



Monax Mining Limited and Controlled Entities

Consolidated Half-Year Financial Report

31 December 2017

CORPORATE DIRECTORY

Monax Mining Limited

ACN 110 336 733
ABN 96 110 336 733
Incorporated in SA

Registered Office

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UNLEY SA 5061
Telephone: (08) 8373 6271 / (08) 8373 5588
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Share Registrar

Computershare Investor Services Pty Ltd
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Auditor

Grant Thornton
Chartered Accountants
Level 3
170 Frome Street
Adelaide SA 5000

Monax Mining Limited and Controlled Entities

Directors' Report

The directors present their report together with the half-year financial report of Monax Mining Limited ("the Company") and its controlled entities ("Consolidated entity") for the period ended 31 December 2017 and the auditor's independent review report thereon.

Directors

The names of the directors of the Company during the half-year and until the date of this report are:

Robert M Kennedy (*Non-Executive Chairman*)

Glenn S Davis

Gary M Ferris (*Managing Director, resigned 2 August 2017*)

Ian J Gordon (*Non-executive Director appointed 1 June 2017, Managing Director appointed 1 October 2017*)

Principal activities

The consolidated entity's principal activity is mineral exploration.

Review and results of operations

The net loss after income tax for the half-year was \$358,780 (December 2016 loss of \$811,353).

Monax Mining Limited ("Monax") is an Adelaide-based mineral explorer with projects located across north Queensland and Western Australia. In the six months to December 2017, Monax primarily focused on exploration at its Western Queen Project (Western Australia).

The Western Queen project is located 90km north-west of Mt Magnet in the Murchison mineral field. During the period, the Company completed a diamond drilling program. The program consisted of five diamond drill holes at the Western Queen South mine, testing the main zone below the existing pit. The holes were designed to provide sufficient drill coverage of the deposit to estimate a resource for the project. The southernmost hole intersected 3.3m at 7.98g/t confirming the continuity of high grade mineralisation for at least 60m past the previous drilling. The high grade zone remains open and is untested beyond that intersection. Subsequent to the end of the period, the Company's geological consultants completed a Resource Estimation for the Western Queen project. The Resource was estimated to be 962,000t @ 3.9 g/t Au for 120,000 ounces of gold.

Further work is planned for the Western Queen Central deposit which is high grade and open down plunge of existing drilling. This program will be designed to test the high grade mineralisation down plunge of the existing Resource. The Company is planning to complete a review of the Western Queen project for its potential to host lithium bearing pegmatites. There are a significant number of previous drill holes at Western Queen drilled for gold that have intersected pegmatites.

The operations at the Percyville project are currently being reviewed by the Board for commerciality.

Croydon Gold Project was divested to Wilson Minerals during the period.

During the period, Monax completed a share purchase plan, raising \$50,500 at an issue price of \$0.006 per share. The company also completed a placement, raising \$502,175 at an issue price of \$0.0045 per share.

Likely developments

Further information about likely developments in the operations of the Company and the expected results of those operations in future years have not been included in this report because disclosure of the information would be likely to result in unreasonable prejudice to the Company.

Monax Mining Limited and Controlled Entities

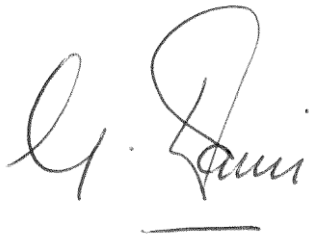
Directors' Report (continued)

Auditors independence declaration

Section 307C of the Corporations Act 2001 requires the Company's auditors, Grant Thornton, to provide the directors of Monax Mining Limited with an Independence Declaration in relation to the review of the half-year financial report. The Independence Declaration is set out on the following page and forms part of this Directors' Report.

Dated this 13 day of March 2018

Signed in accordance with a resolution of the Board of Directors:

A handwritten signature in black ink, appearing to read "G. Davis", with a horizontal line underneath the name.

Glenn Stuart Davis
Director

Grant Thornton House
Level 3
170 Frome Street
Adelaide, SA 5000
Correspondence to:
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Auditor's Independence Declaration To the Directors of Monax Mining Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the review of Monax Mining Limited for the half-year ended 31 December 2017. I declare that, to the best of my knowledge and belief, there have been:

- a No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- b No contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



S K Edwards
Partner – Audit & Assurance

Adelaide, 13 March 2018

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Monax Mining Limited and Controlled Entities
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 December 2017

	Note	Consolidated	
		Dec 2017	Dec 2016
		\$	\$
Other revenues from ordinary activities	4	3,517	8,568
Gain on disposal of asset		17,240	-
Total other revenue		20,757	8,568
Administrative expenses		68,826	63,955
Consultancy expenses		84,586	123,403
Depreciation		1,241	1,539
Occupancy expenses		4,525	9,500
Employment expenses		147,582	51,156
Impairment of assets		60,554	454,628
Loss on sale of asset		-	95,451
Loss before income tax expense		(346,557)	(791,064)
Income tax (expense)		(12,223)	(20,289)
Loss for the period		(358,780)	(811,353)
Loss attributed to members of the parent entity		(358,780)	(811,353)
Items that maybe reclassified to profit or loss		-	-
Other comprehensive income		-	-
Total comprehensive income for the period		(358,780)	(811,353)
Basic earnings per share (cents)		(0.07)	(0.2)
Diluted earnings per share (cents)		(0.07)	(0.2)

The accompanying notes form part of these financial statements.

Monax Mining Limited and Controlled Entities
Consolidated Statement of Financial Position
As at 31 December 2017

		Consolidated	
	Note	Dec 2017	Jun 2017
		\$	\$
Current assets			
Cash and cash equivalents	7	280,689	501,053
Trade and other receivables		56,569	52,067
Other assets		17,609	6,850
Total current assets		<u>354,867</u>	<u>559,970</u>
Non-current assets			
Plant and equipment		8,592	18,271
Exploration and evaluation expenditure	8	712,791	381,368
Total non-current assets		<u>721,383</u>	<u>399,639</u>
Total assets		<u>1,076,250</u>	<u>959,609</u>
Current liabilities			
Trade and other payables		187,458	278,703
Total current liabilities		<u>187,458</u>	<u>278,703</u>
Non-current liabilities			
Total non-current liabilities		<u>-</u>	<u>-</u>
Total liabilities		<u>187,458</u>	<u>278,703</u>
Net assets		<u>888,792</u>	<u>680,906</u>
Equity			
Issued capital	12	23,608,027	23,084,761
Reserves		85,565	42,165
Retained losses		(22,804,800)	(22,446,020)
Total equity		<u>888,792</u>	<u>680,906</u>

The accompanying notes form part of these financial statements

Monax Mining Limited and Controlled Entities
Consolidated Statement of Changes in Equity
For the half-year ended 31 December 2017

	Issued capital	Reserves	Retained losses	Total
	\$	\$	\$	\$
Balance at 1 July 2016	21,582,504	785,080	(21,609,390)	758,194
Transactions with owners in their capacity as owners:				
Shares issued during the period	1,555,502	-	-	1,555,502
Cost associated with shares issued during the period	(47,340)	-	-	(47,340)
	1,508,162	-	-	1,508,162
(Loss) attributable to members of the parent company	-	-	(811,353)	(811,353)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	(811,353)	(811,353)
Balance as at 31 December 2016	<u>23,090,666</u>	<u>785,080</u>	<u>(22,420,743)</u>	<u>1,455,003</u>
Balance at 1 July 2017	23,084,761	42,165	(22,446,020)	680,906
Transactions with owners in their capacity as owners:				
Fair value of options issued to employees	-	43,400	-	43,400
Shares issued during the period	552,675	-	-	552,675
Cost associated with shares issued during the period	(29,409)	-	-	(29,409)
	523,266	43,400	-	566,666
(Loss) attributable to members of the parent company	-	-	(358,780)	(358,780)
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	(358,780)	(358,780)
Balance as at 31 December 2017	<u>23,608,027</u>	<u>85,565</u>	<u>(22,804,800)</u>	<u>888,792</u>

The accompanying notes form part of these financial statements.

Monax Mining Limited and Controlled Entities

Consolidated Statement of Cash Flows

For the half-year ended 31 December 2017

	Consolidated	
	Dec 2017	Dec 2016
	\$	\$
Cash flows from operating activities		
Cash payments in the course of operations	(392,865)	(264,500)
Income tax paid	(1,068)	-
Interest received	3,517	8,568
Net cash (used in) operating activities	(390,416)	(255,932)
Cash flows from investing activities		
Proceeds from plant and equipment	28,047	-
Payments for plant and equipment	(2,713)	(2,077)
Payments for mining tenements and exploration	(376,102)	(402,022)
Proceeds from sale of mining tenements	22,000	22,000
Net cash (used in) by investing activities	(328,768)	(382,099)
Cash flows from financing activities		
Proceeds from issue of shares	552,675	1,503,501
Payments associated with the issue of shares	(53,855)	(96,149)
Net cash provided by financing activities	498,820	1,407,352
Net increase/(decrease) in cash held	(220,364)	769,321
Cash at the beginning of the half-year	501,053	151,368
Cash at the end of the half-year	280,689	920,689

The accompanying notes form part of these financial statements.

Monax Mining Limited and Controlled Entities

Condensed Notes to the Financial Statements

For the half-year ended 31 December 2017

1 *Basis of preparation of interim report*

Monax Mining Limited (Monax or the Company) is a company domiciled in Australia. The consolidated interim financial report of the Company for the six months ended 31 December 2017 comprises the Company and its subsidiaries (together referred to as the consolidated entity).

The consolidated annual financial report of the consolidated entity for the year ended 30 June 2017 is available upon request from the Company's registered office at 139 Greenhill Road, Unley SA or at www.monaxmining.com.au.

The interim consolidated financial statements are a general purpose report prepared in accordance with AASB 134 Interim Financial Reporting, and the Corporations Act 2001. This interim financial report is intended to provide users with an update on the latest annual financial statements of the consolidated entity. As such, this interim financial report does not include full disclosures of the type normally included in the annual report. It is recommended that this interim financial report be read in conjunction with the annual financial report for the year ended 30 June 2017 and any public announcements made by Monax during the interim reporting period in accordance with the continuous disclosure requirements of the ASX Listing Rules.

2 *Significant accounting policies*

The half-year financial statements have been prepared in accordance with the accounting policies adopted in the Group's last annual financial statements for the year ended 30 June 2017.

3 *Critical accounting estimates and judgements*

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends of economic data, obtained both externally and within the Company.

Key estimates – impairment

The Company assesses impairment at each reporting date by evaluating conditions specific to the Company that may lead to impairment of assets. Where an impairment trigger exists, the recoverable amount of the asset is determined.

The Company capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded.

Key judgements- exploration and evaluation expenditure

The entity capitalises expenditure relating to exploration and evaluation where it is considered likely to be recoverable or where the activities have not reached a stage which permits a reasonable assessment of the existence of reserves. While there are certain areas of interest from which no

Monax Mining Limited and Controlled Entities

Condensed Notes to the Financial Statements

For the half-year ended 31 December 2017

reserves have been extracted, the directors are of the continued belief that such expenditure should not be written off since feasibility studies in such areas have not yet concluded.

These financial statements were authorised for issue by the board of directors on 13 March 2018.

	Dec 2017	Dec 2016
	\$	\$
4		
<i>Other revenues from ordinary activities</i>		
Included in other revenues from ordinary activities:		
Interest: other parties	3,517	8,568
	<u>3,517</u>	<u>8,568</u>

5 ***Contingent liabilities***

There have been no material changes to the aggregate of contingent liabilities since 30 June 2017.

6 ***Commitments***

There have been no material changes to commitments disclosed in the 30 June 2017 annual report.

7 ***Cash and cash equivalents***

	Dec 2017	Jun 2017
	\$	\$
Cash at bank and at call	280,689	501,053
	<u>280,689</u>	<u>501,053</u>

Monax Mining Limited and Controlled Entities
Condensed Notes to the Financial Statements
For the half-year ended 31 December 2017

8 Exploration and evaluation expenditure

	Consolidated	
	Dec 2017	Jun 2017
	\$	\$
Movement:		
Carrying amount at beginning of period	381,368	701,577
Additional costs capitalised during the period	411,977	560,328
Sale of interest	(20,000)	(115,451)
Impairment	(60,554)	(765,086)
Carrying amount at end of period	<u>712,791</u>	<u>381,368</u>
Closing balance comprises:		
Exploration and evaluation		
- 100% owned	16,110	70,157
Exploration and evaluation phase		
- Joint Venture	<u>696,681</u>	<u>311,211</u>
	<u>712,791</u>	<u>381,368</u>

The ultimate recoupment of costs carried forward for exploration phase is dependent on the successful development and commercial exploitation or sale of the respective areas.

9 Controlled entities

Entities forming part of the Monax Mining Limited consolidated group are as follows:

	Country of incorporation	Percentage owned (%)	
		Dec 2017	Jun 2017
Parent entity:			
Monax Mining Limited	Australia		
Subsidiaries of Monax Mining Limited:			
Monax Alliance Pty Ltd	Australia	100%	100%

Monax Mining Limited and Controlled Entities
Condensed Notes to the Financial Statements
For the half-year ended 31 December 2017

10 Investments in associates

Interests are held in the following associated companies.

Name	Principal activities	Country of incorporation	Shares	Ownership interest %		Carrying amount of investment	
				Dec 2017	Jun 2017	Dec 2017	Jun 2017
Unlisted							
Groundhog Partnership	Administration services	n/a	n/a	50	50	-	-

11 Operating segments

AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Consolidated entity that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Consolidated entity has identified its operating segments to be Gawler Craton, Western Queen and Percyville as at December 2017 based on different geological regions and the similarity of assets within those regions. This is the basis on which internal reports are provided to the Board of Directors for assessing performance and determining the allocation of resources within the Consolidated entity.

The Consolidated entity operates primarily in one business, namely the exploration of minerals.

Monax Mining Limited and Controlled Entities
Condensed Notes to the Financial Statements
For the half-year ended 31 December 2017

11 Operating segments continued

Details of the performance of each of these operating segments for the six month periods ended 31 December 2017 and 31 December 2016 are set out below:

December 2017	Gawler Craton	Kangaroo Island	North Queensland	Bullock Creek	Mt Litchfield	Croydon	Mt Ringwood	Percyville	Western Queen	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Segment assets	16,110	-	-	-	-	-	-	388,592	308,089	712,791
<i>Segment asset increases for the period:</i>										
Sale of tenement	(20,000)	-	-	-	-	-	-	-	-	(20,000)
Capital expenditure	2,044	-	-	-	2,931	1,784	3,638	93,491	308,089	411,977
Impairment	(4,048)	-	-	-	(2,931)	(49,937)	(3,638)	-	-	(60,554)
Loss on sale of tenement	-	-	-	-	-	-	-	-	-	-
	(22,004)	-	-	-	-	(48,153)	-	93,491	308,089	331,423
<i>Reconciliation of segment assets to group assets</i>										
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	280,689
Trade and other receivables	-	-	-	-	-	-	-	-	-	56,569
Other current assets	-	-	-	-	-	-	-	-	-	17,609
Plant and equipment	-	-	-	-	-	-	-	-	-	8,592
Total consolidated assets	16,110	-	-	-	-	-	-	388,592	308,089	1,076,250

Monax Mining Limited and Controlled Entities
Condensed Notes to the Financial Statements
For the half-year ended 31 December 2017

11 Operating segments continued

June 2017	Gawler Craton	Kangaroo Island	North Queensland	Bullock Creek	Mt Litchfield	Croydon	Mt Ringwood	Percyville	Total
Segment assets	38,114	-	-	-	-	48,153	-	295,101	381,368
<i>Segment asset increases for the period:</i>									
Capital expenditure (less disposals)	11,609	974	(84)	(756)	211,771	29,603	12,110	295,101	560,328
Sale of tenement	(20,000)	-	-	-	-	-	-	-	(20,000)
Impairment	(274,663)	(974)	(3504)	756	(217,821)	-	(268,880)	-	(765,086)
	(283,054)	-	(3588)	-	(6,050)	29,603	(256,770)	295,101	(224,758)
<i>Reconciliation of segment assets to group assets</i>									
Cash and cash equivalents	-	-	-	-	-	-	-	-	501,053
Trade and other receivables	-	-	-	-	-	-	-	-	52,067
Other current assets	-	-	-	-	-	-	-	-	6,850
Plant and equipment	-	-	-	-	-	-	-	-	18,271
Investments accounted for using the equity method	-	-	-	-	-	-	-	-	-
Total consolidated assets	38,114	-	-	-	-	48,153	-	295,101	959,609

Monax Mining Limited and Controlled Entities
Condensed Notes to the Financial Statements
For the half-year ended 31 December 2017

11 Operating segments continued

December 2017	Gawler Craton	Kangaroo Island	North Queensland	Bullock Creek	Mt Litchfield	Croydon	Mt Ringwood	Percyville	Western Queen	Total
	\$	\$	\$	\$	\$	\$	\$	\$		\$
Segment revenue	-	-	-	-	-	-	-	-	-	-
Segment results										
Impairment	(4,048)	-	-	-	(2,931)	(49,937)	(3,638)	-	-	(60,554)
Gain on disposal of asset	-	-	-	-	-	-	-	-	-	17,240
Interest income	-	-	-	-	-	-	-	-	-	3,517
Other expenses	-	-	-	-	-	-	-	-	-	(263,360)
Loss before tax	(4,048)	-	-	-	(2,931)	(49,937)	(3,638)	-	-	(303,157)
Income tax benefit/(expense)	-	-	-	-	-	-	-	-	-	(12,223)
Net loss after tax	(4,048)	-	-	-	(2,931)	(49,937)	(3,638)	-	-	(315,380)
December 2016										
Segment revenue	-	-	-	-	-	-	-	-	-	-
Segment results										
Impairment	(184,672)	(974)	(3,504)	756	-	-	(266,234)	-	-	(454,628)
Loss on sale of tenements	(95,451)	-	-	-	-	-	-	-	-	(95,451)
Interest income	-	-	-	-	-	-	-	-	-	8,568
Other expenses	-	-	-	-	-	-	-	-	-	(249,553)
Loss before tax	(280,123)	(974)	(3,504)	756	-	-	(266,234)	-	-	(791,064)
Income tax benefit/(expense)	-	-	-	-	-	-	-	-	-	(20,289)
Net loss after tax	(280,123)	(974)	(3,504)	756	-	-	(266,234)	-	-	(811,353)

Monax Mining Limited and Controlled Entities
Condensed Notes to the Financial Statements
For the half-year ended 31 December 2017

12 Issued capital

	Dec 2017	Jun 2017
	\$	\$
Issued and paid-up share capital		
577,971,720 (June 2017: 457,960,718) ordinary shares, fully paid	23,608,027	23,084,761
<hr/>		
Ordinary shares		
Balance at the beginning of the period	23,084,761	21,582,504
Shares issued during the year		
- 150,350,093 shares issued under a non-renounceable rights issue		1,503,501
- 4,000,000 shares issued to Allyn John, Stuart and Myra Foster under the terms of an Option and Sale Agreement for Percyville tenement		52,000
- 8,416,657 shares issued under a Share Purchase Plan	50,500	
- 111,594,345 shares issued a Share Placement	502,175	
	<hr/>	
Less transaction costs arising from issue of shares net of tax	(29,409)	(53,244)
Balance at end of period	23,608,027	23,084,761

As at 31 December 2017, there were 11,200,000 (June 2017: 1,525,000) unissued shares for which the following options and right were outstanding.

- o 1,200,000 unlisted options exercisable at \$0.026 by 12 May 2020
- o 10,000,000 unlisted options exercisable at \$0.015 by 30 June 2020

13 Events subsequent to reporting date

Other than detailed below, there has not arisen in the interval between 31 December 2017 and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity, in future years.

During March 2018, the Company completed a share placement to sophisticated shareholders for project exploration and working capital purposes. The placement raised \$328,000 before costs.

14 Going Concern

The financial report has been prepared on the basis of going concern.

The Consolidated Entity incurred a net loss of \$358,780. For the half-year ended 31 December 2017 there was a net cash outflow of \$719,184 from operations and investing activities. The Consolidated Entity's planned expenditure exceeds its current cash held and the Group continues to be reliant on the completion of a capital raising for continued operations and the provision of working capital.

Monax Mining Limited and Controlled Entities

Condensed Notes to the Financial Statements

For the half-year ended 31 December 2017

If the additional capital is not obtained, the going concern basis may not be appropriate with the result that the company and consolidated entity may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business in amounts different from those stated in the financial report.

Monax Mining Limited and Controlled Entities

Directors' Declaration

For the half-year ended 31 December 2017

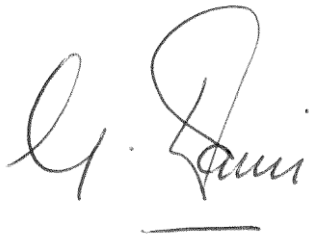
Directors' declaration

The Directors of the Company declare that:

- (a) the half-year financial statements and notes, set out on pages 5 to 17, are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2017 and of its performance for the half year ended on that date; and
 - (ii) complying with Accounting Standard AASB 134: Interim Financial Reporting;
- (b) In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Dated 13 March 2018

This declaration is made in accordance with a resolution of the directors:

A handwritten signature in black ink, appearing to read 'G. Davis', with a horizontal line underneath the name.

Glenn Stuart Davis
Director

Grant Thornton House
Level 3
170 Frome Street
Adelaide, SA 5000
Correspondence to:
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Adelaide SA 5001

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Independent Auditor's Review Report To the Members of Monax Mining Limited

Report on the Half Year Financial Report

Conclusion

We have reviewed the accompanying half year financial report of Monax Mining Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2017, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half year ended on that date, a description of accounting policies, other selected explanatory notes, and the directors' declaration.

Based on our review, which is not an audit, nothing has come to our attention that causes us to believe that the half year financial report of Monax Mining Limited does not give a true and fair view of the financial position of the Group as at 31 December 2017, and of its financial performance and its cash flows for the half year ended on that date, in accordance with the *Corporations Act 2001*, including complying with Accounting Standard AASB 134 *Interim Financial reporting*.

Material Uncertainty Related to Going Concern

We draw attention to Note 14 in the financial report, which indicates that the Group incurred a net loss of \$358,780 and a net cash outflow of \$719,184 from operating and investing activities during the half year ended 31 December 2017. As stated in Note 14, these events or conditions, along with other matters as set forth in Note 14, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Directors' Responsibility for the Half Year Financial Report

The Directors of the Company are responsible for the preparation of the half year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

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Auditor's Responsibility

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2017 and its performance for the half year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Monax Mining Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



S K Edwards
Partner – Audit & Assurance

Adelaide, 13 March 2018