Drilling Update, First Assay Results and Forward Programme – Stavely Porphyry Copper Project, Victoria

First assays combined with observed alteration, veining and mineralisation shows drilling is closing in on at least two porphyry systems and providing additional vectors to the target zones

Highlights

SMD001 (Thursday's Gossan Prospect) – Assay Results

- **Broad intervals of low-grade copper mineralisation** in the first deep diamond drill-hole support geological observations from the well-developed phyllic alteration that SMD001 has intersected the edge of, or drilled over the top of, a large porphyry copper system. Assay results from this hole include:
  - *82.3m at 0.12% copper; 45.9m at 0.19% copper; and 28m at 0.15% copper.*

Biotite (potassic) altered xenolith (rock fragment ripped up from depth by an intrusive dyke) indicates the presence of the **target zone of better developed copper-gold mineralisation at depth**.

SMD003 (Thursday's Gossan Prospect) – Geological Observations

- **SMD003, drilled 200m south-west of SMD001, demonstrates increased intensity of alteration** with strong silica-sericite-pyrite (phyllic) alteration, an increased abundance of classical porphyry 'B' and 'D' veins and, importantly, material increases in the abundance of sulphide species including bornite and molybdenite, indicating a more proximal location to the target potassic alteration/quartz-sulphide stockwork zone compared to SMD001.
- **This drill hole is a significant incremental step towards the target mineralisation** in what is clearly a **large porphyry system at depth**. It has also provided an oriented D-vein measurement, indicating that the target zone may be to the south of and at depth below SMD003.
- **SMD004 is currently in progress** to test beneath SMD001 and SMD003 with additional holes planned as part of an accelerated deep drilling program.

SMD002 (Junction Prospect) – Partial Assay Results

- **First drill hole completed into the Junction porphyry target** demonstrates alteration increasing from phyllic (overprinting propylitic alteration) to distal potassic alteration indicating proximity to the target inner potassic alteration/quartz-sulphide stockwork veining target zone.
- **Broad zones of low-grade copper mineralisation** intersected are consistent with this peripheral interpretation:
  - *62m at 0.17% copper; 15m at 0.1% copper; and 44.8m at 0.15% copper.*
  - *Assays for the bottom third of the drill hole are pending.*

Summary

Stavely Minerals Limited (ASX Code: **SVY** – "Stavely Minerals") is pleased to provide an update on recently commenced drilling activities at its 100%-owned **Stavely Copper Project** in Western Victoria, where deep diamond drilling is in progress to test two large porphyry copper-gold targets at the Thursday's Gossan and Junction prospects.

Three diamond drill-holes have been completed to date, two at Thursday's Gossan and one at the Junction prospect (*see Figure 1*), with a fourth hole currently in progress at Thursday's Gossan.

The Company is very encouraged both by the assay results and geological observations from the holes completed to date, with all of the information to date suggesting that drilling is closing in on **at least two large porphyry copper systems at depth**. Drilling has provided compelling vectors to the target central porphyry zones, where economic copper grades could be expected.

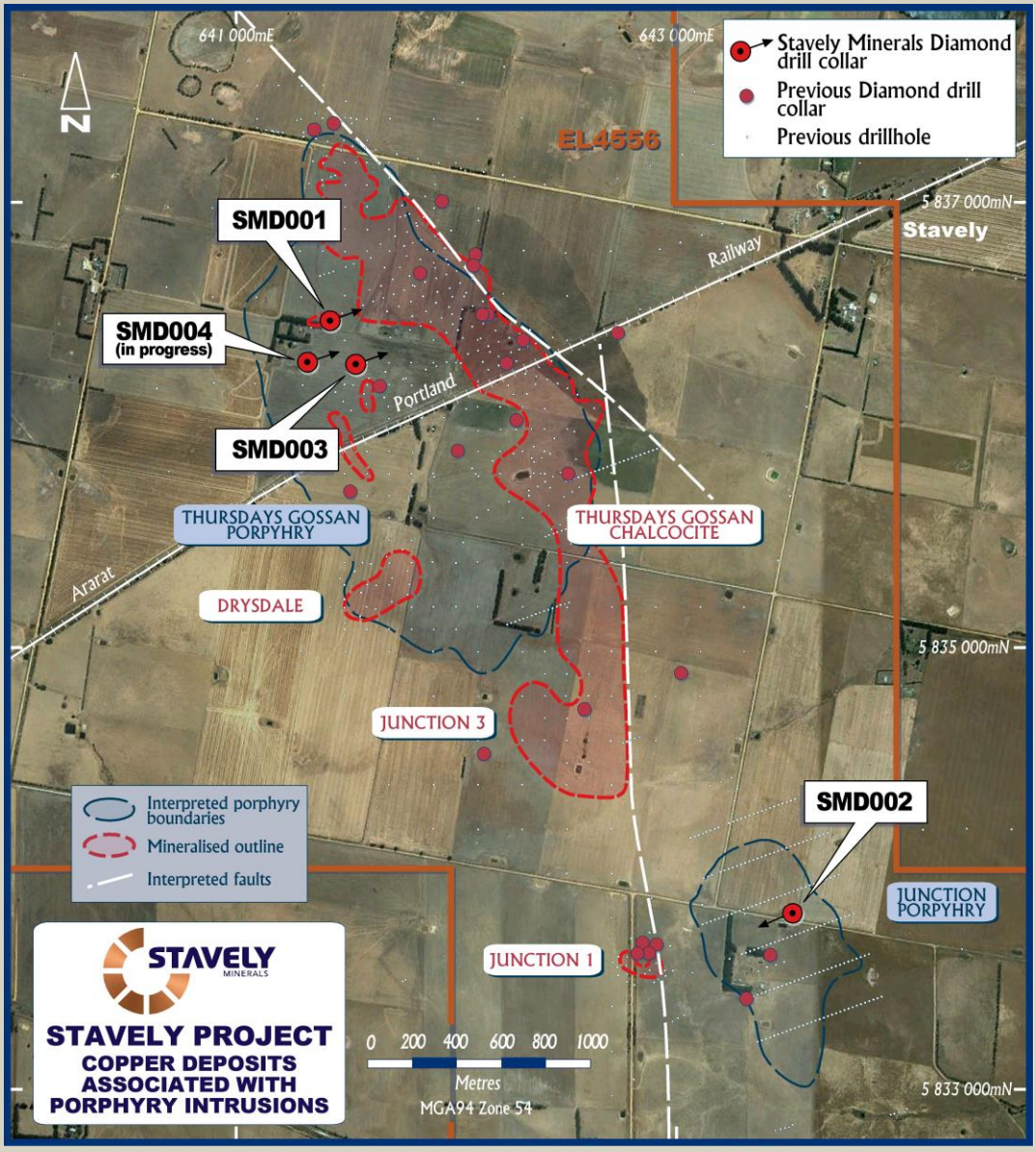


Figure 1 – Drill collar location plan for Thursday's Gossan and Junction porphyry targets.

Stavely Minerals' Managing Director, Mr Chris Cairns, said the maiden deep drilling programme at the Thursday's Gossan and Junction prospects was progressing well. "We have now seen clear indications at Thursday's Gossan that our drilling is getting incrementally closer to the targeted porphyry copper-gold mineralisation at depth, while at the nearby Junction prospect we also believe we are very close," he said.

"Drilling 500-700m deep diamond holes is not for the faint-hearted, but we believe we are progressively closing in on our targets and the prize would be well worth the effort if we can identify another Cadia Valley or North Parkes mineralised complex.

"It's important to note that this is not wildcat drilling. There is a lot of technical expertise that contributes to our targeting and this should provide us with the best chance of success. This is reflected in the technical nature of our announcements, notwithstanding that we are at great pains to try and explain what it is we are trying to achieve and convey our excitement to non-technical investors," Mr Cairns said.

Detailed Discussion

Stavely Minerals' fundamental premise has been that previous explorers did not drill deep enough to test copper-gold mineralisation associated with a porphyry intrusion at depth. The objective of the current deep drilling programme is to provide geological vectors towards the targeted quartz-sulphide stockwork veining on the margins and apex of the porphyry intrusions at the Thursday's Gossan and Junction prospects (*see Figure 2*). To this end, the Company is working closely with Corbett and Menzies Consulting Pty Ltd ("Corbett and Menzies") to validate its geological observations and assist in the progressive vectoring towards the target zones of copper-gold mineralisation.

SMD001 (Thursday's Gossan)

The Objective of SMD001

This first drill hole was designed to test a combined geological target and the flank of a geophysical IP chargeability anomaly.

The chargeability anomaly was interpreted as a response to phyllic (silica-sericite-pyrite) alteration likely to occur above, and as an overprint on, the main potassic alteration and quartz-sulphide stockwork veining of the central porphyry – which is expected to host the best developed copper-gold mineralisation within the Thursday's Gossan porphyry system.

What SMD001 Intersected

SMD001 is interpreted to have progressed from the peripheral propylitic altered country rock comprising altered andesite lavas and tuffs with occasional sulphidic pyrite-quartz ± chalcopyrite 'D' veins of up to 1m widths into inner-propylitic alteration with secondary magnetite and epidote from 210m drill depth.

From 270m to 360m down-hole, the propylitic alteration is overprinted by a moderate phyllic (silica-sericite-pyrite) alteration overprint with classical porphyry 'B' quartz veins with sericite selvedges and pyrite ± chalcopyrite, bornite and ?covellite sulphide cores. Massive sulphide-quartz 'D' veins with pyrite ± chalcopyrite, bornite, molybdenite, sphalerite and hematite are common.

At 420m depth, the drill hole intersected a fault and, on the other side of this structure, the alteration returned to predominantly propylitic with fracture-controlled pyrite and lesser chalcopyrite sulphide mineralisation.

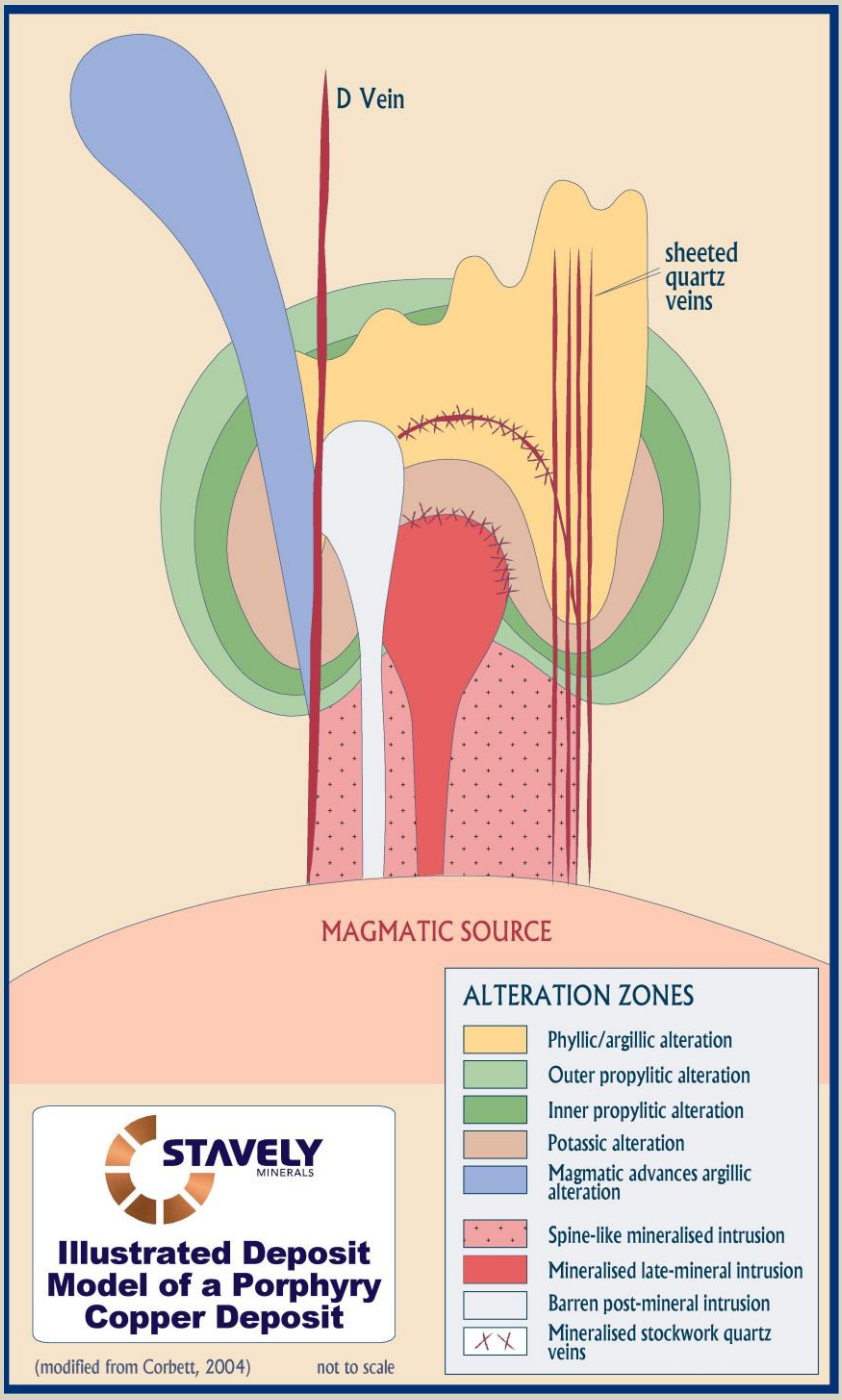
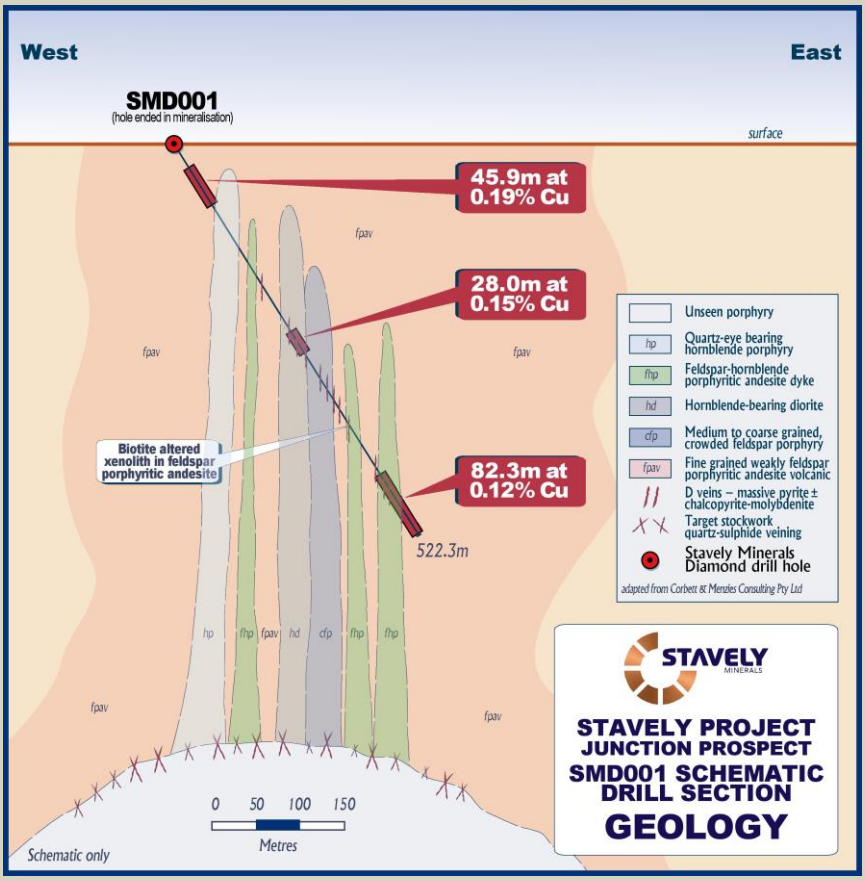


Figure 2 –Schematic section of the stylised porphyry-style mineralisation (after Corbett, 2004). The evolution of early stage prograde potassic and propylitic alteration, development of stockwork quartz-sulphide vein mineralisation and subsequent retrograde phyllic and argillic alteration in a stylised porphyry system is included as a time series graphic in Appendix 1.



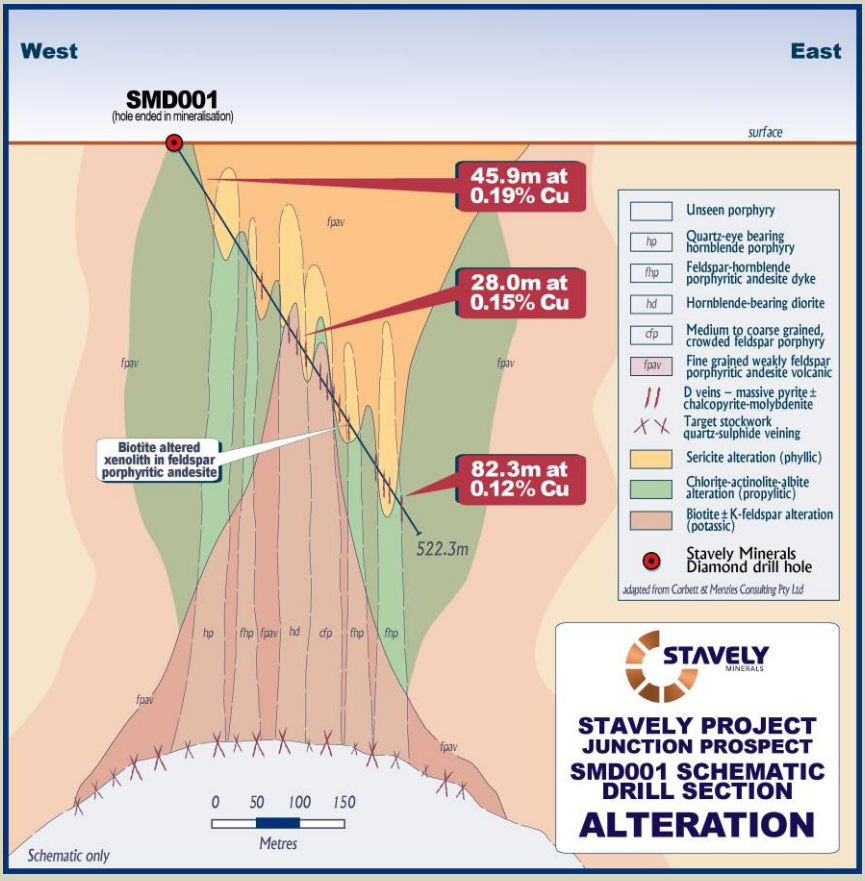


Figure 3 & 4 –Geology (top) and alteration (bottom) encountered in SMD001 (modified conceptual figure by Corbett and Menzies).

Assay Results

SMD001 intersected broad intervals of low-grade copper mineralisation consistent with geological observations from the well-developed phyllic alteration that the first deep diamond drill hole at Thursday's Gossan has intersected the edge of, or drilled over the top of a large porphyry copper system (*see Figures 3 & 4*).

Assay results from SMD001 included:

- 45.9m at 0.19% copper from 35.2m down-hole;
- 28m at 0.15% copper from 251m down-hole; and
- 82.3m at 0.12% copper from 440m down-hole to end-of-hole at 522.3m.

Biotite altered (potassic) xenolith (rock fragment ripped up from depth by an intrusive dyke) indicates that the target zone of better developed copper-gold mineralisation remains at depth beneath SMD001.

What it Means

The phyllic alteration overprint with abundant 'B' and 'D' veins in drill hole SMD001 is typical of a mineralised porphyry system (*see Figure 2 and Appendix 1*).

Of particular note is the fact that the 'D' veins in SMD001 are commonly associated with chalcopyrite and sphalerite, indicating a peripheral location relative to the target core of the porphyry system at Thursday's Gossan. Assay results demonstrating low-grade copper mineralisation are consistent with this interpretation.

The alteration and mineralisation observed in this drill hole are consistent with the IP chargeability anomaly.

SMD003 (Thursday's Gossan)

The Objective of SMD003

This second deep diamond drill hole at the Thursday's Gossan prospect SMD003, was located some 200m south-east of SMD001 (*see Figure 1*) and was designed to test the central portion of a geophysical IP chargeability anomaly. The chargeability anomaly was interpreted as a response to phyllic (silica-sericite-pyrite) alteration likely to occur above, and as an overprint on, the main potassic alteration and quartz-sulphide stockwork veining of the porphyry (*see Figure 2*) – which is expected to host the best developed copper-gold mineralisation within the Thursday's Gossan porphyry system.

What SMD003 Intersected

SMD003 was completed to a depth of 531.6m and is interpreted to have been drilled through peripheral potassic altered country rock comprising andesites and porphyritic dacites with an early biotite and magnetite (potassic) alteration and a phyllic (silica-sericite-pyrite) overprint. Biotite altered xenoliths, intersected in core at 293m depth, indicate that there is also a potassic alteration system at depth (*see Figure 5*).

Figure 5 – Biotite altered xenolith at 293m depth.

Occasional large sulphidic pyrite-quartz ± molybdenite ± chalcopyrite 'D' veins were visible from 12m down to 367m drill depth (*see Figure 6*), as well as small quartz-molybdenite ± pyrite ± chalcopyrite veins throughout the core to 331m depth.

Importantly, a greater abundance of chalcopyrite and molybdenite was visible in the 'D' veins in SMD003 than in SMD001.

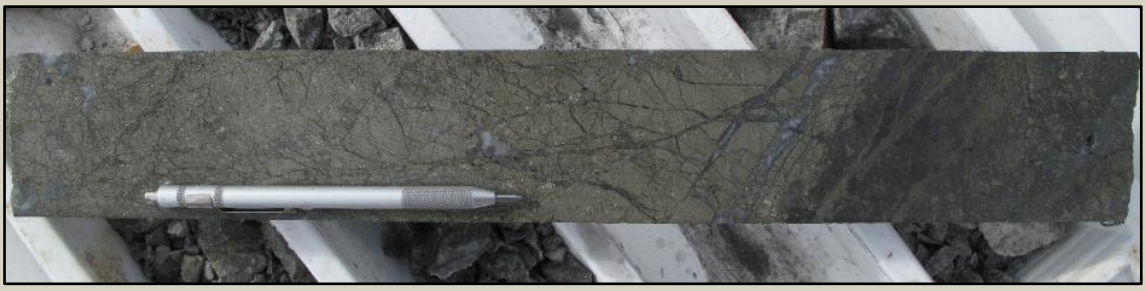


Figure 6 – Massive sulphide vein at 363m containing pyrite-quartz-chalcopyrite.

The hole also intersected a number of silica flooded zones with sericite alteration, disseminated pyrite and fine veins of molybdenite (*see Figure 7*).

Figure 7 – Silica-sericite altered rock with fine molybdenite veining at 261.5m.

One of these zones, from 331m to 351m, contains a number of sulphide rich veins containing quartz-pyrite-chalcopyrite-molybdenite ± bornite (*see Figure 8*).

Figure 8 – Bornite in a quartz-pyrite-bornite-chalcopyrite sulphidic vein at 340.6m (bornite is the purple sulphide – hence its colloquial name 'peacock ore').

At 398m depth, the drill hole intersected a fault beyond which the alteration returned to propylitic and the abundance of copper sulphide mineralisation reduced. However, there were occasional strong molybdenite bearing veins.

Assay Results

Assays are pending.

What it Means

The phyllic alteration overprint of an earlier biotite alteration (potassic) in conjunction with the more common occurrence of bornite and molybdenite in quartz-sulphide veins indicates that SMD003 was drilled closer to the target source than SMD001.

The quartz-sulphide veins in SMD001 demonstrated a typical sulphide abundance in the order of:

pyrite>>>chalcopyrite>>>sphalerite>>molybdenite>>bornite

whereas the quartz-sulphide veins in SMD003 demonstrated a typical sulphide abundance in the order of:

pyrite>>chalcopyrite>>molybdenite>>bornite while sphalerite was not noted.

The increasing abundance of molybdenite and bornite, decrease in sphalerite content and phyllic overprint of outer potassic alteration in SMD003 as opposed to phyllic over propylitic alteration in SMD001 is interpreted to demonstrate that SMD003 was drilled in a location more proximal than SMD001 to the inner potassic / quartz-sulphide stockwork veined target zone which could be expected to host better developed porphyry-style copper-gold mineralisation.

It is worth noting that Corbett and Menzies have yet to review core from SMD003 and this interpretation is based solely on the observations of Stavely's geological team.

In short, the Company believes that SMD003 represents a major step towards the target mineralised zone and, additionally, has provided an oriented D-vein structural measurement which appears to indicate that the target zone could be to the south of, and down-plunge of, SMD003.

Drill hole SMD004 (*see Figure 2*) is currently in-progress drilling at depth beneath SMD001 and SMD003.

SMD002 (Junction)

The Objective of SMD002

This first deep diamond drill hole at the Junction prospect (*see Figure 2*) was designed to test the northern end of a magnetic high surrounded by a magnetic low annulus and a copper soil / auger geochemical anomaly coincident with the magnetic high.

The magnetic high was interpreted as potentially resulting from hydrothermal magnetite associated with potassic alteration while the surrounding magnetic low was interpreted as possibly related to overprinting phyllic alteration destroying the early-stage magnetite alteration on the margins of the mineralised system.

What SMD002 Intersected

SMD002 was completed to a depth of 533m and intersected intercalated volcanics and volcaniclastics of the Mount Stavely Volcanic Complex including andesite lavas, siltstones and volcaniclastic sediments. The sequence has been intruded by a series of porphyritic andesite, diorite and granodiorite dykes.

Early prograde propylitic alteration and high-temperature potassic alteration expressed as locally pervasive biotite ± magnetite alteration of intrusive units and more porous sedimentary units (*see Figure 9*) and occasional k-spar selvedges to quartz sulphide 'A' veins in intrusive units (*see Figure 10*) is indicative of the drill hole being in a position proximal to the target porphyry intrusion.

The upper portions of the drill hole demonstrate a broad zone of retrograde phyllic alteration over earlier potassic and propylitic alteration.

Figure 9 – Pervasive biotite (potassic) alteration (dark brown groundmass).

Figure 10 – K-spar selvedges (pink) to quartz-chalcopyrite 'B' veins (HQ diameter drill core).

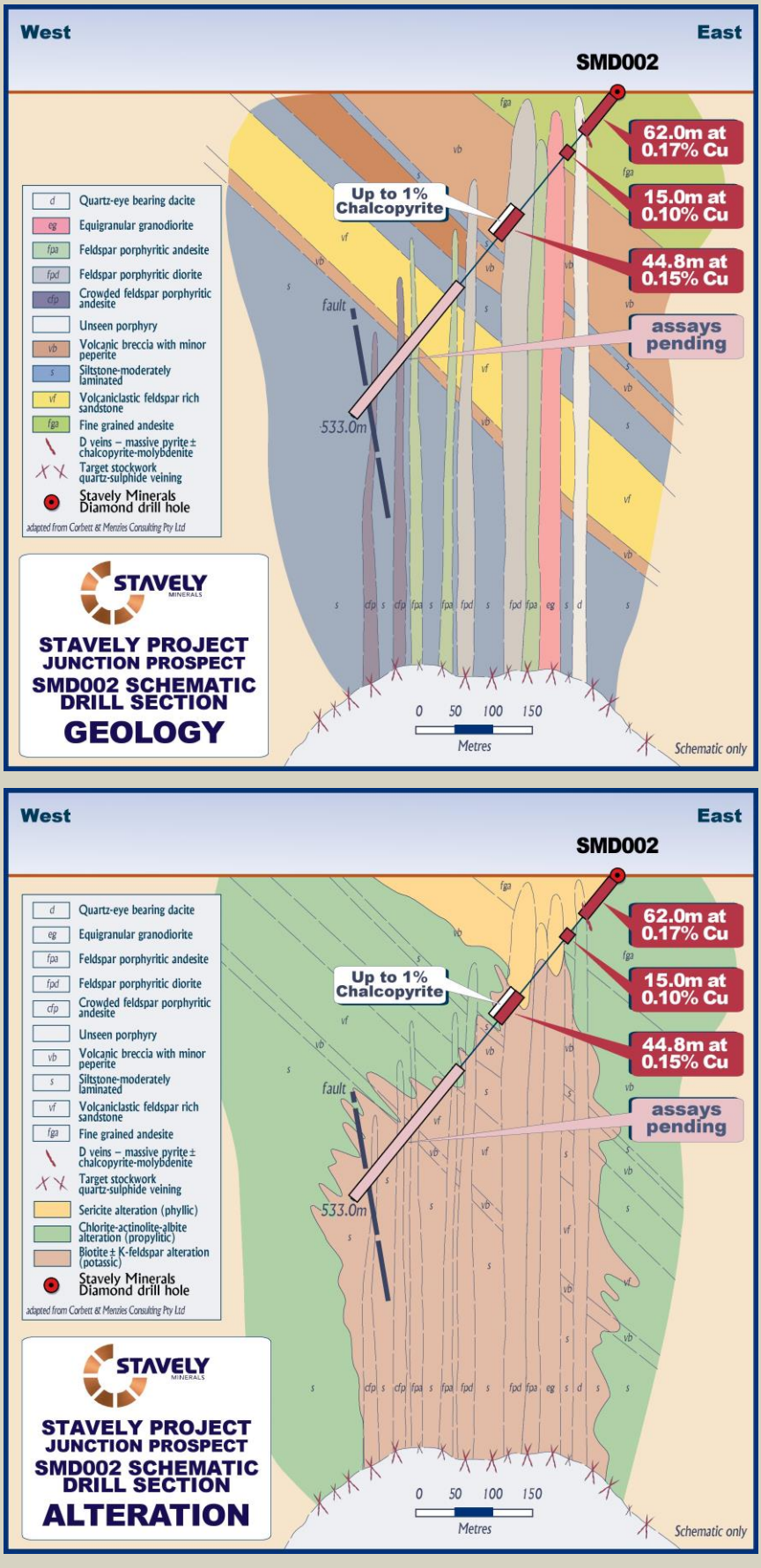
Sulphide mineralisation is expressed as early 'A' veins of quartz-K-feldspar-chalcopyrite which are cut by later quartz-actinolite-chalcopyrite 'B' veins. Quartz-pyrite ± chalcopyrite ± molybdenite 'D' veins are the most common vein type in phyllic altered zones, while chalcopyrite mineralisation occurs in greatest abundance proximal to biotite alteration associated with diorite dykes indicative of leakage from a deeper porphyry source.

Assay Results

SMD002 intersected broad intervals of low-grade copper mineralisation consistent with geological observations that well developed phyllic alteration observed near the top of the drill hole is associated with common 'D' veins and observed chalcopyrite abundances up to 1% associated with locally pervasive biotite (potassic) alteration which are proximal to the target porphyry-style quartz-sulphide stockwork veining copper-gold mineralisation (*see Figures 11 & 12*).

Assay results from SMD002 included:

- 62m at 0.17% copper from 3m down-hole;
- 15m at 0.10% copper from 89m down-hole; and
- 44.8m at 0.15% copper from 193.2m down-hole.
- Assays for the bottom third of the hole are pending.



Figures 11 & 12 –Geology (top) and alteration (bottom) observed in SMD002 (modified conceptual figure by Corbett and Menzies).

What it Means

Drill hole SMD002 at the Junction prospect is interpreted to have been drilled in a position proximal to a porphyry intrusion at depth. The drill hole was directed across the northern portion of a coincident copper anomaly in soils / soil auger sampling and a distinctive magnetic high with a magnetic low annulus expected to be the product of prograde hydrothermal magnetite introduction and retrograde magnetite destruction (*see Figure 13*).

Simply put, SMD002 is interpreted to have come very close to the inner potassic alteration / quartz-sulphide stockwork target zone and provides excellent encouragement for further drilling.

A second deep diamond drill hole is planned to commence shortly and is more directly targeted at the centre of the coincident copper/ magnetic anomaly at depth.

Forward Programme at the Stavely Project

Stavely Minerals is very excited by the encouraging indications seen to date from deep drilling at the Stavely Porphyry Copper Project.

In light of the results received to date, the Company has decided to accelerate drilling activities beyond those detailed in the Company's Prospectus, with the intention of drilling additional holes to systematically target well-developed porphyry-style copper-gold mineralisation at both the Thursday's Gossan and Junction prospects.

With a fourth deep diamond hole currently in progress and additional holes to be drilled at both porphyry prospects in the coming months, the Company is looking forward to continued strong news flow from this emerging large-scale porphyry copper project in Western Victoria.

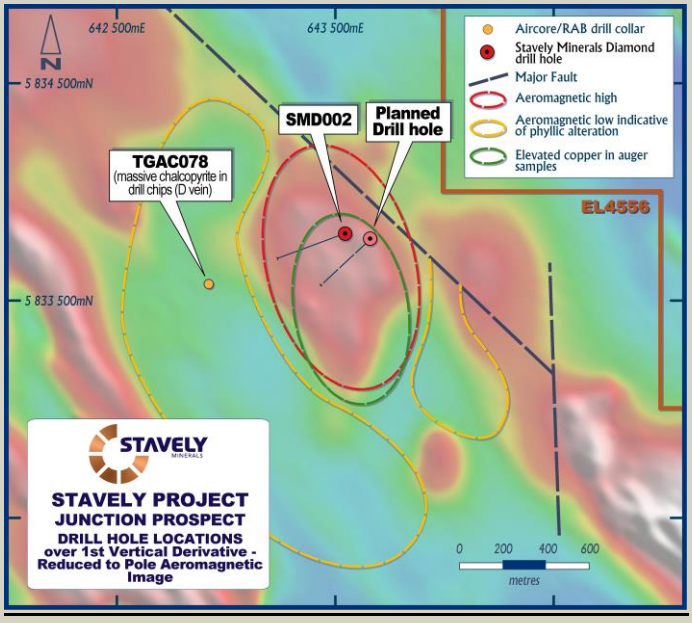


Figure 13 – Junction prospect Aeromagnetic image with major structural features, copper geochemical anomaly outline and drill hole traces (modified from Corbett and Menzies, 2014).

Chris Cairns
Managing Director

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Chris Cairns, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Cairns is a full-time employee of the Company. Mr Cairns is the Managing Director of Stavely Minerals Limited, is a substantial shareholder of the Company and is an option holder of the Company. Mr Cairns has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Cairns consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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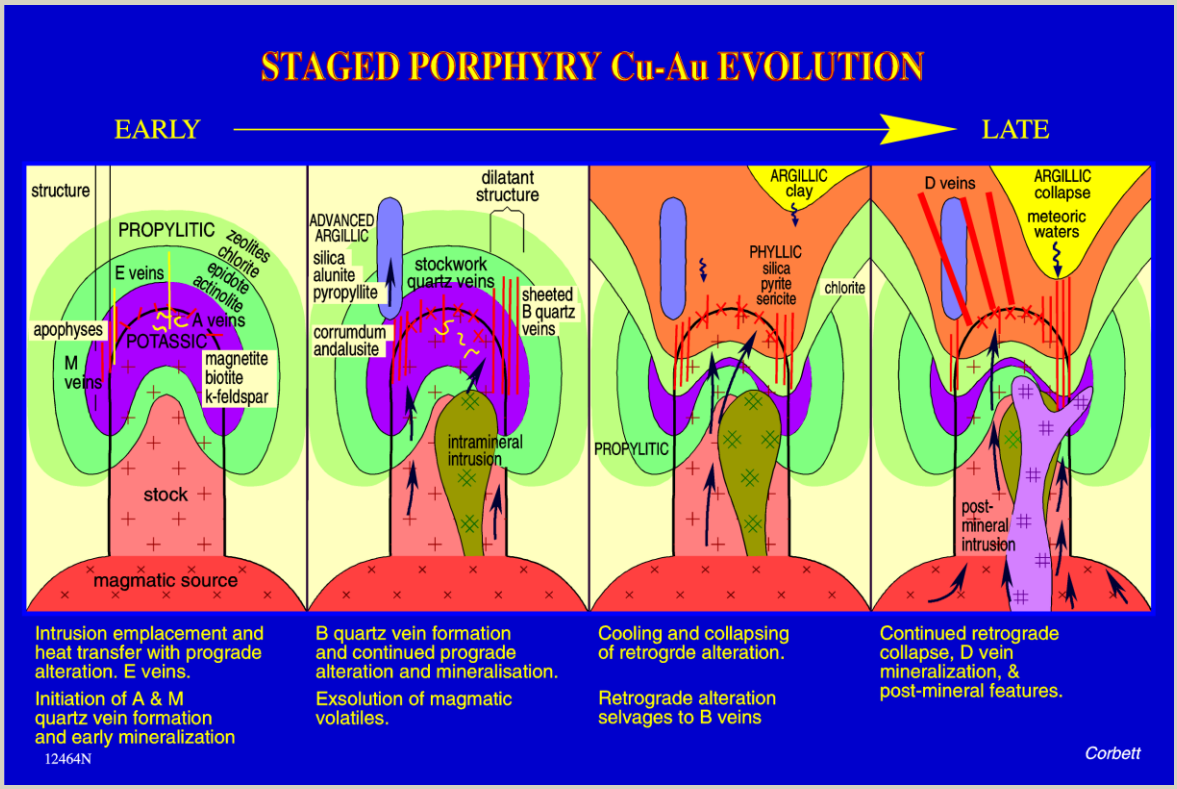
Intercept Table

Stavely Project										
		MGA 94 zone 54					Intercept			
Hole id	Hole Type	East	North	Dip/ Azimuth	RL (m)	Total Depth (m)	From	To	Width	Cu (%)
Thursday's Gossan Prospect										
SMD001	DD	641451	5836459	-60° /060	270	522.3	35.2	81.1	45.9	0.19
						Incl.	235.0	299.0	64.0	0.10
							251.0	279.0	28.0	0.15
							334.0	345.0	11.0	0.12
							359.0	369.0	10.0	0.11
							440.0	522.3	82.3	0.12
Junction Prospect										
SMD002	DD	643549	5833804	-50° /250	270	533.0	3.0	65.0	62.0	0.17
							89. 0	104.0	15.0	0.10
							113.0	123.0	10.0	0.10
							138.0	148.0	10.0	0.10
							176.0	270.0	93.0	0.11
						Incl.	193.2	238.0	44.8	0.15
							316.0	533.0	Assays pending	

*Hole ended in mineralisation

Cu – intercepts quoted ≥ 10m @ 0.1% Cu

Appendix 1 – Stylised time sequence evolution of a mineralised porphyry copper-gold system (after Corbett, 2009)



JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	**Thursday's Gossan Prospect** Diamond drill hole, SMD001 was drilled at the Thursday's Gossan prospect. Diamond drilling was used to produce drill core with a diameter of 85mm (PQ) from surface to a depth of 302.5m and then 63.5mm (HQ) from 302.5m to 522.3m (eoh). SMD001 was orientated at 60^{o} toward 060^{o} to intercept and drill beneath an IP chargeability anomaly interpreted as representing the phyllic alteration of a porphyry system. Diamond drill hole, SMD003 was drilled at the Thursday's Gossan prospect. Diamond drilling was used to produce drill core with a diameter of 85mm (PQ) from surface to a depth of 260.4m and then 63.5mm (HQ) from 260.4m to 531.6m (eoh). SMD003 was orientated at 60^{o} toward 060^{o} to intercept and drill beneath an IP chargeability anomaly interpreted as representing the phyllic alteration of a porphyry system. **Junction Prospect** Diamond drill hole, SMD002 was drilled at the Junction Prospect. Diamond drilling was used to produce drill core with a diameter of 85mm (PQ) from surface to a depth of 173.0m and then 63.5mm (HQ) from 173.0m to 533m (eoh). SMD002 was orientated at -50^{o} toward 239^{o} under the northern edge of a magnetic high, under elevated Cu in surface soil samples and towards a massive chalcopyrite bearing 'D' vein intersected in a historical aircore drill hole.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Sample representivity was ensured by a combination of Company Procedures regarding quality controls (QC) and quality assurance/ testing (QA). Examples of QC include (but are not limited to), daily workplace and equipment inspections, as well as drilling and sampling procedures. Examples of QA include (but are not limited to), collection of drilling duplicates ("field duplicates"), the use of certified standards and blank samples.
	Aspects of the determination of mineralisation that are Material to the Public Report - In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation	Drill sampling techniques are considered industry standard for the Stavely work program. **Thursday's Gossan and Junction Prospects** For the diamond core the entire hole has been sampled. For the PQ core - quarter core and for the HQ - half core was submitted to the laboratory for analysis. Sample intervals were based on lithology but in general were 1m. No intervals were less than 0.3m or greater than 1.8m. The diamond drill samples were submitted to Australian

Criteria	JORC Code explanation	Commentary
	may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	Laboratory Services ("ALS") in Orange, NSW. Laboratory sample preparation involved:- sample crushed to 70% < 2mm, riffle/rotary split off 1kg, pulverize split to >85% passing 75 microns. Diamond core samples were analysed by ME-ICP61 - Multi acid digest with HF and ICPAES and ICPMS and Au-AA23 – fire assay with AAS finish.
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	**Thursday's Gossan and Junction Prospects** Diamond drilling used PQ (85mm internal diameter) and HQ (63.5mm internal diameter) drill bits. Diamond drilling was standard tube. Diamond core was orientated by the Reflex ACT III core orientation tool.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Diamond core recoveries were logged and recorded in the database. Greater than 83% of SMD001 hole had 100% core recovery, with only 0.4% of the hole recording 0% recovery. A total of 92% of SMD002 had in excess of 95% recovery, with less than 0.5% of the hole recording less than 50% recovery. A total of 86% of SMD003 had in excess of 95% recovery, with 2.2% of the hole recording less than 50% recovery.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	Diamond core is reconstructed into continuous runs on an angle iron cradle for orientation marking. Depths are checked against the depth given on the core blocks and rod counts are routinely carried out by the driller.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No analysis has been undertaken as yet regarding whether sample bias may have occurred due to preferential loss/gain of fine/coarse material and is not considered to have a material effect given the competent nature of the drill core.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Geological logging of samples following Company and industry common practice. Qualitative logging of samples including (but not limited to); lithology, mineralogy, alteration, veining and weathering. Diamond core logging included additional fields such as structure and geotechnical parameters. Due to the fractured nature of the core returned in SMD001 there was a low confidence in the orientations and consequently only limited structural measurement could be taken. The quality of core from SMD002 and SMD003 was much better than for SMD001 and consequently the confidence in the orientations was higher and structural measurements could be taken.

Criteria	JORC Code explanation	Commentary
		Magnetic Susceptibility measurements were taken for each 1m diamond core interval.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	All logging is quantitative, based on visual field estimates. Systematic photography of the diamond core in the wet and dry form was completed.
	The total length and percentage of the relevant intersections logged.	Detailed diamond core logging, with digital capture was conducted for 100% of the core by Stavely's on-site geologist at the Company's core shed near Glenthompson.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Quarter core for the PQ diameter diamond core and half core for the HQ diameter core was sampled on site using a core saw.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Company procedures were followed to ensure sub-sampling adequacy and consistency. These included (but were not limited to), daily work place inspections of sampling equipment and practices.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Blanks and certified reference materials are submitted with the samples to the laboratory as part of the quality control procedures.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	No second-half sampling has been conducted at this stage.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The sample sizes are considered to be appropriate to correctly represent the sought mineralisation.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	**Thursday's Gossan and Junction Prospects** The core samples were analysed by multielement ICPAES Analysis - Method ME-ICP61. A 0.25g sample is pre-digested for 10-15 minutes in a mixture of nitric and perchloric acids, then hydrofluoric acid is added and the mixture is evaporated to dense fumes of perchloric (incipient dryness). The residue is leached in a mixture of nitric and hydrochloric acids, the solution is then cooled and diluted to a final volume of 12.5mls. Elemental concentrations are measured simultaneously by ICP Atomic Emission Spectrometry. This technique approaches total dissolution of most minerals and is considered an appropriate assay method for porphyry copper-gold systems. The core samples were also analysed for gold using Method Au-AA23. Up to a 30g sample is fused at approximately 1100ºC with alkaline fluxes including lead oxide. During the fusion process lead oxide is reduced to molten lead which acts as a collector for gold. When the fused mass is cooled the lead separates from the impurities (slag) and is placed in a cupel in a furnace at approximately 900^{o}C. The lead oxidizes to lead oxide, being absorbed by the cupel, leaving a bead (prill) of gold, silver (which is added as a collector) and other precious metals. The prill is dissolved in aqua regia with a reduced final volume. Gold content is determined by flame AAS using matrix matched standards. For samples which are difficult to fuse a reduced charge may be used to yield full recovery of gold. This technique approaches total dissolution of most minerals and is considered an appropriate assay method for detecting gold mineralisation.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No results have been reported using geophysical tools, spectrometers, handheld XRF instruments, etc.
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	**Thursday's Gossan and Junction Prospects** Laboratory QAQC involved the submission of standards and blanks. For each 60 samples, two Certified Reference Material (CRM) standards and one blank were submitted. The analytical laboratory also provide their own routine quality controls within their own practices. The results from their own validations were provided to Stavely Minerals. Results from the CRM standards and the blanks gives confidence in the accuracy and precision of the assay

Criteria	JORC Code explanation	Commentary
		data returned from ALS.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Either Stavely Minerals' Managing Director or Technical Director have visually verified significant intersections in the core at Thursday's Gossan and Junction prospects.
	The use of twinned holes.	No twinned holes have been drilled.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary data was collected for drill holes using the OCRIS logging template on Panasonic Toughbook laptop computers using lookup codes. The information was sent to a database consultant for validation and compilation into a SQL database.
	Discuss any adjustment to assay data.	No adjustments or calibrations were made to any assay data used in this report.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Drill collar locations were pegged before drilling and surveyed using Garmin handheld GPS to accuracy of +/- 3m. Collar surveying was performed by Stavely Minerals' personnel. This is considered appropriate at this early stage of exploration. For the diamond holes down-hole single shot surveys were conducted by the drilling contractor. Surveys were conducted at approximately every 30m down-hole.
	Specification of the grid system used.	The grid system used is GDA94, zone 54.
	Quality and adequacy of topographic control.	At Thursday's Gossan and Junction prospects topographic control is achieved via use of DTM developed from a 2008 airborne magnetic survey conducted by UTS contractors measuring relative height using radar techniques.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The drill hole spacing is project specific, refer to figures in text.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	The paucity of deep drilling at the Thursday's Gossan and Junction prospects does not provide sufficient data distribution and spacing appropriate for Mineral Resource or Ore Reserve Estimations.
	Whether sample compositing has been applied.	**Thursday's Gossan and Junction Prospects** Sample intervals were based on lithology but in general were 1m. No intervals were less than 0.3m or greater than 1.8m.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	**Thursday's Gossan Prospect** At Thursday's Gossan, diamond drill holes SMD001 and SMD003 were orientated at 60^{o} toward 060^{o} to intercept and drill beneath an IP chargeability anomaly interpreted as representing the phyllic alteration of a porphyry system. **Junction Prospect** At Junction, SMD002 was orientated at -50^{o} toward 239^{o}

Criteria	JORC Code explanation	Commentary
		under the northern edge of a magnetic high, under elevated Cu in soil samples and towards a massive chalcopyrite bearing 'D' vein intersected in a historical aircore drill hole.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	**Thursday's Gossan and Junction Prospects** There is insufficient drilling data to date to demonstrate continuity of mineralised domains and determine if any orientation sampling bias can be identified in the data.
Sample security	*The measures taken to ensure sample security.*	Samples are delivered in closed poly-weave bags to the courier in Ararat by Stavely Minerals' personnel. The samples are couriered to ALS Laboratory in Orange, NSW.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits or reviews of the data management system has been carried out.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	**Thursday's Gossan and Junction Prospects** The diamond drilling at Thursday's Gossan and Junction is located on EL4556, which forms the Stavely Project. The Stavely Project was purchased by Stavely Minerals (formerly Northern Platinum) from BCD Resources Limited in May 2013. Stavely Minerals hold 100% ownership of the Stavely Project Tenements. The Stavely Project is on freehold agricultural land and not subject to Native Title claims. New Challenge Resources Pty Ltd retains a net smelter return royalty of 3% in EL4556, although there is an option to reduce this to 1% upon payment of $500k.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	**Thursday's Gossan and Junction Prospects** A retention licence – RL2017 was applied for over the entire extent of EL4556 in May 2014. The tenement is in good standing and no known impediments exist.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	**Thursday's Gossan Prospect** Exploration activity became focused on Thursday's Gossan and the Junction prospects following their discovery by Pennzoil of Australia Ltd in the late 1970's. North Limited continued to focus on Thursday's Gossan in the 1990s. North's best drill result at Thursday's Gossan came from VICT1D1 which gave 161m of 0.26% Cu from 43m, including 10m of 0.74% Cu from 43m from a supergene-enriched zone containing chalcocite.

Criteria	JORC Code explanation	Commentary
		The tenement was optioned to CRA Exploration between 1995 and 1997. CRAE drilled several deep diamond drill holes into Thursday's Gossan, including DD96WL10, which intersected 186m from 41m of 0.15% Cu and DD96WL11, which intersected 261.7m from 38.3m of 0.13% Cu. EL4556 was further explored by Newcrest Operations Limited under option from New Challenge Resources Ltd between 2002 and 2004. Their main focus was Thursday's Gossan in order to assess its potential as a porphyry copper deposit. One of their better intersections came from drill hole VSTD01 on the northern edge of the deposit which gave 32m at 0.41 g/t Au and 0.73% Cu from 22m in supergene-enriched material. The Stavely Project was optioned to Beaconsfield Gold Mines Pty Ltd in 2006 who flew an airborne survey and undertook an extensive drilling program focused on several prospects including Thursday's Gossan. One of their diamond drill holes at Thursday's Gossan, SNDD001, encountered zones with quartz-sulphide veins assaying 7.7m of 1.08 g/t Au and 4.14% Cu from 95.3m and 9.5m of 0.44 g/t Au and 2.93% Cu from 154.6m along silicified and sheared contacts between serpentinite and porphyritic intrusive rocks. Once Beaconsfield Gold Mines Pty Ltd had fulfilled their option requirements, title of EL4556 passed to their subsidiary company, BCD Metals Pty Ltd, who undertook a gravity survey and extensive drilling at prospects including Thursday's Gossan. They also commissioned a maiden Mineral Resource estimate for Thursday's Gossan. All work conducted by previous operators at the Thursday's Gossan is considered to be of a reasonably high quality. **Junction Prospect** The Junction porphyry target is defined by a coincident magnetic high, strong soil copper geochemistry, RAB drilling copper anomalism and has been tested by only two diamond drill holes to date. Copper mineralisation to 0.54% from 85-86m down hole was intercepted in diamond drill hole PEND6J. Junction 1 is associated with the Junction Porphyry. Significant intersections of supergene copper mineralisation were encountered in drilling by Pennzoil, including 16.5m of 0.86% Cu from 20m and 16m of 0.99% Cu from 42m in DDH Junction 3 drilled at the Junction 1 prospect. More recent aircore and reverse circulation drilling by Beaconsfield Gold Mines Pty Ltd includes 35m at 3.69% Cu from 24m (TGAC078), 12m

Criteria	JORC Code explanation	Commentary
		of 1.61% Cu from 33m (TGRC087) and 7m of 1.59% Cu from 71m (TGRC110). All work conducted by previous operators at the Thursday's Gossan is considered to be of a reasonably high quality.
Geology	*Deposit type, geological setting and style of mineralisation.*	**Thursday's Gossan and Junction Prospects** The Thursday's Gossan and Junction prospects are located in the Mount Stavely Volcanic Complex (MSVC). Intrusion of volcanic arc rocks such at the Mount Stavely Volcanic Complex by shallow level porphyries can lead to the formation of porphyry copper ± gold ± molybdenum deposits. The Thursdays Gossan Chalcocite deposit (TGC) is considered to be a supergene enrichment of primary porphyry-style copper mineralisation. Mineralisation is characterised by chalcopyrite, covellite and chalcocite copper sulphide mineralisation within a sericite, illite and kaolin clay alteration assemblage. Copper mineralisation is within a flat lying enriched 'blanket' of overall dimensions of 4 kilometres north-south by up to 1.5 kilometres east-west by up to 60 metres thick with an average thickness of approximately 20 metres commencing at an average depth below surface of approximately 30 metres. The majority (circa 60%) of the Mineral Resources reside within a higher grade zone of approximate dimensions of 1 kilometre x 300 metres by 35 metres thick. The Thursday's Gossan area hosts a major hydrothermal alteration system with copper-gold mineralisation over a 10 kilometre long corridor. The Junction porphyry target is defined by a coincident magnetic high, strong soil copper geochemistry, RAB drilling copper anomalism. Stavely Minerals believes the technical evidence indicates there is significant porphyry copper-gold mineralisation potential at depth at Thursday's Gossan and Junction.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* ○ *easting and northing of the drill hole collar* ○ *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* ○ *dip and azimuth of the hole* ○ *down hole length and interception depth* ○ *hole length.*	A table of all drill hole significant exploration results are provided for the Thursday's Gossan and Junction prospects in the body of the text. The table includes:- • Collar coordinated in GDA94 Zone 54, • RL, • Dip and azimuth of hole, • Total hole depth, • Length weighted average grade for Cu%, Au g/t & Ag g/t.

Criteria	JORC Code explanation	Commentary
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	No material drill hole information has been excluded.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	**Thursday's Gossan and Junction Prospects** Exploration results are nominally reported where copper results are greater than 0.1% Cu, significant intersections have a minimum down-hole width of 10 metres, internal dilution of up to 3 metres has been incorporated to allow continuity of significant intercepts while additional intervals may be included if they are considered to form part of the overall mineralised zone. No top-cutting of high grade assay results has been applied, nor was it deemed necessary for the reporting of significant intersections.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	**Thursday's Gossan and Junction Prospects** In reporting exploration results, length weighted averages are used for any non-uniform intersection sample lengths. Length weighted average is (sum product of interval x corresponding interval grade %) divided by sum of interval length.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are used for reporting exploration results.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*	**Thursday's Gossan and Junction Prospects** There is insufficient drilling data to date to demonstrate continuity of mineralised domains and determine the relationship between mineralisation widths and intercept lengths.
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	Refer to the Tables and Figures in the text.

Criteria	JORC Code explanation	Commentary
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer to Figures in body of text. A plan view of the drillhole collar locations is included. Schematic sections for SMD001 and SMD002 with significant intercepts are presented in the body of text.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	**Thursday's Gossan and Junction Prospects** All Cu values greater than or equal to 10m at >0.1% have been reported.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	All relevant exploration data is shown on figures and discussed in the text.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	**Thursday's Gossan and Junction Prospects.** Detailed logging of the diamond drill core by expert porphyry consultants to refine interpreted alteration zones and structural controls, Infra-red spectrometry will be used to make semi-quantitative alteration mineralogy determinations and multi-element litho-geochemistry analysis will all be used as a vector to the target porphyry mineralisation. Further diamond holes will be drilled to systematically vector towards the expected well-developed copper-gold mineralisation at Thursday's Gossan.