



20 August 2018

## **Monax Farms-In to Vanadium Play in the Mid-West, WA**

### **Highlights**

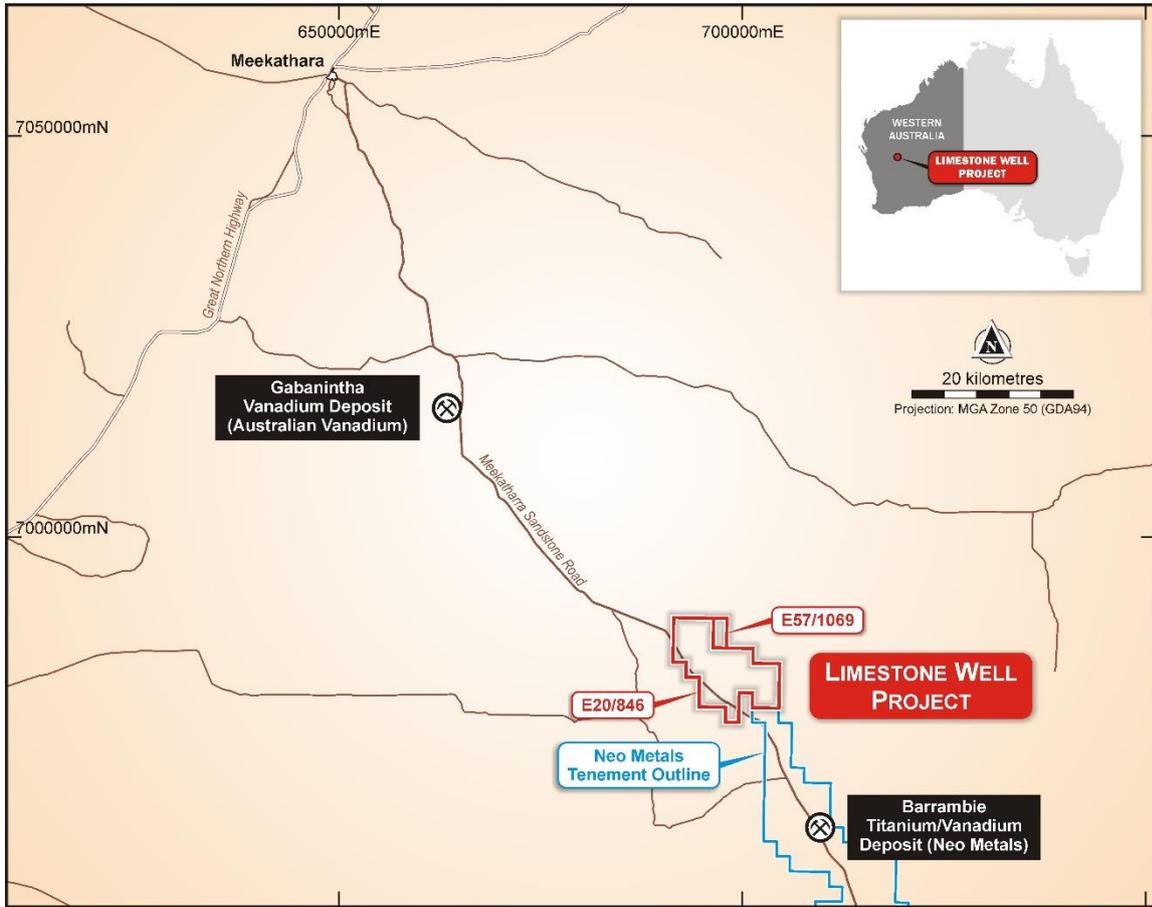
- **Monax to Farm-in to Limestone Well Vanadium Project located in a proven vanadium belt in the mid-west WA**
- **Adjoins Neometals' Barrambie Vanadium/Titanium Project to the south**
- **Monax can earn up to 80% interest in the project by expenditure of \$2.5m over 5 years**
- **Monax plans to complete aircore drilling to define targets for follow-up**

Monax Mining Limited (**Monax** or **the Company**) (ASX:MOX) is pleased to advise that it has agreed terms to Farm-in to two tenements at **Limestone Well** located 90km south east of Meekatharra, WA and held by Mithril Resources Limited. The project adjoins the Barrambie Titanium/Vanadium Project held by Neometals Limited.

The Tenements are prospective for titanium /vanadium deposits, similar to the Barrambie Titanium/Vanadium Project immediately to the south and the Gabanintha Vanadium Project 45km to the north west. Neometals' Barrambie Project has a total resource of 280.1mt at 9.18% TiO<sub>2</sub> and 0.44% V<sub>2</sub>O<sub>5</sub> and within that a sub-set high grade vanadium resource of 64.9mt at 0.82% V<sub>2</sub>O<sub>5</sub> and 16.9% TiO<sub>2</sub> (**Note 1**).

Monax can earn a 60% interest in two exploration licences held by Mithril Resources Limited, covering approximately seven kilometres of magnetic stratigraphy that is prospective for vanadium and titanium, by expenditure of \$1.5m over three years. If Mithril elects not to contribute at 40%, Monax may then earn a further 20% by expenditure of a further \$1m over a further two years.

The tenements have had limited base metals and gold exploration completed over them and no previous exploration for vanadium. They represent an excellent target for the discovery of vanadium mineralisation in a proven vanadium belt.



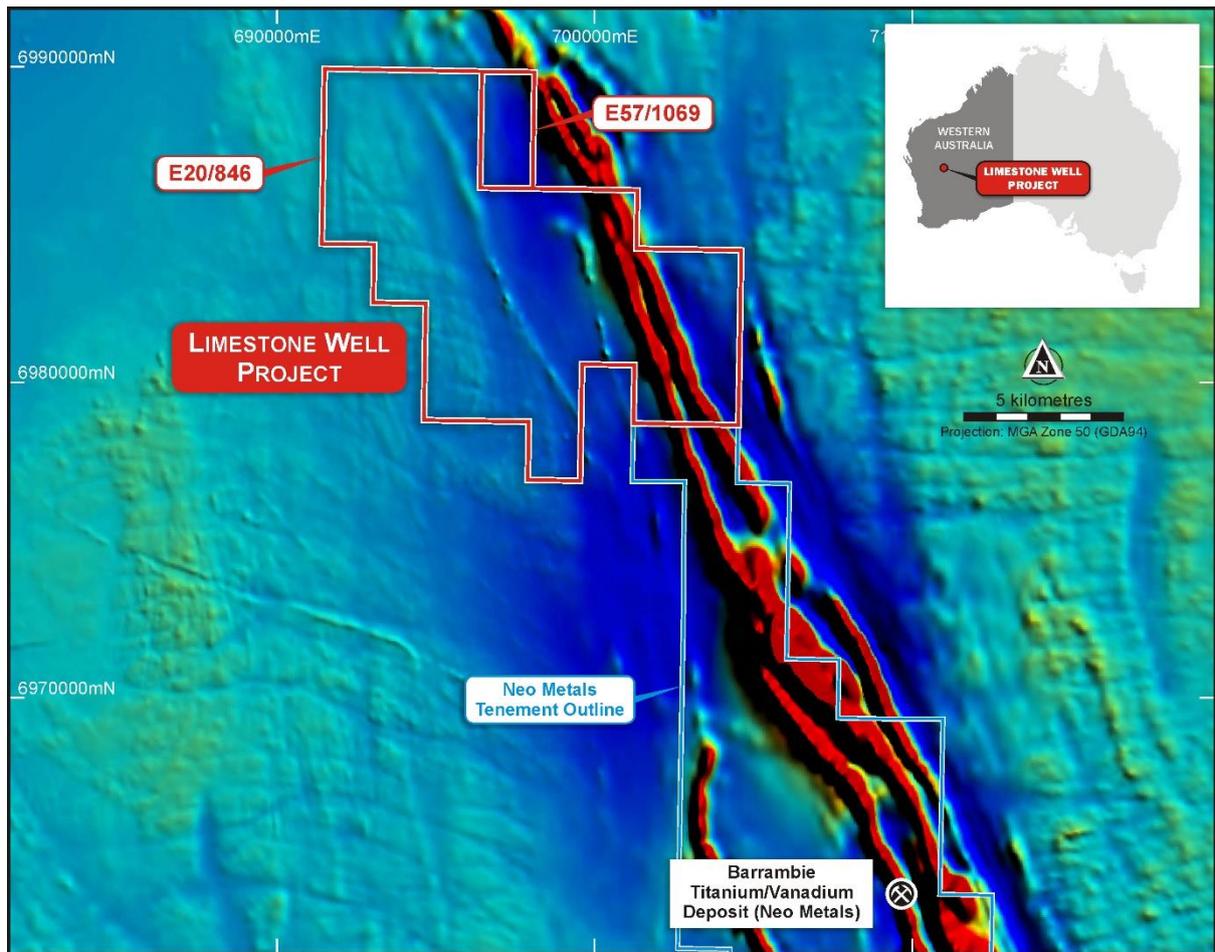
**Figure 1: Limestone Well project location plan**

**Next Steps**

Monax plans to complete a program of aircore drilling across the prospective magnetic trends to confirm that the titanium/vanadium mineralisation present at Barrambie continues into the Limestone Well Project. Once this has been confirmed, RC drilling will be undertaken to define the extent of this potential mineralisation.

A Program of Work will be lodged with the relevant Department in the next few weeks to allow this work to commence.

**Note 1: Neometals Limited ASX Release on 17 April 2018.**



**Figure 2: Magnetic image showing the Limestone Well Project and prospective rock units**

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The terms of the Farm-in and Joint Venture Agreement are as follows:

- Monax to spend a minimum of \$150,000 in the first year before it can withdraw.
- Monax can earn a 60% interest in the tenements by expenditure of \$1.5M (inclusive of the \$150,000 First Year minimum expenditure) over 3 years – Stage 1.
- At end of Stage 1, Mithril has the right to contribute on a pro rata basis.
- If Mithril elects not to contribute, Monax can earn a further 20% by expenditure of a further \$1M within a further 2 years - Stage 2. (*Total of \$2.5M over 5 years to earn 80%*)
- At end of Stage 2, Mithril has the right to contribute on a pro rata basis or dilute.