



For Immediate Release
Thursday 9 October, 2014

ASX RELEASE

Western Gawler Craton Project: Farm-In Agreement with Western Areas Limited

HIGHLIGHTS

- **Monax signs a Farm-In Agreement with Western Areas Limited for Western Gawler Craton Project.**

Monax Mining Ltd (ASX:MOX) is pleased to announce it has signed a Farm-In Agreement with Perth based nickel producer, Western Areas Limited ("Western Areas") (ASX:WSA) covering three tenements located on the western Gawler Craton, South Australia (Figure 1).

The three tenements covering an area of 2046 km² (see Table 1 for tenement details) are located on the western margin of the Gawler Craton within the Fowler Domain.

The western Gawler Craton is considered to have a geological history analogous to the Thompson Nickel Belt in Canada. The Thompson Nickel Belt comprises an inverted Archaean-Proterozoic suture with sediments and ultramafics, in a complex transpressional zone with extreme scavenging of nickel from host rocks into favourable structural zones.

The western Gawler Craton shows tectonically and lithological similarities to the Thompson Nickel Belt and is vastly underexplored.

The discovery of the Nova Deposit in the Albany-Fraser Belt in Western Australia has renewed interest in this style of mineralisation and the western Gawler Craton represents a prime exploration target for Thompson Nickel Belt style nickel-copper mineralisation.

Figure 1 shows the aeromagnetic data for the area. Structural interpretation shows the protracted and complex structural history including syn to post mafic intrusion movement within the Fowler Domain.

The central area of high-magnetic intensity evident in Figure 1 is interpreted to represent a belt of interlayered mafic rocks and metasediments, with the mafic units interpreted to be intrusive sills. This belt is also a regional gravity high, similar to the Albany Fraser Belt.

Initial exploration by Western Areas will comprise a detailed magnetic survey to assist with defining areas for further detailed exploration which may include electromagnetic surveys and drilling.

Terms of the Farm-In Agreement

Under the terms of the Farm-In Agreement, Western Areas can earn an initial 75% interest in the tenements by spending \$800,000 within 2.5 years.

Upon earning a 75% interest in the tenements, Western Areas has the right to earn a further 15% interest (for a total of 90%) by expending a further \$400,000 within 1.5 years.

Upon reaching a 90% interest in the tenements, Monax and Western Areas can form a joint venture where each company funds exploration pro-rata (10:90). If Monax elects not to contribute to the Joint Venture, Monax will dilute to a 1% net smelter royalty (NSR). Western Areas has the option to purchase the NSR at market price determined by an independent third party at any time during the operation of the project.

Gary Ferris
Managing Director,
Monax Mining
Ph: (08) 8245 4900
Email: info@monaxmining.com.au

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 2012 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.

Table 1. Tenement details.

EL No.	Size km²	Holder
5077	388	Monax Mining Limited
5199	754	Monax Mining Limited
5200	904	Monax Mining Limited

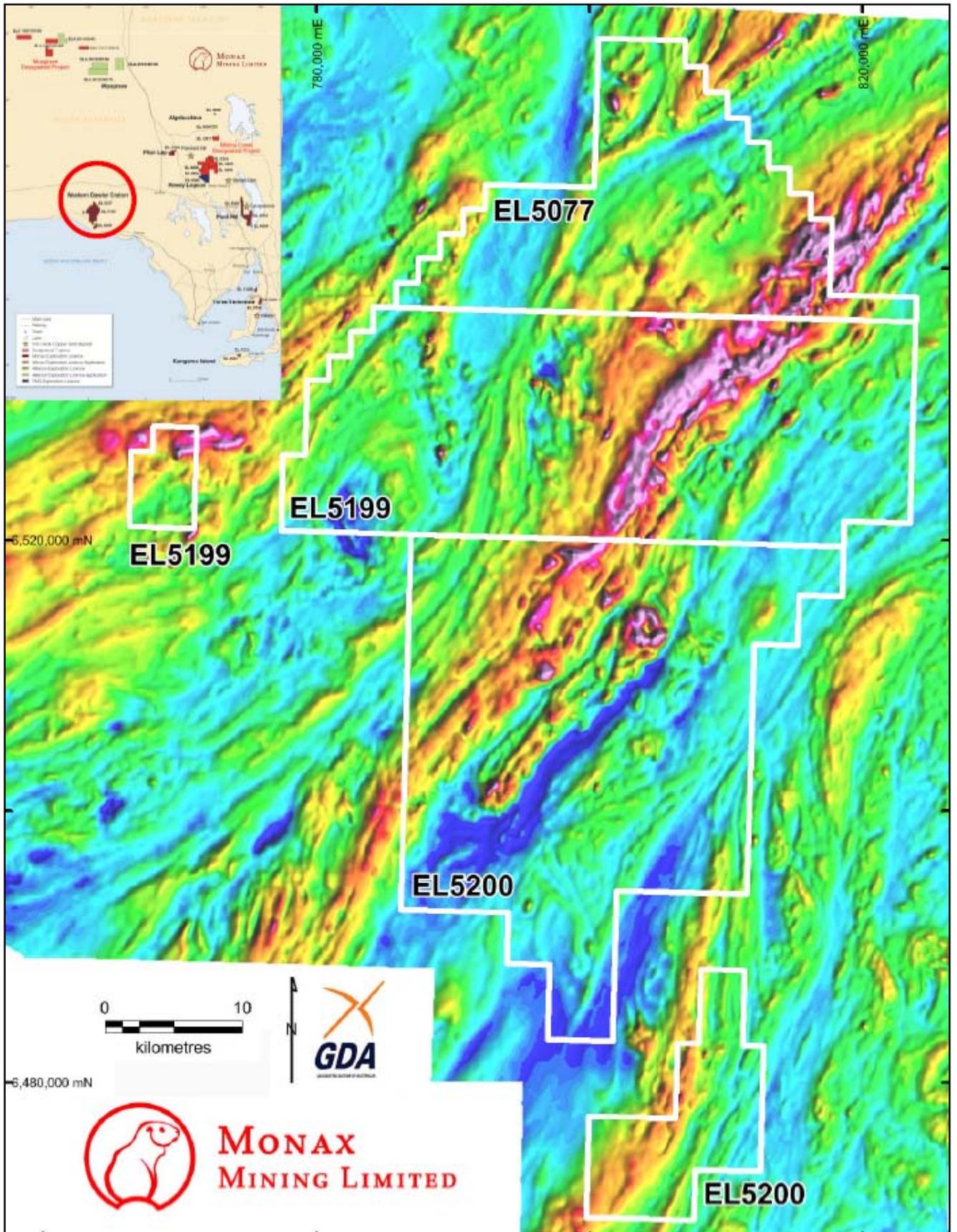


Figure 1. Location of Western Gawler Craton Project. Background total magnetic intensity.