



ASX ANNOUNCEMENT

15 July 2020

Stavely Minerals Sells Orogenic Gold Tenements in Tasmania and Victoria to TSX-V Listed Nubian Resources

Transaction is consistent with Stavely's focus on the Cayley Lode discovery at its Stavely Project, while retaining exposure to future exploration success via a shareholding in Nubian Resources

Stavely Minerals Limited (ASX: SVY) ('**Stavely Minerals**') advises that it has executed a Letter of Intent (LoI) to divest its Mathinna/Alberton and Lefroy Goldfields tenements (Figure 1), as well as its Fosterville East tenement in Victoria (Figure 2), to Nubian Resources Ltd (TSX-V: NBR) ('Nubian') for A\$2.5 million in Nubian shares and cash.

The transaction is consistent with Stavely Minerals' focus on the ongoing resource drill-out at the Cayley Lode discovery and broader exploration campaign at its 100%-owned Stavely Copper-Gold Project in western Victoria.

The terms of the LoI are as follows:

- Nubian to pay Stavely Minerals a non-refundable deposit of A\$100,000;
- A 60-day exclusivity period to complete final due diligence and execute a definitive agreement;
- Upon execution of the definitive agreement, Nubian will issue to Stavely Minerals a number of Nubian shares equivalent in value to A\$2.4 million based on the 5-trading day volume-weighted average price (VWAP) prior to the execution date, subject to a minimum issue of 5,050,000 Nubian shares to Stavely Minerals.

The consideration for the purchase is based on 100% ownership of the tenements. Stavely Minerals is in Joint Venture with Bestlevel Holdings Pty Ltd (Bestlevel), with Stavely Minerals currently holding a 75% interest and having rights to earn a further 10% to 85% before the Joint Venture becomes a standard contribute or dilute arrangement.

Bestlevel has indicated a willingness to participate in the sale agreement by either selling their interest in the tenements, or selling Bestlevel to Nubian to achieve the 100% sale basis. The value of the Bestlevel contribution of a 25% interest in the three Mathinna JV tenements equates to approximately A\$400,000 of Nubian shares to be issued to Bestlevel or its beneficial owners.

As is usual for a transaction of this nature, it is expected that the issued Nubian shares will have an escrow period mandated by the Canadian market authorities.

Stavely Minerals' Executive Chairman, Chris Cairns, said the Company believed the tenement package being divested to Nubian represented a unique opportunity to explore for orogenic gold similar to Kirkland Lake Gold's Fosterville Gold Mine.

"The Fosterville East tenement is located just 10km to the east of the Fosterville mine, while the geology of the Mathinna/Alberton and Lefroy goldfields is the same sequence of sediments as those in central Victoria extending under Bass Strait into north-eastern Tasmania," he said.

“We are fully focused on defining the extents of the exciting Cayley Lode high-grade copper-gold-silver discovery at the Stavely Project, while also unlocking the full potential of this highly prospective, multi-layered exploration opportunity for our shareholders,” Mr Cairns continued.

“Rather than diluting Stavely’s technical focus at the Stavely Project, this transaction will allow the technically experienced team at Nubian Resources to progress a focused exploration campaign at these high-potential orogenic gold assets.

“Stavely will retain significant exposure to the future upside from any exploration success via a significant shareholding in Nubian at a time of significant investor interest in the Victorian gold exploration industry in the North American market.”

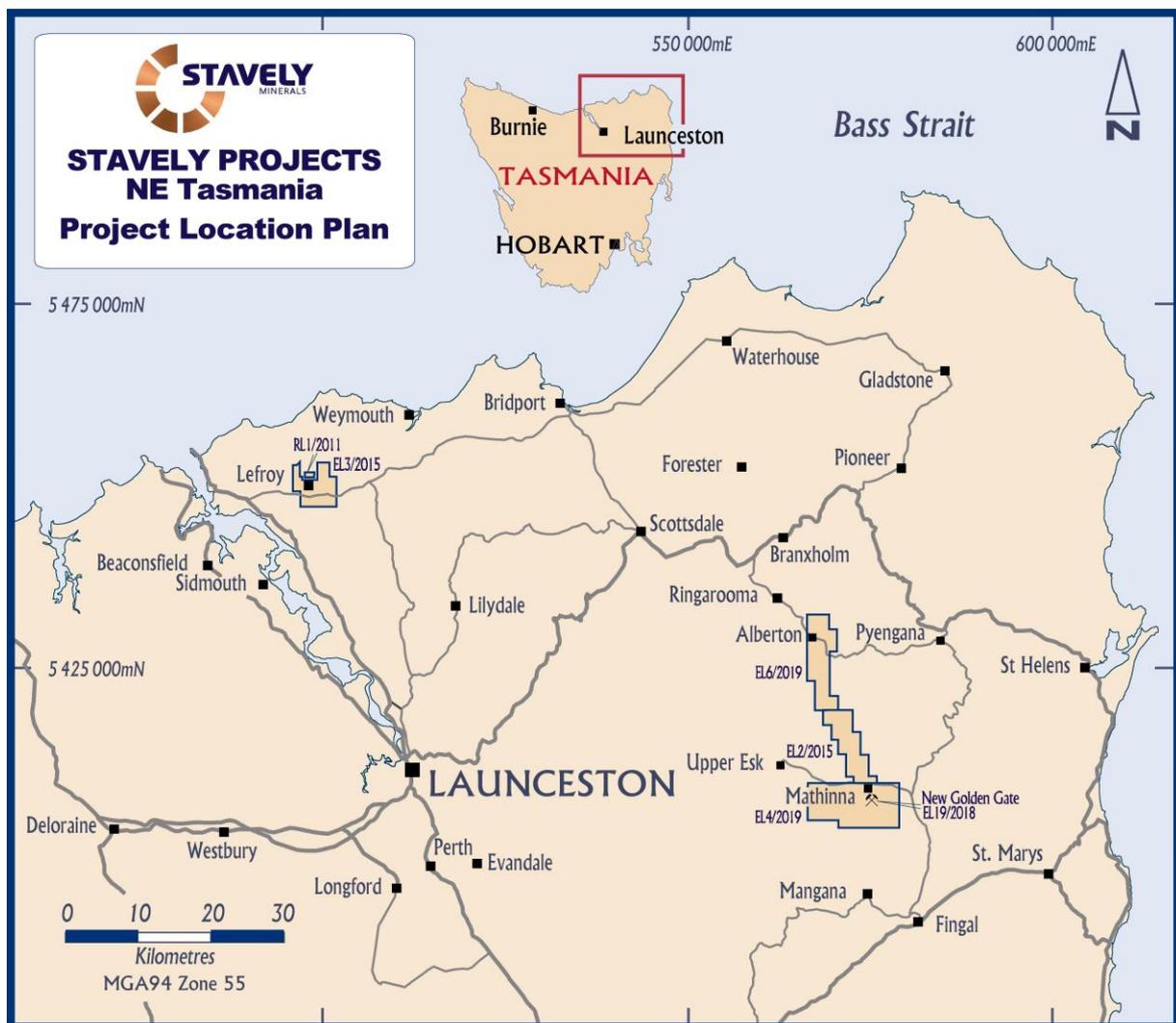


Figure 1. Tasmanian Project location map.



Figure 2. Victorian Project location map.

Yours faithfully,

Chris Cairns
Executive Chairman and Managing Director

Authorised for lodgement by Chris Cairns, Managing Director and Executive Chairman.