



**MONAX
MINING LIMITED**

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For immediate release

Friday 30 January 2015

Monax Mining Limited

Quarterly Report

For the quarter ended 31 December 2014

HIGHLIGHTS

- ***Punt Hill (Copper-Gold)***
 - ❖ 96m @ 0.47% Cu, 0.12g/t Au and 5.3g/t Ag (including 26m @ 1.0% Cu, 0.23g/t Au & 8.5g/t Ag) – downhole depth reported
 - ❖ Up to 7.3% copper and 1.6g/t gold reported (same interval; 1m downhole intercept) from hole PHDD1402
- ***Kimberlite Project (Diamonds)***
 - ❖ Potential kimberlite identified on EL 5347 (Margaret Dam) in northern South Australia
 - ❖ Monax secures additional ground to cover further interpreted kimberlite targets
- ***Parndana Project (Zinc-Lead)***
 - ❖ Coincident zinc and lead soil anomaly outlined
- ***Western Gawler Craton Project (Nickel-Copper)***
 - ❖ Farm-In Agreement signed with Western Areas Ltd
 - ❖ High-resolution aeromagnetic survey completed in early January 2015
- ***Monax / Antofagasta Strategic Alliance (Copper)***
 - ❖ Successful conclusion of Strategic Alliance with Antofagasta
 - ❖ Two Designated Projects in South Australia secured by the Strategic Alliance to be fully funded by Antofagasta

Corporate

In the three months to 31 December 2014, Monax Mining Limited ("Monax") (ASX:MOX) completed a drilling program on the Punt Hill Joint Venture, a soil sampling program on the Parndana Project and Western Areas Limited commenced a high-resolution aeromagnetic survey on the Western Gawler Craton (WGC) Project.

During the December Quarter, the Strategic Alliance with Antofagasta came to a successful conclusion after three years. Monax has two Designated Projects in South Australia, both to be fully funded by Antofagasta, secured by the Strategic Alliance.

During the December Quarter, Monax signed a Farm-In Agreement with Western Australia nickel producer, Western Areas Limited (ASX:WSA) ("Western Areas") for the WGC Project. Under the terms of the Farm-In Agreement, Western Areas can earn an initial 75% interest in the tenements by spending \$800,000 within 2.5 years. Upon earning a 75% interest in the tenements, Western Areas has the right to earn a further 15% interest (for a total of 90%) by expending a further \$400,000 within 1.5 years.

During the quarter, Monax increased its landholding around the recently announced potential kimberlite discovery on EL 5347.

As at 31 December 2014, Monax had a cash balance of \$1.35 million. During the quarter \$1.05 million was spent on exploration.

Exploration

South Australian projects

Monax has eight South Australian projects (Figure 1).

1. **Punt Hill – copper-gold (Joint Venture with Antofagasta).**
2. **Monax | Antofagasta Strategic Alliance (includes Millers Creek & Musgrave Designated Projects).**
3. **Phar Lap – copper-gold.**
4. **Kangaroo Island – silver-lead-zinc**
5. **Yorke Peninsula – copper-gold (includes Melton Joint Venture with Marmota Energy).**
6. **Western Gawler Craton – nickel-copper (Farm-In Agreement with Western Areas).**
7. **Kimberlite Project – diamonds.**
8. **Reedy Lagoon – copper-gold (term sheet signed with FMG Resources Pty Ltd).**



Figure 1. Location of Monax's South Australian projects as at 31 December 2014.

**Punt Hill Project – copper-gold
(Monax 49%; Antofagasta 51%)**

Two holes totalling 2045.5m were drilled at two target areas, Bottle Hill and Groundhog on the Punt Hill Project ("Project") during the quarter (See Figure 2).

The Project is subject to a farm-in agreement with a wholly-owned subsidiary of Antofagasta plc ("Antofagasta"). The drilling was entirely funded by Antofagasta as part of the earn-in conditions in which it can earn a further 19% (for a total of 70%) in the Project (currently a 51:49 joint venture).

The Project is located within the highly prospective Olympic IOCG province in South Australia, which contains the Olympic Dam, Prominent Hill, Carrapateena and Hillside deposits, along with OZ Minerals' Khamsin and Fremantle Doctor discoveries.

Groundhog Prospect

Drill hole PHDD1402 at the Groundhog prospect was collared approximately 455m to the north of hole GHDD2 and was drilled at 60° to the SSW, and was designed as a step-out from the previous Groundhog drill holes. The hole intersected Gawler Range Volcanics at 782m (downhole depth). The prospective Wandearah Metasediments were intersected at 903.38m and continued to 997.5m (downhole depth).

Drilling within the prospect area indicates the Wandearah Metasediments comprise a gently dipping sequence of calcareous sandstone and siltstone units, which have been altered by hydrothermal fluids, resulting in a variably altered and mineralised sequence of rocks.

Overall, the metasedimentary sequence assayed 96m @ 0.47% copper, 0.12g/t gold, 5.3g/t silver and 0.37% zinc (903m – 999m - downhole length) (see Table below and Figure 3). Within this sequence were several higher grade intercepts with the best zone reporting 26m @ 1.0% Cu, 0.23g/t Au, 8.5g/t Ag and 0.48% Zn (969m – 995m - downhole length).

Towards the base of the sequence, a 5m zone reported 3.0% Cu, 0.7g/t Au, 14.6g/t Ag and 1.3% Zn (see Table below) which included **1m @ 7.3% Cu, 1.6 g/t Au, 36 g/t Ag and 4.1% Zn** (downhole length – see Table below).

Hole PHDD1402 - Table of significant results

Hole No.		From (m)	To (m)	Interval (m)	Cu (%)	Au (g/t)	Ag (g/t)	Zn (%)
PHDD1402		903	999	96	0.47	0.12	5.3	0.37
	including	969	995	26	1.0	0.23	8.5	0.48
	including	985	990	5	3.0	0.7	14.6	1.3
	including	989	990	1	7.3	1.6	36	4.1

Note: No cut-off grades used for intervals presented (full results presented in ASX Release 4 December 2014).

Copper mineralisation within the upper part of the mineralised zone comprised hypogene chalcocite (Plate 1) with chalcopyrite becoming the dominant copper species with depth (Plate 2).



Plate 1. Drill core from 922.45m - 922.75m showing zone of chalcocite (steely grey colour) and fluorite (purple colour) mineralisation. 1m zone 922m - 923m assayed 1.4% Cu, 0.12 g/t Au and 36g/t Ag (downhole length reported).

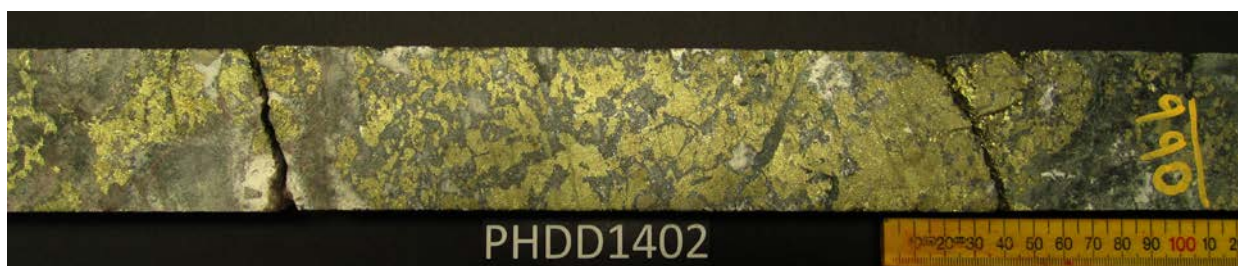


Plate 2. Drill core from 989.65m - 990m showing zone of chalcopyrite mineralisation. 1m zone 989m - 990m assayed 7.3% Cu, 1.6 g/t Au, 29.7% Ag, 1.5% Pb and 4.1% Zn (downhole length reported).

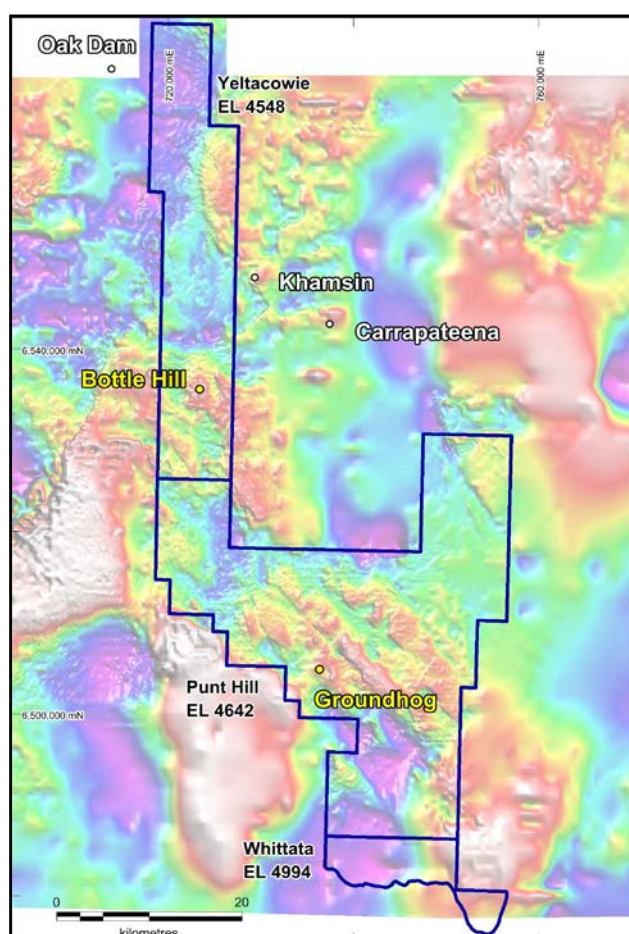


Figure 2. Prospect drill hole locations on Bouguer Gravity (UC1kR).

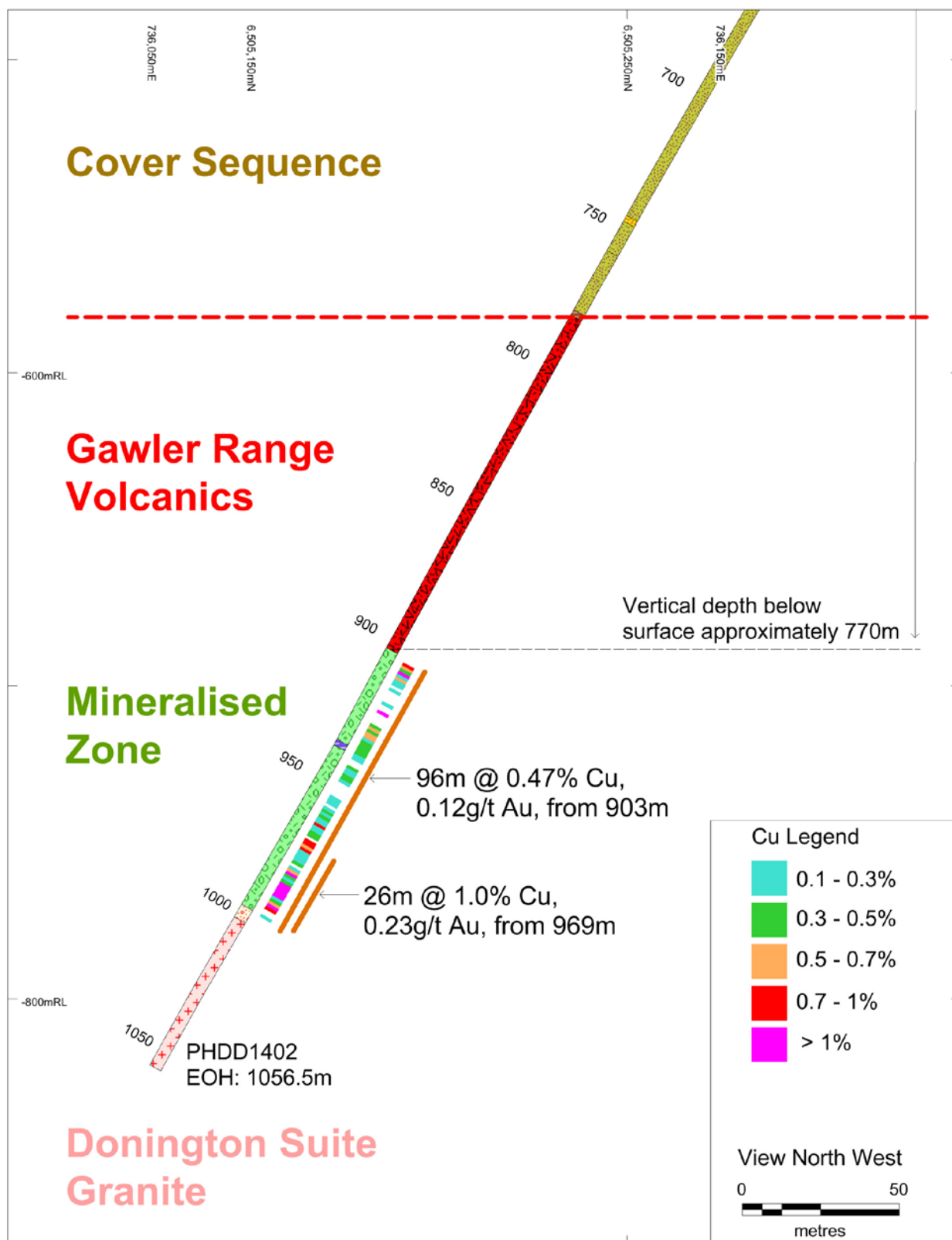


Figure 3. PHDD1402 drill hole trace showing simplified geology showing copper and gold mineralisation intervals.

Kimberlite Project – diamonds (Monax 100%)

In November 2014, Monax announced the discovery of a potential kimberlite on its Margaret Dam Exploration Licence (EL) 5347, located south of William Creek in northern South Australia (see Figure 1).

Monax originally selected EL 5347 to search for iron-oxide copper-gold (IOCG) targets within the basement of the Gawler Craton. A review of the available aeromagnetic data showed two small circular features located within the southern part of the licence area which are considered to be consistent with that of a kimberlite intrusion (Figure 4). Initial modelling showed this feature was relatively shallow and not likely to represent an IOCG target.

Monax recently completed detailed ground magnetic and gravity surveys over the circular magnetic features to check the validity of the data, and assist with modelling the dimensions and depth of the target. The new ground magnetic data reveals a discrete elongate magnetic dipole with a SW-NE trend and a smaller magnetic anomaly located to the SW (Figure 5). The gravity data shows a subtle gravity response associated with the magnetic feature.

Geophysical modelling outlined a magnetic body at a depth of approximately 80m. The dimensions of an elliptical body 250m long by 45m wide with a tapering root to 400m depth was outlined. The main feature (shown in blue on Figure 6) strikes $230^{\circ}/50^{\circ}$ (SW-NE) with a near vertical dip (see Figure 6). (Magnetic susceptibility $\chi = 0.015$ SI units).

A small secondary anomaly (red) is located in the SW of the survey area at a depth of 75m and is characterised by a elliptical body geometry and is approximately 100m long by 30m wide. Strike direction is $300^{\circ}/120^{\circ}$ (WNW-ESE) (see Figure 6). The gravity model suggests that the magnetic body has subtle density contrasts.

Historical exploration in the William Creek area has discovered diamonds and diamond indicator minerals, but no kimberlites have been reported (see Figure 7).

The Margaret Dam magnetic anomaly is located in an area of positive diamond indicators and may represent the source of the diamond indicator minerals discovered by previous exploration.

Monax undertook a review of the regional aeromagnetic data which successfully identified numerous subtle magnetic features that warrant further investigation as potential kimberlite targets similar to the Margaret Dam target.

Monax applied for a further three tenements - Exploration Licence Application (ELA) 2014/233, ELA 2014/236 and ELA 2014/237 (see Figures 1 and 8).

Initial assessment is at an early stage and requires more detailed magnetic data to verify the anomalies and test their validity as a kimberlite target.

The previous exploration for diamonds has shown that most of the indicator minerals are found within the Algebuckina Sandstone, an extensive flat-lying sequence of cross-bedded grits and sands. The cross-bedded nature of the unit suggests a fluvial environment of deposition, and as such indicator minerals may have travelled a significant distance from source.

Monax is planning to drill test the potential kimberlite targets on EL 5347 in 2015, and based on a positive outcome will undertake detailed ground magnetic surveys at the other potential kimberlite targets within the project area.

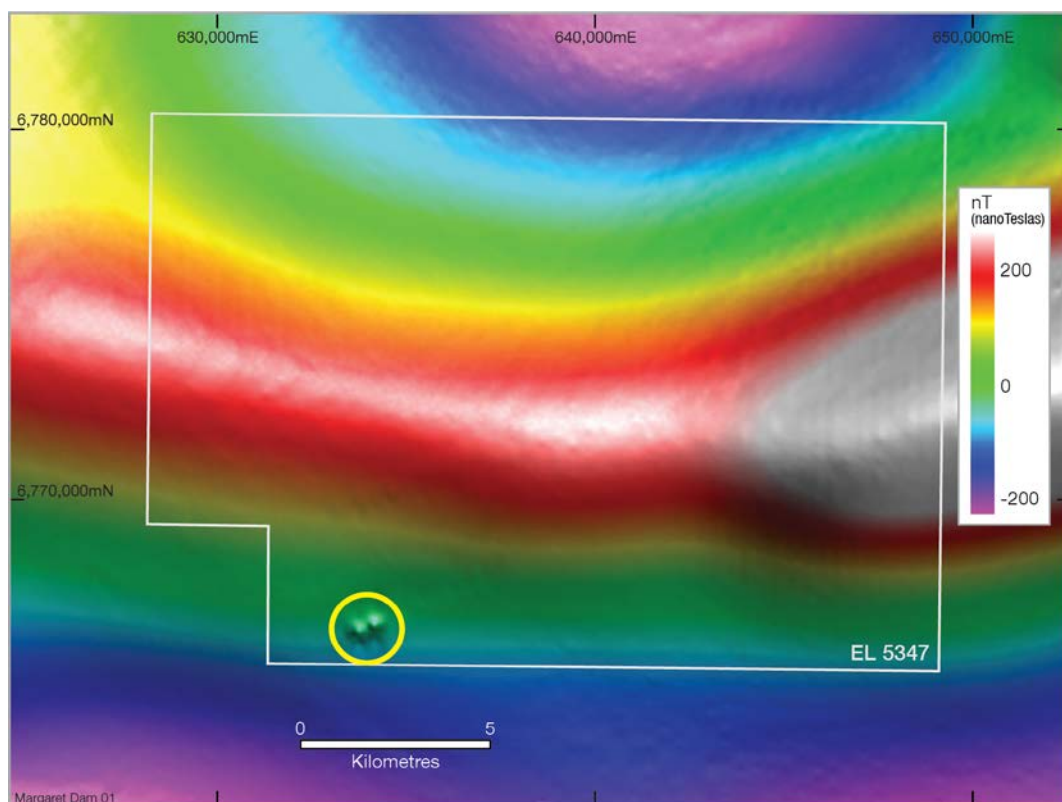


Figure 4. RTP image derived from SAEI C4 airborne magnetic survey. (NB small magnetic anomalies outlined in yellow circle in the SW corner).

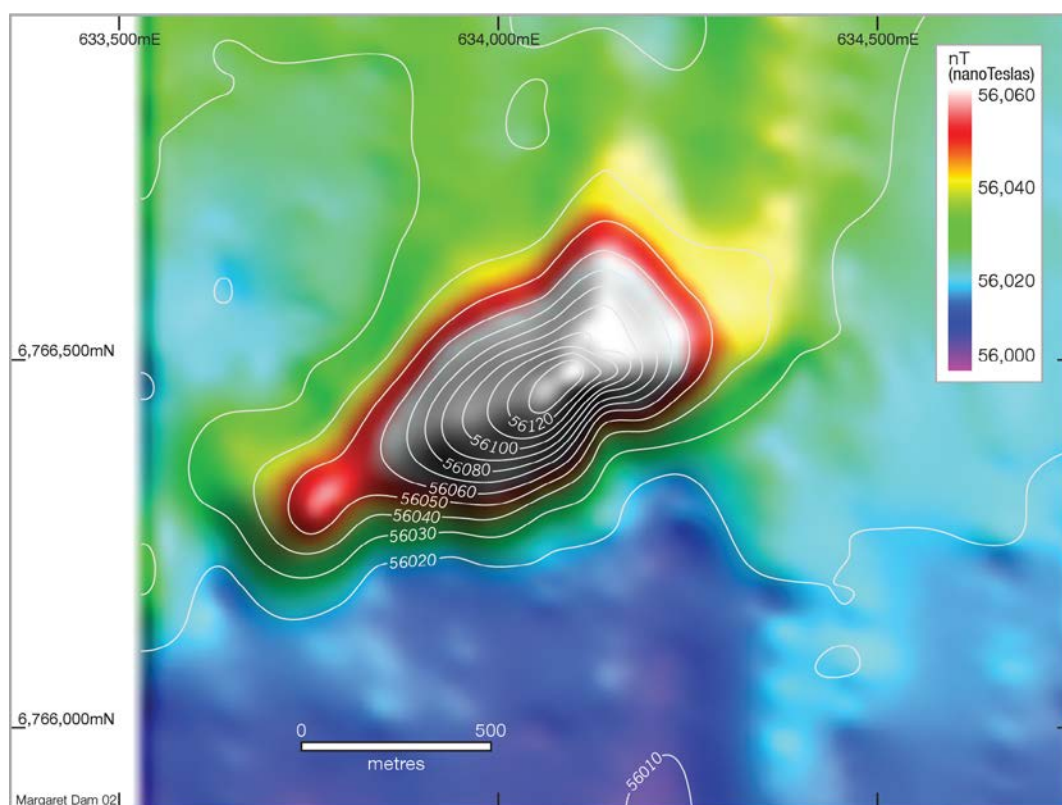


Figure 5. Reduced to Pole magnetic image with 10 nanoteslas contours (derived from ground magnetic data).

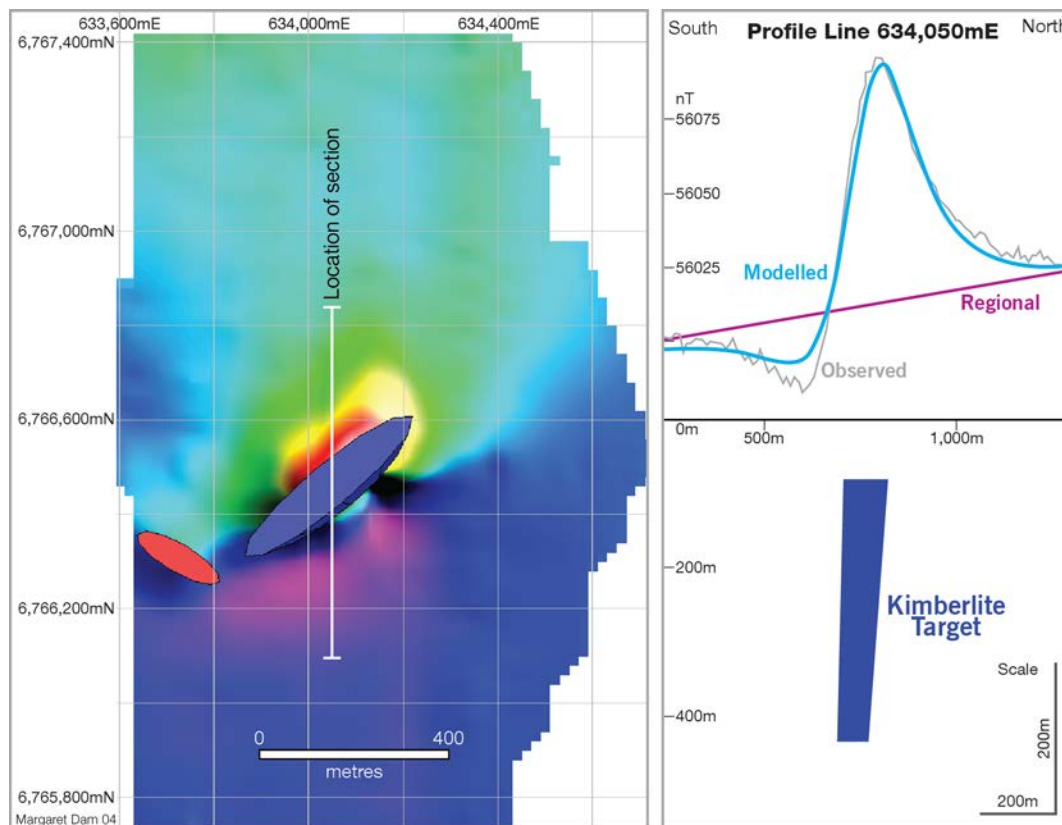


Figure 6. Magnetic model showing size and calculated depth to potential main kimberlite body (shown in blue on the left side image).

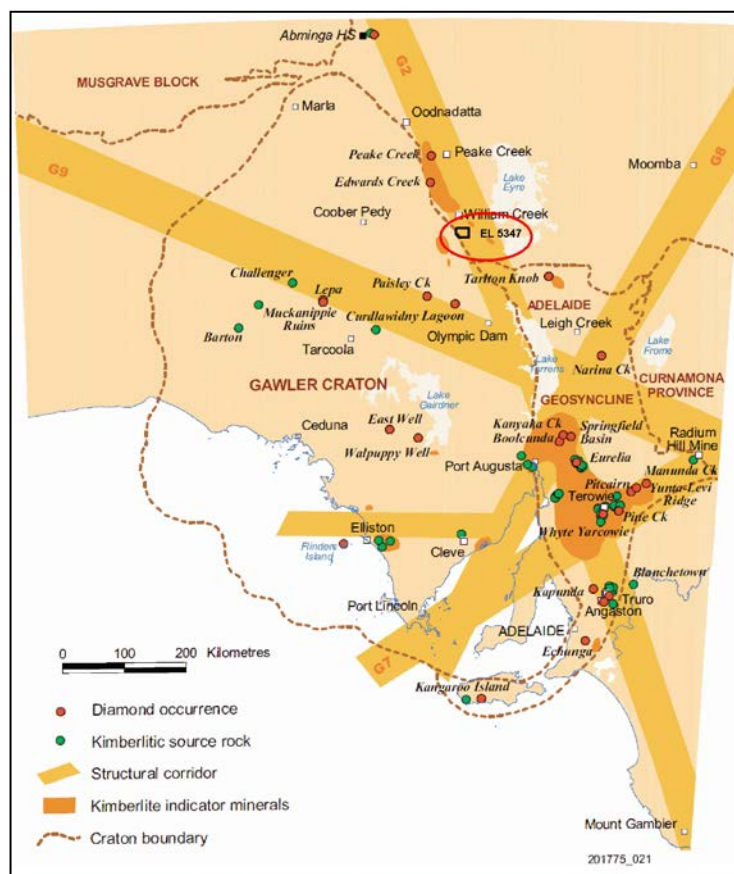


Figure 7. Location of EL 5437 on SA map of diamond and diamond indicators.

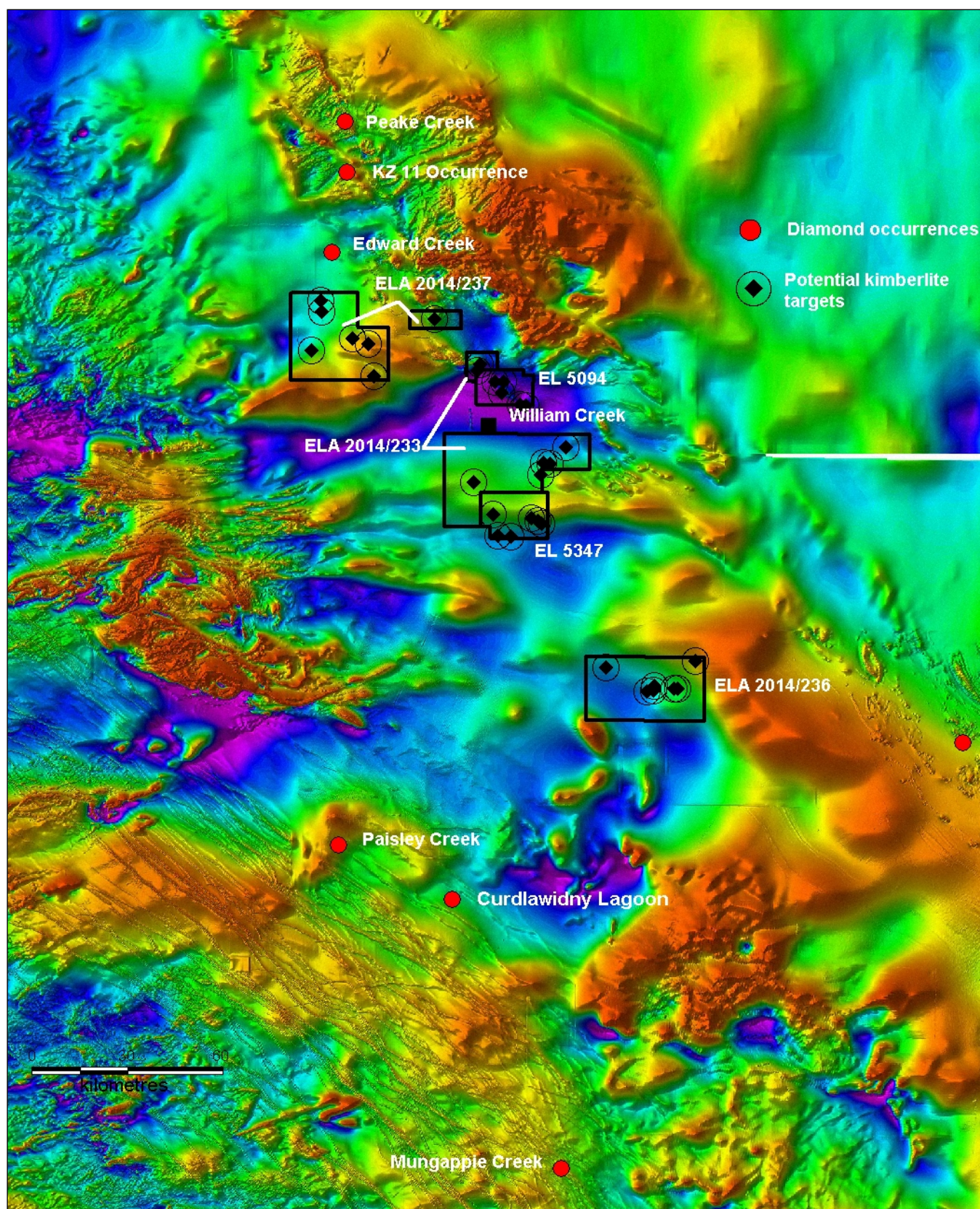


Figure 8. Location of Monax Kimberlite Project tenements and diamond occurrences on background TMI image (TMI image from Department of State Development dataset). Diamond occurrences are from SARIG and include diamonds and significant diamond indicator samples.

Parndana Project – silver-lead-zinc (Monax 100%)

During the quarter, Monax completed a soil sampling program at the Vinco prospect. Previous exploration at the Vinco prospect included detailed gravity and induced polarisation (IP) surveys. Monax drilled two diamond holes targeting the main gravity anomaly and a chargeable anomaly defined by the dipole-dipole IP survey.

Further refinement using a gradient array IP (GAIP) survey outlined a prominent NNW trending chargeable and resistive anomaly in an area not targeted by the diamond drilling.

Figure 9 shows the chargeability response from the GAIP survey and Figure 10 shows the resistivity anomaly outlined by the GAIP survey. Figure 11 shows the combined lead and zinc soil results which show a strong correlation to the NNW trend of the GAIP anomalies.

Monax believes the combined lead and zinc anomaly relates to mineralisation similar to that previously reported from the Bonaventura prospect and is most likely relatively shallow. Monax is planning to conduct a shallow drilling program in 2015.

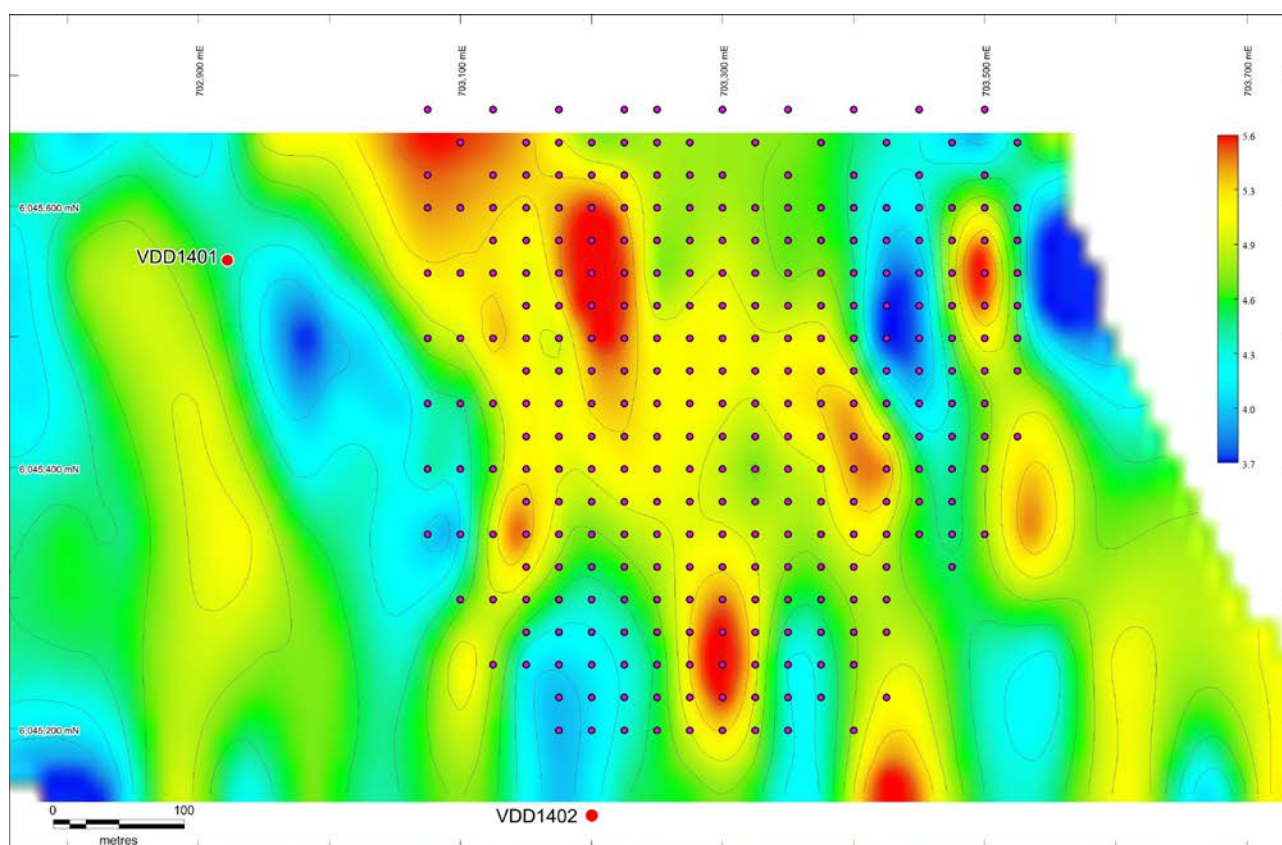


Figure 9. Parndana Project – Gradient array IP survey chargeability results with soil sampling grid.

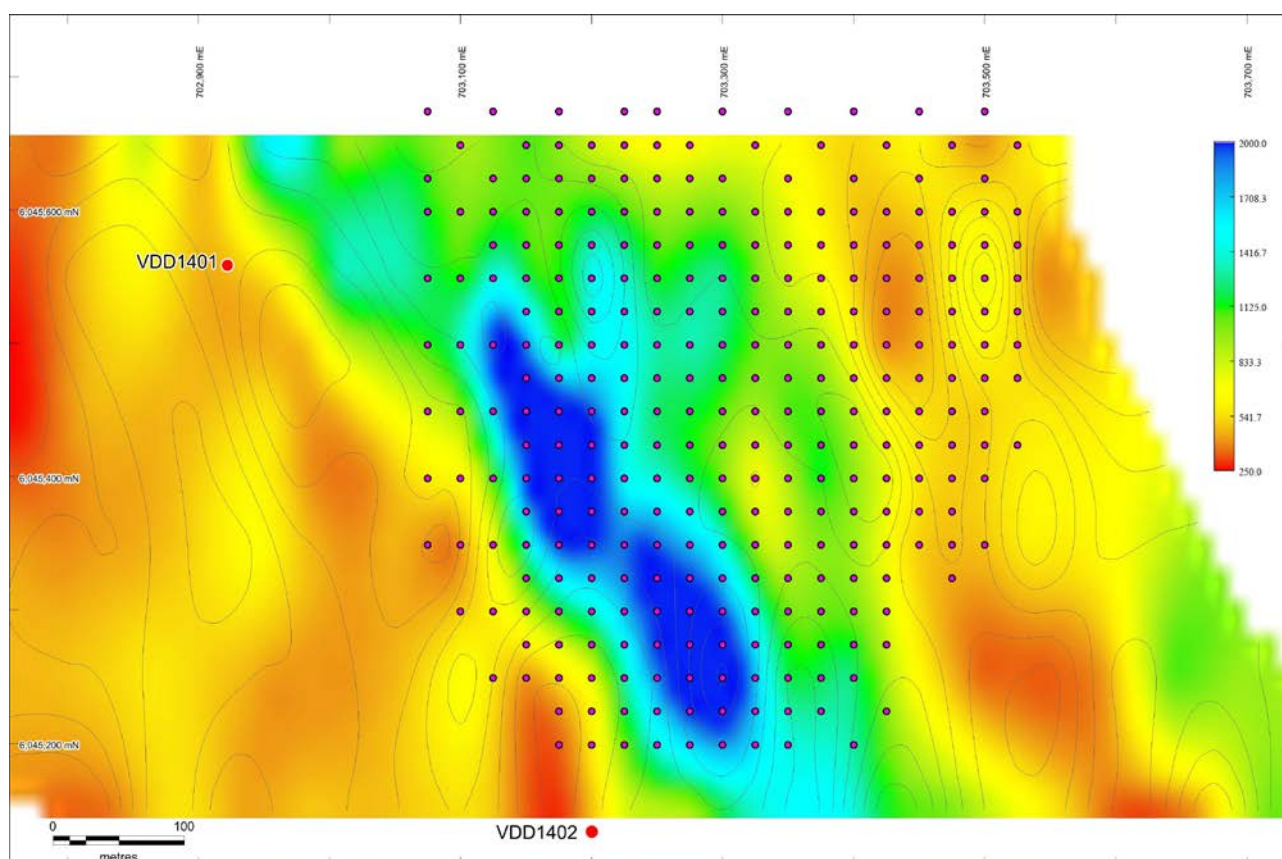


Figure 10. Parndana Project – Gradient array IP survey resistivity results with soil sampling grid. GAIP survey Chargeability contours overlay.

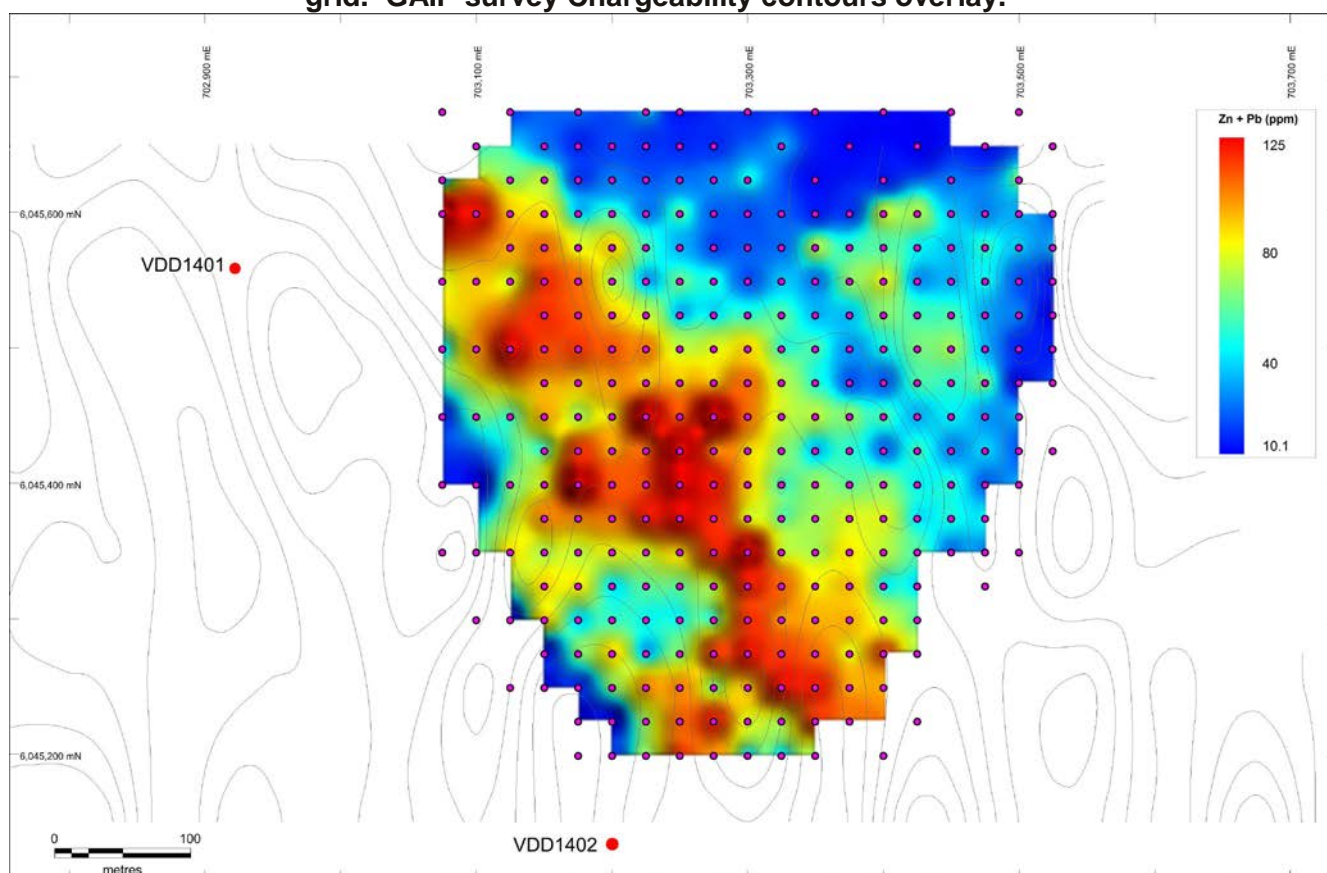


Figure 11. Parndana Project – Combined lead and zinc soil sample results (background GAIP survey Chargeability contours)

Monax / Antofagasta Strategic Alliance – copper

The Monax | Antofagasta Strategic Alliance was a project generation venture formed by the two parties in November 2011 to identify specific projects in South Australia worthy of further exploration.

The Strategic Alliance was initially a two year alliance with an additional year agreed by Antofagasta. Over the three years, Monax reviewed numerous projects within South Australia, and with Antofagasta's approval, identified two Designated Projects – Millers Creek and Musgrave - which are fully funded by the Chilean major up to US\$4 million.

The Strategic Alliance successfully concluded on November 24, 2014 and Antofagasta will continue to provide funding for the two Designated Projects outlined below.

Musgrave Designated Project

The Musgrave DP comprises four tenements totalling 3005km² in the Anangu Pitjantjatjara Yankunytjatjara (APY) Lands, in the far northwest of South Australia (Figure 1).

The Alliance signed an MOU with Rasp Resources NL and Musgrave Mining Pty Ltd (Rasp/Musgrave) for the three tenements (refer ASX Release 22 August 2014 for more detail).

These tenements were selected based on the following criteria:

- Favourable location and interpreted prospectivity. All three tenements are located within or close to major crustal structures evident in magnetic data (Figure 12),
- The tenements contain known and interpreted Giles Complex rocks, which are considered highly prospective for copper-nickel mineralisation,
- The tenements have received no recent exploration (the Applications date back to 1997),
- Interpreted shallow depth to prospective basement rocks. Much of the tenement area is interpreted to be covered by thin post-mineralisation sediments, and therefore amenable to exploration using surface sampling techniques including soil and lag sampling, thereby allowing relatively quick and inexpensive exploration programs, and
- Presence of the Nebo-Babel nickel-copper deposit and Succoth copper prospect in Western Australian extension of this geological terrane highlights the prospectivity for copper-nickel mineralisation within Giles Complex rocks.

The Alliance has four ELA's within the Musgrave Province and Monax Alliance ELA 2014/43 has been included into the Musgrave DP.

The three remaining ELA's are not part of the Alliance and will be transferred to Monax.

An airborne electromagnetic (AEM) survey is currently being planned for the DP targeting the prospective Giles Complex and Monax will present the proposed work program to Antofagasta at the next Technical Committee Meeting for approval.

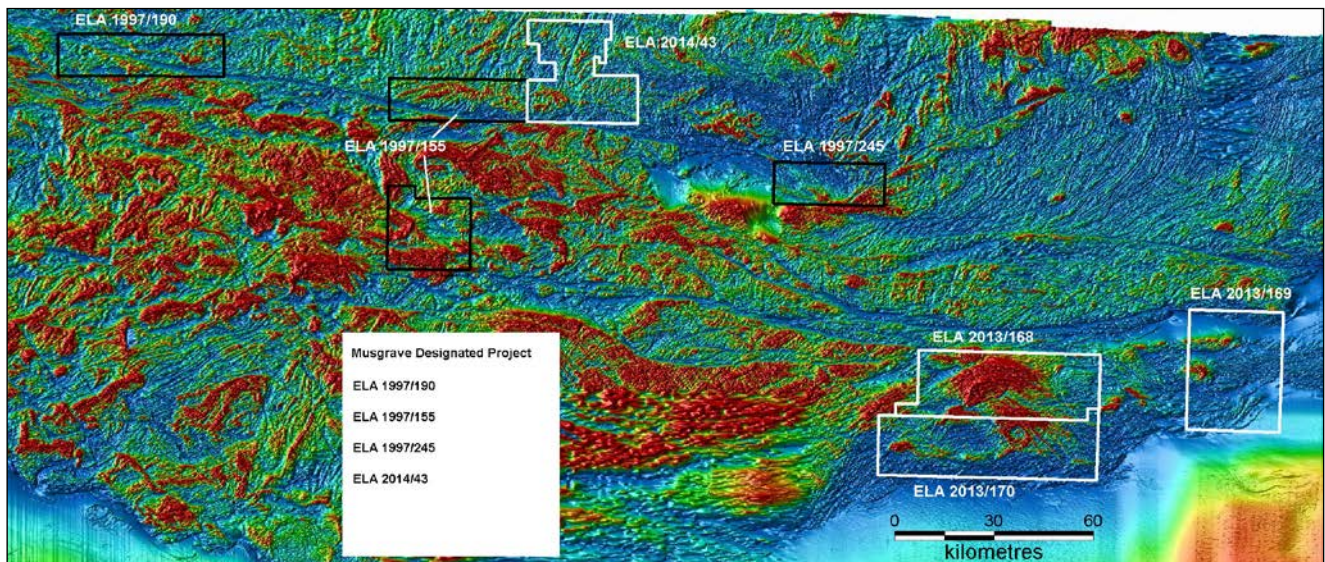


Figure 12. Location of Musgrave DP (background total magnetic intensity image from DSD database). Tenements outlined in black are part of MOU signed with Rasp Resources and Musgrave Mining. Tenements shown in white are Alliance tenements (ELA 2014/43 is part of the Musgrave DP). Three remaining tenements shown in white are not part of Musgrave DP.

Millers Creek Designated Project

The Millers Creek DP comprises one Alliance tenement together with four ASX-listed Maximus Resources Limited (“Maximus”) tenements located within the Woomera Prohibited Area (WPA) totalling 2402km² (Figure 1) in South Australia’s Far North.

Combined, the five tenements represent a significant landholding within the Olympic Iron-Oxide Copper-Gold (IOCG) Province.

The Millers Creek area is located between Olympic Dam and Prominent Hill - within the Olympic IOCG Province - and has not been subject to extensive mineral exploration, due to being located within the WPA.

The Alliance has undertaken detailed gravity surveys over four target areas outlined by a 1km x 1km gravity survey conducted by the South Australian Government’s Department of State Development (DSD). A high-resolution magnetic survey was completed at the Oliffes Dam target and has provided the Alliance with very detailed data sets to model the target.

The Alliance is currently negotiating a Farm-In Agreement (“Agreement”) with Maximus, and upon signing of the Agreement, plans to drill one diamond drill hole at the Oliffes Dam target in late March 2015.

Western Gawler Craton Project – copper-nickel (Monax 100%)

In October 2014, Monax signed a Farm-In Agreement with Perth based nickel producer, Western Areas, covering three tenements located on the western Gawler Craton, South Australia (Figure 1).

Subsequent to the end of the quarter, Western Areas completed a high-resolution aeromagnetic survey (see ASX Release 21 January 2015 for details). The survey comprised 100m spaced flight lines over the entire project area and was completed in approximately six weeks. The new

data provides a high-quality dataset suitable for outlining areas of favourable lithology and structural setting to host massive polymetallic mineralisation.

Figure 13 shows the new data with the previously available data shown in the background. The significant increase in resolution is clearly evident and this will provide a great dataset for a new and improved regional basement and structural interpretation.

Interpretation of the data has commenced and Western Areas are planning a major regional drilling program to commence in the coming months, once the required statutory access approvals are received.

The central area of high-magnetic intensity evident in Figure 13 is interpreted to represent a belt of interlayered mafic rocks and metasediments, with the mafic units interpreted to be intrusive sills. This belt is also a regional gravity high, similar to the Albany Fraser Belt.

Under the terms of the Farm-In Agreement, Western Areas can earn an initial 75% interest in the tenements by spending \$800,000 within 2.5 years. Upon earning a 75% interest in the tenements, Western Areas has the right to earn a further 15% interest (for a total of 90%) by expending a further \$400,000 within 1.5 years.

Upon reaching a 90% interest in the tenements, Monax and Western Areas can form a joint venture where each company funds exploration pro-rata (10:90). If Monax elects not to contribute to the Joint Venture, Monax will dilute to a 1% net smelter royalty (NSR).

Monax has increased its landholding within this highly prospective area with the application of Exploration Licence Application (ELA) 2014/194 (see Figure 1). This tenement is not included within the Western Areas Farm-In Agreement.

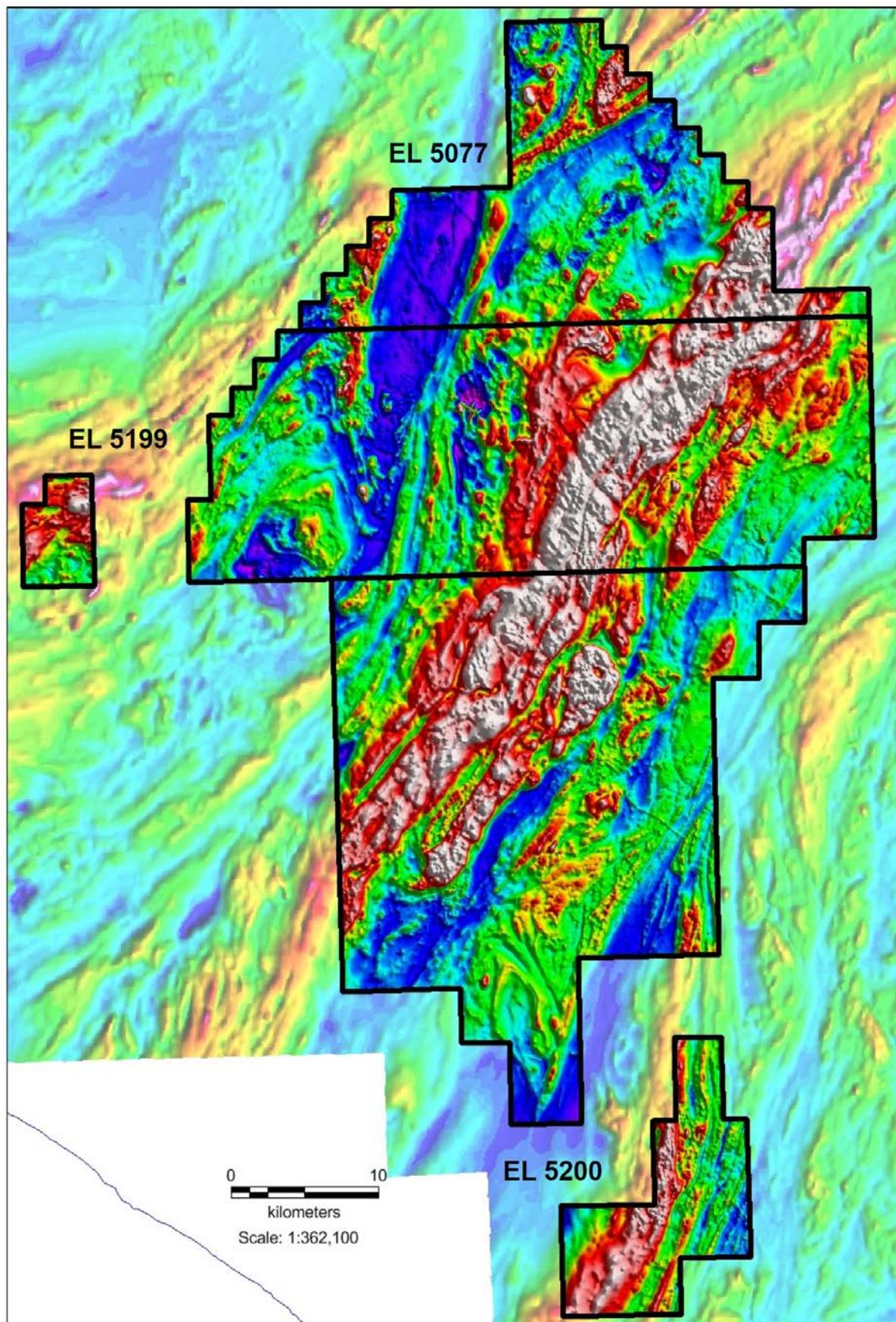


Figure 13. Newly acquired detailed aeromagnetic data over Western Gawler Craton Project (Image shows Reduced to Pole (RTP) image). Background previously available magnetic data.

**Phar Lap Project – copper-gold
(Monax 100%)**

During the quarter, Antofagasta withdrew from the Phar Lap Project.

A detailed gravity survey and successful heritage survey conducted in 2014 have significantly de-risked the project and Monax is seeking a partner for the project.

**Melton Project – copper-gold
(Monax 25%; Marmota 75%)**

Subsequent to the end of the quarter, Marmota Energy Limited (“Marmota”) (ASX:MEU) completed a helicopter Time Domain Electromagnetic (TDEM) survey (see MEU ASX Release 22 January 2015).

A total of 307 line kilometres of EM and magnetic data were acquired with data currently being processed to assist with outlining drill targets for possible drill testing in March-April 2015.

For further information please contact:

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Monax Mining
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‘The information in the Quarterly Report that relates to Exploration Results, Mineral Resources, Ore Reserves or targets 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.’

Tenement Holdings as of 31 December 2014

During the quarter, Monax applied for a further three tenements in northern South Australia as part of the Kimberlite Project. Monax relinquished EL 5259 during the quarter. Below is a table of Monax Mining Limited's and Monax Alliance Pty Ltd's current tenement holdings as of 31 December, 2014.

Monax Mining Limited

Tenement	No.	Status	Monax Interest	Details	Tenure holder
Punt Hill	EL 4642	Granted	100%*	JV with Antofagasta	Monax Mining
Yeltacowie	EL 4548	Granted	100%*	JV with Antofagasta	Monax Mining
Whittata	EL 4994	Granted	100%*	JV with Antofagasta	Monax Mining
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
Webling Bay	EL 5128	Granted	100%		Monax Mining
Parndana	EL 4581	Granted	100%		Monax Mining
Phar Lap	EL 5123	Granted	100%		Monax Mining
Nullarbor	EL 5077	Granted	100%	Farm-In with Western Areas	Monax Mining
North Yalata	EL 5199	Granted	100%	Farm-In with Western Areas	Monax Mining
East Yalata	EL 5200	Granted	100%	Farm-In with Western Areas	Monax Mining
Shoulder Hill	ELA 2014/194	Application	100%		Monax Mining
Warriner Creek	ELA 2014/233	Application	100%		Monax Mining
Twin Hill	ELA 2014/236	Application	100%		Monax Mining
Boorthanna	ELA 2014/237	Application	100%		Monax Mining
Llewellyn Creek	EPM 25671	Application	100%		Monax Mining
Malbon	EPM 25743	Application	100%		Monax Mining
Charley Creek	EPM 25750	Application	100%		Monax Mining

* 51% interest in the Punt Hill tenements currently being transferred to Antofagasta.

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

Monax Alliance Pty Ltd

Tenement	No.	Status	Monax Interest	Details	Tenure holder
Douglas Creek	EL 5094	Granted	Monax 49%; Antofagasta 51%	JV with Antofagasta	Monax Alliance P/L
Parndana	EL 5353	Granted	100%		Monax Alliance P/L
Dermody Bore	EL 5316	Granted	100%		Monax Alliance P/L
Margaret Dam	EL 5347	Granted	100%		Monax Alliance P/L
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
Amata	ELA 2014/43	Application	100%		Monax Alliance P/L
Tallaringa	ELA 2014/177	Application	100%		Monax Alliance P/L
Hidden Swamp	ELA 2014/193	Application	100%		Monax Alliance P/L

Appendix 5B

Mining exploration entity quarterly report

Introduced 1/7/96. Origin: Appendix 8. Amended 1/7/97, 1/7/98, 30/9/2001, 01/06/10.

Name of entity

Monax Mining Limited

ABN

96 110 336 733

Quarter ended ("current quarter")

31 December 2014

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(1,046)	(1,749)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(175)	(367)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	19	29
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (provide details if material)		
	Cash call contributions under JV agreements	46	984
	Administration income from JV agreements	109	109
	Other	(14)	16
Net Operating Cash Flows		(1,061)	(978)
Cash flows related to investing activities			
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects	-	290
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	(1)	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
Net investing cash flows		(1)	290
1.13	Total operating and investing cash flows (carried forward)	(1,062)	(688)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(1,062)	(688)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	-	899
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (provide details if material)		
	Costs from issue of shares, options etc.	-	(108)
	Net financing cash flows	-	791
	Net increase (decrease) in cash held	(1,062)	103
1.20	Cash at beginning of quarter/year to date	2,403	1,238
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,341	1,341

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	152
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

The amount at 1.23 above represents non executive directors' fees and executive director's salary (including SGC superannuation), legal fees paid to a legal firm in which a director is a partner, contributions to Joint Venture expenditure made to a related party and service fee payments to an associated entity.

The amount at 1.24 above represents costs to be recovered in relation to shared facilities from a related entity and provision of exploration management services.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

Western Areas Limited pursuant to a Farm-In Agreement for EL 5077, EL 5199 and EL 5200 has incurred on an accruals basis \$ 241k in the quarter ending 31 December 2014.

Antofagasta Minerals S.A. pursuant to the Farm-In Option Agreement – Punt Hill Project for EL 4642 and EL 4548 has incurred on an accruals basis \$607k in the quarter ending 31 December 2014.

Monax Alliance Pty Ltd on behalf of Monax Mining Limited and Antofagasta Minerals Adelaide Pty Ltd has incurred on an accruals basis approximately \$14k for the Millers Creek Designated Project (EL 4463, EL 5259, EL 5347, EL 5316, EL 4899, EL 4898, EL 4854).

Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'ooo	Amount used \$A'ooo
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'ooo
4.1 Exploration and evaluation	250
4.2 Development	-
4.3 Production	-
4.4 Administration	200
Total	450

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'ooo	Previous quarter \$A'ooo
5.1 Cash on hand and at bank	1,324	236
5.2 Deposits at call	15	2,165
5.3 Bank overdraft	-	-
5.4 Other (provide details)	2	2
Total: cash at end of quarter (item 1.22)	1,341	2,403

+ See chapter 19 for defined terms.

Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed			
6.2	Interests in mining tenements acquired or increased	ELA 2014/00233 ELA 2014/00236 ELA 2014/00237	0% 0% 0%	100% 100% 100%

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 Preference +securities (description)				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	214,073,315	214,073,315		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	625	625		
7.5 +Convertible debt securities (description)				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options (description and conversion factor)	21,406,397 425,000 225,000 325,000	21,406,397 Nil Nil Nil	<i>Exercise Price</i> \$0.042 \$0.0917 \$0.051 \$0.053	<i>Expiry Date</i> 29/07/2015 05/03/2015 28/07/2016 23/07/2017
7.8 Issued during quarter				
7.9 Exercised during quarter	625	625	\$0.042	29/07/2015
7.10 Expired during quarter				
7.11 Debentures (totals only)				

+ See chapter 19 for defined terms.


Appendix 5B

Mining exploration entity quarterly report

7.12	Unsecured notes (totals only)		
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Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act **or other standards acceptable to ASX** (see note 4).
- 2 This statement does ~~/does not*~~ (*delete one*) give a true and fair view of the matters disclosed.

Sign here:  Date: 30/1/2015.....
(Director/Company secretary)

Print name: Virginia Suttell

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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.