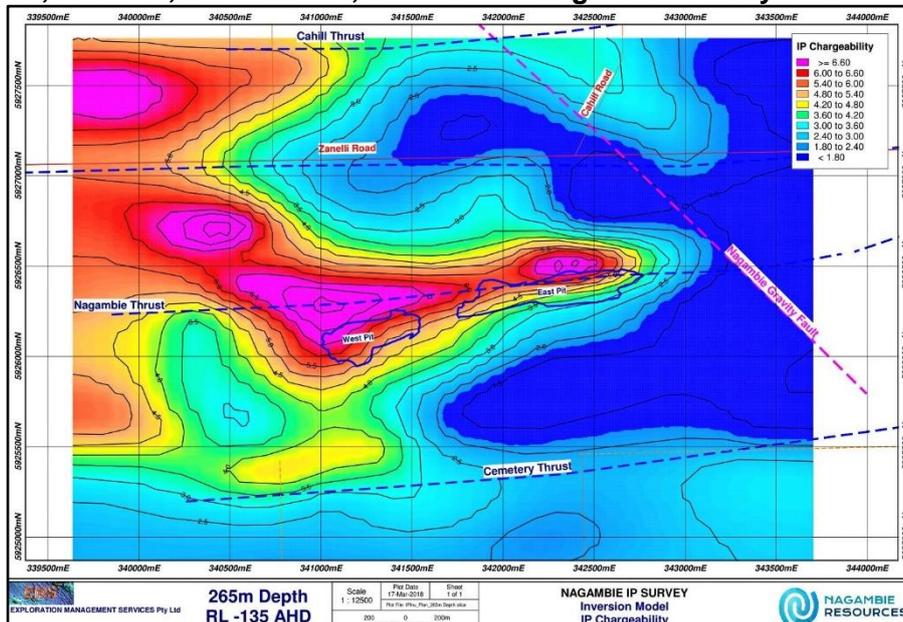


STRONG 3D IP SULPHIDE-GOLD TARGET STARTS 180M DOWN DIP OF OXIDE PITS AT NAGAMBIE MINE

3D IP = Three-Dimensional Induced Polarisation Geophysics

The Nagambie Mine underground sulphide-gold target (refer attached plan and 12 cross sections) is over 2,000m long, strikes east west, is down dip of the oxide pits (steep northerly dip), and commences approximately 230m below surface (roughly 180m down dip of the oxide pits).

Plan View showing Slice through 3D IP Model at 265m Depth, East Pit, West Pit, Local Roads, Thrusts and Nagambie Gravity Fault



All the IP “hot zones” (red and purple coloured high chargeability contours) for the Nagambie Mine target in the plan and the 12 cross sections are adjacent to the aeromagnetic-interpreted, east-west-striking Nagambie Thrust, conforming with Nagambie Resources’ gold deposition model.

No drill hole has ever intersected the Nagambie Mine underground target IP “hot zones”, though several of the FY 2007 drill holes came within 50m to 100m of doing so.

Between the Nagambie and Zanelli Thrusts is a new IP sulphide target, Nagambie North, that commences approximately 200m below surface and has also never been drilled. Likewise, between the Zanelli and Cahill Thrusts, another new IP sulphide target is currently being correlated with the Racecourse Prospect IP survey that has been carried out further north.

COMMENTARY

Nagambie Resources’ Chairman, Mike Trumbull said: *“This IP model of a potentially very large sulphide-gold body starting around 180m down dip of the oxide pits at the Nagambie Mine is a sensational development for the Company. Further information regarding the IP modelling of additional sulphide targets to the north of the Nagambie Mine and south of the Racecourse Prospect will be released as soon as possible.”*

“Drilling of the various Fosterville-style, sulphide-gold-in-sediments targets, which is scheduled to start within three weeks, will be a very exciting time for our exploration team and shareholders alike.”

NAGAMBIE RESOURCES

The discovery and development of shallow, open-pit and heap-leachable oxide-gold deposits is being methodically advanced.

Exploration for high grade sulphide-gold underground deposits has been expedited following spectacular results at the geologically-similar Fosterville Mine to the west.

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, North-East Link and East-West Link.

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

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
403,935,912

ASX CODE: NAG

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Kevin Perrin (Finance Director)
Alfonso Grillo (Dir/Company Sec)

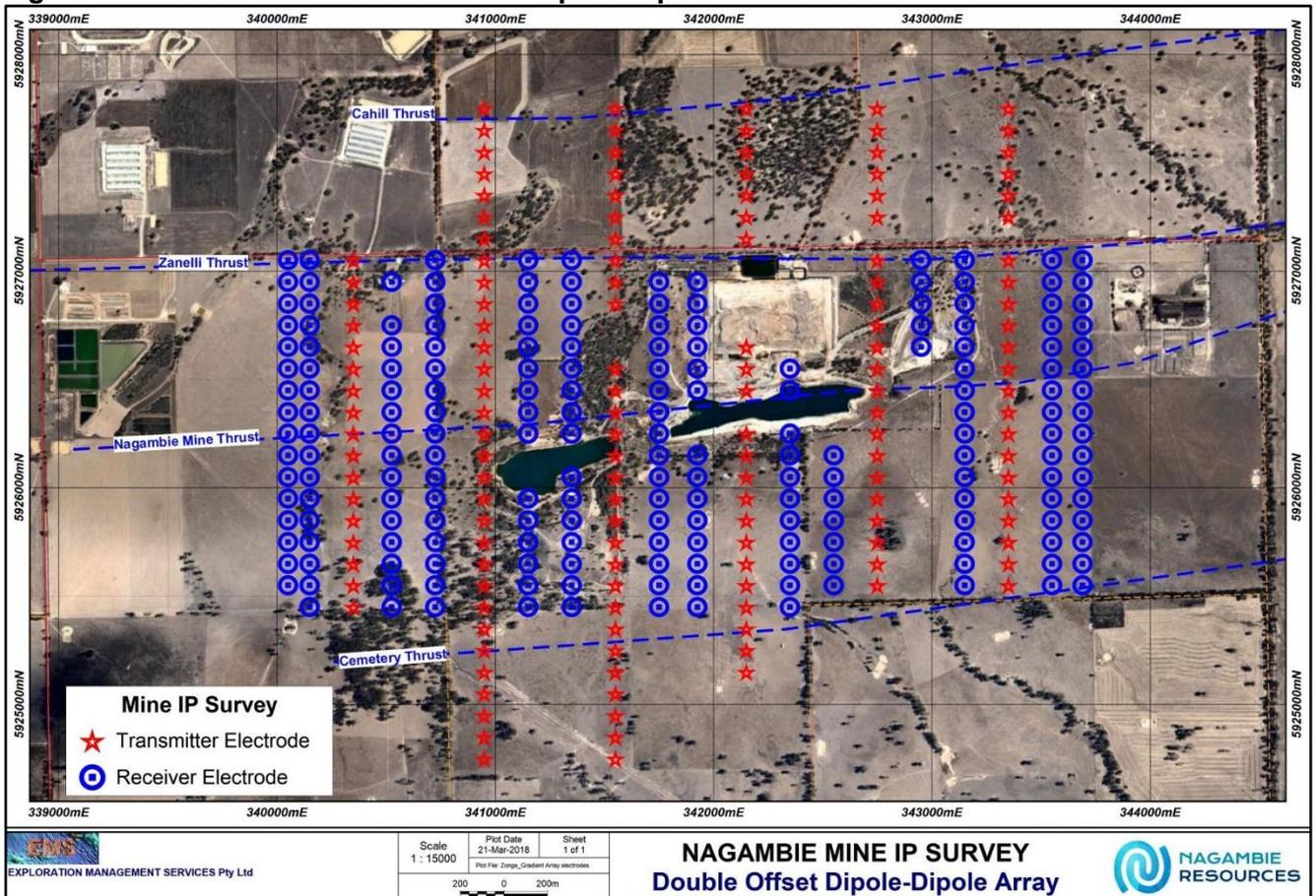
James Earle CEO

NAGAMBIE MINE IP SURVEY RESULTS

The Induced Polarisation (IP) program included a double offset dipole-dipole survey of the Nagambie Mine area (Mine Survey), covering an area of 12 sq km, completed in early March (refer Figure 1 for the locations of the electrodes).

The second component of the survey was a dipole-dipole survey over the Racecourse Prospect (Racecourse Survey), north of the mine. Data interpretation is still under way on this component.

Figure 1 Locations of Double Offset Dipole-Dipole Electrodes



Transmitter and receiver station dipoles at 100 metres, line spacing 200 metres.

The contractor, Zonge Engineering and Research Organisation (“Zonge”), employed proprietary Inversion Modelling to produce a pseudo “geological” model of both IP Chargeability and Resistivity for ongoing interpretation by Nagambie Resources’ geologists.

For the Mine Survey, Zonge produced a three-dimensional (3D) IP model. Figure 2 is a slice through the chargeability model at 265m below surface.

Four zones of significant chargeability are evident in Figure 2:

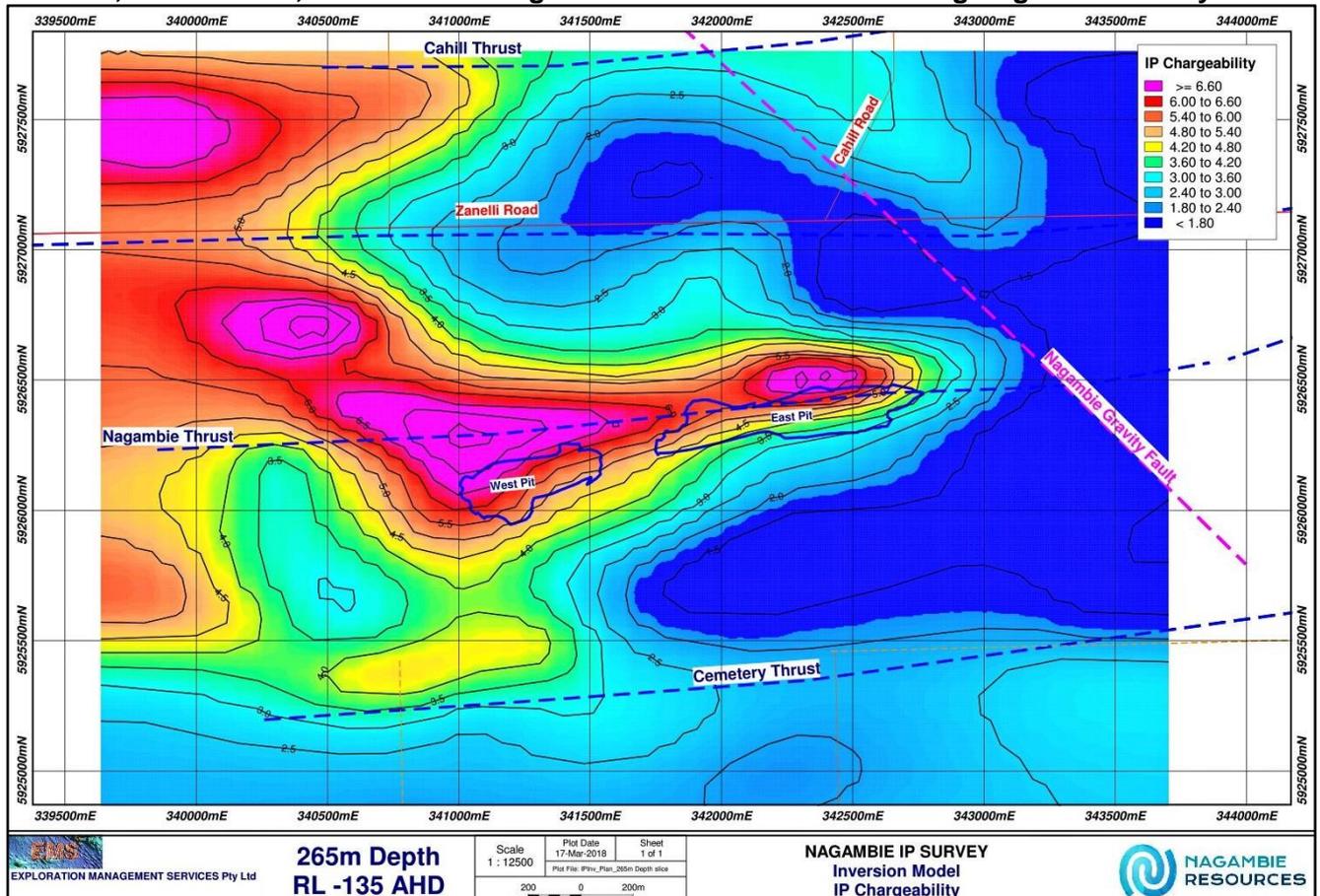
- ❖ Two zones (together the Nagambie Target) are associated with the Nagambie Mine Thrust, immediately north of the legacy pits;
- ❖ One new zone is evident north west of the West Pit, named the Nagambie North Target; and
- ❖ A second new zone is evident north of Zanelli Road. This has been named the Cahill Target as it is also outlined in the Racecourse Survey associated with the Cahill Thrust.

North-south cross sections of the Inversion Modelling of the IP chargeability data (at approximately 200 metre intervals) for the Mine Survey follow in Figures 3 through 14. These show:

- ❖ The interpreted trace of the Nagambie Thrust as a grey line. Also, the trace of the Cemetery Thrust as a green line;

- ❖ Nagambie Resources' (then named Panaegis Gold Mines) holes drilled in FY 2007 in Figures 5, 6 and 7. Coloured discs along the drill trace represent gold intersections (reported in March 2007 Quarterly Report);
- ❖ Drilling undertaken by Perseverance Mining before mining operations commenced in 1990. Most of these drill holes fall inside the pit limits; and
- ❖ High IP chargeability zones down dip from the oxide pits (steep dip to the north) with no drilling to date intersecting the higher chargeability contours (coloured red and purple).

Figure 2 Plan View showing Slice through Mine Survey 3D IP Model at 265m Depth, East Pit, West Pit, Local Roads, east-west striking Thrusts and north-west striking Nagambie Gravity Fault



Structural Model Reinforced

Nagambie Resources now has, both granted and applied for (with priority), 2,051 sq km of exploration ground in the Waranga Province of the Melbourne Zone. The recent Exploration Licence Applications cover off all the 10 significant identified structures from open file gravity imagery in the Waranga Province that are believed to indicate deep north-west-striking crustal fractures. Nagambie Resources considers that these indicated crustal fractures have allowed hot gold-mineralised fluids sourced from the deep volcanic crust to reach higher levels under pressure.

This structural model of deep crustal fluids feeding into surface east-west-striking thrusts, leading to gold deposition in the iron-rich Waranga Formation rocks (under favourable temperature and pressure conditions), has been developed and refined by Nagambie Resources in recent years, and is the core of the Company's exploration strategy.

The Mine Survey IP data reinforce the structural model for the mine area in that:

- ❖ The high chargeability zones follow the interpreted Nagambie Thrust, and in most sections follow the footwall to the thrust. This is where the bulk of the gold mineralisation was extracted during the oxide ore mining phase in 1989 – 1994;

- ❖ The high chargeability zones lie at depth, down dip to the known gold mineralisation (as seen by the pit outlines and Perseverance drilling); and
- ❖ A weaker chargeability zone follows the interpreted position of the Cemetery Thrust.

High Chargeability Targets

Arsenopyrite-pyrite gold mineralisation of the Fosterville and Lockington style occurs as very fine sulphide crystals in a sandstone or siltstone host rock. Arsenopyrite has a weaker IP chargeability response than pyrite, so the IP chargeability levels in this survey match expectations.

The targeted mineralisation style also is associated with strong silicification and fine quartz veining – this style is associated with higher than normal electrical resistivities. The Mine Survey IP results show a strong association of higher resistivity with higher IP chargeability. A Resistivity plot for cross section 2037E in Figure 15 shows a zone of high resistivity (+100 ohm-metres) associated with the Nagambie Thrust, beneath and north of the East Pit (as shown in brown outline). This can be compared with the IP chargeability plot for the same section in Figure 11 showing a coincident high chargeability (+5.0 mV/V)

Previous Drilling Missed IP Targets

The deep drilling by both Perseverance Mining in 1986-1988 and Nagambie Resources (then named Panaegis Gold Mines) in FY 2007 stopped short of the higher IP chargeability zones, however weak mineralisation such as:

- ❖ 24 metres @ 1.0 g/t gold in NRP026 from 62 metres (Figure 5, Section 0912E);
- ❖ 15 metres @ 0.9 g/t gold in NRP021 from 225 metres (Figure 6, Section 1100E);
- ❖ 14 metres @ 1.4 g/t gold in NRP022 from 135 metres (Figure 6, Section 1100E); and
- ❖ 10 metres @ 1.1 g/t gold in NRP022B from 112 metres (Figure 6, Section 1100E)

was encountered close to the higher chargeability zones (Panaegis Gold Mines Limited March 2007 Quarterly Report).

Conclusions

The Mine Survey IP program has more than met expectations in that:

- ❖ Zones of high IP chargeability match previously interpreted structures, thus verifying the structural model in this area;
- ❖ No high chargeability zone has been drill tested to date. However previous drilling intersected low-grade gold zones in proximity to the high chargeability zones;
- ❖ The association of high electrical resistivity and high chargeability matches expectations for disseminated arsenopyrite-pyrite gold mineralisation, hosted by silicified sediments;
- ❖ Two zones of high chargeability (Nagambie Target) match the locations of previously known mineralisation, but at depth (+200 metres), and present as compelling drill targets;
- ❖ A third high chargeability zone to the north west (Nagambie North Target) indicates a previously unknown potential mineralised zone, and is another compelling drill target; and
- ❖ The Cahill Target further to the north west was observed in this Mine Survey but will be better defined in the second component of the IP program, the Racecourse Survey. This high chargeability zone will be included in a complete discussion of the whole area, once interpretation of the Racecourse Survey is complete.

Drill Targets

The zones of high chargeability (with coincident high electrical resistivity) will be tested by diamond drilling, commencing in early April 2018.

IP Cross Sections

Figures 3 to 14 are Chargeability cross sections and Figure 15 is a Resistivity cross section.

Figure 3 Mine Survey Chargeability North-South Cross Section (Yellow Line) 0575E

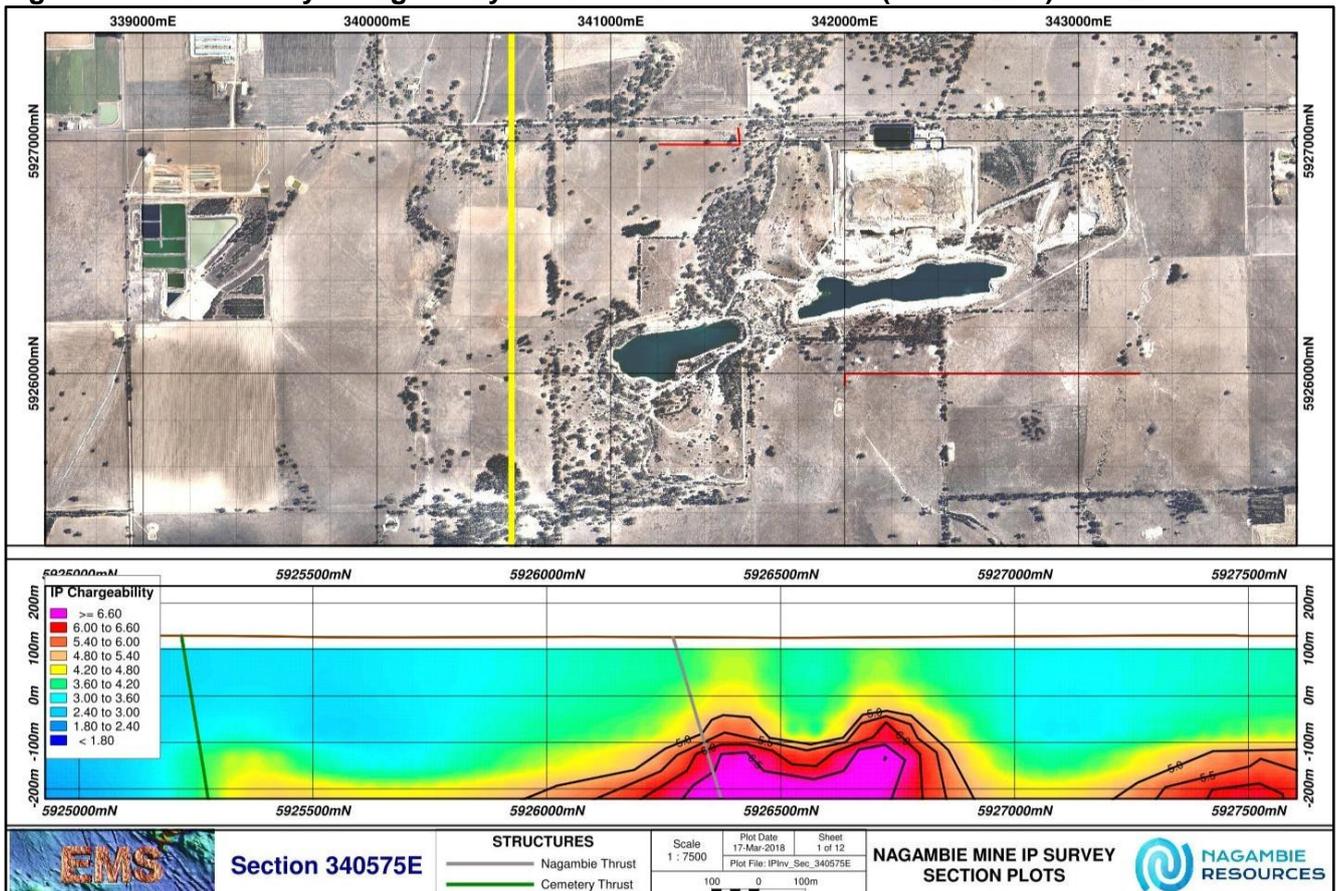


Figure 4 Mine Survey Chargeability North-South Cross Section (Yellow Line) 0762E

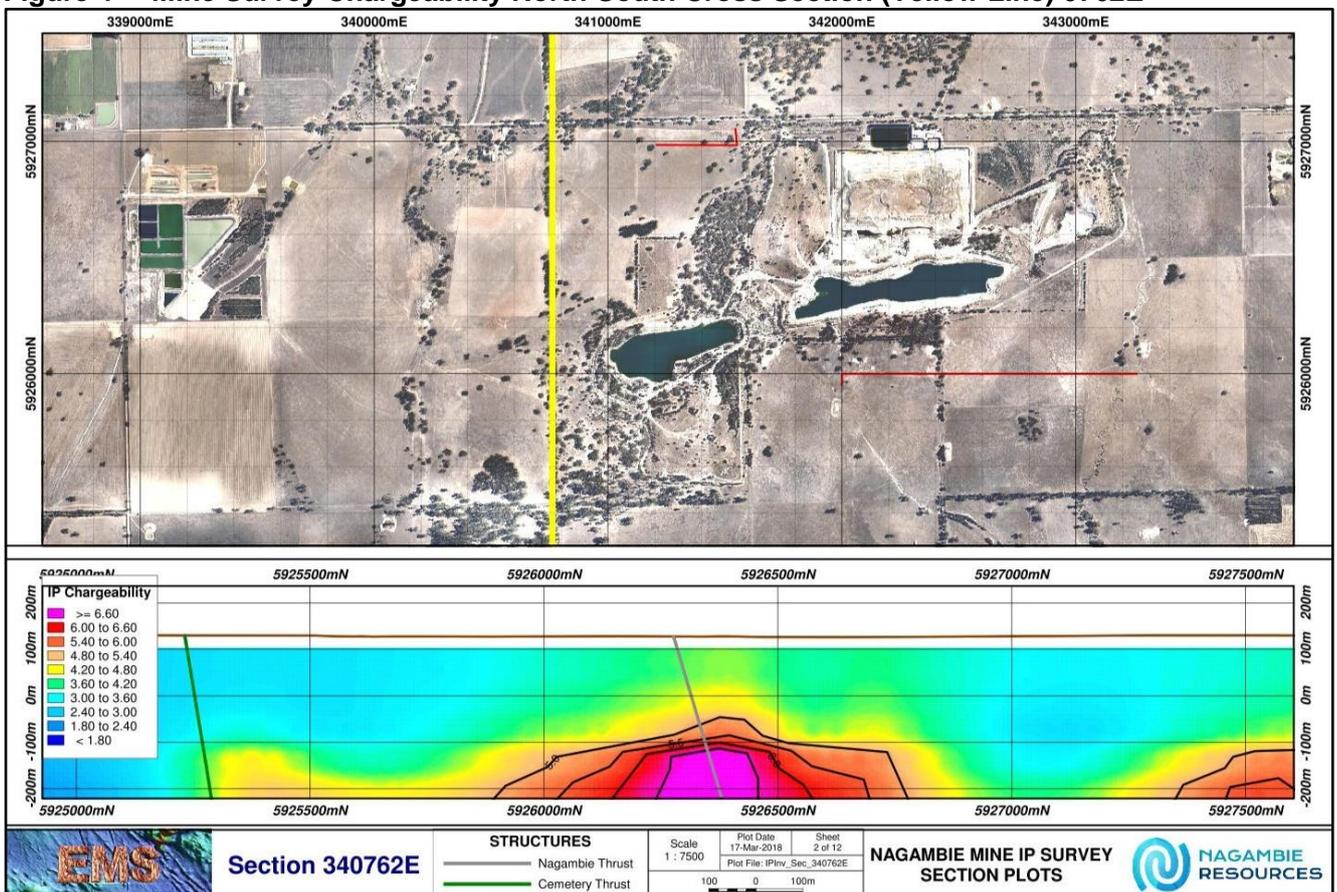


Figure 5 Mine Survey Chargeability North-South Cross Section (Yellow Line) 0912E

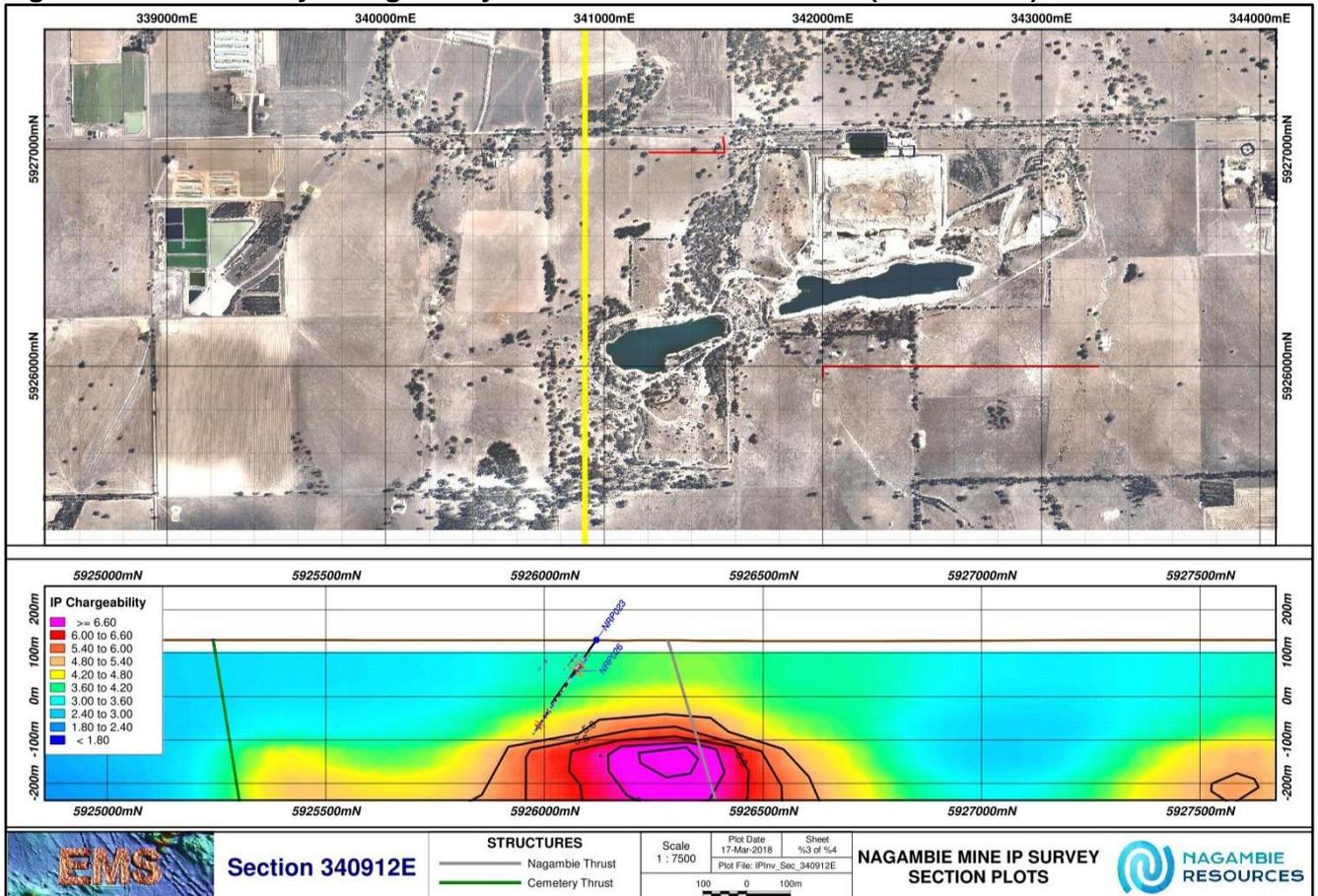


Figure 6 Mine Survey Chargeability North-South Cross Section (Yellow Line) 1100E

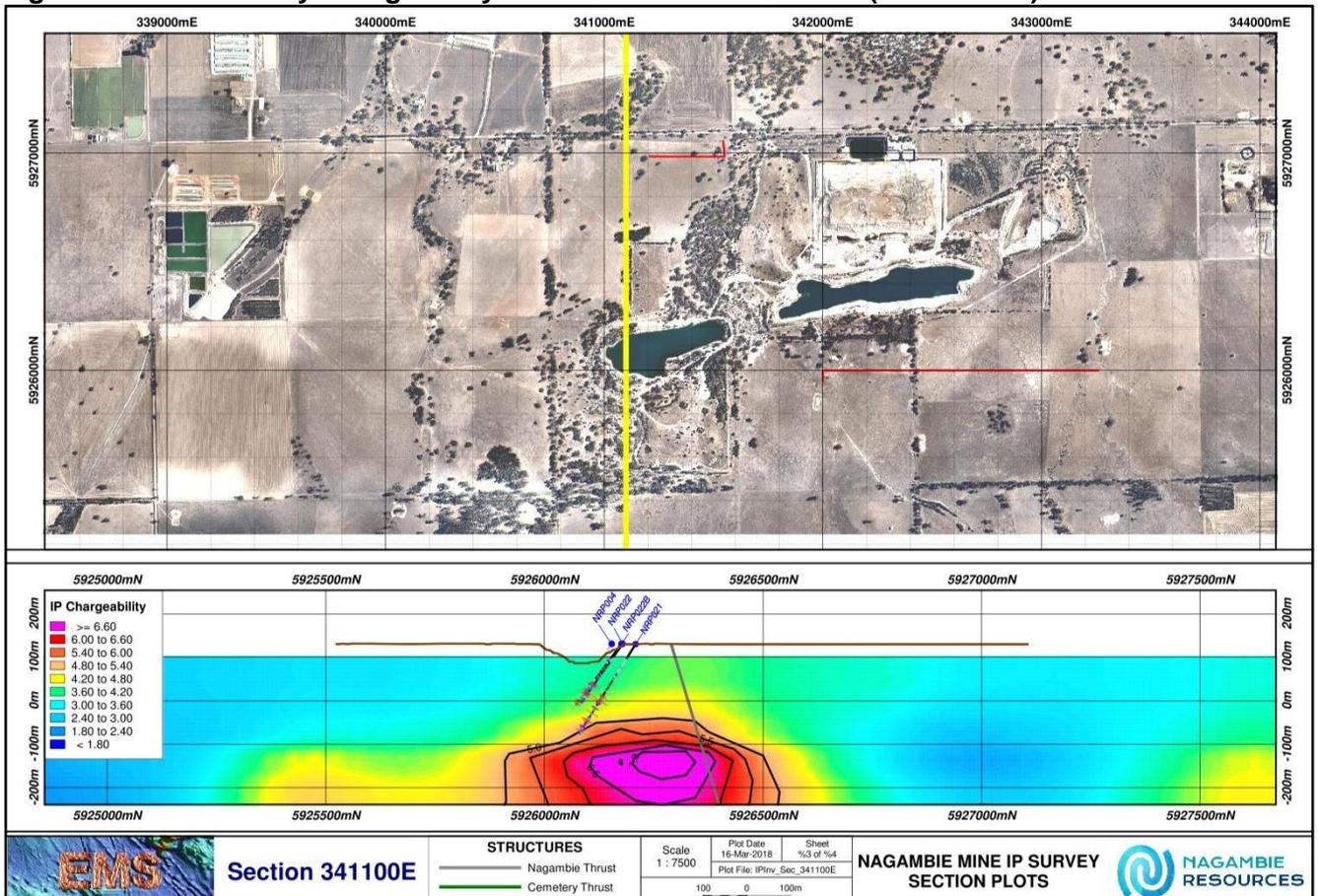


Figure 7 Mine Survey Chargeability North-South Cross Section (Yellow Line) 1300E

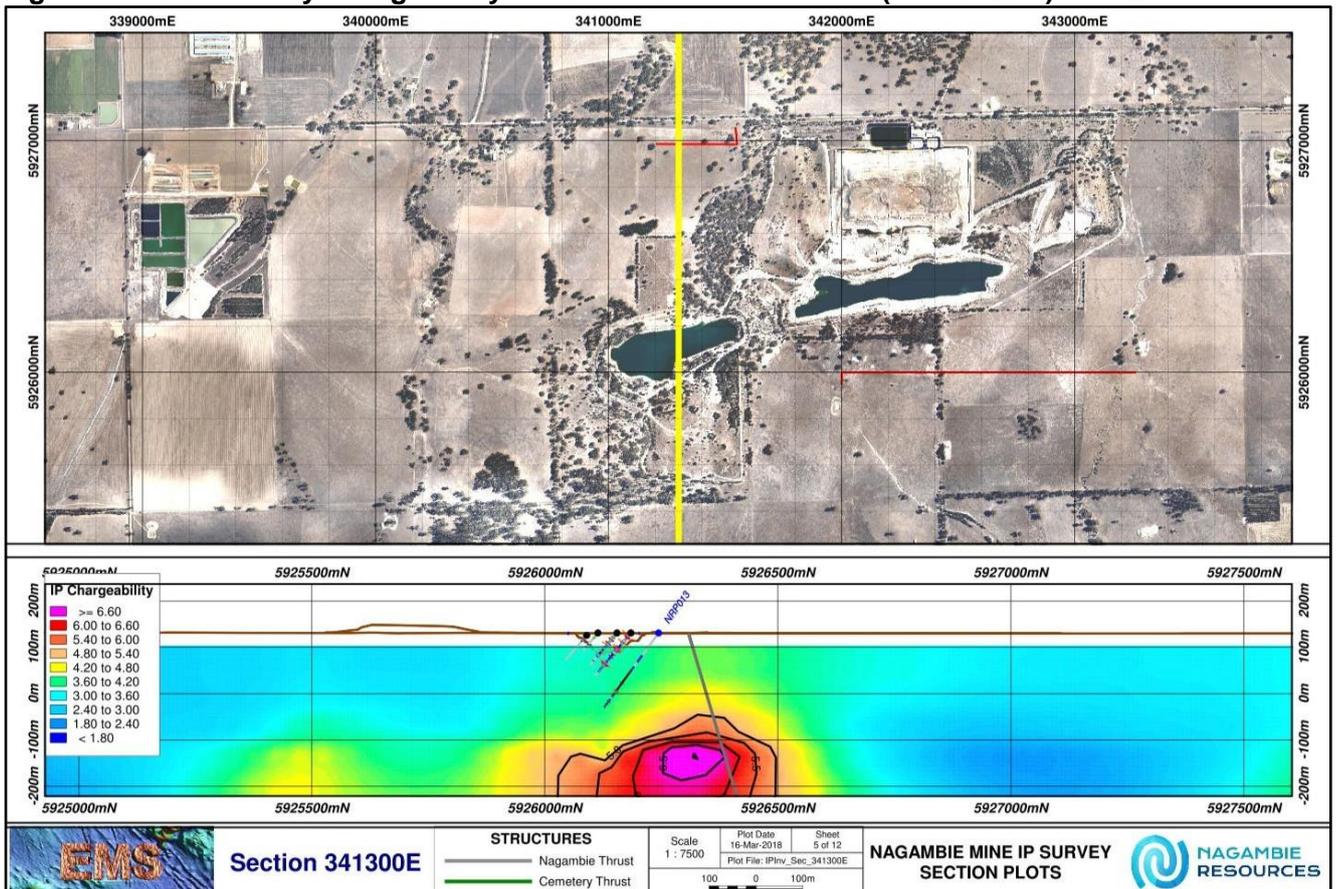


Figure 8 Mine Survey Chargeability North-South Cross Section (Yellow Line) 1500E

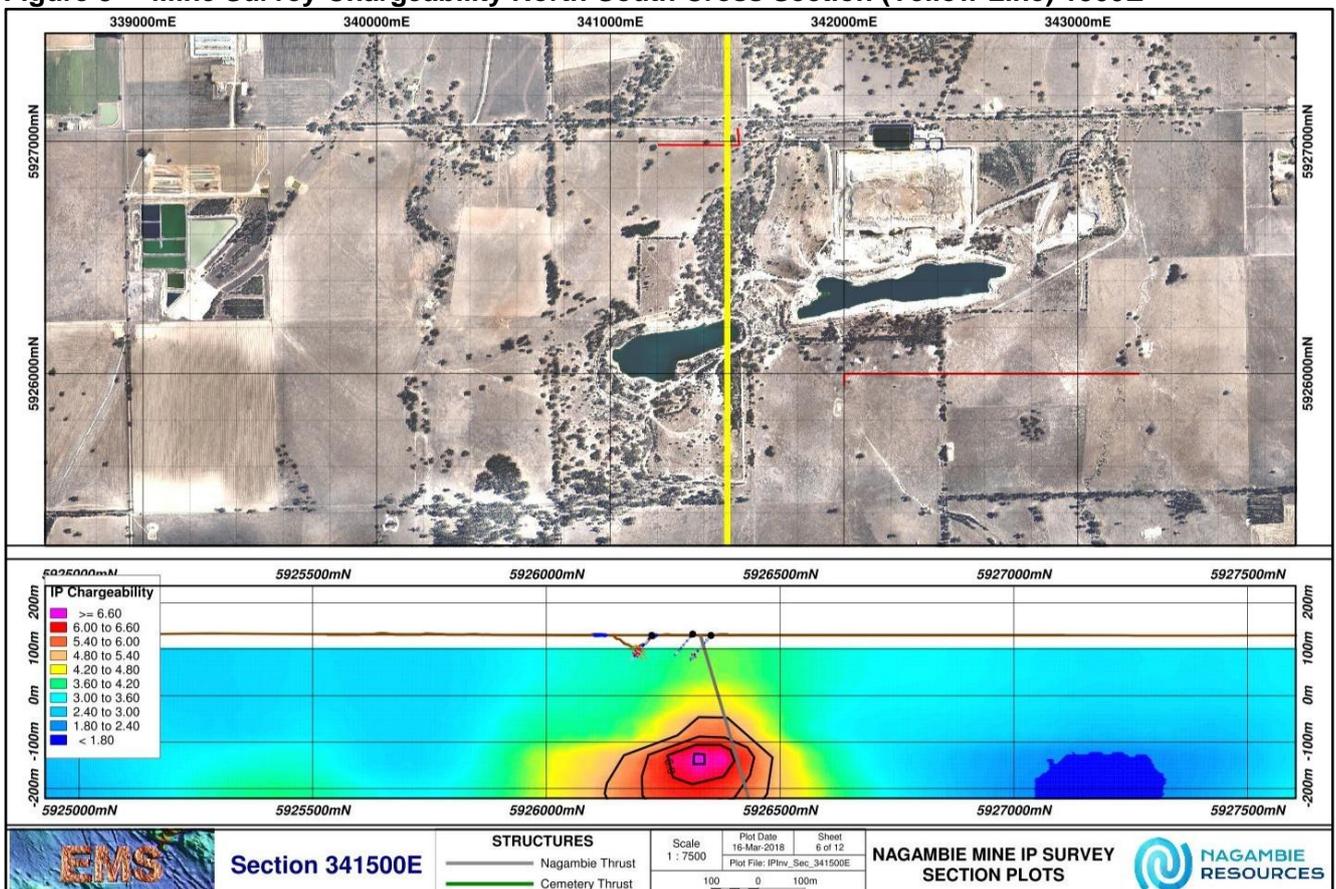


Figure 9 Mine Survey Chargeability North-South Cross Section (Yellow Line) 1700E

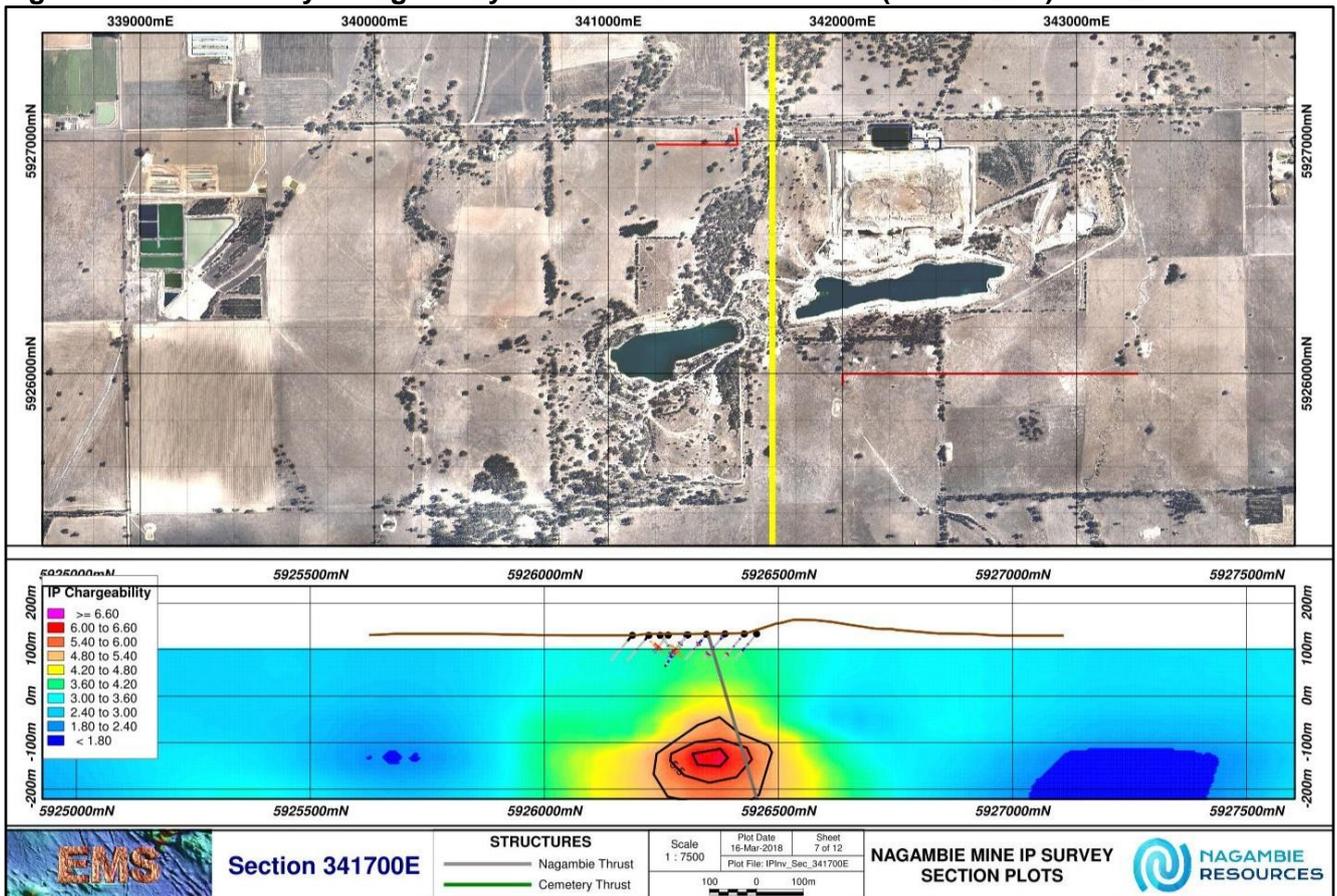


Figure 10 Mine Survey Chargeability North-South Cross Section (Yellow Line) 1881E

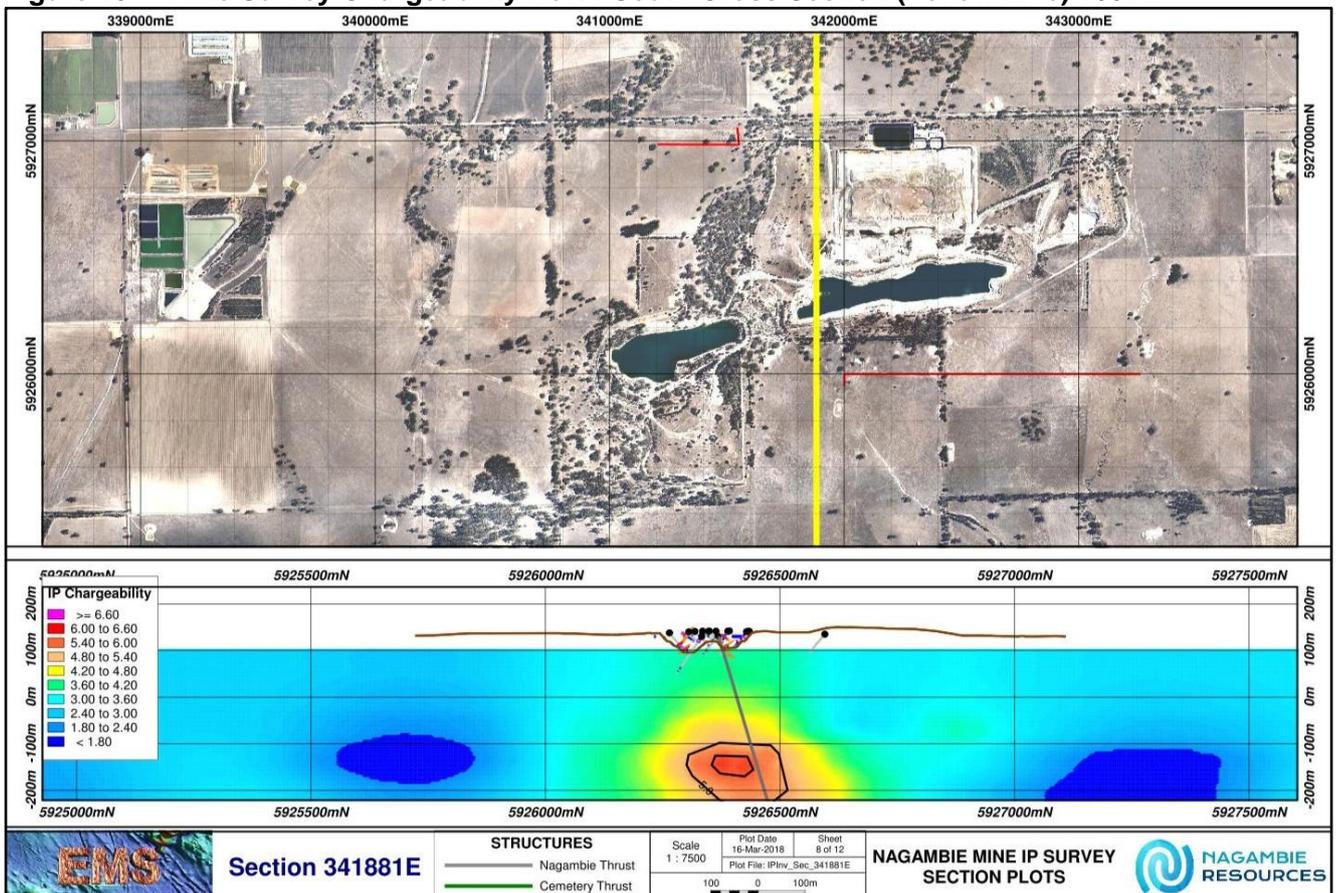


Figure 11 Mine Survey Chargeability North-South Cross Section (Yellow Line) 2037E

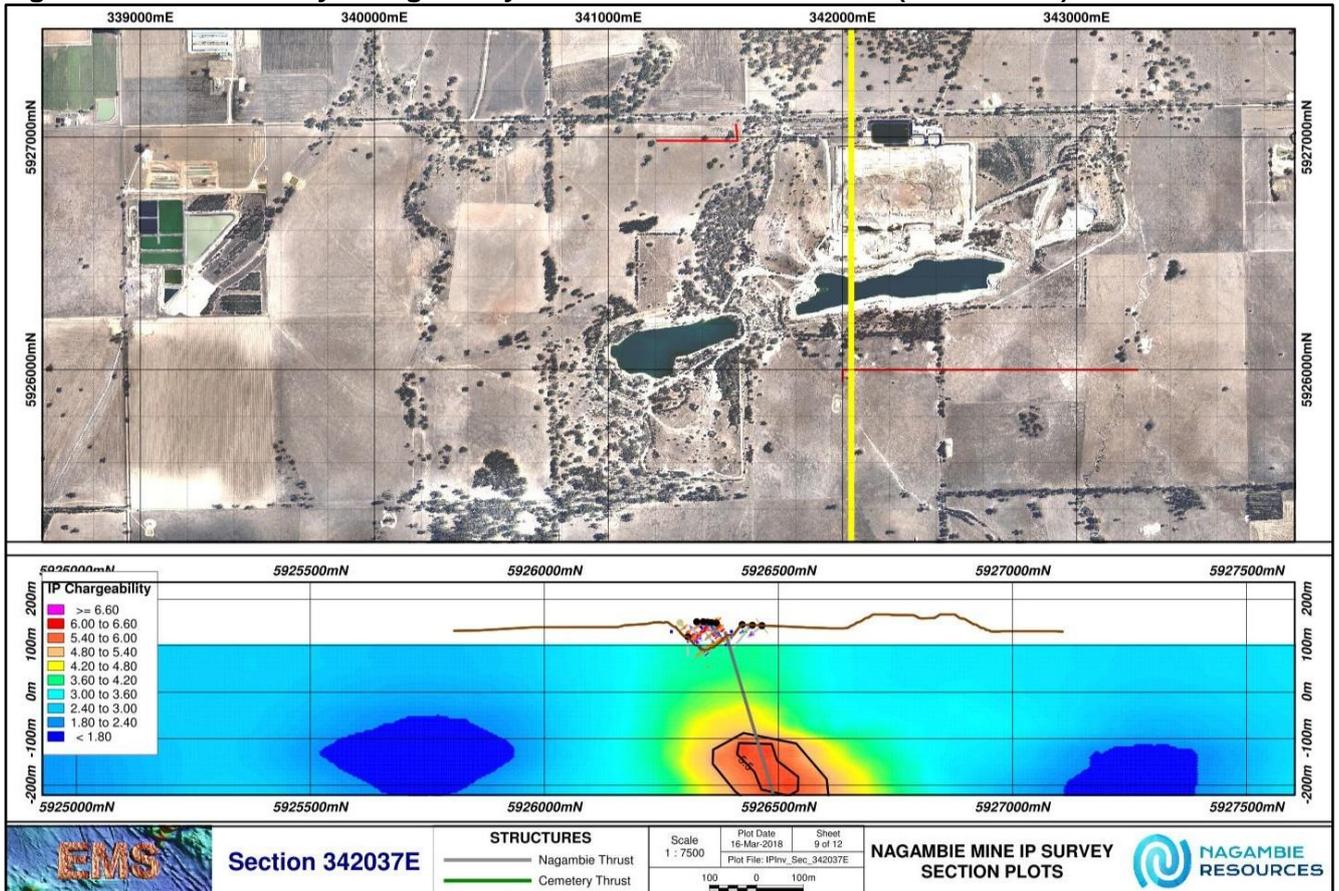


Figure 12 Mine Survey Chargeability North-South Cross Section (Yellow Line) 2200E

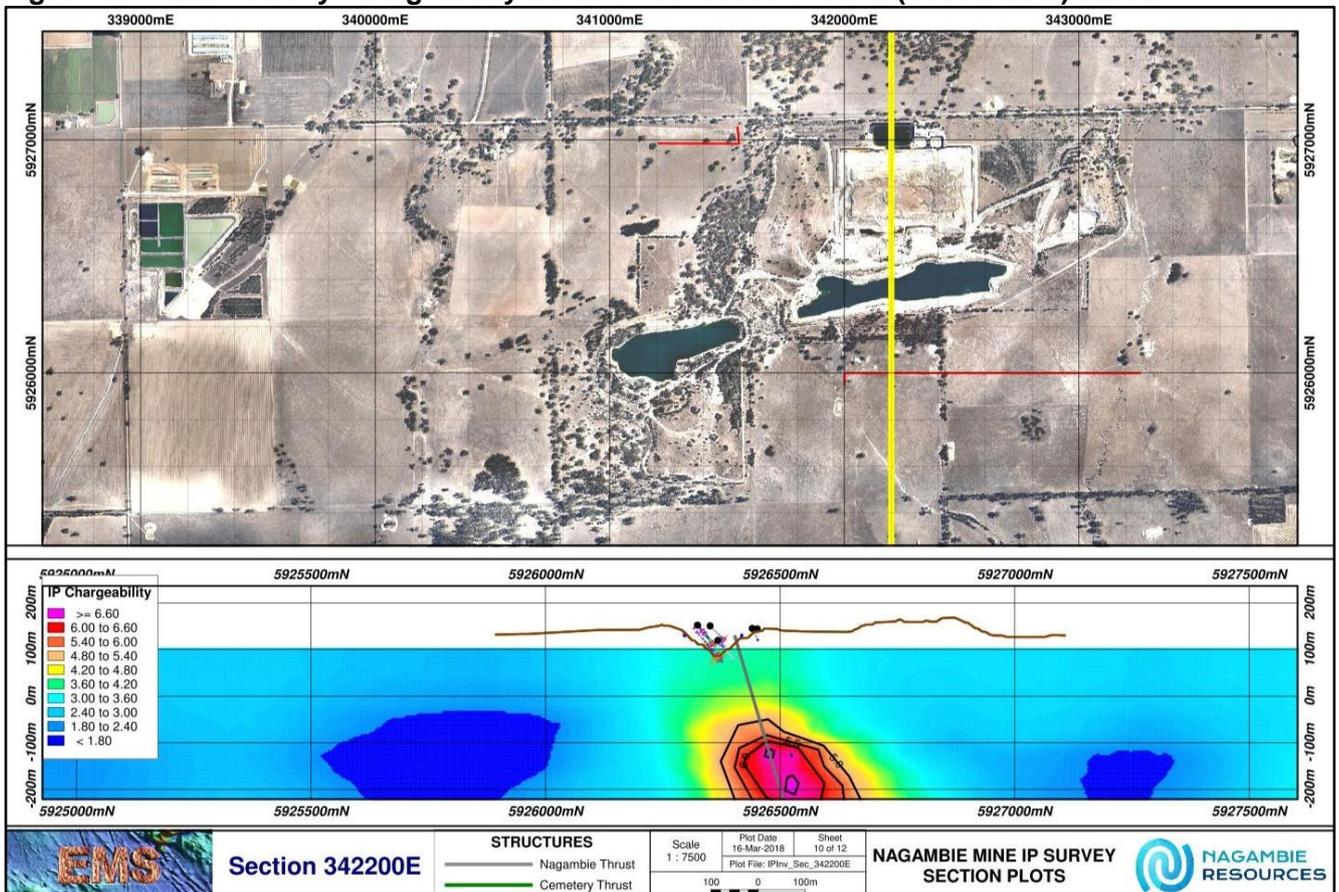


Figure 13 Mine Survey Chargeability North-South Cross Section (Yellow Line) 2400E

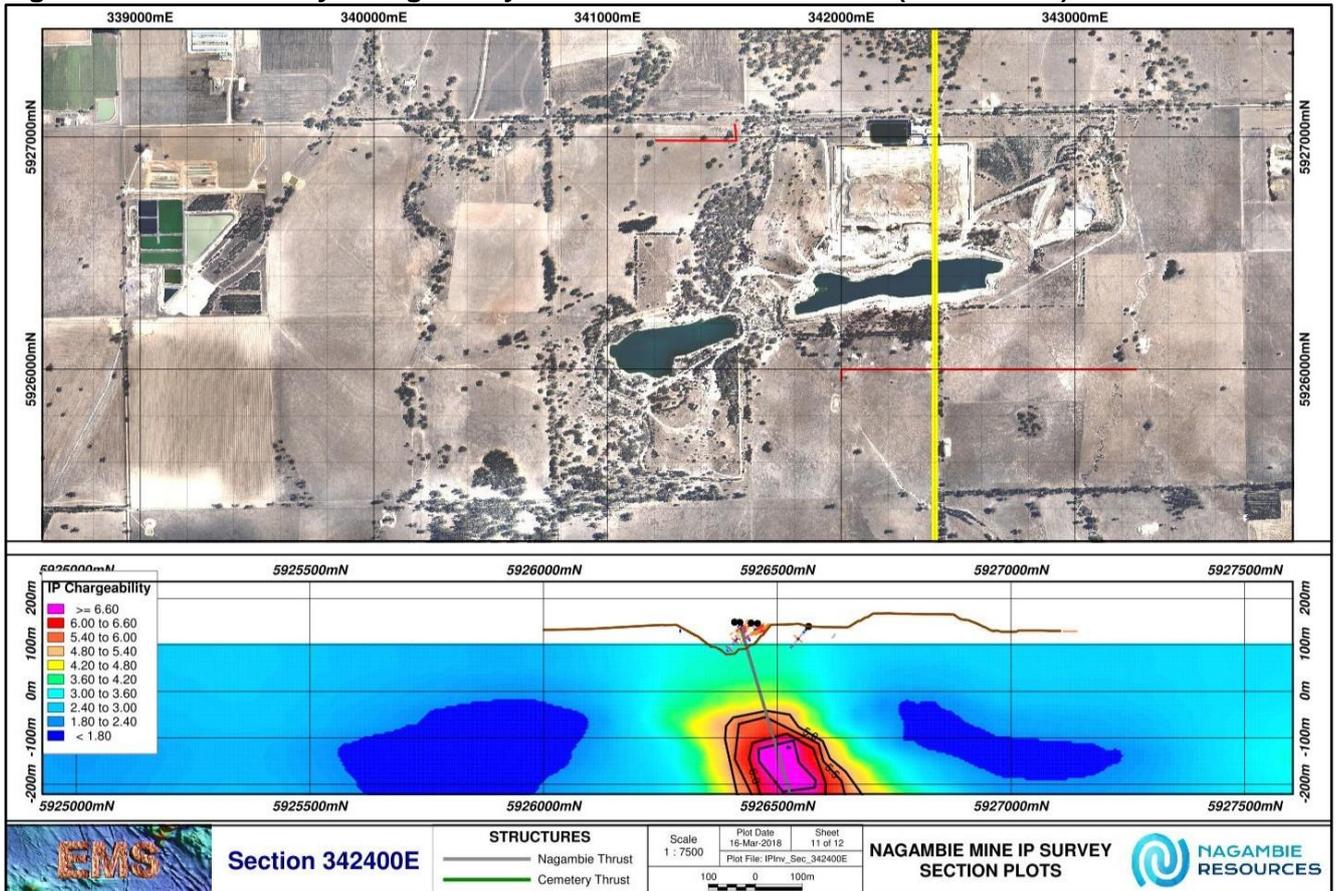


Figure 14 Mine Survey Chargeability North-South Cross Section (Yellow Line) 2600E

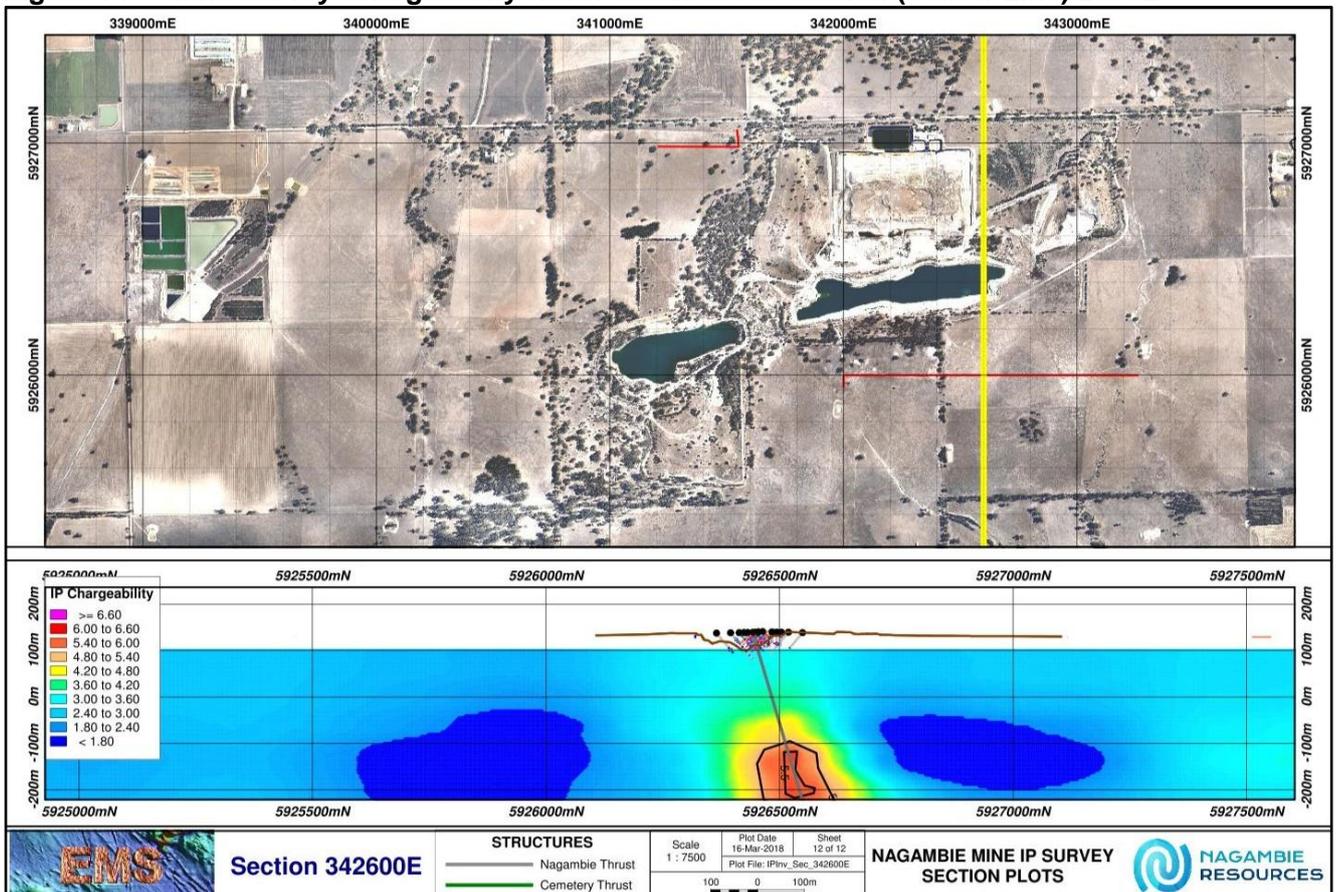
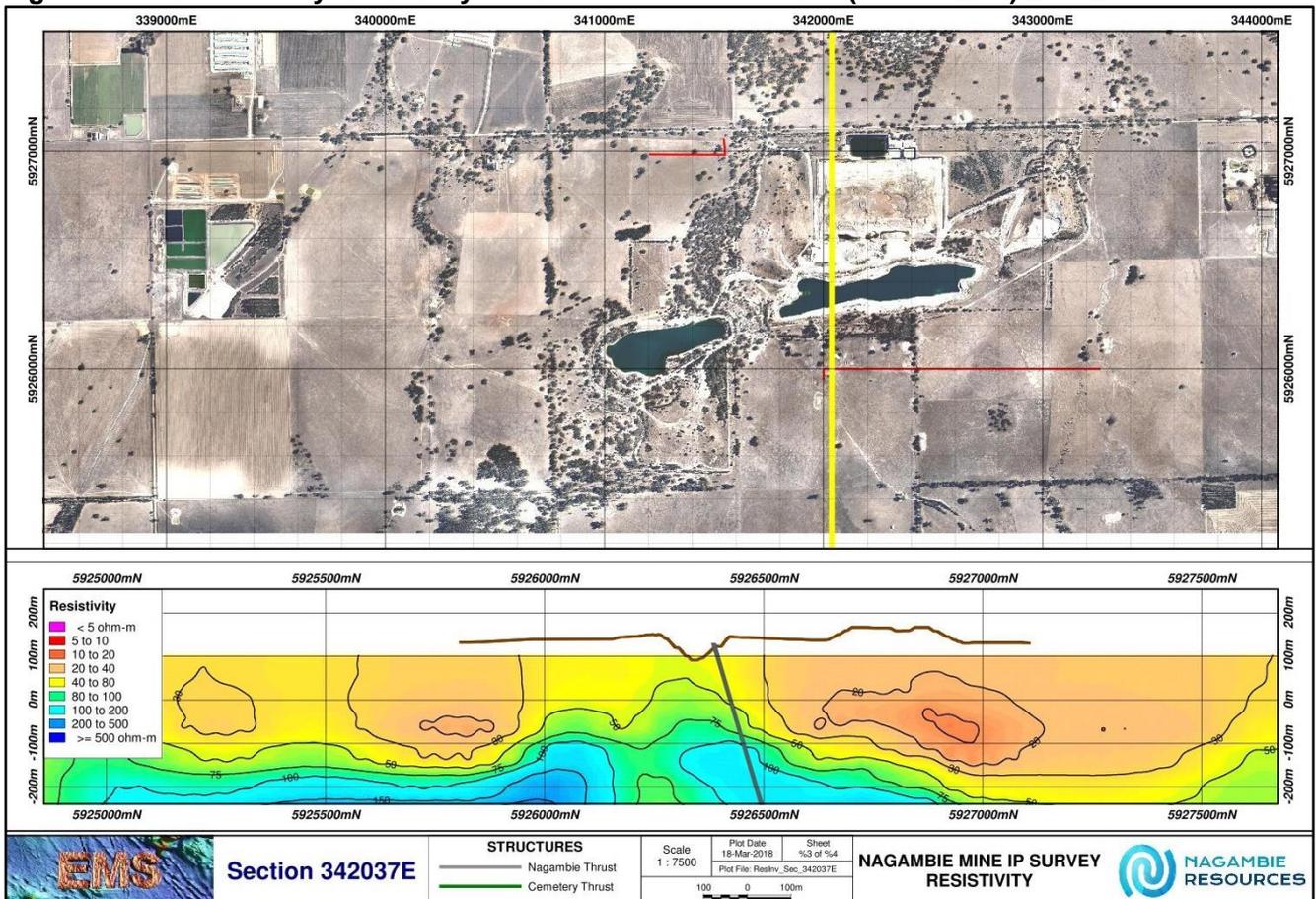


Figure 15 Mine Survey Resistivity North-South Cross Section (Yellow Line) 2037E



A JORC 2012 Edition, Table 1 Checklist is attached at the end of this announcement.

James Earle
Chief Executive Officer

STATEMENT AS TO COMPETENCY

The Exploration Results in this report have been compiled by Mr Geoff Turner, who is a Fellow of the Australian Institute of Geoscientists, has more than ten years in the estimation, assessment, and evaluation of mineral resources and ore reserves, and has more than 20 years in exploration for the relevant style of mineralisation that is being reported. In these regards, Geoff Turner qualifies as a Competent Person as defined in the 2012 edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Geoff Turner is a consultant to Nagambie Resources Limited and consents 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.

JORC 2012 Edition, Table 1 Checklist

Section 1: Sampling Techniques and Data Criteria	Explanation
Drilling & Sampling techniques	NA.
Drill sample recovery	NA.
Logging	NA.
Sub-sampling techniques and sample preparation	NA.
Quality of assay data and laboratory tests	<p>Mine IP Survey: Array: double offset dipole-dipole Station, dipole size: 100m Line spacing: 200m n-spacing: up to n=21 coordinate system: local grid, truncated GDA94 z55 Frequency: 0.125Hz Transmitter current: 7.8-40A Transmitter: Zonge International GGT-30 Receiver(s): GDD GRX-32</p> <p>Receiver electrodes: porous copper sulphate pots Transmitter electrodes: metal lined pits ~2x2m GPS: handheld Garmin, accuracy ~+/-3m</p>
Verification of sampling and assaying	NA
Location of data points	Transmitter and receiver stations recorded by 12-channel GPS. GPS accuracy is ±3 metres. All coordinates are in MGA94, Zone 55 and AHD Elevations were interpolated from data obtained from VicMap topographic data and historic mine surveys.
Data spacing and distribution	Transmitter and receiver electrodes placed at 100 metre intervals. • This spacing is not of sufficient density to allow the estimation of a mineral resource.
Orientation of data in relation to geological structure	Survey lines were placed at approximately 90° to assumed strike of mineralisation.
Sample security	NA
Audits or reviews	No audits or reviews have been undertaken

Section 2: Reporting of Exploration Results Criteria	Explanation
Mineral tenement and land tenure status	<ul style="list-style-type: none"> The area surveyed is within MIN5412 and EL5511, both 100% owned by Nagambie Resources Ltd. Both tenements are in good standing with no known impediments.

Section 2: Reporting of Exploration Results Criteria	Explanation
Exploration done by other parties	From 1986 to 1993 Perseverance Mining Pty Ltd conducted drilling programs leading to the development of the mining operation. Panaegis Gold Mines Limited (now known as Nagambie Resources Limited) conducted drilling operations in 2006 & 2007.
Geology	<ul style="list-style-type: none"> Disseminated gold (plus arsenic and antimony) mineralisation in silicified sediments, hosted by folded and fractured Devonian sediments in the footwall of a reverse fault system. Primary gold mineralisation is suspected to be arsenopyrite hosted.
Drill hole Information	NA
Data aggregation methods	NA
Relationship between mineralisation widths and intercept lengths	NA
Diagrams	Refer to figures in the body of the text. Plans and sections of modelled data are shown.
Balanced reporting	All modelled data are presented for each cross section of this survey.
Other substantive exploration data	No other exploration results that have not previously been reported, are material to this report.
Further work	Planning for drilling is in progress, scheduled to start in early April 2018.