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For Immediate Release
Thursday, 22 March, 2012

ASX RELEASE

Monax commences 2012 drilling program at its Waddikee Manganese Project in S.A.

HIGHLIGHTS

- 45 holes planned totalling 2250 metres.
- Drilling to test recent Gradient Array Induced Polarisation surveys

Monax Mining (ASX: MOX) today announced the commencement of its drilling program at its Waddikee Project in South Australia.

The RC/aircore drilling program will concentrate on investigating potential manganese anomalies defined by gradient array induced polarisation (GAIP) surveys at Hodgins, Polinga and Jamieson Tank prospects.

Forty five holes are planned for a total of 2250 metres.

Background

The Waddikee Project is located south of the township of Kimba on the central Eyre Peninsula of South Australia (Figure 1). It is the subject of a farm-in agreement with OM (Manganese) Ltd (OMM), a wholly owned subsidiary of OM Holdings Limited (ASX:OMH). OMM is required to fund A\$2 million over four years to acquire a 60% participating interest for manganese (Mn) and iron ore on the project.

A summary of the drilling program is outlined below.

Jamieson Tank

Monax has completed drilling 157 holes to date at Jamieson Tank for a total of 8778 metres. Monax recently completed a GAIP survey over the entire Jamieson Tank prospect, aimed at defining further possible manganese targets based on previous drilling and newly acquired GAIP survey data.

The best drilling results for the Jamieson Tank prospect include:

- 10m @ 17.5% Mn (JTRC069 26-36m)
- 7m @ 17.1% Mn (JTRC 121 22-29m)
- 5m @ 19.2% Mn (JTRC 119 14-19m)

Previous beneficiation testing of drill hole samples from Jamieson Tank showed the manganese content can be increased from 20.3% Mn to 42% Mn with 80% recovery by simple heavy liquid beneficiation techniques (see ASX Release 18 December, 2008 for details).

As part of the 2012 program, 21 holes are planned for the Jamieson Tank prospect, focussing on new anomalies defined from the GAIP survey.

Polinga

Anomalous manganese at Polinga was first identified in a roadside grader scraping in 2007. Surface rock chip sampling at Polinga returned results up to 41.8% Mn.

Monax has drilled 17 holes at Polinga for a total of 984 metres and the best results include:

- 4m @ 18.9% Mn (PRC003 32-36m)
- 4m @ 14.2% Mn (PRC010 50-54m)

Results from the GAIP survey have shown that much of the previous drilling at Polinga has not been located within areas considered as prospective from the newly acquired data. Eleven holes are planned for Polinga, focussing on two prominent NNW trending linear anomalies outlined by the GAIP survey (Figure 2).

Hodgins

Six holes totalling 301 metres were drilled at the Hodgins prospect in 2011 to follow up high grade surface samples grading up to 37% Mn. The best intersections from the drilling include:

- 10m @ 29.2% Mn (Hole HRC05 46-56m EOH)
- 20m @ 23.8% Mn (Hole HRC05 22-42m)
- 11m @ 20.8% Mn (Hole HRC03 9-20m)
- 14m @ 16.8% Mn (Hole HRC01 32-46m)

Hole HRC05 contained the highest grade manganese from drilling on the project area, and overall the hole contained 52m @ 21.2% Mn (4-56m EOH).

Thirteen holes are planned at Hodgins to test new anomalies defined by the GAIP survey.

The drilling program should take about three weeks to complete and results are expected in mid May 2012.

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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr G M Ferris, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Ferris is employed full time by the Company as Managing Director and, has a minimum of five years relevant experience in the style of mineralisation and type of deposit under consideration and qualifies as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" Mr Ferris consents to the inclusion of the information in this report in the form and context in which it appears.

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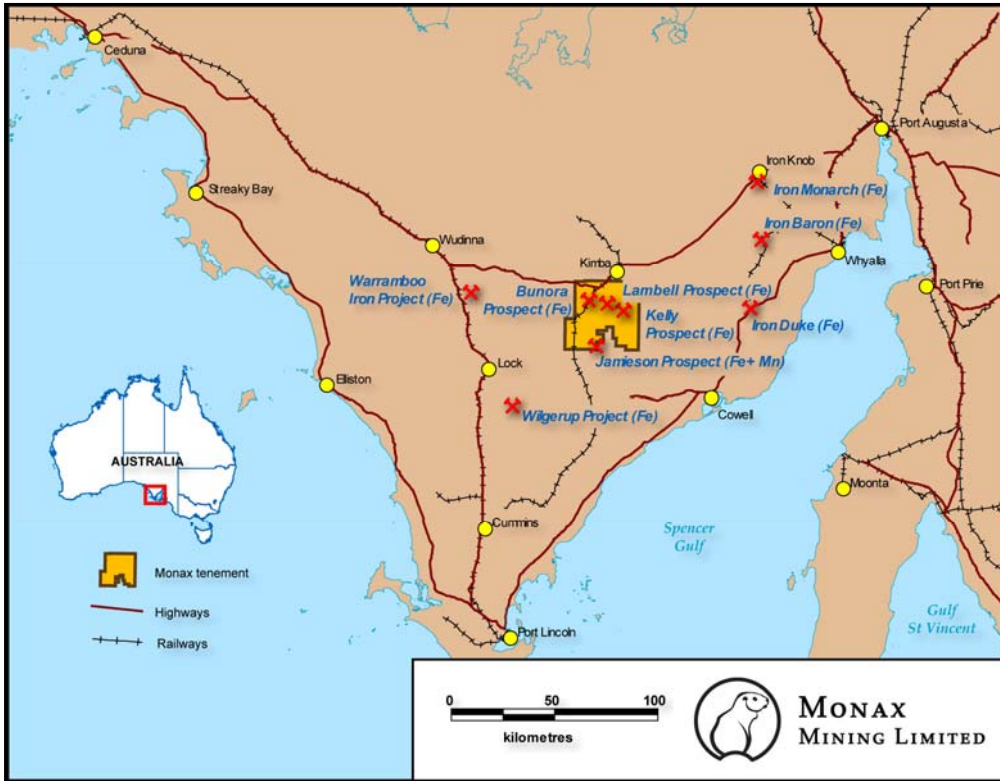


Figure 1. Location of the Waddikee project, central Eyre Peninsula.

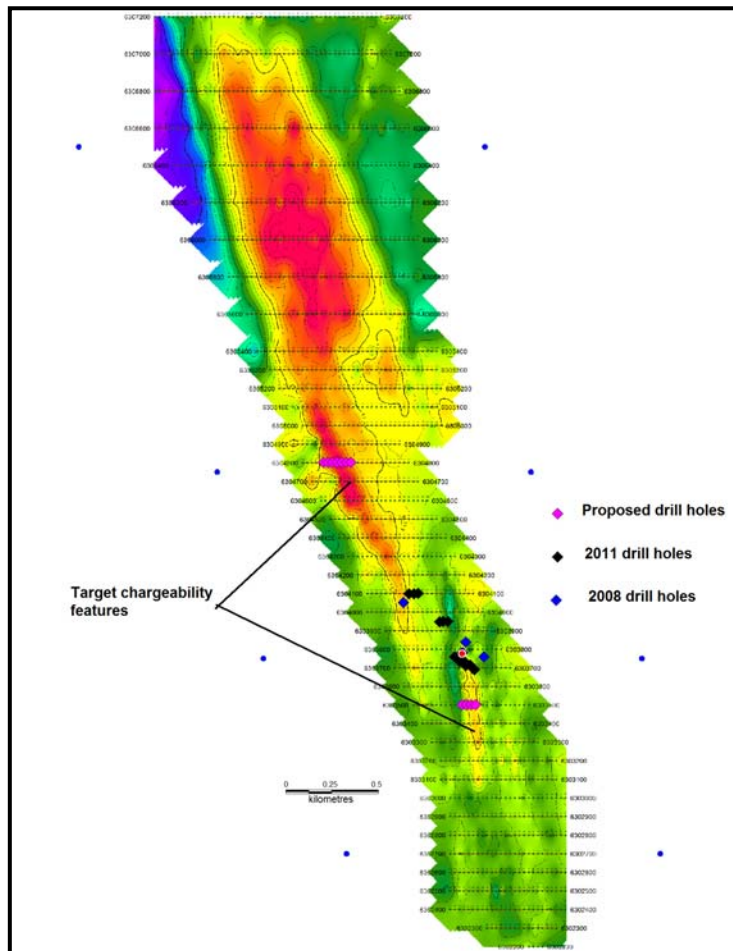


Figure 2. GAIP chargeability data for Polinga prospect showing location of proposed drilling and existing drilling.