

MOVE TO A MID-TIER  
**MULTIPLE MINES**  
GOLD PRODUCER



**M**ONUMENT  
MINING LIMITED

**2017** ANNUAL REPORT

## 2017 ACHIEVEMENTS

### GROWTH AND DEVELOPMENT

#### SELINSING GOLD MINE

- PFS replaced gold inventory at Selinsing for six years production
- Sulphide resource model identifying blocks at > 3 g/t Au and mining study showing underground potential
- FEED study and internal DFS commenced for Sulphide gold project
- New Oxide ore target at Peranggih in the same regional shearing structure hosting Selinsing and Buffalo Reef gold deposits
- Felda Block 7 tenements approved for Oxide mining

#### MURCHISON GOLD PROJECT

- Resource confirmation and extension complete for early stage production
- Geological modeling targeting underground development potential at NOA 7\_8 extension, showing significant high grade intercepts
- Completed Burnakura Gold Mine construction readiness and independent technical due diligence report which showed no major flaws

### PRODUCTION AND FINANCIAL PERFORMANCE

- Gold Production of 12,845 ounces (2016: 18,155 ounces)
- Cash cost of \$936 per ounce (2016: \$606 per ounce)
- Gross Revenues of \$15.72 million (2016: \$23.60 million)
- Total Assets of \$249.80 million (2016: \$259.05 million)



## 2018 OBJECTIVES

### ESTABLISH MULTIPLE GOLD PRODUCTION OPERATING SITES

- Burnakura funded and placed into production
- Selinsing FEED and internal DFS completion, place Sulphide Project into construction

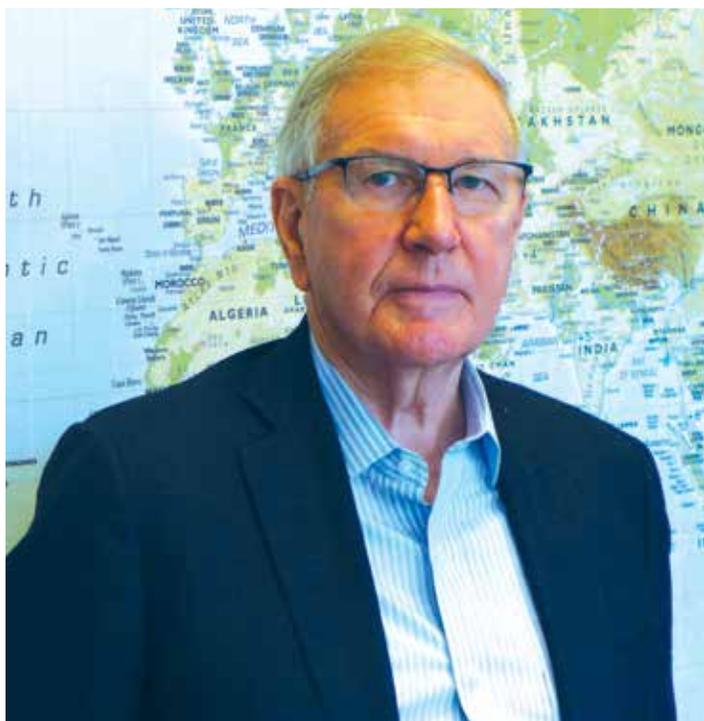
### INCREASE GOLD INVENTORY FOR SELINSING AND MURCHISON PROJECTS

- Economic study on Peranggih targeting oxide system at Selinsing
- Complete initial deep drilling program and PEA at Murchison

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(All figures in this annual report are in United States dollars unless otherwise noted)



## Message from the President and CEO

Fiscal 2017 is the 10th anniversary year for Monument which has grown from a start-up, single gold development site into a mining asset developer with a producing mine, multiple gold projects in multiple countries, including the 100% owned gold portfolio at the Selinsing Gold Mine and surrounding area in Malaysia, the Murchison Gold Project in Western Australia, and the Mengapur Polymetallic Project in Malaysia. During the past 10 years the Company has produced 259,252 ounces with gross revenues of \$358.7 million and built up total assets of \$249.80 million with no debt.

In the milestone year of fiscal 2017, we have met our objective of “Building on our foundations” - primarily our gold portfolio: Selinsing and Murchison, and our people. We have:

- Replaced more than 100% of the gold inventory at the Selinsing Gold Mine and its surrounding area;
- Identified the optimum solution for treating gold sulphides and commenced preparation of an execution plan for an internal Definitive Feasibility Study (the “DFS”) to implement the Phase IV construction for the Selinsing Biological Leach Gold Processing Plant;
- Selected targets for potential oxide extensions surrounding Selinsing Gold Mine.
- Delivered the Burnakura Gold Project for early stage production readiness; and
- Explored and developing underground mining potential for both Selinsing and Burnakura gold projects.

## Selinsing Gold Mine

The replacement of gold inventory at the Selinsing Gold Mine in fiscal 2017 has opened a new chapter for the life of mine for the next six years and potentially beyond. The prefeasibility study (“PFS”) prepared by Snowden in a NI 43-101 Technical Report in December 2016 reported a total Mineral Reserve and Resource of 279koz of gold from 6,217kt of ore at a grade of 1.40g/t Au. A Phase IV sulphide bio-leach pre-treatment plant is recommended that requires estimated capital of \$39.5 million, providing a \$23.1 million NPV and 34.8% rate of return, for a 6 year life of mine.

Encouraged by the PFS results and further test work, the Company commenced an internal DFS in late fiscal 2017, focusing primarily on a Front End Engineering Design for the BIOX® Process; consequently the Capex and Opex will be estimated and used to further assess economics of the Sulphide Gold Project at a higher confidence level, and an execution plan is expected to be delivered to place the Sulphide treatment circuit into construction. The BIOX® Process is a conventional patented methodology to treat sulphides which has been in the market for decades.

In bridging the transition period to sulphide gold production, the Selinsing gold operation generated \$15.7 million in revenues, in turn produced marginal positive cash flow by processing oxide super low grade stockpiled ore and low grade material reclaimed from old tailings. Overall, the Company incurred a net loss of US\$7.2 million, however these were not operational losses. Gold production is expected to pick up subsequent to the fiscal yearend from the Felda Block 7 deposit, where the proprietary mining leases (“PMLs”) were approved and the 100% exclusive underlying mining rights were acquired subsequent to the yearend for oxide gold production in fiscal 2018.

Exploration work was carried out at the highly prospective Peranggih gold deposit designed to verify mining opportunities. A preliminary, internal resource model for Peranggih has been generated and indicates a potential system containing oxide materials. In addition further work was also carried out to review the sulphide drilling program converting inferred resources to measured and indicated categories, to test underground mining potential in order to optimize and extend the economic result of sulphide production, and to plan sulphide exploration to increase the life of mine, since the mineralization structure is still open down dip and also along strike.

## Murchison Gold Project

At Murchison the fiscal 2017 operation focus was to put the Burnakura Project into early stage production to diversify from single cash flow generation. Operational readiness work has been ongoing at Burnakura including transporting the replacement crushing and screening circuit to the site for assembly and installation. An internal economic study was completed and an independent technical due diligence was carried out by SRK Consulting for financing and found no major flaws. The internal economic assessment shows that the life of mine of the early stage production could be potentially extended.

A preliminary review of underground potential at the NOA7\_8 deposit was conducted and supports an exploration strategy for designing a deeper drill program for NOA7\_8. The study highlighted that gold grade is increasing with depth and is plunging to the north. A deep drilling program was planned and aimed to test the underground potential in order to increase the life of mine, in conjunction with the early stage production plan. This drill program was postponed subject to funding.

**Looking Forward**

Fiscal 2018 is key to convert the value accumulated in our gold portfolio into production and take a step forward to become an emerging mid-tier gold producer and a dividend paying company with multiple regions and multiple cash flow generation sites.

We would like to complete financing to place Burnakura Gold Project into early production. In parallel, our geological and mining work will be aimed to deliver a Preliminary Economic Assessment Study to define the economics of the Burnakura Gold Project, including both open pits and underground opportunities. Our drilling programs at Murchison will focus on deep drilling exploring high grade potential based on the previous drilling results achieved.

Our Selinsing Sulphide Gold Project will produce an execution plan based on results of the internal DFS, and commence construction of the Phase IV gold plant upgrade. We will implement a drilling program at Buffalo Reef and Felda Block 7 to further upgrade inferred resources to M&I and reserves, thereby extending the life of mine and enhancing economic outcomes at Selinsing. In the meantime, our gold production will primarily operate on the Felda Block 7 oxide gold deposit expecting to produce higher grade ore materials compared to fiscal 2017. Our program pursuing oxide opportunities will continue at Peranggih.

Looking forward to fiscal 2018 we see opportunities to expand our resources. As we build and operate mines we will sharpen our minds to work smarter, and make our team stronger. We will enhance the internal skill set in our workforce with ongoing training. We will focus more than ever on expanding our gold inventory with higher grade gold deposits, and maintain discipline at our operations.

Finally, I would like to take this opportunity to thank our shareholders, staff and all stakeholders for your loyal support as we endeavor into the future.

Sincerely,

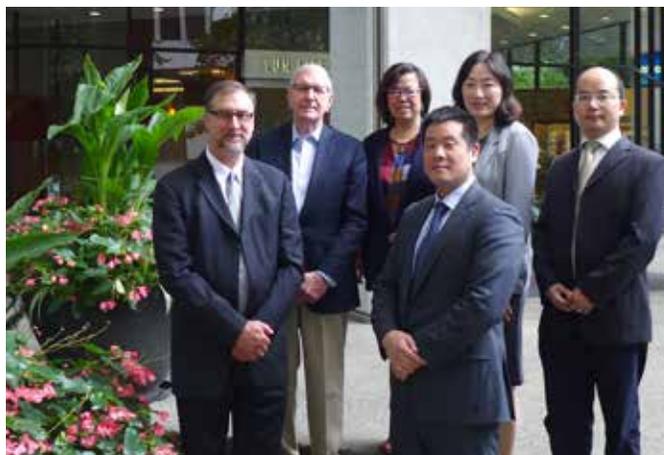


ROBERT F. BALDOCK *President and CEO*



**“The PFS at Selinsing and Buffalo Reef has replaced gold inventory in full, extending the life of mine for another 6 years; Burnakura is construction ready for early stage production to generate additional cash flow.”**

- Robert Baldock, *President and CEO*





## CORPORATE PROFILE

Monument Mining Limited (TSX-V:MMY, FSE:D7Q1) is an established Canadian gold producer and mining asset developer that owns and operates the Selinsing Gold Mine in Malaysia, the Selinsing Gold Portfolio comprising Selinsing, Buffalo Reef, Felda Land and Famehub properties in Pahang State, Malaysia and the Murchison Gold Projects comprising Burnakura, Gabanintha and Tuckanarra properties in Western Australia. It also owns the Mengapur Polymetallic Project, in Pahang State, Malaysia.

Monument's management team has constructed successful operations with their Selinsing Gold Mine in Malaysia. The Company's main business objective is to increase its shareholder value by advancing the mineral property portfolio through acquisitions, exploration programs, and mine development. The long-term goal is to be a sustainable, dividend paying, mid-tier gold, base metals and industrial mineral producer.

## MINERAL PROPERTY PORTFOLIO

### GOLD PORTFOLIO

	REGION	ACRES	PHASE OF DEVELOPMENT
SELINSING	MALAYSIA	776	PRODUCTION
BUFFALO REEF	MALAYSIA	444	PRODUCTION
FELDA LANDS	MALAYSIA	3,920	EXPLORATION
FAMEHUB	MALAYSIA	32,000	EXPLORATION
MURCHISON	WESTERN AUSTRALIA	63,951	DEVELOPMENT
TUCKANARRA	WESTERN AUSTRALIA	15,741	EXPLORATION

### POLYMETALLIC PORTFOLIO

	REGION	ACRES	PHASE OF DEVELOPMENT
MENGAPUR	MALAYSIA	2,310	DEVELOPMENT

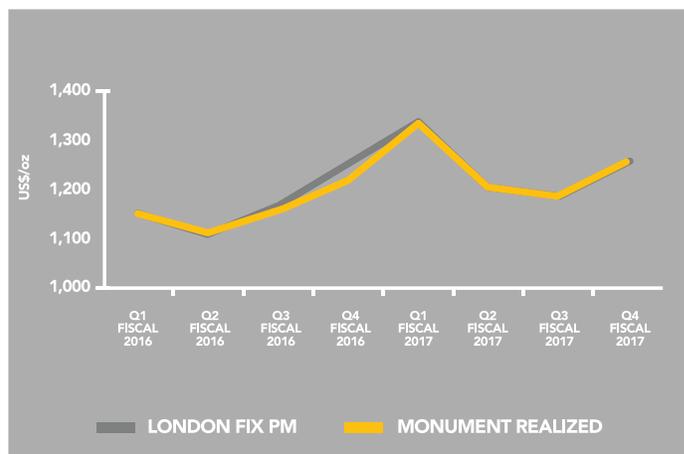


## MARKET PERFORMANCE

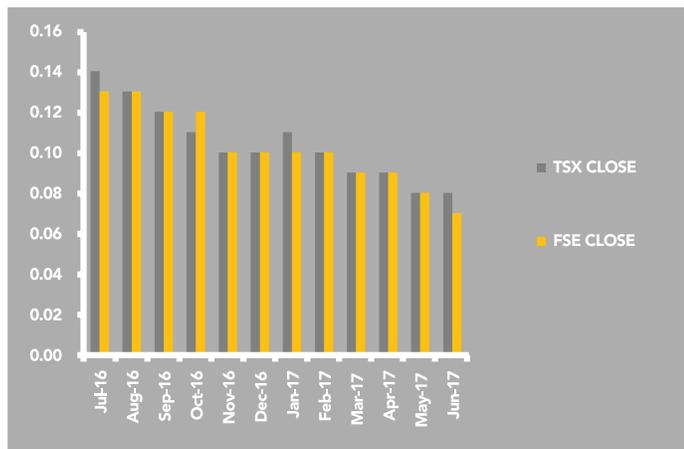
### CAPITAL STRUCTURE (as of June 30, 2017)

<b>Shares Outstanding:</b>	<b>322,718,030</b>
Options:	200,000
RSUs	21,043,666
<b>Fully Diluted:</b>	<b>343,961,696</b>
Share Price:	\$0.075
52 Week High/Low:	0.19/\$0.07
<b>Market Capitalization:</b>	<b>\$24.2 M</b>

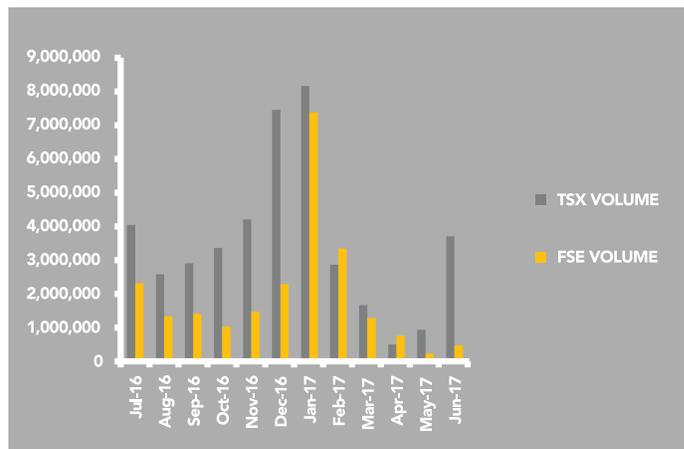
### QUARTERLY AVERAGE GOLD PRICE



### FISCAL 2017 STOCK CLOSING PRICE (CDN)



### FISCAL 2017 TRADING VOLUMES



## GROWTH & DEVELOPMENT HIGHLIGHTS

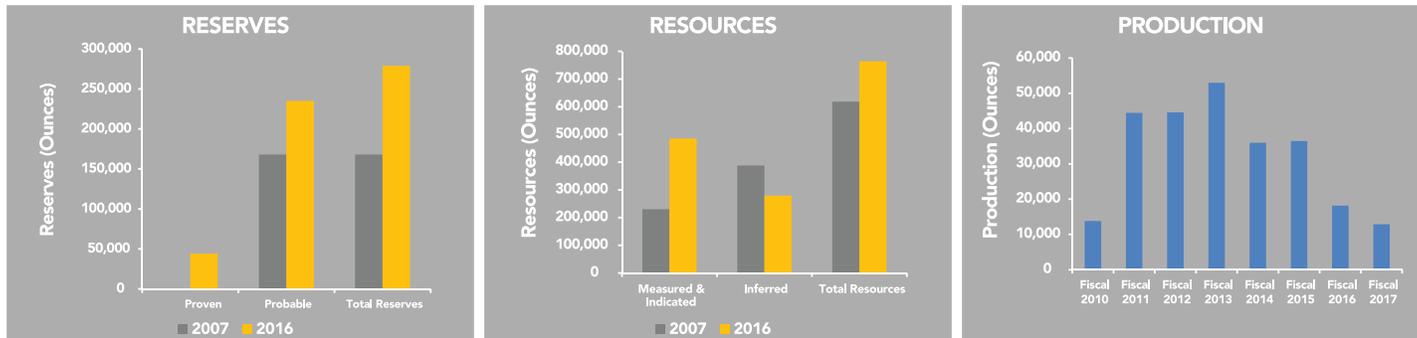
Monument has re-invested its cash generated in prior years from the Selinsing Gold Mine production into acquisitions, mine development and exploration to build a strong asset base and foundation for growth, including replacement of gold inventory and open up blue sky for multiple mines in multiple countries.

	Gold Portfolio		Polymetallic Portfolio
	Selinsing	Murchison	Mengapur
<b>Previous fiscal years</b>			
Acquisition in cash	15,308	16,960	90,311
Buildings, plant and equipment	31,740	1,451	4,619
Mine development	10,901	454	505
Exploration	28,322	10,111	20,354
	86,271	28,976	115,789
<b>Fiscal 2017</b>			
Acquisition in cash	312	-	-
Buildings, plant and equipment	1,342	358	3
Mine development	735	193	-
Exploration	1,311	1,556	415
	3,700	2,107	418
<b>Total</b>			
Acquisition in cash	15,620	16,960	90,311
Buildings, plant and equipment	33,082	1,809	4,622
Mine development	11,636	647	505
Exploration	29,633	11,667	20,769
	89,971	31,083	116,207

### MALAYSIA

#### Replacement of Gold Inventory at 10 year anniversary

The Company's gold Reserves and Resources at the Selinsing Gold Mine, updated in December 2016 Prefeasibility Study (the "PFS"), fully replaces the depleted gold inventory following total accumulated production of **259,252 ounces** since the initial mine commissioning to June 30, 2017, as shown in the bar charts below.



Note: "2007" refers to Snowden NI 43-101 Technical Report-Preliminary Assessment Selinsing Gold Project, November 2007; Mineral Resources & Reserves above a cut-off grade of 0.59 g/t Au. "2016 PFS" refers to Snowden NI 43-101 Technical Report - Selinsing Gold Mine and Buffalo Reef Project, December 2016; Mineral Resources & Reserves above a cut-off grade of 0.3 g/t Au for Oxide, and 0.7 g/t Au for Sulphide and Transition.

#### Sulphide Project FEED and DFS

The 2016 PFS revealed the Sulphide pre-treatment plant will require an estimated capital of \$39.5 million, providing a \$23.1 million NPV and 34.8% rate of return, with approximately 6 years life of mine through to 2023 without further ore discovery.

Based on the PFS, the Company has commenced the FEED work on the Selinsing Sulphide Project together with an internal DFS. This will include the overall plant process design to set up FEED criteria, FEED for add-in flotation plant and BIOX® Process plant, other alterations to the existing gold processing plant, and internal DFS with an execution plan to move forward to detailed engineering and construction stages. Upon success, this work will deliver an execution plan to place the Sulphide Gold Project into construction.

The **BIOX® Process** is a patented technology owned by Outotec (Finland) Oy. It uses micro-organisms in the oxidation of certain gold bearing sulphide minerals in order to facilitate gold recovery. This technology has been used for decades to build sulphide pre-treatment plants all over the world. The test work showed encouraging recovery of gold from representative samples of ore from the Buffalo Reef material at Selinsing.

**Peranggih Oxide Potential Adjacent to Selinsing**

The Peranggih area is north of Selinsing and is in the same regional shearing structure as the Selinsing and Buffalo Reef gold deposits. An internal geological and resource model for Peranggih has been generated and indicates a potential system containing minable oxide materials. Oxide trenching, geological mapping and surface sampling were executed at Peranggih during the year. A total of 12 trenches comprising of 619m were dug, mapped, logged and sampled. An extensive geological and initial economic study commenced in fiscal 2017, where a grade control drilling program was designed for an area of future trial mining at Peranggih North. Given the close proximity of Peranggih to the Selinsing Gold plant the Company plans to undertake a bulk sampling program of Peranggih ore. Preparation is underway to upgrade the 10km access road that connects Peranggih to the Selinsing Gold plant, and once completed will be used to truck the material for the bulk sampling program as well as for future mining purposes.

**WESTERN AUSTRALIA**

**Burnakura Early Stage Production Readiness**

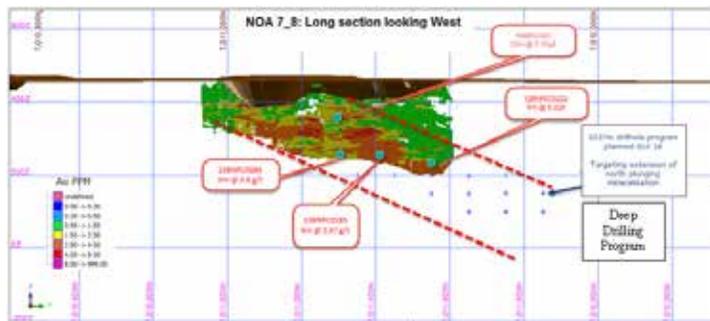
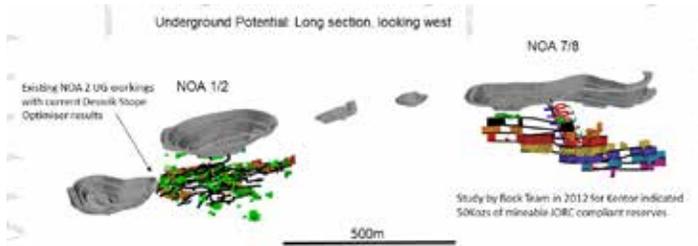
The Burnakura Gold Project is ready for construction for the early stage of production. Off-site engineering design, refurbishment and procurement work were completed on long lead items including delivering the crushing circuit to site ready for assembly and installation.



**Economic study, UG potential and deep drilling program at Burnakura**

The internal economic study at Burnakura included an optimized life of mine for early stage production. This mining plan involves open pit production from extensions to the Alliance, New Alliance, North of Alliance (NOA1, 2, 4, 6 and 7/8), Federal City and Authaal deposits. Further potential mill feed was also identified at several shallow oxide targets and regional exploration targets situated on the Burnakura property. The study concluded with a front end engineering study completed by COMO Engineering, and a series of metallurgical test works.

In addition to open pit sources, the study also highlighted the potential for underground mining, in particular at NOA 1\_2 and NOA 7\_8. The geological study work completed at NOA7\_8 highlighted that the deposit is open at depth and plunging to the north. Infill drilling at NOA 7\_8 returned significant new high grade intercepts (12.00m @ 7.16 g/t from hole 16MRC023, and 6.00m @ 8.35 g/t from hole 16MRC014) which contributed to notable increase in resource ounces. A deep drilling program at the NOA7\_8 deposit has been planned, aiming to test the underground potential to 500m in order to increase the life of mine, in conjunction with the early stage production plan.



## OPERATING HIGHLIGHTS

	Fiscal 2016				Fiscal 2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Ore Mined (Tonnes)	105,327	96,602	110,138	110,943	61,882	18,205	68,568	30,696
Ore Processed (Tonnes)	232,118	254,413	264,159	241,380	231,000	206,597	210,518	199,301
Average Head Grade (G/T)	0.96	0.83	0.95	0.77	0.56	1.12	0.79	0.74
Processing Recovery Rate (%)	77.0%	63.5%	69.1%	57.8%	53.9%	62.3%	51.3%	65.9%
Gold Production (Ounces)	5,063	5,050	3,875	4,167	3,291	2,888	3,442	3,224
Gold Sold (Ounces)	10,000	5,100	3,850	4,200	2,350	3,841	3,359	3,150
Revenue (USD\$ 000s)	8,329	5,681	4,457	5,129	3,142	4,637	3,986	3,954
Cash Cost per Ounce (USD\$/oz)	469	639	665	839	981	841	857	1,102

## FINANCIAL HIGHLIGHTS

Monument focused on its objective to increase future sustainable production for the gold project portfolios while gold production continued at the Selinsing Gold Mine. The Company maintained a clean balance sheet with no debt and total assets of \$249.80 million as of June 30, 2017.

Gold sales generated \$15.72 million for fiscal 2017 comprised of 12,700oz of gold sold at an average realized gold price of \$1,238 per ounce. Total production costs decreased by 15% to \$11.99 million during the year.

Gold production generated a mining operating profit of \$3.73 million before non-cash amortization and accretion and corporate expenses were \$4.35 million. Net loss for the year was \$7.21 million, or \$0.02 per share (basic).

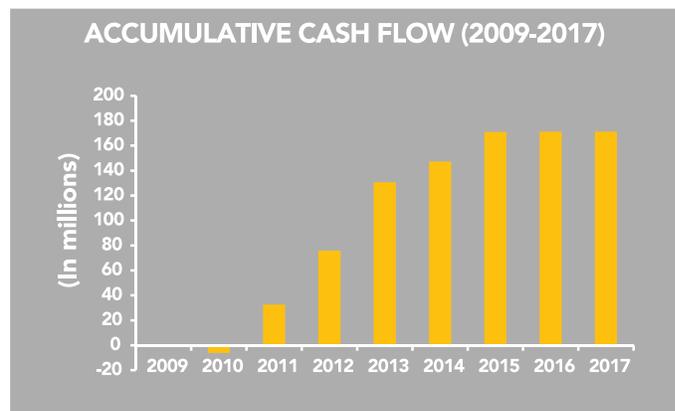
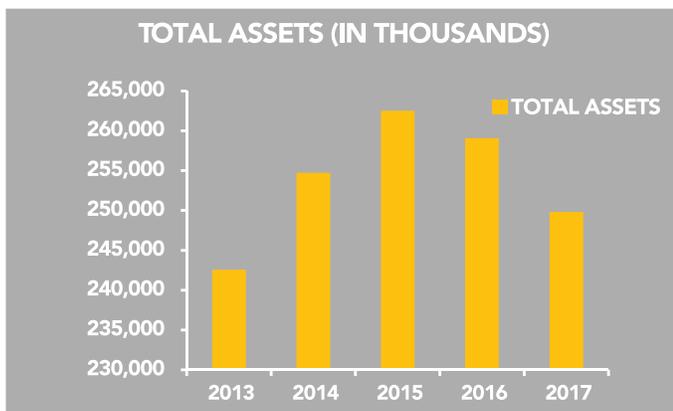
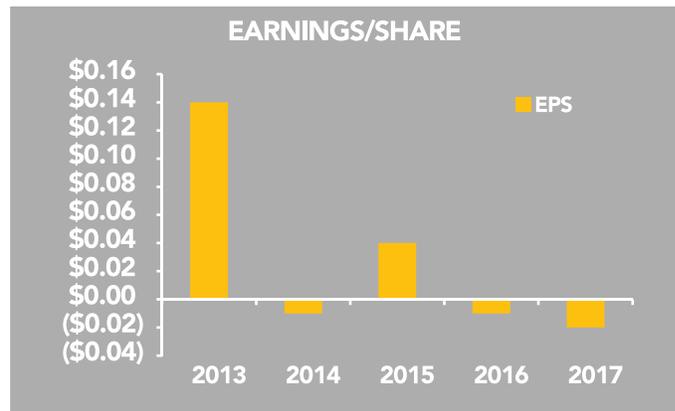
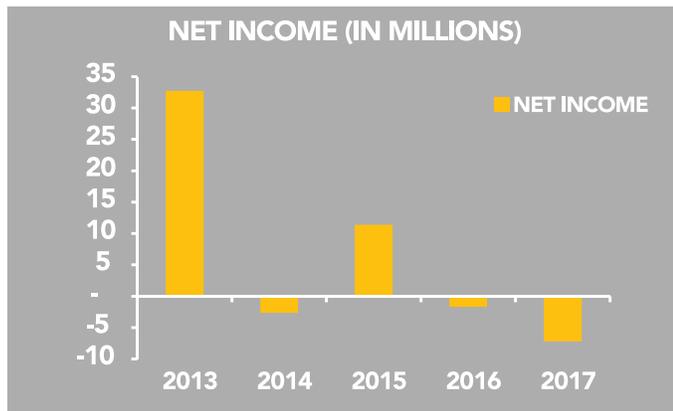
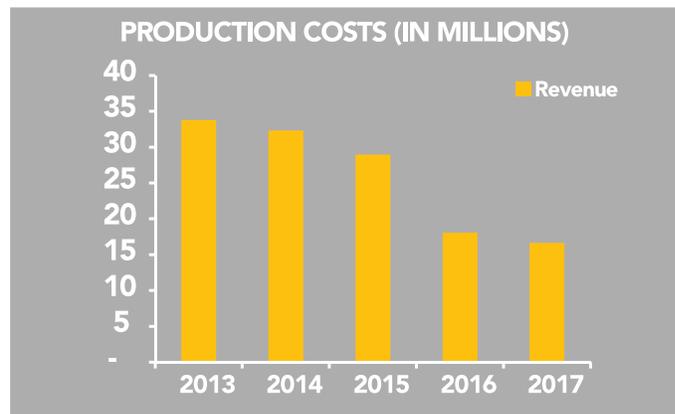
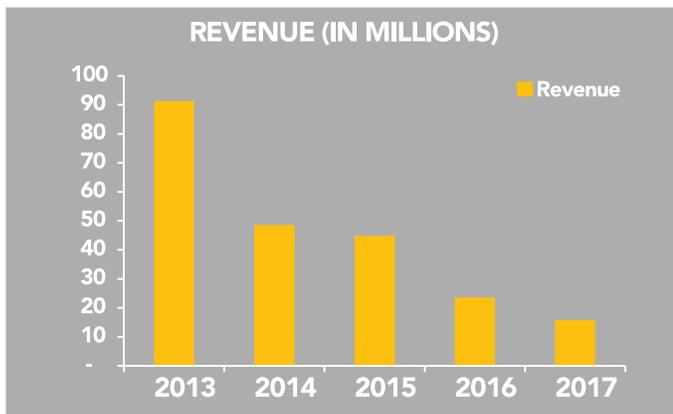
The Company's cash and cash equivalents, including the restricted cash balance, as at June 30, 2017 was \$13.70 million down from \$20.91 million held on June 30, 2016, largely due to development work at the Company's gold project portfolios. During the year, exploration and evaluation expenditures were \$1.85 million at Selinsing and \$2.23 million at Murchison. Working capital was \$24.45 million at June 30, 2017, a decrease of \$3.89 million compared to the prior year.

### SELECTED ANNUAL INFORMATION

Balance Sheet (in thousands of US dollars)	June 30, 2017	June 30, 2016	June 30, 2015
	\$	\$	\$
Current assets	29,419	34,576	43,124
Non-current assets	220,383	224,478	219,388
<b>TOTAL ASSETS</b>	<b>249,802</b>	<b>259,054</b>	<b>262,512</b>
Current liabilities	4,970	6,238	9,638
Non-current liabilities	12,773	14,205	11,741
Equity attributable to shareholders	232,059	238,611	241,133
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>249,802</b>	<b>259,054</b>	<b>262,512</b>
<b>Working capital (including restricted cash)</b>	<b>24,449</b>	<b>28,338</b>	<b>33,486</b>
Income Statement (in thousands of US dollars)	For the year ended June 30, 2017	For the year ended June 30, 2016	For the year ended June 30, 2015
	\$	\$	\$
Revenue	15,719	23,595	44,838
Production costs	(11,990)	(14,034)	(21,437)
Amortization and accretion	(4,671)	(4,031)	(7,508)
Corporate expenses	(4,347)	(3,911)	(4,232)
Loss from other items	(2,131)	(607)	(536)
Income tax recovery/(expense)	215	(2,692)	258
<b>Net income/(loss)</b>	<b>(7,205)</b>	<b>(1,680)</b>	<b>11,383</b>
<b>Earnings/(loss) per share (basic)</b>	<b>\$(0.02)</b>	<b>\$(0.01)</b>	<b>\$0.04</b>
<b>Earnings/(loss) per share (diluted)</b>	<b>\$(0.02)</b>	<b>\$(0.01)</b>	<b>\$0.04</b>

	FISCAL 2016				FISCAL 2017			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	\$	\$	\$	\$	\$	\$	\$	\$
Revenues (000's)	8,329	5,681	4,457	5,128	3,142	4,637	3,986	3,954
<u>Weighted average gold price</u>								
London Fix PM (per ounce)	1,148	1,112	1,169	1,252	1,339	1,203	1,188	1,257
Monument realized (per ounce) (1)	1,147	1,114	1,158	1,221	1,337	1,207	1,187	1,255
Net earnings (loss) before other income attributable to common shareholders (000's)	1,569	644	371	(965)	(824)	(890)	(1,133)	(2,442)
Earnings (loss) per share before other income:								
- Basic	0.01	0.00	0.00	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)
- Diluted	0.01	0.00	0.00	(0.00)	(0.00)	(0.00)	(0.00)	(0.01)
Net earnings (loss) after other income and tax attributable to common shareholders (000's)	116	(4,584)	2,500	288	(1,442)	(65)	(1,789)	(3,909)
Earnings (loss) per share:								
- Basic	0.00	(0.01)	0.01	0.00	(0.00)	(0.00)	(0.01)	(0.01)
- Diluted	0.00	(0.01)	0.01	0.00	(0.00)	(0.00)	(0.01)	(0.01)

(1) Q1 fiscal 2016 excludes 5,000oz settled on a gold forward sale

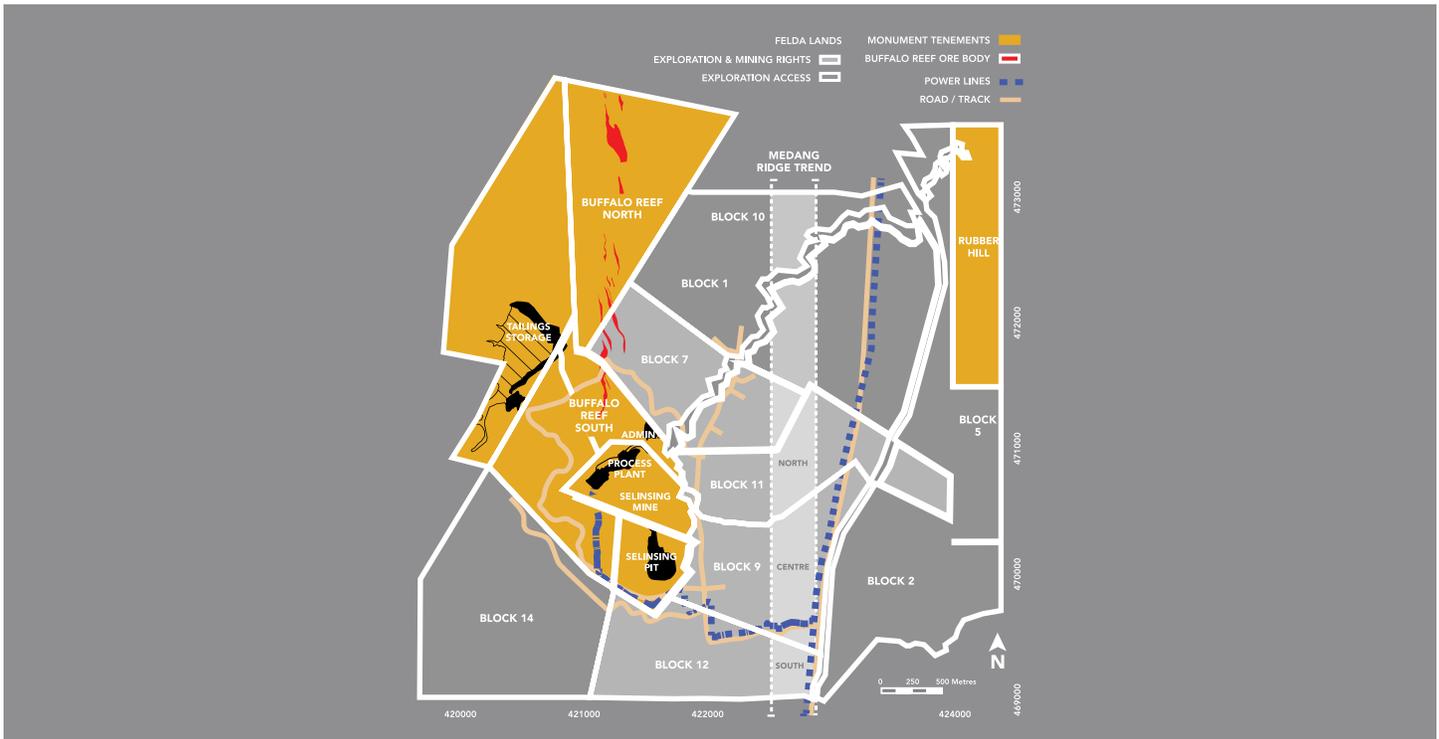


# GOLD PORTFOLIO

## SELINSING PROJECTS

*“At the Selinsing Gold Mine, Monument is focused on the transitioning to and the preparation of Sulphide Gold Production.”*

SELINSING GOLD MINE



The Selinsing Gold Portfolio is located in Pahang State, Malaysia and includes the Selinsing Gold property, Buffalo Reef property, Felda Land, and Famehub properties. The Buffalo Reef property lies along strike to the north of the Selinsing Gold property. Felda Land and Famehub properties are located east and north of Selinsing and Buffalo Reef properties. The one million tonne per annum (“tpa”) gold processing plant is located on the Selinsing site and is easily accessible by all of its owned properties.

**RESERVES AND RESOURCES**

Subsequent to fiscal 2016, the Company has announced the updated resources and reserves at Selinsing and Buffalo Reef as seen in the following Table 1 and Table 2, prepared by Snowden Mining Industry Consultants Pty Ltd in a NI43-101 Technical Report (Selinsing Gold Mine and Buffalo Reef Project), which will be released within 45 days from the date of the news release at www.sedar.com.

The in-situ Mineral Resource estimate for the Selinsing deposit and the Buffalo Reef deposit is limited to a pit shell provided by Monument based on a US\$1,776/oz gold price. A pit optimization using a gold price of US\$1,225/oz was also done by Snowden and Mineral Reserves were estimated after the application of modifying factors from mining. This reserve pit Shell was used by Snowden to define the likely limits of potential open-pit mining. Stockpiles existing at June 30, 2016 are also estimated as Mineral Resources and Ore Reserves The tables below summarize the estimated mineral reserves and mineral resources by area and ore type.

TABLE 1: SELINSING-BUFFALO REEF/FELDA RESOURCES AS OF JUNE 30, 2016 (SNOWDEN)												
Category	OXIDE (above 0.3 g/t Au cut-off)			TRANSITION (above 0.7 g/t Au cut-off)			SULPHIDE (above 0.7 g/t Au cut-off)			OXIDE + TRANSITION + SULPHIDE		
	kTonnes	g/t	Au (kOz)	kTonnes	g/t	Au (kOz)	kTonnes	g/t	Au (kOz)	kTonnes	g/t	Au (kOz)
<b>MINERAL RESOURCES, REPORTED INCLUSIVE OF RESERVES (BASED ON A US\$1,776/OZ GOLD PRICE)</b>												
Measured*	2,171	0.52	36	-	-	-	165	1.45	8	2,336	0.59	44
Indicated	790	1.17	30	950	1.66	51	5,830	1.93	361	7,570	1.81	441
M+I	2,961	0.69	66	950	1.66	51	5,995	1.91	369	9,906	1.52	485
Inferred	380	1.03	13	353	1.46	17	3,640	2.13	249	4,373	1.98	279

\*Measured Resource is entirely stockpile material; Indicated and Inferred Resource comprises in situ material occurring in Selinsing and Buffalo Reef/Felda deposits

**TABLE 2: SELINSING-BUFFALO REEF/FELDA RESERVES AS OF JUNE 30, 2016 (SNOWDEN)**

Category	OXIDE (above approx. 0.3 g/t Au cut-off)			TRANSITION (above approx. 0.7 g/t Au cut-off)			SULPHIDE (above approx. 0.7 g/t Au cut-off)			OXIDE + TRANSITION + SULPHIDE		
	kTonnes	g/t	Au (kOz)	kTonnes	g/t	Au (kOz)	kTonnes	g/t	Au (kOz)	kTonnes	g/t	Au (kOz)
<b>MINERAL RESERVES (BASED ON A US\$1,255/OZ GOLD PRICE)</b>												
Proven*	2,171	0.52	36	-	-	-	165	1.45	8	<b>2,335</b>	<b>0.59</b>	<b>44</b>
Probable	565	1.31	24	698	1.80	40	2,619	2.03	171	<b>3,882</b>	<b>1.88</b>	<b>235</b>
P+P	2,736	0.68	60	698	1.80	40	2,784	2.00	179	<b>6,217</b>	<b>1.40</b>	<b>279</b>

\*Proven Reserve is entirely stockpile material; Probable Reserve comprises in situ material occurring in Selinsing and Buffalo Reef/Felda deposits

## GOLD PRODUCTION

The Selinsing gold processing plant began full operation in September 2010. The current plant was built in 3 phases: Phase I- gravity circuit-first pour October 2009; Phase II- CIL circuit-commissioned August 2010; Phase III-capacity increase to 1m t/a-completed in June 2012. Total gold production from October 2009 through June 30, 2017 was 259,252 ounces, ore processed was 5,739,920 tonnes, and gross revenues were \$358.7 million.

The Selinsing mine is transitioning from processing oxide ore to the preparation for sulphide gold production. The Snowden 2016 PFS revealed the Sulphide pre-treatment plant will require an estimated capital of \$39.5 million, providing a \$23.1 million NPV and 34.8% rate of return, with approximately 6 years life of mine through to 2023 without further ore discovery.

Gold production for fiscal 2017 was 12,845 ounces compared to 18,155 ounces in the previous year. The average head grade was 0.80g/t from 0.88g/t in the previous fiscal year, and the mill feed was 847,416 tonnes from 992,070 tonnes in the previous year as production continued to process super low grade gold materials in transition towards treating sulphide ore. Ore mined was 179,351 tonnes compared to 423,011 tonnes for the previous fiscal year. Process recovery rate was 58.8% compared to 67.4% in the previous year.

## FELDA LAND

The Federal Land Development Authority ("FELDA") Land is gazetted as a group settlement area covering 3,920 acres owned by local individual settlers. Monument signed agreements with settlers with consent from FELDA allowing exploration to be carried out at the Block 7 FELDA land which is adjacent east of Buffalo Reef Central ("BRC"), where exploration rights have been acquired from settlers.

A total of 39.12 acres of this FELDA land has been converted to mining land approved by the State Government during the year. Subsequent to fiscal 2017, the Proprietary Mining Leases (the "PML") were issued to the land owners. Pursuant to the Contract to Mine Agreement with the Block 7 owners, the Company has exclusive rights to mine under Block 7 PMLs. Subsequent to year end, the Company closed the FELDA block 7 acquisition which will provide immediate additional oxide feed; mining is expected to start in late October, 2017. Block 7 contains the extension of the BRC oxide ore body which can now be readily mined and also allows the pit to be fully developed across the boundary to access the entire sulphide ore beneath BRC.



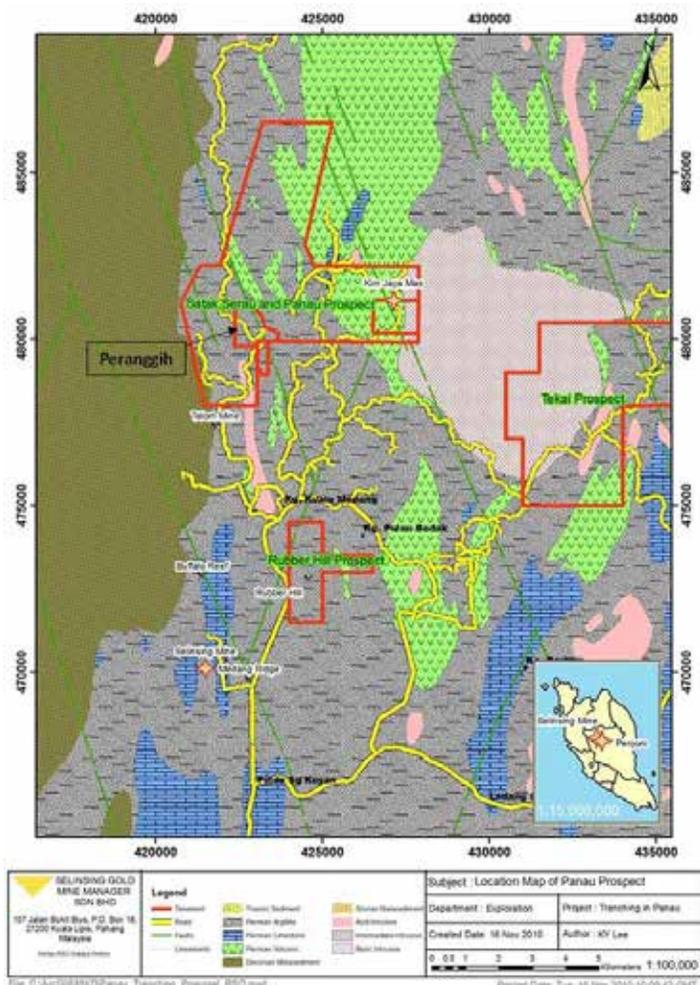
## EXPLORATION

The Selinsing area exploration programs are to further discover sulphide resources to optimize the economic results of the sulphide project and increase the life of mine, and also to locate more oxide and leachable sulphide ore to increase current mill feed.

At both Selinsing and Buffalo Reef deposits the sulphide mineralization is still open down dip and also along strike. Exploration drilling was done to test continuity of the high grade zone just beneath Selinsing Pit IV floor and confirmed the accuracy of the current Resource blocks' locations and continuity of the gold high grade zone.

Exploration trenching at the Selinsing West Bamboo Shoot area was designed to verify opportunities for oxide supply to the current processing plant. Exploration at Felda is aimed toward resource definition, discovering new resources and enabling the Buffalo Reef Central ("BRC") and Buffalo Reef South ("BRS") open pits to be extended at depth. At Buffalo Reef exploration trenching and surface sampling took place at Peranggih and BRS West Ridge aimed to verify oxide supply for plant production

Geo-metallurgical modelling for Buffalo Reef North ("BRN") was completed along with its accompanying methodology report. The estimated potential leachable gold for oxide and transition zones encourages follow-up confirmation work. Geo-metallurgical testwork was also completed for BRS and BRC and is being used for modeling. Metallurgical drilling at BRS was also completed during the year.



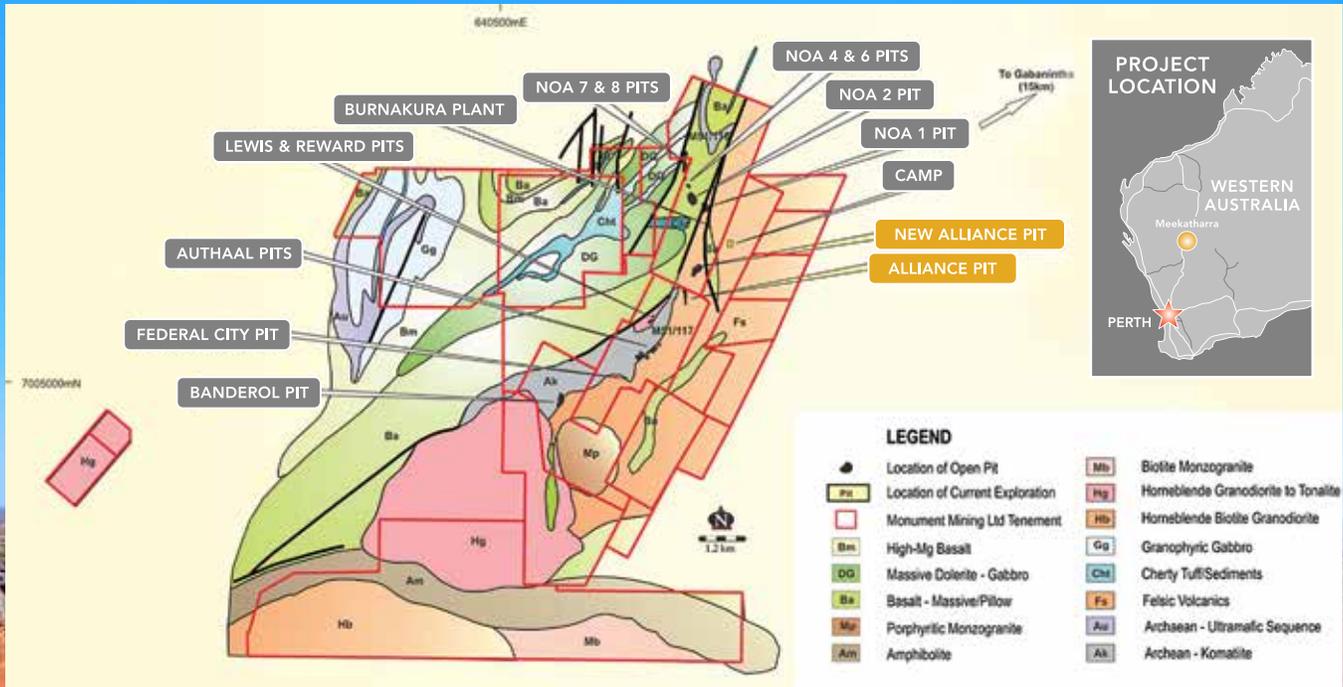
# MURCHISON PROJECTS

The Murchison Gold Portfolio consists of the aggregation of 3 former standalone projects: Burnakura, Gabanintha and Tuckanarra properties which are all located in the Murchison Mineral Field in Western Australia. The projects include 50 tenements covering 259 km<sup>2</sup> and each project contains multiple open pit and underground opportunities.

The Murchison operation is focused on building a second gold production site to diversify the Company's single cash flow generation. At the Burnakura Mine site there is a gold processing plant, 118 man mine camp, and all necessary infrastructure. The Burnakura and Gabanintha tenements hold historical resources under Joint Ore Reporting Committee (JORC) standards consisting of 6.41 million tonnes at an average grade of 2.7 g/t containing 546,000oz Au, reported above a block grade of 1.0 g/t Au, within a number of previously operated open pits and an underground mine, (BM Geological Services: "Murchison Gold Project: Burnakura and Gabanintha resource inventory December 2013"). Tuckanarra contains a historical indicated resource of 597 kt @ 2.32 g/t Au for 44.6 kOz Au and a historical inferred resource of 566 kt @ 1.96 g/t Au for 35.6 kOz Au, reported above a block grade of 1.0 g/t Au, within eleven separate prospects, (Ravensgate in its November 2012 "Independent Resource Model Report" according to the JORC guidelines 2004).



# BURNAKURA LOCATION PLAN & GEOLOGY



***"The Burnakura Project operational readiness work has been completed and the crushing circuit delivered to site for assembly and installation reducing construction time for upgrading the existing gold processing plant."***

## RESOURCES

Monument's exploration at Burnakura resulted in the update of the Alliance and New Alliance ("ANA") estimates converted historical indicated and inferred estimates to indicated and inferred categories. An Indicated Mineral Resource of 1.88mt@1.6g/t Au for 98,400oz and an Inferred Mineral Resource of 0.1mt@1.5g/t Au for 4,400oz was reported at a 0.5g/t Au grade cut-off. ("NI 43-101 Technical Report on the Alliance and New Alliance Gold Deposits Burnakura, Western Australia", prepared in accordance with National Instrument 43-101 authored by Darryl Mapleson (MAIG, FAusIMM) of BM Geological Services, the primary Qualified Person and other independent Qualified Persons, dated April 2, 2015 and amended August 7, 2015). The Mineral Resource Estimate shows the total estimated gold ounces have been increased at ANA when compared to the historical inventory estimate.

### MINERAL RESOURCE FOR ALLIANCE AND NEW ALLIANCE AT A 0.5G/T AU CUT-OFF

DEPOSIT	INDICATED				INFERRED			
	DENSITY	TONNES	AU	CONTAINED AU	DENSITY	TONNES	AU	CONTAINED AU
	(g/cm3)	(Mt)	(g/t)	(koz)	(g/cm3)	(Mt)	(g/t)	(koz)
ALLIANCE	2.3	0.64	2.5	50.8	2.5	0.02	1.4	0.7
NEW ALLIANCE	2.3	1.24	1.2	47.6	2.7	0.08	1.5	3.7
TOTAL	2.3	1.88	1.6	98.4	2.6	0.10	1.5	4.4



## MINE DEVELOPMENT

The Murchison operation's objective is to build a gold production site to diversify the Company's single mine cash flow risk. The Company has made the decision to put the Burnakura Project into early stage production based on an internal economic study of the project and a "Proposal for Front End Engineering Design" (FEED) for the planned Burnakura heap leach/CIL production with capital expenditures and operating expenditures prepared by Como Engineers Pty Ltd ("Como Engineers").

Additional metallurgical testwork and detailed mine delivery schedules for certain deposits were completed to mitigate the construction and operation risks, aiming to lift the level of confidence to achieve targeted economic viability. The internal economic assessment including the optimized mine plan, engineering works and economic analysis shows that the life of mine of the early stage production could be potentially extended. An independent technical due diligence was completed by SRK Consulting with no major flaws for project financing.

The off-site engineering design, refurbishment and procurement work were completed on long lead items. The crushing circuit was delivered to Burnakura and ready for assembly and installation at the mine site, subject to completion of funding arrangements, which will reduce the construction timeline by several months. Other mine development activities include: completion of a power strategy assessment, building the site power model and pit dewatering strategy assessment for early stage production.

The Amended Environmental Protection License for Crushing, Heap Leach and Dewatering was received with approval from the Department of Environmental Regulation ("DER") for the operation of the proposed Heap Leach Facility. The Mining Proposal and the Mine Closure Plan were submitted and approved which completes all DER licensing requirements for operational readiness.



**EXPLORATION**

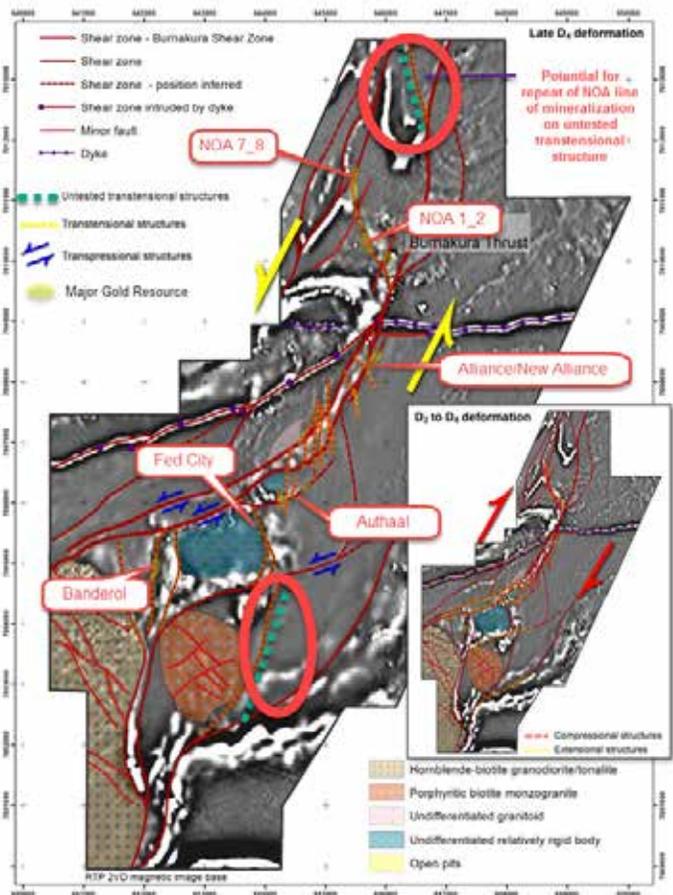
Geological together with mining and engineering studies are currently focused on delivering a Preliminary Economic Assessment Report under NI43-101 standards which aims to provide a long term economic scope of the Burnakura Project, an overall gold inventory growth potential from both open pit and underground sources.

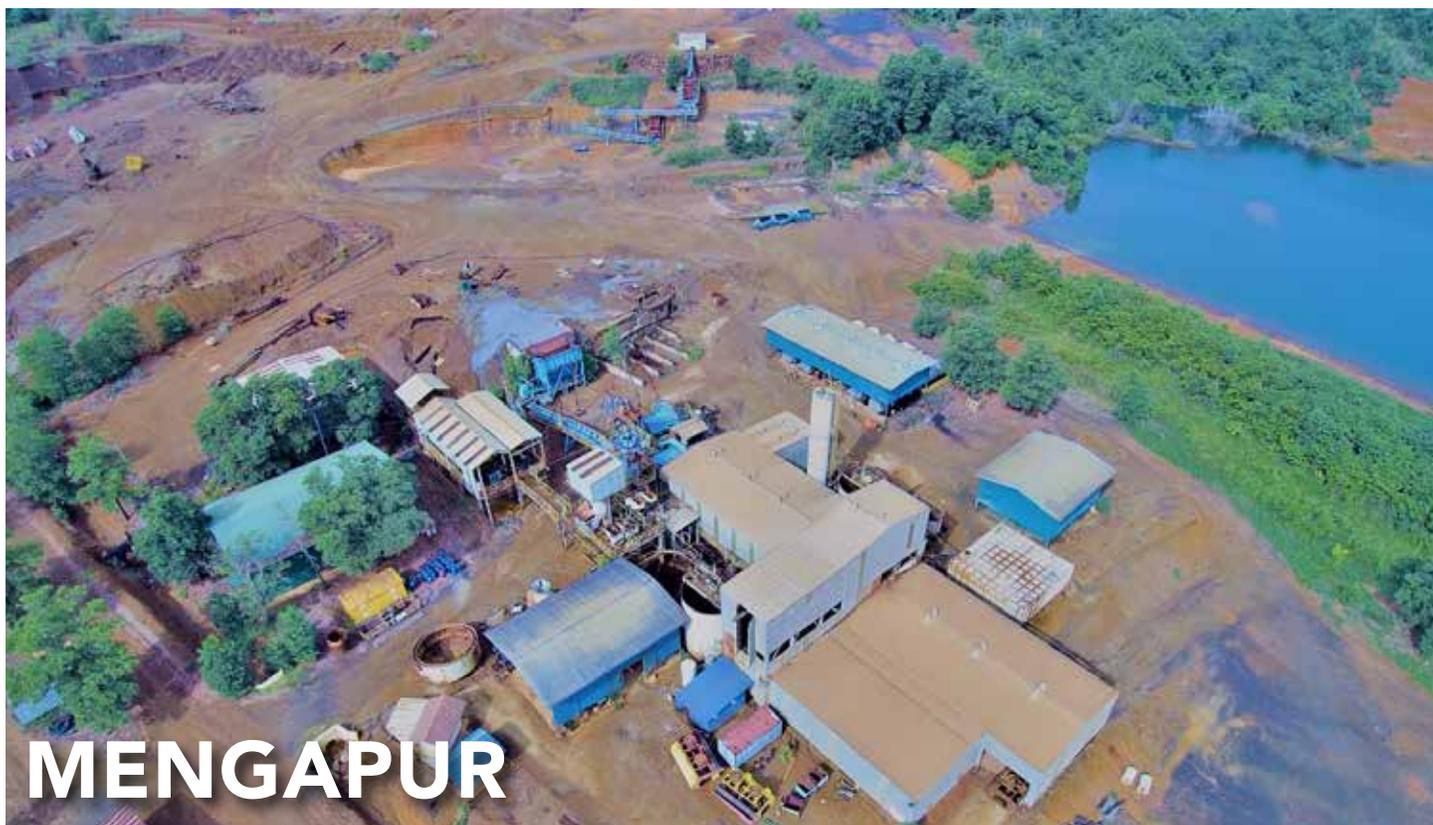
In addition to established resources, Monument has identified significant regional exploration upside at the Burnakura project through identification of several prospective untested shear structures. These untested structures are in a similar geological setting to the already established mineralisation trends, and therefore present good potential to host a new discovery. The Burnakura mineral field is a highly fertile gold district with no significant greenfields exploration drilling in the last 20 years.

Other exploration and related geological activities during the year included: interpretation of the 2016 infill and extension drilling programs to complete North of Alliance (NOA) North (NOA 7\_8, 6 and 4) internal Resource modelling; discussions for Heritage Survey agreements; an external due diligence on the Resource models used for the life of mine production schedule, together with metallurgical testwork on the LOM; completion of NOA2 and NOA1 internal Resource model update; study on additional oxide target opportunities and a study on mineralization extensions for the Authaal Deposit.

**Tuckanarra Project update**

In fiscal 2015 a verification drill program was completed at Tuckanarra which confirmed the historical drilling is of good quality and can be used to complete a re-estimate of resources to NI43-101 standards. During fiscal 2017, the Company reviewed the historical Resource models, studied potential mineralization extensions, and updated the internal resource model for the Cable Deposit. The study highlighted that there is potential for resource extensions beneath all pits on the Tuckanarra property. In addition, several shallow historical underground workings were identified as targets for further drill testing.





The Mengapur Polymetallic Project was historically owned by Malaysian Mining Corporation who defined the historic Polymetallic Resources in a full bankable feasibility study. Mengapur is a long term project in the Company's pipeline, with a Company vision to be developed as a large multi-commodity open pit mine.

## RESOURCES

The Mengapur Polymetallic deposit contains a historical Copper (Cu), Sulfur (S), Gold (Au), Silver (Ag) oxide and sulphide resource from a drilling campaign conducted in the 1980's as reported in the "NI 43-101 Technical Report, Mengapur Project (Amended) (Snowden, January 2012)". The historical resource consisted of 224 million tonnes (mt) averaging 0.597% Cu equivalent (eqv) (6.54% S, 0.25% Cu, 0.16g/t Au, and 8.86g/t Ag) at a cut-off grade of 0.336% Cu eqv cut-off grade. A historical sulphide reserve consists of 64.8 mt averaging 0.737% Cu eqv (8.63% S, 0.27% Cu, 0.21g/t Au, and 2.59g/t Ag) at the same 0.336% Cu eqv cut-off grade (Snowden, 2012).

## DEVELOPMENT

Since acquiring Mengapur, the Company has carried out extensive exploration programs (64,000m of drilling) to confirm historical resources and metallurgical testwork in studying downstream products. The results when completed will be included in a Preliminary Economic Assessment study ("PEA" study). The resource confirmation was largely completed in 2014 while metallurgical work is pending completion. Due to the decline in copper and iron ore prices the Mengapur site was placed into care and maintenance in fiscal 2015.

Subsequent to yearend, the Company signed a deed of variation agreement with Intec International Projects Pty Ltd ("Intec") to the Heads of Agreement to exploit the Intec Technology for testing sulphide copper recovery at the Mengapur Project. The objective of the testwork is to produce copper metal in-country to supply local copper product fabricators, as opposed to shipping concentrate off-shore. Pursuant to the Deed, the term of the interim Intec license was extended to January 16, 2022.

The major mining license for the Mengapur Project tenement was renewed in June 2016 and exploration and mining license applications are pending approval by Pahang State for Star Destiny Sdn. Bhd. ("SDSB"), a 100% owned subsidiary of Monument.



## CORPORATE SOCIAL RESPONSIBILITY

Monument is committed to promoting a strong health and safety workplace culture, minimizing our environmental footprint, and strengthening our ties to the communities in which we work.

### HEALTH & SAFETY

At Monument, health and safety for employees is a long-term investment which reduces business costs and disruptions and creates a productive work environment. Protecting the health and safety of employees, contractors and communities is the culture in all our operations. Our workplace is operated with clear accountability for safety, health management and performance. Our aim is to sustain a high safety standard guided by an occupational safety and health policy and regulatory framework. Established policies and procedures are in place to effectively plan for and manage health and safety to prevent the occurrence of all work related incidents. Our employees and contractors, through ongoing training programs, are prepared to identify hazards, undertake safe work practices and are responsible for the personal safety of their co-workers as well as themselves. During the year there were no fatal injuries with only minor work-related accidents. A good safety culture embraced by the Company enhances our brand value and goodwill.

### ENVIRONMENT

Monument has a strong commitment to environmental best practices which is critical for the long term growth of the company. Applying best practices enables us to deliver enduring value, maintain a reputation for quality and ensure the strong support of the community and the government. The importance of a healthy environment to future generations is a pillar of sustainable development for our project. Our environmental programs aim to minimize environmental impact, guided by a regulatory framework, environmental impact study, and environmental management plan that apply to all aspects of the operations. Good planning is essential to mitigate environmental impact which might otherwise affect the surrounding community or the natural environment.

As the mining activities progress, progressive rehabilitation remains key to gradually restoring environmental function that minimize the negative impact of land disturbance to the environment. The programs involve re-vegetation, slope and drainage maintenance, and a comprehensive erosion control plan to minimize impact to the environment and ensure sustainability. Our rehabilitation programs are site specific and reflect the unique set of environmental, social and economic circumstances. Our objective includes treating rehabilitation and mine closure as integral components of the planning and operation of mines and rehabilitation requirements that are open to public scrutiny.

continued on pg. 21...

The environmental monitoring and controls are in place to measure the effectiveness of the operation. The monitoring program includes physical sampling and analysis of emission, water, noise, dust and vibration. Independent environmental auditing was conducted 3 times within the year and the overall results were satisfactory.

## COMMUNITY SUPPORT PROGRAMS

Our CSR programs aim to develop the community in a sustainable way without creating a culture of dependency. The community programs seek to target a whole range of community needs such as education, environment, sports & recreation, cultural, religious, and socio economic development of the society.

Since 2009, the Company's investment at the Selinsing project drives the local and state economy, it enhances the community's earning power and living standard. It created a stronger community through: employment, wages and benefits, taxes and royalties, local procurement of good and services, and direct CSR contributions. Economic value from the Company's operating expenditures flows directly to the local economy and community.

We support education by contributing funds to early education of kindergarten students, providing internships and scholarships to students of higher learning and tertiary education at the local university and provide students support for other activities beyond the classroom. More than 150 tertiary education students had conducted their internship program in various courses at the site. We promote mining skills development in Malaysia with the goal of increasing local employment at our operations.

*Read in conjunction with Monument's Fiscal 2017 Audited Financial Statements and Management Discussion & Analysis, available at [www.sedar.ca](http://www.sedar.ca) and [www.monumentmining.com](http://www.monumentmining.com). All dollar amounts in US\$ except where noted.*

Roger L. Stangler, B.Sc., MEng, MAusIMM, MAIG has reviewed, supervised the preparation and approved the scientific and technical disclosure in the Annual Report as a Qualified Person under NI43-101 standards.

## CAUTIONARY STATEMENT REGARDING FORWARD LOOKING STATEMENTS

This annual report includes statements containing forward-looking statements or forward-looking information under applicable Canadian securities laws (hereinafter collectively referred to as "forward-looking statements") about Monument, its business and future plans. Forward-looking statements are statements regarding possible events, conditions or financial performance that are based on assumptions about future economic conditions and courses of action and include expectations, plans, objectives or future events that are not historical facts.

Statements concerning estimates of mineral resources and mineral reserves may also be deemed to constitute forward-looking statements to the extent that they involve estimates of the mineralization that will be encountered if a property is developed, and in the case of mineral reserves, such statements reflect the conclusion based on certain assumptions that the mineral deposit can be economically exploited. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved") are not statements of historical fact and may be forward-looking statements.

Forward-looking statements in this annual report include, without limitation, statements related to: the Company's expectations regarding future gold production at the Selinsing Gold Mine; the ability of the Company to advance exploration and development properties into commercial production; the results of testing gold and copper recovery technologies; completion of technical reports on the Company's projects and the timing and results thereof; timing, costs and potential success of future activities on the Company's properties, including but not limited to development and operating costs in the event that a production decision is made; potential success of exploration, development and environmental protection and remediation activities; and all other plans for mining, development and exploration on the Company's properties and the timing and results thereof.

The forward-looking statements in this annual report are subject to various risks, uncertainties and other factors that could cause actual results or achievements to differ materially from those expressed or implied by the forward-looking statements. These risks and certain other factors include, without limitation: risks related to gold, base metal and other commodity price fluctuations; risks related to general business, economic, competitive, geopolitical and social uncertainties; uncertainties in testing gold and copper recovery technologies that have not been proven in the field; uncertainties inherent in economic studies and resource estimates; uncertainties regarding the results and timing of current exploration activities; uncertainties in the progress and timing of development activities and the possibility that future exploration, development or mining results will not be consistent with the Company's expectations and/or the results of initial feasibility, prefeasibility and feasibility studies, including those related to the interpretation of drill results, and the geology, grade and continuity of mineral deposits; foreign operations risks; risks related to the ability to obtain financing required to develop mining properties or to complete significant technical, environmental or engineering studies; risks related to foreign exchange fluctuations; risks related to environmental regulation and liability; risks associated with failure to maintain community acceptance, agreements and permissions (generally referred to as "social license"); risks related to the outcome of legal actions, including any ongoing legal litigation; other risks inherent in the mining industry, including political and regulatory risks, and other risks and uncertainties related to the Company's prospects, properties and business strategy, including those described in the management discussion and analysis of the Company and the technical reports on the Company's projects, which are available under the profile of the Company on SEDAR at [www.sedar.com](http://www.sedar.com).

Material factors and assumptions used to develop forward-looking statements in this annual report include: general economic factors and other factors that may be beyond the control of Monument will not change in a materially adverse manner; the results of exploration on the Company's projects will be as expected; the future price of gold or other minerals will be sustained, or will improve; the expected timing and results of development and exploration activities of the Company will not differ material from management's expectations; costs of future activities will be as expected; capital and operating expenditures will be as expected; exploration, mining and processing activities will be viable operationally and economically and proceed as expected; political matters in Malaysia and other jurisdictions in which the Company does or may carry on business in the future will be stable; and all of the factors and assumptions described in the management discussion and analysis of the Company and the technical reports on the Company's projects, all of which are 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 statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements. There can be no assurance that such statements 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 statements. The Company does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.

## **CORPORATE INFORMATION**

### **Officers & Management**

Robert Baldock, CA (M), FCPA, FIMC  
*President and CEO*

Cathy Zhai, B.Sc., CGA  
*CFO & Corporate Secretary*

Zaidi Harun, B.Sc.  
*Vice President, Business Development*

Charlie Northfield  
*General Manager, Selinsing Operations*

Neil Rauert, BE (Mining), MEngSc., FAusIMM(CP)  
*Senior Project Manager, Technical Support*

Roger Stangler, B.Sc., MEng, MAusIMM, MAIG  
*Chief Managing Geologist*

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Website: [www.monumentmining.com](http://www.monumentmining.com)

### **Stock Listing**

TSX Venture Exchange, Symbol: MMY

Frankfurt Stock Exchange, Symbol: D7Q1

### **Registrar and Transfer Agent**

Computershare Trust Company of Canada  
Vancouver, British Columbia

### **Directors**

Robert Baldock  
*Kuala Lipis, Malaysia*

Cathy Zhai  
*Vancouver, British Columbia*

Zaidi Harun  
*Kuala Lipis, Malaysia*

Graham Dickson  
*Vancouver, British Columbia*

Michael John Kitney  
*Perth, Australia*

### **Auditors**

Grant Thornton LLP Vancouver, British Columbia

### **Bankers**

Bank of Montreal  
*Vancouver, British Columbia*

### **Legal Counsel**

DuMoulin Black LLP  
*Vancouver, British Columbia*

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MOVE TO A MID-TIER  
**MULTIPLE MINES**  
*GOLD PRODUCER*



TSXV: MMY | FSE: D7Q1 W W W · M O N U M E N T M I N I N G · C O M