

NSX – GENERAL ANNOUNCEMENT MOUNT ROMMEL MINING LTD

Directors are pleased to record the status of project development at Glenfine.

The “*documents*” referred to below are those enabling the treatment of 40,000 tonnes sands at surface, to extract an estimated 100,000 grams gold. At A\$1,400 per fine oz., these tailings sands have an estimated resource gross value in excess of A\$4.5 million. Thus more than 11 cents per share may be attributable on account of the gold values in these sands.

The “*documents*” authorise the way in which mining and processing is to occur over the life of the estimated resource. The same “*documents*” enable variations to the project, should that be necessary. The “*documents*” comprise 95 pages of text, 5 large drawings, and an attached “Community Engagement Plan”.

Those “*documents*” begin to develop value for the Company on **registration**, which took place at 3.15 p.m. yesterday (5.4.2011). *The same document procedure applies to all mining projects in Victoria.*

No approvals of the kind required for this project are issued in Victoria unless “documentation” meets the numerous objectives set by Section 40, the *Mineral Resources (Sustainable Development) Act 1990*. Those comprehensive documents prepared and lodged by Mount Rommel met and passed this stage 4.4.2011. The **approved Work Plan** was *registered* 5.4.2011. Proof of the current status can be seen by reading (here disclosed) current correspondence to the Company, as appended to this NSX Announcement.

In that appended correspondence there is (attached) a pro-forma Application to be completed and lodged by Directors. It represents a “show-proof” final stage. Given Directors complete that Application, then under Section 42, the MR (SD) Act, a Work Authority **MUST** ISSUE to the Company. The issue of the Work Authority also changes the status of the resource, under the J.O.R.C. compliance provisions.

Directors will now take the steps needed to finance the bond amount disclosed in the appended correspondence, plus the bond required by the Shire of Golden Plains, and the sum payable to the landowner (in compensation).

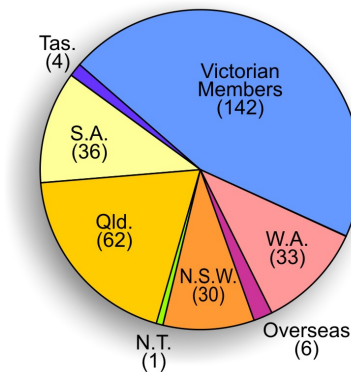
Sole ownership of the property (MIN 5492) in which the gold occurs at Glenfine is in the name of Mount Rommel Mining Ltd.

The gold shortly to be won from this place called “Glenfine” is partly pre-owned by others – those who are Preference shareholders, those who provide the capital to meet the expense of discovery, permitting and pre-production, and (after recoupment of all prior expenses) that portion payable in gold to those who introduced the Company to this place in year 2008.

After all clearances, the residual gold of Glenfine (that owned solely by the Company) will be used to establish the Company at its other “*favoured situations*” within the Victorian gold fields, such as at Clunes (MIN 5391) and at Allendale (EL 3821).

Who owns “Mount Rommel”?

As at 5th April, 2011, there were 314 holders of Ordinary shares in this Company. The share trading record is to be seen on the NSX (code MMT). The present geographical distribution of holders is illustrated by the following diagram –



The total issued capital of the Company amounts to 39,406,589 Ordinary shares.

Of these Ordinary shares, 92 members each have holdings of at least 100,000 shares.

The “top 20” together own 17,451,459 shares, or 44.28% of the total capital of the Company.

Quite a number of members of the Company also hold Preference shares (redeemable by gold, the commodity) the present value of which fluctuates with the price of gold.

Mount Rommel Mining Ltd. members now hold not only gold rights at Glenfine (MIN 5492) – subject to the interests of Preference holders and others – but through the Company benefit from rights due to –

1. a compensation agreement with the corporate landowner;
2. the registered approved Work Plan;
3. the Planning Permit P10-352;
4. the Permit to Disturb issued by Heritage Victoria;
5. the right to own and operate a tailing surface facility in Victoria, and
6. water use rights at Glenfine within MIN 5492

and therefore, to all the prerequisites necessary when making proper Application for a Work Authority to produce gold from Glenfine.

Directors have every reason to believe that supporting members of the Company (and others) will act quickly to complete the funding requirements needed prior to making the Application for a Work Authority, as is described in the letters from the Department.

The objective of the Directors is to see work on site begin by Monday, 9th May, 2011.

F. L. HUNT

*For, and on behalf of, Directors,
Mount Rommel Mining Ltd.*

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APPROVED WORK PLAN (SECTION 40 - MRSDA)

LICENCE TYPE	Mining Licence
LICENCE NUMBER	5492
NAME/S OF LICENSEE/S	Mount Rommel Mining Ltd
ADDRESS/ES OF LICENSEE/S	C/ Leydin Freyer & Associates Suite 304, 22 St Kilda Road St Kilda, Victoria 3182
CURRENT AREA	Area of Work Plan
NATURE OF WORK	As described in the work plan dated 8 July 2010 detailing mining and extraction of gold and minerals retained within the existing waste tailings located at the old Glenfine South mine.
DATE OF WORK PLAN APPROVAL	
CONDITIONS	In accordance with existing licence conditions and Schedule of Conditions.
STRATUM OF LAND	Yes

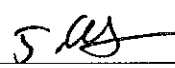
CONDITIONS

Prior consent from the Crown land manager must be obtained before any work on *restricted Crown land* can occur (s44).

All necessary consents required under s45 must be obtained in writing and in the prescribed form (if any) prior to commencing work.

You or your field representative must notify the regional Mines Inspector 7 days before the work herein approved is commenced.

You or your field representative must give 7 days notice to the responsible Crown land manager if the work is on Crown land (s43).

Date of Registration
<u>5 / 4 / 11</u>
Time of Registration
<u>15 : 15</u> am/pm

TENEMENTS REGISTRATION OFFICER MRSDA 1990 (Section 69)

F18,533



Department of Primary Industries

4 April 2011

Mount Rommel Mining Ltd
C/- Mr F Hunt
Elletson Mining Consultants Pty Ltd
76 Market Street
NEWBRIDGE VIC 3551

State Government Offices
402-406 Mair Street
Ballarat
Victoria 3350
Australia
Facsimile: (03) 5336 6800
ABN 42 579 412 233
DX 214250

Dear Mr Hunt

MINING LICENCE 5492

Following planning approval of the proposed mining activities on the above licence, I now advise that the Work Plan has been approved and a copy will be forwarded to you once the Work Authority is granted. You should now apply for a Work Authority which authorises you to carry out the work described in the approved Work Plan.

Please complete the enclosed Application for Work Authority and Notice of Intention to Commence Work, and return it to the Department of Primary Industries (DPI) with the remaining items required for the Work Authority to be granted, by **4 May 2011**.

Remaining items are as follows:

- The rehabilitation bond of \$34,500 (Bond Advice attached).
- Confirmation that you have given notification of your intention to commence work in accordance with the approved Work Plan, to the owners *and* occupiers of the land affected. If the land affected includes Crown land, you must give notice to the Regional Crown land manager.

You also must have a Public Liability Insurance policy in respect of all work authorised by the Work Authority for an amount of at least \$10 million.

A Mining Licence may be cancelled if the licensee has not applied for a Work Authority within 12 months after grant of the licence (MRSDA s.38(1B)).

You are reminded that in accordance with Section 38(1)(b)(ii) of the *Mineral Resources (Sustainable Development) Act 1990* (MRSDA) the Minister may also cancel a licence if the licensee has unreasonably delayed in trying to obtain any necessary consent or other authority.

Yours sincerely

James O'Callaghan
Tenements Officer
Earth Resources Tenements
Ph: 03 5336 6645
james.o'callaghan@dpi.vic.gov.au

Enclosed:
Application for Work Authority & Notice of Intention to Commence Work
Bond Advice Form

Tenements Officer
Earth Resources Division - Department of Primary Industries
402-406 Mair Street
BALLARAT VIC 3350

Date:

To the **Director of Mines**

**APPLICATION FOR WORK AUTHORITY
& NOTICE OF INTENTION TO COMMENCE WORK
MINING LICENCE 5492**

I/we apply for a work authority to undertake mining in accordance with the approved Work Plan.

I/we have complied with the following requirements to enable grant of the authority:
(Tick the boxes below and complete as appropriate)

- ☐ I/we have an approved Work Plan registered on _ _ _ _ _
- ☐ I/we have lodged the rehabilitation bond of \$34,500 **OR**
- ☐ The rehabilitation bond of \$34,500 is enclosed
- ☐ I/we have a Public Liability Insurance policy in respect of all work authorised by the Work Authority for at least \$10 million.
- ☐ The Work Plan includes **private land** (See next page for Crown land)

Tick the boxes below as appropriate and attach information if required

<input type="checkbox"/> The owners and occupiers have given written consent <i>Attach a copy of that consent</i>
<input type="checkbox"/> Compensation agreements with the owners and occupiers have been registered in the Mining Register
<input type="checkbox"/> Compensation was determined by the Tribunal or Court under the <i>Land Acquisition and Compensation Act 1986</i> and the determination registered in the Mining Register
<input type="checkbox"/> I/we have purchased the land affected <i>Attach evidence of the purchase</i>

☐ I/we have been unable to determine the name and address of the owners and occupiers of the land affected.
Attach a supporting statement. You may be required to advertise your intention to start work.

☐ The work plan includes **Crown land**

Tick the boxes below as appropriate and attach information if required

☐ The land affected is unrestricted Crown land

☐ The Ministers administering the *Crown Land (Reserves) Act 1978* and the *Forests Act 1958* have given consent for work on Restricted Crown land.
Attach evidence

☐ I/we notified the owners and occupiers of the affected land (including the Regional Crown land manager in the case of Crown land), of our intention to commence work on (date): _____

I/we the holder/s of the above mining licence hereby give notice to the Director of Mines that I/we intend to commence work in accordance with the approved Work Plan, on grant of the Work Authority.

The contact person for work on this licence is:

Name:

Phone No:

Signed:

Please print name(s):.....



Department of Primary Industries

ABN 42 579 412 233

DEPARTMENTAL POLICY FOR REHABILITATION BONDS

The *Minerals Resources (Sustainable Development) Act 1990* requires a licensee (or proposed transferee) to lodge a bond with the Department of Primary Industries (DPI) as a surety for compliance with the conditions of the tenement relating to rehabilitation.

The **ONLY** form of rehabilitation bond acceptable to DPI is a Bank Guarantee. This Bank Guarantee must:

- (a) be from a recognised bank (according to the current list of Individual Authorised Banks in Australia - Australian Prudential Regulation Authority, Reserve Bank of Australia), Building Society or Credit Union;
- (b) be in favour of the Minister for Energy and Resources (DPI ABN 42 579 412 233);
- (c) state the name of the tenement holder;
- (d) state the tenement type and number eg. Exploration Licence XXXX or Mining Licence XXXX ;
- (e) relate to a single tenement only (i.e. each tenement must have a separate bond);
- (f) be on Bank, Building Society or Credit Union letterhead or have a recognised stamp to indicate authenticity;
- (g) **not** have an expiry date and that **cannot** be terminated by the bank without the prior approval of DPI
- (h) be an original document;
- (i) be signed and dated by an authorised officer of the financial institution.

NOTE:

1. Please send the original Bank Guarantee to, James O'Callaghan Department of Primary Industries, 402-406 Mair Street, Ballarat VIC 3350
2. Please contact James O'Callaghan on 03 5336 6645 for any further assistance with this matter.