



Montem Resources

Montem Resources Limited

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ASX Announcement

29 July 2022

Montem Resources June 2022 Quarterly Activities Report

HIGHLIGHTS

- Montem enters Memorandum of Understanding (“**MOU**”) with Invest Alberta that outlines a joint commitment to evaluate the TM-REX.
- Government relations efforts and ministerial level meetings are ongoing to seek up to C\$50 million in government grants to in relation to the possible transition Tent Mountain from a coal mine to a renewable energy complex.
- Pre-Feasibility Studies (“**PFS**”) for the Pumped Hydro Energy Storage (“**PHES**”) and Green Hydrogen Electrolyser elements of the Tent Mountain Renewable Energy Complex (“**TM-REX**”) completed¹.
- Montem has entered into a framework agreement with the Piikani Nation.
- The PFS details the Tent Mountain PHES (“**TM-PHES**”) development concept for an 80+ year project life with a 320 MW installed capacity, 2,560 MWh storage capacity allowing for 8 hours of continuous generation.
- Results of the PFS returned compelling capital cost estimates for the TM-PHES that support attractive economics.
- The PFS for the Green Hydrogen Electrolyser identified the optimum business case which includes the co-location of the electrolyser facility “behind the meter” with a renewable energy source (offsite wind farm).

Montem Resources Limited (ASX: MR1) (“**Montem**” or the “**Company**”) is pleased to report on activities at its portfolio of Canadian assets during the quarter ending in June 2022.

¹ Disclaimer: Hatch’s report referred to in this announcement has been prepared for the benefit of Montem (and no other party). Hatch is not liable to any third party, and no third party can rely on it without Hatch’s prior written consent. Hatch’s report is based on a number of underlying assumptions and qualifications (set out in the report). The assumptions made in the report, and the qualifications and disclaimers to the report have been communicated to, and accepted by, Montem. The report had a number of contributors and was prepared based on information provided by third party contributors and information provided by Montem. This ASX announcement has been prepared solely by Montem. Hatch, to the maximum extent permitted by law, expressly disclaims all liabilities in respect of, makes no representations regarding, and takes no responsibility for, any statements in or omissions in this announcement.



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During the June Quarter work was concentrated on completing the Pre-Feasibility studies for the potential Tent Mountain Renewable Energy Complex, and liaising with regulators on the progression of the Tent Mountain Mine Re-start Project.

Managing Director Peter Doyle said: *“Following a period of sustained activity, we are excited to complete the PFS and have confirmed the TM-REX as an important energy infrastructure project.”*

“Our conviction to explore an alternate development pathway to the coal mine at Tent Mountain is yielding results. We now have a viable alternate investment at Tent Mountain, with the potential for strong returns, and importantly, a social licence to pursue this investment. We continue to receive support for TM-REX from Indigenous and local communities, and the Provincial government. We are working with the Piikani Nation on advancing the evaluation of this important infrastructure project for southern Alberta. We have an exciting phase of work ahead at Tent Mountain and we are well underway in advancing commercial aspects to find a strategic partner to work with us to develop the TM-REX.”

Montem is investigating converting the historical Tent Mountain Coal Mine into a renewable energy complex. The TM-REX represents a transformational clean energy project with an estimated project life of 80+ years. The planned development includes three primary elements; a 320 MW / 2,560 MWh pumped hydro energy storage (“**PHEs**”), 100 MW green hydrogen electrolyser and a 100 MW offsite wind farm.

Invest Alberta MOU

In April 2022, Montem entered a Memorandum of Understanding (“**MOU**”) with Invest Alberta, effective 23 March 2022. The MOU outlines the roles and responsibilities each will undertake in working together to evaluate Montem’s proposed TM-REX.

As global demand for green energy solutions persists, Invest Alberta’s partnership with Montem will support the potential transition of the Tent Mountain Mine, which represents a transformational opportunity for Alberta’s energy sector.

Coal Assets

Throughout 2021, the government of Alberta appointed Coal Policy Committee (“**Committee**”) reviewed the Alberta 1976 Coal Development Policy. As a result, on 4 March 2022, the Committee’s reports and recommendations, and an accompanying Ministerial Order, were made public.

As a result of the Committee’s recommendations, the Alberta Government designated Montem’s Tent Mountain Mine as an advanced coal project. Alberta’s advanced coal projects are unaffected by the Ministerial Order’s additional coal exploration and development restrictions implemented as



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a result of the Committee's recommendations. Montem continues to advance two parallel strategies for developing Tent Mountain:

1. restart of the existing coal mine
2. transition of the existing coal mine to a renewable energy complex.

Now that the economic analysis of TM-REX is available, Montem will look to compare the investment potential of both Tent Mountain development pathways, noting the two projects are mutually exclusive. Montem continues to advance the existing coal mine restart through the Federal and Provincial permitting processes.

As part of the 4 March 2022 release, the Government of Alberta also indicated that, in the coming months, additional clarity regarding land use and coal activities will be made apparent by an update to Alberta's Eastern Slopes policy, that will incorporate the Alberta 1976 Coal Development Policy land categories, and through the development of new regional, sub-regional or issue-specific plans. Pending that update, the moratorium on exploration and development activities that previously affected only Category 2 lands has been extended to include all land categories with the exception of advanced coal projects (e.g. the Tent Mountain Mine). For that reason, Montem must wait for the release of the Government's updated policies and plans before conducting further exploration and development activities at its other Alberta coal projects, including the Chinook Project.

Events announced post the June 2022 Quarter:

TM-PHES Pre-Feasibility Study

Montem has received the finalized PFS from Hatch Engineering ("**Hatch**"), which includes design, engineering work, and cost estimates for the Tent Mountain PHES ("**TM-PHES**").

The TM-PHES would leverage Montem's existing assets at Tent Mountain, including a large water reservoir, on Montem's freehold land, which was left behind from historical mining operations. The site, located in the Crowsnest Pass, Alberta, is close to important infrastructure including high voltage power lines and interprovincial Highway 3.

TM-PHES Design

The results of the Hatch work have been positive, indicating the Tent Mountain site is suitable for hosting a PHES with an 80+ year project life, 320 MW installed capacity, 2,560 MWh storage capacity and a continuous generation duration of 8 hours.

As part of its work, Hatch completed the Gap Analysis, Hydrological Assessment, Geological and Hydrogeological Assessment, and the Options Study. The Options Study recommends the optimal configuration for the powerhouse of 4 x 80 MW fixed speed reversible Francis turbines. Based on the current data, there are no geotechnical fatal flaws in developing the TM-PHES.



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Table 1: TM-PHES Indicative Physical Attributes

Project Life	80+ Years
Installed Capacity	320 MW
Storage Capacity	2,560 MWh (<i>potential for up to 4,955 MWh</i>)
Continuous Generation Duration	8 hours (<i>potential for up to 15 hours</i>)
Turbine Configuration	4 x 80 MW fixed speed reversible Francis turbines
Upper Reservoir Active Volume	3.55 million m ³
Upper Reservoir Minimum Operating Level	1783m
Lower Reservoir Minimum Operating Level	1480m
Maximum Gross Head	320m
Minimum Gross Head	288m



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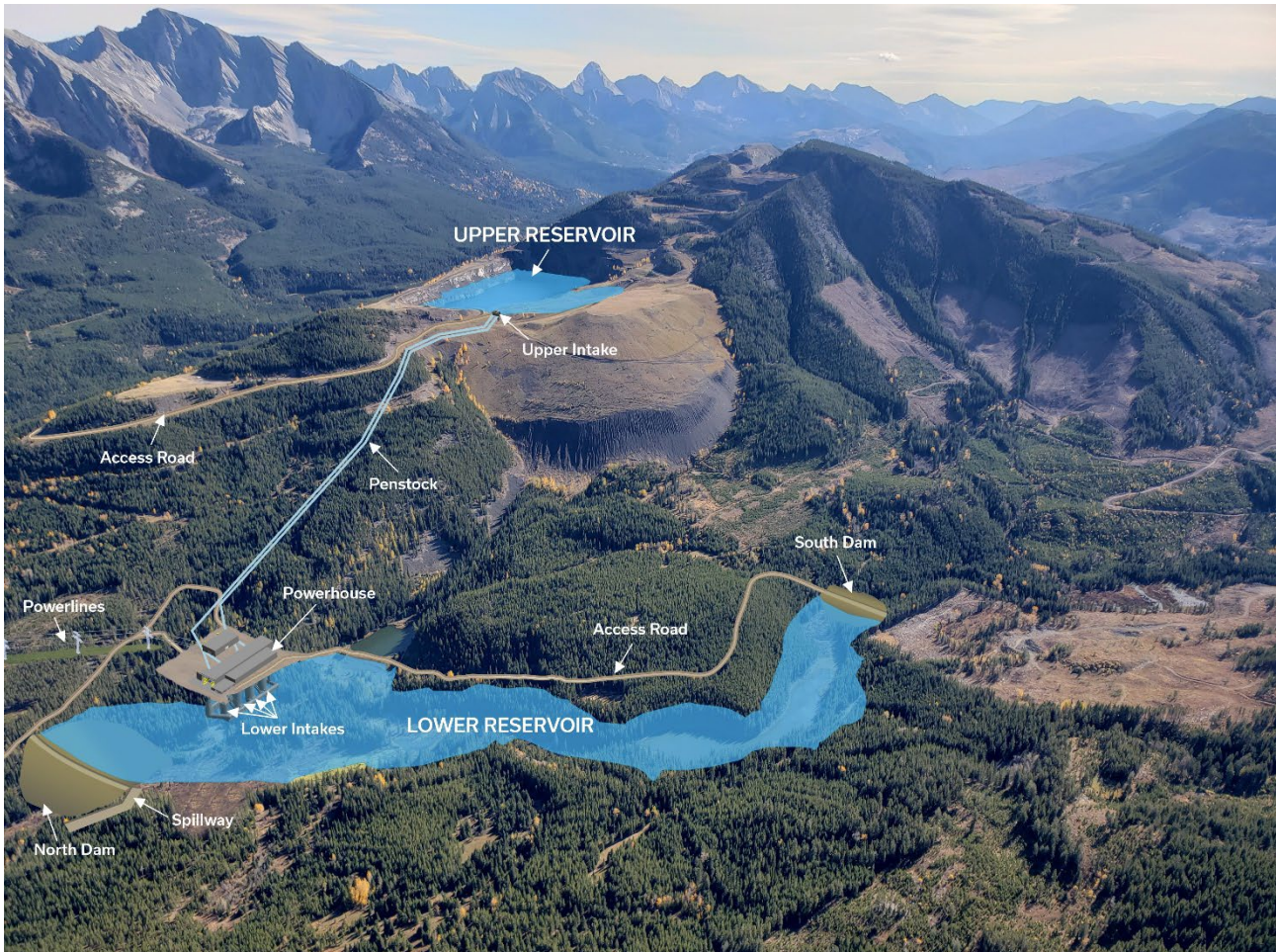


Figure 1: TM-PHES design and layout positioned on current landscape, of the historical Tent Mountain Mine, on freehold land owned by Montem.



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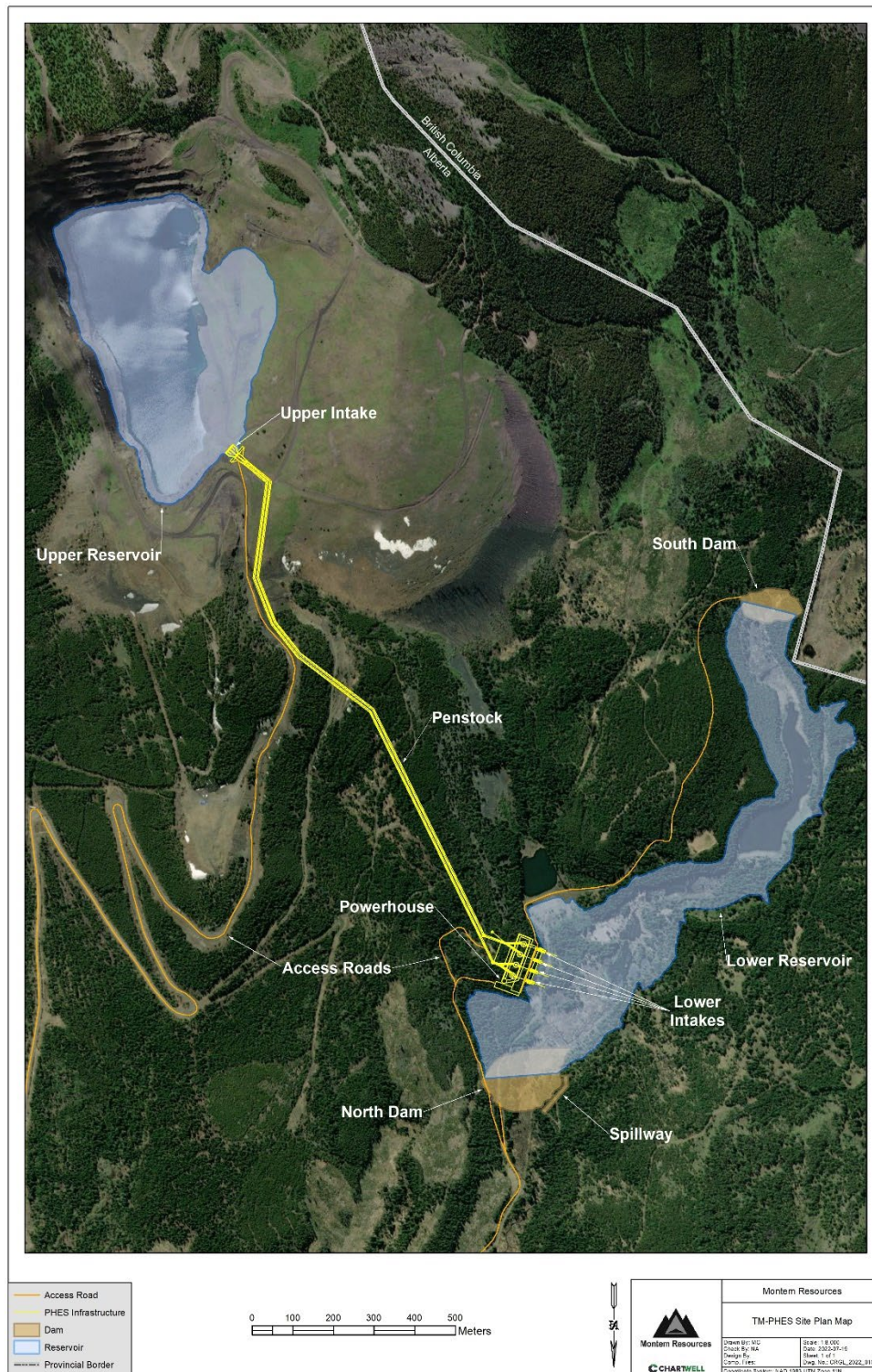


Figure 2: TM-PHES Design



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Table 2: TM-PHES Capital Cost Estimates (\$CAD millions)

	2022	2020
Direct Costs	575	467
Indirect Costs	118	109
Sub-total	693	576
Contingency (30%)	208	173
Total	901	748

Note: This 2020 Cost Estimate provides a high-level indication of the project costs in 2020, with the variation providing an indication of the changes that have occurred from 2020 to 2022. These estimates should not be used for any other purposes.

Total increase in the CAPEX between 2020 and 2022 is 20%, with the average variation of the labour costs being 10% and the average variation in materials cost being 65%.

Steel components of the project including penstocks, rails, racks, and gates represents the most significant variation, an average of 59% total including material, fabrication, and installation. This is consistent with the commodities price variation observed during this period mostly attributed to a shortage in the production, logistic complexity and increment in the fabrication costs due to COVID pandemic restrictions applied during 2020 and 2021, along with an increase of the demand along the same period.

In anticipation steel prices come off their current high levels, and recognising the project is not yet in the procurement stage, Montem is targeting lower direct costs for the project for materials. Montem will also be optimizing the project design through the FEED stage and developing more detailed construction plans. As such, Montem is currently targeting a Capital Cost of **C\$750M** in aggregate for the PHES project and an interconnection cost of approximately **C\$70M**.

Project economics were evaluated for two projected energy price forecasts: base case and Net Zero Electricity ("**Net Zero**"). Preliminary project economics for the TM-PHES indicate attractive returns for both cases, with the most robust returns generated from the Net Zero price forecast.

TM-PHES Cost Competitiveness

Two metrics used to compare power projects and storage projects are \$/MW (power output) and \$/MWh (energy stored), respectively.

Using the 2022 capital cost estimate, on a \$/MW basis, the TM-PHES, at C\$3.0 million/MW, compares favourably to comparable global PHES projects. Likewise, using the 2022 capital cost estimate, on a \$/MWh basis, the TM-PHES, at C\$379,000/MWh, compares favourably to other global PHES projects (see Table 3).

For comparison, using the 2020 capital cost estimate, these metrics decrease to: C\$2.6 million/MW, and C\$321,000/MWh, respectively.



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Table 3: TM-PHES Peer Comparison to other PHES Projects

Project	Location	Power Capacity	Storage Duration	Energy Capacity	Lifespan ¹	Capital Cost		Cost estimate timing	Capital Cost Intensity	Capital Intensity
		MW	hours	MWh	years	\$	Cdn 2022 \$	Study date	\$million/MW	\$/MWh
Kidston PHES	Australia	250	8	2,000	50+	AUD \$777,000,000	699,300,000	April 2021	2.8	349,650
TM-PHES	Alberta	320	8	2,560	50+	CAD \$970,000,000	970,000,000	July 2022	3.0	378,906
Swan Lake PHES	Oregon	393	9	3,537	50+	USD \$1,100,000,000	1,430,000,000	January 2015	3.6	404,297
Gordon Butte PHES	Montana	400	8	3,200	50+	USD \$1,000,000,000	1,300,000,000	July 2019	3.3	406,250
Seminole PHES	Wyoming	972	10	9,720	50+	USD \$2,801,000,000	3,641,300,000	June 2022	3.7	374,619
Georgian Bay PHES	Ontario	1,000	8	8,000	50+	CAD \$4,300,000,000	4,300,000,000	2021	4.3	537,500

¹ PHES lifecycle can be extended to 80 years (or more) with refurbishments at approximately 50 years.

Note: US estimates assume 1.3x USD:CAD rate; Australian estimates assume 0.9x AUD:CAD rate. No additional adjustments for Alberta labour or materials rates are applied to external estimates.

The TM-PHES compares favourably to similar PHES projects in North America, and to the Kidston PHES project in Queensland, Australia. The primary reasons for the TM-PHES cost competitiveness is due to the 300m head between the upper and lower reservoirs and the ability to leverage Montem's existing assets at Tent Mountain, including the large water reservoir on Montem's freehold land. The project also benefits from its proximity to the Alberta power grid, which significantly reduces the capital cost, permitting requirements, and environmental footprint typical of large-scale energy projects.

Table 4: TM-PHES Comparison to Competing Energy Storage Technology Projects (Li-ion Batteries)

Project	Location	Power Capacity	Storage Duration	Energy Capacity	Lifespan ¹	Capital Cost	Capital Cost Intensity	Capital Intensity
Li-ion Battery (standard lifespan: 20 years)		MW	hours	MWh	years	Cdn 2022 \$	\$/MW	\$/MWh
WindCharger	Alberta	10	2	20	20	15,000,000	1,500,000	750,000
ENMAX Crossfield	Alberta	10	0.43	4.3	20	14,600,000	1,460,000	3,395,349
Oneida Energy Storage	Ontario	250	4	1,000	20	500,000,000	2,000,000	500,000

Long duration (typically 8 hours and longer) storage technologies, like PHES, offer exceptional capital intensity when compared to short duration energy storage (under 4 hours) technologies, like lithium-ion batteries. Furthermore, current lithium-ion battery technology is expected to provide a maximum lifespan of around 20 years, whereas typical PHES projects have a minimum expected lifespan of 50+ years, with the ability to retrofit the powerhouse to extend the project life beyond 80 years.

TM-PHES Optimization and Next Steps

The Hatch PFS recommends optimization work be completed to investigate increasing the size of the upper reservoir, which has the potential to increase the TM-PHES storage capacity to 4,955 MWh, with a continuous generation duration of 15 hours. Hatch estimates an additional direct capital cost of approximately C\$35 million will be required to increase the upper reservoir storage capacity.

This optimization work has the potential to create material upside for project returns.

The next stage of project engineering will be to complete additional geotechnical work in order to provide site-specific geotechnical conditions for each of the major PHES civil structures. Following



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the geotechnical work, Montem will complete the front-end engineering design (“**FEED**”) work for the project.

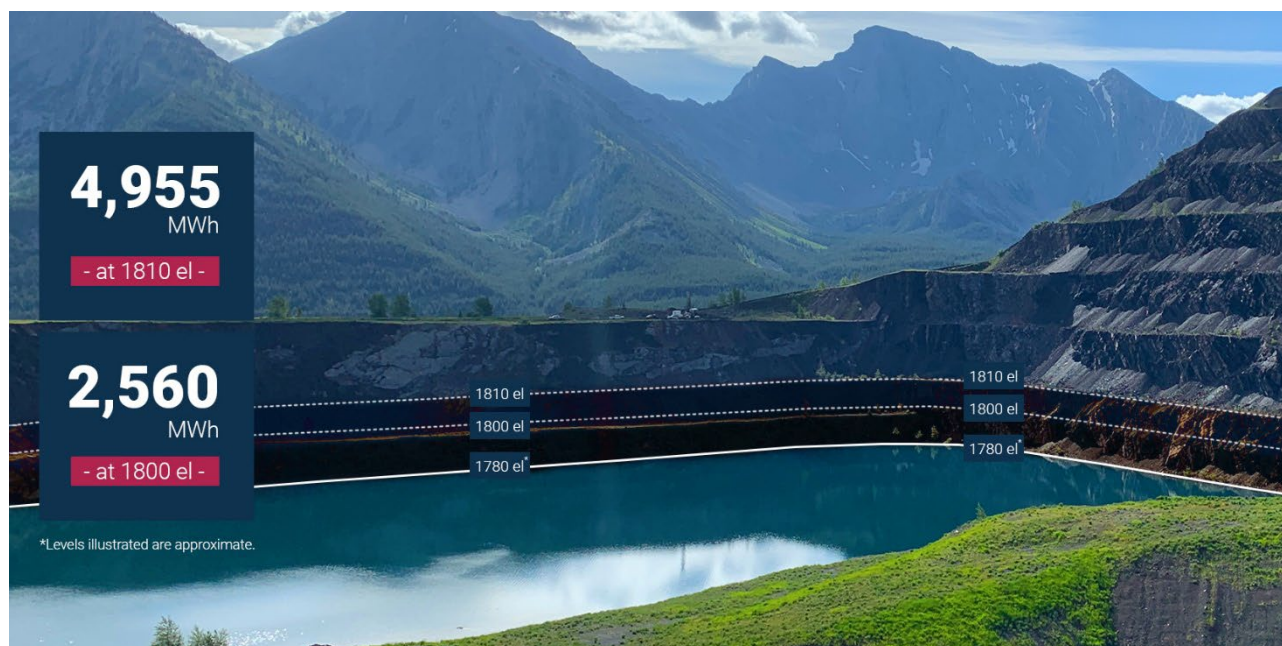


Figure 3: Upper reservoir optimization: raising the water level 10m (as indicated above) has the potential to nearly double the project’s energy storage potential.

TM-PHES Interconnection

The TM-PHES benefits from its proximity to the Alberta power grid, which significantly reduces the capital cost, permitting requirements, and environmental footprint typical of large-scale energy projects. Montem has been working with the Alberta Electric System Operator (“**AESO**”) to establish access to the power grid for the TM-PHES with the project recently being accepted into the interconnection queue.

For more information see: <https://www.aeso.ca/grid/projects/connection-project-reporting/>



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Piikani Nation Agreement

Tent Mountain is located in the traditional territory of the Piikani Nation (“**Piikani**”), with Piikani’s reserve lands situated in the heart of southern Alberta’s wind power generating region.

Montem is pleased to announce that it has entered into a framework agreement (“**Agreement**”) with Piikani. The signing of the Agreement was witnessed by the Honourable Rick Wilson, Alberta Minister of Indigenous Relations, and the Honourable Whitney Issik, Alberta Minister of Environment and Parks.



Figure 4: Left to Right: Riel Houle, Piikani Councillor; Peter Doyle, Montem CEO; The Honourable Whitney Issik, Alberta Minister of Environment and Parks; Chief Stan Grier, Piikani Nation; The Honourable Rick Wilson, Alberta Minister Indigenous Relations; Avril Grier, celebrating at the annual Blackfoot Confederacy Calgary Stampede BBQ.

The Agreement focuses on the TM-PHES and aims to build a long-term cooperative and mutually beneficial relationship between Montem and Piikani. Positive collaboration on the TM-REX between Montem and Piikani will provide regulatory clarity and community acceptance for the project.



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Tent Mountain Green Hydrogen Electrolyser Pre-Feasibility Study

GHD finalized its report detailing the business case analysis for the Green Hydrogen Electrolyser element of the TM-REX. This initial technical and economic assessment has been completed to assesses the scale, costs, logistics and technical risks associated with constructing and operating a green hydrogen electrolyser facility in southern Alberta, with a focus on the suitability of the Tent Mountain site, coupled with an off-site wind farm.

This report contains significant intellectual property and will not be released.

GHD's work included preliminary engineering design work, including the assessment of land, water, and regulatory requirements for the project in southern Alberta. Further, GHD prepared the technical requirements for production, storage, and transportation of green hydrogen, and established the expected project delivery schedule. This culminated in Class IV cost estimates that have been used to determine project economics for the Green Hydrogen Electrolyser.

Subject to further evaluation, the Tent Mountain Green Hydrogen Electrolyser has the potential to meet growing global hydrogen demand. The project could be scalable, starting with a 10 MW pilot plant before expanding to a 100 MW facility.

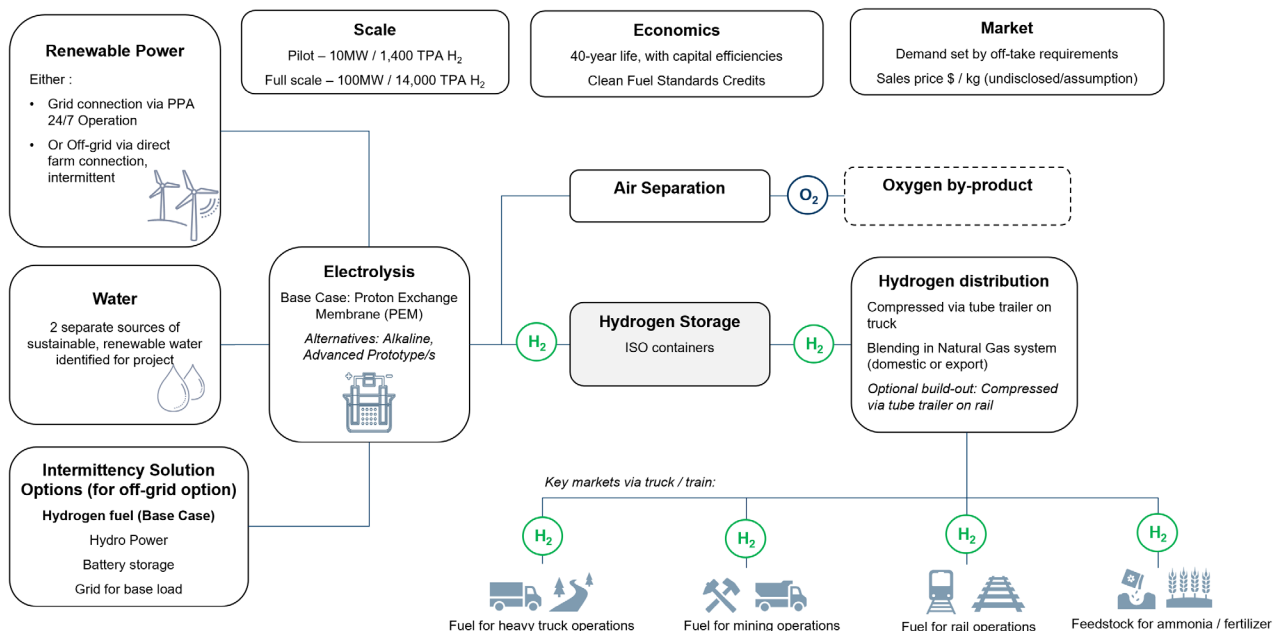


Figure 5: Green Hydrogen Production Considerations: On and Off Grid Options

Whilst the business case showed the viability for Green Hydrogen production in southern Alberta, a critical element is a renewable water source for conversion. The study established there is no viable sustainable water source in the immediate vicinity of Tent Mountain. Hence the Green Hydrogen Electrolyser would be better suited to be co-located with the wind farm, offsite from Tent Mountain, where viable renewable water sources are available.



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In conjunction with GHD, Montem continues to explore potential customers for the green hydrogen produced at TM-REX, aiming to leverage nearby key infrastructure and major transportation industries.

Grant Funding & Government Relations

In October 2021, Montem applied for C\$5 million in Federal funding from Canada's Clean Fuels Program, which is administered by Natural Resources Canada ("NRCan"). The Company has been advised its application has now advanced to the next stage of the grant application review process which focuses on the technical and financial merits of the application. Grants are now expected to be announced in late summer 2022.

For more information on Canada's Clean Fuels Program and the grant process, see the below link:

<https://www.nrcan.gc.ca/climate-change-adapting-impacts-and-reducing-emissions/canadas-green-future/clean-fuels-fund/clean-fuels-fund-building-new-domestic-production-capacity/23726>

Montem is also investigating other Provincial and Federal level renewable energy grant options focused on decarbonization and energy storage, including with Alberta Innovates, Invest Alberta, and Emissions Reduction Alberta. To aid this effort, government relations efforts and ministerial level meetings are ongoing to seek up to C\$50 million in government grants to potentially transition Tent Mountain from a coal mine to a renewable energy complex.

Montem has received a letter from Alberta Premier the Honourable Jason Kenney, outlining the Alberta Government's support in principle for the TM-REX.



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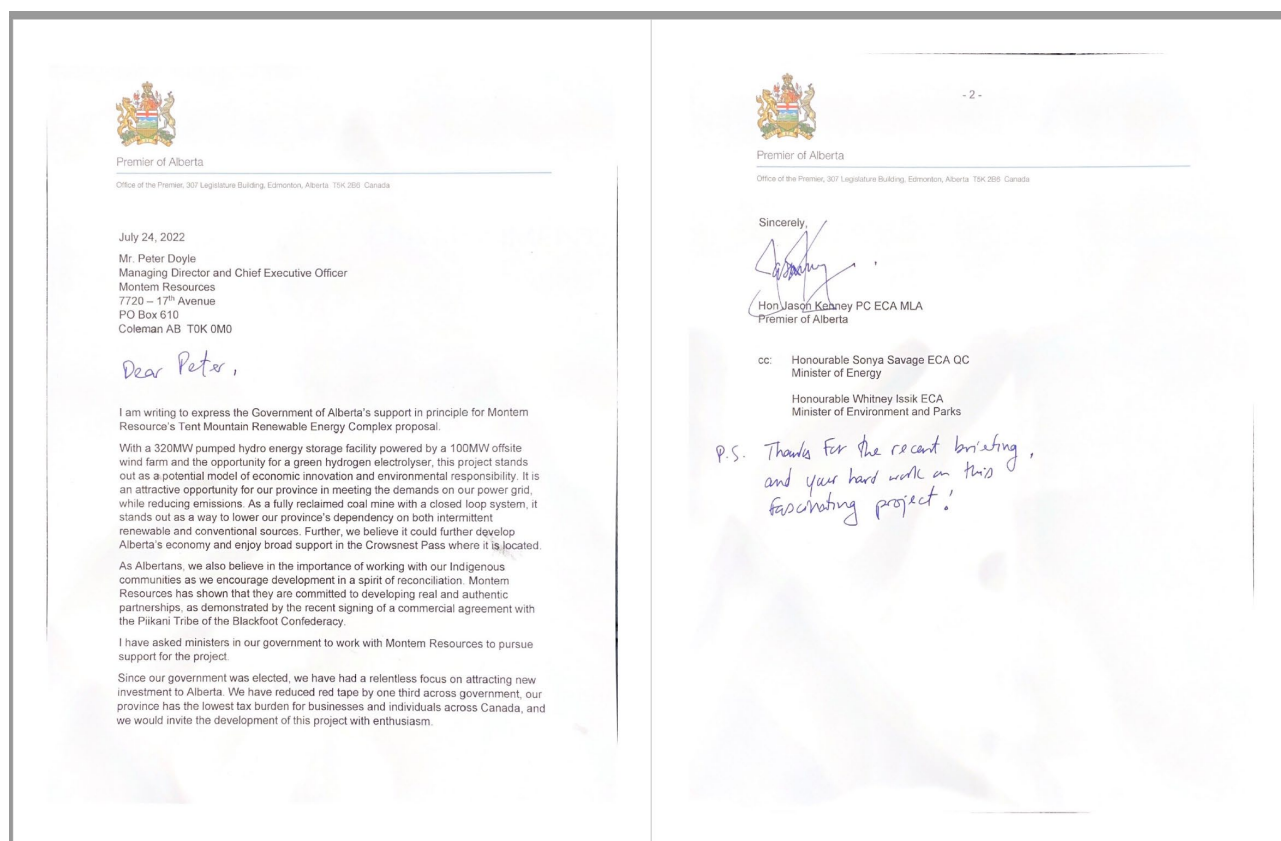


Figure 6: Letter from Alberta Premier, Honourable Jason Kenney

On 25 July 2022, the Company's securities were placed into voluntary suspension as to the application of Listing Rule 11.1 in relation to the results of the pre-feasibility study. Montem is in consultation with the ASX to seek its guidance on the future applicability of Listing Rule 11.1 as the company further explores its options in relation to TM-REX.

Corporate

Annual General Meeting

The Annual General Meeting was held on 25 May 2022. All resolutions put to the meeting passed via a poll being:

1. Adoption of Remuneration Report
2. Re-election of Mr. Robert Tindall as a Director of the Company
3. Re-election of Mr. Mark Lochtenberg as a Director of the Company
4. Approval of 10% Placement Capacity (special resolution).

Montem held A\$1.315 million cash as at 30 June 2022.



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Payments to directors and related parties

In the attached Appendix 5B, the figure of A\$197,000 – as disclosed in section 6.1 – relates to all fees, salaries and superannuation paid to Montem's Directors for the quarter ended 30 June 2022.

Use of Funds Statement

The current quarter is covered by the Use of Funds Statement outlined in the Prospectus dated 31 July 2020. A summary of expenditure to date is outlined below:

	Per Prospectus	Actual expenditure to 30 June 2022
	Total (million \$)	Total (million \$)
Tent Mtn: Strategic land purchase (Tent Mtn rail)	2.64	0.29
Tent Mtn: Port reservation fee	1.20	0.60
Tent Mtn: permitting (enviro monitoring and liaison)	0.63	4.70
Tent Mtn: pre-production drilling (pit definition & bulk sample)	0.89	0.36
Chinook: exploration, PEA study and environmental work	0.83	1.86
General and administrative expenses	1.72	4.06
Offer costs (broker fees; IPO preparation)	0.83	0.78
TM- REX, set-up and consulting work related to PFS work *	-	1.24
Total expenditures in the period	8.74	13.89

In late 2021 Montem raised approximately \$3 million for use to investigate the potential of the Tent Mountain Renewable Energy Complex. This analysis, including the necessary cost estimation and engineering design work, as well as work on permitting and social licensing was the predominant use of funds in the March 2022 and June 2022 quarters. This is different to the forecast expenditure from the 2020 Prospectus and is in response to the rapidly changing environment for coal mine permitting in Alberta. Expenditure on the Tent Mountain Renewable Energy Complex totaling ~\$1.24M to date, are included the table above, however they were not covered in the Use of Funds Statement outlined in the Prospectus dated 31 July 2020.

Expenditures on the Tent Mountain Mine permitting was higher than forecast. This trend continued throughout 2021, as the project moved into the final stages of provincial permitting. Montem's increased expenditure on permitting the Tent Mountain Mine was due to negotiating with federal agencies, which required the extensive use of legal and other advisors. General and administrative expenses include direct overheads such as legal and other professional charges related to regulatory applications, stakeholder relations and Indigenous Peoples engagement associated with Tent Mountain Mine permitting. Due to the indirect nature of these expenses, they are recognised as general and administrative expenses in the financial statements. As the process to avoid federal designation for review of the Tent Mountain project reached its conclusions in 2021, general and administrative expenses (due to permitting) have significantly decreased in the ensuing quarters.



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The Chinook Project exploration and permitting is more than forecast due to extra drilling undertaken, in preparation of the Scoping Study release in 2021. Additional regulatory work including extensive liaison with regulatory agencies, and multiple field excursion by Indigenous groups was undertaken. Additionally, the optimisation of the Chinook Scoping Study was conducted during the period.

For further information on the Company, our assets and development plans, please visit our websites:

www.montem-resources.com

www.tentmountain-rex.com

Additionally, view Investor Presentations which have been lodged with the ASX.

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

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About Montem Resources

Montem Resources (ASX: MR1) is a steelmaking coal and renewable energy development company that owns and leases coal tenements and freehold land in the Canadian provinces of Alberta and British Columbia. The Company's objective is to advance its steelmaking coal projects and renewable energy complex in the Crowsnest Pass, Alberta. The Company has planned an integrated mining complex in the Crowsnest Pass, focusing on the low-cost development of open-cut operations that leverage central infrastructure. This is centered around the Tent Mountain Mine Redevelopment Project, and the Chinook Vicary Project.

In 2020, Montem completed a Definitive Feasibility Study on the Tent Mountain Mine and since then has continued to advance through the regulatory process to re-start the mine. In 2021, the project was designated for Federal review by the Impact Assessment Agency of Canada, and the Company continues to seek approval to re-start the mine. In light of delays to the mine re-start, Montem identified alternate development pathways for Tent Mountain, including transitioning the project to a renewable energy complex, employing an onsite pump hydro energy storage facility, an offsite wind power facility, and the onsite production of green hydrogen. The Company is progressing studies to support development of the TM-REX, including a feasibility study.



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Forward looking statements

This ASX Announcement may contain forward looking statements, which may be identified by words such as "may", "could", "believes", "estimates", "expects" or "intends" and other similar words that connote risks and uncertainties. Certain statements, beliefs, and opinions contained in this ASX Announcement, in particular those regarding the possible or assumed future financial or other performance, industry growth or other trend projections are only predictions and subject to inherent risks and uncertainties. Except as required by law, and only to the extent so required, neither the Company, its Directors nor any other person gives any assurance that the results, performance or achievements expressed or implied by any forward looking statements contained in this ASX Announcement will actually occur and investors are cautioned not to place undue reliance on such forward looking statements. Any forward looking statements are subject to various risk factors, many of which are beyond the control of the Company and its Directors that could cause the Company's actual results to differ materially from the results expressed or anticipated in these statements. The Company has no intention to update or revise any forward looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this ASX Announcement, except where required by law.



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Appendix A: Tenement List

PART I - Alberta Freehold Tenements		
Prospect Area	Land Title Certificate Number	Hectares
Tent Mountain Mine	181 088 180	8.1
Tent Mountain Mine	181 088 180 +13	32.6
Tent Mountain Mine	181 088 180 +14	16.3
Tent Mountain Mine	181 088 180 +15	32.6
Tent Mountain Mine	181 088 180 +16	8.1
Tent Mountain Mine	181 088 180 +17	48.9
Tent Mountain Mine	181 088 180 +18	8.1
Tent Mountain Mine	181 088 180 +19	24.3
Tent Mountain Mine	181 088 180 +20	64.7
Tent Mountain Mine	181 088 180 +21	16.2
Tent Mountain Mine	181 090 692	24.3
Tent Mountain Mine	181 090 692 +1	2.3
Tent Mountain Mine	181 090 692 +2	8.0
Tent Mountain Mine	181 090 692 +3	12.2
Tent Mountain Mine	181 090 692 +4	56.7
Tent Mountain Mine	181 090 692 +5	16.2
Tent Mountain Mine	181 090 692 +6	32.6
Tent Mountain Mine	181 090 692 +7	8.1
Tent Mountain Mine	181 090 692 +8	64.7
Tent Mountain Mine	181 090 692 +9	16.3
Tent Mountain Mine	181 090 692 +10	32.6
Tent Mountain Mine	181 090 692 +11	8.1
Tent Mountain Mine	181 090 692 +12	48.9
Tent Mountain Mine	181 090 692 +13	8.1
Chinook Project	181 088 180 +1	36.4
Chinook Project	181 088 180 +2	129.5
Chinook Project	181 088 180 +3	28.3
Chinook Project	181 088 180 +4	12.1
Chinook Project	181 088 180 +5	16.2
Chinook Project	181 088 180 +6	165.9
Chinook Project	181 088 180 +7	131.5



Montem Resources

Montem Resources Limited

ACN 623 236 831

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ASX Announcement

PART I - Alberta Freehold Tenements		
Prospect Area	Land Title Certificate Number	Hectares
Chinook Project	181 088 180 +8	129.5
Chinook Project	181 088 180 +9	129.5
Chinook Project	181 088 180 +10	248.3
Chinook Project	181 088 180 +11	259.0
Chinook Project	181 088 180 +12	12.1
Chinook Project	181 088 180 +22	129.5
Chinook Project	181 088 180 +23	129.5
Chinook Project	181 088 180 +24	129.5
Chinook Project	181 088 180 +25	129.5
Chinook Project	181 088 180 +26	52.6
Chinook Project	181 088 180 +27	259.0
Chinook Project	181 088 180 +28	259.0
Chinook Project	181 088 180 +29	259.0
Chinook Project	181 088 180 +30	129.5
Chinook Project	181 088 180 +31	257.0
Chinook Project	181 088 180 +32	129.5
Chinook Project	181 088 180 +33	129.5
Chinook Project	181 088 180 +34	129.5

PART II - BC Leasehold Tenements		
Prospect Area	Coal Lease No.	Hectares
Tent Mountain Mine	389283	153.0

PART III - Alberta Leasehold Tenements		
Prospect Area	Coal Lease No.	Hectares
Tent Mountain Mine	1320090097	92.6
Tent Mountain Mine	1320090092	48.0
Tent Mountain Mine	1320090093	56.6
Tent Mountain Mine	1320090094	149.2
Tent Mountain Mine	1320090095	38.5
Tent Mountain Mine	1320090096	102.2



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PART III - Alberta Leasehold Tenements		
Prospect Area	Coal Lease No.	Hectares
Tent Mountain Mine	1320100052	310.5
Tent Mountain Mine	1321080198	120.0
Tent Mountain Mine	1321080199	64.0
Tent Mountain Mine	1321080200	64.0
Tent Mountain Mine	1321080201	210.4
Chinook Project	1320120105	128.0
Chinook Project	1321020120	80.0
Chinook Project	1321020121	160.0
Chinook Project	1321020122	128.0
Chinook Project	1321020123	128.0
Chinook Project	1321020124	176.0
Chinook Project	1321050136	128.0
Chinook Project	1321050137	256.0
Chinook Project	1321050139	224.0
Chinook Project	1321050140	64.0
Chinook Project	1321080191	16.0
Chinook Project	1321080193	48.0
Chinook Project	1321080194	64.0
Chinook Project	1321080195	64.0
Chinook Project	1321080196	64.0
Chinook Project	1321080197	64.0
Chinook Project	1306120432	64.0
Chinook Project	1306120433	64.0
Chinook Project	1306120434	32.0
Chinook Project	1307040479	64.0
Chinook Project	1307040480	16.0
Chinook Project	1307060454	160.0
Chinook Project	1307100753	128.0
Chinook Project	1307110904	32.0
Chinook Project	1307110905	32.0
Chinook Project	1307110906	48.0
Chinook Project	1307110907	256.0



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ASX Announcement

PART III - Alberta Leasehold Tenements		
Prospect Area	Coal Lease No.	Hectares
Chinook Project	1308050910	90.7
Chinook Project	1308090609	51.2
Chinook Project	1311010588	48.0
Chinook Project	1311010589	64.0
Chinook Project	1311010590	64.0
Chinook Project	1311080653	128.0
Chinook Project	1311080654	32.0
Chinook Project	1311080655	64.0
Chinook Project	1311120668	112.0
Chinook Project	1311120669	65.7
Chinook Project	1312040484	64.0
Chinook Project	1312100464	880.0
Chinook Project	1312100465	384.0
Chinook Project	1314030394	48.0
Chinook Project	1316020095	96.0
Chinook Project	1316020154	144.0
Chinook Project	1316050179	128.0
Chinook Project	1316120147	32.0
Chinook Project	1316120148	128.0
Chinook Project	1316120149	128.0
Chinook Project	1316120150	64.0
Chinook Project	1316120151	192.0
Chinook Project	1316120152	64.0
Chinook Project	1316120155	128.0
Chinook Project	1317080314	128.0
Chinook Project	1320050132	140.0
4-Stack / Chinook Project (see Note below)	1321050141	128.0
4-Stack / Chinook Project (see Note below)	1321050143	256.0
4-Stack	1321050138	128.0
4-Stack	1321050142	256.0
4-Stack	1316120153	64.0
4-Stack	1316120154	69.2



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ASX Announcement

PART III - Alberta Leasehold Tenements		
Prospect Area	Coal Lease No.	Hectares
4-Stack	1316120156	128.0
4-Stack	1316120157	128.0
4-Stack	1317090268	128.0
4-Stack	1317090269	352.0
4-Stack	1317090279	351.0
4-Stack	1317090280	150.0
Isola	1307070578	128.0
Isola	1307070579	240.0
Isola	1307070580	128.0
Isola	1319090188	656.0
Isola	1319090191	608.0
Isola	1319090192	1,024.0
Isola	1319090193	893.8
Isola	1319090194	796.8
Isola	1319090195	357.6
Oldman	1317090270	96.0
Oldman	1317090271	192.0
Oldman	1317090272	192.0
Oldman	1317090273	32.0
Oldman	1317090274	256.0
Oldman	1317090275	256.0

Note

Leases 1321050141 and 1321050143 are located partially within the Chinook Project and partially within 4-Stack.

The total area of Lease 1321050141 is approximately 128 hectares with approximately 65 hectares lying within the Chinook Project and the remainder in 4-Stack.

The total area of Lease 1321050143 is approximately 256 hectares with approximately 128 hectares lying within the Chinook Project and the remainder in 4-Stack.

Alberta Leasehold Tenements have a 15 year term after which time they require renewal. Upon renewal, a new Coal Lease number is issued for the tenement but there is no change to the physical disposition of the tenement.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

MONTEM RESOURCES LIMITED

ABN

87 623 236 831

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(172)	(373)
(e) administration and corporate costs	(468)	(742)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(1)	(2)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material) *	(625)	(933)
1.9 Net cash from / (used in) operating activities	(1,266)	(2,050)
* The Company incurred \$625,000 during the quarter (\$933,000 year to date) on initial set-up and consulting work related to feasibility studies for the Tent Mountain Renewable Energy Complex (TM-REX) development.		

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(303)	(559)
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(303)	(559)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	150
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(23)	(50)
3.10	Net cash from / (used in) financing activities	(23)	100

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,874	3,804
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,265)	(2,050)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(303)	(559)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(23)	100

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	32	20
4.6	Cash and cash equivalents at end of period	1,315	1,315

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,315	2,874
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,315	2,874

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	197
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7. Financing facilities <i>Note: the term “facility” includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A’000	Amount drawn at quarter end \$A’000																								
7.1 Loan facilities	-	-																								
7.2 Credit standby arrangements	-	-																								
7.3 Other (please specify)	-	-																								
Canada Emergency Business Account ^(a)	45	45																								
Lease obligations ^(b)	96	96																								
7.4 Total financing facilities	141	141																								
7.5 Unused financing facilities available at quarter end		-																								
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.																										
<div>(a) 7.3 - Canada Emergency Business Account: An unsecured, revolving Canadian government sponsored loan. No interest is payable if repaid in full by 31 December 2022 and 25% of the loan balance will be forgiven. Any unpaid balance outstanding after 31 December 2022 will convert to a non-revolving loan and bear interest at 5%.</div> <div>(b) 7.3 – Lease obligations:<table><tr><th>Lender</th><th>Interest rate</th><th>Maturity date</th><th>Secured/unsecured</th></tr><tr><td>JP Leasing</td><td>3.54%</td><td>30-Apr-24</td><td>unsecured</td></tr><tr><td>JP Leasing</td><td>3.54%</td><td>30-Apr-24</td><td>unsecured</td></tr><tr><td>GL Leasing</td><td>9.90%</td><td>28-Feb-25</td><td>unsecured</td></tr><tr><td>GL Leasing</td><td>8.50%</td><td>31-Jan-24</td><td>unsecured</td></tr><tr><td>SCREO II 99 Street LP</td><td>7.80%</td><td>30-Nov-22</td><td>unsecured</td></tr></table></div>			Lender	Interest rate	Maturity date	Secured/unsecured	JP Leasing	3.54%	30-Apr-24	unsecured	JP Leasing	3.54%	30-Apr-24	unsecured	GL Leasing	9.90%	28-Feb-25	unsecured	GL Leasing	8.50%	31-Jan-24	unsecured	SCREO II 99 Street LP	7.80%	30-Nov-22	unsecured
Lender	Interest rate	Maturity date	Secured/unsecured																							
JP Leasing	3.54%	30-Apr-24	unsecured																							
JP Leasing	3.54%	30-Apr-24	unsecured																							
GL Leasing	9.90%	28-Feb-25	unsecured																							
GL Leasing	8.50%	31-Jan-24	unsecured																							
SCREO II 99 Street LP	7.80%	30-Nov-22	unsecured																							

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,266)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(303)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,569)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,315
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,315
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.84
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: No, the entity's level of negative net operating cash flows is expected to reduce Q3 and Q4 2022 compared to the previous quarters as activities have concluded and expenses are reduced.

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: As noted in 8.8.1, operating expenses are expected to be lower in Q3 and Q4 2022 than the previous quarter. The Directors continue to review the company's costs and expenses, and assess potential sources of additional funding, and believe that sufficient funds can be secured in the near term. The Company has a successful history of raising funds and has a number of potential avenues to seek funding including equity, grant funding, and the potential sale of an interest in its assets.

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the Company expects to be able to continue its operations and meet its business objectives on the basis that it expects to be able to secure funding in the near future as described in answer to question 8.8.2 above.

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 July 2022

Authorised by: By the Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.