MONUMENT MINING LIMITED

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three and nine months ended March 31, 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 May 29, 2013 should be read in conjunction with the unaudited condensed interim consolidated financial statements of the Company for the three and nine months ended March 31, 2013 (Q3 of fiscal 2013) and related notes thereto which have been prepared in accordance with International Financial Reporting Standards ("IFRS" or "GAAP" 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, 2012 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.

1.1.1 Q3 Fiscal 2013 Highlights

- Profit margin from gold production of $9.95 million;
- Gold production in the quarter was 13,255 ounces, 24% higher than in the same quarter last fiscal year;
- Mining began at Buffalo Reef South in January and processing of its oxide ore at the Selinsing plant started in March;
- 35% increase in gold recovery, 183% more ore processed at Selinsing compared to same quarter last fiscal year;
- Drilled 66 holes at Selinsing and Buffalo Reef, totaling 9,187 drill meters;
- Drilled 44 holes totaling 9,973 meters at the Mengapur Polymetallic Project in order to define the copper oxide and sulfide resources, as well as the enrichment zone; and
- Closed two tranches of a previously announced private placements raising C$22.25 million in total.

1.1.2 Business Overview

Monument Mining Limited (TSX-V:MMY, FSE:D7Q1) 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 Polymetalic properties are located in Pahang State, the Central Gold Belt of Western Malaysia. These properties include the pipeline of the gold mineral properties comprised of 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 objective is to advance its mineral projects from exploration and development to production and to increase its gold and other mineral assets through acquisition of prospective land or gold and other mineral projects at an advanced development stage. The Company's longer-term goal is to be 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 330 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, BC, Canada. It operates through its subsidiaries in Pahang State, Malaysia.

1.1.3 Results of Operations

Third Quarter Overview

Gold production at Selinsing continued to generate healthy cash flow in the third quarter of fiscal 2013. At the same time, management continued to focus on delivering sustainable gold production through exploration to increase gold resources, investment to upgrade the Company's mining infrastructure, including upgrades to the gold processing plant in order to treat sulfide ore materials, and further advancement of the Mengapur Polymetallic Project, which will be a key contributor to increase Monument's future value.

Monument continues its announced phased development plan to advance the Mengapur project, following the same successful approach Monument used to bring its Selinsing gold mine into low-cost production. The phased Mengapur development plan includes, among other things, further drilling, construction of an onsite core shack, laboratory, and refurbishment of the existing 1,000 tonne per day copper flotation plant for testing purpose (the pilot plant") in order to build a new concentrate plant with a minimum 5,000 tonnes per day capacity. Combined with its planned overhaul of an existing onsite concentrate plant, Monument believes that there is potential at Mengapur to process up to 6,000 tonnes per day of material to produce copper and precious metal concentrate. This is an interim production step to achieve early cash flow in parallel with completion of the preliminary economic assessment, including engineering and planning of the main roaster and treatment plant.

In addition to pursuing the significant development potential of Mengapur, Monument continues to produce gold, at low cash costs, at its Selinsing project. Operating cash flow from Selinsing's production is being reinvested in the continued expansion of gold resources at its gold project portfolio, including continued drilling and exploration programs, land acquisitions, plant upgrades and gold mine development.

During the third quarter, a brokered private placement was closed with two tranches for gross proceed of $21.99 million (CAD$22.25 million) by issuing 44,500,000 common shares at a premium CAD$0.50 per share which was priced at a 20% premium to market. The proceeds will be used to fund development of the Mengapur Project and general working capital. The Company entered into an agreement with its major shareholder GoldMet B.V. ("GoldMet") and agreed to reduce the brokered private placement previously announced on December 17, 2012 from a maximum CAD$80 million to CAD$41 million. GoldMet agreed that any financing in connection with a listing of the Company's shares on Malaysia's stock exchange, the Bursa Malaysia Berhad, would be acceptable to GoldMet.

During the quarter, the $7.65 million (CAD$8.00 million) convertible notes were fully converted to 20,000,000 common shares and 20,000,000 warrants of the Company.

Gold Production

The third quarter operation produced profit margin $11.9 million, a 27% increase compared to the same period of last year; net profit before other income (loss) and taxes attributable to shareholders of $9.95 million, an 18% increase compared to the same period of fiscal 2012, mainly due to higher gold sales, partially offset by lower gold price, higher depreciation and higher general corporate expenditures. As a result, the earnings before other items for the quarter was $0.04 per share, which is the same as in the same interim period last year; however, the Company incurred a loss per share of $0.05 for the third quarter after other items compared to the $0.04 earnings per share in the same period of last fiscal year, due to none recurring losses under other items including a settlement payment on a legal disagreement, losses caused by derivatives liabilities and the early retirement of the convertible notes.

Gold recovery from the Selinsing gold processing plant for the quarter ended March 31, 2013 was 11,354 ounces, a 34.6% increase from the 8,435 ounces in the corresponding period of fiscal 2012. This was mainly due to the increased throughput since the completion of the new primary mill, partially offset by lower grade mill feed and lower recovery rates for the quarter. Gold production, net of gold dorè in transit and refinery adjustment, was 13,255 ounces, defined as good delivery gold bullion according to London Bullion Market Association ("LBMA"), compared to 10,676 ounces for the same period of fiscal 2012. Gross revenue of $20.33 million was generated from the sale of 12,500 ounces of gold at an average price of $1,626 per ounce in the third quarter of fiscal 2013 compared to $12.39 million from the sale of 7,301 ounces of gold at an average price of $1,698 per ounce in the corresponding quarter of fiscal 2012. Cash cost per ounce increased by 45% to $440/oz in the third quarter of fiscal 2013 from $303/oz in the same quarter of fiscal 2012 as a result of rising mining, milling and processing costs. This trend is expected to continue as the Company mines deeper and farther into the open pit, and processes increasingly higher quantities of low grade mill feed that contains sulfidic ore.

Exploration

Drilling activity continued in the third quarter, consistent with the fiscal 2013 exploration programs at Selinsing and Buffalo Reef. The initial fiscal 2013 planned drill program consisted of 138 diamond drill holes totalling 19,180 meters, and 127 RC drill holes totalling 6,830 meters, which targeted additional oxide and sulfide mineralization adjacent to the existing pit development areas, extending known mineralization north and south of the Selinsing open pit along strike, as well as testing the down dip mineralization extensions within and adjacent to the resource pit shells. During the third quarter ending March 31, 2013, 66 drill holes totaling 9,187drill meters were completed consisting of 54 diamond drill holes for 8,152 meters and 16 RC holes for 1,035 meters.

On April 30, 2013, the Company announced that proven and probable reserves at its 100% owned Selinsing operating gold mine, including the adjacent Buffalo Reef property, in Pahang State, Malaysia, estimated at August 31, 2012, are 222.9 koz of gold from 4,890 kilotonnes (kt) of material at a grade of 1.4 grams of gold per tonne (g/t). These reserves are within a newly estimated measured and indicated resource of 289.4 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 48.0 koz of gold from 1,070 kt of material at a grade of 1.4 g/t. (refer to National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") technical report dated May 23, 2013 entitled "Selinsing Gold Mine and Buffalo Reef Project Expansion", Sedar filed on May 23, 2013 under www.sedar.com).

Drilling programs at Mengapur during the three months ending March 31, 2013 included a total of 9,973 m in 38 drill holes mostly from the Mengapur Mine (Lot 10210). The drill program is designed to better define the historical copper and sulfur oxide and sulfide resources and reserves as well as the enrichment zone, upgrade the historical resources and reserves to current NI 43-101 compliant standards, and conduct a preliminary economic assessment NI 43-101 Technical Report using current economical parameters, mining and processing costs, and metal prices.

Third Quarter Highlights

(1) Key gold production statistics

Selinsing/Buffalo Reef Gold Production	Fiscal 2011	Fiscal 2012	Q1 Fiscal 2013	Q2 Fiscal 2013	Q3 Fiscal 2013	Fiscal 2013 nine months
Operating results						
Ore mined (tonnes)	740,909	501,881	101,654	184,197	281,827	567,678
Waste removed (tonnes)	2,707,598	2,770,491	441,950	640,848	815,472	1,898,270
Stripping ratio	3.65	5.52	4.35	3.48	2.89	3.34
Ore stockpiled (tonnes)	773,432	920,633	801,871	786,550	858,998	858,998
Ore processed (tonnes)	351,999	364,680	224,643	209,626	236,184	670,453
Average ore head grade (g/t Au)	4.31	4.24	1.98	2.88	1.72	2.17
Process recovery rate	92.9%	93.7%	85.6%	89.1%	87.0%	87.4%
Gold recovery (ounces)	45,313	46,491	12,240	17,289	11,354	40,883
Gold production (ounces)	44,438	44,585	10,906	15,902	13,255	40,063
Gold sold (ounces)	40,438	36,938	12,552	11,353	12,500	36,405
Financial results						
Gold sales (US$'000)	$56,627	$61,709	$20,805	$19,640	$20,325	$60,770
Per ounce data						
Cash cost per ounce[(a)]	242	306	333	435	440	402
Average London spot gold price, US$/ounce	1,372	1,673	1,652	1,723	1,632	$1,669
Average realized gold price, US$/ounce	1,400	1,671	1,658	1,730	1,626	$1,669

(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.

(2) On January 17, 2013, subsequent to the second quarter, the Company announced that it had become a 100% owner of the Mengapur Project through purchasing the remaining 30% of the Mengapur Project from the previous owner. The Company also announced that it has decided not to pursue the proposed $23.4 million private placement with Tulum.

(3) On February 15, 2013, the convertible notes were fully converted to common shares and share purchase warrants of the Company under an early retirement of debt arrangement (refer to note 12).

(4) On February 21, 2013, the Company announced that it has reached an agreement with GoldMet B.V. ("GoldMet") pursuant to which GoldMet confirmed that it no longer had concerns as previously expressed and had agreed to fully support Monument's management and the present Board of Directors at the upcoming Annual General Meeting of shareholders.

(5) On February 22, 2013, the Company announced that it had settled potential legal disagreements with Tulum Corporation by the payment of CAD$ 12 million in cash, of which CAD$6 million was reinvested into the Company through the brokered private placement on March 6, 2013.

(6) On February 27, 2013, the Company announced that its board of directors had approved a Shareholder Rights Plan, an Advance Notice By-Law, and a dividend policy.

(7) On March 19, 2013, the Company announced that it had decided to abandon its interest in the Mersing Project located in Johor State, Malaysia and reserved the right to commence legal proceedings against EK, its shareholders, and the joint venture partners of EK with respect to the Earn-In Agreement for the Mersing Project.

(8) On March 28, 2013, shareholders of the Company approved and ratified Shareholder Rights Plan, the Advanced Notice By-Law and the 10% stock option plan. Grant Thornton LLP, Chartered Accountants were appointed as the auditor of the Company. All existing board members were re-elected at the AGM.

(in United States dollars, except where noted)

1.2 Project Update

Properties and Resources

Selinsing and Buffalo Reef

On May 23, 2013, the Company has filed a National Instrument 43-101 Standards of Disclosure for Mineral Projects ("NI 43-101") technical report dated May 23, 2013 entitled "**Selinsing Gold Mine and Buffalo Reef Project Expansion**" (the "Report") with an effective date of August 31, 2012. The Report was issued with respect to the Company's 100% owned Selinsing operating gold mine, including the adjacent Buffalo Reef property, in Pahang State, Malaysia. The NI 43-101 proven and probable reserves, estimated at August 31, 2012, are 222.9 koz of gold from 4,890 kilotonnes (kt) of material at a grade of 1.4 grams of gold per tonne (g/t). These reserves are within a newly estimated measured and indicated resource of 289.4 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 48.0 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. A map showing the area locations can be seen on the Company's web site here: http://www.monumentmining.com.

Table 1. Selinsing and Buffalo Reef Mineral Reserves: August 31, 2012

	Cut off Grade	Proven			Probable			Proven + Probable		
Area	g/t	Kt	g/t	koz	kt	g/t	koz	kt	g/t	koz
Oxide Reserves										
Selinsing	0.30	-	-	-	6	0.6	0.1	6	0.6	0.1
Buffalo Reef South and Central	0.30	14	1.6	0.7	336	1.9	20.8	350	1.9	21.5
Buffalo Reef North	0.31	12	0.9	0.3	155	1.2	5.7	166	1.1	6.1
Stockpile	0.30	2,335	0.7	53.6	-	-	-	2,335	0.7	53.6
Oxide Total		2,360	0.7	54.6	496	1.7	26.7	2,857	0.9	81.3
Sulfide Reserves										
Selinsing	0.62	183	2.7	16.1	630	2.2	44.6	812	2.3	60.7
Buffalo Reef South and Central	0.65	59	2.3	4.3	1,008	2.1	69.5	1,068	2.2	73.8
Buffalo Reef North	0.66	4	1.5	0.2	130	1.5	6.1	133	1.5	6.3
Stockpile	0.62	20	1.3	0.8	-	-	-	20	1.3	0.8
Sulfide Total		266	2.5	21.4	1,768	2.1	120.2	2,034	2.2	141.7
Total All Sources		2,626	0.9	76.0	2,264	2.0	146.9	4,890	1.4	222.9

Notes:

(1) the following parameters were used to determine the gold cutoff grade for each reserve area: a US$1,550 per oz gold price; 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 Selinsing and Buffalo Reef mineral resources were estimated by Mark Odell, P.E. and owner of Practical Mining LLC, who is the independent Qualified Person for the August 31, 2012 Mineral Resources and Reserves as defined by NI 43-101. The updated mineral resource estimate incorporates a new property-wide geological model which includes a total of 28 new surface diamond drilling results completed by Monument since the last resource estimate was completed in 2007. 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.

The new reserve estimate was calculated using an average gold price of US$1,550 per ounce whereas the resources were calculated using a US$1,700 per ounce gold price. Mining and stockpiling of Buffalo Reef oxide materials started in January 2013 and processing of them at the Selinsing processing plant commenced in early March 2013. Practical Mining LLC has verified the drill hole data used to support the technical and scientific information in this news release, including the sampling, sample security, analytical techniques, original assay certificates, and Quality Assurance/Quality Control procedures and has determined that CIM and NI 43-101 Industry Standards have been sufficiently followed. Practical Mining LLC has also verified published Selinsing drill hole information included in previous Company press releases. Practical Mining LLC constructed a 3D model of the mineralized bodies using modeling software and calculated the August 31, 2012 Selinsing and Buffalo Reef resources and reserves. In addition, Practical Mining LLC reviewed the recent

(in United States dollars, except where noted)

2011 and 2012 sulfide metallurgy work and confirms that final engineering should commence on the Phase IV flotation and bio-oxidation plant expansion.

Table 2. Selinsing and Buffalo Reef Measured and Indicated Mineral Resources, Including Reserves: August 31, 2012

	Cutoff Grade	Measured			Indicated			Measured + Indicated		
Area	g/t	Kt	g/t	koz	kt	g/t	koz	kt	g/t	koz
Oxide Resources										
Selinsing	0.27	-	-	-	9	0.7	0.2	9	0.7	0.2
Buffalo Reef South and Central	0.28	14	1.6	0.7	373	1.8	21.9	386	1.8	22.6
Buffalo Reef North	0.28	12	0.8	0.3	207	1.1	7.4	219	1.1	7.7
Stockpile	0.27	2,335	0.7	53.6	-	-	-	2,335	0.7	53.6
Oxide Total		2,361	0.7	54.6	588	1.6	29.5	2,949	0.9	84.1
Sulfide Resources										
Selinsing	0.56	229	2.2	16.0	1,436	1.9	88.4	1,664	2.0	104.5
Buffalo Reef South and Central	0.59	60	2.3	4.3	1,283	2.0	81.6	1,343	2.0	86.0
Buffalo Reef North	0.60	13	1.3	0.6	317	1.3	13.5	331	1.3	14.0
Stockpile	0.56	20	1.3	0.8	-	-	-	20	1.3	0.8
Sulfide Total		322	2.1	21.7	3,036	1.9	183.6	3,358	1.9	205.3
Total All Sources		2,682	0.9	76.3	3,624	1.8	213.0	6,307	1.4	289.4

Notes:
(1) the resource cutoff grades were calculated based on a US$1,700 per oz gold price 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 are not mineral reserves do not have demonstrated economic viability; and
(4) mineral resources determined by Mark Odell, P.E., Practical Mining LLC.

Table 3. Selinsing and Buffalo Reef Inferred Mineral Resources: August 31, 2012

	Cutoff Grade	Inferred		
Area	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	-	-	-
Oxide Total		268	1.2	10.0
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	0.60	48	1.1	1.7
Stockpile	0.56	-	-	-
Sulfide Total		801	1.5	38.0
Total Inferred Resources		1,070	1.4	48.0

Notes:
(1) similar resource tabulation methodologies described for Table 2 above apply to the resources in Table 3;
(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.

On April 2, 2013 Monument finalized an agreement to explore and develop 14 blocks totaling 3,920 hectares owned by the Federal Land Development Authority (FELDA) of Malaysia. These FELDA lands are generally located east and south of the existing resources and Monument tenements and will allow additional exploration, infill drilling and development of the Buffalo Reef Central, Buffalo Reef South, and Selinsing resources.

The Phase IV plant expansion will be needed to process refractory sulfide materials and will include adding a flotation circuit and a regrind mill circuit, bio-oxidation tanks, and converting some existing CIL leach tanks to neutralization tanks within the existing plant. The Phase IV plant and mining expansion, as estimated in the NI 43-101 report, has a capital cost estimate of US$45.8 million dollars, and provides a US $10.7M NPV, and 21% rate of return. Monument is currently examining different and less expensive ways to implement the Phase IV plant expansion that could significantly improve the economics of the project, which include implementing a bio-oxidation demonstration plant as soon as possible.

Exploration is continuing at Selinsing and Buffalo Reef with three drill rigs currently operating 24 hours per day. 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.

The mineral resources identified above 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.

Mengapur Project and Historical Resources

The Mengapur Polymetallic Project is located in Central Malaysia in the State of Pahang, approximately 130 kilometers from Monument's wholly-owned Selinsing Gold Mine near Sri Jaya, 12 kilometers from a highway and 75 kilometers from the Malaysian port of Kuantan. The Mengapur polymetallic deposit contains a historic Cu-S-Au-Ag oxide and sulfide resource from a previous drilling campaign conducted in the 1980's as previously reported in Snowden (January, 2012) consisting of 224 million tonnes averaging 0.597 pct Cu eqv (6.54% S, 0.25% Cu, 0.16 g/t Au, and 8.86 g/t Ag) at a cutoff grade of 0.336% Cu eqv. from Zones A, B, and C. An additional historic sulfide reserve from Zone A consists of 64.8 million tonnes averaging 0.737 pct Cu eqv. (8.63% S, 0.27 pct Cu, 0.21 g/t Au, and 2.59 g/t Ag) at the same 0.336pct Cu eqv cutoff grade (Snowden, 2012). Drilling is currently being conducted by Monument Mengapur to verify these historic resources and reserves and to advance them to NI 43-101 compliant resources and reserves using current industry standard best practices.

The Mengapur Project includes the mineralized bodies over both mining license (lot #10120) owned by Cermat Aman Sdn Bhd and prospective license owned by Star Destiny Sdn Bhd covering prospective land totaling 750 Hectares in Pahang State, Malaysia, adjacent to the south of the Mengapur Polymetalic Project. 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.

Famehub Properties

The Famehub area is located in Pahang State of Malaysia approximately 15km northwest of the town of Kuala Lipis and 2km north of the Selinsing Gold mine.

In the 2012 fiscal year, field work was carried out at Famehub's Satak Serau (Panau) and Tekai prospects. A total of 1,082 trench samples, 9,255 soils samples, 163 stream samples and 148 grab/float samples were collected from the 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. No field activities were conducted during the third quarter of fiscal 2013.

On September 13, 2010, through its wholly-owned subsidiary Damar, the exploration arm of Monument's Malaysian group of companies, 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 newly constructed producing Selinsing gold mine in order to extend the life of the mine.

Mersing Gold Project

The Mersing Gold Project is held through mining certificate #1221 ("MC 1221") for 256 hectares of prospective land, located approximately 30 kilometers north-west of Mersing Town in Jahore State, Malaysia. On September 26, 2011 the Company entered into an Earn-In Agreement with a Malaysian company, Emas Kehidupan Sdn. Bhd. ("EK") and acquired 49% of the Mersing Project by paying $0.50 million cash and issuing 1,500,000 fully paid Monument shares to the vendors in exchange for 70% of the shares in EK, which in turn holds a 70% interest in the Mersing Gold Project, conditional upon completion of a $2.00 million exploration program on the Mersing Gold Project within two-years.

On March 18, 2013, the Company announced that due to the uncertainties regarding the registration and renewal of the mining certificate for the 256 hectares of prospective land that comprise the Mersing Project, it has decided to abandon its interest in the Mersing Project and will not be completing any exploration activities on the project or pursue an earn-in of an interest in the project.

Production, Development and Exploration

Selinsing Project

Production

The Phase III gold plant expansion was placed into commercial production during the first quarter of fiscal 2013 bringing production capacity from 400,000 tonnes per annum ("tpa") to approximately 1,000,000 tpa. The upgraded plant processed a total of 236,184 tonnes (including 69,711 tonnes from Buffalo Reef South in March 2013) and 670,452 tonnes of low grade ore during the three and nine months period ended March 31, 2013 (Q3, 2012 – 83,447 and 253,972) with gold recovery of 11,354 oz. and 40,883 oz. for the three and nine months period (2012 – 8,435 and 33,938).

Phase-IV Bioleach Pilot Plant

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 is currently being pursued that will be added to the existing processing facility at the mine.

The Company has authorized the design, procurement, construction and commission of a pilot plant to test the technical and economic feasibility of tank bioleaching of sulfide flotation concentrate at the Selinsing Gold Mine. Outside contractors will be engaged to provide assistance in the preparation of equipment data sheets, process flow diagrams, mass and water balances, and general arrangement drawings. With experience from Selinsing plant construction Phases I to III, the Company will utilize in-house staff to perform procurement and project management. The Phase IV pilot plant design work was commenced in May 2013, subsequent to the quarter ended March 31, 2013. It is expected to be completed by July 2014 at an approximate cost of $7 million.

Exploration

During the third quarter of fiscal 2013 a total of 5,961 m in 40 drill holes were completed at Selinsing at a cost of $0.73million. These drill holes were completed in the main development pits and targeted additional oxide and sulfide mineralization within and adjacent to the current resource design pits, and below the current design pit elevation (<400 m RL). A total of 1,035 m of RC drilling in 16 RC drill holes and 4,926m of diamond drilling in 28 diamond drill holes were completed in the third quarter.

Drill samples are being 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. Sample recoveries are good to excellent.

These recent drill hole assay results indicate that gold mineralization extends below the existing design pit and continues at depth. The on-going 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 announced 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.

Buffalo Reef Project

Mine Development and Commencement of Mining

Permits to mine over several mining leases at Buffalo Reef were extended during the first quarter for a period of two years commencing May 2012. The permits cover the Buffalo Reef mineral resources, tailing storage facilities and the waste dump for Selinsing and Buffalo Reef operations. The site clearance and pre-stripping were undertaken for preparation of the first open pit at the Buffalo Reef. During the first six months of fiscal 2013 mine development incurred costs of $0.52 million including site clearing and waste removal in preparation for mining activities.

Commercial production of oxide reserves commenced in Buffalo Reef South in January 2013 processing of these materials at the Selinsing plant commenced in March 2013. Total ore mined during the three months ended March 31, 2013 was 124,715 tonnes and total ore processed was 69,711 tonnes.

Exploration

The Buffalo Reef exploration program is aimed to convert the inferred resources to measured and indicated resources under NI 43-101 standards and to help facilitate the pit development. Metallurgical and recovery test work was also carried out on the Buffalo Reef mineralization as part of this drilling program.

For the three months ended March 31, 2013 as part of an additional exploration program, 26 diamond drill holes totaling 3,226 m were completed at Buffalo Reef for a total cost of $0.10 million before credit adjustments from prior periods Total drilling costs for fiscal 2013 to date is $0.61 million. These drill holes targeted converting 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 little pre-existing drilling information. Core logging and sample processing and assay analysis are in progress on these recently completed drill holes.

Mengapur Polymetallic Project

In fiscal 2013, the Mengapur Project work included camp development, set up of an SGS on site laboratory, initial refurbishment of the existing 1,000 tpd copper flotation pilot plant and exploration work to help support a NI 43-101 Technical Report, including updated resources using current industry best practices.

Camp Development

Construction of additional housing accommodations, including seven separate houses, was initiated in late March by a local contractor with expected completion by May or June 2013. Site preparation has been completed and foundation construction was started in late March. Total costs for camp development is estimated to be about $0.15 million with approximately 13% of the costs incurred to date. As of the end of March 2013 the total existing camp capacity is 104 people including contractors. Additional power generating sets have been acquired and are being installed at the project to help support the ongoing project work. Diesel storage at the site is being upgraded as is the septic system.

On-Site Laboratory

An on-site assay laboratory was under construction during the quarter to help support the ongoing exploration work. An agreement between the Company and SGS Malaysia, 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. The assay lab will be constructed in 3 stages with the first stage being put into operation by mid-April that will allow sample preparation (crushing and grinding). The second stage will be implemented 2 months after stage 1 and will include fire assay, Leco sulfur, and AAS analysis. The third stage will be implemented 2 months after stage 2 is completed and will include full use of the ICP equipment. The previously constructed core shed facility is being renovated to house the laboratory. Construction work for the renovation started in February, 2013 and is progressing as planned. The total costs for the laboratory construction is expected to be approximately $0.21 million, and approximately 49% of the budgeted costs have been incurred as of March 31, 2013.

Refurbishment of Pilot Plant

Refurbishment of the existing Mengapur processing plant to process 1,000 tonnes of sulfide ore per day (Phase 1) started in March 2013 and focused on the existing power generating sets. Major rehabilitation construction work will be carried out in the last quarter of fiscal 2013. Additional work in Q4 will include installing additional flotation cells for sulfide recovery, and upgrading the piping and pumps throughout the plant. The commencement of the milling operations for the Phase 1 plant is being targeted for Q1 of fiscal 2014 with 30,000 tonnes of initial sulfide mineralization mill feed. Feed of 1,000 tpd to the plant is targeted to produce a copper concentrate and a magnetite product. Results of the pilot run and resulting flow chart and technical information will be used as the basis for a commercial plant with a targeted capacity of at least 5,000 tpd in addition to the existing plant capacity.

Exploration

A total of 9,973.4m in 44 drill holes were completed in Q3 at Mengapur and the Star Destiny prospective ground. The drilling in the quarter included 1,875m of RC drilling and 8,098.4m of diamond drilling. At Mengapur, 9,384.2m in 40 drill holes were completed in the quarter while 589.2m in 4 drill holes were completed on the Star Destiny Prospective ground. Exploration drilling at the CASB (Lot 10210) as of the end of March 2013 is 60% complete with approximately 14,000m in 52 drill holes completed (22,790m in 97 drill holes planned). All "Priority 1" drill holes necessary for possible inclusion of the upcoming NI 43-101 report at a 80m drill hole spacing (generally including drill hole numbers from MEN283 to MEN330) were completed by April 13. The completed drill holes tested the entire mineralized zone included in the historical resource and include the oxide zone, transitional (enrichment) zone, and the sulfide zone. Two condemnation drill holes totaling 356.0 m were also completed in March in the area of the proposed Phase 2 plant (6,000 tonnes per day sulfide ore feed capacity). An additional nine to ten drill holes (totaling 1,115 m) to be completed in April will test for gold enrichment in the oxidized materials. The Mengapur drilling program is being done to help support an updated NI 43-101 compliant resource using industry standard best practices and also to help in the design of the sulfide mining plan, and for helping in the metallurgy testing that will be used to help build the necessary processing facilities.

AAM, a nationwide consulting group with a local office in Malaysia, sent technical representatives to the site in QTR3 to perform an audit of the existing surveying procedures and drill hole collar data, and to help recommend an appropriate base map datum. In addition, Lidar was flown across the project area in late March in four separate days to help better document the existing topography. All of this work will help with the upcoming NI 43-101 resource work, ongoing permitting work, and development plans. Results from the on-site survey review are expected in early May. Initial Lidar mapping results from the main resource area are expected in June.

Mengapur drill hole samples continue to be submitted to SGS Malaysia at their Port Klang (and other nearby) facilities. Additional drill hole assay submissions to other certified labs have been stalled since early February when the Malaysian governmental agencies requested the Company to acquire proper export permit(s). This action is a result of new government requirements.

Magnetic susceptibility determinations on drill hole pulps continue to be collected at site on drill hole pulps to help determine a magnetite 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. Future work will include collecting the magnetic susceptibility data and Davis Tube results on sulfide and transitional drill hole samples.

Specific gravity samples continue to be collected on representative mineralization and alteration types to help with the upcoming NI 43-101 resource estimation.

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.

ZCM Mining Sdn Bhd ("ZCM") and Phoenix Lake Sdn Bhd ("PLSB") are currently mining for iron ore (magnetite) in oxide materials on the Mengapur mine site at an approximate rate of 12,000 tonnes 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.

Legal Proceeding

On October 25, 2012 the Company announced that a statement of claim ("the Claim") was filed by Selinsing Mining Sdn Bhd ("SMSB"), the previous owner of the Selinsing Project, against Monument and two of its Malaysian subsidiaries in the High Court of Malaysia in Shah Alam, Selangor, Malaysia. The claim alleges that SMSB by way of Joint Venture is entitled to a share of production/profit from Selinsing Gold Mine Manager Sdn. Bhd. ("SGMM") based on SMSB's purported 5% participating interest in SGMM. According to Monument legal counsel, the Claim against Monument and its subsidiaries is entirely without merit. The opportunistic nature of the Claim is demonstrated by the fact that it was not filed sooner, and has only been made now, after several years of successful low-cost production under Monument's leadership.

During the third quarter, the plaintiff SMSD has obtained a summary judgment in its favour. The Company's Malaysian counsel is of the opinion that based on the surrounding facts of the matter, that the summary judgment is wrong in fact and in law and advises the Company to appeal. Counsel has since applied for a stay on the execution of the judgment pending the disposal of the appeal against the summary judgment and the dismissal of an application to strike out the action. The Shah Alam High Court Judge allowed the stay order, however on the condition that SGMM, Able and MMY deposit a sum of $10.40 million into a joint account managed by both SMSD and the Company's respective legal counsels. An urgent appeal has been filed by the Company against the condition of the stay order and is currently pending hearing.

Monument's counsel also advises that, even if the judgment were permitted to stand, the alleged joint venture partner (SGMM) is not the owner of the mine but merely an operator pursuant to an operating agreement and therefore is not entitled to any profits and in fact has never realized any profits.

Monument will vigorously dispute this claim, and will update shareholders on developments in this regard.

1.3 Selected Financial Information

BALANCE SHEET (in thousands of US dollars)	March 31, 2013	June 30, 2012	June 30, 2011
Current assets	$ 79,517	$ 50,180	$68,327
Other assets	158,754	161,769	56,416
Total assets	238,271	211,949	124,743
Current liabilities	22,081	19,053	4,919
Other liabilities	11,052	22,388	38,807
Non-controlling interests	-	24,186	-
Equity attributable to parent	205,138	146,322	81,016
Total liabilities and shareholders' equity	238,271	211,949	124,743
Working capital excluding derivative liabilities	$ 57,436	$ 31,131	$63,407

1.4 Operating highlights

	Fiscal 2011	Fiscal 2012				Fiscal 2013		
	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
	$	$	$	$	$	$	$	$
Revenues (000's)	16,618	14,430	21,084	12,394	13,801	20,805	19,640	20,325
Gold Produced (Ounces)	12,136	11,846	11,736	10,676	10,327	10,906	15,902	13,255
Gold Sold (Ounces)	10,936	8,372	12,765	7,301	8,500	12,552	11,353	12,500
Average Realized Gold price (per ounce)	1,520	1,724	1,652	1,698	1,624	1,658	1,730	1,626
Average London Spot Gold price (per ounce)	1,506	1,702	1,688	1,691	1,609	1,652	1,723	1,632
Cash cost (per ounce)	262	297	307	303	316	333	435	440
Net Earnings Attributable to Common Shareholders (000's)	10,380	11,176	26,709	8,116	13,560	10,834	12,457	(12,973)
Net Earnings before other income Attributable to Common Shareholders (000's)	10,537	9,925	14,780	8,431	7,395	13,228	10,268	9,953
Earnings Per Share before other income:								
- Basic	0.06	0.06	0.08	0.04	0.04	0.06	0.05	0.04
- Diluted	0.05	0.05	0.07	0.04	0.04	0.06	0.05	0.04
Net Earnings after other income and tax Attributable to Common Shareholders (000's)	10,380	11,176	26,709	8,116	13,560	10,834	12,457	(12,973)
Earnings Per Share:								
- Basic	0.06	0.06	0.15	0.04	0.08	0.05	0.06	(0.05)
- Diluted	0.05	0.05	0.13	0.04	0.07	0.05	0.05	(0.05)

Summary

The 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.

For the three months period ended March 31, 2013, the net loss attributable to shareholders was $12.97 million, or negative $0.05 per share (basic) compared to earnings of $8.12 million, or $0.04 per share (basic) in the corresponding quarter for fiscal 2012. The decrease in earnings per share in the third quarter of fiscal 2013 was mainly due to items under other income (loss) which attributed $0.10 loss to earnings per share as compared to $0.00 on earnings per share in the third quarter of fiscal 2012. For the nine months period ended

(in United States dollars, except where noted)

March 31, 2013, the net income attributable to shareholders was $10.32 million, or $0.05 per share (basic) compared to $46.00 million, or $0.25 per share (basic) in the corresponding period for fiscal 2012. The decrease in earnings per share in fiscal 2013 is mainly due to other income (loss) which attributed a negative $0.11 to earnings per share as compared to $0.07 to earnings per share in the corresponding period of fiscal 2012. The decrease in other income in fiscal 2013 was caused by losses on the early retirement of convertible notes, the buyout of gold inducement options in conjunction with the convertible note, impairment losses on tangible assets and a one-time legal settlement expense in Q3 2013.

The net income before other income (loss) and before taxes attributable to shareholders was $9.95 million, or $0.04 per share for the third quarter of fiscal 2013; and $8.43 million, or $0.04 per share for the corresponding quarter of fiscal 2012. For the nine months ended March 31, 2013, the net income before other income (loss) and before taxes attributable to shareholders was $33.36 million, or $0.05 per share compared to $33.13 million or $0.25 per share for the same period in fiscal 2012.

Sales, Cost of Goods Sold and Gross Margin from Mining Operations

Sales

Gold sales generated $20.33 million from 12,500 ounces sold during the third quarter of fiscal 2013 compared to $12.39 million from 7,301 ounces sold in the corresponding quarter of fiscal 2012. The increase in revenue was mainly due to the increase in ounces sold for the current quarter compared to the same quarter of fiscal 2012, offset by the decrease in an average realized gold price to $1,626 per ounce in Q3 2013 from $1,698 per ounce in Q3 2012. The average London spot price for Q3 2013 was $1,632 ($1,691 – Q3 2012). For the nine months ending March 31, 2013, revenue from gold sales was $60.77 million compared to $47.91 million for the same period in fiscal 2012. The increase in revenue was due to the increase in ounces sold (36,405 ounces vs. 28,438 ounces) offset by lower average realized gold price ($1,669 in fiscal 2013 vs. $1,685 in fiscal 2012).

The cash cost per ounce of gold sold in the third quarter of 2013 was $440, compared to $303 per ounce in the corresponding period in fiscal 2012. For the nine months of fiscal 2013, cash cost per ounce of gold sold was $401, compared to $303 per ounce in the corresponding period in fiscal 2012. The cash cost is broken up as follows:

	Three months ended						
	Sep 30, 2011	Dec 31, 2011	Mar 31, 2012	June 30, 2012	Sep 30, 2012	Dec, 31 2012	Mar, 31 2013
Cash cost (US$/oz) [1] –							
Mining	54	51	52	61	85	110	119
Processing	152	131	130	149	178	197	215
Royalties	86	120	123	97	72	120	96
Operations, net of silver recovery	5	5	(2)	9	(2)	8	10
Total cash cost (US$/oz)	297	307	303	316	333	435	440

[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.

	Three months ended March 31, 2013	Three months ended March 31, 2012	Nine months ended March 31, 2013	Nine months ended March 31, 2012
Mining				
Ore mined (tonnes)	281,827	140,168	567,678	393,462
Waste removed (tonnes)	815,472	744,914	1,898,270	2,150,990
Stripping ratio	2.89	5.31	3.34	5.47
Ore stockpiled (tonnes)	858,998	915,347	858,998	915,347

Mining costs per ounce for Q3 2013 was $119, up from $52 per ounce in Q3 2012. This increase was mainly due to the renewal of the mining contract, effective July 2012, with an approximately 25% rate increase reflecting market adjustments. In addition to the 25% rate increase, on a per tonne basis, waste removal costs and ROM pad (super low grade ore) moving costs were 15% and 63% higher quarter over quarter due to longer distances now required for hauling; drill and blast costs were 21% higher quarter over quarter due to mining sulfidic ore and deeper drilling before ore can be reached, which also increased fuel consumptions and further increased per tonne mining costs during the quarter. On a per ounce basis, cash costs for mining in Q3 2013 were further increased due to lower head grades and lower recovery, as discussed below in the processing costs section, compared to the same quarter of fiscal 2012.

Processing costs per ounce for Q3 2013 were $215, up from $130 per ounce in Q3 2012 mainly as a result of processing a much higher percentage of lower grade oxide and sulfide ore in the current quarter. In Q3 2013, the average mill feed grade was 1.72 g/t, compared to the 3.37 g/t in Q3, 2012, a 49% decrease quarter over quarter. Processing recovery rate in Q3, 2013 went down to 87% from 93.3% in

Q3, 2013, as a result of the lower feed grade and the sulfide content in the feed. The Company started processing sulfide ore in October 2012, or Q2 of fiscal 2013. On a per tonne basis, average crushing costs during Q3 2013 were lower than that of Q3 2012 due to efficiencies achieved through the plant expansion, completed in Q1 2013. Processing costs per tonne also decreased as a result of the plant expansion, that included lower labour, services and maintenance costs. Nevertheless, these cost savings were offset by the lower feed grade and recovery of the low grade oxide and sulfide ore, and resulted in higher processing costs per ounce quarter over quarter.

For the nine months ending March 31, 2013, mining cost per ounce was $104, up from $52 for the same period in 2012 mainly due to about 25% higher mining contract costs starting July 2012. In addition to the 25% rate increase year over year, on a per tonne basis, waste removal costs and ROM pad (super low grade ore) moving costs were 17% and 62% higher year over year due to longer distances for hauling. Drill and blast costs per tonne were 40% higher year over year due to mining sulfide ore and more drilling are now needed to reach the ore. Related to the drill and blast costs were fuel costs for drilling, which increased 64% year over year. During Q1 2013, the Company also reclaimed approximately 200,000 tonnes of low grade ore. While the reclamation of low grade ore may not have a significant impact on mining cost per tonne, it definitely would have an adverse effect on the cost per ounce of gold recovered. As with the quarterly analysis, on a per ounce basis, cash costs for mining in the first nine months of fiscal 2013 were further increased due to more processed ore, lower grade and lower recovery, as discussed below in the processing costs section, compared to that in fiscal 2012,

Processing costs per ounce for the nine months ending March 31, 2013 was $197, up from $137 per ounce in fiscal 2012. The increase was mainly due to the decrease in average mill feed grade from 4.39 g/t in fiscal 2012 to 2.17 g/t in fiscal 2013, a 102% drop, and lower processing recovery rate of 87.4% compared to 94.7% of that in fiscal 2012. The decreased feed grade and recovery rate were resulted from processing a higher percentage of lower grade oxide ore and the addition of sulfide ore to the blend in the current fiscal year. The Company started processing sulfide ore, in addition to oxide ore, in October 2012. On a per tonne basis, average crushing costs and processing costs for the first nine months of fiscal 2013 were lower than that in the corresponding period of fiscal 2012, as economies of scale were achieved through the expansion of the processing plant, completed in Q1 2013. Nonetheless, the savings from the enhanced efficiency were offset by the lower feed grade and the lower recovery rate, resulting in an overall upward trend of the processing costs per ounce of gold year over year.

The Company pays Royalties to the Malaysian Government based upon 5% of the market value of gold produced and an extra 2% to the PKNP (Pahang State Development Corporation) for gold produced from the Buffalo Reef ore. For Q3 2013, royalties paid per ounce was $96 compared to $132 paid in Q3 2012. For the nine months ending March 31, 2013, royalties paid per ounce was $95 compared to $111 for the same period in fiscal 2012. The decrease in royalty paid per ounce quarter over quarter and year over year was mainly due to more gold sold in current period, fluctuations in gold prices, as well as timing and quantity of gold outturn.

<u>Non-cash costs</u>

Non cash production expenses included depreciation and amortization of $2.89 million for the quarter (Q3, 2012 - $0.73 million), $7.79 million for the nine months (2012 - $2.74 million) and accretion of asset retirement obligations in the amount of $0.03 million for the quarter (Q3, 2012 - $0.02 million), $0.07 million for the nine months (2012 - $0.08 million). The increase in non-cash production expenses is due to the higher capitalized costs as a result of the phase III plant expansion, the start of commercial production of Buffalo Reef in Q3 2013 and the higher tonnage of ore processed (236,184 tonnes – Q3 2013, 83,447 tonnes – Q3 ,2012; 670,452 tonnes – 2013, 253,972 tonnes - 2012) , and higher volume of gold sold (12,500 ounces – Q3 2013, 7,301 ounces – Q3 ,2012; 36,405 ounces – 2013, 28,438 ounces - 2012).

Corporate general and administrative

Corporate expenses of $1.95 million for the three month period ended March 31, 2013 (Q3, 2012 – $1.00 million) and $4.93 million for the nine month period ended March 31, 2013 (2012 – $3.34 million) comprised of salaries, office and administration, legal and accounting, shareholder communications, conference and travel, regulatory compliance, project investigations, stock-based compensation, amortization and exploration expenses.

In addition to stock-based compensation expenses of $0.13 million for the three months and $0.39 million for the nine months ended March 31, 2013 (Q3, 2012- $0.10 million, 2012 - $0.42 million), regulatory compliance of $0.03 million for the three months and $0.05 million for the nine months ended March 31, 2013 (Q3, 2012 - $0.04 million, 2012 – $0.05 million) and amortization of $0.03 million for the three months and $0.09 million for the nine months ended March 31, 2013 (Q3, 2012 - $0.06 million credit, 2012 – $0.09 million), the Company incurred other corporate expenses of $1.76 million for the three months and $4.41 million for the nine months ended March 31, 2013 (Q3, 2012- $0.92 million, 2012 - $2.78 million), which represents an increase of 90% for the three month period and an increase of 58% increase for the nine month period ended March 31, 2013 in comparison to the corresponding periods for fiscal 2012.

General and administrative expenses increased by 120% to $0.87 million from $0.39 million for the three months ended March 31, 2013, and include salary expenses of $0.65 million (Q3, 2013 - $0.31 million) and office rent and utilities and general office expenses $0.21 million (Q3, 2012 - $0.08 million). General and administrative expenses increased by 83% to $2.30 million from $1.18 million for the nine months ended March 31, 2013, and include salary expenses of $1.83 million (2012 - $0.90 million) and office rent and utilities and general office expenses $0.47 million (2012 - $0.28 million). The salaries and administrative expenses increased from prior year due to staff increase to accommodate the growth of the Company and annual bonuses to directors and employees.

For the three month period ended March 31, 2013 the Company incurred $0.13 million (Q3, 2012 - $0.11 million) in stock-based compensation expenses net of forfeitures. For the nine month period ended March 31, 2013 the Company incurred $0.41 million (2012 - $0.45 million) in stock-based compensation expenses net of forfeitures. The decrease was mainly due to the passage of time amortizing existing stock options and a reduction of new stock options being granted.

Legal, consulting and audit expenses increased 77% to $0.60 million from $0.33 million for the three months ended March 31, 2013 as a result of legal and consulting fees incurred for private placements that were later withdrawn in Q3, 2013. For the nine months period ended March 31, 2013, legal, consulting and audit expenses increased 55% to $1.32 million from $0.85 million in the corresponding period mainly due to legal fees spent on the private placements being withdrawn and legal fees incurred in negotiating a Harmonization Agreement among Phoenix Lake Sdn. Bhd. ("PLSB'), ZCM Minerals Sdn. Bhd. ("ZCM"), Monument Mengapur Sdn. Bhd. ("MMSB") and its subsidiary Cermat Aman Sdn. Bhd. ("CASB") (collectively the "Parties"). A press release discussing the Harmonization Agreement was issued on October 9, 2012.

Shareholder communications and travel expenses increased by 51% to $0.30 million from $0.20 million for the three months ended March 31, 2013 and increased by 4% to $0.78 million from $0.75 million for the nine months ended March 31, 2013 and the corresponding period. The variance in the quarter primarily reflects a deferral of Shareholder communication costs related to the deferral of the Annual General Meeting as published in a press release dated November 14, 2012.

Amortization increased by 150% from negative $0.06 million to $0.03 million for the three month period ended March 31, 2013. For the nine month period ended March 31, 2013, amortization remained the same compared to the previous fiscal year at $0.09 million

Other income (loss)

The Company recognized a gain/loss in the income statement on the change of fair value of share purchase warrants with an exercise price in CAD, which is different than the Company's functional currency (US dollar). The Company re-measures the fair value of the foreign currency denominated share purchase warrants at each reporting date using the Black-Scholes model and translates it into US dollars using the exchange rates at the reporting date. A gain of $0.87 million (Q3, 2012 - loss of $2.20 million) was recorded for the three month period ended March 31, 2013 and a gain of $1.04 million (2012 – gain of $12.19 million) was recorded for the nine month period ended March 31, 2013 due to the change in fair value of foreign currency share purchase warrants, which was mainly driven by fluctuating share price of the Company.

The Company recognized a gain as a result of a change in the fair value of gold forward purchase contract of $0.02 million for the three months ended March 31, 2013 (Q3, 2012 - $1.10 million) and a gain of $0.48 million for the nine month period ended March 31, 2012 (2012 gain - $1.16 million). This gain is the result of revaluing the undelivered gold balance at fair value, based on the greater of the discounted settlement cash and the gold forward market price as at the reporting date as explained in note 5 in the financial statements.

On August 11, 2010, the Company closed a $13 million (CAD 13 million) financing consisting of $7.65 million (CAD 8 million) in convertible notes and $5 million (CAD 5 million) from a forward gold sale. During the three and nine months period ended March 31, 2013, $0.13 million and $0.66 million (Q3, 2012 – $0.24 million; 2012 - $0.68 million) of interest accretion on the convertible notes was charged to income statement. On February 15, 2013, the Company issued 20,000,000 common shares at an issue price of CAD$0.4 per share and 20,000,000 common share purchase warrants at an exercise price of CAD$0.50 per share to the convertible note holders under an early retirement arrangement with premium payment of CAD$6.50 million. Based on the fair market value of the considerations the note holders received under the early retirement arrangement, the Company recognized a loss of $6.96 million for the period ending March 31, 2013.

The Company recognized the gold inducement issued in conjunction with convertible notes as a derivative financial instrument comprised of two components. The first component is a foreign exchange derivative and the second component consists of a written option contract for a non-financial instrument that is readily convertible to cash (gold). The inducement has been recorded as a derivative liability in the statement of financial position. Changes in the fair value of these derivative liabilities are recorded as a component of other income (loss). During the three month period ended March 31, 2013, the change in fair value of this derivative liability resulted in a gain of $0.38 million (Q3, 2012 – gain of $0.96 million) and during the nine month period ended March 31, 2013 the Company recognized a loss of $0.01 million (2013 – loss of $0.33 million), as explained under note 14 in the financial statements. On February 15, 2013, the Company bought out the gold inducement totaling 8,571 ounces from the note holders along with the early retirement of the convertible notes. CAD$6.05 million was paid and a loss of $1.41 million was recognized for the period ending March 31, 2013.

In February 2013, the Company settled an outstanding legal disagreement with Tulum Corporation and its sole-shareholder, Mr. Francois Marland. Tulum and Mr. Marland had claimed damages against the Company in connection with various matters, including the Company's cancellation of the proposed private placements to Tulum, which the Company had originally announced in 2011 and 2012. Under the terms of the settlement agreement, the Company made two cash dispersals to Tulum of CAD$6 million each by March 1,

2013. In turn, Mr. Marland agreed to invest CAD$6 million for the purchase of 12 million shares in the Company's brokered private placement, fully support the Company's management and the present Board of Directors for a period of 12 months from the date of the agreement and to release the Company and its directors and officers from any claims related to these matters. A total of $11.97 million was expensed under legal settlement during the period ending March 31, 2013.

The Company earned interest income of $0.06 million for the three months and $0.73 million for the nine months ended March 31, 2013 (Q3, 2012- $0.03 million, 2012 – $0.12 million). Interest generated from the penalty interest on the gold forward purchase contract was $nil for three months and $0.54 million for the nine months ended March 31, 2013 (Q3, 2012 & 2012 - $nil) and bank interest on the cash and cash equivalents balance for the three month period ended March 31, 2013, $0.06 million and $0.18 million for the six month period ended March 31, 2013 (Q3, 2012 - $0.03 million, 2012 - $0.12 million).

The Company recorded a foreign exchange gain of $0.06 million and a loss of $0.54 million (Q3, 2012 gain - $0.03 million, 2012 gain – $0.41 million) for the three and nine month periods ended March 31, 2013 driven by fluctuations in the US dollar and the Malaysian Ringgit influenced by an increased amount of supplier payments and cash balances.

The $3.84 million impairment loss on tangible assets comprised of two components: write-off of the Mersing Project and write-down of a spare ball mill under property, plant and equipment during the three months ending March 31, 2013. On March 18, 2013, the Company announced that due to the uncertainties regarding the registration and renewal of the mining certificate for the 256 hectares of prospective land that comprise the Mersing Project, it has decided to abandon its interest in the Mersing Project and will not be completing any exploration activities on the project or pursue an earn-in of an interest in the project. As a result, a loss of $1.39 million was recorded upon abandonment of the project (see note 9(d) of the financial statements for details).

During Q3, 2013, management of the Company has identified a spare ball mill as possibly impaired and concluded that the ball mill has a lower recoverable value than its carrying value at the time of assessment. An impairment loss of $2.45 million was incurred as a result.

1.5 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 at Selinsing, Buffalo Reef, Famehub, Mersing, and Mengapur.

The Company's cash and cash equivalents, including the restricted cash balance, but excluding funds in escrow, as at March 31, 2013 was $27.65 million increased by $22.39 million from $5.26 million as at March 31, 2012.

- For the three and nine month period ended March 31, 2013, cash in the amount of $0.27 million and $27.39 million was generated from operations (Q3, 2012- $12.53 million, 2012 – $35.56 million);
- For the three and nine month period ended March 31, 2013, $12.47 million and $12.47 million of cash was used and $20.17 million and $32.69 million of cash was provided from financing activities (Q3, 2012 & 2012– $5.00 million & $5.01 million being used and $0.07 million & $5.79 million being generated); and
- For the three and nine month period ended March 31, 2013, $5.00 million and $29.35 million of cash was spent on investing activities for development costs, acquisition of property, plant and equipment acquisitions and construction (Q3, 2012 - $55.42 million, 2012 – $69.24 million).

For the three month period ended March 31, 2013, changes in non-cash working capital items amounted to a cash outflow of $0.78 million compared to the inflow of $3.02 million for the corresponding period in the prior year. The cash outflow for the current period consisted of accounts receivable of $1.73 million, prepaid expenses and deposits of $0.07 million, inventory of $1.47 million, offset by accounts payable and accrued liabilities of $1.77 million and restricted cash of $0.72 million. The inflow for the same period ended March 31, 2012 was due to accounts receivables of $4.88 million, offset by prepaid expenses of $0.17 million, inventory of $1.32 million and accounts payable and accrued liabilities of $0.37 million. The decrease in non-cash working capital items was primarily due to the decrease of accounts receivable from gold sales as a result of timing differences.

For the nine month period ended March 31, 2013, changes in non-cash working capital items amounted to a cash outflow of $2.76 million compared to the outflow of $1.16 million for the corresponding period in the prior year. The cash outflow for the current period consisted of accounts receivable of $1.77 million, prepaid expenses of $0.60 million and Inventory of $4.16 million; offset by accounts payable accrued liabilities of $0.68 million and restricted cash of $3.09 million. The $1.16 million outflow for the same period ended March 31, 2012 was due to prepaid expenses of $0.18 million and Inventory of $2.89 million; offset by trade and other receivables of $1.67 million and accounts payable accrued liabilities of $0.24 million.

For the three month period ended March 31, 2013, the Company had a cash inflow of $7.71 million (Q3, 2012 - $4.93 million outflow) from financing activities. The cash inflow of $20.17 million (Q3, 2012 – $0.07 million) was from private placements offset by the outflow from $6.45 million (Q3, 2012 – nil) made to retire the convertible notes early, and $6.01 million (Q3, 2012 – nil) to buy out the gold inducement options.

For the nine month period ended March 31, 2013 cash inflow was $20.17 million from private placements, $12.51 million from exercise of stock options and warrants offset by $6.45 million for early retirement of convertible notes, $6.01 million to buy out the gold inducement options and $0.01 million for payment of finance lease obligations. For the nine month period ended March 31, 2012 cash inflow was $4.13 million from exercise of stock options, warrants and $1.57 million from the proceeds from gold forward contracts. This was offset by the cash outflow from payments for gold forward purchase of $5.00 million and finance lease obligations of $0.01 million.

Investing activities had a cash outflow of $5.00 million for the three month period ended March 31, 2013 (Q3, 2012 – $55.42 million outflow) of which, $1.00 million (Q3, 2012 – nil) was outflow from funds in escrow as payment to vendor for the Mengapur project, $0.28 million (Q3, 2012 - $9.04 million) was spent on purchase of plant and equipment, $nil (Q3, 2012 – $3.57 million) was used for phase III plant expansion and $nil (Q3, 2012 - $0.48 million) was used for the tailing storage facility expansion.

Investing activities had a cash outflow of $29.35 million for the nine month period ended March 31, 2013 (Q3, 2012 – $69.24 million) of which $16 million was related to the acquisition of the 30% additional interest in the Mengapur polymetalic project in December 2012, $1.49 million (Q3, 2012 – $13.71 million) related to construction and other capital expenditure. During the nine month period ended March 31, 2013, $0.83 million (2012 – $7.07 million) was used for the Phase III plant expansion, $nil (2012 – $1.64 million) was used for the construction of the new tailings storage facility, and $0.75 million (2012 – $5.00 million) was used for other capital expenditure.

During the three months ended March 31, 2013 mineral properties exploration, development and acquisition costs, including the deferred business development costs were $3.72 million (Q3, 2012 – $46.37 million). This was represented by Exploration & Evaluation costs and deferred business development costs, including drilling, assays, geological studies & site activities.

During the nine months ended March 31, 2012 mineral properties exploration, development and acquisition costs, including the deferred business development costs were $26.85 million (2012 – $55.53 million). This was represented by the $16 million acquisition activities of 30% additional interest in the Mengapur Polymetalic project in December, the $nil for stamp duty on the acquired shares for the Mersing project (2012 – $0.54 million for Mersing project acquisition) and exploration & evaluation costs and deferred business development costs, including drilling, assays, geological studies & site activities of $10.85 million (2012 – $8.62 million).

As at March 31, 2013, the Company had a positive working capital, after excluding derivative liabilities, of $57.44 million compared to $26.65 million as at March 31, 2012. The increase of $30.79 million was mainly the result of cash proceeds from the private placements as well as gold sales.

1.6 Capital Resources

The Company's capital resources as at March 31, 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.

Brokered Private Placement

In the third quarter of fiscal 2013, the Company closed a brokered private placement by two tranches:

On February 12, 2013, the Company issued 30,000,000 common shares at an issue price of CAD$0.50 per share, for gross proceeds of CAD$15 million. The total cash commission for this issuance was CAD$1.05 million and 2,100,000 agent options, exercisable for a period of 24 months after closing, at the exercise price of CAD$0.50 per common share, were issued.

On March 6, 2013, the Company issued 14,500,000 common shares at an issue price of CAD$0.50 per share, for gross proceeds of CAD$7.25 million. The total cash commission for this issuance was CAD$0.51 million and 1,015,000 agent options, exercisable for a period of 24 months after closing, at the exercise price of CAD$0.50 per common share, were issued. Total cash proceeds of these offerings, net of cash commissions and transaction costs, was $20.01 million.

The Company intends to use the net proceeds from these offerings for the initial development of the Mengapur Polymetallic Project, and for general corporate purposes.

Conversion of Convertible Notes

On February 15, 2013 the Company issued 20,000,000 Common Shares at an issue price of CAD$0.40 per common share and 20,000,000 common share purchase warrant exercisable at a price of CAD$0.50 per common share to the convertible note holders (the "Note Holders") under an early retirement of convertible notes arrangement with premium payment of CAD$6.50 million. The Company also bought the inducement gold options totaling 8,571 ounces from the Note Holders for CAD$6.05 million. Certain terms of the definitive early retirement agreement have not yet been finalized.

Included in the early retirement agreement is a repurchase clause under which the formal Notes Holder has a right to request the Company to repurchase 17,500,000 of the 20.000,000 converted shares for a period of 30 months from the date of that agreement at $0.40 per share.

In light of an alleged fundamental breach of the early retirement agreement by one of the former Note Holders, management has obtained legal advice that it has a supportable position that the Company does not have a liability related to this repurchase clause. Management is currently reviewing this matter with the former Note Holder.

Exercise of Stock Purchase Warrants

During the nine months ended March 31, 2013, $12.51 million was received through exercise of stock purchase warrants and stock options of the Company. GoldMet B.V., a Netherland based company ("GoldMet"), has purchased 24,112,500 transferrable stock purchase warrants of Monument privately and exercised them at CAD$0.50 per share before the expiry date of July 21, 2012. The remaining balance of 43,212,500 stock purchase warrants expired on July 21, 2012.

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.

Commitment and Contingencies (000's)

	2013	2014	2015	2016	2017	Total
Operating leases	98	60	3	-	-	161
Purchase commitments	1,132	6,825	-	-	-	7,957
Financing commitments	-	-	4,923	-	-	4,923
Mineral property fees	7	7	7	7	7	35
Total	1,237	6,892	4,933	7	7	13,076

Operating leases are for premises and vehicle lease. Purchase commitments are primarily for mining operations. The Company also has Financing commitments through its Gold forward sale instruments. The Gold forward sale contract is discussed in note 13 in the financial statements.

Upon closing of the Mengapur acquisition, the Company withheld $11 million out of $60 million total cash consideration according to the Supplementary Definitive Agreement as the Escrow Fund in order to settle any potential claims from the vendor's creditors against Mengapur Project and the Company. In January 2013, the Company paid $1 million from Escrow Fund to the vendor, bringing the Escrow Fund balance down to $10 million as at March 31, 2013.

1.7 Off Balance Sheet Arrangements

None.

1.8 Transactions with Related Parties

Refer to note 23 of the condensed consolidated financial statements as at March 31, 2013.

1.9 Proposed Transactions

None.

1.10 Subsequent Events

On April 11, 2013, the Company paid $5 million from funds held in escrow to a vendor of the Mengapur project. This resulted in escrow fund balance to be reduced to $5 million.

On May 15, 2013, the Company and Central Australia Phosphate Limited ("CEN") announced the signing of a binding Heads of Agreement under which both parties have agreed, subject to the satisfaction of certain conditions, to establish a joint venture in respect of CEN's phosphate projects at Arganara, Lucy Creek and Warrabri ("Phosphate Projects") ("Joint Venture") located in the Northern Territory, Australia. Under the Joint Venture, Monument will make a total investment of up to approximately $8.8 million, $7.3 million of which will be invested in the Phosphate Projects, over a 4.5 year period to earn up to a 51% participating interest. Subject to the satisfaction of certain conditions, Monument will make an upfront cash payment to CEN of $1.5 million to reimburse CEN for past expenditures in return for an initial 10% participating interest. Monument has committed to spend an additional minimum of $2.5 million on exploration within 12 months to earn a further 20% participating interest. Under the earn-in arrangement, Monument may eventually acquire up to a 51% interest in the Phosphate Projects.

1.11 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, the valuation of deferred consideration assets, 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.

1.12 Financial Instruments – Risk Exposure and Other instruments

The Company's financial instruments are classified as financial assets - loans and receivables (cash and cash equivalents, restricted cash, accounts receivable), financial liabilities – other financial liabilities (accounts payable, accrued liabilities) and the financial liabilities at fair value through profit or loss (forward purchase contracts, foreign currency share purchase warrants, convertible note inducement option).

The Company's financial instruments are exposed to certain financial risks, including market risk, credit risk, and liquidity risk.

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.

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 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 15 of the financial statements).

Based on the net exposures as at March 31, 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 or decrease of approximately $0.30 million (June 30, 2012 – increase $0.22 million) in the Company's net income, depreciation or appreciation of the CAD against US dollar would result in a decrease or increase of approximately $0.26 million (June 30, 2012 – increase $0.43 million) in net income.

Commodity price risk

As at March 31, 2013, the Company does not have any exposure to commodity price risks resulting from the gold inducement contracts, which were bought out in Q3, 2013 (Note 14 of the financial statements). The Company classified the gold forward purchase agreement as a derivative financial instrument (Note 5 of the condensed financial statements), which is re-measured at each reporting date at fair value based on the higher of the discounted settlement cash amount or the fair value of the undelivered gold balance based on forward market price. Assuming all other variables remain constant, a 5% increase/decrease in the market price of gold would result in $nil (June 30, 2012 – $0.38 million) unrealized fair value loss/income in the Company's net income.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices other than those arising from interest rate risk or foreign currency risk.

The Company values the warrant derivative liabilities at fair value using the Black-Scholes option pricing model and record gains and losses to other income. As at March 31, 2013 and assuming that all other variables remain constant, a 5% increase/decrease in the market price of the Company's shares would result in unrealized fair value loss/income of approximately $0.25 million (June 30, 2012 - $0.07 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.

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

Credit risk is the risk of a loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Company's maximum exposure to credit risk.

The Company's credit risk is attributable to its liquid financial assets. The Company established an investment policy to avoid any investments other than government t-bills, term deposits guaranteed by major Canadian financial institutions, or term deposits at major Malaysian banks which are guaranteed by the Malaysian government.

The Company's credit risk on the trade accounts receivable is negligible and the balances were collected subsequent to end of the reporting period.

The Company is exposed to concentration of credit risk with respect to cash and cash equivalents in the amount of $7.41 million (June 30, 2012 – $1.57 million) is held with a Malaysian financial institution. The amount of $30.25 million (June 30, 2012 – $17.83 million) is held with a Canadian financial institution.

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 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.

(in United States dollars, except where noted)

1.13 Outstanding Share Data

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

	Exercise Price,	Number of common shares	Expiry date
Common shares		275,058,030	
Common shares stock options			
	CAD 0.40	12,300,000	Aug 15, 2013
	CAD 0.25	915,501	Dec 05, 2013
	CAD 0.40	230,000	Dec 05, 2013
	CAD 0.50	400,000	Dec 05, 2013
	CAD 0.25	300,000	Feb 09, 2014
	CAD 0.30	300,000	Jun 08, 2013
	CAD 0.30	500,000	Jun 10, 2015
	CAD 0.42	3,000,000	Sep 29, 2015
	CAD 0.60	600,000	Nov 30, 2015
	CAD 0.68	20,000	Jan 27, 2016
	CAD 0.62	150,000	Jul 28, 2016
	CAD 0.61	150,000	Aug 29, 2016
	CAD 0.42	1,000,000	Jan 11, 2017
	CAD 0.45	180,000	Mar 7, 2017
	CAD 0.455	930,000	Sep 17, 2017
	CAD 0.455	500,000	Oct 9, 2017
Total		21,475,501	
Agent Options			
	CAD 0.50	2,100,000	Feb 12, 2015
	CAD 0.50	1,015,000	Mar 6, 2015
Total		3,115,000	
Share purchase warrants			
	CAD 0.50	25,000,000	Aug 11, 2015
Total		25,000,000	

1.14 Risks and Uncertainties

Monument Mining Limited is an exploration, development and gold production company which looks 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 impact on mine ability and recoverability, as well as metal prices which are highly cyclical, and government regulations, 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 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 Star Destiny Sdn. Bhd. 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 market, debt financing and cash flow generated from current production, which are largely influenced by integrated world and regional economies which are out of the Company's control. The management has successfully mitigated those risks in the past through exercise of due care, experiences 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 at 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.

1.15 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 June 30, 2011, 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 March 31, 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 weakness.

Inventory control:

The Company's Inventory system is operated manually, therefore, it is exposed to risk of human errors and is not considered efficient. Inventory software was purchased but the development has not been completed. The Company has engaged a consulting firm to design an inventory system and the work is in progress.

Gold Security:

In March 2012, the Company broke up a gold stealing syndicate at Selinsing. The Company has called in the Malaysian Police for an immediate investigation and engaged Gold Security Group ("GSG") from Perth, Australia to assist local policy investigation, conduct security audit in identifying weakness of control over security and assist to design a standard gold security procedure in order to strengthen security measures at the gold mine.

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.