

NAVIGATOR RESOURCES LIMITED
ABN 82 063 366 487

INTERIM FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

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NAVIGATOR RESOURCES LIMITED
DIRECTORS' REPORT

The Directors of Navigator Resources Limited submit herewith the financial report for the half-year ended 31 December 2016. In order to comply with the provisions of the *Corporations Act 2001*, the Directors report as follows:

Names of Directors

The names of the Directors of Navigator Resources Limited who have held office during and since the end of the half year and up until the date of this report are:

Mr Greg Ruddock
Mr Glen Dobbie
Mr Joshua McKean
Mr Malcolm Keefe

The above named Directors held office for the entire period unless otherwise noted.

Review of Operations

The loss of the Company for the period after income tax expense was \$128,226 (2015 profit: \$18,887,082).

During the period, the Company acquired a significant gold exploration opportunity in the Kookynie Goldfield, Western Australia. The Violet Gold Project ("the Project") is located 5 km west of Kookynie and 52km south of Leonora. The Project comprises a single Prospecting License, 40/1349, within the North Coolgardie Mineral field covering the Keith –Kilkenny Tectonic Zone. Further details of the Project can be obtained in ASX announcement dated 9 December 2016.

In addition to the acquisition of the Project, the Company is currently evaluating a number of other opportunities, which have the potential of delivering shareholder value.

Subsequent Events

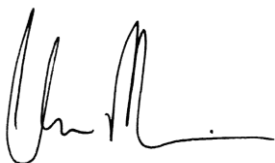
There have not been any matters or circumstances occurring subsequent to the financial period end that have significantly altered, or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.

Auditor's Independence Declaration

The auditor's independence declaration is included on page 4 and forms part of the Directors' Report for the half-year ended 31 December 2016.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the *Corporations Act 2001*.

On behalf of the Directors



Glen Dobbie
Managing Director

Sydney, 14 March 2017

**AUDITOR'S INDEPENDENCE DECLARATION
UNDER SECTION 307C OF THE CORPORATIONS ACT 2001
TO THE DIRECTORS OF
NAVIGATOR RESOURCES LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2016, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

PKF Hacketts

PKF HACKETTS AUDIT



**Shaun Lindemann
Partner**

Brisbane, 14 March 2017

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE MEMBERS OF NAVIGATOR RESOURCES LIMITED**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Navigator Resources Limited ("the Company"), which comprises the statement of financial position as at 31 December 2016, the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, condensed notes comprising a summary of significant accounting policies and other explanatory information, and the Directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The Directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the Directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2016 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Navigator Resources Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Navigator Resources Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Company's financial position as at 31 December 2016 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



**PKF Hacketts Audit
Brisbane, 14 March 2017**



**Shaun Lindemann
Partner**

**DIRECTOR'S DECLARATION
TO THE MEMBERS OF NAVIGATOR RESOURCES LIMITED**

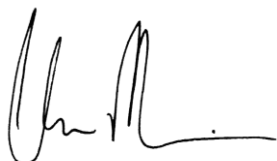
Directors' Declaration

In the opinion of the Directors of Navigator Resources Limited ("the Company"):

1. the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001* including:
 - a. complying with Accounting Standard *AASB 134: Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
 - b. giving a true and fair view of the Company's financial position as at 31 December 2016 and of its performance for the half-year then ended; and
2. there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to s.303(5) of the *Corporations Act 2001*.

On behalf of the directors

A handwritten signature in black ink, appearing to read 'Glen Dobbie', with a horizontal line extending to the right.

Glen Dobbie
Managing Director

Sydney, 14 March 2017

NAVIGATOR RESOURCES LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	Note	31 Dec 2016 \$	31 Dec 2015 \$
Revenue from continuing operations			
Operating sales revenue		-	-
Other revenue	2a	3,473	18,977,979
		3,473	18,977,979
Expenses			
Exploration expenses		(11,733)	-
General and administration expenses	2b	(119,966)	(90,897)
Profit/(Loss) before income tax		(128,226)	18,887,082
Income tax expense		-	-
Profit/(Loss) for the period attributable to the owners of Navigator Resources Limited		(128,226)	18,887,082
Profit/(Loss) per share (EPS) attributable to the ordinary equity holders of the company (cents per share):			
Basic earnings / (loss) per share		(0.70)	103.64
Diluted earnings / (loss) per share		(0.70)	103.64

The accompanying notes form part of these financial statements and should
be read in conjunction with the accompanying notes

NAVIGATOR RESOURCES LIMITED
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016 (continued)

	31 Dec 2016	31 Dec 2015
	\$	\$
Profit/(Loss) for the period attributable to the owners of Navigator Resources Limited	(128,226)	18,887,082
Other comprehensive income	-	-
Total comprehensive income/(loss) for the period attributable to the owners of Navigator Resources Limited	(128,226)	18,887,082

The accompanying notes form part of these financial statements and should
be read in conjunction with the accompanying notes

NAVIGATOR RESOURCES LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2016

	31 Dec 2016	30 June 2016
	\$	\$
Current Assets		
Cash and cash equivalents	859,127	984,167
Trade and other receivables	9,081	39,664
Total current assets	868,208	1,023,831
Non-current assets		
Exploration and evaluation costs	25,759	-
Total non-current assets	25,759	-
Total assets	893,967	1,023,831
Current liabilities		
Trade and other payables	17,057	18,695
Total current liabilities	17,057	18,695
Non-current liabilities		
Provisions	-	-
Total non-current liabilities	-	-
Total liabilities	17,057	18,695
Net assets	876,910	1,005,136
Equity		
Issued capital	115,259,952	115,259,952
Accumulated losses	(114,383,042)	(114,254,816)
Total equity	876,910	1,005,136

The accompanying notes form part of these financial statements and should
be read in conjunction with the accompanying notes

NAVIGATOR RESOURCES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	Fully paid ordinary shares (Issued capital) \$	Accumulated losses \$	Total \$
Balance at 1 July 2015	113,409,487	(132,911,569)	(19,502,082)
Profit/(Loss) for the period	-	18,887,082	18,887,082
Other comprehensive income	-	-	-
Total comprehensive income/(loss) for the period	-	18,887,082	18,887,082
Issue of shares	-	-	-
Share issue costs	-	-	-
Balance at 31 December 2015	113,409,487	(114,024,487)	(615,000)
Balance at 1 July 2016	115,259,952	(114,254,816)	1,005,136
Profit/(Loss) for the period	-	(128,226)	(128,226)
Other comprehensive income	-	-	-
Total comprehensive income/(loss) for the period	-	(128,226)	(128,226)
Issue of shares	-	-	-
Share issue costs	-	-	-
Balance at 31 December 2016	115,259,952	(114,383,042)	876,910

The accompanying notes form part of these financial statements and should
be read in conjunction with the accompanying notes

NAVIGATOR RESOURCES LIMITED
STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

	31 Dec 2016 \$	31 Dec 2015 \$
Cash flows from operating activities		
Receipts from customers	-	-
Payments to suppliers and employees	(102,754)	(182,652)
Interest received	3,473	460
Net cash provided by / (used in) operating activities	(99,281)	(182,192)
Cash from investing activities		
Acquisition of tenement	(25,759)	-
Refund of guarantees / bonds	-	4,042
Net cash provided by / (used in) investing activities	(25,759)	4,042
Cash flows from financing activities		
Proceeds from borrowings	-	-
Repayment of borrowings	-	-
Net cash provided by / (used in) financing activities	-	-
Net decrease in cash and cash equivalents	(125,040)	(178,150)
Cash and cash equivalents at the beginning of the period	984,167	191,485
Cash and cash equivalents at the end of the period	859,127	13,335

The accompanying notes form part of these financial statements and should
be read in conjunction with the accompanying notes

NAVIGATOR RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

1. Summary of Significant Accounting Policies

Statement of Compliance

Basis of Preparation

The half-year financial statements are general-purpose financial statements prepared in accordance with the requirements of the Corporations Act 2001 and AASB 134: Interim Financial Reporting.

The Company is a for-profit entity for financial reporting purposes under Australian Accounting Standards. The half-year financial report does not include full disclosures of the type normally included in an annual financial report. Therefore, it cannot be expected to provide as full an understanding of the financial performance, financial position and cash flows of the Company as in the full financial report.

It is recommended that this half-year financial report be read in conjunction with the annual financial report for the year ended 30 June 2016 and any public announcements made by Navigator Resources Limited during the half-year in accordance with continuous disclosure requirements arising under the Corporations Act 2001 and the ASX Listing Rules.

Accounting Policies

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's annual financial report for the financial year ended 30 June 2016. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

Adoption of New and Revised Accounting Standards

In the half-year ended 31 December 2016, the directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company's operations and effective for annual reporting periods beginning on or after 1 July 2016.

The Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Company and, therefore, no change is necessary to Company accounting policies.

The Directors have also reviewed all new Standards and Interpretations issued but are not yet effective for the half-year ended 31 December 2016. The Directors have determined that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Company and, therefore, no change is necessary to Company accounting policies.

Significant Accounting Judgements and Key Estimates

The preparation of the half-year financial report requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

In preparing this half-year financial report, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial report for the year ended 30 June 2016.

NAVIGATOR RESOURCES LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016

2. Revenue and expenses

Loss before income tax includes the following revenues, income and expenses whose disclosure is relevant in explaining the performance of the Company:

	31 Dec 2016	31 Dec 2015
	\$	\$
(a) Other revenue		
Interest income	3,473	460
Gain on derecognition of liabilities	-	18,977,519
	3,473	18,977,979
(b) General and administration expenses		
Company secretarial costs	24,058	-
Deed administrators remuneration	-	45,464
Legal and professional fees	46,683	17,399
ASX fees	8,472	25,000
Share Registry costs	16,990	-
Others	23,763	3,034
	119,966	90,897

3. Segment information

Segment information for the year ended 30 June 2016 and half-year ended 31 December 2016 has not been presented, as the Company is not yet in operation.

4. Contingent Liabilities

There has been no change in contingent liabilities since the last annual reporting date.

5. Subsequent Events

There have not been any matters or circumstances occurring subsequent to the financial period end that have significantly altered, or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial periods.