Thursday's Gossan Porphyry Copper-Gold Project – Diamond Drilling Update

2019 Drilling Resumes at Thursday's Gossan and Mount Stavely as Latest Assays Return More Wide Copper Intercepts and Support Southern Focus

Latest intercepts include 5m at 1.10% Cu and 0.15g/t Au in SMD035 and 2m at 1.73% Cu and 0.20g/t Au in SMD036 with drilling of SMD044 now underway at Thursday's Gossan as 2019 exploration program resumes

Highlights

- **Assay results from diamond hole SMD025 return wide, low-grade copper mineralised intervals including:**
  - **35m at 0.16% Cu associated with disseminated hydrothermal magnetite; and**
  - **46m at 0.14% Cu**
- **Assay results from diamond holes SMD035 and SMD036 return strong copper-gold mineralisation:**

  SMD035:
  - **39m at 0.31% copper, including:**
    - **5m at 1.10% Cu and 0.15g/t Au**

  SMD036:
  - **13m at 0.45% copper, including:**
    - **2m at 1.73% Cu and 0.20g/t Au**
- **Drilling has resumed at Thursday's Gossan with SMD043 commenced and then terminated at 245m depth, and re-drilling now commenced due to excessive drill-hole deviation.**
- **Holes SMD043/044 are targeting the untested southerly plunge of a quartz diorite porphyry (QDP) that hosts porphyry M veins and is considered to be an early intrusive phase associated with porphyry copper-gold mineralisation.**
- **MSD002 at Mount Stavely has been completed and has intersected intervals of low temperature epithermal quartz veins and sulphides.**

Stavely Minerals Limited (ASX Code: **SVY** – "Stavely Minerals") is pleased to report further drilling results from the **Thursday's Gossan prospect**, part of its 100%-owned Stavely Copper-Gold Project, located in Western Victoria (Figure 1).

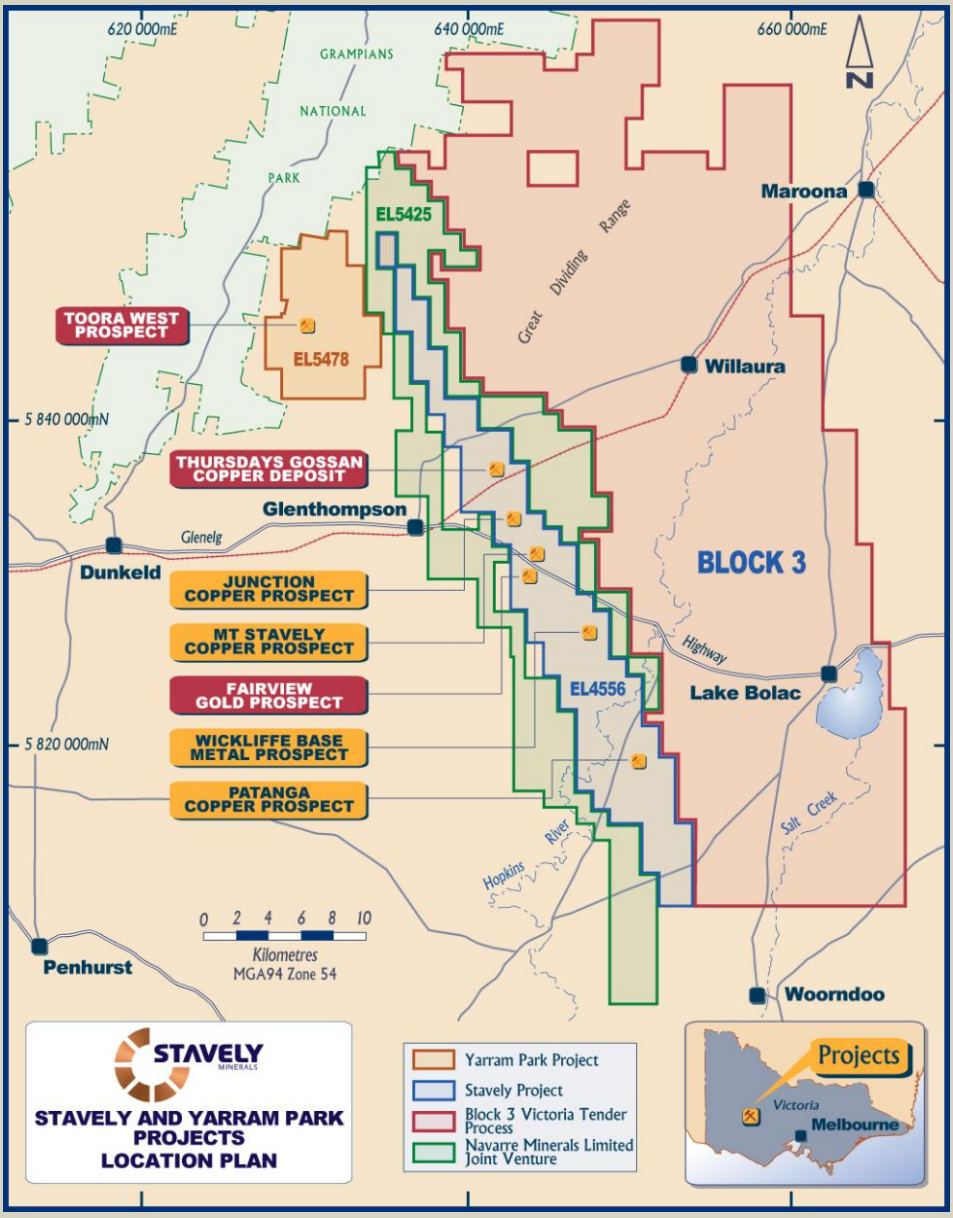

Figure 1. Stavely Project location map.

Recent drilling at Thursday's Gossan has been designed to follow up on previous porphyry M vein intercepts below the Low-Angle Structure (LAS) in drill holes SMD017 and SMD024 and to test magnetic features that may reflect the presence of M (magnetite) veins or disseminated magnetite associated with copper-gold mineralisation.

The drilling is aiming to progress into the hotter part of the mineralised system, where higher-grade copper and significantly higher-grade gold are expected to be located.

Assay results have been received for drill holes SMD025, SMD035, SMD036 and SMD041. These holes were located to target the porphyry M veins intersected previously in SMD017 and SMD024 on the next drill sections to the south of the section being reported (Figure 2).

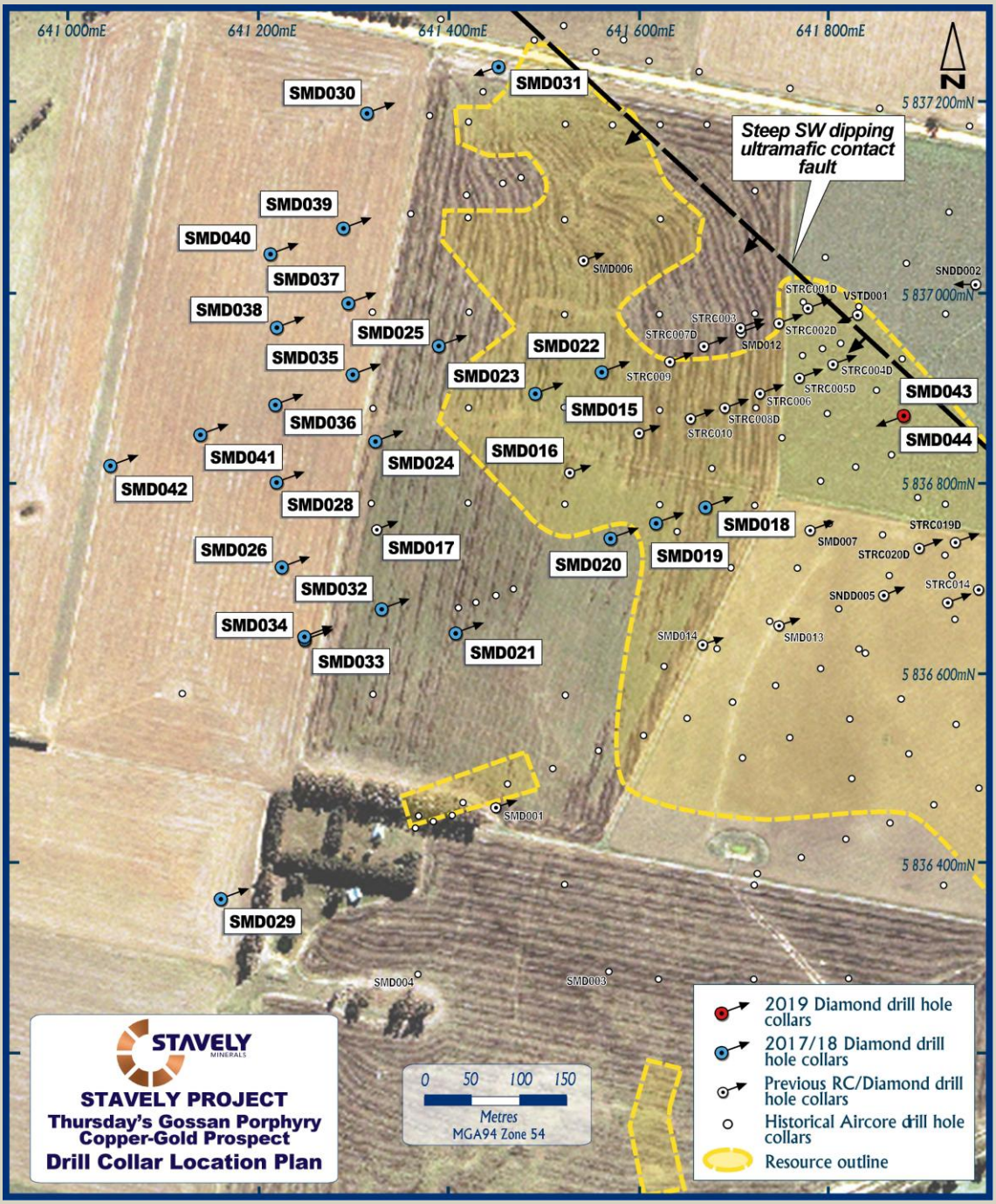

Figure 2. Thursday's Gossan drill collar location plan.

Assay results from diamond hole SMD025 have returned wide, low-grade copper mineralised intervals, including (Figure 3):

- **35m at 0.16% copper** from 173m drill depth; and
- **46m at 0.14% copper** from 288m drill depth.

The interval of **35m at 0.16% copper** is hosted in sandstone with disseminated hydrothermal magnetite, pyrite and chalcopyrite. It is observed in other drill hole intercepts that the mineralising fluids were able to travel significant distances in the more porous sandstone units and consequently these intercepts may not be a reliable indication of proximity to the porphyry source.

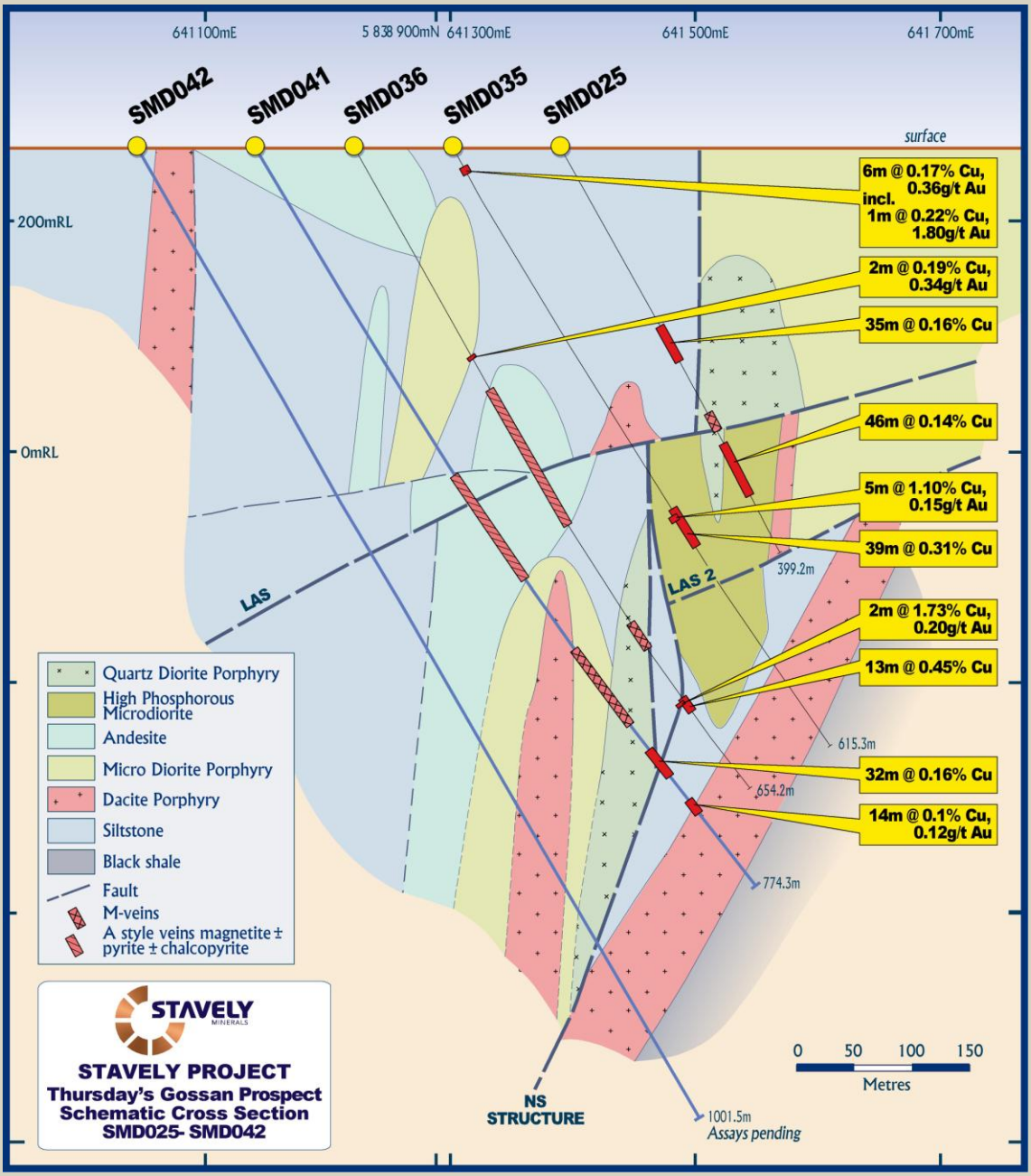

Figure 3. SMD025 to SMD042 drill section.

The second interval of **46m at 0.14% copper** is hosted in the high-phosphorous micro-diorite with fine disseminated bornite mineralisation. The high-phosphorous micro-diorite is considered, along with the micro-diorite porphyry and the quartz diorite porphyry (QDP), to be an early pre-mineralisation intrusive phase associated with the main porphyry emplacement and subsequent copper-gold mineralisation event.

Assay results from diamond hole SMD035 have also returned strong intervals of copper-gold mineralisation:

- **39m at 0.31% copper** from 363m drill depth, including:
  - **5m at 1.10% copper and 0.15g/t gold** from 364m drill depth

Similar to SMD025, the mineralised interval below the LAS in SMD035 is hosted in the high-phosphorous micro-diorite and the high-grade interval of 5m at 1.10% copper and 0.15g/t

gold at the top of the mineralised interval is likely on a portion of the North-South Structure (NSS).

Assay results from diamond hole SMD036 have also returned strong copper-gold mineralisation:

- **13m at 0.45% copper** from 551m drill depth, including:
  - **2m at 1.73% copper and 0.20g/t gold** from 552m drill depth

Again, the high-grade interval of **2m at 1.73% copper and 0.20g/t gold** at the start of the mineralised interval is hosted on the NSS.

Assay results from diamond hole SMD041 have also returned copper-gold mineralisation / anomalism:

- **32m at 0.16% copper**, and
- **14m at 0.10% copper and 0.12g/t gold**

The mineralised interval **32m at 0.16% copper** also commences on the NSS and is hosted by a hydrothermal breccia with clasts of sandstone, mudstone and potassic altered dacite porphyry with quartz veins.

The interval of **14m at 0.10% copper and 0.12 g/t gold** is associated with weakly developed anhydrite-pyrite ± chalcopyrite ± magnetite veins hosted in sandstone on the contact with the dacite porphyry.

Of note is that drill holes on the sections to the south all host mineralisation on the low-angle structure (LAS) but none of holes SMD025, SMD035, SMD036 or SMD041 on this section host mineralisation on the LAS. The implication is that ascending mineralising fluids from a porphyry source at depth did not enter the LAS on this northern section.

However, holes SMD035, SMD036 and SMD041 all do host copper and high-grade copper-gold mineralisation on the NSS. The implication is that on this northern section, copper-gold mineralising fluids were ascending along the NSS – probably near the northern-most extent of the system.

Of further note is that drill hole SMD028, on the next section to the south, also hosted mineralisation on the NSS with a broad interval of mineralisation of **73m at 0.32% copper and 0.13g/t gold** from 577m commencing with a high-grade interval of **6m at 1.12% copper and 0.44g/t gold** (see ASX announcement 18/12/2018).

Below the LAS and east of the NSS, SMD028 returned the following intercepts (Figure 4):

- **73m at 0.32% copper and 0.13g/t gold from 577m, including:**
  - **6m at 1.12% copper, 0.44g/t gold and 12g/t silver from 577m;**
  - **4m at 0.98% copper, 0.30g/t gold and 7.3g/t silver from 620m; and**
  - **12m at 0.51% copper, 0.32g/t gold and 4.9g/t silver from 638m**

The higher-grade intercept of **6m at 1.12% copper and 0.44g/t gold** at the top of the broader interval is also likely part of the NSS.

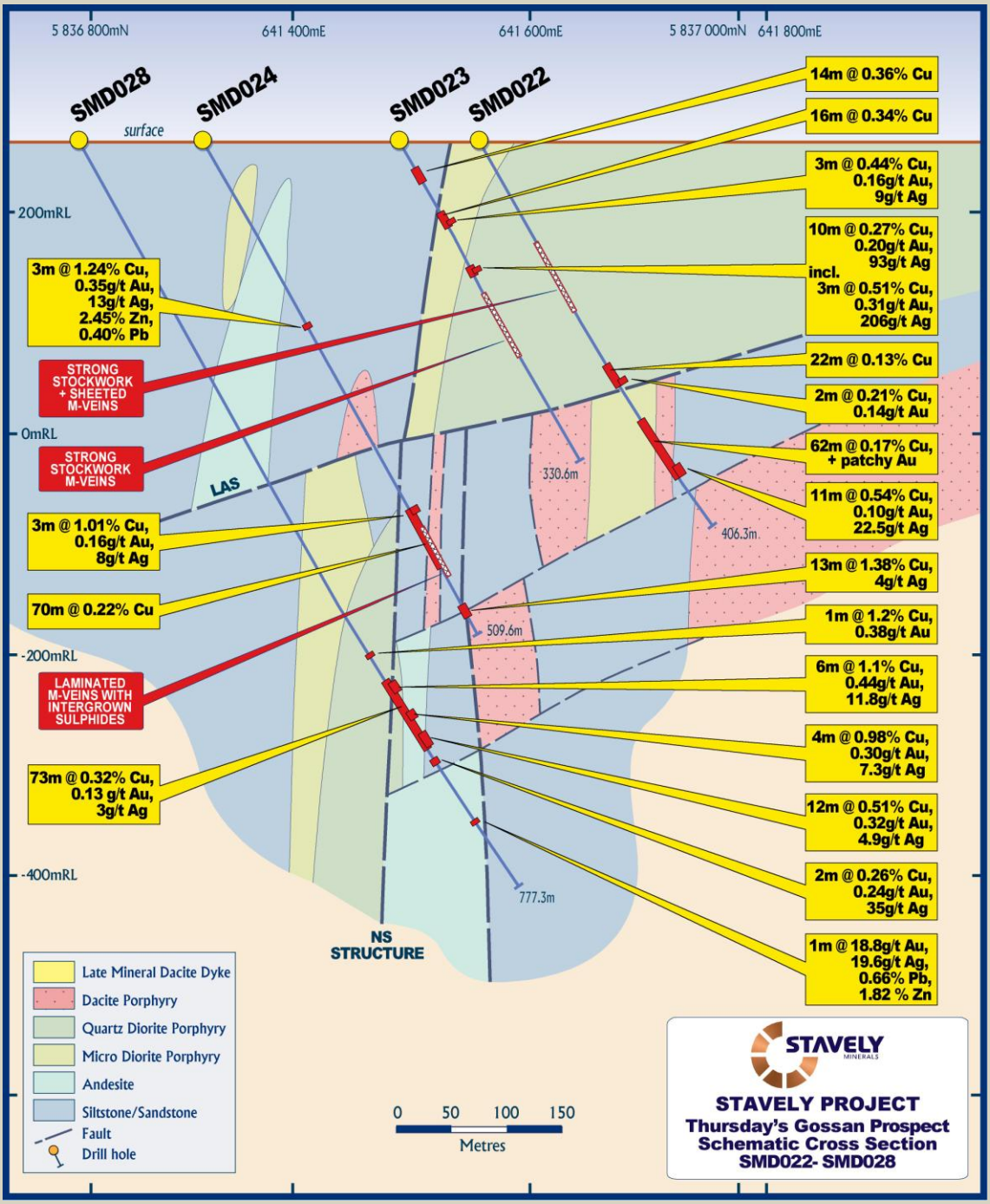

Figure 4. SMD028 Cross-section.

Recent Drilling

Recently, drill hole SMD042 was completed to a total depth of 1,001.5m (Figure 3). While the hole did encounter minor porphyry M veins, porphyry A veins and aplite vein/dykes in the QDP and other units, the veins were not well developed or well mineralised.

The NSS was intersected significantly higher up in the drill hole than expected – at 825m rather than the expected 1,050m. The significant shallowing in the westerly dip of this structure has a couple of implications:

1. The potential for a significant volume of the target host QDP and the target porphyry intrusion at depth is reduced on the west side of the NSS;

2. Conversely, there is significantly more 'space' for the target host QDP and the deeper target porphyry intrusion at depth to the east of, and below the NSS.

This shallowing of the NSS has required a reinterpretation of the potential location of the source porphyry intrusion. With the shallowing of the NSS and with that structure clearly hosting a series of high-grade copper-gold drill intercepts in multiple drill holes, the causative porphyry can only be on the east side, and below the shallowing NSS.

The consequence of this changed interpretation, given that the east side of the NSS is interpreted to be shifted to the south relative to the western block in a dextral sense of movement, is that the target porphyry is located further to the south (Figure 5).

Drill hole SMD043 was commenced on 9 January but was terminated on 15 January due to excessive deviation and drill hole SMD044 was collared in a similar location with the dip and azimuth adjusted to allow for drill hole drift such that the drill hole adequately tests the target zone at depth.

This drill hole is testing a large gap in the drilling at Thursday's Gossan to the south of and at depth below SMD032. Drill holes SMD033 and SMD034, intended to test this area, both failed at shallow depths in broken ground and were abandoned. SMD043 and now SMD044 are testing a similar space but the drill rig has been turned around 180 degrees to drill from the opposite direction in better ground conditions.

SMD032 intersected strongly magnetic intrusive dacite and zones of extremely strong magnetite dissemination in sandstone – all above the LAS (see ASX announcement 5/10/2018).

SMD032 was extended to test the area at depth on the east side of the NSS. On the east side of the NSS, the hole intersected the target quartz diorite porphyry but not the target M veins. It is likely that SMD032 drilled over the top of this target zone.

On the contact with a dacite porphyry, the hole intersected a significant interval of basal high-sulphidation copper-gold-silver mineralisation including (Figure 6):

- **63m at 0.84% copper and 0.11g/t gold from 517m, including:**
  - **6m at 6.73% copper, 0.84g/t gold and 15g/t silver from 538m, including**
    - **1m at 22.8% copper, 0.91g/t gold and 48g/t silver; and**
  - **2m at 2.43% copper, 0.28g/t gold and 4.9g/t silver from 551m**

SMD032 did not intersect the NSS below the LAS and is interpreted to have drilled over top of the target zone being tested by SMD044.

There is reasonable evidence to suggest that the mineralised QDP and micro-diorite porphyry intrusions are plunging to the south and SMD044 has been designed to intersect these intrusions on the east side/below the NSS at depth.

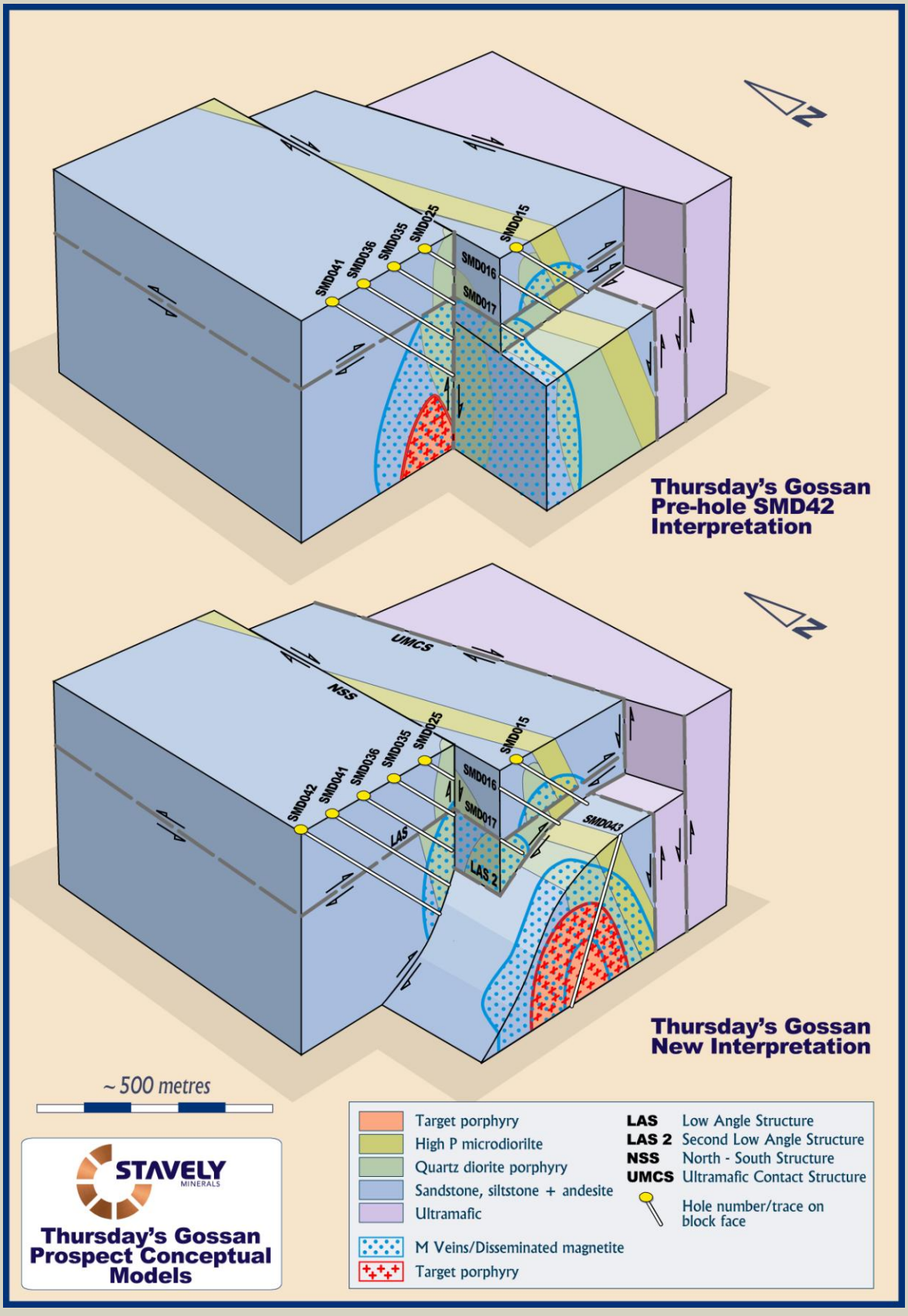

Figure 5. Previous and revised interpretations of the causative (copper-gold mineralised) porphyry location.

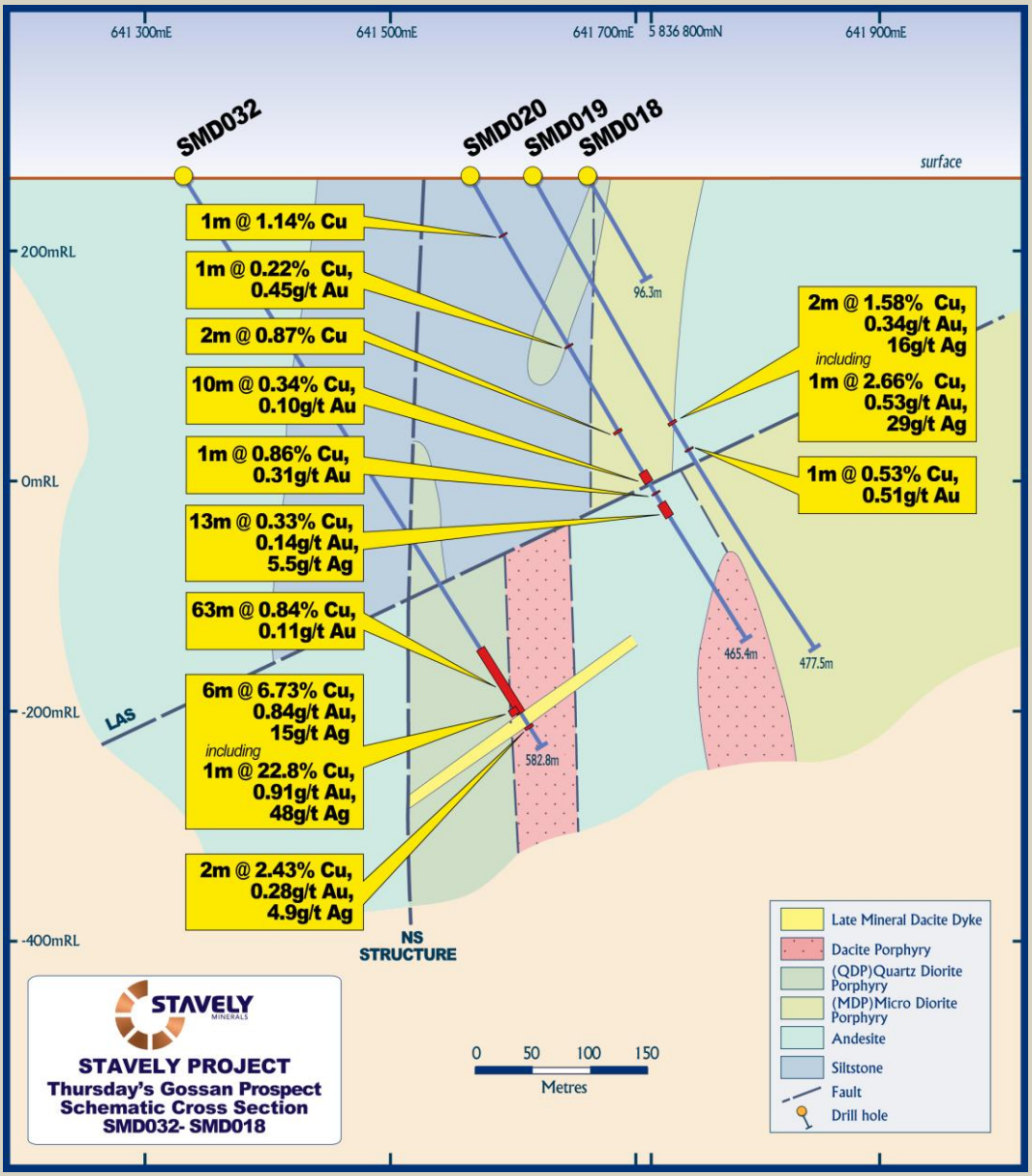

Figure 6. SMD032 Cross-section.

Mount Stavely Drilling

Drill holes MSD001 and MSD002 were commenced prior to Christmas to test coincident gravity low (interpreted porphyry intrusion) and soil geochemical gold, arsenic and molybdenum anomalies at the Mount Stavely prospect. The drill rigs were mobilised to test the Mount Stavely prospect for two key reasons:

1. There was not sufficient time following the completion of SMD042 to complete another deep drill hole at Thursday's Gossan before Christmas; and
2. The Mount Stavely porphyry prospect has never been drilled before and is an excellent porphyry target.

The gravity anomaly was interpreted as a composite anomaly of two distinct gravity lows. Those lows were targeted by drill holes MSD001 and MSD002 respectively (Figure 7).

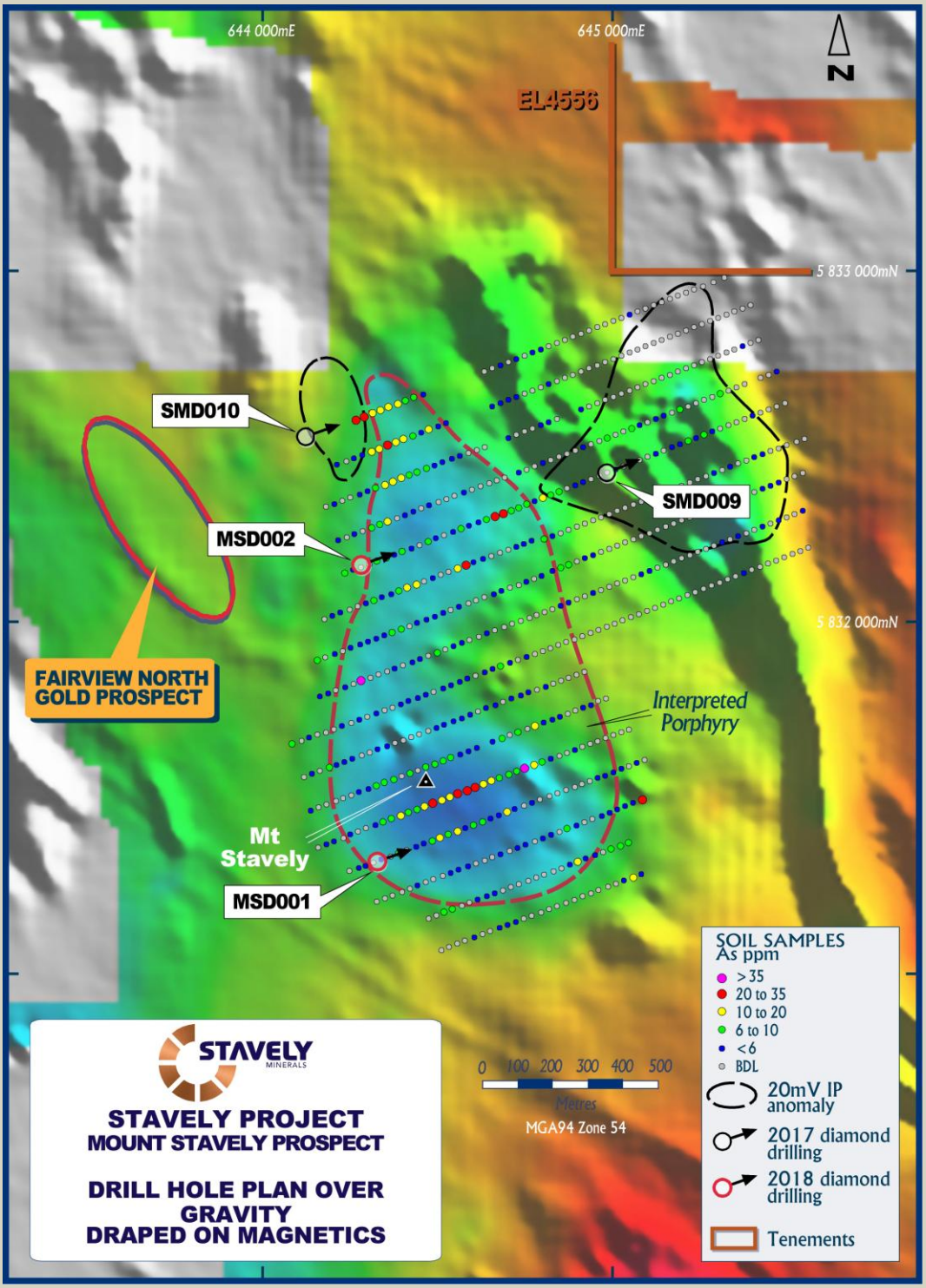

Figure 7. MSD001 and MSD002 drill-hole location plan with grey-scale magnetics overlaid with a colour gravity drape and soil sample arsenic values.

MSD001 was completed prior to Christmas and intersected quartz diorite porphyry from approximately 330m to the current depth of 507m, with an interval of pervasive hematite alteration of feldspars, trace to 2% pyrite stringers and clots, trace chalcopyrite clots and chalcopyrite mineralisation on fracture surfaces from 352m to ~400m (Photo 1). Additionally, there are minor magnetite stringer veins.

MSD002 was completed on 11 January and intersected siltstone, sandstone and mudstone initially before passing into andesite breccia and andesite with weak to moderate intervals

of low temperature epithermal quartz veins and sulphides. The hole is being logged and processed prior to sampling.

Photo 1. Chalcopyrite clot in quartz diorite porphyry with pervasive hematite (core is HQ3 – 61mm diameter).

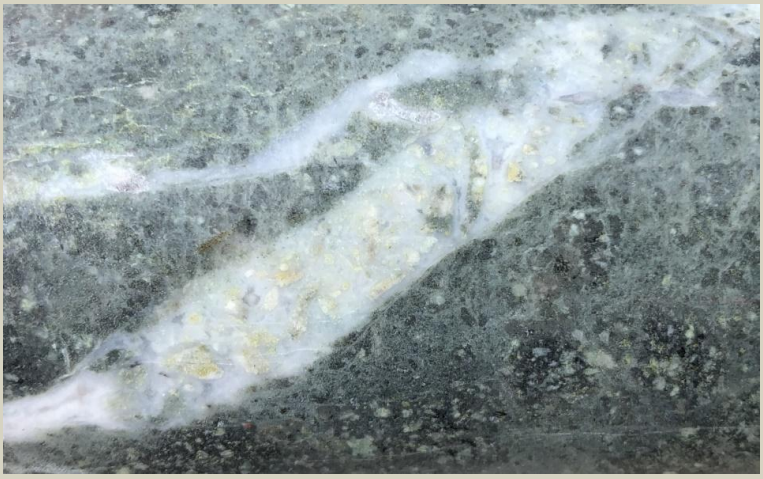

Photo 2. Low temperature quartz texture at 393.8m

Yours sincerely,

Chris Cairns
Managing Director

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

Exploration Results, Mineral Resources and Ore Reserves'. Mr Cairns consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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Thursday's Gossan Prospect – Collar Table							
		MGA 94 zone 54					
Hole id	**Hole Type**	**East**	**North**	**Dip/ Azimuth**	**RL (m)**	**Total Depth (m)**	**Comments**
SMD017	DD	641325	5836750	-60/070	262	793.6	
SMD018	DD	641670	5836772	-60/070	264	96.3	Hole failed did not reach target depth
SMD019	DD	641620	5836755	-60/070	264	477.5	
SMD020	DD	641570	5836740	-60/070	264	465.4	
SMD021	DD	641410	5836640	-60/070	264	534.9	
SMD022	DD	641560	5836915	-60/070	264	406.2	
SMD023	DD	641490	5836895	-60/070	264	330.6	
SMD024	DD	641315	5836835	-60/070	264	509.6	
SMD025	DD	641390	5836940	-60/070	264	399.2	
SMD026	DD	641225	5836710	-60/070	264	796	
SMD028	DD	641220	5836800	-60/070	264	777.3	
SMD029/ SMD029W	DD	641164	5836363	-60/070	264	384/ 837.5	Hole wedged due to drilling problems in original hole
SMD030	DD	641315	5837185	-60/070	264	109.4	Hole failed did not reach target depth
SMD031	DD	641455	5837235	-60/250	264	409.5	Redrill of SMD030 from opposite direction
SMD032	DD	641330	5836665	-60/070	264	582.8	
SMD033	DD	641250	5836635	-60/070	264	121.2	Drilling issues resulted in hole being abandoned
SMD034	DD	641250	5836635	-60/070	264	150	Redrill of SMD033, hole failed did not reach target depth
SMD035	DD	641300	5836910	-60/070	264	615.3	
SMD036	DD	641220	5836880	-60/070	264	654.2	
SMD037	DD	641295	5836985	-60/070	264	485.9	
SMD038	DD	641220	5836960	-60/070	264	573.5	
SMD039	DD	641290	5837065	-60/070	264	471.4	
SMD040	DD	641215	5837040	-60/070	264	570.4	
SMD041	DD	641140	5836850	-60/073	264	850	
SMD042	DD	641044	5836815	-60/070	264	1001.5	
SMD043	DD	641880	5836870	-60/250	264	249.1	Was terminated due to hole deviating from target
SMD044	DD	641880	5836870	-63/245	264	In Progress	

Mount Stavely Prospect – Collar Table							
		MGA 94 zone 54					
Hole id	Hole Type	East	North	Dip/ Azimuth	RL (m)	Total Depth (m)	Comments
MSD001	DD	644300	5831300	-60/070	277	564.4	
MSD002	DD	644256	5832141	-60/070	288	524.7	

Thursday's Gossan Prospect – Intercept Table												
		MGA 94 zone 54					Intercept					
Hole id	Hole Type	East	North	Dip/ Azimuth	RL (m)	Total Depth (m)	From (m)	To (m)	Width (m)	Cu (%)	Au (g/t)	Ag (g/t)	Zn (%)
SMD025	DD	641390	5836940	-60/070	264	399.2	173	208	35	0.16			
							288	334	46	0.14			
SMD035	DD	641300	5836910	-60/070	264	615.3	20	26	6	0.17	0.36		
						Incl.	20	21	1	0.22	1.8		
							363	402	39	0.31			
						Incl.	364	369	5	1.10	0.15		
SMD036	DD	641220	5836880	-60/070	264	654.2	205	207	2	0.19	0.34		
							551	564	13	0.45			
						Incl.	552	554	2	1.73	0.20		
SMD041	DD	641140	5836850	-60/073	264	850	621	653	32	0.16			
							680	694	14	0.10	0.12		

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' RC Drilling** Reverse Circulation (RC) percussion drilling was used to produce a 1m bulk sample (~25kg) which was collected in plastic bags and representative 1m split samples (12.5% or nominally 3kg) were collected using a cone splitter and placed in a calico bag. The cyclone was cleaned out with compressed air at the end of each hole and periodically during the drilling. The 1m split samples were submitted for analysis. **Stavely Minerals' Diamond Drilling** The diamond core for intervals of interest, ie. those that contained visible sulphides as well as 5m above and below were sampled. PQ quarter core and HQ half core was submitted for analysis. Sample intervals were based on lithology but in general were 1m. No intervals were less than 0.4m or greater than 1.2m.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond and RC Drilling** Sample representivity was ensured by a combination of Company Procedures regarding quality control (QC) and quality assurance/ testing (QA). Certified standards and blanks were inserted into the assay batches.
	Aspects of the determination of mineralisation that are Material to the Public Report - In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond Drilling** Drill sampling techniques are considered industry standard for the Stavely work programme. PQ quarter core and HQ half core was submitted for analysis. Sample intervals were based on lithology but in general were 1m. No intervals were less than 0.3m or greater than 1.8m. The diamond drill samples were submitted to Australian Laboratory Services ("ALS") in Adelaide, SA. Laboratory sample preparation involved:- sample crush to 70% < 2mm, riffle/rotary split off 1kg, pulverize to >85% passing 75 microns. Diamond core samples were analysed by ME-ICP61 – multi acid digest with HF and ICPAES and ICPMS and Au-AA23 – fire assay with AAS finish. **Stavely Minerals' RC Drilling** Drill sampling techniques are considered industry standard for the Stavely work programme. The 1m split samples were submitted to Australian

Criteria	JORC Code explanation	Commentary
	detailed information.	Laboratory Services ("ALS") in Orange, NSW. Laboratory sample preparation involved:- sample crush to 70% < 2mm, riffle/rotary split off 1kg, pulverize to >85% passing 75 microns. The RC samples were analysed by ME-ICP61 – multi acid digest with HF and ICPAES and ICPMS and Au-AA23 – fire assay with AAS finish.
Drilling techniques	*Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond Drilling** Diamond drill holes were drilled by Titeline Drilling in 2014 (SMD001, SMD003 and SMD004) and 2017 (SMD006, SMD007, SMD008 and SMD012). Diamond tails were completed on drill holes STRC001D, STRC002D, STRC004D, STRC005D, STRC007D, STRC008D, STRC019D and STRC020D. Holes SMD013, SMD014 and SMD015 were drilled in 2017 by Titeline Drilling. Holes SMD016, SMD017, SMD018, SMD019, SMD020, SMD021 SMD022, SMD023, SMD024, SMD025, SMD026, SMD028, SMD029, SMD029W, SMD030, SMD031, SMD032, SMD033, SMD034, SMD035, SMD036, SMD037, SMD038, SMD039, SMD040, SMD041 and SMD042 were drilled in 2018 by Titeline Drilling. Hole SMD043 was drilled by Titeline Drilling in 2019 and SMD044 is in progress. For the diamond holes, drilling was used to produce drill core with a diameter of 85mm (PQ) from surface until the ground was sufficiently consolidated and then core with a diameter of 63.5mm (HQ) was returned. For the diamond tails, drilling was used to produce drill core with a diameter of 63.5mm (HQ). Diamond drilling was standard tube. Diamond core was orientated by the Reflex ACT III core orientation tool. SMD003 was orientated at -60^{o} towards azimuth 060^{o} to a depth of 522.3m. SMD006, SMD007 and SMD008 were orientated at -60^{o} towards azimuth 070^{o} to depths of 353.3m, 355.6m and 240m respectively. SMD012 was orientated at -60^{o} towards azimuth 065^{o} to a depth of 206.6m. SMD013, SMD014 and SMD015 were orientated at -60^{o} towards azimuth 070^{o} to depths of 573.9m, 738.9m and 448.1m respectively. SMD016 was orientated at -60^{o} towards azimuth 080^{o} to a depth of 467.6m. The dips, azimuths and depths of holes SMD017 to SMD026, inclusive, and SMD028 to SMD044, inclusive, are provided in the Thursday's Gossan Prospect Collar Table. **Stavely Minerals' RC Drilling** The RC holes were drilled by Budd Exploration Drilling P/L. The RC percussion drilling was conducted using a UDR 1000 truck mounted rig with onboard air. A Sullair 350/1150 auxiliary compressor was used. 4" RC rods were used and $5^{1}/_{4}$" to $5^{3}/_{4}$" drill bits. A Reflex Digital Ezy-

Criteria	JORC Code explanation	Commentary
		Trac survey camera was used. The holes were oriented at -60^{o} towards azimuth 070^{o}.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond Drilling** Diamond core recoveries were logged and recorded in the database. Core recovery for SMD001, SMD003 and SMD007 was good. In general, the core recovery for SMD012 was good but there were several intervals where core was lost or there was poor core recovery. Core recoveries for SMD013, SMD014, SMD015, SMD016, and SMD017 were generally very good, with the vast majority of intervals returning +95% recovery and only a few intervals, mainly near the surface, returning poor (<50%) recoveries. Core recoveries for SMD018, SMD019, SMD020, SMD021, SMD022, SMD023 and SMD024 were good with the holes averaging above 92% recovery for the total hole. Core recovery for SMD025 averaged 84.5%. Core recovery for SMD026 and SMD028 was 91% and 95% respectively. Core recovery for SMD029 was 90% and for SMD029W was 93%. The core recovery for SMD030 was not good, at an average of 69%. SMD030 was abandoned at 109m. Core recovery for SMD031 averaged 92%. Core recovery for SMD032 averaged 93%. Core recovery for SMD033 was good averaging 91%, however the hole was lost at 121.2m. Core recovery for SMD034 was good averaging 90%, however the hole was lost at 150m. Core recovery for SMD035 was good averaging 94%. Core recovery for SMD036 was good averaging 93%. Core recovery for SMD037 was very good averaging 97%. Core recovery for SMD038 was very good averaging 96%. Core recovery for SMD039 was very good averaging 97%. Core recovery for SMD040 was very good averaging 96%. Core recovery for SMD041 was very good averaging 97%. Core recovery for SMD042 was very good averaging 97%. Core recovery for SMD043 was very good averaging 96%. **Stavely Minerals' RC Drilling** RC sample recovery was good. Booster air pressure was used to keep the samples dry despite the hole producing a significant quantity of water. RC sample recovery was visually checked during drilling for moisture or contamination.

Criteria	JORC Code explanation	Commentary
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond Drilling** Diamond core is reconstructed into continuous runs on an angle iron cradle for orientation marking. Depths are checked against the depth given on the core blocks and rod counts are routinely carried out by the driller. **Stavely Minerals' RC Drilling** The RC samples are collected by plastic bag directly from the rig-mounted cyclone and laid directly on the ground in rows of 10. The drill cyclone and sample buckets are cleaned between rod-changes and after each hole to minimise down-hole and/or cross contamination.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond Drilling** Not an issue relevant to diamond drilling. **Stavely Minerals' RC Drilling** No analysis has been undertaken as yet regarding whether sample bias may have occurred due to preferential loss/gain of fine/coarse material and is not considered to have a material effect given the good sample recovery.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond and RC Drilling** Geological logging of samples followed Company and industry common practice. Qualitative logging of samples including, but not limited to, lithology, mineralogy, alteration, veining and weathering. Diamond core logging included additional fields such as structure and geotechnical parameters. Magnetic Susceptibility measurements were taken for each 1m RC and diamond core interval.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond Drilling** All logging is quantitative, based on visual field estimates. Systematic photography of the diamond core in the wet and dry form was completed. **Stavely Minerals' RC Drilling** All logging is quantitative, based on visual field estimates. Chip trays with representative 1m RC samples were collected and photographed then stored for future reference.

Criteria	JORC Code explanation	Commentary
	The total length and percentage of the relevant intersections logged.	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond Drilling** Detailed diamond core logging, with digital capture, was conducted for 100% of the core by Stavely Minerals' on-site geologist at the Company's core shed near Glenthompson. **Stavely Minerals' RC Drilling** All RC chip samples were geologically logged by Stavely Minerals' on-site geologist on a 1m basis, with digital capture in the field.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond Drilling** Quarter core for the PQ diameter diamond core and half core for the HQ diameter core was sampled on site using a core saw.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' RC Drilling** Splitting of RC samples occurred via a rotary cone splitter by the RC drill rig operators. Cone splitting of RC drill samples occurred regardless of whether the sample was wet or dry.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond and RC Drilling** Company procedures were followed to ensure sub-sampling adequacy and consistency. These included, but were not limited to, daily work place inspections of sampling equipment and practices.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond and RC Drilling** Blanks and certified reference materials are submitted with the samples to the laboratory as part of the quality control procedures.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond and RC Drilling** No second-half sampling of the diamond core or field duplicates for the RC drilling has been conducted at this stage.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond and RC Drilling** The sample sizes are considered to be appropriate to correctly represent the sought mineralisation.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond and RC Drilling** The core samples and 1m RC split samples were analysed by multielement ICPAES Analysis - Method ME-ICP61. A 0.25g sample is pre-digested for 10-15 minutes in a mixture of nitric and perchloric acids, then hydrofluoric acid is added and the mixture is evaporated to dense fumes of perchloric (incipient dryness). The residue is leached in a mixture of nitric and hydrochloric acids, the solution is then cooled and diluted to a final volume of 12.5mls. Elemental concentrations are measured simultaneously by ICP Atomic Emission Spectrometry. This technique approaches total dissolution of most minerals and is considered an appropriate assay method for porphyry copper-gold systems. The core samples and 1m RC split samples were also analysed for gold using Method Au-AA23. Up to a 30g sample is fused at approximately 1,100^{o}C with alkaline fluxes including lead oxide. During the fusion process lead oxide is reduced to molten lead which acts as a collector for gold. When the fused mass is cooled the lead separates from the impurities (slag) and is placed in a cupel in a furnace at approximately 900^{o}C. The lead oxidizes to lead oxide, being absorbed by the cupel, leaving a bead (prill) of gold, silver (which is added as a collector) and other precious metals. The prill is dissolved in aqua regia with a reduced final volume. Gold content is determined by flame AAS using matrix matched standards. For samples which are difficult to fuse a reduced charge may be used to yield full recovery of gold. This technique approaches total dissolution of most minerals and is considered an appropriate assay method for detecting gold mineralisation.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond and RC Drilling** Laboratory QAQC involved the submission of standards and blanks. For every 20 samples submitted either a standard or blank was submitted. The analytical laboratory provide their own routine quality controls within their own practices. The results from their own validations were provided to Stavely Minerals. Results from the CRM standards and the blanks gives

Criteria	JORC Code explanation	Commentary
		confidence in the accuracy and precision of the assay data returned from ALS.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond and RC Drilling** Either Stavely Minerals' Managing Director or Technical Director has visually verified significant intersections in the core and RC chips at Thursday's Gossan.
	The use of twinned holes.	No twinned holes have been drilled.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond and RC Drilling** Primary data was collected for drill holes using the OCRIS logging template on Panasonic Toughbook laptop computers using lookup codes. The information was sent to a database consultant for validation and compilation into a SQL database.
	Discuss any adjustment to assay data.	No adjustments or calibrations were made to any assay data used in this report.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	**Stavely Project** **Thursday's Gossan & Mount Stavely Prospects** **Stavely Minerals' Diamond and RC Drilling** Drill collar locations were pegged before drilling and surveyed using Garmin handheld GPS to accuracy of +/- 3m. Collar surveying was performed by Stavely Minerals' personnel. This is considered appropriate at this early stage of exploration. For the diamond holes, down-hole single shot surveys were conducted by the drilling contractor. Surveys were conducted at approximately every 30m down-hole.
	Specification of the grid system used.	The grid system used is GDA94, zone 54.
	Quality and adequacy of topographic control.	At the Thursday's Gossan and Mount Stavely prospect topographic control is achieved via use of DTM developed from a 2008 airborne magnetic survey conducted by UTS contractors measuring relative height using radar techniques. For Stavely Minerals' exploration, the RL was recorded for each drill hole and soil sample location from the GPS. Accuracy of the GPS is considered to be within 5m.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The drill hole spacing is project specific, refer to figures in text.
	Whether the data spacing and distribution is sufficient to establish the degree of	N/A

Criteria	JORC Code explanation	Commentary
	geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	
	Whether sample compositing has been applied.	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond Drilling** Sample intervals were based on lithology but in general were 1m. No intervals were less than 0.4m or greater than 1.2m. **Stavely Minerals' RC Drilling** No sample compositing has been applied.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond and RC Drilling** The RC and diamond drill holes were orientated at -60^{o} toward 070^{o} (or 080^{o} for SMD016) to perpendicularly intercept the sulphide rich D veins within the low angle structure. SMD031 is oriented at -60^{0} towards 150^{o} to test a magnetic high in the aeromagnetic data.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	**Stavely Project** **Thursday's Gossan & Mount Stavely Prospects** **Stavely Minerals' Diamond and RC Drilling** There is insufficient drilling data to date to demonstrate continuity of mineralised domains and determine if any orientation sampling bias can be identified in the data.
Sample security	*The measures taken to ensure sample security.*	**Stavely Project** **Thursday's Gossan Prospect** **Stavely Minerals' Diamond and RC Drilling** Samples in closed poly-weave bags were collected from the Company's Glenthompson shed by a contractor and delivered to either Ararat or Hamilton from where the samples are couriered to ALS Laboratory in Adelaide, SA.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits or reviews of the data management system has been carried out.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	**Stavely Project** The diamond drilling and RC drilling at Thursday's Gossan and Mount Stavely are located on EL4556, which forms the Stavely Project. The mineralisation at Thursday's Gossan is situated within exploration licence EL4556. The Stavely Project was purchased by Stavely Minerals (formerly Northern Platinum) from BCD Resources Limited in May 2013. Stavely Minerals hold 100% ownership of the Stavely Project tenements. The Stavely Project is on freehold agricultural land and not subject to Native Title claims. New Challenge Resources Pty Ltd retains a net smelter return royalty of 3% in EL4556, although there is an option to reduce this to 1% upon payment of $500k.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	**Stavely Project** A retention licence, RL2017, was applied for over the majority of EL4556 in May 2014. The tenement is in good standing and no known impediments exist.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	**Stavely Project** **Thursday's Gossan Prospect** Exploration activity became focused on Thursday's Gossan and the Junction prospects following their discovery by Pennzoil of Australia Ltd in the late 1970s. North Limited continued to focus on Thursday's Gossan in the 1990s. North's best drill result at Thursday's Gossan came from VICT1D1 which gave 161m of 0.26% Cu from 43m, including 10m of 0.74% Cu from 43m from a supergene-enriched zone containing chalcocite. The tenement was optioned to CRA Exploration between 1995 and 1997. CRAE drilled several deep diamond drill holes into Thursday's Gossan, including DD96WL10, which intersected 186m from 41m of 0.15% Cu and DD96WL11, which intersected 261.7m from 38.3m of 0.13% Cu. EL4556 was further explored by Newcrest Operations Limited under option from New Challenge Resources Ltd between 2002 and 2004. Their main focus was Thursday's Gossan in order to assess its potential as a porphyry copper deposit. One of their better intersections came from drill hole VSTD01 on the northern edge of the deposit which gave 32m at 0.41 g/t Au and 0.73% Cu from 22m in supergene-enriched material. The Stavely Project was optioned to Beaconsfield Gold Mines Pty Ltd in 2006 who flew an airborne survey and

Criteria	JORC Code explanation	Commentary
		undertook an extensive drilling programme focused on several prospects including Thursday's Gossan. One of their diamond drill holes at Thursday's Gossan, SNDD001, encountered zones with quartz- sulphide veins assaying 7.7m at 1.08 g/t Au and 4.14% Cu from 95.3m and 9.5m at 0.44 g/t Au and 2.93% Cu from 154.6m along silicified and sheared contacts between serpentinite and porphyritic intrusive rocks. Once Beaconsfield Gold Mines Pty Ltd had fulfilled their option requirements, title of EL4556 passed to their subsidiary company, BCD Metals Pty Ltd, who undertook a gravity survey and extensive drilling at prospects including Thursday's Gossan. They also commissioned a maiden Mineral Resource estimate for Thursday's Gossan. All work conducted by previous operators at Thursday's Gossan is considered to be of a reasonably high quality. **Mount Stavely Prospect** In 2013 Stavely Minerals completed a regional ground gravity survey over the central portion of EL4556. Processing of the gravity data revealed a gravity low at Mount Stavely. Porphyry intrusions are commonly less dense than the surrounding country rocks and produce a gravity low. A co-incident 'low' was identified in the airborne magnetic data which is interpreted to reflect magnetite destructive hydrothermal fluid alteration. The inferred porphyry is in proximity to the marginal gold mineralisation at the Fairview gold prospect. In early 2014 Stavely Minerals commissioned an Induced Polarisation (IP) survey over the Mount Stavely prospect. A chargeability anomaly of up to 20mV/V is located slightly offset from the gravity low and truncates a regionally extensive serpentinite horizon. The chargeability feature is interpreted as reflecting disseminated pyrite associated with retrograde phyllic alteration overprinting earlier prograde potassic/ propylitic alteration. At Thursday's Gossan deep diamond drilling has shown there to be an excellent correlation between IP chargeability features and phyllic alteration. Geochemical soil sampling over the Mount Stavely prospect returned anomalous arsenic, molybdenum and gold values. One diamond drill hole was co-funded by the Victorian Government TARGET minerals exploration initiative, to test the co-incident geophysical and geochemical anomalism, which together with the prospective host rocks define an excellent porphyry copper-gold target. The drill hole did encounter the ultramafics which were expected from the aeromagnetic signature in the area. While no mineralisation or porphyry alteration signatures were observed in the drill core, a pebble dyke characterised by rounded milled clasts in a pyrite altered rock flour matrix has been identified. Pebble

Criteria	JORC Code explanation	Commentary
		dykes are commonly used to vector towards porphyry mineralisation and its' presence is considered to be extremely encouraging that there is a copper-gold porphyry in the Mount Stavely area.
Geology	*Deposit type, geological setting and style of mineralisation.*	**Stavely Project** **Thursday's Gossan Prospect** The Thursday's Gossan and Junction prospects are located in the Mount Stavely Volcanic Complex (MSVC). Intrusion of volcanic arc rocks, such at the Mount Stavely Volcanic Complex, by shallow level porphyries can lead to the formation of porphyry copper ± gold ± molybdenum deposits. The Thursday's Gossan Chalcocite deposit (TGC) is considered to be a supergene enrichment of primary porphyry-style copper mineralisation. Mineralisation is characterised by chalcopyrite, covellite and chalcocite copper sulphide mineralisation within a sericite, illite and kaolin clay alteration assemblage. Copper mineralisation is within a flat lying enriched 'blanket' of overall dimensions of 4 kilometres north-south by up to 1.5 kilometres east-west by up to 60 metres thick with an average thickness of approximately 20 metres commencing at an average depth below surface of approximately 30 metres. The majority (circa 60%) of the Mineral Resources reside within a higher-grade zone of approximate dimensions of 1 kilometre x 300 metres by 35 metres thick. The Thursday's Gossan area hosts a major hydrothermal alteration system with copper-gold mineralisation over a 10 kilometre long corridor. The Junction porphyry target is defined by a coincident magnetic high, strong soil copper geochemistry, RAB drilling copper anomalism. Stavely Minerals believes the technical evidence indicates there is significant porphyry copper-gold mineralisation potential at depth at Thursday's Gossan. **Mount Stavely Prospect** The Mount Stavely Copper-Gold prospect is located in the Mount Stavely Volcanic Complex (MSVC). Intrusion of volcanic arc rocks, such at the Mount Stavely Volcanic Complex, by shallow level porphyries can lead to the formation of porphyry copper ± gold ± molybdenum deposits. The Mt Stavely target comprises a coincident gravity and magnetic low with an induced polarisation chargeability feature and geochemical support within the prospective Mount Stavely Volcanic Complex.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material*	Included in the drill hole table in the body of the report.

Criteria	JORC Code explanation	Commentary
	drill holes: *easting and northing of the drill hole collar* *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* *dip and azimuth of the hole* *down hole length and interception depth* *hole length.*	
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	No material drill hole information has been excluded.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	**Stavely Project** **Thursday's Gossan Prospect** Exploration results are nominally reported where copper results are greater than 0.1% Cu over a down-hole width of a minimum of 3m. No top-cutting of high grade assay results have been applied, nor was it deemed necessary for the reporting of significant intersections.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	**Stavely Project** **Thursday's Gossan Prospect** In reporting exploration results, length weighted averages are used for any non-uniform intersection sample lengths. Length weighted average is (sum product of interval x corresponding interval grade %) divided by sum of interval length.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are used for reporting exploration results.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be*	**Stavely Project** **Thursday's Gossan Prospect** There is insufficient drilling data to date to demonstrate continuity of mineralised domains and determine the relationship between mineralisation widths and intercept lengths.

Criteria	JORC Code explanation	Commentary
	reported.	
	If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').	Refer to the Tables and Figures in the text.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer to Figures in the text. A plan view of the drill hole collar locations is included.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	**Stavely Project** **Thursday's Gossan Prospect** All copper and gold values considered to be significant for porphyry mineralisation have been reported. Some subjective judgement has been used.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	All relevant exploration data is shown on figures and discussed in the text.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).*	**Stavely Project** **Thursday's Gossan Prospect** Further deep diamond drilling has been planned to test the targeted high-grade copper-gold mineralisation below the low-angle structure using the gold bearing D veins as a vector.

Criteria	JORC Code explanation	Commentary
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	