

LOAN FACILITY

Nagambie Resources has accepted a loan facility offer from PPT Nominees Pty Ltd. Loan draw down is subject to the execution of a facility agreement. Principal terms of the loan will be:

- Maximum drawdown of \$1.0 million;
- Maximum term of 2 years;
- Interest rate of 10.0% per annum on the drawn amount at any time;
- Interest payable quarterly in arrears; and
- Loan is unsecured.

The loan facility avoids the need for an equity raising and dilution of existing shareholder interests.

It also puts the Company in a good position to both negotiate future tenders for large volumes of PASS management associated with major Melbourne infrastructure projects and to enable the progressive development of its other planned revenue streams.

CASH MANAGEMENT

Nagambie Resources has carried out significant capital expenditure over the last year to develop the first 2.5 million tonnes of PASS management capacity, advance its gold model for the Nagambie region, and prepare for its other strategic income streams, including establishing initial access infrastructure for its proposed sand mining operation.

The board have now determined to reduce all non-essential, discretionary cash expenditure wherever appropriate. As part of those cash conservation measures, the directors will not be paid their director fees until cashflow from operations reaches appropriate levels.



Mike Trumbull
Executive Chairman

NAGAMBIE RESOURCES

Underwater storage of sulphidic excavation material (PASS) in the two legacy gold pits at the Nagambie Mine represents an excellent environmental fit with the construction of CBD high-rise towers and major projects proposed for Melbourne such as Metro Rail and North East Link.

The discovery and development of shallow, open-pit and heap-leachable gold deposits is being methodically advanced. The Company has tenements encompassing historic Victorian goldfields at Nagambie and Clonbinane.

Quarrying, washing and screening of sand deposits at the mine to produce various sand and quartz aggregate products is planned.

Recycling of the overburden and tailings dumps can produce aggregates for concrete, road base material and road gravel for local roads.

The first landfill site is planned to take advantage of the 17 Ha of engineered black plastic under the mine tailings pad.

SHARES ON ISSUE

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Nagambie Resources Limited
ABN 42 111 587 163

**Registered, Operations &
Head Office**

533 Zanelli Road
Nagambie Vic 3608
(PO Box 339)
Tel: (03) 5794 1750

www.nagambieresources.com.au
info@nagambieresources.com.au

Board

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

James Earle CEO