

MONUMENT

MINING LIMITED

TSX-V:MMY
FSE: D7Q1

AN EMERGING MALAYSIAN GOLD PRODUCER





Fiscal 2009 definitely will go down in history as a very challenging year for Monument as the financial markets and stock prices plummeted and debt and equity financings dried up around the globe due to the credit crisis. We were very fortunate to have closed an equity private placement in July 2008 of \$28.0 million and a \$10.0 million convertible debenture credit facility. This capital raise allowed us to pay out the \$9.0 million debenture held by the vendors of the Selinsing Gold Mine Project and finance the construction of our new gold treatment facility at Selinsing. The Company is presently on track to be in full production within 30 months of acquiring the project with the project development cost projecting at \$17.2 million.

Shortly after the financing was completed we acquired a second ball mill for future production plant upgrade and hired the experienced mining engineer Kevin Wright to be our general manager and mine manager for Selinsing Gold Project. In October 2008 our Board of Directors and management team were proud to announce a gold production decision and approval of the construction and development budget targeting plant commissioning commencing in Q3 2009 followed by full production. At that time we had received provisional approval from the Mines Department of Pahang State to proceed with construction.

Construction of the 1200 tpd Treatment Facility began immediately with the letting of contracts for the site civil works including concrete footings for the CIL leaching circuit, ball mill and other equipment, detailed design, supply and installation of the crushing circuit, earth works for the construction of the TSF and associated works, supply of a Hydro electricity connection to the site substation by Tenaga National Bhd., the Malaysian National power utility ("TNB"), and the laying of an underground coaxial cable for a new enlarged capacity communication and high speed internet access connection to and around the site.

However, we were not unaffected by economic conditions with the lenders of the convertible debenture advising us in December 2008 that due to market conditions and the global credit melt down they would be unable to provide the pledged and fully secured debt package on the agreed terms. Our management team rose to the challenge and amended the construction and

mining plan into two phases without having to raise more funds and dilute the share structure. The amended construction plan had no major deviation from the original plan, but broke the construction of the 1,200 tpd CIL gold treatment plant into two stages: Phase I being the gravity circuit and Phase II the carbon in leach ("CIL") circuit. The last minute change of direction did slightly delay the plant and mine construction while further engineering and an open pit mine plan was re-designed to access some higher grade material first. It also slightly increased capital costs by less than 5%. We expect to use the cash flow generated from the gravity circuit to help fund the remaining construction cost of the CIL circuit.

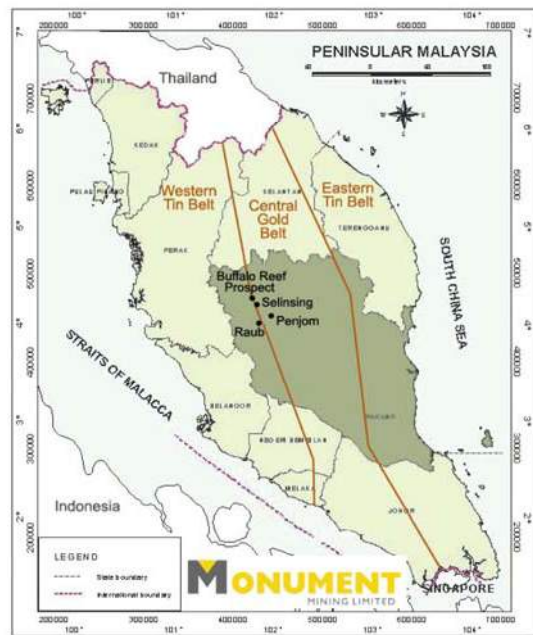
As of June 30, 2009, our project update report showed great progress with key mine site appointments made, construction of the hydro electric power supplied substation, plant site civil work, access road construction, ball mill civil work and foundations and concrete retaining walls. Other site construction projects include



a new site administration office, treatment plant operations office and laboratory, further staff quarters, new canteen and a new workshop. The construction process and developments have been recorded in a photo gallery on our website for all to see at: www.monumentmining.com.

In early July we began open-pit mining at Selinsing, and hauled grade material to the ROM pad in readiness for plant commissioning. The ball mill, jaw crusher, cone crusher and conveyor system were installed and prepared for commissioning. On September 1st 2009 we received our power connection from TNB at the hydro power sub-station and began the commissioning of the gravity plant. Once the Phase I gravity section of the plant is fully commissioned, the Company will commence gold production from the Gravity Plant in parallel with the ongoing Phase II construction of the CIL circuit, which is expected to be fully commissioned by the end of December 2009.

With the Buffalo Reef Prospect, in January 2009 additional drilling results from our exploration program on this property were announced. The gold deposit on Buffalo Reef is part of the presently known 4.2km continuous and contiguous ductile & brittle north trending shear hosted gold mineralization zone. A total of 64 RC holes were drilled at the Central and Northern zone. Drilling appears to intercept the upper portion of the main east dipping veins that control the gold. These results are very encouraging in that they compliment the previous gold intercepts. We will now study all of the results to date and in conjunction with the proposed diamond program designed by Snowden to test the potential extension of these results at depth, continue work toward being able to commission an upgraded compliant resource statement for the Buffalo Reef Project. At the same time other metallurgical test work and other studies, including satellite pit design will be undertaken. Any new drilling programs however will be delayed until further funding can be obtained either from surplus cash from incoming Gravity Plant production or from other financing vehicles.



I believe we are very fortunate to be in the gold mining industry in these historic turbulent times with the price of gold remaining near or above \$1,000 an ounce for an extended period for the first time in history. The Company has entered the industry only 27 months ago and is now rapidly working toward becoming a junior gold producer this fall. As we look forward to 2010, we have clearly defined the strategies and milestones to be achieved, focusing on cash flow from commercial production, strategic exploration on Buffalo Reef and surrounding region to increase the mine life and land holdings. Our board of directors and management team are excited to be entering this new chapter in Monument's history as a junior producer and we sincerely thank our loyal and supportive shareholders.

R.F. Baldock,

President and CEO

MONUMENT
MINING LIMITED

Consolidated Financial Statements of

MONUMENT MINING LIMITED

June 30, 2009 and 2008

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The accompanying consolidated financial statements of Monument Mining Limited have been prepared by management in accordance with Canadian generally accepted accounting principles. The financial information contained elsewhere in this report has been reviewed to ensure consistency with the financial statements.

Management maintains systems of internal controls designed to provide reasonable assurance that the assets are safeguarded. All transactions are authorized and duly recorded, and financial records are properly maintained to facilitate the preparation of financial statements in a timely manner. The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the financial statements. The Board carries out this responsibility principally through its Audit Committee.

The Audit Committee of the Board of Directors has reviewed the consolidated financial statements with management and the external auditors. Smythe Ratcliffe LLP, an independent firm of chartered accountants appointed as external auditors by the shareholders, have audited the consolidated financial statements and their report is included herein.

"Robert Baldock"

"Cathy Zhai"

Robert Baldock,
President and Chief Executive Officer

Cathy Zhai,
Chief Financial Officer

Vancouver, British Columbia

September 28, 2009

AUDITORS' REPORT

TO THE SHAREHOLDERS OF MONUMENT MINING LIMITED

We have audited the consolidated balance sheets of Monument Mining Limited as at June 30, 2009 and 2008 and the consolidated statements of operations and deficit and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at June 30, 2009 and 2008 and the results of its operations and its cash flows for the years then ended in accordance with Canadian generally accepted accounting principles.

"Smythe Ratcliffe LLP" (signed)

Chartered Accountants

Vancouver, Canada
September 24, 2009

MONUMENT MINING LIMITED

Consolidated Balance Sheets (note 1)

	June 30, 2009	June 30, 2008
Assets		
Current		
Cash and cash equivalents	\$ 6,109,453	\$ 7,346,566
Restricted cash (note 4)	73,149	-
Fair value of forward contracts (notes 5(b))	10,103	-
Accounts receivable	26,893	13,306
Prepaid expenses and deposits	44,364	132,056
	6,263,962	7,491,928
Property, plant and equipment (note 6)	9,600,100	785,929
Mineral property interests (note 7)	47,237,473	43,752,439
Deferred financing costs (note 8)	-	2,893,281
	56,837,573	47,431,649
	\$ 63,101,535	\$ 54,923,577
Liabilities and Shareholders' Equity		
Current		
Accounts payable and accrued liabilities	\$ 2,095,964	\$ 3,771,936
Current portion of capital lease obligation (note 9)	14,050	-
	2,110,014	3,771,936
Other		
Capital lease obligation (note 9)	62,793	-
Asset retirement obligation (note 10)	1,502,309	107,537
Future income tax (note 14)	723,000	723,000
	4,398,116	4,602,473
Shareholders' equity		
Share capital (note 11)	61,407,740	33,016,984
Subscription (note 11)	-	15,863,000
Contributed surplus (note 11(f))	6,711,998	4,821,161
Deficit	(9,416,319)	(3,380,041)
	58,703,419	50,321,104
	\$ 63,101,535	\$ 54,923,577

(1) Commitments (notes 7(c) and 15)

(2) Subsequent Events (note 20)

See accompanying notes to consolidated financial statements.

Approved on behalf of the Board

"Robert Baldock"

Robert Baldock, Director

"George Brazier"

George Brazier, Director

MONUMENT MINING LIMITED

Consolidated Statements of Operations and Deficit

	For the years ended June 30,	
	2009	2008
Expenses		
Stock-based compensation (note 11 (d))	\$ 1,416,204	\$ 1,458,240
General and administration	1,168,403	818,483
Shareholder communications	290,739	350,596
Legal, accounting and audit	280,086	208,851
Travel	241,381	271,842
Regulatory compliance and filing	46,160	33,965
Amortization	13,624	10,516
	<hr/> 3,456,597	<hr/> 3,152,493
Loss before other items	(3,456,597)	(3,152,493)
Other (note 16)	(41,320)	41,400
Loss from operations before income taxes	<hr/> (3,497,917)	<hr/> (3,111,093)
Current income tax	(1,033)	-
Future income tax recovery	-	225,800
Net loss and comprehensive loss for the year	<hr/> (3,498,950)	<hr/> (2,885,293)
Deficit, Beginning of the year	(3,380,041)	(494,748)
Charge to Deficit on Mill Acquisition (note 13)	(2,537,328)	-
Deficit, End of the year	<hr/> \$ (9,416,319)	<hr/> \$ (3,380,041)
Loss Per Share		
Basic and diluted	\$ (0.02)	\$ (0.04)
Weighted average number of common shares outstanding	<hr/> 150,492,713	<hr/> 77,394,302

See accompanying notes to consolidated financial statements.

MONUMENT MINING LIMITED

Consolidated Statements of Cash Flows

	For the years ended June 30,	
	2009	2008
Operating Activities		
Net income (loss) for the year	\$ (3,498,950)	\$ (2,885,293)
Items not involving cash		
Future income tax recovery	-	(225,800)
Stock-based compensation	1,416,204	1,458,240
Changes in fair value of forward contracts	(10,103)	-
Amortization	13,624	10,516
	(2,079,225)	(1,642,337)
Change in non-cash working capital items		
Accounts receivable	(13,587)	17,045
Prepaid expenses and deposits	87,692	87,799
Accounts payable and accrued liabilities	254,848	(734,717)
	328,953	(629,873)
Cash used in operating activities	(1,750,272)	(2,272,210)
Financing Activities		
Proceeds from private placements	9,277,755	15,863,000
Proceeds from exercise of agent's options	-	3,000
Repayment of debenture payable	-	(9,000,000)
Cash provided by financing activities	9,277,755	6,866,000
Investing Activities		
Expenditures on mineral property interests	(2,200,401)	(1,144,144)
Expenditures on property, plant and equipment	(6,491,046)	(599,302)
Cash used by investing activities	(8,691,447)	(1,743,446)
Increase in cash	(1,163,964)	2,850,344
Cash and cash equivalents, beginning of the year	7,346,566	4,496,222
Cash and cash equivalents, end of the year	\$ 6,182,602	\$ 7,346,566

Supplemental Cash Flow Information (note 17)

See accompanying notes to consolidated financial statements.

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

1. Organization, Nature of Operations and Going Concern

Monument Mining Limited (the "Company") is a natural resource company engaged in the exploration for and development of gold mineral property interests. Its primary activities include pre-construction activities related to the engineering design of the processing gold treatment plant for the 100% owned Selinsing Gold Project and exploration activities on the 100% owned Damar Buffalo Reef exploration prospect (note 7). The Company's head office is located in Vancouver, BC, Canada. Its gold project development and exploration operations are carried out in Malaysia through its wholly owned subsidiaries.

The Company has not generated any revenue from operations since it entered into the mining business in June 2007. The Company is in the process of exploring its mineral property interests and, with the exception of Selinsing Gold Project, has not yet determined whether its mineral property interests contain economically recoverable mineral reserves. The underlying values and the recoverability of the amounts shown for mineral property interests do not necessarily represent or indicate future values. The recoverability of the amount shown for mineral property interests is dependent upon the discovery of economically recoverable resources, the ability of the Company to obtain the necessary financing to continue operations, to complete the development and exploration of the mineral property interests, and future profitable production or proceeds from the disposition of the mineral property interests.

These consolidated financial statements have been prepared on the basis of accounting principles applicable to a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

2. Significant Accounting Policies

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles ("Canadian GAAP").

a. Basis of presentation

The consolidated financial statements include the accounts of the Company and its wholly-owned integrated Malaysian subsidiaries: Polar Potential Sdn. Bhd., Able Return Sdn. Bhd., Selinsing Gold Mine Manager Sdn. Bhd. and Damar Consolidated Exploration Sdn. Bhd.

All material intercompany balances and transactions have been eliminated on consolidation. The consolidated financial statements are stated in Canadian dollars.

b. Use of estimates

The preparation of financial statements in conformity with Canadian GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as at the balance sheet date, and the reported amounts of revenues and expenses during the reporting period. Significant estimates made in the preparation of these financial statements include determining accrued liabilities, valuation of mineral property interests, estimates of useful lives of plant and equipment, estimates required to determine whether impairment of long lived assets is required, determination of asset retirement obligations and environmental obligations, estimations made in determining fair value of foreign currencies forward contracts, assumptions used in calculating fair-value of Agents' options, share purchase warrants and stock-based compensation, allocation of proceeds between common shares and warrants in unit offering, and valuation allowance for future income tax assets. While management believes the estimates are reasonable, actual results could differ from those estimates used in the preparation of the financial statements and could impact future results of operations and cash flows.

c. Cash and cash equivalents

Cash and cash equivalents consist of cash and highly liquid investments, with an original term to maturity of six months or less, that are readily convertible to known amounts of cash. Included in cash equivalents are short-term investments earning interest between 1.4% and 3.0% and maturing between September 4, 2009 to December 9, 2009

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

2. Significant Accounting Policies (continued)

d. Property, plant and equipment

Property, plant and equipment are recorded at cost and amortization begins when the asset is substantially put into service. Amortization of office buildings, heavy machinery and equipment, and office furniture and equipment is calculated on a straight-line basis over their estimated useful lives at annual rates between 2% – 45%. Equipment used in exploration and development of mineral property interests is amortized, but the amortization charge is deferred with other mineral property interests exploration and development expenditures. Amortization of equipment not specifically related to the Company's exploration activities is included in the consolidated statements of operations and deficit.

Construction in progress and pre-construction costs related to the Selinsing Gold Mine Project are recorded at cost. On completion, the cost of construction is transferred to the appropriate category of property, plant and equipment. No amortization is calculated until the assets are substantially put into service.

e. Mineral property interests

The Company capitalizes all costs related to investments in mineral property interests on a property-by-property basis. Such costs include mineral property interest acquisition costs and exploration and development expenditures, net of any recoveries. These deferred expenditures will be amortized over the estimated life of the property following commencement of commercial production, or written off if the property is sold, allowed to lapse, abandoned or when impairment in value is determined to have occurred.

Mineral property interest acquisition costs include the cash consideration, the fair value of common shares issued for mineral property interests and the fair value of warrants issued determined using the Black-Scholes option pricing model.

During the development of a mine, prior to commercial production, costs incurred to remove overburden and other mine waste materials in order to access the ore body ("stripping cost") are capitalized to the related property and depleted over the productive life of the mine using the unit-of-production method. Mining costs incurred to stockpile ores for commercial production are capitalized to the related property as deferred development costs. Such costs are transferred to inventory based on physical survey of the stockpile upon commencement of commercial production.

All capitalized costs are reviewed, on a property-by-property basis, to consider whether there are any conditions that may indicate impairment. Mineral property interests are reviewed at least annually or when otherwise appropriate for impairment or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. When the carrying value of a property exceeds its net recoverable amount (as estimated by quantifiable evidence of an economic geological resource or reserve or by reference to option or joint venture expenditure commitments) or when, in the Company's assessment, it will be unable to sell the property for an amount greater than the deferred costs, the property is written down for the impairment in value.

From time to time the Company may acquire or dispose of a mineral property interest pursuant to the terms of an option agreement. As such options are exercisable entirely at the discretion of the optionees, the amounts payable or receivable are not recorded at the time of the agreement. Option payments are recorded as property costs or recoveries when the payments are made or received.

(f) Impairment of long-lived assets

The Company monitors the recoverability of long-lived assets, including mineral property interests and equipment based on factors such as current market value, future asset utilization, business climate and future undiscounted cash flows expected to result from the use of the related assets. The impairment loss is recorded in the period when it is determined that the carrying amount of the asset may not be recoverable. The amount of loss is measured as the excess of the carrying value of the asset over its fair value.

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

2. Significant Accounting Policies (continued)

(g) Income taxes

Income taxes are accounted for using the asset and liability method. Under this method, future income tax assets and liabilities are determined based on differences between the financial statement carrying values and their respective income tax bases. The amount of future income tax assets recognized is limited to the extent that they are considered, more likely than not, to be realized. Future tax assets and liabilities are measured using enacted or substantively enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on future tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the date of enactment or substantive enactment.

(h) Loss per share

Basic loss per share is calculated using the weighted average number of common shares outstanding during the period.

Diluted loss per share is calculated using the treasury stock method. Under the treasury stock method, the weighted average number of shares outstanding used in the calculation of diluted loss per share assumes that the deemed proceeds received from the exercise of stock options, agents' options, share purchase warrants and similar instruments that are "in the money" would be used to repurchase common shares of the Company at the average market price during the year. Common share equivalents consisting of stock options and warrants are not considered in the computation of diluted loss per share because their effect would be anti-dilutive.

Shares held in escrow, other than where their release is subject to the passage of time, have not been included in the calculation of the weighted average number of common shares outstanding.

(i) Stock-based compensation

The Company accounts for stock purchase options granted to directors, employees and consultants and other stock-based payments using the fair value based method. Under this method, compensation expense for options granted is determined based on estimated fair values of the options using the Black-Scholes option pricing model. For employees and directors, the fair value of the options is measured at the time of grant. For non-employees the fair value of the options is measured at the time of grant if they are fully vested and non-forfeitable, or the earlier of the date the performance is completed or the performance commitment is reached. The cost is recognized over the vesting or service period of the respective options and, with a corresponding increase to contributed surplus, is either capitalized to mineral property interests for grants to individuals working directly on mineral projects or is charged against operations otherwise. When stock options are exercised, the corresponding fair value is transferred from contributed surplus to share capital.

(j) Asset retirement obligation ("ARO")

The Company recognizes an estimate of the liability associated with an ARO in the financial statements at the time the liability is incurred. The estimated fair value of the ARO is recorded as a long-term liability, with a corresponding increase in the carrying amount of the related asset. The capitalized amount is depleted on a straight-line basis over the estimated life of the asset. The liability amount is increased each reporting period due to the passage of time and the amount of accretion is charged to earnings in the period. The ARO can also increase or decrease due to changes in the estimates of timing of cash flows or changes in the original estimated undiscounted cost. Actual costs incurred upon settlement of the ARO are charged against the ARO to the extent of the liability recorded.

(k) Revenue recognition

The Company recognizes interest income from cash and cash equivalents in accordance with the effective interest rate method.

(l) Foreign currency translation

The Company's functional currency is the Canadian dollar. All of the Company's foreign operations are considered integrated. Monetary assets and liabilities of the Company and its integrated foreign operations are translated into Canadian dollars at exchange rates in effect at the balance sheet date. Non-monetary assets and liabilities are translated at the average exchange rates for the quarter of acquisition unless such items are carried at market, in which case they are translated at the exchange rates in effect at the balance sheet date. Interest income and expenses are translated at the average exchange rates for the year. Gains or losses on translation are recorded in the statement of operations.

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

2. Significant Accounting Policies (continued)

(m) Financial Instruments

The Company's financial instruments consist of cash and cash equivalents, derivatives, accounts receivable, accounts payable and accrued liabilities.

Financial instruments are classified into one of five categories: held-for-trading, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments are measured at fair value on initial recognition and recorded on the balance sheet. Subsequent measurement and changes in fair value depend on their initial classification as follows: held-for-trading financial assets and liabilities are measured at fair value and changes in fair value are recognized in net income. Available-for-sale financial assets are measured at fair value with changes in fair value recorded in other comprehensive income until the assets are removed from the balance sheet. Loans and receivables, held-to-maturity investments and other financial liabilities are measured at amortized cost using the effective interest method of amortization.

The Company has classified its cash and cash equivalents as held-for-trading assets, measured at fair value. Accounts receivable is classified as loans and receivables, measured at amortized cost. Accounts payable, accrued liabilities are classified as other liabilities, measured at amortized cost.

The Company employs foreign exchange forward contracts from time to time to mitigate the risk of changes in currency exchange rates between the Canadian dollar and Malaysian Ringgit. These contracts meet the definition of a derivative and do not meet the criteria for hedge accounting, and consequently are measured at their fair value with changes in fair value recorded in net income in the period they occur. The fair value of those contracts is estimated by reference to quoted market prices for actual or similar instruments where available. As at June 30, 2009 a \$500,000 in foreign exchange forward contract was outstanding.

Transaction costs that are directly attributable to the acquisition or issuance of financial instruments that are classified as other than held-for-trading, which are expensed as incurred, are included in the initial carrying value of such instruments.

The further disclosure of the Company's financial instruments is described in note 5.

(n) Comprehensive income

Comprehensive income is the overall change in the net assets of the Company for the period, other than changes attributed to transactions with shareholders. It is made up of net income and other comprehensive income. Comprehensive income includes gains or losses, which the Canadian GAAP requires to be recognized in a period but excluded from net income for that period. The Company has no items of other comprehensive income in any current or prior period. Accordingly, net loss as presented in the Company's statements of operations equals comprehensive loss.

(o) Warrants

Share issuances during the year that include a warrant have been bifurcated into a share and warrant component for accounting purposes. The share and warrant components were bifurcated by allocating unit proceeds equal to the market price of the Company's stock to the share component and the residual amount of the unit proceeds to the warrant component. The warrant component is recorded in contributed surplus and is transferred to capital stock upon exercise of the underlying warrant.

(p) Capital leases

The costs of assets acquired under capital leases are capitalized and amortized over their useful lives. An offsetting liability is established to reflect the future obligation under capital leases. This liability is reduced by future principal payments.

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

3. Adoption of Accounting Policies and Future Accounting Changes

Effective July 1, 2008, the Company adopted the following new accounting standards issued by the Canadian Institute of Chartered Accountants ("CICA"). As required by the transitional provisions of these new standards, these standards have been adopted with no restatement of prior period financial statements.

Section 3862 – Financial Instruments Disclosures and Section 3863 – Financial Instruments Presentation - These new sections replaced Section 3861 – Financial Instruments – Disclosure and Presentation. Section 3862 placed increased emphasis on disclosures including both qualitative and quantitative information about the nature and extent of risks arising from financial instruments and how a company manages those risks. Section 3863 deals with the classification of financial instruments, related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset. Management has evaluated the impact of these new accounting standards and the necessary disclosures are provided in note 5.

Section 1535 – Capital Disclosures – This standard requires disclosure of both qualitative and quantitative information that provides users of financial statements with information to evaluate an entity's objectives, policies and procedures for managing capital and disclosures as to whether the company has complied with any capital requirements to which it is subject and the consequences of non-compliance.

Amendments to Section 1400 – Going Concern – This section was amended to include requirements to assess and disclose an entity's ability to continue as a going concern. When financial statements are not prepared on a going concern basis that fact shall be disclosed together with the basis on which the financial statements are prepared and the reason why the company is not considered a going concern. The adoption of this standard had no impact on the Company's financial position or results of operations.

Section 3031 – Inventories – This section requires that inventory be recorded at the lower of cost or net realizable value. It also clarifies that the allocation of fixed production overhead requires the consistent use of either first-in, first-out or the weighted average method to measure inventory, and requires that any previous write-downs be reversed when the value of the inventory increases. The amount of the reversal is limited to the amount of the original write-down. The adoption of this standard had no impact on the Company's consolidated financial statements.

Future accounting changes

Business combinations

In January 2009, the CICA issued Section 1582, "Business Combinations", Section 1601, "Consolidations", and Section 1602, "Non-Controlling Interests". These sections replace former Section 1581, "Business Combinations", and Section 1600, "Consolidated Financial Statements", and establish a new section for accounting for a non-controlling interest in a subsidiary.

Sections 1582 and 1602 will require net assets, non-controlling interests and goodwill acquired in a business combination to be recorded at fair value and non-controlling interests will be reported as a component of equity. In addition, the definition of a business is expanded and is described as an integrated set of business activities and assets that are capable of being managed to provide a return to investors or economic benefits to owners. Acquisition costs are not part of the consideration and are to be expensed when incurred. Section 1601 establishes standards for the preparation of consolidated financial statements. These new sections apply to interim and annual consolidated financial statements relating to fiscal years beginning on or after January 1, 2011. Earlier adoption of these sections is permitted as of the beginning of a fiscal year. All three sections must be adopted concurrently. The Company is currently evaluating the impact of the adoption of these sections.

Goodwill

In February 2008, the CICA issued Section 3064, "Goodwill and Intangible Assets", replacing Section 3062, "Goodwill and Other Intangible Assets", and Section 3450, "Research and Development Costs". This section establishes standards for the recognition, measurement, presentation and disclosure of goodwill subsequent to its initial recognition and of intangible assets by profit-oriented enterprises. Standards concerning goodwill are unchanged from the standards included in the previous Section 3062.

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

3. Adoption of Accounting Policies and Future Accounting Changes (continued)

This new section is effective for the Company on July 1, 2009. The Company is in the process of assessing the impact of this new section on its financial statements.

International Financial Reporting Standards ("IFRS") – In 2006, the Accounting Standards Board ("AcSB") published a new strategic plan that will significantly affect financial reporting requirements for Canadian companies. The AcSB strategic plan outlines the convergence of Canadian GAAP with IFRS over an expected five year transitional period. In February 2008, the AcSB announced that 2011 is the changeover date for publicly-listed companies to apply IFRS. The changeover is effective for interim and annual financial statements for fiscal years beginning on or after January 1, 2011. The effective date will require the restatement of comparative amounts reported by the Company for the year ending June 30, 2011. While the Company has begun assessing the adoption of IFRS for 2011, the financial reporting impact of the transition to IFRS cannot be reasonably estimated at this time.

4. Restricted Cash

	2009	2008
Foreign Exchange Line Account (a)	\$ 50,000	-
Bank Guarantee for customs clearance (b)	23,149	-
	\$ 73,149	-

a. The Company has entered into a series of foreign exchange forward contracts (the "Contracts") and is required to hold a cash deposit equivalent to 10% of outstanding contract commitments in its foreign exchange line account as security against these Contracts. As at June 30, 2009, the Company had an aggregate \$500,000 forward contract on hand requiring a \$50,000 security deposit.

b. The Company has purchased a bank guarantee in the amount of \$23,149 to meet the customs clearance requirements.

5. Financial Instruments and Financial Risk Exposure

a. Financial Assets and Liabilities

The Company's financial instruments consist of cash and cash equivalents, restricted cash, derivatives, accounts receivable, and accounts payable and accrued liabilities.

The carrying amounts of cash and cash equivalents, restricted cash, derivatives, accounts receivable and accounts payable and accrued liabilities are considered to be reasonable approximation of their fair values due to the short-term nature of these instruments.

The carrying values of financial assets by category at June 30, 2009 are as follows:

Financial assets	Held-for-trading	Loans and receivables
Cash and cash equivalents	\$ 6,109,453	\$ -
Restricted cash	73,149	-
Fair value on forward contracts	10,103	-
Accounts receivable	-	18,752
	\$ 6,192,705	\$ 18,752

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

5. Financial Instruments and Financial Risks Exposure (continued)

a. Financial Assets and Liabilities (continued)

The carrying values of financial liabilities by category at June 30, 2009 are as follows

Financial liabilities	Other liabilities
Accounts payable and accrued liabilities	2,095,964

b. Financial Instrument Risk Exposure

The Company's financial instruments are exposed to certain financial risks, including currency risk, credit risk, liquidity risk, interest risk and price risk.

(i) 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 comprises of three types of risk: foreign currency risk, price risk and interest rate risk.

Currency risk

The Company is exposed to foreign currency risk to the extent expenditures incurred or funds received by the Company are not denominated in Canadian dollars. The majority of the Company's expenditures for property, plant and equipment and mineral property interests are in Malaysian ringgit and Australian dollars. The Company's ability to make these payments to satisfy its obligations for work commitments will be affected by foreign currency rate fluctuations. The Company is also exposed to foreign currency risk to the extent that it holds cash in Malaysian ringgit. As at June 30, 2009, the Company is exposed to currency risk through the following assets and liabilities denominated in Malaysian ringgit:

In thousands of Ringgit	2009	2008
Cash and cash equivalents	RM 6,590	RM 155
Restricted cash	221	-
Fair value on forward contracts	31	-
Accounts receivable	13	-
Deposits and advances	2,892	160
Accounts payable and accrued liabilities	(5,749)	(1,931)

Based on the above net exposures as at June 30, 2009, and assuming that all other variables remain constant, a 5% depreciation or appreciation of the Canadian dollar against the Malaysian ringgit would result in an increase/decrease of 199,000 Malaysian Ringgit (CAN\$66,000) in the Company's net losses.

During the fiscal year, the Company entered into a number of foreign exchange forward contracts through its wholly-owned Malaysian subsidiary, Polar Potential Sdn. Bhd., to reduce its exposure to foreign currency risk. The contracts obliged the Company to convert \$5,500,000 to Malaysian ringgits at predetermined exchange rates on a monthly basis from February to July 2009. For the year ended June 30, 2009, a total of \$5,000,000 was settled for Malaysian ringgit under the forward contracts resulting in a loss of \$61,245 comprised of a total realized loss of \$51,023 and an unrealized mark-to-market loss of \$10,222. As at June 30, 2009, a total of \$500,000 of forward contracts was remaining to purchase Malaysian Ringgits in the following month.

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

5. Financial Instruments and Financial Risk Exposure (continued)

(b) Financial instrument risk exposure (continued)

Other Price risk

Other price risk is the risk that the fair 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 is in the business of exploring and developing gold mineral resources which are valued at price of gold metals and its outlook. The Company is currently not in production, therefore it is neither exposed to the gold price risk nor have any hedging or other commodity based price risk in respect of its operational activities.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk with respect to its cash equivalents and financial liabilities. However, this risk is limited because of the short-term maturity of these instruments. A 1% increase or decrease in prime rate would have resulted in a \$35,000 change to net loss at June 30, 2009. The Company manages interest rate risk by maintaining an interest policy that focuses on preservation of capital liquidity but keeps the cash in short term investment at fixed rates as long as possible.

ii) Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to its liquid financial assets. The Company's board of director has established an investment policy to secure the "ground money" by avoiding any investment other than government t-bills, term deposits guaranteed by major Canadian financial institutions, or term deposits at major Malaysian banks which are guaranteed by the Malaysian government.

The carrying amount of financial assets recorded in the financial statements, net of any allowances for losses, represents the Company's maximum exposure to credit risk.

As at June 30, 2009, the Company held aggregate prepaid items and deposits of \$999,564, mainly representing contractual prepayments to its awarded gold processing plant construction contractors at Selinsing Gold Mine Project. The risk exposure is to the extent if any of those contractors fail to deliver under their contracts and are unable to refund the deposits. The Company's management has conducted full due diligence on those awarded contractors through its preliminary screening program to mitigate such risk.

iii) 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 flow 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.

Contractual obligated cash flow maturities of financial liabilities as at June 30, 2009 are as follows:

	Total	under 3 months	4 to 12 months	1 to 5 Years
Accounts payable and accrued liabilities	\$ 2,095,964	\$ 2,095,964	\$ -	\$ -

MONUMENT MINING LIMITEDNotes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008**6. Property, Plant and Equipment**

2009	Cost	Accumulated amortization	Net book value
Buildings	\$ 611,094	\$ 6,593	\$ 604,501
Furniture and equipment	154,151	18,472	135,679
Computer	112,282	22,038	90,244
Vehicle	179,580	44,145	135,435
Heavy equipment	1,578,169	—	1,578,169
Pre-construction costs - Selinsing	6,150,872	—	6,150,872
Deposit and advance for construction	905,200	—	905,200
	\$ 9,691,348	\$ 91,248	\$ 9,600,100

2008	Cost	Accumulated amortization	Net book value
Buildings	\$ 91,492	\$ 3,171	\$ 88,321
Furniture and equipment	28,213	5,705	22,508
Computer	21,763	10,383	11,380
Vehicle	41,146	12,344	28,802
Heavy equipment	163,669	—	163,669
Pre-construction costs - Selinsing	471,249	—	471,249
	\$ 817,532	\$ 31,603	\$ 785,929

During the year ended June 30, 2009 the Company capitalized \$94,984 in lease assets under vehicle.

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

7. Mineral Property Interests

	Selinsing Gold Property (Development)	Buffalo Reef (Exploration)	Total
	\$	\$	\$
Cumulative balance, June 30, 2007	29,608,365	11,486,535	41,094,900
Assay and analysis	947	141,696	142,643
Drilling	-	444,695	444,695
Geological	-	21,103	21,103
Equipment rental	5,910	-	5,910
Freight	-	1,046	1,046
Property fees/assessment	96,181	-	96,181
Site activities	432,590	195,563	628,153
Environmental	107,537	-	107,537
Socio-economic	153,288	-	153,288
Stamp duty	93,572	27,068	120,640
Transportation	10,951	2,522	13,473
Incurring during the year	900,976	833,693	1,734,669
Discount on \$9 million debenture note	784,558	-	784,558
Non-cash stock based compensation (note 11(e))	87,298	51,014	138,312
Total additions during the year	1,772,832	884,707	2,657,539
Cumulative balance, June 30, 2008	31,381,197	12,371,242	43,752,439
Deposit on land acquisition	-	50,000	50,000
Assay and analysis	-	117,181	117,181
Drilling	-	147,977	147,977
Geological	-	125,282	125,282
Site activities	842,671	114,982	957,653
Transportation	38,541	1,757	40,298
Environmental	1,149,753	-	1,149,753
Socio-economic	29,081	-	29,081
Property fees	50,289	30,096	80,385
Deferred pre-production cost	361,354	-	361,354
Pre-stripping cost	87,815	-	87,815
Incurring during the year	2,559,504	587,275	3,146,779
Non-cash stock based compensation (note 11(e))	118,304	219,951	338,255
Total additions during the year	2,677,808	807,226	3,485,034
Cumulative balance, June 30, 2009	34,059,005	13,178,468	47,237,473

Title to mineral properties

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 property interests, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements or transfers and title may be affected by undetected defect. To the best of the Company's knowledge, titles to its properties are in good standing.

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

7. Mineral Property Interests (continued)

(a) Selinsing Gold Property

On June 25, 2007, through its wholly-owned Malaysian subsidiary, Polar Potential Sdn. Bhd., the Company acquired 100% of Selinsing Gold Property including two mining concessions from Wira Mas Trust (the "Vendor"), together with 100% interest of Able Return Sdn. Bhd., the former Trustee of Wira Mas Trust, a Malaysian company holding a pioneer Malaysian mining status, for a total cost of \$29,195,241. Of total acquisition costs, \$23,418,150 was allocated to Able Return Sdn. Bhd. and \$5,777,091 to Selinsing Gold Property.

The property is located in Pahang State, Malaysia and is at the development stage. During the year, the Company incurred site maintenance and development, property fees, government liaison fees and mine development costs totaling \$1,389,921 (2008 - \$1,772,832), of which, \$361,354 was attributed to pre-production mining cost and \$87,815 to pre-stripping costs. Those costs are charged to the deferred mine development account and will be either reallocated to inventories or amortized over the mine life on a per production unit basis once commercial production commences.

(b) Buffalo Reef Prospect

On June 25, 2007, the Company acquired 100% of the common shares of Damar Consolidated Exploration Sdn. Bhd. ("Damar"), a wholly-owned subsidiary of Avocet Mining PLC ("Avocet"), incorporated under the laws of Malaysia, thereby effectively acquiring 100% of the Buffalo Reef Tenement property interests, which lie continuously and contiguously along the gold trend upon which the Selinsing Gold Property is located.

Consideration for the acquisition of 100% of Damar shares and a promissory note of \$1,722,868 (Malaysian Ringgit 5,573,824) from Damar to Avocet ("Avocet loan") was \$1,750,000 cash, 15,000,000 common shares of the Company valued at \$0.50 per share and 7,500,000 share purchase warrants. Each share purchase warrant allows the holder to purchase one common share at \$0.65 per share exercisable to June 25, 2009. All warrants were expired as of June 30, 2009 without being exercised.

The 15,000,000 common shares issued in the transaction were subject to a voluntary pooling agreement until June 25, 2009 and had been fully released from the pool as at June 30, 2009.

The Company was obligated to fund a \$400,000 exploration program on the Buffalo Reef Tenement over two years. Avocet shall receive US\$12 per ounce of gold discovered on a notional 49% of the ounces discovered as a result of the \$400,000 two-year post closing exploration program. In fiscal 2009, Avocet has terminated the Company's exploration payment obligation for consideration of \$1.

During the year ended June 30, 2009, the Company fulfilled the exploration obligation by incurring total exploration expenditures on Buffalo Reef Prospect in the amount of \$757,226 (2008 - \$884,707).

(c) Letter of Intent for Famehub Exploration Land Acquisition

On January 14, 2008, the Company signed a Letter of Intent ("LOI") with Famehub Venture Sdn Bhd. ("Famehub"). Pursuant to the LOI, Famehub has agreed to sell and the Company has agreed to purchase a land package of approximately 32,000 acres of prospective exploration land and associated data base ("Famehub Exploration Land Acquisition"). This land is located to the east of Selinsing's Gold Project and Buffalo Reef exploration property.

As of June 30, 2009, the Company has paid a \$50,000 deposit to Famehub to secure the deal. The final close of the transaction will be subject to approval of the Pahang State Executive Council in Malaysia.

As consideration for the property, the Company will pay \$1,500,000 cash and issue 7,000,000 fully paid shares in the Company and 3,500,000 share purchase warrants exercisable at \$1.00 for two years from the date of issuance.

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

8. Deferred Financing Costs

The deferred financing costs as at June 30, 2008 were comprised of \$2,857,240 share issuance costs incurred from the private placement of \$28,048,000 closed on July 21, 2008 (note 11(b)(i)) and \$36,041 for issuance of a \$10 million convertible debenture.

During the fiscal 2009 the Company served a Drawdown Notice (the "Notice") to the Lenders after complying with all of the terms of the Convertible Debenture. The Notice required the Lenders to provide the \$10.0 million on or by the December 12, 2008. The Company received a letter from the Lenders on December 3, 2008 advising that due to market conditions and the global credit melt down the Lenders would be unable to provide the funding on the agreed terms at that time. Therefore the cost of \$90,386 was written off against operations. The debenture against the Company was discharged.

9. Capital Lease Obligation

As at June 30, 2009, the Company has three long-term leases on vehicles for its operations at rates ranging from 5.2% to 6.5%. The current portion of the lease is included in accounts payable and accrued liabilities.

Year ending June 30,	2009	2008
2010	\$ 18,032	\$ -
2011	18,032	-
2012	18,032	-
2013	18,032	-
2014	16,023	-
Total minimum lease payments	88,151	-
Amount representing interest	(11,308)	-
Obligation under capital leases	\$ 76,843	\$ -
Less current portion	(14,050)	-
Balance, June 30, 2009	\$ 62,793	\$ -

10. Asset Retirement Obligations

The Company's asset retirement obligations consist of reclamation and closure costs for mine development and exploration activities. Although the ultimate amount of reclamation costs to be incurred cannot be predicted with certainty, the total undiscounted amount of estimated cash flows required to settle the Company's estimated obligations is \$2,6 million. The present value of asset retirement obligations is \$1,502,309 (2008 - \$107,537) and is expected to be settled in 5 to 6 years. This amount has been disclosed using a discounted rate 10.0%. Significant reclamation and closure activities include land rehabilitation, decommissioning of tailing storage facilities, mined waste dump, road bridges, buildings and mine facilities, and other regular reclamation costs.

Changes to the reclamation and closure cost balance during the year are as follows:

	2009	2008
Asset retirement obligations, beginning of year	\$ 107,537	\$ -
Revision in estimate of liabilities	1,394,772	107,537
Reclamation expenditures	-	-
Accretion expense for the year	-	-
Balance, end of year	\$ 1,502,309	\$ 107,537

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

11. Share Capital

- (a) Authorized
Unlimited common shares without par value
- (b) Issued and outstanding:

Common shares	Shares	Amount
Balance, June 30, 2007	77,389,023	\$ 33,012,664
Shares issued due to fractional rounding caused by share consolidation	2	-
Agent's options exercised (note 11(f))	6,000	3,000
Agent's options exercised (note 11(g))	-	1,320
Balance, June 30, 2008	77,395,025	\$ 33,016,984
Brokered and non-brokered private placement for cash (note 11(b)(i))	70,120,000	28,048,000
Share issuance costs for private placement (note 11(b)(i))	-	(2,907,245)
Shares issued for ball mill purchase (note 11(b)(ii))	8,125,003	3,250,001
Balance, June 30, 2009	155,640,028	\$ 61,407,740

- i. On July 21, 2008, the Company closed a private placement for total gross proceeds of \$28,048,000 by issuing 70,120,000 units at a price of \$0.40 per unit, each unit comprising one fully paid share of common stock and one common share purchase warrant entitling the holder to purchase one additional common share for \$0.50 for a three-year term from closing. Costs of the financing include a 10% agent fee in the amount of \$2,804,800 and legal and filing fees of \$79,389 and other cost of \$23,055.
- ii. On August 19, 2008, the Company purchased a 1.0 million tons per year capacity ball mill from Avocet. Consideration of \$3,250,001 for the mill was paid by the issuance of 8,125,003 units at \$0.40 per unit, at the same price and the same terms as the private placement disclosed above. Each unit comprises of one share and one share purchase warrant exercisable at \$0.50 for three years from date of issuance. Avocet is a shareholder of the Company (note 13).

(c) Warrants

The Continuity of share purchase warrants is as follows:

Note reference	11(b)(i)		11(b)(ii)		Total
Expiry date	15-Mar-09	25-Jun-09	21-Jul-11	19-Aug-13	outstanding and
Exercise price	\$ 0.65	\$ 0.65	\$ 0.50	\$ 0.50	exercisable
Balance, June 30, 2007, outstanding and exercisable	500,000	22,541,500	-	-	23,041,500
Issued through exercise of Agent's warrants (note 11(e))		3,000	-	-	3,000
Balance, June 30, 2008, outstanding and exercisable	500,000	22,544,500	-	-	23,044,500
Issued through private placement			70,120,000		70,120,000
Issued through ball mill purchase				8,125,003	8,125,003
Expired and forfeited	(500,000)	(22,544,500)			(23,044,500)
Balance, June 30, 2009, outstanding and exercisable	-	-	70,120,000	8,125,003	78,245,003

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

11. Share Capital (continued)

(d) Stock options

Effective December 5, 2009, the 2009 Stock Option Plan ("2009 Plan") was approved by a disinterested vote of the Company's shareholders at its Annual General Shareholders' meeting. The 2009 Plan is a fixed plan allowing 22,126,000 common shares of the Company to be reserved for granting stock purchase options to its directors, officers, employees and consultants. The number of shares reserved under the 2009 Plan shall not exceed 15% of the total number of issued and outstanding Shares on a non-diluted basis. The total number of stock options granted during the year together with previously granted stock options shall not exceed, on a non-diluted basis, 6% for any one Optionee; 15% for Insiders as a group, 2% for any one Consultant; 2% for all Eligible Persons who undertake Investor Relations Activities. The previous 10% Rolling Stock Option Plan was automatically converted to the 2009 Plan. Under the 2009 Plan, 19,676,000 stock options were outstanding as at June 30, 2009.

Stock option activity is as follows:

	Number of common shares under option	Weighted average exercise price
Balance, June 30, 2007		
Granted	4,670,000	\$ 0.50
Forfeited	(300,000)	\$ 0.50
Balance, June 30, 2008	4,370,000	\$ 0.50
Granted	18,306,000	\$ 0.38
Forfeited	(3,000,000)	\$ 0.42
Balance, June 30, 2009	19,676,000	\$ 0.40

The following table summarizes the stock options outstanding at June 30, 2009:

Exercise Price	Options outstanding			Options exercisable	
	Number of common shares	Expiry date	Weighted average life (years)	Weighted average number exercisable	Weighted average exercise price
\$ 0.50	3,300,000	Jul 05, 2012	3.02	3,300,000	\$ 0.50
\$ 0.58	70,000	Feb 18, 2011	1.64	70,000	\$ 0.58
\$ 0.40	13,390,000	Aug 15, 2013	4.14	2,715,569	\$ 0.40
\$ 0.50	400,000	Dec 05, 2013	4.44	400,000	\$ 0.50
\$ 0.40	230,000	Dec 05, 2013	4.44	-	-
\$ 0.25	1,736,000	Dec 05, 2013	4.44	-	-
\$ 0.25	550,000	Feb 09, 2014	4.52	-	-
Total	19,676,000		4.00	6,485,569	\$ 0.46

The exercise prices of all stock options granted during the year were equal to the closing market prices at the grant date.

During the year ended June 30, 2009, 15,851,000 options were granted to various directors and members of management with various expiry dates of which 2,000,000 were forfeited during the same period.

The weighted average fair value of options granted during the year ended June 30, 2009 is \$0.18 per option. The options outstanding have varying vesting dates that range from 1 to 3 years.

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

11. Share Capital (continued)

(d) Stock options (continued)

Using an option pricing model with assumptions noted below, the estimated fair value of all options granted during the year ended June 30, 2009 have been reflected in the financial statements as follows:

	Year ended	
	June 30, 2009	June 30, 2008
Mineral property exploration and development	\$ 474,633	\$ 138,312
Administration and operation	1,416,204	1,458,240
Total compensation cost recognized in operations, credited to contributed surplus	\$ 1,890,837	\$ 1,596,552

The weighted average assumptions used to estimate the fair value of options were:

	June 30, 2009	June 30, 2008
Risk-free interest rate	2.92%	4.58%
Expected life	4 years	4.97 years
Expected volatility	92%	84%
Expected dividends	nil	nil

Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate and, therefore, the existing models may not necessarily provide a reliable measure of the fair value of the Company's share purchase options.

(e) Agent's options

Continuity of Agent's options outstanding:

Expiry date	Exercise price	June 30, 2007 Number of options outstanding	Agent's options exercised	June 30, 2008 Number of options outstanding	Agent's options expired	June 30, 2009 Number of options outstanding
25-Jun-09	\$0.50	2,000,800	(6,000)	1,994,800	(1,994,800)	-

Agent's options for 2,000,800 units were issued in conjunction with the June 25, 2007 private placement. Each Agent's option unit is comprised of one common share of the Company and one-half share purchase warrant exercisable at \$0.50 for two years until June 25, 2009 ("Agent's warrant"). Each Agent's warrant would allow the holder to purchase one common share at \$0.65 exercisable to June 25, 2009.

The fair value of the Agent's options was calculated at \$445,109 using a Black-Scholes option pricing model with the following assumptions: risk-free interest rate – 4.40%; expected life – 2 years; expected volatility – 78.06%; and expected dividends – nil.

As at June 30, 2009, all Agent's options were expired.

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

11. Share Capital (continued)

(f) Contributed surplus

	Amount
Balance, June 30, 2007	\$ 3,225,929
Stock-based compensation	1,596,552
Exercise of Agent's options (note 11(e))	(1,320)
Balance, June 30, 2008	\$ 4,821,161
Stock-based compensation	1,890,837
Balance, June 30, 2009	\$ 6,711,998

12. Loss Per Share

	June 30, 2009	June 30, 2008
Net loss (earnings) for the year	\$ 3,498,950	\$ 2,885,293
Weighted average number of common shares outstanding	150,492,713	77,394,302
Basic and diluted loss (earnings) per share	\$ 0.02	\$ 0.04

13. Related Party Transactions

Related party	June 30, 2009	June 30, 2008
Avocet Mining PLC. (i)	\$ 712,672	\$ -
Avocet Mining PLC. (ii)	\$ 134,048	\$ -
George Brazier, director (iii)	\$ 30,000	\$ -
Base Consultant (iv)	\$ 33,225	\$ -

(i) During the year ended June 30, 2009, the Company purchased a ball mill from Avocet, a shareholder of the Company, for consideration of \$3,250,001 by issuing the Company's equity (note 11(b)(ii)). Due to a lack of third party's evidence of market value, the transaction has been measured at the carrying amount. The Company recorded the cost of the ball mill at the book value of \$712,672 provided by its previous owner and included the difference of \$2,537,328 in deficit.

(ii) Avocet also provided the training assistance to the Company during the year for \$134,048 which was included in the mineral properties and accounts payable (note 7 and note 20).

(iii) George Brazier, a director of the Company, provides general consulting services to the Company. For the year ended June 30, 2009, he earned \$30,000 for such services, of which \$5,250 was outstanding and included in accounts payable as at June 30, 2009.

(iv) Lorenzo Trentini was a director of the Company up to March 29, 2009 and provided consulting services to the Company. For the year ended June 30, 2009, he was paid \$33,225 through Base Consultant for such services. The service contract was terminated concurrently with his directorship.

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

13. Related Party Transactions (continued)

All transactions, except for purchase of the ball mill, are in the ordinary course of business and are measured at the exchange amount, which is the amount of consideration established and agreed between the related parties.

14. Income Tax

The reconciliation of income tax provision computed at statutory rates to the reported income tax provision is as follows:

	June 30, 2009	June 30, 2008
Income tax recovery computed at statutory rates	\$ 1,058,200	\$ 1,020,700
Lower effective rate attributable to Malaysian income	(36,500)	(2,800)
Non-deductible stock-based compensation	(428,400)	(478,400)
Non-deductible foreign exchange loss	(8,200)	(16,200)
Other non-deductible expenses	(15,000)	(5,300)
Share issuance costs deductible for tax purposes	259,600	90,800
Unutilized tax losses	(830,733)	(375,800)
Reduction in future income tax assets due to statutory rate reduction	-	(7,200)
Future income tax recovery (expense)	\$ (1,033)	\$ 255,800

Future income tax assets and liabilities have been calculated using the following enacted corporate income tax rates: Canada at 26% (2008 – 26%) and Malaysia at 20% (2008 – 20%). Significant components of future tax assets and liabilities, after applying enacted corporate income tax rates, are as follows:

	June 30, 2009	June 30, 2008
Future income tax liabilities		
Mineral property interests in excess of tax value	\$ (980,400)	\$ (869,800)
Property, plant and equipment in excess of tax value	(90,300)	-
	(1,070,700)	\$ (869,800)
Future income tax assets		
Property, plant, and equipment in deficiency of tax value	-	17,600
Asset retirement obligation in excess of tax value	300,500	21,500
Share issuance cost carry forwards	744,400	211,700
Loss carry forwards	1,382,200	726,800
	2,427,100	977,600
Valuation allowance	(2,070,400)	(830,800)
Net future income tax assets	347,700	146,800
Net future income tax liabilities	\$ (723,000)	\$ (723,000)

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

14. Income Tax (continued)

At June 30, 2009, the Company's losses for Malaysian tax purposes are approximately \$907,600 (Malaysian Ringgit 4,538,000), that may be carried forward to apply against future income for Malaysian tax purposes. These losses do not expire.

At June 30, 2009, the Company has non-capital losses available for carry-forward for tax purposes that are available to reduce taxable income of future years in Canada of \$4,817,100. The losses expire as follows:

	Total
2010	\$ 10,700
2014	19,300
2025	50,900
2026	180,600
2027	1,186,900
2028	861,300
2029	2,507,400
	<u>\$ 4,817,100</u>

The future benefit of future income tax assets have not been recorded in these consolidated financial statements to the extent that the Company estimates that these assets, more likely than not, will not be realized.

15. Commitments

	2010	2011	2012	2013	2014	Total
Office lease	\$ 67,285	\$ 68,495	\$ 69,705	\$ 35,220	\$ 4,365	\$ 245,070
Mineral property fees	58,005	57,828	44,821	-	-	160,654
Capital leases	18,032	18,032	18,032	18,032	16,023	88,151
Construction - Selinsing	4,966,692	-	-	-	-	4,966,692
	<u>\$ 5,110,014</u>	<u>\$ 144,355</u>	<u>\$ 132,558</u>	<u>\$ 53,252</u>	<u>\$ 20,388</u>	<u>\$ 5,460,567</u>

16. Other Income (Expenses)

	2009	2008
Foreign currency exchange loss	\$ (291,666)	\$ (68,555)
Changes in fair value of forward contracts	(61,245)	-
Interest income	311,591	109,955
Total	<u>\$ (41,320)</u>	<u>\$ 41,400</u>

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

17. Supplemental Cash Flow Information

	June 30, 2009	June 30, 2008
Supplemental information		
Non cash financing and investing activities		
Stock based options charged to mineral property interests	\$ 338,225	\$ 138,312
Stock based options charged to construction in progress	\$ 136,378	\$ -
Deferred financing costs included in accounts payable	\$ -	\$ 2,893,281
Amortization charged to mineral property interests	\$ 41,322	\$ 19,936
Amortization charged to construction in progress	\$ 5,008	\$ -
Mineral property costs included in accounts payable	\$ 255,338	\$ 463,052
Property, plant and equipment costs included in accounts payable	\$ 1,217,799	\$ 200,738
Shares issued pursuant to acquisition of equipment	\$ 3,250,001	\$ -
Increase in asset retirement obligations related to mineral property interests	\$ 1,160,394	\$ 107,537
Increase in asset retirement obligations related to property, plant and equipment	\$ 234,378	\$ -
Amortization of discount on debenture payable included in mineral property interests	\$ -	\$ 784,558

18. Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern so that it can continue to provide returns for shareholders, and to have sufficient funds on hand to pursue the development of its mineral properties, and to maintain a flexible capital structure which optimizes the costs of capital at an acceptable risk.

The Company includes the components of shareholders' equity and credit facilities as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may issue equity, issue new debt or acquire or dispose of assets.

In order to facilitate the management of its capital requirements, the Company prepares annual expenditure budgets that are updated as necessary depending on various factors, including successful capital deployment and general industry conditions. The annual and updated budgets are approved by the Company's Board of Directors.

The Company's investment policy is to invest its cash in highly liquid short-term interest-bearing investments with maturities of 120 days or less from the original date of acquisition, selected with regards to the expected timing of expenditures from continuing operations.

There were no changes to the Company's approach to capital management during the year ended June 30, 2009.

MONUMENT MINING LIMITED

Notes to Consolidated Financial Statements
For the year ended June 30, 2009 and 2008

19. Segment Disclosures

The Company's one reportable operating segment is the exploration and development of mineral property interests, which occur entirely in Malaysia. Geographic information is as follows:

	June 30, 2009	June 30, 2008
Canada	\$ 5,421,497	\$ 10,445,577
Malaysia	57,680,038	44,478,000
	\$ 63,101,535	\$ 54,923,577

20. Subsequent Events

Share Capital

On September 25, 2009, the Company issued 475,000 Monument shares at \$0.28 per share to settle a debt owing to Avocet Mining PLC in the amount of \$134,048. Avocet currently holds 15.1% of Monument shares.

Stock Option

Subsequent to June 30, 2009, the Company granted 800,000 stock options to its consultants exercisable at \$0.30. The newly granted stock options have a life of three years from date of grant over two years vesting period. As a result of this grant and prior grants, a total of 20,176,000 stock options have been granted and 1,650,000 shares are available for grant under the 2009 Plan.

1.1 Date

The following management discussion and analysis of Monument Mining Limited ("Monument" or the "Company") as of September 28, 2009 should be read in conjunction with the audited consolidated financial statements for the year ended June 30, 2009 ("fiscal 2009") and related notes included therein, which have been prepared in accordance with generally accepted accounting principles in Canada (Canadian GAAP).

All amounts following are expressed in Canadian dollars unless otherwise indicated. Additional information relating to the Company's activities may be found on the Company's web page at www.monumentmining.com and at www.sedar.com.

Forward Looking Statements

Statements contained herein that are not based on historical fact, including without limitation statements containing the words "believes", "plan", "will", "estimates", "intends", "expects", and similar expressions, constitute "forward-looking" statements. Such forward-looking statements involve known and unknown risk, uncertainties and other facts that may cause the actual results, events or developments to be materially different from any future results, events or developments expressed or implied by such forward-looking statements. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements described in the Company's public filings with securities regulatory authorities.

1.2 Overview

Monument, listed on TSX-V ("MMY"), FSE ("D7Q1"), is a resource company engaged in exploration and development of gold mineral properties. It also advances its projects from exploration and development to production. The Company's head office is located in Vancouver, BC, Canada. It operates through its subsidiaries in Pahang State, Malaysia.

The Company's primary gold properties - Selinsing Gold Project ("Selinsing") and Buffalo Reef Prospect ("Buffalo Reef") - are located in the Central Gold Belt of Western Malaysia. Both properties hold gold resources with opportunity for extension and lie in the same district as the operating Penjom Mine and Raub Gold Mine, which each host more than one million ounces in gold resources. The Company is focused on the commercial development of Selinsing Gold Mine Project, exploring potential gold mineral resources on Buffalo Reef Prospect and expansion of a prospective land position in Malaysia.

On July 21, 2008, subsequent to acquisition of its primary gold mineral properties and further development of those properties during the previous one and a half years, the Company closed a \$38 million financing comprising \$28M through a private placement and a \$10 million credit facility secured by a Convertible Debenture. This allowed the Company to make a strategic move towards construction of a gold treatment plant on its Selinsing Project to place the Selinsing Property into commercial production; The Company also focused on increasing the gold resources through exploration activities carried out on the Buffalo Reef prospect.

Selinsing Gold Project was undertaking gold treatment plant construction during fiscal 2009. On October 31, 2008, the Company announced that with receipt of government approval to construct the 1,200 tpd gold treatment plant, the Board of Directors resolved to place its 100% Selinsing Gold Project ("Selinsing") into commercial production. Concurrently, the Board approved a CDN\$17.0 Million construction and development budget targeting full production in Q4 calendar 2009.

During the second quarter of fiscal 2009, delivery of the \$10 million credit facility was defaulted on by the lenders due to the global recession and credit restrictions. To overcome financing shortfalls, the Company announced a proposal for an Amended Gold Production Plan in December 2008. The Amended Gold Production Plan was finalized in February 2009 under which construction of the 1,200 tpd Gold Treatment Plant was re-engineered into two stages: Phase I Gravity Plant and Phase II CIL (carbon in leach) Plant. The Phase I Gravity Plant was scheduled to be commissioned in August 2009 at an estimated total cost of \$10 million funded internally. The commencement of production of the gravity plant was planned for September. Cash generated from gold sales will be used to fund continuing construction of the CIL Plant at an estimated cost of \$7 million with commissioning anticipated in December 2009. As at June 30, 2009, an aggregate \$7 million was spent on the gravity plant construction, mine site buildings and other facilities.

In early July, 2009, subsequent to the year-end, open-pit mining commenced at Selinsing Gold Project upon receipt of a mining permit from the Malaysian authorities. In late August, 2009, a controlled and staged commissioning of the Gravity Plant started through the use of its portable generator sets. Thereafter electrical power was connected by Tenaga Nasional Berhad ("TNB"), the Government owned hydro power supplier, to the sub-station at the Selinsing Gold Project.

As at June 30, 2009, a total of \$142,000 was prepaid to suppliers to secure equipment for Phase II, CIL circuit construction. Civil work and CIL tank foundation have been initiated in parallel with Phase I construction in the third quarter of fiscal 2009. Phase II construction is on schedule and it is expected that the entire plant will be fully commissioned by the end of December 2009.

Buffalo Reef Prospect completed its Phase I and Phase II exploration programs in the first quarter of fiscal 2009 except for the 1,400 meters of diamond drilling. There was no significant work conducted thereafter primarily due to failure of delivery of \$10 million credit facility. A 3,200m diamond drilling program has been put on hold temporarily and will be initiated upon receipt of further funding for the exploration program.

1.2.1 Property Agreements

Acquisition of Selinsing Gold Project

On June 25, 2007, through its wholly-owned Malaysian subsidiary, Polar Potential Sdn. Bhd., the Company acquired 100% of Selinsing Gold Property including two mining concessions from Wira Mas Trust (the "Vendor"), together with 100% interest of Able Return Sdn. Bhd., the former Trustee of Wira Mas Trust, a Malaysian company holding Malaysian Pioneer status which among other benefits provides a 5-year tax break. The property is located in Pahang State, Malaysia. The total acquisition cost of \$29,195,241 was comprised of \$3,500,000 cash, a promissory note of \$9,000,000 fair valued at \$8,181,818, the issuance of 31,400,009 fully paid treasury shares at an ascribed value of \$0.50 per share and 5,000,000 share purchase warrants.

Acquisition of Damar Consolidated Exploration Sdn. Bhd.

Concurrently with acquisition of Selinsing Gold Project, the Company acquired 100% of the shares of Damar Consolidated Exploration Sdn. Bhd. ("Damar"), a company incorporated under the Law of Malaysia, from Avocet Mining PLC ("Avocet"), the parent company of Damar located in London, United Kingdom; thereby effectively acquiring the Buffalo Reef property, which is contiguous and continuous with the Selinsing Gold Project for approximately 4.2 kilometers along the regional gold trend. A total of \$1,750,000 cash, 15,000,000 fully paid treasury shares at \$0.50 per share and 7,500,000 share purchase warrants was paid as consideration to acquire 100% of the Damar shares and an Avocet promissory note payable of \$1,722,868 (RM5,573,824).

A Letter of Intent to Acquire an Additional Exploration Land Package

On January 14, 2008, the Company signed a Letter Of Intent ("LOI") with Famehub Venture Sdn Bhd. ("Famehub") to acquire an additional exploration land package adjacent to and nearby its present Selinsing Gold Project and adjoining exploration target Buffalo Reef. Pursuant to the LOI, Famehub has agreed to sell and Monument has agreed to purchase a land package of approximately 32,000 acres of prospective exploration land and associated data base. This land is located to the east of Selinsing's Gold Project and Buffalo Reef exploration property, commencing approximately 500 meters from the existing ground held under the above two project's eastern boundaries.

This land package and data-base acquisition consolidates the area holdings. The land acquisition advances the current exploration program by joining the Selinsing Gold Project and Buffalo Reef Property with the potential for additional exploration success to the east. The acquisition provides significant potential value to shareholders by building on the knowledge in the immediate surrounding area of Selinsing and Buffalo Reef. Approximately AUD\$40.0 M of past expenditure on exploration programs, acquisition and an exploration data-base created by predecessors was also acquired in the price.

The consideration is comprised of CAD\$1,500,000 cash and 7,000,000 fully paid shares in Monument and 3,500,000 share purchase warrants exercisable at \$1.00 for two years from the date of issuance. A \$50,000 deposit was paid down to secure the transaction.

The LOI forms a base of a legal binding agreement which will be prepared by a jointly agreed legal counsel. The final close of the transaction will be subject to approval of the Pahang State Executive Council in Malaysia.

1.2.2 Projects Update

Selinsing Gold Project

The Selinsing Gold Project ("Selinsing Project") is located at Bukit Selinsing near Sungai Koyan, approximately 65 km north of Raub and 40 km west of Kuala Lipis on the lineament known as the Raub Bentong Suture, at approximately 04015'00"N latitude, 101047'10"E longitude.

The resource of Selinsing Gold Project is comprised of an indicated mineral resource of 3,630,000 tonnes at 1.76 gpt, using a cutoff of 0.75 gpt for contained ounces of 205,000 ounces of gold, and an inferred mineral resource of 7,690,000 tonnes at a grade of 1.34 gpt for contained ounces of 330,000 ounces of gold at a similar cutoff grade. It is a near surface open pitable resource that metallurgical test work indicates will allow recovery of between 92% and 95%.

During fiscal 2009 the Selinsing Project focused on a 1,200 ptd gold treatment plant ("Gold Plant") construction and mine site development. Primary activities included infrastructure development, engineering design, Gravity Plant construction, tailing storage facilities development, open pit development and site buildings construction. The construction variance report shows the Gold Plant project is expected on time and on budget.

Gold Plant Construction

During fiscal 2009, three major pre-qualified local Malaysian companies, among other contractors, were awarded to undertake construction work at Selinsing Project: Globeford Sdn. Bhd. ("Globeford"), Seong Heng Engineering Work Sdn. Bhd. ("SHEW")

and Bun Foong Sdn. Bhd. ("BFSB"). Globeford is engaged to design, fabricate and install the material handling system for the crushing plant and its components; SHEW was selected as a civil & structural contractor and BFSB was designated as electrical contractor respectively.

By the end of fiscal 2009, 40% of the construction work was completed at a total cost of C\$6.2 million, which resulted mainly from a 68% completion in preliminary work, a 87% completion in Engineering Design, a 90% completion in Earth work and Infrastructure, a 71% completion of crusher installation, a 74% completion in Ball Mill Refurbishing and Installation, a 27% completion of gravity recovery and cyclone tower, and a 100% completion in the TNB Hydro Power Sub-station Building.

Administrative facilities and other Infrastructure

Administrative facilities and other infrastructure include the office buildings, staff quarters, canteen, laboratory and warehouse. The administrative building, the staff quarter and the plant site office were completed as at June 30, 2009 with total cost of \$611,000, in line with the budget. In August 2009, subsequent to the year end, the canteen and laboratory have been completed and put in use. The upgrading of existing mine office and pump station was initiated at the end of fiscal 2009.

Environmental Impact Study, Permits

The Company takes an integrated and preventive approach in regard of environmental management with strong focus on self enforcement and surveillance capability. During fiscal 2009, the Company completed a preliminary environmental impact assessment program costing \$26,496. As a result, an "Environmental Impact Assessment Report" ("EIA" report) was submitted to and approved by the Department of Environment, Pahang, Malaysia. Consequently, the Company obtained a permit to construct and develop the gold treatment plant and related infrastructure. The Company has also obtained a conditional permit to mine.

Safety, Health, Training and Community Relation

The Company through its operating subsidiaries has reviewed certain operating control processes including security control, safety and health management and community relation management. The Safety Management Plan, Environmental Management Plan and Community Relation Management Plan were drafted and submitted to the senior management for review. The authorization matrix was approved by the board of directors.

Buffalo Reef Prospect

Through Damar, the Company holds 100% of Buffalo Reef Prospect consisting of two contiguous tenements approximately 2,050 acres in size in Pahang State of Malaysia and extending the total contiguous and continuous land position northward from and including the Selinsing Gold Mine Project for approximately 4.2 kilometres along the gold trend.

As part of the due diligence program prior to the closing of the acquisition of Damar, the Company commissioned the preparation of a NI 43-101 report on the Damar Buffalo Reef Prospect. The report concluded there was a historic resource which was not NI 43-101 compliant.

Up to the first quarter of fiscal 2009 through fiscal 2008, the Company completed two drilling programs for 11,871 meters of reverse circulation drilling ("RC drilling") with 1,400 meters of diamond drilling pending at the South, Central and Northern Zone of Buffalo Reef. The assay results were announced by the Company through a series of news releases with positive outlook

confirming historic drill results (refer to www.sedar.com). These adjacent mineral exploration programs, if successful, are expected to result in an increase in economic benefit for the planned mine development at Selinsing by adding potential resources within economic haulage distance of the Selinsing Gold Project.

During fiscal 2009, 3,131 meters RC drilling was completed for \$148,000. A total 7,030 samples from two drilling programs were assayed costing \$117,000. \$125,000 spent on metallurgical test and survey during the year due to property investigation, of which \$23,000 was spent under the collaboration program with a group of geologists from local and overseas universities to understand the regional mineralization. The outcome of the study will be used to assist in planning future drilling program and identify further drill targets.

The diamond drilling work included in Phase I program has not commenced due to financial constraints. The Company plans to study all of the results to date and, in conjunction with the proposed 3,200 meters of diamond program designed by Snowden Mining Industry Consultants ("Snowden"), to test the potential extension of these results at depth. The continuous work is toward being able to produce a NI43-101 compliant report on mineral resources for the Buffalo Reef Prospect. A metallurgical assessment is also planned to be conducted concurrently on fresh samples retrieved from this deeper drill program. The diamond drilling program was scheduled to commence in the second quarter but was put on hold temporarily as a result of failure by the lender to proceed with the \$10 million credit facility.

1.3 Selected Annual Financial Information

The consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles, and are expressed in Canadian dollars except common shares outstanding.

BALANCE SHEET	Year Ended June 30, 2009	Year Ended June 30, 2008
Current assets	\$ 6,263,962	\$ 7,491,928
Other assets	56,837,573	47,431,649
Total assets	63,101,535	54,923,577
Current liabilities	2,110,014	3,771,936
Other liabilities	2,288,102	830,537
Shareholders' equity	58,703,419	50,321,104
Total shareholders' liabilities and equity	63,101,535	54,923,577
Working capital	\$ 4,153,948	\$ 3,719,992

OPERATIONS	June 30, 2009	June 30, 2008
General and administrative expenses	\$ (3,442,973)	\$ (3,141,977)
Amortization	(13,624)	(10,516)
Other earnings (expenses)	(41,320)	41,400
Earnings (loss) from continued operations	(3,497,917)	(3,111,093)
Current income tax	(1,033)	-
Future income tax recovery	-	225,800
Net loss for the period	\$ (3,498,950)	\$ (2,885,293)
Basic and diluted loss per share	\$ (0.02)	\$ (0.04)
Weighted average number of common shares outstanding	150,492,713	77,394,302

1.4 Result of Operations

	Three Months ended June 30		Year ended June 30	
	2009	2008	2009	2008
Net loss for the period before taxes	\$ (989,033)	\$ (525,384)	\$ (3,497,917)	\$ (3,111,093)
Net loss for the period	\$ (990,066)	\$ (299,584)	\$ (3,498,950)	\$ (2,885,293)
Earnings (loss) per share	(0.01)	(0.00)	(0.02)	(0.04)
Weighted average number of common shares	155,640,028	77,395,025	150,492,713	77,394,302

The result from the operations for fiscal 2009 showed a net loss of \$ 3,497,917 before income taxes as compared to a net loss of \$3,111,093 for the year ended June 30, 2008 ("fiscal 2008"). An increase of \$386,824 in losses reflects higher level of general and administrative activities at the near production stage.

The operations expenses of \$3,456,597 for fiscal 2009 (2008 - \$3,152,493) are comprised of salaries, office and administration, legal and accounting, shareholder communications, conference and travel, regulatory compliance and stock-based compensation. Excluding stock-based compensation expenses of \$1,416,204 (2008 - \$1,458,240), the Company incurred operating expenses of \$2,040,393 compared to operation expenses of \$1,694,253 for fiscal 2008.

General and administration expenses totaling \$1,168,403 (2008 - \$818,483) was comprised of salary expenses of \$665,956 (2008 - \$462,143), financial and management consulting service \$206,953 (2008 - \$213,610), and office rent, office services and others of \$295,494 (2008 - \$142,730) including financing charge of \$90,386 that was written off to earnings due to default of \$10 million credit facilities. The total general and administrative expenses were increased by \$349,920 compared to fiscal 2008 attributed mainly to salaries for new hiring, salary rate adjustment and director's fees.

Shareholder communications, conference and travel expenses totaled \$532,120; a decrease by \$90,318 reflecting budget cuts implemented as a result of the global recession. The regulatory and filing expense was \$46,160 compared to \$33,965 in fiscal

2008. Legal, accounting and audit expenses were \$280,086 compared to \$208,850; an increase by \$71,236 reflected the additional legal costs related to a number of construction service contracts awarded to suppliers, legal action against Sim Tze Chui AKA Jyn Tze Baker et al. ("the Defendants") for defamation, and the additional fees charged for the last fiscal year's audit not budgeted.

During fiscal 2009, the Company granted 18,306,000 share purchase options (2008 - 4,670,000) to its directors, officers, employees and consultants, a fair value of stock-compensation estimate using a Black-Sholes pricing model totaled \$1,890,837 (2008 - \$1,596,552) was credited to contributed surplus, of which \$1,416,204 (2008 - \$1,458,240) was debited to operations, \$474,633 (2008 - \$138,312) was debited to deferred mineral exploration and development cost.

During fiscal 2009, the Company received \$311,591 (2008 - \$109,955) interest income generated from a cash balance due to cash proceeds received from the private placement at the beginning of the year. In the meantime, the Company incurred a foreign exchange loss of \$285,111 compared to \$68,555 in the same period last year due to decline in Canadian dollar compared to Malaysian Ringgit. During the year, the Company set up a series of forward foreign exchange contracts and the change in the fair value of the contracts of \$61,245 were charged to the operations.

1.5 Summary of Quarterly Results

The following is selected quarterly financial information about the Company, for its most recent eight quarters:

	Jun. 30, 2007	Sep. 30, 2007⁽¹⁾	Dec. 31, 2007	Mar. 31, 2008	Jun. 30, 2008	Sep. 30, 2008	Dec. 31, 2008	Mar. 31, 2009	Jun. 30, 2009
From Continued Operations	\$	\$	\$	\$	\$	\$	\$	\$	\$
Net loss	(73,477)	1,615,219	376,614	593,876	299,584	848,652	902,217	758.015	990.066
Loss per share	(0.01)	0.02	0.00	0.01	0.01	0.01	0.01	0.00	0.01
From discontinued operations for sale									
Revenue	324,487	—	—	—	—	—	—	—	—
Net loss	(62,239)	—	—	—	—	—	—	—	—
Loss per share	(0.01)	—	—	—	—	—	—	—	—

(1) Increase of net loss in quarter ended September 20, 2007 is due to stock based compensation expenses were charged to operations.

(2) Increase in quarterly net loss from fiscal 2008 to date was primarily due to the change of business type from medical research to mineral exploration and mine development, and increased stock-based compensation expenses charged to operations resulted from stock purchase options granted over these periods.

1.6 Liquidity and Financial Condition

The Company's principal cash requirements are working capital used for business development, general administration, property maintenance and development, the gold treatment plant construction at Selinsing and exploration at Buffalo Reef.

The Company's cash balance as at June 30, 2009 was \$6,182,602, decreased by \$1,163,964 from \$7,346,566 as at June 30, 2008. During fiscal 2009, \$1,750,272 was used in operations; \$8,691,447 was invested into exploration programs, mineral property development and the construction of the gold treatment plant; a net \$9,277,755 was generated from the private placement closed on July 21, 2008, comprised of \$12,185,000 cash receipt from the balance of the \$28,048,000 subscriptions, offset by share issuance costs of \$2,907,245; and \$76,843 was financed from third parties under capital leasing.

During fiscal 2009, the Company expended \$1,750,272 in operating activities compared to \$1,642,337 in fiscal 2008. Funds allocated to non-cash working capital in fiscal 2009 were \$328,953 compared to \$629,873 in fiscal 2008.

During fiscal 2009, the total cash invested in mineral property maintenance and development, construction activities was increased to \$8,768,290 compared to \$1,743,446 primarily due to cash consumed by constructing of the gravity plant and mine infrastructure development and other pre-production cost.

The Company's working capital as at June 30, 2009 was \$4,153,948 compared to \$3,719,992 as at June 30, 2008, increased by \$433,956 mainly due to cash receipt upon completion of the \$28,048,000 financing during the first quarter of fiscal 2009, partially offset by funding construction and mineral properties, and pre-payment to secure construction service contracts.

During fiscal 2009, shareholders' equity has increased by \$8,382,315 attributed to \$12,527,756 from share issuance, \$1,890,837 from granting stock purchase options, offset by a deficit of \$3,498,950 resulting from operations and an additional shareholder's deficit of \$2,537,328 reflecting the difference between the purchase price and the vendor's book value of the ball mill. As the fair value of the ball mill cannot be obtained from the market for this non-arms length transaction, \$2,537,328 was written off to retained earnings.

1.7 Capital Resources

The Company's capital resources as at June 30, 2009 included cash and cash equivalents. The Company's primary sources of funding are through equity financing by issuance of its stocks and debt financing, or both.

(a) Private placement

On July 21, 2008, the Company closed a private placement for total gross proceeds of \$28,048,000 by issuing 70,120,000 units at \$0.40 per unit, each unit comprising one fully paid share and one common share purchase warrant entitling the investor to purchase one additional common share of the Issuer at \$0.50 per share for a three-year term from closing. Costs of the financing include a 10% agent fee in the amount of \$2,804,800 and other associated legal and filing fees of \$79,389.

The funds were raised to construct a 1200 tpd CIL treatment plant with a gold production capacity of up to 40,000 ounces per year, to commence development of the open cut gold project, acquire two reverse circulation/diamond drill rigs in order to continue and expand its exploration program on Damar's Buffalo Reef property which is adjacent to the Company's Selinsing Gold Mine Project and elsewhere. The funds will also be used for other general working capital purposes.

(b) Convertible credit facility

Concurrently with the equity financing, the Company entered into a convertible credit facility for up to \$10.0 million.

The Company served a Drawdown Notice (the "Notice") to the Lenders after complying with all of the terms of the Convertible Debenture. The Notice required the Lenders to provide the \$10.0 M on or by the December 12, 2008. Monument received a letter from the Lenders on December 3, 2008 advising that due to market conditions and the global credit melt down the Lenders would be unable to provide the funding.

(c) Ball Mill Purchase

On August 19, 2008, upon TSX Venture Exchange's acceptance of the Ball Mill Purchase Agreement between the Company and Avocet Mining PLC ("Avocet"), the Company purchased a 1.0 million tons per year capacity ball mill from Avocet. Consideration of \$3,250,001 for the mill was paid by the issuance of 8,125,003 units at \$0.40 per unit, at the same price and the same terms as the private placement disclosed above, with each unit representing one share and one share purchase warrant exercisable at \$0.50 for three years from date of issuance. The cost to close the transaction was \$23,055. Avocet is a greater than 10% shareholder of the Company.

(d) Contractual Obligations

As at June 30, 2009, the Company has aggregate commitment totaled \$5.1 million, including capital leases, office rent, mineral property fees and construction contracts as follows:

	2010	2011	2012	2013	2014	Total
Office lease	\$ 67,285	\$ 68,495	\$ 69,705	\$ 35,220	\$ 4,365	\$ 245,070
Mineral property fees	58,005	57,828	44,821	-	-	160,654
Capital leases	18,032	18,032	18,032	18,032	16,023	88,151
Construction - Selinsing	4,966,692	-	-	-	-	4,966,692
	\$ 5,110,014	\$ 144,355	\$ 132,558	\$ 53,252	\$ 20,388	\$ 5,460,567

1.8 Off Balance Sheet Arrangements

Not applicable.

1.9 Transactions with Related Parties

Refer to note 13 of the Consolidated Financial Statements.

1.10 Fourth Quarter

The result from the operations for the fourth quarter ended June 30, 2009 showed a net loss of \$989,033 before income taxes as compared to a net loss of \$525,384 for the fourth quarter ended June 30, 2008. An increase of \$463,649 in losses reflects higher level of general and administrative activities at the near production stage.

The operations expenses of \$738,608 for the fourth quarter of fiscal 2009 are comprised of salaries, office and administration, legal and accounting, shareholder communications, conference and travel, regulatory compliance and stock-based

compensation. Excluding stock-based compensation expenses of \$244,930 (2008 - \$79,640), the Company incurred operating expenses of \$493,678 in line with operation expenses of \$501,283 for the same quarter of fiscal 2008.

General and administration expended \$353,993 in the fourth quarter of fiscal 2009 compared to \$261,872 in the same quarter of last year, an increase in \$92,121 was primarily due to additional human resources hired in the head office. Shareholder communications and travel expended totaled \$89,965 in the fourth quarter of this year compared to \$156,348 in the same quarter of the last year, a decrease by \$66,383 reflected budget cut from the global recession. The regulatory and filing expense was \$3,353 in the fourth quarter of fiscal 2009 compared to \$5,805 in the same quarter of fiscal 2008. Legal, accounting and audit expenses were \$42,961 in the fourth quarter of this year compared to \$77,257 in the same quarter of fiscal 2008, decreased by \$4,296 due to timing.

No share purchase options granted in the fourth quarter for fiscal 2009 and 2008. Stock-based compensation expended \$244,930 in the fourth quarter of fiscal 2009 compared to \$79,640 in the same quarter of fiscal 2008 reflected an increased cost to the Company due to a number of new stock options granted this year to its directors, officers, employees and consultants.

During the fourth quarter of fiscal 2009, the Company received \$35,633 interest income compared to \$25,539 in the same quarter of fiscal 2008.

1.11 Proposed Transactions

None.

1.12 Critical Accounting Estimates

Refer to note 2(b) of the Consolidated Financial Statements.

1.13 Changes in Accounting Policies including Initial Adoption

Refer to note 3 of the Consolidated Financial Statements.

1.14 Financial Instruments and Other instruments

Refer to note 5 of the Consolidated Financial Statements.

1.15 Outstanding Share Data

The following details the share capital structure as at September 28, 2009, the date of this MD&A. These figures may be subject to minor accounting adjustments prior to presentation in future consolidated financial statements.

	Remaining life / Expiry date	Exercise price	Number of securities	Total
Common shares				156,115,028
Stock options				
	July 5, 2012	\$0.50	3,300,000	
	February 18, 2011	\$0.58	70,000	
	August 15, 2013	\$0.40	13,390,000	
	December 5, 2012	\$0.50	400,000	
	December 5, 2013	\$0.40	230,000	
	December 5, 2013	\$0.25	1,736,000	
	February 9, 2014	\$0.25	550,000	
	July 29, 2012	\$0.30	<u>800,000</u>	20,176,000
Warrants				
	July 21, 2011	\$0.50	70,120,000	
	August 19, 2013	\$0.50	<u>8,125,003</u>	78,245,003

On September 25, 2009, the Company issued 475,000 Monument shares at \$0.28 per share to settle a debt owing to Avocet Mining PLC in the amount of \$134,048, Avocet holds 15.1% of Monument shares.

1.16 Risks and Uncertainties

Monument Mining Limited is an exploration and development company which looks 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 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, as well as metal prices which are highly cyclical and government regulations, 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 no producing mines and has no source of operating cash flow other than through debt and/or equity financing. Any further significant work would likely require additional equity or debt financing. The Company has very limited financial resources and there is no assurance that additional funding will be available to allow the Company to proceed with any plans for exploration and development of its mineral properties.

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

(a) 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 unregistered prior agreements or transfers and title may be affected by undetected defect. To the best of the Company's knowledge, title to its property is in good standing.

(b) 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.

(c) 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.

(d) Reserves and resource estimates

There is a degree of uncertainty attributable to the calculation of reserves and resources and the corresponding grades. Reserve and resource estimates are dependent partially on statistical 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 may require the Company to reduce its estimates.

1.17 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.

An evaluation of the effectiveness of the design and operation of disclosure controls and procedures was conducted as of June 30, 2009, by and under the supervision of the CEO and CFO. Based on this evaluation, the CEO and CFO have concluded that the disclosure controls and procedures, as defined in Canada by Multilateral Instrument 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings are effective to ensure that (i) information required to be disclosed in reports that are filed or submitted under Canadian securities legislation and the Exchange Act is recorded, processed, summarized and reported within the time periods specified in those rules and forms; and (ii) material information relating to the Company is accumulated and communicated to the Company's management, including the CEO and CFO, or persons performing similar functions.

Internal Controls over Financial Reporting

Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with Canadian GAAP. Management is responsible for establishing and maintaining adequate internal controls over financial reporting for the Company.

The Company's management, including the CEO and CFO, has evaluated the effectiveness of the internal controls over financial reporting. Based on this reevaluation, management has concluded that internal controls over financial reporting were designed effectively as of June 30, 2009.

As a result of this review it was determined that there were no changes in internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the internal controls over financial reporting, except the internal control has been extended to include the subsidiaries located in Malaysia. During fiscal year 2009, the Company established further control as to authorization matrix approved by the board of directors at its subsidiaries.

While the Company's CEO and CFO believe that the Company's internal controls over financial reporting provide a reasonable level of assurance that they are effective, they do not expect that the Company's disclosure controls and procedures or internal control over financial reporting will prevent all errors and fraud. A control system, no matter how well conceived or operated, can only provide reasonable, not absolute, assurance that the objectives of the control system are met.

CORPORATE INFORMATION

Officers and Management Team

Robert Baldock, CA (M), FCPA, FIMC
President & CEO

Cathy Zhai, B.Sc., CGA
CFO & Corporate Secretary
Vice President, Corporate Finance

Zaidi Harun,
Vice President, Exploration

Kevin J. Wright, ACSM
General Manager, Mine Manager

Mike Kitney, M.Sc., (Met.) AusIMM
Project Manager

John Barton, B.Sc., (Eng.) ARSM, NAusIMM
Project Engineer

Gerald Ruth, CA
Capital Markets and Financial Adviser

Mike Andrew, B.Sc., (Geol) MAusIMM
Technical and Project Support

Corporate Headquarters

Suite 490, 688 West Hastings Street
Vancouver, British Columbia V6B 1P1 Canada
Tel. 604.638.1661 Fax. 604.638.1663
E-mail. info@monumentmining.com
Website. www.monumentmining.com

Stock Listing

TSX Venture Exchange, Symbol: MMY
Frankfurt Stock Exchange, Symbol: D7Q1

Directors

Robert Baldock
Vancouver, British Columbia

Carl Nissen
Chilliwack, British Columbia

Adam Bradley
Waroona, Western Australia

Zaidi Harun
Kuala Lipis, Malaysia

George Brazier
Vancouver, British Columbia

Graham Dickson
Vancouver, British Columbia

Auditors

Smythe Ratcliffe LLP, Chartered Accountants
Vancouver, British Columbia

Bankers

Bank of Montreal
Vancouver, British Columbia

Legal Counsel

DuMoulin Black LLP
Vancouver, British Columbia

Registrar and Transfer Agent

Computershare Trust Company of Canada
Vancouver, British Columbia

INVESTOR RELATION INFORMATION

Vancouver

Richard Cushing, Manager, Investor Relations
Suite 490, 688 West Hastings Street
Vancouver, British Columbia V6B 1P1 Canada
Tel. 604.638.1661 Fax. 604.638.1663
E-mail. info@monumentmining.com
Website. www.monumentmining.com

Europe

Wolfgang Seybold, President & CEO, Axino, AG
Königstraße 26, 70173 Stuttgart, Germany
Tel. +49.711.25 35 92.40
Fax. +49.711.25 35 92.55
E-mail. wolfgang.seybold@axino.de
Website. www.axino.de

Suite 490-688
West Hastings Street
Vancouver, BC
V6B 1P1 Canada



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