



ASX Announcement

18 August 2014

Capital Raising

The Board of Directors of Navaho Gold Limited ('Navaho' or 'the Company') is pleased to advise it has raised \$200,500 via the issue of 66,833,333 shares at \$0.003 through a private placement to professional and sophisticated third-party investors.

In addition, the Company's eligible Directors also converted 50% of their accrued Director's Fees pursuant to the Director's Fee Plan specifically approved by shareholders at the Company's 2013 AGM. Nicholas Mather converted \$22,500 of outstanding fees, and Brian Moller converted \$23,333 of outstanding fees pursuant to the Director Fee Plan. This resulted in a further 15,277,778 shares being issued at \$0.003 per share. Updated Director's interest statements for the relevant Directors will be issued shortly.

The Directors are also pleased to announce that the Company intends to offer eligible shareholders an opportunity to participate in the capital raising through a 1:2 Rights Issue to be priced at \$0.003, giving eligible shareholders the same opportunity as the Placement participants. The Rights Issue will raise up to approximately \$540,500, with the Directors reserving the right to place any shortfall within three (3) months of the close of the Rights Issue, at a price no lower than offered to eligible shareholders.

Funds raised under these initiatives will be used for the retention, maintenance and exploration of the Company's US-based gold-silver project portfolio, its Australian-based gas projects, and its Argentinean coal projects, to be acquired as part of the scrip-based acquisition of Excarb Pty Ltd announced to the market on 11 July 2014.

The Company further advises that DGR Global Ltd and Director / Secretary Mr Karl Schlobohm intend to convert some or all of the fees owing to shares, subject to shareholder approval. The meeting materials to approve these and the Excarb related resolutions will be finalised and distributed shortly.

The timetable for the Rights Issue is as follows:

Record Date for Entitlement	Friday, 22 August 2014
Despatch of Shareholder Documents	Thursday, 27 August 2014
Offer Opens	Thursday, 28 August 2014
Closing Date for Applications	Friday, 12 September 2014
Issue and Allotment of Shares	Friday, 19 September 2014

A further, more specific, release covering the Rights Issue will be made this morning.

A handwritten signature in blue ink, appearing to read "K. Schlobohm", is written over a horizontal line.

On behalf of the Board

Navaho Gold

Karl Schlobohm
Director & Company Secretary

For further information contact:

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Electronic copies and more information are available on the Company website: www.navahogold.com