

EARLY WARNING REPORT

Made Pursuant To
Multilateral Instrument 62-104 – *Take-Over Bids and Issuer Bids* and
National Instrument 62-103 – *The Early Warning System and Related Take-Over bid and*
Insider Reporting Issues

RELATING TO THE ACQUISITION OF SECURITIES IN THE CAPITAL OF
NAVASOTA RESOURCES INC.

The undersigned hereby certifies:

1. Name and address of offeror:

James T. Gillis
c/o Suite 1100, 235 First Avenue
Kamloops, British Columbia V2C 3J4.

2. The designation and number or principal amount of securities and the offeror's securityholding percentage in the class of securities of which the offeror acquired ownership or control in the transaction or occurrence giving rise to the obligation to file this Report, and whether it was ownership or control that was acquired in those circumstances:

The offeror has acquired indirect ownership of 700,000 units of Navasota Resources Inc. (the "Issuer"), each unit consisting of one common share in the capital of the Issuer and one share purchase warrant, each warrant entitling the purchase of one common share in the capital of the Issuer at a per share price of \$0.10 for a period of two years from the date of issuance, subject to accelerated expiry in certain circumstances. The 700,000 common shares acquired represent approximately 6.8% of the Issuer's issued and outstanding common shares.

3. The designation and number or principal amount of securities and the offeror's securityholding percentage in the class of securities immediately after the transaction or occurrence:

After these acquisitions, the offeror owns, directly and indirectly, 861,000 common shares representing approximately 8.3% of the Issuer's issued and outstanding common shares and owns options and warrants entitling the purchase of an aggregate 725,000 common shares; or, assuming exercise of the options and warrants, a total of 1,586,000 common shares or approximately 14.4% of the Issuer's issued and outstanding common shares on a post-conversion beneficial ownership basis.

- 4. Value, in Canadian dollars, of any consideration offered per security if the offeror acquired ownership of a security in the transaction or occurrence:**

\$0.05 per unit.

- 5. Name of the market in which the transaction or occurrence took place:**

Not applicable – see item 9 below.

- 6. The purpose of the offeror and any joint actors in effecting the transaction or occurrence, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer:**

The units were acquired for investment purposes by the offeror. These security holdings will be evaluated and the investments increased or decreased as circumstances warrant.

- 7. The general nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the offeror, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities:**

Not applicable.

- 8. The names of any joint actors in connection with the disclosure required herein:**

Not applicable.

- 9. In the case of a transaction or occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, the nature and value of the consideration paid by the offeror:**

The units were acquired by subscription for cash at a per unit price of \$0.05 pursuant to the terms of a private placement offering by the Issuer.

- 10. If applicable, a description of any change in any material fact set out in a previous report by the entity under the early warning requirements or Part 4 of National Instrument 62-103 in respect of the reporting issuer's securities:**

Not applicable.

11. If applicable, a description of the exemption from securities legislation being relied on by the offeror and the facts supporting that reliance:

Not applicable.

Dated: September 16, 2013.

(signed) "James T. Gillis"
James T. Gillis