



ASX ANNOUNCEMENT

15 March 2021

Stavely Embarks on Major Regional Exploration Initiative to Expand its Growth Pipeline in Western Victoria's Emerging Copper Province

Geophysical contractor CGG to commence extensive 7,500 line-kilometre/~\$1.2m Falcon™ airborne gravity gradiometer survey over the entire Stavely Project

- French-based geophysical contractor CGG have notified that they are mobilising this week to commence a landmark 7,500 line-kilometre Falcon™ gravity gradiometer survey over the 1,461km² Stavely Copper-Gold Project.
- Subject to favourable weather conditions, the survey is expected to take approximately two weeks to complete.
- This dataset is independent of, but complementary to, the existing regional aeromagnetic datasets.
- The combined datasets will provide a long-term baseline reference point to support copper-gold-silver exploration for many years to come in this under-explored and emerging mineral province.
- The Thursday's Gossan porphyry system – which hosts the recently discovered structurally-controlled Cayley Lode high-grade copper-gold-silver discovery – is reflected in existing gravity data as a pronounced gravity low.
- This is interpreted to reflect the +300m deep argillic (clay) alteration zone from surface. The clay alteration is significantly lower density than the surrounding host units.
- Given the obscured surface geology, with a large proportion of Stavely Minerals' tenure affected by shallow transported cover, the acquisition of the gravity gradiometer data over the entire prospective area could significantly accelerate the identification of high-priority regional exploration targets.

Stavely Minerals Limited (ASX Code: **SVY** – “Stavely Minerals”) is pleased to advise that it has embarked on an exciting new regional exploration initiative across its 100%-owned **Stavely Copper-Gold Project** in Victoria (Figures 1 and 2) aimed at building its long-term growth pipeline of exploration opportunities across this emerging copper-gold-silver district.

Stavelly has contracted French headquartered international geophysical contractor CGG to fly a state-of-the-art airborne gravity survey over its tenements using its airborne Falcon™ Gravity Gradiometer system. CGG has advised the Company it will mobilise to Victoria to commence the survey this week.

An intensive Mineral Resource definition drill-out of the Cayley Lode copper-gold-silver discovery is in-progress with the current focus on extending the deposit to the north-west within the (now) overall 1.5km-long discovery zone. In-fill and step-out drilling is continuing based on a roughly 40m x 40m drilling grid.

The Cayley Lode discovery is considered to be analogous to the structurally-controlled Magma, Arizona lode-style copper-gold-silver mineralisation. Locally, the Cayley Lode forms part of the Thursday's Gossan porphyry prospect, which is characterised by a distinctive gravity 'low' signature (Figure 3).

It is believed that this gravity low reflects the +300m deep argillic to advanced argillic (clay) hydrothermal alteration observed in drilling at the Thursday's Gossan prospect and is a direct function of the circulation of hot fluids also responsible for the transport of metals during the deposition of porphyry-related mineralisation (Figure 4).

The survey, comprising some 7,500 line-kilometres, will be flown at 80m height above surface (150m over residential areas) on east-west flight lines spaced 200m apart with north-south tie-lines flown at a 2-kilometre spacing (Figures 5 and 6).

Commenting on this exciting new regional exploration initiative, Stavelly Minerals' Executive Chairman, Chris Cairns, said:

"Stavelly Minerals was a first-mover in identifying the potential for porphyry and porphyry-related mineralisation in western Victoria in 2013 when there was an exploration downturn and Victoria was not a highly-regarded exploration destination. While both investor sentiment towards the sector generally and the standing of Victoria in exploration destination rankings has improved significantly, Stavelly Minerals' first-mover advantage has allowed us to aggregate a commanding position in what we believe are likely to prove the most productive and fertile portions of the mineralised ancient volcanic arc systems in this region.

"As a dedicated explorer, the importance of acquiring the strategic fundamental datasets that will underpin years of ongoing exploration in this emerging copper province cannot be overstated. In conjunction with airborne magnetic datasets that have been acquired both privately and by the State Government, the new gravity data will provide an independent but very complementary dataset of bedrock geophysical properties.

"The gravity data easily 'sees through' the shallow transported cover endemic to the region that otherwise obscures much of the basement geology.

"Given the Thursday's Gossan prospect has such a large and distinctive gravity low signature, it was a no-brainer to fly the gravity gradiometer over our very large tenure position – that otherwise would take several years if acquired by ground-based surveys.

"We believe that this data, in conjunction with the other information already available to us, could fast-track exploration of an entirely new generation of copper-gold targets beyond

Thursday’s Gossan, and potentially lead to significant new discoveries that could cement this area as a long-term source of copper for many decades to come.

“We are looking forward to the results of this landmark survey, which we expect will reveal numerous targets and exploration hot-spots that will need to be followed up and tested in the months and years ahead.”

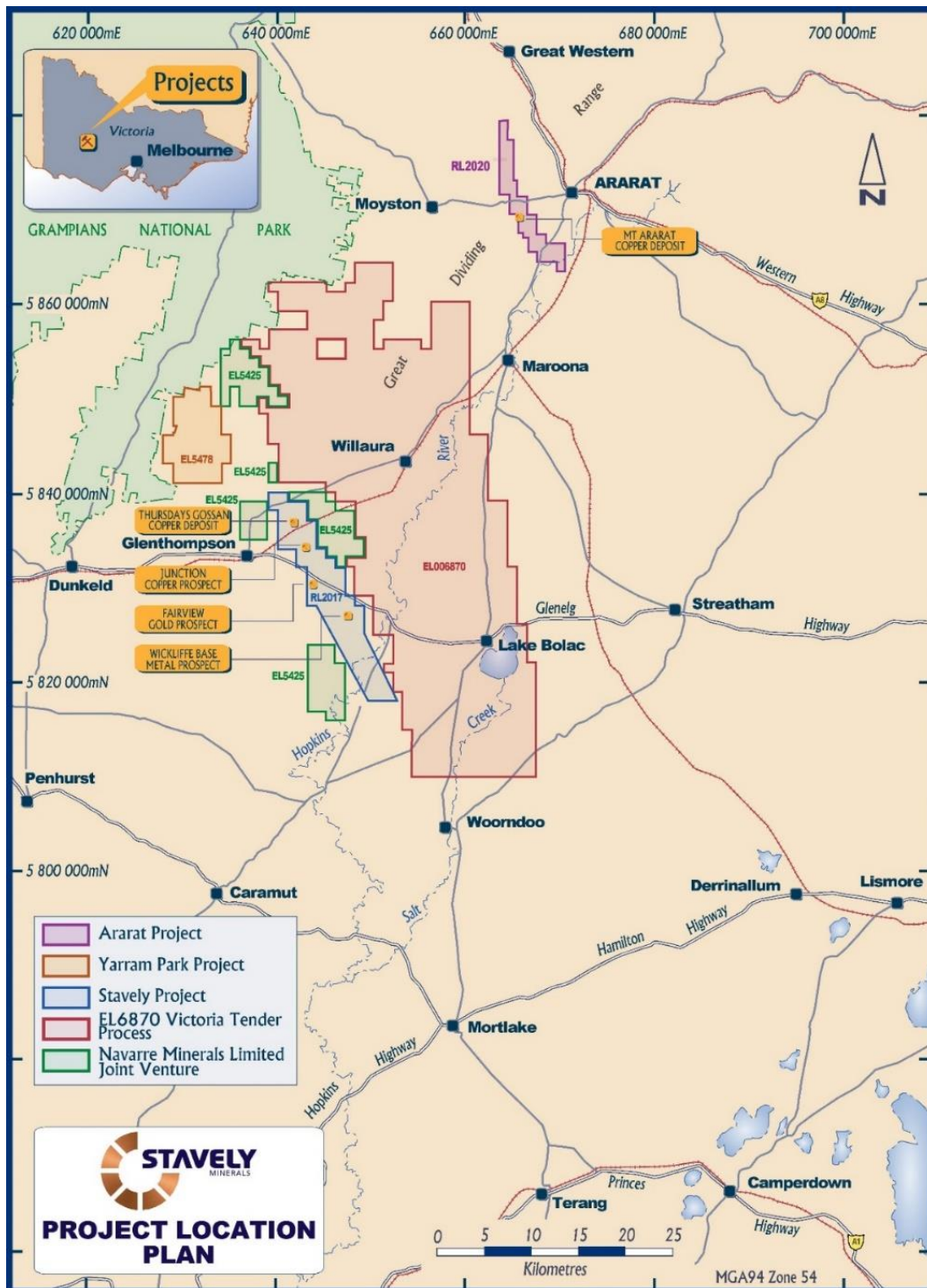


Figure 1. Stavely Project location map.

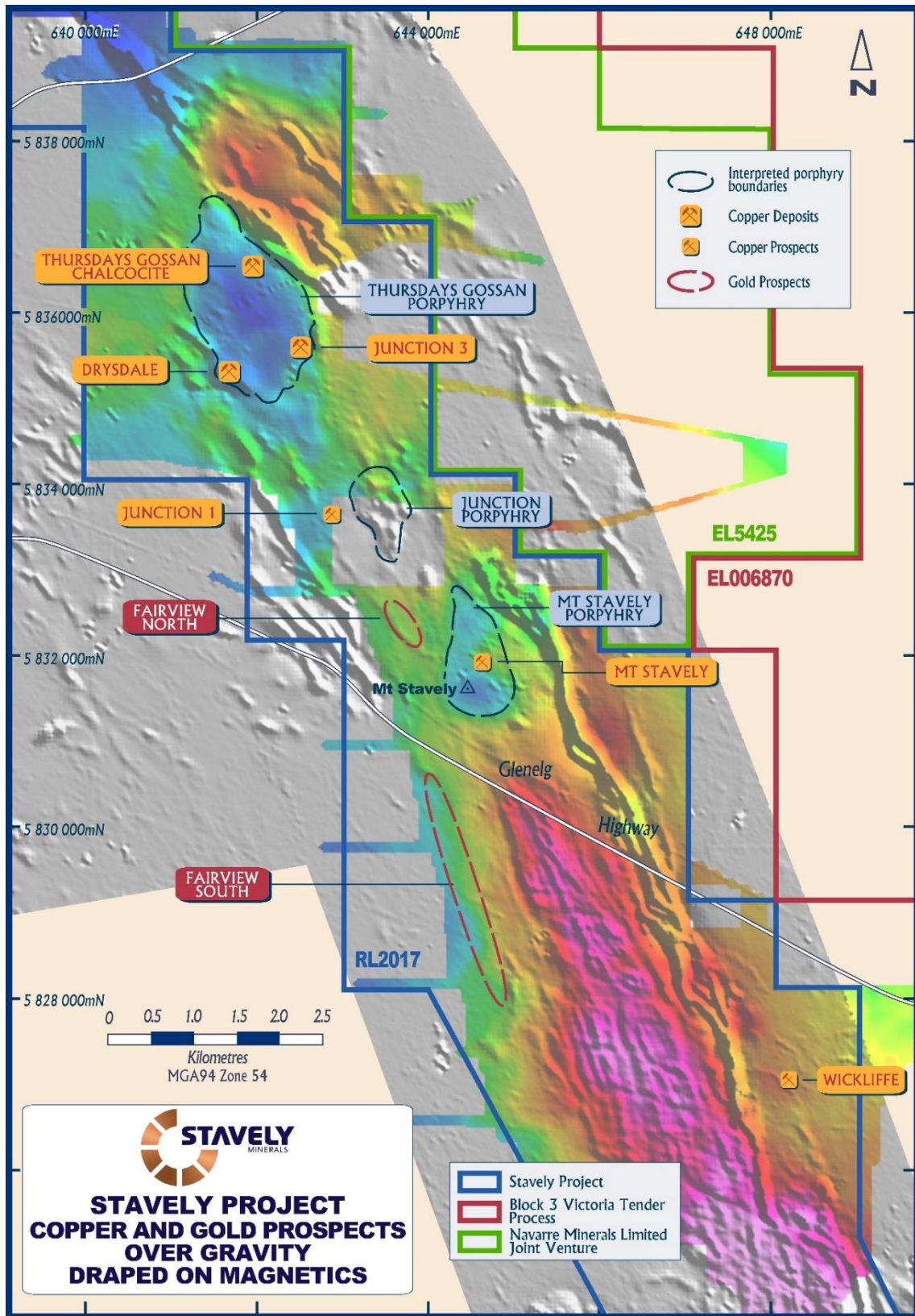


Figure 3. Colour gravity drape over grey-scale magnetics. Note the gravity lows show as cooler blue in the gravity colour drape. Thursday’s Gossan and the Mt Stavely prospects show clearly in the gravity data.

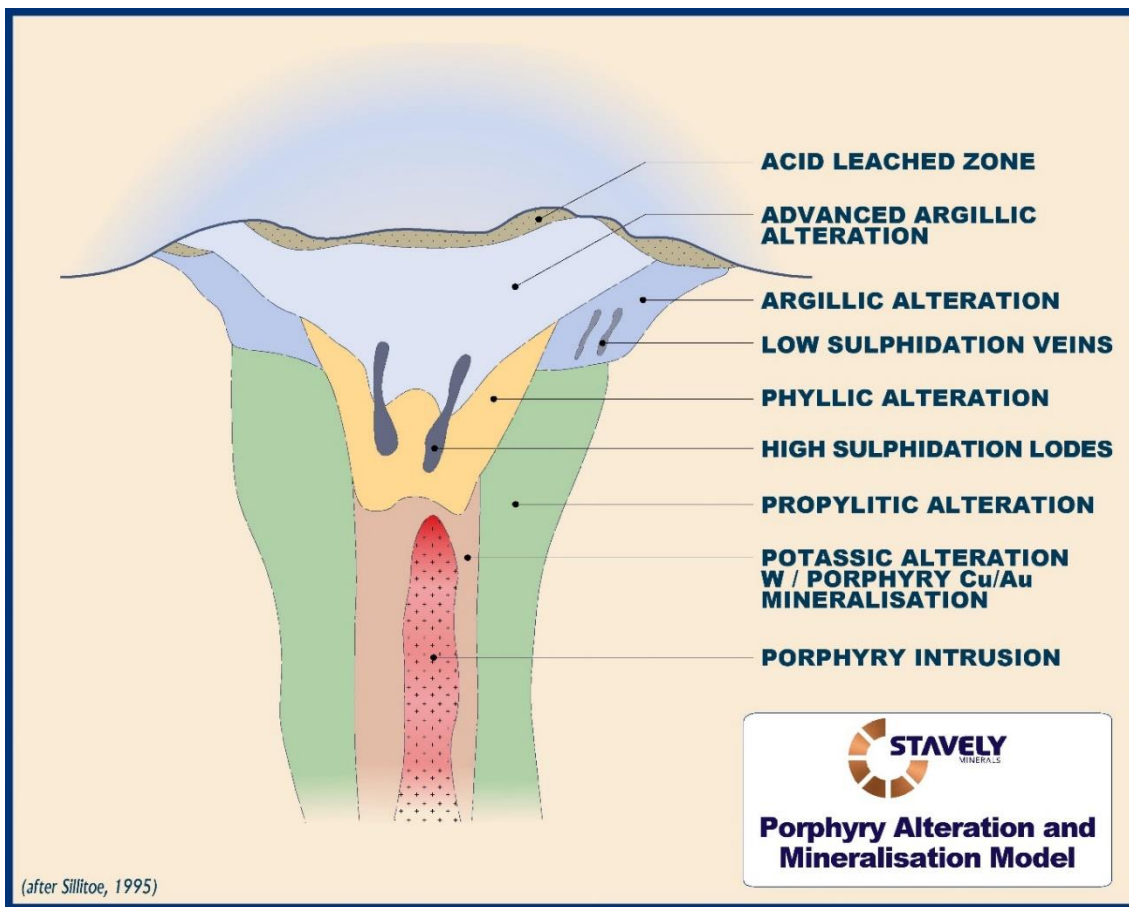


Figure 4. Simplified model of the alteration and ore zones of a copper-gold porphyry (after Sillitoe, 1995).



Figure 5. The Cessna Caravan Falcon™ gravity gradiometer survey plane.

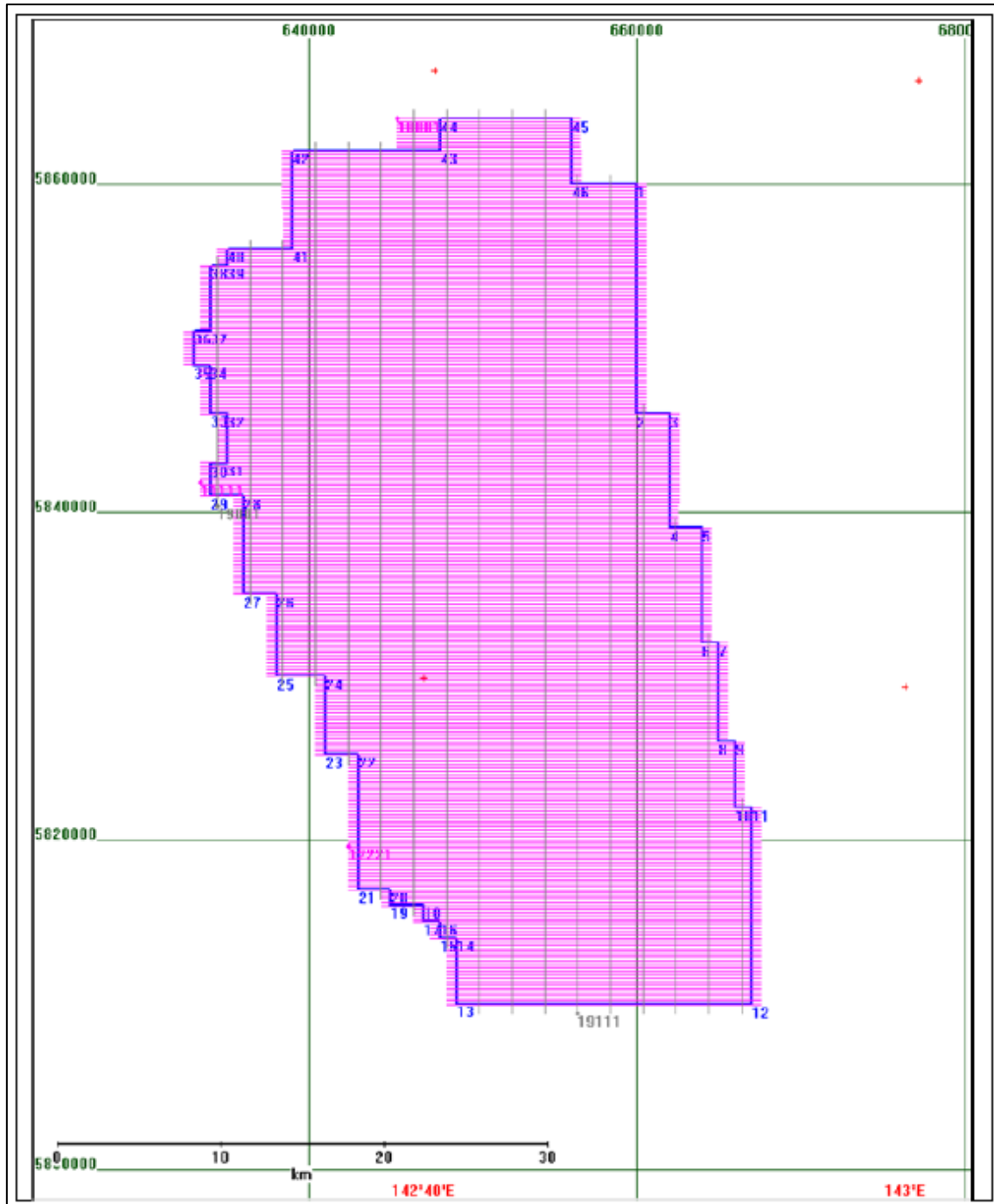


Figure 6. Falcon™ gravity gradiometer flight lines – east-west flight lines at 200m spacing with 2km north-south tie lines.

Yours sincerely,

Chris Cairns
Executive Chairman and 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 Executive Chairman and Managing Director of Stavely Minerals Limited, is a 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.

Authorised for lodgement by Chris Cairns, Executive Chairman and Managing Director.

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