

**CHAIRMAN'S ADDRESS**  
**BY MR MICHAEL TRUMBULL AT THE ANNUAL GENERAL MEETING**  
**OF NAGAMBIE MINING LIMITED HELD AT LEVEL 3, 600 BOURKE**  
**STREET, MELBOURNE AT 11.00 AM ON FRIDAY 28 NOVEMBER 2014**

Good morning ladies and gentlemen.

The last 12 months have been very successful for Nagambie Mining. The highlights have been:

1. The declaration of Wandean as a virgin gold discovery;
2. The purchase of the entire high grade Clonbinane Goldfield for only 4% of the Company's shares;
3. The long term commitment by the Australian Department of Defence to lease an underwater explosives testing site at the Nagambie Mine for \$150,000 per year plus uncapped CPI; and
4. The progress of the Company's aspirations to receive and store both construction spoil, particularly potential acid sulphate material, and hard inert landfill waste.

**Firstly, the Wandean Gold Discovery**

Wandean is Nagambie Mining's first virgin gold discovery (we expect to find more) and confirmed that the Company's systematic, focussed exploration techniques are very effective. The Wandean deposit remains open to the east and costeaning is planned ahead of bulk sampling and trial mining. Average grade is yet to be determined but is expected to be in the range of 1.0 – 1.5 g/t gold. We are targeting total operating costs for Wandean of A\$900 per ounce or less.

One of the keys to Nagambie Mining's exploration advantage in Central Victoria is its experimental surface soil sampling protocols. The protocols for Wandean, developed by the Company's Exploration Director, Geoff Turner, succeeded in targeting the economic mineralisation below surface whereas historical soil sampling in the area had failed to do so.

**Secondly, the Clonbinane Goldfield**

Nagambie Mining is initially interested in mining the oxide cap of the Apollo deposit which has an Inferred Resource of 137,000 tonnes at 2.6 g/t gold for 11,450 ounces.

Mining would be grade controlled and carried out using a hydraulic excavator, with no drilling and blasting being required. The mined ore would be trucked north to the Nagambie Mine for heap-leach treatment.

Indicated gold recovery is in the range of 80% to 85% and we are targeting total operating costs of A\$500 per ounce or less.

**Thirdly, the Underwater Explosives Testing Facility or UETF**

The Australian Department of Defence (or DOD) considered all possible sites in Australia to develop a new UETF and the Nagambie Mine site was their clear preference. The initial agreement runs for 20 years but it is expected that new agreements would be negotiated as long as Australia has a Navy and wishes to be in the forefront of naval technology.

The first agreement will generate a total of \$3 million in lease fees for Nagambie Mining plus uncapped cost of living (CPI) increases. The DOD expects to use the site for around 6 weeks per year.

**Fourthly, Landfill at the Nagambie Mine**

The Nagambie Mine is 120 km north of the Melbourne CBD and connected by the Hume and Goulburn Valley Freeways. With Melbourne's projected population growth and the limited life of metropolitan landfill sites, the large degraded mine site at Nagambie represents an ideal long term landfill asset. Nagambie Mining is currently preparing a submission to be included in the Landfill Schedule for the Goulburn Valley Waste and Resource Recovery Area.

The Nagambie Mine could ultimately, over many decades, take up to 20 million tonnes of hard inert waste. Environmental and waste management developments over the last decade in Victoria mean that landfill sites can be very profitable.

**Lastly, Construction Spoil at the Nagambie Mine**

The Company has recently become aware that the 1990's open pits at the Nagambie Mine represent ideal under-water sites for potential acid sulphate spoil from construction projects in Melbourne. The first proposed site, the West Pit, has a volume of 1.4 million cubic metres below the water surface and could take up to around 2.7 million tonnes of spoil. The second site, the East Pit, could take a larger volume.

Nagambie Mining is currently preparing an Environmental Management Plan for submission to EPA Victoria to enable the West Pit to accept potential acid sulphate spoil.

With an exciting 12 months ahead of the Company, once again I would like to thank my fellow directors and the small but focussed Nagambie Mining management team for their continued efforts in advancing all aspects of the Company's activities.

Mike Trumbull  
Executive Chairman