

17 March 2023

CARAVEL COPPER PROJECT

DEFINITIVE FEASIBILITY STUDY UPDATE

HIGHLIGHTS

- **Key project work streams are well advanced at the 100% owned Caravel Copper Project, ideally located 120km north-east of Perth in WA, including:**
 - **An independent review of the process flowsheet by industry recognised engineering firm Lycopodium Minerals Pty Ltd;**
 - **Groundwater drilling and modelling to delineate process water supply and secure licences;**
 - **Submission of a grid power access application to network owner Western Power;**
 - **Commencement of formal environmental approval processes, with a decision on assessment by the State Regulator expected in Q2 2023;**
 - **Strategic discussion with mining equipment manufacturers to secure build slots and progression towards commercial arrangements;**
 - **Geotechnical drilling to establish ground conditions for mine and process plant design;**
 - **Several amendments and improvements to the metallurgical flowsheet are nearing completion and an update will be provided as soon as results are available. Opportunities to optimise the metallurgical flowsheet will be further investigated during the Definitive Feasibility Study.**
- **The above work program is aimed at supporting the timely completion of a high-quality Definitive Feasibility Study in the first half of 2024.**
- **The Project is scheduled to start production at the same time as forecast deficits in the copper market and increases in copper price. Each US\$0.50/lb copper price increase equates to a ~A\$0.9 billion increase in Net Present Value¹.**
- **Caravel remains the largest undeveloped copper project in Australia.**

¹ Based on the sensitivity analysis outlined in the Caravel Copper Project Pre-Feasibility Study Update published to the ASX on 20 September 2022.

PROJECT UPDATE

Caravel Minerals (ASX: CVV) is pleased to provide an update on key work streams being undertaken to execute the Company's 100%-owned Caravel Copper Project, located 120km north-east of Perth in WA.

Independent Process Flowsheet Review

Caravel has commissioned an independent review of the optimised Pre-feasibility Study (PFS) process flowsheet published on 20 September 2022 and represented in Figure 1. The review is being undertaken by leading engineering and project delivery firm, Lycopodium Minerals Pty Ltd, with the comminution circuit review being undertaken by Orway Mineral Consultants, with input from European process equipment manufacturer, Weir Minerals, who specialise in High-Pressure Grinding Roll (HPGR) circuit design.

The scope of the review pertains to the process flowsheet from primary crushing to dewatering circuits with the aim of identifying process plant opportunities and confirming the absence of technical gaps prior to commencing the next phase of engineering in the second half of 2023. Initial results from this review indicate potential for plant simplification and increased capacity. A further update will be provided when complete results are available.

CARAVEL COPPER PROJECT PROCESSING PLANT

UNDER FEASIBILITY STUDY DEVELOPMENT



Figure 1: Proposed layout for the PFS optimised processing plant at the Caravel Copper Project

Water

An extensive water bore drilling program approximately 60km to the west of the proposed mine and processing site is well advanced. Conceptual models have been prepared which indicate suitable resources exist for Project requirements. Applications for the abstraction licenses are in progress with the Department of Water and Environmental Regulation (DWER). In addition, Caravel has secured agreements with landowners to enable the development and operation of the borefield.

Power

Applications have been submitted to Western Power to obtain a network access offer for the Project's mine and processing facilities. Applications are currently under assessment with approval anticipated in Q2 2024. Caravel is also completing a power demand simulation study to assess the opportunity to manage intra-day power demand in relationship to pricing cycles. Discussions with power generation suppliers has also commenced.

Environmental Approvals

Final studies required for the State and Federal environmental approvals are nearing completion. The process to obtain primary Project environmental approvals under the State Environmental Protection Act 1986 (Part IV) and Commonwealth Environmental Protection and Biodiversity Conservation Act 1999 (Matters of National Environmental Significance) has commenced. The level of assessment and the scope of the assessment are expected to be notified by both agencies during Q2 2023.

Mining Equipment

Discussions have commenced with mining equipment manufacturers for the supply of an automated and electrified mining fleet. Caravel expects to enter a commercial arrangement with a preferred supplier later in the year. The mining equipment sourcing is consistent with forecast delivery timeframes in readiness to undertake pre-development activity. Caravel is currently assessing various business systems to finalise the operating system architecture during the Definitive Feasibility Study.

Drilling

Drilling is underway to establish design parameters required for open pit mine design, establish a cost-effective general arrangement of process plant equipment and supporting non-process infrastructure, and to collect samples for continuous metallurgical testing for detailed engineering design. The drilling program is scheduled for completion in Q3 2023.

Commenting on the progress of the Caravel Copper Project, Managing Director Don Hyma said:

“Over the past several months, the team has made excellent progress on key workstreams that will enable the completion of a high-quality Definitive Feasibility study in the first half of 2024.”

“The Project’s leverage to the copper price, together with its’ location and size, represents a timely opportunity to develop a new production business in response to forecast deficits in the copper market and increases in copper price.”

This announcement is authorised for release by the Caravel Managing Director, Don Hyma.

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