

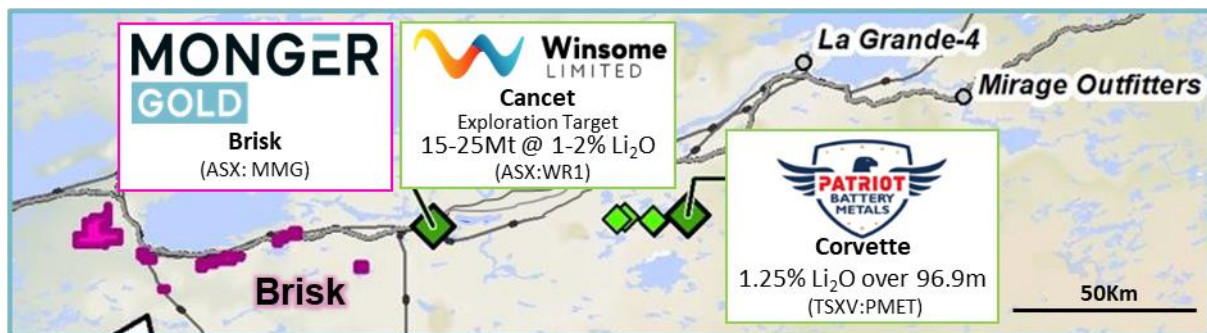
3 October 2022

## **Monger Exercises Option to Acquire 100% of the Brisk Lithium Project, James Bay Lithium District, Québec**

### **Highlights:**

- **Monger exercises option to acquire 100% of the Brisk Lithium Project located in the prolific James Bay Lithium District, Québec along trend from:**
  - Patriot Battery Metals' (TSXV:PMET) Corvette Project (80km east)
  - Winsome Resources' (ASX:WRI) Cancet Project (15Km east)
- **Brisk Lithium Project covers six prospects over a large project area covering 98.5km<sup>2</sup> and is host to several known pegmatite outcrops**
- **Brisk Lithium Project was generated using similar methods which led to the identification of Patriot Battery Metals' potentially world-class Corvette Project**
- **Inaugural exploration program has been completed with rock chip assays pending**
- **Numerous additional pegmatite outcrops have been identified resulting in plans to bring forward an additional field program prior to the Canadian winter season**
- **Acquisition complements Monger's portfolio of foundational lithium assets covering all lithium resource types within Tier 1 mining jurisdictions:**
  - Brines and Clay – Scotty Lithium Project (Nevada, USA)
  - Hard Rock – Brisk Lithium Project (Québec, Canada)

Monger Gold Limited (ASX:MMG, **Monger** or the **Company**) is pleased to announce that it has exercised the option to acquire 100% of the Brisk Lithium Project, located in the prolific James Bay Lithium District in west-central Québec, Canada (the **Brisk Lithium Project** or **Project** or **Mineral Claims**).



**Figure 1 – Brisk Lithium Project located along trend from Patriot Battery Metals**

**Commenting on the exercising of option to acquire the Brisk Lithium Project, Monger CEO, Mr Adam Ritchie, said:**

*“The 45-day option period has enabled us to successfully complete the inaugural exploration program and obtain a good understanding of the Brisk Lithium Project.*

*Brisk’s geological setting has clearly spawned numerous pegmatites – many more than previously mapped and anticipated. The vast and highly prospective nature of Brisk was a major driver behind exercising the option and immediately planning further field work.*

*Our geological partners have gone above and beyond to support Monger and the Brisk Lithium Project.”*

**Brisk Lithium Project**

The Brisk Lithium Project comprises six prospects covering 192 mineral claims totalling 9,849 hectares (98.5 Km<sup>2</sup>) located in the James Bay Region of Québec.

The Brisk Lithium Project was identified due to its prospective nature for hosting hard-rock, pegmatite-hosted lithium mineralisation by Dahrouge’s proprietary targeting method, which included the review of pegmatite occurrences across the James Bay region of Québec with the appropriate indicator-mineralogy for hosting spodumene-bearing pegmatites, within favourable host-rocks.

**Inaugural Exploration Program**

Dahrouge Geological Consulting has been engaged to conduct the inaugural exploration program and ongoing geological services for the Brisk Lithium Project.

The program included extensive Helicopter supported surface exploration, prospecting and geochemical sampling. The program was conducted by a four person team including a OGQ registered field geologist.



**Figure 2 – Summary of Brisk Lithium Project Inaugural Exploration Program**

A summary report and sample results are due November 2022. However, due to the identification of numerous additional Pegmatite outcrops, Monger is accelerating plans to conduct an additional field program prior to the Canadian winter season.

### **Summary of Key terms of the Acquisition**

The Company and Jody Dahrouge (**Vendor**) have entered into a binding term sheet (**Term Sheet**) pursuant to which the Vendor has granted the Company an option to acquire 100% of the Mineral Claims (**Acquisition**) (refer to ASX announcement 18 August 2022).

The Company has now Exercised the Option as per the Term Sheet.

The key terms of the Term Sheet are as follows:

- 1. Consideration:** The following consideration is payable by the Company to the Vendor (and/or its nominees):
  - a) CDN\$100,000 cash; (includes \$35,000 already paid as the Option Fee)
  - b) 1 million fully paid ordinary shares in the Company (**Shares**) at a deemed issue price of AUD\$0.20 per Share (**Consideration Shares**); and
  - c) 4 million Deferred Consideration Shares, convertible to Shares, subject to satisfaction of the Vesting Conditions set out in Annexure A.

The Consideration Shares will be subject to voluntary escrow for a 6-month period to commence on the Settlement Date.

- 2. Royalty:** From Settlement, the Company grants the Vendor (and/or their nominee) a 3% net smelter royalty on all minerals recovered from the Mineral Claims (**Royalty**). The Company has the option to buy-back 1% of the Royalty (**Royalty Option**) for the following consideration if the Royalty Option is exercised within 4 years of the Settlement Date, for CDN\$1 million and if the Royalty Option is exercised thereafter, for CDN\$2.5 million.
- 3. Expenditure Commitment:** Subject to Settlement occurring, on or before 31 December 2023 (**Expenditure Deadline**), the Company undertakes to expend up to CDN\$750,000 on exploration activities on the Mineral Claims (**Expenditure Commitment**). However, the Company is not obliged to spend the full CDN\$750,000 if it forms the view that further expenditure is not warranted, provided that at a minimum, the Company has spent CDN\$150,000 on exploration activities on the Mineral Claims and, on or before the Expenditure Deadline, the Company has completed a reconnaissance field trip (**Field Trip**) with respect to the Mineral Claims and procure experienced geologists to conduct and complete a program of rock chip sampling. If the Company undertakes further exploration on the Mineral Claims, all costs associated with the Field Trip and rock chip sampling will count towards the CDN\$750,000 Expenditure Commitment. In any event, should lithium bearing pegmatite(s) be detected on the Mineral Claims as a result of the Field Trip, the Purchaser must expend CDN\$750,000 on exploration activities on the Mineral Claims by the Expenditure Deadline, subject to Settlement occurring.

The Term Sheet otherwise contains terms and conditions typical for binding agreements of this nature.

Approved by the board of Monger Gold Limited.

**For more information:**

**Adam Ritchie**

**CEO – Monger**

[info@mongergold.com.au](mailto:info@mongergold.com.au)

**About Monger Gold**

Monger Gold Limited (ASX: MMG) is a well-structured listed resource exploration company with projects in Western Australia, ~50km SE and W of Kalgoorlie, Nevada – USA and a James Bay Canada. The Company aims to find and define JORC compliant

resources/reserves, and mine and refine assets that consider the full lithium supply chain, creating exceptional value for its shareholders.

### **Future Performance**

*This announcement may contain certain forward-looking statements and opinion. Forward-looking statements, including projections, forecasts and estimates, are provided as a general guide only and should not be relied on as an indication or guarantee of future performance and involve known and unknown risks, uncertainties, assumptions, contingencies and other important factors, many of which are outside the control of the Company and which are subject to change without notice and could cause the actual results, performance or achievements of the Company to be materially different from the future results, performance or achievements expressed or implied by such statements. Past performance is not necessarily a guide to future performance and no representation or warranty is made as to the likelihood of achievement or reasonableness of any forward-looking statements or other forecast. Nothing contained in this announcement, nor any information made available to you is, or and shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of Monger Gold Ltd.*

## ANNEXURE A – DEFERRED CONSIDERATION SHARES

**Vesting Conditions:** The Deferred Consideration Shares will be subject to the following vesting criteria:

Milestone/ Tranche	Number of Deferred Consideration Shares	Particulars of Performance Milestone Conditions
Milestone 1	1,000,000	<p><b>Due date:</b> This milestone must be achieved within 48 months of issuing the Deferred Consideration Shares.</p> <p><b>Expiry Date:</b> The holder must elect to convert any vested Deferred Consideration Shares to Shares before the date which is 5 years after their date of issue, failing which, the relevant Deferred Consideration Shares will automatically lapse.</p> <p><b>Vesting criteria/Performance Milestone Condition:</b> The sourcing of at least 5 rock samples of at least 1% Li<sub>2</sub>O (or equivalent) on the Mineral Claims, as verified by an independent competent person under the JORC Code 2012, from the Mineral Claims.</p>
Milestone 2	1,000,000	<p><b>Due date:</b> This milestone must be achieved within 48 months of issuing this class of Deferred Consideration Shares.</p> <p><b>Expiry Date:</b> The holder must elect to convert any vested, the Deferred Consideration Shares to Shares before the date which is 5 years after their date of issue, failing which, the relevant Deferred Consideration Shares will automatically lapse.</p> <p><b>Vesting criteria/Performance Milestone Condition:</b> A drilled or surface channel sample interval of at least 5m of at least 1% Li<sub>2</sub>O (or equivalent) on the Mineral Claims, as verified by an independent competent person under the JORC Code 2012.</p>

Milestone/ Tranche	Number of Deferred Consideration Shares	Particulars of Performance Milestone Conditions
Milestone 3	2,000,000	<p><b>Due date:</b> This milestone must be achieved within 60 months of issuing this class of Deferred Consideration Shares.</p> <p><b>Expiry Date:</b> The holder must elect to convert any vested Deferred Consideration Shares to Shares before the date which is 5 years after their date of issue, failing which, the relevant Deferred Consideration Shares will automatically lapse.</p> <p><b>Vesting criteria/Performance Milestone Condition:</b> Delineation of a JORC compliant resource on the Mineral Claims of a minimum of 10,000,000 tonnes grading at least 1% Li<sub>2</sub>O, as verified by an independent competent person under the JORC Code 2012.</p>