

Dear Shareholder

## NAGAMBIE MINING LIMITED 2015 SHARE PURCHASE PLAN

Nagambie Mining is seeking additional funding in order to:

1. Prepare the East and West Pits at the Nagambie Mine to accept sulphidic fill (known as PASS) from Melbourne construction projects, including PASS from high-rise building excavations;
2. Submit a mining licence application for the Apollo-Gladys oxide gold mineralisation at Clonbinane;
3. Prepare a section of the existing heap leach pad at the Nagambie Mine for the heap leaching of Clonbinane and Wandean gold mineralisation;
4. Prepare a separate section of the existing heap leach pad to accept residual hard inert landfill (principally construction and demolition waste);
5. Tender for the new heap leach process equipment required; and
6. Tender for the contract crushing, agglomeration and conveyor stacking of gold ore onto the heap leach pad.

The PASS project is a very exciting development for the Company and could be up and running at the Nagambie Mine by early CY 2016. The potential revenue from PASS could mean that this fund raising from shareholders is the last required by Nagambie Mining.

I am pleased to invite you to participate in the 2015 Share Purchase Plan ("SPP"). The SPP will be capped at a maximum of \$1,000,000 and shares will be allocated on a "first-in, first-served" basis.

**The SPP entitles you to purchase \$1,000, \$2,500, \$5,000, \$10,000 or \$15,000 worth of shares at a discount to market with no associated brokerage costs.**

The volume weighted average price for Nagambie Mining shares on the Australian Securities Exchange ("ASX"), over the 5 days in which Nagambie Mining's shares traded prior to the SPP being announced, was 3.77 cents. **The SPP offer price of 3.3 cents therefore represents a discount of 12.5%.** It also represents a 5.7% discount to the last traded price of 3.5 cents.

All the directors of Nagambie Mining intend to take up their maximum entitlement for new shares under the SPP of \$15,000.

Attached are the Terms and Conditions of the SPP. To participate, you can make a payment by BPay® **or** complete the Application Form provided and return it with a cheque to Advanced Share Registry (a reply-paid, addressed envelope is provided for Australian shareholders). **If you make your payment with BPay®, you do NOT need to complete and return the Application Form.** BPay® customers must however use the **Customer Reference Number** shown on the Application Form to identify their holding.

All ASX releases by Nagambie Mining can be viewed on the Company's website: [www.nagambiemining.com.au](http://www.nagambiemining.com.au)

Thank you for your continuing support.



Mike Trumbull  
Executive Chairman

17 August 2015

## NAGAMBIE MINING LIMITED (ASX: NAG)

### TERMS AND CONDITIONS FOR THE NAGAMBIE MINING LIMITED 2015 SHARE PURCHASE PLAN ("SPP")

#### 1. The SPP

The SPP enables Eligible Shareholders (see paragraph 2) to purchase \$1,000, \$2,500, \$5,000, \$10,000 or \$15,000 of fully paid ordinary shares in Nagambie Mining Limited ("Nagambie Mining") without being required to pay brokerage fees or incurring additional transaction costs.

#### 2. Eligible Shareholders

You are eligible to participate in the SPP ("Eligible Shareholder") if you were the registered holder of one or more fully paid ordinary shares in Nagambie Mining ("Shares") at 7.00 pm (Melbourne time) on 14 August 2015 with an address, as recorded in Nagambie Mining's Share Register, in Australia or New Zealand unless you hold the Shares on behalf of another person who resides outside Australia or New Zealand. Accordingly, shareholders with an address outside Australia and New Zealand will not be eligible to participate in the SPP.

#### 3. Participation in the SPP

Participation in the SPP is subject to these Terms and Conditions and is optional. However, the offer under the SPP is non-renounceable and Shares will only be issued to the Eligible Shareholders to whom they are offered. This means that you cannot transfer your right to purchase Shares under the SPP to another person or entity.

#### 4. Key Dates

• Record Date to determine entitlements	7.00pm (AEST) on 14 August 2015
• ASX Announcement of SPP	17 August 2015
• Despatch of documents to shareholders and SPP Opening Date	24 August 2015
• Closing Date for application for shares	5.00pm (AEST) on 8 September 2015*
• Allotment Date for SPP shares	15 September 2015*
• Quotation Commences	16 September 2015*

\* These dates are indicative only and may be changed at the discretion of Nagambie Mining

#### 5. Issue Price of Shares

**The issue price for each Share under the SPP is 3.3 cents.** This price was determined by Nagambie Mining following the close of trading on 14 August 2015 (the trading day before the SPP was announced) by taking the volume weighted average traded price of Shares sold on the Australian Securities Exchange ("ASX") in the 5 days in which Nagambie Mining's shares traded immediately prior to the announcement of the SPP (being 3.77 cents) and applying a discount of 12.5% to that price.

#### 6. Variation in market price of the Shares on the ASX

The market price of the Shares on the ASX may rise and fall between the date of this SPP offer and the date when Nagambie Mining allots the Shares to you under the SPP. This means that the price you pay under the SPP offer may exceed the price at which Shares are trading on the ASX at the time the Shares are allotted to you under the SPP.

#### 7. Number of Shares Eligible Shareholders can apply for under the SPP and \$1,000,000 cap on total funds raised

As an Eligible Shareholder and based on the issue price for available shares under the SPP, you can apply for:

- 30,304 Shares at \$0.033 per Share which will cost you \$ 1,000; OR
- 75,758 Shares at \$0.033 per Share which will cost you \$ 2,500; OR
- 151,516 Shares at \$0.033 per Share which will cost you \$ 5,000; OR
- 303,031 Shares at \$0.033 per Share which will cost you \$10,000; OR
- 454,546 Shares at \$0.033 per Share which will cost you \$15,000.

This offer of new shares under the SPP is made in accordance with ASIC Class Order 09/425. The instrument grants relief from the requirement to prepare a prospectus for the offer of new shares under the SPP. In accordance with the ASX Listing Rules, the number of shares that may be issued by a company under a share purchase plan cannot exceed 30% of the number of fully paid ordinary shares already on issue. For the SPP, Nagambie Mining is capping the total raised at \$1,000,000 and allocating the new shares on a "first-in, first-served" basis. The maximum number of new shares that could be issued at 3.3 cents per share therefore would be approximately 30,303,031 shares or approximately 9.23% of the fully paid ordinary shares already on issue (328,201,015 shares).

The directors of Nagambie Mining, as Eligible Shareholders, may participate in the SPP on the same terms and conditions as all other Eligible Shareholders in Nagambie Mining and their participation is not subject to shareholder approval.

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Applications will be processed in the order in which they are received on a “first-in, first-served” basis.

Any necessary refund will be paid by Nagambie Mining to Eligible Shareholders shortly after the Closing Date or the date upon which the Closing Date is extended. Interest will not be paid on any money refunded.

If you are an Eligible Shareholder and have received more than one offer under the SPP (for example because you hold more than one shareholding under separate share accounts), you may not apply for Shares with an aggregate value exceeding \$15,000 under the SPP. Nagambie Mining reserves the right, exercisable at its sole discretion, to reject any application for Shares where it believes the requirement has not been met.

ASIC CO 09/425 also enables an issuer to offer securities under an SPP without a prospectus or product disclosure statement to each of the underlying beneficiaries whose securities are held on their behalf by a custodian, even if the name of the underlying holder is not expressly noted on the register of members. However, in order for the underlying beneficiaries to apply for securities under the SPP, the custodian applying for securities on behalf of its beneficiaries must issue a certificate providing certain details of such beneficiaries and confirming that the \$15,000 limit in 12 months will not be exceeded in respect of each individual beneficiary (although a beneficiary who is resident outside Australia or New Zealand is not eligible to participate in the SPP).

### 8. Opening and Closing of the SPP Offer

The SPP offer opens on 24 August 2015 (“Opening Date”) and closes at 5.00 pm (Melbourne time) on 8 September 2015 (“Closing Date”) unless it is extended by Nagambie Mining. Nagambie Mining reserves the right to change at any time the Closing Date or the proposed Allotment Date by making an announcement to the ASX.

Nagambie Mining also reserves the right to terminate the SPP at any time prior to the issue of Shares under the SPP. If Nagambie Mining terminates the SPP, it will refund any money paid by Eligible Shareholders under the SPP. Interest will not be paid on any money refunded.

### 9. How to Apply for Shares under the SPP

If you wish to apply for Shares under the SPP, you must make payment for exactly \$1,000 or \$2,500 or \$5,000 or \$10,000 or \$15,000 by the Closing Date through one of the following options:

- a) **If you make your payment with BPay®, you do not need to complete and return the enclosed Application Form.** BPay® customers should use the **Customer Reference Number** shown on the Application Form to identify your holding; or
- b) If not using BPay®, you must complete the enclosed Application Form and forward it with payment by cheque, money order or bank draft in Australian dollars, made payable to “Nagambie Mining Limited”, to Advanced Share Registry at the address set out in the Application Form. A reply-paid envelope is enclosed for the convenience of Australian shareholders.

Applications must be received by Advanced Share Registry by the Closing Date (currently 5.00 pm (Melbourne time) on Tuesday 8 September 2015).

### 10. Nagambie Mining’s discretions regarding applications

Nagambie Mining has broad discretion to reject your application to purchase Shares under the SPP, including (without limitation) if:

- a) Your Application Form is incorrectly completed or incomplete or otherwise determined by Nagambie Mining to be invalid;
- b) Your cheque is dishonoured or has not been completed correctly;
- c) The cheque, money order, bank draft, or BPay® payment is not exactly \$1,000 or \$2,500 or \$5,000 or \$10,000 or \$15,000;
- d) It appears that you are applying to buy more than \$15,000 (in aggregate) of Shares at the issue price;
- e) Your payment is received after the Closing Date. Whilst Nagambie Mining has the discretion to accept late payments, there is no assurance that it will do so. Any late payments or cheques, if not accepted, will be refunded or returned to you; or
- f) Nagambie Mining believes that you are not an Eligible Shareholder (subject to compliance with any applicable ASIC or ASX requirements).

### 11. Allotment Date

The Shares will be allotted under the SPP on the Allotment Date (currently 15 September 2015) and application for quotation of your Shares on the ASX will be made at the same time. You should receive your allotment statement, or confirmation advice, shortly after the Allotment Date.

### 12. What rights attach to the Shares

Shares issued under the SPP will rank equally with existing fully paid ordinary shares in Nagambie Mining and will carry the same voting rights, dividend rights and other entitlements as at the date of allotment.

### 13. Dispute resolution

Nagambie Mining may settle in any manner it thinks fit any disputes or anomalies which may arise in connection with or by reason of the operation of the SPP, whether generally or in relation to the applicant or application for Shares and the decision of Nagambie Mining will be conclusive and binding on all persons to whom the decision relates. Nagambie Mining reserves the right to waive

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compliance with any provision of the SPP Terms and Conditions, subject to compliance with the Corporations Act and the ASX Listing Rules.

### **14. Further Information**

If you have any questions in relation to the terms and conditions of the SPP or how to make an application, you can ring Advanced Share Registry on +61 2 8096 3502 or Nagambie Mining on +61 3 5794 1750. Neither Advanced Share Registry nor Nagambie Mining will provide financial, investment or taxation advice.

### **15. Independent financial or investment advice recommended**

Nagambie Mining is not providing investment advice or making any recommendation in respect of the SPP. Any decision to participate should be made after considering your own objectives, financial circumstances and needs and obtaining independent advice if necessary.

### **16. Significance of applying for Shares under the SPP**

By making payment by BPay® or by completing an Application Form and forwarding payment by cheque, money order or bank draft:

- a) You acknowledge that you are an Eligible Shareholder;
- b) You certify that you have not applied for more than \$15,000 of Shares under the SPP and any similar arrangement in the 12 months prior to your application, even though you may have received more than one offer under the SPP or received offers in more than one capacity under the SPP;
- c) You agree that your application is made on the Terms and Conditions of the SPP;
- d) You accept that you will not be able to withdraw or revoke your application or BPay® payment once you have sent it in;
- e) You authorise Nagambie Mining (and its officers or agents) to correct any error or omission in your Application Form and to complete the Application Form by the insertion of any missing details;
- f) You acknowledge that Nagambie Mining may at any time determine that your Application Form is valid, in accordance with the Terms and Conditions, even if the Application Form is incomplete, contains errors or is otherwise defective;
- g) You accept the risk associated with any refund that may be sent to you by direct credit or cheque to your address shown on Nagambie Mining's Share Register;
- h) You are responsible for any dishonour fees or other costs that Nagambie Mining may incur in presenting a cheque for payment which is dishonoured;
- i) You acknowledge that neither Nagambie Mining nor Advanced Share Registry has provided you with investment advice or financial product advice, and that neither has any obligation to provide this advice, concerning your decision to apply for and take up Shares;
- j) You acknowledge that Nagambie Mining is not liable for any exercise of its discretions referred to in these Terms and Conditions; and
- k) You irrevocably and unconditionally agree to the Terms and Conditions and agree not to do any act or thing which would be contrary to the spirit, intention or purpose of the SPP.

### **17. Governing Law**

These Terms and Conditions are governed by the laws in force in Victoria and are to be interpreted in accordance with their spirit, intention and purpose.

### **18. Underwriting**

The SPP will not be underwritten.