

Navaho Gold



Quarterly Activities Report - for the Period Ended 31 March 2015

ASX CODE: NVG

Shares on Issue

580 million

Market Capitalisation

A\$1.8m (at A\$0.003)

DIRECTORS

Nick Mather (Chairman)

Brian Moller (Director)

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HIGHLIGHTS

Projects

- Negotiations continued with Genesis Gold regarding the nature and structure of the ownership of the Carlin East and New Mexico US gold projects.
- Initial work commenced on the Marayes coal project in Argentina, including geological reconnaissance, a marketing study and preliminary discussions with local industry participants and stakeholders.

Corporate

- Commitment of funding support – if required – via DGR Global for up to 12 months. Funding to be via an unsecured loan on commercial terms.

REVIEW OF PROJECTS AND ACTIVITIES

Navaho Gold (US Gold Projects)

During the quarter, the Company continued to negotiate with Genesis Gold, the American tenement holder of the Carlin East and New Mexico projects. Discussions centred on the nature and structures associated with both projects.

As announced on 28 January 2015, Genesis Gold served Navaho Gold's US subsidiary CED Gold LLC with notice of a legal claim being made in the state of Nevada, USA. The claim has been temporarily suspended to allow the parties an opportunity to settle directly.

The Company has not committed to any further exploration or expenditures on these two projects until such time as matters with Genesis Gold have been finalised.



Figure 1 – Project Location Map, USA

NavGas (Australian Oil & Gas Projects)

No substantive work on the Company's oil and gas portfolio was undertaken during the quarter.

Excarb (Argentinean Coal Projects)

The Marayes Coal Project is located in San Juan Province in Central-Western Argentina within the coal bearing Triassic Carazal Formation (**see Figure 2**). As previously reported, the known coal occurs in 6 main seams up to 2m in thickness. The seams are inter-banded with carbonaceous mudstone with the actual coal content making up about 90% of the total seam thickness. The seams dip some 5° to 12° westerly and extend over a strike length of approximately 50km. Mining occurred during the 1930's-1940's, principally to fuel rail transportation. No exploration has been carried out since this time. A main highway and an existing railway bisect the project area (**see Figure 3**).

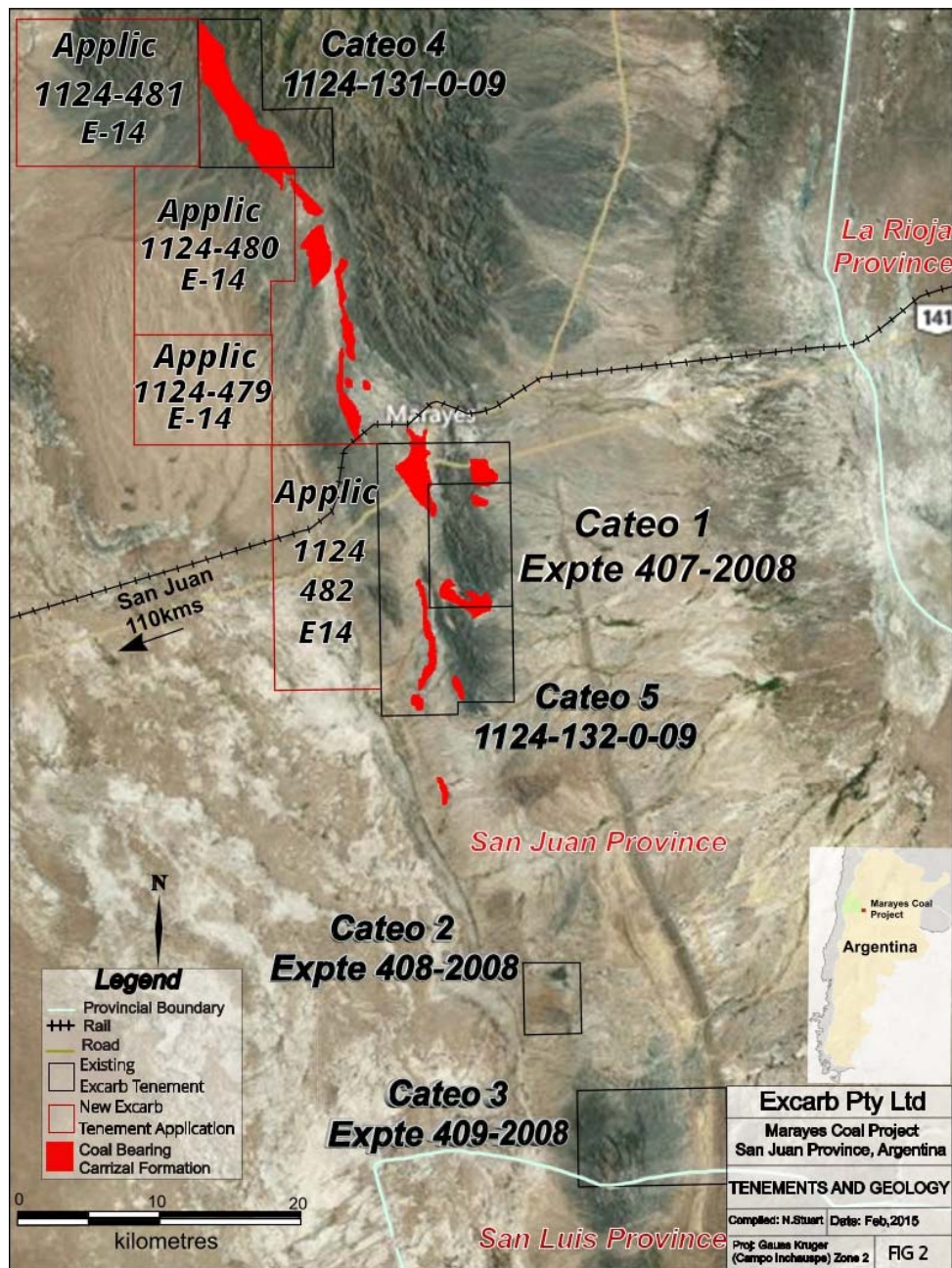


Figure 2 – San Juan Province, Argentina

Activities Carried Out During the Quarter

New Areas

Applications were made for four new Cateos (the Argentinean equivalent to Exploration Licences) located to the west (down-dip) of existing tenements and covering other prospective ground (**see Figure 3**). The Company holds the majority of the known coal bearing sequence in the region and is in advanced negotiations with other licence holders who have several adjacent Cateos.



**Figure 3 – Marayes Coal Project
Existing Tenements (Cateos) and New Applications**

Excav is also exploring opportunities to acquire further prospective coal areas in San Juan Province and also in selected areas in other Provinces where coal occurrences are known (and where mining was carried out in the past).

Geological Reconnaissance

A field trip was made to visit the old coal workings at Marayes (the Rickard and Rodolfo shafts etc.) and to commence geological exploration investigations. A number of coal and highly carbonaceous sediment outcrops were located. A 4.5km traverse (mostly along strike to the north of the workings) revealed numerous thin coaly outcrops showing some weathering effects although some fresh-looking bright coal was also observed.

Navaho Gold

A number of very shallow, westerly dipping, small decline tunnels were observed along the traverse. These declines followed the shallow dipping coal seams underground for tens of metres. The coal was located on the floor of the declines, and due to erosion and washed-in material, the actual thickness of the coal could not be determined.

Figure 4 (below) shows a coal seam exposed at the entrance to an historic inclined shaft, located approximately 500m north of the of the Marayes Rodolfo mine workings. The shaft follows the seam down dip at a 5 degree incline, for at least 20m. The seam is moderately weathered at surface and consists of inter-banded coal and carbonaceous mudstone, with a visible thickness of 50cm. Arenaceous sandstone lies immediately above the coal seam.



Figure 4 - Coal Seam Exposed at the Entrance to an Historic Inclined Shaft, Marayes

Coal Market Study

A coal marketing study was conducted by Argentinian consultants focusing on local coal users and potential users located within several hundred kilometres of the Marayes project. Preliminary results indicate a potential local demand in excess of 200,000 tonnes per annum within the study area. The two large cities of San Juan and Mendoza in this region host significant industry requiring energy for material processing, including cement plants, lime kilns, mining and mineral processing (San Juan Province hosts a number of major mining operations), agriculture (especially wine production), breweries and other general industry. Preliminary cost and pricing studies have indicated that Marayes coal could be price competitive with the existing fuel supplies, which are principally gas, oil, pet-coke and imported coal.

Forward Plans

The Company is aiming to develop a small, open cut coal mine within a short period of time and at modest cost to supply the local industrial markets noted above. However, Argentina currently has a critical shortage of cheap energy, which is stifling growth, and the Company would consider servicing some of these markets should it be price competitive. Immediate markets further afield from the San Juan area include the San Nicolas 650MW coal fired power station located at Rosario north of Buenos Aires, which currently uses imported coal. The country has plans for the development of new power stations and the Marayes coal would be an excellent feed for such plants.

The next steps in the Company's plans are for a definitive exploration program and the delineation of JORC-compliant coal resources. A program of detailed geological mapping is planned during 2015 along the entire 50km strike length of the Carazal Formation. In conjunction with this geological definition work, the marketing campaign will be extended to identify individual industrial plants requiring fuel and initial discussions will be held to determine supply requirements.

Appointment of Argentina Project Manager

Dr. Gustavo Delendatti has been appointed the Company's Project Manager for Argentina. Gustavo is a very experienced geologist and project manager who is Argentinean and resides in San Juan. He has significant experience in the exploration and advancement of mineral properties.

EXPLORATION ACTIVITIES PLANNED FOR JUNE 2015 QUARTER

Gold Projects - USA

The Company is continuing to review its involvement in the US gold projects. Continued involvement is likely to be dependent on the results of negotiations currently underway with project partners and owners Genesis Gold.

Marayes Coal Projects - Argentina

An initial exploration program for the existing tenements is in the process of being formulated, and work will continue on the possibility of expanding (via pegging or aggregation) the Marayes project footprint.

INTERESTS IN TENEMENTS

Refer Appendix A to this report.

Competent Persons Statement

The information herein that relates to Exploration Results is based on information compiled by Mr Neil Stuart, who is a Fellow of The Australasian Institute of Mining and Metallurgy. Mr Neil Stuart is a Director of Navaho Gold Ltd.

MrStuart has more than five years experience which is relevant to the style of mineralisation and type of deposit being reported and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves' (the JORC Code). This public report is issued with the prior written consent of the Competent Person(s) as to the form and context in which it appears.

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APPENDIX A TO QUARTERLY ACTIVITIES REPORT

INTEREST IN TENEMENTS HELD IN THE QUARTER

As at the date of this report, the Group has an interest in the following tenements.

Australian Tenements

No new tenement areas were granted during the quarter.

At the end of the quarter, the Company's 98.75% subsidiary NavGas Pty Ltd retains a 100% interest in ATP1183 ("Roma Shelf") in Queensland. This remains the Company's only granted tenement area in Australia (all other interests are still in the Application phase).

USA Tenements

No new tenement areas were granted during the quarter.

At the end of the quarter, the Company retains an interest in one (1) project in Nevada and five (5) projects in New Mexico and currently has an interest or holds options and farm-in agreements over the claim areas.

Tenement	Location	Current Holder	% Interest
NCAR 1-6	Nevada, USA	Genesis Gold LLC	CED Gold LLC earn up to 100%
NCAR 8-9	Nevada, USA	Genesis Gold LLC	CED Gold LLC earn up to 100%
NCAR 11-12	Nevada, USA	Genesis Gold LLC	CED Gold LLC earn up to 100%
NCAR 14-25	Nevada, USA	Genesis Gold LLC	CED Gold LLC earn up to 100%
NCAR 27-30	Nevada, USA	Genesis Gold LLC	CED Gold LLC earn up to 100%
NCAR 32-108	Nevada, USA	Genesis Gold LLC	CED Gold LLC earn up to 100%
NC 109-114	Nevada, USA	Genesis Gold LLC	CED Gold LLC earn up to 100%
NC 116-119	Nevada, USA	Genesis Gold LLC	CED Gold LLC earn up to 100%
NC 121-217	Nevada, USA	Genesis Gold LLC	CED Gold LLC earn up to 100%
NC 300-336	Nevada, USA	Genesis Gold LLC	CED Gold LLC earn up to 100%
CC 100-106	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
CC 216-222	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
CC 226-236	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
CC 241	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
CC 275	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
CC 277-278	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
CC 285	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
CC307-309	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
CC 407-409	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
CC 418	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
CC 518	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 104-106	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 108-113	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 120	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%

Tenement	Location	Current Holder	% Interest
TB 125-126	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 144	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 146-153	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 162-171	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 175-177	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 179	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 184-194	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 196	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 201	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 305-306	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 405-408	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 505-508	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 605-608	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 615-616	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 711	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 715-716	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 811	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 909-911	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 1009-1010	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 1109-1110	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
TB 1209-1210	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
LSP 100-115	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
FR 100	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
FR 102-106	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
FR 120-125	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
FR 127-132	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
FR 145	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
FR 148-149	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
FR 152-153	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
FR 156-157	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
FR 160-161	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
FR 175-177	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
FR 182-192	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
FR 195	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
FR 199	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
FR 216	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
PT 116-157	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
PT 162-163	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%

Tenement	Location	Current Holder	% Interest
PT 174	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
PT 177-185	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
PT 220-222	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
PT 225-230	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
PT 341-343	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
PT 351-354	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
PT 357-358	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
PT 367-368	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
PT 371-378	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
PT 380-381	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
PT 421	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
GR 100-112	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
GR 123-124	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%
GR 128-137	New Mexico USA	Oryx Resources Inc	Big Iron Resources earn up to 51%

Argentinean Tenements

No new tenement areas were **granted** during the quarter, although further applications have been lodged for four (4) new tenement areas.

Tenement	Location	Current Holder	% Interest
407 - 2008	Marayes, Argentina	Excarb SA	100%
408 - 2008	Marayes, Argentina	Excarb SA	100%
409 - 2008	Marayes, Argentina	Excarb SA	100%
1124 - 131	Marayes, Argentina	Excarb SA	100%
1124 - 132	Marayes, Argentina	Excarb SA	100%