

19th February 2018

MOUNT ROMMEL MINING LTD - CLUNES PROGRAM

Diamond drilling (inclusive of progressive down-hole surveys) is intended to begin shortly at north Clunes.

The licence there - EL 006473 - has been granted to the 100% owned subsidiary, Bonshaw Gold Pty. Ltd.

The purposes for the intended activity is very commercial, being -

- (1) to investigate the potential for a third blind ore-zone within the immediate environs of the former gold-rich New North Clunes mine, and
- (2) to retrieve for analyses HQ-size (96 mm.dia) drill core in close proximity to the anticipated location of the "lost" (no survey) 1996 percussion hole numbered MCR 8.

The New North Clunes mine operated very successfully for 30 years, up to year 1894.

The two ore zones mined were each entirely blind bodies, and both were found by east-to-west cross-cuts driven from the original pump shaft.

These two blind ore zones are no closer than 75 metres to one another, and at different horizons.

Detailed public records reveal an absence of similar east-to-west cross-cuts at the north end of the old mine, below "4 Level", or near the interpreted position of hole MCR 8.

As to size, the first of those two blind ore-zones produced well in excess of 5 tonnes gold, before year 1876, at an average grade of over 12 dwt. gold per ton treated.

The overall yield from this mine was about 250,000 oz. gold.

Drilling in 1996 produced extraordinary assay results (from hole MCR 8) which suggests a third blind body carrying similar gold values might well exist, and was simply missed in those early years.

Details of hole MCR 8 have been provided to NSX on earlier occasions - <https://www.nsx.com.au/ftp/news/021734051.PDF>

There have been several attempts to drill, to re-locate this MCR 8 intersection. None have succeeded.

Mount Rommel intends to manage this drilling program. Formal correspondence from Government received 16 February, 2018, confirms that its site of proposed activity " falls within the definition of *Low Impact Exploration...*" a legally defined term).

The provision of this correspondence enables Directors to proceed to engage with the intended drilling company, and conclude preparations to commence.

All being well. drilling should commence around 7 March, 2018.

F.L.Hunt,
Company Secretary, Mount Rommel Mining Ltd.