



# Nagambie Mining Limited

**“BRIEF REVIEW OF 2009 AND A LOOK AT 2010”**

|                |               |
|----------------|---------------|
| Issued Shares: | 151.3 Million |
| Price:         | 3.4 Cents     |
| Market Cap:    | \$5.1 Million |

Colin Glazebrook

## Important Notice

The information contained in this presentation is current as at 24 November 2009 and all statements are based upon the Company's best information as at 24 November 2009. Any estimates or projections as to events that may occur in the future (including projections of revenue, expense, net income and share performance) are based upon the best judgement and beliefs of Nagambie management but are subject to various risks, uncertainties and assumptions.

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*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 Australian Institute of Mining and Metallurgy. Mr Glazebrook is a Director of Nagambie Mining Limited and consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. Colin 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'.*

*This release may include forward-looking statements. These forward-looking statements are based on management's expectations and beliefs concerning future events. Forward-looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Nagambie Mining Limited that could cause actual results to differ materially from such statements. Nagambie makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release.*

# NAGAMBIE PERSONNEL

## Directors

Mike Trumbull

Non-Executive Chairman

Colin Glazebrook

Executive Director, CEO & Exploration Manager

Geoff Turner

Non-Executive Director - Exploration

## Executive

Alfonso Grillo

Company Secretary

Joe Fekete

CFO

Liz Fuller

Heathcote Office Manager

## Technical

Directors plus

Appropriate Consultants

Casual Field Labour

# NAGAMBIE SHAREHOLDERS

## Significant Shareholders

|   |       |
|---|-------|
| 1. CAIRNGLEN INVESTMENTS PTY LTD                  | 13.92 |
| 2. MR RALPH DOUGLAS RUSSELL + MS ANNE-MAREE HYNES | 10.94 |
| 3. M W TRUMBULL                                   | 6.97  |
| 4. NORMET INDUSTRIES NOMINEE PTY LTD              | 5.51  |

**Top 20** 63.6%

**Total Number of Shareholders** 429

# CORPORATE

## Cash

|                   |             |
|-------------------|-------------|
| 30 September 2008 | \$ 703,000  |
| 30 September 2009 | \$1,127,000 |

## Nagambie Mining Limited Fund Raising 2008 - 2009

- The Company's Rights Issue (1 for 3 at 3.0 cents per share) 10 November 2008 received total subscriptions of approximately **\$401,000**, representing a 42.2% take up by Shareholders and Directors.
- The placement during the first quarter of 2009 of the shortfall of 18,305,456 shares under the November 2008 Rights Issue was fully subscribed at the 3.0 cents per share issue price, raising approximately **\$549,000**
- An oversubscription of 3,333,333 shares was also placed at 3.0 cents per share, raising a further **\$100,000**
- On 7 August 2009, NAG issued the following shares:
  - (a) 14,718,750 fully paid ordinary shares at 3.2 cents per share under its share purchase plan (*SPP*) for total consideration of approximately **\$471,000**.
  - (b) 6,650,000 fully paid ordinary shares at 3.2 cents per share to sophisticated and professional investors for a total consideration of approximately **\$218,200**

# COMPANY OVERVIEW

- **Focused Operations:**

Exploration for shallow gold (oxide and reef) deposits in Victoria which is historically the second highest State in Australia for gold production and gold prospectivity but second last in exploration investment. Over 250 km<sup>2</sup> of prospective area is currently being explored by Nagambie.

- **Exploration Group Areas:**

7 Licences split into four Exploration Group Areas based on Structure, Lithology and Mineralisation covering the two main Victorian Gold Producing Zones.

To date 9 Projects containing 24 Prospects are under investigation within these areas.

- **Development Group Areas:**

An area is classified as a development area if potentially economic gold mineralisation has been or is in the process of being identified. One area, Mining Licence MIN 5412 has so far been designated with 2 Projects identified.

- **Principal Objectives:**

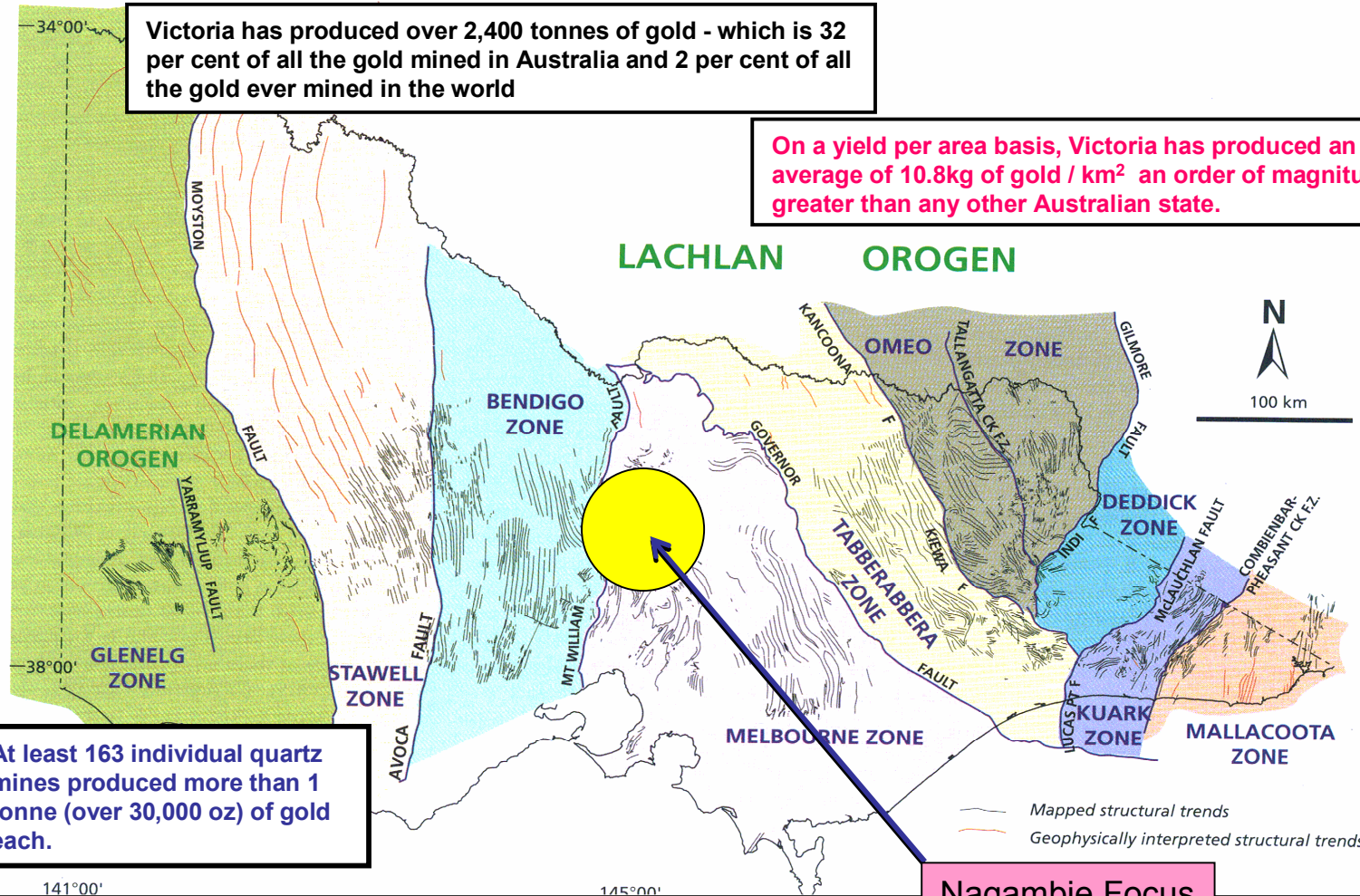
Continue to explore its existing gold tenement areas for heap-leachable oxide gold prospects on and within economic trucking distance of Nagambie MIN 5412, targeting a minimum of 100,000 to 200,000 ounces of gold at grades varying between 1 and 2 g/t gold depending on the trucking distance.

Develop the full potential of MIN 5412 as a competitive provider of construction materials for the Nagambie Bypass and other industry projects within Central Victoria.

# WHY VICTORIA?

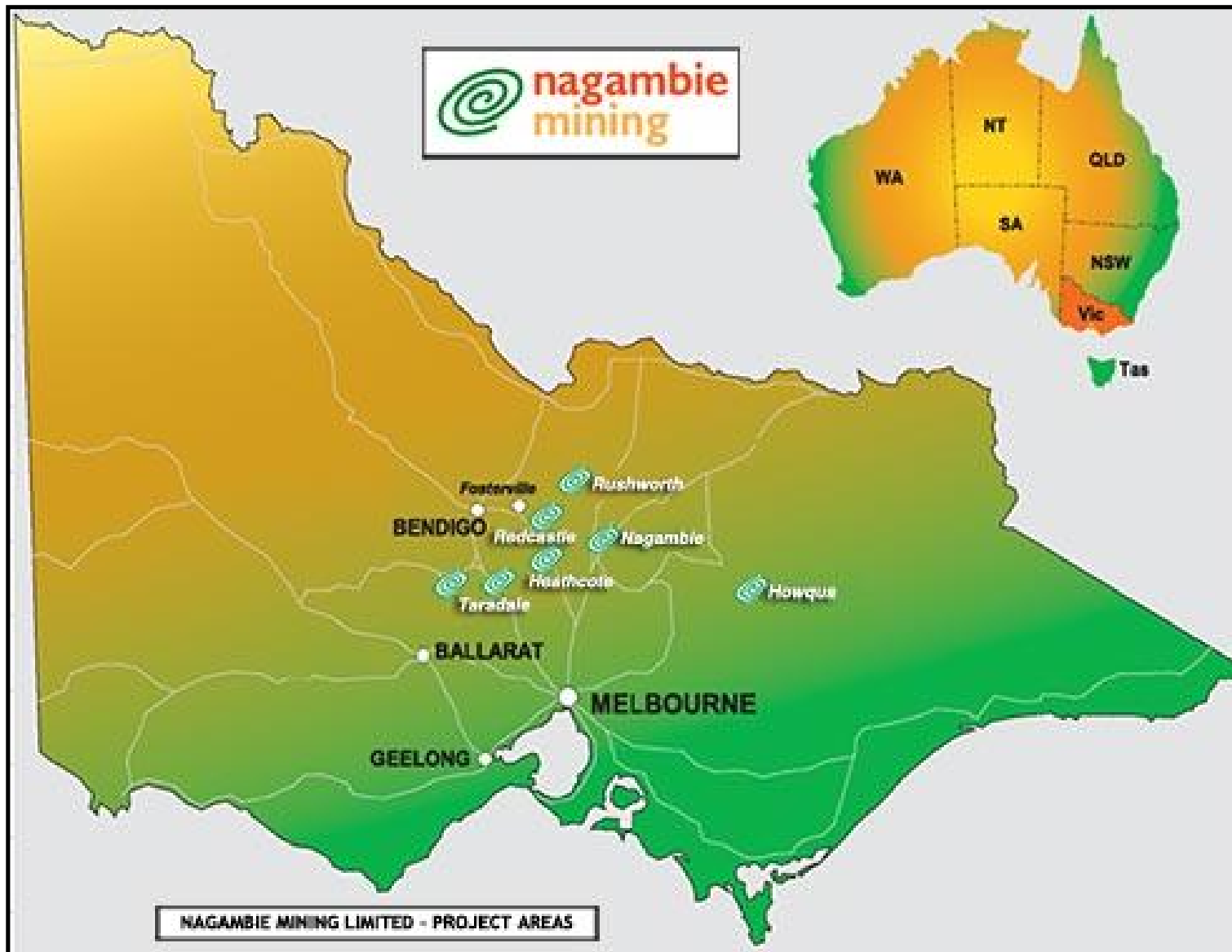
Victoria has produced over 2,400 tonnes of gold - which is 32 per cent of all the gold mined in Australia and 2 per cent of all the gold ever mined in the world

On a yield per area basis, Victoria has produced an average of 10.8kg of gold / km<sup>2</sup> an order of magnitude greater than any other Australian state.



At least 163 individual quartz mines produced more than 1 tonne (over 30,000 oz) of gold each.

Nagambie Focus





## Group Areas, Gold Fields & Licences

| Group Area                     | Project Name    | Historic Goldfield | Licence  | Interest % | Holder   |
|--------------------------------|-----------------|--------------------|----------|------------|----------|
| <b>EXPLORATION GROUP AREAS</b> |                 |                    |          |            |          |
| <b>Nagambie</b>                | Nagambie North  | Fontainbleau?      | EL 4887  | 100        | Nagambie |
|                                | Nagambie South  |                    | EL 4718  | 100        | Sierra   |
|                                | Nagambie        |                    | EL 5023  | 100        | Sierra   |
|                                | Rushworth       | Rushworth          | EL 4723  | 100        | Sierra   |
| <b>Redcastle - Heathcote</b>   | Redcastle       | Redcastle          | EL 3316  | 100        | Nagambie |
|                                | Heathcote North | Tooleen            | EL 3316  | 100        | Nagambie |
|                                | Heathcote South | Heathcote          | EL 3316  | 100        | Nagambie |
| <b>Taradale</b>                | Taradale        | Taradale           | EL 4527  | 100        | Nagambie |
| <b>Howqua</b>                  | Howqua          | Howqua             | EL 5189  | 100        | Nagambie |
| <b>DEVELOPMENT GROUP AREAS</b> |                 |                    |          |            |          |
| <b>Nagambie</b>                | Nagambie        | Nagambie           | MIN 5412 | 100        | Nagambie |

Nagambie  
Sierra

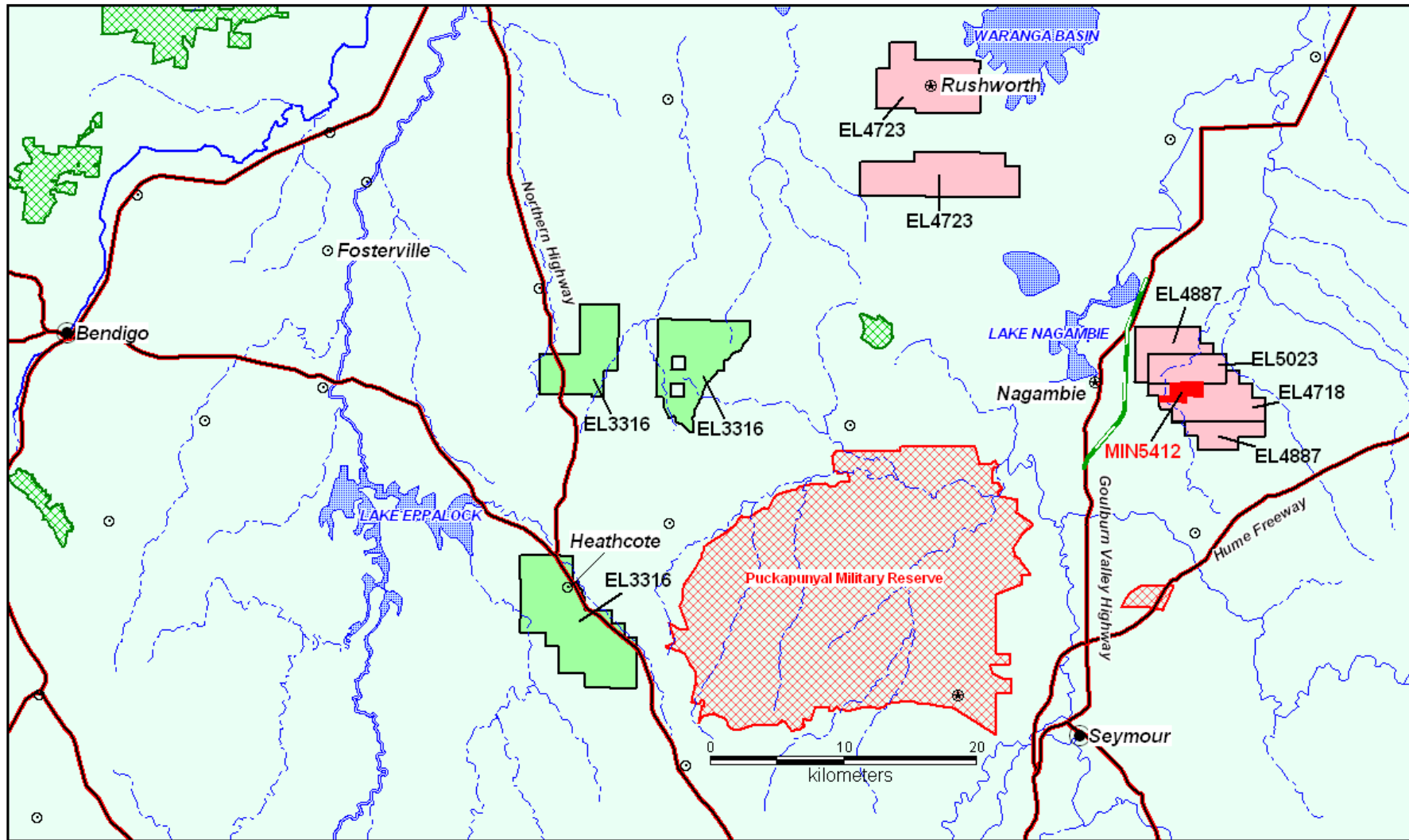
owned by Nagambie Mining Limited.  
owned by Sierra Minerals Pty Ltd, a wholly owned subsidiary of Nagambie.

## Main Exploration Group Areas, Gold Fields & Prospects

| Exploration Group Area       | Historic Goldfield    | Historic Reef Production (tonnes) | Reported Grade* (g/t gold) | Project         | Prospects |
|------------------------------|-----------------------|-----------------------------------|----------------------------|-----------------|-----------|
| <b>Redcastle - Heathcote</b> | Redcastle             | 11,489                            | 29.8                       | Redcastle       | 6         |
|                              | Toolleen              | 7,751                             | 12.0                       | Heathcote North | 3         |
|                              | Heathcote             | 11,497,267                        | 1.9                        | Heathcote South | 1         |
| <b>Nagambie</b>              | Rushworth             | 73,664                            | 20.0                       | Rushworth North | 2         |
|                              | Fontainbleau<br>Whroo | 4,354                             | 17.8                       | Rushworth South | 2         |

*Note: \* Historical Reef Production and reported grade taken from Department of Primary Industry records*

# Nagambie's Central Victorian Licences



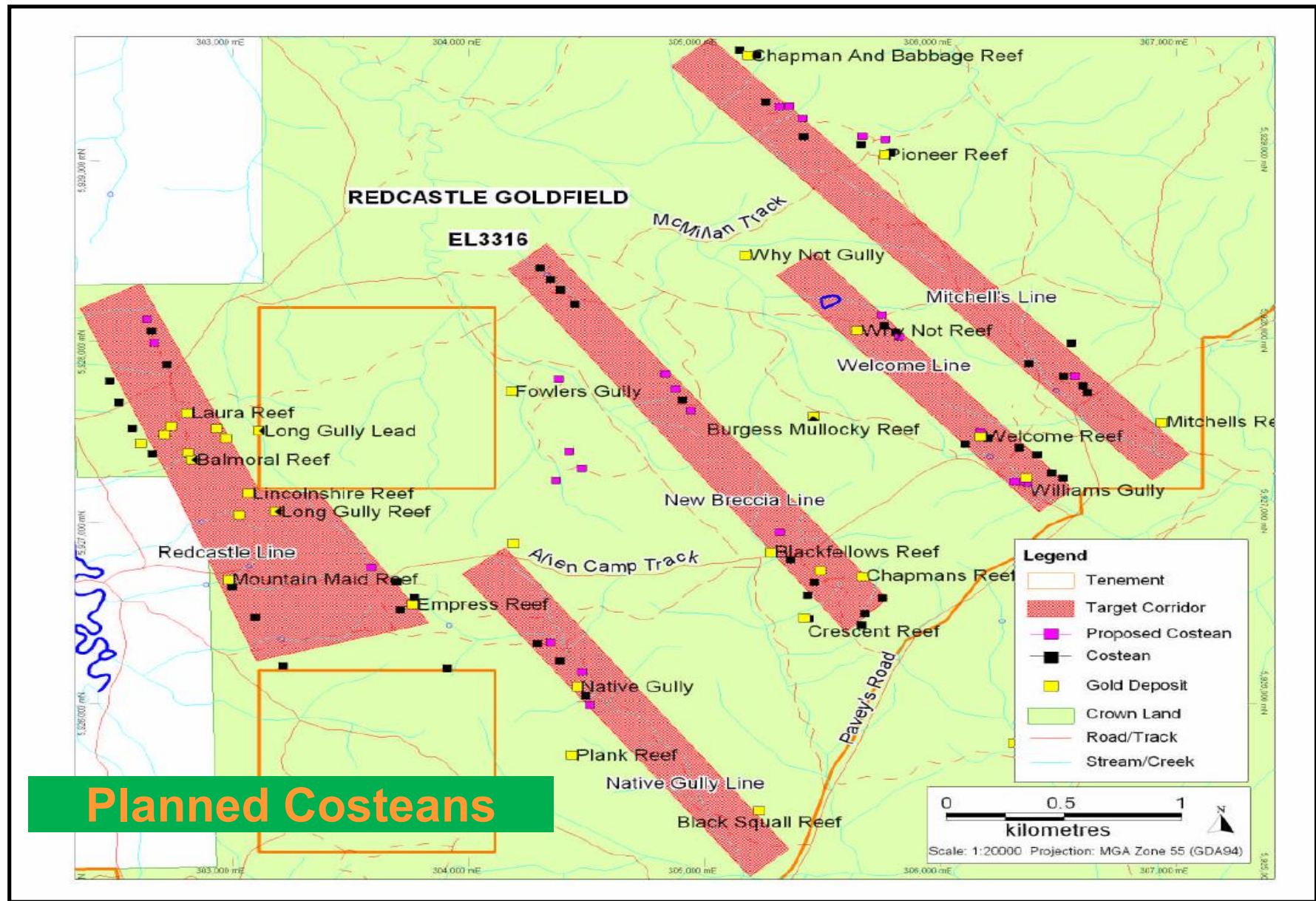
# MAIN EXPLORATION GROUP AREAS



# 1. REDCASTLE – HEATHCOTE GROUP

## Redcastle Project

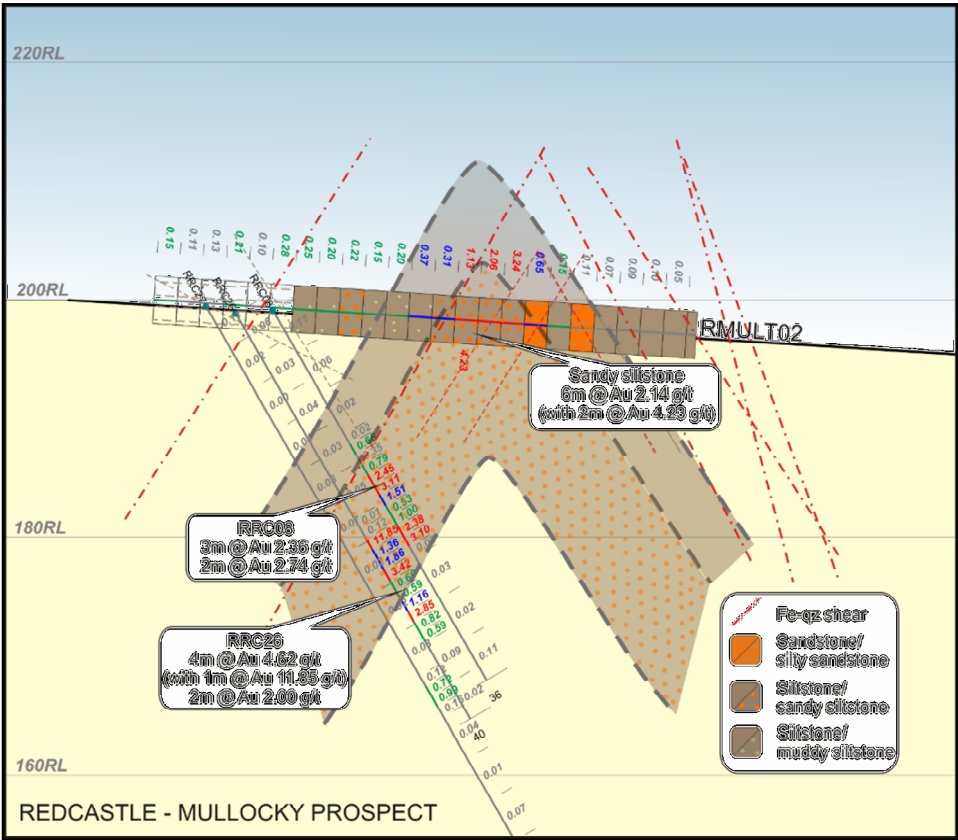
- 33 km<sup>2</sup> covering the old Redcastle Goldfield
- Historic Goldfield averaged 29.8 g/tonne with average mine depth across the field of 56m
- Encouraging 2006 - 2007 drilling results from the five (5) identified structural zones:
  - 7m at 2.0 g/t from 16m depth
  - 10m at 2.5 g/t from 22m depth
  - 6m at 2.4 g/t from 51m depth
  - 8m at 5.2 g/t from 36m depth
- 47 costeans (2008 – 2009) @1.5m deep also gave encouraging results from the five (5) identified structural zones :
  - 16m length at 1.2 g/t
  - 18m length at 1.3 g/t
  - 14m length at 1.2 g/t
- 22 Costeans planned to test six (6) prospects



# REDCASTLE PROJECT

## Example Structure

**Target:** Gold associated with stockwork quartz where oblique faults intersect thicker sandy units close to an anticlinal fold. As the folds plunge at a shallow angle to the south-east, multiple shoots can be expected, confined to repeating (or stacked) sandstone beds. Target dimensions exceed 600 metres in length with average width of 10 metres for each shoot.

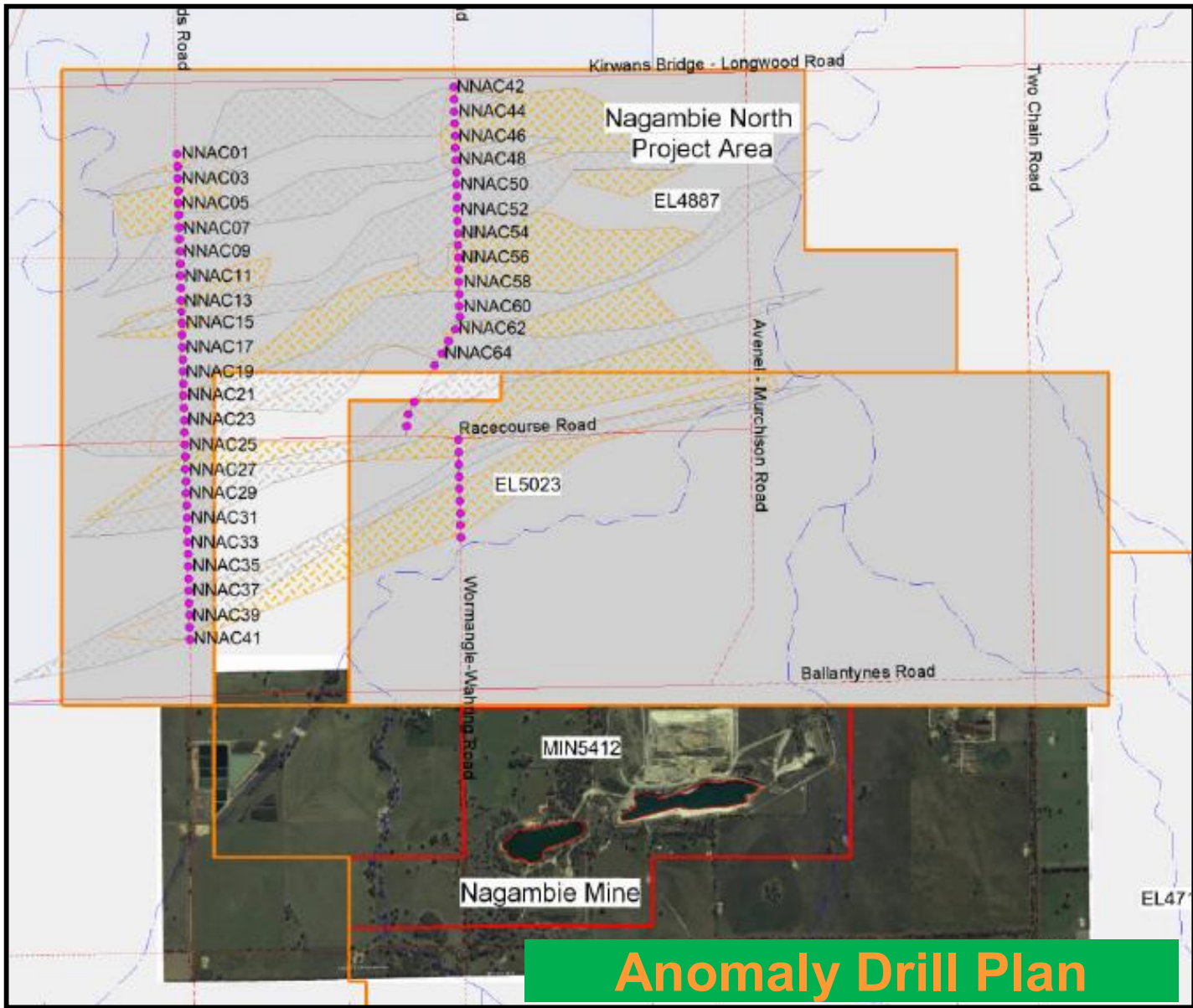


## 2. NAGAMBIE GROUP

### Nagambie North Project

- 34 km<sup>2</sup> covering five (5) surface geochemical gold and 4 arsenic anomalies.
- Anomalies are roughly coincident and have an elevated antimony association.
- 2.5 km north of Nagambie Mine which produced over 134,000 ozs of gold from an oxide gold deposit in a reverse fault/fold zone.
- Reverse fault interpreted in the vicinity of anomalies and this is parallel to those worked at the Nagambie Mine.
- 77 aircore holes planned to test the anomalies





# DEVELOPMENT GROUP AREAS



## NAGAMBIE MIN 5412

Nagambie holds **100% of MIN 5412**, including **187 hectares of freehold land** and facilities from the previous gold mining operation. MIN 5412 is a particularly valuable asset for Nagambie:

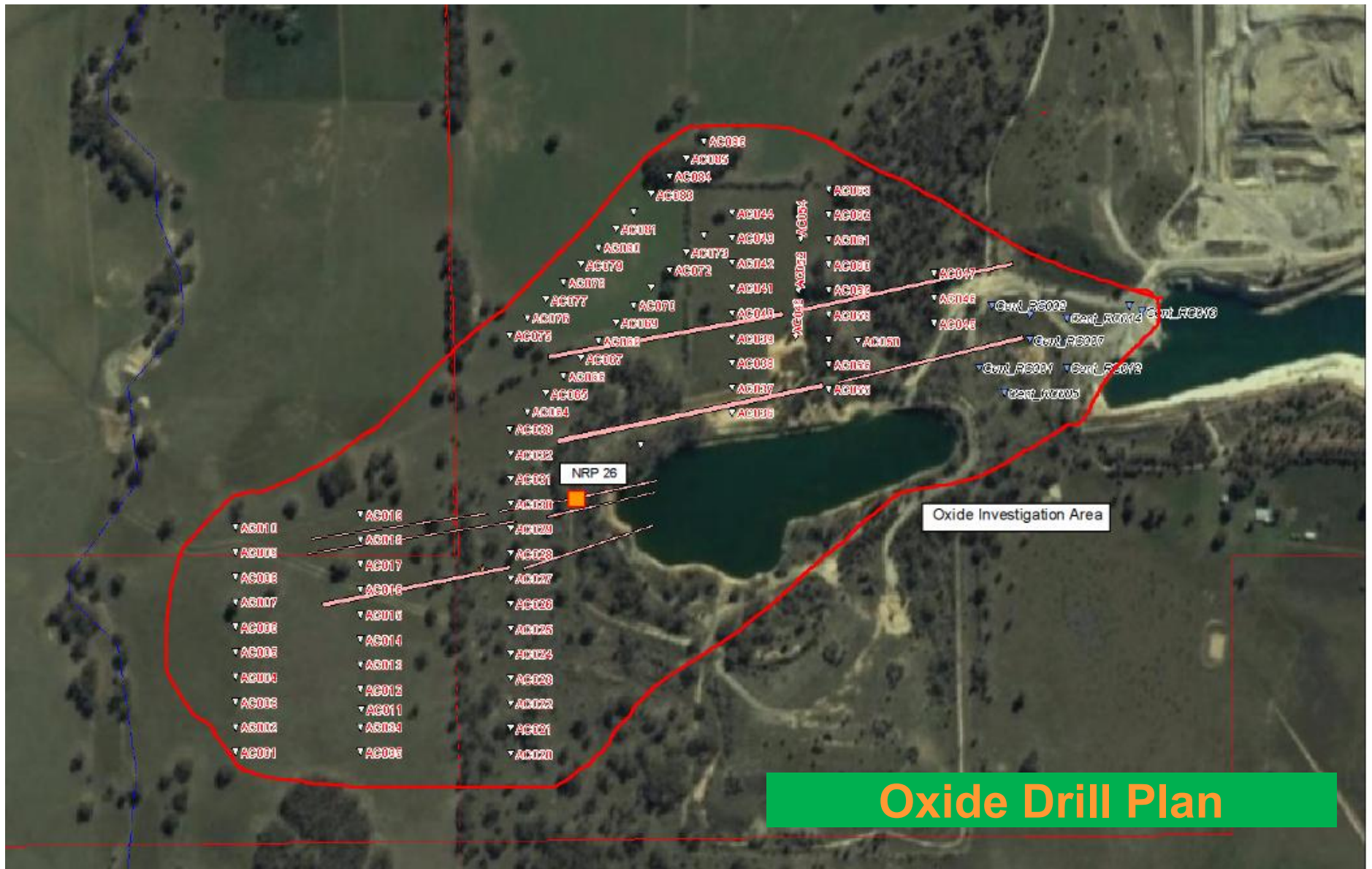
- MIN 5412 itself contains potential additional **heap-leachable oxide gold targets** which are being evaluated;
- As a granted mining licence with a recent operations history, MIN 5412 is an important strategic asset as Nagambie has other potential **heap-leachable oxide gold targets within economic trucking distance of MIN 5412 at Redcastle, Rushworth and Nagambie North**; and
- MIN 5412 has the potential to generate substantial income for Nagambie, well in excess of current market capitalisation, from the **sale of waste rock for roadmaking** and other uses as part of the rehabilitation process.

# 1. NAGAMBIE – MIN 5412



## Oxide Gold Project

- Mine produced 134,774 ounces of gold at 0.78 g/t gold from original oxide gold deposit.
- The exploration potential west of the West Pit is highlighted by hole NRP 26 which, intersected 24 metres at 1.0 g/t gold (including 6 metres at 2.2 g/t gold) in oxide gold mineralisation
- Study of existing past drill database of 917 holes indicates potential for oxide gold between the pits.
- A soil program of 55 samples was undertaken in early 2008. There are indications of at least two parallel mineralised structures immediately north of the West Pit. This inference is supported by intersections in isolated past drill holes
- Air Core and RC drilling to test for oxide gold with the aim of establishing further resources of similar size and gold tenor to that initially contained in the West Pit will be carried out.



# Oxide Gold Project *Extension Aircore Drilling*



## REGIONAL EXPLORATION STRATEGY

The aim is to establish significant oxide gold resources from projects within historic goldfields typically averaging 1 to 2 g/t, that can be mined and trucked to MIN 5412 for heap leaching along with oxide ore from MIN 5412. Including the oxide targets on MIN 5412, Nagambie is **targeting total heap-leachable gold of at least 100,000 to 200,000 ounces.**

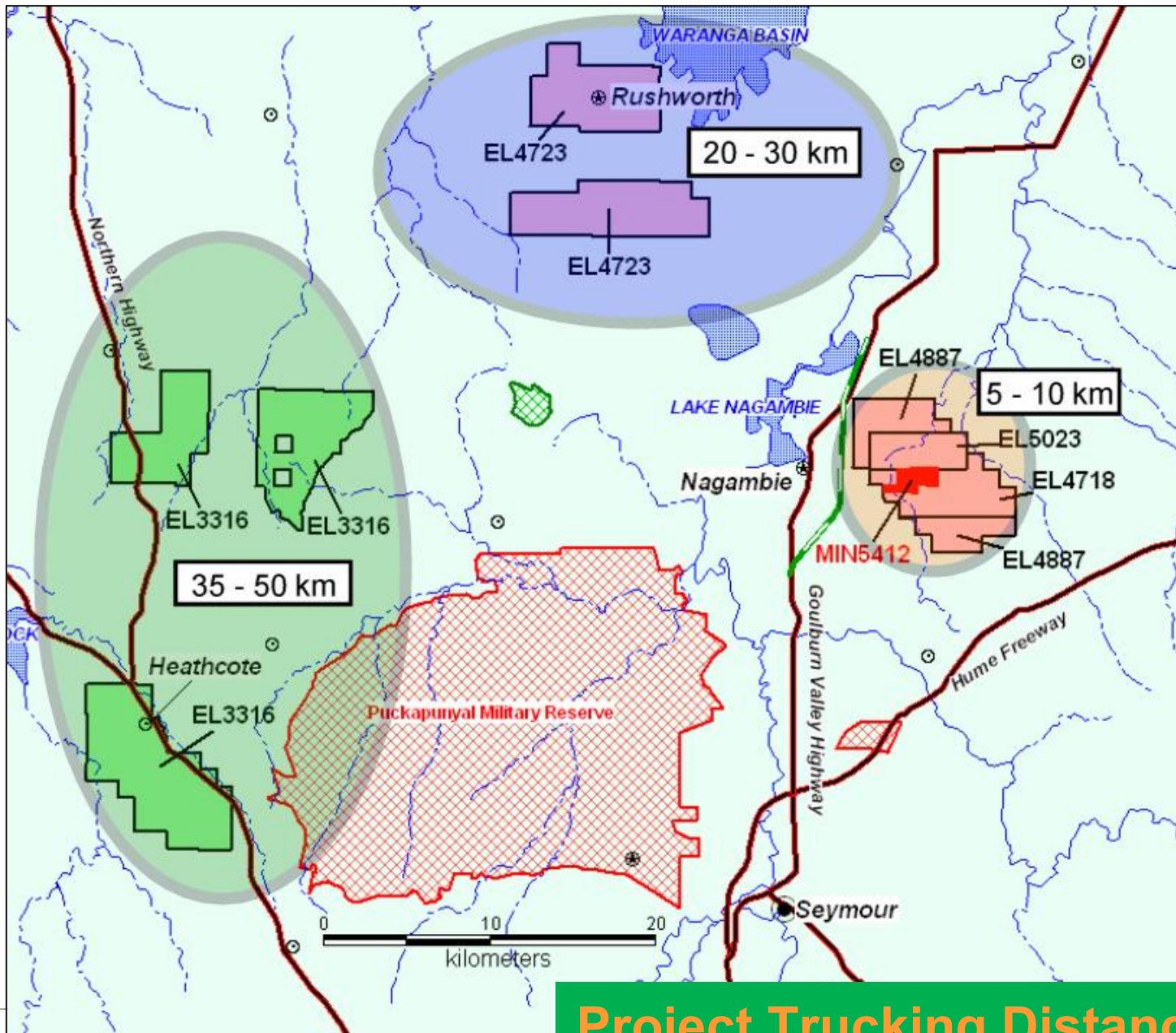
### NAGAMBIE MINING LIMITED MIN 5412 PROJECT DISTANCES

| Exploration Project | Historic Goldfield | Historic Reef Production (tonnes) *<br>Rounded | Reported Grade g/t*<br>Rounded | Trucking Distance (kms) |
|---------------------|--------------------|--|--------------------------------|-------------------------|
| Redcastle           | Redcastle          | 11,500   | 30.0                           | 36                      |
| Heathcote South     | Heathcote          | 1,500,000                                      | 1.9                            | 36                      |
|                     |                    |  |                                |                         |
| Rushworth           | Rushworth          | 74,000   | 20.0                           | 30                      |
|                     | Whroo              | 93,000   | 26.0                           | 24                      |
|                     |                    |  |                                |                         |
| Nagambie North      |                    | Undercover Target                              |                                | 10                      |
| Nagambie MIN        | Nagambie**         | 7,300,000                                      | 0.8                            | 0                       |

NOTE: From \*Department of Primary Industry Records

From \*\* Company Records





## Project Trucking Distance

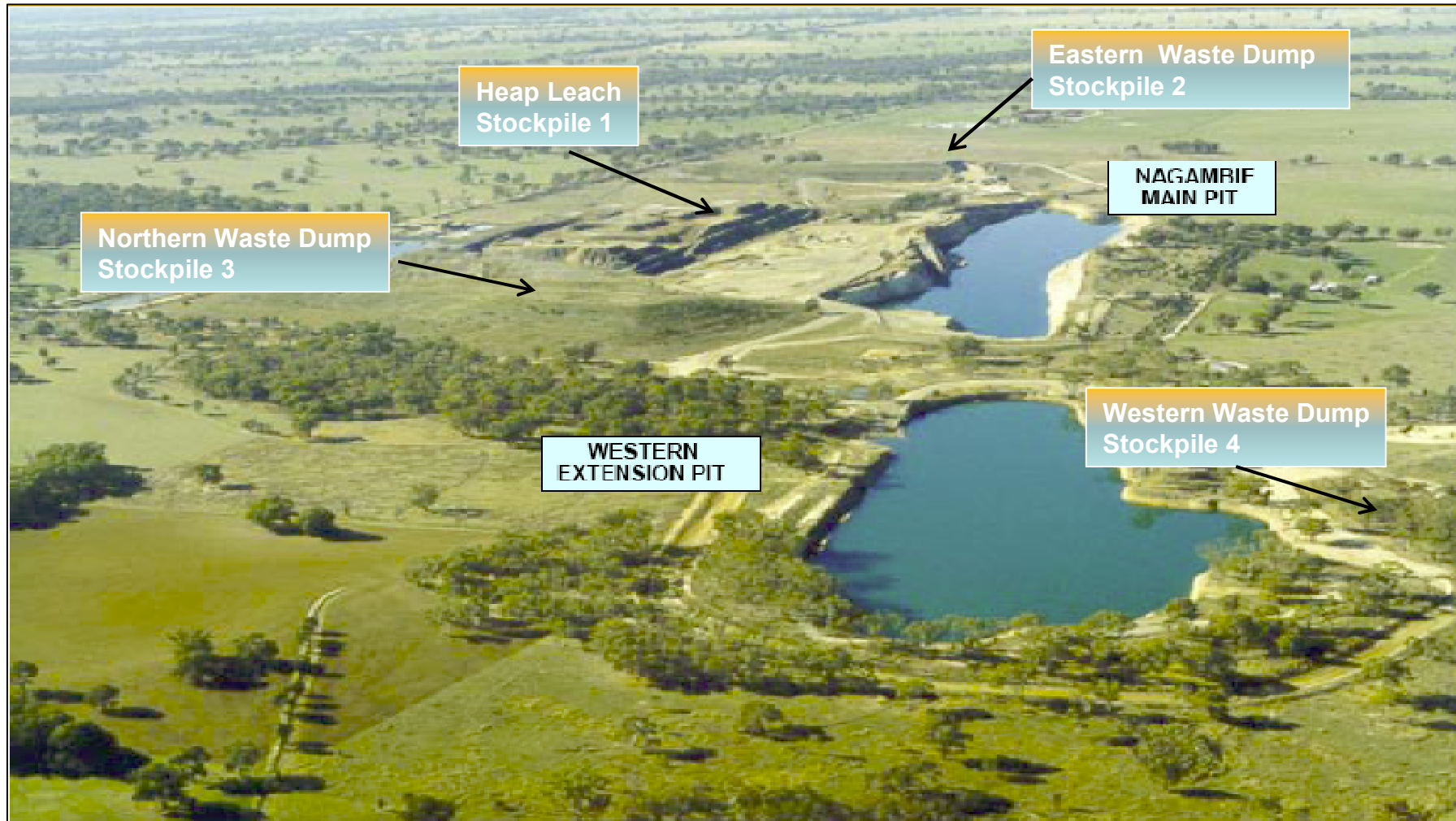
## Rehabilitation and Site Utilisation

As part of the overall rehabilitation of the site during and after the current exploration and anticipated mining activities, the Company will be investigating use of the stockpiles and other attributes of the site to realise its full potential.

The site has potential for the following uses:

- Provision of various fill materials and rock for use in road building and NDCR (non descript coarse rock) for other construction purposes.
- Provision of Sand & Gravel
- Utilisation of water in pits for commercial projects e.g. aquaculture
- Development as a Recreational Tourist Facility

# MIN 5412 - ROCK STOCKPILES



## THE WASTE ROCK STOCKPILES

Before gold mining commenced at Nagambie in 1990, the site was a quarry supplying the local region. As a result of that gold mining operation, which ran until 1997, around 3.6 million tonnes of crushed rock and 7.3 million tonnes of uncrushed rock exist in various surface stockpiles within MIN 5412.

| Stockpile         | Area m <sup>2</sup> | Approx Volume m <sup>3</sup> | Tonnes            |
|-------------------|---------------------|------------------------------|-------------------|
| <b>Heap Leach</b> | 176,000             | 3,400,000                    | 5,000,000         |
| (Treated)         |                     | 700,000                      | 1,400,000         |
|                   |                     | 2,700,000                    | 3,600,000         |
| <b>East Dump</b>  | 80,500              | 1,100,000                    | 1,900,000         |
| <b>North Dump</b> | 136,500             | 2,300,000                    | 4,000,000         |
| <b>Total</b>      |                     | <b>6,800,000</b>             | <b>10,900,000</b> |

# THE WASTE ROCK STOCKPILES

## VICROADS/COFFEY INFORMATION AND EPA

**VicRoads** gave a favourable report on the rock in the 1990's and concluded that the stockpiled rock would make an excellent select or capping material or could be a suitable sub base material for road making.

**Coffey Information** (accredited testing company)

*“The materials tested from the Nagambie Mining Stockpiles can be marketed as is, as Type A or Type B fill”.*

*“With minor modifications the materials can be improved to comply with the specifications for Class 3 and Class 4 crushed rock. With proper screening and/or washing this can be achieved quite easily.”*

**EPA**, in December 2008 gave approval for the supply of tailings, sand or waste rock from the heap leach as a notifiable chemical which provides for use of this material in road construction activities including concrete mix.

The overburden is not considered to be mine tailings, and is thus not a notifiable chemical product.

## THE HEAP LEACH STOCKPILE



No quarrying is required and the dump contains the following estimated amounts of easily loaded and/or treatable onsite material:

**Total Volume 3.4 million cubic metres**  
**Crushed Rock (14mm top size) 3.6 million tonnes**  
**Uncrushed 1.4 million tonnes**

## THE EAST DUMP STOCKPILE



The East Dump overburden was not subject to leaching with cyanide and the EPA has declared that the overburden is not mine tailings and is thus not a notifiable chemical product.

**Total Volume 1.1 million cubic metres**  
**Uncrushed 1.9 million tonnes**

## THE NORTH DUMP STOCKPILE



**Total Volume 2.3 million cubic metres**  
**Uncrushed 4.0 million tonnes**



## SALES POTENTIAL

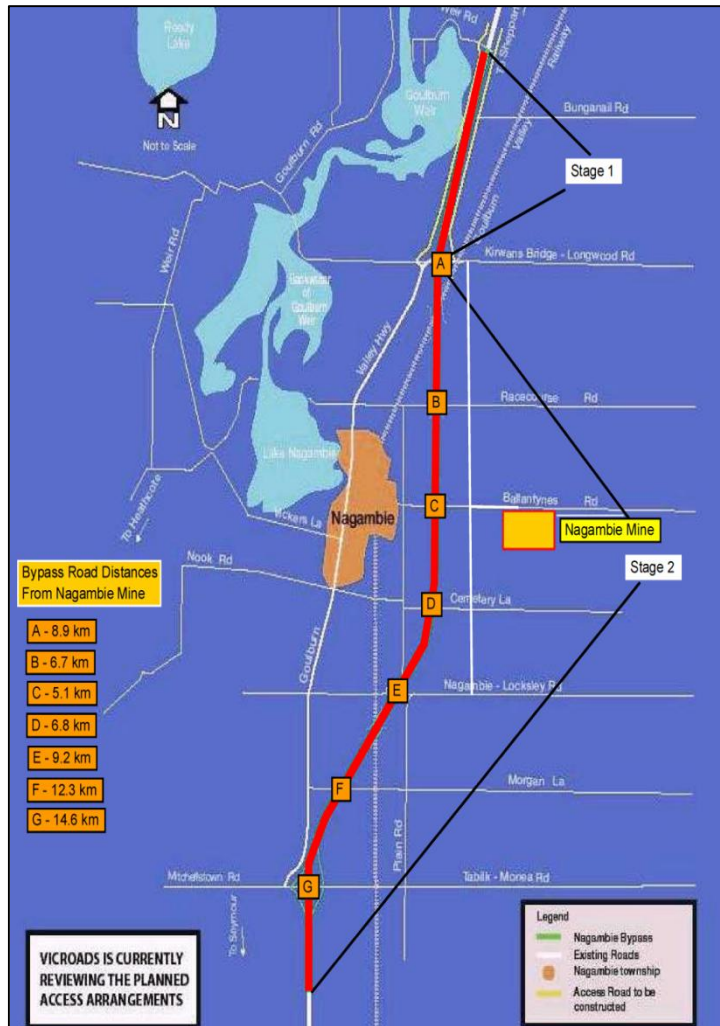
Since 1997, approximately 200,000 tonnes of the crushed rock and 160,000 tonnes of the uncrushed rock have been sold as part of the rehabilitation process. The most recent sales from the overburden stockpiles, during the 2007 and 2009 years, were of uncrushed rock and crushed rock for local use ranging in a return to the company of **\$2 - \$4 per tonne.**

The Company lodged an “Expression of Interest” in response to a VicRoads advertisement in January 2009 to provide 2,000,000 cubic metres of fill material and 500ML of non-potable water for the Nagambie Bypass project.

The Stage 1 contract was awarded to BMD Constructions Pty Ltd on 17 November 2009 and the company has had preliminary negotiations with BMD in respect to supply of material.

Four contractors submitted tenders for Stage 2 which is expected to be awarded by VicRoads in early 2010. The Company has been approached by all of the contractors and has submitted competitive quotes for supply of material.

# NAGAMBIE BYPASS



Construction will commence in late 2009 on the \$270 million Bypass due for completion in late 2012.

The project will be constructed in two sections:

**Northern duplication** - a 3.5 km duplication of the existing highway north of Nagambie

**Main bypass** - a new 13.5 km freeway-standard deviation to the east of the town.

Over **3 million tonnes of rock fill** will be required for construction

# 2009 - 2010 PROGRAMME

- **Objectives:**

Continue investigation of shallow gold deposits in exploration group areas and progress the study of the full utilisation of MIN 5412 with particular emphasis on the use of the waste rock stockpiles.

- **Exploration Group Areas:**

**REDCASTLE:**

Costeaming, geological modeling, drilling of interpreted target zones, evaluation.

**RUSHWORTH:**

Costeaming, evaluation, drilling of interpreted target zones, evaluation.

**NAGAMBIE NORTH:**

Drilling of soil anomalies, evaluation

**TARADALE:**

Re-evaluation.

**HOWQUA:**

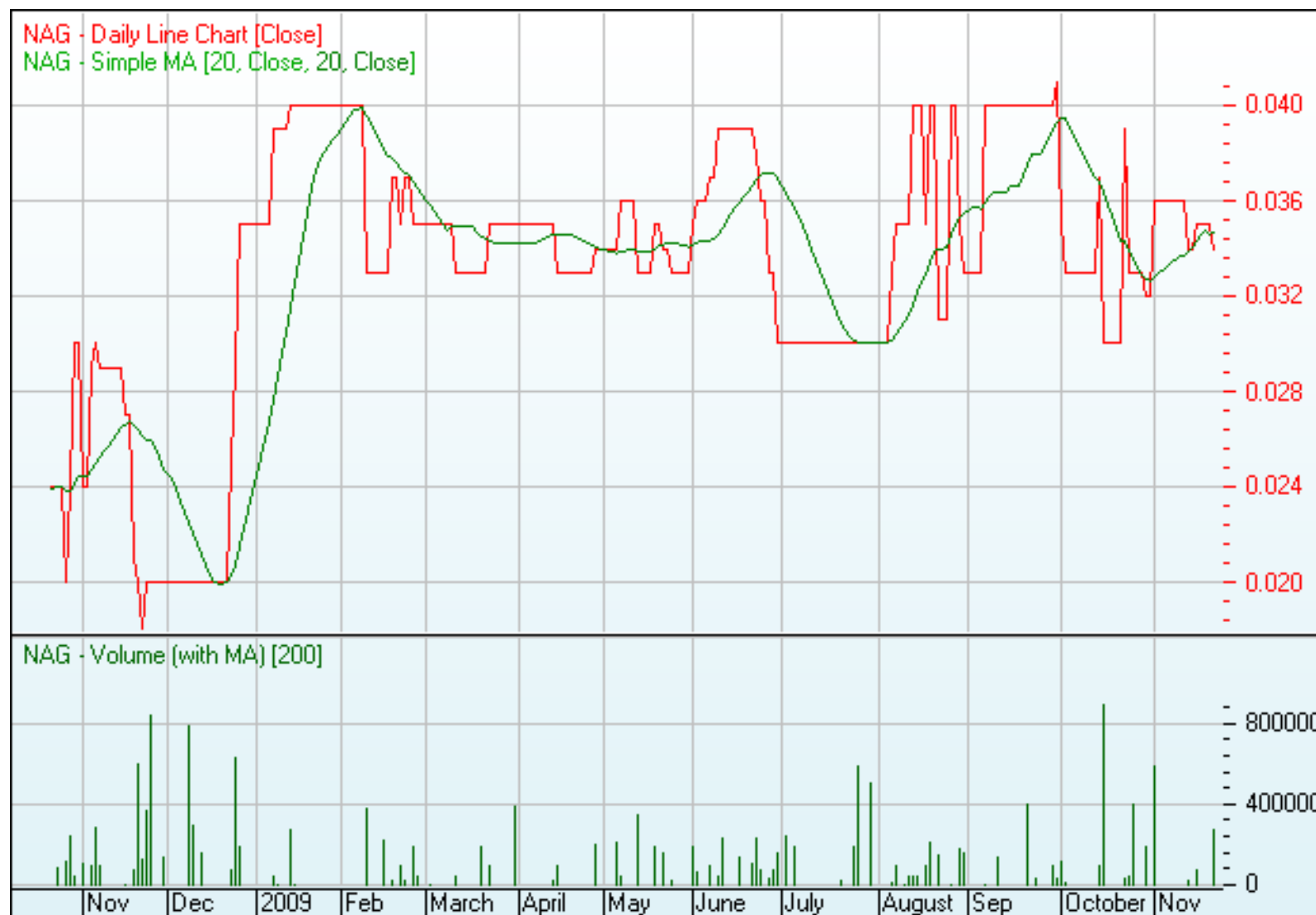
Re-interpretation, geological modelling, drilling of interpreted target zones, evaluation.

- **Development Group Area:**

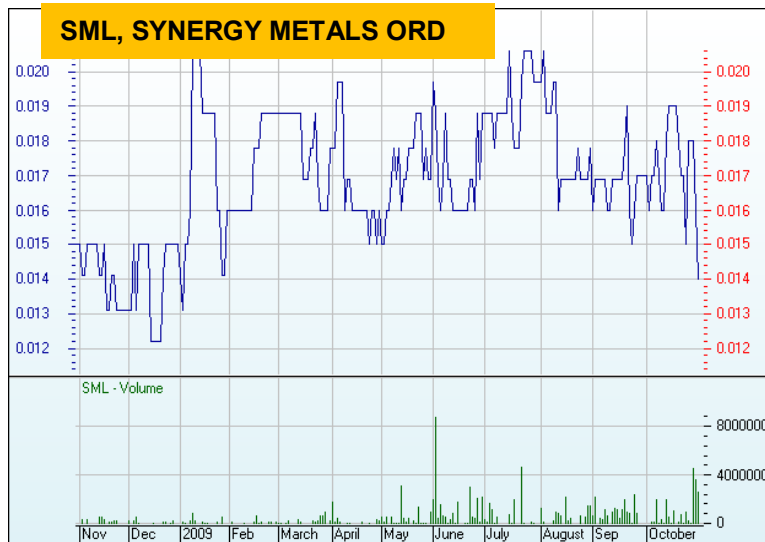
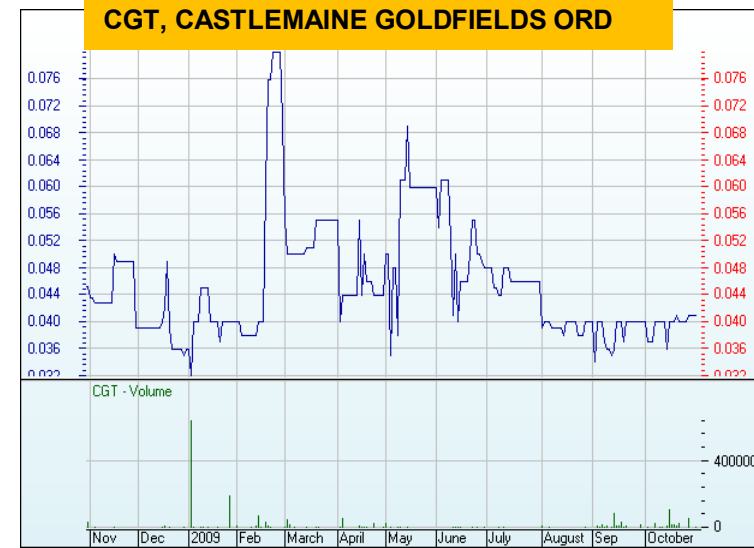
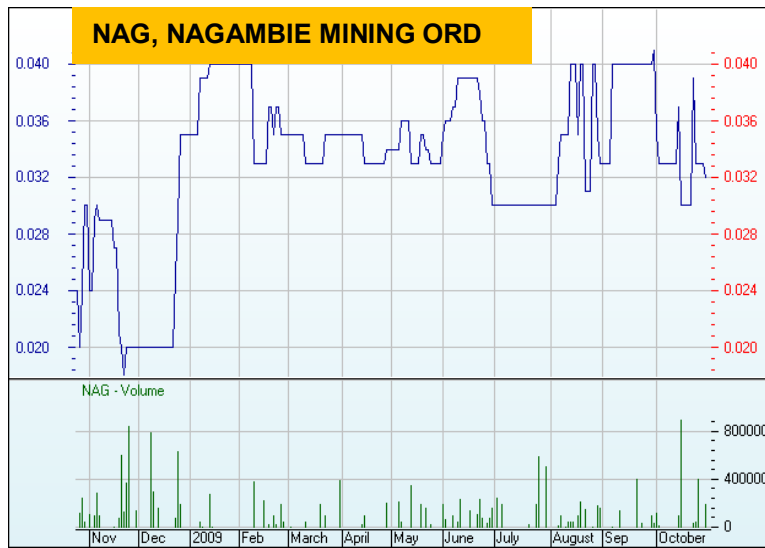
**MIN 5412:**

Modelling of possible pit extensions, geological evaluation.  
Waste rock stockpile development and utilisation

## NAGAMBIE SHARE PRICE PAST 12 MONTHS



# COMPARISON PEER COMPANIES SHARE PRICE PAST 12 MONTHS



### 5 Year Gold Price in AUD/oz

Last Close: 1253.80

High: 1546.00 Low: 536.43 ▲673.73 116.14%



goldprice.org

Friday, November 20, 2009