



ASX Release: 7 August 2020

DRILLING TO COMMENCE ON HIGHER-GRADE COPPER-GOLD TARGETS

Caravel Minerals Limited (ASX: CVV, Caravel or the Company) is pleased to provide an update on the Company's work programmes with drilling at Ninan and other higher-grade copper-gold targets planned to commence this month.

Highlights

- **Drilling scheduled to commence at Ninan Prospect on 18 August 2020**
- **Targeting near-surface, higher-grade copper-gold mineralisation**
- **Follow up of previous, widely-spaced drilling using new geological interpretation**
- **Potential for material positive impact on feasibility studies for the Caravel Copper Project**
- **Appointment of new General Manager of Exploration to support current exploration programme**
- **Share Purchase Plan is due to close next Tuesday, 11 August 2020**

Drill Programme

Caravel will be mobilising a drilling rig to undertake a new drilling program at the Caravel Copper Project in coming weeks. The drilling program will follow up on significant results from previous drilling at the Ninan Prospect and will help define the extent of known high grade copper-gold mineralisation and may result in estimation of a maiden mineral resource for this area.

Using a new geological interpretation developed at the Bindi Deposit immediately south of Ninan, the current drilling program will target extensions of copper-gold mineralisation along strike to the north and south of the area shown in Figure 1, where previous drilling intersected wide zones of higher grade mineralisation. Drilling will also target a magnetic anomaly that is interpreted to be associated with the mineralisation and a nearby EM conductor associated with surface geochemistry anomalies.

The Company has planned for approximately 1,500 to 2,000 metres of reverse circulation (RC) percussion drilling at the Ninan Prospect. The work is anticipated to be completed by the end of August 2020 and assay results for the drilling are expected during September.

Caravel Copper Project

Caravel is currently engaged in feasibility studies for the development the Caravel Copper Project, a greenfields copper mining and processing project located 150km north-east of Perth in Western Australia's Wheatbelt region. The project is based on an Indicated and Inferred Mineral Resource of 661.9Mt @ 0.28% Cu (at 0.15% Cu cut-off) for a total of 1.86Mt contained copper, making it one of the largest undeveloped copper resources in Western Australia. 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.

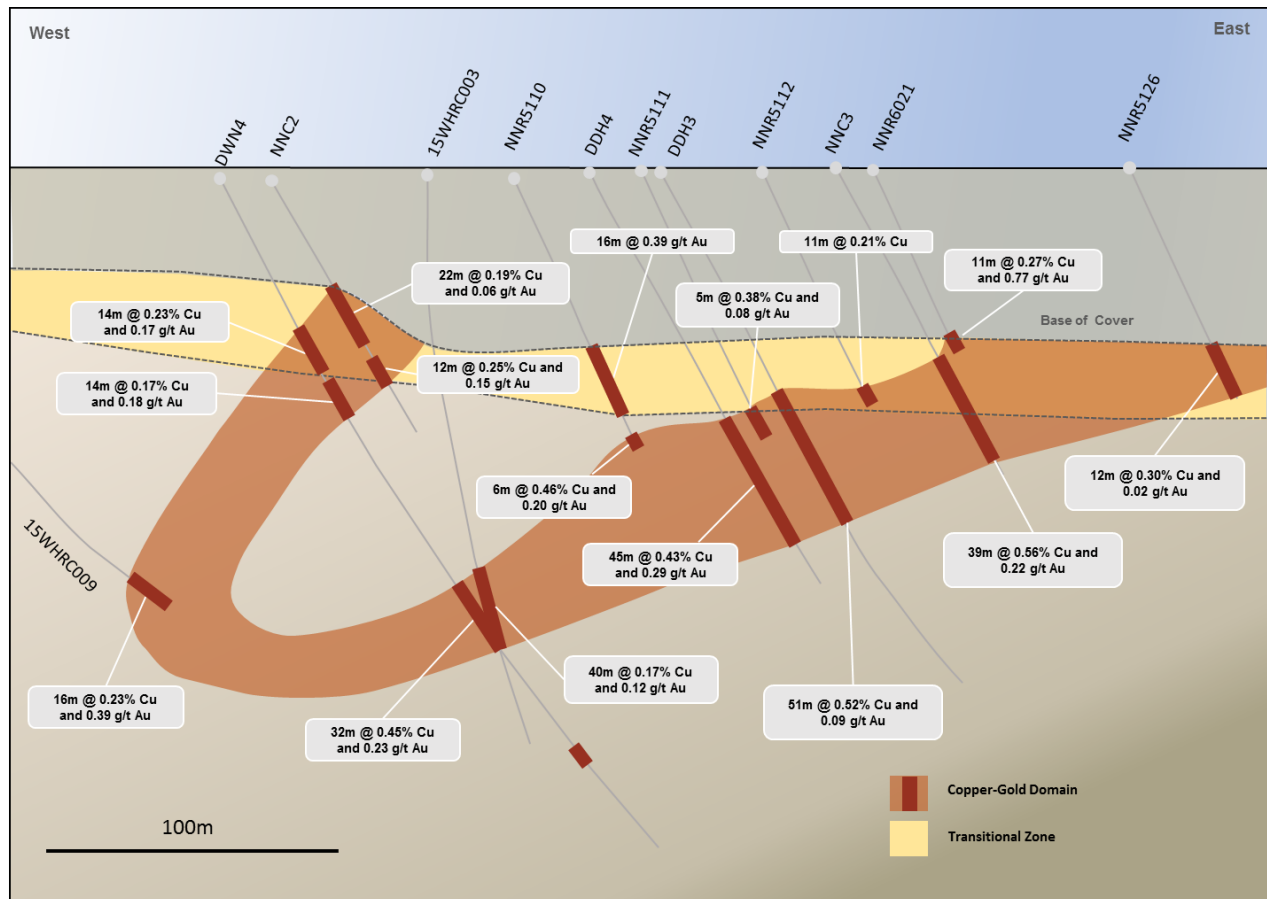


Figure 1: Schematic cross section diagram of the Ninan Prospect area (line 6,578,760mN) showing previous intersections of near surface high grade copper-gold mineralisation.

Further drilling is being undertaken at the Caravel Project to build on the current resource and specifically to locate higher-grade mineralisation that may be introduced early in the mine life, increasing the projects early cashflows and improve financing metrics.

Ninan Prospect

The Ninan Prospect area is the most northerly of known copper mineralised zones at the Caravel Copper Project (**Figure 2**) located approximately 5km from the Bindi deposit. The prospect was extensively explored with drilling between 1975-2017 that highlighted some significant near-surface oxide gold mineralisation and extensive supergene copper anomalies. Significant copper-gold mineralisation was intersected in the few holes that penetrated into fresh rock. These holes intersected some excellent grades in drilling but the

extent and geometry of the mineralised unit was not constrained. There is no current resource estimate for the area, which has the potential for a significant primary copper-gold resource.

A new programme of exploration drilling, comprising approximately 2,000 metres of RC percussion drilling has been planned to test the higher grade copper and gold mineralisation known at the Ninan Prospect. This area contains significant intersections over 0.5% copper in fresh rock (**Figure 1**) but the mineralisation has not been effectively tested along strike or down-dip and potential exists to significantly expand the known extent of the mineralisation.

A new geological interpretation of the Ninan mineralisation has been undertaken, based on observations from other prospect areas at the Caravel Project. This interpretation indicates that there may be additional high grade zones located close to surface due to folding of the mineralised unit (**Figure 1**), which is interpreted to be overturned and plunging to the north. The hinge zones of these folds are important at the Bindi Prospect, located 5km to the south of Ninan, where they significantly increase the size of the mineral resource. These structures are therefore a key exploration target for the Company.

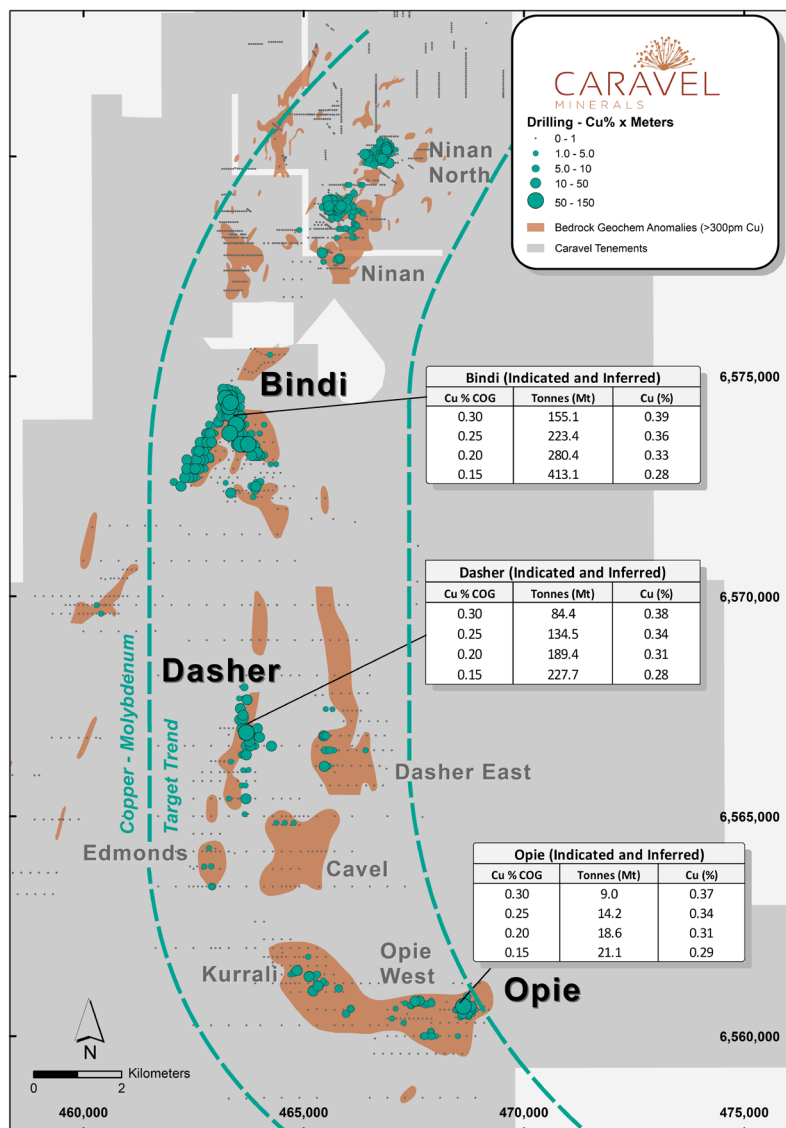


Figure 2: Location diagram of the main prospect areas at the Caravel Copper Project, showing the Ninan Prospect in the north

A review of previous exploration at Ninan has highlighted that the Ninan area is coincident with a significant magnetic anomaly attributed to magnetite alteration associated with the mineralisation. This anomaly extends further to the west, where it is untested by drilling. Furthermore, there are known electromagnetic (EM) anomalies that are spatially associated with the mineralisation and with coincident surface copper geochemical anomalies in copper. Previous shallow drilling in this area has shown anomalous results but did not test the EM target.

New Appointment

The Company is pleased to advise that it has recently appointed Mr Lachlan Reynolds to the role of General Manager of Exploration in order to support the Company's active exploration and resource development program. Mr Reynolds is a geologist with 30 years involvement in mineral exploration, project development and mining, in both Australia and internationally. He has broad resource industry expertise, across a range of commodities including copper, gold, nickel and uranium.

Over the past 10 years Mr Reynolds has served as an executive and senior manager for a number of listed companies and has supervised a diverse suite of mineral projects for various listed junior exploration companies. Prior to joining Caravel, Mr Reynolds held the position of Managing Director for Golden Mile Resources Ltd, a WA-based gold and nickel exploration company.

Share Purchase Plan Closing 11th August

A Share Purchase Plan to raise up to \$500,000 is available to shareholders who were on the Company's share register at 7.00pm (AEST) on Tuesday, 14 July 2020 and having a registered address in Australia or New Zealand. Participation in the Share Purchase Plan is optional but gives eligible shareholders the opportunity to increase their shareholding by subscribing for up to \$30,000 of shares at \$0.04 (4 cents) per share, irrespective of the size of their shareholding.

The Share Purchase Plan closes at 5.00pm (AEST) on Tuesday 11th August 2020, unless extended by the Directors.

Further Work

The proposed drilling at Ninan is expected to provide sufficient drilling information to undertake a maiden resource estimate for the copper-gold mineralisation in the Ninan Prospect area. This resource will then be incorporated into the ongoing feasibility studies for the development of the Caravel Copper Project.

In addition, the Company is currently planning drilling programs for other parts of the Caravel Project such as the Opie and Dasher deposits, where there is potential for both expanding the resource estimate and for the delineation of higher grade ores.

The Company is also planning to progress exploration of the regional projects that have recently been generated by the Company in the prospective South-West Yilgarn terrain. Work will be progressively commenced as exploration tenements over these areas are granted and land access and statutory approvals are all received.

This announcement is authorised for release by Managing Director, Steve Abbott.

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Competent Persons Statements. *The information in this report that relates to Exploration Results is based on and fairly represents information compiled by Mr Lachlan Reynolds. Mr Reynolds is a consultant to Caravel Minerals and is a member of both the Australasian Institute of Mining and Metallurgy and the Australasian Institute of Geoscientists. Mr Reynolds has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons 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 Reynolds consents to the inclusion in this report of the matters based on information in the form and context in which they appear.*

The information in this report that relates to Mineral Resources is based on and fairly represents information compiled by Mr Lauritz Barnes, (Consultant with Trepanier Pty Ltd). Mr Barnes is a shareholder of Caravel Minerals. Mr Barnes is a member of both the Australasian Institute of Mining and Metallurgy and the Australasian Institute of Geoscientists. Mr Barnes has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities undertaken to qualify as Competent Persons 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 information in the form and context in which they appear.

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:*

- 29 April 2019 "Caravel Copper Resource and Project Update"
- 29 May 2019 "Scoping Study Confirms New 23-Year WA Copper Project"

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 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.

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.*