

Pegmont Mines Limited

ACN 003 331 682

Registered Office

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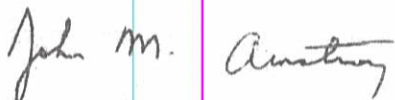
22 April 2014

Dear Shareholder,

Company Circulars

We are pleased to enclose the following documents for your consideration:

- **Annual Report** for the year to 31 December 2013
- **Notice of meeting** to be held on Thursday 29 May 2014: together with explanatory statement.
- **Proxy Form.**



John M. Armstrong
Chairman

Pegmont Mines Limited
ABN 97 003 331 682

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shareholders of Pegmont Mines Limited will be held in the Board Room, Walker Wayland Services Pty Ltd, Level 11, 60 Castlereagh Street, Sydney on Thursday, 29 May 2014 at 12.00pm(noon)

Ordinary Business- Ordinary Resolutions requiring 50% of votes in favour to pass.

Item 1. To consider the Director's Report, Balance Sheet and Accounts for the year ended 31 December 2013 and Auditor's Report thereon.

Item 2. Resolution 1: Remuneration Report

To consider and, if thought fit, pass the following non-binding resolution:

"That the Remuneration Report be adopted."

Item 3. Resolution 2: To elect a Director

Mr Peter Read, who was appointed a Director on 15 April 2014 retires in accordance with the Company's Constitution and being eligible, offers himself for re-election.

To consider and, if thought fit, pass the following resolution:

"That Mr Peter Read be re-elected a Director of the Company."

Item 4. Resolution 3: Issue of short term option

To consider and, if thought fit, pass the following resolution:

"The Board issue a three month option to 30 August 2014 to Mr Malcolm A Mayger to subscribe for up to 2,500,000 shares in the company at 6c per share".

Explanatory Statement

This Explanatory Statement has been prepared for the information of the shareholders of the Company in connection with the business to be conducted at the annual general meeting of shareholders to be held on Thursday 29 May 2014 at 12.00pm(noon) at the Boardroom, Walker Wayland Services P/L, Level 11, 60 Castlereagh Street, Sydney. This Explanatory Statement should be read in conjunction with the accompanying Notice of Annual General Meeting.

1. Background to Resolution 1 - Remuneration Report

The *Corporations Act 2001* (Cth) requires the Company to include in the Directors' Report, details regarding the Company's remuneration policy and other matters relating to and discussion of the remuneration of the Company's officers (a "**Remuneration Report**"). The *Corporations Act 2001* (Cth) also requires the Remuneration Report be adopted at the meeting by a resolution. While there is a requirement for a formal resolution, the members' vote is advisory only and does not bind the Company, nor will it require the Company to alter any arrangements detailed in the Remuneration Report, should the resolution not be passed.

The Remuneration Report is set out on pages 18 and 19 of the Company's 2013 Annual Report. The Remuneration Report explains the structure of, and policy behind the Company's remuneration practices and the link between the remuneration of employees and the Company's performance. The report also sets out remuneration details of each Director on page 21 and for any specified executive. The Directors and Company Secretary are paid a fixed remuneration for the year. There were no incentive or bonus payments.

Members will have a reasonable opportunity at the meeting to ask questions and make comments on the Remuneration Report.

2. Background to Resolution 2 - To elect a Director

Article 6.3 of the Company's existing Constitution requires that where a Director is appointed by the Board he must retire at the next Annual General Meeting and is eligible for re-election at that meeting.

Mr Peter Read who was appointed on 15 April 2014 retires and being eligible offers himself for re-election.

3. Background to Resolution 3 – Issue of Option

In order provide short term liquidity to fund current exploration activities the Board proposes that Mr Malcolm A. Mayger be granted a three month option to 31/8/2014 to subscribe for up to 2,500,000 shares in the company at 6 cents per share.

4. Directors' recommendation.

The Board of directors of the company recommends that members vote in favour of the resolutions set out in the accompanying Notice of Meeting and explained more fully in this Explanatory Statement.

Dated 22nd April 2014

Other Business

- Item 5.** To transact any other business which may be brought before the meeting in accordance with the Constitution.

Dated the 22nd day of April 2014

BY ORDER OF THE BOARD


CHRISTOPHER D. LESLIE
Company Secretary

Notes:

Entitlement to vote: Persons whose names are set out in the register of members of the Company as at Tuesday, 27 May 2014 at 12.00pm (noon) are entitled to attend and vote at the meeting convened by this notice.

Appointment of proxies: Each member may appoint a proxy. If the member is entitled to cast 2 or more votes at the meeting, they may appoint 2 proxies. If the member appoints 2 proxies and the appointment does not specify the proportion or number of votes, the member may exercise half the votes. Fractions of votes will be disregarded. A proxy need not be a member of the Company. To be valid, a proxy must be received by the Company at Level 8, 55 Hunter Street, Sydney (fax: (02) 9951 5454) by 12.00pm (noon) on Tuesday 27 May 2014. For further information see the instructions on the back of the proxy form attached to this Notice of Meeting.

Personal information: Chapter 2C of the *Corporations Act 2001* requires information about you (including your name, address and details of the shares you hold) to be included in the Company's register of members. This information must continue to be included in the Company's register of members if you cease to be a shareholder. Information is collected to administer your shareholding and if some or all of the information is not collected then it might not be possible to administer your shareholding. The Company may disclose this information for purposes related to your shareholding, including in circumstances permitted under the Chapter 2C of the *Corporations Act 2001*. You can obtain access to your personal information in the Company's register of members in accordance with Chapter 2C of the *Corporations Act 2001*.

Pegmont Mines Limited (ABN 97 003 331 682) ("Company")

Proxy Form

Shareholding:

Appointment of Proxy

I/We being a member/s of the Company and entitled to attend and vote hereby appoint

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the Chairperson
of the Meeting
(mark with an 'X')

OR

Write here the name of the person
you are appointing if this person is
someone other than the
Chairperson of the Meeting.

or failing the person named, or if no person is named, the Chairperson of the Meeting, as my/our proxy to attend, to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit), and to act generally on my/our behalf, at the Annual General Meeting of the Company to be held at the Boardroom, Walker Weyland Services P/L, Level 11, 60 Castlereagh Street, Sydney on Thursday 29 May 2014 at 12.00pm (noon) and at any adjournment of that meeting.

If two proxies are appointed, the proportion of voting rights this proxy is authorised to exercise is % (An additional proxy form will be supplied by the Company on request.)

Voting directions to your proxy - please mark

X to indicate your directions

For Against Abstain

Ordinary business

Resolution 1: Remuneration Report

Resolution 2: To Elect a Director

Resolution 3: Issue of option

* If you mark the Abstain box for a particular item, you are directing your proxy **not** to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If you do **not** wish to direct your proxy how to vote, please place a mark in the box.

☐

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of that interest.

Please note that the Chairman intends to vote all undirected proxies in favour of the resolutions being passed.

Signature of Members

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Member 1

Sole Director and Sole Company Secretary /
Sole Director (cross out inapplicable capacity)

Member 2 (if joint holding)

Director

Member 3 (if joint holding)

Director / Company Secretary
(cross out inapplicable capacity)

Contact Name

Contact Daytime Telephone

Date

Proxy instructions

Right to appoint proxy / attorney

Each member may appoint a proxy. If the member is entitled to cast 2 or more votes at the meeting, they may appoint 2 proxies. If the member appoints 2 proxies and the appointment does not specify the proportion or number of votes, the member may exercise half the votes. Fractions of votes will be disregarded. A proxy need not be a member of the Company. A proxy or attorney may be appointed for all meetings or for any number of meetings or for a particular purpose.

Signature of Members

You must sign this form as follows in the spaces provided:

Individual	where the holding is in one name, the member must sign.
Joint Holding	where the holding is in more than one name, all of the members must sign.
Power of Attorney	to sign under Power of Attorney, either the Power of Attorney must have already been lodged with the Company's Share Registry for notation or the original (or a certified copy) of the Power of Attorney must accompany this document.
Companies	the following person(s) must sign: (a) Australian proprietary company with a sole director who is also the sole company secretary - that person; (b) Australian proprietary company with a sole director and no company secretary - that person; (c) other Australian companies - two directors or one director and one company secretary; (d) foreign company - in accordance with the laws of the jurisdiction of incorporation and constituent documents.

Authority conferred on proxy / attorney

Unless otherwise provided for in the instrument, an instrument appointing a proxy or attorney will be taken to confer authority:

- (a) even though the instrument may refer to specific resolutions and may direct the proxy or attorney how to vote on those resolutions:
 - (i) to vote on any amendment moved to the proposed resolutions and on any motion that the proposed resolutions not be put or any similar motion; and
 - (ii) to vote on any procedural motion, including any motion to elect the Chairman, to vacate the chair or to adjourn the meeting; and
- (b) to speak on any resolution on which the proxy or attorney may vote; and
- (c) to demand or join in demanding a poll on any resolution on which the proxy or attorney may vote.

Deposit of proxy

An instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a copy of that power of attorney certified as a true copy by statutory declaration or a facsimile of the above documents must be deposited at the registered office of the company at Level 8, 55 Hunter Street, Sydney NSW 2000 (fax: (02) 9951 5454) **before 12.00pm(noon) on Tuesday 27 May 2014, being no less than 48 hours before the time scheduled for the commencement of the meeting at 12.00pm(noon) on Thursday 29 May 2014** (or any adjournment of that meeting) at which the person named in the instrument intends to vote.

A facsimile or a written appointment of a proxy or a power of attorney is valid.