

Stavelly Announces \$4.2M Capital Raising to Fast-Track Multi-Pronged Exploration Push and Complete Beaconsfield Gold Acquisition

Proceeds to underpin potentially transformational drilling campaigns in Victoria, Tasmania and Queensland and the acquisition of the Beaconsfield gold processing plant

Key Points:

- **\$3.2M institutional and sophisticated share placement at 26c.**
- **SPP launched to raise up to \$1M to allow existing shareholders to participate.**
- **Titeline Drilling to be issued with 7.7M shares at 26c as advance payment for \$2M of drilling services over the next 12 months.**
- **Funds to be used to maintain strong exploration momentum across key East Coast projects including the Thursday's Gossan Porphyry Project.**

Stavelly Minerals Limited ('Stavelly Minerals', ASX Code: **SVY**) is pleased to announce a capital raising of up to \$4.2 million to fast-track exploration of its portfolio of gold and porphyry copper-gold projects in western Victoria, Tasmania and Queensland and to complete the acquisition of the Beaconsfield gold processing facility in Tasmania.

The capital raising is underpinned by a Share Placement of approximately 12.3 million shares at 26 cents per share to sophisticated and institutional investors to raise \$3.2 million before costs. The Placement was well subscribed.

Concurrently with the Share Placement, Stavelly Minerals will issue approximately 7.7 million shares at 26 cents to Titeline Drilling as advance payment for \$2 million of drilling services to be completed in the next 12 months. The shares issued to Titeline Drilling will be within the Company's available capacity to issue new securities under ASX Listing Rule 7.1, and will be held in voluntary escrow and released progressively as they are offset against a proportion of monthly drilling invoices.

In addition, Stavelly Minerals will undertake a Share Purchase Plan (SPP), also at 26 cents, to raise up to a further \$1 million to allow existing shareholders to participate in the capital raising on the same terms as the Share Placement.

The funds raised through the combined Share Placement and SPP will primarily be used to progress drilling programs across the Company's key projects in western Victoria, Tasmania and Queensland, to complete the acquisition of the Beaconsfield gold processing facility (as announced on 22 March 2019) and for working capital purposes.

Stavelly Minerals' Executive Chairman, Mr Chris Cairns, said the Company was pleased with the response from investors to the capital raising and with the level of support shown for the Company's projects.

“All of our projects have excellent potential, especially given the significant recent drill results generated by the copper-gold porphyry exploration drilling at Thursday’s Gossan and the high-grade gold potential of the historical Mathinna gold field in Tasmania, which has produced some ~300,000 ounces of gold at an average grade of 26 g/t.

“Drilling is continuing with two diamond drill rigs currently operating at Thursday’s Gossan in our search for a well-mineralised copper-gold porphyry in western Victoria.

“In Tasmania, the combination of the historical goldfield at Mathinna and the Beaconsfield gold processing facility presents as a tidy business unit with excellent exploration potential and a low capital hurdle to production if the exploration is successful in identifying sufficient material that can be mined and processed economically. There remains risk that this will not be successful, but we are highly encouraged by the high-grade gold production history of the field.

“Additionally, first pass drilling is currently in-progress near Ravenswood in Queensland.

“All of these projects have outstanding potential to deliver significant discoveries and we are hopeful that the funding announced today will allow us to maintain a steady flow of exciting drilling results and lead us towards the company-changing breakthrough we have been striving for.

“We are very pleased with the continued support shown by our drilling contractor, Titeline Drilling, which is a substantial shareholder. I would also like to thank the new investors who are joining our register as part of this raising and our existing shareholders for their patience and support – may they be well-rewarded!”

Share Placement

The Company has firm commitments for a share placement of approximately 12.3 million fully-paid ordinary shares at 26 cents per share to raise \$3.2 million before costs (the Placement). Morgans Corporate Limited acted as Lead Manager to the Placement.

Settlement of the Placement is scheduled for 17 April 2019 with allotment to occur on 18 April 2019. The shares issued under the Placement will be issued in one tranche and will rank equally with existing Stavelly Minerals’ shares. The Placement is being undertaken within the Company’s available capacity to issue new securities under Listing Rule 7.1A, and is not subject to shareholder approval.

Junior Mineral Exploration Incentive – Credits for those Participating in the Placement and Share Purchase Plan

Stavelly was successful in its application to participate in the Junior Mineral Exploration Incentive Scheme (JMEI) for the 2019 year and as a result may allocate up to \$1,576,603 in exploration tax credits to Australian resident shareholders who participate in the Placement, Share Purchase Plan and other capital raisings undertaken by Stavelly during 2018/2019.

These credits can be used as a refundable tax offset (or franking credit for corporate shareholders) in shareholders 2019 tax return. The precise amount of the credit per share will be determined after 30 June 2019 and will be determined based on amounts raised under the Placement, Share Purchase Plan and other new shares issued during the year to 30 June 2019, together with the amount of eligible exploration for the year, and the tax result for Stavelly.

Share Purchase Plan

In addition to the Placement, the Company is pleased to announce that eligible Shareholders will have the opportunity to acquire fully paid ordinary shares in Stavelly Minerals (Shares) via a Share Purchase Plan (SPP).

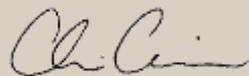
Eligible Shareholders may acquire up to \$15,000 worth of Shares under the SPP, free of brokerage and commission, at a price of 26 cents per Share. This is the same price as the offer price under the Placement.

The total number of shares to be issued under the SPP will be approximately 3.8 million Shares, being the number of shares required to raise \$1,000,000. In the event of an oversubscription, the Company reserves the right to accept the oversubscriptions and increase the number of shares issued under the SPP or to scale back applications. Further details of the offer will be announced in due course.

Assuming all entitlements are accepted, following completion of the SPP of \$1M, the Placement and issue of shares to Titeline Drilling, the Company will have issued approximately 23.8 million shares resulting in total fully paid ordinary shares on issue of approximately 180.8 million.

The proposed timetable for the SPP is set out below. The dates are indicative only and the Company reserves the right to vary the dates including the right to extend the Closing Date or to withdraw the Offer (subject to the *Corporations Act 2001 (Cth)* and the ASX Listing Rules).

Record Date	10 April 2019
Offer documents despatched to Shareholders & Company announcement that despatch has been completed	16 April 2019
Opening Date	17 April 2019
Closing Date	3 May 2019
Allotment / Issue Date	10 May 2019
Despatch of holding statements	13 May 2019



Chris Cairns
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