MONAX MINING LIMITED
ABN 96 110 336 733

Monax Mining Limited
11A Croydon Rd, Keswick, 5035
Tel: +61 8 8375 3900
Fax: +61 8 8375 3999
Website: www.monaxmining.com.au
Email: info@monaxmining.com.au

ASX RELEASE

For immediate release
31st July 2007
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

for the period ending 30 June 2007
including the monthly report for July 2007

HIGHLIGHTS

- **PUNT HILL** - Our drilling program has located four large four separate IOCG style alteration systems, up to 8km by 2km in extent, within the Punt Hill tenement., Monax is confident of delineating high grade, potentially economic zones within the existing mineralised systems. Mineralised zones within Punt Hill appear to be controlled by a NW trending fault.

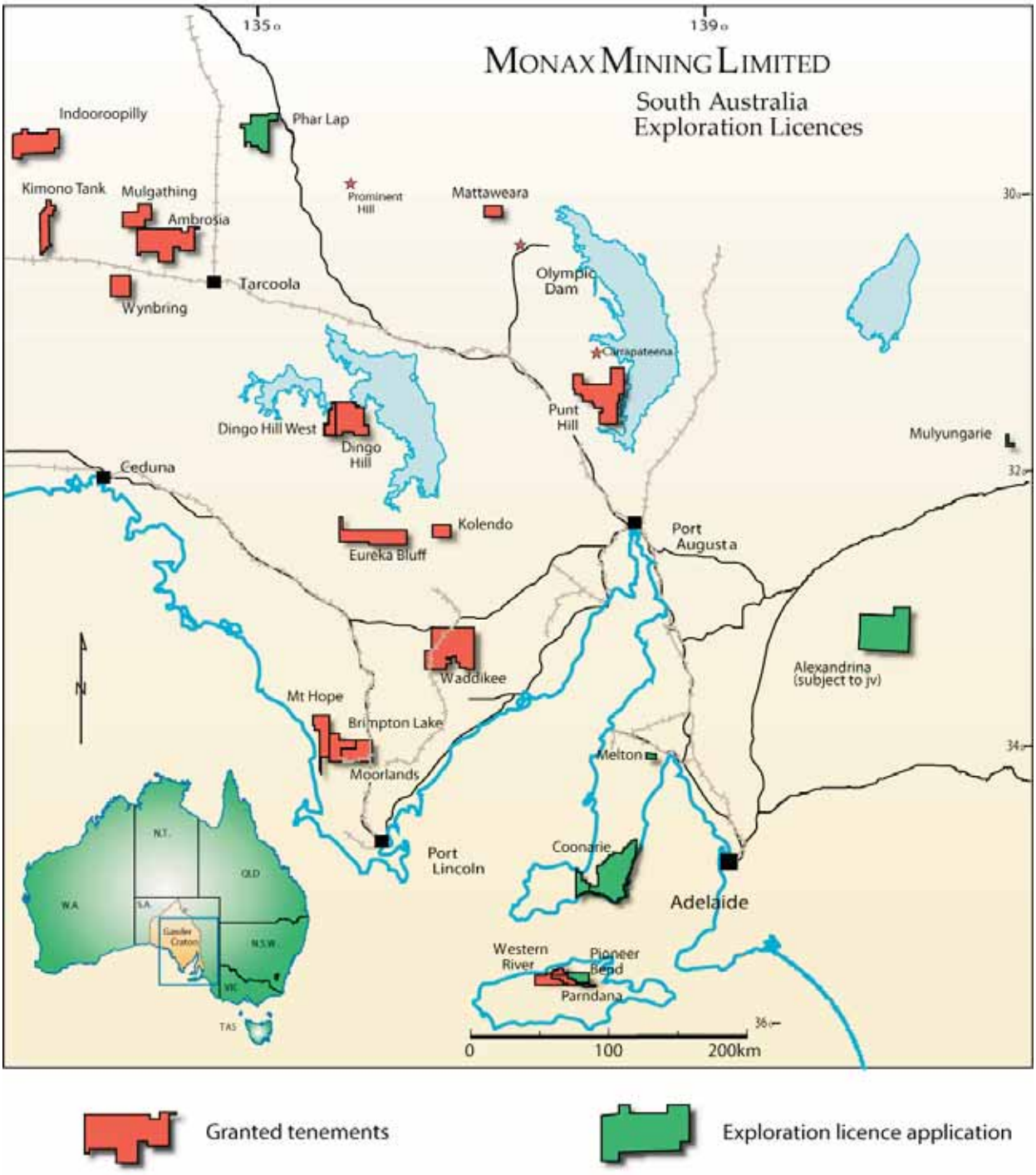
- Monax is trialling less expensive down hole and surface geophysical techniques to aid in defining high grade mineralisation. Enough drill holes exist within prospective targets for induced polarization (IP) surveys to significantly improve the targeting of high grade zones within our mineralised IOCG systems.

- **AMBROSIA** - The potential of IOCGU, gold only and sandstone-hosted uranium mineralisation on our Ambrosia project is still regarded by Monax to be high. We anticipate that exploration for uranium on this tenement will be undertaken by Marmota Energy Limited in the near future .

- **MT HOPE-MOORLANDS-BRIMPTON LAKE** - Regional PACE sponsored drilling has commenced at Mount Hope on southern Eyre Peninsula where we believe there is strong potential for gold and nickel and major VHMS copper/zinc systems hosted in the newly discovered Archaean greenstones.

Tenement 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%	301
Wynbring	EL 3359	Granted	100%	247
Eureka Bluff	EL 3458	Granted	100%	549
Dingo Hill	EL 3394	Granted	100%	516
Mattaweara	EL 2964	Granted	100%	119
Waddikee	EL 3357	Granted	100%	1004
Punt Hill	EL 3457	Granted	100%	887
Brimpton Lake	EL 3561	Granted	100%	222
Mulgathing	EL 3684	Granted	100%	258
Kimono Tank	EL 3685	Granted	100%	234
Kolendo	EL 3732	Granted	100%	130
Indooroopilly	EL 3775	Granted	100%	570
Dingo Hill West	EL 3788	Granted	100%	195
Pioneer Bend	ELA 557/06	Application	100%	95
Coonarie	ELA 135/07	Application	100%	848
Coonarie	ELA 136/07	Application	100%	133
Phar Lap	ELA 137/07	Application	100%	459
Mulyungarie	ELA 139/07	Application	100%	17
Melton	ELA 148/07	Application	100%	28


MONAX MINING LIMITED
South Australia
Exploration Licences
135°
139°
30°
32°
34°
36°
Indooroopilly
Phar Lap
Kimono Tank
Mulgathing
Ambrosia
Prominent Hill
Mattaweara
Tarcoola
Wynbring
Olympic Dam
Carrapateena
Punt Hill
Dingo Hill West
Dingo Hill
Mulyungarie
Ceduna
Kolendo
Eureka Bluff
Port Augusta
Waddikee
Alexandrina (subject to jv)
Mt Hope
Brimpton Lake
Moorlands
Melton
Port Lincoln
Coonarie
Adelaide
Western River
Pioneer Bend
Parndana
N
N.T.
QLD
W.A.
S.A.
Gawler Craton
N.S.W.
VIC.
TAS
0
100
200km
Granted tenements
Exploration licence application

Punt Hill Drill Program

Monax Mining Limited (ASX code: "MOX") has completed the current round of drilling at the Punt Hill Iron Oxide Copper Gold Uranium (IOCGU) project (Figure 1), 130 km north of Port Augusta in South Australia.

An additional seven drill holes have been completed as part of the step out drill program from previously drill holes at the Groundhog, Prairie Dog, Woodchuck and Hoary targets.

An additional four holes have been drilled at the Groundhog Prospect. GHDD2 was drilled 200 m to the northeast and GHDD3 200m to the southwest. These two holes have confirmed the lateral extent of intense IOCG alteration at the Groundhog target over a distance of 400m. Assays are pending.

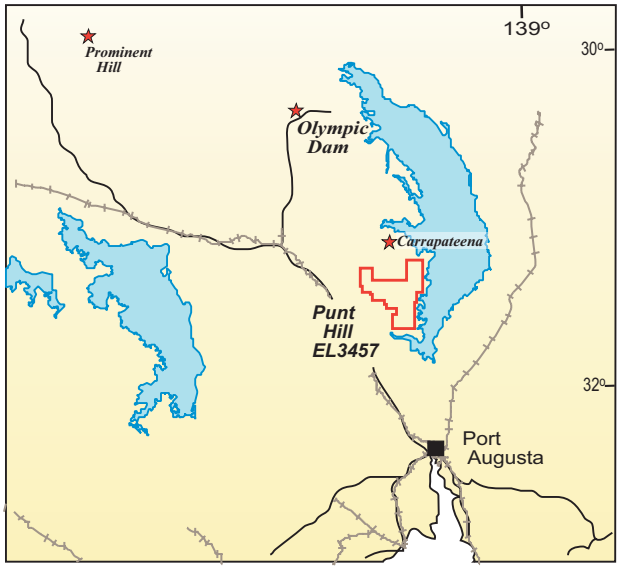


Figure1. Location of Punt Hill tenement

The third step out drill hole at GHDD4 was placed approximately 200m to the south-east of GHDD1. The main mineralised interval in GHDD4 occurs between 840m and 935m with consistent chalcopyrite and pyrite disseminated through the core. Some disseminated bornite is visible in the top 16m of this zone. Assays are pending.

The fourth step out drill hole at the Groundhog prospect, GHHD5 was placed approximately 500m to the south-east of GHDD4, targeting a cross cutting north-east fault. Basement was intersected at 673m in Gawler Range Volcanics which became increasingly hematite-chlorite altered downhole. Patches of bornite were observed at 773m and at 798m. At 884m the hole entered highly altered sediments to the end of hole at 914m with trace pyrite and chalcopyrite.

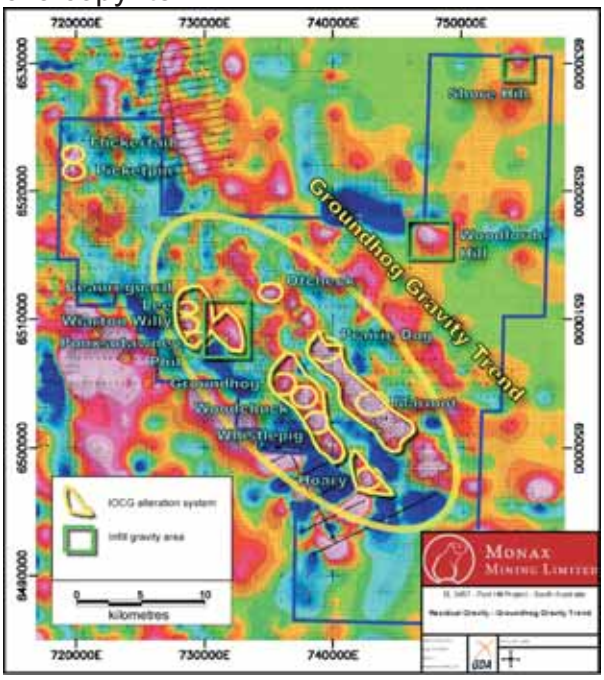


Figure 2: Punt Hill residual gravity image

A follow up hole PDDD2 was drilled to the west of PDDD1 to test the interpreted dense basement rocks. Basement was intersected at 832.3m in brecciated, hematite altered Gawler Range Volcanics to 860m. The hole then passed into brecciated and hematite-carbonate altered sediments with abundant fluorite. Several veins of bornite and steely hematite occur between 876 and 883m passing into intermittently, disseminated pyrite and chalcopyrite mineralisation to the end of hole at 1116m. Assays are pending.

A second drill hole was completed at the Woodchuck prospect approximately 450m to the north east of WDDD1. Basement consisted of highly altered sediments overlain by Gawler Range Volcanics. Minor patches of disseminated bornite and chalcopyrite occur within the target zone. Assays are pending.

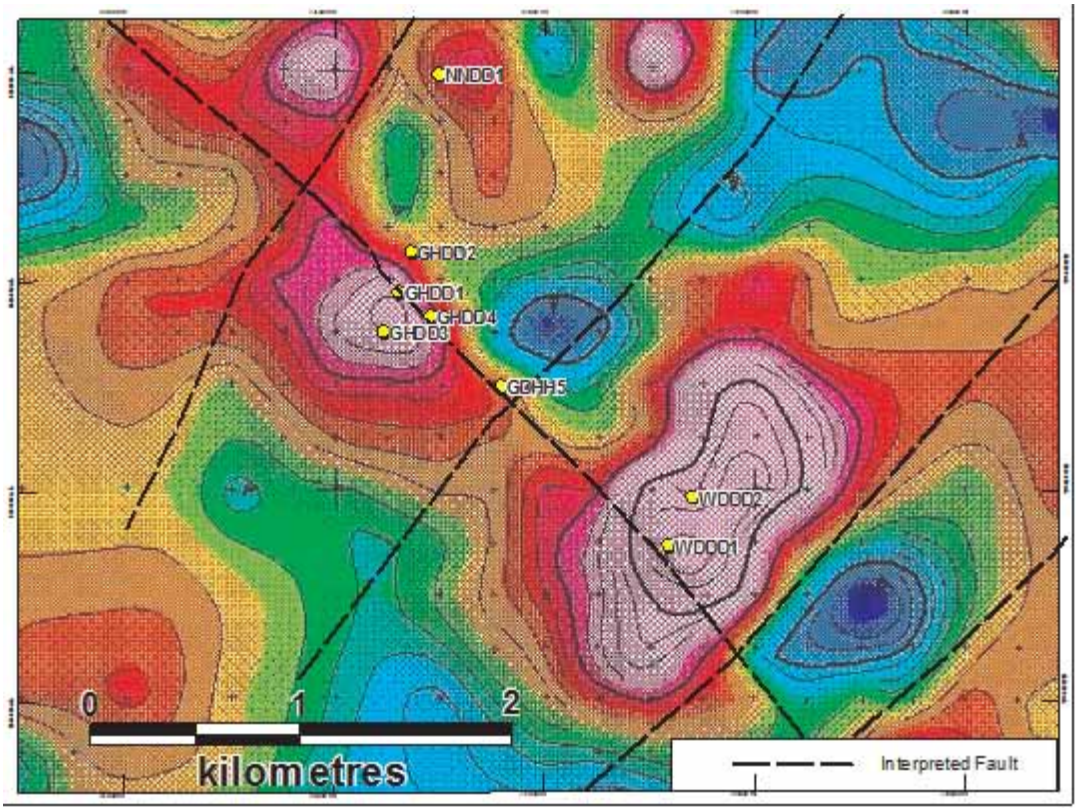
An angled hole HODD2 was completed at the Hoary prospect. The first drill hole HODD1 (742670mE, 6497965mN) intersected 111m of hematite breccia. The angled hole was designed to intersect basement at the eastern edge of the residual gravity anomaly.

The angled hole was drilled to a depth of 1142.8m. Basement was intersected after 961.34m of angled drilling (or approximately 832m vertical depth) and consisted of weakly altered Gawler Range Volcanics passing into altered Hiltaba Suite granite. At 1074.8m of angled drilling the drill hole passed into a ~25m thick mineralised zone consisting of highly altered (steely hematite, amphibole, chlorite) sediments with disseminated bornite and chalcopyrite mineralisation at the contact with granite. Assays are pending.

PUNT HILL – EXPLORATION STRATEGY

As part of its ongoing exploration program to improve the targeting of high grade IOCG mineralisation, Monax is trialling a combination of downhole and surface IP surveys over the major prospects. Induced polarisation surveys (IP) have the ability to detect disseminated sulphide mineralisation of the type targeted within the Punt Hill tenement. At least two holes have been drilled into each high priority target. The down hole geophysical surveys will allow Monax to identify both the expected geophysical response of the mineralised target zone and also predict the source of any false anomalies in the overlying cover rocks. Following confirmation of the method of being able to "see" potential mineralised basement, detailed surface (IP) geophysical surveys will then be used to test for geophysically anomalous zones indicative of higher grade mineralisation.

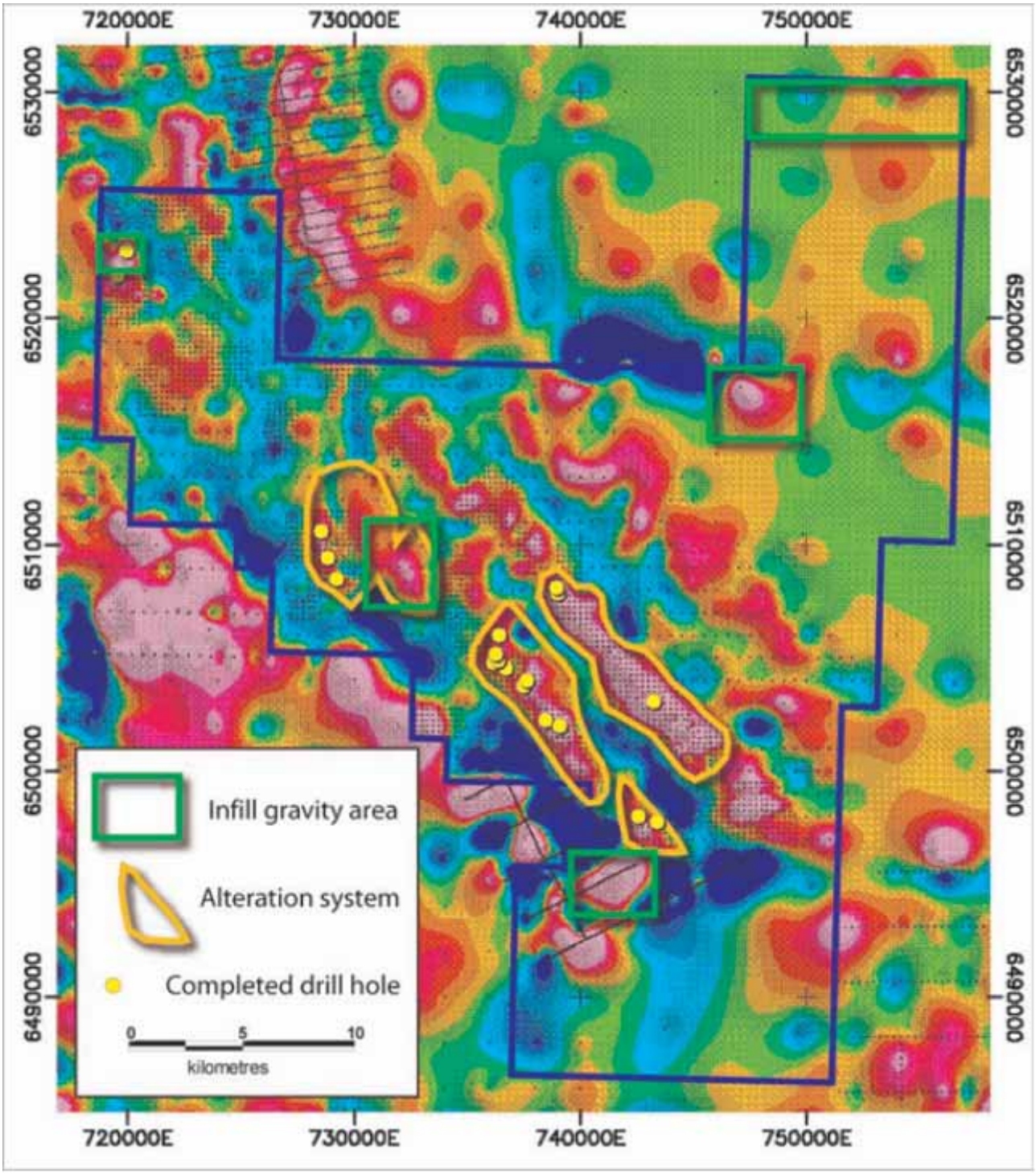
Drilling will then recommence to test zones indicated by the detailed survey as having high potential for economic mineralisation.



Residual gravity image of the Groundhog and Woodchuck gravity features showing drill holes completed to date

INFILL GRAVITY TO DEFINE NEW DRILL TARGETS

In addition to downhole and surface IP surveys of exisiting targets, detailed infill gravity surveys are due to commence over as yet untested regional gravity anomalies at Hoary south, Punxsutawney Phil, Woodforde Hill and Shore Hill to gain greater definition of these gravity anomalies and aid in determining drill hole sites.

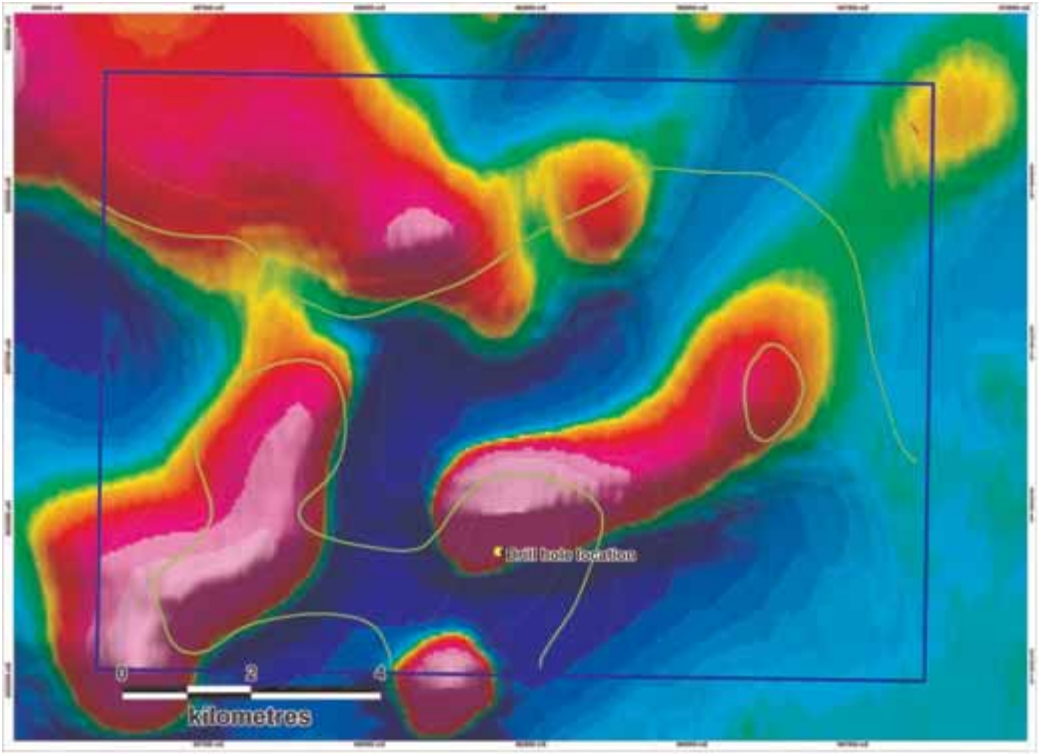


MATTAWEARA

Mattaweara location diagram

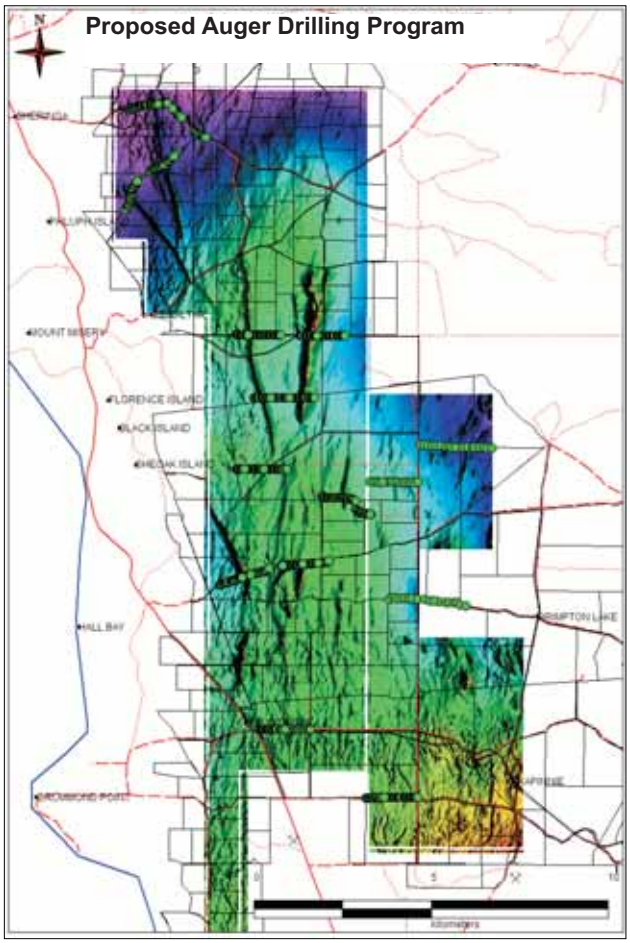
This project lies within the Olympic Dam structural corridor with gravity and magnetic semicoincident anomalies which appeared to represent a good IOCGU target relatively nearby to Punt Hill. Drilling the anomaly is consistent with our strategic focus where we could apply our knowledge from Punt Hill to undertake more effective drilling on this tenement.

On the 21st of June the drill rig moved to the Mattaweara tenment to test the target, which was previously drilled by Havilah Resources but was terminated before basement at 602m. Monax's recent hole intersected basement at 788m in a steely hematite breccia with variable zones of remnant layering. At 803m the drill hole passed into less brecciated banded iron formation to the end of hole at 913m. We believe the banded iron formation is the source of the semicoincident gravity and magnetic feature in the Mattaweara tenement. Minor pyrite and chalcopyrite were identified associated with quartz veining.



Mattaweara magnetics overlain by residual gravity contours

Mt Hope - Exploration Summary



This project area lies within a belt of Archaean greenstones similar to those that host the gold and nickel rich deposits in the Eastern Goldfields of Western Australia. Monax also recognises that the area has good potential for base metals similar to the mineral-rich Canadian Abitibi belt. Drilling by Lynch Mining just to north of the tenement has confirmed the mineral potential of this area.

Monax completed airmag and gravity surveys over the area, producing excellent data, used for determining drill targets.

The project was awarded a PACE-sponsored drilling program in recognition of the ability of the program to greatly improve the geological understanding of the area and enhance mineral prospectivity of this part of the Gawler Craton.

Auger Drilling Program

A PACE funded auger drilling program has recently commenced which will target combined gravity and magnetic features which are interpreted to be Archaean volcanic/sediment packages with the potential to host VHMS (Pb/Zn/Cu) and magmatic Ni/Cu deposits.

The drilling program is designed to obtain detailed geological and geochemical information in closely spaced traverses across the geophysical targets. This will allow subsequent targeting of geochemically anomalous stratigraphy along strike and at depth.

Ten traverses of approximately fifty holes each are planned for a total of approximately 500 holes. The drilling will take between 4-8 weeks depending on the speed of drilling and the depth of cover.

Michael Schwarz
Managing Director
Monax Mining Limited

For further information please contact Michael Schwarz, Managing Director on 08 83753900 or email: info@monaxmining.com.au

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr M P Schwarz, who is a Member of the Australian Institute of Geoscientists. Mr Schwarz is employed full time by the Company as Managing Director and, has a minimum of five years relevant experience in the style of mineralisation and type of deposit under consideration and qualifies as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" Mr Schwarz consents to the inclusion of the information in this report in the form and context in which it appears.

Rule 5.3

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	Quarter ended ("current quarter")
96 110 336 733	**30 June 2007**

Consolidated statement of cash flows

	Cash flows related to operating activities	Current quarter $A'000	Year to date (12 months) $A'000
1.1	Receipts from product sales and related debtors		
1.2	Payments for		
	(a) exploration and evaluation	(1,561)	(4,090)
	(b) development		
	(c) production		
	(d) administration	(252)	(963)
1.3	Dividends received		
1.4	Interest and other items of a similar nature received	29	150
1.5	Interest and other costs of finance paid		
1.6	Income taxes paid		
1.7	Other (provide details if material))		
	ASX Listing Fees	(5)	(15)
	Prepaid insurance etc	(9)	(61)
	GST	(47)	(102)
	Other	(17)	(52)
	Net Operating Cash Flows	(1,862)	(5,133)
	Cash flows related to investing activities		
1.8	Payment for purchases of:		
	(a) prospects		
	(b) equity investments		
	(c) other fixed assets	(57)	(168)
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	(57)	(168)
1.13	Total operating and investing cash flows (carried forward)	(1,919)	(5,301)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(1,919)	(5,301)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	4,725	4,725
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 / options	(55)	(75)
	Net financing cash flows	(18)	4,650
	Net increase (decrease) in cash held	2,751	(651)
1.20	Cash at beginning of quarter/year to date	453	3,855
1.21	Exchange rate adjustments to item 1.20		
1.22	**Cash at end of quarter**	3,204	3,204

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	125
1.24	Aggregate amount of loans to the parties included in item 1.10	

1.25 Explanation necessary for an understanding of the transactions

The amount at 1.23 above represents non executive directors' fees and executive director's salary (including SGC superannuation), legal fees paid to a legal firm in which a director is a partner and company secretarial & associated fees paid to a listed entity in which two directors are directors.

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

Note:

+ See chapter 19 for defined terms.

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	285
4.2	Development	
	Total	**285**

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	3142	43
5.2	Deposits at call	59	409
5.3	Bank overdraft		
5.4	Other (provide details) – IPO Trust Account	3	3
	Total: cash at end of quarter (item 1.22)	3204	453

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	EL3732 EL3775 EL3788	Granted 12/4/2007 Granted 17/5/2007 Granted 28/5/07	100% 100% 100%	100% 100% 100%

+ See chapter 19 for defined terms.

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** *(description)*				
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3	+**Ordinary securities**	55,978,124	36,011,457		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	6,709,454 100,000 2,000	6,709,454 100,000 2,000	$0.70 $0.26 $1.20	$0.70 $0.26 $1.20
7.5	+**Convertible debt securities** (*description)*				
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7	**Options** *(description and conversion factor)*	5,808,854 3,893,334 5,000,000 2,500,000 2,500,000 750,000 100,000 450,000	5,808,854	*Exercise price* $1.20 $1.20 $0.25 $0.30 $0.40 $0.26 $0.182 $0.666	Expiry date 31/12/2007 31/12/2007 30/06/2008 30/06/2009 31/12/2010 12/04/2011 23/08/2011 14/02/2012
7.8	Issued during quarter				
7.9	Exercised during quarter	100,000 2,000		$0.26 $1.20	12/4/2011 31/12/2007
7.10	Expired during quarter				
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

+ 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 Francese..... Date: ....31/07/2007.....
(~~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.

== == == == ==