

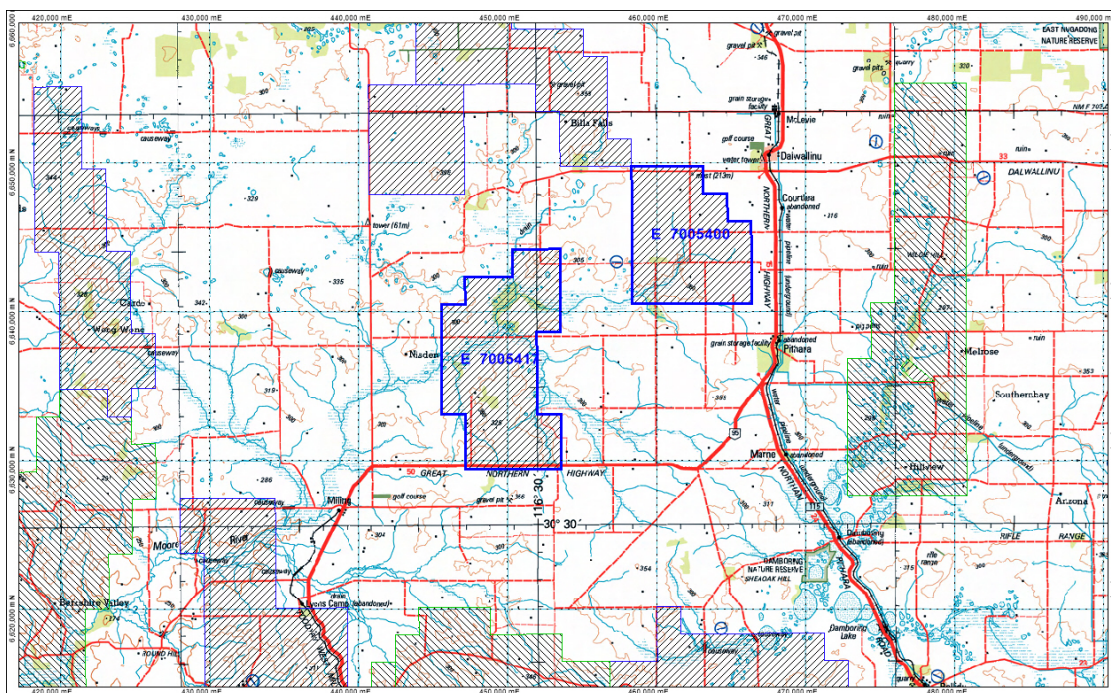


ASX Release: 28 April 2020

QUARTERLY ACTIVITIES REPORT FOR PERIOD ENDED 31 MARCH 2020

UPDATE

- Engagement continued with potential strategic partners regarding an investment in the company or project, discussions are ongoing.
- During the current period of limitations on travel and fieldwork the company is undertaking a review of the Company's proprietary regional datasets to identify new exploration prospects. The recent discovery of a new nickel-copper-PGM deposit 60km SW of Caravel has renewed interest in the area and resulted in a significant increase in tenement applications. Caravel is acting to secure areas of interest based on Caravel's own databases and investigations.
- Caravel has applied for two new tenements (E70/5400 and E70/5417) approximately 8 and 23km respectively southwest of the Dalwallinu townsite.



- The company is planning an exploration program to assess the target area as soon as the tenement is granted and access can be arranged.

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HEALTH & SAFETY

The Company incurred zero LTI's during the quarter.

Caravel has taken the following steps to minimise risk regarding the COVID-19 pandemic:

- Employees are encouraged to work from home and eliminate all close contact.
- Field work is limited until it can be done safely and in compliance with local regulations and protocols.
- All non-essential travel is cancelled.

CORPORATE

Since the previous quarterly report;

- 1,400,000 Unlisted Options exercisable at \$0.068 expired

At the date of this report, the Company had;

- 197,172,691 shares on issue
- 16,900,000 unlisted options exercisable at \$0.08 expiring September 2021
- 400,000 unlisted options exercisable at \$0.10 expiring May 2020
- \$0.30m held in cash reserves
- Nil debt

CARAVEL COPPER PROJECT

- Caravel Minerals Limited (ASX:CVV, "Caravel" or "Company") is engaged in feasibility studies for the development the Caravel Copper Project, a greenfields copper mining and processing project located 150km from Perth in Western Australia's Wheatbelt region (Diagram 1).
- The project is based on a defined Mineral Resource of 1.86Mt contained copper (at 0.15% Cu cut-off) making it the largest copper resource in Western Australia and in the top ten largest copper projects in Australia.
- Indicated and Inferred Mineral Resource estimate at a 0.25% Cu cut-off resulted in a total of **372 million tonnes at a grade of 0.35% Cu**, containing **1.3 million tonnes of contained Cu**
- Metallurgical test work demonstrates ore can be processed utilising standard sulphide copper flotation with very high recoveries.
- Initial copper concentrate analyses demonstrates a very clean product with low level of impurities. The Caravel concentrate is anticipated to comply with smelter specifications free from penalties due to deleterious elements. Caravel concentrate is likely to be attractive to smelter customers globally to blend with complex concentrates.
- A Scoping Study completed in 2019 by Caravel Minerals and MSP Engineering demonstrated a strong economic model for the project and recommended proceeding with more advanced feasibility studies.

- Due to the size of the Project the Company is investigating options for involving a strategic partner to assist with funding.

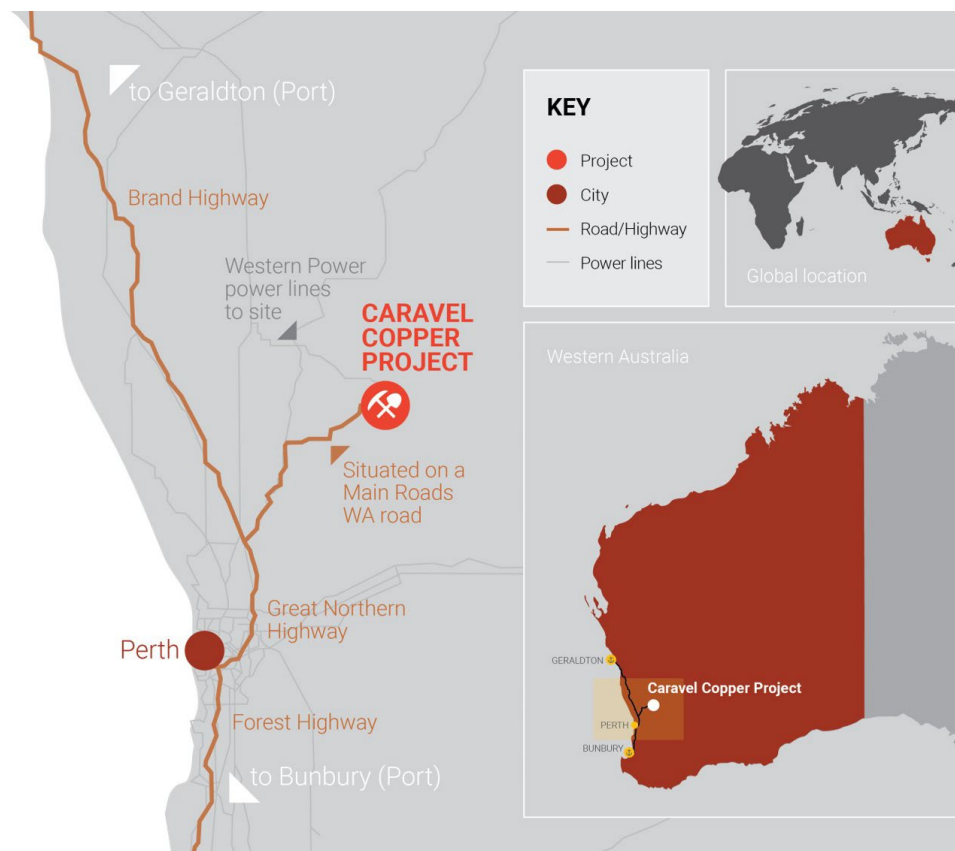


Diagram 1: Project location near existing infrastructure and export ports

For any queries please contact the Company Secretary, Daniel Davis on +61 8 9426 6400

APPENDIX A - TENEMENT SCHEDULE

Project	Location	Tenement	Equity at 1 Jan 2020	Equity at 31 Mar 2020	Changes in Quarter
Calingiri	Wongan	E70/2343	80	80	Converted
Calingiri	Wongan/Victoria Plains	E70/2788	100	100	-
Calingiri	Goomalling	E70/2789	100	100	-
Calingiri	Wongan	E70/3674	100	100	-
Calingiri	Goomalling	E70/3680	100	100	-
Calingiri	Goomalling	E70/3755	100	100	-
Calingiri	Goomalling	E70/4732	100	100	-
Calingiri	Wongan	E70/4675	100	100	Expired
Calingiri	Wongan	E70/4676	100	100	Expired
Calingiri	Wongan	E70/5228	100	100	-
Calingiri	Wongan	E70/5229	100	100	-
Dalwallinu	Dalwallinu	EA70/5400	-	-	New application
Dalwallinu	Moora	EA70/5417	-	-	New application
Koorda	Koorda / Dowerin	EA70/5425	-	-	New Application
Calingiri	Wongan	R70/0060	80	80	Granted

APPENDIX B - MINERAL RESOURCES

The following table presents the Caravel Copper Project Mineral Resources' sensitivity to various lower and higher cut-off grades.

Calingiri Project Mineral Resources Categories at Various Cut-off Grades									
	Indicated			Inferred			Total Resource		
Cut-off Grade	Tonnes (Mt)	Grade Cu %	Cu Metal (t)	Tonnes (Mt)	Grade Cu %	Cu Metal (t)	Tonnes (Mt)	Grade Cu %	Cu Metal (t)
0.30	153.8	0.40	608,200	94.6	0.37	354,000	248.5	0.39	962,200
0.25	224.7	0.36	802,900	147.3	0.34	498,700	372.1	0.35	1,301,600
0.20	290.4	0.33	950,600	198.0	0.31	613,000	488.5	0.32	1,563,600
0.15	393.4	0.29	1,128,800	268.6	0.27	734,000	661.9	0.28	1,862,800

1. Competent Persons Statements The information in this report that relates to the Calingiri Mineral Resource estimates is extracted from an ASX Announcement dated 29 April 2018, (see ASX Announcement – 29 April 2019 “Caravel Copper Resource and Project Update, www.caravelminerals.com.au and www.asx.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the Mineral Resource estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are represented have not been materially modified from the original market announcement.

2. 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.

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")

31 March 2020

<i>Consolidated statement of cash flows</i>		Current quarter (3-months) \$A'000	Year to date (9-months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation (if expensed)	(66)	(201)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(108)	(496)
	(e) administration and corporate costs	(99)	(362)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	(0)	(0)
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(273)	(1,059)

2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-

Consolidated statement of cash flows		Current quarter (3-months) \$A'000	Year to date (9-months) \$A'000
	(d) exploration & evaluation (if capitalised)	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from the disposal of:	-	-
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(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	-	-

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	660
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	-	(17)
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	-	643

Consolidated statement of cash flows		Current quarter (3-months) \$A'000	Year to date (9-months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	571	713
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(273)	(1,059)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	643
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	297	297

5.	Reconciliation of cash and cash equivalents <i>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts</i>	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	277	551
5.2	Call deposits	20	20
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)	297	571

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$A'000**

84

-

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

Payment of director fees and to Mitchell River Group for administration and technical staff and provision of a serviced office.

7.	Financing facilities <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>	Total facility amount at quarter end \$A’000	Amount drawn at quarter end \$A’000
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)	(273)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	-
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(273)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	297
8.5	Unused finance facilities available at quarter end (Item 7.5)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	297
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	1.1

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

- 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: Operational outflows will reduce in future quarters due to reduced staffing levels, reduced exploration activity.

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: The Caravel Board has engaged with a range of potential investors including mining investment funds, mining companies and copper smelters and has engaged in discussions regarding funding structures. Whilst proposals have been offered to CVV they remain subject to ongoing negotiation.

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: Caravel expects to be able to continue its operations and to meet its business objectives based on the ability to raise additional capital.

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: 28 April 2020

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.