



# MONAX MINING LIMITED

ABN: 96 110 336 733

Exploration Office  
Level 3, 100 Pirie Street  
ADELAIDE  
SA 5000

Tel: +61 8 8232 8320  
Fax: +61 8 8232 8811  
[www.monaxmining.com.au](http://www.monaxmining.com.au)

17 May 2017

## Further High-grade Sampling Results at Croydon Gold Project

### HIGHLIGHTS

- High-grade samples reported across 6 prospects
- Gold up to 58.4g/t and 66.4g/t reported at Jumbo and Blue Jacket respectively
- Best results include high-grade gold up to 263g/t at Sarina Gem prospect
- Mid-year drill program aims to delineate a maiden JORC Resource

Monax Mining Limited (**Monax** or **the Company**) is pleased to announce further highly encouraging results from a follow-up rock-chip sampling program at its Croydon Gold Project, located in northwest Queensland.

Monax undertook a reconnaissance sampling program on Exploration Permit Minerals (EPM) 26038 in mid-2016 however no further work was undertaken due to the pending approval of EPM 26203, later granted in 2016. The recent field work marks the commencement of Monax's 2017 field program.

### Rock Chip Sampling Results

Eighteen of the thirty one samples collected from the field reported gold >1 g/t and up to a maximum of **263 g/t** (see Table 1). High-grade results were reported from Blue Jacket, Gilded Rose-Jumbo, Sarina Gem, Lost Chance and an unnamed prospect located southeast of Gilded Rose (see Table 1 & Figures 1 & 2).

Historical workings at the Vanderbilt area are scattered over approximately 300 metres with several other prospects located along strike to the south-west, including the Blue Jacket prospect. Previous sampling at Vanderbilt (see Figure 1) reported highly encouraging results ranging from 0.43 g/t to **87.8 g/t** gold (see ASX Release 29 June 2016 for further details). Follow-up sampling has reported gold up to a maximum of 66.4 g/t gold. A search of historical records shows no evidence of drilling along this mineralised trend therefore Monax plans to drill several holes testing the reef(s) in the area.

Previous drilling at the Gilded Rose-Jumbo area reported highly encouraging results including 15m @ **6.38 g/t** gold (hole GRRC017 35-50m) and 9m @ **8.17 g/t** (GRDD025 67-76m). Figure 3 shows the locations of quartz vein intersected by historical drill holes, furthermore historical drilling shows the Gilded Rose and Jumbo prospects comprising a broad low-grade zone with a high-grade core. The Gilded Rose cross-section in Figure 4 highlights gold mineralisation located within stacked quartz veins, with follow-up drilling to target up-dip and down-dip extensions.

Only minor sampling was undertaken in the Gilded Rose-Jumbo area due to pre-existing historical data, however recent results of **58.4 g/t** reported from the Jumbo area (see Table 1) further confirms the high-grade nature of mineralisation in the area.

Sampling at Sarina Gem located south of the Gilded Rose-Jumbo area also reported promising results with a maximum value of **263 g/t** (see Table 1 & Figures 1 & 2). Historical workings at Sarina Gem are relatively deep and suggest this area warrants further investigation.

Previous sampling at the Lost Chance prospect provided strong results with gold up to **21.2 g/t** recorded (see ASX Release 29 June 2016). Mineralisation at this prospect is hosted in granite with numerous inclusions of graphite (see Plate 1). Further encouraging results were returned on this occasion with three of the six samples reporting >1 g/t gold. Sampling at an unnamed site approximately 2km to the south also highlights further prospectivity within similar granite, suggesting this area also warrants further work with a soil sampling program currently being planned.

### **Forward Program**

These highly encouraging sampling results, combined with existing data from historical workings will assist the Company in highlighting prospective drill targets for a mid-year drilling program aimed at defining a maiden 2012 JORC resource for Croydon.

### **Other Projects**

The Company notes that results from the maiden induced polarisation survey at the Percyville Gold Project are imminent and will be announced following the receipt of the final report.

Monax has also received notification from Iluka Resources ("Iluka") indicating their withdrawal from the Phar Lap farm-in.

For further information, please do not hesitate to contact:

Gary Ferris  
Managing Director  
Monax Mining Limited  
P: 0432 259 488  
E: [info@monaxmining.com.au](mailto:info@monaxmining.com.au)

Duncan Gordon  
Investor Relations  
Adelaide Equity Partners Limited  
P: 0404 006 444  
E: [dgordon@adelaideequity.com.au](mailto:dgordon@adelaideequity.com.au)

*The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr G M Ferris, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Ferris is employed full time by the Company as Managing Director and, has a minimum of five years relevant experience in the style of mineralisation and type of deposit under consideration and qualifies as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" Mr Ferris consents to the inclusion of the information in this report in the form and context in which it appears.*

### **Forward Looking Statements**

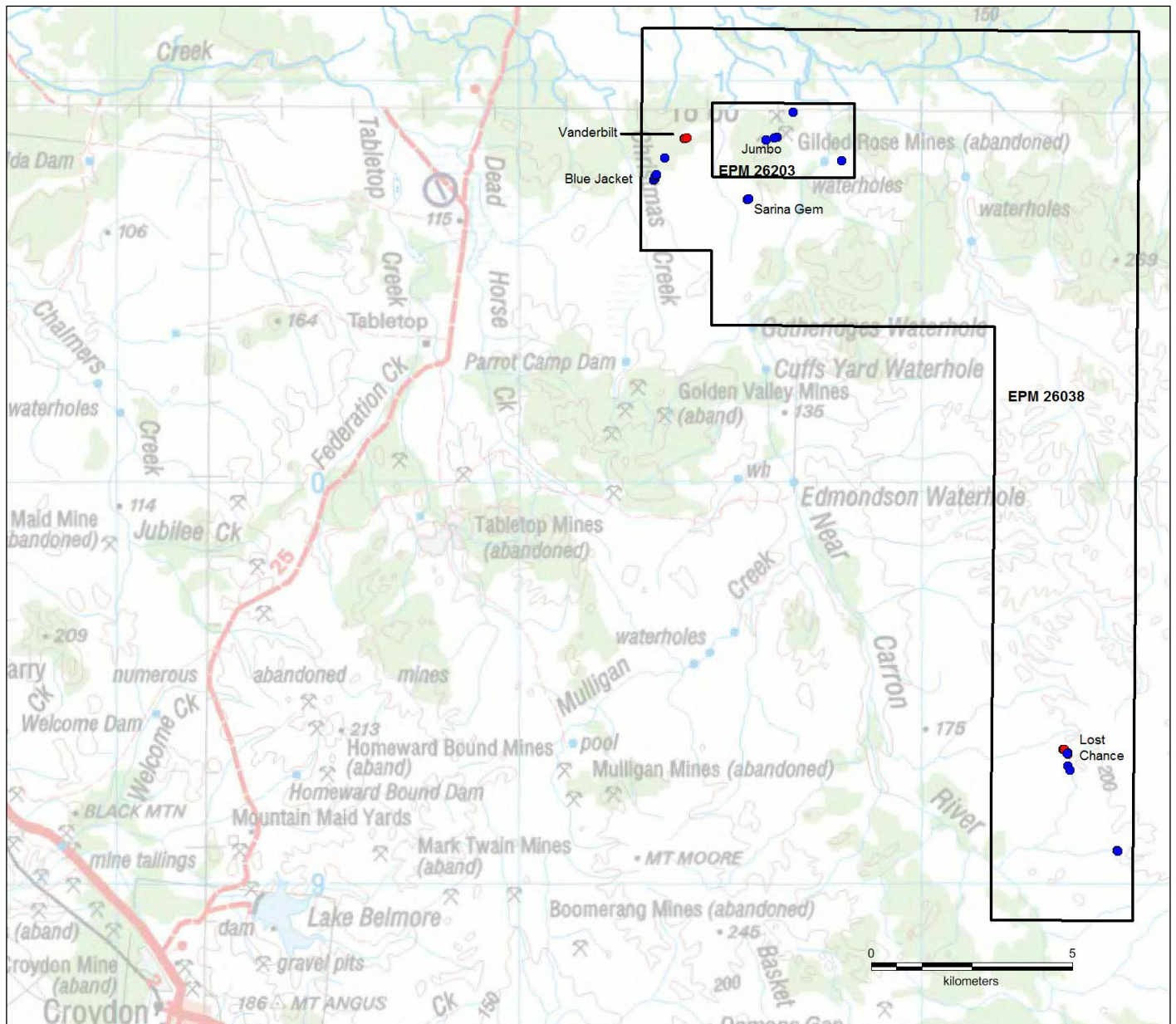
*"The information in this report includes forward looking statements. Forward looking statements inherently involve subjective judgement and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside of the control of, and may be unknown to, the Company. Actual results and developments may vary materially from those expressed in these materials. The types of uncertainties which are relevant to the Company may include, but are not limited to, commodity prices, political uncertainty, changes to the regulatory framework which applies to the business of the Company and general economic conditions. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements.*

*Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, the Company does not undertake any obligation to publicly update or revise any of the forward looking statements or any change in events, conditions or circumstances on which any such statement is based."*

**Table 1:** April 2017 sampling results - Croydon Gold Project.

Site	Prospect	Easting	Northing	Sample No	Au (ppm)	Au (ppm) Rpt
35	Gilded Rose	646806	8009206	319921	<b>9.47</b>	-
65	Jumbo	646405	8008596	319922	<b>2.44</b>	-
75	Jumbo	646347	8008573	319923	<b>1.05</b>	-
79	Jumbo	646331	8008575	319924	<b>58.40</b>	56.7
93	Jumbo	646129	8008513	319925	<b>0.22</b>	0.28
119	Blue Jacket	643343	8007514	319926	<b>0.48</b>	-
126	Blue Jacket	643369	8007561	319927	<b>5.70</b>	-
132	Blue Jacket	643382	8007599	319928	<b>0.23</b>	-
132	Blue Jacket	643382	8007599	319929	<b>0.83</b>	-
137	Blue Jacket	643402	8007642	319930	<b>66.40</b>	71.9
140	Blue Jacket	643410	8007664	319931	<b>11.8</b>	-
171	Blue Jacket ext	643612	8008063	319932	<b>7.35</b>	-
174	Blue Jacket ext	643623	8008076	319933	<b>1.41</b>	-
218	Sarina Gem	645659	8007039	319934	<b>263.00</b>	81.9
218	Sarina Gem	645659	8007039	319935	<b>0.11</b>	-
218	Sarina Gem	645659	8007039	319936	<b>1.01</b>	-
225	Sarina Gem	645705	8007060	319937	<b>0.96</b>	0.91
234	Unnamed SE of GR	648011	8008001	319938	<b>6.30</b>	-
234	Unnamed SE of GR	648011	8008001	319939	<b>6.66</b>	-
234	Unnamed SE of GR	648011	8008001	319940	<b>0.30</b>	-
234	Unnamed SE of GR	648011	8008001	319941	<b>1.35</b>	-
252	Lost Chance	653639	7993265	319942	<b>0.24</b>	-
253	Lost Chance	653613	7993245	319943	<b>22.40</b>	18
253	Lost Chance	653613	7993245	319944	<b>1.18</b>	-
254	Lost Chance	653610	7993241	319945	<b>20.60</b>	24.6
274	Lost Chance	653636	7992934	319946	<b>0.12</b>	0.12
279	Lost Chance	653690	7992832	319947	<b>0.04</b>	-
290	Unnamed SSE of LC	654853	7990834	319948	<b>0.39</b>	-
291	Unnamed SSE of LC	654871	7990815	319949	<b>0.11</b>	-
291	Unnamed SSE of LC	654871	7990815	319950	<b>0.16</b>	-
291	Unnamed SSE of LC	654871	7990815	319951	<b>1.37</b>	-





**Figure 1:** Location Croydon Gold Project sample sites. Blue dots = Monax April 2017 rock chip samples. Red dots = Monax June 2016 rock chip samples.

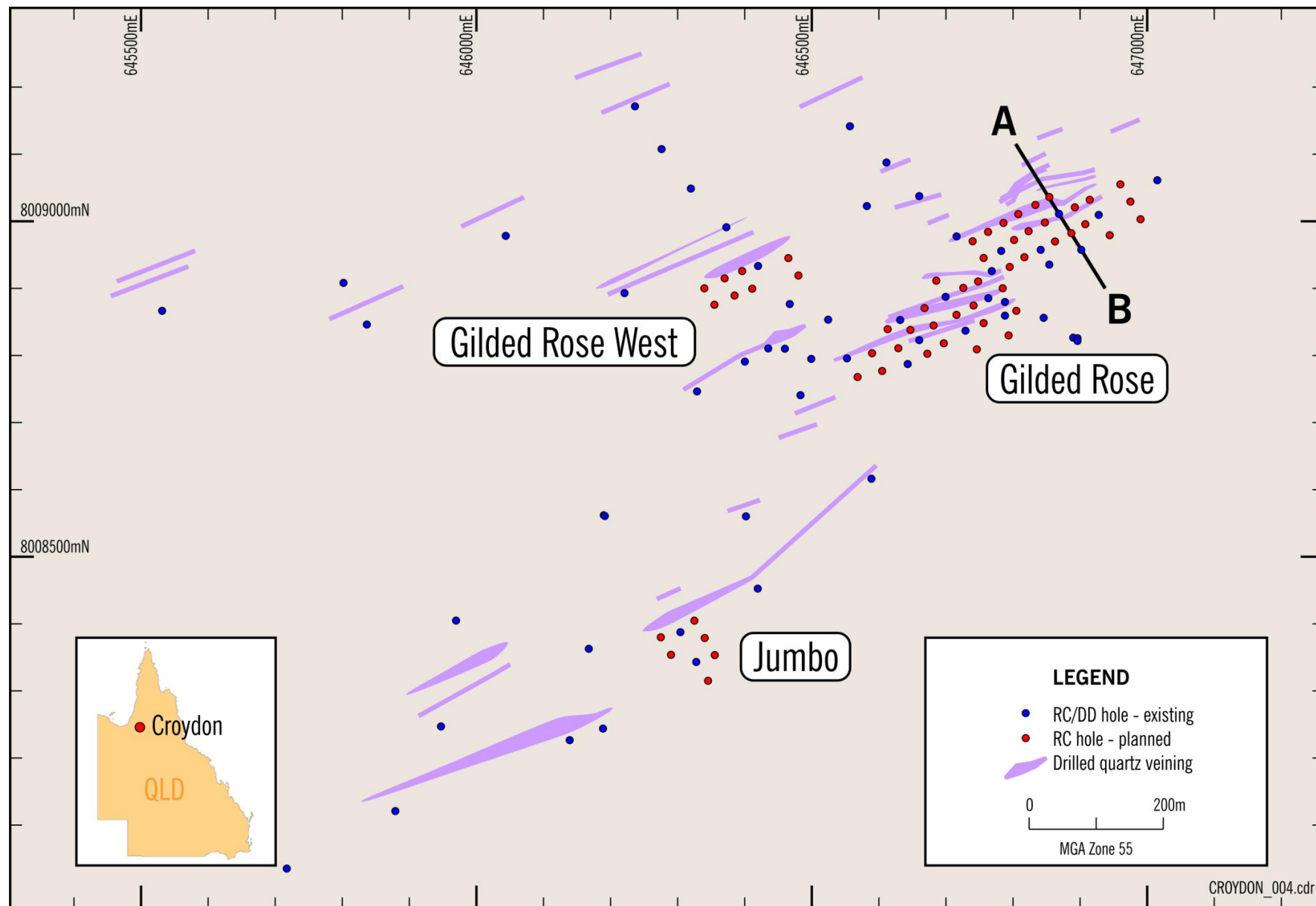


**Plate 1:** Graphite inclusions within granite - Lost Chance prospect.

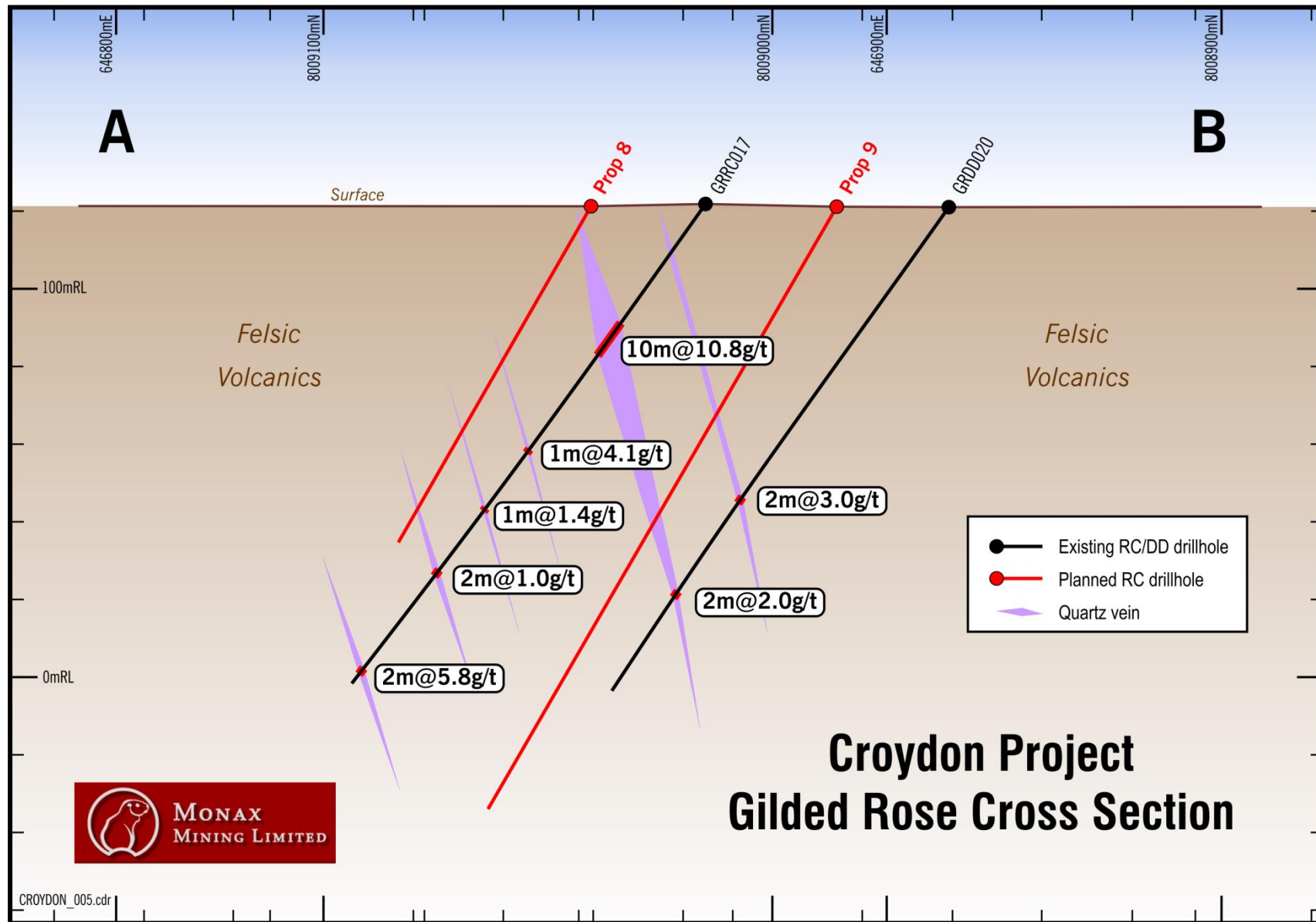




**Figure 2:** Selected rock chip samples – Croydon Project



**Figure 3:** Drill hole plan for Gilded Rose and Jumbo prospects showing historical drilling, quartz veins intersected within historical drilling and planned drill holes (Section A-B is shown in Figure 4). This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. Additionally, all lengths are downhole lengths; true width unknown.



**Figure 4:** Cross-section showing an area of high-grade gold and planned drill holes targeting up-dip and down-dip extensions. This information was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. Additionally, all lengths are downhole lengths; true width unknown.

# JORC Code, 2012 Edition – Table 1 report template

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> <li><i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li><i>In cases where ‘industry standard’ work has been done this would be relatively simple (eg ‘reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay’). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>Samples were collected from old workings within EPM 26038 and EPM 26203.</li> <li>The samples are not considered as being highly representative.</li> <li>There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.</li> </ul>
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li><i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>	<ul style="list-style-type: none"> <li>Not Applicable – no drilling results reported.</li> </ul>
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li><i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>Not Applicable – no drilling results reported.</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li><i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li><i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>Not Applicable – no drilling results reported.</li> </ul>
<i>Sub-sampling</i>	<ul style="list-style-type: none"> <li><i>If core, whether cut or sawn and whether quarter, half or all core</i></li> </ul>	<ul style="list-style-type: none"> <li>No sample preparation was completed on sample collected in the</li> </ul>



Criteria	JORC Code explanation	Commentary
<i>techniques and sample preparation</i>	<p>taken.</p> <ul style="list-style-type: none"> <li>• If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>• For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>• Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>• Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>• Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<p>field. Samples were crushed and pulverised at the laboratory for analysis</p> <ul style="list-style-type: none"> <li>• The sample size is considered appropriate for reconnaissance sampling for gold.</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li>• The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>• For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>• Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>• Rock chips were assayed in a commercial laboratory using standard methods for gold.</li> <li>• Gold was determined by fire assay with a nominal 40g charge analysed. Au is determined with AAS finish.</li> <li>• Laboratory QA/QC samples and sample duplicates were assayed by the laboratory with all results within expected error range. Samples were assayed at SGS laboratory in Townsville.</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li>• The verification of significant intersections by either independent or alternative company personnel.</li> <li>• The use of twinned holes.</li> <li>• Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> <li>• Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>• Not Applicable – no drilling results reported.</li> <li>• No assay results have been adjusted.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>• Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>• Specification of the grid system used.</li> <li>• Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>• Rock chip sample locations were collected using a hand held GPS (+/- 5m accuracy).</li> <li>• MGA94 (Zone 54)</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• Data spacing for reporting of Exploration Results.</li> <li>• Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>• Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>• The data is not appropriate for use in estimating a Mineral Resource and is not intended for such use. There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.</li> <li>• No sample compositing was undertaken.</li> </ul>
<i>Orientation of data in relation</i>	<ul style="list-style-type: none"> <li>• Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering</li> </ul>	<ul style="list-style-type: none"> <li>• The samples were collected at selected sites and it is unknown if this results is biased or unbiased.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>to geological structure</i>	<p><i>the deposit type.</i></p> <ul style="list-style-type: none"> <li><i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i></li> </ul>	
<i>Sample security</i>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>Unknown.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>No audits or reviews have been completed.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li><i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>The areas sampled are located on EPM 26038 and EPM 26203 held by Monax.</li> <li>The EPM's are free of any known impediments.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>Volcanic or granite hosted quartz veins</li> </ul>
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li><i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> <ul style="list-style-type: none"> <li><i>easting and northing of the drill hole collar</i></li> <li><i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li><i>dip and azimuth of the hole</i></li> <li><i>down hole length and interception depth</i></li> <li><i>hole length.</i></li> </ul> </li> <li><i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</i></li> </ul>	<ul style="list-style-type: none"> <li>Not Applicable – no drilling results reported.</li> </ul>
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li><i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i></li> <li><i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used</i></li> </ul>	<ul style="list-style-type: none"> <li>Not Applicable – no drilling results reported.</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p>for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p> <ul style="list-style-type: none"> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>Not Applicable – no drilling results reported.</li> </ul>
Diagrams	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>Map showing tenement location is included in Release and results are presented in Table format within the Release.</li> </ul>
Balanced reporting	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>Results for samples are included in release.</li> </ul>
Other substantive exploration data	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>Other data not considered material</li> </ul>
Further work	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Monax is planning drilling at the Gilded Rose-Jumbo area and possibly the Vanderbilt – Blue Jacket area. Monax is also planning soil sampling in the Lost Chance area.</li> </ul>