

**MOUNT MAGNET SOUTH NL**ACN 096 635 246
ABN 93 096 635 246

Mr Matthew Foy
Adviser, Issuers (Perth)
ASX Limited
Level 8, Exchange Plaza
2 The Esplanade
Perth WA 6000

Tuesday 22 May 2007

Restricted Securities

The Company confirms the following securities are classified as restricted and will not be quoted for the periods specified:

- Ordinary shares
 - 11,386,038 ordinary shares fully paid classified by ASX as restricted securities and to be held in escrow for a period of 24 months from commencement of official quotation.
 - 3,128 ordinary shares fully paid classified by ASX as restricted securities and to be held in escrow for a period of 12 months from date of issue being 15 June 2006.
 - 181,980 ordinary shares fully paid classified by ASX as restricted securities and to be held in escrow for a period of 12 months from date of issue being 26 June 2006.
 - 92,000 ordinary shares fully paid classified by ASX as restricted securities and to be held in escrow for a period of 12 months from date of issue being 27 June 2006.
 - 71,000 ordinary shares fully paid classified by ASX as restricted securities and to be held in escrow for a period of 12 months from date of issue being 7 August 2006.
 - 416,667 ordinary shares fully paid classified by ASX as restricted securities and to be held in escrow for a period of 12 months from date of issue being 5 September 2006.
 - 69,184 ordinary shares fully paid classified by ASX as restricted securities and to be held in escrow for a period of 12 months from date of issue being 31 October 2006.
 - 175,519 ordinary shares fully paid classified by ASX as restricted securities and to be held in escrow for a period of 12 months from date of issue being 14 November 2006.
 - 192,000 ordinary shares fully paid classified by ASX as restricted securities and to be held in escrow for a period of 12 months from date of issue being 24 November 2006.
- Options
 - 12,500,000 unquoted options exercisable at different prices within 3 years, classified by ASX as restricted securities and to be held in escrow for a period of 24 months from commencement of official quotation.
 - 1,000,000 unquoted options exercisable at different prices within 3 years, classified by ASX as restricted securities and to be held in escrow for a period of 12 months from the date of issue being 15 May 2007.

A handwritten signature in black ink, appearing to read 'Matthew Shackleton'.

Matthew Shackleton
Company Secretary