



MONAX MINING LIMITED

Annual Technical Report

EL 29966 Goodall/Great Northern

For the period 4 December 2015 – 3 December 2016

Tenure holder | North Queensland Mining Pty Ltd Tenement operator | Monax Mining Limited
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Summary

Exploration Licence 29966 (the licence) is located approximately 25km East of Adelaide River township and consists of 34 square sub-blocks.

The area is situated within the Pine Creek Orogen region, which is highly prospective for gold mineralisation. The area has long been a target for exploration and North Queensland Mining believe the area is highly prospective for an economic gold deposit.

Most of the current year was spent reviewing data and undertaking further field checking.

Keywords

EL 29966, Adelaide River, gold, Pine Creek Orogen, rock chip sampling

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1. Introduction

This annual report details the work undertaken by North Queensland Mining Pty Ltd and Monax Mining Limited on Exploration Licence (EL) 29966, during the period 4 December 2015 – 3 December 2016.

The licence is located approximately 25km east of the Adelaide River Township in the Northern Territory and can be accessed from the Stuart Highway via existing public roads and tracks (Figure 1).

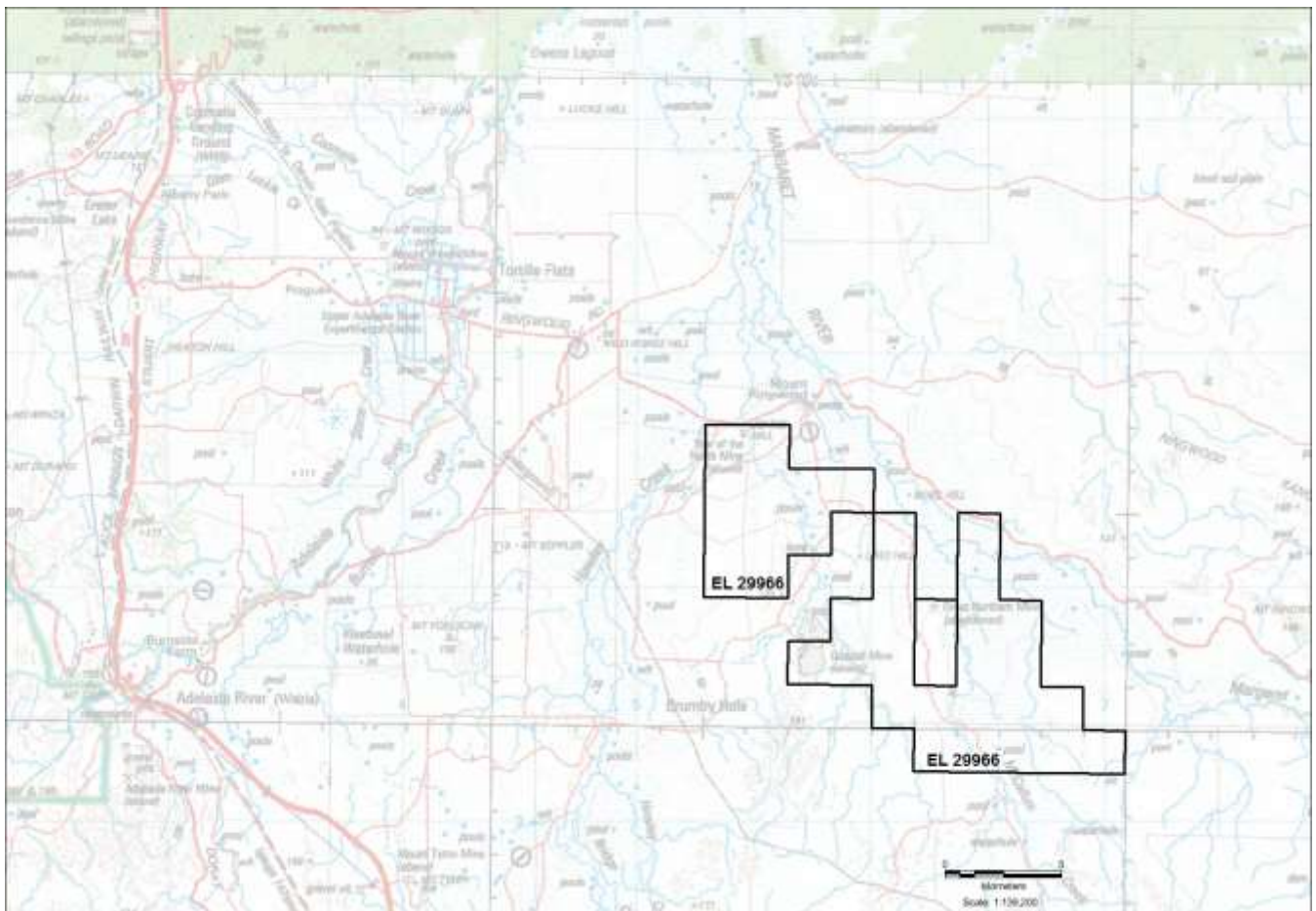


Figure 1: Location of EL 29966

2. Tenure

Exploration Licence 29966 was granted for six years to North Queensland Mining on 4 December 2013. The licence is covered by pastoral leases and is located on Mount Ringwood Station.

Tenement details for EL 29966 are detailed below in **Table 1**

EL	Name	Tenure holder	Tenement operator	Area (Subblocks)	Grant Date	Expiry Date
29966	Goodall/Great Northern	North Queensland Mining Pty Ltd	Monax Mining Limited	34	4 December 2013	3 December 2019

3. Geology

The area is within the Pine Creek Orogen and consists of variably deformed and metamorphosed Palaeoproterozoic metasedimentary and intrusive rocks forming part of the North Australian Craton. The geology of this area largely consists of greywacke, shale, siltstone, sandstone, dolostone, tuff, granite, basalt, micaceous schist, quartzite and felsic volcanics. The dominant lithology within the licence area is a medium to coarse, light pink to grey I-Type granite, which is part of the Early Proterozoic Cullen Batholith.

The area hosts numerous commodities which includes gold, uranium, base metals, PGE, iron ore, manganese, magnesite and phosphate. The Pine Creek Orogen is well known for gold and uranium mineral exploration.

4. Exploration Rationale

The area is within the Pine Creek Orogen which is a known region to host significant gold deposits, particularly alluvial gold deposits. Considering the location of the area and its proximity to the Pine Creek Shear Zone, North Queensland Mining believed that there is a potential for the area to host an economic gold resource.

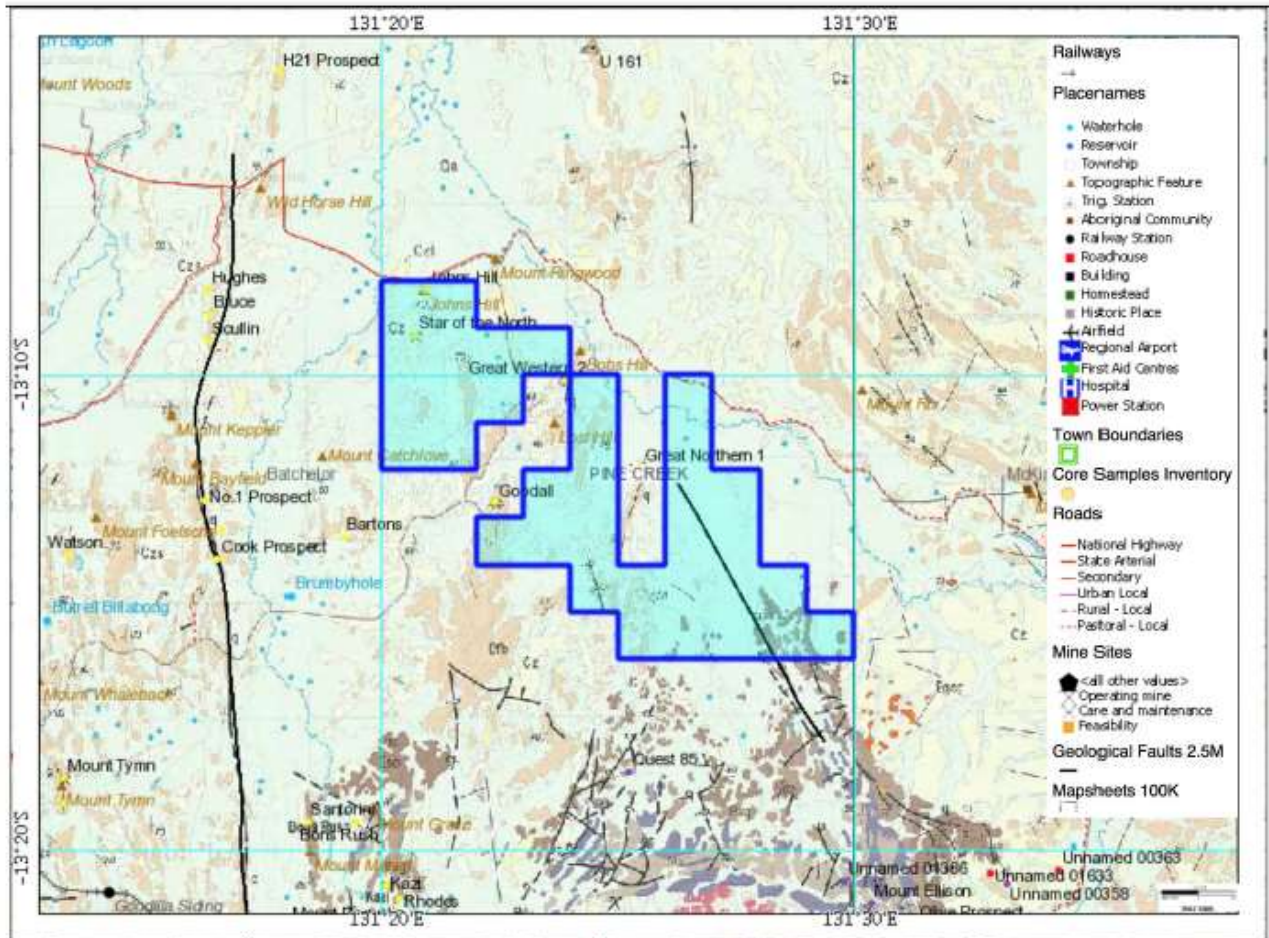


Figure 2: Geology Map

5. Previous Exploration

Monax undertook a detailed review of historical company exploration for the area of EL 29966. Western Mining Corporation (“WMC”) undertook exploration on the western side of the licence area and outlined several prospects including C3, C4, C5 and C8.

Exploration by AngloGold on the eastern part of the licence reported several encouraging rock chip results up to a maximum of 10.2 g/t gold.

6. Exploration Conducted

Monax entered into a Farm-In Agreement with North Queensland Mining Pty Ltd to undertake exploration on EL 29966. Monax undertook the following activities in relation to EL 29966:

- Desktop studies – Reviewed past exploration company reports and interpret geophysics.
- Three field trips to the license were undertaken during the previous year.
- General prospecting and mapping was conducted on the licenses while in the field

- A total of 191 rock chip samples were collected from EL 29966 and assayed for gold only (Figure 3 shows the sample locations and results are presented in see Appendix A).
- A full review of available data and Monax data was completed with further field checking undertaken.

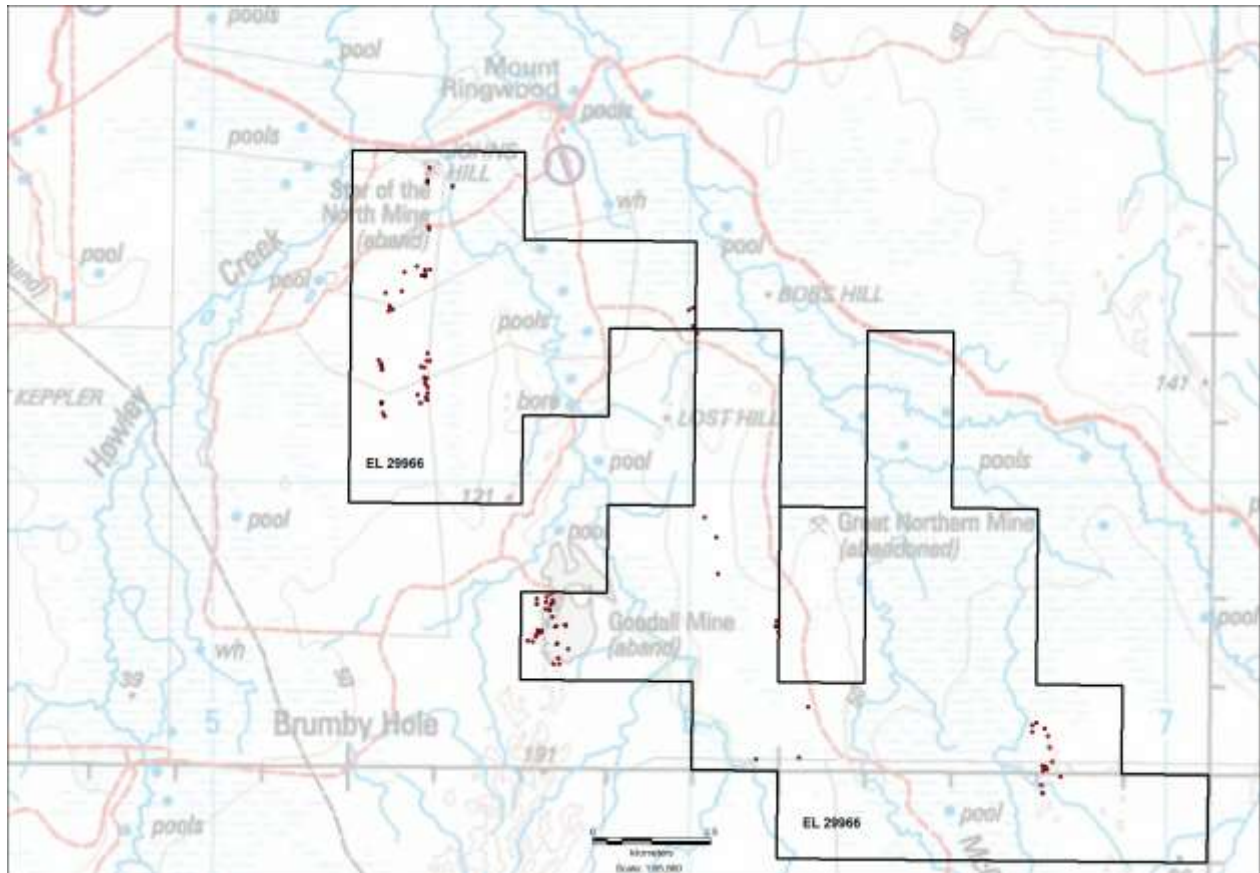


Figure 3: Location of sample sites.

During the current year, Monax conducted further field work and reviewed the current data with available data. Monax also undertook a drilling program on several Mining Leases within the area and reviewed the drilling data in relation to the geology and results from EPM 29966. Based on the relatively poor results from the drilling and a review of available data including drilling by previous explorers in the Goodall and C3-C5 areas, Monax decided to withdraw from the joint venture.

7. Conclusions

After further field investigation and a review of Monax drilling and historical drilling within the area, Monax decided to withdraw from the Joint Venture.

8. References

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S. Adamson., (2010) *Annual report for Great Northern Exploration License 23516 for the year ending 03/04/2010.*

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Appendix A

Monax Mining Ltd Rock Chip Sampling Results (GDA 94 Zone 52)

SITE	PROSPECT	EASTING	NORTHING	SAMPLE	AU_PPM_	AU_PPM__RP
47	Johns Hill	755062	8546195	295150	<0.01	
48	Johns Hill	755062	8546196	295151	<0.01	
49	Johns Hill	755061	8546202	295152	0.03	
50	Johns Hill	755050	8546188	295153	<0.01	
51	Johns Hill	755045	8546174	295154	<0.01	
51	Johns Hill	755045	8546174	295155	<0.01	
55	Johns Hill	754560	8546582	295158	0.24	
58	Star of the North	754547	8545339	295159	0.01	
58	Star of the North	754547	8545339	295160	<0.01	
58	Star of the North	754547	8545339	295161	0.01	
59	Star of the North	754570	8545300	295162	<0.01	
102	Star of the North	754303	8544511	295178	0.14	
123	C3	753998	8543993	295187	0.81	
126	C3	753808	8543612	295188	11.2	11.5
129	C3	753650	8543954	295189	0.49	
129	C3	753650	8543954	295190	2.18	
131	C3	753743	8543682	295191	<0.01	
132	C3	753733	8543673	295192	0.03	
133	C3	753753	8543625	295193	0.02	
134	C3	753713	8543582	295194	0.07	
137	C5	754535	8542685	295195	0.06	
137	C5	754535	8542685	295196	0.04	
137	C5	754535	8542685	295197	0.01	
137	C5	754535	8542685	295198	<0.01	
138	C5	754587	8542528	295199	<0.01	
139	C5	754509	8542542	295200	<0.01	
139	C5	754509	8542542	295201	<0.01	
140	C5	754390	8542406	295202	<0.01	
140	C5	754390	8542406	295203	<0.01	
140	C5	754390	8542406	295204	<0.01	
141	C5	754471	8542401	295205	<0.01	
141	C5	754471	8542401	295206	<0.01	
141	C5	754471	8542401	295207	<0.01	
141	C5	754471	8542401	295208	0.32	
142	C5	754458	8542190	295209	10.6	10.6
142	C5	754458	8542190	295210	4.04	3.98
143	C5	754509	8542164	295211	0.7	
143	C5	754509	8542164	295212	0.15	
144	C5	754484	8542131	295213	0.32	
144	C5	754484	8542131	295214	0.06	
148	C5	754476	8542054	295215	0.07	

149	C5	754525	8541971	295216	0.02	
151	C5	754494	8541778	295217	0.01	
152	C5	754508	8541715	295218	4.35	
153	C5	754529	8541712	295219	0.24	
156	C5	754371	8541646	295220	40.8	45.6
156	C5	754371	8541646	295221	1.42	
156	C5	754371	8541646	295222	1.83	
156	C5	754371	8541646	295223	27.2	25.4
156	C5	754371	8541646	295224	0.95	
156	C5	754371	8541646	295225	26.1	27.2
157	C5	754388	8541650	295226	0.92	
158	C5	754333	8541828	295227	0.84	
158	C5	754333	8541828	295228	0.08	
158	C5	754333	8541828	295229	0.07	
162	C5	754528	8541854	295230	0.02	
162	C5	754528	8541854	295231	0.11	
162	C5	754528	8541854	295232	0.01	
163	C5	754531	8541972	295233	3.04	2.88
169	C4	753581	8542341	295234	0.22	
170	C4	753581	8542380	295235	0.65	
171	C4	753568	8542419	295236	<0.01	
172	C4	753564	8542460	295237	0.01	
172	C4	753564	8542460	295238	0.06	
174	C4	753551	8542461	295239	0.01	
176	C4	753516	8542548	295240	0.01	
180	Ban Ban	767435	8534040	295244	<0.01	
180	Ban Ban	767435	8534040	295245	<0.01	
180	Ban Ban	767435	8534040	295246	<0.01	
181	Ban Ban	767430	8534046	295247	<0.01	
181	Ban Ban	767430	8534046	295248	<0.01	
182	Ban Ban	767431	8534049	295249	<0.01	
184	Ban Ban	767491	8534031	295250	<0.01	
185	Ban Ban	767525	8533972	295251	<0.01	
186	Ban Ban	767503	8534006	295252	<0.01	
187	Ban Ban	767501	8534012	295253	0.01	
188	Ban Ban	767444	8533953	295254	<0.01	
189	Ban Ban	767409	8533647	295255	<0.01	
189	Ban Ban	767409	8533647	295256	0.02	
190	Ban Ban	767431	8533481	295257	<0.01	
190	Ban Ban	767431	8533481	295258	<0.01	
190	Ban Ban	767431	8533481	295259	<0.01	
191	Ban Ban	767451	8533473	295260	<0.01	
193	Ban Ban	767809	8533825	295261	0.02	

194	Ban Ban	767631	8534138	295262	0.01	
195	Ban Ban	767215	8534894	295263	<0.01	
196	Ban Ban	767313	8534947	295264	<0.01	
198	Ban Ban	767557	8534665	295265	<0.01	
199	Ban Ban	767471	8534834	295266	<0.01	
200	Ban Ban	767223	8534761	295267	<0.01	
201	Ban Ban	767585	8534428	295268	<0.01	
201	Ban Ban	767585	8534428	295269	0.01	
219	Great Western	760111	8543261	295292	0.01	
219	Great Western	760111	8543261	295293	0.07	
219	Great Western	760111	8543261	295294	0.01	
221	Great Western	760198	8543099	295295	0.01	
221	Great Western	760198	8543099	295296	0.01	
282	Goodall	757115	8537660	295361	4.59	
283	Goodall	757032	8537587	295362	0.36	
284	Goodall	757020	8537489	295363	26.7	25.2
284	Goodall	757020	8537489	295364	2.99	
285	Goodall	757125	8537441	295365	6.1	
285	Goodall	757125	8537441	295366	30.9	31.5
285	Goodall	757125	8537441	295367	1.76	
286	Goodall	757172	8537476	295368	4.48	
287	Goodall	757147	8537528	295369	7.1	7.4
291	Goodall	757416	8536992	295370	0.78	
292	Goodall	757431	8536993	295371	0.04	
293	Goodall	757434	8536990	295372	0.05	
294	Goodall	757197	8536963	295373	0.07	
297	Goodall	757234	8536977	295374	0.27	
297	Goodall	757234	8536977	295375	0.08	
298	Goodall	756936	8536877	295376	0.04	
299	Goodall	756936	8536866	295377	0.8	
300	Goodall	756914	8536857	295378	0.3	
301	Goodall	756890	8536848	295379	0.22	
301	Goodall	756890	8536848	295380	0.5	0.5
304	Johns Hill	754532	8546324	295381	0.55	-
304	Johns Hill	754532	8546324	295382	3.02	-
304	Johns Hill	754532	8546324	295383	0.04	-
305	Johns Hill	754536	8546301	295384	0.35	-
306	Johns Hill	754525	8546263	295385	0.01	-
307	Johns Hill	754524	8546288	295386	0.34	-
314	Star of the North	754040	8544392	295396	0.19	-
318	Star of the North	754583	8544446	295397	0.01	-
320	Star of the North	754476	8544307	295398	0.12	-
320	Star of the North	754476	8544307	295399	0.07	-

321	Star of the North	754479	8544318	295400	0.16	-	
322	Star of the North	754474	8544345	295401	0.1	-	
322	Star of the North	754474	8544345	295402	0.03	-	
323	Star of the North	754477	8544357	295403	0.05	-	
325	Star of the North	754477	8544448	295404	0.08	-	
326	Star of the North	754405	8544319	295405	0.01	-	
330	C8	753576	8541662	295406	15.6		15.8
331	C8	753573	8541653	295407	2.96	-	
332	C8	753567	8541660	295408	1.45	-	
333	C8	753568	8541627	295409	1.75		1.68
333	C8	753568	8541627	295410	3.36	-	
339	C8	753588	8541445	295411	0.79	-	
343	C8	753625	8541369	295412	20.7		21
343	C8	753625	8541369	295413	16.7		16.6
352	Great Western area	760024	8543586	295414	0.91	-	
354	Great Western area	760102	8543651	295415	0.08	-	
378	Great Northern	760588	8538833	295426	-0.01	-	
381	Great Northern	760616	8538070	295427	0.01	-	
382	South Great Northern	760348	8539254	295428	0.04	-	
384	South Great Northern	761887	8536839	295432	-0.01	-	
385	South Great Northern	761831	8536968	295433	-0.01	-	
386	South Great Northern	761833	8536973	295434	0.02	-	
387	South Great Northern	761858	8537090	295435	0.02	-	
404	South Great Northern	762317	8534215	295448	0.04	-	
404	South Great Northern	762317	8534215	295449	0.07	-	
406	South Great Northern	761425	8534195	295450	0.04	-	
406	South Great Northern	761425	8534195	295451	-0.01	-	
408	South Great Northern	762519	8535289	295452	-0.01	-	
411	Goodall	757236	8536608	295453	1.94	-	
411	Goodall	757236	8536608	295454	0.62	-	
411	Goodall	757236	8536608	295455	0.51	-	
412	Goodall	757250	8536612	295456	0.08	-	
413	Goodall	757475	8536504	295457	24.7		24.1
413	Goodall	757475	8536504	295458	5.8		5.7
413	Goodall	757475	8536504	295459	9.4		9.5
413	Goodall	757475	8536504	295460	2.23	-	
416	Goodall	757271	8536304	295461	0.13	-	
416	Goodall	757271	8536304	295462	0.02	-	
417	Goodall	757174	8536182	295463	0.02	-	
417	Goodall	757174	8536182	295464	0.13	-	
417	Goodall	757174	8536182	295465	31		32.3
418	Goodall	757297	8536179	295466	0.77	-	
429	Goodall	756836	8536902	295469	0.71	-	

430	Goodall	756833	8536888	295470	1.17	-	
430	Goodall	756833	8536888	295471	0.13	-	
433	Goodall	756818	8536807	295472	0.84	-	
433	Goodall	756818	8536807	295473	0.15	-	
436	Goodall	756813	8536755	295474	6		5.9
438	Goodall	756745	8536653	295475	0.02	-	
440	Goodall	756629	8536664	295476	0.15	-	
440	Goodall	756629	8536664	295477	0.09	-	
440	Goodall	756629	8536664	295478	0.05	-	
440	Goodall	756629	8536664	295479	0.05	-	
442	Goodall	757148	8537178	295480	68		68
442	Goodall	757148	8537178	295481	34		35
443	Goodall	757095	8537312	295482	0.9	-	
443	Goodall	757095	8537312	295483	1.65	-	
444	Goodall	757098	8537320	295484	2.32	-	
444	Goodall	757098	8537320	295485	10.3		11
445	Goodall	757015	8537320	295486	0.19	-	
445	Goodall	757015	8537320	295487	81		80
452	Goodall	756823	8537560	295491	0.49	-	
454	Goodall	756818	8537451	295492	0.37	-	
455	Goodall	756829	8537432	295493	0.13	-	