



**MONAX
MINING LIMITED**

ABN: 96 110 336 733

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For immediate release

30 April 2010

Monax Mining Limited
Quarterly Report

For the period ending 31 March 2010

HIGHLIGHTS

- The maiden drilling program commenced at the Melton Copper-Gold Project, located along the northern extension of the Pine Point Fault Belt on northern Yorke Peninsula, South Australia.
- Geological mapping, rock chip sampling and auger drilling has confirmed up to six manganese horizons over a strike length of up to 5km at the Jamieson Tank manganese prospect on the Waddikee Project. RC drilling is planned to commence early May 2010.
- A detailed heli-mag survey has been completed over part of the zinc-lead project on Kangaroo Island. The survey has defined further northeast-southwest trending structures. An IP survey was completed over the Bonaventura and Dewrang prospects and the data is currently being assessed.
- Monax signed an Option Deal over five tenements on the Cape York Peninsula which are prospective for bauxite. Monax also applied for a further three tenements taking its landholding to a potential 1358 km².
- Monax signed an Option Deal over four granted gold Mining Leases in the Percyvale area, northern Queensland.



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Corporate

Capital Raising

Monax Mining Limited announced on January 7, 2010 that it had placed the full amount of the shortfall arising from the company's November 2009 Rights Issue. The Company placed approximately 19.8 million shares and 9.9 million options to private and institutional investors to raise approximately \$1.5 million before costs. Monax is particularly pleased to welcome Acorn Capital, a leading Australian institutional microcap fund manager, as a substantial shareholder (circa 6.6%) in the company.

Exploration

South Australian Projects

Monax has four core South Australian projects (Figure1).

1. **Punt Hill – copper, gold**
2. **Melton – copper, gold, uranium (jv with Marmota Energy)**
3. **Waddikee – manganese, iron (jv with OM Holdings)**
4. **Kangaroo Island – zinc, lead, gold**

Punt Hill Project (Monax 100%)

During the quarter, appraisal of recently collected gravity data continued. Monax has commenced the approval process for a planned drilling program for mid 2010.

Melton Project (50:50 Joint Venture with Marmota Energy Limited)

The maiden drilling program at the Melton copper-gold project commenced on March 1, 2010 over three major discrete gravity-magnetic targets. The drilling program comprises ten holes and is estimated to take ten weeks to complete.

On March 24, 2010 Marmota announced it had achieved a 50% interest in the mineral rights on the Melton copper-gold project. Marmota is managing the exploration program including the current drilling program. Monax has elected to retain its 50% interest in the project.

The current drilling program is targeting three of the five magnetic targets identified from the high-resolution aeromagnetic survey. A detailed ground gravity survey was undertaken over the Miranda, North White Cliffs and Melton targets to assist with drill hole locations.



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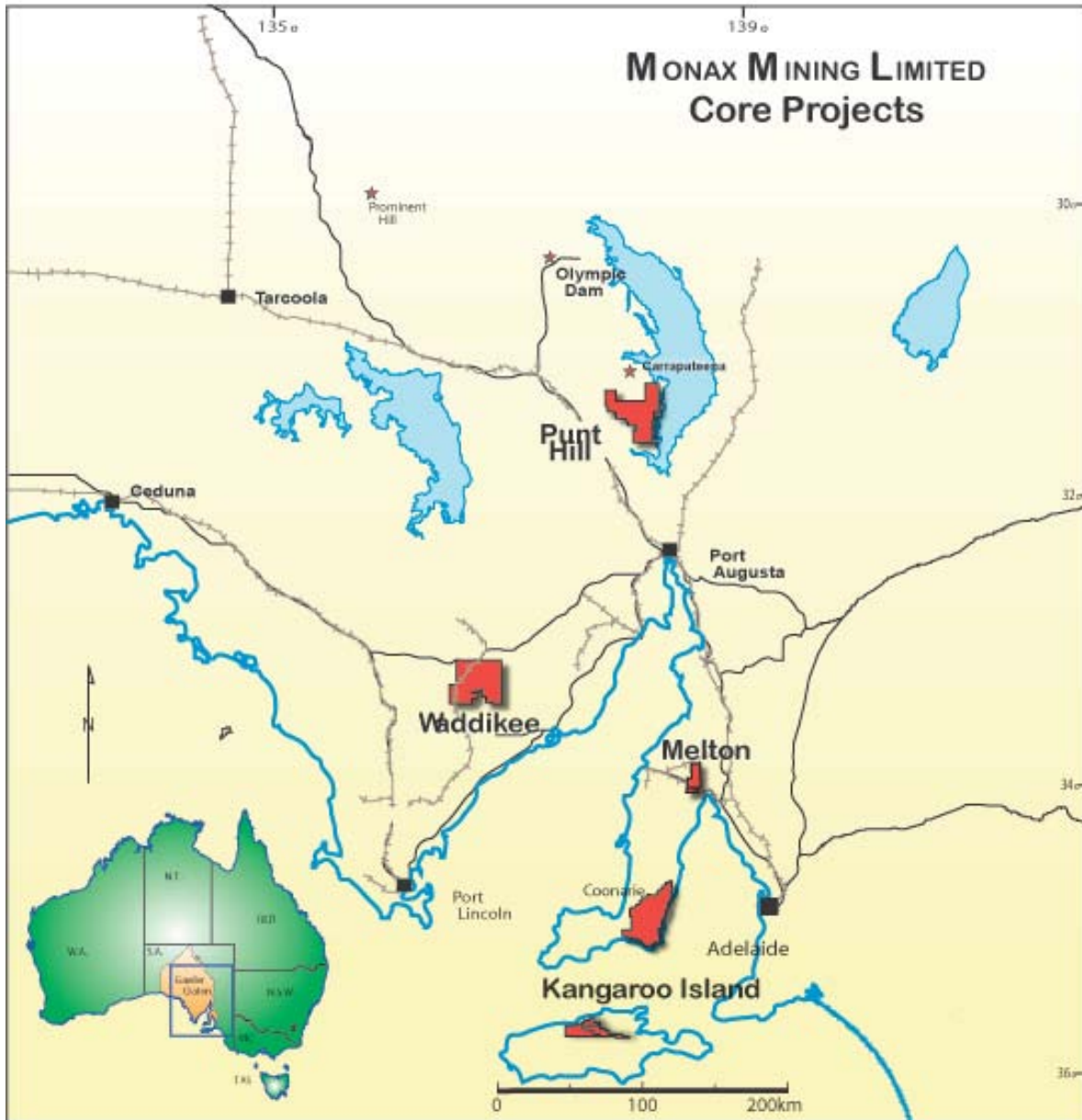


Figure 1: Location of Monax's Core South Australian Projects



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Waddikee Project (Monax 100%; OM Manganese earning 60% interest in manganese and iron; Marmota Energy Limited earning 70% interest in uranium)

Exploration on the Waddikee manganese project during the quarter has focused on defining targets for a RC drilling program planned to commence on May 4, 2010. Detailed geological mapping and rock chip sampling at the Jamieson Tank prospect has defined up to six separate manganese horizons. Rock chip sampling produced results up to 50.61% Mn with an average of 41.05% Mn (see ASX Release 15 March 2010).

A detailed soil sampling program was also undertaken during the quarter targeting areas of slightly deeper sand cover. Auger drilling along fifteen traverses produced a total of 685 samples. Assay results were encouraging with manganese reported on most traverses with the highest individual assay being 12% Mn. Some limitations of the auger program occurred on one traverse where the auger failed to penetrate hard calcrete, but overall the results show that the manganese horizons appear continuous along strike (Figure 2).

Acquisition of ground magnetic data has continued in the northern area of the Jamieson Tank prospect, complementing the existing airborne magnetic data. This survey is being collected on 25 metre spaced lines, with the preliminary data providing a substantial increase in detail and resolution. Processing and modelling of the data will be undertaken, and will contribute to the geological understanding and interpretation of the area.

Monax is planning an extensive RC drilling program as part of the farmin agreement with OM (Manganese) Ltd, a wholly owned subsidiary of OM Holdings Limited (ASX:OMH). Drilling is planned to commence in early May and will concentrate on the Jamieson Tank area.

With the success of the auger drilling program in sampling the manganiferous horizons below sand and soil cover, Monax is planning to test regional targets which have been defined by previous calcrete sampling in the area. Monax recently acquired a large regional calcrete dataset covering much of the Waddikee project area. The data has outlined several areas of anomalous manganese and these areas will be targeted with the planned auger program, which is due to commence at the same time as the RC drilling program.



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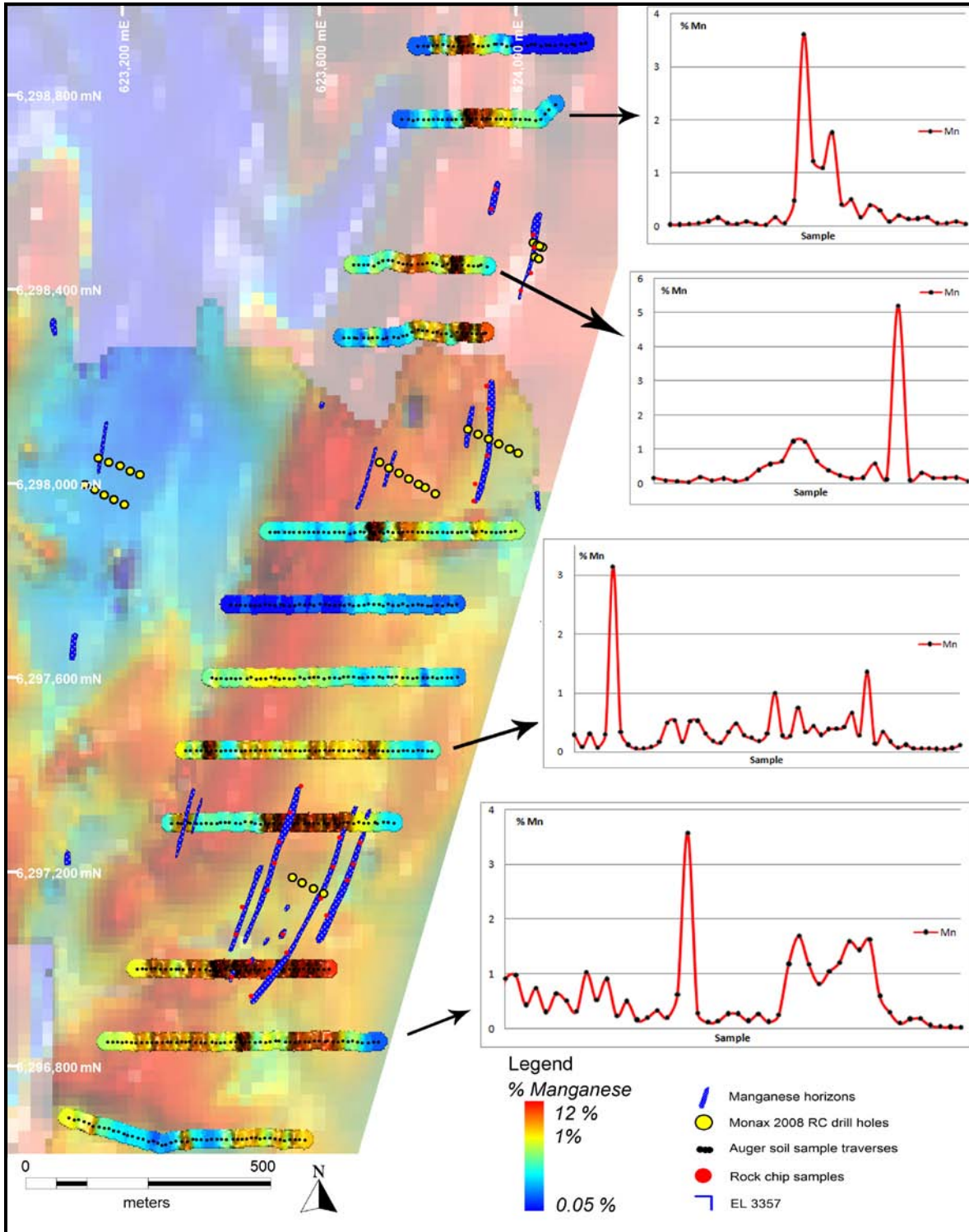


Figure 2: Representative auger sampling traverses with plotted manganese assays (Background: Total Magnetic Intensity)



Kangaroo Island Project (Monax 100%)

Assessment of drill hole data and 3D modelling at the Bonaventura prospect by Monax has shown that the zinc-lead mineralisation appears related to cross-cutting NE-SW trending structures which intersect the main SE-NW trending Cygnet-Snelling Shear Zone (Figure 3). Monax interpret that the high-grade zinc pods plunge 45° to the southwest and may be related to the intersection of brittle faults within the highly sheared Cygnet-Snelling Shear Zone. Monax believes there have been multiple phases of movement on the various structures within the area and these may have remobilised mineralisation.

Figure 3 shows the raw data from the heli-mag survey with the 100m lined spaced data behind the newly acquired data. This raw data clearly highlights several promising NE-SW trending structures which crosscut the main Cygnet-Snelling Shear Zone and highlights a prominent structure at the Dewrang prospect.

An IP survey commenced in late March at the Bonaventura and Dewrang prospects, aimed at delineating any potential conductive or resistive features which may represent zones of mineralisation. The data is currently being processed and a decision on future drilling will be made during the current quarter.

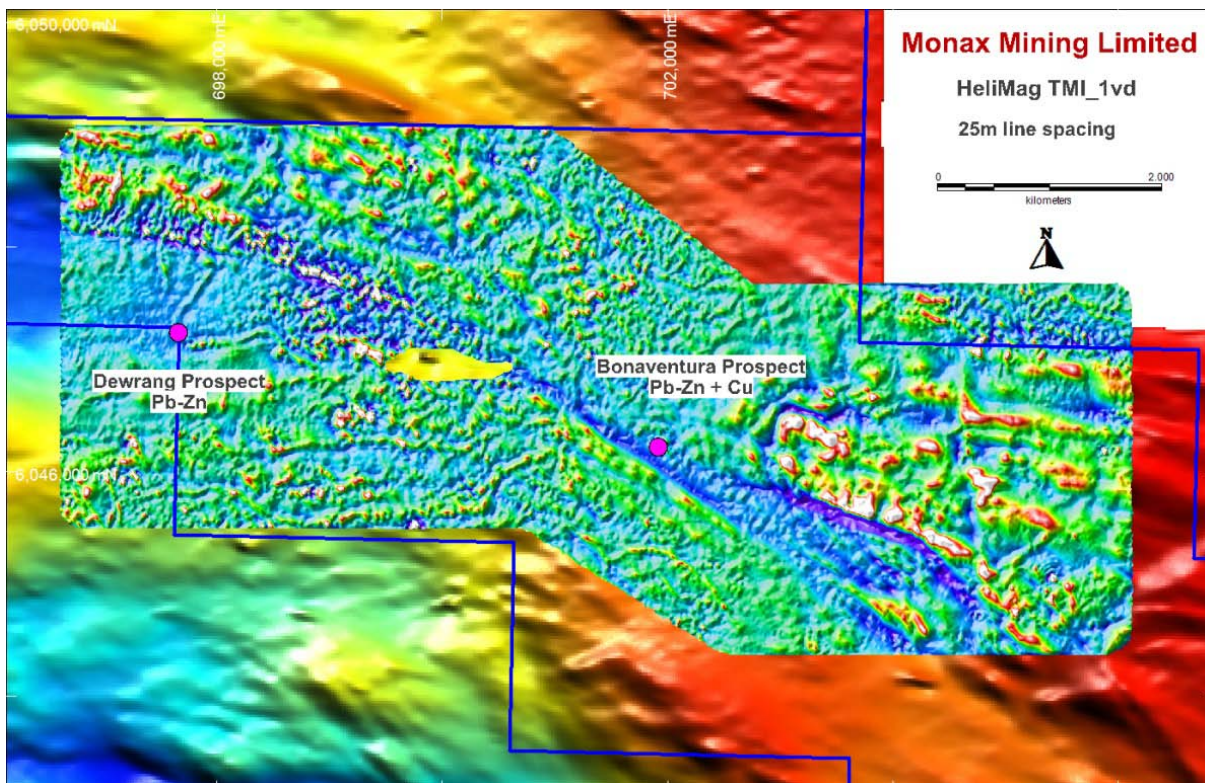


Figure 3: Newly acquired detailed heli-mag data over the Bonaventura and Dewrang prospects, Kangaroo Island project.



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Queensland Projects

Monax currently has two active projects located in northern Queensland (Figure 4):

1. **Cape York Bauxite**
2. **Percyvale Gold**

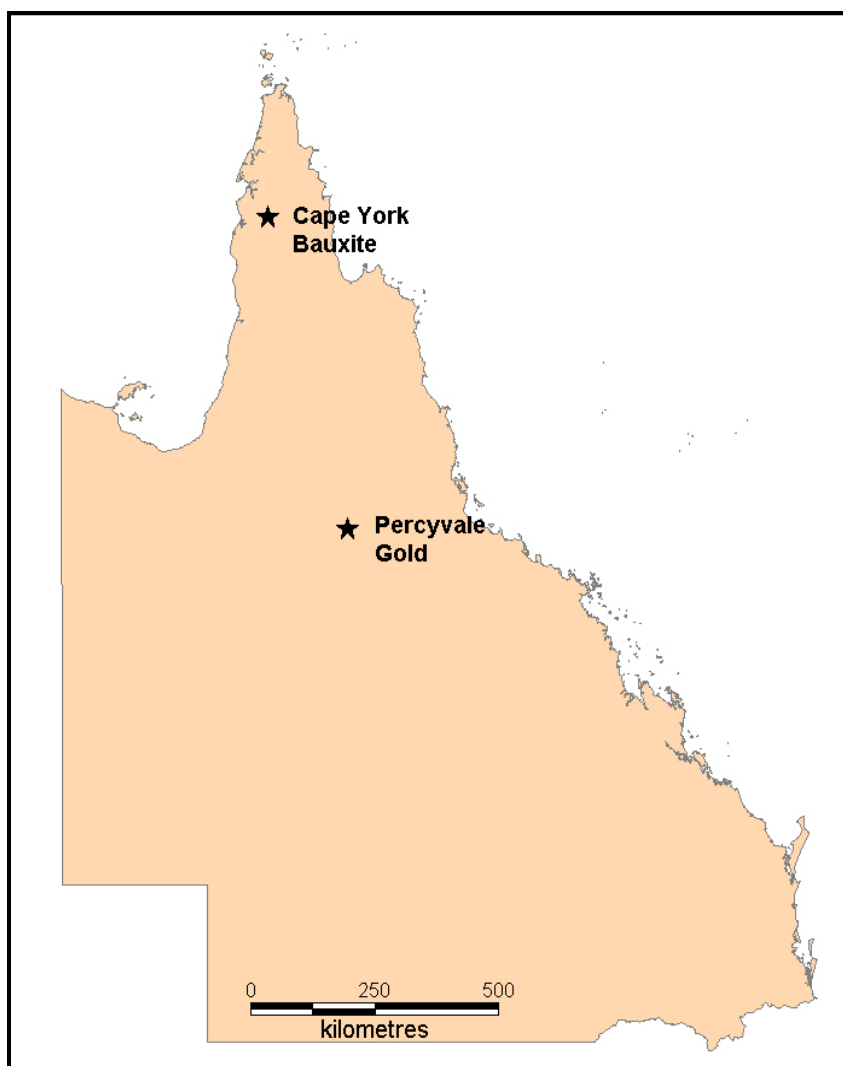


Figure 4: General location of Monax Queensland Projects

Cape York Bauxite Project

Monax's Cape York bauxite project currently comprises eight tenements located west of Coen (Figure 5). Five of the eight tenements are part of an Option Deal signed with Delminco Pty Ltd (see ASX Release January 12, 2010 for full details). These tenements are in the final



phases of being granted and Monax is planning to commence on-ground exploration by mid-2010.

Monax has also applied for three tenements located near the Delminco tenements (see Table 1 for tenement details and Figure 5 for location of all tenements).

Table 1: Tenement details for Monax Cape York Bauxite Project

Tenement	Tenement Name	Status	Tenement Holder	Sub-blocks	Area (km ²)
EPM 16963	Pretender Creek C	Application	Delminco Pty Ltd	98	274
EPM 16964	Pretender Creek D	Application	Delminco Pty Ltd	50	140
EPM 17005	Kendall River B	Application	Delminco Pty Ltd	100	280
EPM 17006	Archer River	Application	Delminco Pty Ltd	100	280
EPM 17715	Pretender Creek E	Application	Delminco Pty Ltd	96	269
EPM 18304	Pretender Creek	Application	Monax Mining Ltd	41	115
EPM 18403	Holroyd River South	Application	Monax Mining Ltd	94	263
EPM 18404	Holroyd River North	Application	Monax Mining Ltd	95	266

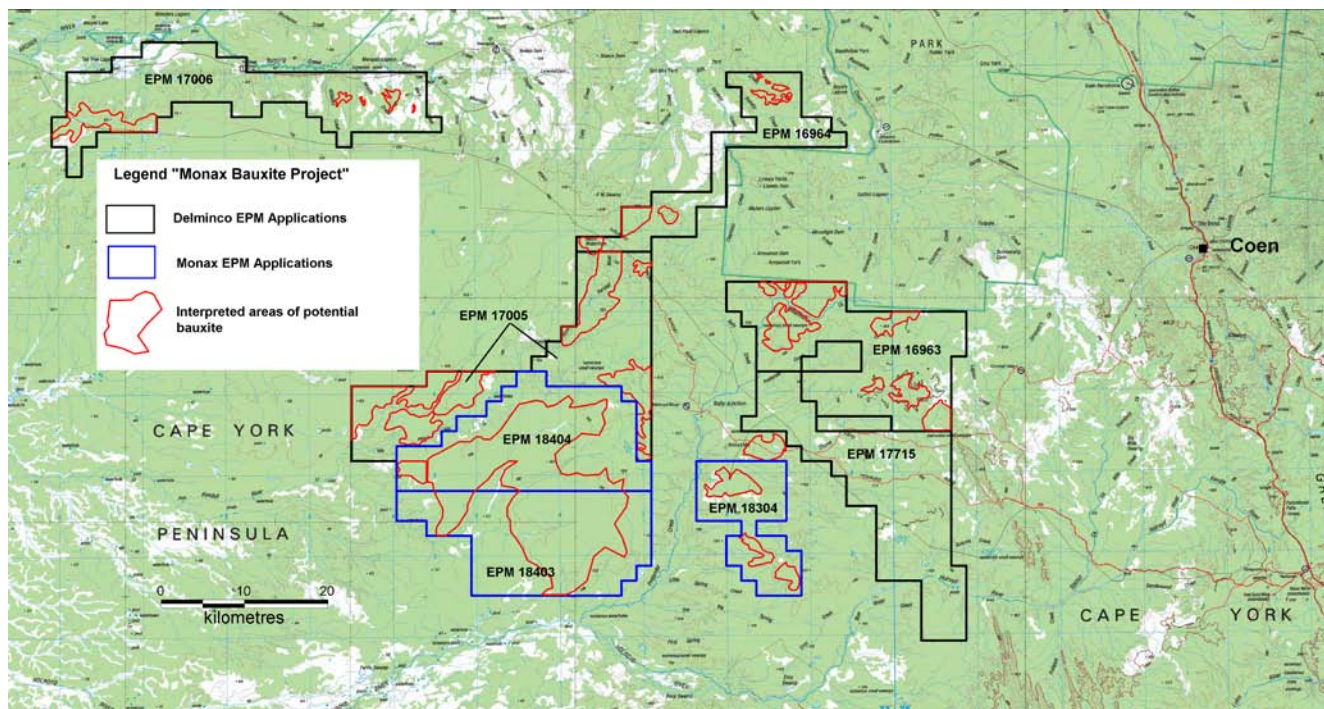


Figure 5: Location of Delminco and Monax EPM Applications on Cape York Peninsula, Northern Queensland, showing areas of interpreted bauxite



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Percyvale Gold Project

During the quarter, Monax signed an Option Deal over four granted gold Mining Leases in the Percyvale area, northern Queensland. The four Mining Leases are listed below:

Lease No.	Name	Expiry Date	Size (hectares)
ML 3366	Union	31 July 2016	23.6
ML 30199	Percy West	30 June 2016	32
ML 30139	Josephine	31 October 2014	6.36
ML 30103	Homeward Bound	30 September 2013	2.63

The four Mining Leases are currently held by the landowner and visible gold has been found on all four leases. Previous drilling and costeaning at the Union Mining Lease reported very encouraging results and Monax is planning to undertake an IP survey to assist in defining extensions to the known mineralisation.

Monax is planning a surface sampling program for the Percy West, Homeward Bound and Josephine Mining leases to provide drilling targets.

Monax applied for a further six Mining leases in the Percyvale/Gilberton area (see Figure 6):

Lease No.	Name	Size (hectares)
ML 30220	Vickars	45.8
ML 30221	Four Gees No. 1	45.5
ML 30222	Four Gees No. 2	46.6
ML 30223	Comstock	46.0
ML 30224	Mt Hogan No. 2	45.3
ML 30225	Mt Hogan No. 1	47.0

Monax has also applied for two Exploration Permits Minerals (EPM) within the Percyvale and Gilberton areas. The EPM's were in moratorium and are a competitive application with several other companies applying for each area. The location of the EPM applications is shown on Figure 6.



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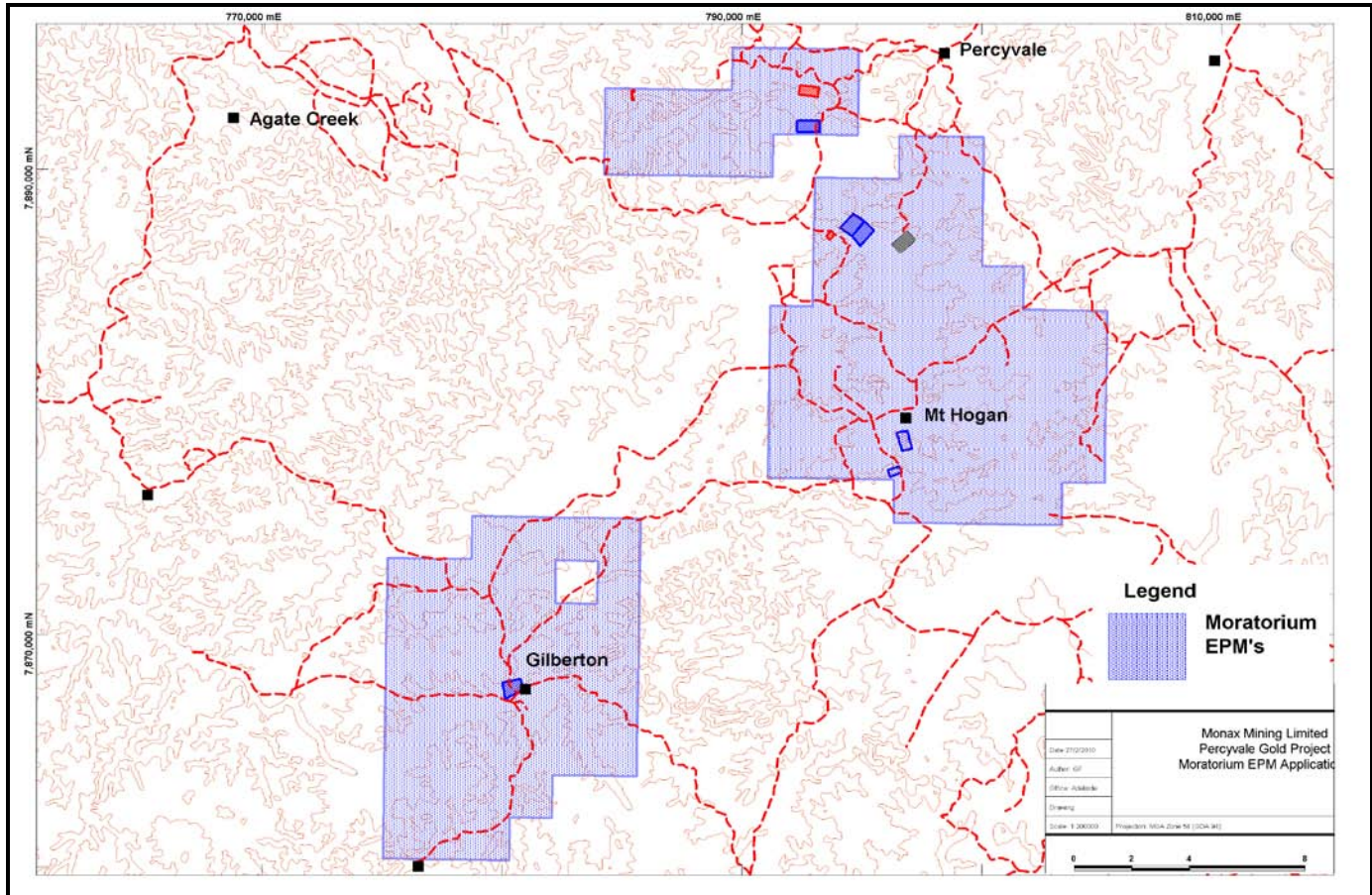


Figure 6: Moratorium areas within the Mt Hogan and Gilberton areas together with current Monax Mining Lease Applications (small blue areas) and Mining Leases under Option Agreement to Monax (red areas).

For further information please contact:

Gary Ferris,
Managing Director, Monax Mining
Ph: (08) 8375 3900
Email: info@monaxmining.com.au

'The information in the Annual Report that relates to Exploration Results, Mineral Resources, Ore Reserves or targets is based on information compiled by Mr G M Ferris, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Ferris 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 Ferris 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 March 2010

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from product sales and related debtors	-	-
1.2 Payments for		
(a) exploration and evaluation	(241)	(631)
(b) development	-	-
(c) production	-	-
(d) administration	(196)	(599)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	16	39
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)		
R & D Rebate	-	305
GST	1	(36)
Other	22	22
Net Operating Cash Flows	(398)	(900)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(3)	(4)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	(3)	(6)
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)		
Payments relating to the sale of subsidiary	-	-
Net investing cash flows	(6)	(10)
1.13 Total operating and investing cash flows (carried forward)	(404)	(910)

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

1.13	Total operating and investing cash flows (brought forward)	(404)	(910)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,045	5,363
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	(79)	(186)
	Net financing cash flows	966	5,177
	Net increase (decrease) in cash held	562	4,267
1.20	Cash at beginning of quarter/year to date	4,762	1,057
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter	5,324	5,324

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	3

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) and legal fees paid to a legal firm in which a director is a partner.
The amount at 1.24 above represents costs to be recovered in relation to shared facilities from a related entity.

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

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, EL 3775, EL 3911 and EL 4000 has incurred on an accruals basis \$200,839 in the quarter ending 31 March 2010.

OM Manganese Pty Ltd pursuant to the Farm-in and Joint Venture Agreement for EL 3357 has incurred on an accruals basis \$94,480 in the quarter ending 31 March 2010.

+ 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	1,000
4.2 Development	-
Total	1,000

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	156	1,844
5.2 Deposits at call	5,165	2,915
5.3 Bank overdraft	-	-
5.4 Other (provide details) – IPO Trust Account	3	3
Total: cash at end of quarter (item 1.22)	5,324	4,762

+ 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			
6.2	Interests in mining tenements acquired or increased.	EL 4413 (formerly ELA 212/09)	100%	100%
		EL 4458 (formerly ELA 282/09)	100%	100%
		ELA 44/10	0%	100%
		ML 3366	0%	100%
		ML 30103	0%	100%
		ML 30139	0%	100%
		ML 30199	0%	100%
		ML 30220	0%	100%
		ML 30221	0%	100%
		ML 30222	0%	100%
		ML 30223	0%	100%
		ML 30224	0%	100%
		ML 30225	0%	100%
		EPM 16963	0%	100%
		EPM 16964	0%	100%
		EPM 17005	0%	100%
		EPM 17006	0%	100%
		EPM 17115	0%	100%
		EPM 17835	0%	100%
		EPM 17836	0%	100%
	EPM 17843	0%	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 <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	148,053,664	148,053,664		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	19,800,667 5,900,000	19,800,667 5,900,000	\$0.075 \$0.10	\$0.075 \$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>	2,500,000 450,000 365,000 10,000 3,000,000 18,309,658 425,000	Nil Nil Nil Nil Nil 18,309,658 Nil	<i>Exercise Price</i> \$0.40 \$0.666 \$0.246 \$0.0517 \$0.10 \$0.15 \$0.0517	<i>Expiry Date</i> 30/06/2010 14/02/2012 18/07/2013 23/12/2013 31/07/2012 30/11/2011 05/03/2015
7.8 Issued during quarter	9,900,334 425,000	9,900,334 Nil	<i>Exercise Price</i> \$0.15 \$0.0917	<i>Expiry Date</i> 30/11/2011 5/03/2015
7.9 Exercised during quarter				
7.10 Expired during quarter	750,000 250,000	Nil Nil	\$0.26 \$0.0517	12/04/2011 23/12/2013

+ See chapter 19 for defined terms.

Appendix 5B
Mining exploration entity quarterly report

7.11	Debentures <i>(totals only)</i>		
7.12	Unsecured notes <i>(totals only)</i>		

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: Virginia Suttell..... Date:30/04/2010.....
 (~~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.