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Western Queen Gold Project Drilling Results

Monax Mining Limited (**Monax** or **the Company**) (ASX:MOX) is pleased to announce the results of its maiden diamond drilling program at its Western Queen gold project in WA.

Best results from the program include:

- **3.3m at 7.98 g/t Au from 271m downhole in MXDD003**
- **4m @ 2.7 g/t Au from 291m downhole in MXDD004**
- **3m @ 2.59 g/t Au from 216m downhole in MXDD001**
- **2m @ 2.87 g/t Au from 258m downhole in MXDD002**

The Company has received the results of the five diamond drill holes MXDD001-005 drilled at the Western Queen South mine, testing the main zone below the existing pit. The holes were designed to provide sufficient drill coverage of the deposit to estimate a resource for the project.

The southernmost hole MXDD003 intersected 3.3m at 7.98g/t confirming the continuity of high grade mineralisation for at least 60m past the previous drilling. The high grade zone remains open and is untested beyond that intersection.

The confirmation of the continuity of the mineralisation and the fact that the high grade zone is open and untested 60 metres beyond the previous drilling, has given your company the confidence to complete a Resource Estimate for the project, which is expected to be completed by the end of January 2018.

Further drilling is planned for the Western Queen deposit, commencing in the June quarter 2018.

For further information, please contact:

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Full results of the drilling are listed in Table 1 below:

Table 1: Results of Western Queen South Drilling Program

Hole ID	E	N	RL	Depth	Dip	Azi	From	To	Length	Au g/t	
MXDD001	512,269	6,954,559	389	283.6	-54.9	116	200	203	3.0	1.03	
							210	219	9.0	1.59	
							<i>incl</i>	216	219	3.0	2.59
							229	241.6	12.6	1.09	
							<i>incl</i>	239.6	241.6	2.0	2.87
MXDD002	512,244	6,954,571	389	336.4	-51.6	112	258	259	1.0	3.09	
							265	272	7.0	0.60	
							276	282.6	6.6	1.37	
MXDD003	512,237	6,954,512	389	333.6	-54.4	127	241	242	1.0	1.75	
							246.1	247	0.9	5.97	
							250	255	5.0	1.02	
							259	261	2.0	2.13	
							<i>incl</i>	270	276	6.0	4.72
MXDD004	512,223	6,954,527	389	369.4	-56.5	127	291	295	4.0	2.70	
							313	320	7.0	0.79	
MXDD005	512,293	6,954,581	389	270.4	-59.5	98	254	260.8	6.8	0.64	

Results reported using a 0.5g/t Au cut-off. Down-hole thicknesses represent 80-100% of true thickness.

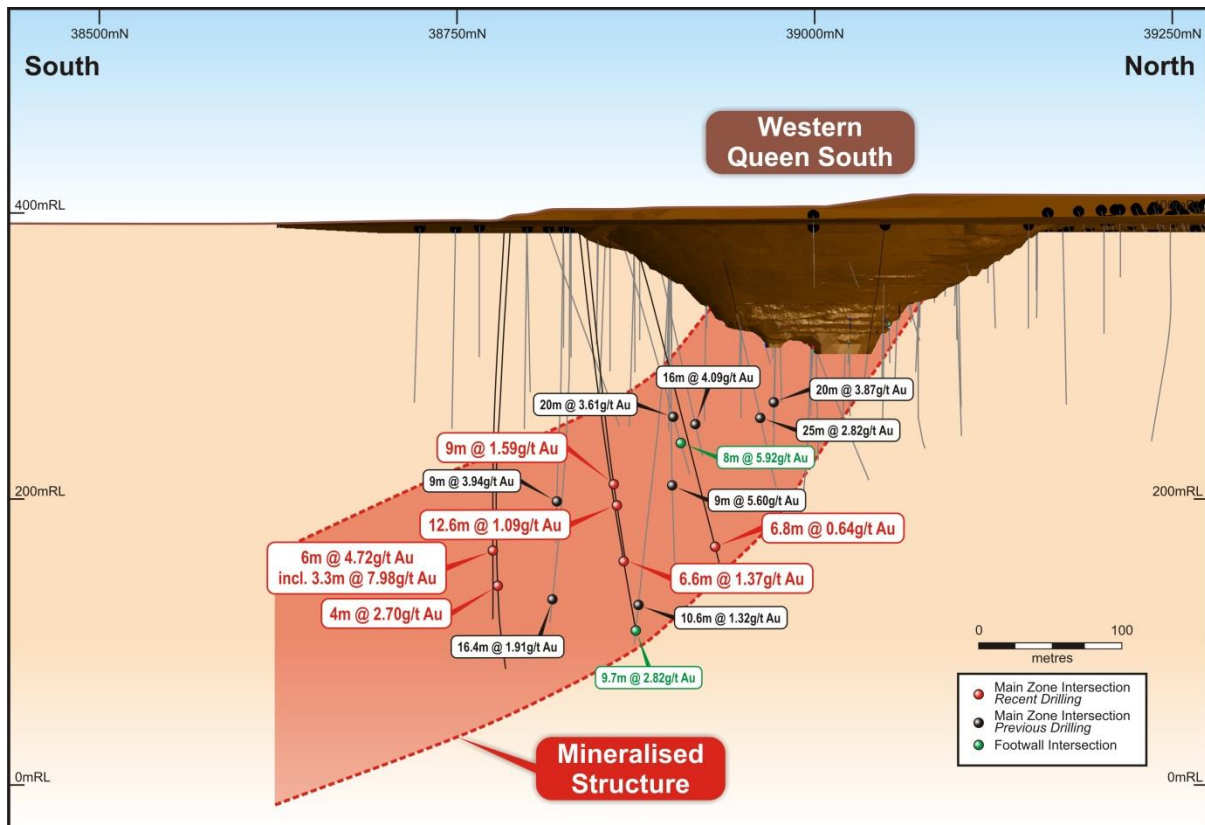


Figure: Long Section of Western Queen South Project showing recent drilling results

The Western Queen gold project is located 90km North West of Mt Magnet in WA. Monax is earning a 60% interest in the Western Queen project from Ramelius Resources Limited by expenditure of \$2 million over three years.

'The information in the Quarterly Report that relates to Exploration Results, Mineral Resources, Ore Reserves or targets is based on information compiled by Mr Paul Payne, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Payne 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 Payne consents to the inclusion of the information in this report in the form and context in which it appears.'

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
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Samples comprised material collected from diamond core drilling. 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 cutting core in half and sampling the entire half core
Drilling techniques	<ul style="list-style-type: none"> 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 orientated and if so, by what method, etc). 	<ul style="list-style-type: none"> Diamond drilling (DD) consists of NQ pre-collars with HQ2 tails. Core has been orientated.
Drill sample recovery	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Core recovery has been logged and is generally excellent (~100%). No indication of sample bias is evident or has been established.
Logging	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All core is logged in detail then photographed. Un-sampled core has been retained.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. 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. 	<ul style="list-style-type: none"> Core is sawn and sampled as half core. Sub-sample methods are appropriate for deposit using accepted industry practices. Half core samples were delivered to the laboratory for total preparation by crushing and pulverisation, before being sub-sampled for analysis. Sample sizes are appropriate for grain size and material types being sampled.
Quality of assay data and	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the 	<ul style="list-style-type: none"> Assaying was by a commercial laboratory Bureau Veritas by 40g Fire Assay to give

Criteria	JORC Code explanation	Commentary
laboratory tests	<p>technique is considered partial or total.</p> <ul style="list-style-type: none"> 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. 	<p>total contained gold. No field analyses of gold grades are completed.</p> <ul style="list-style-type: none"> QAQC measures included certified reference standards which confirmed the accuracy of the analyses.
Verification of sampling and assaying	<ul style="list-style-type: none"> 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. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> Recent has been verified by a Competent Person. No holes were twinned
Location of data points	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Drill hole collars were located in MGA94 grid using hand-held GPS Down hole surveys were completed at 30m intervals using a Reflex tool. Quality topographic surfaces have been generated from detailed surveys.
Data spacing and distribution	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Monax drilling has provided infill around previous holes at spacings of approximately 40m by 40m. The southernmost holes were drilled as a 60m extension to previous drilling. Data spacing is appropriate to allow resource estimation to be carried out. No compositing of data has been used
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Drill holes are orientated orthogonal to the geological and mineralised trend. Intercept angles are moderate to high angle. Typically as -55° east dipping holes drilling a steeply -80° west dipping lode zone. No bias considered present.
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> All samples have been collected by Monax contractors. 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. .
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> WQS falls within M59/208 owned 100% by Mt Magnet Gold Pty Ltd Recently operating mine site. There are no known impediments to permitting in the area.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> 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 Information	<ul style="list-style-type: none"> 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: <ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> See Table 1 of this release for drilling information.
Data aggregation methods	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Assay results are reported using a length-weighted average. Drilling results have been reported at a 0.5g/t Au cut-off grade. No high grade cuts have been applied. No metal equivalents have been reported.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> 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'). 	<ul style="list-style-type: none"> Reported intersections are downhole lengths which are likely to represent 80-100% of true thickness. The main target veins are mostly vertical or steeply dipping and all drill holes are drilled at an angle of -55°.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any 	<ul style="list-style-type: none"> A long Section is included in Release and results are presented in Table format

Criteria	JORC Code explanation	Commentary
	<i>significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	within the Release.
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All exploration results from the completed program are reported.
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> The Western Queen area has had extensive exploration including soil sampling, surface sampling, geophysical surveys, exploration and resource drilling.
Further work	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Monax is planning further drilling at the project.