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High-grade gold recorded at Croydon Project

HIGHLIGHTS

- **High grade gold up to 87.8 g/t reported at Vanderbilt prospect**
- **Samples record gold up to 21.2 g/t from Lost Chance prospect**

Monax Mining Limited (**Monax** or **the Company**) wishes to advise shareholders that the Company has received results from recent sampling programs at its Queensland-based projects.

The Company also notes that receipt of results from its maiden drilling program at the Mt Ringwood Gold Project are imminent and would like to remind shareholders that the closing date of the Entitlement Issue has been extended to 8 July 2016.

Croydon Gold Project

Sampling at the Vanderbilt area (see Figure 1) provided highly encouraging results with gold samples ranging from 0.43 g/t to 87.8 g/t recorded. The old workings at the Vanderbilt area are scattered over approximately 300 metres with several other prospects located along strike to the south-west. These prospects were not covered in this program but will be sampled during upcoming site visits. An extensive search of historical exploration data indicates an absence of any drill holes at these prospects.

The Lost Chance prospect provided strong sampling results with gold up to 21.2 g/t recorded. A brief inspection was also undertaken at the Gilded Rose and Jumbo prospects located on EPM Application 26203, but no samples collected. These prospects contain highly anomalous sampling results with good drilling results previously reported (see ASX Release 9 June 2016 Investor Presentation for more details).

In total, Monax collected 17 samples from the Croydon area and results are presented in Table 1. The Company intends to complete a more extensive sampling program at Croydon in the coming weeks with a view to undertake drilling in late 2016.

Bullock Creek Lithium Project

Monax completed a brief site visit at the Bullock Creek Lithium Project where a previous rock-chip sample reported 3.55% Li_2O (see ASX Release 17 May 2016 for details). Monax collected 10 samples of various rock type from one part of the project area with insignificant results recorded. Monax will undertake a more detailed site inspection in the coming weeks.

For further information, please do not hesitate to contact:

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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 engaged under a contract to provide services as Managing Director as required 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.

Forward Looking Statements

"The information in this report includes forward looking statements. Forward looking statements inherently involve subjective judgement and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside of the control of, and may be unknown to, the Company. Actual results and developments may vary materially from those expressed in these materials. The types of uncertainties which are relevant to the Company may include, but are not limited to, commodity prices, political uncertainty, changes to the regulatory framework which applies to the business of the Company and general economic conditions. Given these uncertainties, readers are cautioned not to place undue reliance on such forward looking statements.

Forward looking statements in these materials speak only at the date of issue. Subject to any continuing obligations under applicable law or any relevant stock exchange listing rules, the Company does not undertake any obligation to publicly update or revise any of the forward looking statements or any change in events, conditions or circumstances on which any such statement is based."

Table 1. Initial sampling results - Croydon Gold Project.

Site	Prospect	Easting	Northing	Sample No	Au (ppm)	Au (ppm) Rpt
886	Vanderbilt	644114	8008551	134911	87.8	81.9
887	Vanderbilt	644092	8008550	134912	0.43	
888	Vanderbilt	644109	8008555	134913	0.98	
889	Vanderbilt	644160	8008570	134914	0.92	
889	Vanderbilt	644160	8008570	134915	1.51	
889	Vanderbilt	644160	8008570	134916	1.14	
889	Vanderbilt	644160	8008570	134917	1.17	
890	Lost Chance	653510	7993350	134918	0.13	
890	Lost Chance	653519	7993354	134919	0.08	
891	Lost Chance	653519	7993354	134920	0.13	
891	Lost Chance	653519	7993354	134921	1.22	
891	Lost Chance	653519	7993354	134922	0.64	0.59
892	Lost Chance	653536	7993342	134923	3.63	2.7
892	Lost Chance	653536	7993342	134924	0.06	0.06
893	Lost Chance	653637	7993232	134925	0.15	
893	Lost Chance	653637	7993232	134926	0.06	
893	Lost Chance	653637	7993232	134927	21.21	21.47

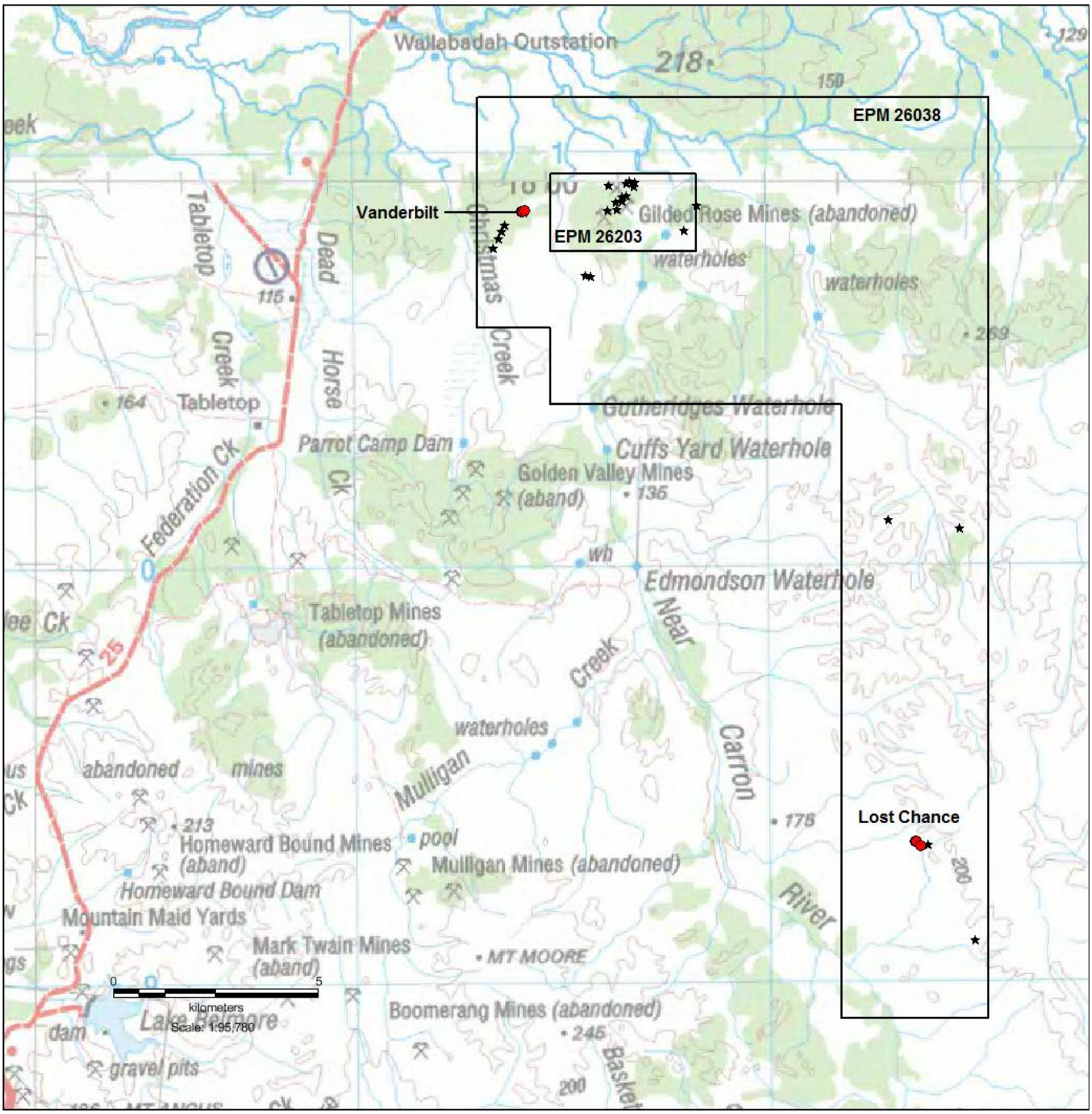

Figure 1. Location of sample sites – Croydon Gold Project. Black stars gold prospects from QLD Mines Department website/database. Red dots = Monax rock chip samples.

Plate 1. Selected samples from Croydon

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.*	• Samples were collected from old workings within EPM 26038. • The samples are not considered as being highly representative. • There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.
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 – no drilling results reported.
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 – no drilling results reported.
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.*	• Not Applicable – no drilling results reported.
Sub-sampling techniques and sample	• *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*	• No sample preparation was completed on sample collected in the field. Samples were crushed and pulverised at the laboratory for analysis

Criteria	JORC Code explanation	Commentary
preparation	*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.*	• The sample size is considered appropriate for reconnaissance sampling for gold.
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.*	• Rock chips were assayed in a commercial laboratory using standard methods for gold. • Gold was determined by fire assay with a nominal 40g charge analysed. Au is determined with AAS finish. • Laboratory QA/QC samples and sample duplicates were assayed by the laboratory with all results within expected error range. Samples were assayed at SGS laboratory in Townsville.
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 – no drilling results reported. • No assay results have been adjusted.
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.*	• Rock chip sample locations were collected using a hand held GPS (+/- 5m accuracy). • MGA94 (Zone 54)
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.*	• The data is not appropriate for use in estimating a Mineral Resource and is not intended for such use. There has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. • No sample compositing was undertaken.
Orientation of data in relation to geological	• *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*	• The samples were collected at selected sites and it is unknown if this results is biased or unbiased.

Criteria	JORC Code explanation	Commentary
structure	*of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	
Sample security	• *The measures taken to ensure sample security.*	• Unknown.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been completed.

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 areas sampled are located on EPM 26038 held by Monax. • The EPM is free of any known impediments.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	•
Geology	• *Deposit type, geological setting and style of mineralisation.*	• Volcanic or granite hosted quartz veins

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:*
	  ○ *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.*
		• Not Applicable – no drilling results reported.
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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.*	• Not Applicable – no drilling results reported.

Criteria	JORC Code explanation	Commentary
	• *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	
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 – no drilling results reported.
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 tenement location is included in Release and 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.*	• Results for samples are included in release.
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.*	• Other data not considered material
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 to undertake mapping and sampling within the area.