

Deed Administrator's Update to Shareholders
Navigator Resources Limited (Subject to Deed of Company Arrangement)
(‘the Company’)
ACN 063 366 487
ASX code: NAV

12 August 2015

Following the Deed Administrator's update to shareholders on 20 November 2014, please find below an update on the status of the administration of the Company.

Proposal for the Recapitalisation of the Company

Since the last update to shareholders, the Deed Administrator commenced a marketing campaign to seek expressions of interest for the recapitalisation and restructure of the Company and/or a sale of its Cummins Range project. Following receipt of final offers from interested parties, the Deed Administrator undertook a comparative analysis of all offers and concluded that the offer jointly submitted by Otsana Capital and Auxano LLP (‘Proponents’) provided the most favourable outcome for creditors and shareholders. Accordingly, the Proponents were selected as the preferred bidder to undertake a recapitalisation and restructure of the Company.

I am pleased to advise that at a meeting of creditors of the Company held on 11 August 2015, creditors voted in favour of varying the deed of company arrangement to facilitate the recapitalisation proposal submitted by the Proponents.

It is anticipated that a general meeting of shareholders will be convened within the next two months for shareholders to consider the recapitalisation proposal. A Notice of Meeting and Explanatory Statement containing full details of the recapitalisation proposal will be sent to all shareholders prior to the meeting. I confirm that under the recapitalisation proposal shareholders will retain an ongoing economic interest in the Company.

Assuming that the requisite shareholder approvals are obtained and the Company satisfies any conditions that the ASX have prior to approving the reinstatement of the Company's securities, it is anticipated that the Company will be quoted on the ASX as soon as possible following the shareholders' meeting.

Further information about the Proponents is provided at Annexure A to this announcement:

Who can I contact for further information?

The Deed Administrator will continue to provide further updates by way of announcements to the ASX as milestones for the recapitalisation and restructure of the Company are achieved.

Shareholders are requested to refrain from contacting the Deed Administrator's office at this time to allow the Deed Administrator and his staff to focus on the assets and affairs of the Company with a view of maximising the outcome for all stakeholders. Any urgent queries should be directed to Pitcher Partners Perth:

BRYAN HUGHES
Joint and Several Liquidator

About Otsana Capital

Otsana Capital is a private boutique company covering a broad range of corporate transactions with a specific emphasis in the restructure and recapitalisation of ASX-listed companies.

Otsana Capital has specialist skills in mergers and acquisitions, capital raisings and has many years of investment banking experience covering a wide range of sectors.

Otsana Capital has been involved in the recapitalisation, identification, facilitation and implementation of numerous acquisitions into a number of ASX listed companies.

Further information about Otsana Capital may be found at www.otsana.com

About Auxano LLP

Auxano LLP is a team of proven investors and operators that invest in businesses and provide them with whatever they need to grow. It has offices in Sydney, Singapore, Jakarta and Manila.

Auxano LLP actively seeks to drive business growth and has a strong track record of investing and helping private businesses to grow.

Auxano LLP also has experience in mergers and acquisitions, corporate advisory transactions, capital restructuring, recapitalisation of ASX-listed companies and capital raisings.

Further information about Auxano LLP may be found at www.auxanollp.com

MELBOURNE

+61 3 8610 5000
partners@pitcher.com.au

ADELAIDE

+61 8 8179 2800
partners@pitcher-sa.com.au

SYDNEY

+61 2 9221 2099
partners@pitcher-nsw.com.au

BRISBANE

+61 7 3222 8444
partners@pitcherpartners.com.au

PERTH

+61 8 9322 2022
partners@pitcher-wa.com.au

NEWCASTLE

+61 2 4911 2000
newcastle@pitcher.com.au

 **PITCHER.COM.AU**

 an independent member of
BAKER TILLY
INTERNATIONAL

Pitcher Partners is an association of independent firms. Liability limited by a scheme approved under Professional Standards Legislation.