Waddikee Project

“Exploring for black gold
On Eyre Peninsula”

Mining South Australia
Presentation

20 November 2012
Gary Ferris
Managing Director

Graphite  Manganese  Iron
Disclaimer

Forward Looking Statements

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# Corporate Snapshot

## Profile

**Head Office:** Unit i, 5 Butler Blvd, Burbridge Business Park, SA 5950

**Vision:** To become a mining company via discovery and partnerships with major exploration, resources development, investment and mining companies.

**Strategy:** To make a world-class discovery at its flagship Punt Hill copper-gold project in SA, and identify and secure high quality asset positions that are either stand-alone 'company makers' or will be attractive to majors.

**Cash:** As at 30 September 2012, $2.9 million

## Directors/Executives

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bob Kennedy</td>
<td>Non-Executive</td>
</tr>
<tr>
<td>Gary Ferris</td>
<td>Chairman</td>
</tr>
<tr>
<td>Glenn Davis</td>
<td>Managing Director</td>
</tr>
<tr>
<td>Virginia Suttell</td>
<td>Company Secretary</td>
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## Share Details

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
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</thead>
<tbody>
<tr>
<td>Total shares on Issue</td>
<td>149,514,803</td>
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<tr>
<td>Market Capitalisation</td>
<td>$7.6 million</td>
</tr>
<tr>
<td>Share price at 19/11/12</td>
<td>5.1 cents</td>
</tr>
<tr>
<td>Top Twenty</td>
<td>34.7%</td>
</tr>
</tbody>
</table>
Waddikee Project

• Located on central Eyre Peninsula

• Large landholding ~1000km²

• Geology: Palaeoproterozoic Hutchinson Group metasediments

• Prospective for:
  • Graphite
  • Iron
  • Manganese
Waddikee Project – Manganese & Iron

- Waddikee contains historical iron and manganese prospects
- Detailed magnetic data acquired by Monax clearly shows the linear banded iron formations of the Hutchinson Group
- Reconnaissance surface sampling by Monax showed high-grade manganese and highly encouraging iron results
Waddikee Project – Manganese

Why Manganese?

- Mn is the 12th most abundant element in the Earth’s crust
- High-grade deposits rare
- Mn is a non-substitutable component of the steel making process
- 90% of Mn produced used to make steel
- Acts as the glue to harden iron and make it less brittle
- High price 2007/2008
- Only 3 operating mines in Australia (Groote Eylandt, Woodie Woodie and Bootu Creek)
- Relative low cost capital cost for development
Waddikee Project – Manganese

- Manganese crops out in the Jamieson Tank area with the best exposure at Cultivator Hill
- Initial rock chip sampling showed Mn up to 43.8% Mn at Jamieson Tank
- Drilling by Monax at Jamieson Tank shows Mn is present up to 5km in strike length with several zones outlined
- Best manganese drilling results include:
  - 13m @ 16.1% Mn (JTRC069 25-38m)
  - 11m @ 15.8% Mn (JTRC032 4-15m)
  - 13m @ 13.9% Mn (JTRC121 16-32m)
  - 7m @ 18.0% Mn (JTRC034 14-21m)
  - 9m @ 13.7% Mn (JTRC089 16-25m)
  - 6m @ 16% Mn (JTRC053 13-19m)
  - 6m @ 15.9% Mn (JTRC067 25-31m)
  - 7m @ 15.2% Mn (30-37m) & 6m @ 12.5% Mn (23-29 – PRC03)
  - 52m @ 21.2% Mn (HRC05)

(note – samples combination of 1m, 2m and 4m composites. Intersections calculated by averaging 1m, 2m & 4m samples. All lengths are downhole lengths, true width unknown. Assays done by Genalysis using XRF method. JTRC = Jamieson Tank; PRC = Polinga & HRC = Hodgins)
Waddikee Project – Manganese

- Two samples from Jamieson Tank submitted for beneficiation testing with up to 42.5% Mn reported with good recoveries via heavy liquid separation

- X-Ray diffraction showed the dominant manganese mineral present is Cryptomelane (KMn₈O₁₆)

- Sieve screen sizing showed that the majority of the manganese is distributed within the coarse fractions (>0.2mm)

<table>
<thead>
<tr>
<th>Sample</th>
<th>Assay Head</th>
<th>Assays</th>
<th>Recovery MnO %</th>
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<tbody>
<tr>
<td>JTRC036</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(8m to 13m)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Assay Head</td>
<td>20.3</td>
<td>1.7/</td>
</tr>
<tr>
<td></td>
<td>HLS Upgrade</td>
<td>42.5</td>
<td>8.2</td>
</tr>
<tr>
<td>JTRC034</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(14m to 21m)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Assay Head</td>
<td>18.7</td>
<td>14.2</td>
</tr>
<tr>
<td></td>
<td>HLS Upgrade</td>
<td>34.7</td>
<td>16.0</td>
</tr>
</tbody>
</table>
Waddikee Project – Manganese

- Drilling at Jamieson Tank shows good continuity of manganese along strike
- Areas remain undrilled along western side of area
- Latest exploration comprised IP surveys
- IP failed to provide high quality drill targets due to high conductivity within the area
Waddikee Project – Manganese

- Gradient Array Induced Polarisation (GAIP) data for Jamieson Tank and Polinga was unsuccessful in assisting with locating further zones of manganese.

- Northern area at Polinga was a relatively thick zone of low-grade graphite.

- Zones of high-chargeability at Jamieson Tank interpreted to be due to presence of graphite.
Waddikee Project - Iron

- Initial rock chip sampling by Monax in 2008 showed encouraging results for iron on the Waddikee tenement
- These results not yet followed up due to the discovery of manganese at Jamieson Tank

(Note: assays done by Genalysis using XRF method – originally reported ASX Release 8 March 2008. Coordinates MGA Zone 53, GDA94)

Sample 5030 59.5% Fe
Waddikee Project - Iron

- All drilling designed to test for manganese
- However, samples submitted for iron analyses
- Best iron drilling results include:
  - 44m @ 34.6% Fe (PRC01 25-69m)
  - 20m @ 33.8% Fe (JTRC042 20-40m)
  - 34m @ 35.6% Fe (JTRC166 4-38m)
  - 25m @ 28.4% Fe (JTRC014 54-79m)
  - 11m @ 46.6% Fe (PRC010 13-24m)
  - 12m @ 33.8% Fe (JTRC012 18-30)
  - 17m @ 33.3% Fe (JTRC041 9-26m)
  - 23m @ 32.0% Fe (JTRC054 2-25m)
  - 12m @ 33.6% Fe (PRC010 34-46m)
  - 20m @ 31.9% Fe (JTRC043 43-63m)
  (Note: samples combination of 1m, 2m and 4m composites. Intersections calculated by averaging 1m, 2m & 4m samples. All lengths are downhole lengths, true width unknown; assays done by Genalysis using XRF method.)
- Review of drilling shows that holes are not located on major magnetic features
Waddikee Project - Iron

Legend

+ Monax iron rock chip samples

+ 2012 Graphite holes

+ All Manganese drill holes
Waddikee Project – Iron

Iron (Magnetite) Potential

- TMI data shows 3 major magnetic features at Francis, Polinga and Jamieson Tank
- These areas are very prominent on modeling of the aeromagnetic data

Model Viewer image showing high magnetic intensity shells (red)

Note: This figure represents a geophysical model. The potential quantity and grade of an exploration target is conceptual in nature since there has been insufficient work completed to define the prospects as anything beyond exploration targets. It is uncertain if further exploration will result in the determination of a Mineral Resource.
Waddikee Project – Graphite

- Gradient Array Induced Polarisation (GAIP) data for Jamieson Tank and Polinga was unsuccessful in assisting with locating further zones of manganese.

- Northern area at Polinga was relatively thick zone of low-grade graphite.

- Zones of high-chargeability at Jamieson Tank interpreted to be due to presence of graphite.
Waddikee – Graphite Prospects

Surface Samples
• Coarse flake graphite

Drilling Program
• Completed

Background – AEM (red = high conductivity = graphite targets)
Waddikee – Maiden Graphite Drilling Program

Background – AEM (red = high conductivity = graphite targets)
Waddikee – Maiden Graphite Drilling Program

Wilclo South Prospect

- Prominent surface outcrop (only discovered during drilling program)

- Surface sample – high-grade, coarse flake graphite (assay = 22.9% total graphitic carbon –TGC)

- Drilling showed high-grade graphite occurs to at least 100m below surface

- Good intersections reported in two holes

- Sample from surface outcrop and selected drill hole samples submitted for beneficiation testing
Waddikee – Maiden Graphite Drilling Program

Wilclo South Prospect

- Beneficiation results due soon

- Petrology from outcrop and drill holes shows coarse flake graphite up to 2mm in length with an average size >0.5mm.

Beneficiation testing Wilclo South outcrop sample
Lacroma Prospect

- No surface graphite
- Previous drilling by WMC reported 70m of graphite
- Monax re-drilled WMC hole and intersected 60m @ 6.8% TGC
- Need to chase this intersection closer to surface – conductivity shows layer dips to east
- Significant conductivity feature located further east – UNTESTED
Waddikee – Graphite potential

Historical Ground EM survey – good correlation with AEM data

Wilclo South anomaly – 2.2km strike length

Francis West – better EM anomaly – 3.6km strike length

Francis West Anomaly over 3.6km strike “UNDRILLED”

Wilclo South Anomaly over 2.2km strike
# Waddikee – Argent Prospect

<table>
<thead>
<tr>
<th>Sample ID</th>
<th>Location</th>
<th>MGA_East</th>
<th>MGA_North</th>
<th>% C</th>
<th>Petrological Description</th>
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<tbody>
<tr>
<td>52317</td>
<td>ARG1</td>
<td>631186</td>
<td>6298332</td>
<td>1.38</td>
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<tr>
<td>52318</td>
<td>ARG2</td>
<td>631193</td>
<td>6298229</td>
<td>16.00</td>
<td>Foliated graphite, from 0.2mm to 1.5mm in crystal size, is common (~15%), with some kinked flakes and recrystallised areas with smaller graphite flakes (&lt;0.2mm long).</td>
</tr>
<tr>
<td>52319</td>
<td>ARG3</td>
<td>631221</td>
<td>6298328</td>
<td>15.21</td>
<td>Graphite is less abundant compared to the previous sample, (5-7%) with some kinking and shredding. Some areas have poorly oriented graphite flakes less than 0.4mm in grain size, but other areas have more foliated graphite that is locally more than 1mm in crystal size.</td>
</tr>
<tr>
<td>52320</td>
<td>ARG4</td>
<td>631238</td>
<td>6298254</td>
<td>19.81</td>
<td></td>
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<tr>
<td>52321</td>
<td>ARG5</td>
<td>631235</td>
<td>6298342</td>
<td>13.21</td>
<td>There is more abundant and mostly recrystallised but foliated graphite in this sample than in the other two ARG samples, to 1.5 or 2mm in crystal size, with some kinked flakes, and small areas with bent or contorted flakes. There may be as much as 20% graphite in this thin section area.</td>
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<tr>
<td>28701</td>
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<td>ARG6</td>
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<td>6298247</td>
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</table>

Very Coarse Flake Graphite: field of view is 2mm x 3mm
Waddikee Project Summary & Conclusions

• Waddikee tenement highly prospective for graphite, manganese and iron

• Graphite current focus

• Promising drilling results from Wilclo South

• Drilling samples currently undergoing beneficiation testing – full results due soon

• Further drilling planned for Lacroma prospect & drilling planned for Argent and Francis West prospects

• Monax planning ground EM survey and further drilling at Wilclo South over the summer

• Monax compiling manganese and iron results to determine future exploration program – looking for potential JV partner
Monax Mining – Other Projects

**Punt Hill Copper-Gold Project**
- Farm-in agreement with major Chilean copper producer – Antofagasta plc
- Major drilling commenced August 2012
- $60,000 PACE Grant
- 75m @ 0.2% Cu in hole MMDD1

**Monax | Antofagasta Strategic Alliance**
- Four 'Key Project' areas: Marla | Algebuckina | WGC | Kangaroo Island
- First Designated Project approved – Algebuckina Project

**Phar Lap IOCG Project**
- Prominent Hill/Carrapateena IOCG style target
- Western margin of Mt Woods Inlier – hosts Prominent Hill
- Drilling planned

**Yorke Peninsula IOCG project**
- Initial drilling at Melton reported 9m @ 1% Cu with associated silver and gold
- Anomalous copper and gold reported from calcrete sampling at Melton
Thank You

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