

Central Australian Phosphate and Monument Mining to Establish Phosphate Joint Venture

Monument Mining Limited ("Monument Mining") and Central Australia Phosphate Limited ("CEN") are pleased to announce the signing of a binding Heads of Agreement (the "Agreement") under which they have agreed, subject to the satisfaction of the conditions detailed below, to establish a joint venture in respect of CEN's phosphate projects at Arganara, Lucy Creek and Warrabri ("Phosphate Projects") ("Joint Venture").

Highlights

- Joint Venture to fund and support the continued exploration and development of CEN's Phosphate Projects.
- Under the Agreement, Monument Mining may earn an interest in up to 51% of the Phosphate Projects for a total investment of A\$8.8 million. Details of the earn-in include:
 - upfront cash payment to CEN of A\$1.5m to reimburse CEN for past expenditures to earn a 10% participating interest;
 - further investment of A\$7.3 million in the Phosphate Projects as follows:
 - A\$2.5 million commitment to earn a further 20% participating interest within 12 months;
 - a right to spend an additional A\$2.8 million to earn a further 12.5% participating interest within 36 months; and
 - a right to spend an additional A\$2.0 million to earn a further 8.5% participating interest within 54 months.
 - CEN would then retain a 49% interest in the Phosphate Projects.
- Monument Mining shall, after consultation with CEN, appoint the manager of the Joint Venture.
- CEN and Monument Mining have the right to receive the share of phosphate product or other minerals recovered in proportion to their participating interest.
- Monument Mining is entitled to a right of first refusal to enter into offtake sales contracts with CEN for CEN's share of phosphate product or other minerals recovered, with the terms of such contracts to be negotiated by the parties in good faith.
- CEN to retain control and ownership of all CEN non phosphate projects.
- The transaction with Monument Mining is subject to conditions precedent including CEN shareholder approval. CEN's directors unanimously recommend shareholders vote in favour of the relevant resolutions, in the absence of a superior proposal.

The Joint Venture

Under the Joint Venture, Monument Mining 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 satisfaction of the conditions noted below, Monument Mining 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 Mining 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 Mining may eventually acquire up to a 51% interest in the Phosphate Projects.

This material investment by Monument Mining in the Phosphate Projects, including CEN's strategic Arganara phosphate project, is a strong signal of support for CEN and has the potential to generate significant value for shareholders, especially in an environment of global population growth, increasing awareness of food security and fertiliser needs.

The Arganara phosphate project is located approximately 300km northeast of Alice Springs or approximately 1,200km south of Darwin and within 130km of the Darwin/Alice Springs rail line. In August 2012, CEN announced a maiden JORC phosphate Inferred Resource of 310 million tonnes at 15% P₂O₅ (using a 10% P₂O₅ cut-off).

CEN recently announced a new exploration potential estimate for the mineralised phosphate corridor east of the existing Arganara Resource, which clearly reinforces the potential of the Arganara phosphate project¹.

The Joint Venture will develop all of CEN's 100% owned tenements at Arganara, Lucy Creek and Warrabri. In respect of CEN's earn in arrangement with Fertoz Limited for EL26915 at Arganara, under the Agreement, CEN agrees to use best endeavours to obtain the consent or approval of Fertoz Limited to make arrangements such that EL 26915 is treated as if it was within the scope of the Joint Venture.

CEN will retain control and ownership of all CEN's non phosphate exploration projects.

Under the Agreement:

1. Monument Mining has the right to acquire a 51% interest in the Phosphate Projects as follows:
 - upfront cash payment to CEN of \$1.5m to reimburse CEN for past expenditures for a 10% participating interest in the Joint Venture;
 - minimum investment of \$2.5 million in exploration over 12 months to earn a further participating interest of 20%;
 - right to invest an additional \$2.8 million to earn a further 12.5% participating interest within 36 months; and
 - right to invest an additional \$2.0 million to earn a further 8.5% participating interest within 54 months.

CEN would then retain a 49% interest in the Joint Venture and Phosphate Projects.

¹ For more information, please refer to CEN's announcement dated 4 April 2013. The potential quantity and grade of the exploration target is conceptual in nature. There has been insufficient exploration to define a JORC mineral resource and it is uncertain if further exploration will result in the determination of a mineral resource.

2. Monument Mining shall, after consultation with CEN, appoint the manager of the Joint Venture and direct the nature and extent of exploration activities, including the preparation and execution of the work programmes and annual budgets.
3. CEN and Monument Mining have the right to receive the share of phosphate product or other minerals recovered in proportion to their participating interest.
4. Monument Mining entitled to a right of first refusal (but shall not be obliged) to enter into offtake sales contracts with CEN for CEN's share of phosphate product or other minerals recovered from the Phosphate Projects. The terms and conditions of any such offtake are to be negotiated by the parties in good faith.

Mr Robert Baldock, Chief Executive Officer and President of Monument Mining said:

"Monument Mining is pleased to announce this investment proposal which will see Monument Mining invest up to \$8.8 million to further advance the exploration and development of CEN's Phosphate Projects.

CEN's Phosphate Projects meet Monument Mining's longer-term strategic objective of sourcing a large and stable supply of phosphate.

We are pleased that the directors of CEN have decided to unanimously recommend our proposal to CEN shareholders, subject to no superior proposal emerging and we look forward to developing a strong relationship with CEN and a successful Joint Venture."

CEN Chairman Mr Robert Owen said

"The signing of the Agreement with Monument Mining represents a milestone for CEN and marks a significant step forward towards the advancement of CEN's Phosphate Projects.

The board is pleased to recommend the Monument Mining investment proposal to CEN shareholders in the absence of a superior proposal. The value ascribed to the Phosphate Projects, the opportunity to retain at least a 49% ongoing interest in the Phosphate Projects and the \$1.5 million upfront cash payment are considered to be attractive against a backdrop of uncertainty in global financial markets and your directors believe this investment proposal to be in the best interests of CEN shareholders in the absence of a superior proposal.

We are delighted to have secured Monument Mining as our business partner and look forward to a long and successful business relationship."

Heads of Agreement

In addition to the primary terms of the Joint Venture set out above, under the Agreement:

- the formation of the Joint Venture is subject to satisfaction of the following conditions:
 - CEN shareholders approve the Joint Venture at a shareholder meeting proposed to be held in late June ("**Meeting**");
 - CEN, Monument, the Central Land Council and any other relevant third party with which CEN has entered into an agreement in respect of the Phosphate Projects, have executed deeds of assumption pursuant to which Monument covenants to observe, comply with and be bound by the terms of the relevant agreement (if required pursuant to the terms of those agreements); and

- Any other approvals required under the ASX Listing Rules, CEN's constitution and the Corporations Act have been obtained;
- CEN must pay a break fee of \$90,000 to Monument Mining if:
 - a majority of CEN shareholders do not vote in favour of the Joint Venture proposal at the Meeting and either:
 - (i) a third party has acquired or subsequently acquires a relevant interest (whether alone or together with any associate(s)) in more than 50% of CEN shares (and if that acquisition was pursuant to a takeover bid, the bid has gone unconditional) and the proposed acquisition was announced to ASX or notified to Monument Mining by CEN on or before the date of the Meeting; or
 - (ii) CEN disposes of all, or substantially all, of its interests in the Arganara phosphate project whether by way of sale, farm out, joint venture or other arrangements and the proposed disposal was announced to ASX or notified to Monument Mining by Central on or before the date of the Meeting; or
 - Monument Mining terminates the Agreement due to breach of the Agreement by CEN;
- Monument Mining must pay a break fee of \$90,000 to CEN if CEN terminates the Agreement due to breach of the Agreement by Monument Mining;
- notwithstanding the above, no break fee shall be payable (and any break fee already paid must be reimbursed) if at any time Monument Mining or any of its associates obtains voting power of 10% or more in CEN or obtains an interest of 10% or more in the Arganara Phosphate project whether by way of sale, farm out, joint venture or other arrangements; and
- subject to compliance with the board's fiduciary duties, until the earlier of 15 September 2013 and the date of the Meeting, CEN:
 - must not solicit or participate in any negotiations or discussions in relation to a competing proposal to the Joint Venture in respect of the Phosphate Projects, or communicate to any person an intention to undertake such activity, and must immediately notify Monument Mining if it is approached by any person to engage in such activity;
 - must cease and shall not recommence any discussions or negotiations relating to any competing proposal to the Joint Venture; and
 - must immediately notify Monument Mining if it receives notice of any proposal by a third party to acquire a relevant interest in more than 50% of CEN's shares.

Completion

The Agreement executed today is a binding agreement which imposes obligations on both Monument Mining and CEN to finalise and execute formal transaction documentation to effect the arrangements outlined above.

The transaction is subject to CEN shareholder approval which is currently anticipated to be sought in late June 2013. Relevant documentation will be sent to CEN shareholders in the coming weeks.



Subject to the satisfaction of the conditions noted above, the Joint Venture will be formed and this will trigger payment by Monument Mining of the initial earn in amount of \$1.5 million to CEN.

The approvals of the respective boards of Monument Mining and CEN have been obtained to implement the transaction, subject only to satisfaction of the conditions noted above.

CEN is being advised by Gresham Advisory Partners as financial adviser and Gilbert + Tobin as legal adviser.

Monument Mining is being advised by ICS Advisory as financial adviser and Hardy Bowen and DuMoulin Black LLP as legal advisers.

CEN shareholder information

The directors of CEN continue to recommend that CEN shareholders **REJECT** the takeover offer for CEN received from Rum Jungle Resources Limited ("**Rum Jungle Offer**"). To **REJECT** the Rum Jungle Offer you should simply **DO NOTHING** and **TAKE NO ACTION** in relation to all documents sent to you by Rum Jungle.

If you have any questions in relation to the proposed transaction, please contact the CEN Shareholder Information Line on 1800 336 109 from within Australia or +61 1800 336 109 from overseas.

For further information please contact:

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About Monument Mining

Monument Mining Limited is an established Canadian gold producer, listed on the TSX Venture Exchange and the Frankfurt Stock Exchange (TSX-V:MMY, FSE:D7Q1), that owns and operates the Selinsing Gold Mine in Malaysia. Its experienced management team is committed to growth and is advancing several exploration and development projects in Malaysia, including the advanced-stage Mengapur Polymetallic Project. Sourcing a large and stable supply of phosphate rock is a core component of Monument's longer term strategic objectives for the Mengapur Polymetallic Project and Monument more broadly. The Company employs 320 people in Malaysia and is committed to the highest standards of environmental management, social responsibility, and health and safety for its employees and neighbouring communities.

www.monumentmining.com

About CEN

Central Australian Phosphate is an exploration company focussed on exploration in the Northern Territory, with a portfolio consisting of the Aileron Project, Arganara Project, Lucy Creek Project, Westmoreland Project and the Warrabri Project.

www.nupowerresources.com.au

The information in this announcement that relates to CEN exploration results, background to the project, future work, comments on the resource estimates and economic potential of the estimated resource is based on information compiled by Mr Andrew Johnstone, who is a Member of the Australian Institute of Geoscientists. Mr Johnstone has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Johnstone, who is an officer of the Company, consents to the inclusion in this announcement of the matters based on his information in the form and context in which it appears.

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 Statements

This news release contains forward-looking information and forward-looking statements about Monument and CEN (together referred to herein as "forward-looking statements"). Forward-looking statements are statements that are not historical facts and include statements regarding the schedule and completion of various steps in the Joint Venture proposal. Forward-looking statements are based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made, and are inherently subject to a variety of risks and uncertainties and other known and unknown factors that could cause actual events or results to differ materially from those projected in the forward-looking statements. These risks and certain other factors include: CEN and Monument's expectations regarding the Joint Venture proposal, the response of CEN shareholders to the Joint Venture proposal, regulatory requirements applicable to the Joint Venture proposal, and other factors that may be beyond the control of CEN and Monument. Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of CEN and Monument to be materially different from those expressed or implied by such forward-looking statements, including the risks factors listed above, other risks inherent in the mining industry and other risks described in the management discussion and analysis of the CEN and Monument. Although CEN and Monument have 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. Neither CEN nor Monument undertake to update any forward-looking statements, except as required by applicable securities laws.