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The Manager
Company Announcements Office
Australian Securities Exchange

CONFIRMATION OF WANDEAN GOLD MINERALISATION

- **Rock chip samples return up to 2.86 g/t gold in quartz-veined sandstones**
- **Indicator antimony and arsenic values associated with strongly altered rocks**
- **Structural, rock type and mineralisation similarities with the Nagambie Mine**

Nagambie Mining (ASX: NAG) is pleased to announce encouraging assay results from a number of rock chip samples taken during roadside mapping of outcrop at the western end of the Wandean Gold Prospect. The Wandean Prospect is approximately 9 km north west of the Nagambie Mine and is within the Company's recently granted exploration licence, EL 5430.

A best gold value of 2.86 g/t was recorded. This sample also recorded 1,280 ppm antimony. In addition, arsenic values greater than 500 ppm were returned from 3 samples, with a maximum value of 1,210 ppm. Antimony and arsenic are indicative of Nagambie-style gold mineralisation.

The gold, antimony and arsenic roadside results were obtained from a group of outcropping, strongly quartz-veined and brecciated sandstones over an area of 20 metres by 25 metres.

As previously announced, soil sampling by Metex Resources in 1995 located two parallel gold-arsenic mineralised trends, 150 to 200 metres apart and up to 550 metres long, with gold values up to 237 ppb (0.24 g/t) and arsenic values up to 266 ppm.

The Nagambie Mining Director – Exploration, Geoff Turner said: ***“These rock chip samples confirm the presence of gold mineralisation at the Wandean Prospect. Mapping also showed the presence of a faulted anticline in this area, so Wandean has a similar structural setting as well as rock type and mineralisation style to that at the Nagambie Mine. These results significantly improve the prospectivity of Wandean.”***

Nagambie Mining has planned a 20-hole RC (reverse circulation) percussion drilling program for Wandean. Drilling is expected to commence in October after the necessary approvals are obtained.



Colin Glazebrook
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COMPETENT PERSON'S STATEMENT

The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Colin Glazebrook, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Mr Glazebrook is a Director of Nagambie Mining Limited and consents to the inclusion in this report information in the form and context in which it appears. Mr Glazebrook has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'.