

ASX Announcement

17 October 2012

Navarre Minerals Limited

ABN 66 125 140 105

ASX Code: NML

Corporate Details

Issued capital:

55.8M ordinary shares

2.3M unlisted options

Directors & Management:

Kevin Wilson

(Non-Executive Chairman)

Geoff McDermott

(Managing Director)

John Dorward

(Non-Executive Director)

Colin Naylor

(Non-Executive Director)

Jane Nosworthy

(Company Secretary)

Wessley Edgar

(Exploration Manager)

Contact Details

Geoff McDermott

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Tandarra's Macnaughtan Line delivers high-grade gold

Highlights

- **4.5m @ 23.1g Au/t from 69m down-hole, including 1.5m @ 59.2g Au/t intersected in air-core hole ACT151 on the Macnaughtan Line**
- **New air-core drill results continue to demonstrate significant shallow gold mineralisation at Tandarra**
- **Closing date of the Company's Share Purchase Plan extended by one week to 5pm (Melbourne time), Friday 26 October 2012**

Navarre Minerals Limited (ASX Code: NML) is pleased to report high-grade gold mineralisation on the Macnaughtan Line in air-core drill hole ACT151 at the Tandarra prospect, part of the Bendigo North group of gold projects, located 40km north of Bendigo, Victoria, Australia (Figure 1).

Initial results from ACT151 recorded **4.5m @ 23.1g Au/t** from 69.0m down-hole, including an interval of **1.5m @ 59.2g Au/t** (see Table 1 & Figure 2). This is Navarre's highest gold result for the Macnaughtan line, and is surpassed only by ACT015 which returned **10m @ 34.4g Au/t** from a depth of 37m on the adjacent Tomorrow line (see ASX release 3 June 2011).

This initial result forms part of the first batch of assays received for the first 16 drill holes of a 13,000m air-core drilling program which commenced at Tandarra on 1 October 2012. To date the Company has drilled 29 holes in this current program. Drilling is targeting the near surface strike extent of gold mineralisation along the projected northern trends of the established lines of reef. Gold mineralisation within these established lines remain open to the north and south.

"This result is further confirmation of the shallow gold-bearing quartz reefs we are discovering at this prospect," commented Navarre's Managing Director, Mr Geoff McDermott. "It is further evidence of the similarities between gold-bearing reefs under shallow cover at Tandarra and the Bendigo Goldfield, 40 kilometres to the south."

In recognition of the significance of these results, the directors of Navarre have decided to extend the Share Purchase Plan (SPP) by one week to ensure all eligible shareholders have an opportunity to participate in the offer. The closing date of the SPP is now 5.00pm (Melbourne time) on Friday 26 October 2012.

Navarre also reports other significant intervals of gold mineralisation from the current air-core drilling program. Results from the first 16 air-core drill holes are summarised in Table 1, below.

TABLE 1: Significant new air-core drill results (see Figure 2)

Air-Core Hole ID	Length (m)	Gold Grade (g Au/t)	Depth From (m)	End of Hole Depth (m)	Comments
ACT137		NSR		102.0	
ACT138	1.5	0.7	43.5	102.0	Alluvial interface with Murray Basin sediments
ACT139		NSR		62.0	Drill Refusal on Quartz Veining (RQV) at 62m
ACT140	6.0 3.0 1.5	0.3 0.2 0.2	52.5 64.5 84.0	102.0	Moderately weathered shale with 5% quartz Moderately weathered fine grained sandstone with limonitic quartz veining Fresh shale with 3% quartz veining
ACT141	3.0	0.3	34.5	84.0	Murray Basin sands
ACT142	6.0	0.2	33.0	75.0	Alluvial interface with Murray Basin sediments
ACT143	3.0	0.2	34.5	67.0	Alluvial interface with Murray Basin sediments. RQV at 67m
ACT144		NSR		100.5	
ACT145	3.0 3.0	0.9 1.6	70.5 93.0	105.0	Lignite within Murray Basin sediments Weakly weathered shale with some Murray Basin sands contamination
ACT146		NSR		114.0	
ACT147	1.5	2.5	79.5	99.0	weakly weathered sandstone with 3% quartz and minor sands contamination
ACT148		NSR		79.5	
ACT149		NSR		85.5	
ACT150		NSR		69.0	RQV at 69m
ACT151 <i>includes</i>	4.5 1.5 1.5 3.0 1.5	23.1 59.2 0.9 0.8 1.5	69.0 69.0 76.5 81.0 96.0	99.0	weakly weathered shale, sandstone & saprolite with 3-10% hematitic quartz Moderately weathered sandstone & shale with 3% quartz veining Quartz veining (50%) with moderately weathered sandstone Moderately weathered sandstone with 3% quartz veining
ACT152	1.5	0.3	58.5	87.0	Murray Basin clay with 3% quartz

All assay results have been determined by Leachwell® (24 hour) cyanide leach 2,000g analysis. A series of external standards and blanks are used to assess laboratory assay quality control. Minimum sample intervals are 1.5m in length. All air-core holes drilled in this program are vertical. The assays reported in this table are from grab sampling of variably wet to dry air-core samples. Intervals are length weighted grade averages. True widths are yet to be determined. NSR refers to no significant results. There has been insufficient drilling undertaken on the Tandarra prospect to define a Mineral Resource and it is uncertain if further exploration will result in determination of a Mineral Resource.

“These initial drill results from the start of our second field season at Tandarra reflect our growing geological knowledge about this emerging gold province. We look forward to releasing further results as they come to hand,” said Mr McDermott.

- ENDS -

For further information contact:

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Competent Person Declaration

The information in this release that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Wesley Edgar, who is a Member of The Australasian Institute of Mining and Metallurgy and who is Exploration Manager of Navarre Minerals Limited. Mr Edgar has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, and to the activity which he is undertaking, to qualify as a Competent Person as defined in the 2004 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Edgar consents to the inclusion in the release of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

This announcement contains “forward-looking statements” within the meaning of securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as “may”, “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe”, “continue”, “objectives”, “outlook”, “guidance” or other similar words, and include statements regarding certain plans, strategies and objectives of management and expected financial performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Navarre and any of its officers, employees, agents or associates. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Exploration potential is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. Readers are cautioned not to place undue reliance on forward-looking statements and Navarre assumes no obligation to update such information.

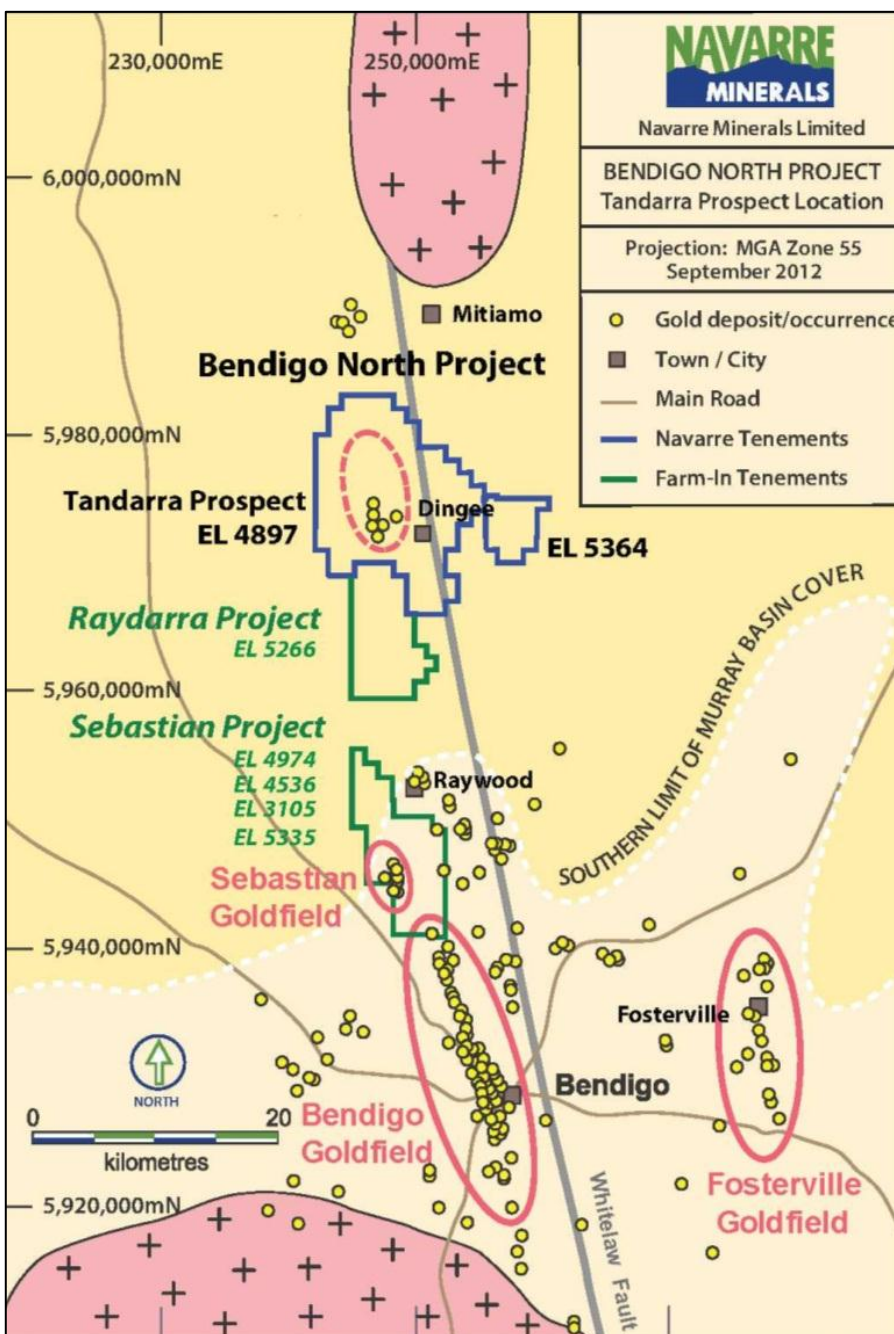


Figure 1: Location map of the Bendigo North Group of Gold Projects.

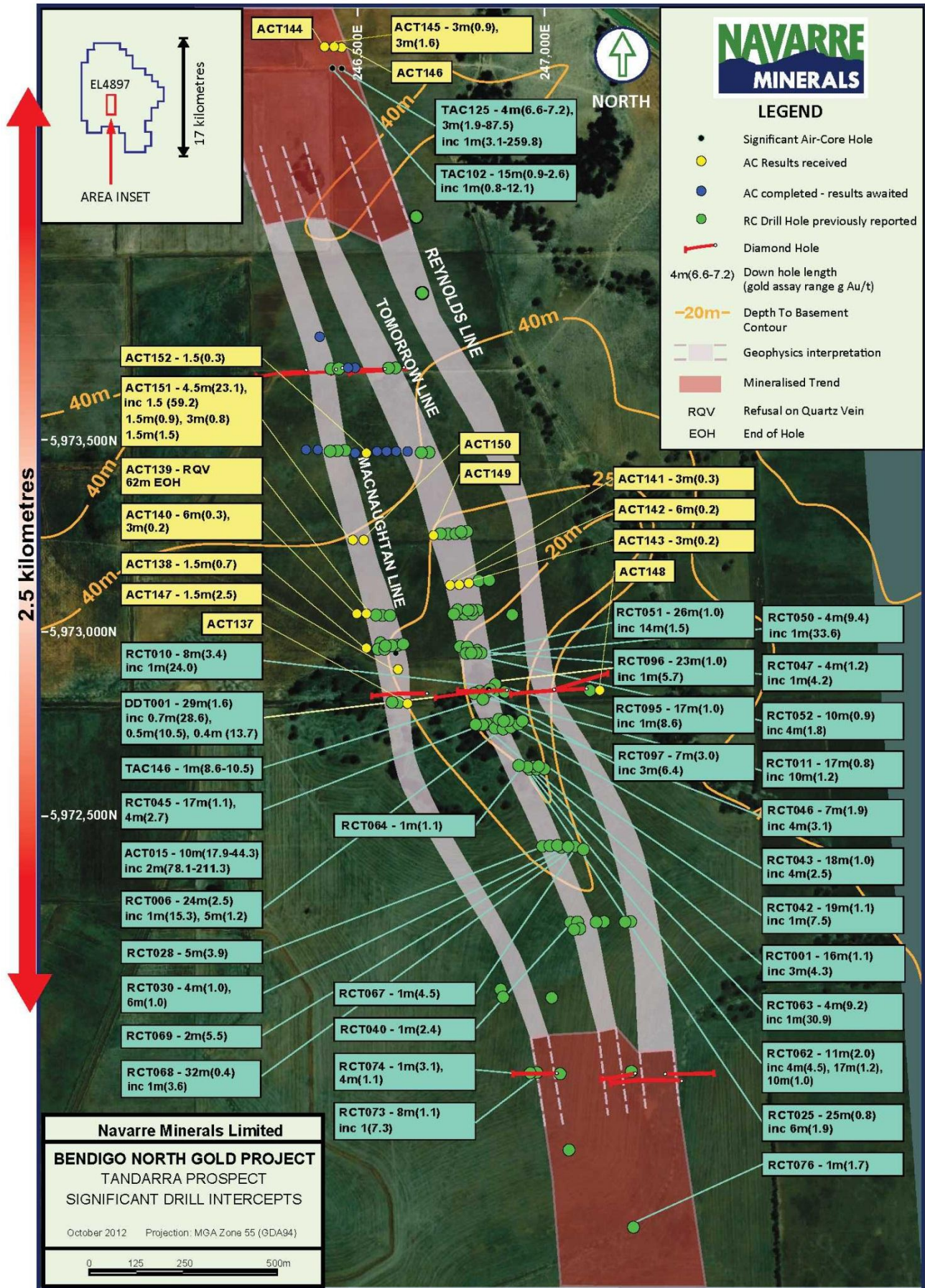


Figure 2: Satellite image of part of the Tandarra prospect showing near surface gold mineralisation trend, its projection to the north and south and location of air-core drill holes.