



**MONAX  
MINING LIMITED**

ABN 96 110 336 733

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**ASX RELEASE**

**For immediate release**

30th April 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 31 March 2007  
including the monthly report for April 2007

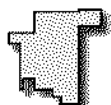
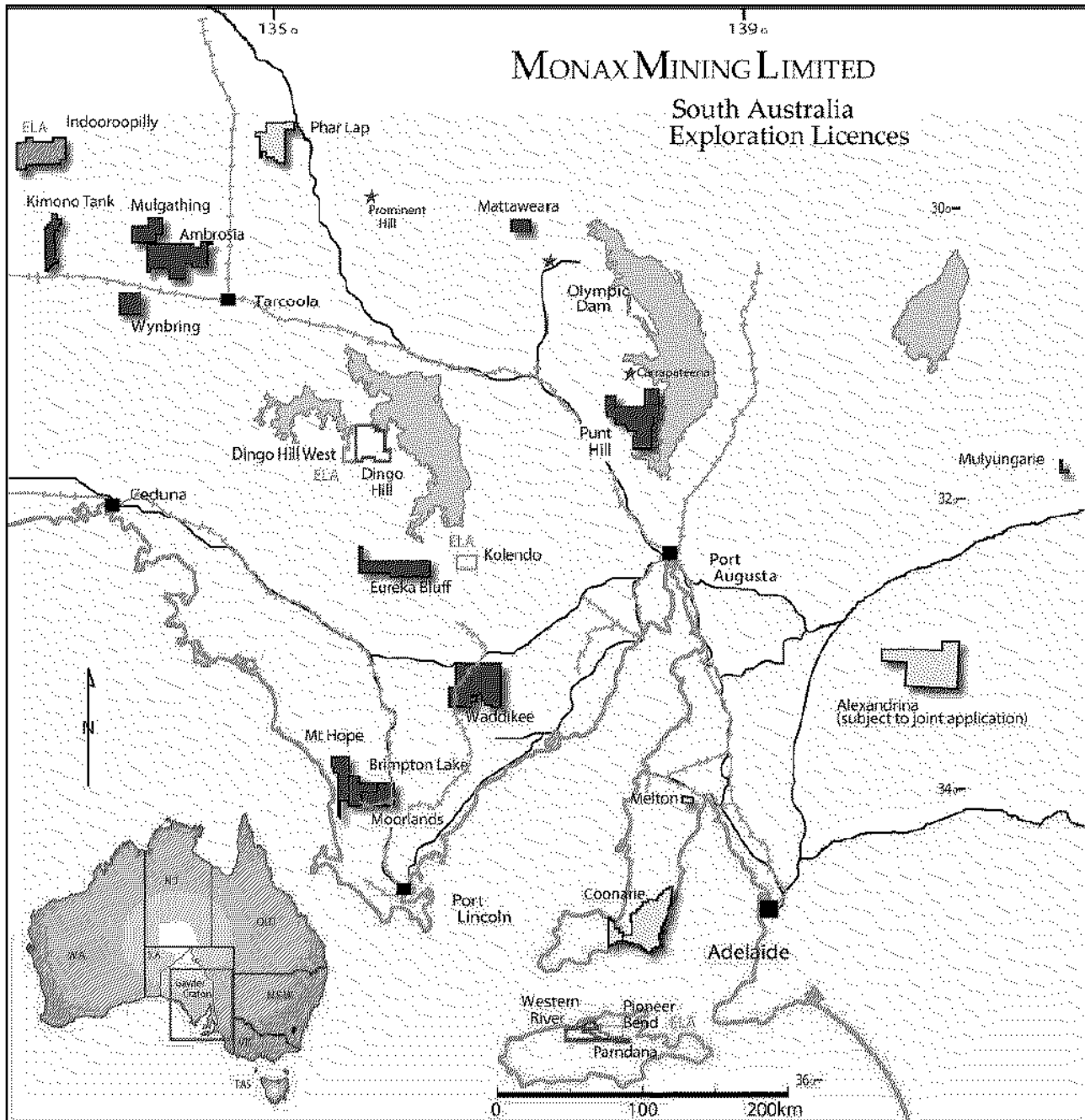
## HIGHLIGHTS

- **PUNT HILL -SA**  
Four large iron-oxide copper-gold style alteration system has been discovered on the Punt Hill tenement.
- Three followup drill holes have been completed at the Groundhog and Woodchuck targets.
- A fourth followup drill hole is currently being drilled at the Hoary target.
- **PARNDANA - KANGAROO ISLAND, SA**  
A costeaning program has been completed at the Bonaventura prospect and ha defined new zones of anomalous mineralisation.
- **MT HOPE - EYRE PENINSULA, SA**  
Monax is in the advanced stages of preparation for a PACE funded drilling program on its Mt Hope and Brimpton Lake tenments on the Eyre Peninsula. The program will target combined magentic and gravity features consistent with Archaean volcanic/sediment packages with the potential to host VHMS (Pb/Zn/Cu) and magmatic Ni/Cu deposits



## Tenement Status

Project	Tenement	Status	Acquired	Area (km2)
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	EL 3561	Granted	100%	222
Mulgathing	EL 3684	Granted	100%	258
Kimono Tank	EL 3685	Granted	100%	234
Kolendo	ELA 202/06	Application	100%	130
Indooroopilly	ELA 315/06	Application	100%	570
Dingo Hill West	ELA 173/06	Application	100%	195
Pioneer Bend	ELA 557/06	Application	100%	95
Coonarie	ELA 135/07	Application	100%	848
Coonarie	ELA 136/07	Application	100%	1171
Phar Lap	ELA 137/07	Application	100%	459
Alexandrina	ELA 138/07	Application	100%	1200
Mulyungarie	ELA 139/07	Application	100%	17
Melton	ELA 148/07	Application	100%	28



New uranium licence applications



Existing uranium exploration licence application



Granted tenements prospective for uranium



# Punt Hill Drill Program

Monax Mining Limited (ASX code: "MOX") has expanded its exploration program at the Punt Hill Iron Oxide Copper Gold Uranium (IOCGU) project (Figure 1), 130 km north of Port Augusta in South Australia. Following the identification of four separate but extensive IOCGU systems in its regional drilling program, Monax has identified a number of follow up targets which it is currently in the process of drilling.

Two new holes completed at Groundhog have confirmed the lateral extent of intense IOCG alteration over a distance of 400m (assays pending). One hole was drilled 200 m to the northeast (GHDD2 736370mE, 6505139mN) and one 200 m to the southwest (GHDD3 736238mE, 6504758mN).

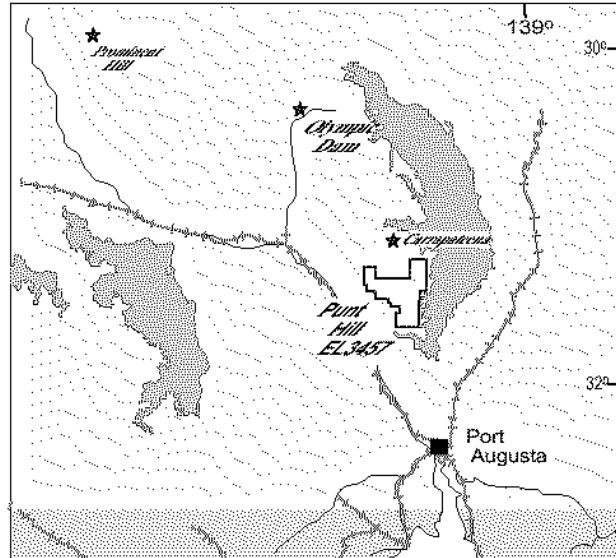
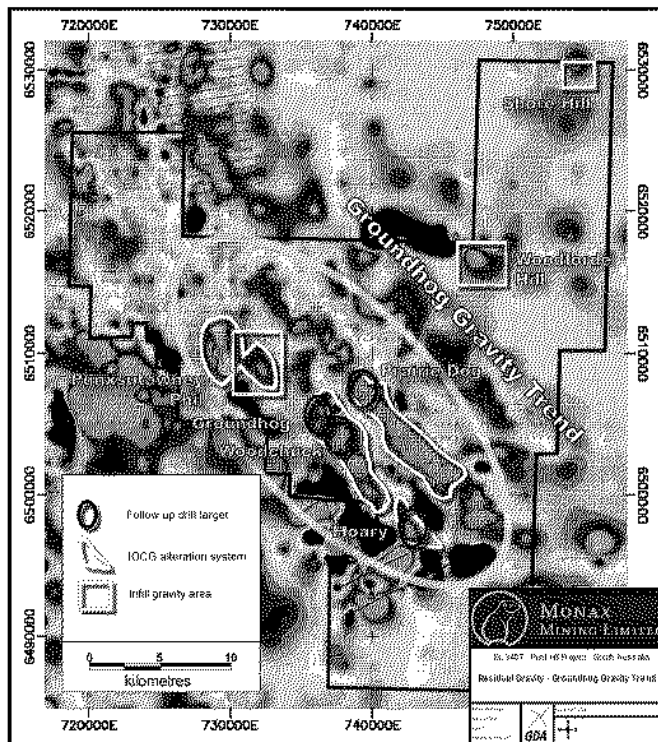


Figure1. Location of Punt Hill tenement

Figure 2: Punt Hill residual gravity image



A follow-up drill hole, WDDD2 (737705mE, 6503970mN) at the Woodchuck target has been completed, approximately 250m to the northeast of WDDD1 (737595mE, 6503741mN). This hole has confirmed the lateral extent of alteration and presence of IOCG style alteration at this target. Re-modeling of the geophysics along the Groundhog gravity trend (which included prior Monax drilling information) has refined the Woodchuck target and defined new areas of dense rocks, providing new drill targets. The core is in the process of being submitted for assay.

An angled hole is currently being drilled at the Hoary prospect. HODD1 (742670mE, 6497965mN) intersected a 111m of hematite breccia. The angled hole has been designed to intersect basement at the eastern edge of the residual gravity anomaly and traverse basement toward the west into the hematite breccia. The concept is that HODD1 intersected a potential barren hematite breccia core as at Olympic Dam and Carrapateena. HODD2 (743600mE, 6497690mN, 60° angle to the west) will test for the presence of a mineralised halo to the hematite core.



## Parndana/Western River/Pioneer Bend - Exploration Summary

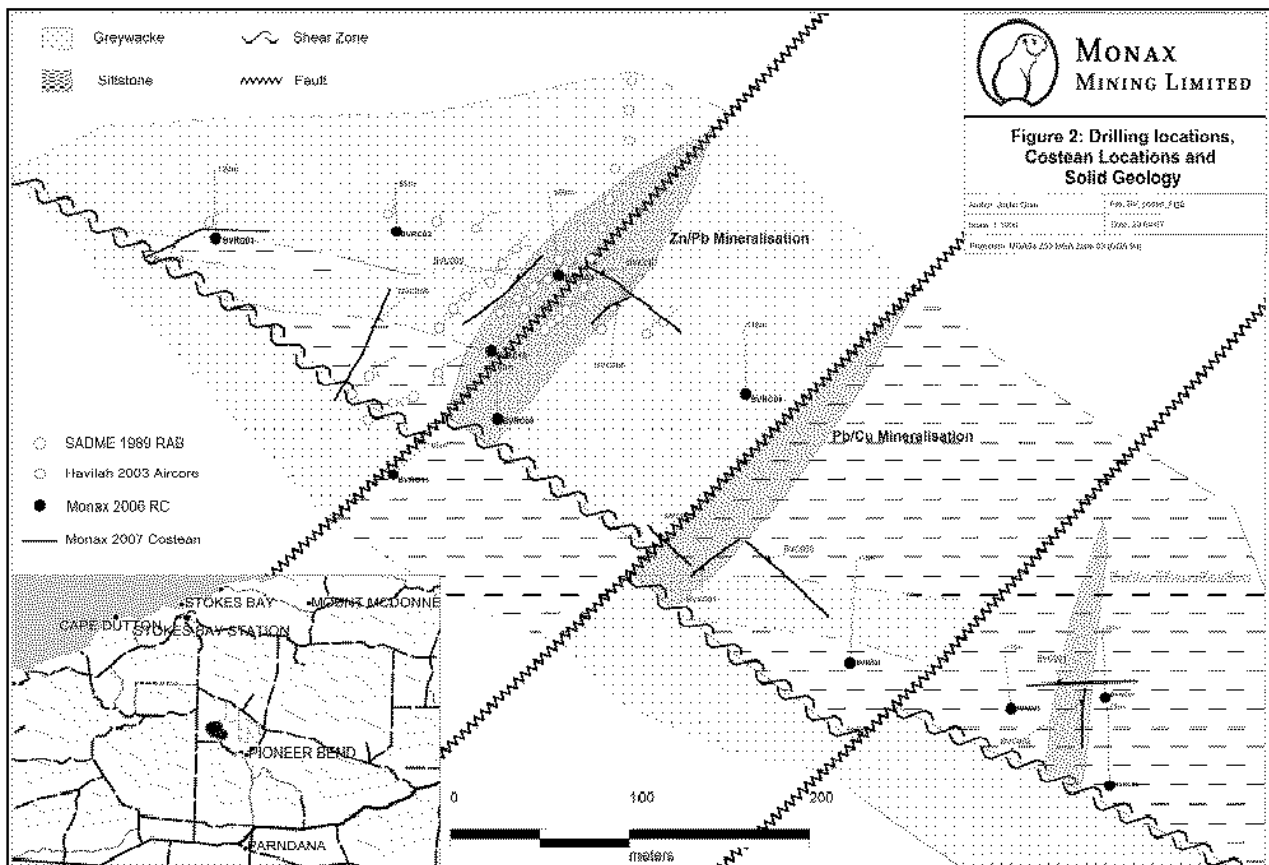
### Costeaming Program

Assays from the costeaming program returned highly encouraging results including the highest soil sample values for Pb so far recorded in the Bonaventura area (Cu maximum 273ppm, Zn maximum 538ppm, Pb maximum 4585ppm). Because the costeams sampled the weathered rock profile, the values were low with respect to the RC drilling, but comparable with other soil sampling in the area.

Geology from the costeams, together with the assay results have allowed a solid geology interpretation of the Bonaventura area to be developed (Figure 3). As discussed in the February operations report, it appears that previous drilling by Monax and other companies have been less than optimally positioned to intersect the mineralisation in the area.

A new zone of Pb/Cu mineralisation (blue zone in figure 3) was located in costeams BVC004 and BVC005 which has not been tested at all in previous drilling. These costeams contained the highest Pb results reported in the soil sampling programs, indicating that this zone has a very high prospectivity.

There also appears to be a lithological control on mineralisation, with brittle greywackes being better hosts for the Zn/Pb mineralisation and pyritic siltstones being better hosts for the Cu/Au mineralisation.



**Figure 3: Solid Geology Interpretation – Bonaventura Prospect**

One costean (BVC011) was dug on the northern margin of the native scrub zone bordering the mineralized zones. Silicified greywackes, quartz veining and anomalous Pb and Zn values indicate that the mineralized zones are likely to extend under the native scrub at depth. This is highly encouraging that the extent of the mineralisation may reach economic size.

A diamond drilling program (12 holes – Figure 4) is planned for the summer of 2007 to test these new zones and to better define the mineralisation intersected in previous exploration program.

The costeaning program has significantly upgraded the prospectivity of the Bonaventura area. Two additional zones of anomalous mineralisation have been identified that have previously not been tested by drilling. The costeaning has also provided geological information to confidently allow targeting of the anomalous zones with optimally orientated drillholes.

#### Proposed Diamond Drilling

Results from the costeaning program will be used to plan a 12 hole diamond drilling program to an approximate depth of 150-250m for each hole. Diamond drilling is required to overcome the groundwater problems encountered with RC drilling. The cost of the program is expected to be in the order of ~\$500,000. This program will allow Monax to make an assessment of the economic potential of the Bonaventura Prospect. It is currently expected to be undertaken in October. Program proposals have been sent to various drilling companies to obtain quotes for the program.

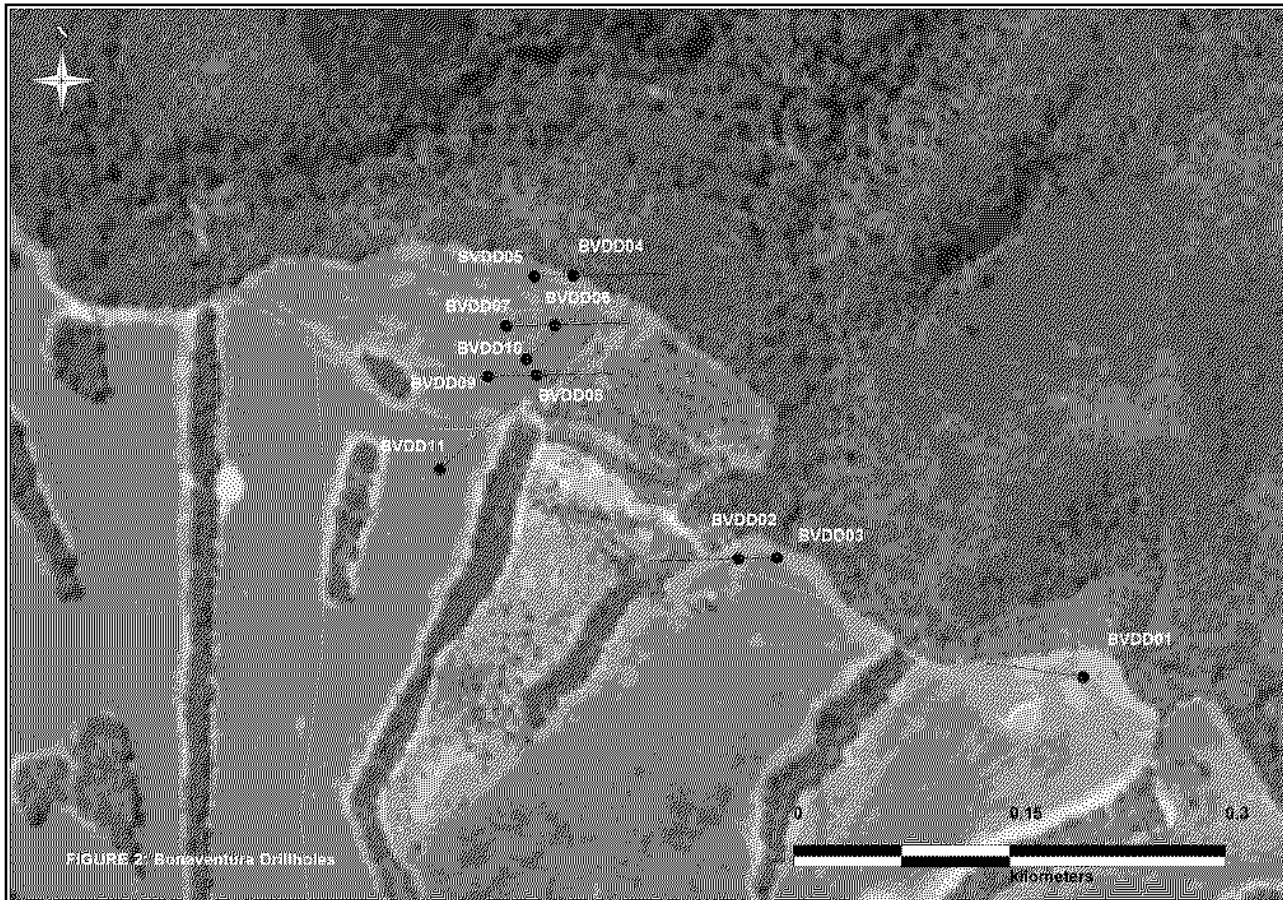


Figure 4: Proposed Diamond Drilling Program – Bonaventura Prospect



## Prospect Review

Historical data from the Dewrang Prospect to the east and Cygnet Mine to the west of the Bonaventura area is being reviewed for potential extension of exploration activities in the area.

Soil sampling data across both prospects show a similar distribution of anomalous values of Pb/Zn/Cu as at Bonaventura. The limited drilling undertaken at these two areas was on a similar orientation to that at Bonaventura. This suggests that the mineralized zones were not adequately tested by previous exploration.

Access is being obtained for further historic anomalies on the Western River and Parndana ELs over the next few months. Preliminary sampling will be undertaken in addition to geological mapping.

## Soil Sampling

Historical data is currently being digitized and will be incorporated into a combined model of mineralisation for the Parndana area.

Part of the costeaning program was to sample the various soil profiles in the Bonaventura area from saprock to surface. The results of this sampling shows that the entire profile from saprock into the transported cover is anomalous within the mineralized zones. However, where Tertiary laterite covers the saprolite, no expression of mineralisation is seen in the laterite or above.

This means that hand auger samples of soil/saprolite are only useful where erosion has removed the laterite cover. Figure 5 shows historical soil sampling on a background of the radiometric data. The radiometric data is excellent for outlining the areas of residual laterite (light blue) and exposed saprolite (red).

A program of extension of the existing soil sampling coverage has begun and is expected to be completed later on this year.

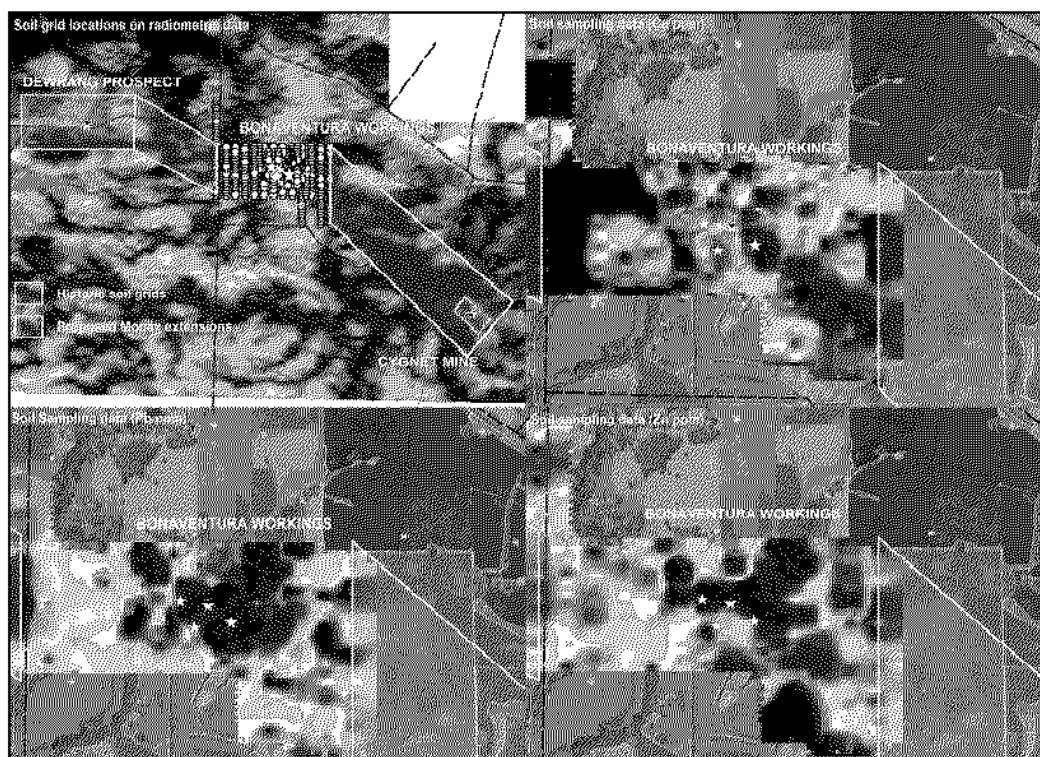


Figure 5 Soil sampling data and proposed extensions.



## Mt Hope - Exploration Summary

### Auger Drilling Program

A PACE auger drilling program is in the advanced stages of preparation. A drilling contractor has been organized and land holders are being contacted for access to the drilling targets. The planned targets are 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 (Figure 6) 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.

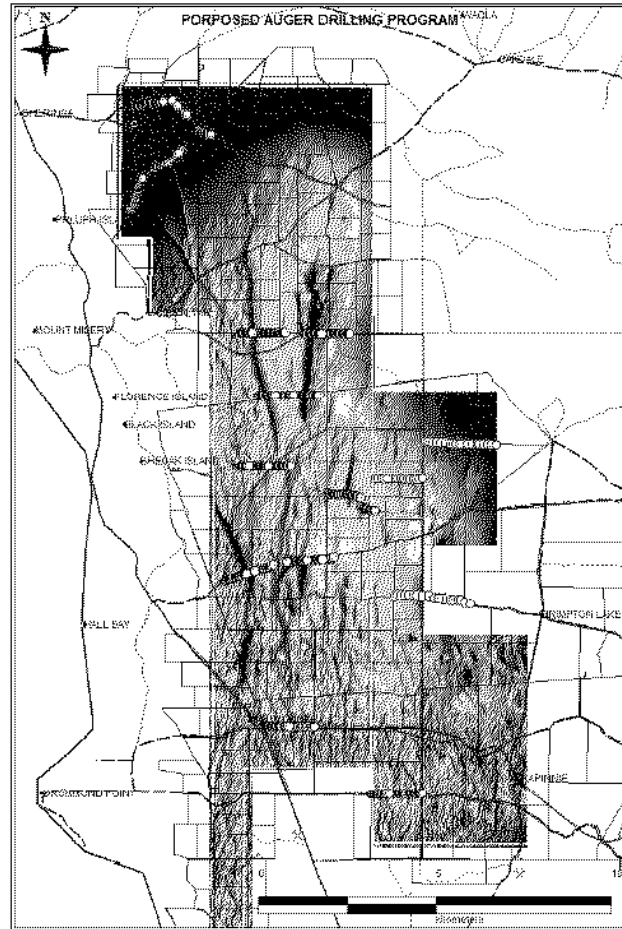


Figure 6: Proposed Auger Drilling Program

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](mailto: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 March 2007**

### 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	(701)	(2,529)
(b) development		
(c) production		
(d) administration	(237)	(711)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	16	121
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Other (provide details if material )		
ASX Listing Fees	-	(10)
Prepaid insurance etc	(19)	(52)
GST	50	(55)
Other	(13)	(35)
<b>Net Operating Cash Flows</b>	<b>(904)</b>	<b>(3,271)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of:		
(a) prospects		
(b) equity investments		
(c) other fixed assets	(25)	(111)
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)		
<b>Net investing cash flows</b>	<b>(25)</b>	<b>(111)</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(929)</b>	<b>(3,382)</b>

+ See chapter 19 for defined terms.

**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(929)	(3,382)
<b>Cash flows related to financing activities</b>			
1.14	Proceeds from issues of shares, options, etc.		
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	(18)	(20)
	<b>Net financing cash flows</b>	(18)	(20)
<b>Net increase (decrease) in cash held</b>			
1.20	Cash at beginning of quarter/year to date	1,400	3,855
1.21	Exchange rate adjustments to item 1.20		
1.22	<b>Cash at end of quarter</b>	453	453

**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	168
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:** Cash inflows during the next quarter include \$1.19m from a Share Placement (completed during April 2007) and up to \$3.56m from a one for ten non-renounceable Rights Issue (to be completed on 18 May 2007).

**Estimated cash outflows for next quarter**

	\$A'000
4.1 Exploration and evaluation	1,434
4.2 Development	
<b>Total</b>	<b>1,434*</b>

\* Refer to Note at Item 3 for Financing Facilities available

**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	43	36
5.2 Deposits at call	407	1,361
5.3 Bank overdraft		
5.4 Other (provide details) – IPO Trust Account	3	3
<b>Total: cash at end of quarter (item 1.22)</b>	<b>453</b>	<b>1,400</b>

**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	EL3684 EL3685 ELA135/07 ELA136/07 ELA137/07 ELA138/07 ELA139/07 ELA148/07	100% 100% 0% 0% 0% 0% 0% 0%	100% 100% 100% 100% 100% 100% 100% 100%

+ 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 <b>Preference securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	49,166,670	29,200,003		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b>+Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>	9,704,188		<i>Exercise price</i> \$1.20	<i>Expiry date</i> 31/12/2007
	5,000,000		\$0.25	30/06/2008
	2,500,000		\$0.30	30/06/2009
	2,500,000		\$0.40	31/12/2010
	850,000		\$0.26	12/04/2011
	100,000		\$0.182	23/08/2011
	450,000		\$0.666	14/02/2012
7.8 Issued during quarter	9,704,188		\$1.20	31/12/2007
	450,000		\$0.666	14/02/2012
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <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 ~~/does not~~\* (*delete one*) give a true and fair view of the matters disclosed.

Print name: Dom Francese..... Date: ....30/04/2007.....  
(~~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.

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+ See chapter 19 for defined terms.