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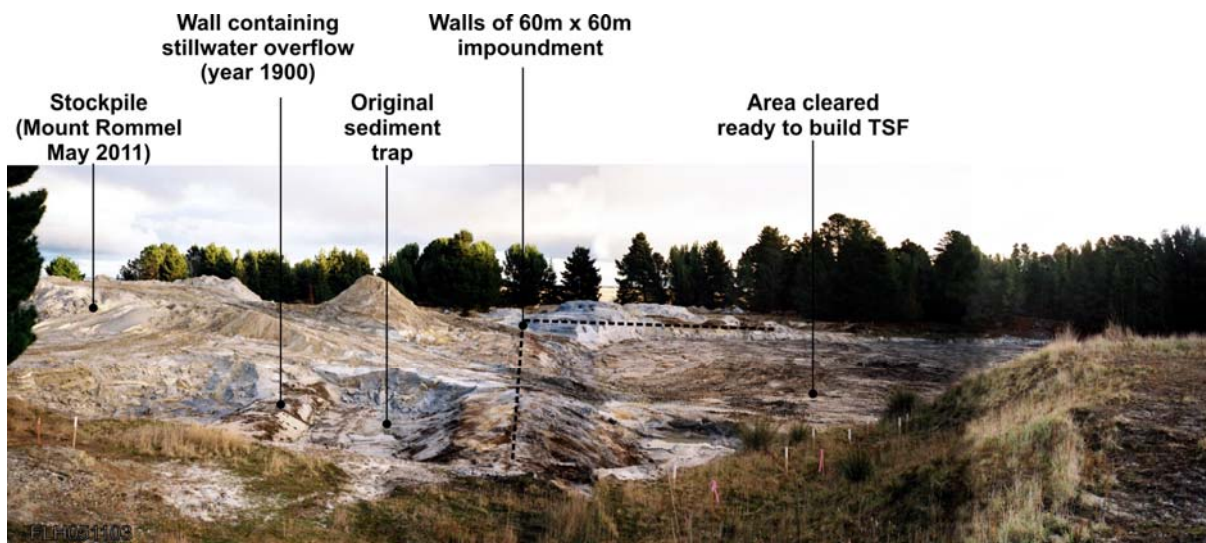
Web : www.mountrommel.com

31 May 2011

GENERAL ANNOUNCEMENT PROGRESS AT GLENFINE – MIN 5492

The Glenfine location – as it has existed for over 100 years - is an area of old tailings, some of which are near barren. Others are aged tailings and those within this site carry a gold content economic to recover at current prices for gold.

Excavations underway at Glenfine reveal the elevated gold values to be where portions of these older tailings were impounded behind substantial clay walls of height about 1.5m. Created before year 1900, the primary impoundment forms a rectangle, wall lengths 60 metres, complete with overflow and sediments trap – see photos and plan below.



4 p.m. 26 May 2011

Work on site reveals three similar clay wall impoundments. It is the footprints of these impoundments which define the places carrying elements considered to be “contaminants” today.

Selected samples of aged tailings can be used to illustrate the character of the material intended for processing by Mount Rommel. This excavation – Trench 1 (12 May 2011) and analyses (20 May 2011) is one of 12 test pits at job commencement, used to demarcate the boundaries of impoundments. A small number of selected analyses are given here, to convey some idea of the metallic elements within these aged tailings.

Trench 1, at 14m	Depth	Au (ppm)	As (ppm)	S%
Basalt clay in floor	1.5 – 2.0m	-	37	0.09
Grey slum with some sand	1.0 – 1.5m	3.35	1874	0.51
Grey slum with cream sand	0.5 – 1.0m	3.38	2357	0.25
Slum and sand	0 – 0.5m	5.64	2327	0.32
Overlying gravels at surface – not represented				

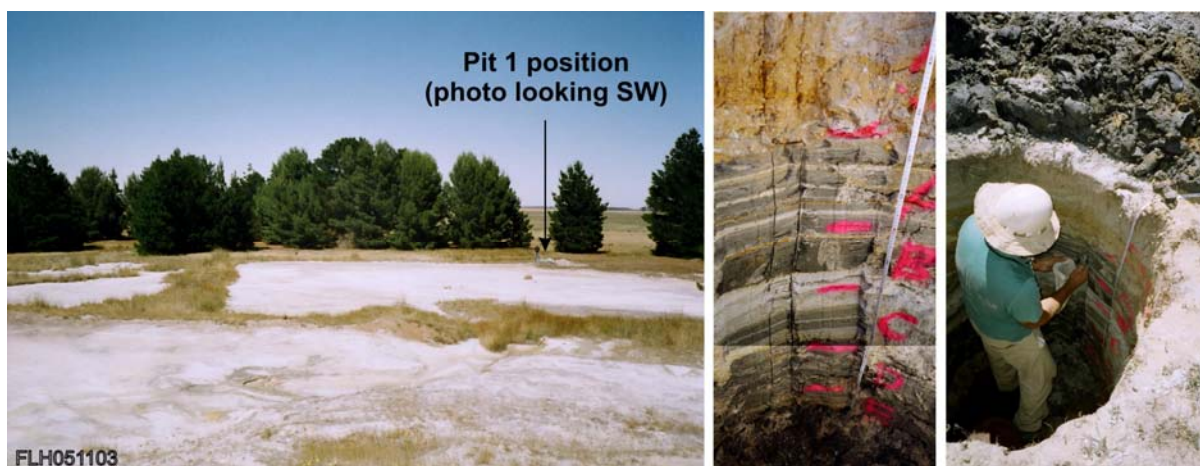
The particular analyses shown above gives no reason to change the statement made in August 2009 that the overall recovery should be 2.5 grams gold per tonne when sands are processed in a new treatment plant.

The arsenic levels in these samples are typical of certain types of tailings at this site. As the arsenic levels exceed by 6 or 7 times the regulatory limit level for arsenic as a “contaminant”, and the site extent is confined, there is no capacity to dilute the waste so as to satisfy regulatory limits – see other comment below.

A photograph of Trench 1, at 14m, gives a visual illustration of these old tailings, undisturbed for so many years.



The excavation of Trench 1 confirmed the character of materials (and gold content) as first seen in Pit 1, as illustrated in the following three pictures released on the Company website 7 January 2009.



In Victoria, little attention has been paid to the possibility that these so-called contaminants (like arsenic (As) in table of results for samples 14m Trench 1) might represent a secondary benefit. The initiative incorporated in the Work Plan approval enables a change to the conventional technical approach in the handling of the tailings stream, to enable investigation of various secondary prospects for waste minimisation.

To begin to apply this approach, earthworks have been proceeding at Glenfine since 12 May 2011, as follows –



Surface vegetation has been stripped off and trucked to stockpile (it contains sands) so opening up the area chosen by Mount Rommel and subsequently approved as the area for the specified Tailings Storage Facility (TSF).



Above photo looks north-east across the space intended for the construction of the TSF – stage of stripping off pre-existing vegetation.



Stripping off the sands originally deposited from the “permanent” battery at No.2 shaft, the Glenfine South mine, commencing 10 December 1900.

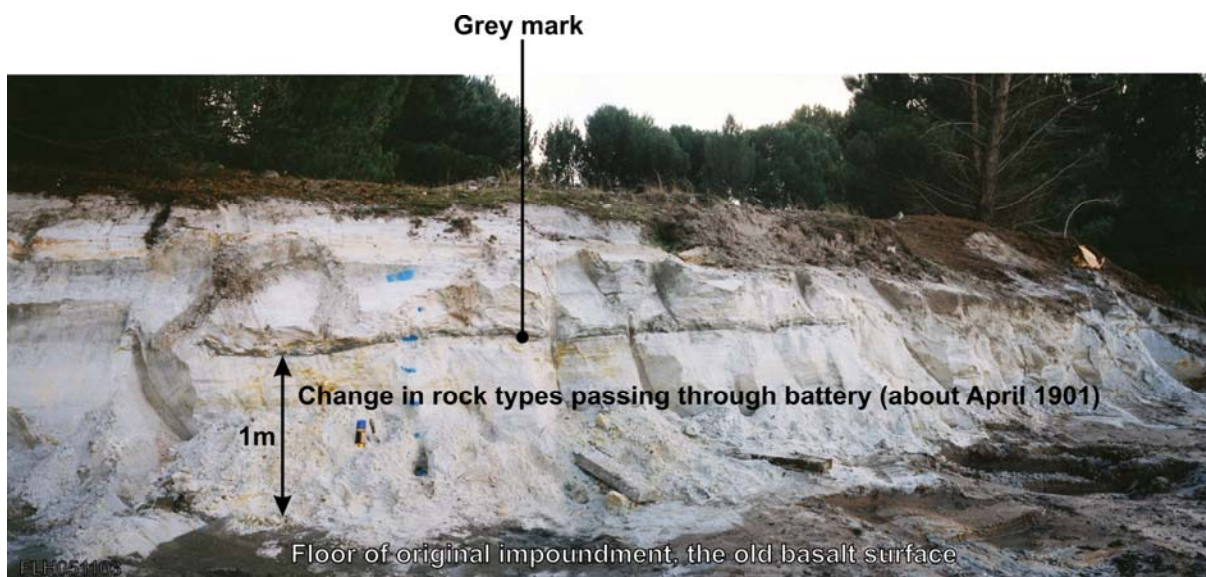
*First report 17 December 1900 –
910 tons treated for 931 oz 15 dwts recovered.*

The white sand in the photograph is the battery product from crushing quartz, stoped above the 253 ft level in the No.2 Shaft. The thin layer of grey sand (see

photo) indicates beginnings of change in rock type passing through the original No.2 battery



4 p.m. 23 May 2011



The area approved for the TSF has been readied for placement of the seepage cut-off trench, construction to commence 31 May 2011. This compacted clay “structure” fits entirely within the bounds of the original clay impoundment area shown on the plan below – thus site remediation and respect for site history together become part of the gold recovery operations of 2011.

To the extent that this release to NSX makes reference to “exploration results” the text is authorised by F. L. Hunt who is a person competent to make such statements in terms of the JORC Code of practice and is a member of the AusIMM.

Fred Hunt

Mount Rommel Mining Ltd

MIN 5492 - Glenfine

**Layout showing extent
of original clay wall
impoundments**

FLH051102

0 50
Metres

