2 June 2017

Dear Shareholder

Pro rata, non-renounceable 1 for 5 Entitlement Offer

Opening Friday 9 June 2017 / closing Friday 23 June 2017

The board of Navarre Minerals Limited (**Navarre** or **the Company**) is pleased to invite shareholders to participate in a pro rata, 1 for 5 non-renounceable entitlement offer of new fully paid ordinary shares in Navarre (**New Shares**) at $0.03 per share to raise up to approximately $1.04 million before costs (**Entitlement Offer**). The Company announced the Entitlement Offer to the Australian Securities Exchange (**ASX**) on 1 June 2017.

The Company plans to deploy the funds raised from the Entitlement Offer towards:

1. future exploration and evaluation activities on our Irvine Gold Project, located within the historic Ararat Goldfield in western Victoria, Australia, including:
    - petrographic analysis of Resolution Lode gold mineralisation intercepted recently in diamond core drilling; and
    - scout air-core drill testing of several new geochemical and geophysical targets with similar signatures to the Resolution Lode; and
2. general corporate expenses, working capital and Entitlement Offer costs.

More information is provided in a presentation to investors (**Investor Presentation**) that was posted to the Navarre and ASX websites.

The Entitlement Offer is being made under section 708AA of the Corporations Act (as notionally modified by the ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84) and does not require a prospectus. **You will be sent an Information Booklet relating to the Entitlement Offer and a personalised Entitlement and Acceptance Form, on or about 9 June 2017. Those documents will contain important information about the Entitlement Offer and the number of New Shares you are entitled to subscribe for under the Entitlement Offer.** A copy of the Information Booklet will also be lodged with the ASX on or about 9 June 2017 and will then be available from the ASX and Navarre websites.

All shareholders who have a registered address in Australia or New Zealand (**Eligible Shareholders**) are encouraged to take part in the Entitlement Offer. Navarre's directors are all participating in the Entitlement Offer.

Key Information about the Entitlement Offer

Under the Entitlement Offer, Eligible Shareholders will be entitled to subscribe for 1 New Share for every 5 existing shares in Navarre held at 7.00pm (Australian Eastern Standard time) on Wednesday 7 June 2017 (**Record Date**) at an offer price of $0.03 per New Share.

The entitlement of Eligible Shareholders to participate in the Entitlement Offer will be determined on the Record Date. Your entitlement will be shown on an Entitlement and Acceptance Form which will accompany the Information Booklet in respect of the Entitlement Offer. You may take up your entitlement in full or in part.

If you take up all of your entitlement, you may also apply for additional New Shares in excess of your entitlement through a top-up facility. There is, however, no guarantee of the number of New Shares (if any) that will be available for Eligible Shareholders to take up in addition to their entitlement.

As an Eligible Shareholder, you may take one of the following actions:

1. take up all of your entitlement;
2. take up all of your entitlement AND apply for additional Shares under the top-up facility;
3. take up part of your entitlement; or
4. do nothing and allow all your entitlement to lapse.

Entitlements to New Shares under the Entitlement Offer are non-renounceable, which means that entitlements will not be tradeable on ASX or otherwise transferable. If you do not take up your entitlement by the Closing Date (as specified in the timetable below), the Entitlement Offer to you will lapse.

Key dates for shareholders

Navarre expects the Entitlement Offer to be conducted according to the following timetable:

Event	Date
Announcement of Entitlement Offer	Thursday 1 June 2017
Shares commence trading ex-entitlement	Tuesday 6 June 2017
Record Date for determining entitlement to participate in the Entitlement Offer	Wednesday 7 June 2017 (7.00 pm AEST)
Mailing of Information Booklet and Entitlement & Acceptance Form to Eligible Shareholders	Friday 9 June 2017
Entitlement Offer opens	Friday 9 June 2017
Entitlement Offer closes	Friday 23 June 2017 (5.00pm AEST)
New Shares quoted on a deferred settlement basis	Monday 26 June 2017
ASX notified of shortfall	Wednesday 28 June 2017
Issue of New Shares & despatch of holding statements	Friday 30 June 2017
Normal trading of New Shares on ASX expected to commence	Monday 3 July 2017

Dates and times are indicative only and are subject to change. The Company reserves the right, subject to the Corporations Act and the Listing Rules, to vary each of these dates without advance notice to shareholders. Any alteration to these dates will be notified to ASX.

Capital structure

As at the date of the announcement, the Company had 173,927,635 Shares and 36,127,617 unquoted options on issue on issue. The Company expects to issue up to approximately 34,785,527 New Shares under the Entitlement Offer (subject to rounding). Once issued, the New Shares will rank equally in all respects with the Shares currently on issue. However, as the New Shares will be issued after the record date (31 May 2017) for the distribution of exploration credits pursuant to the Federal Government's Exploration Development Incentive in respect of exploration expenditure by the Company in the financial year ended 30 June 2016, they will not be eligible to participate in the distribution of those exploration credits to shareholders in June 2017.

If the Entitlement Offer is fully subscribed, the Company will have approximately 208,713,162 Shares on issue.

Overseas shareholders

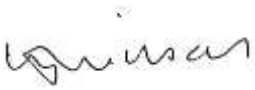
The Entitlement Offer is not being extended to any shareholder with a registered address outside Australia or New Zealand. Navarre has determined that it is not economically viable for it to make offers to shareholders with a registered address outside Australia or New Zealand, having regard to the cost of meeting compliance requirements with securities laws in each applicable jurisdiction, and the small number and value of New Shares that would be offered in such jurisdictions. It is the responsibility of any applicant under the Entitlement Offer to ensure compliance with the laws of a country relevant to their application.

Further information

I encourage you to keep abreast of continuing developments with respect to the Company and through the Company's announcements, which you will find on our website www.navarre.com.au.

Please note that this letter is for information only and you need take no action at the moment. **If you are an Eligible Shareholder, an Information Booklet and a personalised Entitlement and Acceptance Form will be sent to you on or about 9 June 2017.** The documents will be sent by post, unless you have specifically notified the Company's share registry that you wish to receive such documents by email. If you do not receive any documents by post or email within a week of the Entitlement Offer opening on 9 June 2017, please contact the Company on + 61 3 5358 8625 or the Company's share registry, Boardroom Pty Limited, on 1300 737 760.

Yours sincerely
NAVARRE MINERALS LIMITED



Kevin Wilson
Chairman