ASX Code: SVY

Issued Shares: 93.5M

Cash Balance: $2.82M

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HIGHLIGHTS

Exploration

- 11% increase in resource tonnage at **Mt Ararat VMS Copper-Gold-Zinc deposit** as a result of FY 2015 drilling. The Total Mineral Resource updated to an estimate of 1.3 million tonnes at 2.0% copper, 0.5 g/t gold, 04% zinc and 6 g/t silver.
- A strong Induced Polarisation (IP) chargeability anomaly has been generated at the **Carroll's VMS prospect** which is coincident with 1.5km long zinc-copper soil geochemical anomaly and in-situ rock-chip results of 10.8% copper, 1.5 g/t gold and 0.4% zinc.
- A large and very strong IP chargeability anomaly has been identified in the footwall to the **Mt Ararat VMS deposit**. The known deposit is associated with a much smaller IP chargeability anomaly compared with the new footwall anomaly.
- A sizeable IP chargeability anomaly has been identified at the **Cathcart Hill gold prospect**, coincident with anomalous gold and arsenic soil geochemical anomalies and pseudo-gossan float samples with results of up to 0.8 g/t gold.
- Several additional highly IP chargeable anomalous responses have been identified which are currently unexplained and will require follow-up. The shallow east dipping geometry of some of these features is consistent with observed dips in recently drilled gold mineralised structures.

Corporate

- During the Quarter, the Company raised a further $1.58 million (before costs) through a non-renounceable entitlement issue.
- $2.82M cash on hand as at 30 September 2015.

OVERVIEW

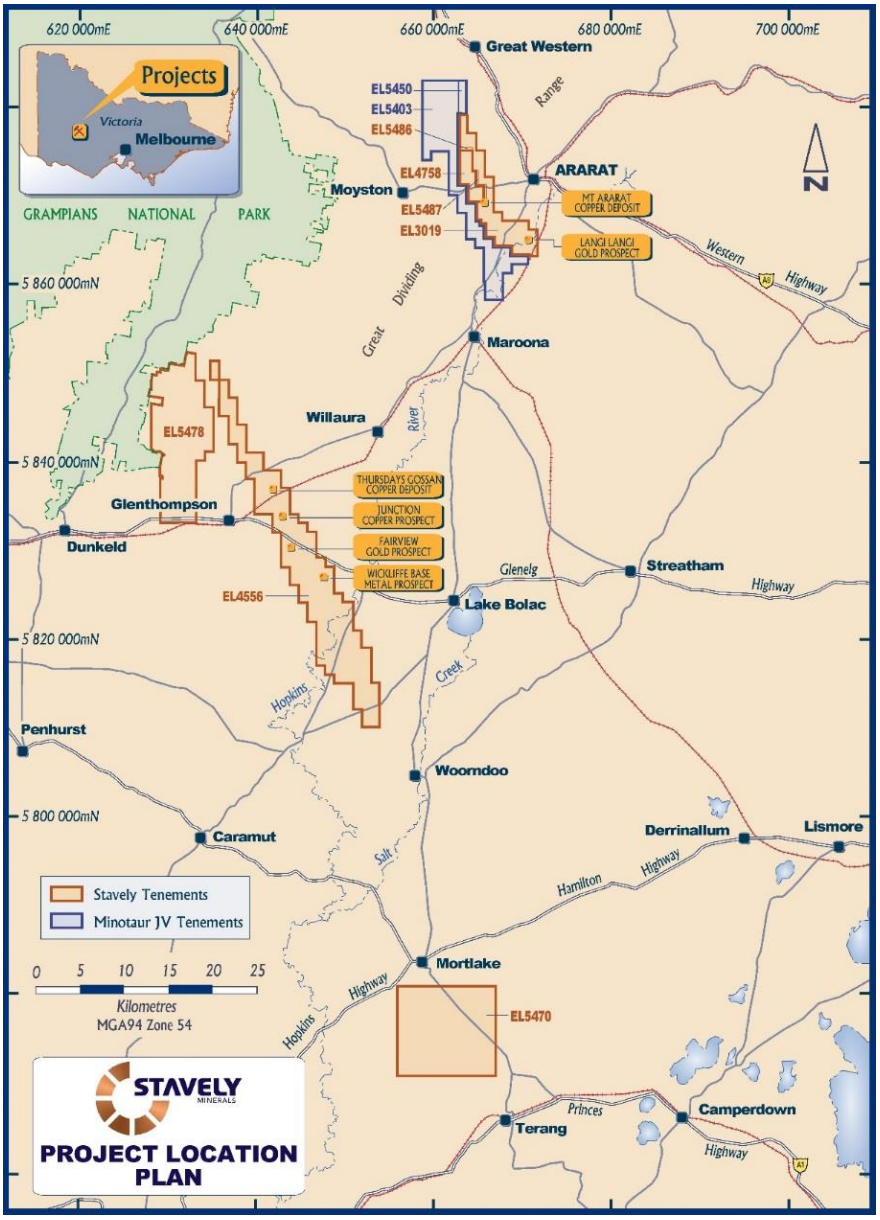

Figure 1. Project Location Plan.

As part of Stavely Minerals' annual review of Mineral Resources as required by ASX Listing Rule 5.21, the Mineral Resources at Mt Ararat and Thursday's Gossan were reviewed during the Quarter. At Mt Ararat the 2015 Mineral Resource estimate represents, based on a 1% Cu cut-off, an 11% increase in total tonnes compared with the previous resource estimate to **1.3 million tonnes at 2.0% copper, 0.5 g/t gold, 0.4% zinc and 6 g/t silver** including 0.25 million tonnes grading 2.2% copper in the Indicated Resources category with the remainder classified as Inferred Resources. The Mt Ararat Mineral Resource now hosts an estimated **26,000 tonnes of contained copper, 21,000 ounces of contained gold, 5,300t of contained zinc and 242,000 ounces of contained silver**.

The Thursday Gossan Chalcocite Copper Inferred Resource Estimate, August 2015, remains unchanged from the August 2013 estimate. There has been no additional data collected from the deposit and although economic circumstances affecting the mining industry have changed since 2013 the assumptions utilised in 2013 remain valid, if not for the current situation but for future situations. Consequently, the Thursday's Gossan Inferred Mineral Resource estimate remains **28 million tonnes at 0.4% copper for 110,000t of contained copper.**

During the September Quarter, Stavely Minerals completed major regional gravity and Induced Polarisation (IP) geophysical programmes over the prospective stratigraphy with the Company's 100% -owned Ararat Project and the adjacent Minotaur Operations joint venture tenure (Figure 2). The recently completed geophysics, together with the ongoing reconnaissance soil geochemistry and mapping programmes in the Ararat Project has been successful in identifying a number of significant new targets with the potential to host both VMS-style copper-gold-zinc mineralisation and Stawell-type gold mineralisation.

The gravity survey covered an area of approximately 28 square kilometres and 9.5 kilometres of the prospective VMS horizon. The gravity survey has provided important information with respect to the regional architecture and distribution of rock types at depth in the project area.

Eleven lines of IP data were collected at a spacing of either 300 metres or 600 metres over the Mount Ararat and Carroll's Base Metal prospects and the Cathcart Hill gold prospect (Figure 3). The regional IP survey has highlighted some very significant chargeability anomalies at key prospects in the Ararat Project, which will require drill testing to ascertain if the anomalies are related to sulphide mineralisation.

Drilling of the main anomalies at the Ararat Project is planned to commence in October. Diamond drilling will be conducted at the Carroll's and Mt Ararat footwall base metal prospects and RC drilling at the Cathcart Hill gold prospect and the unexplained IP chargeability features.

The regional soil geochemical programme will be continued throughout the VMS prospective horizon at the Ararat Project.

At the Stavely Project, the Company has completed additional IP at the Thursday's Gossan porphyry target in advance of diamond drilling, scheduled for the upcoming Quarter. The IP together with the previously completed geophysics, structural investigation, 3D modelling, spatial analysis of alteration and mineralogy and sulphur isotopes will be used to locate the drill holes targeting the potassic core of the porphyry system.

During the September Quarter, IP was conducted over the coincident gravity low and magnetic high identified in the Mount Stavely Volcanic Complex in the northern portion of

the Yarram Park Project. Diamond drilling to test the potential porphyry target is scheduled for the December Quarter.

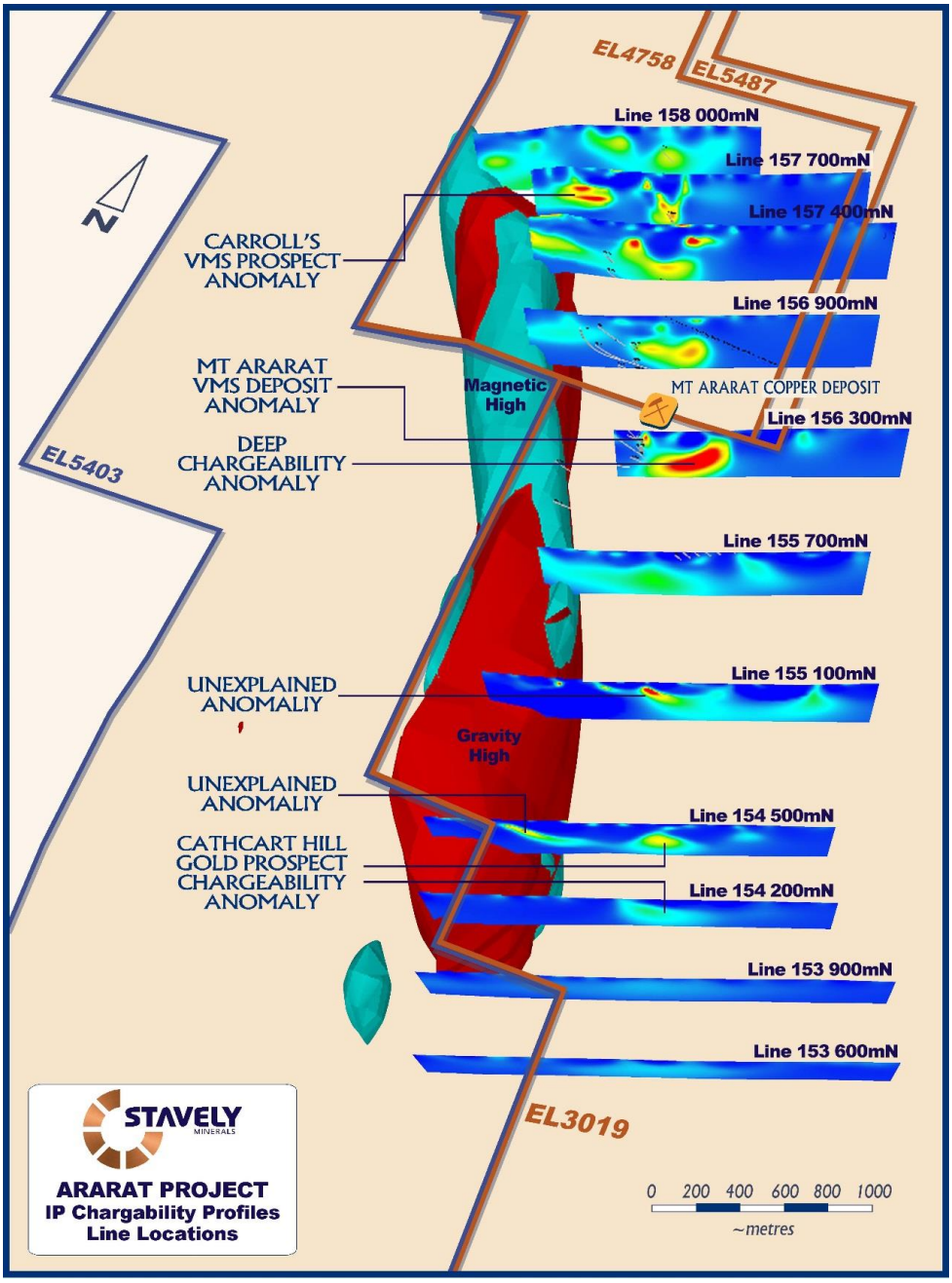

Figure 2. Oblique view of the stacked set of IP section lines looking NNW with approximately 30 degrees elevation.

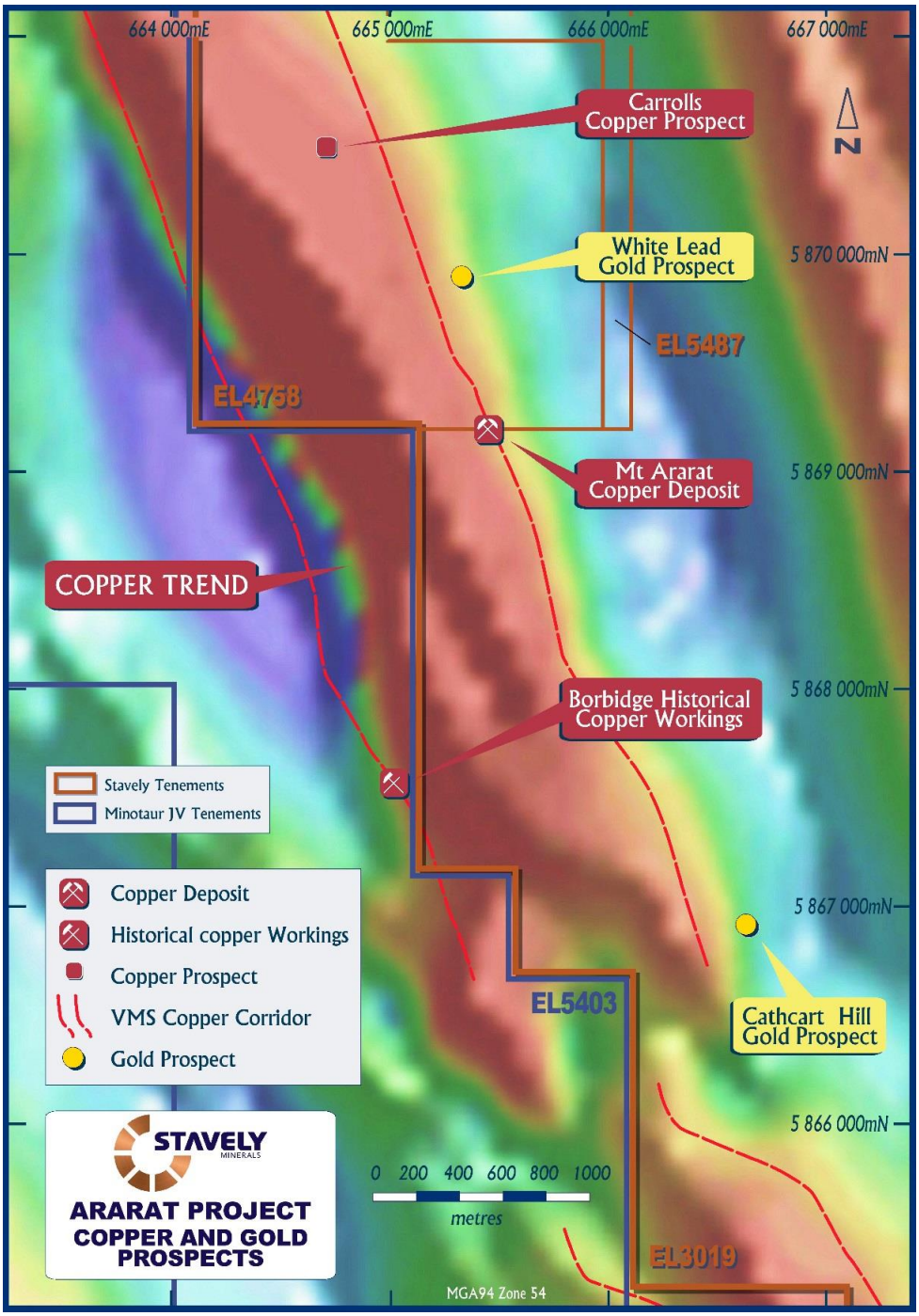

Figure 3. Ararat Project prospect location plan overlaid on a reduced to pole aeromagnetic image.

EXPLORATION

Ararat Project (EL4758, EL3019 & EL5486)

Mount Ararat VMS Deposit

During the Quarter an updated JORC Mineral Resource estimate was reported for the Mt Ararat VMS copper-gold-zinc deposit (see ASX release 8th September 2015). Drilling completed during the 2015 financial year has provided additional data, defining an extension of the existing mineralisation at Mt Ararat further to the north. In addition, the increased data density and confirmation of historical drill-hole grades and widths by more recent drilling has also provided an increase in the confidence of a portion of the deposit, allowing elevation of some of the copper resources into the Indicated Resource classification.

The Total Mineral Resources estimate for the Mt Ararat copper-gold-zinc deposit now stands at **1.3 million tonnes grading 2.0% copper, 0.5 g/t gold, 0.4% zinc and 6 g/t silver** including 0.25 million tonnes grading 2.2% copper in the Indicated Resources category with the remainder classified as Inferred Resources. The 2015 Mount Ararat Mineral Resource Estimate is presented in Table 1 below:

Table 1. The Mount Ararat Resource Estimate

Reporting Threshold	Classification	Domain	Tonnes: Cu Resource (KT)	Cu Grade (%)	Tonnes: Au,Ag,Zn Resource (KT)	Au Grade (ppm)	Ag Grade (ppm)	Zn Grade (%)
1.0% Cu	**Indicated**	Supergene	50	2.4				
		Fresh	200	2.2				
		Total	**250**	**2.2**				
	Inferred	Weathered	170	1.7	170	0.5	3.1	0.1
		Supergene	30	2.2	80	0.4	4.4	0.4
		Fresh	870	1.9	1070	0.5	6.2	0.4
		Total	**1070**	**1.9**	**1320**	**0.5**	**5.7**	**0.4**
	Total 1% Cu		**1320**	**2.0**	**1320**	**0.5**	**5.7**	**0.4**
2.0% Cu	**Indicated**	Supergene	30	2.9				
		Fresh	80	2.9				
		Total	**110**	**2.9**				
	Inferred	Weathered	30	2.9	30	1.3	7.9	0.2
		Supergene	20	3.0	50	0.3	4.2	0.4
		Fresh	230	3.0	310	0.6	7.7	0.6
		Total	**280**	**3.0**	**390**	**0.6**	**7.3**	**0.5**
	Total 2% Cu		**390**	**2.9**	**390**	**0.6**	**7.3**	**0.5**

Table shows rounded estimates. This rounding may cause apparent computational discrepancies. Significant figures do not imply precision. Nominal copper grade reporting cuts applied. Three material types reported as varied economic factors will be applicable to the deposit base on reported material types.

The 2015 Mt Ararat Copper Resource Estimate has been classified as Indicated and Inferred Resources under guidelines set out in the JORC Code (2012 Edition). The gold, silver and zinc estimates are classified as Inferred Resources. The 2015 Mineral Resource estimate represents, based on a 1% Cu cut-off, an 11% increase in total tonnes compared with the previous resource estimate to **1.3 million tonnes at 2.0% copper, 0.5 g/t gold, 0.4% zinc and 6 g/t silver**.

The Mt Ararat Mineral Resource now hosts an estimated **26,000 tonnes of contained copper, 21,000 ounces of contained gold, 5,300t of contained zinc and 242,000 ounces of contained silver.**

In the vicinity of the Mt Ararat VMS deposit, IP Line 156300mN returned a very large and very strong (to 120mV/V) chargeability anomaly in the footwall to the known deposit. The existing deposit does appear to be reflected by a much smaller chargeability feature.

The known mineralisation dips ~70 degrees to the west. The new chargeability feature is modelled to extend from 150m below surface to more than 400m below surface (Figure 4). The known deposit is associated with a much smaller IP chargeability anomaly compared with the new footwall anomaly. A diamond drill hole has been planned to test this position which was not previously drilled. The large anomaly in the footwall to the existing Mt Ararat VMS deposit would appear to be expressed in a number of lines north and south of Line 156300mN. RC drilling has been planned to test this IP chargeability anomaly.

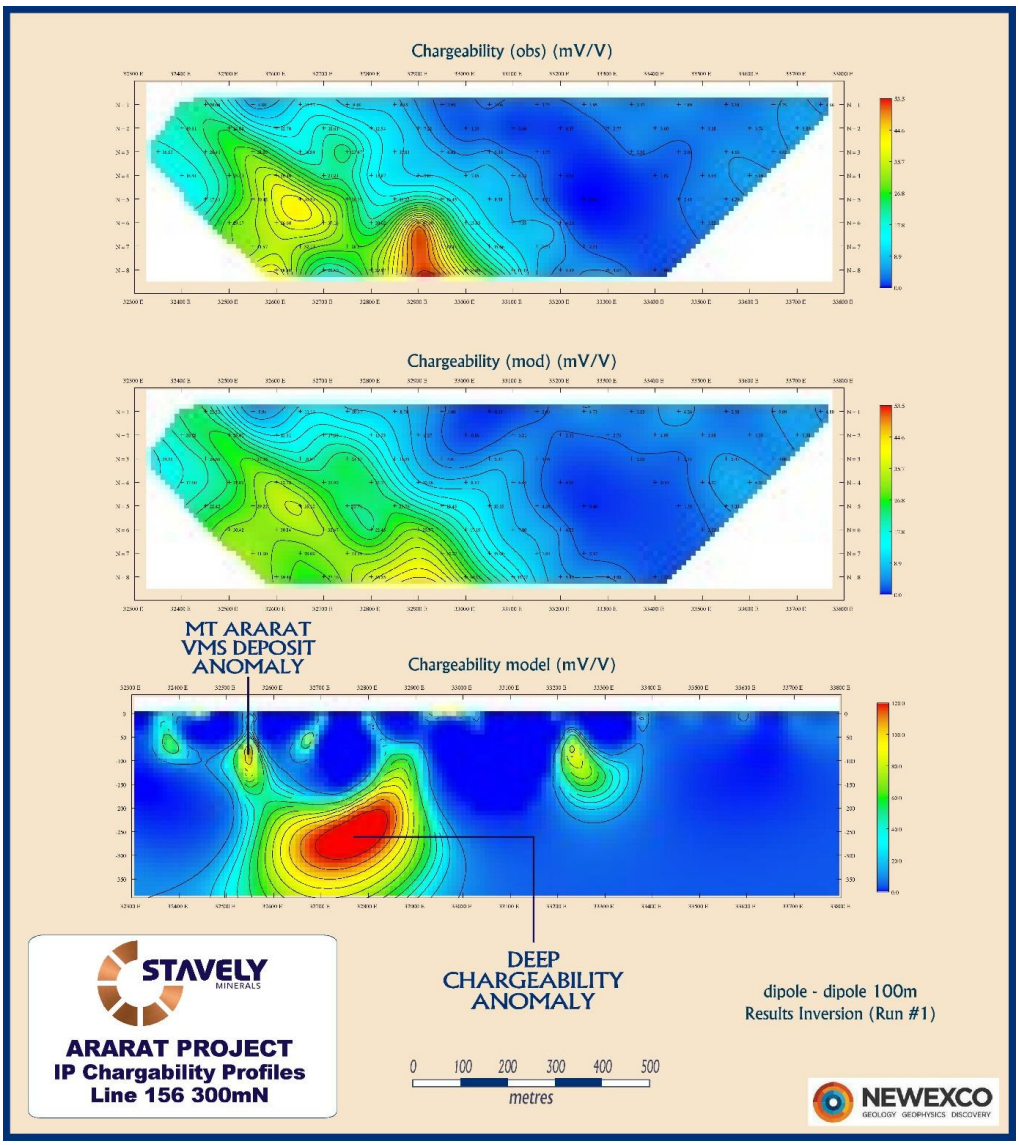

Figure 4. IP chargeability section for Line 156300mN.

Carroll's Base Metal Prospect

The 2015 soil geochemical programme identified a 1.5km long x 500m wide zinc-copper anomaly at the Carroll's VMS prospect along with in-situ rock chip results which returned assays of up to 10.8% copper, 1.5 g/t gold and 0.4% zinc and results from a surface float sample which returned values of up to 24% copper, 1.1% zinc and 0.52 g/t gold.

This geochemical anomaly is now supported by a strong IP chargeability feature on Line 157700mN modelled from approximately 100m depth to 250m depth with the suggestion of a projection to surface in the vicinity of where the in-situ rock-chip sample was taken (Figure 5). Two diamond drill holes have been planned to test the co-incident copper-zinc soil geochemistry anomaly and IP chargeability feature.

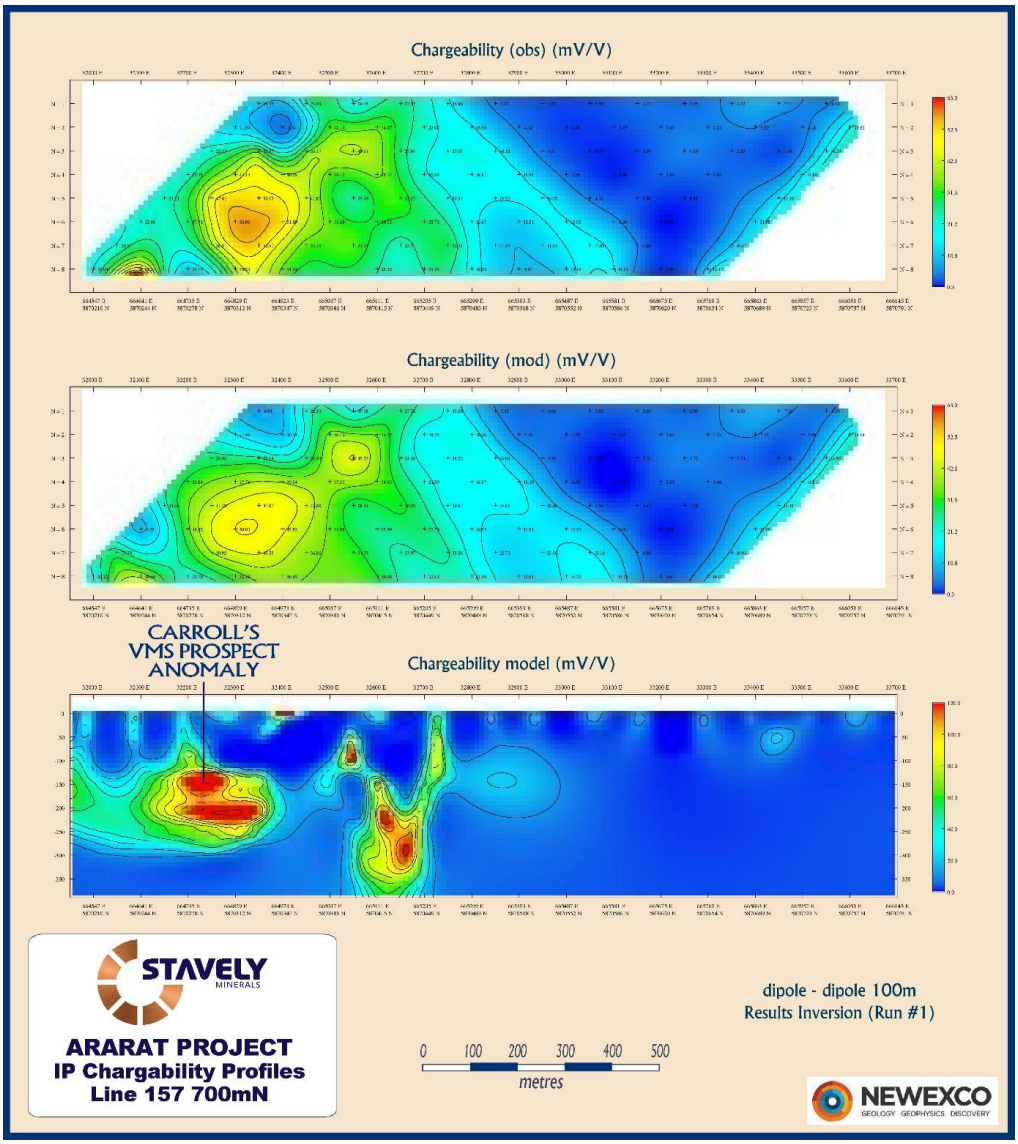

Figure 5. IP chargeability section for Line 157700mN.

Cathcart Hill Gold Prospect

The Cathcart Hill gold prospect was identified earlier in 2015 by reconnaissance soil geochemistry and float rock-chip sampling. The soils were analysed initially using a Thermo Instruments Niton® hand-held X-Ray fluorescence (XRF) instrument. This initial analysis identified an 800m long arsenic-chrome geochemical anomaly associated with iron-rich pseudo gossan with laboratory assay results of up to 0.45% arsenic and 0.8 g/t gold (see ASX release 28 April 2015).

Subsequent laboratory analysis of the original soil samples returned very anomalous gold results including 622ppb, 447ppb and 426ppb amongst other strongly anomalous results.

Additionally, a diamond drill hole drilled in 1977 and located some 200m to the north-west of the main soil sample arsenic anomaly had returned an intersection of 2m at 5.0 g/t gold from 43m drill depth and is logged as a bedrock intercept.

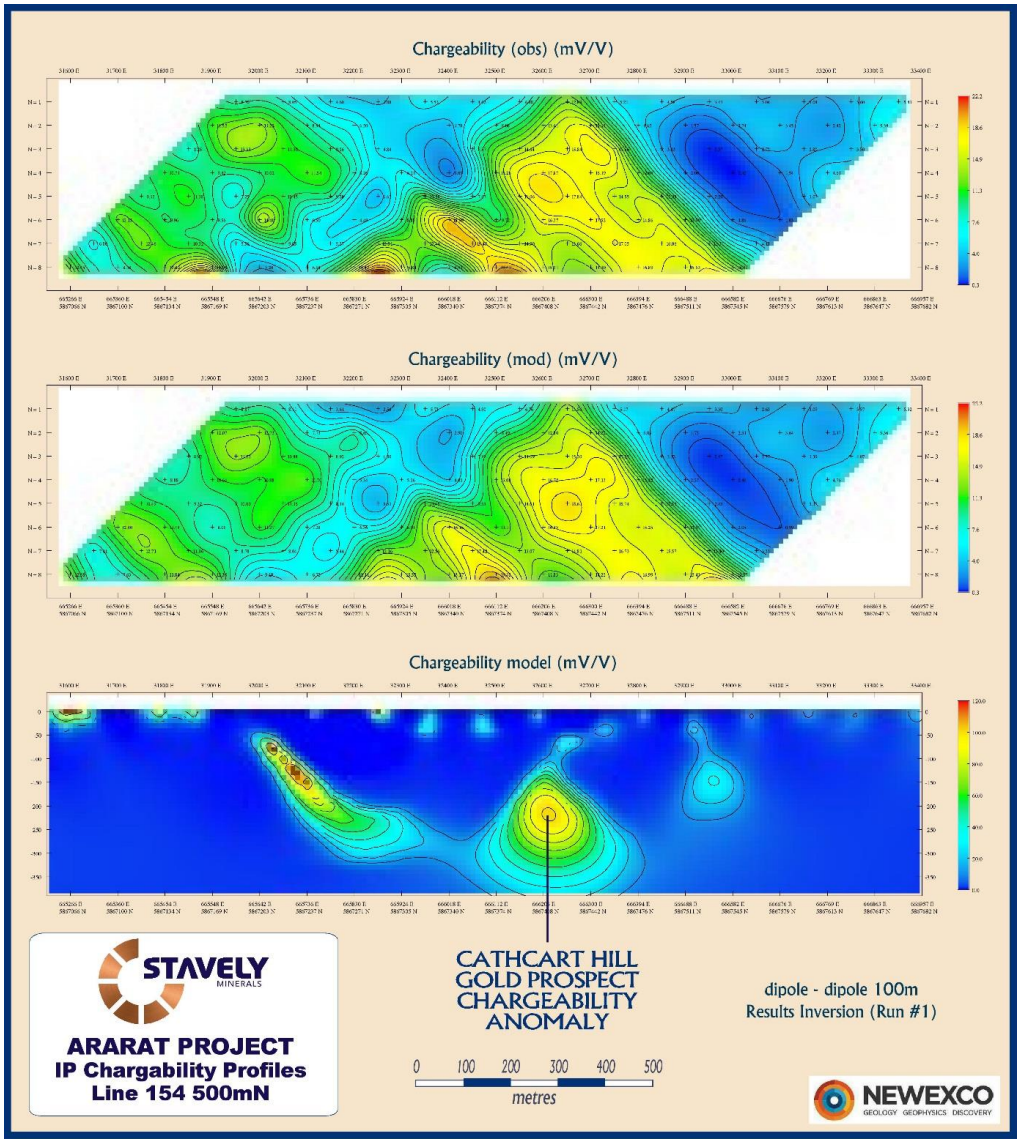

Figure 6. IP chargeability section for Line 154500mN.

In the vicinity of the Cathcart Hill gold prospect, IP Line 154500mN has returned a sizable chargeability anomaly in the vicinity of the soil geochemical anomaly and another unexplained chargeability anomaly further to the West (Figure 6). RC drilling has been planned to test the IP chargeability anomalies.

Stavely Project (EL4556)

Thursday's Gossan Prospect

While drilling was undertaken at the Thursday's Gossan porphyry prospect, targeting well-developed primary porphyry copper-gold mineralisation at depth, no drilling was completed in the area of the existing secondary-enriched copper mineralisation. Consequently, the Mineral Resources at Thursday's Gossan were reviewed in the context of the assumptions underpinning the 2013 Mineral Resources estimate. This review concluded that: *"The Thursday Gossan Chalcocite Copper Inferred Resource Estimate, August 2015, remains unchanged from the Thursday Gossan Chalcocite Copper Inferred Resource Estimate, August 2013. There has been no additional data collected from the deposit and although economic circumstances affecting the mining industry have changed since 2013 the assumptions utilised in 2013 remain valid, if not for the current situation but for future situations."*

Consequently, the Thursday's Gossan Inferred Mineral Resource estimate remains **28 million tonnes at 0.4% copper for 110,000t of contained copper** (Table 2).

Table 2. The Thursday Gossan Chalcocite Copper Inferred Resource Estimate (reviewed in 2015)

Thursday Gossan Chalcocite Copper August 2013 Inferred Resources *(JORC 2012 Edition)*					
Copper Mineralisation Subdivision		Lower Cu Cut (%)	Tonnes (MT)	Copper Grade (%)	Contained Copper (KT)
Mineralisation greater than 10m thick	10 to 20m thick	0.20	8.5	0.3	28.1
		0.30	4.5	0.4	18.4
		0.50	0.5	0.7	3.4
	Greater than 20m thick	0.20	14.4	0.4	61.7
		0.30	9.7	0.5	49.7
		0.50	3.1	0.8	24.8
	Sub Total (greater than 10m thick)	***0.20***	***22.9***	***0.4***	***89.8***
		0.30	***14.2***	***0.5***	***68.0***
		0.50	***3.7***	***0.8***	***28.2***
Mineralisation less than 10m thick		0.20	5.1	0.3	17.1
		0.30	2.5	0.4	10.6
		0.50	0.2	0.9	2.1
Total Mineralisation		**0.20**	**28.1**	**0.4**	**106.9**
		0.30	**16.7**	**0.5**	**78.6**
		0.50	**3.9**	**0.8**	**30.3**

Table shows rounded estimates. This rounding may cause apparent computational discrepancies. Significant figures do not imply precision. Nominal copper grade reporting cuts applied. Three mineralised thicknesses reported as varied economic factors are likely to be applicable to each.

During the Quarter, two lines of IP were conducted at the Thursday's Gossan porphyry prospect to the north of the previous IP survey conducted in March 2015. The recently completed survey was undertaken to refine the new chargeability anomalies identified in the March survey. Processing and interpretation of the current survey was in progress at the end of the Quarter.

Yarram Park Project (EL5478)

Two lines of IP were completed over the coincident gravity low and magnetic high, the classic geophysical signature for a porphyry intrusion, in the northern portion of the Yarram Park Project. Planning of a drill hole to test the potential porphyry intrusion will be finalised when processing and interpretation of the IP survey data has been concluded.

Planned Exploration

Ararat Project (EL4758, EL3019 & EL5486/ Minotaur Exploration JV EL5403 & EL5450)

Planned exploration for the December 2015 Quarter includes diamond drill testing of the coincident zinc-copper soil geochemistry anomaly and IP chargeability anomaly at the Carroll's base metal prospect.

A diamond drill hole has been planned to test the large and very strong IP chargeability anomaly that has been identified in the footwall to the Mt Ararat VMS deposit.

RC drilling has also been planned at the Ararat Project during the forthcoming quarter. RC drilling will be conducted at the Cathcart Hill gold prospect where a large IP chargeability anomaly has been identified. The large IP anomaly in the footwall to the existing Mt Ararat VMS deposit, which will be tested with a diamond hole, continues in the IP section to the south (Line 155700mN), where it will tested with an RC hole.

Additionally, on Line 155100mN and Line 154500mN there are two chargeability features dipping shallowly to the east, an orientation consistent with observed dips in recently drilled gold mineralised structures that had returned drill intercepts including 2m at 6.43 g/t gold including 1m at 11.3 g/t gold at the White Lead gold prospect located to the north of these anomalies. RC drilling will be used to test these two chargeability features to ascertain if the anomalies are related to sulphide mineralisation.

The recently acquired gravity and IP data will be used in conjunction with the magnetic data, mapped geology and drill hole data to create a 3D model in Leapfrog of the Ararat Project geology, structure and mineralisation.

Weather permitting, there are plans to extend the regional soil geochemical programme throughout the VMS prospective horizon at the Ararat Project during the next Quarter.

Stavely Project (EL4556)

A diamond drill programme has been planned for the December Quarter at the Thursday's Gossan porphyry prospect. The drill hole locations will be finalised when the recently completed IP survey data processing and modelling has concluded.

Yarram Park Project (EL5478)

During the December 2015 Quarter, a diamond hole will be drilled to test the coincident gravity low and magnetic high identified in the northern portion of EL5478. The drill hole location will be finalised on completion of processing and interpretation of the recently completed IP survey.

CORPORATE

Stavely Minerals had a total of $2.82M cash on hand at the end of the September 2015 Quarter.

In July 2015, a total of $1.58 million was raised through a 1-for-10 non-renounceable entitlement issue at 25 cents with a 1 for 2 free attaching option (exercisable at 30 cents per share and expiring 30 June 2016).

These funds, together with the $1.4 million raised through the share placement in June 2015, will be used to underpin the next phase of exploration and evaluation of the Thursday's Gossan porphyry copper target at the Stavely Project and to undertake further drilling at both an emerging 'Stawell-style' gold prospect and a VMS-style copper-gold-zinc deposit at the Ararat Project.

The Company presented at the following investor updates and conferences during the Quarter:

30 September – 1 October	RIU Melbourne Resources Round-up
24 – 25 September	Resources Rising Stars Conference Gold Coast
2 – 4 September	Mines & Wines 2015, Queanbeyan
16 - 17 July	Noosa Mining & Exploration Conference
8 July	Melbourne Resources Rising Stars Cocktail Function
7 July	Sydney Resources Rising Stars Cocktail Function

ANNOUNCEMENTS

Investors are directed to the following announcements (available at www.stavely.com.au) made by Stavely Minerals during the September 2015 Quarter for full details of the information summarised in the Quarterly Report.

25/09/2015 - Significant New Drill Targets at Ararat Project

09/09/2015 - Annual Report to Shareholders

08/09/2015 - Mt Ararat VMS JORC Mineral Resource Update

16/07/2015 - Non-Renounceable Entitlement Issue Notification of Shortfall

10/07/2015 - Rights Issue to Close on Monday 13 July 2015

06/07/2015 - Completion of Entitlement and Acceptance Form

06/07/2015 - Significant High-Grade Gold & VMS Copper Intersects

01/07/2015 - Rights Offer Opens and Prospectus Despatched

Tenement Portfolio - Victoria

The tenements held by Stavely Minerals as at 30 September 2015 are as follows:

Area Name	Tenement	Grant Date/ (Application Date)	Size (Km^2)
Mt Ararat	EL 3019	21 December 1989	42
Ararat	EL 4758	29 January 2004	12
Stavely	EL 4556	5 April 2001	139
Yarram Park	EL 5478	26 July 2013	99
Mortlake	EL 5470	17 June 2013	110
Mt Ararat	EL 5486	10 July 2014	2
Mt Ararat	ELA 5487	(21 June 2013)	5
Ararat	RLA 2020	(12 June 2014)	28
Stavely	RLA 2017	(20 May 2014)	139
Ararat	EL 5403	25 January 2012	68
Ararat	EL 5450	21 February 2013	4

During the Quarter a reduction of the original licence area of Yarram Park tenement EL5478 was undertaken in accordance with section 38A of the Mineral Resources (Sustainable Development) Act on the second anniversary of its initial grant.

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.

With respect to reporting of the updated Mineral Resources at the Mt Ararat VMS copper-gold-zinc deposit, the information is extracted from the report entitled "Mt Ararat VMS JORC Mineral Resource Update" dated 8 September 2015 and available to view on www.stavely.com.au and the ASX company announcements platform website under company code SVY. The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and, in the case of estimates of Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.