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Monax secures High Grade Western Queen Gold Project WA

Highlights:

- **Monax signs a binding Term Sheet to earn a 60% interest in the Western Queen Gold Project WA from Ramelius Resources Limited (ASX:RMS);**
- **The Western Queen Project covers five km of strike of the Warda Warra greenstone belt and includes the previously mined high grade Western Queen and Western Queen South gold deposits;**
- **Numerous high grade gold drill intersections below the existing Western Queen and Western Queen South open pits;**
- **Potential for further discoveries between the two mined pits and along strike;**
- **Monax expects to be able to estimate a gold resource for the project during December 2017 quarter**

The Directors of Monax Mining Limited (ASX: MOX) are pleased to announce that it has signed a binding Term Sheet to enter into a Farm-in and Joint Venture agreement with Ramelius Resources Limited (ASX:RMS), to earn a 60% interest in the high grade Western Queen gold project strategically located 90km north-west of Mt Magnet WA and 40k north-west of the Dalgaranga gold project, currently being developed by Gascoyne Resources. Monax will earn its project interest by expenditure of A$2m over three years by further drilling; with the intention of extending the gold resource on the project.

The Western Queen project consists of two mining leases and a miscellaneous licence covering approx. (10 km2), and 5km strike length of the Warda Warra greenstone belt. The project has been mined for gold by Ramelius Resources, Equigold and Harmony Gold. The Western Queen mine has previously produced 660,000 tonnes at 8.9 g/t Au for 188,800 ounces of gold and the Western Queen South mine has produced 220,000 tonnes @ 3.6 g/t Au for 25,500 ounces of gold.

Previous drilling below the existing Western Queen and Western Queen South open pits, has identified two high grade shoots, both of which are open at depth. Selected intersections below these pits include:

Western Queen

Hole No.	Depth From m	Depth to m	Length m	Grade g/t Au	Grade g/t Au
	From	to	From	to g/t Au	g/t Au g/t Au
WQD-1089	340.4	352.15	11.8		**16.08**
WQD-1072	305.7	311.95	6.3		**36.09**
QND-39770-1	370.99	374.3	3.3		**12.49**
QDD-2	164.3	169	4.7		**8.64**
WQD-1070	292.1	297.75	5.7		**4.77**

Table 1: Selected intersections below Western Queen open pit (All lengths reported are downhole lengths, true width unknown)

Western Queen South

Hole No.	Depth From m	Depth to m	Length m	Grade g/t Au
QND-38975-1	135	167	32	**7.83**
WQSDD002	201	209	8	**9.88**
WQSD001	201	210	9	**5.60**
QNC-8950-1	141	161	20	**3.61**
QNC-8950-1	168	176	8	**5.93**
QNC-38975-3	132	152	20	**3.87**

Table 1: Selected intersections below Western Queen South open pit (All lengths reported are downhole lengths, true width unknown)

Monax plans to undertake a program of drilling over the next twelve months to test for extensions of the known high grade shoots below the Western Queen and Western Queen South open pits, as well as test the area between the pits and north of the western Queen pit where drilling is limited and shallow.

Ramelius Resources previously estimated an Indicated and Inferred Resource of 185,000 tonnes at 3.5 g/t Au for 21,000 ounces of gold at Western Queen South (refer to Ramelius Resources Limited announcement: Resources and Reserves Statement dated 30 September 2016).

Monax expects to estimate a new resource at both Western Queen and Western Queen South, once existing drilling has been reviewed and verified. This resource estimate is expected to be completed in the December quarter 2017.

The Western Queen deposit and its environs are also known to host a number of pegmatites which will also be reviewed for their potential to host lithium minerals.

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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 a consultant to the Company 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.

Hole No.	Easting	Northing	Azimuth (°)	Dip (°)	Total Depth m
	Depth From	Depth to	Length Grade g/t Au		
WQD-1089	512438	6955442	126	60	386.2
WQD-1072	512445	6955438	123	54	324
QND-39770-1	512382	6955374	126	55	384.9
QDD-2	512578	6955437	175	50	182.4
WQD-1070	512719	6955189	306	53	344.3
QND-38975-1	512227	6954501	130	60	193
WQSDD002	512501	6954501	126	60	243.4
WQSD001	512318	6954598	126	60	273.7
QNC-8950-1	512191	6954390	095	60	196
QNC-38975-3	512242.8	6954490	130	60	160

Table 3: Drillhole details for holes above (in Tables 1 & 2)

Drill hole coordinates in GDA94 Zone 50

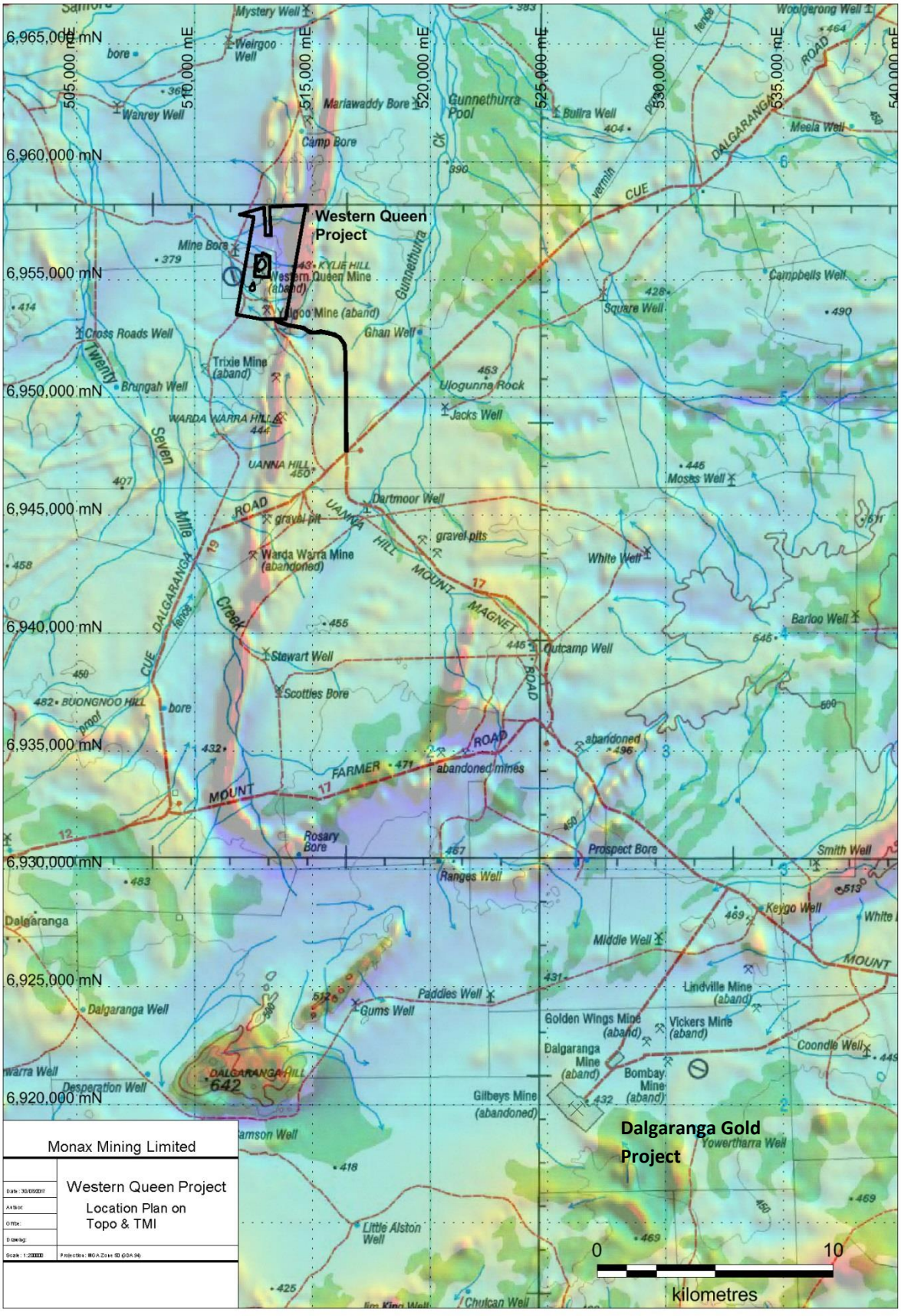

Figure 1: Western Queen Project – regional TMI data

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

Much of the Information contained within the Table below is derived from Ramelius Resources ASX Release 30 September 2016 "Resources and Reserves Statement"

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *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.*	• Samples comprised material collected via reverse circulation (RC) drilling and diamond drilling. • Reverse circulation (RC) drill samples were collected at 1m intervals in a cyclone at the side of the drilling rig and a sub-sample collected via a riffle or cone splitter. A split portion weighing 2-3 kg was collected in numbered sample bags. The remaining portion was laid out on the ground for logging. Occasional wet samples were not split but collected in a plastic bag then spear sampled. Some samples were collected as 2m or 4m composites. Diamond drilling (DD) core was sampled as 1m or geologically selected intervals. Core was sawn to provide half core samples for analysis. • All sampling by conventional gold industry drilling methods. More recent RC drilling has duplicate samples collected to test sample representivity. • Sampling technique details for historic drilling are often partial or unknown. Early RC drill sampling (pre 1990's) is likely to have used cross-over subs which could affect sample recovery and contamination to a greater degree than modern face sampling hammers. Early RC drilling may have been collected in bagged 1m

Criteria	JORC Code explanation	Commentary
		samples and manually riffle split.
Drilling techniques	• *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).*	• Recent (+2009): 860 RC and DD holes, with majority as RC using face sampling bit. Diamond drilling (DD) consists of NQ or HQ drill core. Most core not orientated. Old: Older RC holes may have used cross-over subs. Some RAB, AC or VAC holes may be included in shallow resource estimates (i.e. surficial laterites). Underground drilling includes some smaller core sizes such as BQ and grade control sludge holes.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *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.*	• Core recovery has been logged for more recent drilling and is generally excellent (~100%). Minor wet intervals occur and can affect RC sample recovery. Chip sample recovery is generally not logged. • Sample recovery is generally excellent in weathered and fresh rock. Recent drilling has utilised RC rigs of sufficient size and air capacity to maximise sample recovery and provide dry chips. • No indication of sample bias is evident or has been established.
Logging	• *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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• Recent drilling (+2009) has been logged for lithology, oxidation, veining and sulphides and all core is photographed and un-sampled core retained. Chip trays were retained for RC pre-collars and holes. Older drilling generally has a minimum of lithology is logged for +90% of holes, with varying degrees of other information. • Drillhole logging of RC chips and DD core is qualitative on visual recordings of rock forming minerals and estimates of mineral abundance. Photography exists for recent (+2002) DD core. • The entire length of drillholes are geologically logged.
Sub-sampling techniques and	• *If core, whether cut or sawn and whether quarter, half or all core taken.*	• Core holes are sawn and sampled as half core. Some1/4 core sampling has occurred as checks. Older drilling details are

Criteria	JORC Code explanation	Commentary
sample preparation	• *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *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.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	incomplete but where available are similar. • Recent RC holes sub-sampled by rig mounted cone or riffle splitter. Majority of old drilling details unknown. Occasional wet samples spear sampled from plastic bags. • Sub-sample methods appear appropriate for deposit and sample type using accepted industry practices. • All recent samples sub-sampled using accepted splitting techniques and have been delivered to laboratory for total preparation by crushing and pulverisation, before being sub-sampled for analysis. • Sample sizes are generally appropriate for grain size and material types being sampled.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *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.* • *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.*	• Recent assaying (+2002) has all been by commercial laboratories including ALS, SGS, KalAssay and Genalysis, typically by 40-50g Fire Assay to give total contained gold. Earlier assaying includes a number of techniques and laboratories and details are often incomplete or unknown. • No field analyses of gold grades are completed. Quantitative analysis of gold content and trace elements is undertaken in a controlled laboratory environment. • Recent assaying (+2002) has had QAQC measures including certified reference standards, field duplicates, blank samples and umpire laboratory check samples carried out by the various companies and have shown acceptable levels of accuracy and precision. For older data reports and tables exist, referencing similar QAQC methods, however detailed information is incomplete or lacking for the majority of old data.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*	• Recent drilling undertaken by Ramelius Resources was verified by a Competent Person. • In most project holes were not twinned deliberately, but there are frequent holes that are effectively twinned by varied drill angles and hole density.

Criteria	JORC Code explanation	Commentary
	• *Discuss any adjustment to assay data.*	• Recent (+2002) data was captured using logging software (i.e. Field Marshall) and transferred to a central database. Assay results are loaded electronically. All drillhole data is visually validated prior to resource modelling. For old data detailed information for verification of sampling and assaying is generally not available. • No assay adjustments to reported assays.
Location of data points	• *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.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Recent (+2002) collars have been surveyed by DGPS instruments or by minesite surveyors to sub-metre accuracy. Ramelius drillholes were downhole surveyed using electronic camera or gyroscopic survey tools. Older drillholes – collar survey method is not recorded for all old holes. Downhole surveys not available for all older drilling. If present, downhole survey method frequently unknown. • Local grids have been used for resource modelling. Holes may have been picked up in local grid or MGA94 and then translated. Original survey coordinates are retained. • Quality topographic surfaces have been generated more recently from aerial photogrammetry or detailed surveys. Some older drillhole RL data has been adjusted to match accurate topography.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Resource holes on 25m sections with variable10-50m on section spacing. • Data spacing is appropriate to defining deposits and estimation process. • RC: Vast majority of samples are 1m with minor 2 or 4m composites, generally outside mineralised areas. DD: 1m samples or geologically defined 0.3 – 1.5m samples. All data composited to 1m lengths for resource calculations.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• Drillholes are orientated orthogonal to the geological and mineralised trend. Intercept angles are moderate to high angle. Typically as -60° east dipping holes drilling a steeply -80° west dipping lode zone. • No bias considered present.

Criteria	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	• Recent: All samples have been collected by Ramelius geological staff. Samples are transported to the laboratory by commercial transport companies. The laboratory receipts received samples against the sample dispatch documents and issues a reconciliation report for every sample batch. Old: unknown.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No external audits or reviews of sampling techniques and data collection have been undertaken.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *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.* • *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.*	• WQ falls within M59/45 and WQS falls within M59/208 owned 100% by Mt Magnet Gold Pty Ltd • Recently operating mine site. No known impediments.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• A variety of exploration companies have undertaken work within the Western Queen area including WMC, Equigold, Harmony Gold and Ramelius. Work includes geological interpretation, soil sampling, exploration and resource drilling, geophysical surveys, data collation and modelling.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Archaean gold mineralisation. The WQ, WQ central and WQ south zones are hosted by steeply dipping mafic - ultramafic greenstone stratigraphy. Mineralisation occurs as within a steeply dipping, NNW trending foliated mafic lode/shear zone displaying silica veining and alteration, and disseminated pyrite. The lode sits adjacent to an ultramafic contact.
Drill hole	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information*	• No detailed tabulation of drilling is given. Drilling including historic and recent drilling too numerous to list.

Criteria	JORC Code explanation	Commentary
Information	*for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.* • *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.*	• No new exploration results are reported. Drillhole results included in this Release have been previously reported. .
Data aggregation methods	• *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.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• No new exploration results are reported. • No metal equivalents have been reported.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	• Reported intersections are downhole lengths – true widths are unknown at this stage. • The main target veins are mostly vertical or steeply dipping and all drill holes are drilled at an angle of 60^{o}.
Diagrams	• *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.*	• Map showing project location is included in Release and selected results are presented in Table format within the Release.
Balanced reporting	• *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.*	• No new exploration results are reported.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	• *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.*	• The Western Queen area has had extensive exploration including soil sampling, surface sampling, geophysical surveys, exploration and resource drilling.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Monax is planning drilling.