2017 | Annual Report

STAVELY MINERALS

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Welcome,

It is my pleasure to present the Stavely Minerals Limited 2017 Annual Report.

Stavely Minerals remained very active in the field during the year. The benefits of the strategy of having quality mineral exploration projects in both Victoria and Queensland was evidenced by our ability to rapidly advance The "Bank" prospect in Queensland to drilling just prior to Christmas. While that drilling programme did provide some very good copper-molybdenum-silver results, it did not provide the gold results Stavely Minerals was hoping for, it was an excellent undrilled discovery opportunity that was rapidly tested and the Company has moved on to other prospective areas. That the Company can work in Queensland during the winter rains in Victoria, and in Victoria during the summer rains in Queensland - both with very high quality exploration opportunities - means that the seasonality of in-field exploration is negated.

During the year, Stavely Minerals has made very significant progress in its search for copper-gold porphyry-style mineralisation. Both the Toora West prospect in the Yarram Park Project and the Thursday's Gossan deposit in the Stavely Project have been providing some very encouraging results which, your Company believes, provide very exciting discovery opportunities. At Thursday's Gossan, recent results have demonstrated conclusively that the hunt is on for a copper-gold porphyry with broad intervals of high-level copper-gold mineralisation intercepted in shallow drilling. Much more work is being undertaken to obtain the most information from that drilling to assist our targeting of deeper holes to be drilled later in the year. Likewise, at Yarram Park, the Toora West prospect is shaping up as a very exciting drill target with previous drilling confirming porphyry host units and porphyry-style alteration with new geophysics identifying a large and strong IP chargeability feature located some 800 metres south of Stavely's maiden drill holes. Your Company intends pursuing these opportunities with the same diligence, using the best available technologies and consultants. We will continue to spend shareholders' money where it counts - in the ground.

While continuing to provide shareholders exceptional value by running a financially responsible company, Stavely Minerals has materially progressed its exploration assets in Victoria and Queensland. It is with great pride that we can boast having 71%[1] of expenditure during the year being direct in-the-field expenditure. That non-executive Directors and the Company Secretary have not received any cash remuneration during the year, and that executive Directors had accepted a 40% reduction in salaries demonstrates the commitment of Board and Management to the Company. With market funding for mineral exploration still challenging, despite the improved sentiment towards copper and gold producers, your Company strives to give you the best value opportunity for material discovery within the Company's assets. The management team only attend a very few conferences during the year that are best suited to promoting the Company's profile, and fly economy class to get there. Executive Management spent a significant proportion of time in the field as that is where the skills and experience of the management team can add greatest value for shareholders.

I sincerely hope you join in our optimism for what is shaping up as a most exciting year for Stavely Minerals.

Thank you

BILL PLYLEY

[1] Refer to ASX Release Quarterly Cashflow Report dated 31 July 2017

Overview

EXPLORATION

The Company's assets located in western Victoria and in northern Queensland are prospective for copper-gold mineralisation with existing VMS-style and porphyry deposits. The two flagship projects, Ararat and Stavely, host Inferred Mineral Resources that contain over 130Kt of copper and over 19,000 ounces of gold plus accessory zinc and silver. Stavely Minerals is targeting a Cadia-type gold-copper porphyry (Stavely and Yarram Park Projects), and a Degrussa-style VMS (volcanogenic massive sulphide) deposit (Ararat Project).

The Fairview low-sulphidation mesothermal to epithermal gold prospect, in the Stavely Project, is potentially analogous to a Lake Cowal gold deposit. There are also indications of 'Stawell-style' and 'intrusive-related' gold mineralisation at the Ararat Project.

The Ravenswood Project in northern Queensland is prospective for intrusive related gold mineralisation, porphyry hosted copper-molybdenum and gold mineralisation, as well as rare earth elements.

In excess of 5,000 metres of diamond and reverse circulation (RC) drilling has been conducted at the Toora West copper-gold prospect, in the Yarram Park Project, Thursday's Gossan copper-gold prospect, Fairview North gold prospect and Mount Stavely copper-gold prospect, in the Stavely Project and at The "Bank" prospect, in the Ravenswood Project.

A total of 54 line kilometres of Induced Polarisation (IP) geophysics has been completed at the Honeysuckle gold prospect, Ararat Project, Fairview north and south gold prospects, Stavely Project and at the Toora West Prospect, Yarram Park Project.

Geophysical programmes conducted in the Ararat Project have identified two new drilling targets. At the Carroll's VMS prospect, which in previous diamond drilling returned narrow intervals of massive to stringer sulphide zinc and copper mineralisation including 0.2 metres at 1.77% zinc and 0.12% copper, the downhole electromagnetic (DHEM) survey has generated an off-hole conductor which warrants drill testing.

Follow-up IP surveys over the Curtis Diorite in the Ararat Project, which hosts a number of historic gold workings including the Honeysuckle Mine, has defined a chargeability anomaly which is considered a priority for drill testing. There are further low amplitude anomalous chargeability features beneath the Honeysuckle gold workings and on the margin of the Curtis Diorite which have been recommended for further work.

Drill testing based on a reinterpretation of the structural controls on gold mineralisation at the Fairview North gold prospect has returned a wide mineralised interval of 30 metres at 1.4 g/t gold from 47 metres drill depth, including 11 metres at 2.4 g/t gold.

Deep diamond drilling completed at the Thursday's Gossan prospect in early 2017 confirmed the 'D' vein relationship between high-grade copper-silver-gold mineralisation at depth and its distribution and relationship to the near-surface chalcocite blanket. Assay results included 3.1 metres at 1.72% copper, 1.48 g/t gold and 21 g/t silver including 0.9 metres at 5.17% copper, 4.87 g/t gold and 64 g/t silver.

Further drilling specifically targeting these near-surface expressions of the sulphide-rich 'D' veins has the potential to materially increase the grade of that portion of the Mineral Resource where these veins occur, especially as gold and silver are not included in the current Mineral Resource estimate.

Strong porphyry-style copper-gold mineralisation over a 400 metre strike extent has been intersected in the shallow RC drilling completed towards the end of the year at the Thursday's Gossan copper prospect, with several RC holes ending in mineralisation (results from diamond tails pending). Intercepts include 24 metres at 0.64% copper and 1.2 g/t gold, 29 metres at 0.53% copper and 0.30 g/t gold to end of hole (EoH), 25 metres at 0.52% copper and 0.37 g/t gold to EoH and 3 metres at 4.14% copper and 0.36 g/t gold.

The mineralisation is interpreted to be hosted within the upper-level phyllic (sericite-pyrite) to argillic (kaolinite) alteration, meaning that even better developed mineralisation should be located at depth within the potassic (potassium feldspar-biotite-magnetite) alteration.

Photo 1. RC Drill rig (foreground) and diamond rig (background) at the Thursday's Gossan prospect, May 2017.

An outstanding porphyry drill target has been generated at the Toora West prospect in the Yarram Park Project. The maiden drilling programme successfully confirmed the existence of a 'blind' intrusive complex compositionally and texturally consistent with a porphyry copper-gold environment. Petrographic analysis of core confirmed porphyry-style alteration. A very large and very strong, up to 50mV/V chargeability anomaly has been identified ~800m to the south of the first two diamond holes drilled by Stavely Minerals in early 2017.

Exploration activities carried out at the Company's Ravenswood Project in north Queensland led to the identification of The "Bank" breccia target. Diamond drilling at The "Bank" intercepted strong copper-moly-silver sulphide mineralisation in one drill hole, which returned 22.8 metres at 0.60% Copper, including 12.4 metres at 0.95% Copper, 120ppm Molybdenum and 8.0 g/t Silver, and 6.05 metres at 1.31% Copper, 100ppm Molybdenum and 12.4 g/t Silver.

CORPORATE

In November 2016, Stavely Minerals completed a capital raising which was underpinned by a Share Placement of 13.33 million shares at 15 cents per share to sophisticated and institutional investors to raise $2 million before costs. The Share Placement was oversubscribed. In addition, the Company completed a Share Placement Plan (SPP), also at 15 cents to allow existing shareholders to participate in the capital raising on the same terms as the Share Placement. Stavely offered eligible shareholders the opportunity to subscribe for new shares up to a maximum value of $15,000 per eligible shareholder. Applications totalling $1,531,500 were received, and while that total exceeded the target cap of $1.5 million for the SPP, the Board decided to accept all applications without any scale back.

The funds raised through the combined Share Placement and SPP were primarily used to accelerate drilling programmes in Queensland targeting breccia-hosted gold mineralisation and in western Victoria targeting porphyry copper-gold mineralisation.

The share subscription agreement between Stavely Minerals and Titeline Drilling Pty Ltd, under which the Company has the option to settle monthly drilling charges by way of a cash payment and/or shares, is still in place. Approximately $0.78 million of the total $2 million facility has been used as at the end of June 2017.

During the year, the Company received payments of $300k from the Victorian Government under the TARGET exploration initiative. In June 2016, Stavely Minerals received offers of over $1 million of exploration co-funding for five projects from the Victorian Government under the TARGET exploration initiative. In an economic and geoscience boost to Victoria, the Victorian Government offered a total of almost $2 million in grants to five recipients for nine projects to explore for copper, other base metals and gold in the Stavely Region. A collaborative geological research programme by the Geological Survey of Victoria and Geoscience Australia has identified the Stavely geological province in western Victoria as having potential for copper, other base metals and gold mineralisation. The grant funding is provided on an industry-matched basis to mineral exploration companies to further enhance the understanding of potential mineral deposits in western Victoria, with the view that the investment will generate jobs, economic and other flow-on benefits to the region. The TARGET grants cover up to half the cost of eligible exploration activities, including geophysical surveys, drilling and sample analysis, with the companies funding the balance by their own means. To date the co-funding has been used to conduct geophysical surveys at the Yarram Park, Stavely and Ararat Projects, undertake maiden drilling at porphyry copper-gold targets on the Stavely and Yarram Park Projects and to advance the understanding of the Thursday's Gossan porphyry target through deep diamond drilling.

The Company distributed Exploration Development Incentive Scheme (EDI) credits of $406,000 (28.5% of the Company's eligible 2015- 2016 exploration expenditure of $1.425 million) to Shareholders in June 2017. The EDI credits were distributed to Shareholders pro-rata relative to the number of shares held and the total shares on issue (121,227,119) on the Record date of 17 May 2017. The EDI enables eligible exploration companies to create exploration credits by giving up a portion of their carried forward losses from eligible exploration expenditure and distributing these exploration credits to equity shareholders.

The EDI is intended to encourage shareholder investment in exploration companies undertaking greenfields mineral exploration in Australia.

Stavely Minerals had a total of $2.54M cash on hand at the end of June 2017, with a further $1.21M available pursuant to the Share Subscription Agreement with Drilling contractor, Titeline Drilling Pty Ltd and $0.7M of Victorian Government co-funding.

Photo 2. Soil Sampling at the Ravenswood Project.

Review of Operations

Background

The Ararat and Stavely Projects are located approximately 200 kilometres west of Melbourne and are respectively just west of the regional centre of Ararat, Victoria and just east of the regional town of Glenthompson (Figure 1).

The Victorian projects include exploration tenements with a total area of 29 square kilometres of 100% owned and 72 square kilometres of joint venture tenure.

The Projects have excellent infrastructure and access with paved highways, port connection by railroad and a 62 MW wind farm located 8 kilometres from the Stavely Project. The primary land use is grazing and broad acre cropping.

The Ravenswood Project is located 90km south of Townsville and 10km south west of Ravenswood in north Queensland. The Mingela-Ravenswood - Burdekin Dam road passes down the eastern boundary of the Project (Figure 2).

The Queensland Project includes four granted exploration licences with a total area of 548 square kilometres. The topography is made up of rolling hills alternating with sandy flats. The Burdekin River runs through the Project area. Access within the tenements is by 4WD via station tracks.

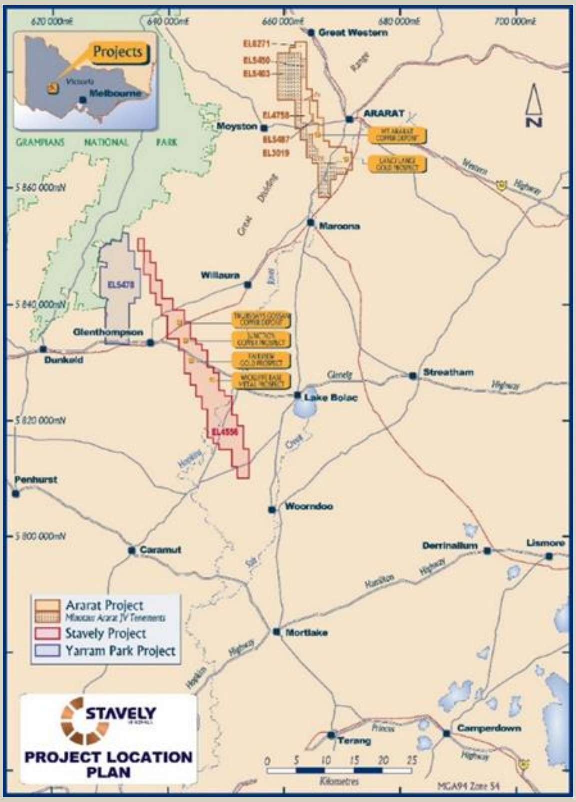

Figure 1. Ararat, Stavely and Yarram Park Project Location Plan.

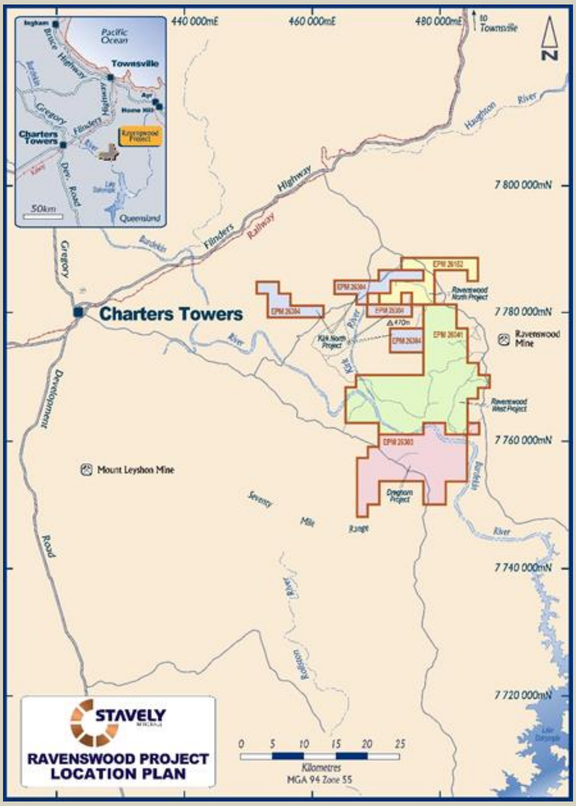

Figure 2. Ravenswood Project Location Plan.

Regional Geology Western Victoria

The Ararat and Stavely Projects, while only 40 kilometres apart, are hosted within materially different geologic domains (Figure 3).

The Ararat Project is hosted in the Stawell - Bendigo zone of the Lachlan Fold Belt and is comprised of Cambrian age mafic volcanic and pelitic sedimentary units of the Moornambool Metamorphics which were metamorphosed to greenschist to amphibolite facies during the Silurian period.

The Stavely Project is hosted in Cambrian age Delamerian Orogeny submarine mafic and intermediate volcanics and tuffs which were overlain by quartz-rich turbidite sequences of the Glenthompson Sandstone. These sequences were deformed in the late-Cambrian. Seismic traverses by the Victorian Department of Economic Development, Jobs, Transport and Resources in western Victoria have supported the interpretation of an Andean-style convergent margin environment for the development of the buried Stavely Arc beneath the Stavely Volcanic Complex and environs (Cayley, in prep, pers. comm., 2013). This regional architecture is considered conducive to the formation of fertile copper / gold mineralised porphyry systems (Crawford et al, 2003) as is the case with the Macquarie Arc in New South Wales, which hosts the Cadia Valley and North Parkes copper-gold mineralised porphyry complexes.

The Lachlan Fold Belt and Delamerian sequences are in fault contact through large-scale thrusting along the east dipping Moyston Fault (Cayley and Taylor, 2001).

Largely unconformably overlying both these domains by low-angle décollement is a structural outlier of the younger Silurian fluvial to shallow marine sandstone to mudstone sequences of the Grampians Group.

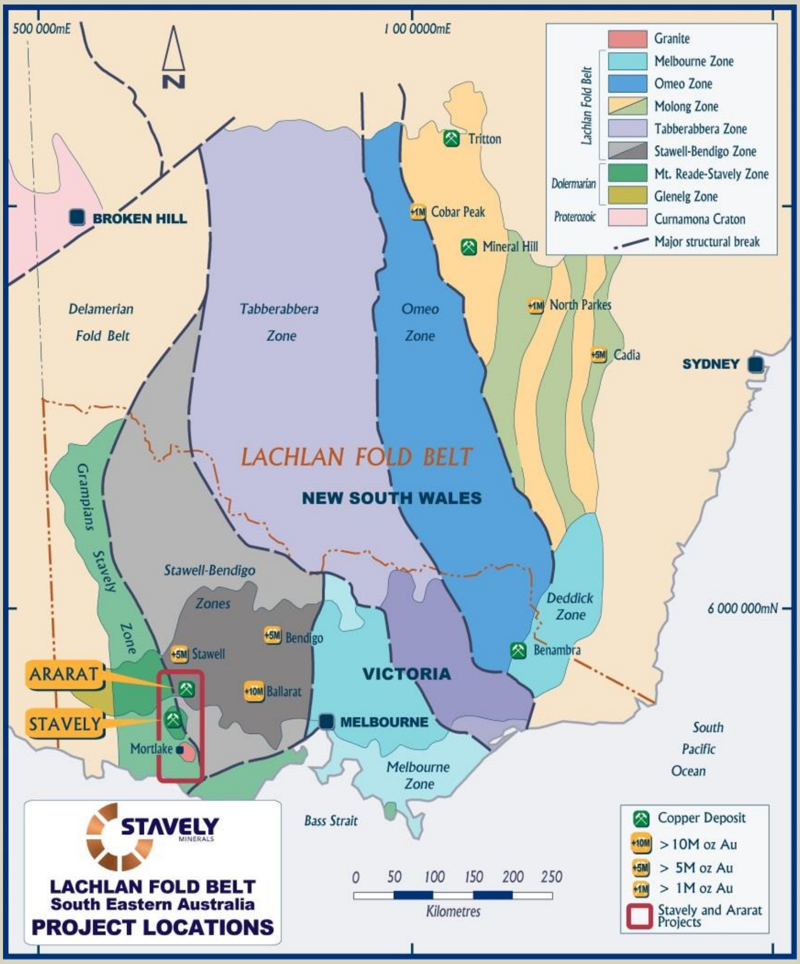

Figure 3. Geology of south-eastern Australia.

Regional Geology North Queensland

The dominant rock types within the Ravenswood Project are typically I-type calcic hornblende-biotite granodiorite to tonalite of the Ravenswood Batholith of Middle Silurian to Middle Devonian age (Figure 4).

A major structure, the Mosgardies Shear Zone, cuts east-west through the Ravenswood Batholith 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. The majority of faults in the area are transverse to the Morgardies Shear Zone and trend 30º to 40º either side of north. The bulk of the auriferous quartz reefs and leaders are hosted by shears with NW to NS orientation.

Mineralisation is associated with shear hosted quartz veins and is dominated by pyrite-chalcopyrite-galena-gold. The veins are generally narrow and of limited strike length. This style of mineralisation is widespread but of low tonnage.

Copper as chalcopyrite (and molybdenum-gold) mineralisation is also associated with quartz porphyry stocks. Mineralisation is contained both in sparse quartz veins and disseminated within the intrusive.

More widespread phyllic (quartz-sericite) and potassic (biotite) alteration is reported suggestive of porphyry style alteration and mineralisation. This style of deposit offers bulk tonnage potential.

Cu-Au-Mo occurs in intrusive breccias ("pipes") at Three Sisters and Mt Wright outside the Project area. Paleoplacer gold deposits occur in Quaternary sediments on the flanks of Tertiary laterites.

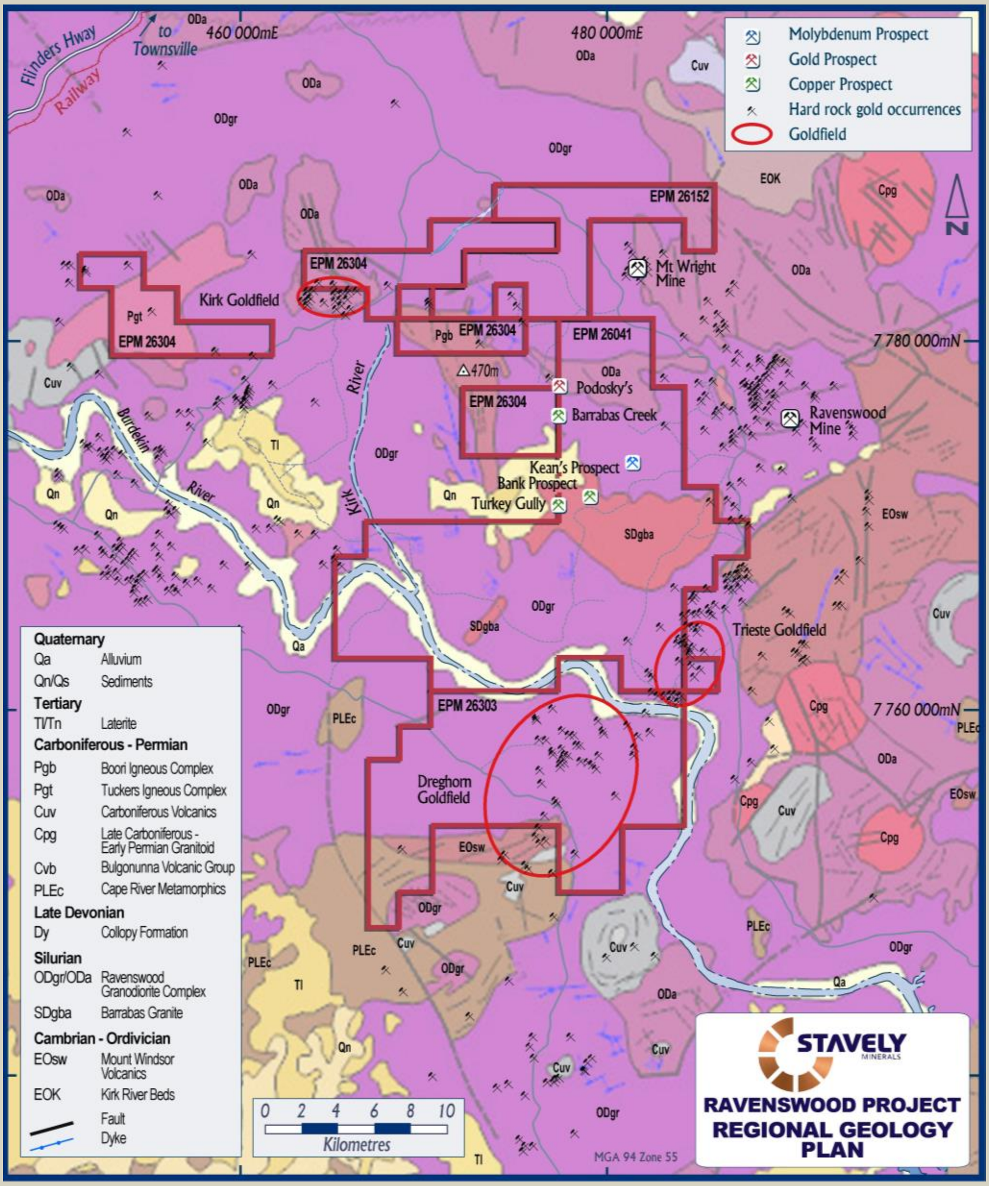

Figure 4. Ravenswood West Project – Regional Geology Plan.

Mineral Resources

The Ararat and Stavely Projects host Mineral Resources reported in compliance with the 2012 JORC Code:

(a) Ararat Project Mineral Resource

In the Ararat Project, the Mount Ararat prospect hosts a Besshi-style VMS deposit with an estimated (using a 1% Cu lower cut-off) Total Mineral Resource of

1.3Mt at 2.0% copper, 0.5 g/t gold, 0.4% zinc and 6 g/t silver for a contained 26kt of copper, 21,000 ounces of gold, 5.3kt of zinc and 242,000 ounces of silver (Table 1).

Refer to ASX release dated 8 September 2015 for all criteria for sections 1, 2 and 3 of the JORC Code Table 1 and 2.

The Mt Ararat Copper Indicated and Inferred Resource Estimate, August 2017, remains unchanged from the Mt Ararat Copper Indicated and Inferred Resource Estimate, August 2015. There has been no additional drill data collected from the deposit and although economic circumstances affecting the mining industry have changed since 2015, the underlying assumptions utilised in 2015 Mineral Resource estimate remain valid.

(b) Stavely Project Mineral Resource

In the Stavely Project, at the Thursday's Gossan prospect, a near surface secondary chalcocite enriched blanket with an estimated (using a 0.2% Cu grade lower cut-off) – 28Mt at 0.4% copper for 110kt of contained copper (Table 2).

The Thursday's Gossan Chalcocite Copper Inferred Mineral Resource Estimate remains unchanged from the Thursday's Gossan Chalcocite Copper Inferred Resource Estimate, August 2013. Although economic circumstances affecting the mining industry have changed since 2013, the underlying assumptions utilised in the 2013 Mineral Resource estimate remain valid.

Table 1. The Mount Ararat Resource Estimate.

Reporting Threshold	Classification	Domain	Tonnes: Cu Resource (KT)	Cu Grade (%)	Tonnes: Au,Ag,Zn Resource (KT)	Au Grade (ppm)	Ag Grade (ppm)	Zn Grade (%)
1.0% Cu	**Indicated**	Supergene	50	2.4				
		Fresh	200	2.2				
		Total	**250**	**2.2**				
	Inferred	Weathered	170	1.7	170	0.5	3.1	0.1
		Supergene	30	2.2	80	0.4	4.4	0.4
		Fresh	870	1.9	1070	0.5	6.2	0.4
		Total	**1070**	**1.9**	**1320**	**0.5**	**5.7**	**0.4**
	Total 1% Cu		**1320**	**2.0**	**1320**	**0.5**	**5.7**	**0.4**
2.0% Cu	**Indicated**	Supergene	30	2.9				
		Fresh	80	2.9				
		Total	**110**	**2.9**				
	Inferred	Weathered	30	2.9	30	1.3	7.9	0.2
		Supergene	20	3.0	50	0.3	4.2	0.4
		Fresh	230	3.0	310	0.6	7.7	0.6
		Total	**280**	**3.0**	**390**	**0.6**	**7.3**	**0.5**
	Total 2% Cu		**390**	**2.9**	**390**	**0.6**	**7.3**	**0.5**

Table shows rounded estimates. This rounding may cause apparent computational discrepancies. Significant figures do not imply precision. Nominal copper grade reporting cuts applied. Three material types reported as varied economic factors will be applicable to the deposit base on reported material types.

Table 2. The Thursday's Gossan Chalcocite Copper Inferred Resource Estimate (reviewed in 2017).

Thursday Gossan Chalcocite Copper August 2013 Inferred Resources *(JORC 2012 Edition)*					
Copper Mineralisation Subdivision		**Lower Cu Cut (%)**	**Tonnes (MT)**	**Copper Grade (%)**	**Contained Copper (KT)**
Mineralisation greater than 10m thick	10 to 20m thick	0.20	8.5	0.3	28.1
		0.30	4.5	0.4	18.4
		0.50	0.5	0.7	3.4
	Greater than 20m thick	0.20	14.4	0.4	61.7
		0.30	9.7	0.5	49.7
		0.50	3.1	0.8	24.8
	Sub Total (greater than 10m thick)	***0.20***	***22.9***	***0.4***	***89.8***
		0.30	***14.2***	***0.5***	***68.0***
		0.50	***3.7***	***0.8***	***28.2***
Mineralisation less than 10m thick		0.20	5.1	0.3	17.1
		0.30	2.5	0.4	10.6
		0.50	0.2	0.9	2.1
Total Mineralisation		**0.20**	**28.1**	**0.4**	**106.9**
		0.30	**16.7**	**0.5**	**78.6**
		0.50	**3.9**	**0.8**	**30.3**

Table shows rounded estimates. This rounding may cause apparent computational discrepancies. Significant figures do not imply precision. Nominal copper grade reporting cuts applied. Three mineralised thicknesses reported as varied economic factors are likely to be applicable to each.

Ararat Project

The Ararat Project is prospective for VMS copper-gold-zinc-silver mineralisation as well as 'Stawell-style' and intrusion-related gold mineralisation.

Geophysics, including an IP survey at the Honeysuckle Gold prospect and a DHEM survey at the Carroll's VMS prospect, where successful in identifying significant new drill targets in the Ararat Project (Figure 5). The IP and DHEM programmes were part of the Victorian Government TARGET exploration initiative co-funding.

The Mount Ararat copper deposit and the Carroll's prospect lie within a small portion of a much more extensive prospective exhalative horizon on the contact between the Carrolls Amphibolite and the Lexington Schist.

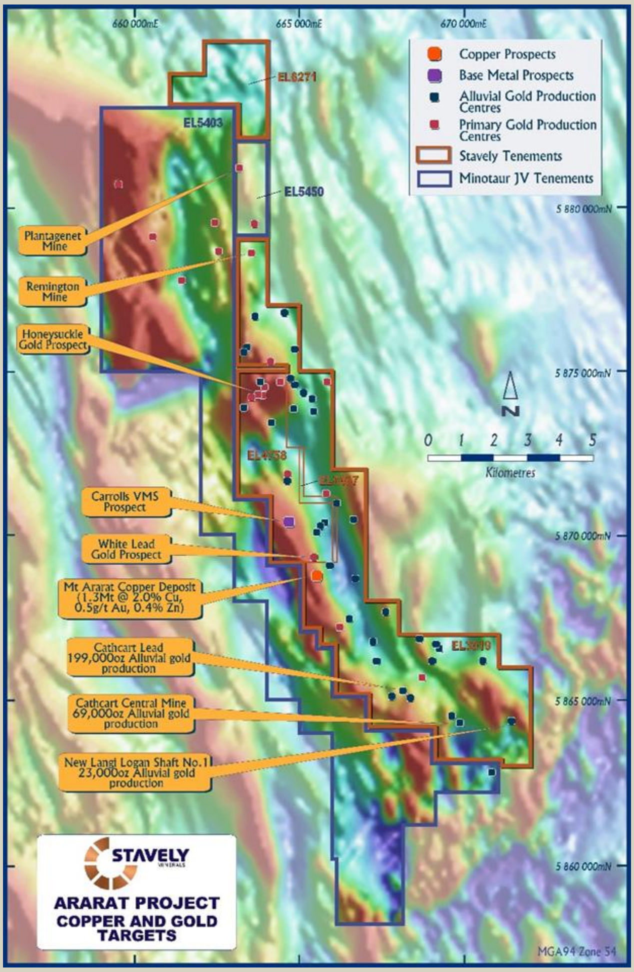

Figure 5. Ararat Project – Copper and Gold Targets.

The Ararat Goldfield has significant historic alluvial and deep lead production of circa 640,000 ounces of gold but with no known substantial hard-rock source.

i. Carroll's Base Metal Prospect

A DHEM survey was completed on the two diamond holes drilled at the Carroll's VMS prospect in late 2015. The diamond holes were drilled to target strong IP anomalies within the prospective VMS horizon. The drilling returned narrow intervals of massive to stringer sulphide zinc and copper mineralisation, including:

- 0.2 metres at 1.77% zinc and 0.12% copper
- 0.25 metres at 0.57% zinc and 0.13% copper
- 0.25 metres at 0.41% zinc

The aim of the DHEM survey was to ascertain if there were any off-hole conductors which may be the result of base metal sulphide mineralisation. Drill hole SADD007 returned a small isolated on-hole response which matched a 5 metre intersection containing sphalerite and a thinner interval within bearing copper. Drill hole SADD005 returned a distal off-hole response, which was modelled to establish the projected downhole depth. Simultaneous modelling with the Fixed Loop Electromagnetic data collected in 2013 indicated a projected intersection at a depth of 500m. This predicted depth agreed with independent modelling of only the DHEM data.

Despite the abundant sulphide mineralisation intercepted, selective sampling of the drilling did not return any significant gold intercepts or any interesting pathfinder elements.

ii. Honeysuckle Mine Gold Prospect

There are a number of historic mines, including the Honeysuckle Mine, hosted within a late-phase intrusive granite in the Ararat Project (Figure 6). Field investigations have identified alteration which may indicate the presence of a reasonably sized gold mineralised system, although historic mining focussed upon narrow, high-grade reefs.

Gold in the Honeysuckle area was discovered in 1897 and grades of 7.5 g/t gold were reported. With the gold being hosted within an intrusive, IP is likely to be effective in identifying sulphides potentially associated with gold mineralisation.

IP data was collected on four lines over the Curtis Diorite in the Honeysuckle Mine area. Processing of the data and integration with magnetic and gravity data has led to the identification of a number of chargeability features which are considered worthy of follow-up.

Previous rock chip sampling by the Company in the vicinity of the Honeysuckle Mine returned a gold value of 5.33 g/t. Additional IP data will be collected prior to the selection of drill targets.

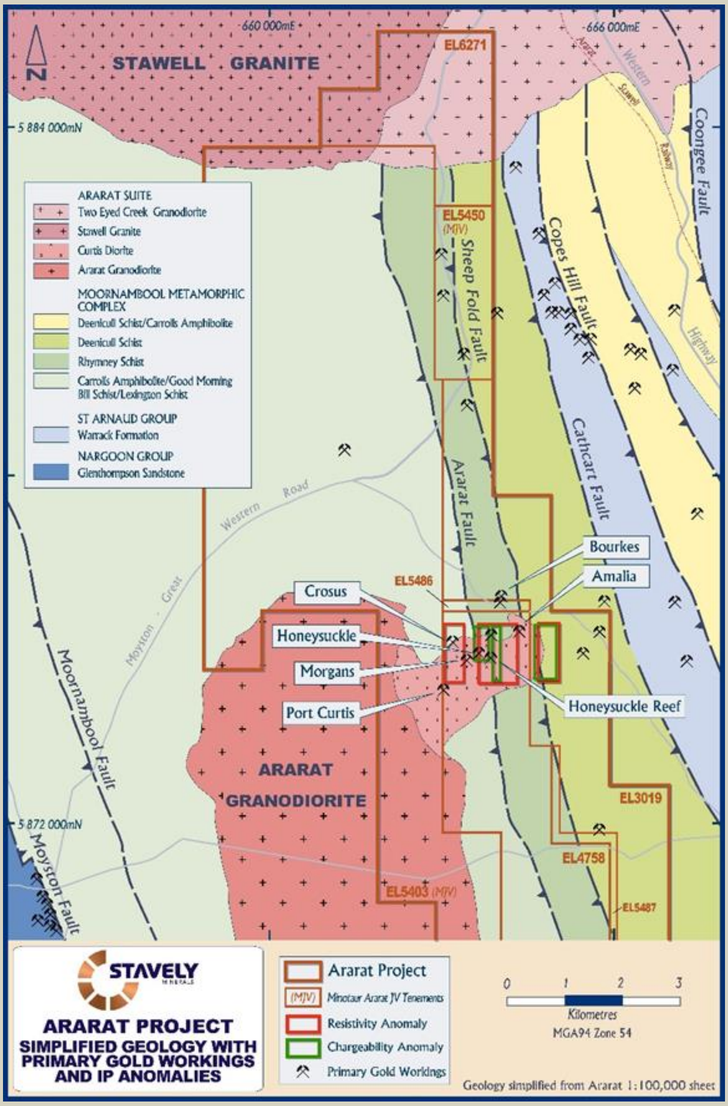

Figure 6. Ararat Project – Simplified Geology with Primary Gold Workings and IP Anomalies.

Stavely Project

The Stavely Project hosts several significant opportunities for discovery of porphyry copper-gold and VMS base-metals +/- gold deposits.

During the year the Company conducted diamond and RC drilling at the Thursday's Gossan porphyry prospect, Mount Stavely porphyry prospect and the Fairview North gold prospect. An extensive IP survey was completed at the Fairview north and south prospects. Three diamond holes at Thursday's Gossan and one diamond hole at Mount Stavely were co-funded by the Victorian Government TARGET exploration initiative.

Diamond drill testing based on a reinterpretation of the structural controls on gold mineralisation at the Fairview North gold prospect returned a thick zone of strong near surface gold mineralisation with a mineralised interval of 30 metres at 1.4 g/t gold from 47 metres drill depth. Subsequent RC drilling returned mineralised intervals including 17 metres at 1.23 g/t gold from 23 metres within a mineralised envelope of 57 metres at 0.57 g/t gold from surface.

Exploration during the year has led to Stavely Minerals' exploration team developing a conceptual model that there were two phases of mineralisation at Thursday's Gossan. The early porphyry phase is a low-grade copper-only phase that previous explorers had identified and is of little economic interest. Stavely's original interest in the Project was based on the recognition, in previous explorer's drill core, of evidence of intense high-level alteration associated with strong copper-gold mineralisation. The Company's belief was that these attributes were indications that a second-phase copper-gold porphyry existed at depth that had not yet been seen in the historical drilling (Figure 7).

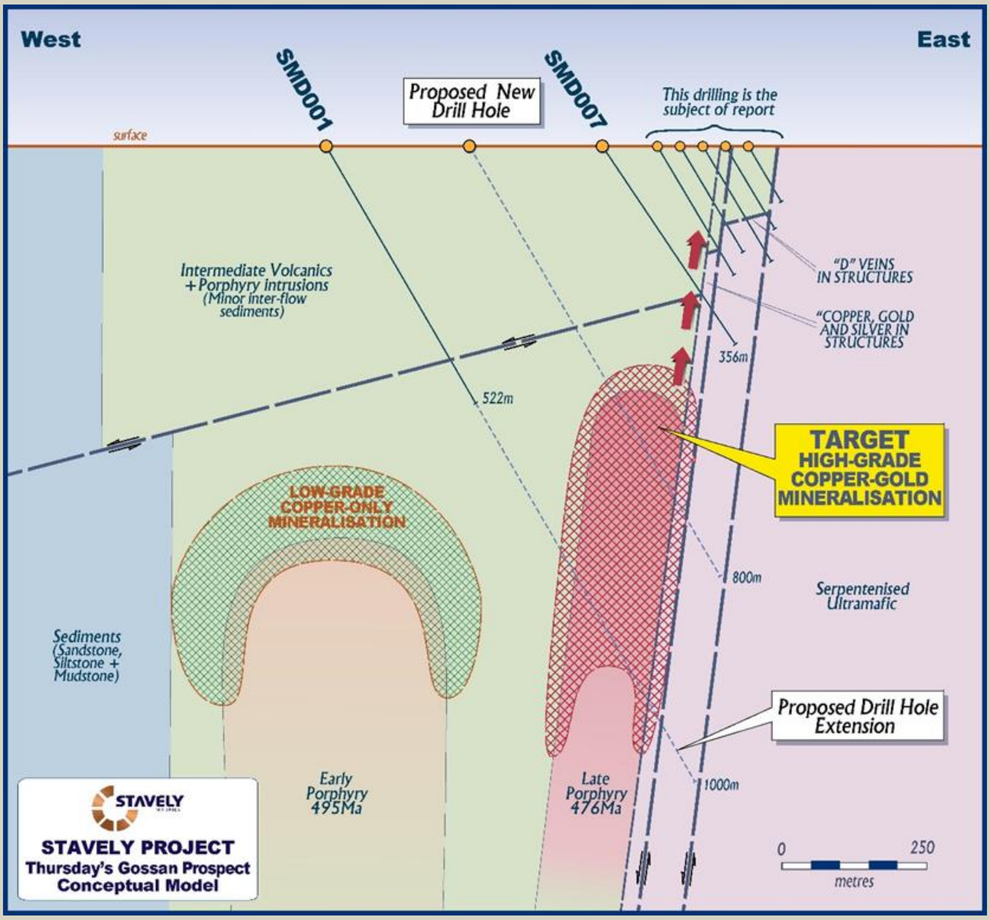

Figure 7. Thursday's Gossan Prospect Conceptual Model.

This theory is supported by initial assay results from the deep diamond drilling at the Thursday's Gossan copper prospect which confirmed the 'D' vein relationship between high-grade copper-silver-gold mineralisation at depth and its distribution and relationship to the near-surface chalcocite blanket. Assays confirming the high-grade mineralisation controls at Thursday's Gossan include results of up to 4.87 g/t gold, 64 g/t silver and 5.17% copper.

In addition, very encouraging results including 24 metres at 0.64% copper and 1.2 g/t gold have been received from the RC drilling programme designed to follow-up the new interpretation of the controls on high-grade copper-gold mineralisation in the near-surface chalcocite-enriched copper 'blanket'.

These shallow copper-gold (and silver) intercepts are very significant for the potential development of the near-surface chalcocite enriched 'blanket' at Thursday's Gossan, demonstrating that significant gold and silver values exist within this zone. All previous Mineral Resource estimates for the Thursday's Gossan chalcocite blanket (28Mt at 0.4% copper in Inferred Resources, see ASX release dated 8 September 2015) to date have only estimated the copper within the deposit, excluding gold and silver. This was mainly because previous explorers had not assayed for gold or silver in many drill holes within this zone. These results conclusively demonstrate that significant gold and silver grades are hosted within the Mineral Resource area.

A Scoping Study on the development of the chalcocite resource has been progressing well with some very positive outcomes achieved to date. However, the Company believes that the relationship between the higher copper grades and the distribution of silver and gold grades as they relate to the porphyry 'D' veins requires further investigation as a priority before the Scoping Study is finalised.

i. Thursday's Gossan Porphyry Prospect

Three deep diamond holes (SMD006, SMD007 and SMD008) for a total of 950 metres were drilled at the Thursday's Gossan Porphyry prospect as part of the Victorian Government TARGET co-funded exploration initiative in early 2017 (Figure 8). This drilling resulted in a major advance in the understanding of the controls on the near-surface, high grade copper, silver and gold mineralisation as well as assisting with vectoring towards the potassic altered 'core' to the porphyry system.

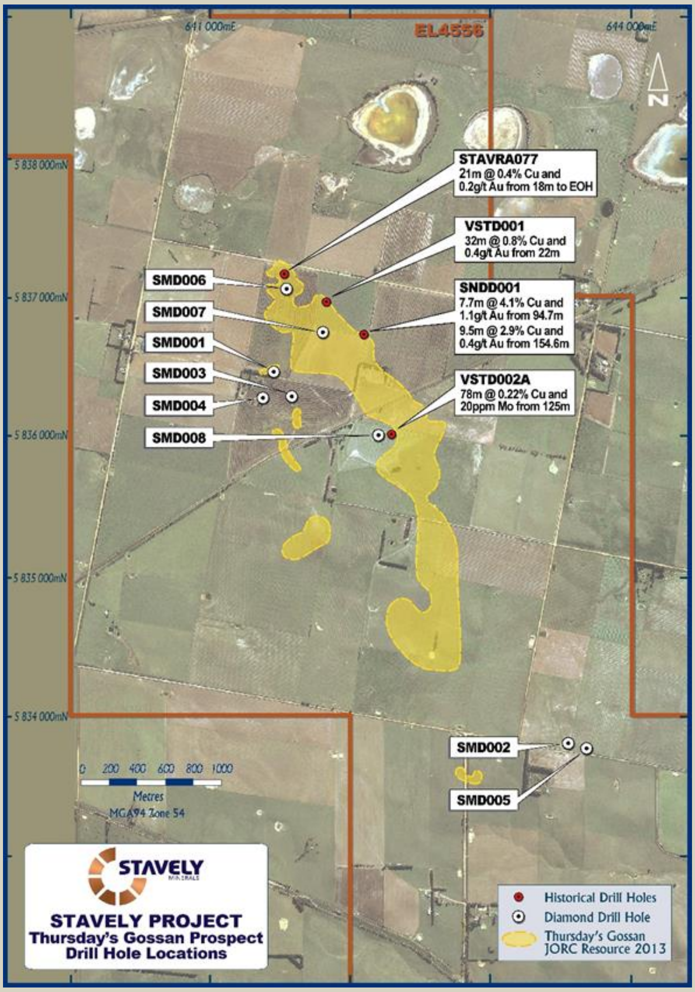

Figure 8. Stavely Project – Thursday's Gossan Drill Hole Location Plan.

SMD006 intercepted a deeper than average zone of supergene enrichment to a depth of approximately 100 metres. This zone hosts multiple 'D' veins including a 12 metre wide 'D' vein which is believed to occur at a low angle fault contact. A number of sulphide rich 'D' veins were intersected from 27 to 83 metres and 137 to 237 metres in drill hole SMD007.

Previously recognised porphyry 'D' veins noted in drilling at depth are now believed to be responsible for the higher tenor copper, gold and silver results close to surface, including:

- 7.7 metres at 4.1% copper and 1.1 g/t gold from 94.7 metres; and
- 9.5 metres at 25.9% copper and 0.4 g/t gold from 154.6 metres in drill hole SNDD001;
- 6 metres at 4.23% copper, 50 g/t silver and 0.42 g/t gold from 32 metres in drill hole TGAC016;
- 33 metres at 0.6 g/t gold from 23 metres, including 9 metres at 1.76 g/t gold from 26 metres in drill hole TGAC013;
- 12 metres at 1.08% copper and 0.24 g/t gold from 30 metres in drill hole TGAC004; and
- 32 metres at 0.8% copper and 0.4 g/t gold from 22 metres in drill hole VSTD001.

These intercepts are located within and adjacent to the existing chalcocite blanket Mineral Resource of 28 Mt at 0.4% copper.

At least two distinct north-west striking trends are evident in the near-surface expression of these two zones of sulphide-rich porphyry 'D' veins, both of which were originally recognised in the Company's earlier deep diamond drill holes, SMD001 and SMD003 (Figure 9).

Results from drill hole SMD007 confirm the 'D' vein relationship with high-grade copper-silver-gold mineralisation with assay results including:

- 3.1 metres at 1.48 g/t gold, 21 g/t silver and 1.72% copper from 216.9 metres depth, including 0.9 metres at 4.87 g/t gold, 64 g/t silver and 5.17% copper
- 4.3 metres at 0.44 g/t gold, 6 g/t silver and 1.66% copper from 237 metres depth, including 1.3 metres at 0.16 g/t gold, 16 g/t silver and 5.16% copper.

Processing and sampling of drill holes SMD006 and SMD008 and the remainder of SMD007 has been completed however the assay results were outstanding at the end of the year.

Four sections of five holes each for a total of 20 RC holes were drilled to confirm an interpretation that high-grade copper-gold mineralisation near surface at Thursday's Gossan is hosted by sulphide-rich veins in structures 'leaking' from a porphyry intrusion at depth (Figure 10).

The shallow drilling has intersected thick zones of strong porphyry-style copper-gold mineralisation. Selected results from this highly successful drilling campaign include:

- 24 metres at 0.64% copper and 1.2 g/t gold, including 14 metres at 0.82% copper and 1.99 g/t gold, including 1 metre at 0.84% copper and 22.2 g/t gold
- 29 metres at 0.53% copper and 0.30 g/t gold to end of hole (EoH), including 4 metres at 1.39% copper, 0.5 g/t gold and 55 g/t silver
- 25 metres at 0.52% copper and 0.37 g/t gold to EoH
- 3 metres at 4.14% copper, 0.36 g/t gold and 59 g/t silver
- 43 metres at 0.55% copper and 0.11 g/t gold
- 28 metres at 0.59% copper and 0.19 g/t gold
- 8 metres at 0.74% copper and 0.17 g/t gold
- 25 metres at 0.30% copper and 0.29 g/t gold to EoH, including 3 metres at 1.24% copper and 1.31 g/t gold.

Selected significant intercepts from the RC drilling is presented in Figure 10 and the drill sections are provided in Figures 11 to 14.

Selected RC drill holes have been extended with diamond drill hole "tails" and while assays were still pending at year end for these intersections, they are visually very impressive.

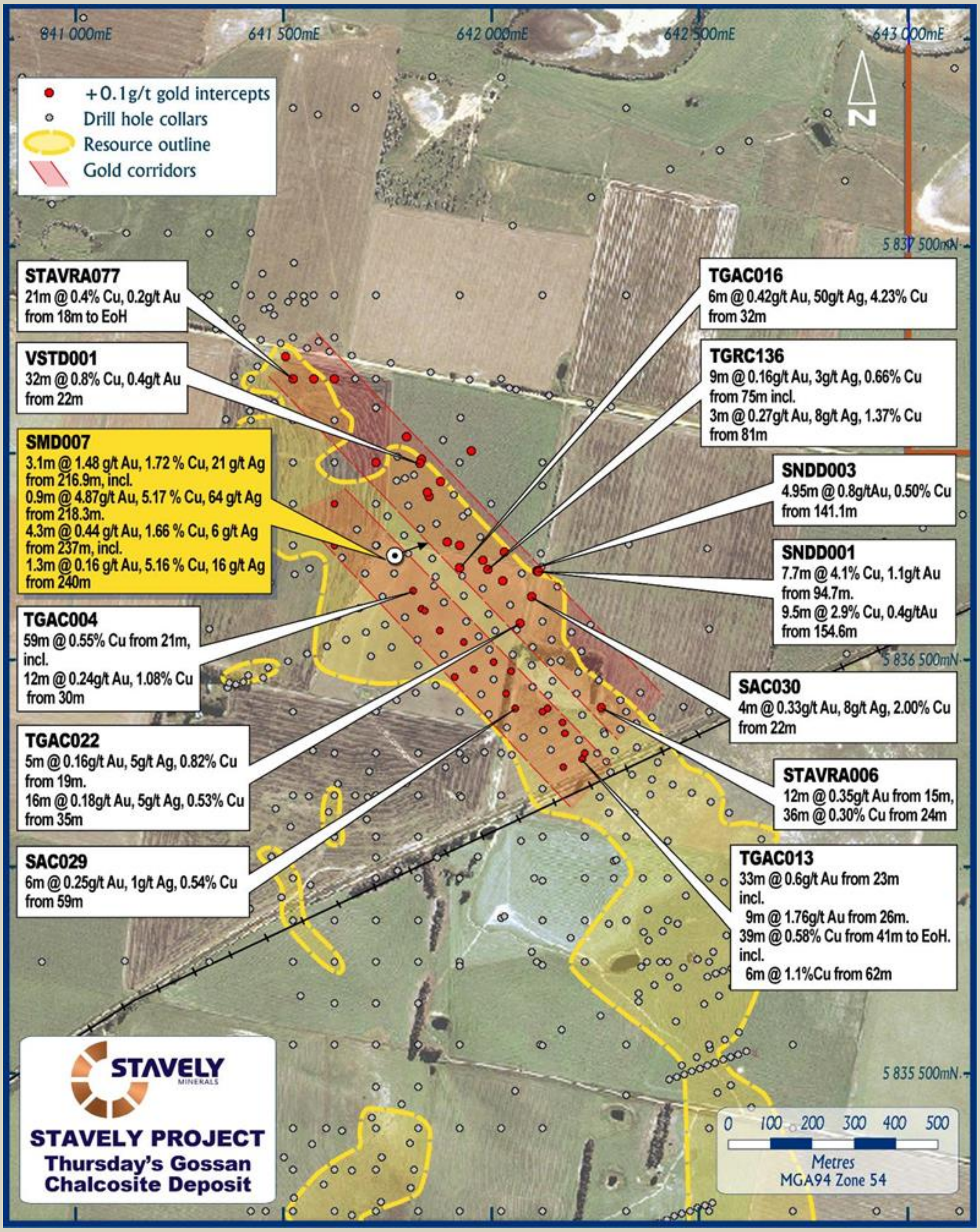

Figure 9. Thursday's Gossan drill collar plan showing the two NW trends of drill holes with +0.1 g/t gold interpreted to coincide with the near-surface expression of the sulphidic 'D' veins.

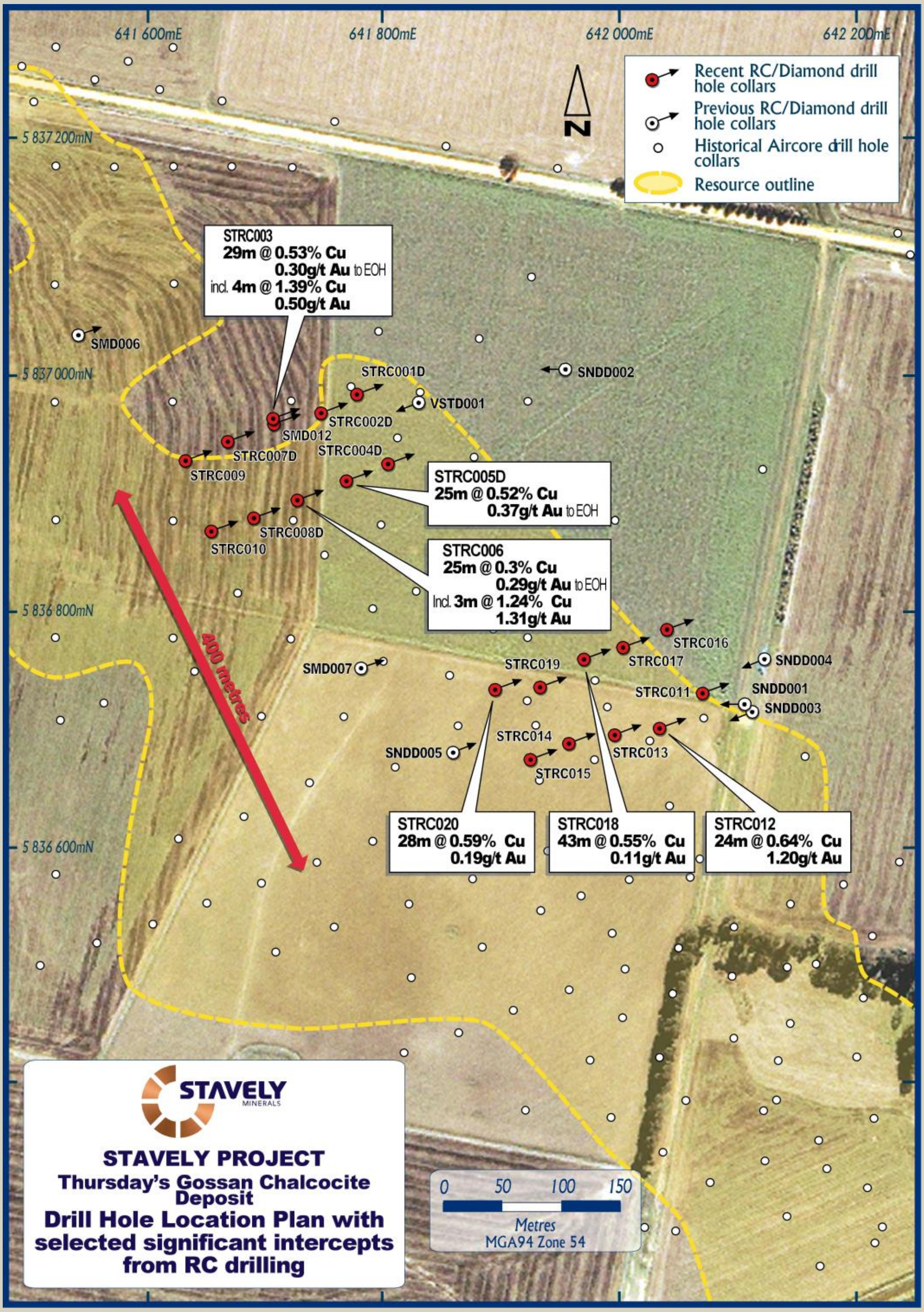

Figure 10. Thursday's Gossan Chalcocite Deposit – Drill Hole Location Plan with selected significant intercepts from RC drilling.

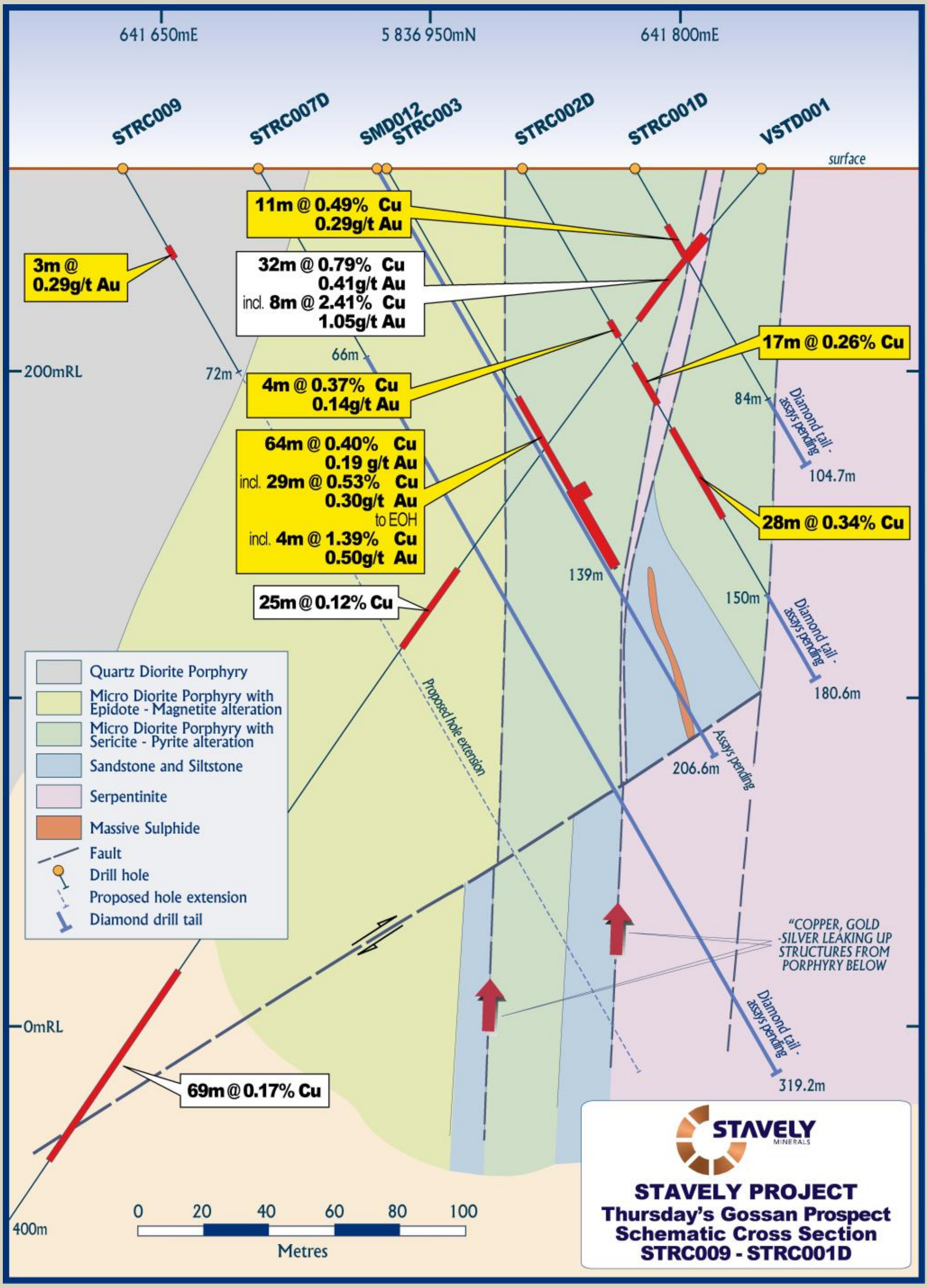

Figure 11. Thursday's Gossan Prospect Schematic Cross Section STRC009 – STRC001D.

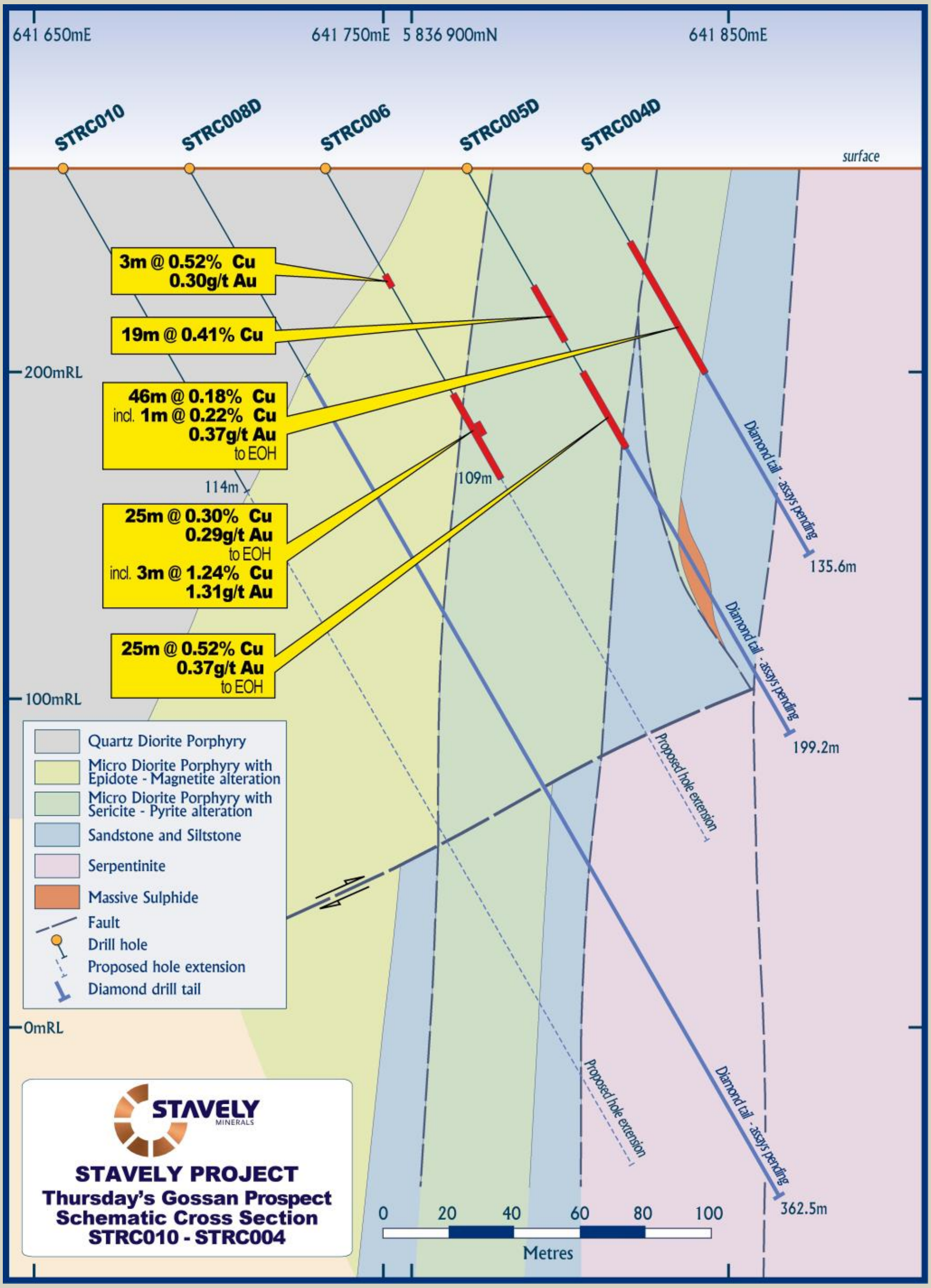

Figure 12. Thursday's Gossan Prospect Schematic Cross Section STRC010 – STRC004.

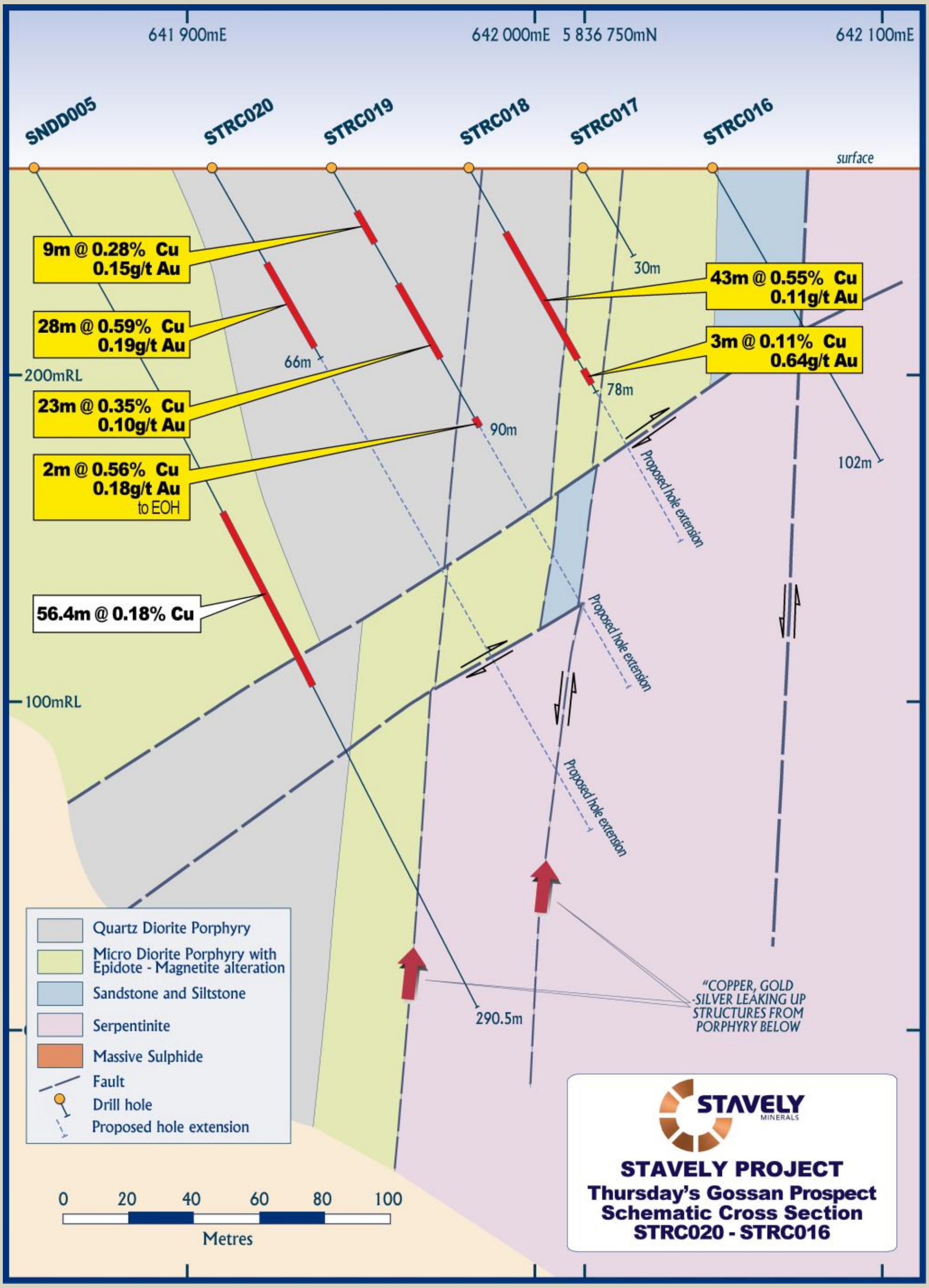

Figure 13. Thursday's Gossan Prospect Schematic Cross Section STRC020 – STRC016.

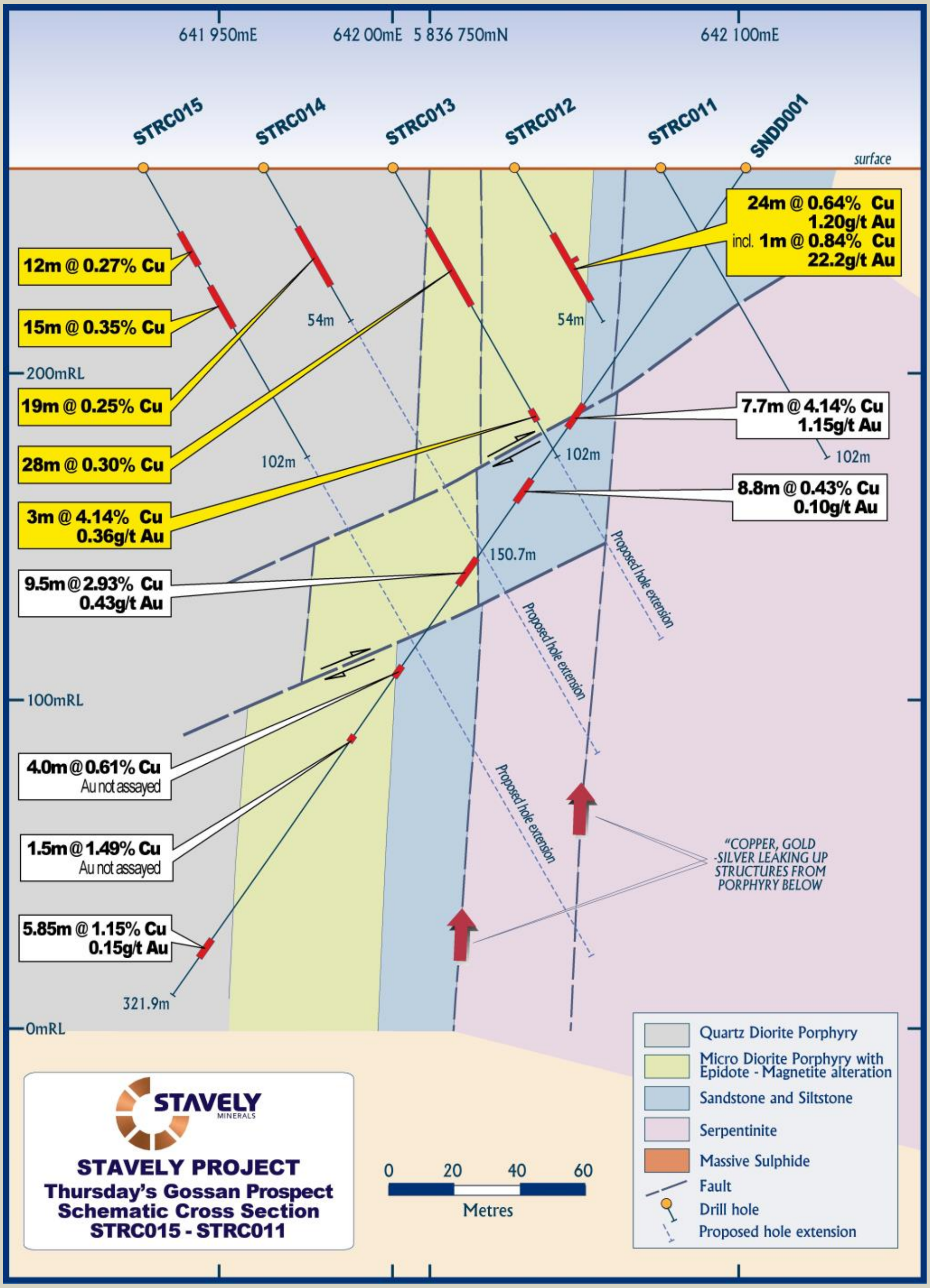

Figure 14. Thursday's Gossan Prospect Schematic Cross Section STRC015 – STRC011.

ii. Fairview Gold Prospect

During the year an IP survey and diamond and RC drilling were conducted at the Fairview gold prospect, where a 4.8 kilometre long mesothermal to epithermal gold anomalism was originally identified in soil sampling and followed-up with shallow reconnaissance aircore, RC and limited diamond drilling. The drilling conducted by Beaconsfield Gold Mines Pty Limited between 2006 and 2010 returned numerous anomalous gold intercepts, including 2.5 metres at 17.44 g/t gold; 2 metres at 16.06 g/t gold and 4 metres @ 6.69 g/t gold. However previous drilling has failed to provide a focus for further drilling which could potentially lead to the discovery of a Lake Cowal-style gold deposit.

A total of 29 line kilometres of IP data was collected over a strike of 4.5 kilometres at the Fairview North and South gold prospects. The IP programme was co-funded by the Victorian Government TARGET exploration initiative. Interpretation of the IP data has been disadvantaged by the limited direct geological information available due to the shallow depths of historical drilling which rarely penetrated below the IP interpreted base of oxidation as well as the drilling being restricted to the central corridor of the survey area.

Previous explorers have tested the Fairview North gold prospect with a large number of aircore drill holes, eleven RC holes and two diamond drill holes (Figure 15). Strong near-surface gold grades up to 1 metre at 28 g/t gold were achieved but had proven inconsistent along section and between sections. A new interpreted orientation of shallowly NW dipping mineralised vein arrays at Fairview North was drill tested by drill hole SMD011, which intersected:

- 30 metres at 1.4 g/t gold from 47 metres drill depth, including 11 metres at 2.4 g/t gold,

The newly interpreted shallow NW plunge of the vein arrays would account for the inconsistency of the previous drill sections oriented to 070 degrees magnetic given that these drill sections would have been approximately parallel to the strike of the mineralised veins. Diamond drill hole SMD011 was drilled at -55 degrees dip to 155 degrees azimuth – almost at right-angles to previous drilling. The mineralisation is associated with fine quartz veins with central terminations, within which are hosted base-metal sulphides sphalerite (zinc), galena (lead) and minor chalcopyrite (copper). The sphalerite is a pale yellow to honey-coloured low-iron species, indicating a low temperature of formation typical of a distal porphyry environment.

The high angle of incidence of most of the veins to the drill core does indicate that SMD011 was drilled perpendicular to the mineralised veins. The Fairview North and Fairview South prospects are marginal to the interpreted Mount Stavely porphyry at depth, as indicated by a distinct gravity low (Figure 15).

Late in the year, RC drilling was conducted to specifically target the revised geometry interpretation of the gold mineralised veins. Broad zones of low grade mineralisation was intercepted from surface, including 57 metres at 0.57 g/t gold and 68 metres at 0.42 g/t gold (Figure 16 and 17). These mineralised envelopes included higher grade intercepts of 17 metres at 1.23 g/t gold from 23 metres and 16 metres at 1.04 g/t gold from 6 metres. These RC drill results appear to confirm the shallow NNW dip to the structurally controlled gold mineralisation. Given that the low-grade gold mineralised intervals commence from surface, composite bulk samples are being collected for metallurgical test work to determine whether the mineralisation may be amenable to low-cost heap leach gold production.

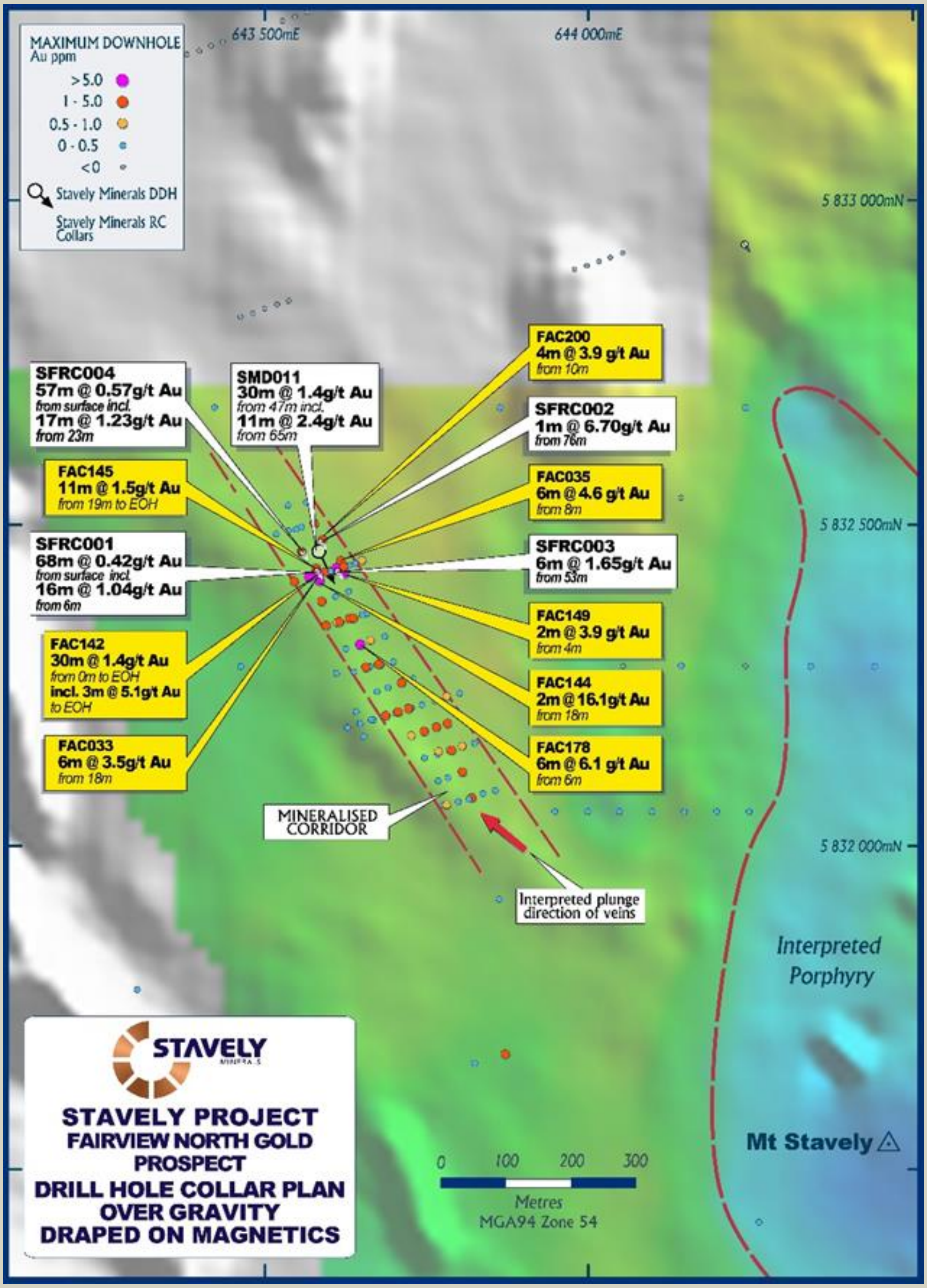

Figure 15. Fairview North Gold Prospect – Drill Hole Collar Plan over Gravity draped on magnetics.

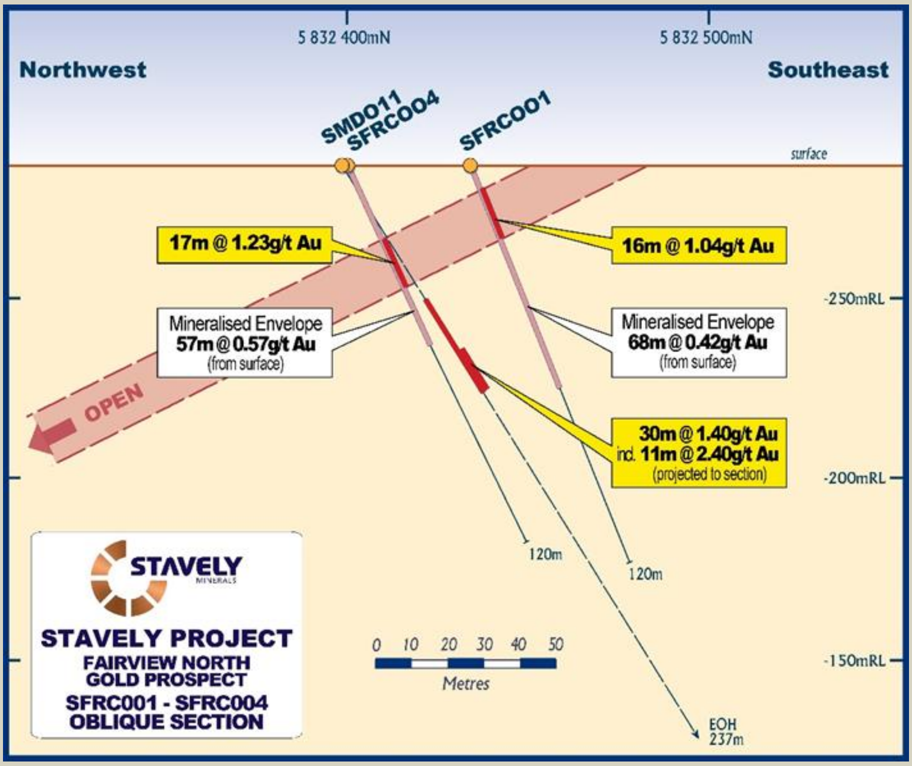

Figure 17. Fairview North Gold Prospect – SFRC001 – SFRC004 Oblique Section.

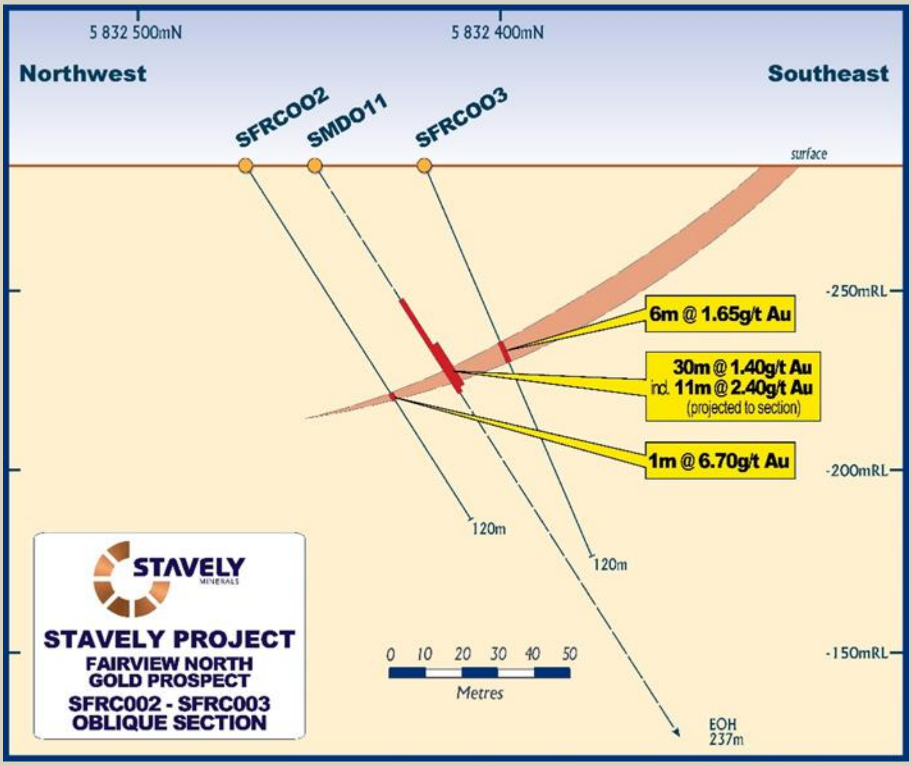

Figure 16. Fairview North Gold Prospect – SFRC002 – SFRC003 Oblique Section.

iii. Mount Stavely Porphyry Prospect

Two diamond drill holes have been completed at the Mount Stavely porphyry copper-gold target. The Mt Stavely porphyry target is reflected as a 'low' in gravity data and as a 'low' in the airborne magnetic data which is interpreted to reflect magnetite destructive hydrothermal fluid alteration. A porphyry is inferred to exist at depth and is in proximity to marginal gold mineralisation at the Fairview gold prospect, which itself is interpreted to be a low-sulphidation epithermal style mineralisation. An IP survey in the Mt Stavely area returned a chargeability feature which was slightly offset from the gravity low. Geochemical soil sampling over the Mount Stavely prospect returned anomalous arsenic, molybdenum and gold values.

Drill hole SMD009, was drilled to a depth of 321 metres as part of the TARGET co-funded exploration initiative and was designed to test a co-incident IP chargeability feature and geochemical anomalism (Figure 18). Drilling did intercept a sulphide- mineralised polymict breccia which displayed four to five recognisable sulphide mineralisation events but did not return any gold or base metal results. The abundance of magnetite both as pervasive magnetite alteration and numerous magnetite veins are now considered to be responsible for the IP chargeability anomaly.

A second hole (SMD010) was drilled to a depth of 230.9 metres to target a smaller IP anomaly and coincident molybdenum and arsenic soil geochemical anomaly to the north-west of the Mount Stavely gravity low (Figure 18). Apart from a shear zone near the end of the hole which quartz-carbonate veining with sphalerite-galena and chalcopyrite was encountered, sulphide mineralisation is largely restricted to diagenetic pyrite in the mudstones.

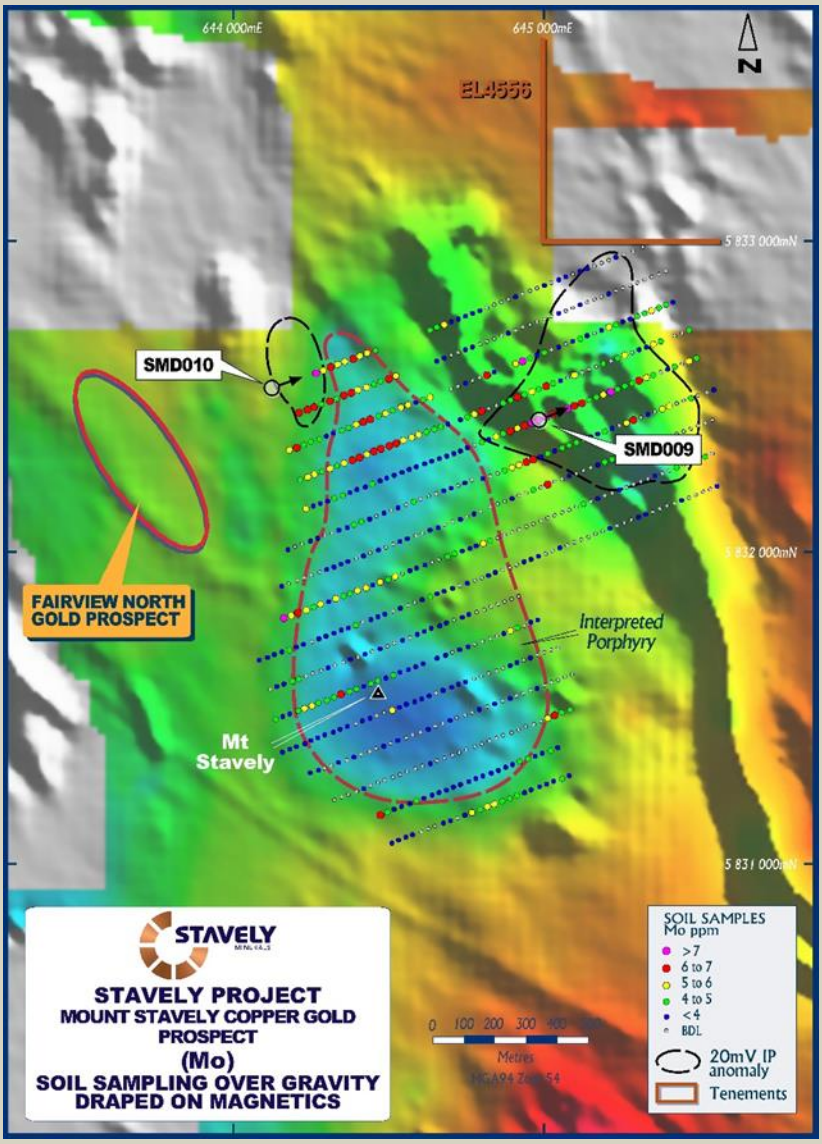

Figure 18. Mount Stavely Copper-Gold Prospect – Soil Sampling (Mo) over Gravity Draped on Magnetics.

Yarram Park Project

The Yarram Park Project is located within an area where interpretation of the regional aeromagnetic data has identified the presence of an offset portion of either the Mount Stavely Belt, or the Bunnagul Belt, beneath the Quaternary cover (Figure 19). Both the Mount Stavely Belt and the Bunnagul Belt are considered to be highly prospective for intrusive-related porphyry copper-gold and diatreme-hosted gold mineralisation.

Two phases of IP and a diamond drilling programme was conducted at the Toora West porphyry prospect in the Yarram Park Project. The first phase of IP and the two diamond holes were co-funded by the Victorian Government TARGET exploration initiative.

An outstanding porphyry drill target has been generated at the Toora West prospect. Maiden drilling in early 2017, confirmed the existence of the right host rocks with the presence of distal porphyry-style alteration. A very large and very strong, up to 50mV/V chargeability anomaly has been identified from the recent IP survey. This IP anomaly is located approximately 800m to the south of the previous drilling and is a Priority 1 drill target for Stavely Minerals.

i. Toora West Prospect

The Toora West target comprises a coincident magnetic high and gravity low with peripheral IP chargeability features within the prospective Mount Stavely Volcanic Complex (Figure 20). Two diamond drill holes for a total of 650 metres were completed to test an IP chargeability anomaly initially identified from a survey conducted in 2015.

Analysis of the additional IP data collected towards the end of the year has identified a very large and very strong IP chargeability anomaly being some 500 metres in diameter and the 20mV/V anomaly being in excess of 1km in diameter in an NW/SE orientation (Figure 21).

The maiden drilling programme at Toora West confirmed the existence of a previously un-known 'blind' intrusive complex, considered to be the correct composition to host a porphyry copper ± gold deposit.

Petrographic description of the intrusive units intersected in the drilling indicates that, texturally and compositionally, they are typical of those found in some low-K calc-alkaline porphyry copper-gold systems.

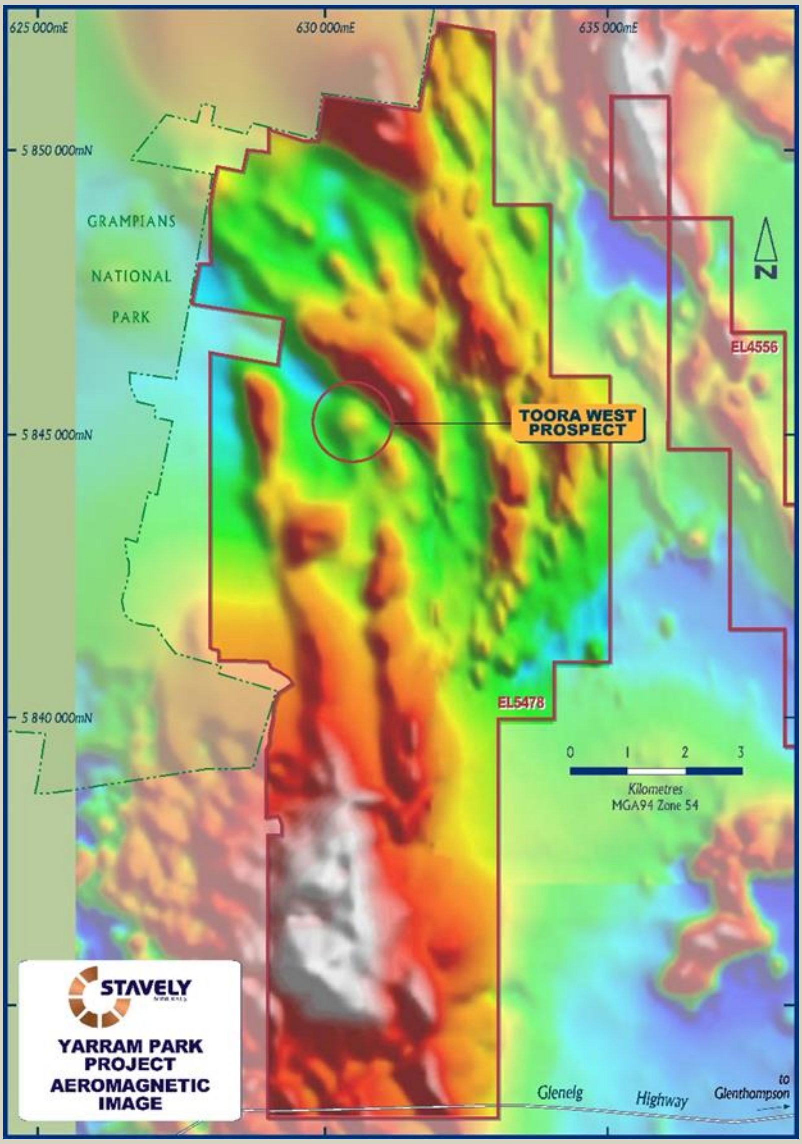

Figure 19. Yarram Park Project – Aeromagnetic Image.

Further, the petrographic description of the intrusive and metamorphic units describes a widespread weak-to-moderate early and hot potassic alteration, expressed as biotite and K-spar alteration of mafic minerals and K-spar alteration of plagioclase feldspars. Also observed was a later moderate propylitic alteration overprint expressed as a chlorite alteration of mafic minerals.

The intrusive phases intersected in the drilling hosted both early and later porphyry-style alteration, albeit likely distal to a potentially mineralised copper ± gold porphyry. Recently completed IP geophysics has identified a very large and very strong chargeability anomaly located approximately 800 metres to the south of the maiden drill hole locations.

There is strong potential that this chargeability anomaly may be caused by disseminated sulphides associated with copper-gold mineralisation. This is now considered a Priority 1 drill target, which is being prepared for drill testing.

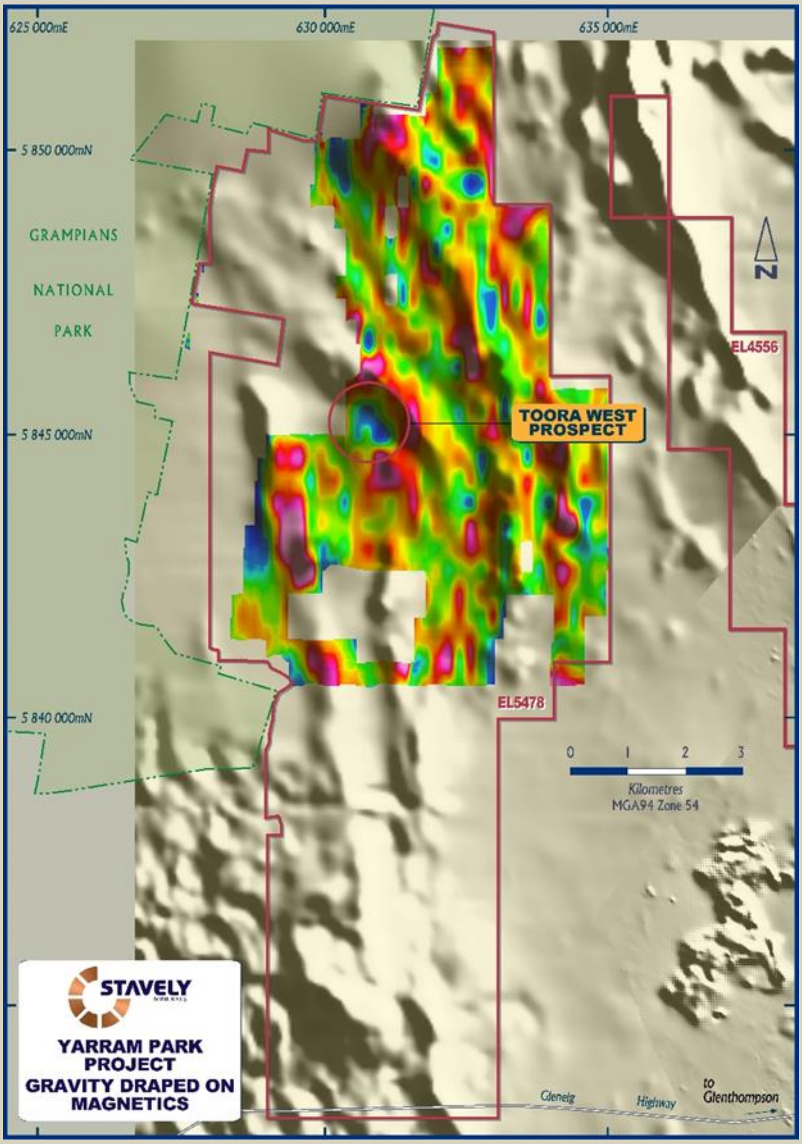

Figure 20. Yarram Park – Gravity Draped on Magnetics.

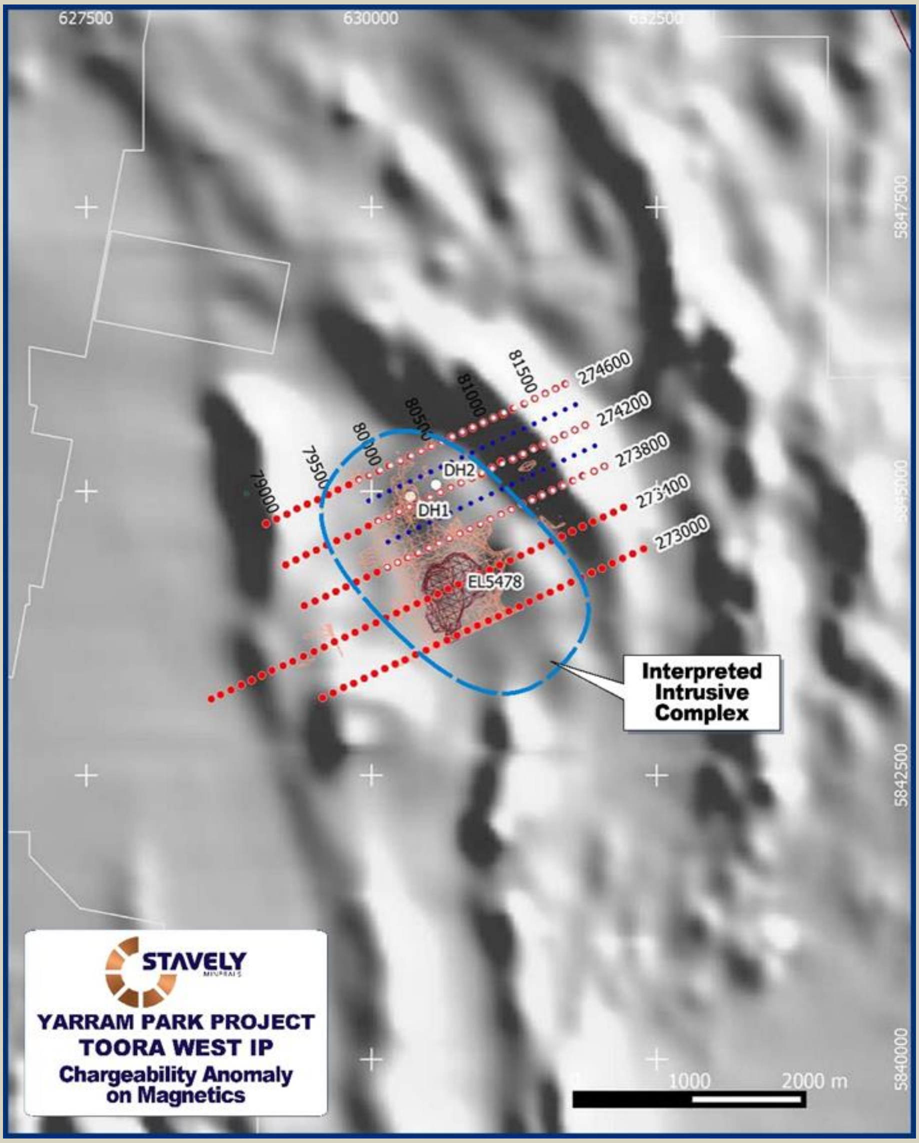

Figure 21. Yarram Park – Toora West IP Chargeability Anomaly on Magnetics.

Ravenswood Project

The Ravenswood Project is highly prospective for gold-copper mineralisation, with excellent potential for orogenic and intrusive-related gold mineralisation, as well as having four porphyry copper-molybdenum-gold prospects identified (Figure 22).

The exploration programmes during the year led to the identification of The "Bank" breccia-hosted gold target (Figure 23). The "Bank" breccia was interpreted to be a sub-volcanic breccia pipe formed by deep-seated explosive fracturing of a column of rock above a porphyry intrusion.

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 Intrusive-Related Gold System (IRGS) style gold mineralisation.

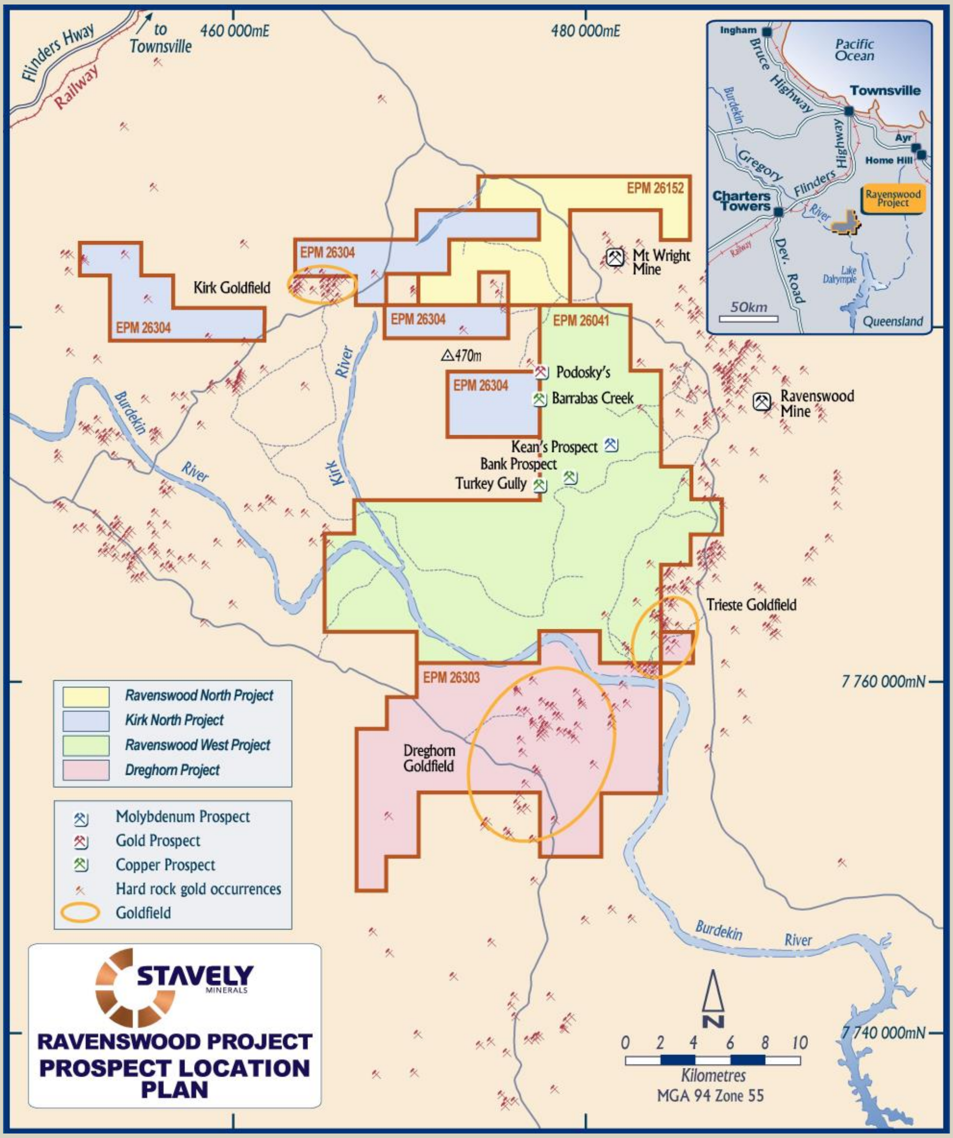

Figure 22. Ravenswood Project – Prospect Location Plan.

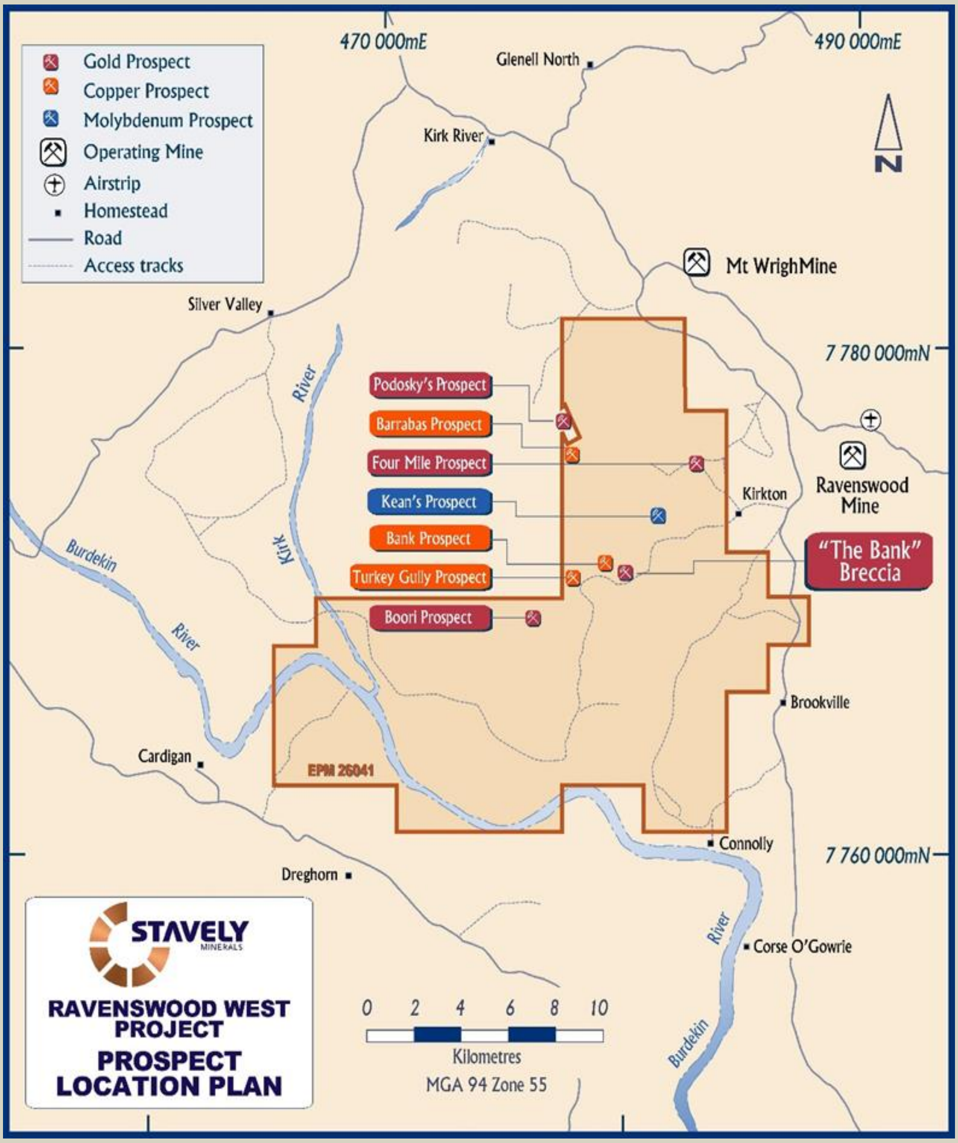

Figure 23. Ravenswood West Project (EPM26041) – Prospect Location Plan.

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), and
Welcome - 0.21 million ounces of gold (breccia-hosted)

During the year five diamond holes were drilled to test The "Bank". One hole returned strong copper-moly-silver sulphide mineralisation with a broad interval of 22.8 metres at 0.60% copper.

A review of the drill core led to the conclusion that all the Cu-Mo + Ag mineralisation is associated with an equigranular intrusion interpreted as the Ordovician Barrabas Adamellite and is not a prospective target.

i. The "Bank" Breccia Prospect

During the year, field mapping, rock chip and soil sampling conducted at the Ravenswood West Project lead to the identification of The "Bank" breccia-hosted gold target. At The "Bank" breccia there is evidence of poly-phase brecciation, quartz veining and sulphide mineralisation both as disseminations and as fill in the core of dog's tooth and banded quartz veins. 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 24). Rock-chip sampling confirms the 'spotty' gold anomalism with more consistent anomalism in elements considered to reflect the very high level of exposure of the breccia pipe system including lead, silver, arsenic and antimony. Rock-chips up to 0.5 g/t gold and high silver to 28.5 g/t with associated high lead values to 7,740 ppm characterise Hamish's Hill (Figure 24). At The "Bank" breccia, rock-chip results have returned gold up to 0.25 g/t with high silver to 45.7 g/t associated with strong arsenic and antimony anomalism to 4,310 ppm and 1,720 ppm respectively (Figure 24).

In late 2016 five diamond holes were drilled for a total of 1838 metres (Figure 24). Encouraging zones of vein-hosted and breccia-hosted quartz-carbonate-sulphide mineralisation was intersected in all five holes and strong copper-moly-silver sulphide mineralisation was intercepted in drill hole SRD002 (Figure 25) within a broad interval of 22.8 metres at 0.60% copper there are higher grade intervals including:

- 12.4 metres at 0.95%, 120 ppm molybdenum and 8.0 g/t silver, including 6.05 metres at 1.31% copper, 100 ppm molybdenum and 14.4 g/t silver.

A subsequent review of the drill core led to the conclusion that all the copper-moly-silver sulphide mineralisation is typical of that which might be expected in association with a larger batholitic intrusion body. No tuffisites, which would have provided analogies to a Mt Leyshon target, or rhyolite dykes, which would be analogous to a Kidston style breccia pipe, were recognised. In addition, the sheeted veins intersected in the drilling were barren. While some concentration of metals (copper-moly-silver) is apparent in the structurally controlled greisens, it was considered that these are small and unlikely to lead to significant targets. Consequently, the target as defined from surface features has been tested and does not fit the exploration concept. It was concluded that The "Bank" breccia prospect does not warrant further work.

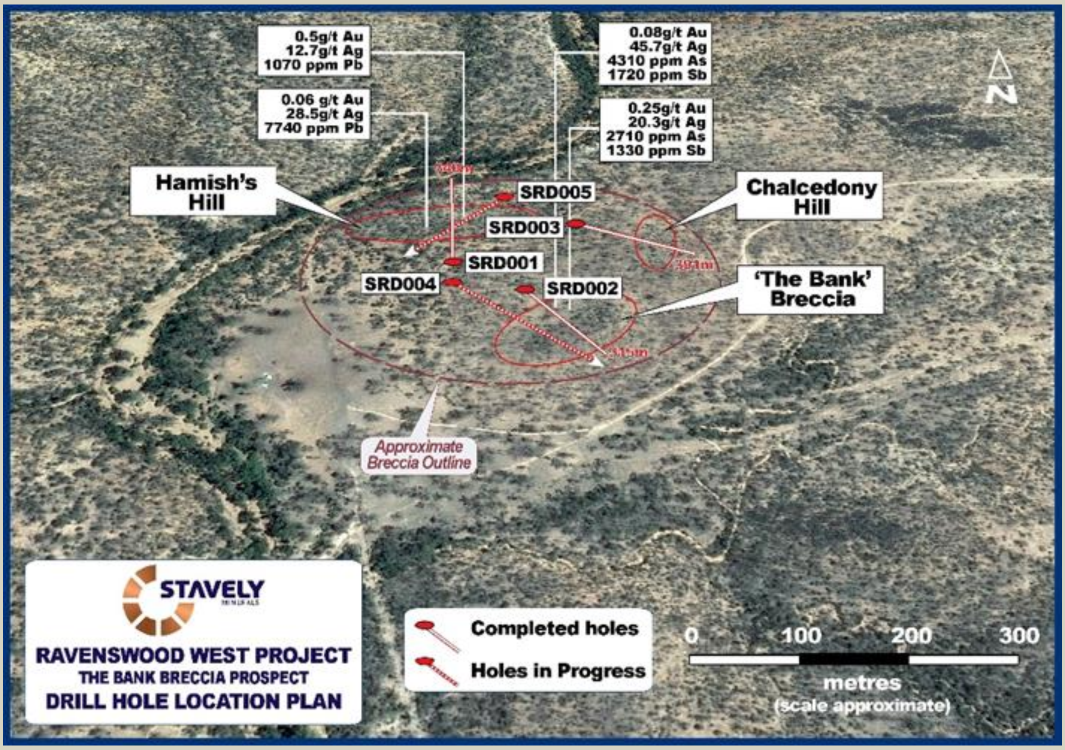

Figure 24. Ravenswood West Project – The "Bank" Breccia Prospect Drill Hole Location Plan.

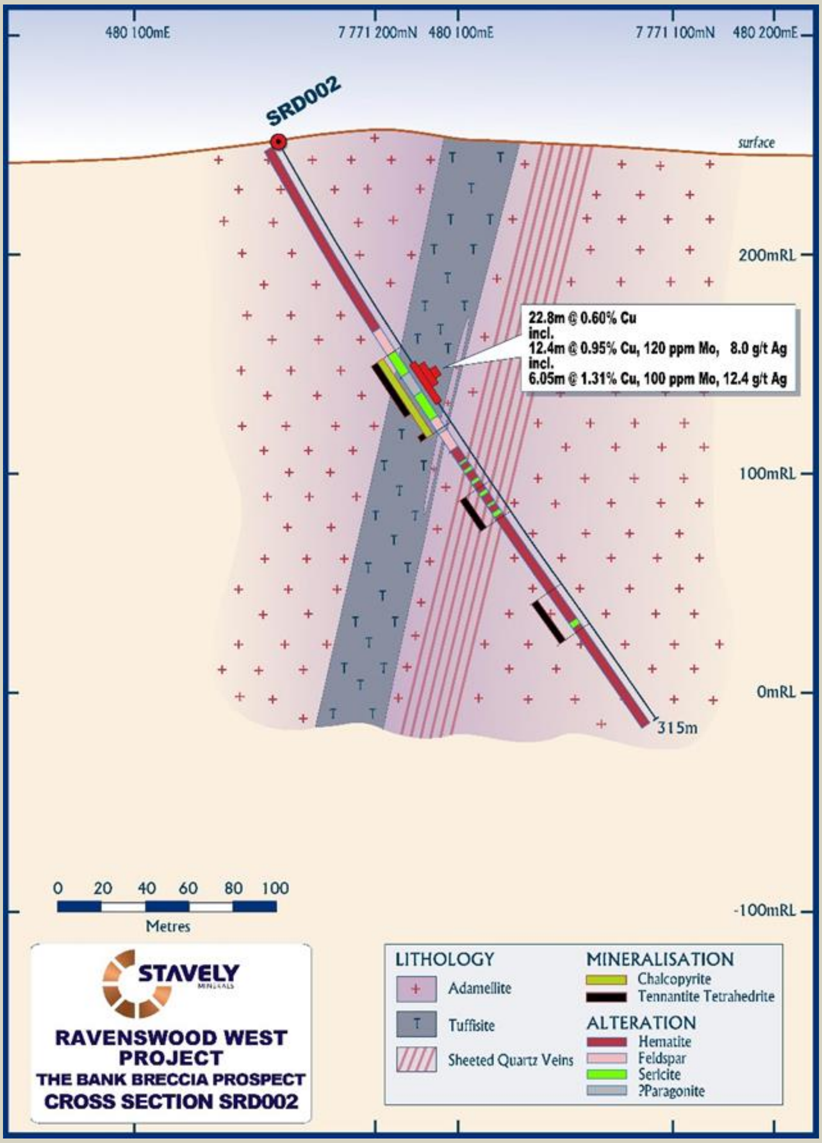

Figure 25. Ravenswood West Project – The "Bank" Breccia Prospect Cross Section SRD002.

ii. Rare Earth Element Target

Follow-up stream sediment sampling was conducted within the Ravenswood West project area to find the source of the strong rare earths element anomalism identified in a stream sediment sample taken by BHP Minerals in the mid 1990's. The sample returned results up to 0.25% cerium, 0.14% lanthanum, 768 ppm neodymium, 218 ppm praseodymium and 102 ppm samarium, and other rare earth elements which to date have not been followed up. These 'Lanthanide' light rare earth elements are characteristic of a rare intrusive rock called a carbonatite which globally host the largest and highest grade rare earth deposits (eg. Mt Weld, in Western Australia).

The first phase of stream sediment sampling conducted along the Barrabas Creek and its' tributaries returned more anomalous results than the historical samples with up to 0.63% cerium, 0.34% lanthanum, 2,270 ppm neodymium, 672 ppm praseodymium and 345 ppm samarium.

Follow-up stream sediment samples were taken in the tributaries of the Barrabas Creek as well as in the tributaries of the Elphinstone Creek. These samples also returned highly anomalous rare earth element results, with one sample assaying 0.91% cerium, 0.43% lanthanum, 3,130 ppm neodymium, 926 ppm praseodymium and 514 ppm samarium. In addition to the anomalous rare earth assays, a number of samples assayed in excess of 0.1 g/t gold with a peak value of 1.1 g/t gold.

JORC Compliance Statement

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.

With respect to reporting of the Mineral Resources at the Mt Ararat VMS copper-gold-zinc deposit and Thursday's Gossan chalcocite copper deposit, the information is extracted from the report entitled "Mount Ararat 2015 Resource Estimate Report" dated 24 August 2015 and "Appendix 1, Reporting of Thursday Gossan Chalcocite Copper Resource against criteria in Table 1 JORC Code 2012" authored by Mr Duncan Hackman of Hackman and Associates Pty Ltd. Mr Hackman is a Member of the Australian Institute of Geoscientists and has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity 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' (The JORC Code, 2012 Edition).

As there has been no new information generated from the Mineral Resource areas, Mr Cairns has reviewed the underlying assumptions in the 2015 Mineral Resources reports and finds that there have been no material changes and that the underlying assumptions and technical parameters remain valid. There are therefore no changes to the Mineral Resources estimates from this annual review.

Stavely Minerals' policy for Mineral Resources estimates is to have the estimates done by suitably qualified and experienced external consultants and have these estimates reviewed internally by suitably qualified and experienced Stavely Minerals' personnel.

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Your Directors present their report for the year ended 30 June 2017.

DIRECTORS

The names and particulars of the Directors of the Company in office during the financial year and up to the date of this report were as follows. Directors were in office for the entire year unless otherwise stated.

William Plyley
B.Sc (Metallurgical Engineering)
Non Executive Chairman (appointed 6 December 2013)

Mr William Plyley is a mining executive with over 36 years operational experience in exploration, mining, processing, and management with substantial resources companies such as Placer Dome Inc, Normandy Mining Limited and Red Back Mining Inc. He has been responsible for major mine developments in Ghana, West Africa and Australia. He has also had significant roles in development and expansion of mines in Papua New Guinea and Australia. Mr Plyley retired, in late 2010, from a role as Chief Operating Officer of La Mancha Resources where he was responsible for the development of the Frog's Leg and White Foil mines near Kalgoorlie, Western Australia and the operation of mines in Sudan and Cote d'Ivoire, Africa. Recently, Mr Plyley was a Director of Integra Mining Limited from November 2011 until the take over of Integra by Silver Lake Resources Limited in January 2013.

Mr Plyley has a B.Sc. in Metallurgical Engineering from Mackay School of Mines, University of Nevada. He is a member of Australian Institute of Mining and Metallurgy (MAusIMM) and Graduate of Australian Institute of Company Directors (GAICD).

Mr Plyley is a member of the Company's Audit and Risk Committee.

Other directorships of listed companies in the last three years: None.

Christopher Cairns
B.Sc (Hons)
Executive Managing Director (Appointed 23 May 2006)

Mr Christopher Cairns completed a First Class Honours degree in Economic Geology from the University of Canberra in 1992. Mr Cairns has extensive experience having worked for:

- BHP Minerals as Exploration Geologist / Supervising Geologist in Queensland and the Philippines
- Aurora Gold as Exploration Manager at the Mt Muro Gold Mine in Borneo
- LionOre as Supervising Geologist for the Thunderbox Gold Mine and Emily Anne Nickel Mine drill outs
- Sino Gold as Geology Manager responsible for the Jinfeng Gold Deposit feasibility drillout and was responsible for the discovery of the stratabound gold mineralisation taking the deposit from 1.5Moz to 3.5Moz in 14 months.

Mr Cairns joined Integra Mining Limited in March 2004 and as Managing Director oversaw the discovery of three gold deposits, the funding and construction of a new processing facility east of Kalgoorlie transforming the company from explorer to gold producer with first gold poured in September 2010. In 2008 Integra was awarded the Australian Explorer of the Year by Resources Stocks Magazine and in 2011 was awarded Gold Miner of the Year by Paydirt Magazine and the Gold Mining Journal.

In January 2013, Integra was taken over by Silver Lake Resources Limited for $426 million (at time of bid) at which time Mr Cairns resigned along with the whole Integra Board after having successfully recommended shareholders accept the Silver Lake offer.

Mr Cairns is a member of the Australian Institute of Geoscientists, a member of the JORC Committee and a Board member of the Australian Prospectors and Miners Hall of Fame.

Other directorships of listed companies in the last three years: None.

Jennifer Murphy
B.Sc(Hons), M.Sc
Executive Technical Director (Appointed 8 March 2013)

Ms Jennifer Murphy completed a First Class Honours Degree in Geology in 1989, and subsequently a Master of Science Degree in 1993 at the University of Witwatersrand in South Africa. Ms Murphy joined Anglo American Corporation in 1993 as an exploration geologist working in Tanzania and Mali. In 1996, she immigrated to Australia and joined Normandy Mining Limited, working initially as a project geologist in the Eastern Goldfields and Murchison Greenstone Provinces and afterwards was responsible for the development and management of the GIS and administration of the exploration database.

Between 2004 and 2007, Ms Murphy provided contract geological services to a range of junior exploration companies. Ms Murphy joined Integra Mining Limited in 2007, initially as an administration geologist, and in 2010 the role was expanded to that of corporate geologist. In 2013 Ms Murphy joined Stavely Minerals as part of the management team to provide technical and geological expertise. Ms Murphy is a member of the Australian Institute of Geoscientists and has a broad range of geological experience ranging from exploration program planning and implementation, GIS and database management, business development, technical and statutory, and ASX reporting, as well as corporate research and analysis and investor liaison.

Ms Murphy is a member of the Company's Audit and Risk Committee.

Other directorships of listed companies in the last three years: None.

Peter Ironside
B.Com, CA
Non Executive Director (appointed 23 May 2006)

Mr Peter Ironside has a Bachelor of Commerce Degree and is a Chartered Accountant and business consultant with over 30 years' experience in the exploration and mining industry. Mr Ironside has a significant level of accounting, financial compliance and corporate governance experience including corporate initiatives and capital raisings. Mr Ironside has been a Director and/or Company Secretary of several ASX listed companies including Integra Mining Limited and Extract Resources Limited (before $2.18Bn takeover) and is currently a non-executive director of Zamanco Minerals Limited.

Mr Ironside is Chair of the Company's Audit and Risk Committee.

Other directorships of listed companies in the last three years: Zamanco Minerals Limited (current).

COMPANY SECRETARY

Amanda Sparks
B.Bus, CA, F.Fin
Appointed 7 November 2013

Ms Amanda Sparks is a Chartered Accountant with over 28 years of resources related financial experience, both with explorers and producers. Ms Sparks has extensive experience in financial management, corporate governance and compliance for listed companies.

MEETINGS OF DIRECTORS

During the financial year, 4 meetings of directors were held. The number of meetings attended by each director during the year is as follows:

	Board of Directors		Audit and Risk Committee	
	Meetings Held	Meetings Attended	Meetings Held	Meetings Attended
W Plyley	4	4	2	2
C Cairns	4	4	*	*
J Murphy	4	4	2	2
P Ironside	4	4	2	2

* Not a member of the Audit and Risk Committee

DIRECTORS' INTERESTS IN SHARES AND OPTIONS

The following table sets out each director's relevant interest in shares and options in shares of the Company as at the date of this report.

Name of Director	Number of Shares (direct and indirect)	Number of Unlisted Options at 27 cents, expiry 31/12/2017	Number of Unlisted Options at 26 cents, expiry 31/12/2017
W Plyley	22,000	1,000,000	2,500,000
C Cairns	15,007,419	5,032,258	3,500,000
J Murphy	3,497,097	1,561,290	2,100,000
P Ironside	30,257,419	5,032,258	1,000,000

DIVIDENDS

No dividends were paid or declared during the year. The Directors do not recommend payment of a dividend.

ENVIRONMENTAL REGULATIONS

The Group's environmental obligations are regulated by the laws of Australia. The Group has a policy to either meet or where possible, exceed its environmental obligations. No environmental breaches have been notified by any governmental agency as at the date of this report.

The Directors have considered compliance with the National Greenhouse and Energy Reporting Act 2007 which requires entities to report annual greenhouse gas emissions and energy use. The Directors have assessed that there are no current reporting requirements, but may be required to do so in the future.

CORPORATE INFORMATION

Corporate Structure

Stavely Minerals Limited is a limited liability company that is incorporated and domiciled in Australia. Stavely Minerals Limited has prepared a consolidated financial report incorporating the entities that it controlled during the financial year as follows:

Stavely Minerals Limited	-	parent entity
Ukalunda Pty Ltd	-	100% owned controlled entity

Principal Activity

The Group's principal activity was mineral exploration for the year ended 30 June 2017. There were no significant changes in the nature of the principal activities during the year.

Operations review

Refer to the Operations Review on pages 4 to 34.

Summary of Financial Position, Asset Transactions and Corporate Activities

A summary of key financial indicators for the Group, with prior period comparison, is set out in the following table:

	Year 30 June 2017 $	Year 30 June 2016 $
Cash and cash equivalents held at year end	2,539,101	1,520,166
Net loss for the year after tax	(3,915,242)	(3,002,027)
Included in loss for the year:		
Exploration costs	(2,394,120)	(1,534,337)
Equity-based payments	(1,020,234)	(884,473)
Basic loss per share (cents) from continuing operations	(3.54)	(3.19)
Net cash used in operating activities	(2,294,238)	(1,700,195)
Net cash used in investing activities	(29,090)	(48,958)
Net cash from financing activities	3,342,263	1,328,171

During the year:

- On 5 July 2016, Stavely issued 270,270 new shares at an issue price of 11.1 cents per share as consideration for the extension of the Stavely Royalty Option with New Challenge Resources Pty Ltd.

- On 16 November 2016, Stavely issued 13,333,334 fully-paid ordinary shares at 15 cents per share pursuant to a placement to sophisticated and institutional investors. Gross proceeds were $2,000,000.

- On 8 December 2016, Stavely issued 10,210,000 fully-paid ordinary shares at 15 cents per share pursuant to a Share Purchase Plan. Gross proceeds were $1,531,500.

- In October 2014, Stavely Minerals entered into a $2 million Share Subscription Agreement with its existing drilling contractor, Titeline Drilling Pty Ltd. Pursuant to this agreement, the drilling contractor has agreed to subscribe for up to $2 million of shares, with Stavely Minerals having the option to settle monthly drilling charges by way of cash payment and by way of offset of the price of subscription application for shares.

  During the year ended 30 June 2017, 1,922,922 ordinary shares ($279,653) were issued pursuant to this agreement.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Significant changes in the state of affairs of the Group during the financial year are detailed on pages 4 to 34 of this report.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Group anticipates to continue its exploration activities and consider corporate transactions to ensure further development of its tenements.

REMUNERATION REPORT (AUDITED)

The Directors present the 2017 Remuneration Report, outlining key aspects of Stavely's remuneration policy and framework, together with remuneration awarded this year.

The report is structured as follows:

A. Key management personnel (KMP) covered in this report

B. Remuneration policy, link to performance and elements of remuneration

C. Contractual arrangements of KMP remuneration

D. Remuneration of key management personnel

E. Equity holdings and movements during the year

F. Other transactions with key management personnel

G. Use of remuneration consultants

H. Voting of shareholders at last year's annual general meeting

A. KEY MANAGEMENT PERSONNEL (KMP) COVERED IN THIS REPORT

For the purposes of this report key management personnel of the Group are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of the Group, directly or indirectly, including any Director (whether Executive or otherwise).

Key Management Personnel during the Year

Non-Executive Directors

William Plyley	–	Non-executive Chairman (from 6 December 2013)
Peter Ironside	–	Director (from 23 May 2006)

Executive Directors

Christopher Cairns	–	Managing Director (from 23 May 2006)
Jennifer Murphy	–	Technical Director (from 8 March 2013)

B. REMUNERATION POLICY, LINK TO PERFORMANCE AND ELEMENTS OF REMUNERATION

Remuneration Governance

The Board is responsible for ensuring that the Company's remuneration structures are aligned with the long-term interests of Stavely and its shareholders

Once the Board is of a sufficient size and structure, and the Company's operations are of a sufficient magnitude, to assist the Board in fulfilling its duties, the Board will establish a Remuneration Committee. Until that time, the Board has taken a view that the full Board will hold special meetings or sessions as required. The Board are confident that this process is stringent and full details of remuneration policies and payments are provided to shareholders in the annual report and on the web. The Board has adopted the following policies for Directors' and executives' remuneration.

Remuneration Philosophy
The performance of the Group depends upon the quality of its Directors and Executives. To prosper, the Group must attract, motivate and retain highly skilled Directors and Executives.

To this end, the Group embodies the following principles in its remuneration framework:
- provide competitive rewards to attract high calibre Executives;
- link Executive rewards to shareholder value; and
- in the future, will establish appropriate, demanding performance hurdles in relation to variable Executive remuneration.

In accordance with best practice corporate governance, the structure of non-executive director and executive compensation is separate and distinct.

Non-Executive directors' remuneration
Objective
The Board seeks to set aggregate remuneration at a level which provides the Group with the ability to attract and retain Directors of the highest calibre, whilst incurring a cost which is acceptable to shareholders.

Structure
Non-executive Directors' fees are paid within an aggregate limit which is approved by the shareholders from time to time. Retirement payments, if any, are agreed to be determined in accordance with the rules set out in the Corporations Act as at the time of the Director's retirement or termination. Non-executive Directors' remuneration may include an incentive portion consisting of options, as considered appropriate by the Board, which may be subject to shareholder approval in accordance with ASX listing rules. The option incentive portion is targeted to add to shareholder value by having a strike price considerably greater than the market price at the time of granting.

The amount of aggregate remuneration sought to be approved by shareholders and the manner in which it is apportioned amongst Directors is reviewed annually. The Board considers the amount of Director fees being paid by comparable companies with similar responsibilities and the experience of the Non-executive Directors when undertaking the annual review process.

Executive Director Remuneration
Objective
The Group aims to reward Executives with a level and mix of remuneration commensurate with their position and responsibilities within the Group and so as to:
- reward Executives for company, and individual performance;
- ensure continued availability of experienced and effective management; and
- ensure total remuneration is competitive by market standards.

Structure
In determining the level and make-up of Executive remuneration, the Board negotiates a remuneration to reflect the market salary for a position and individual of comparable responsibility and experience. Remuneration is regularly compared with the external market by participation in industry salary surveys and during recruitment activities generally. If required, the Board may engage an external consultant to provide independent advice in the form of a written report detailing market levels of remuneration for comparable Executive roles.

Remuneration consists of a fixed remuneration and a long term incentive portion as considered appropriate.

Fixed Remuneration - Objective
The level of fixed remuneration is set so as to provide a base level of remuneration which is both appropriate to the position and is competitive in the market. Fixed remuneration is reviewed annually by the Board and the process consists of a review of Group and individual performance, and relevant comparative remuneration in the market. As noted above, the Board may engage an external consultant to provide independent advice.

Fixed Remuneration - Structure
The fixed remuneration is a base salary or monthly consulting fee.

Variable Pay - Long Term Incentives - Objective
The objective of long term incentives is to reward Executives in a manner which aligns this element of remuneration with the creation of shareholder wealth. The incentive portion is payable based upon attainment of objectives related to the Executive's job responsibilities. The objectives vary, but all are targeted to relate directly to the Group's business and financial performance and thus to shareholder value.

Variable Pay — Long Term Incentives – Structure
Long term incentives granted to Executives are delivered in the form of options. The option incentives granted are aimed to motivate Executives to pursue the long term growth and success of the Group within an appropriate control framework and demonstrate a clear relationship between key Executive performance and remuneration. Director options are granted at the discretion of the Board and approved by shareholders. Other key management employees may be granted options. Performance hurdles are not attached to vesting periods; however the Board determines appropriate vesting periods to provide rewards over a period of time to key management personnel.

During the year, no performance related cash payments were made.

C. CONTRACTUAL ARRANGEMENTS OF KMP REMUNERATION

On appointment to the board, all non-executive directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the board policies and terms, including compensation, relevant to the office of director.

Remuneration and other terms of employment for the executive directors and the other key management personnel are also formalised in service agreements. The major provisions of the agreements relating to remuneration are set out below.

Name	Term of agreement	Base annual salary exclusive of superannuation at 30/6/2017	Termination benefit
Directors			
William Plyley	Commenced 22/1/2014. Ongoing, subject to re-elections	Waived to Nil* (was $75,000)	None
Christopher Cairns	Commenced 22/1/2014. No end date, subject to termination clauses	$150,000* (Was $250,000, reduced by 40%)	12 months
Jennifer Murphy	Commenced 22/1/2014. No end date, subject to termination clauses	$90,000* (Was $150,000, reduced by 40%)	12 months
Peter Ironside	Ongoing, subject to re-elections	Waived to Nil* (Was $30,000)	None

* Salary adjustments were effective from 1 March 2015 and are ongoing.

D. REMUNERATION OF KEY MANAGEMENT PERSONNEL

Details of the remuneration of each key management personnel of the Group, including their personally-related entities, during the year were as follows:

	Year	Cash salary, directors fees, consulting fees, insurances and movement in leave provisions $	Post Employment Superannuation $	Total Cash and Provisions $	Share Based Options [1] $	Total including share based payments $
Directors						
W Plyley	**2017**	**-**	**-**	**-**	**175,911**	**175,911**
	2016	-	-	-	170,953	170,953
C Cairns	**2017**	**168,112**	**14,250**	**182,362**	**246,276**	**428,638**
	2016	169,293	14,250	183,543	307,715	491,258
J Murphy	**2017**	**96,719**	**8,550**	**105,269**	**147,766**	**253,035**
	2016	94,832	8,550	103,382	136,762	240,144
P Ironside	**2017**	**-**	**-**	**-**	**70,365**	**70,365**
	2016	-	-	-	68,381	68,381
TOTAL	**2017**	**264,831**	**22,800**	**287,631**	**640,318**	**927,949**
	2016	264,125	22,800	286,925	683,811	970,736

[1] Equity based payments – options. These represent the amount expensed for options granted and vested in the year.

There were no performance related payments made during the year. Performance hurdles are not attached to remuneration options; however the Board determines appropriate vesting periods to provide rewards over a period of time to key management personnel.

Share-based Compensation

During the year the following options were granted as equity compensation benefits to Directors and other Key Management Personnel. These options vested at grant date.

2017	**Number of Options at 26 cents, expiry 31/12/2017**	**Value* per option at grant date $**
Directors		
W Plyley	2,500,000	0.0704
C Cairns	3,500,000	0.0704
J Murphy	2,100,000	0.0704
P Ironside	1,000,000	0.0704

These options were granted to recognise the efforts of Stavely's directors and provide a retention incentive. It is important to note that in March 2015, all directors and staff agreed to reduce their salaries / fees in order to maximise cash for exploration expenditure. Issue of these Director options were approved by Shareholders at the Company's Annual General Meeting held on 30 November 2016.

* Value at grant date has been calculated in accordance with AASB 2 *Share-based Payment*. Stavely used a Black Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and the expected volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option. Further details are in note 3 of the financial statements.

Shares issued to Key Management Personnel on exercise of compensation options

During the year to 30 June 2017, there were no compensation options exercised by Directors or other Key Management Personnel.

E.. EQUITY HOLDINGS AND MOVEMENTS DURING THE YEAR

(a) Shareholdings of Key Management Personnel

30 June 2017	Balance at beginning of the year	Net change during the year	Balance at end of the year
Directors			
W Plyley	22,000	-	22,000
C Cairns	15,007,419	-	15,007,419
J Murphy	3,467,097	30,000	3,497,097
P Ironside	30,157,419	100,000	30,257,419
	48,653,935	130,000	48,783,935

All equity transactions with Key Management Personnel have been entered into under terms and conditions no more favourable than those the entity would have adopted if dealing at arms-length.

(b) Option holdings of Key Management Personnel

30 June 2017	Balance at beginning of the year	Granted as remuneration	Expired during the year	Balance at end of the year	Exercisable
Directors					
W Plyley	3,500,000	2,500,000	(2,500,000)	3,500,000	3,500,000
C Cairns	9,532,258	3,500,000	(4,500,000)	8,532,258	8,532,258
J Murphy	3,561,290	2,100,000	(2,000,000)	3,661,290	3,661,290
P Ironside	6,032,258	1,000,000	(1,000,000)	6,032,258	6,032,258
	22,625,806	9,100,000	(10,000,000)	21,725,806	21,725,806

F. OTHER TRANSACTIONS WITH KEY MANAGEMENT PERSONNEL

Mr Peter Ironside, Director, is a shareholder and director of Ironside Pty Ltd. Ironside Pty Ltd is a shareholder of the 168 Stirling Highway Syndicate, the entity which owns the premises the Company occupies in Western Australia. During the year an amount of $149,310 (net of GST) was paid/payable for office rental and variable outgoings (2016: $141,375 (net of GST)).

Mr Peter Ironside, Director, is also a shareholder and non-executive director of Zamanco Minerals Limited ("Zamanco"). Zamanco sub-leases office space in the premises the Company occupies. During the year an amount of $40,326 (net of GST) was paid/payable by Zamanco to the Company for reimbursement of office rental and associated expenses (2016: $39,416 (net of GST)).

G. USE OF REMUNERATION CONSULTANTS

No remuneration consultants were engaged by the Company during the year.

H. VOTING OF SHAREHOLDERS AT LAST YEAR'S ANNUAL GENERAL MEETING

The Company received 99.89% of 'yes' votes for its remuneration report for the 2016 financial year and did not receive any specific feedback at the AGM or throughout the year on its remuneration practices.

End of Audited Remuneration Report.

INDEMNIFICATION AND INSURANCE OF OFFICERS

The Company has paid a premium to insure the Directors and Officers of the Company and its controlled entities. Details of the premium are subject to a confidentiality clause under the contract of insurance.

The liabilities insured are costs and expenses that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of entities in the Company.

SHARES UNDER OPTION

Unissued ordinary shares of the Company under option at the date of this report are as follows:

	Number	Exercise Price	Expiry Date
Unlisted Options	14,400,000	27 cents	31/12/2017
Unlisted Options	5,150,000	21 cents	31/12/2017
Unlisted Options	9,100,000	26 cents	31/12/2017
Unlisted Options	500,000	19 cents	30/06/2018

No option holder has any right under the options to participate in any other share issue of the Company or any other related entity.

No share options were exercised by employees or Key Management Personnel during the year.

EVENTS OCCURRING AFTER THE REPORTING PERIOD

There are no matters or circumstances that have arisen since 30 June 2017 that have or may significantly affect the operations, results, or state of affairs of the Group in future financial years.

CORPORATE GOVERNANCE

In recognising the need for the highest standards of corporate behaviour and accountability, the Directors of Stavely Minerals Limited support and adhere to the principles of corporate governance. Please refer to the Company's website for details of corporate governance policies: http://www.stavely.com.au/about-stavely-minerals/corporate-governance/.

AUDIT INDEPENDENCE AND NON-AUDIT SERVICES

Auditor's independence - section 307C

The Auditor's Independence Declaration is included on page 45 of this report.

Non-Audit Services

The following non-audit services were provided by the entity's auditor, BDO. The Directors are satisfied that the provision of non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act. The nature and scope of each type of non-audit service provided means that auditor independence was not compromised. BDO received, or are due to receive, the following amounts for the provision of non-audit services:

	2017	2016
Taxation and Corporate advice services	$19,116	$5,700

Signed in accordance with a resolution of the Directors.

Christopher Cairns
Managing Director

Dated this 18th day of August 2017

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Australia

DECLARATION OF INDEPENDENCE BY GLYN O'BRIEN TO THE DIRECTORS OF STAVELY MINERALS LIMITED

As lead auditor of Stavely Minerals Limited for the year ended 30 June 2017, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Stavely Minerals Limited and the entity it controlled during the period.

Glyn O'Brien

Director

BDO Audit (WA) Pty Ltd

Perth, 18 August 2017

1. In the opinion of the directors:

   a) The financial statements and notes are in accordance with the Corporations Act 2001, including:

      i) giving a true and fair view of the Group's financial position as at 30 June 2017 and of its performance for the year then ended; and

      ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations), the Corporations Regulations 2001 and other mandatory professional reporting requirements; and

      iii) complying with International Financial Reporting Standards (IFRS) as stated in note 1 of the financial statements; and

   b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

2. This declaration has been made after receiving the declarations required to be made to the directors in accordance with Section 295A of the Corporations Act 2001 for the financial year ended 30 June 2017.

This declaration is signed in accordance with a resolution of the Board of Directors.

Christopher Cairns
Managing Director

Dated this 18th day of August 2017

	Note	Consolidated Year ended 30 June 2017 $	Year ended 30 June 2016 $
Revenue and Income			
Interest revenue		45,875	51,596
Rental sub-lease revenue		40,326	39,416
		86,201	91,012
Expenses			
Administration and corporate expenses	2(a)	(587,089)	(674,229)
Administration – equity based expenses	3	(1,020,234)	(884,473)
Exploration expensed	2(b)	(2,394,120)	(1,534,337)
Total expenses		(4,001,443)	(3,093,039)
Loss before income tax		**(3,915,242)**	**(3,002,027)**
Income tax expense	4	-	-
Loss after income tax attributable to members of Stavely Minerals Limited		**(3,915,242)**	**(3,002,027)**
Other comprehensive income/(loss)			
Items that may be reclassified subsequently to profit or loss:			
Other		-	-
Other comprehensive income/(loss) for the year, net of tax		-	-
Total comprehensive loss for the year		**(3,915,242)**	**(3,002,027)**
Loss per share for the year attributable to the members of Stavely Minerals Limited		**Cents Per Share**	**Cents Per Share**
Basic loss per share	5	(3.54)	(3.19)

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

		Consolidated	
		30 June 2017	**30 June 2016**
	Note	**$**	**$**
ASSETS			
Current Assets			
Cash and cash equivalents	6	2,539,101	1,520,166
Other receivables	7	113,034	87,281
Total Current Assets		2,652,135	1,607,447
Non-Current Assets			
Receivables	7	42,500	42,500
Property, plant and equipment	8	51,768	85,231
Deferred exploration expenditure	9	3,006,057	3,006,057
Total Non-Current Assets		3,100,325	3,133,788
Total Assets		5,752,460	4,741,235
LIABILITIES			
Current Liabilities			
Trade and other payables	10	415,014	173,730
Provisions	11	57,946	44,913
Total Current Liabilities		472,960	218,643
Total Liabilities		472,960	218,643
Net Assets		**5,279,500**	**4,522,592**
Equity			
Issued capital	12	15,977,562	12,325,646
Reserves	13	2,189,111	1,168,877
Accumulated losses		(12,887,173)	(8,971,931)
Total Equity		**5,279,500**	**4,522,592**

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

	Issued Capital	Reserves	Accumulated Losses	Total Equity
	$	$	$	$
At 1 July 2015	**10,556,136**	**284,404**	**(5,969,904)**	**4,870,636**
Loss for the year	-	-	(3,002,027)	(3,002,027)
Other comprehensive income/(loss)	-	-		
Total comprehensive loss for the year, net of tax	-	-	(3,002,027)	(3,002,027)
Transactions with owners in their capacity as owners:				
Issue of share capital	1,879,583	-	-	1,879,583
Cost of issue of share capital	(110,073)	-	-	(110,073)
Share based payments	-	884,473	-	884,473
	1,769,510	884,473	-	2,653,983
As at 30 June 2016	**12,325,646**	**1,168,877**	**(8,971,931)**	**4,522,592**
At 1 July 2016	**12,325,646**	**1,168,877**	**(8,971,931)**	**4,522,592**
Loss for the year	-	-	(3,915,242)	(3,915,242)
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive loss for the year, net of tax	-	-	(3,915,242)	(3,915,242)
Transactions with owners in their capacity as owners:				
Issue of share capital	3,841,153	-	-	3,841,153
Cost of issue of share capital	(189,237)	-	-	(189,237)
Share based payments	-	1,020,234	-	1,020,234
	3,651,916	1,020,234	-	4,672,150
As at 30 June 2017	**15,977,562**	**2,189,111**	**(12,887,173)**	**5,279,500**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

		Consolidated	
		Year ended 30 June 2017	**Year ended 30 June 2016**
	Note	**$**	**$**
Cash flows from operating activities			
Receipts in the ordinary course of activities (mostly GST and Victorian Government Co-Funding)		561,044	211,099
Payments to suppliers and employees		(2,901,157)	(1,962,890)
Interest received		45,875	51,596
Net cash flows used in operating activities	6(i)	(2,294,238)	(1,700,195)
Cash flows from investing activities			
Payments for plant and equipment		(29,090)	(51,793)
Payments for bonds		-	(2,500)
Investment in subsidiary		-	(2)
Cash acquired upon acquisition of subsidiary		-	5,337
Net cash flows used in investing activities		(29,090)	(48,958)
Cash flows from financing activities			
Proceeds from issue of shares		3,531,500	1,583,204
Payment of share issue costs		(189,237)	(225,993)
Repayment of advances / loans from related parties		-	(29,040)
Net cash flows from financing activities		3,342,263	1,328,171
Net increase/(decrease) in cash and cash equivalents held		1,018,935	(420,982)
Add opening cash and cash equivalents brought forward		1,520,166	1,941,148
Closing cash and cash equivalents carried forward	6	**2,539,101**	**1,520,166**

The above consolidated statement of cashflows should be read in conjunction with the accompanying notes.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

These financial statements are general purpose financial statements, which have been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. The financial report has also been prepared on a historical cost basis.

The financial report is presented in Australian dollars, which is the Group's functional and presentation currency.

Stavely Minerals Limited is a for-profit entity for the purpose of preparing the financial statements.

The annual report of Stavely Minerals Limited for the year ended 30 June 2017 was authorised for issue in accordance with a resolution of the Directors on 18 August 2017.

(b) Statement of Compliance

These financial statements comply with Australian Accounting Standards and International Financial Reporting Standards (IFRS).

(c) Adoption of New and Revised Standards and Change in Accounting Standards

Early adoption of accounting standards

The Group has not elected to apply any pronouncements before their operative date in the annual reporting year beginning 1 July 2017.

New and amended standards adopted by the Group

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2017 affected any of the amounts recognised in the current year or any prior period and are not likely to affect future periods.

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2017 reporting year. The Group's assessment of the impact of these new standards and interpretations that may have an impact on the Group is set out below:

AASB 9 Financial Instruments

AASB 9 includes requirements for the classification and measurement of financial assets. There is no material impact for Stavely. This standard is not applicable until the financial year commencing 1 July 2018.

AASB 15 Revenue from Contracts with Customers

AASB 15 deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met. This standard is not applicable until the financial year commencing 1 July 2018, and there will be no material impact on Stavely's financial statements.

AASB 16 Leases

AASB 16 requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months. Stavely has not yet determined the impact on the group accounts, however it is likely that the rental of office premises in WA, residential premises used for site-based staff in Victoria and miscellaneous items such as a photocopier will require Stavely to recognise lease liabilities and right-of-use assets on its' statement of financial position. This standard is not applicable until the financial year commencing 1 July 2019.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – continued

(d) Significant Accounting Estimates and Judgments

Significant accounting judgments

In the process of applying the Group's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements.

Significant accounting estimates and assumptions

The carrying amounts of certain assets and liabilities are often determined based on estimates and assumptions of future events. The key estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of certain assets and liabilities within the next annual reporting year are:

Impairment of assets

In determining the recoverable amount of assets, in the absence of quoted market prices, estimations are made regarding the present value of future cash flows using asset-specific discount rates and the recoverable amount of the asset is determined. Value-in-use calculations performed in assessing recoverable amounts incorporate a number of key estimates.

Share-based payment transactions

The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes model.

Commitments - Exploration

The Group has certain minimum exploration commitments to maintain its right of tenure to exploration permits. These commitments require estimates of the cost to perform exploration work required under these permits.

(e) Basis of Consolidation and Business Combinations

The consolidated financial statements comprise the financial statements of Stavely Minerals limited ("Company" or "Parent Entity") and its subsidiaries as at 30 June each year (the Group). Subsidiaries are all entities over which the group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee),
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The financial statements of the subsidiaries are prepared for the same period as the parent entity, using consistent accounting policies.

In preparing the consolidated financial statements, all intercompany balances and transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Control exists where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The acquisition of subsidiaries has been accounted for using the purchase method of accounting. The purchase method of accounting involves allocating the cost of the business combination to the fair value of the assets acquired and the liabilities and contingent liabilities assumed at the date of acquisition. Accordingly, the consolidated financial statements include the results of subsidiaries for the period from their acquisition.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

The purchase method of accounting is used to account for all business combinations regardless of whether equity instruments or other assets are acquired. Cost is measured as the fair value of the assets given, shares issued or liabilities incurred or assumed at the date of exchange plus costs directly attributable to the combination. Where equity instruments are issued in a business combination, the fair value of the instruments is their published market price as at the date of exchange, adjusted for any conditions imposed on those shares. Transaction costs arising on the issue of equity instruments are recognised directly in equity.

All identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The excess of the cost of the business combination over the net fair value of the Group's share of the identifiable net assets acquired is recognised as goodwill. If the cost of acquisition is less than the Group's share of the net fair value of the identifiable net assets of the subsidiary, the difference is recognised as a gain in the statement of profit or loss and other comprehensive income, but only after a reassessment of the identification and measurement of the net assets acquired.

	Year ended 30 June 2017	Year ended 30 June 2016
	$	$
NOTE 2 - EXPENSES		
(a) Administration and Corporate Expenses		
Administration and corporate expenses include:		
Depreciation - administration	2,437	1,926
Operating lease rental expense	150,056	146,224
Other administration and corporate expenses	434,596	526,079
	587,089	674,229
Equity based payments expense – refer note 3	1,020,234	884,473
	1,607,323	1,558,702
(b) Exploration Costs Expensed		
Exploration costs expensed include:		
Depreciation - exploration	60,115	66,450
Exploration drilling – non-cash - refer note 12	279,653	266,379
Exploration other – non-cash – refer note 6(ii)	30,000	30,000
Other exploration costs expensed	2,319,067	1,171,508
Victorian Government Co-Funding for exploration	(294,715)	-
	2,394,120	1,534,337

NOTE 3 – EQUITY-BASED PAYMENTS (Recognised as Remuneration Expenses)

Equity settled transactions:
The Group provides benefits to executive directors, employees and consultants of the Group in the form of share-based payments, whereby those individuals render services in exchange for shares or rights over shares (equity-settled transactions).

When provided, the cost of these equity-settled transactions with these individuals is measured by reference to the fair value of the equity instruments at the date at which they are granted. The fair value of options is determined using a Black-Scholes model.

In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares of Stavely Minerals Limited (market conditions) if applicable.

NOTE 3 – EQUITY-BASED PAYMENTS (Recognised as Remuneration Expenses) – continued

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant individuals become fully entitled to the award (the vesting date).

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

(i) the grant date fair value of the award;
(ii) the extent to which the vesting period has expired; and
(iii) the number of awards that, in the opinion of the Directors of the Company, will ultimately vest taking into account such factors as the likelihood of non-market performance conditions being met.

This opinion is formed based on the best available information at reporting date .

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is only conditional upon a market condition.

If an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not yet recognised for the award is recognised immediately. If an equity-settled award is forfeited, any expense previously recognised for the award is reversed. However, if a new award is substituted for a cancelled award and designated as a replacement award on the date that it is granted, the cancelled and new award are treated as if they were a modification of the original award, as described in the previous paragraph.

(a) Value of equity based payments in the financial statements

	30 June 2017	30 June 2016
	$	$
Expensed in the profit or loss:		
Equity-based payments- options	1,020,234	884,473

(b) Summary of equity-based payments granted during the year:

Granted to key management personnel and consultants as equity compensation:

Grant Date	Number of Options	Terms	
2017			
24/11/16	5,150,000	Expire 31/12/2017 at 21c exercise price	Granted to Company Secretary, employees and consultants as incentives.
30/11/16	9,100,000	Expire 31/12/2017 at 26c exercise price	Granted to Directors as approved by Shareholders on 30/11/2016.
14/03/17	500,000	Expire 30/6/2017 at 19c exercise price	Granted to consultants as incentives.
2016			
25/08/15	3,000,000	Expire 31/12/2016 at 27c exercise price	Granted to Company Secretary, employees and consultants as incentives.
30/11/15	10,000,000	Expire 1/12/2016 at 23c exercise price	Granted to Directors as approved by Shareholders on 18/11/2015.

NOTE 3 – EQUITY-BASED PAYMENTS (Recognised as Remuneration Expenses) – continued

The assessed fair values of the options were determined using a Black-Scholes option pricing model, taking into account the exercise price, term of option, the share price at grant date and expected price volatility of the underlying share, expected dividend yield and the risk-free interest rate for the term of the option. The inputs to the model used were:

Grant date	24/11/2016	30/11/2016	14/03/2017
Option exercise price ($)	0.21	0.26	0.19
Expected life of options (years)	1.10	1.08	1.30
Dividend yield (%)	-	-	-
Expected volatility (%)	111.56	110.71	102.39
Risk-free interest rate (%)	1.72	1.73	1.86
Underlying share price ($)	0.175	0.195	0.13
Value of Option ($)	0.0695	0.0704	0.0445

The expected life of the options is based on historical data and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome. No other features of options granted were incorporated into the measurement of fair value.

(c) Weighted average fair value

The weighted average fair value of equity-based payment options granted during the year was $0.0692 (2016: $0.06804).

(d) Range of exercise price

The range of exercise price for options granted as share based payments outstanding at the end of the year was $0.19 to $0.27 (2016: $0.23 to $0.27).

(e) Weighted average remaining contractual life

The weighted average remaining contractual life of share based payment options that were outstanding as at the end of the year was 0.51 years (2016: 0.59 years).

(f) Weighted average exercise price

The following table shows the number and weighted average exercise price ("WAEP") of share options granted as share based payments.

	12 Months to 30 June 2017 Number	12 Months to 30 June 2017 WAEP $	12 Months to 30 June 2016 Number	12 Months to 30 June 2016 WAEP $
Outstanding at the beginning of year	15,400,000	0.27	2,400,000	0.27
Granted during the year	5,150,000	0.21	3,000,000	0.27
	9,100,000	0.26	10,000,000	0.23
	500,000	0.19	-	-
Lapsed during the year	(3,000,000)	-	-	-
	(10,000,000)	-	-	-
Outstanding at the end of the year	17,150,000	0.24	15,400,000	0.24
Exercisable at year end	17,150,000	0.24	15,400,000	0.24

The weighted average share price for options exercised during the year was nil (2016: nil).

NOTE 4 - INCOME TAX EXPENSE

Current tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- when the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or

- when the taxable temporary difference is associated with investments in subsidiaries, associates or interests in joint operations, and the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

  Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilised, except:
- when the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; or
- when the deductible temporary difference is associated with investments in subsidiaries, associates or interests in joint operations, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary difference will reverse in the foreseeable future and taxable profit will be available against which the temporary difference can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Unrecognised deferred income tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Income taxes relating to items recognised directly in equity are recognised in equity and not in profit or loss.

Deferred tax assets and deferred tax liabilities are offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxation authority.

The amount of benefits brought to account or which may be realised in the future is based on the assumption that no adverse change will occur in income legislation and the anticipation that the Group will derive sufficient future assessable income to enable the benefit to be realised and comply with the conditions of deductibility imposed by the law.

NOTE 4 - INCOME TAX EXPENSE - continued

	Year ended 30 June 2017	Year ended 30 June 2016
	$	$
(a) Income Tax Expense		
The reconciliation between tax expense and the product of accounting loss before income tax multiplied by the Group's applicable income tax rate is as follows:		
Loss for year	(3,915,242)	(3,002,027)
Prima facie income tax (benefit) @ 27.5% (2016: 30%)	(1,076,692)	(900,608)
Tax effect of non-deductible items	290,906	276,142
Net deferred tax assets not brought to account	785,786	624,466
Income tax attributable to operating loss	-	-
(b) Net deferred tax assets not recognised relate to the following:		
DTA - Tax losses	2,841,723	2,635,978
DTL - Other Timing Differences, net	(124,572)	(132,665)
	2,717,151	2,503,313

These deferred tax assets have not been brought to account as it is not probable that tax profits will be available against which deductible temporary differences can be utilised.

Tax Consolidation

The Company and its 100% owned subsidiary have formed a tax consolidated group. Members of the Group have entered into a tax sharing arrangement in order to allocate income tax expense to the wholly owned controlled entities on a pro-rata basis. The agreement provides for the allocation of income tax liabilities between the entities should the head entity default on its tax payment obligations. At reporting date, the possibility of default is remote. The head entity of the tax consolidated group is Stavely Minerals Limited.

Tax effect accounting by members of the tax consolidated group

Members of the tax consolidated group have entered into a tax funding agreement. The tax funding agreement provides for the allocation of current taxes to members of the tax consolidated group. Deferred taxes are allocated to members of the tax consolidated group in accordance with a group allocation approach which is consistent with the principles of AASB 112 Income Taxes. The allocation of taxes under the tax funding agreement is recognised as an increase/decrease in the controlled entities intercompany accounts with the tax consolidated group head company, Stavely Minerals Limited.

(c) Franking Credits

The franking account balance at year end was $nil (2016: $nil).

NOTE 5 - EARNINGS PER SHARE

Basic earnings per share is calculated as net profit attributable to members of the parent, adjusted to exclude any costs of servicing equity (other than dividends), divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted earnings per share is calculated as net profit attributable to members of the parent, adjusted for:

- costs of servicing equity (other than dividends);
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses; and
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

	Year ended 30 June 2017	**Year ended 30 June 2016**
	Cents	**Cents**
Basic loss per share	(3.54)	(3.19)
	$	**$**
Loss attributable to ordinary equity holders of the Company used in calculating:		
- basic loss per share	(3,915,242)	(3,002,027)
	Number of shares	**Number of shares**
Weighted average number of ordinary shares outstanding during the year used in the calculation of basic earnings per share	110,562,327	94,135,661

For the year ended 30 June 2017, diluted earnings per share was not disclosed because potential ordinary shares, being options granted, are not dilutive and their conversion to ordinary shares would not demonstrate an inferior view of the earnings performance of the Company.

NOTE 6 - CASH AND CASH EQUIVALENTS

Cash comprises cash at bank and in hand. Cash equivalents are short term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

For the purposes of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as described above, net of outstanding bank overdrafts.

	Year ended 30 June 2017 $	Year ended 30 June 2016 $
Cash at bank and on hand	2,539,101	1,520,166

(i) Reconciliation of loss for the period to net cash flows used in operating activities

Loss after income tax	(3,915,242)	(3,002,027)
Non-Cash Items:		
Depreciation	62,554	68,376
Share-based payments expensed - options	1,020,234	884,473
Exploration drilling – non-cash*	279,653	266,379
Exploration other – non-cash **	30,000	30,000
Change in assets and liabilities:		
(Increase)/decrease in receivables	(15,331)	14,688
Increase/(decrease) in payables	230,861	24,307
Increase/(decrease) in provisions	13,033	13,609
Net cash flows used in operating activities	(2,294,238)	(1,700,195)

* 1,922,922 ordinary shares ($279,653) were issued pursuant to the Share Subscription Agreement with Titeline Drilling Pty Ltd and Greenstone Property Pty Ltd. Refer to note 12.

** In July 2016, the Company issued 270,270 ordinary shares ($30,000) to New Challenge Resources Pty Ltd as consideration for extension of the Stavely Royalty Agreement.

(ii) Non-Cash Financing and Investing Activities

No non-cash financing and investing activities were undertaken during the year (2016: none).

NOTE 7 – TRADE AND OTHER RECEIVABLES

Receivables are initially recognised at fair value and subsequently measured at amortised cost, less provision for doubtful debts. Current receivables for GST are due for settlement within 30 days and other current receivables within 12 months. Cash on deposit is not due for settlement until rights of tenure are forfeited or performance obligations are met.

Revenues, expenses and assets are recognised net of the amount of GST except:

- when the GST incurred on a purchase of goods and services is not recoverable from the taxation authority, in which case the GST is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- receivables and payables, which are stated with the amount of GST included.

NOTE 7 – TRADE AND OTHER RECEIVABLES - continued

The net amount of GST recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position. Cash flows are included in the Cash Flow Statement on a gross basis and the GST component of cash flows arising from investing and financing activities, which is recoverable from, or payable to, the taxation authority, are classified as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the taxation authority.

	30 June 2017 $	30 June 2016 $
Current		
GST refundable	55,112	45,961
Bonds – credit card	40,000	40,000
Other	17,922	1,320
Total current receivables	113,034	87,281
Non-Current		
Cash on deposit - security bonds	42,500	42,500

Fair Value and Risk Exposures:

(i) Due to the short term nature of these receivables, their carrying value is assumed to approximate their fair value.
(ii) The maximum exposure to credit risk is the fair value of receivables. Collateral is not held as security.
(iii) Details regarding interest rate risk exposure are disclosed in note 18.
(iv) Other current receivables generally have repayments between 30 and 90 days.

Receivables do not contain past due or impaired assets as at 30 June 2017 (2016: none).

NOTE 8 - PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation is calculated on a straight-line basis over the estimated useful life of the assets as follows:

Plant and equipment - 0 to 4 years
Motor vehicles - 3 to 5 years

The assets' residual values, useful lives and amortisation methods are reviewed, and adjusted if appropriate, at each financial year end.

Disposal
An item of property, plant and equipment is derecognised upon disposal or when no further future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

NOTE 8 - PROPERTY, PLANT AND EQUIPMENT - continued

	30 June 2017	30 June 2016
	$	$
Motor vehicles- at cost	57,364	28,273
Less: Accumulated depreciation	(35,909)	(21,204)
	21,455	7,069
Plant and equipment - at cost	182,977	182,977
Less: Accumulated depreciation	(152,664)	(104,815)
	30,313	78,162
Total property, plant and equipment	51,768	85,231
Reconciliation of property, plant and equipment:		
Motor Vehicles		
Carrying amount at beginning of year	7,069	15,550
Additions	29,091	-
Depreciation	(14,705)	(8,481)
Carrying amount at end of year	21,455	7,069
Plant and Equipment		
Carrying amount at beginning of year	78,162	86,264
Additions	-	51,793
Depreciation	(47,849)	(59,895)
Carrying amount at end of year	30,313	78,162

NOTE 9 - DEFERRED EXPLORATION EXPENDITURE

Exploration expenditure is expensed to the statement of profit or loss and other comprehensive income as and when it is incurred and included as part of cash flows from operating activities. Exploration costs are only capitalised to the statement of financial position if they result from an acquisition.

Costs carried forward in respect of an area of interest which is abandoned are written off in the year in which the abandonment decision is made.

	30 June 2017	30 June 2016
	$	$
Deferred exploration acquisition costs brought forward	3,006,057	2,982,126
Capitalised acquisition expenditure incurred during the year, net	-	23,931
Deferred exploration costs carried forward	3,006,057	3,006,057

Ultimate recoupment of exploration and evaluation expenditure carried forward is dependent on successful development and commercial exploitation or, alternatively, sale of the respective areas.

NOTE 10 - TRADE AND OTHER PAYABLES

Trade payables and other payables are carried at amortised costs and represent liabilities for goods and services provided to the Group prior to the end of the financial year that are unpaid and arise when the Group becomes obliged to make future payments in respect of the purchase of these goods and services.

	30 June 2017	30 June 2016
	$	$
Trade creditors	396,295	141,997
Accruals	18,719	31,733
	415,014	173,730

Fair Value and Risk Exposures
(i) Due to the short term nature of these payables, their carrying value is assumed to approximate their fair value.
(ii) Trade and other payables are unsecured and usually paid within 60 days of recognition.

NOTE 11 – PROVISIONS

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

(i) Wages, salaries and, annual leave
Liabilities for wages and salaries, including non-monetary benefits and annual leave and expected to be settled wholly within 12 months of the reporting date are recognised in other payables in respect of employees' services up to the reporting date. They are measured at the amounts expected to be paid when the liabilities are settled.

(ii) Other long-term employee benefit obligations
The liability for long service leave and annual leave not expected to be settled wholly within 12 months of the reporting date are recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and period of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows. The obligations are presented as current liabilities if the Group does not have an unconditional right to defer settlement for at least 12 months of the reporting date, regardless of when actual settlement is expected to occur.

	30 June 2017	30 June 2016
	$	$
Current		
Employee entitlements	57,946	44,913

NOTE 12 – ISSUED CAPITAL

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

		30 June 2017 $	30 June 2016 $
(a)	**Issued Capital**		
	121,227,119 (2016: 95,490,593) ordinary shares fully paid	15,977,562	12,325,646

(b) Movements in Ordinary Share Capital

87,110,206	Opening balance at 1 July 2015	10,556,136
85,700	Issue of shares – New Challenge Royalty 6 July 2015	30,000
6,332,726	Issue of shares – Rights Issue 20 July 2015	1,583,181
75	Issue of shares – Exercise of Options 6 August 2015	23
232,811	Issue of shares – Share Subscription Agreement 13 November 2015	42,605
1,378,672	Issue of shares – Share Subscription Agreement 17 December 2015	176,470
350,403	Issue of shares – Share Subscription Agreement 12 May 2016	47,304
	Costs of equity issues	(110,073)
95,490,593	Closing Balance at 30 June 2016	12,325,646
95,490,593	Opening balance at 1 July 2016	12,325,646
270,270	Issue of shares – New Challenge Royalty 5 July 2016	30,000
13,333,334	Issue of shares – Placement 16 November 2016	2,000,000
10,210,000	Issue of shares – Share Purchase Plan 8 December 2016	1,531,500
895,180	Issue of shares – Share Subscription Agreement 21 December 2016	145,019
1,027,742	Issue of shares – Share Subscription Agreement 4 March 2017	134,634
	Costs of equity issues	(189,237)
121,227,119	Closing Balance at 30 June 2017	15,977,562

New Challenge Royalty

On 5 July 2016, Stavely issued 270,270 fully paid ordinary shares at 11.1c a share as consideration for the extension of the Stavely Royalty Option with New Challenge Resources Pty Ltd.

Placement

On 16 November 2016, Stavely issued 13,333,334 fully-paid ordinary shares at 15c a share pursuant to a placement to sophisticated and institutional investors. Gross proceeds were $2,000,000.

Share Purchase Plan

On 8 December 2016, Stavely issued 10,210,000 fully-paid ordinary shares at 15c a share pursuant to a Share Purchase Plan. Gross proceeds were $1,531,500.

Share Subscription Agreement

In October 2014, Stavely Minerals entered into a $2 million Share Subscription Agreement with its existing drilling contractor, Titeline Drilling Pty Ltd. Pursuant to this agreement, the drilling contractor has agreed to subscribe for up to $2 million of shares, with Stavely Minerals having the option to settle monthly drilling charges by way of cash payment and by way of offset of the price of subscription application for shares.

During the year ended 30 June 2017, 1,922,922 ordinary shares ($279,653) were issued pursuant to the Share Subscription Agreement with Titeline Drilling Pty Ltd and Greenstone Property Pty Ltd as trustee for the Titeline Property Trust. As at 30 June 2017, cumulative subscriptions totalled $785,689 (2016: $506,036).

NOTE 12 – ISSUED CAPITAL - continued

(c) Options on issue at 30 June 2017

	Number	Exercise Price	Expiry Date
Unlisted Options	14,400,000	27 cents	31/12/2017
Unlisted Options	5,150,000	21 cents	31/12/2017
Unlisted Options	9,100,000	26 cents	31/12/2017
Unlisted Options	500,000	19 cents	30/06/2018
	29,150,000		

During the year:

(i) No listed options were issued (2016: 3,166,373);
(ii) No listed options were exercised (2016: 75);
(iii) No listed options expired (2016: 5,966,298);
(iv) 14,750,000 unlisted options were granted as share-based payments (2016: 13,000,000);
(v) 13,000,000 unlisted options expired (2016: nil); and
(vi) No unlisted options were exercised (2016: nil).

(d) Terms and conditions of issued capital

Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at shareholders' meetings. In the event of winding up of the Company, ordinary shareholders rank after all other shareholders and creditors are fully entitled to any proceeds of liquidations.

(e) Capital management

When managing capital, management's objective is to ensure the entity continues as a going concern as well as maintains optimal returns to shareholders and benefits for other stakeholders. Management also aims to maintain a capital structure that ensures the lowest cost of capital available to the entity.

Management may in the future adjust the capital structure to take advantage of favourable costs of capital and issue further shares in the market. Management has no current plans to adjust the capital structure. There are no plans to distribute dividends in the next year.

NOTE 13 - RESERVES

Share-based payment transactions
The Group measures the cost of equity-settled transactions by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined using a Black-Scholes model.

	30 June 2017 $	30 June 2016 $
Equity-based payments reserve		
Balance at the beginning of the year	1,168,877	284,404
Equity-based payments expense	1,020,234	884,473
Balance at the end of the year	2,189,111	1,168,877

Nature and purpose of the reserve: The Equity-based payments reserve is used to recognise the fair value of options issued but not exercised.

NOTE 14 – COMMITMENTS AND CONTINGENCIES

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

	30 June 2017 $	30 June 2016 $
(a) Operating leases (non-cancellable):		
Within one year	115,331	140,198
More than one year but not later than five years	8,028	7,140
	123,359	147,338

These non-cancellable operating leases are primarily for office premises, residential premises at site and a ground lease.

(b) Exploration Commitments
The Group has certain minimum exploration commitments to maintain its right of tenure to exploration permits. These commitments require estimates of the cost to perform exploration work required under these permits.

Tenement Expenditure Commitments:		
The Group is required to maintain current rights of tenure to tenements, which require outlays of expenditure in 2017/2018. Under certain circumstances these commitments are subject to the possibility of adjustment to the amount and/or timing of such obligations, however, they are expected to be fulfilled in the normal course of operations.	561,700	442,900

(c) Contingencies
The Company is party to a Deed of Option and Royalty relating to the Stavely tenement EL 4556. The Group had no other contingent liabilities at year end (2016: same).

NOTE 15 – RELATED PARTIES

(a) Compensation of Key Management Personnel

	30 June 2017 $	30 June 2016 $
Short-term employment benefits	264,831	264,125
Post-employment benefits	22,800	22,800
Equity-based payment	640,318	683,811
	927,949	970,736

(b) Other transactions and balances with Key Management Personnel

Other Transactions with Key Management Personnel
Mr Peter Ironside, Director, is a shareholder and director of Ironside Pty Ltd. Ironside Pty Ltd is a shareholder of the 168 Stirling Highway Syndicate, the entity which owns the premises the Company occupies in Western Australia. During the year an amount of $149,310 (net of GST) was paid/payable for office rental and variable outgoings (2016: $141,375 (net of GST)).

Mr Peter Ironside, Director, is also a shareholder and non-executive director of Zamanco Minerals Limited ("Zamanco"). Zamanco sub-leases office space in the premises the Company occupies. During the year an amount of $40,325 (net of GST) was paid/payable by Zamanco to the Company for reimbursement of office rental and associated expenses (2016: $39,416 (net of GST)).

NOTE 15 – RELATED PARTIES - continued

NOTE 15 – RELATED PARTIES - continued

(c) Transactions with Other Related Parties

There were no transactions with other related parties (2016: none).

	30 June 2017 $	30 June 2016 $
NOTE 16 - AUDITORS' REMUNERATION		
Amount received or due and receivable by the auditor for:		
Auditing the financial statements, including audit review - current year audits	33,923	36,565
Other services – taxation and corporate advisory	19,116	5,700
Total remuneration of auditors	53,039	42,265

NOTE 17 – SEGMENT INFORMATION

An operating segment is a component of an entity that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity), whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available. Management will also consider other factors in determining operating segments such as the existence of a line manager and the level of segment information presented to the board of Directors.

Operating segments have been identified based on the information provided to the chief operating decision makers – being the executive management team.

The Group aggregates two or more operating segments when they have similar economic characteristics, and the segments are similar in each of the following respects:
- Nature of the products and services,
- Type or class of customer for the products and services,
- Methods used to distribute the products or provide the services, and if applicable
- Nature of the regulatory environment.

Operating segments that meet the quantitative criteria as prescribed by AASB 8 are reported separately. However, an operating segment that does not meet the quantitative criteria is still reported separately where information about the segment would be useful to users of the Financial Statements.

Management has determined the operating segments based on the reports reviewed by the board of directors that are used to make strategic decisions. The Group does not have any material operating segments with discrete financial information. The Group does not have any customers and all its' assets and liabilities are primarily related to the mining industry and are located within Australia. The Board of Directors review internal management reports on a regular basis that is consistent with the information provided in the statement of profit or loss and other comprehensive income, statement of financial position and statement of cash flows. As a result no reconciliation is required because the information as presented is what is used by the Board to make strategic decisions.

NOTE 18 – FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Interest revenue
Interest revenue is recognised as it accrues, taking into account the effective yield on the financial asset.

The Group's principal financial instrument comprises cash. The main purpose of this financial instrument is to provide working capital for the Group's operations.

The Group has various other financial instruments such as sundry debtors, security bonds and trade creditors, which arise directly from its operations.

It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken.

The main risk arising from the Group's financial instruments is interest rate risk. The Board reviews and agrees on policies for managing each of these risks and they are summarised below.

Interest rate risk
At reporting date the Group's exposure to market risk for changes in interest rates relates primarily to the Group's cash and bonds. The Group constantly analyses its exposure to interest rates, with consideration given to potential renewal of existing positions, the mix of fixed and variable interest rates and the period to which deposits may be fixed.

At reporting date, the Group had the following financial assets exposed to variable interest rates that are not designated in cash flow hedges:

	30 June 2017	**30 June 2016**
	$	**$**
Financial Assets:		
Cash and cash equivalents - interest bearing	2,435,603	1,372,318
Trade and other receivables - bonds	80,000	80,000
Net exposure	2,515,603	1,452,318

Sensitivity
At 30 June 2017, if interest rates had increased by 0.5% from the year end variable rates with all other variables held constant, post tax profit and equity for the Group would have been $12,577 higher (2016: changes of 0.5% $7,261 higher). The 0.5% (2016: 0.5%) sensitivity is based on reasonably possible changes, over a financial year, using an observed range of historical RBA movements over the last year.

Liquidity risk
The Group has no significant exposure to liquidity risk as there is effectively no debt. The Group manages liquidity risk by monitoring immediate and forecast cash requirements and ensuring adequate cash reserves are maintained.

Credit risk
Credit risk refers to the risk that a counter party will default on its contractual obligations resulting in financial loss to the Group. The Group has adopted the policy of dealing with creditworthy counterparties and obtaining sufficient collateral or other security where appropriate, as a means of mitigating the risk of financial loss from defaults. The Group measures credit risk on a fair value basis.

Significant cash deposits are with institutions with a minimum credit rating of AA (or equivalent) as determined by a reputable credit rating agency e.g. Standard & Poor.

The Group does not have any other significant credit risk exposure to a single counterparty or any group of counterparties having similar characteristics.

NOTE 19 – PARENT ENTITY INFORMATION

	Company	
	30 June 2017	30 June 2016
	$	$
Statement of Financial Position Information		
Current assets	2,647,469	1,602,611
Non-current assets	3,073,896	3,131,197
Current liabilities	(472,961)	(212,453)
Non-current liabilities	-	-
Net Assets	5,248,404	4,521,355
Issued capital	15,977,562	12,325,646
Reserves	2,189,111	1,168,877
Accumulated losses	(12,918,269)	(8,973,168)
	5,248,404	4,521,355
Profit or loss information		
Loss for the year	(3,945,101)	(3,003,264)
Comprehensive loss for the year	(3,945,101)	(3,003,264)

Commitments and contingencies

There are no commitments or contingencies, including any guarantees entered into by Stavely Minerals Limited on behalf of its subsidiaries.

Subsidiaries			**30 June 2017**	**30 June 2016**
Name of Controlled Entity	**Class of Share**	**Place of Incorporation**	**% Held by Parent Entity**	
Ukalunda Pty Ltd	Ordinary	Australia	100%	100%

NOTE 20 – ACQUISITION OF SUBSIDIARY

On 15 February 2016, Stavely Minerals Limited acquired Ukalunda Pty Ltd ('Ukalunda'). Ukalunda was established in 2007 by Stavely Minerals' Directors Mr Chris Cairns and Mr Peter Ironside with the specific purpose of opportunistically applying for exploration permits in north Queensland. Cash consideration for the acquisition was $2. At the date of acquisition, Ukalunda had loans totalling $29,040 outstanding to Mr Cairns and Mr Ironside for company establishment fees, tenement application fees and compliance costs etc. but does not include any costs for Mr Cairns' or Mr Ironside's time and efforts. The loans were discharged by Stavely Minerals after acquisition.

The following table summarises the assets and liabilities acquired:

	30 June 2017	30 June 2016
	$	$
Cash and cash equivalents	-	5,337
Receivables	-	22
Exploration asset	-	23,931
Trade payables	-	(248)
Loans payable	-	(29,040)
Net Assets	-	2

NOTE 21 – EVENTS OCCURRING AFTER THE REPORTING PERIOD

There are no matters or circumstances that have arisen since 30 June 2017 that have or may significantly affect the operations, results, or state of affairs of the Group in future financial years.

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INDEPENDENT AUDITOR'S REPORT

To the members of Stavely Minerals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Stavely Minerals Limited and its subsidiaries, which comprises the consolidated statement of financial position as at 30 June 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 30 June 2017 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting for Exploration and Evaluation Assets

Key audit matter	*How the matter was addressed in our audit*
At 30 June 2017 the carrying value of the capitalised exploration and evaluation asset was $3,006,057 which was related to acquisition costs (30 June 2016 $3,006,057) and the ongoing exploration costs were expensed in the profit and loss, as disclosed in Note 9. As the carrying value of the Exploration and Evaluation Asset represents a significant asset of the Group, we considered it necessary to assess whether any facts or circumstances exist to suggest that the carrying amount of this asset may exceed its recoverable amount. Judgement is applied in determining the treatment of exploration expenditure in accordance with Australian Accounting Standard AASB 6 Exploration for and Evaluation of Mineral Resources. In particular: • Whether the conditions for capitalisation are satisfied; and • Whether facts and circumstances indicate that the exploration and expenditure assets should be tested for impairment.	Our procedures included, but were not limited to: • Obtaining a schedule of the areas of interest held by the Group and assessing whether the rights to tenure of those areas of interest remained current at balance date; • Considering the status of the ongoing exploration programmes in the respective areas of interest by holding discussions with management, and reviewing the Group's exploration budgets, ASX announcements and director's minutes; • Considering whether any such areas of interest had reached a stage where a reasonable assessment of economically recoverable reserves existed; • Considering whether any facts or circumstances existed to suggest impairment testing was required; and We also assessed the adequacy of the related disclosures in Note 9 to the Financial Statements.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 30 June 2017, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

http://www.auasb.gov.au/auditors_files/ar2.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 39 to 44 of the directors' report for the year ended 30 June 2017.

In our opinion, the Remuneration Report of Stavely Minerals Limited, for the year ended 30 June 2017, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit (WA) Pty Ltd

BDO
Glyn O'Brien

Glyn O'Brien

Director

Perth, 18 August 2017

Information as at 11 August 2017

a) Substantial Shareholders (who have lodged notices with Stavely Minerals Limited)

Name	Number of Ordinary Shares
Peter Reynold Ironside	30,157,419
Christopher John Cairns	15,007,419
Greenstone Property Pty Ltd and Associates	7,566,014

b) Shareholder Distribution Schedule

Size of Holding	Number of Shareholders
1 - 1,000	56
1,001 - 5,000	102
5,001 - 10,000	152
10,001 - 100,000	326
100,001 and over	142
Total	778
Number of shareholders holding less than a marketable parcel	101

c) Voting Rights

(i) at meetings of members entitled to vote each member may vote in person or by proxy or attorney, or in the case of a member which is a body corporate, by representative duly appointed under section 250D;

(ii) on a show of hands every member entitled to vote and present in person or by proxy or attorney or representative duly authorised shall have one (1) vote;

(iii) on a poll every member entitled to vote and present in person or by proxy or attorney or representative duly authorised shall have one (1) vote for each fully paid share of which he is the holder and in the case of contributing shares until fully paid shall have voting rights pro rata to the amount paid up or credited as paid up on each such share; and

(iv) a member shall not be entitled to vote at general meeting or be reckoned in a quorum in respect of any shares upon which any call or other sum presently payable by him is unpaid.

d) Twenty largest shareholders:

	Name	Number of Ordinary Shares	% of Issued Capital
1	Chaka Investments Pty Ltd	19,580,000	16.03
2	Goldwork Asset Pty Ltd <The Cairns Family A/C>	9,759,032	7.99
3	BNP Paribas Nominees Pty Ltd <IB Au Noms Retailclient DRP>	5,863,389	4.80
4	Ironside Pty Ltd <The Ironside Super Fund A/C>	5,677,419	4.65
5	Greenstone Property Pty Ltd <Titeline Property A/C>	5,586,859	4.57
6	Goldwork Asset Pty Ltd <Cairns Family S/F A/C>	5,238,387	4.29
7	Ironside Pty Ltd <Ironside Family A/C>	5,000,000	4.09
8	Citicorp Nominees Pty Limited	4,377,479	3.58
9	Jennifer Elaine Murphy	3,427,097	2.81
10	Dr Anthony Cairns	2,700,000	2.21
11	Michelle Maria Skinner	2,358,065	1.93
12	McNeil Nominees Pty Limited	2,028,262	1.66
13	DK & SJ Pty Ltd <The DK & SK Investment A/C>	1,250,000	1.02
14	JC Holdings Pty Ltd	1,250,000	1.02
15	Mick Ashton Nominees Pty Ltd <Ashton Family A/C>	1,250,000	1.02
16	Trading Pursuits Group Pty Ltd	1,250,000	1.02
17	Sanluri Pty Ltd <Ricciardi Family A/C>	1,233,000	1.01
18	Mr Harle John Mossman	1,225,000	1.00
19	Elphick Superannuation Pty Ltd <M R Elphick Super Fund A/C>	970,000	0.79
20	National Nominees Limited	845,000	0.69
		80,868,989	**66.18**
	Shares on issue at 11 August 2017	**122,133,983**	

e) Unlisted Options

Name	**31/12/2017 27 cents**	**31/12/2017 21 cents**	**31/12/2017 26 cents**	**30/06/2018 19 cents**
Directors:				
W Plyley	1,000,000	-	2,500,000	-
C Cairns	5,032,258	-	3,500,000	-
J Murphy	1,561,290	-	2,100,000	-
P Ironside	5,032,258	-	1,000,000	-
Others:				
H Forgan	-	1,100,000	-	-
M Skinner	774,194	1,100,000	-	-
A Sparks	750,000	1,600,000	-	-
Q Te Tai	250,000	1,100,000	-	-
B Nijhof		250,000	-	-
P Van Luyt	-	-	-	250,000
R McBeath	-	-	-	250,000
	14,400,000	5,150,000	9,100,000	500,000

Tenement Portfolio - Victoria

Area Name	Tenement	Grant Date/ (Application Date)	Size (Km^2)
Mt Ararat	EL 3019	21 December 1989	42
Ararat	EL 4758	29 January 2004	12
Stavely	EL 4556	5 April 2001	139
Yarram Park	EL 5478	26 July 2013	99
Mortlake	EL 5470	17 June 2013	110
Ararat	EL 5486	10 July 2014	1
Ararat	ELA 5487	(21 June 2013)	5
Ararat	EL 6271	21 July 2016	6
Ararat	RLA 2020	(12 June 2014)	28
Stavely	RLA 2017	(20 May 2014)	139
Ararat	EL 5403	25 January 2012	68
Ararat	EL 5450	21 February 2013	4

Tenement Portfolio - Queensland

Area Name	Tenement	Grant Date/ (Application Date)	Size (Km^2)
Ravenswood West	EPM26041	24 May 2016	241
Ravenswood North Application	EPM26152	15 September 2016	48
Dreghorn	EPM26303	23 March 2017	137
Kirk North	EPM26304	23 March 2017	81

STAVELY MINERALS LIMITED

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