

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of Entity

Niagara Mining Limited

ABN

60 060 525 206

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |                            |
|---|--|----------------------------|
| 1 | +Class of +securities issued or to be issued   | Fully Paid Ordinary Shares |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 2,700,000                  |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Rank equally               |

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+ See chapter 19 for defined terms.

| <p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul> | <p>Yes, parri passu with existing fully paid ordinary shares.</p>   |        |        |             |                 |
|--|---|--------|--------|-------------|-----------------|
| <p>5 Issue price or consideration</p>  | <p>\$0.001 Initial payment<br/>\$0.051 Balance of payment</p>   |        |        |             |                 |
| <p>6 Purpose of the issue<br/>(If issued as consideration for the acquisition of assets, clearly identify those assets)</p>  | <p>Payment of balance of partly paid shares to convert to fully paid ordinary shares</p>  |        |        |             |                 |
| <p>7 Dates of entering +securities into uncertificated holdings or despatch of certificates</p>  | <p>4 April 2006</p>   |        |        |             |                 |
| <p>8 Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 2 if applicable)</p>  | <table border="1"> <thead> <tr> <th data-bbox="735 1297 995 1329">Number</th> <th data-bbox="1003 1297 1255 1329">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="735 1339 995 1371">202,683,322</td> <td data-bbox="1003 1339 1255 1371">Ordinary Shares</td> </tr> </tbody> </table> | Number | +Class | 202,683,322 | Ordinary Shares |
| Number   | +Class  |        |        |             |                 |
| 202,683,322  | Ordinary Shares   |        |        |             |                 |

|    | Number   | +Class  |
|----|--|---|
| 9  | 4,700,000  | Partly Paid Shares (Issued @ \$0.06 and paid to \$0.01)   |
|    | 35,750,000   | Partly Paid Shares (Issued @ \$0.051 and paid to \$0.001) |
|    | 2,000,000  | December 2006 Options                                     |
|    | 7,000,000  | December 2015 Incentive Options                           |
| 10 | Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) |   |
|    | The dividend policy of the company remains unchanged.  |   |

## Part 2 - Bonus issue or pro rata issue

*Questions 11 to 33 not applicable*

## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b)  All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

*Questions 35 to 42 not applicable*

### Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.

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+ See chapter 19 for defined terms.

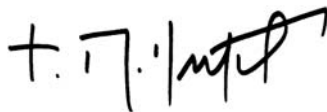
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here:

Company secretary

Date: 4 April 2006

Print name:

Ross Kestel

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