



Bendigo to acquire the Henty Gold Mine from Barrick

Deal to transform Bendigo Mining into a two mine company, with planned production of 50-65,000 ounces of gold in 2009

Bendigo Mining Limited (ASX:BDG) ("Bendigo") has entered into an agreement with Barrick (PD) Australia Limited ("Barrick") to acquire 100% of the Henty Gold Mine ("Henty"), located on the West Coast of Tasmania.

The deal transforms Bendigo from a single mine company, with Henty becoming the Company's second underground operating gold mine along with the Kangaroo Flat Mine in Bendigo. Bendigo has agreed to pay Barrick a total consideration of A\$8 million plus royalties of up to \$22 million arising from future production from exploration discoveries. The non-royalty consideration comprises A\$5 million in cash and A\$3 million in Bendigo ordinary shares. Bendigo will also assume Henty's employee and environmental liabilities, and an existing royalty obligation. The acquisition is planned to be finalised in early July, subject to the fulfillment of various third party agreements.

Commenting on the deal, Bendigo's Managing Director Mr Rod Hanson said, "Henty is an excellent fit and complements Bendigo's growth strategy as it provides additional gold production immediately and significant exploration potential, combined with a low risk financing structure. The Company is acquiring a mine that is expected to be cash flow positive for the remainder of calendar 2009, combined with significant exploration potential.

"Importantly, the acquisition is consistent with Bendigo's strategy of building a profitable mid-tier gold company. It is also a very good operational fit with the Kangaroo Flat Mine in Bendigo, given Henty's similar nature of operations and excellent potential for additional gold resources.

"Whilst Henty currently has a limited mine life, with Barrick scheduling closure at year-end, Bendigo's Directors believe there is considerable scope to continue mining and extend operations into the future. We plan to hit the ground running with significant investment in exploration and development upon completion of the deal" Mr Hanson added.

Bendigo is committed to working at increasing mine life at Henty, and as such, plans to retain the current workforce of 92 employees. Based on current plans, Bendigo's aim is to mine and process approximately 130,000 tonnes at a grade of 6 g/t gold to produce approximately 20-25,000 ounces of gold at Henty over the balance of calendar 2009.

Total gold production from both Henty and Kangaroo Flat is expected to range between 50,000 to 65,000 ounces for calendar 2009.

The contents of this media release should be read in conjunction with, and subject to, today's ASX announcement on the Henty transaction, particularly with regards to the forward-looking statements contained in this release which are inherently uncertain and not guarantees of future performance.

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