

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Navarre Minerals Limited

ABN

66 125 140 105

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares (Shares) Unlisted options (Options) |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | Up to approximately 39,338,779 Shares (subject to the reconciliation of entitlements and the effect of rounding and based on the number of shares assumed to be on issue as at the Record Date of 31 August 2016) (Record Date). Up to approximately 19,669,390 Options (subject to the reconciliation of entitlements and the effect of rounding and based on the number of shares assumed to be on issue as at the Record Date). |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares Options exercisable at \$0.05 each, expiry date 31 March 2018. |

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| | |
|---|--|
| <p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment | <p>Shares – yes, the new Shares will rank equally in all respects with the existing fully paid ordinary shares from the date of allotment.</p> <p>Options – upon exercise of the Options, the Shares issued will rank equally in all respects with the existing fully paid ordinary shares from the date of allotment.</p> |
| <p>5 Issue price or consideration</p> | <p>\$0.029 per Share</p> |
| <p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p> | <p>The Options are each exercisable at \$0.05 per Option on or before 31 March 2018. The Options are issued for nil consideration, but are attached to the Shares issued under the Entitlement Offer (defined below).</p> |
| <p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p> | <p>The Shares and Options are being issued as part of an equity raising which comprises a two-for-five non-renounceable entitlement offer to raise up to \$1,140,824 (before costs), pursuant to which up to approximately 39,338,779 Shares in the Company at an issue price of \$0.029 per Share will be offered to the registered holders on the Record Date of existing shares in the Company, with one free attaching Option issued for every two Shares subscribed for and issued under the prospectus dated 25 August 2016 (Entitlement Offer).</p> <p>Funds raised under the Entitlement Offer (after payment of costs and expenses) will be applied to an exploration program on the Company's Irvine and Benno gold prospects & ongoing working capital requirements.</p> |
| <p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p> | <p>Yes</p> |

+ See chapter 19 for defined terms.

| | | |
|----|--|---|
| 6b | The date the security holder resolution under rule 7.1A was passed | 13 November 2015 |
| 6c | Number of +securities issued without security holder approval under rule 7.1 | Nil |
| 6d | Number of +securities issued with security holder approval under rule 7.1A | Nil |
| 6e | Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting) | Nil |
| 6f | Number of +securities issued under an exception in rule 7.2 | <p>5,766,674 ordinary shares (issued pursuant to the Company's 2015 Share Purchase Plan)</p> <p>Up to approximately 39,338,779 Shares (the subject of this Appendix 3B)</p> <p>Up to approximately 19,669,390 attaching Options (the subject of this Appendix 3B)</p> |
| 6g | If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation. | N/A |
| 6h | If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements | N/A |
| 6i | Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements | See Annexure 1 (Note – the calculations in Annexure 1 assume the Entitlement Offer is fully subscribed) |

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7 +Issue dates

Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.

Cross reference: item 33 of Appendix 3B.

The Shares and attaching Options under the Entitlement Offer (excluding any underwritten Shares and Options) will be issued on or around 23 September 2016.

The underwritten Shares and attaching Options (if any) will be issued on or around 26 September 2016.

Note: this date is indicative only. The Board reserves the right and may vary key dates, subject to compliance with the ASX Listing Rules.

8 Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)

| Number | +Class |
|---|----------------------------|
| Up to approximately 137,685,725 (including up to approximately 39,338,779 Shares to be issued under the Entitlement Offer) | Fully paid ordinary shares |
| <i>Note: these figures assumes that the Entitlement Offer and the shortfall offer (if required) under the Prospectus is fully subscribed.</i> | |

9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)

| Number | +Class |
|---|--|
| 150,000 | \$0.30 options (expire 31/12/16) |
| 300,000 | \$0.15 options (expire 31/12/17) |
| 250,000 | \$0.10 options (expire 31/12/18) |
| 150,000 | \$0.04 options (expire 31/12/19) |
| Up to approximately 19,669,390 | \$0.05 options (expire 31/3/18) (Options) |
| <i>Note: these figures assumes that the Entitlement Offer and the shortfall offer (if required) under the Prospectus is fully subscribed.</i> | |

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)

The Company does not presently have a formal dividend policy.

+ See chapter 19 for defined terms.

Part 2 - Pro rata issue

| | | |
|----|--|---|
| 11 | Is security holder approval required? | No |
| 12 | Is the issue renounceable or non-renounceable? | Non-renounceable |
| 13 | Ratio in which the +securities will be offered | Two (2) new Shares for every five (5) existing Shares held at the Record Date by eligible shareholders with one (1) free attaching Option for every two (2) Shares subscribed for and issued under the Prospectus dated 25 August 2016. |
| 14 | +Class of +securities to which the offer relates | Fully paid ordinary shares Unlisted options |
| 15 | +Record date to determine entitlements | 31 August 2016 (7.00pm AEST) <i>Note: this date is indicative only. The Board reserves the right and may vary key dates, subject to compliance with the ASX Listing Rules</i> |
| 16 | Will holdings on different registers (or subregisters) be aggregated for calculating entitlements? | N/A |
| 17 | Policy for deciding entitlements in relation to fractions | Where fractions arise in the calculation of entitlements, the number of Shares and Options will be rounded up to the nearest whole number of Shares or Options (as the case may be). |
| 18 | Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small> | All countries other than Australia and New Zealand, unless otherwise determined by the directors |
| 19 | Closing date for receipt of acceptances or renunciations | 16 September 2016 (5.00pm AEST) <i>Note: this date is indicative only. The Board reserves the right and may vary key dates, subject to compliance with the ASX Listing Rules.</i> |
| 20 | Names of any underwriters | Patersons Securities Limited |

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| 21 | Amount of any underwriting fee or commission | The underwriter will receive a selling fee equal to 6% of the gross proceeds of the Entitlement Offer (Underwriting Fee) and a lead manager fee of \$35,000. |
| 22 | Names of any brokers to the issue | Patersons Securities Limited |
| 23 | Fee or commission payable to the broker to the issue | Please refer to the above Underwriting Fee. |
| 24 | Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders | N/A |
| 25 | If the issue is contingent on security holders' approval, the date of the meeting | N/A |
| 26 | Date entitlement and acceptance form and offer documents will be sent to persons entitled | 2 September 2016 <i>Note: this date is indicative only. The Board reserves the right and may vary key dates, subject to compliance with the ASX Listing Rules.</i> |
| 27 | If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders | 29 August 2016 |
| 28 | Date rights trading will begin (if applicable) | N/A |
| 29 | Date rights trading will end (if applicable) | N/A |
| 30 | How do security holders sell their entitlements <i>in full</i> through a broker? | N/A |
| 31 | How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance? | N/A |
| 32 | How do security holders dispose of their entitlements (except by sale through a broker)? | N/A |

+ See chapter 19 for defined terms.

33 +Issue date

The Shares and attaching Options under the Entitlement Offer (excluding any underwritten Shares and Options) will be issued on or around 23 September 2016.

The underwritten Shares and attaching Options (if any) will be issued on or around 26 September 2016.

Note: these dates are indicative only. The Board reserves the right and may vary key dates, subject to compliance with the ASX Listing Rules.

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Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

(b) All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories

- 1 - 1,000
- 1,001 - 5,000
- 5,001 - 10,000
- 10,001 - 100,000
- 100,001 and over

37 A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

| | Number | +Class |
|--|--------|--------|
| 42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38) | | |

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: 
(Company secretary)

Date: 25 August 2016

Print name: Jane Nosworthy

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

| Rule 7.1 – Issues exceeding 15% of capital | |
|---|---|
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | |
| Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue | 92,580,272 |
| <p>Add the following:</p> <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | <p>5,766,674 ordinary shares pursuant to the Company’s 2015 Share Purchase Plan (Appendix 3B dated 20 November 2015)</p> <p>39,338,779 ordinary shares pursuant to the Company’s 2016 Entitlement Offer (the subject of this Appendix 3B)</p> |
| Subtract the number of fully paid +ordinary securities cancelled during that 12 month period | Nil |
| “A” | 137,685,725 |

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| Step 2: Calculate 15% of “A” | |
| “B” | 0.15 <i>[Note: this value cannot be changed]</i> |
| Multiply “A” by 0.15 | 20,652,858 |
| Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used | |
| <p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | Nil |
| “C” | Nil |
| Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1 | |
| “A” x 0.15 <i>Note: number must be same as shown in Step 2</i> | 20,652,858 |
| Subtract “C” <i>Note: number must be same as shown in Step 3</i> | Nil |
| Total [“A” x 0.15] – “C” | 20,652,858 <i>[Note: this is the remaining placement capacity under rule 7.1]</i> |

+ See chapter 19 for defined terms.

Part 2

| Rule 7.1A – Additional placement capacity for eligible entities | |
|--|---|
| Step 1: Calculate “A”, the base figure from which the placement capacity is calculated | |
| “A” <i>Note: number must be same as shown in Step 1 of Part 1</i> | 137,685,725 |
| Step 2: Calculate 10% of “A” | |
| “D” | 0.10 <i>Note: this value cannot be changed</i> |
| Multiply “A” by 0.10 | 13,768,572 |
| Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used | |
| Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> | Nil |
| “E” | Nil |

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| Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A | |
|--|---|
| “A” x 0.10 <i>Note: number must be same as shown in Step 2</i> | 13,768,572 |
| Subtract “E” <i>Note: number must be same as shown in Step 3</i> | Nil |
| Total [“A” x 0.10] – “E” | 13,768,572 <i>Note: this is the remaining placement capacity under rule 7.1A</i> |

+ See chapter 19 for defined terms.