

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF

**MONUMENT MINING LIMITED**

(Expressed in thousands of United States dollars)

For the three and six months ended December 31, 2020 and 2019

In accordance with National Instrument 51-102 released by the Canadian Securities Administrators, the Company discloses that its auditors have not reviewed the condensed interim consolidated financial statements for the three and six months ended December 31, 2020.

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**MONUMENT MINING LIMITED**

**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Unaudited – expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

	Notes	December 31, 2020 \$	June 30, 2020 \$
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	4	14,567	10,125
Trade and other receivables	5	2,798	782
Prepaid expenses and deposits		884	176
Inventories	6	14,701	13,599
Assets held for sale	7	-	350
Deferred financing costs	10	119	89
<b>Total current assets</b>		<b>33,069</b>	<b>25,121</b>
<b>Non-current assets</b>			
Property, plant and equipment	8	40,161	40,256
Exploration and evaluation	9	179,363	182,054
Deferred financing costs	10	166	148
<b>Total non-current assets</b>		<b>219,690</b>	<b>222,458</b>
<b>Total assets</b>		<b>252,759</b>	<b>247,579</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Current liabilities</b>			
Accounts payable and accrued liabilities	13	4,387	3,664
Deferred liabilities	4	3,750	-
Deferred revenue	14	3,825	2,222
Lease liabilities	15	41	38
Income tax payable	18	682	411
<b>Total current liabilities</b>		<b>12,685</b>	<b>6,335</b>
<b>Non-current liabilities</b>			
Deferred revenue	14	365	2,321
Lease liabilities	15	21	40
Borrowings	16	47	29
Asset retirement obligations	17	10,530	9,742
Deferred tax liabilities	18	3,201	2,691
<b>Total non-current liabilities</b>		<b>14,164</b>	<b>14,823</b>
<b>Total liabilities</b>		<b>26,849</b>	<b>21,158</b>
<b>Equity</b>			
Share capital	19	117,498	117,444
Capital reserves – warrants	20	2,612	2,612
Capital reserves – options	20	10,303	10,303
Capital reserves – restricted share units	20	789	843
Retained earnings		94,708	95,219
<b>Total equity</b>		<b>225,910</b>	<b>226,421</b>
<b>Total liabilities and equity</b>		<b>252,759</b>	<b>247,579</b>

Commitments and contingencies (Note 26)

Subsequent events (Note 29)

Approved on behalf of the Board:

“Robert Baldock”  
Robert Baldock, Director

“Graham Dickson”  
Graham Dickson, Director

## MONUMENT MINING LIMITED

### CONDENSED INTERIM CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS

For the three and six months ended December 31, 2020

(Unaudited – expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

	Notes	Three months ended		Six months ended	
		December 31, 2020 \$	December 31, 2019 \$	December 31, 2020 \$	December 31, 2019 \$
<b>Mining operations</b>					
Revenue		6,835	6,606	12,754	12,949
Production costs	21	(4,141)	(4,040)	(7,001)	(7,736)
<b>Gross margin from mining operations</b>		<b>2,694</b>	<b>2,566</b>	<b>5,753</b>	<b>5,213</b>
Operation expenses	22	(150)	-	(179)	-
Accretion of asset retirement obligation	17	(33)	(45)	(68)	(93)
Depreciation and amortization		(892)	(1,378)	(1,616)	(2,572)
<b>Income from mining operations</b>		<b>1,619</b>	<b>1,143</b>	<b>3,890</b>	<b>2,548</b>
Corporate expenses	23	(460)	(490)	(788)	(1,149)
<b>Income before other items</b>		<b>1,159</b>	<b>653</b>	<b>3,102</b>	<b>1,399</b>
<b>Other items</b>					
Interest income		21	13	41	62
Interest expense	14,15	(297)	(463)	(721)	(961)
Loss on disposal of assets		(121)	-	(121)	-
Foreign currency exchange loss		(858)	(820)	(1,547)	(509)
<b>Loss from other items</b>		<b>(1,255)</b>	<b>(1,270)</b>	<b>(2,348)</b>	<b>(1,408)</b>
<b>Income (loss) before income taxes</b>		<b>(96)</b>	<b>(617)</b>	<b>754</b>	<b>(9)</b>
Tax expenses	18	(553)	(1,212)	(1,265)	(1,612)
<b>Total loss and comprehensive loss</b>		<b>(649)</b>	<b>(1,829)</b>	<b>(511)</b>	<b>(1,621)</b>
<b>Loss per share</b>					
- Basic	24	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.01)
- Diluted	24	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.01)
<b>Weighted average number of common shares</b>					
- Basic	24	321,971,563	318,371,565	321,580,259	318,371,565
- Diluted	24	336,595,029	336,489,190	336,595,029	336,489,190

**MONUMENT MINING LIMITED**

**CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

For the three and six months ended December 31, 2020

(Unaudited – expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

	Common shares	Capital reserve - warrants	Capital reserve - options	Capital reserve - restricted share units ("RSUs")	Retained earnings	Total equity
	\$	\$	\$	\$	\$	\$
<b>Balances at June 30, 2020</b>	<b>117,444</b>	<b>2,612</b>	<b>10,303</b>	<b>843</b>	<b>95,219</b>	<b>226,421</b>
RSUs redeemed	54	-	-	(54)	-	-
Net loss for the period	-	-	-	-	(511)	(511)
<b>Balances at December 31, 2020</b>	<b>117,498</b>	<b>2,612</b>	<b>10,303</b>	<b>789</b>	<b>94,708</b>	<b>225,910</b>
<b>Balances at June 30, 2019</b>	<b>117,314</b>	<b>2,612</b>	<b>10,303</b>	<b>967</b>	<b>95,494</b>	<b>226,690</b>
Share-based compensation	-	-	-	6	-	6
RSUs forfeited	-	-	-	(4)	-	(4)
Net loss for the period	-	-	-	-	(1,621)	(1,621)
<b>Balances at December 31, 2019</b>	<b>117,314</b>	<b>2,612</b>	<b>10,303</b>	<b>969</b>	<b>93,873</b>	<b>225,071</b>

## MONUMENT MINING LIMITED

### CONDENSED INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

For the three and six months ended December 31, 2020

(Unaudited – expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

	Notes	Three months ended		Six months ended	
		December 31, 2020 \$	December 31, 2019 \$	December 31, 2020 \$	December 31, 2019 \$
<b>Operating activities</b>					
Loss for the period		(649)	(1,829)	(511)	(1,621)
Adjustments to reconcile net income to net cash provided from operating activities:					
Depreciation, depletion and amortization		903	1,389	1,638	2,594
Accretion expense on asset retirement obligations	17	33	45	68	93
Share-based compensation		-	(5)	-	(4)
Changes of deferred revenue	14	(776)	(570)	(353)	(1,106)
Unrealized foreign currency exchange loss		628	612	1,107	466
Loss on disposal of assets		121	-	121	-
Deferred income tax expense		433	922	598	945
<b>Cash provided from operating activities before change in working capital</b>		<b>693</b>	<b>564</b>	<b>2,668</b>	<b>1,367</b>
Change in non-cash working capital items:					
Trade and other receivables		(389)	114	(457)	123
Prepaid expenses and deposits		(177)	(128)	(705)	(163)
Inventories		252	223	(526)	194
Deferred costs		-	-	-	103
Accounts payable and accrued liabilities		417	(1,556)	563	(1,195)
<b>Cash (used in) /provided from operating activities</b>		<b>796</b>	<b>(783)</b>	<b>1,543</b>	<b>429</b>
<b>Financing activities</b>					
Payment of lease liabilities	15	(12)	(10)	(19)	(17)
Borrowings	16	18	-	18	-
Loan receivable		-	-	-	(1,500)
<b>Cash (used in) /provided from financing activities</b>		<b>6</b>	<b>(10)</b>	<b>(1)</b>	<b>(1,517)</b>
<b>Investing activities</b>					
Expenditures on exploration and evaluation		(378)	(700)	(700)	(1,243)
Expenditures on property, plant and equipment		(1,314)	(934)	(1,672)	(1,959)
Deposit received for due diligence	29	-	-	3,750	-
Proceeds from sale of 80% interests in Tuckanarra project	9	1,522	-	1,522	-
<b>Cash (used in) /provided from investing activities</b>		<b>(170)</b>	<b>(1,634)</b>	<b>2,900</b>	<b>(3,202)</b>
Increase/(decrease) in cash and cash equivalents		632	(2,427)	4,442	(4,290)
Cash and cash equivalents at the beginning of the period		13,935	7,478	10,125	9,341
<b>Cash and cash equivalents at the end of the period</b>	4	<b>14,567</b>	<b>5,051</b>	<b>14,567</b>	<b>5,051</b>
Cash and cash equivalents consist of:					
Cash		10,378	4,743	10,378	4,743
Restricted cash		4,189	308	4,189	308
		<b>14,567</b>	<b>5,051</b>	<b>14,567</b>	<b>5,051</b>

Supplemental Cash Flow Information (Note 27)

## MONUMENT MINING LIMITED

### NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended December 31, 2020

(Unaudited – expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

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#### 1. Corporate Information and Nature of Operations

Monument Mining Limited (“Monument” or “the Company”) is a Vancouver based gold producer, engaged in the operation of gold mines and acquisition, exploration and development of precious metals and other base metals mineral properties with a focus on gold. The Company is incorporated and domiciled under the Canada Business Corporations Act and listed on the Toronto Stock Venture Exchange (“TSX-V: MMY”) and Frankfurt Stock Exchange (“FSE: D7Q1”) with the head office located at 1100 Melville Street, Suite 1580, Vancouver, British Columbia, Canada V6E 4A6.

The Company’s 100% owned Selinsing Gold Mine is located in Pahang State, Malaysia, and has been in commercial production since September 2010. The Company’s exploration and development mineral assets are 100% owned through its subsidiaries, including the Selinsing gold portfolio in Pahang State, Malaysia comprised of the Selinsing, Buffalo Reef, Felda Land and Famehub projects (together “Selinsing”), and Murchison gold portfolio in Western Australia, Australia (“WA”) comprised of the Burnakura, Tuckanarra and Gabanintha projects; and the Mengapur copper and iron portfolio (“Mengapur”) in Pahang State, Malaysia.

In March 2020, the World Health Organization declared a global pandemic following the emergence and rapid spread of a novel strain of the coronavirus (“COVID-19”). The outbreak and subsequent measures intended to limit the pandemic contributed to significant declines and volatility in financial markets. The pandemic adversely impacted global commercial activity. The Company’s Selinsing Gold Mine were shut down except essential services for eight weeks in fiscal 2020 being in compliance with Malaysia government’s Movement Control Order due to the outbreak; and operation were recovered gradually till mid of the first quarter in fiscal 2021.

Monument puts employee’s well-being as first priority. The business sustaining plan has been executed since. The screening, isolation and quarantine and social distancing procedures are undertaken in accordance to the Company’s COVID-19 preventive policies and health authority requirement across all its operating sites and offices in Vancouver, Malaysia and Western Australia. The regular reporting and educational workshops are open to employees under a well-established communication channel. In the supply chain area, mitigation measures have been implemented including initiating a process to increase stocks of key consumables, ordering additional critical spares, assessing potential disruptions, and identifying alternative sources of supply.

The condensed interim consolidated financial statements of the Company for the three and six months ended December 31, 2020, comprising the Company and its subsidiaries, were authorized for issue in accordance with a resolution of the directors on February 16, 2021. These condensed interim consolidated financial statements are presented in thousands of United States (US) dollars and all values are rounded to the nearest thousand dollars except per share amounts or where otherwise indicated.

#### 2. Basis of Preparation

These unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34, “Interim Financial Reporting”. The accounting policies applied in these condensed interim consolidated financial statements are consistent with those used in the annual consolidated financial statements for the year ended June 30, 2020. These condensed interim consolidated financial statements do not include all disclosures required by International Financial Reporting Standards (“IFRS”) for annual consolidated financial statements and accordingly, should be read in conjunction with the Company’s annual audited consolidated financial statements for the year ended June 30, 2020, as some disclosures from the annual consolidated financial statements have been condensed or omitted.

These condensed interim consolidated financial statements were prepared on a going concern basis under the historical cost method except for certain derivatives, which are measured at fair value and were prepared using accounting policies consistent with those in the annual audited consolidated financial statements as at and for the year ended June 30, 2020.

#### 3. Significant Accounting Policies

The condensed interim consolidated financial statements have been prepared in accordance with the accounting policies adopted in the Company’s most recent annual consolidated financial statements for the year ended June 30, 2020.

##### a) Critical accounting estimates and judgments

The preparation of these condensed interim consolidated financial statements requires management to make estimates and judgments that affect the amounts reported in the financial statements. 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, and subject to measurement uncertainty, Actual financial results may not equal the estimated results due to differences between estimated or anticipated events and actual events. The judgments, estimates and assumptions made

## MONUMENT MINING LIMITED

### NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended December 31, 2020

(Unaudited – expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

in the preparation of these condensed interim consolidated financial statements were similar to those made in the preparation of the Company's annual consolidated financial statements for the year ended June 30, 2020.

Included in the estimates are the potential impacts from current COVID-19 pandemics. Notwithstanding the proactive and considered actions taken to maintain a safe workplace by the health authorities and the Company, as the extent and duration of the impacts from COVID-19 remain unclear. It is possible that further changes in COVID-19 condition might cause significant adjustment in mining and production activities, in turn, trigger a material adverse effect on the estimates of cash flows, earnings, results of operations and financial position. The Company will continue to assess the impact and adjust the estimates from time to time.

#### 4. Cash and Cash Equivalents

	December 31, 2020	June 30, 2020
	\$	\$
Cash and cash equivalents	10,378	9,821
Restricted cash	4,189	304
	14,567	10,125

As at December 31, 2020, the Company has restricted cash of \$4.19 million (June 30, 2020: \$0.30 million) representing issued letters of credit and fixed deposits as guarantees for utilities, custom duties and certain equipment of \$0.32 million (June 30, 2020: \$0.30 million), a refundable deposit of \$3.75 million received in July 2020 (June 30, 2020: \$ nil) placed in escrow for commencement of a due diligence for a potential transaction (Note 29), and a deposit of \$0.12 million (June 30, 2020: \$ nil) received in escrow for the Tuckanarra project and was released to the Company subsequent to December 31, 2020 (Note 9(b)).

#### 5. Trade and Other Receivables

	December 31, 2020	June 30, 2020
	\$	\$
Trade receivable	379	-
Interest receivable	63	21
Goods and services tax receivable	24	44
Third Parties receivable (Note 9(c))	778	697
Other receivables	1,554	20
	2,798	782

Trade and other receivables are non-interest bearing.

Third Parties receivable includes \$0.78 million (June 30, 2020: \$0.70 million) in relation to topsoil iron production pursuant to the Harmonization Agreement (Notes 9 (c) and 13). Other receivables include \$1.52 million for the sale of 80% interests in Tuckanarra project (Note 9 (b)).

#### 6. Inventories

	December 31, 2020	June 30, 2020
	\$	\$
<b>Current assets</b>		
Mine operating supplies	1,519	1,609
Stockpiled ore	466	648
Work in progress	2,867	2,197
Finished goods (a)	9,849	9,145
	14,701	13,599

The costs of inventory that were incurred and recorded against cost of gold sold during the six months ended December 31, 2020 was \$8.62 million (December 31, 2019: \$10.31 million).

(a) Finished goods includes 5,092 ounces of saleable gold at December 31, 2020 (June 30, 2020: 5,479 ounces).



## MONUMENT MINING LIMITED

### NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended December 31, 2020

(Unaudited – expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

#### 7. Assets Held for Sale

During the year ended June 30, 2020, the Company received prepayment of \$0.35 million for the sale of spare ball mill. During the six months ended December 31, 2020, the spare ball mill was delivered to the purchaser.

#### 8. Property, Plant and Equipment

	Mineral Properties (a)	Buildings, plant and equipment (b)	Construction in Progress (c)	Total
	\$	\$	\$	\$
<b>Cost</b>				
<b>As at June 30, 2019</b>	<b>58,782</b>	<b>45,988</b>	<b>4,300</b>	<b>109,070</b>
Recognition of right-of-use assets (b)	-	115	-	115
<b>As at July 1, 2019</b>	<b>58,782</b>	<b>46,103</b>	<b>4,300</b>	<b>109,185</b>
Addition	3,051	409	294	3,754
Change in ARO provision	121	75	-	196
Recovery of impairment loss (Note 7)	-	50	-	50
Assets held to sale (Note 7)	-	(350)	-	(350)
Reclassification	75	42	(117)	-
<b>As at June 30, 2020</b>	<b>62,029</b>	<b>46,329</b>	<b>4,477</b>	<b>112,835</b>
Addition	1,713	223	146	2,082
Change in ARO provision	45	11	-	56
Disposal	-	(285)	-	(285)
Reclassification	-	28	-	28
<b>As at December 31, 2020</b>	<b>63,787</b>	<b>46,306</b>	<b>4,623</b>	<b>114,716</b>
<b>Accumulated depreciation</b>				
<b>As at June 30, 2019</b>	<b>(43,481)</b>	<b>(25,208)</b>	<b>-</b>	<b>(68,689)</b>
Charge for the period	(1,779)	(2,111)	-	(3,890)
<b>As at June 30, 2020</b>	<b>(45,260)</b>	<b>(27,319)</b>	<b>-</b>	<b>(72,579)</b>
Charge for the period	(1,204)	(921)	-	(2,125)
Disposal	-	149	-	149
<b>As at December 31, 2020</b>	<b>(46,464)</b>	<b>(28,091)</b>	<b>-</b>	<b>(74,555)</b>
<b>Net book value</b>				
As at June 30, 2019	15,301	20,780	4,300	40,381
As at June 30, 2020	16,769	19,010	4,477	40,256
As at December 31, 2020	17,323	18,215	4,623	40,161

- Included under mineral properties is the Selinsing Gold Mine in Pahang State, Malaysia, which is subject to depletion on a unit of production basis.
- Included in additions for buildings, plant and equipment for the year ended June 30, 2020 is an amount of \$0.11 million for right-of-use assets which were initially recognized upon the adoption of IFRS 16 on July 1, 2019.
- Included under Construction in Progress are the Sulphide Plant conversion work upgrades at the Selinsing Gold Mine in Malaysia and the Burnakura Project crushing plant upgrade in Western Australia. Construction expenditures are not subject to depreciation until it is available for use.

As of December 31, 2020, total expenditures were \$4.62 million, comprised of \$3.09 million (June 30, 2020: \$2.95 million) for the Selinsing Sulphide Plant conversion work upgrades; and \$1.53 million (June 30, 2020: \$1.53 million) for the Burnakura crushing plant upgrade.

## MONUMENT MINING LIMITED

### NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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(Unaudited – expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

#### 9. Exploration and Evaluation

	Selinsing Gold Portfolio	Murchison Gold Portfolio	Mengapur Copper and Iron Portfolio	Total
	\$	\$	\$	\$
	Note 9 (a)	Note 9 (b)	Note 9 (c)	
Acquisition costs	48,844	14,558	92,665	156,067
Exploration costs	31,710	15,802	24,447	71,959
Development costs	3,108	1,636	616	5,360
Recoveries, net of costs	(14,013)	-	-	(14,013)
Asset retirement obligations	3,623	649	3,361	7,633
Impairment loss	(2,426)	(225)	-	(2,651)
Intec licence	-	-	1,272	1,272
Transfer to mineral properties	(43,251)	-	-	(43,251)
Incidental cost for property sale	-	31	-	31
Sale of 80% interest in Tuckanarra project	-	(3,044)	-	(3,044)
<b>Balance, December 31, 2020</b>	<b>27,595</b>	<b>29,407</b>	<b>122,361</b>	<b>179,363</b>

The changes of exploration and evaluation expenditures during the six months ended December 31, 2020 and the year ended June 30, 2020 are listed in the following table:

	Selinsing Gold Portfolio	Murchison Gold Portfolio	Mengapur Copper and Iron Portfolio	Total
	\$	\$	\$	\$
	Note 9 (a)	Note 9 (b)	Note 9 (c)	
<b>Balance, June 30, 2019</b>	<b>26,971</b>	<b>30,594</b>	<b>121,548</b>	<b>179,113</b>
Assay and analysis	40	29	-	69
Drilling	26	205	-	231
Geological	119	275	-	394
Metallurgical	1	28	-	29
Plant maintenance	-	133	-	133
Site activities	314	321	531	1,166
Asset retirement obligations	-	10	-	10
Property fees	-	247	6	253
Mine development	663	2	-	665
Impairment loss	-	(9)	-	(9)
Changes for the year	1,163	1,241	537	2,941
<b>Balance, June 30, 2020</b>	<b>28,134</b>	<b>31,835</b>	<b>122,085</b>	<b>182,054</b>
Drilling	31	-	-	31
Geological	11	133	-	144
Plant maintenance	-	60	-	60
Site activities	-	199	270	469
Asset retirement obligations	-	1	(23)	(22)
Property fees	56	192	29	277
Mine development	(637)	-	-	(637)
Incidental cost for property sale	-	31	-	31
Sale of 80% interest in Tuckanarra project	-	(3,044)	-	(3,044)
Changes for the period	(539)	(2,428)	276	(2,691)
<b>Balance, December 31, 2020</b>	<b>27,595</b>	<b>29,407</b>	<b>122,361</b>	<b>179,363</b>

##### a) Selinsing Gold Portfolio

The Company has a 100% interest in the Selinsing Gold Exploration and Evaluation Portfolio including Selinsing Deep, a part of Buffalo Reef, Felda Land and Famehub, which lie continuously and contiguously along the gold trend upon which the Selinsing

## MONUMENT MINING LIMITED

### NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended December 31, 2020

(Unaudited – expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

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Gold Mine is located. As of December 31, 2020, the Selinsing Gold Portfolio totalled \$27.59 million (June 30, 2020: \$28.13 million) was comprised of \$1.38 million for Selinsing Deep, \$16.35 million for Buffalo Reef, \$2.96 million for Peranggih, \$0.13 million for Felda Land, \$5.05 million for Famehub, and \$1.72 million for the Sulphide Project mine development. During the six months ended December 31, 2020, \$0.54 million was reduced on Selinsing Gold Mine development, consisted of a reduction of \$0.64 million for certain stockpiled sulphide ore being leachable and transferred to process, offset by \$0.06 million for Buffalo Reef and \$0.04 million for Selinsing Deep.

#### Selinsing Deep

The Company acquired a 100% interest in the Selinsing Gold Project in 2007 through its 100% owned subsidiary Able Return Sdn. Bhd. and since then oxide and sulphide orebody in transition at pit 5 and pit 6 have been placed into a production and have been classified to property, plant and equipment (Note 8(a)), except Selinsing Deep which is underneath the existing orebody. Continuing expenditure on Selinsing Deep is recorded against exploration and evaluation. The balance of \$1.38 million as of December 31, 2020 (June 30, 2020: \$1.34 million) included \$0.04 million incurred during the six months ended December 31, 2020..

#### Buffalo Reef

On June 25, 2007, the Company acquired 100% of the common shares of Damar Consolidated Exploration Sdn. Bhd., a company incorporated under the laws of Malaysia, thereby effectively acquiring 100% of the Buffalo Reef tenement property interests. Some deposits at Buffalo Reef have been placed into production and are recorded under property, plant and equipment (Note 8(a)). As of December 31, 2020, expenditures for acquisition, exploration were totaled \$16.35 million (June 30, 2020: \$16.29 million) including \$0.06 million incurred for property fees of Buffalo Reef in the six months ended December 31, 2020.

#### Felda Land

The Company acquired exclusive irrevocable exploration licenses over 896 acres of Felda Land through a subsidiary Able Return Sdn Bhd from settlers – individual owners of blocks on the Felda Land, with consent from Federal Land Development Authority (“FELDA”).

The Felda Land is located east and south adjacent to Selinsing and Buffalo Reef, gazetted as a group settlement area covering 3,920 acres of land. 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 should be automatically assigned for mining to the Company in event of approval of the mining leases obtained by those settlers.

Included in Felda land, Block 7, covering a 39.12-acre area of Felda Land (“Felda Block 7”) was converted to proprietary mining leases in October 2017. It is adjacent east of Buffalo Reef as the extension of the BRC oxide ore body, and nearby existing gold process plant. The balance as at December 31, 2020 was \$0.13 million (June 30, 2020: \$0.13 million) for Felda Land with no exploration and evaluation expenditures incurred in the six months ended December 31, 2020.

#### Peranggih

The Peranggih area is located about 10km north of the Selinsing Gold Mine and is in the same regional shearing structure as the Selinsing and Buffalo Reef gold deposits. As at December 31, 2020, the balance was \$2.96 million (June 30, 2020: \$2.96 million) with no exploration and evaluation expenditures incurred for Peranggih in the six months ended December 31, 2020.

#### Famehub

On August 13, 2010, the Company acquired a 100% interest in Famehub Venture Sdn. Bhd. (“Famehub”), a company incorporated in Malaysia to purchase a land package consisting of approximately 32,000 acres of prospective exploration land as well as the associated data base. This land is located to the east of the Selinsing Gold project and the Buffalo Reef prospect. The balance as at December 31, 2020 was \$5.05 million (June 30, 2020: \$5.05 million) with no exploration and evaluation expenditures incurred in the six months ended December 31, 2020.

#### **b) Murchison Gold Portfolio**

The Company has a 100% interest in the Murchison Gold Portfolio which consists of the Burnakura, Gabanintha, and 20% interest in 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 south west of Burnakura.

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As of December 31, 2020, the Murchison Gold Portfolio totalled \$29.41 million expenditure for acquisition, exploration and development, including \$25.63 million for Burnakura, \$3.27 million for Gabanintha and \$0.51 million for Tuckanarra. During the six months ended December 31, 2020, \$2.42 million was received on Murchison gold project development, consisted of \$0.49 million spent for Burnakura Gold Project, \$0.06 million spent for Gabanintha Gold Project, \$0.07 million for Tuckanarra project, offset by the cost of \$3.04 million for the sale of 80% of its interest in Tuckanarra project during the six month period ending December 31, 2020.

#### Burnakura

In February 2014, Monument acquired the Burnakura Gold Project and Gabanintha Gold Project that includes a number of mining and exploration tenements and lease applications and a fully operational gold processing plant, a developed camp site and all necessary infrastructure.

As at December 31, 2020, the balance of exploration and evaluation expenditures was \$25.63 million (June 30, 2020: \$25.14 million), of which \$0.49 million were incurred in the six months ended December 31, 2020 for Burnakura.

#### Gabanintha

Gabanintha Gold Project was acquired in conjunction with Burnakura, containing a number of prospective tenements located 20 km to the east of Burnakura. Total exploration and evaluation expenditures were \$3.27 million (June 30, 2020: \$3.21 million) as at December 31, 2020, of which \$0.06 million were incurred in the six months ended December 31, 2020 for Gabanintha.

#### Tuckanarra

In November 2014, Monument acquired, free and clear of any encumbrances, a 100% interest in Tuckanarra consisting of two exploration licenses, six prospecting licenses and a mining lease covering a total of 416 square km and containing approximately 100,000 historical indicated and inferred Joint Ore Reserves Committee (JORC) compliant ounces of gold. In December 2020, 80% interest was sold to a joint venture partner, left 20% free carry interest as of December 31, 2020.

Total exploration and evaluation expenditures were \$0.51 million (June 30, 2020: \$3.48 million) as at December 31, 2020, of which \$0.07 million including incidental costs for the Transaction of \$0.03 million were incurred in the six months ended December 31, 2020, offset by the reduction of \$3.04 million for the sale of 80% of its interest in Tuckanarra project.

On October 19, 2020, the Company announced that it entered into a Joint Venture Arrangement (the "Transaction") with Odyssey Energy Ltd (ASX: "ODY", "Odyssey", proposed to be renamed Odyssey Gold Ltd). After closing of the Transaction, Odyssey and Monument will jointly develop the Tuckanarra Gold Project through an unincorporated joint venture to advance the Tuckanarra Gold Project ("Tuckanarra") located in the Murchison Goldfield.

Pursuant to the Transaction, the Company sells 80% of its interest in Tuckanarra to Odyssey for an aggregated consideration of AUD\$5.00 million cash (or equivalent \$3.81 million), retains a 1% net smelter return royalty over ODY's percentage share, and a 20% interest in the Tuckanarra Project free carried until a decision to mine, provided preferentially ODY's gold ore will be processed through Monument's Burnakura gold plant subject to commercial terms.

Upon closing of the Transaction on December 24, 2020, the consideration of AUD\$4.00 (or equivalent \$3.04 million) were recorded in reduction of Tuckanarra exploration and evaluation expenditures, of which AUD\$2.00 million (or equivalent \$1.52 million) was received in cash, AUD\$2.00 million (or equivalent \$1.52 million) was recorded as receivable including AUD\$1.50 million (or equivalent \$1.14 million) due within 6 months of the completion of the Transaction and AUD\$0.50 million (or equivalent \$0.38 million) due upon the completion of transfer of the tenements to ODY.

The remaining AUD\$1.00 million (or equivalent \$0.76 million) contingency consideration may become receivable within 36 months of the completion of the Transaction subject to exploration success when additional 100,000 ounces of gold being discovered, and when received, will further reduce exploration and evaluation expenditures of Tuckanarra to the extent of the remaining balance with any excess recognized as gain in profit or loss.

The cash proceeds will be used for Murchison Gold Projects development and working capital.

Odyssey is solely responsible for funding any exploration and evaluation activities of Tuckanarra.

#### **c) Mengapur Copper and Iron Portfolio**

The Mengapur Copper and Iron Portfolio ("the Mengapur Project") 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

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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”).

A NI43-101 compliant Resource Estimate Report was completed by Snowden Mining Industry Consultants Pty Ltd. and released in October 2018, following up significant exploration programs and metallurgical test work conducted from 2012 to 2015. As at December 31, 2020, the balance of \$122.36 million comprised \$92.67 million in acquisition, \$3.36 million for asset retirement obligations, \$1.27 million for Intec licence, and \$25.06 in exploration and evaluation expenditures including \$0.30 million incurred in the six months ended December 31, 2020 for the Mengapur Project: \$0.03 million for property fees, \$0.09 million for site care and maintenance and \$0.16 million of amortization.

On January 8, 2021, subsequent to the quarter, the Company entered into a definitive Sale and Purchase Agreement with Fortress Minerals Limited to sell a 100% interest in its Malaysian subsidiary, Monument Mengapur Sdn Bhd, which owns a 100% interest of the Mengapur Project (Note 29).

#### CASB

In February and December 2012, the Company acquired a 100% interest, a Malaysian company, through a wholly owned Malaysian subsidiary, Monument Mengapur Sdn. Bhd. (“MMSB”). As a result, the Company is a sole tenement holder and has a 100% interest in the Mining Lease held by CASB, except certain free digging oxide magnetite material contained in the topsoil at Area A and Area B under that mining lease (“Malaco interest”), which remained with the previous owner, Malaco Mining Sdn. Bhd. and its group of companies and shareholders (collectively, “Malaco”).

MMSB is the sole operator on behalf of Malaco to manage Malaco Interest. It has engaged Phoenix Lake Sdn. Bhd. (“PLSB”) with an exclusive right to mine and purchase the mined near-surface oxide magnetite iron materials where Malaco interest situated (“Third Party Operations”). As Operator, MMSB carries out grade control, supervision over the third party operations and collects proceeds on behalf of Malaco. PLSB has discontinued iron ore production since January 2015. As of December 31, 2020, PLSB owed \$0.76 million selling proceeds to Malaco via Mengapur (Note 5 and note 13).

As at December 31, 2020 balance of \$111.34 million (June 30, 2020: \$111.07 million) comprised \$xxx for acquisition, \$xxx from exploration and evaluation expenditures, of which \$0.27 million were incurred for property fees, site care and maintenance and amortization relating to CASB during the six months ended December 31, 2020.

#### Star Destiny

On November 21, 2011, the Company acquired a 100% interest in Star Destiny Sdn. Bhd. (“Star Destiny”) through MMSB. Star Destiny holds an exploration permit covering a 750-hectare property in Pahang State, Malaysia.

The prospecting exploration license for the Star Destiny (the “Star Destiny EL”) expired on September 23, 2012. No activities were carried at the operation site since then except desktop studies. During the three month ended December 31, 2020, the Company obtained government approval of three mining leases that cover the area underlined by the original prospecting exploration license.

As at December 31, 2020, acquisition, exploration and evaluation expenditures were totaled \$11.02 million (June 30, 2020: \$11.01 million), comprised \$3.64 million for acquisition and \$7.38 million for exploration and evaluation, of which \$0.01 million were incurred for site care and maintenance relating to Star Destiny during the six months ended December 31, 2020.

### **10. Deferred Financing Costs**

As at December 31, 2020, deferred financing costs of \$0.29 million (June 30, 2020: \$0.24 million) comprised of \$0.16 million (June 30, 2020: \$0.08 million) for project financing and business development and \$0.13 million (June 30, 2020: \$0.16 million) for the gold prepaid sale (Note 14), as described in the following table:

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	December 31, 2020	June 30, 2020
	\$	\$
Opening balance	237	404
Gold prepaid transaction cost (Note 14)	(29)	(142)
Deferred financing costs	-	59
Deferred business development costs	77	20
Write-off financing costs	-	(103)
Foreign currency exchange loss	-	(1)
Changes for the period	48	(167)
Closing balance	285	237
Current portion	119	89
Non-current portion	166	148
	285	237

Upon adoption of IFRS 15 on July 1, 2018, the gold prepaid sale transaction costs of \$0.35 million were classified from deferred revenue (Note 14). During the six months ended December 31, 2020, \$0.03 million (December 31, 2019: \$0.06 million) was recognized to cost of sales on a per ounce of gold delivered basis, \$0.05 million was spent on project due diligence, and \$0.01 million was used for Murchison business development.

#### 11. Capital Management

The Company manages its capital to ensure that it will be able to continue to meet its financial and operational strategies and obligations, while maximizing the return to shareholders through the optimization of equity financing. Management continuously monitors its capital position and periodically reports to the Board of Directors.

The Company is sensitive to changes in commodity prices and foreign exchange. The Company's policy is to not hedge gold sales. The Company's capital management policy has not changed in the six months ended December 31, 2020.

The Company's objectives when managing capital are to:

- Ensure the Company has sufficient cash available to support the mining, exploration, and other areas of the business in any gold price environment;
- Ensure the Company has the capital and capacity to support a long-term growth strategy; and
- Minimize counterparty credit risk.

Other than restricted cash (Note 4) the Company is not subject to any externally imposed capital restrictions. Monument has the ability to adjust its capital structure by issuing new equity, issuing new debt, and by selling or acquiring assets. The Company can also control how much capital is returned to shareholders through dividends and share buybacks.

The capital of the Company consists of items included in equity and debt, net of cash and cash equivalents.

	December 31, 2020	June 30, 2020
	\$	\$
Total equity attributable to shareholders	225,910	226,690
Less: cash and cash equivalents	(14,567)	(9,341)
Total capital	211,343	217,349

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#### 12. Financial Instruments and Financial Risk

The Company's financial instruments are classified and measured at amortized cost (cash and cash equivalents, restricted cash, trade and other receivables, accounts payable and accrued liabilities and deferred liabilities).

##### a) Fair value measurement

The carrying amounts of cash and cash equivalents, restricted cash, trade and other receivables, accounts payable and accrued liabilities and deferred liabilities are considered reasonable approximations of their fair values due to the short-term nature of these instruments.

The Company does not have any financial assets or financial liabilities measured at fair value subsequent to initial recognition.

##### b) Risk exposures and responses

The Company's financial instruments are exposed to market risk, credit risk, and liquidity risk.

##### 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.

##### 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.

At the reporting date, the Company is exposed to foreign currency risk through the following assets and liabilities denominated in Malaysian ringgit (RM), Australian dollar (AUD) and Canadian dollar (CAD):

	December 31, 2020			June 30, 2020		
	\$	\$	\$	\$	\$	\$
(in 000's, US dollar equivalent)	AUD	RM	CAD	AUD	RM	CAD
<b>Financial instrument – assets</b>						
Cash and cash equivalents	1,637	336	121	145	592	235
Restricted cash	-	321	2	-	302	2
Trade and other receivable	1,547	786	61	15	701	21
<b>Financial instruments – liabilities</b>						
Accounts payable and accrued liabilities	315	3,917	155	102	3,367	195
Lease liabilities	-	-	62	-	-	78
Borrowings	-	-	47	-	-	29

The Company has not hedged any of its foreign currency risks.

Based on the above net exposures as at December 31, 2020 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 \$0.13 million (six months ended December 31, 2019: \$0.02 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 \$0.01 million (six months ended December 31, 2019: increase/decrease \$0.05 million) in net income and a 5% depreciation or appreciation of the AUD against the US dollar would result in a decrease/increase of approximately \$0.15 million (six months ended December 31, 2019: increase/decrease \$0.01 million) in net income.

##### Price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices other than those arising from interest rate risk or foreign currency risk. The Company has not hedged any of its commodity price risks.

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#### 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 (Note 4). The maximum exposure to credit risk is the carrying amounts at December 31, 2020. The amount of \$4.51 million (June 30, 2020: \$1.00 million) is held with a Malaysian financial institution, \$1.64 million with an Australian financial institution (June 30, 2020: \$0.15 million) and \$8.30 million (June 30, 2020: \$8.98 million) is held with Canadian financial institutions.

#### 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 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. The table below summarizes the maturity profile of the Company's non-derivative financial liabilities as at December 31, 2020 and June 30, 2020.

	December 31, 2020		June 30, 2020	
	\$	\$	\$	\$
	Current <1 year	Non-Current 1-3 years	Current <1 year	Non-Current 1-3 years
<b>Non derivative liabilities</b>				
Accounts payable and accrued liabilities	4,387	-	3,664	-
Deferred liabilities	3,750	-	-	-
Lease liabilities	41	21	38	40
Borrowings	-	47	-	29
	8,178	68	3,702	69

### 13. Accounts Payable and Accrued Liabilities

	December 31, 2020	June 30, 2020
	\$	\$
<b>Current liabilities</b>		
Trade payables	3,286	2,670
Employment payables and accruals	342	297
Third Party payable (Note 9(c))	759	697
	4,387	3,664

Trade payables are non-interest-bearing and are normally settled on 30-day terms.

Employment payables and accruals include vacation, employment benefits and related withholding taxes. Third Party payable of \$0.76 million (June 30, 2020: \$0.70 million) represents the amount owed to Malaco with respect to Third Parties operations (Note 9(c)).

### 14. Deferred Revenue

As of December 31, 2020, deferred revenue of \$4.19 million (June 30, 2020: \$4.54 million) represents the balance of gold delivery obligations of 3,133 ounces (June 30, 2020 3,837 ounces).



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Pursuant to the Gold Sale Agreement entered with Concept Capital Management (“CCM” or the “Purchaser”) effective January 23, 2018, the Company received total \$7.00 million from sales of 8,676 ounces of gold to the Purchaser. The gold delivery obligation is 241 ounce per month over a 36-month period commencing February 28, 2019, after a twelve-month grace period, to January 31, 2022 through its subsidiary Monument Murchison Pty Ltd (the “Seller”). Deferred revenue of \$6.65 million was recorded, net of transaction costs. Upon adoption of IFRS 15 on July 1, 2018, the transaction costs of \$0.35 million were reclassified to deferred financing costs (Note 10) and amortized to cost of sales on a per ounce of gold delivered basis. The gold prepaid sale is guaranteed by the Company and its Malaysian subsidiary, Able Return Sdn Bhd (“ARSB”), and is secured by certain assets of the Company.

As at December 31, 2020, the Company has delivered 4,560 ounces (June 30, 2020: 3,856 ounces) of physical gold to CCM through ARSB as the Guarantor. During the year ended June 30, 2020, 983 ounces of gold was used to offset the short term debt owed by CCM to the Company (see (a) below) bringing down the balance of gold delivery to 3,133 ounces.

The following table reflects the change of deferred revenue:

	December 31, 2020	June 30, 2020
	\$	\$
Opening balance	4,543	8,138
Interest expense	720	1,800
Revenue recognized on gold deliveries	(1,073)	(3,788)
Gold delivery reduction due to debt settlement (a)	-	(1,607)
Changes for the period	(353)	(3,595)
Closing balance	4,190	4,543
Current portion	3,825	2,222
Non-current portion	365	2,321
	4,190	4,543

(a) The Company provided a four-month short term loan of \$1.50 million (the “Loan”) bearing 7% interest compounding monthly to Concept Capital Management (“CCM”) through its Malaysian subsidiary Able Return Sdn Bhd (“ARSB”) from August 26, 2019 to December 26, 2019. On December 26, 2019, CCM exercised the option to extend the loan for another two months expiring February 26, 2020 with an additional 3% interest charge on the outstanding balance. The loan was secured by gold to be delivered to CCM under the gold prepaid sale arrangement.

On February 26, 2020 (the “Settlement Date”), the principal of \$1.50 million and interest of \$0.11 million of the Loan were fully settled by 983 ounces at London Fix PM \$1,635 per ounce against CCM’s gold forward delivery obligations under the Gold Sale Agreement. These 983 ounces are arranged to offset gold deliveries scheduled from June 2020 to September 2020 and partially in October 2020. This settlement is considered a one-time event caused by unusual and unforeseen circumstances. The Gold Sale Agreement continues to be accounted for as deferred revenue in accordance with the Company’s expected sale.

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#### 15. Lease Liabilities

	December 31, 2020	June 30, 2020
	\$	\$
Opening balance	78	-
Recognized upon adoption of IFRS 16 as at July 1, 2019	-	115
Interest expenses	2	3
Lease payments	(19)	(40)
Foreign currency exchange gain	1	-
Changes for the period	(16)	78
Closing balance	62	78
Current portion	41	38
Non-current portion	21	40
	62	78

Upon the adoption of IFRS 16 on July 1, 2019, the Company has recognized a right-of-use asset and lease liability of \$0.11 million on a long-term office lease.

	December 31, 2020	June 30, 2020
	\$	\$
<b>Undiscounted lease payment obligations:</b>		
Less than one year	43	40
One to five years	23	40
Total undiscounted lease liabilities	66	80

#### 16. Borrowings

	December 31, 2020	June 30, 2020
	\$	\$
<b>Non-current liabilities</b>		
Opening balance	29	-
Long-term loan from Canadian government	18	29
Closing balance	47	29

Included in Borrowings as of December 31, 2020 is a 32-month term loan (the “CEBA Loan”) granted under the government’s Canada Emergency Business Account (“CEBA”), available to qualified businesses to fund their operations due to COVID-19 pandemics. The CEBA Loan of \$0.05 million (CAD\$0.06 million) was consisted of CAD\$0.04 million received on April 30, 2020 and additional CAD\$0.02 million on December 15, 2020 and it is non-interest bearing until December 31, 2022 (the “Due Date”). Should the payment being made by the Due Date, the one third, or CAD\$0.02 million of the Loan will be forgiven. The remaining unpaid portion of the CEBA Loan if any, shall be converted into a 3-year term loan bearing interest rate of 5%.

#### 17. Asset Retirement Obligations

The Company’s ARO as of December 31, 2020 consists of reclamation and closure costs for mine development and exploration activities. The total cash flows required to settle the Company’s obligations before discount is estimated to be \$10.91 million (June 30, 2020: \$10.23 million), comprised of \$9.71 million (June 30, 2020: \$9.16 million) for Malaysian projects and \$1.21 million (June 30, 2020: \$1.07 million) for the Western Australia Projects.

As at December 31, 2020 the present value of the Company’s ARO was \$10.53 million (June 30, 2020: \$9.74 million), comprised of \$6.08 million (June 30, 2020: \$5.59 million) for Selinsing gold portfolio using a pre-tax risk-free rate of 2.10% (June 30, 2020: 2.46%) and a deflation rate of 1.40% (June 30, 2020: 2.90%); \$1.20 million (June 30, 2020: \$1.07 million) for the Murchison gold portfolio using a pre-tax risk-free rate of 0.10% (June 30, 2020: 0.25%) and a inflation rate of 0.70% (June 30, 2020: 2.20%); and \$3.25 million (June 30, 2020: \$3.08 million) for Mengapur recorded at cost.

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Significant reclamation and closure activities include land rehabilitation, slope stabilization, decommissioning of tailing storage facilities, mined waste dump, road bridges, buildings and mine facilities.

The following is an analysis of the asset retirement obligations:

	December 31, 2020	June 30, 2020
	\$	\$
Opening balance	9,742	9,661
Accretion expense	67	184
Reclamation performed	-	(2)
Reassessment of liabilities	36	199
Foreign currency exchange loss (gain)	685	(300)
Changes for the period	788	81
Closing balance	10,530	9,742

#### 18. Income Tax

	December 31, 2020	June 30, 2020
	\$	\$
Opening balance - Income tax payable	414	114
Income tax expense	938	2,241
Tax installments paid	(702)	(1,925)
Foreign currency exchange loss (gain)	32	(16)
Changes for the period	268	300
Closing balance - income tax payable	682	414
Minus: Income tax receivable	-	(3)
Net Income tax payable	682	411

As of December 31, 2020, the income tax payable balance of \$0.68 million (June 30, 2020: \$0.41 million) resulted from net income of Selinsing gold production. Deferred tax liabilities were \$3.20 million (Jun 30, 2020, \$2.69 million).

	December 31, 2020	June 30, 2020
	\$	\$
Opening balance	2,691	2,193
Deferred income tax expenses	327	588
Foreign currency exchange loss (gain)	183	(90)
Changes for the period	510	498
Closing balance	3,201	2,691

The income tax expenses during the three and six months ended December 31, 2020 and 2019 are consisted of the following:

	Three months ended December 31,		Six months ended December 31,	
	2020	2019	2020	2019
	\$	\$	\$	\$
Current income tax expense	(549)	(853)	(938)	(957)
Deferred income tax (expense) recovery	(4)	(359)	(327)	(655)
	(553)	(1,212)	(1,265)	(1,612)

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#### 19. Share Capital

##### a) Authorized

Unlimited common shares without par value.

##### b) Common shares

Issued and outstanding:

	Number of shares	Value assigned \$
<b>Balance, June 30, 2019 (i)</b>	<b>325,371,565</b>	<b>117,314</b>
RSUs redeemed	2,699,998	130
<b>Balance, June 30, 2020 (i)</b>	<b>328,071,563</b>	<b>117,444</b>
RSUs redeemed (ii)	900,000	54
<b>Balance, December 31, 2020 (i)</b>	<b>328,971,563</b>	<b>117,498</b>

(i) There were 7.00 million common shares included in the issued and outstanding shares as of June 30, 2019, June 30, 2020 and December 31, 2020 that are held in escrow according to the Intec Agreements (Note 9(c)). Upon completion of each of the three phases of testwork, Intec would earn 25%, 25% and 50% of the remaining 7.00 million escrow shares accordingly. The earned escrow shares will be released to Intec 30 days after the completion of each phase with satisfactory results. Should Monument make an election not to proceed with any test work, any earned escrow shares will be released to Intec within 10 business days, with the remaining returned to Monument for cancellation.

(ii) \$0.05 million (six months ended December 31, 2019: \$nil) was credited to share capital for 900,000 RSUs (six months ended December 31, 2019: nil RSUs) redeemed (note 20(b)).

#### 20. Capital Reserves

	December 31, 2020 \$	June 30, 2020 \$
Warrants	2,612	2,612
Options (a)	10,303	10,303
Restricted share units (b)	789	843
	<b>13,704</b>	<b>13,758</b>

##### a) Stock options

At the Annual General Meeting of Shareholders (“AGM”) held on December 15, 2016, the Company’s shareholders approved a 5% Fixed Stock Option Plan (the “2016 Stock Option Plan”). The total number of shares reserved for issuance under the 2016 Stock Option Plan is 16,210,905. The general terms of stock options granted under the 2016 Stock Option Plan include a life of stock options up to ten years and a vesting period up to two years.

As at December 31, 2020, there are a total of 12,140,406 (June 30, 2020 – 12,140,406) common shares available for future grant under the 2016 Stock Option Plan, comprised of an initial 16,210,905 reserved for issuance, of which 4,070,499 stock options were exercised. There were no new stock options being granted during fiscal 2021.

##### b) Restricted share units

At the AGM held on December 15, 2016, the Company’s shareholders approved a fixed 10% restricted Share unit plan (the “RSU Plan”). Under the RSU Plan, the total number of shares reserved for grant is 32,421,800, of which 21,043,666 have been granted to date, 5,353,533 have been redeemed, 166,667 are forfeited, 15,523,466 are outstanding and 11,544,801 remain available for future grant at December 31, 2020.

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### NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

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(Unaudited – expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

Restricted share units outstanding	Number of common shares
<b>Balance, June 30, 2019</b>	<b>18,323,464</b>
Redeemed	(2,699,998)
Forfeited	(100,000)
<b>Balance, June 30, 2020</b>	<b>15,523,466</b>
Redeemed	(900,000)
<b>Balance, December 31, 2020</b>	<b>14,623,466</b>

Of the 21,043,666 RSUs granted under the RSU Plan, 19,243,666 units for \$0.99 million was vested immediately and can be redeemed any time from the grant date to December 31, 2021; the remaining 1,800,000 units for \$0.11 million are subject to vesting over a three-year period from the grant date. The underlying fair value of granted RSUs is amortized over the corresponding vesting periods as compensation expenses against capital reserves. Once vested and units are redeemed, the cost of issuance of shares is credited to share capital against capital reserves.

For the six months ended December 31, 2020, \$nil (December 31, 2019: \$0.01 million for 100,000 RSU forfeitures) has been credited to expenses, and \$nil (six months ended December 31, 2019: \$0.01 million) has been expensed and allocated to production expense and exploration expenditure against capital reserves for RSUs vested, and \$0.05 million (six months ended December 31, 2019: \$nil) was credited to share capital for 900,000 RSUs (six months ended December 31, 2019: nil RSUs) redeemed (note 19 (b) (ii)).

#### 21. Production Costs

	Three months ended December 31,		Six months ended December 31,	
	2020	2019	2020	2019
	\$	\$	\$	\$
Mining	1,371	1,031	2,221	1,802
Processing	2,073	2,358	3,565	4,682
Royalties	645	604	1,149	1,128
Operations, net of silver recovery	52	47	66	124
	4,141	4,040	7,001	7,736

#### 22. Operation Expenses

	Three months ended December 31,		Six months ended December 31,	
	2020	2019	2020	2019
	\$	\$	\$	\$
Expenses from operation suspension	150	-	179	-

For the three month and six month periods ended December 31, 2020, the milling capacity were reduced from time to time by running primary mill or secondary mill alone at Selinsing gold mine mainly caused by shortage of the ore. Mining production was interrupted from 8 weeks' mining ban during March to May 2020; the temporary explosives shortage in Malaysia in quarter one of fiscal 2021 further reduced ore supplies to the mill. The costs of maintaining of the idle capacity of \$0.03 million in quarter one and \$0.15 million in quarter two were expensed against the operations account.

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#### 23. Corporate Expenses

	Three months ended December 31,		Six months ended December 31,	
	2020	2019	2020	2019
	\$	\$	\$	\$
Office and general expenses	63	33	89	94
Rent and utilities (a)	9	8	(15)	16
Salaries and wages	203	278	379	582
Share-based compensation	-	(5)	-	(4)
Legal, accounting and audit	93	51	189	133
Shareholders communication	20	36	48	87
Travel	-	44	2	78
Regulatory compliance and filing	61	34	74	38
Project investigation and financing	-	-	-	103
Amortization	11	11	22	22
	460	490	788	1,149

- a) During the six months ended December 31, 2020, the Company received office rental subsidy of \$0.03 million (six months ended December 31, 2019: \$nil) from Canada Emergency Commercial Rent Assistance program offered by Canadian Government during COVID-19 pandemic.

#### 24. Income Per Share

The calculation of basic and diluted income per share for the relevant periods is based on the following:

	Three months ended December 31,		Six months ended December 31,	
	2020	2019	2020	2019
Loss for the period	\$ (649)	\$ (1,829)	\$ (511)	\$ (1,621)
Basic weighted average number of common shares outstanding	321,971,563	318,371,565	321,580,259	318,371,565
Effect of dilutive securities:				
Restricted share units	14,623,466	18,117,625	15,014,770	18,117,625
Diluted weighted average number of common share outstanding	336,595,029	336,489,190	336,595,029	336,489,190
Basic earnings per share	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.01)
Diluted earnings per share	\$ (0.00)	\$ (0.01)	\$ (0.00)	\$ (0.00)

All options are potentially dilutive in the six months ended December 31, 2020 and 2019 but excluded from the calculation of diluted earnings per share are those for which the average market prices below the exercise price.

Under the "Deed of Variation" to the "Heads of Agreement" executed on February 14, 2015, the terms of escrow period have been extended to January 16, 2022 and the Company agreed to release 7,000,000 million shares from escrow. The remaining 7,000,000 shares in escrow with Intec have been excluded from the weighted average number of shares outstanding because these shares are to be earned subject to the success of trial commercialization testwork and certain milestones. Unearned shares upon termination will be returned to treasury (Note 19).

#### 25. Related Party Transactions

##### Key management personnel

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.

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The remuneration of the key management of the Company as defined above including salaries and director fees is as follows:

	Three months ended December 31,		Six months ended December 31,	
	2020	2019	2020	2019
	\$	\$	\$	\$
Salaries	163	232	318	470
Directors' fees	45	34	81	68
Share-based payments	-	(5)	-	(4)
	208	261	399	534

Net amounts due to related parties as at December 31, 2020 represented \$0.05 million (June 30, 2020: \$0.04 million) relating to director fees. The directors' fees are paid on a quarterly basis. The unpaid amounts due to directors are recorded against accrued liabilities, unsecured and bear no interest. During the six months ended December 31, 2020, \$nil million (December 31, 2019: \$0.80 million) was paid out in relation to legacy payments that had been expensed in previous periods.

#### 26. Commitments and Contingencies

	2021	2022	2023	2024	2025	Total
	\$	\$	\$	\$	\$	\$
Lease commitments	23	23	-	-	-	46
Mineral property obligations	502	804	642	601	642	3,191
Purchase commitments	1,535	37	7	4	4	1,587
	2,060	864	649	605	646	4,824

Lease commitments represent contractually obligated payments associated with the long-term office lease that was recognized as a right-of-use asset. Mineral property obligations include exploration expenditures and levies mandated by government authorities to keep the tenements in good standing. Purchase commitments are mainly related to mine operations in Malaysia and Western Australia.

In addition to commitments outlined above, the Company is obligated to deliver 3,133 ounces of gold (Note 14) from January 2021 to January 2022.

#### 27. Supplemental Cash Flow Information

	Three months ended December 31,		Six months ended December 31,	
	2020	2019	2020	2019
	\$	\$	\$	\$
Interest received	13	33	93	57
Net income tax paid	(136)	(294)	(702)	(713)
Non-cash working capital, financing and investing activities:				
Amortization charged to mineral properties	105	107	211	215
Amortization inherent in inventory	(14)	(982)	3,357	5,220
Expenditures on mineral properties in accounts payable	42	(188)	183	27
Plant and equipment costs included in accounts payable	(330)	(4)	209	101

## MONUMENT MINING LIMITED

### NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and six months ended December 31, 2020

(Unaudited – expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

#### 28. Segment Disclosures

The Company operates primarily in the gold mining industry and its major product is gold. Its activities include gold production, acquisition, exploration and development of gold and other base metal properties. The Company's mining operations are in Malaysia. Another reportable operating segment is the exploration and evaluation segment. The Company's corporate head office is the last reportable operating segment.

The Company's reportable operating segments reflect the Company's individual mining interests and are reported in a manner consistent with the internal reporting used by the Company's chief operating decision maker to assess the Company's performance.

##### a) Operating segments

	Mine Operations	Exploration and Evaluation (Gold)	Exploration and Evaluation (Copper/Iron)	Corporate	Total
December 31, 2020	\$	\$	\$	\$	\$
<b>Balance sheet</b>					
Current assets	16,722	3,364	4,565	8,418	33,069
Property, plant and equipment	27,526	5,607	6,966	62	40,161
Exploration and evaluation	-	57,002	122,361	-	179,363
Total assets	44,257	65,973	133,892	8,637	252,759
Total liabilities	17,281	1,516	7,786	266	26,849
June 30, 2020	\$	\$	\$	\$	\$
<b>Balance sheet</b>					
Current assets	15,175	215	695	9,036	25,121
Property, plant and equipment	27,265	5,594	7,315	82	40,256
Exploration and evaluation	-	59,969	122,085	-	182,054
Total assets	42,508	65,778	130,095	9,198	247,579
Total liabilities	15,876	1,171	3,807	304	21,158



**MONUMENT MINING LIMITED**

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three and six months ended December 31, 2020

(Unaudited – expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

<b>For the three months ended December 31, 2020</b>	<b>Mine Operations</b>	<b>Exploration and Evaluation (Gold)</b>	<b>Exploration and Evaluation (Polymetallic)</b>	<b>Corporate</b>	<b>Total</b>
	\$	\$	\$	\$	\$
<b>Income statement</b>					
Revenue	6,835	-	-	-	6,835
Income from mining operations	1,619	-	-	-	1,619
Corporate expenses	-	-	-	(460)	(460)
Other income, (expenses) and (loss)	(732)	(483)	(1,086)	1,046	(1,255)
Tax expense	(553)	-	-	-	(553)
Net income/(loss)	334	(483)	(1,086)	586	(649)
<b>For the three months ended December 31, 2019</b>					
	\$	\$	\$	\$	\$
<b>Income statement</b>					
Revenue	6,606	-	-	-	6,606
Income from mining operations	1,143	-	-	-	1,143
Corporate expenses	-	-	-	(490)	(490)
Other income, (expenses) and (loss)	(146)	(1,065)	(492)	433	(1,270)
Tax expense	(1,212)	-	-	-	(1,212)
Net income/(loss)	(215)	(1,065)	(492)	(57)	(1,829)
<b>For the six months ended December 31, 2020</b>					
	\$	\$	\$	\$	\$
<b>Income statement</b>					
Revenue	12,754	-	-	-	12,754
Income from mining operations	3,890	-	-	-	3,890
Corporate expenses	-	-	-	(788)	(788)
Other income, (expenses) and (loss)	(1,189)	(1,007)	(1,663)	1,511	(2,348)
Tax expense	(1,265)	-	-	-	(1,265)
Net income/(loss)	1,436	(1,007)	(1,663)	723	(511)
<b>For the six months ended December 31, 2019</b>					
	\$	\$	\$	\$	\$
<b>Income statement</b>					
Revenue	12,949	-	-	-	12,949
Income from mining operations	2,548	-	-	-	2,548
Corporate expenses	-	-	-	(1,149)	(1,149)
Other income, (expenses) and (loss)	(376)	(999)	(243)	210	(1,408)
Tax expense	(1,612)	-	-	-	(1,612)
Net income/(loss)	560	(999)	(243)	(939)	(1,621)

**MONUMENT MINING LIMITED**

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**

For the three and six months ended December 31, 2020

(Unaudited – expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

**b) Geographical area information**

The Company operates in three geographic areas – Australia, Malaysia and Canada. Revenues are generated 100% in Malaysia and sold to a single customer in the US.

<b>December 31, 2020</b>	<b>Australia</b>	<b>Malaysia</b>	<b>Canada</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance sheet</b>				
Current assets	3,470	21,181	8,418	<b>33,069</b>
Property, plant and equipment	5,608	34,491	62	<b>40,161</b>
Exploration and evaluation	29,407	149,956	-	<b>179,363</b>
Total assets	38,495	205,627	8,637	<b>252,759</b>
Total liabilities	5,697	20,877	275	<b>26,849</b>
<hr/>				
<b>June 30, 2020</b>	<b>Australia</b>	<b>Malaysia</b>	<b>Canada</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Balance sheet</b>				
Current assets	206	15,878	9,037	<b>25,121</b>
Property, plant and equipment	5,594	34,580	82	<b>40,256</b>
Exploration and evaluation	31,835	150,219	-	<b>182,054</b>
Total assets	37,635	200,746	9,198	<b>247,579</b>
Total liabilities	1,133	19,684	341	<b>21,158</b>
<hr/>				
<b>For the three months ended</b>	<b>Australia</b>	<b>Malaysia</b>	<b>Canada</b>	<b>Total</b>
<b>December 31, 2020</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Income statement</b>				
Revenue	-	6,835	-	<b>6,835</b>
Income from mining operations	-	1,619	-	<b>1,619</b>
Corporate expenses	(48)	(29)	(383)	<b>(460)</b>
Other income, (expenses) and (loss)	(484)	(1,815)	1,044	<b>(1,255)</b>
Tax expense	-	(553)	-	<b>(553)</b>
Net income/(loss)	(532)	(778)	661	<b>(649)</b>
<hr/>				
<b>For the three months ended</b>	<b>Australia</b>	<b>Malaysia</b>	<b>Canada</b>	<b>Total</b>
<b>December 31, 2019</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Income statement</b>				
Revenue	-	6,606	-	<b>6,606</b>
Income from mining operations	-	1,143	-	<b>1,143</b>
Corporate expenses	(111)	(84)	(295)	<b>(490)</b>
Other income, (expenses) and (loss)	(1,064)	(638)	432	<b>(1,270)</b>
Tax expense	-	(1,212)	-	<b>(1,212)</b>
Net income/(loss)	(1,175)	(791)	137	<b>(1,829)</b>

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(Unaudited – expressed in thousands of United States dollars, except share and per share amounts or otherwise stated)

For the six months ended December 31, 2020	Australia \$	Malaysia \$	Canada \$	Total \$
<b>Income statement</b>				
Revenue	-	12,754	-	<b>12,754</b>
Income from mining operations	-	3,890	-	<b>3,890</b>
Corporate expenses	(94)	(59)	(635)	<b>(788)</b>
Other income, (expenses) and (loss)	(1,008)	(2,851)	1,511	<b>(2,348)</b>
Tax expense	-	(1,265)	-	<b>(1,265)</b>
Net income/(loss)	(1,102)	(285)	876	<b>(511)</b>
<hr/>				
For the six months ended December 31, 2019	Australia \$	Malaysia \$	Canada \$	Total \$
<b>Income statement</b>				
Revenue	-	12,949	-	<b>12,949</b>
Income from mining operations	-	2,548	-	<b>2,548</b>
Corporate expenses	(120)	(224)	(805)	<b>(1,149)</b>
Other income, (expenses) and (loss)	(999)	(618)	209	<b>(1,408)</b>
Tax expense	-	(1,612)	-	<b>(1,612)</b>
Net income/(loss)	(1,119)	94	(596)	<b>(1,621)</b>

#### 29. Subsequent Events

On January 8, 2021, the Company entered into a definitive Sale and Purchase Agreement (the “Definitive Agreement”) with Fortress Minerals Limited (“Fortress”) to sell a 100% interest in its Malaysian subsidiary, Monument Mengapur Sdn Bhd (“MMSB”), which owns a 100% interest in the Mengapur Project. Under the terms of the Definitive Agreement, Fortress will, in consideration for the shares of MMSB, pay the Company \$30.00 million in cash and grant the Company a royalty of 1.25% on the gross revenue on all products produced at the Mengapur Project.

Fortress made a \$3.75 million deposit under escrow upon signing a letter of intent on July 29, 2020. Upon signing of the Definitive Agreement, \$3.00 million of the Deposit was released to the Company from escrow on January 13, 2021. In addition, Fortress paid the Company \$5.25 million held under escrow, taking the total escrow balance to \$6.00 million (the “Further Payment”), which shall be released to the Company with the final payment of \$21.00 million together upon closing. The Deposit and the Further Payment are only refundable subject to certain conditions in accordance with the terms of the Definitive Agreement.

The Transaction will be closed subject to certain conditions precedent including regulatory approval.