

Stavely Minerals and Navarre Minerals enter into Earn-In and Joint Venture Agreement

The Companies agree to terms for Stavely to earn an equity interest in Exploration Licence EL5425 located adjacent to Stavely Minerals' Stavely Project.

Stavely Minerals Limited (ASX Code: **SVY** – “Stavely Minerals”) is pleased to announce that it has agreed terms for an Earn-In and Joint Venture agreement with Black Range Metals Pty Ltd (“Black Range” - a wholly-owned subsidiary of Navarre Minerals Limited (ASX Code: **NML**), “Navarre Minerals”) for Black Range’s Exploration Licence EL5425. EL5425 is located adjacent to Stavely’s Yarram Park Project and surrounds the 100%-owned Stavely Copper Project in western Victoria (Figure 1).

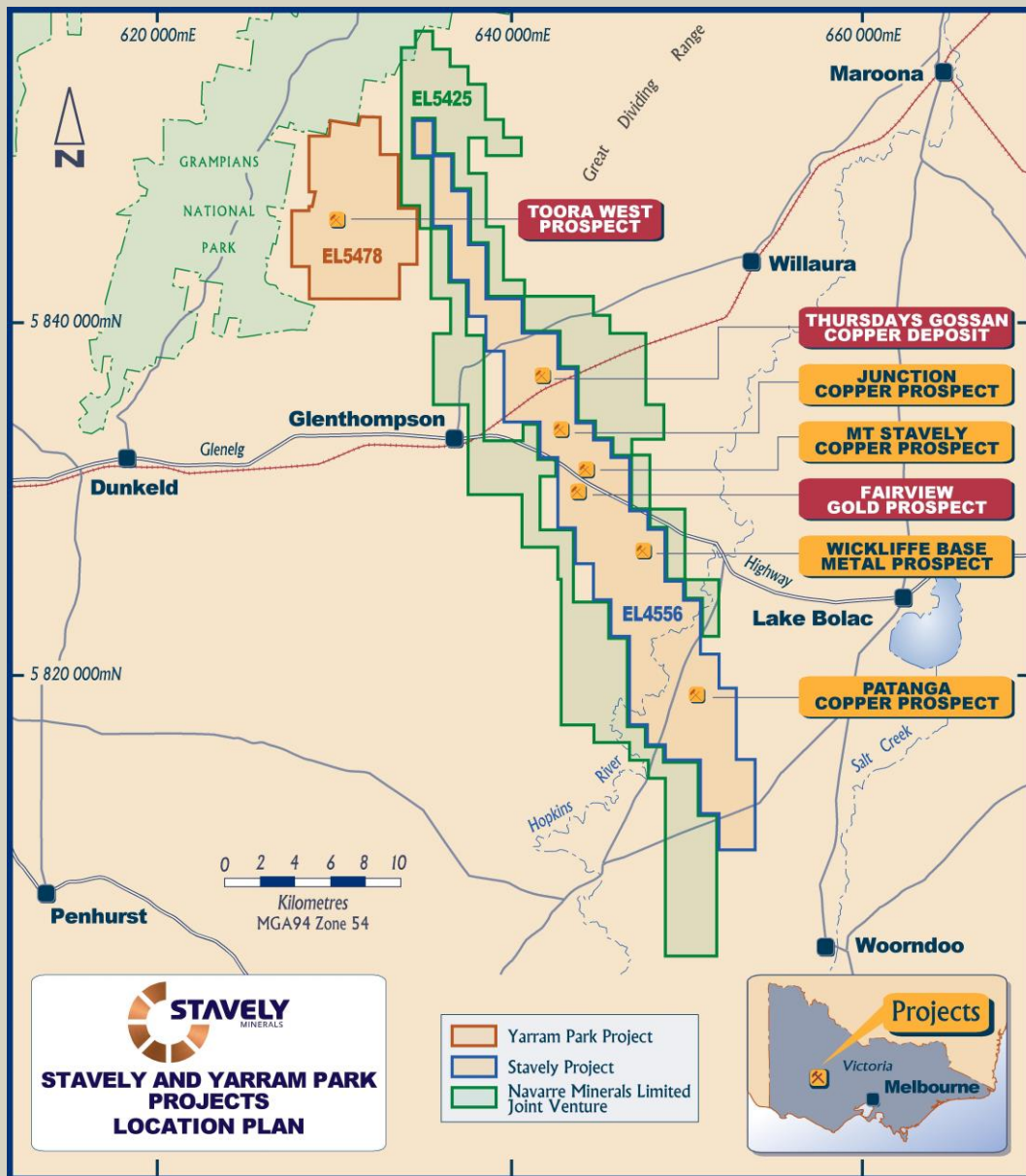


Figure 1. Tenement location plan.

Key terms of the agreement include:

- Stavelly Minerals may earn up to an 80% interest in EL5425 in two stages –
 - In the first earn-in stage, Stavelly Minerals must sole fund \$150,000 of exploration costs in the first two years to earn a 51% interest, and
 - After completion of the first earn-in stage, Stavelly Minerals may elect to proceed to the second earn-in stage,
 - In the second earn-in stage, Stavelly Minerals must sole fund an additional \$300,000 of exploration costs in the next three years to earn an additional 29% interest
 - After the second earn-in period, both parties are to contribute to Joint Venture expenditure on a pro-rata basis relative to their participating interest or dilute their interest in accordance with a specified formula
 - If a participant's interest falls below 5%, that participant's interest will convert to a Net Smelter Return (NSR) royalty of 1%
 - If a participant's interest is converted to the NSR royalty, the other participant is granted an option to redeem the NSR royalty for the payment of \$200,000 within two years of the conversion
 - All other Joint Venture terms are as per industry standard

Stavelly Minerals' Managing Director, Mr Chris Cairns said – “We are delighted to enter into this agreement significantly expanding our access to exploration areas within the highly prospective Stavelly Volcanic Belt. We believe the Stavelly Volcanic Belt has the potential to host multiple alkalic copper-gold porphyry deposits and is significantly under-explored compared to the Lachlan Fold Belt in neighbouring New South Wales. We look forward to a strong working relationship with the Navarre Minerals management and technical staff.”

Yours sincerely,



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 Stavelly 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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