



ASX ANNOUNCEMENT

6 May 2024

Hawkstone Nickel-Copper Project, WA – Update

Stavely Minerals Receives \$400,000 in WA EIS Drilling and Geophysical Grants for Hawkstone Ni-Cu Project

Upcoming field season set to commence shortly with MLEM in heritage-cleared areas.

- Two co-funded grants awarded to Stavely Minerals under the WA Government's merit-based Exploration Incentive Scheme (EIS) for the Hawkstone Nickel-Copper Project in the West Kimberley region of WA.
- The EIS co-funded grants are:
 - \$231,700 for a regional Moving Loop Electromagnetic (MLEM) survey over the Hawkstone Project; and
 - \$170,000 for RC drilling to test conductors identified by the MLEM survey.
- In November 2023, Stavely announced that it had received a \$220,000 EIS co-funding grant from the WA Government to drill an 800m deep diamond hole targeting magmatic nickel sulphides at the Hawkstone Project.

Stavely Minerals Limited (ASX Code: **SVY** – “Stavely Minerals”) is pleased to advise that it has been awarded two EIS co-funded grants, one for geophysics and one for Reverse Circulation (RC) drilling at the Company's Hawkstone Nickel-Copper Project in the West Kimberley region of Western Australia.

The WA Government's EIS funding is managed by the Geological Survey and Resources Strategic Division of the Department of Energy, Mines, Industry, Regulation and Safety (**DEMIRS**) to stimulate exploration leading to discovery. These grants are based on the technical merit of the proposed exploration program.

Stavely Minerals was one of only seven successful applicants to receive both a drilling and geophysical grant in the recent round of submissions. This is in addition to the previous round of WA EIS drilling applications, where Stavely Minerals was successful in securing \$220,000 of co-funding for diamond drilling at the Hawkstone Project in November 2023.

Stavely Minerals Executive Chair and Managing Director, Mr Chris Cairns, said: *“We are delighted to have been successful in both of our two recent applications for the WA Government's EIS co-funding grants. We believe this represents a strong endorsement of the technical merits of the Hawkstone Project, located in the emerging magmatic nickel province of the West Kimberley.”*

“The magmatic nickel style of deposits are amongst the largest and highest-grade nickel deposits globally and, uniquely, typically have associated copper sulphides in economic abundance. This adds to their very strong deposit economics and positions them as some of the lowest cost producers of nickel globally. Examples include the Voisey's Bay, Jinchuan and Norilsk mega mines and the Nova Bollinger nickel-copper deposit in WA.”

The Hawkstone Nickel-Copper Project is located in the emerging West Kimberley magmatic nickel Province (Figure 1), where two discoveries have been announced within separate IGO/Buxton Joint Ventures – the Merlin Ni-Cu-Co discovery in 2015 and the very recent Dogleg Ni-Cu-Co discovery (2023). Both of these discoveries are located directly along strike from Stavely Minerals' Hawkstone Ni-Cu-Co Project (Figure 2).

The Hawkstone Project comprises ~870km² of tenure, held both 100% and with earn-in and/or exploration rights in 13 separate tenements through Stavely Minerals' 100%-owned subsidiaries, North West Nickel Pty Ltd (NWN) and Strategic Metals Pty Ltd (Figure 2).

In November 2023, IGO and Buxton announced high-grade and high-tenor assays from the new Dogleg nickel-copper-cobalt discovery hosted in the Ruins Dolerite, located a further 13km north-west of Merlin, which is hosted in the same unit¹. In February 2024, they announced further high-grade assay results from the second diamond drill-hole in this high-tenor Ni-Cu-Co discovery.

This demonstrates that the geological processes required to form a magmatic nickel sulphide deposit have occurred within the Ruins Dolerite, and Stavely Minerals' Hawkstone Project contains approximately 30 kilometres of strike continuation of this highly-prospective yet under-explored unit.

The recently completed Stavely Minerals' Falcon© Gravity Gradiometer survey over the Hawkstone Project has identified a ~20km long gravity high ridge interpreted to represent a previously unknown mafic/ultramafic magma chamber at depth (Figure 3)².

Both the nearby Buxton Resources/IGO discoveries at Merlin and Dogleg are located on the southern margin of a gravity high. The gravity highs are interpreted to reflect mafic/ultramafic magma chambers at depth.

Given the location of both Merlin and Dogleg on the southern margin, it is interpreted that during regional deformation the Marboo formation and the intruding Ruins Dolerite have been upturned to the north-east, resulting in the former prospective magma chamber bases now being located on the southern margin of the gravity highs.

An extensive MLEM Survey has been designed to test predominantly the southern margin of an interpreted 20-kilometre long magma chamber beneath the Hawkstone Project. This ground geophysical survey will be co-funded by the WA Government EIS grant to a maximum of \$231,700.

Nickel sulphide deposits are highly conductive and are good targets for detection using electromagnetic surveying. MLEM surveys have been responsible for the Spotted Quoll nickel discovery in 2007, the Nova nickel discovery in 2012, and the more recent Dogleg nickel discovery, to name but a few.

EM surveys have been used very effectively by IGO/ Buxton Resources at their Double Magic and Quick Shears Projects, adjacent to the Hawkstone Project.

The Merlin discovery was made by drilling conductors identified in VTEM (Helicopter-borne Time Domain Electromagnetic Survey) survey data. The Merlin area was mineralised at surface with the Jack's Hill prospect well known since the 1960's.

As a shallow conductor, it gave a good AEM response. Deeper Ni-Cu sulphide mineralisation may not be well detected by AEM systems. MLEM is considered to be a much more robust method to detect deeper nickel-copper sulphide mineralisation.

In October 2023, IGO drill tested a 15,000 Siemens MLEM conductor at the Dogleg prospect and intersected **13.85m @ 4.35% Ni, 0.34% Cu and 0.15% Co** from 177.34m, including **5.86m @ 7.47% Ni, 0.31% Cu and 0.25% Co** in diamond drill-hole 23WKDD003¹. The Dogleg Prospect was not identified in the earlier AEM survey.

At the Hawkstone Project, Chalice Mining had conducted step-wise exploration with two programmes of airborne electro-magnetic (AEM) surveys followed by ground moving loop electromagnetic (MLEM) surveys over AEM conductors. The MLEM conductors were then RC drilled and a single diamond drill hole was completed (Figure 4).

The AEM surveys, a Western Xcite Survey and an Eastern SkyTEM Survey were presumably planned based on the mapped extent of the Ruins Dolerite as well as its inferred location from available open file/Government gravity and magnetics.

Subsequently, Stavelly Minerals has flown the Falcon© Gravity Gradiometer over the Hawkstone Project. The higher definition/data density of the Falcon survey has highlighted that the previous AEM surveys appear not to have adequately tested the southern margin of the large, inferred magma chamber at depth and the potential feeder dykes below the Hawkstone Project. As shown in Figure 4, neither the AEM or the Chalice MLEM stations extend over the prospective southern margin of the inferred magma chamber.

A detailed MLEM survey focusing on the southern margin of the gravity high has therefore been planned at the Hawkstone Project (Figure 5).

RC drill testing will be planned to target shallow MLEM conductors at <200m depth to ascertain the nickel potential of the Ruins Dolerite at these locations. This RC drilling will be co-funded by the WA Government EIS grant to a maximum of \$170,000.

Yours sincerely,



Chris Cairns
Executive Chair and Managing Director

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

For Further Information, please contact:

Stavelly Minerals Limited
Phone: 08 9287 7630
Email: info@stavelly.com.au

Media Inquiries:
Nicholas Read – Read Corporate
Phone: 08 9388 1474

¹ See ASX BUX announcement 19 October 2023

² See ASX SVY announcement 5 October 2023

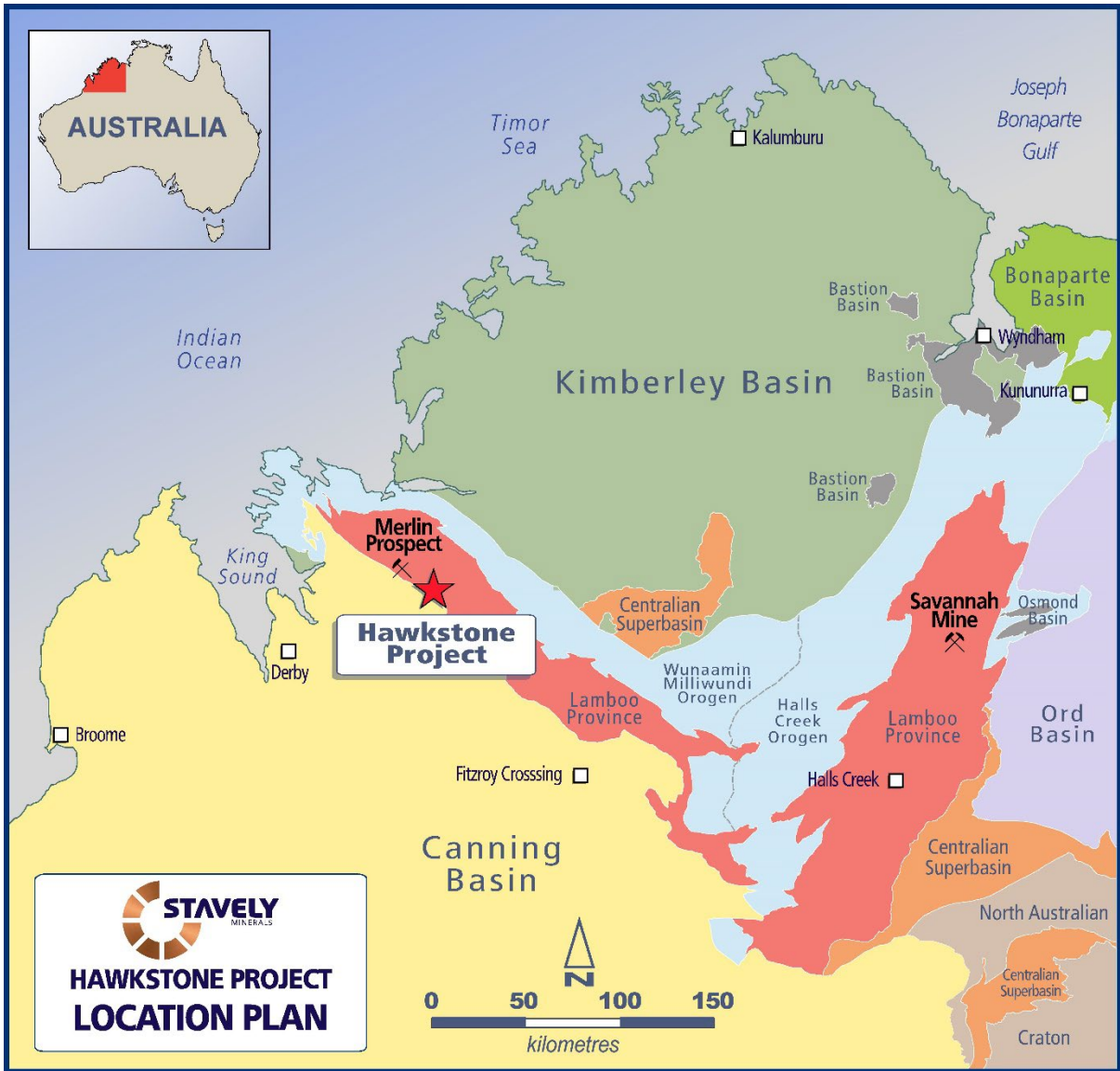


Figure 1. Hawkstone Project location map.

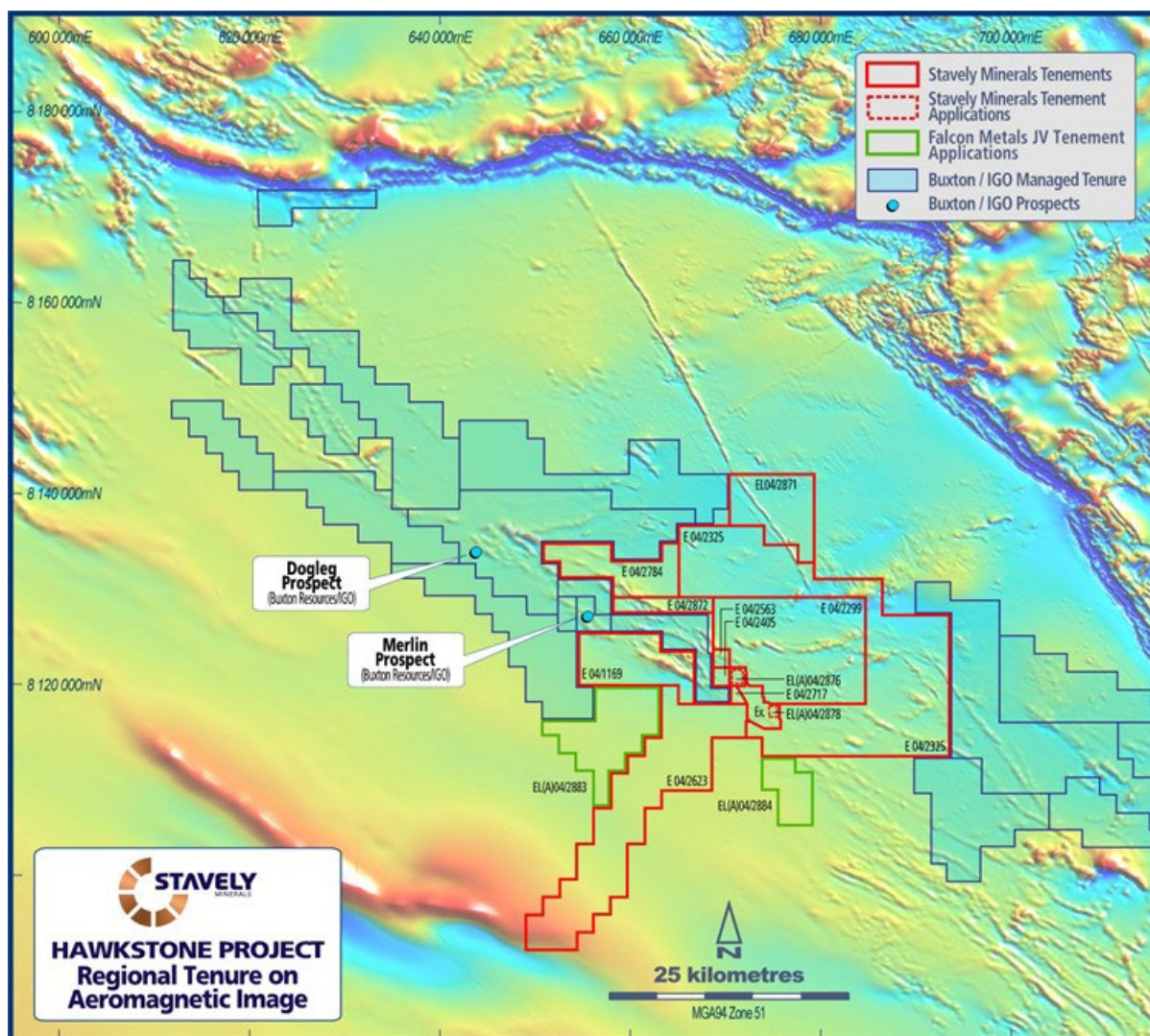


Figure 2. Hawkstone Project location map relative to IGO-controlled tenure and the Merlin (2015) and Dogleg (2023) nickel-sulphide discoveries overlaid on aeromagnetics.

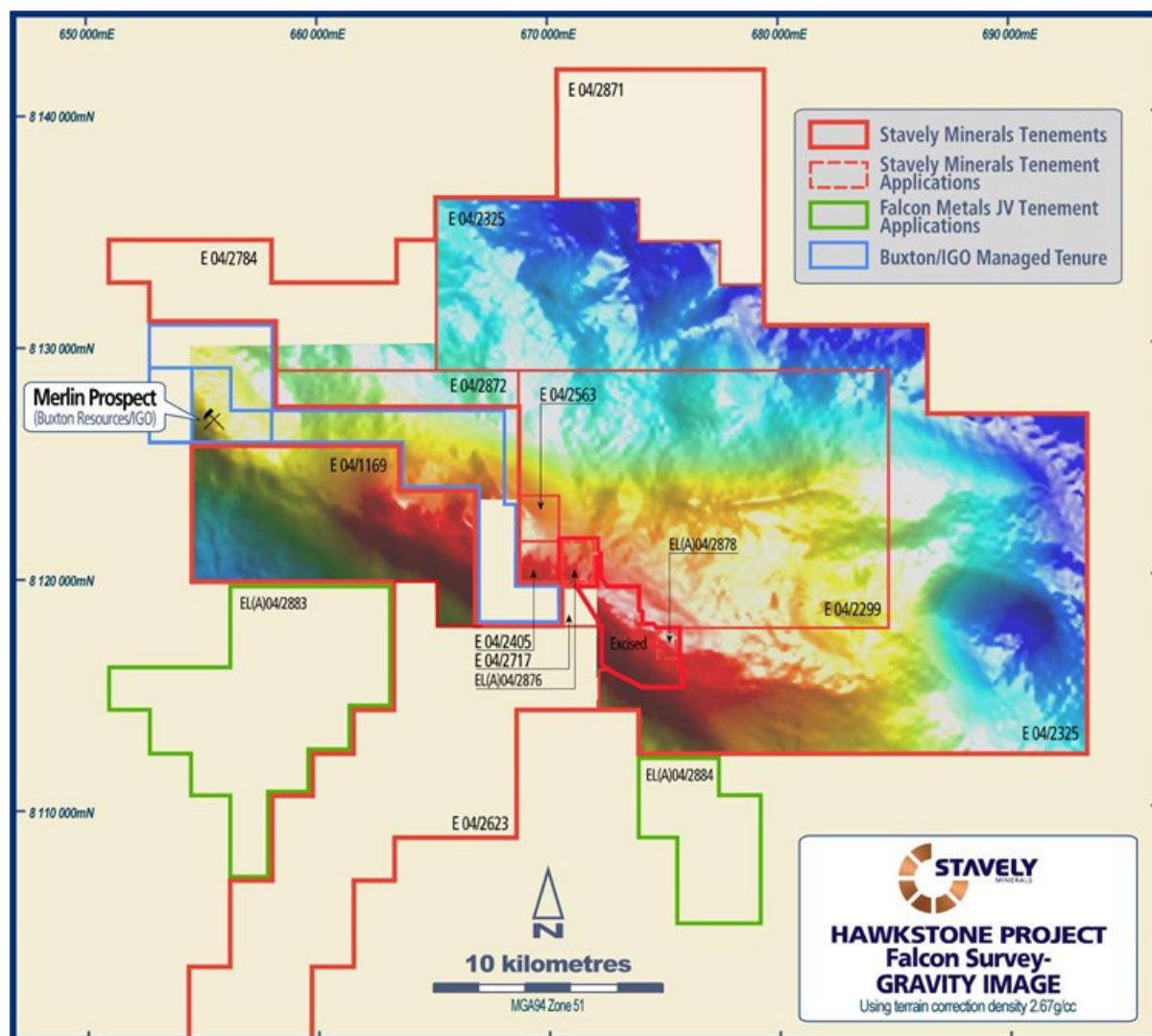


Figure 3. Hawkstone Project with the Falcon gravity high interpreted to be a ~20km mafic/ultramafic magma chamber at depth.

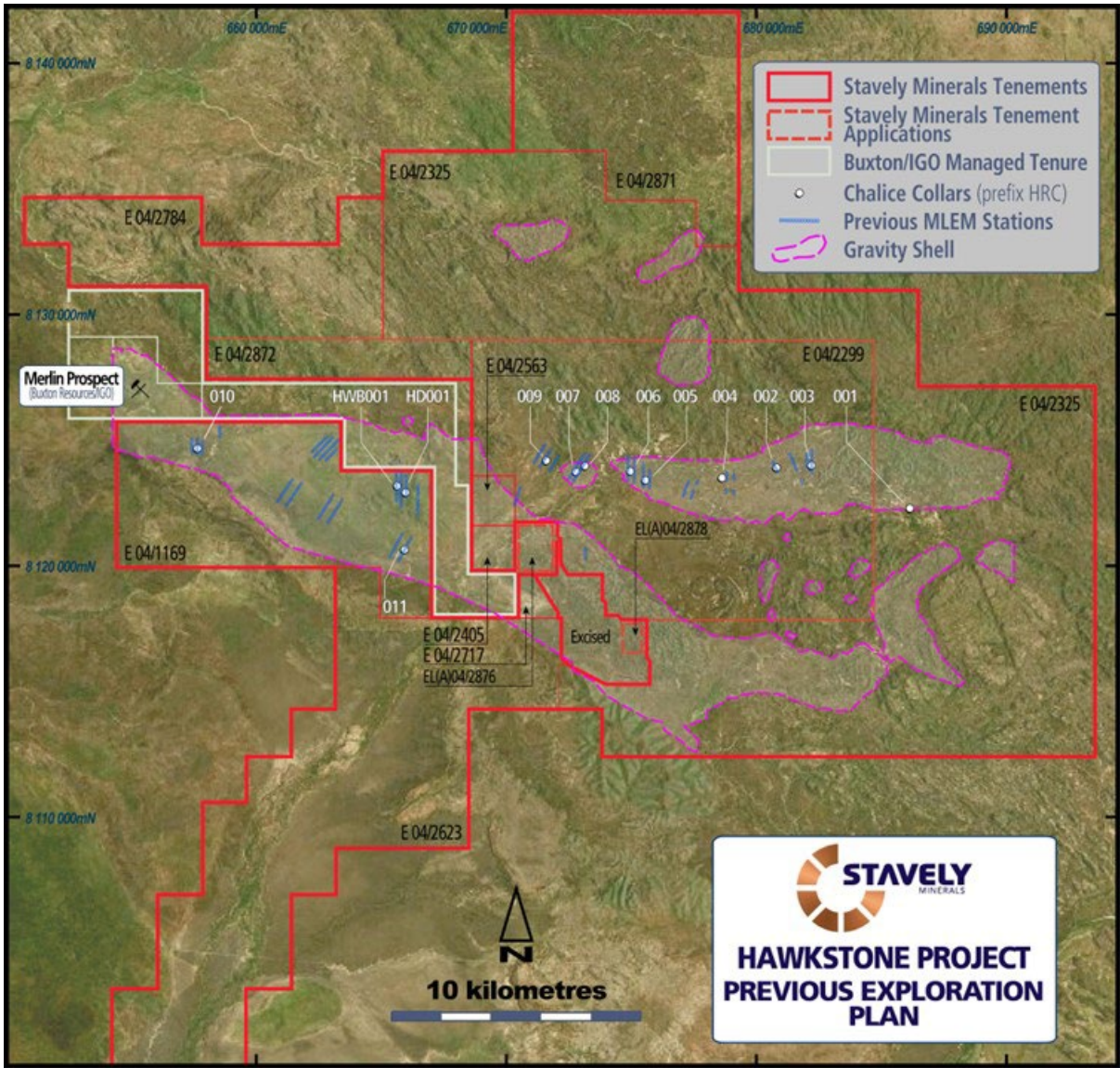


Figure 4. Hawkstone Project – Previous exploration plan showing the location of Chalice MLEM stations and drill collars.

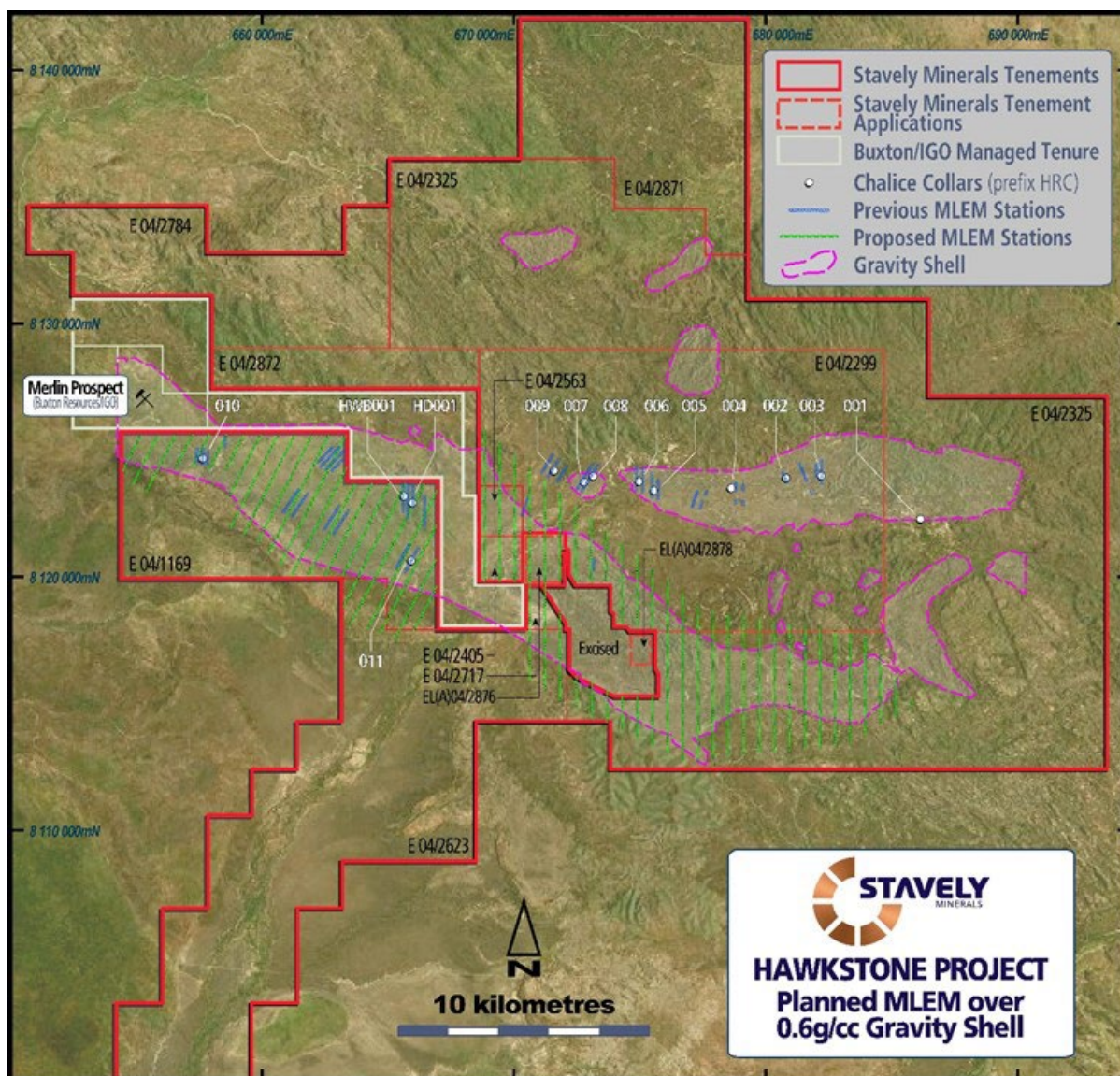


Figure 5. Hawkstone Project – Previous exploration plan showing the preliminary planning for a MLEM survey (green dots).