



PR 005 13 May 2019

Pegmont Mines Limited
ABN 97 003 331 682

for immediate release

Vendetta payment brings the “New” Pegmont several steps closer.

On May 9th this year Vendetta the Canadian option holder completed the purchase of the Pegmont tenements with the exercise payment of the \$3.0M. This brings Pegmont Mines current cash holdings to \$5M. Pegmont continues to hold a 1.5% net smelter royalty that would be payable upon production after the recovery of \$5m in imputed royalties. In January Vendetta announced a positive Preliminary Economic Assessment (PEA), which indicates a very substantial value of our royalty.

Directors have declared a fully franked dividend of 2.25cents per share with payment this financial year on 21 June. After payment of the dividend Pegmont Mines will have available cash resources of approximately \$3.45M.

Because of the prospectively for base metal projects, the Board has decided to explore for Mount Isa-type copper and gold deposits in North Queensland. After researching the Western Succession Domain, which has similar geology to the well-explored Eastern Succession, but is under alluvial cover and is relatively unexplored. Several interesting prospects have been identified, which resulted in the application for an area we call Templeton. The Templeton Exploration Lease EPM26647 was granted in mid 2018.

Fieldwork at Templeton, identified a number of bullseye magnetic anomalies which have not been drill tested. Our concept is that some of these bullseye magnetic anomalies represent protrusions from a magmatic basement, which could be mineralized with copper- gold. The protrusions often of oval shaped area, extending to depth, offer large volumetric targets for drilling.

We are excited about our new exploration areas because they are prime, the concept is clear, the target minerals (copper and gold) are attractive and the potential payoff is very large. We expect to commence drilling in June of this year.

For further comment contact Malcolm Mayger on 612 6583 7747, or by email pegmont@hotmail.com