Stavely Acquires Highly Prospective Ravenswood Gold-Copper Project in North Queensland

Excellent potential for orogenic and intrusive-related gold mineralisation adjacent to 4Moz Ravenswood goldfield; four identified porphyry prospects plus rare earths potential

Highlights

- **Stavely Minerals has acquired a highly prospective gold-copper exploration project in North Queensland, the Ravenswood West Exploration Permit Application (EPM26041), through the acquisition of private company Ukalunda Pty Ltd.**
- **The Ravenswood West Project is located near the historical Ravenswood mining centre, which has +4Moz of combined historical and modern gold production.**
- **High-grade gold mineralisation recorded at the Podosky's Prospect (excised from EPM26041 and held by Kitchener Mining NL) with results including:**
    - **6m at 16.7 g/t gold**
    - **6m at 13.38 g/t gold**
    - **5m at 12.06 g/t gold**
- **The Ravenswood West Project has four identified porphyry copper-molybdenum-gold prospects – The Bank, Keane's, Barrabas and Turkey Gully, none of which have had any drilling since the early 1970s.**
- **Surface rock chip results of up to 49% copper, 0.24 g/t gold, 0.2% molybdenum and 1,793 g/t silver have been returned from these prospects.**
- **Historical drill results from the Keane's molybdenite prospect include:**
    - **45 feet 3 inches (13.8m) at 0.26% molybdenum**
    - **1 foot 7 inches (0.38m) at 2.26 ounces (70.3 g/t) silver per tonne**
    - **9 feet (2.74m) at 9.6 pennyweight of gold plus silver (15 g/t) of which 0.58 g/t was gold**
- **The Project area is underlain by a very large gravity low which is interpreted to reflect a large intrusive body at depth, and is likely to be the source intrusion for the multiple phases of higher-level porphyry intrusion at the three prospect areas.**
- **In conjunction with very strong regional structural trends, the Ravenswood West Project is considered to have excellent potential for porphyry, diatreme and intrusive-related mineralisation.**
- **Early stage rare earths potential identified with very anomalous stream sediment sample results up to 0.25% cerium, 0.14% lanthanum and other rare earth elements yet to be followed up.**
- **"At Ravenswood, Stavely has acquired an orogenic and intrusive related gold and porphyry base metals and gold project with outstanding exploration potential. It is located in a proven mineral district which has seen very little modern exploration, and offers the opportunity to target large mineralised systems at moderate depth. Plus, the rare earths potential is a genuine opportunity." – Stavely MD Chris Cairns**

Stavely Minerals Limited (ASX Code: **SVY** – "Stavely Minerals") is pleased to advise that it has acquired a highly prospective new gold-copper project in North Queensland, representing a complementary new exploration opportunity alongside its existing porphyry copper and gold projects in Western Victoria.

The new **Ravenswood West Project** Exploration Permit Application (EPM) 26041, which covers an area of 241 square kilometres approximately 5km south-west of the town of Ravenswood (Figure 1), is located near the historical mining centre of Charters Towers and the multi-million ounce Ravenswood goldfield in North Queensland.

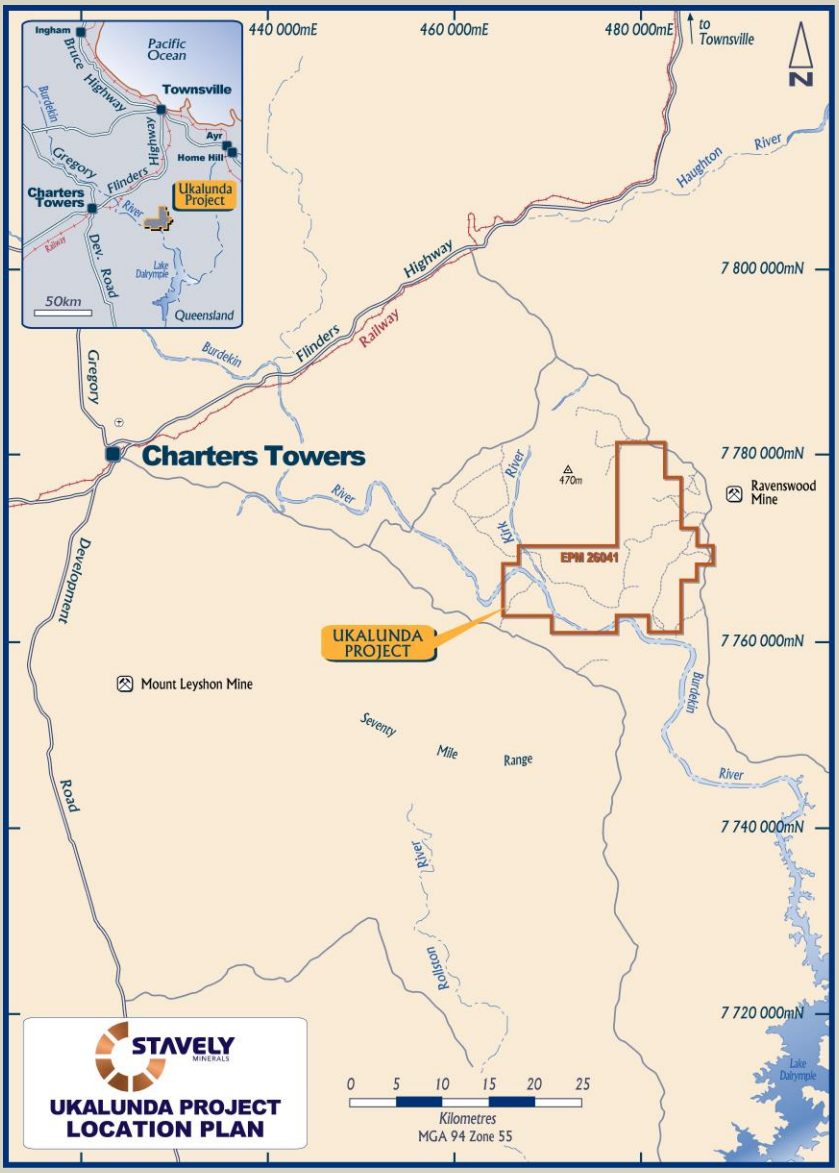

Figure 1. Project location map.

Gold has been mined at Ravenswood over a 150-year period with alluvial gold discovered in the area in 1868. Initial production up until the time when early mining ceased in 1917 is estimated to have been 950,000oz at a grade of around 30 g/t gold. In modern times, mining resumed in 1987 and continues today with total production (historical and current) of more than 4Moz from the Ravenswood Area, which hosts Proven and Probable Ore Reserves of 1.3Moz and Mineral Resources of 1.0Moz (*see Resolute Mining Limited 2015 Annual Report*).

The presence of high-grade gold mineralisation at the Podosky's prospect (located on a small Mining Lease, ML 10315 held by Kitchener Mining NL, which is excised from Stavely's new EPM26041 application) highlights the potential for high-grade gold mineralisation in this area.

Significant high-grade drill intercepts from the Podosky's prospect include (*see Haoma mining Quarterly Report December 2003*):

- **6 metres at 16.7 g/t gold from 14m depth in drill hole PDR-2**
- **6 metres at 13.38 g/t gold from 26m depth in drill hole PDR-9**
- **5 metres at 12.06 g/t gold from 29m depth in drill hole PDR-23**

The potential for additional zones of gold mineralisation of this nature in EPM26041 is considered excellent.

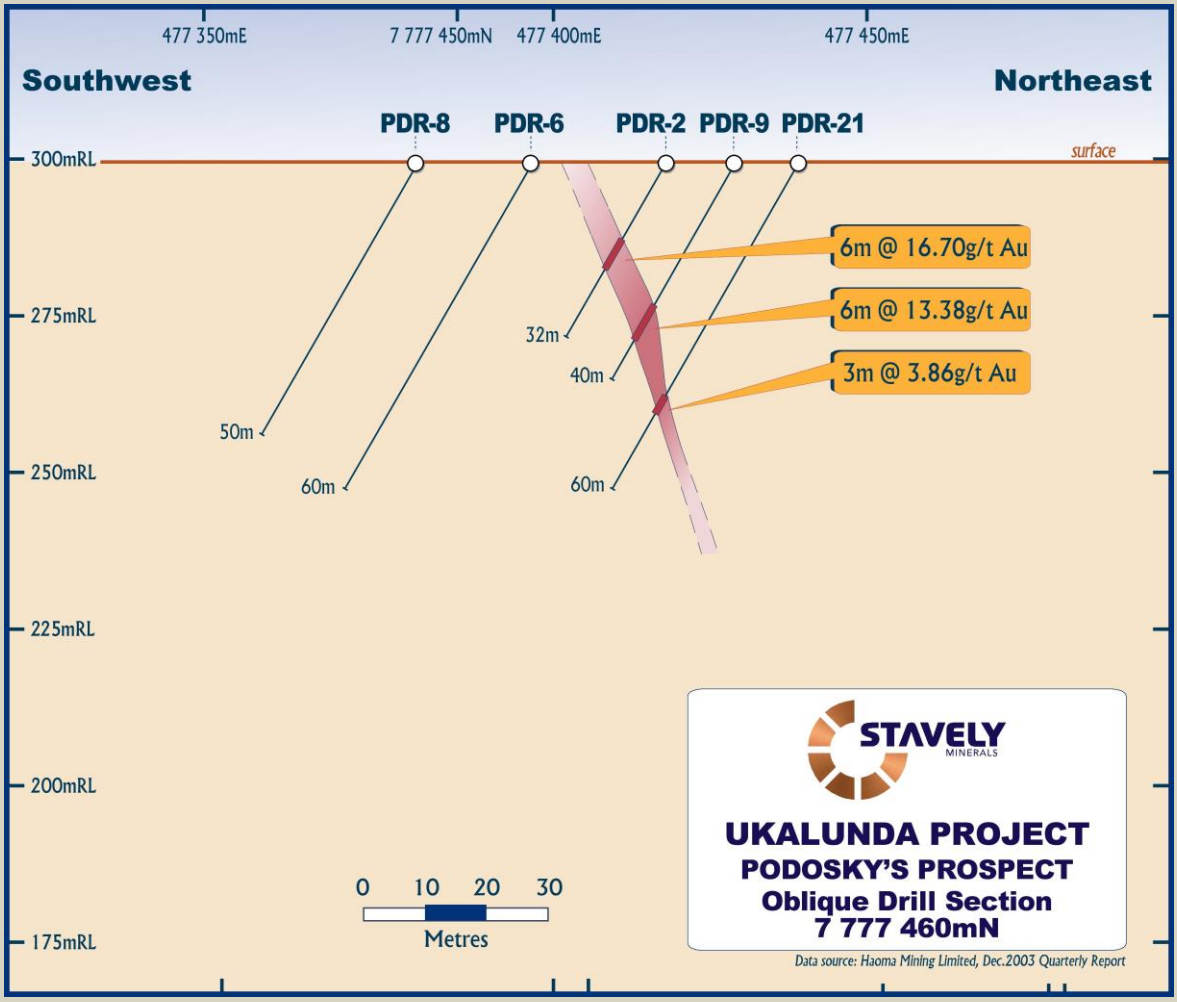

Figure 2. Podosky's prospect section 777460mN

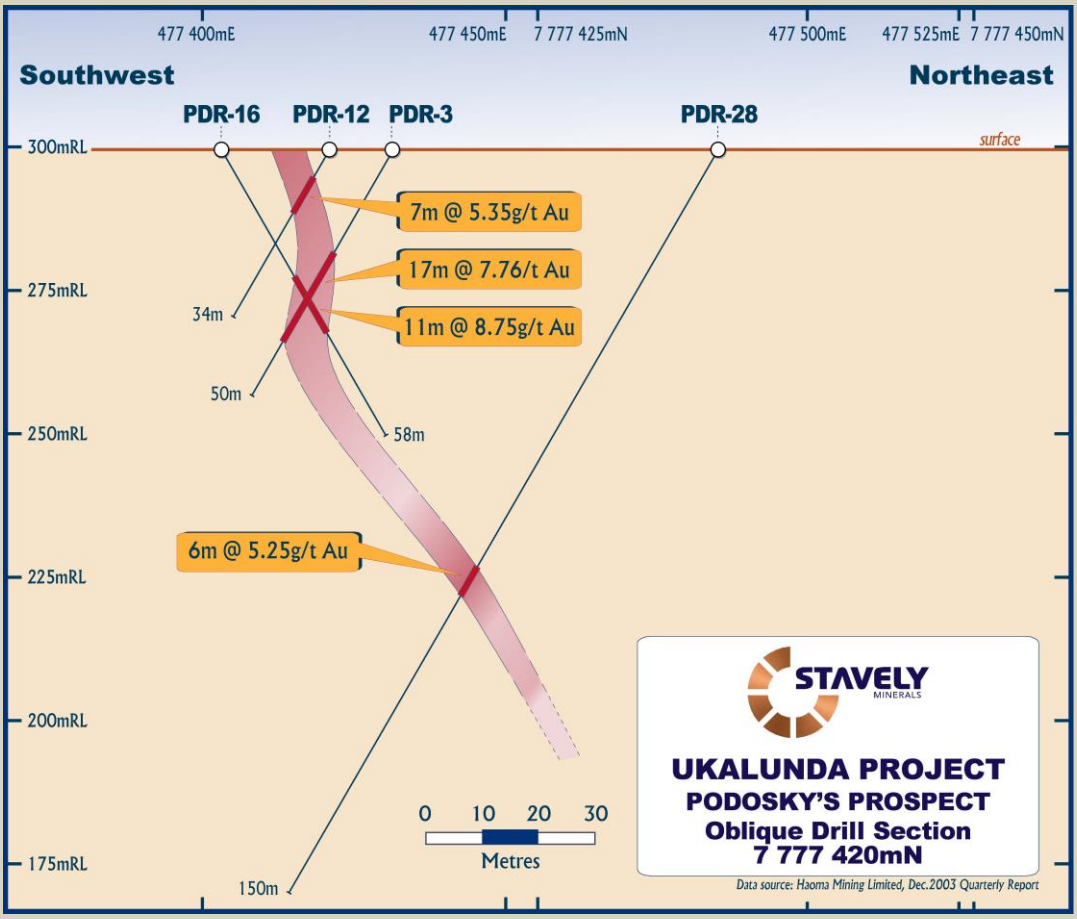

Figure 3. Podosky's prospect section 777420mN

Additionally, shear-hosted veins of copper-molybdenum-gold mineralisation have been noted in the area since the late 1800s with small-scale mining continuing until around the turn of that century.

In the 1960s, the area was recognised as having potential for porphyry-style bulk tonnage copper-molybdenum-gold mineralisation and four mineralised porphyry prospects – The Bank, Keane's, Barrabas and Turkey Gully – were identified within the project area (see Figure 4).

The Bank prospect is reported to have last been drilled by Asarco Australia with 11 rotary percussion drill holes to a maximum depth of 100 feet vertical (30 metres) in 1967. Unfortunately, the Asarco Australia reports on this exploration are not available.

While results were reported by a third party to have been up to 0.48% copper, the prospect has not been subject to any geophysical exploration methods to evaluate the potential for drill targets at moderate depth.

Of note at the Bank prospect is that copper mineralisation (chalcopyrite) is disseminated in a potassic altered quartz porphyry and not just associated with quartz veins. This is of significance with respect to the enhanced potential for bulk tonnage copper mineralisation in the Ravenswood West Project.

Keane's molybdenite prospect was drilled with six inclined (-45° to -70°) drill holes in 1965 by North Broken Hill Limited to a maximum drill depth of 855 feet (260 metres) but most holes were only completed to approximately 100 metres drill depth.

At the Keane's prospect, mineralisation is reported to be associated with narrow quartz veins with a best result of 7 inches (0.18 metres) at 17.8% molybdenite.

Other notable results include:

- **45 feet 3 inches (13.8 metres) at 0.26% molybdenum;**
- **1 foot 7 inches (0.38 metres) at 2.26 ounces (70.3 g/t) silver per tonne; and**
- **9 feet (2.74 metres) at 9.6 pennyweight of gold plus silver (15 g/t) of which 0.58 g/t was gold**

The Barrabas prospect was drilled in 1970 with 12 drill holes for 2,250 feet (685 metres) by M.A.T. Exploration Pty Ltd with generally low grades reported although higher grades were associated with east-west trending shears. The widths and grades of mineralisation were not included in the historical report.

The Ravenswood West Project has provided a number of very encouraging rock chip results assaying up to 49% copper, 0.24 g/t gold, 0.21% molybdenum and 1,793 g/t silver. Other significant historical rock chip results are tabulated below:

Sample	Easting	Northing	Au (g/t)	Cu (%)	Mo (%)	Ag
BKR013	480000	7771000	-	1.65	0.002	0.2
BKR053	479461	7772139	-	1.39	0.020	0.5
BKR054	479777	7771435	0.04	2.24	0.003	-
BKR056	478031	7771041	0.09	4.88	0.010	7.0
BKR059	477250	7771110	0.14	8.06	0.360	81
BKR060	477720	7770670	0.24	49.07	0.210	1793
BKR061	477000	7770920	-	0.50	0.506	8.8

Stavely Minerals considers the Ravenswood West Project to have excellent potential to host bulk tonnage copper-gold-molybdenum porphyry-style mineralisation as well as structurally controlled and bulk tonnage gold mineralisation, similar to that at Sarsfield (Ravenswood, 4Moz production), and diatreme-hosted gold mineralisation similar to that at Mt Leyshon (2.5Moz production).

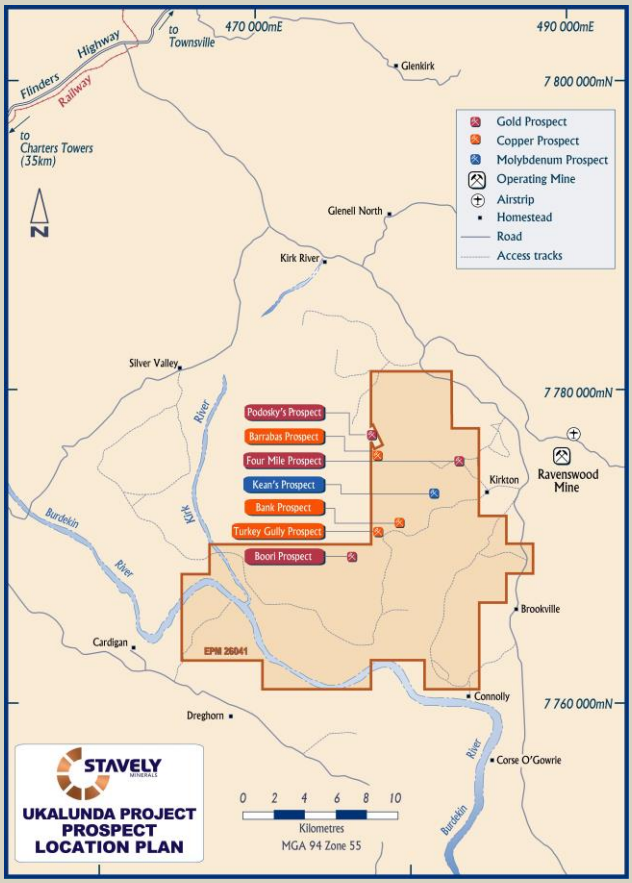

Figure 4. Ravenswood West prospect locations.

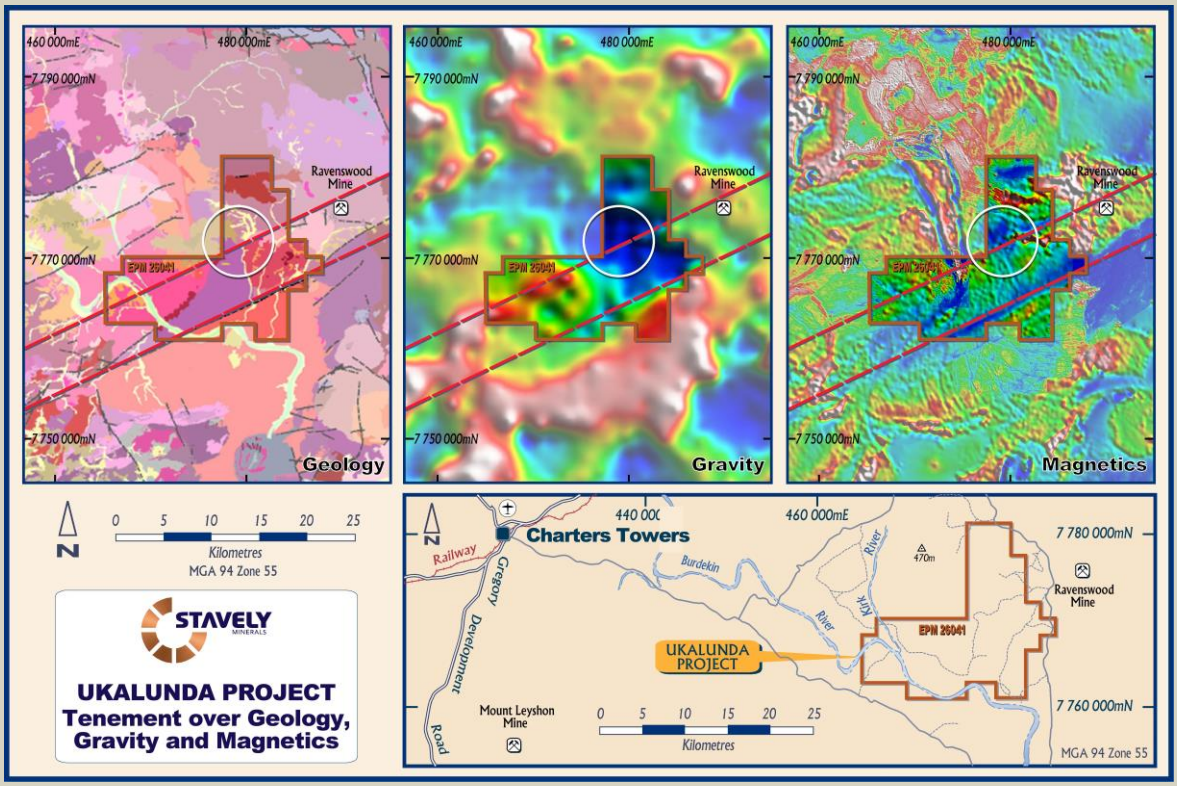

Figure 5. Project geology, gravity and magnetics.

The project is underlain by a large gravity low, suggesting the presence of a large intrusive body at depth, and is located on a major north-east structural trend passing through the Ravenswood mining centre (Figure 5). The known prospects appear to be on the margins of the gravity feature with excellent potential for discovery at modest depth.

In addition, previous exploration at the Ravenswood West Project produced a stream sediment geochemical result very strongly anomalous in rare earth elements (REEs) including 0.25% cerium, 0.14% lanthanum, 768ppm neodymium, 218ppm praseodymium and 102ppm samarium.

Rare earth elements are used in many high-tech applications such as super magnets (computer hard drives, wind turbines and hybrid cars), optical applications (lenses, TV and mobile phone screens), catalytic converters to reduce pollution, lighting, and aircraft engine components. Rare earth elements are in increasing demand.

Rare earth mineralisation is commonly associated with alkaline carbonatite/phoscorite intrusions. Brecciated carbonate dykes of unknown origin are noted by previous explorers in the area covered by EPM26041.

An unusual occurrence of rare earth mineralisation and economic copper mineralisation hosted by a carbonatite intrusion is the Palabora copper deposit in the Limpopo Province, South Africa.

The mine has been in production since 1965 and is now operated as an underground block-cave bulk mining operation producing 45,000t of copper per annum.

Acquisition Structure

Stavely Minerals has agreed to acquire Ukalunda Pty Ltd, being the applicant of EPM26041. The purchase cost is $2.

The purchase is a related party transaction as Ukalunda Pty Ltd was established in 2007 by Stavely Minerals' Directors Mr Chris Cairns and Mr Peter Ironside with the specific purpose of opportunistically applying for exploration permits in north Queensland.

Ukalunda has made previous unsuccessful applications under Queensland's competitive application regime. Since 2007, a watching brief has been maintained with the area under application recently becoming available.

Ukalunda Pty Ltd was the vehicle used for the application as the potential for rare earth elements (REE's) is considered to be outside of Stavely's normal copper and gold focus, and having a wholly-owned subsidiary to hold the asset could represent a strategic advantage in the future should the REE's potential be progressed towards any significant value and be considered for a possible future asset sale.

In Board discussions on the decision to acquire Ukalunda Pty Ltd, Mr Cairns and Mr Ironside were excused from the meeting. The Board commissioned and received an independent report on EPM26041 from CSA Global to assist the Board to make an informed decision on the acquisition.

Ukalunda Pty Ltd has loans of some $23,000 outstanding to Mr Cairns and Mr Ironside for company establishment fees, tenement application fees and compliance costs etc. but does not include any costs for Mr Cairns' or Mr Ironside's time and efforts. The loans will be discharged by Stavely Minerals upon purchase.

Chris Cairns
Managing Director

The information in this report that relates to Exploration Targets, Exploration Results, Mineral Resources or Ore Reserves is based on information compiled by Mr Chris Cairns, a Competent Person who is a Member of the Australian Institute of Geoscientists. Mr Cairns is a full-time employee of the Company. Mr Cairns is the Managing Director of Stavely Minerals Limited, is a substantial shareholder of the Company and is an option holder of the Company. Mr Cairns has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Cairns consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

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

<table>
<tr><th>Criteria</th><th>JORC Code explanation</th><th>Commentary</th></tr>
<tr><td>Sampling techniques</td><td>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.</td><td>
Keane's Prospect

North Broken Hill drilled six diamond drill holes at the Keane's prospect in 1960. Details of holes R1 to R6 are presented in the table below:

<table>
<tr><th rowspan="2">Hole No.</th><th rowspan="2">Mag-netic Bearing</th><th rowspan="2">Dip</th><th rowspan="2">Length</th><th rowspan="2">Core Recovery %</th><th colspan="2">Number of samples</th></tr>
<tr><th>Core</th><th>Sludge</th></tr>
<tr><td>R1</td><td>038°</td><td>-45°</td><td>855'</td><td>90.5</td><td>37</td><td>4</td></tr>
<tr><td>R2</td><td>178°</td><td>-45°</td><td>257'6"</td><td>81.2</td><td>6</td><td>20</td></tr>
<tr><td>R3</td><td>210°</td><td>-60°</td><td>350'5"</td><td>79.9</td><td>5</td><td>34</td></tr>
<tr><td>R4</td><td>010°</td><td>-45°</td><td>378'9"</td><td>77.5</td><td>19</td><td>40</td></tr>
<tr><td>R5</td><td>010°</td><td>-70°</td><td>300'</td><td>81.3</td><td>4</td><td>29</td></tr>
<tr><td>R6</td><td>270.5°</td><td>-45°</td><td>603'</td><td>83.3</td><td>12</td><td>57</td></tr>
</table>

Mineralisation in the core was evaluated for Mo, Au, Ag, Cu, Re, Ge, Se.

A further two diamond holes, R7A (depth of 473') and R8 (depth 498') were completed by North Broken Hill in 1962.

In 1961, 860 feet of trenching in selected areas of Keane's prospect were carried out with a Caterpillar D9 Bulldozer equipped with a hydraulic ripper.

Bank Prospect

In 1967 Asarco Australia drilled 11 Rotary Percussion holes in the prospect for a total of 942 feet (287m) - maximum was 100 feet (30.5m) vertical and sank three shallow pits along the 2,000 feet of mineralisation.

Podosky's Prospect

In 2003 Haoma Mining NL drilled an initial 6 holes for 354m and then 17 reverse circulation holes for 804m at the Podosky's prospect. In 2004 Haoma Mining NL drilled 10 reverse circulation holes for 792m at the Podosky's prospect.

Historical Stream Sediment Sampling

BHP Exploration conducted a reconnaissance stream sediment sampling programme in 1995 on historical EPM 9335, which covers the majority of EPM 26041. A programme of -2mm BLEG sampling was completed at a density of approximately 1 sample per 1.5 km stream length. -2mm stream sediment samples were analysed for Au by active cyanide solvent extraction, carbon rod finish. At the same site a -80# sediment sample was taken for subsequent analysis should the corresponding BLEG sample return an anomalous Au result.

Selected -80# stream sediment samples collected during the reconnaissance programme were analysed for a range of base-metal, indicator and rare-earth elements to supplement field observations and previous results. Ag, As, Cu, Fe, Mn, Mo, Pb, Zn, P, Cd, V and Zr were analysed using aqua-regia/ perchloric digestion and
</td></tr>
</table>

Criteria	JORC Code explanation	Commentary
		ICPOES determination with Th, Ce, Dy, Er, Eu, Gd, Ho, La, Nd, Pr, Sm, Tb, Tm and Yb analysed using aqua-regia/perchloric/hydrofluoric digestion and ICPOES determination. **Historical Rock-chip Sampling** BHP Exploration conducted follow-up rock-chip sampling to follow-up anomalism identified in the reconnaissance stream sediment sampling programme in 1995 on historical EPM 9335, which covers the majority of EPM 26041. The rock-chip samples were analysed for Au, Cu, Pb, Zn, Ag, As, Mo, Bi and Sb using an aqua-regia digest and AAS finish.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	**Keane's Prospect** No information is available on the sample representivity on the historical drilling. **Bank Prospect** Noranda Australia Limited reported in 1968 that the sampling was considered to be fairly representative of the first 100 feet (30.5m). **Podosky's Prospect** It was reported by Haoma Mining NL that check assays were done from 1 metre samples riffle split from the bulk samples. No comment was made on the sample representivity.
	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.	No sample preparation is available for the historical drilling stream sediment sampling, or rock chip sampling.
Drilling techniques	*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*	**Keane's Prospect** North Broken Hill drilled eight diamond drill holes in the area between 1960 and1962. A company owned Mindrill F30 mobile diamond drill rig was used to drill holes R7A and R8. No other information is available. **Bank Prospect** In 1967 Asarco Australia drilled 11 Rotary Percussion

Criteria	JORC Code explanation	Commentary
	if so, by what method, etc).	holes in the prospect for a total of 942 feet (287m) - maximum was 100 feet (30.5m) vertical and sank three shallow pits along the 2000 feet of mineralisation. **Podosky's Prospect** The 33 holes for a total of 1950m drilled by Haoma Mining NL in 2003 at the Podosky's prospect were completed by reverse circulation. No other information is available.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	**Keane's Prospect** Recoveries for hole R1 to R6 drilled by North Broken Hill in 1960 have been presented above. No other information is available regarding the recovery. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes.
	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.	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes.
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.*	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes.
	The total length and percentage of the relevant	**Keane's Prospect** No details are available for the historical drill holes.

Criteria	JORC Code explanation	Commentary
	intersections logged.	**Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** N/A.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** N/A
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	**Keane's Prospect** N/A **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** 1 metre samples riffle split. No other information available.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes.
	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.	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes.

Criteria	JORC Code explanation	Commentary
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.*	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes. **Historical Stream Sediment Sampling** BHP Exploration -2mm stream sediment samples were analysed for Au by active cyanide solvent extraction, carbon rod finish. This is a partial extraction technique. The -80# stream sediment samples were analysed for a range of base-metal, indicator and rare-earth elements including Ag, As, Cu, Fe, Mn, Mo, Pb, Zn, P, Cd, V and Zr were analysed using aqua-regia/ perchloric digestion and ICPOES determination with Th, Ce, Dy, Er, Eu, Gd, Ho, La, Nd, Pr, Sm, Tb, Tm and Yb analysed using aqua-regia/perchloric/hydrofluoric digestion and ICPOES determination. **Historical Rock-chip Sampling** BHP Exploration's rock chip samples were analysed using an aqua-regia digestion and AAS determination for Au (0.001), Cu (0.5), Pb (0.5), Zn (0.5), Ag (0.1), As (5), Mo (1), Bi (1) and Sb (2) – ppm detection limit in brackets.
	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.	N/A
	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.	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes. **Historical Stream Sediment Sampling** No quality control is available for the BHP Exploration stream sediment sampling programme assay data.

Criteria	JORC Code explanation	Commentary
		Historical Rock-chip Sampling No quality control is available for the BHP Exploration rock-chip sampling programme assay data.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	
	The use of twinned holes.	**Keane's Prospect** No holes twinned. **Bank Prospect** No holes twinned. **Podosky's Prospect** No details are available for the historical drill holes.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes.
	Discuss any adjustment to assay data.	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.*	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes.
	Specification of the grid system used.	**Keane's Prospect** Local grid used on plans. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** AMG84 Zone 55
	Quality and adequacy of topographic control.	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes.
Data spacing	*Data spacing for reporting of*	The drill hole spacing is project specific.

Criteria	JORC Code explanation	Commentary
and distribution	*Exploration Results.*	
	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.	N/A
	Whether sample compositing has been applied.	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes.
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.*	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes.
	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.	**Keane's Prospect** There is insufficient drilling data to date to demonstrate continuity of mineralised domains and determine if any orientation sampling bias can be identified in the data. **Bank Prospect** There is insufficient drilling data to date to demonstrate continuity of mineralised domains and determine if any orientation sampling bias can be identified in the data. **Podosky's Prospect** The gold mineralisation has been documented as being distributed over relatively wide zones of fracturing in the strongly altered host rocks. No details are available regarding the orientation of drilling with respect to mineralised structures.
Sample security	*The measures taken to ensure sample security.*	No available data to assess security for the historical drilling, stream sediment or rock-chip sampling.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No audits or reviews of the data management system has been carried out.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
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.*	EPM26041 was applied for by Ukalunda Pty Ltd in September 2015. The EPM application is pending. EPM26041 is located 10km south west of Ravenswood in north Queensland. The Mingela-Ravenswood-Burdinkin Dam road passes down the eastern boundary of the tenement. The Burdekin River parallels the southern boundary of EPM26041. The Podosky's prospect is located on excised mining lease ML 10315 which is held by Kitchener Mining NL, which is owned by Haoma Mining NL. EPM26041 is subject to the Birria People 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.	The EPM26041 application is pending. It is anticipated that the application will be granted at the end of the first Quarter 2016.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	There has been almost continuous exploration activity in the Ravenswood area including the area of EPM26041, since the mid-1960's. Initially activities were focused on Cu_Mo exploration and then from the early 1980's for Au. Exploration companies active in the area included North Broken Hill, New Consolidated Goldfields, Norranda, Planet, Kennecott, Geopeko, ESSO, Newmont, Poseidon Exploration, Placer Exploration, BHP Minerals, Aurora and more recently Carpentaria. Historical exploration activities have been mainly regional in nature with multiple drainage surveys including – 80# stream sediment and BLEG sampling programmes. Four prospects within EPM26041 have had detailed follow-up exploration – Boori, The Bank, Keane's and Gargarin. Some shallow drilling has been done and results indicate narrow zones of sub-economic mineralisation e.g. Keane's prospect returned multiple zones of <20cm width at +0.5%Mo with the widest intersection in hole R3 of 15m at 0.26% Mo. At the Podosky's prospect exploration was conducted by Haoma Mining NL in 2003 and 2004. RC drilling was conducted as well as a review of an earlier IP geophysical survey. In 2003 Haoma completed a resource model on the Podosky's Prospect and estimated 50,903t at 4.95 g/t gold.
Geology	*Deposit type, geological setting and style of mineralisation.*	The dominant rock types within EPM26041 are typically I-type calcic hornblende-biotite granodiorite to tonalite of the Ravenswood Batholith of Middle Silurian to Middle Devonian age. A major structure, the Mosgardies Shear Zone, cuts east-west through the Ravenswood Batholith

Criteria	JORC Code explanation	Commentary
		adjacent to three gold centres. The shear zone is up to 2.5km wide. The main reef at Ravenswood, the "Buck Reef", is contained within the Mosgardies Shear Zone.
Drill hole Information	*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.*	**Keane's Prospect** Available details of holes R1 to R8 drilled by North Broken Hill are presented in the table below: **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect**

Hole No.	Mag-netic Bearing	Dip	Length	Core Recovery %	Number of samples	
					Core	Sludge
R1	038°	-45°	855'	90.5	37	4
R2	178°	-45°	257'6"	81.2	6	20
R3	210°	-60°	350'5"	79.9	5	34
R4	010°	-45°	378'9"	77.5	19	40
R5	010°	-70°	300'	81.3	4	29
R6	270.5°	-45°	603'	83.3	12	57
R7A			473'			
R8			498'			

Hole	AMG84 East	AMG84 North	Dip	Azi	Depth (m)	From (m)	To (m)	Width (m)	Gold (g/t)
PDR-33	**477550**	**7777141**	**-90**	**0**	**90**				**NSR**
PDR-32	**477466**	**7777292**	**-60**	**68**	**82**				**NSR**
PDR-26	**477493**	**7777339**	**-60**	**250**	**66**				**NSR**
PDR-17	477373	7777349	-60	90	46				**NSR**
PDR-1	477448	7777379	-60	250	44	32	36	4	0.29
PDR-23	477416	7777381	-60	70	46	29	34	5	12.06
PDR-31	**477453**	**7777381**	**-60**	**249**	**30**	**20**	**22**	**2**	**0.38**
PDR-25	**477471**	**7777383**	**-60**	**249**	**70**	**52**	**56**	**4**	**1.55**
PDR-18	477401	7777388	-60	70	76	44	54	10	4.02
PDR-24	**477484**	**7777397**	**-60**	**249**	**94**	**84**	**88**	**4**	**0.36**
PDR-15	477412	7777390	-60	70	70	19	36	17	7.38
PDR-14	477425	7777403	-60	250	30	8	15	7	1.01
PDR-4	477444	7777409	-60	250	66	45	50	5	0.40
PDR-16	477402	7777409	-60	70	58	26	37	11	8.75
PDR-12	477421	7777413	-60	250	34	6	13	7	5.35
PDR-3	477432	7777415	-60	250	50	21	38	17	7.76
PDR-27	**477463**	**7777414**	**-60**	**251**	**74**	**56**	**58**	**2**	**0.69**
PDR-13	477441	7777428	-60	250	70	62	64	2	1.31
PDR-11	477417	7777433	-60	250	50	11	20	9	7.31
PDR-5	477437	7777437	-60	250	100	62	72	10	0.30
PDR-28	**477484**	**7777438**	**-60**	**251**	**150**	**84**	**90**	**6**	**5.25**
PDR-19	477405	7777447	-60	250	30	8	10	2	0.48
PDR-20	477416	7777449	-60	250	40	34	36	2	1.56
PDR-6	477415	7777450	-60	250	60	32	34	2	0.25
PDR-8	477381	7777452	-60	250	50				0.00
PDR-2	477436	7777453	-60	250	32	14	20	6	16.70

Criteria	JORC Code explanation	Commentary
		PDR-6 477399 7777456 -60 250 60 32 34 2 0.25 PDR-2 477420 7777461 -60 250 32 14 20 6 16.80 PDR-9 477431 7777463 -60 250 40 26 32 6 13.38 PDR-30 477463 7777464 -70 250 76 NSR PDR-21 477441 7777465 -60 250 60 43 46 3 3.86 PDR-10 477423 7777471 -60 250 40 0.00 PDR-22 477399 7777476 -60 70 30 11 14 3 11.81 PDR-29 477450 7777480 -60 249 60 NSR PDR-7 477363 7777482 -60 250 34 NSR
	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 available 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.*	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes.
	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.	N/A
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are used for reporting exploration results.
Relationship between mineralisation widths and intercept lengths	*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.*	**Keane's Prospect** There is insufficient drilling data to date to demonstrate continuity of mineralised domains and determine the relationship between mineralisation widths and intercept lengths. **Bank Prospect** There is insufficient drilling data to date to demonstrate continuity of mineralised domains and determine the relationship between mineralisation widths and intercept lengths. **Podosky's Prospect** Haoma Mining NL stated that the drilling confirmed the erratic nature of the gold distribution at surface and the

Criteria	JORC Code explanation	Commentary
		presence of some high-grade stockwork style mineralisation.
	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').	**Keane's Prospect** No details are available for the historical drill holes. **Bank Prospect** No details are available for the historical drill holes. **Podosky's Prospect** No details are available for the historical drill holes.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer to Figures in body of text.
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.*	N/A
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.*	All relevant exploration data is shown on figures and discussed in the text.
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.*	When EPM 26041 has been granted the following exploration has been planned over the duration of the life of the tenement– An initial soil sampling programme will be followed up with an on ground geophysical survey. If warranted drill testing of the exploration targets will be conducted.