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ASX RELEASE

Monax Alliance signs Agreement with Maximus Resources for Project in Olympic iron-oxide copper-gold Province

HIGHLIGHTS

- **MOU signed with Maximus Resources for Billa Kalina Project.**
- **The Project covers a significant exploration area between major copper deposits at Olympic Dam and Prominent Hill which has seen limited exploration.**
- **The project area will receive new government funded 1km x 1km gravity data in the coming months.**
- **Alliance funded detailed gravity program to commence after regulatory approvals received.**

Monax Mining Ltd's (ASX:MOX) wholly owned subsidiary, Monax Alliance Pty Ltd ("Alliance"), announced today the signing of a memorandum of understanding ("Agreement" or "MOU") with Maximus Resources Limited (ASX:MXR) ("Maximus") for exploration access to four granted tenements in northern South Australia ("MXR Tenements" or "Project").

The Project area covers an extensive exploration area of 2342km² within the premier iron-oxide copper-gold (IOCG) belt on the Gawler Craton, where Alliance will be targeting copper-gold. Alliance believes this relatively unexplored area has potential for IOCG style mineralisation similar to nearby Prominent Hill and Carrapateena. Assessment of historical widely spaced gravity data has provided target areas, which will be the focus of initial gravity surveys within the Project area.

Alliance was established in 2011 as the operational vehicle of the strategic alliance between Monax and a wholly-owned subsidiary of major Chilean copper producer, Antofagasta plc ("Antofagasta").

Under the terms of the Agreement with Maximus, Alliance has an exclusive six month period to undertake technical due diligence on the Project from the date it first accesses the MXR Tenements.

Access to the MXR Tenements will be granted following the finalisation of a Deed of Access with the Commonwealth of Australia for access to the Woomera Prohibited Area (“WPA”) which is expected in late 2013.

Subject to Alliance being satisfied with its due diligence investigations (including a gravity survey), the parties will enter into a Farm-In Agreement allowing Alliance to earn an 80% interest in the Project by spending US\$3 million over three years.

If Alliance has earned an 80% interest in the Project, Maximus can elect to either:

- (a) Enter into a Joint Venture (“JV”) with Alliance with each party contributing to ongoing expenditure in accordance with their respective JV interests; or
- (b) Sell its 20% interest in the Project to Alliance for \$US4.5 million. Maximus will retain a 2% net smelter royalty (NSR) which Alliance has the option to purchase for \$US4 million at any time up to a decision to mine.

Alliance will manage the JV, but if Alliance fails to contribute to an approved work program prior to the completion of a feasibility study, Maximus will be appointed Project Manager.

If either party elects not to contribute to JV expenditure they will be diluted using an industry standard formula. If a party’s JV interest dilutes to less than 10%, the diluting JV interest will automatically convert to a 2% NSR which the non-diluting party can elect to purchase for \$US4 million.

If Alliance withdraws from the Agreement before spending US\$3 million, Alliance will have no interest in the MXR Tenements.

The four MXR Tenements are located within the WPA and cover an area totalling 2342km² (Figure 1).

Tenement No.	Holder	Area (km ²)
EL 4463	Maximus	1023
EL 4854	Maximus	771
EL 4898	Maximus	136
EL 4899	Maximus	412

The Department of Manufacturing, Innovation, Trade, Resources and Energy (DMITRE) have recently completed a detailed 1km x 1km ground gravity survey covering most of the WPA including the MXR Tenements. Data from this survey is currently being processed by DMITRE and will be made available to the parties in the coming months.

Alliance is also planning a further detailed gravity over selected targets generated from the existing widely spaced data.

Background

Alliance is a wholly-owned subsidiary of Monax Mining Limited, and was established as the operational vehicle of the strategic alliance between Monax and Antofagasta.

Under the terms of the strategic alliance, which commenced in November 2011, Antofagasta agreed to provide US\$1 million to Alliance over two years for target-generation within South Australia.

Alliance recently announced that Antofagasta has agreed to extend the strategic alliance for a further twelve months and under the terms of the additional year, Antofagasta will provide Monax with up to a further \$US400,000 to continue to review potential copper projects within South Australia.

Properties which are identified as a project of interest become a Designated Project (“DP”). Once a DP has been formed, Antofagasta will have acquired a 51% interest and Monax a 49% interest in the project.

Antofagasta will then have the option to earn an additional 19% of any DP (for a cumulative 70% interest) by spending a further US\$4 million within three years. At this stage, Antofagasta will make a cash payment (success fee) to Monax of US\$3 million.

Upon vesting their interests at 70% Antofagasta and 30% Monax, both parties have the right to maintain their interest by contributing to exploration or development costs pro rata or dilute in accordance with a standard dilution formula.

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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr G M Ferris, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Ferris is employed full time by the Company as Managing Director and, has a minimum of five years relevant experience in the style of mineralisation and type of deposit under consideration and qualifies as a Competent Person as defined in the 2004 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves” Mr Ferris consents to the inclusion of the information in this report in the form and context in which it appears.

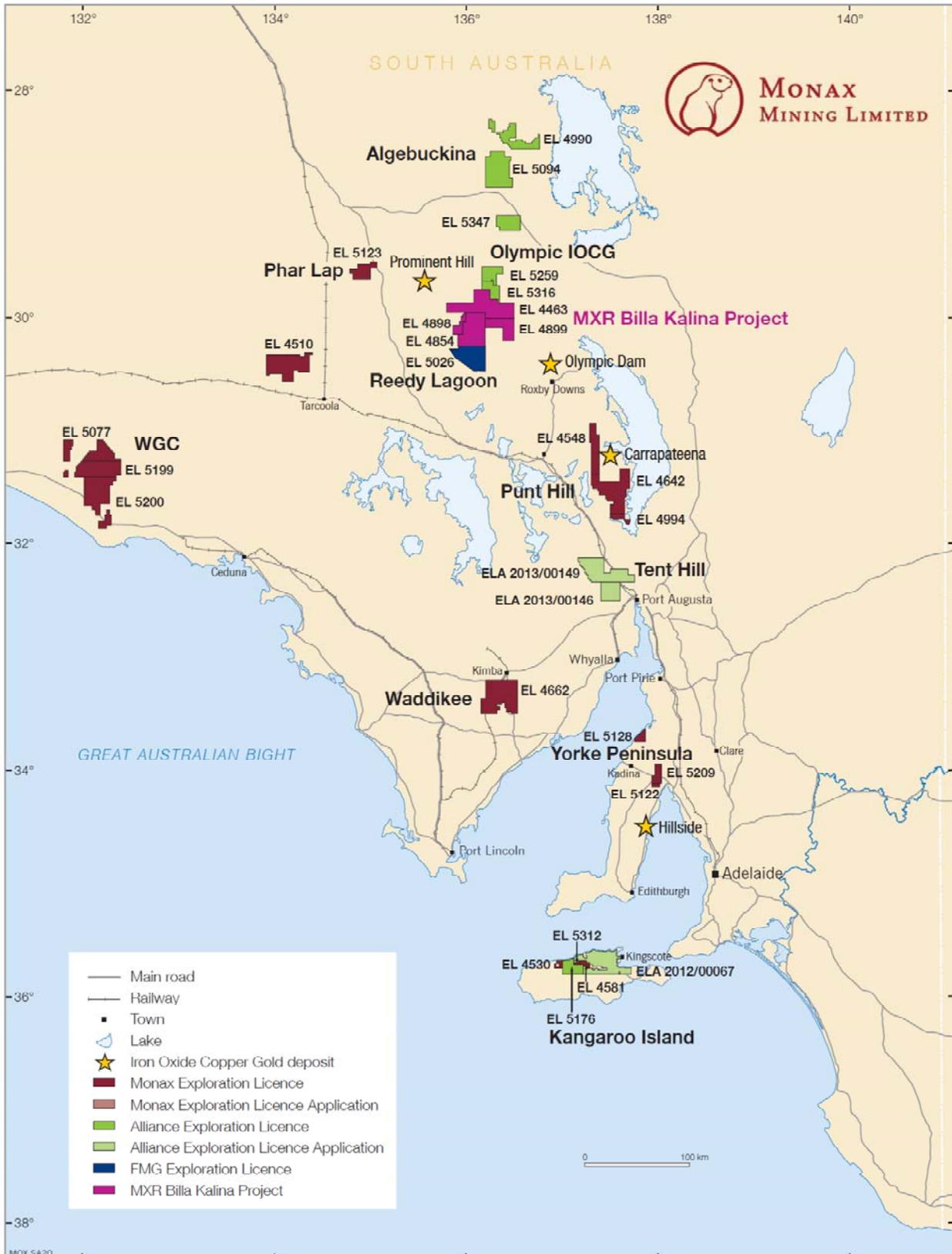


Figure 1. Monax project location plan highlighting location of MXR Billa Kalina Project.