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ASX RELEASE

Prominent chargeable anomaly identified at Monax's Parndana Project

HIGHLIGHTS

- **Induced Polarisation (IP) survey completed at Monax's Parndana Project in South Australia.**
- **Prominent chargeable body coincident with gravity anomaly identified.**
- **Micro-gravity survey now underway to provide high-quality data to assist with identifying specific drill sites.**

Monax Mining Limited ("Monax") (ASX: MOX) today announced a prominent chargeable anomaly had been identified during a highly successful IP survey at its 100% owned Parndana Project on Kangaroo Island in South Australia.

The IP survey was designed to further investigate a density anomaly identified during a recent detailed gravity survey over the Project area, ~1km to the southeast of Monax's Bonaventura prospect. Processing and inversion modelling of the gravity data identified a discrete, 1km long, dense body (3.1 g/cc) at approximately 300m depth.

Combined (100m and 200m) receiver dipole chargeability of the three lines of processed IP data is shown in Figure 1. This IP data has been integrated into a 3D model which combines the inversion models of the gravity and magnetic data sets, along with geological information, such as the structure and existing known mineralisation at Bonaventura (Figure 2).

The 3D model indicates that the chargeable source within the non-magnetic dilation zone of the Cygnet-Snelling Shear Zone (CS-SZ) is coincident with the location of the dense body from the gravity data. This model also demonstrates that the chargeable source increases with intensity to the southeast.

"We are extremely encouraged with the results from the IP survey," Monax Mining Managing Director, Mr Gary Ferris, said.

"We knew from the gravity data that we had a body of dense material within this favourable structural setting, which could be a number of geological scenarios".

"However, with this positive result, we also now know that whatever is there is chargeable, reducing our exploration risk by another level".

"Monax has commenced a follow up, detailed micro-gravity survey coincident with the IP lines to provide further confidence in the shallow zone of the model."

"The 250m x 250m spacing of the current gravity data restricts the ability to model the top 250m with confidence".

"Results from the IP survey indicate that the chargeable feature migrates to shallower levels than can be accurately modelled in the available gravity, which the survey will address".

Project Background

Monax's Bonaventura prospect is located at the flexure within the CS-SZ, a prominent east-west trending crustal scale structure. The CS-SZ is the interpreted southern margin of the Gawler Craton, and is marked by a clear zone of low magnetic intensity.

Mineralisation at Bonaventura comprises NNE trending zones of coarse sphalerite (zinc sulphide) and galena (lead sulphide) bearing quartz vein stockworks and disseminations within a silicified sandstone host rock (Figure 3). Exploration to date has focused around historical workings and near surface mineralisation.

Drilling by the former SA Department of Mines and Energy in 1990 reported several encouraging intersections of mineralisation in the Bonaventura area including:

- 16m (10-26) @ 2.69% Zn, 0.45% Pb & 1.7 g/t Ag including **5m** (16-21) @ **5.8% Zn** (Hole GRA 7).

(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. Note: all lengths are downhole lengths; true width unknown).

Exploration by ASX-listed Havilah Resources at Bonaventura in 2003 involved a shallow drilling program which produced further encouraging results including:

- 7m (14-21) @ 1.32% Zn, 3.16% Pb & 3.81 g/t Ag including 2m (16-18) @ 3.59% Zn, 9.46% Pb & 10 g/t Ag (Hole PRC01),
- 18m (30-48) @ 1.69% Zn & 1.81 g/t Ag including 6m (42-48) @ 3.48% Zn, 0.51% Pb & 1.4 g/t Ag (Hole PRC04), and
- **5m** (26-31) @ **26.9% Zn, 10% Pb** & 1.54 g/t Ag (Hole PRC31).

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Monax undertook drilling programs at Bonaventura in 2006 and 2008 aimed at understanding the structural setting to better target high-grade zones (see ASX Release 27 March 2014 for drill hole details). Significant intersections from the 2006 drilling program include:

- 6m (52-58) @ 1.96% Zn & 0.26% Pb including 2m (54-56) @ 3.65% Zn (Hole BVRC02),
- 4m (16-20) @ 2.06% Zn & 2.15% Pb (Hole BVRC03),
- 16m (34-50) @ 3.43% Zn & 0.66% Pb including **6m** (40-46) @ **6.3% Zn** (Hole BVRC03),
- 23m (62-85) @ 1.16% Zn (Hole BVRC08 – ended in mineralisation),
- 1m (56-57) @ 3.3% Zn & 4.58% Pb (Hole BVRC10),
- **4m** (91-95) @ **3.94% Zn** including **1m** (93-94) @ **7.1% Zn** (Hole BVRC10),

- 23m (98-121) @ 1.22% Zn (Hole BVRC10 – ended in mineralisation); and
- 1m (76-77) @ 2.31% Zn & 1.09% Pb (Hole BVRC11).

(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 – see Monax ASX Release 24 July 2006 for details. Note: all lengths are downhole lengths; true width unknown).

Significant intersections from Monax's 2008 drilling program include:

- 29.9m (16.1-46) @ 1.79% Zn including **10m** (27-37) @ **3.22% Zn, 1.62% Pb** & 1.53 g/t Ag; and 3.9m (16.1-20) @ 2.13% Pb & 2.04 g/t Ag (Hole BVDD004)
- 10m (81-91) @ 2.13% Zn, 0.45% Pb & 0.83 g/t Ag including **6m** (85-91) @ **2.97% Zn**, 0.65% Pb & 1.08 g/t Ag (Hole BVDD007),
- 12m (94-106) @ 2.59% Zn including **5m** (97-102) @ **4.0% Zn** (Hole BVDD007), and
- 11m (58-69) @ 1.64% Zn & 1.2% Pb including **2m** (61-63) @ **6.96% Zn, 5.06% Pb & 2.5 g/t Ag** (Hole BVDD008).

(Note: all lengths are downhole lengths; true width unknown. Full results are presented in ASX Release 27 March 2014)).

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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 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.

This announcement contains information previously announced within the following Monax Mining Limited ASX announcement:

- 24 July 2006 – Zone of zinc and lead mineralisation extended at Bonaventura.
- 27 March 2014 – Gravity survey identifies significant anomaly on Monax's Parndana Project.
- 30 April 2014 – Quarterly Report for the period ending 31 March 2014.
- 20 June 2014 – Monax to raise equity for drilling of Parndana IP anomaly.

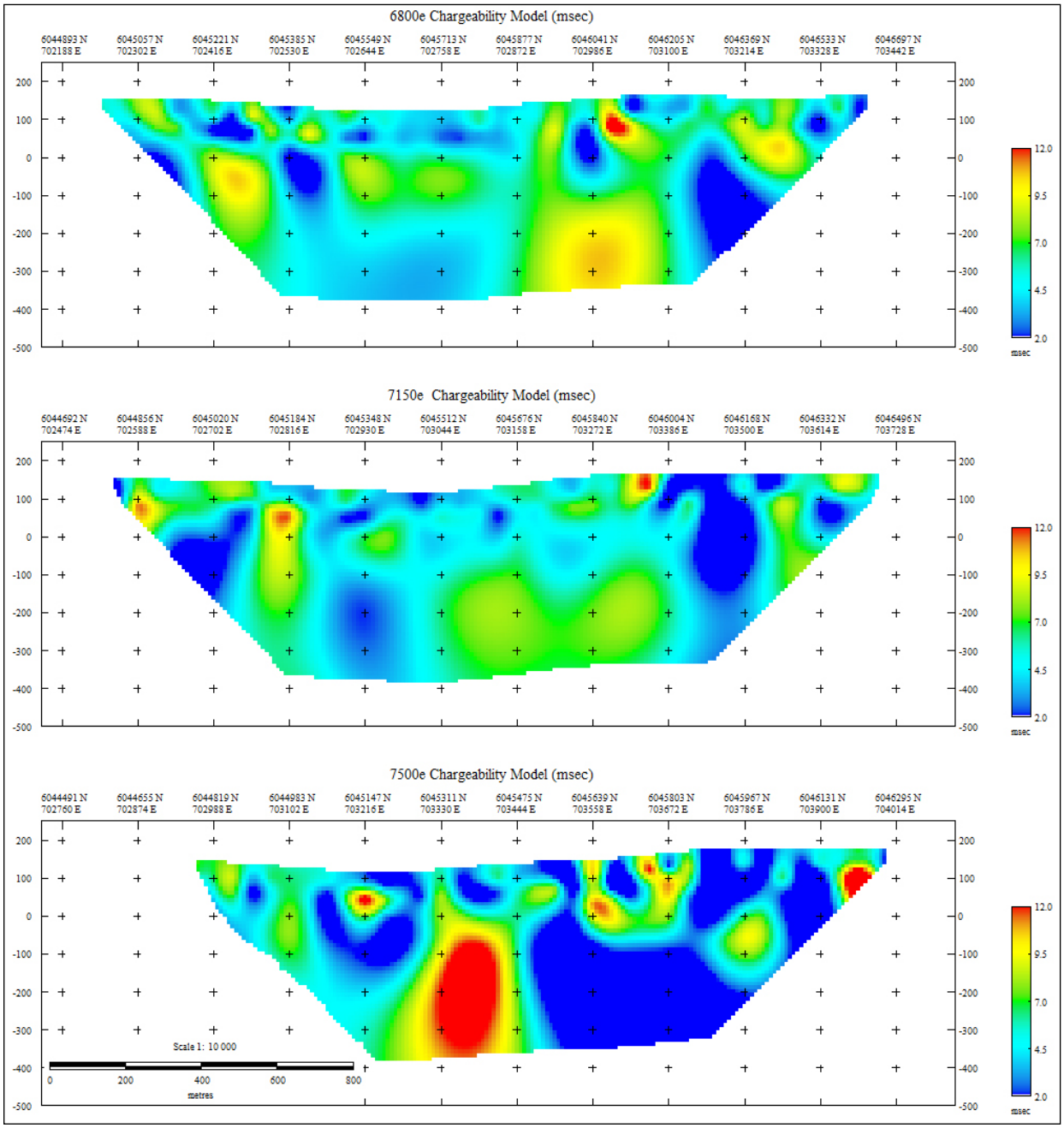

Figure 1. Stack model display of combined receiver dipole (100m and 200m) chargeability data. Note increase in the chargeable body on the most eastern line (7500).

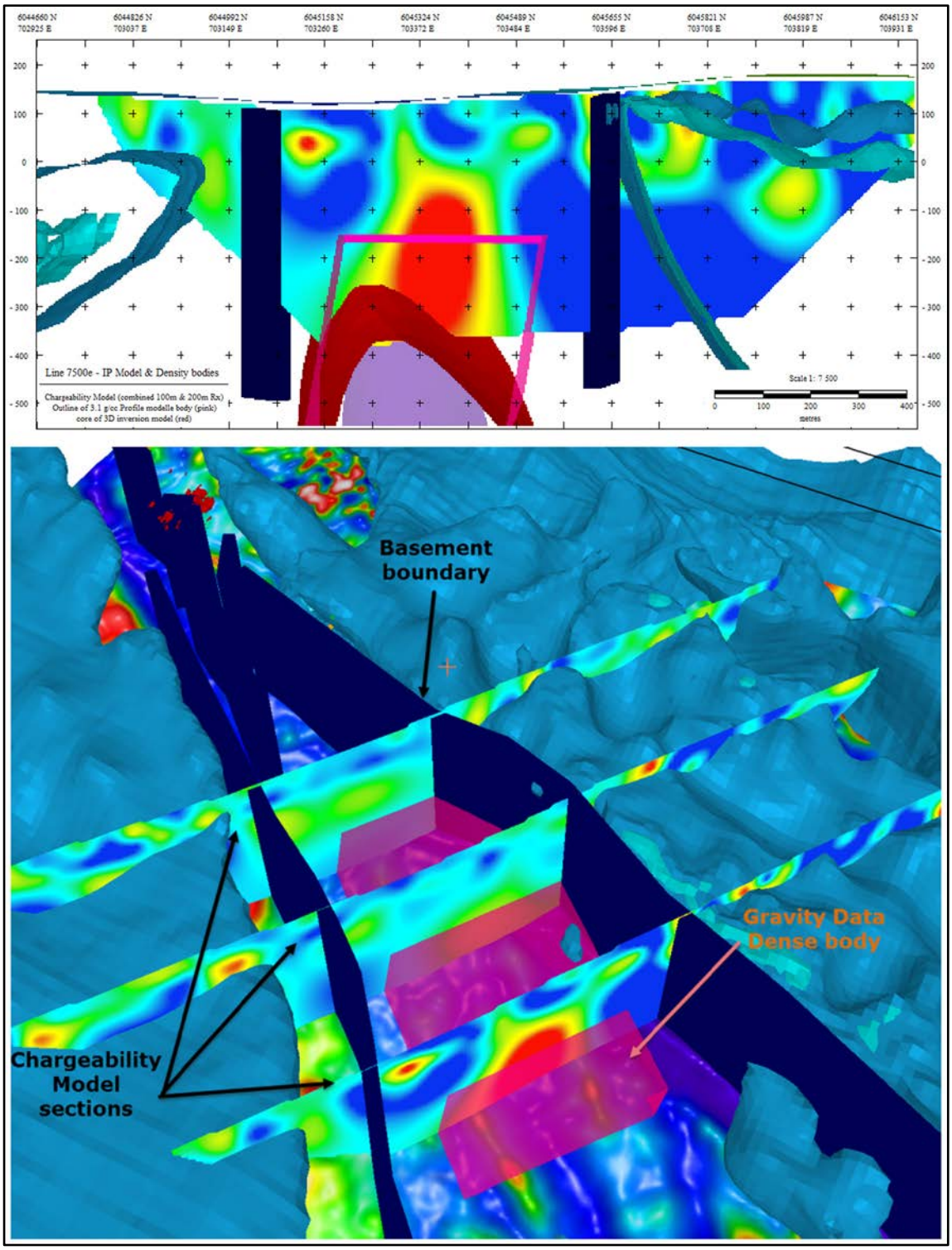

Figure 2. Top: 7500e section displaying the dense body modelled in the profile modelling of the gravity data (pink) and 3D inversion model density shell (red). Also shown are the magnetic model bodies (cyan) and the major basement boundaries (dark blue).
Bottom: A snap shot of the 3D model displaying various elements; the chargeability model sections along with the gravity data modelled dense body (pink) and the magnetic bodies.

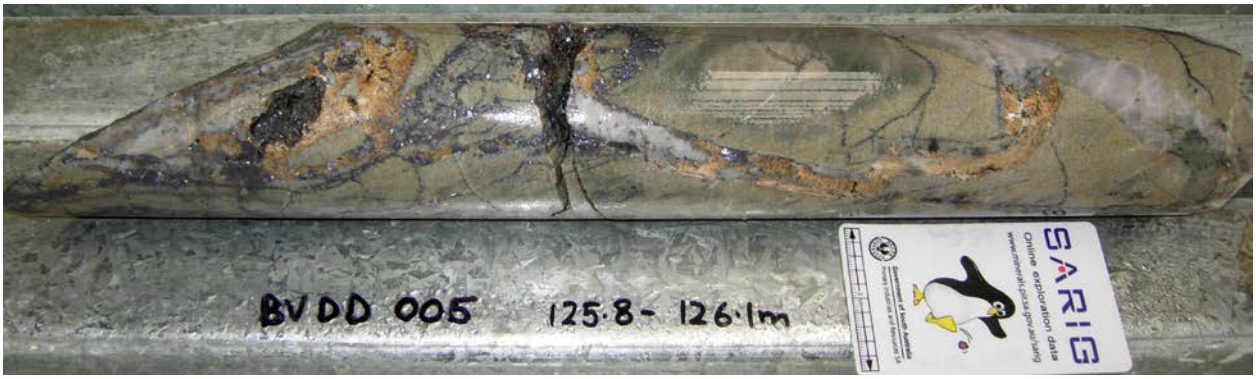

Figure 3. Example of mineralisation from drill core at the Bonaventura prospect. Drill hole BVDD005 125.8 – 126.1m. Sphalerite (orange coloured mineral), Galena (grey) and quartz veining in a silicified sandstone host rock. This section is from a 2m interval which assayed 4.19% Zn, 2.94% Pb and 3.9g/t Ag. (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. Downhole length reported – 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
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.*	• Not Applicable for induced polarisation (IP) survey.
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).*	• Not Applicable for induced polarisation (IP) survey.
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.*	• Not Applicable for induced polarisation (IP) survey. .
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.*	• Not Applicable for induced polarisation (IP) survey.

Criteria	JORC Code explanation	Commentary
	• *The total length and percentage of the relevant intersections logged.*	
Sub-sampling techniques and sample preparation	• *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.*	• Not Applicable for induced polarisation (IP) survey.
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.*	• Not Applicable for induced polarisation (IP) survey.
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.* • *Discuss any adjustment to assay data.*	• Not Applicable for induced polarisation (IP) survey.
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.*	• Not Applicable for induced polarisation (IP) survey. • IP data was collected using GDA94 (Zone 53). • Location data was collected using a differential GPS.
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.*	• Newly acquired IP data was collected using a Configuration: Transmitter (Tx) Dipole (200m) and a Receiver (Rx) Dipole (100m) with a Transmitter Station Interval of 200m. • Not applicable – data not used for resource estimation.

Criteria	JORC Code explanation	Commentary
	• *Whether sample compositing has been applied.*	• Not Applicable for induced polarisation (IP) survey.
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.*	• Not Applicable for induced polarisation (IP) survey.
Sample security	• *The measures taken to ensure sample security.*	• Not Applicable for induced polarisation (IP) survey.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• Not Applicable for induced polarisation (IP) survey.

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.*	• The IP survey was undertaken on Exploration Licence 4581 which is owned 100% by Monax Mining Limited. The tenement is located on Freehold Land. • The tenement is free of any known impediments.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Initial drilling in the area was undertaken by the South Australian Department of Mines and Energy in 1991. Havilah Resources undertook regional soil and stream geochemical surveys, followed by a drilling program in 2003. Several companies prior to 1990 undertook soil sampling programs in the region.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Sediment hosted silver-lead-zinc style mineralisation.
Drill hole Information	• *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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth*	• Not Applicable for induced polarisation (IP) survey. .

Criteria	JORC Code explanation	Commentary
	o *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.*	
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.*	• Not Applicable for induced polarisation (IP) survey.
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').*	• Not Applicable for induced polarisation (IP) survey. .
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 location of IP survey area included in this report.
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.*	• Not Applicable for induced polarisation (IP) survey.
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.*	• Data from previous exploration has been previously released..
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 will model newly acquired IP data to assist in outlining possible drilling targets.