

NAVARRE COMPLETES PLACEMENT TO FUND TRANSFORMATIONAL ACQUISITION OF THE MT CARLTON OPERATIONS

SUCCESSFUL PLACEMENT AND EQUITY INVESTMENT BY EVOLUTION DEMONSTRATES STRONG SUPPORT FOR NAVARRE AND RATIONALE FOR THE ACQUISITION

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- Navarre has completed the Placement announced on 5 October 2021 to support its transformational acquisition of the Mt Carlton Operations.
- The Placement was oversubscribed with strong support shown by a number of existing shareholders, along with several new quality institutional and sophisticated investors. Navarre's managing director has also participated in the raise.
- Evolution's commitment to subscribe for equity in the acquisition has been scaled back to a total of A\$13.2 million worth of new shares (calculated by reference to the Placement price of A\$0.075 per share) representing approximately 12.9% of Navarre's enlarged share capital.
- Placement cash proceeds raised¹ will be used to fund the upfront cash portion of consideration and associated transaction costs for Navarre's acquisition of the fully operational Mt Carlton Gold Mine and Crush Creek project from a 100% owned subsidiary of Evolution Mining.
- Equity investment by Evolution demonstrates strong support for Navarre and the rationale for the Transaction, and conviction in the future upside of the asset under a more tailored approach to reinvestment.

Navarre Minerals Limited (ASX: NML) (**Navarre** or the **Company**) is pleased to announce that it has received binding commitments from new and existing institutional and sophisticated investors for its underwritten² conditional placement at an offer price of A\$0.075 per fully paid ordinary new share (the **New Shares**) (**Placement**).

¹ As set out in Navarre's 5 October 2021 ASX releases, the Placement was sized between A\$29.6-40.0 million, subject to scale back of the Evolution subscription amount, as further described herein. The Placement was oversubscribed and, following allocation and scale back of Evolution to a total of A\$13.2 million worth of new shares (calculated by reference to the Placement price of A\$0.075 per share), Navarre has received binding commitments under the Placement for the subscription of 490,134,605 ordinary shares in Navarre at A\$0.075 per share to raise A\$36.8 million (before costs).

² Subject to the terms and conditions of an underwriting agreement entered into between Navarre, RBC Capital Markets (ACN 076 940 880) and Canaccord Genuity (Australia) Limited (ACN 075 071 466) dated 5 October 2021.

As outlined in Navarre’s announcement on Tuesday, 5 October 2021, proceeds raised from the Placement will be used to partly fund the A\$40 million upfront consideration and associated transaction costs of Navarre’s acquisition of the Mt Carlton Gold Mine and Crush Creek project, located in Queensland, Australia (collectively, the **Mt Carlton Operations**) from Conquest Mining Pty Limited, a 100% owned subsidiary of Evolution Mining Limited (**Evolution**) (the **Transaction**).

Payment of A\$13.2 million of the upfront consideration for the Transaction will be satisfied by Navarre issuing 176,565,396 ordinary shares to Evolution (calculated by reference to the issue price of A\$0.075 per share under the Placement and representing approximately 12.9% of Navarre’s enlarged share capital), with the remainder of the upfront consideration paid in cash.³ The A\$36.8 million in funds raised under the Placement (which exclude Evolution’s subscription) will be used primarily to fund the cash component of the upfront consideration and associated Transaction costs, with any surplus funds being applied towards general corporate purposes.

The Placement was oversubscribed⁴ with strong support received from both new and existing investors reflecting the transformative nature of the Transaction that immediately elevates Navarre to Australian gold producer status, as well as the outstanding potential across Navarre’s premier exploration assets across Victoria and Queensland.

Settlement of the New Shares is expected to occur on Thursday, 18 November 2021, subject to customary closing conditions including Navarre obtaining shareholder approval to issue the New Shares under the Placement and to issue shares to Evolution, pursuant to ASX Listing Rule 7.1. An Extraordinary General Meeting (**EGM**) to seek the necessary shareholder approval is expected to be held on Monday, 15 November 2021.

Navarre’s Managing Director, Ian Holland said:

“We are delighted with the strong support for the Placement, which has secured interest from new and existing investors who are committed to our vision of becoming a significant Australian gold producer.

We appreciate Evolution’s strong equity commitment, reflecting their endorsement of the longer term potential of the Mt Carlton Operations.

This funding for the transformational Mt Carlton acquisition is a logical step to grow the Company, maximise shareholder return and scale our presence in the Australian mining industry.

³ The maximum cash component of A\$30 million of the upfront consideration has been scaled back to A\$26.8m by reference to Evolution’s subscription amount of A\$13.2 million.

⁴ See footnote 1.

On behalf of the Board, I would also like to thank our existing shareholders for their ongoing support.”

Navarre’s Managing Director, Ian Holland, has subscribed for 13,333,334 New Shares, representing A\$1 million worth of New Shares, subject to shareholder approval under ASX Listing Rule 10.11.

TIMETABLE FOR THE PLACEMENT AND NEXT STEPS

Event	Date (AEST)
Trading Halt Lifted (Pre-market Open) – Trading Resumes on the ASX	Thursday, 7 October 2021
Despatch of Notice of Meeting to Shareholders	Wednesday, 13 October 2021
Navarre Shareholder EGM to Approve Placement, Issue of Shares to Evolution and Ian Holland’s Participation in the Placement	Monday, 15 November 2021
<i>If the Placement is approved at the EGM, the following events will take place:</i>	
Settlement of New Shares Issued Under the Placement	Thursday, 18 November 2021
Allotment of New Shares Issued Under the Placement	Friday, 19 November 2021
New Shares Commence Trading	Friday, 19 November 2021

The above timetable is indicative only and may be subject to change. Subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws, Navarre, in consultation with the underwriters, reserves the right to amend any or all of these dates and times without notice.

NAVARRE’S ADVISORS

RBC Capital Markets acted as financial advisor to Navarre in respect of the Transaction. Additionally, RBC Capital Markets and Canaccord Genuity acted as joint lead managers, bookrunners and underwriters to the Placement. King & Wood Mallesons acted as Navarre’s legal counsel in respect of the Transaction and Placement.

This announcement has been approved for release by the Board of Directors of Navarre Minerals Limited.

– ENDS –

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This announcement contains certain “forward-looking statements”. 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”, “should”, “could”, “predict”, “objectives”, “outlook”, “guidance” or other similar words, and include statements regarding certain plans, strategies and objectives of management and expected future earnings and financial earnings and performance. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies that are subject to change without notice and involve known and unknown risks, uncertainties and other factors, which are outside the control of Navarre and any of its officers, employees, agents or associates. This also includes statements about market and industry trends, which are based on interpretations of current market conditions. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Investors are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the COVID-19 pandemic. Forward-looking statements are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. These statements may assume the success of Navarre’s business strategies, the success of which may not be realised within the period for which the forward-looking statement may have been prepared, or at all. No representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns or statements in relation to future matters contained in this announcement. There is no certainty that mineral resources estimates will be converted to ore reserves. Inferred Mineral Resources are approximate estimates only and there is no certainty that they can be converted into Indicated Mineral Resources. Except as required by law or regulation (including the ASX Listing Rules), none of Navarre, its representatives or advisers undertakes any obligation to provide any additional or updated information whether as a result of a change in expectations or assumptions, new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements.

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