

Pegmont Mines Limited

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28 November 2013

The Manager
The National Stock Exchange of Australia
384 Hunter Street
NEWCASTLE NSW 2300

Dear Sir,

Non-Renounceable Entitlement Issue

Highlights

- 1:10 Non-Renounceable Entitlements Issue to raise \$376,192.
- All Shareholders may acquire New Shares at 6 cents per share and may apply for additional shares over and above their entitlement.
- Funds raised will be applied to working capital purposes.

The Directors of Pegmont Mines Limited (**Pegmont**) are pleased to announce a one for ten (1:10) non-renounceable pro-rata entitlement issue to existing eligible shareholders to raise \$376,192 (before expenses of the issue) at 6 cents per share.

Funds raised will be used for general corporate working capital purposes.

Capitalised terms not otherwise defined in this announcement have the meaning given to them in the Offer Booklet for the Entitlement Offer.

Entitlement Offer

The Entitlement Offer provides an opportunity for eligible shareholders to subscribe for New Shares at 6 cents each. The Entitlement Offer is partially underwritten by Malcolm A Mayger, a substantial shareholder of Pegmont to the extent of 700,000 shares. In total, Mr Mayger and his associates will subscribe for up to 2,500,000 New Shares out of the approximately 6,270,000 Entitlement Shares comprising approximately 40% of total Entitlement Shares.

The Directors reserve the right to place any Shortfall under the Offer to those Shareholders who apply for additional Shares and the balance at their discretion within three months after the Closing Date.

Eligible Shareholders may:

- take up their Entitlement Shares in full or part
- do nothing, in which case their right will lapse; or
- take up their Entitlement Shares in full and apply for additional New Shares from the Shortfall (if any).

Future details of the Entitlement Offer will be contained in the Offer Document which will be sent to Eligible Shareholders and lodged with the NSX.

Timetable

The proposed timetable of the Entitlement Offer is noted below:

These dates are indicative only and subject to change:

EVENT	DATE
Announcement of Entitlement Offer	28 November 2013
Notify Shareholders	29 November 2013
Ex-date	13 December 2013
Record Date for Entitlement Offer (5:00pm AEDT)	20 December 2013
Entitlement Offer opens and dispatch of Offer Booklet and Entitlement and Acceptance Form	24 December 2013
Entitlement Offer closes (5:00pm AEDT)	31 January 2014
Allotment of New Shares under the Entitlement Offer	7 February 2014
Commence trading on NSX	14 February 2014

Subject to the Listing Rules of the NSX, the Directors of Pegmont reserve the right to extend the Closing Date of the Entitlement Offer at their discretion. Should this occur, an extension will have a consequential effect on the anticipated date of the allotment and despatch of New Shares.

For further information contact



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