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## **GENERAL ANNOUNCEMENT CLUNES**

Arising from statements made by those representing Government at the Hearing of the Mining Warden on 10 July, 2014, Directors of Mount Rommel Mining Ltd. expect shortly to be requested to advertise the application ELA 5492, in papers circulating in Melbourne, and locally around Clunes.

Advertisements of this type are the means by which the Clunes community becomes aware of an intending business program under the Mineral Resources Sustainable Development Act, 1990.

With this prospect in mind, Directors consider it reasonable to describe how a defunct goldfield appears likely to have new life going forward - that is, what constitutes Clunes Goldfield.

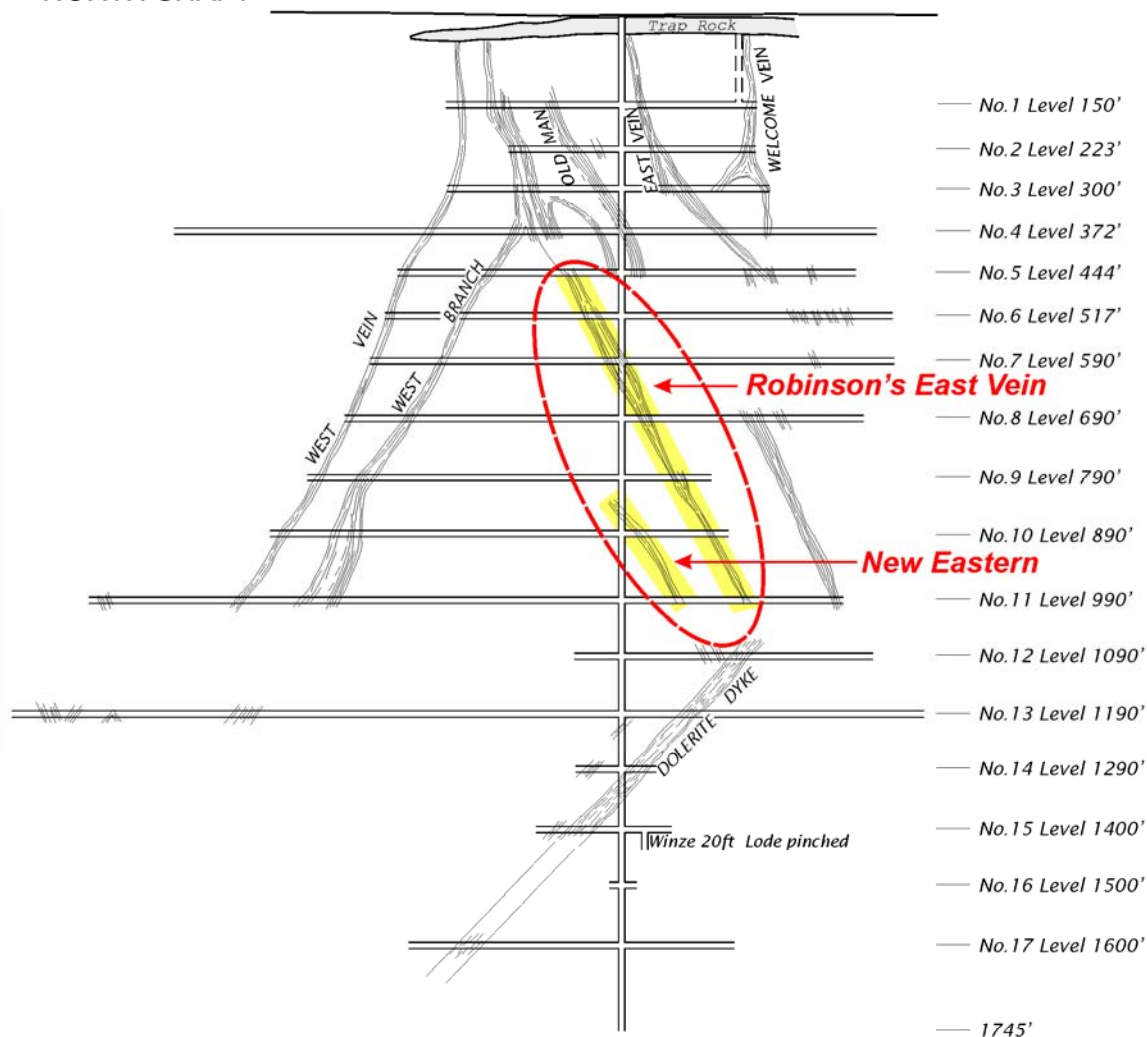
The Company shareholders own the freehold of that area once the domain of the former Port Phillip mine. This area of private land is positioned to the north of Creswick's Creek. In that location, mining for gold ceased about 1893. Land and property rehabilitation took place during 1898.

The following cross-sectional sketches illustrate a pattern of veining peculiar to this part of the Clunes gold field. The same style of veining is not yet known in other sections of this field. The depth (considerable) of workings are shown on right hand side of the upper sketch. The overall amount of worked ground explains the size of the large waste rock dumps, now very much a part of the Clunes landscape.

On these well-known sketches are markings to direct attention to named veins worked for gold. The veins of interest today were mostly worked north of the Port Phillip North shaft, well prior to 1893. The probability is that known continuation of these veins to the south (south of the Port Phillip South shaft) failed to be established during the early years of mining because of ground dislocations / faulting. In any event, those particular veins were never found. We know this to be factual, for drilling by Mount Rommel Mining Ltd. in years 2006 and 2007, in multiple holes, defined the same shapes and found those new vein positions to be equally gold-bearing.

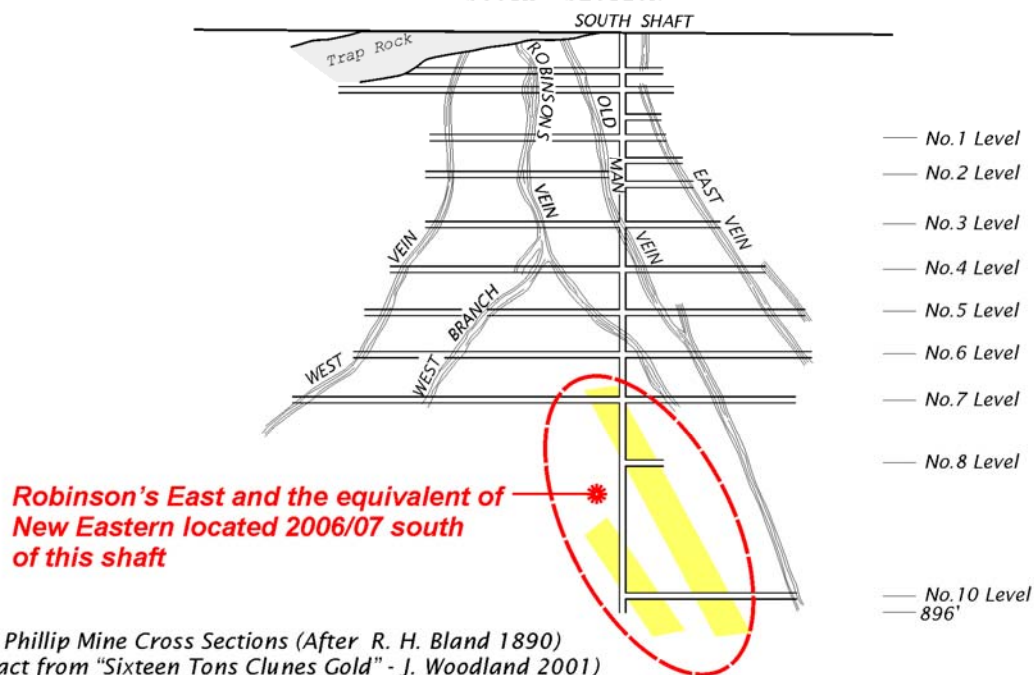
PORT PHILLIP MINE  
- NORTH SHAFT

PORT PHILLIP CO  
NORTH SECTION



PORT PHILLIP MINE  
- SOUTH SHAFT

PORT PHILLIP CO  
SOUTH SECTION

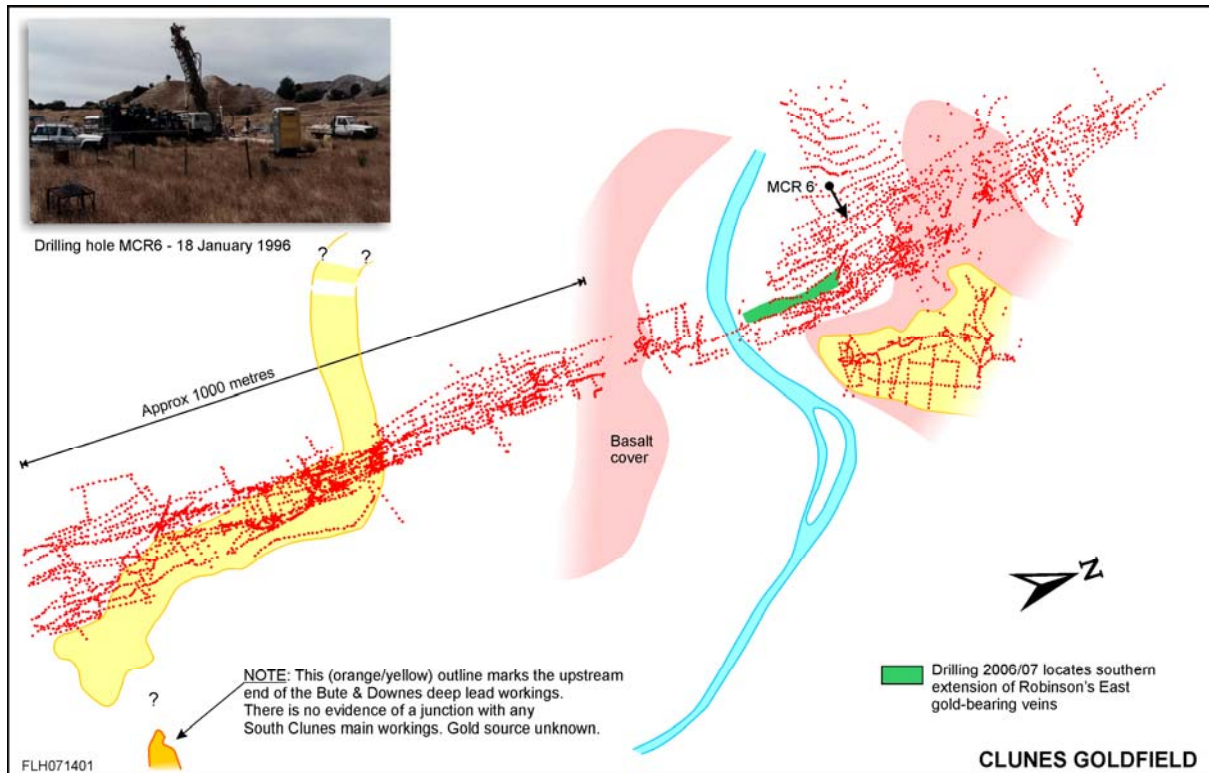


Port Phillip Mine Cross Sections (After R. H. Bland 1890)  
Extract from "Sixteen Tons Clunes Gold" - J. Woodland 2001)

In contrast, drilling by MIM in January 1996 (under a joint venture program) happened to cross the gold field where gold mineralization was minimal.

The following diagram is an extract taken from the work of Marcus Willson, whose full presentation about this gold field was so appreciated by Members attending at Ballarat, 17 May, 2014.

This diagram illustrates the composite of **known** vein positions, hidden underground, below the streets of Clunes Township. Creswick's Creek (here in blue) divides the north open lands from the southern built part of Clunes.



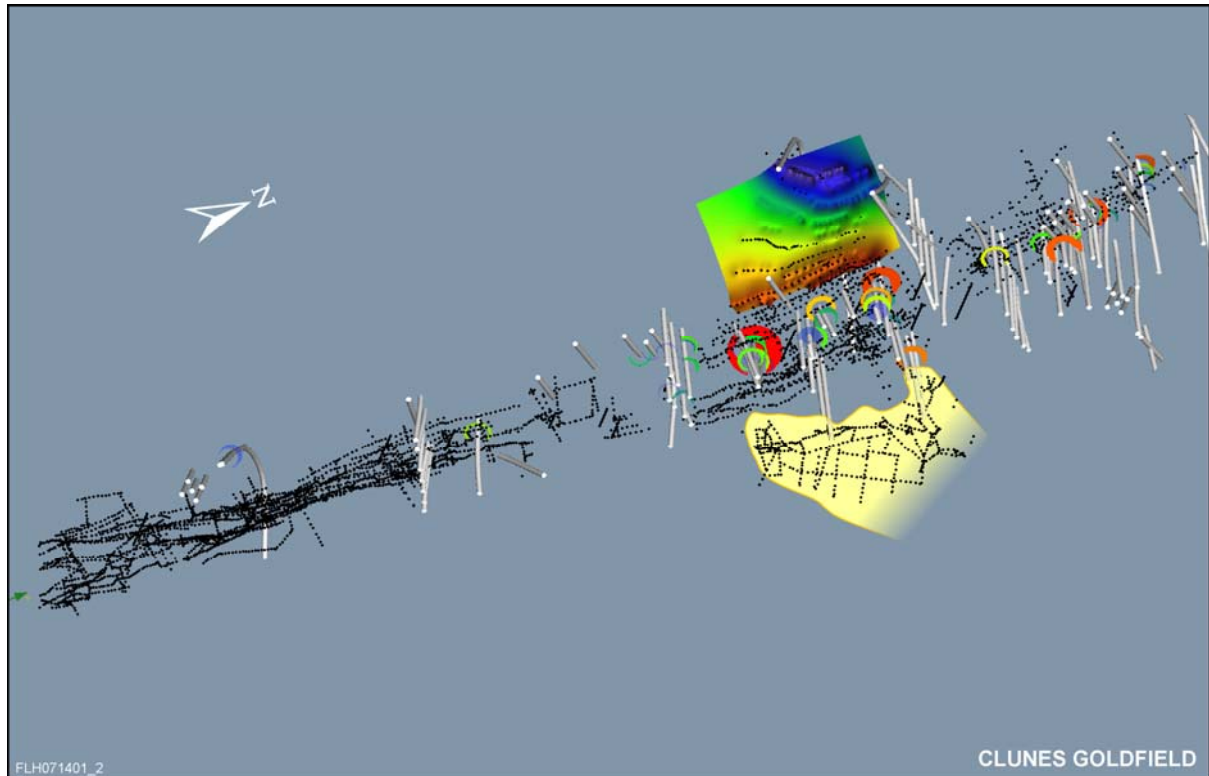
On the above diagram is marked MCR 6, the position chosen for percussion drilling in the summer of 1996. Courtesy of A. Kneeshaw, we are able to include a photo of the work site on that day, as inset.

The green flash nearby shows the likely extent of gold bearing mineralization first hit by Mount Rommel diamond drill holes in 2006, then 2007. The accidents of history show how close one can be, as with the MIM work, yet miss the tell-tale clues.

On this diagram can also be seen the place relationship between veining (the continual linear trend, in red) and places near-surface, buried under basalt, which were once the main erosion channels of this gold field, marked yellow.

Much of the land on the south side of Creswick's Creek is in use today for housing, schools, and the like. These veins on the south of the creek have been worked to about 300 metres below surface. The Company has demonstrated to Government that it had completed studies of past mining activity, to the point where it could identify where deep drilling should take place, to anticipate the kind of discovery that had occurred north of Creswick's Creek, in 2006/2007. The evidence put forward became the basis for the application ELA 5492. It presents no serious intrusion to the present-day or future surface use of land at Clunes, as will be shown.

The following diagram illustrates for everyone the imbalance of drilling activity either side of Creswick's Creek, prior to the beginning of our drilling in year 2004, near the Port Phillip North shaft.



We seek to understand the scale/dimension of what we regard as excellent remaining gold prospects leading south from the old Port Phillip mine workings, right from the position where mining ceased in 1893, at 7 level.

The intention of future drilling is to provide greater geological appreciation of the **known** gold-bearing structures to the west of Templeton Street, initially south of Alliance Street, at 300 metres below the surface.

The proposal to firm up these intentions also anticipates confirmation drilling will indeed be taking place along that "green flash zone" described in the second diagram (above).

This Announcement is provided at this time for the on-going information of interested parties. All the above comments presume eventual grant of ELA 5492, in the form of that application.

On behalf of Directors, Mount Rommel Mining Ltd.

F. L. Hunt  
Chairman