



28 Lawson Crescent, Thomastown, Vic.3074

P.O. Box 80, Bundoora, Vic. 3083

Telephone: (03) 9462 0739

Facsimile: (03) 9462 0494

Email: info@mountrommel.com

Web : www.mountrommel.com

21 March 2011

NSX GENERAL RELEASE - STATUS OF ACTIVITY ON GOLD PROPERTIES, VICTORIAN GOLDFIELDS

1. GLENFINE

The Directors, Mount Rommel, have formally submitted to the mines inspectorate, Department of Primary Industries, the planning permit P10-352, as was amended 8 March, 2011. The Company was advised that there is a formality attached to "registration" of its Work Plan, notwithstanding being granted Endorsed status. Prior to "registration" of the Work Plan, we were informed that document inspection procedures would occur, set date 28 March, 2011.

Associated with registration, a bond assessment occurs.

The above matters are understood to be the final matters for clearance, and issue of a Work Authority.

Completion of these steps should enable the Company to benefit from the costs of site investigations at Glenfine (2008) and the unavoidable expense attached to the regulatory procedures in Victoria over the past two years.

Gold production from Glenfine is intended to begin within 6 weeks of commencement of on-site works.

2. CLUNES

Over some 10 years, this site has been investigated for signatures of potential gold mineralization. Evidence (by assay of drill core) has been progressively established through drilling in 2004, and again in 2006/2007. Analyses demonstrate gold remains in many separate parts of this prominent ridge so well-known at Clunes, and within MIN 5391 held by the Company.

The investigation programs include 8 separate petrological investigations - two undertaken on drill core of past operators WMC, and six on drill core of the Company. In this series, selections were made from core out of twelve (12) diamond drill holes, with reporting completed on 90 samples of core. No gold was found in the core from WMC holes. Considerable evidence of gold occurs in the holes of the Company - see previous reports of analyses recorded in releases to NSX.

The dominant mode of occurrence of gold (drilled intercepts) is as inclusions within pyrite. Two other quite different modes of gold occurrence were reported, one of which is regarded as distinctive and unusual.

The numerous encouraging gold analyses were sufficient to support a renewal of this tenement -- completed. New drilling is planned to take place when profits from operations at Glenfine enable drilling to occur. The drilling Work Plan is approved.

3. ALLENDALE

This information release concludes with several illustrations and some selected archive text - evidence for gold locally eroded.

The Clunes investigations high-lighted the importance of conducting search work at Allendale within the environs most likely to be directly associated with primary gold. Further, the petrological reports, Clunes, gave emphasis to the association of extremely stressed

quartz and the mineralized environs. Extremely stressed quartz was found at the Richardson's Freehold Junction No.1 shaft dump, and (earlier) at the Ristori No.2 dump, downstream to the north.

The statistical gold yields show production of over 140,000 oz. gold from deep lead gravels north of Stag Road, without explanation as to origin.

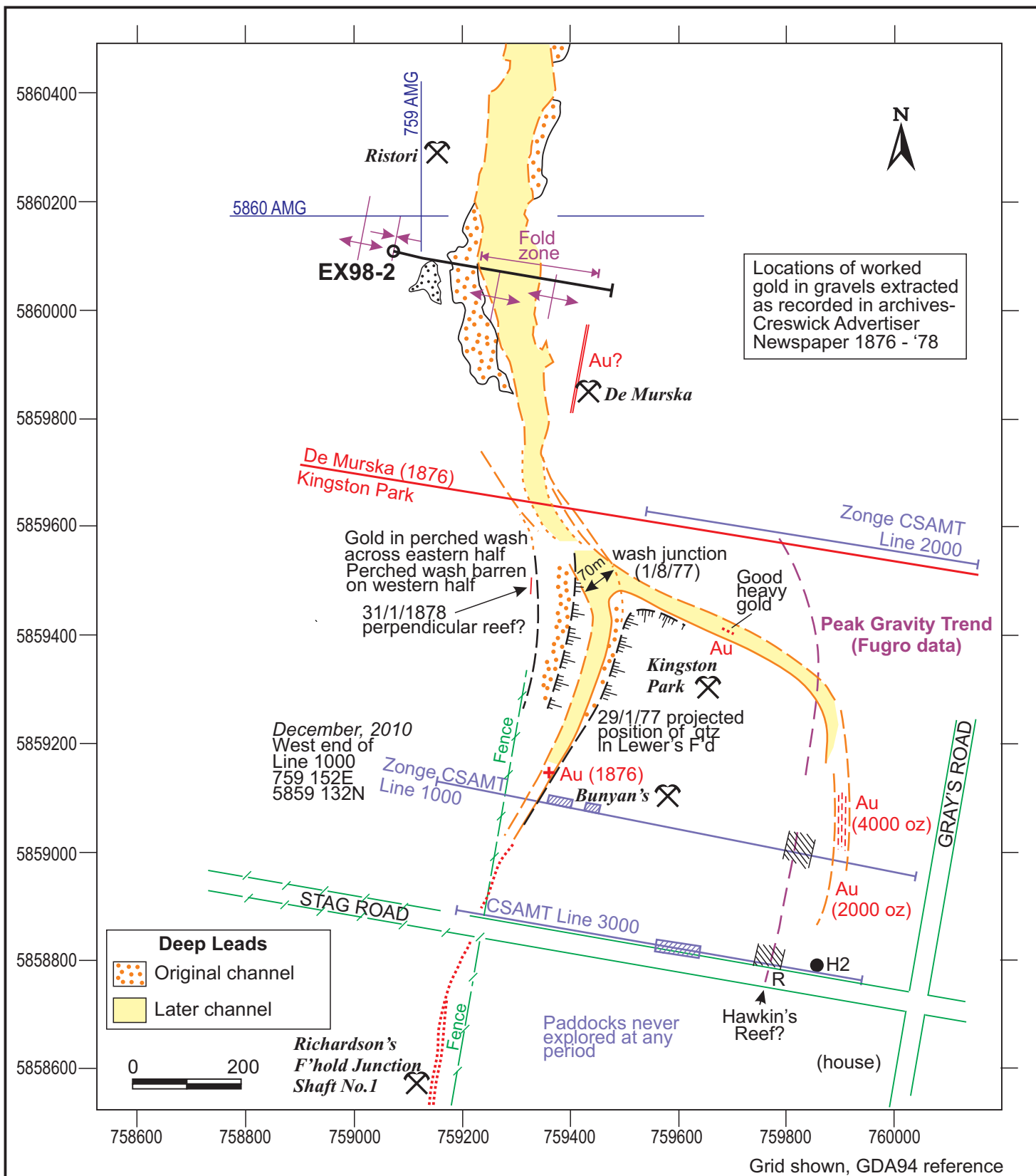
The constraints above changed the direction of exploration activity at Allendale. Since August 2007, all work has taken place in the land north of Stag Road and west of Grey's Road. The whole of this land is lava covered. The following location Plan explains the stream pattern envisaged in this part, in place before the arrival of the several lava flows about 2 million years ago.

The east-west width of this private land is about 800 metres. The prospective area north-south exceeds 1000 metres.

The present land surface slopes gently west, or north-west, from the corner of Grey's Road and Stag Road. The top of the underlying topographic ridge is masked by about 8 metres of lava, and occurs between map grid 759,650 E and 759,750 E. It was defined by drilling in 2008. One of those vertical holes (H2) is shown located on the Plan - Stag Road Area.

The environs here held significant amounts of detrital gold, and the archives give evidence of very local bedrock gold. In December 2010, the Company contractors completed three CSAMT geophysical traverses where shown on the Plan. This traversing produced satisfactory results, a portion of which is given on one of these accompanying illustrations.

New drilling is planned when profits from operations at Glenfine enable it to occur.



**FACTUAL INFORMATION – GOLD UNDER THE LAVA
WRIGHT'S PADDOCK, NORTH OF STAG ROAD, ALLENDALE**

Creswick *Advertiser*
10 July, 1876

Bunyan's Freehold

Western reef drive in 380 feet. Bored up 50 feet at 330 feet from shaft, but did not break through to ancient surface.

24 July, 1876

Bunyan's Freehold

Yield for the week: 43 oz
Main drive going west is in 480 feet. (In 550 ft on 31 July.)

31 July, 1876

Bunyan's Freehold

Reef drive west is in 550 feet : intend boring up this coming week.

7 August, 1876

It is also hoped that the new gutter discovered last week in Bunyan's (west drive) will be found to be rich, and so add to the worth of that mine as well as to that of the Kingston Park, De Murska and Ristori.

7 August, 1876

Bunyan's Freehold

*"About Wednesday next all known payable ground on the Reserve (Hawkin's) line will be **worked out**, after which I expect some gold (recovered) in cleaning up drives, machine, etc. The wash in the western drive is now struck in the face, and still on the dip. It is now 20 feet below the level of the other gutter, in an east and west line.*

14 August, 1876

Bunyan's Freehold

Next week the works will be confined to the new gutter, which will be carefully gone into in search of payable dirt; there is a good wide wash and it will take some time to prove.

The main drive (west) is still going ahead, with the wash just over the back of the drive.

21 August, 1876

MINING NOTES

The most important feature in last week's mining news was the washing from the Lewers' gutter in Bunyan's freehold.

Bunyan's Freehold – The manager reports being at work during the past week in the Lewers' lead, which proves to be 60 ft in width; have reached the western reef at 710 ft from the shaft, and find the wash to be about 2 ft over the back for some distance. Have now started three faces in wash and intend giving it a good trial this week. I have every confidence of its paying well, as from a tub of dirt washed on Wednesday I obtained 5 dwt of gold, of a first-class sample, and on Friday **machined the dirt taken out of the main drive, which gave an unexpected return of 7 oz 2 dwt.** A dividend of 2s per share has been declared.

Bunyan's Freehold – significant note in press.

25 August, 1876

Bunyan's

The Manager reports:-

"Yield of gold up to Wednesday night 15½ oz; expect the next 3 days to be better.

The report of a 1½ oz nugget being picked out of the face was not correct. The largest piece yet found (west side) was half an ounce, which was got in the sluice.

The above return proves the ground to be payable, which must be very satisfactory to the shareholders."

28 August, 1876

Bunyan's Freehold

Don't expect to wash from below this week, as I intend cleaning up the main drive, laying down a double road, and cutting a chamber on the west side.

The ground driven has yielded 1 oz to the set.

4 September, 1876



John Anderson

Bunyan's Freehold

Half year report

Chairman: John Anderson

Gold obtained to value £8,623/2/- (2,078 oz 17 dwt)*

Dividends paid £4,500/-

Total amount of dividends paid so far £13,500 (45/- per share)

About 10 August,* Hawkin's lead (in Bunyan's claim) was considered to be worked out, and about the same time the drive (cross-cut) going west from Bunyan's shaft struck wash.

Quote: Mine Manager in Report of 4.9.1876 – reference is to Lewers' Lead ("it") –

*"On 10th May the proving of Lewer's Lead was brought under consideration, which resulted in a drive (cross-cut) being started at once **west of the shaft**, and if found we would be in a position to deal with it.*

*Although poor where last worked by the Richardson's (Freehold) Junction Co., **there were indications* of its being more confined in our claim, and being payable."***

*"... I am now glad to inform you that we have found it, and nearer the shaft than I expected – being inside 700 feet – and have also provided it to be payable, **having obtained 40 oz from that number of sets of timber**. The drive was put in full size for a double road, but everything else was done in a temporary way"*

J. S. Paterson, Manager

* These ... "indications" ... were never explained.

* Reported gold recovered in Bunyan's claim, just from Hawkin's lead totals 6,132 oz.

Value at November 2010, A\$8.5 million.

ALLENDALE EL3821 SUMMARY STATEMENT

Gold deposition was found to occur in the wide gravels of a north-flowing ancient river. Buried under lava flows, miners about 1876 exposed this old river, where it existed east of Allendale. These workings came about by progressively following downstream the tributary branches forming this old river.

The aggregate quantity of gold recovered from the first 1000 metres downstream of the final junction of branches in that ancient river amounts to some 90,000 oz.

There are, due to lack of consent to enter private lands, various parts of EL3821 which have never been investigated during the now 15 year term of this licence. Until recently the area upstream of this junction was one of those places. None of the exploratory activities of former licencees (BHP, WMC, Aberfoyle, Golden Heritage, CRA (former EL889) or previously Mount Rommel entered this ground.

Recently, supplemental archive studies of 1876 disclosed reports of a bedrock in some way recognized then as being mineralized, and worth treating for gold. The verbatim copy of that archive data has been extracted for readers, and is given on the enclosed sheet.

Treatment proved gold in the bedrock – at that time of no interest to miners of deep lead gold. The location is 220 metres west of the shaft, the former Bunyan's mine.

In December 2010, geophysical traverses – CSAMT method – across this same location confirmed resistive features anomalous to the remainder of the traverse data, Line 1000. An extract of part of the data appears overleaf. The numbers across the top of this diagram are the distance (in metres) along the traverse. The combined data for the area constitutes reason for new drilling.

These December CSAMT surveys also confirmed earlier evidence of a second and parallel resistive structure, with coincident IP response, about the projected position of Hawkin's Reef, some 450 metres north of where probed by BHP in 1989/90. This, too, constitutes a new target for angled drill holes, because it can be seen as related to significant deep lead gold.

The CSAMT data completed in 1997, by Aberfoyle, can be matched for correlation, due to the availability of geology from drill core in the 1997 location. Those records do provide evidence of differences in the bedrock between that traversed in 1997, and that further east, in December 2010.

The Company is busy with Glenfine and may seek a partner to progress the suggested drilling.

WEST

EAST

Part of "Line 1000", Zonge Dec 2010

Extract of Observed TM-Mode Apparent Resistivity (ohm-m)

