

# Pegmont Mines Limited

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8 October 2010

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

Dear Sir,

## Preliminary Share Trading Report To 30 September 2010

We wish to advise that the Net Trading result for the **three months** to 30 September 2010 was a profit of **\$856,168** resulting in a loss of \$381,198 for the nine months to 30 September after allowing for the decrease in the provision for loss on quoted and non quoted shares by \$2,473,157 from 31 December 2009. We anticipate making further trading profits during the final three months of this year.

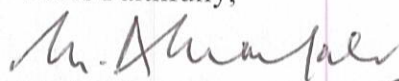
### Share Trading Summary

#### Shares Traded

	Sept Quarter 2010 <u>\$000</u>	Nine Months to Sept 2010 <u>\$000</u>	Nine Months To Sept 2009 <u>\$000</u>	Year Budget 2010 <u>\$000</u>	Revised Estimate 2010 <u>\$000</u>
Proceeds	7,473	15,910	16,905	15,000	21,500
Cost	7,597	18,764	15,250	13,500	24,000
Profits	657	1,133	2,647	2,500	1,500
Losses	<u>(781)</u>	<u>(3,987)</u>	<u>(992)</u>	<u>(1,000)</u>	<u>(4,000)</u>
<b>Trading Profit/(Loss)</b>	<b><u>(124)</u></b>	<b><u>(2,854)</u></b>	<b><u>1,655</u></b>	<b><u>1,500</u></b>	<b><u>(2,500)</u></b>
<b>Net Provision- Profit</b>	<b><u>980</u></b>	<b><u>2,473</u></b>	<b><u>1,140</u></b>	<b><u>500</u></b>	<b><u>2,500</u></b>
<b>Net Trading Profit/(Loss) after provisions</b>	<b><u>856</u></b>	<b><u>(381)</u></b>	<b><u>2,795</u></b>	<b><u>2,000</u></b>	<b><u>NIL</u></b>

The stock market continues to be extremely volatile attributed mainly to instability of overseas markets. Share trading profits were derived during the quarter from producers or near producers with the exception of one exploration company with encouraging drilling results. We remain cautious, holding a high level of cash.

Yours Faithfully,



M.A. Mayger  
Managing Director