

Stavely Outlines 2015 Copper and Gold Exploration Programmes Following Successful Maiden Campaign in 2014

Further encouraging drilling results and significant new geological interpretation for Stavely Copper Project; new DHEM conductors at Mt Ararat; follow-up plans for unexpected "Stawell-style" gold mineralisation at Mt Ararat; plus planned geophysics on distinctive magnetic features at Mortlake

Highlights

SMD004 (Thursday's Gossan) – assay results from final diamond drill hole for 2014:

- Assay results now received for drill hole SMD004 including:
 - **52m at 0.23% copper from 39 metres drill depth, and**
 - **69m at 0.15% copper from 466m drill depth.**
- SMD004 also intersected an interpreted shallow dipping structure at 480m drill depth.

Significant new structural interpretations for Thursday's Gossan opens up a new priority target area:

- The Thursday's Gossan porphyry is interpreted to be offset to the east by a shallow dipping 'normal' fault. If correct, the interpreted porphyry core would be much closer to surface, but approximately 500m further to the east than the previous target location. This new interpreted location is very lightly explored with very little drilling and will be a key focus for follow-up exploration in 2015.

Mt Ararat VMS Project – successful down-hole EM identifies new conductor:

- Down-hole EM (DHEM) completed on selected Stavely drill holes resulting in the identification of an off-hole conductor off the northern end of the existing Mineral Resource.

Carroll's Prospect – another new DHEM conductor:

- Drill hole SARCO11 at the northern end of the Carroll's prospect has produced an off-hole conductor of unresolved geometry.

Mt Ararat 'Stawell-style' gold mineralisation – an exciting new gold opportunity:

- Significant and unexpected intersection of 12m at 0.97g/t gold including **3m at 3.04g/t gold**, to be followed-up with additional drilling.

Stavely Minerals Limited (ASX Code: **SVY** – "Stavely Minerals") is pleased to advise that its search for a substantial porphyry copper-gold system at the 100%-owned **Stavely Copper Project** in Western Victoria is continuing to deliver encouraging results, with recent

exploration also opening up significant new exploration opportunities at the **Mt Ararat VMS and gold project**.

The Company has now received all outstanding assay data and completed a detailed review of exploration outcomes from its highly successful maiden exploration field season in 2014, and is pleased to provide an overview of its plans to further advance its key projects in the year ahead.

Stavely Porphyry Copper Project

Interpretation of recent drilling at the **Thursday's Gossan** prospect has resulted in an important breakthrough in the Company's geological understanding, suggesting that the target zone has been fault offset to a position some 500m further east.

This interpretation would bring the target zone **significantly closer to surface** and places it in an area which has been very lightly explored with sparse, shallow rotary air blast (RAB) drilling which does however, display molybdenum anomalism consistent with the near surface expression of the interpreted offset structure.

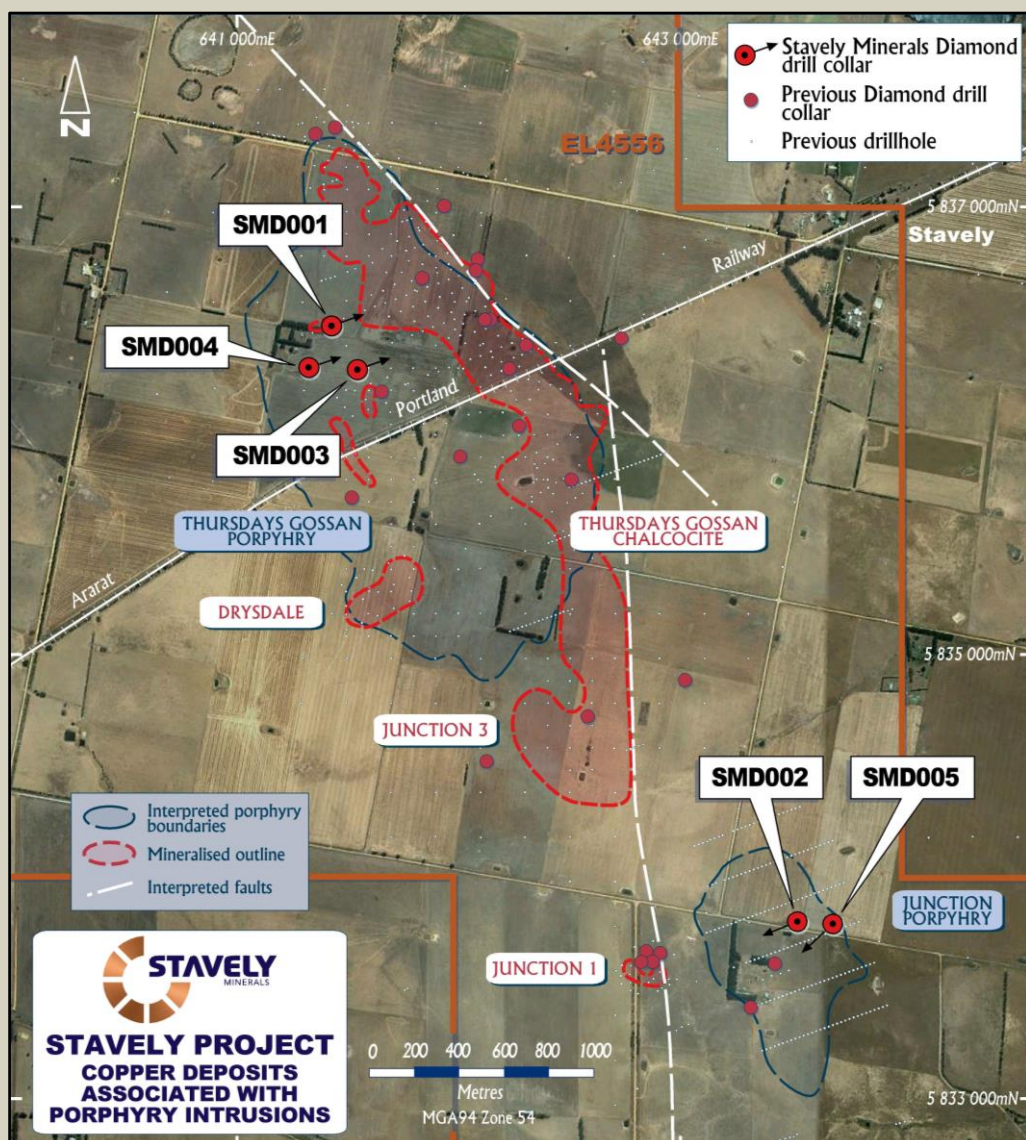


Figure 1. Drill collar location plan for Thursday's Gossan and Junction porphyry targets, 2014 drill programme.

Drill-hole SMD004, the western-most and deepest of three deep diamond drill holes drilled by Stavely Minerals in 2014, has returned encouraging assay results including:

- **52m at 0.23% copper from 39m drill depth; and**
- **69m at 0.15% copper from 466m drill depth.**

SMD004 also intersected a shallow dipping structure, previously recognised in both SMD001 and SMD003, at approximately 480m down-hole, providing a very good triangulation on the orientation of this structure with an apparent dip of 40 degrees to the west (Figure 2). The shallow dipping structure is interpreted to have a 'normal' sense of movement – that is, the material above the fault has slipped down and to the west of the material below the fault.

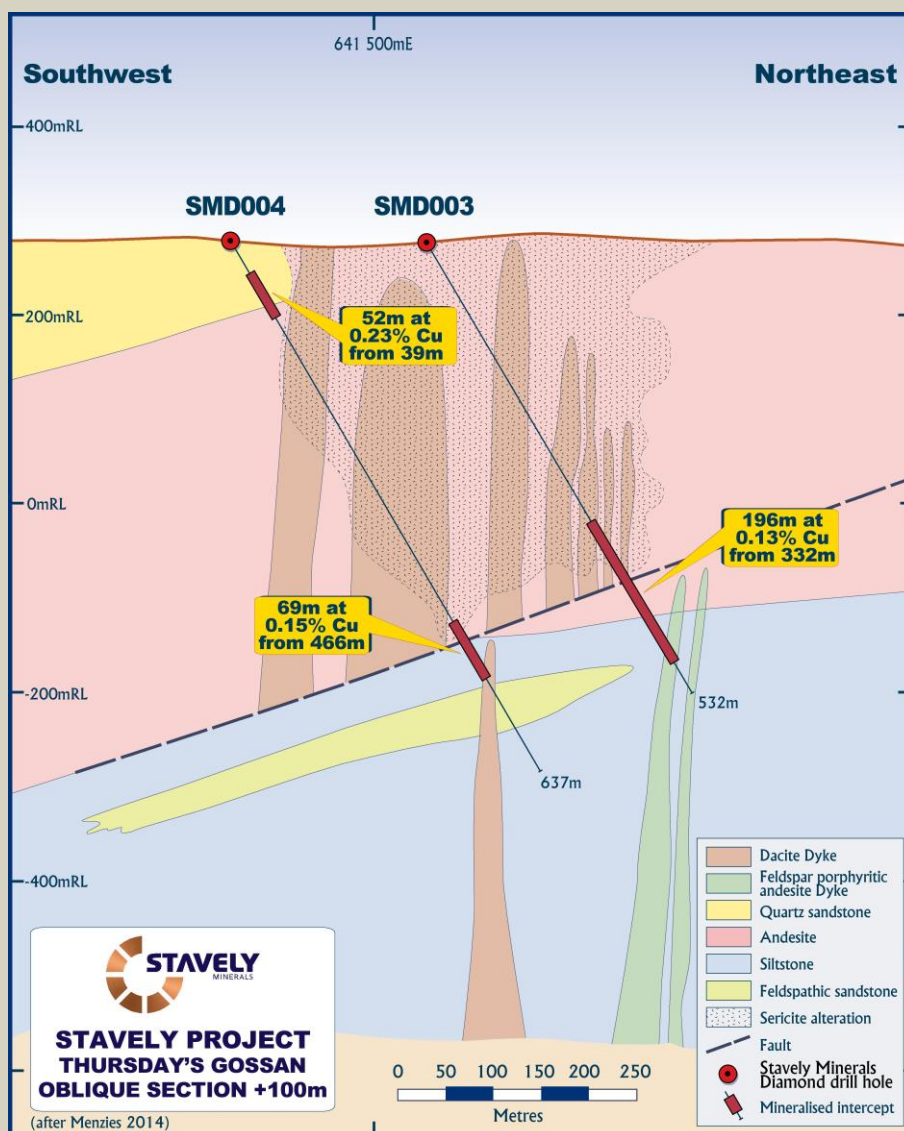


Figure 2. Drill section showing drill holes SMD003 and SMD004, the shallow dipping structure and copper assays. Note that copper mineralisation persists across the structure.

The interpretation of a normal sense of movement where the upper block has slid down and to the west relative to the lower block would bring the target potassic alteration/ore zone in the lower block closer to the surface and some 500m to the east of the focus of previous exploration (Figure 3).

This interpretation is supported by an apparent structural repeat of a very magnetically distinctive serpentinised ultramafic unit on the eastern margin of the Thursday's Gossan porphyry. Figure 4 shows this repeat in the airborne magnetic data and the magnitude of the offset of the lower block is in the order of 500m to the east.

This interpretation would also explain the transition observed in SMD003 with the drill-hole commencing in propylitic (distal) alteration, progressing into well-developed phyllic alteration (becoming more proximal to an intrusive source) and then intersecting the shallow dipping fault and passing into outer propylitic alteration (very distal) beneath the fault.

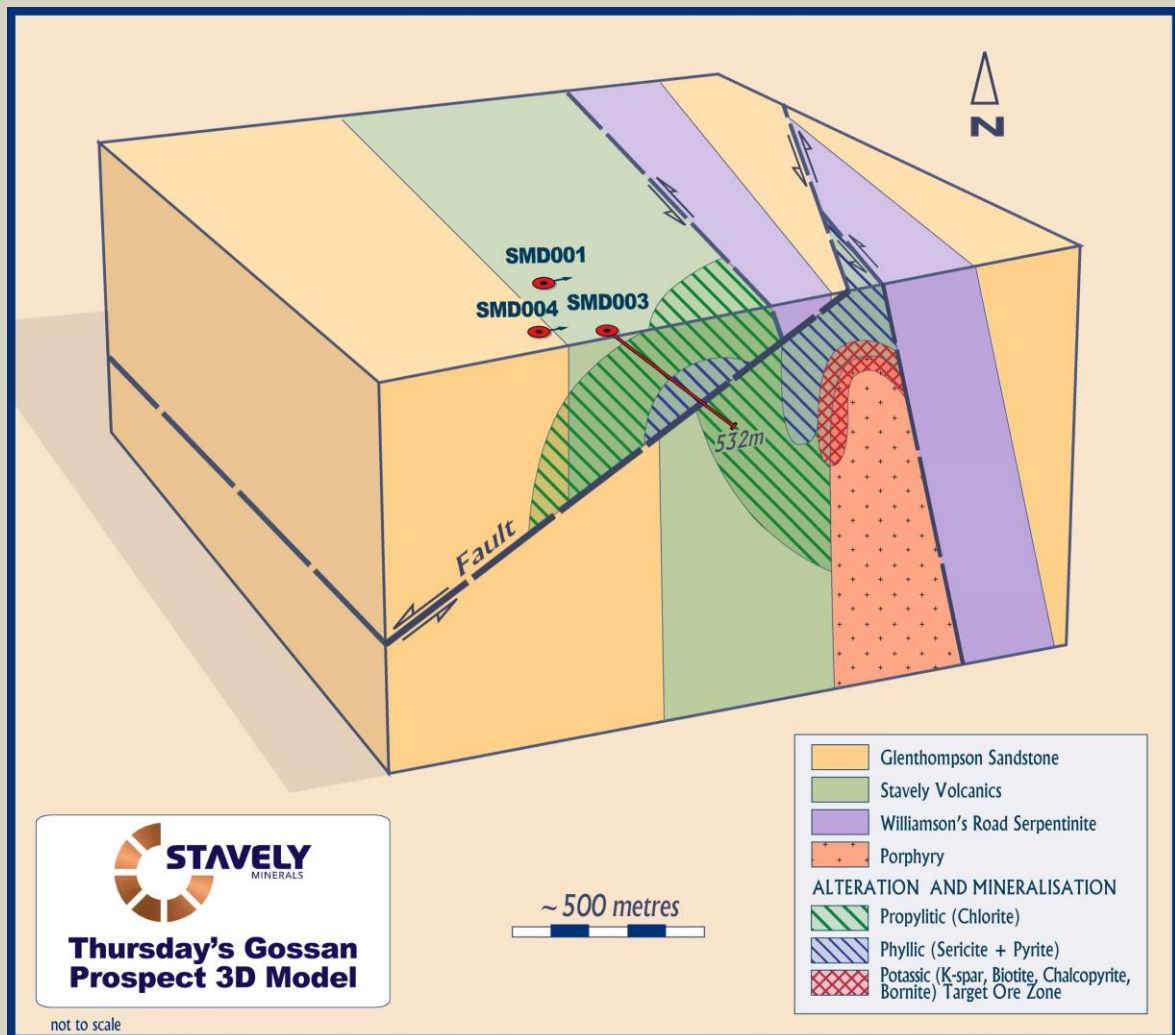


Figure 3. 3D conceptual model of Thursday's Gossan porphyry and 'normal' structural offset.

The 3D structural interpretation presented is relatively simplistic but with observed evidentiary support. However, it is likely that the evolution of the Thursday's Gossan

porphyry system may be somewhat more complicated by additional observations that the shallow dipping structure is characterised by abundant 'D' veins with pyrite / chalcopyrite / bornite and molybdenite in en-echelon tension gash arrays within a broader structural zone and are therefore at least partially syn-genetic with structural movement.

A further observation that much of the mineralisation is core-axis parallel (i.e., oriented in the same azimuth as the drill-hole direction) and that the copper grade is similar above and below the shallow dipping structure in Stavely drill holes SMD001, SMD003 and SMD004, despite the alteration character being distinctly different above and below the structure in each of these drill holes (Figure 2).

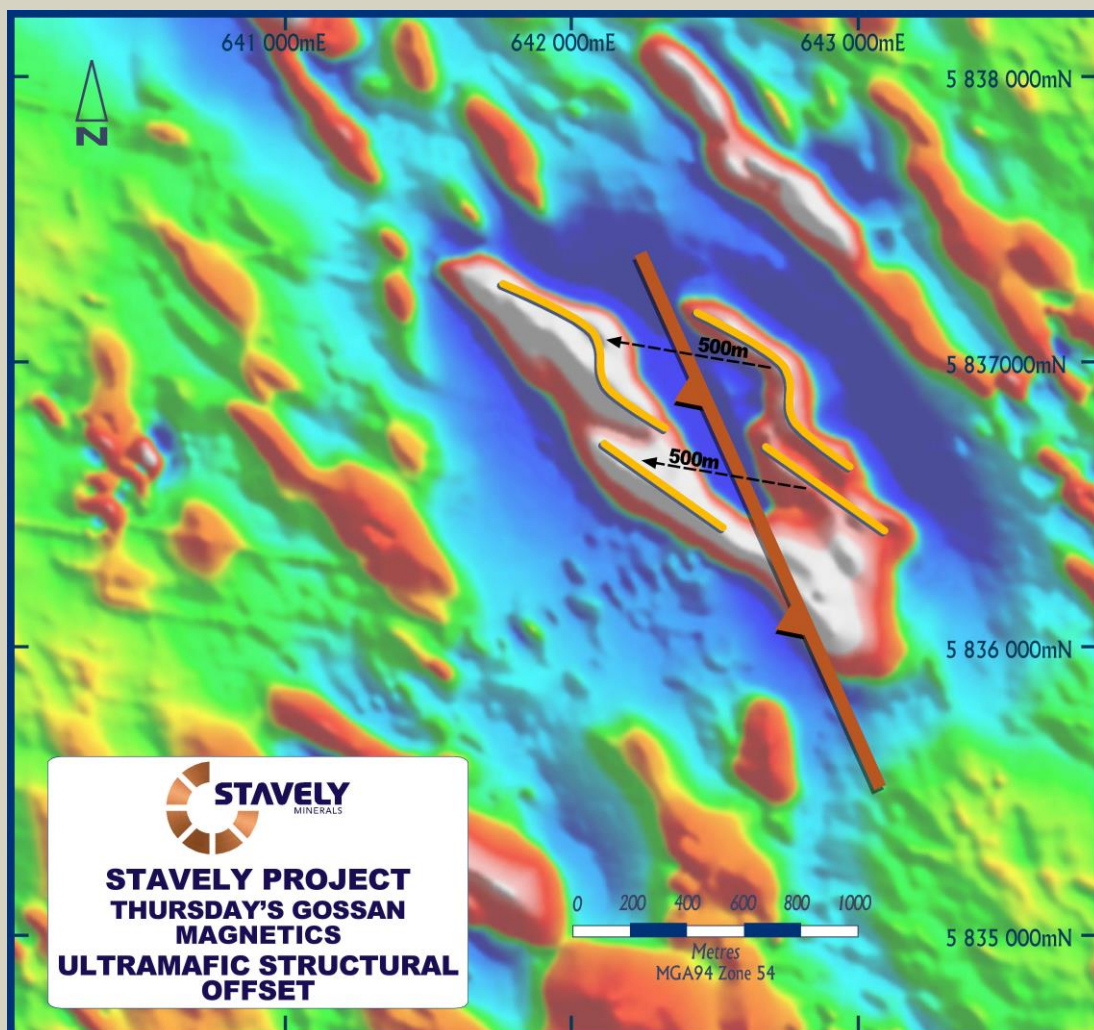


Figure 4. Airborne magnetic data (reduced to pole, first vertical derivative) showing the structural dislocation and offset of the strongly magnetic ultramafic unit located on the eastern margin of the Thursday's Gossan porphyry. The interpreted near surface position and dip of the offset structure is shown by the solid orange line.

Additionally, historical drill hole VSTD002A located to the east of the prospect area demonstrates very low copper grades (0-124m, 0.002% copper) above the interpolated

fault plane while immediately below the fault plane, copper grades average 0.16% copper over 180m from 124m drill depth to end of hole.

These collective observations suggests that the initial phase of alteration and poorly developed copper mineralisation has been overprinted by resurgent intrusion and associated better developed copper mineralisation (Figure 5, from Corbett and Menzies, 2014). The en-echelon form of 'D' veins hosted in the normal fault structural corridor suggests they developed during shallow dipping fault activation and were derived from the porphyry source for the hydrothermal alteration. Syn-mineral uplift and erosion is interpreted as a common event to unroof porphyry intrusions¹.

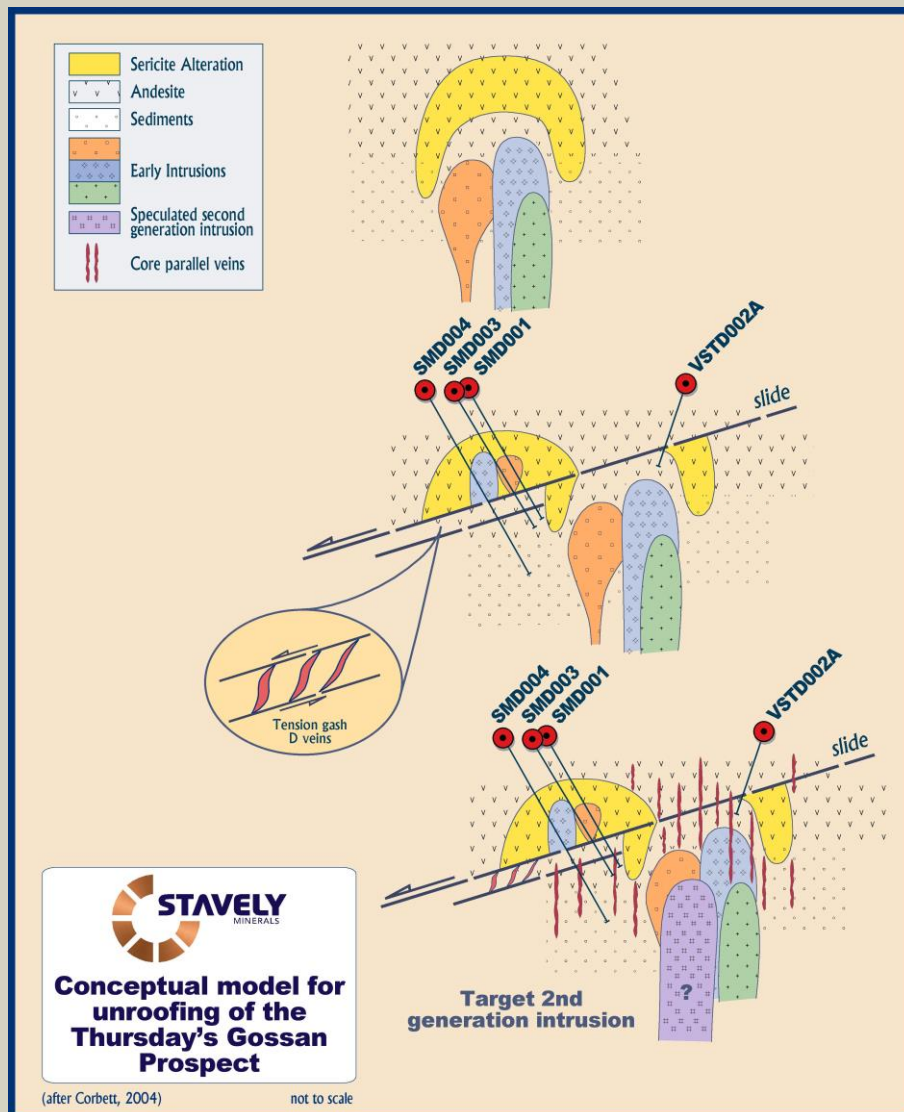


Figure 5. Sequence showing shallow dipping structural unroofing of the initial phase of intrusion and alteration followed by resurgent intrusion and better-developed copper mineralisation overprint.

¹ Comments on Drill Core Inspected From Thursday's Gossan and Junction prospects for Stavelly Minerals Limited, September and November 2014, 2014, Douglas C. Menzies and Gregory J. Corbett of Corbett and Menzies Consulting Pty Ltd, p19.

Stavely Minerals works closely with Corbett and Menzies Consulting Pty Ltd (“Corbett and Menzies”) to add value to our geological observations with their extensive global experience in porphyry systems and to assist in the progressive vectoring towards the target zones of copper-gold mineralisation.

What Does it All Mean?

The net effect of all of this interpretation is that the conceptual target ore zone is expected to be located to the east of much of the previous exploration drilling and should be closer to surface. To further support this interpretation and to develop robust drill targets, Stavely Minerals intends to:

- extend Induced Polarisation (IP) geophysical lines to the east as the new interpreted position of the target zone is outside the extent of previous surveys;
- gather inexpensive Niton® XRF soil geochemical data over the target area where the structure ‘daylights’ at surface and to the east of that position;
- collect sulphur isotope data for copper mineralisation above and below the shallow dipping offset structure to confirm the direction of movement (more strongly negative sulphur isotope values indicate a greater contribution of magmatic source fluids and proximity to the source intrusion); and
- complete 3D modelling of the target geometry.

Stavely Minerals’ Managing Director, Mr Chris Cairns, said the maiden deep drilling programme at the Thursday’s Gossan prospect had significantly advanced the search for porphyry copper-gold mineralisation.

“We have seen clear indications at Thursday’s Gossan that our drilling is getting incrementally closer to the targeted porphyry copper-gold mineralisation at depth, however we were also the first to recognise the influence of a major shallow dipping fault at depth,” Mr Cairns said.

“This may go some way to explaining the lack of success of previous explorers. We are pursuing multiple technical avenues, including high-powered geophysics, to generate drilling targets below the offset structure and we are confident we can target increasingly attractive copper-gold mineralisation below this structure.

“We are applying some of the latest thinking and exploration techniques to help us vector into the interpreted offset porphyry copper mineralisation, which could deliver better developed copper-gold mineralisation at shallower levels than previously expected.

“Our new geological interpretation represents an exciting development for the project, and gives us a clear forward path in terms of exploration priorities for 2015. We are very much looking forward to putting some further meat on the bones of this new interpretation and then testing it with some strategically located diamond drill-holes,” Mr Cairns said.

Ararat Project

At the Mt Ararat copper-gold deposit, a number of RC drill holes were completed in 2014, with every hole intersecting significant copper-gold mineralisation (see ASX Release, 10 September 2014) including:

- **5m at 2.10% copper, 0.56 g/t gold, 0.48% zinc and 9 g/t silver**, including
 - **2m at 3.37% copper, 0.73 g/t gold, 0.47% zinc and 14 g/t silver**
- **3m at 2.64% copper, 0.17 g/t gold, 0.31% zinc and 3 g/t silver**
- **1m at 5.89% copper, 0.55 g/t gold, 2.31% zinc and 17 g/t silver**

Significantly, drilling also intersected copper-gold mineralisation outside the existing Mineral Resource to the north.

At the end of 2014, a down-hole electromagnetic (DHEM) survey was completed for selected drill holes. SARC009 was the northernmost drill hole completed and has provided an off-hole DHEM conductor assessed to be of similar intensity to that associated with other mineralised drill intercepts within the existing deposit (Figure 6).

Stavely Minerals plans to test this conductor with follow-up RC / diamond drilling.

At the Carroll's prospect to the north of the Mt Ararat copper-gold deposit, shallow (200m) RC drill holes at 200m spacings along strike and two step-out RC drill hole with diamond tails to +400m all intersected a variably mineralised exhalative horizon. This was considered extremely important as it materially increased the prospectivity of this horizon to host VMS-style copper-gold mineralisation.

Previous interpretations suggested airborne EM anomalies in this area were a response from unprospective graphitic schists. This graphitic schist hypothesis has since been disproven and the horizon is, without doubt, a seafloor exhalative horizon.

As with the Mt Ararat drill holes, the Carroll's prospect drill holes were surveyed using DHEM. While all of the holes demonstrate an on-hole conductor consistent with observed sulphide occurrences (pyrite / pyrrhotite and trace chalcopyrite), SARC011 also demonstrates off-hole late-time conductors of unresolved geometry. Stavely and our geophysical consultants are reviewing the data with a view to drill testing the DHEM conductor.

Given the success of EM in identifying extensions to the Mt Ararat copper-gold deposit and in identifying the exhalative horizon at the Carroll's prospect, ground EM conductors at the South Pole prospect, located to the north of Carroll's prospect, will be tested with reconnaissance RC drilling and follow-up DHEM surveys.

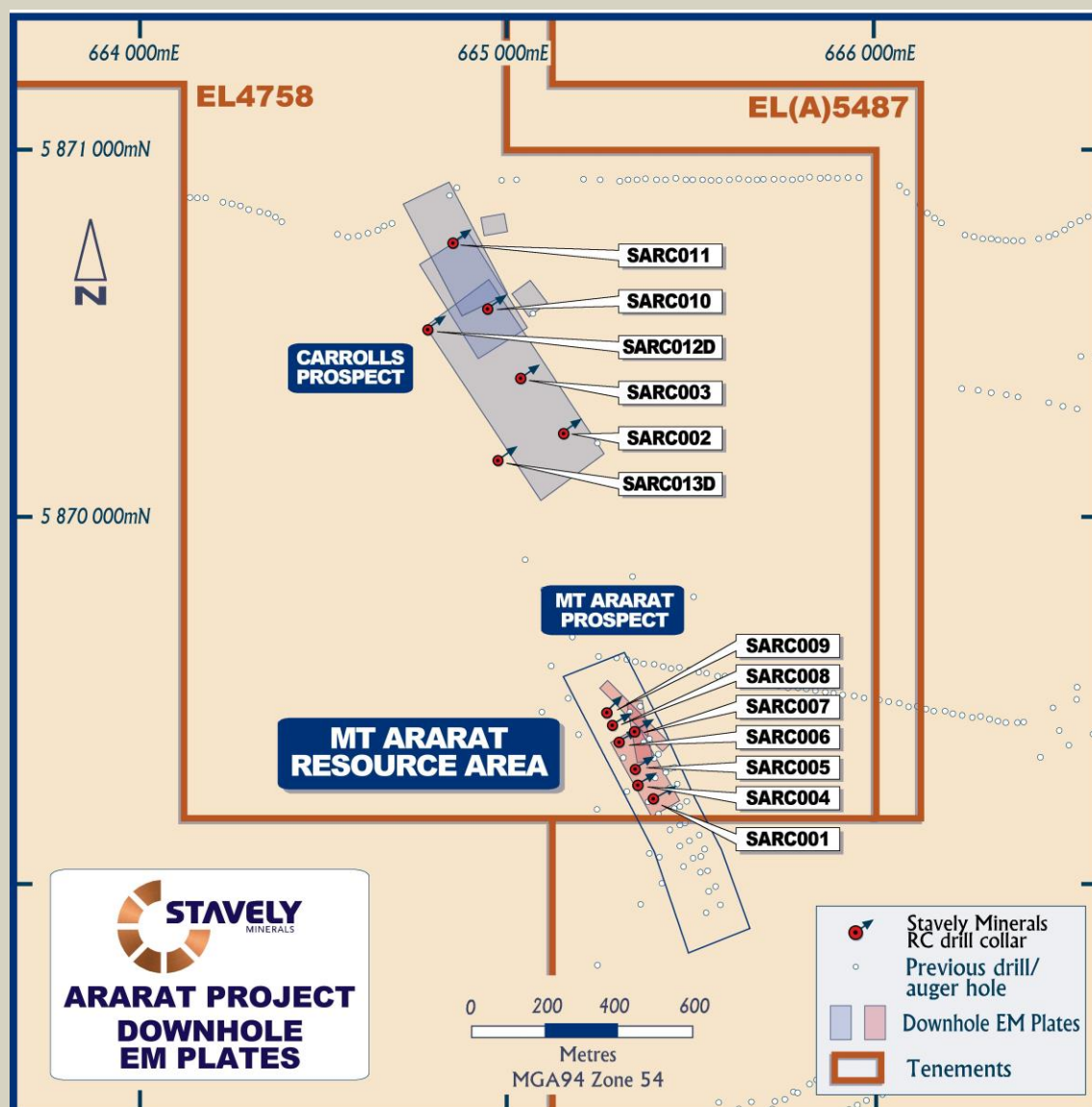


Figure 6. DHEM conductor plates from selected drill holes completed by Stavely Minerals in 2014.

Having confirmed that the copper-gold VMS prospective exhalative horizon extends along strike, Stavely Minerals intends to undertake field mapping and low-cost Niton® XRF geochemical surveys along the 15km of strike extent of this horizon within the Company's tenements. The initial focus of activity will be in the vicinity of the historic Borbidge copper prospect, located some 2km south of the Mt Ararat copper-gold deposit (Figure 7).

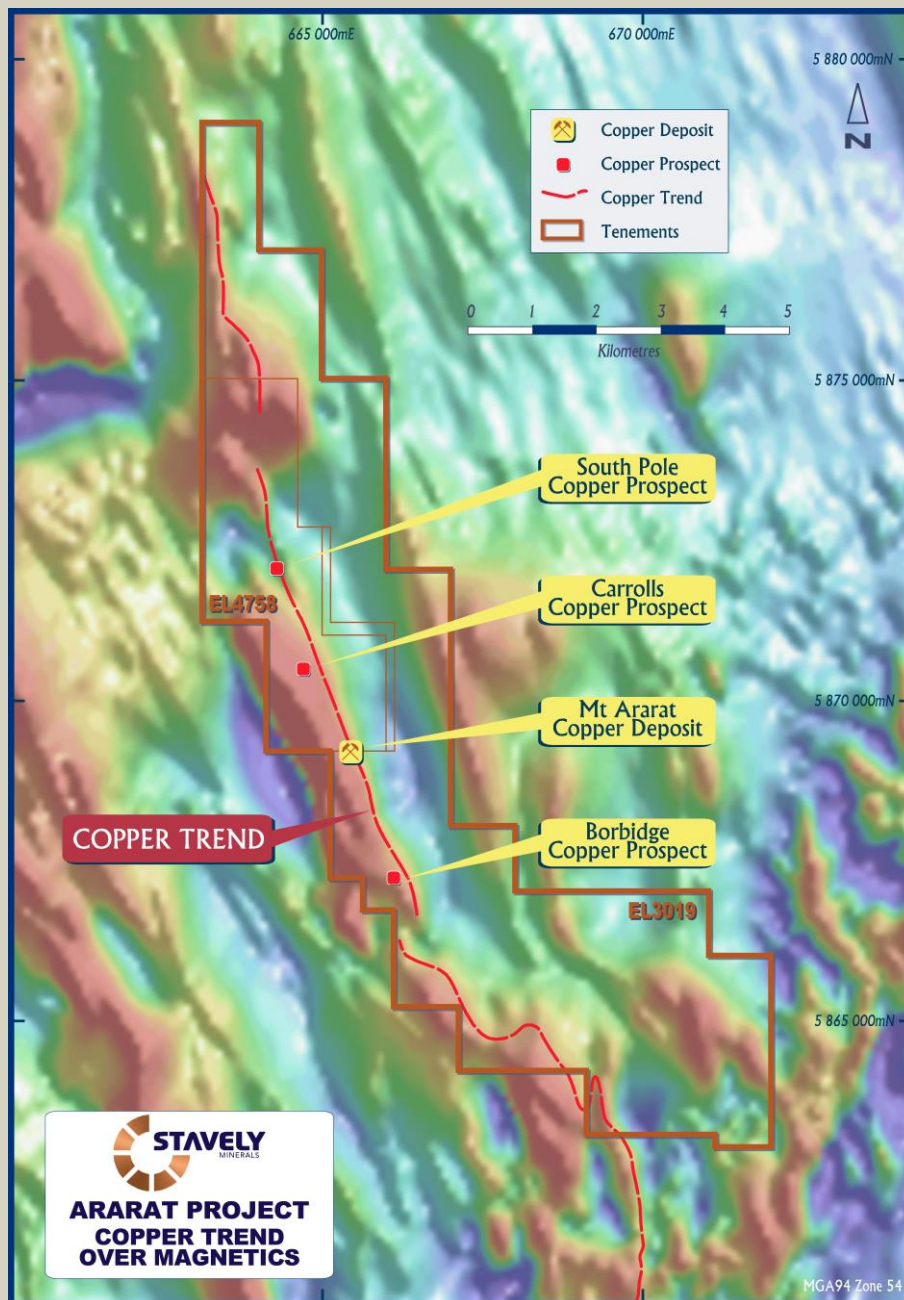


Figure 7. Interpreted extent of the copper-gold prospective exhalative horizon with Stavely Minerals' tenements.

Additionally, and unexpectedly, Stavely RC drill hole SARC001 also intersected 12m averaging 0.97 g/t gold within a broader 13m interval (Figure 8), including a significant higher grade zone of:

- **3m at 3.04 g/t gold**

The gold mineralisation intersected in the footwall to the expected VMS-style copper-gold-zinc-silver mineralisation has similar characteristics to the Stawell Gold Mine style of gold mineralisation (see ASX Release, 10 September 2014).

While this zone of gold mineralisation was unexpected, the host units in this locality are analogous to the host units at Stawell. Additional holes will be drilled to test the extents and grade of this new gold mineralised zone.

Stavely Minerals intends following up on this highly encouraging gold intercept by extending a number of existing drill holes with diamond tails into this footwall horizon.

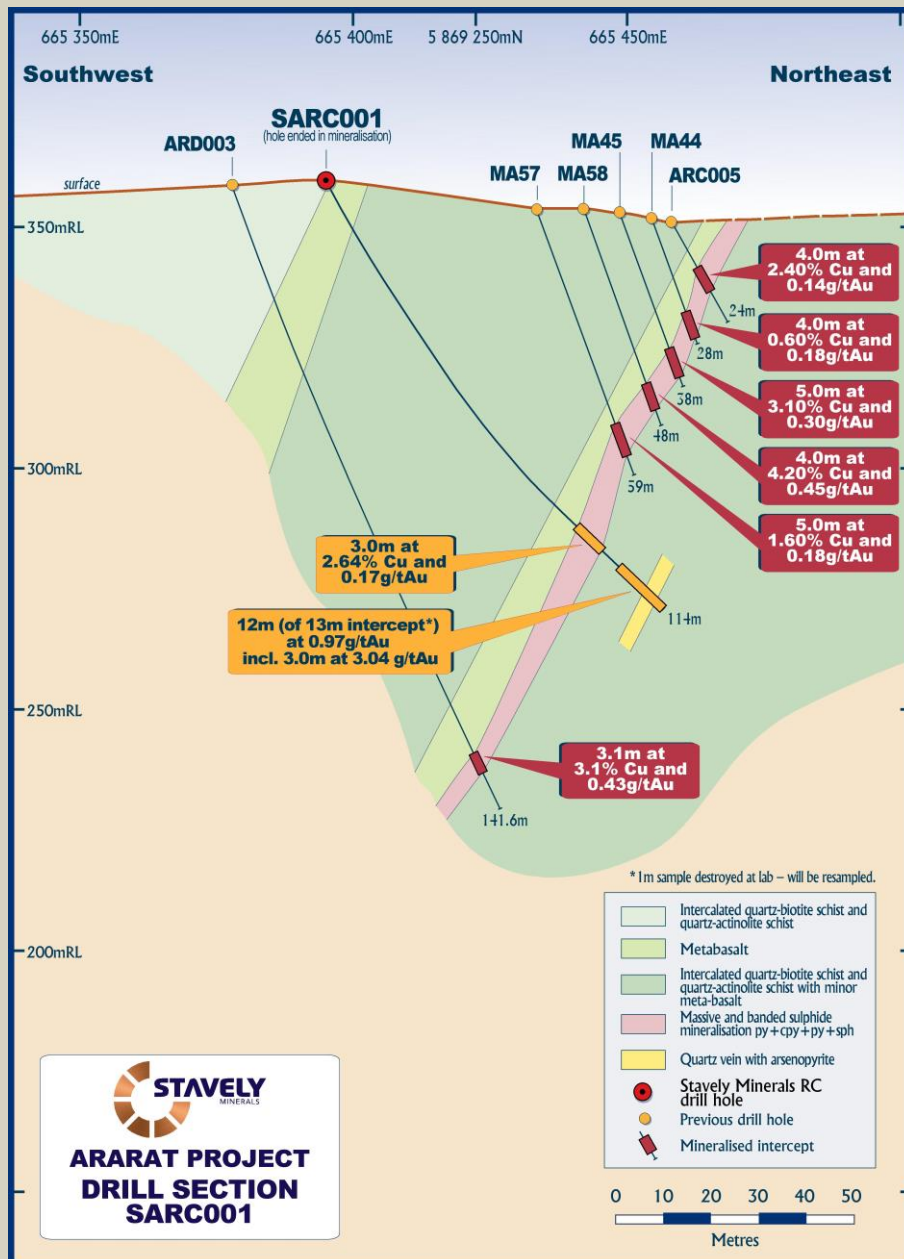


Figure 8. Drill section showing SARC001 and the unexpected gold intercept in the footwall to the copper-gold VMS mineralisation.

Mortlake Project

At the Mortlake Project, Stavely Minerals has identified a series of distinctive magnetic features believed to be remnants of the Stavely Volcanic Belt preserved below very young shallow basalt cover of the Newer Volcanics (Figure 9). The magnetic features are different in character to the small volcanoes and scoria cones associated with the Newer Volcanics.

Stavely Minerals intends to conduct test lines of Induced Polarisation (IP) geophysics across these features to assess if there are any chargeability responses which could potentially be reflecting disseminated sulphides at depth.

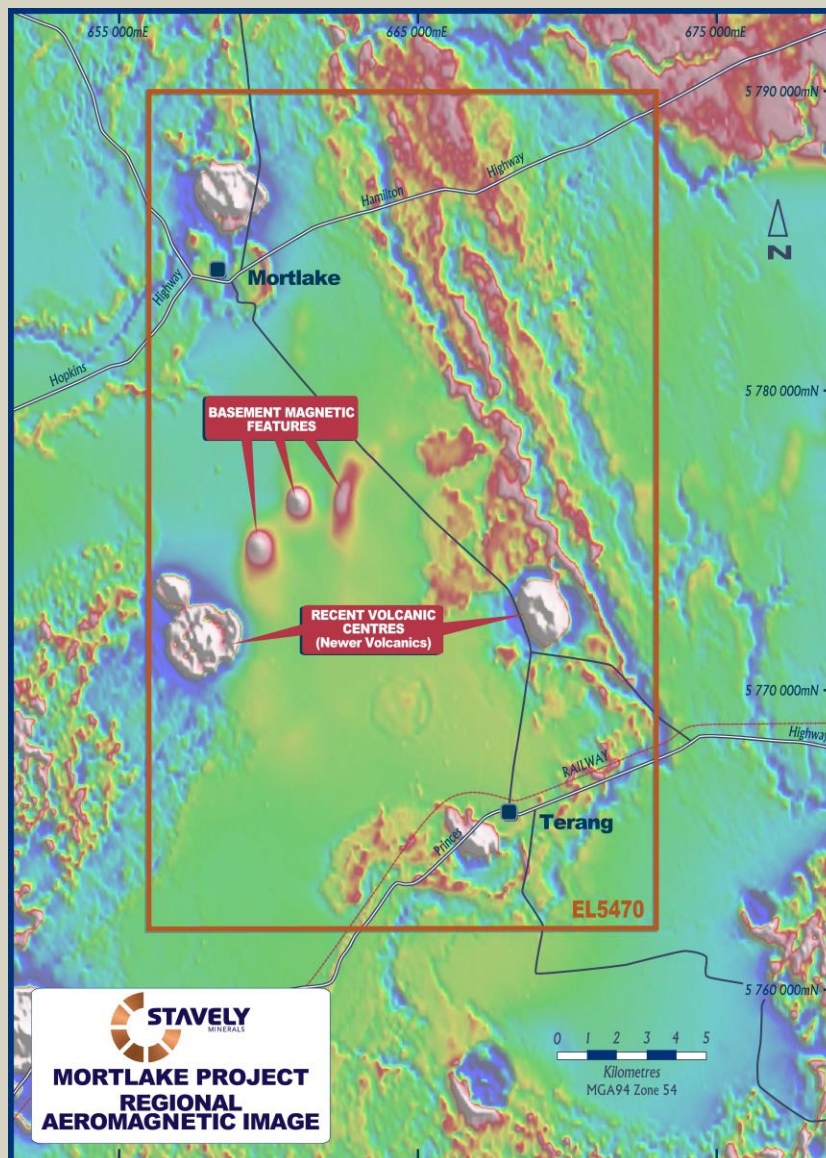


Figure 9. Mortlake aeromagnetic image (reduced to pole, first vertical derivative) showing discrete magnetic features to be tested with IP geophysics.

“In summary, I think it’s fair to say that 2014 was a very good year for Stavely Minerals with a successful IPO in difficult market conditions,” Mr Cairns said. “After listing, we got on with the job and executed the exploration programmes we told investors we would do. We have received some highly encouraging results and we are ready to follow-up on the results from 2014 by testing some excellent opportunities for the discovery of copper-gold and gold mineralisation in 2015. We believe that our strategy of applying best science, tapping into the best expert advice available and targeting opportunities with genuine potential for scale and value creation will ultimately succeed. We thank our investors for their support and hope to see the rewards in the coming year.”



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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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	<i>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.</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan Prospect</p> <p>Diamond drill hole, SMD001 was drilled at the Thursday's Gossan prospect. Diamond drilling was used to produce drill core with a diameter of 85mm (PQ) from surface to a depth of 302.5m and then 63.5mm (HQ) from 302.5m to 522.3m (eoh). SMD001 was orientated at 60° toward 060° to intercept and drill beneath an IP chargeability anomaly interpreted as representing the phyllic alteration of a porphyry system.</p> <p>Diamond drill hole, SMD003 was drilled at the Thursday's Gossan prospect. Diamond drilling was used to produce drill core with a diameter of 85mm (PQ) from surface to a depth of 260.4m and then 63.5mm (HQ) from 260.4m to 531.6m (eoh). SMD003 was orientated at 60° toward 060° to intercept and drill beneath an IP chargeability anomaly interpreted as representing the phyllic alteration of a porphyry system.</p> <p>Diamond drill hole, SMD004 was drilled at the Thursday's Gossan prospect. Diamond drilling was used to produce drill core with a diameter of 85mm (PQ) from surface to a depth of 190m and then 63.5mm (HQ) from 190m to 637m (eoh). SMD004 was orientated at 60° toward 060° to intercept and drill beneath an IP chargeability anomaly interpreted as representing the phyllic alteration of a porphyry system.</p> <p>Junction Prospect</p> <p>Diamond drill hole, SMD002 was drilled at the Junction prospect. Diamond drilling was used to produce drill core with a diameter of 85mm (PQ) from surface to a depth of 173.0m and then 63.5mm (HQ) from 173.0m to 533m (eoh). SMD002 was orientated at -50° toward 239° under the northern edge of a magnetic high, under elevated Cu in surface soil samples and towards a massive chalcopyrite bearing 'D' vein intersected in a historical aircore drill hole.</p> <p>ARARAT PROJECT</p> <p>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.</p> <p>Holes drilled at the Mt Ararat prospect targeted the northern extensions of the Mt Ararat copper-gold-zinc VMS deposit.</p> <p>Holes drilled at the Carroll's prospect at 200m spacing to</p>

Criteria	JORC Code explanation	Commentary
		test a ground EM conductor. Holes drilled at -60° to -70° on 065 to optimally intercept mineralised zone and the EM plates.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	<p>Sample representivity was ensured by a combination of Company Procedures regarding quality controls (QC) and quality assurance/ testing (QA).</p> <p>Examples of QC include (but are not limited to), daily workplace and equipment inspections, as well as drilling and sampling procedures.</p> <p>Examples of QA include (but are not limited to), collection of drilling duplicates ("field duplicates"), the use of certified standards and blank samples.</p>
	<i>Aspects of the determination of mineralisation that are Material to the Public Report - In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</i>	<p>Drill sampling techniques are considered industry standard for the Stavely and Ararat work programme.</p> <p>STAVELY PROJECT</p> <p>Thursday's Gossan and Junction Prospects</p> <p>For the diamond core, the entire hole has been sampled. For the PQ core - quarter core and for the HQ - half core was submitted to the laboratory 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.</p> <p>The diamond drill samples were submitted to Australian Laboratory Services ("ALS") in Orange, NSW. Laboratory sample preparation involved:- sample crushed to 70% < 2mm, riffle/rotary split off 1kg, pulverize split to >85% passing 75 microns.</p> <p>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.</p> <p>ARARAT PROJECT</p> <p>Mt Ararat</p> <p>For the RC drilling, geological logging was completed and following visual inspection of the 1m split samples for the mineralised intervals as well as for 5m of the footwall and 5m of the hanging wall were selected for laboratory analysis.</p> <p>The RC drill samples were submitted to Australian Laboratory Services ("ALS") in Orange, NSW. Laboratory sample preparation involved:- sample crushed to 70% < 2mm, riffle/rotary split off 1kg, pulverize split to >85% passing 75 microns.</p> <p>RC samples analysed by ME-OG62 – ore grade four acid digest with ICPAES analysis and AA25 – fire assay with AAS finish.</p> <p>Carroll's Prospect</p> <p>For the RC drilling, geological logging was completed and following visual inspection, the 1m split samples for the intervals containing sulphides were selected for laboratory analysis.</p> <p>The RC drill samples were submitted to ALS in Orange,</p>

Criteria	JORC Code explanation	Commentary
		<p>NSW. Laboratory sample preparation involved:- sample crushed to 70% < 2mm, riffle/rotary split off 1kg, pulverize split to >85% passing 75 microns.</p> <p>RC samples were analysis by multielement ICPAES Analysis - Method ME-ICP61 and for gold using Method Au-AA23.</p>
<i>Drilling techniques</i>	<i>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).</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan and Junction Prospects</p> <p>Diamond drilling used PQ (85mm internal diameter) and HQ (63.5mm internal diameter) drill bits. Diamond drilling was standard tube. Diamond core was orientated by the Reflex ACT III core orientation tool.</p> <p>ARARAT PROJECT</p> <p>Mt Ararat and Carroll's Prospects</p> <p>RC percussion drilling using a track mounted rig. The top drive drill used standard 6m length RC rods (4.0" diameter) and 4" slimline hammer (Sandvik 004) with a 121mm face sampling RC bit.</p>
<i>Drill sample recovery</i>	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan and Junction Prospects</p> <p>Diamond core recoveries were logged and recorded in the database.</p> <p>Greater than 83% of SMD001 hole had 100% core recovery, with only 0.4% of the hole recording 0% recovery.</p> <p>A total of 92% of SMD002 had in excess of 95% recovery, with less than 0.5% of the hole recording less than 50% recovery.</p> <p>A total of 86% of SMD003 had in excess of 95% recovery, with 2.2% of the hole recording less than 50% recovery.</p> <p>A total of 95% of SMD004 had in excess of 95% recovery, with 0.3% of the hole recording less than 75% recovery.</p> <p>ARARAT PROJECT</p> <p>Mt Ararat and Carroll's Prospects</p> <p>RC sample recovery was good. Booster air pressure was used. Air pressure used for RC drilling was 600psi. RC sample recovery was visually checked during drilling for moisture or contamination. Insignificant sample loss or carry-over gain was recorded. No significant water was noted in the RC holes.</p>
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	<p>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.</p>

Criteria	JORC Code explanation	Commentary
	<i>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.</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan and Junction Prospects</p> <p>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 competent nature of the drill core.</p> <p>ARARAT PROJECT</p> <p>Mt Ararat and Carroll's Prospects</p> <p>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.</p>
Logging	<i>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.</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan and Junction Prospects</p> <p>Geological logging of samples following 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.</p> <p>Due to the fractured nature of the core returned in SMD001 there was a low confidence in the orientations and consequently only limited structural measurement could be taken.</p> <p>The quality of core from SMD002, SMD003 and SMD004 was much better than for SMD001 and consequently the confidence in the orientations was higher and structural measurements could be taken.</p> <p>Magnetic Susceptibility measurements were taken for each 1m diamond core interval.</p> <p>ARARAT PROJECT</p> <p>Mt Ararat and Carroll's Prospects</p> <p>Geological logging of samples following Company and industry common practice. Qualitative logging of samples including (but not limited to); lithology, mineralogy, alteration, veining and weathering.</p> <p>Magnetic Susceptibility measurements were taken for each 1m RC interval.</p>
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan and Junction Prospects</p> <p>All logging is quantitative, based on visual field estimates. Systematic photography of the diamond core in the wet and dry form was completed.</p> <p>ARARAT PROJECT</p> <p>Mt Ararat and Carroll's Prospects</p> <p>All logging is quantitative, based on visual field estimates. Chip trays with representative 1m RC samples were</p>

Criteria	JORC Code explanation	Commentary
		collected and photographed then stored for future reference.
	<i>The total length and percentage of the relevant intersections logged.</i>	STAVELY PROJECT Thursday's Gossan and Junction Prospects 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. ARARAT PROJECT Mt Ararat and Carroll's Prospects All RC chips samples were geologically logged by Stavely Minerals' on-site geologist on a 1m basis, with digital capture in the field.
<i>Sub-sampling techniques and sample preparation</i>	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	STAVELY PROJECT Thursday's Gossan and Junction Prospects Quarter core for the PQ diameter diamond core and half core for the HQ diameter core was sampled on site using a core saw.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	ARARAT PROJECT Mt Ararat and Carroll's Prospects 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.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	STAVELY PROJECT Thursday's Gossan and Junction Prospects 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. ARARAT PROJECT Mt Ararat and Carroll's Prospects 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, as well as sub-sample duplicated ("field duplicates").
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	STAVELY PROJECT Thursday's Gossan and Junction Prospects Blanks and certified reference materials are submitted with the samples to the laboratory as part of the quality control procedures. ARARAT PROJECT Mt Ararat and Carroll's Prospects Field duplicates, blanks and certified reference materials are submitted with the samples to the laboratory as part of the quality control procedures.

Criteria	JORC Code explanation	Commentary
	<i>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.</i>	STAVELY PROJECT Thursday's Gossan and Junction Prospects No second-half sampling has been conducted at this stage. ARARAT PROJECT Mt Ararat and Carroll's Prospects RC field duplicates are taken at a rate of 1 per drill hole or approximately 1 in every 20 samples.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	The sample sizes are considered to be appropriate to correctly represent the sought mineralisation.
<i>Quality of assay data and laboratory tests</i>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	STAVELY PROJECT Thursday's Gossan and Junction Prospects The core samples were analysed by multielement ICPAES Analysis - Method ME-ICP61. A 0.25g sample is pre-digested for 10-15 minutes in a mixture of nitric and perchloric acids, then hydrofluoric acid is added and the mixture is evaporated to dense fumes of perchloric (incipient dryness). The residue is leached in a mixture of nitric and hydrochloric acids, the solution is then cooled and diluted to a final volume of 12.5mls. Elemental concentrations are measured simultaneously by ICP Atomic Emission Spectrometry. This technique approaches total dissolution of most minerals and is considered an appropriate assay method for porphyry copper-gold systems. The core samples were also analysed for gold using Method Au-AA23. Up to a 30g sample is fused at approximately 1100°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°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. ARARAT PROJECT Mt Ararat Massive Sulphide Zone The one metre RC drill chip samples from the massive sulphide "ore" zone and 5 metres into both the foot and

Criteria	JORC Code explanation	Commentary
		<p>hanging wall were analysed by multi-element ICPAES Analysis – Method ME-OG62. A 0.4g finely pulverized sample is digested in nitric, perchloric and hydrofluoric acids. The digestion mixture is evaporated to incipient dryness (moist salts). The residue is cooled, then leached in concentrated hydrochloric acid and the solution is diluted to a final volume of 100mls. Final acid concentration is 20%. Elemental concentrations are determined by ICPAES. An internal standard is used to enhance accuracy and precision of measurement. This technique approaches total dissolution of most minerals and is considered an appropriate assay method for ore grade VMS samples.</p> <p>The massive sulphide “ore” zone RC drill chips and 5 metres into both the foot and hanging wall were also analysed for gold by Method Au-AA23. Up to a 30g sample is fused at approximately 1100°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°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 and the gold concentration determined by flame AAS. 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 ore grade VMS samples.</p> <p>Mt Ararat disseminated sulphide zones and Carroll’s Prospect</p> <p>The one metre RC drill chip samples which displayed visible disseminated sulphides from the Carroll’s prospect and the “non-ore zones” from the Mt Ararat prospect were submitted for analysis 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.</p> <p>The same samples were also analysed for gold using Method Au-AA23. Up to a 30g sample is fused at approximately 1100°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</p>

Criteria	JORC Code explanation	Commentary
		fused mass is cooled the lead separates from the impurities (slag) and is placed in a cupel in a furnace at approximately 900°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.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	No results have been reported using geophysical tools, spectrometers, handheld XRF instruments, etc.
	<i>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.</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan and Junction Prospects</p> <p>Laboratory QAQC involved the submission of standards and blanks. For each 60 samples, two Certified Reference Material (CRM) standards and one blank were submitted.</p> <p>The analytical laboratory also provide their own routine quality controls within their own practices. The results from their own validations were provided to Stavely Minerals.</p> <p>Results from the CRM standards and the blanks gives confidence in the accuracy and precision of the assay data returned from ALS.</p> <p>ARARAT PROJECT</p> <p>Mt Ararat Massive Sulphide Zone</p> <p>Laboratory QAQC will involve the submission of standards, duplicates and blanks. For each drill hole, one Certified Reference Material (CRM) base metal standard, one Certified Reference Material (CRM) gold standard, one blank and one field duplicate were submitted.</p> <p>The analytical laboratory also provide their own routine quality controls within their own practices. The results from their own validations were provided to Stavely Minerals.</p> <p>Results from the CRM standards and the blanks gives confidence in the accuracy and precision of the assay data returned from ALS.</p>

Criteria	JORC Code explanation	Commentary
		<p>Mt Ararat disseminated sulphide zones and Carroll's Prospect</p> <p>Laboratory QAQC will involve the submission of standards, duplicates and blanks. For each drill hole, one Certified Reference Material (CRM) standard, one blank and one field duplicate were submitted.</p> <p>The analytical laboratory also provide their own routine quality controls within their own practices. The results from their own validations were provided to Stavely Minerals.</p> <p>Results from the CRM standards and the blanks gives confidence in the accuracy and precision of the assay data returned from ALS.</p>
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan and Junction Prospects</p> <p>Either Stavely Minerals' Managing Director or Technical Director have visually verified significant intersections in the core at Thursday's Gossan and Junction prospects.</p> <p>ARARAT PROJECT</p> <p>Mt Ararat and Carroll's Prospects</p> <p>Either Stavely Minerals' Managing Director or Technical Director have visually verified significant intersections in samples from the Mt Ararat and Carroll's prospects.</p>
	<i>The use of twinned holes.</i>	No twinned holes have been drilled.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	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.
	<i>Discuss any adjustment to assay data.</i>	No adjustments or calibrations were made to any assay data used in this report.
Location of data points	<i>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.</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan and Junction Prospects</p> <p>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.</p> <p>For the diamond holes down-hole single shot surveys were conducted by the drilling contractor. Surveys were conducted at approximately every 30m down-hole.</p> <p>ARARAT PROJECT</p> <p>Mt Ararat and Carroll's Prospects</p> <p>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.</p>

Criteria	JORC Code explanation	Commentary
		For the RC drill holes downhole dip surveys were taken at approximately 30m intervals.
	<i>Specification of the grid system used.</i>	The grid system used is GDA94, zone 54.
	<i>Quality and adequacy of topographic control.</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan and Junction Prospects</p> <p>At Thursday's Gossan and Junction prospects topographic control is achieved via use of DTM developed from a 2008 airborne magnetic survey conducted by UTS contractors measuring relative height using radar techniques.</p> <p>ARARAT PROJECT</p> <p>Mt Ararat and Carroll's Prospects</p> <p>At Mt Ararat and Carroll's prospects topographic control is achieved via use of DTM developed from a 2007 Helicopter-borne VTEM Survey conducted by Geotech Airborne Limited.</p>
<i>Data spacing and distribution</i>	<i>Data spacing for reporting of Exploration Results.</i>	The drill hole spacing is project specific, refer to figures in text.
	<i>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.</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan and Junction Prospects</p> <p>The paucity of deep drilling at the Thursday's Gossan and Junction prospects does not provide sufficient data distribution and spacing appropriate for Mineral Resource or Ore Reserve Estimations.</p> <p>ARARAT PROJECT</p> <p>Mt Ararat and Carroll's Prospects</p> <p>The RC drill holes at Carroll's prospect are spaced 200m apart with a single hole per section. The drilling is reconnaissance in nature and not appropriate for Mineral Resource or Ore Reserve Estimations.</p> <p>The RC holes drilled in the northern portion of the Mt Ararat resource intersected the expected geology and mineralised zone and will be used for Mineral Resource estimation.</p>
	<i>Whether sample compositing has been applied.</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan and Junction Prospects</p> <p>Sample intervals were based on lithology but in general were 1m. No intervals were less than 0.3m or greater than 1.8m.</p> <p>ARARAT PROJECT</p> <p>Mt Ararat and Carroll's Prospects</p> <p>No sample compositing has been applied.</p>
<i>Orientation of data in relation to geological</i>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known,</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan Prospect</p> <p>At Thursday's Gossan, diamond drill holes SMD001, SMD003 and SMD004 were orientated at 60° toward 060°</p>

Criteria	JORC Code explanation	Commentary
<i>structure</i>	<i>considering the deposit type.</i>	<p>to intercept and drill beneath an IP chargeability anomaly interpreted as representing the phyllic alteration of a porphyry system.</p> <p>Junction Prospect</p> <p>At Junction, SMD002 was orientated at -50° toward 239° under the northern edge of a magnetic high, under elevated Cu in soil samples and towards a massive chalcopyrite bearing 'D' vein intersected in a historical aircore drill hole.</p> <p>ARARAT PROJECT</p> <p>Mt Ararat and Carroll's Prospects</p> <p>At Mt Ararat and Carroll's prospect the RC holes have been orientated in an ENE (060) direction to intercept at a perpendicular angle the known mineralisation and the WSW (~240°) striking and -60° dipping EM plates.</p>
	<i>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.</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan and Junction Prospects</p> <p>There is insufficient drilling data to date to demonstrate continuity of mineralised domains and determine if any orientation sampling bias can be identified in the data.</p> <p>ARARAT PROJECT</p> <p>Mt Ararat and Carroll's Prospects</p> <p>At Mt Ararat and Carroll's prospect the RC holes have been orientated in an ENE (060) direction to intercept at a perpendicular angle the known mineralisation and the WSW (~240°) striking and -60° dipping EM plates and therefore is not considered to have introduced any sampling bias.</p>
<i>Sample security</i>	<i>The measures taken to ensure sample security.</i>	Samples are delivered in closed poly-weave bags to the courier in Ararat by Stavely Minerals' personnel. The samples are couriered to ALS Laboratory in Orange, NSW.
<i>Audits or reviews</i>	<i>The results of any audits or reviews of sampling techniques and data.</i>	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
<i>Mineral tenement and land tenure status</i>	<i>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</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan and Junction Prospects</p> <p>The diamond drilling at Thursday's Gossan and Junction is located on EL4556, which forms the Stavely Project. 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</p>

Criteria	JORC Code explanation	Commentary
	<i>and environmental settings.</i>	<p>claims.</p> <p>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.</p> <p>ARARAT PROJECT</p> <p>Mt Ararat and Carroll's Prospects</p> <p>The RC drilling conducted on the northern portion of the Mt Ararat resource area and at the Carroll's prospect is located on EL4758. EL4758, together with EL3019 which hosts the southern portion of the Mt Ararat resource forms the Ararat Project. The Ararat Project was purchased by Stavely Minerals (formerly Northern Platinum) from BCD Resources Limited in May 2013. Stavely Minerals hold 100% ownership of the Ararat Project Tenements.</p> <p>Apart from a small area which overlaps the Ararat Hills Regional Park (not an area of interest for exploration at this stage) the tenements are on freehold land and are not subject to native title claim.</p>
	<i>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.</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan and Junction Prospects</p> <p>A retention licence – RL2017 was applied for over the entire extent of EL4556 in May 2014.</p> <p>The tenement is in good standing and no known impediments exist.</p> <p>ARARAT PROJECT</p> <p>Mt Ararat and Carroll's Prospects</p> <p>A retention licence – RL2020 was applied for over an area of interest, including the Mt Ararat Resource and Carroll's prospects on EL4758 and EL3019 in June 2014.</p> <p>The tenements are in good standing and no known impediments exist.</p>
<i>Exploration done by other parties</i>	<i>Acknowledgment and appraisal of exploration by other parties.</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan Prospect</p> <p>Exploration activity became focused on Thursday's Gossan and the Junction prospects following their discovery by Pennzoil of Australia Ltd in the late 1970's. 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.</p> <p>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.</p> <p>EL4556 was further explored by Newcrest Operations</p>

Criteria	JORC Code explanation	Commentary
		<p>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.</p> <p>The Stavely Project was optioned to Beaconsfield Gold Mines Pty Ltd in 2006 who flew an airborne survey and undertook an extensive drilling program 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 of 1.08 g/t Au and 4.14% Cu from 95.3m and 9.5m of 0.44 g/t Au and 2.93% Cu from 154.6m along silicified and sheared contacts between serpentinite and porphyritic intrusive rocks.</p> <p>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.</p> <p>All work conducted by previous operators at the Thursday's Gossan is considered to be of a reasonably high quality.</p> <p>Junction Prospect</p> <p>The Junction porphyry target is defined by a coincident magnetic high, strong soil copper geochemistry, RAB drilling copper anomalism and has been tested by only two diamond drill holes to date. Copper mineralisation to 0.54% from 85-86m down hole was intercepted in diamond drill hole PEND6J.</p> <p>Junction 1 is associated with the Junction Porphyry. Significant intersections of supergene copper mineralisation were encountered in drilling by Pennzoil, including 16.5m of 0.86% Cu from 20m and 16m of 0.99% Cu from 42m in DDH Junction 3 drilled at the Junction 1 prospect. More recent aircore and reverse circulation drilling by Beaconsfield Gold Mines Pty Ltd includes 35m at 3.69% Cu from 24m (TGAC078), 12m of 1.61% Cu from 33m (TGRC087) and 7m of 1.59% Cu from 71m (TGRC110).</p> <p>All work conducted by previous operators at the Thursday's Gossan is considered to be of a reasonably high quality.</p>

Criteria	JORC Code explanation	Commentary
		<p>ARARAT PROJECT</p> <p>Mt Ararat Resource</p> <p>The Mount Ararat Copper Deposit was discovered by Pennzoil of Australia Ltd using stream, soil and rock geochemistry followed by drill testing in the late 1970s. The exploration licence then passed to Centaur Mining & Exploration Ltd who undertook further drilling of the deposit, culminating in a Mineral Resource estimate in 1994. Centaur Mining & Exploration went into receivership in 2002 and the license passed to Range River Gold NL.</p> <p>Newcrest Operations Limited explored the Ararat Project under option from Range River Gold NL and undertook gravity and airborne VTEM surveys.</p> <p>BCD Metals Pty Ltd optioned the Project from Range River Gold NL in 2009 and full control was granted to BCD Metals when Range River went into voluntary administration in April 2011.</p> <p>In 2009 BCD Metals drilled 4 diamond holes for a total of 484.7m, targeting shoot plunges in the primary mineralised zone beneath the oxide zone at the Mt Ararat Copper Deposit. Six reverse circulation drill holes were drilled by BCD Metals in 2010 at the Mt Ararat Copper Deposit targeting copper-oxide mineralisation and to retrieve bulk oxide ore samples for metallurgical test work. In 2010, metallurgical test work flotation and mineralogical assessment was undertaken.</p> <p>Carroll's Prospect</p> <p>Pennzoil of Australia Ltd held the tenement which covers the Carroll's prospect between 1973 and 1983. Pennzoil conducted soil sampling over the area which is now the Carroll's prospect, which returned a coincident soil copper +/- zinc anomaly.</p> <p>Newcrest Operations Limited explored the Ararat Project under option from Range River Gold NL and undertook gravity and airborne VTEM surveys in 2007. The VTEM survey identified an EM anomaly which coincided with the Pennzoil soil CU and Zn anomaly.</p> <p>The work conducted by previous operators at the Carroll's prospect is considered to be of a high quality.</p>
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>STAVELY PROJECT</p> <p>Thursday's Gossan and Junction Prospects</p> <p>The Thursday's Gossan and Junction prospects are located in the Mount Stavely Volcanic Complex (MSVC). Intrusion of volcanic arc rocks, such as the Mount Stavely Volcanic Complex, by shallow level porphyries can lead to the formation of porphyry copper ± gold ± molybdenum deposits.</p> <p>The Thursdays 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</p>

Criteria	JORC Code explanation	Commentary
		<p>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.</p> <p>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 and Junction.</p> <p>ARARAT PROJECT</p> <p>Mt Ararat and Carroll's Prospects</p> <p>The Ararat copper resource and Carroll's prospect are associated with the Cambrian volcanogenics and tholeiitic basalts of the metamorphosed Magdala Volcanics. The Ararat copper deposit is a "Besshi" type volcanic massive sulphide (VMS) deposit which resulted "from the exhalation of sulphides onto the sea floor".</p> <p>VMS deposits are typically polymetallic massive sulphide deposits formed at or near the sea floor during submarine hydrothermal activity. They can contain stratiform to strata-bound concentrations of copper, zinc, lead, gold and silver, depending on the geological setting of the deposits, and often form clusters of deposits. Those formed in dominantly basalt sequences in back-arc tectonic settings tend to be copper- and zinc-rich and are often referred to as "Besshi" type.</p>
Drill hole Information	<p>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:</p> <ul style="list-style-type: none"> ○ 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. 	<p>STAVELY PROJECT</p> <p>Thursday's Gossan and Junction Prospects</p> <p>A table of all drill hole significant exploration results are provided for the Thursday's Gossan and Junction prospects in the body of the text.</p> <p>The table includes:-</p> <ul style="list-style-type: none"> • Collar coordinated in GDA94 Zone 54, • RL, • Dip and azimuth of hole, • Total hole depth, • Length weighted average grade for Cu%, Au g/t Ag g/t & Mo ppm .

Criteria	JORC Code explanation	Commentary
		ARARAT PROJECT Mt Ararat and Carroll's Prospects <p>A table of all drill hole significant exploration results are provided for the Mt Ararat and Carroll's prospects in the body of the text.</p> <p>The table includes:-</p> <ul style="list-style-type: none"> • Collar coordinated in GDA94 Zone 54, • Elevation, • Dip and azimuth of hole, • Total hole depth, • Length weighted average grade for Cu%, Au g/t, Ag g/t and Zn%.
	<i>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.</i>	No material drill hole information has been excluded.
Data aggregation methods	<i>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.</i>	STAVELY PROJECT Thursday's Gossan and Junction Prospects <p>Exploration results are nominally reported where copper results are greater than 0.1% Cu, significant intersections have a minimum down-hole width of 10 metres, internal dilution of up to 3 metres has been incorporated to allow continuity of significant intercepts while additional intervals may be included if they are considered to form part of the overall mineralised zone.</p> <p>No top-cutting of high grade assay results has been applied, nor was it deemed necessary for the reporting of significant intersections.</p> ARARAT PROJECT Mt Ararat and Carroll's Prospects <p>Exploration results are nominally reported where copper results are greater than or equal to one metre at 0.3% Cu.</p> <p>No top-cutting of high grade assay results has been applied, nor was it deemed necessary for the reporting of significant intersections.</p>
	<i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be</i>	STAVELY PROJECT Thursday's Gossan and Junction Prospects <p>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.</p>

Criteria	JORC Code explanation	Commentary
	<i>shown in detail.</i>	ARARAT PROJECT Mt Ararat and Carroll's Prospects All samples are 1m intervals.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	No metal equivalent values are used for reporting exploration results.
<i>Relationship between mineralisation widths and intercept lengths</i>	<i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i>	STAVELY PROJECT Thursday's Gossan and Junction Prospects There is insufficient drilling data to date to demonstrate continuity of mineralised domains and determine the relationship between mineralisation widths and intercept lengths. ARARAT PROJECT Mt Ararat and Carroll's Prospects At Mt Ararat and Carroll's prospect, the RC holes have been orientated in an ENE (060) direction to intercept at a perpendicular angle the known mineralisation and the WSW (~240°) striking and -60° dipping EM plates and therefore the intercepts are considered to represent true widths of mineralisation.
	<i>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').</i>	Refer to the Tables and Figures in the text.
<i>Diagrams</i>	<i>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.</i>	STAVELY PROJECT Thursday's Gossan and Junction Prospects Refer to Figures in body of text. A plan view of the drillhole collar locations is included. Schematic sections for SMD003 and SMD004 with significant intercepts are presented in the body of text. ARARAT PROJECT Mt Ararat and Carroll's Prospects Refer to Figures in body of text. A plan view of the drillhole collar locations is included. Schematic sections for SARC001 with significant intercepts are presented in the body of the text.
<i>Balanced reporting</i>	<i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be</i>	STAVELY PROJECT Thursday's Gossan and Junction Prospects All Cu values greater than or equal to 10m at >0.1% have been reported.

Criteria	JORC Code explanation	Commentary
	<i>practiced to avoid misleading reporting of Exploration Results.</i>	ARARAT PROJECT Mt Ararat and Carroll's Prospects All Cu values greater than one metre at 0.3% have been reported.
<i>Other substantive exploration data</i>	<i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	All relevant exploration data is shown on figures and discussed in the text.
<i>Further work</i>	<i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	STAVELY PROJECT Thursday's Gossan and Junction Prospects. Detailed logging of the diamond drill core by expert porphyry consultants to refine interpreted alteration zones and structural controls, Infra-red spectrometry will be used to make semi-quantitative alteration mineralogy determinations and multi-element litho-geochemistry analysis will all be used as a vector to the target porphyry mineralisation. Further diamond holes will be drilled to systematically vector towards the expected well-developed copper-gold mineralisation at Thursday's Gossan. ARARAT PROJECT Mt Ararat Resource Downhole EM to be conducted to identify bedrock sources that potentially represent lateral and depth extensions to the massive sulphide mineralisation. Carroll's Prospect Downhole EM to be conducted to identify bedrock sources that potentially represent massive sulphide mineralisation. A second phase of drilling will be planned targeting the conductors identified by the downhole EM.

SMD004 Intercept Table

STAVELY PROJECT													
MGA 94 zone 54							Intercept						
Hole id	Hole Type	East	North	Dip/ Azi	RL (m)	Total Depth (m)	From (m)	To (m)	Width (m)	Cu (%)	Au (g/t)	Ag (g/t)	Mo (ppm)
Thursday's Gossan Prospect													
SMD004	DD	641370	5836280	-60° /060	270	636.6	39.0	91.0	52.0	0.23*			
							466.0	535.0	69.0	0.15			

*Previously Released results – ASX Release 29th September 2014

Cu — intercepts quoted $\geq 10\text{m}$ @ 0.1% Cu (except for high –grade veins)