

Bendigo Mining
Limited
ABN 61 005 674 073

Corporate Details:

ASX Code: BDG

Issued capital:
425.3M ord. shares
6.5M unlisted options

Substantial Shareholders:
JF Capital Partners
47.2M (11.1%)
Merrill Lynch Investment
44.7M (10.5%)
APS Asset Management
42.4M (10.0%)

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Directors:
Non-Executive Chairman:
Peter McCarthy
Managing Director:
Douglas Buerger
Non-Executive Directors:
Ronald Beevor
Richard Guy OAM
Roy Woodall AO

For further details:

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2006 Financial Results

Bendigo Mining Limited (ASX: BDG or the "Company") today released its 2006 financial result after recently joining the ranks of Australian gold producers.

Activities during the year recorded a loss after tax of \$13 million. No revenue from gold sales was generated in the past financial year, hence a loss was recorded. The Company remains debt-free and has no gold hedging.

Manager Director Mr Doug Buerger said, "We have just commenced production from the commissioning phase of the Kangaroo Flat plant and we are focussed on ramping that up to commercial levels over the next month. As the current 2007 financial year is our first year of production, I'm expecting a marked improvement in our bottom line relative to that achieved last year."

"The past twelve months have been very active as we invested some \$125 million in mine development and exploration. We successfully delivered against a number of milestones, the most significant being the move from developer to gold producer. We are now focused on completing the commissioning phase as planned at the end of September and commencing commercial production."

The Company reported that commissioning is proceeding as expected with the crushing circuit, ball mill and majority of the gravity circuit now operational. The first flotation concentrate was produced yesterday, with leaching of concentrate to commence in the coming week. The gravity circuit is operating as planned with significant amounts of coarse gold being collected.

"Our understanding of Bendigo mineralisation is increasing with every new underground development face and with every tonne of ore processed.

"It's an exciting time to be commencing the first stage of our strategy to grow production to 600,000 oz/y gold and become what is planned to be one of Australia's largest underground gold mines, Mr Buerger said.

With commercial production scheduled to commence in the December quarter, gold production for the 2007 financial year is forecast to occur within a range of 70,000 oz to 90,000 oz at a grade which could vary from 7 g/t to 9 g/t gold. The head grade will determine the cash costs, which is expected to range between A\$400/oz to just over A\$500/oz.

For further information contact:

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Bendigo Mining Limited is developing one of the world's largest and highest-grade new gold projects. The Bendigo Goldfield produced some 22 million ounces of gold over a century of mining, and today is estimated to contain high-grade gold mineralisation of over 11 million ounces beneath the historic workings. Once fully developed, the mine is planned to produce over 600,000 ounces of gold a year for more than 20 years, which would position Bendigo Mining as one of Australia's largest long-life gold producers. Commercial production is planned to commence at the end of September 2006 and produce 70,000 to 90,000 oz of gold in 2006/07, building to 200,000 oz/y after three years, with full-scale production of 600,000 oz/y planned to commence in 2011/12.