



May 30, 2014

News Release

Release #19 - 2014

## Monument Reports Third Quarter Fiscal 2014 Results

### Gross Revenue of \$12 million with Cash Cost of US\$654/Oz

Vancouver, B.C., May 30, 2014, Monument Mining Limited (TSX-V: MMY and FSE: D7Q1) “Monument” or the “Company” today announced its third quarter production and financial results for the three and nine months ended March 31, 2014. All amounts are in United States dollars unless otherwise indicated (refer to [www.sedar.com](http://www.sedar.com) for full financial results). This release should be read in conjunction with the previously announced production results on May 2, 2014.

#### Third Quarter Highlights:

- Gross Revenue from gold sales of \$12.09 million (Q3 Fiscal 2013: \$20.33 million);
- Profit margin generated from gold production of \$3.29 million (Q3 Fiscal 2013: \$13.15 million);
- Gold production of 7,487 ounces (“oz”) (Q3 Fiscal 2013: 13,255oz);
- Cash cost per ounce of US\$654/oz (Q3 Fiscal 2013: US\$440/oz);
- Oxide Magnetite purchase and profit sharing agreement completed at the Mengapur project; and
- Acquisition of the Murchison Project in Australia completed and commencement of targeted exploration programme.

#### Third Quarter Production and Financial Highlights

	Three months ended March 31		Nine months ended March 31	
	2014	2013	2014	2013
<b>Production</b>				
Ore mined (tonnes)	101,955	281,827	405,347	567,678
Ore processed (tonnes)	263,990	236,284	765,613	670,553
Gold production <sup>(1)</sup> (oz)	7,487	13,255	26,590	40,063
Gold sold (oz)	9,550	12,500	28,270	36,405
<b>Financial (in thousands of US dollars)</b>				
	\$	\$	\$	\$
Revenue	12,094	20,325	36,436	60,770
Net income before other items attributable to shareholders	1,231	9,951	4,786	33,355
Net income attributable to shareholders	(913)	(12,973)	2,279	10,318
Cash flows from operations	4,275	267	11,629	27,385
Working capital excluding derivative liabilities	43,143	57,436	43,143	57,436
EPS before other items – basic (US\$/share)	0.00	0.04	0.02	0.15
EPS – basic (US\$/share)	(0.00)	(0.05)	0.01	0.05
<b>Other</b>				
	US\$/oz	US\$/oz	US\$/oz	US\$/oz
Average realized gold price per ounce sold				
Cash cost per ounce <sup>(2)</sup> Mining	240	119	204	104
Processing	358	215	315	197
Royalties	53	96	67	95
Operations, net of silver recovery	3	10	2	5
<b>Total cash cost per ounce</b>	<b>654</b>	<b>440</b>	<b>588</b>	<b>401</b>

(1) Defined as good delivery gold bullion according to London Bullion Market Association (“LBMA”), net of gold dore in transit and refinery adjustment

(2) 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.

#### Financial Results and Discussion

During the third quarter of 2014, mining operations at Selinsing generated a profit margin of \$3.29 million (Q3 fiscal 2013: \$11.91 million) from revenue of \$12.09 million (Q3 fiscal 2013: \$20.33 million). The trend of positive results has continued despite a sharp decline in the gold price and a slowdown of production as a result of prioritizing the processing of low grade

oxide materials while stockpiling refractory mineralization for future processing. Further discussion of production results for the March quarter are outlined in the Management Discussion and Analysis together with the announcement dated May 2, 2014 and should be read in conjunction with this release.

Cash costs per ounce sold for the third quarter were US\$654/oz compared to US\$440/oz for the corresponding period last year, while cash costs for the nine month period ended March 31, 2014 were US\$588/oz, compared to US\$401/oz in fiscal 2013. Mining costs per ounce for Q3 fiscal 2014 were \$240 per ounce, up from \$119 per ounce in Q3 fiscal 2013. The increase in mining costs per ounce is attributable to both an increase in costs on a per tonne basis and to lower head grades and lower recovery. On a per tonne basis mining costs were higher due to longer distances now required for hauling. In addition, drill and blast costs were also higher due to mining harder sulphide ore and deeper drilling at Selinsing.

Processing costs per ounce for Q3 fiscal 2014 were \$358 per ounce, up from \$215 per ounce in Q3 fiscal 2013. The increase is mainly a result of processing lower grade oxide and sulphide ore in the period. In Q3 fiscal 2014 the average mill feed grade was 1.28 g/t, compared to 1.72 g/t in Q3 fiscal 2013, a 25.58% decrease quarter over quarter. Processing recovery rate in Q3 fiscal 2014 reduced to 75.76% from 87.00% in Q3 fiscal 2013, as a result of the lower grade and the higher sulphide content of the feed.

The net loss attributable to common shareholders for the quarter was \$0.91 million, or (\$0.00) per share (basic) compared to a loss of \$12.97 million, or (\$0.05) per share (basic) in Q3 fiscal 2013. For the nine month period ended March 31, 2014, the net income attributable to shareholders was \$2.28 million, or \$0.01 per share (basic) compared to \$10.32 million, or \$0.05 per share (basic) in the corresponding period for fiscal 2013. The decrease in earnings per share for the nine month period ended March 31, 2014 is primarily due to a reduction in the gross margin generated from the Selinsing gold mine, offset by other losses recognized in fiscal 2013. Working capital as at March 31, 2014 was \$43.14 million (2013: \$57.44 million). The decrease in working capital is primarily attributable to the investment in the Murchison project and exploration activities in Malaysia during the quarter, offset by cash proceeds generated from mining operations.

### **Research and Development (“R&D”)**

The Company announced during the quarter that R&D activities have demonstrated that flotation of sulphide materials at the Selinsing and Buffalo Reef gold mines has the potential to produce a gold concentrate which may be acceptable to buyers. The research conducted to date has been encouraging and a number of samples have been delivered to potential buyers in China and elsewhere for assessment. The Company is now working on refining the costs of producing the concentrate, researching various packaging, handling and shipping alternatives and negotiating with a number of smelters.

The Company believes there is a potential to market magnetite and other iron extracted from top soils on the Mengapur Project. During the third quarter of fiscal 2014, the Company undertook R&D activities related to the development of a number of marketable commodity products. Operational priorities of research and development have been focused on the production of market grade magnetite with the goal of generating cash flow in the near-term and the R&D and market research of other potential downstream commodity products. In addition, the Company believes there is an opportunity to separate magnetite and other iron from the copper and other metals in the fresh rock at the Mengapur site. An on-site R&D laboratory has been built to develop and prove a viable flow sheet circuit for recovery of magnetite from fresh rock. If successful, the Company plans to build a magnetite concentrate processing plant on the Mengapur Project in order to produce marketable-grade magnetite from the sulphide mineralization.

### **Acquisitions**

During the quarter, the Company completed the acquisition of the Murchison Gold Project in Western Australia through its wholly owned Australian subsidiary Monument Murchison Pty Ltd for consideration of AUD\$15 million cash. The project includes a highly prospective land package of approximately 98 square kilometers, including a number of mining and exploration tenements. The tenements include a Joint Ore Reporting Committee (“JORC”) compliant historical resource, a fully operational gold processing plant, a newly developed camp site and all necessary supporting infrastructure. The Company has moved quickly to commence a targeted exploration programme at the project to provide further confidence of the historical resources for future planning purposes and validate the previous drilling in order to upgrade the historical resource estimate to a NI43-101 compliant Mineral Resource.

The Company issued 25 million fully paid Monument common shares at CAD\$0.50 to Malaco Mining Sdn. Bhd. During the quarter in consideration for the acquisition of certain overburden in top soils of approximately 1.2 million tonnes that were previously stockpiled at Area C of the Mengapur Project. The transaction was executed in conjunction with a profit

sharing arrangement for production of magnetite from top soils at the same area. This acquisition provides Monument with the potential to turn overburden mining costs into a profitable operation and add significant value to the Mengapur Project. The removal of stockpiled material and overburden represents a large portion of upfront mine development and operational costs on the Mengapur Project, as the overburden would need to be removed before hard rock open pit material could be accessed for mining.

### **Exploration Progress**

Exploration at Selinsing, Buffalo Reef and FELDA lands during the third quarter was focused on the collation and interpretation of data, mapping geological structures, updating the resource estimate and drilling additional oxide targets. The Company continues to conduct infill and follow up drilling targeting highly prospective areas based on a previous successful drilling programme which provided both higher grade drill intercepts and shallow oxide intercepts. The total drill program at Selinsing, Buffalo Reef, and FELDA properties during the quarter consisted of 22 diamond drill holes totaling 2,088 meters. During the quarter, 109 drill hole assays from Selinsing, Buffalo Reef, and FELDA were finalized and received from the SGS Malaysia commercial lab.

Exploration activities at Mengapur have focused on the Company's Oxide Magnetite Development Plan, with further exploration activities being conducted during the quarter in support of this plan. The program focused on the identification of oxide magnetite material and included 800 m of drilling in 12 drill holes with analysis in progress. Data collection and analysis continued for the purpose of updating the resource estimate and NI 43-101 Technical Report. During the quarter, 57 drill hole assays from the Star Destiny and Mengapur (CASB) properties were finalized and received from the onsite SGS-managed lab.

### **About Monument**

Monument Mining Limited (TSX-V:MMY, FSE:D7Q1) is an established Canadian gold producer that owns and operates the Selinsing Gold Mine in Malaysia. Its experienced management team is committed to growth and is advancing the development of the Mengapur Polymetallic Project in Malaysia and the Murchison Gold Project in Australia. The Company employs 289 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.

Robert F. Baldock, President and CEO  
Monument Mining Limited  
Suite 1580- 1100 Melville Street  
Vancouver B.C. Canada V6E 4A6

FOR FURTHER INFORMATION visit the company web site at [www.monumentmining.com](http://www.monumentmining.com) or contact:

Nick Kohlmann, MMY Toronto	T: 1-647-478-3594	<a href="mailto:nkohlmann@monumentmining.com">nkohlmann@monumentmining.com</a>
Richard Cushing, MMY Vancouver	T: +1-604-638-1661 x102	<a href="mailto:rcushing@monumentmining.com">rcushing@monumentmining.com</a>
Wolfgang Seybold, AXINO GmbH Europe	T: +49 711-25 35 92 40	<a href="mailto:wolfgang.seybold@axino.com">wolfgang.seybold@axino.com</a>

*"Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release."*

### *Forward-Looking Statement*

*This news release includes statements containing forward-looking information about Monument, its business and future plans ("forward-looking statements"). Forward-looking statements are statements that involve expectations, plans, objectives or future events that are not historical facts and include the Company's plans with respect to its mineral projects and the timing and results of proposed programs and events referred to in this news release. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". The forward-looking statements in this news release are subject to various risks, uncertainties and other factors that could cause actual results or achievements to differ materially from those expressed or implied by the forward-looking statements. These risks and certain other factors include, without limitation: risks related to general business, economic, competitive, geopolitical and social uncertainties; uncertainties regarding the results of current exploration activities; uncertainties in the progress and timing of development activities; foreign operations risks; other risks inherent in the mining industry and other risks described in the management discussion and analysis of the Company and the technical reports on the Company's projects, all of which are available under the profile of the Company on SEDAR at [www.sedar.com](http://www.sedar.com). Material factors and assumptions used to develop forward-looking statements in this news release include: expectations regarding the estimated cash cost per ounce of gold production and the estimated cash flows which may be generated from the operations, general economic factors and other factors that may be beyond the control of Monument; assumptions and expectations regarding the results of exploration on the Company's projects; assumptions regarding the future price of gold of other*

*minerals; the timing and amount of estimated future production; the expected timing and results of development and exploration activities; costs of future activities; capital and operating expenditures; success of exploration activities; mining or processing issues; exchange rates; and all of the factors and assumptions described in the management discussion and analysis of the Company and the technical reports on the Company's projects, all of which are available under the profile of the Company on SEDAR at [www.sedar.com](http://www.sedar.com). Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.*