

Navarre Minerals Limited
ABN 66 125 140 105

ASX Code: NML

Corporate Details

Issued capital:

478.24M ordinary shares
21.6M unlisted options
1.5M share performance rights

Directors & Management:

Kevin Wilson
(Non-Executive Chairman)

Geoff McDermott
(Managing Director)

John Dorward
(Non-Executive Director)

Colin Naylor
(Director & Company Secretary)

Shane Mele
(Exploration Manager)

Jodi Ford
(Accountant & Assistant Company Secretary)

Contact Details

Geoff McDermott
Managing Director

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Quarterly Activities Report

Quarter ending 31 December 2019

Three drill rigs commence an aggressive 50,000m drilling campaign across Navarre's Victorian gold and copper properties.

Approximately 9,000m of drilling completed in the Quarter.

Stawell Corridor Gold Project (Navarre 100%)

Irvine prospect - Resolution and Adventure Lodes

- Results to date from first 3 diamond holes at Adventure Lode confirm gold mineralisation to at least 300m depth, remaining open
- Highlight intersections include **4.75m @ 3.5 g/t Au** from 206.9m down hole in AD001 and **4.6m @ 3.5 g/t Au** from 327.3m down hole in AD002
- Expansion air-core drilling at the northern end of Resolution Lode provides evidence for a new gold shoot

Langi Logan prospect

- First results from ongoing 10,000m AC drilling program testing multiple targets along the margins of the Langi Logan basalt dome continue to expand potential for a large gold system at depth
- Highlight intersection of **1m @ 21.2 g/t Au** on the basalt contact expands high-grade gold mineralisation over a strike length of 650m at Target A requiring follow-up diamond drill testing

Tandarra Gold Joint Venture (Navarre 49%)

- Results received for six diamond drill holes testing depth repetitions of gold mineralisation on the Tomorrow Gold Zone
- Highlight intersections include:
 - **7.0m @ 5.4 g/t Au** from within a broader interval of **14.6m @ 3.0 g/t Au** from 102.4m in DDT020
 - **0.4m @ 243 g/t Au** from 180.0m in DDT020
 - **3.0m @ 4.7 g/t Au** from 118m in DDT023
- Reconnaissance air-core drilling of 27 holes for a total of 3,235m, completed south of and on-strike of the Tomorrow and Macnaughtan gold trends, intersected significant zones of quartz - pyrite mineralisation. Results pending.

Corporate

- Cash balance of \$8.7 million at 31 December 2019, following completion of \$4.75 million Share Placement in October 2019

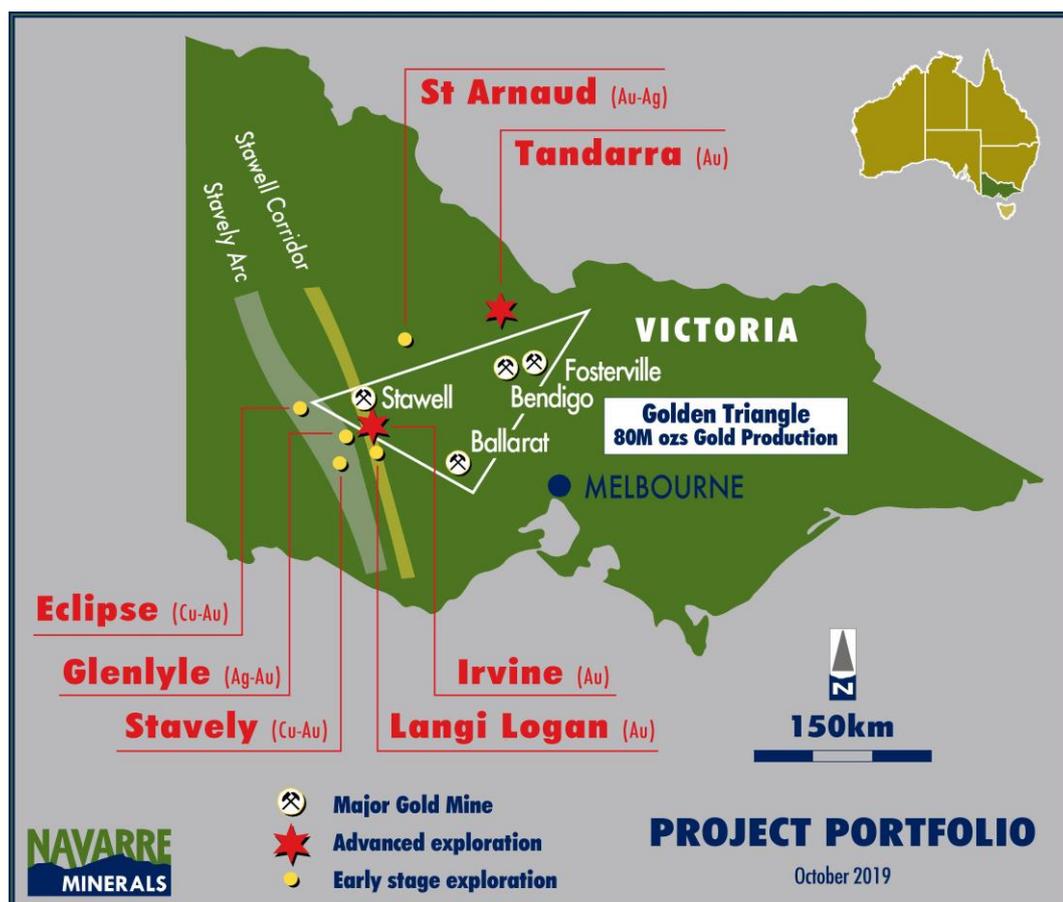


Figure 1: Location of Navarre's Victorian mineral projects

1. EXPLORATION

OVERVIEW

Navarre Minerals Limited (**Navarre** or the **Company**) is pleased to report on its activities for the December 2019 Quarter. During the December 2019 Quarter the Company commenced an aggressive 50,000m drilling campaign across its Victorian gold and copper properties.

At Navarre's Stawell Corridor Gold Project, diamond drilling commenced at the Irvine basalt dome targeting down-plunge extensions of high-grade gold mineralisation at the Resolution and Adventure lodes. AC drilling was also completed at Resolution Lode prior to moving to Langi Logan to assess the 12km strike length of the Langi Logan basalt dome for potential Stawell analogues.

Within the Company's Stavely Arc properties in western Victoria, diamond drilling commenced at the Eclipse prospect within the Black Range Project, and at the Yarram Gap prospect within the Stavely EL 5425 exploration licence as part of Stavely Minerals Limited (ASX:SVY) earn-in commitment.

STAWELL CORRIDOR GOLD PROJECT (Navarre 100%)

The Company is searching for gold deposits in an extension of a corridor of rocks that host the 5Moz Stawell and 1Moz Ararat goldfields – "The Stawell Gold Corridor," where seven potential Stawell analogues have been identified within the Company's 60km long tenement package (Figure 2).

The Company commenced a 17,000m drilling campaign in October 2019. During the Quarter:

- 2,089m were completed out of a 6,000m diamond drilling program targeting depth extensions to shallow gold mineralisation at Resolution and Adventure lodes on the Irvine basalt dome (Figures 3 & 4); and

- 4,316m were completed out of a 11,000m program of air-core (AC) drilling to test multiple targets on the margins of the Langi Logan basalt dome and to expand the strike length of the gold mineralisation north of Resolution Lode.

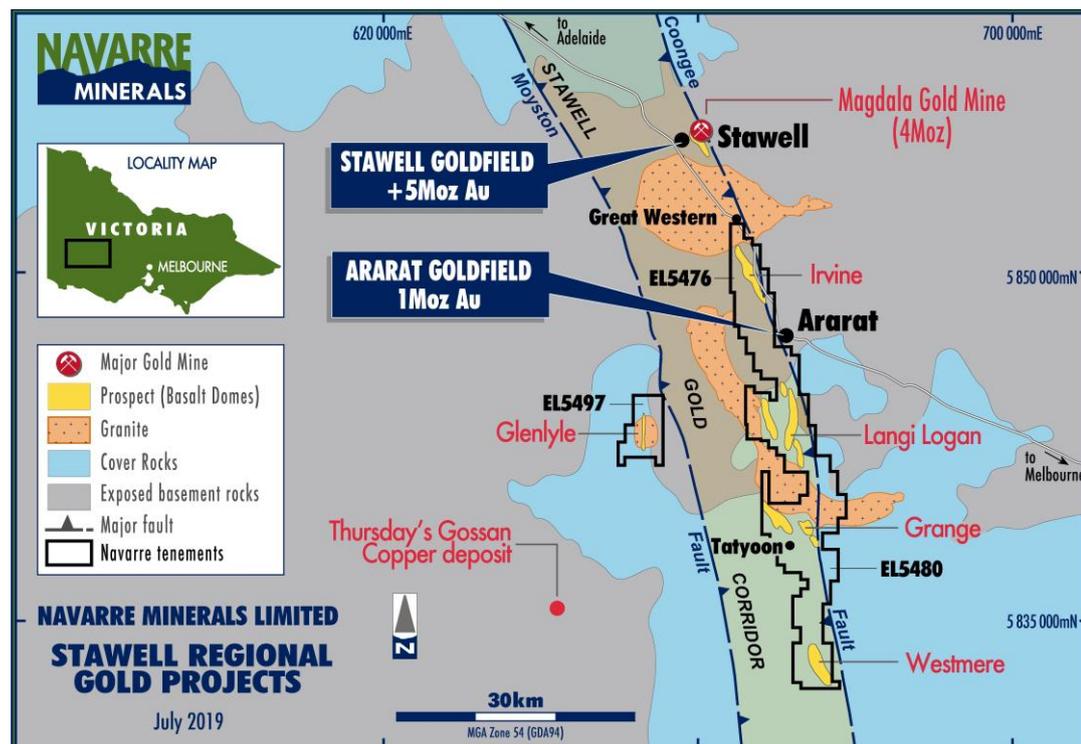


Figure 2: Location of Navarre's Stawell Gold Corridor projects and prospects

IRVINE BASALT DOME (EL 5476)

The Irvine basalt dome is Navarre's most advanced project. Previous drilling has confirmed extensive shallow gold mineralisation at the Resolution and Adventure lodes with a combined strike length of 2.9km along the eastern contact of the Irvine basalt dome (Figures 3 & 4). Navarre is now testing both the depth extents of the gold shoots at both lodes to approximately 300m below surface through an ongoing 6,000m diamond drilling program and also strike extensions through a recently completed 1,033m AC program.

Resolution Lode

On 20 December 2019 Navarre reported the results for a 24 hole – 1,033 metre shallow AC drilling program testing the northern end of Resolution Lode. This drilling outlined a potential new gold shoot (North Shoot on Figure 3) which is planned to be tested with diamond drilling during the first quarter of 2020.

A best result of **9m @ 2.1 g/t Au** from 6m down hole was returned in IAC241 (refer ASX release 20 December 2019 & Figure 3). Several other holes intersected broad intervals of lower-grade gold-bearing quartz stockwork mineralisation associated with several interbedded basalt flows.

During the Quarter diamond drilling also commenced at Resolution Lode testing the southernmost of three identified gold shoots (Figure 3). At the end of the Quarter 684m of diamond drilling was completed (RD015 and start of RD016 in Figure 3).

Adventure Lode

During the Quarter five diamond holes for 1,405m of drilling was completed. Results for three of the five diamond holes were reported in Navarre's ASX announcement of 20 December 2019.

Significant intersections include (Figure 4):

- **4.75m @ 3.5g/t Au** from 206.9m downhole, including **1.15m @ 9.8g/t Au** in AD001

- 4.6m @ 3.5 g/t Au from 327.3m downhole in AD002

The results indicate:

1. the mineralised quartz–sulphide structures intersected previously in shallow drilling extend to depth where tested and occur in geometrical patterns similar to the gold shoots of the on-strike 4Moz Magdala Gold Mine;
2. drill hole, AD002 provides evidence of a new gold shoot (Shoot 4) located at depth below Shoot 2; and
3. initial geological interpretation indicates the location of the gold shoots may be controlled, in part, by a subtle flattening of dip in the orientation of the eastern flank of the Irvine basalt dome. Where this contact steepens (e.g., AD003), the structure tends to weaken.

Drill holes AD004 and AD005, testing the down-plunge continuation of Shoot 3, appear to have intersected the eastern flank of the Irvine basalt dome where the basalt contact is steep and the mineralised structure is not as strongly developed as seen in AD001 and AD002. Final results for AD004 and AD005 are expected to be reported in February 2020.

Work continues to build the potential of the Irvine Gold Project into a new large-scale gold system similar to the Magdala gold deposit at Stawell.

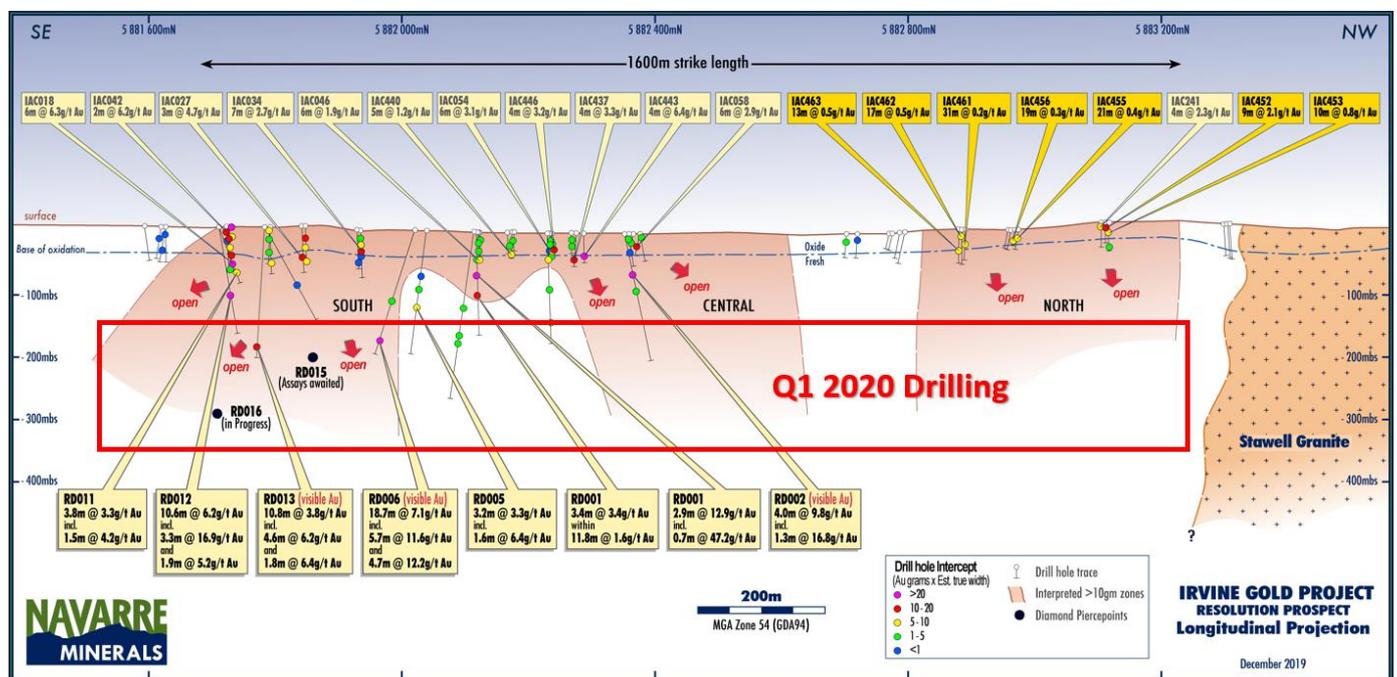


Figure 3: Longitudinal Projection of Resolution Lode showing location of new gold shoot and planned diamond drilling .

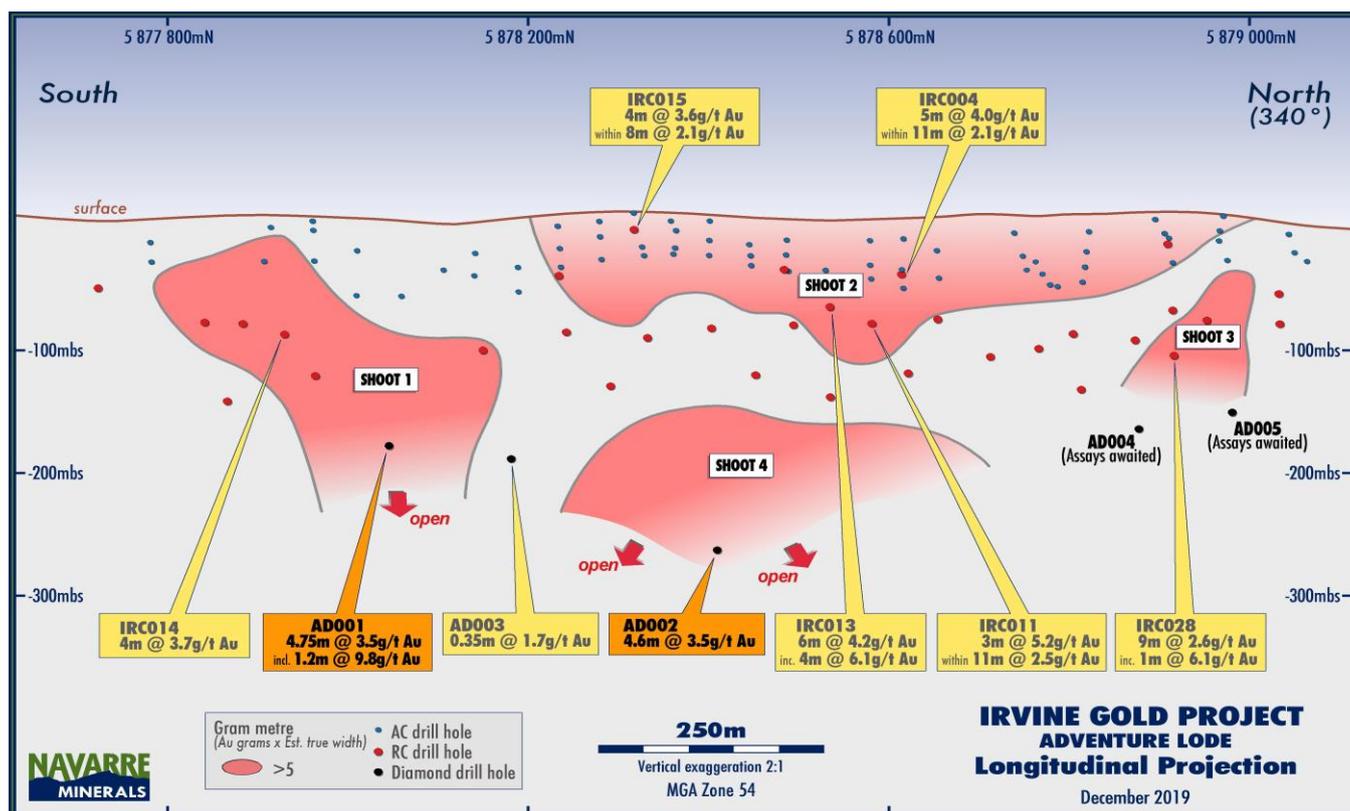


Figure 4: Longitudinal Projection of Adventure Lode showing location of recently completed diamond drilling

LANGI LOGAN BASALT DOME (ELs 5476, 5480, 6702, 6745)

A 10,000m AC drilling program commenced in November 2019 to test targets A-H (Figure 5). The objectives of the program include:

- follow up significant results at Langi Logan North which include peak eastern contact intercepts of **33m @ 2.9 g/t Au** including **11m @ 5.1 g/t Au** and **2m @ 19.4 g/t Au** including **1m @ 33.6 g/t Au¹**;
- follow up of anomalous barium, gold, silver (up to 23.8 g/t) and copper (up to 1.1%)¹ results to further investigate the possibility of volcanic massive sulphide (VMS) to the south of Langi Logan North; and
- testing of the margins of the central and southern areas of the Langi Logan basalt dome with wide (800m) spaced drill traverses.

Assay results for the first 42 AC holes in 3,283m of drilling were reported to the ASX on 20 December 2019.

Significant gold intersections reported include (Figure 5):

- **1m @ 21.2 g/t Au** from 32m down hole (IAC120) – Target A
- **2m @ 0.9 g/t Au** from 40m down hole (IAC121) - Target A
- **4m @ 1.0 g/t Au** from 21m down hole (IAC119) – Alluvial Gravels near Target D

A highlight intersection of **1m @ 21.2 g/t Au** on the basalt contact on Target A expands shallow high-grade gold mineralisation over a strike length of 650m.

The Company intends to follow-up Target A with diamond drill testing in Q1 2020.

¹See ASX announcements dated 30 January 2019 and 12 February 2019 for details. The Company confirms it is not aware of any new information or data that materially affects the information included in these market announcements.

The results also include an anomalous **broad 23m interval of gold, silver, and copper** on the western flank (Target D) of the Langi Logan North basalt dome in AC drill hole IAC110 (Figure 5). This intersection includes:

- **23m @ 9.5 g/t Ag** from 31m down hole, including **3m @ 52 g/t Ag** from 32m
- **6m @ 0.15% Cu** from 46m
- **1m @ 1.0 g/t Au** from 32m

Target D is hosted in black shales and is associated with a strong, previously untested chargeability feature of approximately 500m in strike length. The AC hole ended in mineralisation and remains open at depth and along strike.

The Company will be undertaking an airborne VTEM survey in late January/ early February 2020 to assist with the search for potential economic mineralisation on the flanks of the Langi Logan basalt dome.

The Langi Logan prospect is at an early stage of exploration and is already showing potential to be a new gold system similar to the Magdala gold deposit at Stawell.

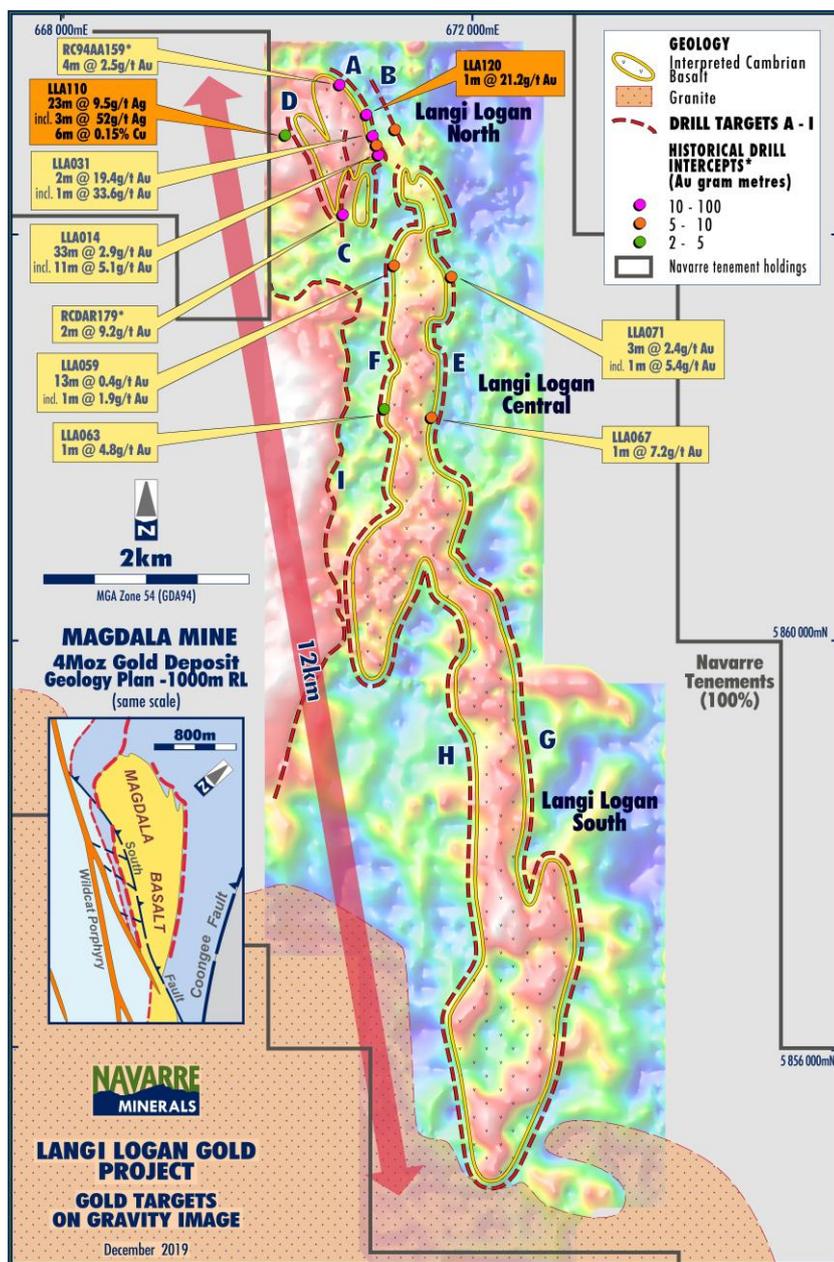


Figure 5: Gravity image showing recent AC drill results (reported previously) and geological interpretation.

STAVELY ARC PROJECTS (Navarre 100%)

Navarre’s Stavely Arc properties capture multiple, largely untested targets in approximately 100km of Stavely Arc volcanics, including the Eclipse, Glenlyle and Stavely project areas (Figures 1 & 6). The volcanics are mostly concealed by younger cover rocks.

The Stavely Arc is recognized as a continental margin arc setting similar to the Andes in South America, host to some of the world’s largest known copper deposits. Navarre is targeting large VMS, porphyry copper – gold and epithermal deposits.

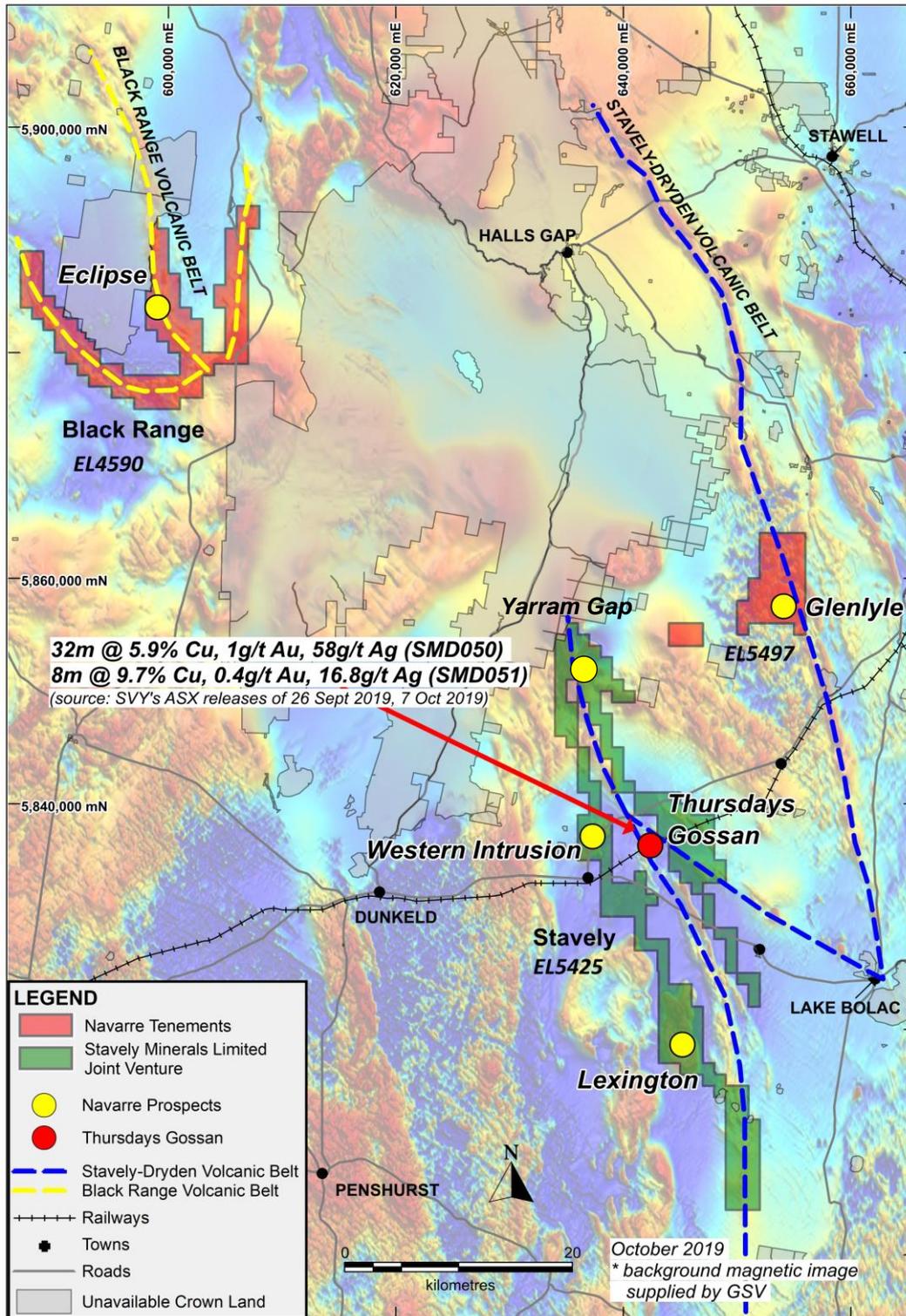


Figure 6: Navarre’s three mineral properties within the Stavely Arc Volcanic Belt

STAVELY PROJECT (EL 5425) (Navarre 100%)

Stavely Minerals Limited (ASX: SVY) (**Stavely**) may earn up to an 80% equity interest in Exploration Licence EL 5425 from Navarre by spending \$450,000 over a five year period. EL 5425 surrounds Stavely's wholly owned EL 4556 tenement that contains the recent Thursdays Gossan copper discovery (Figures 6 & 7).

During and subsequent to the December 2019 Quarter, Stavely, as manager, completed two diamond drill holes at the Yarram Gap, previously known as the Northern Prospect (Figure 7).

Diamond hole SYGD001 was drilled to a depth of 201.6m at the Yarram Gap Prospect targeting a potential Thursdays Gossan analogue on north-west trending contact between volcanic-sedimentary rocks and serpentinite. The hole intersected a fault zone however there was no obvious indications of mineralisation associated with the fault.

Diamond hole SYGD002 was drilled to a depth of 201.5m to target an ultramafic contact. Unfortunately, SYDG002 went directly into serpentinite at 25m, directly below the cover and failed to test the ultramafic contact.

In the current quarter, Stavely intend to selectively sample and assay both drill holes and conduct down hole electromagnetic surveys (DHEM) for detection of potential off-hole conductors.

Subsequent to the Quarter, Stavely informed Navarre that they had fulfilled the expenditure commitment of \$150,000 for the first earn-in period for the Stavely Farm-in and Joint Venture Agreement.

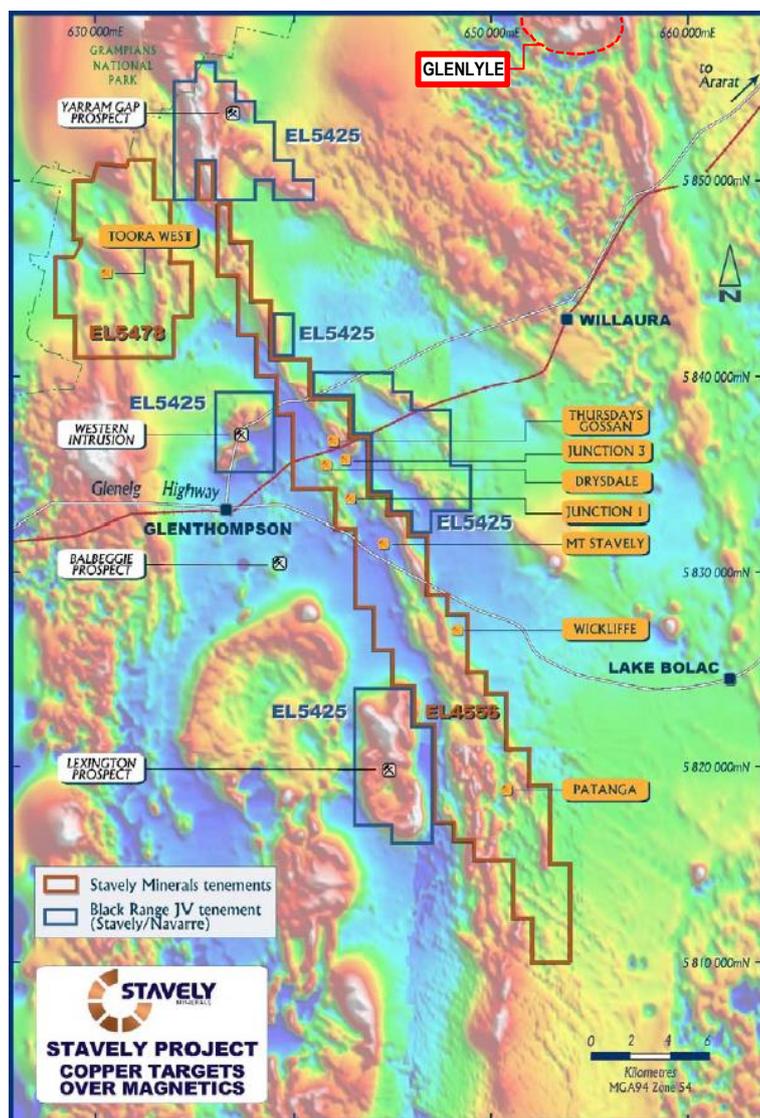


Figure 7: Location of targets on EL 5425 (diagram reproduced courtesy of Stavely Minerals Limited)

BLACK RANGE PROJECT (EL 4590) (Navarre 100%)

The Black Range Project captures three fault-bound segments of the Stavely Arc Volcanics (Figures 1 & 6). The Project area includes the Eclipse prospect where a supergene blanket of enriched copper (chalcocite) mineralisation is developed above widespread copper, gold and zinc mineralisation, interpreted to be associated with a potential deeper source of possible VMS or porphyry affinity (Figure 8).

During the Quarter, the Company commenced a 1,200m diamond drilling program (up to 3 diamond holes) to test a large induced polarisation geophysical chargeability anomaly beneath the shallow chalcocite mineralisation. At the end of the Quarter, first diamond hole ED001 was at a depth of 105m. Results of the drilling are expected to be reported in Q1 2020 following completion of the program.

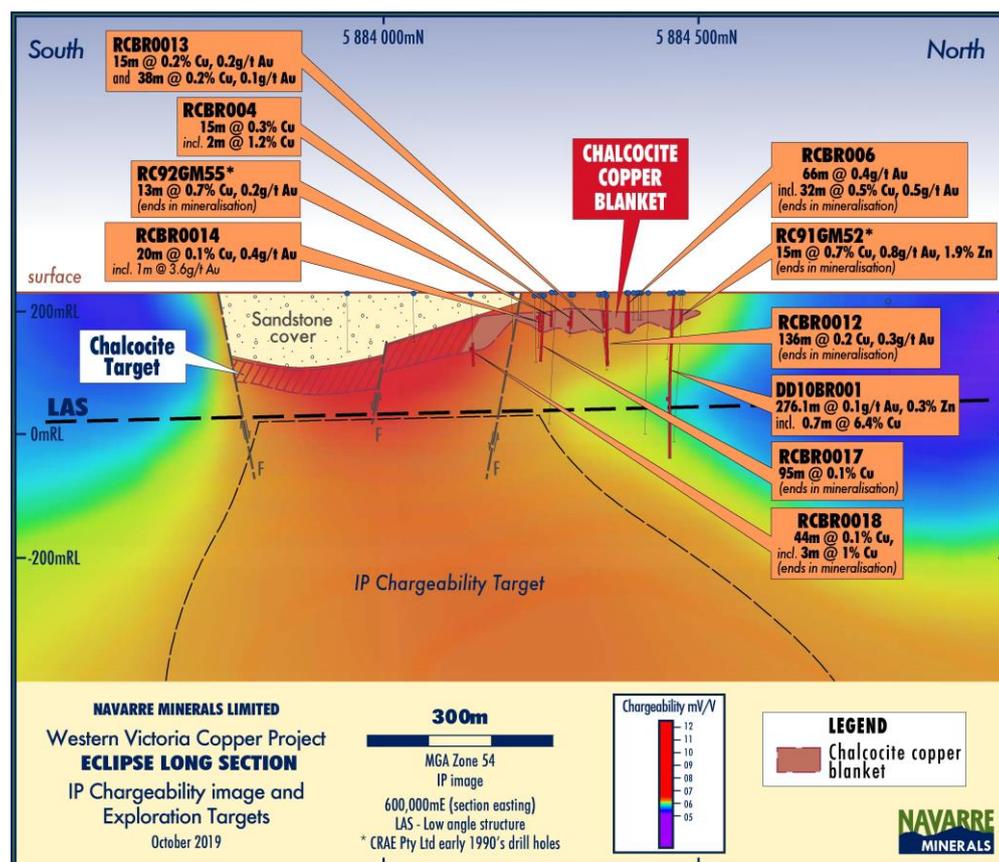


Figure 8: Longitudinal projection of Eclipse IP chargeability target

GLENLYLE PROJECT (EL 5497) (Navarre 100%)

The Glenlyle Project is located 25km north of Stavely's Thursdays Gossan prospect for which Stavely has recently reported significant widths of high-grade copper mineralisation in drilling (Figure 6).

The Glenlyle Project is a concealed target in the Stavely Arc Volcanics where regional geophysics indicate a possible circular intrusive at depth with potential for porphyry, epithermal and VMS mineralisation as indicated by other prospects in the Stavely Arc. Shallow AC drilling to date has identified a silver-gold anomaly at least 150m wide with grades of up to 390 g/t Ag, 4.0 g/t Au, 0.7% Zn and 0.3% Pb (refer ASX release 21 March 2019²). The anomalous zone, concealed beneath unmineralised Basalt Plains cover, remains open to the north, south and at depth.

The Glenlyle Project is believed to have potential for VMS mineralisation and Thursdays Gossan skarn-style copper mineralisation. During the Quarter the Company selected a more expansive airborne VTEM survey, in preference to a

² The Company confirms it is not aware of any new information or data that materially affects the information included in these market announcements.

smaller ground-based EM survey, over the exploration licence area to support drill targeting. The survey commenced on 28 January 2020 and is expected to take up to 4 days to complete, weather dependent.

Glenlyle is an early stage project with potential for polymetallic mineralisation hosted in either a porphyry, epithermal or a VMS setting.

TANDARRA GOLD PROJECT (RL 6660) (Navarre 49%)

The Tandarra Gold Project is a gold discovery located 40kms north of the 22 million ounce Bendigo Goldfield and approximately 50kms northwest from Kirkland Lake Gold's Fosterville Gold Mine (Figures 1 & 9). It is an advanced exploration project with strong potential to reveal a large-scale gold system obscured by shallow cover.

High-grade gold mineralisation at Tandarra is associated with several quartz reef structures, resembling the hard rock mineralisation in the Bendigo Goldfield. In geological terms, Tandarra is along strike from Bendigo and sits in a similar structural position relative to the regionally significant Whitelaw Fault (Figure 9).

In July 2019, a six hole, 1,566 metre diamond drilling program testing depth extensions and mineralised repetitions of the Tomorrow mineralisation was completed. Highlight intersections (refer ASX announcement 14 October 2019²) included:

- **7.0m @ 5.4 g/t Au** from within a broader interval of **14.6m @ 3.0 g/t Au** from 102.4m in DDT020;
- **0.4m @ 243 g/t Au** from 180.0m in DDT020; and
- **3.0m @ 4.7 g/t Au** from 118m in DDT023

The **0.4m @ 243 g/t Au** intercept occurs in a deeper prospective sandstone unit 100 metres below previously known mineralisation and may indicate the presence of an additional parallel lode.

During the Quarter, reconnaissance AC drilling commenced south of and on-strike of the Tomorrow and Macnaughtan zones as part of a broader 25,000m program of AC, RC and diamond drilling. Geological logging of drill samples reported significant zones of quartz and pyrite veining in several holes.

By the end of the Quarter 3,235m of drilling in 27 holes had been completed.

Exploration at the advanced Tandarra Gold Project continues to reveal a large-scale gold system.

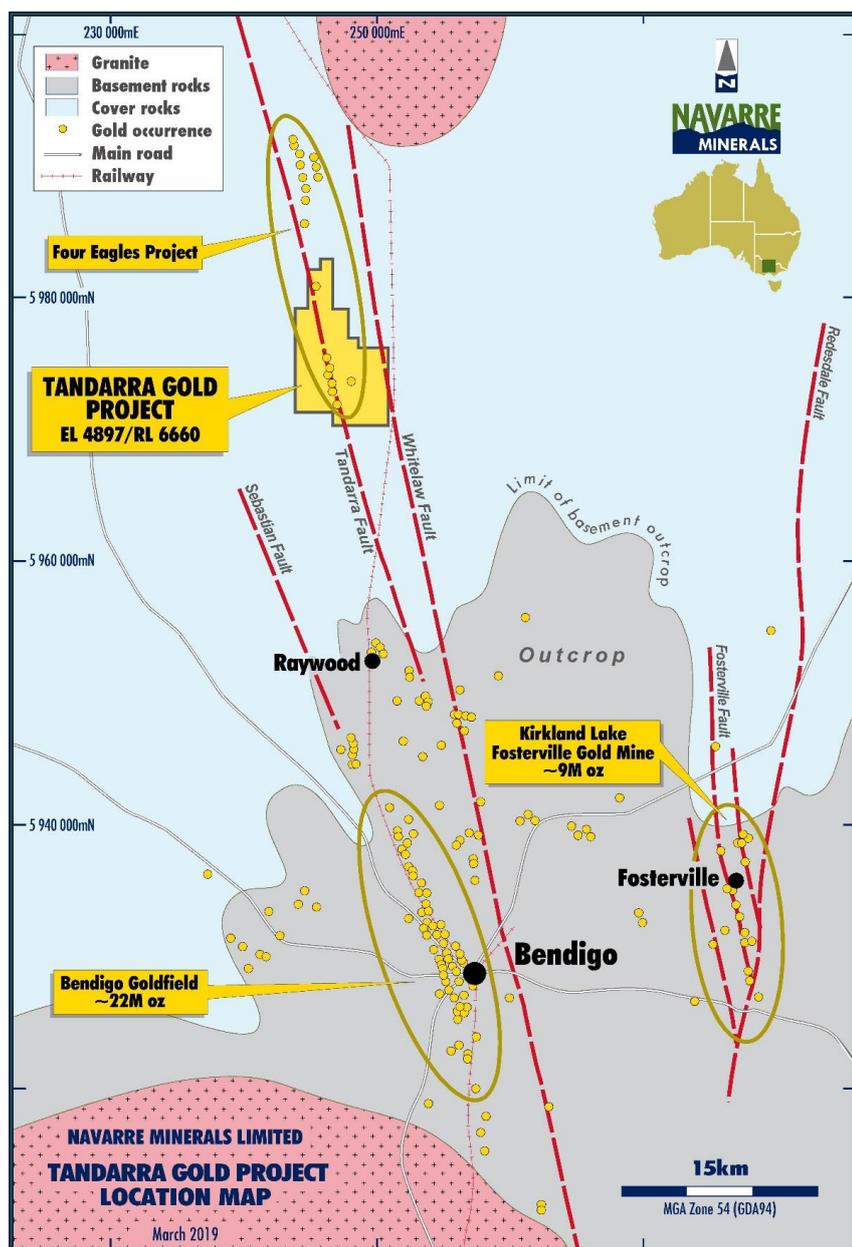


Figure 9: Tandarra Gold Project location map

ST ARNAUD GOLD PROJECT (Navarre 100%)

There was no activity during the December 2019 Quarter.

The St Arnaud Gold Project surrounds the historical St Arnaud Gold field (~400,000oz production) where high-grade gold was mined from quartz lodes in a structural setting consistent with most gold deposits in Central Victoria, including Bendigo and Fosterville (Figure 1). Navarre has focused on the St Arnaud East historical goldfield. Located 5km to the east of the main St Arnaud goldfield and exposed at surface, the St Arnaud East Prospect comprises quartz-reef structures in a similar structural setting to the high-grade Swan and Eagle Zones at the Fosterville Gold Mine (located 130km to the east of St Arnaud).

The St Arnaud Gold Project is an early stage project with potential to host high-grade gold and silver in quartz veins similar in structure and geometry to Fosterville’s Swan and Eagle zones.

2. ACTIVITIES PLANNED FOR THE NEXT QUARTER

Stawell Corridor Gold Project:

Irvine basalt dome:

- Complete current program of diamond drilling (~4,000m remaining) at Resolution and Adventure Lodes to expand known mineralisation at depth.

Langi Logan basalt dome:

- Complete current phase of reconnaissance AC drilling (~6,000m remaining) to assess various targets along the 12km strike length of the Langi Logan basalt dome.
- Complete VTEM survey.
- Commence diamond drill testing on Target A (~1,000m).

Stavelly Arc Projects:

Glenlyle Gold – Silver Project:

- Complete airborne VTEM survey.
- Commence AC (~6,000m) and diamond drill (~2,000m) testing of geochemical and geophysical targets.

Black Range Project (EL 4590):

- Complete diamond drilling (~1,200m) to test IP chargeability target at Eclipse.

Stavelly Project (EL 5425):

- Conduct a DHEM survey on the recently drilled holes at the Yarram Gap Prospect to detect if there are any off-hole conductors within a radius of ~200m of the drill hole.
- Conduct selective sampling and assaying on diamond holes SYGD001 and SYG002 through zones of interest.

Tandarra Gold Project:

- Continue a program of approximately 25,000m of AC, RC and diamond drilling targeting Tomorrow zone extensions as well as testing several regional targets in basement rocks under shallow Murray Basin cover.

St Arnaud Gold Project:

- No significant activity planned for the quarter.

3. CORPORATE

- The Company's cash balance at 31 December 2019 was \$8.7 million.
- In October 2019 the Company completed a \$4.75 million Share Placement (before costs).
- During the Quarter eligible investors received a statement of their Junior Minerals Exploration Incentive (JMEI) 2018/ 19 tax credit entitlements. The JMEI tax credits need to be claimed with the investor's 2018/ 19 tax return.

4. MINERAL TENEMENT PORTFOLIO

The mineral tenement holding of the Navarre Minerals Limited Group as at 31 December 2019 is:

Name	Tenement	Tenure Type	Status	NML Group Interest
STAWELL CORRIDOR GOLD PROJECT (south of Stawell, Victoria)				
Ararat	EL 5476	Exploration Licence	Granted	100%
Tatyoorn	EL 5480	Exploration Licence	Granted	100%
Long Gully	EL 6525	Exploration Licence	Granted	100%
Westgate	EL 6526	Exploration Licence	Granted	100%
Petticoat Gully	EL 6527	Exploration Licence	Granted	100%
Dutton	EL 6528	Exploration Licence	Granted	100%
<i>Eastern Maar</i>	<i>ELA 6530</i>	<i>Exploration Licence</i>	<i>Application</i>	<i>0%</i>
Langi Logan	EL 6702	Exploration Licence	Granted	100%
Langi Logan West	EL 6745	Exploration Licence	Granted	100%
<i>Margaret Gully</i>	<i>ELA 6843</i>	<i>Exploration Licence</i>	<i>Application</i>	<i>0%</i>
<i>Mininera</i>	<i>ELA 7125</i>	<i>Exploration Licence</i>	<i>Application</i>	<i>0%</i>
TANDARRA GOLD PROJECTS (north of Bendigo, Victoria)				
Tandarra	RL 6660	Retention Licence	Granted	49%
ST ARNAUD GOLD PROJECT (north of Stawell, Victoria)				
St Arnaud	EL 6556	Exploration Licence	Granted	100%
<i>Lord Nelson</i>	<i>ELA 6819</i>	<i>Exploration Licence</i>	<i>Application</i>	<i>0%</i>
WESTERN VICTORIA COPPER PROJECT (west of Stawell, Victoria)				
Black Range	EL 4590	Exploration Licence	Granted	100%
Stavely	EL 5425	Exploration Licence	Granted	100% [#]
Glenlyle	EL 5497	Exploration Licence	Granted	100%

[#] Stavely Minerals Limited has the right to earn an 80% interest in Stavely by expenditure of \$0.45 million to 2022.

The Company's beneficial interests in any farm-in or farm-out agreements did not change during the Quarter, except as stated elsewhere in this Report.

The statutory partial relinquishment of the original tenement areas of EL 5425 and EL 6556 were completed during the Quarter.

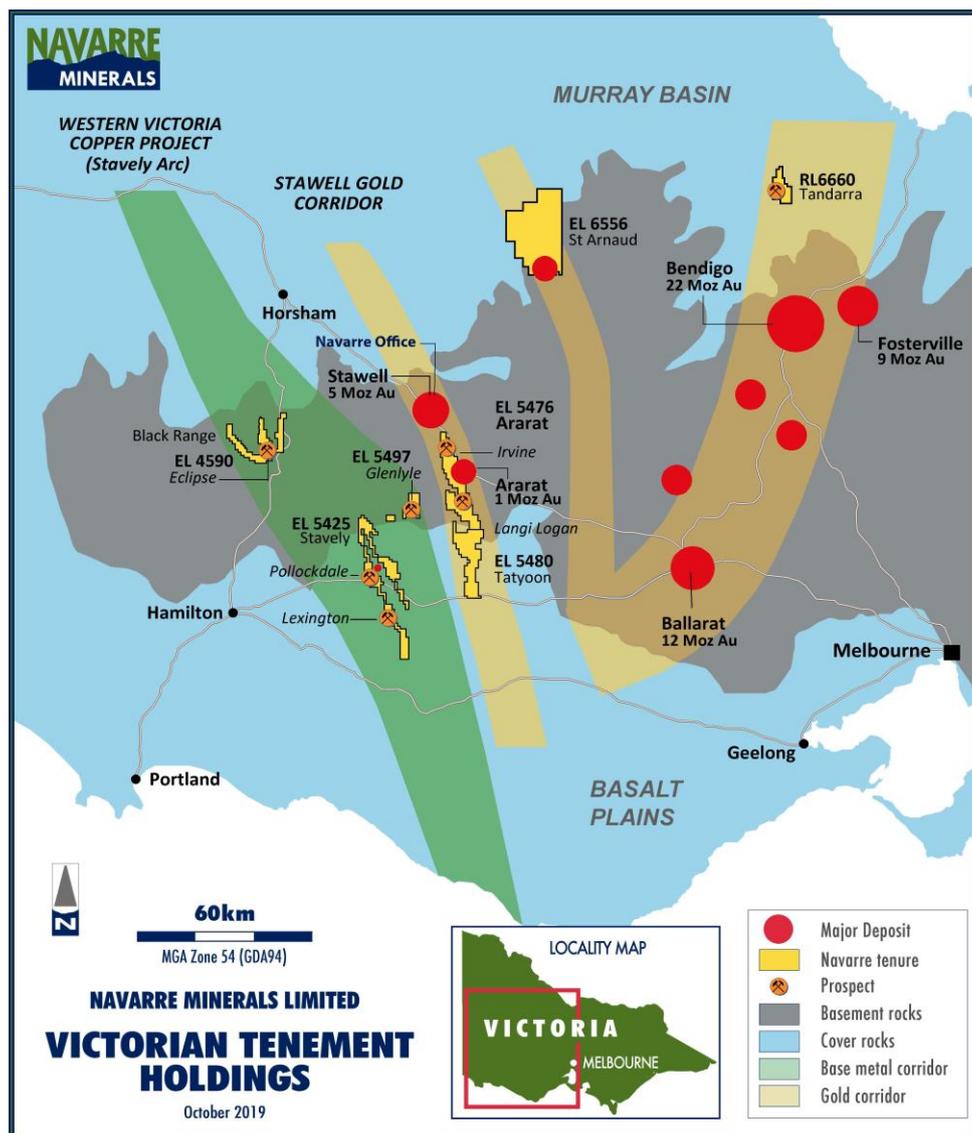


Figure 10: Location of Navarre’s mineral projects

- ENDS -

For further information, please visit www.navarre.com.au or contact:

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About Navarre Minerals Limited:

Navarre Minerals Limited (**ASX: NML**) is an Australian-based resources company that is creating value from a portfolio of early to advanced stage gold and base metals projects in Victoria, Australia (Figure 10).

Navarre is searching for gold deposits in an extension of a corridor of rocks that host the Stawell (~five million ounce) and Ararat (~one million ounce) goldfields (**The Stawell Corridor Gold Project**). The discovery of outcropping gold on the margins of the **Irvine** basalt dome and high-grade gold in shallow drilling at **Langi Logan** are a prime focus for the Company. These projects are located 20km and 40km respectively south of the operating 4Moz Stawell Gold Mine.

The high-grade **Tandarra Gold Project** is located 50km northwest of Kirkland Lake Gold's world-class Fosterville Gold Mine, and 40km north of the 22 million-ounce Bendigo Goldfield. Exploration at Tandarra, in Joint Venture with Catalyst Metals Limited (NML 49%), is targeting the next generation of gold deposits under shallow cover in the region.

The Company is searching for a high-grade gold at its **St Arnaud Gold Project**. Recent reconnaissance drilling has identified gold mineralisation under shallow cover, up to 5km north from the nearest historical mine workings, which the Company believes may be an extension of the 0.4Moz St Arnaud Goldfield.

The Company is also targeting large volcanic massive sulphide, epithermal and porphyry copper-gold deposits in the **Stavelly Arc** volcanics in western Victoria. The Project area captures multiple polymetallic targets in three project areas including **Glenlyle**, **Black Range** and **Stavelly**. All properties are 100% owned except EL5425 where Stavelly Minerals Limited is earning an 80% interest by spending \$0.45M over 5 years.

Competent Person Declaration

The information in this release that relates to the Company's Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Shane Mele, who is a Member of The Australasian Institute of Mining and Metallurgy and who is the Exploration Manager of Navarre Minerals Limited. Mr Mele has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration, 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, Mineral Resources and Ore Reserves'. Mr Mele consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Forward-Looking Statements

This announcement contains "forward-looking statements" within the meaning of securities laws of applicable jurisdictions. Forward-looking statements can generally be identified by the use of forward-looking words such as "may", "will", "expect", "intend", "plan", "estimate", "anticipate", "believe", "continue", "objectives", "outlook", "guidance" or other similar words, and include statements regarding certain plans, strategies and objectives of management and expected financial performance. These forward-looking statements involve known and unknown risks, uncertainties and other factors, many of which are outside the control of Navarre and any of its officers, employees, agents or associates. Actual results, performance or achievements may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. Exploration potential is conceptual in nature, there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource. Readers are cautioned not to place undue reliance on forward-looking statements and Navarre assumes no obligation to update such information.