

Drilling Update – ‘The Bank’ Breccia Gold Prospect, Ravenswood Project, NE Queensland

Both vein-hosted and breccia-hosted sulphide mineralisation intersected in all three diamond drill holes completed to date

Highlights

- Diamond drilling at ‘The Bank’ breccia prospect is continuing with three drill holes completed, a fourth in progress and a fifth planned.
- Vein-hosted and breccia-hosted mineralisation has been intersected in all three drill holes completed to date with possibly the more significant intercept being a 38m interval of sulphide mineralised breccia in drill hole SRD002 and a 70m intercept of sheeted quartz-sulphide veins in drill hole SRD003.
- The drilling programme is expected to be completed by the end of the first week in December with initial assays expected within the next few weeks.
- Based on structural measurements of the mineralisation observed in drill hole SRD002 (under ‘The Bank’ breccia hill), an additional drill hole (SRD005) is being planned as a further test of Hamish’s Hill from the northeast.
- ‘The Bank’ breccia prospect, which has not previously been drilled, is considered to be either a porphyry-related breccia pipe or a breccia-hosted Intrusive-Related Gold System (IRGS).
- Notable IRGS gold deposits in north-east Queensland include Kidston (5Moz), Ravenswood (4.8Moz), Mount Leyshon (3.5Moz), Red Dome (2.1Moz) and Mungana (1.1Moz).
- ‘The Bank’ is the first of four IRGS / porphyry copper-gold discovery opportunities to be drill tested by Stavely in the coming months in Queensland and Victoria.

Stavely Minerals Limited (ASX Code: **SVY** – “Stavely Minerals”) is pleased to advise that it has made a strong start to the recently commenced diamond drilling programme at its 100%-owned **Ravenswood Gold Project**, located 10km west of the Ravenswood gold mining centre near Charters Towers in north-east Queensland (Figure 1).

Encouraging zones of vein-hosted and breccia-hosted quartz-carbonate-sulphide mineralisation have been intersected in all three of the holes completed to date with geological observations of the surrounding host rock sequence providing strong support for the geological model for ‘The Bank’ breccia (Figure 2).

‘The Bank’ breccia prospect was identified as a result of multi-pronged exploration programmes carried out by Stavely’s geological team over recent months. The strength and quality of the target was such that the Company decided to fast-track a diamond drilling programme.

The Bank breccia¹ is interpreted to be a sub-volcanic breccia pipe formed by deep-seated explosive fracturing of a column of rock above a porphyry intrusive (Figure 2). The brecciated column of rock can be over 1km in vertical extent.

In north-east Queensland these breccia pipes are often associated with porphyritic rhyolite intrusions and, due to the additional porosity induced by the often multiple brecciation events, present ideal hosts for later IRGS gold mineralisation.

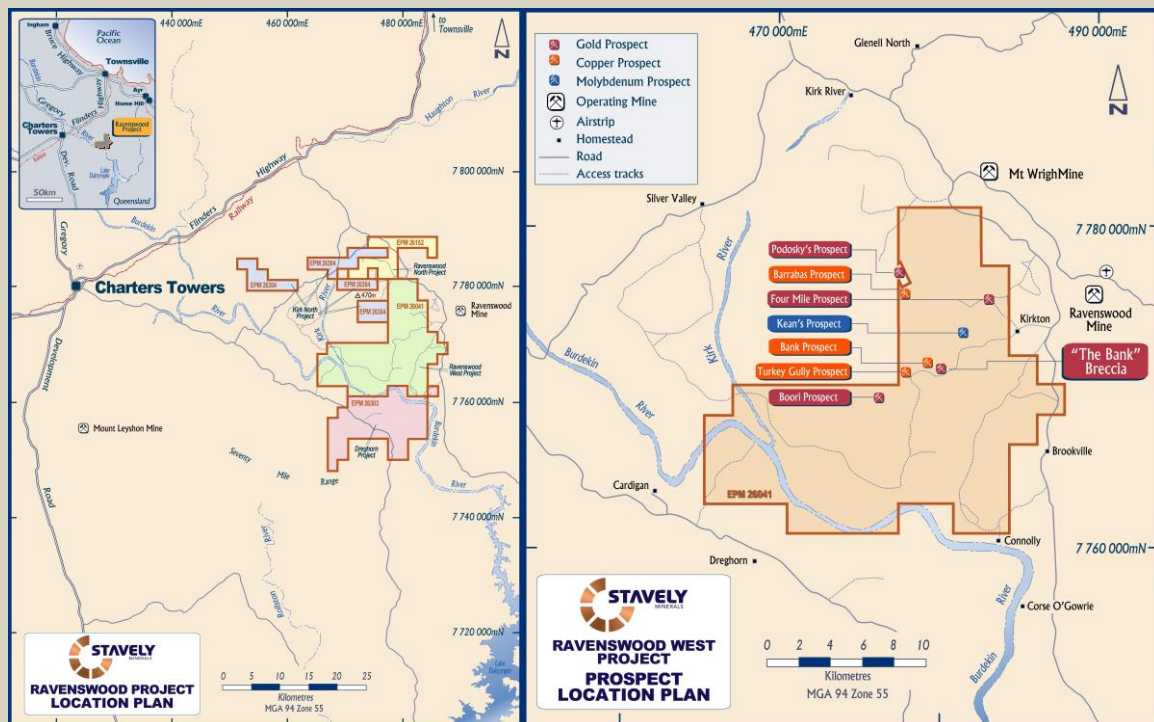


Figure 1. Ravenswood Project location plan.

Other notable IRGS gold deposits in north-east Queensland include:

Kidston	5.0 million ounces of gold (breccia-hosted)
Ravenswood	4.8 million ounces of gold
Mount Leyshon	3.5 million ounces of gold (breccia-hosted)
Red Dome	2.1 million ounces of gold
Mungana	1.1 million ounces of gold
Mount Wright	1.0 million ounces of gold (breccia-hosted)
Welcome	0.21 million ounces of gold (breccia-hosted)

¹ Breccia (/ˈbrɛtʃə/ or /ˈbrɛʃə/) is a rock composed of broken fragments of minerals or rock cemented together by a fine-grained matrix that can be similar to or different from the composition of the fragments.

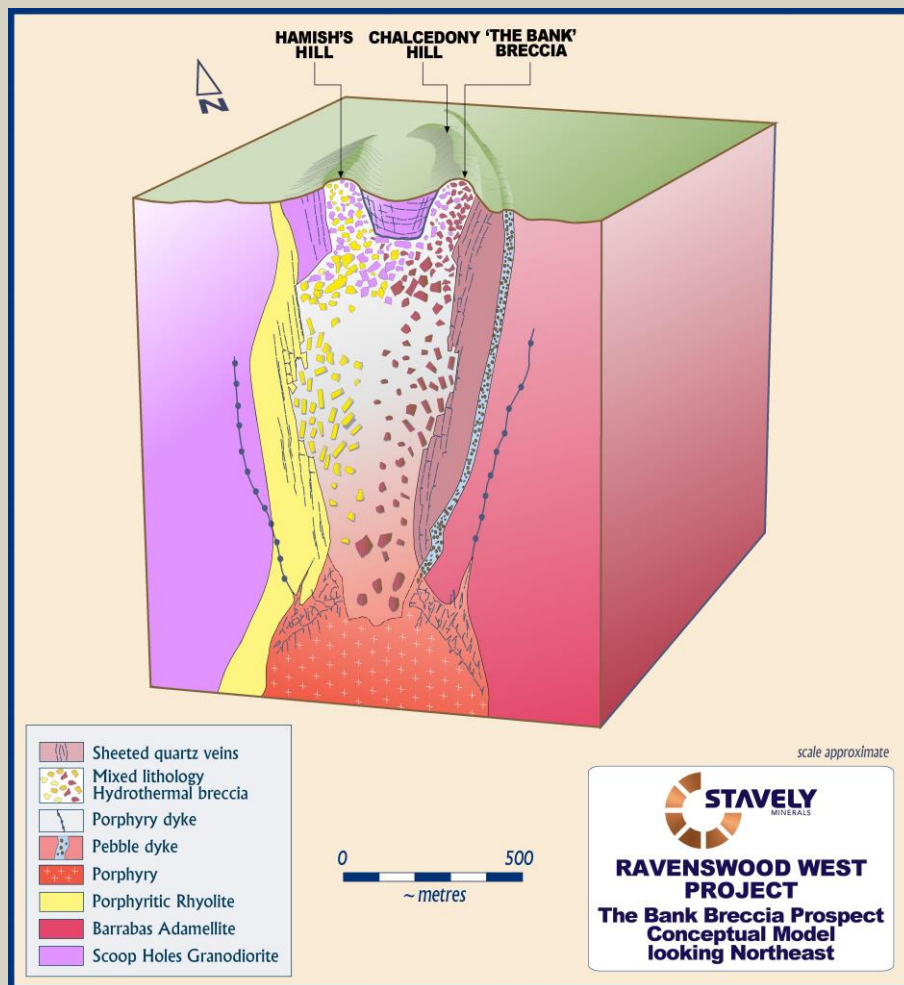


Figure 2. 'The Bank' breccia conceptual model.

Summary

Drilling to date appears to confirm the conceptual model of 'The Bank' as a breccia-hosted mineralised system (Figure 2). Quartz-sericite-carbonate alteration with polymetallic sulphides are observed as disseminations, vein-hosted and breccia-hosted mineralisation.

Breccia characteristics include monomict (single rock type) crackle to jigsaw breccias to well milled breccia 'mush', through to polymict (multiple rock type) clast-supported and matrix-supported breccia.

Alteration style varies with abundant silica-sericite and hematite 'red rock' alteration and white to green sericite to epidote-chlorite alteration.

Quartz veins vary from open-space dog's tooth/comb veins to crypto-crystalline chalcidonic veins (possibly as an overprint on earlier vein and breccia types). It is apparent there have been multiple phases of brecciation/veining and sulphide mineralisation. The sheeted veins appear to define, in a ring-like distribution, the margins of a large circa 600 metre in diameter breccia complex.

The sulphide assemblage occurs as disseminations, blebs and central quartz vein fill also varies from an interpreted deeper (hotter) pyrite-chalcopyrite-molybdenite-tennantite-

tetrahedrite and rare bornite assemblage associated with the dog's-tooth quartz veins through to pyrite-chalcopyrite and an interpreted shallower (cooler) pyrite-galena-pale sphalerite sulphide assemblage hosted in peripheral sheeted quartz veins.

Carbonate assemblages as vein and breccia fill range from Fe-rich siderite to Mn-rich rhodochrosite to Mg / Ca-rich ankerite and calcite from hotter to cooler portions of the mineralised system.

The breccia/sheeted vein system appears well developed and the alteration/quartz – sulphide-carbonate assemblages observed are consistent with both high level porphyry copper-molybdenum±silver and gold-related and IRGS-style mineralisation.

While all the observations described in this announcement are considered to be very encouraging, investors are advised that it is only when laboratory assays are received (expected within a few weeks) that the gold-silver and base metal abundances will be known.

There is a likelihood that the mineralised system identified to date may be copper-molybdenum-silver rich with unknown gold abundance with a possible analogue being the Battle Mountain copper-silver-gold deposits.

It is anticipated that the receipt of gold, base metal and multi-element assays, in conjunction with the observed variations in alteration and vein type together with sulphide mineral and carbonate assemblages, will greatly assist in focusing follow-up drilling on zones expected to host the best developed polymetallic/precious metal mineralisation within this large mineralised system.

Location

The Bank breccia is located in granted EPM 26041 and is approximately 10km from the Ravenswood Gold Mine operated by Resolute Mining Limited (see Figure 1).

Stavely Minerals also has a number of additional EPM applications yet to be granted which significantly expand the project footprint.

The breccia system appears to encompass three low hills including The Bank breccia to the south, Hamish's Hill to the north and Chalcedony Hill to the east (Figure 3).

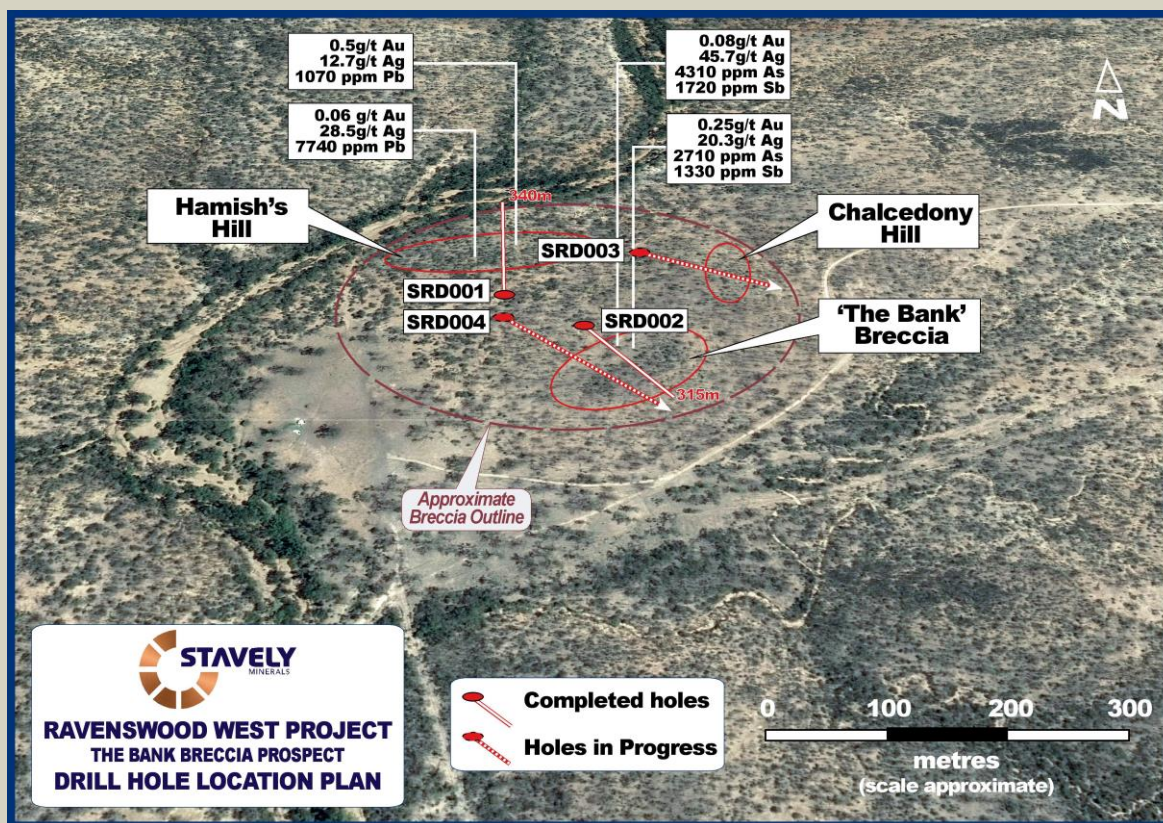


Figure 3. Google Earth image of The Bank breccia area. Drill hole collars and traces are annotated.

SRD001 Field Summary

a. Geology and Alteration

SRD001 was drilled at -60 degrees to 353 azimuth under Hamish's Hill at The Bank prospect on the Ravenswood West Project. The hole reached a total drilled depth of 339.5m, ending in weakly altered Barrabas Adamellite.

The first 85m was a mixture of Barrabas Adamellite and occasional breccia zones with trace disseminated and veined molybdenite and trace disseminated and blebby chalcopryite and pyrite.

From 85m down-hole, the hole passed through altered breccia consisting of clasts of altered Barrabas Adamellite in a predominantly sericite altered adamellite 'mush' matrix. Alteration within the breccia is variable and consists of patchy hematite, sericite, chlorite, actinolite, and potassium feldspar.

From 171m down-hole, the hole continued in breccia with the introduction of clasts of quartz-feldspar porphyritic rock. The occurrence of these clasts is consistent with the mapped southern boundary of the porphyry at Hamish's Hill. The variably altered breccia continued to 247m at which point a fault was intersected and after which the hole passed through altered Barrabas Adamellite to the end of hole.



Altered breccia with clasts of altered Barrabas Adamellite at 40m



Weak to moderate red rock alteration of Barrabas Adamellite at 76m



Variably altered breccia with quartz veining at 128m



Sheeted quartz-pyrite veins in red rock altered Barrabas Adamellite at 270m

b. Mineralisation

Mineralisation in SRD001 down to 85m is mostly trace disseminated pyrite with occasional trace disseminated chalcopyrite \pm bornite \pm tennantite. Towards the top of the hole patches of quartz-pyrite-chalcopyrite veins with sericite alteration selvages were observed, as well as disseminated molybdenite and chalcopyrite within areas of breccia, and patchy trace disseminated and blebby chalcopyrite-pyrite-tennantite-tetrahedrite. From 85m, trace disseminated chalcopyrite increased slightly and there was rare patchy bornite-chalcopyrite-tennantite-tetrahedrite and occasional coarse pyrite-chalcopyrite-tennantite-tetrahedrite in veins.



Quartz-pyrite-chalcopyrite vein with sericite alteration selvage



Chalcopyrite and molybdenite in breccia at 38m



Bornite-chalcopyrite-pyrite in quartz vein at 110m

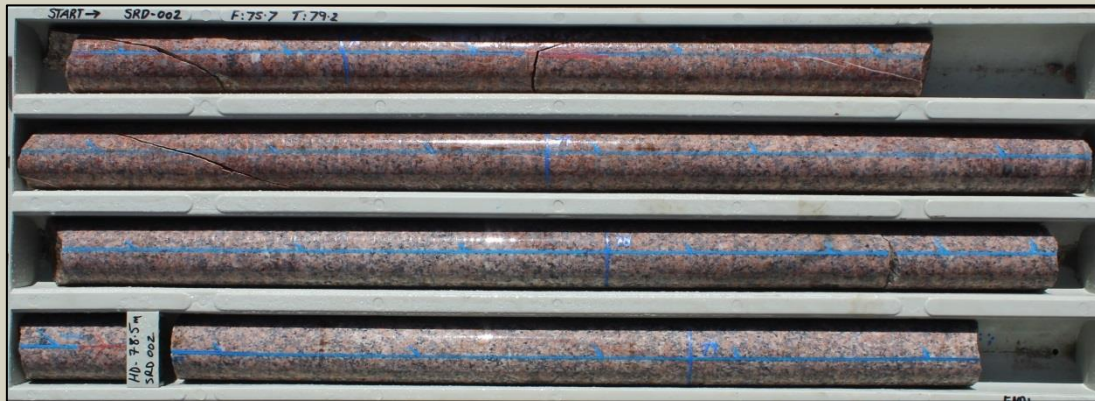


Pyrite-chalcopyrite-tennantite-tetrahedrite in a quartz vein at 128m

SRD002 Field Summary

SRD002 was drilled at -60 degrees to 130 azimuth under The Bank breccia at The Bank prospect in the Ravenswood West Project.

The hole drilled through weak to moderately red rock altered Barrabas Adamellite down to 107m, where it intersected The Bank breccia.



Red rock altered Barrabas Adamellite at 77m

The Bank breccia (107m to 140m) is a quartz-feldspar-chlorite-?actinolite-sericite altered breccia with weak to moderate disseminated pyrite-chalcopyrite+tennantite-tetrahedrite and patchy trace molybdenite mineralisation. The breccia is part matrix-supported and part clast-supported with the chalcopyrite mineralisation increasing in percentage and size within the clast-supported section of the breccia. The clasts are angular to sub-angular and there is varying degrees of alteration with some being intensely altered to the same degree as the matrix and some only having moderate pervasive sericite alteration.



Matrix supported breccia with disseminated chalcopyrite-pyrite+tennantite-tetrahedrite at 120m



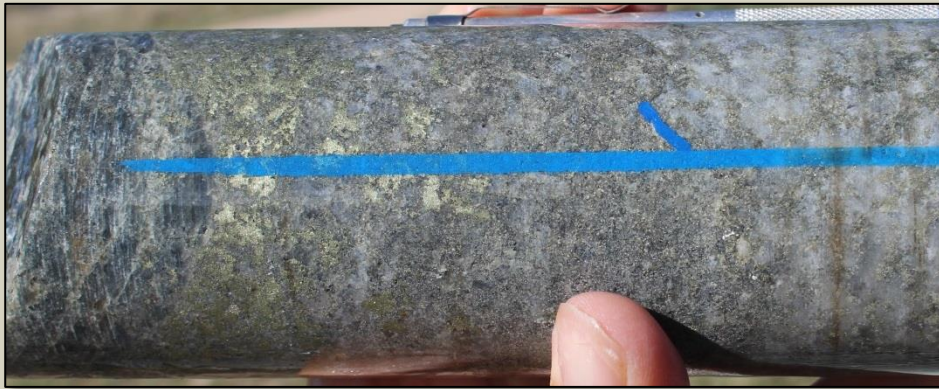
Clast supported breccia with chalcopyrite-pyrite mineralisation at 125m



Clast supported breccia with increased percentage of chalcopyrite-pyrite+tennantite-tetrahedrite at 129m



Clast supported breccia with sericite alteration within clasts at 131m – note the late quartz vein traversing both the breccia clasts and matrix.



Chalcopyrite in breccia at 138m

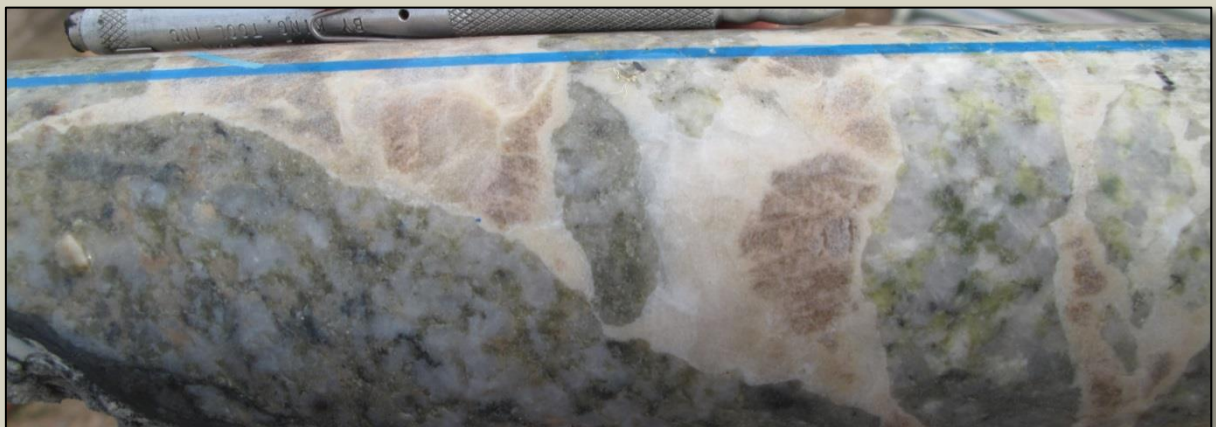
In the footwall to the breccia are consistent orientation sheeted quartz veins dipping between 60-70 degrees to the north-west suggesting that the breccia could also be dipping at 60-70 degrees to the north-west. These veins are quartz-pyrite ?B-type veins and have chlorite-?actinolite-sericite alteration selvages.

The hole ended at 314.9m in red rock altered Barrabas Adamellite.

SRD003 Field Summary

SRD003 was drilled at -60 degrees to 110 Mag azimuth. The hole started in red rock altered adamellite before coming into brecciated adamellite. This brecciated adamellite continued until approximately 136m and, apart from a 70cm zone of intense alteration with strong disseminated pyrite, was just unmineralised brecciated adamellite.

At 149m to 157m there is a zone of sericite alteration, occasional chalcedonic veins and ?ankerite veins and disseminated pyrite-tennantite-tetrahedrite



Carbonate-?ankerite vein in sericite altered breccia at 149m



Chalcedonic quartz vein in sericite altered breccia at 156m



Sericite altered aplite clast in sericite-?silica altered breccia at 156m

After a fault at 169m to 171m there is a change in the breccia. Before the fault the breccia was brecciated adamellite, whereas after the fault breccia zones with clasts of adamellite and sub-rounded aplite were observed.

At 219m to 221m there is a fault with occasional veins of pyrite-quartz-rhodocrosite-tennantite-tetrahedrite \pm base metals.



Fault zone at 219m to 221m



Pyrite-quartz-rhodocrosite-carbonate ± tennantite-tetrahedrite vein at 221m

At 221m to 226m there is a breccia with strong sericite-chlorite alteration and pyrite veining/breccia in-fill. Clasts of adamellite are intensely altered but some still with patches of original alteration. There are some pyrite-quartz-rhodocrosite-tennantite-tetrahedrite veins.



Breccia with rhodocrosite-pyrite-quartz in-fill at 222.3m



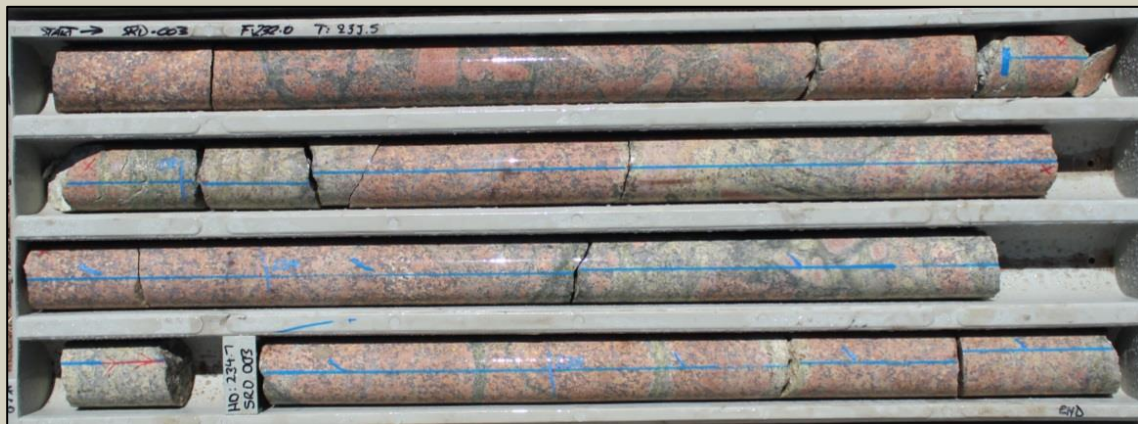
Breccia with white (?calcite) and pink (rhodochrosite) carbonate and pyrite infill at 222.5m



**Clasts of adamellite in a strongly chlorite-sericite altered matrix. Clasts display alteration rims.
224.5m**



Pyrite-chalcopyrite veining/breccia infill in chlorite-sericite altered breccia at 225m



Breccia with clasts of adamellite and sub angular to sub rounded clasts of aplite. Epidote-sericite alteration at 234m



Polymictic breccia with epidote sericite alteration at 234.5m

Drilling is ongoing and should be completed by the end of the first week in December. Geological and structural logging is well advanced and drill core cutting and sampling is in-progress and will continue until the programme is concluded.

First assays are expected within a few weeks. An announcement summarising the final two holes is likely to precede the receipt of first assays.

Yours sincerely,



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.

For Further Information, please contact:

Stavely Minerals Limited

Phone: 08 9287 7630

Email: info@stavely.com.au

Media Inquiries:

Nicholas Read – Read Corporate

Phone: 08 9388 1474

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	<i>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.</i>	<p>The Bank Breccia Prospect</p> <p>Soil sampling and rock chipping was conducted at “The Bank” breccia prospect at the Ravenswood West Project.</p> <p>The soil samples were taken at either 100m or 200m intervals along lines spaced at 100m apart. The grid co-ordinates for the samples were planned in MapInfo. A handheld GPS was used to navigate to each sample point.</p> <p>A pick was used to obtain an approximate 1 kg soil sample at a depth of between 10cm and 20cm, so as to obtain a sample of the B soil horizon. The sample was then sieved using a coarse mesh (-2mm) sieve to remove organic matter and rock fragments. The sieved sample was placed in a numbered zip-lock bag and subsequently into an alike numbered calico bag. A sample data sheet was filled in at the sample site, which for each sample included the date, grid, sampler names, sample number, RL, soil type, regolith, substrate and comments.</p> <p>Sample preparation was completed by Stavely Minerals’ personal. Preparation involved mechanical sieving using a -80 mesh sieve stack to produce an approximately 100g to 150g sample, which was weighed on a digital kitchen scale and was subsequently placed in a corresponding numbered brown paper geochem bag. Damp samples were sun dried prior to sieving. The 100 – 150g -80 mesh samples were submitted to ALS Laboratory in Townsville.</p> <p>The rock-chip samples were also submitted to ALS Laboratory in Townsville.</p> <p>Bank Porphyry Prospect</p> <p>In 1967 Asarco Australia drilled 11 Rotary Percussion holes in the prospect for a total of 942 feet (287m) - maximum was 100 feet (30.5m) vertical and sank three shallow pits along the 2,000 feet of mineralisation.</p>
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<p>The Bank Breccia Prospect</p> <p>Sample representivity was ensured by a combination of Company Procedures regarding quality controls (QC) and quality assurance/ testing (QA).</p> <p>Bank Porphyry Prospect</p> <p>Noranda Australia Limited reported in 1968 that the sampling was considered to be fairly representative of the first 100 feet (30.5m).</p>
	<i>Aspects of the determination of mineralisation that are Material to the Public Report - In cases where ‘industry</i>	No sample preparation is available for the historical drilling stream sediment sampling, or rock chip sampling.

Criteria	JORC Code explanation	Commentary
	<i>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 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.</i>	The Bank Breccia Prospect Soil sampling techniques are considered industry standard for the Ravenswood West work programmes.
<i>Drilling techniques</i>	<i>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).</i>	Bank Porphyry Prospect In 1967 Asarco Australia drilled 11 Rotary Percussion holes in the prospect for a total of 942 feet (287m) - maximum was 100 feet (30.5m) vertical and sank three shallow pits along the 2,000 feet of mineralisation. The Bank Breccia Prospect Diamond drilling was conducted at Hamish's Hill (SRD001), The Bank breccia (SRD002) and Chalcedony Hill (SRD003) used PQ (85mm internal diameter) and HQ3 (63.5mm internal diameter) drill bits. Diamond drilling was triple tube. Diamond core was orientated by the Reflex ACT III core orientation tool.
<i>Drill sample recovery</i>	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Bank Porphyry Prospect No details are available for the historical drill holes. The Bank Breccia Prospect Diamond core recoveries were logged and recorded in the database. Core recoveries for the diamond drill holes at Hamish's Hill (SRD001), The Bank breccia (SRD002) and Chalcedony Hill (SRD003) is excellent.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	Bank Porphyry Prospect No details are available for the historical drill holes. The Bank Breccia Prospect Diamond core is reconstructed into continuous runs on an angle iron cradle for orientation markings. Depths are checked against the depth given on the core blocks and rod counts are routinely carried out by the driller.
	<i>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.</i>	Bank Porphyry Prospect No details are available for the historical drill holes.

Criteria	JORC Code explanation	Commentary
Logging	<i>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.</i>	Bank Porphyry Prospect No details are available for the historical drill holes. The Bank Breccia Prospect 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. Magnetic Susceptibility measurements were taken for each 1m diamond core interval.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Bank Porphyry Prospect No details are available for the historical drill holes. The Bank Breccia Prospect All logging is quantitative, based on visual field estimates. Systematic photography of the diamond core in the wet and dry form was completed.
	<i>The total length and percentage of the relevant intersections logged.</i>	Bank Porphyry Prospect No details are available for the historical drill holes.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Bank Porphyry Prospect No details are available for the historical drill holes.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	Bank Porphyry Prospect No details are available for the historical drill holes.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Bank Porphyry Prospect No details are available for the historical drill holes.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Bank Porphyry Prospect No details are available for the historical drill holes.
	<i>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.</i>	Bank Porphyry Prospect No details are available for the historical drill holes.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Bank Porphyry Prospect No details are available for the historical drill holes.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	<p>The Bank Breccia Prospect</p> <p>The sieved -80 mesh soil samples and rock chip samples were analysed for gold by Method Au-TL43 and for a range of multi-elements by Method ME-MS61 at Australian Laboratory Services ("ALS") in Townsville, Queensland.</p> <p>No sample preparation was required for the soil samples by the laboratory. The rock chip samples required comminution and pulverisation at the laboratory.</p> <p>Gold by Method Au-TL43, is by aqua regia extraction with ICP-MS finish. Up to a 25g sample is digested in aqua regia, and the acid volume is partially reduced by evaporation. The solution is diluted to volume and mixed thoroughly. Gold content is measured by ICP mass spectrometry. Alternatively, an aliquot is taken, a complexing agent added and the gold complex is extracted into an organic solvent. Gold concentration can be measured by flame AAS using matrix matching standards.</p> <p>The selected multi-elements by Method ME-ICP43 are analysed by using an aliquot of the gold digestion liquor Au-TL43 for simultaneous analysis by ICP Atomic Emission Spectrometry.</p> <p>The determination of gold by aqua regia digest offers very low detection limits, making it an attractive option for soil sampling surveys. Aqua regia effectively dissolves both native gold as well as gold bound in sulphide ore minerals and various oxide minerals.</p> <p>Aqua Regia is a partial digestion method and will not digest silicate minerals present in the sample.</p> <p>The samples were analysed by multielement MS Analysis - Method ME-MS61. 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.</p> <p>Bank Porphyry Prospect</p> <p>No details are available for the historical drill holes.</p> <p>Historical Stream Sediment Sampling</p> <p>BHP Exploration -2mm stream sediment samples were analysed for Au by active cyanide solvent extraction, carbon rod finish. This is a partial extraction technique.</p> <p>The -80# stream sediment samples were analysed for a range of base-metal, indicator and rare-earth elements including Ag, As, Cu, Fe, Mn, Mo, Pb, Zn, P, Cd, V and Zr using aqua-regia/perchloric digestion and ICPOES determination with Th, Ce, Dy, Er, Eu, Gd, Ho, La, Nd, Pr, Sm, Tb, Tm and Yb analysed using aqua-</p>

Criteria	JORC Code explanation	Commentary
		<p>regia/perchloric/hydrofluoric digestion and ICPOES determination.</p> <p>Historical Rock-chip Sampling</p> <p>BHP Exploration's rock chip samples were analysed using an aqua-regia digestion and AAS determination for Au (0.001), Cu (0.5), Pb (0.5), Zn (0.5), Ag (0.1), As (5), Mo (1), Bi (1) and Sb (2) – ppm detection limit in brackets.</p>
	<i>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.</i>	N/A
	<i>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.</i>	<p>The Bank Breccia Prospect</p> <p>The analytical laboratory provide their own routine quality controls within their own practices. The results from their internal validations were provided to Stavely Minerals.</p> <p>Bank Porphyry Prospect</p> <p>No details are available for the historical drill holes.</p> <p>Historical Stream Sediment Sampling</p> <p>No quality control is available for the BHP Exploration stream sediment sampling programme assay data.</p> <p>Historical Rock-chip Sampling</p> <p>No quality control is available for the BHP Exploration rock-chip sampling programme assay data.</p>
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	N/A
	<i>The use of twinned holes.</i>	<p>Bank Porphyry Prospect</p> <p>No holes twinned.</p>
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	<p>The Bank Breccia Prospect</p> <p>Primary data was collected for soil sample and rock chip samples using a paper sample sheet. The sampling data was subsequently entered into an excel spreadsheet. The information was then sent to a database consultant for validation and compilation into a SQL database.</p> <p>Bank Porphyry Prospect</p> <p>No details are available for the historical drill holes.</p> <p>The Bank Breccia Prospect</p> <p>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.</p>

Criteria	JORC Code explanation	Commentary
	<i>Discuss any adjustment to assay data.</i>	No adjustments or calibrations were made to any assay data used in this report.
<i>Location of data points</i>	<i>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.</i>	<p>The Bank Breccia Prospect</p> <p>N/A</p> <p>Bank Porphyry Prospect</p> <p>No details are available for the historical drill holes.</p> <p>The Bank Breccia Prospect</p> <p>Drill collar locations were pegged before drilling and surveyed using a 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.</p> <p>The diamond holes down-hole single shot surveys were conducted by the drilling contractor. Surveys were conducted at approximately every 30m down-hole.</p>
	<i>Specification of the grid system used.</i>	<p>The Bank Breccia Prospect</p> <p>The grid system used by Stavely Minerals is GDA94, zone 54. Locations in previous exploration by BHP were in AMG84.</p> <p>Bank Porphyry Prospect</p> <p>No details are available for the historical drill holes.</p>
	<i>Quality and adequacy of topographic control.</i>	<p>The Bank Breccia Prospect</p> <p>The RL was recorded for each soil sample location from the GPS. Accuracy of the GPS is considered to be within 5m.</p> <p>Bank Porphyry Prospect</p> <p>No details are available for the historical drill holes.</p>
<i>Data spacing and distribution</i>	<i>Data spacing for reporting of Exploration Results.</i>	<p>The drill hole spacing is project specific.</p> <p>The Bank Breccia Prospect</p> <p>The soil spacing is shown in the figures in the text. Nominally 100m x 100m.</p>
	<i>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.</i>	N/A
	<i>Whether sample compositing has been applied.</i>	<p>The Bank Breccia Prospect</p> <p>No sample compositing has been applied.</p> <p>Bank Porphyry Prospect</p> <p>No details are available for the historical drill holes.</p>
<i>Orientation of data in relation to</i>	<i>Whether the orientation of sampling achieves unbiased sampling of possible</i>	<p>The Bank Breccia Prospect</p> <p>The soil sampling grid was not orientated (100m by 100m sampling) and is considered to have achieved unbiased</p>

Criteria	JORC Code explanation	Commentary
<i>geological structure</i>	<i>structures and the extent to which this is known, considering the deposit type.</i>	<p>sampling.</p> <p>Bank Porphyry Prospect</p> <p>No details are available for the historical drill holes.</p>
	<i>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.</i>	<p>Bank Porphyry Prospect</p> <p>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.</p> <p>The Bank Breccia Prospect</p> <p>At Hamish's Hill, diamond drill hole SRD001 was orientated at -60° towards 353° magnetic azimuth to intercept the breccia. The hole was positioned to test at depth rock chip samples which returned up to 0.5 g/t Au, 28.5 g/t Ag and 7740 ppm Pb, which are coincident with a Au-Ag-Sb-As-Cu soil anomaly. Information obtained from SRD002 into The Bank breccia would suggest that the breccia dips to the north west and that SARD001 may have been drilled beneath and sub-parallel to the plunge of the mineralisation.</p> <p>At The Bank breccia, diamond drill hole SRD002 was oriented at -60° towards 130° magnetic azimuth to intercept the breccia. The hole was positioned to test at depth rock chip samples which returned up to 0.25 g/t Au and 45.7 g/t Ag, which are coincident with a Ag-Sb-As-Cu-Bi soil anomaly. Logging of the drill hole would indicate that the breccia dips to the north west and that the mineralisation was intersected perpendicularly.</p> <p>At Chalcedony Hill, diamond drill hole SRD003 was oriented at -60° towards 110° magnetic azimuth to intercept the breccia. The hole was positioned to test prospective geology, and a co-incident Pb-Zn-Te-Sb-As-Bi soil anomaly. The orientation of the sheeted veins intercepted in the drill hole suggest that the hole was drilled perpendicular to mineralisation.</p>
<i>Sample security</i>	<i>The measures taken to ensure sample security.</i>	<p>No available data to assess security for the historical drilling, stream sediment or rock-chip sampling.</p> <p>The Bank Breccia Prospect</p> <p>The brown paper geochem sample bags containing the sieved soil samples were packaged in a sealed cardboard box for hand delivery to ALS in Townsville, Queensland.</p> <p>The rock chip samples in numbered calico sample bags in a poly-weave bag were delivered by hand to ALS in Townsville, Queensland. Approximately 10 calico sample bags per poly-weave bag.</p>
<i>Audits or reviews</i>	<i>The results of any audits or reviews of sampling techniques and data.</i>	<p>No audits or reviews of the data management system has been carried out.</p>

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	<i>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.</i>	<p>EPM26041 was granted to Ukalunda Pty Ltd on 24 May 2016. Ukalunda Pty Ltd is a wholly owned subsidiary of Stavely Minerals Limited. EPM26041 is located 10km south west of Ravenswood in north Queensland. The Mingela-Ravenswood-Burdekin Dam road passes down the eastern boundary of the tenement. The Burdekin River parallels the southern boundary of EPM26041.</p> <p>The Podosky's prospect is located on excised mining lease ML 10315 which is held by Kitchener Mining NL, which is owned by Haoma Mining NL.</p> <p>EPM26041 is subject to the Birriah People Native Title Grant.</p>
	<i>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.</i>	EPM26041 was granted on 24 May 2016 and is due to expire on 23 May 2021.
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>There has been almost continuous exploration activity in the Ravenswood area including the area of EPM26041, since the mid-1960's. Initially activities were focused on Cu_Mo exploration and then from the early 1980's for Au. Exploration companies active in the area included North Broken Hill, New Consolidated Goldfields, Norranda, Planet, Kennecott, Geopeko, ESSO, Newmont, Poseidon Exploration, Placer Exploration, BHP Minerals, Aurora and more recently Carpentaria.</p> <p>Historical exploration activities have been mainly regional in nature with multiple drainage surveys including – 80# stream sediment and BLEG sampling programmes.</p> <p>Four prospects within EPM26041 have had detailed follow-up exploration – Boori, The Bank, Keane's and Gargarin. Some shallow drilling has been done and results indicate narrow zones of sub-economic mineralisation e.g. Keane's prospect returned multiple zones of <20cm width at +0.5%Mo with the widest intersection in hole R3 of 15m at 0.26% Mo.</p> <p>At the Podosky's prospect, exploration was conducted by Haoma Mining NL in 2003 and 2004. RC drilling was conducted as well as a review of an earlier IP geophysical survey. In 2003 Haoma completed a resource model on the Podosky's prospect and estimated 50,903t at 4.95 g/t gold.</p> <p>Apart from a regional soil sampling and rock chipping survey conducted by Carpentaria Gold no other detailed exploration has been undertaken at The Bank breccia prospect.</p>
<i>Geology</i>	<i>Deposit type, geological setting and style of mineralisation.</i>	The dominant rock types within EPM26041 are typically I-type calcic hornblende-biotite granodiorite to tonalite of the Ravenswood Batholith of Middle Silurian to Middle Devonian age. A major structure, the Mosgardies Shear Zone, cuts east-west through the Ravenswood Batholith

Criteria	JORC Code explanation	Commentary
		<p>adjacent to three gold centres. The shear zone is up to 2.5km wide. The main reef at Ravenswood, the “Buck Reef”, is contained within the Mosgardies Shear Zone.</p> <p>The Bank breccia pipe is considered to be analogous with the Mt Wright Gold Mine (~1Moz) and the Welcome breccia pipe (210koz).</p> <p>The Mt Wright breccia complex comprises granite, polymict and rhyolite breccias, as well as rhyolite and tuffsite intrusives, and is approximately 350m in diameter, and at least 1,200m deep. The complex is positioned near the contact between the Ordovician Millaroo Granite and Glenell Granodiorite of the Ravenswood Batholith. The main rhyolite body/spine (which hosts the bulk of the mineralisation) is texturally complex, but generally evolves from massive at depth and/or in the core of the spine, to flow banded, and (auto) brecciated variations with decreasing depth and/or proximity to the margins. Most of the gold occurs with marcasite, pyrite and minor pyrrhotite mineralisation as breccia and vug fill, veins and disseminations. This broadly grades into carbonate-sphalerite-galena-chalcopryite mineralisation, and decreasing gold, towards the surface and also laterally away from the rhyolite.</p> <p>The Welcome deposit is hosted within the Ordovician Mingela Granodiorite of the Ravenswood Batholith, with numerous NNE trending micro-granodiorite (porphyry) to diorite dykes, also of an Ordovician age in the area. The breccia is a well-defined pipe, approximately 20m by 50m across and dips steeply at between 75° and 85° to the NE. Clasts are predominantly granodiorite, with minor micro-granodiorite, andesite and rarely rhyolite. A vein array extends up to 30m beyond the edge of the breccia and includes proximal quartz-carbonate-sulphide shear and sheeted (tension) veins and distal chlorite-carbonate shear veins. Gold mineralisation is hosted within both the breccia and in the adjacent vein array, and is associated with quartz-carbonate-pyrite-sphalerite +/- chalcopryite-galena.</p>
Drill hole Information	<p>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:</p> <ul style="list-style-type: none"> ○ 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. 	<p>Bank Porphyry Prospect</p> <p>No details are available for the historical drill holes.</p>

Criteria	JORC Code explanation	Commentary
	<i>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.</i>	No available material drill hole information has been excluded.
Data aggregation methods	<i>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.</i>	Bank Porphyry Prospect No details are available for the historical drill holes.
	<i>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.</i>	N/A
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values are used for reporting exploration results.
Relationship between mineralisation widths and intercept lengths	<i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	Bank Porphyry Prospect There is insufficient drilling data to date to demonstrate continuity of mineralised domains and determine the relationship between mineralisation widths and intercept lengths.
	<i>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').</i>	Bank Porphyry Prospect No details are available for the historical drill holes.
Diagrams	<i>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.</i>	Refer to figures in body of text.
Balanced reporting	<i>Where comprehensive reporting of all Exploration Results is not practicable,</i>	Anomalous thresholds are shown in figures in body of text.

Criteria	JORC Code explanation	Commentary
	<i>representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	
<i>Other substantive exploration data</i>	<i>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.</i>	All relevant exploration data is shown on figures and discussed in the text.
<i>Further work</i>	<p><i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p> <p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	<p>The Bank Breccia Prospect</p> <p>Diamond drilling to test The Bank breccia is in progress. Subject to the assay results, further diamond drilling will be conducted if warranted.</p>