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News Release

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## **Monument Enters into Definitive Agreement for Acquisition of 70% of Mengapur Polymetallic Project in Malaysia**

Vancouver, B.C., Monument Mining Limited (TSX-V: MMY and FSE: D7Q1) (“Monument” or the “Company”) is pleased to announce that the Company, through its wholly owned subsidiary, Monument Mengapur Sdn. Bhd. (“MMSB”) in Malaysia, has entered into the Definitive Acquisition Agreement with Diamond Hard Mining Sdn. Bhd., its shareholders and its wholly owned subsidiaries, Cermat Aman Sdn. Bhd. (“CASB”) and Malaco Mining Sdn. Bhd. (“Malaco”) (collectively the “Malaco Group”), all incorporated in Malaysia, to acquire 70% of the Mengapur Polymetallic Project (the “Mengapur Project” or the “Project”) located in Pahang State, Malaysia. The acquisition remains subject to financing, shareholders’ and regulatory approvals.

Under terms of the Definitive Acquisition Agreement, MMSB will pay US\$60,000,000 in cash and issue 300 MMSB shares (representing 30% interest in MMSB) to Malaco in exchange for a 100% interest in CASB, the company that holds 100% of the Mengapur Project, except for certain magnetite materials contained in the soils. Of the total consideration, US\$10,000,000 is to purchase iron ore materials contained within the skarn which were originally going to remain with the Malaco Group under the terms of the binding Memorandum of Understanding. A deposit of US\$500,000 was paid to Malaco upon signing of the Definitive Acquisition Agreement, and US\$4,500,000 was set up as Escrow Fund in securing the Mengapur Project. Upon closing of the acquisition, total US\$5,000,000 shall applied against the purchase price. In the event that the acquisition does not closed by January 31, 2012, US\$4,500,000 shall become a loan to Malaco.

Robert Baldock, President and CEO of the Company stated upon signing the Definitive Acquisition Agreement: “I am very pleased to announce the signing of the Definitive Acquisition Agreement for the Mengapur Project. The Project is expected to bring significant value to our shareholders and to the regional economy, as well as a new challenge to Monument’s enthusiastic management. We plan to make a significant capital investment to develop the Project further. We will be carrying out a resource update, open pit mine design, and design and development of a group of processing facilities. We also plan to continue exploration with a substantial drilling program in the Mengapur region. Given all of this we will be a major player and able to positively impact the local economy and prosperity”.

The Mengapur Acquisition shall be closed in conjunction with completion of the previously announced private placement of up to \$70,000,000. Subject to the approval of the TSX Venture Exchange (the “Exchange”), the private placement will now be comprised of up to 140,000,000 units at a price of \$0.50 per unit. Each unit will consist of one common share and one common share warrant. Each warrant will entitle the holder to acquire one additional common share of the Company at a price of \$0.70 per share for a period of 36 months from the closing of the private placement. The Company engaged Procter Advisers Ltd SA (“Procter”) to provide advisory services for the Private Placement. Subject to Exchange acceptance, the Company shall pay Procter an advisory fee equal to 10% of the gross proceeds of the Private Placement and advisory’s warrants equal to 10% of the total units issued in the Private Placement.

The proceeds of the private placement will be used for the acquisition and development of the Mengapur Project and for general working capital. “With widespread concern of the second globe recession and European debt crisis, we would like to use our best effort to ensure the Project is adequately funded to prevent our shareholders from being exposed to financial risk.” Cathy Zhai, CFO of the Company, said.

The Mengapur Project is located in Central Malaysia in the State of Pahang, approximately 130 kilometers from Monument’s wholly owned Selinsing Gold Mine near Sri Java, 12 kilometers from a highway and 75 kilometers from the Malaysian port of Kuantan. It was first discovered by a drilling program carried out by the Geological Survey of Malaysia. Historical economic and resource estimates on the Mengapur Project were completed and published as a “Definitive Feasibility Study” (the “Study”) in October 1990 by Normet Engineering Pty Ltd with James Askew

Associates completing the historical ore reserve and resource estimates, both of Perth, Western Australia. The Company filed on SEDAR today a NI 43-101 compliant Technical Report on the Mengapur Project prepared by Snowden Mining Industry Consultants, which includes a description of the Study. The Technical Report is available on the Company's SEDAR profile at [www.sedar.com](http://www.sedar.com).

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*Forward-Looking Statement*

*This news release contains forward-looking information about Monument Mining Limited ("Monument"), its business and future plans. The use of words such as "would", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking information. Forward-looking information in this news release includes statements with respect to the completion and the timing of the financing and the acquisition of the Project. The following are some of the assumptions upon which forward-looking information is based: that general business and economic conditions remain stable; continuing demand for, and stable or improving prices of gold; receipt of regulatory and government approvals in a timely manner; the availability of financing; Monument's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; Monument's ability to attract and retain skilled personnel; the accuracy of the company's resources estimates and the accuracy of the historical estimates in the Study; the estimated cash cost per ounce of gold production and the estimated cash flows which may be generated from the operations. Actual results could differ materially from those anticipated in this forward-looking information as a result of risks and uncertainties, including: volatility in the price of gold; risk inherent in mineral exploration and development; uncertainties associated with the estimating of mineral resources, and in particular the historical estimates in the Study; competition for capital and skilled personnel; geological technical and drilling problems; general business, economic, competitive, geopolitical and social uncertainties; the actual results of current exploration activities; foreign operations risks; other risks inherent in the mining industry and other risks described in the annual information form of the Company, which is available under the profile of the Company on SEDAR at [www.sedar.com](http://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 information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information 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 information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.*