

Pegmont Mines NL

ACN 003 331 682

Corporate Office

65 Hume Street
Crows Nest NSW 2065
Telephone: 8437 3591
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The Manager
Stock Exchange of Newcastle Limited
384 Hunter Street
Newcastle, NSW 2300

Dear Sir,

General Meeting on 20 August 2004- Approving the sale of the Company's shares in Reefway Pty Ltd to Avon Resources Limited.

We wish to confirm that at the Company's General Meeting of Members held on 20 August 2004 at the Company's Registered Office; the members unanimously agreed by 36,073,330 votes in favour (i.e. 71.17% of the issued capital), NIL votes against, to approve the sale of the Company's shares in Reefway Pty Ltd to Avon Resources Limited.

Yours Faithfully,

M.A. Mayger
Managing Director