NAGAMBIE RESOURCES

DECEMBER 2018 QUARTERLY REPORT — 31 JANUARY 2019

HIGHLIGHTS

- Geoff Turner, a principal consultant to Nagambie Resources, presented a geological paper at the OREAS Victoria Minerals Round-Up 2018, highlighting the gold prospectivity of the Nagambie region.
- Down-the-hole (DTH) IP to be trialled as a tool to indicate anomalous sulphide zones at depths greater than 400m below surface. To enable DTH IP to be carried out after each diamond drill hole is completed, and so guide future drilling in each area, drilling will now alternate between Nagambie Mine West and Wandean.
- NND001, the first diamond hole into the eastern edge of Nagambie Mine West, was completed at 1,116m down hole (approximately 880m vertically below surface). The presence of significant carbonates and anomalous copper for the first time is positive and correlations with NND002 will be examined. The best gold grade intersected of 6.98 g/t over 0.5m was associated with disseminated arsenopyrite needles (3,190 ppm arsenic), symptomatic of Fosterville-style gold mineralisation.
- NND002, collared 200m west of NND001, is currently 684m down hole and tracking towards the Nagambie Mine Thrust.
- WTD001, the first deep diamond hole to be drilled under the Wandean oxide-gold mineralisation, is planned to intersect the mineralised quartz-carbonate zones around 500m down hole.
- Following further competitor research for the PASS management that will result from tunnelling for the West Gate Tunnel and Melbourne Metro Rail, Nagambie Resources considers that it has a significant market advantage because:
  1) Underwater storage of PASS is the preferred "best practice" method, as set out in both the EES and the ERT for Metro Rail;
  2) Operating costs for Nagambie Resources' underwater PASS storage are low relative to the costs of "liming" the PASS at Melbourne above-ground sites; and
  3) Carbon emissions produced from lime production and the "liming" of PASS in Melbourne are roughly four times greater than the carbon emissions produced from trucking the PASS to the Nagambie Mine and placing it under water.

COMMENTARY

Nagambie Resources' Chairman, Mike Trumbull said: *"We are very pleased that Newmont, the world's biggest gold producer, has pegged a large exploration licence between Fosterville / Lockington and Nagambie. It is not surprising that Newmont has joined in the hunt for the next "Fosterville".*

"DTH IP could be a very valuable tool, letting us maximise the value we get from each deep diamond drill hole.

"2019 promises to be a big gold year for Nagambie Resources. It also promises to be the year when the Company can finally utilise its market advantage for the management of PASS from Melbourne's major road and rail infrastructure projects – which are committed to worlds' best practice environmentally."

NAGAMBIE RESOURCES

Exploration for Fosterville-style, structural-controlled, high grade sulphide-gold underground deposits within 2,000 sq km of Waranga Province tenements is being methodically carried out using geophysical targeting techniques and oriented diamond drilling.

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, West Gate Tunnel and North-East Link.

Recycling of the tailings and overburden dumps can produce aggregates for concrete and gravel products respectively.

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
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GOLD DEVELOPMENTS IN CENTRAL VICTORIA

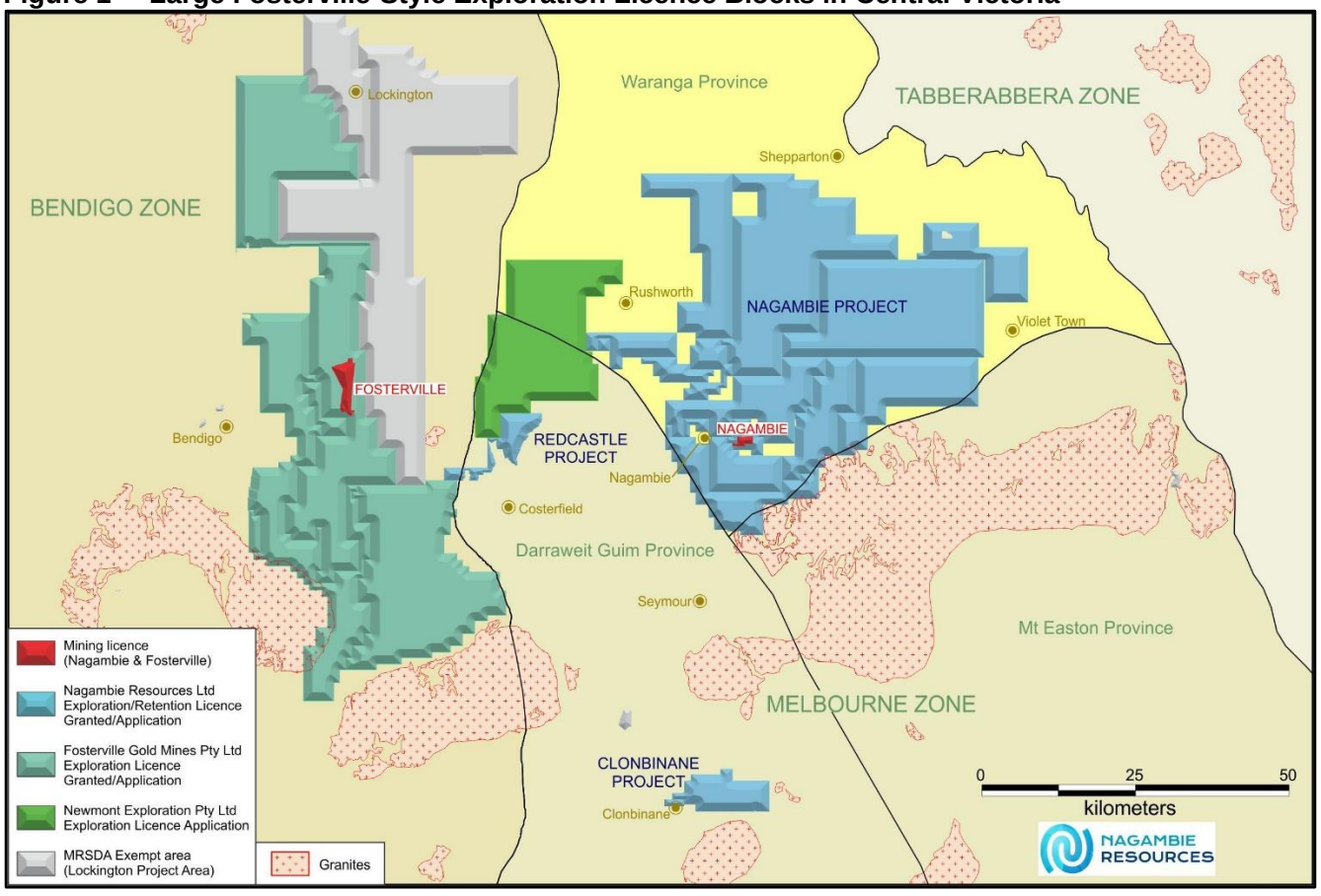
Fosterville

The Fosterville Gold Mine (refer Figure 1) announced further spectacular high-grade gold production and deep drilling results during the quarter. Based on those results, the industry is now expecting end-of-year gold reserves at Fosterville, due to be announced in February, to have increased dramatically.

Newmont Mining

Newmont Mining, soon to regain its position as the world's biggest gold producer, has applied for a large exploration licence to the east of the Fosterville / Lockington tenements and to the west of Nagambie Resources' tenements in the Waranga Province (refer Figure 1). Fosterville is fast becoming one of the world's greatest gold mines, so it is not surprising that Newmont, who have never before explored for gold in central Victoria (Newmont have previously explored in eastern Victoria and western Victoria), have joined in the hunt for the next "Fosterville".

Figure 1 Large Fosterville-Style Exploration Licence Blocks in Central Victoria

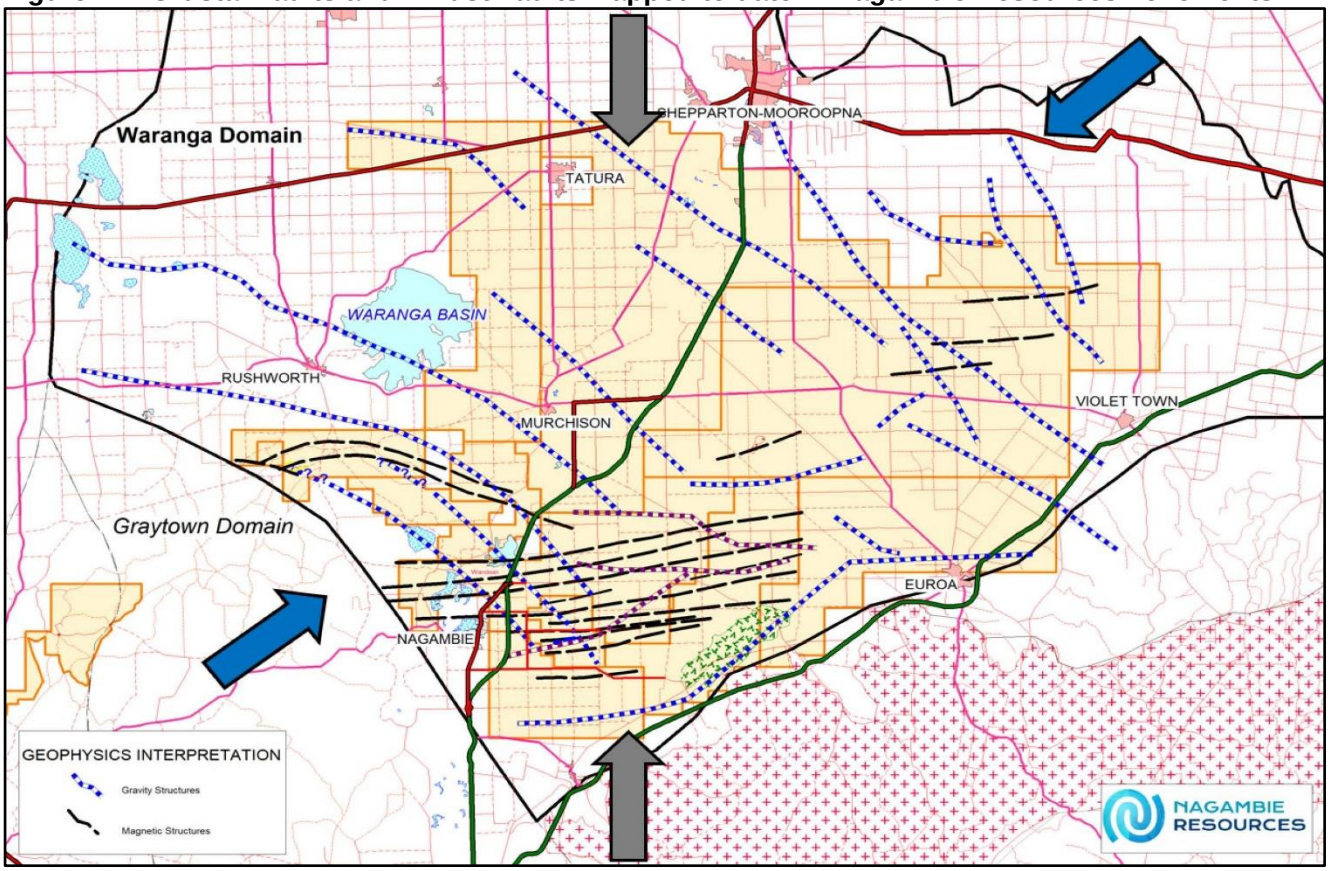


Geological Paper on Waranga Province

In November 2018, Geoff Turner, a principal consultant to Nagambie Resources, presented a paper "New Exploration Concepts for Nagambie and the Northern Part of the Melbourne Zone" (https://www.aig.org.au/victorian-branch-presentations and https://www.nagambieresources.com.au/gold-exploration-concepts) at the OREAS Victoria Minerals Round-Up 2018. Around 125 industry and Geological Survey of Victoria geologists attended and many were introduced for the first time to the significant prospectivity of the Waranga Province and its geological "nearology" to the Fosterville / Lockington area.

Geoff Turner consulted to Perseverance in the early years of Fosterville and is credited with discovering the Lockington gold deposit under extensive Murray Basin cover for Goldfields. A key diagram in the paper, showing the currently mapped crustal faults and intersecting thrust faults in Nagambie Resources tenements, is shown in Figure 2.

Figure 2 Crustal Faults and Thrust Faults Mapped to date in Nagambie Resources Tenements



GOLD EXPLORATION

Waranga Geological Model (WaGM) and Waranga Mineralisation Model (WaMM)

Nagambie Resources has continued to improve and refine the WaGM for Fosterville-style underground gold mineralisation utilising a variety of geophysical methods (aeromagnetics, gravity and ground IP (induced polarisation)), geochemistry (proprietary soil sampling), field mapping and diamond core drilling.

The WaMM will result from the WaGM, as a mineralisation model is conceptualised for various areas within the Company's Waranga tenements. The first two areas to be considered will be Nagambie Mine West, where diamond drilling has commenced, and Wandean, where diamond drilling is planned to commence in the March 2019 quarter (refer Figure 3).

Down-the-hole (DTH) IP

Nagambie Resources has decided to trial DTH IP as a tool to indicate anomalous sulphide zones at depths greater than 400m below surface, the typical limit of ground IP in the Nagambie region. To enable the DTH IP to be carried out after each diamond drill hole is completed, and so guide future drilling in each area, the current drilling rig will alternate between Nagambie Mine West and Wandean.

Nagambie Mine West Diamond Drilling

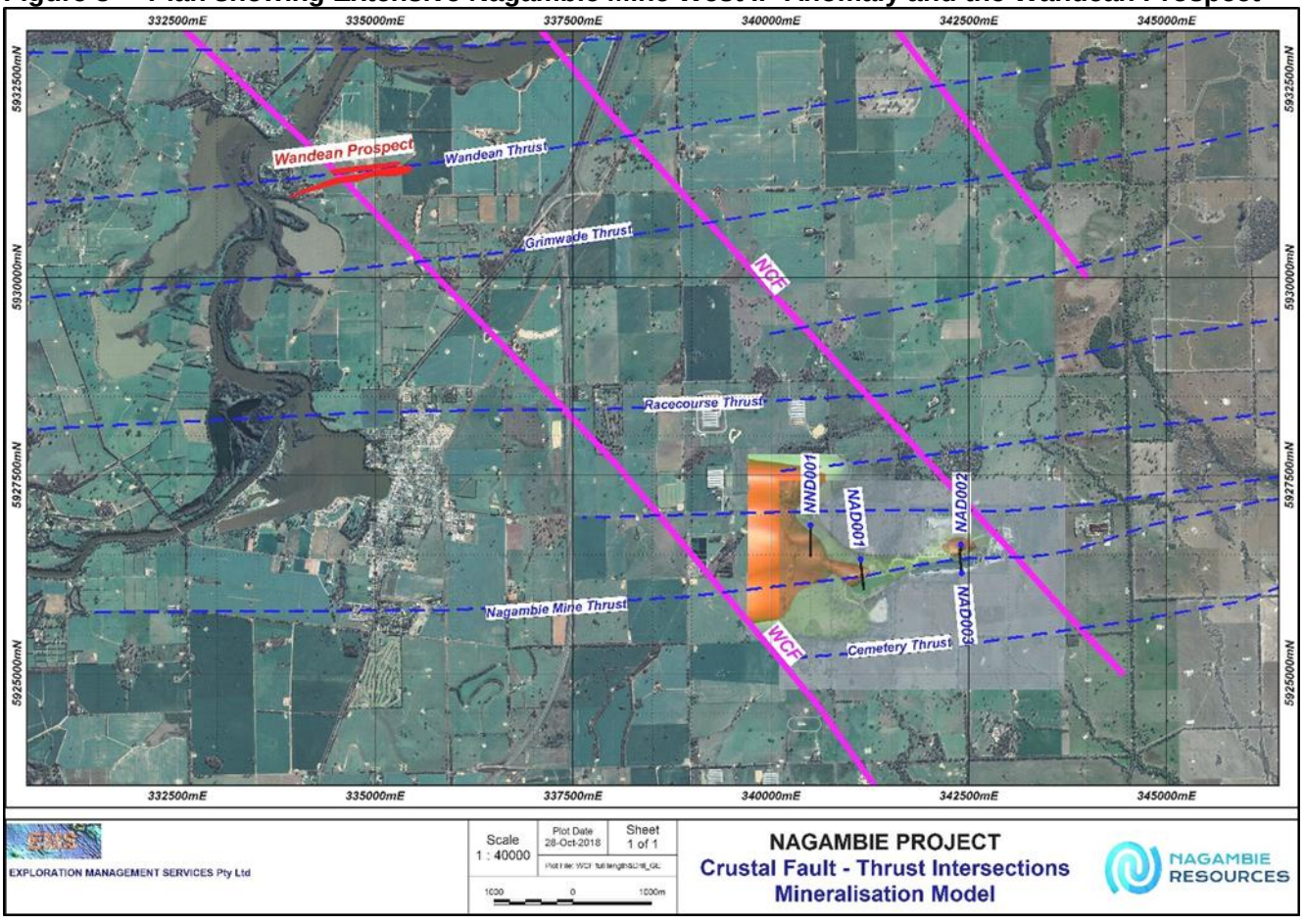
NND001, the first diamond hole into the eastern edge of Nagambie Mine West, was completed during the quarter at a down-the-hole depth of 1,116m (approximately 880m vertically below surface). Figure 4 shows the drill hole trace with logged quartz above the trace and calculated pyrite below the trace. Three interpreted thrust-related faults are shown against the IP chargeability colour contours. However, NND001 is interpreted to have stopped short of the Nagambie Mine Thrust Fault, the principal thrust fault associated with the East Pit oxide-gold mineralisation.

Two gold intersections in NND001 exceeded 1.0 g/t :

Gold Intersections greater than 1.0 g/t gold					
Hole ID	From	To	Thickness	Gold	Arsenic
	(m)	(m)	(m)	(g/t)	(ppm)
NND001	846.9	847.4	0.5	6.98	3,190
NND001	975.4	976.4	1.0	3.66	146

The 6.98 g/t gold intersection, while narrow, contained disseminated arsenopyrite needles. Elevated gold and arsenic values in combination are symptomatic of Fosterville-style gold mineralisation.

Figure 3 Plan showing Extensive Nagambie Mine West IP Anomaly and the Wandean Prospect



Notably, several coarse sandstone sections intersected in NND001 were flooded with both hydrothermal quartz and carbonate whereas little carbonate is present in the Nagambie Mine mineralisation to the east. The quartz-carbonate intersections in NND001 are similar to the quartz-carbonate boulders found outcropping at Wandean close to the mineralising Wandean Crustal Fault.

Anomalous copper values were also present in NND001, the first time copper has been detected in the Nagambie area.

The presence of significant carbonates and anomalous copper for the first time is positive and correlations with NND002 will be examined. NND001 is over 1,300m east of the Wandean Crustal Fault. NND002, the diamond hole currently being drilled in Nagambie Mine West, is collared 200m west of NND001 (that is, 200m closer to the Wandean Crustal Fault). The intensity of the recorded IP chargeability increases significantly to the west over the 200m distance, going from a maximum of 7.0 mV/V to 8.0 mV/V.

The JORC (2012 Edition) Table 1 Checklist for NND001 is attached at the end of this report.

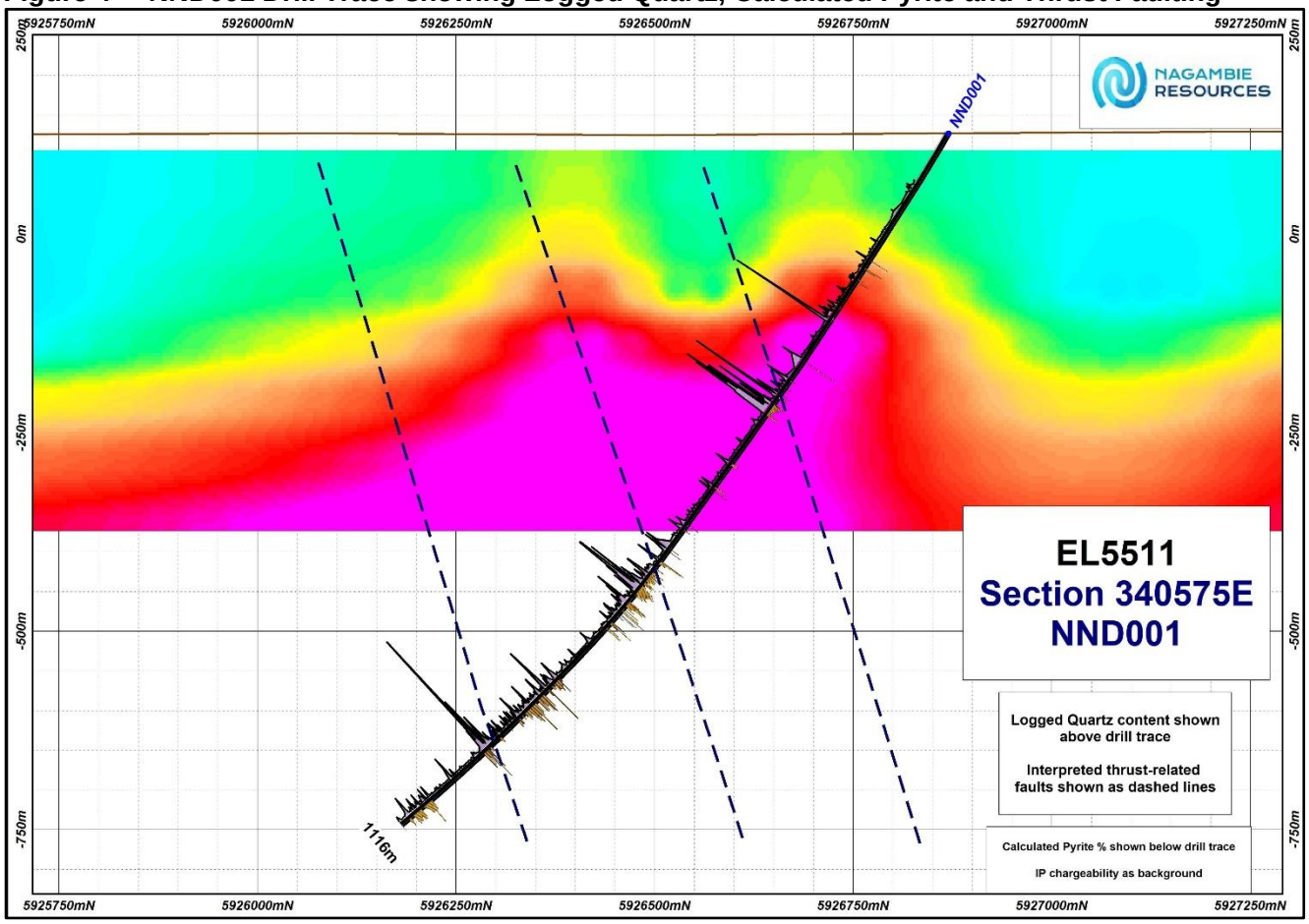
NND002 is currently 684m down hole. To date, the stratigraphy in NND002 is matching up with NND001. NND002 is lifting significantly as planned, currently at 38.5 degrees below horizontal compared with 55 degrees at the collar, meaning that NND002 should traverse further to the south and hopefully will intersect the Nagambie Mine Thrust Fault.

Wandean Diamond Drilling

As mentioned above, the current truck-mounted drilling rig will alternate between Nagambie Mine West and Wandean to enable DTH IP to be carried out after each diamond hole is completed, and so guide future drilling in each area.

The first deep diamond hole planned for Wandean, WTD001(p), is shown in Figure 5. It has been designed to have the same easting, 334,760mE, as the trial north-south line of ground IP at Wandean. The trial IP only "looked" around 100m below surface but did pick up the start of an anomalous sulphide zone below and down dip of the oxide gold mineralisation delineated by RC (reverse circulation percussion) drilling. The trial IP line also indicated an anomalous zone around 300m to the north of the main oxide gold zone. This northern anomaly was never drilled and WTD001 has been planned to intersect it around 1,000m down hole.

Figure 4 NND001 Drill Trace showing Logged Quartz, Calculated Pyrite and Thrust Faulting



The conceptual target silica zones to be intersected by WTD001(p) are based on RC drilling results on sections 25m to the west (334,760mE – refer Figure 6) and 20m to the east (334.780mE – refer Figure 7).

Figure 5 Wandean 334,760E showing WTD001(p), Mineralised Silica Zones and Trial IP

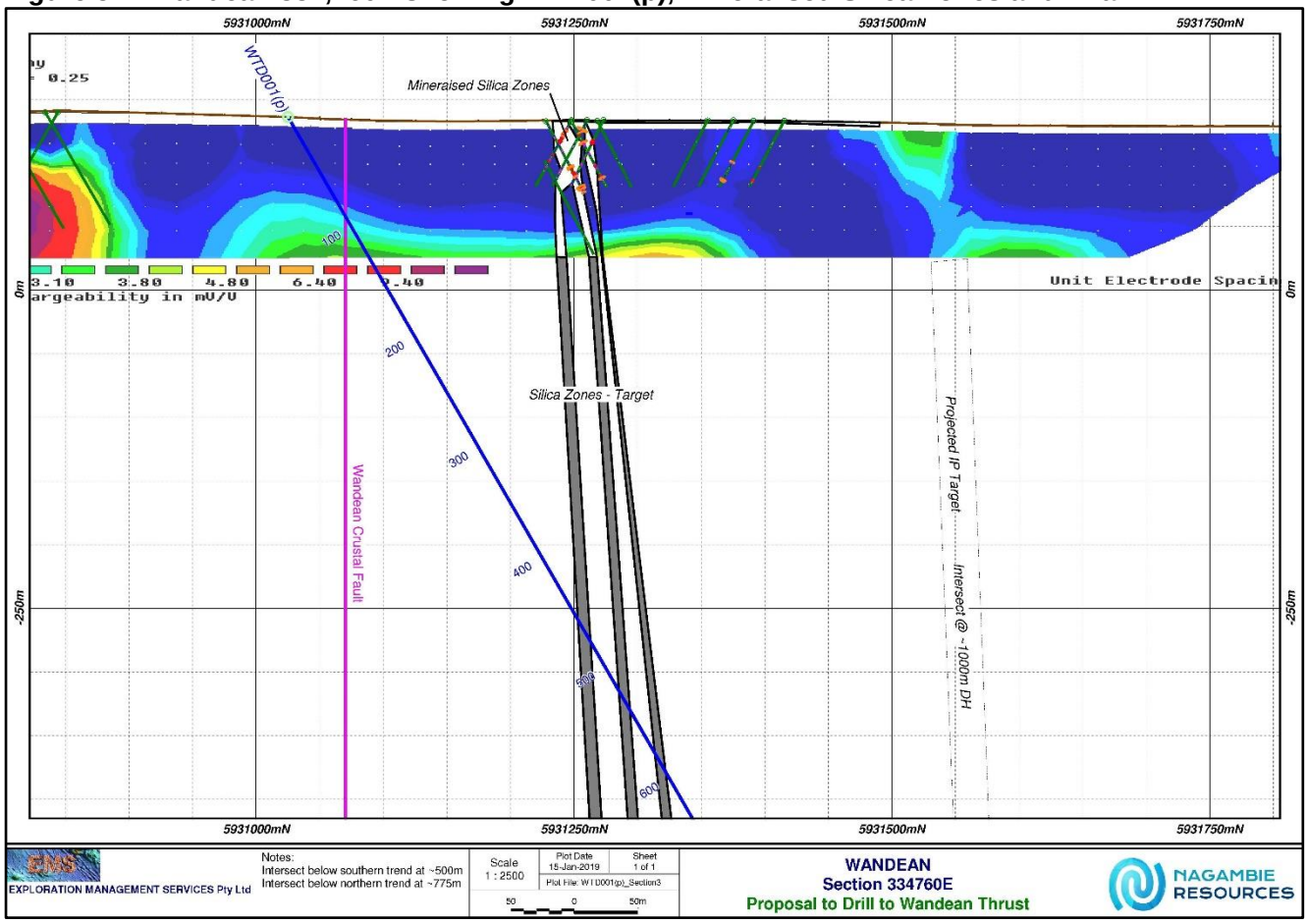


Figure 6 Wandean 334,735E showing RC Drilling Results and Logged Silicified Zones

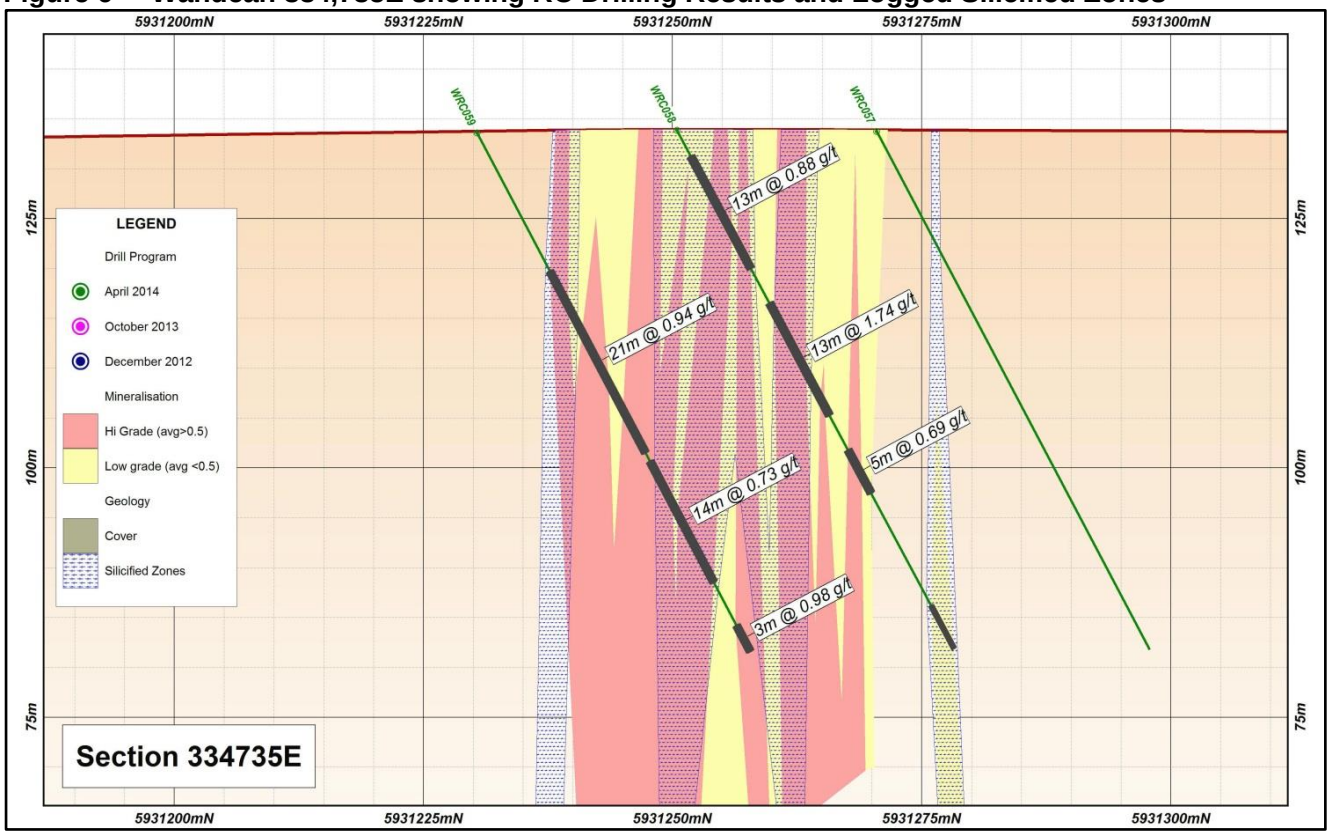
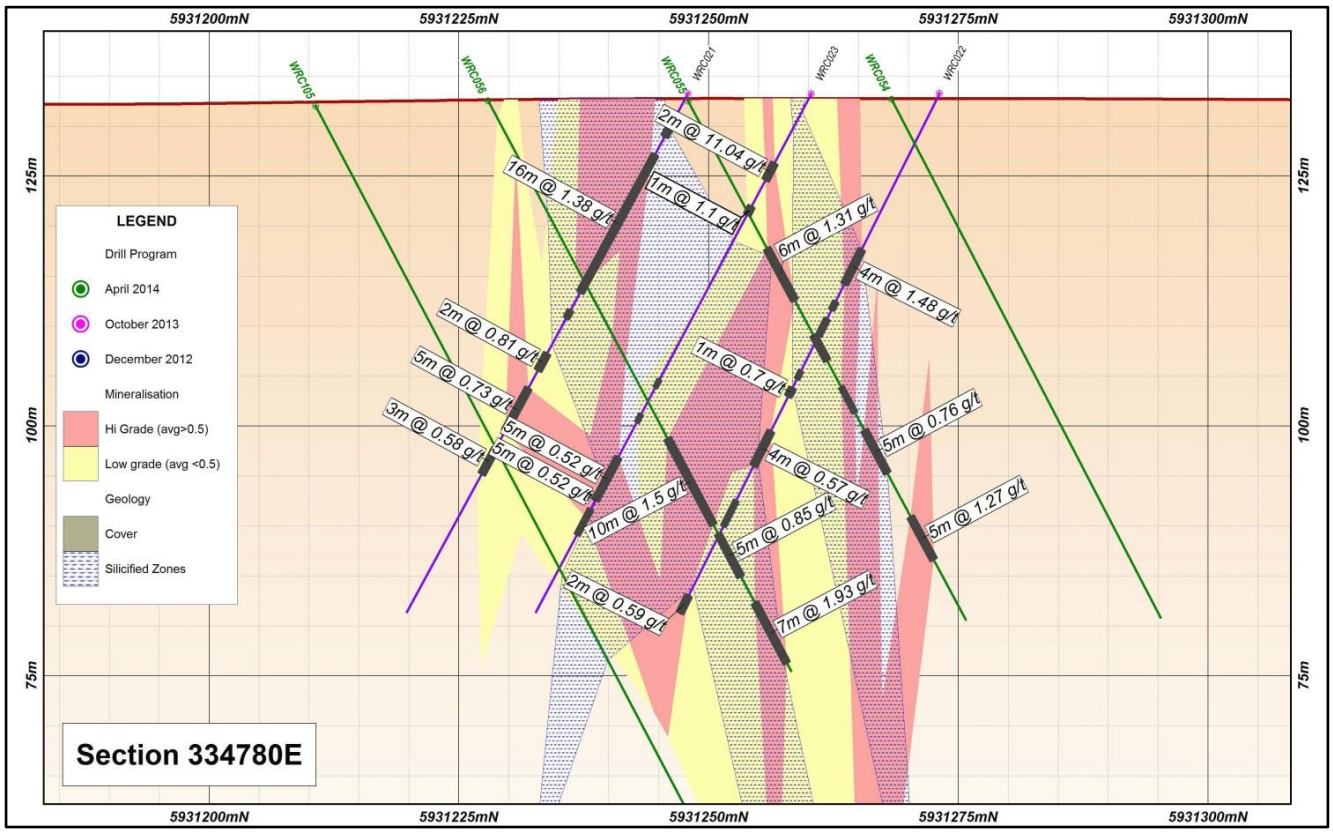


Figure 7 Wandean 334,780E showing RC Drilling Results and Logged Silicified Zones



Core Shed

To date, the gold room area in the 1990s ore treatment shed at the Nagambie Mine has been used to log the core, photograph the core in the core trays (both wet and dry), saw sections of the core for assay and to store all the cut and uncut core.

It is now planned to establish a dedicated core shed in the light plane hanger (see Photo 1) on the farming property that Nagambie Resources is acquiring on the south-western border of the Nagambie Mine. The hanger has large windows on its western side and sliding doors on its eastern side which can be opened up completely, making it ideally suited to be a core shed.

Gold Tenements and Changes

Nagambie Resources group tenements as at 31 December 2018 are listed in detail in Appendix 1 (plan and table). EL 6887 "Nagambie North" of 8.0 sq km was applied for. EL 5511 "Nagambie" and EL 6421 "Pranjip" were reduced in size to 24 sq km and 129 sq km respectively.

PASS MANAGEMENT PROJECT

During the quarter, the Company carried out research on its competitors for the PASS management that will result from tunnelling and other excavation for the West Gate Tunnel and Melbourne Metro Rail. Both projects are expected to begin tunnelling operations in mid CY2019.

Nagambie Resources considers that it has a significant market advantage because:

- Underwater storage of PASS is the preferred "best practice" method of off-site management, as set out in both the Environmental Effects Statement (EES) and the resulting Environmental Requirements Table (ERT) for Metro Rail;
- Operating costs for Nagambie Resources' underwater PASS storage are low relative to the costs of thoroughly blending lime with PASS at Melbourne above-ground sites, the less-preferred "best practice" method; and

- Carbon emissions produced from lime production and the "liming" of PASS in Melbourne are roughly four times greater than the carbon emissions produced from trucking the PASS to the Nagambie Mine and placing it under water.

Photo 1 Planned Core Shed before Core Tray Racking is Installed

QUARRYING

Nagambie Resources is considering a leasing offer for a newly-developed Astec GT165MF track-mounted scalping / screening machine. The GT165MF could remove all oversize material from the heap-leach tailings and screen off 14mm aggregates – with undersize feeding directly to the existing Astec GT205MF track-mounted screening unit. The GT205MF would screen off 10mm and 7mm aggregates – with the fines being stockpiled for later gold recovery.

The GT165MF unit could also remove oversize rocks from the overburden stockpiles to produce various sizes of rock fill material when required.

CORPORATE

Cash

At 31 December 2018, total cash held by the group was $1,014,000 plus $1,000,000 remained undrawn under the two-year Unsecured Loan Facility.

A total of $1,642,500 was raised from the 2018 SPP ($1,042,500 at 6.2 cents per share) and a share placement at the same time ($600,000 at 6.2 cents per share). Of that total, $346,000 was raised at the end of the September 2018 quarter and $1,296,500 was raised at the beginning of the December 2018 quarter.

$163,000 was raised during the quarter from the exercising of 1,630,000 unlisted options.

Unlisted Options Issued to Directors, Consultants and Employees

As above, 1,630,000 unlisted options with an expiry date of 3 December 2018 and an exercise price of $0.10 each were exercised during the quarter, raising $163,000 for the Company. 3,120,000 unlisted options lapsed, unexercised, on 3 December 2018.

The remaining options, their expiry dates and the exercise funds that could be paid to Nagambie Resources are as follows:

Exercise Date	Number	Exercise Price	Exercise Funds
28 November 2019	10,100,000	$0.10	$1,010,000
16 November 2020	3,300,000	$0.10	$330,000
16 November 2020	8,000,000	$0.10	$800,000
4 July 2021	2,000,000	$0.255	$510,000
30 November 2021	12,500,000	$0.25	$3,125,000
24 November 2022	13,750,000	$0.10	$1,375,000
20 December 2022	1,000,000	$0.141	$141,000
22 August 2023	4,500,000	$0.126	$567,000
23 November 2023	10,500,000	$0.108	$1,134,000
	65,650,000		**$8,992,000**

James Earle
Chief Executive Officer

STATEMENT AS TO COMPETENCY

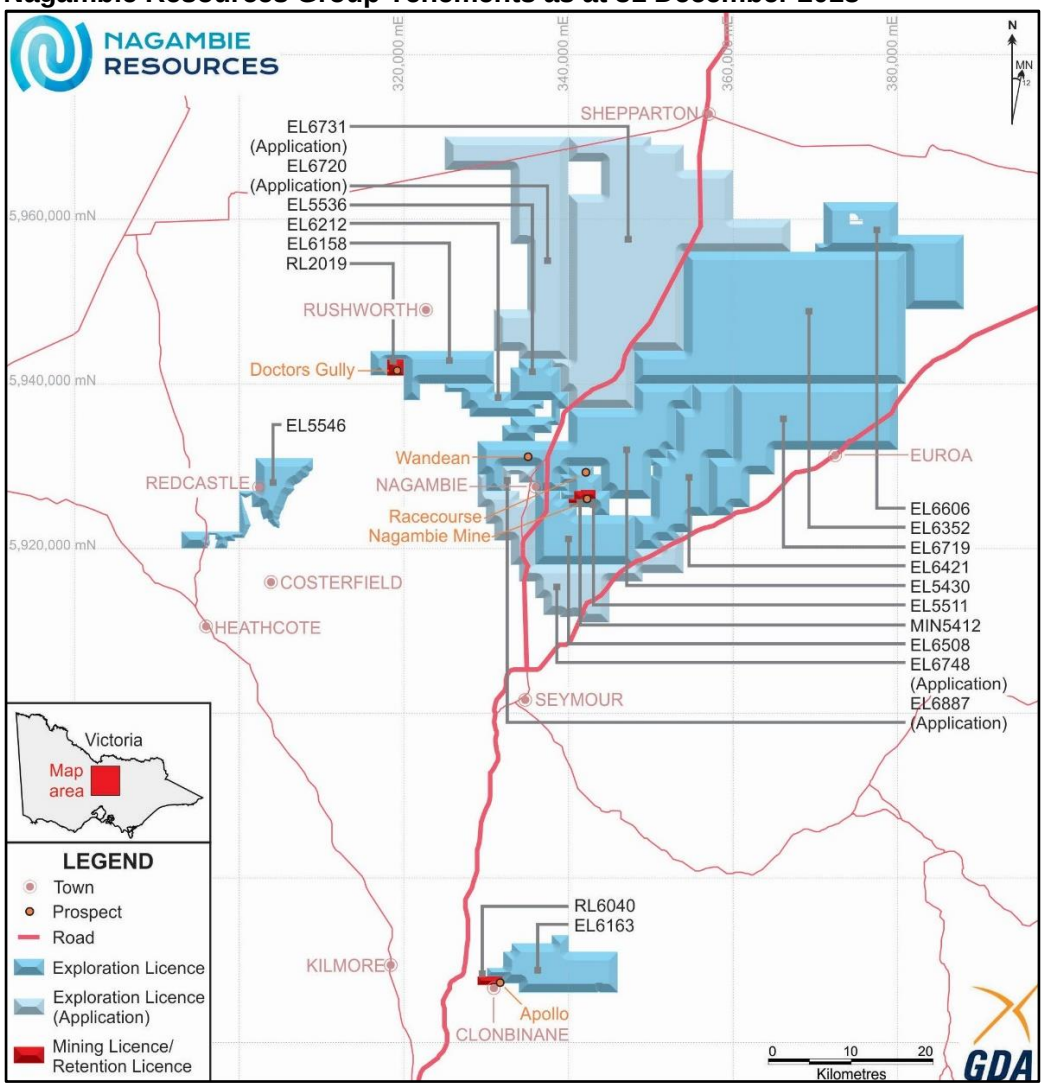
The Exploration Results in this report have been compiled by Dr Rod Boucher and Mr Geoff Turner. Rod Boucher has a PhD in Geology, is a Member and RPGeo of the Australian Institute of Geoscientists and is a Member of the Australian Institute of Mining and Metallurgy. Geoff Turner is a Fellow of the Australian Institute of Geoscientists. Both Rod Boucher and Geoff Turner have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which they are undertaking, to qualify as Competent Persons as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Both consent 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.

APPENDIX 1

Nagambie Resources Group Tenements as at 31 December 2018



Nagambie Resources Group Tenements as at 31 December 2018

Tenement Number	Tenement Name	sq km
MIN 5412	**Nagambie Mining Licence**	3.6
EL 5430	**Bunganail Exploration Licence**	181.0
EL 5511	**Nagambie Exploration Licence**	24.0
EL 5536	**Wandean North Exploration Licence**	48.0
EL 6212	**Reedy Lake North Exploration Licence**	30.0
EL 6158	**Rushworth Exploration Licence**	56.0
RL 2019	**Doctors Gully Retention Licence**	4.0
EL 6352	**Miepoll Exploration Licence**	455.0
EL 6421	**Pranjip Exploration Licence**	129.0
EL 6508	**Tabilk Exploration Licence**	84.0
EL 6606	**Gowangardie Exploration Licence**	120.0
EL 6719	**Euroa Exploration Licence**	204.0
ELA 6720	**Tatura Exploration Licence Application**	214.0
ELA 6731	**Arcadia Exploration Licence Application**	493.0
ELA 6748	**Waranga Exploration Licence Application**	136.0
ELA 6887	**Nagambie North Exploration Licence Application**	8.0
	Subtotal Waranga Province	**2,189.6**
EL 6163	**Clonbinane South Exploration Licence**	79.0
RL 6040	**Clonbinane Retention Licence**	3.0
EL 5546	**Redcastle Exploration Licence**	69.0
	Total	**2,340.6**

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• All sampling and logging has been supervised and conducted by Dr Rodney Boucher, Linex Pty Ltd, Consulting Geologist to Nagambie Resources and by geological and field staff at the Nagambie Resources mine site. • All material is collected in commercially available diamond core trays. • Diamond core is cleaned and marked metre-by-metre. • The geologist determines which parts of the drill hole are to be sampled using criteria such as presence of quartz and mineral occurrence. Sample intervals are based on lithology and veining but in general were 1m. • The samples are cut with a core saw, with half collected for laboratory submission, the remaining half transferred back to the core tray for storage. • No intervals were less than 0.20 m or greater than 1.4m. • The diamond drill samples were submitted to Australian Laboratory Services (ALS) in Adelaide, South Australia for sample preparation. Sample preparation involved sample crushing to 6 mm, pulverise and then screened to 75 micron and split off 25 g. Samples were then sent to ALS in Perth for analysis. Au analysis is conducted with an aqua regia extraction and ICPMS finish (ALS code Au-TL43). As, Ag, Sb, Cu, Pb, Zn and S analysis is conducted with an aqua regia digestion and ICPAES analysis (ALS code ME-ICP41).
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• NND001 was drilled using a track mounted Sandvik 710DE drill rig. The cover was rotary-mud drilled to 80m. The hole was then cased HQ to 137.8 followed by NQ core to end of hole. Final hole depth was 1116 m. • The hole was surveyed with a single shot camera, nominally every 30 m where practicable. • Core is orientated using Boart Longyear's TruCore core orientation system and validated by geological observations and stereonet plots.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• Core recoveries were measured by the senior field assistant for each drill run comparing length of core recovered versus drill depth. Core recovery for each hole was logged and recorded in the database. • The driller is under instruction to monitor recovery and rectify core loss through adjusting drill rig operation. • No strong relationship between core recovery and grade is evident. • Drilling has occurred on day shift only.
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All core is geologically logged at 10 centimetre intervals to a standard that follows industry common practice and is suitable for future use in interpretation and resource estimation. • Logging of samples includes but is not limited to lithology, mineralogy, alteration, veining, weathering and structure. • Drill core structural measurements are logged prior to cutting/sampling. Bedding, vein, joint and fault orientations are measured. • All core is photographed wet and dry.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• Half core is sampled using a core saw. The right half of the core (viewed down hole) is submitted for assay. • Company core cutting, and sampling procedures were followed to ensure sampling consistency. • 1 m of non-mineralised material from either side of significant mineralised zones was submitted with the samples to the laboratory as part of the quality control process. • No second half sampling has been conducted. • The sample sizes are considered to be appropriate for the type of mineralisation in this area.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading*	• The sample preparation and analytical procedures are considered appropriate for the style of mineralisation. • ALS provide details of their routine quality controls. • 1 in 15 samples are duplicate assayed for quality control and quality assurance testing. • One standard sample is inserted per approximately 20 samples

Criteria	JORC Code explanation	Commentary
	times, calibrations factors applied and their derivation, etc. • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.*	dispatched for assay. • Laboratory standards and blanks are inserted for quality control and quality assurance testing.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• All assay and drillhole data are imported and stored in a database. • Significant intersections are verified by the logging geologist and the Consulting Geologist. • No twinned holes have been drilled. • Primary data for drill holes was compiled onto paper-based logging templates and was then transferred into a database and validated by a geologist. Back up digital copies of all paper log sheets are also kept. • No adjustments have been made to any assay data contained in this report.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• All drill hole location coordinates are measured using handheld GPS. • Collar surveying was performed by the consulting geologist personnel. This is considered appropriate at this stage of exploration. • All drill holes were downhole surveyed. Down hole surveys were conducted by the drilling contractor every 30m down hole. • Drilling orientation is established prior to collaring with clinometer and compass. • The grid/projection system used is GDA MGA 94 Z55. • The RL was recorded for each drill hole from the GPS and verified using publicly available satellite and aerial imagery.
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• NND001 is approximately 1000m NW of the West Pit. (Refer location map). • Sample intervals were based on lithology but in general were 1 m.
Orientation of data in relation to	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to*	• NND001 was designed to drill approximately perpendicular to the trend of bedding, faults and to the IP anomaly. • There is insufficient drilling data to determine if any bias can be detected in the data.

Criteria	JORC Code explanation	Commentary
geological structure	*have introduced a sampling bias, this should be assessed and reported if material.*	
Sample security	• *The measures taken to ensure sample security.*	• All core drilled has been processed and cut at a secure shed on the Nagambie mine site and dispatched to the laboratory by a national courier. • Sample number receipt information from the laboratory is cross-referenced and rationalised against sample number dispatch information.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No processes or data used in developing the release of exploration results have been subject to audit or review by non-company personnel or contractors so as to reduce timelines for reporting.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• NND001 is located on EL5511 and is 100% owned by Nagambie Resources Ltd.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Open pit mining at Nagambie was conducted in the 1990's. Previous drilling under the pits was conducted by Panaegis Gold Mines Ltd in 2006 and 2007. The current drilling is in to a new target identified by an IP survey conducted in early 2018 (refer ASX:NAG 22/3/18). NND001 is part of a drilling program to test these anomalies. • No drilling in the area covered by the Nagambie Mine West target has occurred previously.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The host rocks at Nagambie are marine sandstones and shales. Previous mining shows gold is associated with quartz veining and faulting in anticlinal folds.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>• The mineralisation style at Nagambie is orogenic gold and gold mineralisation is disseminated within pyrite, arsenopyrite and stibnite.</td></tr>
<tr><td>Drill hole Information</td><td>• A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:
○ easting and northing of the drill hole collar
○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
○ dip and azimuth of the hole
○ down hole length and interception depth
○ hole length.
• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</td><td>• No material drill hole information has been excluded.
<table><tr><th>Hole ID</th><th>Easting</th><th>Northing</th><th>RL</th><th>Depth</th><th>Azimuth</th><th>Dip</th></tr><tr><td>NND001</td><td>340500</td><td>5926870</td><td>126.8</td><td>1116</td><td>180</td><td>-48</td></tr></table>Map Datum MGA94, Zone 55, AHD</td></tr>
<tr><td>Data aggregation methods</td><td>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.
• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.
• The assumptions used for any reporting of metal equivalent values should be clearly stated.</td><td>• Weighted averages of results through each intersection are reported.
• No cut-off grades are applied.
• Only intersections greater than 1.0 ppm gold are reported in detail. Other assayed intersections are reported graphically.</td></tr>
<tr><td>Relationship between mineralisation widths and intercept lengths</td><td>• These relationships are particularly important in the reporting of Exploration Results.
• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.
• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).</td><td>• Mineralisation widths are based on down hole lengths.
• There is insufficient drilling data to determine continuity of mineralised domains.</td></tr>
<tr><td>Diagrams</td><td>• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a</td><td>• Refer to figures.</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
	plan view of drill hole collar locations and appropriate sectional views.	
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• All gold values have been reported.
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• All relevant data is presented in the text, tables and diagrams.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further drilling will be testing the remainder of the IP anomalies, together with follow-up drilling based on interpretation of results.