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

New High-Grade Intercepts of up to 5.05% Copper and 6.06g/t Gold Provide a Vector to the Target Porphyry

Drill-hole SMD045 intersects 16m at 1.30% Cu and 0.15g/t Au in the north-south structure, providing a vector to the target copper-gold porphyry which is now being tested with recently commenced deep drill-hole SMD048

Highlights

- **High-grade copper-gold assays returned from the previously reported significant visual intercept in diamond drill-hole SMD045, adding further momentum to the ongoing search for a well-mineralised copper-gold porphyry at Thursday's Gossan.**
- **SMD045 intercepts include:**
  - **307m at 0.22% Cu from 15m down-hole, including**
    - **23m at 0.53% Cu, 0.43g/t Au and 3.5g/t Ag from 51m down-hole, including**
      - **3m at 2.38% Cu, 2.12g/t Au and 12.2g/t Ag from 51m, including:**
        - **1m at 5.05% Cu, 6.06g/t Au and 20.9g/t Ag from 52m**
    - **8m at 0.93% Cu, 0.26g/t Au and 8.8g/t Ag from 218m down-hole**
  - **In the NSS, 16m at 1.30% Cu, 0.15g/t Au and 2.8g/t Ag from 1,077m down-hole, including**
    - **2m at 2.90% Cu, 0.27g/t Au and 3.9g/t Ag from 1,091m down-hole**
- **SMD045W1, which was drilled to intercept the NSS approximately 170m above the intercept reported above, returned the following intercepts:**
  - **30m at 0.23% Cu from 465m down-hole, including**
    - **5m at 0.22% Cu, 0.71g/t Au and 5.5g/t Ag from 474m down-hole**
  - **25m at 0.23% Cu, 0.14g/t Au and 2.5g/t Ag from 528m down-hole**
  - **9m at 0.28% Cu, 0.21g/t Au and 4.9g/t Ag from 719m down-hole**
- **SMD045W2, which was drilled to target the NSS below the intercept reported above in SMD045, also intersected copper sulphide mineralisation in the NSS from ~1,103m to 1,150m down-hole.**
- **In conjunction with previous intercepts, these results are interpreted to provide a vector to the causative copper-gold porphyry at depth and deep drill-hole SMD048 has commenced to test the position beneath these intercepts.**

Stavely Minerals Limited (ASX Code: **SVY** – "Stavely Minerals") is pleased to advise that assays from recently completed deep diamond drill-holes at the **Thursday's Gossan prospect**, part of its 100%-owned Stavely Copper-Gold Project in western Victoria (Figures 1, 2 and 3), have provided the Company with a strong vector to the target porphyry at depth.

Diamond drill-hole SMD045 has returned high-grade copper-gold mineralisation on the north-south structure (NSS), with assay results including:

- **307m at 0. 22% copper** from 15m down-hole, including

    - **23m at 0.53% copper, 0.43g/t gold and 3.5g/t silver** from 51m down-hole, including
        - **3m at 2.38% copper, 2.12g/t gold and 12.2g/t silver** from 51m, including
            - **1m at 5.05% copper, 6.06g/t gold and 20.9g/t silver** from 52m (Photo 1)
    - 92m at 0.30% copper from 215m drill depth, including
        - **8m at 0.93% copper, 0.26g/t gold and 8.8g/t silver** from 218m
- 17m at 0.29% copper, 0.15g/t gold and 4.6g/t silver from 531m, including
    - 2m at 0.42% copper, 0.57g/t gold and 12.1g/t silver from 546m (Photo 2)
- 27m at 0.53g/t gold from 567m, including
    - 3m at 1.99g/t gold from 578m

In the NSS:

- 2m at 0.55% copper, 0.14g/t gold from 1,063m down-hole
- 12m of late mineral dacite from 1,065m
- **16m at 1.30% copper, 0.15g/t gold and 2.8g/t silver from** 1,077m (Photos 3 & 4), including
    - **2m at 2.90% copper, 0.27g/t gold and 3.9g/t silver** from 1,091m
- 10m of late mineral dacite from 1,093m
- 11m at 0.39% copper from 1,103m

SMD045W1, drilled to target the NSS 170m vertically above the intercept in SMD045, also returned significant assay results including:

- 30m at 0.23% copper from 465m down-hole, including
    - **5m at 0.22% copper, 0.71g/t gold and 5.5g/t silver** from 474m
- 25m at 0.23% copper, 0.14g/t gold and 2.5g/t silver from 528m
- **9m at 0.28% copper, 0.21g/t gold and 4.9g/t silver** from 719m

In the NSS – not well-mineralised with 3m at 0.30% copper from 942m

- 3m at 0.49% copper, 0.16g/t gold and 2.4g/t silver from 1,053m

SMD045W2 was drilled to target the NSS below the intercept reported above in SMD045, and also intersected copper sulphide mineralisation in the NSS from the interval ~1,103m and 1,150m down-hole.

This follows the recent announcement of both a large, moderate-grade intercept of **392m at 0.32% copper** and a high-grade interval in wedge drill-hole SMD044W1 including (see ASX announcement, 23 April) on the NSS:

- **18m at 3.62% copper, 0.28g/t gold and 15g/t silver**, including
    - **7m at 7.74% copper, 0.46g/t gold and 32g/t silver**, including
        - **2m at 15.7% copper, 1.07g/t gold and 65g/t silver**

These intercepts from wedge drill-hole SMD044W1 also followed on from a 'whopper' low-grade interval of **952m at 0.23% copper** in the original drill-hole SMD044 (see ASX

announcement 12 March 2019), including higher-grade intervals on the Copper Lode Splay (CLS) structure:

- **70m at 0.51% copper** from 580m, including
  - **41m at 0.78% copper**, including
    - **10m at 2.43% copper, 0.30g/t gold and 11g/t silver**, including
      - **1m at 8.97% copper, 1.13g/t gold and 36g/t silver**

And, on the NSS:

- **38.3m at 1.59% copper, 0.27g/t gold and 8g/t silver** from 890m, including
  - **6m at 2.75% copper, 0.25g/t gold and 7g/t silver; and**
  - **12.3m at 2.59% copper, 0.44g/t gold and 18g/t silver**, including
    - **6.3m at 3.93% copper, 0.67g/t gold and 27g/t silver**

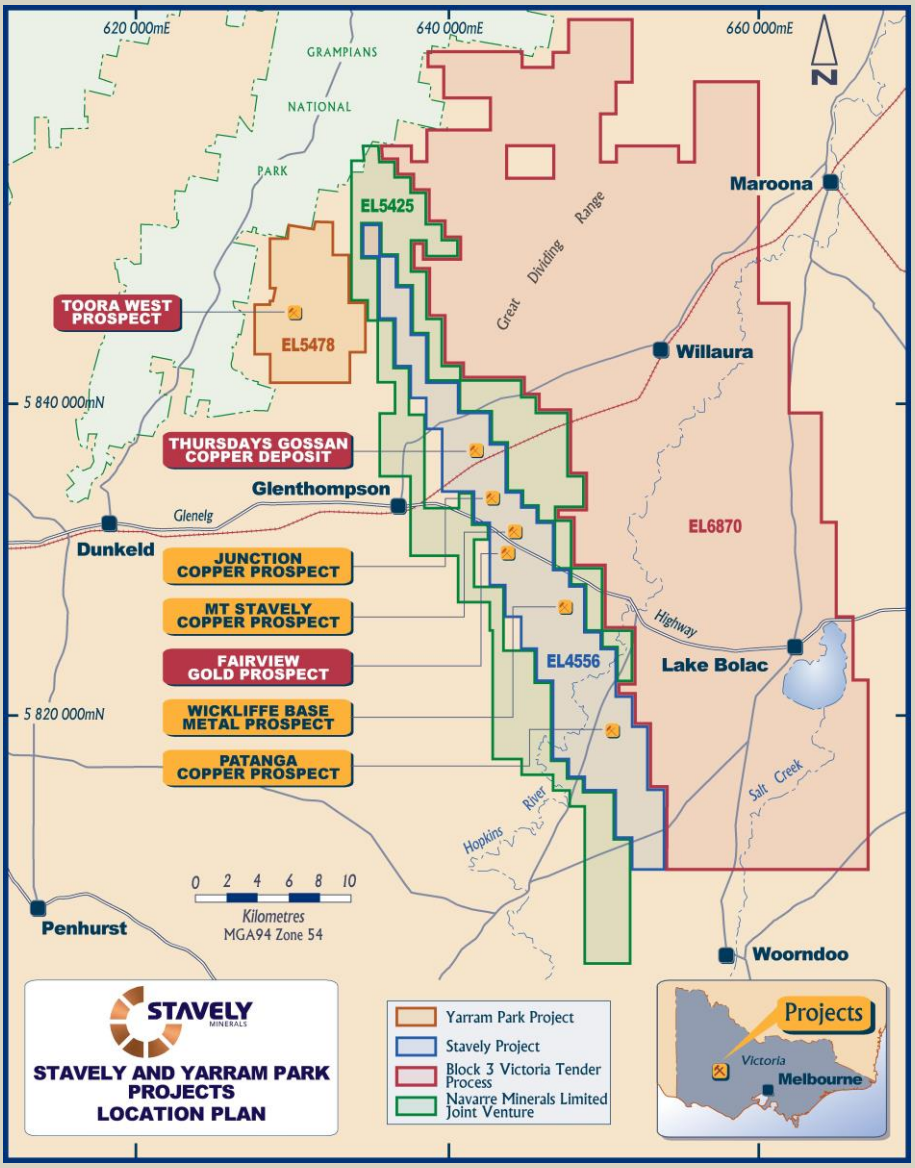

Figure 1. Stavely Project location map.

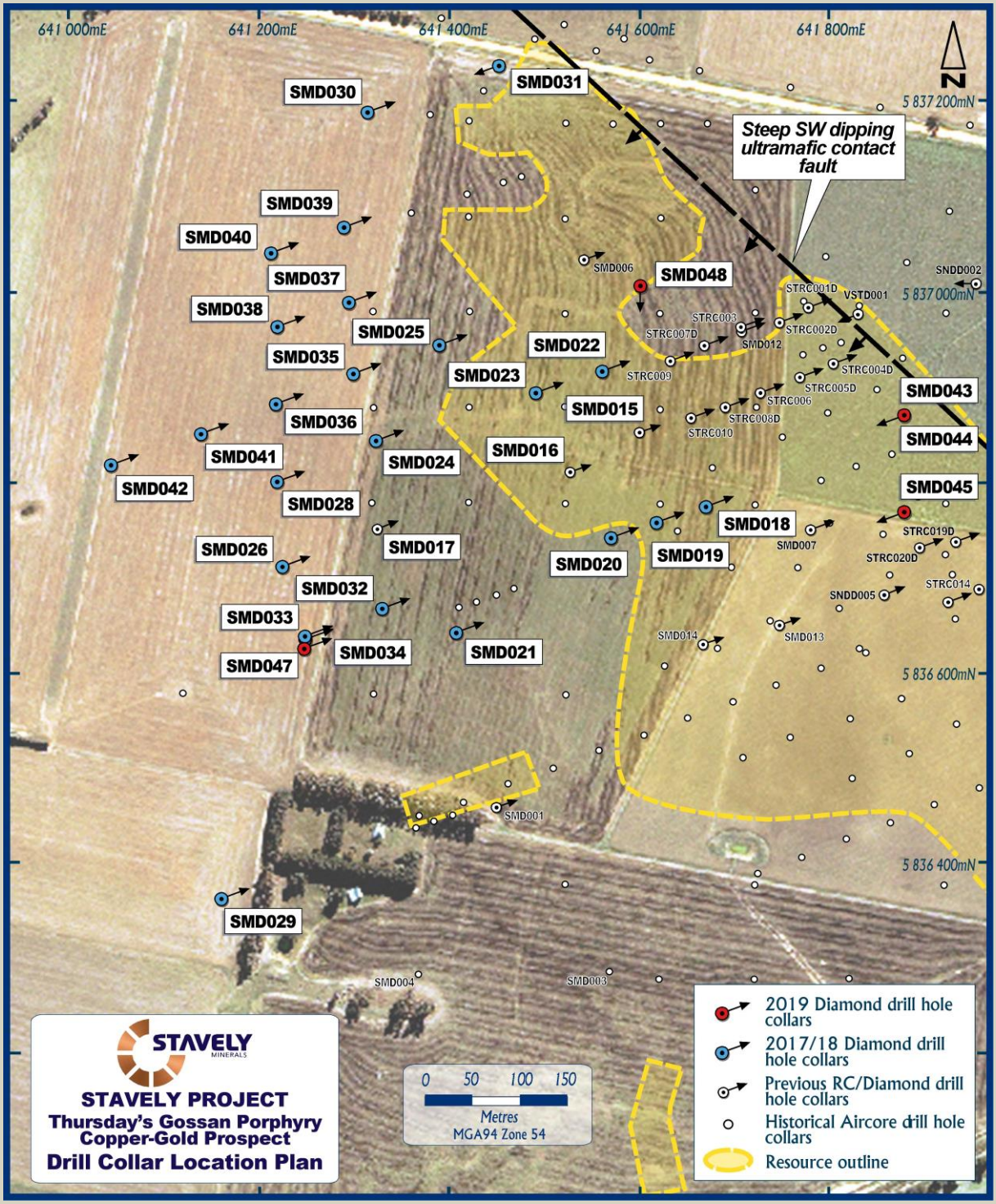

Figure 2. Thursday's Gossan drill collar location plan.

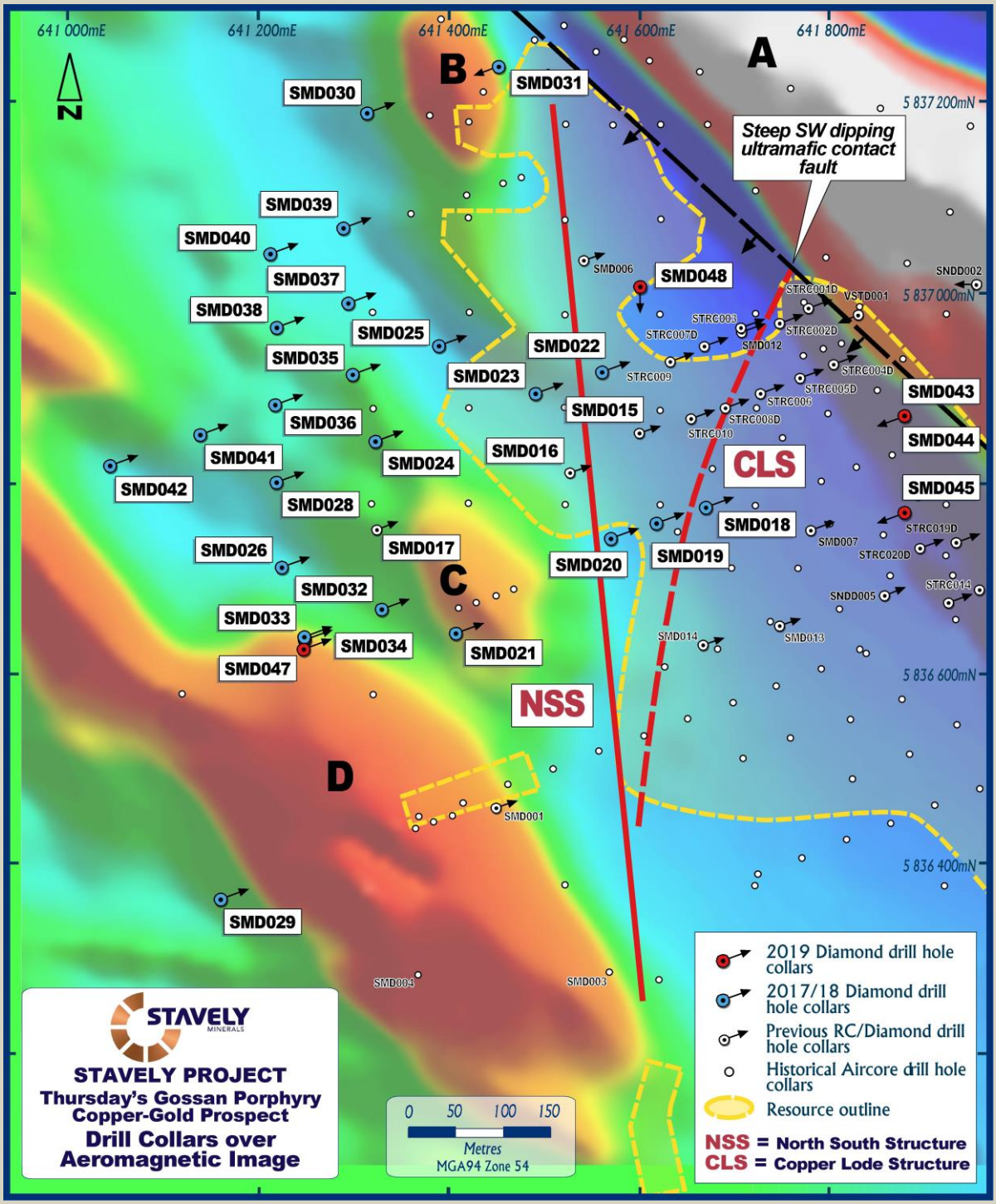

Figure 3. Aeromagnetic image with drill collars and the surface projection of the North-South Structure and the Copper Lode Splay.

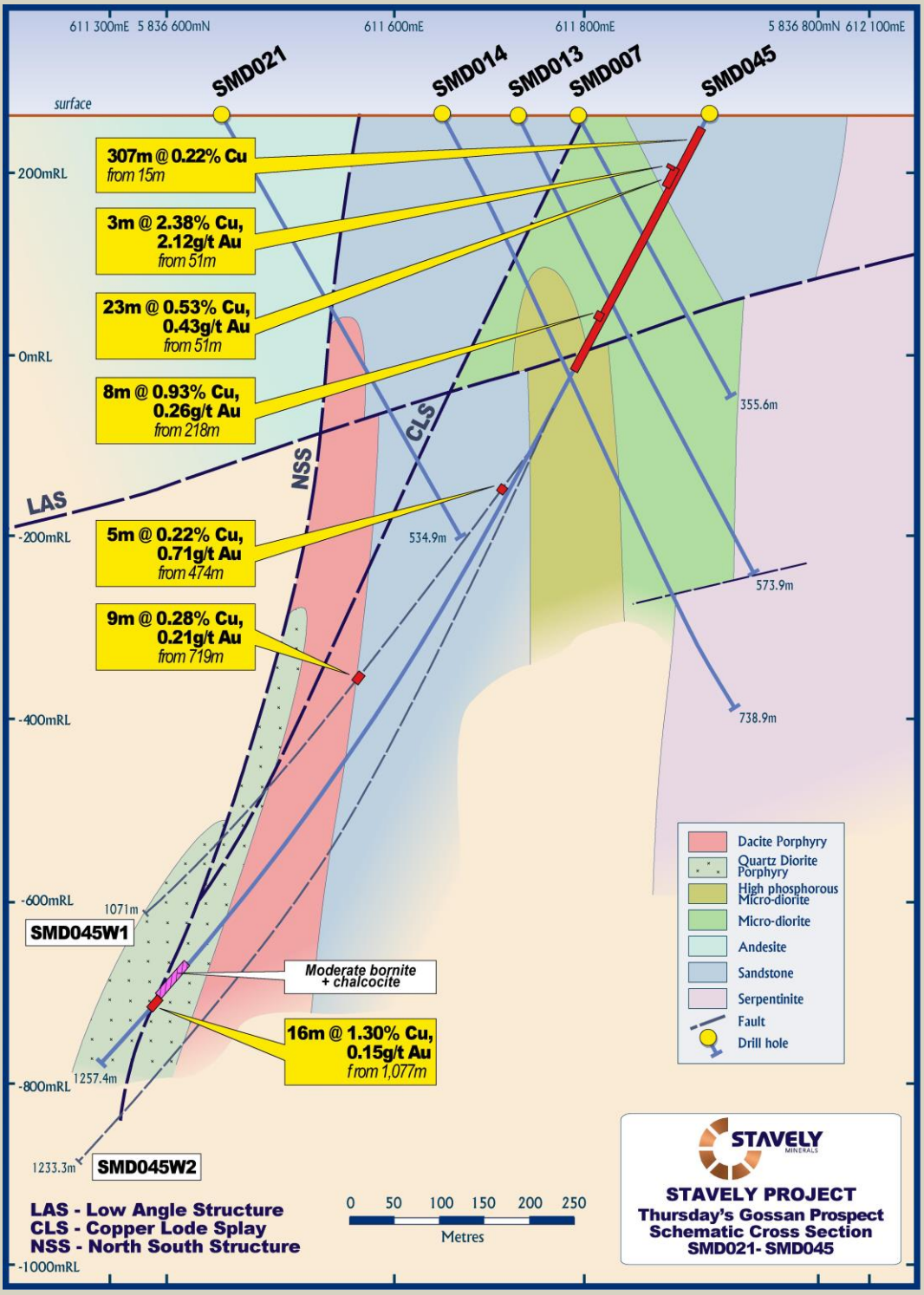

Figure 4. SMD045 section.

In conjunction with previous intercepts, these results are interpreted to provide a vector to the causative copper-gold porphyry at depth.

When modelled in the plane of the NSS, these intercepts appear to reflect a steep southerly plunge to the well-developed high-grade copper-gold-silver mineralisation. This trend also appears to be reflected in a number of different data sets including sulphur, potassium and strontium geochemistry, vanadium over scandium ratios (reflecting an evolved porphyry fluid source) short-wavelength white mica infra-red absorption features (as reflecting

proximity to a source porphyry), light sulphur isotopes (also reflecting proximity to an oxidised magmatic source) and other alteration mineralogy, copper sulphide species and vein characteristics.

Deep drill-hole SMD048 has commenced to test the position beneath these intercepts, looking for the causative porphyry. Drill-hole SMD048 is being drilled at -70 degrees to 196 degrees azimuth to drill straight down the plunge of the interpreted structural 'conduit' that has accessed the causative porphyry at depth.

The hole is being drilled parallel to the NSS and is not expected to intercept it unless the hole deviates. There may be opportunity to use this hole to wedge off a number of holes to penetrate the NSS at various depths. The primary target is the causative copper-gold porphyry at depth.

Stavely Minerals' Executive Chairman, Mr Chris Cairns, said the zone of visual mineralisation encountered in the latest drill-hole SMD045W2 demonstrated the consistency of mineralisation encountered by multiple drill-holes within the NSS and confirmed an interpreted southerly plunge to the high-grade copper-gold-silver mineralisation.

"While the high-grade copper-gold-silver mineralisation encountered in the NSS at depth is demonstrating very attractive grades, the big prize has always been the causative copper-gold porphyry at depth. Recently commenced drill-hole SMD048 is directly targeting this objective.

"An additional opportunity that we are keen to pursue with ongoing drilling is to trace the high-grade structurally-controlled mineralisation up towards surface. We do have high-grade intercepts ranging in depth from 150m to +1,000m so there is a very significant vertical extent to this mineralisation. We also believe that there is a considerable strike extent of this high-grade mineralisation which needs to be better defined."

SMD045 Drill Log in the NSS

995-1061.3	Dacite porphyry or Quartz Diorite porphyry. Strong pink alteration of groundmass and selvages in some zones. Zone of disseminated bornite and chalcopyrite replacing mafics between 1000-1001.5. Reducing pink alteration after this interval. Transitions to more chlorite alteration and trace epidote alteration and veining. Some possible secondary biotite? Some quartz veins have central terminations. A veins have trace chalcopyrite.
1061.3-1063.5	Massive pyrite veining. Trace interstitial low temperature quartz. Well-developed shear on downhole contact with LMD.
1063.5-1077.1	Late mineral dacite. Trace hematite dusting of plagioclase.
1077.1-1092.9	Copper lode style mineralisation. Strong pyrite veining crosscut by trace to moderate bornite + chalcocite veining and disseminations. Probable tennantite and tetrahedrite. Host rock appears fine grained sandstone and strongly sericite altered. Likely pyrophyllite alteration. Well-developed massive to laminated quartz veins towards end of interval with bornite occurring on transverse fractures.
1092.9-1102.5	Late mineral dacite. Pyrite has been remobilised into TOH margin. BOH margin is a shear contact.

1102.5-1109 Sandstone siltstone. Sericite chlorite altered with moderately developed hematite veining and alteration associated with zones of trace to weak chalcopyrite. Trace D veins and wormy A veins.

1109-1170.5 Quartz diorite porphyry. Similar unit to SMD044 west of the NSS. Pink hematite staining of plagioclase and groundmass. Trace A veins +/- molybdenite - pyrite - chalcopyrite. Trace anhydrite veining. Trace 5-10cm wide pyrite veins.

Photo 1. Hematite + chalcopyrite altered sandstone at 52.7m in SMD045.

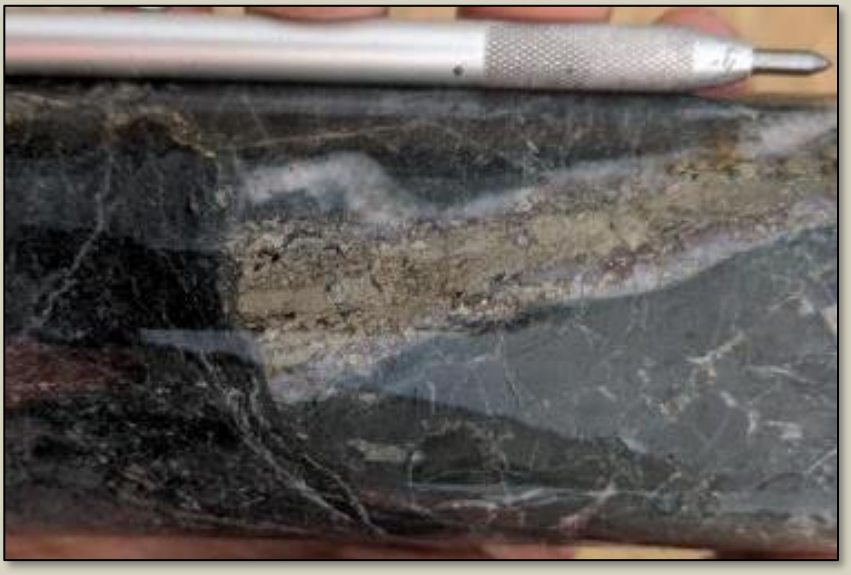

Photo 2. Quartz + hematite + pyrite + chalcopyrite vein at 546.9m in SMD045.

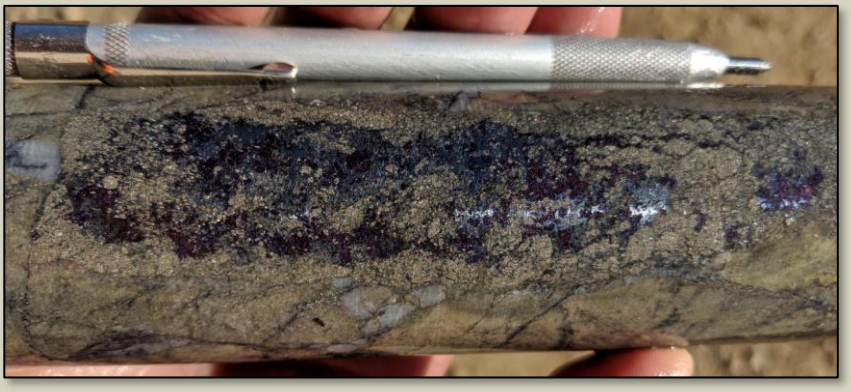

Photo 3. Bornite + chalcocite mineralisation in a strongly sericite altered fine grained rock at 1,079.4m in SMD045.

Photo 4. Well-developed laminated quartz vein, cut by pyrite and later bornite/chalcocite at 1,086.5m in SMD045.

SMD045W2 Drill Log in the NSS

1129.0-1130	NSS footwall. Shear zone. Footwall of the NSS.
1130-1141	NSS. Sericite-ankerite altered siltstone and sericite altered quartz diorite porphyry with moderate to strong pyrite veining. Trace bornite-chalcocite+-?enargite veining paragenetically later than the pyrite. Trace chalcopyrite veining.
1141-1147	Late Mineral Dacite dyke. Trace anhydrite-carbonate veins. Trace epidote-carbonate veins.
1147-1149	NSS. Quartz - pyrite – chalcopyrite - molybdenite -? Enargite +- colusite +- tennantite tetrahedrite veining.
1149-1163.4	Andesite. Chlorite altered. Trace quartz-molybdenite+-chalcopyrite+-colusite veins at start of interval. Trace anhydrite-pyrite veins. 10cm specular hematite-magnetite-chalcopyrite breccia vein with clasts of anhydrite. Trace white clay veins which are similar to what is seen in the pyrophyllite zones in SMD044 and SMD045.

Photo 5. Pyrite breccia with quartz bornite and chalcocite infill at 1,133.0m in SMD045W2.

Photo 6. Bornite and chalcocite veining overprinting pyrite veining at 1,134.1m in SMD045W2.

Photo 7. Quartz-molybdenite veining cut by pyrite veining at 1,139.7m in SMD045W2.

Photo 8. Quartz-pyrite-chalcopyrite-molybdenite+-colusite+-tennantite tetrahedrite veining at 1,148.4m in SMD045W2.

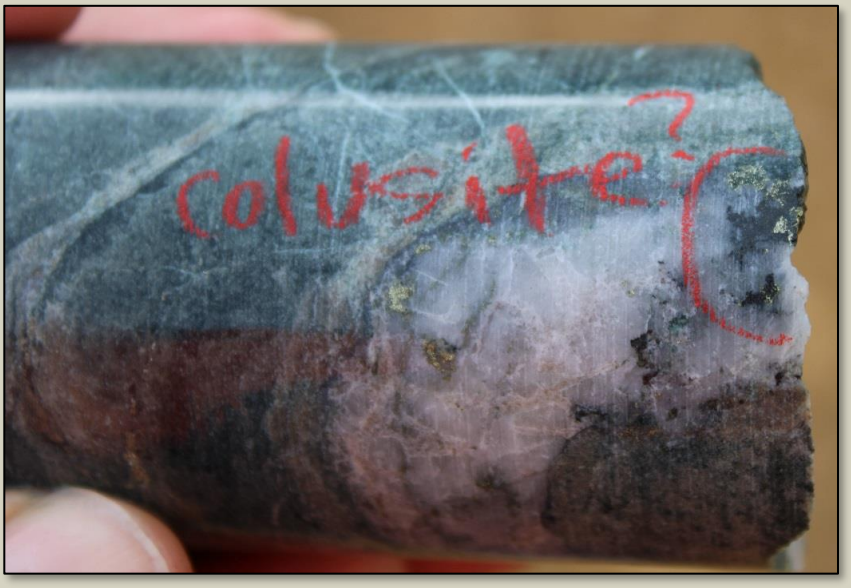

Photo 9. Quartz molybdenite vein with later chalcopyrite and colusite (XRF 1% Cu 0.1% V) at 1,153.05m in SMD045W2.

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/ SMD029W1	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	1189.4	
SMD044W1	DD	641880	5836870	-63/245	264	1008.4	Wedged off SMD044 at 536.8m
SMD045	DD	641930	5836765	-63/236	264	1257.4	
SMD045W1	DD	641930	5836765	-63/236	264	1071	Wedged off SMD045 at 417m
SMD045W2	DD	641930	5836765	-63/236	264	1233.3	Wedged off SMD044 at 403m
SMD046	DD	642197	5836010	-63/234.5	264	636.9	
SMD047	DD	641250	5836630	-60/070	264	842.5	
SMD048	DD	641600	5837000	-70/185.5	264	In progress	

Thursday's Gossan Prospect – Intercept Table													
		MGA 94 zone 54					Intercept						Comments
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)	
SMD045	DD	641930	5836765	-63/236	264	1257.4	15	322	307	0.22			
						incl	51	74	23	0.53	0.43	3.5	
						and	51	54	3	2.38	2.12	12.2	
						and	52	53	1	5.05	6.06	20.9	
						and	215	307	92	0.30			
						incl	218	226	8	0.93	0.26	8.8	
							531	548	17	0.29	0.15	4.6	
						incl	546	548	2	0.42	0.57	12.1	
							567	594	27		0.53		
						incl	578	581	3		1.99		
							1063	1065	2	0.55	0.14		In NSS
							1077	1093	16	1.30	0.15	2.8	In NSS
						Incl.	1091	1093	2	2.90	0.27	3.9	In NSS
							1103	1114	11	0.39			In NSS
SMD045W1	DD	641930	5836765	-63/236	264	1071	465	495	30	0.23			
						incl	474	479	5	0.22	0.71	5.5	
							528	553	25	0.23	0.14	2.5	
							719	728	9	0.28	0.21	4.9	
							942	945	3	0.30			In NSS
							1053	1056	3	0.49	0.16	2.4	

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	**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. For sample that returned Cu values greater than 10 000ppm (1%) re-assaying was conducted by OG62, which is a four acid digest with ICP-AES or AAS finish.

Criteria	JORC Code explanation	Commentary
	warrant disclosure of detailed information.	**Stavely Minerals' RC Drilling** Drill sampling techniques are considered industry standard for the Stavely work programme. The 1m split samples were submitted to Australian 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, SMD044, SMD044W1, SMD045, SMD045W1, SMD045W2, SMD046 and SMD047 were drilled by Titeline Drilling in 2019. SMD048 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° towards azimuth 060° to a depth of 522.3m. SMD006, SMD007 and SMD008 were orientated at -60° towards azimuth 070° to depths of 353.3m, 355.6m and 240m respectively. SMD012 was orientated at -60° towards azimuth 065° to a depth of 206.6m. SMD013, SMD014 and SMD015 were orientated at -60° towards azimuth 070° to depths of 573.9m, 738.9m and 448.1m respectively. SMD016 was orientated at -60° towards azimuth 080° to a depth of 467.6m. The dips, azimuths and depths of holes SMD017 to SMD026, inclusive, and SMD028 to SMD048, inclusive, are provided in the Thursday's Gossan Prospect Collar Table.

Criteria	JORC Code explanation	Commentary
		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-Trac survey camera was used. The holes were oriented at -60° towards azimuth 070°.
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%. Core recovery for SMD044 was very good averaging 98%. Core recovery for SMD044W1 was very good averaging 96%. Core recovery for SMD045 was very good averaging 98%. Core recovery for SMD045W1 was very good averaging 98%.

Criteria	JORC Code explanation	Commentary
		Core recovery for SMD045W2 was very good averaging 98%. Core recovery for SMD046 was good averaging 95%. Core recovery for SMD047 was good averaging 95%. **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.
	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.

Criteria	JORC Code explanation	Commentary
		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.
	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.

Criteria	JORC Code explanation	Commentary
	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.
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. For samples which returned a Cu assay value in excess of 10,000ppm (1%) the pulp was re-assayed using Cu-OG62 which has a detection limit of between 0.001 and 40% Cu. This technique is a four acid digest with ICP-AES or AAS finish. 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,	

Criteria	JORC Code explanation	Commentary
	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 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

Criteria	JORC Code explanation	Commentary
		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 geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	No Mineral Resource and Ore Reserve estimation procedure(s) and classifications apply to the exploration data being reported.
	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 orientation of RC and diamond drill holes is tabulated in the Drill Hole Collar Table included in this report. As best as practicable, drill holes are designed to intercept targets and structures at a high angle. Some practical limitations apply in the context of collars being sited to avoid poor drilling conditions / bad ground. In the case of SMD044, the hole was drilled 180 degrees opposite (250° grid rather than 070° grid) to avoid known bad ground.
	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** With SMD044 drilled to 250° grid azimuth, the drill hole may have intercepted the CLS at a lower angle than typical given the avoidance of bad ground and the desire to also intercept the steeply dipping NSS in the one hole. Having said that, there is some uncertainty regarding the orientation of these structures within the reported intercepts given the closest intercepts from which to extrapolate are almost 200m away. It is likely that SMD044 intercepted the CLS at an angle of ~20°-25° NSS at an angle of 35°-40°.

Criteria	JORC Code explanation	Commentary
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.

Criteria	JORC Code explanation	Commentary
		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 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

Criteria	JORC Code explanation	Commentary
		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 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

Criteria	JORC Code explanation	Commentary
		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 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.*	Included in the drill hole table in the body of the report.
	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	**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.

Criteria	JORC Code explanation	Commentary
	aggregations should be shown in detail.	
	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 reported.*	**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.
	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*	All relevant exploration data is shown on figures and discussed in the text.

Criteria	JORC Code explanation	Commentary
	deleterious or contaminating substances.	
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	**Stavely Project** **Thursday's Gossan Prospect** Deep diamond drilling has been planned to target the core of the porphyry at the intersection of the copper lode splay and the north south structure. Diamond drilling has also been planned to follow-up the mineralisation intersected on the north south structure.