

31 March 2014

Dean Litis
Principal Adviser, Listings Compliance (Melbourne)
Australian Securities Exchange
Level 4, North Tower
525 Collins Street
MELBOURNE VIC 3000

By email

Dear Dean

ASX price query

We refer to your letter dated 28 March 2014 querying the change in trading price of shares in Navarre Minerals Limited (the **Company**) from a closing price of \$0.043 on Thursday 27 March 2014 to a high of \$0.075 on Friday 28 March 2014, and also noting the increased volume of securities traded as compared to the Company's daily average of securities traded.

Using the numbering in your letter, we respond as follows:

- 1 On Friday 28 March 2014, the Company was aware of information concerning it that had not been announced to the market (**Information**) which, if known by some in the market, could possibly explain the recent trading in its securities. The Company was in the final stages of negotiations in relation to a transaction with Catalyst Metals Ltd (**Catalyst**) that was the subject of an announcement by the Company this morning.

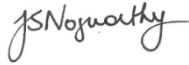
However, the Company believed, and continues to believe, that there was a much more likely explanation for the change in price and volume of trading in its securities on Friday 28 March 2014, as described in paragraph 3 below. In the circumstances, the Company considered it to be coincidental that it was also in possession of the Information.

- 2(a) The Company was relying on Listing Rule 3.1A not to announce the Information under Listing Rule 3.1. The Company had no reason to believe that the Information had ceased to be confidential. Among other things, the Company noted that there was no trading on Friday in Catalyst shares.
- 2(b) The Company was not in a position to announce the Information immediately as it concerned what was, at the time, an incomplete proposal for a transaction with Catalyst.
- 2(c) The Company has today announced the Information.
- 3 On Friday morning, a positive article about the Company was published on The Next Small Cap website (http://www.nextsmallcap.com/tiny-asx-company-in-race-to-discover-the-australian-andes/?utm_campaign=NML-MA1&utm_source=ASX&utm_medium=ann&utm_content=20140328) and Stocks Digital commenced a digital campaign to raise awareness of the Company using internet and social media channels. This followed on from recent announcements by the Company on 14 and 24 March 2014 of significant results from its drilling program at the Company's Eclipse copper-gold porphyry prospect in western Victoria. These announcements were also covered by several local newspapers in Victoria.

In addition, Stavely Minerals Limited, a copper-gold explorer with tenements close to the Company's Western Victoria Copper Project, announced its initial public offering on 25 March 2014, and this is creating a new pricing environment for the Company's shares.

- 4 The Company confirms that it is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

Yours sincerely



Jane Nosworthy
Company Secretary



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28 March 2014

Jane Nosworthy
Company Secretary
Navarre Minerals Limited

By email only

Dear Jane

Navarre Minerals Limited (the “Entity”)- ASX Price Query

We have noted a change in the price of the Entity’s securities from a close of 4.3 cents at the close of trading yesterday, 27 March 2014 to an intra-day high and closing price of 7.5 cents today. We also note an increase in the volume of securities traded today vis-à-vis the Entity’s daily average of securities traded.

In light of the price and volume change, ASX asks you to respond separately to each of the following questions:

1. Is the Entity aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
2. If the answer to question 1 is “yes”:
 - a) Is the Entity relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1?
Please note that the recent trading in the Entity’s securities would suggest to ASX that such information may have ceased to be confidential and therefore the Entity may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.
 - b) Can an announcement be made immediately?
Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).
 - c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
3. If the answer to question 1 is “no”, is there any other explanation that the Entity may have for the recent trading in its securities?
4. Please confirm that the Entity is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.

When and where to send your response

This request is made under, and in accordance with, Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by not later than **9.30 a.m. AEDT Monday 31 March 2014**. If we do not have your response by then, ASX will have no choice but to consider suspending trading in the Entity's securities under Listing Rule 17.3.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, the Entity's obligation is to disclose the information "immediately". This may require the information to be disclosed before the deadline set out in the previous paragraph.

ASX reserves the right to release a copy of this letter and your response on the ASX Market Announcements Platform under Listing Rule 18.7A. Accordingly, your response should be in a form suitable for release to the market.

Your response should be sent to me by e-mail. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Listing Rule 3.1

Listing Rule 3.1 requires a listed entity to give ASX immediately any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities. Exceptions to this requirement are set out in Listing Rule 3.1A.

The obligation of the Entity to disclose information under Listing Rules 3.1 and 3.1A is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

In responding to this letter, you should have regard to the Entity's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is "yes" and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in the Entity's securities under Listing Rule 17.1.

If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We may require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted.

You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

If you have any queries or concerns about any of the above, please contact me immediately.

Yours sincerely

[Sent electronically, without signature]

Dean Litis

Principal Adviser

Listings Compliance (Melbourne)