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The Manager
Company Announcements Office
Australian Securities Exchange

\$0.75 Million Placement of Convertible Notes

Nagambie Mining (ASX Code: NAG) is pleased to announce the placement of 25.0 million convertible notes at 3.0 cents each to sophisticated and professional investors, raising a total of \$750,000. The 3.0 cent price represents a 43% premium to the last sale price for the fully paid ordinary shares of 2.1 cents.

The principal terms of the notes are:

- Interest payable every 6 months at a rate of 10% per annum;
- Notes convertible 1:1 into fully paid ordinary Nagambie Mining Limited shares at any time within the maximum 5-year life of the notes at the option of the holder;
- Notes redeemable in cash in full after 5 years if not converted;
- Notes are unsecured but rank ahead of shareholders; and
- Notes are protected for reorganisation events (bonus issues, share consolidations etc).

The proceeds of the placement will fund priority exploration work, including the highly prospective Nagambie South Project, and provide additional working capital.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Alfonso Grillo', written in a cursive style.

Alfonso Grillo
Company Secretary