

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Nagambie Mining Limited (*Company*) will be held at Institute of Chartered Accountants, Level 3, 600 Bourke Street, Melbourne, Victoria on 24 November 2009 at 2.00pm.

BUSINESS:

A. ACCOUNTS AND REPORTS:

Financial and related reports

To table the financial report of the Company and the related reports of the Directors and auditors for the year ended 30 June 2009 and to provide members with the opportunity to raise any issues or ask any questions generally of the Directors.

B. RESOLUTIONS:

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. Re-election of Mr Geoff Turner

'That Mr Geoff Turner, a Director retiring by rotation in accordance with the Company's Constitution and being eligible and having signified his candidature for the Office, be and is hereby re-elected a Director of the Company.'

2. Issue of Options to Directors

'That, for the purposes of ASX Listing Rule 10.11, Chapter 2E of the Corporations Act and for all other purposes, approval be given to the issue of the following Options over unissued shares in the capital of the Company, each to acquire one Share at a subscription price of \$0.10, to the following Directors of the Company:

- (a) 500,000 Options to Mr Michael Trumbull;
- (b) 500,000 Options to Mr Geoff Turner; and
- (c) 1,000,000 Options to Mr Colin Glazebrook,

on the terms and conditions set out in the Explanatory Notes.'

3. Ratification of past issue of Shares

'That for the purpose of ASX Listing Rule 7.4, approval be given in respect of the issue of 9,983,333 fully paid ordinary shares in the Company issued on the dates set out in the Explanatory Notes and on the terms and conditions set out in the Explanatory Notes.'

4. Adoption of Remuneration Report

'That for the purpose of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report for the financial year ended 30 June 2009 be adopted.'

5. **Appointment of Auditor**

Resolution 5 will be put to the Meeting if ASIC has consented to the resignation of Deloitte Touche Tohmatsu as the Company's auditor. Please see the Explanatory Notes for details regarding the resignation of Deloitte Touche Tohmatsu.

"That the Company accept the written consent of William Buck to act as auditor of the Company and appoint William Buck as auditor."

By Order of the Board
Alfonso Grillo

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

Company Secretary
23 October 2009

EXPLANATORY NOTES

These Explanatory Notes form part of the Notice of Annual General Meeting dated 23 October 2009 and should be read in conjunction with that Notice as these Explanatory Notes contain important information on the proposed Resolutions.

A. ACCOUNTS AND REPORTS:

The financial report, directors' report and auditor's report for the Company for the year ended 30 June 2009 will be laid before the meeting. There is no requirement for shareholders to approve those reports. However, the Chairman will allow a reasonable opportunity for shareholders to ask questions or make comments about those reports and the management of the Company. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the preparation and content of the auditor's report.

B. RESOLUTIONS:

1. RESOLUTION 1 – RE-ELECTION OF MR GEOFF TURNER

Rule 16 of the Constitution requires one third of directors to retire each year (by rotation). Mr Geoff Turner retires this year in accordance with this rule and is permitted to seek re-election. Personal particulars for Mr Turner are set out in the Board of Directors information included in the Annual Report.

The Directors recommend shareholders vote in favour of this resolution.

2. RESOLUTION 2 - ISSUE OF OPTIONS TO DIRECTORS

2.1. Introduction

Approval is sought pursuant to ASX Listing Rule 10.11 and Chapter 2E of the *Corporations Act 2001* (Cth) (*the Act*) to issue Options to the following Directors of the Company:

- (a) Michael Trumbull;
- (b) Geoff Turner; and
- (c) Colin Glazebrook.

Subject to obtaining Shareholder approval, the Company will issue the Options to the above Directors of the Company on the terms and conditions set out below.

2.2. Supporting Information

On 17 June 2009, the Company announced to ASX that it proposed to issue the following Options to the Directors of the Company:

- (a) 500,000 Options to Mr Trumbull;
- (b) 500,000 Options to Mr Turner; and
- (c) 1,000,000 Options to Mr Glazebrook.

2.3. ASX Listing Rule 10.11

Pursuant to Listing Rule 10.11 the Company may not issue securities to a related party without the consent of the shareholders. Accordingly, consent is being sought for the purposes of Listing Rule 10.11.

(a) **Name of the person**

The Options will be issued to the following Directors of the Company:

- (i) Mr Trumbull;
- (ii) Mr Turner; and
- (iii) Mr Glazebrook.

(b) **Maximum number of securities to be issued**

The maximum number of Options to be issued (and the maximum number of ordinary shares to be issued upon exercise of the Options) are as follows:

- (i) Mr Trumbull – 500,000 Options;
- (ii) Mr Turner – 500,000 Options; and
- (iii) Mr Glazebrook – 1,000,000 Options.

(c) **Date of issue**

Subject to obtaining Shareholder approval, the Company will issue the Options within one month of the date of this Annual General Meeting.

(d) **Issue price and terms of issue**

The Options will be issued for no consideration.

The Options have an exercise price of 10 cents per Option.

The Options are exercisable between 2 and 5 years from the Options' date of issue, subject to the Director remaining as a Director of the Company.

(e) **Intended use of the funds raised**

There is no intended use of funds as the Options are to be issued for no consideration.

In the event all Options to be issued pursuant to Resolution 2 are exercised, the Company will raise \$200,000.

(f) **Listing Rules 7.1 and 10.11**

Subject to a number of exceptions, Listing Rule 7.1 limits the number of securities that the Company can issue without shareholder approval in any 12 month period to 15% of its issued securities. Shareholder approval of an issue of securities pursuant to Listing Rule 10.11 is an exception to Listing Rule 7.1. If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

2.4. **Corporations Act 2001 (Cth)**

Chapter 2E of the Act prohibits a public company from giving a financial benefit to any of its related parties unless a relevant exception applies.

The term *financial benefit* is widely defined and includes the issue of securities such as options. The term *related party* includes a director of the Company.

The prohibition does not apply where a resolution is passed by the Company permitting the benefit to be given. Accordingly, Resolution 2 is being proposed for the purpose of obtaining Shareholder approval for the purposes of Chapter 2E of the Act.

Section 219 of the Act requires the following information to be provided to Shareholders:

(a) **Related Party**

The following persons are Directors of the Company and are therefore the related party to whom a financial benefit will be given under Resolution 2:

- (i) Mr Trumbull;
- (ii) Mr Turner; and
- (iii) Mr Glazebrook.

(b) **Nature of the Financial Benefit**

The financial benefit to be given to the Directors of the Company pursuant to Resolution 2 is as follows:

- (i) Mr Trumbull - the issue of 500,000 Options;
- (ii) Mr Turner - the issue of 500,000 Options; and
- (iii) Mr Glazebrook - the issue of 1,000,000 Options.

(c) **Directors' Recommendation, Reasons for Recommendation and Directors' Interests**

The Directors of the Company are unable to make a recommendation as to whether Shareholders should approve Resolution 2 as each Director of the Company has an interest in the outcome of Resolution 2.

(d) **Independent Expert Report**

The Company has commissioned DMR Corporate Pty Ltd to provide an Independent Expert Report in relation to the issue of Options proposed by Resolution 2. This Independent Expert Report is attached at Annexure A. These Explanatory Notes and the Independent Expert Report aim to provide Shareholders with all information that is reasonably required by Shareholders to decide whether or not it is in the Company's interests to pass Resolution 2. In particular, the Independent Expert Report provides a valuation of the Options to be issued pursuant to Resolution 2.

(e) **Trading History**

At the close of trading on 16 October 2009, the Share price of the Shares in the Company was 3 cents. In the 12 months prior to the date of this Notice, the Shares in the Company traded at a high of 4.1 cents on 30 September 2009 and 1 October 2009 and a low of 1.8 cents on 21 November 2008.

(f) **Opportunity Cost**

The Directors do not consider that there are any material opportunity costs to the Company or benefits foregone by the Company in issuing the Options pursuant to Resolution 2.

(g) **Taxation Consequences**

The Directors are not aware of any taxation consequences that will arise from the issue of Options pursuant to Resolution 2.

(h) **Director's interest in the Shares of the Company**

Please see the Independent Expert Report attached at Annexure A for a discussion of each Director's interest in the Company's securities.

The table below illustrates the following:

- (i) the first column sets out each Director in the Company;
- (ii) the second column sets out the relevant interest of each Director in the securities of the Company;
- (iii) the third column sets out the number of Options to be issued to each Director;
- (iv) the fourth column sets out the relevant interest held by each Director if the Options are issued to that Director pursuant to Resolution 2;
- (v) the fifth column sets out that if the Options are issued to that Director and that Director exercises all of their Options (including the existing Options held by that Director) but none of the Options held by the other Directors are exercised, the total Shares on issue in the Company will increase from 151,359,949 to that number;
- (vi) the sixth column sets out the Director's relevant interest percentage in the Shares of the Company if the Director exercises their Options but none of the Options held by the other Directors are exercised.

Director	Relevant interest	Options to be issued	Relevant interest following issue of Options	Total Shares following exercise of Options	Director's relevant interest following exercise of Options
Mr Trumbull	10,462,039 Shares 1,000,000 Options	500,000	10,462,039 Shares 1,500,000 Options	152,859,949	7.8255%
Mr Turner	602,084 Shares 1,000,000 Options	500,000	602,084 Shares 1,500,000 Options	152,859,949	1.3752%
Mr Glazebrook	779,167 Shares 2,000,000 Options	1,000,000	779,167 Shares 3,000,000 Options	154,359,949	2.4483%

(i) **Dilution effect**

If the Options are issued pursuant to Resolution 2 and each Director of the Company elects to exercise the Options, the Company will have raised \$200,000 and the total Shares on issue will increase from 151,359,949 to 153,359,949 being an increase of 1.3214%, and accordingly each Shareholder's shareholding in the Company will be diluted.

If all the Options are issued pursuant to Resolution 2 and each Director of the Company elects to exercise all their Options (including the existing Options held by the Directors), the total Shares on issue will increase from 151,359,949 to 157,359,949 being an increase of 3.9640%.

2.5. **Voting Exclusion Statement**

The Company will disregard any votes cast on this resolution by:

- Mr Trumbull, Mr Turner and Mr Glazebrook; and
- an associate of Mr Trumbull, Mr Turner and Mr Glazebrook.

However the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

3. **Resolution 3 – Ratification of Past Issue of Shares**

Approval is sought pursuant to ASX Listing Rule 7.4 to the past issue of 9,983,333 ordinary shares issued on the dates set out in the Explanatory Notes to the shareholders outlined in these Explanatory Notes. Such approval will enable the Company to refresh its ability to issue further securities in the future without seeking shareholder approval in accordance with ASX Listing Rule 7.1.

3.1. **Listing Rule 7**

Subject to a number of exceptions, ASX Listing Rule 7.1 limits the number of securities that a company may issue without shareholder approval in any 12 month period to 15% of its issued securities.

ASX Listing Rule 7.4 allows for shareholders to subsequently approve an issue of securities, provided the issue was not in breach of ASX Listing Rule 7.1. The issue of the Shares considered by this Resolution did not breach ASX Listing Rule 7.1. Shareholders are being asked to approve the issue of the Shares in accordance with ASX Listing Rule 7.4.

If the shares issued on 9 February 2009 and 7 August 2009 are treated as having been issued with shareholder approval pursuant to ASX Listing Rule 7.4, the Company's capacity to issue further securities is restored. The Company does not presently propose to issue further securities without shareholder approval, however, the Directors consider it prudent to retain the capacity to issue further securities and accordingly seek shareholders' approval to the issue of the shares as set out in Resolution 3.

(a) **Number of securities**

The number of securities for which shareholder approval is being sought is 9,983,333 ordinary shares.

(b) **Date of Issue**

The ordinary shares were issued as follows:

- (i) 3,333,333 on 9 February 2009; and
- (ii) 6,650,000 on 7 August 2009.

(c) **Consideration**

The ordinary shares were issued at the following prices:

- (i) the 3,333,333 ordinary shares issued on 9 February 2009 were issued at 3 cents per ordinary share; and
- (ii) the 6,650,000 ordinary shares issued on 7 August 2009 were issued at 3.2 cents per ordinary share.

(d) **Terms of the securities issued**

From the date of issue, the ordinary shares ranked equally in all respects with the Company's then existing fully paid ordinary shares.

(e) **Names of the allottees**

(i) **9 February 2009**

The ordinary shares issued on 9 February 2009 were issued to sophisticated and professional investors.

(ii) **7 August 2009**

The ordinary shares issued on 7 August 2009 were issued to sophisticated and professional investors.

(f) **Use of Funds Raised**

The funds raised have and are being used primarily for working capital.

(g) **Recommendation**

The Board recommends that shareholders approve the past issue of securities proposed by Resolution 3.

3.2. **Voting Exclusion Statement**

The Company will disregard any votes cast on Resolution 3 by:

- (a) a person who participated in the issue ; and
- (b) an associate of a person who participated in the issue.

However the Company need not disregard a vote if:

- (a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- (b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

4. **RESOLUTION 4 – ADOPTION OF REMUNERATION REPORT**

The Company is required to include in its Directors Report a detailed Remuneration Report relating to Directors' and Executives' remuneration. Section 300A of the *Corporations Act 2001 (Cth) (the Act)* sets out the information required to be included in the Remuneration Report. A copy of the report appears in the Company's Annual Report for the year ended 30 June 2009.

Section 249L(2) and 250R(2) of the Act require that a resolution that the Remuneration Report be adopted be put to a vote of shareholders at the Company's annual general meeting. The vote on this resolution is advisory to the Company only and does not bind the Board.

Under Section 250SA of the Act, shareholders must be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report. This is in addition to any questions or comments that shareholders may have in relation to the management of the Company.

5. **RESOLUTION 5 – APPOINTMENT OF AUDITOR**

The Company has undertaken a tender of its audit services and has selected William Buck as its successful tenderer. Consequently, subject to the receipt from ASIC of consent to the resignation of Deloitte Touche Tohmatsu as auditor and to obtaining shareholder approval at the Annual General Meeting, William Buck has been nominated and selected to become the new auditor of the Company.

The *Corporations Act 2001* (Cth) requires that shareholders approve the appointment of a new auditor.

The Board has been satisfied with the services of Deloitte Touche Tohmatsu as Company auditor and thanks Deloitte Touche Tohmatsu for their services provided.

Deloitte Touche Tohmatsu has sought consent from ASIC to resign as auditor of the Company with effect from the end of the Annual General Meeting. Once ASIC notifies Deloitte Touche Tohmatsu and the Company that it consents to Deloitte Touche Tohmatsu's resignation, Deloitte Touche Tohmatsu will give its notice of resignation to the Company with effect from the end of the Annual General Meeting.

The Company has received a notice from Trisir Pty Ltd, being a member of the Company, nominating William Buck as the new auditor of the Company. In accordance with section 328B of the *Corporations Act 2001* (Cth), a copy of the notice of nomination of William Buck received by the Company from Trisir Pty Ltd is attached as Annexure B.

William Buck has consented to act as auditor of the Company.

The Company notes that William Buck is a well-established firm with the necessary expertise and resources to meet the Company's requirements. It is further noted that fees quoted by William Buck for performing the auditor role are very competitive.

If ASIC consents to Deloitte Touche Tohmatsu's resignation as the Company's auditor, the Board recommends that shareholders vote in favour of the appointment of William Buck as the Company's auditors. If ASIC does not consent to Deloitte Touche Tohmatsu's resignation as Company's auditor, or such consent is not received as at the date of the Annual General Meeting, Deloitte Touche Tohmatsu will continue as the Company's auditor and Resolution 5 will not be put to the Meeting.

Annexure A
Independent Expert Report

Annexure B

Nomination of William Buck as Auditor

**Trislr Pty Ltd
PO Box 805
Ballarat Vic 3353**

**Mr Alfonso Grillo
Company Secretary
Nagamble Mining Limited
174B High Street
Heathcote Vic 3523**

Dear Sir

Nomination of William Buck as auditor

Trislr Pty Ltd is a member of Nagamble Mining Limited and hereby nominates William Buck as auditor of the company as contemplated by section 328B of the Corporations Act.

Yours faithfully



**Douglas W McKnight
Director of Trislr Pty Ltd**

Date: 30 September 2009

GENERAL NOTES

Entitlement to Vote

The Company has determined in accordance with Part 7.11 of the Corporations Regulations that for the purpose of voting at the meeting, shares will be taken to be held by those persons recorded on the Company's register as at 7.00pm Australian Eastern Daylight Time on 22 November 2009.

Corporate Representatives

For a corporate representative to vote, they will require a Certificate of Appointment of Corporate Representative executed in accordance with the *Corporations Act*.

Voting

On a show of hands, every member present in person or by proxy or by attorney or, in the case of a corporation, by duly appointed representative, shall have one vote and on a poll one vote for every share held provided that if a member appoints two proxies or two attorneys, neither proxy nor attorney shall be entitled to vote on a show of hands.

Proxies

A member entitled to attend and vote at the Annual General Meeting may appoint one or two persons to attend and vote at the meeting as the member's proxy. If you wish to appoint a second proxy you will need to complete a second form. Computershare Investor Services Pty Limited will provide additional proxy forms upon request.

A proxy need not be a member. If two proxies are appointed, each proxy must be appointed to represent a specified proportion of the member's voting rights. If the vote split is not specified, it is deemed to be equally divided between the two proxies.

The Proxy Form must be deposited at the share registry of the Company, Computershare Investor Services Pty Limited, located at Yarra Falls, 452 Johnston Street, Abbotsford or by mail to GPO Box 242 Melbourne, Victoria 3001 or at the Company's Registered Office, 174B High Street, Heathcote, Victoria, 3523 or by facsimile to Computershare Investor Services Pty Limited on (03) 9473 2555 by no later than 2.00pm Australian Eastern Daylight Time on 22 November 2009.

You may submit your proxy form online at www.investorvote.com.au. You will need your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) which is printed on the attached proxy form.

For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions.

D M R Corporate Pty Ltd
470 Collins Street
Melbourne
Victoria 3000
Australia

A.C.N. 063 564 045
Telephone (03) 9629 4277
Facsimile (03) 9629 4598
Email paul@dmrcorporate.com.au

16 October 2009

The Directors
Nagambie Mining Limited
174b High Street
Heathcote
VIC 3523

Dear Sirs

Value of Options

1. Introduction

1.1 We have been requested by Mr. Alfonso Grillo, Company Secretary of Nagambie Mining Limited (“Nagambie” or the “Company”) to provide Nagambie with advice in respect of the maximum theoretical value of the options proposed to be issued to the Directors of the Company. Shareholder approval is being sought for the issue of the options at the Annual General Meeting to be held on or about 24 November 2009. We understand the options are to be issued on the terms and conditions summarised below:

Option Holder	No. of Options	Exercise Price	Vesting Date	Performance Conditions	Expiry Date
Michael Trumbull	500,000	\$0.10	24/11/2011	No	24/11/2014
Geoff Turner	500,000	\$0.10	24/11/2011	No	24/11/2014
Colin Glazebrook	1,000,000	\$0.10	24/11/2011	No	24/11/2014

1.2 The options are to be issued subject to the following conditions:

- The options will be unlisted; and
- The options are granted for no monetary consideration.

1.3 The options will be granted to Directors of the Company and must therefore be recognised for accounting purposes in accordance with Australian accounting standards, in particular AASB 2 ‘Share-based Payment’. AASB 2 requires options to be valued as at their grant date. This valuation will need to be completed after the grant date. The present report has been completed in order to advise the shareholders of the maximum value of the option benefits that they are being asked to approve. If the options are approved and subsequently issued, another valuation as at the grant date must be completed, for the purposes of expensing the options in the company’s accounts.

2. Valuation Methodology

2.1 We have valued the options using the Black-Scholes option valuation model. This model assumes that the options will be exercised at their maturity. As such the model calculates the maximum theoretical value of the options. Empirical evidence shows that employee and director options are often exercised before their expiry date. The possible early exercise of the options (a requirement of AASB2) has not been factored into this valuation.

2.2 The Black-Scholes option valuation model determines the value of an employee option as a function of the following variables:

- 1) the current share price of the underlying shares
- 2) exercise price of the option
- 3) volatility of the share price
- 4) vesting conditions
- 5) time to maturity
- 6) risk free rate of interest
- 7) expected dividend yield

3. Assumptions used

3.1 Set out below is a discussion of each of the variables and the assumptions that we have selected in applying the binomial model.

3.2 The current share price of the underlying shares

Nagambie is a limited liability company incorporated in Australia and its securities are listed on the Australian Securities Exchange (“ASX”).

The volume weighted average share price (“VWAP”) (based on closing daily prices) for the 30-day period ended 18 September 2009 was \$0.036 on a volume of 897,996 shares, and for the 90 day period ended 18 September 2009 the VWAP was \$0.033 on a volume of 3,823,148 shares.

Based on the above share prices, we consider that \$0.036 represents the current market value of shares in Nagambie at 18 September 2009.

3.3 The exercise price of the options

The exercise price of the options is as per the table in Section 1 above.

3.4 The volatility of the share price

The volatility of the share price is a measure of uncertainty about the returns provided by the shares. Generally it is possible to predict future volatility of a stock by reference to its historical volatility.

A share with a greater volatility has a greater time value component of the total option value.

The volatility estimate used in option pricing models is typically calculated with reference to the annualized standard deviation of daily share price returns on the underlying security over a specified period.

The historical volatility information for Australian listed companies can be sourced from the Australian Graduate School of Management – Centre for Research in Finance Risk (“CRIF”) Measurement Service statistics. The June 2009 CRIF estimated the volatility of Nagambie shares to be 74.13%. Based on our experience we consider this to be unusually high and we considered the historical volatility of share price returns for companies comparable to Nagambie as set out below:

Company	Market cap \$m	Historical Volatility %
Nagambie Mining	4	74.13
Goldminex	34	60.97
Dioro Exploration	43	69.28
Beaconsfield Gold	56	44.69
Hill End	60	74.13
Carrick Gold	81	46.42
Bendigo Mining	139	68.24
Average		62.55

We have concluded that a share price volatility of 65% is appropriate when valuing the Nagambie options to be granted on 31 October 2009.

3.5 Vesting conditions

The vesting conditions are as set out in the table in Section 1 above.

3.6 Time to maturity

The expiry dates of the options are as set out in the table in Section 1 above.

3.7 Risk free rate of interest

The option pricing model uses a risk free rate of return in order to value options. We have used Commonwealth Treasury Bond yields with a maturity approximating the expiry dates of the options. The rate used was 5.11%.

3.8 Expected dividend yield

Nagambie does not have a history of paying dividends and we have assumed that no dividends will be paid during the currency of the options.

4. **Valuation**

4.1 Based on the assumptions set out in Section 3 above, we have assessed the maximum value of each option to be:

Option Holder	No. of Options	Value per Option	Total Value
		\$	\$
Michael Trumbull	500,000	0.0127	6,350
Geoff Turner	500,000	0.0127	6,350
Colin Glazebrook	1,000,000	0.0127	12,700
	<u>2,000,000</u>		<u>25,400</u>

4.2 It should be noted that the above maximum value also assumes that all options will vest.

4.3 This report has been prepared in accordance with the Accounting Professional and Ethical Standards Board professional standard APES 225 - Valuation Services.

Should you require any further information please do not hesitate to contact us.

Yours faithfully

DMR Corporate Pty Ltd



Paul Lom

Lodge your vote:

Online:
www.investorvote.com.au

By Mail:
 Computershare Investor Services Pty Limited
 GPO Box 242 Melbourne
 Victoria 3001 Australia

 Alternatively you can fax your form to
 (within Australia) 1800 783 447
 (outside Australia) +61 3 9473 2555

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 (outside Australia) +61 3 9415 4000

 000001 000 NAG
 MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au

Cast your proxy vote

Access the annual report

Review and update your securityholding
Your secure access information is:
Control Number: 999999
SRN/HIN: 1999999999
PIN: 99999

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

 For your vote to be effective it must be received by 2.00pm, Sunday 22 November 2009

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

 Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
 or turn over to complete the form** →

MR SAM SAMPLE
 FLAT 123
 123 SAMPLE STREET
 THE SAMPLE HILL
 SAMPLE ESTATE
 SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Nagambie Mining Limited (Company) hereby appoint

the Chairman of the Meeting **OR**



PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Nagambie Mining Limited to be held at Institute of Chartered Accountants, Level 3, 600 Bourke Street, Melbourne, Victoria on Tuesday, 24 November 2009 at 2.00pm and at any adjournment of that meeting.

Important for Item 2a: If the Chairman of the Meeting is your proxy and you have not directed him how to vote on Item 2a below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 2a and your votes will not be counted in computing the required majority if a poll is called on this Item. The Chairman of the Meeting intends to vote undirected proxies in favour of item 2a of business.

I/We acknowledge that the Chairman of the Meeting may exercise my proxy even if he has an interest in the outcome of that Item and that votes cast by him, other than as proxy holder, would be disregarded because of that interest.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Item 1	Re-election of Mr Geoff Turner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2a	Issue of Options to Director - Mr Michael Trumbull	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2b	Issue of Options to Director - Mr Geoff Turner	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2c	Issue of Options to Director - Mr Colin Glazebrook	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	Ratification of past issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 5	Appointment of William Buck as Auditor	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____

Date ____/____/____