CAUTIOUS STEADY GROWTH

FIRST QUARTER REPORT

MANAGEMENT'S DISCUSSION AND ANALYSIS
For the three months ended September 30, 2013

MONUMENT
MINING LIMITED

GROWTH

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2013
(in United States dollars, except where noted)

The following Management's Discussion and Analysis ("MD&A") of Monument Mining Limited ("Monument" or the "Company") as of November 29, 2013 should be read in conjunction with the unaudited condensed interim consolidated financial statements of the Company for the three months ended September 30, 2013 (Q1 of fiscal 2014) and related notes thereto which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards board ("IASB"). The readers are also recommended to read this MD&A in conjunction with the audited consolidated financial statements for the year ended June 30, 2013 and related notes for additional details.

This MD&A contains "forward-looking statements" and the non-GAAP performance measure "unit cash cost per ounce sold" that are subject to risk factors set out in a cautionary note contained herein. All figures are in United States dollars unless otherwise noted. References to "C$" or "CAD" are to Canadian dollars.

Additional information relating to the Company's activities may be found on the Company's website at www.monumentmining.com and at www.sedar.com.

1. EXECUTIVE SUMMARY

1.1 Q1 Fiscal 2014 Highlights

- Gross Revenue from gold sales of $16.00 million (Q1 Fiscal 2013 - $20.81 million);
- Profit margin generated from gold production of $7.33 million for the quarter (Q1 Fiscal 2013 - $14.39 million);
- Gold production for the quarter of 10,515 ounces ("oz"), 4% lower than the same quarter of last year (Q1 Fiscal 2013 - 10,906oz);
- Cash cost per ounce of US$503/oz, an increase from the first quarter of fiscal 2013 cash cost of U$333/oz.
- Ore mined increased by 48% from 101,654t in Q1, fiscal 2013 to 150,185t in the first quarter of fiscal 2014;
- Ore processed during the quarter of 235,809t, an increase of 5% against the corresponding quarter in 2013;
- Substantial exploration activities undertaken with a focus on Research and Development (R&D), sampling, assay processing and ongoing work towards completion of the preliminary economic assessment ("PEA") at Mengapur;
- Commencement of stripping activity to access Selinsing Deep at depth;
- Research and development on metallurgic activities commenced at both Selinsing and at Mengapur; and
- Appointment of new Executive General Manager of Monument Malaysia Group.

1.2 Business Overview

Monument Mining Limited (TSX-V:MMY, FSE:D7Q1)("Monument" or "the Company") is an established Canadian gold producer and mining asset developer with production cash costs among the lowest in the world. The Company's 100% owned primary gold and polymetallic properties are located in Pahang State within the Central Gold Belt of western Malaysia. These properties include a pipeline of gold mineral properties comprising the Selinsing Gold Mine ("Selinsing"), the Buffalo Reef Property ("Buffalo Reef") and the Famehub properties ("Famehub"), and the Mengapur Polymetallic Project ("Mengapur") at the development stage.

Monument's primary business activities include advancing its mineral projects from exploration stage or development stage to production stage and carrying out mining and processing operations to generate profit from sustainable precious metal and base metal production. Its main business objective is to increase its shareholders' value through building up a mineral property pipeline through acquisitions, exploration, development and production while mitigating associated business risks. The Company's longer-term goal is to become a sustainable dividend paying, mid-tier gold, base metals and industrial mineral producer.

Monument has an experienced management team with a demonstrated ability to quickly build profitable operations. The Company employs 336 people in Malaysia and is committed to the highest standards of environmental management, social responsibility, and health and safety for its employees and neighboring communities. Monument's Head Office is located in Vancouver, British Columbia, Canada. It operates through its subsidiaries in Pahang State, Malaysia.

1.3 Review of Operations: First Quarter

During the first quarter of 2014, mining operations continued the trend of positive results, generating a profit margin of $7.33 million (Q1 2013: 14.39 million) from revenue of $16.00 million (Q1 2013: $20.81 million). In addition, the Company has maintained focus on steady growth in pursuing the following key strategies:

- Diversification of the mineral property portfolio through investment into targeted geographic regions;
- Delivering sustainable gold production through exploration to increase gold resources;
- Investment to upgrade the Company's mining infrastructure and study new technologies in order to treat sulfide ore materials at a reduced cost;

- Further advancement of Mengapur; and
- Develop human resource frame work and enhance operational excellence.

In addition to pursuing the significant development potential of Mengapur, Monument continues to produce gold at a low cash cost at Selinsing. Operating cash flow from Selinsing production is being utilized in the continued acquisition of mineral resources, to take advantage of under-valued mineral properties in the emerging mining market. In addition, cash flows are also invested in the development of the existing gold project portfolio, including continued exploration programs and Research and Development ("R&D") programs.

Subsequent to quarter end, on the 25 October 2013 Mr Les Kwasik was appointed as Executive General Manager of Monument Malaysia Group. Mr Kwasik is an industrial engineer with an impressive track record spanning over 40 years' hands-on experience in the mining. The appointment of Mr Kwasik will provide the Company with an outstanding resource to achieve primary business objectives including maintaining sustainable gold production in Malaysia, development of the Mengapur Polymetallic project and expanding on the Company's mineral property portfolio through exploration and acquisition.

Acquisitions and Development

To take advantage of current market conditions, the Company continues to monitor opportunities for growth in the form of continued acquisition of mineral resources in other countries (regions) such as Australia and Canada. However, no new advancements were made during the quarter.

Development activities at Mengapur of supporting infrastructure strongly advanced during the quarter. The overall progress of all construction projects has reached 90%, with the exception of the camp quarters which remain at 40%.

Production

Gold recovery for the quarter ended 30 September 2013 from the Selinsing gold processing plant decreased by 23% to 9,443oz, compared to 12,240oz in Q1 2013. The reduction in recovered gold was due to an unexpected non-recurring plant shutdown of 120 hours during August, resulting in reduced processing tonnes. Lower feed grade and recoveries also contributed towards the reduction. Despite a 23% decrease in gold recovery, gold production net of gold dorè in transit and refinery adjustment, remained at 10,515oz (defined as good delivery gold bullion according to London Bullion Market Association ("LBMA")), consistent with the corresponding period of 10,906oz in Q1 2013.

The Company sold a total of 12,238oz of gold at an average realized price of $1,308 per ounce (Q1 2013: $1,658/oz) during the quarter. Gold sales generated $16.00 million for the quarter compared to $20.81 million in Q1 2013. The average London spot price for the quarter was $1,313 (Q1 2013: $1,664), down from the prior quarter of $1,414 per ounce. However, during the quarter the London PM fix price appreciated by 11%, from an open of $1,192 per ounce to the close at September 30, 2013 of $1,326.50 per ounce. The gold price reached a high of more than $1,420 per ounce during August.

The cash cost per ounce increased to $503/oz in Q1 fiscal 2014 from $333/oz in Q1 fiscal 2013, as a result of higher mining and processing costs on a per ounce basis. Together with lower prevailing commodity prices, the increase in cash operating costs has negatively impacted operating margins. Operating costs have increased due to the location of ore and processing increasingly higher quantities of lower grade mill feed containing sulfide ore.

Mining activities in the September quarter have focused on the commencement of stripping activities for the Selinsing Deep orebody. This change in focus has impacted ore production for the quarter, resulting in a decrease in ore mined of 164,296t from the prior quarter.

Figure 1: Gold production volumes and cash costs per ounce

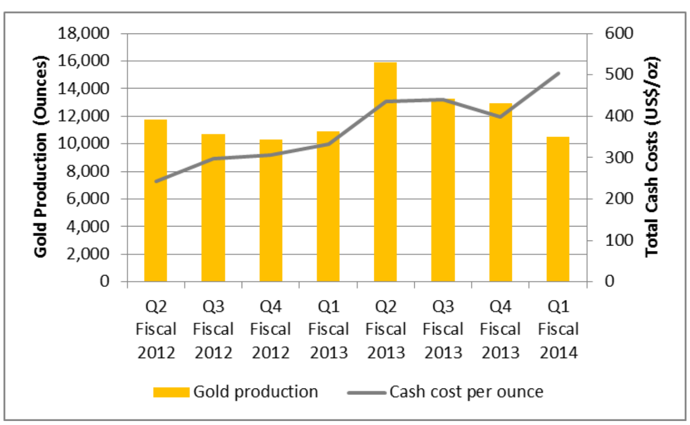
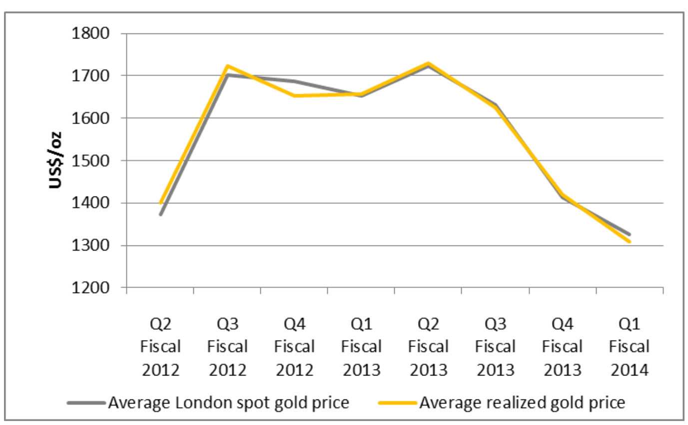


Figure 2: Quarterly Average Gold Price



Exploration

Significant work was undertaken throughout the first quarter including logging, sample preparation and lab analysis following completion of more than 40,000 metres of drilling during fiscal 2013 at Selinsing, Damar and Mengapur properties. The Company is focused on collation and interpretation of all geological, geochemical and geophysical data, mapping geological structures, updating the resource estimate and block model, and defining new drill targets. The infill and follow up drilling was also carried out at highly prospective areas, based on recent drilling with provided both higher grade drill intercepts and the shallow oxide intercepts. The shallow oxide intercepts are targeted to provide opportunity for mill feed in the shorter term, while the deeper sulphide intercepts, if proved up may provide higher grade feed on a longer term horizon as the Company targets further definition of existing reserves and the identification of new deposits within the highly prospective exploration portfolio. The total drill program at Selinsing, Buffalo Reef, and Federal Land Development Authority ("FELDA") properties during the quarter consisted of 36 diamond drill holes totaling 3,646 meters ("m"). During the quarter, 148 drill hole assays from Selinsing and Buffalo Reef were finalized and received from SGS and Intertek commercial labs.

Exploration activities at Mengapur during the three months ended 30 September 2013 has focused on data collection and analysis to complete the NI 43-101 compliant preliminary economic assessment study, progressing SGS lab construction and the R&D research in order to design a processing facility.

1.4 Corporate Activities

- On September 30, 2013, Veris Gold Corporation ("Veris") paid $0.45 million of the outstanding $6.60 million loan and accrued interest amounts. In addition, Veris agreed to register security before October 15, 2013, for the net unpaid amount. The security provided is a first priority claim against Veris' Ketza River property located in Yukon, Canada. Veris has further undertaken to pay all remaining balances on or before December 31, 2013. On October 20, 2013, Monument was advised by Veris's legal counsel that the Ketza River Holding shares are already pledged to Deutsche Bank, although there is no specific pledge of the actual property. Monument is currently working with Veris to register a second charge over the Ketza River Property.
- On September 11, 2013, the Company announced the grant of 19,465,501 incentive stock options to its directors, officers, employees and consultants exercisable at $0.33 per share for periods ranging from five to ten years, with vesting periods ranging from zero to two years.
- Of the stock options granted, a total of 13,865,501 have been granted under the existing 10% Rolling Stock Option Plan. The remaining 5,600,000 stock options are granted under a Proposed 15% Fixed Stock Option Plan (the "Proposed Fixed Plan"). Both the 5,600,000 new stock options and the Proposed Fixed Plan are subject to shareholder and TSX Venture Exchange approval.
- On November 14, the Company obtained court approval to postpone its Annual General Meeting of Shareholders until March 31, 2014.

2. PROJECT UPDATE

2.1 Gold Resources and Portfolio

2.1.1 Gold Resources

On May 23, 2013, the Company filed a NI 43-101 technical report titled "Selinsing Gold Mine and Buffalo Reef Project Expansion" (the "2013 Technical Report") with an effective date of August 31, 2012. The mineral resources identified in the 2013 Technical Report have been estimated in accordance with the standards adopted by the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Council in November 2010, as amended, and prescribed by the Canadian Securities Administrators' National Instrument 43-101 Standards of Disclosure for Mineral Projects. The independent qualified person responsible for the NI 43-101 report was Mr. Mark Odell, a Consulting Mine Engineer and Owner of Practical Mining LLC, with extensive experience in the mining industry and a member in good standing of an appropriate professional institution. The report and a map showing the area locations is provided on the Company's web site (http://www.monumentmining.com) or alternatively the report can be located on Sedar, filed on May 23, 2013 (www.sedar.com).

The Report was issued with respect to the Company's 100% owned principal properties: Selinsing Gold property and the adjacent Buffalo Reef property. The NI 43-101 proven and probable reserves, estimated at August 31, 2012, are 223 thousand ounces (koz) of gold from 4,890 kilotonnes (kt) of material with a grade of 1.4 grams per tonne (g/t). These reserves are within a newly estimated measured and indicated resource of 289 koz of gold from 6,307 kt of material at a grade of 1.4 g/t. The inferred resource at Selinsing and Buffalo Reef is an additional 48 koz of gold from 1,070 kt of material at a grade of 1.4 g/t. The tables below summarize the newly calculated reserves and resources by area and ore type.

(in United States dollars, except where noted)

Figure 3: Selinsing and Buffalo Reef Mineral Reserves (August 31, 2012)

Area	Cutoff Grade	Proven			Probable			Proven + Probable		
	g/t	kt	g/t	koz	kt	g/t	koz	kt	g/t	koz
Oxide Reserves										
Selinsing	0.30	-	-	-	6.0	0.6	0.1	6.0	0.6	0.1
Buffalo Reef South and Central	0.30	14.0	1.6	0.7	336.0	1.9	20.8	350.0	1.9	21.5
Buffalo Reef North	0.31	12.0	0.9	0.3	155.0	1.2	5.7	166.0	1.1	6.1
Stockpile	0.30	2335.0	0.7	53.6	-	-	-	2335.0	0.7	53.6
		2360.0	**0.7**	**54.6**	**496.0**	**1.7**	**26.7**	**2857.0**	**0.9**	**81.3**
Sulfide Reserves										
Selinsing	0.62	183.0	2.7	16.1	630.0	2.2	44.6	812.0	2.3	60.7
Buffalo Reef South and Central	0.65	59.0	2.3	4.3	1,008.0	2.1	69.5	1,068.0	2.2	73.8
Buffalo Reef North	0.66	4.0	1.5	0.2	130.0	1.5	6.1	133.0	1.5	6.3
Stockpile	0.62	20.0	1.3	0.8	-	-	-	20.0	1.3	0.8
		266.0	**2.5**	**21.4**	**1,768.0**	**2.1**	**120.2**	**2,034.0**	**2.2**	**141.7**
Total Oxide and Sulfide		**2,626.0**	**0.9**	**76.0**	**2,264.0**	**2.0**	**146.9**	**4,890.0**	**1.4**	**222.9**

Notes: (1) The following parameters were used to determine the gold cut-off grade for each reserve area: Gold price $1,550 per ounce; metallurgical gold recoveries ranging from 85% to 87% for sulfide materials and 92% for oxide material; processing costs of $10.84/tonne for oxide and $22.99/tonne for sulfide material; and mining costs ranging from $2.08 to $2.25 per tonne;

(2) Reserves are contained within fully engineered pits based on Lerch Grossman optimized pits and include 5% mining losses and 5% mining dilution;
(3) Mineral reserves were determined by Mark Odell, P.E., Practical Mining LLC.

The 2012 updated mineral resource estimate incorporates a new property-wide geological model which includes a total of 28 new surface diamond drilling ("DD") results completed by Monument since the last resource estimate was completed in 2007. Drilling has been focused on defining mineralization at depth below the existing pits, within gap zones in between the known resources that contain little drill hole information, and to convert inferred materials to indicated and/or measured materials. Drill hole assays received as of June 8, 2012 were used in this resource and reserve update along with the August 31, 2012 mine face positions as surveyed by Monument staff.

Figure 4: Selinsing and Buffalo Reef Measured and Indicated Mineral Resources, Including Reserves (August 31, 2012)

Area	Cutoff Grade	Measured			Indicated			Measured + Indicated		
	g/t	kt	g/t	koz	kt	g/t	koz	kt	g/t	koz
Oxide Resources										
Selinsing	0.27	-	-	-	9.0	0.7	0.2	9.0	0.7	0.2
Buffalo Reef South and Central	0.28	14.0	1.6	0.7	373.0	1.8	21.9	386.0	1.8	22.6
Buffalo Reef North	0.28	12.0	0.8	0.3	207.0	1.1	7.4	219.0	1.1	7.7
Stockpile	0.27	2335.0	0.7	53.6	-	-	-	2335.0	0.7	53.6
		2361.0	**0.7**	**54.6**	**588.0**	**1.6**	**29.5**	**2949.0**	**0.9**	**84.1**
Sulfide Resources										
Selinsing	0.56	229.0	2.2	16.0	1,436.0	1.9	88.4	1,664.0	2.0	104.5
Buffalo Reef South and Central	0.59	60.0	2.3	4.3	1,283.0	2.0	81.6	1,343.0	2.0	86.0
Buffalo Reef North	0.60	13.0	1.3	0.6	317.0	1.3	13.5	331.0	1.3	14.0
Stockpile	0.56	20.0	1.3	0.8	-	-	-	20.0	1.3	0.8
		322.0	**2.1**	**21.7**	**3,036.0**	**1.9**	**183.6**	**3,358.0**	**1.9**	**205.3**
Total Oxide and Sulfide		**2,682.0**	**0.9**	**76.3**	**3,624.0**	**1.8**	**213.0**	**6,307.0**	**1.4**	**289.4**

Notes:
(1) The resource cut-off grades were calculated based on a gold price of $1,700 per oz and metallurgical gold recoveries of 92% for oxide and 85% to 87% for sulfide materials, respectively;
(2) The open pit resources are constrained by a Lerch Grossman pit shell;
(3) Mineral resources that have not demonstrated economic viability are not mineral reserves; and
(4) Mineral resources determined by Mark Odell, P.E., Practical Mining LLC.

(in United States dollars, except where noted)

Figure 5: Selinsing and Buffalo Reef Inferred Mineral Resources (August 31, 2012)

Area	Cutoff Grade		Inferred	
	g/t	kt	g/t	koz
Oxide Resources				
Selinsing	0.27	3	0.6	0.1
Buffalo Reef South and Central	0.28	216	1.2	8.5
Buffalo Reef North	0.28	49	0.9	1.4
Stockpile	0.27	-	-	-
		268	**1.2**	**10**
Sulfide Resources				
Selinsing	0.56	121	1.1	4.5
Buffalo Reef South and Central	0.59	632	1.6	31.9
Buffalo Reef North	0.6	48	1.1	1.7
Stockpile	0.56	-	-	-
		801	**1.5**	**38**
Total Inferred Resources		**1,070**	**1.4**	**48**

Notes:
(1) Similar resource tabulation methodologies described for Figure 4 above apply to the resources in Figure 5;
(2) Mineral resources that are not mineral reserves do not have demonstrated economic viability; and
(3) Mineral resources determined by Mark Odell, P.E., Practical Mining LLC.

2.1.2 Selinsing Gold Mine

Background

The Selinsing gold mine is located in Pahang State, Malaysia. The Company acquired a 100% interest in the Selinsing Gold Property in 2007 and since then has developed a producing mine including the initial open pit and a gold treatment plant. Commercial production commenced in September 1, 2010.

Production

The Selinsing gold processing plant was upgraded during the first quarter of fiscal 2013 bringing production from 400,000 tpa to approximately 1,000,000 tpa. The upgraded plant processed a total of 235,809 tonnes ("t") (including 83,827t from Buffalo Reef South) during the quarter ended 30 September 2013 (Q1 2013: 224,643t), the third highest quarter since commissioning (refer Figure 7). Gold recovery for the quarter was 9,443oz (Q1 2013: 12,240oz).

Ore mined increased significantly in the first quarter of 2014 compared to the prior year, due to increased mining production schedules in line with updated processing capacity. However, the mining activities in the September quarter were focused on the commencement of stripping activities for the Selinsing Deep orebody. This change in focus impacted ore production for the quarter, resulting in a decrease in ore mined of 164,296t from the prior quarter as outlined in Figure 7. In line with expectations, the average ore head grade has reduced from the prior year of 1.98g/t in Q1 2013, to 1.56g/t in the current quarter.

Figure 8 below illustrates gold production results on a consolidated basis including both the Selinsing and Buffalo Reef operations:

Figure 6: Selinsing Gold Mine: Revenue

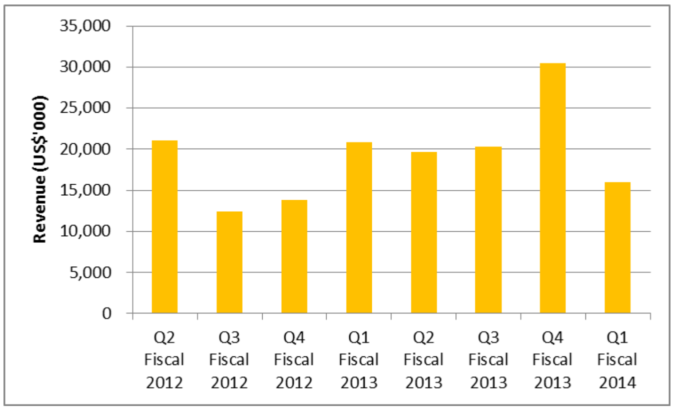


Figure 7: Selinsing Gold Mine: Operating Metrics

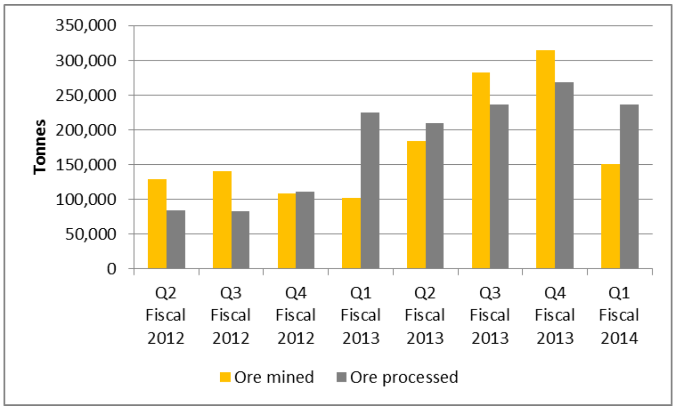


Figure 8: Selinsing Gold Mine Production Results

Selinsing/Buffalo Reef		Q1 Fiscal 2014	Fiscal 2014 (3 months)	Fiscal 2013	Fiscal 2012
Operating results	Unit				
Ore mined	t	150,185	150,185	**882,159**	**501,881**
Waste removed	t	1,373,202	1,373,202	**2,831,755**	**2,770,491**
Stripping ratio		9.14	9.14	**3.21**	**5.52**
Ore stockpiled	t	890,495	890,495	**947,794**	**920,633**
Ore processed	t	235,809	235,809	**938,498**	**364,680**
Average ore head grade	g/t Au	1.56	1.56	**2.07**	**4.24**
Process recovery rate	%	79.7	79.7	**87**	**93.7**
Gold recovery	oz	9,443	9,443	**54,368**	**46,491**
Gold production	oz	10,515	10,515	**52,982**	**44,585**
Gold sold	oz	12,238	12,238	**57,905**	**36,938**
Financial results					
Gold sales (b)	US$'000	16,002	16,002	**91,276**	**61,709**
Per ounce data					
Cash cost per ounce	US$/oz	503	503	**400**	**306**
Average London spot gold price	US$/oz	1326	1326	**1,606**	**1,673**
Average realized gold price	US$/oz	1308	1308	**1,576**	**1,671**

(a) Total cash cost includes production costs such as mining, processing, tailing facility maintenance and camp administration, royalties and operating costs such as storage, temporary mine production closure, community development cost and property fees, net of by-product credits. Cash cost excludes amortization, depletion, accretion expenses, capital costs, exploration costs and corporate administration costs.
(b) Total gold sales for fiscal 2013 include sale of gold released from escrow during the year for $11 million.

Development

Ore processed during the quarter included only oxide material and leachable sulfide material. A further plant expansion (Phase IV) is required in order to process refractory sulfide materials. The Phase IV expansion proposed in the NI 43-101 report includes the addition of a bio-leach circuit into the existing Carbon in leach ("CIL") plant which has a capital cost of approximately $45.8 million and provides a net present value ("NPV") of $10.7 million and a 21% rate of return.

Recent metallurgical test work indicates that flotation followed by bio-oxidation of the flotation concentrate and subsequent cyanidation produces the highest gold recovery for the Selinsing Deep and Buffalo Reef sulfide materials. A demonstration plant using this technology was estimated at a cost of $7 million with a twelve-month project delivery timeline if adopted to proceed.

Monument has established a R&D team at Selinsing to explore different refractory ore process options and the laboratory test work is ongoing at Selinsing site metallurgical lab in order to assess alternatives and significantly improve the economics of the project.

Exploration

No drilling was conducted at Selinsing during the first quarter of the fiscal 2014 year.

The Company awaits results from drill samples completed during the FY2013 programs, which were sent to SGS (Malaysia) Sdn. Bhd., an accredited laboratory which complies with requirements of ISO/IEC 1725:2005, for preparation and analysis. Quality assurance and quality control ("QAQC") is maintained through the submission of certified reference materials and blanks. Coarse split RC drill hole duplicates are collected and analyzed.

The recent drill hole assay results indicate that gold mineralization extends below the existing pit design and continues at depth. The ongoing programs will continue to test the gold distribution at depth and along strike. The new drill hole data will be used to construct an updated resource estimate to be completed in the near future. The announcement of the Selinsing "Deeps" mineralized drill hole results (located below the current design pit) are similar in grade and true thickness to those obtained from historic drilling campaigns conducted before the 2007 acquisition.

Environment, Safety and Health

The Company's commitment to comply with Malaysia's environmental laws follows three main government authorities:

- The Department of Minerals and Geosciences (JMG) with environmental jurisdiction inside the Company's project tenements;

- The Department of the Environment (DOE), whose jurisdiction lies outside the Company's tenements regarding air and water quality discharge; and,
- The Department of Safety and Health (DOSH), primarily concerned with the storage and handling of hazardous chemicals.

In the quarter ended 30 September 2013 routine safety inspection, inductions, air sampling and noise sampling was conducted at the mine site and regular checks were made on fire extinguishers, first aid kits and safety showers.

Management

Commencing 1st October 2013, The Company is pleased to announce the appointment of Mr Chee Yau Tan as General Manager of the Selinsing Gold. Mr Chee is a Mining Engineer with a strong background in operations, including detailed knowledge of the Selinsing project. Importantly he will provide strong leadership and knowledge in further developing the Selinsing and Buffalo Reef gold projects in the future.

Litigation

On October, 10, 2012, The Company was made a party in a Writ and Statement of Claim filed by Selinsing Mining Sdn Bhd ("SMSB"), a company wholly owned by Kesit Pty Ltd, an Australian private limited company. In the suit, SMSB claims, among other things, a 5% "Joint Venture Interest" in the profit of the gold production from Monument's Selinsing Gold Mine. SMSB was the previous sub-lease holder and operator that sold the Selinsing Gold Mine to Monument, free and clear of any encumbrances in a transaction that closed on June 25, 2007. SMSB has been paid in full and it was not until 2012 that SMSB made a claim against Monument in relation to its purported "Joint Venture Interest". Monument denies this alleged "Joint Venture Interest".

On February 26, 2013, the High Court in Shah Alam, Selangor, granted SMSB's application for a summary judgment against Monument and two of its subsidiaries, Able Return Sdn. Bhd. ("ARSB") and Selinsing Gold Mine Manager Sdn. Bhd. ("SGMM"). Monument appealed that decision to the Court of Appeal at Putra Jaya.

On July 8, 2013 the Court of Appeal at Putra Jaya allowed Monument's appeal and set aside the summary judgment. As a result of this decision, a trial will be conducted, in which Monument, ARSB and SGMM will be defending the SMSB claim. The Court of Appeal further ordered the matter to be heard by a judge other than the judge who had awarded the summary judgment in the first instance. The matter will now be set down for full trial in the Shah Alam High Court with a different judge in due course.

2.1.3 Buffalo Reef Project

Background

On June 25, 2007, the Company acquired 100% of the common shares of Damar Consolidated Exploration Sdn. Bhd. (Damar), a company incorporated under the laws of Malaysia, thereby effectively acquiring 100% of the Buffalo Reef Tenement property interests, which lie continuously and contiguously along the gold trend upon which the Selinsing Gold Property is located.

Production

Commercial production of oxide reserves commenced at Buffalo Reef South in January 2013 and processing of these materials at the Selinsing plant commenced in March 2013. Total ore mined during the quarter ended 30 September 2013 was 50,633t. The oxide ore mined at Buffalo Reef South is sold under commercial terms to Able, the owner of the Selinsing processing plant. Production output results from the Selinsing gold mine are therefore consolidated with the Buffalo Reef operations. Mining operations ceased at the Buffalo Reef deposit during the September quarter.

Exploration

The aim of the FY2014 Buffalo Reef exploration program is to convert inferred resources to measured and indicated resources and add additional resources under NI 43-101 standards and to help facilitate the pit development.

For the quarter ended 30 September 2013, as part of an additional exploration program, 11 DD holes totaling 1,322 m were completed at Buffalo Reef for a total cost of $0.90 million. These drill holes targeted the conversion of inferred resources to indicated resources and also tested areas on the margins of the existing design pits, additional near-surface oxide opportunities, and gap zones with minimal existing information. Core logging, sample processing and assay analysis are in progress on these recently completed drill holes.

2.1.4 FELDA Project

Background

Concurrent with the mine development and production, the Company also extended the Selinsing property by acquiring exclusive irrevocable exploration licenses over 896 acres of FELDA Land through a subsidiary Able Return Sdn Bhd ("Able"). The FELDA land is located east and south adjacent to Selinsing and Buffalo Reef, gazetted as a group settlement area covering 3920 acres of land. It is owned by the Federal Land Development Authority of Malaysia. The tenements of the FELDA land are owned by local individuals called "Settlers". On April 2, 2013, Monument obtained consent from FELDA allowing exploration to commence at the acquired FELDA land.

The Company has spent $0.14 million on the FELDA land acquisition with an initial three year exploration term, renewable for another three years at the Company's sole discretion; and if applicable, the Company has right to convert the exploration license to mining lease at its sole discretion upon regulatory approval.

Exploration

The objective of the FY2014 FELDA exploration program is to discover new resources in order to extend the LOM plan. For the quarter ended 30 September 2013 the primary drilling activities of the Company focused on the FELDA project. As part of an additional exploration program, 26 DD holes totaling 2,324 m were completed at FELDA block 7 for a total cost of $0.23 million. These drill holes tested Au-in-soil anomalies in a north-trending zone that is sub parallel to the main Selinsing-Buffalo Reef mineralized trend. Core logging, sample processing and assay analysis are in progress on these recently completed drill holes.

2.2 Mengapur Polymetallic Project

Background

Mengapur was historically owned by Malaysian Mining Corporation which defined the historical polymetallic resources in a full bankable feasibility study. The title of Mengapur was subsequently divided and distributed to different owners. Monument acquired 100% of Mengapur from those owners in fiscal 2012 and 2013 through strategic steps aimed to maximize economic value of the project:

- On November 21, 2011 the Company acquired a 100% interest in SDSB for consideration of $3.14 million. SDSB holds an exploration permit covering a 750 hectare property in Pahang State, including a partial component of the Mengapur historical resources adjacent to the primary Mengapur Project.
- On February 16, 2012, the Company acquired a 70% interest in CASB for consideration of $60 million in cash plus 30% of the shares of MMSB. CASB holds a mining license covering a 185.1 hectare property in Pahang State, including Mengapur's primary historical mineral resources.
- On December 31, 2012, the Company acquired the remaining 30% interest in CASB for consideration of $23.46 million, comprised of $16 million in cash and $7.46 million allocated to the acquisition (from the $12 million legal settlement with Tulum).

As a result, the Company now owns a 100% interest in the Mengapur Polymetallic Project.

Resources

The Mengapur polymetallic deposit contains a historic Copper ("Cu"), Sulfur ("S"), Gold ("Au"), Silver ("Ag") oxide and sulfide resource from a previous drilling campaign conducted in the 1980's as previously reported in the Snowden report (January, 2012). The historic resource consisted of 224 million tonnes ("mt") averaging 0.597% Cu equivalent ("eqv") (6.54% S, 0.25% Cu, 0.16 g/t Au, and 8.86 g/t Ag) at a cut-off grade of 0.336% Cu eqv from Zones A, B, and C. An additional historic sulfide reserve from Zone A consists of 64.8 mt averaging 0.737% Cu eqv (8.63% S, 0.27% Cu, 0.21 g/t Au, and 2.59 g/t Ag) at the same 0.336% Cu eqv cut-off grade (Snowden, 2012). As outlined above, the Company has strongly advanced drilling activities to verify these historic resources and reserves and to advance them to NI 43-101 compliance.

A drill hole database was finalized in late August to allow the block modeling work to commence for the Preliminary Economic Assessment ("PEA") NI 43-101 report. The recent aerial Lidar topography collected earlier in the year, along with ground site surveys were used to help finalize portions of the database. Specific gravity data was compiled and summarized by rock type, redox type, and lithology and/or alteration type. The block model was then finalized and validated in late September. Metallurgy work is ongoing in both Malaysia at SGS and at Inspectorate in Richmond, Canada. Kinetic rougher flotation tests and batch cleaner flotation tests were done in the quarter and will continue into the next quarter on representative transitional and sulfide composites from the historical A and B resource zones. In addition, cyanide leaching for Au-Ag extractions and 48-hour sulphuric acid leach tests for Cu and Fe recoveries were performed on transitional ores. Mine engineering work for the PEA NI 43-101 will commence once metallurgy recoveries and operating costs have been recommended by the Qualified Person which is expected to be early in the second quarter. The final PEA report is targeted for completion by the end of 2013, subject to the outcome of drill hole assay results.

2014 Development Plan

The Mengapur project development plan was announced subsequent to the end of the first quarter including the operational priorities for 2014. The initial focus will be on the production of market grade magnetite from fresh rock that underlies the free digging soils to generate cash flow; the Research and Development ("R&D") and market research of other downstream potential commodity products and completion of a National Instrument (NI) 43-101 compliant PEA.

PEA Study and R&D Program

In fiscal 2013 Monument completed an extensive drill program at Mengapur totaling 50,045 metres drilled. The new drill data has been combined with the existing 58,000 metres drilled by Malaysia Mining Corporation (the former owner) into a new project database. In

2014 while Monument plans to proceed with mining initiatives that it expects will optimize and advance the process flow sheet for the Mengapur deposit, the Company continues its work in order to provide a resource estimate for the Mengapur Project as a whole through mine modeling and other related work based on the fiscal 2013 exploration results. The PEA study is expected to be completed by March 31, 2014. While completion of this complex PEA report has taken longer than initially estimated, it will be a major achievement and provide a significant update to the historic feasibility study completed by the project's former owners.

Monument has completed a number of onsite infrastructure projects, including improved and expanded employee accommodation, R&D and assay laboratories and a new expanded core shed to assist in achieving these and other objectives.

Specifically, Monument will undertake R&D activities related to the development of a number of marketable commodity products subsequent to the targeted recovery of magnetite that the Company believes can be separated for production to London Metals Exchange ("LME") grade, particularly copper separated from the other metals mined at Mengapur. These products generally will allow production of further magnetite, as well as production of sulfuric acid, molybdenum and different types of fertilizer.

Research and Development of Magnetite Production

As a result of drilling and other activities undertaken to date, Monument now believes there is a significant opportunity to market magnetite that can be separated from the copper and other metals at the Mengapur site. An on-site R&D laboratory has been built to develop and prove a viable flow sheet circuit for recovery of magnetite from fresh rock.

If successful, Monument intends to then move to a pilot plant stage using some equipment on site and part of its re-configured existing 1,000 ton-per-day copper flotation production plant (acquired from the former vendor). Upon successful demonstration of the pilot plant, operations would proceed to full-scale production of magnetite. Provided that the Company succeeds in the R&D program and pilot runs, this could be achieved by the end of calendar 2014.

In the magnetite separation process, important and valuable by-products are produced including copper concentrate with precious metal credits. In order to produce LME grade copper the Company is studying the economics of building a small scale copper smelter to produce down-stream value-added products such as LME grade bar copper for manufacturers of copper wire, copper piping, copper plate and other products that can be manufactured in Malaysia. At present, any copper concentrate produced requires export to an overseas smelter and then re-importation as there is no such facility in Malaysia. Such a facility would be built in full compliance with modern environmental standards and would be amongst the cleanest smelting facilities in south East Asia.

A facility of this nature, owned and operated by the Company would be a significant long term producing asset to Monument and would be a benefit for the Malaysian economy. If the Company proceeds with this project, there may also be additional opportunity to import copper concentrate from elsewhere to feed the smelter and develop marketable products.

In addition to conducting R&D into producing magnetite and the potential to produce copper metal for down-stream value-added industries and products, Monument will also target pyrrhotite for separation by flotation, as well as explore related opportunities to produce sulfuric acid which could be sold as acid or may be used to produce a number of fertilizer products for sale in Malaysia, either alone or in partnership with other Malaysian participants in this market.

Monument has engaged independent consultants to prepare marketing studies for each of these products. Additional studies on potential metal products from the Mengapur resource that may be evaluated through the PEA are also being conducted by the Company in order to maximize potential revenue opportunities from the Mengapur deposit within the existing metal and other commodity markets. Once the PEA is finalized, Monument will decide to pursue more advanced studies to help determine if the proposed Mengapur operations will be technically feasible or economically viable.
Initial development work commenced at the Mengapur project during fiscal 2013 and has continued in the first quarter of fiscal 2014. An update on key development work completed during the first quarter ended September 30, 2013 is outlined below:

On-Site Laboratories

Mengapur construction activities are focused on the completion of the on-site assay laboratory. The on-site laboratory is crucial for the Company to expedite metallurgical test work and sampling. An agreement between the Company and SGS Malaysia ("SGS"), an accredited lab that meets the requirements of MS ISO/IEC 17025, was finalized in January 2013. Under the agreement, SGS will manage and operate the on-site assay lab that will have capacity to process 2,000 samples a month upon completion. The assay lab will be constructed in three stages, with the first stage already completed in May 2013. This progress has allowed for acceleration of sample preparation (crushing and grinding). The second stage is being implemented and will enable the lab to handle fire assays, leco sulfur and other analysis. The second stage of production was completed during the September quarter. The third stage is expected to be commenced by November 2013 and will include full use of the spectrometry equipment.

An internally operated metallurgical test laboratory at Mengapur was also completed during the September quarter, integral for plant design and future operations testing.

<u>Refurbishment of Pilot Plant</u>

Refurbishment of the existing Mengapur processing plant to process 1,000t of sulfide ore per day (Phase 1) commenced in March 2013. The Company has been able to utilise a small pilot plant for R&D purposes since the refurbishment has commenced, resulting in the project being put on hold during the September 2013 quarter (33% complete), subject to the completion of further R&D laboratory test work.

Exploration

Exploration activities at Mengapur during the three months ended 30 September 2013 has focused on data collection and analysis to complete the NI 43-101 compliant preliminary economic assessment study, progressing SGS lab construction and the R&D research in order to design a processing facility.

In addition, the Company also completed a total of 2,682 m in 14 drill holes at Mengapur during the quarter. Drilling ceased in mid-August in order to allow for analysis of sampling and assaying. The drill program included 296 m of RC drilling and 2,386 m of DD. The exploration program was split between the mining lease at CASB where 2,378 m in 12 drill holes were completed during the quarter and the prospective ground at SDSB where 304 m in 2 drill holes was completed. These drilling quantities include seven resource infill drill holes totaling 988 m, five drill holes totaling 1,390m from the C Zone, and 2 metallurgy drill holes totaling 304 m from SDSB.

Mengapur drill hole samples continue to be submitted to SGS- Malaysia at their Port Klang (and other nearby) facilities. Check assays and check sieves were received in the quarter from both SGS in Burnaby, Canada, and ALS Minerals in North Vancouver, Canada.

Magnetic susceptibility determinations on drill hole pulps continue to be collected at site to help determine a magnetite (Fe) resource. Davis Tube samples are being collected on a smaller drill hole sample population to help determine a consistent relationship with the magnetic susceptibility data. Specific gravity samples continue to be collected on representative mineralization and alteration types to assist with resource estimations. A new core logging and storage facility is being constructed at the site since the on-site lab facilities required using a large portion of the existing facility.

The prospecting exploration permit of SDSB expired on September 23, 2012. The Company submitted an application of renewal in November 2011 to the State authority; it has also submitted two applications for mining licenses in 2009 and 2010 over sections of the same area. Another application for a mining lease over the prospecting land was also submitted in August 2012. The Company has yet to receive an official notification from the State authority in response to its applications.

ZCM and PLSB are currently mining for iron ore (magnetite) in oxide materials on the Mengapur mine site at an approximate rate of 12,000t per day. The recent "harmonization" agreement between PLSB/ZCM and MMSB, the exclusive operator of the lot 10210, has formed a base to allow ZCM to mine near-surface oxide ores and allow Monument to protect its mineral assets and continue developing access to the A Zone sulfide and transitional resources. The Company has an established grade control team present at the operation, with all costs recovered in full.

2.3 Famehub Properties

Background

On September 13, 2010, through its wholly-owned subsidiary Damar, the Company acquired the Famehub Property by purchasing 100% of the issued and outstanding shares of Famehub Venture Sdn. Bhd. ("Famehub"), a company incorporated in Malaysia. Famehub has rights to approximately 32,000 acres of prospective exploration land to the north of Buffalo Reef along the trend and east of the Selinsing gold mine. The Company has reviewed the exploration programs at all of these properties, targeting the consolidation of its Selinsing and Buffalo Reef properties together with the Famehub Property around the Selinsing gold mine in order to extend the life of the mine.

Exploration

The Company has previously undertaken field work at Famehub's Satak Serau (Panau) and Tekai prospects. The Panau prospect has been identified as having the best potential for hosting near-surface oxide resources. An initial 10 drill hole exploration program totaling 1,450m and additional trenching and sampling has been planned at Panau to be conducted in the near future. Access roads and drill pads were constructed at Panau during the quarter in preparation for the initial drilling program.

3. FINANCIAL RESULTS

3.1 Summary

Figure 9: Balance Sheet Extract

BALANCE SHEET (in thousands of US dollars)	30-Sep-13	30-Jun-13	30-Jun-12
		$	$
Current assets	74,367	74,356	50,180
Non-current assets	170,552	168,197	161,769
Total assets	**244,919**	**242,553**	**211,949**
Current liabilities	10,369	12,941	19,053
Non-current liabilities	9,858	10,018	22,389
Non-controlling interests	-	-	24,186
Equity attributable to shareholders	224,692	219,594	146,321
Total liabilities and shareholders' equity	**244,919**	**242,553**	**211,949**
Working capital excluding derivative liabilities	**63,998**	**61,415**	**31,131**

Figure 10: Operating highlights

	Fiscal 2012			Fiscal 2013				Fiscal 2014
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
	$	$	$	$	$	$	$	$
Revenues (000's)	21,084	12,394	13,801	20,805	19,640	20,325	30,506	16,002
Average realized gold price (per ounce)	1,652	1,698	1,624	1,658	1,730	1,626	1,419	1,308
Average London spot gold price (per ounce)	1,688	1,691	1,609	1,652	1,723	1,632	1,414	1,313
Net earnings before other income attributable to common shareholders (000's)	14,780	8,431	7,394	13,229	10,268	9,951	14,937	2,494
Earnings per share before other income:								
- Basic	0.08	0.04	0.04	0.06	0.05	0.04	0.05	0.01
- Diluted	0.07	0.04	0.04	0.06	0.05	0.04	0.05	0.01
Net earnings after other income and tax Attributable to common shareholders (000's)	26,709	8,116	13,560	10,834	12,457	(5,513)	15,060	1,577
Earnings per share:								
- Basic	0.15	0.04	0.08	0.05	0.06	(0.02)	0.05	0.01
- Diluted (Q2 2012 restated from $0.13)	0.11	0.04	0.07	0.05	0.06	(0.02)	0.05	0.01

The quarterly operating results of the Company are outlined for the past eight quarters in Figure 10 above. Revenues generated by the Company have fluctuated across the outlined period in line with prevailing market commodity prices. Despite this fluctuation, the revenue base and corresponding metal sold has remained stable with the exception of Q4 2013 which was impacted favorably by the release of gold inventory ($11m) from escrow. Production from the Selinsing Gold mine will continue to be the biggest impact on operating results in the 2014 financial year. Despite an increase in production throughput from prior years, the lower head-grade expected in 2014 and the correlating impact on metallurgical recovery is expected to have a negative impact on operations.

The overall operating results of the Company reflect its income from gold mining operations, on-going corporate business development, administrative costs and other income or expenses such as interest, fair value gains or losses on derivative liabilities and foreign exchange gains or losses. In a climate of challenging market conditions, the Company has continued measures to strengthen the Balance Sheet and provide a strong platform to pursue the primary business objectives. In comparison to the commencement of the prior fiscal year, the Company has increased total assets by $32.97 million to $244.92 million ($211.95 million at 30 June 2012), including an increase in working capital of $32.86 million to $63.99 million.

For the quarter ended 30 September 2013, the net income attributable to shareholders was $1.57 million, or $0.01 per share (basic) compared to $10.83 million, or $0.05 per share (basic) in Q1 2013. The $0.04 decrease in earnings per share in Q1 2014 is mainly due to a reduction in gross margin provided from mining operations during the quarter, together with an increase in corporate expenditure. The income from mining operations and corporate expenditure during the quarter is discussed in further detail below.

(in United States dollars, except where noted)

The net income before other income (loss) and before taxes attributable to shareholders was $2.49 million ($0.01 per share) for the first quarter of fiscal 2013 in comparison to $13.23 million ($0.06 per share) for the first quarter of fiscal 2013.

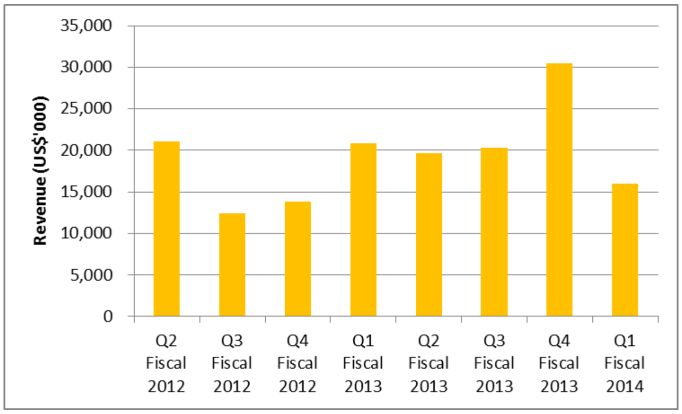
3.2 Operating Results: Sales and Production Costs

Sales

Gold sales generated $16.00 million for the quarter compared to $20.81 million in Q1 2013. The decrease in revenue was mainly due the decrease in the average realized gold price to $1,308 per ounce in Q1 2014 from $1,658 per ounce in Q1 2013 and partially due to the 2% decrease in produced gold sold for the quarter compared to Q1 2013. Selinsing operations have generated revenue of at least US$16.00 million for five consecutive quarters (Refer Figure 11).

The price of gold is the largest single factor affecting the Company's profitability and operating cash flows. The average London spot price for the quarter was $1,313 (Q1 2013: $1,664), down from the prior quarter of $1,414 per ounce. However, during the quarter the London PM fix price appreciated by 11%, from an open of $1,192 per ounce to the close at September 30, 2013 of $1,326.50 per ounce. The gold price reached a high of more than $1,420 per ounce during August.

Figure 11: Revenue by quarter



Production Costs

The cash cost per ounce of gold sold in Q1 2014 was $503 per ounce, compared to $333 per ounce in the corresponding period in fiscal 2013. The increase resulted from higher mining and processing costs on a per ounce basis. Operating costs have increased due to the location of ore and processing increasingly higher quantities of lower grade mill feed containing sulfide ore. A breakdown and further analysis of the cash cost components is provided below, including a historical graphical summary demonstrating the breakdown by quarter:

In accordance with IFRS and internal policy, the Company has capitalized costs associated with capital stripping costs incurred during the quarter. Accordingly, these costs do not impact mining costs per ounce.

Figure 12: Cash production costs by quarter

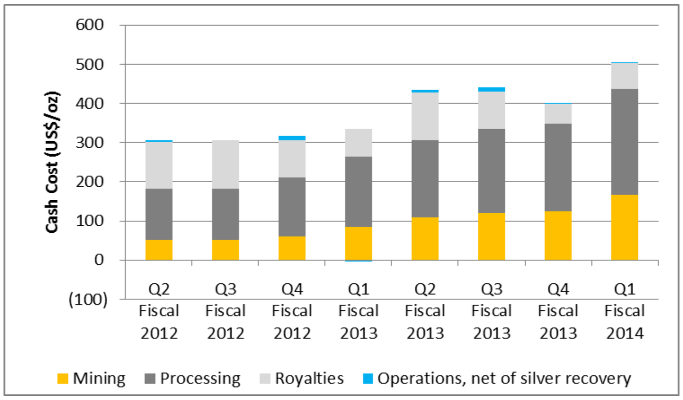


Figure 13: Cash production costs

	Three months ended	
	30-Sep-13	30-Sep-12
Cash cost [(1)] –	US$/oz	US$/oz
Mining	166	85
Processing	271	178
Royalties	65	72
Operations, net of silver recovery	1	(3)
Total cash cost	**503**	**333**

[(1)] Total cash cost includes production costs such as mining, processing, tailings facility maintenance and camp administration, royalties, and operating costs such as storage, temporary mine production closure, community development costs and property fees, net of by-product credits. Cash cost excludes amortization, depletion, accretion expenses, capital costs, exploration costs and corporate administration costs.

(in United States dollars, except where noted)

Figure 14: Mine Operating metrics

		Three months ended	
	Unit	30-Sep-12	30-Sep-13
Mining			
Ore mined	Tonnes	101,654	150,185
Waste removed	Tonnes	441,950	1,373,202
Stripping ratio		4.35	9.14
Ore stockpiled	Tonnes	801,871	890,495

Mining

Mining costs per ounce for Q1 2014 were $166 per ounce, up from $85 per ounce in Q1 2013. In addition, on a per tonne basis waste removal costs and ROM pad (super low grade ore) moving costs were higher due to longer distances now required for hauling. Drill and blast costs were higher due to mining harder sulfide ore and deeper drilling at Selinsing. On a per ounce basis, cash costs for mining in Q1 2014 were further increased due to lower head grades and lower recovery, as discussed below in the processing costs section, compared to the corresponding quarter of fiscal 2013. The annual renewal increase in the mining contract to reflect market adjustments also impacted mining costs.Processing

Processing costs per ounce for Q1 2014 were $271 per ounce, up from $178 per ounce in Q1 2013. The increase is mainly a result of processing lower grade oxide and sulfide ore in the current quarter. In Q1 2014 the average mill feed grade was 1.56 g/t, compared to the 1.98 g/t in Q1 2013, a 21% decrease quarter over quarter. Processing recovery rate in Q1 2014 reduced to 79.7% from 85.6% in Q1 2013, as a result of the lower grade and the sulfide content of the feed. The Company started processing sulfide ore in October 2012. Processing costs per tonne also increased on a per tonne basis from $8.23/t to $14.08/t as a result of the lower feed grade and recovery rates of the low grade oxide and sulfide ore, and resulted in higher processing costs per ounce quarter over quarter.

Royalties

The Company pays royalties to the Malaysian Government based upon 5% of the market value of gold produced and an additional 2% to the PKNP (Pahang State Development Corporation) for gold produced from the Buffalo Reef ore. For Q1 2014, royalties paid per ounce was $65 compared to $72 paid in Q1 2013. The decrease in royalties paid per ounce quarter over quarter was mainly due to lower gold prices, the amount of gold sold in the current period, as well as timing and quantity of gold outturn.

Non-cash costs

Non-cash production expenses included depreciation and amortization of $2.48 million for the quarter (Q1 2013: $2.22 million) and accretion of asset retirement obligations in the amount of $0.03 million for the quarter (Q1 2013: $0.02 million). The increase in non-cash production expenses is due to an increase in ore mined during the current quarter, resulting in higher amortization on a units of production basis.

3.3 Corporate general and administrative

Corporate expenses of $4.84 million were incurred for the quarter ended 30 September 2013 (Q1 2013: $1.21 million). The primary reason for the increase was non-cash expenditure for stock-based compensation expenses of $3.52 million (Q1 2013: $0.12 million). Corporate expenditure also included regulatory compliance of $0.02 million (Q1 2013: $0.02 million) and amortization of $0.03 million (Q1 2013: $0.03 million). The Company also incurred salaries and wages expenses of $0.55 million for the quarter (Q1 2013: $0.49 million), which represents an increase of 12% in comparison to the corresponding quarter for fiscal 2013.

Legal, consulting and audit expenses increased 51% to $0.39 million from $0.26 million for the three months ended September 30, 2013 as a result of the ongoing corporate development, property investigation and due diligence.

3.4 Other income (loss)

Loss from other items for the year was $0.64 million, a positive change of $1.76 million compared to the prior year other loss of $2.40 million. The Company re-measures the fair value of the foreign currency denominated share purchase warrants at each reporting date using the Black-Scholes option pricing model and translates it into US dollars using the exchange rates at the reporting date. A gain of $0.27 million (Q1, 2013 – loss of $2.20 million) was recorded for the quarter ended September 30, 2013 due to the change in fair value of foreign currency share purchase warrants, which is mainly driven by the share price of the Company. This change respresented the primary variance to the corresponding period in 2013.

The Company earned interest income of $0.21 million for the quarter ended September 30, 2013 (Q1, 2013- $0.36 million).

The Company recorded a foreign exchange loss of $1.12 million (Q1, 2013 loss – $0.83 million) for the quarter ended September 30, 2013 driven by fluctuations in the US dollar and the Malaysian Ringgit influenced by an increased amount of supplier payments and cash balances.

4. LIQUIDITY AND FINANCIAL CONDITION

The Company's principal cash requirements are working capital used for business development, general administration, property maintenance and development, construction of the gold treatment plant expansion, production operations at Selinsing and exploration.

The Company's cash and cash equivalents, including the restricted cash balance, but excluding funds in escrow, as at 30 September 2013 was $41.74 million, an increase of $16.37 million from the balance held at 30 September 2012 of $25.48 million.

- For the quarter ended 30 September 2013, cash in the amount of $4.35 million was generated from operations (Q1 2013: $8.94 million);
- For the quarter ended 30 September 2013, $0.04 million of cash was used in financing activities (Q1 2013: $12.08 million provided by financing activities); and
- For the quarter ended 30 September 2013, $4.54 million of cash was spent on investing activities for development costs, acquisition of property, plant and equipment acquisitions and construction (Q1 2013: $3.93 million).

The cash outflow from financing activities for the current quarter consisted of $0.04 million relating to finance lease payments.

Significant investing activities included exploration and evaluation activities totaling an outflow of $3.13 million and capital expenditures on property, plant and equipment of $1.85 million.

As at 30 September 2013, the Company had a positive working capital, after excluding derivative liabilities, of $64.11 million compared to $54.35 million as at 30 September 2012. The increase of $9.76 million was mainly the result of cash proceeds generated from operations, offset by investment and exploration in mineral properties.

As at three months ended September 30, 2013, the Company has loans receivable of $6.6 million. On January 12, 2012, the Company entered into an "Agreement for Sale of Gold" (the "Second Gold Forward Purchase Agreement") with Queenstake Resources USA Ltd (the "Seller") whereby $5.00 million was paid in advance to purchase 3,665 troy ounces of gold to be delivered on the settlement date of June 12, 2012, or alternatively receive (at the Company's option) an amount of $6.00 million. The Seller is a subsidiary of Veris Gold Corporation ("Veris"), which is a related party to the Company. The transaction has not been settled yet and there have been a number of extensions negotiated between the companies.

On September 30, 2013, Veris Gold Corporation ("Veris") paid $0.45 million of the accrued interest and penalty amounts on the outstanding $6.60 million loan. In addition, Veris agreed to register security before October 15, 2013, for the unpaid amount, net of the accounts payable due from Monument to Veris. The security provided is a first priority claim against Veris' Ketza River property located in Yukon, Canada. Veris has further undertaken to pay all remaining balances on or before December 31, 2013

On October 20, 2013, Monument was advised by Veris's legal counsel that the Ketza River Holding shares are already pledged to Deutsche Bank, although there is no specific pledge of the actual property. Monument is currently working with Veris to register a second charge over the Ketza River Property.

5. CAPITAL RESOURCES

The Company's capital resources as at 30 September 2013 included cash and cash equivalents. The Company's primary sources of funding are equity financing through the issuance of stock, debt financing and cash flow generated from the sale of gold. The Company exercises its best effort to seek and utilize its capital resources in an efficient manner in order to meet its business commitments including exploration and mineral property development, acquisitions, capital asset upgrades and working capital.

The Company's ability to continue its mine development activities, exploration activities and production activities, and to continue as a going concern, will depend on its ability to obtain suitable financing and to generate cash flow from gold production. The Company has generated positive cash flows from operations since commencement of commercial production. Management believes it is able to obtain adequate working capital to continue the on-going operations through its Selinsing mine operation and other financing vehicles. However, the positive cash flow generated from the plant cannot be seen as an indication of future profitability. The profitability of the Company is affected by various factors, including the amount of gold produced and sold, the market price of gold, operating costs, interest rates, environmental costs, labour risk and political risk. The Company seeks to manage risks associated with its business; however, many of the factors affecting these risks are beyond the Company's control.

Financing may be required from time to time to meet its business development program. Whether the Company is able to generate adequate cash to meet its capital requirements is affected by a number of external economic factors beyond the Company's control.

The financial condition of the Company remains consistent with the Company's financial condition as at 30 June 2013, being the date of the most recently completed financial year-end. Economic and industry factors pertaining to the Company remain substantially unchanged.

Financing Transactions

There were no financing transactions executed during the quarter.

Figure 15: Commitment and Contingencies (000's)

	2014 $	2015 $	2016 $	2017 $	2018 $	Total $
Operating leases	74	23	-	-	-	97
Purchase commitments	6,866	-	-	-	-	6,866
Mineral property fees	5	7	7	7	7	33
Total	**6,945**	**30**	**7**	**7**	**7**	**6,996**

Operating leases are for premises and vehicle lease. Purchase commitments are primarily for mining operations.

Of the total commitments outlined above in Figure 15, $0.37m pertains to commitments for capital expenditure. The purpose of this expenditure is to undertake construction of infrastructure at Mengapur and purchase sustaining capital for mining operations at Selinsing. The expenditure is funded from general working capital provided from ongoing operations at Selinsing Gold Mine.

Commitments relating to mineral property fees are included in exploration and evaluation expenditure. This expenditure is required to keep tenements in good standing with relevant government authorities.

6. OFF BALANCE SHEET ARRANGEMENTS

None.

7. TRANSACTIONS WITH RELATED PARTIES

Refer to note 24 of the condensed consolidated financial statements as at 30 September 2013.

8. PROPOSED TRANSACTIONS

None.

9. SUBSEQUENT EVENTS

Gold Forward Purchase Agreement

On October 20, 2013, Monument was advised by Veris's legal counsel that the Ketza River Holding shares are already pledged to Deutsche Bank, although there is no specific pledge of the actual property (refer note 7 of the condensed consolidated financial statements as at 30 September 2013). Monument is currently working with Veris to register a second charge over the Ketza River Property.

10. CRITICAL ACCOUNTING ESTIMATES

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions that affect the amounts reported. Significant estimates and areas where judgment is applied include fair values used to establish: mineral reserve quantities, property plant and equipment lives, tax provisions, deferred tax balances and timing of their reversals, share purchase warrant liabilities and equity instruments. Actual results could differ from the Company's estimates.

11. CHANGES IN ACCOUNTING POLICY INCLUDING INITIAL ADOPTION

Refer to note 3 of the condensed consolidated financial statements as at September 30, 2013.

12. FINANCIAL INSTRUMENTS – RISK EXPOSURE AND OTHER INSTRUMENTS

The Company's financial instruments are classified as loans and receivables (cash and cash equivalents and trade and other receivables), financial assets at fair value through profit or loss (FVTPL) (derivative financial instruments) other financial liabilities (trade and other payables, share repurchase obligation and convertible notes) and the financial liabilities at fair value through profit or loss (FVTPL) (gold forward contract and derivative financial instruments). Refer to the condensed consolidated financial statements as at 30 September 2013, for the details of the financial statement classification and amounts of income, expenses, gains and losses associated with the relevant instruments. Detail provided includes discuss the significant assumptions made in determining the fair value of financial instruments. The Company's financial instruments are exposed to certain financial risks, including market risk, credit risk, and liquidity risk as outlined below.

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of three types of risk: foreign currency risk, price risk and interest rate risk. The Company mitigates market risk by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken.

Foreign Currency risk

The Company is exposed to foreign currency risk to the extent financial instruments held by the Company are not denominated in US dollars. The Company operates in both Canada and Malaysia whereby operations sell commodities and incur costs in different currencies. This creates exposure at the operational level, which may affect the Company's profitability as exchange rates fluctuate. The Company has not hedged its exposure to currency fluctuations.

Exposure to the Canadian dollar is through corporate administration costs. The Company has exposure to Malaysian Ringgit through the Company's Malaysian operations. The Malaysian Ringgit weakened slightly during the quarter compared with the USD and CAD. A weaker Malaysian Ringgit reduces costs in US dollar terms at the Company's Malaysian operations.

In addition, the Company is exposed to currency risk through assets and liabilities denominated in currencies other than the U.S. dollar. The foreign currency share purchase warrants contain a number of derivative components that would cause exposure to foreign currency risk. The Company has not hedged any of its currency risks. The derivative components associated to foreign currency fluctuation are fair valued at each period and gains or losses are recorded to its income (refer to note 3 of the financial statements).

Based on the net exposures as at 30 September 2013 and assuming that all other variables remain constant, a 5% depreciation or appreciation of the RM against the US dollar would result in an increase/decrease of approximately $0.13 million (Q1 2013: $0.13 million) in the Company's net income. Depreciation or appreciation of the CAD against the US dollar would result in an increase/decrease of approximately $0.15 million (Q1 2013: $0.08 million) in net income.

Figure 16: Average Monthly CAD to USD Exchange Rates

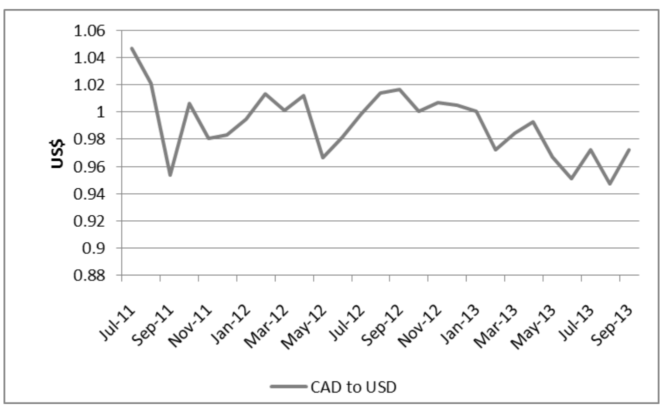
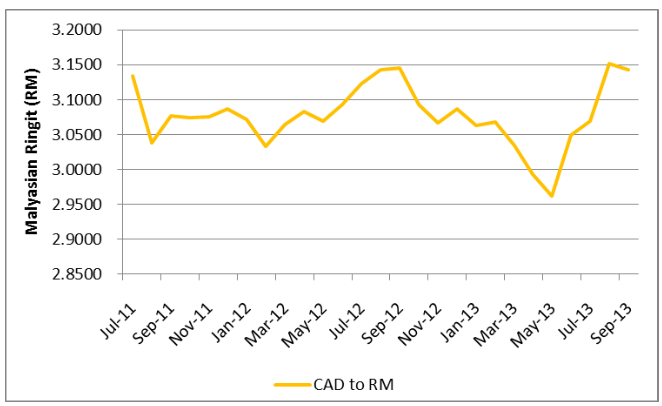


Figure 17: Average Monthly CAD to Malaysian Ringgit (RM) Exchange Rates



Commodity price risk

For the quarter ended September 30, 2013, the Company's revenues and cash flows were impacted by gold prices in the range of $1,192 to $1,420 per ounce. The Company has not hedged its exposure to commodity fluctuations.

As at 30 September 2013 and assuming that all other variables remain constant, a 5% increase/decrease in the gold market price would result in no change to unrealized fair value loss/income (Q1 2013: $0.44 million) in the Company's net income.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Generally, the Company's interest income will be reduced during sustained periods of lower interest rates as higher yielding cash equivalents and short-term investments mature and the proceeds are reinvested at lower interest rates. The converse situation will have a positive impact on interest income.

(in United States dollars, except where noted)

To limit interest rate risk, the Company uses a restrictive investment policy. The fair value of the investments of financial instruments included in cash and cash equivalents is relatively unaffected by changes in short-term interest rates. The investments are generally held to maturity and changes in short-term interest rates do not have a material effect on the Company's operations.

Credit risk

The Company is exposed to concentration of credit risk with respect to cash and cash equivalents in the amount of $2.37 million (Q1 2013: $5.33 million) which is held with a Malaysian financial institution. The amount of $4.47 million (Q1 2013: $31.15 million) is held with a Canadian financial institution. In addition, the Company is exposed to credit risk with respect to the Gold forward purchase agreement with Veris Gold Corporation for $6.60 million. To mitigate exposure to credit risk, the Company has established policies to limit the concentration of credit risk, to ensure counterparties demonstrate minimum acceptable credit worthiness, and to ensure liquidity of available funds.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through effective management of its capital structure, together with budgeting and forecasting cash flows to ensure it has sufficient cash to meet its short-term requirements for operations, business development and other contractual obligations. The Company's cash and cash equivalents are highly liquid and immediately available on demand for the Company's use.

13. OUTSTANDING SHARE DATA

The following details the share capital structure as at November 29, 2013, the date of this MD&A.

Figure 18: Share capital structure

Common Shares	Quantity
Issued and outstanding	275,058,030
	275,058,030

Stock options	Exercise Price	Expiry date	Quantity
	CAD$0.25	05-Dec-13	915,501
	CAD$0.40	05-Dec-13	230,000
	CAD$0.50	05-Dec-13	400,000
	CAD$0.25	09-Feb-14	300,000
	CAD$0.30	10-Jun-15	500,000
	CAD$0.42	29-Sep-15	3,000,000
	CAD$0.60	30-Nov-15	600,000
	CAD$0.68	27-Jan-16	20,000
	CAD$0.62	28-Jul-16	150,000
	CAD$0.61	29-Aug-16	150,000
	CAD$0.42	11-Jan-17	1,000,000
	CAD$0.45	07-Mar-17	180,000
	CAD$0.455	17-Sep-17	430,000
	CAD$0.455	09-Oct-17	500,000
	CAD$0.33	04-Sep-18	420,000
	CAD$0.33	04-Sep-23	13,445,501
	CAD$0.33	06-Sep-23	5,600,000 (1)
			27,841,002

(1) Granted under a Proposed 15% Fixed Stock Option Plan (the "Proposed Fixed Plan"). Both the 5,600,000 stock options and the Proposed Fixed Plan are subject to shareholder and TSX Venture Exchange approval.

(in United States dollars, except where noted)

Agent options	Exercise Price	Expiry date	Quantity
	CAD$0.50	12-Feb-15	2,100,000
	CAD$0.50	06-Mar-15	1,015,000
			3,115,000

Share purchase warrants	Exercise Price	Expiry date	Quantity
	CAD$0.50	11-Aug-15	25,000,000
			25,000,000

14. RISKS AND UNCERTAINTIES

Monument Mining Limited is an exploration, development and gold production company which explores for gold resources. The exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of a mineral deposit may result in substantial rewards, few properties which are explored are ultimately developed into production. Major expenses may be required after initial acquisition investment to establish ore reserves, to develop metallurgical processes and to construct mining and processing facilities at a particular site. It is impossible to ensure that the current exploration programs planned by the Company will result in the discovery of mineral resources or a profitable commercial mining operation, and, on an industry statistical basis, it is unlikely that an economic operation will be developed.

Whether a mineral deposit, if ever discovered, will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure together with the impact on mine-ability and recoverability, as well as metal prices which are highly cyclical. Government regulations are also a significant factor including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in the Company not receiving an adequate return on invested capital.

The Company has commenced gold production at its Selinsing gold mine and is currently generating a positive cash flow. The profitability of the production is depending on various factors, however, and may not be controllable by the Company.

Some major risks associated with the business are, but are not limited to, the following:

Title to mineral property interests

Although the Company has taken steps to verify the title to its mineral property interests, in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to administrative delays common in Malaysia, unregistered prior agreements or transfers and title may be affected by undetected defect. To the best of the Company's knowledge, title to its properties is in good standing except that a prospecting exploration permit previously held by SDSB expired on September 23, 2012 and the application for renewal was submitted to the authority in compliance with the Malaysian Mining Enactment 2001 and applications for several mining leases over the prospecting permit were also registered.

Realization of assets

Mineral property interests comprise a significant portion of the Company's assets. Realization of the Company's investment in these assets is dependent upon the establishment of legal ownership, obtaining of permits, satisfaction of governmental requirements and possible aboriginal claims, attainment of successful production from the properties or from the proceeds of their disposal.

Reserves and resource estimates

There is a degree of uncertainty attributable to the calculation of reserves and resources and the corresponding grades. Reserve and resource estimates are dependent partially on statistical information drawn from drilling, sampling and other data. Reserve and resource figures set forth by the Company are estimates, and there is no certainty that the mineral deposits would yield the production of metals indicated by reserve and resource estimates. Declines in the market price for metals may adversely affect the economics of a deposit and may require the Company to reduce its estimates.

Profitability from Production

The profitability of mining companies depends, in part, on the actual costs of developing and operating mines, which may differ significantly from estimates determined at the time a relevant mining project was approved or ongoing projection. The development of mining projects may also be subject to unexpected problems and delays that could increase the cost of development and the ultimate operating cost of the relevant project. Monument's decision to acquire, develop a mineral property and operate production is based on estimates made as to the expected or anticipated project economic returns. These estimates are based on assumptions regarding:

- future gold prices;

- anticipated tonnage, grades and metallurgical characteristics of ore to be mined and processed;
- anticipated recovery rates of gold extracted from the ore;
- anticipated material and spares cost associated to production, and
- anticipated capital expenditure and cash operating costs.

Actual cash operating costs, production and economic returns may differ significantly from those anticipated by such estimates.

Environmental

Environmental legislation is becoming increasingly stringent and costs and expenses of regulatory compliance are increasing. The impact of new and future environmental legislation on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or negated.

The Company is subject to the laws and regulations relating to environmental matters in all jurisdictions in which it operates, including provisions relating to property reclamation, discharge of hazardous material and other matters. The Company may also be held liable should environmental problems be discovered that were caused by former owners and operators of its properties and properties in which it has previously had an interest. The Company conducts its mineral exploration activities in compliance with applicable environmental protection legislation. The Company is not aware of any existing environmental problems related to any of its current properties.

Additional funding for building project pipelines

The Company continues seeking new acquisition targets so as to increase its resource base. Additional capital may be required from time to time to fund such acquisitions and development in order to fulfill its business strategy. The additional capital may come from public markets, debt financing and cash flows generated from current production, which are largely influenced by integrated world and regional economies which are out of the Company's control. Management has successfully mitigated those risks in the past through exercise of due care, experience and knowledge; however, those factors do not guarantee such risks will be successfully mitigated into the future.

Foreign Operations

The Company's properties are located in Malaysia, South-East Asia. Malaysia had a history of tin mines and currently has some gold mine operations within the central gold belt in Pahang State. In 2010, the increase in revenue from gold mine operations has brought mining to the government's attention. The Company has historically received strong support from the local, state and federal governments for its gold mine development and operation. However, the political risk is considered external and not at the control of the Company.

The Company's mineral exploration and mining activities may be affected in varying degrees by certain risks associated with foreign ownership including inflation, political instability, political conditions and government regulations. Any changes in regulations or shifts in political conditions are beyond the Company's control and may adversely affect the Company's business. Operations may be affected by government regulations with respect to restrictions on foreign exchange and repatriation, price controls, export controls, restriction of earnings distribution, taxation laws, expropriation of property, environmental legislation, water use, mine safety and renegotiation or nullification of existing concessions, licenses, permits, and contracts.

The regulations the Company shall comply with include, but are not limited to, the Mineral Enactment Act 2001, Mineral Development Act 2004, Environmental Quality Regulations 1978, The Planning Guideline for Environmental Noise Limit and Controls, Factories and Machinery Act 1967 and Occupational Safety and Health Act 1994.

Failure to strictly comply with applicable laws, regulations and local practices relating to mineral rights applications and tenure could result in loss, reduction or expropriation of entitlements, or closure of operations. The occurrence of these various factors and uncertainties cannot be accurately predicted and could have an adverse effect on the Company's operations or profitability.

15. DISCLOSURE CONTROLS AND INTERNAL CONTROLS OVER FINANCIAL REPORTING

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") on a timely basis so that appropriate decisions can be made regarding public disclosure.

An evaluation of the effectiveness of the design and operation of disclosure controls and procedures was conducted as of September 30, 2013 by and under the supervision of the CEO and CFO. Based on this evaluation, the CEO and CFO have concluded that the disclosure controls and procedures, as defined in Canada by Multilateral Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings, are effective to ensure that (i) information required to be disclosed in reports that are filed or submitted under Canadian securities legislation and the Exchange Act is recorded, processed, summarized and reported within the time periods specified in those rules and forms; and (ii) material information relating to the Company is accumulated and communicated to the Company's management, including the CEO and CFO, or persons performing similar functions.

Internal Control over Financial Reporting

Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with Canadian GAAP. Management is responsible for establishing and maintaining adequate internal controls over financial reporting for the Company.

The Company's management, including the CEO and CFO, has evaluated the effectiveness of the internal controls over financial reporting. Based on this evaluation, management has concluded that internal controls over financial reporting were designed effectively as of September 30, 2013.

As a result of this review, it was determined that there were no changes in internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the internal controls over financial reporting except the following weaknesses.

Inventory control:

The Company improved its inventory system this quarter. The new system will be expected to be implemented in the second quarter. The more advanced inventory software will be further developed to enhance the control.

Gold Security:

The Company has implemented a CCTV system. A new security management company will be engaged to further enhance the control.

While the Company's CEO and CFO believe that the Company's internal controls over financial reporting provide a reasonable level of assurance that they are effective, they do not believe that the Company's disclosure controls and procedures or internal control over financial reporting will prevent all errors and fraud. A control system, no matter how well conceived or operated, can only provide reasonable, not absolute, assurance that the objectives of the control system are met.

NON-GAAP PERFORMANCE MEASURES

The Company has included the non-GAAP performance measure "cash cost per ounce sold". This non-GAAP performance measure does not have any standardized meaning prescribed by GAAP and, therefore, may not be comparable to similar measures presented by other companies. This measure is used by management to identify profitability trends and to assess cash generating capability from the sale of gold on a consolidated basis in each reporting period, expressed on a per unit basis. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's performance. Accordingly, unit cash cost per ounce of gold sold is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared using IFRS. More specifically, management believes that these figures are a useful indicator to investors and management of a mine's performance as they provide: (i) a measure of the mine's cash margin per ounce, by comparison of the cash operating costs per ounce to the price of gold, (ii) the trend in costs as the mine matures and, (iii) an internal benchmark of performance to allow for comparison against other mines. Total cash cost includes mine site operating costs such as mining, processing, administration and royalties, offset by sales of silver by-product, but is exclusive of amortization, depletion, reclamation, capital costs, exploration costs and corporate administration costs.

Caution on Forward Looking Statements

All statements, other than statements of historical fact, contained or incorporated by reference in this Management's Discussion and Analysis, but not limited to, any information as to the future financial or operating performance of Monument, constitute ''forward-looking information'' or ''forward-looking statements'' within the meaning of certain securities laws, including the provisions of the Securities Act (Ontario) and are based on expectations, estimates and projections as of the date of this Management's Discussion and Analysis. Forward-looking statements include, without limitation, possible events, statements with respect to possible events, estimates of construction, commissioning and production of the gold treatment plant at Selinsing Gold Mine Project; exploration results and budgets, mineral reserve and resource estimates; capital expenditures; strategic plans; proposed financing transactions, the timing and amount of estimated future production, costs of production, success of exploration, development and mining activities, permitting timelines, estimates of fair value of financial instruments, currency fluctuations, requirements for additional capital, government regulation and permitting of mining operations and development projects, environmental risks, unanticipated reclamation expenses, title disputes or claims and limitations on insurance coverage. The words ''plans'', ''expects'' or ''does not expect'', ''is expected'', ''budget'', ''scheduled'', ''estimates'', ''forecasts'', ''guidance'', ''targets'', ''models'', ''intends'', ''anticipates'', or ''does not anticipate'', or ''believes'', or variations of such words and phrases or statements that certain actions, events or results ''may'', ''could'', ''would'', ''should'', ''might'', or ''will be taken'', ''occur'' or ''be achieved'' and similar expressions identify forward-looking statements. Forward-looking statements are necessarily based upon a number of estimates and assumptions that, while considered reasonable by Monument as of the date of such statements, are inherently subject to significant business, political, economic and competitive uncertainties and contingencies. The estimates and assumptions of Monument contained or incorporated by reference in this Management's Discussion and Analysis, which may prove to be incorrect, include, but are not limited to, the various assumptions set forth herein, or as otherwise *expressly incorporated herein by reference as well as: (1) there being no significant disruptions affecting operations, whether due to labour disruptions, supply disruptions, power disruptions, damage to equipment or otherwise; (2) permitting, development, operations, expansion and acquisitions at Malaysia (including, without limitation, land acquisitions for and permitting and construction of new tailings facilities) being consistent with our current expectations; (3) development of the Phase III plant expansion on a basis consistent with Monument' current expectations; (4) the viability, permitting and exploration of Mengapur project being consistent with Monument' current expectations; (5) political developments in Malaysian jurisdiction in which the Company operates being consistent with its current expectations;(6) the exchange rate between the Canadian dollar, Malaysian ringgit, Australian dollar and the U.S. dollar being approximately consistent with current levels; (7) certain price assumptions for gold;(8) prices for natural gas, fuel oil, electricity and other key supplies being approximately consistent with current levels;(9) production and cost of sales forecasts for Selinsing operations meeting expectations; (10) the accuracy of current mineral reserve and mineral resource estimates for the Company and any entity in which it now or hereafter directly or indirectly holds an interest; (11) labour and materials costs increasing on a basis consistent with Monument' current expectations. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but are not limited to: fluctuations in the currency markets; fluctuations in the spot and forward price of gold or certain other commodities (such as diesel fuel and electricity); changes in interest rates that could impact the mark-to-market value of outstanding derivative instruments; risks arising from holding derivative instruments (such as credit risk, market liquidity risk and mark-to-market risk); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in Canada, Malaysia or other countries in which the Company conducts business or may carry on business in the future; business opportunities that may be presented to, or pursued by, the Company; the Company's ability to successfully integrate acquisitions; operating or technical difficulties in connection with mining or development activities; employee relations; the speculative nature of gold exploration and development, including the risks of obtaining necessary licenses and permits; diminishing quantities or grades of reserves; adverse changes in our credit rating; and contests over title to properties, particularly title to undeveloped properties. In addition, there are risks and hazards associated with the business of gold exploration, development and mining, including environmental hazards, industrial accidents, unusual or unexpected formations, pressures, cave-ins, flooding and gold bullion losses (and the risk of inadequate insurance, or the inability to obtain insurance, to cover these risks). Many of these uncertainties and contingencies can affect, and could cause, Monument' actual results to differ materially from those expressed or implied in any forward-looking statements made by, or on behalf of, Monument. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Forward-looking statements are provided for the purpose of providing information about management's expectations and plans relating to the future. All of the forward-looking statements made in this Management's Discussion and Analysis are qualified by these cautionary statements and those made in our other filings with the securities regulators of Canada including, but not limited to, the cautionary statements made in the ''Risk Factors'' section. These factors are not intended to represent a complete list of the factors that could affect Monument. Monument disclaims any intention or obligation to update or revise any forward-looking statements or to explain any material difference between subsequent actual events and such forward-looking statements, except to the extent required by applicable law.*

Other information

Where we say ''we'', ''us'', ''our'', the ''Company'', or ''Monument'' in this Management's Discussion and Analysis, we mean Monument Mining Limited and/or one or more or all of its subsidiaries, as may be applicable. The technical information about the Company's material mineral properties contained in this Management's Discussion and Analysis has been prepared under the supervision of Snowden Mining Industry Consultants company who is a ''qualified person'' within the meaning of National Instrument 43-101.