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10 December 2012

NSX Announcement  
(NSX: MMT)

**Rights Issue Cleansing Notice under section 708AA(2)(f) Corporations Act**

This notice is given by Mount Rommel Mining Ltd ("MMT" or the Company) under section 708AA(2)(f) of the *Corporations Act 2001* (Cth) ("the Act") as notionally modified by ASIC Class Order 08/35.

Earlier today MMT announced a non-renounceable, pro rata rights issue ("**Rights Issue**") of one (1) fully paid ordinary share ("**New Shares**") for every ten (10) ordinary shares held as at as at 7pm (EDST) on Monday 17 December 2012 by MMT's eligible shareholders. The issue price for each New Share under the Rights Issue will be \$0.10.

MMT advises that:

- (a) the New Shares will be offered for issue without disclosure under Part 6D.2 of the Act;
- (b) this notice is being given under section 708AA(2)(f) of the Act;
- (c) as at the date of this notice, MMT has complied with:
  - (i) the provisions of Chapter 2M of the Act as they apply to MMT; and
  - (ii) section 674 of the Act;
- (d) as at the date of this notice, there is no excluded information of the type referred to in subsections 708AA(8) or (9) of the Act;
- (e) the potential effect the Rights Issue will have on the control of MMT, and the consequences of that effect, will depend on a number of factors, including shareholder demand; and
- (f) this Rights Issue is not underwritten.

A table setting out some of the potential effects is set out below.

Further to paragraph (e) above, eligible shareholders may apply for shares in addition to their pro rata entitlements under the Rights Issue to the extent that there is any shortfall. Any such additional shares will be allocated at the discretion of the Company. Additionally, the Company intends to scale back applications on a pro rata basis in the event of excess demand for such additional shares. However, to the extent that any shareholders fail to exercise their right to subscribe under the Rights Issue, the percentage holdings of those shareholders in the Company will be diluted by those other shareholders who subscribe to some, all or more of the shares they are entitled to. In this regard the Company has received an indication from three of its top twenty shareholders that they will take up shares in the order of a combined aggregate value of \$100,000 pursuant to their pro rata entitlements under the Rights Issue. In relation to the potential impact on control as set out in the table below, the three shareholders have been combined; however, the Company does not consider them to be associates.

The Company has 42,498,572 ordinary shares on issue and 1,220,000 unlisted options. The Company does not anticipate a significant number of options will be exercised to take advantage of the Rights Issue. The Company also has 553 preference shares on issue which are listed on the NSX. The preference shares do not carry the right to:

- participate in any new issue of shares; or
- to convert, at the option of the holder of the preference shares, into ordinary shares.

It is anticipated that the funds to be raised under the Rights Issue will be used to continue to develop the Company's activities at its Glenfine Project and to recommence its drilling programme (in stages) at Allendale, Victoria (Exploration Licence 3821).

	POTENTIAL ACCEPTANCE	EFFECT ON CONTROL
1.	If all eligible shareholders take up their full entitlement under the Rights Issue.	No effect on control.
2.	If eligible shareholders, other than the three of the top twenty shareholders, take up only 50% of their full entitlement under the Rights Issue.	Shareholdings of the three combined would increase from 11.22%, to 12.71%.
3.	If no eligible shareholders, other than the three of the top twenty shareholders, take up their entitlement under the Rights Issue.	Shareholdings of three combined would increase from 11.22% to 13.26%.

Yours faithfully,  
**MOUNT ROMMEL MINING LTD**



Frederick L Hunt  
Executive Director, Chairman