



# NAVIGATOR RESOURCES LIMITED

ABN 82 063 366 487

13 December 2007

The Manager  
Company Announcements Office  
Australian Stock Exchange Limited  
PO Box H224 Australia Square  
SYDNEY NSW 2000

Dear Sir/Madam

## PLACEMENT OF SHARES TO INSTITUTIONAL INVESTORS

The Company is pleased to advise that it has agreed to place a total of 6,000,000 shares at 84 cents per share to Institutional Investors and Sophisticated Investors as defined under Section 708 Corporations Act 2001 raising approximately \$5m in new capital.

The funds raised under the placement will be used to increase the rate of drilling and resource expansion at Leonora, for feasibility studies aimed at bringing the Leonora gold resources into production as rapidly as possible, and for working capital.

The Company is very pleased to welcome to the register the Sydney based Taurus Resources Fund of which respected senior mining industry executive Gordon Galt is a Principal. Taurus will be subscribing for approximately 4.5m shares in the placement and has indicated its desire to increase its shareholding over time as the Leonora project progresses through its resource definition, feasibility study and development phases.

The balance of the shares has been placed with longstanding supporters of the Company.

Appendix 3B New Issue Announcement and application for quotation of Securities will be lodged under separate cover.

Yours faithfully  
NAVIGATOR RESOURCES LTD

Ian Macpherson  
Company Secretary



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### MEDIA RELEASE

13 December 2007

### FOCUSED STRATEGY ON GOLD PRODUCTION AT LEONORA

A \$5m capital raising by Navigator Resources Ltd (ASX:NAV) follows Monday's announcement of a third 2km-long gold system within the Company's wholly owned 870,000 ounce Leonora gold project in Western Australia.

Infill and step-out drilling in and around the Tonto discovery (1.7mt at 2.8 g/t) successfully extended the zone of mineralisation from 600m to 2kms and a revised resource estimate is planned for early 2008.

"The appearance of the Taurus Resources Fund on the register is a significant milestone for Navigator", Managing Director Tom Sanders said.

Mr Sanders commented that the capital raising allows Navigator to further increase the rate of drilling to fast-track the resource build to meet its mid 2009 production target. "Our key objective is low-cost, long-life production and to achieve this we need a sizeable resource platform that gives us low cost development options", Mr Sanders said.

Early scoping studies announced in July provided strong encouragement for mining from several open pits. The Company's focus has been on defining shallow ounces to obtain the critical mass for open pit mining however Mr Sanders said that an increased drilling budget made possible by the placement will allow Navigator to commence assessing the underground potential as well.

"Our cost for establishing one ounce of gold in resource is ~\$8 per ounce, so in effect we are creating value while increasing the size of the project and expanding our low cost development options".

A lot of the early pre-feasibility work has commenced and will be stepped-up while drilling is in progress to reduce the time frame on the resource to reserve conversion process. "Once the open pit scenarios are defined and the scale of operation finalised, we can move on to the underground studies", Mr Sanders said. "We have 35kms of highly prospective greenstone to play with but we need to draw a line in the sand at some point and focus on cash flow. Of course this does not mean that the resource build and value creation will stop".

Further information:    Managing Director  
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