

ASX Announcement

12 May 2014

Navarre Minerals Limited

ABN 66 125 140 105

ASX Code: NML

Corporate Details

Issued capital:

59.6M ordinary shares

4.2M 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

Managing Director

Navarre Minerals Limited

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Share Placement & Share Purchase Plan

- **4.6 million new NML shares placed with major shareholder, Crocodile Gold Corp. raising \$0.3 million**
- **Share purchase plan offered to eligible shareholders at an issue price of 6.5 cents per share**
- **Funds raised to be applied to next stage of exploration at 100%-owned Eclipse copper-gold prospect**

Navarre Minerals Limited (ASX: NML) is pleased to announce that its existing shareholders have an opportunity to participate in the Company's 2014 Share Purchase Plan (**SPP**).

The SPP will be priced at 6.5 cents per fully paid ordinary share which represents a discount of 5.8% to Navarre's last closing price on the ASX and a 17.6% discount to Navarre's 30 day volume weighted average price on the ASX.

The Company is also pleased to announce that its major shareholder, and the owner of Victoria's largest gold mines at Stawell and Fosterville, Crocodile Gold Corp., has agreed to acquire an additional 4,615,384 million shares in Navarre at the same issue price of 6.5 cents per share to raise \$300,000 (before costs) through a placement (**Placement**). This will increase Crocodile's interest in Navarre to 15.3% (before taking into account any shares issued under the SPP or on exercise of existing options).

PURPOSE OF THE CAPITAL RAISING

Proceeds of the SPP and Placement will be applied to advancing exploration on the Company's 100%-owned Eclipse copper-gold prospect and the broader Western Victoria Copper Project, located 300km NW of Melbourne in the Miga Arc Copper Belt (Figure 1).

The SPP and Placement follows a successful drill campaign at the Eclipse Prospect, which resulted in the discovery of significant gold and copper mineralisation only 30 metres from surface. This mineralisation is believed to be associated with a deeper porphyry source. A recent geophysical survey has highlighted undrilled targets beneath the mineralisation. A drill program to test the deeper copper and gold potential of the Eclipse prospect is planned to commence in June 2014.

SHARE PURCHASE PLAN

In recognition of the support of the Company's existing shareholders, Navarre is conducting a SPP to give its eligible shareholders the opportunity to each acquire up to a maximum of \$15,000 worth of new fully paid ordinary shares in the capital of the Company (**New Shares**) (ranking equally with existing fully paid ordinary shares) at an attractive price, free of all brokerage and commissions.

The right to participate in the SPP is available to shareholders who were registered as holders of Navarre shares at 7.00pm Melbourne time on Friday 9 May 2014 and who have a registered address in Australia or New Zealand (**Eligible Shareholders**).

Under the SPP, Eligible Shareholders will be offered New Shares for subscription at price of 6.5 cents per share. Shareholders should be aware that there is a risk that the market price of Navarre shares may change between the date of this announcement and the date when the New Shares are issued under the SPP.

The SPP is not underwritten. The directors of Navarre who are eligible to participate intend to apply for their maximum allocation of New Shares under the SPP.

The complete terms and conditions of the SPP will be mailed to all Eligible Shareholders on or about the date specified below. Participation in the SPP is entirely voluntary. Shareholders are urged to read the SPP terms and conditions in their entirety before deciding whether to participate in the SPP and, if in doubt, to seek advice from their stockbroker, accountant, solicitor or other professional advisor.

IMPORTANT DATES FOR THE 2014 SHARE PURCHASE PLAN*

Event	Date	Explanation
Record Date (7:00pm Melbourne time)	9 May 2014	Date for determining Eligible Shareholders
Announcement Date	12 May 2014	SPP announced to ASX
Opening Date	16 May 2014	SPP opens and offer documentation is despatched to Eligible Shareholders
Closing Date	6 June 2014	Offer closes at 5:00pm (Melbourne time)
Issue Date	13 June 2014	New Shares issued under the SPP
Despatch Date	16 June 2014	Holding statements / confirmation of transaction despatched
Quotation of New Shares	16 June 2014	Date that New Shares commence trading on ASX

* Dates are indicative only and the Company retains the right to vary each of these dates without advance notification to Eligible Shareholders. Any alteration to these dates will be notified to the ASX.

PLACEMENT DETAILS

The Company has agreed to issue 4,615,384 million fully paid ordinary shares in the Company to a subsidiary of Crocodile Gold Corp. at an issue price of 6.5 cents per share to raise \$300,000 (before costs). Settlement of the Placement is expected to occur within 7-10 days. The Placement is within the Company's available capacity under the ASX Listing Rules.

An Appendix 3B and Cleansing Notice will be lodged with ASX upon the issue and allotment of the Placement shares. Once issued, the Placement shares will rank equally alongside existing fully paid ordinary shares on issue.

- ENDS -

For further information contact:

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Eclipse – part of Navarre’s Western Victoria Copper Project

The Eclipse prospect is one of four porphyry targets within the 100%-owned Western Victoria Copper Project. The Project captures multiple, largely untested targets in 130 kilometres of Miga Arc volcanics. The Miga Arc is a continental margin arc setting like the Andes, host to the world’s largest known copper porphyry deposits.

Porphyry deposits typically contain hundreds of millions to several billion tonnes of ore with contained metal grades generally averaging less than 1%. Typical copper and gold grades in a porphyry copper deposit range from 0.2% to more than 1% copper and from 0.2 g/t to 2.0 g/t gold.

Results of Navarre’s recent drill program add support to new joint research by Geoscience Australia and the Geological Survey of Victoria suggesting that Eclipse is part of a buried Andean-style magmatic arc, prospective for porphyry copper-gold and epithermal style mineralisation.

Competent Person Declaration

The information in this release that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Wessley 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 2012 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 of Navarre’s Victorian exploration tenements, including location of the copper-gold bearing Miga Arc