



New Bendigo Gold Project Newsletter

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SUCCESSFUL \$50 MILLION CAPITAL RAISING

Bendigo Mining has successfully raised the funds required for the next stage of development of the New Bendigo Gold Project, with the view to commence gold production in 2003.

Harmony Gold Mining Company will inject \$50 million into the project (subject to shareholder and regulatory approval) for approximately 33% share in Bendigo Mining. Harmony has experienced significant growth over the last five years and has emerged as one of the top gold producers in the world. Harmony has major gold mining interests in South Africa as well as operations in Western Australia. The Bendigo Mining directors anticipate that Harmony's underground experience will be particularly beneficial in the development of the New Bendigo Gold Project.

The Bendigo Mining Annual General Meeting will be held on 13 December 2001.

EXPLORATION

One drilling rig continues to operate underground from the Swan Decline and over the last 2 months this rig has completed more than 3 km of core sample drilling. Much of this drilling was undertaken on the Sheepshead line of reef. The geology team is busy refining resource models in preparation for further underground development. Research into historical mining is proceeding as planned and the Company has an extensive digital model of many of the underground workings.

UNDERGROUND DEVELOPMENT

Development work to extend the decline tunnel is expected to resume in the near future. Underground development was suspended for several months this year while geological evaluation and fundraising were completed.

REHABILITATION

During the summer months seed collection will be conducted at both the Carshalton and Woodvale sites. Plans are to recommence revegetation work in May – June 2002.

Vegetation monitoring at Woodvale is undertaken monthly and vegetation, which had earlier been recorded as suffering some damage, has now recovered. The sprays, used to enhance evaporation, are not currently in use.



Miners, past and present, enjoying a discussion over afternoon tea at the Bendigo Art Gallery.

EX-MINERS REUNITE

A gathering of former miners from the Bendigo area was held recently at the Bendigo Art Gallery. The Old Miners Club was initiated some years ago by Bendigo Mining and Mr James Lerk. The Club has held a number of gatherings with the group sharing their knowledge of the Bendigo goldfield with staff at Bendigo Mining. It is also an opportunity to catch up with old friends.

Mr James Lerk conducted a tour of the Golden Years Exhibition currently being held at the Bendigo Art Gallery.

Anyone wishing to join the Old Miners Club should contact Sandra Burns at Bendigo Mining on 5447 1834.

DEWATERING

A desalination plant to treat the water from the old and new workings beneath Bendigo, is currently being planned. It is expected to be in operation by mid 2002.

Water is pumped from the Carshalton, Red White and Blue Consolidated and New Moon shafts. This water is evaporated at the Woodvale ponds.

The Woodvale ponds provide a great refuge for birdlife. Local bird expert, Chris Tzaros, has identified 92 species at the evaporation ponds and recently added the Grey Currawong, Banded Stilt and the Ruddy Turnstone - a species of wader that migrates from the northern hemisphere- to the list.

