Wednesday, 1 June 2022

NAVARRE MINERALS LIMITED (ASX: NML)

A$4.5 MILLION PLACEMENT AND ~A$5 MILLION SHARE PURCHASE PLAN TO FUND RESERVES / RESOURCES GROWTH AT MT CARLTON

KEY POINTS:

- **Navarre is raising A$4.5 million via a placement and up to an additional A$5 million via a non-underwritten share purchase plan[1]**
- **The equity raising positions Navarre to accelerate exploration at Mt Carlton following recent positive drilling results that confirm potential for additional reserve and resource growth**
- **The equity raising is a significant step in the history of Mt Carlton as the asset transitions from being a non-core asset of a major producer, to the foundation asset of a focused, emerging producer**

OVERVIEW

Navarre Minerals Limited (Navarre or the Company) is undertaking an equity raising comprising the following:

- **A A$4.5 million placement (Placement); and**
- **A non-underwritten share purchase plan (SPP), to raise up to an additional A$5 million.**

Navarre has recently announced results of the first drilling program at the Mt Carlton United deposit since Navarre assumed formal ownership of the Mt Carlton operation from Evolution Mining in December 2021. The results confirmed the outstanding grade and continuity of the gold-silver-copper rich mineral deposit with drill intercepts of up to 22.9 grams per tonne (g/t) gold, 1,327 g/t silver and 4.2% copper[2]. Drilling continues in 2022 as part of an ongoing exploration program, which will contribute to an updated resource estimate for the Mt Carlton United deposit, along with updated mineral resources for other Mt Carlton satellite deposits such as Delta, BV7, and Telstra Hill.

[1] As the SPP is not underwritten, the SPP may raise more or less than this amount. If the SPP raises more than A$5 million, Navarre may decide in its absolute discretion to accept applications (in whole or in part) that result in the SPP raising more than A$5 million. If Navarre decides to conduct any scale back of applications, for example because the aggregate amount applied for under the SPP exceeds Navarre's requirements, the scale back will be applied on a pro rata basis to shareholdings of participating eligible shareholders at the record date of the SPP.

[2] Refer to ASX announcement on 22 April 2022.

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USE OF PROCEEDS

Funds from the equity raising are expected to be deployed as follows:

Uses	*Comments*	*Total (A$m)*
Mt Carlton drilling	Further extend known mineralisation around Mt Carlton	~3.0
	Infill drilling around Mt Carlton	~1.0
Crush Creek drilling	Extend known limits of growth project at Crush Creek	~2.5
	Infill drilling around Crush Creek	~1.5
Regional exploration	Follow up on regional exploration for additional potential production (Queensland and Victoria)	~1.0
Transaction costs	Transaction costs	~0.3
Total		~9.3

Working capital of A$0.2 million and a current cash balance of A$6.1 million will provide Navarre with an aggregate working capital buffer of A$6.3 million

Navarre Managing Director Ian Holland commented:

"***This equity raising is being initiated at an exciting time in Navarre's history. Since taking ownership of the Mt Carlton operation in late 2021, our expanded geology team has materially advanced our understanding of the project and its prospectivity. This has resulted in the production of highly encouraging, quality drilling results from virtually all Mt Carlton satellite mineral deposits.***

With momentum building at Mt Carlton, we believe timing is right to step up exploration activity as we look to expand the growing resource base and convert more resources into reserves into our state-of-the-art processing facility."

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PLACEMENT

The A$4.5 million Placement comprises an offer of new fully paid ordinary shares in Navarre (New Shares) to eligible institutional and sophisticated investors at A$0.066 per New Share (Placement Price).

The Placement Price represents:

- **A 16.5% discount to Navarre's last close of A$0.079 on Friday, 27 May 2022**
- **An 18.1% discount to Navarre's 10-day volume weighted average price (VWAP) of A$0.0806 per share as at Friday, 27 May 2022**

The Placement will result in approximately 68.2 million New Shares being issued, representing approximately 4.9% of Navarre's existing issued share capital. Following settlement of the Placement, Navarre expects an increase in its free float and liquidity with each of the two company's significant corporate shareholders (Evolution Mining and Agnico Eagle) electing not to participate in the placement. The Placement is being conducted within Navarre's placement capacity under ASX Listing Rules 7.1.

SHARE PURCHASE PLAN

Following completion of the Placement, Navarre will offer existing eligible shareholders the opportunity to participate in a non-underwritten SPP to raise up to an additional A$5.0 million.

Under the SPP, eligible Navarre shareholders will have the opportunity to apply for up to A$30,000 of New Shares without incurring brokerage or other transaction costs. New Shares under the SPP will issued at the same price as shares in the Placement. Further details relating to the SPP will be provided to eligible shareholders in Australia in due course.

As the SPP is not underwritten, the SPP may raise more or less than this amount. If the SPP raises more than A$5.0 million, Navarre may decide in its absolute discretion to accept applications (in whole or in part) that result in the SPP raising more than A$5.0 million. If Navarre decides to conduct any scale back of applications, for example because the aggregate amount applied for under the SPP exceeds Navarre's requirements, the scale back will be applied on a pro-rata basis to shareholdings of participating eligible shareholders at the record date of the SPP.

The terms and conditions of the SPP will be set out in the SPP Offer Booklet, which is expected to be released to the ASX and dispatched to eligible shareholders via their preferred communications preference.

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Key Dates

Event	*Date*
Placement opens	**Monday, 30 May 2022**
Placement closes	**Tuesday, 31 May 2022**
Record Date for SPP	**Tuesday, 31 May 2022**
Offer announcement	**Wednesday, 1 June 2022**
Settlement of New Shares issued under the Placement	**Friday, 3 June 2022**
Allotment of New Shares issued under the Placement	**Monday, 6 June 2022**
Quotation and normal trading of New Shares issued under the Placement	**Monday, 6 June 2022**
Despatch of SPP Offer Booklet	**Wednesday, 8 June 2022**
Opening Date	**Wednesday, 8 June 2022**
Closing Date	**Friday, 24 June 2022**
SPP results announcement	**Tuesday, 28 June 2022**
Issue Date	**Thursday, 30 June 2022**
Commencement of trading	**Friday, 1 July 2022**
Dispatch Date	**Friday, 8 July 2022**

This timetable is indicative only and is subject to change. Navarre may alter the dates above, withdraw or vary the SPP, or accept Applications received after the Closing Date, in each case in Navarre's absolute discretion, subject to the ASX Listing Rules and the Corporations Act.

New Shares issued under the Placement and SPP will rank pari passu with existing Navarre ordinary shares from the respective dates of issue.

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Ord Minnett Limited acted as the Sole Lead Manager to the Placement. Total fees included a Placement fee of 3% and management fee of 2% of the Placement proceeds.

This announcement has been approved for release by the Board of Directors of Navarre Minerals Limited.

ADDITIONAL INFORMATION

Further details of the Placement and SPP are set out in the Investor Presentation also provided to the ASX today. The Investor Presentation contains important information including key risks and foreign selling restrictions with respect to the Placement.

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

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ABOUT NAVARRE MINERALS LIMITED

Navarre Minerals Limited (ASX: NML) is a gold producer and an advanced mineral exploration company with a core mission to develop and operate large, high-grade and long-life mineral deposits.

Based in Stawell, Victoria, Navarre to date has focused on exploring the state's premier gold districts. In October 2021, the Company entered into an agreement to acquire the Mt Carlton Operation in northern Queensland from Evolution Mining. The Mt Carlton acquisition also includes 815 square kilometres of highly prospective tenements, which the Company intends to explore aggressively.

In Victoria, Navarre is searching for gold deposits in an extension of a corridor of rocks that host the Stawell (~six million ounce) and Ararat (~one million ounce) goldfields (the Stawell Corridor Gold Project). Within this Project, the Company is focused on growing the recently reported maiden Mineral Resource on the margins of the Irvine basalt dome (the Resolution and Adventure prospects) and advancing the high-grade gold discovery on the 14.5 kilometre long Langi Logan basalt dome.

Navarre is also searching for high-grade gold at its St Arnaud Gold Project. Recent drilling has identified gold mineralisation beneath and adjacent to historical mine workings of the 400,000 ounce St Arnaud Goldfield.

IMPORTANT NOTICE

This announcement does not and does not purport to contain all information necessary to make an investment decision, is not intended as investment or financial advice (nor tax, accounting or legal advice), must not be relied upon as such and does not and will not form any part of any contract or commitment for the acquisition of New Shares. Any decision to buy or sell New Shares, securities or other products should be made only after seeking appropriate financial advice. Before making any investment decision, you should consider the appropriateness of the information having regard to your own objectives, financial situation and needs, and seek appropriate professional advice from your stockbroker, solicitor, accountant or other independent and qualified professional adviser.

FORWARD LOOKING STATEMENTS

This announcement contains certain "forward-looking statements". 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", "should", "could", "predict", "objectives", "outlook", "guidance" or other similar words, and include statements regarding certain plans, strategies and objectives of management and expected future earnings and financial earnings and performance. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks, uncertainties and other factors, which are outside the control of Navarre and any of its officers, employees, agents or associates. This also includes statements about market and industry trends, which are based on interpretations of current market conditions. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Investors are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the COVID-19 pandemic. Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. These statements may assume the success of Navarre's business strategies, the success of which may not be realised within the period for which the forward-looking statement may have been prepared, or at all. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. There is no certainty that mineral resources estimates will be converted to ore reserves. Inferred Mineral Resources are approximate estimates only and there is no certainty that they can be converted into Indicated Mineral Resources. Except as required by law or regulation (including the ASX Listing Rules), none of Navarre, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

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