



MONAX
MINING LIMITED
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31 July 2018

Monax Mining Limited

Quarterly Report

For the quarter ended 30 June 2018

HIGHLIGHTS

- **Acquisition of Option over New Pilbara Lithium Project at Moolyella, WA**
- **Previous work has demonstrated the Moolyella tenement is prospective for lithium, tin and tantalum minerals**
- **Placement to Sophisticated Investors during the quarter raises \$184,968**
- **Western Queen Gold Project diamond drill program results received in early May, with subsequent withdrawal from the Earn-In and Joint Venture agreement**

Corporate

In mid-June Monax Mining Limited (**Monax** or the **Company**) (ASX:MOX) announced a placement to sophisticated investors to raise gross funds totalling \$184,968, with proceeds to be used to fund the Company's initial exploration programs at its newly acquired Moolyella lithium project, including rock and soil sampling and follow-up drilling if warranted. In addition, Monax intends to use a portion of the funds to review and acquire new projects in the battery metals space.

In the three months to 30 June 2018, Monax expended \$149,000 on mineral exploration and \$104,000 on corporate costs.

As at 30 June 2018, Monax has a cash balance of \$0.37 million.

Exploration

Moolyella Battery Minerals Project

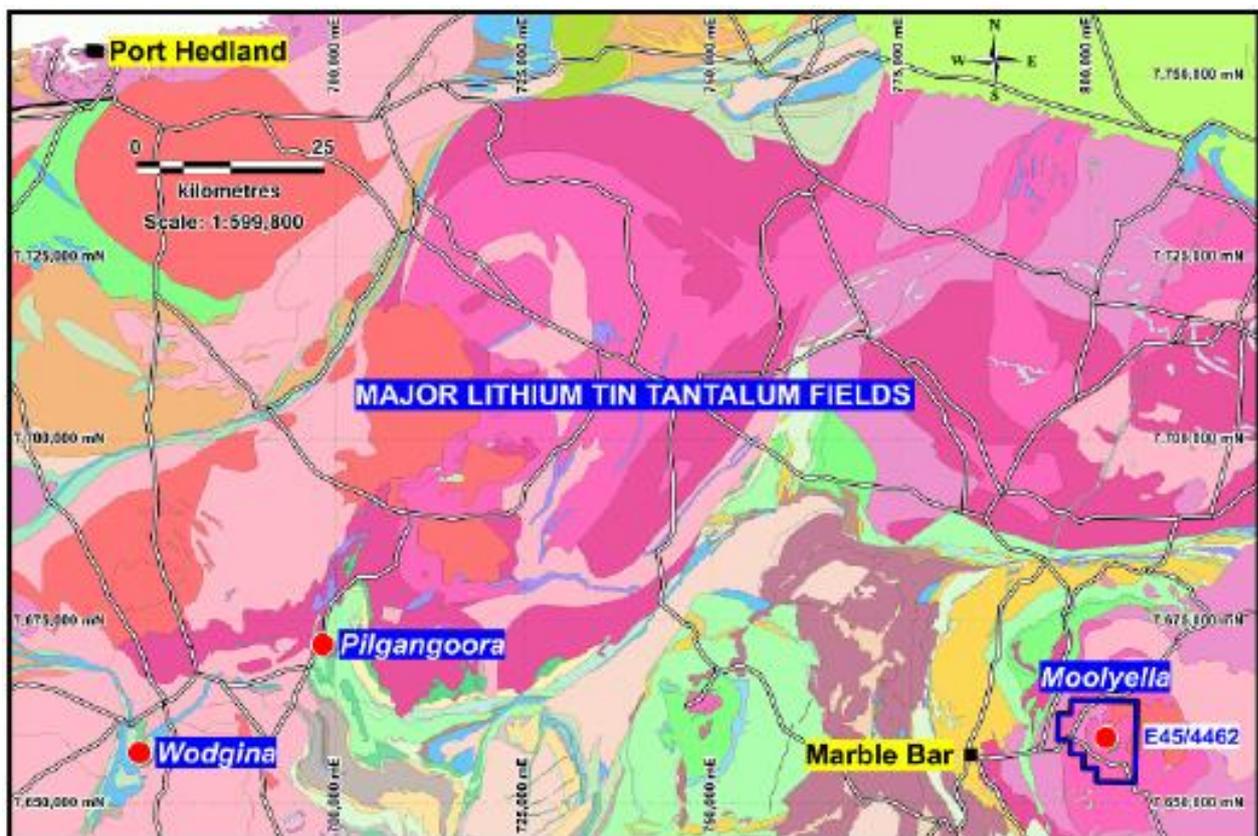
During the quarter the Company signed an option agreement to acquire a 90% interest in E45/4462 located at Moolyella in the Pilbara WA (Figure 1).

Under the agreement terms Monax will pay \$18,000 for an option to purchase 90% of E45/4462 until 31 December 2018, which can be extended to 31 December 2019 by a further payment of \$30,000. The 90% interest in E45/4462 may be purchased by Monax at any time during the option period, or the extended option period, by payment of \$50,000 and the issue of 15m shares in Monax to the tenement holder.

The Moolyella Project is located approximately 20km east of Marble Bar and consists of one Exploration Licence covering 90km², giving a substantial holding in the emerging hard rock lithium region. The licence was subject to extensive tin and tantalum production from the late 1890's until 1986.

The area has had limited exploration for lithium with the only work completed being rock chip sampling of outcropping pegmatites and some soil samples. This work returned anomalous lithium, tin and tantalum (see Monax release dated 23 May 2018).

Monax has completed a field visit to its Moolyella project in the Pilbara and has taken several samples of outcropping pegmatites. Results for these samples are expected to be available in the September quarter.





Western Queen Project

Early in the quarter the Company received results for its diamond drilling program at the Western Queen project in WA, and although the hole intersected the expected zone of mineralisation below the Western Queen pit, no significant assays were received.

The drilling results downgraded the opportunity to extend the high-grade gold resource below and to the north of the Western Queen pit and sampling of pegmatites in the north of the project did not produce results with sufficient lithium chemistry to justify further work.

Subsequently, the Company withdrew from the Western Queen Earn-In and Joint Venture agreement with Ramelius Resources Limited.

For further information please contact:

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Tenement Holdings as of 30 June 2018

Below is a table of Monax Mining Limited's and Monax Alliance Pty Ltd's current tenement holdings as of 30 June 2018.

Monax Mining Limited

Tenement	No.	Status	Monax Interest	Details	Tenure holder
Moolyella	E45/4462	Granted	0%	Option to Purchase 90%	Duketon Consolidated P/L
Melton	EL 5122	Granted	25% of all minerals	JV with Marmota Energy	Marmosa P/L*
North Melton	EL 5209	Granted	25% of all minerals	JV with Marmota Energy	Marmota Energy
Croydon#2	EPM 26203	Granted	100%	Disposal Pending	Monax Mining
Bald Hill	E59/2304	Application	100%		Monax Mining Ltd

*Marmosa Pty Ltd (a wholly-owned subsidiary of Marmota).

Monax Alliance Pty Ltd

Tenement	No.	Status	Monax Interest	Details	Tenure holder
Kulitjara	ELA 2013/168	Application	100%		Monax Alliance P/L
Anmuryinna	ELA 2013/169	Application	100%		Monax Alliance P/L
Poole Hill	ELA 2013/170	Application	100%		Monax Alliance P/L

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Monax Mining Limited

ABN

96 110 336 733

Quarter ended ("current quarter")

30 June 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(149)	(601)
(b) development		
(c) production		
(d) staff costs		
(e) administration and corporate costs	(104)	(564)
1.3 Dividends received (see note 3)		
1.4 Interest received	1	7
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Research and development refunds		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(252)	(1,158)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(3)	(6)
(b) tenements (see item 10)	(20)	(20)
(c) investments		
(d) other non-current assets		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	31
(b) tenements (see item 10) *	-	44
(c) investments		
(d) 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	(23)	49

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	185	1,065
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options	-	(81)
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)		
3.10 Net cash from / (used in) financing activities	185	984

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	466	501
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(252)	(1,158)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(23)	49
4.4 Net cash from / (used in) financing activities (item 3.10 above)	185	984
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	376	376

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	257	347
5.2 Call deposits	119	119
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)	376	466

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	44
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Managing Director fees and Superannuation

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	-
9.2 Development	
9.3 Production	
9.4 Staff costs	
9.5 Administration and corporate costs	119
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	119

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	L59/40 Western Queen	relinquished	0%	0%
	M59/208 Western Queen	relinquished	0%	0%
	M59/45 Western Queen	relinquished	0%	0%
	EPM 26038 Croydon	relinquished	100%	0%
10.2 Interests in mining tenements and petroleum tenements acquired or increased	E45/4462 Moolyella	Option to purchase 90%	0%	0%

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.



Sign here: Date: ..31/ 07 / 2018.....
(Company secretary)

Print name: Kaitlin Smith.....

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.