

31 January 2022

**QUARTERLY ACTIVITIES REPORT
FOR PERIOD ENDED 31 DECEMBER 2021**

Highlights

- **Updated Mineral Resource Estimate for Caravel Copper Project of**
 - 1.18 billion tonnes @ 0.24% Cu and 48 ppm Mo for 2.84Mt of contained copper (0.1% Cu cut-off)
- **2021 Scoping Study completed for Caravel Copper Project**
 - Demonstrates strong business case for project development
 - Based on first-phase Pre-Feasibility Study (PFS) engineering study by Ausenco including updated throughput, capital and operating costs using revised flow sheet
 - Updated cost and revenue assumptions based on industry benchmarks and improved copper price and outlook
- **Caravel Copper Project PFS scheduled for delivery in early CY2022**
- **Diamond drill rig is completing three holes at Dasher testing the footwall position and at depth along strike. Field observations show wide intervals of mineralisation associated with parasitic folding of the granite gneiss**
- **RC percussion drilling at Dasher South targeted strike extensions with field observations confirm the Dasher system extends at least another 550m south of previous drilling**
- **Targeted infill RC percussion drilling at Bindi East and Bindi Hinge**
- **Aircore sterilisation drilling underway east and southeast of Bindi**
- **Infill RC drilling at Bindi West underway**

Caravel Copper Project

The Caravel Copper Project is located 150km north east of Perth in Western Australia's Wheatbelt region, between the towns of Calingiri and Wongan Hills. Caravel's copper deposits form part of a regional porphyry style copper-molybdenum-gold mineralised belt discovered in a previously unexplored part of the Yilgarn Craton. The Project combines the Bindi, Dasher and Opie deposit held under Caravel's granted exploration licences.

In May 2021, Caravel commenced a substantial program of infill reverse circulation (RC) percussion drilling at the Bindi deposit. Drilling was designed to increase the grade and distribution of copper-molybdenum mineralisation in the Bindi Hinge Zone and Bindi East Limb. Results from the drilling program were incorporated into an updated resource estimate and further modelled the potential to bring these higher-grade shallow zones into the early mine schedule.

Mineral Resource Update

In November 2021, Caravel Minerals announced an updated Mineral Resource for its Caravel Copper Project, incorporating results from reverse circulation (RC) percussion and diamond drilling at the Bindi deposit.

The updated Mineral Resource now totals **1.18 billion tonnes @ 0.24% Cu and 48 ppm Mo for 2.84Mt of contained copper** (0.1% Cu cut-off) (see Table 1).

Since the last Mineral Resource update in April 2019, Caravel completed ~7,740 metres of diamond drilling and 20,233 metres of RC percussion drilling at Bindi, predominantly on the Bindi East Limb (Figure 3).

Drilling was designed to better delineate the grade and distribution of copper-molybdenum mineralisation in the Bindi Hinge Zone and Bindi East Limb – which are expected to be the first areas developed in the mine plan (Figure 3). Drilling also significantly extended the resource at depth and improved the continuity of mineralisation, particularly within a number of higher-grade zones within the East Limb and Hinge Zone areas.

At Bindi, about 100Mt (at 0.1% cut-off grade) of the shallower resource (top 150m) is now defined as Measured Resource and is expected to be converted to Reserves in the PFS. At the higher cut-off grades that will be used in the early mine plan this is expected to include sufficient ores to cover the first 5 years of mining, providing high confidence in the mine schedule.

Table 1: Caravel Copper Project¹ November 2021 Mineral Resource at various Cu cut-off grades

Cu Cut-off (%)	Mt	Cu (%)	Mo (ppm)	Cu (t)
0.10	1,180.6	0.24	48	2,843,700
0.15	874.9	0.28	57	2,457,200
0.20	678.7	0.31	64	2,116,600
0.25	481.2	0.35	71	1,671,600
0.30	305.2	0.39	80	1,189,400

Note – appropriate rounding applied

¹ Caravel Copper Project combines Bindi, Dasher and Opie deposits

Whilst contained copper within the existing resource envelope increased significantly due to improved definition of the higher-grade zones at Bindi, the overall resource grade has remained unchanged (at the same 0.15% cut-off) due to the larger areas at lower grades that surround the higher-grade zone and fall within the Resource pit shell. Whilst the amounts of higher-grade ores have increased, so too has the volumes of lower grade ores.

The cut-off grade changed from 0.15% Cu to 0.1% Cu based on the revised marginal costs and revenue assumptions in the 2021 Scoping Study (refer to Caravel Minerals ASX announcement dated 4 November 2021). Whilst costs in that study were increased from the 2019 study, the assumed copper price was raised to \$4/lb, at which price all mineralisation that falls within the pit shell above 0.1% Cu would be economically viable.

A mine plan currently being developed is expected to schedule higher than average resource grades in the early mine life, with lower-grade material being stockpiled. The low-grade stockpiles would be treated later in the mine schedule or may supply feed into later expansion plans or alternative strategies for beneficiating lower-grade material.

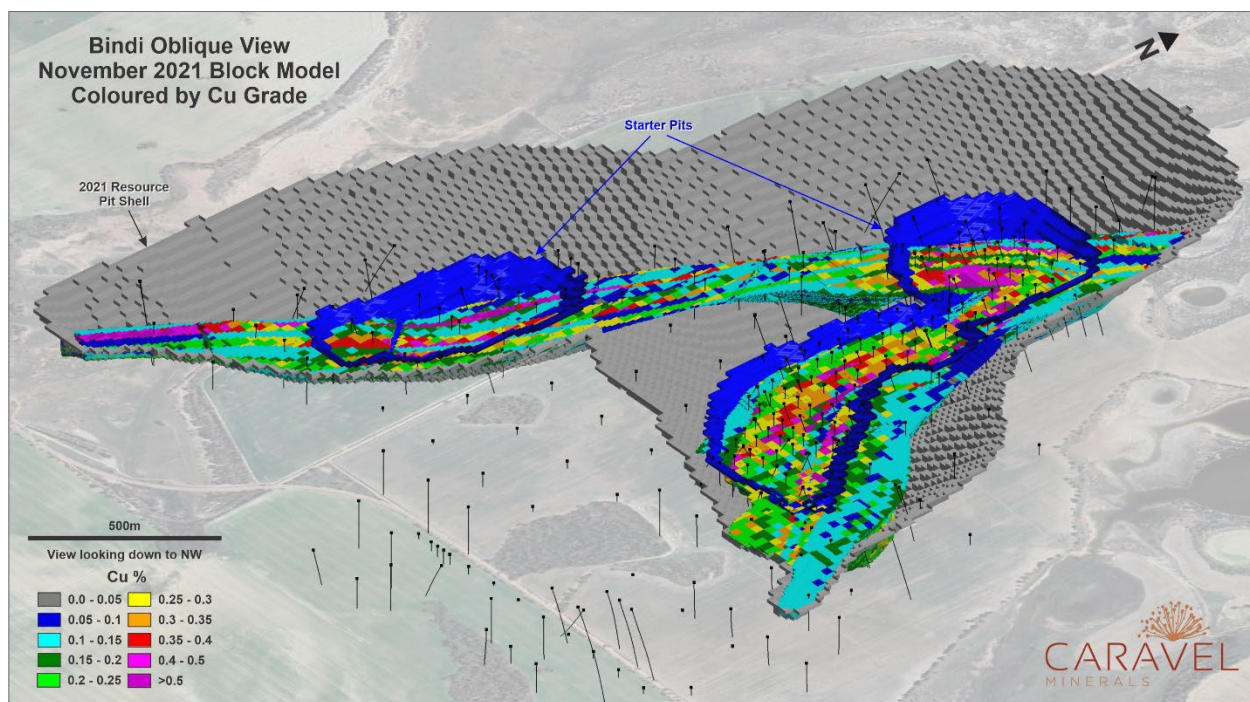


Figure 1: 3-D view of 2021 block model (Cu grade) and Resource pit shell

Results from recent drilling programs have been incorporated into an updated Mineral Resource for the Bindi Deposit, including classification of higher-grade shallow zones to Measured status for incorporation into the early mine schedule of the Project's Pre-Feasibility Study (PFS).

Diamond drilling completed since the last MRE significantly extended the geology model at depth on the East Limb of the deposit and identified a new synformal fold closure. Shallower RC drilling identified new, near-surface zones of higher-grade mineralisation, which were subsequently infill-drilled to depths of 100m to 150m below surface with hole spacings typically 50m between and along sections. This 10,000m infill program concluded in July 2021 and is the most recent drilling included in this resource update.

This November 2021 Mineral Resource update was completed by resource consultancy Trepanier Pty Ltd.

The revised Caravel Copper Project Measured, Indicated and Inferred Mineral Resource estimates at a 0.1%, 0.15% and 0.25% Cu cut-offs are presented in Tables 2, 3 and 4 below.

Table 2: Caravel Copper Project November 2021 Mineral Resource (using 0.1% Cu cut-off)

Category	Mt	Cu (%)	Mo (ppm)	Cu (T)
Measured	105.2	0.27	67	287,300
Indicated	574.1	0.24	47	1,390,200
Inferred	501.3	0.23	45	1,166,200
Total	1,180.6	0.24	48	2,843,700

Note – appropriate rounding applied

Table 3: Caravel Copper Project November 2021 Mineral Resource (using 0.15% Cu cut-off)

Category	Mt	Cu (%)	Mo (ppm)	Cu (T)
Measured	90.3	0.30	73	268,600
Indicated	416.9	0.29	56	1,191,900
Inferred	367.7	0.27	54	996,700
Total	874.9	0.28	57	2,457,200

Note – appropriate rounding applied

Table 4: Caravel Copper Project November 2021 Mineral Resource (using 0.25% Cu cut-off)

Category	Mt	Cu (%)	Mo (ppm)	Cu (T)
Measured	56.3	0.35	82	198,900
Indicated	229.3	0.36	70	822,300
Inferred	195.6	0.33	69	650,400
Total	481.2	0.35	71	1,671,600

Note – appropriate rounding applied

More detail can be found in the ASX announcement dated 23 November 2021.

Scoping Study

Caravel produced a new 2021 Scoping Study for the Caravel Project as part of a Pre-Feasibility Study (PFS) for the Project, which is on track for completion in early CY2022 and was provided as guidance on various PFS input assumptions.

The Scoping Study was prepared based on the 2019 Mineral Resource Estimate of 1.86Mt Contained Cu (based on 662Mt @.28% Cu at a 0.15% Cu cut off). The study highlighted a base case NPV of AUD\$1.44B (range \$686M to \$2.72B). A comparison of 2019 and 2021 Life of Mine financial economics which was released as part of the 2021 Scoping Study are presented in Table 5 below.

Table 5: Comparison of 2019 and 2021 Life of Mine financial economics

LIFE OF MINE FINANCIAL ECONOMICS	UNITS	2021 SCOPING STUDY			2019 SCOPING STUDY
		LOW	BASE	HIGH	
Revenue (net of TCs/RCs)	A\$M	12,708	14,517	15,969	10,645
Net Cash Flow (pre-tax)	A\$M	2,665	4,489	5,991	3,130
Pre-tax NPV (7% disc. rate)	A\$M	686	1,448	2,072	1,123
Pre-tax IRR	%	16	26	35	24
Capital Payback	Years	8	4	3	<4

Engineering services firm Ausenco is undertaking Caravel Copper Project PFS engineering studies on process plant and infrastructure design, capital and operating cost estimation and execution planning. Ausenco reviewed the 2019 Scoping Study project parameters and updated a range of assumptions prior to commencing detailed PFS work.

Updated parameters for the 2021 Scoping Study include:

- Mineral Processing

Caravel modified the process flowsheet from the 2019 Scoping Study as part of trade-off studies (to a scoping level) for Phase 1 of the PFS, with the circuit modified to incorporate a Semi Autogenous Grinding (SAG) Mill with pebble crusher comminution circuit in preference to the High Pressure Grinding Roll (HPGR) envisaged previously. This change aims to provide a faster return on capital, higher throughput and the opportunity for pebble rejection. The study also produced a

site layout suitable for start-up operations and future expansion, with an equipment flowsheet for treating the ore at 12Mtpa which will then be effectively replicated when the plant is expanded to 24Mtpa from year 6 onwards.

- **Capital Expenditure**

Ausenco updated the plant layout and equipment list based on a revised flowsheet and incorporating numerous other changes to improve costs, as well as materials and labour costs to incorporate the recent increases experienced across the industry. A new flowsheet and layout produced cost savings from the 2019 Scoping Study, but higher labour and materials resulted in an overall increase in capital costs (in line with benchmarked costs experienced across WA resources companies) from to \$482M to approximately \$576M (Range: A\$524m to A\$634m).

- **Operating costs**

Operating costs were recalculated based on the revised flowsheet, plant layout and updated rates for labour and consumables. Cost assumptions for power prices are unchanged. The change to a SAG/Ball Mill circuit results in higher consumption of power and increased consumption of grinding media. Mining costs have not been re-estimated however a provision is made for expected cost increases due to fuel and labour costs. Overall unit costs (C1) increase from A\$11.71/t milled to approximately A\$14.42/t milled.

- **Revenue Forecasts**

Commodity prices have increased significantly since the 2019 study was published. These price rises are in large part responsible for the recent cost inflation in the mining industry, and therefore it is necessary to update the commodity prices used in the revised study to reflect the current cost and price environment. Caravel has adopted a copper price assumption of US\$4/lb (Range: US\$3.60/lb to US\$4.40/lb) compared to US\$3/lb in the prior study.

- **2021 Scoping Study comparison to 2019 Scoping Study**

Major changes to input variables and the financial outputs from the 2019 Scoping Study are summarised in Tables 5 and 6. Cashflow modelling for the 2021 Scoping Study uses the same resource and mine plan as the 2019 Study, however the mining schedule has been adjusted to allow for the revised throughput rates. Preparation of the new mine plan and schedule will commence after the new resource estimate is finalised with completion expected in late November. A key objective of this work will be scheduling of higher-grade ores early in the mine schedule to maximise early cashflow.

Table 6: Changes to input variables and the financial outputs from 2019 scoping study

ASSUMPTION	UNITS	2021 SCOPING STUDY	2019 SCOPING STUDY
Copper Price	US\$/lb	4 (Range: 3.60 to 4.40)	3
Gold Price	US\$/oz	1,700	1,270
Silver Price	US\$/oz	18	16
Exchange Rate FX	A\$:US\$	0.72	0.72
Circuit	Mtpa	SABC no Moly 12 – 24	HPGR & Moly 16 – 30
Recovery ³	%	~92 (Range: ~90 to ~92)	~92
Mining Costs	A\$/t mined	2.93	2.36
Processing Costs	A\$/t milled	6.69	5.17
Concentrate Transport	A\$/wmt	78	78
Freight	A\$/wmt	22	22
Smelting	US\$/t conc	85	85
Refining	US\$/lb Cu	0.085	0.085
Initial Capital	A\$M	576 (Range: 634 to 524)	481
Sustaining Capital	% capex	3	1.2

More information can be found in Caravel's Updated Scoping Study, lodged with the ASX on 4 November 2021.

Pre-Feasibility Activities

Other pre-feasibility work undertaken during the quarter includes:

- Investigations into mine electrification and automation including equipment pricing to feed into the mine optimisation
- Completion of the Bindi pit geotechnical evaluation
- Metallurgical test work – ore characterisation, comminution, scoping flotations, coarse particle flotation, and advanced media competency tests.
- Optionality assessment for tailings storage facilities and geotechnical sampling
- Commencement of waste ore characterisation
- Lidar and photogrammetry surveys over the project site and proposed bore-field
- Engineering design and layout options
- Water source investigations and pipeline options.

Stakeholder Engagement

Caravel continued briefing and discussing the project with key stakeholders whose involvement in the project is critical to project execution. Activities included regulatory, landowner and local government communication and engagement. The company aims to create shared value for all stakeholders and consultation and engagement is ongoing.

Bindi Deposit Drilling

During the quarter, the Company completed 862 metres of diamond drilling in 3 diamond drill holes, 1,946 metres in 11 holes of RC percussion drilling, 90m of aircore drilling in 5 holes of aircore and 394.5m of water bore drilling in 10 water bores, as it continues to explore the Caravel Copper Project.

In January 2022, Caravel reported results for two diamond core drill holes (1CADD016 and 17) completed in the Bindi East and Bindi West areas of the Bindi Deposit.

- **Significant intersections included:**

- o 21CADD016

- **192-208m 16m @ 0.38% Cu**

- o 21CADD017

- 202-276m 74m @ 0.24% Cu

- 396-514m 118m @ 0.28% Cu

- **Incl 398-444m 46m @ 0.36% Cu**

Hole 21CADD017 intersected significant mineralisation at depth in the Bindi East Limb, demonstrating good continuity of mineralisation between previously reported drilling intersections (20CADD001 reported 10 February 2021 and 20CADD002 reported 2 March 2021) up to 400m below surface. In addition, the hole intersected good widths of Bindi West Limb mineralisation below the hanging wall fault. The hole intersected higher grades of mineralisation in the upper parts of the synform hinge (see Caravel Minerals announcements dated 6 March 2021 and 25 August 2021). Given the depth of the hole at this point it was not warranted to extend it further to fully test the synform position.

Hole 21CADD016 intersected intermingled granite, granite gneiss and mafic gneiss of the hanging wall units above the hanging wall fault (171-181m). Minor mineralisation seen above the hanging wall fault is associated with fracturing consisting of mixed chalcopyrite and native copper it likely represents mineralisation remobilised into the younger structures. The hole intersected nearly 40m of Bindi West Limb mineralisation before passing into a large dolerite dyke, the hole was stopped in the dyke rather than continuing on an unknown distance to find the other side. Large dolerite dykes are rarely intersected in drilling at Bindi, the dolerite intersected in 21CADD016 is interpreted to correlate with a NNW trending feature seen in airborne magnetic imagery of the area.

Assay results are still to be received for diamond core holes 19CADD004 drilled at Bindi and holes 21CADD018, 21CADD019 and 21CADD020 drilled at Dasher. Turnaround times for assay results experienced by industry have increased significantly through 2021 due to high volumes of samples.

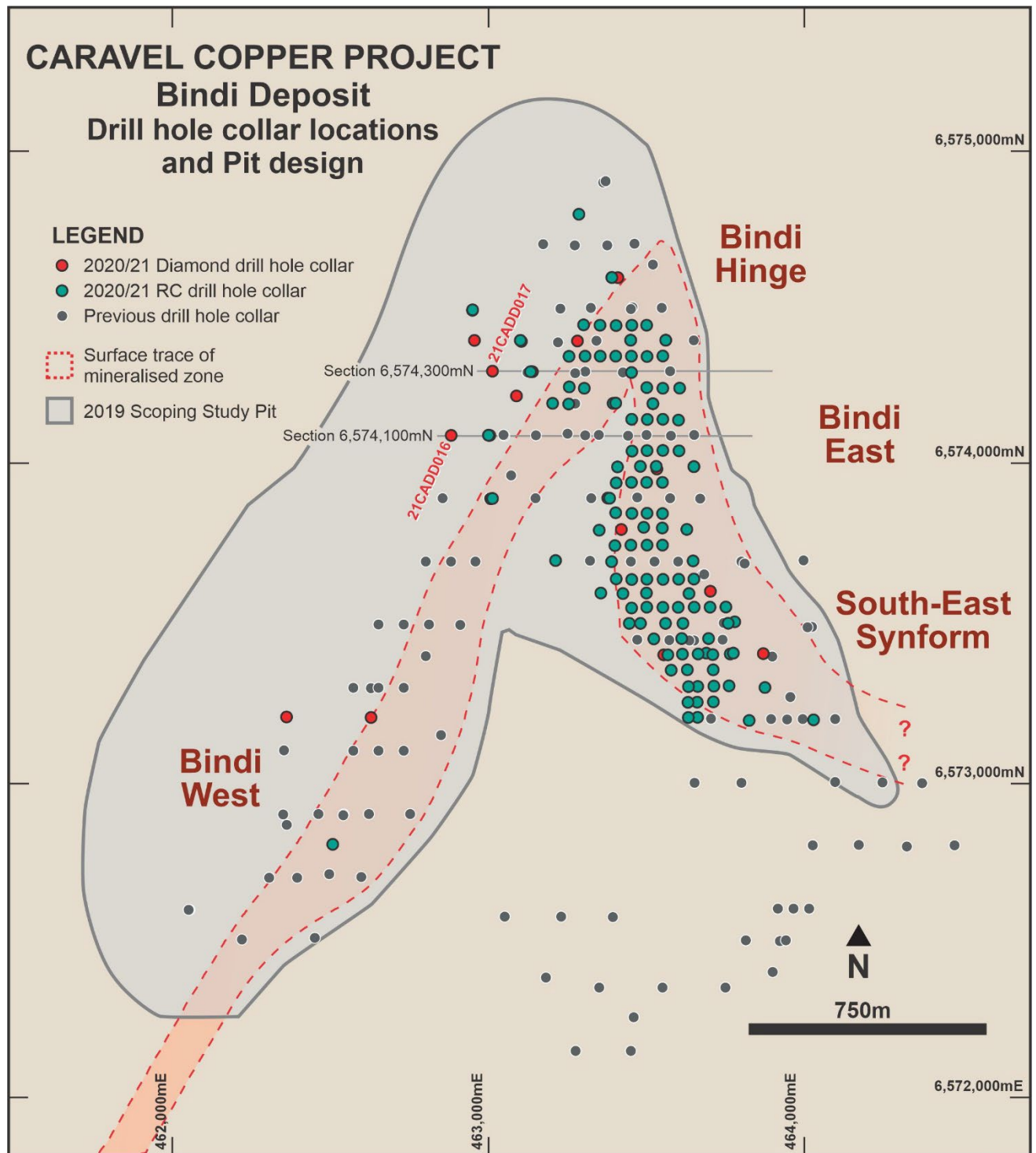


Figure 3: Drilling status plan of the Bindi copper deposit showing the locations of the reported RC percussion drill holes, drill holes from the 2020/21 program, previous drill collar locations and the 2019 scoping study pit.

Diamond tail (19CADT004) into the down plunge extension of the Bindi South-East Synform was an extension of hole 19CARC004, which finished in mineralisation at 318m having intersected 202m @ 0.31% Cu from 116m. The diamond tail intersected zones of chalcopyrite mineralisation between 330-530m consistent with a continuation of mineralisation in the East Limb and the newly identified Lower Limb.

The diamond core rig has moved to Dasher completing holes 21CADD018 and 21CADD019 during the quarter, it is currently drilling hole 21CADD020.

Hole 21CADD018 testing the footwall mineralised zone, intersected good mineralisation in the main Dasher mineralised zone in addition to small but significant mineralised zones in the footwall position. Structural geological measurements from the hole shows more pronounced parasitic folding at Dasher than previously recognised which has implications for mineralisation outside the N-S window between granites that hosts the main Dasher mineralised zone, such as the footwall position.



Figure 4: Footwall chalcopyrite and pyrite mineralisation in hole 21CADD018 (241-242m), half cut core.

Hole 21CADD019 targeted the northern extension of the main mineralised zone, intersecting moderate mineralisation in the main mineralised zone then broad zones of weaker mineralisation into the footwall position. Parasitic folding in the foliated granitic gneiss similar to that seen in 21CADD018 gives an exaggerated wide interval of the mineralised zone. Only smaller intervals of granite were intersected in the footwall position indicating that the granites there are smaller and less continuous than previously interpreted.

Hole 21CADD020 at the southern end of Dasher tests the main mineralised zone at depth. and will greatly expand the available structural data for the Dasher deposit. The current resource has a N-S strike extent of 1,300m, previous diamond core drilling has been limited to a 400m strike section of that resource, the new drilling will increase diamond drill coverage to a 900m strike section.

An RC percussion drilling program has commenced at Dasher South 1,500m south of the current Dasher resource. The drilling is targeting extensions to mineralisation seen in 21CARC032 (32m @ 0.38% Cu from 100m, reported 24 May 2021) from drilling earlier in the year. Lying between the Dasher deposit and Kuralli prospect, confirmation of mineralisation at Dasher South will support the interpretation that the mineralised high strain zone is continuous between Bindi-Dasher-Kuralli-Opie only obscured by paleochannels filled with younger sediments. A line of five holes (21CARC128-132) has been completed at 6,564,700N south of Dasher 550m south of hole 21CARC032, visual estimates of mineralisation show an east dipping mineralised system consistent with being a southern extension of Dasher.

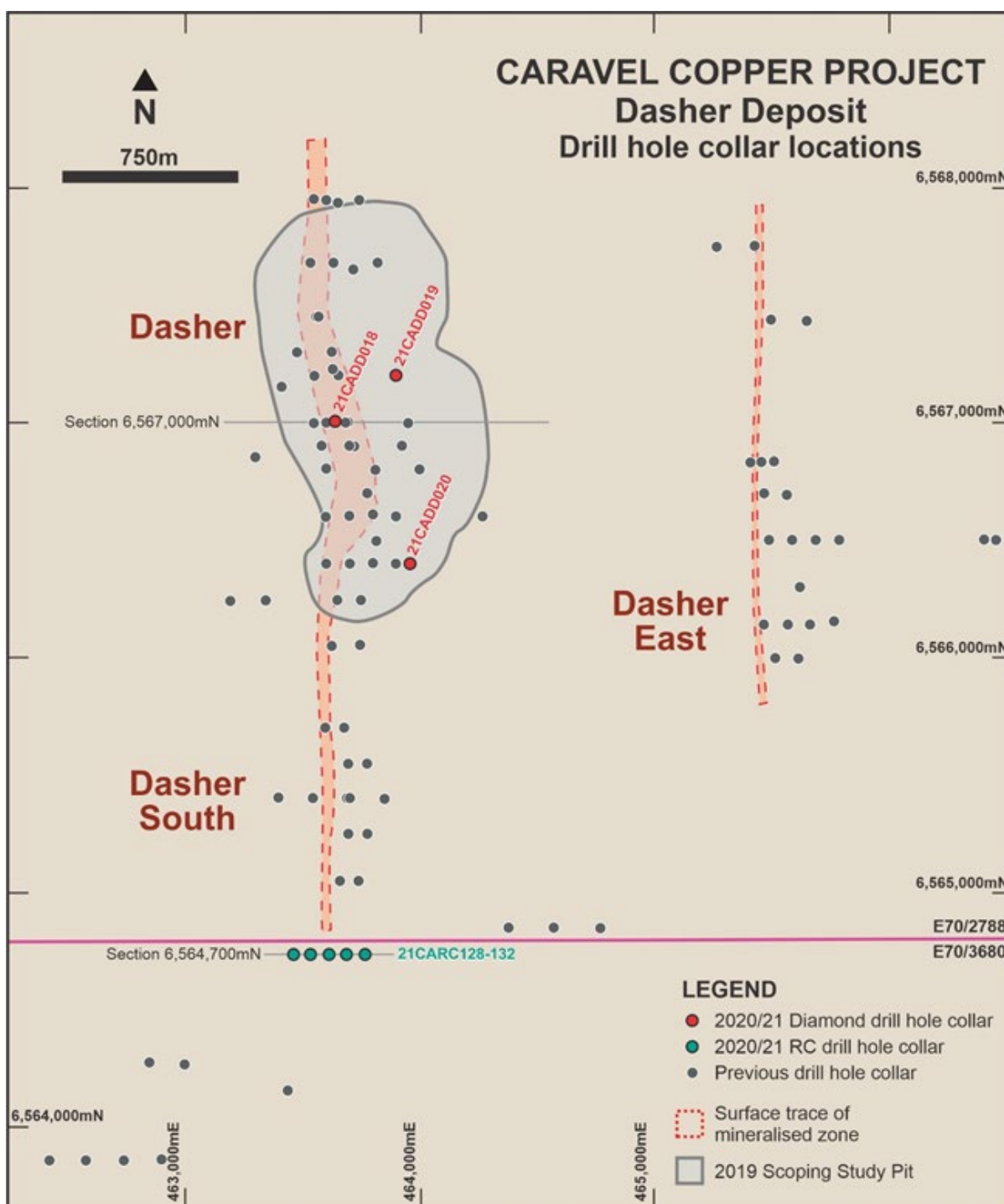


Figure 5: Drilling status plan of the Dasher copper deposit showing the locations of the reported diamond core drill holes, drill holes from the 2020/21 program, previous drill collar locations and the 2019 scoping study pit.

A program of AC (air core) drilling has commenced southeast and east of Bindi. When completed the program will extend drill coverage in all directions around the Bindi Deposit providing data to assist decision-making for potential mine infrastructure. Field observations of drill samples to the east of the Bindi East limb show encouraging signs of copper mineralisation.

Caravel is developing a hydrology model for the project area. The model will be used for water balance calculations and will highlight areas where useful quantities of groundwater may be available. The work utilises passive seismic geophysical surveys in conjunction with historical drilling data and mapping to create 3D models of the modern and paleo drainage features. Observation water bores

have been installed in deep points in the paleochannels with a single production bore installed where the observation bore produced good volumes of water.

Caravel is progressing a program of infill RC drilling at Bindi West. This will mostly be RC percussion holes on 100m sections however select holes will be drilled with diamond drill core to provide additional material for metallurgical test work. In addition, Caravel will complete a small program of geotechnical drilling to assist with the design and planning of mine infrastructure.

Exploration Projects

Reconnaissance roadside sampling programs have commenced at the Brookton (E70/5506) and Moodiarup (E70/5596) projects, assay results are awaited from this work. A review of proprietary regional geochemical data in combination with open file data highlighted Au-Zn anomalism in the area immediately east of Bruce Rock and 53km northeast of the Tampia Hill project, Caravel have applied for an exploration licence (E70/5964) over the anomalies. Field work in 2021 significantly downgraded the prospectivity of the Toolbrunup Nickel-Copper-PGE project, Caravel has opted to surrender the Toolbrunup tenement (E70/5462) in order to focus in more prospective areas.

Corporate

2021 Annual General Meeting

Caravel's 2021 Annual General Meeting was on 25 November 2021 with all resolutions put to the meeting passed via a poll. Resolutions were as follows:

1. Adoption of Remuneration Report
2. Re-Election of Director – Wayne Trumble
3. Approval of Additional 10% Capacity.

Investor Relations

Caravel's Managing Director Steve Abbott and Executive Director Alasdair Cooke hosted an investor webinar on 1 December 2021 to discuss the Mineral Resource upgrade and updated 2021 Scoping Study for its Caravel Copper Project.

Executive Director Alasdair Cooke also presented at the ASX Investors Copper Explorers Conference held at Fraser Suites Perth on 23 November 2021.

Shares on Issue

Since the previous quarterly report:

- 250,000 unlisted options were exercised at \$0.10.

At the date of this report, the Company had:

- 389,850,017 shares on issue;
- 3,215,100 unlisted options exercisable at \$0.08 expiring 30 June 2022 on issue;
- 1,250,000 unlisted options exercisable at \$0.08 expiring 30 September 2022 on issue;
- 13,042,222 unlisted options exercisable at \$0.30 expiring 30 June 2023 on issue;
- 2,000,000 unlisted options exercisable at \$0.30 expiring 3 March 2024 on issue;
- 1,727,447 unlisted options exercisable at \$0.75 expiring 30 June 2023 on issue;
- \$6.9M held in cash reserves;

- Nil debt.

Approximately \$2.1M of exploration and evaluation expenditure expensed during the quarter predominantly comprised:

- Direct drilling costs;
- Technical staff costs; and
- Pre-feasibility study consultants

The aggregate amount of payments to related parties and their associates during the quarter of \$349,368 (refer Item 6 of the accompanying Appendix 5B) comprises the following:

- Director fees (\$167,175);
- Mitchell River Group consulting services (\$164,193); and
- Mitchell River Group serviced office (\$18,000)

There were no substantive mining production and development activities during the quarter.

For further information, please contact:

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Company Secretary
Caravel Minerals Limited
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Telephone: 08 9426 6400
Email: daniield@caravelminerals.com.au

APPENDIX A - TENEMENT SCHEDULE

Project	Location	Tenement	Equity at 30 Sep 2021	Equity at 31Dec 2021	Changes During Quarter
Mt William	Harvey	E70/2338	0*	0*	Application
Calingiri	Wongan/Victoria Plains	E70/2788	100	100	-
Calingiri	Wongan	E70/3674	100	100	-
Calingiri	Goomalling	E70/3680	100	100	-
Calingiri	Wongan	E70/5228	100	100	-
Calingiri	Wongan	E70/5229	100	100	-
Dalwallinu	Dalwallinu	E70/5400	100	100	-
Dalwallinu	Moora	E70/5417	100	100	-
Toolbrunup	Tambellup	E70/5462	100	0	Surrendered
Brookton	Brookton	E70/5506	100	100	-
Dalwallinu	Dalwallinu	E70/5511	100	100	-
Dalwallinu	Dalwallinu	E70/5512	100	100	-
Congelin	Williams	E70/5542	100	100	-
Moodiarrup	Darkan	E70/5596	100	100	-
Dalwallinu	Dalwallinu	E70/5673	100	100	-
Gillingarra	Victoria Plains	E70/5731	100	100	-
Calingiri	Wongan	R70/0060	80	80	-
Calingiri	Goomalling	R70/0063	100	100	-

* Caravel can earn a 51% interest once tenement granted

APPENDIX B - MINERAL RESOURCES

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

Caravel Copper Project November 2021 Mineral Resource (using 0.1% Cu cut-off)

Category	Mt	Cu (%)	Mo (ppm)	Cu (T)
Measured	105.2	0.27	67	287,300
Indicated	574.1	0.24	47	1,390,200
Inferred	501.3	0.23	45	1,166,200
Total	1,180.6	0.24	48	2,843,700

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Caravel Copper Project November 2021 Mineral Resource (using 0.15% Cu cut-off)

Category	Mt	Cu (%)	Mo (ppm)	Cu (T)
Measured	90.3	0.30	73	268,600
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Caravel Copper Project November 2021 Mineral Resource (using 0.25% Cu cut-off)

Category	Mt	Cu (%)	Mo (ppm)	Cu (T)
Measured	56.3	0.35	82	198,900
Indicated	229.3	0.36	70	822,300
Inferred	195.6	0.33	69	650,400
Total	481.2	0.35	71	1,671,600

Note – appropriate rounding applied

1. Competent Persons Statements The information in this report that relates to Exploration Results is based on and fairly represents information compiled by Mr Peter Pring. Mr Pring is a Senior Exploration Geologist with Caravel Minerals. Mr Pring is a shareholder of Caravel Minerals and is a member of the Australasian Institute of Mining and Metallurgy. Mr Pring has sufficient experience of relevance to the styles of mineralisation and types of deposits under consideration, and to the activities 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 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 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 information in the form and context in which they appear.

2. 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 :

- 4 November 2021 “Scoping Study – Caravel Copper Project”
- 23 November 2021 “Major Mineral Resource Upgrade – Caravel Copper Project”
- 18 January 2022 “Drilling Result – Bindi Copper Deposit”

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.

3. 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 statement.

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 December 2021

Consolidated statement of cash flows		Current quarter (3-months) \$A'000	Year to date (6-months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	(2,090)	(5,993)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(365)	(602)
	(e) administration and corporate costs	(325)	(681)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	1
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(2,780)	(7,275)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(6)	(30)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter (3-months) \$A'000	Year to date (6-months) \$A'000
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	(6)	(30)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	25	971
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(3)	(5)
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	22	966

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	9,674	13,249
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,780)	(7,275)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(6)	(30)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	22	966

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 (6-months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	6,910	6,910

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	6,890	9,654
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)	6,910	9,674

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	349
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i> - Directors remuneration \$167,175 - Payment for provision of serviced office and geological services of \$182,193 to Mitchell River Group, a party related by director Alasdair Cooke.		

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)	(2,780)
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)	(2,780)
8.4	Cash and cash equivalents at quarter end (item 4.6)	6,910
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	6,910
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.5
<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 January 2022

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.