

Stavelly Project Update

Since the copper discovery at Thursday's Gossan in September 2019, we have undertaken an extensive drilling program at Stavelly Minerals' exploration project, east of Glenthompson. The current retention licence only permits us to continue exploring for minerals and conduct the studies required to inform a possible investment decision.

To date, 38,000m of diamond core has been drilled to determine the size and grade of the deposit. Results from the resource drilling continue to look promising.

We have recently pulled all our drill rigs out of the paddock due to the wet winter weather. The rigs will return once the paddocks have dried out and we hope to finish the mineralisation definition drilling early in 2022.

A scoping study has commenced which will evaluate the prospect of mining the copper deposit. A scoping study is typically used by mining companies to assess whether the current copper deposit can be mined economically.

The scoping study will draw on many assumptions and industry typical concepts to assess a number of possible technical or economic outcomes. At this stage, most of the activities are undertaken in an office or laboratory, rather than out in the field.

The conceptual designs used in the scoping study are generally very preliminary and include many assumptions or constraints that will be reviewed, refined and redesigned in subsequent studies.

Some of the scoping study activities include:

- gaining an understanding of the size and shape of the orebody and depth below ground;
- understanding how this orebody could be mined;
- laboratory testing to determine suitable methods to recover the copper;
- defining likely interactions with the environment, heritage, community and landowners;
- defining high level requirements for water and power;

- defining typical costs for developing and operating the mine;
- obtaining an indication of the number and type of people required to construct and then operate the mine.

The outcome of this scoping study will be made available to the public and is likely to lead to more detailed studies that will include more 'in the field' activities.

The scoping study should be completed by mid-2022 and will reveal whether there are enough reserves of copper, silver, and gold available to consider establishing a mine. We don't yet know what the mine might look like, but we are committed to keeping stakeholders informed and engaged as the project progresses.

This can be a very lengthy process which can easily be up to 10 years from discovery to mining development. The studies and approvals process are quite rigorous and time consuming, with more than 40 separate pieces of legislation governing the process. We will be speaking on a regular basis with stakeholders personally and in open forums to obtain feedback on issues of interest and concern.

A Deloitte Access Economics report, commissioned by Stavelly Minerals, suggests the social and economic benefits of the mine, if it were to go ahead, would be significant. A copy of this report is available on our website www.stavelly.com.au/Community.

We have already spent \$42.7 million on the project and are continuing to invest more.

The location of the site means employees could be recruited locally. A diverse local economy with a highly skilled and well-paid workforce could rejuvenate regional centres, including small towns like Willaura and Glenthompson.

Stavelly Minerals is committed to creating a sustainable operation with minimal adverse impact to the local landholders and the environment while providing a valuable contribution to the local and State economy.

Chris Cairns
Managing Director



Community briefings cut short by COVID lockdown

Our planned series of community briefings on the Stavely Project had to be postponed because of Victoria's snap COVID restrictions.

But, before the 5th lockdown came into force, we were able to hold two sessions for our neighbouring landholders.

The farmers heard about the Stavely Project, the extensive drilling program, the plans for the rest of the year and what the future could look like.

The community briefings will be rescheduled once the COVID restrictions are lifted and it is safe to do so.

Notices of future community meetings will be advertised in the paper, on noticeboards and shop windows, as well as local community Facebook pages for Glenthompson, Willaura, Lake Bolac and Wickliffe.

By registering on our website: stavely.com.au/community you will receive our community notices by email as well as notification of public meetings.

Mark joins Stavely Team

Mark Mantle has joined the Stavely Minerals team as Project Manager to co-ordinate the Thursday's Gossan concept study.

Mark was born in Bunbury, Western Australia and studied mechanical engineering at University of Western Australia.



He has more than 25 years' experience in the mineral resources industry and has been involved with many projects throughout Australia and internationally. He brings a wealth of knowledge related to developing a mining operation.

Based predominantly in WA, Mark will travel to Victoria regularly once the COVID border restrictions are lifted.

Keeping you informed

This newsletter is just one of the ways Stavely Minerals keeps our community aware of its activities in Victoria's southwest.

While we plan to hold community meetings regularly, COVID restrictions have made this impossible for more than a year. These will resume as soon as it is safe.

The Company's website – www.stavely.com.au – is a great way to read the latest Stavely Minerals announcements to the Stock Exchange, find out more about the Stavely Project and our other exploration activities, watch videos of our drilling operations and see real examples of our site rehabilitation, and much more.

Visitors to the website can also download a copy of the economic impact study carried out by Deloitte Access Economics to identify the potential employment and economic impacts of the Stavely Project on the local community.

People with an interest in the Project can join the mailing list on the website to receive email alerts for updates and news.

Supporting our communities

Stavely Minerals has been part of the Glenthompson - Willaura community since 2013 and we understand that it is important to give back to our local community.

It is about spending locally when we can and employing local contractors. We are also a proud Gold Sponsor of the Glenthompson Dunkeld Football Netball Club and a sponsor of the Glenthompson Art Show.

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