

21 June 2012

Mr Dean Litis
Adviser, Listings (Melbourne)
ASX Compliance Pty Ltd
Level 4, Rialto North Tower
525 Collins Street
MELBOURNE VIC 3000

By email

Dear Dean

Appendix 3Y – Change of director’s interest notice

Attached is an Appendix 3Y in relation to changes of interest of a director of Navarre Minerals Limited (Navarre). This letter explains why the Appendix 3Y is being lodged late and seeks to address questions that the ASX may ask in these circumstances.

Explanation for late lodgement

The changes disclosed in the attached Appendix 3Y relate to the acquisition of Navarre shares by Glenelg Mining Pty Ltd (Glenelg). Glenelg is a private company, of which Mr McDermott is one of two directors and beneficial owners.

On 31 May 2012, Glenelg acquired on-market 5,000 Navarre shares. This trade was initiated by Mr McDermott’s co-director, without prior consultation with Mr McDermott. Mr McDermott notified Navarre of the trade when he became aware that it had taken place on 1 June 2012. It was then realised by Navarre, on further investigation, that Glenelg already held 13,333 Navarre shares, which had not been disclosed as part of Mr McDermott’s indirect interests in Navarre. Of those 13,333 shares, 10,000 were acquired in March 2011 through the initial public offering (IPO) of Navarre shares and the remaining 3,333 were acquired in August 2011 through an entitlement offer to Navarre shareholders. Although Navarre had been advised of Mr McDermott’s connection with Glenelg, it was not aware of the specific transactions outlined above until Mr McDermott’s notification of the most recent acquisition of 5,000 shares.

Navarre acknowledges that it is late in disclosing the above transactions to the market. However, Navarre considers that this is a ‘one-off’ situation, stemming back to the unintended oversight, at the time of Navarre’s IPO, of disclosure of Mr McDermott’s indirect interest in the 10,000 shares acquired by Glenelg through the IPO. In relation to the delay in disclosing the most recent trade, Navarre wished to complete its investigation of the previous transactions, and confirm that there were no other interests to be disclosed, before lodging the attached Appendix 3Y.

What arrangements does the Company have in place with its directors to ensure that it is able to meet its disclosure obligations under listing rule 3.19A?

Navarre has agreements with each director, setting out the director's obligations in relation to disclosure of changes in interests held in Navarre's securities, including the requirements for disclosing information required for completion and lodgement of Appendix 3Y with ASX within the time limits prescribed by the ASX Listing Rules.

Each director is provided with a copy of Navarre's Securities Trading Policy, which sets out the requirements in relation to trading in securities and disclosure of securities transactions to Navarre.

If the current arrangements are inadequate or not being enforced, what additional step(s) does the Company intend to take to ensure compliance with Listing Rule 3.19B?

Navarre believes that the current arrangements are generally adequate and are enforced, this instance notwithstanding. Nonetheless, all directors have been reminded of the importance of complying with their undertaking to Navarre in order to ensure compliance with the Listing Rules. Navarre understands that Mr McDermott has discussed the issue with his co-director of Glenelg and has made clear that no further Navarre shares may be acquired by Glenelg without his express permission (and then only in compliance with Navarre's Securities Trading Policy).

Navarre is committed to ensuring that there are no further late lodgements in relation to changes of directors' interests, and is confident that it has the necessary procedures in place to prevent the occurrence of late disclosure in the future.

Clarification of total number of ordinary shares held by Mr McDermott

During Navarre's investigation of the above matters and the process of auditing its past director's interest disclosures relating to Mr McDermott, Navarre has become aware of a past error in calculating the total number of Navarre shares in which Mr McDermott has an interest. This error, which had resulted in Mr McDermott's interest being overstated by 55,000 shares, has been corrected in the attached Appendix 3Y.

Yours sincerely

NAVARRE MINERALS LIMITED



Jane Nosworthy
Company Secretary

Appendix 3Y

Change of Director's Interest Notice

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 30/09/01 Amended 01/01/11

Name of entity	Navarre Minerals Limited
ABN	66 125 140 105

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

Name of Director	Geoffrey John McDermott
Date of last notice	12 March 2012

Part 1 - Change of director's relevant interests in securities

In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

Direct or indirect interest	Indirect
Nature of indirect interest (including registered holder) Note: Provide details of the circumstances giving rise to the relevant interest.	<p>Glenelg Mining Pty Ltd (Mr McDermott is a director of and has a beneficial interest in Glenelg Mining Pty Ltd.)</p> <p>New Chum Holdings Pty Ltd (Mr McDermott is a director of and has a beneficial interest in New Chum Holdings Pty Ltd.)</p> <p>New Chum Holdings Pty Ltd <New Chum Superannuation A/C> (Mr McDermott is a director of and has a beneficial interest in New Chum Holdings Pty Ltd.)</p> <p>Mr Geoffrey John McDermott & Mrs Catherine Lee McDermott <ATF for Georgia, Ande and William McDermott> (Mrs Catherine Lee McDermott is Mr McDermott's wife.)</p> <p>Mrs Catherine Lee McDermott (wife of Mr McDermott)</p>
Date of change	<p>(1) 22 March 2011</p> <p>(2) 26 August 2011</p> <p>(3) 31 May 2012</p>
No. of securities held prior to change	Ordinary fully paid shares: 4,583,974 Unlisted options for ordinary shares: 1,500,000 exercisable at \$0.20, expire 31/12/14
Class	Ordinary fully paid shares

+ See chapter 19 for defined terms.

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Number acquired	(1) 10,000 (2) 3,333 (3) 5,000
Number disposed	Nil
Value/Consideration Note: If consideration is non-cash, provide details and estimated valuation	(1) \$2,000 (2) \$767 (3) \$950
No. of securities held after change	Ordinary fully paid shares: 4,602,307 Unlisted options for ordinary shares: 1,500,000 exercisable at \$0.20, expire 31/12/14
Nature of change Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back	(1) Prospectus issue (2) Entitlement issue (3) On-market trade

Part 2 – Change of director's interests in contracts

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

Detail of contract	Not applicable
Nature of interest	
Name of registered holder (if issued securities)	
Date of change	
No. and class of securities to which interest related prior to change Note: Details are only required for a contract in relation to which the interest has changed	
Interest acquired	
Interest disposed	
Value/Consideration Note: If consideration is non-cash, provide details and an estimated valuation	
Interest after change	

Part 3 – +Closed period

Were the interests in the securities or contracts detailed above traded during a +closed period where prior written clearance was required?	No
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+ See chapter 19 for defined terms.

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If so, was prior written clearance provided to allow the trade to proceed during this period?	N/A
If prior written clearance was provided, on what date was this provided?	N/A

+ See chapter 19 for defined terms.