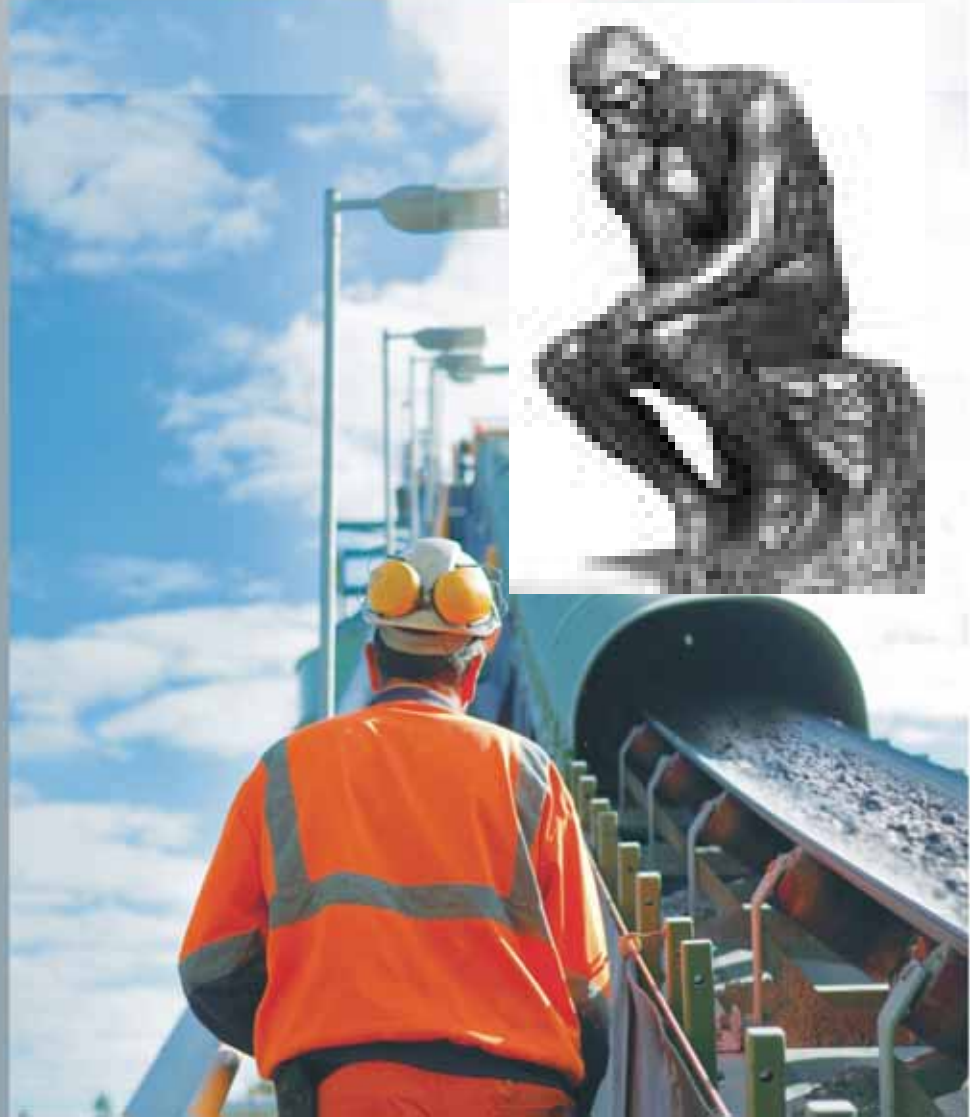




## “Minds and Finds”

### Exploration techniques at Henty Gold Mine

Angela Lorrigan  
Exploration Manager  
Tasmania  
September 2010



- **Corporate**
- **Geology**
- **Generating and testing targets**
- **Progress to date (the good stuff)**

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**Forward-looking statements**

This presentation may contain certain forward-looking statements regarding (i) estimated resources and reserves, (ii) planned production and operating costs profiles, (iii) planned capital requirements and (iv) plans, strategies and corporate objectives. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Bendigo Mining Limited. The forward-looking statements are inherently uncertain and may therefore differ materially from results ultimately achieved. External and other factors may impact the Company and affect the forward-looking statements in this release since its preparation. Subject to applicable law and stock exchange listing rules, Bendigo Mining does not intend to publicly update any of the forward-looking statements or any assumptions on which any such forward-looking statement is made.

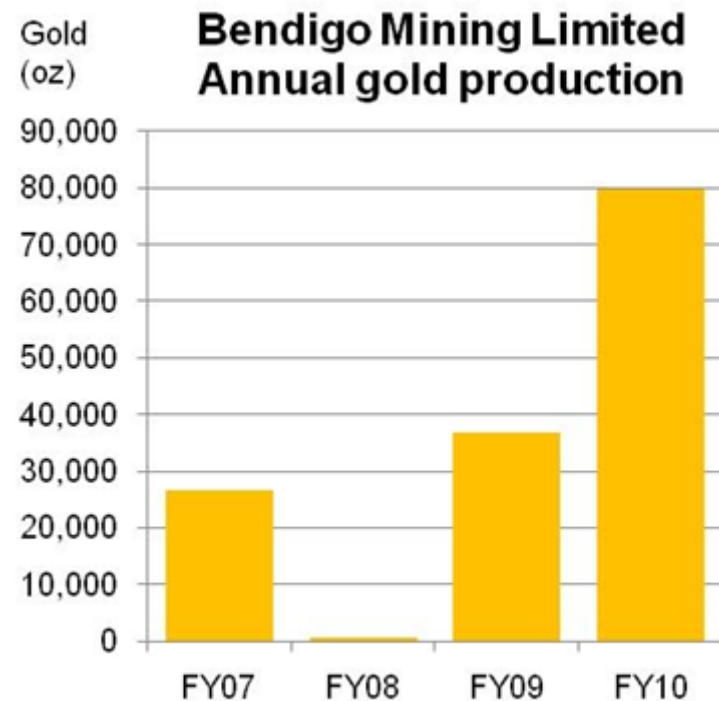


- **ASX: BDG**
- **Share price YTD (Lo/Hi/Current): \$0.175/\$0.285/\$0.20**
- **508M ordinary shares, 5.8M unlisted rights & options**
- **Mkt Cap: A\$102 million**
- **Cash: A\$57 million (30 June 10)**
- **No debt, no hedging**
- **Substantial shareholders:**

Orbis Funds Mgt	12.1%
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State Teachers Ohio	7.2%
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- **FY10 production of 79,827 at \$864/oz**
- **Henty Gold Mine (Tasmania)**
  - 101 koz resource (excl. Read, etc)
  - FY10: 43 koz at \$890/oz
- **Kangaroo Flat Mine (Victoria)**
  - 75 koz resource
  - FY10: 37 koz at \$833/oz
- **10.7% of BCD Resources<sup>1</sup>**
- **20% GoldStone Resources (AIM)**
- **\$57M cash in bank (30 June 10)**



1. Purchased for \$5.2M on 22 July 2010

- **Ore Reserves up 14% to 123,000 oz gold**
- **Mineral Resources of 176,000 oz gold**
- **FY11 production plan of 70-75,000 oz gold at a cash cost of around \$980/oz.**
- **This plan excludes any contribution from the planned BCD merger.**
- **FY11 guidance is driven by expected weak production result for the September 2010 quarter, with gold production of around 14-15,000 oz at cash costs of around \$1200-1400/oz.**
- **Subsequent quarters are planned to return to the 18-20,000 oz/quarter range, at a cash cost of around \$850-950/oz.**

- **Proposed merger with BCD Resources**
  - Create a new mid-tier Australian gold producer
- **Henty exploration success**
  - Providing near term production opportunities and mine life extensions
- **GoldStone Resources drilling program**
  - Tapping exploration potential in one of the world's most prospective regions for gold discoveries

# Henty – regional position

- Henty Mine Leases; Near-mine ELs and Regional prospects



# Mount Read Volcanics; the "Holy Host"

Hellyer (Zn, Pb, Cu, Ag, Au)

Que River (Zn, Pb, Cu, Ag, Au)

Rosebery (Zn, Pb, Ag, Au, Cu)

Hercules (Zn, Au, Ag, Pb, Cu)

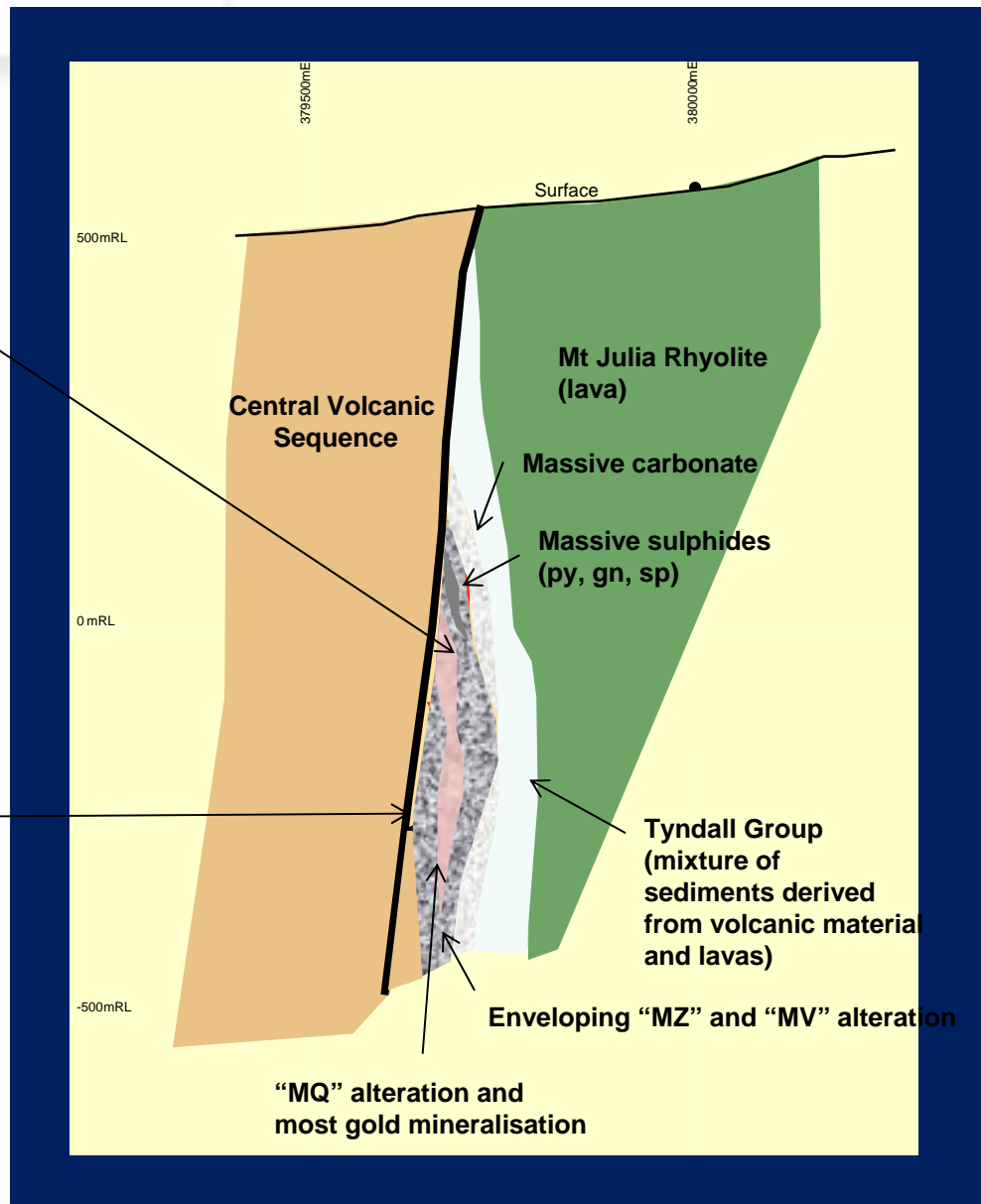
Henty (Au)

Mt. Lyell (Cu)



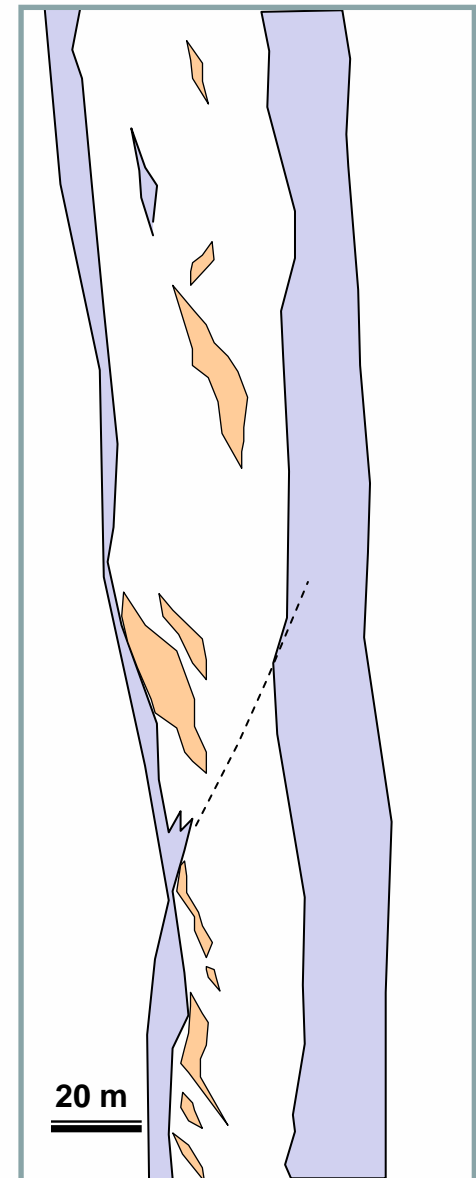


# Henty Geology



# Geological assumptions

1. Henty is hosted in a volcanogenic alteration system which is akin to the Rosebery and Hellyer VHMS deposits.
2. The location of the system is probably related to fluids moving out of the Henty Fault.
3. Where the gold is found now is a result of structural remobilisation and emplacement.



## Gold in late veins in “MQ” Alteration.



# Implications for exploration

1. Multiple lenses and complex geometry.
2. Overprinting alteration packages (standard porphyry-type models don't apply).
3. The distribution of elements that travelled with the gold may provide a simple exploration tool.
4. Sites of structural dilation are prospective.

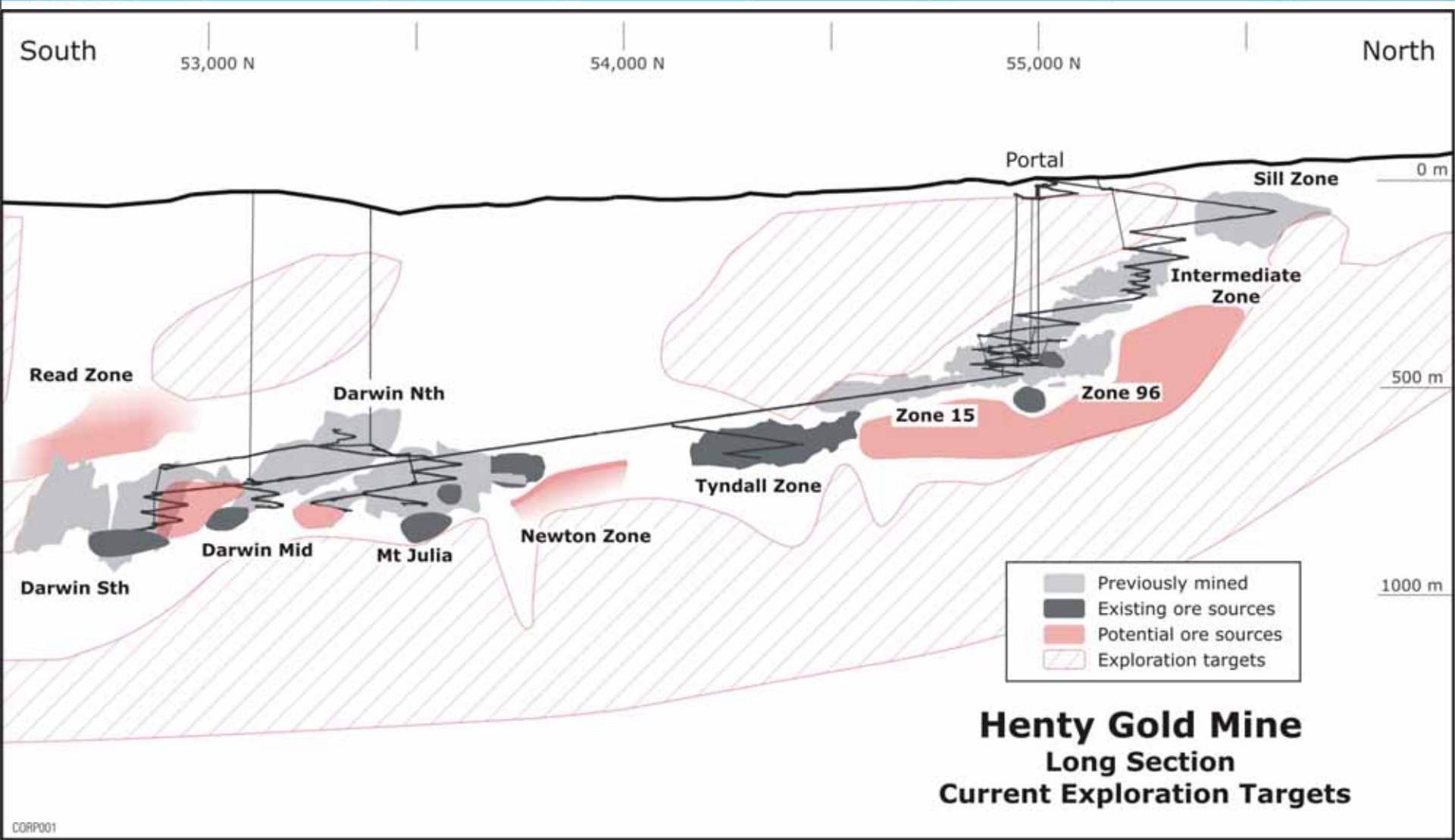
# Henty – exploration program

- **Explore like never before**
  - Previous spend max of \$1-2M/y
  - Now \$8M/y rate, and increasing
- **Multiple exploration targets**
  - Development targets  
(Incremental mine life additions)
  - Regional targets  
(potential for major discovery and material reserve additions)



# Generating targets

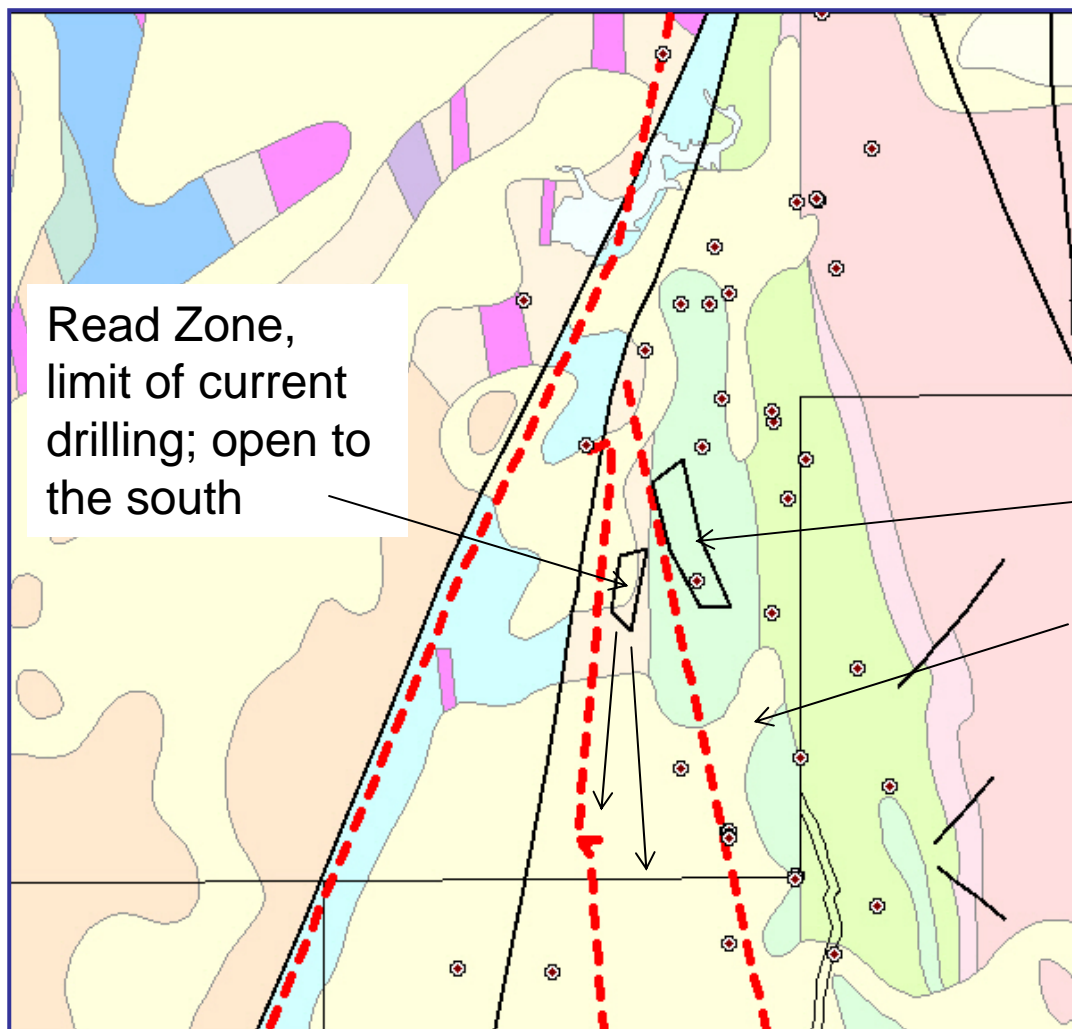
- **Geometry of the prospective horizons**
  - This has been the main means of generating targets
  - Complete existing 3D models
  - Compile all extant drill hole data
  - Compile surface sample database
- **Extend the influence of each drill hole**
  - Know what a “near miss” looks like
  - Complete trace element study (determine which elements can be used as vectors)
- **Using the magnetics**
  - Use magnetics to look for stratigraphic and structural sites analogous to Henty



## Henty Gold Mine Long Section Current Exploration Targets

Darwin Sth	Darwin Mid	Darwin Nth	Mt Julia	Historic production	Zone 15	Zone 96	Intermediate Zone	Sill Zone
297,200 oz	69,000 oz	42,200 oz	66,400 oz		76,400 oz	281,900 oz	90,500 oz	218,900 oz
10.9 g/t gold	7.0 g/t gold	5.7 g/t gold	7.8 g/t gold	Recovered grade	10.4 g/t gold	18.0 g/t gold	14.7 g/t gold	21.0 g/t gold

CORP001



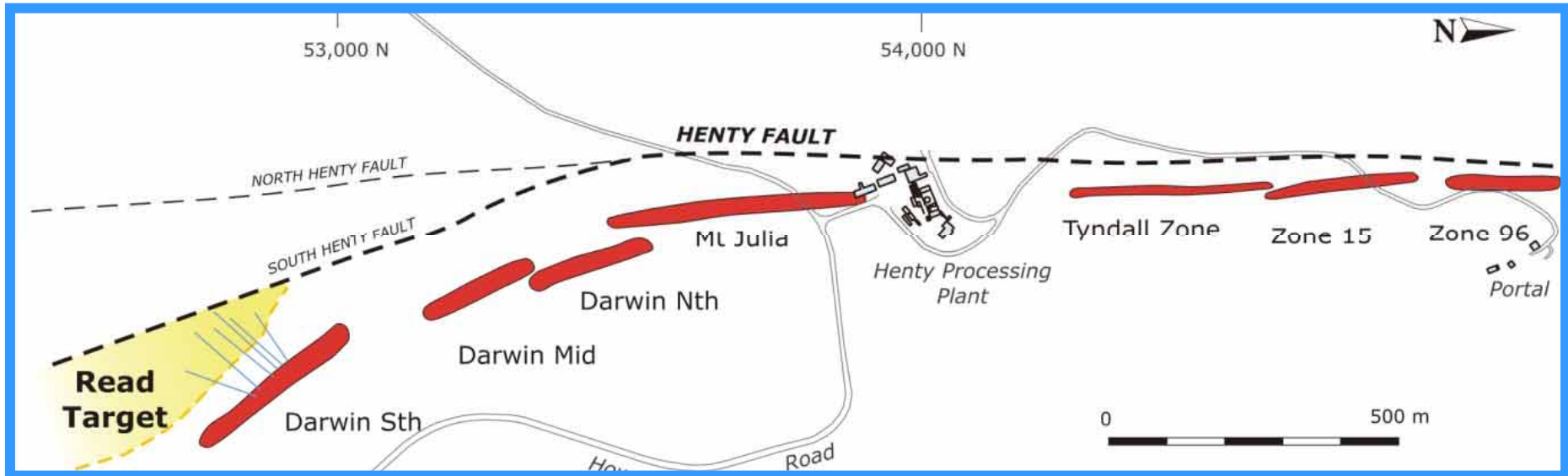
Read Zone,  
limit of current  
drilling; open to  
the south

Extent of Sth. Darwin  
mineralisation

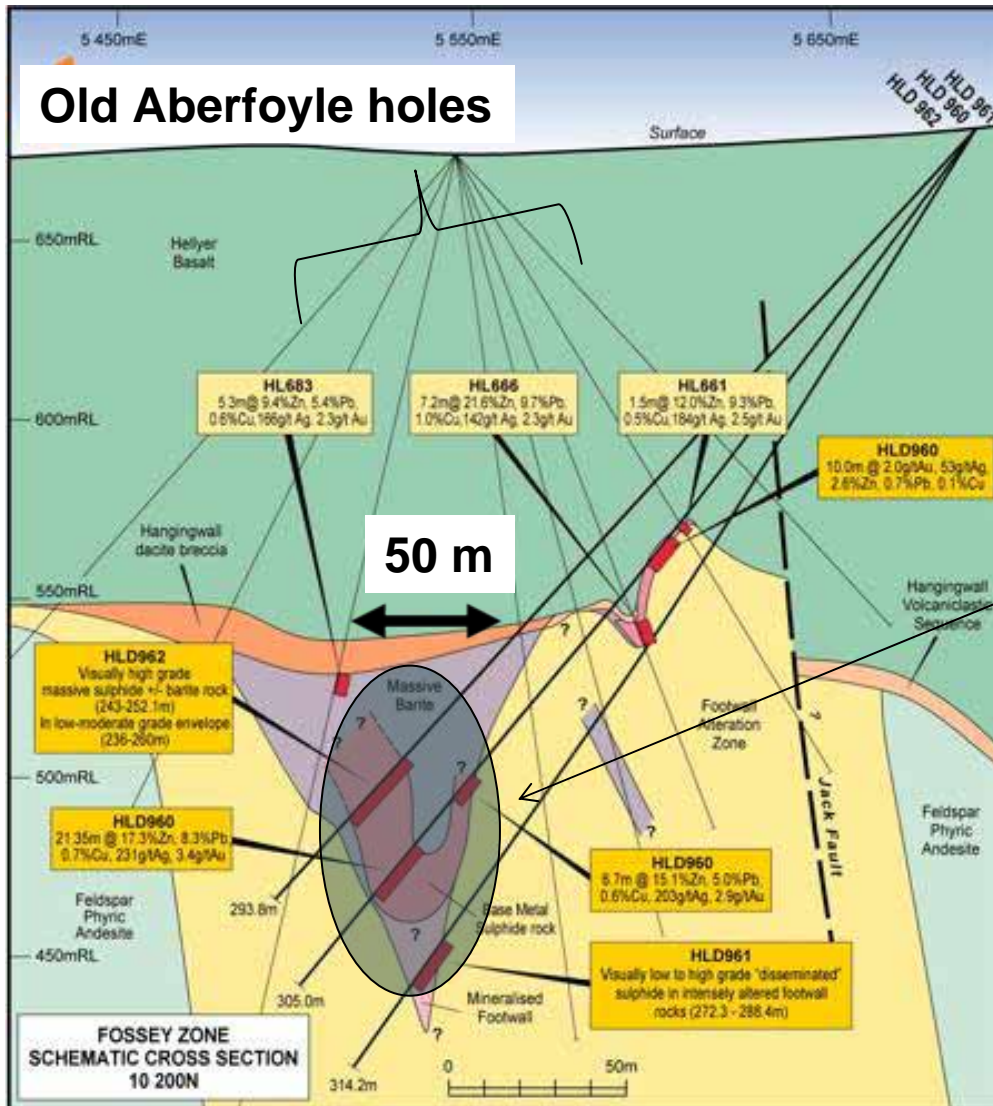
Drilling has concentrated  
on strike extensions to SE



# Read Zone

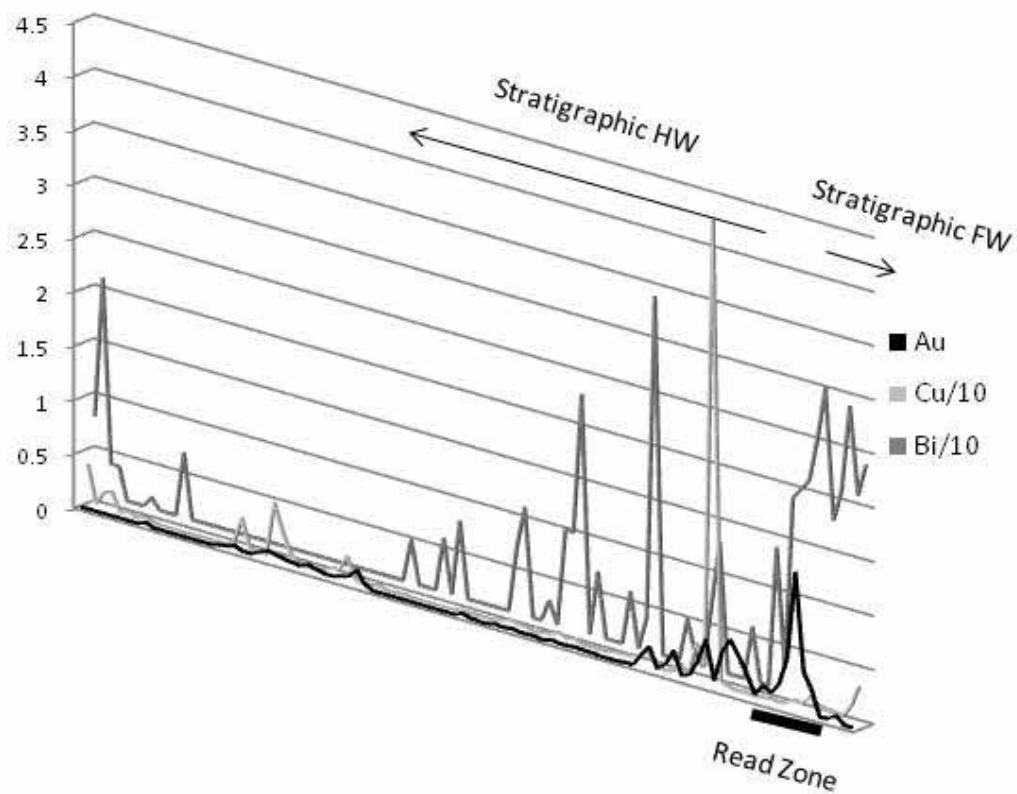


# How drilling can miss – example from 20 kms up the road

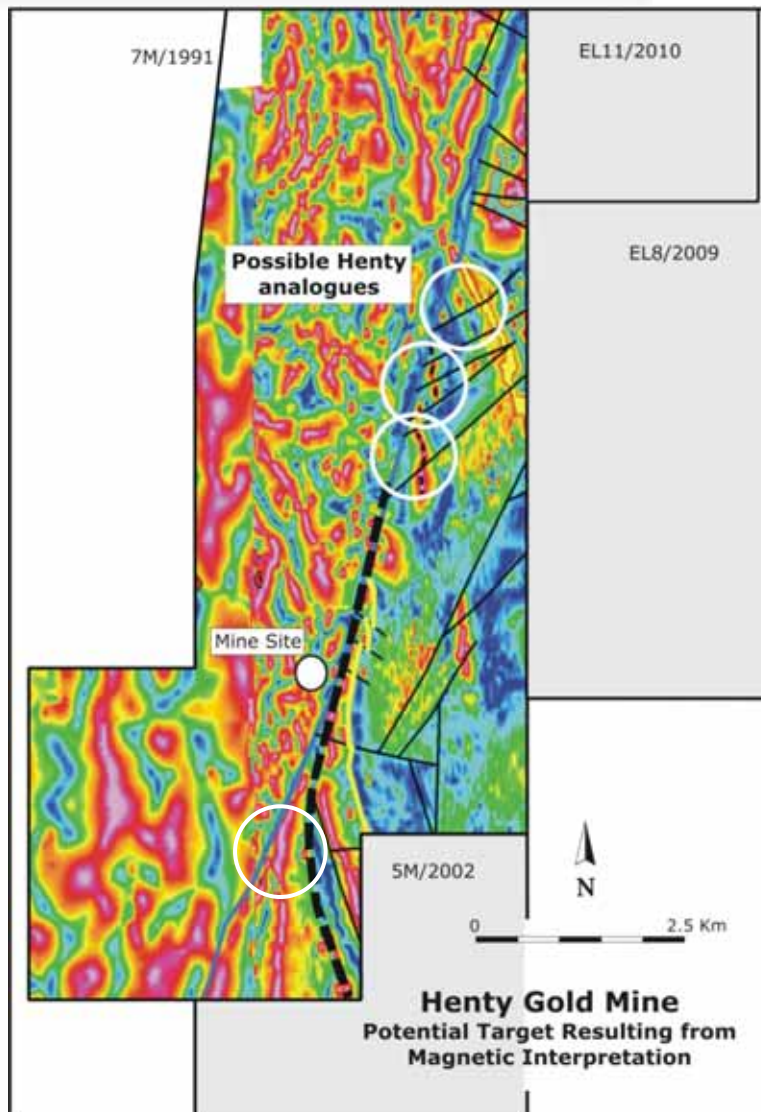


**Fossey Resource 0.8Mt**

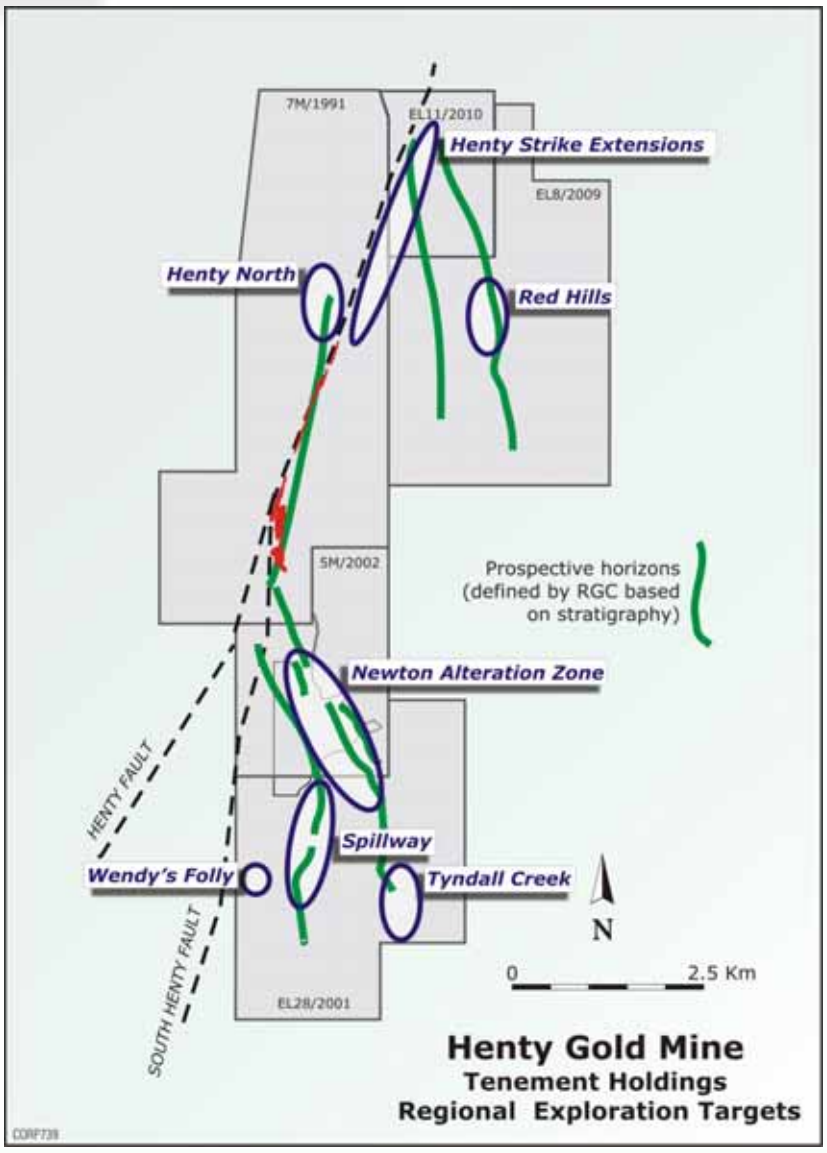
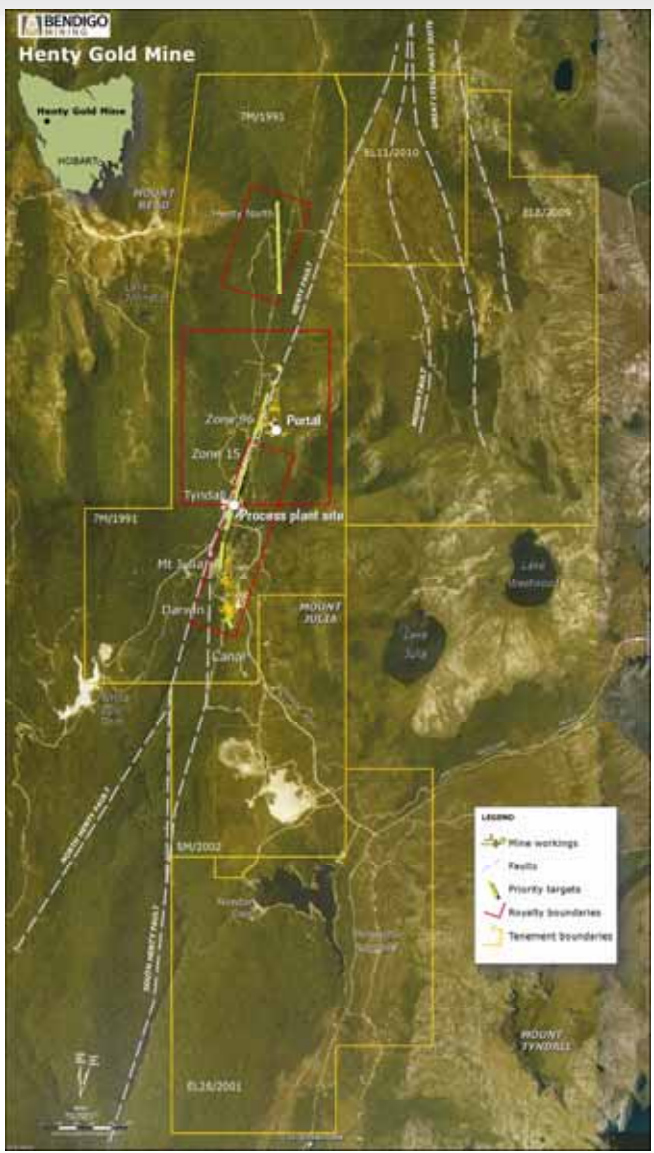
# Down hole Bi halo



## Preliminary targets from magnetics



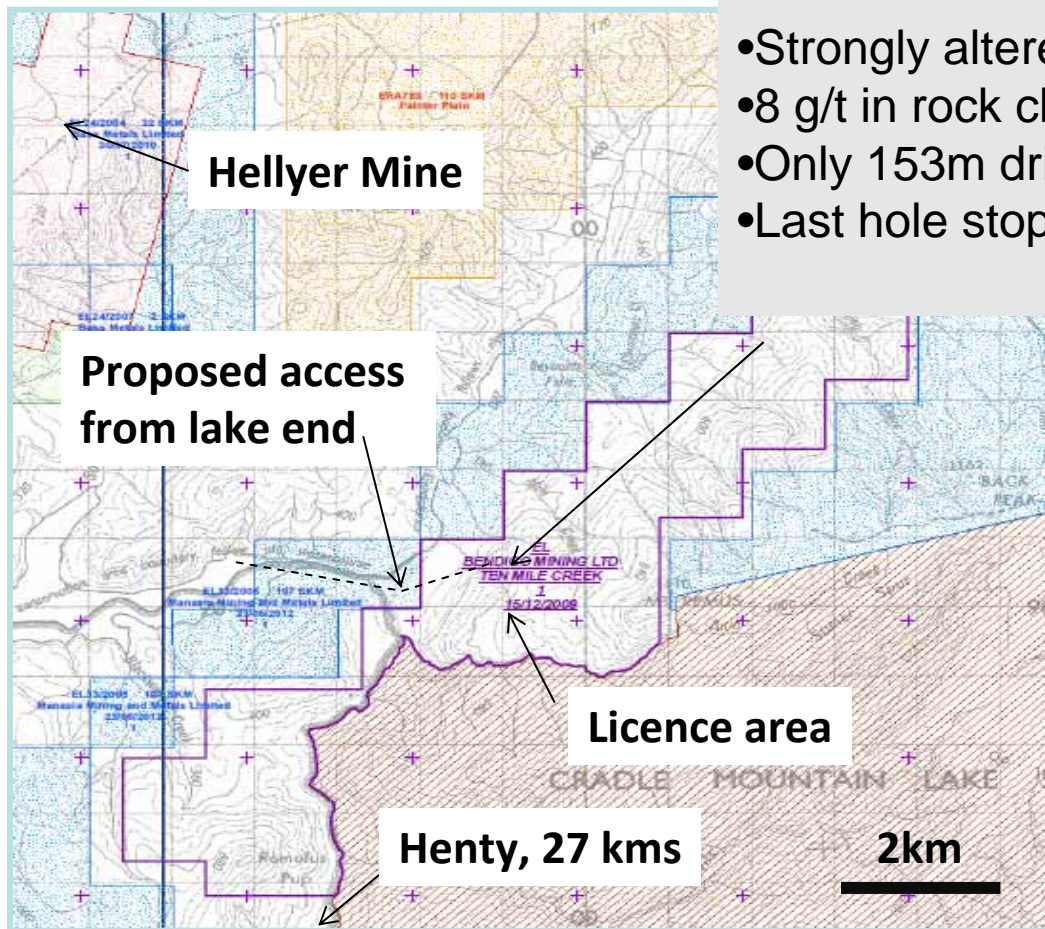
# Henty – regional targets

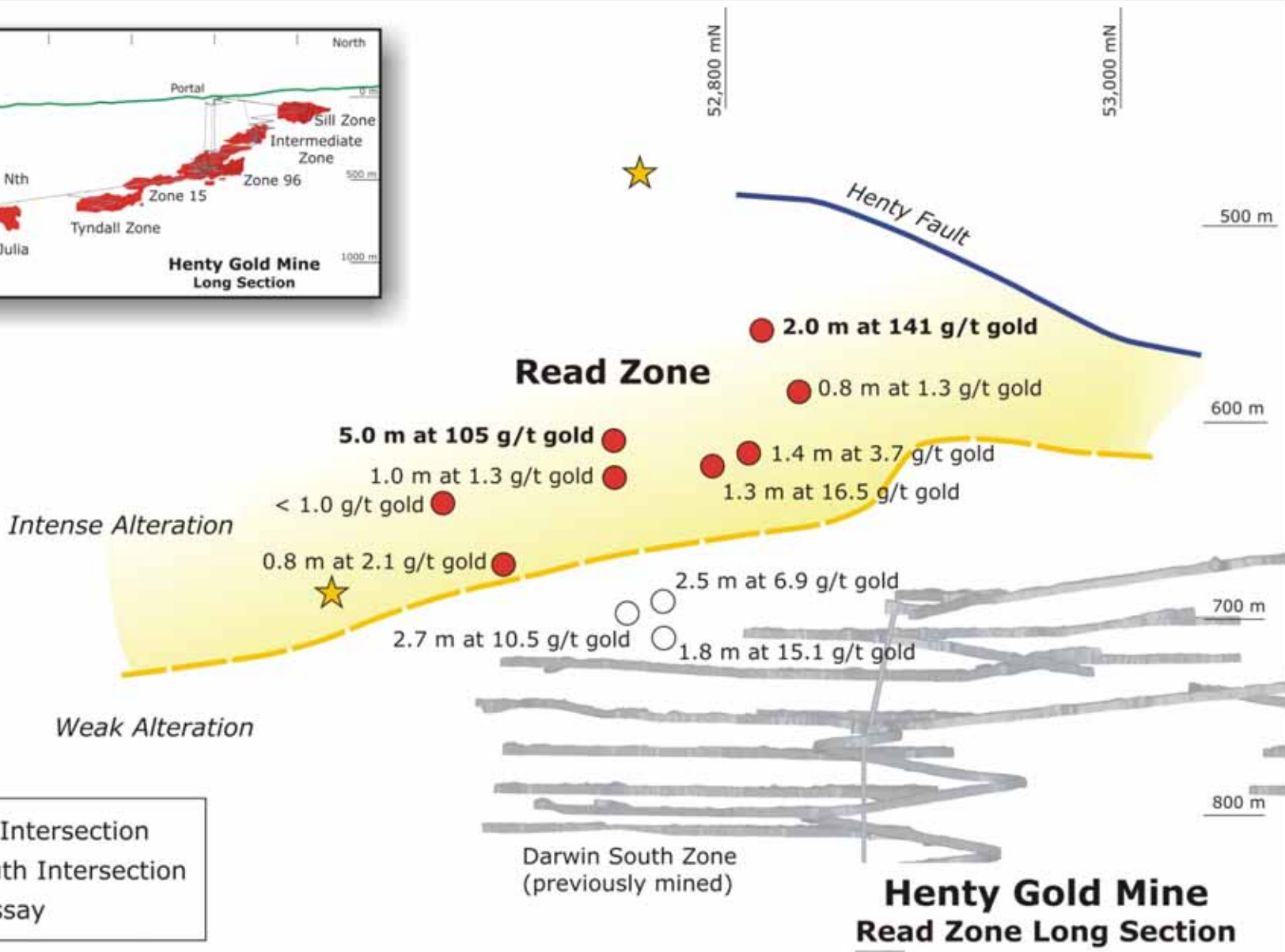
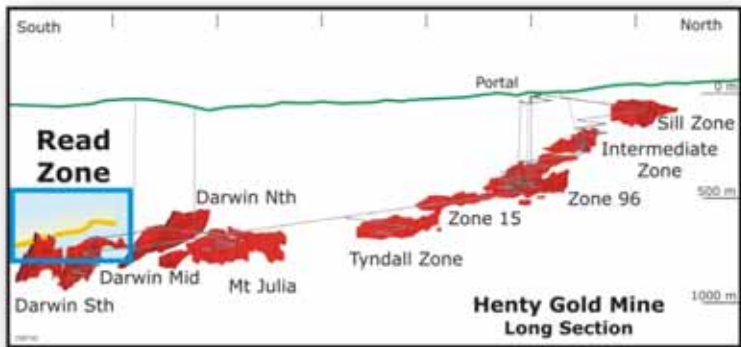


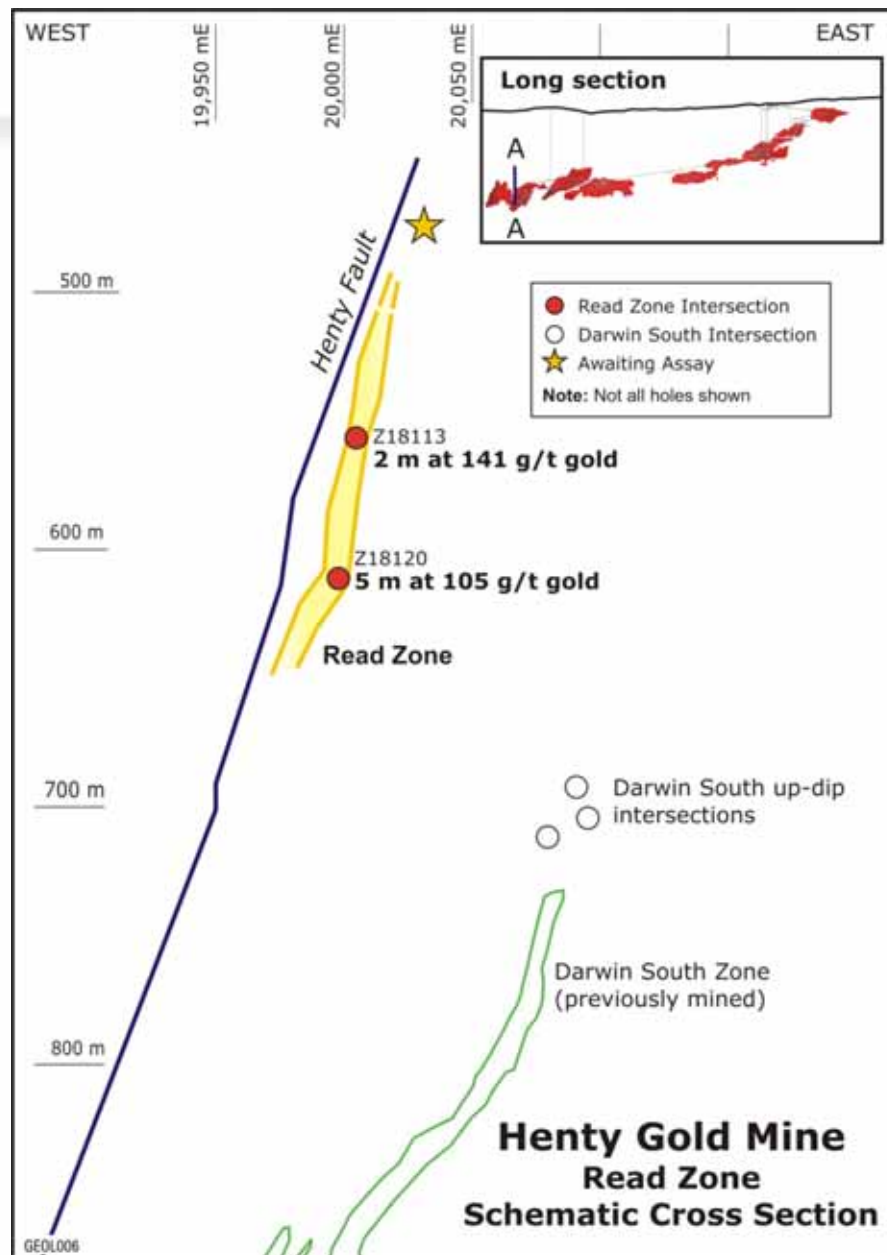
# "Grass roots" Exploration

## Ten Mile Creek Prospect

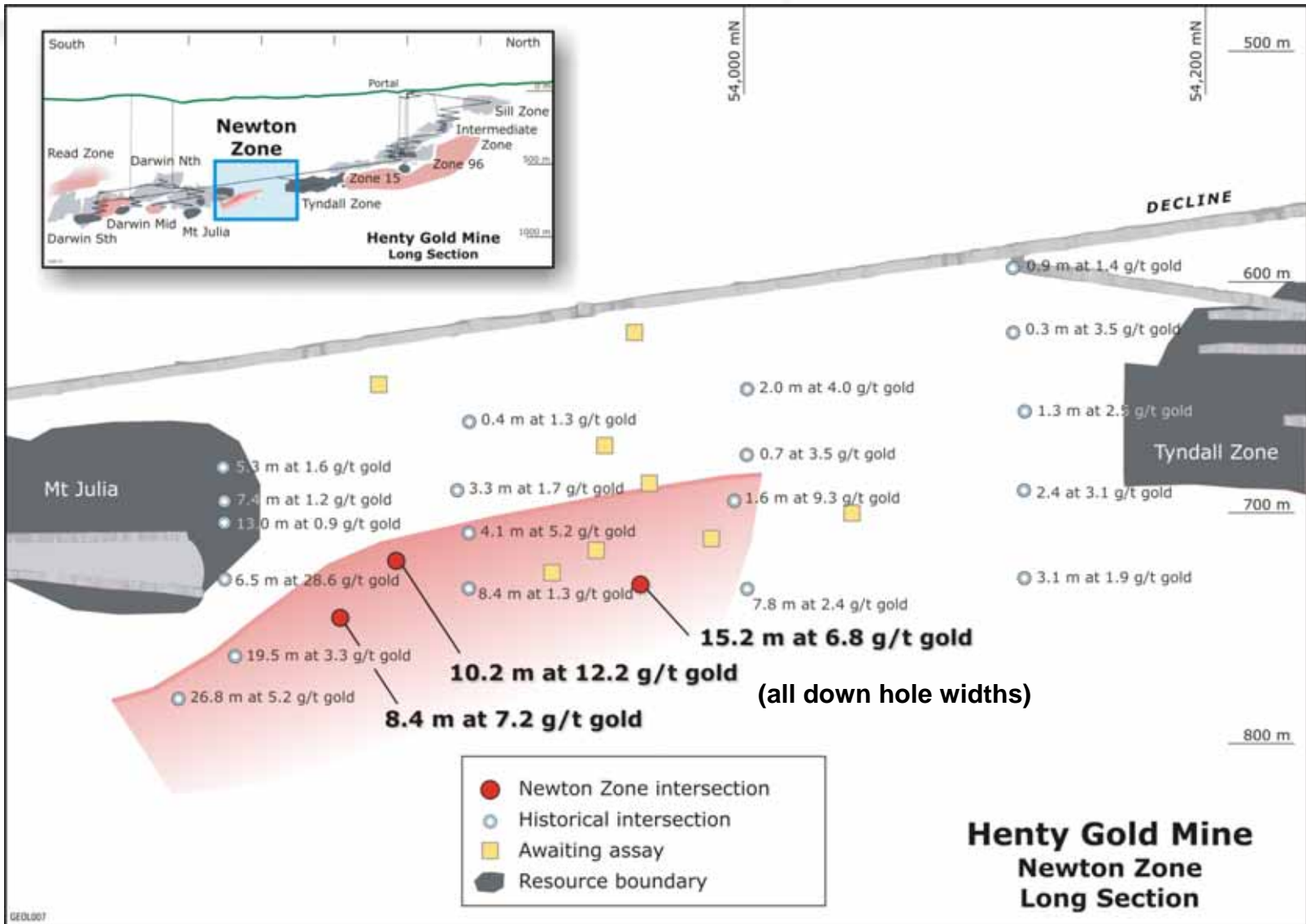
- Strongly altered porphyry
- 8 g/t in rock chip sample
- Only 153m drilling, in 4 drill holes
- Last hole stopped in alteration and 0.5 g/t gold













...just the beginning!

