



For Immediate Release
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ASX RELEASE

Phar Lap IOCG Project Update

HIGHLIGHTS

- **Monax acquires full ownership of Phar Lap iron-oxide copper-gold (IOCG) project located 60 kms west of Prominent Hill in SA after signing tenement and mineral rights Sale and Purchase Agreement with Marmota.**
- **Initial Phar Lap drill program mid to late 2014 on two prominent gravity anomalies subject to access approvals and funding.**

Sale and Purchase Agreement

Monax Mining Limited ("Monax") (ASX:MOX) and Marmota Energy Limited ("Marmota") (ASX:MEU) have executed a Sale and Purchase Agreement, which involves a combination of the transfer of tenement ownership and mineral rights between the two companies (see Table 1) across their South Australian holdings.

As part of the transaction, Monax has secured the transfer of all ownership and mineral rights relating to the highly promising Phar Lap tenement (EL 5123) from Marmosa Pty Ltd (a wholly-owned subsidiary of Marmota), which includes the assignment of 75% of the rights to Phar Lap's uranium.

In return for the Phar Lap transfer, Monax has:

- Assigned its 50% interest in the Ambrosia Joint Venture to Marmosa;
- Assigned its mineral rights for the Mulyungarie tenement (EL 5124) to Marmosa; and
- Assigned 50% of its interest in the Melton Joint Venture to Marmota/Marmosa.

Monax Managing Director, Mr Gary Ferris:

"This transfer of tenement ownership and mineral rights is a robust and logical deal for both companies and will now allow Monax to intensify its focus on the Phar Lap IOCG Project, without encumbrances."

"Phar Lap has been part of Monax's portfolio for some time, but has not been able to be thoroughly explored until now due to the uncertainty caused by its proximity to the Woomera Prohibited Area (WPA), where access restrictions are being eased"

“Monax will commence land access requirements (WPA and Native Title) in the coming weeks with a view to drilling these targets in mid to late 2014.”

Table 1: Summary of Transaction between Monax and Marmota.

Tenement/Project	Original Licence Holder	New Licence Holder	Original Mineral Rights	New Mineral Rights
EL 5123 (Phar Lap)	Marmosa	Monax	MOX – 100% Rights to all minerals excluding uranium. MOX 25% Rights to uranium MEU 75% Rights to uranium	MOX 100% Rights to all minerals
EL 4510 (Ambrosia)	50% Marmosa 50% Monax	Marmosa	50:50 Joint Venture between Monax & Marmosa	100% Marmosa for all minerals
EL 5209 (Melton)	Marmota	Marmota	50:50 JV between Monax & Marmota	25:75 JV (Monax reduced to 25%)
EL 5122 (Melton)	Marmosa	Marmosa	50:50 JV between Monax & Marmota	25:75 JV (Monax reduced to 25%)
EL 5124 (Mulyungarie)	Marmosa	Marmosa	MOX – 100% Rights to all minerals excluding uranium. MOX 25% Rights to uranium. MEU 75% Rights to uranium	MEU 100% Rights to all minerals

Background on Phar Lap Tenement

EL 5123 (Phar Lap) is located approximately 60km WNW of Prominent Hill on the southwestern margin of the Mt Woods Inlier. The Mt Woods Inlier contains the Prominent Hill (Cu-Au) and Cairn Hill (Fe-Cu) mines as well as several IOCG style targets including Joes Dam and Manxman.

In 2008, an extensive geophysical program was conducted over the project which included the acquisition of airborne magnetic, radiometric, electromagnetic and ground gravity data. Monax has undertaken a comprehensive review of the geophysical data which has resulted in two prominent gravity anomalies being identified.

The responses in the unprocessed Phar Lap geophysical data were dominated by a suite of thin ‘vertical sheet like’ mafic rocks known as the Gairdner Dykes. These rocks are younger and unrelated to the known IOCG related mineral systems of the Eastern Gawler Craton. However, they are commonly intersected by explorers in their quests to discover IOCG deposits, as they exhibit comparable geophysical qualities.

After extensive processing and filtering to remove the influence of the Gairdner Dykes, two anomalies have been outlined - PLGA 1 and PLGA2 (Figure 2). These anomalies are similar to the anomaly associated with the Carrapateena ore body (Figures 2 & 3). (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).

Monax believes that comparative modelling (3D inversion modelling and apparent density modelling) between the Phar Lap data and publicly available Carrapateena data has demonstrated that the source of anomaly PLGA2 is very similar to the body that sources the Carrapateena ore body; in density volume product (i.e. from the apparent density modelling, density contrast (maximum density 1.2 Vs 1.3 g/cc), dimensions and depth (approximately 550m to top).

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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.



Figure 1. Location of tenements included in Sale and Purchase Agreement with Marmota.

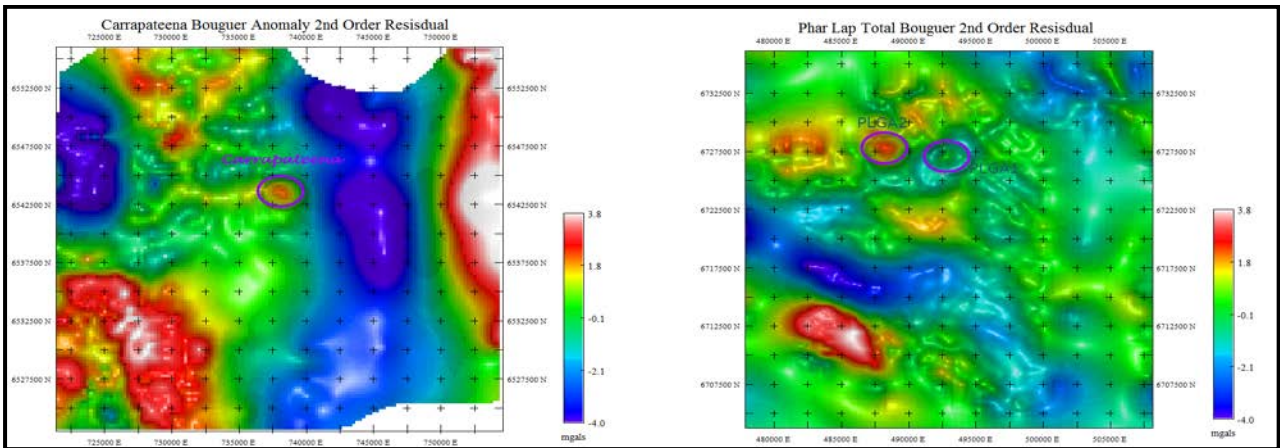


Figure 2. A comparison of the second order gravity residual for Carrapateena and Phar Lap showing similarity in bouguer gravity response.

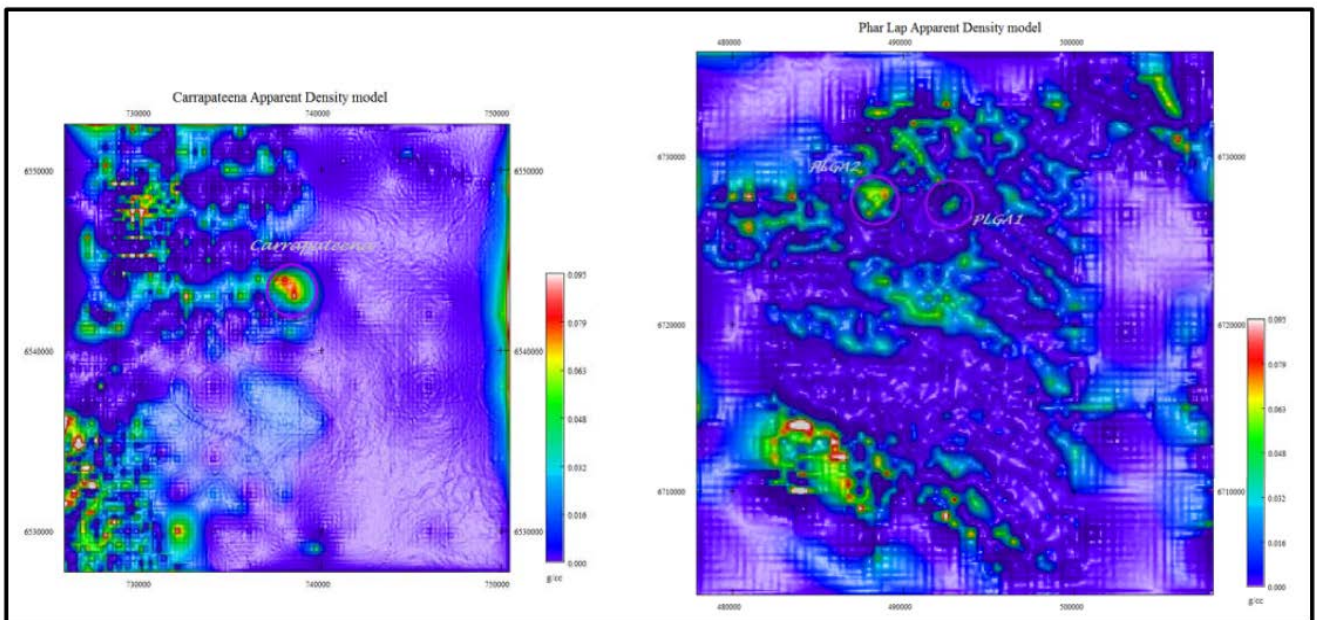


Figure 3 . Phar Lap Project - Image of the apparent density model which demonstrates that PLGA2 has a similar density volume product and dimensions to that of the source body for Carrapateena.