

Monument Mining Ltd. Announces JV Arrangement for the Tuckanarra Project in WA

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VANCOUVER, Oct. 19, 2020 - [Monument Mining Ltd.](#) (TSX-V: MMY and FSE: D7Q1) or the Company; is pleased to announce that it has entered into a Joint Venture Arrangement (the Transaction;) with Odyssey Energy Ltd (proposed to be renamed Odyssey Gold Ltd) (ASX: ODY) to advance the Tuckanarra Gold Project (Tuckanarra;) located in the Murchison Goldfield.

Tuckanarra is currently 100% owned by Monument through its Australian subsidiary Monument Murchison Pty. Ltd. (Monument Murchison;), which also holds 100% of the Burnakura and Gabanintha Gold Projects (Murchison Gold Projects;) as its primary high-grade gold development projects in the Meekatharra district. Subject to the closing of the Transaction, ODY will own 80% of Tuckanarra and develop Tuckanarra together with Monument under an unincorporated joint venture.

TRANSACTION HIGHLIGHTS

- Sell 80% of Tuckanarra interest for consideration of AUD\$5 million cash subject to certain conditions;
- Retain a 1% NSR royalty over Odyssey's 80% shared interest;
- Retain a 20% interest in Tuckanarra Project free carried until a decision to mine;
- Preferentially process ODY's gold ore through Monument's Burnakura gold plant subject to commercial terms;
- Jointly develop the Tuckanarra Gold Project through an unincorporated joint venture.

President and CEO Cathy Zhai said: "The JV arrangement with Odyssey is a strategic move by the Company to divest Tuckanarra, one of our quality gold projects, allowing it to be advanced faster; and have our team focus on the primary highly prospective gold projects Burnakura and Gabanintha, former mining centers in Meekatharra and Cue region, and move these two projects closer to production through our existing infrastructure. This strategy will complement our Selinsing Gold Project in Malaysia, which has been in production since 2010 and has produced over 315,000 ounces of gold to date."

Ms. Zhai further commented: "We are excited to work with the Odyssey team, a part of Apollo Group in Perth which has a long and successful history of exploring and developing mining assets around the world. Apollo Group collectively has financed in excess of \$1bn of mining projects. We are open to all opportunities to increase our shareholders value as a whole."

To date Monument has defined a total 381,000 ounces of gold resources under NI43-101 standards at Burnakura from its three gold projects (Figure 1), all acquired in 2014 with an aggregate historical gold resources of 644,000 ounces under JORC standards, of which 81,000 ounces were attributed to Tuckanarra. ODY plans to progressively explore high grade opportunity at Tuckanarra after closing the Transaction.

Tuckanarra is directly adjacent to the Stakewell Gold Project that was recently acquired by ODY. Together ODY will own tenements covering 25km of strike of highly fertile banded iron formation (BIF;) and greenstones with extensive gold mining history. Given Odyssey access to Monument's Burnakura gold process plant located 25km from Odyssey's projects, Odyssey will preferentially process ores extracted from both projects, subject to commercial terms at the Burnakura gold processing plant.

Figure 1 is available at <https://www.globenewswire.com/NewsRoom/AttachmentNg/bc71899e-ec99-48cf-aadf-190290f19eef>

TENEMENT SALE AND UNINCORPORATED JV STRUCTURE

Tenements Sale

Monument and Monument Murchison (together "Monument Group") entered into a binding Tenement Sale Agreement with ODY and its subsidiary Tuckanarra Resources Pty. Ltd. ("Tuckanarra Resources") (together "ODY Group"), under which Monument Group sells to ODY Group a 80% of the Tuckanarra Gold Project for the aggregated consideration of AUD\$5 million in cash, plus 1% net smelter return royalty over the ODY's percentage share the Tuckanarra Gold Project on standard terms, as detailed below:

- Deposit: AUD\$150,000 cash payable on signing the Tenement Sale Agreement;
- Completion Consideration: AUD\$1,850,000 cash payable on completion of the Acquisition;
- Deferred Consideration: AUD\$2,000,000 cash payable within 6 months of completion of the Acquisition; and
- Milestone Consideration: AUD\$1,000,000 cash payable on the delineation of an independently assessed mineral resource in accordance with the JORC Code (2012 Edition) of at least 100,000 ounces of gold at a minimum resource grade of 1.55g/t in relation to Tuckanarra Gold Project, within 36 months of completion of the Acquisition.

The acquisition is subject to condition precedents including:

- Regulatory Approval: All ASX and other regulatory approvals required in relation to the Acquisition having been obtained either unconditionally or on conditions acceptable to the relevant party (acting reasonably);
- Due Diligence: Odyssey completing due diligence on the Tuckanarra Gold Project subject to its satisfaction;
- Capital Raising: Odyssey successfully completing a capital raising of at least \$1 million at a price not less than \$0.02 per share;
- Shareholder Approval: Odyssey obtaining shareholder approval in relation to the Acquisition or relevant aspects of

The completion of the Transaction is projected by December 9, 2020. The cash proceeds will be used for Murchison Gold Projects development and working capital.

Unincorporated Joint Venture Agreement

Tuckanarra Resources (80%) and Monument Murchison (20%) have also entered into an unincorporated joint venture agreement in respect to the exploration and development of the Tuckanarra, on the following key terms:

- Tuckanarra Resources will be the manager of the joint venture;
- A joint venture management committee will comprise of two members from Tuckanarra Resources and one member from Monument Murchison and will have the responsibility for overseeing joint venture matters, including a decision to mine;
- Monument Murchison's 20% interest is free carried until a decision to mine on the Tuckanarra Gold Project, following which the participant will contribute pro rata or dilute;
- If a decision to mine is made, the parties will form an unincorporated mining joint venture on certain agreed terms and subject to a separate mining joint venture agreement;
- There is a pre-emptive right on disposal of joint venture interests and drag along and tag along rights;
- Tuckanarra Resources and Monument Murchison have agreed to negotiate in good faith a processing arrangement on reasonable arm's length commercial terms for Monument Murchison to process ore extracted by Tuckanarra Resources from the Tuckanarra or Stakewell Gold Projects at Monument Murchison's Burnakura plant in Meekatharra, Western Australia; and
- Other standard terms and conditions for an unincorporated exploration joint venture including areas of interest and rights upon default by a participant (including an option to acquire a defaulting participant's interest at fair market value).

Planned Exploration under the Unincorporated Joint Venture

Upon completion of the Transaction, work planned to develop the targeting profile for Tuckanarra in the near

term will include:

- Reassessment and re-processing of historical high-resolution magnetics in the area;
- Potential sub audio magnetics ground geophysical survey;
- An updated 3D structural targeting model of the region;
- Confirmation of the drill database through on-ground work and reference to historical company reports;
- Re-interpretation of soil sampling data including potential infill lines;
- A target ranking exercise over the area; and
- Re-logging and re-assaying of drill core and samples where appropriate.

MURCHISON GOLD PROJECT DEVELOPMENT (BURNAKURA AND GABANINTHA)

Murchison Gold Project is situated in the Meekatharra district. The unique position in the Murchison Goldfields, where historically millions ounces of gold were delivered and major production from Westgold Resources and Ramelius Resources are still ongoing. This together with the fully functional small size gold processing plant designed for high grade production that can be upgraded to larger capacity, makes Murchison Gold Project strategic and attractive as the recent success of Musgrave Minerals and Spectrum Metals highlights.

Burnakura and Gabanintha Gold Projects are at the development stage with considerable exploration potential, located approximately 650km north of Perth and 45km south of Meekatharra in the Murchison Goldfields, containing a total of 381,000 ounces of gold under NI43-101 Standards (historical resources of 563,000 ounces). The projects have extensive mining histories and have been mined via numerous open pits and underground methods as well as smaller workings. The projects cover an area on the eastern margin of the Archean Meekatharra -Wydgee greenstone belt within the north-eastern Murchison Domain of the Yilgarn Craton.

The 260,000 tpa gold processing plant, 108 man camp and infrastructure facilities are well maintained, and ready to be placed into production once a three stage refurbished crushing plant is installed. An economic assessment was completed in 2018 and it is currently under review, with the new rally of gold prices in 2020. The Murchison Gold Project requires both development and exploration work to increase its prospective potential to add value to the Monument Group as a whole.

Burnakura Project

The Burnakura project consists of a full set of gold processing facilities and operating camp, 6 mining licenses, 3 exploration licences (2 under application) and 5 prospecting licenses covering a total area of 123.1km². It contains a NI43-101 compliant Resource of 381,000 ounces of gold. The historical resources were in total 410,000 ounces of gold under JORC standards. Significant effort was devoted to development and exploration since acquisition, to establish production capacity and economic viability to compliment the Selinsing Gold production.

The Burnakura gold deposits are situated along a northeast trending splay (Burnakura Shear Zone) that parallels and is linked to the north-northeast trending regional scale Mt Magnet fault. The Burnakura Shear Zone Gold mineralization is typical of a brittle to semi-ductile shear zone, forming semi-continuous dilational veins.

Figure 2 is available at

<https://www.globenewswire.com/NewsRoom/AttachmentNg/5319cac1-67eb-422c-9a51-af1400e7d3bf>

The main historical mining period was between 1898 and 1961, and a total production of 32,231 ounces of gold at 26 g/t has been estimated to have been produced. More recent production, prior to the commissioning of the Burnakura gold processing plant in 2005, from the 13 producing pits and two underground operations amounts to 216,000 ounces of gold at 3.7g/t. Gold production since the Burnakura plant was commissioned totals 58,371 ounces from Tectonic, ATW Gold Corp and Kentor Gold.

The project has been extensively explored and numerous drill programs have been carried out since 1986. A total of 20,642 drill holes are in the current database as well as 13,278 surface samples. The main mining

leases were covered by an aerial photographic survey carried out in 2014, and various geophysical surveys have been completed including an airborne magnetic, radiometric and digital elevation survey in 2008 at 40m line spacing. In addition, several structural interpretations have been completed by various consultants.

An updated mineral resource was reported by SRK in 2018 under NI43-101 standards, with 381,000 ounces of gold for the NOA 1-6, NOA 7-8, ANA, Authaal and Federal City deposits, comprised of 88,000 ounces of Inferred and 293,000 ounces of Indicated Resource.

Gabanintha Project

The Gabanintha project consists of 2 mining licenses, 3 exploration licenses and 16 prospecting licenses (5 under application) covering a total area of 43.4 km². It contains a historical Inferred Resource of 153,000 ounces of gold at 2.16g/t.

The project lies on the Gabanintha Shear Zone, a 1km wide north-northwest anastomosing regional shear zone hosted within a mafic and ultramafic sequence with minor volcanics. Mineralization is associated with quartz veins and stockworks hosted within a volcanogenic suite of lithologies which include ultramafic, mafic and felsic volcanics, felsic porphyry, gabbro/dolerite, volcanogenic sediments and thin BIFs.

Historical mining production of 11,800 ounces of gold has been estimated up until 1914, with intermittent gold and copper production until the late 1940s. Between 1987 and 1991, Dominion Mining expanded the resources at Kavanagh, Yagahong and Canterbury and mined Terrells, Yagahong, Kavanagh, Canterbury, Canterbury South and Tumblegum pits, producing approximately 150,000 ounces of gold. There was no production from Jinka Minerals Limited or Kentor Gold who owned the project after Dominion.

Figure 3 is available at

<https://www.globenewswire.com/NewsRoom/AttachmentNg/9a6490ac-076c-4770-9cfc-76120801af34>

A total of 8,718 drill holes are in the current database as well as 13,452 surface samples. The project has been covered by over 8 geophysical surveys including multiple EM surveys which were primarily used to target copper mineralization. Various resource estimations have been completed between 2011 and 2013.

Work Plan for Murchison Gold Project (Burnakura and Gabanintha)

The work plan for the Murchison project will consist of re-assessing the production profile at current higher gold prices, developing a range of high priority exploration targets, as well as further advancing existing mineral resources so that updates can be incorporated into a new life of mine plan. In addition, there will be further corporate development work, and other opportunities that could potentially add value to shareholders that will be explored.

The main focus of development work will include:

- Review and updates of existing drilling data including wireframe remodelling for a new Alliance resource estimation considering an underground mining scenario.
- Review status of data for all deposits that are included in the life of mine plan and generate a program of work to update existing data to ensure robust mine plans.
- Collection of additional data and reinterpretation of data for deposits included in the life of mine plan as required.
- Drillhole planning to infill and immediately extend deposits to ensure mine plans are based on comprehensive datasets.
- Resource updates as required. This will be especially important for resources that are being targeted by underground mining.
- Complete an updated life of mine plan and financial model for production potential.

The main focus of exploration will include:

- Drill programs that will target down plunge of existing high-grade resources that have the potential to be mined underground such as at NOA 1, 7-8 and Alliance deposits at Burnakura and Yagahong deposits at Gabanintha.
- Close spaced magnetic orientation surveys that may be able to delineate favourable structures in prospective host lithologies such as BIF.
- Upgrade existing drilled areas to resource status such as Tumblegum and Kavanagh at Gabanintha.
- Further refinement and ranking of regional style exploration targets, that have the potential to host significant deposits. There are multiple areas in both projects that have no first pass sampling information.
- Complete budget in line with exploration strategy.

The scientific and technical information in this press release has been prepared by Adrian Woolford, B.Sc. (Hons) Chief Geologist of [Monument Mining Ltd.](#); reviewed and approved by Roger Stangler, MEng, FAusIMM, MAIG, a Qualified Person as defined by NI43-101, retained by Golder Associates Pty Ltd.

About Monument

[Monument Mining Ltd.](#) (TSX-V: MMY, FSE: D7Q1) is an established Canadian gold producer that operates the 100% owned Selinsing Gold Mine in Malaysia. Its experienced management team is committed to growth and is advancing several exploration and development projects including the Mengapur Copper and Iron Project, in Pahang State of Malaysia, and the Murchison Gold Projects comprising Burnakura, Gabanintha and Tuckanarra in the Murchison area of Western Australia. The Company employs approximately 200 people in both regions and is committed to the highest standards of environmental management, social responsibility, and health and safety for its employees and neighboring communities.

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