19 April 2005

ASX ANNOUNCEMENT

RIGHTS ISSUE OF OPTIONS TO SHAREHOLDERS

The attached letter has today been sent to shareholders with a copy of the Prospectus as announced on 5 April 2005 and displayed at www.montominerals.com

By Order of the Board

GM Edwards

GARRY M EDWARDS
Company Secretary

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19 April 2005

Dear Shareholder,

Non-Renounceable Rights Issue of New Options.

The enclosed Prospectus details all aspects of the non-renounceable rights issue of New Options. The Prospectus also includes a letter from me introducing the offer of New Options. I encourage all shareholders to read the Prospectus carefully as it contains important and valuable information.

Shareholders who were registered at 5pm on 14 April 2005 are offered one New Option for every seven Shares then held at an issue price of 0.1 cents (1/10 of a cent) per New Option. Where fractions arise in the calculation of Entitlements, they have been rounded up to the next whole number of New Options. Your Entitlement is shown on the personalised Entitlement and Acceptance Form which accompanies the Prospectus.

The New Options do not have voting rights. However, Shares issued on the exercise of New Options will have voting rights and will rank equally to all other ordinary Shares on issue .

Before making a decision whether to take up any of these rights to New Options, please read the Prospectus. The offer closes at 5pm on **4 May 2005.**

Eligible shareholders wishing to take up all of their Entitlement should complete the Entitlement and Acceptance Form in accordance with the instructions set out on the form and forward it together with a:

1. cheque;
2. bank draft; **or**
3. acceptable credit card details;

to ASX Perpetual Registrars, Monto's share registry, at the address shown on the form.

The issue of New Options is non renounceable. This means that Shareholders not wishing to take up their rights (also referred to as Entitlements) may not sell or transfer those rights. However, once the New Options are allotted, they will be saleable and transferable. The Company has applied to ASX for quotation of the New Options.

If you have any questions regarding your rights or the mailing of the Prospectus and the accompanying Entitlement and Acceptance Form, please contact Monto's share registry, ASX Perpetual Registrars on (02) 8280 7454.

I look forward to your continued support.

Yours faithfully,

Peter J Slaughter
Executive Chairman

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