

21 October 2011

ASX Release

High-grade drill result in air-core drilling at Tandarra

Stawell-based Victorian gold exploration company, Navarre Minerals Limited (ASX Code: NML) ("Navarre" or the "Company"), today announces a further high-grade gold intercept from air-core drilling at its Tandarra prospect, 40 km north of Bendigo (Figure 1).

The Company reports that air-core hole ACT024 intersected a peak assay of 1 metre @ 26.2g Au/t within a 12 metre down-hole interval assaying between 0.3g Au/t and 2.8g Au/t as determined by duplicate sampling from a depth of 107 metres on a quartz structure on the Macnaughtan line (Table 1). The Macnaughtan line is one of three parallel quartz reefs identified to date by geophysical methods and now confirmed by drilling at Tandarra. Navarre's 2011 drilling has now confirmed high-grade gold mineralisation on the Macnaughtan and adjacent Tomorrow lines (10 metres at 34.4g Au/t gold from 37 metres below surface - ASX announcement on June 3, 2011). Please refer to Figure 2 and Table 1.

The hole was one of 18 drilled at Tandarra in a program totaling 1,542 metres. This drill program was undertaken to confirm potential mineralised quartz reef targets detected below shallow cover by a geophysical survey conducted over a small (0.5km²) test area in June this year. Hole ACT024 was the highlight of the drill program.

Of the 18 holes drilled, 15 intercepted quartz reef targets, of which 7 returned gold intercepts. Seven holes ended in quartz at refusal and did not test the footwall contacts which commonly host high-grade gold mineralisation in this style of deposit.

"The Company is greatly encouraged that the drilling continues to prove up the validity of the geophysical methods of detecting these shallow quartz reef structures and by the continued presence of high-grade gold," commented Navarre managing director, Mr. Geoff McDermott.

The results have met pre-drill expectations and are consistent with typical nuggety quartz reef style gold mineralisation encountered elsewhere in central Victoria. The results support the basis for an intensive \$4.2 million exploration program of drilling and geophysics which the Company raised an additional \$3.2 million to fund in August this year.

Next Steps

This drill program has successfully demonstrated that the geophysics can provide an accurate guide to the presence of quartz reefs buried beneath Murray Basin sediment cover. The Company will now commence the \$4.2 million six month intensive drilling and geophysics program announced last quarter. A 110 line kilometre geophysics program has recently commenced to map the Tandarra prospect with the aim of detecting additional shallow quartz structures and to extend the strike extent of known quartz reefs over an area measuring 9 kilometres east-west by over 12 kilometres north-south referred to as the Tandarra basement dome. The Tandarra basement dome is covered by younger Murray Basin sands and clays of between 20 and 100 metres thickness.

“We will now undertake a program of up to 50,000 metres of drilling on the geophysical targets. This will comprise a combination of air-core (for confirming the quartz targets) and reverse circulation and deeper diamond drilling (for gold grade evaluation). This program is designed to provide enough information from which to estimate a mineral resource in the second half of 2012. This is a major exploration program we are undertaking.”

“Our aim is to identify the potential of these relatively shallow quartz structures and also to assess the potential for secondary gold mineralisation deposited in gravels as a result of erosion of other quartz reefs over millions of years. We look forward to our accelerated exploration effort to delineate gold at Tandarra,” Mr. McDermott said.

“We continue to advance our theories on the analogies between Tandarra and the buried quartz lodes in the 22Moz Bendigo Goldfield and look forward to presenting further results from our exploration initiatives.”

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The information in this report that relates to Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Geoff McDermott, who is a Member of The Australian Institute of Geoscientists and who is Managing Director of the company. Mr McDermott 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 2004 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr McDermott consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

About Navarre Minerals: Navarre is a Victorian based explorer with four main exploration projects in central and western Victoria with the potential for large gold and copper-gold-zinc deposits.

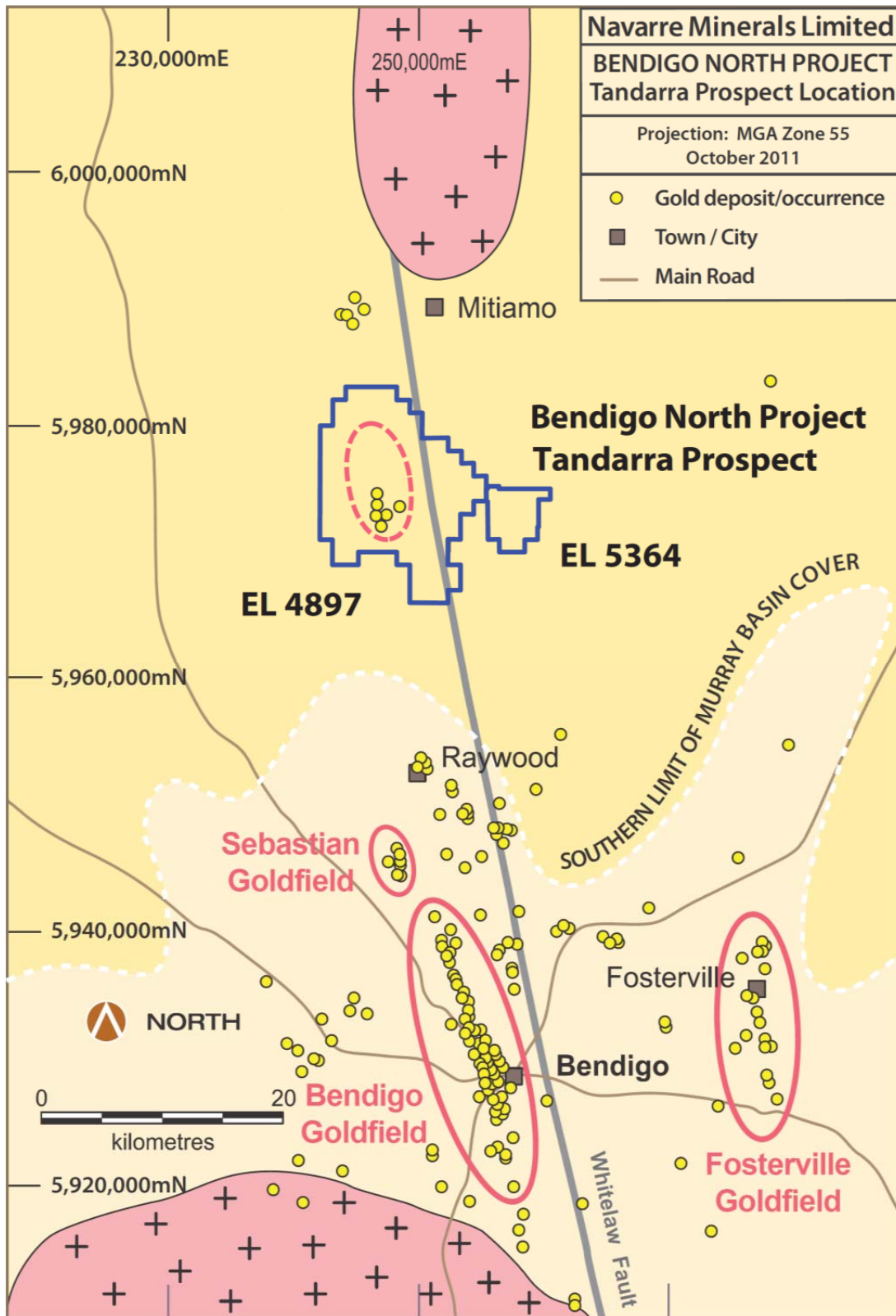


FIGURE 1: LOCATION OF BENDIGO NORTH PROJECT'S TANDARRA PROSPECT

TABLE 1: SUMMARY OF RECENT WEST TANDARRA AIR-CORE DRILLING RESULTS^{1,2,3,4,5}

HOLE_ID	LINE	HOLE COLLAR EAST (MGA94)	HOLE COLLAR NORTH (MGA94)	DRILL HOLE INCLINATION	TOTAL HOLE DEPTH	THICKNESS OF MURRAY BASIN COVER	DOWN-HOLE DEPTH FROM	DOWN-HOLE DEPTH TO	DOWN-HOLE INTERVAL	GOLD ASSAY RANGE MIN (g Au/t)	GOLD ASSAY RANGE MAX (g Au/t)	COMMENTS
ACT024	Macnaughtan	246605	5972930	-90	120	40	75	77	2	0.3	0.3	Buck quartz zone
							107	119	12	0.3	2.8	Laminated quartz and pyrite zone
				includes			107	108	1	0.2	6.7	
				includes			118	119	1	2.6	26.2	
ACT025	Macnaughtan	246625	5972933	-90	90	35				NSR	NSR	stylolitic quartz at 79m, majority buck quartz
ACT026	Macnaughtan	246595	5972933	-90	102	39				NSR	NSR	buck quartz spur zones intersected from 81-91m
ACT031	Macnaughtan	246480	5973350	-90	92	29				NSR	NSR	Drilled to refusal ending in hard quartz
ACT035	Macnaughtan	246495	5973350	-90	58	29	40	42	2	0.2	0.7	Hole drilled as follow-up to ACT031 but cannot penetrate hard quartz
ACT039	Macnaughtan	246465	5973460	-90	60	43				NSR	NSR	Hole drilled to refusal stopping in hard buck quartz
ACT032	Macnaughtan	246465	5973570	-90	44	35	35	36	1	0.2	0.6	Gold at interface with Murray Basin. Hole stops in hard quartz
ACT036	Macnaughtan	246450	5973695	-90	51	41	8	9	1	0.2	0.2	Secondary gold mineralisation in gravels
				and			42	43	1	1.4	1.4	Hole drilled to refusal - cannot penetrate hard quartz reef
ACT022	Tomorrow	246799	5972827	-90	66	21				NSR	NSR	No quartz intersected
ACT023	Tomorrow	246822	5972830	-90	69	21				NSR	NSR	No significant quartz intersected
ACT027	Tomorrow	246825	5972930	-90	96	20	21	43	22	0.3	0.4	iron-stained quartz in shale host
				includes			40	42	2	0.9	1.6	
				and			55	56	1	0.4	0.4	
ACT028	Tomorrow	246845	5972930	-90	83	19	57	58	1	2.1	2.1	Possible spur vein on east limb of anticline
ACT029	Tomorrow	246805	5972930	-90	78	23				NSR	NSR	Drilled 20m west of ACT027 - missed target - no quartz intersected
ACT030	Tomorrow	246725	5973350	-90	117	48				NSR	NSR	Mainly buck quartz intersected
ACT034	Tomorrow	246745	5973350	-90	105	45				NSR	NSR	Drilled 20m east of ACT030 - buck quartz spurs intersected
ACT038	Tomorrow	246695	5973460	-90	96	51	73	74	1	0.0	3.9	buck white and limonite stained quartz intersected
ACT033	Reynolds	246910	5973350	-90	117	37				NSR	NSR	Large spur zone with pyrite intersected 100 - 117m. Hole stops in spur zone
ACT037	Reynolds	246880	5973460	-90	99	39				NSR	NSR	Hole stops in massive buck quartz zone.

Notes:

1. Assay results have been determined by Leachwell@ cyanide leach 2000g analysis. A series of external standards and blanks are used to assess laboratory assay quality control.
2. All samples have been taken from variably dry to wet air-core drilling using a riffle-split method of sub-sampling. Intervals are length weighted averages.
3. NSR refers to no significant assay result.
4. Gold Assay Range columns show the range of gold assays returned from duplicate re-assay of the same depth intervals. As a general rule, all original assays $\geq 0.2g$ Au/t are routinely re-assayed. Marked variations in assay ranges are believed to reflect the presence of coarse nuggety gold.
5. There has been insufficient exploration undertaken on the Tandarra prospects to define a mineral resource and it is uncertain if further exploration will result in determination of a mineral resource.

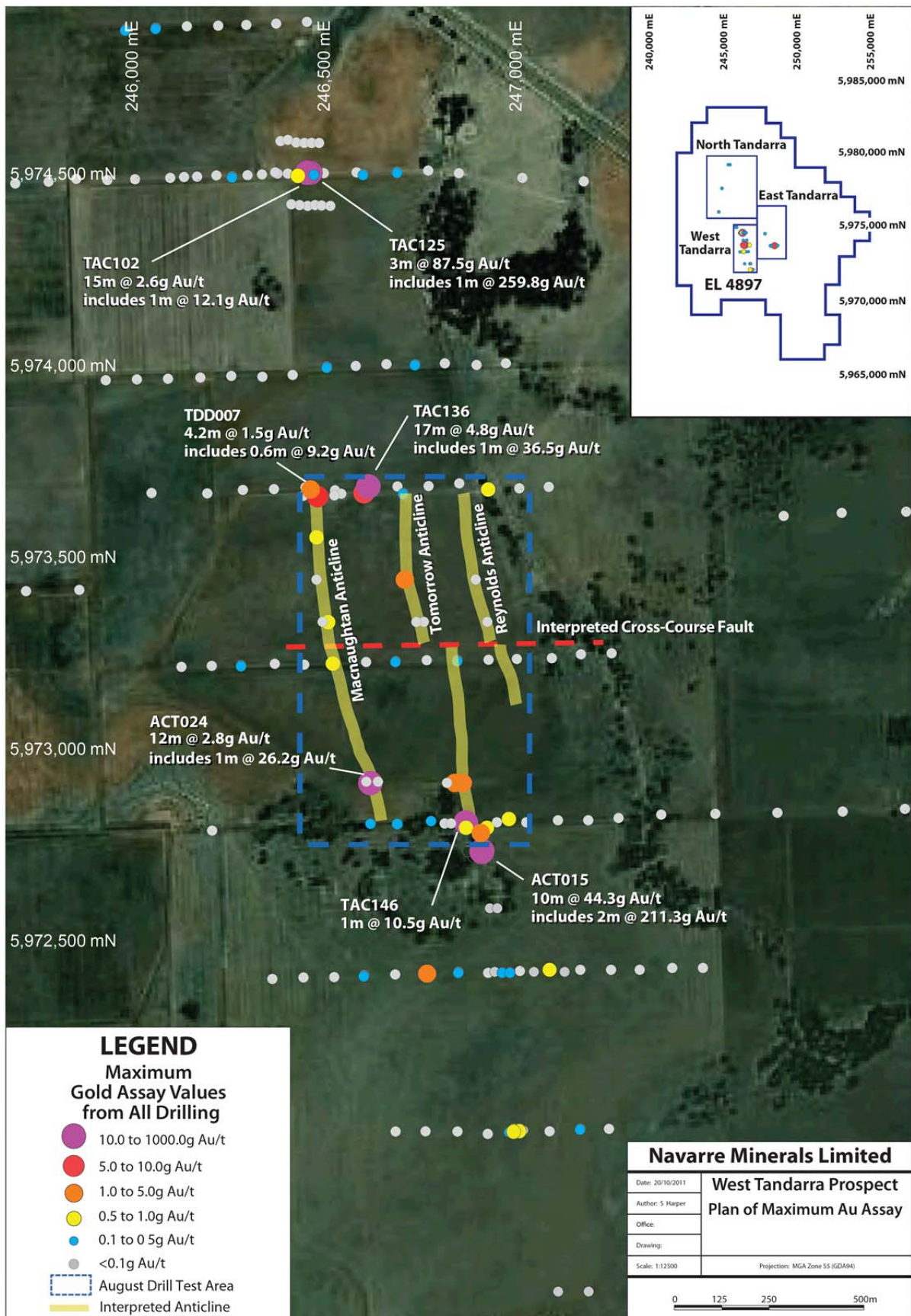


FIGURE 2: SATELLITE IMAGE OF WEST TANDARRA PROSPECT SHOWING MAXIMUM GOLD ASSAY VALUES FROM ALL DRILLING AND LOCATION OF AUGUST DRILL TEST AREA