

Pegmont Mines Limited

ABN 97 003 331 682

Corporate Office

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1 November 2007

Mr Scott Evans
General Manager,
National Stock Exchange of Australia
384 Hunter Street
Newcastle, NSW 2300

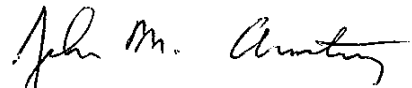
Dear Sir,

Issue of shares

We advise that on the 1 November 2007 the Directors' resolved to allot 200,000 shares in the Company as follows:

1. 100,000 shares on the exercise of 100,000 options held by Mr Chris Leslie the Company Secretary.
2. 100,000 shares in satisfaction of a debt of \$10,000 owed to a geological consultant of the company for a considerable period of time and not earning interest.

Yours faithfully,



J.M Armstrong
Chairman