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News Release

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## Monument's Fiscal 2015 Results

### \$11M Net Profit at \$0.04 per Share with Cash Cost of \$587/Oz

Vancouver, B.C. Monument Mining Limited (TSX-V: MMY and FSE: D7Q1) "Monument" or the "Company" today announced its annual financial results for the year ended June 30, 2015. All amounts are in thousands of United States dollars unless otherwise indicated (refer to [www.sedar.com](http://www.sedar.com) for full annual financial results).

President and CEO Robert Baldock commented on fiscal 2015 annual production and financial results: "Monument reports a net profit of \$11.4 million and earnings per share of 4 cents. Through efficient utilization of resources the operations have increased productivity and gold recoveries. Our balance sheet remains strong and our development programs use innovation to build and develop the project pipeline to increase resources in gold and other base metals for all stakeholders."

#### Fiscal 2015 Highlights:

- Net profit increased by \$14.01 million to \$11.38 million at \$0.04 per share (2014: net loss \$2.63 million, or (\$0.01) per share);
- Cash cost per ounce decreased by 4% to US\$587 per ounce ("oz") (2014: US\$613/oz);
- Gold recovery increased by 12% to 36,567oz (2014: 32,568oz);
- Processing recovery rate of gold increased by 9% to 82.4% (2014: 75.9%);
- Average ore head grade increased by 11% to 1.45g/t Au (2014: 1.31g/t Au);
- Profit margin generated from gold production of \$15.89 million (2014: \$16.28 million);
- 36,500oz of gold sold for gross revenue of \$44.84 million (2014: 37,670oz sold for \$48.58 million);
- Interim Intec License secured to exploit sulphide gold and copper recovery technology ;
- Gold resource confirmed for Alliance/New Alliance ("ANA") deposits at Murchison with a NI 43-101 Report SEDAR filed.

#### Fourth Quarter and Fiscal 2015 Production and Financial Highlights

	Three months ended June 30		Year ended June 30	
	2015	2014	2015	2014
<b>Production</b>				
Gold production <sup>(1)</sup> (ounces)	7,432	7,754	36,473	35,983
Gold sold <sup>(1)</sup> (ounces)	8,600	9,400	36,500	37,670
<b>Financial</b>				
	\$'000	\$'000	\$'000	\$'000
Revenue	10,370	12,147	44,838	48,583
Net income before other items	3,667	2,094	11,661	6,881
Net income/(loss)	3,178	(4,857)	11,383	(2,631)
Cash flow from operations	3,522	4,874	23,684	16,503
Working capital	39,721	37,048	39,721	37,048
EPS before other items – basic	\$0.01	\$0.01	\$0.04	\$0.02
EPS – basic	\$0.01	(\$0.02)	\$0.04	(\$0.01)
<b>Other</b>				
	\$/oz	\$/oz	\$/oz	\$/oz
Average realized gold price per ounce sold	1,206	1,292	1,228	1,290
Cash cost per ounce <sup>(2)</sup>				
Mining	157	262	214	219
Processing	318	357	313	326
Royalties	64	65	63	66
Operations, net of silver recovery	(15)	3	(3)	2
Total cash cost per ounce	\$524	\$687	\$587	\$613

- (1) Defined as good delivery gold bullion according to London Bullion Market Association (“LBMA”), net of gold dore in transit and refinery adjustment
- (2) Total cash cost includes production costs such as mining, processing, tailing facility maintenance and camp administration, royalties, and operating costs such as storage, temporary mine production closure, community development cost and property fees, net of by-product credits. Cash cost excludes amortization, depletion, accretion expenses, capital costs, exploration costs and corporate administration costs.

## **Production Results**

Gold recovery increased by 12% for the year to 36,567oz (2014: 32,568oz), average ore head grade increased by 16% to 1.45/t Au (2014: 1.31g/t Au) and process recovery rate increased by 9% to 82.4% compared to 75.9% in fiscal 2014. Gold production was 36,473oz, an increase compared to 35,983oz in fiscal 2014. Tons of ore processed decreased by 6% to 954,165t in fiscal 2015 (2014: 1,018,972t) primarily due to heavy rain during the monsoon season and power outages that caused down time at the plant. As a result, ball mill availability decreased to 92.6% in fiscal 2015 from 94.7% in fiscal 2014. This was offset by improvements made through optimization of plant performance, as shown by increased process recovery in fiscal 2015.

## **Financial Results and Discussion**

The Company sold a total of 36,500oz of gold (2014: 37,670oz) at an average realized price of \$1,228 per ounce (2014: \$1,290 per ounce) during the fiscal year 2015. Gold sales generated \$44.84 million for the year compared to \$48.58 million in the prior fiscal year. The average London Fix PM gold price for the year was \$1,224 per ounce (2014: \$1,296 per ounce) and the Company’s average realized gold price was higher at \$1,228 per ounce (2014: \$1,290 per ounce).

Total income from mining operations remained positive in 2015 for \$15.89 million in line with 2014 for \$16.28 million. Higher gold production of 36,473 oz (2014: 35,983 oz) and lower cost of per ounces of gold produced at \$587 per ounce (2014: \$613/oz) were key factors in the success of the 2015 operational results, in spite of the reduction in total gold sales in 2015 reduced due to a timing difference, at lower average realized gold price in 2015. The production team at the Selinsing Mine has made significant improvements to boost productivity and improve the bottom line during 2015 by increasing the gold recovery rate to 82.4% from 75.9% in 2014. The cost of overall production was also reduced by optimization of the workforce and process operations.

Total production cost decreased by \$3.35 million in fiscal 2015 to \$28.95 million, compared to \$32.30 million in fiscal 2014. The cash cost per ounce of gold sold decreased by 4% in fiscal 2015 to \$587 per ounce, compared to \$613 per ounce for fiscal 2014. The decrease resulted primarily from lower mining and processing costs, a higher gold recovery rate and a weaker Malaysia Ringgit compared to the US dollar.

Income before other items was \$11.66 million for fiscal 2015 compared to \$6.88 million in fiscal 2014. The increase in income before other items is mainly attributable to a 55% reduction of corporate expenses in the current fiscal year. In fourth quarter fiscal 2015 income before other items was \$3.67 million compared to \$2.09 million in fourth quarter fiscal 2014. The increase in income before other items is mainly attributable to an increase of 44% income from mining operations and a 20% reduction of corporate expenses in the current fiscal quarter.

Net income for fiscal 2015 was \$11.83 million (\$0.04 per share - basic) compared to a loss of \$2.63 million (\$0.01 per share - basic) for fiscal 2014. The increase in fiscal 2015 was mainly caused by lower loss from other items and a reduction to corporate expenses. Net income for fourth quarter fiscal 2015 was \$3.18 million (\$0.04 per share - basic) compared to a loss of \$4.86 million (\$0.02 per share - basic) for fourth quarter fiscal 2014.

Cash provided from operating activities was \$23.68 million in fiscal 2015 compared to \$16.50 million in fiscal 2014. In fourth quarter fiscal 2015 cash provided from operations was \$3.52 million compared to \$4.87 million in fourth quarter 2014. Working capital was \$39.72 million at June 30, 2015, an increase of \$2.22 million compared to \$37.05 million at June 30, 2014.

## **Acquisitions**

### Tukanarra Gold Project

In November 2014 the Company acquired a 100% interest in the Tukanarra Gold Project consisting of two exploration licenses, six prospecting licenses, and a mining lease covering a total of 416km<sup>2</sup> in the Murchison Mining District in

Western Australia containing historical Indicated and Inferred Joint Ore Reserves Committee (“JORC”) compliant resources. As a result of this accretive transaction, Monument has strengthened the exploration potential in the Murchison region of Western Australia.

#### Intec Technology

In February 2015, the Company acquired an interim license (“Interim License”) from Intec International Projects Pty Ltd (“Intec”), under which Monument has the right to exploit and test the Intec Technology in respect of both copper and gold processes, and to use the Selinsing Gold Plant as an alpha site for a potential economic solution to sulphide gold recovery. The Intec Technology is under several registered patents and is a hydrometallurgical process using a mixed halide lixiviant for the extraction of pure copper, precious metals and associated metals from sulphide concentrates.

### **Development and Exploration**

#### Malaysia

At the Selinsing Gold Mine, the Intec laboratory test work was completed as planned in fiscal 2015 and has successfully demonstrated the technical ability of Intec to recover gold from the sulphide material on a bench scale. Based on these results, the pilot plant was commissioned subsequent to the year in September 2015 and test work will commence in October 2015 to duplicate the bench scale batch test work results in a continuous flow process; to further demonstrate scale-up capability. The pilot plant test work is anticipated to be complete by the end of December 2015. The commercialization trial testing program is scheduled to be completed by the end of the third quarter of fiscal 2016 and if successful, the sulphide ore will be concentrated and treated through an Intec circuit to be added to the Selinsing Gold Plant which the Company is targeting for the third quarter of fiscal 2017. Together with remaining oxide material, Monument is expecting to maintain sustainable gold production at the Selinsing Gold Mine through fiscal 2020 for an additional 5 years of potential production.

Exploration for fiscal 2015 in the Malaysia region was focused on replacement of oxide ore and discovery of new gold deposits at Selinsing and Buffalo Reef areas to extend the life-of-mine at Selinsing. The Company also implemented a geo-metallurgical test work program to obtain understanding of the non-refractory sulphide ore in transition zones, aimed to further improve the recovery of gold from sulphide materials. The fiscal 2016 drilling and geological program will be focusing on exploration drilling of new targets and completing geological study to update reserves and resources, anticipated in the third quarter of fiscal 2016.

At the Mengapur Project a preliminary economic assessment study (“PEA” study) was initiated during the prior fiscal year and was placed on hold in fiscal 2015. The PEA completion is subject to and pending approval and issue of the mining lease(s) from Pahang State to Star Destiny Sdn. Bhd., a 100% owned subsidiary of Monument. Management continues its dialogue with the Pahang State authority to advance this process. In early fiscal 2015, the Company made considerable progress in refurbishing and upgrading its 1,000 tpd beneficiation copper flotation and iron magnetite recovery pilot plant. The plant is to demonstrate economics of in-house copper metal production with potential iron and other metal by-products. However, due to the recent dramatic and sustained decline in iron ore price and volatility in copper price, the plant development and production was placed on hold in the third quarter fiscal 2015. The Company intends to initiate the Intec copper sulphides test work to demonstrate the copper metal can be produced at the production site at low costs when its Intec trial test work on gold sulphides is completed.

#### Western Australia

In Western Australia the Burnakura Gold Project at Murchison progressed aggressively during fiscal 2015. Following confirmation drilling success over Alliance/New Alliance deposits, open pit mine optimization, metallurgical test work for heap leach processing, crushing plant engineering design, tailing storage facilities study and environment studies, the project moved forward in parallel with continuing exploration to demonstrate the economics of early production. Subsequent to fiscal 2015, Como Engineers has been engaged to assess and to assist with the first phase of heap leach production development including capital and operating cost estimates, construction and commissioning a heap leach plant and a heap leach pad, targeting commencement of gold production by the end June 2016.

In fiscal 2015 exploration at Murchison was focused on resource definition and evaluation on Alliance and New Alliance and Federal City deposits at Burnakura. During fiscal 2015, an Inferred and Indicated mineral resource estimate for ANA deposits were announced in February 2015 and followed by a “*NI 43-101 Technical Report on the Alliance and New Alliance Gold Deposits, Burnakura, Western Australia*” (Lead Principle QP: Darryl Mapleson (MAIG, FAusIMM) of BM Geological Services), Sedar filed on April 2, 2015 and amended August 7, 2015. In addition, drill results on the Federal

City deposit showed some impressive high grade intersections. The fiscal 2016 exploration program will focus on increasing mineral gold inventory to extend the economically recoverable life of mine to support sustainable production. Recent drilling at ANA have indicated a further mineralized zone exists to the East and North of the ANA pits and this area is the subject of a further 2016 exploration program.

Roger Stangler, Chief Managing Geologist of the Company, MEng, MAusIMM, MAIG has reviewed, supervised the preparation and approved the scientific and technical disclosure in the news release as a Qualified Person under NI43-101 standards.

## About Monument

Monument Mining Limited (TSX-V:MMY, FSE:D7Q1) is an established Canadian gold producer that owns and operates the Selinsing Gold Mine in Malaysia. Its experienced management team is committed to growth and is advancing several exploration and development projects including the Mengapur Polymetallic Project, in Pahang State of Malaysia, and the Murchison Gold Projects comprising Burnakura, Gabanintha and Tuckanarra in the Murchison area of Western Australia. The Company employs approximately 300 people in both regions and is committed to the highest standards of environmental management, social responsibility, and health and safety for its employees and neighboring communities.

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