

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

This Management's Discussion and Analysis ("MD&A") should be read in conjunction with the unaudited condensed interim consolidated financial statements of Monument Mining Limited ("Monument" or the "Company") for the three months ended September 30, 2019 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, 2019.

All information in this MD&A is current as at November 29, 2019, unless otherwise indicated. All figures 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.

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.

This MD&A contains references to non-GAAP performance measures. Refer to the section entitled *Non-GAAP Performance Measures* for explanations of these measures.

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 First Quarter of Fiscal 2020 Highlights

- 4,323oz of gold sold for gross revenue of \$6.34 million (Q1 2019: 4,550oz of gold sold for gross revenue of \$5.53 million);
- Average realized price per ounce ("oz") excluding prepaid gold sales of \$1,475/oz (Q1 2019: \$1,215/oz);
- Cash cost per ounce ("oz") of \$855/oz (Q1 2019: \$617/oz);
- All-in sustaining cost per ounce ("AISC") of \$1,158/oz (Q1 2019: \$874/oz);
- 4,852oz of gold produced (Q1 2019: 3,308oz);
- Gross margin of \$2.65 million (Q1 2019: \$2.72 million);
- Selinsing TSF main embankment construction is now 98% complete;
- A 3D structural geological targeting study confirmed near mine down-plunge potential and highlighted regional prospectivity at the Murchison Gold Project;

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 Selinsing and Murchison gold project portfolios, including a 100% interest in the Selinsing Gold Mine, and the Mengapur copper and iron portfolio. Selinsing is located in Pahang State, within the Central Gold Belt of Western Malaysia, comprised of the Selinsing, Buffalo Reef, Felda Land and Famehub projects. Murchison is located in the Murchison region, Western Australia ("WA"), Australia, comprised of 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 an exploration stage to the 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 satisfy a return to shareholders. The growth perspective is to increase our mineral resource inventory to achieve higher sustainable production. The internal operations process perspective is to maximize performance and enhance the exploration success and recovery of our resources. The financial performance perspective is to sustain low costs, maintain efficient operations, and increase the quality of the 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, base metals and industrial mineral producer.

Monument has an experienced management team with a demonstrated ability to quickly build profitable operations. The Company employs approximately 195 people and is committed to the highest standards of environmental management, social responsibility, and health and safety for its employees and neighboring communities. Monument's Head Office is located in Vancouver, British Columbia, Canada. It operates through its subsidiaries in Pahang State, Malaysia and Western Australia, Australia.

1.3 Review of Operations

Fiscal 2020 is a critical year, following completion of three NI 43-101 technical reports that have updated mineral resources and reserves in Monument for its three major projects, the Company aim on the following deliveries:

- Selinsing Sulphide Project financing, construction, and then production;
- Murchison Gold Project drilling to test targets for new gold;
- Mengapur development for copper project; and

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

➤ Opportunities for corporate growth.

During the first quarter of fiscal 2020, the Company focused on obtaining funding to initiate construction at Selinsing Gold Mine to convert the current gold processing plant from Oxide to Sulphide treatment plant, expecting to place the Selinsing Sulphide Project into production within 18 months from commencement of construction. This will uplift Selinsing's cash flow.

In the meantime, production in transitional sulphide materials at Selinsing pit 5/6 has commenced to sustain cash flow. The transitional sulphide production decision was based on metallurgical test work carried out last fiscal year and completed in September 2019, shown improved recoveries between 73.2% and 92.2% with the tested material having a weighted average gold grade of 2.31g/t. A potential positive cash flow generation is expected by processing the underlined leachable sulphides ore through the current oxide treatment plant. The test work on leachable sulphide ore from Buffalo Reef pits are on-going, the results from the test work will support decision whether the Buffalo Reef leachable sulphide ore can be also treated through the current plant in order to bridge the gap moving operation into the sulphide production stage.

At the Murchison Gold Project, a 3D structural geological study was completed. It has confirmed near mine down-plunge potential and highlights regional prospectivity both on surface and down deep, supporting a drilling program for high priority drill targets at Gabanintha and Burnakura. Data compilation, GIS update and geological interpretation continued to improve drilling targets, aiming on regional exploration for new discoveries.

For the three months ended September 30, 2019, the Selinsing Gold Mine generated free cash of \$1.21 million from gold operations, compared to \$0.77 million in the same quarter in the prior year. This was offset by \$3.07 million (Q1 2019: \$2.04 million) spent on investment and financing activities comprised of \$1.57 million on development and exploration, and \$1.50 million on short term loan advanced to one of their shareholder, resulting in a reduction of total cash of \$1.86 million (Q1 2019: decrease of \$1.27 million).

The \$1.57 million was comprised of \$1.05 million (Q1 2019: \$1.11 million) at Selinsing for Sulphide project development including pre-stripping, tailings storage facilities upgrade; and \$0.52 million (Q1 2019: \$0.93 million) for exploration expenditures, including \$0.21 million (Q1 2019: \$0.21 million) at Selinsing for metallurgical drilling, \$0.27 million (Q1 2019: \$0.65 million) at Murchison for regional geological study, and \$0.04 million (Q1 2019: \$0.07 million) at Mengapur for resource evaluation study and care and maintenance.

The Company's development are 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 its Selinsing Gold Plant from an oxide process to a sulphide process and to develop its Burnakura Project into a second cash generating operation. In management's opinion both projects are highly prospective. There are no guarantees however that the Company can obtain the necessary funding due to uncontrollable factors, including a volatile global economic environment.

1.3.1 Development

The schedule for sulphide plant upgrade construction remains with estimated completion within 18 months inclusive of commissioning activities. Consideration is being given to reduce the completion time between 12 -15 months by seeking alternative more common stainless steels to be used for BIOX® based application. The provision of the HV power supply represented the biggest challenge with TNB estimating 18-24 months for a project of this size. The selection and ordering of long lead items such as the BIOX® agitators, flotation cells, thickeners will be the initial focus of the procurement team.

During the quarter construction of the TSF main embankment to 533.3 mRL at the Selinsing Gold Mine was completed to increase the TSF capacity for fiscal 2020 production. A competitive proposal was received from TailCon Projects for the design of the TSF raise to the final elevation of 540 mRL with a potential interim lift to ca. 535 mRL.

Pit 5 metallurgical drilling was completed during the quarter with 265m drilled over 5 holes. This program was designed to test the leachability of Pit 5 ore and to investigate the possibility of treating the non-leachable material using CIL, additional lead nitrate and flotation methods. Test work has improved recoverability of leachable sulphide ore through the current mill to generate additional cash flow. The majority of samples showed good leachability with gold recovery above 70%.

Buffalo Reef metallurgical drilling of 395m over 8 holes was also completed during the quarter, with good intercepts of transition and fresh material. CIL test-work on transition samples gave initially poor results but some improvement was achieved after lead nitrate addition. The main objectives were to obtain transition and fresh ore for investigating the leachability of each ore type to support the mining plan FY2020 and to produce saleable flotation concentrate from fresh samples.

Peranggih trial mining preparation work on the ore hauling track commenced during the Q1. The clearing work from Simpang Jalan Pantos to Peranggih entrance for 4.6km was completed during the quarter. The access roads construction from Peranggih mining site to Selinsing production site are expected to complete in the second quarter.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019
(in United States dollars, except where noted)

1.3.2 Production

Gold production in the three months ended September 30, 2019 was from stockpiled super low-grade oxide ore, old tailing materials, oxide ore, transitional ore from Selinsing Pit 5/6 and remaining oxide ore from Buffalo Reef. During the quarter, Selinsing Pit 5/6 production included mined oxide and transitional ore of 33,192t with contained gold of 3,813oz.

Gold recovered in the three months ended September 30, 2019 increased by 35% to 5,327oz as a result of higher feed grade and improvement in the recovery rate to 71.4% (Q1 2018: 64.2%), compared to 3,951oz recovered in the same quarter last year.

Due to timing, gold produced, net of gold doré in transit and refinery adjustment, was 4,852oz (defined as good delivery gold bullion according to the London Bullion Market Association), a 47% increase compared to 3,308oz in the same quarter last year. Profit margin is dependent on quantities of gold sold that may vary from gold production in the quarter, gold prices and the costs of gold sold. During the quarter, mill feed included stockpiled super low-grade oxide ore, old tailing materials, leachable sulphide ore and oxide ore from production at Buffalo Reef and Selinsing. Total mill feed decreased by 1% to 233,775t from 236,805t in the same quarter last year with an increase in the old tailings reclaim rate replacing lower crushed tonnes.

During the three months ended September 30, 2019, mining operations at Selinsing generated a gross margin of \$2.65 million compared to \$2.72 million in the same quarter last year, before non-cash depreciation and accretion expenses of \$1.24 million (Q1 2019: \$1.13 million). Gold production increased by 47% to 4,852oz (Q1 2019: 3,308oz) compared to the same quarter last year. The Company sold a total of 4,323oz of gold for gross revenue of \$6.34 million comprised of 3,600oz at an average realized price of \$1,475 per ounce from production and 723oz at a realized price of \$1,429 per ounce from delivered gold prepaid sales, compared to a total of 4,550oz of gold at an average realized price of \$1,215 per ounce for gross revenue of \$5.53 million in the same quarter last year from production. The weighted average London Fix PM gold price for the quarter was \$1,477 per ounce (Q1 2019: \$1,214 per ounce).

Cash cost per ounce increased by 39% to \$855/oz in the quarter ended September 30, 2019 from \$617/oz in the same quarter last year primarily due to an increase in the amount of leachable sulphide materials being processed, high sulphide ores consumed more chemicals such as cyanide, lime and oxygen to achieve better recoveries. The ores are also harder which consumes more wear parts in crushing and steel balls in grinding to achieve target grinding size for optimum leaching condition. Additionally, there was a stockpile reduction of 271k tonnes of super low grade ore arising from an updated stockpile survey which added a further \$5/oz to cash costs.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

The production and financial results for the three months ended September 30, 2019 and 2018 are summarized in the following table:

Figure 1: Operating and Financial Results

Selinsing, Felda Block 7, Buffalo Reef		Three months ended	
		September 30, 2019	September 30, 2018
Operating results	Unit		
Ore mined	t	46,797	30,305
Waste removed ⁽¹⁾	t	833,800	766,879
Stripping ratio		17.82	25.31
Ore stockpiled	t	493,769	1,041,414
Ore processed	t	233,775	236,805
Average ore head grade	g/t Au	0.99	0.81
Process recovery rate	%	71.4	64.2
Gold recovery	oz	5,327	3,951
Gold production	oz	4,852	3,308
Gold sold	oz	4,323	4,550
Financial results			
Gold sales	US\$'000	6,343	5,530
Gross margin	US\$'000	2,646	2,721
<u>Weighted average gold price</u>			
London Fix PM	US\$/oz	1,477	1,214
Monument realized ⁽²⁾	US\$/oz	1,475	1,215
<u>Cash costs per ounce</u> ⁽³⁾			
Mining	US\$/oz	178	139
Processing	US\$/oz	538	386
Royalties	US\$/oz	121	90
Operations, net of silver recovery	US\$/oz	18	2
Total cash cost per ounce	US\$/oz	855	617
<u>All-in sustaining costs per ounce</u> ⁽⁴⁾			
By-product silver recovery	US\$/oz	1	1
Corporate expenses	US\$/oz	15	8
Accretion of asset retirement obligation	US\$/oz	11	12
Exploration and evaluation expenditures	US\$/oz	49	46
Sustaining capital expenditures	US\$/oz	227	190
Total all-in sustaining cost per ounce	US\$/oz	1,158	874

- (1) Waste removed of 833,800t for the three months ended September 30, 2019 includes 720,003t operating waste and 108,311t used for TSF construction fill, 5,486t for cutback. For the three months ended September 30, 2018 the waste removed of 766,879t included operating waste of 408,700t and 321,085t for cutback or pre-stripping, of which 37,094t were used for TSF construction fill. The cost of the waste removed for TSF construction was capitalized and not included in mining operations.
- (2) Monument realized 1,475US\$/oz for the three months ended September 30, 2019 which excludes gold prepaid delivered of 723oz for comparison purposes.
- (3) Total cash cost per ounce 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, idle production costs, capital costs, exploration costs and corporate administration costs. Readers should refer to section 15 "Non-GAAP Performance Measures".
- (4) All-in sustaining cost per ounce includes total cash costs and adds 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 should refer to section 15 "Non-GAAP Performance Measures".

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019
(in United States dollars, except where noted)

Figure 2: Gold production and cash costs per ounce

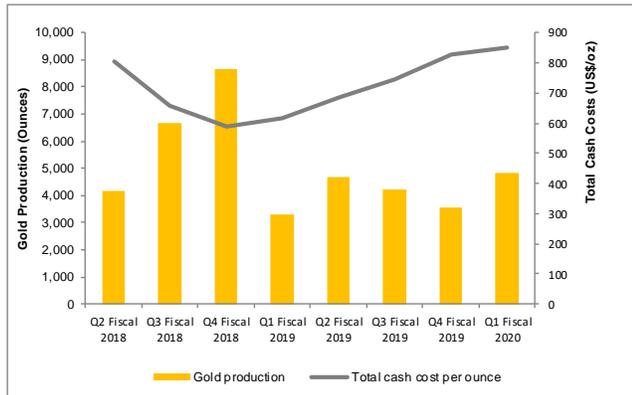
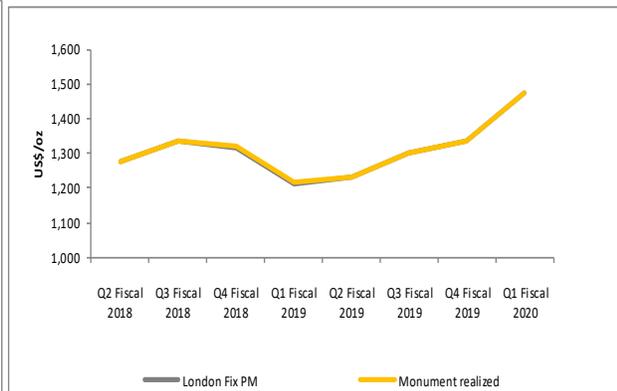


Figure 3: Quarterly Average Gold Price



1.3.3 Exploration

Malaysia

Sulphide: The sulphide mineralization at both Selinsing and Buffalo Reef deposits is still open down dip, down plunge and along strike. Monument plans to follow-up with drilling programs focused on adding resources and defining preferentially sulphide mineralization 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 sulphide drilling program plus resource definition drilling for Buffalo Reef Central (“BRC”) and Felda Block 7; and Selinsing Deeps high grade sulphide gold resource definition/extension drilling. The drilling program at Felda Block 7 will also enable the BRC and Buffalo Reef South (“BRS”) open pits to be extended at depth. 5 diamond drill hole for 265m was drilled to complete a metallurgical drill program at Selinsing pit 5, and 395m of diamond drilling for 8 holes was completed at Buffalo Reef also for a metallurgical drill program. The holes were drilled primarily to extract oxide and transition material for CIL bottle roll tests and further test work with the addition of lead nitrate.

Oxide: The Selinsing short-term exploration program is focused on existing mine areas such as Selinsing, BRS, BRC and BRN, locating more oxide and leachable sulphide ore through extensional drilling, to increase mill feed. Opportunities for infill and extension drilling have also been verified on and around Selinsing Pits, in particular Pit 4 and Pit 5 west walls, aiming to intercept oxide shallow high-grade mineralization and using current understanding from structural information and interpretation, including historical underground developments. The diamond drilling campaign in the south-west area of Pit 4 was carried out last year, of which assay results were received during Q1; significant intercepts including 2.6 metres at 7.62 g/t Au and 8.5 metres at 1.33 g/t Au confirmed the extension of the mineralisation in this area.

Soil Sampling Program: Regional exploration is targeting larger strategic development areas surrounding the Selinsing Gold Mine, aimed to test regional resource potential. The current target areas have been selected for sampling and assaying including additional sections at Peranggih and Panau.

Results for a total 947 soil samples from the Peranggih and Panau area were received from the Intertek lab in Perth, Western Australia. The sampling program detected the presence of approximately 1.6km by 50m to 150m wide gold in soil anomaly located approximately 1km west from Peranggih orebody. The anomaly trending north - north west similar to Peranggih and Selinsing mineralisation, and it will be further tested once secure tenure over the anomaly is established.

The application for a Mining License in this area was submitted. Work on the Peranggih haul road progressed well with 4.6 km cleared and 12 out of 13 culverts installed.

Western Australia

The focus for fiscal 2020 regional exploration is on selected drill hole targets according to the economic expectation in a large scale at the Murchison Gold Project including open pit and underground mining opportunities. The drilling will be carried during the year to test those targets.

A 3D structural study was completed that identified down plunge targets at Gabanintha and Burnakura. A 3D structural geological targeting study was completed by principal structural geologists, Dr. Jun Cowan (JunCowan) and Dr. Oliver Kreuzer (X-plore GeoConsulting) with assistance from Dr. Amanda Buckingham (Fathom Geophysics). The study was completed by the end of September and confirmed near mine down-plunge potential and highlighted regional prospectivity. This should assist Monument to undertake focused exploration to extend the current resources reported in the 2018 SRK NI43-101 Resource Estimation Report, dated July 17, 2018.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

Drill holes will be planned for these targets in the second quarter ready for drilling. These targets cover the areas where preliminary drill programs were previously planned. The near term exploration plan is focused on targeting high grade underground mineralization down dip from the historically mined NOA, Alliance, New Alliance and Yagahong open pits. Holes will be widely spaced with a view to find significant new resources rather than smaller step outs from existing drilling.

Historical Data and GIS Compilation work were carried out during the Q1 at both Selinsing and Murchison projects.

1.3.4 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 for the two-year period beginning June 1, 2018; exploration license extension and mining lease applications to convert certain areas of the exploration license are pending approval by Pahang State for Star Destiny Sdn. Bhd. ("SDSB"), a 100% owned subsidiary of Monument. Management continues its dialogue with the Pahang State authority to speed-up this process.

1.4 2020 Activity Highlights

- On September 17, 2019, the Company announced that a trial mining program would commence in October 2019 at Peranggih Gold Prospect ("Peranggih"). The bulk sample material will be fed into the existing Selinsing oxide gold processing plant to confirm the average grade of the close-spaced drilled area, to quantify the presence of coarse gold and to test the metallurgical performance at plant scale.
- On September 30, 2019, the Company announced that the 3D structural geological targeting study confirmed near mine down-plunge potential and highlighted regional prospectivity at the Murchison Gold Project as part of the exploration work under the Murchison development strategy. The newly identified down-plunge targets may provide the best chance of discovery and of increasing the resource base in the near term.
- On October 23, 2019, the Company announced that the 1,000th gold bar was poured at its Selinsing Gold Mine in Malaysia on October 16, 2019, which brings total gold production to date over 304,000 ounces since commencement of gold production in 2010.
- On November 7, 2019, the Company announced encouraging drill results from a 681m diamond drill program for 14 holes at the Selinsing Gold Mine Pit 4 west wall, including significant intercepts from MSMDD211 (**2m @ 1.06 g/t from 40m**), MSMDD215 (**2.6m @ 7.62 g/t from 54.2m**) and MSMDD217 (**8.5m @ 1.33g/t from 14.5m**). This indicates that the mineralization has extended outside of the resources defined in the NI43-101 report, which has the potential to increase the current Selinsing gold resources.

2. PROJECT UPDATE

2.1 Selinsing Gold Portfolio

The Selinsing Gold Portfolio is located in Pahang State, Malaysia, including Selinsing Gold property ("Selinsing"), Buffalo Reef property ("Buffalo Reef"), Felda Land ("Felda") and 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 properties are located east and north of Selinsing and Buffalo Reef properties.

Among those properties, Selinsing and Buffalo Reef are primary gold properties acquired on June 25, 2007 and are at development and production stage while others are at exploration and evaluation stage. The 1.00 million tpa gold processing plant is situated on the Selinsing site, easily accessible by all of its owned properties. The Federal Land Development Authority ("FELDA") Land is gazetted as a group settlement area covering 3,920 acres owned by local individual ("Settlers"). The Company acquired exclusive irrevocable exploration licenses over 896 acres of Felda Land through its subsidiary Able Return Sdn Bhd from Settlers, with consent from the Federal Land Development Authority. Pursuant to these agreements with Settlers, certain portions of Felda Land can be converted to mining leases upon exploration success at the Company's discretion, subject to regulatory approval. The exclusive mining permits will be automatically assigned for mining to the Company in event of approval of the mining leases obtained by those Settlers. In October 2017, a portion of Felda Land ("Felda Block 7") was converted into proprietary mining leases.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

Famehub Properties were acquired in September 2010, containing 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 area dated August 2010 that can be found on Monument's website. The Company has reviewed the exploration programs at all of these properties, targeting the consolidation of its Selinsing and Buffalo Reef properties together with the Famehub Properties around the Selinsing Gold Mine as a long-term exploration strategic portfolio in order to extend the life of the mine.

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 NI 43-101 standards (www.sedar.com).

The tables below summarize the newly estimated Mineral Reserves and Mineral Resources 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 Reserve comprises 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 and Buffalo Reef/Felda deposits plus Selinsing Old Tailings material; Indicated Transition and Sulphide Resource comprises mineralization occurring in Selinsing and Buffalo Reef/Felda deposits; ***Inferred Resource comprises mineralization occurring in Selinsing and Buffalo Reef/Felda deposits.

Based on the above reserves, the 2019 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.

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 suggested to initiate further exploration programs, aimed on 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 record should not be used as an indicator of future performance.

2.1.2 Production

For the three months ended September 30, 2019 the Selinsing gold plant processed a total of 233,775t (Q1 2019: 236,805t) and gold recovery was 5,327oz (Q1 2019: 3,951oz). The process recovery rate increased to 71.4% for the three months ended September 30, 2019 from 64.2% in the same quarter last year mainly due to an increase in average head grade from 0.81 g/t to 0.99 g/t. For the three months ended September 30, 2019, mill feed comprised of 64% SLG oxide, 3% oxide, 24% old tailings and 9% leachable sulphide compared to the same quarter last year of 68% SLG oxide, 18% oxide, and 13% old tailings and 1% leachable sulphide. Total materials mined during the three months ended September 30, 2019 included 5,486t waste cutback at Selinsing and Buffalo Reef and 108,311t of waste removed for

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

the TSF upgrade, compared to the same quarter last year that included 321,085t of waste cutback at Selinsing and Buffalo Reef and 37,094t for TSF construction.

The figures below illustrate production results on a consolidated basis including Selinsing, Buffalo Reef and Felda Block 7 operations.

Figure 4: Selinsing Gold Mine: Revenue

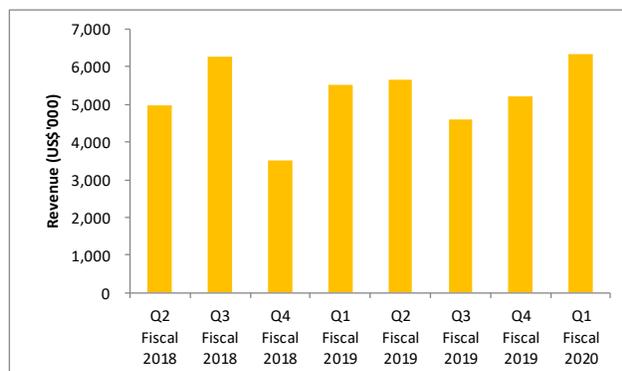
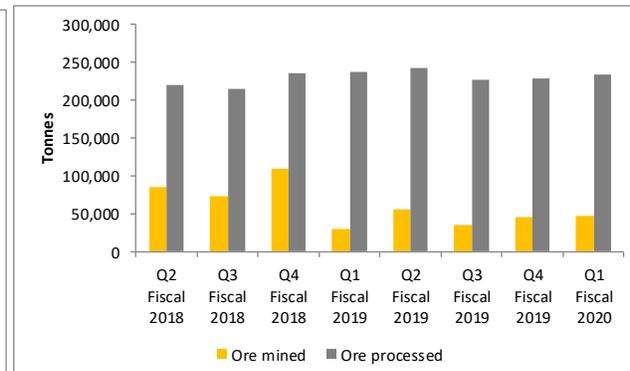


Figure 5: Selinsing Gold Mine: Operating Metrics



2.1.3 Development

Selinsing Sulphide Gold Project is primary focus of fiscal 2020 mine development to commence the six year new life of mine after depletion of the Selinsing oxide production. In the meantime the current production moves to mine leachable sulphide materials in bridge of cash flow during this transition period.

Feasibility Study and Project Execution Plan

The Feasibility Study for the Selinsing Gold Sulphide Project was released on February 1, 2019. The economic viability of the project described in the Feasibility Study is primarily driven by adding flotation and BIOX® processes to the current Selinsing Gold Processing Plant to treat sulphide ore.

While an execution plan is in place to start up construction of the Selinsing Gold plant upgrade, the project team continues to optimize costs including expected maintenance and reagent consumptions to lower operating cost estimates and sourcing local equipment to lower capital cost estimates.

Bioleach batch amenability tests (BAT) were conducted in-house using locally adapted bacteria. The bioleach tests were conducted as training exercises for metallurgists and technicians to have better understanding of how the bioleach process works and essential parameters to be monitored. Equipment specifications were also prepared for the proposed pilot plant for use as the BIOX® test facility, including the crusher, ball mill, pumps, cyclone, rougher and cleaner flotation cells, reagent mixing and dosing pumps; conversion of the Intec pilot plant to BIOX® primary and secondary reactors is anticipated. A potential underground desktop study was also carried out internally, 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 further resource definition and conversion of the Inferred open pit potential into 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.

Selinsing Pit 5/6 Cutback and Tailings storage facility upgrade

For the three months ended September 30, 2019, Selinsing mine development was focused on TSF, Selinsing Pit 5/6, Buffalo Reef and Block 7.

The Company incurred expenditures of \$1.05 million (Q1 2019: \$1.11 million) on Selinsing Pit5/6 cutback, pre-stripping and TSF upgrades for the three months ended September 30, 2019.

Cutback and pre-stripping were focused on Selinsing Pit 5/6 aiming to access leachable ore materials in transition zones for mill feed to the current processing plant. For the three months ended September 30, 2019, cutback and pre-stripping totalled 725,489t for \$0.56 million and of that total 108,311t for \$0.27 million was allocated to the TSF upgrade.

Construction of the main embankment, saddle and south dams continued during the quarter to an elevation of 533.3mRL and the main embankment crest was widened to provide the foundation for a future interim lift to 535.5mRL. Riprap was placed on all upstream slopes.

The total required TSF fill materials for the current 2.3m raise is approximately 869,856t. As at September 30, 2019, 98% or 852,458t of the total was complete, with 17,397t remaining. For the three months ended September 30, 2019, TSF filled materials were borrowed

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

from waste cutback, comprised of nil from Selinsing Pit 5/6, 16,430t from Buffalo Reef and 91,881t from Felda Block 7. At quarter end the work remaining was completing construction of the chimney drains and trimming the downstream embankment slopes.

2.1.4 Exploration

Total exploration expenditures at the Selinsing Gold Portfolio of \$0.21 million (Q1 2019: \$0.21 million) were incurred for the three months ended September 30, 2019, comprised of \$0.01 million (Q1 2019: \$0.13 million) at Peranggih, \$0.13 million (Q1 2019: \$0.04 million) at Buffalo Reef and, \$0.07 million (Q1 2019: \$0.04 million) at Selinsing Deeps.

Exploration activities during the quarter comprised of metallurgical drilling at Selinsing Pit 5 and Buffalo Reef BRC 2, BRC 3 and BRN to investigate the possibility of treating the non-leachable material using CIL, additional lead nitrate and flotation methods. The metallurgical drilling at Buffalo Reef are to obtain transition and fresh ore for investigating the leachability of each ore type to support mining plan for FY2020 and to produce saleable flotation concentrate from the fresh samples.

Near Mine Exploration Sulphide: At both Selinsing and Buffalo Reef deposits the sulphide mineralization is still open down dip, down plunge and along strike. Monument plans to follow-up with drilling programs focused on adding resources and defining preferentially sulphide mineralization at depth below and around the existing pits within gap zones in between the known resources that contain limited 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 sulphide drilling program plus resource definition drilling for Buffalo Reef Central ("BRC") and Felda Block 7; and Selinsing Deeps high grade sulphide gold resource definition/extension drilling. The drilling program at Felda Block 7 will also enable the BRC and Buffalo Reef South ("BRS") open pits to be extended at depth.

Oxide: A diamond drilling campaign consisting 681m for 14 holes was completed in Q4 FY2019. Significant assay intercepts included MSMDD211 (2m at 1.06 g/t from 40m), MSMDD215 (2.6m at 7.62 g/t from 54.2m) and MSMDD217 (8.5m at 1.33g/t from 14.5m). The majority of the mineralization intercepted consisted of transition material. The gold recovery is expected to be reasonably high within the range of 80%-90% as demonstrated previously from mining and processing gold recovery data at Pit 4 from the respective elevation. The drilling result from south-west area of the Pit 4 is supported by field observation and GC data. This showed an extension of the mineralized zone striking at 50m from Section 1810N which potentially could be mined immediately to feed the current plant. Based on the combined drilling result and previous block modelling by Snowden, the pit 4 southwest cutback are planned and expected to generate 312.8 kt at 0.62g/t for 6,279 oz contained at a stripping ratio of 3.8.

The Selinsing short-term exploration program is to undertake diamond drilling program at area 7 to convert the inferred resource of the northern Selinsing ore extension which high grade mineralization were intercepted during previous drilling campaign. A total of 680m for 5 holes are planned during the financial year 2020 in order to develop the underground work in this area. The metallurgical testwork of the samples from previous drilling shows that the ore is amenable to the existing CIL Plant.

Soil Sampling Program: Regional exploration is targeting larger strategic development areas surrounding the Selinsing Gold Mine, aimed to test regional resource potential. The current target areas have been selected for sampling and assaying including additional sections at Peranggih and Panau. A total of 947 soil samples were collected during the regional sampling program completed during fiscal 2019. The sampling program detected the presence of approximately 1.3km by 50m to 150m gold in soil anomaly located approximately 1km west from Peranggih orebody, the anomaly trends north - north west similar to Peranggih and Selinsing. The follow up work that includes geological mapping and rock chips sampling are planned to provide more define target for future trenching and drilling activity.

2.1.5 Environment, Safety and Health

The Company's commitment to comply with Malaysia's environmental laws follows three main government authorities:

- The Department of Minerals and Geosciences ("JMG") with mining and processing activities including environmental jurisdiction inside the Company's project tenements;
- The Department of the Environment ("DOE"), whose jurisdiction lies outside the Company's tenements regarding air and water quality 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 three months ended September 30, 2019, there were no lost time accidents recorded at the Selinsing operations. 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 required on HSE issues. Third party environmental compliance audits were conducted by accredited independent consultants and laboratories on environmental audits, ambient air quality and environmental noise monitoring.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

The DOSH certificate update for all machinery was submitted and included renewals for the elution column, tower crane and all electrical hoists, compressors and pressure vessels. The Company's Health, Safety and Environment compliance committee met to ensure the requirements of JMG, DOE and DOSH are adhered to in a timely manner.

2.2 Murchison Gold Portfolio

The Murchison Gold Portfolio is 100% owned by the Company and acquired in 2014, consisting of the Burnakura, Gabanintha, and Tuckanarra gold properties, located in the Murchison Mineral Field, a highly prospective historical gold province within the Murchison District of Western Australia. Burnakura and Gabanintha are located 40 km 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 514 square kilometres of mining land prospective for resource extension, and a fully operational gold processing plant at the Burnakura site, a newly developed camp site and all necessary infrastructure. Underground mining was carried by the previous owner of the Burnakura gold processing plant for several months and shortly after 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 Resources reported to a 1.0g/t Au lower cut-off, at time of acquisition in 2014, within a number of previously operated open pits and underground mine. 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 and these figures represents a positive outcome toward 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 program to add new resources.

Figure 9: 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.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

2.2.2 Exploration

A 3D structural geological targeting study was completed by principal structural geologists, Dr. Jun Cowan (JunCowan) and Dr. Oliver Kreuzer (X-plore GeoConsulting) with assistance from Dr. Amanda Buckingham (Fathom Geophysics). Pit mapping was completed by Dr. Oliver Kreuzer at Burnakura and Gabanintha over a period of 10 days. The structural measurements from the pit mapping were then used to assist Dr. Jun Cowan to interpret the prospect scale grade patterns. A specialized targeting method was used that first establishes if grade follows a planar-linear pattern and then uses the down-plunge projection method to interpret the data. Some of the highlights of the study include:

- New high grade down-plunge targets were defined at both Burnakura and Gabanintha, and existing down-plunge targets were refined by pit mapping and 3D structural analysis.
- Advanced geophysical filtering of gravity, magnetic and electromagnetic data was undertaken and clearly illustrates some of the key structures controlling the location of gold mineralization at the camp to district scale.
- Potential of large granitoid-hosted gold systems at Lewis-Reward and Mt Bowie prospects was highlighted, as well as potential for polymetallic VMS systems along strike of the Culculli and Austin systems.
- Multiple new regional structural targets were generated at the Burnakura Project based on Dr. Jun Cowan's specialized down-plunge projection method.

Compilation of historical data is also ongoing to check for any gaps in existing data including reports, mapping, drilling and geochemical data. It is planned to bring in additional resources to assist with this task in the second quarter.

Burnakura: An exploration plan has been developed for both regional and underground potential. The 3D structural targeting study identified 3 high priority down plunge targets at Burnakura. The NOA and Alliance mineralization has been identified as having major potential as an underground target. Mineralization at NOA is hosted and controlled by northerly plunging folds. Work is being undertaken to identify further northerly plunging folds for potential repeats of the NOA line of mineralization. The most recent drilling program at Alliance extended the mineralized structure 180m down dip. Further drill holes are being planned to test this mineralized structure down to 400m.

Tukanarra: Only minor data compilation was completed for the Tukanarra project, but previous work has highlighted that there is potential for further discoveries along untested prospective strike, in particular at the Bottle Dump deposit.

Gabanintha: A review and study of historical drilling data has continued and highlighted that the mineralization is open at depth. The 3D structural targeting study identified 3 high priority down plunge targets at Gabanintha. The most promising target is down plunge of the Yagahong pit mineralization. Drilling programs are being revised and planned to commence in fiscal 2020, pending an internal review.

For the three months ended September 30, 2019, exploration at Murchison incurred expenditure of \$0.14 million (Q1 2019: \$0.01 million) on geological work.

2.2.3 Development

The Company has ensured that the plant and other facilities are being kept in good condition through proper care and maintenance with a view to ensure efficient commissioning in the future, and the site accommodation and catering are fully functional in readiness for Company personnel and mining contractors to commence on site.

During the three months ended September 30, 2019 the Company incurred expenditures of \$0.07 million (Q1 2019: \$0.19 million) on site activities, \$0.14 million (Q1 2019: \$0.14 million) on property fees and \$0.04 million (Q1 2019: \$0.05 million) on plant maintenance at the Murchison Gold Project.

2.3 Mengapur Copper-Iron Project

The Mengapur 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 Shd. Bhd. ("Star Destiny"). Following significant exploration programs and metallurgical studies carried out from 2011 to 2015, a geological and resource modelling study has been 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" and dated October 29, 2018, is available on the SEDAR website. It 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.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

The project has been 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 was 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 the current geological understanding, of the copper oxide, transition and sulphide skarn type mineralization.

Figure 10 below 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 the mineralization to have reasonable prospects of eventual economic extraction, a cut-off grade of 0.3% Cu was selected, representing 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 10: Mengapur August 2018 Mineral Resource estimate (0.3% Cu lower cut-off)

Indicated Mineral Resource							
Material type	Tonnes Mt	Cu %	Au g/t	Ag g/t	Contained Cu t	Contained Au oz	Contained Ag 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 Mt	Cu %	Au g/t	Ag g/t	Contained Cu t	Contained Au oz	Contained Ag 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 testwork in studying 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 follow-up work to assess the opportunity for copper production.

During the three months ended September 30, 2019, the Company incurred costs of \$0.13 million (Q1 2019: \$0.16 million) on exploration and evaluation at Mengapur which was all related to site activities (Q1 2019: \$0.13 million). Site activities at Mengapur included environmental compliance, erosion and sediment control. Care and maintenance activities were carried out to ensure the facility and assets are kept in good condition.

Hominization Agreement: MMSB is the exclusive operator of the Mengapur. It 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 top soil 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. The Company 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.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

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 and 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.

Tenements: The mining lease at the 100% owned subsidiary CASB was renewed during the third quarter of fiscal 2019 for the two-year period beginning June 1, 2018. The prospecting exploration permit of SDSB expired on September 23, 2012. The Company submitted an application of renewal in November 2011 to the Pahang State authority. The Company also submitted additional mining lease applications in 2009, 2010 and 2012 covering sections of the same area. The Company has yet to receive an official notification from the Pahang State authority in response to its applications. Management continues its dialogue with the Pahang State authority to speed-up this process. According to the Mining Enactment 2001 of Malaysia, until receipt of official notification with the Company's consent, the exploration rights remain intact.

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 to National Policy 43-101, retained by Golder Associates Pty Ltd.

3. OVERVIEW OF FINANCIAL PERFORMANCE

3.1 SUMMARY

During the three months ended September 30, 2019, operations processed Selinsing and Buffalo Reef oxide ore, super low-grade oxide ore and old tailings through the Selinsing Gold Plant in transition from oxide ore production to sulphide ore production. The production gross margin is expected to vary from time to time due to recovery rates and volatile gold prices.

Figure 6: Financial Highlights

	Fiscal 2018			Fiscal 2019			Fiscal 2020	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
	\$	\$	\$	\$	\$	\$	\$	\$
Revenues (000's)	4,974	6,275	3,498	5,530	5,663	4,590	5,210	6,343
<i>Weighted average gold price</i>								
London Fix PM (per ounce)	1,275	1,337	1,318	1,214	1,233	1,299	1,338	1,477
Monument realized (per ounce)	1,276	1,335	1,320	1,215	1,231	1,299	1,337	1,475
Net earnings (loss) before other items and tax (000's)	(423)	1,093	(659)	1,105	768	269	759	745
Earnings (loss) per share before other items and tax:								
- Basic	(0.00)	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00
- Diluted	(0.00)	0.00	(0.00)	0.00	0.00	0.00	0.00	0.00
Net earnings (loss) after other items and tax (000's)	(1,820)	(1,491)	66	1,062	469	(914)	(1,116)	208
Earnings (loss) per share:								
- Basic	(0.01)	(0.00)	0.00	0.00	0.00	(0.00)	(0.00)	0.00
- Diluted	(0.01)	(0.00)	0.00	0.00	0.00	(0.00)	(0.00)	0.00

The quarterly financial results of the Company are outlined for the past eight quarters in Figure 12 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 September 30, 2019 the net income was \$0.21 million, or (\$0.00) per share (basic) compared to net income of \$1.06 million or \$(0.00) per share (basic) in the same quarter last year.

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

- Less gold ounces sold but at a higher average realized gold price.
- An increase in foreign exchange gain due to the continued appreciation of the US dollar.

Offset by

- An increase in processing costs due to harder rock being fed into the mill.
- An increase in depreciation and amortization expense.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019
(in United States dollars, except where noted)

- An increase in corporate expenses, mainly due to writing off the Burnakura project expenses.
- An increase in interest expense recognized from gold prepaid sales.

3.2 Operating Results: Sales and Production Costs

For the three months ended September 30, 2019, mining operations before non-cash amortization and depreciation generated a gross margin of \$2.65 million a decrease of 3% from \$2.72 million in the same quarter last year. Income from mining operations was \$1.41 million compared to \$1.59 million in the same quarter last year after non-cash depletion and accretion of \$1.24 million compared to \$1.13 million, respectively.

Gold recovery increased by 35% during the quarter to 5,327oz (Q1 2019: 3,951oz) compared to the same quarter last year on higher feed grade and recovery rates, offset by a 1% decrease in ore processed to 233,775t (Q1 2018: 236,805t). Total cash cost per ounce sold increased to \$855/oz in the quarter from \$617/oz in the same quarter last year due to an increase in production costs.

Sales

Gold sales generated \$6.34 million for the three months ended September 30, 2019 compared to \$5.53 million in the same quarter last year. The revenue resulted from 3,600oz (Q1 2019: 4,550oz) of gold sold from production at an average realized gold price of \$1,475 per ounce (Q1 2019: \$1,215 per ounce) for the quarter and 723oz delivered in fulfilling gold prepaid obligations at an average realized gold price of \$1,429 per ounce. The weighted average London Fix PM gold price was \$1,477 per ounce for the quarter compared to \$1,214 per ounce for the same quarter last year.

Production Costs

Total production costs in the three months ended September 30, 2019 was \$3.70 million, compared to \$2.81 million in the same quarter last year, despite less gold being sold in the quarter compared to the same quarter last year. Cash cost per ounce increased by 39% to \$855/oz in the quarter from \$617/oz in the same quarter last year that resulted from an increase in ore processed from old tailings reclaim, offset by a reduction in processing highly oxidized ore from stockpile at Selinsing and Buffalo Reef and an increase in leachable sulphide. As a result of the change in the mix in the sources of the ore processed the feed grade increased over the same quarter last year to 0.99g/t Au from 0.81g/t Au. Also, the Royalty rate increase from 5% to 10% in January 2019.

A breakdown and further analysis of the cash cost components is provided below, and Figure 14 shows a historical graphical summary demonstrating the breakdown by quarter.

Figure 7: Gross margin

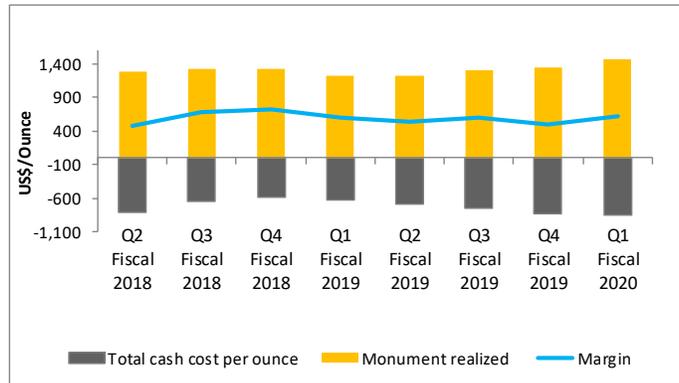
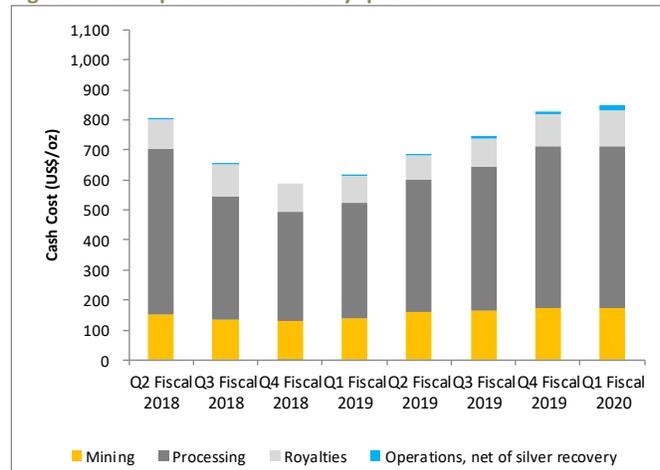


Figure 8: Cash production costs by quarter



MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

Figure 9: Production costs

	Three months ended	
	September 30, 2019	September 30, 2018
Production cost breakdown ('000s)		
Mining	771	631
Processing	2,324	1,756
Royalties	524	410
Operations, net of silver recovery	78	12
Total production costs	3,697	2,809

Mining

Mining was focused on Selinsing Pit 5/6, Buffalo Reef Felda Block 7 and Damar. All mining in Buffalo Reef Felda Block 7 were free dig as no blasting required. For the FY2020, a new budget is being implemented. There will be 4 open pits supplying ore for the Selinsing Plant; Pit 5/6 in Selinsing, BRC2 (Oxide + Transition), BRC3 (Oxide + Transition) and BR North (Oxide + Transition) in the Buffalo Reef area. BRC3 and BRC2 are combination of Damar and Felda Block 7. The Buffalo Reef Transition ore feed to the CIL plant will be based on ongoing lead nitrate leaching tests currently being conducted.

Total operation mining cash cost increased and the cash cost per ounce of mining operations was higher by 28% to \$178/oz from \$139/oz in the same quarter last year, mainly due to a higher waste to ore ratio from pre-stripping carried out at Selinsing Pit 5 slip area cutback and Buffalo Reef that aims to extract leachable ore materials in transition zones for mill feed to the current processing plant, but offset by an increase in gold sales in the three months ended September 30, 2019. Mining production was 46,797t of ore for the quarter compared to 30,305t of ore mined in the same quarter last year. Total waste removed increased to 833,800t (Q1 2019: 766,879t) that included 5,486t for cutback at the Selinsing pit and 108,311t for TSF construction material and TSF-Buffer road construction during the quarter, bringing total materials mined to 880,597t compared to 797,184t in the same quarter last year. As a result of an increase in total materials mined and production from the Buffalo pit, the cost per tonne mined increased by 16% from \$1.21/t to \$1.45/t.

The stripping ratio reduced to 17.82 for the quarter compared to 25.31 for the same quarter last year, which accounted for waste mined for both operations and development. There was 5,486t used for the cutback at Felda and 108,311t for TSF construction during the quarter compared to 321,085t for the cutback and 37,094t for TSF construction for the same quarter last year, the cost of which was capitalized and not included in the mining operations.

Processing

Total processing cash costs for the three months ended September 30, 2019 were \$2.32 million compared to \$1.76 million in the same quarter last year with less gold sold in the current quarter, offset by higher feed grade and process recovery rates.

Processing cost per tonne increased by 12% from \$9.73/t to \$10.87/t in the quarter primarily due to more consumables and power costs used to process harder ore from Selinsing, higher maintenance, and higher detoxification consumable costs for reducing the TSF water level after heavy rainfall. Total ore processed decreased by 1% to 233,775t from 236,805t in the same quarter last year. Mill feed comprised of 147,792t from stockpiled super low-grade oxide ore, 6,011t from oxide ore, 20,744t from leachable sulphide ore, and 56,642t from old tailings compared to the same quarter last year of 159,504t super low-grade oxide ore, 43,397t oxide ore, 2,240t from leachable sulphide and 30,859t old tailings.

Royalties

The Company previously paid royalties to the Malaysian Government based upon 5% of the market value of gold produced, an additional 2% to the PKNP (Pahang State Development Corporation) for gold produced from the Buffalo Reef ore and an additional 5% for gold produced from Felda Block 7. The royalty rate increased to 10% starting January 1, 2019 for Selinsing production. Total royalties cost increased by 28% to \$0.52 million for the three months ended September 30, 2019 compared to \$0.41 million for the same quarter last year, due to increase in production and royalty rate at Selinsing and gold sold. Royalties paid are affected by average gold spot prices and the amount of gold produced and sold in the quarter.

Non-cash Costs

For the year three months ended September 30, 2019, non-cash production expenses amounted to \$1.24 million (Q1 2019: \$1.13 million) including depreciation and amortization of \$1.19 million and accretion of asset retirement obligations in the amount of \$0.05 million, compared to \$1.08 million and \$0.05 million in the same quarter last year, respectively.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

3.3 Corporate General and Administrative

Figure 10: Corporate Costs

	Three months ended	
	September 30, 2019	September 30, 2018
General and administration	373	317
Stock-based compensation	1	1
Legal, accounting and audit	81	79
Shareholder communications	51	42
Travel	34	42
Regulatory compliance and filing	4	4
Project investigation and financing	103	-
Amortization	11	1
Total Corporate Costs	659	486

Corporate expenditure for the three months ended September 30, 2019 were \$0.66 million (Q1 2019: \$0.49 million), an increase of \$0.17 million or 36% compared to the same quarter last year. The increase was mainly attributable to the writing-off of the Burnakura project financing costs of \$0.1 million, an increase in general and administration costs of \$0.03 million associated with a late tax payment penalty and an increase in salaries and wages of \$0.03 million from changes in executive management.

3.4 Other (Loss) Income

Loss from other items for the three months ended September 30, 2019 was \$0.14 million compared to other income of \$0.18 million from the same quarter last year. The change for the three months ended September 30, 2019 was mainly due to interest expenses recognized from gold prepaid sales of \$0.50 million (Q1 2019: \$nil) offset by a foreign exchange gain of \$0.31 (Q1 2018: \$0.16).

3.5 Income Taxes

Income tax expense for the three months ended September 30, 2019 was \$0.40 million (Q1 2019: \$0.22 million) consisting of current tax expense of \$0.11 million (Q1 2019: \$0.25 million) and deferred tax expense of \$0.29 million (Q1 2019: offset by deferred tax recovery of \$0.03 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 the gold treatment plant expansions, production operations at Selinsing and exploration. The Company's cash and cash equivalents as at September 30, 2019 was \$7.48 million, a decrease of \$1.86 million from June 30, 2019. The Company's cash and cash equivalents primarily comprised of cash held with reputable financial institutions and is 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 other than \$0.30 million allocated as restricted cash.

The Company's cash flows from operating, financing and investing activities during the three months ended September 30, 2019 are summarized as follows:

Cash provided from operating activities of \$1.21 million, primarily due to:

- \$1.51 million in operating cash flows from operating activities before movements in working capital and taxes; and
- A reduction in working capital of \$0.3 million associated with an increase in accounts payable and accrued liabilities offset by reductions in inventories and deferred liabilities.

Cash used in financing activities of \$0.07 million, attributable to:

- Interest expense associated with lease payments;

Cash used in investing activities of \$3.1 million, primarily due to:

- Expenditure of \$0.54 million on exploration and evaluation activities mainly at Murchison and Selinsing; and
- Expenditure of \$1.03 million on property, plant and equipment; and
- The advance of \$1.50 million short term loan to Concept Capital Management.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

The Company had positive working capital of \$23.29 million as at September 30, 2019, compared to \$24.52 million as at June 30, 2019.

5. CAPITAL RESOURCES

The Company's capital resources as at September 30, 2019 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, and 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.

The Company entered into a \$7.00 million Gold Prepaid Sale Transaction with Concept Capital Management ("CCM" or the "Purchaser"). Pursuant to the Sale of Gold 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.

During the three months ended September 30, 2019, 723 ounces of gold were delivered, leaving 6,748 ounces of gold to be delivered to CCM at 241 ounces of gold per month over the remaining 31-month period to January 31, 2022, which have been fully reserved for delivery.

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 the Australian operations.

Figure 11: Commitment and Contingencies (000's)

	2020	2021	2022	2023	2024	Total
	\$	\$	\$	\$	\$	\$
Lease commitments	32	41	41	-	-	114
Mineral property obligations	762	854	1,023	754	893	4,286
Purchase commitments	1,534	36	36	7	4	1,617
Total	2,328	931	1,100	761	897	6,017

Lease commitments relates to the future contractually obligated payments associated with the office lease over 12 months. Mineral property obligations include compulsory exploration expenditures and levies pursuant to relevant government regulations to keep tenements in good standing. Purchase commitments are mainly related to operations carried out at the mine sites in Malaysia and Western Australia.

In addition to commitments outlined in the above table, the Company is obligated to deliver 6,748 ounces of gold related to the gold prepaid sale over a remaining 28-month period to 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: five directors (executive and non-executive), the Chief Executive Officer ("CEO"), the Chief Financial Officer and the Vice President of Business Development who directly reports 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:

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

Figure 12: Key management compensation (000's)

	Three Months Ended	
	September 30, 2019	September 30, 2018
Salaries	238	240
Legacy payment	-	-
Directors' fees	34	35
Share-based payments	1	1
Total compensation	273	276

During the quarter ended September 30, 2019, \$0.80 million (September 30, 2018: \$0.77 million) was paid out in relation to legacy payments that had been expensed in previous periods.

Net amounts due to related parties as at September 30, 2019 were \$nil (September 30, 2018: \$0.79 million), representing the legacy payment due to the CEO change announced on January 2, 2018, and \$0.03 million (September 30, 2018: \$0.04 million) relating to director fees were included within current accrued liabilities.

The directors' fees are paid on a quarterly basis and the unpaid amounts due to directors are recorded against accrued liabilities and are unsecured and bear no interest.

8. SUBSEQUENT EVENTS

None.

9. CRITICAL ACCOUNTING ESTIMATES

Refer to Note 3 of the unaudited condensed interim consolidated financial statements as at September 30, 2019. 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 the amounts reported. Significant estimates and areas where judgment is applied include: purchase price allocation and valuation of deferred consideration assets, ore reserves and mineral resource estimates, depreciation and amortization and determination of useful lives, 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

Refer to Note 3 of the unaudited condensed consolidated interim financial statements as at September 30, 2019.

11. FINANCIAL INSTRUMENTS – RISK EXPOSURE AND OTHER INSTRUMENTS

The Company's financial instruments are classified and measured subsequent to initial recognition at amortized cost including cash and cash equivalents, restricted cash, trade and other receivables, loan receivable and accounts payable and accrued liabilities. Refer to the unaudited condensed interim consolidated financial statements as at September 30, 2019 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.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

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 weakened slightly during the first quarter compared with the USD and CAD. A weaker Malaysian Ringgit reduces costs in US dollar terms at the Company's Malaysian operations.

Based on the above net exposures as at September 30, 2019 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 \$0.10 million (September 30, 2018: \$0.13 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 \$0.06 million (September 30, 2018: \$0.04) in net income and a 5% depreciation or appreciation of the AUD against the US dollar would result in an increase/decrease of approximately \$0.01 million (September 30, 2018: \$nil) in net income.

Figure 13: Monthly USD to CAD Exchange Rates

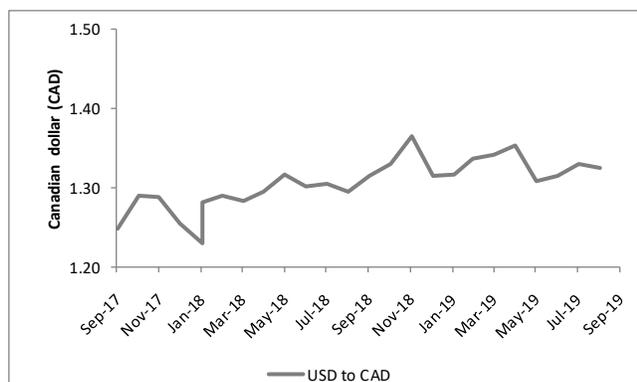
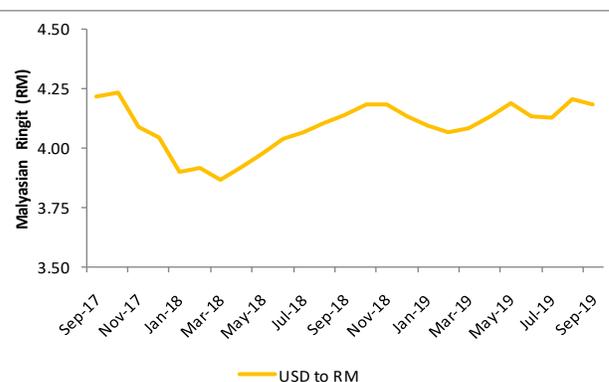


Figure 14: Monthly USD to RM Exchange Rates



Commodity price risk

For the three months ended September 30, 2019, the Company's revenues and cash flows were impacted by gold prices in the range of \$1,389 to \$1,546 per ounce (Q1 2019: 1,178 to \$1,262 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 the investments of financial instruments included in cash and cash equivalents is relatively unaffected by changes in short-term interest rates. The 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 at September 30, 2019. The amount of \$1.91 million (September 30, 2018: \$0.90 million) is held with a Malaysian financial institution, \$0.32 million with an Australian financial institution (September 30, 2018: \$0.42 million) and \$5.25 million (September 30, 2018: \$12.43 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.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

12. OUTSTANDING SHARE DATA

The following details the share capital structure as at November 27, 2019, the date of this MD&A (Figure 20).

Figure 15: Share capital structure

Common shares ⁽¹⁾	Quantity
Issued and outstanding	325,371,565

Restricted share units ⁽²⁾	Quantity
	18,223,464

(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.

(2) Subsequent to the balance sheet date 100,000 restricted share units were forfeited. As a result, 18,223,464 are still outstanding and 11,544,801 remain available for future grant.

13. RISKS AND UNCERTAINTIES

Monument Mining Limited is an exploration, development and gold production company which explores for gold resources. The exploration for and development of mineral deposits involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. While the discovery of a mineral deposit may result in substantial rewards, few properties which are explored are ultimately developed into production. Major 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 mine-ability and recoverability, as well as metal prices which are highly cyclical. Government regulations are also a significant factor 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 the production is dependent on various factors that may not be controllable by the Company.

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

Litigation

The Company is subject to the litigation described herein and may in the future be subject to other legal proceedings related to its projects. Given the uncertain nature of these actions, the Company cannot reasonably predict the outcome of the ongoing litigation. If the Company is unable to resolve these matters favourably it may have a material adverse effect on the Company.

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 of permits, satisfaction of governmental requirements and possible aboriginal claims, attainment of successful 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 Reserves and Resources and the corresponding grades. 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 deposit and

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

may require the Company to reduce its estimates. Changes in gold recovery rates during milling and especially the impact of the 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 and the ultimate operating cost of the relevant project. 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 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 on the Company's operations may cause additional expenses and restrictions. If the restrictions adversely affect the scope of exploration and development on the mineral properties, the potential for production on the property may be diminished or 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 and properties in which it has previously had an 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 fund such acquisitions and development in order to fulfill 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 integrated world 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 into 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 at the control of the Company.

The Company's mineral exploration and mining activities may be affected in varying degrees by certain 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 are 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 are 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 strictly 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.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

14. NON-GAAP PERFORMANCE MEASURES

Cash cost per ounce sold

The Company has included the non-GAAP performance measure "cash cost per ounce sold". This non-GAAP performance measure does not have any standardized meaning prescribed by GAAP 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 measures of performance prepared using 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 benchmark of performance 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, but is exclusive of amortization, depletion, reclamation, idle production costs, capital costs, exploration costs and corporate administration costs.

All-in sustaining cost per ounce sold

The Company reports all-in sustaining costs 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 measures of performance prepared in accordance with GAAP. The Company follows the guidance note released by the World Gold Council, dated June 27, 2013, which is a non-regulatory market development organization for the gold industry whose members comprise global senior gold mining companies.

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 not included. 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.

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.

MANAGEMENT'S DISCUSSION & ANALYSIS

For the three months ended September 30, 2019

(in United States dollars, except where noted)

CAUTION ON FORWARD LOOKING STATEMENTS

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 are 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 are 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 actual 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.