NAVIGATOR
RESOURCES LIMITED

ASX ANNOUNCEMENT & MEDIA RELEASE

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INDEPENDENT RESOURCE FOR CUMMINS RANGE RARE EARTH PROJECT

- Independent resource estimate confirms previous internal estimate
- Significant exploration upside potential
- Next step – independent project valuation

Navigator Resources Limited ("Navigator") (ASX: NAV) is pleased to announce that an independent resource estimate has been completed at its Cummins Range rare earth oxide (REO)-uranium-phosphate project in the East Kimberley region of Western Australia (see Figure 1).

This updated resource estimate takes into account the 1m split sample assays that were not available at the time of the previous internal estimate which was announced on 12 March 2008. There has been no further drilling at Cummins Range since March 2008.

Figure 1: Cummins Range Project Location

The initial drilling programme, completed in 2007, consisted of 93 RC drill holes for 9,293m over an area of approximately 500m (north-south) by 400m (east-west). This area represents only a small portion of the Cummins Range diatreme and there is excellent potential to expand the size of the resource with further exploration. A northwesterly trend to higher grade mineralisation has been noted within the main zone of mineralisation. This trend remains open in the northwest portion of the resource (see Figure 2) and is an obvious area to test for extensions to the existing resource during the next drilling programme.

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The REO-uranium-phosphate mineralisation is up to 50m in thickness and occurs in a sub-horizontal geometry within a deeply weathered regolith which is developed over carbonatite and pyroxenite rocks. The deposit is comparable in style to the Mt Weld deposit in WA, and contains a similar mix of light rare earth oxides and low thorium levels.

The updated Inferred Resource for Cummins Range, at varying cut-off grades, is shown below in Table 1:

TABLE 1: INFERRED RESOURCE FOR CUMMINS RANGE – SEPTEMBER 2009

COG* %	Tonnage Mt	TREO %	P_2O_5 %	U_3O_8 ppm	Th ppm	TREO kt	LREO %	MREO %	HREO %
3.0	0.32	3.71	13.3	369	56	11.7	96.0	3.7	0.3
2.0	1.09	2.79	12.0	299	50	30.5	95.9	3.8	0.3
1.0	4.17	1.72	11.0	187	41	71.7	95.6	4.1	0.3

* COG = cut-off grade; TREO = Total rare earth oxides including yttrium; LREO = Light REO (La-Nd); MREO = Middle REO (Sm-Dy); HREO = Heavy REO (Ho-Lu); MT = Million tonnes; kt = kilotonnes.

The previous resource estimate, at a 1.0% REO cut-off grade, was 3.55 Mt at 2.0% TREO for 69.2 kt TREO, 11.2% P_2O_5 and 216 ppm U_30_8. The current estimate has thus yielded a slightly higher (+3.5%) TREO tonnage and essentially confirms the previous estimate which was based on the 4m composites.

Being mindful of the importance of rare earth metals to high technology industrial applications and the global supply dynamics, the Company will now move to obtain an independent project valuation for Cummins Range before committing itself to any further field activities or asset level transaction.

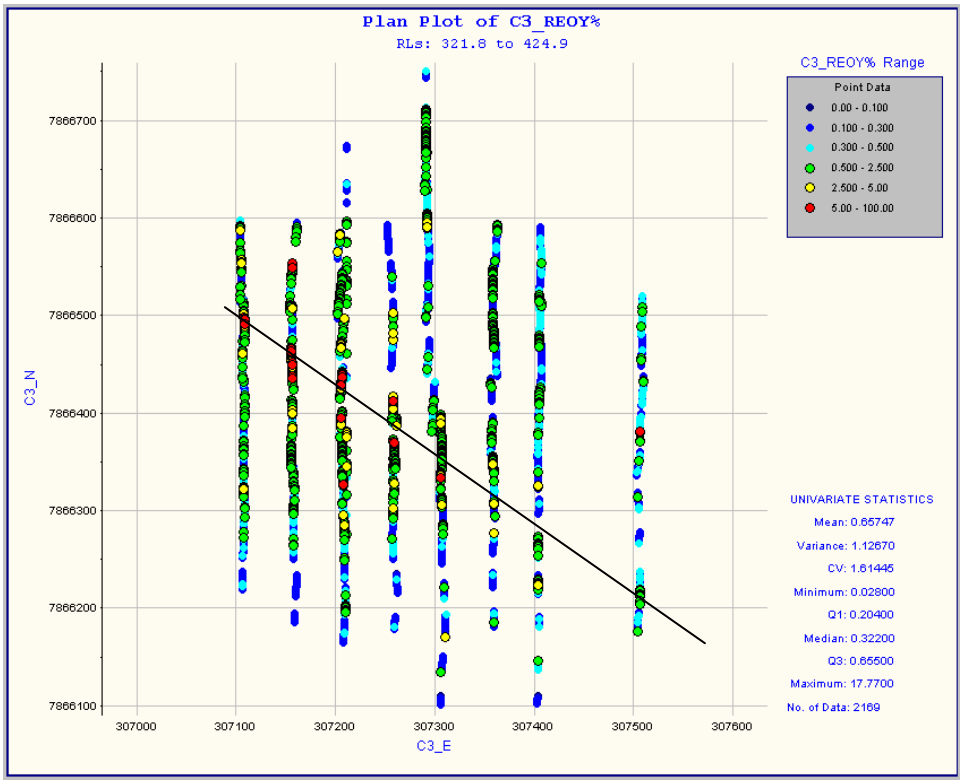

Figure 2: Distribution of REO + Yttrium in resource area showing NW trend of higher grade mineralisation

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The resource estimate at Cummins Range has been performed by Dr Phillip Hellman, FAIG, who is a Director of Hellman & Schofield Pty Ltd and who qualifies as a Competent Person under the meaning of the 2004 JORC Code. He consents to the inclusion of these estimates, and the attached notes, in the form and context in which they appear.

A detailed description of relevant reporting and estimation criteria has been included. This uses Table 1 of the 2004 JORC Code as a template.

CUMMINS RANGE CHECKLIST OF ASSESSMENT AND REPORTING CRITERIA

Drilling Techniques

The resource estimate was completed using data obtained from 93 RC drill holes drilled to an average depth of 100m in a programme completed in 2007. The face sampling hammer had a diameter of 5.25″ (133mm).

Drill Sample Recovery

All samples are chip samples derived from RC face sampling hammer drilling. The samples were collected both as 4m composites for initial assaying and as 1m samples for follow up assaying of anomalous mineralised zones defined by the 4m composites. Dry 4m composite samples were spear sampled using a PVC tube and wet 4m composite samples were taken using an aluminium scoop. The 1m samples were collected via a 9:1 riffle splitter. Most holes had good sample recovery although a limited number of holes encountered high ground water inflow and karst-type weathering void formations at depths exceeding 40m.

Logging

Logging of all holes was carried out over 1m intervals using both quantitative and qualitative descriptions. The recorded details included: lithology, grainsize, weathering, colour, alteration, sulphide quantity and type, structure and veining.

Quality of Assay Data and Laboratory Tests

Assaying was carried out by Genalysis Assay Laboratory, Perth, which has been the laboratory of choice for Mt Weld and other rare earth projects. The 4m composite samples underwent a 4 acid digest followed by ICP-OES (inductively coupled plasma optical emission spectrometry) and ICP-MS (inductively coupled plasma mass spectrometry) analysis. The 1m split samples underwent a peroxide fusion digest followed by ICP-OES and ICP-MS analysis. All samples were assayed for a large suite of elements including the rare earth elements. QA/QC work was restricted to intra-laboratory testing. Future work on the project needs to implement a check assay programme with control samples being submitted for analysis.

Location of Data Points

Drillhole collar positions were picked up using a differential GPS unit with accuracy of +/- 1m. Many drill holes were downhole surveyed at 5m intervals using open hole EMS (electronic multi-shot) techniques, however, this was not possible on all holes due to ground conditions and those holes affected had back up single shot Eastman surveys generally taken near the collar and near the end of hole at the time of drilling. None of the holes showed any significant deviations.

Data Spacing and Distribution

Drill hole spacing is approximately 50m x 40m with holes being inclined at -60º to the south. The drill hole pattern and subsequent assay data point spacing is considered adequate for the classification of Inferred Resource as suggested by a consideration of variography and comparison with other deposits. For the resource estimation process compositing over 3m intervals was applied.

Orientation of Data in Relation to Geological Structure

Drillholes were oriented at -60º south whilst the main mineralised zone is interpreted to be relatively flat lying. There has thus been a good intersection of drilling across the general orientation of the mineralisation.

Database Integrity

Data validation has consisted of cross-checking digital data received electronically from laboratory archives and hand-entered data against hard-copy lab reports, and checking for: duplicate sample numbers and drill hole IDs, overlapping intervals, missing intervals and missing assay values. Survey data for drill hole collars has been checked against topographic DTMs whilst down-hole survey data has been checked by plotting and examination of generated sections of drill trajectories.

Geological Interpretation

The most logical interpretation of the mineralisation is one of a flat lying zone generally contained within the regolith overlying a central plug of carbonatite which has intruded a surrounding pyroxenite diatreme. The base of oxidation varies from about 25m downhole depth to in excess of 100m in the central portion of the carbonatite. Secondary concentration of the rare earth elements is the result of this deep oxidation with the physical concentration of resistate accessories including monazite and apatite.

Dimensions

A zone of mineralisation characterised by elevated REO values has been recognised over an area of approximately 400 x 550 metres with an average true thickness of 45m. Mineralisation occurs at shallow depths and extends from surface to 100m depth. Typically, the main body of mineralisation is approximately 30 metres below surface.

Estimation and Modelling Techniques

A mineralised envelope was defined on the incoming of REO enrichment at the top and diminishing at the base with an approximate grade of 0.3% being used to define this boundary. Block sizes are 20m to the north, 20m to the east and 3m vertical. Ordinary Kriging was used in several passes. Search ellipsoids were oriented with the major axis at 310º. A maximum number of 32 and a minimum of 6 data points were used for the first pass with search distances of 60 x 80 x 8 metres. A final two passes up to 120 x 120 x 16 metres were used with a minimum number of 6 and 4 data points to estimate grades in residual blocks within the interpreted zone of mineralisation. No resources were estimated outside the interpreted zone of mineralisation.

This is the second resource estimate for Cummins Range. The previous in-house Navigator resource estimate was announced on 12 March 2008 and was based solely on assay data from the 4m composite samples. At a 1% REO cut-off grade, the difference between the two estimates is only 3.5% with the current estimate being the slightly higher estimate.

The current estimate was also validated by Hellman and Schofield by having a second operator carry out a check estimate using a different software package. At a 1% REO cut-off grade the check estimate was 1% higher than the initial Navigator estimate. The convergence of the different estimates using different approaches suggests that the results are robust.

At higher cut-off grades the current estimates are lower than the initial Navigator estimate mainly because of the broader mineralisation boundary utilised in the current modelling. No top-cuts were used in the present study.

Moisture

Tonnages are estimated on a dry basis.

Cut-off Parameters

Cut-off grades used for reporting are based on analogies with similar deposits and do not imply lower economic grades which can only be derived from more detailed metallurgical testwork than is currently available.

Mining Factors or Assumptions

No assumptions have been made concerning mining dilution. It is considered that minimal dilution will have to be incorporated into the resource model for future mining studies.

Metallurgical Factors or Assumptions

Only very preliminary metallurgical testwork has been carried out at Cummins Range and further testwork is required before a viable process for extracting the rare earths can be claimed. Historical testwork by a former owner on material with low ferruginous content showed that a high grade, REO-rich, low thorium concentrate could be satisfactorily produced with a 50-60% extraction of total REOs using a 90% sulphuric acid leach. Navigator's preliminary testwork in 2008 indicated that a combination of magnetic and gravity beneficiation techniques would be insufficient to produce a significant level of REO recovery at an acceptable concentration ratio mainly due to the presence of significant iron as a persistent contaminant in the heavy liquid and magnetic tests undertaken. Additional beneficiation techniques, notably froth flotation as contemplated at Mt Weld, were recommended for future testing.

Bulk Density

An assumed bulk density of 1.9 has been used in the resource estimation process. This is based on the fact that a large proportion of the deposit has been deeply weathered and it is considered to be a conservative figure.

Classification

Due to the lack of any measured bulk density values and the lack of QA/QC data the resources have been classified as an Inferred Mineral Resource. If sufficient bulk density data, more geological interpretation and a reasonable amount of QA/QC data were available then approximately 25% of the resource could be classified as Indicated.

Audits or Reviews

No audits or reviews of the current estimate have been made, apart from the checking discussed under the heading *"Estimation and modelling techniques".*