

MOUNT ROMMEL MINING LTD

INFORMATION RELEASE

Directors of the Company provide the following statement in the interests of disclosure to investors and shareholders of the Company. As will be apparent from the text, the timing of release of this data has been subject to satisfactory indications that an appropriate path to permitting would be forthcoming for the Glenfine project.

1. **GLENFINE MIN 5492**

This licence conveys gold rights to this Company over a portion of the former mine site, Glenfine South, and is subject to an 80/20 agreement with others.

The Directors of the Company entered this agreement with others on the assumption that additional sampling at Mount Rommel's direction would confirm a minimum of 20,000 tonnes of sand, at a likely average tenor of 1.7 g/t recovered gold. These initial assumptions have been exceeded through investigative work on site (undertaken with landowner verbal consent).

Investigation re gold indicates –

- more on-site tonnes are likely;
- the likely average recoverable gold content per tonne treated is 2 g/t gold;
- a gold recovery of 88% is evidenced by bench tests;
- a gross output of 1,250 oz gold over 200 days is a reasonable expectation from 20,000 tonnes treated.

Related *mineralogical* investigation reveals the presence of two EPA-notifiable minerals, being

- *arsenic*, at unexpected “Level 2” classification amounts, requiring (by law) handling on site, and disposal there in a mortar or concrete mix, and
- *cadmium*, at levels not anticipated (7 to 18 ppm, and higher, max 35 ppm), well in excess of threshold values for EPA concerns, circa 4 ppm..

Concurrent Statutory investigations disclose that –

- ◆ Heritage Victoria include this site on the register of places having State significance.
- ◆ The Heritage registration together with and the presence of EPA notifiable minerals at the levels indicated by site and environmental control sampling act to cause necessity for a permit to process sands on site.
- ◆ Correspondence from DPI on 2 May, 2008 showed this Department had no statutory mechanism to deal with the circumstances revealed by these on-site investigations, particularly the unanticipated natural air-borne distribution of

dump minerals over neighbouring agricultural land, which DPI recognised as requiring remediation.

ACTIONS

- On receipt of priority status, the Company with the knowledge of DPI, changed its advertised description of intended work to be “on-site”, and in effect “remedial works”;
- a Director of this Company with qualifications in applied chemistry was nominated as the responsible person for Works Approval and Permit purposes, being the only person able to satisfy all the inter-related issues.
- the DPI public register of licences (rights to gold, not operational) shows grant of MIN 5492 on 23 May, 2008, but as yet no documents have been received;
- the Company completed the EPA prescribed site-specific controlled environmental sampling : physical distribution of wind-blown sand over 100 years was collected, and subsequent analyses confirmed a recognisable arsenic minerals trail to the limit of the sample grid, 250 metres beyond the site, reinforcing the necessity for a permit for on-site remedial works – see accompanying illustration;
- in the course of all these current events, the landowner of this and over 10,000 hectares of surrounding land, put those holdings up for tender, closing 10 June, 2008. The Company took the steps necessary to ensure its interests were being disclosed to tenderers. (This land sale for reasons unrelated to Mount Rommel, is a transaction at potentially in excess of \$20 million.)

Given all of the above, the Directors consider a realistic and foreseeable possibility is that State agencies will act so that a permit to treat these sands is issued to the Company. The landowner will benefit from extraction and disposal of minerals. The “by-product” to remedial works – the gold – will be valuable to the Company.

A secondary issue has emerged : it has been recognised that there may be conflicts of interest should the site management business operator also hold shares in this Company. Directors are considering what this question may mean.

DISCLOSURE

The above report has been compiled by a Director of the Company who also holds shares in the Company. The information as stated is based on fact as presently known. The reference to “*average recoverable gold content*” for the Glenfine sands is based on analyses of in-situ tube-bore samples collected by the writer and (separately) auger hole samples collected by a geologist acting for the Company. The total number of samples (to depth 1 metre) from within the area first intended to be treated is 32.

The total number of samples of sands collected from outside the intended operating area is 22 – also from bore holes, depth 1 metre.

The total number of *paired* samples collected from each site on three lines on a grid of 50 metre spaced sample sites is 82 (by 2) all of which are additional to the samples referred to above. These were collected in the manner prescribed in EPA guidelines.

The gold content of these sands has been established by analysis, and confirmed as recoverable by separate bench scale tests of composites on selected samples.

The whole of the sample work relating to gold undertaken by the Company confirms the results of a bulk sample successfully treated in year 1990 – activities then curtailed by the landowner at that time.

INTENTIONS OF DIRECTORS

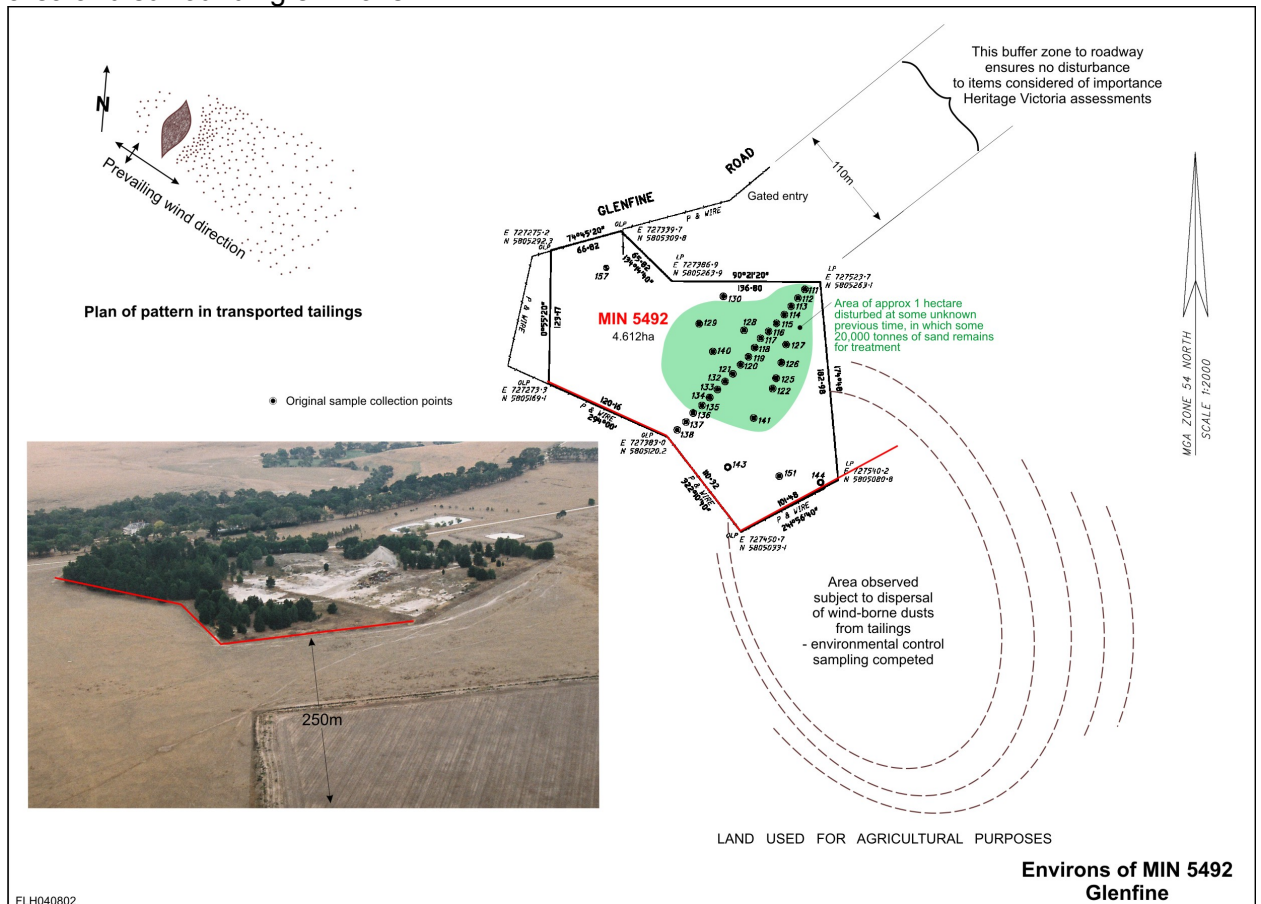
The representations of others which led to the Directors entry to this sands agreement has been found to be fair and reasonable.

The terms of agreement were partially completed when Mount Rommel made the required cash payment. The balance is the issue of 800,000 fully paid ordinary shares of the Company.

Directors intend to so issue on receipt of documentation which confirms licence MIN 5492 was granted on terms and conditions normal for licences of this kind and for a 5 year period.

SITE ILLUSTRATION

This composite illustration indicates the position within MIN 5492 of the intended work area and surrounding environs.



2. **ALLENDALE** **EL 3821**

The initial program of 5 vertical probe holes currently illustrated on the website of the Company was recently suspended, thought completed.

When the core from Hole #H4 was cut by diamond saw for sampling purposes, around depth 90 metres, arsenopyrite was observed in the cuttings retained on the sampling tray. Near the end of the hole, at depth 108.3 metres, cut core reveals small mineralised quartz veins and arsenopyrite (not with the vein) one particle to size to 10 mm. Carbonate alteration is also seen to be visually associated with quartz and mineralisation in the last tray of core.

This vertical hole is positioned relevant to a geophysical anomaly commencing perhaps 70 metres below surface, and thought continuing to some 200 metres. The available core stops at 109 metres. The observed geology is such that this hole requires re-establishment, and continuation for core recovery in the interval 109 to 150 metres.

Photographs of core from the oxidized zone in this hole are available on the website of the Company. There are no analyses to report at this time.

For additional illustrative material, investors are encouraged to visit the website of the Company.

F. L. HUNT