

**BUILDING ON  
OUR FOUNDATION**



**Monument** is an established Canadian gold producer with a track record of operating results driven by a dedicated responsible team. With gold portfolios spanning Malaysia and Western Australia, our focused business strategy is production growth through investing in our project pipeline and by timely acquisitions.

## Table of Contents

<b>01</b> 2016 Highlights	<b>08</b> Capital Structure & Market Performance	<b>19</b> Mengapur Polymetallic Portfolio
<b>02</b> 2017 Growth Strategy	<b>09</b> Operating Highlights	<b>20</b> Corporate Social Responsibility
<b>03</b> President's Message to Shareholders	<b>10</b> Financial Performance	<b>22</b> Corporate Information
<b>05</b> Our People	<b>11</b> Selinsing Gold Portfolio	
<b>07</b> Corporate Overview	<b>15</b> Murchison Gold Portfolio	

## 2016 HIGHLIGHTS

### FINANCIAL

- 23,150oz of gold sold for gross revenue of \$23.60 million (includes a gold forward sale of 5,000 oz for \$2.59 million)  
(2015: 36,500oz for \$44.84 million)
- Profit margin of \$5.53 million (2015: \$15.89 million)
- Cash balance of US\$20.91 million (2015: \$29.35 million)
- Total Assets of \$259.05 million (2015: \$262.51 million)

### PRODUCTION

- Gold recovery decreased by 48% to 18,889 ounces\*
- Ore processed increased by 4% to 0.99 million tonnes\*
- Cash cost per ounce increased by 3% to US\$606 per ounce
- Processing recovery rate of gold decreased by 18% to 67.4%
- Average ore head grade decreased by 39% to 0.88g/t Au

\* Unless stated otherwise, all tonnages are reported as metric tonnes and contained gold is reported as Troy ounces, where 1 oz = 31.1035g

### DEVELOPMENT/EXPLORATION

- Prefeasibility study wrapped up to final stages at Selinsing in Malaysia
- Intec trial testwork progressed positively and is under Independent review
- Early stage production plan Completed at Murchison with long lead items in delivery
- Property investigation conducted in DRC and on-going elsewhere



## BUILDING ON OUR FOUNDATION

### 2017 GROWTH STRATEGY

- Continue to invest in gold focused portfolios and continue diversifying the country risk and single production site risk
- Build up Selinsing Sulphide Project by improvement of economic solution and life of mine through technology optimization and exploration focus
- Place Burnakura Gold Project into early stage production in parallel with pursuing deep drilling programs pursuing sustainable operation
- Seek potential opportunities for larger resources in other countries

## President's Message to Shareholders



"We are .... building on our foundation..... by extending the life of mine at our Selinsing Gold Mine in Malaysia through R&D work and exploration; and by targeting expanded gold production with the production decision at our Burnakura project located in the Murchison Mineral Field in Western Australia."

- Robert Baldock, President and CEO

In fiscal 2016, the Company continued to pursue its business focus of building up strong gold assets and cash position by seeking high quality gold projects, increasing gold inventory at the existing Selinsing gold portfolio and Murchison gold portfolio, and developing multiple cash flow generating operations in different jurisdictions and countries. We have maintained a clean balance sheet while internally funding our business and operation development during the year. We have recently hired some highly experienced operation managers, mining engineers and metallurgists to join our team in preparation for extending operations.

**Our Malaysia production** generated \$5.53 million gross profits at the Selinsing Gold Mine and continued to supply surplus cash from its oxide production in fiscal 2016 to support, along with cash on hand, our development. The Company focused on building up the Selinsing sulphide gold production project. We have spent \$1.19 million on the research and development of sulphide treatment alternatives including Intec technology, acid leaching and others; and spent \$3.03 million on exploration and a prefeasibility study including geological, metallurgical and mining optimization studies.

As a result, we have made an announcement subsequent to the year-end that our gold reserves and resources at Selinsing has been upgraded in replacing all gold depleted in previous years under NI43-101 standards. This allows our life of mine at Selinsing Gold Mine to be increased for another six years with the most conservative approach being bioleach treatment technology. The economics are expected to be optimized by the potential use of Intec technology and other alternatives, and with large sulphide exploration potential.

**Our Australia operation** has prioritized the Burnakura Gold Project targeting the commencement of early stage gold production based on an internal economic study and the "Proposal for Front End Engineering Design" for the planned heap leach/CIL production with associated CAPEX and OPEX from Como Engineers Pty Ltd. During fiscal 2016, \$3.80 million was spent on exploration and a scoping study over North of Alliance, Federal City, and Tuckanarra, in addition to Alliance and New Alliance that was completed in the previous year. The offsite engineering designing, refurbishment and procurement work was executed to upgrade the crushing plant which has reduced construction time from six to three months.

**Our business development** in fiscal 2016 continued to investigate high quality, near production stage undervalued gold projects, in order to turn them around into a cash generation center and to fund further downstream development. The Company invested in site visits and due diligence studies at potential targets in the Democratic Republic of Congo, a country rich in gold resources, and elsewhere for new opportunities.

(cont. pg 4)

**Looking forward,** fiscal 2017 will be a year for the Company to focus on Building on our Foundations:

#### **Build on our Selinsing Gold rich sulphide project**

The prefeasibility study that has been announced and will soon be filed has demonstrated Selinsing Gold as a sulphide gold rich project. Its upside potential relies on two factors: improvement of recoveries and costs, and the discovery of more gold mineralisation. In fiscal 2017, the R&D work on sulphide ore recovery has moved to its critical stage: (1) to finalize the Intec pilot run results and consolidate its input and output with other processing circuits in testing overall metallurgical performance; (2) to complete follow up testwork, based on which results from different process alternatives will be compared, and a best scenario will be selected for Phase IV construction with optimized operating performance and economics, and reduced technical and operational risk.

Further exploration drilling programs have been planned to increase the sulphide gold inventory at the Selinsing and Buffalo Reef areas that have not been previously drilled. An updated NI43-101 Technical Report will then be released to reflect the new economic picture.

#### **Build on our Burnakura Gold Project**

The Burnakura Gold Project has historical underground resources. Structural analysis of the Burnakura mineral field has identified that all major gold resources within the Burnakura shear zone are associated with and controlled by late stage trans-tensional structures that stretched for several kilometres and have not been tested, which are prospective for further discoveries. A deep drilling program has been planned for fiscal 2017 to further confirm historical resources and explore underground mining opportunities. It will then lead to a complete preliminary economic assessment study.

#### **Build on our People**

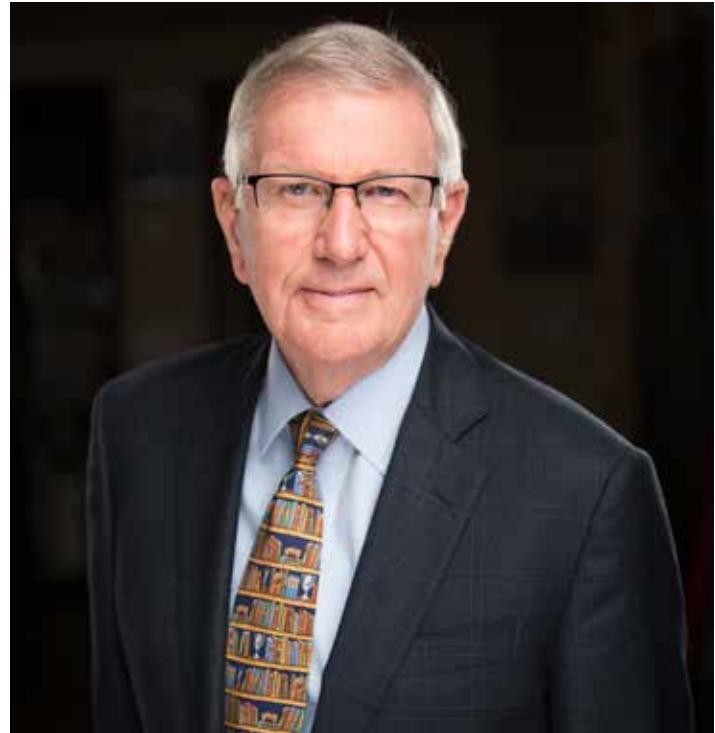
Monument is built on its people. Over the years of operation the team which includes: mining engineers, geologists, metallurgists, technicians, operators and accounting professionals, has been built up around our core management with vision, experience, can-do attitude, and the courage to face challenges.

To conclude, the Company now starts a new fiscal year. We confidently move ahead with a refined business plan for growth and cautious expansion in fiscal 2017, and look forward to building upon our accomplishments. Our goal is to grow the Company for the benefit of all stakeholders, while delivering increased shareholder value. Thank you to our loyal shareholders from our team of employees in Canada, Malaysia and Australia for your continuing support this year and we look forward to making strong progress in 2017.

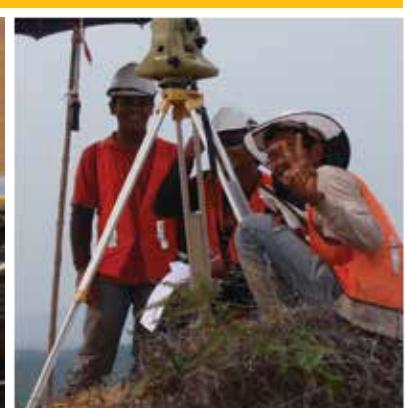
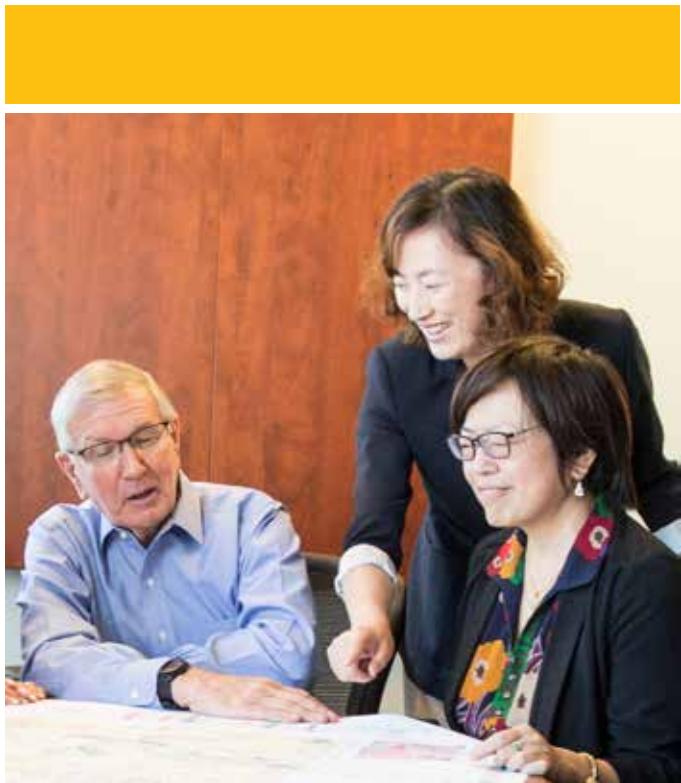
Sincerely,



ROBERT F. BALDOCK President and CEO









**"Monument employs approximately 240 people in Canada, Malaysia and Western Australia and is committed to the highest standards of environmental management, social responsibility, and health and safety for its employees and local communities."**

## CORPORATE OVERVIEW

**Monument Mining Limited** (TSX-V:MMY, FSE:D7Q1) is an established Canadian gold producer and mining asset developer that owns and operates the Selinsing gold mine in Malaysia, the Selinsing gold portfolio comprising Selinsing, Buffalo Reef, Felda Land and Famehub properties in Pahang State, Malaysia and the Murchison Gold Projects comprising Burnakura, Gabanintha and Tuckanarra properties in Western Australia. It also owns the Mengapur Polymetallic Project, in Pahang State, Malaysia. The Company controlled producing and exploration properties covering 166,462 acres as of June 30, 2016.

Monument's proven management team has demonstrated their ability to quickly build profitable operations. The Company's long-term goal is to be a sustainable, dividend paying, mid-tier gold and base metals producer through the acquisition of gold and other base metal projects and advancing its mineral property portfolio from exploration and development stages to production stage.

## PROPERTY PORTFOLIO

### GOLD PORTFOLIO

REGION	ACRES	PHASE OF DEVELOPMENT
SELINSING	776	PRODUCTION
BUFFALO REEF	444	PRODUCTION
FELDA LANDS	3,920	EXPLORATION
FAMEHUB	32,000	EXPLORATION
MURCHISON	24,216	DEVELOPMENT
TUCKANARRA	102,796	EXPLORATION

### POLYMETALLIC PORTFOLIO

REGION	ACRES	PHASE OF DEVELOPMENT
MENGAPUR	2,310	DEVELOPMENT



## CAPITAL STRUCTURE & MARKET PERFORMANCE

### Capital Structure as of June 30, 2016

<b>Shares Outstanding:</b>	<b>322,718,030</b>
Options:	13,493,666
<b>Fully Diluted:</b>	<b>336,211,696</b>
Share Price:	\$0.125
52 Week High/Low:	\$0.16/\$0.08
<b>Market Capitalization:</b>	<b>\$40.3 M</b>

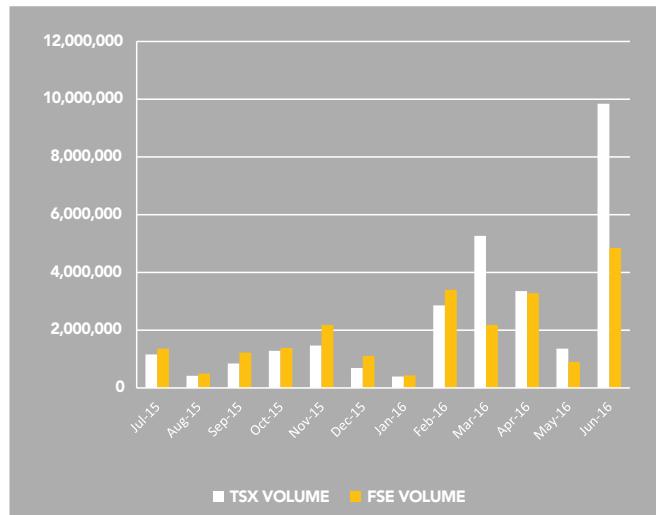
### QUARTERLY AVERAGE GOLD PRICE



### FISCAL 2016 STOCK CLOSING PRICE (CDN)



### FISCAL 2016 TRADING VOLUMES



## OPERATING HIGHLIGHTS

	FISCAL 2015				FISCAL 2016			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	\$	\$	\$	\$	\$	\$	\$	\$
REVENUES (000'S)	8,179	13,830	12,459	10,370	8,329	5,681	4,457	5,128
AVERAGE GOLD PRICE								
LONDON FIX PM (PER OUNCE)	1,282	1,201	1,218	1,192	1,124	1,106	1,183	1,260
MONUMENT REALIZED (PER OUNCE) <sup>(1)</sup>	1,298	1,213	1,221	1,206	1,147	1,114	1,158	1,221
NET EARNINGS (LOSS) BEFORE OTHER INCOME ATTRIBUTABLE TO COMMON SHAREHOLDERS (000'S)	1,201	3,128	3,665	3,667	1,569	644	371	(965)
EARNINGS (LOSS) PER SHARE BEFORE OTHER INCOME:								
- BASIC	0.00	0.01	0.01	0.01	0.01	0.00	0.00	(0.00)
- DILUTED	0.00	0.01	0.01	0.01	0.01	0.00	0.00	(0.00)
NET EARNINGS (LOSS) AFTER OTHER INCOME AND TAX ATTRIBUTABLE TO COMMON SHAREHOLDERS (000'S)	1,525	3,058	3,622	3,178	116	(4,584)	2,500	288
EARNINGS (LOSS) PER SHARE:								
- BASIC	0.01	0.01	0.01	0.01	0.00	(0.01)	0.01	0.00
- DILUTED	0.01	0.01	0.01	0.01	0.00	(0.01)	0.01	0.00

## SELECTED ANNUAL INFORMATION

BALANCE SHEET (IN THOUSANDS OF US DOLLARS)	JUNE 30, 2016	JUNE 30, 2015	JUNE 30, 2014
	\$	\$	\$
CURRENT ASSETS	34,576	43,124	47,421
NON-CURRENT ASSETS	224,478	219,388	207,294
TOTAL ASSETS	259,054	262,512	254,715
CURRENT LIABILITIES	6,238	9,638	10,373
NON-CURRENT LIABILITIES	14,205	11,741	16,723
EQUITY ATTRIBUTABLE TO SHAREHOLDERS	238,611	241,133	227,619
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	259,054	262,512	254,715
WORKING CAPITAL (INCLUDING RESTRICTED CASH)	28,338	33,486	37,048
INCOME STATEMENT (IN THOUSANDS OF US DOLLARS)	For the year ended June 30, 2016	For the year ended June 30, 2015	For the year ended June 30, 2014
	\$	\$	\$
REVENUE	23,595	44,838	48,583
PRODUCTION COSTS	(18,065)	(28,945)	(32,302)
CORPORATE EXPENSES	(3,911)	(4,232)	(9,400)
LOSS FROM OTHER ITEMS	(607)	(536)	(8,731)
INCOME TAX RECOVERY/(EXPENSE)	(2,692)	258	(781)
NET INCOME/(LOSS)	(1,680)	11,383	(2,631)
EARNINGS/(LOSS) PER SHARE (BASIC)	\$ (0.01)	\$ 0.04	\$ (0.01)
EARNINGS/(LOSS) PER SHARE (DILUTED)	\$ (0.01)	\$ 0.04	\$ (0.01)

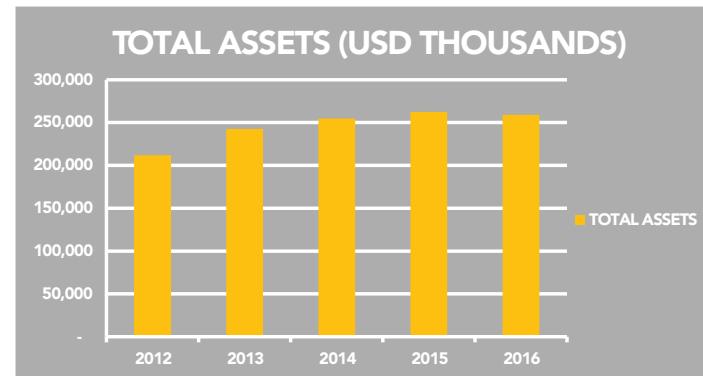
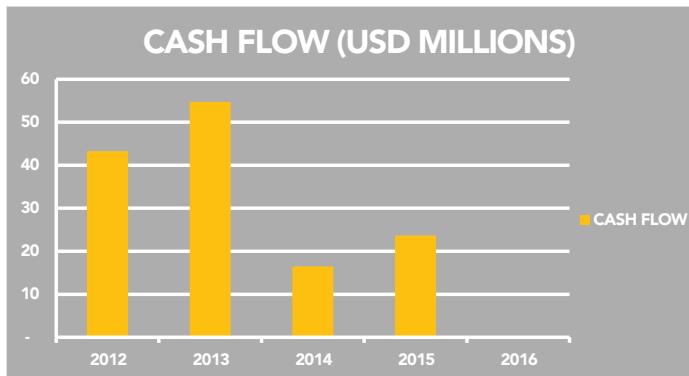
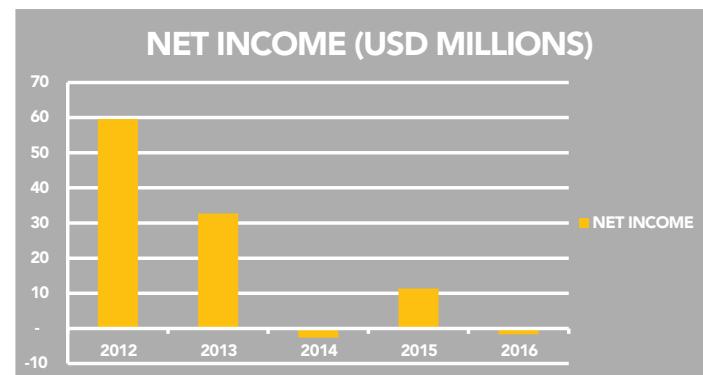
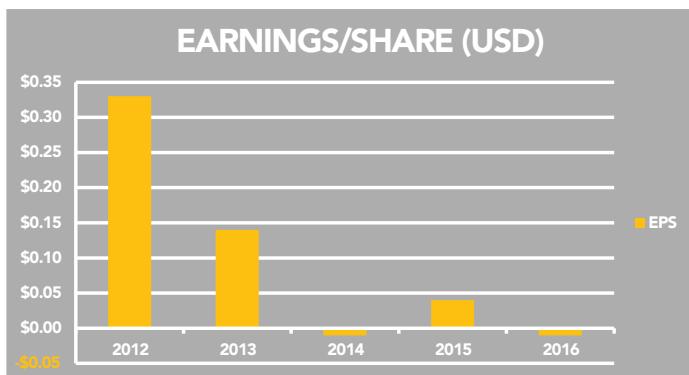
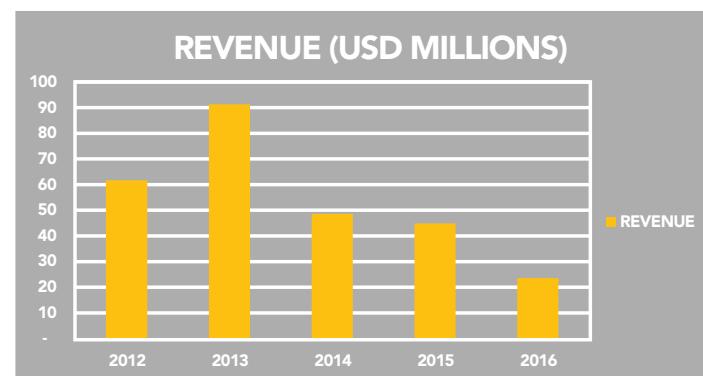
## FINANCIAL PERFORMANCE

Monument continued low cost gold production at the Selinsing mine while focusing on the Company's objectives to further develop the project portfolio mining assets. The Company maintained a clean balance sheet and had total assets of \$259.05 million at June 30, 2016.

During fiscal 2016, Monument achieved gross revenue of \$23.60 million from 23,250 ounces of gold sold, of which 18,150 ounces were from gold production and 5,000 ounces were from a gold forward sale. For the year, gold produced was sold at an average realized gold price of \$1,157 per ounce (London Fix PM: \$1,168 per ounce) and gold settled on a forward sale was sold at an average realized gold price of \$519 per ounce.

Gold production generated a mining operating profit of \$5.53 million and corporate expenses were reduced by \$0.32 million or 8% to \$3.91 million. Net loss for the year was \$1.68 million, or \$0.01 per share (basic).

The Company's cash and cash equivalents, including the restricted cash balance as at June 30, 2016 was \$20.91 million down from \$29.35 million held on June 30, 2015. During the year, exploration and evaluation expenditures at Selinsing were \$3.03 million and \$3.80 million at Murchison, which was the main cause for the expected cash flow reduction. While production has not been able to support the development costs during the transition period from oxide ore to sulphide ore at Selinsing, the development was necessary for our 2016 business development strategies and objective. Working capital was \$28.34 million at June 30, 2016, a decrease of \$5.15 million compared to \$33.49 million at June 30, 2015.





## SELINSING GOLD PORTFOLIO

***"Monument's dedicated team has steered the Selinsing Gold Mine to its sixth year of gold production through plant optimization, targeted exploration, and research and development programs."***

The Selinsing Gold Portfolio is located in Pahang State, Malaysia and includes the Selinsing Gold property, Buffalo Reef property, Felda Land, and Famehub properties. The Buffalo Reef property lies along strike continuous to the north of the Selinsing Gold property. Felda Land and Famehub properties are located east and north of Selinsing and Buffalo Reef properties. Together the properties cover 37,140 acres. The Selinsing and Buffalo Reef properties are at a development and production stage while others are at an exploration and evaluation stage.

Subsequent to fiscal yearend 2016, the Company announced the commencement of mining preparation on Felda Block 7 at Selinsing upon acknowledgement of the approval from the Pahang State authority to grant a Proprietary Mining Leases ("PML") that have now been issued to the underlying land owners ("Settlers"). The approval of the PML will allow the Company to continue to mine and feed oxide ore to the Selinsing mill, and enables the Buffalo Reef open pit to be developed for further sulphide production.

## RESERVES AND RESOURCES

Subsequent to fiscal 2016, the Company has announced the updated resources and reserves at Selinsing and Buffalo Reef as seen in the following Table 1 and Table 2, prepared by Snowden Mining Industry Consultants Pty Ltd in a NI43-101 Technical Report (Selinsing Gold Mine and Buffalo Reef Project), which will be released within 45 days from the date of the news release at [www.sedar.com](http://www.sedar.com).

The in-situ Mineral Resource estimate for the Selinsing deposit and the Buffalo Reef deposit is limited to a pit shell provided by Monument based on a US\$1,776/oz gold price. A pit optimization using a gold price of US\$1,225/oz was also done by Snowden and Mineral Reserves were estimated after the application of modifying factors from mining. This reserve pit Shell was used by Snowden to define the likely limits of potential open-pit mining. Stockpiles existing at June 30, 2016 are also estimated as Mineral Resources and Ore Reserves. The tables below summarize the estimated mineral reserves and mineral resources by area and ore type.

TABLE 1: SELINSING-BUFFALO REEF/FELDA RESOURCES AS OF JUNE 30, 2016 (SNOWDEN)												
Category	OXIDE (above 0.3 g/t Au cut-off)			TRANSITION (above 0.7 g/t Au cut-off)			SULPHIDE (above 0.7 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)
<b>MINERAL RESOURCES, REPORTED INCLUSIVE OF RESERVES (BASED ON A US\$1,776/OZ GOLD PRICE)</b>												
Measured*	2,171	0.52	36	-	-	-	165	1.45	8	2,336	0.59	44
Indicated	790	1.17	30	950	1.66	51	5,830	1.93	361	7,570	1.81	441
M+I	2,961	0.69	66	950	1.66	51	5,995	1.91	369	9,906	1.52	485
Inferred	380	1.03	13	353	1.46	17	3,640	2.13	249	4,373	1.98	279

\*Measured Resource is entirely stockpile material; Indicated and Inferred Resource comprises in situ material occurring in Selinsing and Buffalo Reef/Felda deposits

TABLE 2: SELINSING-BUFFALO REEF/FELDA RESERVES AS OF JUNE 30, 2016 (SNOWDEN)												
Category	OXIDE (above approx. 0.3 g/t Au cut-off)			TRANSITION (above approx. 0.7 g/t Au cut-off)			SULPHIDE (above approx. 0.7 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)
<b>MINERAL RESERVES (BASED ON A US\$1,255/OZ GOLD PRICE)</b>												
Proven*	2,171	0.52	36	-	-	-	165	1.45	8	2,335	0.59	44
Probable	565	1.31	24	698	1.80	40	2,619	2.03	171	3,882	1.88	235
P+P	2,736	0.68	60	698	1.80	40	2,784	2.00	179	6,217	1.40	279

\*Proven Reserve is entirely stockpile material; Probable Reserve comprises in situ material occurring in Selinsing and Buffalo Reef/Felda deposits

Currently the bioleach sulphide treatment process is identified in the upcoming NI 43-101 Technical Report as the most economic approach to demonstrate viability of the Selinsing sulphide project. Other process flowsheets are also being investigated and pending economic outcomes, the bioleach sulphide treatment process may be replaced by the Intec process. Subsequent to fiscal 2016, the Company has received the results of the "Selinsing Phase IV PFS Capex and Opex Revision" from Lycopodium with a significant reduction in capital expenditure from the original cost that is described in the existing 2013 NI43-101 Technical Report produced by Practical Mining and filed on SEDAR in May 2013 .

## SELINSING GOLD MINE

Gold production is carried out through the 1,000,000 tonnes per annum (TPA) gold processing plant at the Selinsing Gold Mine which is accessible by all of its Selinsing area owned properties. The tailings storage facility was upgraded in 2012 to accommodate 10 years of production. Total life of mine production through June 30, 2016 was 246,406 ounces, ore processed was 4,892,504 tonnes, gross revenues were \$342.9 million, and net profit was \$128.7 million. The mine is now moving to a sulphide zone and the life of mine for sulphide production will be based on the estimate reserves in the new NI43-101, which is an estimated six years.

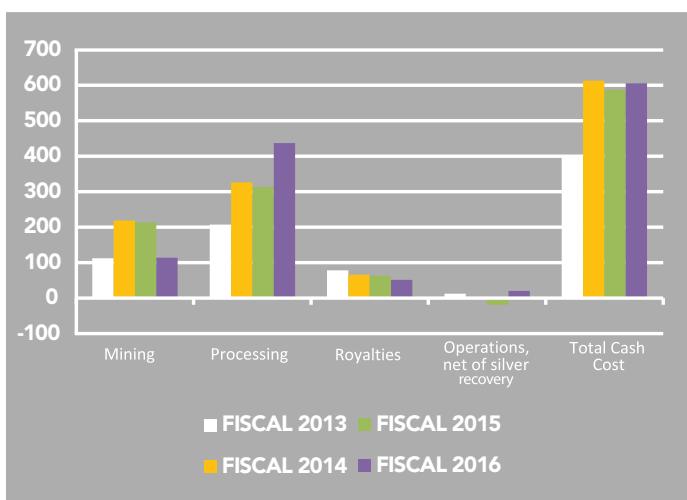
Fiscal 2016 gold production continued to process super low grade ore in transition towards treating sulphide ore. Gold production for fiscal 2016 was 18,155 ounces, a 50% decrease compared to 36,473 ounces in the previous year, primarily due to delay of mining on the Felda Land and a decrease in the average head grade to 0.88g/t from 1.45g/t in the previous fiscal year. Ore processed increased by 4% to 992,070 tonnes from 954,165 tonnes. Ore mined increased to 423,010 tonnes in fiscal 2016 compared to 421,845 tonnes for the previous fiscal year. Process recovery rate decreased to 67.4% compared to 82.4% in fiscal 2015 mainly due to super low grade mill feed.



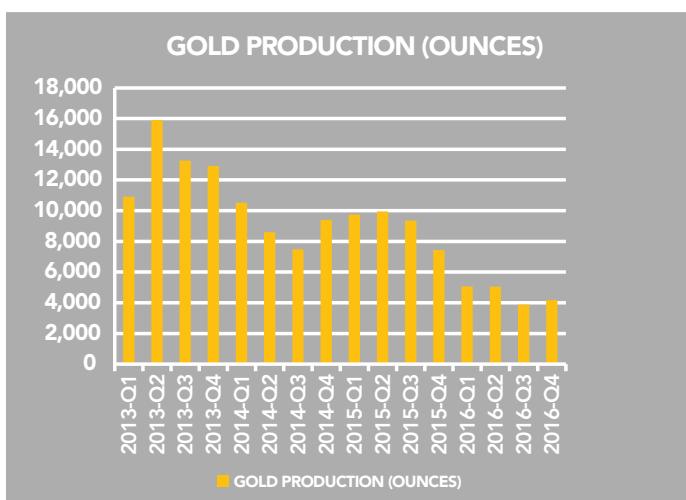
## KEY PERFORMANCE INDICATORS FOR PERIODS ENDED JUNE 30, 2016

	FISCAL 2016	OCTOBER 2009 TO JUNE 30, 2016
ORE MINED (TONNES)	423,010	4,126,276
ORE PROCESSED (TONNES)	992,070	4,892,504
AVERAGE HEAD GRADE (G/T)	0.88	1.93
PROCESSING RECOVERY RATE (%)	67.40%	82.50%
GOLD POURED (RECOVERED) (OUNCES)	18,192	247,106
GOLD PRODUCTION (OUNCES)	18,155	246,406
GOLD SOLD (OUNCES)	23,150	246,393
REVENUE (USD\$ 000S)	23,596	342,946
TOTAL CASH COST \$/OZ	606	429

## SELINSING COST OF PRODUCTION (OUNCES OF GOLD)



## SELINSING GOLD PRODUCTION (US\$ PER OUNCE)



## RESEARCH & DEVELOPMENT

At the Selinsing Gold Mine, a plant expansion is required in order to process refractory sulphide materials. The Company acquired an interim Intec License for the right to exploit Intec's sulphide and gold dilution recovery technology using its Selinsing gold processing plant. An Intec pilot plant was constructed and commissioned in the first quarter of fiscal 2016 to demonstrate that bench scale batch testwork results can be duplicated in a continuous flow process and that the process can be successfully scaled-up. Two trial runs were conducted through fiscal 2016.

Further testwork is ongoing, and subsequent to fiscal 2016, an independent metallurgical testwork program at a bench scale level was designed by Orway and is being carried out independently by Orway and the Company in parallel following the same protocols. This will provide an independent confirmation of the recoveries of gold from sulphide resources that is planned to be mined from Buffalo Reef using the Intec Process technology. Subject to the results, this may lead to a further pilot plant run.

In fiscal 2017, the R&D work on sulphide ore recovery has moved to its critical stage: (1) to finalize the Intec pilot run results and consolidate its input and output with other processing circuits in testing overall metallurgical performance; (2) to complete follow up testwork, based on which results from different process alternatives will be compared, and a best scenario will be selected for Phase IV construction with optimized operating performance and economics, and reduced technical and operational risk.

## EXPLORATION

The fiscal 2016 exploration focus was to complete a prefeasibility study and demonstrate economics of the Selinsing Sulphide Gold Project to support production sustainability with an extended mine life.

Resource and exploration drilling totalled 48 DD holes for 7,189m and 41 RC holes for 4,157m. Significant intercepts assay results at Buffalo Reef Central and Felda Land announced in April 2016 have confirmed the existing oxide and sulphide mineralized zones modeled and also intersected a number of down-dip quartz stibnite high grade intervals, beyond the currently defined shallower, quartz-ankerite mineralization.

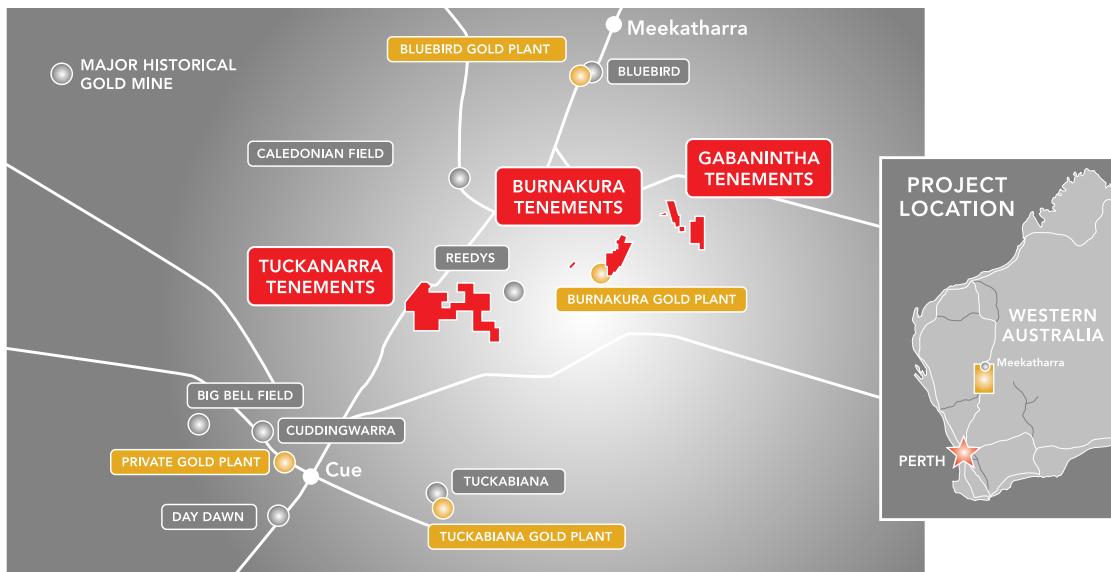
The Resource models for Selinsing and Buffalo Reef have been completed based on nearly 102,000 gold assays (including historical and Monument data), based on which, pit optimization have been done that forms the base for the feasibility study. There are still over 6,000 meters of drilling results that have not been included in the current study to date. The further metallurgical testwork has continued subsequent to the fiscal year end, the results will be taken into account to update the current resources and to construct a geometallurgical model.





## MURCHISON GOLD PORTFOLIO

**"Our 100% owned Murchison Gold Portfolio established the foundation to build a second gold production line. Scoping study was completed in fiscal 2016 in supporting an early stage production decision. Deep drilling sets forward for further underground potential."**



## MURCHISON GOLD PORTFOLIO

The Murchison Gold Portfolio consists of the Burnakura, Gabanintha and Tuckanarra properties which are all located in the Murchison Mineral Field in Western Australia. The properties together cover 127,012 acres.

The Burnakura and Gabanintha tenements hold historical resources under Joint Ore Reporting Committee (JORC) standards consisting of 6.41 million tonnes at an average grade of 2.7 g/t containing 546,000oz AU within a number of previously operated open pits and an underground mine, (BM Geological Services: "Murchison Gold Project: Burnakura and Gabanintha resource inventory December 2013"). At the Burnakura Mine site there is a fully operational CIL gold processing plant, newly developed 118 man mine camp with all amenities, and all necessary infrastructure such as equipped assay lab, workshops and office.

Tuckanarra contains a historical indicated resource of 1.04 mt @ 1.65 g/t Au for 55.2 kOz and a historical inferred resource of 0.92 mt @ 1.51 g/t Au for 44.6 kOz within eleven separate prospects, (Ravensgate in its November 2012 "Independent Resource Model Report" according to the JORC guidelines 2004).

## RESOURCES

Monument's initial exploration programs at Burnakura resulted in the January 2015 update of the Alliance and New Alliance ("ANA") estimates converted historical indicated and inferred estimates to indicated and inferred categories. An Indicated Mineral Resource of 1.88mt@1.6g/t Au for 98,400oz and an Inferred Mineral Resource of 0.1mt@1.5g/t Au for 4,400oz was reported at a 0.5g/t Au grade cut-off. ("NI 43-101 Technical Report on the Alliance and New Alliance Gold Deposits Burnakura, Western Australia", prepared in accordance with National Instrument 43-101 authored by Darryl Mapleson (MAIG, FAusIMM) of BM Geological Services, the primary Qualified Person and other independent Qualified Persons, dated April 2, 2015 and amended August 7, 2015). The Mineral Resource Estimate shows the total estimated gold ounces have been increased at ANA when compared to the historical inventory estimate.

## MINERAL RESOURCE FOR ALLIANCE AND NEW ALLIANCE AT A 0.5G/T AU CUT-OFF

DEPOSIT	INDICATED				INFERRED			
	DENSITY	TONNES	AU	CONTAINED AU	DENSITY	TONNES	AU	CONTAINED AU
	(g/cm <sup>3</sup> )	(Mt)	(g/t)	(koz)	(g/cm <sup>3</sup> )	(Mt)	(g/t)	(koz)
ALLIANCE	2.3	0.64	2.5	50.8	2.5	0.02	1.4	0.7
NEW ALLIANCE	2.3	1.24	1.2	47.6	2.7	0.08	1.5	3.7
TOTAL	2.3	1.88	1.6	98.4	2.6	0.10	1.5	4.4

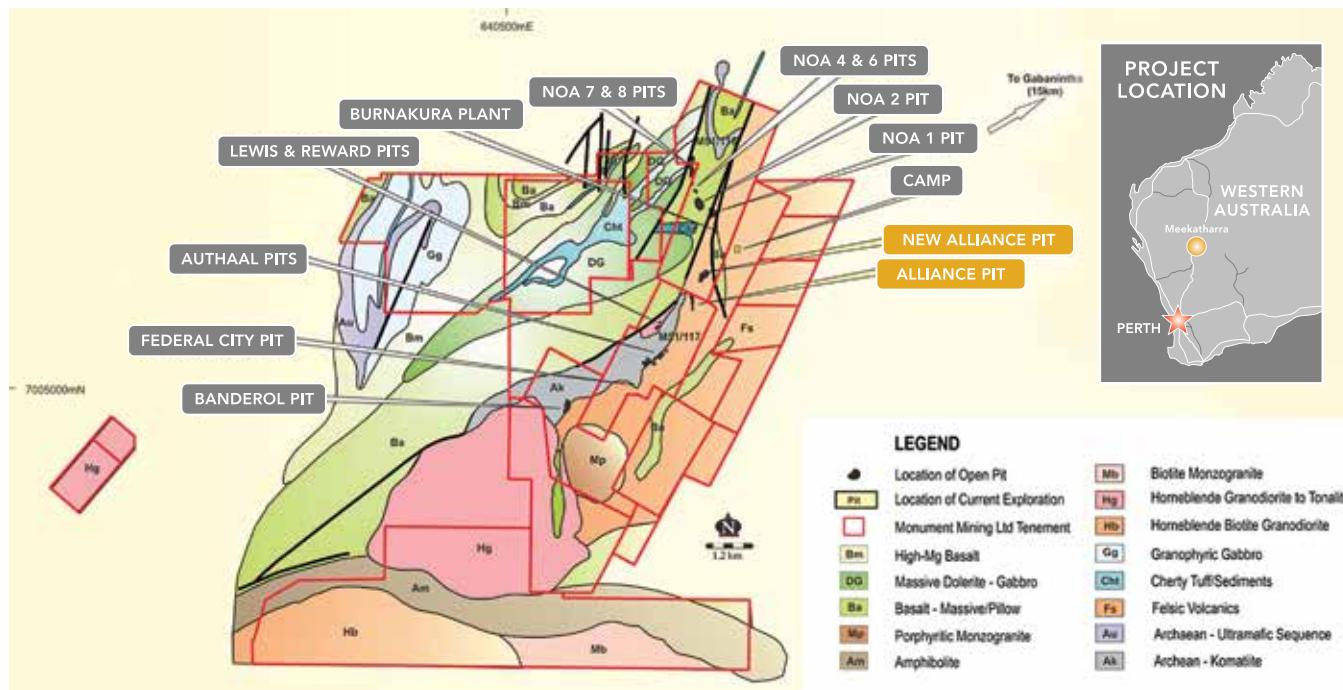


**EXPLORATION**

The fiscal 2016 exploration programs at Murchison were designed to validate the historical resource, study geological continuity of the mineralization at the Burnakura area, increase gold inventory, and deliver a Preliminary Economic Assessment Study to explore a long term economic scale for the Burnakura Gold Mine production. In the short term, it is to validate the economic viability of early stage production. Exploration in fiscal 2016 at the Murchison Gold Project was at North of Alliance ("NOA"), Tuckanarra and oxide targets in Burnakura. Drilling comprised of a total of 226 RC holes for 23,225m and a total 7 DD holes for 629m.

Assay results were received from confirmation and infill drilling over Tuckanarra and NOA deposits where the majority of historical resources were reported. The extension and exploration drilling were also carried out on the NOA deposits and completed subsequent to the fiscal year in July 2016. The study and resource modeling update based on the new drilling information shows positive indications for the increase of mineralized volume and gold grade/ounces for a good part of NOA 7\_8, in particular coming from the significant intercepts observed. It has also enhanced the strong potential for the continuity of deep mineralization in the central and north portions of NOA 7\_8 deposit. In August 2016, subsequent to the fiscal year end, a deep drilling program at the NOA 7\_8 deposit was announced aiming to test the underground potential to 500m. This infill and extensional drilling will be used to update a resource statement that may potentially increase the life of mine at Burnakura for longer term production. In addition to the direct extension of known mineralization under current mined pits, there is potential for new discoveries in the Burnakura project area, since the area is relatively under explored.

**"Monument has prioritized the commencement of gold processing at the Burnakura Gold Mine, first by recommissioning the current CIL plant, followed by constructing a new Heap Leach facility with the cash generated from the CIL production."**

**BURNAKURA LOCATION PLAN & GEOLOGY**



## DEVELOPMENT

At Burnakura, the focus is to develop a second gold production site to diversify single cash flow generation risk by prioritizing the commencement of gold processing at the Burnakura Gold Mine. The production strategy is to develop and optimize open cut mine operations through Alliance/New Alliance, extended to North of Alliance and Federal City. Low grade ore will be stockpiled and subsequently processed through heap leach facilities, and high grade ore will be processed first through the CIL plant.

During the year, the Company reviewed a "Proposal for Front End Engineering Design" for the planned Burnakura heap leach/CIL production with capital expenditures and operating expenditures prepared by Como Engineers Pty Ltd ("Como Engineers"); and concluded its initial internal economic study of the project. Based on these studies, the Company has made the decision to put the Burnakura Project into early stage production. As a result, the first purchase order for offsite design work was placed to commence the crushing and screening plant upgrade.

The Company continues to improve open pit mine optimization, and move forward to develop a full implementation mine development plan, including project management and scheduling, site preparation and development, environmental and safety compliance. Subsequent to fiscal 2016, communications and IT network upgrades have been completed. Warehousing software procedures are complete and procurement of first fill spares is underway. Administration, HSE and Security, workforce planning are in progress to support production. The site accommodation and catering are fully functional to start construction work. Refurbishing, constructing and commissioning, will take approximately six months.



**MURCHISON GOLD PORTFOLIO**

## **MENGAPUR POLYMETALLIC PORTFOLIO**

### **MENGAPUR POLYMETALLIC PROJECT**

The Mengapur Polymetallic Project is located in Pahang State, Malaysia, approximately 130 kms southeast of Selinsing Gold Mine and 75 kms northwest of the Malaysian port city of Kuantan. It was historically owned by Malaysian Mining Corporation who defined the historic polymetallic resources in a full bankable feasibility study. The Mengapur Polymetallic Project is a long term project in the Company's pipeline, with a Company vision to be developed as a large multi-commodity open pit mine.

### **RESOURCES**

The Mengapur Polymetallic deposit contains a historical Copper (Cu), Sulfur (S), Gold (Au), Silver (Ag) oxide and sulphide resource from a drilling campaign conducted in the 1980's as reported in the "NI 43-101 Technical Report, Mengapur Project (Amended) (Snowden, January 2012)". The historical resource consisted of 224 million tonnes (mt) averaging 0.597% Cu equivalent (eqv) (6.54% S, 0.25% Cu, 0.16g/t Au, and 8.86g/t Ag) at a cut-off grade of 0.336% Cu eqv cut-off grade. A historical sulphide reserve consists of 64.8 mt averaging 0.737% Cu eqv (8.63% S, 0.27% Cu, 0.21g/t Au, and 2.59g/t Ag) at the same 0.336% Cu eqv cut-off grade (Snowden, 2012).

### **DEVELOPMENT**

Monument completed 64,000m of exploration work at Mengapur since it was acquired to verify the historic resources. A Preliminary Economic Assessment study ("PEA") was placed on hold in fiscal 2015 and is pending renewal approval of the exploration license at Star Destiny, a part of the Mengapur Project. Due to the decline in copper and iron ore prices, the pilot plant development and early stage production were placed on hold since 2015. The Company intends to exploit Intec Technology in copper sulphides to assess economic viability of copper metal production at Mengapur, after successful Intec testwork on gold sulphides at the Selinsing Gold Plant.



## CORPORATE SOCIAL RESPONSIBILITY

Sustainable development remains key to Monument's pursuit for growth in the industry while emphasizing the balance between improving economic efficiency, protecting the environment and engaging its many stakeholders and the community. This allows us to sustain a social license to operate and ensure our operations continue to generate profits, employment and economic growth.

### HEALTH & SAFETY

Protecting the health and safety of employees, contractors and communities is our culture in all our operations. Our site has been operated with clear accountability for safety and health management and performance. Our aim is to sustain the high safety standard in our workplace, guided by an occupational safety and health policy and regulatory frameworks. Policies and measures were established to effectively plan for and manage health and safety to prevent the occurrences of all incidents. Our employees and contractors are engaged in the appropriate training to identify hazards, safe work practices, and their responsibility to the personal safety of their co-workers as well as their own.

### ENVIRONMENT

The importance of a healthy environment to future generations is a pillar of sustainable development for our projects. Our environmental programs aim to minimize any environmental impact, guided by a regulatory framework, environmental impact study, and environmental management plan that applies to all aspects of the operations.

We continue to improve operational efficiency in order to reduce input such as water, energy and disruption as well as reducing output for waste material and potential acid rock drainage. Mixing and producing material with acid buffering material such as combining sulphide waste with limestone or calcite resulted in surface water neutralization at site.

Environmental monitoring and controls are in place to measure the effectiveness of the operation. The monitoring program includes physical sampling and analysis of emission, water, noise, dust and vibration. Independent environmental auditing was conducted three times within the year and the overall results were satisfactory.

Progressive rehabilitation remains important to restoring the environmental function that minimizes the negative impact of the land disturbance to the environment. The programs involve re-vegetation, slope and drainage maintenance, and a comprehensive erosion control plan to minimize impact to the environment and ensure sustainability.

### COMMUNITY SUPPORT PROGRAMS

Our CSR programs aim to develop the community in a sustainable way without creating a culture of dependency. To date, our project has been well received by the community. This has been achieved through an all inclusive approach and continuous engagement with community leaders and from public consultation programs that are conducted from time to time. This has allowed our operations to sustain a stable working environment for a long period.

At the Selinsing Gold Mine operation, the project site is located nearby a traditional Malay village, Kg. Kuala Medang and a new Felda settlement area created by the Malaysian federal government. Long before the mine was in operation, the community has made their livelihood from palm oil, a rubber plantation, logging and other agricultural activities, as well as working as a government servants such as teachers, nurses, etc.



There are small businesses such as retailers, hardware shops and other small business outlets operated at the nearby town of Koyan. The state and federal government provide the basic infrastructures such as: water, power, schools, health clinics, mosques, telecommunications, roads and other infrastructure.

When we commenced site activity in 2009, the mining investment benefited the local and state economy, it enhanced the community's earning power and standard of living. It created for the community new wealth, employment, wages and benefits, taxes and royalties, local procurement of good and services, and direct CSR contributions. The economic value of the Company's operating expenditures flows directly to the local economy and community.

For the CSR programs, we provide funding for community assistance, schooling and general education, community health initiatives, sports and recreation programs, cultural and religious programs, and general assistance in meeting the needs of the community to pursue their socio-economic development plan.

We support education by contributing funds to early education of kindergarten students, providing internships and scholarships to students of higher learning, tertiary education at the local university, and student support for other activities beyond the classroom. More than 150 tertiary education students have conducted their internship program in various courses at the site. We promote mining skills development in Malaysia with the goal of increasing local employment at our operations.

Read in conjunction with Monument's Fiscal 2016 Audited Financial Statements and Management Discussion & Analysis, available at [www.sedar.ca](http://www.sedar.ca) and [www.monumentmining.com](http://www.monumentmining.com). All dollar amounts in US\$ except where noted.

## CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

This annual report includes statements containing forward-looking statements or forward-looking information under applicable Canadian securities laws (hereinafter collectively referred to as "forward-looking statements") about Monument, its business and future plans. Forward-looking statements are statements regarding possible events, conditions or financial performance that are based on assumptions about future economic conditions and courses of action and include expectations, plans, objectives or future events that are not historical facts.

Statements concerning estimates of mineral resources and mineral reserves may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if a property is developed, and in the case of mineral reserves, such statements reflect the conclusion based on certain assumptions that the mineral deposit can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using 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") are not statements of historical fact and may be forward-looking statements.

Forward-looking statements in this annual report include, without limitation, statements related to: the Company's expectations regarding future gold production at the Selinsing Gold Mine; the ability of the Company to advance exploration and development properties into commercial production; the results of testing gold and copper recovery technologies; completion of technical reports on the Company's projects and the timing and results thereof; timing, costs and potential success of future activities on the Company's properties, including but not limited to development and operating costs in the event that a production decision is made; potential success of exploration, development and environmental protection and remediation activities; and all other plans for mining, development and exploration on the Company's properties and the timing and results thereof.

The forward-looking statements in this annual report 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 gold, base metal and other commodity price fluctuations; risks related to general business, economic, competitive, geopolitical and social uncertainties; uncertainties in testing gold and copper recovery technologies that have not been proven in the field; uncertainties inherent in economic studies and resource estimates; uncertainties regarding the results and timing of current exploration activities; uncertainties in the progress and timing of development activities and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations and/or the results of initial feasibility, prefeasibility and feasibility studies, including those related to the interpretation of drill results, and the geology, grade and continuity of mineral deposits; foreign operations risks; risks related to the ability to obtain financing required to develop mining properties or to complete significant technical, environmental or engineering studies; risks related to foreign exchange fluctuations; risks related to environmental regulation and liability; risks associated with failure to maintain community acceptance, agreements and permissions (generally referred to as "social license"); risks related to the outcome of legal actions, including any ongoing legal litigation; other risks inherent in the mining industry, including political and regulatory risks, and other risks and uncertainties related to the Company's prospects, properties and business strategy, including those described in the management discussion and analysis of the Company and the technical reports on the Company's projects, which are available under the profile of the Company on SEDAR at [www.sedar.com](http://www.sedar.com).

Material factors and assumptions used to develop forward-looking statements in this annual report include: general economic factors and other factors that may be beyond the control of Monument will not change in a materially adverse manner; the results of exploration on the Company's projects will be as expected; the future price of gold or other minerals will be sustained, or will improve; the expected timing and results of development and exploration activities of the Company will not differ material from management's expectations; costs of future activities will be as expected; capital and operating expenditures will be as expected; exploration, mining and processing activities will be viable operationally and economically and proceed as expected; political matters in Malaysia and other jurisdictions in which the Company does or may carry on business in the future will be stable; and all of the factors and assumptions described in the management discussion and analysis of the Company and the technical reports on the Company's projects, all of which are available under the profile of the Company on SEDAR at [www.sedar.com](http://www.sedar.com).

## CORPORATE INFORMATION

### Officers & Management

Robert Baldock, CA (M), FCPA, FIMC  
*President and CEO*

Cathy Zhai, B.Sc., CGA  
*CFO & Corporate Secretary*  
*Director of Human Resources*

Zaidi Harun, B.Sc.  
*Vice President, Business Development*

Ian Bignell, B.Sc., M.Sc., CEng. (UK), MIMMM  
*General Manager, Operations, Monument*

Kevin J. Wright, ACSM  
*General Manager, Operations, Malaysia*

Neil Rauert, BE (Mining), MEngSc. ,FAusIMM(CP)  
*Senior Project Manager, Technical Support*

Roger Stangler, B.Sc., MEng, MAusIMM, MAIG  
*Chief Managing Geologist*

### Corporate Headquarters

Suite 1580, 1100 Melville Street  
Vancouver, British Columbia V6E 4A6 Canada  
Tel. 604.638.1661 Fax. 604.638.1663  
E-mail. info@monumentmining.com

Website: [www.monumentmining.com](http://www.monumentmining.com)

### Stock Listing

TSX Venture Exchange, Symbol: MMY  
Frankfurt Stock Exchange, Symbol: D7Q1

### Registrar and Transfer Agent

Computershare Trust Company of Canada  
Vancouver, British Columbia

### Directors

Robert Baldock  
Kuala Lipis, Malaysia

Cathy Zhai  
Vancouver, British Columbia

Zaidi Harun  
Kuala Lipis, Malaysia

Graham Dickson  
Vancouver, British Columbia

Mark Gasson  
Cape Town, Western Province, South Africa

Michael John Kitney  
Perth, Australia

Rhett Brans  
Western Australia, Australia

### Auditors

Grant Thornton LLP Vancouver, British Columbia

### Bankers

Bank of Montreal

Vancouver, British Columbia

### Legal Counsel

DuMoulin Black LLP Vancouver, British Columbia

## INVESTOR RELATION INFORMATION

### Vancouver

Richard Cushing  
*Investor Relations*  
Suite 1580, 1100 Melville Street  
Vancouver, British Columbia  
V6E 4A6 Canada  
Tel. 604.638.1661 Fax. 604.638.1663  
info@monumentmining.com  
www.monumentmining.com

### Europe

Wolfgang Seybold  
Managing Director, AXINO GmbH  
Neckarstrasse 45  
73728 Esslingen, Germany  
Tel. +49.711.82.09.7211  
Fax. +49.711.82.09.7215  
wolfgang.seybold@axino.com  
www.axino.com

**BUILDING ON**  
OUR **FOUNDATION**

**MONUMENT**  
MINING LIMITED

T S X - V M M Y      [W W W . M O N U M E N T M I N I N G . C O M](http://WWW.MONUMENTMINING.COM)