Monto Minerals

30 JUNE 2004

ASX ANNOUNCEMENT

ISSUE OF SHARES

The company has today issued a total of 4,242,857 shares.

1,385,714 shares were issued for cash at 7 cents per share raising $96,999.98 as a part of a funding package to provide sufficient funds for operations until the decision to proceed to Bankable Feasibility Study ("BFS") is made, including, in particular, the operation of the Goondicum Trial Plant, the feldspar washing facility and the shipment of bulk samples to selected potential customers.

2,857,143 shares were issued at 7 cents per share to John Holland Development and Investment Pty Ltd (JHDI) as per an announcement earlier today and the $200,000 cost of the shares will reduce the amount payable by Monto to JHDI for its work on the Goondicum Industrial Minerals Project.

In accordance with CO 02/1180, Monto Minerals Ltd notifies the ASX in relation to the issue that all information of the kind that would be required to be disclosed under section 713(5) of the Corporations Act 2001 if a prospectus were to be issued in reliance on section 713 of that Act (special prospectus content rules for continuously quoted securities) in relation to an offer of the securities included in the issue has been disclosed to the ASX.

An appendix 3B detailing the issue is attached.

By order of the Board

GM Edwards

GARRY M EDWARDS
Company Secretary

Head Office

Level 6, 303 Coronation Drive
Milton QLD 4064 Australia
Telephone: 61 7 3858 6100
Facsimile: 61 7 3858 6199
Email: admin@montominerals.com

Monto Minerals Ltd
ABN 71 063 144 865

PO Box 1791
Milton BC QLD 4064 Australia

Website: www.montominerals.com

Monto Office

5 Newton Street
Monto QLD 4630 Australia
Telephone: 61 7 4166 3500
Facsimile: 61 7 4166 3137

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

MONTO MINERALS LTD

ABN

71 063 144 865

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	FULLY PAID ORDINARY SHARES
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	4,242,857 FULLY PAID ORDINARY SHARES
3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	FULLY PAID ORDINARY SHARES RANKING EQUALLY WITH EXISTING SHARES.

+ See chapter 19 for defined terms.

4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	SHARES RANK EQUALLY WITH EXISTING FULLY PAID SHARES.
5	Issue price or consideration	7 CENTS PER SHARE 1,385,714 SHARES ($96,999.98) FOR CASH WITH A FURTHER 2,857,143 SHARES BEING ISSUED TO EXTINGUISH DEBT OF $200,000.00
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	THE CASH ISSUE IS TO PROVIDE PART OF THE FUNDS REQUIRED FOR OPERATIONS UNTIL THE DECISION TO PROCEED TO BANKABLE FEASIBILITY STUDY ("BFS") IS MADE, INCLUDING, IN PARTICULAR, THE OPERATION OF THE GOONDICUM TRIAL PLANT, THE FELDSPAR WASHING FACILITY AND THE SHIPMENT OF BULK SAMPLES TO SELECTED POTENTIAL CUSTOMERS. THE NON CASH ISSUE IS TO EXTINGUISH DEBT
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	30 JUNE 2004

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in clause 2 if applicable)	SEE ATTACHED	

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the securities in clause 2 if applicable)	SEE ATTACHED	

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	NO DIVIDEND DISTRIBUTION IS ENVISAGED IN THE NEAR TERM

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	

+ See chapter 19 for defined terms.

20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	
25	If the issue is contingent on +security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do +security holders sell their entitlements *in full* through a broker?	
31	How do +security holders sell *part* of their entitlements through a broker and accept for the balance?	

32 How do +security holders dispose of their entitlements (except by sale through a broker)?

33 +Despatch date

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought

39 Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

42 Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)

Number	+Class

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.

- There is no reason why those +securities should not be granted +quotation.

- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.

- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.

- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: G M Edwards Date: 30 JUNE 2004
(~~Director~~/Company secretary)

Print name: GARRY M EDWARDS

==============

+ See chapter 19 for defined terms.

30 JUNE 2004

MONTO MINERALS LTD

SCHEDULE OF SECURITIES ON ISSUE

Quoted

Number and class of all securities quoted on ASX (including the securities issued as per Clause 2 in the Appendix 3B incorporating this schedule:-

274,975,398	Fully Paid Ordinary Shares (MOO).

Unquoted

Number and class of all securities not quoted on ASX (including the securities issued as per Clause 2 in the Appendix 3B incorporating this schedule:-

1,750,000	Options exercisable at $0.10 on or before 31 March 2005.
850,000	Options exercisable at $0.075 on or before 6 August 2004.
250,000	Options exercisable at $0.075 on or before 13 August 2004.
500,000	Options exercisable at $0.075 on or before 5 September 2004
9,000,000	Directors Options exercisable at $0.12 exercisable between 1 July 2004 and 30 June 2006 provided the Company, its subsidiary or descendent entity has produced and sold any mine products equal to or greater than $10,000,000 in value.