

**HIGHLIGHTS**

- ❖ The Wandean Thrust Fault has been intersected in WTD001, the first deep diamond drill hole to test the Fosterville-style, sulphide-gold target at Wandean. The 5.0m fault zone is predominantly quartz-carbonate veining and brecciation with some pyrite mineralisation. It is around 200m east of where the mapped Wandean Crustal Fault intersects the Wandean Thrust Fault.
- ❖ Hole NND002 gave similar results to NND001 and, based on the WTD001 thrust fault intersection, both Nagambie Mine West holes are probably too far east (1,100m and 1,300m respectively) of the modelled mineralising crustal fault.
- ❖ Ground Induced Polarisation (IP) geophysics is underway at Wandean, to be followed by a trial of down-the-hole IP in the completed NND002 drill hole. Planning is advanced to extend the ground IP at Nagambie Mine West, focussing on the intersection of the mapped Wandean Crustal Fault and the Nagambie Mine Thrust Fault.
- ❖ The Environment Effects Statement for the North East Link (NEL) has been recently released. The NEL is expected to generate approximately 6.6 million tonnes (Mt) of PASS, increasing the total quantity of PASS to be managed from committed infrastructure projects in Melbourne from 1.4 Mt to 8.0 Mt, a dramatic 4.7 times increase. Nagambie Resources has approval to store around 5.0 Mt of PASS underwater in the legacy pits at the Nagambie Mine as part of rehabilitation.
- ❖ \$700,000 was raised from the placement of 7,000,000 unsecured convertible notes with a face value of \$0.10. The funds raised will be used for gold exploration and add to working capital.

**COMMENTARY**

Nagambie Resources' Chairman, Mike Trumbull said: *"The best-looking thrust fault intersection to date in the first hole at Wandean is encouraging.*

*"Additional ground IP at Wandean and Nagambie Mine West is being carried out to highlight sulphide anomalism at the intersection of the thrust faults with the modelled mineralising crustal fault.*

*"The upcoming State tender for open ground in the Fosterville / Lockington area should generate extensive world-wide interest given the spectacular results coming out of Fosterville. The underbidders may well consider other ways to get a foothold in the exciting Fosterville-style, sulphide-gold story unfolding in central Victoria.*

*"The estimated 6.6 Mt of PASS in the North East Link, 4.7 times that in the West Gate Tunnel and Melbourne Metro Rail combined, significantly changes the landscape for the management of PASS from major infrastructure projects. It is very positive news for Nagambie Resources."*

**NAGAMBIE RESOURCES**

*Exploration for Fosterville-style, structural-controlled, high grade sulphide-gold underground deposits within 2,000 sq km of Waranga Province tenements is being methodically carried out using geophysical targeting techniques and oriented diamond drilling.*

*Underwater storage of sulphidic excavation material (PASS) in the two legacy gold pits at the Nagambie Mine is an excellent environmental fit with major infrastructure projects for Melbourne such as Metro Rail, West Gate Tunnel and North-East Link.*

*Recycling of the tailings and overburden dumps can produce aggregates for concrete and gravel products respectively.*

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

*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**

437,407,802

**ASX CODE: NAG**

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**Board**

**Mike Trumbull (Exec Chairman)  
Kevin Perrin (Finance Director)  
Alfonso Grillo (Dir/Company Sec)**

**James Earle CEO**

**GOLD DEVELOPMENTS IN CENTRAL VICTORIA**

**Fosterville**

Kirkland Lake Gold announced in February 2019 that Reserves at the Fosterville Gold Mine (refer Figure 1) had increased 60% to 2.7 million ounces at a spectacular average grade of 31.0 g/t gold. Fosterville is now being recognised as one of the greatest high-grade gold mines in the world.

**Victorian Government Tender of Fosterville and Lockington Exempt Ground**

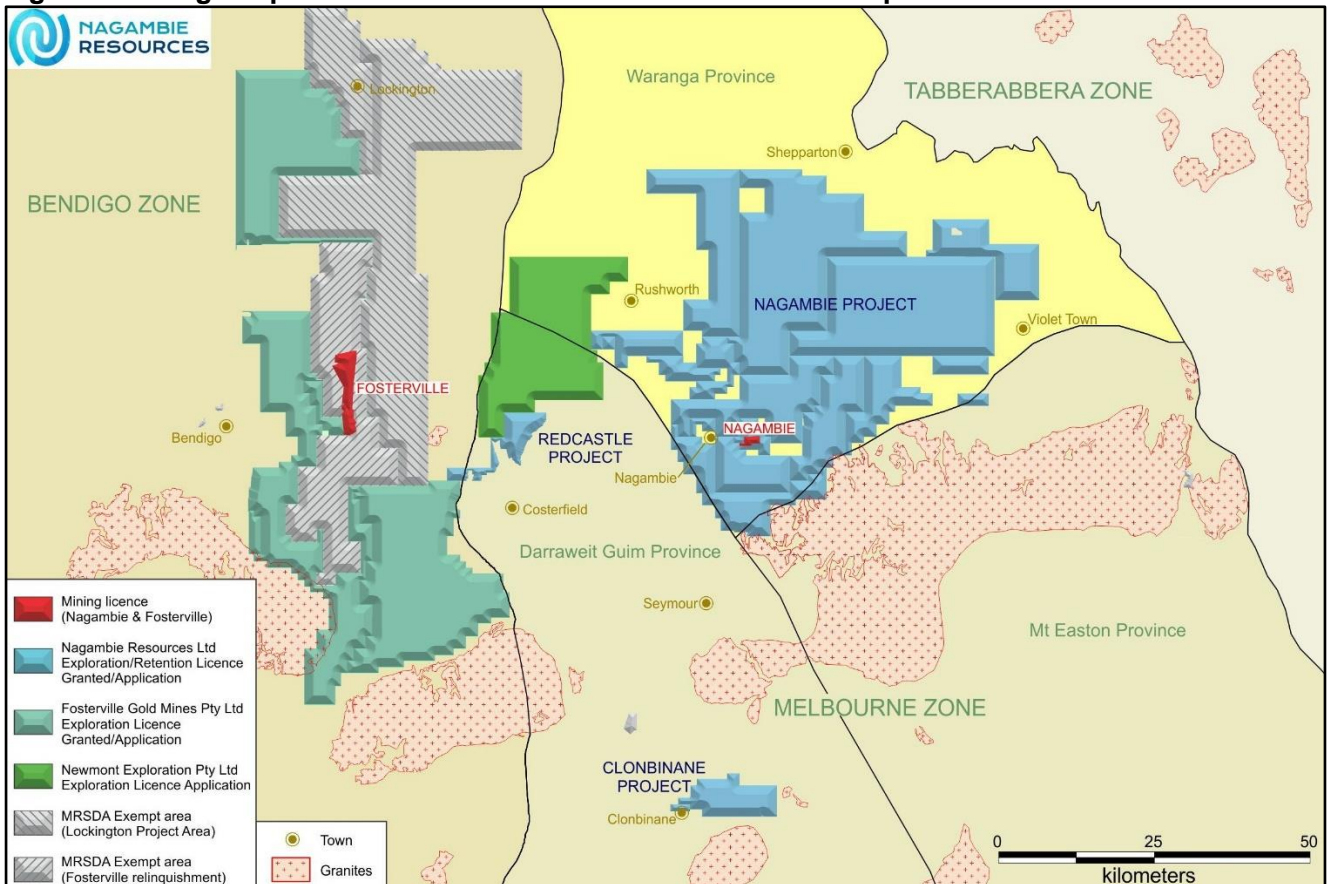
The Lockington Project area (refer Figure 1), which includes the Lockington discovery by Goldfields, has been exempt ground for many years.

A large exploration licence area surrounding the Fosterville Mining Licence has been declared exempt ground (refer Figure 1) following the expiry of the licence in February 2019. The Fosterville Mine had held the licence for 25 years and were refused any additional extensions.

The Victorian Government is now moving to put both exempt areas out to tender in coming months. The tender will generate world-wide interest given the spectacular exploration results and gold production being achieved at the Fosterville Gold Mine. Most of the big gold companies are expected to tender – including Kirkland Lake Gold, Newmont Goldcorp, Newcrest, Barrick and Goldfields.

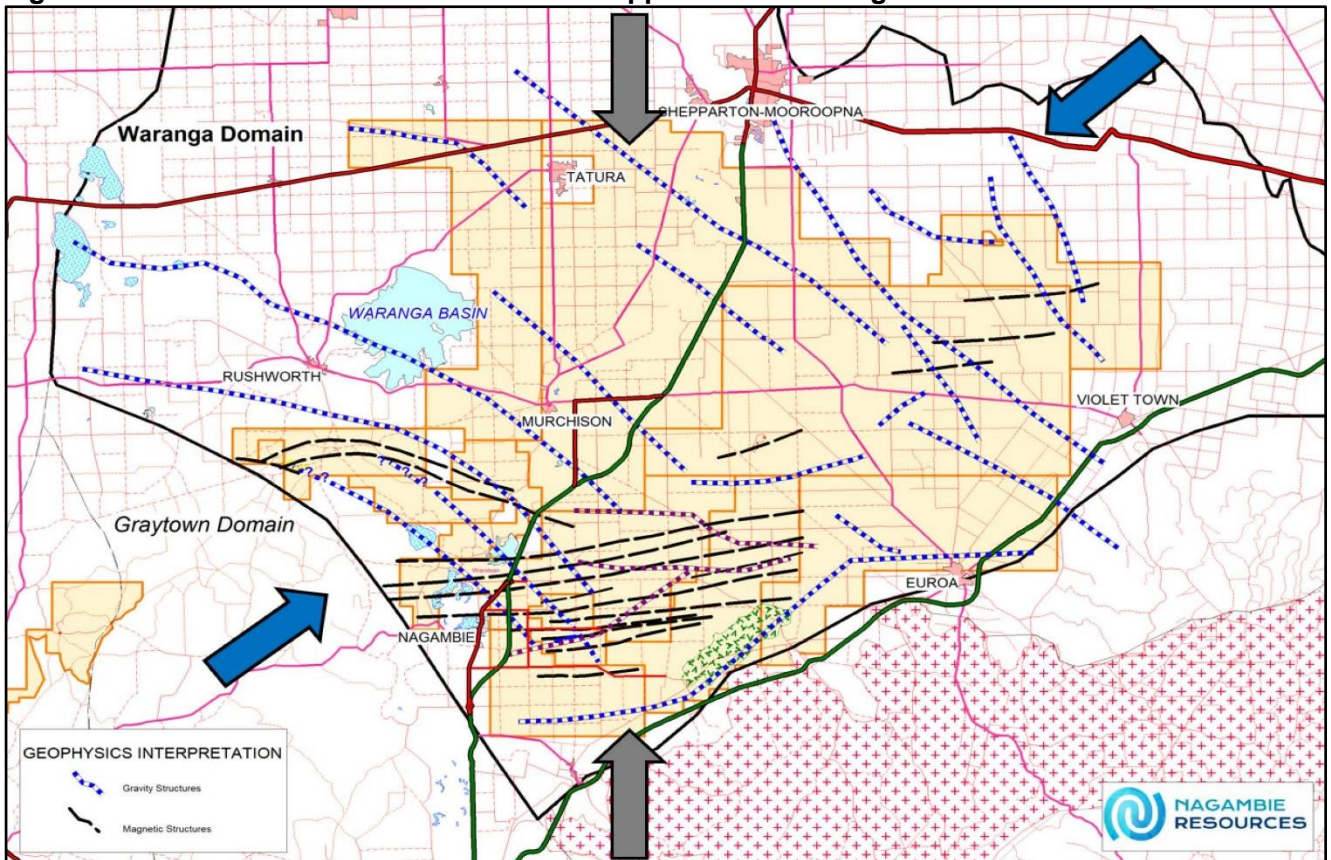
The underbidders for the tendered ground may well consider other ways to get a foothold in the exciting “sulphide-gold” story unfolding in central Victoria.

**Figure 1 Large Exploration Blocks in Central Victoria with Exempt Areas to be Tendered**



**GOLD EXPLORATION**

Nagambie Resources continued working during the quarter to improve and refine the Waranga Geological Model (WaGM) for Fosterville-style underground gold mineralisation. The model is focused on the intersections of the deep crustal faults with shallower thrust faults in the Waranga Domain (refer Figure 2).

**Figure 2 Crustal Faults and Thrust Faults Mapped to date in Nagambie Resources Tenements**

Diamond drilling of NND002, the second hole into the eastern edge of Nagambie Mine West, was completed during the quarter and drilling of WTD001, the first deep hole under the Wandean oxide gold mineralisation, is underway.

### WTD001

WTD001 has just intersected the Wandean Thrust Fault approximately 205m east of where the mapped Wandean Crustal Fault intersects the thrust fault. The 5.0m downhole intersection is the best-looking thrust fault zone to date which, being relatively close to the mineralising crustal fault, fits the WaGM. By comparison, all the five intersections of the Nagambie Mine Thrust Fault to date are 1,100m to 3,000m east of where the crustal fault intersects the thrust fault.

Photo 1 shows the diamond core photos for the WTD001 thrust fault zone intersection 631.5m to 636.5m downhole (approximately 500m vertically below surface). The fault zone is visually predominantly quartz-carbonate veining and brecciation, the white material in the photo.

### NND002

NND002 was completed at a down-the-hole depth of 1,104m (approximately 730m vertically below surface). Figure 3 shows the drill hole trace with calculated pyrite below the trace. Three interpreted thrust-related faults are shown against the IP chargeability colour contours.

The only gold intersections grading greater than 1.0 g/t (refer Table 1 on the next page) were associated with the Central thrust-related fault. The total intersection was 2.3m at 1.3 g/t gold and 1,400 ppm arsenic.

As noted above, the weak Nagambie Mine Thrust intersection in NND002, being around 1,100m east of the crustal fault, indicates that more intense mineralisation may only occur much closer to the mineralising crustal fault. Further, with both NND001 and NND002 giving similar results, it appears that the IP chargeability results are more sensitive than had been assumed.

Down-the-hole IP will be trialled in NND002 after the completion of the ground IP program being conducted at Wandean.

The JORC (2012 Edition) Table 1 Checklist for NND002 is attached at the end of this report.

**Photo 1 WTD001 intersection of Wandean Thrust Fault zone from 631.5m to 636.5m downhole**



**Table 1**

Gold Intersections greater than 1.0 g/t gold					
Hole ID	From (m)	To (m)	Thickness (m)	Gold (g/t)	Arsenic (ppm)
NND002	732.0	732.6	0.6	1.14	2,250
NND002	732.6	733.0	0.4	1.84	1,850
NND002	733.0	733.7	0.7	1.09	657
NND002	733.7	734.3	0.6	1.20	1,110
NND002	732.0	734.3	2.3	1.26	1,398

**Ground IP at Wandean**

Photo 2 shows the ground IP being carried out at Wandean by Zonge personnel. IP lines are being run in the Wandean paddock shown to fit with the farmers’ seeding schedule. IP lines will then be run in the winery to the south to complete the Wandean program.

**Ground IP at Nagambie Mine West**

Planning to complete ground IP over the Nagambie Mine West target is well advanced and the program may be carried out after the down-the-hole IP in NND002 by Zonge.

**Gold Tenements and Changes**

Nagambie Resources group tenements as at 31 March 2019 are listed in detail in Appendix 1 (plan and table). No formalised changes occurred during the quarter.

Figure 3 NND002 showing Pyrite, Thrust-related Faulting and IP Chargeability contours

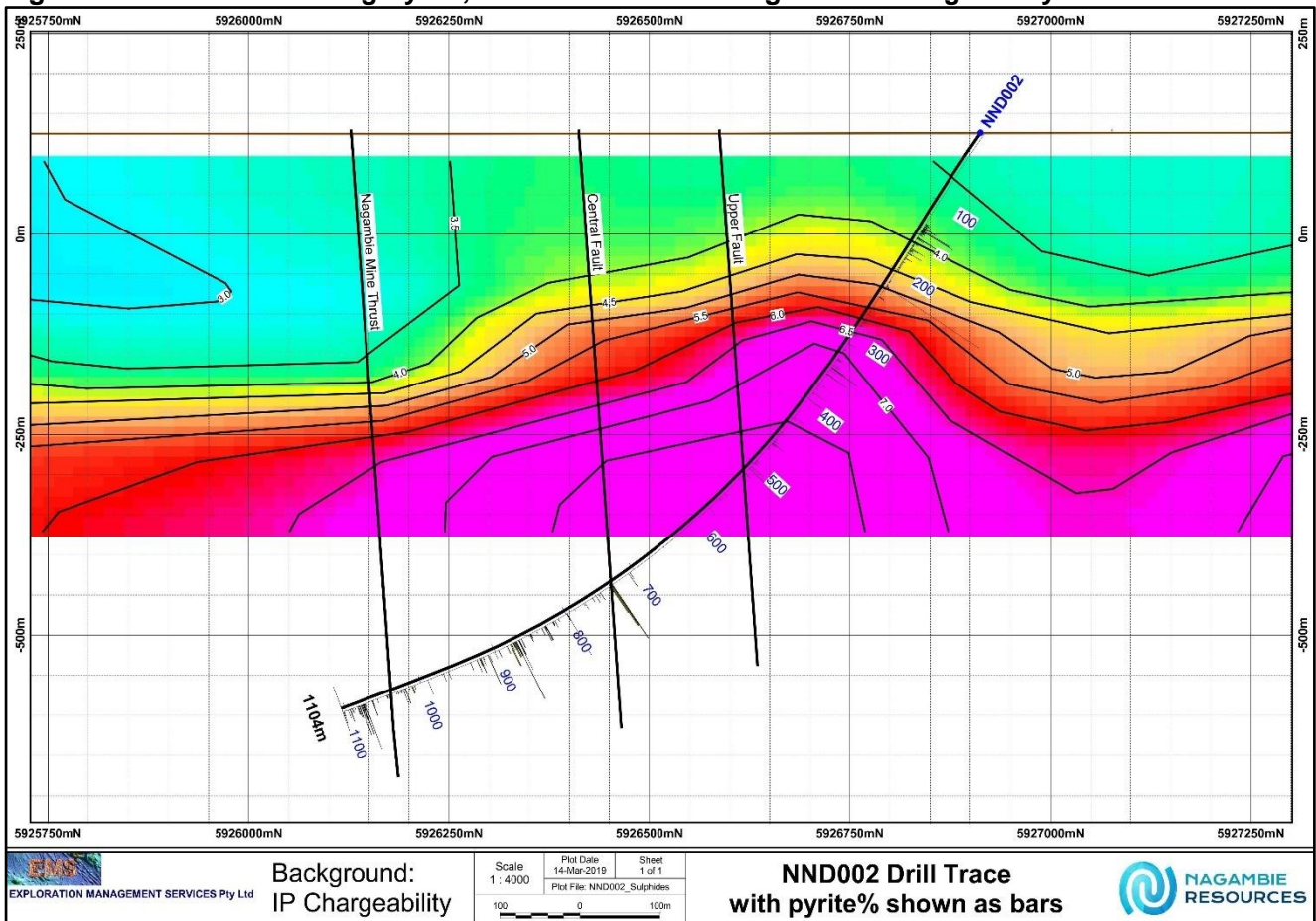


Photo 2 Wandean Ground IP – WTD001 drill rig behind sound / visual barrier right background



**PASS MANAGEMENT PROJECT**

During the quarter, the Company continued to carry out research on its competitors for the management of PASS that will be produced from tunnelling and other excavation work for the three major committed infrastructure projects of the Victorian Government – the West Gate Tunnel, Melbourne Metro Rail and North East Link.

The Company also focussed on the policies of various government departments on PASS management, particularly the disposal of PASS to landfill. Freedom of Information requests have elucidated some very surprising responses.

The Environment Effects Statement for the North East Link (NEL) has been recently released. The NEL is expected to generate approximately 6.6 million tonnes (Mt) of PASS, increasing the total quantity of PASS to be managed from committed infrastructure projects in Melbourne from 1.4 Mt to 8.0 Mt, a dramatic 4.7 times increase. This is very positive news for Nagambie Resources' plans to store PASS underwater in the legacy pits at the Nagambie Mine as part of rehabilitation.

A thorough review on PASS by the Company is nearing completion and will be released to the ASX as soon as possible.

**QUARRYING**

Quarrying operations at the Nagambie were not restarted after the Christmas / New Year break in order to conserve working capital. Operations will recommence as soon as a sizeable contract justifies rehiring the earthmoving equipment required.

Nagambie Resources was approached during the quarter by a large quarrying company looking to source quarry products for concrete manufacture. That company is reviewing the quality specifications of the overburden rock material and the aggregates that can be produced from screening the heap leach tailings dump.

**CORPORATE****Cash**

At 31 March 2019, total cash held by the group was \$ 1,507,000 plus \$1,000,000 remained undrawn under the two-year Unsecured Loan Facility.

A total of \$700,000 was raised during the quarter from the placement of 7,000,000 Series 7 unsecured convertible notes with a face value of \$0.10. The funds raised will be used for gold exploration and add to working capital. Principal terms for the notes included a 5-year term and a 10% pa interest rate payable every 6 months. The notes are convertible at any time within the 5-year term at the option of the noteholder into Nagambie Resources fully-paid ordinary shares on a 1 for 1 basis and are redeemable at 10.0c per note after 5 years if not previously converted.

**Unlisted Options Issued to Directors, Consultants and Employees**

2,000,000 5-year options were issued during the quarter as an incentive for the provision of corporate and geological/mining advisory services over a 12 month period by an external consultant. The exercise price of the options is \$0.12 and the expiry date is 27 February 2024.

The remaining options, their expiry dates and the exercise funds that could be paid to Nagambie Resources are as follows:

Expiry/Exercise Date	Number	Exercise Price	Exercise Funds
28 November 2019	10,100,000	\$0.10	\$1,010,000
16 November 2020	3,300,000	\$0.10	\$330,000
16 November 2020	8,000,000	\$0.10	\$800,000
4 July 2021	2,000,000	\$0.255	\$510,000
30 November 2021	12,500,000	\$0.25	\$3,125,000
24 November 2022	13,750,000	\$0.10	\$1,375,000
20 December 2022	1,000,000	\$0.141	\$141,000
22 August 2023	4,500,000	\$0.126	\$567,000
23 November 2023	10,500,000	\$0.108	\$1,134,000
27 February 2024	2,000,000	\$0.12	\$240,000
	<b>67,650,000</b>		<b>\$9,232,000</b>



James Earle  
Chief Executive Officer

#### **STATEMENT AS TO COMPETENCY**

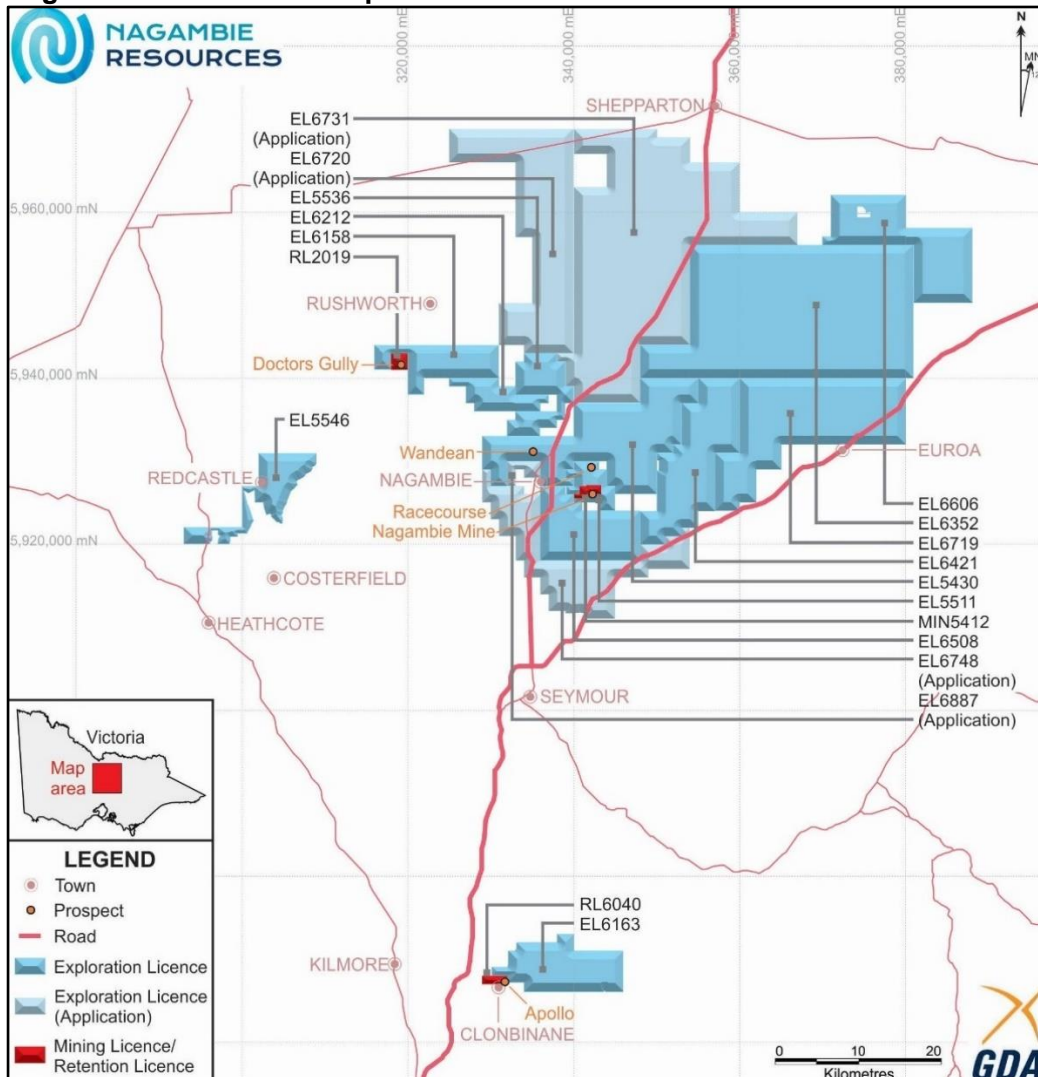
*The Exploration Results in this report have been compiled by Dr Rod Boucher and Mr Geoff Turner. Rod Boucher has a PhD in Geology, is a Member and RPGeo of the Australian Institute of Geoscientists and is a Member of the Australian Institute of Mining and Metallurgy. Geoff Turner is a Fellow of the Australian Institute of Geoscientists. Both Rod Boucher and Geoff Turner have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which they are undertaking, to qualify as Competent Persons as defined in the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Both consent 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 Resources assumes no obligation to update such information.*

**APPENDIX 1**

**Nagambie Resources Group Tenements as at 31 March 2019**



**Nagambie Resources Group Tenements as at 31 March 2019**

Tenement Number	Tenement Name	sq km
MIN 5412	<b>Nagambie Mining Licence</b>	<b>3.6</b>
EL 5430	<b>Bunganail Exploration Licence</b>	181.0
EL 5511	<b>Nagambie Exploration Licence</b>	24.0
EL 5536	<b>Wandean North Exploration Licence</b>	48.0
EL 6212	<b>Reedy Lake North Exploration Licence</b>	30.0
EL 6158	<b>Rushworth Exploration Licence</b>	56.0
RL 2019	<b>Doctors Gully Retention Licence</b>	4.0
EL 6352	<b>Miepoll Exploration Licence</b>	455.0
EL 6421	<b>Pranjip Exploration Licence</b>	129.0
EL 6508	<b>Tabilk Exploration Licence</b>	84.0
EL 6606	<b>Gowangardie Exploration Licence</b>	120.0
EL 6719	<b>Euroa Exploration Licence</b>	204.0
ELA 6720	<b>Tatura Exploration Licence Application</b>	214.0
ELA 6731	<b>Arcadia Exploration Licence Application</b>	493.0
ELA 6748	<b>Waranga Exploration Licence Application</b>	136.0
ELA 6877	<b>Nagambie North Exploration Licence Application</b>	8.0
<b>Subtotal Waranga Province</b>		<b>2,189.6</b>
EL 6163	<b>Clonbinane South Exploration Licence</b>	79.0
RL 6040	<b>Clonbinane Retention Licence</b>	3.0
EL 5546	<b>Redcastle Exploration Licence</b>	69.0
<b>Total</b>		<b>2,340.6</b>



# JORC Code, 2012 Edition – Table 1 report template

## Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> <li>• <i>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></li> <li>• <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li>• <i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li>• <i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i></li> </ul>	<ul style="list-style-type: none"> <li>• All sampling and logging has been supervised and conducted by Dr Rodney Boucher, Linex Pty Ltd, Consulting Geologist to Nagambie Resources and by geological and field staff at the Nagambie Resources mine site.</li> <li>• All material is collected in commercially available diamond core trays.</li> <li>• Diamond core is cleaned and marked metre-by-metre.</li> <li>• The geologist determines which parts of the drill hole are to be sampled using criteria such as presence of quartz and mineral occurrence. Sample intervals are based on lithology and veining but in general were 1m.</li> <li>• The samples are cut with a core saw, with half collected for laboratory submission, the remaining half transferred back to the core tray for storage.</li> <li>• No intervals were less than 0.10 m or greater than 1.2m.</li> <li>• The diamond drill samples were submitted to Australian Laboratory Services (ALS) in Adelaide, South Australia for sample preparation. Sample preparation involved sample crushing to 6 mm, pulverise and then screened to 75 micron and split off 25 g. Samples were then sent to ALS in Perth for analysis. Au analysis is conducted with an aqua regia extraction and ICPMS finish (ALS code Au-TL43). As, Ag, Sb, Cu, Pb, Zn and S analysis is conducted with an aqua regia digestion and ICPAES analysis (ALS code ME-ICP41).</li> </ul>
<i>Drilling techniques</i>	<ul style="list-style-type: none"> <li>• <i>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></li> </ul>	<ul style="list-style-type: none"> <li>• NND002 was drilled using a track mounted Sandvik 710DE drill rig. The cover was rotary-mud drilled to 121.5m. The hole was then cased HQ to 404.5m followed by NQ core to end of hole. Final hole depth was 1104.2 m.</li> <li>• The hole was surveyed with a single shot camera, nominally every 30 m where practicable.</li> <li>• Core is orientated using Boart Longyear's TruCore core orientation system and validated by geological observations and stereonet plots.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Core recoveries were measured by the senior field assistant for each drill run comparing length of core recovered versus drill depth. Core recovery for each hole was logged and recorded in the database.</li> <li>• The driller is under instruction to monitor recovery and rectify core loss through adjusting drill rig operation.</li> <li>• No strong relationship between core recovery and grade is evident.</li> <li>• Drilling has occurred on day shift only.</li> </ul>
<i>Logging</i>	<ul style="list-style-type: none"> <li>• <i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></li> <li>• <i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li>• <i>The total length and percentage of the relevant intersections logged.</i></li> </ul>	<ul style="list-style-type: none"> <li>• All core is geologically logged at 10 centimetre intervals to a standard that follows industry common practice and is suitable for future use in interpretation and resource estimation.</li> <li>• Logging of samples includes but is not limited to lithology, mineralogy, alteration, veining, weathering and structure.</li> <li>• Drill core structural measurements are logged prior to cutting/sampling. Bedding, vein, joint and fault orientations are measured.</li> <li>• All core is photographed wet and dry.</li> </ul>
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> <li>• <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> <li>• <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li>• <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li>• <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li>• <i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></li> <li>• <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul>	<ul style="list-style-type: none"> <li>• Half core is sampled using a core saw. The right half of the core (viewed down hole) is submitted for assay.</li> <li>• Company core cutting, and sampling procedures were followed to ensure sampling consistency.</li> <li>• 1 m of non-mineralised material from either side of significant mineralised zones was submitted with the samples to the laboratory as part of the quality control process.</li> <li>• No second half sampling has been conducted.</li> <li>• The sample sizes are considered to be appropriate for the type of mineralisation in this area.</li> </ul>
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading</i></li> </ul>	<ul style="list-style-type: none"> <li>• The sample preparation and analytical procedures are considered appropriate for the style of mineralisation.</li> <li>• ALS provide details of their routine quality controls.</li> <li>• 1 in 15 samples are duplicate assayed for quality control and quality assurance testing.</li> <li>• One standard sample is inserted per approximately 20 samples</li> </ul>

Criteria	JORC Code explanation	Commentary
	<p><i>times, calibrations factors applied and their derivation, etc.</i></p> <ul style="list-style-type: none"> <li>• <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></li> </ul>	<p>dispatched for assay.</p> <ul style="list-style-type: none"> <li>• Laboratory standards and blanks are inserted for quality control and quality assurance testing.</li> </ul>
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> <li>• <i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li>• <i>The use of twinned holes.</i></li> <li>• <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li>• <i>Discuss any adjustment to assay data.</i></li> </ul>	<ul style="list-style-type: none"> <li>• All assay and drillhole data are imported and stored in a database.</li> <li>• Significant intersections are verified by the logging geologist and the Consulting Geologist.</li> <li>• No twinned holes have been drilled.</li> <li>• Primary data for drill holes was compiled onto paper-based logging templates and was then transferred into a database and validated by a geologist. Back up digital copies of all paper log sheets are also kept.</li> <li>• No adjustments have been made to any assay data contained in this report.</li> </ul>
<i>Location of data points</i>	<ul style="list-style-type: none"> <li>• <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></li> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>	<ul style="list-style-type: none"> <li>• All drill hole location coordinates are measured using handheld GPS.</li> <li>• Collar surveying was performed by the consulting geologist personnel. This is considered appropriate at this stage of exploration.</li> <li>• All drill holes were downhole surveyed. Down hole surveys were conducted by the drilling contractor every 30m down hole.</li> <li>• Drilling orientation is established prior to collaring with clinometer and compass.</li> <li>• The grid/projection system used is GDA MGA 94 Z55.</li> <li>• The RL was recorded for each drill hole from the GPS and verified using publicly available satellite and aerial imagery.</li> </ul>
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul>	<ul style="list-style-type: none"> <li>• NND002 is approximately 200m west of NND001.</li> <li>• Sample intervals were based on lithology but in general were 1 m.</li> </ul>
<i>Orientation of data in relation to</i>	<ul style="list-style-type: none"> <li>• <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li>• <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to</i></li> </ul>	<ul style="list-style-type: none"> <li>• NND002 was designed to drill approximately perpendicular to the trend of bedding, faults and to the IP anomaly.</li> <li>• There is insufficient drilling data to determine if any bias can be detected in the data.</li> </ul>

Criteria	JORC Code explanation	Commentary
<i>geological structure</i>	<i>have introduced a sampling bias, this should be assessed and reported if material.</i>	
<i>Sample security</i>	<ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>	<ul style="list-style-type: none"> <li>All core drilled has been processed and cut at a secure shed on the Nagambie mine site and dispatched to the laboratory by a national courier.</li> <li>Sample number receipt information from the laboratory is cross-referenced and rationalised against sample number dispatch information.</li> </ul>
<i>Audits or reviews</i>	<ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul>	<ul style="list-style-type: none"> <li>No processes or data used in developing the release of exploration results have been subject to audit or review by non-company personnel or contractors so as to reduce timelines for reporting.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> <li><i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></li> <li><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul>	<ul style="list-style-type: none"> <li>NND002 is located on EL5511 and is 100% owned by Nagambie Resources Ltd.</li> </ul>
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> <li><i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>	<ul style="list-style-type: none"> <li>Open pit mining at Nagambie was conducted in the 1990's. Previous drilling under the pits was conducted by Panaegis Gold Mines Ltd in 2006 and 2007. The current drilling is in to a new target identified by an IP survey conducted in early 2018 (refer ASX:NAG 22/3/18). NND002 is part of a drilling program to test these anomalies.</li> <li>No drilling in the area covered by the Nagambie Mine West target has occurred previous to this drill program.</li> </ul>
<i>Geology</i>	<ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul>	<ul style="list-style-type: none"> <li>The host rocks at Nagambie are marine sandstones and shales. Previous mining shows gold is associated with quartz veining and faulting in anticlinal folds.</li> </ul>

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		<ul style="list-style-type: none"> <li>The mineralisation style at Nagambie is orogenic gold and gold mineralisation is disseminated within pyrite, arsenopyrite and stibnite.</li> </ul>														
<i>Drill hole Information</i>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> <li>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>dip and azimuth of the hole</li> <li>down hole length and interception depth</li> <li>hole length.</li> </ul> </li> <li>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	<ul style="list-style-type: none"> <li>No material drill hole information has been excluded.</li> </ul> <table border="1"> <thead> <tr> <th>Hole ID</th> <th>Easting</th> <th>Northing</th> <th>RL</th> <th>Depth</th> <th>Azimuth</th> <th>Dip</th> </tr> </thead> <tbody> <tr> <td>NND002</td> <td>340312</td> <td>5926913</td> <td>126.2</td> <td>1104.2</td> <td>180</td> <td>-55</td> </tr> </tbody> </table> <p>Map Datum MGA94, Zone 55, AHD</p>	Hole ID	Easting	Northing	RL	Depth	Azimuth	Dip	NND002	340312	5926913	126.2	1104.2	180	-55
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<i>Data aggregation methods</i>	<ul style="list-style-type: none"> <li>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>Weighted averages of results through each intersection are reported.</li> <li>No cut-off grades are applied.</li> <li>Only intersections greater than 1.0 ppm gold are reported in detail. Other assayed intersections are reported graphically.</li> </ul>														
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> <li>These relationships are particularly important in the reporting of Exploration Results.</li> <li>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>Mineralisation widths are based on down hole lengths.</li> <li>There is insufficient drilling data to determine continuity of mineralised domains.</li> </ul>														
<i>Diagrams</i>	<ul style="list-style-type: none"> <li>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a</li> </ul>	<ul style="list-style-type: none"> <li>Refer to figures.</li> </ul>														

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	<i>plan view of drill hole collar locations and appropriate sectional views.</i>	
<i>Balanced reporting</i>	<ul style="list-style-type: none"> <li>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>All gold values &gt; 1.0 g/t have been reported.</li> </ul>
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>All relevant data is presented in the text, tables and diagrams.</li> </ul>
<i>Further work</i>	<ul style="list-style-type: none"> <li>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</li> <li>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>Further drilling will be testing the remainder of the IP anomalies, together with follow-up drilling based on interpretation of results.</li> </ul>