

8 May 2018

Mr. Ron Kaushik,
Senior Manager - Market Surveillance,
National Stock Exchange of Australia,
1 Bligh Street, Sydney, NSW, 2000.

Dear Mr. Kaushik,

Re: Periodic Disclosure Query This Company (MMT)

We understand the reply provided hereunder is not in the usual format for responses of this kind. We ask for acceptance by NSX of this response, as provided, for we believe in that format answers to the questions sought by NSX will be better understood by the market, and by any Company shareholder. The Company endeavours to be in compliance with the NSX listing rules, and has notified the NSX on matters of relevance as and when it is in a position to do so.

In this Query, emphasis is placed on the Report of the Auditor last year, lodged 14 December, 2017. As such, it involves matters well known to shareholders of the Company.

The NSX Query seeks to "provide market visibility" to those observations of the Auditor. With respect, shareholders of the Company themselves provided absolute visibility to the market in the following manner --

1. The Notice of AGM lodged with NSX on 20 December, 2017 informed the market of the intent to vary the Constitution, with regard to MIN 5492 -- Special Business resolution 5.
The effect of this variation is to ensure the matters of concern as expressed by the Auditor were not tied legally to the tenure MIN 5492, it being subject to renewal.
2. On 14 February, 2018, the results of the adjourned AGM were published on NSX, confirming the determinations of shareholders.

The variance described above will now become part of subsequent appropriate evidence for a follow-on audit.

It remains the case that the Company has chosen to operate in Victoria. The common experience of all working in Victoria is that of uncertainty attached to renewal of tenure. Given this normality, the ability of any auditor to obtain an "unqualified" opinion where mining rights are involved is doubtful.

The Company has internal records satisfactory for present purposes.

The Company has been in business for a considerable period of time. Its business is to prepare for future development dormant known gold centres in Victoria. For that reason, it sets out to obtain and to hold tenure in a commercially transferable form, and has done so. These, as licences, become the assets of the Company; The Directors remain open to private enquiries for the purchase or joint working of any of its assets, either at Glenfine, or for the entire Clunes Goldfield.

The Clunes Goldfield is recognised as a substantial stand-alone gold-field of Victoria. Numerous archived records of past exploration are testament to on-going commercial interest in the prospects for re-opening of Clunes gold-field. These archived records are public -- see GeoVic, the web-site of the State Government.

The working experience of this Company (MMT) on Clunes gold-field have been reported to NSX from time to time, since September 2006. The reported results from drilling campaigns by this Company are known to be of interest to other mining companies. The fact that no movement takes place in the securities of the Company (when trading is permitted) when these reports appeared has been noted by many.

The Company is at present conducting its normal activities at Clunes, in an orderly manner. There is no reason known to Directors to suggest there be any alteration to existing market perceptions about the business affairs of the Company.

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