

Bendigo Mining
Limited
ABN 61 005 674 073

Corporate Details:

ASX Code: BDG

Issued capital:

507.9M ord. shares
2.1M unlisted options
2.1M unlisted perf. rights
2.3M unlisted share rights

Substantial Shareholders:

Orbis Funds 48.5M (9.6%)
STRS Ohio 32.1M (6.3%)

Directors:

Non-Executive Chairman:
Peter McCarthy
Managing Director:
Rod Hanson
Non-Executive Directors:
Ronnie Beevor
Richard Guy OAM
David Ransom

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Annual Profit of \$8.25 Million Achieved

Maiden dividend declared

Bendigo Mining Limited (ASX: BDG) today announced a profit of \$8.25 million for the 2009 financial year on the back of record gold production from the Company's 100%-owned Kangaroo Flat Mine in Bendigo.

The strong financial result has enabled the Company to declare its maiden dividend of 0.5 cent a share unfranked.

Rod Hanson, Managing Director & CEO commented "The past twelve months have been very active with the Company moving beyond trial mining at Bendigo and producing 36,927 ounces of gold to 30 June 2009. The excellent operational performance, combined with a buoyant gold price, has led to our annual profit of \$8.25 million for the financial year. The second half profit was particularly strong, with a net profit of \$10.7 million offsetting the first half year loss of \$2.45 million.

"This profit result reflects the success of our revised exploration and operational strategy. The high head grade of 8.5 g/t gold from the Kangaroo Flat Mine was one of the key drivers of strong cashflow. After significant investment in exploration of around \$6 million during 2008/09, we generated net cashflow of \$8.5 million, thereby increasing our cash in bank to \$57.1 million at financial year-end.

"The Henty Gold Mine in Tasmania acquisition was concluded just after the end of the financial year and integration is progressing smoothly. We now have two quality gold operations generating positive cash flow, and both possess excellent exploration potential within well-endowed goldfields. I believe the acquisition will be a turning point for the Company in providing options for future growth.

"In recognition of the excellent 2009 earnings result, the Board has declared a maiden dividend of 0.5 cents a share. The Company maintains a robust balance sheet and is in a strong position to fund exploration and further growth opportunities.

"Our focus remains on building the Company into a profitable mid-tier gold producer," Mr Hanson said.