

Pegmont

Pegmont Mines Limited

ABN 97 003 331 682

Exploring the Mount Isa Region

Malcolm Mayger

www.pegmont.com.au

Investor Summary



- Listed on the National Stock Exchange of Australia
- Last sale price 10 cents
- Market Capitalisation is \$5.1 million
- Working Capital: \$3.5 million at 31 March 2011
- Enterprise value: \$1.6million



Corporate Details



Issued Capital 000 Shares	51,476
Market Capitalisation @ 10c	\$5.15M
Working Capital at 31 March 2011	\$3.46M
Enterprise Value	\$1.69M

Directors			Shareholding
John M. Armstrong (Non-Ex Chairman)	Age 75	BSc, MBA, FFin, FAICD	750,000
Malcolm A. Mayer (Managing Director)	Age 71	BCom, CA, FAICD	31,019,045
Ian N. Sloan (Non-Ex Director)	Age 67	BTech (Mech) MAICD	50,000

- **Website** for further information
- www.pegmont.com.au

Corporate History



- Pegmont Mines NL was formed in 1987
- Remained dormant as an explorer until 1996 when the Pegmont lead-zinc deposit was acquired in the Mt Isa region.
- Acquired the Mount Kelly copper-gold leases in 1998.
- Listed on the Newcastle Stock Exchange Ltd in 2000
- Sold Mount Kelly copper-gold leases in 2004 for profit.
- Commenced active sharetrading in October 2004.
- Paid dividends from sharetrading profit in 2006, 2007 and 2009.

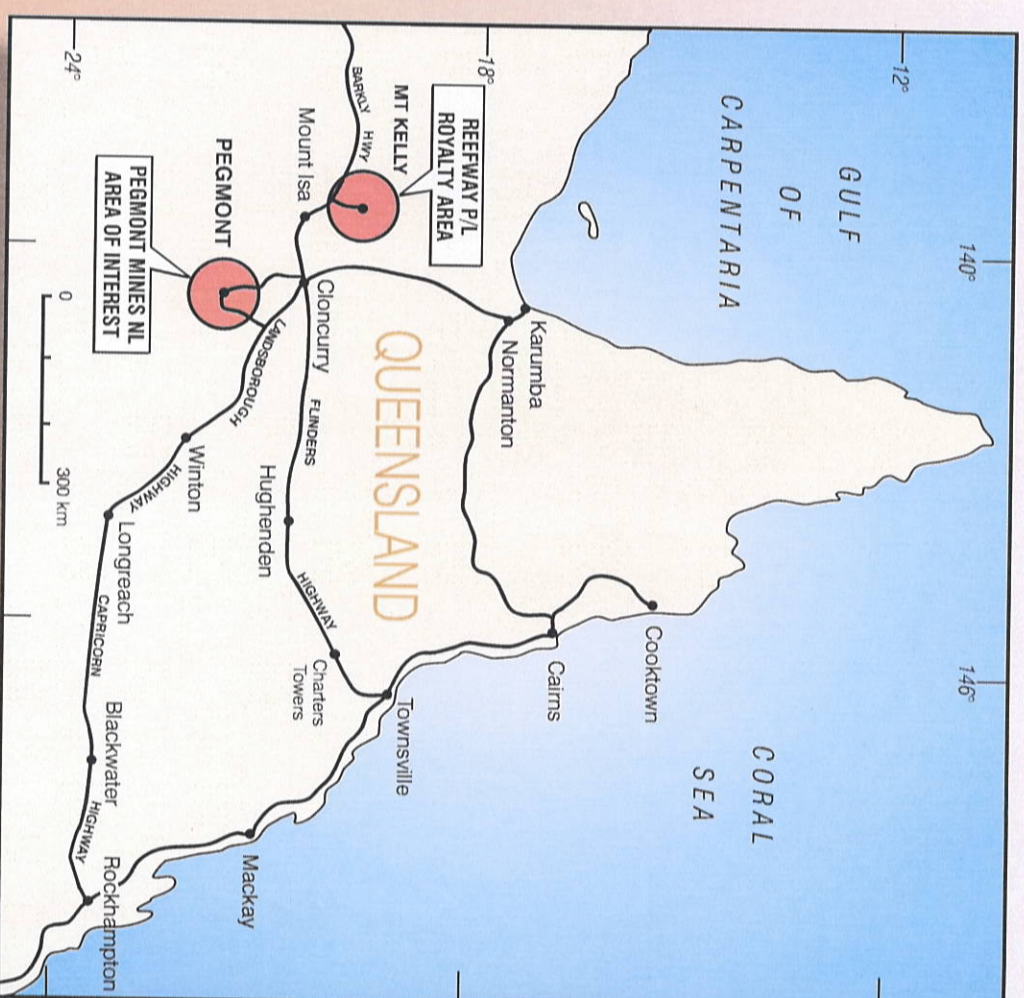
Pegmont Mines Limited



- Exploring the Mt Isa Region, QLD
- Sharetrading for profit

Investor Presentation

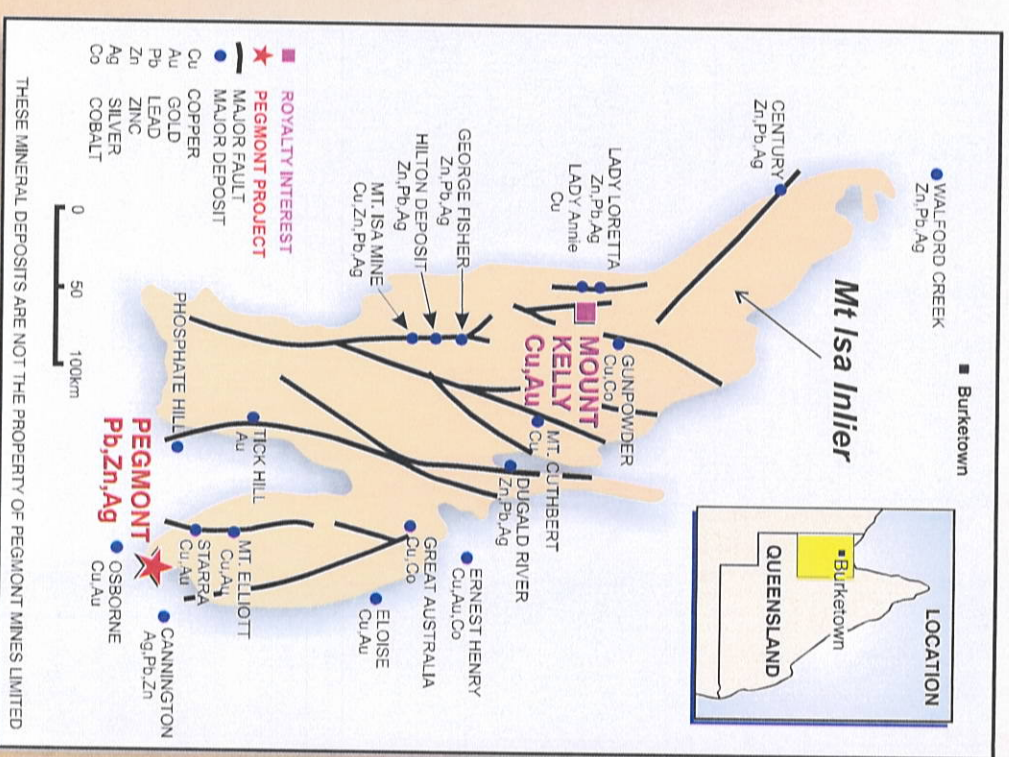
April 2011

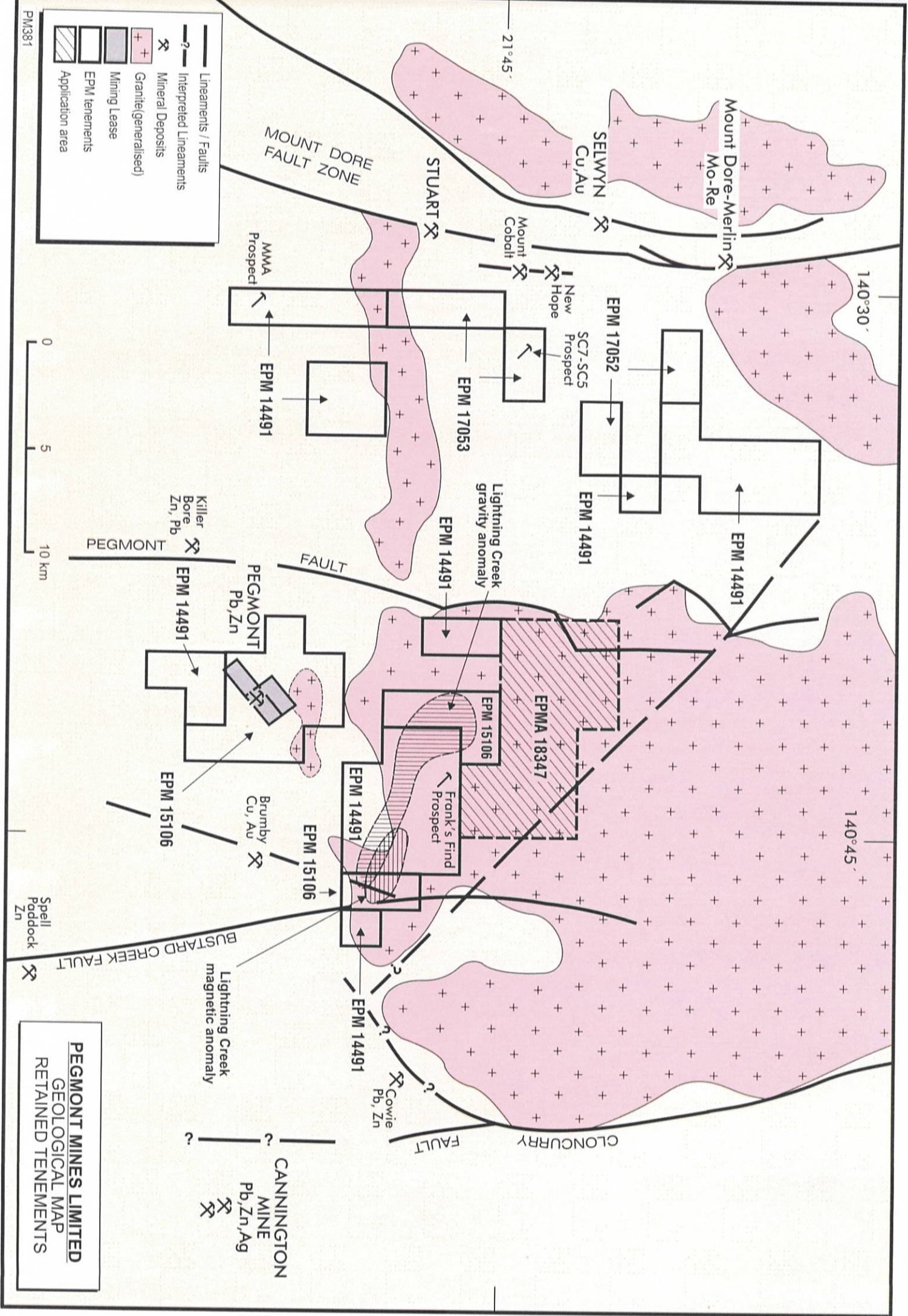


Exploration Strategy



- Our focus is on the Mount Isa region
 - Host to world class base metal deposits
 - Extensively mineralised but underexplored
 - Large areas of outcrop geology
 - Exploration experience in Mt Isa region since 1991
- Acquisition of prospects with demonstrated mineral potential
- Drill ready targets to upgrade potential
- Convert Mineralised Potential to Resource
- Sell to mine operators for cash/shares and royalty

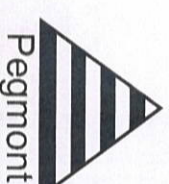




PEGMONT MINES LIMITED
GEOLOGICAL MAP
RETAINED TENEMENTS

PM381

Exploration Projects



- **Pegmont** lead-zinc project 100%

Resource: 8.85Mt @ 5.0% Pb + Zn

Indicated and Inferred

Additional Potential: 9.0Mt – 15Mt @ 4%-5.5% Pb+Zn

Based on: 381 drill holes

: 40,409 metres

To at least 350m depth.

New Hope gold-cobalt deposit 100%

Resource: Nil

Status: infill drilling during 2011 to resource status

Drilled 33 holes for 2453 m

Additional 17 holes planned

Best assay result:

NHP 013 15m from 45m @
103 g/t and 989ppm Co

0 1 2 km

- Drill hole
- + Granite outcrop
- Tenement

Figure 2
PEGMONT MINES LIMITED
PEGMONT Pb-Zn DEPOSIT
PROJECT TARGET AREAS

EPM 14491

EPM 15106

PMR 141: 6.3m @ 12.8% Pb+Zn
PMR 142: 6m @ 7.4% Pb+Zn
Pegmont East
Pb-Zn

Extent
of Drilling
Gossan
Lode

PEGMONT
ML's

Pegmont
Pb-Zn

Eagle's Nest
Prospect
Cu-Au

EPM 15106

21°50'S

Squirrel Hills
Granite Complex

Acacia
Creek

Creek

Gums
Creek

140°40'S

Bonanza Pb-Zn
Anomaly

Sharry Fault I.P.
anomaly

ML 2621
ML 2623

NOVEMBER 2009

PEGMONT MINES LIMITED NEW HOPE PROSPECT DIAGRAMMATIC LONGITUDINAL SECTION OF DRILL INTERCEPTS AND COSTEANS

SCALE
0 50 metres

—20— Uncut grade contour (gm) (assay method AA-25)
145 Numbers are Au 20.8(g/t) x intercept width 7(m)

• Drill intercept
□ Costeans

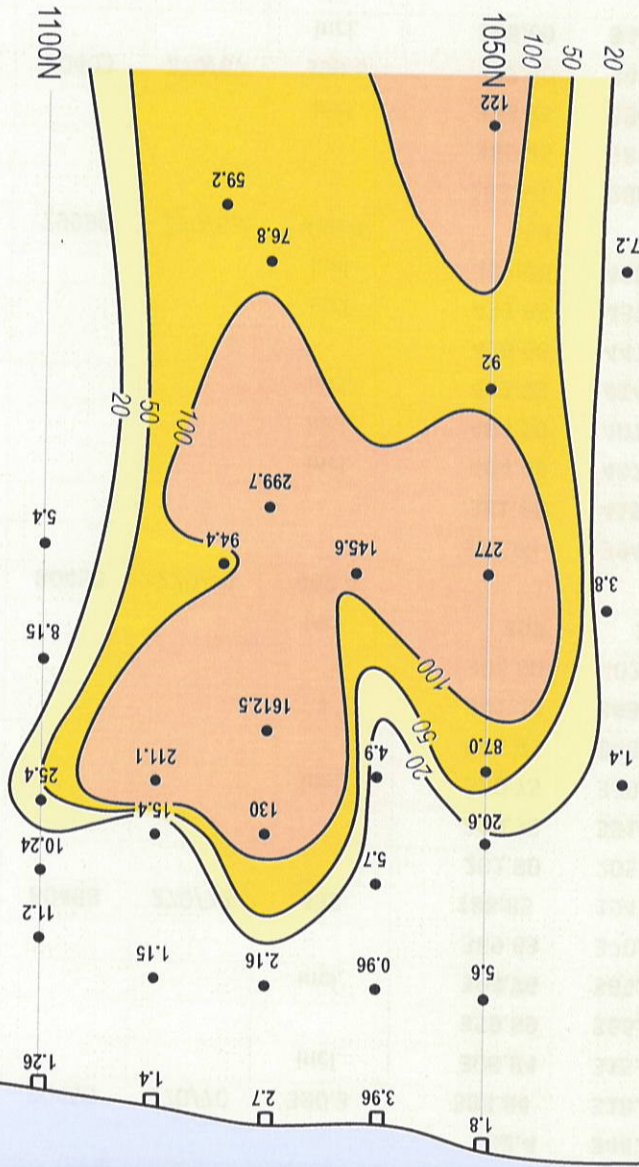
1000N
200m

250m

7.0

300m

RL (approx)
350m



Pegmont Lead-Zinc Deposit



Resource (Indicated + Inferred)

Cut-off Grade (Pb+Zn)	Total Tonnes		Oxide+Transition		Sulphide	
	(Indic+Inf)	Pb+Zn%	Pb+Zn Tonnes	Pb+Zn%	Pb+Zn Tonnes	Pb+Zn%
2%	13,316	4.1	5,545	3.4	7,771	4.7
3%	8,852	5.0	2,858	4.2	5,994	5.3
4%	5,794	5.7	1,365	5.0	4,429	6.0

Note: Figures are '000 tonnes.

Additional Potential *

Oxide Target		Sulphide Target	
Pb+Zn Tonnes	Pb+Zn%	Pb+Zn Tonnes	Pb+Zn%
1 - 4 Mt	5 - 3%	25 - 14 Mt	4 - 6%

Note: Lesser tonnage at higher average grade could also apply.

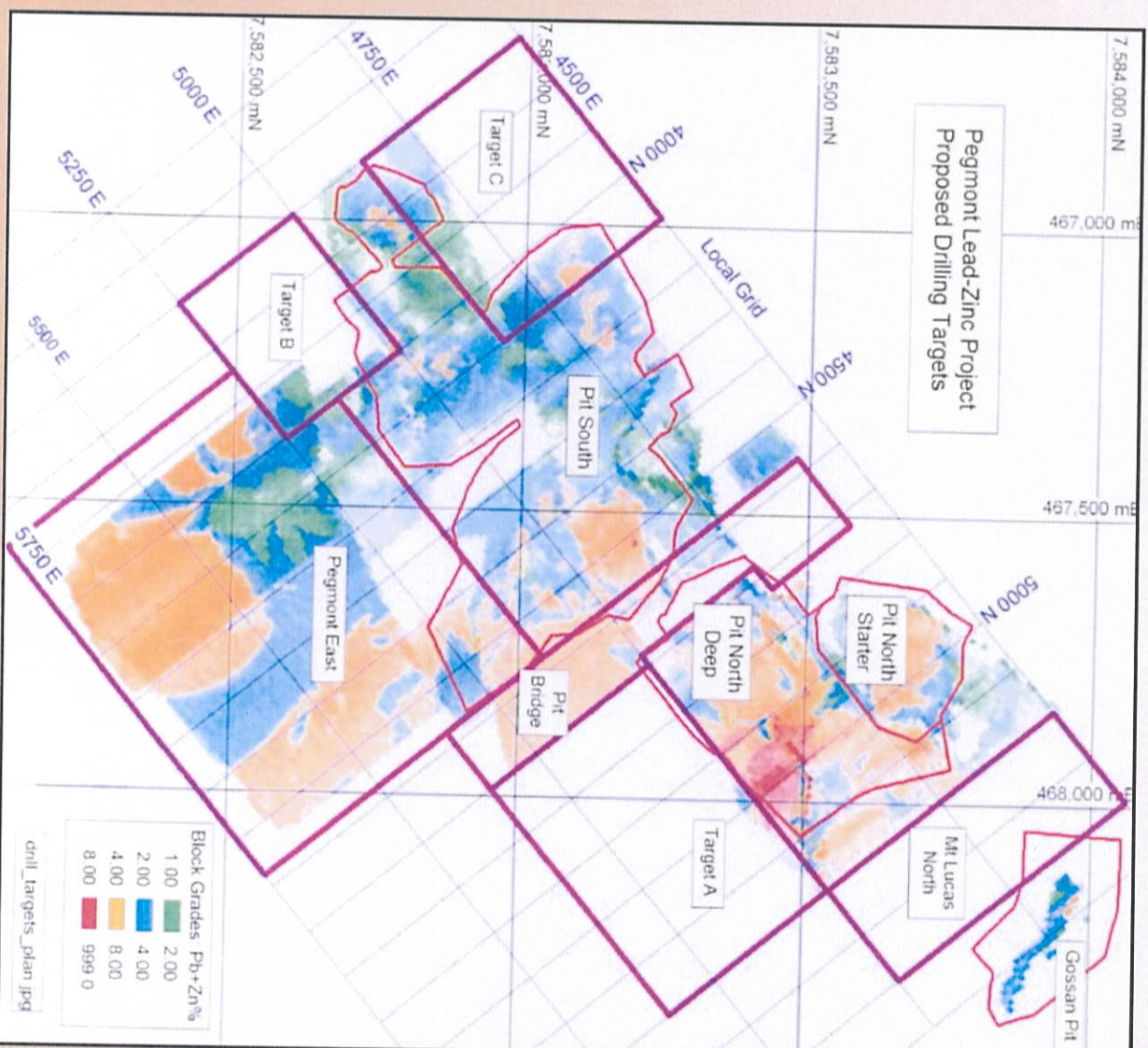
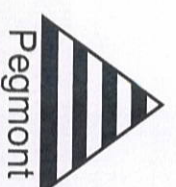
*Note: Additional Potential is conceptual in nature and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Building a Resource at Pegmont

- **Current Indicated + Inferred Resource**
 - Oxide + Transition (2% Pb+Zn) 5.5 Mt @ 3.4%
 - Sulphide (4% Pb+Zn) 4.4 Mt @ 6.0%
- **Additional Target Potential ***
 - Oxide + Transition (above 60m) 1 - 4 Mt
 - Sulphide (below 60m) 14 - 25 Mt
- **Extra drilling required** 20,000 metres
- **Direct drill cost plus assays** \$3.5 million
(over a 2 to 3 year period)
- **Initial drilling will focus on areas with above 6% mineralisation previously intersected**

*Note: Additional Potential is conceptual in nature and it is uncertain if further exploration will result in the determination of a Mineral Resource.

Pegmont Target Area Locations



PEGMONT MINES LIMITED NEW HOPE PROSPECT DIAGRAMMATIC LONGITUDINAL SECTION OF DRILL INTERCEPTS AND COSTEANS

SCALE
0 50 metres

—20— Uncut grade contour (gm) (assay method AA-25)

145 Numbers are Au 20.8(g/t) x intercept width 7(m)

- Drill intercept
- ⊕ Intended infill drilling
- Costeans

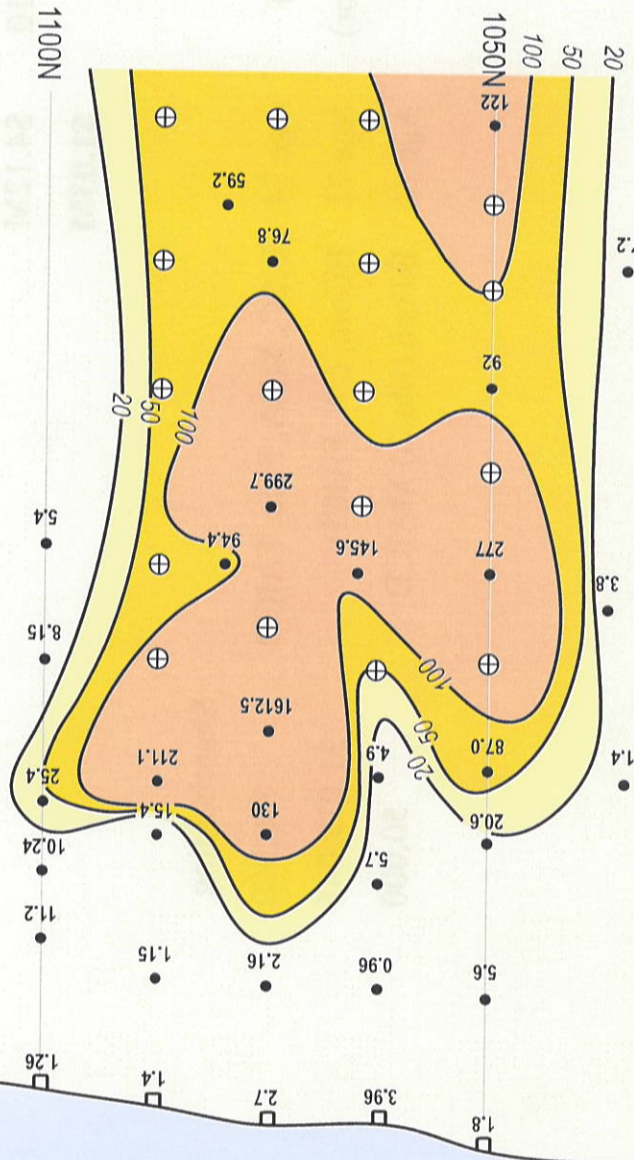
1000N
200m

250m

7.0

300m

350m
RL (approx)



Business Model



- Our goal is to generate sharetrading profits for cash flow
 - To invest into projects with mineralised potential.
 - Pay overheads.
- Exploration activity is focused on resource proving.
- Then, sell advanced resource projects for cash / shares and a long life royalty e.g. Mount Kelly.
- The profit from sale of projects and royalties (if any) to be recycled into the next generation of mineralized projects.
- Sharetrading profits, after expenses to reward shareholders with dividends

Corporate Track Record since 2004



- Sharetrading profits \$13.7M
- Trading revenue \$113.0M
- Margin 12.1%
- Exploration expenses \$3.7M
- Administration \$4.0M
- Company Taxation \$4.6M
- Dividends distributed \$1.4M

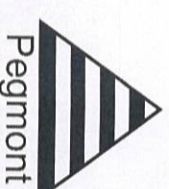
Track Record - Deals



Exploration Deals	Cost
<ul style="list-style-type: none"> Pegmont lead-zinc deposit (100%) 	
Purchased 1996	\$0.2M
<ul style="list-style-type: none"> Mount Kelly copper-gold tenements (76.7%) 	
Purchased 1998	\$0.3M plus \$1.0M royalty
Sold 2006	\$4.1M plus 1% royalty
<ul style="list-style-type: none"> New Hope gold-cobalt prospect (100%) 	
Purchased 2009	\$0.2M

- Cash constraint has limited other deals

Risk Management



- To balance expenses (including exploration) against income.
- To maintain adequate working capital.
- Reduce exploration risk:
 - 100% ownership of tenements
 - Preference for outcrop geology with demonstrable mineralisation.
 - Tenements close to infrastructure.
 - Balance geological risk between shallow versus deep targets and small high grade versus large low grade deposits.
- Employ appropriately experienced consultants and field crew to undertake agreed work programs.

Disclaimer



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Competent Persons Statement

The geological information in this report that relates to Resource estimates is based on information compiled by James McIlwraith of JM Geological Consulting Pty Ltd who is an independent consultant and a member of the Australasian Institute of Mining and Metallurgy.

James McIlwraith has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves".

James McIlwraith consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.



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That concludes this presentation

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