



**MONAX
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For Immediate Release
Monday 14 December 2015

Letter to Shareholders

Please find following a letter despatched to shareholders regarding the current Share Purchase Plan.

Yours Faithfully

Virginia Suttell

Company Secretary
Monax Mining Limited



10 December 2015

Letter to Shareholders – Share Purchase Plan

Dear Fellow Shareholder,

You should have received your Share Purchase Plan (“SPP”) documents which entitles eligible shareholders of Monax Mining Limited (“Monax”) to purchase up to \$15,000 worth of fully paid ordinary shares in the capital of Monax, free from all brokerage and commissions.

New shares under the SPP will be issued at \$0.010 per share, a 16.8% discount to the volume weighted average share price for the 5 trading days prior to 18 November 2015.

The Company has recently extended the closing date of the SPP by 1 week from 11 December 2015 to 18 December 2015 in order to allow shareholders sufficient time to review significant, recently-announced ASX Releases regarding new high- grade rock chip results from the Mt Ringwood Gold Project (see ASX Release dated 3 December 2015) and the exciting discovery of a significant potential basement conductor at the Western Gawler Craton (“WGC”) Project (see ASX Release dated 8 December 2015). Monax’s ability to co-fund exploration is dependent upon a strong shareholder participation in the SPP.

The results from recent sampling programs undertaken at the Mt Ringwood Gold Project confirm that high-grade gold mineralisation is extensive throughout the project area with one sample recording up to 382 g/t gold. Funds received through the SPP will firstly be allocated to accelerating exploration activities on this project with an intention to commence drilling in early 2016.

Recent exploration at the WGC Project has been fully-funded by Western Areas Limited (“WSA”). WSA reached a 90% earn-in threshold in just over 12 months from the signing of the Farm-In Agreement, illustrating their commitment to the WGC Project. Following completion of the SPP, Monax must decide whether to co-fund exploration at the WGC Project based on a 10% interest, or dilute to a 1% net smelter royalty (“NSR”).

The SPP will close on 18 December 2015 with shareholders able to purchase a maximum of 1,500,000 shares at a price of 1 cent per share (\$15,000), or a minimum of 50,000 shares at a price of 1 cent per share (\$500) or intervals of 100,000 shares (\$1000), 200,000 shares (\$2,000), 500,000 shares (\$5,000) and 1,000,000 shares (\$10,000).

The SPP is a great opportunity for existing shareholders holding unmarketable parcels to increase their holdings without incurring transaction costs.

If you have any concerns about what to do, you should contact your broker or other financial adviser. You can also call the Company and ask to speak to either myself, the Managing Director or the Company Secretary on (08) 8232 8320.

If you have not received the SPP documents then please contact Computershare (1300 556 161).

On behalf of your Directors, I thank you for your past support and invite you to consider this opportunity for future investment in the Company.

Thank you

A handwritten signature in blue ink, consisting of a stylized 'R' followed by a horizontal line and a loop.

Robert M Kennedy

CHAIRMAN