



**Nagambie Mining Limited**  
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The Manager  
Company Announcements Office  
Australian Securities Exchange

## **\$0.55 Million Placement of Convertible Notes**

Nagambie Mining (ASX Code: NAG) is pleased to announce the placement of 13.75 million convertible notes at 4.0 cents each to sophisticated and professional investors, raising a total of \$550,000. The 4.0 cent price represents a 48% premium to the last sale price for the fully paid ordinary shares of 2.7 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 increase in working capital, together with the projected income from non-gold activities for the 2012 financial year of over \$500,000, will enable the Company to continue to build towards its medium term objective, that being:

- To produce 10,000 ounces of gold per year at an annual operating profit in the range of \$7 million to \$10 million over an operating life of at least 10 years.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Alfonso Grillo', is written over a faint circular stamp.

Alfonso Grillo  
Company Secretary