

28 Lawson Crescent, Thomastown, Vic.3074

P.O. Box 80, Bundoora, Vic. 3083

Telephone: (03) 9462 0739

Facsimile: (03) 9462 0494

Email: info@mountrommel.com

Web : www.mountrommel.com

29 April 2013

At Allendale, Directors have initiated a borehole aimed at reaching the CSAMT anomaly. The anticipation is for dry ground interspersed with wet zones, thus an uncertain rate of progress

NXS General Market Release Work in Progress - Allendale

All the numerous but now-abandoned gold mines which were producing in the region between Daylesford and Clunes were developments after discoveries in the 20 year period, 1855 and 1875.

There have been no gold discoveries in that same region, or anywhere else in the Central Goldfields of Victoria, arising solely from geophysics.

The extent of lava cover inhibits exploration based on geological observation or theory - as was demonstrated in the work on EL 3821 prior to Year 2005.

Detailed ground gravity geophysics in 2006 and 2007 in the paddock north of Stag Road disclosed a particular line-to-line "pattern". The northern-most extent of this "pattern" appears to be at about the point where gold enrichment began in the deep lead followed by the old Kingston Park Company. At that time, this type of detailed geophysical coverage came as far south as Stag Road - no access further south.

Subsequently, IP (induced polarization) traverses on Stag Road, etc., produced a corroborative association - the gravity variance "pattern" position coinciding with a specific apparent resistivity "low".

Drilling in year 2008 (on other IP responses) produced little immediate encouragement. Later, delayed geochemical results out of hole H5 (an incomplete hole, suspended at about depth 50 metres) clearly indicated down-hole gold. It can be noted that hole H5 is positioned on the east margin of that apparent resistivity "low".

The new hole is 21 metres west of hole H5.

The drill rig positioned in this photo is at point 1210, the CSAMT traverse Line 3000, December, 2010 - see the 28 March 2013 NSX Release by the Company.



CSAMT in December 2010, confirmed in 2012, high-lighted a conductive geophysical anomaly almost coincident with that 2007 IP geophysics apparent resistivity "low". Access to ground south of Stag Road resulted in CSAMT traverse there in April, 2012. This new work - one year ago now - demonstrated that Line 3000 had apparently picked up the north end of a significant anomaly recognized through the CSAMT data.

Thus, in three (3) different ways, detailed geophysics encourages attention to this vicinity. Entirely within EL 3821, this "anomaly" has no apparent equivalent elsewhere in the explored area of EL 3821.

After a lapse of about 5 years, the Company has initiated this new drilling in search of "ground truth" here, this time down to depths of 130 metres. The drilling program is intended to be of short duration, where practical to do so samples will be extracted metre by metre. The intent is also to place in this hole, at depth, the means to expand the geophysical data, by a later mise-a-la-masse survey.

The hole underway applies the reverse circulation (RC) method to percussion drilling.

The RC system makes use of a dual wall drill pipe. High pressure air (or water) is forced down inside the outer pipe to the drill bit, being there directed to the centre of the pipe. The air returns the cuttings (chips, fines) to the surface via the inner pipe. Hammer size here is plus 5 inches diameter - a good sized hole will assist the purpose of this program.

The RC product is typically stored in standard plastic bags for the job, each bag containing the product from each metre. This material is later split, sent for analyses, and other investigative work.

Further information will follow.

F.L.Hunt
Chairman.