

Pegmont Mines NL

ACN 003 331 682

Corporate Office

65 Hume Street

Crows Nest

NSW 2065

Telephone: 8437 3591

Facsimile: 8437 3599

FAX TO : STOCK EXCHANGE OF NEWCASTLE LIMITED
ATTENTION : SCOTT EVANS
FAX NUMBER : (02) 49291556
FROM : MALCOLM MAYER
SUBJECT : SHARE INVESTMENT PROFITS - 31 MARCH 2006
DATE : 5 APRIL 2006

DEAR SCOTT,

WE ARE PLEASED TO ATTACH THE RESULTS OF OUR SHARE INVESTMENT
ACTIVITY FOR THE MARCH QUARTER. IT WILL BE INCORPORATED IN OUR
NORMAL QUARTERLY REPORT TO BE ANNOUNCED LATER IN MONTH.

YOURS SINCERELY,

Malcolm
T.

Pegmont Mines NL

(ACN: 000 895 438)

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65 Hume Street
Crows Nest NSW 2065
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5 April 2006

The Manager
Stock Exchange of Newcastle Limited
384 Hunter Street
Newcastle, NSW 2300

Dear Sir,

Share Investment Profits 3 months to 31 March 2006

We wish to advise that realised pre-tax share investment profits for the three months to 31 March 2006 were \$1, 070, 232 compared to \$903, 584 for 31 March 2005 and \$1, 500, 000 budget for 2006. This result covers our yearly budget for both exploration and administration expenditure.

Investment Activity Summary

Shares Traded	March Quarter 2006 \$000	March Quarter 2005 \$000	Budget Year 2006 \$000
Cost	1835	1999	8500
Proceeds	2905	2901	10,000
Profits	1078	918	1500
Losses	<u>(8)</u>	<u>(14)</u>	<u>-</u>
Net Profit / (Loss)	<u>1,070</u>	<u>904</u>	<u>1,500</u>

The stockmarket strength in resource companies is due to ongoing demand for commodities by China. However, we are cautious about extrapolating the first quarter results for the whole year, notwithstanding a current unrealised gain of \$3.5 million attaching to our share portfolio. The current market value of the share portfolio is \$7.6 million, whilst cash and credits available for investment is a further \$1.2 million, making \$8.8 million (or 17.3c per share) in total. A more detailed report will be included in the quarterly report.

Yours faithfully,



M. A. Mayger
Managing Director