

ASX Announcement

13 June 2014

Navarre Minerals Limited
ABN 66 125 140 105

ASX Code: NML

Corporate Details

Issued capital:

64.2M 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

Navarre Minerals Limited
40 – 44 Wimmera Street
Stawell VIC 3380
Australia

PO Box 385
Stawell VIC 3380
Australia

Tel: +61 (0)3 5358 8625

Email: info@navarre.com.au

Website: www.navarre.com.au

Navarre and Catalyst finalise Heads of Agreement for Bendigo North farm-out

- **Formal Heads of Agreement signed for Catalyst to earn an interest in Navarre's Tandarra Gold Project, 40km north of Bendigo**
- **Navarre also transfers its interests in Castlemaine Goldfields' Raydarra and Sebastian Projects to Catalyst**
- **Navarre maintains exposure to north Bendigo exploration upside while focusing on its emerging Miga Arc porphyry copper-gold properties in western Victoria**

Navarre Minerals Limited (**ASX: NML**) (**Navarre**) is pleased to announce it has signed 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 formalises the transaction between Navarre and Catalyst, which was announced to the ASX on 31 March 2014.

The transaction will result in a consolidation of two of the most prospective greenfields gold projects in Victoria (Tandarra and Four Eagles Projects) and means that the entire 60 kilometre strike length of the Bendigo North Goldfield will be under single management (Figure 1). The rationalisation will enable synergy benefits and shared technology to be realised in both exploration and development stages. Navarre shareholders will also have exposure to Catalyst's Four Eagles Gold Project through Catalyst shares.

Navarre's Managing Director Geoff McDermott said, "Navarre shareholders will continue to benefit from exposure to ongoing gold exploration at Tandarra and the wider north Bendigo region under Catalyst's stewardship while we focus our attention to our emerging Miga Arc copper-gold porphyry properties in western Victoria, where we are presently drilling".

As part of the transaction, Navarre will also transfer to Catalyst its interests in two gold projects owned by Castlemaine Goldfields Limited (a subsidiary of LionGold Corp) (**Castlemaine**), which are subject to farm-in and joint venture arrangements between Navarre and Castlemaine. Navarre had earned a 51% interest in the Sebastian Project (EL 4536 and EL 4974) and was in the process of earning a 51% interest in the Raydarra Project (EL 5266). Navarre will maintain exploration upside by way of a 1% net smelter royalty on Catalyst's entitlement to proceeds from future production from the Sebastian and Raydarra Projects.

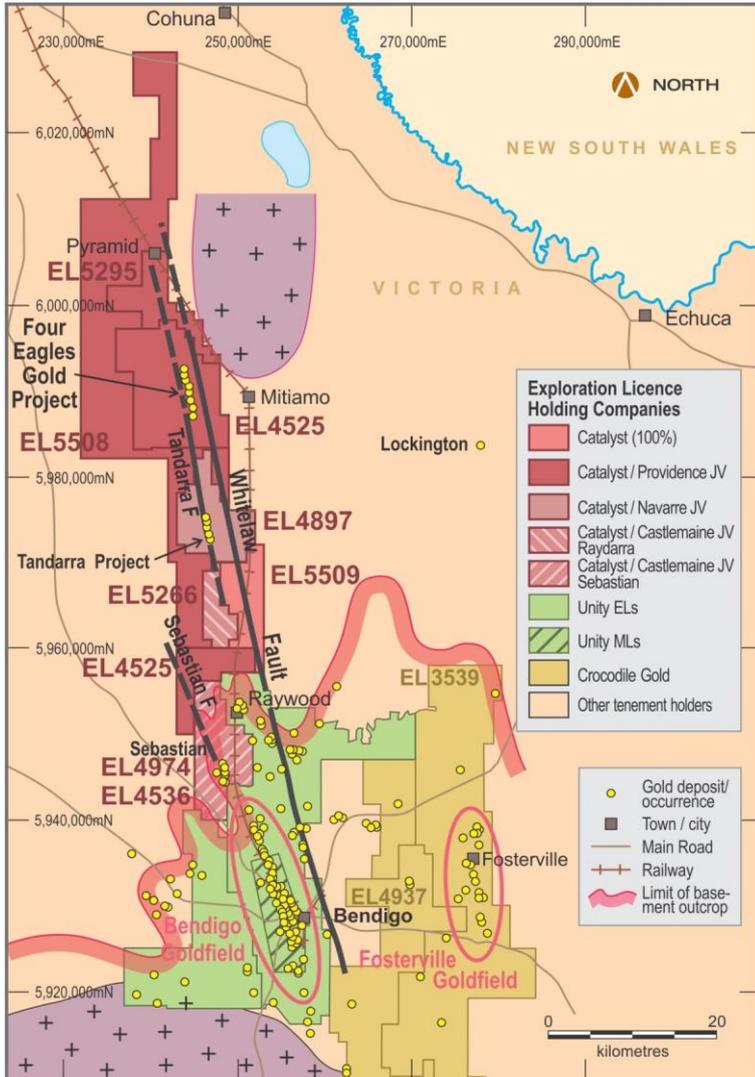


Figure 1: Map showing Catalyst-managed tenements in the North Bendigo Goldfield
(source: Catalyst Metals Limited, 2014)

Key terms of the Heads of Agreement

In order to earn a 51% equity interest in Tandarra (EL 4897), Catalyst must spend \$3 million on exploration during a four year period, commencing on satisfaction of a condition precedent whereby Catalyst undertakes to assume a proportionate share of Navarre’s existing royalty obligations in respect of Tandarra. Catalyst’s expenditure must be sufficient to maintain the tenement in good standing and be not less than \$200,000 per annum and not less than \$800,000 within two years. Catalyst must also generate a mineralisation report sufficient for the requirements of the *Mineral Resources (Sustainable Development) Act 1990 (Vic)* by 14 November 2015.

Catalyst will also pay Navarre \$50,000 in cash and issue to Navarre 250,000 fully paid ordinary shares in Catalyst, with a further 250,000 Catalyst shares to be issued twelve months’ later.

Castlemaine has signed a Deed of Assignment and Assumption to enable Navarre to assign all of its rights and obligations relating to the Castlemaine tenements under farm-in and joint venture arrangements to Catalyst.

– 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 giant porphyry- copper and gold deposits. Its flagship Eclipse prospect is one of 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 Tandarra Gold Project in central Victoria is targeting the next generation of gold deposits under shallow cover 40km north of the 22 million ounce Bendigo Goldfield. Under the terms of a farm-out agreement, Catalyst Metals Limited may earn 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:

Geoff McDermott
Managing Director
E: info@navarre.com.au
T: +61 (0)3 5358 8625

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.