

## HIGHLIGHTS

- Third exploration drilling program underway at the 100%-owned Wandean gold prospect, 9 km north west of the Nagambie Mine.
- \$700,000 raised from the placement of 21.2 million shares at 3.3 cents each to sophisticated and professional investors.
- The Company continued to progress its proposal for a landfill site at the Nagambie Mine to take residual inert hard waste from Melbourne recycling operations.

## COMMENTARY ON THE QUARTER

Nagambie Mining Chairman, Mike Trumbull said: *“The third exploration drilling program at Wandean is progressing well and we eagerly await assay results.*”

*“Existing sophisticated and professional shareholders in the Company once again have provided strong support in funding the ongoing exploration drilling and general working capital requirements.”*

### NAGAMBIE MINING

*Nagambie Mining Limited is an Australian ASX-listed gold company that is focussed on the discovery, evaluation and development of shallow, open-pit and heap-leachable gold deposits.*

*The Company holds 100% of over 500 km<sup>2</sup> of exploration tenements in central Victoria encompassing historic goldfields at Nagambie, Redcastle and Rushworth. It is testing new structural and mineralisation concepts for gold mineralisation by employing geological, geophysical and geochemical techniques.*

*Nagambie Mining is also developing construction material and landfill opportunities at the Nagambie Mine site in order to maximise the value of the freehold land owned by the Company at the mine.*

### SHARES ON ISSUE

288,414,010

### ASX CODE: NAG

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### **Board**

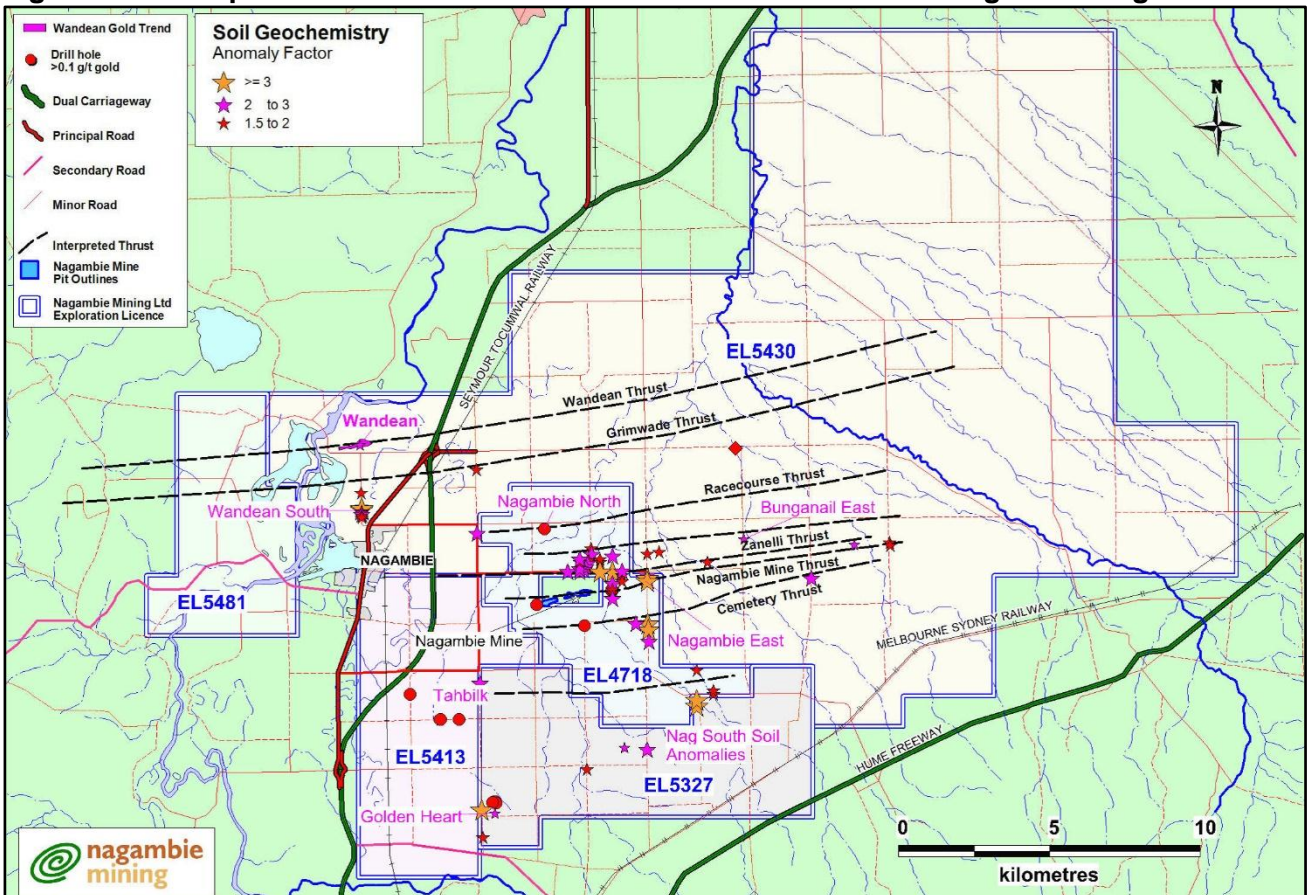
Mike Trumbull (Chairman)  
Geoff Turner (Exploration Dir.)  
Kevin Perrin (Finance Dir.)  
Alfonso Grillo (Company Sec.)

**EXPLORATION**

The only significant work carried out during the quarter was the commencement of the third RC (reverse circulation percussion) exploration drilling program at Wandean, 4 km north of Nagambie and 9 km north west of the Nagambie Mine in EL 5430 (refer Figure 1).

Drilling commenced on 26 March and is expected to finish in early May. The rig has averaged around two holes per day when operating. A total of 52 holes is planned.

**Figure 1 Interpreted Thrusts and Anomalous Gold Results in the Nagambie Region**



As for the first two RC exploration drilling programs, the third program is testing an extensive soil anomaly which follows the interpreted position of the Wandean Thrust.

Disseminated primary gold, typically grading around 1.0 g/t gold, is associated with zones of quartz stockwork veining. Supergene enrichment processes have remobilised or redistributed primary gold in softer sediments adjacent to the zones of quartz stockwork veining. The presence of higher grade supergene gold can substantially lift average gold grade.

**TENEMENT CHANGES**

No tenement changes occurred during the quarter.

**NAGAMBIE MINE REHABILITATION AND SITE UTILISATION**

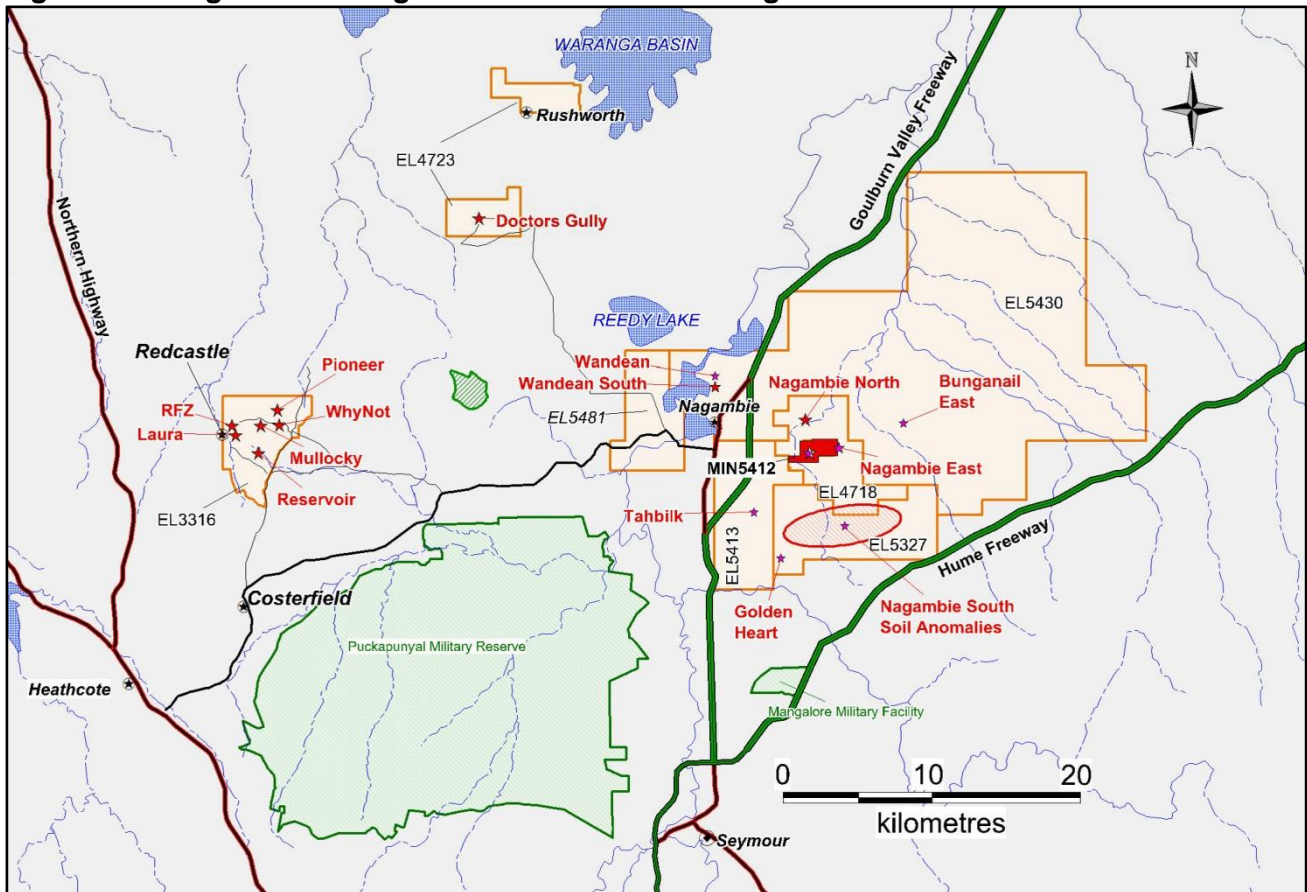
**PROPOSED LANDFILL SITE**

Nagambie Mining is seeking to obtain a landfill licence on freehold land owned by the Company at the Nagambie Mine. Nagambie Mining at this stage is uncertain if it will be successful in obtaining a

licence and, if it is successful, how long it will take to get the necessary regulatory approvals from the Environmental Protection Authority of Victoria (EPA) and the Strathbogie Shire.

The proposed landfill site is being designed to take only inert dry waste, the residue from waste recycling operations in Melbourne. The first of several possible sites at the mine is capable of taking over 8 million tonnes in total of compacted residuals over an area of approximately 400,000 square metres in a series of adjoining landfill cells averaging over 20 metres in height.

**Figure 2 Nagambie Mining Tenements and Gold Targets**



Late in the December 2013 quarter, Nagambie Mining made a written submission to the Victorian Department of Sustainability (Sustainability) in response to the Department’s call for submissions regarding the Draft Statewide Waste and Resource Recovery Infrastructure Plan 2013-2014 (SWRRIP) for Victoria. Nagambie Mining’s submission was also accepted by the Metropolitan Waste Management Group (MWMG) as a submission regarding the Draft Metropolitan (Melbourne) Waste and Resource Recovery Strategic Plan (MWRRSP).

Nagambie Mining understands that the MWMG and Sustainability have reviewed all the written submissions made regarding the Draft MWRRSP and the Draft SWRRIP respectively but Nagambie Mining has heard nothing to date in regards to its written submission.

**DEPARTMENT OF DEFENCE UNDERWATER EXPLOSIVES TESTING FACILITY**

The Australian Department of Defence (DOD) for many years has conducted underwater explosives testing at a disused quarry in suburban Melbourne. For environmental reasons, DOD is planning to set up a new underwater explosives testing facility (UETF) in regional Victoria, with the chosen site being the eastern end of the East Pit at the Nagambie Mine. Water depth in the East Pit is greater than 50 metres which is in excess of DOD’s requirements.



During the quarter, environmental consultants for DOD carried out a baseline environmental survey of the site.

## **CORPORATE**

### **SHARE PLACEMENT**

On 24 March, the Company placed 21,212,122 fully paid ordinary shares at 3.3 cents each to sophisticated and professional investors, raising a total of \$700,000.

The funds raised are being applied towards exploration drilling at the Wandean gold prospect and general working capital requirements.

### **CASH POSITION**

At 31 March 2014, total cash held by the Company was \$1,381,000.



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## **STATEMENT AS TO COMPETENCY**

*The Exploration Results in this report have been compiled by Mr Geoff Turner, who is a Fellow of the Australian Institute of Geoscientists, has more than ten years in the estimation, assessment, and evaluation of mineral resources and ore reserves, and has more than 20 years in exploration for the relevant style of mineralisation that is being reported. In these regards, Geoff Turner qualifies as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Geoff Turner is a Director of Nagambie Mining Limited and consents to the inclusion in this report of these matters based on the information in the form and context in which it appears.*

## **FORWARD-LOOKING STATEMENTS**

*This report contains "forward-looking statements" within the meaning of securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "target", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or other similar words, and include statements regarding certain plans, strategies and objectives of management and expected financial performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Nagambie Mining and any of its officers, employees, agents or associates. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Exploration potential is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. Readers are cautioned not to place undue reliance on forward-looking statements and Nagambie Mining assumes no obligation to update such information.*