ASX ANNOUNCEMENT **18 MAY 2015**

CLONBINANE GOLDFIELD TRENCHING RESULTS

- The highest individual 1.0 metre channel sample result was 20.8 g/t gold from 53 to 54 metres in trench CT005 at Apollo West. The second highest value of 10.9 g/t gold was also returned from trench CT005 from 35 to 36 metres at Apollo West. Overall, 10 samples returned gold grades in excess of 3.0 g/t gold and 55 samples returned gold grades in excess of 1.0 g/t gold.

- The best continuous interval trench result was 28 metres at 2.3 g/t gold from 31 to 59 metres in CT005 at Apollo West. The second best result was 9 metres at 2.5 g/t gold from 69 to 78 metres in CT006 at Gladys.

- Assays for the Apollo-Gladys channel samples have indicated several zones of halo gold mineralisation that could be excavated at surface to establish underlying mining benches.

- To better define the surface gold mineralisation ahead of a mining application, the Company has submitted a work plan to excavate three costeans, 1.5 metres deep and totalling approximately 380 metres in length.

- The shallow trenches exposed mostly deeply-weathered and varyingly-brecciated siltstones and fine sandstones, with rare diorite dykes. Quartz veining was minimal. All the trenches were excavated with a mini-excavator (and subsequently backfilled and rehabilitated), indicating that all future mining operations could be carried out by a moderately-sized excavator only with no need for drilling and blasting.

COMMENTARY

The Company Chairman, Mike Trumbull said: *"As we were confident it would, the shallow trenching program at Clonbinane has successfully outlined economic-grade, outcropping mineralisation.*

"A previous owner estimated an Inferred Resource in 2008 (under the JORC Code (2004)) of 11,450 ounces of gold, 137,000 tonnes at 2.6 g/t, for the Apollo-Gladys oxide mineralisation. Nagambie Mining will estimate an updated Inferred Resource in due course.

"Apollo-Gladys is shaping up as an ideal target for simple excavation and trucking north to the Nagambie Mine for heap-leach gold recovery."

NAGAMBIE MINING

Nagambie Mining is focussed on the discovery and development of shallow, open-pit and heap-leachable gold deposits.

The Company has 100% of tenements encompassing historic Victorian goldfields at Nagambie, Clonbinane, Lancemore, Rushworth and Redcastle.

A preliminary Inferred Resource of 47,000 ounces of gold, 609,000 tonnes at 2.4 g/t, was estimated in 2008 for Clonbinane.

Nagambie Mining is testing new structural and mineralisation concepts for gold mineralisation by employing geological, geophysical and geochemical techniques.

Nagambie Mining is also advancing construction material, landfill and spoil fill opportunities at the Nagambie Mine site in order to maximise the value of the freehold land owned by the Company.

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CLONBINANE GOLDFIELD (100% Nagambie Mining Group)

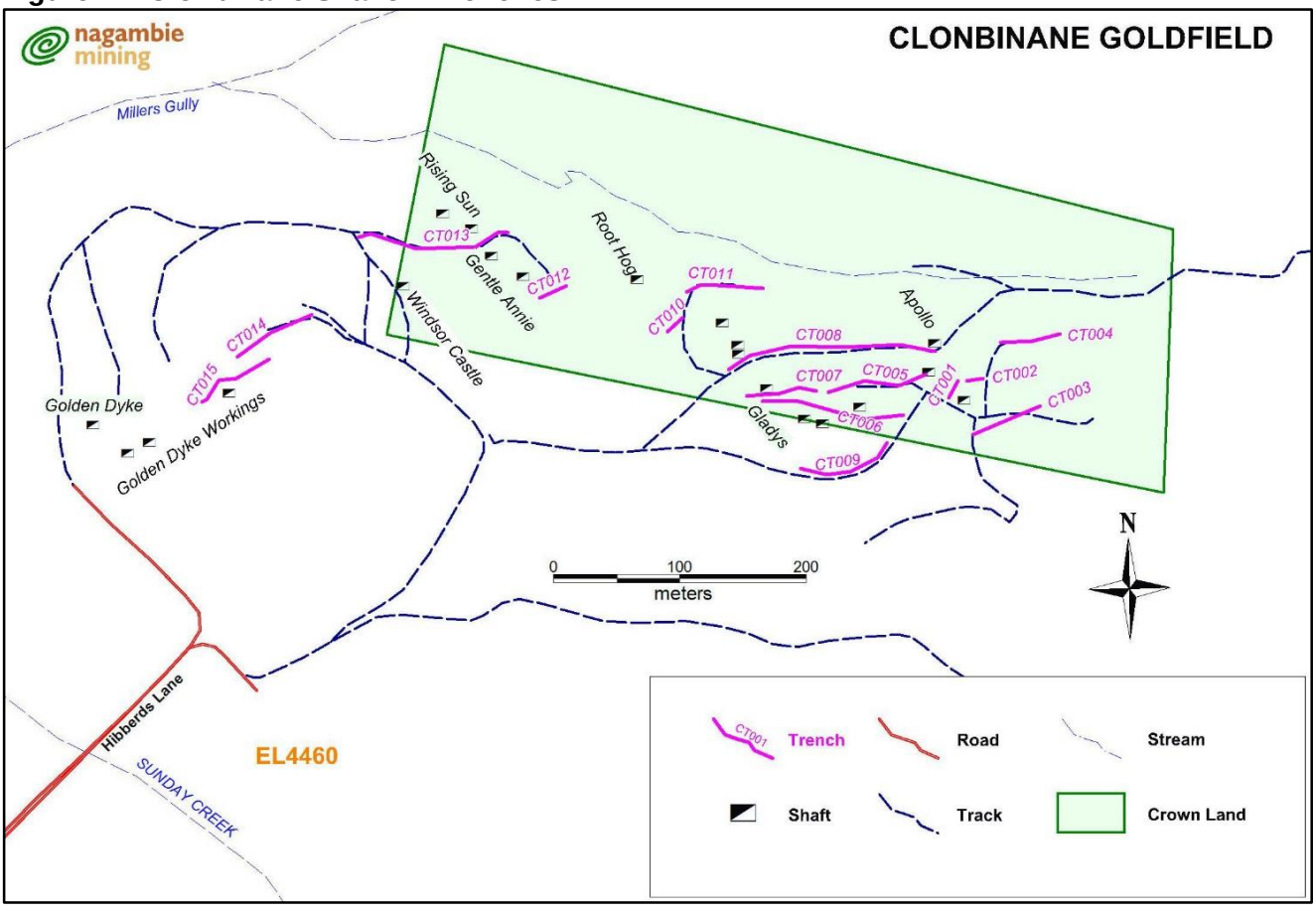
The Clonbinane Goldfield is approximately halfway between Melbourne and Nagambie, close to the Hume Freeway. A preliminary Inferred Resource (under the JORC Code (2004)) for the goldfield of 47,000 ounces of gold, 609,000 tonnes at 2.4 g/t, was estimated in 2008 by a previous owner.

The oxide gold mineralisation at the Apollo-Gladys area, which in 2008 had an Inferred Resource of 137,000 tonnes at 2.6 g/t gold for 11,450 ounces, is the first target for excavating and trucking 60 km north to the Nagambie Mine for heap-leach gold treatment. The best drill results at Apollo, previously reported, included 21 metres at 4.8 g/t gold from 9 m downhole and 4 m at 6.6 g/t from 15 m. The best drill results at Gladys included 19 m at 2.7 g/t from 6 m, 15 m at 2.9 g/t from 7 m, and 8 m at 6.3 g/t from 9m.

Heap-leach testing on Apollo-Gladys oxide bulk samples by a previous owner has indicated 80% to 85% gold recoveries, very high by industry standards.

The halo gold mineralisation at Clonbinane is very unusual for Victoria – the typical nuggetty quartz vein style (Bendigo and Ballarat) has little or no mineralisation in the hangingwall or footwall. The diorite dyke intrusions adjacent to the breccia-hosted pyrite and stibnite bearing lodes at Clonbinane have resulted in the sediments (principally siltstones and sandstones) becoming more brittle and fractured, resulting in broader leakage of the mineralising fluids (quartz, sulphides and gold).

Figure 1 Clonbinane Shallow Trenches



Shallow Trenching Program

15 trenches (refer Figure 1) were excavated at Clonbinane for a total length of 989 metres. The trenches varied between 13 metres and 168 metres in length (average of 66 metres). The trenching exposure was geologically logged, which has added to Nagambie Mining's developing 3-D model for Clonbinane, and channel sampled every 1.0 metre. The trenches were then backfilled and rehabilitated.

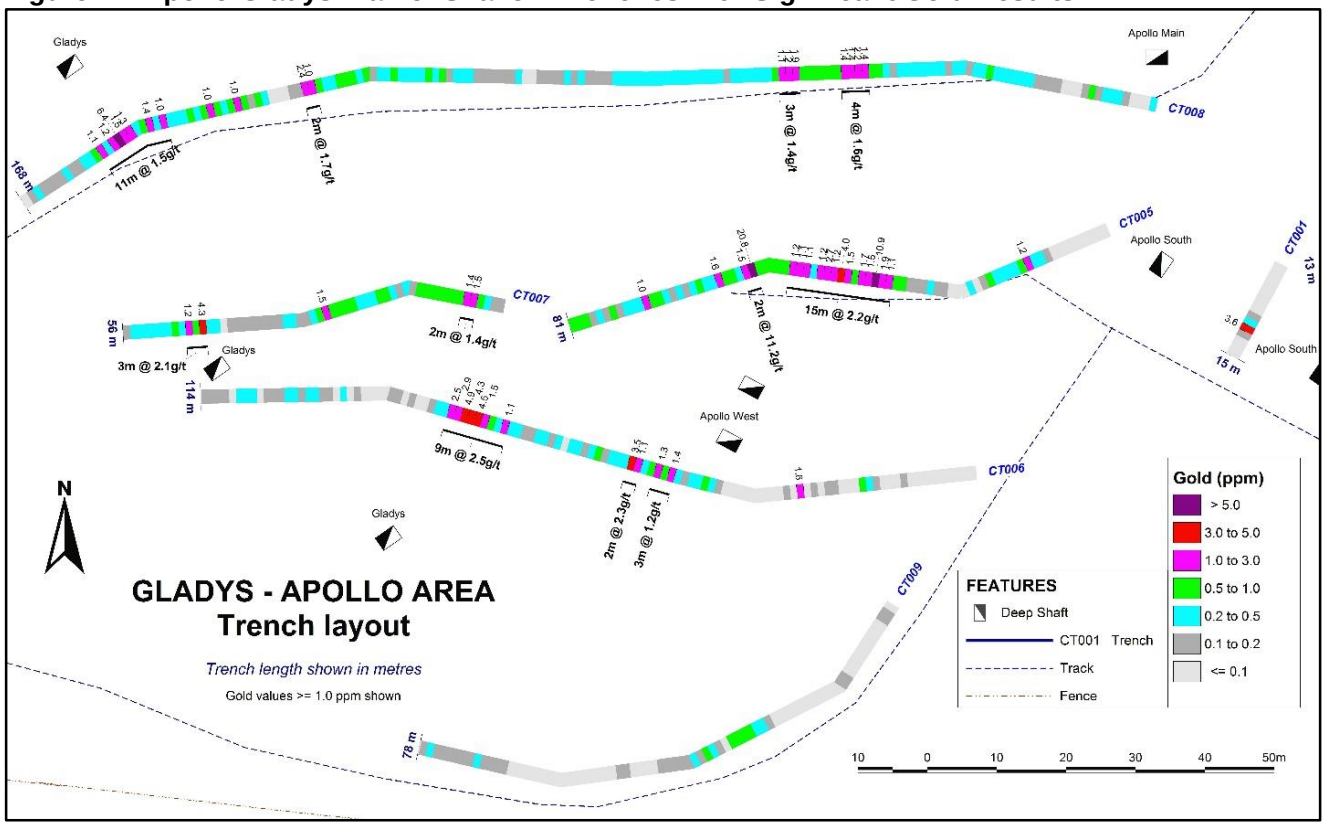
Given the initial emphasis on Gladys and Apollo, 11 of the 15 trenches were excavated at those prospects.

Apollo-Gladys Trenching Results

Widespread halo mineralisation was identified at the Apollo-Gladys area, with a 50 metre continuous interval returning gold values greater than 0.2 g/t in trench CT005, and similar 27 metre continuous intervals in CT006, 27 metres in CT007, 61 metres in CT008 and further 25 and 29 metre continuous zones in CT008.

Significant gold results are shown in Figure 2. All trench location data is provided in Table 3 in the Appendices.

Figure 2 Apollo-Gladys Plan of Shallow Trenches with Significant Gold Results



The highest individual gold result was 20.8 g/t from 53 to 54 metres in trench CT005. The second highest value of 10.9 g/t was also returned from trench CT005 from 35 to 36 metres. Overall, 10 samples returned gold grades in excess of 3 g/t, and 55 samples returned gold grades in excess of 1.0 g/t. All trench samples recording more than 3.0 g/t gold are shown in Table 1.

Table 1 Trench Samples with Gold > 3 g/t

Location	Trench ID	From (m)	To (m)	Sample Number	Gold (g/t)
Apollo West	CT005	53	54	38421	20.80
Apollo West	CT005	35	36	38402	10.90
Gladys	CT008	151	152	38782	6.39
Gladys	CT006	75	76	38527	4.90
Gladys	CT006	73	74	38525	4.46
Gladys	CT007	44	45	38613	4.30
Gladys	CT006	74	75	38526	4.29
Apollo West	CT005	40	41	38407	4.03
Apollo South	CT001	10	11	38239	3.59
Apollo West	CT006	50	51	38502	3.47

All composited trench intersections at a cut-off grade of 0.5 g/t gold, and an internal cut-off grade of 0.2 g/t, are shown in Table 4 in the Appendices.

The best continuous interval trench result was 28 metres at 2.3 g/t gold from 31 to 59 metres in CT005 at Apollo West. The second best result was 9 metres at 2.5 g/t gold from 69 to 78 metres in CT006 at Gladys.

Composited trench intersections for the Apollo-Gladys area at a cut-off grade of 1.0 g/t gold, and an internal cut-off grade of 0.5 g/t, are shown in Table 2.

Table 2 Apollo-Gladys Trench Intersections using a Cut-Off Grade of 1.0 g/t gold (and internal cog of 0.5 g/t in 1 metre)

Location	Trench ID	From (m)	To (m)	Length (m)	Gold (g/t)
Apollo	CT001	10	11	1	3.59
Apollo	CT005	12	13	1	1.2
Apollo West	CT005	33	48	15	2.16
Apollo West	CT005	53	55	2	11.16
Apollo West	CT005	58	59	1	1.56
Gladys	CT005	69	70	1	1.01
Gladys	CT006	25	26	1	1.64
Gladys	CT006	44	47	3	1.21
Gladys	CT006	49	51	2	2.29
Gladys	CT006	69	78	9	2.54
Gladys	CT007	4	6	2	1.45
Gladys	CT007	26	27	1	1.48
Gladys	CT007	44	47	3	2.13
Gladys	CT008	42	46	4	1.58
Gladys	CT008	52	55	3	1.39
Gladys	CT008	122	124	2	1.69
Gladys	CT008	133	134	1	1.04
Gladys	CT008	137	138	1	1.01
Gladys	CT008	144	155	11	1.48

The trenches exposed mostly deeply weathered siltstones and fine sandstones, with rare diorite dykes. Narrow bands of strongly silicified siltstone were rarely encountered and quartz veining was minimal.

All trenches could be excavated with a mini-excavator, indicating that future mining operations could be by excavator only with no requirement for drilling and blasting.

The presence of continuous gold mineralisation over wide intervals with relatively few gold “spikes” points to the gold being very fine grained and evenly disseminated throughout the mineralised zones. The gold distribution fits with the very high indicated heap-leach gold recovery of 80% to 85%.

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STATEMENT AS TO COMPETENCY

The Exploration Results in this report have been compiled by Mr Geoff Turner, who is a Fellow of the Australian Institute of Geoscientists, has more than ten years in the estimation, assessment, and evaluation of mineral resources and ore reserves, and has more than 20 years in exploration for the relevant style of mineralisation that is being reported. In these regards, Geoff Turner qualifies as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Geoff Turner is a Director of Nagambie Mining Limited and consents 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", "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 Mining assumes no obligation to update such information.

APPENDICES

Table 3 Trench Location Data (coordinates in MGA94, AHD. Lengths in metres)

Prospect	Trench ID	Easting	Northing	RL	Bearing	Length	Final Length
Apollo South	CT001	331136	5867773	319	208	15	15
Apollo South	CT002	331156	5867775	320	260	13	13
Apollo South-Gladys	CT003	331201	5867753	325	247	57	57
Apollo South	CT004	331217	5867810	315	256	23	
Apollo South	CT004				267	25	48
Apollo South-Gladys	CT005	331111	5867778	317	247	23	
Apollo South-Gladys	CT005				278	28	
Apollo South-Gladys	CT005				253	30	81
Gladys	CT006	331092	5867743	322	264	32	
Gladys	CT006				284	11	
Gladys	CT006				286	44	
Gladys	CT006				269	27	114
Gladys	CT007	331024	5867767	317	281	14	
Gladys	CT007				253	16	
Gladys	CT007				266	26	56
Apollo-Gladys	CT008	331118	5867796	313	281	28	
Apollo-Gladys	CT008				268	46	
Apollo-Gladys	CT008				271	40	
Apollo-Gladys	CT008				257	34	
Apollo-Gladys	CT008				237	20	168
Gladys	CT009	331080	5867724	320	213	14	
Gladys	CT009				243	24	
Gladys	CT009				262	19	
Gladys	CT009				283	21	78
Gladys	CT010	330918	5867823	302	226	16	16
Gladys	CT011	330982	5867846	301	274	36	
Gladys	CT011				272	13	
Gladys	CT011				243	13	62
Gentle Annie	CT012	330826	5867848	304	246	23	23
Gentle Annie- Rising Sun	CT013	330780	5867890	299	275	7	
Gentle Annie- Rising Sun	CT013				238	22	
Gentle Annie- Rising Sun	CT013				268	47	
Gentle Annie- Rising Sun	CT013				288	38	
Gentle Annie- Rising Sun	CT013				254	10	124
Golden Dyke	CT014	330625	5867825	316	247	36	
Golden Dyke	CT014				234	32	68
Golden Dyke	CT015	330591	5867790	316	240	30	
Golden Dyke	CT015				263	14	
Golden Dyke	CT015				212	18	
Golden Dyke	CT015				245	4	66

Table 4 All Trench Intersections using a Cut-Off Grade of 0.5 g/t gold
(and internal cog of 0.2 g/t in 1 metre)

Location	Trench ID	From (m)	To (m)	Length (m)	Gold (g/t)
Apollo	CT001	10	11	1	3.59
	CT002	No significant intersections			
	CT003	No significant intersections			
	CT004	No significant intersections			
Apollo	CT005	12	14	2	0.89
Apollo West	CT005	18	19	1	0.63
Apollo West	CT005	31	59	28	2.26
Gladys	CT005	61	62	1	0.6
Gladys	CT005	67	70	3	0.92
Gladys	CT005	74	75	1	0.75
Gladys	CT005	78	81	3	0.78
Gladys	CT006	16	17	1	0.56
Gladys	CT006	25	26	1	1.64
Gladys	CT006	39	40	1	0.89
Gladys	CT006	44	51	7	1.36
Gladys	CT006	55	56	1	0.53
Gladys	CT006	69	78	9	2.54
Gladys	CT007	3	13	10	0.99
Gladys	CT007	17	19	2	0.55
Gladys	CT007	22	28	6	0.87
Gladys	CT007	44	49	5	1.46
Apollo	CT008	9	10	1	0.6
Apollo	CT008	24	25	1	0.66
Apollo	CT008	40	56	16	1.12
Gladys	CT008	103	106	3	0.59
Gladys	CT008	110	111	1	0.53
Gladys	CT008	114	124	10	0.83
Gladys	CT008	130	141	11	0.64
Gladys	CT008	144	156	12	1.41
Gladys	CT009	28	32	4	0.81
Gladys	CT009	35	36	1	0.56
	CT010	No significant intersections			
	CT011	No significant intersections			
	CT012	No significant intersections			
Rising Sun	CT013	24	25	1	0.78
	CT014	No significant intersections			
Golden Dyke	CT015	13	14	1	0.62
Golden Dyke	CT015	22	23	1	0.81
Golden Dyke	CT015	45	46	1	1.13

JORC 2012 Edition, Table 1 Checklist
Part I

Sampling Techniques and Data **Criteria**	**Explanation**
Sampling techniques	• Channel samples taken from shallow trenches. • Samples taken at 1 metre intervals from floor of trench after loose material had been removed. • Every second sample was sent for assay, retained samples stored in locked shed. • Retained samples sent for assay where neighbouring sample recorded more than 0.1 g/t gold. • Approximately 1 to 2 kg of material collected and sent to ALS Laboratories in Adelaide. Samples dried, pulverised to -75µm and 25 gm digested for gold determination by Aqua Regia digestion and ICP-MS
Trenching techniques	• Small (<2 tonne) mini-excavator used to dig shallow trenches, from 30 to 100 cm deep. • Positioning of trenches determined by easy access.
Sample recovery	• Channel samples taken by pick along floor of trench.
Logging	• Trench floor geologically logged on continuous lengths. • Entire trench lengths logged and sampled.
Sub-sampling techniques and sample preparation	• Dry sampling throughout. • Sample preparation is appropriate for this method of sample collection and style of mineralisation. • Quality control procedures consisted of duplicate samples taken approximately every 30 samples. • Sample sizes are appropriate to the grain size of the material being sampled.
Quality of assay data and laboratory tests	• Gold determined by Aqua Regia digestion and ICP-MS. Experience has shown this method to be applicable for fine grained disseminated gold mineralisation in sediments. • Laboratory QC and external QC by duplicates and CRMs show good correlation and repeatability.
Verification of sampling and assaying	• The verification of significant intersections by either independent or alternative company personnel. none • The use of twinned trenches. none • Data logged onto paper and transcribed and verified.
Location of data points	• Trench start points determined by 12-channel GPS over minimum recording interval of 10 minutes. • Direction and inflection points determined by compass and chain. • Coordinates in MGA94 (Zone 55). • Topographic control from surveyed points creating a DTM
Data spacing and distribution	• Trenches dug at 40 to 150 metre intervals. • This spacing is not of sufficient density to allow the estimation of a mineral resource. • Sample compositing has not been applied.
Orientation of data in relation to geological structure	• Trenches dug across probable strike of mineralisation.

Sampling Techniques and Data Criteria	Explanation
Sample security	• All samples were controlled by the responsible geologist, and stored in locked facility prior to despatch to laboratory. • Retained samples stored inside a locked facility.
Audits or reviews	• None of the data have been subject to an audit or review by non-company personnel or contractors.

Part II

Reporting of Exploration Results Criteria	Explanation
Mineral tenement and land tenure status	• The Clonbinane Project is within Exploration Licence 4460, owned by Clonbinane Goldfield Pty Ltd, a wholly owned subsidiary of Nagambie Mining Ltd
Exploration done by other parties	• Trenches were dug across areas of historic gold workings.
Geology	• Disseminated gold (+arsenic & antimony) mineralisation in oxidised sediments intruded by thin diorite dykes. • Some supergene gold mineralisation component.
Trench Information	• A summary of all information material to the understanding of the exploration results is provided in Tables 3 & 4.
Data aggregation methods	• Table 2 - along trench weighted average gold grades were calculated using a 1.0 g/t gold cut off and internal cog of 0.5 g/t. • Table 4 - along trench weighted average gold grades were calculated using a 0.5 g/t gold cut off and internal cog of 0.2 g/t. • High grades not cut.
Relationship between mineralisation widths and intercept lengths	• The geometry of the mineralisation with respect to the trench direction angle is not fully established at this stage. • Only sample lengths reported, true widths are not estimated.
Diagrams	• Figure 1 shows a Plan of all trenches. • Figure 2 shows detail plan of Gladys - Apollo area of interest.
Balanced reporting	• Locations of all trenches shown in Table 3, including those reporting no significant results.
Other substantive exploration data	• No other exploration results that have not previously been reported are material to this report.
Further work	• Further investigations planned, including deeper costean logging and sampling ahead of an application to mine.