



Nagambie Mining Limited
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Dear Shareholder

NAGAMBIE MINING LIMITED 2013 SHARE PURCHASE PLAN

The Company completed a first-pass drilling program at Wandean, 9 km north west of the Nagambie Mine, at the end of December 2012. Wandean had never been drilled before but surface exploration had indicated that it was a good fit with the Company's gold model for the region.

In February 2013, Nagambie Mining was able to announce the discovery of gold mineralisation at Wandean. Importantly, the gold mineralisation is completely open to the east and the north east, covered by the Company's extensive tenement position. A second round of drilling at Wandean is now being planned.

In addition, recent soil sampling has resulted in the delineation of two highly anomalous gold zones at Nagambie East, around 2 km east of the Nagambie Mine. Upgrading of these targets, ahead of first-pass drilling, is underway.

Wandean and Nagambie East represent compelling gold targets and a modest increase in working capital is now required to carry out these drilling programs.

I am pleased to invite you to participate in the 2013 Share Purchase Plan ("SPP"). The SPP will be capped at a maximum of \$500,000 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 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 2.42 cents. **The SPP offer price of 2.0 cents therefore represents a discount of 17.4%. It also represents a 20% discount to the last traded price of 2.5 cents.**

All the directors of Nagambie Mining intend to take up their maximum entitlement for new shares under the SPP.

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 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

Thank you for your continuing support.

A handwritten signature in black ink, appearing to read 'Mike Trumbull'.

Mike Trumbull
Chairman

14 March 2013

NAGAMBIE MINING LIMITED (ASX: NAG)

TERMS AND CONDITIONS FOR THE NAGAMBIE MINING LIMITED 2013 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 Wednesday, 13 March 2013 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 (AEDT) on Wednesday 13 March
• ASX Announcement of SPP	Thursday 14 March
• Despatch of documents to shareholders and SPP Opening Date	Thursday 21 March
• Closing Date for application for shares	5.00pm (AEST) on Thursday 11 April*
• Allotment Date for SPP shares	Thursday 18 April*

* 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 2.0 cents. This price was determined by Nagambie Mining following the close of trading on Wednesday 13 March (the trading day before the SPP was announced) by taking the 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 (2.42 cents) and applying a discount of 17.4% 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 \$500,000 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:

- 50,000 Shares at 2.0 cents per Share which will cost you \$ 1,000; OR
- 125,000 Shares at 2.0 cents per Share which will cost you \$ 2,500; OR
- 250,000 Shares at 2.0 cents per Share which will cost you \$ 5,000; OR
- 500,000 Shares at 2.0 cents per Share which will cost you \$10,000; OR
- 750,000 Shares at 2.0 cents 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 \$500,000 and allocating the new shares on a "first-in, first-served" basis. The maximum number of new shares that could be issued at 2.0 cents per share therefore would be approximately 25 million or approximately 12.12% of the fully paid ordinary shares already on issue (206.191 million).

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.

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

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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 Thursday 21 March ("Opening Date") and closes at 5.00 pm (Melbourne time) on Thursday 11 April ("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 Thursday 11 April).

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 Thursday 18 April) 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 compliance with any provision of the SPP Terms and Conditions, subject to compliance with the Corporations Act and the ASX Listing Rules.

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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.

SHARE PURCHASE PLAN ("SPP") APPLICATION FORM

How do I apply for SPP Shares under the SPP?

- Carefully read the Share Purchase Plan Terms and Conditions accompanying this form and the Important Information and further instructions on the reverse of this form.
- Decide on the amount of SPP Shares you wish to apply for.
- Pay for the SPP Shares in accordance with the instructions outlined in the Share Purchase Plan Terms and Conditions and the Important Information and further instructions on the reverse of this form.
 - Option 1: Paying by Bpay®; or cheque, savings, debit or transaction account.
 - Option 2: Paying by Cheque.
- Payments must be made in Australian dollars.

PAYMENT OPTIONS

Option 1: Paying by Bpay®

If paying by Bpay®, you do **NOT** need to complete or return the Acceptance Slip attached to this Application Form below, however, by making a Bpay® payment you will be taken to have made the statements and certifications that are set out in the Important Information notice on the reverse of this form.

Payment must be received by the Registry by Bpay® by 5:00pm (AEST) on 11 April 2013. By paying by Bpay®, you will be deemed to have completed an Application Form for the number of SPP Shares the subject of your Application Payment. If you make a payment by Bpay® and Nagambie Mining Limited (NAG) receives an amount which is not equal to either A\$1000, A\$2,500, A\$5,000, A\$10,000 or A\$15,000, NAG may round down the dollar amount of SPP Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$1000.

BPAY	Biller Code: Reference:
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Telephone & Internet Banking – Bpay®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account.
 More info: www.bpay.com.au

Option 2: Paying by Cheque

If paying by cheque, complete and return the Acceptance Slip attached to this Application Form with your payment.

- Tick the box beside the amount you wish to apply for, either A\$1000, A\$2,500, A\$5,000, A\$10,000 or A\$15,000.
- Enter your cheque details. The amount of your Application Payment should be equal to the amount applied for in section A of the Acceptance Slip. Cheques must be drawn on an Australian financial institution in Australian currency, made payable to "Nagambie Mining Limited" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque for an amount that is not equal to either A\$1000, A\$2,500, A\$5,000, A\$10,000 or A\$15,000, NAG may round down the dollar amount of SPP Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$1000.
- Enter your contact telephone number at which we may contact you regarding your application for SPP Shares, if necessary.

© Registered to Bpay Pty Ltd ABN 69 079 137 518

THIS IS A PERSONALISED ACCEPTANCE SLIP FOR THE SOLE USE OF THE SHAREHOLDER AND HOLDING RECORDED ABOVE.

Please detach and enclose with payment

A I/we wish to purchase a parcel of SPP Shares to the dollar amount of (tick one box only):

<input type="checkbox"/>	A\$1,000	OR	<input type="checkbox"/>	A\$2,500	OR	<input type="checkbox"/>	A\$5,000	OR	<input type="checkbox"/>	A\$10,000	OR	<input type="checkbox"/>	A\$15,000
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B Make your cheque payable to "Nagambie Mining Limited" and crossed "Not Negotiable"

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
				A\$.00

C Telephone Number – Business Hours Telephone Number – After Hours Contact Name

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IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase SPP Shares under the SPP, there is no need to take action.
3. Please ensure you have read and understood the SPP Terms and Conditions Booklet and this Important Information, before you make the payment by Bpay® or you submit your Acceptance Slip with your payment.
4. This SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Slip.
5. If you are a custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order [CO 09/425] you must complete and submit an additional Certificate in accordance with section 9 of CO 09/425 before your application for SPP Shares on behalf of Eligible Beneficiaries is accepted. Applications received by custodians that are not accompanied by the Certificate will be rejected.
6. For applicants that are not required to complete the Certificate, by submitting the Acceptance Slip with a cheque or making payment by Bpay®, **you certify** that the aggregate of the payment made by you for:
 - the parcel of SPP Shares indicated on the Application Slip or Bpay® payment; and
 - any other Shares applied for by you, or which you have instructed a Custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to the date of submission of the Acceptance Slip or payment by Bpay® does not exceed A\$15,000.
7. NAG reserves the right to make amendments to this Application Form where appropriate.
8. Applicants are not assured of receiving the SPP Shares for which they have applied as NAG may scale back applications in accordance with the SPP Terms and Conditions.

How to Lodge your Acceptance Slip and Application Payment

A reply paid envelope is enclosed for you to return your Acceptance Slip and Application Payment. No postage stamp is required if it is posted in Australia. Shareholders in New Zealand will need to affix the appropriate postage to the reply paid envelope.

The Acceptance Slip and the payment for SPP Shares must be received by the Registry no later than the closing date shown overleaf. If paying by Bpay® you do not need to complete or return the Application Slip. You should check the processing cut off-time for Bpay® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

Mailing Address

Advanced Share Registry Limited
PO Box 1156
Nedlands WA 6909

or

Hand Delivery

Advanced Share Registry Limited
150 Stirling Hwy
Nedlands WA 6009

Make sure you send your Acceptance Slip and Application Payment allowing enough time for mail delivery, so Advanced Share Registry Services Limited receives them no later than 5:00pm (AEST) on 11 April 2013. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. NAG reserves the right not to process any Acceptance Slips and Application Payments received after the Closing Date.

If you require information on how to complete this Application Form or Acceptance Slip please contact the share registry on (08) 9389 8033 (in Australia) or +618 9389 8033 (outside of Australia).