



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
30th January 2008

Monax Mining Limited

Quarterly Report

for the period ending 31 December 2007
including the monthly report for January 2008

HIGHLIGHTS

PUNT HILL

Induced Polarisation/Resistivity Survey

- The Punt Hill Induced Polarisation/Resistivity survey has been successful in defining fault structures and drill targets within the Groundhog, Needlenose and Woodchuck Prospects.
- The survey has highlighted a number of drill targets.
- Drillholes GHDD1 and GHDD2 at the Groundhog prospect appear to straddle an interpreted mineralised fault between the two drill holes.
- A second, slightly deeper target occurs 500m to the north of NNDD1 at the Needlenose prospect.
- At Woodchuck a second mineralised fault target is interpreted 300m to the north of WDDD2.
- A follow up drill program will test these targets.

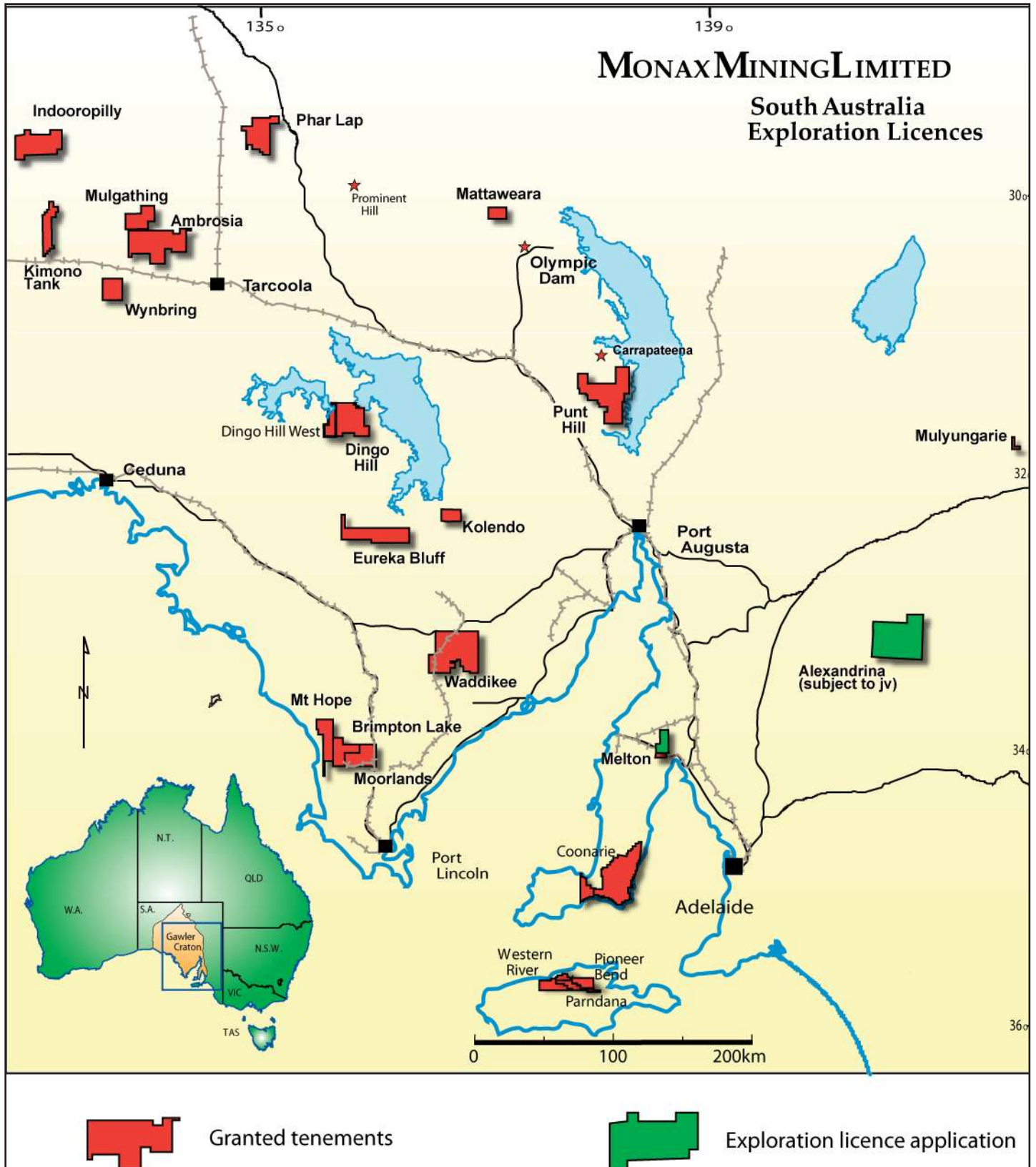
Petrology results

- A number of zones of fine grained chalcocite (copper) mineralisation have been identified in three holes at Punt Hill previously thought to be unmineralised.
- Drill holes GHDD2, WDDD2 and GHDD5 all contain zones of fine grained dissemination chalcocite mineralisation and are being assayed.



Tenement Status

Project	Tenement	Status	Area (km²)
Ambrosia	EL 3358	Granted	854
Mt Hope	EL 3355	Granted	320
Moorlands	EL 3356	Granted	324
Parndana	EL 3376	Granted	100
Western River	EL 3088	Granted	301
Wynbring	EL 3359	Granted	247
Eureka Bluff	EL 3458	Granted	549
Dingo Hill	EL 3394	Granted	516
Mattaweara	EL 2964	Granted	119
Waddikee	EL 3357	Granted	1004
Punt Hill	EL 3457	Granted	887
Brimpton Lake	EL 3561	Granted	222
Mulgathing	EL 3684	Granted	258
Kimono Tank	EL 3685	Granted	234
Kolendo	EL 3732	Granted	130
Indooroopilly	EL 3775	Granted	570
Dingo Hill West	EL 3788	Granted	195
Pioneer Bend	EL 3880	Granted	95
Coonarie	EL 3907	Granted	848
Coonarie	EL 3908	Granted	133
Phar Lap	EL 3909	Granted	459
Mulyungarie	EL 3910	Granted	17
Melton	EL 3911	Granted	28





Punt Hill Program

Induced Polarisation (IP) Survey

As part of its ongoing exploration program to improve the targeting of high grade IOCG mineralisation, Monax has completed surface IP surveys over the Groundhog, Needlenose and Woodchuck prospects. IP surveys have the ability to detect disseminated sulphide mineralisation of the type targeted within the Punt Hill tenement.

Monax believes the method has been successful in identifying the location of a number of mineralised fault structures previously unrecognised within the Groundhog, Needlenose and Woodchuck targets.

Drillholes GHDD1 and GHDD2 at the Groundhog prospect appear to have narrowly missed an interpreted mineralised fault between the two drill holes (Figure 2). A second slightly deeper target occurs 500m to the north of NNDD1 at the Needlenose prospect. At the Woodchuck target a second mineralised fault is interpreted 300m to the north of WDDD2 (Figure 3).

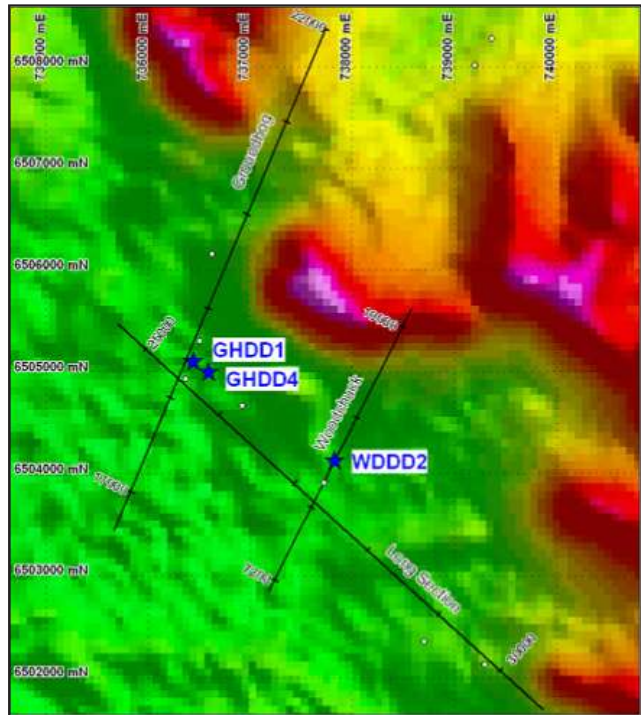


Figure 1: Map showing the location of surface (lines) and downhole (star) IP survey locations.

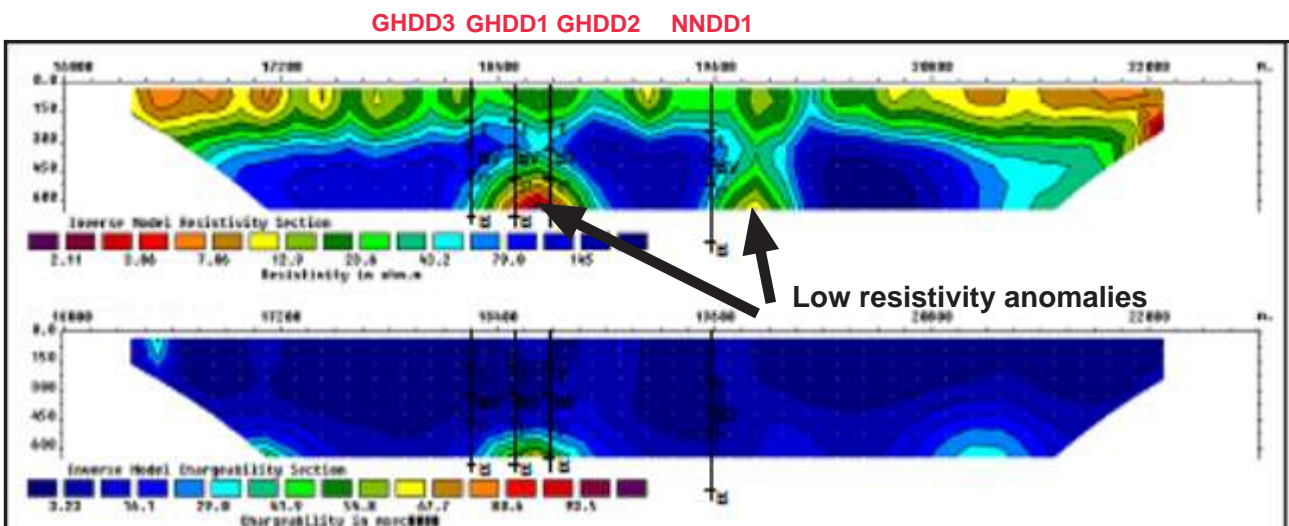


Figure 2: Interted IP resistivity(top) and chargeability(bottom) sections along the Groundhog traverse.

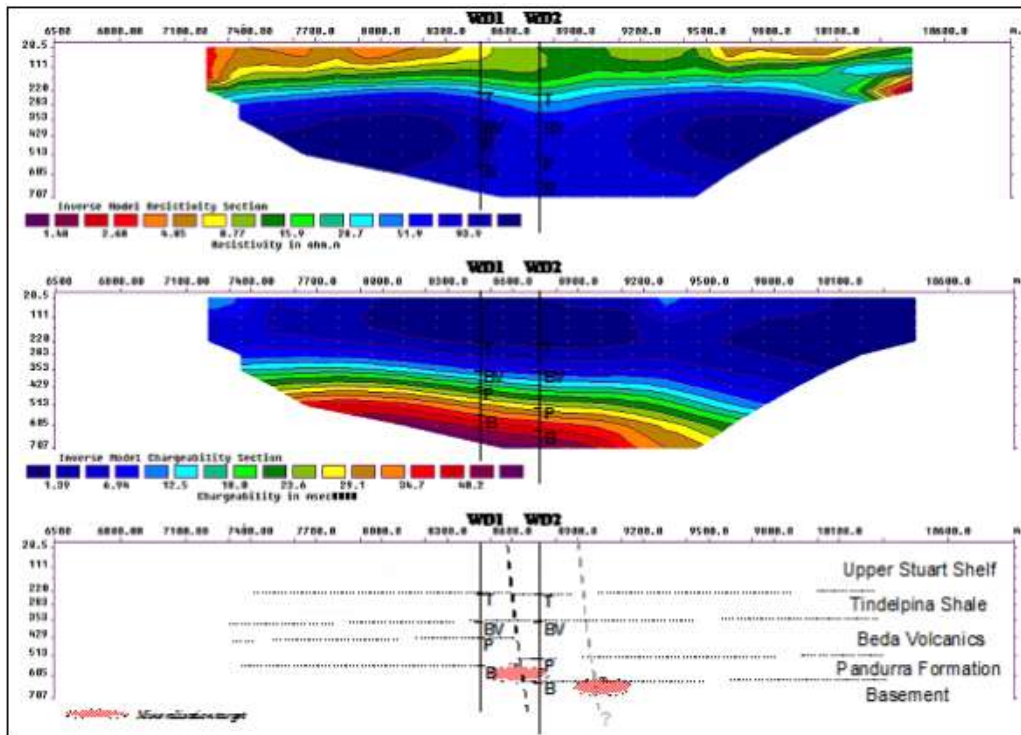


Figure 3: Interted IP resistivity(top) and chargeability(bottom) sections along the Woodchuck traverse.

On the western side of the interpreted mineralised fault, drill hole GHDD1 intersected 126m @0.4% Cu, 0.24% Zn, 4.9 g/t Ag and 0.1 g/t Au and GHDD4 intersected 122m @0.47% Cu, 0.38% Zn, 6.6 g/t Ag and 0.1 g/t Au. Copper mineralisation in these holes dominated by bornite and chalcopyrite.

On the eastern side of the fault GHDD2 has been relogged and zones of disseminated chalcocite (copper sulphide) dominant mineralisation identified. These samples are currently being analysed.

A similar situation exists at Woodchuck between bornite and chalcopyrite copper sulphides in WDDD2 (70m @ 0.42% Cu) and newly identified chalcocite in WDDD2 (yet to be analysed).

A deeply penetrating induced polarisation resistivity survey across the Groundhog prospect suggests the main zone of mineralisation may be between drill holes GHDD1 and GHDD2. It will be possible for Monax to test this target by drilling an angled hole from the top of GHDD1 to the base of GHDD2.

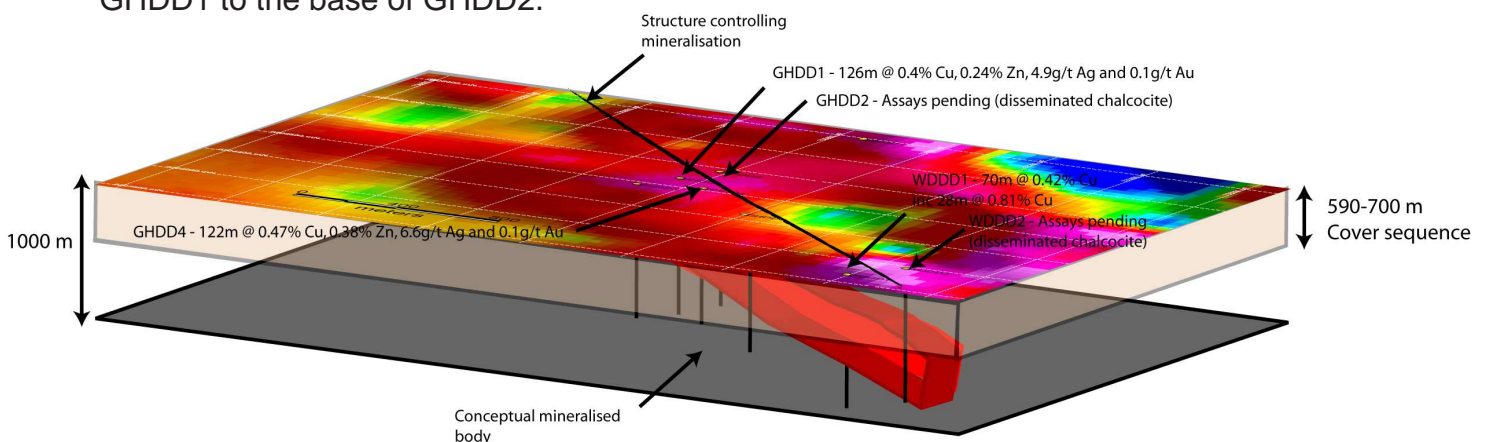


Figure 4: Conceptualised fault controlled mineralisation model, Groundhog and Woodchuck prospects



Early Oxidised Gold Skarn System

A detailed study of the mineralogy of the Punt Hill drill core has revealed the presence of an early oxidised gold skarn within the Punt Hill alteration system overprinted by iron oxide copper-gold hematite-bornite-chalcocite alteration within the upper parts of the system.

A thin section from GHDD1 has revealed the presence of native grains of gold associated with an early oxidised gold skarn alteration (Figure 4).

This exciting discovery has highlighted the potential for high grade gold mineralisation within the Punt Hill mineralising system. Monax is currently undertaking a more detailed study of the mineral assemblages identified to date in order to determine a direction toward potential gold mineralisation and define new gold drill targets.

Chalcocite dominant domain identified

The detailed mineralogical study has also identified a chalcocite dominant zone in the western part of the Groundhog prospect (as opposed to bornite and chalcopyrite copper mineralisation in the western zone). Chalcocite is a high grade ore mineral of copper which has been identified in several holes at Punt Hill previously thought to have contained little to no copper mineralisation. Two drill holes, GHDD2 and GHDD5 have been relogged and several zones of disseminated chalcocite mineralisation identified. These holes are currently being processed and submitted for analysis. Chalcocite has also been identified at the Woodchuck Prospect. Several zones of disseminated chalcocite occur within WDDD2, previously logged as having little bornite or chalcopyrite mineralisation. This transition occurs across the low resistivity anomaly identified in the recent IP survey and may be further evidence of a transition across a mineralising fault system.

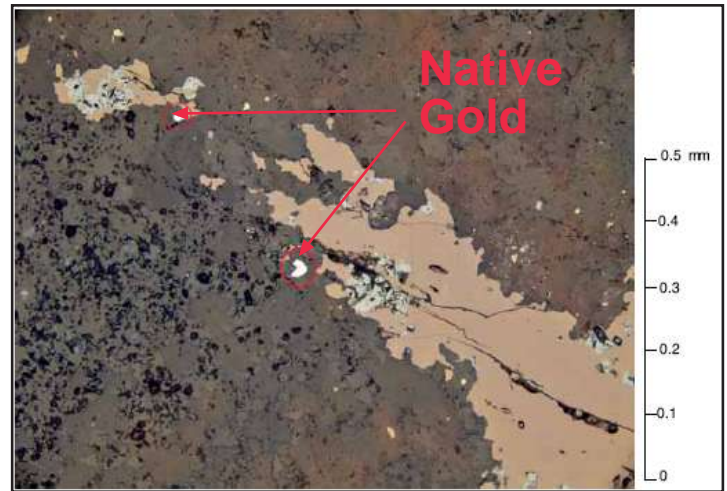


Figure 4. Native grains of gold from GHDD1 - 858 m (Reflected plain polarised light, Obj. x20)

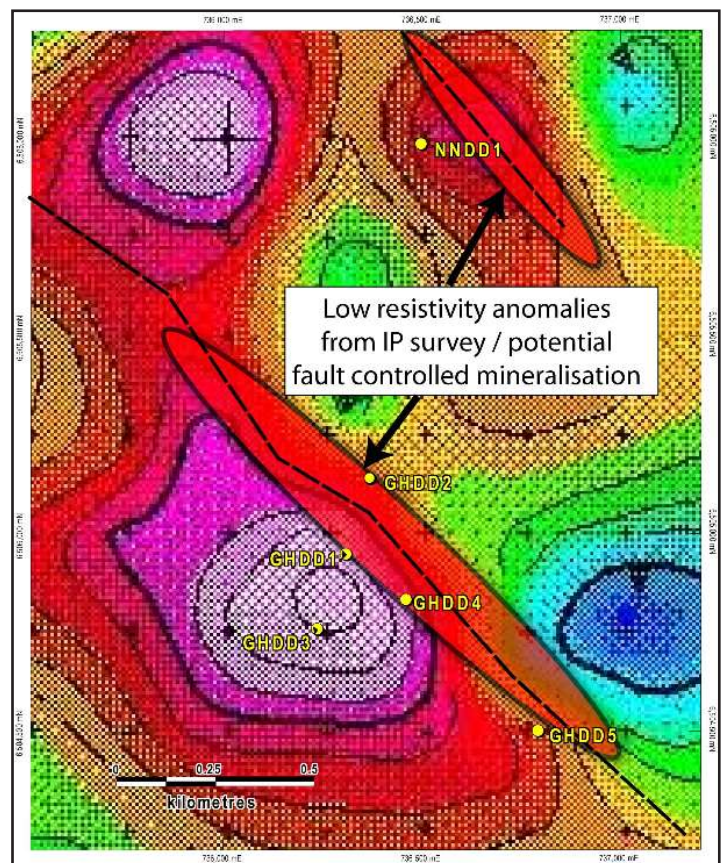


Figure 5. Location of IP anomalies on residual gravity image, Groundhog Prospect.



Parndana/Western River/Pioneer Bend - Exploration Summary

Diamond Drilling

Planning continues for the diamond drilling program which will now be conducted in February/March 2008 as a drilling rig is unavailable until this time.

An EWA has been granted by PIRSA. Project specifications have been submitted to several drilling contractors and discussions have been held with Nitschke Drilling.

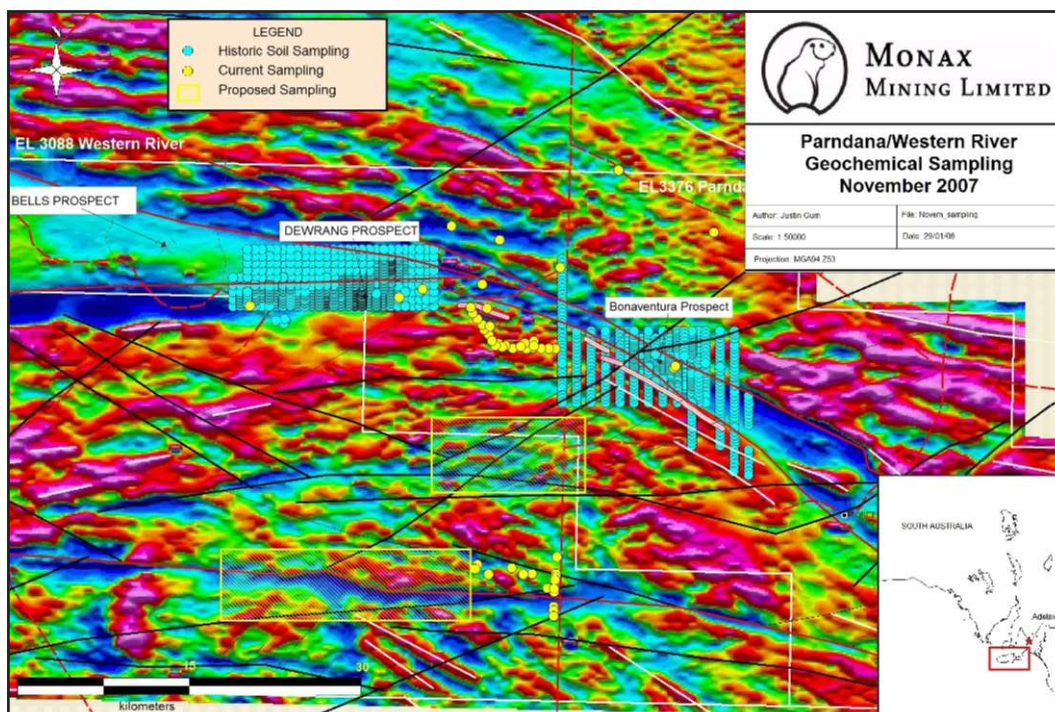
Prospect Review

Historical geophysical data from the Dewrang Prospect to the east of the Bonaventura area has been recovered and digitized and is in the process of being re-interpreted for potential extension of exploration activities in the area. Previous soil sampling and drilling in the area has been digitized and is being incorporated into the geological model for this area.

Soil Sampling

After digitization of the historic data, large gaps in the coverage of these programs were recognized, particularly in respect to the continuation of the main structure hosting the mineralisation at Bonaventura. Rock chip and hand auger soil samples were collected to follow-up of these gaps. This program is ongoing and will be completed in February 2008.

Figure 6 shows historical soil sampling on a background of the aeromagnetic data. The aeromagnetic data shows the major structural features in the area including the northeast-south west trending fault system hosting the Bonaventura mineralisation. Historic soil/rock chip sampling is shown in blue. There has been no previous sampling of the fault structure to the south west of the Bonaventura Prospect. The yellow samples were collected in November and the yellow boxed areas show the proposed sampling sites for February. Samples will be submitted for assay at the end of the sampling program in February.





Mt Hope/Brimpton Lake/Moorlands - Exploration Summary

Work on this project was confined to the analysis of the data from the Mt Hope PACE Auger Drilling program.

The bottom of hole samples collected during the program were analysed using the PIMA portable infrared spectrometer at the PIRSA Core Facility. These samples intersected saprolitic basement and the use of the PIMA aids in the determination of the original lithologies intersected during the drilling. This analysis confirmed the presence of mafic host lithologies and strengthened the previous interpretation that significant packages of Hall Bay Volcanics were intersected during the program.

The final report on the results of the drilling program will be released from PIRSA in February.

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.

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")

31 December 2007

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
Cash flows related to operating activities		
1.1 Receipts from product sales and related debtors		
1.2 Payments for		
(a) exploration and evaluation	(365)	(937)
(b) development	-	-
(c) production	-	-
(d) administration	(404)	(744)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	31	68
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material))		
ASX Listing Fees	-	(18)
Prepaid insurance etc	-	(24)
GST	34	83
Other	-	(18)
Net Operating Cash Flows	(704)	(1,590)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(16)	(41)
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	87	87
1.12 Other (provide details if material)		
Payments relating to the sale of subsidiary	(25)	(25)
Net investing cash flows	46	21
1.13 Total operating and investing cash flows (carried forward)	(658)	(1,569)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(658)	(1,569)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	3	25
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	(51)	(140)
	Net financing cash flows	(48)	(115)
	Net increase (decrease) in cash held	(706)	(1,684)
1.20	Cash at beginning of quarter/year to date	2,226	3,204
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	1,520	1,520

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	156
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

Effective 21 November 2007, the Company disposed of 100% of the share capital of Marmosa Pty Ltd. Consideration received was 36,000,000 ordinary shares and 18,000,000 options in Marmota Energy Limited with a fair value of \$9.4 million. The company recognised a profit on sale of \$9.4 million.

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

Marmota Energy Limited pursuant to the Farm-In and Joint Venture Agreements for EL 3358, EL 3355, EL 3356, EL 3359, EL 3458, EL 3561, EL 3684, EL 3685, EL 3357, and EL 3775 have outlaid \$163,000 in the quarter ending 31 December 2007.

+ See chapter 19 for defined terms.

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:

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	750
4.2 Development	-
Total	750

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	202	114
5.2 Deposits at call	1,315	2,109
5.3 Bank overdraft	-	-
5.4 Other (provide details) – IPO Trust Account	3	3
Total: cash at end of quarter (item 1.22)	1,520	2,226

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

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	EL 3907	Indirect interest sold with sale of subsidiary Marmosa Pty Ltd to Marmota Energy Limited effective 21 November 2007.	100%	Refer 6.2
	EL 3908		100%	
	EL 3909		100%	
	EL 3910		100%	
	EL 3911		100%	
	EL 3358	Pursuant to the Ambrosia Farm-In & Joint Venture Agreement, the Company gives Marmosa Pty Ltd 'Marmosa' the right to carry out exploration for all minerals. Once Marmosa has spent \$1 million on exploration under the agreement, it will have earned a 25% interest in the tenement and will be deemed to have entered a joint venture with the Company. Marmosa has two years to earn its 25%. Once Marmosa has earned its 25% interest, it may elect to carry out exploration for minerals to earn a further 25%.	100%	100%
	EL 3684	Pursuant to the Farm-In and Joint Venture Agreement, the Company gives Marmosa Pty Ltd 'Marmosa' the exclusive right to conduct exploration for uranium. Once Marmosa has spent \$4 million under the agreement, it will have earned a 25% interest in the tenements and be deemed to have entered into a joint venture with the Company. Marmosa has two years to earn its 25% interest. Once Marmosa has earned its 25% interest it may elect to continue to carry out exploration for uranium to earn a further 25% by spending a further \$4 million within a further two years. Each two year period may in limited circumstances be extended to two years and six months. Once Marmosa has earned its 50% interest it may elect to continue to carry out exploration to earn a further 20% by spending a further \$5 million within a further one year period.	100%	100%
	EL 3685		100%	100%
	EL 3357		100%	100%
	EL 3775		100%	100%
	EL 3355		100%	100%
	EL 3356		100%	100%
	EL 3359		100%	100%
	EL 3458		100%	100%
EL 3561	100%		100%	

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

6.2	Interests in mining tenements acquired or increased.	EL 3907 EL 3908 EL 3909 EL3910 EL 3911	Pursuant to the Mineral Rights Transfer and Joint Venture Agreement, Marmosa Pty Ltd 'Marmosa' transfers to the Company 100% of its interest in minerals other than uranium, and 30% of its interest in uranium and has entered a joint venture with the Company to explore for and if feasible mine uranium.	Refer 6.1	100% interest in minerals other than uranium. 30% interest in uranium
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+ 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	56,083,524	56,083,524		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	2,400	2,400	\$1.20	\$1.20
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 2,500,000 750,000 450,000	Nil	<i>Exercise Price</i> \$0.25 \$0.30 \$0.40 \$0.26 \$0.666	<i>Expiry Date</i> 30/06/2008 30/06/2009 31/12/2010 12/04/2011 14/02/2012
7.8 Issued during quarter	Nil			
7.9 Exercised during quarter	2,400		\$1.20	\$1.20
7.10 Expired during quarter	9,696,788		<i>Exercise Price</i> \$1.20	<i>Expiry Date</i> 31/12/2007
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 ~~not~~* (*delete one*) give a true and fair view of the matters disclosed.

Print name: Virginia Suttell..... Date:30/01/2008.....
(~~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.

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+ See chapter 19 for defined terms.