



## Monument Agrees to Acquire a 70% interest in the Mengapur Polymetallic Project in Malaysia

Vancouver, B.C. Monument Mining Limited (TSX-V: MMY and FSE: D7Q1) “Monument” or the “Company” today announces that the Company, through its wholly owned subsidiary Monument Mengapur Sdn. Bhd. (formerly “Orifer Asia Sdn. Bhd.”) in Malaysia, has entered into a binding Memorandum of Understanding (the “MOU”) with Malaco Mining Sdn. Bhd (“Malaco”) and Malaco’s wholly owned subsidiary Cermat Aman Sdn. Bhd.(“CASB”), both incorporated in Malaysia, to acquire the Mengapur Polymetallic Project (the “Mengapur Project” or the “Project”) located in Pahang State, Malaysia. The acquisition remains subject to due diligence, updating of historical resource and reserve estimates, signing of a Definitive Sale and Purchase Agreement, financing, board and regulatory approvals and other conditions. Upon completion of the acquisition, Monument would hold a 70% pre-financing interest in the Project.

The Mengapur Project is located in Central Malaysia in the State of Pahang and was first discovered by a drilling program carried out by the Geological Survey of Malaysia. The Mengapur Project is located approximately 130 kilometers from Monument’s wholly owned Selinsing Gold Mine near Sri Java, 12 kilometers from a highway and 75 kilometers from the Malaysian port of Kuantan. Historical economic and resource estimates on the Mengapur Project were completed and published as a “Definitive Feasibility Study” (the “Study”) in October 1990 by Normet Engineering Pty Ltd with James Askew Associates completing the ore reserve and resource estimates, both of Perth Western Australia.

The Study contains 10 volumes of comprehensive supporting documents which resulted from a 10 year, 58,000 meter diamond drilling program costing approximately US\$40 million. The exploration program was carried out by the Malaysian Mining Corporation (“MMC”), a Malaysian government owned corporation. The resource and reserve estimates reported in the Study are historic and are considered to provide an indication of the potential of the project based on historic assumptions used to modify the resource to a reserve, therefore should not be considered as Mineral Resources and Mineral Reserves as defined in the CIM guidelines.

The Study reported the historic estimates in the following tables at an equivalent Cu grade cut-off (EQV Cu) of 0.34% based on historic price and recovery assumptions, but it did not state whether the historic reserve estimate is inclusive or exclusive of the historic resource estimate:

Mengapur Project Historic estimates as at October 1990:

		Tonnes (Million t)	EQV Cu (%)	S (%)	Cu (%)	Au (g/t)	Ag (g/t)
Sulphide	Proven	26.467	0.803	9.20	0.31	0.25	2.46
	Probable	38.324	0.691	8.23	0.24	0.19	2.68
Total		64,800	0.737	8.67	0.27	0.21	2.59

		Tonnes (Million t)	EQV Cu (%)	S (%)	Cu (%)	Au (g/t)	Ag (g/t)
Oxide	Measured	4.866	0.419	0.00	0.47	0.05	27.82
	Indicated	16.406	0.557	0.00	0.64	0.12	26.45
Sub-total		21.272	0.525	0.00	0.60	0.10	26.76
Sulphide	Measured	63.438	0.661	7.622	0.25	0.18	3.30
	Indicated	130,699	0.579	7.040	0.19	0.13	3.85
Sub-total		203.137	0.605	7.222	0.21	0.15	3.68
TOTAL		224.409	0.597	6.54	0.25	0.46	8.86

Equivalent Cu % is based on the following assumptions:

Recoveries for Cu, Au, Ag, and S of 76.6 %, 47 %, 48% and 82 % respectively and commodity prices in US\$/kg of 1.37 Cu, 4,107 Au, 65 Ag and 0.09 S and a combined mining and process cost of US\$ 4.45/ tonne.

The Study stated in its resource section: “As this report forms part of a bankable document, the United States Securities and Exchange Commission (SEC) definitions and guidance on ore reserves and resources are used.” The Company considers the Study to be relevant as it will be further reviewed and upgraded as part of the due diligence program as noted below; however, it is an historic document completed prior to the introduction of National Instrument 43-101 (“NI 43-101”) standards and should not be relied upon. Monument is not treating the historical estimate as current mineral resources or mineral reserves as those terms are defined in NI 43-101. A qualified person has not done sufficient work to classify the historical estimates as current mineral resources or mineral reserves under NI 43-101.

The Study proposed construction of a process facility, roaster and supporting infrastructure and other supplemental processing facilities (together the “Plant Facilities”). According to the Study, the Plant Facilities were expected provide capacity for treatment of 2,500,000 tons per year for a mine life of 23 years. Other activities including further acquisitions and area exploration could further increase this mine life as the resource was found to be open in all directions. In addition, the Plant Facilities could also produce other by-products such as 600,000 tons of sulfuric acid or downstream products as indicated by the Study such as fertilizer for the Malaysian and other palm oil industry participants in neighboring South East Asian countries. Any economic data from the historic feasibility study is included in this news release only for background information. This data must be considered out of date and is not intended to suggest any current economic viability.

The consideration for acquiring the Mengapur Project will be comprised of a cash payment of US\$50,000,000 and the issuance of a share parcel equivalent to a 30% interest in Monument Mengapur Sdn. Bhd. In parallel with the acquisition, the Company has signed a Mandate with Deutsche Bank Global Mining Finance of London UK (“the Bank”) to assist in the funding of the acquisition and subsequent build out of the project and study the possibility of additional stock exchange listings in appropriate jurisdictions. The acquisition of the Mengapur Project will be an arm's length transaction.

In conjunction with the intended acquisition, the Company has approached Snowden Mining Industry Consultants Pty Ltd (“Snowden”) to undertake a critical review and update of the Study. Snowden will also produce an updated “Summary Report” within a three months period with updated metal prices and present cost information as a part of the due diligence process. As a part of this updated study, Snowden will review the resource and reserve estimates contained in the Study. The Bank has recently visited the Project as a part of their due diligence process and has agreed that Snowden can act for both the Company and the Bank to produce the updated Summary Report as a part of the Bank's due diligence process.

The acquisition is expected to complement the present gold production, exploration and other activities of the Company in Peninsular Malaysia. Monument presently has over 180 staff and workforce employed operating its Selinsing gold producing and exploration assets in Malaysia and plans to expand this workforce in the future to facilitate growth of the company.

President and CEO Robert Baldock stated “ “This is an open pit mining project and our Selinsing track record and in-country knowledge leads us to believe we have a good understanding of local operating conditions, cost structures, and Federal, State and local government requirements and social obligations. If the Company proceeds with the Project, it would bring substantial benefits to the Malaysian community as a whole through payment of government royalties and long term employment for potentially over 500 people once it is operating, plus significant ongoing purchase of goods, contract services and other community services requirements.

“Together with the upgrade to over 1,000,000 tons per year treatment rate and increasing gold production presently being undertaken at the Selinsing Gold Mine, its large and increasing exploration initiative, large land position and resulting product pipeline being developed, the Company will have a significant presence in Malaysia, producing precious and base metals as well as the potential for sale of other by products. This will diversify the Company against fluctuating metal prices over the long term while maintaining an increasing gold production profile and create a more robust long-term focused multi-listed producer”.

## **Background**

The Project was previously owned by MMC, a Malaysian Government owned company. MMC drilled 58,000 meters of core into the Project and over a 10 year period spent approximately US\$40.0 M in producing the economic and resource assessment. Normet Engineering Pty Ltd. Australia was engaged in the this assessment who in turn engaged James Askew and Associates from Perth, Western Australia to complete the ore reserves and resources section. The results were published in October 1990 named as “Definitive Feasibility Study” (the “Study”). The Study was comprehensive, including sections on capital and operating cost estimates, marketing, viability, economics and other important aspects of a bankable document.

In and around 1992, the Malaysian Government decided to leave the mining industry and become a diversified engineering group in the oil and gas and general consulting, contracting area. The Project was subsequently acquired by Malaco through its wholly owned subsidiary CASB, the present vendor to Monument’s wholly owned Malaysian subsidiary.

Monument’s CFO and VP, Corporate Finance Cathy Zhai advised “Monument has been in discussions and studying this opportunity for much of the last year and has been upgrading its administrative capacity to be able to meet the internal and market requirements of a multi-jurisdiction listed company. At the same time, the Company has been increasing its technical depth both in-house and in terms of outside consulting arrangements in order to undertake this large project.”

Michael Andrew, Geol, MAusIMM at Snowden, is the qualified person who has, on behalf of the Company, reviewed the technical information summarized in this news release.

## **About Monument Mining Limited**

Canadian based Monument Mining Limited has two wholly-owned principal properties: Selinsing Gold Mine Project (“**Selinsing**”); and Damar Buffalo Reef Prospect (“**Buffalo Reef**”); which are located in Pahang State in the Central Gold Belt District of Malaysia. In addition, the Company recently acquired the Famehub properties comprising 32,000 acres of prospective exploration land. These assets are an approximate 2 hour drive from the Mengapur Project.

In conjunction with extensive exploration programs at Selinsing, Buffalo Reef and the Famehub properties, the Selinsing Gold Mine is on track to produce its scheduled 40,000 ounces of gold in its first full year of commercial production at an estimated average operating cash cost of approximately \$317 per ounce with an initial five year mine life in the first pit. The gold treatment plant has a current capacity of 400,000 tpa with a proposed capacity expansion through the addition of an additional milling circuit to the existing plant.

Please visit our website at [www.monumentmining.com](http://www.monumentmining.com) for more information.

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*Forward-Looking Statement*

*This news release contains forward-looking information about Monument Mining Limited ("Monument"), its business and future plans. The use of words such as "would", "estimate", "expect", "may", "will", "project", "should", "believe" and similar expressions are intended to identify forward-looking information. Forward-looking information in this news release includes statements with respect to the completion and the timing of the Summary Report, the financing, the results of due diligence and the Summary Report, the entering into of a definitive agreement and the closing of the proposed acquisition of the Project. The following are some of the assumptions upon which forward-looking information is based: that general business and economic conditions remain stable; continuing demand for, and stable or improving prices of gold; receipt of regulatory and government approvals in a timely manner; the availability of financing; Monument's ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; Monument's ability to attract and retain skilled personnel; the accuracy of the company's resources estimates and the accuracy of the historical estimates in the Study; the estimated cash cost per ounce of gold production and the estimated cash flows which may be generated from the operations. Actual results could differ materially from those anticipated in this forward-looking information as a result of risks and uncertainties, including: volatility in the price of gold; risk inherent in mineral exploration and development; uncertainties associated with the estimating of mineral resources, and in particular the historical estimates in the Study; competition for capital and skilled personnel; geological technical and drilling problems; general business, economic, competitive, geopolitical and social uncertainties; the actual results of current exploration activities; foreign operations risks; other risks inherent in the mining industry and other risks described in the annual information form of the Company, which is available under the profile of the Company on SEDAR at [www.sedar.com](http://www.sedar.com). Although the Company has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking information. The Company does not undertake to update any forward-looking information, except in accordance with applicable securities laws.*