Significant High-Grade Gold and VMS Copper Intersected At Ararat, Victoria: Up to 11.3g/t Gold and 5.91% Copper

Recent drilling confirms hard-rock gold mineralisation adjacent to major historic alluvial goldfield at White Lead plus bonus VMS drill intercepts at Mt Ararat

Highlights

- **High-grade mineralisation intersected on two fronts in recent drilling at Stavely's 100%-owned Ararat Project in Western Victoria:**

  At the White Lead Gold Prospect intercepts including:
  - **2m at 6.43g/t gold, including**
    - ***1m at 11.3g/t gold; and***
  - **2m at 1.04g/t gold**

  At the Mt Ararat VMS deposit intercepts including:
  - **2m at 4.25% copper and 1.15% zinc, including:**
    - ***1m at 5.91% copper and 1.3% zinc, and***
  - **3m at 1.77% copper and 0.59% zinc, including**
    - ***1m at 4.45% copper and 0.66% zinc***

- **In particular, the 3-hole diamond drilling programme at White Lead is considered to have been successful in confirming the structural orientations controlling the hard rock gold mineralisation adjacent to the prolific historic Ararat Goldfield (640,000oz).**

"Now that these structural controls are confirmed, Stavely is in a position to target higher gold grades and wider zones of mineralisation where these structures transect favourable host stratigraphy, taking us a step closer to unlocking what could be a very exciting new gold discovery." – Stavely Managing Director, Chris Cairns

Stavely Minerals Limited (ASX Code: **SVY** – "Stavely Minerals") is pleased to advise that it has received highly encouraging assay results from recent diamond drilling at its 100%-owned **Ararat Project** in western Victoria (Figures 1 and 2).

The results include significant **high-grade gold intercepts of up to 11.3g/t Au** plus some impressive zones of **VMS copper mineralisation grading up to 5.91% copper**. The drilling has significantly advanced the Company's geological understanding of the Ararat Project, taking it a step closer to unlocking the potential for what it believes is emerging as a potentially significant bedrock gold discovery adjacent to a prolific historical alluvial goldfield.

The Company has completed three diamond drill holes targeting the structures controlling hard-rock gold mineralisation at the White Lead Prospect (Figure 3).

The White Lead Prospect is on the western edge of the historical Cathcart Goldfield, part of the Ararat Goldfield which is estimated to have produced some 640,000 ounces of alluvial and deep lead gold production in the period around 1864. Stavely now believes that the source of the alluvial gold is gold mineralised structures of the sort intersected in this recent drilling.

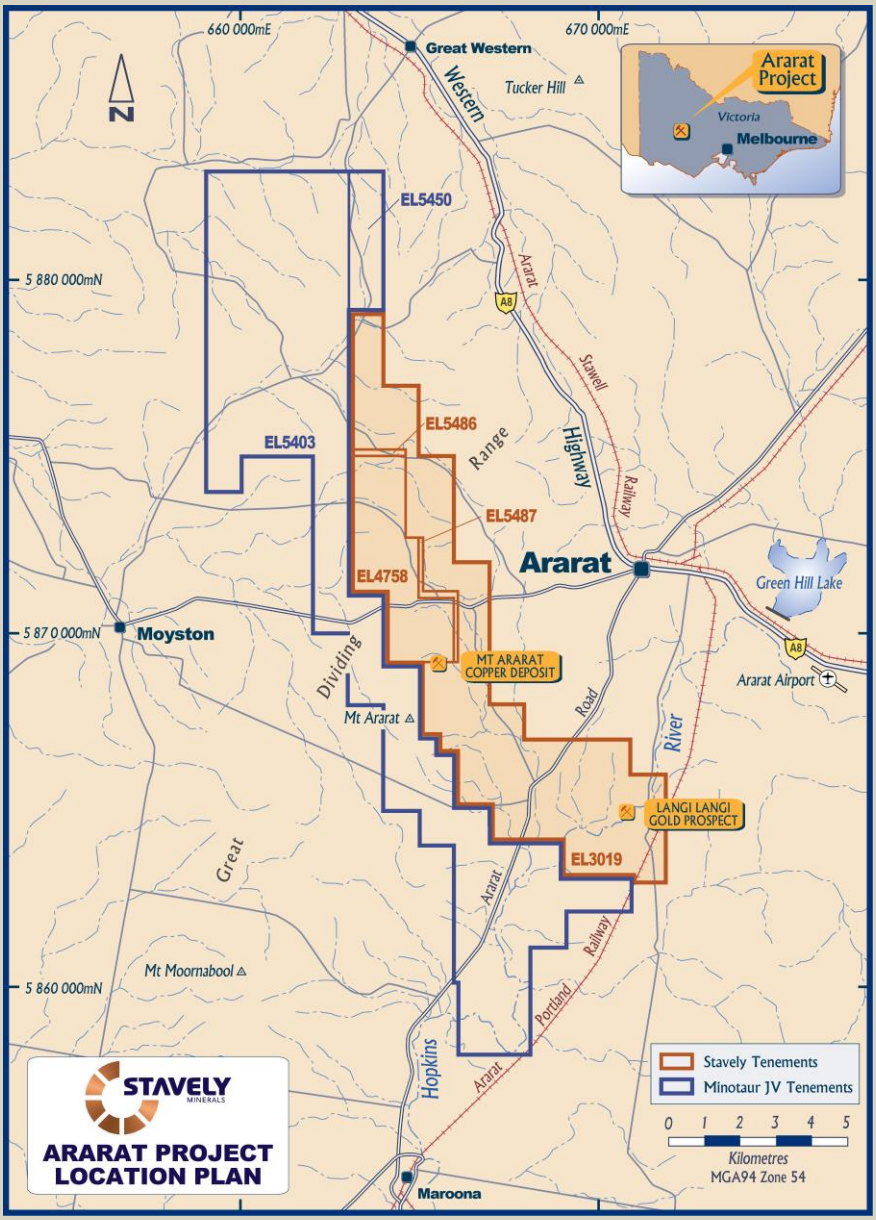

Figure 1. Tenement location map.

The understanding of the structural controls on mineralisation in this area is important as, while the intercepts from the recent drilling are relatively narrow, the grades can be high (up to **11.3 g/t gold**) and allow Stavely to target zones of greater width and higher grades where these structures are predicted to traverse more favourable host rocks in the sequence.

In particular, units with high free iron available for reaction with the gold-bearing fluids emanating up these structures are considered to be a very attractive target. With this relationship in mind, recent mapping has identified the Carroll's Amphibolite with abundant magnetite (a potentially reactive iron oxide) and a very large highly magnetic feature noted at depth in this area – which represents a priority target area for follow-up drilling.

A conceptual model is discussed in detail in sections to follow and the conceptual architecture is illustrated in Figure 7.

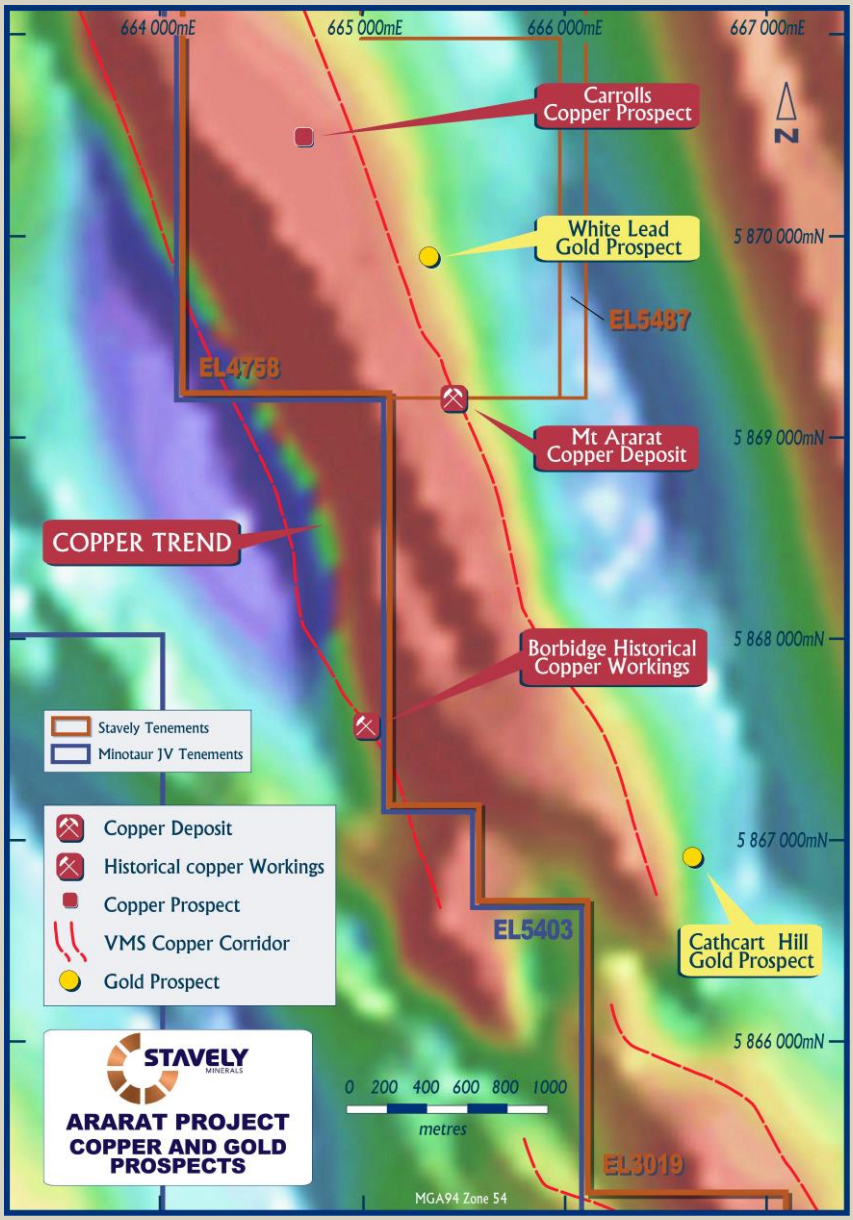

Figure 2. Prospect location map

Background

Stavely Minerals' first drill programme at Ararat, which was undertaken last year, comprised RC drilling of geophysical ground electromagnetic (EM) conductors adjacent to the existing Mt Ararat VMS copper deposit.

The first drill hole, SARC001, intersected VMS mineralisation with an intercept of **3m at 2.64% copper and 0.17g/t gold** from 90m drill depth (*see ASX Announcement dated 30 June 2014*).

This drill hole was then progressed further into the footwall to the base metal mineralisation and unexpectedly intersected **13m at 1g/t gold** from 101m to end of hole, including **3m at 3g/t**. It was noted that the gold mineralisation was associated with quartz veining, arsenopyrite haloes and clay alteration – a style of mineralisation that is similar to that at the Stawell Gold Mine, located 30km to the north.

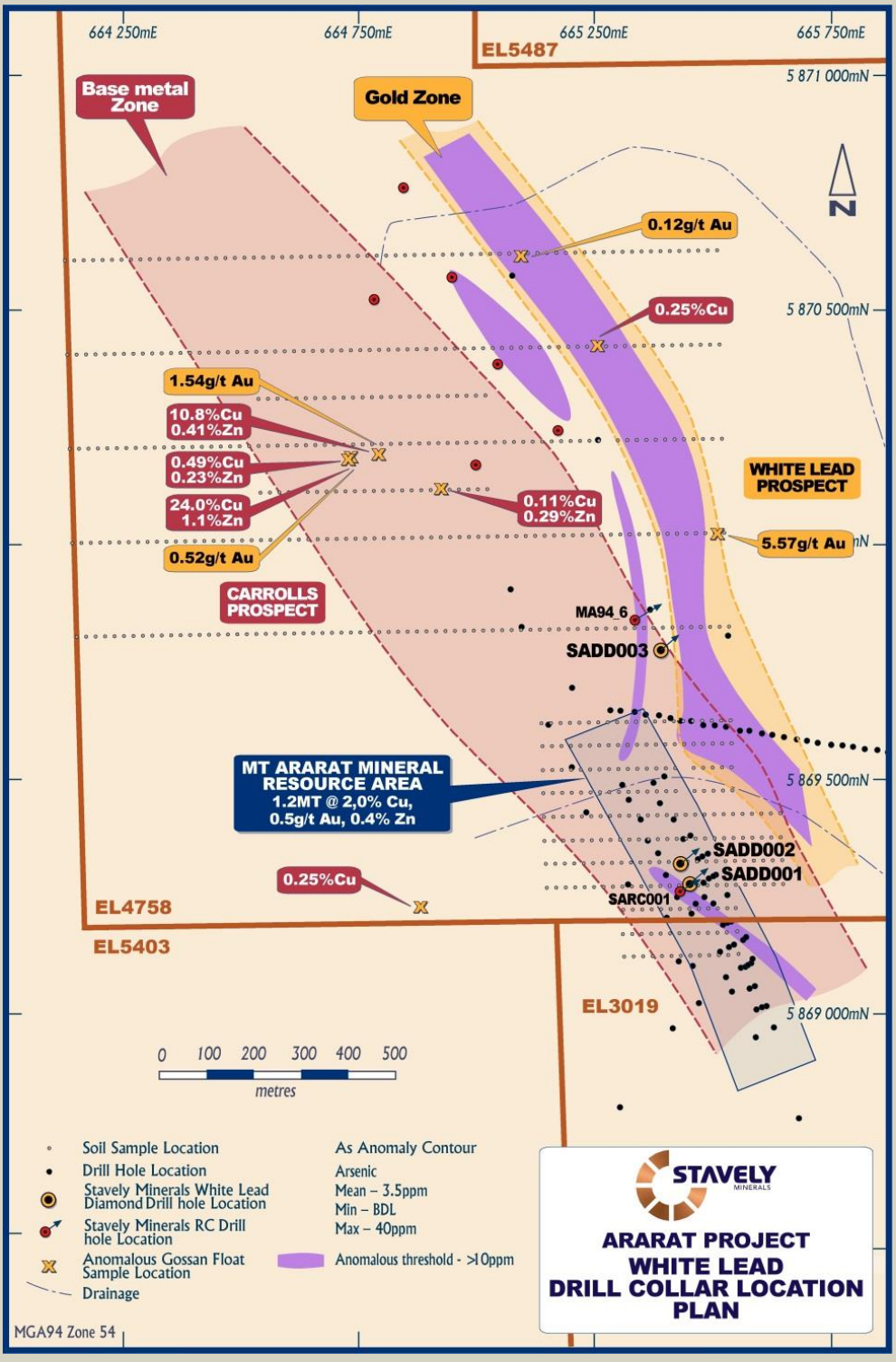

Figure 3. White Lead geochemical anomaly map and drill collar plan.

The presence of this hard-rock gold intercept and its immediate proximity to the Cathcart Goldfield led the Company's geological team to the realisation that there may be potential for a significant hard-rock gold system in this area.

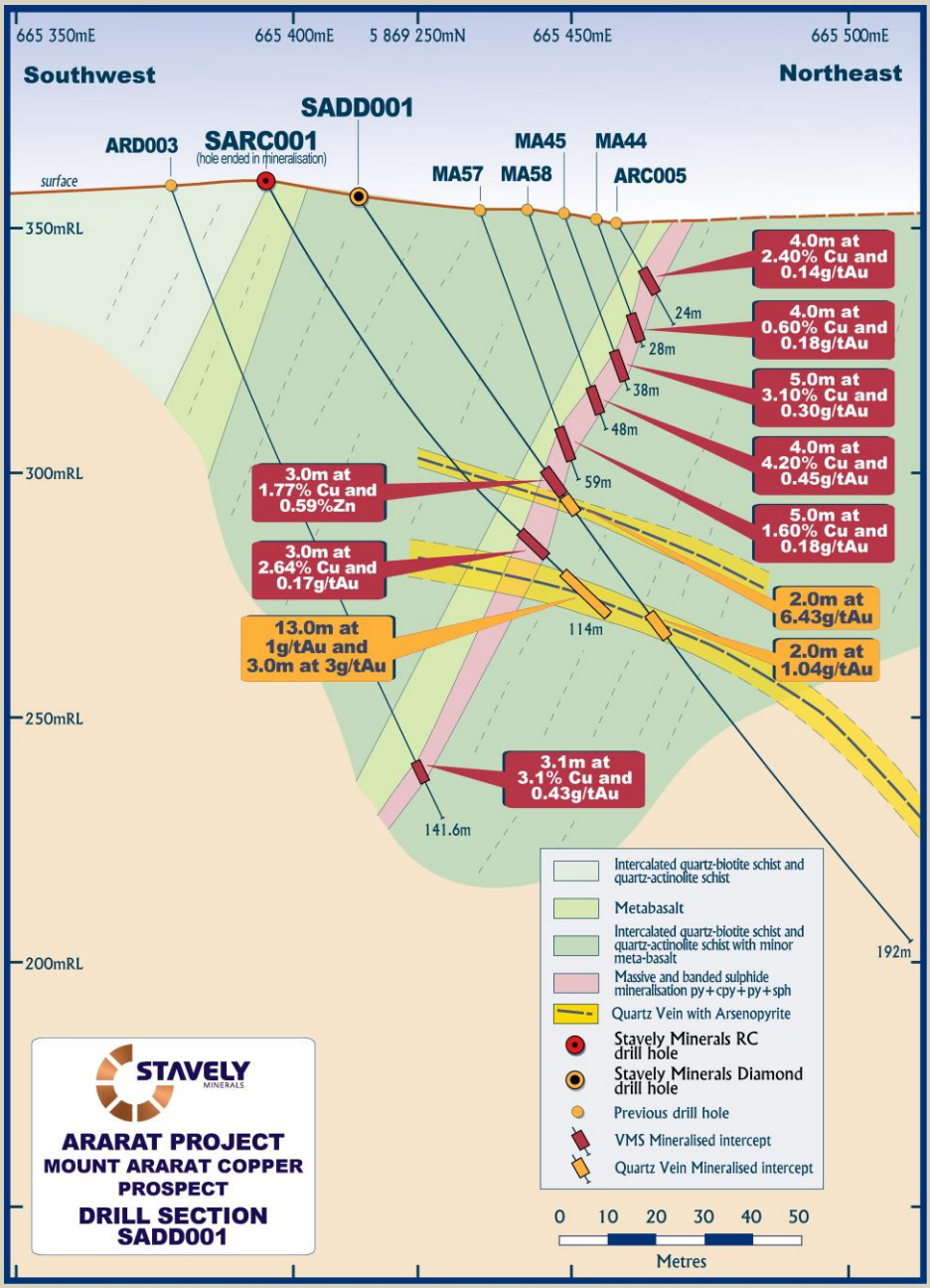

Figure 4. SADD001 drill section.

The Current Results

The first step towards enhancing the Company's ability to target the zones of best gold mineralisation was to better understand the structural controls. Following the completion of three diamond drill holes in the White Lead area, this objective has been materially advanced by the current set of results, with Stavely personnel having been able to measure the orientations of the gold-bearing structures in the diamond drill core.

This could not be done with the earlier RC drilling technique, which produces only rock chips.

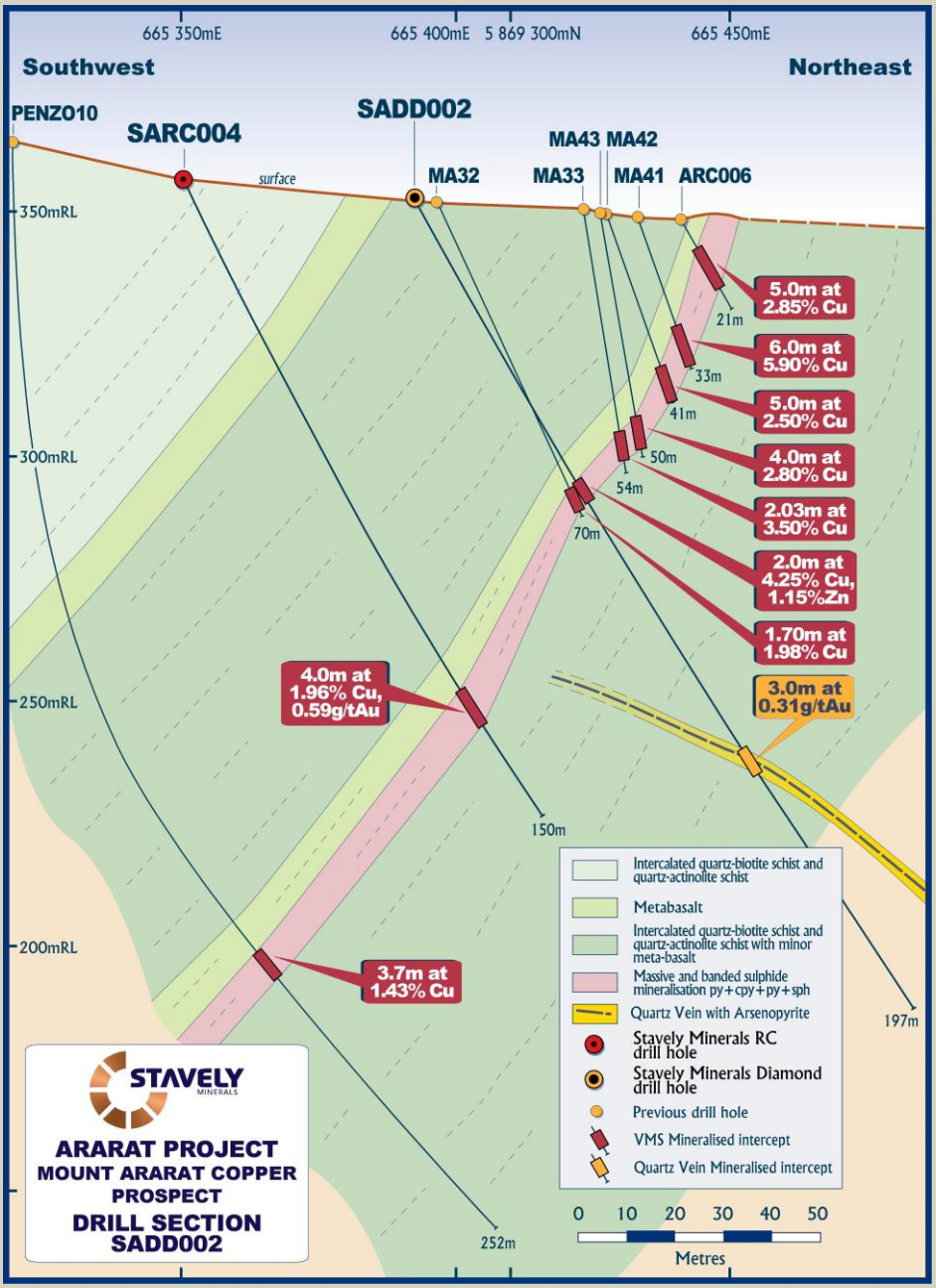

Figure 5. SADD002 drill section.

The recent drilling has returned significant gold assay results including:

- **2 metres at 6.43g/t gold from 76 metres in SADD001 including**
  - **1 metre at 11.3g/t gold, and**
- **2 metres at 1.04g/t gold from 122 metres in SADD001**

While these intercepts are narrow, the high grade of **1m at 11.3g/t gold** is highly encouraging. In particular, the host units are not considered particularly favourable for well-developed gold mineralisation however, the specific objective of the programme was to confirm the structural orientations.

From the recent diamond drilling, it is apparent that gold mineralisation in drill holes SADD001 and SADD002 are from narrow 'flat' structures dipping 40-50 degrees to the east but likely

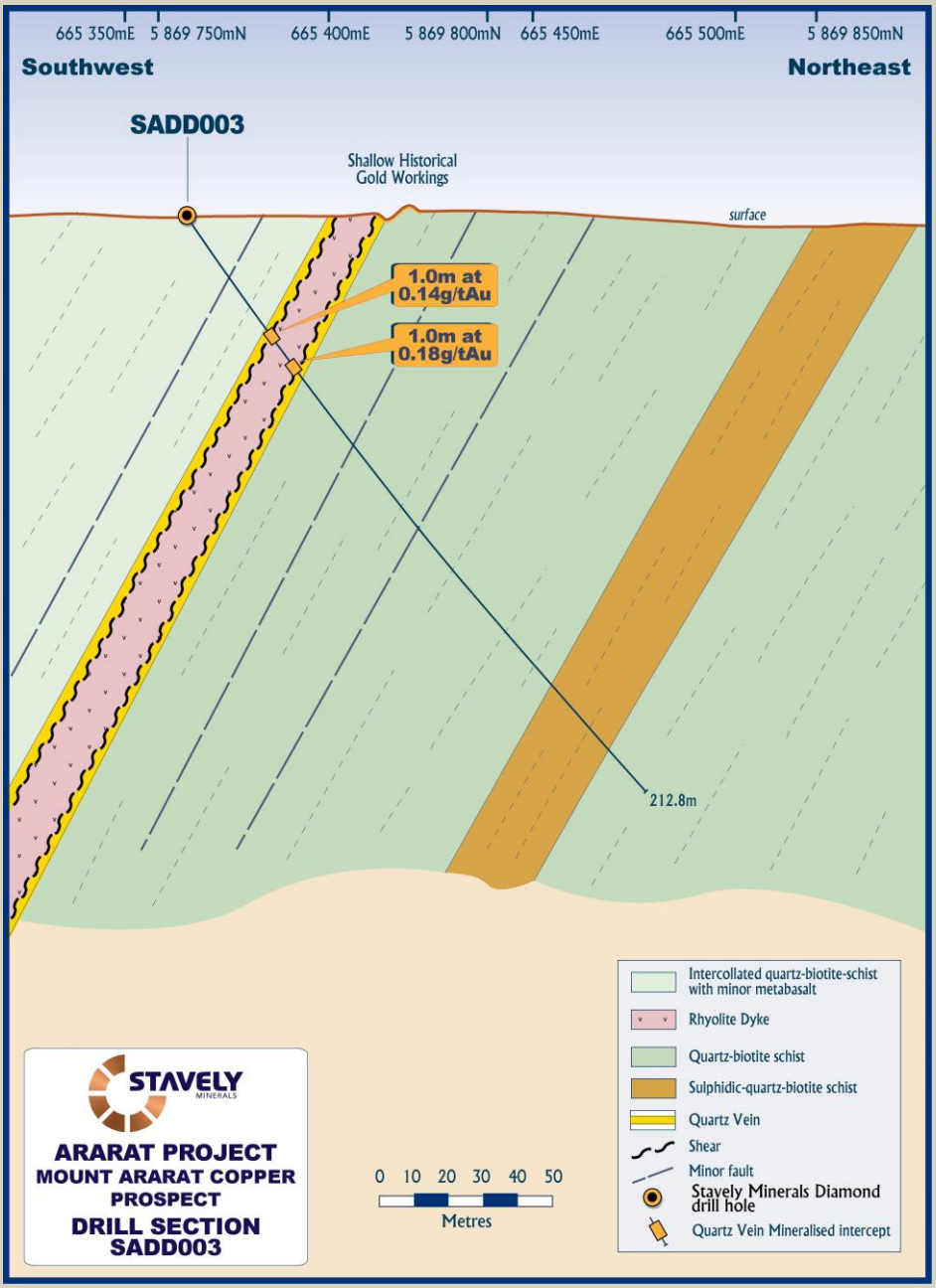

Figure 6. SADD003 drill section.

emanating as 'horse-tails' from steeper shear zones dipping more steeply at around 70 degrees to the west as drilled in SADD003 (Figures 4, 5 and 6).

In the case of SADD003, these steeply west-dipping structures are manifest as gold mineralised shear zones intercepted either side of a late rhyolite dyke indicating that the gold mineralisation used the same structures as the earlier rhyolite dykes (Figure 6).

The Opportunity

Now that the structural controls to the gold mineralisation are better understood, Stavely can begin to target these structures where they are predicted to transect more favourable host units with abundant and reactive free iron (Figure 7).

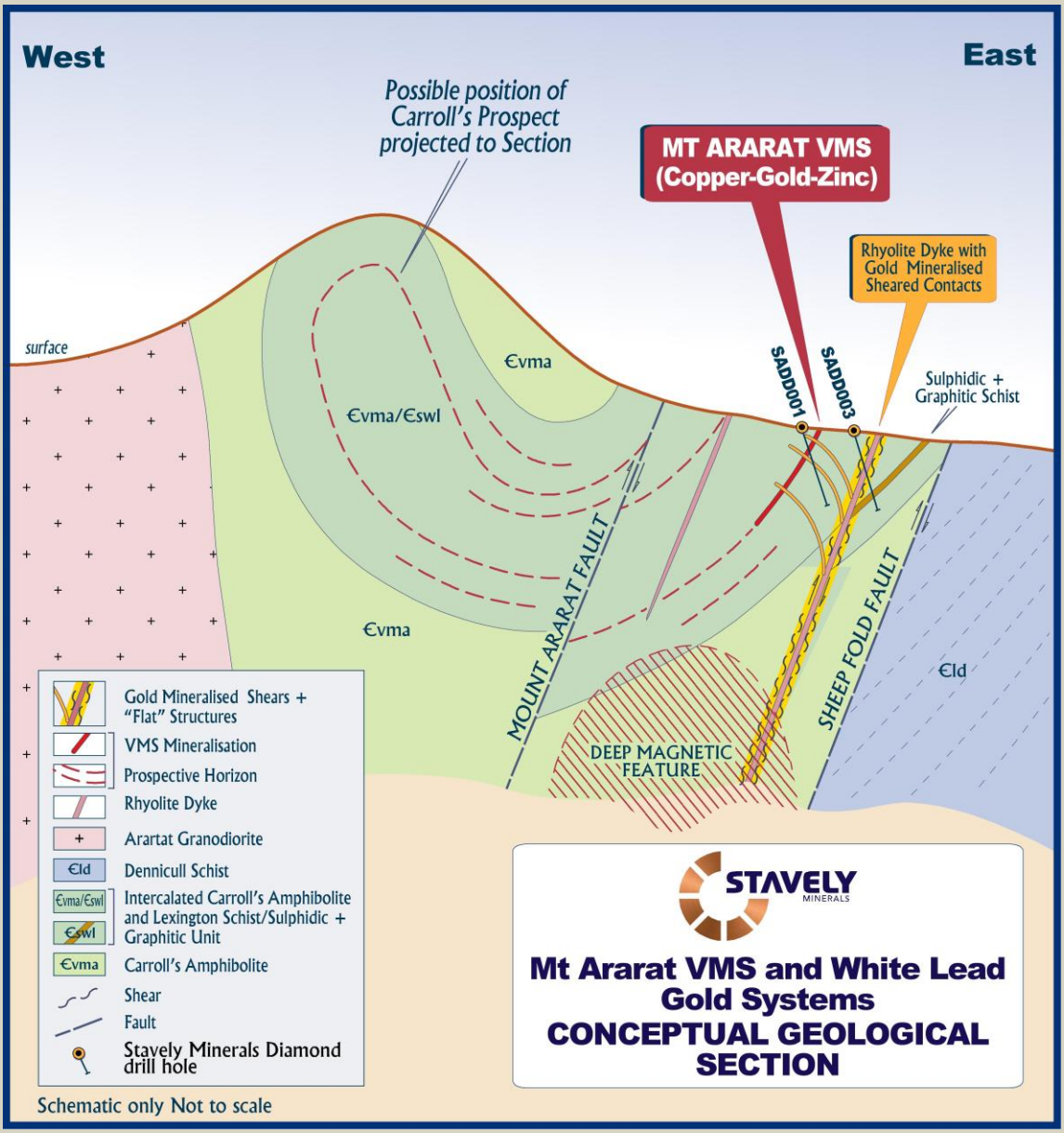

Figure 7. Conceptual geological model for the VMS copper-gold-zinc mineralisation and the later structurally controlled gold mineralisation (SADD003 projected to section).

In effect, if the gold in solution being transported up these structures is considered akin to a rider on a horse, when the fluids encounter iron-rich reactive units, the bi-sulphide molecular complex transporting the gold in solution reacts with the iron to form iron sulphides including pyrite and arsenopyrite. This effectively leaves the gold (the rider) without a horse (the bi-sulphide complex) and the gold precipitates from solution to form gold mineralisation proximal to the structural conduit.

In this context, local units considered as a favourable host to gold mineralisation would include the Carroll's Amphibolite (metabasalt) with locally abundant magnetite (a magnetic iron oxide mineral) and a sulphide-rich graphitic sedimentary unit, likely to occur on the contact with the metabasalt.

The Carroll's Amphibolite, which can readily be seen as the extremely magnetic unit shown in

red in the magnetic background image to Figure 2, is considered to be the metamorphosed equivalent to the Magdala Basalt at the Stawell Gold Mine.

The Carroll's Amphibolite magnetic feature is some 6 kilometres in length and approximately 1 kilometre in width in this area but undoubtedly extends further along some 15 kilometres of prospective VMS horizon within Stavely's tenure and Minotaur JV tenements. This magnetic feature, where predicted to be intersected by the gold mineralised structures, represents an excellent conceptual target.

Of note also is that in the footwall to the rhyolite dyke, diamond drill hole SADD003 also intersected a graphitic and sulphidic sedimentary unit which may be the equivalent to the sulphidic and graphitic sedimentary unit at the Stawell Gold Mine which is an extremely important host to the gold mineralisation at Stawell.

Next Steps

The Company's intention is to extend the soil sampling grids to fully map out the geochemical anomaly associated with gold mineralisation and then to use geophysics to identify anomalies for drill testing. This work will be carried out over the next few months.

VMS Base Metal Intercepts

Diamond drill holes SADD001 and SADD002 passed through the existing Mt Ararat VMS copper, gold and zinc deposit on the way to testing the gold mineralised structures (Figures 4 and 5). Base metals intercepts received from these drill holes include:

- **2m at 4.25% copper and 1.15% zinc from 62m depth in SADD002, including**
  - **1m at 5.91% copper and 1.3% zinc; and**
- **3m at 1.77% copper and 0.59% zinc from 74m depth in SADD001, including**
  - **1m at 4.45% copper and 0.66% zinc**

While these zones were not the primary target being tested by the drilling programme, the grades are consistent with those of the known VMS deposit (Inferred Mineral Resource of **1.2Mt at 2.0% copper, 0.5g/t gold, 0.4% zinc and 6g/t silver***) and provide further encouragement as to the prospectivity of the Ararat Project to host significant VMS mineralisation.

Stavely's Managing Director, Mr Chris Cairns, said the recent diamond drilling program at Ararat, coupled with some innovative "back-to-basics" exploration undertaken in recent months, had significantly advanced its understanding of both the hard rock gold and VMS potential.

"Now that these structural controls are confirmed, Stavely is in a position to target higher gold grades and wider zones of mineralisation where these structures transect favourable host stratigraphy, taking us a step closer to unlocking what could be a very exciting new gold discovery at the White Lead Prospect," he said.

"The next phase of exploration will be aimed at vectoring in to the most prospective areas for discovering a significant Stawell-type gold deposit on our tenements, and we believe that this potential has now been significantly enhanced," Mr Cairns added.

**see Stavely Minerals Prospectus lodged 26 March 2014*

Stavely Investor Presentations

Mr Cairns will be updating investors and shareholders on the Company's upcoming exploration programs at Ararat and at the Stavely Porphyry Copper Project at the following *Resources Rising Stars* Twilight Investor Forums in Sydney and Melbourne this week:

- **SYDNEY, Tuesday 7th July 2015, 4.15pm – 6.30pm**
  Intercontinental Hotel
  117 Macquarie Street, Sydney

- **MELBOURNE, Wednesday 8th July 2015, 4.15pm – 6.30pm**
  RACV Club, Level 2
  501 Bourke Street, Melbourne

Shareholders, brokers, investors and fund managers are welcome to attend these functions. To register, please contact Read Corporate on 08 9388 1474 or email info@readcorporate.com.au.

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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APPENDIX 1: Drill intercept table

Ararat Project													
		MGA 94 zone 54					Intercept						
Hole id	Hole Type	East	North	Dip/ Azimuth	RL (m)	Total Depth (m)	From (m)	To (m)	Width (m)	Cu (%)	Au (g/t)	Ag (g/t)	Zn (%)
Mt Ararat Prospect													
SADD001	DD	665406	5869252	-55/060	367	192.9	74.0*	77.0	3.0	1.77			0.59
						Incl.	76.0*	78.0	2.0		6.43	9.0	
							77.0*	78.0	1.0		11.30	2.0	
							122.0*	124.0	2.0		1.04		
SADD002	DD	665390	5869295	-60/060	365	197.8	62.0*	64.0	2.0	4.25	0.21	5.5	1.15
							136.0*	139.0	3.0		0.31		
SADD003	DD	665365	5869754	-55/060	373	212.8	42.0*	43.0	1.0		0.14		
							49.0*	50.0	1.0		0.18		
M94_6	DD	665337	5869839	-60/062	348.6	213.5	45.2*	47.0	1.8		0.73		

*VMS mineralised intercepts

*Quartz Vein mineralised intercepts

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	**Diamond Drilling** Diamond drilling of hole SADD001 was used to produce drill core with a diameter of 85mm (PQ) from surface to a depth of 20.3m and then 63.5mm (HQ) to 192.9m (eoh). SADD001 was orientated at -50º toward magnetic azimuth 050º to target the gold intercepted in SARC001. Diamond drilling of hole SADD002 was used to produce drill core with a diameter of 85mm (PQ) from surface to a depth of 21.4m and then 63.5mm (HQ) to a depth of 119.5m and finally 50.5mm (NQ2) to a depth of 197.8m (eoh). SADD002 was orientated at -60º toward magnetic azimuth 050º to target the northern extention of the gold intercepted in SARC001. Diamond drilling of hole SADD003 was used to produce drill core with a diameter of 85mm (PQ) from surface to a depth of 23.6m and then 63.5mm (HQ) to 212.8m (eoh). SADD003 was orientated at -55º toward magnetic azimuth 050º to target the margins of rhyolite dyke beneath historical workings. Historical diamond hole M94-6 was drilled in 1994 to a depth of 213.5m by Centaur Mining and Exploration Ltd. M94-6 was orientated at -60º toward 062º at the northern

Criteria	JORC Code explanation	Commentary
		end of the Mount Ararat Copper deposit to access the thickness and grade of the deposit and to prospect for extensions and repetitions of the known mineralisation. **RC Drilling** Hole SARC001 was drilled at the Mt Ararat Prospect targeting the northern extensions of the Mt Ararat copper-gold-zinc VMS deposit. **MOUNT ARARAT VMS RESOURCE ESTIMATE** Resource estimate underpinned by diamond drilling (DD) and reverse circulation drilling (RC) drilling samples.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Sample representivity was ensured by a combination of Company Procedures regarding quality controls (QC) and quality assurance/ testing (QA). Examples of QC include (but are not limited to), daily workplace and equipment inspections, as well as drilling and sampling procedures. Examples of QA include (but are not limited to), collection of drilling duplicates ("field duplicates),the use of certified standards and blank samples.
	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.	Drill sampling techniques are considered industry standard for the Ararat work programmes. **Diamond Drilling** The visually identified mineralised intervals as well as 5m above and below the interval were sampled. One metre half core samples were submitted to the laboratory for analysis. Sampling was conducted on holes SADD001, SADD0002 and SADD003 as well as historical hole M94-6, which was not previously sampled for gold mineralisation. 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. Diamond core samples were analysed by ME-OG62 – ore grade four acid digest with ICPAES analysis and AA25 – fire assay with AAS finish. **RC Drilling** For RC drill hole SARC001 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. 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. RC samples analysed by ME-OG62 – ore grade four acid digest with ICPAES analysis and AA25 – fire assay with

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>AAS finish.</td></tr>
<tr><td>Drilling techniques</td><td>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).</td><td>Diamond Drilling

Diamond drilling used PQ (85mm internal diameter), HQ (63.5mm internal diameter) and NQ2 (50.5mm internal diameter) drill bits. Diamond drilling was standard tube. Diamond core was orientated by the Reflex ACT III core orientation tool.

RC Drilling

RC percussion drilling of SARC001 was conducted 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.

MOUNT ARARAT VMS RESOURCE ESTIMATE

Drilling details for the Mount Ararat resource drill hole dataset:
<table><tr><th>Company</th><th>Drill Type</th><th>Number</th><th>Min Length</th><th>Max Length</th><th>Av. Length</th></tr><tr><td>Pennzoil</td><td>DD</td><td>12</td><td>121</td><td>381</td><td>221</td></tr><tr><td>Centaur Mining</td><td>DD</td><td>18</td><td>27</td><td>221</td><td>83</td></tr><tr><td></td><td>RC</td><td>20</td><td>28</td><td>65</td><td>48</td></tr><tr><td>Beaconsfield Gold</td><td>DD</td><td>4</td><td>111</td><td>142</td><td>121</td></tr><tr><td></td><td>RC</td><td>6</td><td>18</td><td>37</td><td>27</td></tr><tr><td>Total</td><td></td><td>60</td><td>18</td><td>381</td><td>96</td></tr></table></td></tr>
<tr><td rowspan="2">Drill sample recovery</td><td>Method of recording and assessing core and chip sample recoveries and results assessed.</td><td>Diamond Drilling
Diamond core recoveries for SADD001, SADD002 and SADD003 were logged and recorded in the database. Recoveries for these holes was good.
In historical drill hole M94-6, apart from the interval between 25m and 70m, sample recovery was documented as being good.
RC Drilling
RC sample recovery for SARC001 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.

MOUNT ARARAT VMS RESOURCE ESTIMATE

No detailed information or data.

Historic reports state that diamond holes had relatively low core recoveries in the weathered and oxidized mineralised zone.</td></tr>
<tr><td>Measures taken to maximise sample recovery and ensure representative nature of the samples.</td><td>Diamond Drilling
Diamond core is reconstructed into continuous runs on an angle iron cradle for orientation marking. Depths are checked against the depth given on the core blocks and rod counts are routinely carried out by the driller.
RC drilling
The RC samples for SARC001 were 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</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
		buckets are cleaned between rod-changes and after each hole to minimise down-hole and/or cross contamination.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	**Diamond Drilling** No analysis has been undertaken as yet regarding whether sample bias may have occurred due to preferential loss/gain of fine/coarse material and is not considered to have a material effect given the competent nature of the drill core. **RC Drilling** No analysis has been undertaken as yet regarding whether sample bias may have occurred in hole SARC001 due to preferential loss/gain of fine/coarse material but is not considered to have a material effect given the good sample recovery.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	**Diamond Drilling** 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. The quality of core from SADD001, SADD002 and SADD003 was good and consequently the confidence in the orientations is high and structural measurements could be taken. **RC Drilling** For hole SARC001 geological logging of samples was conducted following Company and industry common practice. Qualitative logging of samples including (but not limited to); lithology, mineralogy, alteration, veining and weathering. Magnetic Susceptibility measurements were taken for each 1m RC sample. **MOUNT ARARAT VMS RESOURCE ESTIMATE** Lithological drill logs utilised.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	**Diamond Drilling** All logging is quantitative, based on visual field estimates. Systematic photography of the diamond core in the wet and dry form was completed. **RC Drilling** All logging for SARC001 was quantitative, based on visual field estimates. Chip trays with representative 1m RC samples were collected and photographed then stored for future reference.
	The total length and percentage of the relevant intersections logged.	**Diamond Drilling** Detailed diamond core logging, with digital capture was conducted for 100% of the core by Stavely's on-site geologist at the Company's core shed near Glenthompson. **RC Drilling** All RC chips samples for SARC001 were geologically logged by Stavely's on-site geologist on a 1m basis, with

Criteria	JORC Code explanation	Commentary
		digital capture in the field.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	**Diamond Drilling** Half core for the HQ diameter core was sampled on site using a core saw. **MOUNT ARARAT VMS RESOURCE ESTIMATE** Pennzoil: Half-core samples were taken from core showing visible mineralisation. Centaur Mining: MA24 to MA38: Half-core samples were taken from core showing visible mineralisation. Sample reduction process unknown. MA39A to MA58: 130mm RC chips from drilling configuration utilising back-end cross-over sub to return sample. Sample collection by splitting (details unknown) and sample reduction process unknown. M94_1 to M94_4: Half-core samples were taken from core showing visible mineralisation. Sample reduction process unknown. Beaconsfield Gold: ARD001 to ARD004: diamond drilling – sampling method and reduction unknown. ARC001 to ARC006: 84mm RC chips. Sample collected by passing through 3 tiered riffle splitter. Sample reduction process unknown.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	**RC Drilling** Splitting of RC samples for hole SARC001 occurred via a rotary cone splitter by the RC drill rig operators. Cone splitting of RC drill samples occurred regardless of whether the sample was wet or dry.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Company procedures were followed to ensure sub-sampling adequacy and consistency. These included (but were not limited to), daily work place inspections of sampling equipment and practices.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	**Diamond Drilling** Blanks and certified reference materials are submitted with the samples to the laboratory as part of the quality control procedures. **RC Drilling** Field duplicates, blanks and certified reference materials were submitted with the samples to the laboratory as part of the quality control procedures for RC drill hole SARC001.
	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.	**Diamond Drilling** No second-half sampling has been conducted at this stage. **RC Drilling** RC field duplicates are taken at a rate of 1 per drill hole or approximately 1 in every 20 samples.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	**Diamond Drilling** The sample sizes are considered to be appropriate to correctly represent the sought mineralisation.

Criteria	JORC Code explanation	Commentary
		RC Drilling The sample sizes are considered to be appropriate to correctly represent the sought mineralisation.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	**Diamond Drilling** The half core samples from the mineralised zone and 5 metres into both the foot and hanging wall and 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. The core samples were also analysed for gold using Method Au-AA25. Up to a 30g sample is fused at approximately 1100ºC 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 900ºC. 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. **RC Drilling** The one metre RC drill chip samples from the massive sulphide “ore” zone and 5 metres into both the foot and hanging wall in SARC001 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. 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 1100ºC with alkaline fluxes including lead oxide. During the fusion process lead oxide is reduced to molten lead which acts as a collector

Criteria	JORC Code explanation	Commentary
		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. The one metre RC drill chip samples which displayed visible disseminated sulphides from SARC001 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 sulphide mineralisation. The same samples were also analysed for gold using Method Au-AA23. Up to a 30g sample is fused at approximately 1100oC 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. **MOUNT ARARAT VMS RESOURCE ESTIMATE** Pennzoil: A base metal suite was assayed via AAS (digestion not specified) and Au was assayed via fire assay. Centaur Mining: MA24 to MA38: A base metal suite was assayed via AAS (digestion not specified) and Au was assayed via fire assay. MA39A to MA58: A base metal suite was assayed via AAS (digestion not specified) and Au was assayed via fire assay. M94_1 to M94_4: A base metal suite was assayed 4 acid

Criteria	JORC Code explanation	Commentary
		digest with AAS finish and Au was assayed via fire assay. Beaconsfield Gold: ARD001 to ARD004: Assay Lab – Onsite Lab Services. Cu initially by method B101 - AR digest ICP finish. If higher than 5000ppm then A101 - Ore grade digest (details unknown) with AA finish. Au by PE01S - 25g Fire Assay. ARC001 to ARC006: Assay Lab – Onsite Lab Services. Cu initially by method B101 - AR digest ICP finish. If higher than 5000ppm then A101 - Ore grade digest (details unknown) with AA finish. Au by PE01S - 25g Fire Assay. No quality control samples submitted with any routine samples
	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.	No results have been reported using geophysical tools, spectrometers, handheld XRF instruments, etc.
	Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.	**Diamond Drilling** Laboratory QAQC involved the submission of standards and blanks. For each 20 samples, either a Certified Reference Material (CRM) standards or a blank was submitted. 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. Results from the CRM standards and the blanks gives confidence in the accuracy and precision of the assay data returned from ALS. **RC Drilling** 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. 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. Results from the CRM standards and the blanks gives confidence in the accuracy and precision of the assay data returned from ALS. QAQC of standards and blanks for Cu and Au values has shown that the expected values were returned.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	**Diamond and RC Drilling** Either Stavely Minerals' managing director or technical director have visually verified significant intersections.

Criteria	JORC Code explanation	Commentary
	The use of twinned holes.	**Diamond and RC Drilling** No twinned holes have been drilled.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	**Diamond and RC Drilling** Primary data was collected for drill holes using the OCRIS logging template on Panasonic Toughbook laptop computers using lookup codes. The information was sent to a database consultant for validation and compilation into a SQL database.
	Discuss any adjustment to assay data.	**Diamond and RC Drilling** No adjustments or calibrations were made to any assay data used in this report.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	**Diamond Drilling** Drill collar locations for SADD001, SADD002 and SADD003 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. Down-hole single shot surveys were conducted by the drilling contractor. Surveys were conducted at approximately every 30m down-hole. Centaur commissioned a survey of the collar location for M94-6. An Eastman Single shot directional survey instrument was used to conduct surveys at approximately every 50m down-hole. **RC Drilling** Drill collar SARC001 location was pegged before drilling and surveyed using Garmin handheld GPS to accuracy of +/- 3m. Collar surveying was performed by Stavely Minerals' personnel. This is considered appropriate at this early stage of exploration. For the RC drill holes downhole dip surveys were taken at approximately 30m intervals. **MOUNT ARARAT VMS RESOURCE ESTIMATE** Drill holes originally located according to two local grids (details unknown). Collar coordinates were converted to GDA94 zone 54S by historic workers. Conversion details are unknown. The estimate is undertaken using the supplied GDA94 54S grid references. GPS checking of 2 Pennzoil, 3 Centaur Mining and 4 Beaconsfield Gold hole collar locations show holes located with acceptable accuracy for reporting of Inferred Resources.
	Specification of the grid system used.	**Diamond and RC Drilling** The grid system used is GDA94, zone 54.
	Quality and adequacy of topographic control.	**Diamond and RC Drilling** The RL was recorded for each drill hole location from the GPS. Accuracy of the GPS is considered to be within 5m.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	**Diamond and RC Drilling** The drill hole spacing is project specific, refer to figures in text.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	**Diamond and RC Drilling** The drilling for gold mineralisation is reconnaissance in nature and not appropriate for Mineral Resource or Ore Reserve Estimations. **MOUNT ARARAT VMS RESOURCE ESTIMATE** Within the central 500m of mineralisation (strike length): Oxide mineralisation – drill tested on 50m centred section lines Primary mineralisation – sparsely tested by 12 holes Other areas and mineralisation extent tested by 8 holes
	Whether sample compositing has been applied.	**Diamond and RC Drilling** No sample compositing has been applied.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	**Diamond Drilling** SADD001 and SADD002 holes were orientated in an ENE (060) direction perpendicular to stratigraphy. The drill holes have intercepted the mineralised quartz veins at an oblique angle. SADD003 was drilled perpendicular to the Rhyolite dyke and associated bounding mineralised quartz veins. **RC Drilling** RC hole SARC001 was orientated in an ENE (060) direction to intercept at a perpendicular angle the known VMS mineralisation and the WSW (~240º) striking and -60º dipping EM plates. The mineralised quartz veins cross-cut the stratigraphy. **MOUNT ARARAT VMS RESOURCE ESTIMATE** Holes drilled at 90º degrees (Azimuth) to planar mineralisation. Holes angled mostly between 50º and 70º easterly. Mineralised plane dips westerly ~60º .
	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.	**Diamond and RC Drilling** The mineralised quartz veins cross-cut the stratigraphy. The drilling orientation is oblique to the orientation of the mineralised quartz veins as shown in the respective sections, and hence the mineralised intervals will not be true widths. For the VMS mineralisation the RC and diamond holes have been orientated in an ENE (060) direction to intercept at a perpendicular angle the known mineralisation and the WSW (~240º) striking and -60º dipping EM plates and therefore is not considered to have introduced any sampling bias.

Criteria	JORC Code explanation	Commentary
Sample security	*The measures taken to ensure sample security.*	**Diamond and RC Drilling** Samples are delivered in closed poly-weave bags to the courier in Ararat by Stavely Minerals' personnel. The samples are couriered to ALS in Orange, NSW. **MOUNT ARARAT VMS RESOURCE ESTIMATE** No available data to assess security.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	**Diamond and RC Drilling** No audits or reviews of the data management system has been carried out. **MOUNT ARARAT VMS RESOURCE ESTIMATE** GPS checking of 9 hole collar locations. Basic checking of data integrity.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The diamond and RC drilling conducted at the White Lead Prospect is located on EL4758. EL4758, together with EL3019 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. Mineralisation at Mt Ararat straddles the boundary between exploration licences EL4758 and EL3019. 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.
	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.	A retention licence – RL2020 was applied for over an area of interest, including the Mt Ararat Resource, Carroll's Base Metal Prospect and White Lead Gold and Cathcart Gold Prospects on EL4758 and EL3019 in June 2014. The tenements are in good standing and no known impediments exist.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	**WHITE LEAD GOLD PROSPECT** All previous exploration in the White Lead prospect area was related to the Mount Ararat Copper Deposit. No previous exploration was conducted for gold mineralisation in the White Lead prospect area. In 2014 Stavely Minerals drilled an RC hole SARC001 into the northern end of the Mount Ararat VMS deposit. Unexpectedly in the footwall to the VMS mineralisation a gold intercept of 12m @ 0.97g/t Au to eoh, within a 13 metre interval, including 3m @ 3.04g/t Au was returned. There are numerous shallow historic gold workings commencing along the White Lead gold trend and progressing downhill from the palaeo-alluvial gravels. The White Lead area is part of the Cathcart Goldfield, where alluvial gold was first discovered at Pinky Point in 1854 and at White Lead in 1855. The Cathcart area produced a significant proportion of the gold produced

Criteria	JORC Code explanation	Commentary
		from the greater Ararat Goldfield with estimated production in excess of 20 tonnes of gold (circa 640,000oz) from alluvial and deep lead sources. **MOUNT ARARAT VMS DEPOSIT** 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. Newcrest Operations Limited explored the Ararat Project under option from Range River Gold NL and undertook gravity and airborne VTEM surveys. 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. 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. Previous exploration is considered to be of good quality. **MOUNT ARARAT VMS RESOURCE ESTIMATE** Pennzoil: 12 holes drilled into mineralisation. Centaur Mining: 38 holes drilled into mineralisation. Beaconsfield Gold: 10 holes drilled into mineralisation Stavely Minerals: GPS checking of 9 hole collar locations
Geology	*Deposit type, geological setting and style of mineralisation.*	**WHITE LEAD GOLD PROSPECT** The potential gold mineralisation at the White Lead Gold Prospect is considered to be analogous to the mineralisation at the Stawell Gold Mine. The host lithologies to the Stawell Gold Mine are analogous to the lithologies in the White Lead area with the local Carroll's Amphibolite considered to be the metamorphosed equivalent to the Magdala Basalt at the Stawell Gold Mine. The Mt Ararat Granite which intrudes the Carroll's Amphibolite is contemporaneous with and of similar composition to the Stawell Granite which likewise intrudes the Magdala Basalt. The Stawell mineralisation is strongly associated with arsenopyrite. Strong arsenic anomalism has been observed in the White Lead and Carroll's Prospects. The Stawell Goldfield has produced over 6 million ounces of historic and modern gold production with the modern Stawell Gold Mine having been in continuous operation since the mid 1980's and having produced in excess of 2 million ounces of gold.

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td></td><td></td><td>The Magdala deposit at Stawell is hosted in the complex group of faults that developed where the Stawell Fault- and related splays-cuts across a sequence of pelitic and intermediate schist, to converge on the western flank of the Magdala Antiform, a massive dome of metavolcanic rocks.

MOUNT ARARAT VMS DEPOSIT
The Mount Ararat VMS deposit is associated with the Cambrian volcanogenics and tholeiitic basalts of the metamorphosed Magdala Volcanics. The Mount Ararat VMS is a “Besshi” type volcanic massive sulphide (VMS) mineralisation which resulted “from the exhalation of sulphides onto the sea floor”.

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.

MOUNT ARARAT VMS RESOURCE ESTIMATE

Steeply westerly dipping, single planar massive sulphide horizon (historically described as VMS).</td></tr>
<tr><td>Drill hole Information</td><td>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:
○ easting and northing of the drill hole collar
○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar
○ dip and azimuth of the hole
○ down hole length and interception depth
○ hole length.</td><td>Diamond and RC Drilling

A table of all drill hole significant exploration results are provided in the body of the text.
The table includes:-
• 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 %

MOUNT ARARAT VMS RESOURCE ESTIMATE

60 holes drilled in the prospect, 55 holes intercepted mineralisation, 5 holes define the strike extent of mineralisation.

Collar locations verified as acceptable through field checking of 9 holes.

Downhole surveys for describing hole trace and sample locations available for 16 holes:
<table>
<tr><th>HoleID</th><th>Number of DH Surveys</th><th>TDepth Hole</th><th>HoleID</th><th>Number of DH Surveys</th><th>TDepth Hole</th></tr>
<tr><td>ARD001</td><td>3</td><td>111.3</td><td>PENZ001</td><td>1</td><td>132.8</td></tr>
<tr><td>ARD002</td><td>6</td><td>114.2</td><td>PENZ003</td><td>1</td><td>151.6</td></tr>
<tr><td>ARD003</td><td>5</td><td>141.6</td><td>PENZ006</td><td>1</td><td>152.4</td></tr>
<tr><td>ARD004</td><td>5</td><td>117.6</td><td>PENZ009</td><td>1</td><td>218.5</td></tr>
<tr><td>M94_1</td><td>4</td><td>220.7</td><td>PENZ010</td><td>1</td><td>252.3</td></tr>
<tr><td>M94_2</td><td>4</td><td>198.0</td><td>PENZ011</td><td>1</td><td>381.2</td></tr>
<tr><td>M94_3</td><td>3</td><td>192.0</td><td>PENZ021</td><td>3</td><td>364.4</td></tr>
<tr><td>M94_4</td><td>4</td><td>204.2</td><td>PENZ023</td><td>4</td><td>329.4</td></tr>
</table>
Assaying of those samples logged with visible sulphide</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
		mineralisation. Lithology logs available for all holes. Oxidation state available for 34 Centaur Mining holes. Summary moisture data available for 18 Centaur Mining RC holes. 39 SG measurements taken from 4 Beaconsfield Gold holes ARD[001-004].
	If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	No material drill hole information has been excluded.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.*	**Diamond and RC Drilling** Exploration results are nominally reported where copper results are greater than or equal to one metre at 0.3% Cu for the VMS copper-gold mineralisation. Exploration results are nominally reported where gold results are greater than or equal to one metre at 0.1 g.t gold for the gold mineralisation. No top-cutting of high grade assay results has been applied, nor was it deemed necessary for the reporting of significant intersections. **MOUNT ARARAT VMS RESOURCE ESTIMATE** Assay sample intervals: Composited to 1m intervals for resource estimate.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	**Diamond and RC Drilling** All samples are 1m intervals.
	The assumptions used for any reporting of metal equivalent values should be clearly stated	No metal equivalent values are used for reporting exploration results.

Drill Type	Count of Sample Lengths							
	0.0 to 0.5m	0.5 to 1.0m	1.0 to 1.5m	1.5 to 2.0m	2.0 to 2.5m	2.5 to 3.0m	3.0 to 3.5m	Total
DD	102	85	14	6		1	1	209
RC	1	284						285
Total	**103**	**369**	**14**	**6**		**1**	**1**	**494**

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td rowspan="2">Relationship between mineralisation widths and intercept lengths</td><td>These relationships are particularly important in the reporting of Exploration Results.

If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</td><td>Diamond Drilling

The diamond holes have been orientated in an ENE (050) direction to intercept at a perpendicular angle the stratigraphy. The orientation of the gold bearing veins cross cuts stratigraphy and hence will be oblique to the drill hole as shown in the respective sections.

RC Drilling

RC hole SARC001 was orientated in an ENE (060) direction to intercept at a perpendicular angle the known VMS mineralisation and the WSW (~240º) striking and -60º dipping EM plates and therefore the copper intercepts are considered to approximate true widths of mineralisation.

The orientation of the gold bearing veins cross cuts stratigraphy and hence will be oblique to the drill hole as shown on the respective sections.

MOUNT ARARAT VMS RESOURCE ESTIMATE

No apparent association when data assessed by drill type and mineralisation style breakdown.

Significant relationship differences when assessing DD vs RC holes:
<table><tr><th>Drill Type</th><th>Number of Holes</th><th>Total Metres</th><th>Average Intercept</th><th colspan="4">Average Grade (ppm)</th></tr><tr><th></th><th></th><th></th><th></th><th>Cu</th><th>Au</th><th>Ag</th><th>Zn</th></tr><tr><td>Diamond</td><td>34</td><td>82</td><td>2.4</td><td>31123</td><td>0.95</td><td>9.1</td><td>4384</td></tr><tr><td>Reverse Circulation</td><td>26</td><td>145</td><td>5.6</td><td>15551</td><td>0.23</td><td>1.7</td><td>1614</td></tr></table>
Smearing and/or preferential loss and/or cross-contamination of samples may be present in RC drill sample assay dataset.

Preferential loss of friable non-mineralised material may have biased the DD drill sample assay dataset.

Both the RC and DD datasets may be preferentially weighted by material with significantly different tenor of in situ grade.</td></tr>
<tr><td>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’).</td><td>Diamond and RC Drilling

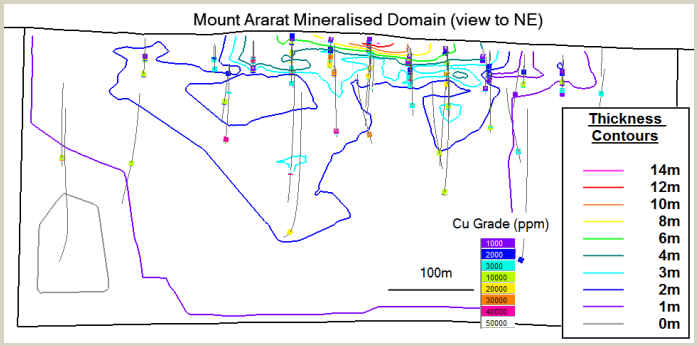
Drilling was orientated in an ENE (050) direction and is close to intercepting the known VMS mineralisation at a perpendicular angle and therefore the copper-gold-zinc intercepts are considered to approximate true widths of mineralisation.

The true width for the gold intercepts in the mineralised quartz veins is estimated to be sub 1 metre for drill holes SADD001 and SADD002 while intercept widths for SADD003 would approximate true width.</td></tr>
<tr><td>Diagrams</td><td>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</td><td>Diamond and RC Drilling

Refer to Figures in body of text.

A plan view of the drillhole collar locations is included.

Schematic sections for SARC001, SADD001, SADD002, and SADD003 with significant intercepts are presented in the body of the text.</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
	locations and appropriate sectional views.	**MOUNT ARARAT VMS RESOURCE ESTIMATE** Historic cross sections and plans were reviewed. Long section thickness and drill hole trace figure: 
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	**Diamond and RC Drilling** All Cu values greater than one metre at 0.3% have been reported. **MOUNT ARARAT VMS RESOURCE ESTIMATE** Selective sampling of holes where mineralisation observed considered acceptable for estimating sulphide resources. Any gold or silver mineralisation intercepted by drilling with no associated sulphides will not be identifiable in the current dataset.
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	**Diamond and RC Drilling** All relevant exploration data is shown on figures and discussed in the text. **MOUNT ARARAT VMS RESOURCE ESTIMATE** A further 53 holes have been drilled within the exploration tenements.
Further work	*The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	Ground IP and soil sampling will be conducted to refine the location of the gold mineralisation in advance of follow-up RC drilling.

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary

Criteria	JORC Code explanation	Commentary
Database integrity	*Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.* *Data validation procedures used.*	Data management protocols and provenance unknown. Limited cross checks with paper records of drill hole and assay data. Field verification of 9 hole collar locations. Relational and spatial integrity assessed and considered acceptable.
Site visits	*Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* *If no site visits have been undertaken indicate why this is the case.*	Not undertaken by CP. Stavely Minerals' personnel verify existence of core. CP has viewed photos of chip trays with mineralisation taken by Stavely Minerals' Personnel.
Geological interpretation	*Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.* *Nature of the data used and of any assumptions made.* *The effect, if any, of alternative interpretations on Mineral Resource estimation.* *The use of geology in guiding and controlling Mineral Resource estimation.* *The factors affecting continuity both of grade and geology.*	Single planar mineralised massive sulphide body interpreted and modelled for grade interpolation. Oxide state modelled and utilised for reporting of resource estimate.
Dimensions	*The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.*	Mineralisation extends for a strike length of 830m (towards 335deg), vertically for 350m and ranges mostly between 1m and 3m thick (total massive + sub-massive + stringer mineralisation). The mineralisation is modelled between 4m and 14m thick in the upper 50m (this may be real, due to supergene actions or introduced due to the suspected wet/difficult RC drilling conditions). The block model and grade estimate encompasses the extent of the mineralisation.
Estimation and modelling techniques	*The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	Copper, gold, silver and zinc grades were interpolated into a VulcanTM non-regular block model with 10x10x10 metre parent blocks – subblocked to 1x1x1 metre minimum block dimensions. 1m composite intervals utilised. Grades greater than: 6%Cu, 2.50ppmAu, 15ppmAg, 1%Zn, were restricted to inform blocks within a 55m radius of their location. Single pass ID2 interpolation run employed utilising 400m

Criteria	JORC Code explanation	Commentary
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. *The assumptions made regarding recovery of by-products.* *Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation).* *In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.* *Any assumptions behind modelling of selective mining units.* *Any assumptions about correlation between variables.* *Description of how the geological interpretation was used to control the resource estimates.* *Discussion of basis for using or not using grade cutting or capping.* *The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.*	sample search within the plane of mineralisation. Minimum of 20 and maximum of 40 composites utilised to estimate grade. The Mt Ararat Resource is classified as Inferred under the guidelines set out in the 2012 JORC Code.
Moisture	*Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content*	15 of 18 RC holes drilled by Centaur Mining encountered wet drilling through the mineralisation. Grade profiles suggest down hole smearing of grade (cross-contamination) in the oxide/supergene mineralisation. Core recovery averages 85% through the oxide/weathered mineralisation, down from >97% recorded for the supergene and primary mineralisation. There is no information or data to assess the affect core loss has on grade.
Cut-off parameters	*The basis of the adopted cut-off grade(s) or quality parameters applied.*	The resource is reported by mineralisation thickness and oxidation state. Cuts of 0.5%, 1.0% and 2.0% copper were applied. These breakdowns and grade tonnage plots are reported to allow differing economic assessment on the project.
Mining factors or assumptions	*Assumptions made regarding possible mining methods, minimum mining dimensions*	Not applied, however resource is reported at 1m and 2m thicknesses and by oxidation state to allow for assessment of both underground and open cut mining

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	and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.	methods.
Metallurgical factors or assumptions	*The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	Not evaluated as risks associated with historic data over-riding feature affecting the confidence of the estimate.
Environmental factors or assumptions	*Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the*	Not evaluated as risks associated with historic data over-riding feature affecting the confidence of the estimate.

Criteria	JORC Code explanation	Commentary
	environmental assumptions made.	
Bulk density	*Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.* *The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.* *Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.*	A single tonnage factor of 3.17 tonnes/m^3 was applied to all mineralisation.
Classification	*The basis for the classification of the Mineral Resources into varying confidence categories.* *Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).* *Whether the result appropriately reflects the Competent Person's view of the deposit.*	The estimate is classified as Inferred under the JORC Code (2012 Edition). Absence of QA/QC and important data for evaluating risk to the estimate (such as recover and moisture versus grade) are key factors in assigning an Inferred Classification.
Audits or reviews	*The results of any audits or reviews of Mineral Resource estimates.*	No Audit or Review of estimate undertaken.
Discussion of relative accuracy/ confidence	*Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such*	Not undertaken other than that stated under the classification section.

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	an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* *These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	