

LETTER TO SHAREHOLDERS

Dear Shareholders

The Board of Navarre and myself are pleased to invite you to participate in the future of Navarre Minerals Limited (ASX: NML) (Navarre or the Company). We do this while acknowledging the recent past when the Company found itself in financial difficulty necessitating the suspension of its shares on the ASX and the appointment of external administrators.

In late 2023 the Directors proposed to recapitalise the Company as a going concern in its original character as a well-known Victorian gold exploration Company. With the support of Harbury Advisors, Canary Capital, PAC Partners Securities, and around 60 supportive sophisticated and professional investors (including a number of existing small shareholders), the Company was able to raise \$1.7m in convertible debt to secure its exit from external administration in June. Since then, the Company has been able to re-comply with all ASX reporting, contributed to and reported excellent drilling results from the Tandarra Gold Project JV (ASX release 28-Aug-2024), and has designed and is ready to implement a continuous exploration program for the coming year over all key projects, subject to a successful next stage capital raising.

New Director Team

The Company has been pleased to welcome the contributions of new non-executive directors Richard Taylor and Angela Lorrigan, which follows the departure of all longer serving directors.

Mr Taylor held senior executive roles in the resource sector over 15 years including Non-Executive Director of Premier1 Lithium (ASX:PLC), prior to that he was CEO of Terramin Australia Ltd (ASX:TZN) and held senior roles with Mineral Deposits Limited, PanAust, MMG Ltd and Oxiana Ltd. Mr Taylor has made a significant contribution in 2024 to bring the Company to its present state ready to resume trading on the ASX.

Ms Lorrigan brings extensive geological experience, including the last 3 years with Southern Cross Gold's (SXG) Sunday Creek, Redcastle and Whroo Projects. Prior to this, Ms Lorrigan's career highlights include extension of the K Lens Resource at Rosebury Rosebery Mine in Tasmania, discovery of the Hera Deposit in Nymagree in NSW and General Manager, Geology in the PYBAR Group which drove the re-opening of the Henty Gold Mine in Tasmania. In 2023 Ms Lorrigan was awarded the Twelvetreets Medal for outstanding contributions to Tasmanian Geology. Ms Lorrigan's contribution to the board and geology team have already been significant.

Current Financial Structure of the Company

Unfortunately, the external administration process necessitated the complete restart of the Company. We were able to keep the shares listed and in suspension. This is proving to be a more efficient way to recapitalise as an existing Company with a track record of exploration in Victoria across projects well known by the market.

Our auditor RSM recently noted that as at 30 June 2024, the Company's current liabilities exceeded its current assets by \$1,642,296, and that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. This highlights the necessity to completely and immediately recapitalise.

Proposed Reorganisation of Capital (Consolidation)

As previously outlined, the Company proposes to undertake a consolidation of its fully paid ordinary shares on a 500:1 basis (Consolidation), subject to shareholder approval. The Board of Navarre believes that the Consolidation will provide an appropriate and effective capital structure (around 100 million shares on issue

after the proposed capital raise with full details of the expected capital structure in section 5.4 of the Prospectus announced to the ASX on 27 September 2024).

Capital Raise to enable further Exploration Activity

The restart of the Company means the opportunity for existing shareholders primarily lies in the first option to fund the majority of new capital and benefit from the Company's valuation reset and potential future growth.

The Company is inviting existing shareholders and new investors to apply for shares by way of a transaction specific prospectus (Prospectus). The equity capital raise is priced at \$0.10 to raise between \$4m and \$6m to fund exploration activity and for working capital. Funds raised are not being used for debt repayment or to repay pre-administration creditors. The post capital raise reconstructed capital is expected to be approximately \$10.5m, under the maximum capital raise \$6m.

Advisors to the Capital Raise

The Company has engaged Harbury Advisors and Canary Capital as Joint Lead Managers to the capital raise. Both firms supported the Company earlier in the year, Harbury as lead advisor and Canary Capital as sub-broker and advisor to around 40 of their clients who took up a majority of the \$1.7m convertible debt. Canary Capital have supported other small ASX listed gold companies recently including Auric Mining Ltd (ASX: AWJ), Resources and Energy Group (REZ) and Iltani Resources Limited (ILT).

Cornerstone Investor & Director Commitments

The Company welcomes Dunkeld Pastoral Co Pty Ltd (Dunkeld) as an early cornerstone investor by committing to invest at least \$1m. Dunkeld Pastoral Co Pty Ltd is a family company with its principal base in the southern Grampians region of Victoria and has investments locally and internationally across a diverse range of industries.

Similar to the convertible debt capital raise, Mr Gurry and Mr Taylor have again committed to support the Company by investing at least \$100,000 and \$25,000 respectively in the Stage 2 capital raise, subject to shareholder approval.

Notice of Annual General Meeting scheduled for 1-November-2024

Notice of meeting has been dispatched, convening an Annual General Meeting for 1 November 2024. Voting for all the resolutions will support the recapitalisation of the Company and its restart as a Victorian gold explorer. Should voting of particular the resolutions not pass, the directors will need to again reassess the future of the Company. We thank you for your support in this regard.

Unmarketable Parcels

We realise that many shareholders may be left with unmarketable parcels after the consolidation of shares. To address this we have ensured any current shareholder who subscribes for that least this amount will be guaranteed a minimum allocation of 5,000 shares. The Company already had 2,398 shareholders holding less than a marketable parcel and may offer opportunities for unmarketable parcels to be efficiently realised.

In summary

We acknowledge the recent past when the Company found itself in financial difficulty and thank you for your patience and support as we have worked to restart. The new director team are excited about the future and about progressing the Company's portfolio of high-quality advanced stage exploration gold projects across Victoria including the Stawell Corridor, Tandara JV, St Arnaud and others.

8 October 2024

Regards



James Gurry

Managing Director and Interim Chair

For further information, please visit www.navarre.com.au, or contact:

James.Gurry@navarre.com.au

Ph: (03) 9692 7222

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

- ENDS -

About Navarre Minerals Limited

Navarre Minerals Limited (ASX: NML, in suspension) is a Victorian based mineral exploration company with a portfolio of advanced exploration projects across the state and is currently in a process of re-compliance and recapitalisation.

Navarre's flagship asset is the **Stawell Corridor Gold Project**, in an area that hosts the Stawell (~six million ounce) and Ararat (~one million ounce) goldfields. Within this Project, Navarre reported its maiden inferred Mineral Resource (304koz)¹ and additional Exploration Target (280-420koz) on the margins of the **Irvine** basalt dome (the Resolution and Adventure deposits)². To the south of Irvine also lies the high-grade gold discovery **Langi Logan** on a 14.5 kilometre long basalt dome. The **Morning Bill (Glenlyle) Prospect** is a potential epithermal gold-silver system above a deeper porphyry target in the emerging Stawell Arc volcanics, just south of the Stawell Corridor.

In joint venture with operator Catalyst Metals Limited (CYL), Navarre owns at 49% interest in the high-grade **Tandarra Gold Project**, 50 kilometres northwest of Agnico Gold's world-class Fosterville Gold Mine, and 40 kilometres north of the 22-million-ounce Bendigo Goldfield. Latest drill results were reported on 28 August 2024 with further drilling planned in coming months.

At the **St Arnaud Gold Project**, Navarre's exploration tenements encompass the historical St Arnaud Goldfield and its associated mines. The field consists of several lines of reefs which were worked to the southern edge of the younger Murray Basin cover (New Bendigo, New Chum and Nelson lines). At the **Jubilee Gold Project**, 25 kilometres southwest of the Ballarat Gold Mine, the Company is targeting extensions and repetitions of the historically mined transverse gold-bearing quartz reef. These structures are similar to Fosterville's high-grade Swan-Eagle system.

Navarre's **board of directors** has transitioned to a new profile comprising:

- James Gurry (Executive Chair & Managing Director) (Appointed May 2023)
- Richard Taylor (Non-Executive Director) (Appointed May 2024)
- Angela Lorrigan (Non-Executive Director & Technical Director) (Appointed August 2024)

The board is supported by a **new executive** comprising:

- Managing Director - James Gurry
- Exploration Manager - Peter de Vries, (BAppSc)
- Exploration Strategy / Technical Advisors – Kenneth Bush and the team at Core Prospecting Pty Ltd
- Finance – Cameron Knox

¹ See NML ASX Release 4 April 2023

² See NML ASX Release 30 March 2021

