

Quarterly Report December 2023

Highlights

- In October 2023, **Nagambie submitted a competitive bid to the Spark consortium**, the builders of the North East Link Project (NELP), **for the underwater storage at the Nagambie Mine of a large quantity of PASS**. Nagambie considers that Spark is planning to nominate its preferred bidders for PASS storage in February 2024.
- **340 g/t gold** over 0.2m downhole from 144.5m in NAD028 is a **new record high assay for the Nagambie Mine**. The quartz vein assay occurs 60m vertically below surface within a NAD028 economically-mineable intersection in the Nagambie Mine Thrust of 1.21m EHT (estimated horizontal thickness) at 46.0 g/t gold.
- The **40 economically-mineable intersections (or potential stopes)** from the first drilling program average **3.7m downhole length, 1.6m EHT and 14.5 g/t gold equivalent (5.4% antimony plus 4.7 g/t gold)**.
- The **calculation of the maiden economically-mineable JORC Inferred Resource** for the shallow underground mineralisation is progressing well with anticipated finalisation, sign-off and reporting in the March 2024 quarter.
- A 2 for 3 Entitlement Offer at 3.0 cents per New Share, together with a Shortfall Offer and a Convertible Notes Early Redemption Offer resulted in **total applications of \$6.368 million**. Convertible note redemptions were \$5.16 million and cash applications were \$1.208 million. The **Company's balance sheet has been improved significantly and future convertible note interest payments greatly reduced**. Any or all of the remaining shortfall of 175.6 million shares may be placed to investors within three months of the closing date of the Entitlement Offer at 3.0 cents per share or higher.

Commentary

Nagambie Resources' Executive Chairman, Mike Trumbull, commented: *"Nagambie has been liaising with Spark for years regarding underwater storage at the Nagambie Mine of PASS from the planned NELP road tunnels. We consider that the nomination of preferred bidders by Spark is imminent.*

"The 340 g/t gold assay in a quartz vein within the Nagambie Mine Thrust is an exciting new result for Nagambie. It opens up the likelihood that high-grade ore shoots could occur within thrust faults at the Nagambie Mine, as they do at the Fosterville Mine. With the known Costerfield-style mineralisation at the Nagambie Mine, Fosterville-style mineralisation would further increase the gold equivalent ounces per vertical metre.

"With the deepest intersection to date occurring only 250m vertically below surface, we have only scratched the surface of what could be a major high-grade, antimony-gold orebody."

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PASS BID FOR NORTH EAST LINK PROJECT (NELP)

PASS (**P**otential **A**cid **S**ulfate **S**oil) material will be generated from the boring of the NELP road tunnels by two large tunnel-boring machines (TBMs). Total TBM tunnelling time is estimated to be two years, commencing in the June quarter 2024.

Nagambie Resources has EPA Victoria approval, via an Environmental Management Plan (EMP), to store PASS below water in the two water-filled 1990s oxide-gold pits at the Nagambie Mine.

On 24 October 2023, Nagambie submitted a conforming competitive bid to the Spark consortium, the builders of NELP, for the underwater storage of a large quantity of PASS at the Nagambie Mine. Since that bid, Nagambie has responded to several requests for further detail and held various meetings with Spark, including a Nagambie Mine site visit.

Nagambie considers that Spark is planning to nominate its preferred bidders for PASS storage in February 2024.

NAGAMBIE MINE HIGH-GRADE ANTIMONY-GOLD DISCOVERY

Current Status of Project:

- Discovery of the Costerfield-Mine-style **C1, C2, C3 and N1 antimony-gold lode systems** under and to the west of the West Pit occurred during 2022 and 2023.
- New assay of **340 g/t gold** over 0.2m downhole from 144.5m in NAD028 is a **record high for the Nagambie Mine**. The quartz vein assay occurred within a NAD028 economically-mineable intersection in the Nagambie Mine Thrust (NMT) of 1.5m downhole from 144m, 1.21m EHT (estimated horizontal thickness) at 46.0 g/t gold.
- The NAD028 intersection **opens the likelihood that the NMT could host high-grade shoots along its known strike length of at least 2.0km**. High-grade shoots along thrust faults is the primary ore model for the Fosterville Mine (Fosterville's thrusts in the Bendigo Zone strike N-S while Nagambie's thrusts in the Melbourne Zone strike E-W).
- The **40 economically-mineable intersections (or potential stopes)** to date (refer Table 1) average **3.7m downhole, 1.6m EHT and 14.5 g/t AuEq** (gold equivalent) (**5.4% Sb** (antimony) **plus 4.7 g/t Au** (gold)).
- The **average gold-equivalent grade of 14.5 g/t or approximately 0.47 ounces/tonne AuEq** is very high grade by industry standards, and 4.8 times the estimated mineable cut-off grade of 3.0 g/t AuEq. This indicates **potentially very-low operating cost, very-high operating margin mineralisation**.
- The **average antimony grade of 5.4%** makes the Nagambie Mine underground discovery the **highest-grade antimony mineralisation in Australia and one of the highest in the World**.
- The **calculation of the maiden economically-mineable JORC Inferred Resource** for the shallow underground mineralisation, incorporating the 40 intersections to date. is progressing well with anticipated finalisation, sign-off and reporting in the March 2004 quarter.

Significant Downhole Assays

All remaining unlogged sections of core from the first resource drilling program have been logged and geologically anomalous lengths of core sawn and assayed at On Site Laboratory Services in Bendigo.

Highlights from the remaining downhole assay results were:

- **340 g/t Au over 0.2m** downhole from 145.5m in NAD028; and
- **27.1 g/t Au over 0.4m** downhole from 151.3m in NAD047.

Table 1 All 40 Economically-Mineable Intersections to date: EHT => 1.2m and AuEq => 3.0 g/t

Mineable Intersection (Potential Stope)	From (m)	To (m)	Downhole Length L (m)	BD of unmineralised waste: 2.74 BD of pure Stibnite: 4.56				EHT and BD Weighting				AuEq x EHT (g/t x m)	AuEq x L (g/t x m)	
				EHT (m)	Au Assay (g/t)	Sb Assay (Sb %)	AuEq (g/t)	BD based on Sb%	EHT & BD Weighted Au	EHT & BD Weighted Sb	EHT & BD Weighted AuEq			
NRP002 C1 E&W	109.00	136.10	27.10	2.50	4.84	7.51	18.66	2.89	5.42	9.15	22.26	55.6	603	
NAD008 C1 E	178.20	180.00	1.80	1.20	3.51	3.05	9.12	2.79	3.55	3.26	9.55	11.5	17	
Progressive Totals **	16 September 2022			3.70								67.1		
NAD009 C1 E	172.34	174.20	1.86	1.20	0.08	2.36	4.42	2.78	0.08	2.52	4.72	5.7	9	
NAD009 C1 W	200.00	207.30	7.30	4.70	4.86	4.20	12.63	2.81	5.32	4.74	14.04	66.0	103	
NAD010 C1 E	160.00	161.78	1.78	1.20	13.38	16.14	43.22	3.05	13.56	18.44	47.49	57.0	85	
NAD010 C1 W	163.56	165.35	1.79	1.20	0.19	2.81	5.39	2.79	0.21	3.05	5.82	7.0	10	
NAD011 C1 E	214.30	217.80	3.50	1.20	0.10	1.47	2.82	2.77	0.10	1.61	3.06	3.7	11	
NAD011 C1 W	270.70	276.00	5.30	2.25	1.46	10.38	20.56	2.94	1.52	12.01	23.62	53.1	125	
Progressive Totals **	16 November 2022			15.45								259.5		
NAD012 C2 E	401.40	404.80	3.40	2.62	6.72	2.54	11.40	2.78	6.68	2.57	11.41	29.9	39	
NAD012 C2 W	423.00	428.00	5.00	2.42	8.70	5.49	18.81	2.84	9.30	6.17	20.65	50.0	103	
Progressive Totals **	23 January 2023			20.49								339.4		
NAD012 C2 W (Hinge)	416.00	420.00	4.00	1.98	6.27	3.78	13.23	2.80	6.30	3.89	13.45	26.6	54	
NAD012 C1 W	130.86	132.20	1.34	1.20	1.67	1.66	4.73	2.77	1.75	1.83	5.11	6.1	7	
Progressive Totals **	3 March 2023			23.67								372.2		
NAD013 C1 E	167.30	171.10	3.80	2.70	3.61	10.02	22.05	2.93	4.32	11.75	25.94	70.0	99	
NAD013 C1 W	238.00	240.30	2.30	1.40	7.13	0.05	7.22	2.74	7.13	0.05	7.22	10.1	17	
NAD016 N1 (E-W)	180.50	188.00	7.50	2.36	3.12	2.37	7.50	2.78	3.12	2.69	8.08	19.1	61	
NAD016 N1 (E-W)	174.50	177.00	2.50	1.27	9.37	1.67	12.46	2.77	9.32	1.69	12.43	15.8	31	
NAD016 N1 (E-W)	170.00	171.40	1.41	1.20	5.00	0.32	5.59	2.74	5.00	0.32	5.59	6.7	8	
NAD017 C1 W	217.00	219.48	2.48	1.20	5.92	1.77	9.18	2.77	5.90	1.78	9.18	11.0	23	
Progressive Totals **	10 March 2023			33.80								504.8		
NAD020 C1 E-W Link	214.28	216.60	2.32	1.20	0.75	3.93	7.98	2.82	0.75	5.34	10.57	12.7	24	
NAD022 C1 E	238.00	239.55	1.55	1.20	3.46	7.70	17.69	2.89	3.96	9.42	21.30	25.5	33	
NAD023 C1 W	272.16	276.00	3.84	1.20	0.69	11.98	22.84	2.98	0.68	14.23	26.87	32.3	103	
NAD029 N1 (E-W)	285.50	286.75	1.25	1.20	4.59	9.02	21.19	2.92	4.72	10.99	24.95	29.9	31	
Progressive Totals **	23 March 2023			38.59								605.2		
NAD024 C1 W	250.60	258.20	7.60	2.91	2.70	5.74	13.27	2.84	2.68	6.19	14.07	41.0	107	
NAD030 C2 E	206.70	208.30	1.60	1.36	1.55	1.34	4.03	2.76	1.56	1.35	4.05	5.5	6	
NAD030 C2 E	202.50	203.90	1.40	1.20	0.90	3.92	8.16	2.81	0.92	4.39	9.00	10.8	13	
NAD030 C2 E	198.20	199.90	1.70	1.20	1.33	1.71	4.50	2.77	1.33	1.76	4.56	5.5	8	
NAD031 C2 E	208.00	210.35	2.35	1.20	1.18	3.85	8.30	2.81	1.17	4.23	8.95	10.7	21	
NAD034 C2 W (Hinge)	284.50	286.50	2.00	1.20	1.53	1.31	3.96	2.76	1.56	1.38	4.09	4.9	8	
NAD034 C2 W (Hinge)	275.40	276.90	1.50	1.20	1.64	5.58	11.91	2.84	1.69	6.45	13.55	16.2	20	
Progressive Totals **	22 May 2023			48.86								699.9		
NAD033 C3	205.00	206.56	1.56	1.20	0.79	5.54	10.99	2.84	0.89	6.37	12.60	15.1	20	
NAD036 N1 (E-W)	316.00	319.00	3.00	1.33	0.70	3.44	7.07	2.79	0.70	3.50	7.15	9.5	21	
NAD036 N1 (E-W)	310.00	314.16	4.16	1.20	3.32	1.24	5.61	2.76	3.31	1.27	5.65	6.8	23	
NAD036 N1 (E-W)	304.30	307.20	2.90	1.48	6.42	10.05	25.00	2.93	6.60	11.84	28.38	42.1	82	
NAD040 C3	253.00	261.30	8.30	1.20	0.73	8.29	15.98	2.89	0.74	9.15	17.58	21.1	146	
Progressive Totals **	3 July 2023			55.28								794.5		
NAD019 N1 (E-W)	209.50	211.59	2.09	1.20	6.33	3.37	12.52	2.80	6.26	3.74	13.14	15.8	27	
NAD038 C3	193.10	197.21	4.11	1.20	0.34	2.22	4.46	2.78	0.35	2.42	4.80	5.8	20	
NAD040 C3	292.40	296.00	3.60	1.91	2.58	0.96	4.35	2.75	2.57	0.98	4.37	8.3	16	
NAD044 C3	330.70	332.89	2.19	1.20	1.37	7.02	14.28	2.87	1.33	7.94	15.95	19.2	35	
Progressive Totals **	13 October 2023			60.79								843.54		
NAD047 C2 (Ext)	149.80	152.00	2.20	1.20	5.47	0.19	5.82	2.74	5.49	0.19	5.84	7.0	13	
NAD028 (NMT)	144.00	145.50	1.50	1.21	45.96	0.01	45.98	2.74	45.96	0.01	45.98	55.4	69	
Progressive Totals **	24 January 2024			63.20								905.97		
Averages to Date				3.67	1.58				2.82	4.65	5.36	14.51	22.9	53

New intersections since last report highlighted in yellow; AuEq (g/t) = Au (g/t) + (Sb% x 1.84); BD = bulk density; EHT = estimated horizontal stope thickness; ** EHT (m) is used to calculate the volume of a mineable stope; AuEq (g/t) x EHT (m) is used to calculate the AuEq content of a mineable stope.

Nagambie Resources' Antimony and Gold Tenements

The Company's tenements as at 31 December 2023, totalling 3,336.5 sq km, are listed in Table 2 and their general location in central Victoria is shown in Figure 1.

Figure 1 Nagambie's Tenements (in blue) all within the Melbourne Zone (in pink)

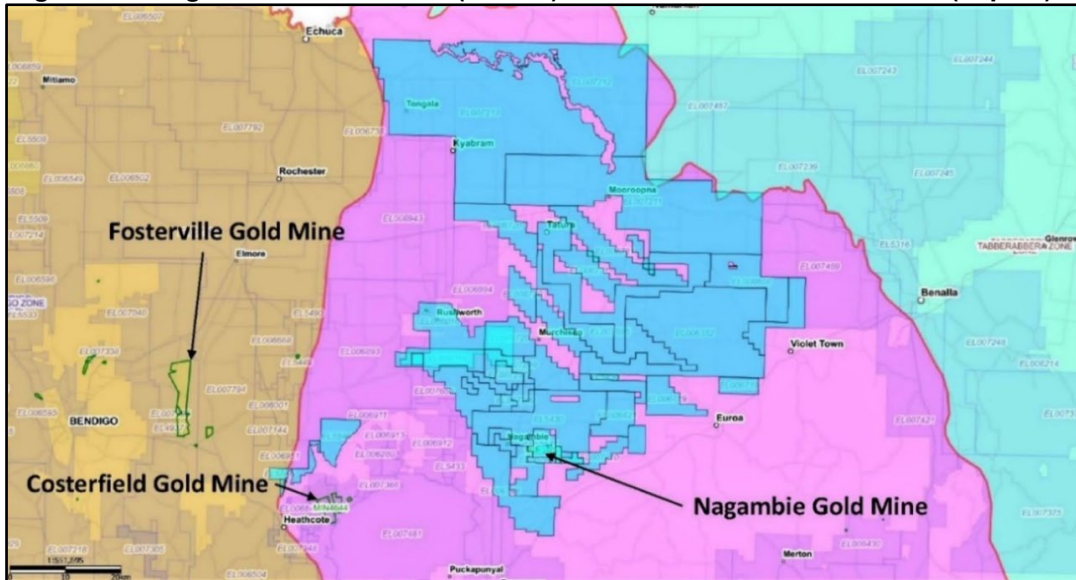


Table 2 Nagambie Resources Tenements as at 31 December 2023

Tenement Number	Tenement Name	sq km
MIN 5412	Nagambie Mining Licence	3.5
EL 5430	Bunganail Exploration Licence	160.0
EL 5511	Nagambie Central Exploration Licence	21.0
EL 6352	Miepoll Exploration Licence	342.0
EL 6508	Tabilk Exploration Licence	33.0
EL 6606	Gowangardie Exploration Licence	88.0
EL 6719	Euroa Exploration Licence	81.0
EL 6720	Tatura Exploration Licence	145.0
EL 6731	Arcadia Exploration Licence	218.0
EL 6748	Waranga Exploration Licence	102.0
EL 6937	Nagambie East Exploration Licence	2.0
EL 6877	Nagambie Exploration Licence	8.0
EL 7207	Arcadia Exploration Licence	156.0
EL 7208	Cullens Road Exploration Licence	29.0
EL 7210	Locksley Exploration Licence	26.0
EL 7211	Shepparton Exploration Licence	444.0
EL 7212	Shepparton North Exploration Licence	321.0
ELA 7213	Pederick Exploration Licence Application	683.0
EL 7264	Resource Recovery Exploration Licence	1.0
ELA 7265	Nagambie Town Exploration Licence Application	8.0
EL 7594	Miepoll East Exploration Licence	47.0
ELA 7595	Miepoll West Exploration Licence Application	113.0
ELA 7690	Nagambie South Exploration Licence Application	4.0
ELA 8082	Tabilk North Exploration licence Application	7.0
ELA 8083	Tabilk East Exploration Licence Application	40.0
Subtotal	Waranga Domain excluding Whroo JV Property	3,082.5
EL 6158	Rushworth Exploration Licence	46.0
EL 6212	Reedy Lake North Exploration Licence	17.0
EL 7205	Angustown Exploration Licence	49.0
EL 7209	Goulburn West Exploration Licence	34.0
EL 7237	Kirwans North (1) Exploration Licence	20.0
EL 7238	Kirwans North (2) Exploration Licence	9.0
RL 2019	Doctors Gully Retention Licence	4.0
Subtotal	Whroo JV Property with SXG	179.0
	Total Waranga Domain	3,261.5
EL 5546	Redcastle Exploration Licence	51.0
EL 7498	Cornella Exploration Licence	19.0
EL 7499	Sheoak Exploration Licence	5.0
Subtotal	Redcastle JV Property with SXG	75.0
TOTAL	Nagambie Resources Limited Tenements	3,336.5

Nagambie has received notice from the Victorian Earth Resources Regulator (ERR) regarding a reassessment of the rehabilitation liability for MIN5412. The Company is liaising with ERR on the recalculation. The bond is currently \$500,000.

NAGAMBIE GOLD TREATMENT PLANT

Nagambie Resources and Golden Camel Mining (GCM) are proceeding with the construction and operation of a 300,000 tonnes per annum toll treatment facility at the Nagambie Mine. GCM is the Manager and is paying 100% of all infrastructure, construction and commissioning costs. After commissioning, all revenues and operating costs will be shared 50:50. Initial feed for the plant is to be trucked from GCM's Golden Camel Mine.

GCM is still finalising financial arrangements with external parties.

POTENTIAL BACTERIAL RECOVERY OF GOLD IN 1990s HEAP LEACH PAD

Total recorded gold production from the Nagambie Mine cyanide heap between 1989 and 1997 was 134,000 ounces and Nagambie Resources considers that a significant amount of gold remains in the heap. Extracting this gold in a toll treatment plant or by additional cyanide heap leaching is currently not viable or economic.

Stage 1 of the Bioleaching Project was completed with the findings being that gold can be bioleached from the tailings using native and externally sourced bacteria when suitable conditions are provided. Further research was recommended to refine and improve the rate of gold bioleaching.

Stage 2 of the Bioleaching Project is now nearing completion. In November and December 2023, the research laboratory completed its larger-scale laboratory column experiments, dismantled the columns to sample the residues, and commenced final chemical analysis of the residues and leach solution. The DNA of the bacteria in the leaching residues has also been sampled for sequencing.

CORPORATE

Cash

At 31 December 2023, total cash held by the group was \$1,585,000.

2 for 3 Entitlement Offer at 3.0 cents per New Share, Shortfall Offer and Convertible Notes Early Redemption Offer

The Offers were announced on 17 November 2023 and closed on 11 December 2023. The Company received total applications of \$6.368 million, consisting of cash applications for \$1.208 million and convertible note redemptions for \$5.16 million. Total New Shares issued were 212,263,400.

Redemption acceptances from convertible note holders amounted to 60% of the face value of all the convertible notes on issue. Overall, acceptances under the Offers combined was 55% by value of the maximum amount to be raised under the Prospectus.

The redemptions by convertible note holders, totalling \$5.16 million, have significantly improved the Company's balance sheet and greatly reduced future convertible note interest payments.

Any or all of the remaining shortfall of 175.6 million shares may be placed to investors within three months of the closing date of the Entitlement Offer at 3.0 cents per share or higher.

Related Party Payments

In accordance with its obligations under ASX Listing Rule 5.3.5, Nagambie Resources advises that the only payments made to related parties of the Company in the quarter, as set out in item 6.1 of the accompanying Appendix 5B, were in respect of directors' and consulting fees.

By the order of the Board.



James Earle
Chief Executive Officer

STATEMENT AS TO COMPETENCY

The Exploration Results in this report have been compiled by Adam Jones who is a Member of the Australian Institute of Geoscientists (MAIG). Adam Jones has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". He 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", "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 Resources 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.

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Oriented diamond drilling of structurally-controlled, high-grade antimony-gold underground targets within the Nagambie Mine Mining Licence and elsewhere in the 3,000 sq km of tenements in the Waranga Domain is being methodically carried out.

Nagambie Resources and Golden Camel Mining (GCM) have received approval for the construction and operation of a CIL gold toll treatment plant at the Nagambie Mine. GCM will pay 100% of all construction and commissioning costs; thereafter net operating cash flow will be shared 50:50. A future antimony recovery circuit is also planned.

Underwater storage of sulphidic excavation material (PASS) in the two legacy gold pits at the Nagambie Mine is an excellent environmental fit.

Bacterial recovery of residual gold from the 1990s heap leach pad is being investigated.

Mining and screening of sand and gravel deposits at the Nagambie Mine is also planned.