

Dear Mr. Hunt,

11 April 2018

Mt Rommel Mining Limited (the "Company" or "MMT")

Re: Periodic Disclosure Query

We refer to the Annual Financial Report lodged on 14th December 2017¹ in which the Independent Auditor's Report² states:

Mr. Frederick L Hunt
Company Secretary
Mt Rommel Mining Limited
Level 4, 100 Albert Road
South Melbourne
VIC Australia 3205

"Basis for Qualified Opinion

It is impracticable for the Company to establish usual internal controls over the completeness of the shareholder loans received prior to their entry in the accounting records. Accordingly, our audit relating to shareholder loans of \$995,200 (2016: \$972,200) was limited to the amounts as recorded in the financial statements.

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Group in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our auditor of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the Corporations Act 2001, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditors' report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the financial report, which indicates that the Company has incurred net losses of \$5,201,192 up to and including the year ended 30 June 2017. Note 2 also describes that as of 30 June 2017, the Company's current liabilities exceeded its current assets by \$2,176,909 and the company had a net asset deficiency of \$504,448. As stated in Note 2, these events or conditions, along with other matters as set forth in Note 2, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter."

In relation to the above items in the Independent Auditor's Report please respond to the below questions.

1. Given the Qualified Opinion relates to the Auditor's inability to obtain sufficient appropriate audit evidence regarding the shareholder loans of \$995,200, what steps will the Company intend to take to obtain an unqualified audit report for future financial periods?
2. How has the Company satisfied itself as to the completeness of the shareholder loans recorded in the Annual Financial Report lodged on 14th December 2017?
3. Does the Company consider that it carries out sufficient level of operations which can be demonstrated to the Exchange to warrant the continued listing of its securities on the NSX as required by listing rule 6.54?
4. If the answer to question 3 is "Yes", please explain the basis on which the Company has formed the conclusion that its level of operations is sufficient to warrant continued listing on NSX in accordance with requirements of listing rule 6.54. If the answer to question 3 is "No", the suitability of the Company for listing may be reviewed by the Exchange.

¹ Link of the Annual Financial Report for the period ended at 30 June 2017 – <https://www.nsx.com.au/ftp/news/021734535.PDF>

² Annual Financial Report for the period ended at 30 June 2017 – Page 37

5. Please confirm that the Company is in compliance with the listing rule and, in particular, listing rules 6.4.

Your response should be sent to me directly via email no later than 4pm on 13th April 2018. Your response will be released to the market along with a copy of this letter. If you wish to discuss the content of your response, please do not hesitate to contact me as soon as possible.

Please be reminded that the Issuer must comply with Chapter 6CA of the Corporations Act and Listing Rules Section IIA 6.4, 6.5 and 6.5A under continuous disclosure.

Listing Rule 6.4

The NSX continuous disclosure rule states:

Generally, and apart from compliance with all the specific requirements, the issuer shall keep the Exchange informed without delay, for dissemination of any information relating to the group of which it is aware that:

- is necessary to enable the Exchange and the public to appraise the financial position of the issuer and the group;
- is necessary to avoid the establishment of a false market in its securities; or
- a reasonable person would expect to have a material effect on the price or value of its securities.

Such information must be made available to the Exchange before the time at which any other public announcement of the information is made.

These provisions will be breached by an issuer who intentionally, recklessly or negligently fails to notify the Exchange of information that:

- is not generally available; and
- a reasonable person would expect, if it were generally available, to have a material effect on the price or value of its securities.

Listing Rule 6.54

The issuer shall carry out, directly or indirectly, a sufficient level of operations or have tangible assets of sufficient value and/or intangible assets for which a sufficient potential value can be demonstrated to the Exchange to warrant the continued listing on the Exchange of the issuer's securities.

Yours sincerely

Ingrid Wei
Market Surveillance Analyst