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Dear Option holder

**Mount Rommel Options expiring 28 February 2007 exercisable at 10 cents (NSX Code MMTO)**  
**Mount Rommel Options expiring 28 February 2008 exercisable at 20 cents (NSX Code MMTOA)**

You are the holder of Options of each of the classes referred to above. The Company has lodged an Offer Information Statement ("OIS") with ASIC today pursuant to which it is making an offer of Ordinary Shares in the capital of the Company by way of an entitlements issue on the basis that each member will be entitled to apply for one Ordinary new Share at an issue price of 10 cents for every ten Shares held at the Record Date to determine entitlements.

The OIS will be on the Mount Rommel website [www.mountrommel.com](http://www.mountrommel.com) from Tuesday 19 December 2006. The OIS is subject to an exposure period under the Corporations Act 2001.

If you wish to increase your entitlement to participate in the offer you may do so by exercising Options but your exercise form and subscription moneys must be received by 5.00 pm (AEST) on 27 December 2006 in time for the Share Registry to update your increased holding on the Share Register of the Company prior to close of business on 27 December 2006. The Record Date to determine entitlements to the Issue under the OIS is 27 December 2006.

The current share price for the Company's fully-paid shares as recorded on NSX immediately prior to lodgment of the OIS with ASIC was 10.5 cents bid with the last sale at 10 cents.

Whilst the Company cannot advise you as to the course of action you may wish to adopt, it would seem logical that **if** you wish to exercise Options to increase your participation in the Offer, that you consider exercising your Options expiring 28 February 2007 (NSX Code: MMTO) as they are exercisable at 10 cents (the same as the Issue Price under the OIS) whereas the Options expiring 28 February 2008 (NSX Code: MMTOA) are exercisable at 20 cents.

Members will also be entitled, along with the public, to apply under the OIS for any Shares which are not otherwise subscribed for by members pursuant to the Offer.

Accompanying this notice are two Option exercise forms for use by you should you decide to exercise any of your Options. One form relates to the Options expiring 28 February 2007 and the other to the Options expiring 28 February 2008. If you do not understand the forms or have any enquiries you should seek professional advice from appropriate professional advisers.

Yours faithfully

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