

1 June 2017

Dear Option Holder

Notice to Option Holders - Pro rata, non-renounceable 1 for 5 Entitlement Offer

On 1 June 2017, Navarre Minerals Limited (**Navarre** or **the Company**) announced that it is seeking to raise approximately \$1.04 million (before costs) via a pro rata, non-renounceable entitlement offer (**Entitlement Offer**) of approximately 34,785,527 new fully paid ordinary shares in Navarre (**New Shares**) pursuant to Section 708AA of the Corporations Act. New Shares will be offered to eligible shareholders at an offer ratio of 1 New Share for every 5 existing Navarre shares held on the record date of Wednesday 7 June 2017 (**Record Date**) and at an offer price of \$0.03 per New Share.

Option holders

As at the date of the announcement, the Company had 36,127,617 unquoted options on issue (including employee options and bonus options issued in conjunction with capital raisings conducted by the Company in 2016).

Under the terms of the options you currently hold, there is no entitlement to participate in the Entitlement Offer unless you exercise your options and are entered onto the register as a shareholder on or before 7.00pm (Melbourne time) on the Record Date, being Wednesday 7 June 2017. Only shareholders with a registered address in Australia or New Zealand are eligible to participate in the Entitlement Offer.

Please note that if you currently hold both Navarre shares *and* options, you are eligible to participate in the Entitlement Offer to the extent of your shareholding at the Record Date (with the possibility of applying for additional New Shares under the top-up facility).

If you only hold options in the Company and you wish to participate in the Offer, your options must be currently exercisable, and you will need to provide the Company with a notice of exercise and pay the exercise price in accordance with the terms of your options well in advance of the Record Date to ensure that you are registered as a shareholder as at that date.

However, option holders should note that, at the time of writing, the Company's share price is below the Company's current range of option exercise prices. If you only hold options in the Company and do not wish to participate in the Entitlement Offer, you do not need to take any action.

If you are also a current shareholder in the Company, you will receive separate communications from the Company setting out details of the Entitlement Offer.

Please contact the Company Secretary on (03) 5358 8625 or by email at jnosworthy@navarre.com.au if you have any questions regarding your option holding or the Entitlement Offer. Please also contact the Company Secretary if you are considering exercising options for the purpose of participating in the Entitlement Offer, so that we can confirm whether there is sufficient time to do so before the Record Date for the Entitlement Offer.

Yours sincerely

NAVARRE MINERALS LIMITED

Jane Nosworthy
Company Secretary