

## Appendix 3B

### New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

**NAGAMBIE MINING LIMITED**

ABN

**42 111 587 163**

We (the entity) give ASX the following information.

#### Part 1 – All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |    |  |   |
|----|--|---|
| 1. | <sup>+</sup> Class of <sup>+</sup> securities issued or to be issued   | Convertible Notes.  |
| 2. | Number of <sup>+</sup> securities issued or to be issued (if known) or maximum number which may be issued  | 25,000,000  |
| 3. | Principal terms of the <sup>+</sup> securities (eg, if options, exercise price and expiry date; if partly paid <sup>+</sup> securities, the amount outstanding and due dates for payment; if <sup>+</sup> convertible securities, the conversion price and dates for conversion) | Each convertible note may be converted into 1 fully paid ordinary share by the noteholder with a maturity date of 4 May 2017. |

4.	<p>Do the <sup>+</sup>securities rank equally in all respects from the date of allotment with an existing <sup>+</sup>class of quoted <sup>+</sup>securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>No, the Convertible Notes will not be quoted. On conversion of the Convertible Notes the resulting shares will rank equally with the ordinary shares on issue.</p>				
5.	Issue price or consideration	<p>\$0.03 per Convertible Note.</p>				
6.	<p>Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>To fund priority exploration work, including the Nagambie South Project and working capital requirements.</p>				
7.	<p>Dates of entering <sup>+</sup>securities into uncertificated holdings or despatch of certificates</p>	<p>4 May 2012.</p>				
8.	<p>Number and <sup>+</sup>class of all <sup>+</sup>securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable)</p>	<table border="1"> <thead> <tr> <th data-bbox="734 1433 1066 1467">Number</th> <th data-bbox="1074 1433 1418 1467">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="734 1467 1066 1500">168,859,949</td> <td data-bbox="1074 1467 1418 1500">Ordinary shares fully paid</td> </tr> </tbody> </table>	Number	+Class	168,859,949	Ordinary shares fully paid
Number	+Class					
168,859,949	Ordinary shares fully paid					

9. Number and <sup>+</sup>class of all <sup>+</sup>securities not quoted on ASX (*including* the securities in clause 2 if applicable)

Number	+Class
550,000	Options exercisable at \$0.10, vesting 4 September 2010 and expiring 4 September 2013.
4,000,000	Options exercisable at \$0.10, vesting 2 December 2010 and expiring 2 December 2013.
550,000	Options exercisable at \$0.10, vesting 9 July 2011 and expiring 9 July 2014.
2,000,000	Options exercisable at \$0.10, vesting 17 December 2011 and expiring 17 December 2014.
4,000,000	Options exercisable at \$0.10, vesting 26 November 2012 and expiring 26 November 2015.
400,000	Options exercisable at \$0.10 vesting 11 March 2013 and expiring 11 March 2016.
25,000,000	Convertible notes each convertible into 1 ordinary share on or before 14 September 2015.
13,750,000	Convertible notes each convertible into 1 ordinary share on or before 1 September 2016.
25,000,000	Convertible notes each convertible into 1 ordinary share on or before 4 May 2017.
4,400,000	Options exercisable at the greater of 150% of the Company's last share price immediately preceding the date of issue or \$0.10 per option, vesting 30 November 2011 and expiring 30 November 2016.

10. Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

The directors of the Company may from time to time determine to distribute the profits of the Company by way of dividend amongst the Shareholders in proportion to the amounts paid up on the Shares held by them.

## Part 2 – Bonus issue or pro rata issue

11. Is security holder approval required?

12. Is the issue renounceable or non-renounceable?
13. Ratio in which the <sup>+</sup>securities will be offered
14. <sup>+</sup>Class of <sup>+</sup>securities to which the offer relates
15. <sup>+</sup>Record date to determine entitlements
16. Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?
17. Policy for deciding entitlements in relation to fractions
18. Names of countries in which the entity has <sup>+</sup>security holders who will not be sent new issue documents   
Note: Security holders must be told how their entitlements are to be dealt with.  
Cross reference: rule 7.7.
19. Closing date for receipt of acceptances or renunciations
20. Names of any underwriters
21. Amount of any underwriting fee or commission
22. Names of any brokers to the issue
23. Fee or commission payable to the broker to the issue
24. Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of <sup>+</sup>security holders

25. If the issue is contingent on <sup>+</sup>security holders' approval, the date of the meeting
26. Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled
27. If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders
28. Date rights trading will begin (if applicable)
29. Date rights trading will end (if applicable)
30. How do <sup>+</sup>security holders sell their entitlements *in full* through a broker?
31. How do <sup>+</sup>security holders sell *part* of their entitlements through a broker and accept for the balance?
32. How do <sup>+</sup>security holders dispose of their entitlements (except by sale through a broker)?
33. <sup>+</sup>Despatch date

### Part 3 – Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34. Type of securities  
(tick one)
- (a)  Securities described in Part 1
- (b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

## Entities that have ticked box 34(a)

### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35.  If the <sup>+</sup>securities are <sup>+</sup>equity securities, the names of the 20 largest holders of the additional <sup>+</sup>securities, and the number and percentage of additional <sup>+</sup>securities held by those holders
36.  If the <sup>+</sup>securities are <sup>+</sup>equity securities, a distribution schedule of the additional <sup>+</sup>securities setting out the number of holders in the categories  
1 - 1,000  
1,001 – 5,000  
5,001 – 10,000  
10,001 – 100,000  
100,001 and over
37.  A copy of any trust deed for the additional <sup>+</sup>securities

**Entities that have ticked box 34(b)**

38. Number of securities for which +quotation is sought

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39. Class of +securities for which quotation is sought

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40. Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

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41. Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

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42. Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)

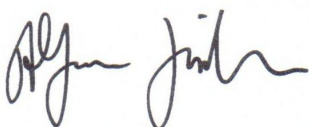
Number	+Class

**Quotation agreement**

1. <sup>+</sup>Quotation of our additional <sup>+</sup>securities is in ASX’s absolute discretion. ASX may quote the <sup>+</sup>securities on any conditions it decides.
  
2. We warrant the following to ASX.
  - The issue of the <sup>+</sup>securities to be quoted complies with the law and is not for an illegal purpose.
  - There is no reason why those <sup>+</sup>securities should be not be granted <sup>+</sup>quotation.
  - An offer of the <sup>+</sup>securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

  - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any <sup>+</sup>securities to be quoted and that no-one has any right to return any <sup>+</sup>securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the <sup>+</sup>securities be quoted.
  - We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the <sup>+</sup>securities to be quoted, it has been provided at the time that we request that the <sup>+</sup>securities be quoted.
  - If we are a trust, we warrant that no person has the right to return the <sup>+</sup>securities to be quoted under section 1019B of the Corporations Act at the time that we request that the <sup>+</sup>securities be quoted.
  
3. We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
  
4. We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before <sup>+</sup>quotation of the <sup>+</sup>securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: .....  
(Secretary)

Date: 4 May 2012

Print name: Alfonso Grillo