

Appendix 5B

Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

NAVIGATOR RESOURCES LIMITED

ABN

82 063 366 487

Quarter ended ("current quarter")

31 December 2011

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from product sales and related debtors	20,743	41,480
1.2 Payments for (a) exploration & evaluation	(934)	(1,895)
(b) development	(6,654)	(14,019)
(c) production	(21,803)	(42,741)
(d) administration	(1,221)	(2,590)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	56	213
1.5 Interest and other costs of finance paid	-	(218)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net Operating Cash Flows	(9,813)	(19,770)
Cash flows related to investing activities		
1.8 Payment for purchases of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	(273)	(725)
1.9 Proceeds from sale of:		
(a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.10 Loans to other entities	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other (provide details if material)	-	-
Net investing cash flows	(273)	(725)
1.13 Total operating and investing cash flows (carried forward)	(10,086)	(20,495)

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1.13	Total operating and investing cash flows (brought forward)	(10,086)	(20,495)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	3,153	35,761
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	1,000
1.17	Repayment of borrowings	(118)	(12,223)
1.18	Dividends paid	-	-
1.19	Other (share issue costs)	(79)	(5,161)
	Net financing cash flows	2,956	19,377
	Net increase (decrease) in cash held	(7,130)	(1,118)
1.20	Cash at beginning of quarter/year to date *	15,119	9,107
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	Cash at end of quarter *	7,989	7,989

* Includes \$6.924m utilised to cash back environmental bonds and hence is not free cash. Also excludes gold on hand (\$1.70m) at the end of the quarter.

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	144
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Payments made to related parties comprise directors' salaries and fees.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

None

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

None.

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Financing facilities available

Add notes as necessary for an understanding of the position.

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	910
4.2 Development	-
4.3 Production	31,000
4.4 Administration	1,065
Total	32,975

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	1,065	8,195
5.2 Deposits at call	-	-
5.3 Bank overdraft	-	-
5.4 Other (term deposits)	-	-
5.5 Cash secured against Environmental Bonds	6,924	6,924
Total: cash at end of quarter (item 1.22)	7,989	15,119

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Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	P37/6946	Expired	100%	0%
	P37/6947	Expired	100%	0%
	P37/6948	Expired	100%	0%
6.2	P37/8076	Granted	Application	100%
	P37/8077	Granted	Application	100%
	P37/8078	Granted	Application	100%
	P37/8079	Granted	Application	100%
	E37/1103	Granted	Application	100%
	P36/1772	Application	0%	70%
	P36/1773	Application	0%	70%
	P36/1774	Application	0%	70%
	P37/8157	Application	0%	100%

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	Preference +securities <i>(description)</i>			
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions			
7.3	+Ordinary securities	2,222,216,576	2,222,216,576	
7.4	Changes during quarter (a) Increases through issues <i>Re NAVO exercise</i> 109,753 <i>Re Unlisted option exercise</i>	126,000,000	126,000,000	2.5 cents
		12,983	12,983	24.0 cents
		109,753	109,753	0.1 cents
	(b) Decreases through returns of capital, buy-backs			
7.5	+Convertible debt securities <i>(description)</i>			
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted			

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7.7	Options (description and conversion factor)			<i>Exercise price</i>	<i>Expiry date</i>
		500,000	-	20.58 cents	28/4/2012
		150,000	-	20.58 cents	19/5/2012
		500,000	-	20.58 cents	21/7/2012
		250,000	-	14.20 cents	5/12/2012
		500,000	-	20.30 cents	28/4/2012
		150,000	-	18.70 cents	19/5/2012
		500,000	-	18.00 cents	21/7/2012
		7,500,000	-	18.50 cents	30/09/2014
		500,000	-	24.00 cents	25/05/2013
		500,000	-	17.07 cents	25/05/2014
		500,000	-	15.07 cents	25/05/2014
		4,500,000	-	18.50 cents	30/10/2014
		1,780,882	-	18.50 cents	27/01/2013
		8,024,464	-	11.50 cents	7/05/2015
		6,018,348	-	11.50 cents	28/05/2015
		19,962,963	-	11.50 cents	1/12/2015
		750,000	-	27.7 cents	24/02/2014
		500,000	-	27.7 cents	02/06/2014
		250,000	-	27.7 cents	08/03/2015
		182,921	-	0.1 cents	24/02/2014
		10,000,000	-	2.1 cents	19/08/2016
	Listed under NAVOB	835,096,124	835,096,124	4.0 cents	31/07/2014
7.8	Issued during quarter				
7.9	Exercised during quarter	12,983 <i>Re NAVO</i> 109,753 <i>Re Unlisted options</i>	-	24.0 cents 0.1 cents	30/11/2011 24/02/2014
7.10	Expired/lapsed during quarter	121,204,467 15,787,648 250,000 1,000,000	121,204,467 - - -	24.0 cents 24.0 cents 20.58 cents 29.0 cents	30/11/2011 30/1/2011 5/12/2011 30/11/2011
7.11	Debentures (totals only)	-	-		
7.12	Unsecured notes (totals only)	-	-		

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here:

G. Kaczmarek

Date: 25 January 2012

Print name:

Gerard Kaczmarek
(Company Secretary)

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Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities.** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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