Finding the Copper Australia Needs for a Low-Carbon Economy

RIU Explorers Conference, Fremantle 2020

COPPER FACTS

4 Times more copper in an electric car compared to one with an internal combustion engine

COPPER FACTS

+3

Tonnes of copper in each windmill sufficient to power 500 homes

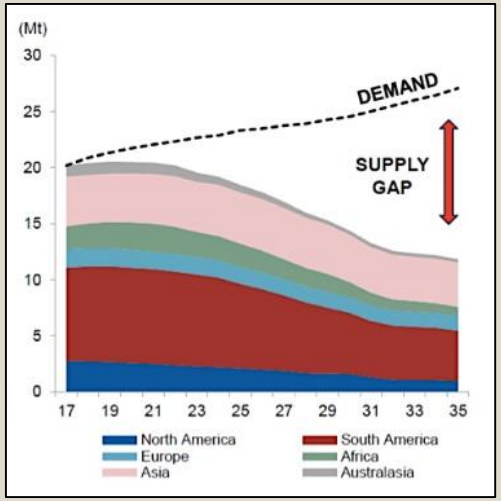
COPPER FACTS

6

Types of bacteria killed by copper surfaces

Source: Wall Street Journal - July 25, 2016

COPPER FACTS



15

Million tonne deficit in copper supply by 2035

Source: CRU

COPPER FACTS

#1

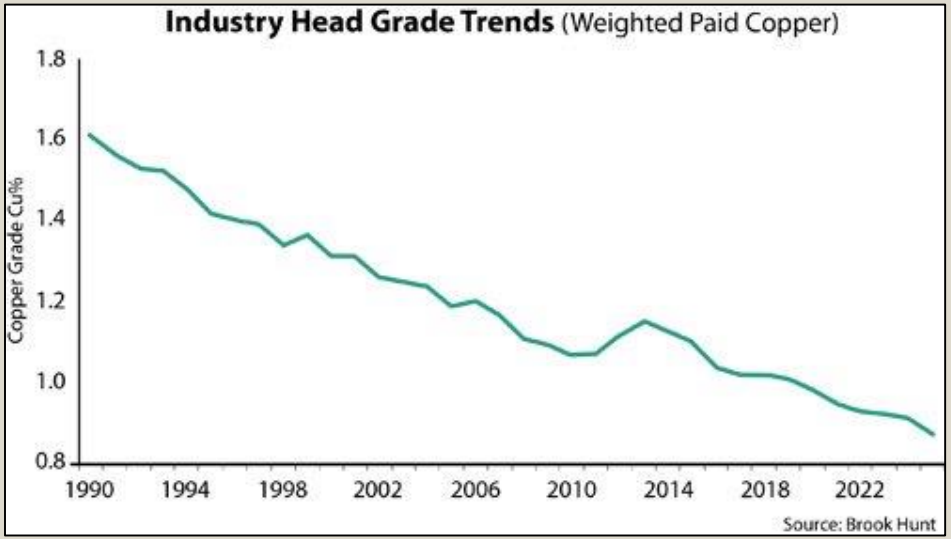
Escondida – world's largest copper producer

COPPER FACTS

1.72

Escondida’s % copper head grade in 2007

COPPER FACTS



0.50

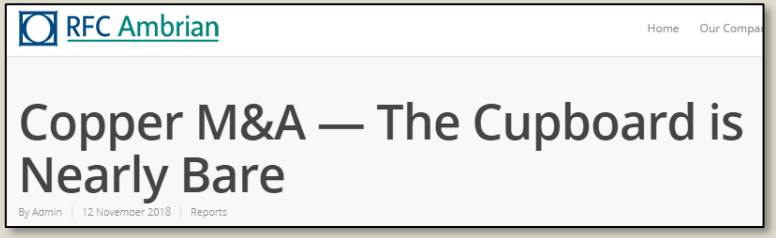
Escondida's % copper Ore Reserve grade 2019

Source: BHP Annual Report 2019

COPPER FACTS

VERY

FEW



Quality new projects in first world jurisdictions

Disclaimer

This presentation contains only an overview of Stavely Minerals Limited ("Stavely" or the "Company") and its activities and operations. The contents of this presentation, including matters relating to the geology and exploration potential of the Company's projects, may rely on various assumptions and subjective interpretations which it is not possible to detail in this presentation and which have not been subject to any independent verification.

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THURSDAY'S GOSSAN DISCOVERY

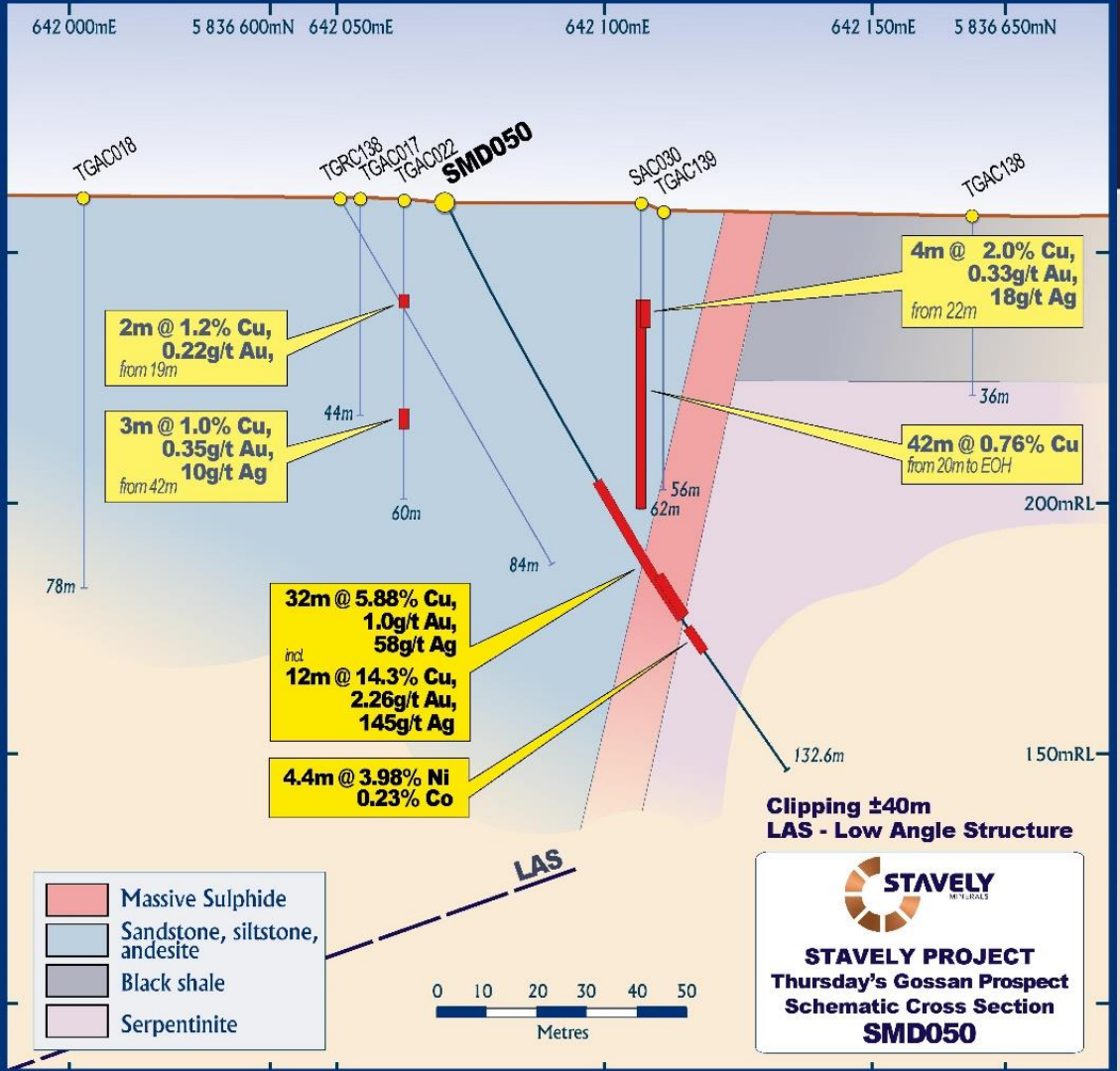
SMD050

- **32m at 5.88% copper, 1.00g/t gold and 58g/t silver,** from 62m drill depth including
  - **12m at 14.3% copper, 2.26g/t gold and 145g/t silver from 82m, including**
    - **2m at 40% copper, 3.00g/t gold and 517g/t silver**

Surprisingly, drill hole SMD050 also intersected:

- **4.4m at 3.98% nickel, 0.23% cobalt and >1% chrome**

see ASX announcement 26/09/2019 and available from www.stavely.com.au



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Extremely high grades on the ultramafic contact fault (UCF)

- The ultramafic has been serpentinised during metamorphism
- Abundant magnetite – possible reaction with fluids enhancing grade
- Low pH fluid – dissolves the serpentinite and deposits nickel and cobalt

Where are we now?

We have a shallow high-grade copper-gold-silver discovery, of a style of deposit never seen in Australia before – but typically being vertically and laterally extensive on multiple mineralised structures - in it's early stages of resource definition and advanced exploration.

Key Themes

Stavely is well funded - $17.5m as at 31/12/19

- 4 drill rigs operating at Thursday's Gossan copper-gold-silver deposit
  - 3 rigs doing a near-surface resources drill-out
  - 1 rig testing regional targets

We think we are yet to see the best this system has to offer.

- 1 drill rig at Mathinna, Tasmania – high-grade gold

Key Themes

Step-change opportunities:

- Demonstrate that mineralisation on the Ultramafic Contact Fault (UCF) continues at depth below the Low-Angle Structure (LAS)
- Potential for a parallel mineralised structure – the Copper-Lode Splay (CLS)?
- Confirm mineralisation intercepted at 800m depth on the North-South Structure (NSS) extends towards surface
- Discover additional mineralisation at regional targets

💣 Big Bang opportunity – find the porphyry, it's still out there!

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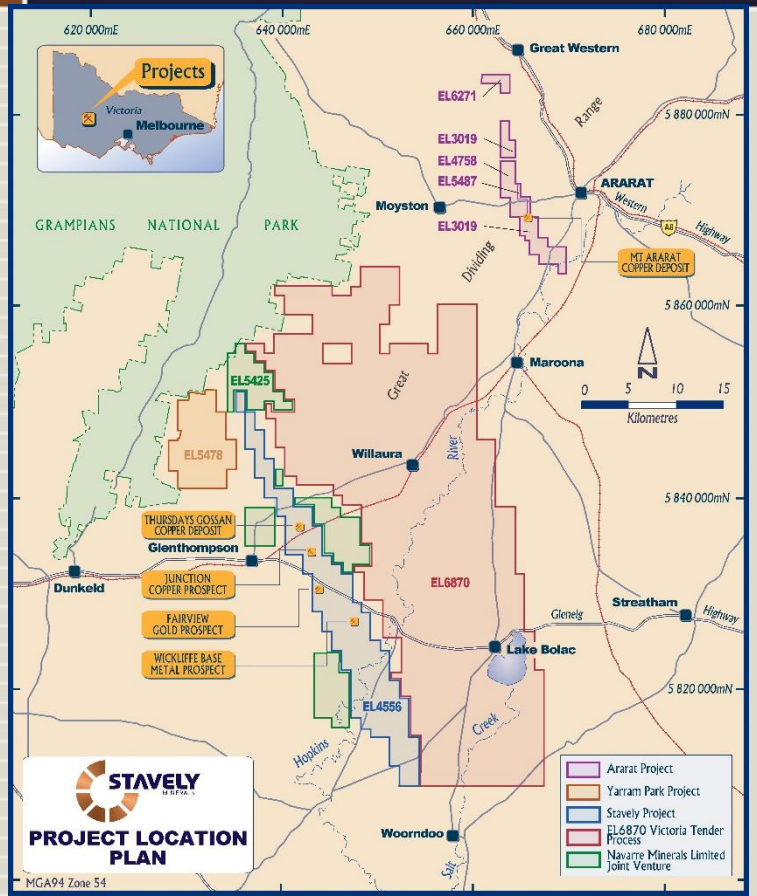
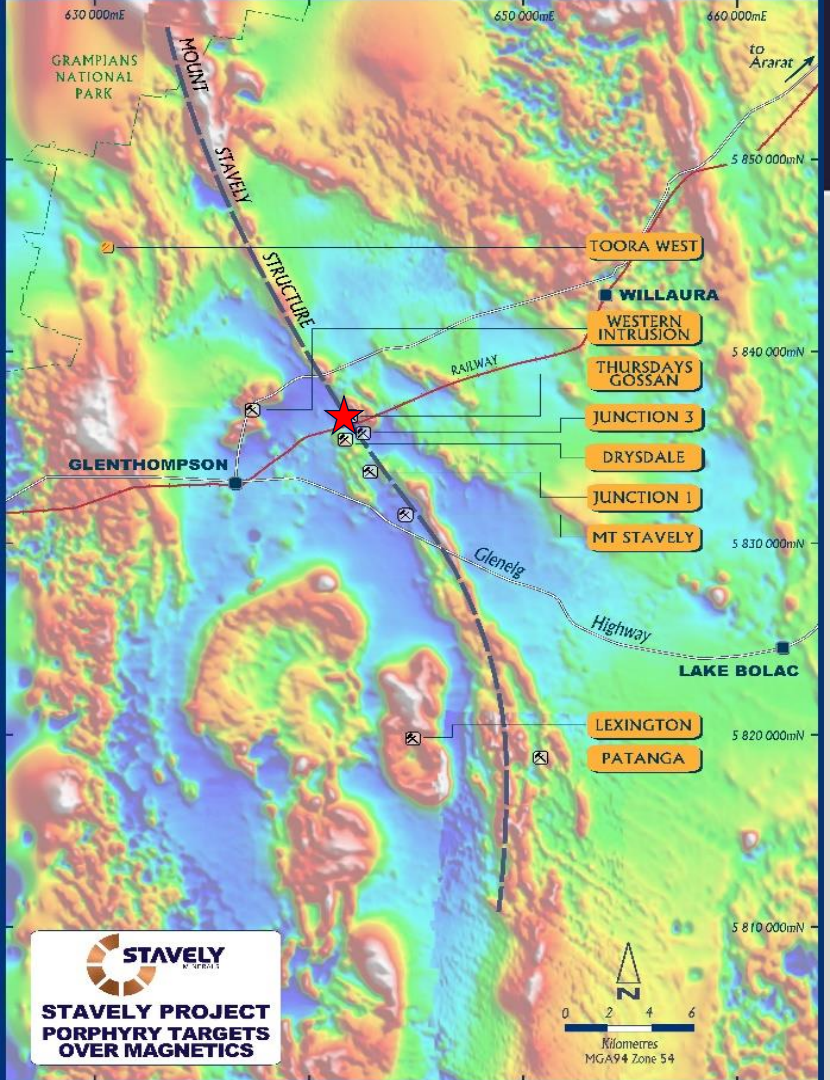
PROJECT LOCATION

STAVELY VOLCANIC BELT



Stavely has the largest and most strategic tenement holding in the belt

- **Thursday's Gossan porphyry**
- Toora West porphyry
- Junction porphyry
- Mount Stavely porphyry
- Fairview Gold prospect
- Wickliffe VMS prospect
- Patanga copper prospect



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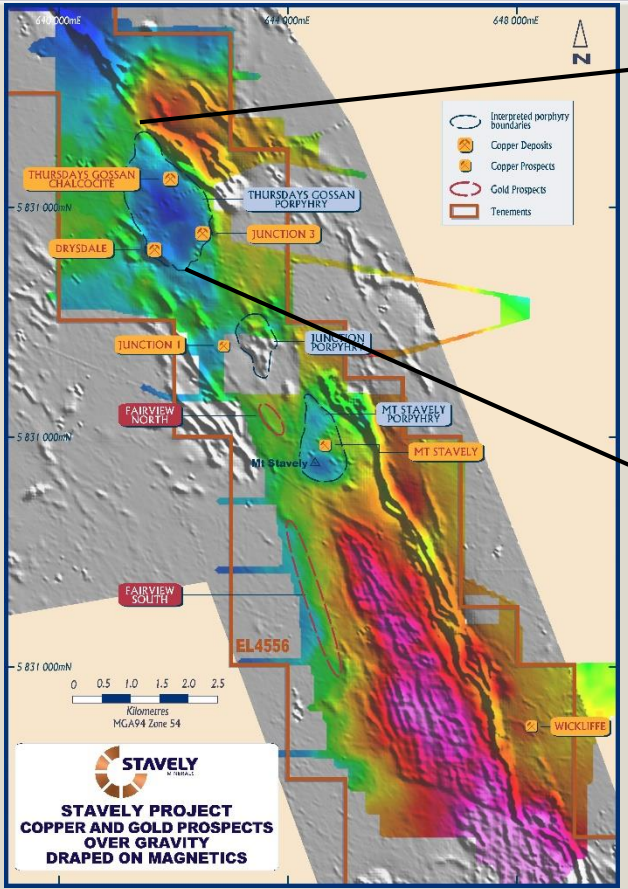
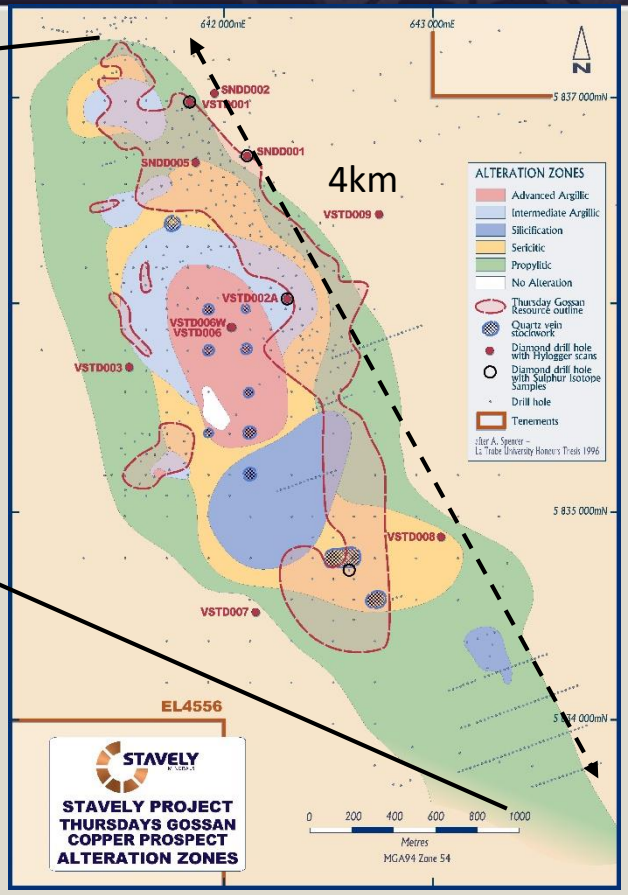
The Stavely Volcanic Belt is exposed or under shallow cover for about 30km south of the Grampians

Our focus has been at the Thursday's Gossan discovery.

THURSDAY'S GOSSAN PORPHYRY



After Spencer, 1996



THURSDAY'S GOSSAN PORPHYRY

Thursday's Gossan Chalcocite Blanket

Inferred Mineral Resources of **28Mt at 0.4% copper**[1] for 110kt of contained copper in a chalcocite-enriched blanket occurring between 30m to 80m below surface

[1] reported in compliance with JORC 2012, see ASX announcement 8 September 2015, subsequent Annual Reports and available from www.stavely.com.au

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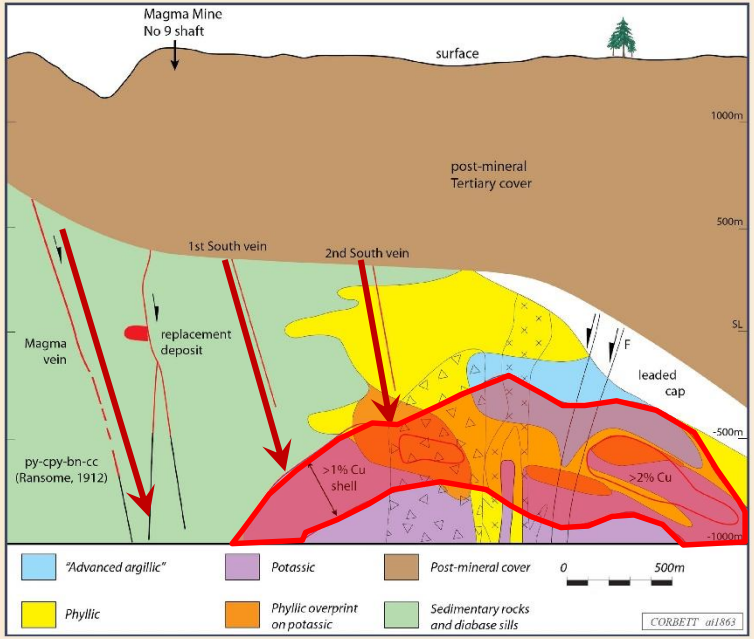
WHAT IS A MAGMA / BUTTE COPPER LODE-STYLE SYSTEM?

MAGMA COPPER MINE AND THE RESOLUTION PORPHYRY



(after Corbett, 2019 fromHenke et al. 2012)

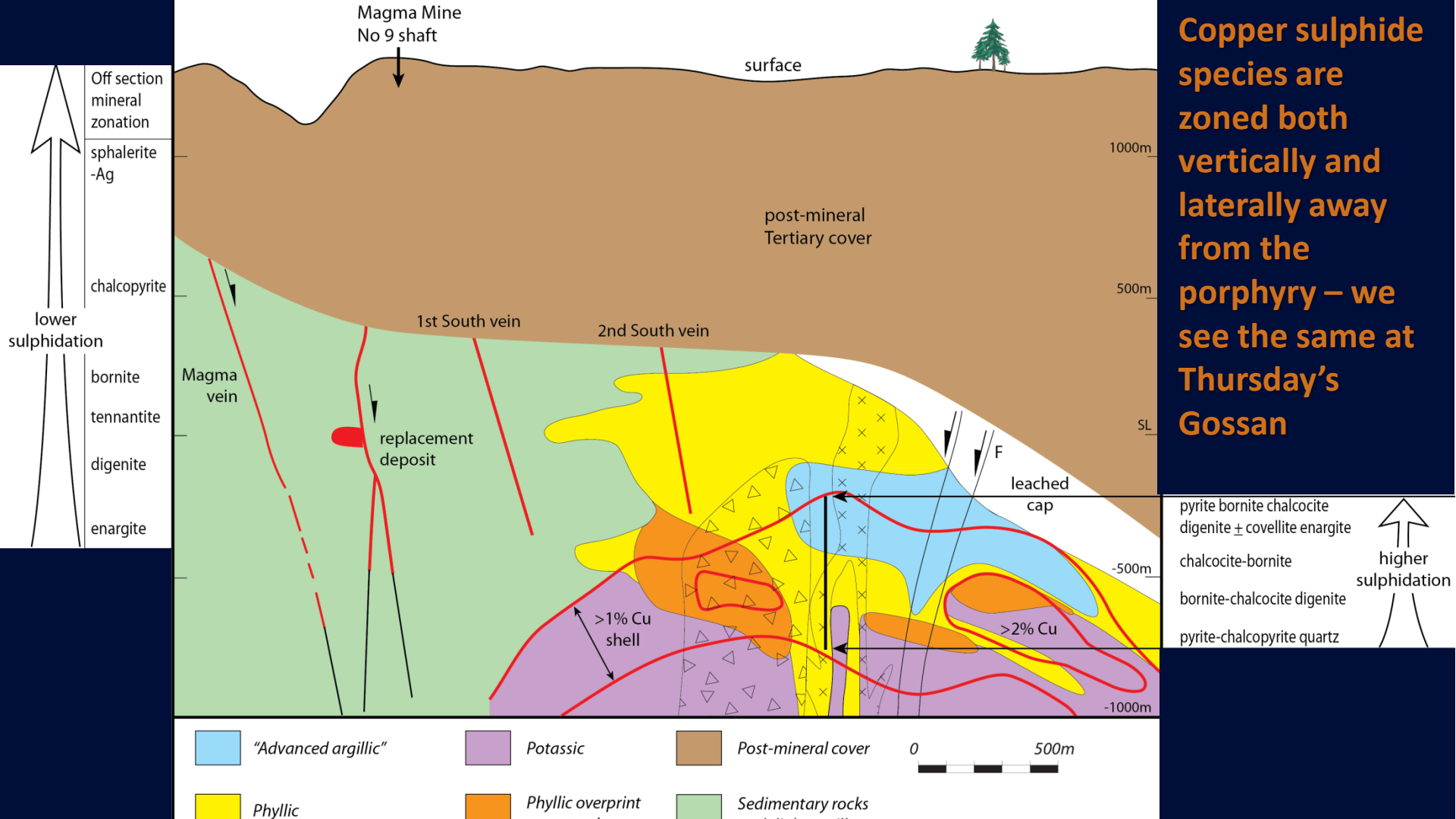
Cross section through the Magma Vein and Resolution Porphyry (along line A – A')

Magma Copper Mine and the Resolution Porphyry

Can follow the Magma copper lodes to the Resolution copper porphyry.

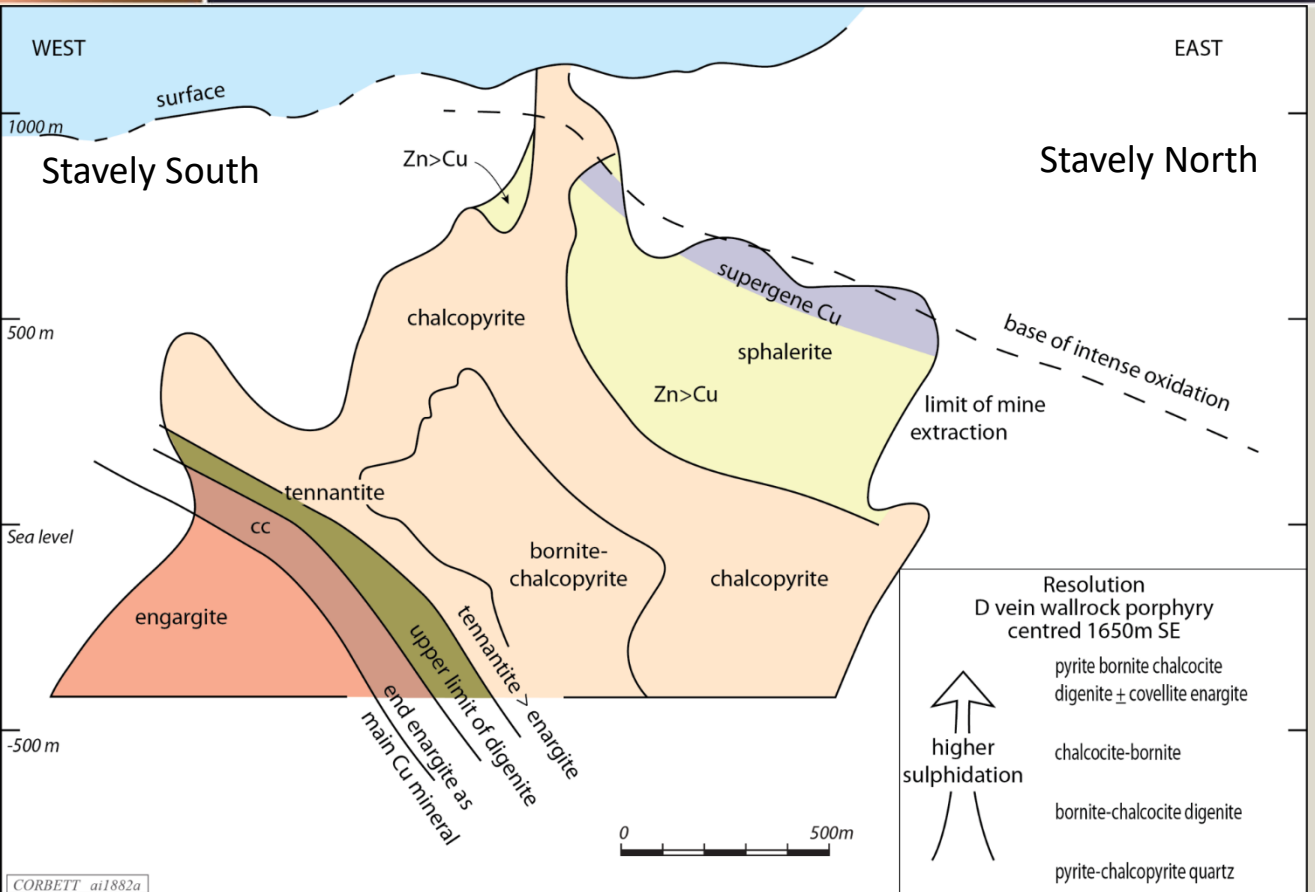
Lodes range in width from 0.25m to 15m wide.

The top of the porphyry mineralisation is 1.5km below surface – the copper lodes are in-excess of 1.5km vertical / 3km lateral extent!



Copper sulphide species are zoned both vertically and laterally away from the porphyry – we see the same at Thursday's Gossan

MAGMA VEIN LONG SECTION



Sulphides are zoned from arsenical copper sulphides typical of high-sulphidation mineralisation through intermediate sulphidation to low sulphidation (sphalerite – zinc). Gold has an affinity with the distribution of bornite.

BUTTE / MAGMA COPPER LODE-STYLE

Why do we invoke a Butte, Montana / Magma, Arizona lode-style 'model' for Thursday's Gossan?

Because understanding the mineralisation processes and attributes gives us a powerful ability to predict its behaviour –

1. They are high-grade, structurally-controlled lode-style copper-gold-silver systems
2. They are vertically and laterally extensive
3. They are mineralised on multiple structures
4. The sulphide species are zoned laterally and vertically
5. There is a metal source at depth (the porphyry)

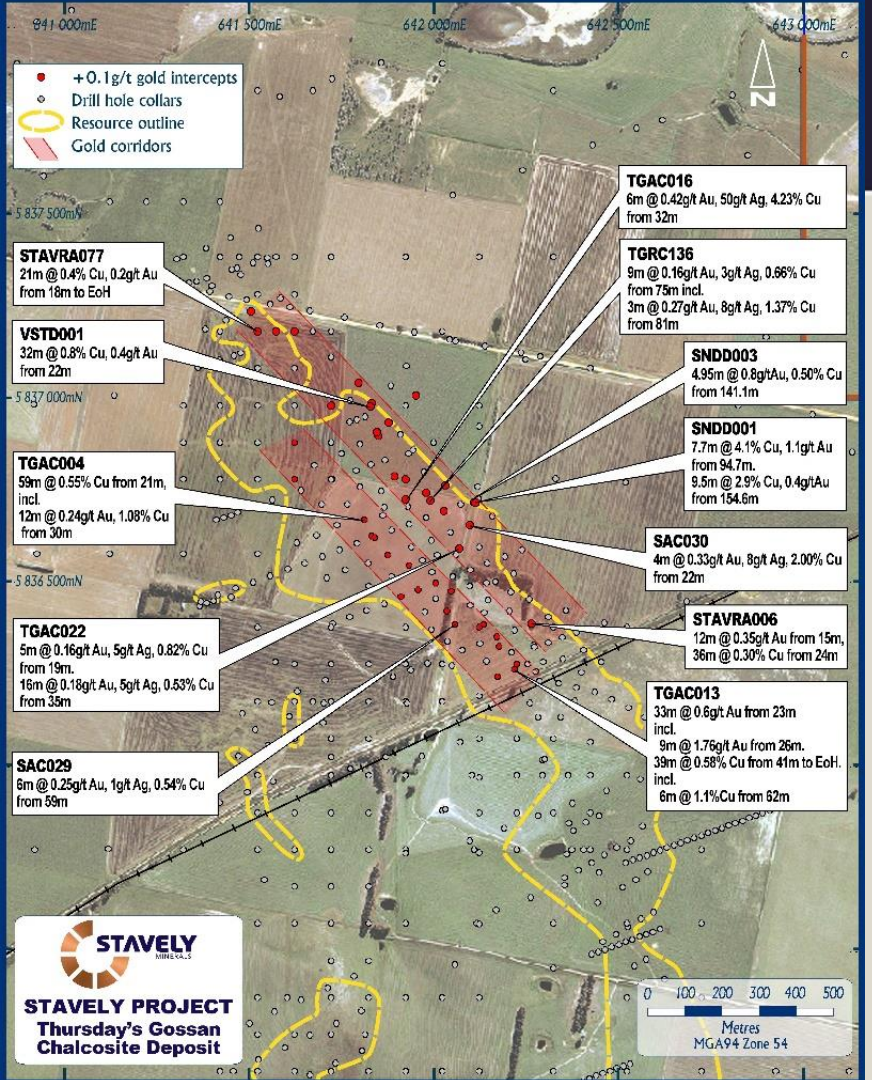
MULTIPLE STRUCTURES AND VERTICALLY EXTENSIVE

THURSDAY'S GOSSAN PORPHYRY

Thursday's Gossan Chalcocite Blanket

Inferred Mineral Resources of **28Mt at 0.4% copper**[1] for 110kt of contained copper – developed on the surface expression of high-grade lode-style copper veins.

[1] reported in compliance with JORC 2012, see ASX announcement 8 September 2015, subsequent Annual Reports and available from www.stavely.com.au



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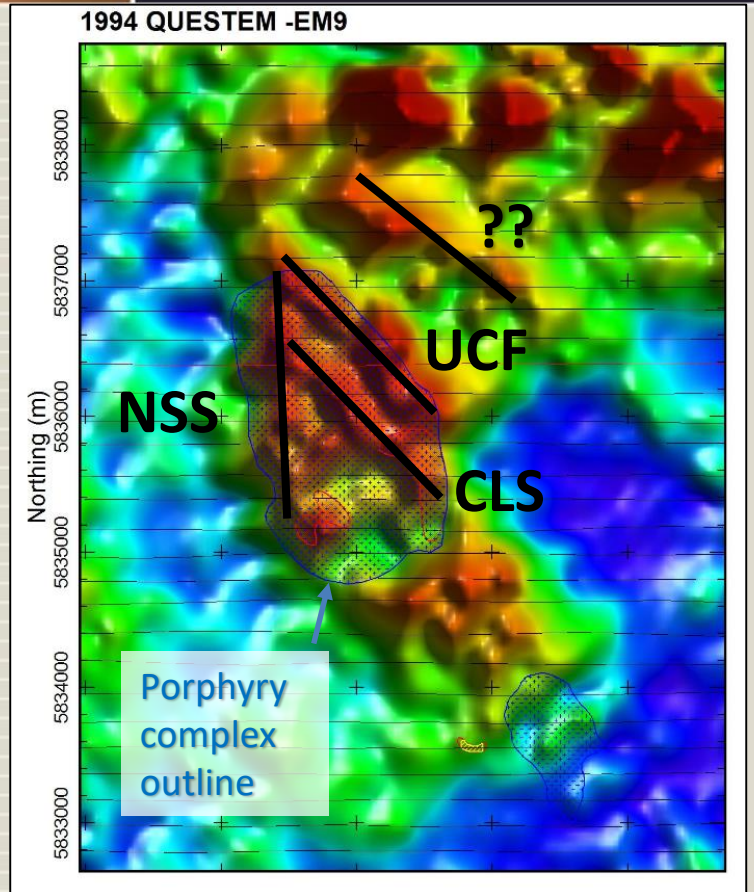
This time last year…

Drilling had focused on two parallel copper-gold-silver mineralised trends at the northern end of the chalcocite blanket – eg:

- **7.7m at 4.1% copper and 1.1g/t gold**
- **9.5m at 2.9% copper and 0.4g/t gold (Beaconsfield)**
- **32m at 0.8% copper and 0.4g/t gold (Newcrest)**

THURSDAY'S GOSSAN

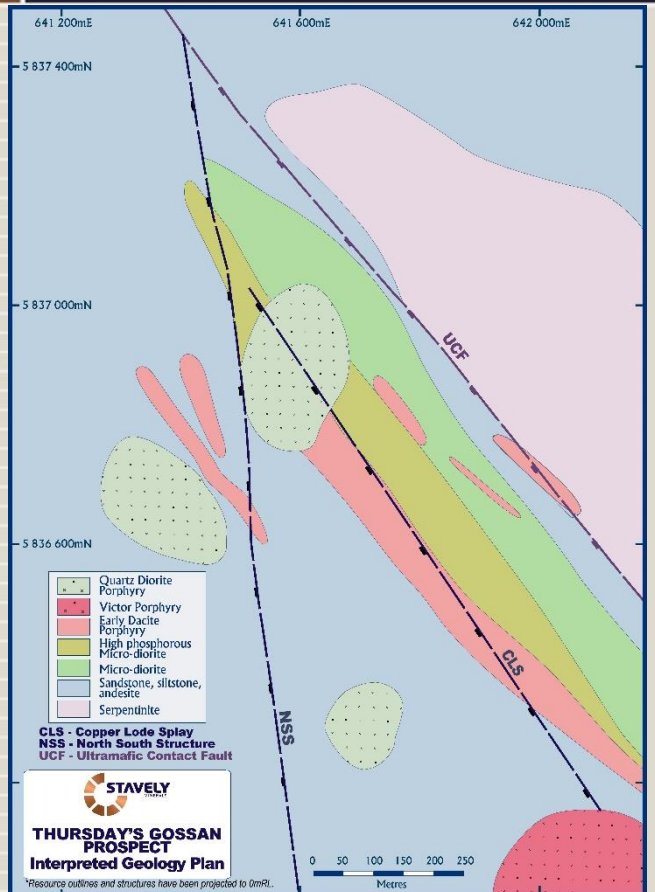


Structural control to high grade copper-gold-silver mineralisation can be seen in airborne EM

Three major mineralised structures (that we know of…)

1. The ultramafic contact fault (UCF)
2. The north-south structure (NSS)
3. The copper lode splay (CLS)

THURSDAY'S GOSSAN



Structural control to high grade copper-gold-silver mineralisation

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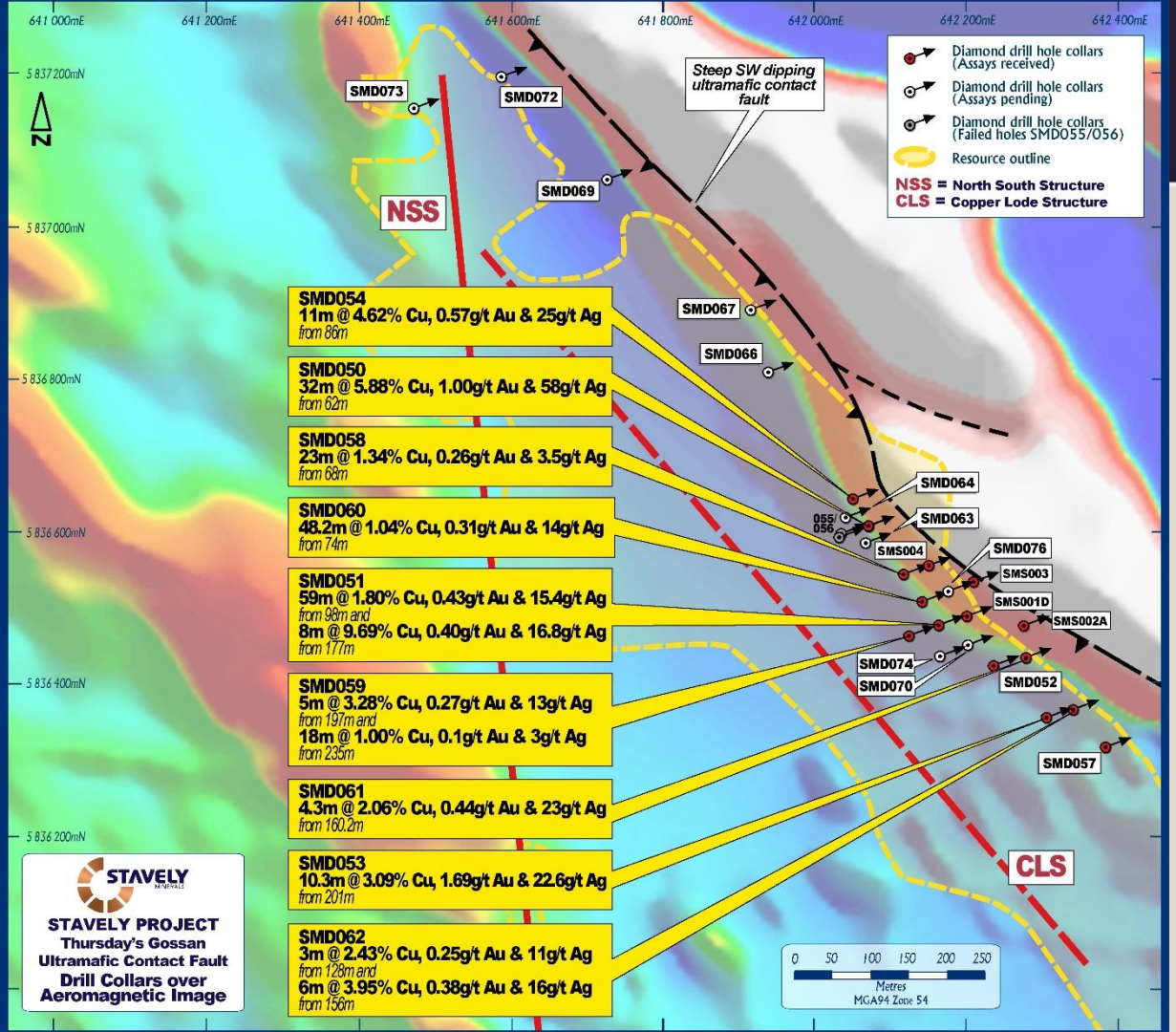
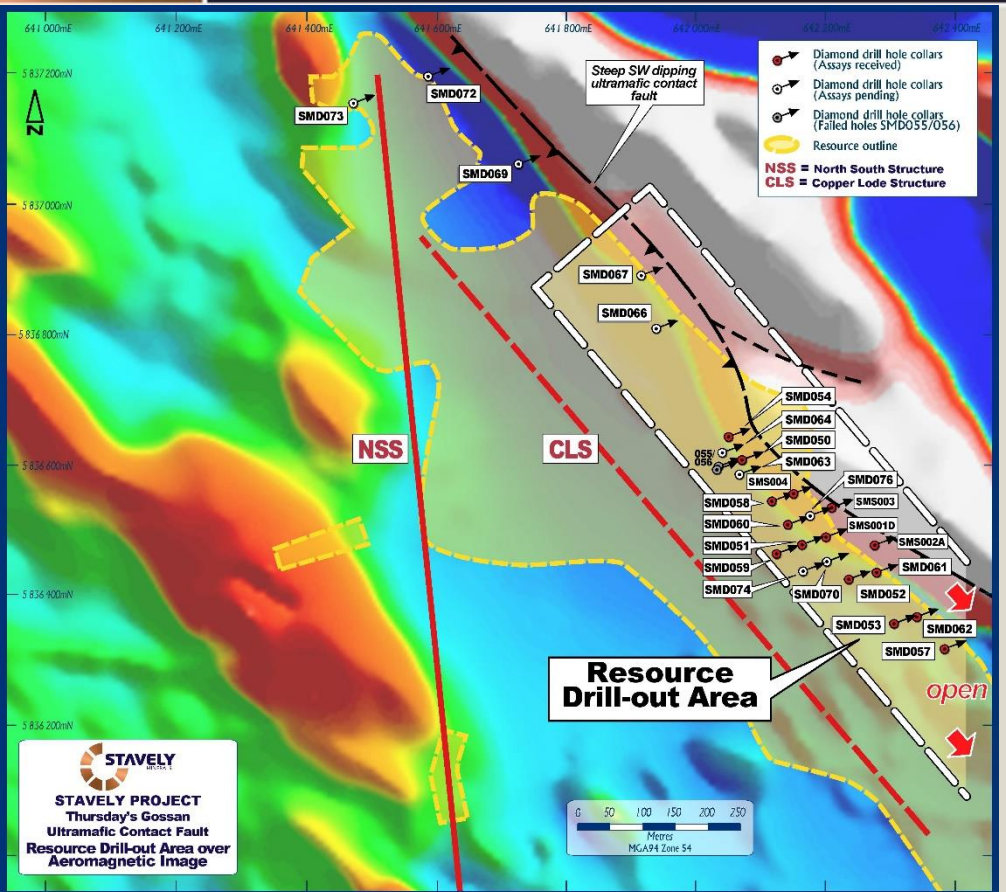


STAVELY MINERALS

Structural control to high grade copper-gold-silver mineralisation on the UCF

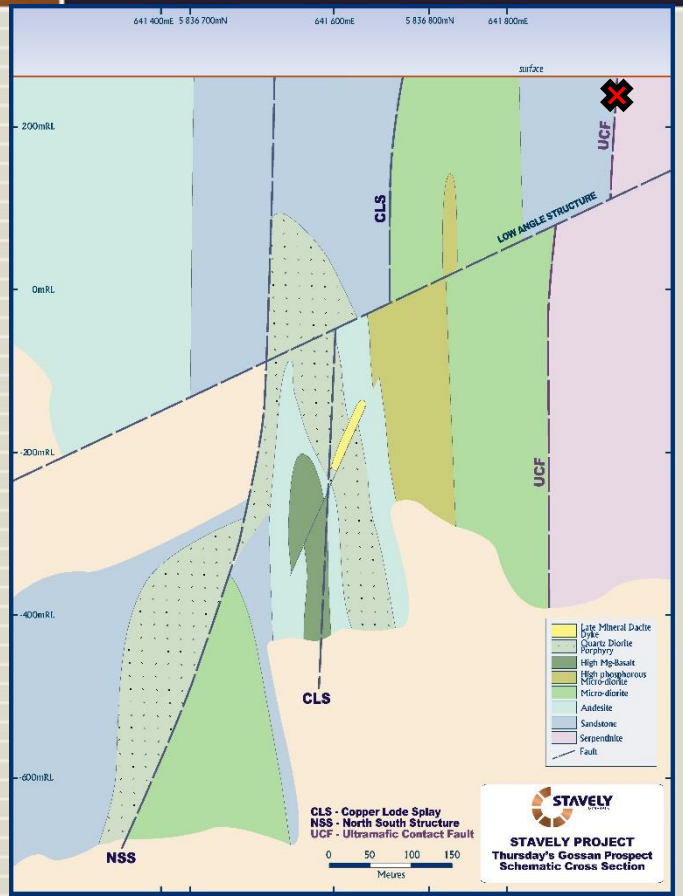
THURSDAY'S GOSSAN



Structural control to high grade copper-gold-silver mineralisation

Resource drilling has focused on shallow mineralisation on the UCF over a strike extent of 700m, open in both directions along strike and down dip.

VERTICALLY EXTENSIVE

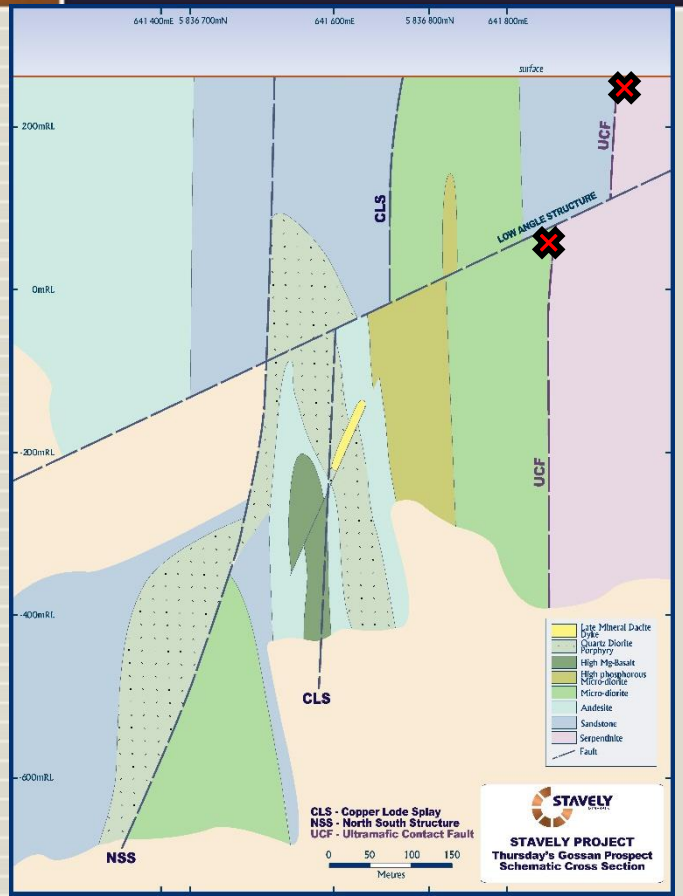


SMD050

32m at 5.88% copper, 1.00g/t gold and 58g/t silver, from 62m drill depth on the UCF

see ASX announcement 26/09/2019 and available from www.stavely.com.au

VERTICALLY EXTENSIVE

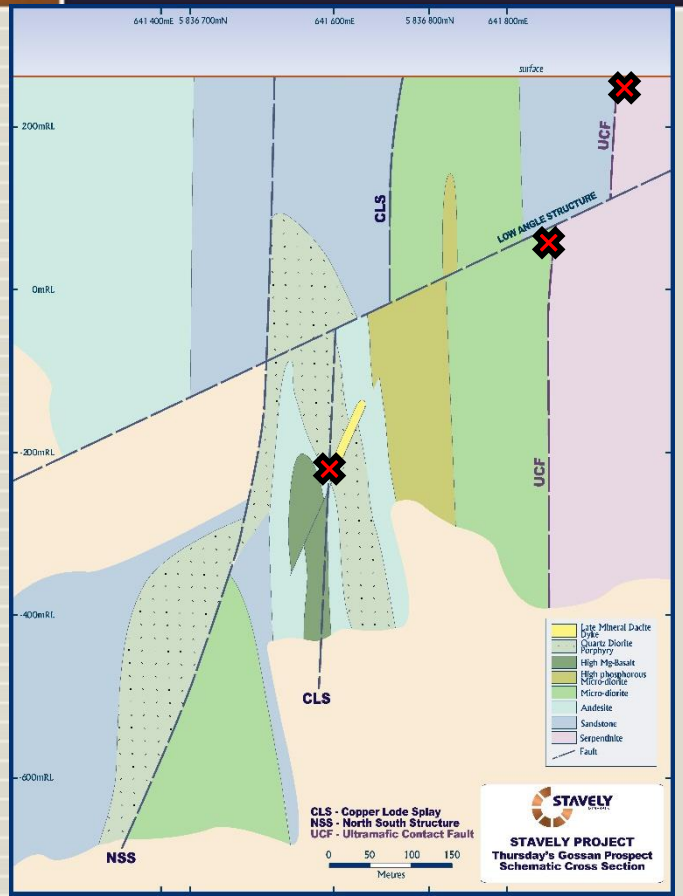


SMD059

18m at 1.00% copper, 0.1g/t gold and 3g/t silver, from 235m drill depth on the UFC underneath the LAS

see ASX announcement 17/12/2019 and available from www.stavely.com.au

VERTICALLY EXTENSIVE



SMD032

6m at 6.73% copper, 0.84g/t gold and 15g/t silver, from 538m drill depth on the CLS

SMD044

10m at 2.43% copper, 0.30g/t gold and 11g/t silver, from 583m drill depth on the CLS

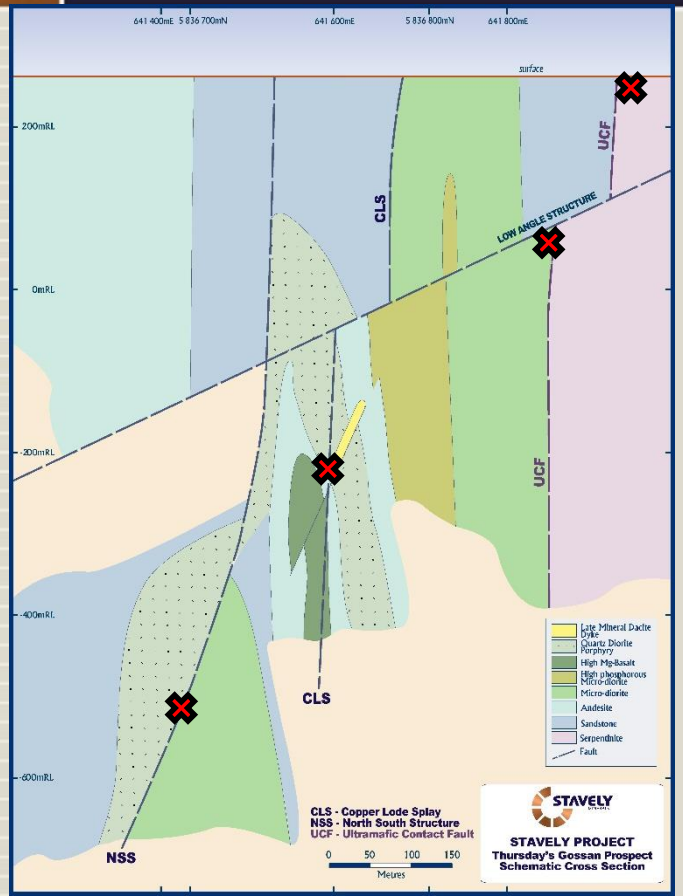
see ASX announcements 5/10/2018 and 23/04/2019 and available from www.stavely.com.au

Copper-Lode Splay Mineralisation

Copper Lode-style (think Magma Mine veins) pyrite-chalcopyrite-bornite-covellite-chalcocite mineralisation 1m @ 22.8% copper from 542.5m in SMD032 – note the chalcocite occurs as late network veins within the more massive sulphides

see ASX announcement 5/10/2018 and available from www.stavely.com.au

VERTICALLY EXTENSIVE



SMD044

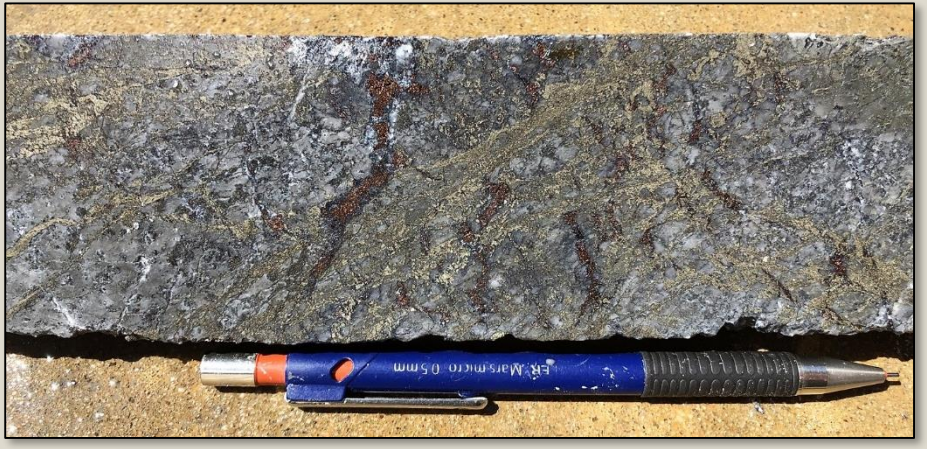
38.3m at 1.59% copper, 0.27g/t gold and 8g/t silver, from 890m drill depth on the NSS

SMD044W1

18m at 3.62% copper, 0.28g/t gold and 15g/t silver, from 848m drill depth on the NSS

see ASX announcement 12/03/2019 and 23/04/2019 and available from www.stavely.com.au

VERTICALLY EXTENSIVE

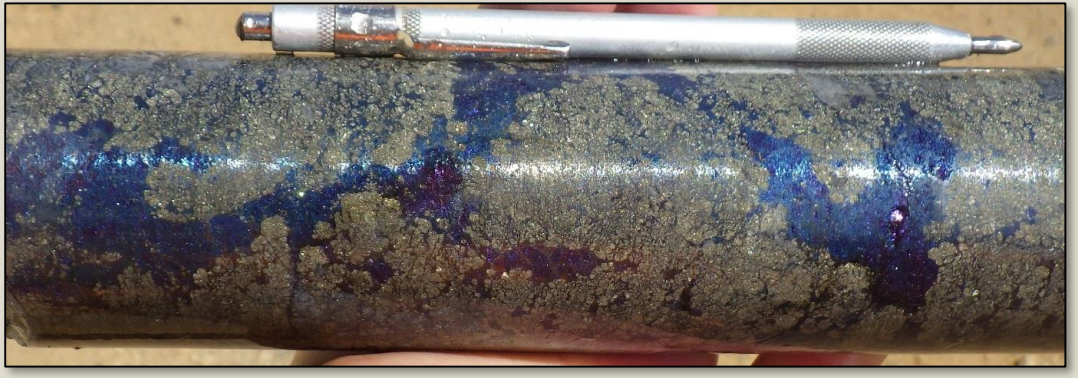


SMD044

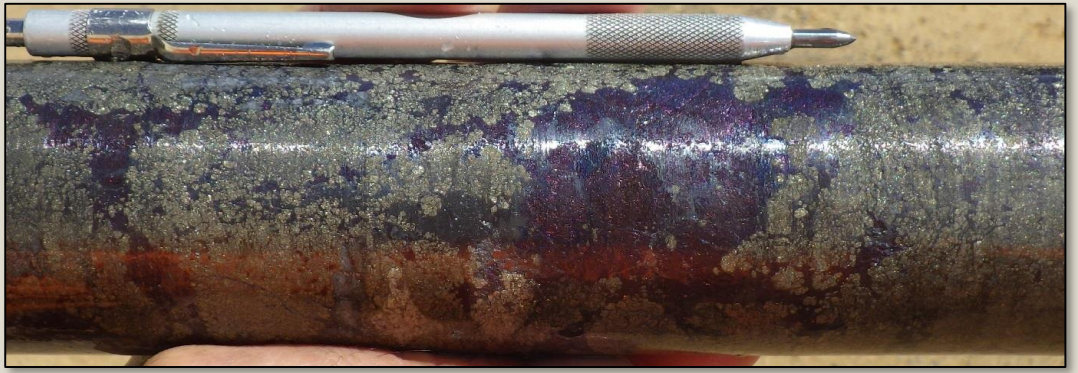
Early quartz-pyrite mineralisation cut by later bornite-chalcocite at **924.3m drill depth** in the north-south structure (NSS)

see ASX announcement 18/02/2019 and available from www.stavely.com.au

North-South Structure Mineralisation



Pyrite vein with bornite-covellite-chalcocite(+-digenite) veining at 859.0m in SMD044W1.



Chalcocite(+-digenite)-bornite-covellite veining at 859.0m in SMD044W1 (This photo is of the other side of the previous photo)

SMD044W1

393m at 0.32% copper **from 859m** including:

- **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**

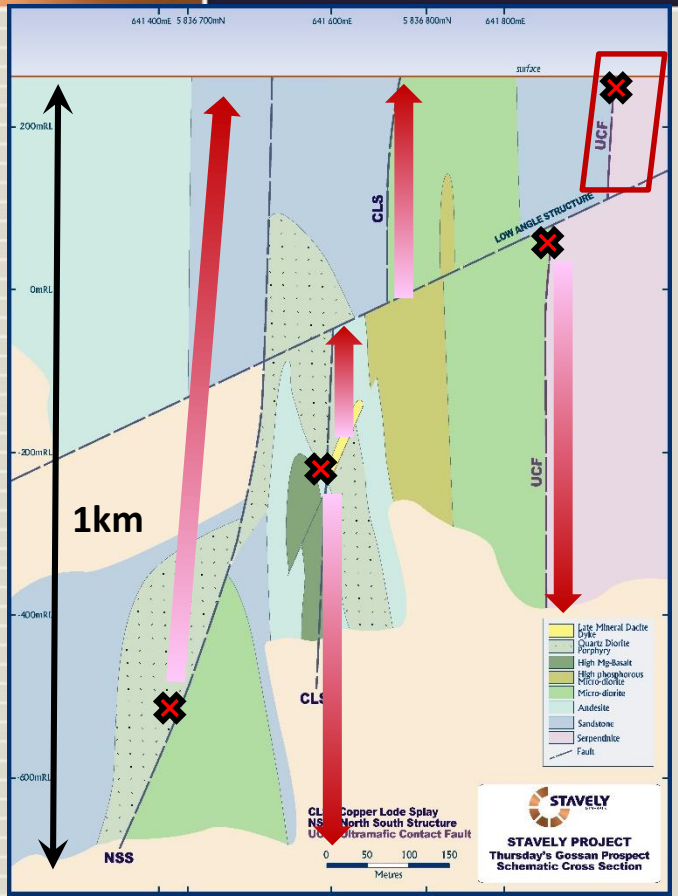
see ASX announcement 23/04/2019 and available from www.stavely.com.au

CURRENT PROGRAMMES

CURRENT PROGRAMMES

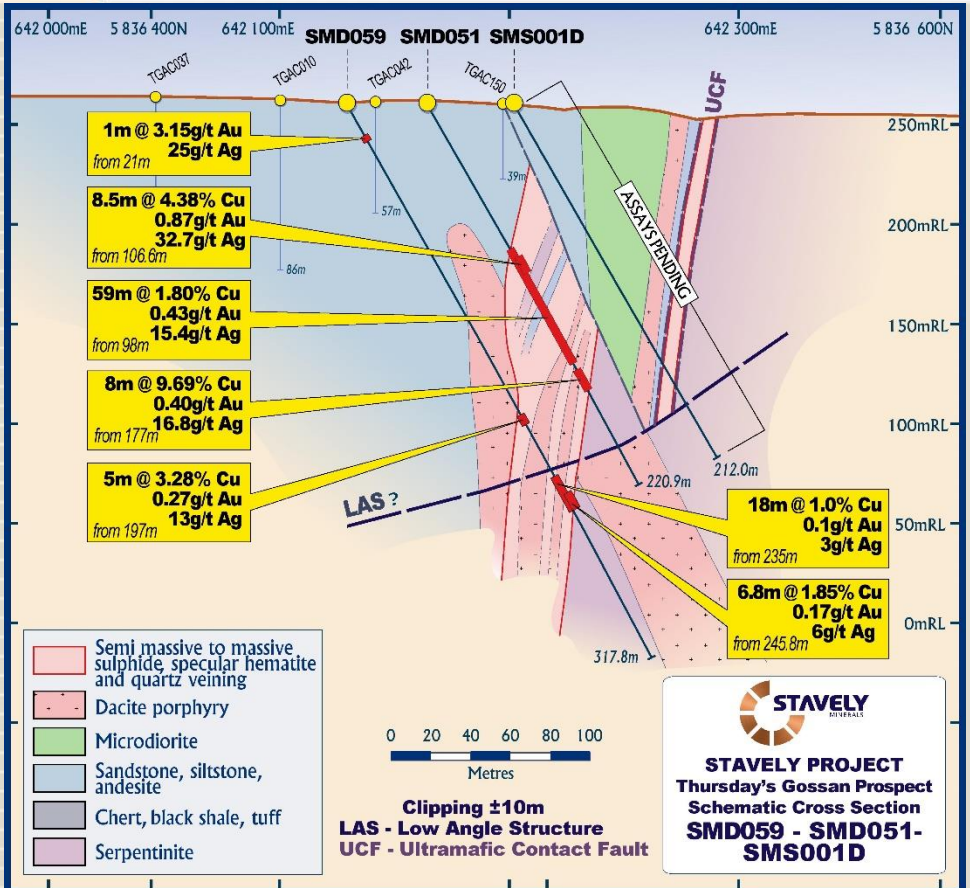
1. Complete a resources drill-out of shallow mineralisation on the Ultramafic Contact Fault
2. Continue to define mineralisation on the Ultramafic Contact Fault below the Low Angle Structure to depth
3. Extend the mineralisation on the Copper-Lode Splay from 500-600m up towards the surface
4. Extend the mineralisation on the North-South Structure from 800-900m up towards the surface
5. Target regional exploration opportunities

CURRENT PROGRAMMES



1. Drill shallow resources on UCF
2. Extend UCF mineralisation below LAS
3. Extend CLS mineralisation closer to surface
4. Extend CLS mineralisation to depth
5. Extend NSS mineralisation towards surface
6. Test regional targets

Mineralisation Under the LAS



SMD059

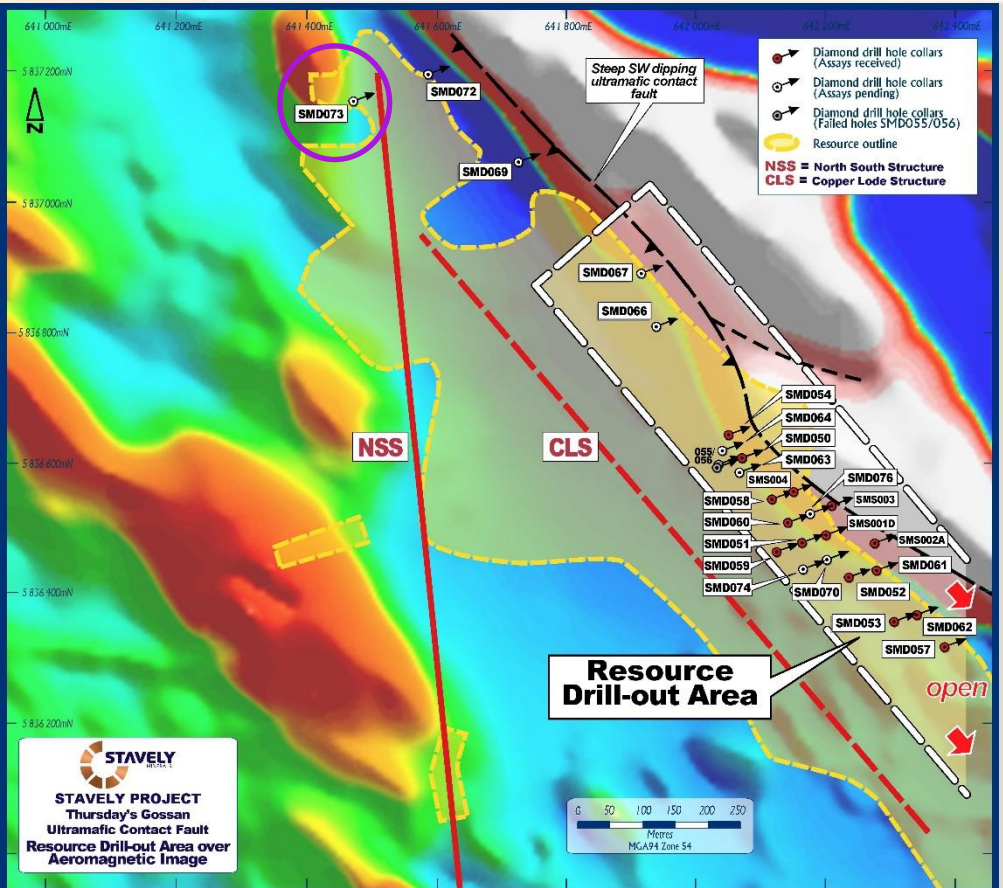
At the south end of the resources drill out area;

- **18m at 1.0% copper, 0.1g/t gold and 3g/t silver** including;
- **6.8m at 1.85% copper, 0.17g/t gold and 6g/t silver**

from below the LAS

see ASX announcement 17/12/2019 and available from www.stavely.com.au

Mineralisation Under the LAS



SMD073

At the extreme north end of current drilling has intercepted sphalerite (zinc sulphide) mineralisation on the UCF <u>below the LAS</u> from 359m – consistent with the distal sulphide zonation as predicted by the Magma model

Pale sphalerite and pyrite on the UCF in SMD073

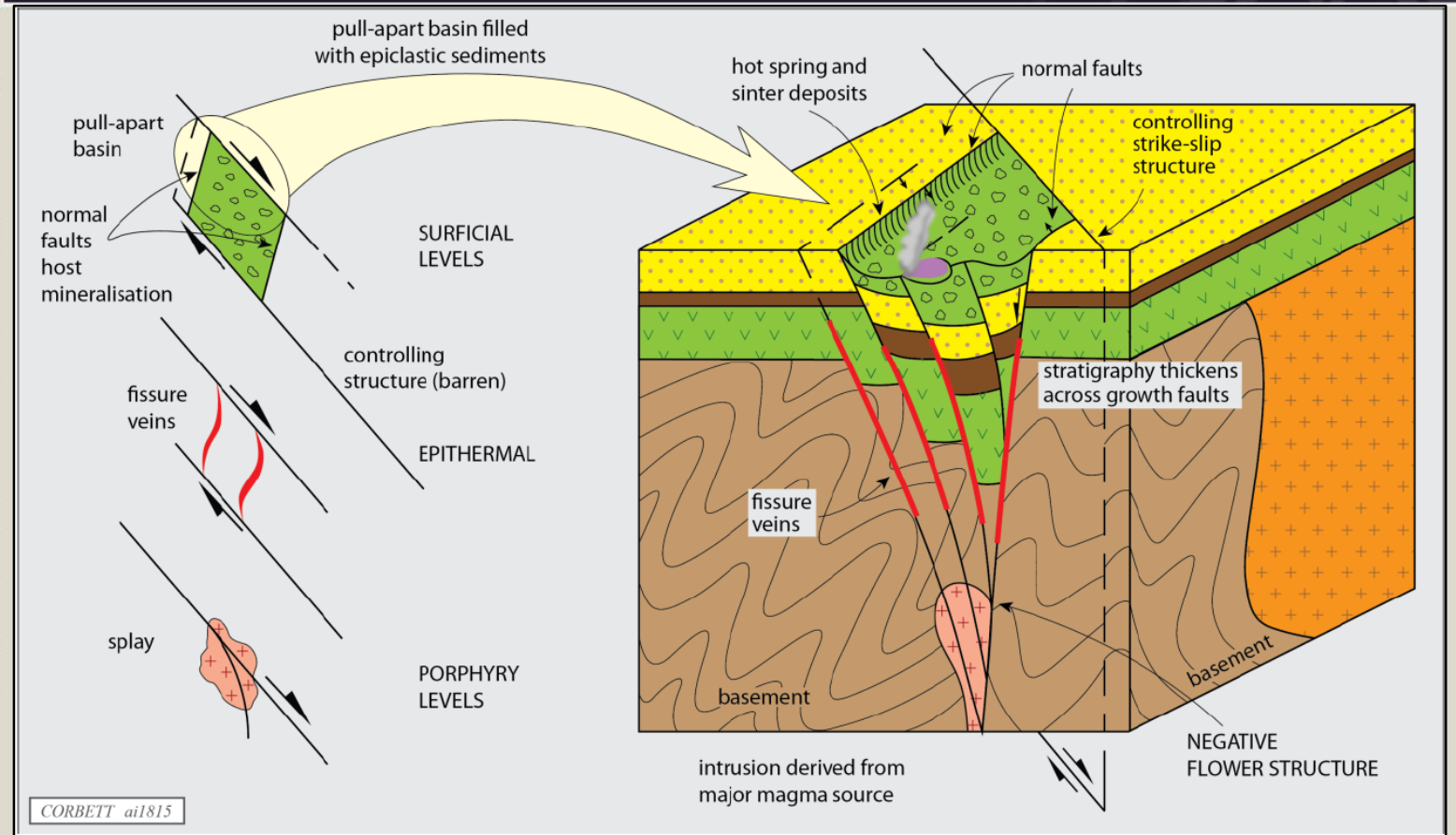
CURRENT PROGRAMMES

Seismic

We hope to be able to recognise the key mineralised structures at depths >2 km – and potentially recognise new ones - with a recently completed seismic survey.

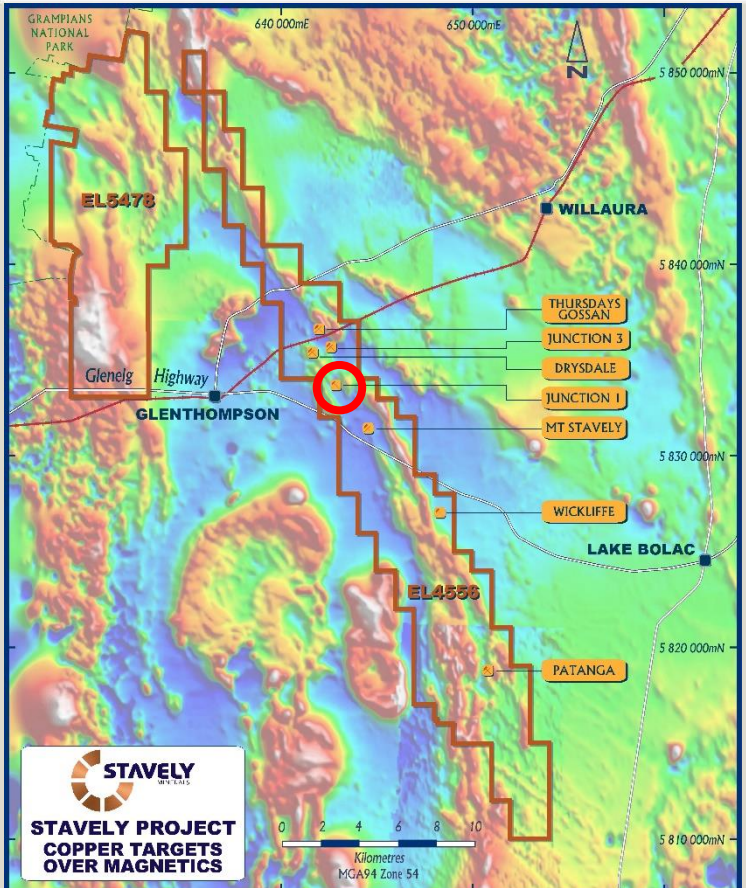
Could also assist later targeting of the metals source porphyry at depth…

THURSDAY'S GOSSAN STRUCTURE



REGIONAL TARGETS

Regional Targets - JUNCTION 1



Aircore hole TGAC078

- 57m at 2.43% copper and 22g/t silver from 2m to EoH
- 6m at 0.16g/t gold

see Stavely Minerals Prospectus and available from www.stavely.com.au

TAKE AWAY MESSAGES

1. Recent discovery of structurally-controlled high-grade lode-style copper-gold-silver mineralisation similar to Magma, Arizona and Butte, Montana
2. Mineralisation confirmed in 3 structures from 62m to almost 1,000m drill depth – a very ‘tall’ system
3. In the early stages of a shallow resources drill out targeting circa 20% of one of the three mineralised structures identified to date
4. Likely to be driven by a late stage porphyry yet to be seen – it’s still out there
5. Potential for additional discovery on regional targets – ie. Junction 1, Mt Stavely etc

STAVELY MINERALS

ASX Code – SVY
Share Price - $0.69
Cash (31/12/19) - $17.5M*

Shares on Issue – 214M
Market Cap - $148M
Management & Staff ~30% equity

**Excludes ~$0.8m of equity issued in lieu of drilling costs yet to be released from escrow*

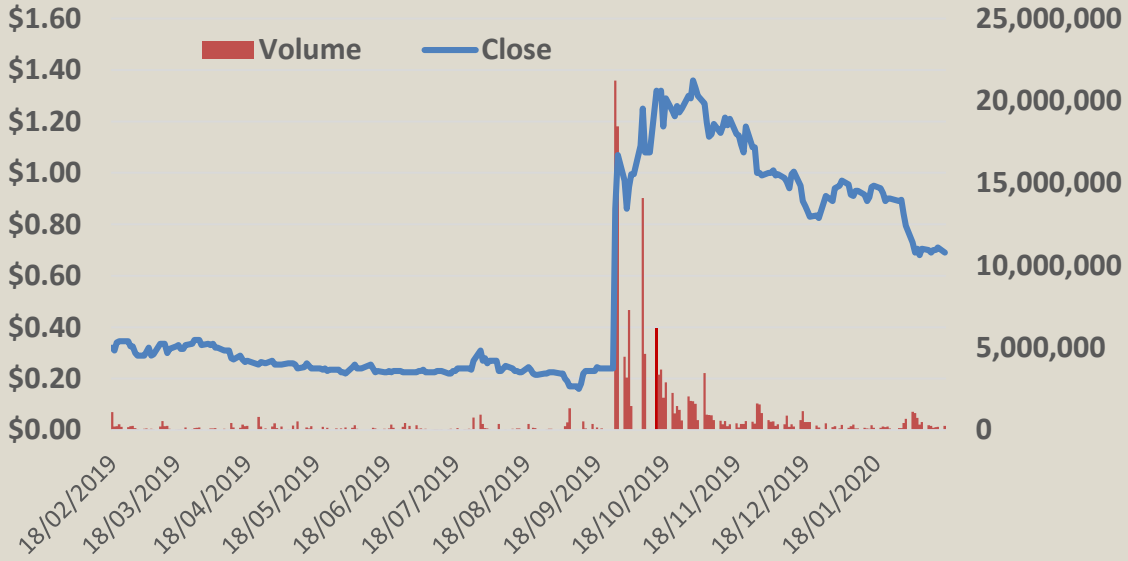
Directors

Chris Cairns
Executive Chairman

Jennifer Murphy
Technical Director

Peter Ironside
Non-executive Director

Amanda Sparks
Non-Executive Director & Company Secretary



**$2m share subscription agreement with Titeline Drilling Pty Ltd*

Thank You

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Authorised for lodgement by Chris Cairns, Managing Director and Executive Chairman

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