

Monument Reports Second Quarter Fiscal 2019 Results

Gross Revenue of \$5.66 Million and Cash Cost of US\$686/Oz

Vancouver, B.C., February 27, 2019, Monument Mining Limited (TSX-V: MMY and FSE: D7Q1) “Monument” or the “Company” today announced its second quarter production and financial results for the three months ended December 31, 2018. All amounts are in United States dollars unless otherwise indicated (refer to www.sedar.com for full financial results).

President and CEO Cathy Zhai commented on second quarter fiscal 2019 financial results: “During the second quarter, we have successfully completed a Mineral Resource estimate at Mengapur and a feasibility study at the Selinsing Gold Mine subsequently. These accomplishments are significant to shareholders and potential investors as they demonstrate to the market the value being built over the last 10 years in our gold and copper portfolios in Malaysia. This opens our future for potential sustainable production and business development opportunities. I would like also to congratulate our team for their excellent performance and technical strengths that have been developed and accumulated over past 10 years.”

Second Quarter Highlights:

- 4,600oz of gold sold for gross revenue of \$5.66 million (Q2 2018: 3,900oz of gold sold for gross revenue of \$4.97 million);
- 4,653oz of gold produced (Q2 2018: 4,151oz);
- Cash cost per ounce (“oz”) of \$686/oz (Q2 2018: \$805/oz);
- Gross margin of \$2.51 million (Q2 2018: \$1.83 million);
- A NI43-101 Technical Report completed at Mengapur that included a copper, gold and silver mineral resource estimation;
- A NI43-101 Technical Report completed at Selinsing, subsequent to the second quarter, establishing economic viability for a six-year life of mine.

Second Quarter Production and Financial Highlights

	Three months ended December 31,		Six months ended December 31,	
	2018	2017	2018	2017
Production				
Ore mined (tonnes)	56,734	85,214	87,039	115,908
Ore processed (tonnes)	241,925	219,548	478,730	441,084
Average mill feed grade (g/t)	0.88	1.00	0.85	0.81
Processing recovery rate (%)	72%	72%	68%	69%
Gold production ⁽¹⁾ (oz)	4,653	4,151	7,961	7,535
Gold sold (oz)	4,600	3,900	9,150	7,400
Financial (in thousands of US dollars)				
Revenue	\$ 5,663	\$ 4,975	\$ 11,193	\$ 9,477
Gross margin from mining operations	2,509	1,834	5,230	3,018
Net income/(loss) before other items	768	(423)	1,873	(1,483)
Net income/(loss)	469	(1,820)	1,531	(3,326)
Cash flows generated from operations	1,078	922	1,844	2,896
Working capital	26,299	26,492	26,299	26,492
Earnings/(Loss) per share before other items – basic (US\$/share)	0.00	(0.00)	0.01	(0.00)
Earnings/(Loss) per share – basic (US\$/share)	0.00	(0.01)	0.00	(0.01)

	Three months ended December 31,		Six months ended December 31,	
	2018	2017	2018	2017
<u>Other</u>	US\$/oz	US\$/oz	US\$/oz	US\$/oz
Average realized gold price per ounce sold	1,231	1,276	1,223	1,281
<u>Cash cost per ounce</u> ⁽²⁾				
Mining	161	153	150	165
Processing	441	551	414	623
Royalties	82	97	86	81
Operations, net of silver recovery	2	4	2	4
Total cash cost per ounce	686	805	652	873

(1) Defined as good delivery gold bullion according to London Bullion Market Association ("LBMA"), net of gold doré 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.

Operation and Financial Results

Second quarter fiscal 2019 gold production was 4,653oz, a 12% increase compared to 4,151oz in the corresponding period of the previous year. Production included stockpiled super low-grade oxide ore, old tailing materials, and oxide ore from the production at Felda Block 7, Buffalo Reef, and Selinsing during the second quarter. The processing recovery rate was 72.2% compared to 70.0% for the same quarter last year. Ore processed was increased by 10% to 241,925t from 219,548t in the same period last year. The increased mill feed was mainly due an increase in the old tailings reclaim rate, offset by a lower crushing rate from repairs and heavy rainfall.

Net income for the second quarter was \$0.47 million, or \$0.00 per share (basic) compared to net loss of \$1.82 million or (\$0.01) per share (basic) in the same period last year. The increase in net income was mainly due to higher revenue with lower corporate expenses and foreign currency exchange loss and tax expense. Mining operations generated a gross margin of \$2.51 million, an increase of 37% from \$1.83 million in the same quarter last year, before non-cash amortization and depreciation. Net income for the six months ended December 31, 2018 was \$1.53 million, or \$0.00 per share (basic) compared to net loss of \$3.33 million or (\$0.01) per share (basic) in the same period last year. The increase in earnings was mainly due to higher income from mining operations, lower corporate expenses and decreased in foreign currency exchange loss. Mining operations generated a gross margin of \$5.23 million, an increase of 73% from \$3.02 million in the same period last year, before non-cash amortization and depreciation.

For the second quarter, total cash consumed was \$0.91 million from \$1.08 million generated from operations offset by \$1.99 million invested for development at Selinsing including pre-stripping, tailings storage facilities upgrade and the Sulphide Project feasibility study, for exploration at Buffalo Reef and Peranggih, at Murchison for regional geological study, and at Mengapur for resource evaluation study and care and maintenance. In comparison, the second quarter last year generated total cash of \$1.70 million from \$0.92 million generated from operations, \$2.00 million gold forward from financing activities, offset by \$1.22 million used for investing activities. For the six months ended December 31, 2018, total cash consumed was \$2.18 million from \$1.84 million provided from operations, offset by \$2.29 million used for investing activities on the Sulphide Project for Selinsing, tailings storage facility upgrades and pre-stripping, exploration at Buffalo Reef and Peranggih, the regional geology study for Burnakura, and resource study for the Mengapur Project. In comparison, the six-month period last year generated total cash of \$4.31 million from \$2.90 million from operations and \$5.00 million from financing activities from a gold forward sale, offset by \$2.29 million used for investing activities.

For the second quarter, changes in working capital items reduced cash from operating activities by (\$0.92) million. The working capital reduction was primarily due to increased inventories and decrease in accounts payable and accrued liabilities. For the three months ended December 31, 2017, the \$1.08 million working capital reduction was primarily due to timing of accounts receivables, reduction of inventories and decrease in accounts payable and accrued liabilities. For the six months ended December 31, 2018, changes in working capital items reduced cash from operating activities by (\$2.39) million. The working capital reduction was primarily due to timing of accounts receivables and decrease in accounts payable and accrued liabilities. For the six months ended December 31, 2017, the \$0.72 million working capital increase was primarily due to reduction of inventories, offset by timing of accounts receivables and prepaid expenses.

Development

Selinsing Gold Mine

During the second quarter, the Feasibility Study was being finalized for the Selinsing Gold Sulphide Project. The Snowden 2019 NI43-101 Report (titled “Selinsing Gold Sulphide Project - NI 43-101 Technical Report”), filed subsequent to the second quarter, has concluded economic viability of the Selinsing Gold Sulphide Project, covering mineral exploration, development, and production area of the Selinsing Gold Mine. The Feasibility Study has demonstrated an approximately six-year life of mine (LOM) with an 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 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. Recommendations have been suggested to initiate further exploration programs, aimed on conversion of Inferred Mineral Resources to Indicated Mineral Resources.

During the second quarter, flotation and other testwork continued at an independent laboratory in Perth, WA and successfully achieved gold recoveries in excess of 90%, confirming the results achieved from the in-house laboratory at site. A draft detailed design of the tailings storage facility (“TSF”) expansion was issued by SRK Consulting. Construction of the new spring water management system was completed and preparation for the TSF main embankment construction proceeded with the use of some pre-stripping materials that reduces overburden.

The project team also continued to optimize costs for the sulphide plant upgrade including expected maintenance and reagent consumptions to lower operating cost estimates and sourcing local equipment to lower capital cost estimates.

Burnakura Project

Following the July 2018 updated mineral resource estimation at Burnakura, an initial economic assessment was completed during the second quarter assuming the underground mining potential and larger mill capacity to 500ktpa from 260ktpa by the management. Based on those assessments, the Company has re-strategized development of the Burnakura Gold Project. The planned gold production is postponed until completion of the PEA to include underground opportunities that would potentially allow for a better return on investment and reduction of operation risks. Focus during the second quarter has been on the update of geological data and identification of geological host structures suitable for target drilling with a view to increase gold inventories.

Mengapur

At the Mengapur Copper-Iron project geological and resource modelling work resumed in fiscal 2018. A NI43-101 Mineral Resource Estimation Technical Report was completed by Snowden and SEDAR filed in October 2018. A total of 39.5 Mt @ 0.43% Cu and 0.18 g/t Au of Indicated Mineral Resources, along with 50.9 Mt @ 0.44% Cu and 0.11 g/t Au of Inferred Mineral Resources, was reported above a 0.3% Cu cut-off grade. As copper prices rise, the Company intends to carry out follow-up work in fiscal 2019 to assess the opportunity for copper production.

Exploration Progress

Malaysia

Exploration activities during the second quarter comprised of regional exploration interpretation, a continuation of the soil sampling program, and refinements on diamond and RC drilling design. Regional exploration has continued targeting larger strategic development areas surrounding the Selinsing Gold Mine, aimed to test resource potential. The current target areas have been prioritized for sampling and assaying including additional sections at Peranggih and Panau. During the second quarter 140 primary samples collected at the Panau South. The access road to Panau East was then surveyed, repaired, and sampling was started at the end of the second quarter with 20 samples collected. The soil sampling results could lead to identifying further regional drilling targets.

Australia

A geological structural study was completed during the second quarter with updates to reflect new geological information for regional geology. Regional and localized drill targets have been identified and priority ranked at Burnakura and entire Murchison Gold Project for further investigation. Compilation of historical data was also carried out, to check any gaps in existing data including reports, drillhole database and geochemical data.

The Company has developed exploration milestones and strategy, preparing to commence exploration programs to test regional targets such as NOA 9, and deep underground potential targets at ANA, NOA 1 and NOA 2, and NOA 7/8 areas.

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 Copper and Iron 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 195 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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This news release includes statements containing forward-looking information about Monument, its business and future plans ("forward-looking statements"). Forward-looking statements are statements that involve expectations, plans, objectives or future events that are not historical facts and include the Company's plans with respect to its mineral projects and the timing and results of proposed programs and events referred to in this news release. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". The forward-looking statements in this news release are subject to various risks, uncertainties and other factors that could cause actual results or achievements to differ materially from those expressed or implied by the forward-looking statements. These risks and certain other factors include, without limitation: risks related to general business, economic, competitive, geopolitical and social uncertainties; uncertainties regarding the results of current exploration activities; uncertainties in the progress and timing of development activities; foreign operations risks; other risks inherent in the mining industry and other risks described in the management discussion and analysis of the Company and the technical reports on the Company's projects, all of which are available under the profile of the Company on SEDAR at www.sedar.com. Material factors and assumptions used to develop forward-looking statements in this news release include: expectations regarding the estimated cash cost per ounce of gold production and the estimated cash flows which may be generated from the operations, general economic factors and other factors that may be beyond the control of Monument; assumptions and expectations regarding the results of exploration on the Company's projects; assumptions regarding the future price of gold of other minerals; the timing and amount of estimated future production; the expected timing and results of development and exploration activities; costs of future activities; capital and operating expenditures; success of exploration activities; mining or processing issues; exchange rates; and all of the factors and assumptions described in the management discussion and analysis of the Company and the technical reports on the Company's projects, all of which are available under the profile of the Company on SEDAR at www.sedar.com. Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.