



## ASX Announcement

18 August 2014

### Non-Renounceable Entitlement Offer

The Board of Directors of Navaho Gold Limited ('Navaho' or 'the Company') advises that it is seeking to raise up to approximately \$540,500 by undertaking a pro-rata non-renounceable entitlement offer of up to 180,177,426 new fully paid ordinary shares (**New Shares**) with an offer ratio of 1 New Share for every 2 Shares held on the Record Date, at an offer price of 0.3 cents (\$0.003) per New Share (**Offer**). The Directors reserve the right to place any shortfall under the Offer within three (3) months of the closing date, at a price no lower than offered to eligible shareholders.

The Offer is being made without a disclosure document pursuant to 708AA of the *Corporations Act 2001* (Cth). A copy of the Information Booklet which was lodged with the ASX today (and is available on the Company's website [www.navahogold.com](http://www.navahogold.com) and the ASX website) will be sent to shareholders on or about 28 August 2014.

The Offer will be available to all registered shareholders at 7 pm AEST on 22 August 2014 (**Record Date**) with a registered address in Australia, or any other jurisdiction in which the Company subsequently determines it may extend the Offer (**Eligible Shareholders**). As at the date of this letter the Company has a minimal number of registered shareholders outside Australia.

There is only one (1) holder of options in the Company. The optionholder does not have a registered address in Australia, and is therefore ineligible for participation. Accordingly, approximately 180,177,426 New Shares will be available under the Offer. Shares issued pursuant to the Offer will rank equally with all existing shares on issue.

You should consider the Information Booklet in full in deciding whether to participate in the Offer. Any shareholder wishing to participate in the Offer will need to complete the "Entitlement and Acceptance Form" that will be in, or will accompany, the Offer Document.

The Offer is non-renounceable, which means that rights to participate in the Offer cannot be sold, and therefore to the extent that shareholders entitled to participate in the Offer do not take up their entitlement, they will not receive any value in respect of those entitlements not taken up. Eligible Shareholders may also apply for additional New Shares over and above their entitlement.

### Purpose of the Offer

The proceeds of the Capital Raising (including the Offer) will be utilized to progress the Company's gold projects in the USA, its coal projects in Argentina to be acquired as part of the Excarb transaction (subject to approval by shareholders), and its oil & gas projects in Australia. Additionally, there will be an element of administration and general working capital.



## Key dates for investors

Announcement of Entitlement Offer and Appendix 3B lodged with ASX	18 August 2014 (pre-market open)
Notice of Entitlement Offer sent to Option Holders	18 August 2014
Notice of Entitlement Offer sent to Shareholders Offer Booklet lodged with ASX	18 August 2014
Trading on Ex basis	20 August 2014
Record Date for the Entitlement Offer (7:00pm AEST)	22 August 2014
Despatch of Offer Booklet and notice to Ineligible Holders	27 August 2014
Opening Date of Entitlement Offer (9:00am AEST)	28 August 2014
Closing Date of Entitlement Offer (5:00pm AEST)	12 September 2014
Trading on deferred settlement basis commences	15 September 2014
ASX notified of under subscriptions (no more than 3 business days after Closing Date)	17 September 2014
Allotment Date - expected date of allotment of the New Shares issued under the Entitlement Offer and the Shortfall Share Offer (if any)	19 September 2014 (at the latest)
Normal trading begins	22 September 2014
Despatch Date - expected date of despatch of New Shares holding statements under the Entitlement Offer and the Shortfall Share Offer (if any), and deferred settlement trading ends	22 September 2014 (at the latest)

*The dates set out in the above table are subject to change and are indicative only. The Company reserves the right to alter this timetable at any time, subject to the Corporations Act and the Listing Rules, without notice. The Directors, subject to the requirements of the Listing Rules and the Corporations Act, may extend the period of the Entitlement Offer or bring forward the Closing Date at their discretion. This may have a consequential effect on the other dates. Investors are encouraged to submit their Entitlement and Acceptance Forms as soon as possible.*

## Cleansing Notice under Section 708AA of the Corporations Act

Pursuant to section 708AA(7) of the *Corporations Act*, the Company provides notice of the following:

1. Navaho Gold will offer the New Shares for issue without disclosure to investors under Part 6D.2 of the *Corporations Act*.
2. Navaho Gold is providing this notice under section 708AA2(f) of the *Corporations Act*.
3. As at the date of this notice, Navaho Gold has complied with:
  - (a) the provisions of Chapter 2M of the *Corporations Act* as they apply to Navaho Gold; and
  - (b) section 674 of the *Corporations Act*.

# Navaho Gold

4. As at the date of this notice there is no information:
  - (a) that has been excluded from a continuous disclosure notice in accordance with the ASX Listing Rules other than as set out below; and
  - (b) that investors and their professional advisors would reasonably require for the purpose of making an informed assessment of:
    - (1) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; or
    - (2) the rights and liabilities attaching to the New Shares.
5. If all Eligible Shareholders take up their entitlement under the Offer, the Offer will only have a minimal effect on the control of Navaho Gold. As the Offer is only being extended to Australian registered shareholders, ineligible shareholders will be diluted to the extent that the Offer is subscribed. However, the Company has minimal shareholders resident in foreign jurisdictions.
6. If an Eligible Shareholders takes up their full entitlement, they can also apply for additional New Shares (**Additional New Shares**) under a Shortfall Facility. The offer price for the Additional New Shares will be the Issue Price of \$0.003 per Additional New Share. Any Additional New Shares must be allocated from that pool of New Shares which remain available for allocation, after the allocation of all entitlements to each Eligible Shareholder who has applied for their entitlements (**Shortfall Shares**). Related Parties of the Company and their associates who are Eligible Shareholders must not apply for, and will not be issued Additional New Shares.
7. However if an Eligible Shareholder does not take up their entitlement in full there may be a dilutionary effect on their proportionate shareholding.

An Appendix 3B applying for quotation of the New Shares is **attached** to this announcement.

The Directors of Navaho Gold encourage all Eligible Shareholders to participate in the capital raising.



On behalf of the Board  
Karl Schlobohm  
Company Secretary

**For further information contact:**

**Mr Nick Mather**  
Chairman, Navaho Gold Ltd  
Ph: 07 3303 0680

**Karl Schlobohm**  
Company Secretary, Navaho Gold Ltd  
Ph: 07 3303 0650

Email: [info@navahogold.com](mailto:info@navahogold.com)

Electronic copies and more information are available on the Company website: [www.navahogold.com](http://www.navahogold.com)

Rule 2.7, 3.10.3, 3.10.4, 3.10.5

# Appendix 3B

## New issue announcement, application for quotation of additional securities and agreement

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

Navaho Gold Limited

ABN

79 068 958 752

We (the entity) give ASX the following information.

### Part 1 - All issues

*You must complete the relevant sections (attach sheets if there is not enough space).*

- |   |  |                       |
|---|--|-----------------------|
| 1 | +Class of +securities issued or to be issued   | Ordinary Shares.      |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued  | 180,177,426           |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Ordinary, fully-paid. |

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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<p>4 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>	<p>Yes.</p>
<p>5 Issue price or consideration</p>	<p>\$ 0.003 per share.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Rights Issue</p>
<p>6a Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>Yes.</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>20 November 2013</p>
<p>6c Number of +securities issued without security holder approval under rule 7.1</p>	<p>N-A</p>
<p>6d Number of +securities issued with security holder approval under rule 7.1A</p>	<p>N-A</p>

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+ See chapter 19 for defined terms.

6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	53,277,798 (AGM approval 20.11.2013)	
6f	Number of securities issued under an exception in rule 7.2	N-A	
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	N-A	
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	N-A	
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	2,516,277	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	19 September 2014	
8	Number and +class of all +securities quoted on ASX (including the securities in section 2 if applicable)	Number	+Class
		540,532,278	Ordinary Shares

+ See chapter 19 for defined terms.

**Appendix 3B**  
**New issue announcement**

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9	Number and +class of all +securities not quoted on ASX (including the securities in section 2 if applicable)	Number	+Class
		<b>Unlisted Options</b>  500,000	<b>Unlisted Options</b>  19.75 cents to 11.04.15
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)		

## Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No
12	Is the issue renounceable or non-renounceable?	Non-renounceable
13	Ratio in which the +securities will be offered	1 New Share for every 2 existing shares held
14	+Class of +securities to which the offer relates	Ordinary Shares
15	+Record date to determine entitlements	22 August 2014
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N-A
17	Policy for deciding entitlements in relation to fractions	Fractional entitlements will be rounded down to the nearest whole number.
18	Names of countries in which the entity has +security holders who will not be sent new issue documents  Note: Security holders must be told how their entitlements are to be dealt with.  Cross reference: rule 7.7.	Papua New Guinea Brunei New Zealand Canada
19	Closing date for receipt of acceptances or renunciations	12 September 2014
20	Names of any underwriters	N-A

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+ See chapter 19 for defined terms.

21	Amount of any underwriting fee or commission	N-A
22	Names of any brokers to the issue	N-A
23	Fee or commission payable to the broker to the issue	N-A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N-A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N-A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	27 August 2014
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N-A. Only 1 optionholder, and they are not eligible to participate (USA).
28	Date rights trading will begin (if applicable)	Non-renounceable
29	Date rights trading will end (if applicable)	Non-renounceable
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	Non-renounceable
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Non-renounceable
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	Non-renounceable
33	+Despatch date	22 September 2014


+ See chapter 19 for defined terms.



## Part 3 - Quotation of securities

*You need only complete this section if you are applying for quotation of securities*

34 Type of securities  
(tick one)

(a)  Securities described in Part 1

(b) All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

### Entities that have ticked box 34(a)

#### Additional securities forming a new class of securities

*Tick to indicate you are providing the information or documents*

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories  
1 - 1,000  
1,001 - 5,000  
5,001 - 10,000  
10,001 - 100,000  
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

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+ See chapter 19 for defined terms.

## Entities that have ticked box 34(b)

38	Number of securities for which +quotation is sought					
39	Class of +securities for which quotation is sought					
40	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> <li>• the date from which they do</li> <li>• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment</li> <li>• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</li> </ul>					
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>					
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <th style="width: 50%; padding: 5px;">Number</th> <th style="width: 50%; padding: 5px;">+Class</th> </tr> <tr> <td style="height: 100px;"></td> <td style="height: 100px;"></td> </tr> </table>	Number	+Class		
Number	+Class					

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+ See chapter 19 for defined terms.

### Quotation Agreement

1        +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2        We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3        We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4        We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



(~~Director~~/Company Secretary)

Date: 18 August 2014

Print name:        Karl Schlobohm

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+ See chapter 19 for defined terms.

# Appendix 3B – Annexure 1

## Calculation of placement capacity under rule 7.1 and rule 7.1A for <sup>+</sup>eligible entities

Introduced 01/08/12

### Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>Insert</b> number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	206,185,765
<b>Add</b> the following: <ul style="list-style-type: none"> <li>• Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2</li> <li>• Number of fully paid ordinary securities issued in that 12 month period with shareholder approval</li> <li>• Number of partly paid ordinary securities that became fully paid in that 12 month period</li> </ul> <p><i>Note:</i></p> <ul style="list-style-type: none"> <li>• Include only ordinary securities here – other classes of equity securities cannot be added</li> <li>• Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</li> <li>• It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	30,833,340 (SPP Issue 4-09-2013) 38,000,020 (Placement 23-08-2013, approved 2013 AGM) 15,277,778 (Director Fee Plan shares, Fee Plan approved 2013 AGM)
<b>Subtract</b> the number of fully paid ordinary securities cancelled during that 12 month period	
<b>“A”</b>	290,296,903

<sup>+</sup> See chapter 19 for defined terms.

<b>Step 2: Calculate 15% of “A”</b>	
<b>“B”</b>	0.15 <i>[Note: this value cannot be changed]</i>
<b>Multiply “A” by 0.15</b>	43,544,535
<b>Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used</b>	
<p><b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> <li>Under an exception in rule 7.2</li> <li>Under rule 7.1A</li> <li>With security holder approval under rule 7.1 or rule 7.4</li> </ul> <p><b>Note:</b></p> <ul style="list-style-type: none"> <li><i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i></li> <li><i>Include here (if applicable ) the securities the subject of the Appendix 3B to which this form is annexed</i></li> <li><i>It may be useful to set out issues of securities on different dates as separate line items</i></li> </ul>	<p>3,224,616 (24-09-2013)</p> <p>40,319,319 (this allotment – placement)</p>
<b>“C”</b>	43,544,535
<b>Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1</b>	
<p><b>“A” x 0.15</b></p> <p><i>Note: number must be same as shown in Step 2</i></p>	43,544,535
<p><b>Subtract “C”</b></p> <p><i>Note: number must be same as shown in Step 3</i></p>	43,544,535
<b>Total [“A” x 0.15] – “C”</b>	<p>Nil</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

## Part 2

<b>Rule 7.1A – Additional placement capacity for eligible entities</b>	
<b>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</b>	
<b>“A”</b>  <i>Note: number must be same as shown in Step 1 of Part 1</i>	290,296,903
<b>Step 2: Calculate 10% of “A”</b>	
<b>“D”</b>	0.10  <i>Note: this value cannot be changed</i>
<b>Multiply “A” by 0.10</b>	29,029,691
<b>Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used</b>	
<b>Insert</b> number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A  <i>Notes:</i> <ul style="list-style-type: none"> <li>• This applies to equity securities – not just ordinary securities</li> <li>• Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</li> <li>• Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</li> <li>• It may be useful to set out issues of securities on different dates as separate line items</li> </ul>	26,513,414
<b>“E”</b>	26,513,414

+ See chapter 19 for defined terms.

Appendix 3B  
New issue announcement

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<b><i>Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A</i></b>	
<b><i>“A” x 0.10</i></b>  <i>Note: number must be same as shown in Step 2</i>	29,029,691
<b><i>Subtract “E”</i></b>  <i>Note: number must be same as shown in Step 3</i>	26,513,414
<b><i>Total [“A” x 0.10] – “E”</i></b>	2,516,277  <i>Note: this is the remaining placement capacity under rule 7.1A</i>

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