

MONAX MINING LTD
140 GREENHILL RD, UNLEY, SA, 5061
TEL: +61 8 8373 6271 FAX: +61 8 8373 5917
WEBSITE: WWW.MONAXMINING.COM.AU
EMAIL: INFO@MONAXMINING.COM.AU



**MONAX
MINING LTD**
ACN 110 336 733

ASX RELEASE

FOR IMMEDIATE RELEASE

31 OCTOBER 2005

GENERAL MANAGER

THE COMPANY ANNOUNCEMENTS OFFICE

AUSTRALIAN STOCK EXCHANGE LIMITED

PO BOX H224

AUSTRALIA SQUARE

SYDNEY NSW 1215

Dear Sir/Madam,

**MONAX MINING LIMITED
QUARTERLY REPORT ENDING 30 SEPTEMBER 2005**

QUARTERLY HIGHLIGHTS

EXPLORATION

Since our highly successful debut on the Australia Stock Exchange on the 21st of September 2005, Monax has concentrated on setting up its corporate infrastructure, employing staff and developing efficient work programs and time frames for exploration of its tenements.

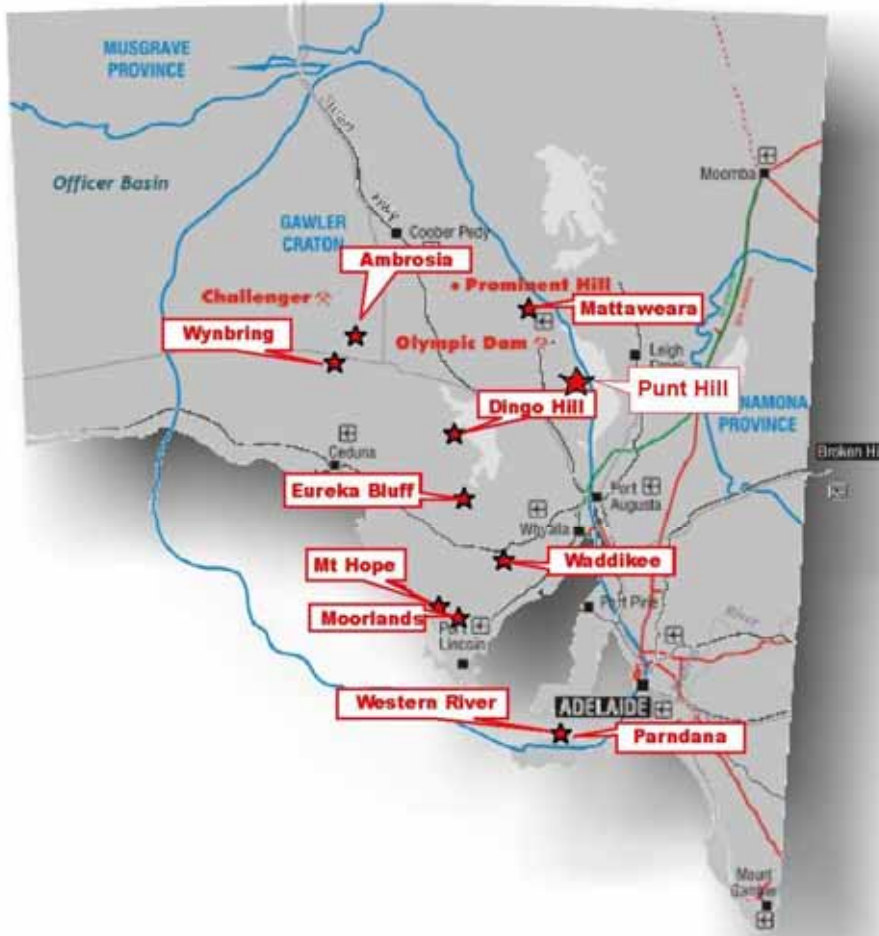
Punt Hill

- A formal offer from PIRSA for Punt Hill (ELA 336/05) tenement has been received.
- The offer has been accepted by Monax.
- Monax plans to undertake a detailed gravity survey over this tenement to better define gravity anomalies and potential drill targets.
- Following a review of this data, Monax will assess its opportunities for rapidly advancing exploration of the defined drill targets to provide maximum benefit to shareholders.

Eureka Bluff

- A formal offer from PIRSA for Eureka Bluff (ELA 59/05) tenement has been received
- The offer has been accepted by Monax.

Project Locations



Project Status

Project	Tenement	Status	Acquired	Area km ²
Ambrosia	EL 3358	Granted	100%	854
Mt Hope	EL 3355	Granted	100%	320
Moorlands	EL 3356	Granted	100%	324
Parndana	EL 3376	Granted	100%	100
Western River	EL 3088	Granted	100%	188
Wynbring	EL 3359	Granted	100%	247
Eureka Bluff	ELA 59/05	Offer accepted	100%	549
Dingo Hill	EL 3394	Granted	100%	516
Mattaweara	EL 2964	Granted	100%	119
Waddikee	EL 3357	Granted	100%	1004
Punt Hill	ELA 336/05	Offer accepted	100%	887

Appendix 5B

Mining exploration entity quarterly report

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

Name of entity

Monax Mining Limited

ABN

96 110 336 733

Quarter ended ("current quarter")

30 September 2005

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from product sales and related debtors		
1.2 Payments for		
(a) exploration and evaluation	(1)	(1)
(b) development		
(c) production		
(d) administration	(48)	(48)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	38	38
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material))		
GST	(19)	(19)
Other	(5)	(5)
Net Operating Cash Flows	(35)	(35)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets	(9)	(9)
1.9 Proceeds from sale of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets		
1.10 Loans to other entities		
1.11 Loans repaid by other entities		
1.12 Other (provide details if material)		
Net investing cash flows	(9)	(9)
1.13 Total operating and investing cash flows (carried forward)	(44)	(44)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(44)	(44)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	5,015	5,015
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)		
	Payments relating to issue of shares	(223)	(223)
	Net financing cash flows	4,792	4,792
	Net increase (decrease) in cash held	4,748	4,748
1.20	Cash at beginning of quarter/year to date	309	309
1.21	Exchange rate adjustments to item 1.20		
		5,057	5,057
1.22	Cash at end of quarter		

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	
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

--

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

Nil

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

Nil

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	Nil	Nil
3.2	Credit standby arrangements	Nil	Nil

Estimated cash outflows for next quarter

+ See chapter 19 for defined terms.

	\$A'000
4.1 Exploration and evaluation	315
4.2 Development	
Total	315

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'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	23	309
5.2 Deposits at call		
5.3 Bank overdraft		
5.4 Other (provide details) – IPO Trust Account	5,034	-
Total: cash at end of quarter (item 1.22)	5,057	309

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	EL 2964 EL 2725 EL 3088 EL 3394 ELA 2005/0059 ELA 2005/00336	0% 0% 0% 0% 0% 0%	100% 100% 100% 100% 100% 100%

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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 <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 +Ordinary securities	49,166,670	27,125,003		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	25,000,000 2,777,777 100,000	25,000,000 100,000	\$0.20 Terms of IPO \$0.10	\$0.20 \$0.10
7.5 +Convertible debt securities <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 Options <i>(description and conversion factor)</i>	5,000,000 2,500,000 2,000,000		<i>Exercise price</i> \$0.25 \$0.30 \$0.40	<i>Expiry date</i> 30/06/2008 30/06/2009 31/12/2010
7.8 Issued during quarter				
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 Debentures <i>(totals only)</i>				
7.12 Unsecured notes <i>(totals only)</i>				

+ See chapter 19 for defined terms.

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.

Print name: Dom Cosentino..... Date:31/10/2005.....
(~~Director~~/Company Secretary)

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.

== == == == ==

+ See chapter 19 for defined terms.