

# Navigator Resources Limited

## (ACN 063 366 487)

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### PROSPECTUS

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For the offer of up to 200,000,000 Shares (**First Placement A Shares**) at an issue price of \$0.0025 per First Placement A Share to raise \$500,000; the offer of up to 25,000,000 Shares (**First Placement B Shares**) at an issue price of \$0.00001 per Share to raise up to \$250; and the offer of up to 175,000,000 options (**First Placement Options**) for nil consideration.

For the offer of up to 150,000,000 Shares (**Second Placement Shares**) at an issue price of \$0.01 per share to raise up to \$1,500,000.

For the offer of up to 50,000,000 Management Options (**Management Options**).

(The offer of the First Placement A Shares, First Placement B Shares and First Placement Options, Second Placement Shares and Management Options are collectively referred to as the **Offers**).

**IMPORTANT:** This is an important document that should be read in its entirety. If you do not understand it you should consult your professional advisers without delay. The Securities offered by this Prospectus should be considered highly speculative.

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## IMPORTANT INFORMATION

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Below is important information in relation to the Offers. Shareholders should read this document in its entirety and, if in doubt as to any of the matters set out in this Prospectus, should consult their professional advisers.

### Summary of the Offers

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As announced on 21 January 2016, the Shareholders of Navigator Resources Limited (ACN 063 366 487) (**Company**) have approved a restructure and recapitalisation of the Company (**Proposal**) as summarised in the Company's Notice of Extraordinary Meeting to Shareholders (**NOM**) dated 18 December 2015 and in Section 5 of this Prospectus.

Subsequent to the Extraordinary General Meeting of the Company that was held on 21 January 2016 (**Meeting**), Auxano LLP a member of the syndicate (**Syndicate**), has lent a total of \$615,000 to the Company as an unsecured interest free loan. The loan funds have been applied by the Company in satisfaction of the terms of the Deed of Company Arrangement (**DOCA**) and in particular the requirement to pay \$615,000 to Pitcher Partners (**Administrators**) for the purposes of satisfying approved creditors' claims under the creditors' trust deed (**Creditors' Trust Deed**). Following the effectuation of the DOCA on 12 February 2016, the Company has been removed from external administration. At the Syndicate's election, the loan funds will be repaid to Auxano LLP out of the proceeds of the Offers.

Pursuant to this Prospectus, the Company makes the following Offers:

Offers	
<b>First Placement</b>	The Syndicate (or their nominees) and other investors that are invited by the Syndicate as part of the Proposal are invited to subscribe for: <ul style="list-style-type: none"><li>up to 200,000,000 Shares (<b>First Placement A Shares</b>) at an issue price of \$0.0025 per First Placement A Share, to raise up to \$500,000;</li><li>up to 25,000,000 Shares (<b>First Placement B Shares</b>) at an issue price of \$0.00001 per First Placement B Share, to raise up to \$250; and</li><li>up to 175,000,000 unlisted Options (<b>First Placement Options</b>) for nil consideration.</li></ul>
<b>Second Placement</b>	General investors (that may include the Directors (or their nominees)) are invited to subscribe for up to 150,000,000 Shares ( <b>Second Placement Shares</b> ) at an issue price of \$0.01 per Second Placement Share to raise up to \$1,500,000.
<b>Management Offer</b>	Proposed directors, key management and advisors of the Company are invited to subscribe for up to 50,000,000 management options ( <b>Management Options</b> ).

The rights attaching to the Securities offered by this Prospectus are set out in Section 7 of this Prospectus.

The purpose of this Prospectus is for the Company to make the Offers under section 713 of the Corporations Act.

## Summary of important dates\*

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	Date
Lodgement of the Prospectus in relation to the capital raising, opening of the Offers	16 February 2016
Opening Date for the First Placement and Second Placement	17 February 2016
Closing Date for the First Placement	1 March 2016
Closing Date for the Second Placement	4 March 2016
Dispatch of holding statements	7 March 2016
Expected date for reinstatement of the Company to Official Quotation on ASX**	11 March 2016

\* The Directors reserve the right to bring forward or extend the Closing Date at any time after the Opening Date without notice. As such, the date the Securities are expected to commence trading on ASX may vary with any change in the Closing Date.

\*\* Please refer to the 'Important Information' Section of this Prospectus for details of ASX's reinstatement conditions.

## Key Investment Risks

Prospective investors should read this Prospectus in its entirety before deciding whether to apply for Securities under this Prospectus. In particular, you should consider the risk factors set out in Section 8 of this Prospectus, which include the following key investment risks:

Risk area	Further details
<p><b>Financial reporting and AGM breaches:</b> The Company has been under administration since 28 March 2013. As such the financial reports for the years ended 30 June 2013, 30 June 2014 and 30 June 2015 and half-years ended 31 December 2013 and 31 December 2014 have not been lodged with ASX and ASIC within the time specified under the Corporations Act.</p> <p>These failures to lodge financial reports occurred prior to the appointment of the current Board of Directors. The Company cannot guarantee that ASIC will not take enforcement action against the Company in respect of the delayed lodgement of these reports as outlined above.</p>	Section 8.2.1
<p><b>Control – Concentration of ownership within members of the Syndicate:</b> The Securities to be placed to the Syndicate (or their nominees) pursuant to the Proposal will constitute up to approximately 80.88% of the Company's fully diluted capital (assuming the Offers are fully subscribed). There will therefore be a concentration of ownership of the Company among the Syndicate (and their nominees). Some investors may consider that this increases the risk of participating in the Offers as external investors and existing shareholders not related to or associated with the Syndicate will only control approximately 19.12% of the Company.</p> <p>In addition the proposed maximum voting power of the Syndicate (or their nominees) on a fully diluted basis is 80.88%.</p> <p><b>This should not be taken as a representation that members of the Syndicate (and their nominees) act in concert with one another, would be likely to exercise their voting rights as Shareholders in the same manner, or as a whole are associated parties.</b></p>	Section 8.2.2
<p><b>Control by incoming board:</b> As outlined in Table 1, the proposed maximum voting power of the proposed Directors of the Company is 38.69% (assuming the Offers are fully subscribed). Therefore, there will be a concentration of ownership of the Company with the Board.</p> <p><b>This should not be taken as a representation that the Directors (and their nominees) act in concert with one another, would be likely to exercise their voting rights as Shareholders in the same manner, or as a whole are associated parties.</b></p>	Section 8.2.3
<p><b>Renewal of Exploration Licence:</b> There is a risk that the Exploration Licence the company holds in the Cummins Range Project (E80/2232) may not be renewed.</p>	Section 8.2.4
<p><b>Mineral exploration and development risk:</b> Mineral exploration and development are high risk undertakings, which can be affected by a range of factors outside of the Company's control.</p>	Section 8.2.5
<p><b>Operational and technical risk:</b> The Company intends to continue its mineral exploration. The Company's performance and its ability to conduct its business activities are not guaranteed. The Company's operations may be affected by a range of factors outside of its control.</p>	Section 8.2.6
<p><b>Competition risk:</b> The Company's current and future potential competitors include companies with substantially greater resources to compete within the same industry.</p>	Section 8.2.7

Risk area	Further details
<p><b>New Board:</b> The Company has recently appointed a new Board of Directors who have limited expertise in the mining exploration industry in which the Company has historically operated in.</p>	Section 8.2.8
<p><b>Economic Risks:</b> The Company will be subject to the overall direction of economic activity and sentiment.</p>	Section 8.3.1
<p><b>Market conditions:</b> The market price of the Company's Securities can fall as well as rise and may be subject to varied and unpredictable influences in the market for equities.</p>	Section 8.3.2
<p><b>Security Investments:</b> As the securities being offered pursuant to this Prospectus will be listed on ASX they could be subject to extreme price and volume fluctuations.</p>	Section 8.3.3
<p><b>Future capital requirements:</b> The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.</p>	Section 8.3.4
<p><b>Legislative changes, government policy and approvals:</b> Changes to laws, regulations and accounting standards could materially adversely impact the Company's mining activities.</p>	Section 8.3.5
<p><b>Other Projects:</b> The Company may acquire other projects and these may have risks for investors.</p>	Section 8.3.6
<p><b>Investment speculative:</b> The risk factors referred to in this Prospectus, and others not specifically referred to in this Prospectus, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.</p> <p><b>Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.</b></p>	Section 8.4

## **Directors**

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### **Mr Greg Ruddock, Non-Executive Chairman**

Greg is the Joint Chief Executive Officer of Ironbridge and co-leads Investment and Portfolio Management activities with Neil Broekhuizen. Greg has 13 years of private equity experience with GPEL and Ironbridge.

Prior to joining GPEL in 1999, Greg had twelve years operational experience at leading Australian industrial group Wesfarmers and with diversified listed company Avatar, where he was Managing Director of one of its major subsidiaries.

Within the GPEL portfolio Greg led the successful development of Electronic Banking Solutions/Cashcard ("EBS/Cashcard"). In 2003 Greg became one of the Founding Partners of Ironbridge and has led its successful financial and outsourced services investment programme across both Ironbridge Funds.

Greg has sat on the Ironbridge Investment Committee since inception and has represented the Ironbridge Funds on the Boards of Stardex, Super A-mart, EnviroWaste, Easternwell, FleetPartners, ISGM and AOS.

Greg is qualified as an accountant and holds a Bachelor of Commerce degree from the University of Western Australia.

As at the date of this Prospectus, Mr Ruddock does not have a direct or indirect interest in the Company.

### **Mr Glen Dobbie, Managing Director**

Glen is the Managing Partner of Auxano LLP, an investment firm that seeks to provide mid-market businesses with whatever they need to grow. Prior to this role, Glen was formerly the Group Commercial Director at Arowana & Co, where he was primarily responsible for the investment operations of the ASX listed, Arowana International Limited. During his 8 years at Arowana & Co, the firm recorded returns of over 30% per annum and Arowana International Limited's share price rose to \$1.00 from a listing price of \$0.35.

Glen has particular experience in "hands on" operational management across a variety of industries including education, media, infrastructure, engineering, waste management and technology businesses.

Glen has been involved in various capital raising activities and held directorships across a range of sectors for listed and unlisted companies as well as private equity funds.

Glen holds a Bachelor of Commerce (Honours) degree from the University of New South Wales where he was a University Co-Op Scholar with the School of Accounting. Glen also has a Graduate Diploma of Chartered Accounting from ICAA and is a certified Gazelles business coach.

As at the date of this Prospectus, Mr Dobbie does not have a direct or indirect interest in the Company.

### **Mr Joshua McKean, Non-Executive Director**

Josh joined the private equity industry in the early 2000's at JPMorgan where he helped establish their Small Caps M&A and Financial Sponsors practice in Sydney. Having advised on the merger of Gresham Private Equity's EBS with Cashcard, Josh joined Cashcard as Business Development Manager. From there Josh joined the leading global private equity manager in Sydney, CVC Capital Partners.

Whilst at Cashcard Josh led due diligence on a number of acquisitions, including the successful acquisition of Direct Cash, a Melbourne based ATM deployer and assisted Gresham Private Equity in preparing the business for exit via a dual-track process.

Josh joined CVC Capital Partners in 2003 and worked on a number of successful transactions including the A\$1.2 billion IPO of Pacific Brands, the sale of Tech Pacific to Ingram Micro for A\$700 million, and the acquisition and subsequent divestment of Affinity Health to Ramsay Healthcare for A\$1.4 billion.

Josh joined Ironbridge in October 2005 and has played a lead role in the Ironbridge Fund's investment in Super A-Mart, the turnaround of Barbeques Galore Australia which has tripled EBITDA as well as the subsequent merger of Super A-Mart and Barbeques Galore Australia to form BBQSAM.

Within the Ironbridge Fund II portfolio Josh has led the successful investments into Easternwell, a buy and build of a specialist mining services business that successfully exited to Transfield and its investment in Infrastructure Services Group (ISGM), a leading provider of advisory and outsourcing services in the Australian market that has quadrupled EBITDA in the last 4 years and ranked 9th in the 2014 BRW Fast 100.

Josh holds a Bachelor of Commerce degree with Honours (First Class) from the University of Melbourne.

As at the date of this Prospectus, Mr McKean does not have a direct or indirect interest in the Company.

### **Mr Malcolm Keefe, Non-Executive Director**

Malcolm has over 30 years of general management experience in a variety of businesses including education, information technology, print, and office products.

Malcolm served as the Non-Executive Independent Chairman and Director of Arowana International Limited from November 2011 to March 2015.

Malcolm has served as Executive Director and Chief Operating Officer at Corporate Express Australia Ltd (also known as Staples Australia Pty Limited) until February 2010 and during his tenure the Company was one of the best performing on the ASX with controlled and sustained growth.

Malcolm also served as Chief Executive Officer of Kalamazoo (Aust) Pty Limited. He held senior management positions with the Swire Group in Hong Kong and with Kalamazoo PLC in the United Kingdom.

Malcolm has a B.Sc. (Hons) from University of London.

As at the date of this Prospectus, Mr Keefe does not have a direct or indirect interest in the Company.



## **Directors' interests in the Company**

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As set out above and in Section 9.4 of this Prospectus, none of the Directors hold any Securities in the Company as at the date of this Prospectus.

However, at the Meeting, Shareholders of the Company approved the issue of Securities to the Directors (or their nominees) pursuant to the First Placement, Second Placement and Management Offer. The Directors and their nominees are therefore entitled to participate in the First Placement, Second Placement and Management Offer, and their current proposed participation in the Offers is set out in Table 1 on page 9 of this Prospectus (Dilutionary Effect of Issue of Securities to the Directors).

**Table 1 Dilutionary effect of issue of securities to the Directors**

Holder	Issued shares as at the date of this Notice of Meeting	First Placement shares to be issued	Second Placement Shares to be issued	Total Shares Issued	Dilutionary effect upon issue of First and Second Placement Shares (undiluted) <sup>1</sup>	First placement options to be issued	Management Options to be issued	Issued Shares upon issue of First and Second Placement Securities (fully diluted)	Dilutionary Effect upon issue of First and Second Placement Securities <sup>2</sup>
<b>Syndicate (Related Parties)</b>									
Mr Dobbie	-	45,000,000	11,250,000	56,250,000	14.30%	36,600,000	13,942,856	106,792,856	17.27%
Mr Keefe	-	20,000,000	5,000,000	25,000,000	6.36%	15,000,000	5,714,286	45,714,286	7.39%
Mr Ruddock	-	20,000,000	5,000,000	25,000,000	6.36%	15,000,000	3,333,333	43,333,333	7.01%
Mr McKean	-	20,000,000	5,000,000	25,000,000	6.36%	15,000,000	3,333,333	43,333,333	7.01%
<b>Related Parties Total</b>		<b>105,000,000</b>	<b>26,250,000</b>	<b>131,250,000</b>	<b>33.38%</b>	<b>81,600,000</b>	<b>26,323,808</b>	<b>239,173,808</b>	<b>38.69%</b>
<b>Syndicate (non-related parties)</b>									
Non Related Parties	-	120,000,000	23,750,000	143,750,000	36.56%	93,400,000	23,676,192	260,826,192	42.19%
<b>Syndicate Total</b>	<b>-</b>	<b>225,000,000</b>	<b>50,000,000</b>	<b>275,000,000</b>	<b>69.94%</b>	<b>175,000,000</b>	<b>50,000,000</b>	<b>500,000,000</b>	<b>80.88%</b>
Public offer under second placement	-	-	100,000,000	100,000,000	25.43%	-	-	100,000,000	16.17%
Existing Shareholders	18,223,695	-	-	18,223,695	4.63%	-	-	18,223,695	2.95%
<b>FINAL TOTAL</b>	<b>18,223,695</b>	<b>225,000,000</b>	<b>150,000,000</b>	<b>393,223,695</b>	<b>100.00%</b>	<b>175,000,000</b>	<b>50,000,000</b>	<b>618,223,695</b>	<b>100.00%</b>

**Notes:**

- 1 Assumes that all First and Second Placement Shares are issued.
- 2 Assumes a total of 393,223,695 shares are on issue (including First and Second Placement Shares, all 175,000,000 First Placement Options and 50,000,000 Management Options are exercised, resulting in a total issued Share Capital of 618,223,695 Shares. The aggregate dilutionary effect of the issue of the Related Party Securities is 38.69% on the basis that each proposed Director is deemed to hold a relevant interest in each other proposed Director's Related Party Securities.

## ASX Reinstatement Conditions

ASX has provided a list of conditions which the Company must comply with in order for its Securities to be reinstated to Official Quotation. The below Table sets out the conditions and each of their statuses, as of the date of this Prospectus:

ASX Reinstatement Conditions	Completion Status
Confirmation that the Company has satisfied each of its obligations pursuant to the proposed varied DOCA, and accordingly the proposed varied DOCA has been effectuated and the Company is not subject to any other forms of external administration, receivership or liquidation.	The DOCA has been effectuated on 12 February 2016
Confirmation that the Company retains its interest in Cummins Range, located in East Kimberly (the <b>Tenements</b> ) and that they are in good-standing.	To be confirmed as part of the re-listing process.
Confirmation that the Company's secured creditors have released and discharged any security granted to them by the Company and there are no outstanding security interests over the Tenements and that the Company's secured creditors have no further interest in the Tenements and the other tenements in which the Company has an interest including no rights of repossession or the right to exercise its power of sale.	Confirmed, this occurred when the DOCA effectuated.
The Company's shareholders approving all the resolutions to be considered at a general meeting of shareholders ( <b>Meeting</b> ) and the issue of all the securities approved by the shareholders.	Satisfied on 21 January 2016.
<p>The Company demonstrating compliance with listing rules 12.1 to 12.4 inclusive, to the satisfaction of the ASX, as set out below:</p> <ul style="list-style-type: none"> <li>• The Company's Business Objectives satisfy the requirements of listing rule 12.1.</li> <li>• Confirmation of completion of the Company's capital raising of up to \$2,500,000 under the Company's prospectus and that, after payment of the costs of the capital raising (if any) and payments to the deed administrators to satisfy obligations under the propose varied DOCA, the Company can demonstrate to ASX that it will have a minimum of \$1,000,000 in cash, net of all liabilities, at the date of reinstatement, to satisfy listing rule 12.2.</li> <li>• The Company demonstrating to the satisfaction of ASX that it has commitments to spend at least 50% of its cash held at the date of reinstatement on the core business.</li> <li>• The Company's level of shareholder spread will satisfy the requirements of listing rule 12.4 if there are at least 300 holders each holding at least \$500 worth of fully paid ordinary shares.</li> </ul>	To be confirmed as part of the re-listing process.

ASX Reinstatement Conditions	Completion Status
<p>Confirmation the securities to be issued pursuant to the Recapitalisation have been issued, and despatch of each of the following has occurred:</p> <ul style="list-style-type: none"> <li>In relation to all holdings on the CHESS subregister, a notice from the Company under ASX Settlement Operating Rule 8.9.1.</li> <li>In relation to all other holdings, issuer sponsored holding statements.</li> <li>Any refund money.</li> </ul>	<p>Confirmation will be provided to ASX post-completion of the capital raising that is being conducted under this Prospectus.</p>
<p>Lodgement of all outstanding Appendices 3B with ASX for issues of new securities.</p>	<p>Following completion of the capital raising that is being conducted under this Prospectus, the Company will lodge Appendices 3B for the current Board.</p>
<p>Reinstatement of the Company's CHESS sub-register.</p>	<p>The Company's CHESS sub-register has been reinstated.</p>
<p>Lodgement of any outstanding reports (other than quarterly reports) for the period since the Company's securities were suspended and any other outstanding documents required by listing rule 17.5.</p>	<p>Completed on 15 February 2016</p>
<p>Provision of the following documents, in a form suitable for release to the market:</p> <ul style="list-style-type: none"> <li>A statement setting out the names of the 20 largest holders of each class of securities to be quoted, including the number and percentage of each class of securities held by those holders.</li> <li>A distribution schedule of the numbers of holders in each class of security to be quoted, setting out the number of holders in the following categories: <ul style="list-style-type: none"> <li>1 - 1,000</li> <li>1,001 - 5,000</li> <li>5,001 - 10,000</li> <li>10,001 - 100,000</li> <li>100,001 and over</li> </ul> </li> <li>A statement outlining the Company's capital structure.</li> <li>An updated pro forma balance sheet based on actual funds raised.</li> <li>An updated statement of commitments based on actual funds raised, such that at least 50% of cash on the pro-forma balance sheet is applied to specific commitments consistent with the company's Business Objectives.</li> </ul>	<p>The documents will be provided to ASX as part of the Company's application for reinstatement.</p>

ASX Reinstatement Conditions	Completion Status
<ul style="list-style-type: none"> <li>• A consolidated activities report setting out the proposed business strategy for the Company (including an update on the status of the Company's assets and the current activities with respect thereto).</li> <li>• A copy of the Company's business plan (or a comprehensive summary to be include in the prospectus).</li> <li>• A statement confirming the Company is in compliance with the listing rules, and in particular, listing rule 3.1.</li> <li>• A notice detailing the Company's registered office and contact details in this regard.</li> <li>• A statement advising the names of the Company's directors and company secretary following the recapitalisation of the Company.</li> <li>• A statement disclosing the extent to which the Company has followed the recommendations set by the ASX Corporate Governance Council. If the Company has not followed all of the recommendations, the Company must identify those recommendations that have not been followed and give its reasons for not following them.</li> </ul>	
Confirmation of the responsible person for communication with ASX for the purposes of listing rule 12.6.	The responsible person will be Alistair McKeough as Company Secretary.
Lodgement of Initial Director's Interest Notices (Appendix 3X) for the incoming directors	The documents will be provided to ASX as part of the Company's application for reinstatement.
Payment of any other ASX fees applicable and outstanding. The Company's outstanding fees will be advised in due course.	The Company will pay all fees required by ASX as part of the Company's application for reinstatement.
Provision of any other information required by ASX	Ongoing until reinstatement.

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## **IMPORTANT NOTES**

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This Prospectus is dated 16 February 2016. This Prospectus was lodged with ASIC and ASX on 16 February 2016. For the purposes of this document, this Prospectus will be referred to as “**this Prospectus**”.

Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

The Expiry Date of this Prospectus is 13 months after the date it was lodged with ASIC. No Securities will be allotted or issued on the basis of this Prospectus after the Expiry Date.

Applications for Securities offered pursuant to this Prospectus can only be submitted on an original Application Form which accompanies this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

### **Jurisdiction**

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This Prospectus does not constitute an offer, whether in electronic or paper form, in any place which, or to any person to whom it would not be lawful to make such an offer. This Prospectus only constitutes an offer in Australia or New Zealand. Where this Prospectus has been dispatched to, or accessed electronically outside Australia or New Zealand, this Prospectus is provided for information purposes only.

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons into whose possession this document comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions constitutes a violation of those laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

It is the responsibility of all Applicants to ensure compliance with the laws of any country relevant to their application for Securities under this Prospectus.

### **Electronic Prospectus**

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A copy of this Prospectus can be downloaded from the website of the Company at [www.navlimited.com.au](http://www.navlimited.com.au).

Any person accessing the electronic version of this Prospectus for the purpose of making an investment in the Company must be an Australian or New Zealand resident and must only access this Prospectus from within Australia or New Zealand.

## **Application Forms**

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Pursuant to Class Order 00/44, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic prospectus and electronic application form on the basis of a paper prospectus lodged with ASIC, and the publication of notices referring to an electronic prospectus or electronic application form, subject to compliance with certain conditions.

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Form. If you have not, please contact the Company and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

The Corporations Act prohibits any person passing onto another person an Application Form for Securities unless it is attached to a hard copy of this Prospectus or it accompanies the complete and unaltered version of this Prospectus. Any person may obtain a hard copy of this Prospectus free of charge by contacting the Company.

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## LETTER FROM THE BOARD

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Dear Investor,

On behalf of the newly appointed Directors of Navigator Resources Limited (**Company** and **NAV**), I am pleased to invite you to become a Shareholder of the Company.

As you may be aware, on 28 March 2013, Mr Bryan Hughes of Pitcher Partners (**Administrator** and **Deed Administrator**) was appointed as Administrator of the Company and assumed control of the Company and its business, property and affairs.

The first meeting of creditors of the Company (**Creditors**) was held by the Administrator on 11 April 2013. At the second meeting of Creditors which was held by the Administrator on 11 August 2015, the Creditors agreed to a proposal presented by a syndicate (**Syndicate**) headed by Auxano LLP and Otsana Capital for the restructure and recapitalisation of the Company (**Proposal**). Further details of the Proposal are set out later in this letter.

Following approval by the Creditors, a varied deed of company arrangement (**DOCA**) was entered into by the Company on 8 September 2015 (**DOCA**) where the Administrator was appointed Deed Administrator in order to effectuate the terms of the Proposal.

The Proposal to restructure and recapitalise the Company required Shareholder approval, and accordingly, a Notice of Meeting dated 18 December 2015 (**NOM**) was despatched to Shareholders. Pursuant to the NOM, an Extraordinary General Meeting was held on 21 January 2016 (**Meeting**). At the Meeting, Shareholders approved all the Resolutions, thereby approving the Proposal. Since then, the Company has undertaken the necessary steps to effectuate the terms of the Proposal.

As announced by the Company on 12 February 2016, as part of the Proposal the Company had appointed a new Board of Directors to revitalise the Company. Furthermore, in the same announcement, it was noted that the DOCA had effectuated, with Auxano LLP lending the Company \$615,000 to make the requisite payment under the terms of the DOCA, thereby allowing the Company to be removed from external administration.

The purpose of this Prospectus is to raise the capital, which forms part of the Proposal.

### **A summary of the terms/conditions of the Proposal (completion status in *italics*)**

The Proposal involves the following terms:

- (a) The Syndicate arranging for the injection of approximately \$2,000,250 of cash into the Company in return for an issue of fully paid ordinary shares in the Company representing an interest of approximately 80.88% of the total issued capital of the Company (on a fully diluted basis). (*Capital raising is being conducted under this Prospectus*).



- (b) The Company retaining all of the unencumbered assets of NAV including all of the Company's remaining assets including but not limited to NAV's Cummins Range project, consisting of one exploration licence E80/2232 which is 100% held by the Company, and covering an area of 48.5 kilometres, located 130 kilometres southwest of Halls Creek in the East Kimberly, Western Australia (**Cummins Range Project**), registered business names, intellectual property, goodwill, domain names, websites, customer/supplier lists, any remaining contracts (where agreed by the Syndicate), and all other assets to operate the business (**NAV Business**) be retained by NAV. The NAV Business must remain as an unencumbered asset of the Company to enable the Company to be reinstated to trading on the Australian Securities Exchange Limited (**ASX**). In addition, all other liabilities and obligations of the Company are to be released pursuant to the terms of the DOCA. (*Remaining unencumbered assets of NAV retained by the Company upon effectuation of the DOCA on 12 February 2016*).
- (c) The Company entering into a Creditors' Trust Deed for the purposes of satisfying approved creditor claims.
- (d) The Company making a payment of \$615,000 (which Auxano LLP will forward to NAV as a loan that will subsequently be repaid via funds raised by the Company) to the Deed Administrator for the benefit of the Creditors Trust (**Cash Consideration**) for control of NAV and 100% of the NAV Business. All other liabilities and obligations of the Company up until the appointment of the Administrators will be compromised under the DOCA. (*Cash Consideration paid by the Syndicate on 12 February 2016*).
- (e) The Company raising new equity by way of the following placements (which will be made pursuant to this Prospectus and as noted in paragraph (a) above (*Capital raising is being conducted under this Prospectus*):
- (i) a first placement of:
- (A) 225 million fully paid ordinary shares in the Company (**First Placement Shares**), issued in two tranches as follows:
- a. 200,000,000 shares (**First Placement A Shares**) at \$0.0025 per share to raise \$500,000 to the Syndicate (or its nominees) and other investors that are invited by the Company as part of the Proposal; and
- b. 25,000,000 shares (**First Placement B Shares**) at \$0.00001 per share to raise \$250 to the Syndicate (or its nominees) and other investors that are invited by the Company as part of the Proposal; and
- (B) up to 175,000,000 Options to each subscribe for one (1) Share in the Company to the Syndicate (or its nominees) and other investors that are invited by the Company as part of the Proposal (**First Placement Options**) for nil consideration, with each First Placement Option exercisable at \$0.01 expiring 3 years from the date of issue;

together (**First Placement**); and

- (ii) a second placement of up to 150,000,000 fully paid ordinary shares in the Company (**Second Placement Shares**) at an issue price of \$0.01 per Second Placement Share to raise up to \$1,500,000 to general investors, that may include members of the Syndicate (or its nominees) (**Second Placement**).
- (iii) a Management Options placement of up to 50,000,000 Management Options in the Company (**Management Options Placement**) issued to proposed Directors, key management and advisors of the Company.

A total of up to 105,000,000 First Placement A Shares, up to 81,600,000 First Placement Options and up to 26,250,000 Second Placement Shares and 26,303,808 Management Options (collectively referred to as the **Related Party Securities**) are proposed to be placed to the proposed Directors (or their nominees). Shareholder approval to issue Securities to these related parties was obtained by the Company at the Meeting.

Note: completion of the Proposal is conditional on the capital raising.

- (f) The former Board, Mr Guy Walker and Mr Andrew Tudor being either removed by the Deed Administrator or resigning from the Board of the Company after the Company obtains Shareholder approval for the Proposal. The current Company Secretary, Padraig Gore O'Donoghue also being either removed by the Deed Administrators or resigning as an officer of the Company after the Company obtains Shareholder approval for the Proposal. (*Change of officers has taken place*).
- (g) Messrs Greg Ruddock, Glen Dobbie, Joshua McKean and Malcolm Keefe being appointed to the Board of the Company, immediately after the removal and/or resignation of the Directors, who were on the Board at the time the Company entered into administration. (*Change of officers took place on 12 February 2016*).
- (h) The Company making available any cash at bank, its rights in its sundry debtors (and any other assets not purchased by the Syndicate) for the benefit of the Company's creditors pursuant to the terms of the DOCA. (*Satisfied upon effectuation of the DOCA on 12 February 2016*).
- (i) The Syndicate changing the Constitution of the Company and the auditor of the Company. (*Shareholder approval for these changes was obtained at the Meeting*).
- (j) The Syndicate increasing the non-executive directors' fee pool. (*Shareholder approval for this change was obtained at the Meeting*).

The Proposal also includes the following general conditions:

- (a) all liabilities and long term commitments of the Company as at settlement of the Proposal being released and compromised via a DOCA that reflects the terms of the offer made by the Syndicate. (*Satisfied upon effectuation of the DOCA on 12 February 2016*);
- (b) all creditors will be required to prove debts against the Trustee of the Creditors' Trust as if they were the Company and payments to creditors shall be made in accordance with the DOCA and the Creditors' Trust deed. (*Satisfied upon effectuation of the DOCA on 12 February 2016*);

- (c) ASX providing written confirmation to the Company that it will lift the suspension on the trading of the securities of the Company immediately following completion of the capital raisings without the need to re-comply with Chapters 1 and 2 of the Listing Rules on finalising the DOCA. The Syndicate will assist in seeking such confirmations from the ASX (*received from ASX*);
- (d) The receipt of shareholder approval with respect to the terms of the proposal (*obtained 21 January 2016*); and
- (e) The de-registration and removal of all securities interests over the Company and its assets on the Personal Property Securities Register before or in conjunction with the payment of the Creditor Payment (*Satisfied upon effectuation of the DOCA on 12 February 2016*).

On completion of the capital raising set out in this Prospectus, and repayment of the syndicate loan, the Company will be debt free and have sufficient capital to enable it to continue its business and apply for its Securities to be reinstated to Official Quotation. ASX has advised that re-instatement is likely to be approved, subject to the satisfaction of certain conditions as referred to elsewhere in this Prospectus. These will be attended to following the completion of the Offers.

Please read the Prospectus carefully before applying for any Securities.

Yours faithfully



**Gregory Ruddock**  
**Non- Executive Chairman of Navigator Resources Limited**  
**For and on behalf of the Board of Directors**

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## 1. CORPORATE DIRECTORY

### Directors

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**Mr Greg Ruddock**  
Non-Executive Chairman

**Mr Glen Dobbie**  
Managing Director

**Mr Joshua McKean**  
Non-Executive Director

**Mr Malcom Keefe**  
Non-Executive Director

### Share Registry\*

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Automic Registry Services  
7 Ventnor Avenue West Perth WA 6005  
PO Box 223 West Perth WA 6872

Telephone: (08) 9324 2099

Facsimile: (08) 9321 2337

### Company Secretary

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Mr Alistair McKeough

### Legal Advisers

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Whittens and McKeough Pty Ltd  
Level 5, 137-139 Bathurst Street  
SYDNEY NSW 2000

### Registered Office

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c/- Whittens and McKeough Pty Ltd

Level 5, 137-139 Bathurst Street  
SYDNEY NSW 2000

### Auditor\*

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PKF Hacketts Audit

Level 6, 10 Eagle Street  
Brisbane Queensland 4000

### ASX Code

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NAV

\* These parties have been included for information purposes only. They have not been involved in the preparation of this Prospectus.

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## 2. DETAILS OF THE OFFERS

### 2.1 Summary of Offers

The Company is making 3 separate offers pursuant to this Prospectus:

- (a) the First Placement;
- (b) the Second Placement.; and
- (c) the Management Option,

(collectively referred to as the **Offers**).

Refer to the table below for further details of the Offers.

The rights attached to the Securities offered pursuant to this Prospectus are summarised in Section 7 of this Prospectus. The Shares offered under this Prospectus will rank equally with the existing Shares on issue as at the date of this Prospectus.

The purpose of the Offers and the use of the funds raised pursuant to the Offers are set out in Section 3 of this Prospectus.

First Placement Details	
Securities offered:	Up to 200,000,000 Shares ( <b>First Placement A Shares</b> ) at an issue price of \$0.0025 per First Placement A Share, to raise up to \$500,000; Up to 25,000,000 Shares ( <b>First Placement B Shares</b> ) at an issue price of \$0.00001 per First Placement B Share, to raise up to \$250; Up to 175,000,000 unlisted Options ( <b>First Placement Options</b> ) for nil consideration.
Eligible applicants:	The Directors (or their nominees) and other parties invited by the Company.
How to apply:	If you are nominated to subscribe for Securities by the Company, please complete a <b>First Placement Application Form</b> . Payment for Securities must be made in full at the issue price of \$0.0025 per First Placement A Share and \$0.00001 per First Placement B Share. The First Placement Options will be issued for nil consideration.
Opening Date:	17 February 2016
Closing Date*:	5:00pm (AEDT) on 1 March 2016
Second Placement Details	
Securities offered:	Up to 150,000,000 Shares ( <b>the Second Placement Shares</b> ) at an issue price of \$0.01 per Second Placement Share, to raise up to \$1,500,000.
Eligible applicants:	General investors (that may include the Directors (or their nominees)) and other parties invited by the Company.
How to apply:	If you wish to subscribe for Shares pursuant to the Second Placement, please complete a <b>Second Placement Application Form</b> . Payment for Shares must be made in full at the issue price of \$0.01 per Share.
Opening Date:	17 February 2016
Closing Date*:	5:00pm (AEDT) on 4 March 2016

<b>Management Option Details</b>	
Securities offered:	Up to 50,000,000 Management Options in the Company ( <b>Management Options</b> ) for nil consideration.
Eligible applicants:	Proposed Directors, key management and advisors of the Company.
How to apply:	If you are nominated to subscribe for Management Options, please complete a <b><u>Management Option Application Form</u></b> . The Management Options will be issued for nil consideration.
Opening Date:	17 February 2016
Closing Date*:	5:00pm (AEDT) on 4 March 2016
<b>Information applicable to all Offers</b>	
Return of Application Forms:	Completed Application Forms and accompanying payment must be emailed, mailed or delivered to the Company: Level 5, 135-137 Bathurst Street Sydney NSW 2000  Cheques should be made payable to Navigator Resources Limited and crossed "Not Negotiable" or please deposit payment for Securities to "Navigator Resources Limited" BSB: 086 492/ Acct: 30 487 2502. Please use shareholding name as a reference and forward a copy of the transmission with your Application Form(s).  Payment for Securities (either by cheque or electronic funds transfer) must be received by no later than the Closing Date.

\*The Board reserves the right to close the Offers early or extend the Closing Date (as the case may be), should it consider it necessary to do so.

## 2.2 Allotment

Allotment of Securities offered by this Prospectus will take place as soon as practicable after any applications are received, and the Company reserves the right to progressively allot and issue Securities. Prior to allotment, all application monies shall be held by the Company on trust. The Company, irrespective of whether the allotment of Securities takes place, will retain any interest earned on the application monies.

In the event that the minimum subscription (as set out in Section 2.3 below) is not achieved by the Company, the Company will refund all application monies received within the time period set out under the Corporations Act, without interest.

The Directors reserve the right to decline any application. Where no allotment is made, the surplus application monies will be returned by cheque to the Applicant within 7 days of the allotment date.

## 2.3 Minimum and maximum subscription

The minimum and maximum subscription is the same amount, being \$2,000,250.

## 2.4 Market price of Shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are quoted on ASX. The Company's shares have been suspended from trading on ASX since 20 February 2013.

## **2.5 ASX listing**

Application will be made within 7 days after the date of this Prospectus to ASX for permission for the Shares issued pursuant to this Prospectus to be listed for Official Quotation on ASX. The Options offered under this Prospectus will not be quoted.

In the event that ASX does not grant permission for the Official Quotation of the Shares within 3 months after the date of issue of this Prospectus (or such period as is varied by ASIC) or if the minimum subscription is not met, none of the Securities offered by this Prospectus will be allotted or issued and the Company will repay all application monies within the time period set out under the Corporations Act, without interest.

## **2.6 Restrictions on the distribution of the Prospectus**

This Prospectus does not constitute an offer or invitation:

- (a) in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus; or
- (b) to any person to whom it would not be lawful to make such an offer or invitation.

No action has been taken to register or qualify the Securities under the Offers, or the Prospectus itself, or otherwise to permit the public offering of the Securities under the Offers, in any jurisdiction outside Australia or New Zealand.

The distribution of this Prospectus within jurisdictions outside Australia or New Zealand may be restricted by law and persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. It is the responsibility of any Applicant to ensure compliance with all laws of any country relevant to their Application and to obtain all necessary approvals so that they may legally subscribe for (and be issued) Securities pursuant to the Offers.

The return of a duly completed Application under this Prospectus will be taken by the Company to constitute a representation and warranty that there has been no breach of any law, that all necessary approvals and consents have been obtained and that the Company may legally issue Securities to the respective Applicant pursuant to this Prospectus.

## **2.7 Clearing House Electronic Sub-register System (CHES) and Issuer Sponsorship**

The Company will not be issuing Share certificates. The Company will apply to ASX to participate in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of Securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Securities allotted to them under this Prospectus. The notice will also advise holders of their Holder Identification Number (**HIN**) and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship. Further, monthly statements will be provided to holders in circumstances in which there have been any changes in their security holding in the Company during the preceding month.

## **2.8 Commissions on Application Forms**

The Company reserves the right to pay a commission of up to 5% (plus goods and services tax) of amounts subscribed to any licensed securities dealers or Australian Financial Services licensee in respect of valid Applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian Financial Services licensee. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian Financial Services licensee.

## **2.9 Taxation**

The Company does not propose to give any taxation advice and neither the Company, its Directors nor its officers accept any responsibility or liability for any taxation consequence to Applicants. Applicants should consult their own professional tax advisers in regard to taxation implications of the Offers.

## **2.10 Privacy Act**

If you complete an Application for Securities, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a Securityholder, facilitate distribution payments and corporate communications to you as a Securityholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your Securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Securities, the Company may not be able to accept or process your application.

## **2.11 Enquiries**

Any questions concerning the Offers should be directed to the Company Secretary, Mr Alistair McKeough, on +61 2 8072 1400.



### 3. PURPOSE AND EFFECT OF THE OFFERS

#### 3.1 Purpose of the Offers

The purpose of the Offers is to raise \$2,000,250 (before expenses of the Offers). The proceeds of the Offers are planned to be used in accordance with the Table set out below<sup>1</sup>:

Description	Year 1 (\$)	Year 2 (\$)	Total (\$)
Repayment of loan funds arranged by the Syndicate for payment to the Deed Administrator to satisfy obligations under the DOCA <sup>2</sup>	615,000	Nil	615,000
Review and development of existing business <sup>3</sup>	200,000	250,000	450,000
Review and evaluation of new projects <sup>3</sup>	150,000	175,000	325,000
Working Capital <sup>4</sup>	335,000	275,250	610,250
<b>Total</b>	<b>1,300,000</b>	<b>700,250</b>	<b>2,000,250</b>

**Notes:**

1. The Board reserves the right to alter this budget as a result of a change in circumstances or intervening events. This budget is a statement of present intention.
2. Refer to Section 9.1 for details of the Syndicate loan. The loan will be repaid by the Company in full.
3. Payment of remuneration to the Directors (as set out in Section 9.4 of this Prospectus) in Years 1 and 2 are spread out across these categories. The reason for this is that the costs attributed to the Directors have been allocated to clearly convey the activities across which the Company proposes to invest the funds obtained under the Offers.
4. This includes expenses of the Proposal and the Offers to be repaid to the Syndicate. Refer to Section 9.6 for details of the estimated expenses of the Proposal and the Offers.

#### 3.2 Effect of the Offers and pro-forma consolidated statement of financial position

The principal effect of the Offers (assuming fully subscribed) will be to:

- (a) increase cash reserves by \$2,000,250 immediately after completion of the Offers and before estimated expenses of the Proposal and the Offers; and
- (b) increase the number of Shares on issue from 18,223,695 Shares to 393,223,695 Shares;
- (c) the number of Options on issue from nil to 175,000,000 Options;
- (d) the number of Management Options on issue from nil to 50,000,000.

Set out below in Section 4 of this Prospectus is:

- (a) an audited statement of financial position of the Company as at 30 June 2015; and
- (b) an unaudited pro-forma statement of financial position of the Company as at 30 June 2015, incorporating the effect of the Offer and effectuation of the DOCA.

## 4. STATEMENT OF FINANCIAL POSITION & PRO-FORMA CAPITAL STRUCTURE

### 4.1 Statement of financial position

#### 4.1.1 Pro-forma Balance sheet

The audited balance sheet as at 30 June 2015 and the unaudited pro-forma balance sheet as at 30 June 2015 shown below have been prepared on the basis of accounting policies normally adopted by the Company.

The pro-forma balance sheet incorporates the effect of the Offer and effectuation of the DOCA. The pro-forma balance sheet has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma balance sheet is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	30 June 2015 Audited <sup>1</sup>	30 June 2015 Pro-forma Unaudited  Fully subscribed
<b>Current assets</b>		
Cash	191,485	1,087,116
Trade and other receivables	16,924	-
<b>Total current assets</b>	<b>208,409</b>	<b>1,087,116</b>
<b>Non-current assets</b>		
Other financial assets	62,429	-
<b>Total non-current assets</b>	<b>62,429</b>	-
<b>Total assets</b>	<b>270,838</b>	<b>1,087,116</b>
<b>Current liabilities</b>		
Trade and other payables	1,116,878	-
Borrowings	18,646,880	-
<b>Total current liabilities</b>	<b>19,763,758</b>	-
<b>Non-current liabilities</b>		
Provisions	9,162	-
<b>Total non-current liabilities</b>	<b>9,162</b>	-
<b>Total liabilities</b>	<b>19,772,920</b>	-
<b>Net assets / (liabilities)</b>	<b>(19,502,082)</b>	<b>1,087,116</b>
<b>Equity</b>		
Issued capital	113,409,487	115,254,603
Accumulated losses	(132,911,569)	(114,167,487)
<b>Total equity</b>	<b>(19,502,082)</b>	<b>1,087,116</b>

**Notes:**

1. The audited figures for the year ended 30 June 2015 covers a period during which the current Board was not in control of the Company's management and affairs. The Director's had to reconstruct the balance sheet based on the record of receipts and payments made available by the Deed Administrator. As disclosed elsewhere in the Prospectus, the Company was subject to a DOCA, which had the effect of extinguishing the Creditors' Claims and facilitating the recapitalisation of the Company, The DOCA has now been effectuated.

**4.1.2 The movement in the cash assets is reconciled as follows:**

<b>Cash assets</b>	<b>\$</b>
Opening balance	Nil
First Placement A Shares	500,000
First Placement B Shares	250
Second Placement Shares	1,500,000
Repayment of conditional loan arranged by Auxano LLP of the Syndicate to enable the Company to satisfy its obligations under the DOCA	(615,000)
Expenses of the Offer and Proposal	(298,134)
<b>Closing balance</b>	<b>1,087,116</b>

Refer to Section 9.1 of this Prospectus for details of the \$615,000 loan advanced to the Company to satisfy approved creditors' claims under the Creditors Trust Deed. This loan will be repaid out of the proceeds of the Offers via the issue of Securities under this Prospectus or repaid in cash.

**4.1.3 As at 16 February 2016, this includes the estimated expenses of the Offers is disclosed in Section 9.6 of this Prospectus. Refer to Sections 3.1 and 9.4 of this Prospectus for details of the remuneration to be paid to the current Directors, subject to the Company successfully applying for reinstatement to Official Quotation.****4.1.4 The movement in issued capital is reconciled as follows:**

<b>Issued Capital</b>	<b>\$</b>
Opening balance at 30 June 2015	113,409,487
First Placement Shares	500,250
Second Placement Shares	1,500,000
Less: Estimated expenses of the offer	(155,134)
<b>Closing balance</b>	<b>115,254,603</b>

## 4.2 Pro-forma capital structure

The proposed capital structure of the Company as a consequence of the Offers (and the Proposal) is set out below<sup>1</sup>:

<b>Capital Structure</b>	<b>Shares</b>	<b>Unlisted Options</b>
Existing Securities	18,223,695	Nil
First Placement	225,000,000	175,000,000
Second Placement	150,000,000	Nil
Management Offer	Nil	50,000,000
<b>Completion of the Offers</b>	<b>393,223,695</b>	<b>225,000,000</b>

**Notes:**

<sup>1</sup> Assumes the Offers are fully subscribed.

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## 5. COMPANY OVERVIEW

### 5.1 Background

The Company was incorporated on 2 February 1994 and commenced trading on ASX on 17 September 2003 under ASX ticker code "NAV".

The Company has historically operated in the mining exploration industry.

### 5.2 Administration overview

On 20 February 2013, the Company was suspended from Official Quotation on ASX following a request for suspension from official quotation from the Company.

On 28 March 2013, the Company announced that the Board of Directors had appointed Mr Bryan Hughes of Pitcher Partners Accountants, Auditors and Advisors as administrator of the Company, pursuant to section 463A of the *Corporations Act 2001* (Cth).

At the meeting of creditors held on 11 August 2015, the creditors voted in favour of a recapitalisation proposal presented by the Syndicate, jointly submitted by Otsana Capital and Auxano LLP (**Proposal**).

The Company has entered into various DOCAs.

Following approval by the Creditors, the DOCA was varied by the Company on 8 September 2015 where the Administrator was appointed Deed Administrator in order to effectuate the terms of the Proposal. The key terms of the DOCA and Proposal were as follows:

- (a) the Syndicate led by Auxano LLP and Otsana Capital would loan the Company \$615,000;
- (b) the Company would pay \$615,000 to the Deed Administrator for distribution under the DOCA to a Creditors' Trust, in return for secured and unsecured creditors releasing all claims against the Company and as well as any charge over the Company;
- (c) certain unencumbered assets were to be retained by the Company; and
- (d) a Creditors' Trust Deed has been established pursuant to the DOCA to pay the Deed Administrator's fees and costs, the Administrator's fees and costs and the Trustees' fees and costs, with the balance to be distributed to creditors as full and final payment of the Company's outstanding debts.

On 21 January 2016, at the Meeting the Company's Shareholders approved the following resolutions to effect the Proposal to restructure and recapitalise the Company:

- (a) adopt a new constitution;
- (b) elect Greg Ruddock, Joshua McKean, Glen Dobbie and Malcolm Keefe as directors;
- (c) remove the existing auditor and appoint the Auditor;

- (d) authorise the recapitalisation of the Company, via the issue of the following Shares and Options to raise \$2,000,250 before costs via the issue of:
- (i) 200,000,000 First Placement A Shares at \$0.0025 per Share;
  - (ii) 25,000,000 First Placement B Shares at \$0.00001 per Share;
  - (iii) 175,000,000 First Placement Options at nil consideration;
  - (iv) 150,000,000 Second Placement Shares at \$0.01 per Share and
  - (v) 50,000,000 Management Options for nil consideration.

Following receipt of Shareholder approval, the Company has adopted its new Constitution.

On 12 February 2016, the Syndicate loaned the Company \$615,000 in order to effectuate the DOCA, which resulted in the following events taking place:

- All remaining assets and liabilities were transferred to the Creditors Trust including the Company's subsidiaries (if any) which were de-consolidated from the wider group, with the remaining unencumbered assets being transferred to the Company.
- Messrs Greg Ruddock, Joshua McKean, Glen Dobbie and Malcolm Keefe replaced the previous Board.
- The Company was released from being subject to the DOCA. Accordingly, all of the Company's Creditors prior to it going into administration (both secured and unsecured) released their claims against the Company.

Subject to the successful raising of the required funds under this Prospectus, and on satisfaction of certain other conditions (which the Company considers to be standard), ASX has advised the Company that it is likely that the suspension of trading on the Company's Shares will be lifted.

### 5.3 Proposed business plan

The Company's plans are the best indicators available to the Company at this time as to the proposed use of the funds to be raised under this Prospectus. It is important to recognise that the proposed use of funds is subject to change in line with emerging results, circumstances and opportunities, and may be changed by the Board at its discretion at any time.

In the event that the Company successfully applies for reinstatement, it is proposed that the Company's principal activities will continue to be mining exploration activities. *Cummins Range Project*

The Cummins Range Project (**Cummins Range Project**) is located 130km southwest of Halls Creek in the East Kimberly, Western Australia. The Cummins Range Project consists of one exploration licence, E80/2232, which covers an area of 48.5 square kilometres. The Cummins Range Project is 100% held by the Company.

**Figure 1: Cummins Range Project area location**



The Cummins Range Project is hosted within the Cummins Range carbonatite pipe, a 905Ma diatreme pipe forming part of a small alkaline intrusive complex located near the junction of the Halls Creek Orogen and the King Leopold Orogen.

In May 2011 an ultra-detailed aeromagnetic survey was performed over the Cummins Range pipe and surrounding country rock was flown in July 2011 at an altitude of 20 metres and with a total of 2,000 line kilometres.

Following on from the airborne survey a closed spaced ground gravity survey was completed at a station spacing of 100 metres by 50 metres over the central portion of the pipe, expanding to 200 metres by 100 metres over the adjacent country rock to establish background parameters. In total, 3,400 gravity stations were collected.

During July 2011, an auger-sampling program was carried out on a grid of 500 metres by 100 metres to a depth of 2 metres over the entire tenement area. The grid spacing was reduced to 100 metres by 100 metres over the Cummins Range pipe. A total of 1,297 samples were collected and analysed for rare earth elements, resulting in the identification of five geochemical anomalies (threshold 200ppm TREO). Four of the five are located within the Cummins Range pipe.

Exploration was then progressed with a reverse circular (**RC**) drilling programme in September and October 2011, consisting of 77 holes totalling 4,230 metres, aimed at extending and upgrading the existing Inferred resource. The drilling has confirmed a northwest-southeast trend of REO mineralisation that runs parallel to the regional structural fabric of the country rock surrounding the Cummins Range pipe. The deposit is interpreted to be structurally controlled by a central shear zone, which allowed for the carbonate intrusion and a deeper weathering profile.

The RC drilling has also confirmed low levels of thorium in the Cummins Range resource, with an average of 42 ppm Th within the current resource.

A large composite sample was prepared from a range of selected drill samples from the 2011 RC drilling campaign for metallurgical testwork and associated mineralogical study work to be carried out in Australia. The testwork was conducted to determine the potential upgradeability (into concentrate) and to generate an

understanding of the mineralogical distribution, liberation and department of rare earths within the mineralisation for process flowsheet development and economic assessment.

### *Mineral Resources*

Following the completion of the 2011 RC drilling programme, a mineral resource update was reported by H&S Consultants Pty Ltd in 2012 using the combined 2007 and 2011 datasets. As part of the update an improved geological model was used to define the wireframes used in the estimation process. Grades were estimated using ordinary kriging, with the search ellipse orientated parallel to the primary structural control.

In 2015, a report was prepared by H&S Consultants Pty Ltd (**H&S Consultants Report 2015**) for the purpose of updating the resource estimate of the Cummins Range Project resource, and to comply with the Joint Ore Reserves Committee (**JORC**) 2012 standards. A copy of this report is located on page 24 of the NOM dated 18 December 2015. The H&S Consultants Report concluded that a classification of an Inferred Resource only applies to cut-off grades above 2.5% TREOY.

For the purposes of Listing Rules 5.22 and 5.23, the Competent Person's Sign-off provided in relation to the H&S Consultants Report 2015 can be located on page 41 of the NOM. The Directors are not aware of any new information or of any matter that materially affects the information included in the H&S Consultants Report 2015. All material assumptions and technical parameters underpinning the estimates in the H&S Consultants Report 2015 continue to apply and have not materially changed.

As the Company has been through administration and is intending to review and assess its options in relation to the Cummins Range Project, the Company's future operations may be affected by a range of factors as outlined in Section 8 in this Prospectus.

If the full amount of \$2,000,250 is raised under this Prospectus, the Company intends to apply the funds raised in accordance with the Table in Section 3.1 of this Prospectus.

As outlined in Section 3.1, the Company has budgeted \$200,000 in year 1 and \$250,000 in year 2 for the review and development of existing assets.

As outlined in Section 3.1, the Company has also budgeted \$150,000 in year 1 and \$175,000 in year 2 for the review and evaluation of new projects. In this regard, the Board will actively consider the acquisition and development of other investments, both within the broader industry as well as in unrelated market segments.

The Company has a Board of Directors with extensive business experience in various industries ranging from private equity, information technology, industrials and education. The Board intends to also seek advice from advisors and consultants with mining exploration experience. Whilst not being prescriptive, the Board may seek acquisitions that may be both complementary and non-complementary to the Company and that may have the potential to create shareholder value.

It should also be noted that should the Company pursue an acquisition opportunity, any such transaction may be subject to Shareholder approval.



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## **6. CORPORATE GOVERNANCE**

### **6.1 The Board of Directors**

The Company's newly appointed Board of Directors is responsible for corporate governance of the Company. The Board develops strategies for the Company, reviews strategic objectives and monitors performance against those objectives. The goals of the corporate governance processes are to:

- (a) maintain and increase Shareholder value;
- (b) ensure a prudential and ethical basis for the Company's conduct and activities; and
- (c) ensure compliance with the Company's legal and regulatory objectives.

Consistent with these goals, the Board assumes the following responsibilities:

- (a) developing initiatives for profit and asset growth;
- (b) reviewing the corporate, commercial and financial performance of the Company on a regular basis;
- (c) acting on behalf of, and being accountable to, the Shareholders; and
- (d) identifying business risks and implementing actions to manage those risks and corporate systems to assure quality.

The Company is committed to the circulation of relevant materials to Directors in a timely manner to facilitate Directors' participation in Board discussions on a fully-informed basis.

### **6.2 Composition of the Board**

Election of Directors to the Board is substantially the province of Shareholders in general meeting. However, subject thereto, the Company is committed to the following principles:

- (a) the Board is to comprise Directors with a blend of skills, experience and attributes appropriate for the Company and its business; and
- (b) the principal criterion for the appointment of new Directors is their ability to add value to the Company and its business.

No formal nomination committee or procedures have been adopted for the identification, appointment and review of the Board membership, but an informal assessment process, facilitated by the Chairman in consultation with the Company's professional advisers (if required), has been committed to by the Board.

### **6.3 Independent professional advice**

Subject to the Chairman's approval (not to be unreasonably withheld), the Directors, at the Company's expense, may obtain independent professional advice on issues arising in the course of their duties.

#### **6.4 Remuneration arrangements**

The remuneration of an executive Director will be decided by the Board, without the affected executive Director participating in that decision-making process.

The total maximum remuneration of non-executive Directors is currently set at \$500,000. Any increases will be the subject of Shareholder approval in accordance with clause 5.1 of the Company's Constitution, the Corporations Act and the Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum amount will be made by the Board, having regard to the inputs and value to the Company of the respective contributions by each non-executive Director.

The Board may award additional remuneration to Directors called upon to perform extra services or make special exertions on behalf of the Company.

#### **6.5 External audit**

The Company in general meetings is responsible for the appointment of the external auditors of the Company, and the Board from time to time will review the scope, performance and fees of those external auditors.

#### **6.6 Audit committee**

The Company does not have a separately constituted audit committee.

#### **6.7 Identification and management of risk**

The Board's collective experience will enable accurate identification of the principal risks that may affect the Company's business. Key operational risks and their management will be recurring items for deliberation at Board meetings.

#### **6.8 Ethical standards**

The Board is committed to the establishment and maintenance of appropriate ethical standards.

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## **7. RIGHTS ATTACHING TO SECURITIES**

The following is a summary of the more significant rights attaching to the Securities. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Securityholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights attaching to Securities are set out in the Company's Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

### **7.1 Terms of the First Placement Class A Shares and First Placement Class B Shares**

#### ***General meetings***

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

#### ***Voting rights***

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by them, or in respect of which they are appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid Shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the Share.

#### ***Dividend rights***

The Board may from time to time declare and pay or credit a dividend in accordance with the Corporations Act. Subject to any special right as to dividends attaching to a Share, all dividends will be declared and paid according to the proportion which the amount paid on the Share is to the total amount payable in respect of the Shares (but any amount paid during the period in respect of which a dividend is declared only entitles the Shareholder to an apportioned amount of that dividend as from the date of payment). The Directors may from time to time pay or credit to Shareholders such interim dividends as they may determine. No dividend shall carry interest as against the Company.

The Board may from time to time grant to Shareholders or any class of Shareholders the right to elect to reinvest cash dividends paid by the Company by subscribing for shares in the Company on such terms and conditions as the Directors think fit. The Directors may, at their discretion, resolve in respect of any dividend which it is proposed to pay or to declare on any shares of the Company, that holders of such shares may elect to forgo their right to the whole or part of the proposed dividend and to receive instead an issue of shares credited as fully paid to the extent and on the terms and conditions of the Constitution. The Directors may set aside out of the profits of the Company such amounts as they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

### ***Winding-up***

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he or she considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

### ***Transfer of Shares***

Generally, Shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the Listing Rules.

### ***Future increase in capital***

The allotment and issue of any new Shares is under the control of the Board. Subject to restrictions on the issue or grant of securities contained in the Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing Share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

### ***Variation of rights***

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders, vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of at least three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

## 7.2 Terms of the First Placement Options

The First Placement Options (referred to as “Options” in this Section 7.2) entitle the Optionholder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for 1 Share for every Option they own in the Company. To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with these terms and conditions.
  - (b) The Options will expire at 5:00pm (AEDT) 3 years from issue (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
  - (c) The amount payable upon the exercise of each Option will be \$0.01 (**Exercise Price**).
  - (d) The Options may be exercised in whole or in part, and if exercised in part, multiples of 100,000 must be exercised on each occasion.
  - (e) Optionholders may exercise their Options by lodging with the Company, before the Expiry Date:
    - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
    - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised.
- (Exercise Notice)**
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
  - (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
  - (h) The Options are freely transferrable.
  - (i) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
  - (j) The Company will not apply for quotation of the Options on ASX. However, the Company will apply for quotation of all Shares allotted pursuant to the exercise of the Options on ASX immediately after the allotment of those Shares.
  - (k) If at any time the issued capital of the Company is reconstructed, all rights of the Optionholder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.

- (l) There are no participating rights or entitlements inherent in the Options and the Optionholder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give the Optionholder the opportunity to exercise the Options prior to the date for determining entitlements to participate in any such issue.
- (m) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Options, the exercise price of the Options may be reduced in accordance with the formula set out in Listing Rule 6.22.2.
- (n) In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issue of the Options, the number of securities over which an Option is exercisable may be increased by the number of securities which the Optionholder would have received if the Option had been exercised before the record date for the bonus issue.

### **7.3 Terms of the Management Options**

The First Placement Options (referred to as “Options” in this Section 7.3) entitle the Optionholder to subscribe for Shares on the following terms and conditions:

- (a) Each Option gives the Optionholder the right to subscribe for 1 Share for every Option they own in the Company. To obtain the right given by each Option, the Optionholder must exercise the Options in accordance with these terms and conditions.
  - (b) The Options will expire at 5:00pm (AEDT) 4 years from issue (**Expiry Date**). Any Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.
  - (c) The amount payable upon the exercise of each Option will be \$0.01 (**Exercise Price**).
  - (d) The Options may be exercised in whole or in part, and if exercised in part, multiples of 100,000 must be exercised on each occasion.
  - (e) Optionholders may exercise their Options by lodging with the Company, before the Expiry Date:
    - (i) a written notice of exercise of Options specifying the number of Options being exercised; and
    - (ii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised.
- (Exercise Notice)**
- (f) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

- (g) Within 10 Business Days of receipt of the Exercise Notice accompanied by the Exercise Price, the Company will allot the number of Shares required under these terms and conditions in respect of the number of Options specified in the Exercise Notice.
- (h) The Options are freely transferrable.
- (i) All Shares allotted upon the exercise of Options will upon allotment rank pari passu in all respects with other Shares.
- (j) The Company will not apply for quotation of the Options on ASX. However, the Company will apply for quotation of all Shares allotted pursuant to the exercise of the Options on ASX immediately after the allotment of those Shares.
- (k) If at any time the issued capital of the Company is reconstructed, all rights of the Optionholder are to be changed in a manner consistent with the Corporations Act and the Listing Rules at the time of the reconstruction.
- (l) There are no participating rights or entitlements inherent in the Options and the Optionholder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 6 Business Days after the issue is announced. This will give the Optionholder the opportunity to exercise the Options prior to the date for determining entitlements to participate in any such issue.
- (m) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Options, the exercise price of the Options may be reduced in accordance with the formula set out in Listing Rule 6.22.2.
- (n) In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issue of the Options, the number of securities over which an Option is exercisable may be increased by the number of securities which the Optionholder would have received if the Option had been exercised before the record date for the bonus issue.

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## **8. INVESTMENT RISKS**

### **8.1 General**

The Securities offered under this Prospectus should be considered speculative. The future profitability of the Company will be dependent on the successful commercial exploitation of its business and operations.

Whilst the Directors recommend the Offers, there are numerous risk factors involved. The following is a summary of some of the material matters to be considered. However, this summary is not exhaustive and potential investors should examine the contents of this Prospectus in its entirety and consult their professional advisors before deciding whether to apply for the Securities.

Factors which may affect the Company's financial position, prospects and the price of its listed securities include, but are not limited to, the specific risk factors and the general risk factors set out below.

### **8.2 Specific risks**

#### **8.2.1 Financial Reporting and AGM breaches**

The Company has been under administration since 28 March 2013. As such financial reports for the years ended 30 June 2013, 30 June 2014 and 30 June 2015 and half-years ended 31 December 2013 and 31 December 2014 have not been lodged with ASX and ASIC within the time specified under the Corporations Act. In addition the Company has failed to hold its Annual General Meetings for 2013, 2014 and 2015.

The above breaches occurred prior to the appointment of the current Board of Directors. The Company cannot guarantee that ASIC will not take enforcement action against the Company in respect of the past breaches outlined above.

Investors should note that disclaimers and qualifications have been provided by the Auditor in relation to some of the accounts lodged by the Company. The disclaimers and qualifications were as a result of the Auditor being unable to obtain sufficient and appropriate audit evidence regarding opening balances as at 30 June 2012 and also due to Company's records being incomplete until the appointment of the Administrator.

Specifically, investors should note the following:

- (a) the disclaimer of opinion in relation to the accounts for the year ended 30 June 2013, located on pages 14 and 15 of the financial report for the year ended 30 June 2013;
- (b) the qualified conclusion in relation to the accounts for the half year ended 31 December 2013, located on pages 7 and 8 of the financial report for the half year ended 31 December 2013; and
- (c) the qualified opinion in relation to the accounts for the year ended 30 June 2014, located on pages 12 and 13 of the financial report for the year ended 30 June 2014.



## 8.2.2 Control – Concentration of ownership within members of the Syndicate

The Securities to be placed to the Syndicate (or their nominees) pursuant to the Proposal will constitute up to approximately 80.88% of the Company's fully diluted capital (assuming the Offers are fully subscribed). There will therefore be a concentration of ownership of the Company among the Syndicate (and their nominees). This may allow the Syndicate to exert significant influence over matters relating to the Company, including the election of future Directors or the approval of future transactions involving the Company. Also, given the size of the holdings, there may be an impact on the liquidity of the Company's securities. Some investors may consider that this increases the risk of participating in the Offers as external investors not related to or associated with the Syndicate will only control approximately 19.12% of the Company.

However, it should be noted that following completion of the First Placement and the Second Placement, the Syndicate (or their nominees) will no longer be acting in concert.

**Therefore, this risk should not be taken as a representation that the Syndicate (and their nominees) will act in concert with one another; would be likely to exercise their voting rights as Shareholders in the same manner; or that the Syndicate (and their nominees) as whole are associated parties, post-completion of the Proposal.**

The Table below outlines the dilutive effect and the maximum Securities that the Syndicate (or their nominees) will be entitled to, and the voting power of members of the Syndicate (or their nominees) after completion of the Offers.

**Table 2 – Proposed Voting Power of the Syndicate**

Syndicate	Existing Holding	Max. First Placement Shares	Max. First Placement Options	Max. Second Placement Shares	Management Options	Max. Total Holding (Fully diluted)	Max. Voting Power <sup>(a)</sup>
Glen Dobbie	Nil	45,000,000	36,600,000	11,250,000	13,942,856	106,792,856	17.27%
Malcolm Keefe	Nil	20,000,000	15,000,000	5,000,000	5,714,286	45,714,286	7.39%
Greg Ruddock	Nil	20,000,000	15,000,000	5,000,000	3,333,333	43,333,333	7.01%
Joshua McKean	Nil	20,000,000	15,000,000	5,000,000	3,333,333	43,333,333	7.01%
Remaining members of the Syndicate (unrelated parties)	Nil	120,000,000	93,400,000	23,750,000	23,676,192	260,826,192	42.19%
<b>TOTAL</b>		<b>225,000,000</b>	<b>175,000,000</b>	<b>50,000,000</b>	<b>50,000,000</b>	<b>500,000,000</b>	<b>80.88%</b>

**Notes:**

<sup>(a)</sup> The maximum voting power is calculated by dividing the total maximum shareholdings by the total Shares issued (fully diluted), consisting of 18,223,695 (Existing Shares) + 225,000,000 (First Placement Shares) + 175,000,000 (First Placement Options) + 150,000,000 (Second Placement Shares – assumes that the Second Placement is fully subscribed) + 50,000,000 (Management Options) = 618,223,695.

The maximum relevant interest the Syndicate will hold after completion of the Offers except the exercise of the First Placement Options and Management Options which may or may not be exercised in the future, is 69.94%.

The maximum voting power of the Syndicate will hold after completion of the Offers (assuming that all First Placement Options and Management Options are vested and exercised) on a fully diluted basis is 80.88%.

### **8.2.3 Control by incoming board**

The Securities to be placed to the incoming Board (or their nominees) pursuant to the Proposal will constitute up to approximately 38.69% of the Company's fully diluted capital (assuming the Offers are fully subscribed). Accordingly, this will create a concentration of ownership of the Company among the Directors (and their nominees). This may allow the Directors to exert significant influence over matters relating to the Company, including the election of future Directors or the approval of future transactions involving the Company. Following the placement of securities pursuant to the Proposal, external investors not related to or associated with the Directors (or their nominees) will only control approximately 61.31% of the Company. Some investors may consider that this increases the risk of participating in the Offers.

**This risk should not be taken as a representation that the Directors (and their nominees) will act in concert with one another; would be likely to exercise their voting rights as Shareholders in the same manner; or that the Directors (and their nominees) as whole are associated parties, post-completion of the Proposal.**

### **8.2.4 Renewal of exploration licence**

The Company currently has one exploration licence (E80/2232) relating to the Cummins Range Project, located 130km southwest of Halls Creek in East Kimberly, Western Australia. Currently, this licence is set to expire on 3 May 2016. In the event that the renewal of the exploration licence is not granted by the relevant authorities, there is a risk that the Company would no longer be in a position to conduct exploration activities at the Cummins Range Project site.

### **8.2.5 Mineral exploration and development risk**

The Company proposes to continue exploration of the Cummins Range Project site. The H&S Consultants Report 2015 concluded that a classification of an Inferred Resource only applies to cut-off grades above 2.5% TREOY. Estimates which were valid when they were originally reported may alter significantly when new information or techniques become available. In addition, resource estimates are imprecise and depend to some extent on interpretations, which may prove to be inaccurate. As further information becomes available through additional fieldwork and analysis, these estimates are likely to change.

### **8.2.6 Operational and technical risk**

The Company's performance and its ability to successfully conduct its business activities are not guaranteed, particularly given the hiatus in the Company's operations as a result of the Administration. The Company's operations may be affected by a range of factors outside of its control. The value of the Company's capital may not keep in pace with inflation, which will reduce the Company's purchasing power. The investment strategy, process and guidelines are to be executed on a best endeavours basis only. The Company, its Directors, officers and employees cannot be held accountable, except to the extent required by law, for any breaches or omissions.

### **8.2.7 Competition risk**

The Company's current and future potential competitors include companies with substantially greater resources undertake mining exploration activities.

There can be no guarantee that any revenue will be obtained or that the Company will operate profitably in the short term, or at all.

### **8.2.8 New Board**

The Company has recently appointed a new Board of Directors who have limited expertise in the mining exploration industry in which the Company has historically operated in. However, collectively the new Board of Directors have a broad cross section of experience as well as having access to experienced advisors in the mining industry.

## **8.3 General risks**

### **8.3.1 Economic risks**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's development and future activities, as well as on its ability to fund those activities.

### **8.3.2 Market conditions**

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

### **8.3.3 Security investments**

Applicants should be aware that there are risks associated with any securities investment. Securities listed on the stock market have experienced extreme price and volume fluctuations that have often been unrelated to the operating performances of such companies. These factors may materially affect the market price of the Securities regardless of the Company's performance.

### **8.3.4 Future capital requirements**

The Company's ongoing activities will require substantial expenditure. There can be no guarantee that the funds raised through the Offers will be sufficient to successfully achieve all the objectives of the Company's overall business strategy. If the Company is unable to continue to use debt or equity to fund expansion after the substantial exhaustion of the net proceeds of the Offers, there can be no assurances that the Company will have sufficient capital resources for that purpose, or other purposes, or that it will be able to obtain additional fundraising on terms acceptable to the Company or at all. Any additional equity financing may be dilutive to Securityholders and any debt financing if available may involve restrictive covenants, which may limit the Company's operations and business strategy.

The Company's failure to raise capital if and when needed could delay or suspend the Company's business strategy and could have a material adverse effect on the Company's activities.

### **8.3.5 Legislative changes, government policy and approvals**

Changes in government regulations and policies may adversely affect the financial performance of the Company. The Company's capacity to carry out its operations may be affected by changes in government policy, which are beyond the Company's control.

### **8.3.6 Other projects**

The Company may look to complete other investments and acquisitions in the future that may or may not be complementary to the Company, the details of which are not complete or potentially not known at the date of this Prospectus. Those acquisitions and investments will carry their own set of risks.

## **8.4 Investment speculative**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Securities offered under this Prospectus.

Therefore, the Securities to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

**Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities pursuant to this Prospectus.**

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## **9. ADDITIONAL INFORMATION**

### **9.1 Material contract – Syndicate loan**

Auxano LLP, a member of the Syndicate, has advanced a total of \$615,000 to the Company as an unsecured, interest-free loan. The loan funds have been applied by the Company in satisfaction of the terms of the DOCA, in particular the requirement to pay \$615,000 to the Deed Administrator for the purposes of satisfying creditors' claims under the Creditors Trust Deed.

The loan will be repaid by the Company in full to Auxano LLP when the Company has adequate surplus funds.

### **9.2 Continuous disclosure obligations**

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The Shares that will be issued pursuant to this Prospectus will be in the same class of Shares that have been quoted on the official list of ASX during the 12 months prior to the issue of this Prospectus.

In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of Securities on the Company and the rights attaching to the Securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

Other than as set out below, and having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 12 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

The Company's Shares have been suspended from trading on the ASX since 20 February 2013 and the Company entered voluntary administration on 28 March 2013.

As a result of the administration of the Company (which was entered into before the appointment of the current Board of Directors), as at the date of this Prospectus:

- (a) The Company has lodged its annual financial reports for the years ended 30 June 2013, 30 June 2014 and 30 June 2015 and half-years ended 31 December 2013 and 31 December 2014 on 15 February 2016, after the time required by the Corporations Act; and
- (b) the Company has failed to hold its Annual General Meeting for 2013, 2014 and 2015.

The Company cannot guarantee that ASIC will not take enforcement action against the Company in respect of the past breaches outlined above.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act, states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
  - (i) the annual financial report most recently lodged by the Company with ASIC;
  - (ii) any half year financial report lodged with ASIC by the Company after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with ASIC; and
  - (iii) any documents used to notify ASX of information relating to the Company during that period in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

In addition, as the Company belatedly lodged annual financial reports for the years ended 30 June 2013, 30 June 2014 and 30 June 2015 and the half yearly accounts for the periods ended 31 December 2013 and 31 December 2014 on 15 February 2016. The Company will provide a copy of any document used to notify ASX of information relating to the Company during the period after lodgement of the 30 June 2012 annual financial report, being the last annual financial report lodged by the Company not in breach of the Corporations Act.

Copies of all documents lodged with ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

For details of documents lodged with ASX since the date of lodgement of the Company's annual financial report for the period ended 30 June 2012, refer to the table set out below.

Date	Description of Announcement
26 October 2012	Notice of Annual General Meeting/Proxy Form
31 October 2012	Rights Issue Timetable Amendment
5 November 2012	Rights Issue Timetable Clarification
13 November 2012	Production and Corporate Update
19 November 2012	Rights Issue Shortfall Notice
21 November 2012	Appendix 3B
26 November 2012	Change in substantial holding

<b>Date</b>	<b>Description of Announcement</b>
26 November 2012	Change in substantial holding
28 November 2012	Chairman's Address & MD Presentation to AGM
28 November 2012	Results of Annual General Meeting
30 November 2012	Final Director's Interest Notice
16 January 2013	Resignation of Non-Executive Director
16 January 2013	Final Director's Interest Notice
18 January 2013	Quarterly Activities Report
18 January 2013	Quarterly Cashflow Report
24 January 2013	\$2 Million Working Capital Funding
31 January 2013	Funding and Processing Update
5 February 2013	Funding Update
7 February 2013	Notice of Extraordinary General Meeting/ Proxy Form
7 February 2013	Capital Consolidation Timetable Amendment
13 February 2013	Change in substantial holding for AWV
18 February 2013	Trading Halt
20 February 2013	Suspension from Official Quotation
20 February 2013	Amended Suspension from Official Quotation
27 February 2013	Production and Corporate Update
5 March 2013	Appendix 3B
6 March 2013	Funding Update
6 March 2013	Replacement Appendix 3B
7 March 2013	Results of Meeting
7 March 2013	Funding Update
14 March 2013	Voluntary Suspension
15 March 2013	Half Year Accounts
21 March 2013	Voluntary Suspension
28 March 2013	Administrator Appointed
17 April 2013	Administrator's Update to Shareholders
17 May 2013	Administrators Creditors Report
31 May 2013	Deed Administrator's Update to Shareholders
26 September 2013	Deed Administrator's Update to Shareholders
6 January 2014	MKO: Project Acquisition
16 January 2014	Deed Administrator's Update to Shareholders
16 January 2014	Final Director's Interest Notice
28 February 2014	Deed Administrator's Update to Shareholders

Date	Description of Announcement
4 April 2014	MKO: Update to voluntary suspension
8 April 2014	KIN: Kin Mining to Acquire Leonora Gold Project
9 April 2014	Deed Administrator's Update to Shareholders
29 April 2014	KIN: Completion of Due Diligence – Navigator
7 May 2014	KIN: Embarks on WA Gold Production Strategy
15 May 2014	MKO: MKO to acquire the Bronzewing Project, WA
16 May 2014	Deed Administrator's Update to Shareholders
1 July 2014	Deed Administrator's Update to Shareholders
21 October 2014	KIN: Lifting of Voluntary Suspension
4 November 2014	KIN: Acquisition of Leonora Gold Project
20 November 2014	Deed Administrator's Update to Shareholders
13 August 2015	Deed Administrator's Update to Shareholders
18 December 2015	Notice of Extraordinary General Meeting/Proxy Form
21 January 2016	Results of 2016 EGM
22 January 2016	New Constitution
12 February 2016	Effectuation of Deed of Company Arrangement
15 February 2016	Full Year Statutory Accounts Year Ended 30 June 2013
15 February 2016	Half Year Accounts for period ended 31 December 2013
15 February 2016	Full Year Statutory Accounts Year Ended 30 June 2014
15 February 2016	Half Year Accounts for period ended 31 December 2014
15 February 2016	Full Year Statutory Accounts Year Ended 30 June 2015

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal business hours.

### 9.3 Consents

The following consents have been given in accordance with the Corporations Act and have not been withdrawn as at the date of lodgement of this Prospectus with ASIC.

Whittens have given their written consent to being named as solicitors to the Company and have not withdrawn their consent prior to lodgement of this Prospectus with ASIC.

PKF Hacketts Audit have given their written consent to being named as auditors to the Company and have not withdrawn their consent prior to lodgement of this Prospectus with ASIC.

H&S Consultants Pty Ltd have given their written consent to being named as expert geologists to the Company and have not withdrawn their consent prior to lodgement of this Prospectus with ASIC.



Automatic Registry Services have given their written consent to being named as share registry to the Company and have not withdrawn their consent prior to lodgement of this Prospectus with ASIC.

None of the entities referred to in this Section 9.3 have authorised or caused the issue of this Prospectus and do not accept any liability to any persons in respect of any false or misleading statement in, or omission from, any part of this Prospectus.

#### 9.4 Directors' interests

Other than as set out below or elsewhere in this Prospectus, no Director (or proposed Director) nor any organisation in which such a Director or proposed Director is a partner or director, has or had within 2 years before the lodgement of this Prospectus with ASIC, any interest in:

- (a) the promotion or formation of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the offer of Securities pursuant to this Prospectus; or
- (c) the offer of Securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any Director or proposed Director or to any organisation in which any such Director or proposed Director is a partner or director, either to induce him to become, or to qualify him as, a Director or otherwise for services rendered by him or by the firm in connection with the promotion or formation of the Company.

The Directors' interests at the date of this Prospectus are as set out below:

Director	Shares	Options	Remuneration (\$) <sup>5</sup>
Mr Greg Ruddock <sup>1</sup>	Nil	Nil	Up to \$100,000
Mr Joshua McKean <sup>2</sup>	Nil	Nil	Up to \$100,000
Mr Glen Dobbie <sup>3</sup>	Nil	Nil	Up to \$100,000
Mr Malcolm Keefe <sup>4</sup>	Nil	Nil	Up to \$100,000

**Notes:**

<sup>1</sup> At the Meeting, Mr Ruddock received Shareholder approval for either himself or his nominees to subscribe for up to 20,000,000 First Placement Shares and 15,000,000 First Placement Options under the First Placement, up to 5,000,000 Second Placement Shares under the Second Placement and up to 3,333,333 Management Options under the Management Offer. Further details of Mr Ruddock's anticipated participation in the Offers is set out in the 'Important Information' Section at the front of this Prospectus.

<sup>2</sup> At the Meeting, Mr McKean received Shareholder approval for either himself or his nominees to subscribe for up to 20,000,000 First Placement Shares and 15,000,000 First Placement Options under the First Placement, up to 5,000,000 Second Placement Shares under the Second Placement and up to 3,333,333 Management Options under the Management Offer. Further details of Mr McKean's anticipated participation in the Offers is set out in the 'Important Information' Section at the front of this Prospectus.

<sup>3</sup> At the Meeting, Mr Dobbie received Shareholder approval for either himself or his nominees to subscribe for up to 45,000,000 First Placement Shares and 36,600,000 First Placement Options under the First Placement, up to 11,250,000 Second Placement Shares under the Second Placement, and up to 13,942,856 Management Options under the Management Offer. Further details of Mr Dobbie's anticipated participation in the Offers is set out in the 'Important Information' Section at the front of this Prospectus.

<sup>4</sup> At the Meeting, Mr Keefe received Shareholder approval for either himself or his nominees to subscribe for up to 20,000,000 First Placement Shares and 15,000,000 First Placement Options under the First Placement, up to 5,000,000 Second Placement Shares under the Second Placement and up to 5,714,286 Management Options under the Management Offer. Further details of Mr Keefe's anticipated participation in the Offers is set out in the 'Important Information' Section at the front of this Prospectus.

<sup>5</sup> No remuneration has been paid to the Directors to date, however, subject to the reinstatement of the Company's Securities to Official Quotation on ASX, the remuneration which the Company has agreed to pay to each of the Directors for the year ending 30 June 2016, from the time of their appointment is as set out in this table. Each of the proposed Directors have agreed to waive their remuneration until the first acquisition that is material to the Company and represents an acquisition of greater than 50% of the fully diluted market capitalisation of the Company at the time of the acquisition, is made by the Company (First Acquisition). This means that up until the First Acquisition is made, the no remuneration will be paid to the directors.

## 9.5 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no expert nor any organisation in which such expert has an interest, has or had within 2 years before the lodgement of this Prospectus with ASIC, any interest in:

- (a) the promotion or formation of the Company;
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the offer of Securities pursuant to this Prospectus; or
- (c) the offer of Securities pursuant to this Prospectus,

and no amounts have been paid or agreed to be paid (in cash or Shares or otherwise) to any expert or to any firm in which any such expert is a partner, either to induce them to become, or to qualify them as, an expert or otherwise for services rendered by them or by the firm in connection with the promotion or formation of the Company.

Whittens acted as solicitors to the Company. Whittens will be paid approximately \$50,000 plus GST and disbursements for services provided in relation to the Proposal and this Prospectus.

## 9.6 Estimated expenses of the Offers and the Proposal

The estimated expenses of the Offers and the Proposal are as follows:

Expenses of the Offer and the Proposal	\$
ASIC fees	2,290
ASX fees	10,844
Legal and professional fees	60,000
Broker commissions	80,000
Registry, printing and miscellaneous	2,000
<b>Total</b>	<b>155,134</b>

## 9.7 Market price of Shares

The Company's Securities were suspended from trading on 20 February 2013 and currently remain in suspension. The last closing price of Shares on ASX was \$0.001 on 19 February 2013.

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**10. DIRECTORS' CONSENT**

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with sections 351 and 720 of the Corporations Act, each Director has consented in writing to the lodgement of this Prospectus with ASIC.



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**GREG RUDDOCK  
NON-EXECUTIVE CHAIRMAN  
NAVIGATOR RESOURCES LIMITED**

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## 11. DEFINITIONS

**ACN** means Australian Company Number.

**Administrator** and **Deed Administrator** means Bryan Hughes of Pitcher Partners, Level 1, 914 Hay Street, Perth, Western Australia.

**Applicant** means an investor that applies for Securities using an Application Form pursuant to this Prospectus.

**Application Forms** means the First Placement Application Form or the Second Placement Application Form (all of which accompany this Prospectus) and **Application Form** means one of them.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by it, as the context requires, of 20 Bridge Street, Sydney, NSW 2000.

**Auditor** means PKF Hacketts Audit or Level 6, 10 Eagle Street, Brisbane, Queensland 4000

**Auxano** means Auxano LLP Pty Ltd ACN 603 048 406 trading as Auxano LLP of Level 12, 95 Pitt Street Sydney NSW 2000.

**AEDT** means Australian Eastern Daylight Savings Time.

**Board** means the board of Directors of the Company as at the date of this Prospectus.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day

**Closing Date** means the closing date for receipt of Application Forms under this Prospectus as set out in Section 2.1.

**Company** and **NAV** means Navigator Resources Limited (ACN 063 366 487) C/- Level 5, 137-139 Bathurst Street, Sydney, NSW, 2000.

**Competent Person** has the same meaning as contained within the Listing Rules.

**Constitution** means the Company's Constitution as at the date of this Prospectus.

**Corporations Act** means the *Corporations Act 2001* (Cth) as amended or replaced from time to time.

**Creditors** means creditors of the Company with approved creditors' claims pursuant to the Creditors Trust Deed.

**Creditors Trust** means the trust established pursuant to the Creditors' Trust Deed for the purposes of satisfying approved creditor claims.

**Creditors Trust Deed** means the Creditors Trust Deed entered into by the Company on 12 February 2016

**Cummins Range Project** means the area located 130km southwest of Halls Creek in the East Kimberly, Western Australia, covering an area of 48.5 square kilometres.

**Directors** mean directors of the Company at the date of this Prospectus.

**DOCA** means the revised Deed of Company Arrangement entered into by the Company with the Syndicate on 8 September 2015.

**Dollar** or “\$” means Australian dollars.

**First Placement** means the First Placement A Shares, First Placement B Shares and First Placement Options.

**First Placement A Shares** means 200,000,000 fully paid ordinary shares at an issue price of \$0.0025 per Share.

**First Placement Application Form** means the application form attached to or accompanying this Prospectus relating to the First Placement.

**First Placement B Shares** means 25,000,000 fully paid ordinary shares at an issue price of \$0.00001 per Share.

**First Placement Options** means an Option to subscribe for one (1) Share in the Company issued for nil consideration per Option that is being issued as part of the First Placement.

**First Placement A Shares** means a Share in the Company at an issue price of \$0.0025 per Share that is being issued as part of the First Placement.

**First Placement B Shares** means a Share in the Company at an issue price of \$0.00001 per Share that is being issued as part of the First Placement.

**First Placement Shares** means the First Placement A Shares and First Placement B Shares.

**H&S Consultants** means H&S Consultants Pty Ltd

**H&S Consultants Report 2015** means the report prepared by H&S Consultants Pty Ltd, dated 26 November 2015 (**H&S Consultants Report 2015**), for the purpose of updating the resource estimate of the Cummins Range Project.

**Inferred** has the same meaning as under the Joint Ore Reserves Committee Code (2012 Edition).

**Listing Rules** means the official listing rules of the ASX and any other rules of the ASX which are applicable while the Company is admitted to the official list of the ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by the ASX.

**Management Offer** means the offer of Management Options.

**Management Options** means the 50,000,000 management options offered to proposed directors, key management and advisers pursuant to the Management Offer.

**Meeting** means the General Meeting of Shareholders held on 21 January 2016 in relation to the Proposal.

**NAV Business** means the existing unencumbered assets of the Company.

**NOM** means the Notice of Meeting dated 18 December 2015.

**Offers** means the offers of Securities pursuant to this Prospectus as outlined in this Prospectus.

**Official Quotation** means official quotation on ASX.

**Opening Date** means the opening date for receipt of Application Forms under this Prospectus, as set out in Section 2.1.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Otsana** means Otsana Pty Ltd ACN 145 168 216 trading as Otsana Capital of 108 Outram Street, West Perth, Western Australia 6005

**PKF Hacketts Audit** means PKF Hacketts Audit (ABN 33 873 151 348), Level 6, 10 Eagle Street, Brisbane QLD 4000.

**Proposal** means the proposal presented by the Syndicate for the restructure and recapitalisation of the Company that was accepted by the Creditors of the Company and the Deed Administrator on 11 August 2015.

**Prospectus** means this prospectus dated 16 February 2016.

**Second Placement** means the offer of up to 150,000,000 Second Placement Shares to general investors that may include the Directors (or their nominees) at an issue price of \$0.01 per Second Placement Share as described in Section 2 of this Prospectus.

**Second Placement Application Form** means the application form attached to or accompanying this Prospectus relating to the Second Placement.

**Second Placement Shares** means a Share in the Company at an issue price of \$0.00001 per Share that is being issued as part of the Second Placement.

**Section** refers to a section in this Prospectus.

**Securities** mean Shares and Options or Shares or Options (as the context permits).

**Securityholder** means a person holding a Share and/or Option.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a holder of a Share.

**Syndicate** means the syndicate headed by Otsana and Auxano that made the Proposal to the Company.

**TREOY** means total rare earth oxides + Y<sub>2</sub>O<sub>3</sub> and refers total rare earth oxides including yttrium oxide.

**Whittens** means Whittens & McKeough Pty Limited (ACN 147 418 942) trading as Whittens Lawyers and Consultants of Level 5, 137-139 Bathurst Street, Sydney in the State of New South Wales.



I/We whose full name(s) and address appear above hereby apply for the number of Securities shown above (to be allocated to me/us by the Company in respect of this Application) under the Prospectus on the terms set out in the Prospectus.

**PAYMENT BY EFT:** Please deposit payment for Securities to “**Navigator Resources Limited**” BSB: 086 492 / Acct: 30 487 2502. Please use shareholding name as a reference and forward a copy of the transmission with your First Placement Application Form via email to [pratyush@auxanollp.com](mailto:pratyush@auxanollp.com).

**PAYMENT BY CHEQUE:**

Drawer	Bank	BSB or Branch	Amount
Please enter cheque details:			

My/Our contact numbers in the case of inquiry are:

Telephone ( ) .....

Fax ( ) .....

Cheques should be made payable to “**Navigator Resources Limited**”, crossed “NOT NEGOTIABLE”. Cheques (if applicable) and completed First Placement Application Forms should be forwarded, **to arrive no later than 5:00pm AEDT on the Closing Date** (or such other date as is determined by the Directors) to the following address: Navigator Resources Limited, Level 5, 137-139 Bathurst Street Sydney NSW 2000 or emailed to [pratyush@auxanollp.com](mailto:pratyush@auxanollp.com).



## GUIDE TO THE FIRST PLACEMENT APPLICATION FORM

If an Applicant has any questions on how to complete this First Placement Application Form, please telephone the Company on (+61 2) 8072 1400.

### A. Application for Securities

The First Placement Application Form must only be completed in accordance with instructions included in Prospectus.

### B. Name of Applicant

Write the Applicant's FULL NAME. This must be either an individual's name or the name of a company. Please refer to the bottom of this page for the correct form of registrable title. Applications using the incorrect form of registrable title may be rejected.

### C. Name of Joint Applicants or Account Designation

If JOINT APPLICANTS are applying, up to three joint Applicants may register. If applicable, please provide details of the Account Designation in brackets. Please refer to the bottom of this page for instructions on the correct form of registrable title.

### D. Address

Enter the Applicant's postal address for all correspondence. If the postal address is not within Australia, please specify Country after City/Town.

### E. Contact Details

Please provide a contact name and daytime telephone number so that the Company can contact the Applicant if there is an irregularity regarding the First Placement Application Form.

### F. CHESSE HIN or existing SRN Details

The Company participates in CHESSE. If the Applicant is already a participant in this system, the Applicant may complete this section with their existing CHESSE HIN. If the Applicant is an existing Shareholder with an Issuer Sponsored account, the SRN for this existing account may be used. Otherwise leave the section blank and the Applicant will receive a new Issuer Sponsored account and statement.

### G. EFT Details

Make EFTPOS payments to "Navigator Resources Limited" using the Applicant's shareholding name as a reference and forward a copy of the transmission with a First Placement Application Form. The payment details are: BSB: 086 492/ Acct: 30 487 2502. The amount paid should agree with the amount shown on the First Placement Application Form.

### H. Cheque Details

Make cheques payable to "Navigator Resources Limited" in Australian currency and cross them "Not Negotiable". Cheques must be drawn on an Australian Bank. The amount of the cheque should agree with the amount shown on the First Placement Application Form.

### I. Declaration

This First Placement Application Form does not need to be signed. By lodging this First Placement Application Form and a cheque for the application money this Applicant hereby:

- (1) applies for the number of Securities specified in the First Placement Application Form or such lesser number as may be allocated by the Directors;
- (2) agrees to be bound by the Constitution of the Company;
- (3) authorises the directors of the Company to complete or amend this First Placement Application Form where necessary to correct any errors or omissions;
- (4) acknowledges that he/she has received a copy of the Prospectus attached to this First Placement Application Form or a copy of the First Placement Application Form before applying for the Securities; and
- (5) acknowledges that he/she will not provide another person with this First Placement Application Form unless it is attached to or accompanied by the Prospectus.

### CORRECT FORMS OF REGISTRABLE TITLE

Note that ONLY legal entities are allowed to hold securities. First Placement Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and the surname is required for each natural person. First Placement Application Forms cannot be completed by persons under 18 years of age. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual – Use given names in full, not initials	Mr John Alfred Smith	J A Smith
Company – Use the company's full title, not abbreviations	ABC Pty Ltd	ABC P/L; or ABC Co
Joint Holdings – Use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts – Use the trustee(s) personal name(s).	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates – Use the executor(s) personal name(s).	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith; or John Smith Deceased
Minor (a person under the age of 18) – Use the name of a responsible adult with an appropriate designation.	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships – Use the partners personal names	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names.	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s).	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds – Use the name of the trustee of the fund.	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund



I/We whose full name(s) and address appear above hereby apply for the number of Securities shown above (to be allocated to me/us by the Company in respect of this Application) under the Prospectus on the terms set out in the Prospectus.

**PAYMENT BY EFT:** Please deposit payment for Securities to “**Navigator Resources Limited**” BSB: 086 492 / Acct: 30 487 2502. Please use shareholding name as a reference and forward a copy of the transmission with your Second Placement Application Form via email to [pratyush@auxanollp.com](mailto:pratyush@auxanollp.com).

**PAYMENT BY CHEQUE:**

Please enter cheque details:

Drawer	Bank	BSB or Branch	Amount

My/Our contact numbers in the case of inquiry are:

Telephone ( ) .....

Fax ( ) .....

Cheques should be made payable to “**Navigator Resources Limited**”, crossed “NOT NEGOTIABLE”. Cheques (if applicable) and completed First Placement Application Forms should be forwarded, **to arrive no later than 5:00pm AEDT on the Closing Date** (or such other date as is determined by the Directors) to the following address: Navigator Resources Limited, Level 5, 137-139 Bathurst Street Sydney NSW 2000 or emailed to [pratyush@auxanollp.com](mailto:pratyush@auxanollp.com).

## GUIDE TO THE SECOND PLACEMENT APPLICATION FORM

If an Applicant has any questions on how to complete this First Placement Application Form, please telephone the Company on (+61 2) 8072 1400.

### A. Application for Securities

The First Placement Application Form must only be completed in accordance with instructions included in Prospectus.

### B. Name of Applicant

Write the Applicant's FULL NAME. This must be either an individual's name or the name of a company. Please refer to the bottom of this page for the correct form of registrable title. Applications using the incorrect form of registrable title may be rejected.

### C. Name of Joint Applicants or Account Designation

If JOINT APPLICANTS are applying, up to three joint Applicants may register. If applicable, please provide details of the Account Designation in brackets. Please refer to the bottom of this page for instructions on the correct form of registrable title.

### D. Address

Enter the Applicant's postal address for all correspondence. If the postal address is not within Australia, please specify Country after City/Town.

### E. Contact Details

Please provide a contact name and daytime telephone number so that the Company can contact the Applicant if there is an irregularity regarding the First Placement Application Form.

### F. CHESSE HIN or existing SRN Details

The Company participates in CHESSE. If the Applicant is already a participant in this system, the Applicant may complete this section with their existing CHESSE HIN. If the Applicant is an existing Shareholder with an Issuer Sponsored account, the SRN for this existing account may be used. Otherwise leave the section blank and the Applicant will receive a new Issuer Sponsored account and statement.

### G. EFT Details

Make EFTPOS payments to "Navigator Resources Limited" using the Applicant's shareholding name as a reference and forward a copy of the transmission with a First Placement Application Form. The payment details are: BSB: 086 492/ Acct: 30 487 2502. The amount paid should agree with the amount shown on the First Placement Application Form.

### H. Cheque Details

Make cheques payable to "Navigator Resources Limited" in Australian currency and cross them "Not Negotiable". Cheques must be drawn on an Australian Bank. The amount of the cheque should agree with the amount shown on the First Placement Application Form.

### I. Declaration

This First Placement Application Form does not need to be signed. By lodging this First Placement Application Form and a cheque for the application money this Applicant hereby:

- (6) applies for the number of Securities specified in the First Placement Application Form or such lesser number as may be allocated by the Directors;
- (7) agrees to be bound by the Constitution of the Company;
- (8) authorises the directors of the Company to complete or amend this First Placement Application Form where necessary to correct any errors or omissions;
- (9) acknowledges that he/she has received a copy of the Prospectus attached to this First Placement Application Form or a copy of the First Placement Application Form before applying for the Securities; and
- (10) acknowledges that he/she will not provide another person with this First Placement Application Form unless it is attached to or accompanied by the Prospectus.

### CORRECT FORMS OF REGISTRABLE TITLE

Note that ONLY legal entities are allowed to hold securities. First Placement Application Forms must be in the name(s) of a natural person(s), companies or other legal entities acceptable to the Company. At least one full given name and the surname is required for each natural person. First Placement Application Forms cannot be completed by persons under 18 years of age. Examples of the correct form of registrable title are set out below.

Type of Investor	Correct Form of Registration	Incorrect Form of Registration
Individual – Use given names in full, not initials	Mr John Alfred Smith	J A Smith
Company – Use the company's full title, not abbreviations	ABC Pty Ltd	ABC P/L; or ABC Co
Joint Holdings – Use full and complete names	Mr Peter Robert Williams & Ms Louise Susan Williams	Peter Robert & Louise S Williams
Trusts – Use the trustee(s) personal name(s).	Mrs Susan Jane Smith <Sue Smith Family A/C>	Sue Smith Family Trust
Deceased Estates – Use the executor(s) personal name(s).	Ms Jane Mary Smith & Mr Frank William Smith <Est John Smith A/C>	Estate of late John Smith; or John Smith Deceased
Minor (a person under the age of 18) – Use the name of a responsible adult with an appropriate designation.	Mr John Alfred Smith <Peter Smith A/C>	Master Peter Smith
Partnerships – Use the partners personal names	Mr John Robert Smith & Mr Michael John Smith <John Smith and Son A/C>	John Smith and Son
Long Names.	Mr John William Alexander Robertson-Smith	Mr John W A Robertson-Smith
Clubs/Unincorporated Bodies/Business Names Use office bearer(s) personal name(s).	Mr Michael Peter Smith <ABC Tennis Association A/C>	ABC Tennis Association
Superannuation Funds – Use the name of the trustee of the fund.	Jane Smith Pty Ltd <Super Fund A/C>	Jane Smith Pty Ltd Superannuation Fund