MANAGEMENT'S DISCUSSION & ANALYSIS

For the three and six months ended December 31, 2020
(in United States dollars, except where noted)

This Management's Discussion and Analysis ("MD&A") of Monument Mining Limited ("Monument" or the "Company") as of February 28, 2021 should be read in conjunction with the unaudited condensed interim consolidated financial statements of the Company for the three and six months ended December 31, 2020 and the notes related thereto, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), as well as the annual audited financial statements for the year ended June 30, 2020.

This MD&A contains "forward-looking statements" and should be read in conjunction with the *Cautionary Statement on Forward-Looking Statements* at the end of this MD&A. Non-IFRS performance measures referred under the section "*Non-IFRS Performance Measures"* in the MD&A are subject to risk factors set out in a cautionary note contained herein. All amounts are in United States dollars unless otherwise noted. References to "C$" or "CAD" are to Canadian dollars, "RM" are to Malaysian Ringgits and "AUD" are to Australian dollars.

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

1. EXECUTIVE SUMMARY

1.1 Second Quarter of Fiscal 2021 Highlights

- 3,754 ounces ("oz") of gold sold for $6.84 million (Q2 2020: 4,473oz for $6.61 million);
- Average quarterly gold price realized at $1,889/oz (Q2 2020: $1,486/oz);
- Cash cost per ounce sold was $1,103/oz (Q2 2020: $903/oz);
- Gross margin increased by 5% to $2.69 million (Q2 2020: $2.57 million);
- 2,963oz of gold produced (Q2 2020: 4,827oz);
- All-in sustaining cost ("AISC") increased to $1,601/oz (Q2 2020: $1,245/oz);
- Sold 80% interest in Tuckanarra Project to Odyssey to advance exploration; and
- Completed due diligence on the Mengapur transaction.

1.2 Company Overview

Monument Mining Limited (TSX-V: MMY, FSE: D7Q1) is an established Canadian gold producer and mining asset developer. The Company owns the 100% interest in Selinsing Gold Mine and Murchison Gold Project portfolios, as well the Mengapur Copper and Iron portfolio. The Selinsing Gold Mine is located in Pahang State, within the Central Gold Belt of Western Malaysia, comprised the Selinsing, Buffalo Reef, Felda Land, Peranggih and Famehub projects. Murchison is located in the Murchison region, Western Australia ("WA"), Australia, comprised the Burnakura, Tuckanarra and Gabanintha projects. The Mengapur Copper and Iron portfolio (the "Mengapur Project") is located in Pahang State, Malaysia.

Monument's primary business activities include advancing its mineral projects from exploration stage to production stage and conducting mining and processing operations to generate profit from sustainable precious metal production. Its business strategy consists of four perspectives. The shareholder perspective is to provide a satisfactory return to shareholders. The growth perspective is to increase its mineral resource inventory to achieve higher sustainable production. The operations process perspective is to maximize production performance and efficiency and enhance exploration success. The financial performance perspective is to have effective budgetary control, maintain efficient operational excellence and improve the quality of assets by advancing exploration and evaluation projects to producing mines. The Company's long-term goal is to become a sustainable dividend paying, mid-tier gold producer.

Monument has an experienced management team with demonstrated ability to effectively build profitable operations. The Company employs approximately 200 people and is committed to the highest standards of environmental management, social responsibility, and health and safety for its employees as well as for its neighboring communities. Monument's Head Office is located at Vancouver, British Columbia, Canada. It operates through its subsidiaries in Pahang State, Malaysia and Western Australia, Australia.

1.3 Review of Operations

During the first six months of fiscal 2021, the Company has completed an economic valuation of each of its wholly-owned projects, closed the Tuckanarra JV Transaction, and streamlined the gold portfolio by entering into the Sale and Purchase Agreement on January 8, 2021, subsequent to the second quarter, for spinning out the Mengapur base metal project. The market has reacted favorably to this move with trading volume lifted to more than 9 million in January and the market cap raised around 30%. Given the favor of gold in the market and upon closing the Mengapur transaction, the Company's strategy to "Unblock the Value" has already seen the light at the end of the tunnel. The proceeds from the transaction will be available to advance the Company's gold portfolio in Western Australia and Malaysia, and to support corporate development.

Strategy Highlights

Moving forward, the Company announced its strategy as of February 16th, subsequent to the 2nd quarter end, to build incremental gold resources and reserves through exploration, expansion and disciplined acquisitions, and to locate resources as well as build up market awareness in order for the market to reflect the Company's value thus transforming the Company's upside potential to benefit our shareholders. The milestones are summarized as follows:

- To establish the Murchison Gold Project as a cornerstone gold development project by carrying out a two-year exploration program;
- To place the Selinsing Sulphide Project into production by implementing a two-stage approach, deliver flotation production in the second quarter of 2022;
- To build the production profile of the Company through additional targeted acquisitions in the gold sector.

General Operations

Fiscal 2021 started with new challenges as a global COVID-19 pandemic carried forward from fiscal 2020. Monument gold production resumed gradually from a mining ban at its Selinsing gold mine during the first quarter of the new fiscal year. The pandemic has and may continue to have adverse impact on the Company's operations, cash flow and corporate development. The risks of it have continuously been monitored and mitigated according to the Company's plan.

The gold price surged to a record high in the second quarter ended December 31, 2020. Gold mining producers enjoyed higher production margins. As a result, the net cash increased by $0.63 million in the second quarter compared to a decrease of ($2.43) million in the same quarter of last year: Selinsing operations have kept generating positive cash in amount of $0.80 million for the second quarter (Q2 2020: ($0.78) million), regardless that the gold production decreased to 2,963oz from 4,827oz in the same period of last year. It was topped up by $0.01 million cash from financing activities, and offset by $0.17 million net cash consumed by investment activities, including $1.69 million (Q2 2020: $1.63 million) spent mainly on project maintenance and mine development, partially offset by net cash of $1.52 million, a partial proceeds received from the sale of an 80% interest in Tuckanarra.

Selinsing Mine production was focused on transitional sulphide ore at Selinsing Pit 4, Pit 5/6, blended with oxide materials from old tailings, Buffalo Reef pits and Peranggih trial mining pit. Further infill and step out drilling are planned to be carried out at Pit 5/6, aiming to lift up potential mineable gold materials. The transitional sulphide production decision resulted from metallurgical test work that indicated potential positive cash flow generation might be expected by processing the underlying leachable sulphides ore at the above pits through the current oxide treatment plant. However, the reader shall not use this production decision when considering investment alternatives. A cut back was carried out at Selinsing Pit 4 and Block 7 to gain access to additional oxide materials.

Peranggih oxide ore production continued; follow a positive result of the trial mining last year. During Q1 2021, further grade control (GC) drill program (PGC_1) was completed with additional 1,466 metres bringing total new drilling to 5,002 metres. The 2nd phase of approved 7,000 metres GC drill program commenced in Q2 2021. Total metres drilled for GC drilling in Q2 2021 was 5,496 metres, bringing the project total to 10,498 metres. From January 2020 to December 2020, 73,496t of material was mined at 0.89g/t Au with 64,736t being processed at 0.90g/t Au and 81% recovered through the mill. A total of 49,581t of ore was mined in Q2 2021 at 0.83g/t Au for 1,318oz of gold.

Murchison activities focused on upside potential for gold discoveries and potential cash generation opportunities by taking advantage of the gold price surge. The economic review was performed by management in the second quarter; it was submitted to SRK ("SRK Consulting Australasia Pty Ltd") for gap analysis as part of the production decision making process.

During the second quarter the Company completed a sale of 80% interest in its Tuckanarra Gold Project to Odyssey Gold Ltd. ("Odyssey") leaving Monument with a 20% free carry interest. An unincorporated joint venture was formed with Odyssey to further the exploration of Tuckanarra. Odyssey will be solely responsible for funding the exploration and evaluation activities at Tuckanarra.

The Company's development is dependent on cash generated by its gold production from remaining oxide ore and leachable sulphide ore inventory at the Selinsing Gold Mine, its success in obtaining funding to convert the Selinsing Gold Plant from an oxide process plant to a sulphide process plant and to develop its Murchison Gold Project into a second cash generating operation. In management's opinion both projects are highly prospective. However, there are no guarantees that the Company can obtain the necessary funding due to uncontrollable factors, including a volatile global economic environment.

1.3.1 *Project Development*

During the second quarter, Selinsing gold mine prioritized flotation plant construction as the first phase of the sulphide gold production project. Orway Mineral Consultants (WA) Pty Ltd. ("Orway") has been engaged to optimize flotation conceptual design based on the feasibility study work completed in January 2019 in order to produce saleable gold concentrates. On site laboratory continued test work at bioleach inoculum adaptation and propagation stage on flotation concentrate, including gravity recoverable gold (GRG) and carbon in leach (CIL) tests on samples of external concentrates, bioleach batch amenability test (BAT) on a selected sample of external concentrate, CIL bottle roll test on the bioleach solid residue, diagnostic leach tests on selected samples, cleaner flotation test program on BRC3 transition ore and routine GRG and CIL testing of Selinsing grade control samples. The results would be used to assist Orway in determination of proper independent lab works in Perth, WA.

Further development work was carried out including: an underground mining desktop study, Tailings Storage Facility ("TSF") development, and mining cutback and test work for oxide mining assessment at Peranggih in order to sustain Selinsing gold production.

Development work at Murchison was aimed to optimize regional exploration targets, assess early production opportunity. The mine plan was completed by management and the independent review carried out by SRK has continued into the third quarter, covering but not limited to resource modelling, mining optimization and scheduling, metallurgical recoveries and compliance, targeting completion in March 2021. In parallel geophysics from historical surveys (predominantly magnetics and EM) for both Burnakura and Gabanintha were reviewed and exploration target shapes, rankings and explanations were refined.

1.3.2 *Production*

Gold production for the three months ended December 31, 2020 was mainly from oxide ore from Selinsing Pit 4, Pit 5, Peranggih and Buffalo Reef, old tailing materials and transitional leachable sulphide ore from Selinsing Pit 5 and low-grade stockpile.

Gold production for Q2 2021 was 2,963oz, a 39% decrease as compared to 4,827oz of the same quarter of the previous year. The decrease mainly resulted from reduction in mill feed caused by shortage of crushed ore and lower recovery rate brought about by gold locked in leachable sulphide ore and gold taken from circuit with lower Au loading in carbon.

Ore processed in Q2 2021 decreased to 152,836t from 215,305t of the same quarter of last year. The decreased mill feed was mainly due to crushed ore shortage from low mining output, which was in turn caused by shortage of explosive supplies, and lack of stockpiled super low-grade oxide ore.

Gold recovered for the three months ended December 31, 2020 decreased by 43% to 2,560oz as compared to 4,456oz recovered in the same quarter of prior year.

During the three months ended December 31, 2020, mining operations at Selinsing generated a gross margin of $2.69 million as compared to $2.57 million of the same quarter of last year, before non-cash depreciation and accretion expenses of $0.92 million (Q2 2020: $1.42 million). Gold production decreased by 39% to 2,963oz (Q2 2020: 4,827oz). The Company sold a total of 3,754oz (Q2 2020: 4,473oz) of gold for gross revenue of $6.84 million (Q2 2020: $6.61 million) which comprised of 3,050oz (Q2 2020: 3,750oz) at an average realized price of $1,889 per ounce (Q2 2020: $1,486 per ounce) from production. There was gold prepaid delivery of 704oz for the three months ended December 31, 2020 at $1,525 per ounce (Q2 2020: 723oz at a realized price of $1,429 per ounce).

During the six months ended December 31, 2020, mining operations at Selinsing generated a gross margin of $5.73 million as compared to $5.21 million of the same period of last year, before non-cash depreciation and accretion expenses of $1.68 million (six months ended December 31, 2019: $2.67 million). Gold production decreased by 33% to 6,467oz (six months ended December 31, 2019: 9,679oz). The Company sold a total of 6,854oz (six months ended December 31, 2019: 8,796oz) of gold for gross revenue of $12.75 million (six months ended December 31, 2019: $12.95 million) which comprised of 6,150oz (six months ended December 31, 2019: 7,350oz) at an average realized price of $1,899 per ounce (six months ended December 31, 2019: $1,481 per ounce) from production. There was gold prepaid delivery of 704oz for the six months ended December 31, 2020 at $1,525 per ounce (six months ended December 31, 2019: 1,446oz at a realized price of $1,429 per ounce).

Cash cost per ounce increased by 22% to $1,103 per ounce for the three months ended December 31, 2020 from $903 per ounce of the same quarter of last year primarily due to additional mining services of pit dewatering, establishing Peranggih mining and hauling ore to Selinsing, additional reagents, processing time and energy required in leaching sulphide materials and lower mining rate with relatively fixed overheads.

Cash cost per ounce increased by 16% to $1,021 per ounce from $880 per ounce of the same period of last year. Higher mining costs for harder transition sulphide ore and higher requirement for reagents led to the increase in cash cost per ounce.

Ore stockpile has significantly reduced mainly due to adverse impact from shortage of explosive supplies resulting in a lower mining rate that has not yet been caught up. The COVID-19 pandemic has not helped in achieving the target. The Company has devoted its effort to improve the stockpile balance.

Production and financial results for the three and six months ended December 31, 2020 are summarized in Figure 1 below:

Figure 1: Operating and Financial Results

Selinsing, Felda Block 7, Buffalo Reef		Three months ended		Six months ended	
		December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Operating results	Unit				
Ore mined	t	112,073	88,255	193,649	135,052
Waste removed [1]	t	963,863	809,478	2,022,019	1,643,278
Stripping ratio		8.60	9.17	10.44	12.17
Ore stockpiled	t	90,502	145,084	90,502	145,084
Ore processed	t	152,836	215,305	319,268	449,334
Average ore head grade	g/t Au	0.89	0.98	0.94	0.98
Process recovery rate	%	58.4	65.8	61.3	68.8
Gold recovery	oz	2,560	4,456	5,903	9,783
Gold production	oz	2,963	4,827	6,467	9,679
Gold sold	oz	3,754	4,473	6,854	8,796
Financial results					
Gold sales	US$'000	6,835	6,606	12,754	12,949
Gross margin	US$'000	2,694	2,566	5,753	5,213
Weighted average gold price					
London Fix PM	US$/oz	1,890	1,485	1,899	1,481
Monument realized [2][5]	US$/oz	1,889	1,486	1,899	1,481
Cash costs per ounce sold [3][5]					
Total cash cost per ounce	US$/oz	1,103	903	1,021	880
All-in sustaining costs per ounce [4][5]					
Total all-in sustaining cost per ounce	US$/oz	1,601	1,245	1,389	1,264

(1) Waste removed of 2,022,019t for the six months ended December 31, 2020 includes 1,791,589t operating waste, 52,600t for TSF construction fill and 177,830t used for cutback (For the six months ended December 31, 2019, waste removed of 1,643,278t included 1,193,193t operating waste, 341,774t for cutback and 108,311t for TSF construction fill). The cost of waste removed for TSF construction was capitalized and not included in mining operations.

(2) Monument realized a weighted average gold price of 1,899US$/oz for the six months ended December 31, 2020. There was 704oz gold prepaid delivery for the six months ended December 31, 2020. For comparison purposes, Monument realized a weighted average gold price of 1,481US$/oz for the six months ended December 31, 2019. Readers should refer to section 14 "Non-IFRS Performance Measures".

(3) Total cash cost per ounce sold includes production costs such as mining, processing, TSF maintenance, camp administration, royalties, storage, temporary mine production closure, community development cost and property fees, net of by-product credits. Cash cost excludes amortization, depletion, accretion expenses, idle production costs, capital costs, exploration costs and corporate administration costs. Readers should refer to section 14 "Non-IFRS Performance Measures".

(4) All-in sustaining cost per ounce includes total cash costs, operation expenses, sustaining capital expenditures, corporate administrative expenses for the Selinsing Gold Mine including share-based compensation, exploration and evaluation costs, and accretion of asset retirement obligations. Certain other cash expenditures, including tax payments and acquisition costs, are not included. Readers refer to section 14 "Non-IFRS Performance Measures" for detailed descriptions of each calculation.

(5) Average gold price realized, cash cost per ounce sold and all-in sustaining cost are non-GAAP measures; for a reconciliation from this measure to the most directly comparable measure specified, defined or determined under IFRS and presented in our financial statements. Readers should refer to section 14 "Non-IFRS Performance Measures".

Figure 2: Gold production and cash costs per ounce

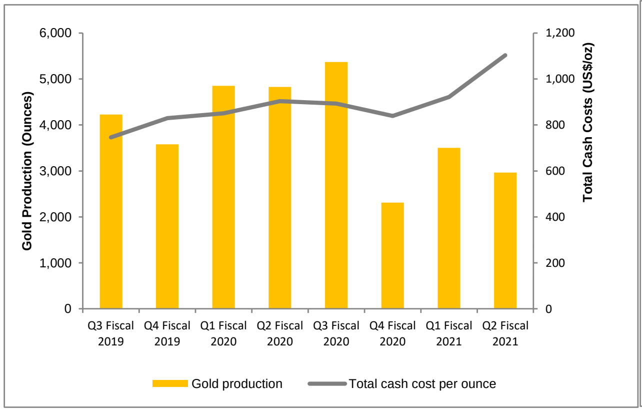
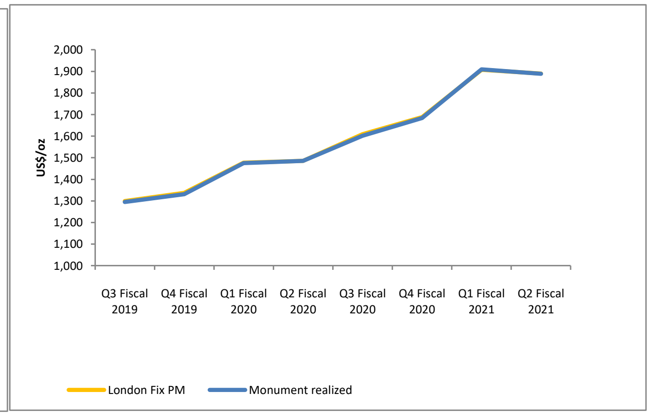


Figure 3: Quarterly Average Gold Price



1.3.3 *Exploration*

Malaysia

Sulfide: The sulphide mineralization at Selinsing and Buffalo Reef deposits is still open down dip, down plunge, and along strike. The follow-up drill programs will focus on adding resources and defining sulfide mineralization preferentially at depth below and around the existing pits within gap zones, in between the known resources that contain little drill hole information, through extension drilling for Buffalo Reef and to investigate underground opportunities with deep drilling at Selinsing Pits and extensions to the south. The main programs include down-dip and strike/plunge extension sulfide drilling programs plus resource definition drilling for Buffalo Reef Central ("BRC") and Felda Block 7; and Selinsing Deep's high-grade sulfide gold resource definition/extension drilling. The drill program at Felda Block 7 will also enable the Buffalo Reef South ("BRS") open pits to be extended at depth. Those programs are to be revisited after commencement of the flotation production.

Oxide: The Selinsing short-term exploration program is focused on existing mine areas, such as Selinsing, Buffalo Reef South (BRS), BRC, and Buffalo Reef North ("BRN"), to locate more oxide and leachable sulfide ore through extensional drilling to increase mill feed. Opportunities for infill and extension drilling have also been verified on and around Selinsing Pits, particularly Pit 5 and Pit 6, aiming to intercept oxide shallow high-grade mineralization and use current understanding from structural information and interpretation, including historical underground developments. An exploration drill program consisting of 947m over 14 holes at Pits 4, 5, and 6 was completed in Q2. The RC drilling program commenced in early December 2020, and it will continue in Q3 2021 with additional 181m over four holes remaining to be drilled in January 2021. The overall drilling meters were reduced from 1,570m to 1,128m due to the drill site's inaccessibility in parts of the Pit 4 and Pit 5. A total of 1,051 samples were collected. Significant high grade drilling interception from the program is as follows: MSMRC 167; 1m @ 14.20 g/t Au from 26m; MSMRC 179; 3m at 21.48g/t Au from 72m include 1m at 60.71g/t; and MSMRC 179; 17m at 2.10 g/t Au from 5m.

The drill programs aim to identify mineralization areas with average grades that can be mined economically in the short run. Once those areas are defined, materials will be mined to feed into the processing plant.

Regional Exploration

Regional exploration conducted between December 2018 and March 2019 through a soil sampling campaign spaced at 50m x 200m to the southwest of Peranggih and 50x400m to the northeast of Peranggih, covering a total area of 16 km². The assay results were received during fiscal 2020 from analysis completed at Intertek, Perth. A total of 5 different gold anomalous zones have been identified in the study area, two of them striking along more than 1.5km in a north west-south easterly direction, and up to 0.3km wide. Zone 1 (Peranggih) and Zone 2 (Mentique) are the most significant anomalies discovered.

Peranggih Prospect: The Peranggih mineralization is divided into three separate zones: Peranggih South, Peranggih Central, and Peranggih North. The mineralization zone is separated by two shallow historical mining ponds, which can be drained to determine its continuity underneath the existing pond.

The geology and geochemistry driven exploration are actively conducted in these goldfields to provide additional oxide feed for sustainable production at the current oxide plant at Selinsing. A bulk sampling program and close-spaced, shallow depth Percussion Rotary Air Blast ("RAB") drilling is important to get a better understanding of the true potential of these mineralization styles, as well as to identify oxide materials to increase the mill feed.

The bulk sampling and stage 1, 5,002m GC drilling at the Peranggih deposit were reported in the news releases dated April 20, 2020, and August 21, 2020. The completed stage 1 GC program in July 2020 identified a total mineralized material of 72,111 tons at 0.88g/t Au with 2, 040 oz contained gold from the surface of Peranggih central and southern zone down to 10m deep.

The shallow RAB drilling program was continued in October 2020. During the quarter, an additional 12,591m of closed-spaced, 5x5m shallow GC holes with a maximum depth of 10m were drilled to infill the existing gap and extend the coverage of the surface mineralization along the 540m strike length and sterilizing the waste material that is needed to be removed for mining purposes. The ongoing GC drilling program allowed identifying 82,674tons at 0.89g/t Au with 2,365oz contained gold for a combined total of 154,785tons @ 0.89g/t Au with 4,418oz.

Mentique Prospect: A soil sampling campaign that was conducted in the Peranggih area between December 2018 and March 2019 had delineated 1.8km by 0.8km gold soil anomaly located 1 km west of the Peranggih deposit on a parallel north west- south east trending structure, with a peak value of 103ppb Au. This discovery has been named the Mentique Prospect. Infill soil sampling, trenching, and geological mapping are planned to be carried at Mentique to create a drill target and determine the nature of mineralization in this area.

Western Australia

Monument intends to establish Murchison as a potential cornerstone gold project. Exploration works during the quarter completed a mining dump sampling program at the Gabanintha project which expected to be required to confirm the historical JORC complaint resources.

A grab sampling program was completed on a historical mining dump at Tumblegum Deposit. The grab samples returned an average grade of 1.79 g/t Au from ALS and comparative results from MinAnalytical, Canning Vale returned 1.77g/ Au via the Chrysos PhotonAssay technique. The material could form early low cost ore feed in a mine start up.

The organization of the geology data on the server was further improved during the quarter. In addition, new data rooms were generated for each of the projects. This will greatly improve efficiencies which will be especially important as Monument further advances preparation for extensive exploration programs and possible mine start up.

1.3.4 *Tuckanarra Transaction*

During the quarter, the Company reviewed its Murchison gold portfolio and development strategy. The decision was made that it would be in the best interest for Monument to divest the Tuckanarra Gold Project, allowing it to be advanced faster; and focus on the key gold projects of Burnakura and Gabanintha. These two projects are located in the former mining centers of Meekatharra and Cue and the focus will now be on moving these projects into production, using the existing infrastructure. This strategy will complement the Company's Selinsing Gold Project in Malaysia, which has been in production since 2010 and has produced over 315,000 ounces of gold to date.

Pursuant to the decision to divest of the Tuckanarra Gold Project, on October 19, 2020, the Company announced that it entered into a Joint Venture Arrangement (the "Transaction") with Odyssey Energy Ltd (ASX: "ODY", "Odyssey", proposed to be renamed Odyssey Gold Ltd). After closing of the Transaction, Odyssey and Monument will jointly develop the Tuckanarra Gold Project through an unincorporated joint venture to advance the Tuckanarra Gold Project located in the Murchison Goldfield.

Pursuant to the Transaction, the Company sold 80% of its interest in Tuckanarra Gold Project to Odyssey for an aggregated consideration of AUD$5.00 million cash (or equivalent $3.81 million), retains a 1% net smelter return royalty over ODY's percentage share, and a 20% interest in the Tuckanarra Gold Project free carried until a decision to mine, provided preferentially ODY's gold ore will be processed through Monument's Burnakura gold plant subject to commercial terms.

The Transaction was closed on December 24, 2020, upon which AUD$2.00 million (or equivalent $1.52 million) was received and AUD$2.00 million (or equivalent $1.52 million) became receivable included AUD$1.50 million (or equivalent $1.14 million) due within 6 months of the completion of the Transaction and AUD$0.50 million (or equivalent $0.38 million) due upon the completion of transfer of the tenements to ODY. The remaining AUD$1.00 million (or equivalent $0.76 million) may become receivable within 36 months of the completion of the Transaction contingent on exploration success with an additional 100,000 ounces of gold being discovered.

1.3.5 The Mengapur Copper-Iron Project

The Mengapur Project is a large economic scale copper-iron project in the East Coast region of Malaysia within Pahang State. Significant exploration programs and metallurgical studies were carried out from 2011 to 2015. A geological and resource modelling study was carried out in 2018 and in fiscal 2019 a NI43-101 Mineral Resource Estimate Technical Report was completed by Snowden and SEDAR filed in October 2018. The major mining lease for the Mengapur Project tenements was renewed by the Pahang state land and mine department for a period of 5 years from June 1, 2020 until May 31, 2025. Three mining licenses covering Star Destiny original exploration licensing were also approved by the State authority.

1.4 2021 Activity Highlights

- On July 7, 2020, the Company announced positive drilling results at Murchison Gold Project at Burnakura and Gabanintha. The drill program that commenced in late February 2020 was completed in early May 2020. The results confirmed the continuity of gold mineralization within identified structures and favorable lithology from existing mineral resources.
- On August 21, 2020, the Company provided updates on Selinsing Gold Mine in Malaysia and moved to the second stage to focus on the gold portfolio, including Selinsing Gold Sulphide Project development and Murchison Gold Project.
- On October 19, 2020, the Company entered into a Joint Venture Arrangement (the "Transaction") with Odyssey Energy Ltd (now named Odyssey Gold Ltd) ("ODY") to advance the Tuckanarra Gold Project ("Tuckanarra") located in the Murchison Goldfield.
- On October 28, 2020, the Company announced results of Annual General Meeting of shareholders. Resolutions of auditors and board members and each nominee of the board of directors have been approved by a vast majority of the shares voted.
- On November 10, 2020, the Company announced to continues to keep tight control over the second wave of COVID-19 Pandemic to minimize production risk and the adverse impact on financial performance.
- On November 30, 2020, the Company announced the appointment of Mr. Dato' Sia Hok Kiang as a member of its Board of Directors effective immediately.
- On December 24, 2020, the Company completed the sale of 80% interests in Tuckanarra Gold Project and closed the Joint Venture Arrangement.
- On January 8, 2021, the Company entered into a definitive Sale and Purchase Agreement with Fortress Minerals Limited to sell a 100% interest in its Malaysian subsidiary, Monument Mengapur Sdn Bhd ("MMSB"), which owns a 100% interest in the Mengapur Project for $30 million.
- On February 11, 2021, the Company announced that Mr. Robert Baldock, the founder of Monument, had decided to resign from the Chairman of the board of directors, to pursue his retirement after 18 years of service with the Company. Mr. Baldock joined Monument (formally "Moncoa") in 2002, converted it into a mining business in 2007, and steered it from the early beginning as a startup into the junior gold producer today as a legacy.
- On February 11, 2021, the Company announced the appointment of Mr. Graham Dickson as Chairman of the Board, and the appointment of Mr. Jean-Edgar de Trentinian as a board member, effective immediately.
- On February 16, 2021, the Company announced the corporate strategy following consultation with the Company's board, management and advisors. The strategy highlights are to establish the Murchison Gold Project as a cornerstone gold development project, to place the Selinsing Sulphide Project into production by implementing a two stage approach, and to build the production profile of the Company through additional targeted acquisitions in the gold sector.

2. PROJECT UPDATE

2.1 Selinsing Gold Portfolio

The Selinsing Gold Portfolio is located in Pahang State, Malaysia. It includes the Selinsing Gold property ("Selinsing"), the Buffalo Reef property ("Buffalo Reef"), the Felda Land ("Felda") and the Famehub properties ("Famehub"). Buffalo Reef lies continuously and contiguously along the gold trend upon which the Selinsing Gold Property is located. Both Felda and Famehub are located east and north of the Selinsing and Buffalo Reef properties.

Among those properties, Selinsing and Buffalo Reef are primary gold properties acquired on June 25, 2007 and are at the development and production stage while others are at the exploration and evaluation stage. The 1.00 million tonne per annum gold processing plant is situated at the Selinsing site, which provides easy access to all of the Company's gold properties. Felda is gazetted as a group settlement area covering 3,920 acres owned by local individuals ("Settlers").

The Company acquired exclusive irrevocable exploration licenses over 896 acres of Felda through its subsidiary Able Return Sdn Bhd from the Settlers, with consent from the Federal Land Development Authority. Pursuant to these agreements with the Settlers, and subject to regulatory approval, certain portions of Felda can be converted to mining leases upon exploration success at the Company's discretion. The exclusive mining permits are automatically assigned for mining to the Company in the event of approval of the mining leases obtained by those Settlers. In October 2017, a portion of Felda ("Felda Block 7") was converted into proprietary mining leases.

Famehub was acquired in September 2010. Famehub is an area with approximately 32,000 acres of prospective exploration land to the north of Buffalo Reef along the trend and east of the Selinsing Gold Mine. Snowden completed a NI 43-101 Technical Report on the Famehub dated August 2010. The Company targets the consolidation of Selinsing, Buffalo Reef and Famehub, which are all situated around the Selinsing Gold Mine, as a long-term exploration strategic portfolio in order to extend the life of the mine.

(in United States dollars, except where noted)

2.1.1 Resources and Reserves and Results of the Feasibility Study

According to the Snowden 2019 NI43-101 Report dated January 31, 2019, the Company has Proven and Probable Mineral Reserves at Selinsing Gold Mine, including the Selinsing and the adjacent Buffalo Reef and Felda Block 7 deposits in Pahang State, Malaysia. All Mineral Reserves and Mineral Resources were updated by Snowden as Independent Qualified Person defined under NI43-101 standards.

The tables below summarizes the estimated Mineral Reserves and Mineral Resources reported by classification and ore type, all expressed in metric tonnes and troy ounces (1 ounce = 31.1035 g). The updated Mineral Reserves are estimated using an average gold price of $1,300 per ounce.

Selinsing-Buffalo Reef/Felda Reserves as of March 31, 2018 (Snowden)												
Category	OXIDE (above approx. 0.4 g/t Au cut-off)			TRANSITION (above approx. 0.75 g/t Au cut-off)			SULPHIDE (above approx. 0.75 g/t Au cut-off)			**OXIDE + TRANSITION + SULPHIDE**		
	kTonnes	g/t	Au (kOz)	kTonnes	g/t	Au (kOz)	kTonnes	g/t	Au (kOz)	**kTonnes**	**g/t**	**Au (kOz)**
Mineral Reserves (based on a US$1,300/oz gold price)												
Proven*	1,265	0.47	19	-	-	-	45	1.53	2	**1,310**	**0.51**	**21**
Probable**	991	0.91	29	757	1.72	41.9	2,680	2.03	175.1	**4,428**	**1.73**	**246**
P+P	2,256	0.67	48	757	1.72	42	2,725	2.02	177	**5,738**	**1.45**	**267**

*Proven Reserve is entirely stockpile material;
**Probable Oxide Reserve comprises oxide ore in Selinsing, Buffalo Reef, Felda deposits, and in Selinsing old tailings; Probable Transition and Sulphide Reserves comprise ore in Selinsing, Buffalo Reef and Felda deposits.

Selinsing-Buffalo Reef/Felda Resources as of March 31, 2018 (Snowden)												
Category	OXIDE (above 0.3 g/t Au cut-off)			TRANSITION (above 0.5 g/t Au cut-off)			SULPHIDE (above 0.5 g/t Au cut-off)			**OXIDE + TRANSITION + SULPHIDE**		
	kTonnes	g/t	Au (kOz)	kTonnes	g/t	Au (kOz)	kTonnes	g/t	Au (kOz)	**kTonnes**	**g/t**	**Au (kOz)**
Mineral Resources, reported inclusive of Reserves (based on a potential US$2,400/oz gold price)												
Measured*	1,265	0.47	19	-	-	-	45	1.53	2	**1,310**	**0.51**	**21**
Indicated**	1,533	0.85	42	1,086	1.49	52	8,052	1.60	415	**10,671**	**1.48**	**509**
M+I	2,798	0.68	61	1,086	1.49	52	8,097	1.60	417	**11,981**	**1.38**	**530**
Inferred***	349	1.05	11.8	485	1.22	19	5,563	1.79	319	**6,397**	**1.70**	**350**

*Measured Resource is entirely stockpile material;
**Indicated Oxide Resource is a combination of oxide mineralization occurring in Selinsing, Buffalo Reef and Felda deposits plus Selinsing old tailings material; Indicated Transition and Sulphide Resources comprise mineralization occurring in Selinsing, Buffalo Reef and Felda deposits;
***Inferred Resource comprises mineralization occurring in Selinsing, Buffalo Reef and Felda deposits.

Based on these Reserves, the 2019 Feasibility Study has demonstrated an approximately six-year life of mine (LOM) with a net present value (NPV) of $27.56 million based on reported oxide and sulphide ore Reserves as of March 2018. Over the six-year LOM, a total 5.7 million tonnes of ore would be treated at an average grade of 1.45g/t Au for 223koz at a cost of $863.67 per ounce. At a gold price of $1,300 per ounce, the Selinsing Gold Mine Project would generate net cash flow after tax of $97.00 million from operations, or $45.00 million net of capital expenditure.

The opportunity to consider Inferred Resources was discussed in the Feasibility Study. The Inferred Mineral Resource inside the Reserve open pit designs potentially contains an additional 20koz of gold. The Inferred Mineral Resource external to the open pit design contains 130koz of gold. Recommendations have been made to initiate further exploration programs, aimed at the conversion of Inferred Mineral Resources into Indicated Mineral Resources. Should those conversions be successful, the Mineral Reserves could potentially be significantly increased. The Selinsing Gold Mine has a proven record in converting oxide Inferred Mineral Resources to recovered ounces, even though historical records should not be used as an indicator of future performance.

2.1.2 Production

Mining: The mining of transitional leachable sulphide ore has increased over the same period of the prior year. This increase was due to reduced availability of oxide ore and depleting oxide stockpile levels. Additional waste was mined for TSF construction in the quarter. Cut-back as well as pre-stripping activities were carried out during the period at Selinsing Pit 4, Felda Block 7 and Buffalo Reef.

A combination of factors, such as increased mining rates related to waste, pit dewatering, lower mining rate to ore, and increase in mining leachable sulphide material at a higher cost due to blasting requirements, led to the increase in mining costs by 33% to $1.37 million during Q2 2021 (Q2 2020: $1.03 million). The Company continues to implement grade control drilling practices to manage mining cost increases during ramp up of mining rates to access additional ore and replenish stockpile levels.

Monument is developing the Peranggih deposit as a source of immediate oxide feed to the existing plant despite not having an established resource. The mineralized materials are extracted and fed into the mill when the grade control results are confirmed as satisfactory. Mining focuses on a free digging shallow oxide ore that is immediately available from the ground level down to several benches defined by shallow drilling programs along the 540m, 35m wide strike mineralization zone. This layer comprises saprolitic and highly weathered material. Peranggih mineralization is known to have very deep weathering up to 50m down deep.

Following the success of trial mining completed in fiscal 2020, 12,591 meters of grade control ("GC") drilling was commenced and completed at Peranggih by Q2 2021. A total of 82,674 tonnes @ 0.89/t Au containing 2,365oz Au were estimated from the completed GC assay; It increases a combined mining inventory to 158,785 tonnes @ 0.89g/t Au with 4,181 contained Au, of which 49,581 tonnes were mined in the quarter at 0.83g/t Au for 1,318 contained ounces. The near-surface drilling program substantially increased Peranggih mineral inventory compared to the internal Resource estimated in 2018 at the same area based on widely spaced RC and diamond drilling. The total ounces have increased by 144%, the Au grade by 37%, and the tonnage by 79%. The costs of mining and processing of Peranggih materials were recorded in the inventory, the revenue and the cost of gold sold from Peranggih were reported in the income statement.

The mining operation was disrupted by heavy rainfall during the annual monsoon season from October until early January 2021. It is expected for the mining rate to increase when the weather conditions improve.

Processing: Referring to Figure 1 Operating and Financial Results, processing throughput tonnage was 29% lower for the three months ended December 31, 2020, as compared with the corresponding period of the prior fiscal year. This reduction was due to ore shortages caused by low mining output and lack of super low-grade stockpile to support crusher feed. Overall mill availability, utilization and efficiency were 88.5%, 97.3% and 86.1% respectively. The process recovery rate for the three months ended December 31, 2020 was lower than the same period of the previous year due to higher percentage of leachable sulphide with related gold locked in sulphides in tailings and old stockpiles.

For the three months ended December 31, 2020, processing costs decreased by 12% to $2.07 million as compared to $2.36 million for the three months ended December 31, 2019. The decrease was mainly due to less ore processed.

Figures 4 and 5 illustrate production results on a consolidated basis including Selinsing, Buffalo Reef and Felda Block 7 operations and Peranggih.

Figure 4: Gold production and cash costs per ounce

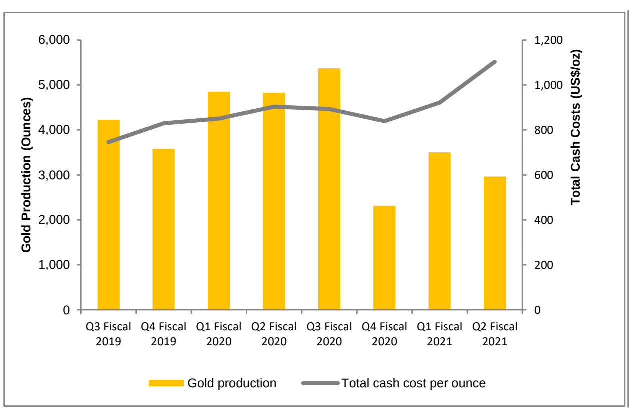
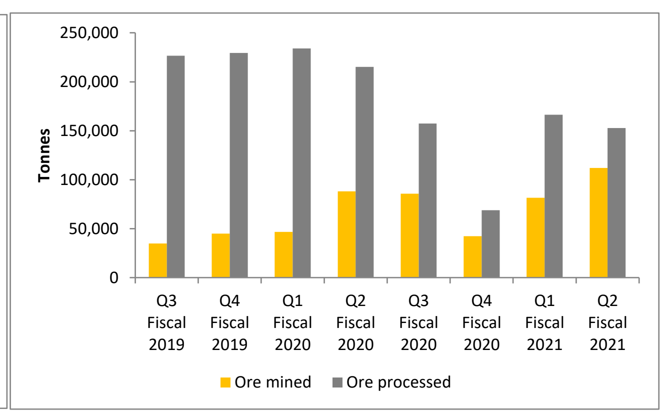


Figure 5: Selinsing Gold Mine: Operating Metrics



2.1.3 Development

Project development work include research and development ("R&D") of gold treatment, underground mining desktop study, TSF development/mining cutback and test work for oxide mining assessment at Peranggih.

As of December 31, 2020, development expenditures totaling $1.53 million have been incurred for research and development work of $1.38 million to improve the performance of the oxide plant to treat sulphide ore and an addition of non-leachable sulphide stockpile of

$0.15 million. During the six months ended December 31, 2020, $0.64 million reduction was related to stockpile non-leachable sulphide ore being assessed as leachable and transferred to plant for processing.

R&D Work in Q2 2021 focused on improvement of performance of flotation recoveries and optimization of the flotation plant design included: (1) bioleach inoculum adaptation and propagation stage on flotation concentrate; (2) gravity recoverable gold (GRG) and carbon in leach (CIL) tests on samples of external concentrates; (3) bioleach batch amenability test (BAT) on a selected sample of external concentrate and CIL bottle roll test on the bioleach solid residue; (4) diagnostic leach tests on selected samples; (5) cleaner flotation test program on BRC3 transition ore; and (6) routine GRG and CIL testing of Selinsing grade control samples.

Testwork on external concentrates continued through the current oxide processing plant. Samples were collected from South America, Southern Africa and Europe. Successful testwork on a Colombian gold concentrate culminated in the agreement. A 100 tonne trial lot of concentrate were ordered on the way to Selinsing site after success of laboratory test work, and will be processed at the Selinsing plant subsequent to the second quarter.

A Potential Underground Desktop Study was carried out at Selinsing, indicating potential in the Selinsing area, but more inventories over a 3g/t Au cut-off grade and sourcing an available and cost-effective contractor arrangement are both required. Major follow-up work will be undertaken for additional resource definition and conversion of the Inferred open pit potential into an Indicated Mineral Resource, as well as mineralisation extensions for potential underground mining. The main emphasis will be in the Buffalo Reef area for fresh/sulphide material.

TSF Development/Pit 4 South-West Cutback: During the three months ended December 31, 2020, construction of the second stage TSF lift to 535.5m RL was completed, achieved fiscal 2021 production requirements. Total expenditures for the TSF expansion in the quarter were $0.10 million, including 52,600 tonnes of mining waste used as upgrade material. The cutback at Pit 4 continued during the period to gain access to additional mineable ore, costing $0.15 million including 177,830 tonnes of mining waste.

2.1.4 Exploration

Total exploration expenditures excluding development activities at the Selinsing Gold Portfolio for the six months ended December 31, 2020, were $0.10 million and $0.06 million were attributable to tenement renewal at Buffalo Reef.

No major exploration drill programs have been initiated during the six months ended December 31, 2020. During the quarter, the main exploration activity related to grade control drilling at Peranggih and reverse circulation drilling at Selinsing Pits 4, 5 and 6.

Peranggih Prospect: The Peranggih deposit hosted adjacent to the north of Buffalo Reef is a highly prospective, new oxide exploration target. Geological evidence and modelling indicate that it occurs in the same regional shearing structure hosting Selinsing and Buffalo Reef gold deposits and has a potential mineralized hydrothermal breccia system containing oxide materials suitable to provide immediate mineable/leachable oxide feed at the current oxide plant at Selinsing.

Pit 4, Pit 5, and Pit 6: An exploration drill program consisting of 947m over 14 holes at Pits 4, 5, and 6 was completed in Q2 2021. The program's main objective is to delineate resource extensions that could be mined as immediate feed to the current CIL plant. The main drilling target is the shallow dipping structure extension close to the east flank of the pits. The RC drilling program commences in early December 2020 and completed 947m over 14 holes at Pits 4, 5, and 6. The program continues in the third quarter with additional 181m over four holes remaining to be drilled in January 2021. The overall drilling meters were reduced from 1,570m to 1,128m due to the drill site's inaccessibility in parts of the Pits 4 and 5. A total of 1,051 samples were collected.

2.1.5 Environment, Safety and Health

The Company is committed to comply with Malaysia's environmental laws within the mandates of six government authorities:

- The Department of Minerals and Geosciences ("JMG") for mining and processing activities including environmental jurisdiction inside the Company's project tenements;
- The Department of the Environment ("DOE"), whose jurisdiction lies outside of the Company's tenements, regarding quality of air and water discharge; and
- The Department of Safety and Health ("DOSH"), primarily concerned with occupational safety and health, lifting equipment, pressurized vessels, storage and handling of hazardous chemicals.

During the six months ended December 31, 2020, there were no lost time accidents recorded at the Selinsing operation. All reported incidents were shared among staff at safety toolbox meetings and new safety topics were raised at each of these meetings. Regular safety inspections were carried out by the HSE department and notices of improvement sent out to various departments for any immediate corrective action. Third party environmental compliance audits were conducted by accredited independent consultants and laboratories on environmental audits, ambient air quality and environmental noise monitoring.

(in United States dollars, except where noted)

2.2 Murchison Gold Portfolio

The Murchison Gold Portfolio was acquired in 2014 and consists of the 100% owned Burnakura and Gabanintha projects as well as the Tuckanarra gold property in which Monument has a 20% free carry interest. The portfolio is located in the Murchison Mineral Field, a highly prospective historical gold province within the Murchison District of Western Australia. Burnakura and Gabanintha are located 40km southeast of Meekatharra, WA and 765 km northeast of Perth, WA. Tuckanarra is located approximately 40 km southwest of Burnakura.

The Murchison Gold Portfolio includes a number of mining and exploration tenements and lease applications covering approximately 230 square kilometres of mining land prospective (including the whole area of Tuckanarra which Monument has a 20% free carry interest) for resource extension, and a fully operational gold processing plant at the Burnakura site, a newly developed camp site and necessary infrastructure. Underground mining was carried out by the previous owner of the Burnakura gold processing plant for several months and shortly thereafter it was placed in administration.

2.2.1 Resources

The Murchison Gold Project consists of a historical resource of 300koz Au of Indicated Resource and 344koz Au of Inferred Resource reported to a 1.0g/t Au lower cut-off, at the time of the acquisition in 2014, within a number of previously operated open pits and an underground mine. The Tuckanarra JV contained a total of 81koz of this historical resource. The Company believes that the quality of the data supporting the resources meets industry standards and considers this historical resource estimate to be relevant to its ongoing review of the Murchison Gold Project. The historical resources were reported in line with the JORC guidelines, and resource confidence categories and the reliability of the estimate are consistent with this standard, however they are not yet in full compliance with NI43-101 standards.

The current updated mineral resource estimation at Burnakura reported in the SRK NI43-101 Report dated July 2018, comprised of an Indicated Mineral Resource of 4.043Mt@2.3g/t Au for 293koz and an Inferred Mineral Resource of 1.551Mt@1.8g/t Au for 88koz at a 0.5g/t Au grade cut-off for open pit and 3.0 g/t Au for underground. The Company continued to improve its internal mining studies which will contribute towards the preparation of a preliminary economic assessment in respect of the Burnakura deposits. The Company is planning to continue a confirmation program over the remainder of the historical resources combined with exploration programs to add new resources.

Figure 6: 2018 Mineral Resource estimate breakdown for Burnakura Project

Updated Mineral Resources, Burnakura Gold Project (SRK, July 2018)					
Deposit	**Category**	**Lower cut-off (Au g/t)**	**Tonnes (Kt)**	**Au (g/t)**	**Gold (Koz)**
NOA1-6	Indicated	0.5	1,030	2.1	68
	Inferred	0.5	609	2.3	44
ANA	Indicated	0.5	2,141	1.6	107
	Inferred	0.5	92	1.5	4
Authaal	Indicated	0.5	-	-	-
	Inferred	0.5	556	1.4	25
Federal City	Indicated	0.5	96	1.3	4
	Inferred	0.5	259	1.3	11
TOTAL*	**Indicated**	**0.5**	**3,267**	**1.7**	**179**
	Inferred	**0.5**	**1,516**	**1.8**	**84**
NOA7-8**	Indicated	3.0	776	4.6	114
	Inferred	3.0	35	3.9	4
GRAND-TOTAL	**Indicated**		**4,043**	**2.3**	**293**
	Inferred		**1,551**	**1.8**	**88**

Notes:
(1) Small discrepancies may occur due to rounding.
(2) All Mineral Resources have been reported on a dry tonnage basis.
(3) SRK is unaware of any issues that materially affect the Mineral Resources in a detrimental sense.
(4) Mineral Resources that are not Mineral Reserves do not have demonstrated economic viability.
(5) Mineral Resources estimated by David Slater (Principal Consultant, SRK), QP.
(6) *Open pit Resources (NOA1-6, ANA, Authaal, Federal City) are constrained in a Lerchs Grossman pit shell
**Underground Resources (NOA7-8) are constrained to >3g/t and 200m vertical depth.

2.2.2 Exploration

Exploration was focused on optimization of the regional exploration targets and preparing for an updated LOM plan.

The revised life of mine model with economic assessment at the current market was completed by the technical team. In preparation for updated LOM planning, available data for all resources that are included in the current LOM plan were reviewed in detail for risk assessment. The Murchison Project resource risk matrix was generated providing a high-level risk overview and mitigation framework and opportunities associated with each deposit.

The work was submitted to SRK consultant for review in December 2020 and shall be completed in March 2021 with a gap analysis to assist management in making production decisions.

Burnakura:

The data for the Alliance deposit was reviewed in detail in preparation for SRK to review the resource for possible underground extraction, which was also completed during the quarter. The current July 2018 SRK resource estimate is only based on parameters for an open pit mining scenario. The mineralized intersections from all Alliance core photos were reviewed to obtain an improved understanding of the actual true width of mineralization. Some of the best intersections include 1m at 53.76g/t Au from drill hole ARD005 and 2m at 29g/t Au from drill hole 14MRC013. The results of the resource review were incorporated into an updated LOM plan subsequent to the quarter.

There are at least six deposits from Burnakura that are included in the current LOM plan and five of these contain resources that have been classified as Indicated or Inferred Resources under NI43-101 standards. Some of the main tasks will include updating existing mineralization wireframes and corresponding block models for evaluation of potential underground mining at NOA 7/8.

Gabanintha:

A grab sampling program was completed on a historical mining dump at Tumblegum Deposit after information was obtained that it may contain mineralization. The dump is approximately 75m wide and several meters high. Two trenches were excavated through the dump and a total of 41 grab samples were collected along the walls of the trenches. The grab samples returned an average grade of 1.79 g/t Au from ALS, Perth. All samples were also sent for analysis to MinAnalytical, Canning Vale for analysis via the Chrysos Photon Assay technique for an assay comparison study. The average grade from this technique was 1.77g/t Au. This technique analyses for gold after minimal sample preparation using a single machine giving almost instantaneous results, and will be considered a possible onsite lab. The material could form early low-cost ore feed in a mine start up.

A preliminary drill plan and corresponding budget was completed for inclusion in the LOM plan. The drill plan is aimed at targeting mineralization directly around optimized pit shells, validating historical drilling as well as providing some material for initial metallurgical test work. The drill plan and budget will be refined in 2021.

For the six months ended December 31, 2020, exploration at Murchison incurred expenditure of $0.62 million (Q2 2020: $0.58 million) for geological work, and care and maintenance.

2.2.3 Development

The Company continues to ensure that the plant and other facilities are operationally ready through its care and maintenance program to ensure efficient commissioning in the future. Site accommodations and catering are fully functional in readiness for the Company's personnel and mining contractors to commence on site.

2.3 Mengapur Copper-Iron Project

The Mengapur project is located in Pahang State, Malaysia, 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 Project includes a mining tenement held by Cermat Aman Sdn. Bhd. ("CASB") and an exploration tenement held by Star Destiny Sdn. Bhd. ("Star Destiny"). Following significant exploration programs and metallurgical studies carried out from 2011 to 2015, a geological and Resource modelling study was carried out in 2018 and a NI43-101 Mineral Resource Estimate Technical Report was released in October 2018.

2.3.1 Resources

The technical report titled "Mineral Resource Estimate for the Mengapur Cu-Au Deposit, NI43-101 Technical Report", dated October 29, 2018 was prepared in accordance with National Instrument 43-101 Standards of Disclosure for Mineral Projects by John Graindorge BSc (Hons); Grad. Cert. Geostatistics, MAusIMM(CP), Principal Consultant, Resources, Snowden Mining Industry Consultants Pty Ltd., the Qualified Person.

The project was drilled using mostly diamond core drilling down to a nominal spacing of approximately 40m by 40m in a significant portion of the project area. The 2018 mineral resource estimate has incorporated a total of approximately 112,000m completed to date, of which nearly 53,000m were completed by Monument between 2011 and 2014. Drilling primarily comprised of diamond core drilling with some minor RC drilling. The geological interpretation has considered all known material items and represents an accurate reflection of current geological understanding, of copper oxide, transition and sulphide skarn type mineralization.

(in United States dollars, except where noted)

Figure 7 presents the 2018 mineral resource estimate for the Mengapur project, reported above a 0.3% Cu cut-off grade. To establish the requirement for the grade, quantity and quality of mineralization to have reasonable prospects of eventual economic extraction, a cut-off grade of 0.3% Cu was selected. This represented an assumption of an open-pit mining approach with limited selectivity and is based on values used at other similar deposits along with consideration of the continuity above the cut-off grade. The cut-off grade of 0.3% Cu is considered by Monument to be the base case scenario at this stage; however, further study is required to assess mining and processing options along with costs.

Figure 7: Mengapur August 2018 Mineral Resource estimate (0.3% Cu lower cut-off)

Indicated Mineral Resource							
Material type	**Tonnes**	**Cu**	**Au**	**Ag**	**Contained Cu**	**Contained Au**	**Contained Ag**
	Mt	**%**	**g/t**	**g/t**	**t**	**oz**	**oz**
Oxide	6.3	0.45	0.17	9.7	28,300	34,000	1,960,000
Transitional	9.7	0.48	0.15	9.8	46,800	47,000	3,060,000
Fresh	23.5	0.41	0.21	4.5	96,400	159,000	3,400,000
Total Indicated	**39.5**	**0.43**	**0.18**	**6.6**	**170,000**	**229,000**	**8,380,000**
Inferred Mineral Resource							
Type	**Tonnes**	**Cu**	**Au**	**Ag**	**Contained Cu**	**Contained Au**	**Contained Ag**
	Mt	**%**	**g/t**	**g/t**	**t**	**oz**	**oz**
Oxide	15.5	0.41	0.06	19.1	63,600	29,900	9,520,000
Transitional	12	0.5	0.1	17	60,000	38,600	6,560,000
Fresh	23.4	0.43	0.14	6.9	100,600	105,300	5,190,000
Total Inferred	**50.9**	**0.44**	**0.11**	**13**	**224,000**	**180,000**	**21,270,000**

(1) Small discrepancies may occur due to rounding.
(2) All Mineral resources have been reported on a dry tonnage basis.
(3) Snowden is unaware of any issues that materially affect the mineral resources in a detrimental sense.
(4) Mineral resources that are not Mineral Reserves do not have demonstrated economic viability.
(5) Mineral resources estimated by John Graindorge (Principal Consultant, Snowden), QP.
(6) The majority of the interpreted mineralization is within 200m of the surface and as such considered by Snowden to be within the limits of extraction by open-pit mining.

2.3.2 Development

The Mengapur Project is a large economic scale project in the Company's pipeline of projects. Since acquisition of Mengapur, the Company has carried out extensive exploration programs to confirm historical resources and metallurgical test work to study downstream products. The resource confirmation and definition drilling were largely completed in fiscal 2014.

During fiscal 2018, geological and resource modelling work was resumed and in fiscal 2019 a NI43-101 Mineral Resource Estimation Technical Report was SEDAR filed in October 2018. As copper prices rise, the Company intends to carry out further assessment of the opportunity for copper production.

Harmonization Agreement: Monument Mengapur Sdn. Bhd. ("MMSB"), a wholly owned subsidiary of the Company, entered into a Harmonization Agreement with Phoenix Lake Sdn. Bhd. ("PLSB") and ZCM Minerals Sdn. Bhd. ("ZCM"), (together the "Third Parties"). Pursuant to the Harmonization Agreement, the Third Parties have exclusive rights to mine free digging oxide magnetite iron materials (the "Third Party Interest") contained in topsoil overburden at Area A and Area B under certain conditions, and to purchase the those materials once mined from MMSB for RM28 per tonne. In May 2019, ZCM had assigned its right to the Area A to PLSB. MMSB, being the exclusive operator, carried out grade control and supervision over the mining operation, including collecting proceeds from Iron Ore sales on behalf of Malaco, the owner of the Third Party Interest, with all operating costs incurred by MMSB to maintain iron ore operation being charged back to Malaco with additional fees.

Intec Interim License: In February 2015, Monument and Intec International Projects Pty Ltd ("Intec") entered the Heads of Agreement which was amended in August 2017 (together the "Intec Agreements"). Pursuant to the Intec Agreements, the Company was granted an interim license with an expiry date of January 16, 2017, which was subsequently extended to January 16, 2022, to exploit the Intec patented technology at the Company's alpha sites in Malaysia, including Mengapur. Subject to the success of staged test-work and certain conditions, Monument will obtain a full license to treat sulphide gold or copper materials using Intec technology across designated territories including Australia and South East Asia countries. During the quarter, the benchmark test work preparation was carried out and would complete subsequent to the quarter. The results were under management review.

Tenements: The major mining lease for the Mengapur Project, ML 8/2011 tenement was renewed by the Pahang state land and mine department for a period of 5 years from June 1, 2020 till May 31, 2025. Following the expiration of the prospecting exploration permit of Star Destiny on September 23, 2012, three mining licenses covering Star Destiny original exploration licensing were approved by the State authority in October 2020.

The scientific and technical information in Section 2 has been prepared, reviewed and approved by Mr. Roger Stangler, B.Sc., MEng, FAusIMM, MAIG, a Qualified Person defined in accordance with National Policy 43-101, retained by Golder Associates Pty Ltd.

3. OVERVIEW OF FINANCIAL PEFORMANCE

3.1 SUMMARY

During the six months ended December 31, 2020, mill operations included processing Selinsing, Buffalo Reef and Block 7 leachable sulphide ore, oxide ore, super low-grade oxide ore, Peranggih oxide ore, and old tailings through the Selinsing Gold Plant. Processing was in transition from oxide ore production to leachable sulphide ore production. The production gross margin is expected to vary from time to time due to recovery rates and volatile gold prices.

Figure 8: Financial Highlights

	Fiscal 2019		Fiscal 2020				Fiscal 2021	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
	$	$	$	$	$	$	$	$
Revenues (000's)	4,590	5,210	6,343	6,606	11,618	5,404	5,919	6,835
Weighted average gold price								
London Fix PM (per ounce)	1,299	1,338	1,477	1,485	1,609	1,688	1,907	1,890
Monument realized (per ounce)	1,295	1,332	1,475	1,485	1,602	1,684	1,909	1,889
Net earnings before other items and tax (000's)	269	759	745	653	2,303	704	1,943	1,159
Earnings per share before other items and tax:								
- Basic	0.00	0.00	0.00	0.00	0.01	0.00	0.01	0.00
- Diluted	0.00	0.00	0.00	0.00	0.01	0.00	0.01	0.00
Net earnings (loss) after other items and tax (000's)	(914)	(1,116)	208	(1,829)	1,866	(1,273)	138	(649)
Earnings (loss) per share:								
- Basic	(0.00)	(0.00)	0.00	(0.01)	0.01	(0.00)	0.00	(0.00)
- Diluted	(0.00)	(0.00)	0.00	(0.01)	0.01	(0.00)	0.00	(0.00)

The quarterly financial results of the Company are outlined for the past eight quarters in Figure 8 above. The overall financial 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 foreign currency exchange gains or losses.

For the three months ended December 31, 2020 net loss was $0.65 million, or $0.00 per share (basic) compared to net loss of $1.83 million or $0.00 per share (basic) of Q2 2020.

The decrease in net loss was attributable to the following factors:

- An increase in income from mining operations.
- A decrease in interest expenses.
- A decrease in tax expenses.

Offset by:

- An increase in corporate expenses.
- An increase in capital loss from disposal of assets.

3.2 Operating Results: Sales and Production Costs

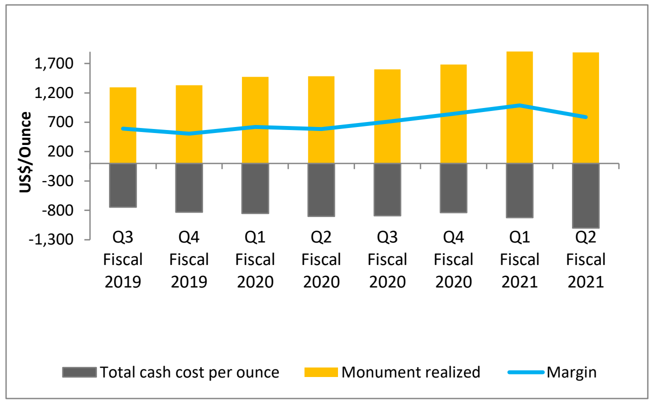
Three months ended December 31, 2020

For the three months ended December 31, 2020, mining operations before non-cash amortization and depreciation generated a gross margin of $2.69 million, an increase of 5% from $2.57 million of the same period last year.

After deducting non-cash depletion and accretion of $0.93 million (Q2 2020: $1.42 million) and operation expenses of $0.15 million (Q2 2020: nil), income from mining operations was $1.62 million as compared to $1.14 million of the same period last year.

Gold recovery decreased by 43% for the three months ended December 31, 2020 to 2,560oz (three months ended December 31, 2019: 4,456oz) due to reduction in ore processed (152,836t for the three months ended December 31, 2020 as compared to 215,305t for the three months ended December 31, 2019) and lower recovery rates of 58.4% (three months ended December 31, 2019: 65.8%). Total cash cost per ounce sold increased to $1,103/oz for the three months ended December 31, 2020 from $903/oz of the same period last year due to increases in mining costs related to pit dewatering, establishing Peranggih ore, waste and lower mining rate to ore also contributed to the increase in production costs.

Figure 9: Gross margin

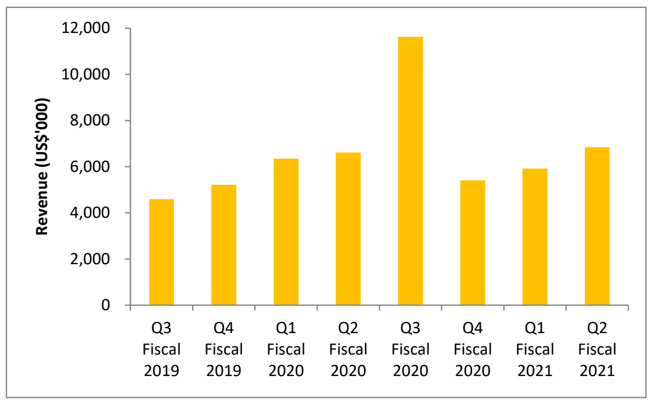


Sales

Gold sales generated revenue of $6.84 million for the three months ended December 31, 2020 as compared to $6.61 million of the same period last year.

Gold sales revenue was derived from the sale of 3,754oz (three months ended December 31, 2019: 4,473oz) of gold at an average realized gold price of $1,889 per ounce (three months ended December 31, 2019: $1,486 per ounce). There was 704oz gold prepaid delivery for the three months ended December 31, 2020 (three months ended December 31, 2019: 723oz) at an average gold prepaid sale price of $1,525 per ounce ($1,429 per ounce).

Figure 10: Selinsing Gold Mine: Revenue



Production Costs

Total production costs for the three months ended December 31, 2020 were $4.14 million as compared to $4.04 million of the same period last year. The increase is in line with the increase in gold sales revenue and reflected timing difference of gold sold and higher mining and processing costs as compared to the same period last year.

Cash cost per ounce increased by 22% to $1,103/oz during the three months ended December 31, 2020 as compared to $903/oz of the same period last year. The increase was attributable to the increase in mining costs related to pit dewatering, establishing Peranggih ore, waste and lower mining rate to ore also contributed to the increase in production costs.

Mill feed head grade was 0.89g/t Au for the three months ended December 31, 2020 which was a 9% decrease from 0.98g/t Au of the same period last year.

Figure 11: Cash production costs by quarter

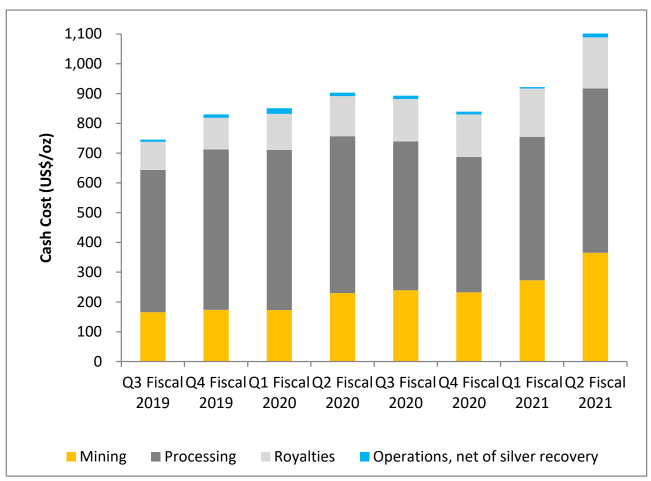


Figure 12: Production costs

	Three months ended		Six months ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Production cost breakdown ('000s)	$	$	$	$
Mining	1,371	1,031	2,221	1,802
Processing	2,073	2,358	3,565	4,682
Royalties	645	604	1,149	1,128
Operations, net of silver recovery	52	47	66	124
Total production costs	**4,141**	**4,040**	**7,001**	**7,736**

Mining

Mining activities continued to focus on Selinsing Pit 5/6, Buffalo Reef, Felda Block 7 as well as the Selinsing Pit 4 south west cutback where mining began in December 2019, and also Peranggih mining. During the three months ended December 31, 2020, five open pits supplied ore to the Selinsing Plant – Selinsing Pit 5/6 (Oxide + Transition), BRN (Oxide) and BRC3 (Oxide) in Buffalo Reef, Felda Block 7, and Peranggih (Oxide). The Selinsing Transition ore feed to the CIL plant is continually being evaluated based on ongoing lead nitrate leaching tests.

For the three months ended December 31, 2020, cash cost per ounce of mining operations increased by 59% to $365/oz from $230/oz of last year, mainly due to increased tonnage of operating waste mined and lower ore grade. The mining of harder leachable sulphide ore materials in transition zones for mill feed to supplement current processing also contributed to the increased cost. Mining production included 112,073t of ore (three months ended December 31, 2019: 88,255t) and 963,863t of waste (three months ended December 31, 2019: 809,478t). Waste mined for the three months ended December 31, 2020 included 828,637t of operating waste, 130,897t of waste cutback at Selinsing and 4,329t of waste fill related to the TSF upgrade, as compared to 473,190t of operating waste, 336,288t of waste cutback at Selinsing and nil of waste removed for the TSF upgrade for the same period last year. Based on the current fiscal year's mining sequence, the stripping ratio reduced to 8.6 for the three months ended December 31, 2020 as compared to 9.17 of the same period last year. The cost of waste fill related to TSF upgrade is capital in nature and is not included in mining operating costs. Cost per tonne mined increased by 23% from $1.56/t to $1.93/t.

Processing

For the three months ended December 31, 2020 total processing cash costs were $2.07 million as compared to $2.36 million of the same period last year. Processing cost per tonne was $13.46/t for the three months ended December 31, 2020; a 3% increase from $13.01/t of the same period last year. The increase was primarily due to more consumables and power costs used to process harder leachable sulphide ore from Selinsing, additional maintenance and higher detoxification consumable costs for reducing the TSF water levels from heavy rain. Total ore processed decreased by 29% to 152,836t from 215,305t of the same period last year. Mill feed for the three months ended December 31, 2020 comprised of 35,302t super low-grade oxide, 35,884t oxide, 31,605t old tailings and 41,207t leachable sulphide and 8,501t non-leachable sulphide as compared to those of the same period last year of 90,491t super low-grade oxide, 15,726t oxide, 61,638t old tailings and 45,467t leachable sulphide.

Royalties

For the three months ended December 31, 2020 total royalties cost increased by 7% to $0.64 million as compared to $0.60 million of last year, due to increased gold price. Royalties paid are affected by average gold spot prices and the amount of gold produced and sold in the period.

Operation expenses

During the COVID-19 pandemic, Selinsing gold production was suspended from March 18, 2020 to May 12, 2020 in compliance with the Movement Control Order ("MCO") issued by the Malaysian government.

For the three month period ended December 31, 2020, the milling capacity were reduced from time to time by running primary mill or secondary mill alone at Selinsing gold mine mainly caused by shortage of the ore. Mining production was interrupted from 8 weeks' mining ban during March to May 2020; the temporary explosives shortage in Malaysia in quarter one of fiscal 2021 further reduced ore supplies to the mill. The costs of maintaining of the idle capacity of $0.15 million in quarter two were expensed against the operations account.

Non-cash Costs

For the three months ended December 31, 2020, non-cash production expenses amounted to $0.93 million (three months ended December 31, 2019: $1.42 million). Included therein are depreciation and amortization of $0.89 million (three months ended December 31, 2019: $1.38 million) and accretion of asset retirement obligations of $0.03 million three months ended December 31, 2019: $0.04 million).

Six months ended December 31, 2020

For the six months ended December 31, 2020, mining operations before non-cash amortization and depreciation generated a gross margin of $5.75 million, an increase of 10% from $5.21 million of the same period last year. After deducting non-cash depletion and accretion of $1.68 million (six months ended December 31, 2020: $2.67 million) and operation expenses of $0.18 million (six months ended December 31, 2020: nil), income from mining operations was $3.89 million as compared to $2.55 million of the same period last year.

Gold recovery decreased by 40% for the six months ended December 31, 2020 to 5,903oz (six months ended December 31, 2019: 9,783oz) due to reduction in ore processed (319,268t for the six months ended December 31, 2020 as compared to 449,334t for the six months ended December 31, 2019) and lower recovery rates of 61.3% (six months ended December 31, 2019: 68.8%). Total cash cost per ounce sold increased to $1,021/oz for the six months ended December 31, 2020 from $880/oz of the same period last year due to increases in mining and processing costs caused by harder leachable sulphide material as well as higher repair and maintenance costs, increase in mining rates related to pit dewatering, additional costs to haul Peranggih ore, waste and lower mining rate to ore also contributed to the increase in production costs.

Sales

Gold sales generated revenue of $12.75 million for the six months ended December 31, 2020 as compared to $12.95 million of the same period last year. Gold sales revenue was derived from the sale of 6,854oz (six months ended December 31, 2019: 8,796oz) of gold at an average realized gold price of $1,899 per ounce (six months ended December 31, 2019: $1,481 per ounce). There was 704oz gold prepaid delivery for the six months ended December 31, 2020 (six months ended December 31, 2019: 1,446oz) at an average gold prepaid sale price of $1,525 per ounce ($1,429 per ounce).

Production Costs

Total production costs for the six months ended December 31, 2020 were $7.00 million as compared to $7.74 million of the same period last year. The decrease is in line with the decrease in gold sales revenue and reflected timing difference of gold sold and higher mining and processing costs as compared to the same period of last year.

Cash cost per ounce increased by 16% to $1,021/oz during the six months ended December 31, 2020 as compared to $880/oz of the same period last year. The increase was attributable to the increase in harder leachable sulphide material being processed which led to increases in mining and processing costs and increase in repairs and maintenance costs.

Mill feed head grade was 0.94g/t Au for the six months ended December 31, 2020 which was comparable to 0.98g/t Au of the same period last year.

Mining

Mining activities continued to focus on Selinsing Pit 5/6, Buffalo Reef, Felda Block 7 as well as the Selinsing Pit 4 south west cutback where mining began in December 2019, and also Peranggih trial mining. During the six months ended December 31, 2020, five open pits supplied ore to the Selinsing Plant – Selinsing Pit 5/6 (Oxide + Transition), BRC2 (Oxide), BRN and BRC3 (Oxide) in Buffalo Reef, Felda Block 7, and Peranggih (Oxide). The Selinsing Transition ore feed to the CIL plant is continually being evaluated based on ongoing lead nitrate leaching tests.

For the six months ended December 31, 2020, cash cost per ounce of mining operations increased by 58% to $323/oz from $205/oz of last year, mainly due to increased tonnage of operating waste mined and lower ore grade. The mining of harder leachable sulphide ore materials in transition zones for mill feed to supplement current processing also contributed to the increased cost. Mining production included 193,649t of ore (six months ended December 31, 2019: 135,052t) and 2,022,019t of waste (six months ended December 31, 2019: 1,643,278t). Waste mined for the six months ended December 31, 2020 included 1,791,589t of operating waste, 177,830t of waste cutback at Selinsing and 52,600t of waste fill related to the TSF upgrade, as compared to 1,193,193t of operating waste, 341,774t of waste cutback at Selinsing and 108,311t of waste removed for the TSF upgrade for the same period last year. Based on the current fiscal year's mining sequence, the stripping ratio reduced to 10.44 for the six months ended December 31, 2020 as compared to 12.17 of the same period last year. The cost of waste fill related to TSF upgrade is capital in nature and is not included in mining operating costs. Cost per tonne mined increased by 21% from $1.51/t to $1.83/t.

Processing

For the six months ended December 31, 2020 total processing cash costs were $3.56 million as compared to $4.68 million of the same period last year. Processing cost per tonne was $13.50/t for the six months ended December 31, 2020; a 13% increase from $11.90/t of the same period last year. The increase was primarily due to less ore processed and more consumables and power costs used to process harder leachable sulphide ore from Selinsing, additional maintenance and higher detoxification consumable costs for reducing the TSF water levels from heavy rain. Total ore processed decreased by 29% to 319,268t from 449,334t of the same period last year. Mill feed for the six months ended December 31, 2020 comprised of 63,696t super low-grade oxide, 75,300t oxide, 82,268t old tailings and 86,945t leachable sulphide and 8,501t non-leachable sulphide as compared to those of the same period last year of 238,283t super low-grade oxide, 21,737t oxide, 118,280t old tailings and 66,211t leachable sulphide.

Royalties

For the six months ended December 31, 2020 total royalties cost increased 2% to $1.15 million as compared to $1.13 million of last year, due to decreased production of gold but higher gold price. Royalties paid are affected by average gold spot prices and the amount of gold produced and sold in the period.

Operation expenses

During the COVID-19 pandemic, Selinsing gold production was suspended from March 18, 2020 to May 12, 2020 in compliance with the Movement Control Order ("MCO") issued by the Malaysian government.

For the six month period ended December 31, 2020, the milling capacity were reduced from time to time by running primary mill or secondary mill alone at Selinsing gold mine mainly caused by shortage of the ore. Mining production was interrupted from 8 weeks' mining ban during March to May 2020; the temporary explosives shortage in Malaysia in quarter one of fiscal 2021 further reduced ore supplies to the mill. The costs of maintaining of the idle capacity of $0.18 million were expensed against the operations account for the six months ended December 31, 2020.

Non-cash Costs

For the six months ended December 31, 2020, non-cash production expenses amounted to $1.68 million (six months ended December 31, 2019: $2.67 million). Included therein are depreciation and amortization of $1.62 million (six months ended December 31, 2019: $2.57 million) and accretion of asset retirement obligations of $0.07 million six months ended December 31, 2019: $0.09 million).

3.3 Corporate General and Administrative

Figure 13: Corporate Costs (000's)

	Three months ended		Six months ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
	$	$	$	$
General and administration	275	318	453	692
Stock-based compensation	-	(5)	-	(4)
Legal, accounting and audit	93	51	189	133
Shareholder communications	20	37	48	87
Travel	-	43	2	78
Regulatory compliance and filing	61	34	74	38
Project investigation and financing	-	-	-	103
Amortization	11	11	22	22
Total Corporate Costs	**460**	**490**	**788**	**1,149**

Corporate expenditures for the three months ended December 31, 2020 were $0.46 million (three months ended December 31, 2019: $0.49 million), $0.03 million less than the same period last year. The decrease was mainly attributable a decrease in general and administration for $0.04 million due to reduction in compensation and rent credits, a decrease in travel and shareholder communications for $0.06 million but offset by an increase of $0.07 million in legal and regulatory costs.

Corporate expenditures for the six months ended December 31, 2020 were $0.79 million (six months ended December 31, 2019: $1.15 million), $0.36 million less than the same period last year. The decrease was mainly attributable to the decrease in general and administration for $0.24 million due to reduction in compensation and rent credits and nil (December 31, 2019: $0.10 million) incurred for project investigation and financing.

3.4 Other (Loss) Income

For the three months ended December 31, 2020, loss from other items amounted to $1.26 million, which was comparable to the three months ended December 31, 2019 of $1.27 million). For the six months ended December 31, 2020, loss from other items amounted to $2.35 million (six months ended December 31, 2019: loss of $1.41 million). The increase was mainly due to increase in foreign exchange loss to $1.55 million (six months ended December 31, 2019: $0.51 million) and a capital loss on disposal of assets for $0.12 million.

3.5 Income Taxes

Income tax expense for the three months ended December 31, 2020 was $0.55 million (three months ended December 31, 2019: $1.21 million) comprising of current tax expense of $0.55 million (three months ended December 31, 2019: $0.85 million) and deferred tax expense of $0.00 million (three months ended December 31, 2019: $0.36 million).

Income tax expense for the six months ended December 31, 2020 was $1.27 million (six months ended December 31, 2019: $1.61 million) comprising of current tax expense of $0.94 million (six months ended December 31, 2019: $0.96 million) and deferred tax expense of $0.33 million (six months ended December 31, 2019: $0.66 million).

4. LIQUIDITY AND FINANCIAL CONDITION

The Company's principal cash requirements are working capital used for business development, general administration, property maintenance and development, construction of gold treatment plant expansions, production operations at Selinsing and exploration. The Company's cash and cash equivalents as at December 31, 2020 was $14.57 million an increase of $0.63 million from June 30, 2020. The Company's cash and cash equivalents primarily comprised of cash held with reputable financial institutions and are invested in cash accounts. The funds are not exposed to liquidity risk and there are no restrictions on the ability of the Company to use these funds to meet its obligations. The Company's restricted cash of $4.19 million (June 30, 2020: $0.30 million) represented issued letters of credit and fixed deposits as guarantees for utilities, custom duties and certain equipment of $0.30 million (June 30, 2020: $0.30 million), a refundable deposit in escrow for commencement of a due diligence for a potential transaction of $3.75 million (June 30, 2020: nil) and a deposit of $0.12 million (June 30, 2020: nil) received in escrow for Tuckanarra project and subsequently paid to the Company after December 31, 2020.

The Company's cash flows from operating, financing and investing activities during the three and six months ended December 31, 2020 are summarized as follows:

Figure 14: Cash Flows from Operating, Investing and Financing Activities

In US' 000s	**Three months ended**		**Six months ended**	
	December 31, 2020	**December 31, 2019**	**December 31, 2020**	**December 31, 2019**
	$	**$**	**$**	**$**
Cash (used in) /provided from operating activities	**796**	**(783)**	**1,543**	**429**
Financing activities				
Payment of finance lease obligations	(12)	(10)	(19)	(17)
Borrowings	18	-	18	-
Loan receivable	-	-	-	(1,500)
Cash (used in) /provided from financing activities	**6**	**(10)**	**(1)**	**(1,517)**
Investing activities				
Selinsing Gold Portfolio	(1,364)	(1,232)	(1,754)	(2,489)
Murchison Gold Portfolio	(250)	(358)	(508)	(631)
Mengapur Project	(78)	(44)	(110)	(82)
Deposit received for due diligence	-	-	3,750	-
Proceeds from sale of 80% interests in Tuckanarra project	1,522	-	1,522	-
Loan receivable	-	-	-	-
Cash (used in) /provided from investing activities	**(170)**	**(1,634)**	**2,900**	**(3,202)**
Increase (decrease) in cash and cash equivalents	632	(2,427)	4,442	(4,290)
Cash and cash equivalents at the beginning of the period	13,935	7,478	10,125	9,341
Cash and cash equivalents at the end of the period	**14,567**	**5,051**	**14,567**	**5,051**
Cash and cash equivalents consist of:				
Cash	10,378	4,743	10,378	4,743
Restricted cash	4,189	308	4,189	308
	14,567	**5,051**	**14,567**	**5,051**

For the six months ended December 31, 2020, the Selinsing Gold Mine generated net cash from operating activities of $1.54 million, an increase of $1.11 million as compared to $0.43 million of the same period prior year. Net cash provided from investing activities for the six months ended December 31, 2020 amounted to $2.90 million (six months ended December 31, 2019: net cash used of $3.20 million). Cash and cash equivalents increased by $4.44 million as compared to a decrease of $4.29 million in the same quarter of the prior year.

For the three months ended December 31, 2020, the Gold Mine generated net cash from operating activities of $0.80 million, an increase of $1.58 million as compared to net cash used of $0.78 million of the same period prior year. Net cash used in investing activities for the three months ended December 31, 2020 amounted to $0.17 million (three months ended December 31, 2019: $1.63 million).

For the six months ended December 31, 2020, cash used in investing activities represented $1.75 million invested in Selinsing for sulphide project development and tailings storage facility upgrades (six months ended December 31, 2019: $2.49 million), $0.51 million and $0.11 million invested in Murchison exploration and evaluation projects and Mengapur exploration and evaluation projects, respectively (six months ended December 31, 2019: $0.63 million and $0.08 million, respectively). Also, $3.75 million (six months ended December 31, 2019: nil) was received in escrow as a deposit for the Mengapur Project due diligence and $1.52 million (six months ended December 31, 2019: nil) was received as part of the proceeds for the sale of 80% interest in the Tuckanarra Project.

For the three months ended December 31, 2020, cash used in investing activities represented $1.36 million invested in Selinsing for sulphide project development and tailings storage facility upgrades (three months ended December 31, 2019: $1.23 million), $0.25 million and $0.08 million invested in Murchison exploration and evaluation projects and Mengapur exploration and evaluation projects, respectively (three months ended December 31, 2019: $0.36 million and $0.04 million, respectively). Also, $1.52 million (three months ended December 31, 2019: nil) was received as part of the proceeds for the sale of 80% interest in the Tuckanarra Project.

Currents assets on December 31, 2020 were $33.07 million (June 30, 2020: $25.12 million). The increase of $7.95 million was primarily due to increase in cash and cash equivalents of $4.44 million, increase in trade and other receivables of $2.02 million, increase in inventory work in progress of $1.10 million, and increase in prepayments of $0.71 million mainly for Buffalo Reef tenement renewal for 5 years.

Total assets on December 31, 2020 were $252.76 million (June 30, 2020: $247.58 million). The increase of $5.18 million was primarily due to increase in current assets of $7.95 million and offset by the $1.52 million received and the $1.52 million receivable for the sale of 80% interest of the Tuckanarra Project.

Current liabilities on December 31, 2020 were $12.69 million (June 30, 2020: $6.34 million). The increase of $6.35 million was primarily due to increase in deferred liabilities of $3.75 million for the refundable deposit received for the Mengapur Project due diligence and increase in deferred revenue of $1.60 million for gold prepaid delivery in the next 12 months.

Total liabilities on December 31, 2020 were $26.85 million (June 30, 2020: $21.16 million). The increase of $5.69 million was primarily due to increase in current liabilities of $6.35 million.

On December 31, 2020, current assets exceeded current liabilities by $20.38 million (June 30, 2020: $18.79 million). The Company believes that this is sufficient to provide funding for shorter term items such as general administration, property care and maintenance and day-to-day production at Selinsing.

With respect to longer term capital expenditure funding requirements, the Company considers the equity market as its primary source of funding for major capital projects. Another possible source of capital could be proceeds from the sale of non-core assets. These capital sources together with operating cash flow and the Company's active management of its operations and development activities will enable the Company to maintain an appropriate overall liquidity position.

5. CAPITAL RESOURCES

The Company's capital resources as at December 31, 2020 included cash and cash equivalents. The Company's primary sources of funding are cash flow generated from the sale of gold, debt, equity financing through the issuance of stock, other financial arrangements that can be reasonably considered and available to provide financial resources to the Company. 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.

In January 2018, the Company entered into a $7.00 million gold prepaid sale agreement with Concept Capital Management ("CCM" or the "Purchaser"). Pursuant to that agreement, the Company's Australian subsidiary, Monument Murchison Pty Ltd (the "Seller") received a $7.00 million prepayment and committed to deliver a total 8,676 ounces of gold to the Purchaser, after a twelve-month grace period effective January 23, 2018, over a 36-month period commencing February 28, 2019 to January 31, 2022. Due to postponed gold production at the Burnakura Gold Project, the gold delivery obligation has been taken over by the Company's Malaysian subsidiary, Able Return Sdn Bhd, as a guarantor. As at December 31, 2020 the balance of gold delivery obligation was 3,133 ounces as of December 31, 2020 which is to be delivered at 241 ounces of gold monthly until January 31, 2022.

On December 24, 2020, the Company sold an 80% interest of the Tuckanarra Gold Project for cash of $1.52 million and another $1.52 million to be received in 6 months.

On January 8, 2021, the Company entered into a definitive Sale and Purchase Agreement with Fortress Minerals Limited to sell a 100% interest in its Malaysian subsidiary, Monument Mengapur Sdn Bhd ("MMSB"), which owns a 100% interest in the Mengapur Project for $30.00 million. The fund will be used for gold projects and corporate development.

In conjunction with the above transaction, the Company continues to seek additional funding to place its Selinsing Sulphide Project into production. The Company continues to assess the Burnakura early-stage production decision. Upon success, this would potentially allow the Company to generate a second source of cash flow from Australian operations.

Figure15: Commitments and Contingencies (000's)

	2021	2022	2023	2024	2025	Total
	$	$	$	$	$	$
Lease commitments	23	23	-	-	-	46
Mineral property obligations	502	804	642	601	642	3,191
Purchase commitments	1,535	37	7	4	4	1,587
Total	**2,060**	**864**	**649**	**605**	**646**	**4,824**

Lease commitments relate to future contractually obligated payments of a long-term office lease recognized as a right-of-use asset. Mineral property obligations include exploration expenditures and levies mandated by relevant government authorities to keep tenements in good standing. Purchase commitments are mainly related to operations carried out in Malaysia and Western Australia.

In addition to commitments outlined in the table above, the Company is obligated to deliver 3,133 ounces of gold related to the gold prepaid sale at 241 ounces of gold monthly until January 31, 2022.

6. OFF BALANCE SHEET ARRANGEMENTS

None.

7. TRANSACTIONS WITH RELATED PARTIES

The Company's related parties include key management, who have authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Members of key management include five directors (executive and non-executive), the Chief Executive Officer ("CEO"), the Chief Financial Officer and the Vice President of Business Development who report directly to the CEO.

The remuneration of the key management of the Company as defined above including salaries, director fees and share-based payments is as follows:

Figure 16: Key management compensation (000's)

	Three Months Ended		Six months ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
	$	$	$	$
Salaries	163	232	318	470
Directors' fees	45	34	81	68
Share-based payments	-	(5)	-	(4)
Total compensation	**208**	**261**	**399**	**534**

During the six months ended December 31, 2020, nil (six months ended December 31, 2019: $0.80 million) was paid out in relation to legacy payments expensed in previous periods.

Amount due to related parties as at December 31, 2020 was $0.05 million (June 30, 2020: $0.04 million) relating to director fees. Directors' fees are paid on a quarterly basis. Any unpaid amounts due to directors are recorded in accrued liabilities and are unsecured and bear no interest.

8. SUBSEQUENT EVENTS

On January 8, 2021, the Company entered into a definitive Sale and Purchase Agreement (the "Definitive Agreement") with Fortress Minerals Limited ("Fortress") to sell a 100% interest in its Malaysian subsidiary, MMSB, which owns a 100% interest in the Mengapur Project. Under the terms of the Definitive Agreement, Fortress will, in consideration for the shares of MMSB, pay the Company $30.00 million in cash and grant the Company a royalty of 1.25% on the gross revenue on all products produced at the Mengapur Project.

Fortress made a $3.75 million deposit under escrow upon signing a letter of intent on July 29, 2020. Upon signing of the Definitive Agreement, $3.00 million of the Deposit was released to the Company from escrow on January 13, 2021. In addition, Fortress paid the Company $5.25 million held under escrow, taking the total escrow balance to $6.00 million (the "Further Payment"), which shall be released to the Company with the final payment of $21.00 million together upon closing. The Deposit and the Further Payment are only refundable subject to certain conditions in accordance with the terms of the Definitive Agreement.

The Transaction will be closed subject to certain conditions precedent including regulatory approval.

9. CRITICAL ACCOUNTING ESTIMATES

Refer to Note 3 of the unaudited condensed interim consolidated financial statements as at December 31, 2020. 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 amounts reported. Significant estimates and areas where judgment is applied include: accounting for gold prepaid sale arrangements, purchase price allocation and valuation of deferred exploration assets, ore reserve and mineral resource estimates, determination of useful lives for property, plant and equipment, inventory valuation, exploration and evaluation expenditures, impairment of non-current assets, provision for reclamation and remediation obligations, deferred taxes, share-based payments, derivative assets and liabilities, determination of commencement of commercial production, title to mineral properties, realization of assets, functional currency, business combinations and own use contracts. Actual results could differ from the Company's use of estimates and judgements.

10. CHANGES IN ACCOUNTING POLICY INCLUDING INITIAL ADOPTION

None.

11. FINANCIAL INSTRUMENTS – RISK EXPOSURE AND OTHER INSTRUMENTS

The Company's financial instruments are classified and subsequently measured at amortized cost and include cash and cash equivalents, restricted cash, trade and other receivables, and accounts payable and accrued liabilities. Refer to the consolidated financial statements as at December 31, 2020 for the details of the financial statement classification and amounts of income, expenses, gains and losses associated with the relevant instruments. Details provided include a discussion of the significant assumptions made in determining the fair value of financial instruments. The Company's financial instruments are exposed to certain financial risks, including market risk, credit risk, and liquidity risk as outlined below.

Market risk

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

Foreign Currency risk

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

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

Based on the above net exposures as at December 31, 2020 and assuming that all other variables remain constant, a 5% depreciation or appreciation of the RM against the US dollar would result in an increase/decrease of approximately $0.13 million (six months ended December 31, 2019: $0.02 million) in the Company's net income, a 5% depreciation or appreciation of the CAD against US dollar would result in an increase/decrease of approximately $0.01 million (six months ended December 31, 2019: increase/decrease $0.05 million) in net income and a 5% depreciation or appreciation of the AUD against the US dollar would result in an increase/decrease of approximately $0.15 million (six months ended December 31, 2019: increase/decrease $0.01 million) in net income.

Figure 18: Monthly USD to CAD Exchange Rates

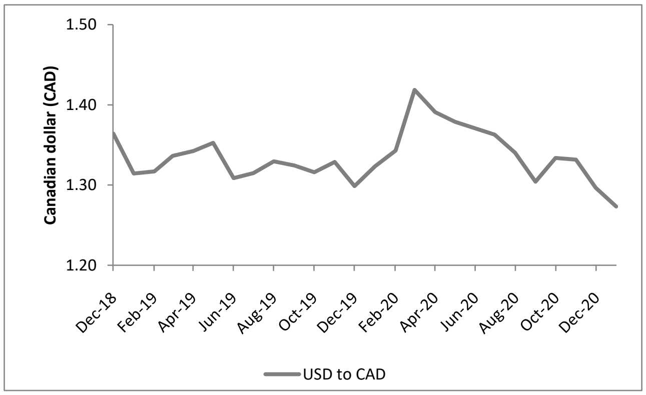
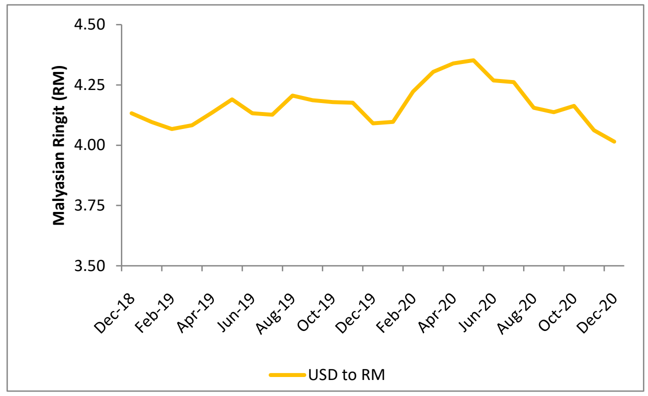


Figure 19: Monthly USD to RM Exchange Rates



Commodity price risk

For the six months ended December 31, 2020, the Company's revenues and cash flows were impacted by fluctuation in gold prices. For the six months ended December 31, 2020, gold prices fluctuate within the range of $1,763 to $2,067 per ounce (fiscal 2020: $1,389 to $1,772 per ounce) based on London Fix PM prices. The Company has not hedged its exposure to commodity price fluctuations.

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 investments of financial instruments included in cash and cash equivalents is relatively unaffected by changes in short-term interest rates. Investments are generally held to maturity and changes in short-term interest rates do not have a material effect on the Company's operations.

Credit risk

The Company's credit risk on trade receivables is negligible.

The Company is exposed to concentration of credit risk with respect to cash and cash equivalents. The maximum exposure to credit risk is the carrying amounts as at December 31, 2020. An amount of $4.51 million (June 30, 2020: $1.00 million) is held with a Malaysian financial institution, $1.64 million (June 30, 2020: $0.15 million) with an Australian financial institution and $8.30 million (June 30, 2020: $8.98 million) is held with Canadian financial institutions. To mitigate exposure to credit risk, the Company has established policies to limit the concentration of credit risk to ensure counterparties demonstrate minimum acceptable credit worthiness and to ensure liquidity of available funds.

Liquidity risk

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

12. OUTSTANDING SHARE DATA

The following details the share capital structure as at March 1, 2021, the date of this MD&A.

Figure 20: Share capital structure

Common shares (1)	Quantity
Issued and outstanding	328,971,563

Restricted share units	Quantity
	14,623,466

(1) 7,000,000 common shares are held in escrow in relation to the Intec Transaction. The terms of the escrow period have been extended to January 16, 2022.

13. RISKS AND UNCERTAINTIES

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

Whether a mineral deposit, if ever discovered, will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure together with the impact on mineability and recoverability as well as metal prices which are highly cyclical. Government regulations are significant factor to consider, 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 gold production at its Selinsing gold mine. The profitability of production is dependent on various factors that may not be controllable by the Company.

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

Title to mineral property interests

Although the Company has taken steps to verify the title to its mineral property interests in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to administrative delays common in Malaysia, unregistered prior agreements or transfers and title may be affected by undetected defect or litigation.

To the Company's best knowledge, title to its mineral properties is in good standing.

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 permits, compliance with governmental requirements, potential aboriginal claims as well as achieving profitable production from the properties or from the proceeds of their disposal.

Reserves and resource estimates

There is a degree of uncertainty attributable to the estimation of mineral reserves and mineral resources and the corresponding grades. Mineral 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 mineral deposit and may require the Company to reduce its estimates. Changes in gold recovery rates during milling and especially the impact of Intec Technology on treatment of gold sulphides may also adversely affect the viability of reserves and resources.

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 projections. The development of mining projects may also be subject to unexpected problems and delays that could increase the cost of development as well as the ultimate operating cost of relevant projects. Monument's decision to acquire, develop a mineral property and operate for 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 the ore to be mined and processed;
- anticipated recovery rates of gold extracted from the ore;
- anticipated material and spares cost associated with 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 that are relevant to the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on mineral properties, potential for a commercially viable production may diminish or be 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. Environmental liability may still exist for properties that the Company had a prior ownership or participating 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 mineral property pipelines

The Company will continue to assess targets to increase its mineral resource base. Additional capital may be required from time to time to provide funding for acquisitions and development in order to carry out its business strategy. The additional capital may come from public markets, debt financing and cash flows generated from current production, which are largely influenced by global and regional economies which are out of the Company's control. Management has successfully mitigated those risks in the past through exercise of due care, experience and knowledge; however, those factors do not guarantee such risks will be successfully mitigated in the future.

Foreign operations

The Company's properties are located in Malaysia and Western Australia. 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 within the control of the Company.

The Company's mineral exploration and mining activities may be affected in varying degrees by 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 in Malaysia include, but 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, Occupational Safety and Health Act 1994, Income Tax Act 1967, Finance Act 2017, the Goods and Services Tax Act 2014 and Employment Act 1955.

The regulations the Company shall comply with in Western Australia include, but not limited to, Mines Safety and Inspection Act 1994, Dangerous Goods Safety Act 2004, Environmental Protection Act 1986, Corporations Act – Corporations (Western Australia) Acts 1961 and 1981, Income Tax – Income Tax Act 1962, Fringe Benefit Tax Assessment Act 1986, Payroll Tax Assessment 2002, Goods & Services Act 1999 and Fair Work Act 2009.

Failure to 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.

14. NON-IFRS PERFORMANCE MEASURES

This Management's Discussion and Analysis refers to cash costs per ounce sold, weighted average gold price, all-in sustaining costs per ounce sold ("AISC"), sustaining capital expenditures and exploration and evaluation expenditures included in AISC calculations. These are measures with no standardized meaning under International Financial Reporting Standards ("IFRS"), i.e. they are non-IFRS measures, and may not be comparable to similar measures presented by other companies. Their measurement and presentation are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

Cash cost per ounce sold

The Company has included the non-IFRS performance measure "cash cost per ounce sold". This non-IFRS performance measure does not have any standardized meaning prescribed by IFRS 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 performance measures prepared in accordance with 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 performance benchmark 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, and excludes amortization, depletion, reclamation, idle production costs, capital costs, exploration costs and corporate administration costs.

The following table provides a reconciliation for the cash cost per ounce sold for the three and six months ended December 31, 2020 and December 31, 2019:

(In thousands of US dollars, except where noted)	Three months ended		Six months ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Production costs	4,141	4,040	7,001	7,736
Divided by ounces of gold sold (oz)	3,754	4,473	6,854	8,796
Total cash cost (US$/oz)	**1,103**	**903**	**1,021**	**880**

Weighted average gold price

The Company reports realized weighted average gold price and also London Fix PM weighted average gold price on a gold ounce sold basis. These non-IFRS performance measures do not have any standardized meaning prescribed by IFRS and, therefore, may not be comparable to similar measures presented by other companies. Realized weighted average gold price is computed gross revenue divided by ounces of gold sold excluding the revenue and ounces of gold deliveries to fulfill the obligation of gold prepaid sale. London Fix PM weighted average gold price is calculated weighted average London Fix PM gold price on gold sales. The Company believes that realized weighted average gold price provides additional information of gross revenue on a gold ounce sold basis, which is compared to London Fix PM weighted average gold price as market benchmark.

All-in sustaining cost per ounce sold

The Company reports all-in sustaining costs ("AISC") on a gold ounce sold basis. This performance measure has no standardized meaning and may not be comparable to similar measures presented by other issuers or used as a substitute for performance measures prepared in accordance with IFRS. The Company follows the guidance announced by the World Gold Council ("WGC") in September 2013 and updated in November 2018. The WGC is a non-profit association of the world's leading gold mining companies established in 1987 to promote the use of gold to industry, consumers and investors. The WGC is not a regulatory body and does not have the authority to develop accounting standards or disclosure requirements. The WGC has worked with its member companies to develop a measure that expands on IFRS measures such as operating expenses and non-IFRS measures to provide visibility into the economics of a gold mining company. All-in sustaining costs are calculated by taking total cash costs and adding sustaining capital expenditures, corporate administrative expenses at the Selinsing Gold Mine including share-based compensation, exploration and evaluation costs, and accretion of asset retirement obligations. Sustaining capital expenditures are defined as those expenditures which do not increase annual gold ounce production at the Selinsing Gold Mine and exclude all expenditures for major growth or infrastructure projects and non-producing projects. Certain other cash expenditures, including tax payments and acquisition costs, are also excluded. The Company believes that this measure represents the total costs of producing gold from current operations and provides the Company and other stakeholders of the Company with additional information of the Company's operational performance and ability to generate cash flows.

The following table provides reconciliation for AISC for the three and six months ended December 31, 2020 and December 31, 2019:

	Three months ended		Six months ended	
(In thousands of US dollars, except where noted)	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Production costs	4,141	4,040	7,001	7,736
By-product silver recovery	3	4	7	8
Operation expenses	149	-	179	-
Corporate expenses	394	503	664	1,104
Accretion of asset retirement obligation	33	45	68	93
Exploration and evaluation expenditures	73	217	105	428
Sustaining capital expenditures	1,216	759	1,500	1,741
All-in sustaining costs	**6,009**	**5,568**	**9,524**	**11,110**
Divided by ounces of gold sold (oz)	3,754	4,473	6,854	8,796
All-in sustaining costs per gold ounce sold (US$/oz)	**1,601**	**1,245**	**1,389**	**1,264**

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.

CAUTION ON FORWARD LOOKING STATMENTS

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'' within the meaning of Canadian securities legislation and ''forward-looking statements'' within the meaning of the United States Private Securities Litigation Reform Act of 1995 (referred to herein as "forward-looking statements"). These statements are based on expectations, estimates and projections as of the date of this Management's Discussion and Analysis. Forward-looking statements include, without limitation, 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; mine life; 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; litigation, title disputes or other 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 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 IV plant expansion on a basis consistent with Monument's current expectations; (4) the viability, permitting and exploration of Mengapur project being consistent with Monument's 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's current expectations; (12) outcomes and costs of ongoing litigation. Known and unknown factors could cause actual results to differ materially from those projected in the forward-looking statements. Such factors include, but 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, Australia 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 expected costs, developments and outcomes of ongoing litigation and other contests over title to 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's 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 occurrence of 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.