

Pegmont Mines Limited

ACN 003 331 682

Corporate Office

65 Hume Street
 Crows Nest NSW 2065
 Telephone: 8437 3591
 Facsimile: 8437 3599
 22 August 2007

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

Dear Sir,

Substantial Shareholder Notice and change in Directors' Interest.

We wish to advise that Mr Malcolm Mayger, a Director and Substantial Shareholder, purchased 100,000 shares in Pegmont Mines Limited at 15 cents each on 17 August 2007, in Malcolm A. Mayger Pty Limited (Superannuation Fund). Thus, his total shareholding interest in the Company increased by 100,000 shares to 31,019,045 or 61.20% of the issued capital as represented by the following holdings:

	Previous holdings	Change	Current holdings
Pegasus Enterprise Limited	14,592,285	-	14,592,285
Malcolm A. Mayger Pty Ltd	11,746,760	-	11,746,760
Lozora Pty Ltd	1,985,000	-	1,985,000
Malcolm A. Mayger Pty Ltd Superannuation Fund	1,295,000	100,000	1,395,000
Scepha Investments Pty Ltd	1,000,000	-	1,000,000
M. A. Mayger	300,000	-	300,000
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Total Shareholding interest	30,919,045	100,000	31,019,045
Percentage of issued capital	61.00%	0.20%	61.20%

Yours Faithfully



Malcolm A. Mayger
Managing Director.