ASX Code: SVY

Issued Shares: 181M

Cash Balance: $2.88

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HIGHLIGHTS

Exploration

Thursday's Gossan Copper-Gold Prospect (Stavely Project, Western Victoria)

- Within a large low-grade copper intercept, high-grade copper-gold intervals returned in diamond drill hole SMD045, including:
  - 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, 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
- SMD045W1, which was drilled to intercept the North-South Structure (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
  - 25m at 0.23% Cu, 0.14g/t Au and 2.5g/t Ag from 528m
  - 9m at 0.28% Cu, 0.21g/t Au and 4.9g/t Ag from 719m
- 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 - assays pending.
- Diamond drill hole SMD047 intersected a broad zone of low-grade copper mineralisation including several higher-grade intervals of copper-gold-silver mineralisation:
  - 147m @ 0.21% Cu from 630m including:
    - 8m @ 0.81% Cu and 0.21g/t Au from 633m, including
      - 2m @ 2.27% Cu, 0.39g/t Au and 5.7g/t Ag
    - 1m @ 0.50% Cu, 0.52g/t Au and 2.7g/t Ag from 697m
    - 3m @ 0.64% Cu, 0.41g/t Au and 19g/t Ag from 752m
    - 2m @ 0.60% Cu, 0.12g/t Au and 8.1g/t Ag from 774m
- 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 SMD049 has commenced to test the position beneath these intercepts.

Mathinna Gold Project, Tasmania

- Stavely Tasmania Pty Ltd has been granted priority application rights to exploration licence 6/2019 (ERA1124) which covers an area of 40 km^2 and is located approximately 13km north of EL19/2018, host of the New Golden Gate Mine with historical production of 289,000oz at an

average grade of 26g/t Au[1]. EL6/2019 also hosts numerous historical mines and workings within the highly prospective Alberton – Mathinna "Gold Corridor" in northeast Tasmania.

Corporate

- $2.88M cash on hand as at 30 June 2019.
- $4.3M Capital Raising completed:
  - $3.2M sophisticated and institutional investor share placement at 26c.
  - Share Purchase Plan closed oversubscribed raising $1.1M.
  - Titeline Drilling were issued with 7.7M shares at 26c as advanced payment for $2M of drilling services over the next 12 months. As at the end of the Quarter, $1.53M remains to be utilised.
  - Funds to be used to maintain a strong exploration momentum across key East Coast projects including the Thursday's Gossan Porphyry Project and for working capital purposes.
- Company has received an allocation of up to $1.35M in tax credits in the Federal Government's Junior Minerals Exploration Incentive ("JMEI") scheme for the 2019/2020 income year.
- Stavely Minerals, through its 100% owned subsidiary Stavely Tasmania Operations Pty Ltd, terminated the acquisition agreement with BCD Resources NL (among other parties) to purchase all assets associated with the Beaconsfield gold processing plant.

[1] Tasmania Department of Mines – Report 1992/10, *Northeast Goldfields: A Summary of the Tower Hill, Mathinna and Dans Rivulet Goldfields*, Taheri and Findlay, 1992

OVERVIEW

During the June Quarter, deep diamond drilling continued at the Thursday's Gossan porphyry target at the Stavely Project in western Victoria (Figure 1). Drill holes SMD045, SMD045W1, SMD045W2, SMD046, SMD047 and SMD048 were completed during the Quarter. Hole SMD049 (a re-drill of failed hole SMD048) commenced during the Quarter and is currently in progress.

Assay results have been received for SMD045, SMD045W1, SMD046 and SMD047 during the Quarter. Results for SMD045W2 and SMD048 were pending at the end of the Quarter.

Drill hole SMD045 intercepted a broad zone of moderate-grade copper, 307m at 0.22% copper from 15m as well as high-grade structurally controlled copper- gold, 16m at 1.30% copper and 0.15g/t gold from 1,077m, in the NSS. SMD045W1, drilled to target the NSS 170m vertically above the intercept in SMD045, also returned significant assay results including 9m at 0.28% copper and 0.21g/t gold from 719m, however the NSS was not well mineralised.

While results have not yet been received for drill hole SMD045W2, the zone of visual mineralisation encountered demonstrated the consistency of mineralisation intercepted by multiple drill holes within the NSS and confirmed an interpreted southerly plunge to the high-grade copper-gold-silver mineralisation hosted within the structure.

The high -grade intercepts in mineralised structures in recent drill holes SMD045, SMD045W1 and SMD045W2, together with previous drill holes, in particular SMD044 and SMD044W1 have provided a vector to the causative copper-gold porphyry at depth. When modelling 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 abundance, 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, the distribution of disseminated and vein-hosted sulphate minerals and vein characteristics.

Deep drill hole SMD049 (a re-drill of SMD048 which failed at 61m due to a collar wash-out) is planned to a depth of 1,500m, and is being drilled at -70 degrees to 196 degrees azimuth to drill directly down the plunge of the interpreted structural 'conduit' for fluids emanating from the porphyry at depth. This drill hole, currently in progress, is being drilled parallel to the NSS and is not expected to intercept it. The primary target is the causative copper-gold porphyry at depth. Post-completion wedges may be undertaken to intercept the NSS at various depths.

Drill hole SMD046, targeting the 'Victor' porphyry, was successfully pushed beyond the 'problematic' drilling zone around 300m depth (as encountered by previous explorers) and was completed to a final depth of 636.9m. SMD046 intersected quartz diorite porphyry with generally well-developed porphyry stockwork quartz veining with locally moderate molybdenite mineralisation and trace to minor chalcopyrite and rare bornite mineralisation. No significant copper intercepts were returned (see intercept table).

Diamond drill hole SMD047, drilled in the opposite direction to previously reported intercepts in SMD044 and SMD045, intersects a broad zone of moderate copper mineralisation with 147m

at 0.21% copper and a higher-grade interval of 8m at 0.81% copper and 0.21g/t gold in phyllic altered host-rock.

Hole STWD004 was completed at the Toora West prospect in the Yarram Park Project to test a discrete magnetic anomaly in the general vicinity of previous drilling by Stavely Minerals. The target circular aeromagnetic / gravity high feature appears to be related to patchy secondary magnetite within the intermediate to mafic lavas. Assays were pending at the end of the Quarter.

Diamond drilling was conducted at the Connolly North prospect in the Ravenswood West Project and at Area 8 in the Dreghorn Project in North Queensland. Despite the highly anomalous rock -chip samples of up to 36.6g/t gold at the Connolly North prospect and the drilling intersecting very similar veining to that reported at the Buck Reef West Deposit at the Ravenswood Gold Mine, no anomalous gold assays were returned.

Similarly, at Area 8, surface rock-chips returned assay results of up to 0.65g/t gold, 106g/t silver, 397ppm arsenic and 837ppm antimony from crustiform and colloform quartz veins and quartz breccia in-fill, which was encountered in the drilling, but did not return any significant gold intercepts.

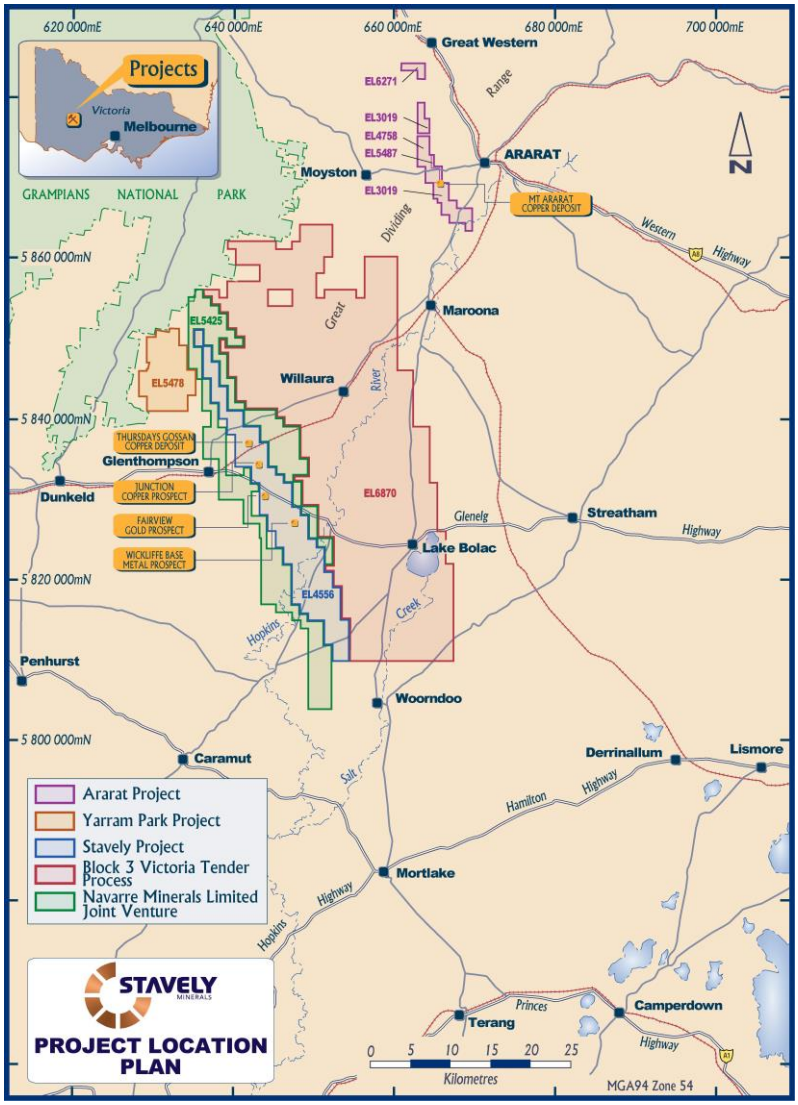

Figure 1. Western Victoria Project location plan.

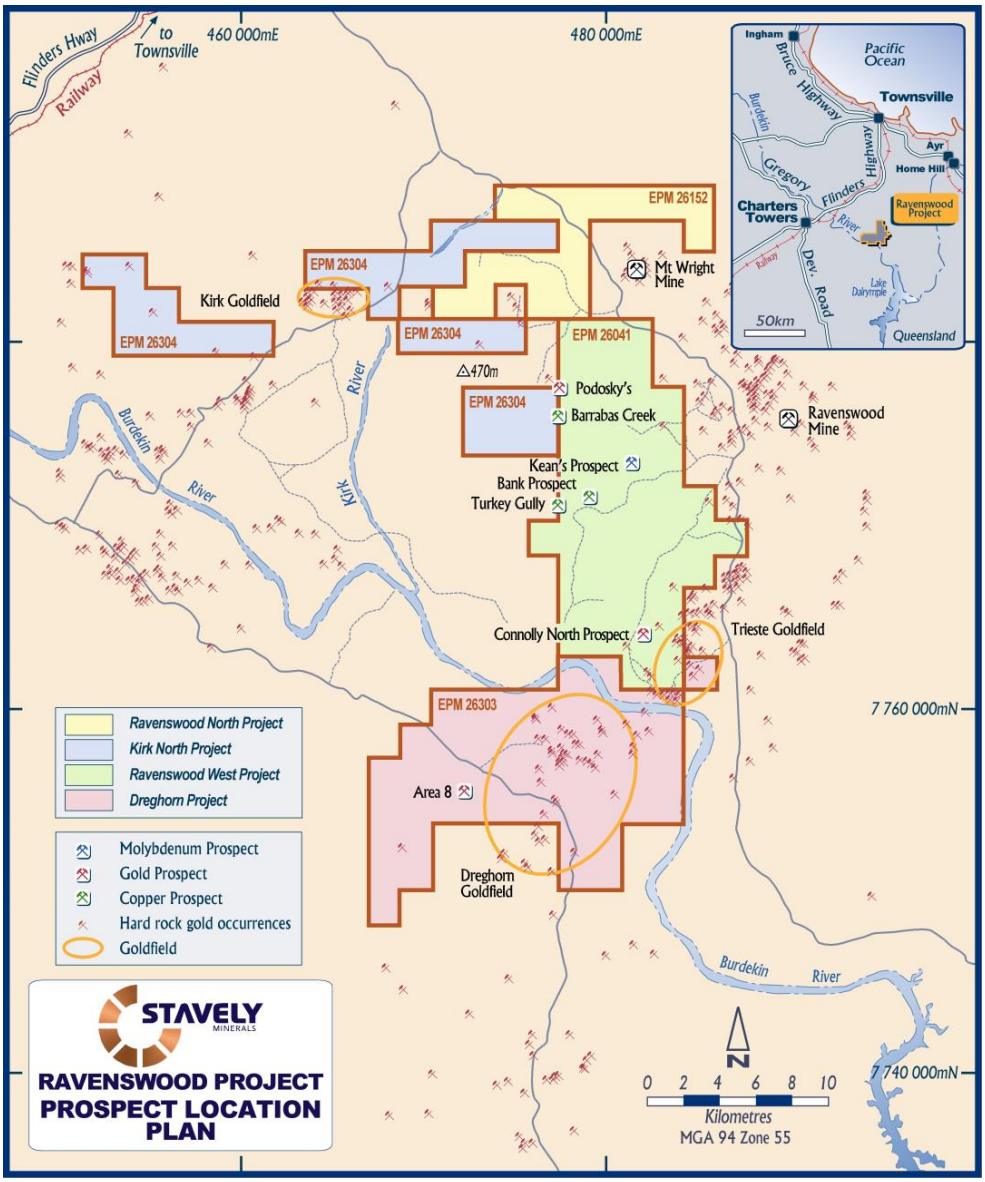

Figure 2. Ravenswood Project location plan.

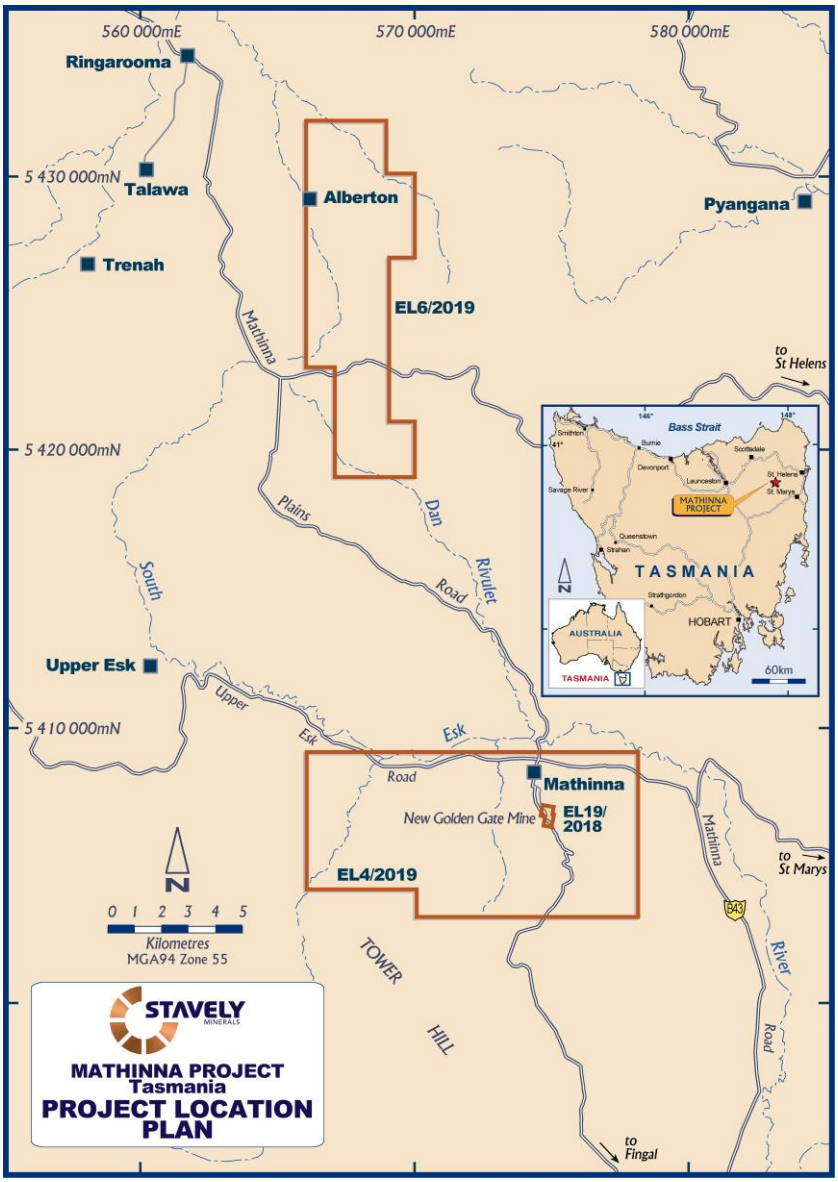

Figure 3. Mathinna Project location plan.

EXPLORATION

Stavely Project (EL4556)

Thursday's Gossan Prospect

During the June Quarter, holes SMD045, SMD045W1, SMD045W2, SMD046, SMD047 and SMD048 were completed for a total of 4,282.4m (Figures 4, 5, 6, 7 & 8). Drill hole SMD048 failed at 61m due to the collar washing out and was re-drilled as hole SMD049 which is currently in progress.

Hole SMD045 was drilled east to west (250 degrees grid) to target the postulated transition from lode mineralisation to porphyry style mineralisation at the intersection of the Copper Lode and NSS.

SMD045 returned a broad interval of low-grade copper mineralisation with high-grade copper-gold mineralisation developed on the 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

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

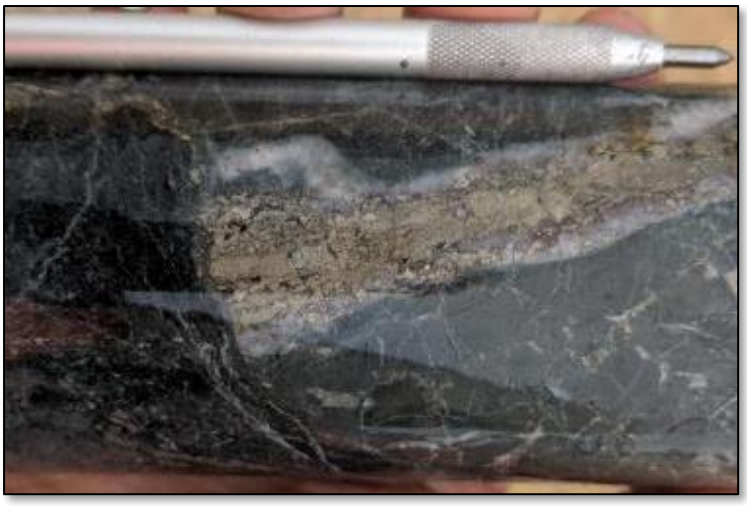

Photo 2. Quartz + hematite + pyrite + chalcopyrite vein at 546.9m in SMD045.

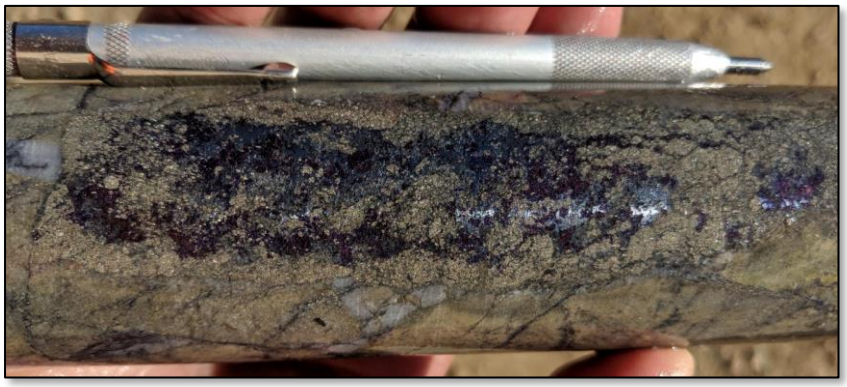

Photo 3. Bornite + chalcocite mineralisation in a strongly sericite altered fine grained rock at 1,079.4m in SMD045.

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

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 – which was 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 (Photo 5, 6, 7 & 8). Assay results for SMD045W2 were pending at the end of the Quarter.

Photo 5. Pyrite breccia with quartz bornite and chalcocite infill at 1,133m 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.

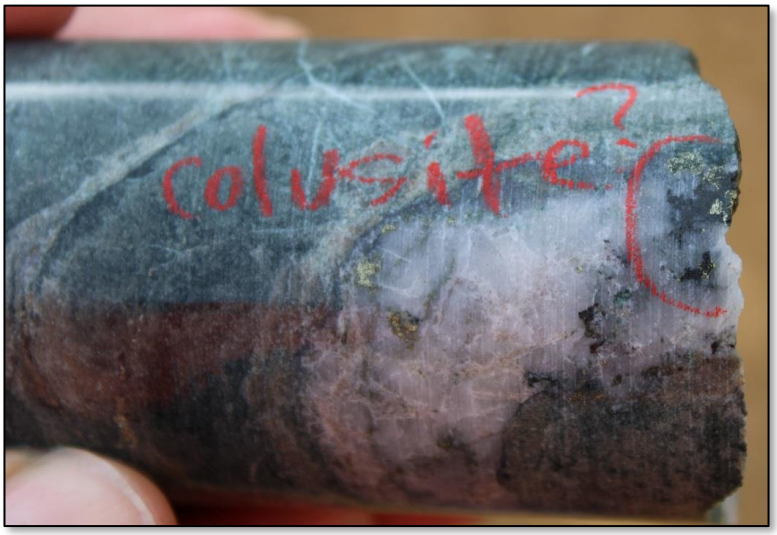

Photo 8. Quartz molybdenite vein with later chalcopyrite and colusite (XRF 1% Cu 0.1% V) at 1,153.05m in SMD045W2.

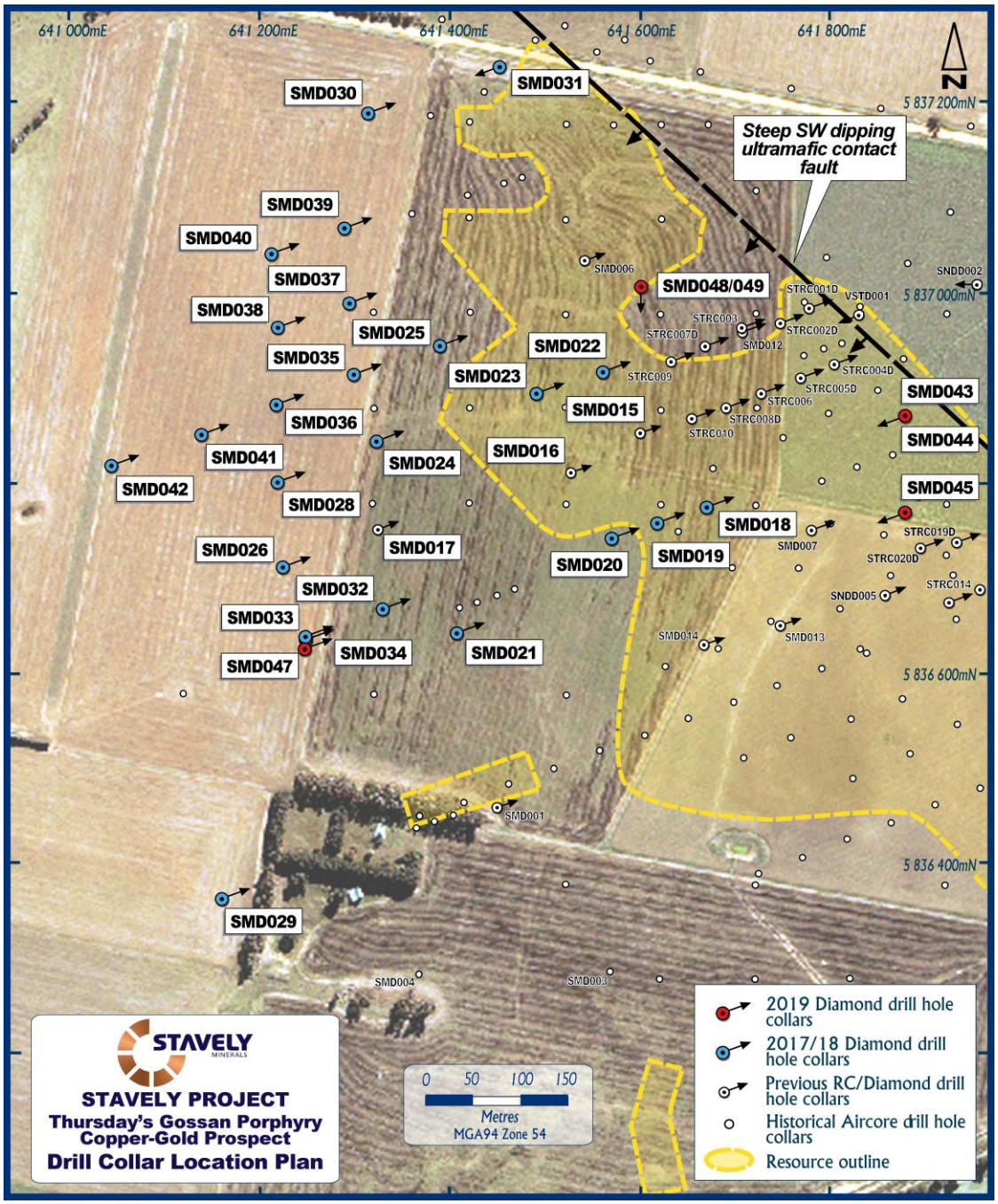

Figure 4. Thursday's Gossan drill hole location plan.

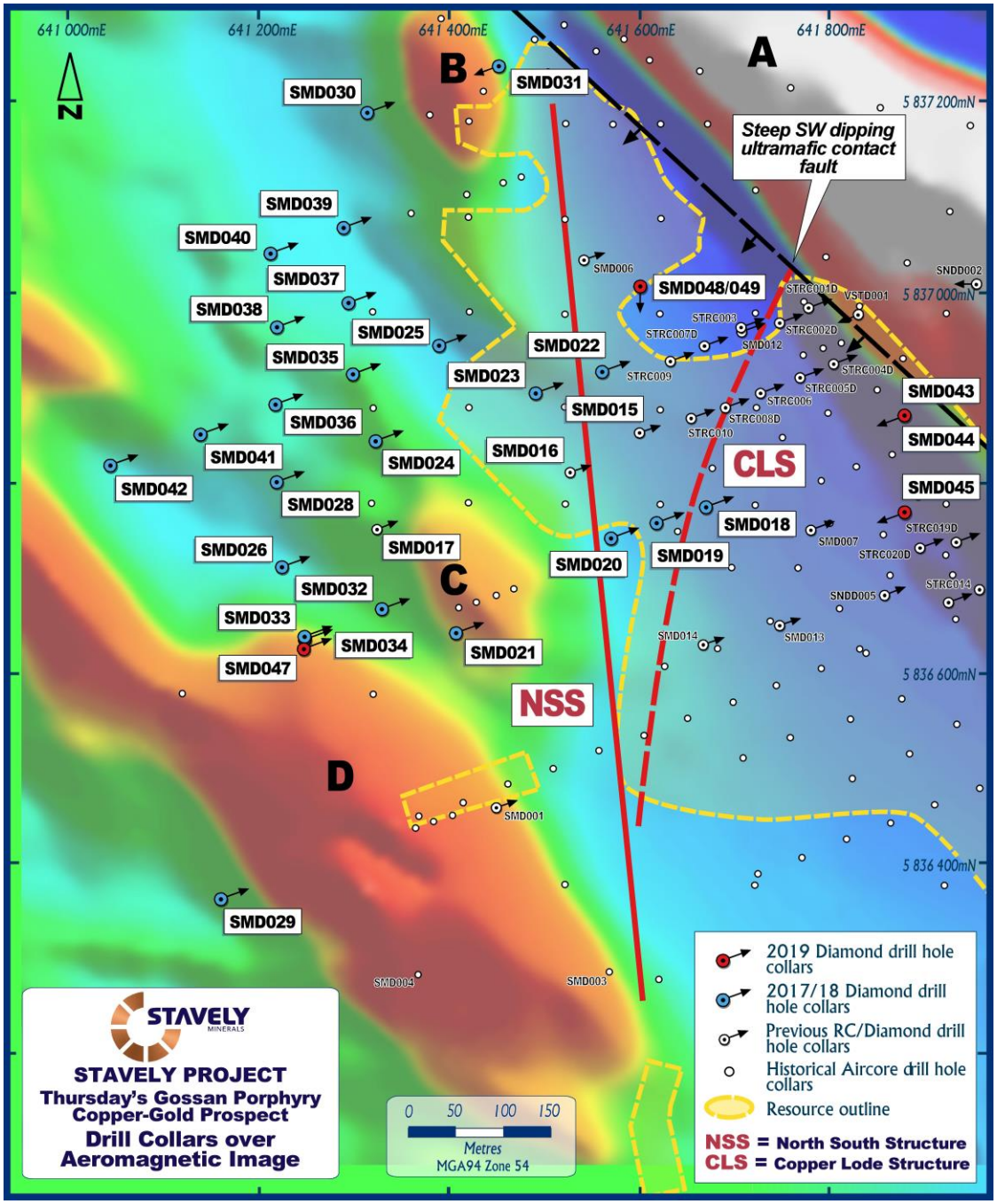

Figure 5. 1VD magnetic image of the area of interest at Thursday's Gossan with drill collars overlaid. Magnetic features of note annotated A to D.

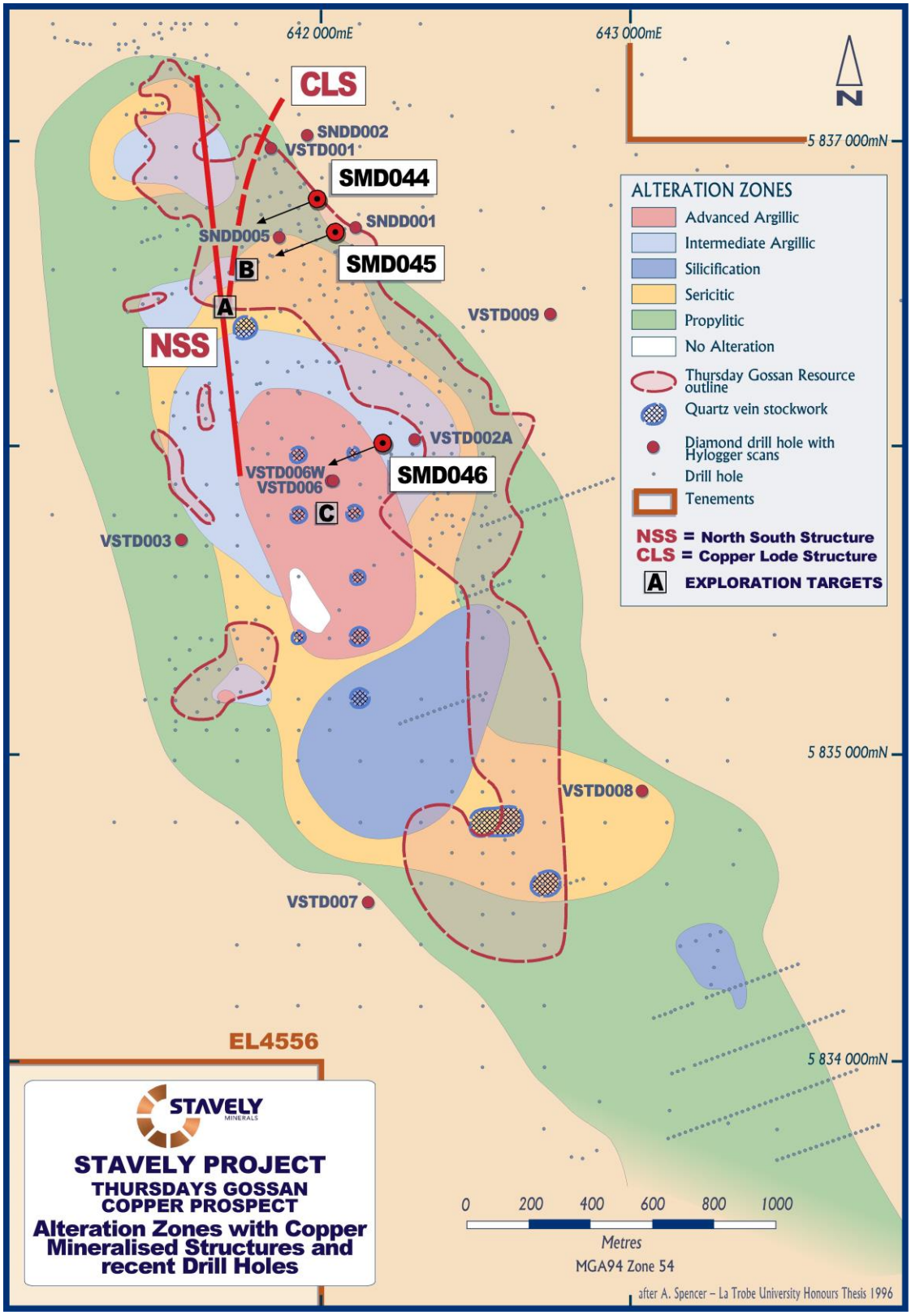

Figure 6. Thursday's Gossan Copper prospect – Alteration zones with copper mineralised structures and recent drill holes.

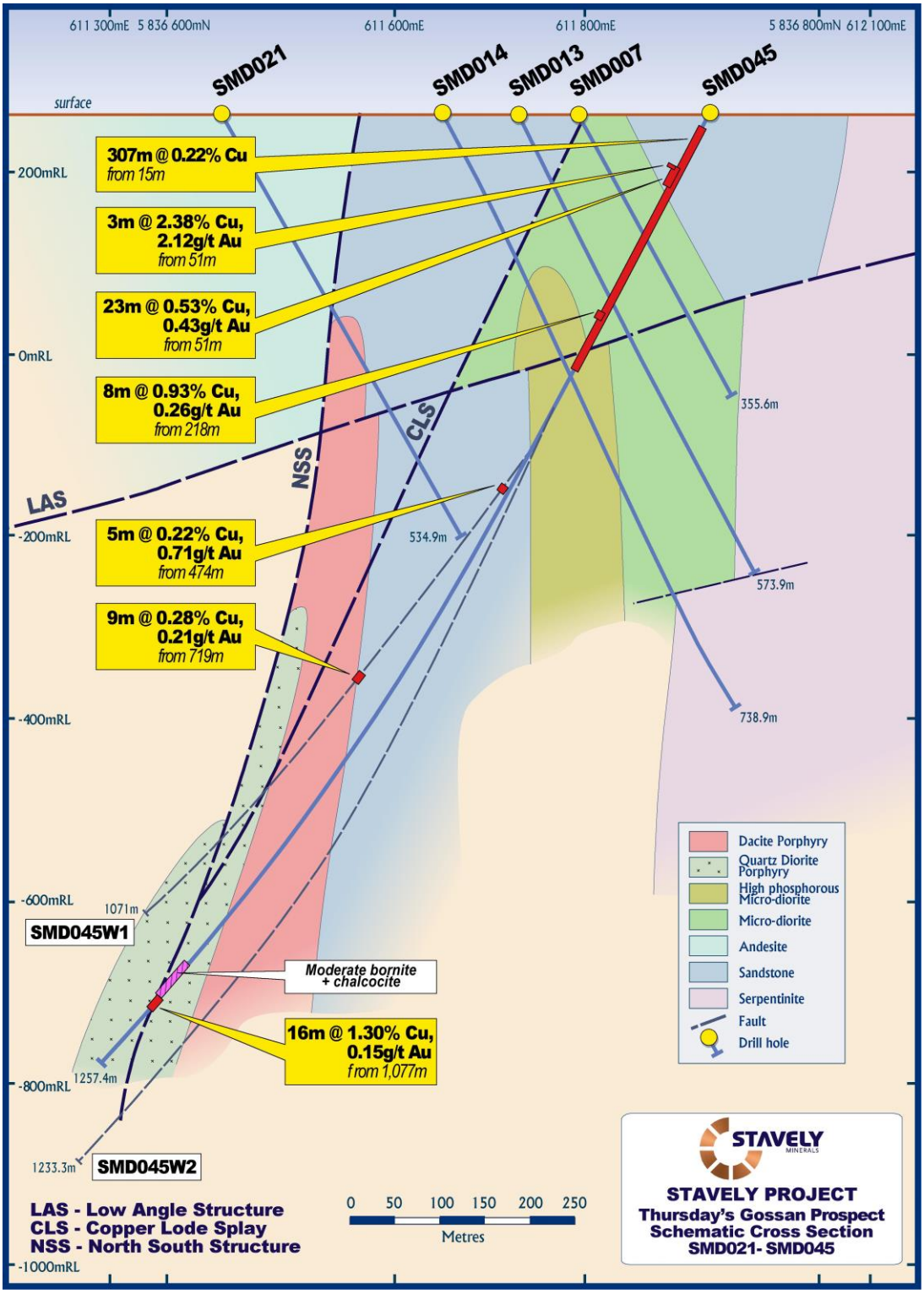

Figure 7. SMD045 section.

Hole SMD047 was drilled west to east targeting the up-dip continuation of the copper lode style mineralisation encountered in SMD044W1 and the down-dip continuation of the same style of mineralisation intersected in SMD032. Hole SMD047 was a re-drill of holes SMD033 and SMD034 which failed at 121.2m and 150m, respectively, well before reaching the target depth.

Diamond drill hole SMD047 has returned a broad copper intercept including several higher-grade intervals of copper-gold-silver mineralisation:

- 147m @ 0.21% copper from 630m including:
    - 8m @ 0.81% copper and 0.21g/t gold from 633m, including
        - 2m @ 2.27% copper, 0.39g/t gold and 5.7g/t silver
    - 1m @ 0.50% copper, 0.52g/t gold and 2.7g/t silver from 697m
    - 3m @ 0.64% copper, 0.41g/t gold and 19g/t silver from 752m
    - 2m @ 0.60% copper, 0.12g/t gold and 8.1g/t silver from 774m

The intercepts from SMD045 and SMD045W1, in conjunction with previous intercepts, in particular SMD044 and SMD044W1, which included in SMD044W1 a high-grade interval on the NSS of:

- **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**

and in SMD044 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**

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, the distribution of disseminated and vein-hosted sulphate minerals and vein characteristics.

Deep drill hole SMD049 (a re-drill of failed hole SMD048) has commenced to test the position beneath these intercepts, looking for the causative porphyry. Drill hole SMD049 is being drilled at -70 degrees to 196 degrees azimuth to drill straight down the plunge of the interpreted structural 'conduit' for fluids emanating from the causative porphyry at depth.

The hole is being drilled parallel to the NSS and is not expected to intercept it. The primary target is the causative copper-gold porphyry at depth.

Hole SMD046 was collared to test the Victor porphyry to the south of the current drilling at Thursday's Gossan (Figure 6). SMD046 was drilled east to west to a depth of 636.9m to target a zone below a 300m thick advanced argillic alteration zone above the Victor porphyry. The Victor porphyry is interpreted to account for the 4km long zoned porphyry style hydrothermal alteration characterised by propylitic grading inwards to phyllic-argillic (Figure 6). Drilling of hole VSTD006 and VSTD006W by previous operator, Newcrest Operations, failed at approximately 300m down hole without penetrating the leached cap. Hole SMD046 was drilled to test the potential for a chalcocite enrichment zone or mineralised potassic altered porphyry intrusion. This target 'C' (Figure 6) was given an 'A' priority by Dr Greg Corbett in his February 2019 report.

Drilling encountered strong argillic alteration of quartz diorite porphyry to a depth of 201m. Strongly developed stockwork veining of multiple generations was observed. Between 201m and 449m the hole intersected alternating quartz diorite porphyry and dacite porphyry with sheeted quartz veins and A veins. From 449m to the end of hole at 636.9m alternating sericite – chlorite altered sandstones – siltstones and microdiorite with trace chalcopyrite were encountered.

The top 200m of drill hole SMD046, which has been strongly altered to a white clay, has been severely leached of copper. Sulphur, zinc and iron are depleted for the entire hole. Anomalous molybdenum is associated with quartz veining (Photo 9). The best intercept from SMD046 was 14m at 0.29% copper from 467m, including 2m at 0.70% copper and 0.19g/t gold from 467m (Photo 10).

Photo 9. Quartz molybdenite veining in argillic altered quartz diorite porphyry at 188m in SMD046.

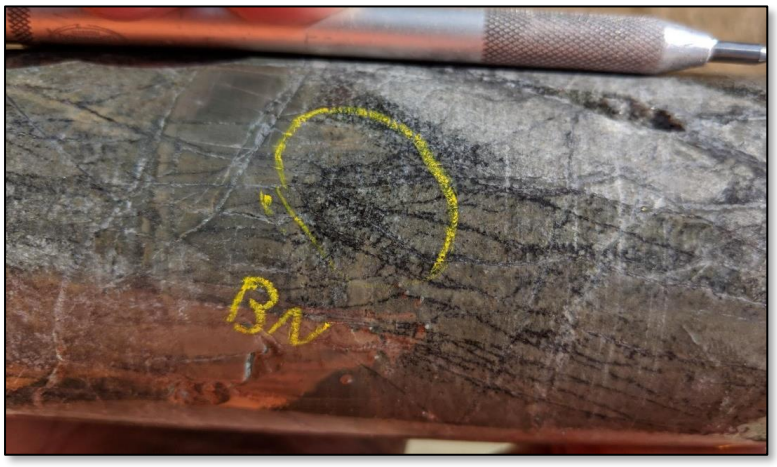

Photo 10. Fine bornite and chalcopyrite in 1mm wide quartz veins at 467.6m in SMD046.

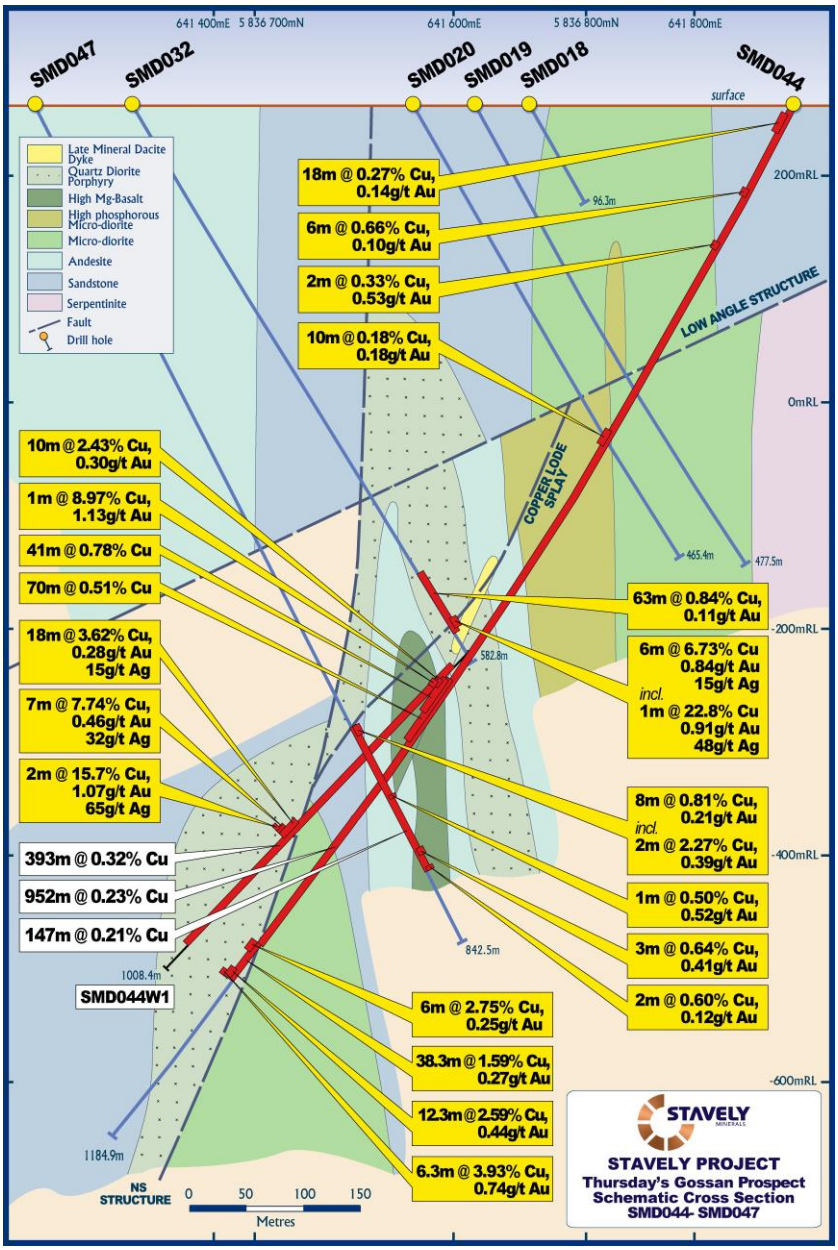

Figure 8. Section SMD047.

Black Range Joint Venture Project (EL5425)

During the June Quarter final arrangements were made for diamond drilling at the Northern prospect (Figure 9) however, due to a wetter than normal autumn, it was not possible to undertake this drilling.

The Northern prospect comprises two inferred Cambrian intrusions within ultramafic and volcanic units of the Stavely Belt and is considered to have potential for porphyry copper-gold and epithermal gold mineralisation. The possible intrusions coincide with demagnetized zones, surrounded by strongly magnetic units. They occur at the intersection between the northwest-trending Elliott Belt and the northerly-trending Stavely Belt.

The intrusions have been partly tested by lines of North Limited aircore holes and one line of Penzoil holes. The North Limited holes encountered ultramafic, sandstone and intermediate volcanic lithologies. The best result was 115ppm copper from the Penzoil drill holes. North Limited drill hole STAVRA511, targeting a separate aeromagnetic feature to the north, encountered ultramafic rocks and returned 3m at 1.42g/t gold from 24m.

Shallow aircore drilling has so far failed to account for the demagnetized zones within the ultramafic and intermediate volcanic units of the Stavely Belt.

One diamond drill hole has been planned to approximately 400m depth to test beneath the 1.42g/t gold intercept, targeting down dip mineralisation, bedrock alteration zones and favourable structures within the bedrock.

The planned drill hole has been deferred until the paddocks dry out, hopefully in the December Quarter.

Yarram Park Project (EL5478)

Toora West Prospect

During the Quarter, diamond drilling was conducted to test a discrete magnetic anomaly in the vicinity of the previous drilling at the Toora West prospect (Figure 10). Drill hole STWD004 intercepted a south westerly-dipping sequence of massive and amygdaloidal basaltic andesite and basalt lavas, intruded by numerous, northwest and southwest-dipping stocks and/or dykes of very coarse-grained, sparsely feldspar phyric rhyodacite. The lavas were overprinted by a moderate pervasive chlorite±magnetite±epidote alteration assemblage with intervals of coarse-grained blebby pyrite and trace chalcopyrite (Photo 11). Below 170m, the lavas were cut by laminated quartz+pyrite shear-related veins with sericite selvedges and low temperature carbonate+quartz veins with colloform banding and no sulphides (Photo 12). The circular aeromagnetic feature appears to be related to patchy secondary magnetite within the intermediate to mafic lavas. Assays were pending at the end of the Quarter.

Photo 11. Pyrite – chalcopyrite vein at 125m in STWD004.

Photo 12. Colloform carbonate quartz veining at 320.3m in STWD004.

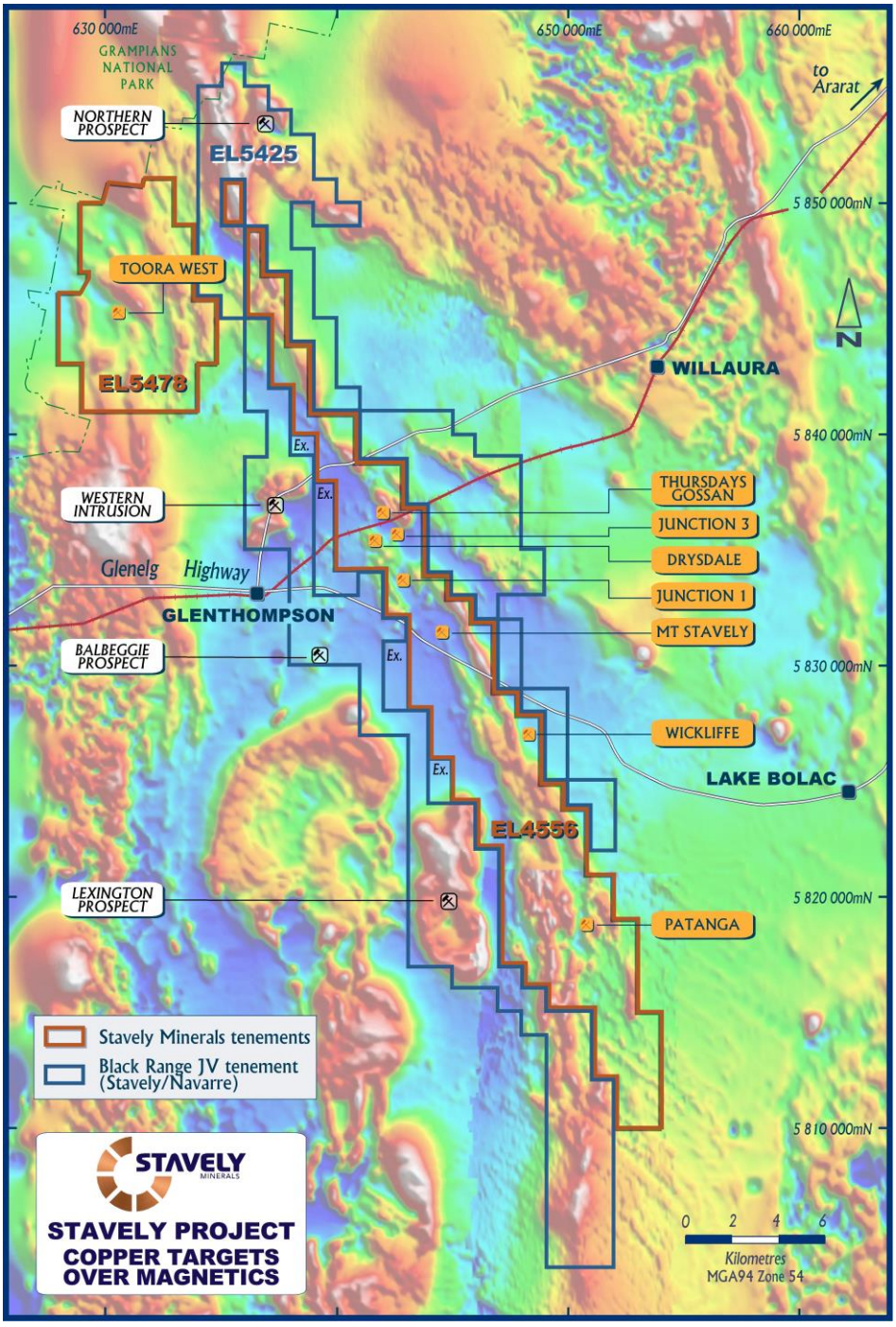

Figure 9. Location of targets reviewed on EL5425.

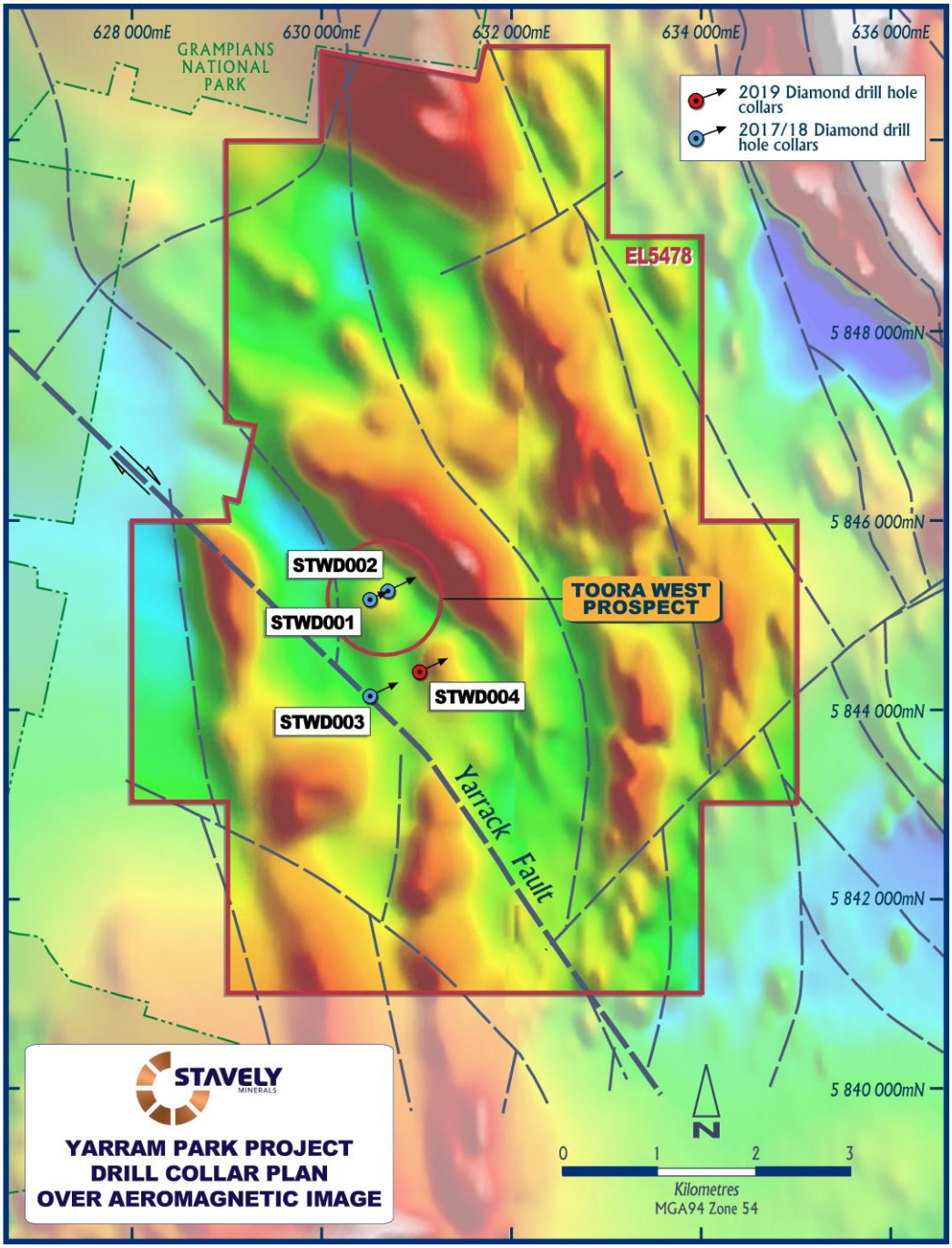

Figure 10. Yarram Park – Toora West drill hole location plan.

Ararat Project (EL4758, EL3019, EL5486, EL6271)

No exploration was conducted at the Ararat Project during the Quarter.

Ravenswood Project (EPM26041, EPM26152, EPM26303 & EPM26304)

During the Quarter, drilling was conducted at the Connolly North and Area 8 targets (Figure 11).

At Connolly North, quartz veins in low-angle structures similar to those seen in the Sarsfield open pit at the Ravenswood Gold Mine, ~15km away, are observed. The IP survey conducted during the previous quarter returned a +10mV/V chargeability anomaly. Rock chip sampling during the previous quarter in the Connolly North area returned gold results of 14.8g/t, 12.75g/t, 2.07g/t and 1.42g/t. The stream sediment samples taken in tributaries to the Connolly Creek and draining the Connolly North prospect area returned anomalous gold values of 1.61g/t, 1.20g/t and 1.18g/t. Previous rock chip sampling in 2017 returned a 36.6g/t gold result from a 5-10cm thick low-angle quartz vein at the Connolly North prospect.

Four diamond holes (SRD006 – SRD009) for 987.2m were drilled to test for steeply and shallowly-dipping quartz+gold+base metal veins associated with a NNW-trending shear (Figure 12). The drilling at Connolly North intersected very similar veining to that reported at the Buck Reef West Deposit at the Ravenswood Gold Mine. Trace to weak quartz+pyrite±carbonate±galena±sphalerite±chalcopyrite veining with chlorite±sericite±pyrite selvages were intersected in the granodiorite (Photo 13), however no significant gold or base metal intercepts were returned.

Photo 13. Quartz+pyrite+sphalerite vein (centre) and laminated quartz+galena vein (right) in sericite+chlorite-altered granodiorite at 110.17m in SRD006.

Diamond drilling was conducted at the Area 8 prospect where previously reported surface rock-chips returned assay results of up to 0.65g/t gold, 106g/t silver, 397ppm arsenic and 837ppm antimony from crustiform and colloform quartz veins and quartz breccia in-fill. The quartz textures and geochemical signature are consistent with a low-sulphidation epithermal gold-silver system. At Area 8, the IP survey in 2018 returned a well constrained resistivity anomaly.

Three diamond holes (SRD010 – SRD012) for 274.7m were drilled to test a northeast-trending ridge of aplite and associated quartz/chalcedony vein breccia with epithermal geochemical

signature and anomalous gold at the Area 8 prospect. Drilling intersected variably altered granodiorite with rare aplite dykes. A quartz+carbonate+pyrite breccia shear vein was intersected in drill hole SRD011 (Photo 14). While sulphides were observed in the drilling, they occurred in narrow, centimetre scale intervals and no significant gold or base metal intercepts were returned in the assays (Photo 15).

Photo 14. Quartz+carbonate+pyrite breccia vein with sericite selvedge at 106m in SRD011.

Photo 15. 10cm interval of hornfelsed laminated siltstone within granodiorite, cut by abundant chalcopyrite stringers and disseminated chalcopyrite at 110m in SRD011.

Seven float, outcrop and mine dump samples were collected during the Quarter to follow up gold and copper anomalies at several prospects in the Ravenswood Project. Samples, from the Titov and Kirkers prospects returned 1.68% copper and 2.01g/t gold respectively.

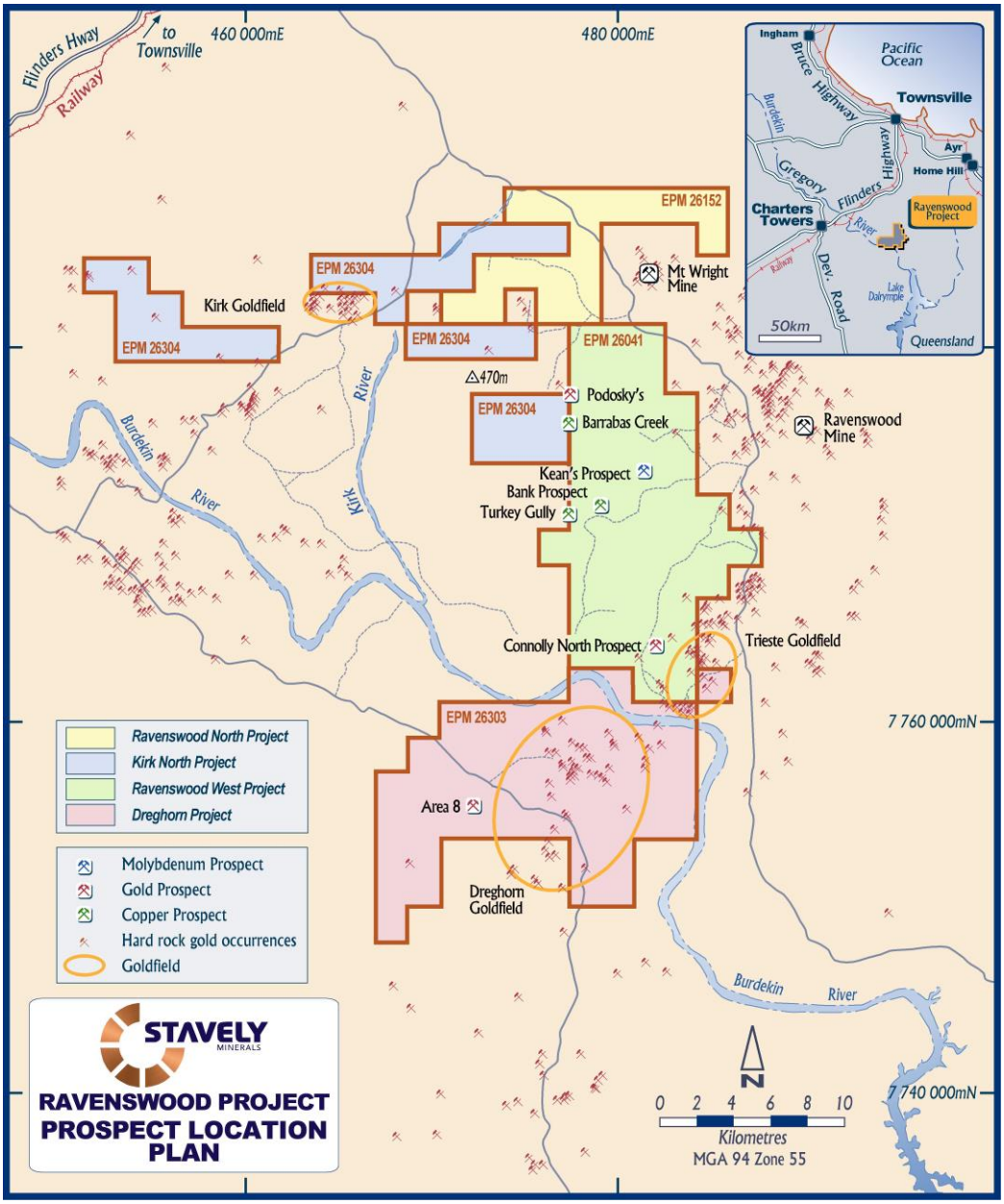

Figure 11. Ravenswood Project – prospect location plan.

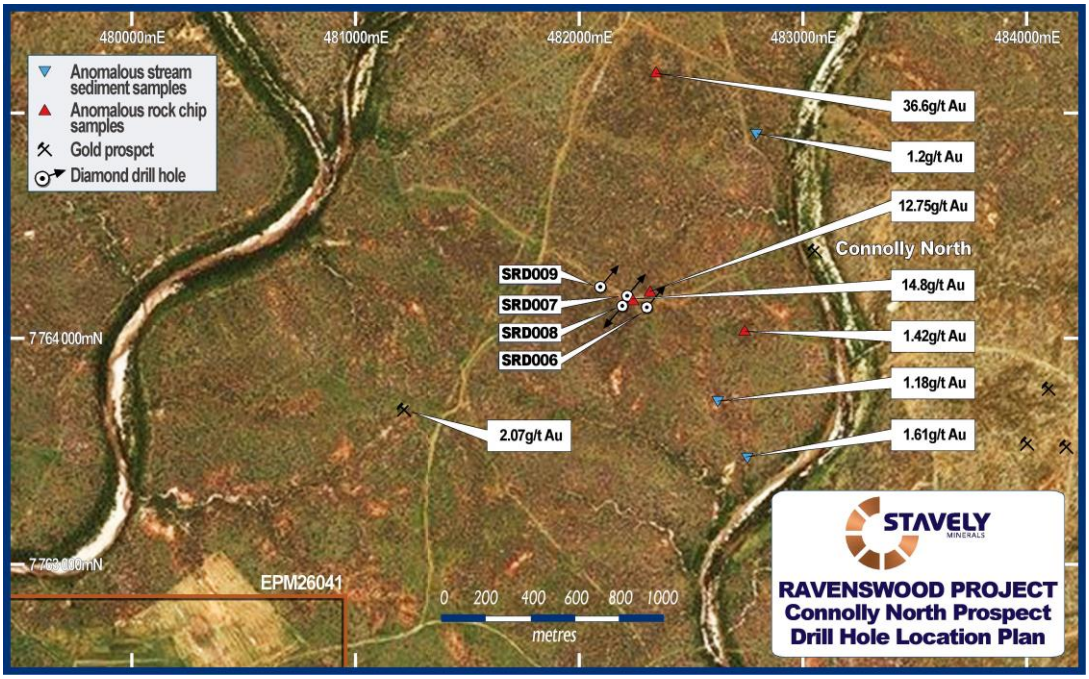

Figure 12. Connolly North prospect – drill hole location plan.

Mathinna Project

EL19/2018 and EL4/2019 have yet to be granted and hence no exploration was conducted at the Mathinna Project during the Quarter.

Planned Exploration

Stavely Project (EL4556)

During the next quarter, the diamond drilling at Thursday's Gossan will continue to target straight down the plunge of the interpreted structural 'conduit' that has accessed the causative porphyry at depth.

A technical review of the most recent drill holes will be conducted during the next quarter.

Black Range Joint Venture (EL5425)

During the next quarter, planning of further exploration at the Lexington prospect will be conducted.

Yarram Park Project (EL5478)

During the next quarter, assay results will be received for the hole drilled (STWD004) to test a discrete magnetic anomaly in the vicinity of the previous drilling at the Toora West prospect.

CORPORATE

Stavely Minerals had a total of $2.88M cash on hand at the end of the June 2019 Quarter.

During the Quarter, the Company completed a capital raising of $4.3M:

- $3.2M sophisticated and institutional investor share placement at 26c.
- Share Purchase Plan closing oversubscribed raising $1.1M.
- Titeline Drilling issued with 7.7M shares at 26c as advanced payment for $2M of drilling services over the next 12 months. As at the end of the Quarter, $1.53M remains to be utilised.
- Funds to be used to maintain a strong exploration momentum across key East Coast projects including the Thursday's Gossan Porphyry Project and for working capital purposes.

Stavely Minerals, through its 100% owned subsidiary Stavely Tasmania Operations Pty Ltd, terminated the acquisition agreement with BCD Resources NL (among other parties) to purchase all assets associated with the Beaconsfield gold processing plant. Key terms of the acquisition agreement were detailed in the ASX announcement released by Stavely Minerals on 22 March 2019.

Subsequently on 27 June 2019, the Company was served with a writ of summons in relation to its termination of the acquisition agreement with BCD Resources NL (among other parties) to purchase all assets associated with the Beaconsfield gold processing plant ('Acquisition Agreement'), as detailed in its ASX announcement dated 18 June 2019. The writ is seeking an order that Stavely Minerals specifically perform its obligations under the Acquisition Agreement and do all things as may be necessary to ensure the Acquisition Agreement is carried into effect or alternatively damages (of an unspecified amount).

Stavely Minerals strongly believes that the claims made in the writ are without merit and will defend the proceedings. Separately, Stavely Minerals has sought a return of the $250,000 deposit which it paid to BCD Resources NL under the Acquisition Agreement, which it believes it is entitled to.

Subsequent to the Quarter, Stavely Minerals announced that it had been successful in its application for participation in the Federal Government's Junior Minerals Exploration Incentive ("JMEI") scheme for the 2019/2020 income year. The Company has received an allocation of up to $1,350,000 in tax credits which can be distributed to eligible investors. The scheme is voluntary and companies must apply each year to participate. This is the second year that Stavely Minerals has been successful in receiving an allocation of JMEI credits.

The Company presented at the following investor conferences and events during and subsequent to the Quarter:

21 May 2019 - Read Corporate Investor Lunch, Brisbane

22 May 2019 - Read Corporate Investor Lunch, Sydney

23 May 2019 - Read Corporate Investor Lunch, Melbourne

19 July 2019 - Noosa Mining & Exploration Investor Conference

ANNOUNCEMENTS

Investors are directed to the following announcements (available at www.stavely.com.au) made by Stavely Minerals during the June 2019 Quarter and subsequently announced for full details of the information summarised in the Quarterly Report.

11/04/2019 - $4.2M Capital Raising

23/04/2019 - Another Major Intercept at Thursday's Gossan

30/04/2019 - High-Grade Structures Continue to Deliver

01/05/2019 - Share Purchase Plan Closing Date Reminder

09/05/2019 - Share Purchase Plan Closes Oversubscribed

18/06/2019 - New High-Grade Intercepts at Thursday's Gossan

18/06/2019 - Termination of Agreement - Beaconsfield Gold Plant

27/06/2019 - Receipt of Writ of Summons - Beaconsfield

08/07/2019 - Junior Minerals Exploration Incentive 2019/2020

18/07/2019 - New Intercepts Confirm a Vector to the Target Porphyry

Tenement Portfolio - Victoria

The tenements held by Stavely Minerals as at 30 June 2019 are as follows:

Area Name	Tenement	Grant Date/ (Application Date)	Size (Km^2)
Mt Ararat	EL 3019	21 December 1989	23
Ararat	EL 4758	29 January 2004	12
Stavely	EL 4556	5 April 2001	139
Black Range JV	EL 5425	18 December 2012	201
Yarram Park	EL 5478	26 July 2013	53
Ararat	EL 5486	10 July 2014	1
Ararat	EL 6271	21 July 2016	4
Ararat	RLA 2020	(12 June 2014)	28
Stavely	RLA 2017	(20 May 2014)	139

Tenement Portfolio - Queensland

The tenements held by Ukalunda Pty Ltd as at 30 June 2019 are as follows:

Area Name	Tenement	Grant Date/ (Application Date)	Size (Km^2)
Ravenswood West	EPM26041	24 May 2016	145
Ravenswood North	EPM26152	15 September 2016	48
Dreghorn	EPM26303	23 March 2017	49
Kirk North	EPM26304	23 March 2017	29

The third-year compulsory 40% relinquishment on EPM26041 was undertaken during the Quarter.

Tenement Portfolio - Tasmania

The tenements held by Stavely Tasmania Pty Ltd as at 30 June 2019 are as follows:

Area Name	Tenement	Grant Date/ (Application Date)	Size (Km^2)
Mathinna	EL19/2018	(18 December 2018)	2.38
Mathinna	EL4/2019 (ERA1118)	(22 March 2019)	68
Mathinna	EL6/2019 (ERA1124)	(15 July 2019)	40

Stavely Tasmania Pty Ltd has been granted priority application rights to exploration licence 6/2019 (ERA1124) which covers an area of 40 km^2 and is located approximately 13km north of EL19/2018, host of the New Golden Gate Mine with historical production of 289,000oz at an average grade of 26g/t gold[1]. EL6/2019 also hosts numerous historical mines and workings within the highly prospective Alberton – Mathinna "Gold Corridor" in northeast Tasmania.

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.

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	In progress	
SMD046	DD	642197	5836010	-63/234.5	262	636.9	
SMD047	DD	641250	5836630	-60/070	264	842.5	
SMD048	DD	641600	5837000	-70/185.5	264	61.6m	Hole failed
SMD049	DD	641601	5837002	-70/185.5	264	In progress	Re-drill of SMD048

Thursday's Gossan Prospect – Significant 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)	Pb %	Zn %
SMD013	DD	641745	5836650	-60/070	264	573.9	26	309	283	0.16				
						Incl.	27	61	34	0.31				
						and	178	184	6	0.50	0.14	6.53		
						and	278	287	9	0.34	0.10	2.56		
							412	413	1			98	8.44	
SMD014	DD	641665	5836630	-60/070	264	738.9	32	61	28	0.28				
							314	316	2	0.21	2.61			
						Incl.	315	316	1	0.24	5.06			
							357	367	6	0.38		5.38		
							388	392	4	0.39	0.34	8.83		
SMD015	DD	641600	5836850	-60/070	265	448.1	196	200	4	5.85	0.27	34.4		
						Incl.	196	197	1	10.75	0.60	49.6		
							204	205	1	1.28	0.27	11.4		
							248	257	9	2.62	0.28	10.1		
						Incl.	253	257	4	5.41	0.35	19.9		
						Incl.	254	255	1	14.75	0.33	57.2		
SMD016	DD	641525	5836810	-60/080	264	467.6	33	58	25	0.28				
							307	399	92	0.34	0.12	4.4		
						incl.	333	337	4	1.83	0.23	7.5		
						and	343	373	30	0.50	0.22	7.3		
						and	367	369	2	1.75	0.54	37		
SMD017	DD	641325	5836750	-60/070	262	793.6	21	58	37	0.17				
						incl	52	55	3		0.75			
							566	573	7	0.26	0.16	7.57		
							653	655	2		2.80	15.3	2.06	2.06
						Incl.	654	655	1		5.22	16.3	2.13	2.13
SMD018	DD	641670	5836772	-60/070	264	96.3	No Significant Intercepts							
SMD019	DD	641620	5836755	-60/070	264	477.5	245	247	2	1.58	0.34	16		
						Incl.	245	246	1	2.66	0.53	29		
							278	279	1	0.53	0.51	12		
SMD020	DD	641570	5836740	-60/07	264	465.4	59	60	1	1.14		7		
							180	181	1	0.22	0.45			
							222	223	1	0.48	0.28			
							259	261	2	0.87				
							302	312	10	0.34	0.10			
							324	325	1	0.86	0.31	6		
							337	350	13	0.33	0.14	6		
SMD021	DD	641410	5836640	-60/070	264	534.9	418	444	26	0.25				
						Incl.	418	419	1	1.82	0.54	11		
							459	461	2	0.70	0.33	4		

Thursday's Gossan Prospect – Significant 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)	Pb %	Zn %
SMD022	DD	641560	5836915	-60/070	264	406.2	165	166	1	0.26	0.22			
							173	174	1	0.20	0.26	6.5		
							177	178	1	0.26	0.19	6.1		
							233	255	22	0.13				
						Incl.	253	255	2	0.21	0.14			
							293	355	62	0.17				
						Incl.	293	294	1	0.77	0.36	14.5		
						Incl.	300	301	1	0.36	0.48	18.8		
						Incl.	311	312	1	0.29	0.23	7.5		
						Incl.	314	315	1	0.46	0.17			
						Incl.	344	355	11	0.54	0.10	22.5		
						Incl.	344	345	1	1.94	0.18	77.4		
						Incl.	350	351	1	1.75	0.44	183		
SMD023	DD	641490	5836895	-60/070	264	330.6	29	90	61	0.23				
						Incl.	19	43	14	0.36				
							132	140	8	0.40	0.24	112		
						Incl.	139	140	1	0.84	0.81	207		
							225	226	1	0.33	0.12			
SMD024	DD	641315	5836835	-60/070	264	509.6	190	193	3	1.24	0.35	13		2.45
							372	442	70	0.22				
						Incl.	372	375	3	1.01	0.16	8		
						and	479	492	13	0.38				
SMD025	DD	641390	5836940	-60/070	264	399.2	173	208	35	0.16				
							288	334	46	0.14				
SMD026	DD	641225	5836710	-60/070	264	796	228	229	1		5.68	1.7		
							243	245	1		0.56			
							355	383	28	0.21	0.27	1.60		
						Incl.	363	369	6	0.25	0.61	1.65		
						and	372	381	9	0.35	0.11	2.52		
							457	458	1	1.09		4.6		
							575	581	6	0.60	0.30	4.53		
						Incl.	628	629	1	2.32	0.80	16.4		
SMD028	DD	641220	5836800	-60/070	264	777.3	541	542	1	1.20	0.38			
							577	650	73	0.32	0.13	3.0		
						Incl.	577	583	6	1.12	0.44	12		
						Incl.	620	624	4	0.98	0.30	7		
						Incl.	638	650	12	0.51	0.32	5		
							660	662	2	0.26	0.24	35		
							730	731	1		18.8	20		1.82

Thursday's Gossan Prospect – Significant 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)	Pb %	Zn %
SMD029W1	DD	641164	5836363	-60/070	264	837.5	447	448	1	0.63	8			
							522	837.5	313.5**	0.11				
						Incl.	690	694	4	0.44	0.1	4		
						and	745	821	76	0.16				
						Incl.	757	758	1	0.51	0.12			
						Incl.	785	790	5	0.34				
SMD030	DD	641315	5837185	-60/070	264	109.4	12	48	36	0.33				
						Incl.	18	26	8	1.12		10		
SMD031	DD	641455	5837235	-60/250	264	409.5	109	125	13	0.18				
							164	225	61	0.16				
						Incl.	206	207	1	2.37	0.52	29		
							339	340	1	1.48	0.16	25		
SMD032	DD	641330	5836665	-60/070	264	582.8	517	581	63*	0.84	0.11			
						Incl.	538	544	6	6.73	0.84	15		
						Incl.	542	543	1	22.8	0.91	48		
						and	551	553	2	2.43	0.28	5		
SMD033	DD	641250	5836635	-60/070	264	121.2	Not sampled – redrilled as SMD034							
SMD034	DD	641250	5836635	-60/070	264	150	31	54	23	0.30				
						Incl.	40	42	2	2.0				
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			
SMD037	DD	641295	5836985	-60/070	264	485.9	370	410	40	0.17				
SMD038	DD	641220	5836960	-60/070	264	573.5	237	240	3	0.50				
SMD039	DD	641290	5837065	-60/070	264	471.4	185	203	18	0.24				
SMD040	DD	641215	5837040	-60/070	264	570.4	No Significant Intercepts							
SMD041	DD	641140	5836850	-60/073	264	850	621	653	32	0.16				
							680	694	14	0.10	0.12			
SMD042	DD	641044	5836815	-60/070	264	1001.5	824	827	3	0.52				
						Incl.	825	826	1	0.84	0.17			
SMD043	DD	641880	5836870	-60/250	264	249.1	Not sampled – redrilled as SMD044							
SMD044	DD	641880	5836870	-63/245	264	1189.4	11	963	952***	0.23				
						Incl.	6	24	18	0.27	0.14			
						and incl.	55	91	36	0.41				
						Incl.	55	60	5	0.82		8		
						and incl.	81	87	6	0.66	0.10	6		
						and incl.	137	139	2	0.33	0.53	17		
						and incl.	276	281	5		0.40	2		0.14
						and incl.	324	334	10	0.18	0.18	6		

Thursday's Gossan Prospect – Significant 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)	Pb %	Zn %
						and incl.	349	351	2	0.38	0.49	18		
						and incl.	371	379	8	0.39	0.16	11		
						and incl.	580	650	70	0.51				
						Incl.	582	623	41	0.78				
						Incl.	583	593	10	2.43	0.30	11		
						Incl.	585	586	1	8.97	1.13	36		
						and incl.	743	750	7	0.20	0.22	5		
						and incl.	789	799	10	0.45	0.30	11		
						and incl.	890	928.3	38.3	1.59	0.27	8		
						and incl.	891	897	6	2.75	0.25	7		
						and incl.	916	928.3	12.3	2.59	0.44	18		
						Incl.	922	928.3	6.3	3.93	0.67	27		
							1001	1025	24	0.15				
SMD044W1	DD	641880	5836870	-63/245	264	1008.4	546	939	393***	0.32				
						Incl.	699	866	167	0.52				
							782	783	1	4.66		3		
						Incl.	835	836	1	3.46	0.50	22		
						Incl.	848	866	18	3.62	0.28	15		
						and incl.	858	865	7	7.74	0.46	32		
						and incl.	858	860	2	15.7	1.07	65		
SMD045	DD	641930	5836764	-63/236	264	1257.4	15	322	307	0.22				
						Incl.	51	74	23	0.53	043	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			
							1077	1093	16	1.30	0.15	2.8		
						Incl.	1091	1093	2	2.90	0.27	3.9		
							1103	1114	11	0.39				
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				
							1053	1056	3	0.49	0.16	2.4		
SMD045W2	DD	641930	5836765	-63/236	264	1233.3	Assay results pending							
SMD046	DD	642197	5836010	-63/234.5	264	636.9	467	481	14	0.29				
						Incl.	467	468	2	0.70	0.19			

Thursday's Gossan Prospect – Significant 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)	Pb %	Zn %
SMD047	DD	641250	5836630	-60/070	264	842.5	630	777	147	0.21				
						Incl.	633	641	8	0.81	0.21			
						Incl.	636	638	2	2.27	0.39	5.7		
							697	698	1	0.50	0.52	2.7		
							752	755	3	0.64	0.41	19		
							774	776	2	0.60	0.12	8.1		

*1m core loss from 566m to 567m (SMD032)

**2m core loss from 561m to 563m (SMD029W1)

***Includes interval of up to 25m of unmineralised (<0.1% Cu) material, including late mineral dykes (SMD044)