnes of lithium in that year.[9] The world's mine production of lithium reached a new high of 240,000 metric tonnes in 2024. This represented a significant increase from 2010, when global lithium production stood at about 28,100 metric tonnes, as can be seen in the image below.[10]



4.09 The surge in the global adoption of EVs is a key driver for the lithium market. As countries and consumers increasingly prioritize clean energy and sustainability, the demand for lithium-ion batteries in EVs continues to grow significantly. Lithium-ion batteries play a crucial role in energy storage systems, supporting the integration of renewable energy sources like solar and wind. The transition to clean and sustainable energy contributes to the growth of the lithium market. Ongoing technological advancements and improvements in battery efficiency drive the demand for lithium. As research and development efforts lead to more efficient and cost-effective lithium-ion batteries, their applications expand across various industries. Government initiatives promoting the use of electric vehicles and clean energy often stimulate the lithium market. Subsidies, incentives, and regulations favoring the adoption of lithium-ion batteries contribute to market growth globally. The ubiquitous use of lithium-ion batteries in consumer electronics, such as smartphones, laptops, and wearable devices, maintains a consistent demand for lithium. The lightweight and high energy density properties of lithium make it ideal for powering portable gadgets. The increasing pace of industrialization and urbanization worldwide fuels the demand for

[8] https://www.statista.com/statistics/268790/countries-with-the-largest-lithium-reserves-worldwide/
[9] https://www.statista.com/statistics/268789/countries-with-the-largest-production-output-of-lithium/
[10] https://www.statista.com/statistics/606684/world-production-of-lithium

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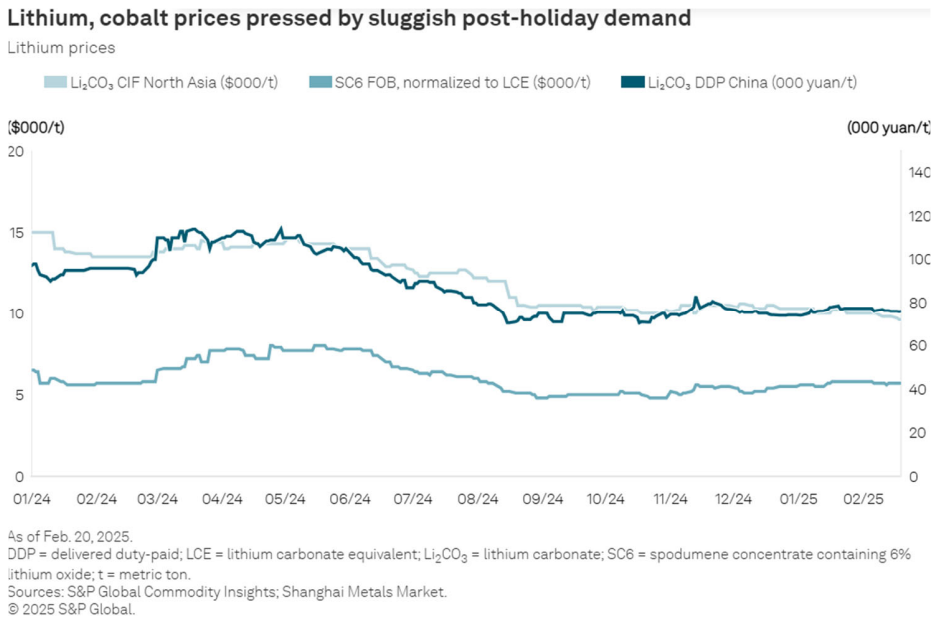
lithium in various applications. From powering industrial machinery to providing backup energy for smart cities, lithium's versatility makes it a critical component in diverse sectors.

The global plug-in electric vehicle ("PEV") and battery metal sectors are facing uncertainty due to the potential imposition of U.S. tariffs. Combined passenger PEV sales across the top markets dropped 39.8% month over month in January 2025, which is in line with seasonal trends. January and February are typically the lowest volume months of the year for the auto market following a year-end sales push. Passenger PEV sales in China in January 2025 dropped 42.9% month over month, a steeper fall than the 29.6% decline in January 2024. This can be partly attributed to three fewer selling days due to an earlier Lunar New Year holiday period.[11]

4.10 Lithium prices declined in February 2025 on stronger production, rising seaborne supply from Chile and soft demand in China following the Lunar New Year holidays. The Platts assessed lithium carbonate CIF North Asia price dropped below US$10,000/tonne, decreasing by 4.5% to US$9,550/tonne, marking the lowest point since February 2021. Meanwhile, the lithium carbonate DDP China price fell by 1.6% from February 1 to February 20, 2025 reaching 76,100 yuan/tonne.[12]



As of Feb. 20, 2025.
DDP = delivered duty-paid; LCE = lithium carbonate equivalent; Li_2CO_3 = lithium carbonate; SC6 = spodumene concentrate containing 6% lithium oxide; t = metric ton.
Sources: S&P Global Commodity Insights; Shanghai Metals Market.
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5.0 Prior Valuations

5.01 Commerce stated to Evans & Evans that there have been no formal valuations or appraisals relating to the Company or any affiliate or any of their respective material assets or

[11] S&P Global Commodity Briefing Service: Lithium and Cobalt CBS February 2025

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liabilities made in the preceding three years which are in the possession or control of Commerce.

5.02 No formal valuations or appraisals related to the MRZ were made available to Evans & Evans.

6.0 Conditions and Restrictions

6.01 The Opinion may not be issued to anyone, nor relied upon by any party beyond the Committee, the Exchanges and the court approving the Proposed Transaction. The Opinion may be referenced and/or included in Commerce's information circular and may be submitted to the Commerce Shareholders.

6.02 The Opinion may not be issued to any international stock exchange and/or regulatory authority beyond the Exchanges.

6.03 The Opinion may not be issued and/or used to support any type of value with any other third parties, legal authorities, nor stock exchanges, or other regulatory authorities, nor any Canadian or international tax authority. Nor can it be used or relied upon by any of these parties or relied upon in any legal proceeding and/or court matter (other than relating to the approval of the Proposed Transaction).

6.04 Any use beyond that defined above is done without the consent of Evans & Evans and readers are advised of such restricted use as set out above.

6.05 The Opinion should not be construed as a formal valuation or appraisal of Commerce, the MRZ or any of their securities or assets. Evans & Evans, has, however, conducted such analyses as we considered necessary in the circumstances.

6.06 In preparing the Opinion, Evans & Evans has relied upon and assumed, without independent verification, the truthfulness, accuracy and completeness of the information and the financial data provided by the Companies, either directly or through access to the respective data rooms. Evans & Evans has therefore relied upon all specific information as received and declines any responsibility should the results presented be affected by the lack of completeness or truthfulness of such information. Publicly available information deemed relevant for the purpose of the analyses contained in the Opinion has also been used.

The Opinion is based on: (i) our interpretation of the information which the Companies, as well as their representatives and advisers, have supplied to date; (ii) our understanding of the terms of the Proposed Transaction; and (iii) the assumption that the Proposed Transaction will be consummated in accordance with the expected terms.

6.07 The Opinion is necessarily based on economic, market and other conditions as of the date hereof, and the written and oral information made available to us until the date of the Opinion. It is understood that subsequent developments may affect the conclusions of the

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Opinion, and that, in addition, Evans & Evans has no obligation to update, revise or reaffirm the Opinion.

6.08 Evans & Evans denies any responsibility, financial, legal or other, for any use and/or improper use of the Opinion however occasioned.

6.09 Evans & Evans is expressing no opinion as to the price at which any securities of Commerce or the MRZ will trade on any stock exchange at any time.

6.10 Evans & Evans was not requested to, and we did not, solicit indications of interest or proposals from third parties regarding a possible acquisition of or merger with Commerce. Our opinion also does not address the relative merits of the Proposed Transaction as compared to any alternative business strategies or transactions that might exist for Commerce, the underlying business decision of Commerce to proceed with the Proposed Transaction, or the effects of any other transaction in which Commerce will or might engage.

6.11 Evans & Evans expresses no opinion or recommendation as to how any shareholder of Commerce should vote or act in connection with the Proposed Transaction, any related matter or any other transactions. We are not experts in, nor do we express any opinion, counsel or interpretation with respect to, legal, regulatory, accounting or tax matters. We have assumed that such opinions, counsel or interpretation have been or will be obtained by Commerce from the appropriate professional sources. Furthermore, we have relied, with Commerce's consent, on the assessments by Commerce and its advisors, as to all legal, regulatory, accounting and tax matters with respect to Commerce and the Proposed Transaction, and accordingly we are not expressing any opinion as to the value of Commerce's tax attributes or the effect of the Proposed Transaction thereon.

6.12 Evans & Evans is expressing no opinion as to whether any alternative transaction might have been more beneficial to the Commerce Shareholders.

6.13 Evans & Evans reserves the right to review all information and calculations included or referred to in the Opinion and, if it considers it necessary, to revise part and/or its entire Opinion and conclusion in light of any information which becomes known to Evans & Evans during or after the date of this Opinion.

6.14 In preparing the Opinion, Evans & Evans has relied upon a letter from management of the Company confirming to Evans & Evans in writing that the information and management's representations made to Evans & Evans in preparing the Opinion are accurate, correct and complete, and that there are no material omissions of information that would affect the conclusions contained in the Opinion.

6.15 Evans & Evans has based its Opinion upon a variety of factors. Accordingly, Evans & Evans believes that its analyses must be considered as a whole. Selecting portions of its analyses or the factors considered by Evans & Evans, without considering all factors and analyses together, could create a misleading view of the process underlying the Opinion.

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The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. Evans & Evans' conclusions as to the fairness, from a financial point of view, to the Commerce Shareholders of the Proposed Transaction were based on its review of the Proposed Transaction taken as a whole, in the context of all of the matters described under "Scope of Review", rather than on any particular element of the Proposed Transaction or the Proposed Transaction outside the context of the matters described under "Scope of Review". The Opinion should be read in its entirety.

6.15 Evans & Evans and all of its Principal's, Partner's, staff or associates' total liability for any errors, omissions or negligent acts, whether they are in contract or in tort or in breach of fiduciary duty or otherwise, arising from any professional services performed or not performed by Evans & Evans, its Principal, Partner, any of its directors, officers, shareholders or employees, shall be limited to the fees charged and paid for the Opinion. No claim shall be brought against any of the above parties, in contract or in tort, more than two years after the date of the Opinion.

7.0 Assumptions

7.01 In preparing the Opinion, Evans & Evans has made certain assumptions as outlined below.

7.02 With the approval of Commerce and as provided for in the Engagement Letter, Evans & Evans has relied upon, and has assumed the completeness, accuracy and fair presentation of, all financial information, business plans, forecasts and other information, data, advice, opinions and representations obtained by it from public sources or provided by Commerce or its affiliates or any of their respective officers, directors, consultants, advisors or representatives or any information made available through access to Mont Royal data room (collectively, the "Information"). The Opinion is conditional upon such completeness, accuracy and fair presentation of the Information. In accordance with the terms of the Engagement Letter, but subject to the exercise of its professional judgment, and except as expressly described herein, Evans & Evans has not attempted to verify independently the completeness, accuracy or fair presentation of any of the Information.

7.03 Senior officers of the Company represented to Evans & Evans that, among other things: (i) the Information (other than estimates or budgets) provided orally by, an officer or employee of Commerce or in writing by Commerce (including, in each case, affiliates and their respective directors, officers, consultants, advisors and representatives) to Evans & Evans relating to Commerce, its affiliates or the Proposed Transaction, for the purposes of the Engagement Letter, including in particular preparing the Opinion was, at the date the Information was provided to Evans & Evans, fairly and reasonably presented and complete, true and correct in all material respects, and did not, and does not, contain any untrue statement of a material fact in respect of Commerce, its affiliates or the Proposed Transaction and did not and does not omit to state a material fact in respect Commerce, its affiliates or the Proposed Transaction that is necessary to make the Information not

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misleading in light of the circumstances under which the Information was made or provided; (ii) with respect to portions of the Information that constitute financial estimates or budgets, they have been fairly and reasonably presented and reasonably prepared on bases reflecting the best currently available estimates and judgments of management of the Company or its associates and affiliates as to the matters covered thereby and such financial estimates and budgets reasonably represent the views of management of the Company; and (iii) since the dates on which the Information was provided to Evans & Evans, except as disclosed in writing to Evans & Evans, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its affiliates and no material change has occurred in the Information or any part thereof which would have, or which would reasonably be expected to have, a material effect on the Opinion.

7.04 In preparing the Opinion, we have made several assumptions, including that all final or executed versions of documents will conform in all material respects to the drafts provided to us, all of the conditions required to implement the Proposed Transaction will be met, all consents, permissions, exemptions or orders of relevant third parties or regulating authorities will be obtained without adverse condition or qualification, the procedures being followed to implement the Proposed Transaction are valid and effective and that the disclosure provided or (if applicable) incorporated by reference in any information circular provided to shareholders with respect to the Company, the MRZ and the Proposed Transaction will be accurate in all material respects and will comply with the requirements of applicable law. Evans & Evans also made numerous assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of Evans & Evans and any party involved in the Proposed Transaction. Although Evans & Evans believes that the assumptions used in preparing the Opinion are appropriate in the circumstances, some or all of these assumptions may nevertheless prove to be incorrect.

7.05 The Companies and all of their related parties and their principals had no contingent liabilities, unusual contractual arrangements, or substantial commitments, other than in the ordinary course of business, nor litigation pending or threatened, nor judgments rendered against, other than those disclosed by management and included in the Opinion that would affect the evaluation or comment.

7.06 As of January 31, 2025, and December 31, 2024, all assets and liabilities of the Company and the MRZ, respectively, have been recorded in their accounts and financial statements and follow International Financial Reporting Standards.

7.07 There were no material changes in the financial position of the Companies between the date of their most recent financial statements and the date of the Opinion unless noted in the Opinion. Evans & Evans specifically draws reference to more recent cash and debt balances of the Companies as outlined in section 1.0 of this Opinion.

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7.08 All options and warrants "in-the-money" based on the trading price of the Companies and the value implied by the Exchange Ratio are assumed to be exercised at the close of the Proposed Transaction. Such an assumption was deemed appropriate by the authors of the Opinion to provide Commerce Shareholders with a clear understanding of their potential shareholding in the MRZ on a fully diluted basis.

7.09 Representations made by the Companies in the Agreement as to the number of shares outstanding are accurate.

8.0 Analysis of Commerce

8.01 In assessing the fairness of the Proposed Transaction, Evans & Evans considered the following analyses and factors, amongst others with respect to Commerce: (1) trading price analysis; (2) historical financings; (3) mergers & acquisitions analysis; (4) guideline public company analysis; and (5) other considerations.

8.02 Evans & Evans reviewed Commerce's trading prices over the 10, 30, 90 and 180 trading days preceding the date of the Opinion. As can be seen from the following tables, the Company's closing share price on the TSXV decreased from an average of $0.10 to $0.07 per Commerce Share. While Evans & Evans reviewed data over a 180-day trading period, the analysis focused on the 30 to 90 days preceding the date of the Opinion. In the view of Evans & Evans, given changes in the market, a long-term view is not appropriate.

Trading Price (C$)	April 2, 2025		
	Minimum	Average	Maximum
10-Days Preceding	$0.07	$0.07	$0.08
30-Days Preceding	$0.07	$0.07	$0.09
90-Days Preceding	$0.07	$0.08	$0.09
180-Days Preceding	$0.07	$0.10	$0.17

In undertaking the share price analysis, the authors of the Opinion deemed it necessary to examine the trading history of Commerce to determine the actual ability of the Commerce Shareholders to realize the implied value of their shares (i.e., sell) and to determine if the Proposed Transaction would offer increased liquidity to the holders of Commerce Shares.

In reviewing the trading volumes of the Company's shares at the date of the Opinion, as outlined below the average trading volumes were between 125,000 and 200,000 Commerce Shares per day. Overall, in the 90 trading days preceding the date of the Opinion, approximately 15.5 million Commerce Shares traded, representing less than 8% of the Company's issued and outstanding shares. The limited liquidity in the Commerce Shares implies that the ability of large numbers of Commerce shareholders being able to convert their Commerce Shares to cash is limited. Trading in Commerce Shares on the TSXV occurred on 166 of the 180 trading days reviewed.

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Trading Volume	April 2, 2025				
	Minimum	Average	Maximum	Total	%
10-Days Preceding	100	126,337	637,874	1,263,374	0.6%
30-Days Preceding	0	125,447	754,485	3,763,396	1.8%
90-Days Preceding	0	171,996	1,707,689	15,479,631	7.3%
180-Days Preceding	0	124,571	1,707,689	22,422,698	10.6%

Given the limited trading volumes, Evans & Evans also considered the VWAP of Commerce. Over the 60 trading days preceding the date of the Opinion, Commerce's VWAP has remained in the range of $0.07 to $0.08 per Commerce Share.

Date of the Opinion			
5-Day VWAP	**$0.071**	**20-Day VWAP**	**$0.074**
10-Day VWAP	**$0.073**	**30-Day VWAP**	**$0.074**
15-Day VWAP	**$0.074**	**60-Day VWAP**	**$0.080**

The Exchange Ratio implies a value for a Commerce Share in the range of $0.067 based on MRZ's 10 to 60 day VWAP as of the Suspension Date, which is a slight discount to the current VWAP of Commerce. It is important to note that the premium generally occurs when there is a change of control. Under the terms of the Proposed Transaction, Commerce Shareholders own the majority of shares and will control the board of directors. Accordingly, no control is being transferred by Commerce. The small discount is primarily the premium being paid by Commerce to gain control of Mont Royal.

(Canadian Dollars) As at the Date of the Opinion	CCE	MRZ	Exchange Ratio	Implied Value CCE	Premium to VWAP
10 - Day VWAP	0.073	0.029	2.33	0.0665	-9.0%
20 - Day VWAP	0.074	0.028	2.33	0.0654	-11.8%
30 - Day VWAP	0.074	0.028	2.33	0.0659	-11.1%
60 - Day VWAP	0.080	0.029	2.33	0.0665	-16.8%

Evans & Evans noted the trading in MRZ Shares was limited leading up to the Suspension Date, with MRZ Shares trading on only 10 of the 30 trading days leading up to the Suspension Date. Given trading did not occur every day, Evans & Evans calculated the VWAP of MRZ on the days shares traded ("Adjusted VWAP") as outlined in the following table. Looking at the MRZ Share price over a longer time frame and only including days in which MRZ Shares traded, the Exchange Ratio does result in a 10% to 30% premium for the Commerce Shareholders.

(Canadian Dollars) As at the Date of the Opinion	CCE	MRZ	Exchange Ratio	Implied Value CCE	Premium to VWAP
10 - Day VWAP	0.076	0.030	2.33	0.0702	-7.7%
20 - Day VWAP	0.075	0.035	2.33	0.0812	8.8%
30 - Day VWAP	0.083	0.040	2.33	0.0922	10.9%
60 - Day VWAP	0.080	0.045	2.33	0.1057	31.4%

8.03 Evans & Evans assessed the reasonableness of the Exchange Ratio to the value implied by the last round of financing secured by the Company. The last round of financing of the Company was completed in August of 2024, when the Company raised gross proceeds of

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approximately $2.0 million with a price of $0.126 per Unit. Overall, the Company's share price has declined approximately 40% since August of 2024.

The market capitalization of the Company as at the date of the Opinion was in the range of $15.2 million to $16.0 million based on the issued and outstanding Commerce Shares. The Exchange Ratio implies an undiluted equity value, for Commerce in the range of $19.5 to $22.4 million based on the 30-day and 60-day Adjusted VWAP of Mont Royal.

8.04 Evans & Evans considered the enterprise value[12] ("EV") per tonne to TREO implied by the Proposed Transaction as $4.97 to $5.06 per tonne based on the MRZ VWAP and $6.98 to $8.03 based on the MRZ Adjusted VWAP. Evans & Evans reviewed trading data for guideline public companies ("GPCs") whose shares trade on North American stock exchanges and the ASX which hold REE properties with an MRE. In undertaking this analysis, Evans & Evans considered 100% of NI 43-101 or JORC compliant reserves and measured and indicated resources and 50% of inferred mineral resources as outlined in the table below.

Company Name	EV / Reserves & Resources
Commerce Resources Corp.	**4.88 x**
Avalon Advanced Materials Inc.	17.24 x
ABx Group Limited	129.37 x
American Rare Earths Limited	16.96 x
Apex Critical Metals Corp.	n/a
Arafura Rare Earths Limited	272.18 x
Australian Rare Earths Limited	51.63 x
Coda Minerals Limited	n/a
Cosmos Exploration Limited	n/a
Energy Transition Minerals Ltd	59.35 x
Enova Mining Limited	32.35 x
Geomega Resources Inc.	7.25 x
Hastings Technology Metals Limited	889.78 x
Integral Metals Corp.	n/a
Krakatoa Resources Limited	49.28 x
Litchfield Minerals Limited	n/a
NioCorp Developments Ltd.	46.51 x
Pioneer Lithium Limited	n/a
Power Minerals Limited	n/a
Quantum Critical Metals Corp.	n/a
Search Minerals Inc.	912.43 x
Sunrise Energy Metals Limited	636.98 x
VHM Limited	2.98 x
Lindian Resources Limited	26.17 x
Average	**210.03 x**
Median	**49.28 x**
Minimum	**2.98 x**
Maximum	**912.43 x**

[12] Enterprise value = market capitalization less cash plus debt / minority interest / preferred shares

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In undertaking the above analysis, Evans & Evans found the median EV / tonne of TREO for ASX listed entities was in the range of $51.63 versus $17.24 for companies on North American exchanges. It does appear from the above analysis that REE companies on the ASX trade at significantly higher multiples than on North American stock exchanges.

In assessing the reasonableness of the above, we considered the following:

- there are a limited number of directly comparable public companies, when one considers differentiating factors such as stage of exploration and number of properties;
- no company considered in the analysis is identical to Commerce; and,
- an analysis of the results of the foregoing necessarily involves complex considerations and judgments concerning the differences in the financial and operating characteristics Commerce, the Proposed Transaction and other factors that could affect the trading value and aggregate transaction values of the companies to which they are being compared.

8.05 Evans & Evans also reviewed premium data for 73 transactions where more than 90% of a TSXV listed metals and mining issuer was acquired between February of 2022 and March of 2025. Overall, Evans & Evans found the one month premiums ranged between -78% to 843% with an average of 52.8% and a median of 31.4%. The longer-term premium implied by the Mont Royal's Adjusted VWAP is supportive of this range. However, it is important to note that Commerce Shareholders will hold approximately 85% of Mont Royal post-Proposed Transaction and thus are not transferring control. Commerce Shareholders are gaining control of Mont Royal and as such a premium for Commerce would not be expected.

8.06 Evans & Evans also conducted a dilution analysis for Commerce which compared the Commerce Shareholders' position in Mont Royal post-Proposed Transaction and post-Capital Raising to a scenario where Commerce attempted to raise $8.0 million to $10.0 million as a stand alone entity on the TSXV. In Table 1.0, Evans & Evans calculated the Commerce Shareholders' position in the Resulting Issuer at financing amounts ranging from $8.0 to $10 million and a share price of $0.15 to $0.23 per share. Based on the assumptions outlined in Table 1.0, the Commerce Shareholders would hold anywhere from 61% to 66% of the Resulting Issuer depending on the total amount raised and the financing price. Table 2.0 outlines the scenario where Commerce remains on the TSXV. Based on the analysis in Table 2.0, raising the same amount of funding, the existing Commerce Shareholders would hold 60% to 67% of Commerce post-financing. However, the reader should be aware that the last several financings undertaken by Commerce have been unit financings – i.e., a common share plus a full warrant. If Commerce were to continue to raise equity by issuing units, the existing Commerce Shareholders would be further diluted.

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Table 1.0

Post Proposed Transaction Commerce Shareholder in Resulting Issuer		Financing Amount				
		8,000,000	8,500,000	9,000,000	9,500,000	10,000,000
Share Price	0.15	61.3%	60.2%	59.2%	58.2%	57.3%
	0.16	62.4%	61.4%	60.4%	59.4%	58.5%
	0.17	63.4%	62.4%	61.4%	60.5%	59.6%
	0.18	**64.3%**	**63.3%**	**62.4%**	**61.5%**	**60.6%**
	0.19	**65.2%**	**64.2%**	**63.3%**	**62.4%**	**61.5%**
	0.2	**65.9%**	**65.0%**	**64.1%**	**63.2%**	**62.4%**
	0.21	66.7%	65.8%	64.9%	64.0%	63.2%
	0.22	67.3%	66.4%	65.6%	64.8%	64.0%
	0.23	67.9%	67.1%	66.3%	65.4%	64.7%

Table 2.0

Dilution Analysis - Remain TSXV Listed and no Proposed Transaction		Financing Amount				
		8,000,000	8,500,000	9,000,000	9,500,000	10,000,000
Share Price	0.06	61.4%	59.9%	58.6%	57.2%	56.0%
	0.065	63.3%	61.9%	60.5%	59.2%	58.0%
	0.07	**65.0%**	**63.6%**	**62.3%**	**61.0%**	**59.7%**
	0.075	**66.5%**	**65.2%**	**63.9%**	**62.6%**	**61.4%**
	0.08	68.0%	66.6%	65.3%	64.1%	62.9%
	0.085	69.3%	68.0%	66.7%	65.5%	64.3%
	0.09	70.5%	69.2%	68.0%	66.8%	65.6%
	0.095	71.6%	70.3%	69.1%	68.0%	66.8%
	0.1	72.6%	71.4%	70.2%	69.1%	68.0%

It does appear that the Proposed Transaction is not more dilutive to the Commerce Shareholders then a straight equity financing. Further, management noted to Evans & Evans that the risk of securing funding in the range of $8.0 million to $10.0 million is lower post-Proposed Transaction as several Mont Royal shareholders have expressed support for the Capital Raising. In the current challenging fundraising market for TSXV junior resource issuers, financings are often done at a discount to the trading price. Conversely, the minimum financing price of the Resulting Issuer on the ASX will be A$0.20 ($0.18) which is significantly less dilutive to the Commerce shareholders.

9.0 Analysis of Mont Royal

9.01 In assessing the fairness of the Proposed Transaction, Evans & Evans considered the following analyses and factors, amongst others with respect to the MRZ: (1) trading price analysis; (2) guideline company analysis; and (3) other considerations.

9.02 Evans & Evans conducted a review of the trading price of the MRZ's shares on the ASX. Evans & Evans reviewed the MRZ's market capitalization as of the date of the Opinion. As outlined in the table below, Mont Royal's market capitalization declined from A$4.21 million to A$2.49 million in the 180 trading days preceding the Suspension Date.

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Market Capitalization Based on Average Share Price- Australian Dollars			
Days Preceding the Suspension Date			
10	**30**	**90**	**180**
$2,490,000	**$2,860,000**	**$3,510,000**	**$4,210,000**

As noted earlier, trading in Mont Royal Shares has been relatively illiquid, with Mont Royal Shares trading on only 64 of 180 trading days preceding the Suspension Date.

9.03 Evans & Evans assessed the value of the MRZ based on a comparison to other exploration stage lithium companies whose shares trade on the TSXV. Evans & Evans noted that Mont Royal was trading in the range of $43.90 per hectare. Evans & Evans identified 10 pure lithium companies and found they traded in a range of $13 to $16,750 dollars per hectare on the TSXV and the Canadian Securities Exchange with an average of $1,325 per hectare and a median of $307 per hectare.

In assessing the reasonableness of the above, we considered the following:

- there are a limited number of directly comparable public companies, when one considers differentiating factors such as stage of exploration and number of properties;
- no company considered in the analysis is identical to the MRZ; and,
- an analysis of the results of the foregoing necessarily involves complex considerations and judgments concerning the differences in the financial and operating characteristics the MRZ, the Proposed Transaction and other factors that could affect the trading value and aggregate transaction values of the companies to which they are being compared.

9.04 Evans & Evans also reviewed data on 23 transactions involving the acquisition of lithium properties in 2023 and 2024. The transaction value per hectare for the identified transactions ranged from $49 to $493 with an average of $174 and a median of $137 per hectare.

10.0 Fairness Conclusions

10.01 In considering fairness of the Proposed Transaction, from a financial point of view, Evans & Evans considered the Proposed Transaction from the perspective of the Commerce Shareholders as a group and did not consider the specific circumstances of any particular securityholder, including with regard to income tax considerations.

10.02 Based upon and subject to the foregoing and such other matters as we consider relevant, it is our opinion, as of the date hereof and the date of the Opinion, that the Proposed Transaction and Exchange Ratio are fair, from a financial point of view, to the Commerce Shareholders.

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10.03 In arriving at the conclusion as to fairness, from a financial standpoint, Evans & Evans did consider the following quantitative and qualitative issues which shareholders might consider when reviewing the Proposed Transaction. Evans & Evans has not attempted to quantify the qualitative issues.

a. The Proposed Transaction does imply a premium supported by other mining transactions on the TSXV when one considers a longer time frame and the Adjusted VWAP of Mont Royal. Further, as noted above, the Proposed Transaction involves Commerce Shareholders gaining control of Mont Royal, not giving up control.

b. Based on Evans & Evans analysis, it does appear that REE companies trading on the ASX trade at multiples in excess of 3x those realized on the TSXV. Accordingly, there is potential for immediate share appreciation upon listing of the Resulting Issuer on the ASX.

c. Mont Royal is currently trading below its lithium peers. The market for lithium companies has been volatile over the past two years in the experience of Evans & Evans. Should lithium prices recover, the Northern Lights Project serves as potential diversification for the Commerce Shareholders or a sale of the Northern Lights Project could be a source of non-dilutive funding for the Resulting Issuer.

d. Commerce does require $8.0 to $10 million of funding in the short-term to advance the Ashram Project to the PEA stage. As outlined in section 8.0 of the Opinion, the Proposed Transaction is not more and is even potentially less dilutive to the Commerce Shareholders than financing Commerce as a standalone entity. The financing risk is considered lower for the Resulting Issuer than Commerce as a standalone entity given the support letter from Peloton and discussions held with existing Mont Royal and Commerce Shareholders.

e. There are some cost synergies, in the form of administrative and regulatory expenses, that may arise as a result of the Proposed Transaction.

11.0 Qualifications & Certification

11.01 The Opinion preparation was carried out by Jennifer Lucas and thereafter reviewed by Michael Evans.

Mr. Michael A. Evans, MBA, CFA, CBV, ASA, Principal, founded Evans & Evans, Inc. in 1989. For over 35 years, he has been extensively involved in the financial services and management consulting fields in Vancouver, where he was a Vice-President of two firms, The Genesis Group (1986-1989) and Western Venture Development Corporation (1989-1990). Over this period, he has been involved in the preparation of several thousand technical and assessment reports, business plans, business valuations, and feasibility studies for submission to various Canadian stock exchanges and securities commissions as well as for private purposes.

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Mr. Michael A. Evans holds: a Bachelor of Business Administration degree from Simon Fraser University, British Columbia (1981); a Master's degree in Business Administration from the University of Portland, Oregon (1983) where he graduated with honors; the professional designations of Chartered Financial Analyst (CFA), Chartered Business Valuator (CBV) and Accredited Senior Appraiser. Mr. Evans is a member of the CFA Institute, the Canadian Institute of Chartered Business Valuators ("CICBV") and the American Society of Appraisers ("ASA").

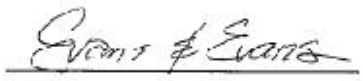
Ms. Jennifer Lucas, MBA, CBV, ASA, Partner, joined Evans & Evans in 1997. Ms. Lucas possesses several years of relevant experience as an analyst in the public and private sector in British Columbia and Saskatchewan. Her background includes working for the Office of the Superintendent of Financial Institutions of British Columbia as a Financial Analyst. Ms. Lucas has also gained experience in the Personal Security and Telecommunications industries. Since joining Evans & Evans Ms. Lucas has been involved in writing and reviewing several valuation and due diligence reports for public and private transactions.

Ms. Lucas holds: a Bachelor of Commerce degree from the University of Saskatchewan (1993), a Masters in Business Administration degree from the University of British Columbia (1995). Ms. Lucas holds the professional designations of Chartered Business Valuator and Accredited Senior Appraiser. She is a member of the CICBV and the ASA.

11.02 The analyses, opinions, calculations and conclusions were developed, and this Opinion has been prepared in accordance with the standards set forth by the Canadian Institute of Chartered Business Valuators.

11.03 The authors of the Opinion have no present or prospective interest in the Companies, or any entity that is the subject of this Opinion, and we have no personal interest with respect to the parties involved.

Yours very truly,



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APPENDIX G

DISSENT PROVISIONS

Pursuant to the Interim Order, Registered CCE Shareholders have the right to dissent in respect of the Arrangement. Such right of dissent is described in this Circular. The full text of Division 2 (*Dissent Proceedings*) of Part 8 (*Proceedings*) of the BCBCA is set forth below.

DIVISION 2 OF PART 8 OF THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

Definitions and application

237 (1) In this Division:

"**dissenter**" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"**notice shares**" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent;

"**payout value**" means,

(a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution,

(b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement,

(c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, or

(d) in the case of a dissent in respect of a community contribution company, the value of the notice shares set out in the regulations, excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that

(a) the court orders otherwise, or

(b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

(a) under section 260, in respect of a resolution to alter the articles

(i) to alter restrictions on the powers of the company or on the business the company is permitted to carry on,

(ii) without limiting subparagraph (i), in the case of a community contribution company, to alter any of the company's community purposes within the meaning of section 51.91, or

(iii) without limiting subparagraph (i), in the case of a benefit company, to alter the company's benefit provision;

(b) under section 272, in respect of a resolution to adopt an amalgamation agreement;

(c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;

(d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;

(e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;

(f) (f)under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;

(g) in respect of any other resolution, if dissent is authorized by the resolution;

(h) in respect of any court order that permits dissent.

(1.1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent under section 51.995 (5) in respect of a resolution to alter its notice of articles to include or to delete the benefit statement.

(2) A shareholder wishing to dissent must

(a) prepare a separate notice of dissent under section 242 for

(i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting,

(b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent, and

(c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph 0 of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

(a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and

(b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

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(a) provide to the company a separate waiver for

(i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver, and

(b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote,

(a) a copy of the proposed resolution, and

(b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote,

(a) a copy of the resolution,

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(b) a statement advising of the right to send a notice of dissent, and

(c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent

(a) a copy of the entered order, and

(b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242 (1)A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) or (1.1) must,

(a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be,

(b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section, or

(c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of

(i) the date on which the shareholder learns that the resolution was passed, and

(ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company

(a) on or before the date specified by the resolution or in the statement referred to in section 240 (2) (b) or (3) (b) as the last date by which notice of dissent must be sent, or

(b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company

(a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or

(b) if the court order does not specify the number of days referred to in paragraph 0 of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

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(a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;

(b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

(c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and

(i) the name and address of the beneficial owner, and

(ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must,

(a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of

(i) the date on which the company forms the intention to proceed, and

(ii) the date on which the notice of dissent was received, or

(b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1) (a) or (b) of this section must

(a) be dated not earlier than the date on which the notice is sent,

(b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and

(c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244 (1)A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

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(a) a written statement that the dissenter requires the company to purchase all of the notice shares,

(b) the certificates, if any, representing the notice shares, and

(c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1) (c) must

(a) be signed by the beneficial owner on whose behalf dissent is being exercised, and

(b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

(a) the dissenter is deemed to have sold to the company the notice shares, and

(b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245 (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

(a) promptly pay that amount to the dissenter, or

(b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

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(a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,

(b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and

(c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must

(a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or

(b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),

(a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or

(b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph 0 of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

(a) the company is insolvent, or

(b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

(a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;

(b) the resolution in respect of which the notice of dissent was sent does not pass;

(c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;

(d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;

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(e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;

(f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;

(g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;

(h) the notice of dissent is withdrawn with the written consent of the company;

(i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

(a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,

(b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and

(c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

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APPENDIX H

COMPARISON OF RELEVANT LAWS

In this Appendix H, unless there is something in the subject matter or context inconsistent therewith, capitalized terms have the meanings ascribed to those terms in the glossary of terms found at Appendix A to the Circular.

Introduction

Mont Royal is a public company registered under Australian law. It is admitted to the official list of ASX.

Commerce exists and is regulated under the provincial laws of British Columbia, Canada. The CCE Shares are listed on the TSXV. As Commerce is a reporting issuer in certain provinces of Canada, it is subject to Canadian securities laws, and due to its listing on the TSXV, is also subject to the rules of the TSXV.

If the Arrangement is implemented, the rights of CCE Shareholders who receive MRZ Shares will, in respect of those shares, be governed by the MRZ Constitution, Australian law and in certain respects, the ASX Listing Rules.

A comparison of some of the material provisions of Australian company law and Canadian corporate law as they relate to Mont Royal and Commerce, respectively, is set out below, along with a description of certain securities laws and stock exchange rules where applicable.

References to "Australian law" where they appear in this Appendix H are references to the Corporations Act, the ASX Listing Rules, the operating rules of ASX Settlement Pty Limited and Australian common law, as applicable. References to "Canadian law" are references to the BCBCA, Canadian corporate and securities laws and Canadian common law, as applicable. References to "**TSXV Rules**" are references to the market rules of the TSXV, primarily embodied in the TSXV Corporate Finance Manual. The comparison below is not an exhaustive statement of all relevant laws, rules and regulations and is intended as a general guide only. CCE Shareholders should consult with their own legal adviser if they require further information.

Company Meetings of Shareholders

Calling Company Meetings

Mont Royal

Under the Corporations Act, the annual general meeting of Mont Royal is required to be held within five months after the end of its financial year.

A general meeting of MRZ Shareholders may be called from time to time by the MRZ Board, individual directors or by MRZ Shareholders in the circumstances set out below. When requested to do so by MRZ Shareholders holding at least 5% of the votes that may be cast at the meeting, directors must call a general meeting within 21 days after the request is given to Mont Royal, and the meeting must be held not later than two months after the date upon which that request is first given.

Alternatively, MRZ Shareholders holding at least 5% of the votes that may be cast at the meeting may themselves call, and arrange to hold, a general meeting.

Commerce

Under the BCBCA, a corporation must hold an annual meeting of shareholders not later than 18 months after the corporation comes into existence and subsequently after its first annual reference date, at least once in each calendar year and not more than 15 months after the annual reference date for the preceding calendar year. The BCBCA provides that the CCE Board may call a general meeting of CCE Shareholders at any time. The BCBCA further provides that the holders of not less than 5% of the issued CCE Shares that carry the right to vote at a meeting may requisition the directors to call a meeting of CCE Shareholders for the purposes stated in the requisition. If the directors do not call a meeting within 21 days of receiving the requisition, the requisitioning shareholders, or any one or more

of them holding, in the aggregate, more than 1/40 of the issued shares of Commerce that carry the right to vote at general meetings, may call the meeting.

Notice of Company Meetings

Mont Royal

As MRZ Shares are quoted on ASX, notice of a general meeting of Mont Royal must be given at least 28 days before the date of the proposed meeting. Mont Royal is required to give notice only to MRZ Shareholders entitled to vote at the meeting, as well as its directors and auditors. The quorum for a general meeting under the MRZ Constitution is, if the number of members entitled to vote is two or more – two of those members, or if only one member is entitled to vote – that member.

Commerce

The BCBCA and Commerce's articles require that notice of a meeting of CCE Shareholders must be provided not less than 21 days and not more than 2 months, or, in the case of a general meeting requisitioned by shareholders under the BCBCA, not more than 4 months, before the meeting to each shareholder entitled to attend the meeting and to each director. Management proxy circulars, in the required form, are required to be provided under applicable Canadian securities law, for any solicitation of proxies by management.

Commerce's articles provide that the quorum for the transaction of business at a meeting of shareholders is one or more persons, present in person or by proxy.

Voting Requirements

Mont Royal

Unless the Corporations Act or the MRZ Constitution requires a special resolution, resolutions are passed by a simple majority of votes cast on the resolution. Under the Corporations Act, a special resolution may only be passed by MRZ Shareholders if Mont Royal gives to all MRZ Shareholders not less than 28 days' notice of its proposal to convene a general meeting to consider and vote upon that special resolution, specifying the intention to propose the special resolution and stating the terms of that special resolution. A special resolution must be passed by at least 75% of the votes cast by shareholders entitled to vote, who attend at the meeting, in person or by proxy.

The Corporations Act requires certain matters to be resolved by a company by special resolution, including:

- the change of name of the company;
- any proposed amendment to the constitution of the company;
- a selective reduction of capital or selective share buy-back;
- where required, shareholder approval to the giving by the company of financial assistance in connection with an acquisition of shares in the company or a holding company of the company;
- the conversion of the company from one type or form to another; and
- a decision to wind up the company voluntarily.

The MRZ Constitution also stipulates certain matters to be resolved by special resolution, including the variation of class rights attaching to MRZ Shares.

Each MRZ Share (subject to any specific terms of issue) confers a right to vote at all general meetings. On a show of hands, each MRZ Shareholder present in person, or by proxy, attorney or body corporate representative, has one vote. If a poll is held, MRZ Shareholders present in person or by their proxy, attorney or body corporate representative will have one vote for every MRZ Share held at the record date for the meeting. A proxy's appointment must be signed and sent to Mont Royal or its share registry so as to be received at least 48 hours before the time and date for the convening of the meeting.

Commerce

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Under the BCBCA, certain extraordinary corporate actions, such as amalgamations, continuances, reorganizations and other extraordinary corporate actions such as liquidations (voluntary winding-ups) and arrangements, require approval of the shareholders by special resolution. Under the BCBCA, a resolution passed by at least two-thirds of the votes cast by shareholders entitled to vote on the resolution – at a meeting where proper notice of the intention to propose it as a special resolution has been given – constitutes a special resolution. Unless the BCBCA or Commerce's articles require a special resolution, ordinary resolutions of CCE Shareholders are passed by a simple majority of votes cast on the resolution.

The BCBCA provides that, unless a corporation's articles provide otherwise, each share of a corporation entitles the holder to one vote at a meeting of shareholders. With respect to proxies, Commerce's articles provide that, subject to the BCBCA, proxies to be used at a meeting of shareholders or any adjournment of it must be deposited with Commerce or an agent of Commerce at least the number of business days specified in the notice or, if no number of days is specified, 2 business days before the day set for the holding of the meeting, or must be provided at the meeting to the chair of the meeting, unless the notice of the meeting provides otherwise. No proxy delivered after that deadline will be acted upon, unless the notice of the meeting permits that deadline be waived by the chair of the meeting at his or her discretion.

Shareholders' Rights to Bring a Resolution Before a Company Meeting

Mont Royal

See "*Calling Company Meetings*" above.

Commerce

A shareholder proposal (a "**Proposal**") is a document setting out a matter that the submitter wishes to have considered at the next annual general meeting of Commerce. Under the BCBCA, Proposals may be submitted by both registered and beneficial CCE Shareholders who are entitled to vote at an annual meeting of shareholders, subject to compliance with the requirements set out in the BCBCA.

Directors

Directors' Management of the Business of the Corporation

Mont Royal

Pursuant to the MRZ Constitution, the business of Mont Royal is to be managed by Mont Royal's directors. Those directors may exercise all the powers of Mont Royal, except any powers that the Corporations Act, the ASX Listing Rules or the MRZ Constitution preserve for the exercise of Mont Royal in general meetings.

Commerce

According to the BCBCA, the directors of Commerce shall, subject to any unanimous shareholder agreement, manage or supervise the management of the business and affairs of Commerce.

Number and Election of Directors

Mont Royal

Under the MRZ Constitution, Mont Royal must have no less than three, nor more than nine directors. Under the Corporations Act, at least two directors must ordinarily reside in Australia. At each annual general meeting, one-third of directors (rounded down, if necessary, to the nearest whole number) must retire from office, provided always that no director shall hold office past the third consecutive annual general meeting following the director's appointment or three years without submitting himself or herself for re-election. The director or directors to retire are those who have been longest in office since their election and, as between those who became directors on the same day, as determined by lot unless they otherwise agree. A retiring director is eligible for re-election. The managing director is exempt from retirement by rotation. The MRZ Board has the power to appoint a person to be a director, either to fill a casual

vacancy or as an addition to the existing directors, but so that the total number of directors does not at any time exceed nine. Any director so appointed holds office only until the next following annual general meeting and is then eligible for re-election but shall not be taken into account in determining the directors who are to retire by rotation (if any) at that meeting.

Commerce

Under the BCBCA, a corporation must have at least one director. The BCBCA does not impose requirements regarding director independence or Canadian residency.

Amendments to Constating Documents

Mont Royal

Any amendment to the MRZ Constitution must be approved by a special resolution passed by MRZ Shareholders present and voting on the resolution.

Commerce

Pursuant to the BCBCA, any alteration of Commerce's articles will require approval by a special resolution of the CCE Shareholders.

Issue of New Shares

Mont Royal

Subject to specified exceptions (for example, pro rata issues), ASX Listing Rule 7.1 applies to restrict Mont Royal from issuing, or agreeing to issue, more ordinary shares (or securities convertible or exercisable into ordinary shares) than the number calculated as follows in any 12-month period unless Mont Royal has shareholder approval – namely not in excess of 15% of the total of:

- the number of fully paid ordinary shares on issue 12 months before the date of the issue or agreement; plus
- the number of fully paid ordinary shares issued in the 12 months under a specified exception; plus
- the number of partly paid ordinary shares that became fully paid in the 12 months; plus
- the number of fully paid ordinary shares issued in the 12 months with shareholder approval; less
- the number of fully paid ordinary shares cancelled in the 12 months; and
- the number of fully paid ordinary shares issued or agreed to be issued in the 12 months before the date of issue or agreement to issue, but not under a specified exception or with shareholder approval.

In addition, under ASX Listing Rule 7.1A, at each annual general meeting of Mont Royal and subject to Mont Royal remaining an eligible entity under the ASX Listing Rules, it is possible for MRZ to obtain shareholder approval – that will remain valid until 12 months from the date the shareholder approval is obtained – to issue an additional 10% of the MRZ's shares (such number of shares being as determined in accordance with ASX Listing Rule 7.1), without seeking further shareholder approval at the time of issue.

Subject to certain exceptions, ASX Listing Rules 10.11 and 10.14 require the prior approval of MRZ Shareholders by ordinary resolution in order for Mont Royal to issue shares or options to directors. Under the MRZ Constitution, Mont Royal's directors may issue shares or other securities on terms determined by the directors at such times and on such conditions as they think fit, subject to the Corporations Act, the ASX Listing Rules, and any special rights previously conferred on the holders of any existing MRZ Shares or other class of shares.

Commerce

The BCBCA permits shares only in registered form, with or without par value. According to Commerce's articles, Commerce is authorized to issue an unlimited number of CCE Shares and an unlimited number of preferred shares, issuable in series. CCE Shares may be issued for such consideration as the directors of Commerce may determine. Shares, such as CCE Shares, issued by a company governed by the BCBCA are non-assessable and may only be issued

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if consideration for such shares is fully paid. As a TSXV listed company, issuances of securities by Commerce are subject to the policies of the TSXV. The TSXV may impose conditions on a transaction or grant exemptions from its own requirements. The TSXV will consider various factors, including the involvement of insiders in the transaction, whether the transaction materially affects control of the issuer, and whether a court or administrative body has considered the interests of CCE Shareholders.

Protection of Minority Shareholders/Oppression Remedy

Mont Royal

Under the Corporations Act, any MRZ Shareholder can bring an action in cases of conduct which is contrary to the interests of shareholders as a whole, or oppressive to, unfairly prejudicial to, or unfairly discriminatory against, any shareholder(s), whether in their capacity as a shareholder or in any other capacity. Former MRZ Shareholders can also bring an action if it relates to the circumstances in which they ceased to be a shareholder.

A statutory derivative action may also be instituted by a MRZ Shareholder, former MRZ Shareholder or person entitled to be registered as a MRZ Shareholder. In all cases, leave of the court to commence that action is required.

Commerce

Under the BCBCA, a shareholder of a corporation and any other person whom the court considers an appropriate person to make an application, and in the case of a distributing corporation (such as Commerce), the Securities Authorities, may apply to court for an order to rectify the matters complained of where in respect of a corporation or any of its affiliates: (a) any act or omission of a corporation or its affiliates effects or threatens to effect a result; (b) the business or affairs of a corporation or its affiliates are or have been or are threatened to be carried on or conducted in a manner; or (c) the powers of the directors of the corporation or any of its affiliates are, have been or are threatened to be exercised in a manner, that is oppressive or unfairly prejudicial to, or that unfairly disregards the interests of, any securityholder, creditor, director or officer.

The BCBCA provides that shareholders entitled to vote on certain matters may exercise dissent rights and demand payment for the fair value of their shares (as of the last business day before the day the resolution on which the shareholder dissent was adopted), provided that they comply strictly with the requirements in the BCBCA. Dissent rights exist when there is a vote upon matters such as:

- an amendment to Commerce's articles to alter restrictions on the issue, transfer or ownership of shares of a class or series or to alter restrictions on the business or businesses that Commerce may carry on;
- amalgamation with another corporation pursuant to an amalgamation agreement;
- a continuance into another jurisdiction or under the *Bank Act*, the *Canada Cooperatives Act*, *the Cooperative Credit Associations Act*, the *Insurance Companies Act* or the *Trust and Loan Companies Act*;
- a sale, lease or other disposition of all or substantially all the property of Commerce other than in the ordinary course of business; and
- carrying out a going-private transaction or a squeeze-out transaction.

Under the BCBCA, any shareholder of an amalgamating corporation may send a notice of dissent regarding the adoption of an amalgamation agreement, to the amalgamating corporation of which the person is a shareholder or, if the amalgamation has taken effect, to the amalgamated corporation.

Take-over Requirements

Mont Royal

Australian law places restrictions on a person acquiring interests in the voting shares of a public company such as Mont Royal where, as a result of the acquisition, that person's or someone else's voting power in the company increases from 20% or below to more than 20%, or from a starting point that is above 20% and below 90% (the "**20% Rule**"). Generally, such acquisitions cannot be made unless:

- the person does not acquire more than 3% of the voting shares in the company in the six-month period before the acquisition;
- the acquisition is made with shareholder approval; or
- the acquisition is made under a take-over bid made in accordance with Australian law.

There are numerous other exemptions from the application of the 20% Rule. Take-over bids must treat all shareholders, as far as is possible, equally and must not involve the provision of any collateral benefits to particular target company shareholders which are not extended to all shareholders. Various restrictions about conditional offers exist and there are also substantial restrictions concerning the withdrawal and suspension of take-over offers.

Similar to the early warning measures outlined for Commerce below, a shareholder is required to give a "substantial holder notice" to the target company and the ASX upon acquiring a 5% shareholding.

Commerce

Under the Securities Act and National Instrument 62-104, as adopted in British Columbia, a "take-over bid" occurs when there is an offer to acquire outstanding voting or equity securities made to any person in any province or territory where the securities subject to the offer, together with the securities owned or controlled by the offeror and its affiliates and associates, constitute 20% or more of the outstanding securities.

Unless an exemption is available, a take-over bid must be made to all holders of each class of voting or equity securities being purchased, and the same price per security – that is, identical consideration – must be offered to each holder of securities. These provisions require, among other things, the production, filing and mailing of a take-over bid circular to shareholders of the target company. Take-over bids must treat all securityholders alike and must not involve any collateral agreements, with certain exceptions for employment compensation arrangements. Except under certain circumstances, take-over bids must remain open for a minimum of 105 days from the date of the mailing of the take-over bid circular, after which time all securities deposited under the offer may be taken up.

For the protection of target securityholders, the take-over bid rules contain various additional requirements, such as restrictions applicable to conditional offers and the withdrawal, amendment or suspension of offers. Securities regulators also retain a general public interest jurisdiction to regulate take-overs and may intervene to halt or prevent activity that is abusive. Issuer bids are regulated similarly to take-over bids.

There are extensive disclosure requirements associated with take-over bids, beginning with 'early warning' disclosure required when an acquirer crosses the 10% ownership threshold. Generally, further disclosure is required for additional purchases or dispositions of 2% or more of the outstanding security for which such early warning disclosure is required. Purchases outside the bid, before, during, and after the bid, are also restricted.

Following a bid, second step transactions where the acquirer brings its percentage ownership to 100% are governed by the BCBCA. No shareholder approval of the acquisition would be required if the acquirer obtained 90% of the outstanding securities owned by minority securityholders during the bid. Otherwise, a meeting must be called and associated regulations complied with for an acquisition, including obtaining a two-thirds majority approval. The acquirer is generally permitted to vote the shares acquired pursuant to the bid at such meeting. Dissent rights are available for objecting shareholders who fulfil certain procedural requirements.

Canadian Securities Laws allow certain exemptions to the formal bid requirements, on specified conditions. For example, private agreements to purchase securities from up to five persons are permitted if the purchase price does not exceed 115% of the market price. Under the normal course purchase exception, the offeror (together with any joint offerors) may acquire up to 5% of a class of securities within a 12-month period if there is a published market for the relevant class and the consideration paid does not exceed the market price at the date of acquisition.

Take-over Defence Mechanisms

Mont Royal

Under Australian take-overs legislation and policy, boards of target companies may adopt various defensive mechanisms to discourage or defeat a take-over bid, so long as such mechanisms are in the best interests of the

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shareholders of the target company. The Corporations Act empowers the Australian Takeovers Panel to make a declaration of unacceptable circumstances in relation to the affairs of a company in the context of take-overs (as well as other control transactions). A finding of unacceptable circumstances by the Australian Takeovers Panel can result in the prohibition, termination of progress or unwinding of the take-over bid.

Commerce

The CSA has recognized that take-over bids play an important role in the economy by acting as a discipline on corporate management and as a means of reallocating economic resources to their best uses. In considering the merits of a take-over bid, there is a possibility that the interests of management of the target company will differ from those of its shareholders. The CSA considers the primary objective of the take-over bid provisions of Canadian securities legislation to be the protection of the *bona fide* interests of the shareholders of the target company. Because certain defensive measures taken by management of a target company may have the effect of denying shareholders the ability to make a fully informed decision and frustrating an open take-over bid process, the CSA will therefore examine target company defensive tactics in specific cases to determine whether they are abusive of shareholder rights.

Without limiting the foregoing, defensive tactics that may come under scrutiny if undertaken during the course of a bid, or immediately before a bid (if the board of directors has reason to believe that a bid might be imminent) include:

- the issuance of, or granting of an option on or the purchase of, securities representing a significant percentage of the outstanding securities of the target company;
- the sale or acquisition, or granting of an option on, or agreeing to sell or acquire assets of a material amount; and
- the entering into a contract or taking corporate action other than in the normal course of business.

CCE Shareholder approval of corporate action may be a factor in the decision as to whether the tactics are appropriate.

Notwithstanding the above, defensive tactics may be taken by a board of directors of a target company in a genuine attempt to obtain a better bid; however, tactics that are likely to deny or limit severely the ability of the shareholders to respond to a take-over bid or a competing bid may result in action by the CSA.

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APPENDIX I

INFORMATION CONCERNING MONT ROYAL

NOTICE TO READER

The following information provided by Mont Royal is presented on a pre-Arrangement basis (except where otherwise indicated) and reflects the current business, financial and share capital position of Mont Royal. This information has been provided by Mont Royal and is the sole responsibility of Mont Royal. The Corporation does not assume any responsibility for the accuracy or completeness of such information. See "*Part 17 – Information Concerning Commerce*" of the Circular for business, financial and share capital information relating to the Corporation.

INTRODUCTION

This Appendix I is a summary of Mont Royal, its business, assets and operations, which should be read together with the audited financial statements for Mont Royal contained at Schedule "B" to this Appendix I, and the auditor's report thereon. Unless otherwise indicated, the information contained in this Appendix I is given as at the Record Date.

CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

Mont Royal presents its financial statements in Australian dollars and discloses certain financial information in this Appendix I in Australian dollars and Canadian dollars. In this Appendix I, references to "A$" or "AUD$" are to Australian dollars and references to "C$" or "CAD$" are to Canadian dollars. Certain totals, subtotals and percentages throughout this Appendix I may not reconcile due to rounding.

The following table sets out the high and low rates of exchange for one Australian dollar expressed in Canadian dollars during each of the following periods, the average rate of exchange for those periods and the rate of exchange in effect at the end of each of those periods, each based on the rate of exchange published by the Bank of Canada for the conversion of Australian dollars into Canadian dollars.

	Financial Year Ended June 30			**Nine Months Period Ended March 31**	
	2025 (C$)	**2024 (C$)**	**2023 (C$)**	**2025 (C$)**	**2024**
Highest rate during the period	0.9333	0.9158	0.949	0.9333	0.9038
Lowest rate during the period	0.854	0.8602	0.8633	0.887	0.8602
Average rate for the period	0.9034	0.8883	0.9016	0.9089	0.8836
Rate at the end of the period	0.8949	0.9131	0.8814	0.8971	0.8827

On September 3, 2025, the rate of exchange posted by Oanda.com for conversion of Australian dollars into Canadian dollars was A$1.00 = C$0.8995. No representation is made that any currency could be converted at any given rate.

GLOSSARY

Unless the context indicates otherwise, capitalized terms which are used in this Appendix I have the meaning ascribed below. All other capitalized terms used herein and not otherwise defined in this Appendix I have the meanings given to such terms set forth in the glossary of terms found Appendix A to this Circular.

"**Anti-Bribery and Corruption Policy**" has the anti-bribery and corruption policy adopted by Mont Royal.

"**Applicable Law**" has the meaning ascribed thereto in "*Description of Securities – Mont Royal Shares*" of this Appendix I.

"**ASX Limit**" has the meaning ascribed thereto in "*Description of Securities – Mont Royal Options*" of this Appendix I.

"**Code of Conduct**" means the code of conduct of Mont Royal.

"**Convertible Security**" has the meaning ascribed thereto in "*Description of Securities – Mont Royal Options*" of this Appendix I.

"**Division 1A**" has the meaning ascribed thereto in "*Description of Securities – New MRZ Incentive Plan*" of this Appendix I.

"**Eligible Participant**" has the meaning ascribed thereto in "*Description of Securities – Mont Royal Options*" of this Appendix I.

"**Fiscal 2022**" means the financial year ended June 30, 2022.

"**Fiscal 2023**" means the financial year ended June 30, 2023.

"**Fiscal 2024**" means the financial year ended June 30, 2024.

"**Last Practicable Date**" means September 4, 2025.

"**MRZ Board Charter**" has the meaning ascribed thereto in "*Corporate Governance*" of this Appendix I.

"**Market Value**" has the meaning ascribed thereto in "*Description of Securities – New MRZ Incentive Plan*" of this Appendix I.

"**MRZ Group**" has the meaning ascribed thereto in "*Description of Securities – Mont Royal Options*" of this Appendix I.

"**MRZ Option**" means an option to acquire a MRZ Share, subject to certain terms and conditions.

"**MRZ Plan**" has the meaning ascribed thereto in "*Description of Securities*" of this Appendix I.

"**named executive officers**" or "NEOs" has the meaning ascribed thereto in "Executive Compensation" of this Appendix I.

"**New Plan**" has the meaning ascribed thereto in "*Description of Securities – New MRZ Incentive Plan*" of this Appendix I.

"**New Plan Shares**" has the meaning ascribed thereto in "*Description of Securities – New MRZ Incentive Plan*" of this Appendix I.

"**Participant**" has the meaning ascribed thereto in "Description of Securities – *Mont Royal Options*" of this Appendix I.

"**Plan Shares**" has the meaning ascribed thereto in "Description of Securities – *Mont Royal Options*" of this Appendix I.

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CORPORATE STRUCTURE OF MONT ROYAL

Name, Address and Incorporation

Mont Royal Resources Limited was incorporated under the laws of Western Australia on March 26, 2018. Mont Royal's registered office and principal place of business is located at Level 8, 2 Bligh Street Sydney, New South Wales 2000 Australia.

On May 3, 2019, Mont Royal commenced trading on the ASX under the symbol "MRZ".

Intercorporate Relationships

Set out below in Figure 1 is the corporate structure of Mont Royal as at the date of this Circular.

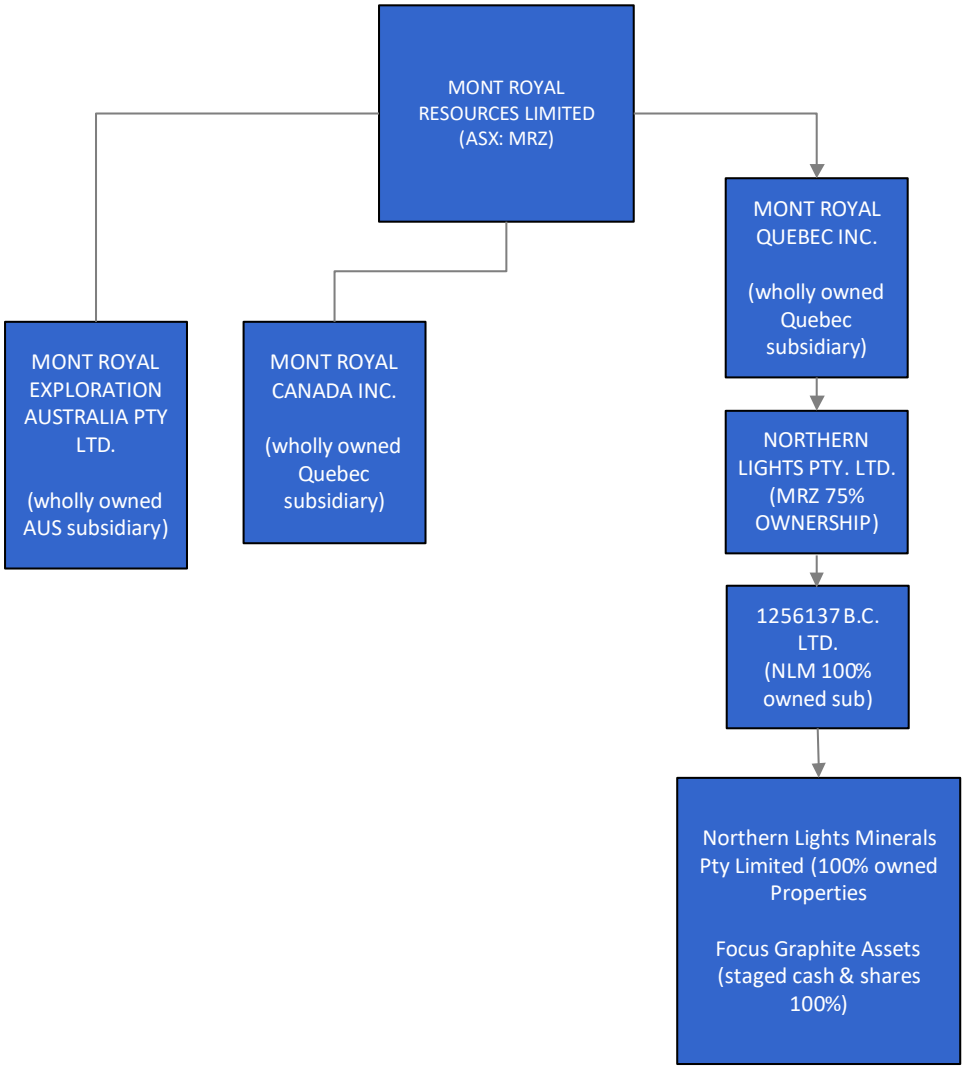

Figure 1

Mont Royal's subsidiaries are Mont Royal Exploration Australia Pty Ltd. incorporated in Western Australia, Mont Royal Canada Inc. incorporated in Quebec, Canada, and Mont Royal Quebec Inc. incorporated in Quebec, Canada. These subsidiaries are 100% owned by Mont Royal. Mont Royal also owns 75% of Northern Lights Pty. Ltd., which in turn wholly owns 1256137 BC Ltd., the 100% interest holder in the Northern Lights Project located in Quebec.

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DESCRIPTION OF THE BUSINESS OF MONT ROYAL

Description of the Business

Mont Royal is exploring for lithium on Northern Lights Projects in the Upper Eastmain Greenstone Belt in Quebec, Canada and the farm-in to and exploration of the Wapatik Gold-Copper Project.

Specialized Skill and Knowledge

All aspects of Mont Royal's business require specialized skills and knowledge. Such skills and knowledge include the areas of finance, geology, drilling, mining, construction, engineering, metallurgy, accounting and natural resources. Mont Royal retains executive officers and consultants with experience in these areas in Québec, Canada and Australia and has access to technical personnel that provide Mont Royal with skills and knowledge required to conduct its business operations.

Competitive Conditions

The mineral exploration business is competitive. Mont Royal competes with other companies and individuals in the consideration of acquisitions, development and advancement of attractive mining assets, and in retaining qualified personnel, suitable contractors for drilling and bulk sampling operations, technical and engineering resources and, to the extent necessary, exploration equipment.

Cycles

Mont Royal's business may be considered cyclical to a limited extent due to fluctuations in global inflation, interest rates and exchange rates which can drive commodity prices. The marketability of minerals and mineral concentrates is also affected by worldwide economic cycles. Refer to the section titled "Risk Factors" in this Appendix I for further information of the risk factors impacting Mont Royal's business.

Economic Dependence and Changes to Contracts

Mont Royal's business is not substantially dependent on any contract to sell the major part of its products or services or to purchase the major part of its requirements for goods, services or raw materials, or on any franchise or license or other agreement to use a patent, formula, trade secret, process or trade name upon which its business depends.

It is not expected that Mont Royal's business will be affected in the current financial year by the renegotiation or termination of contracts or sub-contracts.

Refer to the section titled "Risk Factors" in this Appendix I for further information of the risk factors impacting Mont Royal's business.

Environmental Protection

All aspects of Mont Royal's field operations will be subject to environmental regulations promulgated by government agencies from time to time and generally will require approval by appropriate regulatory authorities prior to commencement. Any failure to comply could result in fines and penalties. With its projects at the exploration stage, the financial and operational impact of environmental protection requirements is relatively minimal. Environmental legislation is evolving, which means stricter standards and enforcement, fines and penalties for non-compliance are becoming more stringent. Environmental assessment of proposed projects carries a heightened degree of responsibility for companies and directors, officers and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect Mont Royal's operations, including its capital expenditures and competitive position. Should any project advance to the production stage, then more time and money would be involved in satisfying environmental protection requirements.

Refer to the section titled "Risk Factors" in this Appendix I for further information of the risk factors impacting Mont Royal's business.

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Employees

As at September 4, 2025, Mont Royal had one employee (excluding non-executive directors).

Mont Royal continuously evaluates the expertise and skills required to execute its business strategy and seeks to attract and retain employees that are aligned with delivering Mont Royal's goals.

Mont Royal's success is dependent on the performance of its management team and key individuals, many of whom have specialized skills in the mineral exploration business. Mont Royal's key personnel have been involved in the mining industry for several years and are knowledgeable as to the geology, engineering, construction, approvals, stakeholder engagement, financing, environmental matters, mining, metallurgy and infrastructure related to mineral exploration and mining development.

Mont Royal's personnel are equipped with the skills necessary to perform its operations and continuously assess its workforce capabilities with its business strategy for its operations as it evolves.

Foreign Operations

Mont Royal's operations are conducted in Québec, Canada and Australia, and are exposed to various levels of political, economic and other risks and uncertainties.

Refer to the section titled "Risk Factors" in this Appendix I for further information of the risk factors impacting Mont Royal's business.

Social or Environmental Policies

Mont Royal is committed to conducting its activities in an environmentally and socially responsible manner. Mont Royal understands that to maintain its social license to operate, it has an obligation to maintain environmental compliance and to strive to meet the expectations of the local community and stakeholders.

Mont Royal recognizes that the safety and health of its employees, contractors, visitors, and the communities in which it operates is of paramount importance. Mont Royal is committed to providing a safe and healthy work environment for all and strive to continuously improve its safety and health performance.

Bankruptcy or Similar Procedures

Mont Royal confirms that neither it nor any of its subsidiaries are currently subject to any bankruptcy, receivership or similar proceedings or have been subject to any bankruptcy, receivership or similar proceedings in the three years prior to the date of this Circular.

Material Restructuring Transaction

Mont Royal confirms that neither it nor any of its subsidiaries have completed any material restructuring transaction within the three most recently completed financial years prior to the date of this Circular or completed during or proposed for the current financial year.

GENERAL DEVELOPMENT OF THE BUSINESS

Three-year History

Incorporated in Australia on March 26, 2018, MRZ commenced trading on May 8, 2019 on the ASX following its initial public offering on May 1, 2019. At the time of the IPO, MRZ held a 100% interest in the Edjudina Project which comprised of four exploration licences covering approximately 24km^2 located in the Eastern Goldfields region of Western Australia. MRZ also held an option to acquire the Yule River Project, a lithium exploration project centred around the Yule River Borefield in Western Australia, pursuant to an option agreement with Centrepeak Resources Group Pty Ltd. MRZ did not elect to exercise the relevant option under the option agreement.

Since the IPO, MRZ has completed various capital raisings including a placement on November 25, 2021 that raised A$4 million (before costs) and on August 15, 2023 that raised $2.209 million (before costs).

In September 2020, MRZ entered into an option agreement to acquire up to 70% of Wapatik Gold-Copper Project held by Azimut Exploration Inc. As announced in November 2024, due to challenging commodity headwinds, MRZ chose not to embark into the fourth year of exploration commitments and the option subsequently lapsed.

On September 3, 2021, MRZ announced the acquisition of 75% of Northern Lights Minerals Pty Limited, an Australian proprietary limited company with the rights to acquire a significant land package in the Upper Eastmain Greenstone Belt located in Quebec, Canada ("**NLM Acquisition**"). As part of the NLM Acquisition, MRZ was assigned certain obligations relating to the Eastmain-Léran project and the Dios properties. MRZ met its obligations with respect to the Eastmain-Léran project and the NLM Acquisition was completed in 2024. MRZ did not proceed with the Dios properties third anniversary payment of C$50,000 on July 1, 2024, and thus the option lapsed.

MINERAL PROJECTS

As at the Last Practicable Date, MRZ does not consider the Northern Lights Project to be a material property of MRZ.

ASX Listing Rule 5.23 Exploration Results

The information in this Circular that relates to the exploration results for the Northern Lights Project has been extracted from the announcements entitled "Further high grade lithium samples received from Eastmain Leran" and "Assay results confirm extensive mineralised zone at Bohier Lithium Project" released to the ASX on 21 November 2023 and 12 November 2024 respectively, and are available to view on Mont Royal's website (https://montroyalres.com) and www.asx.com (the "**Mont Royal Announcements**"). For the purposes of ASX Listing Rule 5.23, Mont Royal confirms that it is not aware of any new information or data that materially affects the information included in the Mont Royal Announcements. Mont Royal confirms that the form and context in which the competent person's findings are presented have not been materially modified from those announcements.

The following disclosure relating to the Northern Lights Project is a summary of the Mont Royal Announcements which were prepared for Mont Royal by Hugues Longuepee, who is a member of the Ordre des Geologues du Quebec. The following summary does not purport to be a complete summary of the Northern Lights Project nor the Mont Royal Announcements. The following disclosure, which is derived from the Mont Royal Announcements is subject to the assumption, qualification and procedures contained in the Mont Royal Announcements.

Property Overview

Mont Royal holds the Northern Lights Project, a 75% interest in a 442 km^2 area Léranin the James Bay region of Quebec, Canada, 300 km's NNE of the town of Chibougamau. The Northern Lights Project contains four separate properties which make up two separate projects: the Eastmain Léran Project (lithium, copper and gold) which contains the Eastmain Léran property, and the Bohier Project which consists of the Bohier (lithium), Lac Barou (nickel) and Chateau Fort (gold, lithium) properties.

The Northern Lights Project is currently composed of 870 exploration titles that are registered under and subject to the Mining Act of the Province of Quebec. Mont Royal acquired these titles between 2021 and 2024 as part of the

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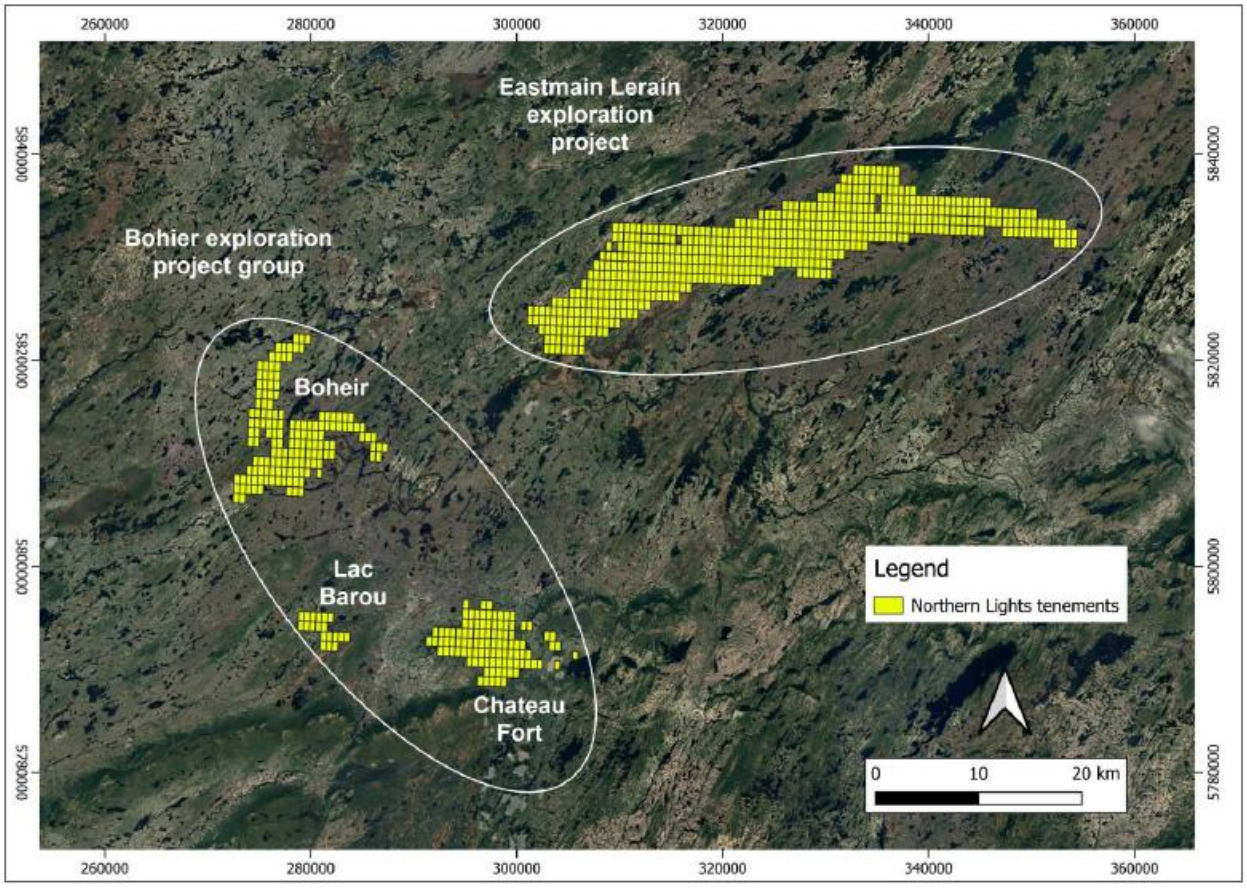
Mont Royal's acquisition of a 75% interest in Northern Lights Minerals Pty Ltd, an Australian proprietary limited company with the rights and option to acquire properties that now form the Northern Lights Project.



Geology

The Northern Lights Project is situated within the Upper Eastmain Greenstone Belt in Quebec, Canada, and comprises predominately metavolcanic and metasedimentary rocks that have undergone varying degrees of deformation and metamorphism, up to Greenschist facies. The metavolcanic units are tholeiitic to calc-alkaline basalts, andesites, and minor rhyodacites, interlayered with ultramafic flows. The area, within which the Northern Lights Project is located, is covered by a thin glacial till with limited outcrops. Some of the mapped outcrops have been identified as LCT-type pegmatites, with some of the pegmatites found to be spodumene bearing.

The geological setting of the Northern Lights Project is prospective for copper-gold mineralisation and lithium mineralisation. The evidence for lithium mineralisation comes from the identification of spodumene-bearing pegmatites, geochemistry results for lithium from those pegmatites, and an underlying geochemical signature arising from K/Rb ratios that are known to be associated with fertile, mineralised pegmatites. Aerial photography and analysis of topography has assisted in identifying potential outcropping pegmatites, with geophysical surveys (eg, gravity) mapping the possible extensions of the pegmatites under cover. The 2024 drill program at Bohier showed evidence of geological and grade continuity of spodumene-bearing pegmatite dykes below surface identified from interpretations of gravimetric (gravity) surveys.

The copper-gold mineralisation potential arises from favourable stratigraphy for Volcanogenic Massive Sulphide ("**VMS**") deposits found on the property, positive indications from geochemistry samples (precious and base metals in soil and rock chip samples) and historical VMS occurrence at Alta-Eastmain (discovered in 1957).

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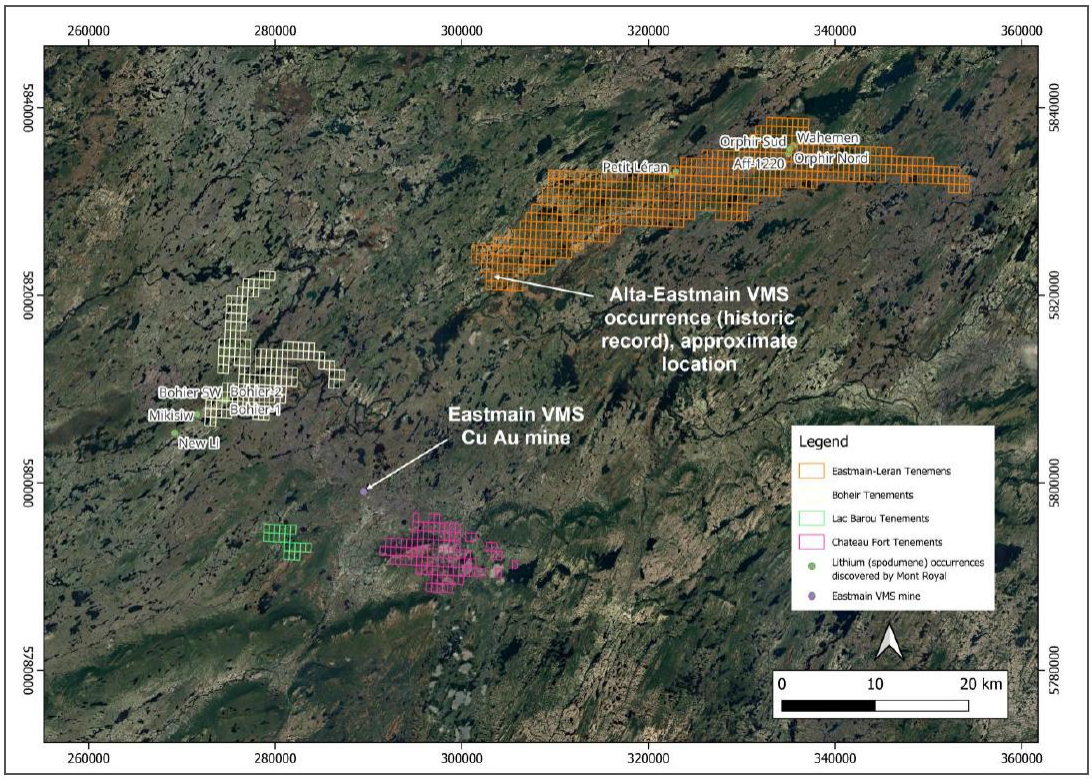

Historical exploration

Historical exploration at the Northern Lights Project was initially focused on gold and copper mineralisation, beginning in the late 1950s.

At Eastmain Léran, work mostly targeted the copper mineralization, known as the Alta occurrence, found by Rio Tinto in 1957. From 1958 until 2005, several drill program and geophysical survey target that occurrence. Other copper and gold occurrences were found following up airborne geophysical surveys in 1974, 1983 and 1993. Only fourteen poorly located holes were drilled on these occurrences. An airborne EM survey was flown by Focus Graphite in 2013 over the central and west part of the property.

Very little exploration was done on the Bohier property prior to Mont Royal's involvement. Airborne geophysics and prospecting focused on copper and gold in the 1980's and sparsely in the 1990's. From 1996 to 1997, extensive exploration was done on two gold (and zinc) occurrences ending with eight drill holes on the Main and Colline Brulee occurrences.

From 2003 to 2008, in 2017 and in 2018, indicator minerals studies were done on till samples from the Eastmain-Léran and parts of the Bohier and Lac Barou properties in order to find diamond-bearing kimberlites in the area.

After acquiring an interest in the Northern Lights Project, Mont Royal conducted a 2021 ground electromagnetic survey targeting airborne magnetic highs near a mafic intrusion at Chateau Fort. A desktop study of the Eastmain Léran property and a soil sampling field program were completed in 2022 to inform a targeted drilling program. In 2023, Mont Royal conducted a drilling program on the Eastmain Léran property, consisting of six diamond drill holes, totalling 862.4 m, which confirmed the presence of VMS-style mineralisation. In 2023, Mont Royal conducted field programs for both the Bohier and Eastmain Léran properties, focusing on spodumene-rich pegmatites, which resulted in the discovery and delineation of a lithium-rich pegmatite dyke at the Bohier property, interpreted as the extension of the Mikisiw dyke swarm. The outcome of the field program at the Eastmain Léran property was that it hosts LCT

pegmatite potential, with the Wahemen boulder field at the Eastmain Léran property emerging as a priority area due to multiple spodumene-bearing pegmatite boulders, suggesting a nearby, possibly buried parent intrusion.

In 2024, Mont Royal conducted a prospecting campaign at the Eastmain Léran property, targeting zones previously identified as having high potential for lithium-bearing pegmatites, and follow-up drilling at the Bohier Project. The outcome from the 2024 Eastmain Léran program was that spodumene-bearing pegmatite boulders were identified at the Petit Léran target. 12 km west of the 2023 Wahemen discovery. However, the extensive till cover severely limited direct outcrop exposure, impeding precise determination of the mineralisation's source. The Bohier drilling targeted the lithium-rich pegmatite dyke system identified in 2023. Eight diamond holes were effectively drilled for a total length of 744 m. The outcome from the drilling program is, in Mont Royal's opinion, positive for exploration of lithium mineralisation at the Bohier Project.

Development and planned activities

The Northern Lights Project is an early-stage exploration property. No development or operations have taken place on the Northern Lights Project, and there is no known historical production. No mineral resource or ore reserve estimates for the Northern Lights Project have been made by Mont Royal, and there are no known historical mineral resource or ore reserve estimates of the Northern Lights Project.

The planned activities at the Northern Lights Project involve desktop studies, minor fieldwork and targeting as well as annual license fees to keep the claims in good standing.

Royalty obligations

The Northern Lights Project is subject to various royalty obligations for blocks that comprise the Northern Lights Project. Of the 843 exploration titles, 72 exploration titles are subject to a net smelter return royalty.

Specifically:

- **Alta Royalties** and **Focus Royalty 1**: 32 exploration titles are subject to a 2% net smelter return royalty held by Resources Miniere Alta Inc. ("**Alta**") and a 0.5% net smelter return royalty held by Focus Graphite Inc. ("**Focus**"); and

- **Focus Royalty 2**: 505 exploration titles are subject to a 2.5% net smelter return royalty held by Focus ("**Focus Royalty 2**").

The Alta Royalties includes the 32 exclusive exploration titles located at the southwest end of the Eastmain-Léran property (pink and blue in the figure below). The Focus Royalty 2 is applicable to all the other Eastmain-Léran exploration titles with the exception of the 39 titles owned by Mont Royal's subsidiary, Mont Royal Quebec.

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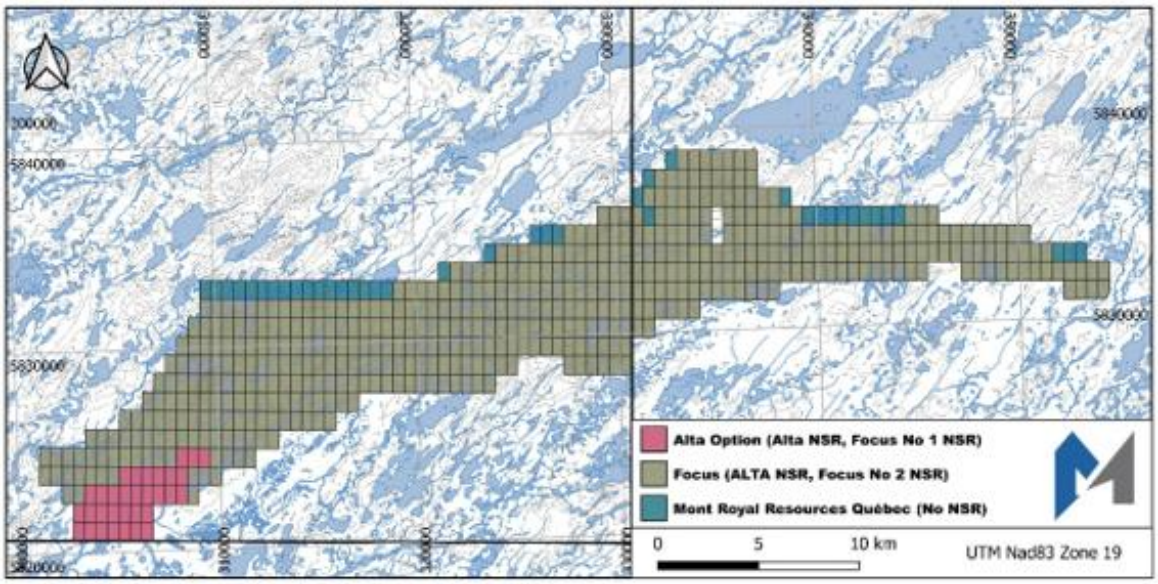

DIVIDENDS OR DISTRIBUTIONS

Mont Royal has not declared or paid any cash dividends on its securities in Fiscal 2024, Fiscal 2023, Fiscal 2022 or the current fiscal year and does not currently anticipate paying any cash dividends on Mont Royal's securities in the foreseeable future. Mont Royal currently intends to retain any future earnings to fund the development and growth of Mont Royal's business and does not currently anticipate paying dividends on its securities. Any future determination to pay cash dividends will be made at the discretion of the MRZ Board and will depend on many factors, including, among others, Australian and Canadian securities laws, Mont Royal's financial condition, results of operations, capital requirements, contractual restrictions, general business conditions and financing agreement covenants, solvency tests imposed by applicable corporate law and other factors that the MRZ Board may deem relevant.

There can be no assurance that Mont Royal will generate sufficient earnings or cash flow to allow it to pay dividends in the future. Refer to the section titled "Risk Factors" in this Appendix I for further information.

DESCRIPTION OF SECURITIES

The following summary of Mont Royal's authorized capital structure does not purport to be complete and is subject to, and is qualified in its entirety by reference to, the applicable provisions of the Corporations Act, ASX Listing Rules and the MRZ Constitution. Mont Royal is authorized to issue an unlimited number of MRZ Shares, subject to MRZ Shareholder approval where required under applicable laws or the ASX Listing Rules. As of the Last Practicable Date, 85,029,793 MRZ Shares are issued and outstanding. The MRZ Shares are currently listed on the ASX under the symbol "MRZ". Mont Royal will apply for the MRZ Shares to be listed on the TSXV. Listing of the MRZ Shares on the TSXV will be subject to Mont Royal receiving approval from, and fulfilling all of the minimum listing requirements of, the TSXV.

Mont Royal has implemented an employee securities incentive plan pursuant to which Mont Royal is able to issue equity incentives to employees or directors of Mont Royal or an individual who provides services to Mont Royal (the "**MRZ Plan**"). The MRZ Plan was approved by MRZ Shareholders on November 24, 2022. As at the Last Practicable Date, there are 4,500,000 MRZ Options on issue which were issued under the MRZ Plan and are convertible into MRZ Shares upon the satisfaction of the relevant performance and vesting conditions. The MRZ Options are not quoted securities on the ASX and cannot be freely traded.

MONT ROYAL SHARES

There is only one class of MRZ Shares on issue in Mont Royal, being fully paid ordinary shares. The rights attaching to MRZ Shares are set out in the MRZ Constitution. A copy of the MRZ Constitution can be obtained from the ASX website at www.asx.com.au under Mont Royal's code "MRZ" or upon request. The following is a summary of the

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key provisions of the MRZ Constitution. All capitalized but undefined terms in the summary below are defined in the MRZ Constitution. The summary is not exhaustive, nor does it constitute a definitive statement of the rights and liabilities of MRZ Shareholders.

General meetings and notices	The Directors may convene and arrange to hold a general meeting of Mont Royal whenever they think fit and must do so if required to do so under the *Corporations Act* and ASX Listing Rules ("**Applicable Law**"). Mont Royal may give Notice to a Member: (i) in person; (ii) by sending it by post to the address of the Member in the Register or the alternative address (if any) nominated by that Member; (iii) by sending it to the fax number or electronic address (if any) nominated by that Member; or (iv) such other means as permitted by the Applicable Law.
Ranking of MRZ Shares	All fully paid ordinary shares in MRZ rank equally.
Voting rights	(a) Subject to the Constitution and any rights or restrictions attached to a class of MRZ Shares, on a show of hands at a meeting of Members, every Eligible Member present has one vote. (b) Subject to the Constitution and any rights or restrictions attached to a class of Shares, on a poll at a meeting of Members, every Eligible Member present has: (i) one vote for each fully paid-up MRZ Share (whether the issue price of the MRZ Share was paid up or credited or both) that the Eligible Member holds; and (ii) a fraction of one vote for each partly paid-up Share that the Eligible Member holds. The fraction is equal to the proportion which the amount paid up on that Share (excluding amounts credited) is to the total amounts paid up and payable (excluding amounts credited) on that Share.
Dividend rights	Subject to the rights of any preference MRZ Shares and to the rights of the holders of any MRZ Shares created or raised under any special arrangement as to a dividend, a dividend as declared shall be payable on all MRZ Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such MRZ Shares.
Transfer of MRZ Shares	(a) Subject to the Constitution, a Member may transfer one or more Shares the Member holds by: (i) a proper ASX Settlement transfer; (ii) an instrument of transfer in compliance with this Constitution; or (iii) any other method permitted by the Applicable Law. (b) Excepted as permitted by the Listing Rules or ASX, a Member must not dispose of restricted securities during the escrow period for those securities.
Winding up	Subject to any rights or restrictions attached to a class of MRZ Shares, on a winding up of Mont Royal, any surplus must be divided among the Members in the proportions which the amount paid (including amounts credited) on the MRZ Shares of a Member

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	is of the total amounts paid and payable (including amounts credited) on the MRZ Shares of all Members.
Future increase in capital	(a) Subject to any rights and restrictions attached to a class of MRZ Shares, Mont Royal may: (i) issue unissued MRZ Shares; and (ii) grant options over unissued MRZ Shares, on any terms, at any time and for any consideration, as the Directors resolve.
Variation of rights	Subject to the terms of issue of MRZ Shares in a particular class, Mont Royal may: (i) vary or cancel rights attached to MRZ Shares in that class; or (ii) convert MRZ Shares from one class to another, by a special resolution of Mont Royal and: (iii) a special resolution passed at a meeting of the Members holding MRZ Shares in that class; or (iv) the written consent of Members who are entitled to at least 75% of the votes that may be cast in respect of MRZ Shares in that class.
Alternation of Constitution	(a) Unless the Applicable Law provides that the Constitution may contain a provision contrary to the Applicable Law, the Articles of this Constitution are subject to the Applicable Law such that any Article of this Constitution that is inconsistent with or contrary to the Applicable Law will be read down to the extent of the inconsistency with the Applicable Law. (b) If an Article is inconsistent with or contrary to the Applicable Law and is not capable of being read down to the extent of the inconsistency under Article 1.6(a), the relevant Article will be severed from this Constitution. (c) If at any time any provision of this Constitution is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that does not affect or impair: (i) the legality, validity or enforceability in that jurisdiction of any other provision of this Constitution; or (ii) the legality, validity or enforceability under the law of any other jurisdiction of that or any other provision of this Constitution.

Mont Royal Options

As of the Last Practicable Date, there are 4,500,000 MRZ Options outstanding to acquire the same number of MRZ Shares. Each MRZ Option carries an entitlement to one fully paid MRZ Share, subject to payment of the exercise price of the MRZ Option prior to the expiry date of the MRZ Option. The MRZ Options are not quoted securities on the ASX and cannot be freely traded.

The following is a summary of the key provisions of the current MRZ Plan. The summary is not exhaustive, nor does it constitute a definitive statement of the rights and liabilities of holders of MRZ Options. All capitalized but undefined terms in the summary below are defined in the MRZ Plan. The information reproduced below is qualified in its entirety by the full text of the MRZ Plan, a copy of which is attached as Schedule "C" to this Appendix I.

Eligible Participant	Eligible Participant means a person that has been determined by the MRZ Board to be eligible to participate in the MRZ Plan from time to time and is an "ESS participant" (as that term is defined in Division 1A) in relation to Mont Royal or an associated entity of the Corporation. This relevantly includes, amongst others:

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	(i) an employee or director of Mont Royal or an individual who provides services to Mont Royal; (ii) an employee or director of an associated entity of Mont Royal or an individual who provides services to such an associated entity; (iii) a prospective person to whom paragraphs (i) or (ii) apply; (iv) a person prescribed by the relevant regulations for such purposes; or (v) certain related persons on behalf of the participants described in paragraphs (i) to (iv) (inclusive).
Maximum allocation	Mont Royal must not make an offer of Securities under the MRZ Plan in respect of which monetary consideration is payable (either upfront, or on exercise of convertible securities) where: (i) the total number of Plan Shares (as defined on page I-12 below) that may be issued or acquired upon exercise of the convertible securities offered; plus (ii) the total number of Plan Shares issued or that may be issued as a result of offers made under the MRZ Plan at any time during the previous 3 year period, would exceed 5% of the total number of MRZ Shares on issue at the date of the offer or such other limit as may be specified by the relevant regulations or Mont Royal's Constitution from time to time. The maximum number of equity securities proposed to be issued under the MRZ Plan for the purposes of Listing Rule 7.2, Exception 13 will be as approved by MRZ Shareholders from time to time (the "**ASX Limit**"). This means that, subject to the following paragraph, Mont Royal may issue up to the ASX Limit under the MRZ Plan without seeking MRZ Shareholder approval and without reducing its placement capacity under Listing Rule 7.1. Mont Royal will require prior MRZ Shareholder approval for the acquisition of equity securities under the MRZ Plan to Directors, their associates and any other person whose relationship with Mont Royal or a Director or a Director's associate is such that, in ASX's opinion, the acquisition should be approved by MRZ Shareholders. The issue of Securities with Shareholder approval will not count towards the ASX Limit.
Purpose	The purpose of the MRZ Plan is to: (i) assist in the reward, retention and motivation of Eligible Participants; (ii) link the reward of Eligible Participants to MRZ Shareholder value creation; and (iii) align the interests of Eligible Participants with shareholders of Mont Royal and each of its Associated Bodies Corporate (the "**MRZ Group**"), by providing an opportunity to Eligible Participants to receive an equity interest in Mont Royal in the form of Securities.
MRZ Plan administration	The MRZ Plan will be administered by the MRZ Board. The MRZ Board may exercise any power or discretion conferred on it by the MRZ Plan rules in its sole

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	and absolute discretion, subject to compliance with applicable laws and the Listing Rules. The MRZ Board may delegate its powers and discretion.
Eligibility, invitation and application	The MRZ Board may from time to time determine that an Eligible Participant may participate in the MRZ Plan and make an invitation to that Eligible Participant to apply for Securities on such terms and conditions as the MRZ Board decides. An invitation issued under the MRZ Plan will comply with the disclosure obligations pursuant to Division 1A. On receipt of an invitation, an Eligible Participant may apply for the Securities the subject of the invitation by sending a completed application form to Mont Royal. The MRZ Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the MRZ Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation. A waiting period of at least 14 days will apply to acquisitions of Securities for monetary consideration as required by the provisions of Division 1A.
Grant of securities	Mont Royal will, to the extent that it has accepted a duly completed application, grant the successful applicant ("**Participant**") the relevant number of Securities, subject to the terms and conditions set out in the invitation, the MRZ Plan rules and any ancillary documentation required.
Terms of Convertible Securities	Each "**Convertible Security**" represents a right to acquire one or more MRZ Shares (for example, under an option or performance right), subject to the terms and conditions of the MRZ Plan. Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.
Vesting of Convertible Securities	Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the MRZ Board, a vesting notice will be sent to the Participant by Mont Royal informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by Mont Royal, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the MRZ Board, that Convertible Security will lapse.
Exercise of Convertible Securities and cashless exercise	To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by Mont Royal, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation. At the time of exercise of the Convertible Securities, and subject to MRZ Board approval, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities Mont Royal will

	transfer or issue to the Participant that number of MRZ Shares equal in value to the positive difference between the Market Value of the MRZ Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.
Market Value	Means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation. A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the MRZ Plan rules, or such earlier date as set out in the MRZ Plan rules.
Delivery of MRZ Shares on exercise of Convertible Securities	As soon as practicable after the valid exercise of a Convertible Security by a Participant, Mont Royal will issue or cause to be transferred to that Participant the number of MRZ Shares to which the Participant is entitled under the MRZ Plan rules and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.
Forfeiture of Convertible Securities	Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the MRZ Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest. Where the MRZ Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the MRZ Group, the MRZ Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited. Unless the MRZ Board otherwise determines, or as otherwise set out in the MRZ Plan rules: (i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the MRZ Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and (ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.
Change of control	If a change of control event occurs in relation to Mont Royal, or the MRZ Board determines that such an event is likely to occur, the MRZ Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.
Rights attaching to Plan Shares	All MRZ Shares issued under the MRZ Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (the "**Plan Shares**") will rank pari passu in all respects with the MRZ Shares of the same class. A Participant will be entitled to any dividends declared and distributed by Mont Royal on the Plan Shares and may participate in any dividend reinvestment plan operated by Mont Royal in respect of Plan Shares. A Participant may exercise any voting rights attaching to Plan Shares.

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Disposal restrictions on securities	If the invitation provides that any Plan Shares or Convertible Securities are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the MRZ Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.
Adjustment of Convertible Securities	If there is a reorganisation of the issued share capital of Mont Royal (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of Mont Royal), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation. If MRZ Shares are issued by Mont Royal by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional MRZ Shares as would have been issued to the holder if the holder held MRZ Shares equal in number to the MRZ Shares in respect of which the Convertible Securities are exercised. Unless otherwise determined by the MRZ Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of MRZ Shares made by Mont Royal or sell renounceable rights.
Participation in new issues	There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of MRZ Shares during the currency of the Convertible Securities without exercising the Convertible Securities.
Amendment of MRZ Plan	Subject to the following paragraph, the MRZ Board may at any time amend any provisions of the MRZ Plan rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the MRZ Plan and determine that any amendments to the MRZ Plan rules be given retrospective effect, immediate effect or future effect. No amendment to any provision of the MRZ Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.
MRZ Plan duration	The MRZ Plan continues in operation until the MRZ Board decides to end it. The MRZ Board may from time to time suspend the operation of the MRZ Plan for a fixed period or indefinitely, and may end any suspension. If the PMRZ lan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and Mont Royal (acting by the MRZ Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between Mont Royal and the Participant.

New MRZ Incentive Plan

The following is a summary of the material terms and conditions of the new incentive plan (the "**New Plan**") proposed for adoption by MRZ, which would become the incentive plan of the Combined Company if the Arrangement is approved and the New Plan is adopted by the MRZ Shareholders at the MRZ Meeting. The New Plan will replace the current MRZ plan if MRZ Shareholders approve the adoption of the New Plan at the MRZ Meeting:

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(a) (Eligible Participant): Eligible Participant means a person that has been determined by the MRZ Board to be eligible to participate in the New Plan from time to time and is an "ESS participant" (as that term is defined in Division 1A of Part 7.12 of the Corporations Act ("**Division 1A**") in relation to MRZ or an associated entity of the MRZ). This relevantly includes, amongst others:

(i) an employee or director of the MRZ or an individual who provides services to the MRZ;

(ii) an employee or director of an associated entity of MRZ or an individual who provides services to such an associated entity;

(iii) a prospective person to whom paragraphs (i) or (ii) apply;

(iv) a person prescribed by the relevant regulations for such purposes; or

(v) certain related persons on behalf of the participants described in paragraphs (i) to (iv) (inclusive).

(b) (Maximum allocation): MRZ must not make an offer of securities under the New Plan in respect of which monetary consideration is payable (either upfront, or on exercise of convertible securities) where:

(i) the total number of Plan Shares (as defined below) that may be issued or acquired upon exercise of the convertible securities offered; plus

(ii) the total number of Plan Shares issued or that may be issued as a result of offers made under the New Plan at any time during the previous 3 year period,

would exceed 5% of the total number of MRZ Shares on issue at the date of the offer or such other limit as may be specified by the relevant regulations or MRZ's Constitution from time to time.

The maximum number of equity securities proposed to be issued under the New Plan for the purposes of ASX Listing Rule 7.2, Exception 13 will be the ASX Limit. This means that, subject to the following paragraph, MRZ may issue up to the ASX Limit under the New Plan without seeking MRZ Shareholder approval and without reducing its placement capacity under ASX Listing Rule 7.1.

MRZ will require prior MRZ Shareholder approval for the acquisition of equity securities under the New Plan to directors, their associates and any other person whose relationship with MRZ or a director or a director's associate is such that, in ASX's opinion, the acquisition should be approved by MRZ Shareholders. The issue of securities with MRZ Shareholder approval will not count towards the ASX Limit.

(a) (Purpose): The purpose of the New Plan is to:

(i) assist in the reward, retention and motivation of Eligible Participants;

(ii) link the reward of Eligible Participants to MRZ Shareholder value creation; and

(iii) align the interests of Eligible Participants with shareholders of the MRZ Group (being MRZ and each of its associated bodies corporate), by providing an opportunity to Eligible Participants to receive an equity interest in MRZ in the form of Securities.

(b) (New Plan administration): The New Plan will be administered by the MRZ Board. The MRZ Board may exercise any power or discretion conferred on it by the New Plan rules in its sole and absolute discretion, subject to compliance with applicable laws and the ASX Listing Rules. The MRZ Board may delegate its powers and discretion.

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(c) (Eligibility, invitation and application): The MRZ Board may from time to time determine that an Eligible Participant may participate in the New Plan and make an invitation to that Eligible Participant to apply for securities on such terms and conditions as the MRZ Board decides. An invitation issued under the New Plan will comply with the disclosure obligations pursuant to Division 1A.

On receipt of an invitation, an Eligible Participant may apply for the securities the subject of the invitation by sending a completed application form to MRZ. The MRZ Board may accept an application from an Eligible Participant in whole or in part. If an Eligible Participant is permitted in the invitation, the Eligible Participant may, by notice in writing to the MRZ Board, nominate a party in whose favour the Eligible Participant wishes to renounce the invitation.

A waiting period of at least 14 days will apply to acquisitions of securities for monetary consideration as required by the provisions of Division 1A.

(a) (Grant of Securities): MRZ will, to the extent that it has accepted a duly completed application, grant the **Participant** the relevant number of securities, subject to the terms and conditions set out in the invitation, the New Plan rules and any ancillary documentation required.

(b) (Terms of Convertible Securities): Each "**Convertible Security**" represents a right to acquire one or more MRZ Shares (for example, under an option or performance right), subject to the terms and conditions of the New Plan.

Prior to a Convertible Security being exercised a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security by virtue of holding the Convertible Security. A Participant may not sell, assign, transfer, grant a security interest over or otherwise deal with a Convertible Security that has been granted to them. A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them.

(a) (Vesting of Convertible Securities): Any vesting conditions applicable to the grant of Convertible Securities will be described in the invitation. If all the vesting conditions are satisfied and/or otherwise waived by the MRZ Board, a vesting notice will be sent to the Participant by MRZ informing them that the relevant Convertible Securities have vested. Unless and until the vesting notice is issued by MRZ, the Convertible Securities will not be considered to have vested. For the avoidance of doubt, if the vesting conditions relevant to a Convertible Security are not satisfied and/or otherwise waived by the MRZ Board, that Convertible Security will lapse.

(b) (Exercise of Convertible Securities and cashless exercise): To exercise a Convertible Security, the Participant must deliver a signed notice of exercise and, subject to a cashless exercise of Convertible Securities (see below), pay the exercise price (if any) to or as directed by MRZ, at any time prior to the earlier of any date specified in the vesting notice and the expiry date as set out in the invitation.

At the time of exercise of the Convertible Securities, and subject to MRZ Board approval, the Participant may elect not to be required to provide payment of the exercise price for the number of Convertible Securities specified in a notice of exercise, but that on exercise of those Convertible Securities, MRZ will transfer or issue to the Participant that number of MRZ Shares equal in value to the positive difference between the market value of the MRZ Shares at the time of exercise and the exercise price that would otherwise be payable to exercise those Convertible Securities.

"Market Value" means, at any given date, the volume weighted average price per Share traded on the ASX over the 5 trading days immediately preceding that given date, unless otherwise specified in an invitation.

A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with the New Plan rules, or such earlier date as set out in the New Plan rules.

(a) (Delivery of Shares on exercise of Convertible Securities): As soon as practicable after the valid exercise of a Convertible Security by a Participant, MRZ will issue or cause to be transferred to that Participant the number of MRZ Shares to which the Participant is entitled under the New Plan rules

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and issue a substitute certificate for any remaining unexercised Convertible Securities held by that Participant.

(b) (Forfeiture of Convertible Securities): Where a Participant who holds Convertible Securities ceases to be an Eligible Participant or becomes insolvent, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the MRZ Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

Where the MRZ Board determines that a Participant has acted fraudulently or dishonestly, or wilfully breached his or her duties to the MRZ Group, the MRZ Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

Unless the MRZ Board otherwise determines, or as otherwise set out in the New Plan rules:

(i) any Convertible Securities which have not yet vested will be forfeited immediately on the date that the MRZ Board determines (acting reasonably and in good faith) that any applicable vesting conditions have not been met or cannot be met by the relevant date; and

(ii) any Convertible Securities which have not yet vested will be automatically forfeited on the expiry date specified in the invitation.

(a) (Change of control): If a change of control event occurs in relation to MRZ, or the MRZ Board determines that such an event is likely to occur, the MRZ Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event.

(b) (Leaver): Where the holder's employment, consulting agreement or arrangement is terminated or the holder ceases to hold office of his or her position, all unvested performance rights will be dealt with in accordance with the terms of the New Plan. Under the New Plan, and subject to compliance with the policies of the exchange, MRZ may, in its discretion permit the acceleration of vesting of any or all awards or waive termination of any or all awards.

(c) (Rights attaching to MRZ Shares): All MRZ Shares issued under the New Plan, or issued or transferred to a Participant upon the valid exercise of a Convertible Security, (the "**New Plan Shares**") will rank pari passu in all respects with the MRZ Shares of the same class. A Participant will be entitled to any dividends declared and distributed by MRZ on the New Plan Shares and may participate in any dividend reinvestment plan operated by MRZ in respect of New Plan Shares. A Participant may exercise any voting rights attaching to New Plan Shares.

(d) (Disposal restrictions on Securities): If the invitation provides that any New Plan Shares or Convertible Securities are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the MRZ Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction.

(e) (Adjustment of Convertible Securities): If there is a reorganisation of the issued share capital of MRZ (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of MRZ), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

If MRZ Shares are issued by MRZ by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive an allotment of as many additional MRZ Shares as would have been issued to the holder if the holder held MRZ Shares equal in number to the MRZ Shares in respect of which the Convertible Securities are exercised.

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Unless otherwise determined by the MRZ Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of MRZ Shares made by MRZ or sell renounceable rights.

(a) (Participation in new issues): There are no participation rights or entitlements inherent in the Convertible Securities and holders are not entitled to participate in any new issue of MRZ Shares during the currency of the Convertible Securities without exercising the Convertible Securities.

(b) (Amendment of Plan): Subject to the following paragraph, the MRZ Board may at any time amend any provisions of the MRZ Plan rules, including (without limitation) the terms and conditions upon which any securities have been granted under the New Plan and determine that any amendments to the New Plan rules be given retrospective effect, immediate effect or future effect.

No amendment to any provision of the New Plan rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment introduced primarily for the purpose of complying with legislation or to correct manifest error or mistake, amongst other things, or is agreed to in writing by all Participants.

(a) (Plan duration): The New Plan continues in operation until the MRZ Board decides to end it. The MRZ Board may from time to time suspend the operation of the New Plan for a fixed period or indefinitely, and may end any suspension. If the New Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

If a Participant and MRZ (acting by the MRZ Board) agree in writing that some or all of the securities granted to that Participant are to be cancelled on a specified date or on the occurrence of a particular event, then those securities may be cancelled in the manner agreed between MRZ and the Participant.

CONSOLIDATED CAPITALIZATION

Consolidated Capitalization

As at the Last Practicable Date, Mont Royal has 85,029,793 MRZ Shares and 4,500,000 MRZ Options on issue.

The following table sets out the consolidated capitalization of Mont Royal as at March 31, 2025, prior to giving effect to the Arrangement, MRZ Equity Raise and the MRZ Consolidation and after giving effect to the Arrangement, the MRZ Equity Raise, and the MRZ Consolidation. The information below is derived from Mont Royal's interim condensed financial report for the nine months ended March 31, 2025, which is included as Schedule "B" to this Appendix I.

Amount Outstanding as at March 31, 2025[(1)]		
	Prior to giving effect to the Arrangement and MRZ Equity Raise	**After giving effect to the Arrangement, MRZ Equity Raise and MRZ Consolidation**
MRZ Shares (No. of MRZ Shares)	85,029,793	181,142,080 (Minimum Subscription)[(2), (3)] 191,142,080 (Maximum Subscription)[(2), (3)]
MRZ Options (No. of MRZ Options)	4,500,000	90,133,175 (Minimum Subscription)[(3), (4)] 92,133,175 (Maximum Subscription)[(3), (4)]
MRZ Performance Rights	0	12,259,381 [(3)(4)(7)]

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Amount Outstanding as at March 31, 2025[1]		
	Prior to giving effect to the Arrangement and MRZ Equity Raise	**After giving effect to the Arrangement, MRZ Equity Raise and MRZ Consolidation**
Total Equity (A$)	13,562,268	136,060,814 (Minimum Subscription)[5] 137,700,814 (Maximum Subscription)[5]
Total Capitalization (A$)	**3,486,222**	**36,228,416 (Minimum Subscription)[6]** **38,228,416 (Maximum Subscription)[6]**

Notes:

(1) Except as described below or in the section titled "Prior Sales" in this Appendix I, there have been no material changes in Mont Royal's share and debt capital, on a consolidated basis, since March 31, 2025 until the Last Practicable Date.

(2) These figures include:
   a. 18,664,040 existing MRZ Shares;
   b. approximately 108,302,216 MRZ Shares to be issued pursuant to the Arrangement as Consideration for the outstanding CCE Shares;
   c. a minimum of 40,000,000 MRZ Shares and maximum of 50,000,000 MRZ Shares to be issued under the MRZ Equity Raise; and
   d. approximately 14,175,824 MRZ Shares to be issued on conversion of the CCE Convertible Notes at the implied conversion price of A$0.20. The actual number of MRZ Shares issued upon the conversion of the CCE Convertible Notes will be subject to the prevailing foreign exchange rate between Australian dollars and Canadian dollars, given the value of the CCE Convertible Notes is calculated by reference to Canadian dollars and their conversion price on the Arrangement completing is denominated in Australian dollars.

(3) These figures assume that the requisite MRZ Shareholder approvals are received at a general meeting expected to be held in September 2025, and the CCE Shareholder Approval is obtained.

(4) Figure assumes that the CCE Options, CCE PSUs, and CCE Warrants currently on issue remain outstanding immediately prior to the Effective Time and are exchanged for Replacement Options and Replacement Performance Rights in accordance with the terms of the Plan of Arrangement and the CCE Convertible Notes will convert into 14,175,824 MRZ Shares at the implied conversion price of A$0.20 on completion of the Arrangement and an A$:C$ exchange rate of A$1:C$0.91, in accordance with the terms of the CCE Convertible Note.

(5) Calculated as Mont Royal equity prior to giving effect to the Arrangement and Commerce equity of C$108,424,842.00 converted into Australian dollars using A$1.00 = C$0.8971, being the exchange rate as at March 31, 2025, with adjustments made per the pro forma financial information set out in Appendix J of this Circular.

(6) The current market capitalisation is calculated as Mont Royal's last closing price of A$0.041 per MRZ Share as at September 3, 2025 multiplied by the MRZ Shares on issue. The indicative market capitalisation after giving effect to the Arrangement and MRZ Equity Raise has been calculated using the MRZ Equity Raise offer price of A$0.20 multiplied by the number of MRZ Shares on issue on Reinstatement. There is no guarantee that the MRZ Shares will trade at the indicative A$0.20 price on or after reinstatement on the ASX.

(7) Figure assumes the issuance of an aggregate of 4,597,267 MRZ Performance Rights to be issued under the New Plan post completion of the Arrangement.

For information regarding the consolidated capitalization of the Combined Company, both before and after giving pro-forma effect to the Arrangement, see "Pro Forma Consolidated Capitalization" of Appendix J to this Circular.

OPTIONS TO PURCHASE SECURITIES

Options

As of the Last Practicable Date, Mont Royal has an aggregate of 4,500,000 MRZ Options outstanding. Details of the outstanding MRZ Options are as follows:

Position with Mont Royal	Amount Outstanding as at the Last Practicable Date
Officers	Nil

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Position with Mont Royal	Amount Outstanding as at the Last Practicable Date
Directors	1,500,000
Other employees	Nil
Consultants	Nil
Other	3,000,000
TOTAL	**4,500,000**

Notes:
(1) 3,000,000 MRZ Options exercisable at A$0.35 each and expire on 10 November 2026, and a further 1,500,000 MRZ Options exercisable at A$0.30 each and expire on 25 March 2026. Both exercise prices stated above are on a pre- MRZ Consolidation basis.

Each MRZ Option carries an entitlement to one fully paid MRZ Share, subject to payment of the exercise price of the MRZ Option prior to the expiry date of the MRZ Option. Any MRZ Option not exercised prior to the applicable expiry date will automatically lapse.

PRIOR SALES

During the 12-month period preceding the Last Practicable Date, Mont Royal has not issued any MRZ Shares and securities convertible into or exchangeable into MRZ Shares.

TRADING PRICE AND VOLUME

The following table sets forth trading information for the MRZ Shares over the past 12 months prior to the Last Practicable Date, the reported high and low trading prices and the aggregate trading volume of trading of the MRZ Shares on the ASX, listed under the symbol "MRZ".

Price Range			
Month	**High (A$)**	**Low (A$)**	**Aggregate Monthly Trading Volume**
June 2024	0.072	0.053	1,026,594
July 2024	0.069	0.056	670,908
August 2024	0.064	0.042	1,085,991
September 2024	0.053	0.047	191,375
October 2024	0.058	0.05	1,027,342
November 2024	0.046	0.04	843,884
December 2024	0.043	0.04	15,384
January 2025	0.038	0.03	282,554
February 2025	0.041	0.025	472,083

On February 14, 2025, being the last trading day before the Last Practicable Date, the closing price of the MRZ Shares on the ASX was A$0.041. MRZ Shares were voluntarily suspended from trading in February 2025.

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ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

To the knowledge of Mont Royal, as at the date of this Circular, there are no securities of Mont Royal held in escrow or subject to a contractual restriction on transfer.

PRINCIPAL SECURITYHOLDERS

As at the Last Practicable Date, there are no Mont Royal substantial shareholders (beneficially owning or controlling or directing, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of Mont Royal voting securities).

DIRECTORS AND EXECUTIVE OFFICERS

Mont Royal Directors

The following table lists the directors of Mont Royal, their respective ages, places of residence, positions and duration of service as directors of Mont Royal as at the Last Practicable Date. Additional biographical information for each individual is provided below.

Name	Age	Province or State or City and Country of Residence	Position	Director Since
Ronnie Beevor	78	NSW, Australia	Non-Executive Director	March 25, 2023
Gary Lawler	75	NSW, Australia	Non-Executive Chairman	October 15, 2018
Peter Ruse	41	WA, Australia	Executive Director	March 26, 2018

ASX Listing Rule 14.4 requires that a director of Mont Royal (other than a managing director) must not hold office without re-election for more than three years and that one third of the directors of Mont Royal in office (other than a managing director or a director of Mont Royal that is required to retire at the next annual general meeting of Mont Royal following his or her appointment) must retire by rotation at each annual general meeting of Mont Royal.

As at the Last Practicable Date, the directors and executive officers of Mont Royal as a group beneficially own or control or direct, directly or indirectly, a total of 5,612,840 MRZ Shares, representing 6.60% of the outstanding MRZ Shares.

Biographical Information Regarding the Directors and Executive Officers of Mont Royal

Non-Executive Directors

Name, Province or State and Country of Residence	Position/Title	Principal Occupation for the Last Five Years
Ronnie Beevor NSW, Australia	Non-Executive Director	Investment Banking
Gary Lawler NSW, Australia	Non-Executive Chairman	Lawyer

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Executive Directors Who Also Serve as Directors

Name, Province or State and Country of Residence	Position/Title	Principal Occupation for the Last Five Years
Peter Ruse WA, Australia	Executive Director	Company Director/Investment Manager

Penalties or Sanctions

None of the directors or executive officers of Mont Royal (or any personal holding company of any such director, executive officer or shareholder), and to the best of Mont Royal's knowledge, no other MRZ Shareholder holding a sufficient number of securities to affect materially the control of Mont Royal, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Individual Bankruptcies

None of the directors or executive officers of Mont Royal (or any personal holding company of any such director, executive officer or shareholder), or, to the best of Mont Royal's knowledge, any other MRZ Shareholder holding a sufficient number of securities to affect materially the control of Mont Royal, is as of the date of this Circular, or has, within the 10 years prior to the date hereof, (a) been a director or executive officer of any company (including Mont Royal) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

Corporate Cease Trade Orders

None of the directors or executive officers of Mont Royal (or any personal holding company of any such director or executive officer) is, as at the date of this Circular, or has been within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including Mont Royal) that (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order (including a management cease trade order) or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

Conflicts of Interest

To the best of Mont Royal's knowledge, there are no known existing or potential material conflicts of interest between Mont Royal or any of its subsidiaries, on one hand, and any directors and executive officers of Mont Royal or any of its subsidiaries, on the other hand, except that certain of the directors and officers of Mont Royal also serve as directors or officers of other companies, and therefore it is possible that a conflict may arise between their duties to Mont Royal and their duties as a director or officer of such other companies.

Refer to the section titled "*Mont Royal Directors and Executive Officers – Biographical Information Regarding the Directors and Executive Officers of Mont Royal*" in this Appendix I.

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EXECUTIVE COMPENSATION

The following discussion describes the significant elements of the compensation program for Mont Royal's named executive officers.

For purposes of this Circular, "**NEO**" or "**named executive officer**" means each of the following individuals: (a) a Chief Executive Officer; (b) a Chief Financial Officer; (c) each of the three most highly compensated executive officers of Mont Royal or the three most highly compensated individuals acting in a similar capacity, other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than C$150,000, for that financial year; and (d) each individual who would be an NEO under paragraph (c) but for the fact that the individual was neither an executive officer of Mont Royal, nor acting in a similar capacity, at the end of that financial year.

For Fiscal 2024, Mont Royal had the following NEO:

- Peter Ruse, Executive Director.

Compensation Discussion and Analysis

The MRZ Board recognizes that Mont Royal's performance and ultimate success in project delivery depends on many factors including its ability to attract and retain highly skilled, qualified and motivated people. At the same time, remuneration practices must be transparent to MRZ Shareholders and be fair and competitive, taking into account the nature and size of the organization and its current stage of activities, funding and general market conditions.

Mont Royal has not formed a nomination and remuneration committee and the MRZ Board currently carries out the roles that would otherwise be undertaken by such a committee**.**

The MRZ Board, as a whole, therefore, assesses the appropriateness of the nature and amount of remuneration of Non-Executive Directors and executives on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of high performing directors and executive team. Directors excuse themselves from discussions that are specific to their individual remuneration components and are not in relation to the remuneration of the group of non-executive directors as a collective.

The MRZ Board may obtain professional advice where necessary to ensure that Mont Royal attracts and retains talented and motivated directors, executives and employees who can enhance Mont Royal performance through their contributions and leadership.

Director Compensation

The MRZ Constitution provides that the non-executive directors are entitled to be paid an amount of fees which does not in any year exceed in aggregate the amount last fixed by ordinary resolution. The current amount fixed to be paid to Mont Royal non-executive directors is A$400,000 per annum. The remuneration of directors of Mont Royal:

(a) may be a stated salary or a fixed sum for attendance at each meeting of directors or both; or

(b) may be a share of the fixed aggregate amount or as determined by Mont Royal at a general meeting of Mont Royal to be the remuneration payable to all directors which is to be divided between the directors in the proportions agreed between them or, failing agreement, equally,

and if it is a stated salary under (a) or a share of a fixed sum under (b) above, will be taken to accrue from day to day.

The MRZ Constitution also provides that:

(a) the directors shall be entitled to be paid all travelling and other expenses properly incurred by them in connection with the affairs of Mont Royal, including attending and returning from general meetings of Mont Royal or meetings of the directors or of committees of the directors; and

(b) if any of the directors renders or is called on to perform extra services or to make any special exertions in connection with the affairs of Mont Royal, the directors may arrange for a special remuneration to be paid to that director, either in addition to or in substitution for that director's remuneration in the fee-pool described above.

The remuneration of executive directors of Mont Royal is to be fixed by the MRZ Board. As at the date of this Circular, Mont Royal has one executive director. Mr. Peter Ruse commenced as Executive Director of Mont Royal on March 26, 2018 and his total full time equivalent remuneration package is A$150,000 (inclusive of superannuation). As at the date of this Circular, Mr. Ruse is employed on a full-time basis.

NEO Compensation

NEO compensation is set by the MRZ Board each year and is based on a number of factors. In setting fixed remuneration for NEOs, individual performance, skills, expertise and experience are taken into account as well as Mont Royal's current level of activity and funding. Where appropriate, external compensation consultants may be engaged to assist the MRZ Board.

NEOs receive an annual fixed base cash salary or fee and other associated benefits depending on the nature of their contract. Fixed remuneration includes statutory superannuation guarantee contributions required by Australian legislation, which was 11% up to June 30, 2025. NEOs do not receive any other retirement benefits.

Mont Royal also awards its NEOs with MRZ Options issued under the MRZ Plan which was approved by MRZ Shareholders on November 24, 2022. The objective of MRZ Options is to provide potential rewards to NEO in a manner which aligns this element of remuneration with the creation of shareholder wealth. As such, MRZ Options can be awarded to NEOs who are able to influence the generation of shareholder wealth and thus have an impact on Mont Royal's performance. If an NEO resigns or is terminated for cause before the end of the financial year, no MRZ Options will vest for that year. Similarly, any vested and unexercised MRZ Options awards are forfeited, unless otherwise determined by the MRZ Board. If an NEO ceases employment during the performance period by reason of redundancy, ill health, death or other circumstance approved by the MRZ Board, the NEO will be entitled to receive any vested but unexercised MRZ Options as at the date of ceasing employment, subject to MRZ Board discretion. The treatment of vested and unexercised awards in all other circumstances will be determined by the MRZ Board with reference to the circumstances of cessation.

Risks Associated with the Compensation Policies and Practices

The MRZ Board ensures that the remuneration policy provides an appropriate balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to Mont Royal's circumstances, goals and risk appetite.

Derivative Instruments

Mont Royal prohibits directors or employees of Mont Royal from entering into arrangements to protect the value of any MRZ Shares or MRZ Options that the NEO has become entitled to as part of their remuneration package. This includes entering into a contract to hedge their exposure.

Summary Compensation Table

The following table sets out a summary of compensation paid, awarded to or earned by the NEO for each of Fiscal 2022, Fiscal 2023 and Fiscal 2024:

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Name and Principal Position	Fiscal Year	Salary (A$)	Option-Based Awards	Long-Term Incentive Plan	Pension Value	All Other Compensation (A$)	Total Compensation (A$)
Peter Ruse, Executive Director	2024 2023 2022	150,000 150,000 132,500	Nil Nil 342,234	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	150,000 150,000 474,734

Incentive Plan Awards

Outstanding Share-Based Awards

There are no share-based awards outstanding at the end of Fiscal 2024.

Outstanding Option-Based Awards

Name and Principal Position	Number of Securities Underlying Unexercised Options	Option Exercise Price (A$)	Option Expiration Date	Value of Unexercised In-the- Money Options (A$)
Ronald Beevor, Non-Executive Director	1,500,000	0.30	March 25, 2026	Nil

Value Vested or Earned During Fiscal 2024

In respect of the NEO, no incentive awards vested or were earned during Fiscal 2024.

Other Incentive Plans

Refer to the section titled "Description of Securities" in this Appendix I for information regarding the MRZ Plan. Mont Royal does not have any other incentive plans.

Termination and Change of Control Benefits

Peter Ruse is entitled to an amount equal to 12 months of Mr. Ruse's consultancy fee in circumstances where the Corporation terminates Mr. Ruse's consultancy for convenience pursuant to the executive consultancy agreement entered into between Mont Royal and Peter Ruse dated 26 November 2018. The Corporation is not obliged to pay, or entitle Mr. Ruse to, any sum of money or other compensation, when added to any other compensation, lump sum payment or similar allowance (excluding any part of any compensation or payment attributable to contributions made by Mr. Ruse) that would exceed an amount calculated in accordance with section 200G of the Corporations Act or any ASX Listing Rule.

Under the MRZ Plan, if a change of control event occurs in relation to Mont Royal, or the MRZ Board determines that such an event is likely to occur, the MRZ Board may in its discretion determine the manner in which any or all of the participant's option-based awards will be dealt with, including, without limitation, in a manner that allows the participant to participate in and/or benefit from any transaction arising from or in connection with the change of control event. The option-based awards issued to Mr. Beevor were issued pursuant to the terms of the MRZ Plan.

Shaun Menezes is entitled to an amount equal to 2 months of Mr. Menezes' contractor fee in circumstances where the Corporation terminates Mr. Menezes' agreement for convenience pursuant to the independent contractor agreement entered into between Mont Royal and Patch Resources Pty Ltd dated 30 September 2018. The Corporation is not obliged to pay, or entitle Mr. Menezes to, any sum of money or other compensation, when added to any other compensation, lump sum payment or similar allowance (excluding any part of any compensation or payment

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attributable to contributions made by Mr. Menezes) that would exceed an amount calculated in accordance with section 200G of the Corporations Act or any ASX Listing Rule.

Director Compensation Table

The following table sets out a summary of compensation paid, awarded to or earned by any non-NEO directors of Mont Royal for Fiscal 2024:

Name and Principal Position	Fiscal Year	Salary (A$)	Option-Based Awards	Long-Term Incentive Plan	Pension Value	All Other Compensation (A$)	Total Compensation (A$)
Ronnie Beevor, Non-Executive Director	2024	55,000	Nil	Nil	6,050	Nil	102,461
Gary Lawler, Non-Executive Chairman	2024	75,000	Nil	Nil	8,250	Nil	83,250
Peter Ruse, Executive Director	2024	150,000	Nil	Nil	Nil	Nil	150,000

INDEBTEDNESS OF MONT ROYAL DIRECTORS AND OFFICERS

None of the directors, executive officers, employees, former directors, former executive officers or former employees of Mont Royal, and none of their respective associates is, or has within 30 days before the Last Practicable Date or at any time since the beginning of the most recently completed financial year been, indebted to Mont Royal or any of Mont Royal's subsidiaries or another entity whose indebtedness is subject to a guarantee, support agreement, letter of credit or other similar agreement or understanding provided by Mont Royal or any of Mont Royal's subsidiaries.

AUDIT COMMITTEE

Mont Royal does not have a separate audit committee. Given the current size of Mont Royal, it has been decided that there are no efficiencies to be gained from forming separate committees. The current MRZ Board members carry out the roles that would otherwise be undertaken by an audit committee.

Mont Royal engages an insurance brokerage as part of MRZ's annual assessment of the coverage for insured assets and risks. The results of all the various reviews and insurances are reported to the MRZ Board at least annually.

The integrity of Mont Royal's financial reporting relies upon a sound system of risk management and control. Accordingly, the managing director (or the executive chairman in the absence of the managing director) and chief financial officer (or most senior financial employee/consultant), to ensure management accountability, are required to provide a statement in writing to the MRZ Board that the financial reports of Mont Royal are based upon a sound risk management policy.

The MRZ Board believes that it has a thorough understanding of Mont Royal's key risks and is managing them appropriately. Refer to the section titled "*Directors and Executive Officers — Biographical Information Regarding the Directors and Executive Officers of Mont Royal*" in this Appendix I for information regarding the relevant education and experience of the directors of Mont Royal.

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Upon the completion of the Arrangement, the MRZ Board intends to form an audit committee in accordance with the requirements of Canadian Securities Laws. Mont Royal intends to adopt an audit committee charter which will establish an audit committee to assist the MRZ Board in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by Mont Royal to regulatory authorities and shareholders, Mont Royal's systems of internal controls regarding finance and accounting and Mont Royal's auditing, accounting and financial reporting processes.

The Audit Committee's primary duties and responsibilities will be to:

- serve as an independent and objective party to monitor Mont Royal's financial reporting and internal control system and review Mont Royal's financial statements;
- review and appraise the performance of Mont Royal's external auditor; and
- provide an open avenue of communication among Mont Royal's auditor, financial and senior management and the MRZ Board.

Pre-Approval Procedures for Non-Audit Services

The current MRZ Board members carry out the roles that would otherwise be undertaken by an audit and risk management committee and are responsible for the pre-approval of all non-audit services to be provided to Mont Royal by its independent auditor. At least annually, the MRZ Board members shall review and confirm the independence of the independent auditor by obtaining statements from the independent auditor describing all relationships with Mont Royal, including with respect to any non-audit services.

External Auditor Service Fees

For each of the last three fiscal years, Mont Royal incurred the following fees with its external auditor, BDO Audit Pty Ltd.:

	Fiscal 2024	Fiscal 2023	Fiscal 2022
Audit fees[(1)]	39,646	55,282	42,295
Audit related fees[(2)]	Nil	Nil	Nil
Tax fees[(3)]	Nil	Nil	Nil
All other fees[(4)]	47,911	61,135	16,915
Total fees paid	**87,557**	**116,417**	**42,295**

Notes:
(1) Fees for audit service on a billed basis.
(2) Fees for assurance and related services not included in audit service above.
(3) Fees for tax compliance, tax advice and tax planning.
(4) All other fees not included above.

CORPORATE GOVERNANCE

Board of Directors

The MRZ Board comprises three directors, two of whom are independent directors in accordance with ASX Listing Rules and the Corporations Act. Mr. Peter Ruse is not deemed to be independent due to his contractual employment relationship with MRZ, and Messrs. Gary Lawler and Ronnie Beevor are deemed to be independent as their non-executive director contracts nor their respective shareholding in MRZ are deemed to impair their independence.

Mont Royal has a majority of independent directors; and the MRZ Board considers that given the size and scope of Mont Royal's operations, it has the relevant experience in the exploration and mining industry and is appropriately structured to discharge its duties in a manner that is in the best interests of Mont Royal and the MRZ Shareholders from both a long-term strategic and operational perspective. To assist the directors of the MRZ Board with their

independent decision making, the MRZ Board collectively, and each director, has, subject to prior consultation with the Non-Executive Chairman of the MRZ Board, the right to seek independent professional advice at Mont Royal's expense. A copy of such advice is required to be made available to all members of the MRZ Board.

The MRZ Board reviews the independence of all directors of Mont Royal on an annual basis and directors of Mont Royal have an ongoing obligation to inform the MRZ Board of any material changes in their circumstances or relationships which may affect the MRZ Board's determination as to their independence.

Members of the MRZ Board are also members of the boards of directors of other public companies. Refer to the section titled "*Directors and Executive Officers — Biographical Information Regarding the Directors and Executive Officers of Mont Royal*" in this Appendix I.

Mr. Lawler, the Non-Executive Chair and an independent director, is the Non-Executive Chair of the MRZ Board. The responsibilities of the Chair of the MRZ Board include, among other things: (i) to commit adequate time to discharge the role of Chair effectively; (ii) leading the MRZ Board; (iii) facilitating efficient organization of board meetings and effective contribution by all directors of Mont Royal; (iv) chairing meetings of MRZ Shareholders; and (v) promoting constructive and respectful relations between members of the MRZ Board and management.

Six meetings of directors of Mont Royal were held and attendances by each director of Mont Royal during Fiscal 2024 were as follows:

Director of Mont Royal	Number attended	Number eligible to attend
Ronnie Beevor	6	6
Gary Lawler	6	6
Peter Ruse	6	6

Given the size of the MRZ Board, Mont Royal has decided that there are no efficiencies to be gained from forming separate board committees.

Board Mandate

The MRZ Board has adopted the board charter (the "**MRZ Board Charter**"), the text of which is reproduced in its entirety as Schedule "A" to this Appendix I, setting forth the principles for the role of the MRZ Board and which governs the ongoing operation of the MRZ Board.

Position Descriptions

Mr. Ruse's role as an Executive Director includes, but is not limited to, the following specific duties and responsibilities:

- develop, in conjunction with the MRZ Board, Mont Royal's vision, values, and goals;
- responsibility for the achievement of corporate goals and objectives;
- development of short, medium and long term corporate strategies and planning to achieve the Mont Royal's vision and overall business objectives;
- preparation of business plans and reports with the senior management;
- developing with the MRZ Board the definition of ongoing corporate strategy;
- implementing and monitoring strategy and reporting/presenting to the MRZ Board on current and future initiatives;

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- advise the MRZ Board regarding the most effective organisational structure and oversee its implementation;
- assessment of business opportunities of potential benefit to Mont Royal;
- responsibility for proposals for major capital expenditure to ensure their alignment with corporation strategy and justification on economic grounds;
- sustain competitive advantage through maximising available resources, encouraging staff commitment and strategically aligning the corporate culture with the organisation's goals and objectives;
- establish and maintain effective and positive relationships with MRZ Board members, shareholders, customers, suppliers and other government and business liaisons;
- undertake the role of key spokesperson;
- recommend policies to the MRZ Board in relation to a range of organisational issues including delegations of authority, consultancies and performance incentives;
- ensure statutory, legal and regulatory compliance and comply with corporate policies and standards;
- ensure appropriate risk management practices and policies are in place;
- develop and motivate direct reports and their respective teams;
- select and appoint key staff as and when required (direct reports); and
- ensure there is an appropriate staff appraisal system in place in Mont Royal.

Orientation and Continuing Education

Mont Royal has adopted a MRZ Board skills matrix, which details the mix of skills and diversity that the MRZ Board currently has or is looking to achieve. To ensure that the current MRZ Board provides the skills and experience required by the skills matrix, the MRZ Board will assess each director of Mont Royal's skills and experience and the current directors as a group, against the MRZ Board skills matrix from time to time. The MRZ Board will take account of the skills matrix and gaps or weaknesses in the skills matrix when applied to existing directors of Mont Royal and when filling any vacancies on the MRZ Board.

In accordance with the MRZ Board Charter, directors of Mont Royal are expected to participate in induction or orientation programs upon their election or appointment and any continuing education or training arranged by Mont Royal from time to time.

Ethical Business Conduct

The MRZ Board has adopted a set of values which are the foundation for how Mont Royal achieves its business objectives. Mont Royal's values are supported by the Code of Conduct and other key governance principles and policies which are approved by the MRZ Board, such as the Anti-Bribery and Corruption Policy. Any material breaches of the Code of Conduct or Anti-Bribery and Corruption Policy are reported to the MRZ Board by the relevant officers. The Code of Conduct is reviewed annually by the MRZ Board to ensure that it is operating efficiently and to ascertain whether changes are required to be made to the Code of Conduct. The MRZ Board is also responsible for reviewing the Anti-Bribery and Corruption Policy to determine its appropriateness to the needs of Mont Royal from time to time and that Mont Royal's policies, standards, procedures and guidelines comply with legal, regulatory and statutory requirements.

Mont Royal aims to maintain the highest standard of lawful and ethical behaviour in business dealings and to behave with integrity in all its dealings with Mont Royal stakeholders, including MRZ Shareholders, employees, government, suppliers, traditional owners and the community. Directors and employees of Mont Royal are expected to perform

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their duties in a professional manner and act with the utmost integrity and objectivity, always striving to enhance the reputation and performance of Mont Royal. The MRZ Board is responsible for setting the tone of legal, ethical and moral conduct to ensure that Mont Royal is considered reputable by the industry and other outside entities. This involves considering the impact of Mont Royal's decisions on the industry, its colleagues and the broader community. Mont Royal's Code of Conduct applies to all employees, individual contractors, consultants, managers and the MRZ Board, including temporary employees, individual contractors and directors of Mont Royal. Mont Royal's Code of Conduct and Anti-Bribery and Corruption Policy are available on its website at www.montroyalres.com/corporate-governance/.

Nomination of Directors

Given the current size and composition of the MRZ Board, it has been decided that there are no efficiencies to be gained from forming a separate nomination committee or remuneration committee. The current MRZ Board members carry out the roles that would otherwise be undertaken by a nomination committee or remuneration committee and each director of Mont Royal excludes themselves from matters in which they have a personal interest.

The roles and responsibilities conducted by the full MRZ Board to address MRZ Board succession issues and to ensure that the MRZ Board has the appropriate balance of skills, knowledge, experience, independence and diversity to enable it to discharge its duties and responsibilities effectively include:

- considering the size and composition of the MRZ Board;
- assessing and determining the independence status of each director of Mont Royal;
- regularly determine whether each director of Mont Royal has enough time to commit to carry out his or her responsibilities;
- implementing a plan for identifying, assessing and enhancing director competencies;
- developing and implementing processes to identify suitable candidates for nomination or appointment to the MRZ Board;
- developing and implementing induction procedures for new directors;
- developing, implementing and reviewing Mont Royal's succession plans in place for membership of the MRZ Board and the executives of Mont Royal; and
- developing and implementing processes for evaluating the performance of the MRZ Board and individual directors.

The MRZ Board also reviews and approves recommendations in terms of compensation and incentive plan arrangements for directors and senior executives, having regard to market conditions and the performance of individuals and the consolidated entity.

Compensation

As noted above, Mont Royal has not formed a nomination and remuneration committee and the MRZ Board currently carries out the roles that would otherwise be undertaken by such a committee. The MRZ Board, as a whole, therefore assesses the appropriateness of the nature and amount of remuneration of non-executive directors and executives of Mont Royal on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of high performing directors and executive team. Directors of Mont Royal excuse themselves from discussions that are specific to their individual remuneration components and are not in relation to the remuneration of the group of non-executive directors as a collective.

The MRZ Board may obtain professional advice where necessary to ensure that Mont Royal attracts and retains talented and motivated directors, executives and employees who can enhance Mont Royal's performance through their contributions and leadership.

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Other Policies of MRZ

Anti-bribery and Corruption Policy

Mont Royal is committed to operating in a manner consistent with the laws and regulations of the jurisdictions in which its businesses operate, including those relating to bribery and corruption. Accordingly, the MRZ Board has adopted an Anti-Bribery and Corruption Policy which sets out the responsibilities of the Combined Company and its employees or other personnel or representatives in observing and upholding the prohibition on bribery and related improper conduct and provides information and guidance on how to recognise and deal with instances of bribery and corruption. The MRZ Board will be informed of any material breaches of the Anti-bribery and Corruption Policy and will comply with good record-keeping practices applicable under certain anti-bribery and anti-corruption legislation.

Securities Trading Policy

Mont Royal has adopted a Securities Trading Policy for regulating the trading in its securities during certain "prohibited periods" by its directors and other key management personnel and to explain, and minimise the risk of, conduct in relation to dealings in securities that are prohibited by law from an Australian company law and Canadian corporate law perspective.

Continuous Disclosure Policy

Mont Royal has adopted a Continuous Disclosure Policy setting out its processes for complying with its continuous disclosure obligations under the applicable law, and the rules of the ASX and TSX-V. Unless an exception applies, Mont Royal must disclose to the applicable stock exchange immediately any material fact or information concerning it of which Mont Royal becomes aware that a reasonable person would expect to have a material effect on the price or value of its securities.

Mont Royal notes that it has obligations under the Corporations Act, Listing Rules, the Securities Act (*British Columbia*) and its rules and regulations, and the TSX-V Rules. As such, Mont Royal will ensure that the MRZ Board will be able to avail itself of Australian and/or Canadian counsel (as applicable) for determination of any requirements under the Continuous Disclosure Policy.

Shareholder Communications Policy

The MRZ Board aims to ensure MRZ Shareholders and other stakeholders are informed in a timely and readily accessible manner of all major developments affecting Mont Royal. It has therefore adopted a Shareholder Communication Policy to facilitate effective two-way communication with investors and encourage participation at meetings.

Whistleblower Policy

Mont Royal has adopted a Whistleblower Policy to encourage its officers, employees and contractors to raise any concerns and report instances of unethical, illegal or fraudulent conduct, where there are reasonable grounds to suspect such conduct, without fear of intimidation, disadvantage or reprisal. The Whistleblower Policy sets out Mont Royal's commitment to investigating all matters reported in an objective and fair manner as soon as possible after the matter has been reported. The MRZ Board will be informed of any material concerns raised under the Whistleblower Policy that call into question the culture of the Combined Company.

The Whistleblower Policy supports the commitment of Mont Royal in creating and maintaining a culture of compliance, ethical behaviour, proper conduct and good corporate governance.

Diversity and Inclusion Policy

As at the date of this Circular, Mont Royal does not have a Diversity and Inclusion Policy but, in the future it may establish such a committee. Despite no formal policy, the MRZ Board is committed to a diverse and inclusive

workplace. Accordingly, Mont Royal is focused on creating a diverse and inclusive workplace to align its values and confirm its commitment to achieving diversity in the workplace.

Assessments

The MRZ Board Charter requires the MRZ Board to undertake an annual performance evaluation of itself that:

- compares the performance of the MRZ Board, and each individual director of Mont Royal, with the requirements of the MRZ Board Charter;
- sets the goals and objectives of the MRZ Board for the upcoming year;
- effects any improvements to the MRZ Board Charter deemed necessary or desirable; and
- performs such other functions as prescribed by law.

Mont Royal discloses its process for periodically evaluating the performance of the MRZ Board and individual directors and executives of Mont Royal and whether a performance evaluation was undertaken in respect of the reporting period in its annual corporate governance statement.

Director Term Limits and Other Mechanisms of MRZ Board Renewal

In the interest of ensuring a continual supply of new talent to the MRZ Board, non-executive directors will serve for a maximum of 10 years unless there are exceptional circumstances. The exception to this policy is that a director who is serving as Chair at the conclusion of the usual maximum term may serve an additional term in that role. If a director has served in their position for more than 10 years, the MRZ Board will regularly assess if their independence may have been compromised. It is envisaged that directors shall remain on the MRZ Board until required to vacate the office by law or as detailed in the MRZ Constitution.

Policies Regarding the Representation of Women, Consideration of the Representation of Women in the Director Identification and Selection Process, Consideration of the Representation of Women in Executive Officer Appointments and Targets Regarding the Representation of Women on the MRZ Board and in Executive Officer Positions

Mont Royal recognises the positive advantages of a diverse workplace and is committed to:

(a) creating a working environment conducive to the appointment of well-qualified employees, Senior Management and MRZ Board candidates; and

(b) identifying ways to promote a corporate culture which embraces diversity.

The MRZ Board monitors the extent to which the level of diversity within Mont Royal is appropriate on an ongoing basis and periodically considers measure to improve it. The MRZ Board will further consider the establishment of objectives for achieving gender diversity as Mont Royal develops and its circumstances change.

Number of Women on the MRZ Board and in Executive Officer Positions

As at September 4, 2025, Mont Royal and its subsidiaries had no female employees out of a total of zero employees, and no female directors on the MRZ Board out of a total of three directors.

RISK FACTORS

Maintaining and expanding permits and licences and regulatory risk

The successful execution of Mont Royal's business objectives is contingent upon compliance with all applicable laws and regulatory requirements in Australia and Canada and obtaining all other required regulatory approvals for permits and licences (including mineral claims) in these jurisdictions.

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Mont Royal's ability to execute its business model and undertake its growth strategy is dependent on its ability to secure and maintain adequate licences and permits. A failure to obtain these statutory approvals or comply with these regulatory processes may adversely affect Mont Royal's title to the mineral rights, may prevent or impede the grant, acquisition or advancement of, or the conduct of activities within, mineral rights and may have a Material Adverse Effect on the business, results of operations, financial condition and prospects of Mont Royal.

Further, there is no guarantee or assurance that the licences, concessions, leases, permits or consents will be renewed or extended as and when required or that new conditions will not be imposed in connection with the MRZ Group's mineral rights. The renewal or grant of the terms of each licence is usually at the discretion of the relevant government authority. To the extent such approvals, consents or renewals are not obtained, the MRZ Group may be curtailed or prohibited from continuing with its exploration and development activities or proceeding with any future development, which may have a Material Adverse Effect on the business, results of operations, financial condition and prospects of Mont Royal.

Title risk

The MRZ Group's exploration and development activities (including at Mont Royal's projects) are dependent upon the grant, the maintenance and renewal of appropriate licences, concessions, leases, permits and regulatory consents which may be withdrawn or made subject to limitations. The maintenance, renewal and granting of these mineral rights depend on Mont Royal being successful in obtaining required statutory approvals and complying with regulatory processes. A failure to obtain these statutory approvals or comply with these regulatory processes may adversely affect Mont Royal's title to the mineral rights, may prevent or impede the grant, acquisition or advancement of, or the conduct of activities within, mineral rights and may have a Material Adverse Effect on the business, results of operations, financial condition and prospects of Mont Royal.

Further, there is no guarantee or assurance that the licences, concessions, leases, permits or consents will be renewed or extended as and when required or that new conditions will not be imposed in connection with the MRZ Group's mineral rights. The renewal or grant of the terms of each licence is usually at the discretion of the relevant government authority. To the extent such approvals, consents or renewals are not obtained, the MRZ Group may be curtailed or prohibited from continuing with its exploration and development activities or proceeding with any future development, which may have a Material Adverse Effect on the business, results of operations, financial condition and prospects of Mont Royal.

The directors report that after due enquiries by them, in their opinion, since the date specified in the Canadian Title Report as the date on which the relevant searches were undertaken, there have not been any circumstances that have arisen or that have materially affected or will materially affect the status of the licences/permits, other than as disclosed in this Circular.

Land access

Land access is critical for exploration and/or exploitation to succeed. It requires both access to the mineral rights and access to the surface rights.

Minerals rights may be negotiated and acquired. In all cases the acquisition of prospective exploration and mining licences is a competitive business, in which proprietary knowledge or information is critical and the ability to negotiate satisfactory commercial arrangements with other parties is often essential. Mont Royal may not be successful in acquiring or obtaining the necessary licences to conduct exploration or evaluation activities outside of the mineral tenements that it already owns.

Access to land for exploration and evaluation purposes can be obtained by: private access and compensation agreement with the landowner; purchase of surface rights; or through judicial rulings. However, access rights to the licences can be affected by many factors including:(i) surface title land ownership negotiations; (ii) permitting for exploration activities, which are required in order to undertake most exploration and exploitation activities within the jurisdictions where Mont Royal operates; (iii) travel restrictions, quarantining procedures or other impediments to the free movement of personnel, including as a result of global pandemics that may arise; and (iv) natural occurrences.

Future Capital Needs

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Mont Royal has no operating revenue and is unlikely to generate any operating revenue unless and until its projects are successfully developed and production commences. The future capital requirements of Mont Royal will depend on many factors including its business development activities.

Mont Royal will require further financing in the future, in addition to amounts raised pursuant to the Public Offer. Any additional equity financing may be dilutive to MRZ Shareholders, may be undertaken at lower prices than the current market price (or MRZ Equity Raise offer price of A$0.20) or may involve restrictive covenants which limit Mont Royal's operations and business strategy. Debt financing, if available, may involve restrictions on financing and operating activities.

As an exploration entity, Mont Royal is making a loss, meaning it is reliant on raising funds from investors or lenders in order to continue to fund its operations and to scale growth.

Although Mont Royal believes that additional capital can be obtained, no assurances can be made that appropriate capital or funding, if and when needed, will be available on terms favourable to Mont Royal or at all. If Mont Royal is unable to obtain additional financing as needed, it may be required to reduce the scope of its operations and this could have a Material Adverse Effect on Mont Royal's activities and could affect Mont Royal's ability to continue as a going concern.

Mont Royal may undertake additional offerings of MRZ Shares and of securities convertible into MRZ Shares in the future. The increase in the number of MRZ Shares issued and outstanding and the possibility of sales of such shares may have a depressive effect on the price of MRZ Shares. In addition, as a result of such additional MRZ Shares, the voting power of Mont Royal's shareholders will be diluted.

Regulatory requirements

The successful execution of Mont Royal's business objectives is contingent upon compliance with all applicable laws and regulatory requirements in Australia and Canada.

The current or future operations of Mont Royal may require permits from various governmental authorities, and such operations will be governed by laws and regulations governing production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, site safety and other matters. There can be no assurance that all permits which Mont Royal may require for the facilities and conduct of exploration and development operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on any project which Mont Royal might undertake. Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Amendments to current laws, regulations and permits governing operations and activities of companies such as Mont Royal, or more stringent implementation thereof, could have a material adverse impact on Mont Royal and cause increases in capital expenditures or costs or require abandonment or delays in the development of new projects.

Counterparty exposure and joint ventures risk

If one of Mont Royal's counterparties or joint venture partners fails to adequately perform contractual obligations, this may result in loss of earnings, termination of particular contracts, disputes and/or litigation, which may adversely affect Mont Royal's financial performance and business operations.

Specialised skill and knowledge risk

The nature of Mont Royal's business requires specialised skills and knowledge, including in the areas of geology, metallurgical processing, community and governmental relations and environmental compliance. Mont Royal also relies on staff members, local contractors and consultants with specialised knowledge of logistics and operations in the countries in which it operates. In order to attract and retain personnel with the specialised skills and knowledge required for Mont Royal's operations, Mont Royal will maintain remuneration and compensation packages it believes to be competitive. Mont Royal and other companies in the mining and resources industry compete for qualified and key personnel, and if Mont Royal is unable to attract and retain qualified personnel or fail to establish adequate

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succession planning strategies, its financial condition and/or results or operations could be materially adversely affected.

Sovereign risk

Mont Royal's assets are located in the provinces of Quebec and British Columbia, Canada. Mont Royal will be subject to risks of operating in those jurisdictions.

Exploration and development

The business of mineral exploration, development and production is subject to a high level of risk. Mineral exploration and development require large amounts of expenditure over extended periods of time with no guarantee of revenue, and exploration and development activities may be deterred by circumstances and factors beyond Mont Royal's control.

There can be no assurance that exploration and development at the Projects, or any other projects that may be acquired by Mont Royal in the future, will result in the discovery of mineral deposits which are capable of being exploited economically. Even if a viable deposit is identified, there is no guarantee that it can be profitably exploited.

Whether a mineral deposit will be commercially viable depends on a number of factors, such as volatility of commodity prices and exchange rates, exploration and development costs. The combination of these factors may result in Mont Royal expending significant resources (financial and otherwise) on mineral rights and licences without receiving a return. There is no certainty that expenditures made by Mont Royal towards the search and evaluation of mineral deposits will result in discoveries of an economically viable mineral deposit.

Possible future development of mining operations at the Projects are dependent on a number of factors including, but not limited to, the acquisition and/or delineation of economically recoverable mineralisation, favourable geological conditions, receiving the necessary approvals from all relevant authorities and parties, seasonal weather patterns, unanticipated technical and operational difficulties encountered in extraction and production activities, mechanical failure of operating plant and equipment, shortages or increases in the price of consumables, commodities, spare parts and plant and equipment, cost overruns, access to the required level of funding and contracting risk for third parties providing essential services. No assurance can be given that the Projects (or any other project) will achieve commercial viability. The risks associated with the development of a mine will be considered in full as part of Mont Royal's exploration activities and will be managed with ongoing consideration of stakeholder interests.

Land claims and community opposition

Specific legislation concerning land rights of indigenous peoples in Canada may impact Mont Royal's projects and its ability to gain access to licences (through obtaining consent of any relevant landowner). Such legislation may also adversely affect Mont Royal's ability to progress from the exploration phase to the development and mining phases of project operations.

Mont Royal's activities could potentially face disruptions or postponements from claims to the licence areas by other parties, community opposition or legal actions against Mont Royal. Such occurrences could have repercussions on Mont Royal's operations and could also affect the value and performance of the MRZ Shares.

Insurance and uninsured risks

Mont Royal faces various risks in conducting its business and may lack adequate insurance coverage or may not have the relevant insurance coverage. Although insurance is maintained in line with industry practice, no assurance can be given that such insurance will be available in the future on commercially reasonable terms or that any cover will be adequate and available to cover any or all claims.

Resources and reserves

Additional expenditures may be required to establish either mineral resource or ore reserve estimates on Mont Royal's project, and to develop processes to extract the minerals. No assurance can be given that minerals will be discovered

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in sufficient quantities to justify commercial operations or that the funds required for development can be obtained on a timely basis or at all.

Infrastructure and equipment

Exploration, development and processing activities depend, to one degree or another, on adequate infrastructure. Reliable roads, bridges, power sources and water supply are important elements of infrastructure, which affect access, capital and operating costs. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay exploration or development of the Projects. If adequate infrastructure is not available in a timely manner, there can be no assurance that the exploration or development of Mont Royal's projects will be commenced or completed on a timely basis, if at all. Furthermore, unusual or infrequent weather phenomena, sabotage, government or other interference in the maintenance or provision of necessary infrastructure could adversely affect operations.

The operations of Mont Royal could also be adversely affected if essential equipment fails or becomes unavailable to access in a timely manner.

Counterparty exposure and joint ventures

If one of Mont Royal's counterparties or joint venture partners fails to adequately perform contractual obligations, this may result in loss of earnings, termination of particular contracts, disputes and/or litigation, which may adversely affect Mont Royal's financial performance and business operations.

Environmental risk

Mont Royal is subject to several laws and regulations to minimise the environmental impact of its operations and rehabilitation of any areas affected by its operations. Changes to environmental laws may result in revocation of licences, cessation or reduction of Mont Royal's operations or materially increase exploration, development or production costs. Penalties for failure to adhere to requirements or, in the event of environmental damage, remediation costs can be substantive.

Climate change risk

Mont Royal is exposed to both transition risks and physical risks associated with climate change. This includes the emergence of new or expanded regulations associated with transitioning to a lower-carbon economy. Mont Royal may be impacted by changes to local or international compliance regulations related to climate change mitigation efforts, or by specific taxation or penalties for carbon emissions or environmental damage. These examples sit among an array of possible restraints on industry that may further impact Mont Royal and make it challenging to commercialise any resources it discovers. While Mont Royal will endeavour to manage these risks and limit any consequential impacts, there can be no guarantee that Mont Royal will not be impacted by these occurrences. Climate change may also cause certain physical and environmental risks that cannot be predicted by Mont Royal, including events such as increased severity of weather patterns and incidence of extreme weather events and longer-term physical risks such as shifting climate patterns. The transition and physical risks associated with climate change (including also regulatory responses to such issues and associated costs) may significantly alter the industry in which Mont Royal operates and its operating and financial performance.

Infectious diseases risk

Outbreaks of infectious diseases (such as COVID-19) may lead to interruptions in operations, exploration and development activities, inability to source supplies or consumables and higher volatility in the global capital markets, commodity prices or foreign exchange, which may materially and adversely affect Mont Royal's business, financial condition and results of operations. Additionally, such outbreaks can cause travel restrictions and prolonged closures of facilities or other workplaces which may have a Material Adverse Effect on Mont Royal and the global economy more generally. Any material change in Mont Royal's operating conditions, the financial markets or the economy as a result of these events may materially and adversely affect Mont Royal's business, financial condition and results of operations.

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Operational risk and insurance risk

Adverse weather conditions, unforeseen increases in establishment costs, accidents, industrial disputes, technical issues or encountering unusual geological formations or other unforeseen events could increase operational costs and significantly disrupt Mont Royal's operations, possibly restricting Mont Royal's ability to advance its activities. Mont Royal will mitigate this risk by, among other things, taking out appropriate insurance in line with industry practice.

Commodity price volatility and exchange rate

If Mont Royal achieves success leading to mineral production, the revenue it will derive through the sale of product exposes the potential income of Mont Royal to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of Mont Royal. Such factors include supply and demand fluctuations for critical minerals, technological advancements, forward selling activities and other macro-economic factors. Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of Mont Royal will be considered in Australian currency, exposing Mont Royal to the fluctuations and volatility of the rate of exchange between the United States dollar and the Australian dollar as determined in international markets.

Changes in government policies and legislation

Any material adverse changes in government policies or legislation of Australia or any other country that Mont Royal may acquire economic interests in may affect the viability and profitability of Mont Royal.

Litigation

Mont Royal is exposed to possible litigation risks including tenure disputes, environmental claims, occupational health and safety claims and employee claims. Further, Mont Royal may be involved in disputes with other parties in the future which may result in litigation. Any such claim or dispute if proven, may impact adversely on Mont Royal's operations, reputation, financial performance and financial position. Mont Royal is not currently engaged in any litigation.

Force Majeure

Mont Royal's projects now or in the future may be adversely affected by risks outside the control of Mont Royal including labour unrest, civil disorder, war, subversive activities or sabotage, fires, floods, explosions or other catastrophes, epidemics or quarantine restrictions.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Mont Royal is not and has not been a party to any material legal proceedings or regulatory actions, and there are no material legal proceedings or regulatory actions to which any of Mont Royal's property is subject and no such proceedings or actions are known to Mont Royal to be contemplated.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Mont Royal is not aware of any material interest of any director, executive officer, any person that beneficially owns, controls or directs, directly or indirectly, more than 10% of the MRZ Shares or any associate or affiliate of the foregoing persons in any transaction within the three years before the date of this Circular that has materially affected or is reasonably expected to materially affect Mont Royal.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

The external auditor of Mont Royal is BDO Audit Pty Ltd. located at Level 9, Mia Yellagonga Tower 2, 5 Spring Street, Perth, Western Australia 6000.

The transfer agent and registrar of the MRZ Shares is Automic Registry Services located at Level 5, 191 St. Georges Terrace, Perth, Western Australia 6000.

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MATERIAL CONTRACTS

Other than the contracts entered into in the ordinary course of business and the Arrangement Agreement, there are no material contracts entered into by Mont Royal since the beginning of the most recently completed fiscal year or that are still in effect prior to the date of this Circular.

INTERESTS OF EXPERTS

Names of Experts

BDO Audit Pty Ltd. have prepared the independent auditor's report for the audited annual consolidated financial statements of Mont Royal for the years ended June 30, 2024 and 2023, copies of which have been provided in Schedule "B" to this Appendix I. BDO Audit Pty Ltd. has advised Mont Royal that they are independent of Mont Royal within the meaning of the Corporations Act and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants that are relevant to the audit of Mont Royal's financial statements in Australia.

Interests of Experts

To the knowledge of Mont Royal, as of the date of this Circular, neither of BDO Audit Pty Ltd. and BDO Corporate Finance Australia Pty Ltd. nor any of their "designated professionals" as defined in Form 51-102F2 – Annual Information Form hold any beneficial interest in, directly or indirectly, MRZ Shares or securities convertible into MRZ Shares equal to or greater than one percent (1%) of the issued and outstanding MRZ Shares.

FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Included as Schedule "B" to this Appendix I are the following reports:

- the annual reports of Mont Royal with respect to the financial years ended June 30, 2024 and 2023; and
- the interim condensed financial report of Mont Royal for the nine months ended March 31, 2025 and March 31, 2024.

Selected Financial Information

The table below summarizes selected historical financial information of Mont Royal for the periods indicated. This information has been derived from the annual reports of Mont Royal with respect to the financial years ended June 30, 2024, 2023 and 2022 and the interim condensed financial report of Mont Royal for the nine months ended March 31, 2025 and 2024 attached as Schedule "B" to this Appendix I.

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	9 months to March 31, 2025 A$	12 months to June 30, 2024 A$	9 months to March 31, 2024 A$	12 months to June 30, 2023 A$	12 months to June 30, 2022 A$
Total revenues	Nil	Nil	Nil	Nil	Nil
Income from continuing operations	29,423	27,861	22,105	26,099	784
Total comprehensive loss	-860,121	-2,953,782	-667,663	-755,755	-1,954,779
Cash and cash equivalents	1,254,462	2,079,224	1,489,241	2,259,958	4,386,497
Total assets	7,980,606	8,655,061	11,258,996	9,603,080	9,583,076
Total long-term liabilities	Nil	Nil	Nil	Nil	Nil
Declared cash dividends	Nil	Nil	Nil	Nil	Nil

OTHER MATERIAL FACTS

There are no other material facts relating to Mont Royal that are necessary to disclose in order to have full, true and plain disclosure of all material facts relating to the MRZ Shares.

ADDITIONAL INFORMATION

Additional information relating to Mont Royal may be found on the ASX website at www.asx.com.au and at Mont Royal's website at https://montroyalres.com/.

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SCHEDULE "A"

MRZ BOARD CHARTER

See attached.

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Board Charter

Mont Royal Resources Limited

ACN 625 237 658

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Board Charter

Introduction

The Board of Mont Royal Resources Limited (**Company**) (**Board**) has the ultimate responsibility to its shareholders for the strategy and performance of the Company in general. The Board is dedicated to fulfilling these duties in a lawful and professional manner, and with the utmost integrity and objectivity. As such, the Board actively pursues best practice governance processes.

Good governance policies and processes are critical for ensuring that the Company is governed in the best interests of the Company as a whole. With this point in mind, the Board has decided to articulate and formalise the corporate governance framework within which the Company operates.

This document outlines the Company's corporate governance policy in the form of a Board Charter, which is a written policy document that defines the respective roles, responsibilities and authorities of the Board, both individually and collectively, and of management in setting the direction, management and the control of the organisation. As such, it establishes the guidelines within which the Directors and Officers are to operate as they carry out their respective roles. It does not in any way constitute legal advice or act as a substitute for legal advice.

The Board is cognisant of the Company's current size, nature and scale of activities and that it currently may not comply with all of the Corporate Governance Principles and Recommendations (4th Edition) published by the ASX Corporate Governance Council. However, the Company will state in its Annual Report its current position on these matters and a regular review will be undertaken to assess the applicability of the current procedures.

The purpose of this Board Charter is to document the policies upon which the Board has decided to meet its legal and other responsibilities.

The Company's Board Charter has four major sections:

(a) Part A – Defining Governance Roles;

(b) Part B – Board Processes;

(c) Part C – Key Board Functions; and

(d) Part D – Continuing Improvement.

While it is acknowledged that good governance is an important component of a successful company, it is also recognised that it is contingent upon the context in which it is practiced. Therefore, corporate governance needs to be a dynamic process. This Charter will need to be regularly reviewed and updated to reflect changes in the legal framework within which the Company operates, and amendments and developments in Board policies and procedures. It is the responsibility of the Company Secretary to ensure that the Board is consulted regarding any changes and updates, that the Charter is kept current and is reviewed and amended on a yearly basis, and that all Board members are provided with the latest versions of the Charter.

The Company recognises the overriding importance of its legal obligations which arise from various sources. Accordingly, nothing in this Charter must conflict with the Company's Constitution (**Constitution**), the Corporations Act, the ASX Listing Rules or the TSX Venture Exchange Policies. If such a conflict occurs, the Constitution, Corporations Act, the ASX Listing Rules and the TSX Venture Exchange Policies shall prevail.

Any reference to gender in this Charter should be interpreted as applicable to both males and females.

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Part A - Defining Governance Roles

1. The role of the Board

1.1 The Board is ultimately responsible for all matters relating to the running of the Company.

1.2 The Board's role is to govern the Company rather than to manage it. In governing the Company, the Directors must act in the best interests of the Company as a whole. It is the role of senior management to manage the Company in accordance with the direction and delegations of the Board and the responsibility of the Board to oversee the activities of management in carrying out these delegated duties. Thus, except when dealing with specific management delegations of individual Directors (particularly Executive Directors), it is misleading to refer to the management function of the Board.

1.3 The Board has the final responsibility for the successful operations of the Company. In general, it is responsible for, and has the authority to determine, all matters relating to the policies, practices, management and operations of the Company. It is required to do all things that may be necessary to be done in order to carry out the objectives of the Company. In carrying out its governance role, the main task of the Board is to drive the performance of the Company. The Board must also ensure that the Company complies with all of its contractual, statutory and any other legal obligations, including the requirements of any regulatory body.

1.4 Without intending to limit this general role of the Board, the principal functions and responsibilities of the Board include the following:

(a) providing leadership to the Company by:

(i) defining the Company's purpose;

(ii) approving the Company's Statement of Values and code of conduct to underpin the desired culture within the Company;

(iii) always acting in a manner consistent with the Company's culture and Code of Conduct and Statement of Values;

(b) overseeing the development and implementation of an appropriate strategy, the instilling of the Company's values and performance by:

(i) working with the senior management team to ensure that an appropriate strategic direction and array of goals are in place;

(ii) regularly reviewing and amending or updating the Company's strategic direction and goals;

(iii) ensuring that an appropriate set of internal controls are implemented and reviewed regularly;

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(iv) ensuring an appropriate framework exists for relevant information to be reported by the management to the Board;

(v) when required, overseeing planning activities including the development and approval of strategic plans, annual plans, annual corporate budgets and long-term budgets including operating budgets, capital expenditure budgets and cash flow budgets; and

(vi) reviewing the progress and performance of the Company in meeting these plans and corporate objectives, including reporting the outcome of such reviews on at least an annual basis;

(c) overseeing the control and accountability systems that ensure the Company is progressing towards the goals set by the Board and in line with the Company's purpose, the agreed corporate strategy, legislative requirements and community expectations;

(d) ensuring corporate accountability to the shareholders primarily through adopting an effective shareholder communications strategy, encouraging effective participation at general meetings and, through the Chair, being the key interface between the Company and its shareholders;

(e) ensuring the integrity of the Company's accounting systems including the external audit;

(f) ensuring robust and effective risk management (for both financial and non-financial risks), compliance, continuous disclosure and control systems (including legal compliance) are in place and operating effectively;

(g) appointing, and where necessary removing and/or replacing, the Chair;

(h) being responsible for the Company's senior management and personnel including:

(i) directly managing the performance of the Managing Director **(MD)** or equivalent including:

(A) appointing and remunerating the MD;

(B) providing advice and counsel to the MD including formal reviews and feedback on his or her performance; and

(C) overseeing the development or removal of the MD, where necessary;

(ii) ratifying the appointment, the terms and conditions of the appointment and, where appropriate, removal of the Chief Financial Officer (**CFO**) and/or Company Secretary and other senior executives;

(iii) ensuring appropriate checks are undertaken prior to the appointment of directors and senior executives;

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(iv) ensuring that an appropriate succession plan for the MD, CFO and Company Secretary is in place; and

(v) when required, ensuring appropriate human resource systems (including OH&S systems) are in place to ensure the well-being and effective contribution of all employees;

(i) ensuring that the Company's remuneration and nomination policies are aligned with the entity's purpose, values, strategic objectives and risk appetite;

(j) delegating appropriate powers to the MD, management and committees to ensure the effective day-to-day management of the business and monitoring the exercise of these powers;

(k) ensuring Directors receive briefings on material developments in laws, regulations and accounting standards relevant to the Company;

(l) where required, challenging management and holding it to account; and

(m) making all decisions outside the scope of these delegated powers.

1.5 The detail of some Board functions will be handled through Board Committees as and when the size and scale of operations requires such committees. However, the Board as a whole is responsible for determining the extent of powers residing in each Committee and is ultimately responsible for accepting, modifying or rejecting Committee recommendations.

2. Board structure

2.1 Number of Directors

(a) The Board has determined that, consistent with the size of the Company and its activities, the Board shall be comprised of a minimum three (3) Directors, at least two of whom shall be non-executive.

(b) The Board's policy is that the majority of Directors shall be independent, non-executive Directors at a time when the size of the Company and its activities warrants such a structure. This will ensure that all Board discussions or decisions have the benefit of outside views and experience, and that the majority of Directors will be free of any interests or influences that could, or could reasonably be perceived to, materially interfere with the Director's ability to act in the best interests of the Company.

(c) The Board has adopted the definition of independence set out in the ASX Corporate Governance Council Corporate Governance Principles and Recommendations (4th Edition) as set out in Annexure A.

(d) The independence of the Company's Non-Executive Directors will be assessed on an ongoing basis and will also be subject to ensuring that it meets the

definition of independence in accordance with the TSX Venture Exchange Policies.

(e) In the opinion of the Board, all Directors should bring specific skills and experience that add value to the Company.

(f) When considering the potential reappointment of an existing director, the Board will take into account its skills matrix which sets out the mix of skills and diversity that the Board currently has or is looking to achieve in its membership.

(g) When considering vacancies, the Board will take into account a candidate's capacity to enhance the skills matrix and experience of the Board.

2.2 Appointment of Directors

The Company may, by ordinary resolution, increase or decrease the number of Directors and may also determine in what rotation the increased or decreased number is to go out of office and otherwise in accordance with the Constitution. The Company will undertake appropriate checks before appointing a person and provide security holders with all material information in its possession relevant to a decision on whether or not to elect or re-elect a Director. Further, any proposed Director must, if requested by the TSX Venture Exchange, file a Personal Information Form.

2.3 Skills required on the Board

The Board will review capabilities, technical skills and personal attributes of its directors. It will normally review the Board's composition against those attributes and recommend any changes in Board composition that may be required. An essential component of this will be the time availability of Directors.

2.4 Written agreement

The Company shall have a written agreement with each Director and senior executive setting out the terms of their appointment. The agreement should be with the Director or senior executive personally unless the Company is engaging a bona fide professional services firm.

The written agreement should include:

(a) the requirement to disclose director's interests and any matters which could affect the director's independence;

(b) the requirement to comply with the Company's corporate governance policies and charters;

(c) the requirement to notify the Company of or seek the Company's approval before accepting, any new role that could impact upon the time commitment expected of the Director or give rise to a conflict of interests;

(d) the Company's policy around independent professional advice;

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(e) indemnity and insurance arrangements;

(f) rights of access to corporate information; and

(g) ongoing confidentiality obligations.

2.5 Duration of appointment

In the interest of ensuring a continual supply of new talent to the Board, non-executive Directors will serve for a maximum of 10 years unless there are exceptional circumstances. The exception to this policy is that a Director who is serving as Chair at the conclusion of the usual maximum term may serve an additional term in that role. If a Director has served in their position for more than 10 years, the Board will regularly assess if their independence may have been compromised.

2.6 Vacation of office

Subject to clause 2.5, it is envisaged that Directors shall remain on the Board until required to vacate the office by law or as detailed in the Constitution.

3. The role of individual Directors

As members of the peak decision-making body in the Company, Directors share ultimate responsibility for the Company's overall success. Therefore, Directors have an individual responsibility to ensure that the Board is undertaking its responsibilities. Directors need to ensure that the Board is providing:

(a) leadership to the Company, particularly in the areas of ethics and culture;

(b) a clear and appropriate strategic direction;

(c) upholding the Company's values;

(d) accountability to key stakeholders, particularly shareholders;

(e) oversight of policies;

(f) oversight of all control and accountability systems including all financial operations and solvency, risk management, monitoring conduct that is inconsistent with the Company's code of conduct and compliance with material legal and regulatory requirements;

(g) an effective senior management team and appropriate personnel policies as and when required; and

(h) timely and effective decisions on matters reserved to it.

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3.2 Directors' code of conduct

In accordance with legal requirements and agreed ethical standards, Directors and key executives of the Company:

(a) will act honestly, in good faith and in the best interests of the whole Company;

(b) owe a fiduciary duty to the Company as a whole;

(c) have a duty to use due care and diligence in fulfilling the functions of office and exercising the powers attached to that office;

(d) will undertake diligent analysis of all proposals placed before the Board;

(e) will act with a level of skill expected from directors and key executives of a publicly listed company;

(f) will use the powers of office for a proper purpose, in the best interests of the Company as a whole;

(g) will demonstrate commercial reasonableness in decision making;

(h) will not make improper use of information acquired as Directors and key executives;

(i) will not disclose non-public information except where disclosure is authorised or legally mandated;[1]

(j) will keep confidential, information received in the course of the exercise of their duties and such information remains the property of the Company from which it was obtained and it is improper to disclose it, or allow it to be disclosed, unless that disclosure has been authorised by the person from whom the information is provided, or is required by law;

(k) will not take improper advantage of the position of Director[2] or use the position for personal gain or to compete with the Company;

(l) will not take advantage of Company property or use such property for personal gain or to compete with the Company;

(m) will protect and ensure the efficient use of the Company's assets for legitimate business purposes;[1]

(n) will not allow personal interests, or the interest of any associated person, to conflict with the interests of the Company;

(o) have an obligation to be independent in judgment and actions and directors will take all reasonable steps to be satisfied as to the soundness of all decisions of the Board;

(p) will make reasonable enquiries to ensure that the Company is operating efficiently, effectively and legally, towards achieving its goals;

(q) will not engage in conduct likely to bring discredit upon the Company;[2]

(r) will encourage fair dealing by all employees with the Company's customers, suppliers, competitors and other employees as and when those dealings occur;[1]

(s) will encourage the reporting of unlawful/unethical behaviour and actively promote ethical behaviour and protection for those who report violations in good faith;[1]

(t) will give their specific expertise generously to the Company; and

(u) have an obligation, at all times, to comply with the spirit, as well as the letter of the law and with the principles of this Charter.[2]

[1] From the ASX Corporate Governance Council's Corporate Governance Principles.

[2] From the AICD Code of Conduct.

3.3 Expectations of Directors in Board process

(a) Since the Board needs to work together as a group, Directors need to establish a set of standards for Board meetings. At the Company, it is expected that Directors shall, in good faith, behave in a manner that is consistent with generally accepted procedures for the conduct of meetings at all meetings of the Board. This will include, but not be limited to:

(i) behaving in a manner consistent with the letter and spirit of the Code of Conduct;

(ii) acting in a businesslike manner;

(iii) acting in accordance with the Constitution and Board policies;

(iv) addressing issues in a confident, firm and friendly manner;

(v) preparing thoroughly for each Board or Committee event;

(vi) using judgment, common sense and tact when discussing issues;

(vii) minimising irrelevant conversation and remarks;

(viii) ensuring that others are given a reasonable opportunity to put forward their views;

(ix) refraining from interruption or interjection when a speaker has the floor; and

(x) being particularly sensitive in interpreting any request or direction from the Chair that aims to ensure the orderly and good-spirited conduct of the meeting.

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(b) Directors are expected to be forthright in Board meetings and have a duty to question, request information, raise any issue, and fully canvas all aspects of any issue confronting the Company, and cast their vote on any resolution according to their own judgment.

(c) Outside the boardroom, however, Directors will support the letter and spirit of Board decisions in discussions with all stakeholders including any shareholders, special interest groups, customers, staff, suppliers and any other parties.

(d) Directors will keep confidential all Board discussions and deliberations. Similarly, all confidential information received by a Director in the course of the exercise of the Director's duties remains the property of the Company and is not to be discussed outside the boardroom. It is improper to disclose it, or allow it to be disclosed, unless that disclosure is required by law and in any event should not be disclosed without appropriate authorisation.

3.4 Conflict of interest and related party transactions

(a) Conflicts of interest

(i) Directors must disclose to the Board actual or potential conflicts that may or might reasonably be thought to exist between the interests of the Director and the interests of the Company. On appointment, Directors will have an opportunity to declare any such interests.

(ii) Directors should update this disclosure by notifying the Company Secretary in writing as soon as they become aware of any conflicts. Directors are also expected to indicate to the Chair any actual or potential conflict of interest situation as soon as it arises.

(iii) The Board can request a Director to take reasonable steps to remove the conflict of interest. If a Director cannot or is unwilling to remove a conflict of interest then the Director must absent himself or herself from the room when discussion and voting occur on matters to which the conflict relates. The entry and exit of the Director concerned will be minuted by the Company Secretary. Directors do not have to give notice of a conflict or absent themselves in accordance with section 191(2) or section 195 of the Corporations Act, including, without limitation when either:

(A) conflict of interest relates to an interest common to all Company members/shareholders; or

(B) the Board passes a resolution that:

(1) identifies the Director, the nature and extent of the Director's interest; and

(2) clearly states that the other Directors are satisfied that the interest should not disqualify the Director concerned from discussion and/or voting on the matter.

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(b) Related party transactions

(i) Related party transactions include any financial transaction between a Director or officer and the Company and will be reported in half yearly and annual reports.

(ii) In general, the Corporations Act requires related party transactions to be approved by the shareholders; the Board cannot, except in certain limited circumstances, approve these transactions. Examples of exemptions to this requirement occur where the financial benefit is given on arm's length terms, or is considered to be reasonable remuneration to an officer or employee.

(iii) The Board has also resolved that where applications are made by a related party to a Director or officer of the Company then the Director or officer shall exclude himself/herself from the approval process.

(iv) "Related party" for this process has the meaning given to that term in section 228 of the Corporations Act and includes:

(A) a spouse or de facto spouse of the Director or officer;

(B) a parent, son or daughter of the Director or officer or their spouse or de facto spouse; or

(C) an entity over which the Director or officer or a related party defined in paragraph (A) or (B) has a controlling interest.

(c) As long as the Company is listed on the TSX Venture Exchange, all employment, consulting or other compensation arrangements between the Company and any Director or senior officer of the Company will be considered and approved by the independent Directors.

3.5 Emergency contact procedures

As there is the occasional need for urgent decisions, Directors should leave with the Company Secretary any contact details, either for themselves or for a person who knows their location, so that all Directors can be contacted within 24 hours in cases of a written resolution or other business.

4. The role of the Chair

To the extent possible, the Chair of the Board is to be an independent Director and is not to be the same person as the Managing Director.

The Chair's role is a key one within the Company. The Chair is considered the "lead" Director and utilises his/her experience, skills and leadership abilities to facilitate the governance processes.

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There are two main aspects to the Chair's role. They are the Chair's role within the boardroom and the Chair's role outside the boardroom.

4.1 Inside the boardroom

Inside the boardroom the role of the Chair is to:

(a) establish and approving the agenda for Board meetings in consultation with the MD;

(b) chair Board meetings;

(c) ensuring adequate time in Board meeting for discussion of all agenda items including strategic issues;

(d) be clear on what the Board has to achieve, both in the long and short term;

(e) provide guidance to other Board members about what is expected of them;

(f) facilitating effective contribution of all directors and promoting constructive and respectful relations between directors and between the Board and management;

(g) ensure that Board meetings are effective in that:

  (i) the right matters are considered during the meeting (for example, strategic and important issues);

  (ii) matters are considered carefully and thoroughly;

  (iii) all Directors are given the opportunity to effectively contribute; and

  (iv) the Board comes to clear decisions and resolutions are noted;

(h) brief all Directors in relation to issues arising at Board meetings;

(i) ensure that the decisions of the Board are implemented properly; and

(j) ensure that the Board behaves in accordance with its Code of Conduct.

The Chairman has authority to act and speak for the Board between its meetings, including engaging with the Managing Director.

4.2 Outside the boardroom

Outside the boardroom the role of the Chair is to:

(a) in conjunction with the MD, undertake appropriate public relations activities;

(b) be the spokesperson for the Company at the AGM and in the reporting of performance and profit figures;

(c) be the major point of contact between the Board and the MD;

(d) be kept fully informed of current events by the MD on all matters which may be of interest to Directors;

(e) regularly review with the MD, and such other senior officers as the MD recommends, progress on important initiatives and significant issues facing the Company; and

(f) provide mentoring for the MD.

5. The role of the Company Secretary

5.1 The Company Secretary is charged with facilitating the Company's corporate governance processes and so holds primary responsibility for ensuring that the Board processes and procedures run efficiently and effectively. The Company Secretary is accountable to the Board, through the Chair, on all governance matters and reports directly to the Chair as the representative of the Board. The Company Secretary is appointed and dismissed by the Board and all Directors have, as of right access to the Company Secretary.

5.2 The tasks of the Company Secretary shall include:

(a) Meetings and minutes

(i) notifying the directors in advance of a meeting of the Board;

(ii) ensuring that the agenda and Board papers as and when they are required, are prepared and forwarded to Directors prior to Board meetings;

(iii) recording, maintaining and distributing the minutes of all Board and Board Committee meetings as required;

(iv) maintaining a complete set of Board papers at the Company's main office, preparing for and attending all annual and extraordinary general meetings of the Company; and

(v) recording, maintaining and distributing the minutes of all general meetings of the Company.

(b) Compliance

(i) overseeing the Company's compliance program and ensuring the Company's compliance and reporting obligations are met;

(ii) ensuring all requirements of ASIC, the ATO and any regulatory bodies are fully met; and

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(iii) providing counsel on corporate governance principles and Director liability.

(c) Governance administration

(i) maintaining a Register of Company Policies as approved by the Board;

(ii) maintaining, updating and ensuring that all Directors have access to an up-to-date copy of the Board Charter and associated governance documentation;

(iii) maintaining the complete list of the delegations of authority;

(iv) reporting at Board meetings the documents executed under a power of attorney, or under the common seal; and

(v) any other services the Chair or Board may require.

6. The role of the Managing Director

6.1 The MD is responsible for the attainment of the Company's goals and vision for the future, in accordance with the strategies, policies, programs and performance requirements approved by the Board. The position reports directly to the Board.

6.2 If there is no MD appointed at any given time, the Board will nominate another executive director to undertake the role/responsibilities assigned to the MD under this Board Charter.

6.3 The MD's primary objective is to ensure the ongoing success of the Company through being responsible for all aspects of the management and development of the Company. The MD is of critical importance to the Company in guiding the Company to develop new and imaginative ways of winning and conducting business. The MD must have the industry knowledge and credibility to fulfil the requirements of the role.

6.4 The MD will, as and when the size, nature and scale of the Company's activities requires it, manage a team of executives responsible for all functions contributing to the success of the Company.

6.5 The MD's specific responsibilities will include:

(a) develop, in conjunction with the Board, the Company's vision, values, and goals;

(b) responsibility for the achievement of corporate goals and objectives;

(c) development of short, medium and long term corporate strategies and planning to achieve the Company's vision and overall business objectives;

(d) preparation of business plans and reports with the senior management;

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(e) developing with the Board the definition of ongoing corporate strategy;

(f) implementing and monitoring strategy and reporting/presenting to the Board on current and future initiatives;

(g) advise the Board regarding the most effective organisational structure and oversee its implementation;

(h) assessment of business opportunities of potential benefit to the Company;

(i) responsibility for proposals for major capital expenditure to ensure their alignment with corporation strategy and justification on economic grounds;

(j) sustain competitive advantage through maximising available resources, encouraging staff commitment and strategically aligning the corporate culture with the organisation's goals and objectives;

(k) establish and maintain effective and positive relationships with Board members, shareholders, customers, suppliers and other government and business liaisons;

(l) undertake the role of key Company spokesperson;

(m) recommend policies to the Board in relation to a range of organisational issues including delegations of authority, consultancies and performance incentives;

(n) ensure statutory, legal and regulatory compliance and comply with corporate policies and standards;

(o) ensure appropriate risk management practices and policies are in place;

(p) develop and motivate direct reports and their respective teams;

(q) select and appoint key staff as and when required (direct reports); and

(r) ensure there is an appropriate staff appraisal system in place in the Company.

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Part B - Board processes

7. Board meetings

7.1 Board meetings are a fundamental component of governance processes. Each Board meeting is critical, as it is the main opportunity for directors to:

(a) obtain and exchange information with the senior management team;

(b) obtain and exchange information with each other; and

(c) make decisions.

7.2 The Board meeting agenda is equally as important because it shapes the information flow and subsequent discussion.

7.3 Meeting frequency

Given the size of the Company and the scale of its activities the Board will meet approximately ten times per year but not less than six times per year and, unless otherwise agreed, Committees will generally meet on a quarterly basis. Where Board and Committee meetings are scheduled for the same month, where possible, Committee meetings will precede the Board meeting by at least one week to allow the circulation of the minutes of the Committee meeting prior to the Board meeting.

7.4 Meeting time and location

The Board usually meets at the offices of the Company in Australia. The commencement time will vary depending on the agenda of each individual meeting, the availability of key participants and the location in which the meeting is taking place.

7.5 Meeting language

If a Director does not speak the language in which the Board meeting is proposed to be held in and key documents written, processes will be adopted to ensure that the Director understands and can contribute to discussions at those meetings and understand and discharge their obligations in relation to those documents.

7.6 Meeting cycle

When the size of the Company and the scale of its activities warrants it, and to assist the smooth running of Board processes, the Board will adopt an indicative monthly cycle as follows. The indicative cycle gives Board members seven days to review the agenda and Board papers to save valuable time at meetings by being prepared for discussions and allowing them to seek clarification or further information in advance on ambiguous items.

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Under normal circumstances and when warranted, Board meetings shall follow the following monthly cycle:

Item	Day
Draft agenda prepared by the Company Secretary	-7
Company Secretary updates actions arising from the previous meeting	-7
Company Secretary reviews the proposed agenda with the Chair	-7
Board papers and agenda are finalised	-3
Board papers are printed	-3
All Board papers are circulated to Board meeting attendees	-3
Board meeting	0
Draft minutes sent to Chair	3-5
Draft minutes sent to Directors	6-10

All days indicated are calculated in relation to the Board meeting day (day zero).

Please note that this is an indicative cycle only. The actual timing of events in the lead up to and follow up from Board meetings will be dependent upon the circumstances surrounding each individual meeting.

7.7 Conduct of meeting

The Chair will determine the degree of formality required at each meeting while maintaining the decorum of such meetings. As such the Chair will:

(a) ensure that all members are heard;

(b) retain sufficient control to ensure that the authority of the Chair is recognised. This may require a degree of formality to be introduced if this is necessary to advance the discussion;

(c) take care that the decisions are properly understood and well recorded; and

(d) ensure that the decisions and debate are completed with a formal resolution recording the conclusions reached.

7.8 Quorum and voting at meetings

In order for a decision of the Board to be valid a quorum of Directors must be present. A quorum will be two Directors present, at least one of whom must be an independent Director, in person or by instantaneous communication device or as otherwise stipulated in the Constitution. Questions arising at Board meetings are to be decided by a majority vote of Directors who are present and entitled to vote.

7.9 Emergency decision making

A resolution in writing signed by all Directors shall be as valid and effectual as if it had been passed at a meeting of Directors duly convened and held and otherwise in accordance with the Company's Constitution.

8. Board meeting agenda

8.1 Agenda content

An agenda will be prepared for each Board and Committee meeting.

8.2 Agenda preparation

The Company Secretary, in consultation with the Chair and the MD is responsible for preparing an agenda for each Board meeting. However, any Director may request items to be added to the agenda for upcoming meetings.

9. Board papers

9.1 Preparation and circulation of Board papers

The Company Secretary together with the MD is responsible for the preparation and circulation of Board papers should they be required. The Board papers if so required will be circulated to Directors prior to the Board meeting. If a Board paper relates to a matter in which there is a known conflict of interest with a particular Director then the relevant Board paper will be removed by the Company Secretary on the instructions of the Chair, from the set of Board papers sent to that Director. In the case of the Chair having a conflict of interest, the Board will appoint another Director to make final decisions on the forwarding of Board papers to the Chair.

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9.2 Retention of Board papers

The Company Secretary maintains a complete set of Board papers at the Company's headquarters. However, individual Directors may retain their own Board papers in a secure location.

10. Board minutes

Minutes are to be a concise summary of the matters discussed at a Board Meeting. Minutes will contain a brief reference to relevant Board papers tabled plus any official resolutions adopted by Directors. All decisions will be recorded in the minutes by means of a formal resolution.

11. Board calendar

In order to provide an even distribution of work over each financial year, the Board will adopt a twelve-month Board Calendar. Included will be all scheduled Board and Committee meetings as well as major corporate and Board activities to be carried out in particular months. Once initiated it will be updated and approved prior to the start of each financial year.

12. Committees

For so long as the Company is listed on the TSX Venture Exchange, the Board will institute an Audit Committee.

When the size of the Company and the scale of its activities warrant it, the Board will institute a Remuneration and Nomination Committee. However, as at the date of this Board Charter, the Board has not instituted a Remuneration and Nomination Committee.

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Part C – Key Board Functions

13. The Board and strategy

The Board will approve a formal strategic planning process that articulates the respective roles and levels of involvement of the Board, senior management and other employees and will review the strategic plan for the Company on a regular basis.

14. Contacts and advisory role

14.1 MD Advisory role

It is recognised that a key directorial duty is providing a sounding board for MD ideas and challenges. Recognising that the MD-Board relationship is critical to effective corporate governance, Directors should provide frank and honest advice to the MD. It is expected that the Chair will play a key part of this role and will maintain regular contact with the MD.

All advice should be constructive in nature and provided in a positive manner. Where appropriate, Directors should recommend possible alternative advisers if they do not feel adequately trained to assist.

14.2 Protocol for interaction with internal and external parties

(a) Media contact and comment

The Board has designated the MD or the Chair (where appropriate) to speak to the press on matters associated with the Company. In speaking to the press, the MD or the Chair will not comment on price sensitive information that has not already been disclosed to a relevant authority, however, they may clarify previously released information. To assist in safeguarding against the inadvertent disclosure of price sensitive information the MD and the Chair will be informed of what the Company has previously disclosed to the market on any issue prior to briefing anyone outside the Company.

Subject to the policies of the Board and any committee that the Board may appoint from time to time, the Chair is authorised to comment on:

(i) annual and half yearly results at the time of the release of the annual or half yearly report;

(ii) resolutions to be put to General Meetings of the Company;

(iii) changes in Directors, any matter related to the composition of the Board or Board processes;

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(iv) any speculation concerning Board meetings or the outcomes of Board meetings; and

(v) other matters specifically related to shareholders.

Subject to the policies of the Board and any committee that the Board may appoint from time to time, the MD is authorised to comment on:

(i) the Company's future outlook;

(ii) any operational matter;

(iii) media queries concerning operational issues which reflect either positively or negatively on the Company;

(iv) proposed or actual legal actions; and

(v) queries and general discussion concerning the Company's industry.

See the Code of Conduct for further information relating to conduct of Employees and the Continuous Disclosure and Communications Policy for further information relating to communications to external parties.

(b) External communications including analyst briefings and responses to Shareholder questions

The Company discloses its financial and operational results to the market each year/half year/quarter as well as informing the market of other events throughout the year as they occur. Annual, half yearly and quarterly financial reports, media releases and AGM speeches are all lodged with the appropriate authority. As all financial information is disclosed, the Company will only comment on factual errors in information and underlying assumptions when commenting on market analysts' financial projections, rather than commenting on the projections themselves.

In addition to the above disclosures, the Company does conduct briefings and discussions with analysts and institutional investors. However, price sensitive information will not be discussed unless that particular information has been previously formally disclosed to the market via an announcement. Slides and presentations used in briefings will also be released immediately prior to the briefing to the market.

After the conclusion of each briefing or discussion if any price sensitive information was disclosed it will be announced immediately to the market.

14.3 Hospitality and gifts

While the Company recognises the need from time to time to give or accept customary business courtesies in accordance with ethical business practices, Directors and officers will not solicit such courtesies and will not accept gifts, services, benefits or hospitality that might influence, or appear to influence, the Directors' and officers' conduct in representing the Company.

Refer to the Company's Anti-Bribery and Anti-Corruption Policy for further information.

15. Monitoring

Another essential function of the Board is to monitor the performance of the organisation in implementing its strategy and overall operational performance.

16. Risk and compliance management

The Board is charged with overseeing, reviewing and ensuring the integrity and effectiveness of the Company's risk and compliance systems. The Board has an external independent auditor who is responsible for verifying the Company's compliance systems and reporting to the Board on those systems.

In the future, the Board may establish an Audit and Risk Committee to oversee and guide the detail on this topic. The MD will be charged with implementing appropriate risk systems within the Company. Aspects of this process may be delegated.

Risk management is considered a key governance and management process. It is not an exercise merely to ensure regulatory compliance. Therefore, the primary objectives of the risk management system at the Company will be to ensure:

(a) all major sources of potential opportunity for, and harm to, the Company (both existing and potential) are identified, analysed and treated appropriately;

(b) business decisions throughout the Company appropriately balance the risk and reward trade off;

(c) regulatory compliance and integrity in reporting is achieved; and

(d) Senior Management, the Board and investors understand the risk profile of the Company.

In line with these objectives, the risk management system will cover:

(a) operations risk;

(b) financial reporting; and

(c) compliance.

The Board reviews all major strategies and purchases for their impact on the risk facing the Company. The Company reviews annually its operations to update its risk profile. This occurs in conjunction with the strategic planning process.

In addition, as specified by Recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations (4th Edition), the MD and CFO provide a written declaration of assurance that their opinion, that the

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financial records of the Company for any financial period have been properly maintained, comply with the appropriate accounting standards and give a true and fair view of the financial position and performance of the Company, has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The Company produces a number of periodic reports, including its Annual Report, Half-year financial report and quarterly activity and cash flow reports. The Company has in place processes to review and confirm the accuracy and reasonableness of the disclosures contained in these reports at both management and Board level, including where a corporate report of this type is not subject to audit or review by an external auditor. Management prepares the disclosures in these reports whereby subject matter experts and the relevant executives review and approve the disclosures which are then reviewed by the Company's MD and approved by the Board. In the event further legal or financial review is required, the proposed disclosure is run past the Company's advisors, lawyers or auditors (as appropriate) for review.

17. Delegation of authority

Directors are responsible for any delegations of their responsibilities with regard to corporate operations. As such, they decide as a Board what Company matters are delegated to either specific Directors or management. In addition, they outline what controls are in place to oversee the operation of these delegated powers.

As a consequence, individual Directors have no individual authority to participate in the day-to-day management of the Company including making any representations or agreements with member companies, suppliers, customers, employees or other parties or organisations.

The exception to this principle occurs where the Board explicitly delegates any authority to the Director individually. Additionally, it is recognised that all Executive Directors will carry significant delegated authority by virtue of their management position.

Similarly, Committees and their members require specific delegations from the Board as a whole and these will be contained in each Committee's respective Terms of Reference.

17.1 General delegations

In general, the Board delegates all powers and authorities required to effectively and efficiently carry out the Company's business. Listed below are the exceptions to these delegations, whereby the Board or appropriate Committee reserves the powers as indicated.

17.2 Decisions requiring Board approval

In addition to those decisions requiring approval pursuant to the respective Committee Charters (if any), the following decisions must be referred to the Board for approval:

(a) Directors acquiring or selling shares of the Company;

(b) issuing shares of the Company;

(c) acquiring, selling or otherwise disposing of property in excess of the amount set out in the Company's approval matrix;

(d) founding, acquiring or selling subsidiaries of or any company within the Company, participating in other companies or dissolving or selling the Company's participation in other companies (including project joint ventures);

(e) acquiring or selling patent rights, rights in registered trademarks, licences or other intellectual property rights of the Company;

(f) founding, dissolving or relocating branch offices or other offices, plants and facilities;

(g) starting new business activities, terminating existing business activities or initiating major changes to the field of the Company's business activities;

(h) approving and/or altering the annual business plan (including financial planning) for the Company or any part of the Company;

(i) taking or granting loans which exceed the amount set out in the Company's approval matrix (including, without limitation, the placing of credit orders, issuing of promissory notes or loans against IOUs);

(j) granting securities of any type;

(k) granting loans to Company officers or employees and taking over guarantees for the Company's officers and employees;

(l) entering into agreements for recurring, voluntary, or additional social benefits, superannuation agreements or agreements for general wage and salary increases;

(m) determining the total amount of bonuses and gratuities for Company officers and employees;

(n) determining the appointment, termination, prolongation of employment or amendment to conditions of employment of members of the Board of Directors; and

(o) granting or revoking a power of attorney or limited authority to sign and/or act on behalf of the Company.

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Part D – Continuing Improvement

18. Director protection

18.1 Information seeking protocol

Directors will adhere to the following protocol when seeking information:

(a) approach the MD/Company Secretary to request the required data;

(b) if the data is not forthcoming, approach the Chair; and

(c) if the information is still not forthcoming, write a letter to all Board members detailing the information that is required, purpose of the information, and who the Director intends to approach in order to obtain the information.

18.2 Access to professional advice

A Director of the Company is expected to exercise considered and independent judgment on the matters before them. To discharge this expectation a Director may, from time to time, need to seek independent, expert opinion on matters before them. All Directors have the individual authority to commit the company to up to $5,000 per annum in professional advice.

Prior to seeking professional advice a director shall inform the Chair about the nature of the opinion or information sought, the reason for the advice, the terms of reference for the advice and the estimated cost of the advice. Where more than one Director is seeking advice about a single issue, the Chair shall endeavour to coordinate the provision of the advice.

If the cost of professional advice is likely to exceed $5,000, the Director shall seek authority from the Chair prior to engaging an external expert. The Chair has delegated authority to authorise expenditures up to $10,000. If the Chair withholds authorisation, the Director has the right to seek authority from the Board at the next Board meeting. If the cost of professional advice is likely to exceed $10,000, then the Board's approval for the engagement of an external expert is required.

Advice so received should be received on behalf of the Board as a whole.

18.3 Access to Board papers

The Directors have the right to access board papers as granted by the Corporations Act. Such access shall be provided on a timely basis.

18.4 Insurance

The Company currently holds Directors' and Officers' Insurance Policies. The Company will ensure that all new Directors and Officers are included on the Company's insurance

policies. The Company will also review the D&O Insurance Policies on at least an annual basis to ensure that they are sufficient.

19. Board and Senior Executive evaluation

19.1 Evaluation process

The Board considers the evaluation of its own and senior executive performance as fundamental to establishing a culture of performance and accountability.

19.2 Board and Director evaluations

The Board considers the ongoing development and improvement of its own performance as a critical input to effective governance. As a result, the Board will undertake an evaluation of Board and Director performance.

The review will be based on a number of goals for the Board and individual Directors that will be established. The goals are based on corporate requirements and any areas for improvement that may be identified. The Board will consider the outcome of such reviews in a dedicated meeting and develop a series of actions and goals to guide improvement. The Chair will provide each Director with confidential feedback on his or her performance. This feedback is used to develop a development plan for each Director. The Board does not endorse the reappointment of a Director who is not satisfactorily performing the role.

When established by the Board, the Remuneration and Nomination Committee will arrange for a performance evaluation of the Board, its Committees and individual Directors to be conducted on an annual basis.

19.3 Board Committee evaluations

Once established, the Board will set a number of expectations for its Committees. These expectations are to be derived after considering the results of previous reviews if any, an assessment of the Company's current and future needs, and a review of each Committee's Charter or purpose. As a result of a review, the Board may amend or revoke a Committee's Charter.

The Board will review the performance of the Committees against expectations. Based upon the review, individuals and groups will be provided with feedback on their performance. The results of the review will be a key input into the expectations set by the Board.

19.4 Senior Executive evaluations

When established by the Board, all senior executives at the Company will be subject to an annual performance evaluation by the Nomination and Remuneration Committee. Each year, senior executives (including the MD) will establish a set of performance targets. These targets are aligned to overall business goals and the Company's

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requirements of the position. In the case of the MD, these targets are negotiated between the MD and the Board and signed off by the whole Board.

An informal assessment of progress is carried out throughout the year. A full evaluation of the executive's performance against the agreed targets takes place annually. This will normally occur in conjunction with goal setting for the coming year. Since the Company is committed to continuous improvement and the development of its people, the results of the evaluation form the basis of the executive's development plan. Performance pay components of executives' packages are dependent on the outcome of the evaluation.

20. Executive remuneration

20.1 Composition

Remuneration packages for Executive Directors and other senior executives include an appropriate balance of fixed remuneration and performance-based remuneration.

20.2 Fixed remuneration

Fixed remuneration is reasonable and fair, taking into account the Company's obligations at law and labour market conditions, and is relative to the scale of the Company's business. It reflects core performance requirements and expectations.

20.3 Performance-based remuneration

Performance-based remuneration should be linked to clearly specified performance targets. These targets should be aligned to the Company's short, medium and long-term performance objectives and should be appropriate to its circumstances, goals and risk appetite. This target should also be consistent with the Company's Statement of Values. Discretion will be retained where appropriate to prevent performance based remuneration rewarding conduct that is contrary to the entity's value or risk appetite.

20.4 Equity-based remuneration

The Company strives to have a well-designed equity-based remuneration, including options or performance rights, which can be an effective form of remuneration, especially when linked to hurdles that are aligned to the Company's longer-term performance objectives. The Company takes care in the design of equity-based remuneration schemes to ensure that they do not lead to "short-termism" on the part of senior executives or the taking of undue risks.

20.5 Termination and other benefits

Termination payments, if any, for senior executives are agreed in advance and the agreement clearly addresses what will happen in the case of early termination. There is no payment for removal for misconduct.

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21. Non-Executive Director remuneration

21.1 Composition

Non-Executive Directors are remunerated by way of cash fees, superannuation contributions and non-cash benefits in lieu of fees (such as salary sacrifice into superannuation or equity).

21.2 Fixed remuneration

Levels of fixed remuneration for Non-Executive Directors reflect the time commitment and responsibilities of the role.

Non-Executive Directors are paid their fees out of the maximum aggregate amount approved by shareholders for the remuneration of Non-Executive Directors. The sum each Non-Executive Director is paid is determined by the Board from time to time. Additional fees can be paid for participation on Board Committees; however, the total fees paid to Non-Executive Directors, including fees paid for participation on Board Committees, are kept within the total amount approved by shareholders.

21.3 Performance-based bonus

Non-Executive Directors do not receive performance-based remuneration as it may lead to bias in their decision-making and compromise their objectivity

The Company's Non-Executive Directors do not receive performance-based bonuses.

21.4 Equity-based remuneration

It is generally acceptable for Non-Executive Directors to receive securities as part of their remuneration to align their interests with the interests of other security holders. However, Non-Executive Directors generally should not receive options with performance hurdles attached or performance rights as part of their remuneration as it may lead to bias in their decision-making and compromise their objectivity except where the Board has determined it is reasonable for the Non-Executive Directors to receive such securities taking into account the current size, nature and scale of activities of the Company. Where Non-Executives receive options with performance hurdles attached or performance rights as part of their remuneration, they must ensure that it does not lead to bias in their decision-making and compromise their objectivity.

The Company's Non-Executive Directors cannot choose to receive shares in the Company as part of their remuneration instead of receiving cash and may not participate in equity schemes of the Company, such as option schemes, that are designed to encourage enhanced performance of the participant, unless the Board determines this is reasonable taking into account the current size, nature and scale of the Company.

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21.5 Superannuation benefits

Non-Executive Directors should not be provided with retirement benefits other than superannuation.

The Company's Non-Executive Directors are entitled to statutory superannuation.

21.6 Written Agreement

The Written Agreement with the Non-Executive Director should include:

(a) the requirement to disclose director's interests and any matters which could affect the director's independence;

(b) the requirement to comply with the Company's corporate governance policies and charters;

(c) the requirement to notify the Company of or seek the Company's approval before accepting, any new role that could impact upon the time commitment expected of the Director or give rise to a conflict of interests;

(d) the Company's policy around independent professional advice;

(e) indemnity and insurance arrangements;

(f) rights of access to corporate information; and

(g) ongoing confidentiality obligations.

22. Director development

The Company is committed to continuing development of its Directors and executives. In line with this commitment, there is an expectation that all Directors and the MD will commit to at least 2 days of professional development each year. The Board allocates an annual budget of $2,000 per Director to encourage Directors to participate in training and development programs. Any Director wishing to undertake either specific directorial training or personal development courses is expected to approach the Chair for approval of the proposed course. Development may be in both governance and governance processes or in the Company's industry.

The Board will also undertake an annual review in relation to whether there is a need for existing Directors to undertake professional development.

23. Director induction

New directors will undergo an induction process in which they will be given a full briefing on the Company. This will include meeting with key executives, tours of the premises,

an induction package and presentations. Information conveyed to the new Director will include:

(a) details of the roles and responsibilities of a Director with an outline of the qualities required to be a successful Director;

(b) formal policies on Director appointment as well as conduct and contribution expectations;

(c) details of all relevant legal requirements;

(d) access to a copy of the Board Charter and all other Company Corporate Governance Policies;

(e) guidelines on how the Board processes function;

(f) details of past, recent and likely future developments relating to the Board including anticipated regulatory changes;

(g) key accounting matters and outlines of the responsibilities of Directors in relation the Company's financial statements;

(h) background information on and contact information for key people in the organisation including an outline of their roles and capabilities;

(i) an analysis of the Company including:

  (i) core competencies of the Company;

  (ii) an industry background briefing;

  (iii) a recent competitor analysis;

  (iv) details of past financial performance;

  (v) current financial structure; and

  (vi) any other important operating information;

(j) a synopsis of the current strategic direction of the Company including a copy of the current strategic plan and annual budget;

(k) access to a copy of the Constitution of the Company; and

(l) Directors Deed of Indemnity and Right of Access to Documents, if applicable.

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Annexure A Definition of Independence

The Board considers the interests, positions and relationships which may raise issues about the independence of a director as set out in Box 2.3 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations* (*4th Edition*) as follows:

1. is, or has been, employed in an executive capacity by the entity or any of its child entities and there has not been a period of at least three years between ceasing such employment and serving on the board;

2. receives performance-based remuneration (including options or performance rights) from or participates in an employee incentive scheme of the entity;

3. is, or has been within the last three years, in a material business relationship (e.g. as a supplier, professional adviser, consultant or customer) with the entity or any of its child entities, or is an officer of, or otherwise associated with, someone with such a relationship;

4. is, represents, or has been within the last three years an officer or employee of, or professional adviser to, a substantial holder;

5. has close personal ties with any person who falls within any of the categories described above; or

6. has been a director of the entity for such a period that their independence from management and substantial holders may have been compromised.

For the purposes of interpreting the definition of independence (so long as the Company is listed on the TSX-V), the meaning will include the definition of “independent” as detailed in Sec. 1.4 of National Instrument 52-110.

In each case, the materiality of the interest, position or relationship needs to be assessed by the board to determine whether it might interfere, or might reasonably be seen to interfere, with the director's capacity to bring an independent judgement to bear on issues before the board and to act in the best interest of the entity as a whole rather than in the interests of an individual security holder or other party.

The Board notes that the mere fact that a director has served on a board for a substantial period does not mean that the director has become too close to management or a substantial holder to be considered independent.

SCHEDULE "B"

FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS

See attached.

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MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

ACN: 625 237 658

Unaudited Financial Report

For the Three and Nine Months Ended

31 March 2025

MONT ROYAL RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES

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MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE AND NINE MONTHS ENDED 31 MARCH 2025

	Note	3 Months Ended		9 Months Ended	
		31 March 2025 $	31 March 2024 $	31 March 2025 $	31 March 2024 $
Interest income		7,382	5,522	29,423	22,105
Corporate expenses		(440,968)	(196,853)	(980,694)	(653,513)
Share-based payments expense		(3,851)	-	(12,287)	(25,284)
Loss before tax		(437,437)	(191,331)	(963,558)	(656,692)
Income tax expense		-	-	-	-
Loss for the period		(437,437)	(191,331)	(963,558)	(656,692)
Other comprehensive income/(loss)					
Items which may be re-classified to profit or loss					
Exchange differences on translation of foreign operations		(30,847)	209,398	103,437	(10,971)
Total comprehensive income/(loss) for the period attributable to the members		(468,284)	18,067	(860,121)	(667,663)
Income/(Loss) for the period attributable to:					
Members of the parent entity		(437,503)	(190,037)	(958,196)	(647,401)
Non-controlling interests		66	(1,294)	(5,362)	(9,291)
		(437,437)	(191,331)	(963,558)	(656,692)
Total comprehensive income/(loss) for the period attributable to:					
Members of the parent entity		(465,872)	5,953	(862,922)	(655,562)
Non-controlling interests		(2,412)	12,114	2,801	(12,101)
		(468,284)	18,067	(860,121)	(667,663)
		Cents	**Cents**	**Cents**	**Cents**
Basic and diluted loss per share (cents per share)	2	(0.51)	(0.22)	(1.13)	(0.80)

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
UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	31 March 2025	30 June 2024
		$	$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	3	1,254,462	2,079,224
Trade and other receivables	4	383,532	752,112
Prepayments		52,227	36,579
TOTAL CURRENT ASSETS		1,690,221	2,867,915
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	5	6,290,385	5,787,146
TOTAL NON-CURRENT ASSETS		6,290,385	5,787,146
TOTAL ASSETS		7,980,606	8,655,061
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		255,343	81,964
TOTAL CURRENT LIABILITIES		255,343	81,964
TOTAL LIABILITIES		255,343	81,964
NET ASSETS		7,725,263	8,573,097
EQUITY			
Issued capital	6	13,562,268	13,562,268
Reserves	7	2,490,550	2,382,989
Accumulated losses		(8,864,721)	(7,906,525)
Total parent entity interest		7,188,097	8,038,732
Non-controlling interest		537,166	534,365
TOTAL EQUITY		7,725,263	8,573,097

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

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MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 31 MARCH 2025

	Note	Issued Capital	Reserves	Accumulated Losses	Total	Non-controlling interest	Total
		$	$	$	$	$	$
Consolidated Group							
Balance at 1 July 2024		13,562,268	2,382,989	(7,906,525)	8,038,732	534,365	8,573,097
Loss for the period		-	-	(958,196)	(958,196)	(5,362)	(963,558)
Other comprehensive income		-	95,274	-	95,274	8,163	103,437
Total comprehensive income/(loss) for the period		-	95,274	(958,196)	(862,922)	2,801	(860,121)
Equity transactions:							
Share-based payments		-	12,287	-	12,287	-	12,287
Balance at 31 March 2025		13,562,268	2,490,550	(8,864,721)	7,188,097	537,166	7,725,263
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		-	-	(647,401)	(647,401)	(9,291)	(656,692)
Other comprehensive loss		-	(8,161)	-	(8,161)	(2,810)	(10,971)
Total comprehensive loss for the period		-	(8,161)	(647,401)	(655,562)	(12,101)	(667,663)
Equity transactions:							
Issue of shares	6	2,655,744	-	-	2,655,744	-	2,655,744
Capital raising costs	6	(454,854)	-	-	(454,854)	-	(454,854)
Share-based payments		-	318,676	-	318,676	-	318,676
Balance at 31 March 2024		13,562,268	2,663,908	(5,969,966)	10,256,210	586,879	10,843,089

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

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MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE AND NINE MONTHS ENDED 31 MARCH 2025

	3 Months Ended		9 Months Ended	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	$	$	$	$
CASH FLOWS FROM OPERATING ACTIVITIES				
Interest received	7,382	5,522	29,423	22,105
Payments to suppliers and employees	(383,473)	(196,500)	(776,322)	(646,012)
Net cash used in operating activities	(376,091)	(190,978)	(746,899)	(623,907)
CASH FLOWS FROM INVESTING ACTIVITIES				
Government grants and tax incentives	14,504	-	595,186	17,059
Payments for exploration and evaluation	(135,906)	(208,563)	(673,049)	(2,212,370)
Net cash from/(used in) investing activities	(121,402)	(208,563)	(77,863)	(2,195,311)
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	-	-	-	2,048,501
Net decrease in cash held	(497,493)	(399,541)	(824,762)	(770,717)
Cash and cash equivalents at the beginning of the period	1,751,955	1,888,782	2,079,224	2,259,958
Cash and cash equivalents at the end of the period	1,254,462	1,489,241	1,254,462	1,489,241

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

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1. SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation

The interim consolidated financial report is a general purpose financial report prepared in accordance with the requirements of Accounting Standard AASB 134: Interim Financial Reporting. Compliance with AASB 134 ensures that the financial report and notes also comply with IFRS Accounting Standard 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 2024 and any public announcements made by Mont Royal Resources Limited and its controlled entities during the nine month period ending 31 March 2025 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 18 June 2025.

The interim financial statements comply with Australian Accounting Standards, which include Australian equivalents to IFRS Accounting Standards, which ensures that the financial report, comprising the interim financial statements and notes thereto, complies with International IFRS Accounting Standards.

(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 March 2025

In the period ended 31 March 2025, 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 March 2025. 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.

(d) Going concern

The financial statements have been prepared on a going concern basis, which contemplates the continuity of normal business activities and the realisation of assets and settlement of liabilities in the normal course of business.

As disclosed in the financial statements, the Group reported a net loss of $963,558 (March 2024: net loss $656,692) and net operating cash outflows of $746,899 (March 2024: outflow $623,907). As at 31 March 2025, the Group had a cash and cash equivalents balance of $1,254,462 (30 June 2024: $2,079,224).

The ability of the Group to maintain continuity of normal business activities and to pay its debts as and when they fall due is dependent on its ability to successfully raise additional capital and/or successful exploration and subsequent exploitation of areas of interest through sale or development. These circumstances give rise to the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern.

Management have prepared a cash flow forecast for the period ending 12 months from the date of this report. Based on the forecast, the directors believe that the going concern basis of preparation is appropriate due to the following reasons:

- there is sufficient cash available at balance date for the Group to continue operating;
- the Directors do not consider there are any valid reasons as to why future capital funding will not be available and remain confident that sufficient funding will be obtained when required; and
- the Directors can reduce expenditure to manage cash reserves if required.

1. SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

(d) Going concern (continued)

Should the Group be unable to raise capital or reduce its expenditure, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial report. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or classification of liabilities and appropriate disclosures that may be necessary should the Group be unable to continue as a going concern.

The Company is in the process of undertaking a merger Commerce Resources Inc and undertaking a capital raising of between $8m and $10m as part of the merger process which is expected to complete in Quarter 3 of Calendar 2025.

2. LOSS PER SHARE

The following reflects the income and data used in the calculations of basic and diluted earnings/(loss) per share:

	3 Months Ended		9 Months Ended	
	31 March 2025 $	31 March 2024 $	31 March 2025	31 March 2024
Loss per share (cents)	(0.51)	(0.22)	(1.13)	(0.80)
Loss used in calculating basic and diluted loss per share	(437,503)	(190,037)	(958,196)	(647,401)
	# shares	# shares	# shares	# shares
Weighted average number of ordinary shares used in calculating basic loss per share:	85,029,793	85,029,793	85,029,793	81,311,494

3. CASH AND CASH EQUIVALENTS

	31 March 2025 $	30 June 2024 $
Cash at bank and on hand	1,254,462	2,079,224

4. OTHER RECEIVABLES

	31 March 2025 $	30 June 2024 $
Tax credit and mining rights receivable	330,008	649,142
GST/QST receivable	52,286	101,732
Other	1,238	1,238
Total	383,532	752,112

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5. EXPLORATION AND EVALUATION EXPENDITURE

	31 March 2025 $	30 June 2024 $
Balance at the beginning of the period	5,787,146	6,076,557
Exploration and evaluation expenditure incurred during the period	663,583	2,552,125
Canadian exploration tax credit offset during the period	(294,727)	(642,532)
Exploration expenditure impaired (i)	-	(1,845,335)
Foreign currency translation movement	134,383	(353,669)
Balance at the end of the period	6,290,385	5,787,146

(i) In response to the challenging market conditions in the lithium and battery metals sector that have impacted all junior exploration companies since the start of 2024, the Board of Mont Royal paused exploration expenditure at the Wapatik Project in April and will re-evaluate future exploration programs throughout CY 2024 and has therefore impaired the carrying value of exploration expenditure capitalised up to 30 June 2024.

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
(c) 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 March 2025 $	30 June 2024 $
Fully paid ordinary shares	13,562,268	13,562,268

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

Date	Details	No. of shares	$
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		(454,854)
4/12/2023	Acquisition instalment payment for Focus Graphite	2,734,858	445,781
30/6/2024	Balance at end of period	85,029,793	13,562,268
31/3/2025	Balance at end of period	85,029,793	13,562,268

7. RESERVES

(a) Share based payments and foreign currency translation reserve

	31 March 2025 $	30 June 2024 $
Share based payments reserve	2,553,660	2,541,373
Foreign currency translation reserve	(63,110)	(158,384)

(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.

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8. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As at 31 March 2025 there were no contingent liabilities or contingent assets.

9. FINANCIAL RISK MANAGEMENT

The Group's financial instruments consist 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.

10. INVESTMENT IN SUBSIDIARY

Interests are held in the following subsidiary companies:

Name	Principal Activity	Country of Incorporation	Ownership Interest	
			31 March 2025	30 June 2024
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.

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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:

      (i) give a true and fair view of the Consolidated Group's financial position as at 31 March 2025 and of their performance for the three and nine month periods ended on that date; and

      (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Report*;

   (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.

Signed in accordance with a resolution of the board of directors



Peter Ruse
Executive Director
18 June 2025

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MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

ACN: 625 237 658

Annual Financial Report

For The Year Ended 30 June 2024

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Gary Lawler (Non-Executive Chairman)
Peter Ruse (Executive Director)
Ronnie Beevor (Non-Executive Director)

COMPANY SECRETARY

Shaun Menezes

REGISTERED OFFICE AND PRINCIPAL BUSINESS OFFICE

Level 8, 2 Bligh Street
Sydney NSW 2000

Telephone: (+61 2) 8651 7800

SHARE REGISTRY

Automic Registry Services
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Perth WA 6000

Investor Enquiries: 1300 288 664

AUDITOR

BDO Audit Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street, Perth, WA

Telephone: (+61 8) 6382 4600

STOCK EXCHANGE

ASX Limited (Australian Securities Exchange)
ASX Code: MRZ

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Your directors present their report on the consolidated group for the year ended 30 June 2024.

Directors

The names, qualifications and experience of the directors in office at any time during, or since the end of, the year are as follows. Directors have been in office since the start of the year to the date of this report unless otherwise stated.

Gary Lawler (Non-Executive Chairman) BA, LLB, LLM(Hons), ASIA, Master of Laws (Applied Laws)(Wills & Estates)
Mr Lawler is a career lawyer having practiced for over 40 years primarily as a corporate/ mergers and acquisitions lawyer. During his years of practice, Mr Lawler has been a partner in several large Sydney based law firms and is currently a Senior Adviser at Ashurst Australia. Mr Lawler brings a wealth of legal and business experience to the Board.

Other current directorships: Champion Iron Limited(ASX/TSX).

Former directorships (last 3 years): None.

Peter Ruse (Executive Director) BCom, GradCertAppFin
Mr Ruse is a finance professional with over 12 years of extensive experience in Equity Funds Management and Private/Institutional Wealth Management specialising in Mining/Minerals and Industrial related sectors. Mr Ruse has extensive private and public equity market experience as a former Executive Director/Portfolio Manager of ALR Investments Pty Limited, a Western Australian family office investment company.

Other current directorships: Gunsynd PLC (AIM-LSE), Parabellum Resources Limited.

Former directorships (last 3 years): None.

Ronnie Beevor (Non-Executive Director) B.A. (Hons)(appointed 25 March 2023)
Mr Beevor has over 40 years' experience in investment banking and mining. He was Head of Investment Banking at Rothchild Australia between 1997 and 2002, and since has been Chair or a Non-Executive Director of a range of mining companies, both in Australia and internationally. Mr Beevor's extensive career as a company director includes serving on the boards of Riversdale Resources, which proved up the substantial Grassy Mountain metallurgical coal deposit in Alberta, Canada and was taken over by Hancock Prospecting for A$800M in 2019, and Talison Lithium which acquired the Greenbushes lithium mine in WA and was taken over by Tianqi Lithium for C$900M in 2013.

Mr Beevor holds an Honours degree in Philosophy, Politics and Economics from Oxford University, and qualified as a chartered accountant in London.

Other current directorships: Champion Iron Limited, Felix Gold Limited, Lucapa Diamond Company Limited.

Former directorships (last 3 years): Bannerman Energy Limited.

Company Secretary

Shaun Menezes BCom, LLB
Mr Menezes is an accounting and finance professional with over 20 years experience. He has worked in the capacity of Company Secretary and Chief Financial Officer of a number of ASX and SGX listed companies, held a senior management role within an ASX 200 listed company and was an executive director at a leading international accounting firm. He is a member of the Governance Institute of Australia and the Chartered Accountants Australia and New Zealand.

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Directors Meetings

The following table sets out the number of meetings of the Company's directors held during the year ended 30 June 2024 attended by each director:

	Number Eligible to Attend	Number Attended
Gary Lawler	6	6
Peter Ruse	6	6
Ronnie Beevor	6	6

Principal Activities

The principal activity of the consolidated group during the year was the exploration on Northern Lights Minerals projects in the Upper Eastmain Greenstone Belt in Quebec, Canada and the farm-in to and exploration of the Wapatik Gold-Copper Project.

Review of Operations

The consolidated loss of the consolidated group for the year amounted to $2,625,450 (2023: $820,331).

Mont Royal Resources (ASX: MRZ) is building a significant position in an under-explored greenstone belt in the James Bay area of Quebec, Canada, with the Company's Northern Lights and Wapatik Projects, both strategically located in the lower and upper regions of the belt (Figure 1).

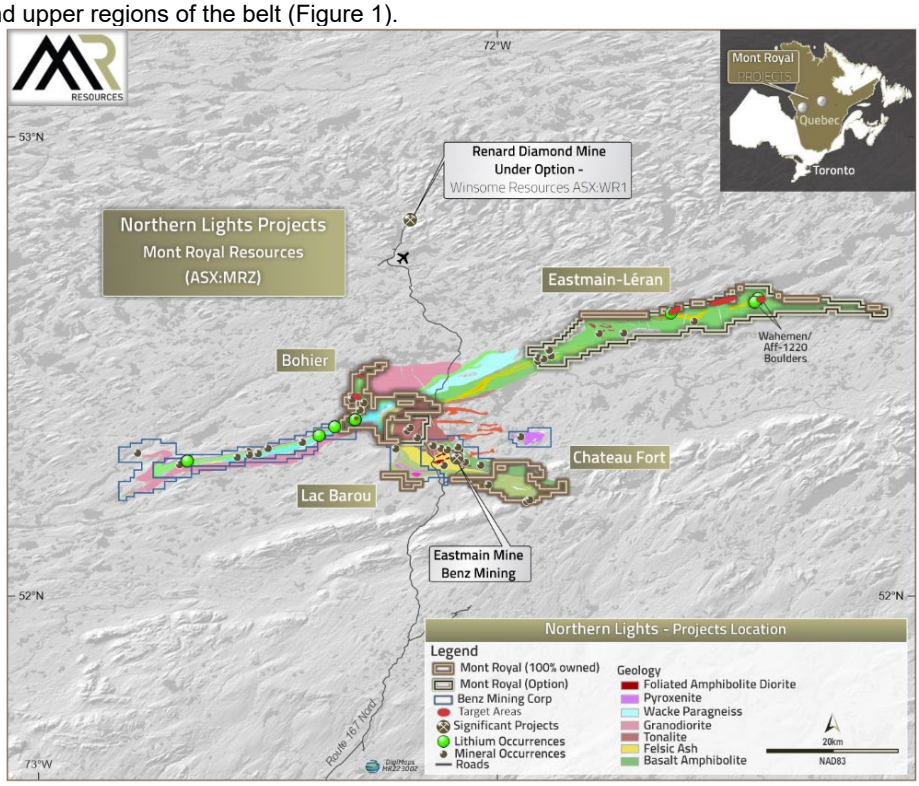

Figure 1: Location of MRZ's Northern Lights Projects in Quebec, Canada.

Northern Lights Project

The Northern Lights Project is situated in the Upper Eastmain Greenstone belt, James Bay Region, Quebec. The Projects include the Northern Lights Assets (75%-owned), Lèran Project (Option to own 75%), Dios Assets (JV to earn-in 70%) across a total land package of 536km^2.

The Upper Eastmain district received a significant boost during the reporting period from Winsome Resources' (ASX: WR1) option to acquire the Renard Mine and Infrastructure, located ~30km north of MRZ's Bohier and surrounding Northern Lights Projects, connected by an all-weather road. Winsome has indicated it will use the option period to confirm the feasibility of repurposing the 2.2Mtpa plant at Renard as a central lithium processing facility, with positive strategic implications for the region (refer to WR1's ASX announcement of 3 April 2024).

As a result of its successful exploration programs, Mont Royal has established three distinct target areas across the Northern Lights tenements:

- Bohier LCT-bearing pegmatite outcrops and 500-metre exploration target;
- Léran Wahemen Boulder field high-grade discoveries; and
- Léran Central Boulder discovery and 8km tantalum zone.

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Bohier

Field work undertaken at the Bohier Project during the reporting period focused on the Bohier Pegmatites – two outcrops of approximately 8m length which were discovered by Mont Royal during the Company's first phase of lithium prospecting in July/August 2023. The targeted pegmatites show a similar chemistry (potassium and rubidium content) to known lithium-rich pegmatites in the region, providing strong evidence that these targets may represent a depleted zone within an otherwise lithium-rich intrusion, as is commonly seen in this type of deposit.

Work programs comprised a gravimetry survey undertaken in parallel with a trenching and channel sampling program. 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 define the thickness and lateral extents of the pegmatite and secondly to identify the source of any preliminary gravimetric anomalies identified. The trenching and channel sampling programs returned assays including 6.05m @ 1.78% Li_2O, 7m @ 1.71% Li_2O and 1m @ 1.97% Li_2O.

The interpretation of gravimetric data, which was greatly enhanced by LiDAR data acquired in June 2023, 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.

To follow up these targets, a maiden helicopter-supported diamond drilling program commenced at the Bohier Project in mid-July 2024. Approximately 1,000m of diamond drilling is planned, focusing on known lithium-bearing pegmatites and gravimetric anomalies in the south of the property area (see Figure 2).

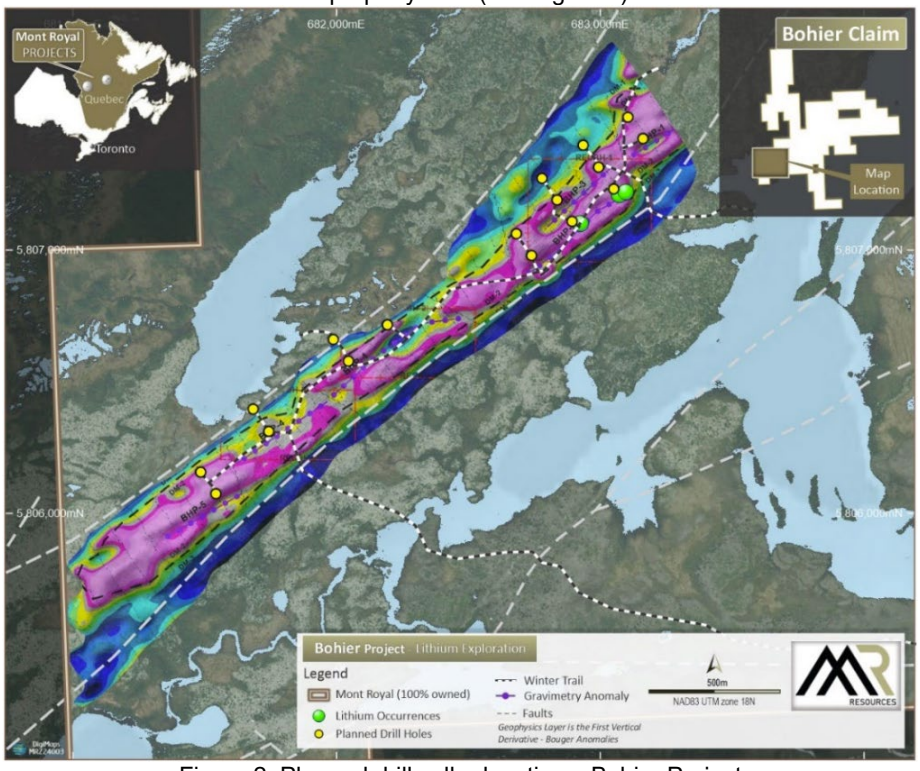

Figure 2: Planned drill collar locations, Bohier Project

Léran

Grab sampling at the Léran Wahemen Boulder Field during the reporting period returned positive results, with initial assays of up to 2.41% Li_2O returned approximately 1km north-east of a historical lithium occurrence

Follow-up exploration comprised additional grab sampling, LiDAR and a gravimetric survey to assist in ranking key targets and prioritising future exploration efforts. Additional surface sampling was undertaken to obtain a greater number of representative results from larger samples. Two samples returned outstanding lithium grades of 3.51% and 4.02% Li_2O, confirming the high grades encountered in this area.

At the Léran Central Boulder Discovery, a review of IOS Services Géoscientfiques' ARTGold^{TM} data from a 2017 till survey highlighted a few tantalum oxide dispersion trains. This new tantalum-rich zone in the central section of the Léran 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.

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To follow-up these discoveries, surface sampling was undertaken over the central and northern sections of the Léran property including several wide areas of potentially Li-bearing pegmatites (marked by the red circles in Figure 3) nearby known occurrences.

These programs were designed to expand the Company's inventory of lithium targets at Léran for future drilling.

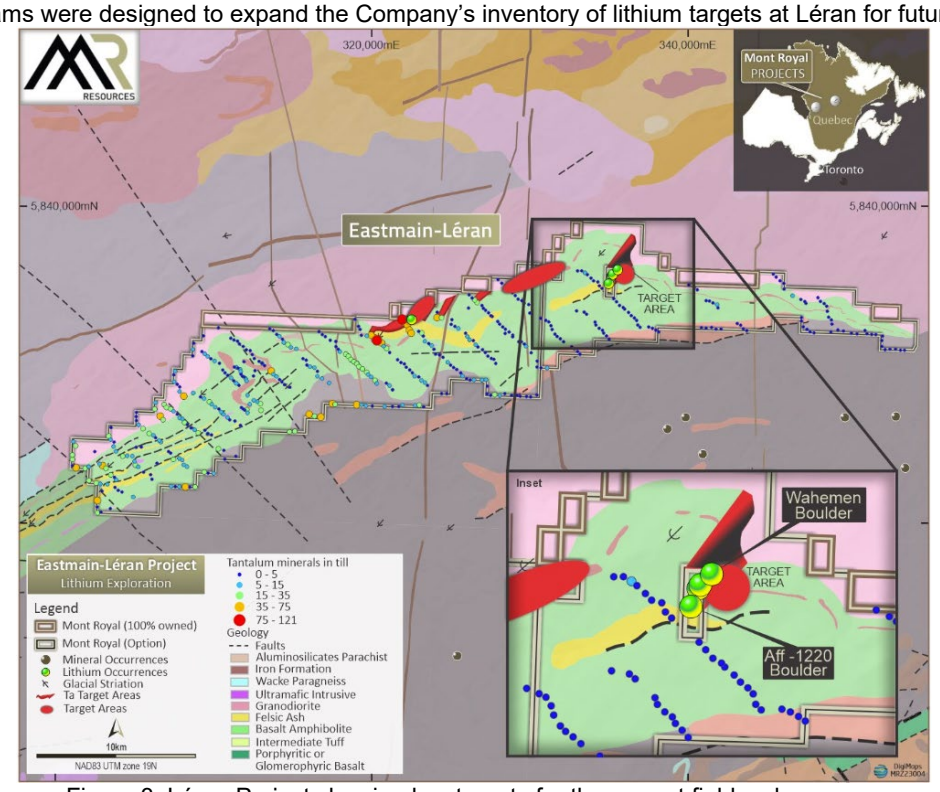

Figure 3: Léran Project showing key targets for the current fieldwork program

Wapatik Project

Wapatik Project

The Wapatik Project overlays several pegmatite dykes visible from the air in a geological environment. The project is situated 18km north of the Allkem's James Bay Li project (Mineral Resource Estimate of 40.3Mt at 1.4% Li_2O and Ore Reserve of 37.2Mt at 1.3% Li_2O.; ref. Allkem Website).

During the reporting period, Mont Royal and Azimut Exploration completed a lithium exploration program at Wapatik, with till sampling used to target priority areas with Ta and Cs 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.

In response to the challenging market conditions in the lithium and battery metals sector that have impacted all junior exploration companies since the start of 2024, the Board of Mont Royal paused exploration expenditure at the Wapatik Project in April and will re-evaluate future exploration programs throughout CY 2024**.**

Corporate

Mont Royal successfully completed a capital raising in August 2023 of A$2,209,963 (before costs) through the issue of 13,812,267 shares at $0.16 each to institutional and sophisticated investors to advance both projects in the James Bay region of Quebec, Canada.

The Company completed the third and final milestone payment to Focus Graphite Inc. (TSXV: FMS) to acquire the Léran Project on 4 December 2023. The consideration comprised C$400,000 in cash plus a share consideration of 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.

In addition, the Company received C$879k (A$981k) in tax rebates from the Quebec Government, of which C$548k (A$601k) was subject to finalization by the tax authorities at 30 June 2024. The balance of the tax rebate (C$101k) is expected to be received in the coming months.

Operating and Financial Risks

The Group's activities have inherent risk and the Board is unable to provide certainty of the expected results of activities, or that any or all of the likely activities will be achieved. The material business risks faced by the Group that could influence the Group's future prospects, and how the Group manages these risks, are detailed below:

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Operational risks
The Company may be affected by various operational factors. In the event that any of these potential risks eventuate, the Company's operational and financial performance may be adversely affected. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

The tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are speculative and high-risk undertakings that may be impeded by circumstances and factors beyond the control of the Company.

There can be no assurance that exploration of the Tenements, or any other exploration properties that may be acquired in the future, will result in the discovery of an economic mineral resource. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

There is no assurance that exploration or project studies by the Company will result in the definition of an economically viable mineral deposit. In the event the Company successfully delineates economic deposits on any Tenement, it will need to apply for a mining lease to undertake development and mining on the relevant Tenement. There is no guarantee that the Company will be granted a mining lease if one is applied for and if a mining lease is granted, it will also be subject to conditions which must be met.

Further capital requirements
The Company's projects may require additional funding in order to progress activities. There can be no assurance that additional capital or other types of financing will be available if needed to further exploration or possible development activities and operations or that, if available, the terms of such financing will be favourable to the Company.

The Company's activities are subject to Government regulations and approvals
The Company is subject to certain Government regulations and approvals. Any material adverse change in government policies or legislation in Quebec, Canada that affect mining, processing, development and mineral exploration activities, export activities, income tax laws, royalty regulations, government subsidiaries and environmental issues may affect the viability and profitability of any planned exploration or possible development of the Company's portfolio of projects.

Global conditions
General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration activities, as well as on its ability to fund those activities. General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, as well as on its ability to fund those activities.

General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.

Significant Changes in the State of Affairs

There were no significant changes in the consolidated group's state of affairs occurred during the year.

Events Subsequent to the End of the Reporting Period

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the entity's operations, the results of those operations, or the entity's state of affairs in future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the consolidated group and the expected results of those operations in future years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the consolidated group.

Environmental Regulation

The consolidated group is subject to environmental regulations under the laws of the countries in which it undertakes exploration activities and ensures that it complies with all applicable regulations when carrying out exploration works. To the best of the directors' knowledge and belief, all responsibilities under the regulations have been discharged and there have been no breaches of any environmental regulation.

Dividends

No dividends were paid or declared since the start of the year.

Options

The Company has the following options on issue as at the date of the Directors' Report.

Expiry Date	Exercise price	Number of Securities	
		2024	2023
29 October 2024	$0.35	4,750,000	4,750,000
25 November 2024	$0.35	5,000,000	5,000,000
25 March 2026	$0.30	1,500,000	1,500,000
10 November 2026	$0.35	3,000,000	-
Total		14,250,000	11,250,000

Option holders do not have any right, by virtue of the options, to participate in any share issue of the Company or any related body corporate.

Directors' Interests in Shares and Options of the Company

As at the date of this report, the directors' interest in shares and options of the Company were:

	Number of Ordinary Shares	Number of Options over Ordinary Shares
Gary Lawler	2,437,500	1,500,000
Peter Ruse	2,237,840	1,500,000
Ronnie Beevor	937,500	1,500,000

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of the Company support and have substantially adhered to the best practice recommendations set by the ASX Corporate Governance Council. The Company's corporate governance statement is contained in the annual report.

Indemnification of Officers

The Company has, during or since the end of the year, in respect of any person who is or has been an officer of the Company or a related body corporate:

- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Premiums paid are not disclosed because disclosure is prohibited by the insurance contract.

Indemnification of Auditors

To the extent permitted by law, the parent entity has agreed to indemnify the auditors, BDO Audit Pty Ltd, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify BDO Audit Pty Ltd during or since year-end.

Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 12.

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Non-Audit Services

There were no fees paid or payable to BDO Audit Pty Ltd for non-audit services during the year ended 30 June 2024. Fees paid or payable to BDO Canada LLP, which is a network firm of BDO Audit Pty Ltd for non-audit services during the year ended 30 June 2024 was $47,911.

The directors are satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The Directors are satisfied that the services disclosed below did not compromise the external auditors' independence for the following reasons:

- all non-audit services are reviewed and approved by the Board of Directors prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided does not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants (including Independence Standards) set by the Accounting Professional and Ethical Standards Board.

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This report outlines the remuneration arrangements in place for directors and executives of the Company.

Remuneration Policy

Key management personnel covered in this report:

Gary Lawler	Chairman
Peter Ruse	Executive Director
Ronnie Beevor	Non-Executive Director

The remuneration policy of the Company has been designed in order to ensure that the Company is able to attract and retain executives and Directors who will create value for shareholders, having regard to the amount considered to be commensurate for an entity of the Company's size and level of activity as well as the relevant directors' time, commitment and responsibility.

The Board's policy for determining the nature and amount of remuneration for board members and other senior executives of the Group is as follows:

The remuneration policy setting out the terms and conditions of any executive director was developed by the Board.

All senior executives will be subject to an annual performance evaluation against an established set of performance targets which are aligned to overall business goals and the Company's requirement of the position. Performance pay components of executives' packages are dependent on the outcome of the evaluation.

Remuneration packages for executive directors and other senior executives include an appropriate balance of fixed remuneration and performance-based remuneration. Fixed remuneration takes into account the Company's obligations at law and labour market conditions, and is relative to the scale of the Company's business.

Non-executive directors are remunerated by way of cash fees, superannuation contributions and non-cash benefits in lieu of fees (such as salary sacrifice into superannuation or equity). Levels of fixed remuneration for non-executive directors reflect the time commitment and responsibilities of the role.

Remuneration and other terms of employment for the executive director and other senior executives have been formalised in service agreements as follows:

The Company has entered into an executive service agreement with executive director, Mr Peter Ruse. The terms of the service agreement are set out as follows:

- Commencement date: 26 March 2018
- Term: no fixed
- Fixed remuneration: $150,000 per annum
- Termination for cause: no notice period
- Termination without cause: three month notice period

The Company has entered into an agreement with non-executive chairman, Mr Gary Lawler. The terms of the agreement are set out as follows:

- Commencement date: 15 October 2018
- Term: no fixed
- Fixed remuneration: $75,000 per annum plus superannuation
- Termination for cause: no notice period
- Termination without cause: no notice period

The Company has entered into an agreement with non-executive director, Mr Ronnie Beevor. The terms of the agreement are set out as follows:

- Commencement date: 25 March 2023
- Term: no fixed
- Fixed remuneration: $55,000 per annum plus superannuation
- Termination for cause: no notice period
- Termination without cause: no notice period

Remuneration of non-executive directors is determined by the Board within the maximum amount approved by shareholders from time to time which current stands at $400,000 per annum.

The Board undertakes an annual review of its performance and may exercise discretion in relation to approving incentives, bonuses and options.

All remuneration paid to directors and executives is valued at the cost to the Company and expensed.

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Performance-based remuneration

The Company currently has not granted any performance-based remuneration during the year.

The table below summarises the earnings of the Group and other factors that are considered to affect shareholder wealth for the last 5 years.

	2024	2023	2022	2021	2020
Loss after income tax attributable to shareholders ($)	(2,625,450)	(820,331)	(2,052,159)	(710,190)	(1,232,873)
Share price at year end ($)	0.072	0.115	0.34	0.255	0.155
Total dividends declared (cents per share)	-	-	-	-	-
Returns on capital (cents per share)	-	-	-	-	-
Basic earnings/(loss) per share (cents)	(3.14)	(1.20)	(3.89)	(1.86)	(3.16)

Key management personnel compensation

Details of the nature and amount of emolument paid for each director and executive of Mont Royal Resources Limited for the year ended 30 June 2024 and 2023 are set out below:

	Primary Benefits			Post Employment		Share Based Payments	Other Benefits	TOTAL	Options Based
	Salary & Fees	Cash Bonus	Non-Monetary	Super-annuation	Retirement Benefits	Options			
Directors	$	$	$	$	$	$	$	$	%
2024									
G Lawler	75,000	-	-	8,250	-	-	-	83,250	-
P Ruse	150,000	-	-	-	-	-	-	150,000	-
R Beevor	55,000	-	-	6,050	-	41,411	-	102,461	40
Total	**280,000**	**-**	**-**	**14,300**	**-**	**41,411**	**-**	**335,711**	**12**
2023									
G Lawler	75,000	-	-	7,875	-	-	-	82,875	-
P Ruse	150,000	-	-	-	-	-	-	150,000	-
R Beevor[1]	14,805	-	-	1,555	-	46,843	-	63,203	74
M O'Keeffe[2]	44,463	-	-	1,484	-	-	-	45,947	-
Total	**284,268**	**-**	**-**	**10,914**	**-**	**46,843**	**-**	**342,025**	**14**

[1] Appointed 25 March 2023
[2] Resigned 25 March 2023

Remuneration Options

During the year ended 30 June 2024, no options were issued as part of director remuneration (30 June 2023: 1,500,000).

During the year ended 30 June 2024 no remuneration options were forfeited, expired or exercised by the directors.

Shareholdings by Directors

2024	Balance 01/07/23 (No. of Shares)	Received Remuneration (No. of Shares)	No. of Options Exercised	Net Other Change (No. of Shares)	Balance 30/06/24 (No. of Shares)
G Lawler	2,000,000	-	-	437,500	2,437,500
P Ruse	2,050,340	-	-	187,500	2,237,840
R Beevor	500,000	-	-	437,500	937,500
Total	**4,550,340**	**-**	**-**	**1,062,500**	**5,612,840**

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Options Holdings by Directors

2024	Balance 01/07/23 (No. Options)	Granted as Remuneration (No. Options)	No. of Options Acquired	No. of Options Exercised	Net Change Other (No. Options)	Balance 30/06/24 (No. Options)	Balance 30/06/24 (No. Options) (Vested and exercisable)
G Lawler	1,500,000	-	-	-	-	1,500,000	1,500,000
P Ruse	1,500,000	-	-	-	-	1,500,000	1,500,000
R Beevor	1,500,000	-	-	-	-	1,500,000	1,000,000
Total	**4,500,000**	**-**	**-**	**-**	**-**	**4,500,000**	**4,000,000**

The Company received more than 90% of "yes" votes on its remuneration report for the 2023 financial year. The Company did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

End of remuneration report (audited).

Signed in accordance with a resolution of the Directors.

On behalf of the Directors



Peter Ruse
Executive Director
4 September 2024

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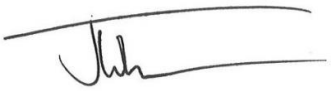
DECLARATION OF INDEPENDENCE BY JACKSON WHEELER TO THE DIRECTORS OF MONT ROYAL RESOURCES LIMITED

As lead auditor of Mont Royal Resources Limited for the year ended 30 June 2024, 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Mont Royal Resources Limited and the entities it controlled during the period.



Jackson Wheeler

Director

BDO Audit Pty Ltd

Perth

4 September 2024

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

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MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 $	2023 $
Interest revenue		27,861	26,099
Expenses			
Corporate	3	(766,323)	(804,562)
Share-based payments expense	13	(41,411)	(46,843)
Exploration expenditure impaired	8	(1,845,335)	-
Foreign exchange gain/(loss)		(242)	4,975
Loss before tax		(2,625,450)	(820,331)
Income tax expense	4	-	-
Loss for the year		**(2,625,450)**	**(820,331)**
Other comprehensive income			
Exchange difference on translation of foreign controlled entities		(328,332)	64,574
Total comprehensive loss for the year attributable to the members		**(2,953,782)**	**(755,755)**
Loss for the year attributable to:			
Members of the parent entity		**(2,583,960)**	**(813,876)**
Non-controlling interests		**(41,490)**	**(6,454)**
		(2,625,450)	**(820,331)**
Total comprehensive loss for the year attributable to:			
Members of the parent entity		**(2,889,167)**	**(756,813)**
Non-controlling interests		**(64,615)**	**1,058**
		(2,953,782)	**(755,755)**
Loss per share attributable to the shareholders of the Company arises from:			
Basic and diluted loss per share (cents per share)	18	(3.14)	(1.20)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

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MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2024

	Note	2024 $	2023 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	2,079,224	2,259,958
Other receivables	6	752,112	1,238,134
Prepayments		36,579	28,431
TOTAL CURRENT ASSETS		2,867,915	3,526,523
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	8	5,787,146	6,076,557
TOTAL NON-CURRENT ASSETS		5,787,146	6,076,557
TOTAL ASSETS		8,655,061	9,603,080
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	81,964	611,894
TOTAL CURRENT LIABILITIES		81,964	611,894
TOTAL LIABILITIES		81,964	611,894
NET ASSETS		**8,573,097**	**8,991,186**
EQUITY			
Issued capital	10	13,562,268	11,361,378
Reserves	11	2,382,989	2,353,393
Accumulated losses		(7,906,525)	(5,322,565)
Total parent entity interest		8,038,732	8,392,206
Non-controlling interest		534,365	598,980
TOTAL EQUITY		**8,573,097**	**8,991,186**

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 YEAR ENDED 30 JUNE 2024

	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 year	-	-	(2,583,960)	(2,583,960)	(41,490)	(2,625,450)
Other comprehensive income	-	(305,207)	-	(305,207)	(23,125)	(328,332)
Total comprehensive loss for the year	-	(305,207)	(2,583,960)	(2,889,167)	(64,615)	(2,953,782)
Equity transactions						
Issue of shares	2,655,745	-	-	2,655,745	-	2,655,745
Capital raising costs	(454,855)	-	-	(454,855)	-	(454,855)
Share-based payments	-	334,803	-	334,803	-	334,803
Balance at 30 June 2024	**13,562,268**	**2,382,989**	**(7,906,525)**	**8,038,732**	**534,365**	**8,573,097**

	Issued Capital	Reserves	Accumulated Losses	Total	Non-controlling interest	Total
	$	$	$	$	$	$
Consolidated Group						
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 year	-	-	(813,876)	(813,876)	(6,454)	(820,331)
Other comprehensive income	-	57,063	-	57,063	7,512	64,575
Total comprehensive loss for the year	-	57,063	(813,876)	(756,813)	1,058	(755,755)
Equity transactions						
Issue of shares	274,876	-	-	274,876	-	274,876
Share-based payments	-	46,843	-	46,843	-	46,843
Balance at 30 June 2023	**11,361,378**	**2,353,393**	**(5,322,565)**	**8,392,206**	**598,980**	**8,991,186**

The above consolidated statement of change in equity should be read in conjunction with the accompanying notes.

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MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2024

	Note	2024 $	2023 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		27,861	26,099
Payments to suppliers and employees		(815,392)	(701,224)
Net cash used in operating activities	12	(787,531)	(675,125)
CASH FLOWS FROM INVESTING ACTIVITIES			
Government grants and tax incentives		980,826	608,133
Payments for exploration and evaluation expenditure		(2,422,530)	(2,059,547)
Net cash used in investing activities		(1,441,704)	(1,451,414)
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		2,048,501	-
Net increase/(decrease) in cash held		(180,734)	(2,126,539)
Cash and cash equivalents at the beginning of the year		2,259,958	4,386,497
Cash and cash equivalents at 30 June	5	**2,079,224**	**2,259,958**

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

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1. CORPORATE INFORMATION

Mont Royal Resources Limited is a public company limited by shares incorporated on 26 March 2018 and domiciled in Australia.

These consolidated financial statements and notes represent Mont Royal Resources Limited and its controlled entities (together 'Consolidated Group', 'Group').

The Group is principally engaged in the business of mineral exploration in Canada. The registered office and principal place of business of the Company is, Level 8, 2 Bligh Street, Sydney NSW 2000.

The consolidated financial statements of the Group for the year ended 30 June 2024 were authorised for issue in accordance with a resolution of the directors on 4 September 2024.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on an accrual basis of accounting including the historical cost convention and the going concern assumption. Mont Royal Resources Limited is a for-profit entity for the purposes of preparing financial statements.

Both the functional and presentation currency of the Company is in Australian dollars.

(b) Statement of compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS).

(c) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Mont Royal Resources Limited at the end of the reporting period. A controlled entity is any entity over which Mont Royal Resources Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities.

Where controlled entities have entered or left the group during the period, the financial performance of those entities are included only for the period of the period that they were controlled. Details of controlled entities are contained in Note 7.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

(d) New accounting standards and interpretations

The Group has adopted all new accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for annual reporting periods beginning 1 July 2023. The adoption of these new and revised standards and interpretations did not have any effect on the financial position or performance of the Group.

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 year ended 30 June 2024. 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.

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(e) Other receivables

Other receivables are recognised and carried at amortised cost, less any allowance for expected credit losses.

The Company is entitled to a refundable tax credit on qualified mining exploration expenses incurred in the province of Quebec and to a mining duties credit, which are recorded against the exploration and evaluation expenditure when the expenditure is incurred.

(f) Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

(g) Share based payments

Equity settled share-based compensation benefits are provided to employees (directors). The costs of equity-settled transactions are measured at fair value on grant date. The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and risk free interest rate for the term of the option.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Upon the exercise of options, the balance of the share-based payments reserve relating to these options is transferred to share capital.

The market value of shares issued to employees for no cash consideration under the employee share scheme is recognised as an employee benefits expense with a corresponding increase in equity when the employees become entitled to the shares.

(h) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency. All figures presented in the financial report have been rounded to the nearest dollar.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

Controlled entities

The financial results and position of foreign operations whose functional currency is different from the Group's

presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date.
- Income and expenses are translated at average exchange rates for the period.
- Retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of profit or loss and other comprehensive income in the period in which the operation is disposed. The functional currency of the subsidiaries incorporated in the Canada (refer Note 7) is the Canadian Dollar (CAD).

(i) Critical accounting judgements and estimates

The preparation of financial statements requires the use of certain critical accounting judgements and estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements except for the following:

Key estimate: Share-based payments

The Company initially measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and condition of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Key judgement: Capitalised Exploration Expenditure

Exploration and evaluation costs have been capitalised on the basis that the Group will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Upon approval for the commercial development of an area of interest, accumulated expenditure for the area of interest is transferred to mining assets.

Key judgement: Valuation of the refundable duties credit for losses and the refundable tax credit for resources

The refundable mining duties credit and the refundable tax credit for resources for the current and prior periods are measured at the amount expected to be recovered from the taxation authorities using the tax rates and tax laws that have been enacted or substantively enacted at the statement of financial position date. Uncertainties exist with respect to the interpretation of tax regulations, including the mining duties credit and the tax credit for resources for which certain expenditures could be disallowed by the taxation authorities in the calculation of credits, and the amount and timing of their collection. The calculation of the Company's mining duties credit and tax credit for resources necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until a notice of assessments and payments has been received from the relevant taxation authority. Differences arising between the actual results following the final resolution of some of these items and the assumptions made, or future changes to such assumptions, could necessitate adjustments to the mining duties credit and tax credit for resources, the E&E assets and expenses, and the income tax expenses in future periods.

The amounts recognized in the financial statements are derived from the Company's best estimation and judgement as described above. However, the inherent uncertainty regarding the outcome of these items means that eventual resolution could differ from the accounting estimates and therefore impact the Company's financial position and its financial performance and cash flows.

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3. CORPORATE EXPENSES

	2024 $	2023 $
Corporate expenses consist of:		
- Directors' fees	294,300	295,182
- Compliance expenses	246,538	282,225
- Legal fees	17,898	49,746
- Other	207,587	177,409
Total corporate expenses	766,323	804,562

4. INCOME TAX EXPENSE

The prima facie tax on loss before income tax is reconciled to the income tax as follows:

	2024 $	2023 $
Loss before income tax	(2,625,450)	(820,331)
Income tax	(784,357)	(241,969)
Add back:		
Share based payment	12,423	14,053
Accruals	(2,400)	3,300
Capital raising costs	(25,647)	(44,300)
Exploration expenditure impaired	553,601	-
Other	-	4,559
Adjustments in respect of income tax of previous year	3,177	42,801
Capitalised exploration immediately deductible	-	-
Future income tax benefit not brought to account	243,203	221,556
Income tax expense	-	-

	2024 $	2023 $
Deferred tax assets:		
Capital raising costs	73,655	38,925
Accruals	9,300	11,700
Capitalised exploration costs	110,000	90,441
Carry forward tax losses	1,454,968	1,219,614
	1,647,923	1,360,680
Deferred tax liabilities:		
Capitalised exploration costs	-	-
	-	-
Net deferred tax asset position not brought to account	(1,647,923)	(1,360,680)
Total	-	-

This benefit from tax losses totalling $1,454,968 (2023: $1,219,614) will only be obtained if the specific entity carrying forward the tax losses derives future assessable income of a nature and of an amount sufficient to enable the benefit from the deductions for the losses to be realised, and the Company complies with the conditions for deductibility imposed by tax legislation.

The aggregate deferred tax asset has not been carried forward as an asset in the Consolidated Statement of Financial Position as realisation of the benefit is not regarded as probable and will only be obtained if:

(a) the Company derives future assessable income of a nature and of an amount sufficient to enable the benefit from the exploration expenditure and tax losses to be realised;
(b) the Company continues to comply with the conditions for deductibility imposed by the law; and
(c) no changes in tax legislation adversely affect the Company in realising the benefit from the tax losses.

5. CASH AND CASH EQUIVALENTS

	2024 $	2023 $
Cash at bank and on hand	2,079,224	2,259,958

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6. OTHER RECEIVABLES

	2024 $	2023 $
Tax credit and mining rights receivable	649,142	1,026,606
GST/QST receivable	101,732	210,290
Other	1,238	1,238
Total	752,112	1,238,134

The carrying amount of these receivables approximates their fair value and are not considered to be impaired.

7. INVESTMENT IN SUBSIDIARIES

Interests are held in the following subsidiary companies:

Name	Principal Activity	Country of Incorporation	Ownership Interest 2024	Ownership Interest 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%

8. EXPLORATION AND EVALUATION EXPENDITURE

	2024 $	2023 $
Balance at the beginning of the year	6,076,557	4,350,267
Exploration and evaluation expenditure incurred during the year	2,552,125	2,600,241
Canadian exploration tax credit offset during the year	(642,532)	(1,065,745)
Exploration expenditure impaired	(1,845,335)	-
Foreign currency translation movement	(353,669)	191,794
Balance at the end of the year	5,787,146	6,076,557

In response to the challenging market conditions in the lithium and battery metals sector that have impacted all junior exploration companies since the start of 2024, the Board of Mont Royal paused exploration expenditure at the Wapatik Project in April and will re-evaluate future exploration programs throughout CY 2024 and has therefore impaired the carrying value of exploration expenditure capitalised up to 30 June 2024.

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
(c) The recoupment of costs through successful development and exploitation of the areas of interest or alternatively by their sale.

9. TRADE AND OTHER PAYABLES

	2024 $	2023 $
Current		
Trade payables and accruals	81,964	611,894

Trade creditors are expected to be paid on 30-day terms.

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10. ISSUED CAPITAL

(a) Issued Capital

	2024 $	2023 $
85,029,793 (2023: 68,482,668) fully paid ordinary shares	13,562,268	11,361,378

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

Date	Details	No. of Shares	$
01/07/2022	Balance at beginning of period	67,035,951	11,086,502
01/12/2022	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 13(b))	2,734,858	445,783
30/6/2024	Balance at end of period	85,029,793	13,562,268

[1] Includes value of broker options (Note 13(a))

(c) Capital risk management

The Company does not have a defined share buy-back plan.

No dividends will be paid in 2024 (2023: Nil).

There is no current intention to incur further debt funding on behalf of the Company as on-going expenditure will be funded via cash reserves or equity.

The Company is not subject to any externally imposed capital requirements.

11. RESERVES

(a) Share based payments reserve

	2024 $	2023 $
Share based payments reserve	2,541,373	2,206,570

(b) Foreign currency translation reserve

	2024 $	2023 $
Foreign currency translation reserve	(158,384)	146,841

(c) Movement in options

Date	Details	No. of Unlisted Options	Fair Value of Options Granted	Exercise Price	Expiry Date
01/07/2022	Opening balance	9,750,000			
25/03/2023	Director	1,500,000	$0.067	$0.30	25/03/2026
30/06/2023		11,250,000			
10/11/2023	Lead manager	3,000,000	$0.098	$0.35	10/11/2026
30/06/2024		14,250,000			

(d) 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.

12. NOTES TO STATEMENT OF CASH FLOWS

(a) Reconciliation of loss after income tax to net cash flows from operating activities

	2024 $	2023 $
Loss for the year	(2,625,450)	(820,331)
Share based payment expense	41,411	46,843
Exploration expenditure impaired	1,845,335	-
Movement in assets and liabilities:		
(Increase)/Decrease in other receivables	108,558	(113,845)
(Increase)/Decrease in other assets	(8,148)	106,167
Increase/(Decrease) in trade and other payables	(149,237)	168,729
Increase/(Decrease) in tax payable	-	(62,689)
Net cash used in operating activities	(787,531)	(675,125)

(b) Non-cash investing and financing activities

Other than share-based payment transactions disclosed in note 13, there were no non-cash investing and financing activities during the year ended 30 June 2024 and 30 June 2023.

13. SHARE BASED PAYMENTS

(a) Options

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price 2024	Number of Options 2024	Weighted average exercise price 2023	Number of Options 2023
Outstanding at 1 July	$0.34	11,250,000	$0.35	9,750,000
Granted during the period	$0.35	3,000,000	$0.30	1,500,000
Exercised during the period	-	-	-	-
Lapsed during the period	-	-	-	-
Outstanding at 30 June	$0.34	14,250,000	$0.34	11,250,000
Exercisable at 30 June	$0.34	13,750,000	$0.34	10,250,000

The options outstanding at 30 June 2024 have a weighted average exercise price of $0.34 and a weighted average remaining contractual life of 0.9 years.

During the year ended 30 June 2024, 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 current and prior year.

	Lead Manager	Director
Number of options	3,000,000	1,500,000
Fair value at measurement date (cents)	$0.098	$0.067
Dividend yield (%)	Nil	Nil
Expected volatility (%)	90%	90%
Risk free rate (%)	3.83%	2.21%
Expected life of option	3	3
Share price (cents)	$0.20	$0.155
Exercise price (cents)	$0.35	$0.30
Model used	Black – Scholes	Black – Scholes
Value of options	$293,392	$100,541
Expensed in 2024	$293,392	$41,411
Expensed in 2023	-	$46,843

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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 (1/12/2022: 1,446,717) fully paid ordinary shares with a fair value of $445,783 (C$400,000) (1/12/2022: $274,876 (C$250,000)) as part consideration towards the C$800,000 final instalment payment for the Focus Assets (2023: C$500,000 second instalment payment), with the balance paid in cash (Refer note 10(b)).

14. CONTINGENT LIABILITIES, LEASE COMMITMENTS AND CONTINGENT ASSETS

As at 30 June 2024 there were no contingent liabilities or contingent assets.

(a) 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 (1st) anniversary of the Effective Date[1.]	C$600,000	C$20,000
At the latest on the second (2nd) anniversary of the Effective Date[1.]	C$800,000	C$20,000
At the latest on the third (3rd) anniversary of the Effective Date[1.]	C$1,200,000	C$20,000
At the latest on the fourth (4th) 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 30 June 2024.

(b) 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 agreement:

(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");

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.

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15. RELATED PARTY TRANSACTIONS

The Group's main related parties are as follows:

a. Subsidiaries
Interests in subsidiaries are set out in note 7.

b. Key management personnel
Disclosures relating to key management personnel are set out in note 16.

c. Transactions with related parties:
There were no transactions with related parties.

16. KEY MANAGEMENT PERSONNEL DISCLOSURES

Compensation:
The aggregate compensation made to directors and other members of key management personnel of the consolidated group is set out below:

	Consolidated 2024 $	Consolidated 2023 $
Short term employee benefits	294,300	295,182
Share-based payments	41,411	46,843
Aggregate compensation	335,711	342,025

17. FINANCIAL RISK MANAGEMENT

The Group's financial instruments consistent mainly of deposits with banks, and accounts receivable and payables.

The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as other receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments is cash flow interest rate risk and liquidity risk. Other minor risks are either summarised below or disclosed at Note 10 in the case of capital risk management. The Board reviews and agrees policies for managing each of these risks.

(a) Cash flow interest rate risk
The Group's exposure to the risks of changes in market interest rates relates primarily to the Group's short-term deposits with a floating interest rate. These financial assets with variable rates expose the Group to cash flow interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing. The Group does not engage in any hedging or derivative transactions to manage interest rate risk.

The Group has not entered into any hedging activities to cover interest rate risk. In regard to its interest rate risk, the Group does not have a formal policy in place to mitigate such risks.

The following table sets out the carrying amount by maturity of the Group's exposure to interest rate risk and the effective weighted average interest rate for each class of these financial instruments. There were no fixed interest rate financial assets or liabilities held by the Group.

2024	Non Interest Bearing $	Floating Interest Rate $	Total $	Weighted Average Effective Interest Rate %
Financial Assets				
- Cash and cash equivalents	774,537	454,687	**1,229,224**	0.37
- Deposits held	-	850,000	**850,000**	3.28
Total Financial Assets	774,537	1,304,687	**2,079,224**	2.14
Financial Liabilities				
- Trade creditors	(81,964)	-	**(81,964)**	-
Total Financial Liabilities	(81,964)	-	**(81,964)**	-

2024	Non Interest Bearing $	Floating Interest Rate $	Total $	Weighted Average Effective Interest Rate %
Net Financial Assets / (Liabilities)	692,573	1,304,687	**1,997,260**	2.14

2023	Non Interest Bearing $	Floating Interest Rate $	Total $	Weighted Average Effective Interest Rate %
Financial Assets				
- Cash and cash equivalents	461,545	1,798,413	**2,259,958**	1.45
Total Financial Assets	461,545	1,798,413	**2,259,958**	1.45
Financial Liabilities				
- Trade creditors	(363,462)	-	**(363,462)**	-
Total Financial Liabilities	(363,462)	-	**(363,462)**	-
Net Financial Assets / (Liabilities)	98,082	1,798,413	**1,896,495**	1.45

Interest rate sensitivity
At 30 June 2024, if interest rates had changed by 10% during the entire year with all other variables held constant, profit/(loss) for the year and equity would have been $2,786 lower/higher, mainly as a result of lower/higher interest income from cash and cash equivalents.

A sensitivity of 10% has been selected as this is considered reasonable given the current level of both short term and long term Australian dollar interest rates. A 10% increase sensitivity would move short term interest rates at 30 June 2024 from around 4.1% to 4.6% (10% decrease: 3.7%) representing a 40 basis points shift. This would represent one decrease which is reasonably possible in the current environment with the bias coming from the Reserve Bank of Australia and confirmed by market expectations that interest rates in Australia are more likely to move down than up in the coming period.

Based on the sensitivity analysis, only interest revenue from variable rate deposits and cash balances are impacted resulting in a decrease or increase in overall income.

(b) Liquidity risk
The Company manages liquidity risk by maintaining sufficient cash reserves and through the continuous monitoring of budgeted and actual cash flows.

	2024 $	2023 $
Contracted maturities of liabilities at 30 June		
Payables		
- less than 30 days	81,964	363,462

(c) Net fair values
Unless otherwise stated, the carrying amount of financial instruments reflect their fair value.

(d) Credit Risk
Credit risk represents the loss that would be recognised if counterparties fail to perform as contracted. The Group's maximum exposure to credit risk at reporting date in relation to each class of financial asset is the carrying amount of those assets as indicated in the statement of financial position. The majority of cash and cash equivalents is held with one Australian Bank which has an AA- long-term credit rating from Standard and Poor's.

Wherever possible, the Group trades only with recognised, credit worthy third parties. There are no significant concentrations of credit risk within the Group. Since the Group trades only with recognised third parties, there is no requirement for collateral.

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18. LOSS PER SHARE

	2024 $	2023 $
Basic and diluted loss per share (cents)	(3.14)	(1.20)
Loss used in calculating basic and diluted loss per share	(2,583,959)	(813,876)
Weighted average number of ordinary shares used in calculating basic and diluted loss per share	82,203,375	67,876,236

19. SEGMENT INFORMATION

The directors have considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded that at this time there are no separate identifiable business segments.

The operations and assets of Mont Royal Resources Limited and its controlled entities are employed in exploration activities relating to minerals in Canada.

20. AUDITOR'S REMUNERATION

The auditor of Mont Royal Resources Limited is BDO Audit Pty Ltd.

	2024 $	2023 $
Amounts paid or payable to BDO Audit (WA) Pty Ltd and related network firms for:		
Audit services	39,646	55,282
Non-audit services (BDO Canada LLP)	47,911	61,135

The BDO entity performing the audit of the group transitioned from BDO Audit (WA) to BDO Audit Pty Ltd on 23 April 2024. The disclosures include amounts received or due and receivable by BDO Audit (WA) Pty Ltd, BDO Audit Pty Ltd and their respective related entities.

21. EVENTS AFTER THE REPORTING PERIOD

No matter or circumstance has arisen since 30 June 2024 that has significantly affected, or may significantly affect the entity's operations, the results of those operations, or the entity's state of affairs in future financial years.

22. INFORMATION RELATING TO MONT ROYAL RESOURCES LIMITED (PARENT)

	2024 $	2023 $
Current assets	1,353,003	1,847,131
Total assets	7,584,523	8,415,929
Current liabilities	35,570	69,959
Total liabilities	35,570	69,959
Issued capital	13,562,268	11,361,378
Reserves	2,541,373	2,206,570
Accumulated losses	(8,554,688)	(5,221,978)
Loss of the parent entity	(3,332,710)	(741,974)
Total comprehensive loss of the parent entity	(3,332,710)	(741,974)

Investments in subsidiaries are accounted for at cost, less any impairment, in the parent entity.

The parent entity has not entered into any guarantees, in relation to the debts of its subsidiary.

The parent entity has not entered into any commitments for expenditure as at the end of the financial year.

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DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Mont Royal Resources Limited, I state that:

1. In the opinion of the directors:

   (a) the financial statements and notes of the Consolidated Group for the financial year ended 30 June 2024 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 30 June 2024 and of its performance for the year ended on that date; and

      (ii) complying with Australian Accounting Standards and *Corporations Regulations 2001*;

   (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2(b); and

   (c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

   (d) the consolidated entity disclosure statement is true and correct.

2. This declaration has been made after receiving the declarations required to be made to the directors by the chief executive officer and the chief financial officer in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2024.

On behalf of the Board



Peter Ruse
Executive Director
4 September 2024

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INDEPENDENT AUDITOR'S REPORT

To the members of Mont Royal Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Mont Royal Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, 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 year then ended, and notes to the financial report, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with 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 our audit of the 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 in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

BDO Audit Pty Ltd ABN 33 134 022 870 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

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Carrying value of exploration and evaluation expenditure

Key audit matter	How the matter was addressed in our audit
As disclosed in Note 8 to the Financial Report, the carrying value of the capitalised exploration and evaluation expenditure represents a significant asset of the Group. Refer to Notes 2 (f) and 2 (i) of the Financial Report for a description of the accounting policy and significant judgements applied to capitalised exploration and evaluation expenditure. In accordance with AASB 6 Exploration and Evaluation of Mineral Resources (AASB 6), the recoverability of exploration and evaluation requires significant judgement by management in determining whether there are any facts or circumstances that exist to suggest that the carrying amount of this asset may exceed its recoverable amount. During the year, the Group undertook an impairment assessment and recognised an impairment charge as disclosed in Note 8. As a result, this is considered a key audit matter.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management and reviewing the Group's exploration budgets, ASX announcements and Director's minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether there are any other factors or circumstances existing to suggest impairment testing was required; • Evaluating and assessing the accuracy of the Group's calculation on the impairment recognised for the year ended 30 June 2024; and • Assessing the adequacy of the related disclosures in Notes 2 (f), 2 (i) and 8 to the Financial Report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2024, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of:

a) the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and

b) the consolidated entity disclosure statement that is true and correct in accordance with the Corporations Act 2001, and

for such internal control as the directors determine is necessary to enable the preparation of:

i) the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and

ii) the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 9 to 11 of the directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Mont Royal Resources Limited, for the year ended 30 June 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd



Jackson Wheeler

Director

Perth, 4 September 2024

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QUOTED SECURITIES

ORDINARY FULLY PAID SHARES

(i) DISTRIBUTION OF SHAREHOLDERS AS AT 26 August 2024:

SPREAD OF HOLDINGS	NO. OF HOLDERS	NO. OF SHARES	PERCENTAGE OF ISSUED CAPITAL %
1 – 1,000	23	2,181	0.00%
1,001 - 5,000	95	294,688	0.35%
5,001 - 10,000	70	584,446	0.69%
10,001 - 100,000	180	7,764,958	9.13%
100,001+	143	76,383,520	89.83%
	511	85,029,793	100.00%

The number of shareholdings held in less than marketable parcels is 142.

(ii) TOP 20 HOLDERS OF ORDINARY FULLY PAID SHARES:

The names of the twenty largest shareholders of ordinary fully paid shares are listed below:

	NAME	NO OF ORDINARY SHARES HELD	% OF ISSUED SHARE CAPITAL
1	CITICORP NOMINEES PTY LIMITED	8,055,239	9.47%
2	PROSPECT AG TRADING PTY LTD <O'KEEFFE FAMILY A/C>	2,650,000	3.12%
3	SML CONTRACTING PTY LTD	2,350,000	2.76%
4	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	2,300,000	2.70%
5	MR MICHAEL O'KEEFFE	2,000,000	2.35%
6	UBS NOMINEES PTY LTD	1,980,910	2.33%
7	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,908,929	2.25%
8	JINDABYNE CAPITAL PTY LTD <PROVIDENCE EQUITY A/C>	1,631,250	1.92%
9	HIGH PEAKS CAPITAL PTY LTD	1,537,740	1.81%
10	BLUE CRYSTAL PTY LTD <JULIAN FAMILY A/C>	1,500,000	1.76%
11	BASS FAMILY FOUNDATION PTY LTD <BASS FAMILY FOUNDATION A/C>	1,300,000	1.53%
12	MR BRIAN PETER BYASS	1,250,000	1.47%
13	NEWGEN GEO PTY LTD	1,241,356	1.46%
14	EASTBOURNE DP PTY LTD <O'KEEFFE SUPERANNUATION A/C>	1,206,249	1.42%
15	MR GARY KENNETH LAWLER	1,200,000	1.41%
16	BLUE ATLAS PTY LTD <ROWE INVESTMENT A/C>	1,093,750	1.29%
17	FLUE HOLDINGS PTY LTD<BROMLEY SUPERANNUATION A/C>	1,000,000	1.18%
17	METECH SUPER PTY LTD <METECH NO2 SUPER A/C>	1,000,000	1.18%
17	METECH SUPER PTY LTD <METECH NO 2 SUPER FUND A/C>	1,000,000	1.18%
17	LENAHAN NOMINEES PTY LTD <LENAHAN FAMILY A/C>	1,000,000	1.18%
17	PARCENT HOLDINGS PTY LTD <G K LAWLER SUPER FUND A/C>	1,000,000	1.18%
17	ZERO NOMINEES PTY LTD	1,000,000	1.18%
18	BLUE CRYSTAL PTY LTD <THE JULIAN FAMILY A/C>	975,493	1.15%
19	MR SIMON JAMES HENDERSON	956,465	1.12%
20	JINDABYNE CAPITAL PTY LTD <PROVIDENCE EQUITY A/C>	950,000	1.12%
	Total	**42,087,381**	**49.50%**

ASX ADDITIONAL INFORMATION *(continued)*

QUOTED SECURITIES *(continued)*

ORDINARY FULLY PAID SHARES *(continued)*

(iii) VOTING RIGHTS

Article 15 of the Constitution specify that on a show of hands every member present in person, by attorney or by proxy shall have:

(a) for every fully paid share held by him one vote; and

(b) for every share which is not fully paid a fraction of the vote equal to the amount paid up on the share over the nominal value of the shares.

(iv) SUBSTANTIAL SHAREHOLDERS

Name	Ordinary Shares No.	%
VISON PTY LTD <PHILIP GARRATT FAMILY TRUST>	6,135,000	7.22%
MICHAEL O'KEEFFE / PROSPECT AG TRADING PTY LTD / EASTBOURNE DP PTY LTD	5,856,249	6.88%
	11,991,249	14.1%

UNQUOTED SECURITIES

(a) UNLISTED OPTIONS ON ISSUE

Options exercisable at $0.35 expiring 29 October 2024	4,750,000
Options exercisable at $0.35 expiring 25 November 2024	5,000,000
Options exercisable at $0.30 expiring 25 March 2026	1,500,000
Options exercisable at $0.35 expiring 10 November 2026	3,000,000

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MINING TENEMENT INFORMATION

The Company is party to a binding JV option agreement with Azimut Exploration Inc. (TSXV: AZM), to earn-in up to 70% of the Wapatik Gold-Copper Project, located in James Bay area, a tier 1 mining jurisdiction of Quebec, Canada.

On 1 December 2021, the Company completed the acquisition of 75% of Northern Lights Minerals Pty Limited ("NLM") which holds a substantial land package across the Upper Eastmain Greenstone belt in Quebec, Canada.

In addition, a subsidiary of NLM holds rights to acquire 100% of the rights in assets held by Focus Graphite Inc.

NLM also is party to an agreement with Dios Exploration Inc providing NLM the rights to acquire a 70% interest in certain claims (and associated mining information). The Company has not yet earned an interest in the tenements.

The following tenements are held at 30 June 2024:

Project	Location	Tenement/Title Number
Northern Lights	Quebec, Canada	2556880 – 2557189 2558307 – 2558325 2565968 – 2565987 2538870 – 2538914 2543213 – 2543214 2543450
Eastmain Leran	Quebec, Canada	28001 – 28020 28133 32570 – 32577 47480 – 47482 2366180 – 2366308 2366403 – 2366504 2366511 – 2366512 2367332 – 2367339 2486140 – 2486145 2513157 – 2513400 2515373 2520337 – 2520338 2530140 - 2530150

MONT ROYAL RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
CORPORATE GOVERNANCE STATEMENT

Mont Royal Resources Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance. Mont Royal Resources Limited has its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2024 corporate governance statement was approved by the Board on 4 September 2024 and is current as at 4 September 2024. A description of the Group's current corporate governance practices is set out in the Group's Corporate Governance Statement which can be viewed at www.montroyalres.com/corporate-governance/.

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MONT ROYAL RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
CONSOLIDATED ENTITY DISCLOSURE STATEMENT

Name of entity	Type of entity	Trustee, partnership or participant in joint venture	% of share capital held	Country of incorporation	Australian resident or foreign resident (for tax purposes)	Foreign tax jurisdiction(s) of foreign residents
Mont Royal Resources Limited	Body corporate	n/a	n/a	Australia	Australia	Australia
Mont Royal Exploration Australia Pty Ltd	Body corporate	n/a	100	Australia	Australia	Australia
Mont Royal Resources Canada Inc	Body corporate	n/a	100	Canada	Foreign	Canada
Mont Royal Resources Quebec Inc	Body corporate	n/a	100	Canada	Foreign	Canada
Northern Lights Minerals Pty Ltd	Body corporate	Participant in joint venture, partner	75	Australia	Australia	Australia
1256137 BC Ltd	Body corporate	n/a	75	Canada	Foreign	Canada

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MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES

ACN: 625 237 658

Annual Financial Report

For The Year Ended 30 June 2023

CORPORATE DIRECTORY

BOARD OF DIRECTORS

Gary Lawler (Non-Executive Chairman)
Peter Ruse (Executive Director)
Ronnie Beevor (Non-Executive Director)

COMPANY SECRETARY

Shaun Menezes

REGISTERED OFFICE AND PRINCIPAL BUSINESS OFFICE

Level 8, 2 Bligh Street
Sydney NSW 2000

Telephone: (+61 2) 8651 7800

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Automic Registry Services
Level 5
191 St Georges Terrace
Perth WA 6000

Investor Enquiries: 1300 288 664

AUDITOR

BDO Audit (WA) Pty Ltd
Level 9, Mia Yellagonga Tower 2
5 Spring Street, Perth, WA

Telephone: (+61 8) 6382 4600

STOCK EXCHANGE

ASX Limited (Australian Securities Exchange)
ASX Code: MRZ

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Your directors present their report on the consolidated group for the year ended 30 June 2023.

Directors

The names, qualifications and experience of the directors in office at any time during, or since the end of, the year are as follows. Directors have been in office since the start of the year to the date of this report unless otherwise stated.

Gary Lawler (Non-Executive Chairman) BA, LLB, LLM(Hons), ASIA, Master of Laws (Applied Laws)(Wills & Estates)
Mr Lawler is a career lawyer having practiced for over 40 years primarily as a corporate/ mergers and acquisitions lawyer. During his years of practice, Mr Lawler has been a partner in several large Sydney based law firms and is currently a Senior Adviser at Ashurst Australia. Mr Lawler brings a wealth of legal and business experience to the Board.

Other current directorships: Champion Iron Limited(ASX/TSX).

Former directorships (last 3 years): None.

Peter Ruse (Executive Director) BCom, GradCertAppFin
Mr Ruse is a finance professional with over 12 years of extensive experience in Equity Funds Management and Private/Institutional Wealth Management specialising in Mining/Minerals and Industrial related sectors. Mr Ruse has extensive private and public equity market experience as a former Executive Director/Portfolio Manager of ALR Investments Pty Limited, a Western Australian family office investment company.

Other current directorships: Gunsynd PLC (AIM-LSE), Parabellum Resources Limited.

Former directorships (last 3 years): None.

Ronnie Beevor (Non-Executive Director) B.A. (Hons)(appointed 25 March 2023)
Mr Beevor has over 40 years' experience in investment banking and mining. He was Head of Investment Banking at Rothchild Australia between 1997 and 2002, and since has been Chair or a Non-Executive Director of a range of mining companies, both in Australia and internationally. Mr Beevor's extensive career as a company director includes serving on the boards of Riversdale Resources, which proved up the substantial Grassy Mountain metallurgical coal deposit in Alberta, Canada and was taken over by Hancock Prospecting for A$800M in 2019, and Talison Lithium which acquired the Greenbushes lithium mine in WA and was taken over by Tianqi Lithium for C$900M in 2013.

Mr Beevor holds an Honours degree in Philosophy, Politics and Economics from Oxford University, and qualified as a chartered accountant in London.

Other current directorships: Felix Gold Limited, Bannerman Energy Limited

Former directorships (last 3 years): None.

Michael O'Keeffe (Non-Executive Director) BAppSc (resigned 25 March 2023)
Mr O'Keeffe is a metallurgist and currently the Executive Chairman of Champion Iron Limited. His vast knowledge of the mining industry and its issues and his extensive experience managing large companies have given him an impressive track record of achievements. Mr O'Keeffe was previously Executive Chairman of Riversdale Mining Limited (2004-2011), Managing Director of Glencore Australia Limited (1995-2004) and Mount Isa Mines (1975-1994).

Company Secretary

Shaun Menezes BCom, LLB
Mr Menezes is an accounting and finance professional with over 20 years experience. He has worked in the capacity of Company Secretary and Chief Financial Officer of a number of ASX and SGX listed companies, held a senior management role within an ASX 200 listed company and was an executive director at a leading international accounting firm. He is a member of the Governance Institute of Australia and the Chartered Accountants Australia and New Zealand.

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Directors Meetings

The following table sets out the number of meetings of the Company's directors held during the year ended 30 June 2023 attended by each director:

	Number Eligible to Attend	Number Attended
Gary Lawler	6	6
Peter Ruse	6	6
Ronnie Beevor	2	2
Michael O'Keeffe	4	4

Principal Activities

The principal activity of the consolidated group during the year was the farm-in to and exploration of the Wapatik Gold-Copper Project in Quebec, Canada, the exploration on Northern Lights Minerals Pty Ltd in the Upper Eastmain Greenstone Belt in Quebec, Canada.

Review of Operations

The consolidated loss of the consolidated group for the year amounted to $820,331 (2022: $2,052,159).

Mont Royal Resources (ASX:MRZ) is building a significant position in an underexplored greenstone belt in the James Bay area of Quebec, Canada, with the Company's Northern Lights and Wapatik projects, both strategically located in the lower and upper regions of the belt (Figure 1).

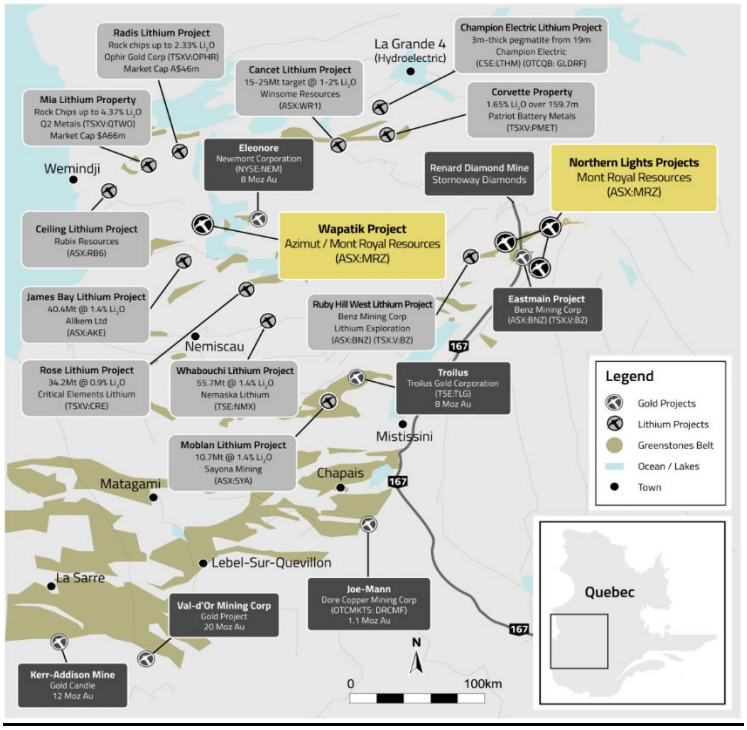

Figure 1: Project Locations

Northern Lights:

The Northern Lights Project is situated in the Upper Eastmain Greenstone belt, James Bay Region, Quebec. The Projects include, Northern Lights Assets (75% Owned), Eastmain Lèran Project (Option to own 75%), Dios Assets (JV to Earn in 70%) across a total land package of 536 km^2.

Copper Gold Drilling Program

During the second half of the Financial Year, The Company completed a diamond drilling program of 5 planned holes targeting (refer ASX Announcement 23rd March 2023) potential copper & gold extensions to historical exploration in the 1950's and 1970's. The program consisted of approximately 1,000m of drilling and was completed ahead of the scheduled time frame. No safety incidents nor mechanical issues were faced during the exploration program.

Bohier Project & Eastmain Léran – Lithium Exploration and Prospecting program

Additional to the current drilling program, the Company commenced a critical metals exploration program to identify lithium pegmatites on the Bohier and Eastmain-Léran projects.

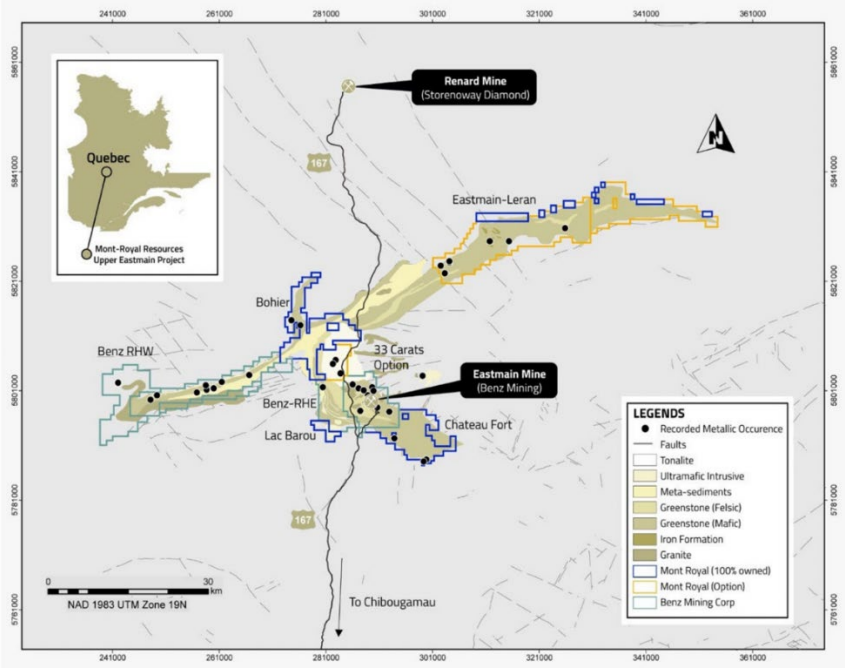

Figure 2: The upper Eastmain Greenstone Belt with Northern Lights Tenure, Eastmain Léran (Focus Graphite) and Dios optioned tenure

The Bohier mafic volcanics are part of the similar package that hosts Benz Mining's Ruby Hill pegmatite. Additional pegmatites dykes were found less than a kilometre west of the Bohier Project (Refer ASX:BNZ ASX Release – 27 October 2022) and the dyke swarm could potentially extend onto the Bohier property.

This program is aimed at detailed mapping, logging, sampling of outcropping Wahemen granite. Results will be analysed to determine whether their chemical composition is compatible with lithium caesium tantalum (LCT) systems.

Summer 2023 surface exploration program

The Lithium prospecting program at Bohier and Eastmain Leran commenced in May. The Company was able to successfully complete its LIDAR survey ahead of this event and approximately 4 days of fieldwork before wildfire evacuation orders were received from the Quebec authorities. The program successfully recommenced in the second half of the calendar year and will include prospecting, rock sampling, and geological mapping, using the excellent data that was delivered from the property-scale LiDAR and orthophoto survey.

The objective of the surface program at Bohier (Figure 3) is to evaluate the dolent mafic volcanics, the same geological package that hosts Benz Mining's Ruby Hill pegmatite, and the adjacent Bohier metasedimentary rocks. The geological mapping and rock sampling will be used to delineate drill targets and commence an immediate drilling program to follow up observations and data from the field.

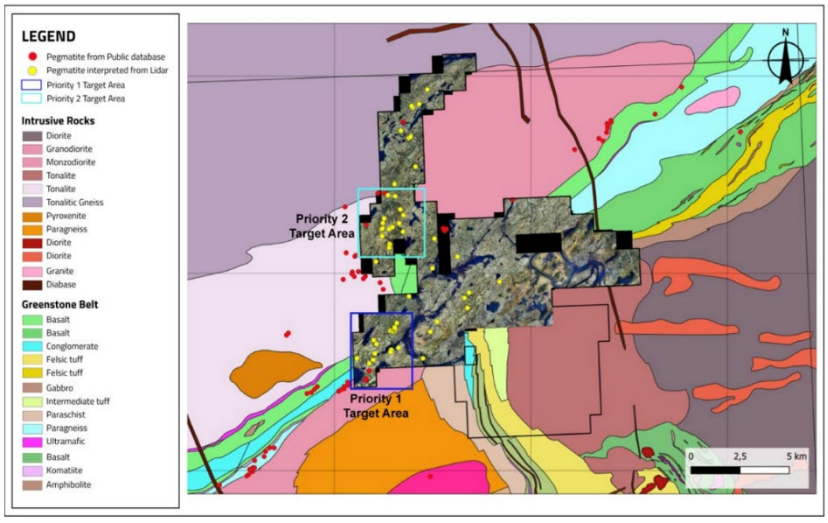

Figure 3: Geological map overlaid with results from Lidar survey analysis at Bohier Project

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Wapatik Project:
Wapatik is a 25-kilometre-long project comprising a single block of 220 claims (115 km^2) in an area with excellent infrastructure, including road access and power lines. It covers a largely underexplored part of the Lower Eastmain greenstone belt of Archean age.

Phase 2 Diamond Drilling:
In the first half of the Financial Year, the Company completed the phase 2 drilling program at the Wapatik Project. The results demonstrated that Wapatik is in nickel-copper mineralised system hosted within the ultramafic intrusion, justifying the additional drilling program the Company undertook.

Phase 2 drilling returned the following results: [released 20/10/2022]
- WAP22-009: 1.16% Ni, 3.85% Cu over 0.8 m (from 152.0 m to 152.8 m)
- WAP22-007: 0.29% Ni, 0.25% Cu over 18.0 m (from 129.0 m to 147
- WAP22-010: 0.27% Ni, 0.41% Cu over 15.75 m (from 60.0 m to 75.75 m)
- WAP22-008: 0.33% Ni, 0.35% Cu over 1.1 m (from 116.9 m to 118.0 m), and 0.34% Ni, 0.43% Cu over 1.71 m (from 129.54 m to 131.25 m)

Phase 3 Diamond Drilling:
During the Financial Year, the Company commenced and completed a drilling program (1,100 metres, 5 holes) to further evaluate the nickel-copper potential of the ultramafic body discovered in 2021 on the Property (see press releases of October 3 and October 19, 2022).

Phase 3 drilling returned the following encouraging results: [released 26/04/2023]
- WAP22-013: **0.15% Ni, 0.66% Cu, 0.012% Co, 7.18 g/t Ag over 3.3 m** (from 72.0 m to 75.3 m)
- WAP22-014: **0.20% Ni, 0.13% Cu, 0.017% Co, 0.78 g/t Ag over 21.5m** (from 125.5m -147.0 m)
    - including **0.40 % Ni, 0.47% Cu, 0.025% Co, 2,46 g/t Ag over 2.0m**
    - **0.52% Ni, 0.70% Cu, 0.020% Co, 3.27 g/t Ag over 8.0 m** (from 169.0 m to 177.0 m)
    - including **1.34% Ni, 1.21% Cu, 0.050% Co, 4.76 g/t Ag over 1.1 m**
- WAP22-015: **0.22% Ni, 0.20% Cu, 0.018% Co, 0.97 g/t Ag over 7.5 m** (from 47.0 m to 54.5 m)

Nickel-copper mineralisation, encountered in 12 of the 15 holes, was delineated over a 750-metre strike length. The system remains entirely open at depth and on strike, and consists of two main horizons: a basal horizon along or close to the contact with metasediments or paragneiss and a middle horizon within the ultramafic intrusion.

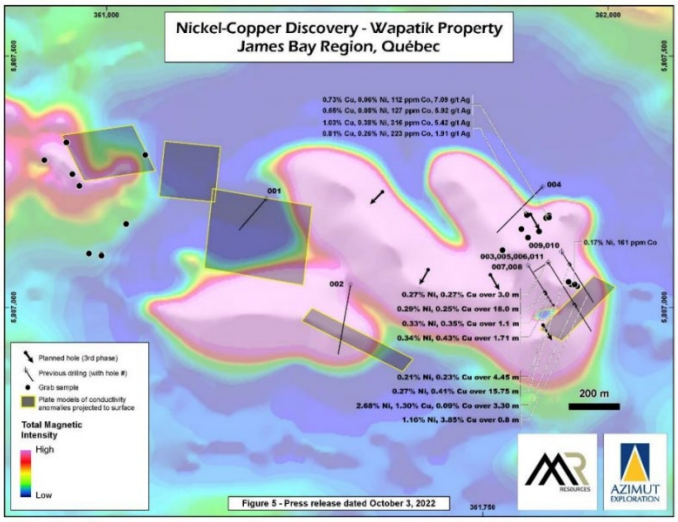

Figure 4: Completed and planned holes from phase 1-3 drilling programs Source: Azimut Exploration

Second Nickel-Copper-Bearing Intrusion at Wapatik
A focused prospecting program was completed in the Autumn/Fall 2022 at Wapatik which led to the discovery of a second new nickel-copper-bearing surface discovery 2 kilometers north of where the Company has been actively drilling. This field result is encouraging, further demonstrating the nickel-copper potential of the area, at a larger scale in the James Bay region. Follow-up on this second intrusion will consist of an electromagnetic survey to detect the presence of conductors that could be related to massive sulphides.

Maiden Lithium Prospection Program
Technical committee meetings between Mont Royal and Azimut Exploration discussed and approved a program to commence lithium exploration at the Wapatik Project. The Wapatik Project overlays several pegmatite dykes visible from the air in a geological environment. The project is situated 18 km north of the Allkem's James Bay Li project (Mineral Resource Estimate of 40.3Mt at 1.4% Li2O and Ore Reserve of 37.2Mt at 1.3% Li2O.; ref. Allkem Website).

Corporate:

Focus Graphite Inc. Second Milestone Payment
During the Financial Year Mont Royal announced that it had completed the second milestone payment to Focus Graphite Inc. Northern Lights Minerals Pty Ltd ("NLM") holds rights to acquire a package of the Acquisition Assets pursuant to an existing agreement (Focus Agreement) in place with Focus Graphite Inc. (TSXV:FMS) (Focus Assets).

Operating and Financial Risks
The Group's activities have inherent risk and the Board is unable to provide certainty of the expected results of activities, or that any or all of the likely activities will be achieved. The material business risks faced by the Group that could influence the Group's future prospects, and how the Group manages these risks, are detailed below:

Operational risks
The Company may be affected by various operational factors. In the event that any of these potential risks eventuate, the Company's operational and financial performance may be adversely affected. No assurances can be given that the Company will achieve commercial viability through the successful exploration and/or mining of its tenement interests. Until the Company is able to realise value from its projects, it is likely to incur ongoing operating losses.

The tenements are at various stages of exploration, and potential investors should understand that mineral exploration and development are speculative and high-risk undertakings that may be impeded by circumstances and factors beyond the control of the Company.

There can be no assurance that exploration of the Tenements, or any other exploration properties that may be acquired in the future, will result in the discovery of an economic mineral resource. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

There is no assurance that exploration or project studies by the Company will result in the definition of an economically viable mineral deposit. In the event the Company successfully delineates economic deposits on any Tenement, it will need to apply for a mining lease to undertake development and mining on the relevant Tenement. There is no guarantee that the Company will be granted a mining lease if one is applied for and if a mining lease is granted, it will also be subject to conditions which must be met.

Further capital requirements
The Company's projects may require additional funding in order to progress activities. There can be no assurance that additional capital or other types of financing will be available if needed to further exploration or possible development activities and operations or that, if available, the terms of such financing will be favourable to the Company.

The Company's activities are subject to Government regulations and approvals
The Company is subject to certain Government regulations and approvals. Any material adverse change in government policies or legislation in Quebec, Canada that affect mining, processing, development and mineral exploration activities, export activities, income tax laws, royalty regulations, government subsidiaries and environmental issues may affect the viability and profitability of any planned exploration or possible development of the Company's portfolio of projects.

Global conditions
General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration activities, as well as on its ability to fund those activities. General economic conditions, laws relating to taxation, new legislation, trade barriers, movements in interest and inflation rates, currency exchange controls and rates, national and international political circumstances (including outbreaks in international hostilities, wars, terrorist acts, sabotage, subversive activities, security operations, labour unrest, civil disorder, and states of emergency), natural disasters (including fires, earthquakes and floods), and quarantine restrictions, epidemics and pandemics, may have an adverse effect on the Company's operations and financial performance, including the Company's exploration, as well as on its ability to fund those activities.

General economic conditions may also affect the value of the Company and its market valuation regardless of its actual performance.

Significant Changes in the State of Affairs

There were no significant changes in the consolidated group's state of affairs occurred during the year.

Events Subsequent to the End of the Reporting Period

On 15 August 2023, the Company completed a capital raising of $2.209 million (before costs) by the issue of 13,812,267 ordinary shares at $0.16 each. Under the terms of the lead broker mandate, the Company agreed to issue 3,000,000 options exercisable at $0.35 expiring 3 years from date of issue to the lead manager, subject to shareholder approval.

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No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the entity's operations, the results of those operations, or the entity's state of affairs in future financial years.

Likely Developments and Expected Results of Operations

Likely developments in the operations of the consolidated group and the expected results of those operations in future years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the consolidated group.

Environmental Regulation

The consolidated group is subject to environmental regulations under the laws of the countries in which it undertakes exploration activities and ensures that it complies with all applicable regulations when carrying out exploration works.

Dividends

No dividends were paid or declared since the start of the year.

Options

The Company has the following options on issue as at the date of the Directors' Report.

Expiry Date	Exercise price	Number of Securities	
		2023	2022
29 October 2024	$0.35	4,750,000	4,750,000
25 November 2024	$0.35	5,000,000	5,000,000
25 March 2026	$0.30	1,500,000	-
Total		11,250,000	9,750,000

Option holders do not have any right, by virtue of the options, to participate in any share issue of the Company or any related body corporate.

Directors' Interests in Shares and Options of the Company

As at the date of this report, the directors' interest in shares and options of the Company were:

	Number of Ordinary Shares	Number of Options over Ordinary Shares
Gary Lawler	2,000,000	1,500,000
Peter Ruse	2,050,340	1,500,000
Ronnie Beevor	500,000	1,500,000

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of the Company support and have substantially adhered to the best practice recommendations set by the ASX Corporate Governance Council. The Company's corporate governance statement is contained in the annual report.

Indemnification of Officers

The Company has, during or since the end of the year, in respect of any person who is or has been an officer of the Company or a related body corporate:

- indemnified or made any relevant agreement for indemnifying against a liability incurred as an officer, including costs and expenses in successfully defending legal proceedings; or
- paid or agreed to pay a premium in respect of a contract insuring against a liability incurred as an officer for the costs or expenses to defend legal proceedings.

Premiums paid are not disclosed because disclosure is prohibited by the insurance contract.

Indemnification of Auditors

To the extent permitted by law, the parent entity has agreed to indemnify the auditors, BDO Audit (WA) Pty Ltd, as part of the terms of its audit engagement agreement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify BDO Audit (WA) Pty Ltd during or since year-end.

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Proceedings on Behalf of Company

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings.

The company was not a party to any such proceedings during the year.

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 12.

Non-Audit Services

There were no fees paid or payable to BDO Audit (WA) Pty Ltd for non-audit services during the year ended 30 June 2023. Fees paid or payable to BDO Canada LLP, which is a network firm of BDO Audit (WA) Pty Ltd for non-audit services during the year ended 30 June 2023 was $61,135.

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This report outlines the remuneration arrangements in place for directors and executives of the Company.

Remuneration Policy

The remuneration policy of the Company has been designed in order to ensure that the Company is able to attract and retain executives and Directors who will create value for shareholders, having regard to the amount considered to be commensurate for an entity of the Company's size and level of activity as well as the relevant directors' time, commitment and responsibility.

The Board's policy for determining the nature and amount of remuneration for board members and other senior executives of the Group is as follows:

The remuneration policy setting out the terms and conditions of any executive director was developed by the Board.

All senior executives will be subject to an annual performance evaluation against an established set of performance targets which are aligned to overall business goals and the Company's requirement of the position. Performance pay components of executives' packages are dependent on the outcome of the evaluation.

Remuneration packages for executive directors and other senior executives include an appropriate balance of fixed remuneration and performance-based remuneration. Fixed remuneration takes into account the Company's obligations at law and labour market conditions, and is relative to the scale of the Company's business.

Non-executive directors are remunerated by way of cash fees, superannuation contributions and non-cash benefits in lieu of fees (such as salary sacrifice into superannuation or equity). Levels of fixed remuneration for non-executive directors reflect the time commitment and responsibilities of the role.

Remuneration and other terms of employment for the executive director and other senior executives have been formalised in service agreements as follows:

The Company has entered into an executive service agreement with executive director, Mr Peter Ruse. The terms of the service agreement are set out as follows:

- Commencement date: 26 March 2018
- Term: no fixed
- Fixed remuneration: $150,000 per annum
- Termination for cause: no notice period
- Termination without cause: three month notice period

The Company has entered into an agreement with non-executive chairman, Mr Gary Lawler. The terms of the agreement are set out as follows:

- Commencement date: 15 October 2018
- Term: no fixed
- Fixed remuneration: $75,000 per annum plus superannuation
- Termination for cause: no notice period
- Termination without cause: no notice period

The Company has entered into an agreement with non-executive director, Mr Ronnie Beevor. The terms of the agreement are set out as follows:

- Commencement date: 25 March 2023
- Term: no fixed
- Fixed remuneration: $55,000 per annum plus superannuation
- Termination for cause: no notice period
- Termination without cause: no notice period

Remuneration of non-executive directors is determined by the Board within the maximum amount approved by shareholders from time to time which current stands at $400,000 per annum.

The Board undertakes an annual review of its performance and may exercise discretion in relation to approving incentives, bonuses and options.

All remuneration paid to directors and executives is valued at the cost to the Company and expensed.

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Performance-based remuneration

The Company currently has options on issue to Directors set out elsewhere in this report.

Key management personnel compensation

Details of the nature and amount of emolument paid for each director and executive of Mont Royal Resources Limited for the year ended 30 June 2023 and 2022 are set out below:

	Primary Benefits			Post Employment		Share Based Payments	Other Benefits	TOTAL	Options Based
	Salary & Fees	Cash Bonus	Non-Monetary	Super-annuation	Retirement Benefits	Options			
Directors	$	$	$	$	$	$	$	$	%
2023									
G Lawler	75,000	-	-	7,875	-	-	-	82,875	-
P Ruse	150,000	-	-	-	-	-	-	150,000	-
R Beevor[1]	14,805	-	-	1,555	-	46,843	-	63,202	74
M O'Keeffe[2]	44,463	-	-	1,485	-	-	-	45,947	-
Total	**284,268**	**-**	**-**	**10,914**	**-**	**46,843**	**-**	**342,025**	**14**
2022									
G Lawler	66,250	-	-	6,625	-	342,234	-	415,109	82
M O'Keeffe	50,189	-	-	5,019	-	342,234	-	397,443	86
P Ruse	132,500	-	-	-	-	342,234	-	474,734	72
Total	**248,939**	**-**	**-**	**11,644**	**-**	**1,026,702**	**-**	**1,287,286**	**80**

[1] Appointed 25 March 2023
[2] Resigned 25 March 2023

Remuneration Options

During the year ended 30 June 2023, 1,500,000 options were issued as part of director remuneration (30 June 2022: 4,500,000).

During the year ended 30 June 2023 no remuneration options were forfeited, expired or exercised by the directors.

During the year ended 30 June 2022, 3,700,000 remuneration options were exercised by the directors and a further 300,000 remuneration options expired.

Shareholdings by Directors

2023	Balance 01/07/22 or on appointment (No. of Shares)	Received Remuneration (No. of Shares)	No. of Options Exercised	Net Other Change (No. of Shares)	Balance 30/06/23 (No. of Shares)
G Lawler	2,000,000	-	-	-	2,000,000
P Ruse	2,050,340	-	-	-	2,050,340
R Beevor	100,000[1]	-	-	400,000	500,000
M O'Keeffe	5,150,000	-	-	(5,150,000)[2]	-
Total	**9,300,340**	**-**	**-**	**(4,750,000)**	**4,550,340**

[1] Appointed 25 March 2023
[2] Resigned 25 March 2023

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Options Holdings by Directors

2023	Balance 01/07/22 (No. Options)	Granted as Remuneration (No. Options)	No. of Options Acquired	No. of Options Exercised	Net Change Other (No. Options)	Balance 30/06/23 (No. Options)	Balance 30/06/23 (No. Options) (Vested and exercisable)
G Lawler	1,500,000	-	-	-	-	1,500,000	1,500,000
P Ruse	1,500,000	-	-	-	-	1,500,000	1,500,000
R Beevor	-	1,500,000[1]	-	-	-	1,500,000	500,000
M O'Keeffe	1,500,000	-	-	-	(1,500,000)[2]	-	-
Total	**4,500,000**	**1,500,000**	**-**	**-**	**(1,500,000)**	**4,500,000**	**3,500,000**

[1] Appointed 25 March 2023. Granted on appointment.
[2] Resigned 25 March 2023

The options issued to R Beevor during the year 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;

The following table lists the inputs to the models used for the valuation of the options issued during the year:

	Director
Number of options	1,500,000
Fair value at measurement date (cents)	$0.067
Dividend yield (%)	Nil
Expected volatility (%)	90%
Risk free rate (%)	2.21%
Expected life of option	3
Share price (cents)	$0.155
Exercise price (cents)	$0.30
Model used	Black – Scholes
Value of options	$100,541

End of remuneration report (audited).

Signed in accordance with a resolution of the Directors.

On behalf of the Directors

Peter Ruse
Executive Director
25 September 2023

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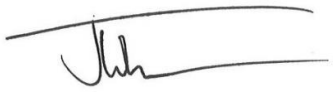
DECLARATION OF INDEPENDENCE BY JACKSON WHEELER TO THE DIRECTORS OF MONT ROYAL RESOURCES LIMITED

As lead auditor of Mont Royal Resources Limited for the year ended 30 June 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 audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

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

25 September 2023

BDO Audit (WA) Pty Ltd ABN 79 112 284 787 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (WA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

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MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 $	2022 $
Interest revenue		26,099	784
Expenses			
Corporate	3	(804,562)	(954,955)
Share-based payments expense	13	(46,843)	(1,083,742)
Foreign exchange gain/(loss)		4,975	(14,246)
Loss before tax		(820,331)	(2,052,159)
Income tax expense	4	-	-
Loss for the year		**(820,331)**	**(2,052,159)**
Other comprehensive income			
Exchange difference on translation of foreign controlled entities		64,574	97,380
Total comprehensive loss for the year attributable to the members		**(755,755)**	**(1,954,779)**
Loss for the year attributable to:			
Members of the parent entity		**(813,876)**	(2,052,159)
Non-controlling interests		**(6,454)**	-
		(820,331)	(2,052,159)
Total comprehensive loss for the year attributable to:			
Members of the parent entity		**(756,813)**	(1,969,368)
Non-controlling interests		**1,058**	14,589
		(755,755)	(1,954,779)
Loss per share attributable to the shareholders of the Company arises from:			
Basic and diluted loss per share (cents per share)	18	(1.20)	(3.89)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

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MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2023

	Note	2023 $	2022 $
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	5	2,259,958	4,386,497
Other receivables	6	1,238,134	711,714
Prepayments		28,431	134,598
TOTAL CURRENT ASSETS		3,526,523	5,232,809
NON-CURRENT ASSETS			
Exploration and evaluation expenditure	8	6,076,557	4,350,267
TOTAL NON-CURRENT ASSETS		6,076,557	4,350,267
TOTAL ASSETS		9,603,080	9,583,076
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	9	611,894	95,167
Income tax payable		-	62,687
TOTAL CURRENT LIABILITIES		611,894	157,854
TOTAL LIABILITIES		611,894	157,854
NET ASSETS		**8,991,186**	**9,425,222**
EQUITY			
Issued capital	10	11,361,378	11,086,502
Reserves	11	2,353,411	2,249,487
Accumulated losses		(5,322,583)	(4,508,689)
Total parent entity interest		8,392,206	8,827,300
Non-controlling interest		598,980	597,922
TOTAL EQUITY		**8,991,186**	**9,425,222**

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 YEAR ENDED 30 JUNE 2023

	Note	Issued Capital $	Reserves $	Accumulated Losses $	Total $	Non-controlling interest $	Total $
Consolidated Group							
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 year		-	-	(813,876)	(813,876)	(6,454)	(820,331)
Other comprehensive income		-	57,063	-	57,063	7,512	64,575
Total comprehensive loss for the year		-	57,063	(813,876)	(756,813)	1,058	(755,755)
Equity transactions							
Issue of shares		274,876	-	-	274,876	-	274,876
Share-based payments		-	46,843	-	46,843	-	46,843
Balance at 30 June 2023		**11,361,378**	**2,353,393**	**(5,322,565)**	**8,392,206**	**598,980**	**8,991,186**

	Note	Issued Capital $	Reserves $	Accumulated Losses $	Total $	Non-controlling interest $	Total $
Consolidated Group							
Balance at 1 July 2021		5,263,448	122,622	(2,456,530)	2,929,540	-	2,929,540
Loss for the year		-	-	(2,052,159)	(2,052,159)	-	(2,052,159)
Other comprehensive income		-	82,791	-	82,791	14,589	97,380
Total comprehensive loss for the year		-	82,791	(2,052,159)	(1,969,368)	14,589	(1,954,779)
Equity transactions							
Issue of shares		6,999,636	-	-	6,999,636	-	6,999,636
Capital raising costs		(1,176,582)	960,332	-	(216,250)	-	(216,250)
Share-based payments		-	1,083,742	-	1,083,742	-	1,083,742
Non-controlling interest recognised on current period acquisition		-	-	-	-	583,333	583,333
Balance at 30 June 2022		**11,086,502**	**2,249,487**	**(4,508,689)**	**8,827,300**	**597,922**	**9,425,222**

The above consolidated statement of change in equity should be read in conjunction with the accompanying notes.

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MONT ROYAL RESOURCES LIMITED AND ITS CONTROLLED ENTITIES
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 $	2022 $
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest received		26,099	784
Payments to suppliers and employees		(701,224)	(977,886)
Net cash used in operating activities	12	(675,125)	(977,102)
CASH FLOWS FROM INVESTING ACTIVITIES			
Government grants and tax incentives		608,133	-
Payments for exploration and evaluation expenditure		(2,059,547)	(1,973,770)
Net cash used in investing activities		(1,451,414)	(1,973,770)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	5,085,000
Payments for share issue costs		-	(216,250)
Net cash from financing activities		-	4,868,750
Net increase/(decrease) in cash held		(2,126,539)	1,917,878
Cash and cash equivalents at the beginning of the year		4,386,497	2,468,619
Cash and cash equivalents at 30 June	5	**2,259,958**	**4,386,497**

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

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1. CORPORATE INFORMATION

Mont Royal Resources Limited is a public company limited by shares incorporated on 26 March 2018 and domiciled in Australia.

These consolidated financial statements and notes represent Mont Royal Resources Limited and its controlled entities (together 'Consolidated Group', 'Group').

The Group is principally engaged in the business of mineral exploration in Canada. The registered office and principal place of business of the Company is, Level 8, 2 Bligh Street, Sydney NSW 2000.

The consolidated financial statements of the Group for the year ended 30 June 2023 were authorised for issue in accordance with a resolution of the directors on 25 September 2023.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial report is a general purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board.

The financial report has been prepared on an accrual basis of accounting including the historical cost convention and the going concern assumption.

Both the functional and presentation currency of the Company is in Australian dollars.

(b) Statement of compliance

The financial report complies with Australian Accounting Standards, which include Australian equivalents to International Financial Reporting Standards (AIFRS). Compliance with AIFRS ensures that the financial statements and notes comply with International Financial Reporting Standards (IFRS).

(c) Principles of Consolidation

The consolidated financial statements incorporate the assets, liabilities and results of entities controlled by Mont Royal Resources Limited at the end of the reporting period. A controlled entity is any entity over which Mont Royal Resources Limited has the power to govern the financial and operating policies so as to obtain benefits from its activities.

Where controlled entities have entered or left the group during the period, the financial performance of those entities are included only for the period of the period that they were controlled. Details of controlled entities are contained in Note 7.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

In preparing the consolidated financial statements, all inter-group balances and transactions between entities in the consolidated group have been eliminated in full on consolidation.

(d) New accounting standards and interpretations

The Group has adopted all new accounting standards and interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for annual reporting periods beginning 1 July 2022. The adoption of these new and revised standards and interpretations did not have any effect on the financial position or performance of the Group.

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 year ended 30 June 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.

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(e) Revenue recognition

Interest

Revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial assets.

(f) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at bank and in hand and short term deposits with an original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

(g) Other receivables

Other receivables are recognised and carried at amortised cost, less any allowance for expected credit losses.

The Company is entitled to a refundable tax credit on qualified mining exploration expenses incurred in the province of Quebec and to a mining duties credit, which are recorded against the exploration and evaluation expenditure when the expenditure is incurred.

(h) Income tax

Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry- forward of unused tax credits and unused tax losses can be utilised, except when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

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(i) Other taxes

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Statement of Financial Position.

Cash flows are included in the statement of cash flows on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority are classified as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

(j) Exploration and evaluation expenditure

Exploration and evaluation expenditure incurred is accumulated in respect of each identifiable area of interest. These costs are only carried forward to the extent that they are expected to be recouped through the successful development of the area or where activities in the area have not yet reached a stage that permits reasonable assessment of the existence of economically recoverable reserves.

Accumulated costs in relation to an abandoned area are written off in full against profit in the period in which the decision to abandon the area is made.

When production commences, the accumulated costs for the relevant area of interest are amortised over the life of the area according to the rate of depletion of the economically recoverable reserves.

A regular review is undertaken of each area of interest to determine the appropriateness of continuing to carry forward costs in relation to that area of interest.

(k) Share based payments

Equity settled share-based compensation benefits are provided to employees (directors). The costs of equity-settled transactions are measured at fair value on grant date. The fair value at grant date is independently determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the vesting and performance criteria, the impact of dilution, the non-tradable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and risk free interest rate for the term of the option.

The cost of equity-settled transactions are recognised as an expense with a corresponding increase in equity over the vesting period. The cumulative charge to profit or loss is calculated based on the grant date fair value of the award, the best estimate of the number of awards that are likely to vest and the expired portion of the vesting period. The amount recognised in profit or loss for the period is the cumulative amount calculated at each reporting date less amounts already recognised in previous periods.

Upon the exercise of options, the balance of the share-based payments reserve relating to these options is transferred to share capital.

The market value of shares issued to employees for no cash consideration under the employee share scheme is recognised as an employee benefits expense with a corresponding increase in equity when the employees become entitled to the shares.

(l) Trade and other payables

Trade and other payables are carried at amortised cost and due to their short term nature they are not discounted. They represent liabilities for goods and services provided to the Group prior to the end of the financial period that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

The amounts are unsecured and are usually paid within 30 days of recognition.

(m) Employee leave benefits

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

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(n) Loans and borrowings

All loans are initially recognised at the fair value of the consideration received less directly attributable transaction costs.

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

(o) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group's entities is measured using the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency. All figures presented in the financial report have been rounded to the nearest dollar.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the statement of profit or loss and other comprehensive income, except where deferred in equity as a qualifying cash flow or net investment hedge.

Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the statement of profit or loss and other comprehensive income.

Controlled entities

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- Assets and liabilities are translated at year-end exchange rates prevailing at that reporting date.
- Income and expenses are translated at average exchange rates for the period.
- Retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Exchange differences arising on translation of foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the statement of profit or loss and other comprehensive income in the period in which the operation is disposed. The functional currency of the subsidiaries incorporated in the Canada (refer Note 7) is the Canadian Dollar (CAD).

(p) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(q) Earnings/(Loss) per share

(i) *Basic Earnings/(Loss) per share*

Basic earnings/(loss) per share is determined by dividing the operating profit/(loss) after income tax attributable to members of Mont Royal Resources Limited by the weighted average number of ordinary shares outstanding during the financial year.

(ii) *Diluted Earnings/(Loss) per share*

Diluted earnings/(loss) per share adjusts the amounts used in the determination of basic earnings/(loss) per share by taking into account unpaid amounts on ordinary shares and any reduction in earnings per share that will probably arise from the exercise of options outstanding during the financial year.

(r) Asset acquisition

Where an acquisition does not meet the definition of a business combination the transaction is accounted for as an asset acquisition. The consideration transferred for the acquisition of an asset comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. Acquisition-related costs with regards to the acquisition are capitalised. Identifiable assets acquired and liabilities assumed in the acquisition are measured at their fair value at the acquisition date.

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(s) Critical accounting judgements and estimates

The preparation of financial statements requires the use of certain critical accounting judgements and estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. There are no areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements except for the following:

Key estimate: Share-based payments

The Company initially measures the cost of equity-settled transactions with employees by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and condition of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Key judgement: Capitalised Exploration Expenditure

Exploration and evaluation costs have been capitalised on the basis that the Group will commence commercial production in the future, from which time the costs will be amortised in proportion to the depletion of the mineral resources. Key judgements are applied in considering costs to be capitalised which includes determining expenditures directly related to these activities and allocating overheads between those that are expensed and capitalised. In addition, costs are only capitalised that are expected to be recovered either through successful development or sale of the relevant mining interest. Factors that could impact the future commercial production at the mine include the level of reserves and resources, future technology changes, which could impact the cost of mining, future legal changes and changes in commodity prices. To the extent that capitalised costs are determined not to be recoverable in the future, they will be written off in the period in which this determination is made.

Upon approval for the commercial development of an area of interest, accumulated expenditure for the area of interest is transferred to mining assets.

Key judgement: Valuation of the refundable duties credit for losses and the refundable tax credit for resources

The refundable mining duties credit and the refundable tax credit for resources for the current and prior periods are measured at the amount expected to be recovered from the taxation authorities using the tax rates and tax laws that have been enacted or substantively enacted at the statement of financial position date. Uncertainties exist with respect to the interpretation of tax regulations, including the mining duties credit and the tax credit for resources for which certain expenditures could be disallowed by the taxation authorities in the calculation of credits, and the amount and timing of their collection. The calculation of the Company's mining duties credit and tax credit for resources necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until a notice of assessments and payments has been received from the relevant taxation authority. Differences arising between the actual results following the final resolution of some of these items and the assumptions made, or future changes to such assumptions, could necessitate adjustments to the mining duties credit and tax credit for resources, the E&E assets and expenses, and the income tax expenses in future periods.

The amounts recognized in the financial statements are derived from the Company's best estimation and judgement as described above. However, the inherent uncertainty regarding the outcome of these items means that eventual resolution could differ from the accounting estimates and therefore impact the Company's financial position and its financial performance and cash flows.

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3. CORPORATE EXPENSES

	2023 $	2022 $
Corporate expenses consist of:		
- Directors' fees	295,182	260,583
- Compliance expenses	282,225	274,532
- Legal fees	49,746	199,413
- Other	177,409	220,427
Total corporate expenses	804,562	954,955

4. INCOME TAX EXPENSE

The prima facie tax on loss before income tax is reconciled to the income tax as follows:

	2023 $	2022 $
Loss before income tax	(813,781)	(2,052,159)
Income tax	(241,969)	(609,558)
Add back:		
Share based payment	14,053	325,123
Accruals	3,300	1,500
Capital raising costs	(44,300)	(44,300)
Other	4,559	-
Adjustments in respect of income tax of previous year	42,801	3,879
Capitalised exploration immediately deductible	-	(172,123)
Future income tax benefit not brought to account	221,556	495,479
Income tax expense	-	-

	2023 $	2022 $
Deferred tax assets:		
Capital raising costs	38,925	83,225
Accruals	11,700	8,400
Capitalised exploration costs	90,441	
Carry forward tax losses	1,219,614	1,222,401
	1,360,680	1,314,026
Deferred tax liabilities:		
Capitalised exploration costs	-	(286,762)
	-	(286,762)
Net deferred tax asset position not brought to account	(1,360,680)	(1,027,264)
Total	-	-

5. CASH AND CASH EQUIVALENTS

	2023 $	2022 $
Cash at bank and on hand	2,259,958	4,386,497

6. OTHER RECEIVABLES

	2023 $	2022 $
Tax credit and mining rights receivable	1,017,657	614,031
GST/QST receivable	210,290	96,445
Other	1,238	1,238
Total	1,229,185	711,714

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7. INVESTMENT IN SUBSIDIARIES

Interests are held in the following subsidiary companies:

Name	Principal Activity	Country of Incorporation	Ownership Interest 2023	Ownership Interest 2022
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[1]	Mineral Exploration	Canada	100%	100%
Northern Lights Minerals Pty Ltd[2]	Mineral Exploration	Canada	75%	75%
1256137 BC Ltd[2]	Mineral Exploration	Canada	75%	75%

[1] Incorporated 17 August 2021
[2] Acquired 1 December 2021

8. EXPLORATION AND EVALUATION EXPENDITURE

	2023 $	2022 $
Balance at the beginning of the year	4,350,267	461,861
Exploration and evaluation expenditure incurred during the year	2,600,241	1,991,601
Canadian exploration tax credit offset during the year	(1,065,745)	(614,031)
Acquisition of Northern Lights Minerals Pty Ltd (Note 23)	-	1,750,000
Non-controlling interest in Northern Lights Minerals Pty Ltd	-	597,922
Foreign currency translation movement	191,794	162,914
Balance at the end of the year	6,076,557	4,350,267

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.

9. TRADE AND OTHER PAYABLES

	2023 $	2022 $
Current		
Trade payables and accruals	404,351	95,167

10. ISSUED CAPITAL

(a) Issued Capital

	2023 $	2022 $
68,482,668 (2022: 67,035,951) fully paid ordinary shares	11,361,378	11,086,502

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

Date	Details	No. of Shares	$
01/07/2021	Balance at beginning of period	37,876,715	5,263,448
25/11/2021	Placement	20,000,000	4,000,000
	Cost of capital raising	-	(1,176,582)
01/12/2021	Acquisition instalment payment for Focus Graphite (Note 13(b))	459,236	164,636
01/12/2021	Acquisition of Northern Lights Minerals Pty Ltd (Note 23)	5,000,000	1,750,000
04/05/2022	Directors' options exercise	3,700,000	1,085,000
30/06/2022	Balance at end of period	67,035,951	11,086,502
01/07/2022	Balance at beginning of period	67,035,951	11,086,502
01/12/2022	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

(c) Capital risk management

The Company does not have a defined share buy-back plan.

No dividends will be paid in 2023 (2022: Nil).

There is no current intention to incur further debt funding on behalf of the Company as on-going expenditure will be funded via cash reserves or equity.

The Company is not subject to any externally imposed capital requirements.

11. RESERVES

(a) Share based payments reserve

	2023 $	2022 $
Share based payments reserve	2,206,570	2,159,727

(b) Foreign currency translation reserve

	2023 $	2022 $
Foreign currency translation reserve	146,841	89,760

(c) Movement in options

Date	Details	No. of Unlisted Options	Fair Value of Options Granted	Exercise Price	Expiry Date
01/07/2021	Opening balance	4,000,000			
29/10/2021	Director and management	4,750,000	$0.228	$0.35	29/10/2024
25/11/2021	Corporate advisor	5,000,000	$0.192	$0.35	25/11/2024
04/05/2022	Directors' options exercise	(3,700,000)			
07/05/2022	Options lapse	(300,000)			
30/06/2022	Closing balance	9,750,000			
25/03/2023	Director	1,500,000	$0.067	$0.30	25/03/2026
30/06/2023		11,250,000			

(d) 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.

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12. NOTES TO STATEMENT OF CASH FLOWS

(a) Reconciliation of loss after income tax to net cash from operating activities

	2023 $	2022 $
Loss for the year	(820,331)	(2,052,159)
Share based payment expense	46,843	1,083,742
Movement in assets and liabilities:		
(Increase)/Decrease in other receivables	(113,845)	(2,568)
(Increase)/Decrease in other assets	106,167	(116,628)
Increase/(Decrease) in trade and other payables	168,729	47,826
Increase/(Decrease) in tax payable	(62,689)	62,685
Net cash used in operating activities	(675,125)	(977,102)

(b) Non-cash investing and financing activities

Other than share-based payment transactions disclosed in note 13 and 23, there were no non-cash investing and financing activities during the year ended 30 June 2023 and 30 June 2022.

13. SHARE BASED PAYMENTS

(a) Options

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price 2023	Number of Options 2023	Weighted average exercise price 2022	Number of Options 2022
Outstanding at 1 July	$0.35	9,750,000	$0.30	4,000,000
Granted during the period	$0.30	1,500,000	$0.35	9,750,000
Exercised during the period	-	-	$0.29	(3,700,000)
Lapsed during the period	-	-	$0.34	(300,000)
Outstanding at 30 June	$0.34	11,250,000	$0.35	9,750,000
Exercisable at 30 June	$0.34	10,250,000	$0.35	9,750,000

The options outstanding at 30 June 2023 have a weighted average exercise price of $0.34 and a weighted average remaining contractual life of 1.6 years.

The following table lists the inputs to the models used for the valuation of the options issued during the year:

	Director
Number of options	1,500,000
Fair value at measurement date (cents)	$0.067
Dividend yield (%)	Nil
Expected volatility (%)	90%
Risk free rate (%)	2.21%
Expected life of option	3
Share price (cents)	$0.155
Exercise price (cents)	$0.30
Model used	Black – Scholes
Value of options	$100,541
Amount expensed during year	$46,843

The options issued to R Beevor during the year 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;

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(b) Shares

On 1 December 2022 the Company issued 1,446,717 (1/12/2021: 459,236) fully paid ordinary shares with a fair value of $274,876 (C$250,000) (1/12/2021: $164,636 (C$150,000)) as part consideration towards the C$500,000 second instalment payment for the Focus Assets, with the balance paid in cash (Refer note 10(b)).

14. CONTINGENT LIABILITIES, LEASE COMMITMENTS AND CONTINGENT ASSETS

As at 30 June 2023 there were no contingent liabilities or contingent assets.

(a) Exploration commitments
At 30 June 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	-	53,761
After one year but not more than five years	453,290	50,722
Longer than five years	-	-
	453,290	104,483

(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 (1st) anniversary of the Effective Date[1.]	C$600,000	C$20,000
At the latest on the second (2nd) anniversary of the Effective Date[1.]	C$800,000	C$20,000
At the latest on the third (3rd) anniversary of the Effective Date	C$1,200,000	C$20,000
At the latest on the fourth (4th) 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 30 June 2023.

(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").

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Focus Agreement

Pursuant to the Focus Agreement, Northern Lights via its wholly owned subsidiary has the right to acquire a 100% interest in the Focus Assets in consideration for the payments referred to below which are additional to the payment of C$1,500,000 of which Northern Lights and the Company have already paid C$500,000 and C$1,000,000 respectively:

- C$800,000 in cash or shares by 1 December 2023.

Any consideration satisfied by shares will be capped at 50% for each tranche and the shares to be issued will be based off a 10-day VWAP trading price.

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$30,000 on 1 July 2023;
- 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.

15. RELATED PARTY TRANSACTIONS

The Group's main related parties are as follows:

a. Subsidiaries
Interests in subsidiaries are set out in note 7.

b. Key management personnel
Disclosures relating to key management personnel are set out in note 16.

c. Transactions with related parties:
On 25 March 2023, the Company issued 1,500,000 options exercisable at $0.30 each expiring 25 March 2026 to a director (refer Note 13(a)) (30 June 2022: 4,500,000 options exercisable at $0.35 each expiring 29 October 2024 to directors).

16. KEY MANAGEMENT PERSONNEL DISCLOSURES

Compensation:
The aggregate compensation made to directors and other members of key management personnel of the consolidated group is set out below:

	Consolidated 2023 $	Consolidated 2022 $
Short term employee benefits	295,182	260,583
Share-based payments	46,843	1,026,703
Aggregate compensation	342,025	1,287,286

17. FINANCIAL RISK MANAGEMENT

The Group's financial instruments consistent mainly of deposits with banks, and accounts receivable and payables.

The main purpose of these financial instruments is to finance the Group's operations. The Group has various other financial assets and liabilities such as other receivables and trade payables, which arise directly from its operations.

The main risks arising from the Group's financial instruments is cash flow interest rate risk and liquidity risk. Other minor risks are either summarised below or disclosed at Note 10 in the case of capital risk management. The Board reviews and agrees policies for managing each of these risks.

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(a) Cash flow interest rate risk

The Group's exposure to the risks of changes in market interest rates relates primarily to the Group's short-term deposits with a floating interest rate. These financial assets with variable rates expose the Group to cash flow interest rate risk. All other financial assets and liabilities in the form of receivables and payables are non-interest bearing. The Group does not engage in any hedging or derivative transactions to manage interest rate risk.

The Group has not entered into any hedging activities to cover interest rate risk. In regard to its interest rate risk, the Group does not have a formal policy in place to mitigate such risks.

The following table sets out the carrying amount by maturity of the Group's exposure to interest rate risk and the effective weighted average interest rate for each class of these financial instruments. There were no fixed interest rate financial assets or liabilities held by the Group.

2023	**Non Interest Bearing $**	**Floating Interest Rate $**	**Total $**	**Weighted Average Effective Interest Rate %**
Financial Assets				
- Cash and cash equivalents	461,545	1,798,413	**2,259,958**	1.45
Total Financial Assets	461,545	1,798,413	**2,259,958**	1.45
Financial Liabilities				
- Trade creditors	(363,462)	-	**(363,462)**	-
Total Financial Liabilities	(363,462)	-	**(363,462)**	-
Net Financial Assets / (Liabilities)	98,082	1,798,413	**1,896,495**	1.45

2022	**Non Interest Bearing $**	**Floating Interest Rate $**	**Total $**	**Weighted Average Effective Interest Rate %**
Financial Assets				
- Cash and cash equivalents	16,248	4,370,249	**4,386,497**	0.02
Total Financial Assets	16,248	4,370,249	**4,386,497**	0.02
Financial Liabilities				
- Trade creditors	(63,913)	-	**(63,913)**	
Total Financial Liabilities	(63,913)	-	**(63,913)**	
Net Financial Assets / (Liabilities)	(47,665)	4,370,249	**4,322,584**	0.02

Interest rate sensitivity

At 30 June 2023, if interest rates had changed by 10% during the entire year with all other variables held constant, profit/(loss) for the year and equity would have been $2,610 lower/higher, mainly as a result of lower/higher interest income from cash and cash equivalents.

A sensitivity of 10% has been selected as this is considered reasonable given the current level of both short term and long term Australian dollar interest rates. A 10% increase sensitivity would move short term interest rates at 30 June 2023 from around 4.1% to 4.6% (10% decrease: 3.7%) representing a 40 basis points shift. This would represent one decrease which is reasonably possible in the current environment with the bias coming from the Reserve Bank of Australia and confirmed by market expectations that interest rates in Australia are more likely to move down than up in the coming period.

Based on the sensitivity analysis, only interest revenue from variable rate deposits and cash balances are impacted resulting in a decrease or increase in overall income.

(b) Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash reserves and through the continuous monitoring of budgeted and actual cash flows.

	2023 $	2022 $
Contracted maturities of liabilities at 30 June		
Payables		
- less than 30 days	363,462	63,913

(c) Net fair values

Unless otherwise stated, the carrying amount of financial instruments reflect their fair value.

(d) Credit Risk

Credit risk represents the loss that would be recognised if counterparties fail to perform as contracted. The Group's maximum exposure to credit risk at reporting date in relation to each class of financial asset is the carrying amount of those assets as indicated in the statement of financial position. The majority of cash and cash equivalents is held with one Australian Bank which has an AA- long-term credit rating from Standard and Poor's.

Wherever possible, the Group trades only with recognised, credit worthy third parties. There are no significant concentrations of credit risk within the Group. Since the Group trades only with recognised third parties, there is no requirement for collateral.

18. LOSS PER SHARE

	2023 $	2022 $
Basic and diluted loss per share (cents)	(1.20)	(3.89)
Loss used in calculating basic and diluted loss per share	(813,876)	(2,052,159)
Weighted average number of ordinary shares used in calculating basic and diluted loss per share	67,876,236	52,796,326

19. SEGMENT INFORMATION

The directors have considered the requirements of AASB 8 – Operating Segments and the internal reports that are reviewed by the chief operating decision maker (the Board) in allocating resources and have concluded that at this time there are no separate identifiable business segments.

The operations and assets of Mont Royal Resources Limited and its controlled entities are employed in exploration activities relating to minerals in Canada.

20. AUDITOR'S REMUNERATION

The auditor of Mont Royal Resources Limited is BDO Audit (WA) Pty Ltd.

	2023 $	2022 $
Amounts paid or payable to BDO Audit (WA) Pty Ltd and related network firms for:		
Audit services	55,282	42,295
Non-audit services (BDO Canada LLP)	61,135	16,915

21. EVENTS AFTER THE REPORTING PERIOD

On 15 August 2023, the Company completed a capital raising of $2.209 million (before costs) by the issue of 13,812,267 ordinary shares at $0.16 each. Under the terms of the lead broker mandate, the Company agreed to issue 3,000,000 options exercisable at $0.35 expiring 3 years from date of issue to the lead manager, subject to shareholder approval.

No other matter or circumstance has arisen since 30 June 2023 that has significantly affected, or may significantly affect the entity's operations, the results of those operations, or the entity's state of affairs in future financial years.

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22. INFORMATION RELATING TO MONT ROYAL RESOURCES LIMITED (PARENT)

	2023 $	2022 $
Current assets	1,847,131	4,417,473
Total assets	8,415,929	8,812,512
Current liabilities	69,959	46,287
Total liabilities	69,959	46,287
Issued capital	11,361,378	11,086,502
Reserves	2,206,570	2,159,727
Accumulated losses	(5,221,978)	(4,480,004)
Loss of the parent entity	(741,974)	(2,023,354)
Total comprehensive loss of the parent entity	(741,974)	(2,023,354)

The parent entity has not entered into any guarantees, in relation to the debts of its subsidiary.

The parent entity has not entered into any commitments for expenditure as at the end of the financial year.

23. ACQUISITION OF NORTHERN LIGHTS MINERALS PTY LTD

On 1 December 2021, the Company acquired a 75% interest in Northern Lights Minerals Pty Ltd.

Consideration
As consideration for the acquisition, the Company agreed to issue the shareholders of Northern Lights (or its nominees) 5,000,000 fully paid ordinary shares which will be subject to voluntary escrow for 12 months.

Accounting standard applied
The acquisition of Northern Lights has been accounted for as an asset acquisition. The acquisition does not meet the definition of a business in accordance with AASB 3 Business Combinations. As such the acquisition has been accounted for as a share-based payment transaction whereby fair value of consideration is allocated to net identifiable asset acquired on a relative fair value basis.

The Company determined that they could not readily estimate the fair value of the asset acquired. The acquisition was measured in reference to the shares issued using market value of shares at acquisition date being $0.35.

The fair value of the consideration paid and allocation to net identifiable assets is as follows:

	$
Fair value of consideration paid:	
5,000,000 Ordinary Fully Paid Shares	1,750,000
	1,750,000
Fair value of net identifiable assets acquired	
Exploration and evaluation expenditure	2,333,333
Non-controlling interest share	(583,333)
	1,750,000

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DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Mont Royal Resources Limited, I state that:

1. In the opinion of the directors:

   (a) the financial statements and notes of the Consolidated Group for the financial year ended 30 June 2023 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 30 June 2023 and of its performance for the year ended on that date; and

      (ii) complying with Australian Accounting Standards and *Corporations Regulations 2001*;

   (b) the financial statements and notes also comply with International Financial Reporting Standards as disclosed in Note 2(b); and

   (c) there are reasonable grounds to believe that the Company 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 by the chief executive officer and the chief financial officer in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2023.

On behalf of the Board

Peter Ruse
Executive Director
25 September 2023

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INDEPENDENT AUDITOR'S REPORT

To the members of Mont Royal Resources Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Mont Royal Resources Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 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 year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2023 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with 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 our audit of the 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 in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Carrying Value of Exploration and Evaluation Assets

Key audit matter	*How the matter was addressed in our audit*
As disclosed in Note 8 to the financial report, the carrying value of the exploration and evaluation asset represents a significant asset of the Group. The Group's accounting policies and significant judgements applied to capitalised exploration and evaluation expenditure are detailed in Notes 2(j) and 2(s) of the financial report. In accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources* ('AASB 6'), the recoverability of exploration and evaluation expenditure requires significant judgement by management in determining whether there are any facts and circumstances that exist to suggest the carrying amount of this asset may exceed its recoverable amount. As a result, this is considered a key audit matter.	Our procedures included, but were not limited to: • Assessing whether rights to tenure of the Group's area of interest remained current at balance date; • Verifying, a sample basis, exploration and evaluation expenditure capitalised during the year for compliance with the recognition and measurement criteria Of AASB 6; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether any facts or circumstances existed to suggest impairment testing was required; and • Assessing the adequacy of the related disclosures in Notes 2(j), 2(s) and 8 to the Financial Report.

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Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2023, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

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Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 9 to 11 of the directors' report for the year ended 30 June 2023.

In our opinion, the Remuneration Report of Mont Royal Resources Limited, for the year ended 30 June 2023, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd



Jackson Wheeler
Director

Perth

25 September 2023

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QUOTED SECURITIES

ORDINARY FULLY PAID SHARES

(i) DISTRIBUTION OF SHAREHOLDERS AS AT 20 SEPTEMBER 2023:

SPREAD OF HOLDINGS	NO. OF HOLDERS	NO. OF SHARES	PERCENTAGE OF ISSUED CAPITAL %
1 – 1,000	23	2,375	0.00%
1,001 - 5,000	106	335,180	0.41%
5,001 - 10,000	79	667,502	0.81%
10,001 - 100,000	202	9,019,729	10.96%
100,001+	140	72,270,149	87.82%
	550	82,294,935	100.00%

The number of shareholdings held in less than marketable parcels is 43.

(ii) TOP 20 HOLDERS OF ORDINARY FULLY PAID SHARES:

The names of the twenty largest shareholders of ordinary fully paid shares are listed below:

	NAME	NO OF ORDINARY SHARES HELD	% OF ISSUED SHARE CAPITAL
1	CITICORP NOMINEES PTY LIMITED	7,910,726	9.61%
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	3,744,328	4.55%
3	PROSPECT AG TRADING PTY LTD <O'KEEFFE FAMILY A/C>	2,650,000	3.22%
4	UBS NOMINEES PTY LTD	2,196,537	2.67%
5	MR MICHAEL O'KEEFFE	2,000,000	2.43%
6	JINDABYNE CAPITAL PTY LTD <PROVIDENCE EQUITY A/C>	1,631,250	1.98%
7	BLUE CRYSTAL PTY LTD <JULIAN FAMILY A/C>	1,500,000	1.82%
8	SML CONTRACTING PTY LTD	1,400,000	1.70%
9	HIGH PEAKS CAPITAL PTY LTD	1,350,240	1.64%
10	BASS FAMILY FOUNDATION PTY LTD <BASS FAMILY FOUNDATION A/C>	1,300,000	1.58%
11	MR BRIAN PETER BYASS	1,250,000	1.52%
12	EASTBOURNE DP PTY LTD <O'KEEFFE SUPERANNUATION A/C>	1,206,249	1.47%
13	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED - A/C 2	1,187,322	1.44%
14	BLUE ATLAS PTY LTD <ROWE INVESTMENT A/C>	1,093,750	1.33%
15	FLUE HOLDINGS PTY LTD<BROMLEY SUPERANNUATION A/C>	1,000,000	1.22%
15	PARCENT HOLDINGS PTY LTD <G K LAWLER SUPER FUND A/C>	1,000,000	1.22%
15	LENAHAN NOMINEES PTY LTD <LENAHAN FAMILY A/C>	1,000,000	1.22%
15	MR GARY KENNETH LAWLER	1,000,000	1.22%
15	METECH SUPER PTY LTD <METECH NO 2 SUPER FUND A/C>	1,000,000	1.22%
15	METECH SUPER PTY LTD <METECH NO2 SUPER A/C>	1,000,000	1.22%
16	BLUE CRYSTAL PTY LTD <THE JULIAN FAMILY A/C>	975,493	1.19%
17	JINDABYNE CAPITAL PTY LTD <PROVIDENCE EQUITY A/C>	950,000	1.15%
18	CIRCE POINT INVESTMENTS PTY LTD	872,672	1.06%
19	MR CHRISTOPHER VINCENT MAY <DJM A/C>	850,000	1.03%
19	QUARTZ MOUNTAIN MINING PTY LTD <BASS FAMILY A/C>	850,000	1.03%
20	MR ANDREW GRANTON BROWN	800,000	0.97%
	Total	**41,718,567**	**50.69%**

ASX ADDITIONAL INFORMATION *(continued)*

QUOTED SECURITIES *(continued)*

ORDINARY FULLY PAID SHARES *(continued)*

(iii) VOTING RIGHTS

Article 15 of the Constitution specify that on a show of hands every member present in person, by attorney or by proxy shall have:

(a) for every fully paid share held by him one vote; and
(b) for every share which is not fully paid a fraction of the vote equal to the amount paid up on the share over the nominal value of the shares.

(iv) SUBSTANTIAL SHAREHOLDERS

Name	Ordinary Shares No.	%
MICHAEL O'KEEFFE / PROSPECT AG TRADING PTY LTD / EASTBOURNE DP PTY LTD	5,856,249	7.12%
VISON PTY LTD <PHILIP GARRATT FAMILY TRUST>	5,296,282	6.44%
	11,152,531	13,55%

UNQUOTED SECURITIES

(a) UNLISTED OPTIONS ON ISSUE

Options exercisable at $0.35 expiring 29 October 2024	4,750,000
Options exercisable at $0.35 expiring 25 November 2024	5,000,000
Options exercisable at $0.30 expiring 25 March 2026	1,500,000

MINING TENEMENT INFORMATION

The Company is party to a binding JV option agreement with Azimut Exploration Inc. (TSXV: AZM), to earn-in up to 70% of the Wapatik Gold-Copper Project, located in James Bay area, a tier 1 mining jurisdiction of Quebec, Canada.

On 1 December 2021, the Company completed the acquisition of 75% of Northern Lights Minerals Pty Limited ("NLM") which holds a substantial land package across the Upper Eastmain Greenstone belt in Quebec, Canada.

In addition, a subsidiary of NLM holds rights to acquire 100% of the rights in assets held by Focus Graphite Inc. The Company has not yet earned an interest in the tenements.

NLM also is party to an agreement with Dios Exploration Inc providing NLM the rights to acquire a 70% interest in certain claims (and associated mining information). The Company has not yet earned an interest in the tenements.

The following tenements are held at 30 June 2023:

Project	Location	Tenement
Northern Lights	Canada	2556880 – 2557189 2558307 – 2558325 2565968 – 2565987 2538870 – 2538914 2543213 – 2543214 2543450
Eastmain-Leran (North) Staked Claims	Quebec, Canada	2691258 - 2691272

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MONT ROYAL RESOURCES LIMITED
AND ITS CONTROLLED ENTITIES
CORPORATE GOVERNANCE STATEMENT

Mont Royal Resources Limited and the Board are committed to achieving and demonstrating the highest standards of corporate governance. Mont Royal Resources Limited has its corporate governance practices against the Corporate Governance Principles and Recommendations (4th edition) published by the ASX Corporate Governance Council.

The 2023 corporate governance statement was approved by the Board on 25 September 2023 and is current as at 25 September 2023. A description of the Group's current corporate governance practices is set out in the Group's Corporate Governance Statement which can be viewed at www.montroyalres.com/corporate-governance/.

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SCHEDULE "C"

MRZ PLAN

See attached.

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Employee Securities Incentive Plan

Mont Royal Resources Limited
(ACN 625 237 658)

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Operative provisions

1. Definitions and interpretation

1.1 Definitions

In these Rules, unless the context otherwise requires, the following terms and expressions will have the following meanings:

Ancillary Documentation means all documentation which the Board specifies in an Invitation that an ESS Participant must enter into and/or provide in connection with an Application for Securities.

Applicable Law means any one or more or all, as the context requires of:

(a) the Corporations Act;

(b) the Listing Rules;

(c) the Constitution;

(d) the *Income Tax Assessment Act 1936* (Cth) and the *Income Tax Assessment Act 1997* (Cth);

(e) any relevant practice note, policy statement, regulatory guide, class order, declaration, guideline, policy, procedure, ruling, judicial interpretation or other guidance note made to clarify, expand or amend (a), (b), or (d) above;

(f) any other legal requirement (including, without limitation, the rules of the general law, including common law and equity, and any judgment, order, decree, declaration or ruling of a court of competent jurisdiction or government agency binding on a person or the assets of that person) that applies to the Plan; and

(g) in respect of acquisition or disposals of any Shares, any formal policy relating to dealings in Shares adopted by the Board from time to time, including the Share Trading Policy.

Application means, in respect of a Security, an application for that Security made by an ESS Participant in response to an Invitation.

Application Form means an application form attached to, or enclosed with, an Invitation.

ASIC means the Australian Securities and Investments Commission.

Associate has the same meaning as in section 12 of the Corporations Act.

Associated Entity has the meaning given to that term in section 50AAA of the Corporations Act.

ASX means the ASX Limited (ABN 98 008 624 691) trading as the Australian Securities Exchange or the securities exchange operated by that entity, as appropriate.

ASX Holding Lock has the same meaning as 'Holding Lock' in Chapter 19 of the Listing Rules.

Board means the board of directors of the Company, a committee appointed by the board of directors of the Company as constituted from time to time, or, in respect of a particular matter,

any person who is provided with delegated authority by the board of directors of the Company in respect of that particular matter from time to time.

Business Day means a day (other than a Saturday, Sunday or public holiday) on which banks are open for general banking business in Perth, Western Australia.

Certificate means a certificate evidencing the grant of a Security.

Change of Control Event means:

(a) a change in Control of the Company;

(b) where members of the Company approve any compromise or arrangement for the purpose of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with any other body corporate or bodies corporate (other than a scheme that does not involve a change in the ultimate beneficial ownership of the Company), which will, upon becoming effective, result in any person (either alone or together with its Associates) owning more than fifty per cent (50%) of Issued Capital;

(c) where a person becomes the legal or the beneficial owner of, or has a Relevant Interest in, more than fifty per cent (50%) of Issued Capital;

(d) where a person becomes entitled to acquire, hold or has an equitable interest in more than fifty per cent (50%) of Issued Capital; and

(e) where a Takeover Bid is made to acquire more than fifty per cent (50%) of Issued Capital (or such lesser number of Shares that when combined with the Shares that the bidder (together with its Associates) already owns will amount to more than 50% of Issued Capital) and the Takeover Bid becomes unconditional and the bidder (together with its Associates) has a Relevant Interest in more than 50% of Issued Capital,

but, for the avoidance of doubt, does not include any internal reorganisation of the structure, business and/or assets of the Group.

Company means Mont Royal Resources Limited ACN 625 237 658.

Constitution means the constitution of the Company.

Control has the same meaning as in section 50AA of the Corporations Act.

Convertible Security means a Security exercisable for Plan Share(s) in accordance with these Rules, including an Option or Performance Right.

Corporations Act means the *Corporations Act 2001* (Cth).

Derivatives include:

(a) derivatives within the meaning given in section 761D of the Corporations Act (such as options, forward contracts, swaps, futures, warrants, caps and collars); and

(b) any other transaction in financial products which operate to limit (in any way) the economic risk associated with holding the relevant securities.

Engagement Arrangement means in respect of:

(a) an employee of a member of the Group, the terms under which the relevant member of the Group has employed that person;

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(b) a director of a member of the Group that is not also an employee, the terms under which the relevant member of the Group has appointed that director to their office; or

(c) a contractor or consultant or other service provider to a member of the Group, the terms under which the relevant member of the Group has engaged that contractor, consultant or service provider.

ESS Interest has the meaning given in section 1100M of the Corporations Act.

ESS Participant means a person that

(a) is an 'ESS Participant' (as that term is defined in section 1100L of the Corporations Act) in relation to the Company or an Associated Entity of the Company, where that Associated Entity is a body corporate; and

(b) has been determined by the Board to be eligible to participate in the Plan from time to time.

Exercise Price means, in respect of a Convertible Security, the price to be paid by the Participant (if any) when exercising that Security as specified in the relevant Invitation. For the avoidance of doubt, the Exercise Price for a Security may be nil.

Expiry Date means, in relation to a Convertible Security, the 'expiry date' which is specified in the Invitation or Vesting Notice (if any).

Grant Date means, in relation to a Security, the date on which that Security is granted to a Participant, as set out on the relevant Certificate.

Group means the Company and each of its Associated Bodies Corporate from time to time.

Insolvent A person is Insolvent if:

(a) it is (or states that it is) an insolvent under administration or insolvent (each as defined in the Corporations Act);

(b) it has had a controller appointed or is in liquidation, in provisional liquidation, under administration, wound up or has had a receiver appointed to any part of its property;

(c) it is subject to any arrangement, assignment, moratorium or composition, protected from creditors under any statute or dissolved (in each case, other than to carry out a reconstruction or amalgamation while solvent on terms approved by the Company);

(d) an application or order has been made (and in the case of the application, it is not stayed, withdrawn or dismissed within 30 days), resolution passed, proposal put forward, or any other action taken, in each case in connection with that person, which is likely to result in any of (a), (b) or (c) above);

(e) it is taken (under s.459F(1) of the Corporations Act) to have failed to comply with a statutory demand);

(f) it is subject to an event described in section 459C(2)(b) or section 585 of the Corporations Act;

(g) it is otherwise unable to pay its debts when they fall due; or

(h) something having a substantially similar effect to (a) to (g) happens in connection with that person under the law of any jurisdiction.

Invitation means an invitation to an ESS Participant to apply for the grant of one or more Securities made in accordance with clause 3.2 of these Rules and in substantially the form of

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Schedule 1 (Options), Schedule 2 (Performance Rights) or Schedule 3 (Shares) or as otherwise approved by the Board from time to time.

Invitation for Monetary Consideration means an Invitation for the issue, sale or transfer of Securities where either or both the following apply:

(a) the Securities are offered for issue or sale in return for monetary consideration, and the Securities will be acquired by the ESS Participant who pays for the Securities; or

(b) the Securities are Options or Performance Rights and monetary consideration is to be provided on the exercise of the Options or Performance Rights.

Issued Capital means issued Shares from time to time.

Leaver means a Participant who ceases to be an ESS Participant.

Listing Rules means the listing rules, market rules and operating rules of a financial market in respect of which the Company's shares are quoted or are the subject of an application for quotation, including but not limited to, the official listing rules of the ASX.

Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days during which Shares are actually traded immediately preceding that given date, unless otherwise specified in an Invitation.

Nominated Party means, in respect of an ESS Participant who is a 'primary participant' as defined in section 1100L(1)(a) of the Corporations Act, another person on behalf of that primary participant, who is:

(a) a spouse, parent, child or sibling of the ESS Participant;

(b) another body corporate controlled by the ESS Participant or a person mentioned in paragraph (a);

(c) a body corporate that is the trustee of a self managed superannuation fund (within the meaning of the *Superannuation Industry (Supervision) Act 1993)* where the ESS Participant is a director of the body corporate; or

(d) a person prescribed in relation to the ESS Participant by the Regulations for the purposes of section 1100L(b)(iv) of the Corporations Act.

Notice of Exercise means a notice given by or on behalf of the Participant (in a form to be determined by the Board from time to time) to exercise a Convertible Security in accordance with clause 7.1.

Option means an option granted under these Rules to acquire one or more Shares by transfer or allotment, as set out in the relevant Invitation.

Participant means an ESS Participant who has been granted any Security under this Plan.

Performance Right means a right granted under these Rules to acquire one or more shares by transfer or allotment as set out in the relevant Invitation.

Plan means this Employee Securities Incentive Plan.

Plan Shares means all Shares issued or transferred to a Participant under these Rules, including upon the valid exercise of a Security.

Regulations means the *Corporations Regulations 2001* (Cth).

Rules means the rules of the Plan which are set out in this document.

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Security means a security in the capital of the Company granted under these Rules, including a Plan Share, Option, Performance Right or other Convertible Security.

Security Interest means a mortgage, charge, pledge, lien, encumbrance or other third party interest of any nature.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Share Trading Policy means any share trading policy of the Company, as amended from time to time.

Takeover Bid has the meaning given to that term in the Corporations Act.

Trustee means the trustee, from time to time, of any employee share trust used by the Company to deliver any Plan Shares arising from the exercise of a Convertible Security under these Rules.

Vesting Condition means, in relation to a Convertible Security, any conditions to vesting of that Convertible Security that are set out in the Invitation for that Convertible Security.

Vesting Notice means, in relation to a Convertible Security, the notice given by or on behalf of the Company to a Participant informing him or her that the Convertible Security may be exercised in accordance with the terms of these Rules.

1.2 Interpretation

In these Rules, unless otherwise stated or the contrary intention appears:

(a) the singular includes the plural and vice versa;

(b) a gender includes all genders;

(c) a reference to a document, agreement, plan or rules includes that document, agreement, plan or rules as novated, amended, varied, supplemented or replaced from time to time;

(d) headings are for convenience only and do not affect the interpretation of these Rules;

(e) a reference to any thing (including any amount) includes any part of that thing and a reference to a group of things or persons includes each thing or person in that group;

(f) a reference to any legislation includes any modification or replacement of it and all regulations and statutory instruments issued under it and a reference to any provision of any legislation includes any modification or substitution of it;

(g) a reference to these Rules includes all recitals, annexures, addendums and schedules to these Rules;

(h) a reference to a person includes a reference to the person's executors, legal personal representatives, administrators and successors or a body corporate including any person taking by way of novation and, in the case of a trustee, includes any substituted or additional trustee;

(i) the expression 'person' includes an individual, the estate of an individual, the legal personal representative of an individual, a corporation, an authority, an association or a joint venture (whether incorporated or unincorporated), a partnership and a trust;

(j) in these Rules any reference to 'include' means to include without limitation;

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(k) a reference to 'including' (or any similar term) is not to be construed as implying any limitation;

(l) a monetary amount is a reference to Australian dollars;

(m) where any word is given a defined meaning, any other part of speech or other grammatical form in respect of such word or phrase has a corresponding meaning; and

(n) any capitalised terms in these Rules that are not defined in clause 1.1 have the meaning given to them in the Corporations Act or the Listing Rules.

1.3 Inconsistencies

Notwithstanding anything to the contrary in any Engagement Arrangement with a Participant, but subject at all times to these Rules, if there is any inconsistency between these Rules and an Engagement Arrangement, these Rules prevail.

1.4 Income Tax Assessment Act

This Plan is a plan to which Subdivision 83A-C of the *Income Tax Assessment Act 1997* (Cth) applies (subject to the conditions in that Act).

1.5 Construed against a party

No provision or expression in these Rules is to be construed against a party on the basis that the party (or its advisers) was responsible for the drafting of these Rules.

1.6 Applicable Law

These Rules, the offering and granting of any Security and the rights attaching to or interests in any Security will at all times be subject to Applicable Law.

1.7 Rounding

Where any calculation or adjustment to be made pursuant to these Rules produces a fraction of a cent or a fraction of a Security, the fraction will be eliminated by rounding to the nearest whole number.

1.8 Constitution

The entitlements of ESS Participants under these Rules are subject to the Constitution. In the event of any inconsistency between these Rules and the Constitution, the terms of the Constitution will prevail.

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2. Introduction

2.1 Purpose

The purpose of the Plan is to:

(a) assist in the reward, retention and motivation of ESS Participants;

(b) link the reward of ESS Participants to Shareholder value creation; and

(c) align the interests of ESS Participants with shareholders of the Group by providing an opportunity to ESS Participants to receive an equity interest in the Company in the form of Securities.

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2.2 Commencement

The Plan will commence on a date determined by the Board.

2.3 Rules are binding

The Company and each Participant are bound by these Rules.

2.4 Important notice to ESS Participants

(a) There are legal and tax consequences associated with participation in the Plan. ESS Participants should ensure that they understand these consequences before accepting an Invitation to participate in the Plan.

(b) Any advice given by or on behalf of the Company is general advice only and does not take into account any particular ESS Participant's objectives, financial situation and needs. ESS Participants should consider obtaining their own financial product advice from an independent person who is licensed to give such advice.

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3. Eligibility, Invitation and Application

3.1 Eligibility

The Board may from time to time determine that an ESS Participant may participate in the Plan.

3.2 Invitation

(a) Following determination that an ESS Participant may participate in the Plan, the Board may at any time and from time to time make an Invitation to that ESS Participant.

(b) An Invitation to an ESS Participant to apply for Securities may be made on such terms and conditions as the Board decides from time to time, including as to:

(i) the number of Securities for which that ESS Participant may apply;

(ii) the Grant Date;

(iii) the amount payable (if any) for the grant of each Security or how such amount is calculated;

(iv) the Exercise Price (if any);

(v) the Vesting Conditions (if any);

(vi) disposal restrictions attaching to the Plan Shares (if any);

(vii) whether cashless exercise of the Securities is permitted under clause 7.2;

(viii) the method by which Shares will be delivered to the Participant under clause 8 after the valid exercise of the Convertible Security (if relevant); and

(ix) any other supplementary terms and conditions, including those required under the Corporations Act.

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3.3 Form of Application

An Invitation to an ESS Participant must be accompanied by an Application Form and the Ancillary Documentation (if any).

3.4 ESS Participant agrees to be bound

Each ESS Participant is, by submitting a completed Application Form, deemed to have agreed to be bound by:

(a) the terms of the Invitation and the Application Form;

(b) the Ancillary Documentation (if any);

(c) these Rules; and

(d) the Constitution.

3.5 Who may apply

On receipt of an Invitation, an ESS Participant may apply for the Securities the subject of the Invitation by sending the completed Application Form to the Company (or its designated officer as set out in the Application Form) by the time and date specified in the Invitation, unless otherwise determined by the Board.

3.6 Acceptance of Application

(a) The Board may accept an Application from an ESS Participant in whole or in part.

(b) The Company may not grant a Security to an ESS Participant unless it has received a duly signed and completed Application Form together with all applicable Ancillary Documentation from that ESS Participant. The Application Form and, where applicable, the Ancillary Documentation must be in the form included with the Invitation, and may not be made on the basis that it is subject to any terms and conditions other than those specified in the Invitation.

3.7 When an Application will not be accepted

Unless otherwise determined by the Board, an Application will not be accepted if at the time the Company received the duly signed and completed Application Form together with all Ancillary Documentation:

(a) the applicant is not an ESS Participant;

(b) notice of termination of the applicant's Engagement Arrangement has been given (whether by the applicant or by one or more members of the Group); or

(c) the Board has determined that the applicant is no longer eligible to participate in the Plan.

3.8 Right to nominate

(a) Unless otherwise expressly permitted in the Invitation, an ESS Participant may only submit an Application in the ESS Participant's name and not on behalf of any other person.

(b) If an ESS Participant is permitted in the Invitation, the ESS Participant may, by notice in writing to the Board, nominate a Nominated Party in whose favour the ESS Participant wishes to renounce the Invitation in order for the Nominated Party to be granted the Securities the subject of the Invitation.

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(c) The Board may in its discretion resolve not to allow a renunciation of an Invitation in favour of a Nominated Party without giving any reason for that decision. For the avoidance of doubt, the Board will not facilitate the renunciation of the Invitation as set out in clause 3.8(b) in favour of the Nominated Party where to do so would be inconsistent with:

(i) the Corporations Act; or

(ii) any covenant or other provision set out in an exemption or modification granted from time to time by ASIC in respect of the Plan or which applies to the Plan pursuant to ASIC's power to exempt or modify the Corporations Act.

(d) If the Board resolves to allow a renunciation of an Invitation in favour of a Nominated Party:

(i) the Board may impose any such conditions that it thinks fit in respect of that renunciation; and

(ii) the ESS Participant must procure that the permitted Nominated Party accepts the Invitation made to the ESS Participant and that both the ESS Participant and the Nominated Party agree to be bound by the Rules and execute any documents required by the Company in order to receive the grant and to give effect to these Rules.

(e) If Securities are granted to a Nominated Party nominated by an ESS Participant, then to the extent necessary to give effect to the intent of these Rules, the ESS Participant will continue to be treated as the Participant.

3.9 Multiple Invitations

The Board may invite an ESS Participant to apply for any number and type of Security, notwithstanding that the ESS Participant has previously been invited to apply for Securities.

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4. Grant of Securities

4.1 Company to grant Securities

Following receipt of a duly completed and signed Application Form together with all applicable Ancillary Documentation, the Company will, to the extent that it has accepted such Application, grant the Participant the relevant number and type of Securities, subject to the terms and conditions set out in the Invitation, these Rules and the Ancillary Documentation.

4.2 Certificate of Security

Following the grant of a Security, the Company will issue to the Participant a Certificate.

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5. Terms of Convertible Securities

5.1 Participant's rights

Prior to a Convertible Security being exercised in accordance with clause 7:

(a) a Participant does not have any interest (legal, equitable or otherwise) in any Share the subject of the Convertible Security other than those expressly set out in these Rules; and

(b) a Participant is not entitled to:

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(i) notice of, or to vote or attend at, a meeting of the shareholders of the Company; and

(ii) receive any dividends declared by the Company,

by virtue of holding the Convertible Security.

5.2 Restriction of dealing

Unless determined otherwise by the Board in its absolute discretion, or the relevant dealing is effected by force of law on death or legal incapacity to the Participant's legal personal representative, a Participant may not sell, assign, transfer, grant a Security Interest over, collateralise a margin loan against, utilise for the purposes of short selling, enter into a Derivative with reference to, or otherwise deal with a Convertible Security that has been granted to them. The Convertible Security is forfeited immediately on purported sale, assignment, transfer, dealing or grant of a Security Interest other than in accordance with these Rules.

5.3 Prohibition on hedging

A Participant must not enter into any arrangement for the purpose of hedging their economic exposure to a Convertible Security that has been granted to them. For the avoidance of doubt, a Participant includes any contractor or consultant to a member of the Group.

5.4 Register of Convertible Securities

Each Convertible Security granted under these Rules will be registered in the appropriate register of the Company.

5.5 Listing

Unless determined otherwise by the Board in its absolute discretion, a Convertible Security granted under the Plan will not be quoted on the ASX or any other recognised exchange.

6. Vesting of Convertible Securities

6.1 Vesting

A Convertible Security will vest when a Vesting Notice in respect of that Convertible Security is given to the Participant.

6.2 Waiver of Vesting Condition

A Vesting Condition for a Convertible Security may, subject to Applicable Laws, be waived by the Board by written notice to the relevant Participant and on such terms and conditions as determined by the Board and set out in that notice.

7. Exercise of Convertible Securities

7.1 Exercise of Convertible Securities

(a) A Convertible Security may not be exercised unless and until that Convertible Security has vested in accordance with clause 6, or such earlier date on which the Participant is entitled to exercise that Convertible Security in accordance with these Rules.

(b) To exercise a Convertible Security, the Participant must:

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(i) deliver a signed Notice of Exercise; and

(ii) subject to clause 7.2, pay the Exercise Price (if any) to or as directed by the Company,

at any time prior to the earlier of:

(iii) any date specified in the Vesting Notice; and

(iv) the Expiry Date.

For the avoidance of doubt and subject to clause 7.2, the total Exercise Price payable by the Participant on exercise of their Convertible Securities is the Exercise Price multiplied by the number of Convertible Securities being exercised by that Participant, rounded up to the nearest cent.

(c) If the Participant does not deliver a signed Notice of Exercise and (subject to clause 7.2) pay the Exercise Price to or as directed by the Company in relation to a Convertible Security by the requisite date, that Convertible Security will automatically be forfeited.

7.2 Cashless exercise of Convertible Securities

At the time of exercise of the Convertible Securities, subject to Board approval at that time, the Participant may elect not to be required to provide payment of the Exercise Price for the number of Convertible Securities specified in a Notice of Exercise but that on exercise of those Convertible Securities the Company will transfer or allot to the Participant that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Convertible Securities (with the number of Shares rounded down to the nearest whole Share).

By way of example of a cashless exercise:

- The Participant holds 50 Options, with an Exercise Price of $1 each.
- If that Participant elected to exercise those Options, the Participant would be required to pay $50, and they would receive 50 Shares.
- However, if the Participant elected a "cashless exercise" and this was accepted by the Board, and the Market Value of the Shares at the time of exercise was $1.50, the Participant would pay no cash and receive 16 Shares, based on the following:

$$S = \frac{\mathrm{O(MV - EP)}}{\mathrm{MV}}$$

Where:

S = number of Shares to be issued on exercise of the Options

O = number of Options being exercised

MV = Market Value of the Shares at the time of exercise

EP = Exercise Price

- That is, using our example:

$$S = \frac{50(\$1.50 - \$1.00)}{\$1.50}$$

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S = 16.67

which is rounded down to 16 Shares. The issue of these 16 Shares is in full and final satisfaction of the 50 Options.

8. Delivery of Shares on exercise of Convertible Securities

As soon as practicable after the valid exercise of a Convertible Security by a Participant in accordance with clause 7, the Company will:

(a) issue, allocate or cause to be transferred to that Participant the number of Shares to which the Participant is entitled under these Rules; and

(b) issue a substitute Certificate for any remaining unexercised Convertible Securities held by that Participant.

9. Forfeiture of Convertible Securities

9.1 Fraudulent or dishonest actions

Where the Board determines that a Participant has, whether by omission or commission:

(a) acted fraudulently or dishonestly; or

(b) acted negligently; or

(c) acted in contravention of a Group policy, including but not limited to the any one or more of the following:

(i) anti-bribery and anti-corruption policy;

(ii) board charter;

(iii) continuous disclosure policy;

(iv) code of conduct;

(v) securities trading policy, and in particular, where a Participant engages in trading during a blackout period or otherwise trades in a manner that may contravene the insider trading provisions in the Corporations Act;

(vi) social media policy; and

(vii) statement of values; or

(d) wilfully breached his or her duties to the Group, including but not limited to breaching a material term of an employment, executive services or consultancy agreement (or equivalent),

or it is evident that the Participant intends to do any of the above, the Board may in its discretion deem all unvested Convertible Securities held by that Participant to have been forfeited.

9.2 Failure to satisfy Vesting Conditions

Unless otherwise stated in the Invitation or determined by the Board, a Convertible Security which has not yet vested will be forfeited immediately on the date that the Board determines

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(acting reasonably and in good faith) that any applicable Vesting Conditions have not been met or cannot be met by the relevant date.

9.3 Unvested Convertible Securities upon becoming a Leaver

Where a Participant who holds Convertible Securities becomes a Leaver, all unvested Convertible Securities will automatically be forfeited by the Participant, unless the Board otherwise determines in its discretion to permit some or all of the Convertible Securities to vest.

9.4 Vested Convertible Securities upon Resignation or becoming a Bad Leaver

Unless otherwise stated in the Invitation or determined by the Board in its absolute discretion, a Convertible Security held by a Participant who becomes a Leaver which has not already been validly exercised after vesting in accordance with these Rules will automatically be forfeited immediately on the earlier of:

(a) at the date of voluntary termination of the Engagement Arrangement by the Participant;

(b) at the date of termination of the Engagement Arrangement by a Group member due to the Participant:

(i) committing a serious breach of the Engagement Arrangement;

(ii) engaging in any serious misconduct;

(iii) grossly failing to discharge the Participant's duties or responsibilities:

(iv) engaging in any other conduct (either inside or outside of the workplace) which is likely to affect adversely the reputation of a Group member:

(v) committing any act or engaging or failing to engage in any conduct expressly referred to in the Engagement Arrangement which would entitle a Group member to terminate the Participant’s employment with minimum notice required at law;

(vi) committing any other act which at common law would entitle a Group member to terminate the Engagement Arrangement without notice or payment in lieu of notice: or

(vii) becoming bankrupt of making an arrangement or composition with creditors:

9.5 Vested Convertible Securities upon Resignation or becoming a Good Leaver

(a) Unless otherwise stated in the Invitation or determined by the Board in its absolute discretion, a Convertible Security held by a Participant who becomes a Leaver by reason of redundancy, retirement, incapacitation or any other circumstances other than those set out in clause 9.4, all Convertible Securities held by the Participant which have not already been validly exercised after vesting will lapse and be forfeited on the date that is 30 days after the date that that the Participant ceased to be employed by any Group member, unless the Board in its absolute discretion determines that some or all of the Convertible Securities will be retained by the Participant or that the Participant will be granted a longer period to exercise such Convertible Securities.

(b) The Board must provide written notice to the Participant of the number of Convertible Securities that will be retained by the Participant under this clause 9.5 (**Retention Notice**).

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(c) Subject to law. the Board may in its absolute discretion determine that some or all of the Convertible Securities that will be retained by the Participant the subject of the Retention Notice will vest earlier on or immediately prior to the Participant becoming a Leaver.

9.6 Vested Convertible Securities upon Death

Should a Participant become a Leaver as a result of their death, the Participant's legal personal representative will have a period of six months to exercise any vested Convertible Securities from the date the Company receives notice of the specified event and acknowledges the death of the Participant in writing.

9.7 Insolvency

Unless otherwise stated in the Invitation or determined by the Board, a Convertible Security held by a Participant in accordance with these Rules will be forfeited immediately on the date that the Participant becomes Insolvent.

9.8 Other forfeiture events

Unless the Board otherwise determines, or as otherwise set out in these Rules, any Convertible Securities which have not yet vested will be automatically forfeited on the Expiry Date.

9.9 Discretion to determine that the Convertible Securities are not forfeited

Notwithstanding clauses 9.1 to 9.8 (inclusive), the Board may decide (on any conditions which it thinks fit) that some or all of the Participant's Convertible Securities will not be forfeited at that time, but will be forfeited at the time and subject to the conditions it may specify by written notice to the Participant.

9.10 Voluntary forfeiture

A Participant may by written notice to the Company voluntarily forfeit their Convertible Securities for no consideration.

9.11 Application of Part 2D.2 Division 2 of the Corporations Act

(a) This clause 9.11 applies to all termination payments to which Part 2D.2 Division 2 of the Corporations Act applies.

(b) Notwithstanding any other provision of these Rules, in the absence of shareholder approval, the Company is not required to provide, or procure the provision, of any benefit under these Rules which is not permitted by Part 2D.2 Division 2 of the Corporations Act.

(c) Any benefits required to be provided to a Participant in accordance with these Rules will, by operation of this clause, be reduced to ensure compliance with Part 2D.2 of the Corporations Act and the provision of such reduced benefit shall constitute full satisfaction of the obligations of each member of the Group. In the event of overpayment to a Participant, the Participant must, on receiving written notice from the Board, immediately repay any monies or benefits specified in such notice to ensure compliance with Part 2D.2 of the Corporations Act.

(d) Where clause 9.11(b) applies, the Company may seek or not seek shareholder approval in its discretion.

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10. Effect of forfeiture of Convertible Securities

Where a Convertible Security has been forfeited in accordance with these Rules:

(a) the Convertible Security will automatically lapse;

(b) the Participant or the Participant's agent or attorney must sign any transfer documents required by the Company to effect the forfeiture of that Convertible Security; and

(c) the Company will not be liable for any damages or other amounts to the Participant in respect of that Convertible Security.

11. Change of Control

Notwithstanding any other provisions of the Rules, if a Change of Control Event occurs, or the Board determines that such an event is likely to occur, the Board may in its discretion determine the manner in which any or all of the Participant's Convertible Securities will be dealt with, including, without limitation, in a manner that allows the Participant to participate in and/or benefit from any transaction arising from or in connection with the Change of Control Event.

12. Rights attaching to Plan Shares

12.1 Plan Shares to rank equally

All Plan Shares will rank pari passu in all respects with the Shares of the same class for the time being on issue except for any rights attaching to the Shares by reference to a record date prior to the date of the allotment or transfer of the Plan Shares.

12.2 Listing

If Plan Shares are in the same class as Shares which are listed on the ASX, the Company will apply for quotation of the Plan Shares issued (or any unquoted Plan Shares transferred) within the time required by the Listing Rules after the date of allotment.

12.3 Dividends

A Participant will be entitled to any dividends declared and distributed by the Company on the Plan Shares which, at the closing date for determining entitlement to such dividends, are standing to the account of the Participant (or a Trustee for and on behalf of the Participant).

12.4 Dividend reinvestment plan

A Participant may participate in any dividend reinvestment plan operated by the Company in respect of Plan Shares held by the Participant (or a Trustee for and on behalf of the Participant). Shares issued under any dividend reinvestment plan operated by the Company will be subject to the same terms and conditions as the Plan Shares held by the Participant (or a Trustee for and on behalf of the Participant) unless the Board determines otherwise.

12.5 Voting rights

A Participant may exercise any voting rights attaching to Plan Shares held by the Participant (or a Trustee for and on behalf of the Participant).

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13. Disposal Restrictions on Plan Shares

13.1 Disposal restriction

If the Invitation provides that any Plan Shares are subject to any restrictions as to the disposal or other dealing by a Participant for a period, the Board may implement any procedure it deems appropriate to ensure the compliance by the Participant with this restriction, including but not limited to imposing an ASX Holding Lock (where applicable) on the Plan Shares or using an employee share trust to hold the Plan Shares during the relevant restriction period.

13.2 Participant's undertaking

For so long as a Plan Share is subject to any disposal restrictions under this Plan, the Participant will not:

(a) transfer, encumber or otherwise dispose of, or have a Security Interest granted over that Plan Share; or

(b) take any action or permit another person to take any action to remove or circumvent the disposal restrictions without the express written consent of the Company.

13.3 Expiry of restriction

Subject at all times to the Share Trading Policy, upon the expiry of any disposal restrictions over a Plan Share, the Company will take all action necessary to ensure that the Participant can deal with that Plan Share.

13.4 Share entitlements

For the avoidance of doubt, the imposition of a disposal restriction on a Plan Share held by a Participant will not affect the Participant's entitlement to receive a notice of, or to vote or attend at, a meeting of the members of the Company, and to receive any dividends declared by the Company during the relevant disposal restriction period on that Plan Share. If an employee share trust arrangement is implemented in respect of this Plan, the Board may implement such procedures it deems appropriate to give effect to the intent of this clause 13.4.

14. Irrevocable Power of Attorney

In order to ensure compliance with these Rules, each Participant must grant an irrevocable power of attorney (in the form set out in the Invitation or such other form determined by the Board) to any person nominated from time to time by the Board.

15. Adjustment of Convertible Securities

15.1 Reorganisation

If there is a reorganisation of the issued share capital of the Company (including any subdivision, consolidation, reduction, return or cancellation of such issued capital of the Company), the rights of each Participant holding Convertible Securities will be changed to the extent necessary to comply with the Listing Rules applicable to a reorganisation of capital at the time of the reorganisation.

15.2 Bonus issue

(a) If Shares are issued by the Company pro rata to shareholders generally by way of bonus issue (other than an issue in lieu of dividends or by way of dividend reinvestment), the holder of Convertible Securities is entitled, upon exercise of the Convertible Securities, to receive, in addition to the Shares in respect of which the Convertible Securities are exercised and without the payment of any further consideration, an allotment of as many additional Shares as would have been issued to a shareholder who, on the date for determining entitlements under the bonus issue, held Shares equal in number to the Shares in respect of which the Convertible Securities are exercised.

(b) Additional Shares to which the holder of Convertible Securities becomes so entitled will, as from the time Shares are issued pursuant to the bonus issue and until those additional Shares are allotted, be regarded as Shares in respect of which the Convertible Securities are exercised for the purposes of subsequent applications of clause 15.2(a), and any adjustments which, after the time just mentioned, are made under clause 15.1 to the number of Shares will also be made to the additional Shares.

15.3 Rights issue

Unless otherwise determined by the Board, a holder of Convertible Securities does not have the right to participate in a pro rata issue of Shares made by the Company or sell renounceable rights.

15.4 No other participation

Subject to clauses 15.1 to 15.3 (inclusive), during the currency of any Convertible Securities and prior to their exercise, the holders of Convertible Securities are not entitled to participate in any new issue of Shares of the Company as a result of their holding of Convertible Securities.

15.5 Rounding

Until a Convertible Security is exercised, all calculations adjusting the number of Shares must be carried out to include all fractions, but when a Convertible Security is exercised and is settled in Shares the number of Shares to be issued or transferred to the Participant is rounded down to the next lowest whole number.

15.6 Application of adjustment

(a) In the application of this clause 15, the Board may (as far as possible) make whatever adjustments it deems necessary or desirable to ensure that the consequences of that application are fair as between the Participants and the holders of other securities in the Company, subject to the Listing Rules and other Applicable Laws.

(b) Unless otherwise provided in these Rules, a Participant has no right to:

(i) change the Exercise Price; or

(ii) change the number of Shares over which the Convertible Security can be exercised.

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16. Administration of the Plan

16.1 Board administration

The Plan will be administered by the Board. For the avoidance of doubt, the Board may make further provisions for the operation of the Plan which are consistent with these Rules.

16.2 Board powers and discretions

Any power or discretion which is conferred on the Board by these Rules may be exercised in its sole and absolute discretion. The Board does not, in exercising any power or discretion under these Rules, owe any fiduciary or other obligations to any ESS Participant or Participant.

16.3 Delegation of Board powers and discretions

Any power or discretion which is conferred on the Board by these Rules (including, without limitation, the power to invite ESS Participants to participate in the Plan and to determine the terms and conditions of the Securities) may be delegated by the Board to:

(a) a committee consisting of such directors, other officers or employees of the Group, or any combination of such persons as the Board thinks fit;

(b) a member of the Group; or

(c) a third party,

for such periods and on such conditions as the Board thinks fit.

16.4 Documents

The Company may from time to time require an ESS Participant invited to participate in the Plan or a Participant or a person nominated by an ESS Participant under clause 3.8 to complete and return such other documents as may be required by law to be completed by that person or entity, or such other documents which the Company considers should, for legal, taxation and/or administrative reasons, be completed by that ESS Participant, Participant or person in order to give effect to the intent of the Plan.

16.5 Decisions final

Every exercise of a discretion by the Board (or its delegates) and any decision by the Board (or its delegates) regarding the interpretation, effect or application of these Rules and all calculations and determination made by the Board under these Rules are final, conclusive and binding in the absence of manifest error.

17. Trust

The Board may, in its discretion, use an employee share trust or other mechanism for the purposes of holding Shares and Plan Shares before or after the exercise of a Convertible Security or delivering any Plan Shares arising from exercise of a Convertible Security under these Rules on such terms and conditions as determined by the Board. For the avoidance of doubt, the Board may do all things necessary for the establishment, administration, operation and funding of an employee share trust.

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18. Restrictions on and amendments to the Plan

18.1 Compliance with Applicable Laws

Notwithstanding these Rules or any terms of a Security, no Security may be offered, granted, vested or exercised, and no Share may be issued or transferred, if to do so would contravene any Applicable Laws.

18.2 Issue cap for Invitations for Monetary Consideration

(a) An Invitation for Monetary Consideration must comply with the applicable requirements of section 1100Q of the Corporations Act.

(b) Without limiting clause 18.2(a), the Company must reasonably believe, at the time of making an Invitation for Monetary Consideration, that:

(i) the total number of Plan Shares that are, or are covered by, the ESS Interests of the Company that may be issued under the Invitation; and

(ii) the total number of Plan Shares that are, or are covered by the ESS Interests of the Company that have been issued, or could have been issued, under Invitations made in connection with the Plan at any time during the 3 year period ending on the day the Invitation is made,

does not exceed the percentage referred to in clause 18.2(c) of the number of those Shares actually issued by the Company (whether in connection with the Plan or otherwise) as at the start of the day the Invitation is made.

(c) The percentage is:

(i) if the Constitution specifies an issue cap percentage – that percentage; or

(ii) if clause 18.2(c)(i) does not apply, the greater of:

(A) 5%; and

(B) the percentage (if any) specified by the Regulations for the purposes of section 1100V(2)(b) of the Corporations Act.

(d) For the purposes of Listing Rule 7.2 Exception 13, the maximum number of Securities that may be issued under the Plan is 6,703,595, or such number as is otherwise approved by Shareholders from time to time.

18.3 Amendment of Plan

(a) Subject to clause 18.3(b), the Board may:

(i) at any time amend any provisions of these Rules, including (without limitation) the terms and conditions upon which any Securities have been granted under the Plan; and

(ii) determine that any amendments to these Rules be given retrospective effect, immediate effect or future effect.

(b) No amendment to any provision of these Rules may be made if the amendment materially reduces the rights of any Participant as they existed before the date of the amendment, other than an amendment:

(i) introduced primarily:

(A) for the purposes of complying with or conforming to present or future legislation governing or regulating the Plan or like plans;

(B) to correct any manifest error or mistake;

(C) to allow the implementation of an employee share trust arrangement pursuant to clause 17;

(D) to enable the Plan or any member of the Group to comply with its constituent documents, and any other Applicable Laws; and/or

(E) to take into consideration possible adverse taxation implications in respect of the Plan including changes to applicable taxation legislation or the interpretation of that legislation by a court of competent jurisdiction or any rulings from taxation authorities administering such legislation; or

(ii) agreed to in writing by all Participant(s).

(c) As soon as reasonably practicable after making any amendment to any provision of these Rules, the Board will give notice of the amendment to each Participant affected by the amendment. Failure by the Board to notify a Participant of any amendment will not invalidate the amendment as it applies to that Participant.

19. Duration

19.1 Commencement

The Plan commenced on 1 October 2022.

19.2 Termination

The Plan continues in operation until the earlier of the date:

(a) the Board decides to end it; and

(b) the Company's removal from the official list of ASX.

19.3 Suspension

The Board may from time to time suspend the operation of the Plan for a fixed period or indefinitely, and may end any suspension.

19.4 Effect of termination / suspension

If the Plan is terminated or suspended for any reason, that termination or suspension must not prejudice the accrued rights of the Participants.

19.5 Cancellation of Convertible Securities

Notwithstanding any other provisions of these Rules, but subject at all times to any Applicable Laws and regulations, if a Participant and the Company (acting by the Board) agree in writing that some or all of the Securities granted to that Participant are to be cancelled on a specified

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date or on the occurrence of a particular event, then those Securities may be cancelled in the manner agreed between the Company and the Participant.

20. Miscellaneous

20.1 Rights of Participants

Nothing in these Rules:

(a) confers on any person any right or expectation to become a Participant, or the right to be invited to apply for, or be offered or to receive any Securities;

(b) confers on any person the right to continue as an employee or officer of any member of the Group (as the case may be);

(c) affects the rights of any member of the Group to terminate the Engagement Arrangement of an ESS Participant;

(d) forms part of any contract of service between an ESS Participant and any member of the Group;

(e) may be used to increase rights of compensation or damages in any action brought against a member of the Group in respect of an Engagement Arrangement;

(f) confers any legal or equitable right on an ESS Participant whatsoever to take action against any member of the Group in respect of their Engagement Arrangement; or

(g) confers on an ESS Participant any rights to compensation or damages in consequence of the termination of their Engagement Arrangement by any member of the Group for any reason whatsoever including ceasing to have rights under the Plan as a result of such termination.

20.2 Non-exclusivity

(a) This Plan is not the sole means by which all members of the Group intend to provide incentives to ESS Participants. Nothing in this Plan is intended to restrict any member of the Group from remunerating or otherwise rewarding employees or directors of any member of the Group outside the Plan.

(b) Participation in the Plan does not affect, and is not affected by, participation in any other incentive or other scheme operated by any member of the Group unless the terms of that other scheme provide otherwise.

20.3 Notice

(a) Any notice or other communication under or concerning the Plan is validly given:

(i) to a Participant, if delivered personally to the addressee or sent by prepaid post to the Participant's last known residential address, or sent to the Participant by facsimile or email at the Participant's place of work; and

(ii) to the Company, if delivered or sent by prepaid post addressed to the company secretary at the Company's registered office (or any other address the Board specifies), or as otherwise notified by the Company from time to time.

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(b) Delivery of notices

Subject to clause 20.3(a), a notice or other communication will be deemed to have been served:

(i) if delivered by hand, at the time of delivery;

(ii) if sent by facsimile or electronic mail, on receipt of a successful transmission notice, return receipt or such other confirmation by which the sender can reasonably verify delivery; or

(iii) if posted, and provided it is properly addressed and stamped, 48 hours after mailing in Australia and 7 days after mailing outside Australia.

20.4 Further assurances

All parties that have agreed to be bound by these Rules must do all things reasonably necessary to give full effect to this Plan and the transactions contemplated by this Plan.

20.5 Costs and charges

(a) The Company will be responsible for any brokerage, commission, stamp duty or other costs payable in relation to the issue or transfer of Plan Shares to or on behalf of a Participant.

(b) Each Participant will be responsible for all costs associated with the disposal of a Plan Share by that Participant.

20.6 No representation or warranty

(a) The Company makes no representation or warranty as to the value of Securities or with respect to any tax matters affecting any ESS Participant or Participant in connection with the Plan.

(b) Neither the Company, nor any of its directors, officers or employees are liable for anything done or omitted to be done by such person or any other person with respect to price, time, quantity or other conditions and circumstances of the issue or acquisition of Shares hereunder, with respect of any fluctuations in the market price of Shares, or in any other manner related to the Plan.

20.7 Data protection

By participating in the Plan, the Participant consents to the holding and processing of personal data provided by the Participant for the purposes of the Plan. These purposes include, but are not limited to:

(a) administering and maintaining records held in respect to a Participant;

(b) providing information to members of the Group, registrars, brokers or third party administrators of the Plan (if any) or advisers of the Board; and

(c) providing information to corporate advisers or potential future third party purchasers in connection with a sale of shares in a member of the Group, or the business and assets of a member of the Group.

20.8 Governing law

(a) This Plan is governed by the laws of Western Australia.

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(b) Each Participant submits to the non-exclusive jurisdiction of the courts of Western Australia, and the courts competent to determine appeals from those courts, with respect to any proceedings that may be brought in connection with these Rules.

20.9 Waiver of rights

(a) A waiver of any right, power, authority, discretion or remedy arising upon a breach of or default under these Rules must be in writing and signed by the party granting the waiver, and may be subject to such terms and conditions as determined by the party granting the waiver.

(b) A failure or delay in the exercise, or partial exercise, of a right, power, authority, discretion or remedy arising from a breach of or default under these Rules, does not prevent the exercise of or result in a waiver of that right, power, authority, discretion or remedy.

(c) A party is not entitled to rely on a delay in the exercise or non-exercise of a right, power, authority, discretion or remedy arising from a breach of these Rules or default under these Rules as constituting a waiver of that right, power, authority, discretion or remedy.

(d) A party may not rely on any conduct of another party as a defence to the exercise of a right, power, authority, discretion or remedy by that other party.

(e) A waiver is only effective in the specific instance and for the specific purpose for which it is given and subject to any specific terms and conditions as specified in the waiver.

(f) This clause may not itself be waived except in writing.

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Schedule 1 – Template invitation letter for Options

[insert date]

[insert name]
[insert address]

By email: [insert email address / delete row if sent by post]

Dear [insert name]

Mont Royal Resources Limited – Employee Securities Incentive Plan

1. **Introduction**

On behalf of the board of directors of Mont Royal Resources Limited (ACN 625 237 658) (**Company**) I am pleased to invite you to participate in the Company's Employee Securities Incentive Plan (**Plan**).

The objectives of the Plan are to:

(a) assist in the reward, retention and motivation of directors, employees and contractors;

(b) link the reward of directors, employees and contractors to shareholder value creation; and

(c) align the interests of directors, employees and contractors with shareholders of the Company by providing an opportunity to directors, employees and contractors to receive an equity interest in the Company in the form of securities.

Enclosed is a copy of the Plan. Terms used in this invitation letter (**Invitation**) have the same meaning as used in the Plan.

To the extent that there is any inconsistency between the Plan and the terms of this Invitation, this Invitation prevails.

We strongly recommend you read the terms and conditions of the Invitation set out below and the Plan carefully before accepting the Invitation.

2. **Invitation**

The Company hereby invites you to apply for options (**Options**) under the Plan, on the terms and conditions in this Invitation, the Plan, and Schedule [1.1] (**Terms**).

This Invitation is made under Division 1A of Part 7.12 of the Corporations Act.

3. **Acceptance of the Invitation**

The Invitation is personal to you and may only be accepted by you. Other than as specifically provided in this Invitation you may not in whole or in part assign, transfer or in any other manner, deal with the Invitation.

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Under the Plan, you may give the Board a written renunciation notice (pursuant to the Application Form) nominating a permitted nominee in whose favour you wish to renounce the Invitation. Please discuss this with the Company Secretary if you have any queries.

This Invitation remains open for acceptance by you until [insert time] on [insert date] (**Closing Date**) at which time this Invitation will close and lapse.

You may apply for the Options by filling out the Application Form at Schedule [1.2] and returning to the Company Secretary before the Closing Date.

By signing the Application Form, you acknowledge that no grant of Options will be made to you to the extent that it would contravene the Company's Constitution, Corporations Act, ASX Listing Rules or any other applicable law.

[*If the Options have an exercise price of nil:* Upon receipt of a signed copy of the Application, and its acceptance by the Company, the Company will grant the Options to you (or your permitted nominee) together with a certificate for the Options.]

[*If the Options have an exercise price:* Upon receipt of a signed copy of the Application, its acceptance by the Company and the expiry of the waiting period described below, the Company will grant the Options to you (or your permitted nominee) together with a certificate for the Options.

In accordance with the requirements of section 1100Y(1) of the Corporations Act, you may not acquire the Options until a minimum of 14 days after receiving this Invitation. Accordingly, the grant of Options will occur no sooner than [insert date]. You may withdraw your acceptance at any time before that date by the provision of written notice to the Company Secretary.]

4. **Disclaimer**

This Invitation is for your exclusive use and is a personal offer to you. It is not to be copied or circulated to any other person by you other than your professional adviser(s).

This Invitation is not a prospectus under the Corporations Act, and it has not been lodged with the Australian Securities and Investments Commission.

The information contained in this Invitation is being provided on a confidential basis to you solely for the purpose of evaluating the Invitation.

No assurance can be given by the Company as to the accuracy or completeness of the information in this Invitation.

No responsibility or liability (including in negligence) is assumed by the Company for such information or for updating any such information or to inform you of any new information of which the Company may become aware.

The provision of this Invitation is not and should not be considered as a recommendation in relation to an investment in the Company, or that an investment in the Company is a suitable investment for you.

For the purposes of section 1100Z(3) of the Corporations Act, the Company, each of its directors, any proposed directors, and any other person named in, all liability for any misleading or deceptive statements in, or omissions from, this Invitation (including all schedules and annexures attached thereto), including (without limitation), the terms of this Invitation being out of date or the terms and conditions of the Options offered being out of date.

5. **Advice**

This Invitation does not purport to provide all of the information you may require in order to

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evaluate an investment in the Company. The Company in making the Invitation is not giving you any financial, legal, tax or investment advice.

There are legal and tax consequences associated with participation in the Plan. You should ensure that you understand these consequences before accepting this Invitation.

Any advice given by or on behalf of the Company is general advice only and does not take into account any your objectives, financial situation and needs. You should consider obtaining your own financial product advice from an independent person who is licensed to give such advice.

6. **Taxation considerations**

Subdivision 83A-C of the Income Tax Assessment Act 1997, which enables tax deferral on options, will apply (subject to the conditions in that Act) to Options granted to you under this Invitation.

You are advised to seek independent professional advice regarding the tax consequences of the grant of Options and the acquiring and disposing of any Shares that are issued on exercise of Options under the Plan in light of current tax laws in your country of residence and your particular investment circumstances.

7. **Sale of Shares**

You should be aware that there are restrictions imposed by general law and the Corporations Act on dealing in shares by persons who possess material information likely to affect the value of the shares and which is not generally available. These laws may restrict the acquisition or disposal of shares by you during the time you have such information.

Shares which are allocated to you upon exercise of Options shall be subject to the terms of the Company's securities trading policy (a copy of which is enclosed).

8. **[Previous disclosure documents**

In the 12-month period prior to the date of this Invitation, the Company has issued the following disclosure documents under Part 6D.2 of the Corporations Act for the offer of Options which are of the same class as the Options being offered under this Invitation:

(a) [insert], which may be viewed and downloaded at [●]; and

(b) [insert], which may be viewed and downloaded at [●].]

9. **Risks**

You should be aware that the business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company, including Options offered under the Plan, and Shares issued on exercise of the Options.

As with any investment in shares there can be no guarantee that the market value of the Company's Shares will not fall in the future. There is also no assurance as to future dividends or distributions since these are dependent on earnings and the financial condition of the Company.

The above is general information only in relation to the risks of acquiring and holding the Options.

10. **Ascertaining the market price of Shares**

You can ascertain the market price of the Company's Shares from time to time on the ASX website (www.asx.com.au) under the Company's ASX code "MRZ" or alternatively you may contact the Company Secretary of the Company who can provide this information.

Should you have any queries in relation to this Invitation, please contact [insert] on [insert] or by email at [insert].

Yours faithfully

[insert name]
[insert position]
Mont Royal Resources Limited

Enclosures:
Employee Securities Incentive Plan
Securities Trading Policy

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Schedule 1.1 – Terms and conditions of Options

1. **(Entitlement):** Subject to the terms and conditions set out below, each Option entitles the holder to the issue of one fully paid ordinary share in the capital of the Company (**Share**).

2. **(Issue Price):** The Options are issued for nil cash consideration.

3. **(Exercise Price):** The Options are exercisable at $[insert] each.

4. **(Expiry Date):** Each Option will expire at [insert time] on the date that is [years] from the Grant Date (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

5. **(Exercise Period):** The Options are exercisable at any time and from time to time on or prior to the Expiry Date.

6. **(Notice of Exercise):** The Options may be exercised by notice in writing to the Company in the manner specified on the Option certificate (**Notice of Exercise**) and payment of the Exercise Price for each Option being exercised in Australian currency by electronic funds transfer or other means of payment acceptable to the Company.

   Any Notice of Exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

7. **(Issue of Shares):** As soon as practicable after the valid exercise of an Option, the Company will:

   (a) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled;

   (b) issue a substitute Certificate for any remaining unexercised Options held by the holder;

   (c) if required, and subject to clause 8, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and

   (d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.

8. **(Restrictions on transfer of Shares):** If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of the Options may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act. The Company is authorised by the holder to apply a holding lock on the relevant Shares during the period of such restriction from trading.

9. (**Ranking**): All Shares issued upon the exercise of Options will upon issue rank equally in all respects with other Shares.

10. **(Transferability of the Options):** The Options are not transferable, except with the prior written approval of the Company at its sole discretion and subject to compliance with the Corporations Act and Listing Rules.

11. **(Cashless exercise of Options):** The holder of Options may elect not to be required to provide payment of the Exercise Price for the number of Options specified in a Notice of Exercise but that on exercise of those Options the Company will transfer or allot to the holder that number of Shares equal in value to the positive difference between the then Market Value of the Shares at the time of exercise and the Exercise Price that would otherwise be payable to exercise those Options (with the number of Shares rounded down to the nearest whole Share).

    Market Value means, at any given date, the volume weighted average price per Share traded on the ASX over the five (5) trading days immediately preceding that given date.

12. (**Dividend rights**): An Option does not entitle the holder to any dividends.

13. (**Voting rights**): An Option does not entitle the holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.

14. **(Quotation of the Options):** The Company will not apply for quotation of the Options on any securities exchange.

15. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Option holder will be varied in accordance with the Listing Rules.

16. (**Entitlements and bonus issues**): Subject to the rights under clause 17, holders will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.

17. **(Adjustment for bonus issues of Shares):** If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment):

    (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and

    (b) no change will be made to the Exercise Price.

18. (**Return of capital rights**): The Options do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

19. (**Rights on winding up**): The Options have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

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20. (**Takeovers prohibition**):

(a) the issue of Shares on exercise of the Options is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and

(b) the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Options.

21. (**No other rights**) An Option does not give a holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

22. (**Amendments required by ASX**) The terms of the Options may be amended as considered necessary by the Board in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the holder are not diminished or terminated.

23. (**Plan**) The Options are issued pursuant to and are subject to the Plan. In the event of conflict between a provision of these terms and conditions and the Plan, these terms and conditions prevail to the extent of that conflict.

24. (**Constitution**) Upon the issue of the Shares on exercise of the Options, the holder will be bound by the Company's Constitution.

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Schedule 1.2 – Options Application Form

Mont Royal Resources Limited (ACN 625 237 658) (**Company**) has invited you (or your Nominee), by an invitation letter dated [insert] (**Invitation**), to apply for the grant under its Employee Securities Incentive Plan (**Plan**) of certain Options.

The person below hereby applies for [insert] Options under the terms of this Invitation, this Application Form and the Plan. If you are seeking Board approval to renouncing to your Nominee as permitted by the Invitation and the Plan, provide your Nominee's details below.

Full Name: _____

Address: _____

Ph: _____ Email: _____

Tax file number(s) or exemption: _____

CHESS HIN (where applicable): _____

In applying for the grant of Options under this Invitation, the person below and, where applicable, the Nominee, acknowledges and agrees:

(a) to be entered on the register of holders of options in the Company as the holder of the Options applied for;

(b) to be entered on the register of shareholders in the Company as the holder of any Shares issued on the exercise of the Options;

(c) to be bound by the terms of the Constitution of the Company;

(d) to be bound by the terms and conditions of the Plan;

(e) to be bound by the terms and conditions of this Invitation;

(f) that a copy of the full terms of the Plan has been provided to it;

(g) that, by completing this Application Form, it agrees to appoint the Company Secretary as its attorney to complete and execute any documents and do all acts on its behalf which may be convenient or necessary for the purpose of giving effect to the provisions of the Plan (if applicable);

(h) that any tax liability arising from the Company accepting its application for Options under the Plan, the Company granting the Options or the issue of Shares on conversion of the Options is its responsibility and not that of the Company; and

(i) to the holding, processing, use and disclosure of personal information by the Company for any purpose related to the operation of the Plan, including without limitation, to providing its tax file number to a share plan administrator in connection with its participation in the Plan (if applicable).

Dated: [insert]

Signed by [**insert name**] in the presence of:)
)
)

Signature of [**insert name**]

Signature of Witness

Name of Witness in full

[Where your Nominee is an individual]

Signed by [**insert name**] in the presence of:)
)
)

Signature of [**insert name**]

Signature of Witness

Name of Witness in full

[Where your Nominee is a company]

Executed by **[insert] (ACN [insert])** in accordance with section 127(1) of the Corporations Act 2001 (Cth):

Signature of Director

Signature of Director/Secretary

Name of Director in full

Name of Director/Secretary in full

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Schedule 1.3 – Notice of Exercise of Options

To: The Company Secretary
Mont Royal Resources Limited

I/We _____ of _____ being registered holder(s) of Options as set out on the certificate annexed to this notice, hereby exercise _____ of the abovementioned Options.

I/ We authorise and direct the Company to register me/us as the holder(s) of the Shares to be allotted to me/us and I/we agree to accept such Shares subject to the provisions of the Constitution of the Company.

Dated: [insert]

Signed by [**insert name**] in the presence of:)
)
)

_____
Signature of [**insert name**]

_____
Signature of Witness

_____
Name of Witness in full

Executed by **[insert] (ACN [insert])** in accordance with section 127(1) of the Corporations Act 2001 (Cth):

_____
Signature of Director

_____
Signature of Director/Secretary

_____
Name of Director in full

_____
Name of Director/Secretary in full

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Schedule 2 – Template invitation letter for Performance Rights

[insert date]

[insert name]
[insert address]

By email: [insert email address / delete row if sent by post]

Dear [insert name]

Mont Royal Resources Limited – Employee Securities Incentive Plan

1. **Introduction**

On behalf of the board of directors of Mont Royal Resources Limited (ACN 625 237 658) (**Company**) I am pleased to invite you to participate in the Company's Employee Securities Incentive Plan (**Plan**).

The objectives of the Plan are to:

(a) assist in the reward, retention and motivation of directors, employees and contractors;

(b) link the reward of directors, employees and contractors to shareholder value creation; and

(c) align the interests of directors, employees and contractors with shareholders of the Company by providing an opportunity to directors, employees and contractors to receive an equity interest in the Company in the form of securities.

Enclosed is a copy of the Plan. Terms used in this invitation letter (**Invitation**) have the same meaning as used in the Plan.

To the extent that there is any inconsistency between the Plan and the terms of this Invitation, this Invitation prevails.

We strongly recommend you read the terms and conditions of the Invitation set out below and the Plan carefully before accepting the Invitation.

2. **Invitation**

The Company hereby invites you to apply for the following performance rights (**Performance Rights**) under the Plan, on the terms and conditions in this Invitation and Schedule [2.1] (**Terms**).

Class	Number of Performance Rights	Vesting Condition	Expiry Date
Class [insert]	[insert]	[insert]	[insert]

Class [insert]	[insert]	[insert]	[insert]
Class [insert]	[insert]	[insert]	[insert]

The grant of the Performance Rights is subject to the terms of the Plan, including you remaining an ESS Participant at the time the Performance Rights are granted and, subject to a number of exceptions, vested and converted into Shares.

This Invitation is made under Division 1A of Part 7.12 of the Corporations Act.

3. **Vesting, conversion and expiry of the Performance Rights**

The Performance Rights will vest on the date the conditions (**Vesting Conditions**) relating to those Performance Rights has been satisfied, subject to the Vesting Conditions being satisfied by the date specified within the Vesting Conditions. The Company will notify you in writing when the relevant Vesting Conditions have been satisfied.

Upon vesting, each Performance Right will, at your election, convert into one fully paid ordinary share in the Company (**Share**). You may apply to exercise vested Performance Rights by filling out the notice of exercise form at Schedule [2.3] and returning to the Company Secretary prior to expiry of the Performance Rights. The Performance Rights will expire [five years] after the Grant Date, unless terminated earlier in accordance with the terms of the Plan.

Unless the Terms provide otherwise, the Shares to which you are entitled on conversion of the Performance Rights will be issued to you as soon as practicable after the exercise date.

Further terms and conditions of the Performance Rights are in Schedule [2.1].

4. **Acceptance of the Invitation**

The Invitation is personal to you and may only be accepted by you. Other than as specifically provided in this Invitation you may not in whole or in part assign, transfer or in any other manner, deal with the Invitation.

Under the Plan, you may give the Board a written renunciation notice (pursuant to the Application Form) nominating a permitted nominee in whose favour you wish to renounce the Invitation. Please discuss this with the Company Secretary if you have any queries.

This Invitation remains open for acceptance by you until [insert time] on [insert date] (**Closing Date**) at which time this Invitation will close and lapse.

You may apply for the Performance Rights by filling out the Application Form at Schedule [2.2] and returning to the Company Secretary before the Closing Date.

By signing the Application Form, you acknowledge that no grant of Performance Rights will be made to you to the extent that it would contravene the Company's Constitution, Corporations Act, ASX Listing Rules or any other applicable law.

Upon receipt of a signed copy of the Application, and its acceptance by the Company, the Company will grant the Performance Rights to you (or your permitted nominee) together with a certificate for the Performance Rights.

5. **Disclaimer**

This Invitation is for your exclusive use and is a personal offer to you. It is not to be copied or circulated to any other person by you other than your professional adviser(s).

For personal use only

This Invitation is not a prospectus under the Corporations Act, and it has not been lodged with the Australian Securities and Investments Commission.

The information contained in this Invitation is being provided on a confidential basis to you solely for the purpose of evaluating the Invitation.

No assurance can be given by the Company as to the accuracy or completeness of the information in this Invitation.

No responsibility or liability (including in negligence) is assumed by the Company for such information or for updating any such information or to inform you of any new information of which the Company may become aware.

The provision of this Invitation is not and should not be considered as a recommendation in relation to an investment in the Company, or that an investment in the Company is a suitable investment for you.

For the purposes of section 1100Z(3) of the Corporations Act, the Company, each of its directors, any proposed directors, and any other person named in, all liability for any misleading or deceptive statements in, or omissions from, this Invitation (including all schedules and annexures attached thereto), including (without limitation), the terms of this Invitation being out of date or the terms and conditions of the Performance Rights offered being out of date.

6. **Advice**

This Invitation does not purport to provide all of the information you may require in order to evaluate an investment in the Company. The Company in making the Invitation is not giving you any financial, legal, tax or investment advice.

There are legal and tax consequences associated with participation in the Plan. You should ensure that you understand these consequences before accepting this Invitation.

Any advice given by or on behalf of the Company is general advice only and does not take into account any your objectives, financial situation and needs. You should consider obtaining your own financial product advice from an independent person who is licensed to give such advice.

7. **Taxation considerations**

Subdivision 83A-C of the Income Tax Assessment Act 1997, which enables tax deferral on performance rights, will apply (subject to the conditions in that Act) to Performance Rights granted to you under this Invitation.

You are advised to seek independent professional advice regarding the tax consequences of the grant of Performance Rights and the acquiring and disposing of any Shares that are issued on exercise of Performance Rights under the Plan in light of current tax laws in your country of residence and your particular investment circumstances.

8. Sale of Shares

You should be aware that there are restrictions imposed by general law and the Corporations Act on dealing in shares by persons who possess material information likely to affect the value of the shares and which is not generally available. These laws may restrict the acquisition or disposal of shares by you during the time you have such information

Shares which are allocated to you upon exercise of Performance Rights shall be subject to the terms of the Company's securities trading policy (a copy of which is enclosed).

9. [Previous disclosure documents

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In the 12-month period prior to the date of this Invitation, the Company has issued the following disclosure documents under Part 6D.2 of the Corporations Act for the offer of Performance Rights which are of the same class as the Performance Rights being offered under this Invitation:

(a) [insert], which may be viewed and downloaded at [●]; and

(b) [insert], which may be viewed and downloaded at [●].]

10. **Risk**

You should be aware that the business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company, including Performance Rights offered under the Plan, and Shares issued on exercise of the Performance Rights.

As with any investment in shares there can be no guarantee that the market value of the Company's Shares will not fall in the future. There is also no assurance as to future dividends or distributions since these are dependent on earnings and the financial condition of the Company.

Should you have any queries in relation to this Invitation, please contact [insert] on [insert] or by email at [insert].

Yours faithfully

[insert name]
[insert position]
Mont Royal Resources Limited

Enclosures:
Employee Securities Incentive Plan
Securities Trading Policy

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Schedule 2.1 – Terms and conditions of Performance Rights

1. (**Entitlement**): Subject to the terms and conditions set out below, each Performance Right, once vested, entitles the holder to the issue of one fully paid ordinary share in the capital of the Company (**Share**).

2. (**Issue Price**): The Performance Rights are issued for nil cash consideration.

3. (**Vesting Conditions**): Subject to the terms and conditions set out below, the Performance Rights will have the vesting conditions (**Vesting Condition**) specified below:

Class	[insert]	[insert]	[insert]
Number	[insert]	[insert]	[insert]
Vesting Condition	[insert]	[insert]	[insert]
Expiry Date	[insert]	[insert]	[insert]

4. (**Vesting**): Subject to the satisfaction of the Vesting Condition, the Company will notify the Holder in writing (**Vesting Notice**) within 3 Business Days of becoming aware that the relevant Vesting Condition has been satisfied.

5. (**Expiry Date**): The Performance Rights will expire and lapse on the first to occur of the following:

   (a) the Vesting Condition becoming incapable of satisfaction due to the cessation of employment of the holder with the Company (or any of its subsidiary entities) (subject to the exercise of the Board's discretion under the Plan); and

   (b) [insert time] on the date which is [five years] after the date of issue of the Performance Rights,

   (**Expiry Date**).

6. (**Exercise**): At any time between receipt of a Vesting Notice and the Expiry Date (as defined in clause 5 above), the holder may apply to exercise Performance Rights by delivering a signed notice of exercise to the Company Secretary. The holder is not required to pay a fee to exercise the Performance Rights.

7. (**Issue of Shares**): As soon as practicable after the valid exercise of a vested Performance Right, the Company will:

   (a) issue, allocate or cause to be transferred to the holder the number of Shares to which the holder is entitled;

   (b) issue a substitute Certificate for any remaining unexercised Performance Rights held by the holder;

   (c) if required, and subject to clause 8, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act; and

(d) do all such acts, matters and things to obtain the grant of quotation of the Shares by ASX in accordance with the Listing Rules.

8. **(Restrictions on transfer of Shares):** If the Company is unable to give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or such a notice for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, Shares issued on exercise of the Performance Rights may not be traded until 12 months after their issue unless the Company, at its sole discretion, elects to issue a prospectus pursuant to section 708A(11) of the Corporations Act. The Company is authorised by the holder to apply a holding lock on the relevant Shares during the period of such restriction from trading.

9. (**Ranking**): All Shares issued upon the conversion of Performance Rights will upon issue rank equally in all respects with other Shares.

10. (**Transferability of the Performance Rights**): The Performance Rights are not transferable, except with the prior written approval of the Company at its sole discretion and subject to compliance with the Corporations Act and Listing Rules.

11. (**Dividend rights**): A Performance Right does not entitle the holder to any dividends.

12. (**Voting rights**): A Performance Right does not entitle the holder to vote on any resolutions proposed at a general meeting of the Company, subject to any voting rights provided under the Corporations Act or the ASX Listing Rules where such rights cannot be excluded by these terms.

13. (**Quotation of the Performance Rights**) The Company will not apply for quotation of the Performance Rights on any securities exchange.

14. **(Adjustments for reorganisation):** If there is any reorganisation of the issued share capital of the Company, the rights of the Performance Rights holder will be varied in accordance with the Listing Rules.

15. (**Entitlements and bonus issues**): Subject to the rights under clause 16, holders will not be entitled to participate in new issues of capital offered to shareholders such as bonus issues and entitlement issues.

16. (**Bonus issues**): If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction of dividends or by way of dividend reinvestment), the number of Shares which must be issued on the exercise of a vested Performance Right will be increased by the number of Shares which the holder would have received if the holder had exercised the Performance Right before the record date for the bonus issue.

17. (**Return of capital rights**): The Performance Rights do not confer any right to a return of capital, whether in a winding up, upon a reduction of capital or otherwise.

18. (**Rights on winding up**): The Performance Rights have no right to participate in the surplus profits or assets of the Company upon a winding up of the Company.

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19. (**Takeovers prohibition**):

(a) the issue of Shares on exercise of the Performance Rights is subject to and conditional upon the issue of the relevant Shares not resulting in any person being in breach of section 606(1) of the Corporations Act; and

(b) the Company will not be required to seek the approval of its members for the purposes of item 7 of section 611 of the Corporations Act to permit the issue of any Shares on exercise of the Performance Rights.

20. (**No other rights**) A Performance Right does not give a holder any rights other than those expressly provided by these terms and those provided at law where such rights at law cannot be excluded by these terms.

21. (**Amendments required by ASX**) The terms of the Performance Rights may be amended as considered necessary by the Board in order to comply with the ASX Listing Rules, or any directions of ASX regarding the terms provided that, subject to compliance with the Listing Rules, following such amendment, the economic and other rights of the holder are not diminished or terminated.

22. (**Plan**) The Performance Rights are issued pursuant to and are subject to the Plan. In the event of conflict between a provision of these terms and conditions and the Plan, these terms and conditions prevail to the extent of that conflict.

23. (**Constitution**) Upon the issue of the Shares on exercise of the Performance Rights, the holder will be bound by the Company's Constitution.

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Schedule 2.2 – Performance Rights Application Form

Mont Royal Resources Limited (ACN 625 237 658) (**Company**) has invited you (or your Nominee), by an invitation letter dated [insert] (**Invitation**), to apply for the grant under its Employee Securities Incentive Plan (**Plan**) of certain Performance Rights.

The person below hereby applies for [insert] Performance Rights under the terms of this Invitation, this Application Form and the Plan. If you are seeking Board approval to renouncing to your Nominee as permitted by the Invitation and the Plan, provide your Nominee's details below.

Full Name: _____

Address: _____

Ph: _____ Email: _____

Tax file number(s) or exemption: _____

CHESS HIN (where applicable): _____

In applying for the grant of Performance Rights under this Invitation, the person below and, where applicable, the Nominee, acknowledges and agrees:

(a) to be entered on the register of holders of performance rights in the Company as the holder of the Performance Rights applied for;

(b) to be entered on the register of shareholders in the Company as the holder of any Shares issued on the exercise of the Performance Rights;

(c) to be bound by the terms of the Constitution of the Company;

(d) to be bound by the terms and conditions of the Plan;

(e) to be bound by the terms and conditions of this Invitation;

(f) that a copy of the full terms of the Plan has been provided to it;

(g) that, by completing this Application Form, it agrees to appoint the Company Secretary as its attorney to complete and execute any documents and do all acts on its behalf which may be convenient or necessary for the purpose of giving effect to the provisions of the Plan (if applicable);

(h) that any tax liability arising from the Company accepting its application for Performance Rights under the Plan, the Company granting the Performance Rights or the issue of Shares on conversion of the Performance Rights is its responsibility and not that of the Company; and

(i) to the holding, processing, use and disclosure of personal information by the Company for any purpose related to the operation of the Plan, including without limitation, to providing its tax file number to a share plan administrator in connection with its participation in the Plan (if applicable).

Dated: [insert]

Signed by [**insert name**] in the presence of:)
)
)

Signature of [**insert name**]

Signature of Witness

Name of Witness in full

[Where your Nominee is an individual]

Signed by [**insert name**] in the presence of:)
)
)

Signature of [**insert name**]

Signature of Witness

Name of Witness in full

[Where your Nominee is a company]

Executed by **[insert] (ACN [insert])** in accordance with section 127(1) of the Corporations Act 2001 (Cth):

Signature of Director

Signature of Director/Secretary

Name of Director in full

Name of Director/Secretary in full

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Schedule 2.3 – Notice of Exercise of Performance Rights

To: The Company Secretary
Mont Royal Resources Limited

I/We _____ of _____ being registered holder(s) of Performance Rights as set out on the certificate annexed to this notice, hereby exercise _____ of the abovementioned Performance Rights.

I/ We authorise and direct the Company to register me/us as the holder(s) of the Shares to be allotted to me/us and I/we agree to accept such Shares subject to the provisions of the Constitution of the Company.

Dated: [insert]

Signed by [**insert name**] in the presence of:)
)
)

_____
Signature of [**insert name**]

_____
Signature of Witness

_____
Name of Witness in full

Executed by **[insert] (ACN [insert])** in accordance with section 127(1) of the Corporations Act 2001 (Cth):

_____
Signature of Director

_____
Signature of Director/Secretary

_____
Name of Director in full

_____
Name of Director/Secretary in full

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Schedule 3 – Template invitation letter for Shares

[insert date]

[insert name]
[insert address]

By email: [insert email address / delete row if sent by post]

Dear [insert name]

Mont Royal Resources Limited – Employee Securities Incentive Plan

1. **Introduction**

On behalf of the board of directors of Mont Royal Resources Limited (ACN 625 237 658) (**Company**) I am pleased to invite you to participate in the Company's Employee Securities Incentive Plan (**Plan**).

The objectives of the Plan are to:

(d) assist in the reward, retention and motivation of directors, employees and contractors;

(e) link the reward of directors, employees and contractors to shareholder value creation; and

(f) align the interests of directors, employees and contractors with shareholders of the Company by providing an opportunity to directors, employees and contractors to receive an equity interest in the Company in the form of securities.

Enclosed is a copy of the Plan. Terms used in this invitation letter (**Invitation**) have the same meaning as used in the Plan.

To the extent that there is any inconsistency between the Plan and the terms of this Invitation, this Invitation prevails.

We strongly recommend you read the terms and conditions of the Invitation set out below and the Plan carefully before accepting the Invitation.

2. Invitation

The Company hereby invites you to apply for the following fully paid ordinary shares (**Shares**) under the Plan, on the terms and conditions in this Invitation.

[insert details].

The grant of the Shares is subject to the terms of the Plan, including you remaining an ESS Participant at the time the Shares are issued.

This Invitation is made under Division 1A of Part 7.12 of the Corporations Act.

3. Acceptance of the Invitation

The Invitation is personal to you and may only be accepted by you. Other than as specifically provided in this Invitation you may not in whole or in part assign, transfer or in any other manner, deal with the Invitation.

Under the Plan, you may give the Board a written renunciation notice (pursuant to the Application Form) nominating a permitted nominee in whose favour you wish to renounce the Invitation. Please discuss this with the Company Secretary if you have any queries.

This Invitation remains open for acceptance by you until [insert time] on [insert date] (**Closing Date**) at which time this Invitation will close and lapse.

You may apply for the Shares by filling out the Application Form at Schedule [3.2] and returning to the Company Secretary before the Closing Date.

[*If the Shares are issued for no monetary consideration:* Upon receipt of a signed copy of the Application, and its acceptance by the Company, the Company will issue the Shares to you (or your permitted nominee).]

[*If the Shares are issued for monetary consideration:* Upon receipt of a signed copy of the Application, its acceptance by the Company and the expiry of the waiting period described below, the Company will issue the Shares to you (or your permitted nominee).

In accordance with the requirements of section 1100Y(1) of the Corporations Act, you may not acquire the Shares until a minimum of 14 days after receiving this Invitation. Accordingly, the issue of Shares will occur no sooner than [insert date]. You may withdraw your acceptance at any time before that date by the provision of written notice to the Company Secretary.]

By signing the Application Form, you acknowledge that no grant of Shares will be made to you to the extent that it would contravene the Company's Constitution, Corporations Act, ASX Listing Rules or any other applicable law.

4. Disclaimer

This Invitation is for your exclusive use and is a personal offer to you. It is not to be copied or circulated to any other person by you other than your professional adviser(s).

This Invitation is not a prospectus under the Corporations Act, and it has not been lodged with the Australian Securities and Investments Commission.

The information contained in this Invitation is being provided on a confidential basis to you solely for the purpose of evaluating the Invitation.

No assurance can be given by the Company as to the accuracy or completeness of the information in this Invitation.

No responsibility or liability (including in negligence) is assumed by the Company for such information or for updating any such information or to inform you of any new information of which the Company may become aware.

The provision of this Invitation is not and should not be considered as a recommendation in relation to an investment in the Company, or that an investment in the Company is a suitable investment for you.

For the purposes of section 1100Z(3) of the Corporations Act, the Company, each of its directors, any proposed directors, and any other person named in, all liability for any misleading

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or deceptive statements in, or omissions from, this Invitation (including all schedules and annexures attached thereto), including (without limitation), the terms of this Invitation being out of date or the terms and conditions of the Shares offered being out of date.

5. Advice

This Invitation does not purport to provide all of the information you may require in order to evaluate an investment in the Company. The Company in making the Invitation is not giving you any financial, legal, tax or investment advice.

There are legal and tax consequences associated with participation in the Plan. You should ensure that you understand these consequences before accepting this Invitation.

Any advice given by or on behalf of the Company is general advice only and does not take into account any your objectives, financial situation and needs. You should consider obtaining your own financial product advice from an independent person who is licensed to give such advice.

6. Taxation considerations

You are advised to seek independent professional advice regarding the tax consequences of the acquiring and disposal of Shares under the Plan in light of current tax laws in your country of residence and your particular investment circumstances.

7. Sale of Shares

You should be aware that there are restrictions imposed by general law and the Corporations Act on dealing in shares by persons who possess material information likely to affect the value of the shares and which is not generally available. These laws may restrict the acquisition or disposal of shares by you during the time you have such information

Shares which are issued to you upon acceptance of this Invitation shall be subject to the terms of the Company's securities trading policy (a copy of which is enclosed).

8. [Previous disclosure documents

In the 12-month period prior to the date of this Invitation, the Company has issued the following disclosure documents under Part 6D.2 of the Corporations Act for the offer of Shares which are of the same class as the Shares being offered under this Invitation:

(a) [insert], which may be viewed and downloaded at [●]; and

(b) [insert], which may be viewed and downloaded at [●].]

9. Risk

You should be aware that the business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company, including Shares issued under the Plan.

As with any investment in shares there can be no guarantee that the market value of the Company's Shares will not fall in the future. There is also no assurance as to future dividends or distributions since these are dependent on earnings and the financial condition of the Company.

Should you have any queries in relation to this Invitation, please contact [insert] on [insert] or by email at [insert].

Yours faithfully

[insert name]
[insert position]
Mont Royal Resources Limited

Enclosures:
Employee Securities Incentive Plan
Securities Trading Policy

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Schedule 3.2 – Shares Application Form

Mont Royal Resources Limited (ACN 625 237 658) (**Company**) has invited you (or your Nominee), by an invitation letter dated [insert] (**Invitation**), to apply for the grant under its Employee Securities Incentive Plan (**Plan**) of certain Shares.

The person below hereby applies for [insert] Shares under the terms of this Invitation, this Application Form and the Plan. If you are seeking Board approval to renouncing to your Nominee as permitted by the Invitation and the Plan, provide your Nominee's details below.

Full Name: _____

Address: _____

Ph: _____ Email: _____

Tax file number(s) or exemption: _____

CHESS HIN (where applicable): _____

In applying for the grant of Shares under this Invitation, the person below and, where applicable, the Nominee, acknowledges and agrees:

(a) to be entered on the register of holders of shares in the Company as the holder of the Shares applied for;

(b) to be bound by the terms of the Constitution of the Company;

(c) to be bound by the terms and conditions of the Plan;

(d) to be bound by the terms and conditions of this Invitation;

(e) that a copy of the full terms of the Plan has been provided to it;

(f) that, by completing this Application Form, it agrees to appoint the Company Secretary as its attorney to complete and execute any documents and do all acts on its behalf which may be convenient or necessary for the purpose of giving effect to the provisions of the Plan (if applicable);

(g) that any tax liability arising from the Company accepting its application for Shares under the Plan or the Company issuing the Shares is its responsibility and not that of the Company; and

(h) to the holding, processing, use and disclosure of personal information by the Company for any purpose related to the operation of the Plan, including without limitation, to providing its tax file number to a share plan administrator in connection with its participation in the Plan (if applicable).

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APPENDIX J

INFORMATION CONCERNING THE COMBINED COMPANY FOLLOWING THE ARRANGEMENT

This Appendix J is a summary of the Combined Company, its business, assets and operations, assuming completion of the Arrangement, which should be read together with the more detailed information and financial data statements contained elsewhere in this Circular to which this Appendix J is attached. Unless otherwise indicated, the information contained in this Appendix J is given as of the date of this Circular.

CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

In this Appendix J, references to "A$" or "AUD$" are to Australian dollars and references to "C$" or "CAD$" are to Canadian dollars. Certain totals, subtotals and percentages throughout this Appendix J may not reconcile due to rounding.

The following table sets out the high and low rates of exchange for one Australian dollar expressed in Canadian dollars during each of the following periods, the average rate of exchange for those periods and the rate of exchange in effect at the end of each of those periods, each based on the rate of exchange published by Oanda.com for the conversion of Australian dollars into Canadian dollars.

	Fiscal Year Ended October 31,		**Nine Months Ended April 30,**	
	2024 (C$)	**2023 (C$)**	**2025 (C$)**	**2024 (C$)**
Highest rate during the period	0.91707	0.95042	0.93725	0.90490
Lowest rate during the period	0.85889	0.84224	0.88633	0.85889
Average rate for the period	0.88837	0.90142	0.90898	0.88354
Rate at the end of the period	0.91651	0.88201	0.89773	0.88236

On September 3, 2025, the rate of exchange posted by Oanda.com for conversion of Australian dollars into Canadian dollars was A$1.00 = C$0.8995. No representation is made that any currency could be converted at any given rate.

GLOSSARY

Capitalized terms used herein and not otherwise defined in this Appendix J have the meanings given to such terms set forth in Appendix I to this Circular or in the glossary of terms found in Appendix A to this Circular.

CORPORATE STRUCTURE

Corporate Summary

Upon completion of the Arrangement, Mont Royal will indirectly own all of the outstanding CCE Shares and Commerce will become a wholly owned subsidiary of Mont Royal. The Combined Company will continue the operations of Mont Royal and Commerce on a consolidated basis and will continue to be a corporation existing under the laws of Western Australia. Upon completion of the Arrangement, the Combined Company will be listed on the ASX and intends to list on the TSXV, subject to the approval of the TSXV in accordance with its minimum listing requirements.

The Combined Company Board will be comprised of one (1) director from Mont Royal and four (4) from or appointed by Commerce. The Combined Company Board will be comprised of a new non-executive Chairman

in Mr. Cameron Henry, appointed by Commerce, a new Managing Director in Mr. Nicholas Holthouse, two (2) directors from Commerce, being Mr. Jeremy Robinson and Mr. Adam Ritchie, and one (1) non-executive director from Mont Royal, expected to be Mr. Ronnie Beevor.

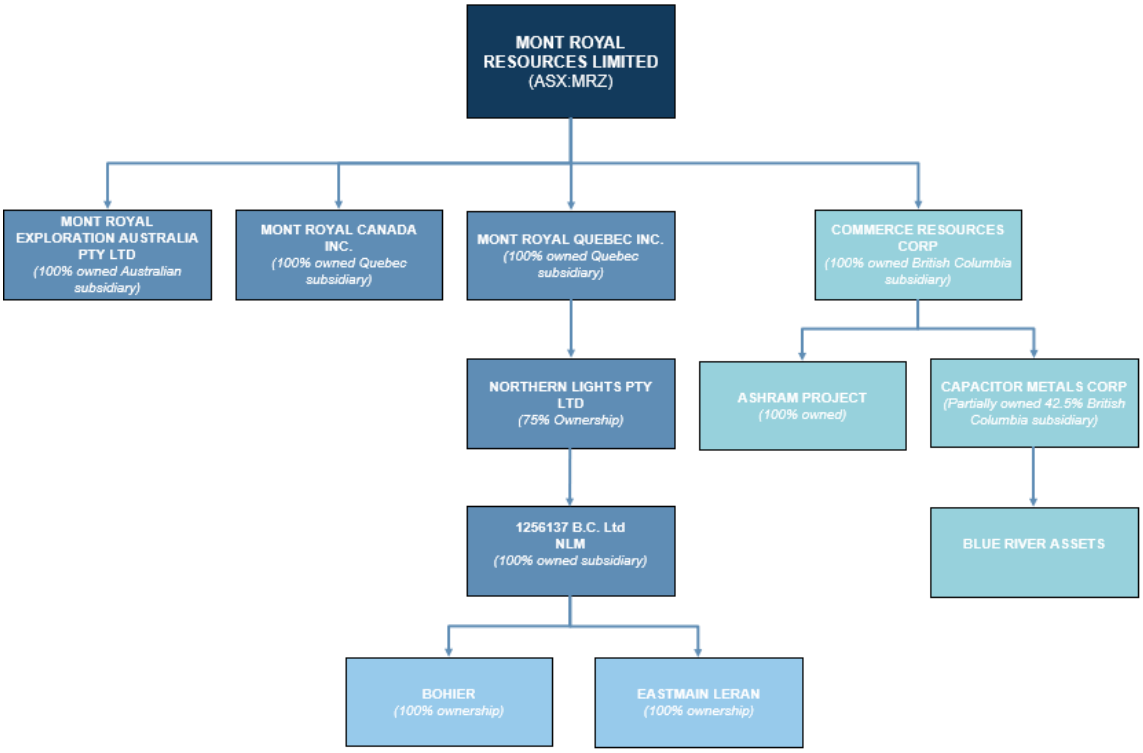
Name, Address and Incorporation

The Combined Company's registered office and principal place of business will be located at Mont Royal's proposed registered office and principal place of business, being Level 1, 1 Alvan Street Subiaco, Perth, Western Australia 6008, Australia.

Intercorporate Relationships

Set out below is the corporate structure of the Combined Company following the Arrangement.

On completion of the Arrangement, Mont Royal will directly own, all of the issued and outstanding CCE Shares. After completion of the Arrangement, the business and operations of Commerce will be managed and operated as an indirect subsidiary of Mont Royal. Mont Royal will control 100% of the voting capital of all of the entities presented in the organization chart set forth below.



DESCRIPTION OF THE BUSINESS OF THE COMBINED COMPANY

Description of the Business

On completion of the Arrangement, the Combined Company will carry on the business currently operated by Mont Royal and Commerce on a consolidated basis, including mineral exploration and mining development in Canada.

The Combined Company will remain a publicly listed issuer on the ASX under the trading symbol "CCE". Mont Royal has applied for its MRZ Shares to be listed on the TSXV. Listing of the MRZ Shares on the TSXV will

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be subject to Mont Royal receiving approval from, and fulfilling all of the minimum listing requirements of, the TSXV. Upon completion of the Arrangement, the Combined Company will become a reporting issuer in Alberta, British Columbia, and Ontario.

Business Objectives and Milestones

The Combined Company's primary business objective is to explore and develop the Ashram Project, including completion of environmental baseline studies and advancement of a feasibility study.

The exact timetables for specific events that must occur to achieve the aforementioned business objectives will be finalised post completion of the Arrangement and will be subject to the consideration and approval of the newly formed Combined Company Board (as defined below). There is no one specific event that can be attributed to achieving the business objectives outlined above.

Available Funds and Principal Purposes of Funds

As of August 29, 2025, Commerce had an estimated working capital of C$2,608,352 and Mont Royal had an estimated working capital of C$1,129,016 (based on A$1,254,462, using an exchange rate of A$1.00 = C$0.90). Pursuant to the MRZ Equity Raise, a minimum of 40,000,000 MRZ Shares and a maximum of 50,000,000 MRZ Shares are to be issued subject to receipt of MRZ Shareholder approval at a general meeting expected to be held on October 10, 2025, and the CCE Shareholder Approval.

The Combined Company is expected to use the funds available to it in furtherance of its stated business objectives above. The following table shows the foreseeable available funds and the principal purposes for which the available funds will be used by the Combined Company, based on currently available information for the 2025 calendar year:

Available Funds:	**Estimated Amount – Minimum Subscription (A$)**	**Estimated Amount – Maximum Subscription (A$)**
Estimated Consolidated Working Capital (as of April 30, 2025)	$4,104,142	$4,104,142
Net Proceeds from the Closing of the MRZ Equity Raise	$8,000,000[5]	$10,000,000
Total Available Funds	$12,104,137.00	$14,104,142.00104,142
Anticipated Uses of Funds:		
Preliminary Economic Assessment[1]	$1,000,000	$1,000,000
Ashram Project Studies and Environmental Work[2]	$2,750,000	$3,000,000
Pre Feasibility Studies[3]	$3,000,000	$3,000,000
Northern Lights Exploration Work	$250,000	$250,000
Corporate G&A and working capital[4]	$3,259,821	$4,887,254
Costs of the Offer	$917,115	$1,039,682
Payment of Yelverton fee	$493,997	$493,997
Payment of Wallabi fee	$433,209	$433,209
Total Uses	$12,104,142.00	$14,104,142.00104,142

Notes:

(1) Preliminary Economic Assessment work includes various contractor expenses to complete the study, including mine scheduling, geotechnical work and other items.

(2) Ashram Project Studies and Environmental Work costs include soil testing, baseline studies, subsurface, water modelling, ongoing water monitoring, geotechnical test work of tailings, waste rock and ore, and metallurgical testing, amongst others.

(3) Pre-Feasibility Studies will include all necessary engagement to begin the Pre-Feasibility Studies at the Ashram Project.

(4) Corporate G&A includes personnel, finance function, corporate secretary, travel, listing fees, legal, audit fees, office rental, D&O insurance, information technology and investor relations, amongst others.

The above uses of available funds are estimates only based on information available to Commerce and Mont Royal as of September 4, 2025, with respect to estimated working capital, and as at April 30, 2025 for all other information.

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Please see the discussion under "*Part 3 – Cautionary Statement Regarding Forward-Looking Information*" of this Circular.

Specialized Skill and Knowledge

All aspects of the Combined Company's business require specialized skills and knowledge. Such skills and knowledge include the areas of finance, geology, drilling, mining, construction, engineering, metallurgy, accounting and natural resources. The Combined Company will retain executive officers and consultants with experience in these areas in Québec, Canada and Australia and will have access to technical personnel that will provide the Combined Company with skills and knowledge required to conduct its business operations.

Competitive Conditions

The mineral exploration business is a competitive business. The Combined Company will compete with other companies and individuals in the consideration of acquisitions, development and advancement of attractive mining assets, and in retaining qualified personnel, suitable contractors for drilling and bulk sampling operations, technical and engineering resources and, to the extent necessary, exploration equipment.

Cycles

Following the Arrangement, the Combined Company's business may be considered cyclical to a limited extent, due to fluctuations in global inflation, interest rates and exchange rates which can drive commodity prices. The marketability of minerals and mineral concentrates is also affected by worldwide economic cycles.

Refer to the Section titled "*Risk Factors*" in Appendix I to this Circular for further information of the risk factors impacting the Combined Company's business.

Economic Dependence and Changes to Contracts

The Combined Company's business will not be substantially dependent on any contract to sell the major part of its products or services or to purchase the major part of its requirements for goods, services or raw materials, or on any franchise or license or other agreement to use a patent, formula, trade secret, process or trade name upon which its business depends.

It is not expected that the Combined Company's business will be affected in the current financial year by the renegotiation or termination of contracts or sub-contracts.

Refer to the Section titled "*Risk Factors*" in Appendix I of this Circular for further information of the risk factors impacting the Combined Company's business.

Environmental Protection

All aspects of the Combined Company's field operations will be subject to environmental regulations promulgated by government agencies from time to time and generally will require approval by appropriate regulatory authorities prior to commencement. Any failure to comply could result in fines and penalties. With its projects at the exploration stage, the financial and operational impact of environmental protection requirements is relatively minimal. Environmental legislation is evolving, which means stricter standards and enforcement, fines and penalties for non-compliance are becoming more stringent. Environmental assessment of proposed projects carries a heightened degree of responsibility for companies and directors, officers and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Combined Company's operations, including its capital expenditures and competitive position. Should any project advance to the production stage, then more time and money would be involved in satisfying environmental protection requirements.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of mineral exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. Events, such as

unpredictable rainfall or bushfires may impact on the Combined Company's future compliance with environmental legislation, regulations and licenses. Significant liabilities could be imposed on the Combined Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulation. Environmental legislation is evolving in a manner which means stricter standards, and enforcement, fines and penalties for non-compliance are more stringent. Future legislation and regulations could cause additional expenses, capital expenditures, restrictions, liabilities and delays in exploration. The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous, making the Combined Company's operations more expensive. Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programs or mining activities.

Refer to the Section titled "*Risk Factors*" in Appendix I of this Circular for further information of the risk factors impacting the Combined Company's business.

Employees

The Combined Company expects that upon completion of the Arrangement it will have approximately two employees.

The Combined Company will continuously evaluate the expertise and skills required to execute its business strategy and seeks to attract and retain employees that are aligned with delivering on the Combined Company's goals.

The Combined Company's success is expected to be dependent on the performance of its management team and key individuals, many of whom will have specialized skills in the mineral exploration business. The Combined Company's expected key site personnel have been involved in the mining industry for several years and are knowledgeable as to the geology, engineering, construction, approvals, stakeholder engagement, environmental matters, mining, metallurgy and infrastructure related to mineral exploration and mining development.

Following the Arrangement, the Combined Company's personnel will be equipped with the skills necessary to perform its operations and continuously assess its workforce capabilities with its business strategy for its operations as it evolves.

Foreign Operations

Some of the Combined Company's operations will be conducted in Australia and will be exposed to various levels of political, economic and other risks and uncertainties that are different than operating in a Canadian jurisdiction.

Refer to the Section titled "*Risk Factors*" in Appendix I of this Circular for further information of the risk factors impacting the Combined Company's business.

Social or Environmental Policies

Following the Arrangement, the Combined Company will continue to be committed to conducting its activities in an environmentally and socially responsible manner. The Combined Company understands that to maintain its social licence to operate, it has an obligation to maintain environmental compliance and to strive to meet the expectations of the local community and stakeholders.

The Combined Company will continue to be committed to providing a safe and healthy work environment for all and strive to continuously improve its safety and health performance.

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Additional Information

For more information on the business of the Combined Company as it will be operated by Mont Royal, see Appendix I of this Circular. For more information regarding the business of Commerce, see "*Part 19 – Information Concerning the Combined Company"* of this Circular.

MINERAL PROPERTIES

Following completion of the Arrangement, the Combined Company will control the Ashram Project and the Northern Lights Project, all located in Canada. As at the Last Practicable Date, MRZ does not consider the Northern Lights Project to be a material property of the Combined Company.

For more information about the Ashram Project, see the Section titled *"Mineral Projects"* in Appendix I of this Circular. For more information about Commerce's Ashram Deposit in Nunavik, Québec, Canada, see *"Part 17 – Information Concerning Commerce – Material Mineral Projects"* of the Circular.

DESCRIPTION OF THE COMBINED COMPANY'S SECURITIES

Following the Arrangement, the share capital of the Combined Company will be the share capital of Mont Royal prior to the Arrangement. The share capital of Mont Royal will remain unchanged as a result of the completion of the Arrangement, other than for the issuance of the MRZ Shares as Consideration contemplated by the Arrangement, and the issuance of the Replacement Options to the holders of CCE Options, and CCE Warrants and Replacement Performance Rights to the holders of CCE PSUs pursuant to the Arrangement.

The MRZ Shares issuable pursuant to the exercise of the replacement securities issued in exchange for the CCE Options, CCE PSUs and CCE Warrants will be subject to the MRZ Consolidation. The Combined Company will be authorized to issue an unlimited number of MRZ Shares authorized for issuance subject to shareholder approval, where required under applicable laws, the ASX Listing Rules and approval of the TSXV. See the Section titled "*Description of Securities*" in Appendix I of this Circular.

Based on the pro forma figures as of the date hereof, after giving effect to the Arrangement and MRZ Equity Raise on a post MRZ Consolidation basis, it is anticipated that there will be:

- 181,142,080 MRZ Shares issued and outstanding under the minimum subscription scenario and 191,142,080 MRZ Shares issued and outstanding under the maximum subscription scenario;

- 90,133,175 MRZ Options issued and outstanding which are convertible into up to 90,133,175 MRZ Shares upon the exercise thereof under the minimum subscription scenario and 92,133,175 MRZ Options issued and outstanding which are convertible into up to 92,133,175 MRZ Shares upon the exercise thereof under the maximum subscription scenario; and

- 12,259,381 MRZ Performance Rights issued and outstanding which are convertible into up to 12,259,381 MRZ Shares upon the conversion thereof.

For more information regarding the expected capital structure of Mont Royal after giving effect to the Arrangement, see the Section titled "*Consolidated Capitalization*" in Appendix I of this Circular.

UNAUDITED PRO FORMA FINANCIAL INFORMATION

The unaudited pro forma consolidated financial information of the Combined Company giving effect to the Arrangement and the accompanying notes are included as Appendix K to this Circular. The unaudited pro forma financial information has been prepared in a manner consistent with Mont Royal's and Commerce's respective accounting policies as applied and disclosed in the MRZ Financial Statements, the CCE Financial Statements, and the condensed interim financial statements of Mont Royal and Commerce for the period ended March 31, 2025 and April 30, 2025, respectively.

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The unaudited pro forma consolidated statement of financial position as at April 30, 2025 gives effect to the Arrangement as if the transaction had closed on April 30, 2025. The unaudited pro forma consolidated statements of profit or loss and other comprehensive income for the twelve months ended October 31, 2024 and for the six months ended April 30, 2025 give effect to the Arrangement as if the transaction had closed on November 1, 2023. The unaudited pro forma financial information is based on the respective historical consolidated financial statements of Mont Royal and Commerce.

The unaudited pro forma financial information and adjustments, including the allocation of the purchase price, are based upon preliminary estimates of fair values of assets acquired and liabilities assumed, current available information and certain assumptions that Mont Royal believes are reasonable in the circumstances, as described in the notes to the unaudited pro forma financial information.

The unaudited pro forma financial information is presented for illustrative purposes only and are not intended to be indicative of the results that would actually have occurred, or the results expected in future periods, had the events reflected herein occurred on the dates indicated. The actual financial position and results of operations of the Combined Company following completion of the Arrangement may differ significantly from the pro forma amounts reflected in the unaudited pro forma financial information due to a variety of factors.

PRO FORMA CONSOLIDATED CAPITALIZATION

The following table sets forth the consolidated capitalization of the Combined Company and the pro forma capitalization of the Combined Company after giving effect to the Arrangement, the MRZ Equity Raise and the MRZ Consolidation as of April 30, 2025.

Securities	**Pro Forma After giving effect to the Arrangement and the MRZ Equity Raise**	**Pro Forma After giving effect to the Arrangement and the MRZ Equity Raise**
	(Number of MRZ Shares)	**(A$)**
MRZ Shares (Minimum Subscription)	181,142,080	136,060,814
MRZ Shares (Maximum Subscription)	191,142,080	137,700,814

See Appendix K to this Circular for the unaudited pro forma financial information following the completion of the Arrangement.

FULLY DILUTED SHARE CAPITAL

The following table sets forth the expected number and percentage of securities of the Combined Company proposed to be outstanding on a fully diluted basis after giving effect to the Arrangement, the MRZ Equity Raise, and the MRZ Consolidation. The information in the table below is based on information available to each of Commerce and Mont Royal as at September 4, 2025.

	Number (Minimum)	**Percentage (Minimum)**	**Number (Maximum)**	**Percentage (Maximum)**
MRZ Shares	181,142,080	63.89%	191,142,080	64.68%
MRZ Options	90,133,175	31.79%	92,133,175	31.18%
MRZ Performance Rights	12,259,381	4.32%	12,259,381	4.15%
Total (on a fully diluted basis)	**283,534,636**	**100.0%**	**295,534,636**	**100.0%**

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DIVIDENDS OR DISTRIBUTIONS

The Combined Company will adopt Mont Royal's dividend policy. The Combined Company Board (as defined below) are not able to say when and if dividends will be paid in the future, as the payment of any dividends will depend on the future profitability, financial position and cash requirements of the Combined Company. See the Section titled "*Dividends or Distributions*" in Appendix I of this Circular.

ESCROWED SECURITIES AND SECURITIES SUBJECT TO CONTRACTUAL RESTRICTION ON TRANSFER

On August 29, 2025, Mont Royal received certain waivers and confirmations from the ASX in connection with the Transaction. The Consideration Shares issuable in connection with the Arrangement and the Public Offer will not be subject to escrow. Subject to Reinstatement (as defined herein), certain securities of MRZ will be classified by the ASX (in its absolute discretion) as restricted securities and will be required to be held in escrow for up to 24 months from the date of reinstatement of the MRZ Shares to quotation on the ASX (the "**Reinstatement**").

In light of the ASX's confirmation, as at Reinstatement, MRZ expects that of its total MRZ Shares on issue, if the maximum subscription is raised under the Public Offer, being 191,142,080 MRZ Shares, it is likely that only 1.2% of such MRZ Shares will be subject to escrow. While this percentage is relatively small, it has a correlative, if only minor, adverse effect on the liquidity of the MRZ Shares. MRZ will announce to the ASX full details (quantity and duration) of the MRZ Shares required to be held in escrow prior to such MRZ Shares commencing trading on the ASX.

PRINCIPAL SECURITYHOLDERS

To the best of the knowledge of the directors and officers of each of Commerce and Mont Royal, upon completion of the Arrangement, no persons or companies will beneficially own, directly or indirectly, or exercise control or direction over, MRZ Shares carrying more than 10% of the voting rights attached to the MRZ Shares.

DIRECTORS AND EXECUTIVE OFFICERS

Combined Company Executive Officers

Following the completion of the Arrangement, it is expected that Nicholas Holthouse, the current President and Chief Executive Officer of Commerce, will be appointed Managing Director of the Combined Company, and Joel Ives, the current Chief Financial Officer and Corporate Secretary of Commerce, will be appointed Chief Financial Officer and Corporate Secretary of the Combined Company.

Combined Company Directors

Following the completion of the Arrangement, it is expected that the board of directors of the Combined Company ("**Combined Company Board**") will consist of one (1) current member of the MRZ Board with the addition of four (4) directors nominated by Commerce from among or as appointed by the CCE Board. Following completion of the Arrangement, the Combined Company Board will be comprised of the following directors: (i) Cameron Henry as Non-Executive Chairman; (ii) Jeremy Robinson as Non-Executive Director; (iii) Adam Ritchie as Non-Executive Director; (iv) Ronnie Beevor as Non-Executive Director; and (v) Nicholas Holthouse as Managing Director.

The following table lists the expected directors and executive officers of the Combined Company, their respective ages, places of residence, expected position(s) and offices with the Combined Company, duration of service as director or officer of the Combined Company, and their expected holdings of MRZ Shares, as applicable, after giving effect to the Arrangement (on a post-MRZ Consolidation basis).

Name	Age	Province or State and Country of Residence	Positions with the Combined Company	Director/Officer Since	MRZ Shares Beneficially Owned or Controlled	MRZ Options Beneficially Owned or Controlled
Cameron Henry[1] (Commerce)	48	Australia	Director - Chair	Proposed	4,848,557	9,760,224
Jeremy Robinson[1] (Commerce)	43	Australia	Director	November 1, 2023	4,848,557	9,760,224
Adam Ritchie (Commerce)	46	Australia	Director	January 15, 2024	255,404	766,211
Ronnie Beevor (Mont Royal)	78	Australia	Director	March 25, 2023	205,781	840,058
Nicholas Holthouse (Commerce)	58	Australia	Managing Director	June 1, 2025	-	-
Joel Ives	37	Australia	Corporate Secretary	July 10, 2025	-	-

Note:

(1) Messrs. Henry and Robinson are expected to hold an aggregate relevant interest in 4,848,557 MRZ Shares and 9,760,224 MRZ Options, 9,249,417 MRZ Options of which are held via their joint holdings in Churchill Strategic Investments Group Pty Ltd. and the remaining balance of 510,808 MRZ Options are held in their individual capacity.

ASX Listing Rule 14.4 and clause 6.3(b)(ii) of the MRZ Constitution requires that a director of Mont Royal (other than a managing director) must not hold office without re-election past the third annual general meeting of Mont Royal following the director's appointment, or three (3) years, which is longer. In addition, ASX Listing Rule 14.5 requires that there must be an election or re-election of directors at each annual general meeting of Mont Royal, and pursuant to clause 6.3(c) of the MRZ Constitution, such number of directors required to retire (and stand for re-election should they choose), must be one third of the total directors (rounded down to the nearest whole number) and which excludes the managing director.

After giving effect to the Arrangement, it is expected that the directors and executive officers of the Combined Company as a group will beneficially own or control or direct, directly or indirectly, approximately a total of 5,309,742 MRZ Shares, representing approximately 2.93% of the outstanding MRZ Shares on a post-MRZ Consolidation basis, after giving effect to the minimum MRZ Equity Raise, and 2.78% of the outstanding MRZ Shares on a post-MRZ-Consolidation basis, after giving effect to the maximum MRZ Equity Raise. These figures also assume a total of MRZ Shares are issued as Consideration for the Arrangement, and that, and no other MRZ Shares or CCE Shares are issued prior to completion of the Arrangement.

Biographical information for each of the Commerce nominees to the Combined Company Board

Biographical information for each of the Commerce nominees to the Combined Company Board is set forth below.

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Cameron Henry – ***Non-Executive Chairman***

Mr. Henry has over 20 years of industry experience in the development and delivery of minerals processing, energy and infrastructure projects across Australia, Indonesia, North and South America. He has managed large portfolios at a senior level within rapid growth projects and large-scale commissioning of projects.

With a trade background, and formal tertiary qualifications in Project Management & Mechanical Engineering, Mr. Henry has broad experience from the project inception and design phases through to implementation construction management, commissioning and close-out.

Jeremy Robinson – ***Non-Executive Director***

Mr. Robinson is an experienced resources executive with 20 years of experience in the industry ranging from Business Development to Managing Director positions, specifically focusing on critical minerals including rare earths. Mr. Robinson is the principal and founder of Churchill Strategic Investments Group which has financed multiple junior explorers and developers across the ASX and TSX.

Adam Ritchie – ***Non-Executive Director***

Mr. Ritchie has over 20 years' experience in the resources industry and has been heavily focused on project delivery in senior positions for many of Australia's best performing companies in the mining and minerals sector including Pilbara Minerals, FMG, Rio Tinto and BHP. Mr. Ritchie is known for delivering complex projects with a particular focus on high-value mineral processing assets and is recognised for his contributions to major Australian Lithium and Iron Ore projects, delivering across all project stages.

Mr. Ritchie is the Managing Director of Loyal Metals (ASX:LLM) an ASX listed Australian and North American focused battery minerals company with Copper in Queensland Australia and hard rock lithium assets in Quebec, Canada. He holds a bachelor's in engineering and a master's degree in utility engineering, is committed to a sustainable future and harbors a long term-personal passion for technology and innovation.

Ronald Beevor – ***Non-Executive Director***

Mr. Beevor has over 40 years' experience in investment banking and mining. He was Head of Investment Banking at Rothchild Australia between 1997 and 2002, and since has been Chair or a Non-Executive Director of a range of mining companies, both in Australia and internationally. Mr. Beevor's extensive career as a company director includes serving on the boards of Riversdale Resources, which proved up the substantial Grassy Mountain metallurgical coal deposit in Alberta, Canada and was taken over by Hancock Prospecting for A$800M in 2019, and Talison Lithium which acquired the Greenbushes lithium mine in WA and was taken over by Tianqi Lithium for C$900M in 2013.

Mr. Beevor holds an Honours degree in Philosophy, Politics and Economics from Oxford University, and qualified as a chartered accountant in London. Other current directorships: Champion Iron Limited, Felix Gold Limited, Lucapa Diamond Company Limited. Former directorships (last 3 years): Bannerman Energy Limited.

Nicholas Holthouse – ***Managing Director***

Mr. Holthouse is an experienced resources industry executive with a proven track record of progressing projects from feasibility to operations and in addition to his role with Commerce, serves as a non-executive director of Brazilian Critical Minerals (ASX: BCM). Prior to joining Commerce, Mr Holthouse was Chief Operating Officer and General Manager of Engineering at Hastings Technology Metals Ltd (ASX: HAS) where he successfully guided the Yangibana Rare Earths Project in the Gascoyne region of Western Australia from feasibility to the start of construction.

Mr. Holthouse has held both Australian and international leadership roles with extensive experience in operations, project development, technical review, project finance and marketing/offtakes. Mr. Holthouse has also held senior management roles with Merdeka Copper Gold Tbk (MDKA: JK), Finders Resources Ltd (ASX: FND) and European Nickel Plc (AIM:ENK). He holds a Diploma of Applied Science in Mine and Engineering and Surveying and a Graduate Diploma in Mining.

Joel Ives – ***Chief Financial Officer and Corporate Secretary***

Mr. Ives is a Chartered Accountant who has held numerous roles as financial controller and company secretary of private and public start-up technology and resource exploration companies. He has assisted with a number of ASX listings, via both IPOs and RTOs, and has ensured ongoing regulatory compliance post-listing.

Mr. Ives is currently the company secretary of Kuniko Limited (ASX: KNI), Green Technology Metals Limited (ASX:GT1), OD6 Metals Limited (ASX:OD6), Recharge Metals Limited (ASX:REC) and, Breakthrough Minerals Limited (ASX:BTM) and Commerce Resources Corp. (TSXV-CCE).

Other Reporting Issuer Experience

The following table sets out the proposed directors and executive officers of the Combined Company that are, or have been within the last five years, directors, officers or promoters of other reporting issuers:

Name	Name and Jurisdiction of Reporting Issuer	Name of Exchange or Trading Market	Position	From	To
Adam Ritchie	Loyal Lithium Limited. ***Australia***	ASX	Managing Director	February 2023	Present
Ian Graham	Fidelity Minerals Corp. ***Canada***	TSX-V	Director	March 2015	Present
	Pantera Silver Corp. ***Canada***	TSX-V	Director	May 2015	Present
	First Canadian Graphite Inc. ***Canada***	TSX-V	Director	May 2017	March 2025
	Oroco Resource Corp. ***Canada***	TSX-V	President	March 2020	Present
Jeremy Robinson	RareX Limited. ***Australia***	ASX	Managing Director Non-Executive Chairman	Sept 2019 April 2023	April 2023 Present
	Cosmos Exploration Limited. ***Australia***	ASX	Executive Chairman	Aug 2021	Present
	Kincora Copper Limited. ***Australia/Canada***	ASX/TSX-V	Director	December 2023	Present
	Brazilian Critical Minerals Limited. ***Australia***	ASX	Director	August 2023	Present
	Ardiden Limited ***Australia/Canada***	ASX	Director	Aug 2023	Present

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Name	Name and Jurisdiction of Reporting Issuer	Name of Exchange or Trading Market	Position	From	To
Cameron Henry	Primero Group Limited ***Australia***	ASX	Managing Director	2012	2023
	RareX Limited. ***Australia***	ASX	Director	June 2020	2024
	Green Technology Metals Limited ***Australia***	ASX	Director Executive Director Managing Director	March 2021	Present
Nicholas Holthouse	Meteoric Resources Limited. ***Australia/Brazil***	ASX	Chief Executive Officer	March 2023	May 2025
	Hastings Technology Metals Limited. ***Australia***	ASX	Chief Operating Officer	Feb 2019	Feb 2023
	Brazilian Critical Minerals Limited ***Australia***	ASX	Director	May 2025	Present
Joel Ives	Kuniko Limited ***Australia***	ASX	Company Secretary and Financial Controller	March 2021	Present
	Green Technology Metals Limited ***Australia***	ASX	Company Secretary	April 2021	Present
	OD6 Metals Limited ***Australia***	ASX	Company Secretary	February 2022	Present
	DigitalX Limited ***Australia***	ASX	Company Secretary	August 2021	November 2023
	Recharge Metals Limited ***Australia***	ASX	Company Secretary	November 2024	Present
	Breakthrough Minerals Limited ***Australia***	ASX	Company Secretary	February 2025	Present
	Harvest Technology Group Limited ***Australia***	ASX	Company Secretary	November 2020	March 2022

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Name	Name and Jurisdiction of Reporting Issuer	Name of Exchange or Trading Market	Position	From	To
	Credit Intelligence Limited ***Australia***	ASX	Company Secretary	April 2021	November 2021

Penalties or Sanctions

None of the directors or executive officers of the Combined Company (or any personal holding company of any such director, executive officer or shareholder), and to the best of Commerce's and Mont Royal's knowledge, respectively, no other shareholders of the Combined Company holding a sufficient number of securities to affect materially the control of the Combined Company, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

Individual Bankruptcies

None of the directors or executive officers of the Combined Company (or any personal holding company of any such director, executive officer or shareholder), or, to the best of Commerce's and Mont Royal's knowledge, respectively, any other shareholder of the Combined Company holding a sufficient number of securities to affect materially the control of the Combined Company, is as of the date of this Circular, or has, within the 10 years prior to the date hereof, (a) been a director or executive officer of any company (including Mont Royal and Commerce) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets, or (b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold its assets.

Corporate Cease Trade Orders

None of the directors or executive officers of the Combined Company (or any personal holding company of any such director or executive officer) is, as at the date of this Circular, or has been within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including Mont Royal and Commerce) that (a) was subject to a cease trade order, an order similar to a cease trade order or an order that denied the relevant company access to any exemption under securities legislation that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer, or (b) was subject to an order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. For the purposes of this paragraph, "order" means a cease trade order, an order similar to a cease trade order (including a management cease trade order) or an order that denied the relevant company access to any exemption under securities legislation, in each case, that was in effect for a period of more than 30 consecutive days.

Conflicts of Interest

Other than as disclosed below, to the best of Commerce's and Mont Royal's knowledge, respectively, there are no known existing or potential material conflicts of interest between the Combined Company or any of its subsidiaries, on the one hand, and any directors and executive officers of the Combined Company or any of its subsidiaries, on the other hand, except that certain of the directors and officers of the Combined Company also serve as directors or officers of other companies, and therefore it is possible that a conflict may arise between their duties to the Combined Company and their duties as a director or officer of such other companies.

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EXECUTIVE COMPENSATION

Following the completion of the Arrangement and subject to the approval by the MRZ Shareholders at the MRZ Meeting, it is expected that the Combined Company will maintain the policies of Mont Royal with respect to executive compensation other than any amendments required to be made pursuant to applicable Canadian securities laws and policies of the TSXV. For further information, see "*Executive Compensation*" in Appendix I of this Circular.

Following the completion of the Arrangement and approval by the MRZ Shareholders at the MRZ Meeting, the Combined Company will adopt the New Plan. For a summary of the New Plan, please see Appendix J – Information Concerning Mont Royal – "*New MRZ Incentive Plan*".

STOCK EXCHANGE LISTING

Upon completion of the Arrangement, the Combined Company will be listed on the ASX and intends to list on the TSXV, subject to the approval of the TSXV in accordance with its minimum listing requirements.

AUDIT COMMITTEES AND CORPORATE GOVERNANCE

Following completion of the Arrangement and approval by the MRZ Shareholders at the MRZ Meeting, the Combined Company Board intends to form an audit committee in accordance with the requirements of Canadian securities laws. The Combined Company's corporate governance policies will remain the current corporate governance policies of Mont Royal other than any amendments required to be made pursuant to applicable Canadian securities laws. For further information see the Sections titled "*Audit Committee*" and "*Corporate Governance*" in Appendix I of this Circular.

RISK FACTORS

Following completion of the Arrangement, it is expected that the risk factors applicable to the Combined Company will be the same as the risk factors currently applicable to Commerce and Mont Royal. For a discussion of the businesses of Commerce and Mont Royal, together with factors to consider in connection with those businesses, please see the risk factors described under the heading "*Risk Factors*" in the body of this Circular and the Section titled "*Risk Factors*" in Appendix I of this Circular.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditors

Following the completion of the Arrangement, it is expected that the auditor for the Combined Company will be Mont Royal's current auditor, being BDO Audit Pty Ltd. located at Level 9, Mia Yellagonga Tower 2, 5 Spring Street, Perth, Western Australia.

Transfer Agents, Registrars, Trustees or Other Agents

Following the completion of the Arrangement, the transfer agent and registrar of the Combined Company will remain Mont Royal's current transfer agent and registrar, being Automic Registry Services located at Level 5, 191 St. Georges Terrace, Perth, Western Australia 6000.

MATERIAL CONTRACTS

Material Contracts

Other than the Arrangement Agreement, the material contracts of Commerce set forth in "*Part 17 – Information Concerning Commerce – Material Contracts*" of the Circular and contracts entered into in the ordinary course of business, there are no material contracts entered into by Mont Royal or Commerce since the beginning of the most recently completed fiscal year, or that are still in effect prior to the date of this Circular:

OTHER MATERIAL FACTS

There are no other material facts relating to the Combined Company that are necessary to disclose in order to have full, true and plain disclosure of all material facts relating to the MRZ Shares after giving effect to the Arrangement.

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APPENDIX K

UNAUDITED PRO FORMA FINANCIAL INFORMATION

Mont Royal Resources Limited

Pro Forma Consolidated Statement of Financial Position (Unaudited)

As at 30 April 2025
Expressed in Australian Dollars (AUD)

	Mont Royal	Commerce	Notes	Subsequent Events (Note 4)	Pro-Forma Adjustments (Minimum)	Pro-Forma Adjustments (Maximum)	Combined Company (Minimum)	Combined Company (Maximum)
CURRENT ASSETS								
Cash and cash equivalents	1,254,462	518,850	A	2,330,830	6,004,979	7,882,412	10,109,121	11,986,554
Trade and other receivables	383,532	-		-	-	-	383,532	383,532
Prepayments	52,227	582,344		-	-	-	634,571	634,571
Marketable securities	-	2,224		-	-	-	2,224	2,224
Short-term investment	-	26,036		-	-	-	26,036	26,036
Taxes and other receivables	-	111,875		-	-	-	111,875	111,875
Investment in associate	-	205,060		-	-	-	205,060	205,060
Total Current Assets	1,690,221	1,446,389		2,330,830	6,004,979	7,882,412	11,472,419	13,349,852
NON-CURRENT ASSETS								
Exploration expenditure	6,290,385	59,111,008	E	-	(3,701,897)	(3,701,897)	61,699,496	61,699,496
Reclamation bonds	-	90,559		-	-	-	90,559	90,559
Right-of-use asset	-	70,928		-	-	-	70,928	70,928
Total Non-Current Assets	6,290,385	59,272,495		-	(3,701,897)	(3,701,897)	61,860,983	61,860,983
TOTAL ASSETS	**7,980,606**	**60,718,884**		**2,330,830**	**2,303,082**	**4,180,515**	**73,333,402**	**75,210,835**
CURRENT LIABILITIES								
Trade and other payables	255,343	2,494,750		-	-	-	2,750,093	2,750,093
Due to related parties	-	336,477		-	-	-	336,477	336,477
Taxes payable	-	3,516		-	-	-	3,516	3,516
Lease liabilities	-	41,523		-	-	-	41,523	41,523
Borrowings	-	-	F	2,404,653	(2,404,653)	(2,404,653)	-	-
Total Current Liabilities	255,343	2,876,266		2,404,653	(2,404,653)	(2,404,653)	3,131,609	3,131,609
NON-CURRENT LIABILITIES								
Lease liabilities	-	42,671		-	-	-	42,671	42,671
Total Non-Current Liabilities	-	42,671		-	-	-	42,671	42,671
TOTAL LIABILITIES	**255,343**	**2,918,937**		**2,404,653**	**(2,404,653)**	**(2,404,653)**	**3,174,280**	**3,174,280**
NET ASSETS/(LIABILITIES)	**7,725,263**	**57,799,947**		**(73,823)**	**4,707,735**	**6,585,168**	**70,159,122**	**72,036,555**

EQUITY								
Issued capital	13,562,268	122,735,841	B	-	(237,295)	1,402,705	136,060,814	137,700,814
Reserves	2,490,550	12,867,342	D	47,981	(1,246,123)	(1,024,123)	14,159,750	14,381,750
Accumulated losses	(8,864,721)	(77,803,236)	C	(121,804)	6,191,152	6,206,585	(80,598,609)	(80,583,176)
Total parent entity interest	7,188,097	57,799,947		(73,823)	4,707,735	6,585,168	69,621,956	71,499,389
Non-controlling interest	537,166	-		-	-	-	537,166	537,166
TOTAL EQUITY	**7,725,263**	**57,799,947**		**(73,823)**	**4,707,735**	**6,585,168**	**70,159,122**	**72,036,555**

Mont Royal Resources Limited
Pro Forma Consolidated Statement of Comprehensive Loss (Unaudited)
For the twelve-month period ended 31 October 2024
Expressed in Australian Dollars (AUD)

	Mont Royal	Commerce	Notes	Pro-Forma Adjustments	Combined Company
Interest Income	33,924	129,099		-	163,022
Equity loss of affiliates	-	(110,937)		-	(110,937)
Flow-through Premium Recovery	-	1,803,654		-	1,803,654
Other Income	-	(2,492)		-	(2,492)
Expenses					
Bad Debts Expense	-	(662,324)		-	(662,324)
Consulting Fees and Salaries	-	(148,306)		-	(148,306)
Corporate Expenses	(809,369)	(674,710)		-	(1,484,079)
Depreciation Expense	-	(181,627)		-	(181,627)
Finance Costs	-	(351,145)		-	(351,145)
FX gain/(loss)	(258,200)	(1,066)		-	(259,266)
Impairment Expense	(1,684,711)	-	E	(3,701,907)	(5,386,618)
Loss on Sale of Blue River Property	-	(31,623,923)		-	(31,623,923)
Share-Based Payment Expense	(41,411)	-	G	(246,608)	(288,019)
Net Loss for the year before tax	**(2,759,768)**	**(31,823,776)**		**(3,948,515)**	**(38,532,058)**
Income Tax Expense	-	-		-	-
Net Loss for the year after tax	**(2,759,768)**	**(31,823,776)**		**(3,948,515)**	**(38,532,058)**
Other Comprehensive Loss					
Exchange differences on translation of foreign controlled entities	(74,712)	-		-	(74,712)
Total comprehensive loss for the year	**(2,834,479)**	**(31,823,776)**		**(3948,515)**	**(38,606,770)**
Loss for the year attributable to:					
Members of the parent entity	(2,720,151)	(31,823,776)		(3,948,515)	(38,492,441)
Non-controlling interests	(39,617)	-		-	(39,617)
	(2,759,768)	(31,823,776)		(3,948,515)	(38,532,058)

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Total comprehensive loss for the year attributable to:					
Members of the parent entity	(2,771,651)	(31,823,776)		(3948,515)	(38,543,941)
Non-controlling interests	(62,829)	-		-	(62,829)
	(2,834,479)	(31,823,776)		(3,948,515)	(38,606,770)
	d				
Loss per share attributable to the ordinary equity holders of the company:					
Basic and diluted loss per share (cents per share)	(3.21)	(0.16)			

Mont Royal Resources Limited
Pro Forma Consolidated Statement of Comprehensive Loss (Unaudited)
For the six month period ended 30 April 2025
Expressed in Australian Dollars (AUD)

	Mont Royal	Commerce	Notes	Pro-Forma Adjustments	Combined Company
Interest Income	30,514	14,471		-	44,985
Equity loss of affiliates	-	(132,032)		-	(132,032)
Flow-through Premium Recovery	-	59,313		-	59,313
Other Income	-	7,331		-	7,331
Expenses					
Consulting Fees and Salaries	-	(1,409,112)		-	(1,409,112)
Corporate Expenses	(1,030,906)	(782,245)		-	(1,813,151)
Depreciation Expense	-	(18,166)		-	(18,166)
Finance Costs	-	(5,377)		-	(5,377)
FX gain/(loss)	99,463	(2,816)		-	96,647
Impairment Expense	-	-	E	(3,701,907)	(3,701,907)
Share-Based Payment Expense	(12,287)	(121,695)	G	(246,608)	(380,590)
Net Loss for the period before tax	**(913,216)**	**(2,390,329)**		**(3, 948,515)**	**(7,252,059)**
Income Tax Expense	-	-		-	-
Net Loss for the period after tax	**(913,216)**	**(2,390,329)**		**(3, 948,515)**	**(7,252,059)**
Other Comprehensive Loss					
Exchange differences on translation of foreign controlled entities	(8,530)	-		-	(8,530)
Total comprehensive loss for the period	**(921,746)**	**(2,390,329)**		**(3, 948,515)**	**(7,260,590)**
Loss for the period attributable to:					
Members of the parent entity	(907,662)	(2,390,329)		(3, 948,515)	(7,246,506)
Non-controlling interests	(5,554)	-		-	(5,554)
	(913,216)	(2,390,329)		(3, 948,515)	(7,252,059)
Total comprehensive loss for the period attributable to:					
Members of the parent entity	(934,092)	(2,390,329)		(3, 948,515)	(7,272,936)
Non-controlling interests	12,346	-		-	12,346

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	(921,746)	(2,390,329)		(3,948,515)	(7,260,590)

Loss per share attributable to the ordinary equity holders of the company:		
Basic and diluted loss per share (cents per share)	(1.07)	(0.01)

1. Basis of Preparation

The accompanying unaudited pro-forma consolidated statement of financial position as at 30 April 2025 and the unaudited pro-forma consolidated statement of comprehensive loss for the year ended 31 October 2024 and the six months ended 30 April 2025 ("**Pro-Forma Financial Information**") have been prepared by management for inclusion in Commerce Resources Corp.'s ("**Commerce**") Management Information Circular for the Annual General and Special Meeting of shareholders of Commerce. This is in conjunction with Mont Royal Resources Limited's ("**Mont Royal**") acquisition of all of the issued and outstanding shares of Commerce by way of a plan of arrangement under the *Business Corporations Act* (British Columbia). These statements are for illustrative purposes only and give effect to the Arrangement (as defined below) and other transactions pursuant to the assumptions described in the Notes.

The Pro-Forma Financial Information of Mont Royal and Commerce (upon completion of the Arrangement), the ("**Combined Company**") has been prepared in a manner consistent with Mont Royal's and Commerce's respective accounting policies as applied and disclosed in Mont Royal's consolidated financial statements for the year ended 30 June 2024 and Commerce's consolidated financial statements for the year ended 31 October 2024, and with the condensed interim financial statements of Mont Royal and Commerce for the period ended 30 April 2025. Mont Royal's consolidated financial statements for the year ended 30 June 2024 are prepared in accordance with the Australian Accounting Standards ("**AAS**") as issued by the Australian Accounting Standards Board ("**AASB**") and Commerce's consolidated financial statements for the year ended 31 October 2024 were prepared in accordance with International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board ("**IASB**").

Mont Royal has conducted an initial review of Commerce's financial statements to identify any potential material differences in accounting policies and financial statement presentation between Mont Royal and Commerce. This review aimed to determine any required alignment or reclassification to conform to Mont Royal's accounting policies and financial statement presentation. The Pro-Forma Financial Information assumes that all significant differences identified have been appropriately adjusted to align Commerce's financial information with Mont Royal's accounting policies.

It is important to note that the assessment of differences in accounting policies is based on Mont Royal management's best estimates and interpretations of both AAS and IFRS, which remain subject to change as additional information becomes available. Consequently, the actual impact of aligning accounting policies may differ from the information provided in the Pro-Forma Financial Information.

The Pro-Forma Financial Information is presented in an abbreviated form and does not include all of the disclosures, statements and comparative information as required by AAS or IFRS.

2. Material Accounting Policies

The material accounting policies used in the preparation of the Pro Forma Financial Statements are consistent with those disclosed in Mont Royal's audited consolidated financial statements for the year ended 30 June 2024, which have been prepared in accordance with IFRS as issued by IASB. In preparing the Pro Forma Financial Statements, a review of available information was undertaken to identify accounting policy differences between Mont Royal and Commerce. Certain expenses of Commerce have been reclassified to conform to Mont Royal's financial statements presentation and the presentation of the consolidated statement of loss have been changed in the Pro Forma Financial Statements.

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3. Description of the Acquisition

On 10 April 2025, Mont Royal announced it had entered into a definitive arrangement agreement for the acquisition of 100% of the share capital of Commerce from Commerce's shareholders ("**the Vendors**") ("**the Proposed Acquisition**"). As consideration for the Proposed Acquisition, the Vendors will receive 2.3271 new fully paid ordinary shares in Mont Royal ("**Consideration Shares**") for every one Commerce share ("**Exchange Ratio**"). The Commerce warrants, options and performance share units on issue will be cancelled in exchange for equivalent options and performance rights (adjusted for the Exchange Ratio and Consolidation Ratio) in Mont Royal. The arrangement agreement was subsequently amended on July 29, 2025.

The unaudited pro-forma consolidated statement of financial position as at 30 April 2025 gives effect to the Arrangement as if the transaction had closed on 30 April 2025 and has been derived from:

i. the unaudited interim consolidated statement of financial position of Mont Royal as at 30 April 2025, and

ii. the unaudited consolidated statement of financial position of Commerce as at 30 April 2025 translated from Canadian Dollars ("CAD") to Australian Dollars ("AUD") using the exchange rate between CAD:AUD at the 30 April 2025 exchange rate of 0.88. Refer to the translation table in Note 10 for further details.

The unaudited pro-forma consolidated statement of comprehensive loss for the year ended 31 October 2024 gives effect to the Arrangement as if the transaction had closed on 1 November 2023 and, has been derived from:

i. the audited consolidated statement of comprehensive income of Commerce for the year ended 31 October 2024 translated from Canadian Dollars ("CAD") to Australian Dollars ("AUD") using the average exchange rate between CAD:AUD for the period of twelve months of 0.90, and

ii. the unaudited consolidated statement of comprehensive loss of Mont Royal for the year ended 31 October 2024, which has been prepared by:

    A. subtracting Mont Royal's unaudited interim consolidated statement of loss and comprehensive loss for the four months ended 31 October 2023; from

    B. Mont Royal's audited consolidated statement of loss and comprehensive loss for the year ended 30 June 2024, and

    C. adding Mont Royal's unaudited interim consolidated statement of loss and comprehensive loss for the four months ended 31 October 2024.

The unaudited pro-forma consolidated statement of comprehensive loss for the period ended 30 April 2025 gives effect to the Arrangement as if the transaction had closed on 1 November 2023 and, has been derived from:

i. the unaudited consolidated statement of comprehensive income of 2023 Commerce for the six months ended 30 April 2025 translated from Canadian Dollars ("**CAD**") to Australian Dollars ("**AUD**") using the average exchange rate between CAD:AUD for the period of six months of 0.90, and

ii. the unaudited consolidated statement of comprehensive loss of Mont Royal for the six months ended 30 April 2025, which has been prepared by:

    A. subtracting Mont Royal's unaudited interim consolidated statement of loss and comprehensive loss for the four months ended 31 October 2024; from

    B. Mont Royal's audited consolidated statement of loss and comprehensive loss for the six months ended 31 December 2024, and

    C. adding Mont Royal's unaudited interim consolidated statement of loss and comprehensive loss for the four months ended 30 April 2025.

The unaudited Pro-Forma Financial Information should be read in conjunction with the financial statements and notes of Mont Royal and Commerce described above. Certain significant estimates have been made by management in the preparation of this Pro-Forma Financial Information, in particular, the determination of the consideration given by Mont Royal for Commerce. The financial statements of Commerce were originally reported in CAD but have been converted to AUD for purposes of the Pro-Forma Financial Information.

The Pro-Forma Financial Information has been prepared for illustrative purposes only and may not be indicative of the financial position that would have occurred if the business combination had taken place on the date indicated or of the financial performance which may be realised in future periods. Unless otherwise indicated, all amounts presented in these financial statements are denominated in Australian dollars.

The Combined Company Pro Forma Consolidated Statement of Comprehensive Loss (Unaudited) has not been adjusted to reflect:

i. Any potential synergies, any costs of realising synergies and business improvements arising following implementation of the Arrangement.

ii. Any potential tax impact that may arise from the Implementation of the Arrangement and finalisation of the accounting for the acquisition (noting that the pro-forma adjustments include the tax benefit relating to the other transaction costs).

iii. Additional depreciation and amortisation charges that will arise in future periods post completion of the Arrangement relating to the fair value uplift allocated to mine properties, other depreciable assets and the finalisation of the purchase price accounting for the Arrangement.

iv. Changes to financing costs associated with changes in debt structure associated with or expected to occur as a result of the Arrangement.

v. Any adjustment for vesting of Commerce share-based payments that may/will occur on or prior to completion of the arrangement.

The Combined Company Pro Forma Consolidated Statement of Financial Position has not been adjusted to reflect:

i. Any potential synergies, any costs of realising synergies and business improvements arising following implementation of the Arrangement.

ii. Finalisation of the purchase price accounting for the Arrangement, including identification and measurement of all assets acquired and liabilities assumed, and recognising and measuring goodwill or gain from a bargain purchase.

iii. Any changes to the debt structure of the Combined Company as a consequence of the change of change of control as a result of the Arrangement and any associated borrowing costs that have both already been announced as part of the acquisition.

4. Adjustments and Assumptions to the Pro-Forma Financial Information

The unaudited pro forma consolidated statement of financial position as at 30 April 2025 gives effect to the Arrangement as if the transaction had closed on 30 April 2025. The unaudited pro forma consolidated statements of comprehensive income for the year ended 31 October 2024 and for the six months ended 30 April 2025 give effect to the Arrangement as if the transaction had closed on 1 November 2023 and 1 November 2023 respectively. The unaudited pro forma consolidated financial statements are based on the respective historical consolidated financial statements of Mont Royal and Commerce and incorporate the following proforma assumptions and adjustments made by management based on currently available information.

Accounting for the Acquisition of Commerce

As part of the acquisition of Commerce, Mont Royal will acquire 100% of the issued capital in Commerce by issuing 108,302,216 Consideration Shares to Commerce shareholders, giving Commerce a controlling interest in the combined entity following the Proposed Acquisition. Commerce has thus been deemed the acquirer for accounting purposes, as its shareholders will hold approximately 85.3% of the consolidated entity (exclusive of the shares to be issued under the Offers and prior to taking into consideration the conversion of the Convertible Notes). The acquisition of Mont Royal by Commerce is not deemed to be a business combination, as Mont Royal is not considered to be a business under AASB 3 Business Combinations.

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As such, the consolidation of these two companies is on the basis of the continuation of Commerce, whereby Commerce is deemed to be the accounting parent. Therefore, the most appropriate treatment for the transaction is to account for it under AASB 2 Share Based Payments, whereby Commerce is deemed to have issued shares to Mont Royal shareholders in exchange for the net assets held by Mont Royal.

In this instance, the value of the Mont Royal shares provided has been determined as the notional number of equity instruments that the shareholders of Commerce would have had to issue to Mont Royal to give the owners of Mont Royal the same percentage ownership in the combined entity. The value of the shares issued is $3,732,808, based on the capital raising price of $0.20 per share.

The pre-acquisition equity balances of Mont Royal are eliminated and the difference between the value of the consideration and the fair value of the net assets of Mont Royal is deemed to be the amount paid for the ASX listing status of Mont Royal, being $246,608 and treated as a share-based payment.

The following table details the pro forma adjustments to record the Commerce acquisition:

Pro forma adjustment	Description	AUD $ (After Offers Minimum)	AUD $ (After Offers Maximum)
A	**Net adjustment to cash and cash equivalents:**	**6,004,979**	**7,882,412**
	To reflect Proceeds from the Public Offer	8,000,000	10,000,000
	To reflect Cash Cost of the Public Offer	(1,067,815)	(1,190,382)
	To reflect Payment of the Yalverton Fee	(493,997)	(493,997)
	To reflect Payment of the Wallabi Fee	(433,209)	(433,209)
B	**Net adjustment to Issued Capital:**	**(237,295)**	**1,402,705**
	To reflect Issue of the Conversion of Shares	2,835,165	2,835,165
	To reflect Issue of Shares under the Public Offer	8,000,000	10,000,000
	To reflect Costs of the Public Offer directly attributable to the Capital Raising	(577,000)	(715,000)
	To reflect Issue of the Lead Manager Options	(666,000)	(888,000)
	To eliminate Mont Royal's Issued Capital	(13,562,268)	(13,562,268)
	To reflect Issue of the Consideration Shares	3,732,808	3,732,808
C	**Net adjustment to Accumulated Losses:**	**6,191,152**	**6,206,585**
	To reflect Financing expense due to change in fair value upon issue of Class J Consideration Options to replace ANC Options	(26,188)	(26,188)
	To reflect Financing expense on conversion of Convertible Notes	(430,512)	(430,512)
	To eliminate Mont Royal's accumulated losses	8,864,721	8,864,721
	To reflect Listing expense associated with the Proposed Acquisition	(246,608)	(246,608)
	To reflect Issue of Consideration Options to replace existing Commerce Finder's Warrants	(382,140)	(382,140)
	To reflect the Issue of the Plan Options	(170,099)	(170,099)
	To reflect the Costs of the Public Offer not directly attributable to the capital raise	(490,815)	(475,382)
	To reflect the Payment of the Yelverton Fee	(493,997)	(493,997)
	To reflect the Payment of the Wallabi Fee	(433,209)	(433,209)
D	**Net adjustment to Reserves:**	**(1,246,123)**	**(1,024,123)**
	To reflect elimination of Mont Royal Reserves	(2,490,550)	(2,490,550)
	To reflect fair value uplift on issue of Class J Consideration Options to replace ANC options	26,188	26,188
	To reflect Issue o Consideration Options to replace existing Commerce Finder Warrants	382,140	382,140
	To reflect the Issue of the Broker Options	666,000	888,000
	To reflect the Isue of the Plan Options	170,099	170,099

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Pro forma adjustment	Description	AUD $
E	**Net adjustment to Exploration Expenditure:**	**(3,701,897)**
	To reflect adjustment to Mont Royal's exploration expenditure as part of the provisional accounting for the Proposed Acquisition	(3,701,897)
F	**Net adjustment to Current Borrowings:**	**(2,404,653)**
	To reflect Conversion of the Convertible Notes	(2,404,653)
G	**Net adjustment to Share-Based Payment Expense:**	**(246,608)**
	To reflect Listing expense associated with the Proposed Acquisition	(246,608)

Pro Forma Share Capital

Share capital as at April 30, 2025 in the pro forma consolidated statement of financial position is comprised of the following:

	Number of Shares (after offers min)	Share Capital AUD $ (after offers min)	Number of Shares (after offers max)	Share Capital AUD $ (after offers max)
Shares outstanding as at 30 April 2025	85,029,793	136,298,109	85,029,793	136,298,109
Share consolidation (0.2195:1 basis)	(66,365,753)	-	(66,365,753)	-
Issue of the Conversion Shares	14,175,824	2,835,165	14,175,824	2,835,165
Issue of the shares under the Public Offer	40,000,000	8,000,000	50,000,000	10,000,000
Elimination of Mont Royal's Issued Capital	-	(13,562,268)		(13,562,268)
Issue of the Consideration Shares	108,302,216	3,732,808	108,302,216	3,732,808
Transaction Costs	-	(1,243,000)	-	(1,603,000)
Closing balances	**181,142,080**	**136,060,814**	**191,142,080**	**137,700,814**

Income Tax

The deferred tax liability arising on Mont Royal's acquisition of the shares of Commerce has not been recognised as the initial recognition exemption would apply under the asset acquisition accounting method.

Subsequent Events

The pro-forma statement of financial position reflects the following events that have occurred subsequent to 31 March 2025 for Mont Royal and 30 April 2025 for Commerce:

- On May 9, 2025, the Corporation announced that it had completed a non-brokered private placement of secured convertible notes (the "**Convertible Notes**") for aggregate gross proceeds of C$2,150,000 (the "**Offering**"). The Convertible Notes accrue interest at 20.0% per annum and have a 24-month maturity. The Convertible Notes will automatically convert (including accrued interest) into ordinary shares, on or prior to the reinstatement of the Corporation's shares to quotation on the ASX. Alpha Node Capital Pty Ltd ("**ANC**") were appointed as lead manager and corporate advisor in connection with the convertible note

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financing. ANC received a cash fee of 6% of the total proceeds raised from the Convertible Notes from purchasers introduced by ANC, being C$66,000 ($73,823) ("**ANC Fee**"), and 1.1 million options exercisable at C$0.075 and expiring three years from the date of issue ("**ANC Options**"). The ANC Options have been valued at C$42,900 ($47,981) using the BSM. The ANC Options and the ANC Fee are deemed to be finance costs and have been expensed through accumulated losses. These amounts have been translated to AUD at an exchange rate of 0.89 AUD:CAD.

- On July 28, 2025, the Corporation announced that it issued 3,000,000 incentive stock options (each, an "**Option**") to purchase up to 3,000,000 Shares equally to Nicholas Holthouse, Jeremy Robinson and Adam Ritchie under its Equity Incentive Plan. The Options are exercisable for a period of three years from the date of Grant, expiring on July 28, 2028, at a price of $0.139 per Share. The options all vest immediately. The options have been valued at C$477,000 using the BSM, though no financial adjustment has been made in the pro-forma as the options will be replaced with Mont Royal options under the Proposed Acquisition. Further, the Corporation issued 15,000,000 Performance Share Units ("**PSU**") to convert to up to 15,000,000 Shares to certain officers under its Equity Incentive Plan. 9,000,000 PSUs were issued to CEO and President Nicholas Holthouse and a further 3,000,000 were issued to Jeremy Robinson and Adam Ritchie respectively. The PSUs will expire on July 28, 2028. The PSUs have been valued at C$778,546, though no financial adjustment has been made in the pro-forma as the options will be replaced with Mont Royal options under the Proposed Acquisition.

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APPENDIX L

CORPORATE GOVERNANCE DISCLOSURE

Corporate Governance is the process and structure used to direct and manage the business and affairs of an issuer with the objective of enhancing value for its owners. National Instrument 58-101 – Disclosure of Corporate Governance Practices ("NI 58-101") of the Canadian Securities Administrators requires the Corporation to disclose in this Circular a summary of the corporate governance policies that the Corporation has in place.

Board of Directors

Ian Graham is an independent director of the Corporation.

Jeremy Robinson is an independent director of the Corporation.

Adam Ritchie is an independent director of the Corporation.

Directorships

Name of Director	Names of Other Reporting Issuers
Ian Graham	Fidelity Minerals Corp. (TSXV:FMN) Pantera Silver Corp. (TSXV:PNTR) First Canadian Graphite Inc. (TSXV GEM) Oroco Resource Corp. (TSXV:OCO)
Jeremy Robinson	RareX Limited (ASX:REE) Cosmos Exploration Limited (ASX:C1X)
Adam Ritchie	Loyal Lithium Limited (ASX:LLI)

Orientation and Continuing Education

While the Corporation does not have formal orientation or training programs for new CCE Board members, new CCE Board members are provided with full access to the Corporation's records, including all publicly filed documents of the Corporation, technical reports, internal financial information, management & technical experts and consultants and a summary of significant securities disclosure obligations. CCE Board members are encouraged to communicate with management, auditors and technical consultants to keep themselves current with industry trends and developments and changes in legislation with management's assistance and to attend related industry seminars.

Ethical Business Conduct

Corporate governance is the structure and process used to direct and manage the business and affairs of a corporation with the objective of enhancing shareholder value. The CCE Board believes that the Corporation has in place corporate governance practices that are both effective and appropriate to the Corporation's size and its business operations.

Nomination of Directors

The CCE Board has the responsibility for identifying potential CCE Board candidates. The CCE Board assesses potential candidates to fill perceived needs on the CCE Board for required skill, expertise, independence and other factors.

Compensation

Compensation is determined by the CCE Board and is based on the compensation paid for directors and senior officers of companies of a similar size and stage of development. The appropriate compensation reflects the need to provide incentive and compensation for the time and effort expended by the directors and its management while taking into account the financial and other resources of the Corporation.

Other Board Committees

The Corporation has no other CCE Board committees, other than the Audit Committee.

Assessments

The CCE Board conducts informal annual assessments of the CCE Board's effectiveness, its individual directors and its committees.

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APPENDIX M

AUDIT COMMITTEE INFORMATION

Pursuant to Multilateral Instrument 52-110 – Audit Committees ("MI 52-110"), the Corporation is required to include the following summary of the audit committee responsibilities, composition and authority. The Corporation's Audit Committee is governed by an audit committee charter, the text of which follows:

Mandate: The primary function of the audit committee (the "**Committee**") is to assist the CCE Board in fulfilling its financial oversight responsibilities by reviewing the financial reports and other financial information provided by the Corporation to regulatory authorities and shareholders, the Corporation's systems of internal controls regarding finance and accounting and the Corporation's auditing, accounting and financial reporting processes. The Committee's primary duties and responsibilities are to serve as an independent and objective party to monitor the Corporation's financial reporting and internal control system and review the Corporation's financial statements, review and appraise the performance of the Corporation's external auditor; and provide an open avenue of communication among the Corporation's auditor, financial and senior management and the CCE Board.

Composition: The Committee shall be comprised of a minimum three directors as determined by the CCE Board. If the Corporation ceases to be a "venture issuer" (as that term is defined in MI 52-110), then all of the members of the Committee shall be free from any material relationship with the Corporation that, in the opinion of the CCE Board, would interfere with the exercise of their independent judgment as a member of the Committee.

If the Corporation ceases to be a "venture issuer" then all members of the Committee shall also have accounting or related financial management expertise. For the purposes of the Corporation's Audit Committee Charter, the definition of "financially literate" is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements. The members of the Committee shall be elected by the CCE Board at its first meeting following the annual shareholders' meeting. Unless a Chair is elected by the full CCE Board, the members of the Committee may designate a Chair by a majority vote of the full Committee membership.

Meetings: The Committee shall meet a least once annually, or more frequently as circumstances dictate or as may be prescribed by securities regulatory requirements. As part of its job to foster open communication, the Committee will meet at least annually with the Chief Financial Officer and the external auditor.

Responsibilities and Duties: To fulfill its responsibilities and duties, the Committee shall:

1. Documents/Reports Review: review and update the Audit Committee Charter annually and review the Corporation's financial statements, management discussion and analysis and any annual and interim earnings press releases before the Corporation publicly discloses this information and any reports or other financial information (including quarterly financial statements), which are submitted to any governmental body, or to the public, including any certification, report, opinion, or review rendered by the external auditor.

2. External Auditor:

   (a) review annually, the performance of the external auditor who shall be ultimately accountable to the CCE Board and the Committee as representatives of the shareholders of the Corporation;

   (b) obtain annually, a formal written statement of external auditor setting forth all relationships between the external auditor and the Corporation and review and discuss with the external auditor any disclosed relationships or services that may impact the objectivity and independence of the external auditor;

   (c) take, or recommend that the CCE Board take, appropriate action to oversee the independence of the external auditor, including the resolution of disagreements between

management and the external auditor regarding financial reporting;

(d) recommend to the CCE Board the selection and, where applicable, the replacement of the external auditor nominated annually for shareholder approval and to recommend to the CCE Board the compensation to be paid to the external auditor;

(e) at each meeting, where desired, consult with the external auditor, without the presence of management, about the quality of the Corporation's accounting principles, internal controls and the completeness and accuracy of the Corporation's financial statements;

(f) review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the Corporation;

(g) review with management and the external auditor the audit plan for the year-end financial statements and review and pre-approve all audit and audit-related services and the fees and other compensation related thereto, and any non-audit services, provided by the Corporation's external auditor. The pre-approval requirement is waived with respect to the provision of non-audit services if:

(i) the aggregate amount of all such non-audit services provided to the Corporation constitutes not more than five percent of the total amount of revenues paid by the Corporation to its external auditor during the fiscal year in which the non-audit services are provided,

(ii) such services were not recognized by the Corporation at the time of the engagement to be non-audit services, and

(iii) such services are promptly brought to the attention of the Committee by the Corporation and approved prior to the completion of the audit by the Committee or by one or more members of the Committee who are members of the CCE Board of Directors to whom authority to grant such approvals has been delegated by the Committee.

Provided the pre-approval of the non-audit services is presented to the Committee's first scheduled meeting following such approval, such authority may be delegated by the Committee to one or more independent members of the Committee.

3. Financial Reporting Processes:

(a) in consultation with the external auditor, review with management the integrity of the Corporation's financial reporting process, both internal and external;

(b) consider the external auditor's judgments about the quality and appropriateness of the Corporation's accounting principles as applied in its financial reporting;

(c) consider and approve, if appropriate, changes to the Corporation's auditing and accounting principles and practices as suggested by the external auditor and management;

(d) review significant judgments made by management in the preparation of the financial statements and the view of the external auditor as to appropriateness of such judgments;

(e) following completion of the annual audit, review separately with management and the external auditor any significant difficulties encountered during the course of the audit, including any restrictions on the scope of work or access to required information;

(f) review any significant disagreement among management and the external auditor in

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connection with the preparation of the financial statements;

(g) review with the external auditor and management the extent to which changes and improvements in financial or accounting practices have been implemented;

(h) review any complaints or concerns about any questionable accounting, internal accounting controls or auditing matters;

(i) review certification process;

(j) establish a procedure for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters; and

(k) stablish a procedure for the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

4. Other - review any related-party transactions, engage independent counsel and other advisors as it determines necessary to carry out its duties and to set and pay compensation for any independent counsel and other advisors employed by the Committee.

Composition of the Audit Committee: The Corporation's audit committee is comprised of three directors, Ian Graham, Christopher Grove and Jeremy Robinson. As defined in MI 52-110, Christopher Grove is not independent as he is the Chief Executive Officer and President of the Corporation. Ian Graham is an independent CCE Board member and Jeremy Robinson is an independent CCE Board member. All of the audit committee members are "financially literate" as that term is defined in MI 52-110.

Relevant Education and Experience:

Below are biographies of the Corporation's Audit Committee members:

Ian Graham - Mr. Graham has served as a director of the Corporation since October 19, 2009. Mr. Graham is formerly Chief Geologist with Rio Tinto Exploration from March 2006 until January 2009 with prior technical project roles at Rio Tinto and Anglo American Corp. Mr. Graham is a director and President at Oroco Resource Corp., a director at Fidelity Minerals Corp, Green Battery Minerals Inc. and Pantera Silver Corp. Mr. Graham is financially literate and is able to evaluate and understand the Corporation's financial statements at the current level of complexity.

Jeremy Robinson - Mr. Robinson has been a director of the Corporation since November 1, 2023. Mr. Robinson is a Principal of Churchill Strategic Investments Group, director of RareX Limited (ASX:REE), Cosmos Exploration Limited (ASX:C1X), Kincora Copper Limited (ASX:KCC), Brazilian Critical Minerals Limited (ASX:BCM) and Ardiden Limited (ASX:ADV). Mr. Robinson is financially literate and is able to evaluate and understand the Corporation's financial statements at the current level of complexity.

Audit Committee oversight: At no time since the commencement of the Corporation's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the CCE Board.

Reliance on Certain Exemptions: At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemption in Section 2.4 of MI 52-110 (De Minimis Non-audit Services), or an exemption from MI 52-110, in whole or in part, granted under Part 8 of MI 52-110.

Pre-approval Policies and Procedures: The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services to the extent set forth in the Corporation's Audit Committee Charter (see under the heading "External Auditor").

External Auditor Service Fees: In the following table, "audit fees" are fees billed by the Corporation's external auditor for services provided in auditing the Corporation's annual financial statements for the subject year. "Audit-related

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fees" are fees not included in audit fees that are billed by the auditor for assurance and related services that are reasonably related to the performance of the audit or review of the Corporation's financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The fees paid by the Corporation to its auditor in the last two fiscal years, by category, are as follows:

The fees paid by the Corporation to its auditor in the last two fiscal years, by category, are as follows:

Financial Year Ending	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
October 31, 2024	$46,500	Nil	$2,500	Nil
October 31, 2023	$26,500	Nil	$2,200	Nil

The Corporation is a venture issuer and as such, is relying on section 6.1 of MI 52-110 which provides that a venture issuer is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of MI 52-110.

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