

31 July 2024

QUARTERLY ACTIVITIES REPORT

FOR THE PERIOD ENDED 30 JUNE 2024

Highlights

Key activities in the quarter included:

- **Significant permitting milestone achieved, with the Environmental Review Document (ERD) lodged with the Environmental Protection Agency (EPA) of Western Australia.**
- **The ERD culminates four years of fieldwork, studies, scientific modelling and reporting to produce a comprehensive approval document. A public environmental review is anticipated early 2025.**
- **Water licensing applications are now well-advanced, following completion of a numerical groundwater model and H3 report.**
- **Metallurgical testing to confirm metal recovery and concentrate grades is nearing completion for incorporation into final engineering studies.**
- **An updated Mine Plan incorporating the November 2023 updated Mineral Resource is nearing completion.**
- **Engagement with potential strategic investors and partners is continuing.**

Caravel Copper Project, WA

Caravel Minerals (ASX: CVV) Copper Project is located 150km north-east of Perth in Western Australia's Wheatbelt region, which has established road, power and supporting town infrastructure and services.

The Project deposits are planned to be mined by conventional open-pit, low-cost, bulk mining methods and processed through an industry-proven conventional copper concentrator to produce a high-quality copper concentrate product.

The Project will operate for +25 years, producing ~65,000 tonnes of copper-in-concentrate with precious metal credits and 900 tonnes of molybdenum-in-concentrate per annum to be transported by truck using existing State roads to Bunbury or Geraldton Port for export.

Caravel's copper deposits form part of a regional porphyry-style copper-molybdenum-gold mineralised belt discovered in the late-2000's in a previously unexplored part of the South-West Yilgarn Terrane, which hosts some of Australia's most significant mineral discoveries including Greenbushes Li, Newmont Boddington Au-Cu and Chalice Julimar PGE.

Feasibility Study Progress

Approvals

The Company achieved a significant milestone in the permitting process for its 100%-owned Caravel Copper Project in WA after finalising and submitting the Project's Environmental Review Document (ERD) to the Environmental Protection Agency (EPA) of Western Australia.

The lodgement follows four years of extensive fieldwork, investigations, studies and scientific modelling, resulting in a comprehensive document detailing Project impacts in the context of the cultivated farming environment of the Western Australian Wheatbelt region.

The Caravel Copper Project proposal involves the development of a large, long-life copper mine, processing plant and associated infrastructure on mostly cleared, freehold land. The ERD includes:

- **Mine pits, waste rock landforms, tailings storage, and ore processing;**
- **Site infrastructure such as workshops, laydown areas, landfill, communications, offices, fuel storage, construction accommodation; and**
- **Supporting infrastructure including a water borefield and sub-surface pipeline to the mine site.**

The Environmental Review is the most detailed level of environmental assessment available under State and Federal legislation. The Project's ERD outlines how the future operation can be delivered feasibly and responsibly while meeting the requirements of the EPA.

Detailed studies have been undertaken for:

- **Flora and vegetation;**
- **Fauna, including vertebrates, endemic fauna, and subterranean fauna;**
- **Inland waters, including groundwater and surface water;**
- **Terrestrial environmental quality, including soils and waste characterisation;**
- **Social surrounds, including heritage, dust, and noise; and**
- **Air quality, including greenhouse gas and other air emissions.**

Most of the Project will be developed on cleared farmland, with areas of interspersed remnant vegetation which ranges from degraded or salt-affected regrowth to pockets of good quality vegetation. The design of the Project has successfully ensured that the majority of high-value remnant native vegetation is preserved and potentially enhanced.

The Project will draw electrical power from the State grid and will have access to substantial grid connected renewable energy generators. This will reduce both the capital and emissions for the Caravel operations and will allow marketing of a low carbon intensity copper product.

The 25+ year life of the Project provides a unique opportunity to form partnerships to pursue social and environmental objectives, with a priority on replanting extensive areas of degraded land to re-establish flora and fauna connectivity at a regional scale.

Groundwater Licencing

Caravel has applied for water licences under section 5C *Rights in Water and Irrigation Act 1914* and has completed groundwater investigations in accordance with Department of Water and Environmental Regulation (DWER) guidance. The numerical groundwater model and H3 report were finalised and submitted in June 2024.

Caravel completed fieldwork for a regional water census in the vicinity of the proposed borefield to identify groundwater features (including licenced and unlicenced bores and soaks), regional environmental features and other surface water features such as surface-fed dams.

Samples were collected according to a DWER approved methodology, with chemical and other analysis completed to establish baseline information for the regional context of the borefield. This will contribute to a management framework and form the basis of ongoing liaison with landowners. The census information will also inform the EP Act 1986 Part IV environmental assessment to be detailed in the Environmental Review Document.

Metallurgy

Further testwork is continuing aimed at improving design recoveries and product grade as well as optimisation of equipment sizing and selection. A key focus is the primary grind size, which is the major energy consumer in the flowsheet, and how the copper flotation responds to a coarser grind size. Current work on the flotation circuit is focussed on reducing both capital and operating costs while simplifying the flowsheet.

Work is nearing completion for reporting in Q3. Recent test results continue to confirm previously announced targets for copper concentrate grades and recoveries, including molybdenum and precious metals.

Mining

Following the previously announced Mineral Resource Estimate (see ASX Announcement - 13 November 2023) which incorporated molybdenum and precious metals, Caravel initiated a revised mine plan to support the Feasibility Study. The updated mine plan reassesses the Bindi and Dasher pit shell shapes and locations, bench heights, internal road design, ROM pad size and location, optimal fleet selection and scheduling of ore delivery to the process plant. The final mine plan is nearing completion for reporting in Q3.

Power

Work continued with Western Power regarding the Project's 125MW grid power connection. During the Quarter, the WA Government announced the Clean Energy Link – North Region Transmission Upgrades and introduced a new 'Critical Projects Framework' framework that builds on the Major Customer Connection Process or 'MCCP' which Caravel is currently a part of. Projects assessed as 'critical' will be fast-tracked for connection. Caravel remains in discussions Western Power under this new fast-track framework.

Independent technical studies continue to progress Caravel through the Major Customer Connection Process, with an access offer expected in early 2025.

Environment, Social and Governance

Caravel continued its exploration and project development work programs and activities in line with its Health, Safety, Environment, Community and Quality Management System (HSECQ) during the Quarter.

Heritage

Following site surveys conducted in February 2024, a heritage survey report for the borefield and pipeline was finalised. Further discussions with the Yued Corporation and the Cultural Advisory Committee on cultural matters and final approvals required are ongoing, including investigation of partnership opportunities that may result from the mine's development.

Safety

There were no lost time injuries during the Quarter.

Stakeholder Engagement

During the quarter, Caravel continued its engagement program with a wide range of stakeholders, obtaining input for the Feasibility Study. Surrounding the proposed borefield, detailed communication and property visits were undertaken as part of water feature fieldwork and sampling. This work was made possible by landowners who facilitated field visits and shared information on water resources. The resulting data and analyses have been shared with property owners and used to further calibrate groundwater models (H3 Report) submitted to the regulator.

Corporate

Strategic Investor and Partner Engagement

Caravel continued to engage with potential investors who have a shared interest in the development of the Caravel Copper Project, including groups with expertise and capability in financing, mining operations, mining fleet and process plant equipment, and export credit agencies.

Financials

At the date of this report, the Company had:

- **524,279,799 shares on issue;**
- **24,047,708 listed options exercisable at \$0.33;**
- **8,000,000 unlisted options exercisable at \$0.31;**
- **10,400,000 unlisted options exercisable at \$0.33;**
- **1,000,000 performance rights;**
- **\$8.3M held in cash reserves; and**
- **Nil debt**

Approximately \$899,000 of exploration and evaluation expenditure expensed during the quarter comprised payments to:

- **Metallurgical testing, mining and tailings consultants;**
- **Environmental consultants; and for**
- **Other Study costs.**

The aggregate payments to related parties and their associates during the quarter amounts to approximately \$389,000 (refer Item 6 of the accompanying Appendix 5B) comprises the following:

- **Director fees (\$320,773); and**
- **Mitchell River Group consulting services and provision of a serviced office (\$67,734).**

This announcement was authorised for release by the Board of Directors

For further information, please contact:

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Competent Persons Statements

The information in this report that relates to Exploration Results is based on information compiled by Mr Peter Pring, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Pring is a Senior Exploration Geologist and is a full-time employee of Caravel Minerals. Mr Pring is a shareholder of Caravel Minerals. Mr Pring has sufficient experience that is relevant to the style of mineralisation and type of deposits under consideration, and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Pring consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Mineral Resources is based on information compiled by Mr Lauritz Barnes, a Competent Person who is a member of both the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr Barnes is a consultant to Caravel Minerals and is employed by Trepanier Pty Ltd. Mr Barnes 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 Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Barnes consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to Ore Reserves is based upon information compiled by Mr Steve Craig, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Craig is a consultant to Caravel Minerals and is employed by Orelogy Consulting Pty Ltd. Mr Craig 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 Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr Craig consents to the inclusion in this report of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

This document may include forward looking statements. Forward looking statements include, but are not necessarily limited to, statements concerning Caravel Minerals planned exploration programmes, studies and other statements that are not historic facts. When used in this document, the words such as "could", "indicates", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Such statements involve risks and uncertainties, and no assurances can be provided that actual results or work completed will be consistent with these forward-looking statements.

Previous Disclosure

The information in this report is based on the following Caravel Minerals ASX Announcements, which are available from the Caravel Minerals website www.caravelminerals.com.au and the ASX website www.asx.com.au:

- 12 July 2022 "Caravel Copper Project Pre-Feasibility Study Highlights Robust, Executable Project and Reports Maiden Ore Reserve"
- 20 September 2022 "Pre-Feasibility Study Update – Caravel Copper Project"
- 13 April 2023 "PFS Processing Update – Caravel Copper Project"
- 10 October 2023 "Drilling Results - Dasher and Bindi"
- 13 November 2023 "2023 Mineral Resource Update - Caravel Copper Project"

APPENDIX A – TENEMENT SCHEDULE

Project	Location	Tenement	% Equity at 1 Apr 2024	% Equity at 30 June 2024	Changes During Quarter
Caravel Copper	Wongan Hills	E70/2788	100	100	-
Caravel Copper	Wongan Hills	E70/3674	100	100	-
Caravel Copper	Wongan Hills	E70/3680	100	100	-
Caravel Copper	Wongan Hills	E70/5228	100	100	-
Caravel Copper	Wongan Hills	E70/5586	100	100	-
Caravel Copper	Wongan Hills	R70/0060	80	80	-
Caravel Copper	Wongan Hills	R70/0063	100	100	-
Caravel Copper	Wongan Hills	E70/5442	100	100	-
Caravel Copper	Bindi	G70/0273	-	-	Application
Caravel Copper	Bindi	G70/0274	-	-	Application
Caravel Copper	Bindi	M70/1425	-	-	Application
Caravel Copper	Dasher	G70/0263	100	100	-
Caravel Copper	Dasher	M70/1411	100	100	-
Dalwallinu	Dalwallinu	E70/5400	100	100	-
Dalwallinu	Dalwallinu	E70/5511	100	-	Surrendered
Dalwallinu	Dalwallinu	E70/5512	100	-	Surrendered
Dalwallinu	Dalwallinu	E70/5673	100	100	-
Gillingarra	Victoria Plains	E70/5731	100	100	-
Mukinbudin	Mukinbudin	E70/6125	100	100	-
Burakin	Burakin	E70/6126	100	100	-
Cadoux	Cadoux	E70/6376	100	100	-
Mt William	Harvey	E70/2338	- *	- *	Application

* Caravel can earn a 51% interest once tenement granted

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Caravel Minerals Limited

ABN

41 120 069 089

Quarter ended ("current quarter")

30 June 2024

Consolidated statement of cash flows		Current quarter (3-months) \$A'000	Year to date (12-months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(899)	(4,706)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(518)	(1,922)
	(e) administration and corporate costs	(427)	(1,384)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	112	424
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	718	718
1.8	Other (provide details if material)	-	72
1.9	Net cash from / (used in) operating activities	(1,014)	(6,798)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(7)	(17)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter (3-months) \$A'000	Year to date (12-months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	52	52
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	45	35

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	9,921
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(489)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	9,432

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	9,692	6,054
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,014)	(6,798)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	45	35
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	9,432

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter (3-months) \$A'000	Year to date (12-months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	8,723	8,723

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,223	1,692
5.2	Call deposits	7,500	8,000
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	8,723	9,692

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	389
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>		
<i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,014)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(1,014)
8.4 Cash and cash equivalents at quarter end (item 4.6)	8,723
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	8,723
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	8.6
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer:	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer:	

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

- 8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

- Answer:

- Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2024

Authorised by: Board of Directors
 (Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.