

**June 12, 2019**

**Message from the President & CEO**

Dear Shareholders and Investors,

For more than 10 years, Monument Mining has been successfully operating its **Selinsing Gold Mine in Malaysia** with excellent performance at low cost. Now, the Company has the potential to sustain its production with fully replaced reserves by upgrading the existing plant for processing sulphide gold reserves.

The Feasibility Study announced in February 2019 is significant to Monument, and was done by mining consultants Snowden. In summary, the result of Feasibility Study gives the entire Selinsing Project a six-year mine life from March 2018 based on the reserves of 267Koz. Assuming a gold price of \$1300/oz, we would generate \$290 million gross revenue, with an EBIT of close to \$100 million at a cash cost of \$864/oz. A higher gold price would provide even better project economics.

With estimated capital costs of \$53 million including \$35 million for the sulphide plant upgrade, our net cash flow would be approximate \$45 million, net of capital investment and tax with a NPV of \$27 million, a healthy IRR of 49%, and a 2.5 year payback period on capital. We are currently seeking debt financing to fund the project.

A plant conversion with a new flotation and BIOX<sup>®</sup> sulphide treatment would allow us to unlock the value of our sulphide assets. The estimated construction period is 12 months, and we aim to sustain current oxide production before sulphide production commences.

What we would also like to highlight to investors and shareholders is the fact that with a successful sulphide plant operation, Monument could toll mill or buy other existing sulphide gold concentrates within Malaysia or elsewhere. With oxide gold resources becoming scarce, the mining industry is increasingly relying on new technologies to treat sulphide ore. We are excited that we have demonstrated this capability to operate a sulphide plant in Malaysia.

We are also confident that our gold inventory could be further increased by converting existing resources into reserves and have demonstrated those opportunities in detail in the Feasibility Study. Together with additional regional exploration around the Selinsing area, this provides us future flexibility for maximizing this strategic operational asset.

To the north of our existing ore bodies at Selinsing, we have announced a new discovery at Peranggih, which is on the same strike length of the Selinsing deposits. Based upon our structural geological interpretation, we have progressed an additional soil sampling program to cover additional areas at Peranggih; the samples have been prepared and are ready to be sent to an Australia laboratory for testwork. Trial mining at Peranggih has also been planned and preparation is underway.

Copper production is the current target for our **Mengapur Project in Malaysia**. It is a good time to look for a funding partner with the uptrend in copper and iron ore prices. With the increase in iron ore price, our third party operator is already working with us to re-start the free digging iron ore operation that would remove further overburden. But it is too early to say that we have a near-term solution for copper production yet. However, we have released an initial NI 43-101 technical report in October 2018 with a substantial mineral resource estimate of 90 million tonnes of total indicated and inferred copper resources at a

grade of 0.43%/cu. With this in place, we do have some ideas on how we could unlock the value of Mengapur for our shareholders.

**In Western Australia**, Monument bought the Murchison Gold Project in the Meekatharra area with a 640Koz historical resource, including a CIL plant, a mine camp for approximately 108 people and a canteen. We have been working toward placing the project into production to generate a second source of cash flow.

During fiscal 2019 at Burnakura, we have increased our indicated and inferred resources to a total of 381,000 ounces (refer to NI43-101 Updated Mineral Resources, Burnakura Gold Project, prepared by SRK, Sedar filed July 2018). Through our geological structural studies, we have identified regional exploration targets. To date, we have digitized other historical data into our database for further geological interpretation. We plan to test the quality of those targets and then extend drilling programs down deep in July 2019, after the fiscal year end. In the meantime, we will progress with our mining development.

**Our message to shareholders and potential new investors** is that we have clear action plans in place to support an increase in our market value. Here is a quick summary of our strategic actions in next two to three years:

1. The Feasibility Study gives us a foundation to support funding of the Selinsing Sulphide Project. Once funding of the Selinsing Sulphide Gold Plant is in place, our production is expected to be back to a higher level, if the gold price maintains its current level (mid-\$1,300USD) or goes higher. We also continue to improve the economic outcome through operations and further project optimization on the ground.
2. The Murchison exploration plan will be focused on regional exploration to explore overall potential. In 2019, Australian gold miners have shifted their attention to the Murchison, Cue and Meekatharra areas.
3. In parallel, as copper price and iron price continue to strengthen, it is a good time to unlock the value of Mengapur. We have attracted more attention to our Mengapur Project.
4. In the meantime we are diligently working on new opportunities that can advance Monument to a new stage which enhance overall value of the Company.

Over the last few years the mining industry has not been able to attract the market. The situation and outlook have become more positive in 2019. With the overall market improvement showing more interest in mining, further success in Monument projects might let shareholders gain value for their long-term support. I am confident that Monument will get back on the radar of investors and analysts.

We also believe the gold price will be strong in the future due to a potentially weaker US dollar. In addition, with limited exploration around the world there is a lack of new deposits which is bullish for gold prices. Junior gold miners will benefit from such a scenario and could recover from their depressed share prices.

Sincerely,

Cathy Zhai, President and CEO

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