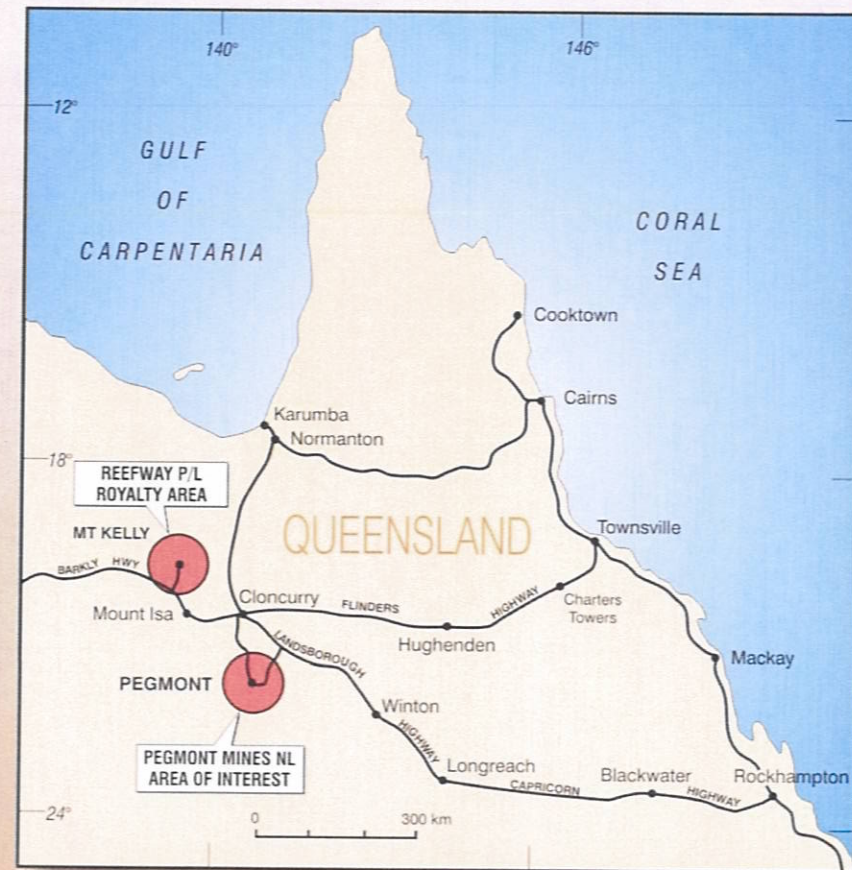


Pegmont Mines Limited



Exploring the Mt Isa Region QLD

Investor Presentation
August 2011



Pegmont Mines Limited



Capital Raising Program: \$5 million

- 1/5 Rights issue @ 10 cents in September 2011
- 20M IPO issue @ 20 cents in January 2012

Purpose: 1. Rapidly expand Cu-Au-Co exploration activities

	Estimated cost \$million
• Infill drill to JORC requirements at the New Hope Au-Co deposit	0.5
• Metallurgical studies at New Hope	0.3
• Regional exploration and acquisition	1.2
	<u>\$2.0M</u>

Purpose: 2. Continue evaluation studies on Pegmont Pb-Zn deposit

	Estimated cost \$million
• Drill 10,000 metres	1.5
• Metallurgical studies	0.5
• Regional lead-zinc acquisitions	1.0
	<u>\$3.0M</u>

Corporate Details



Issued Capital 000 Shares	51,476
Market Capitalisation @ 10c	\$5.15M
Working Capital at 30 June 2011	\$2.71M
Enterprise Value	\$2.84M

Directors			Shareholding
John M. Armstrong (Non-Ex Chairman)	Age 75	BSc, MBA, FFin, FAICD	750,000
Malcolm A. Mayger (Managing Director)	Age 71	BCom, CA, FAICD	30,349,045
Ian N. Sloan (Non-Ex Director)	Age 67	BTech (Mech) MAICD	50,000

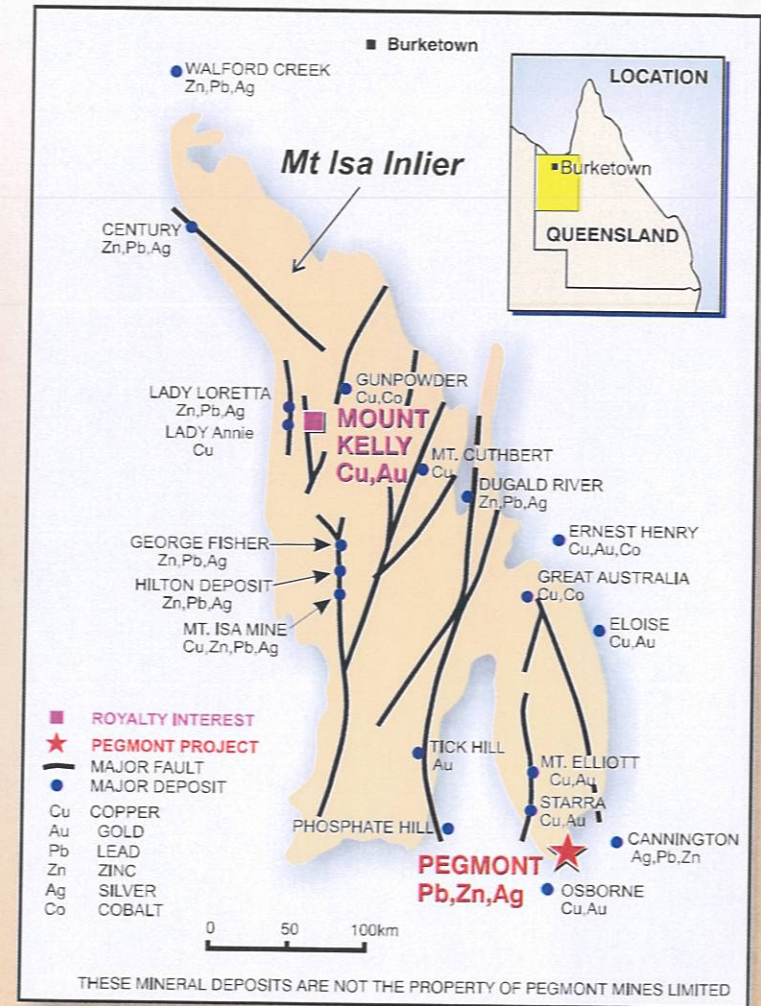
Shareholders : 208

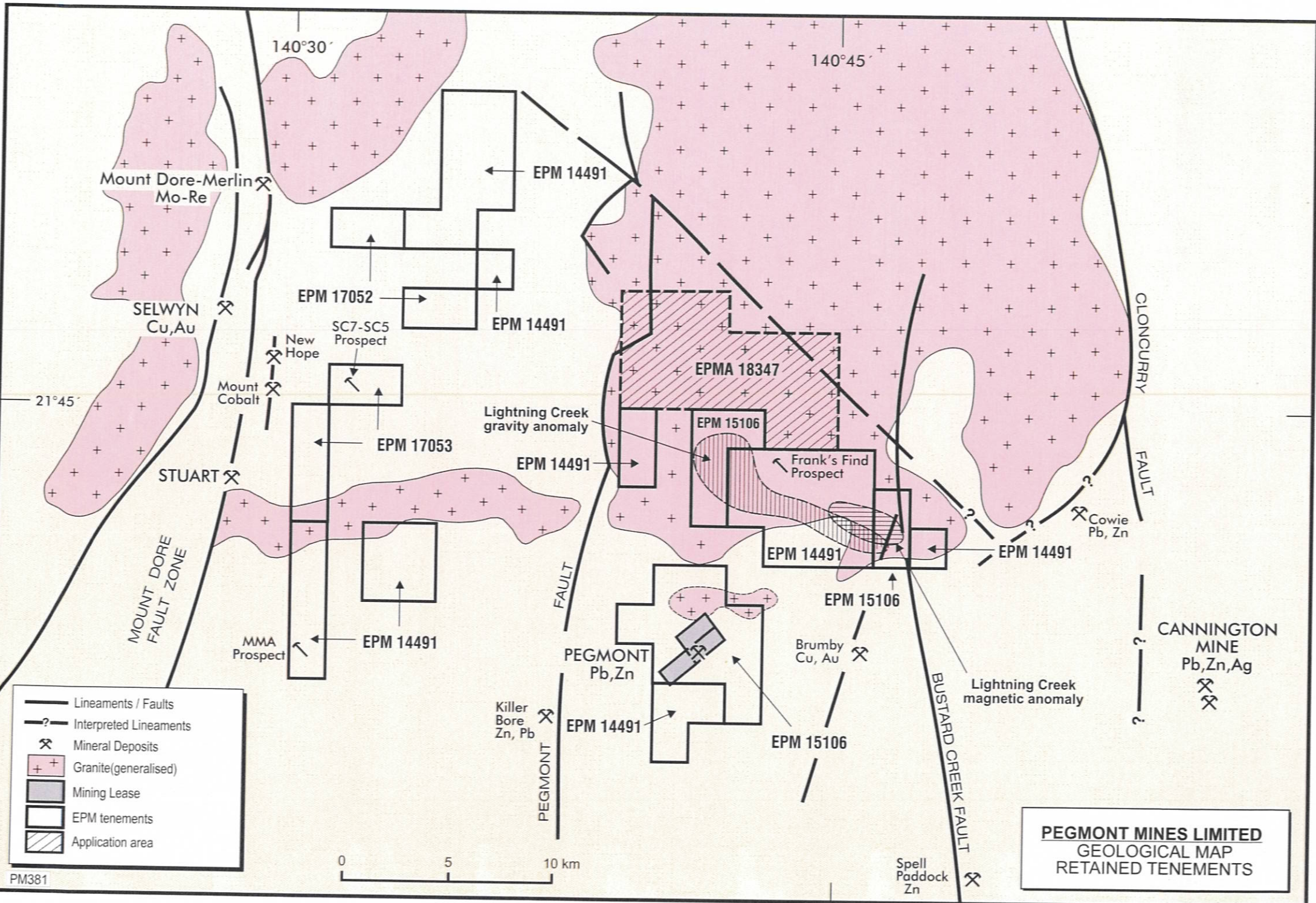
Website for further information www.pegmont.com.au

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





- Lineaments / Faults
- Interpreted Lineaments
- Mineral Deposits
- Granite (generalised)
- Mining Lease
- EPM tenements
- Application area

PM381

0 5 10 km

PEGMONT MINES LIMITED
GEOLOGICAL MAP
RETAINED TENEMENTS

Exploration Assets



	Ownership	Time to Cash Flow
New Hope gold-copper deposit	100%	2 - 3 years
Reefway Royalty tenements	76.7%	4 - 5 years
Pegmont lead-zinc project	100%	+ 5 years

New Hope gold-cobalt deposit 100%



Resource :	Nil
Status :	Infill drilling during 2011 to resource status Drilled 33 holes for 2453 metres Additional 20 holes recently completed
Best assay result :	NHP 013, 15m from 45m @ 103 g/t Au, 989 ppm Co
Mineralised Potential :	100/200kt @ 6-12 g/t Au plus cobalt

Attributes

- Near surface < 35 metres depth.
- High grade mineralisation, gold values up to 100 g/t Au, cobalt values to 1% (ie 10,000 ppm) Co.
- Limited strike length, 50-70 metres.
- Open at depth, below 120 metres.
- Average drill intercept 6.5 metres.

PEGMONT MINES LTD
NEW HOPE PROSPECT
DIAGRAMATIC LONGITUDINAL SECTION
OF DRILLHOLE INTERCEPTS

1000 N

1050 N

1100 N

300m L

250m L

- ★ Drillhole Intercept - Numbers are Au g/t x intercept (m)
○ Intercept? - Aug 2011 drillhole (assays pending)
— 50 — Uncut grade contour (gm)

LEGEND

August 2011

○ NHP039

NHP043○

NHP017
7.2

NHP018
137.1

NHP046○

NHP015
60.2

NHP045○
52.4

NHP040○

NHP006★
91.7

NHP048○

NHP050○

NHP053○

NHP032
267.5

NHP038○

NHP002★
230.9

NHP007★
146.0

NHP010★
87.2

NHP052○

NHP011★
5.6

NHP008★
3.8

NHP047○

NHP044○

NHP003★
8.1

NHP009★
7.8

NHP029★
75.6

NHP041○

NHP013★
1571.9

NHP051○

NHP021★
157.6

NHP031★
4.7

NHP026★
91.3

NHP020★
15.5

NHP033★
6.5

NHP027★
1.2

NHP028★
5.5

NHP025★
2.2

NHP049○

NHP042○

NHP003★
8.1

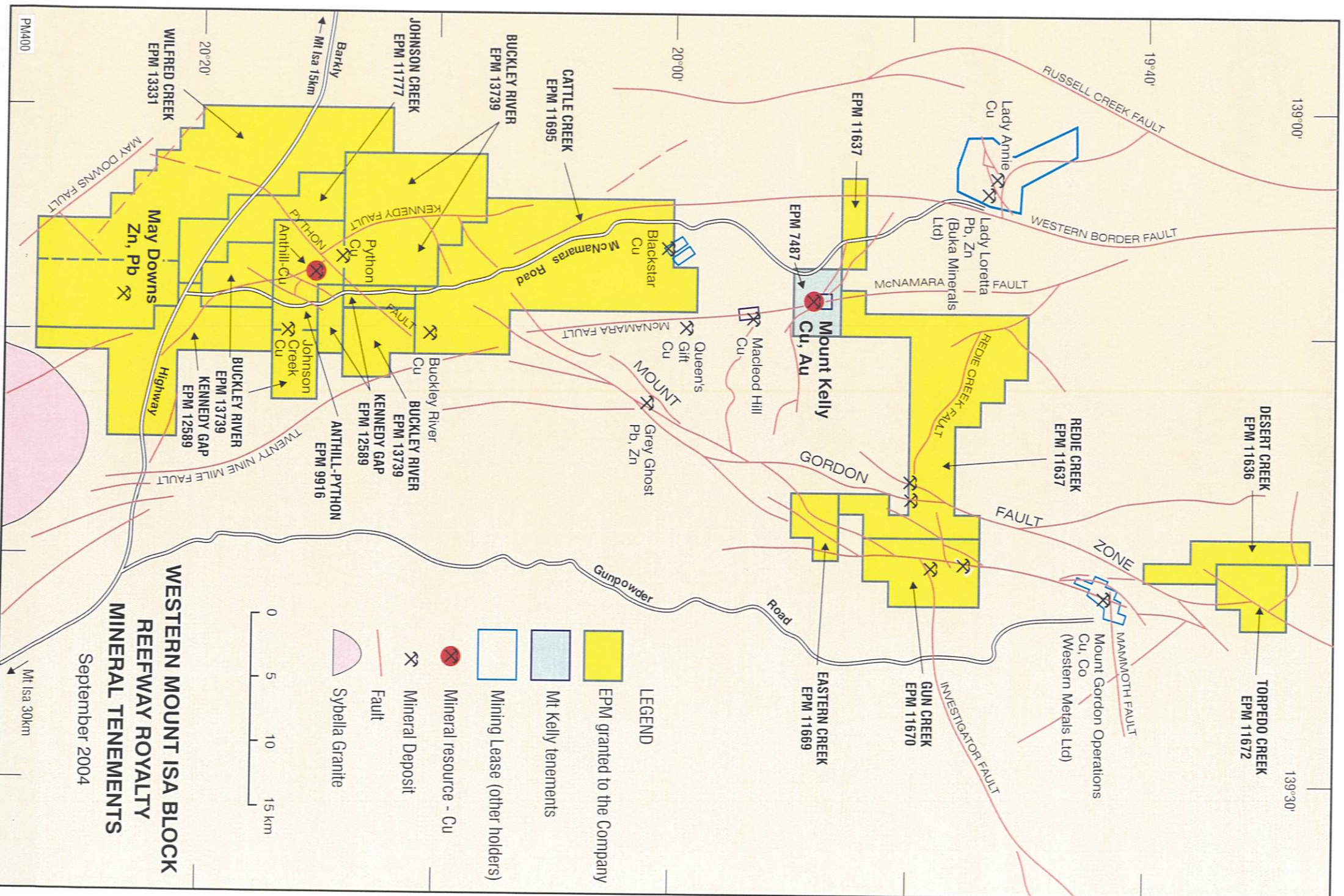
Reefway Royalty Tenements 76.7%



- Sold September 2004 to CopperCo Limited (in liquidation) who,
- Onsold to Cape Lambert Resources Ltd who flicked them to CST Mining Group Limited.
- Royalty applicable after 100,000 tonnes of payable copper metal sold.
- Actual production sold to 30 June 2011 totalled 24,641 tonnes of cathode copper.
- **Resource estimates by CST Mining Group Limited on 13 December 2010**

Oxide	17.89Mt @	96.1kt Cu
Transition	6.14Mt @	30.3kt Cu
Sulphide	16.37Mt @	106.6kt Cu
		<u>233.0kt Cu</u>

- Continuing exploration on the Royalty Tenements is expected to substantially increase Resource estimates; an update report is expected during December 2011.



Pegmont lead-zinc deposit 100%



Resource :	8.85Mt @ 5.0% Pb+Zn
Based on :	381 drill holes
Indicated and Inferred :	40,409 metres to at least 350m depth
Additional Potential :	9.0Mt - 15Mt @ 4-5.5% Pb+Zn

Attributes

- Easy and cheap to explore.
- Outcrops to grid west, shallow open cut potential, dips to east.
- Mineralisation often associated with magnetite (BIF) which has a magnetic signature.
- Exploration cost to date is about 50 cents per tonne of resource.
- A number of high grade (>8% Pb-Zn) intercepts require follow-up.

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

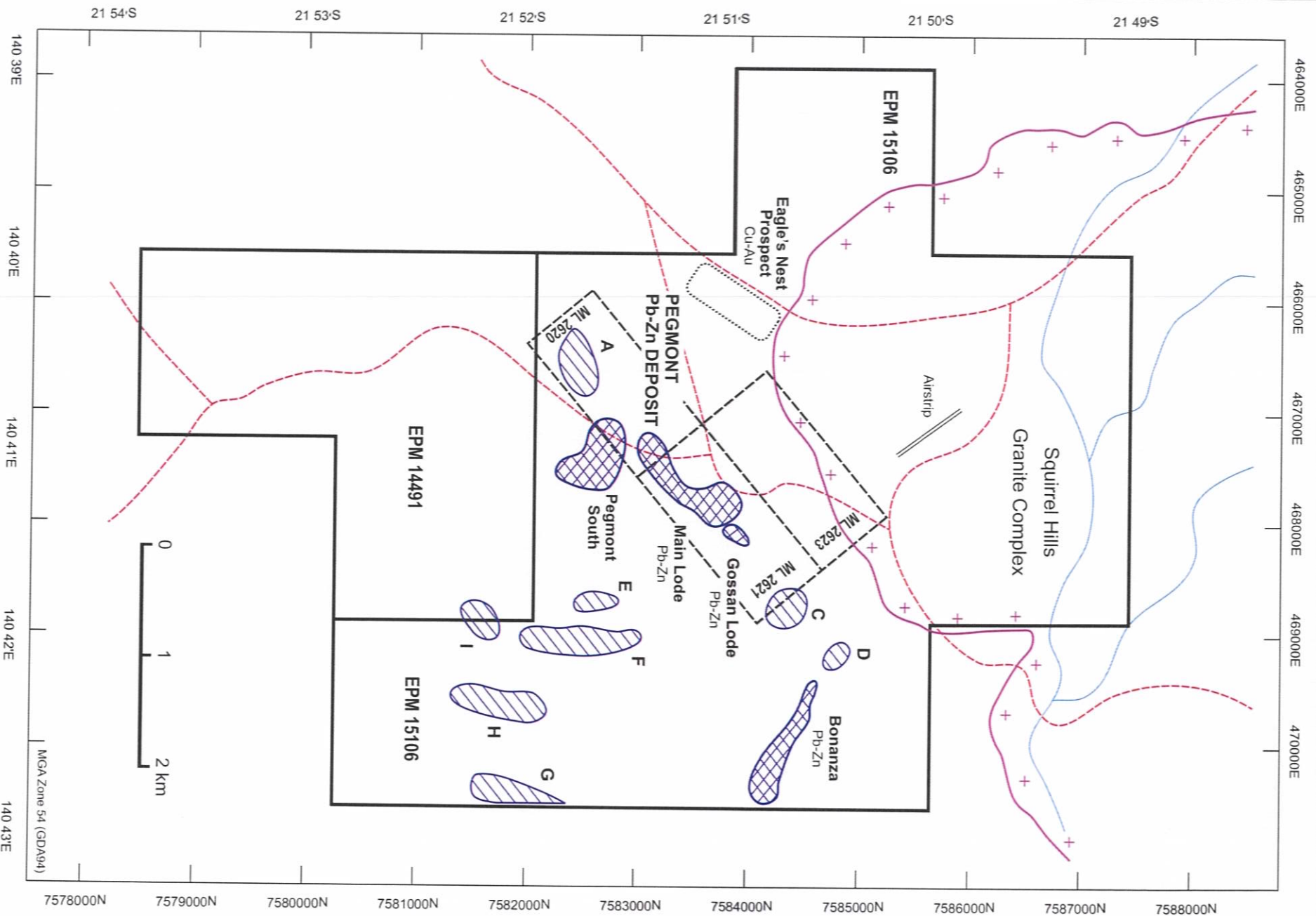
Note: Figures are '000 tonnes.

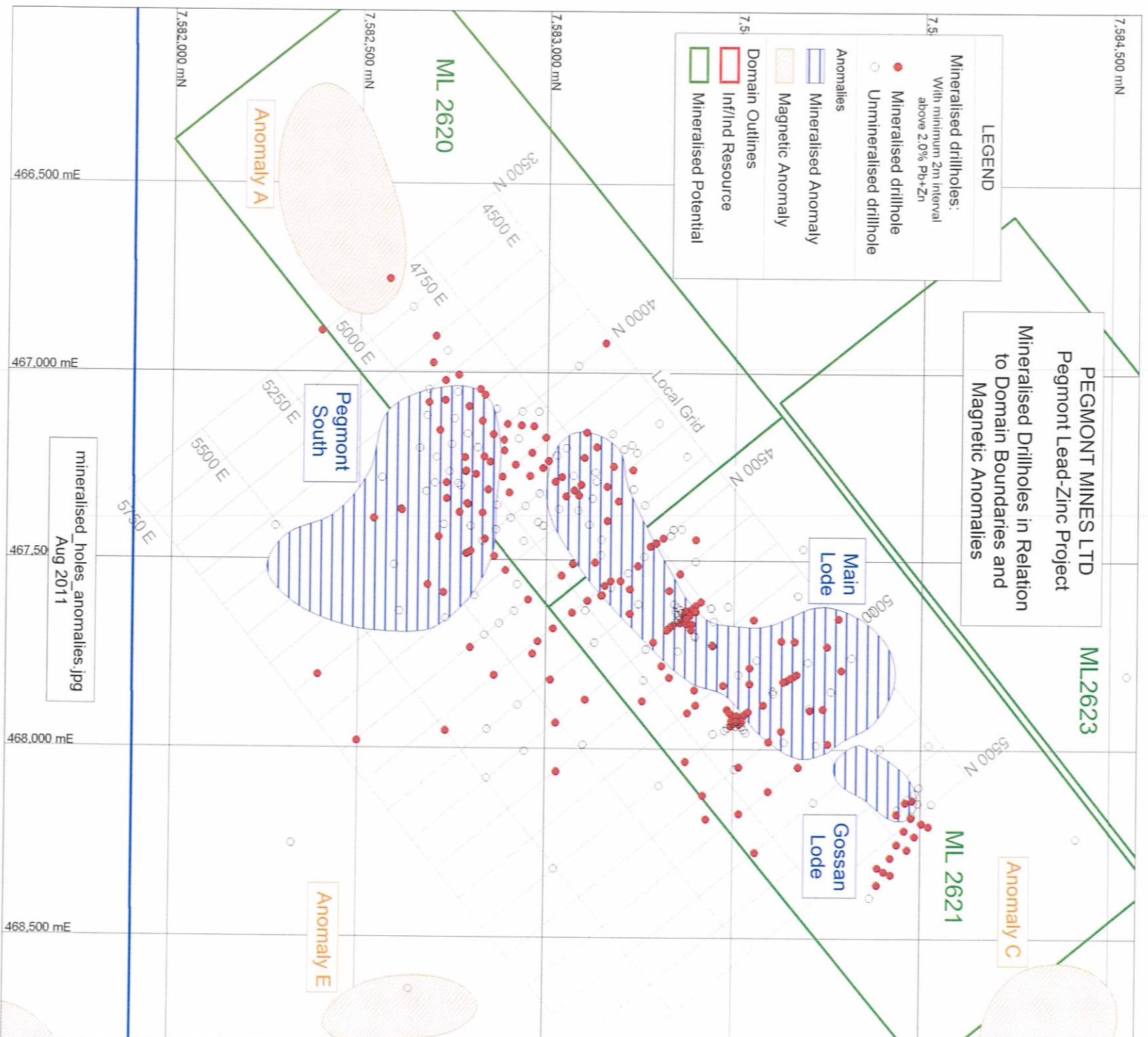
Additional Potential *

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.





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.

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.

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

Disclaimer



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The presentation should not be relied upon as a representation of any matter that an advisor or potential investor should consider in evaluating the Company. The Company and its related bodies corporate or any of its directors, agents, officers or employees do not make any representation or warranty, express or implied, as to or endorsement of the Company the accuracy or completeness of any information, statements or representations contained in this presentation, and they do not accept any liability whatsoever (including in negligence) for any information, representation or statement made in or omitted from this presentation.

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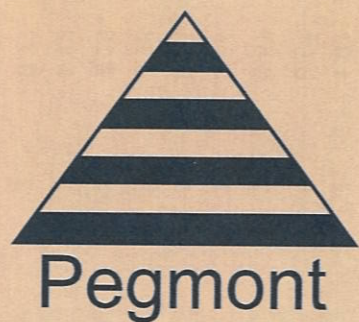
This presentation does not constitute an offer of securities in the Company. Nor, should this presentation be relied upon by any advisor or potential investor in making an investment decision in the Company.

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.



Pegmont Mines Limited

ABN 97 003 331 682

That concludes this presentation

Malcolm Mayger

www.pegmont.com.au