

## \$1.0 Million Increase in Flexible Working Capital Facility

Nagambie Resources Limited (ASX: **NAG, Nagambie** or the **Company**) is pleased to announce that it, and its wholly-owned subsidiaries, Nagambie Developments Pty Ltd and Nagambie Landfill Pty Ltd (**Subsidiaries**), have entered into an increased loan facility agreement with PPT Nominees Pty Ltd (**PPT** or the **Lender**) under which Nagambie can draw down up to \$3.0 million (previously \$2.0 million) from PPT (the **Facility**).

The additional funding will contribute to the new antimony-gold resource drilling program at the Nagambie Mine and add to working capital as required.

Mr Kevin Perrin, a director of PPT, is also the Chairman of the Company's Board and the largest shareholder in Nagambie with 151,380,675 shares, an 18.84% holding.

The Board of Nagambie was of the view that, having considered the Company's options, including the availability of equity funding or the provisions of financial accommodation from commercial third-party lenders, the offer made by PPT to increase its loan facility from \$2.0 million to \$3.0 million on the same terms was the most commercially beneficial option available to the Company.

The initial facility with PPT was announced on 14 September 2023 (refer ASX announcement: "\$2.0 Million Flexible Working Capital Facility").

The key terms of the increased Facility with PPT are as follows (where the only change to the initial facility with PPT is the increased Principal and Facility Fee):

- (a) **Principal:** \$3,000,000 (additional \$1,000,000);
- (b) **Facility Fee:** \$30,000 (additional \$10,000, where \$20,000 has already been paid by NAG);
- (c) **Availability Period:** To 13 September 2025, subject to potential extension by PPT;
- (d) **Drawdowns:** Minimum drawdown of \$100,000; and maximum drawdown of \$500,000 per month;
- (e) **Repayment Date:** The earlier of the expiry of the Availability Period, or an event of default occurring, or earlier at the Company's election without penalty;
- (f) **Interest:** 10% per annum on the outstanding amount, payable each quarter in arrears;
- (g) **Security:** The Company and its Subsidiaries have granted security over their assets and undertakings in favour of the Lender pursuant to a general security deed (**General Security Deed**). The General Security Deed covers the Principal, all accrued interest and other costs;
- (h) **Guarantees:** Provided by the Subsidiaries in respect of the Company's obligations under the Facility; and
- (i) **Repayments:** The Company may make repayments at any time to reduce the outstanding amount drawn down without penalty.

The Company applied for an additional waiver from Listing Rule 10.1 to the extent necessary to permit the Company to grant security over the assets of the Company in favour of the Lender (as a related party and substantial (10%+) holder). The ASX has granted this additional waiver for the Company to secure its obligations under the Facility and General Security Deed above, without obtaining shareholder approval (**ASX Waiver**). In accordance with the ASX Waiver, the Company confirms that:

- (a) the material terms of the Facility, the General Security Deed and ASX Waiver are announced to the market;

Nagambie Resources limited  
533 Zanelli Road  
Nagambie Vic 3608  
Australia

ASX : NAG  
[www.nagambieresources.com.au](http://www.nagambieresources.com.au)  
T : +61 (03) 5794 1750  
E : [info@nagambieresources.com.au](mailto:info@nagambieresources.com.au)

**Non-Executive Chairman**  
Kevin Perrin

**Executive Director**  
Mike Trumbull

**Non-Executive Directors**  
Alfonso Grillo  
Bill Colvin

**CEO**  
James Earle

For Enquiries:

James Earle (CEO):  
[james@nagambieresources.com.au](mailto:james@nagambieresources.com.au)

- (b) this announcement includes a description of the reasons why the Company has chosen to obtain the financial accommodation from the Lender rather than a third party lender, and the steps the Company has taken to satisfy itself that the Facility is being entered into on arm's length terms and is fair and reasonable from the perspective of the Company's shareholders;
- (c) the General Security Deed expressly provides that:
  - (i) the security granted to the Lender under the General Security Deed is limited to the funds due under the Facility;
  - (ii) the security granted to the Lender will be discharged when the funds due under the Facility have been repaid in full;
  - (iii) in the event the security is enforced, the assets making up the collateral can only be disposed of to the Lender or an associate of the Lender if the disposal is first approved by the Company's shareholders under Listing Rule 10.1; and
  - (iv) otherwise, if the Lender exercises, or appoints a receiver, receiver and manager or analogous person to exercise, any power of sale under the security, any assets making up the collateral that are sold to satisfy amounts owing to the Lender must be sold to an unrelated third party on arm's length commercial terms and the net proceeds of sale distributed to the Lender in accordance with its legal entitlements;
- (d) any variation to the terms of the Facility, the General Security Deed or associated documents which:
  - (i) advantages the Lender in a material respect;
  - (ii) disadvantages the Company in a material respect; or
  - (iii) is inconsistent with the terms of the ASX Waiver,must be subject to shareholder approval under Listing Rule 10.1; and
- (e) for each year while the Facility and General Security Deed is on foot, a summary of the material terms of the Facility and General Security Deed will be included in the related party disclosures in the Company's audited annual accounts.

**By the order of the Board.**



James Earle  
Chief Executive Officer

**For further information, please contact:**

**James Earle (CEO)**

**Email:** [james@nagambieresources.com.au](mailto:james@nagambieresources.com.au)

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