

Level 1
33 Ord Street
West Perth 6005 WA

Tel: + 61 8 9420 9300
Fax: + 61 8 9420 9399

20 April 2012

BAAL GAMMON UPDATE

Monto Minerals Limited (**Monto**) advises that the Queensland Department of Environmental and Resource Management (**DERM**) has issued a notice to conduct an environmental evaluation (**EE**) under the Environmental Protection Act to Monto subsidiary, Baal Gammon Copper Pty Ltd (**BG**) and Kagara Limited (**Kagara**) with respect to a release of potentially contaminated water from the Baal Gammon copper mine operated by Kagara.

Kagara are mining Baal Gammon under a Mineral Rights Agreement. Under the Minerals Rights Agreement BG is entitled to 2.5% NSR (Net Smelter Royalty) payable on all metals for the first 550,000t of ore processed and 2% NSR payable on all metals over 550,000t of ore processed.

The EE requires that BG and Kagara conduct a detailed environmental investigation with respect to the incident and provide DERM with a series of reports over the next three months. BG, with Kagara, has commenced the investigation in accordance with the EE with the intention of satisfying their obligations in this regard.

Contact Information:

James Allchurch - +61 8 9420 9300

www.montominerals.com