



NAVARRE MINERALS LIMITED

ABN 66 125 140 105

Notice of Annual General Meeting

The Annual General Meeting (**Meeting**) of Shareholders of Navarre Minerals Limited (**Navarre or Company**) will be held on **Monday 18 November 2019 at 10.30am AEDT** at the offices of RSM Australia Partners, Level 21, 55 Collins Street, Melbourne, Victoria.

The Explanatory Statement that accompanies and forms part of this Notice describes the matters to be considered at the Meeting. Terms used in this Notice and the accompanying Explanatory Statement are defined in the glossary set out at the end of the Explanatory Statement.

ITEMS OF BUSINESS

Ordinary Business

- **Annual Accounts and Reports**

To receive and consider the Directors' Report, Financial Report and Auditor's Report of Navarre for the financial year ended 30 June 2019.

- **Remuneration Report (Resolution 1 – non-binding)**

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

That the Remuneration Report set out in the Directors' Report of the Company for the financial year ended 30 June 2019 be adopted.

- **Re-election of Mr Kevin Wilson as a Director (Resolution 2)**

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

That Mr Kevin Wilson, who retires by rotation in accordance with the Constitution, being eligible, be re-elected as a Director.

Special Business

- **Approval of Navarre Minerals Limited Performance Rights Plan (Resolution 3)**

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

That for the purposes of Listing Rule 7.2 and for all other purposes, the Performance Rights Plan, as summarised in the Explanatory Statement, be approved, including the issue of securities under the Performance Rights Plan.

- **Approval of issue of Performance Rights to Mr G McDermott (Resolution 4)**

To consider and, if thought fit, pass the following resolution as an ordinary resolution:

Subject to the passing of Resolution 3, that for the purposes of Listing Rule 10.14 and for all other purposes, Shareholder approval is given for the issue of 1,500,000 Performance Rights to Mr Geoff McDermott, the Managing Director, under the Performance Rights Plan on the terms described in the Explanatory Statement.

- **Approval of Additional Capacity to Issue Ordinary Shares (Resolution 5)**

To consider and, if thought fit, pass the following resolution as a special resolution:

That for the purposes of Listing Rule 7.1A and for all other purposes, Shareholder approval is given for the issue of Shares by the Company pursuant to Listing Rule 7.1A, such that, subject to the conditions described in the Explanatory Statement, the Company will have the benefit of the additional capacity to issue Shares as contemplated by Listing Rule 7.1A.

By order of the Board

Colin Naylor
Company Secretary

11 October 2019

Important Notice – Accessing the Annual Report

The Annual Report is now available on the Company’s website at www.navarre.com.au/annual-half-year-reports.

You will only receive a printed copy of the Annual Report if you have elected to continue receiving shareholder communications in hard copy.

If you have not elected to continue to receive a printed copy of the Annual Report but now (or sometime in the future) wish to do so, please contact the Company’s share registry, Boardroom Pty Limited, to change your shareholder communication preferences.

Voting Entitlements

The Company has determined that for the purpose of voting at the Meeting, Shareholders eligible to vote at the Meeting are those persons who are the registered holders of Shares at 7.00pm AEDT on Saturday 16 November 2019.

How to vote

Your vote is important. You may cast your vote in the following ways:

- by attending and voting at the Meeting on Monday 18 November 2019 at 10.30am AEDT; or
- by completing and returning the enclosed proxy form so that it is received by the Company’s share registry by 10.30am AEDT on Saturday 16 November 2019; or
- in the case of a corporate shareholder, by appointing a corporate representative to attend the Meeting in person (using a certificate of appointment obtained from the Company’s share registry).

Voting in person

To vote in person, attend the Meeting on the date and at the place specified in the Notice. Shareholders are asked to arrive at the venue 30 minutes prior to the time designated for the Meeting so that the Company may check their shareholdings against the Company’s share register and note attendances.

Voting by proxy

To vote by proxy, the attached proxy form and the power of attorney or other authority (if any) under which it is signed must be provided to the Company's share registry, Boardroom Pty Limited, in the enclosed Reply Paid envelope, or in any of the following ways:

- **Online** at <https://www.votingonline.com.au/nmlagm2019>
- **By post** to Boardroom Pty Limited, GPO Box 3993, Sydney NSW 2001, Australia
- **By hand delivery** to Boardroom Pty Limited, Level 12, 225 George Street, Sydney NSW 2000, Australia
- **By fax** on +61 2 9290 9655

Proxy forms must be received by the share registry no later than 10.30am AEDT on Saturday 16 November 2019 (or, if the Meeting is adjourned, by no later than 48 hours before the commencement of the resumed meeting).

Proxies must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be signed by an attorney or executed by the corporation in accordance with the Corporations Act.

Voting through a corporate representative

A body corporate that is a Shareholder may appoint an individual to act as its representative at the Meeting in accordance with section 250D of the Corporations Act. The Company will require a certificate of appointment of the corporate representative, executed in accordance with the Corporations Act.

The certificate of appointment must be lodged with the Company's share registry (see details above) before the Meeting or at the registration desk on the day of the Meeting. Please contact the Company or Boardroom Pty Limited on +61 1300 737 760 to obtain a certificate of appointment.

Information about proxy voting

Please read the following information carefully if you intend to appoint a proxy to attend the Meeting and vote on your behalf.

Appointment of proxies

A Shareholder entitled to attend and vote at the Meeting may appoint one or, if the Shareholder is entitled to cast two or more votes at the Meeting, two proxies to attend and vote on their behalf. Each proxy will have the right to vote on a poll and also to speak at the Meeting. A proxy need not be a member of the Company and can be either an individual or a body corporate.

Voting by proxies

The appointment of a proxy may specify the proportion or the number of votes that the proxy may exercise. Where two proxies are appointed and the appointment does not specify the proportion or number of the Shareholder's votes each proxy may exercise, the votes will be divided equally among the proxies (i.e. each proxy may exercise half the votes). If a proxy is not directed how to vote on a resolution, the proxy may vote or abstain from voting on that resolution as they see fit.

Non-attendance by nominated proxy

If a proxy form is returned and no person or body corporate is named as the proxy or the nominated proxy does not attend the meeting, or does not vote on the resolution, the chair of the Meeting will act as proxy and vote in accordance with any instructions.

How the chair of the meeting will vote undirected proxies

The chair of the Meeting will vote undirected proxies in favour of each Resolution on which the chair is entitled to vote as proxy. Proxy appointments in favour of any other Director or the Company Secretary that do not contain a direction on how to vote will be used where possible to support the resolutions proposed in the Notice.

Important information concerning proxy votes for Resolution 1 and Resolution 3

The Corporations Act places certain restrictions on the ability of Key Management Personnel and their Closely Related Parties to vote on the advisory resolution to adopt the Remuneration Report and resolutions connected directly or indirectly with the remuneration of the Key Management Personnel.

For these reasons, Shareholders who intend to vote by proxy should carefully consider the identity of their proxy and are encouraged to direct their proxy as to how to vote on all Resolutions. If you do not do so, you risk your vote not being cast.

If you appoint the chair of the Meeting as your proxy but do not direct the chair how to vote in respect of Resolution 1, **you are providing express authorisation for the chair of the Meeting to vote your proxy in relation to Resolution 1, notwithstanding that Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel, which includes the Chairman.**

As noted above, the chair of the Meeting intends to vote undirected proxies **in favour** of Resolution 1 and Resolution 3. Accordingly, if you appoint the chair of the Meeting as your proxy (including an appointment by default) and you wish to vote differently to how the chair of the Meeting intends to vote on Resolution 1, you must mark 'against' or 'abstain' on the proxy form for Resolution 1 and Resolution 3.

Voting Exclusions and Prohibitions

Resolution 1 and Resolution 3 – In accordance with the Corporations Act, a vote on Resolution 1 and Resolution 3 must not be cast (in any capacity) by or on behalf of:

- a member of Key Management Personnel whose details are included in the Remuneration Report or one who may participate in the Performance Rights Plan; or
- a Closely Related Party of such a member.

However, a person described above may vote on Resolution 1 or Resolution 3 as a proxy if the vote is not cast on behalf of a person described above and either:

- the person does so as a proxy appointed by writing that specifies the way the proxy is to vote on Resolution 1 or Resolution 3; or
- the person is the chair of the Meeting and the appointment:
 - does not specify the way the proxy is to vote on Resolution 1 or Resolution 3; and
 - expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel.

Resolution 4 – The Company will disregard any votes cast in favour of this resolution (in any capacity) by or on behalf of any Director (including Mr Geoff McDermott, Mr Kevin Wilson, Mr Colin Naylor and Mr John Dorward) and any of their associates. However, the Company need not disregard a vote if it is cast by:

- a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- the chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

In accordance with the Corporations Act, a person appointed as a proxy must not vote, on the basis of that appointment, on Resolution 4 if the proxy is either:

- a member of Key Management Personnel; or
- a Closely Related Party of such a member,

and the appointment does not specify the way the proxy is to vote on that particular resolution.

However, this prohibition does not apply if the proxy is the chair of the Meeting and the appointment expressly authorises the chair to exercise the proxy even if the resolution is connected directly or indirectly with remuneration of a member of the Key Management Personnel of the Company.

Resolution 5 – In accordance with Listing Rule 14.11.1, the Company is required to disregard any votes cast in favour of Resolution 5 by a person or an associate of a person who is expected to participate in the proposed issue of Shares or who will obtain a material benefit, except a benefit solely in the capacity of a holder of Shares, if the resolution is passed. However, the Company need not disregard a vote if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- if it is cast by the chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

At this stage, the proposed allottees of the Shares are not known and identified. In accordance with the note to Listing Rule 14.11.1, a person's vote will only be excluded from voting on Resolution 5 if there is more than a mere possibility that the person will participate in the proposed issue.

Explanatory Statement

The purpose of this Explanatory Statement is to explain the resolutions in the accompanying Notice and to provide Shareholders with all information known to the Company that is material to a decision on how to vote on those resolutions.

The Directors recommend Shareholders read the Notice and this Explanatory Statement in full before making any decision in relation to the Resolutions.

Capitalised terms in this Explanatory Statement are defined in the glossary at the end of this document.

Item 1: Consider Accounts and Reports

The Corporations Act requires the Director's Report, Financial Report and Auditor's Report of the Company to be laid before the Meeting. Accordingly, the reports for the financial year ended 30 June 2019 will be presented for consideration by Shareholders. No resolution is required on these reports.

The chair of the Meeting will allow a reasonable opportunity for Shareholders to ask questions or make comments about those reports and the management of the Company. Shareholders will also be given a reasonable opportunity to ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

Item 2: Remuneration Report (Resolution 1 – non-binding)

The Remuneration Report for the financial year ended 30 June 2019 is set out in the Annual Report. The Remuneration Report sets out the Company's remuneration policies and remuneration details for each Director and other member of the Key Management Personnel.

Shareholders attending the Meeting will be given a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Under the Corporations Act, a listed entity is required to put to the vote a resolution that the Remuneration Report be adopted. The vote on this resolution is advisory only and does not bind the Directors or the Company. However, if at least 25% of the votes cast on Resolution 1 are cast against the adoption of the Remuneration Report at two consecutive annual general meetings, then a 'board spill resolution' must be put to the Shareholders proposing the calling of a Shareholder meeting to consider the appointment of Directors.

If a board spill resolution is passed by the Shareholders, the Company is required to hold a further meeting of Shareholders within 90 days to consider replacing those Directors (other than the Managing Director) in office at the time the Remuneration Report was approved by the Board.

Less than 25% of votes cast at the last Annual General Meeting of the Company were cast against the resolution to adopt the Remuneration Report for the financial year ended 30 June 2018.

Item 3: Re-appointment of Mr Kevin Wilson as a Director (Resolution 2)

Mr Kevin Wilson retires by rotation in accordance with the Constitution and, being eligible for re-election, offers himself for re-appointment as a Director. Details of Mr Wilson's qualifications and experience are set out in the Company's 2019 Annual Report.

Directors' Recommendation

The Directors (other than Mr Wilson) recommend that Shareholders vote in favour of this resolution. Mr Wilson makes no recommendation.

Item 4: Approval of Navarre Minerals Limited Performance Rights Plan (Resolution 3)

Background

Resolution 3 seeks Shareholder approval of the Performance Rights Plan.

Listing Rule 7.1 prohibits a listed company from issuing equity securities which in aggregate exceed 15% of its fully paid ordinary share capital in any twelve month period, unless an exception applies. Listing Rule 7.2, Exception 9, provides that this rule does not apply to the issue of securities by the company under an employee incentive scheme if, in the case of a scheme established before the company was listed, a summary of terms of the scheme were set out in the prospectus, product disclosure statement or information memorandum, or in any other case, the scheme has been approved by shareholders within three years before the date of issue of the relevant securities.

In the Company's case, the Performance Rights Plan is the subject of approval at the Meeting. There have been no previous grants of Performance Rights.

Overview of the Performance Rights Plan

Eligibility and grant of Performance Rights

The Company may offer Performance Rights to any eligible person, including employees of the Company (whether full-time or part-time), officers of the Company and Directors, at such times and on such terms as the Board considers appropriate.

Consideration

Performance Rights issued under the Performance Rights Plan are granted for no consideration.

Vested Performance Rights

Performance Rights which have vested are immediately exercisable in accordance with the Performance Rights Plan.

Exercise of Vested Performance Rights

Performance Rights which have vested are immediately exercisable in accordance with the Performance Rights Plan.

Unless and until a Performance Right is exercised and the relevant Shares are either issued or transferred to that Participant as a result of that exercise, a Participant has no interest in those Shares.

Cessation of employment

Uncontrollable Event

If a Participant's employment with the Company ceases because of an Uncontrollable Event:

- (a) all of the Participant's Performance Rights that are capable of becoming exercisable if performance hurdles are met at the next test date the subject of the performance hurdle will become Vested Performance Rights;
- (b) the Board in its absolute discretion may determine the extent to which any other Unvested Performance Rights, that have not lapsed, will become Vested Performance Rights; and

- (c) the Participant may, at any time prior to the first to occur:
- (1) the next Business Day seven years after the issue of the Performance Rights;
 - (2) 3 months (or such other period as the Board may, in its absolute discretion, determine) from the date on which the Participant ceased that employment,
- exercise all Vested Performance Rights.

Controllable Event

If a Participant's employment with the Company ceases because of a Controllable Event:

- (a) the Board in its absolute discretion will determine the extent to which the Unvested Performance Rights (if any), that have not lapsed, will become Vested Performance Rights and will notify the Participant of this determination; and
- (b) should the Board fail to make a determination in accordance with clause 8.2(a) above, all Unvested Performance Rights held by the Participant lapse immediately; and
- (c) the Participant may, at any time prior to the first to occur of:
 - (1) the next Business Day seven years after the issue of the Performance Rights; and
 - (2) 3 months (or such other period as the Board may, in its absolute discretion, determine) from the date on which the Participant ceased that employment,

exercise all Vested Performance Rights (including those that have become Vested Performance Rights).

Change in Control Event

Vesting and notification to Participants

Where a proposal (whether by takeover bid, scheme of arrangement or otherwise) is publicly announced in relation to the Company which the Board reasonably believes may lead to a Change in Control Event:

- (a) all of the Participant's Unvested Performance Rights, that have not lapsed, will become Vested Performance Rights; and
- (b) the Board must promptly notify each Participant in writing that he or she may, within the period specified in the notice (**Change in Control Notice Period**), exercise Vested Performance Rights.

Lapse of Performance Rights

Unless the Board determines otherwise:

- (a) Vested Performance Rights that are not exercised by the end of the Change in Control Notice Period; and
- (b) Unvested Performance Rights,

lapse at the end of the Change in Control Notice Period.

Corporate actions/reconstructions

Variation of capital

If there are certain variations of the share capital of the Company including a capitalisation or rights issue, sub-division, consolidation or reduction in share capital, a demerger (in whatever form) or other distribution in specie, the Board may make such adjustments as it considers appropriate, in accordance with the provisions of the Listing Rules.

Adjustments

An adjustment made to one or more of the following:

- (a) the number of Shares subject to any Performance Right; or
- (b) where a Performance Right has been exercised but no Shares have been issued or transferred following the exercise, the number of Shares which may be issued or transferred.

Other information

A voting exclusion statement applies to Resolution 3 as set out in the Notice.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 3.

Item 5: Issue of Performance Rights to Mr G McDermott (Resolution 4)

Background

Listing Rule 10.14 requires a listed company to obtain shareholder approval by ordinary resolution prior to the issue of securities to a director of the company under an employee incentive scheme, such as the Performance Rights Plan.

In accordance with Listing Rule 10.14, Shareholder approval is sought for the proposed grant of 1,500,000 Performance Rights to the Managing Director, Mr Geoff McDermott, by way of short term and long-term incentive under the Performance Rights Plan on the terms of the Performance Rights Plan and the additional terms set out below.

During 2019, the Directors (excluding the Managing Director) reviewed the short term cash incentive and long term share option incentive arrangement for the Managing Director. The Directors (excluding the Managing Director) consider the grant of Performance Rights, with appropriate performance hurdles, is a more effective incentive arrangement than the incentive arrangements used in previous years.

Based on the annual value of prior year short term and long term incentive arrangements for the Managing Director, Directors (excluding the Managing Director) determined that the value of the 2020 incentive arrangement is \$150,000, and, based on 10 cents per share being the 10 day VWAP to 1 October 2019 for Navarre shares, the quantum of Performance Rights to grant totals 1.5 million.

If Shareholder approval is obtained, it is intended the Performance Rights will be issued shortly after the Meeting, but in any event no later than 12 months after the Meeting or any adjournment of that Meeting.

Specific terms applicable to the proposed grant to the Managing Director, Mr Geoff McDermott

Mr McDermott will be granted 1,500,000 Performance Rights as follows:

Number of Performance Rights	Service Condition
500,000	These Performance Rights will vest and become exercisable upon Mr McDermott holding the position of Managing Director at 31 December 2020 (Retention Service Period).
500,000	At the discretion of the Board (excluding Mr McDermott) these Performance Rights will vest and become exercisable upon satisfactory meeting the following hurdles in the period to 31 December 2020 (Service Performance). <ul style="list-style-type: none"> - Securing statutory permitting and community support for drilling programs - Execution of drilling programs - on budget with no safety or environmental incidents
166,666	These Performance Rights will vest and become exercisable when the Share price exceeds a closing price of 12 cents per Share for 10 consecutive Trading Days in the period leading up to 31 December 2020.

Number of Performance Rights	Service Condition
166,666	These Performance Rights will vest and become exercisable when the Share price exceeds a closing price of 16 cents per Share for 10 consecutive Trading Days in the period leading up to 31 December 2020.
166,667	These Performance Rights will vest and become exercisable when the Share price exceeds a closing price of 20 cents per Share for 10 consecutive Trading Days in the period leading up to 31 December 2020.

Once the Retention Service Period and the Service Performance have been satisfied, the applicable Performance Rights will vest and become exercisable.

If the Share price exceeds the thresholds referred to in the table above, the applicable Performance Rights will vest and become exercisable. If in the period leading up to 31 December 2020, the Share price exceeds:

- a closing price of 20 cents per Share for 10 consecutive Trading Days, all 500,000 Performance Rights will vest and become exercisable;
- a closing price of 16 cents per Share for 10 consecutive Trading Days, 333,333 Performance Rights will vest and become exercisable; or
- a closing price of 12 cents per Share for 10 consecutive Trading Days, 166,667 Performance Rights will vest and become exercisable.

If the Share price in the period leading up to 31 December 2020 does not exceed a closing price of 11.99 cents per Share for 10 consecutive Trading Days, nil applicable Performance Rights vest and none are exercisable.

The exercise period for the Performance Rights is 2 years following 31 December 2020; that is, they expire, if unexercised, at 5pm (Melbourne time) on 31 December 2022. Nothing is payable by Mr McDermott upon exercise of the Performance Rights. On exercise, each Performance Right entitles Mr McDermott to one (1) Share. If all Performance Rights are exercised, the impact on the Company's capital structure will be that the Company will have an additional 1,500,000 Shares on issue.

If Mr McDermott ceases employment with the Company prior to the conclusion of the Retention Service Period because of:

- an Uncontrollable Event, the Board in its absolute discretion may determine the extent to which Unvested Performance Rights that have not lapsed will become Vested Performance Rights; or
- a Controllable Event, the Board may determine the extent to which Unvested Performance Rights that have not lapsed will become Vested Performance Rights, but if the Board does not do so, the Unvested Performance Rights will lapse immediately.

Other Information

- Each of the Directors (including the Managing Director (Mr Geoff McDermott) and the Director & Company Secretary (Mr Colin Naylor)) and the Non-executive Directors (Messrs Wilson and Dorward)) are entitled to participate in the Performance Rights Plan. However, Resolution 4 only seeks approval in respect of the issue of Performance Rights to the Managing Director.
- While the Performance Rights will be issued to the Managing Director at zero cost, the Performance Rights are in lieu of up to \$100,000 per annum cash remuneration which has been previously payable as a short term incentive together with the value of 3 million share Options per annum which have previously been granted as the long term incentive.
- The Managing Director will not receive any loan to enable the vesting of any Performance Rights.

- If Shareholders do not approve the proposed grant of Performance Rights to the Managing Director, Mr McDermott's cash remuneration will remain at \$245,936 per annum plus statutory superannuation.
- A voting exclusion statement applies to Resolution 4 as set out in the Notice.
- The ASX requires, under Listing Rule 10.14, that Shareholders approve the grant of new securities to a director. Approval is being sought to allow the Company flexibility to either issue new shares or to purchase shares on-market for allocation to the Managing Director upon exercise of the Performance Rights. It is the Company's current intention to issue new shares to the Managing Director upon exercise of the Performance Rights.
- No Performance Rights have ever been issued by the Company.
- If Shareholder approval is given in accordance with Listing Rule 10.14, approval for the issue of the Shares upon exercise of the Performance Rights will not be required for Listing Rule 7.1.

Directors' Recommendation

The Board (other than Mr McDermott) unanimously recommends that Shareholders vote in favour of Resolution 4. Mr McDermott makes no recommendation.

Item 6: Approval of Additional Capacity to issue Shares (Resolution 5)

Listing Rule 7.1A entitles eligible entities to issue equity securities of up to 10% of the Company's existing issued capital, subject to shareholder approval. In this regard, approval is sought from the Shareholders for the issue of Shares by the Company pursuant to Listing Rule 7.1A, such that the Company will have the benefit of the additional capacity to issue Shares as contemplated by Listing Rule 7.1A.

Resolution 5 is a special resolution and therefore must be approved by at least 75% of the total number of votes cast by Shareholders entitled to vote on the resolution (in person, by proxy, by attorney or, in the case of a body corporate, by a corporate representative).

An eligible entity for the purposes of Listing Rule 7.1A is an entity that, at the time of its annual general meeting, is not included in the S&P/ASX300 Index and has a market capitalisation of \$300 million or less. The Company is an eligible entity.

If Resolution 5 is passed, the maximum number of Shares that the Company will be entitled to issue is the number calculated in accordance with the following formula (as set out in Listing Rule 7.1A.2):

$$(A \times D) - E$$

where:

A = the number of fully paid ordinary securities on issue 12 months before the date of issue or agreement,

- plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2,
- plus the number of partly paid ordinary securities that became fully paid in the 12 months,
- plus the number of fully paid ordinary securities issued in the 12 months with the approval of Shareholders under Listing Rule 7.1 or Listing Rule 7.4,
- less the number of fully paid ordinary securities cancelled in the 12 months.

D = 10%

E = the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or Listing Rule 7.4.

For example, on 1 October 2019, the Company had 435,010,251 Shares on issue. The Company will, for the period to 1 October 2019, be able to issue up to 43,501,025 Shares.

The ability to issue Shares under Listing Rule 7.1A is in addition to the Company’s ability to issue Shares of up to 15% of its existing issued capital over a 12 month period without Shareholder approval permitted by Listing Rule 7.1.

Additional information required by Listing Rule 7.3A

The following information is provided in accordance with Listing Rule 7.3A with respect to Resolution 5:

- **Minimum Price:** The issue price of each Share will be no less than 75% of the VWAP over the 15 Trading Days on which trades in that class were recorded immediately before:
 - the date on which the price at which the Shares are to be issued is agreed; or
 - if the Shares are not issued within 5 Trading Days of the date on which the price is agreed, the date on which the Shares are issued.
- **Dilution:** If Resolution 5 is passed, and the Company issues Shares pursuant to the approval under Listing Rule 7.1A, the existing Shareholders’ voting power in the Company will be diluted with examples of such dilution being set out in the table below. There is a risk that:
 - the market price for the Shares may be significantly lower on the issue date than on the date of the approval under Listing Rule 7.1A; and
 - the Shares may be issued at a price that is at a discount to the market price for those Shares on the issue date,

which may have an effect on the amount of funds raised by the issue of the Shares.

As required by Listing Rule 7.3A.2, the table below shows the potential dilution of existing Shareholders on the basis of three different assumed issue prices and values for the variable “A” calculated in accordance with the formula in Listing Rule 7.1A.2 (as set out above). The following assumptions are made in the table:

- the issue price is the closing price of the Shares on 1 October 2019;
- the number of Shares on issue is at 1 October 2019. This could increase as a result of the issue of Shares either with or without Shareholder approval; and
- the Company issues the maximum number of Shares as are permitted under Resolution 5.

Variable “A” in Listing Rule 7.1A.2 (Number of Shares on issue)	50% decrease in issue price \$0.0445		Issue price \$0.089		100% increase in issue price \$0.178	
	10% Voting Dilution	Capital Raised	10% Voting Dilution	Capital Raised	10% Voting Dilution	Capital Raised
435,010,251 (Current)	43,501,025	\$1,935,796	43,501,025	\$3,871,591	43,501,025	\$7,743,182
652,515,376 (50% increase in Current Variable A)	65,251,537	\$2,903,693	65,251,537	\$5,807,386	65,251,537	\$11,614,772
870,020,502 (100% increase in Current Variable A)	87,002,050	\$3,871,591	87,002,050	\$7,743,182	87,002,050	\$15,486,364

- **Issue Date:** Shareholder approval obtained under Listing Rule 7.1A is valid for a period commencing on the date of the Meeting and expiring on the first to occur of the following:
 - the date that is 12 months after the date of the Meeting, being 18 November 2019; and

- the date of approval by the Shareholders of a transaction under Listing Rule 11.1.2 (significant change to the nature or scale of the Company’s activities) or Listing Rule 11.2 (disposal by the Company of its main undertaking).
- **Purpose:** The purpose for which Shares may be issued pursuant to the approval under Listing Rule 7.1A may be to raise funds for the Company and as non-cash consideration. Funds raised from the issue, if undertaken, would be used for exploration expenses, general working capital requirements and, potentially, the acquisition of new resources (including tenements and expenses associated with such acquisitions).

If the Company issues any Shares for non-cash consideration, the Company will release to the market a valuation of the non-cash consideration that demonstrates that the issue price of the Shares complies with Listing Rule 7.1A.3.

- **Allocation Policy:** The allottees may comprise existing Shareholders or new investors or a combination of both. The allottees will be determined by the Board, taking into account:
 - alternative options for raising funds if applicable. For example, the Board will consider whether it is appropriate to raise required funds by way of an entitlement issue;
 - the purpose of the issue;
 - the impact of the issue on the control of the Company;
 - market conditions and the financial position of the Company; and
 - if applicable, advice from external advisors.

The Company does not yet know the names of the allottees or, other than described above, the basis on which they will be identified or selected. The Company notes that:

- the Board has formed no specific intentions to offer any placement to any existing Shareholders, class of Shareholder or new investors;
- the Board will, prior to making any placement, consider whether the raising of funds could be achieved by means of an entitlement issue to existing Shareholders; and
- if any placement is announced, the Company would, in accordance with Listing Rule 3.10.5A, disclose its reasons for undertaking that particular issue as a placement, rather than an entitlements issue to existing Shareholders.
- **Previous approval under Listing Rule 7.1A:** The Company previously obtained Shareholder approval under Listing Rule 7.1A at its previous Annual General Meeting held on 23 November 2018.
- **Issue of equity securities in the 12 months preceding the Meeting:** For the purposes of Listing Rule 7.3A.6(a), the table below shows the total number of equity securities issued in the 12 months preceding the date of the Meeting (being the 12 months to 18 November 2019) and the percentage those issues represent of the total number of equity securities on issue at the commencement of the 12 month period.

Equity securities issued in the prior 12 month period	80,000,000 Shares 12,200,000 Options
Percentage previous issues represent of total diluted number of 364,735,251 equity securities on issue at commencement of 12 month period (355,010,251 Shares and 9,725,000 Options)	25%

- For the purposes of Listing Rule 7.3A.6(b), set out below are details of each issue of equity securities that has taken place in the 12 month period preceding the date of the Meeting (being the 12 months to 18 November 2019):

Date of issue	Type of equity securities	Number of equity securities	Details (including % premium/(discount) to closing market price of Shares on date of issue)	Persons to whom equity securities were issued
21/2/2019	Unlisted Options	2,100,000	Issued to senior employees for nil consideration pursuant to the Option Plan as part of remuneration arrangements for calendar year 2019. Issue price (nil) represents 100% discount to closing price of Shares on date of issue (\$0.075). Exercise price: 12.0 cents and Expiry date: 21 February 2022. Current value of Unlisted Options is \$92,400.	Mrs Jodi Ford (Accountant & Assistant Company Secretary), Mr Shane Mele (Exploration Manager) & Ms Sarah Heard (Senior Exploration Geologist)
9/4/2019	Shares	79,200,000	Issued via a placement at an issue price of \$0.075 per Share for a total cash consideration of \$5,940,000 before costs. Issue price (\$0.075) represents 1.3% discount to closing price of Shares on date of issue (\$0.076).	Sophisticated and professional investors
21/5/2019	Shares	800,000	Issued to Directors (following approval at a General Meeting of Shareholders) as part of the share placement at an issue price of \$0.075 per Share for a total cash consideration of \$60,000 before costs. Issue price (\$0.075) represents 13.6% premium to closing price of Shares on date of issue (\$0.066).	Directors
17/5/2019	Unlisted Options	6,100,000	Issued to Directors (following approval at a General Meeting of Shareholders) for nil consideration. Issue price (nil) represents 100% discount to closing price of Shares on date of issue (\$0.069). Exercise price: 12.0 cents and Expiry date: 17 May 2022. Current value of Unlisted Options is \$274,500.	Mr John Dorward and Mr Kevin Wilson (non-executive directors), Mr Geoffrey McDermott (Managing Director) and Mr Colin Naylor (Director & Company Secretary)
17/5/2019	Unlisted Options	4,000,000	Options issued to Zenix Nominees Pty Ltd a wholly owned subsidiary of Hartley's. The Options form part of fees payable to Hartleys as part consideration their role in the share placement. Issue price (nil) represents 100% discount to closing price of Shares on date of issue (\$0.069). Exercise price: 13.13 cents and Expiry date: 17 May 2022. Current value of Unlisted Options is \$172,000.	Zenix Nominees Pty Ltd a wholly owned subsidiary of Hartleys

- The total cash consideration raised from the equity issues described above was \$6,000,000 before expenses. As at the date of this Notice, approximately \$610,000 of that cash has been spent on exploration at the Company's Stawell Corridor and Tandarra Gold Projects, expenses of the equity issues and administration costs. The remaining cash is to be applied predominantly to further exploration and evaluation activities at the Company's Stawell Corridor and Tandarra Gold Projects, in addition to meeting ongoing administration and corporate costs and for working capital.
- A voting exclusion statement applies to Resolution 5, as set out in the Notice.

Directors' Recommendation

The Board unanimously recommends that Shareholders vote in favour of Resolution 5.

Glossary

AEDT	Australian Eastern Daylight Time as observed in Melbourne, Australia
Annual Report	the Company's 2019 Annual Report
ASX	ASX Limited (ACN 008 624 691)
Board	the board of Directors
Business Day	a Trading Day on the financial market operated by ASX
Change in Control Event	events including the Company entering into a scheme of arrangement, the commencement of a bid period in relation to the Company to acquire Shares as defined in more detail in the Performance Rights Plan
Closely Related Party	in respect of a member of Key Management Personnel, certain family members and dependants of the member and companies controlled by the member, as defined in section 9 of the Corporations Act
Company or Navarre	Navarre Minerals Limited (ACN 125 140 105)
Constitution	the constitution of the Company
Controllable Event	cessation of employment of a Participant other than by an Uncontrollable Event
Corporations Act	<i>Corporations Act 2001</i> (Cth)
Director	a director of the Company
Explanatory Statement	this explanatory statement
Key Management Personnel	has the meaning given to that term in the accounting standards and broadly includes those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise)
Listing Rules	the Listing Rules of ASX
Meeting	the Annual General Meeting of the Company to be held on Monday 18 November 2019 at 10:30am AEDT
Non-Executive Directors	the Company's non-executive Directors, being Mr John Dorward and Mr Kevin Wilson
Notice	the Notice of Annual General Meeting accompanying this Explanatory Statement
Option	an option issued to subscribe for a Share
Option Plan	the Navarre Minerals Limited Option Plan
Participant	a participant in the Performance Rights Plan as determined by the Board in its absolute discretion
Performance Rights	rights issue pursuant to the terms of the Performance Rights Plan
Performance Rights Plan	the Navarre Minerals Limited Performance Rights Plan, the approval of which is subject to Resolution 3 at the Meeting
Remuneration Report	contained in the Director's Report section of the Annual Report
Resolution	a resolution contained in the Notice

Share	a fully paid ordinary share in the capital of the Company
Shareholder (or Member)	a registered member of the Company
Trading Day	a day determined by ASX to be a trading day and notified to market participants
Uncontrollable Event	cessation of employment due to an event outside of the control of a Participant including death, serious injury, disability, forced early retirement as defined in more detail in the Performance Rights Plan
Unvested Performance Rights	Performance Rights that are not yet exercisable in accordance with the Performance Rights Plan
Vested Performance Rights	Performance Rights that are immediately exercisable in accordance with the Performance Rights Plan
VWAP	the volume weighted average price of Shares



All Correspondence to:

- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993
Sydney NSW 2001 Australia
- 📠 **By Fax:** +61 2 9290 9655
- 💻 **Online:** www.boardroomlimited.com.au
- ☎ **By Phone:** (within Australia) 1300 737 760
(outside Australia) +61 2 9290 9600

YOUR VOTE IS IMPORTANT

For your vote to be effective it must be recorded **before 10.30am AEDT on Saturday 16 November 2019.**

🖥 TO VOTE ONLINE

- STEP 1: VISIT** <https://www.votingonline.com.au/nmlagm2019>
- STEP 2: Enter your Postcode OR Country of Residence (if outside Australia)**
- STEP 3: Enter your Voting Access Code (VAC):**

📱 BY SMARTPHONE



Scan QR Code using smartphone
QR Reader App

TO VOTE BY COMPLETING THE PROXY FORM

STEP 1 APPOINTMENT OF PROXY

Indicate who you want to appoint as your Proxy.
If you wish to appoint the Chair of the Meeting as your proxy, mark the box. If you wish to appoint someone other than the Chair of the Meeting as your proxy please write the full name of that individual or body corporate. If you leave this section blank, or your named proxy does not attend the meeting, the Chair of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

Appointment of a Second Proxy

You are entitled to appoint up to two proxies to attend the meeting and vote. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by contacting the company's securities registry or you may copy this form.

To appoint a second proxy you must:

- (a) complete two Proxy Forms. On each Proxy Form state the percentage of your voting rights or the number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.
- (b) return both forms together in the same envelope.

STEP 2 VOTING DIRECTIONS TO YOUR PROXY

To direct your proxy how to vote, mark one of the boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of securities are to be voted on any item by inserting the percentage or number that you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item for all your securities your vote on that item will be invalid.

Proxy which is a Body Corporate

Where a body corporate is appointed as your proxy, the representative of that body corporate attending the meeting must have provided an "Appointment of Corporate Representative" prior to admission. An Appointment of Corporate Representative form can be obtained from the company's securities registry.

STEP 3 SIGN THE FORM

The form **must** be signed as follows:

Individual: This form is to be signed by the securityholder.

Joint Holding: where the holding is in more than one name, all the securityholders should sign.

Power of Attorney: to sign under a Power of Attorney, you must have already lodged it with the registry. Alternatively, attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: this form must be signed by a Director jointly with either another Director or a Company Secretary. Where the company has a Sole Director who is also the Sole Company Secretary, this form should be signed by that person. **Please indicate the office held by signing in the appropriate place.**

STEP 4 LODGEMENT

Proxy forms (and any Power of Attorney under which it is signed) must be received no later than 48 hours before the commencement of the meeting, therefore by **10.30am AEDT on Saturday, 16 November 2019.** Any Proxy Form received after that time will not be valid for the scheduled meeting.

Proxy forms may be lodged using the enclosed Reply Paid Envelope or:

- 🖥 **Online** <https://www.votingonline.com.au/nmlagm2019>
- 📠 **By Fax** + 61 2 9290 9655
- ✉ **By Mail** Boardroom Pty Limited
GPO Box 3993,
Sydney NSW 2001 Australia
- 👤 **In Person** Boardroom Pty Limited
Level 12, 225 George Street,
Sydney NSW 2000 Australia

Attending the Meeting

If you wish to attend the meeting please bring this form with you to assist registration.

Navarre Minerals Limited

ABN 66 125 140 105

Your Address

This is your address as it appears on the company's share register. If this is incorrect, please mark the box with an "X" and make the correction in the space to the left. Securityholders sponsored by a broker should advise their broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

PROXY FORM

STEP 1 APPOINT A PROXY

I/We being a member/s of **Navarre Minerals Limited** (Company) and entitled to attend and vote hereby appoint:

the **Chair of the Meeting (mark box)**

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name of the person or body corporate (excluding the registered securityholder) you are appointing as your proxy below

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chair of the Meeting as my/our proxy at the Annual General Meeting of the Company to be held at the offices of **RSM Australia Partners, Level 21, 55 Collins Street, Melbourne VIC 3000 on Monday, 18 November 2019 at 10.30am AEDT** and at any adjournment of that meeting, to act on my/our behalf and to vote in accordance with the following directions or if no directions have been given, as the proxy sees fit.

Chair of the Meeting authorised to exercise undirected proxies on remuneration related matters: If I/we have appointed the Chair of the Meeting as my/our proxy or the Chair of the Meeting becomes my/our proxy by default and I/we have not directed my/our proxy how to vote in respect of Resolutions 1, 3, and 4, I/we expressly authorise the Chair of the Meeting to exercise my/our proxy in respect of these Resolutions even though Resolutions 1, 3, and 4 are connected with the remuneration of a member of the key management personnel for the Company.

The Chair of the Meeting will vote all undirected proxies in favour of all Items of business (including Resolutions 1, 3, and 4). If you wish to appoint the Chair of the Meeting as your proxy with a direction to vote against, or to abstain from voting on an item, you must provide a direction by marking the 'Against' or 'Abstain' box opposite that resolution.

STEP 2 VOTING DIRECTIONS

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your vote will not be counted in calculating the required majority if a poll is called.

		For	Against	Abstain*
Resolution 1	Adoption of Remuneration Report (non-binding)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Mr Kevin Wilson as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval of Navarre Minerals Limited Performance Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Approval of issue of Performance Rights to Mr G McDermott	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Approval of Additional Capacity to Issue Ordinary Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

STEP 3 SIGNATURE OF SECURITYHOLDERS

This form must be signed to enable your directions to be implemented.

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director / Company Secretary

Contact Name.....

Contact Daytime Telephone.....

Date / / 2019