29 October 2014

September 2014 Quarter

Report to Shareholders

ASX Code: NML

Navarre Minerals Limited
ABN 66 125 140 105

Corporate Details

Issued capital:
72.6M 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

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KEY POINTS

- **New gold project identified at recently granted Tatyoon exploration licence**
  - ✓ Confirmed Stawell-style gold mineralisation on basalt dome target
- **Drilling extends copper zone at Eclipse prospect, western Victoria**
  - ✓ Broad intervals of anomalous copper and gold mineralisation, including 136m at 0.3 g/t gold, 107m at 0.2% copper and 95m at 0.1% copper intercepted in RC drilling
- **Completion of Bendigo North Gold Project farm-out agreement with Catalyst Metals**
  - ✓ Navarre granted Catalyst the right to earn a 51% interest in Tandarra
  - ✓ Navarre received 250,000 ordinary fully paid shares in Catalyst and a cash payment of $50,000. Navarre will receive a further 250,000 Catalyst shares on 12 September 2015

1. EXPLORATION

Navarre Minerals Limited (ASX: NML) ("Navarre" or "the Company") is concentrating on developing its copper and gold interests in western Victoria.

Exploration activity during the September quarter focused on the Company's Western Victoria Copper Project's Eclipse, Lexington and Glenlyle prospects and on new gold targets within the recently granted Tatyoon exploration licence (Figure 1).

1.1 WESTERN VICTORIA COPPER PROJECT (ELs 4973, 4590, 5425, 5426 & 5497)

Navarre's 100%-owned Western Victoria Copper Project captures multiple, largely untested targets in 130km of Miga Arc volcanics (Figure 1), including the Eclipse, Lexington, Glenlyle and Pollockdale prospects. The Miga Arc is recognised as a continental margin arc setting similar to the Andes, host to the world's largest known copper porphyry deposits.

Eclipse prospect (EL 4590)

During the quarter Navarre released encouraging copper and gold results over broad intervals from shallow depths in an 11-hole reverse circulation (RC) drilling program at its Eclipse copper-gold prospect, located 300km northwest of Melbourne in the Miga Arc copper belt (Figure 1).

Highlights from the drilling program include:

- **136 metres at 0.3 grams per tonne gold** from 2 metres to end of hole in RCBR0012; including **107 metres at 0.2% copper** from 31 metres to end of hole;
- **95 metres at 0.1% copper** from 25 metres to end of hole in RCBR0017;
- **15 metres at 0.2% copper & 0.2 grams per tonne gold and 38 metres at 0.2% copper & 0.1 grams per tonne gold** from 39m and 78m down-hole, respectively in RCBR0013;
- **20 metres at 0.4 grams per tonne gold** from 35m, including **1 metre at 3.6 grams per tonne gold** in RCBR0014;
- **11 metres at 0.6 grams per tonne gold** from 71m, including **4 metres at 0.9 grams per tonne gold** in RCBR0015; and
- **44 metres at 0.1% copper** from 94m, including **3 metres at 1.0% copper & 0.1 grams per tonne gold & 5.4 grams per tonne silver** from 94m down-hole in RCBR0018.

Note: Please refer to NML's 10 July & 6 August 2014 ASX releases for further information regarding these drilling results.

The RC drill program targeted three Induced Polarisation (IP) target zones (Figure 2) and followed a shallow reconnaissance RC drill campaign completed in January 2014 that resulted in the discovery of near-surface copper and gold mineralisation up to 2.8% copper and 3.6 grams per tonne gold (see ASX release 24 March 2014).

The planned 30 hole drill program was cut short by wet weather with 11 holes completed into Target 1 and no holes into Targets 2 and 3. IP Target 2 lies below a cover of sandstone and IP Target 3 is a deeper IP resistivity anomaly postulated to be a porphyry intrusive body (Figure 2).

The results of the RC drill program into Target 1 indicate:

- A shallow supergene blanket of copper (chalcocite) mineralisation occurs as a discrete, roughly 400m (north-south) x 200m (east-west) area of enriched copper averaging approximately 0.5% copper. Results from RCBR0018 show this copper zone to deepen southwards beneath the sandstone cover with potential for more hidden copper mineralisation in this area (see Figures 2 & 3);

- Limited drill testing below the supergene chalcocite suggests the enriched copper blanket is derived locally from weathering of an underlying body of pyritic copper-gold-zinc mineralisation;

- Broad intervals of primary copper, gold, silver and zinc mineralisation at depth beneath the supergene chalcocite blanket remain open to the south and at depth, and are now thought likely as part of a volcanic massive sulphide (VMS) system; and

- Drilling has provided vectors towards a deeper target zone outlined by geophysics to be tested with subsequent drilling.

Following the recent release of the Victorian Government's new $15 million TARGET Minerals Exploration Initiative to boost minerals exploration in Victoria, the Company plans to apply for a grant to conduct a co-funded drilling program at Eclipse.

Stavely - Lexington prospect (EL 5425)

At Lexington, the search continued for new porphyry copper-style discoveries. Geological mapping and rock chip sampling is generating high priority targets which will be the focus of ongoing work. A ground gravity survey has commenced in the quarter to assist with advancing key exploration targets towards drill ready status.

Glenlyle (EL 5497)

In September 2014, the Company was granted exploration licence EL 5425 ("Glenlyle"), covering 61 square kilometres of the Miga Arc copper belt adjoining the Company's existing Stavely tenement where porphyry copper-gold deposits are being sought (Figure 1).

Review of shallow drilling from 1991 suggests potential for VMS and porphyry-style mineralisation based on anomalous gold and base metal geochemistry developed within sericite and pyrite altered rocks that lie beneath thin basalt cover.

The Company is completing its review of previous exploration data to identify key exploration targets.

Mitre (EL 4973)

The Mitre exploration licence was surrendered during the quarter following a routine internal review, taking into account our focus on copper–gold targets under less than 50 metres of cover.

1.2 STAWELL CORRIDOR GOLD PROJECT (ELs 5480 & ELA 5476)

The Stawell Corridor Gold Project, incorporating the historic Ararat Goldfield and recently discovered Tatyoon under-cover gold occurrence, is located up to 50 kilometres south-east of the operating Stawell Gold Mine which is owned by Navarre's largest shareholder and leading Victorian gold producer, Crocodile Gold Corp. (Figure 1). The Stawell Corridor tenements were acquired in order to explore the southern, partially covered extension of a corridor of rocks that host the Stawell (5 million ounce) and Ararat (1 million ounce) gold fields.

Gold mineralisation of the Stawell-type is located on the flanks of large basalt dome structures with the gold style being finer grained, more continuous and more predictable than gold deposits typically found at Bendigo and Ballarat.

Tatyoon (EL 5480)

In September 2014, the Company was granted its first exploration licence, EL 5480 ("Tatyoon"), within the highly prospective Stawell Gold Corridor (Figures 1 and 4). The licence area covers 242 square kilometres and contains several shallow gold targets hosted in a similar geological setting to Stawell's Magdala Gold Mine.

Appraisal of drill data from former explorer Leviathan Resources Limited has confirmed the presence of Stawell-style gold mineralisation at shallow depths within black sulphidic mudstones in contact with a basalt dome on the Grange prospect (see Figure 1). Due to corporate takeover activity, no further drilling has been undertaken at Tatyoon since the discovery of gold in 2005.

Modelling of existing gravity data by Navarre during the quarter has defined a cluster of 3 shallow basalt dome structures in the centre of the tenement which will be the focus of ongoing work (Figure 5).

1.3 LANDSBOROUGH FAULT GOLD PROJECT – Kingston (EL 5280) & Glendhu (EL 5380)

Exploration licence EL 5380 was surrendered during the quarter following a review.

1.4 NORTH BENDIGO GOLD PROJECT (EL 4897)

During the June quarter, Navarre announced the completion of a formal Heads of Agreement with Catalyst Metals Limited (ASX: CYL) ("Catalyst") to enable Catalyst to earn a 51% equity interest in the Tandarra Project (EL 4897), located 40km north of Bendigo in Victoria (Figure 1). The execution of the Heads of Agreement formalised the transaction between Navarre and Catalyst that was announced to ASX on 31 March 2014.

Under the Heads of Agreement, Catalyst has the right to earn a 51% equity interest in the Tandarra Gold Project by incurring exploration expenditure of $3 million over the next four years.

In accordance with the terms of the agreement, Navarre has received 250,000 ordinary fully paid shares in Catalyst and a cash payment of $50,000. Navarre will receive a further 250,000 Catalyst shares on 12 September 2015.

Catalyst is preparing for its first drilling program at Tandarra under its stewardship, comprising infill RC or diamond drilling on the Tomorrow line of reef and reconnaissance air-core drilling on the regional mineralisation trends. Drilling is expected to commence in the first quarter of 2015.

2. ACTIVITIES PLANNED FOR THE DECEMBER QUARTER

Eclipse:

- Plan deeper and southern extension drilling at Eclipse Target 1
- Plan drilling of first holes for IP Targets 2 and 3
- Register for the Victorian Government TARGET co-funding drill initiative

Lexington:

- Complete and process gravity survey data
- Plan first drilling of prospect

Tatyoon:

- Re-process old IP geophysics data and integrate results with gravity model to generate drill targets
- Re-log three 2005 gold-bearing diamond drill holes
- Plan first drilling of the Project

Glenlyle:

- Complete exploration data review
- Identify key exploration targets

3. CORPORATE

During the quarter, Navarre received 250,000 shares in Catalyst Metals Limited in connection with the Company's transaction involving the Bendigo North Gold Project (see Section 1.4).

The Company released its 2014 Annual Report to Shareholders and the Notice of Meeting for its Annual General Meeting of Shareholders, which will be held on the 21 November 2014 at the offices of RSM Bird Cameron Partners, Level 21, 55 Collins Street, Melbourne at 11.00am (Melbourne time).

The cash balance as at 30 September 2014 was $0.9 million ($1.2 million at 30 June 2014).

4. ANNOUNCEMENTS

Investors are directed to the following announcements (available at www.navarre.com.au) made by Navarre Minerals during the September 2014 Quarter for details of the information summarised in this Report.

19 September 2014	Annual Report to Shareholders
12 September 2014	Completion of North Bendigo Gold Project Heads of Agreement with Catalyst
06 August 2014	NML extends copper zone at Eclipse prospect
10 July 2014	Navarre intersects broad copper & gold mineralisation at Eclipse

5. COMPANY MINERAL TENEMENT PORTFOLIO

The mineral tenement holding of the Navarre Minerals Limited Group (including Navarre's wholly-owned subsidiary Black Range Metals Pty Ltd) at 30 September 2014 is:

Name	Tenement	Tenure Type	Status	NML Group Interest
BENDIGO NORTH GOLD PROJECTS (north of Bendigo, Victoria)				
Tandarra	EL4897	Exploration Licence	Granted	100%*
LANDSBOROUGH FAULT GOLD PROJECT (east of Stawell, Victoria)				
Kingston	EL5280	Exploration Licence	Granted	100%
STAWELL CORRIDOR GOLD PROJECT (south of Ararat, Victoria)				
Ararat	*ELA5476*	*Exploration Licence*	*Pending*	*0%*
Tatyoon	EL5480	Exploration Licence	Granted	100%
WESTERN VICTORIA COPPER PROJECT (west of Stawell, Victoria)				
Black Range	EL4590	Exploration Licence	Granted	100%
Stavely	EL5425	Exploration Licence	Granted	100%
Cherrypool	EL5426	Exploration Licence	Granted	100%
Glenlyle	EL5497	Exploration Licence	Granted	100%

*The Company has granted Catalyst Metals Ltd the right to earn a 51% interest in Tandarra by expenditure of $3 million over a four year period.

During the quarter the Company was granted the Tatyoon and Glenlyle exploration tenements and disposed of the Mitre and Glendhu exploration licences.

As part of the transaction with Catalyst in relation to Tandarra, the Company also transferred to Catalyst its interests in the Raydarra (EL5266) and Sebastian (ELs 4536 & 4974) Gold Projects in return for the grant of a 1% net smelter royalty on Catalyst's entitlement to proceeds from future production on those projects.

The Company's beneficial interests in any farm-in or farm-out agreements did not change during the quarter, except as specifically stated elsewhere in this Report.

- ENDS –

About Navarre Minerals Limited:

Navarre Minerals Limited (ASX: NML) is an Australian-based resources company that is creating value from a portfolio of early to advanced stage copper and gold projects in western Victoria, Australia. Navarre's aim is to discover and develop large low-cost copper and gold production through its exploration successes.

The Company is targeting large porphyry- copper, VMS and gold deposits. The Eclipse, Lexington, Pollockdale and Glenlyle prospects are four initial porphyry targets identified within the Western Victoria Copper Project. The Project captures multiple, largely untested targets in 130km of western Victoria's newly uncovered Miga Arc volcanics. The Miga Arc is similar in setting to the Andes in South America, host to the world's largest known collection of porphyry copper deposits. Grassroots exploration of the Company's extensive exploration permits is at an early stage and more than 50 new targets remain to be thoroughly drill tested.

The high-grade North Bendigo Goldfield, Tandarra prospect in central Victoria is targeting the next generation of gold deposits under shallow cover 40kms north of the 22 million ounce Bendigo Goldfield. Under a farm-out agreement, Catalyst Metals Limited is earning a 51% equity interest in Tandarra by spending $3 million over four years by advancing the project towards mineral resource status.

Navarre has a highly experienced leadership team with 120 combined years of exploration, mining and finance industry experience with a proven track-record of discovery and project development.

For further information, please visit www.navarre.com.au or contact:

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Competent Person Declaration

The information in this release that relates to Exploration Targets, 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.

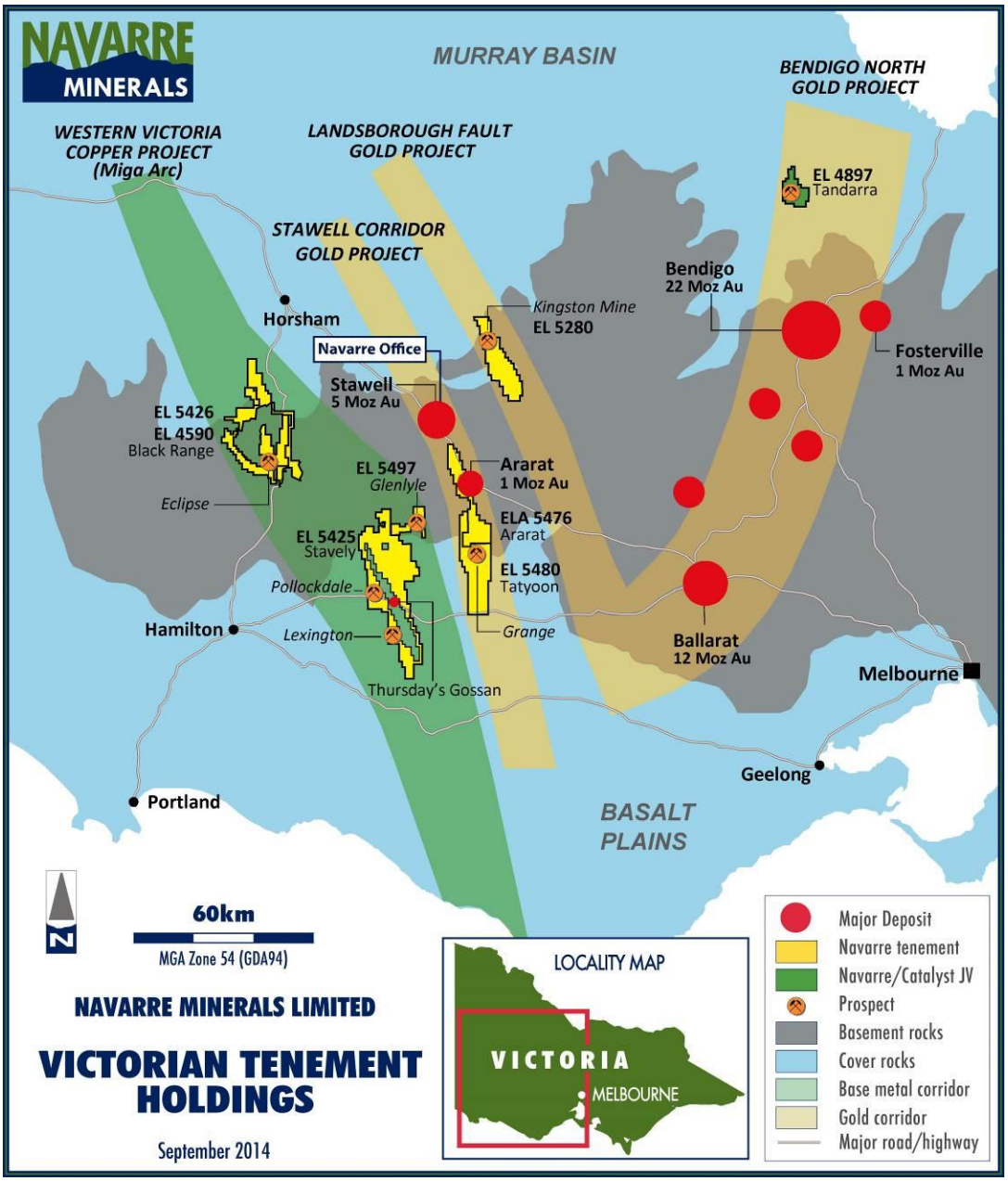

Figure 1: Location of Navarre's Victorian mineral projects

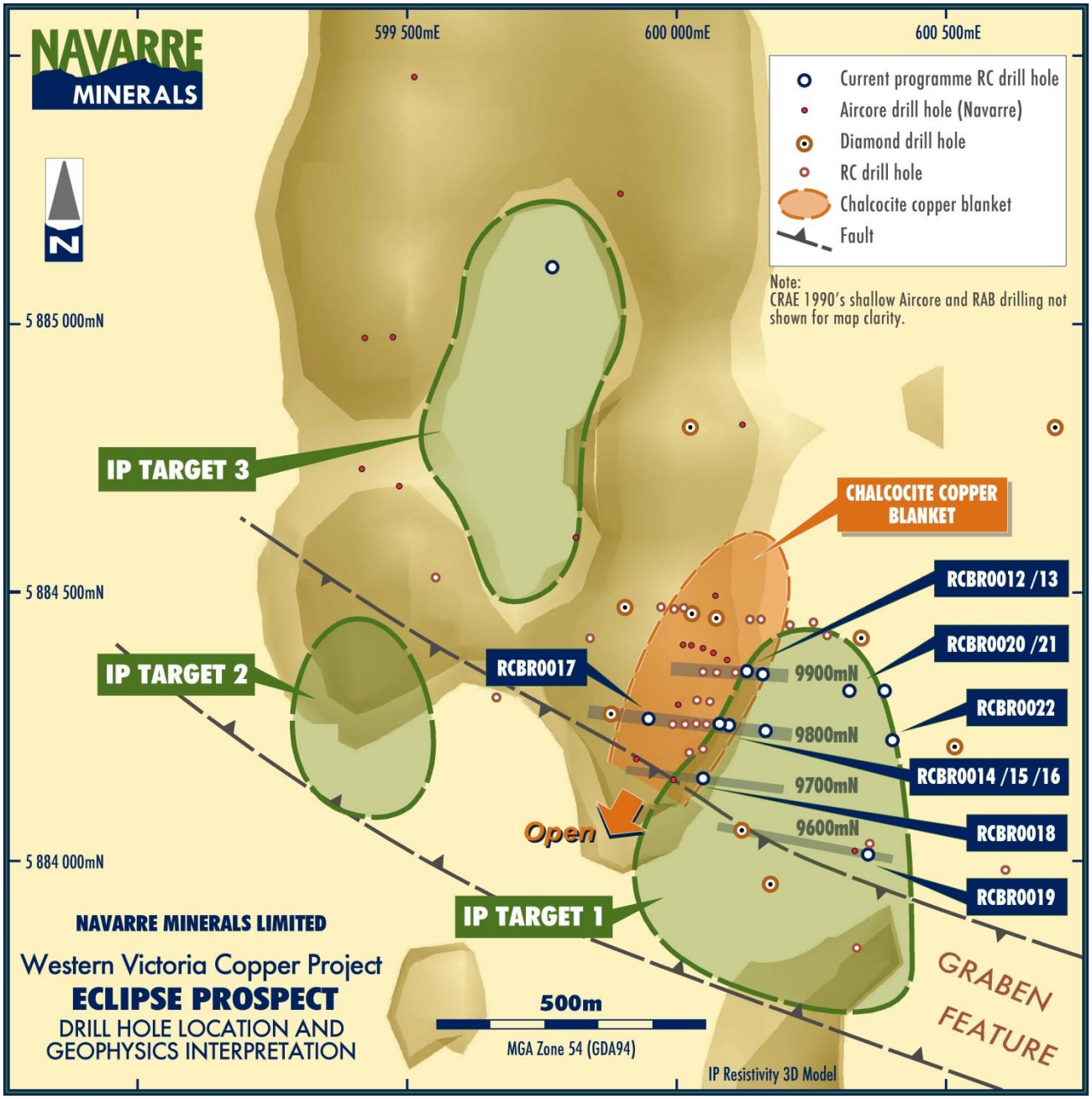

Figure 2: Plan view of the Eclipse prospect showing location of three IP geophysics targets and RC drill program completed during the quarter.

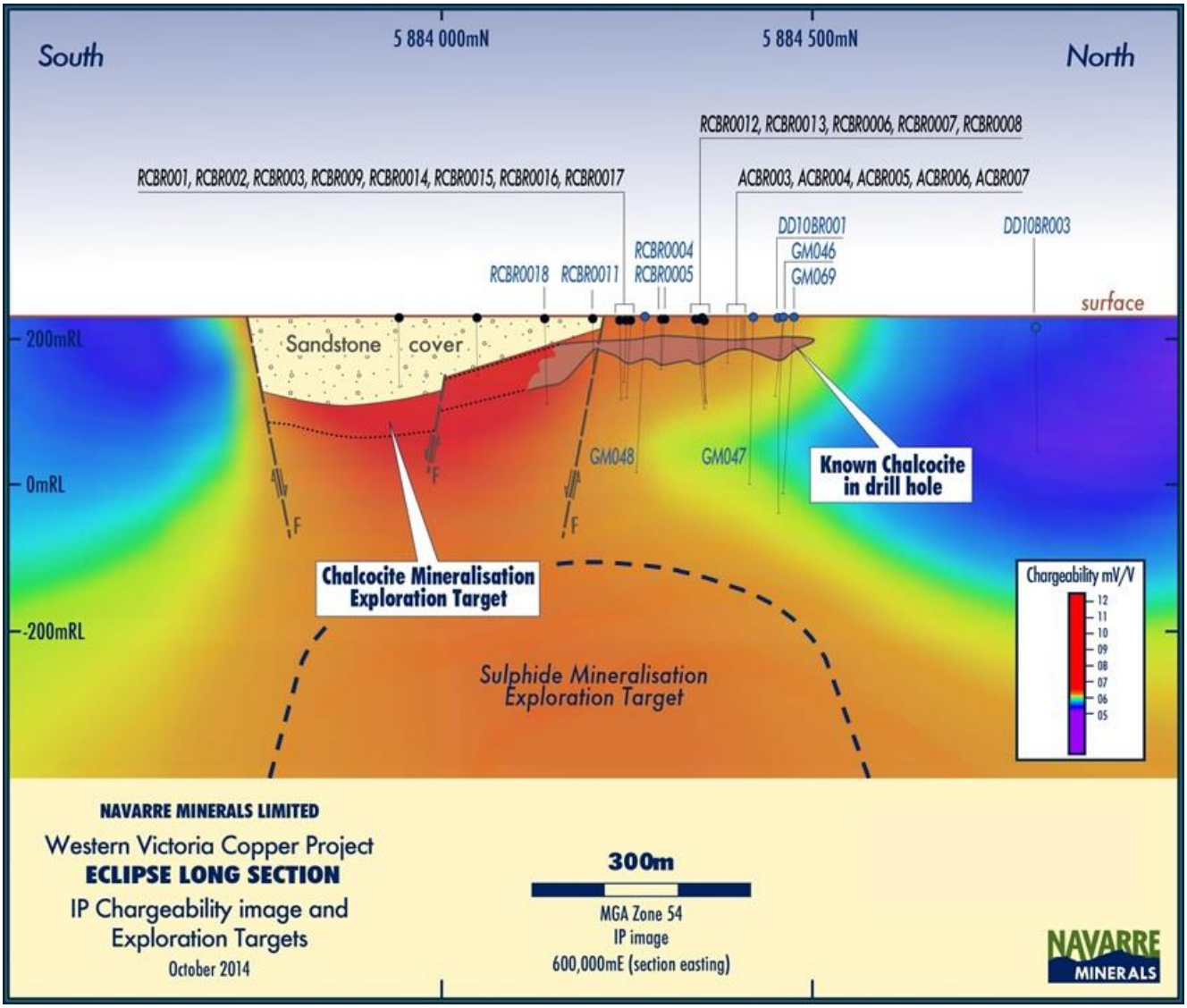

Figure 3: Longitudinal projection of Target 1 of the Eclipse prospect showing location of recent drilling, the supergene chalcocite blanket and interpretation of deeper targets

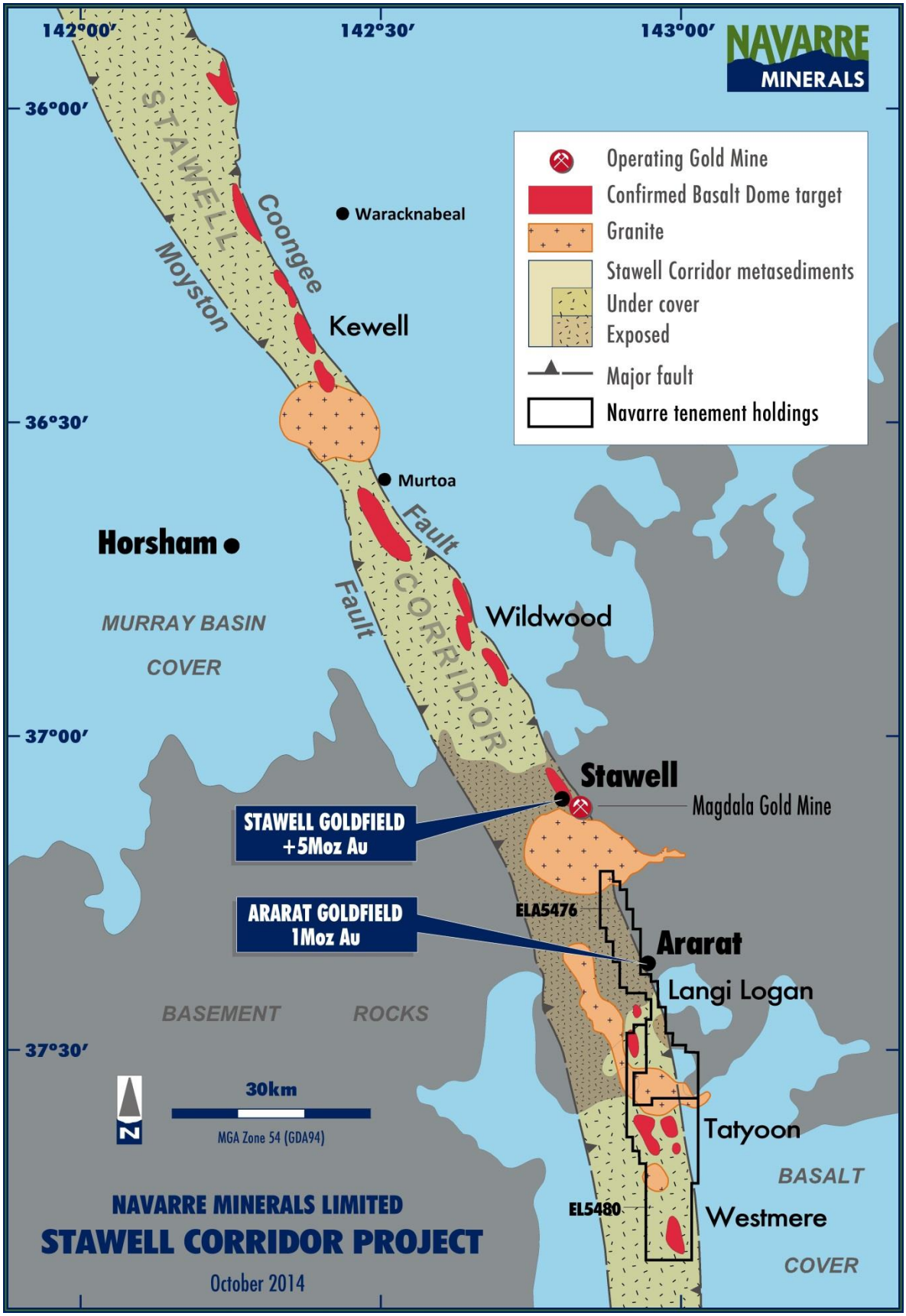

Figure 4: Plan of the Stawell Gold Corridor showing basalt dome target locations

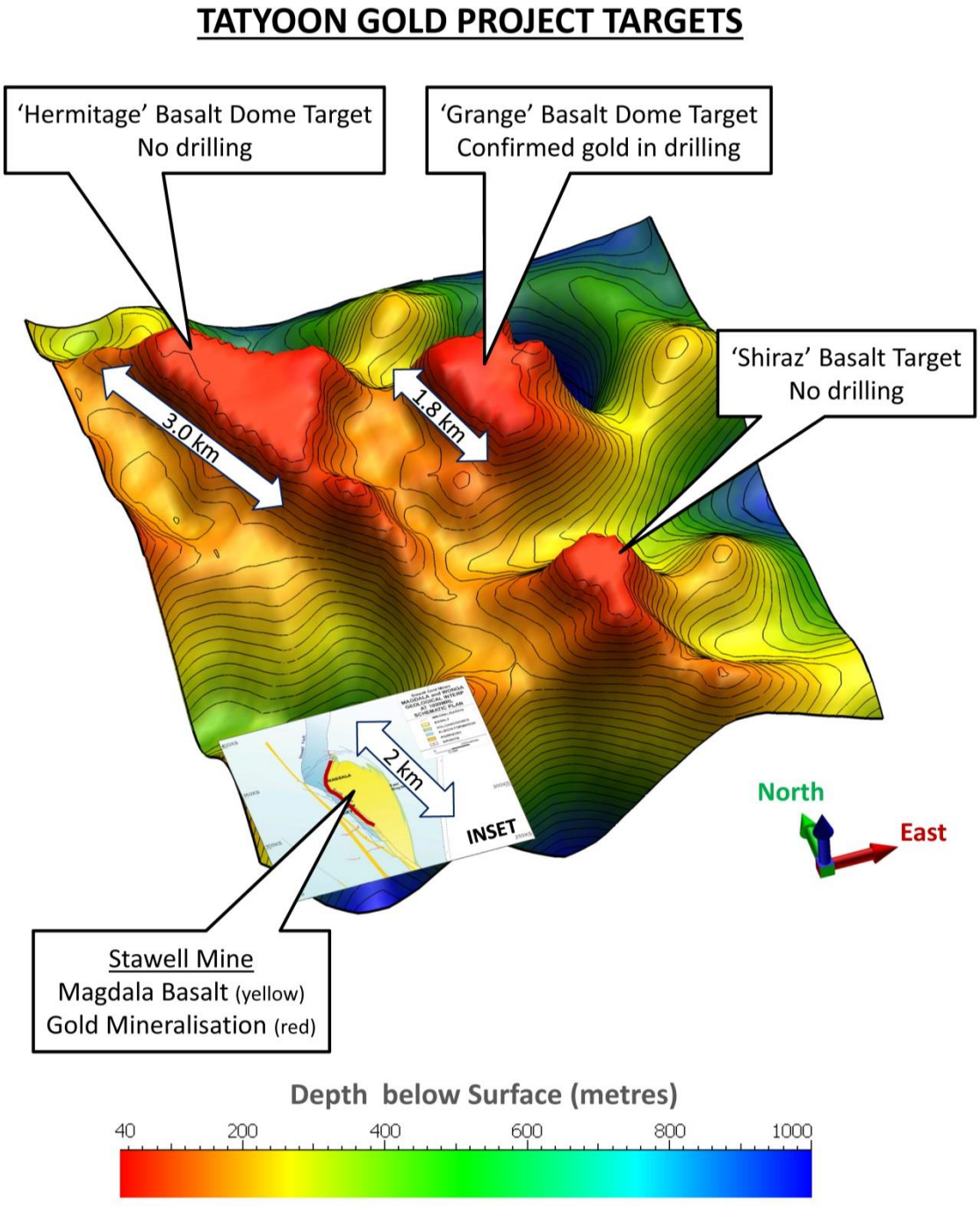

Figure 5: **Perspective view of three shallow Tatyoon basalt dome targets generated from gravity modelling. The inset shows a plan of Stawell Gold Mine's Magdala deposit at the same scale for comparison** *(The Stawell Magdala plan is reproduced courtesy of Stawell Gold Mines)*.