

# ASX ANNOUNCEMENT

## Deed Administrator's Update to Shareholders

Navigator Resources Limited (Subject to Deed of Company Arrangement) ('the Company')

ACN 063 366 487

ASX code: NAV

20 November 2014

Following the Deed Administrator's update to shareholders on 1 July 2014, please find below an update on the status of the administration of the Company.

### Leonora Gold Project – Variation and Completion of Share Sale Agreement with Kin Mining NL

As previously advised, the Company executed a binding Term Sheet with Kin Mining NL (ASX: KIN) ('Kin Mining') on 3 April 2014 for the sale of all the shares held by the Company in Navigator Mining Pty Ltd ('Navigator Mining') for cash consideration of \$2.7M. Kin Mining subsequently paid the Company a \$200,000 non-refundable deposit under the terms of the Term Sheet.

Following creditor approval in relation to the Term Sheet, a Share Sale Agreement ('SSA') was executed by the Company and Kin Mining on 27 May 2014 to formalise the sale agreement. As a result of issues causing delays in settlement, the SSA was varied:

- On 8 September 2014 to allow Kin Mining further time to complete the transaction; and
- On 3 November 2014 to amend the structure of the balance of the consideration being paid by Kin Mining on completion as detailed below:
  - Kin Mining paying \$1M in cash to the Company;
  - Kin Mining issuing 1,000,000 fully paid ordinary shares in Kin Mining to Waterton (this equated to \$150,000 on the basis of the share price of the rights issue undertaken by Kin Mining);
  - The Company providing \$1,350,000 as a vendor loan for a term of 24 months at an interest rate of 10% per annum with a first ranking secured position over Navigator Mining (to be assigned to Waterton on completion); and
  - Kin Mining procuring the release of environmental performance bonds held by the Department of Mines and Petroleum in the name of Navigator Mining in relation to the Leonora Gold Project totalling \$172,000 as soon as practicable following completion and paying those funds to Waterton.

I am pleased to advise that completion of the SSA (as varied) occurred on 3 November 2014. Since completion of the SSA, the Deed of Company Arrangement in relation to Navigator Mining has been fully effectuated and control of Navigator Mining has passed to the board of directors nominated by Kin Mining.

### Recapitalisation of the Company

I advise that the Deed Administrator is currently considering the potential recapitalisation of the Company and in this regard, expressions of interest are being sought from parties interested in submitting an offer to recapitalise the Company. Any parties interested in submitting an offer are advised to contact Mr Philip Girling on 08 9322 2022 or by email at [girlingp@pitcher-wa.com.au](mailto:girlingp@pitcher-wa.com.au).

BRYAN HUGHES  
Deed Administrator

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