CARAVEL MINERALS

31 January 2025

QUARTERLY ACTIVITIES REPORT

FOR THE PERIOD ENDED 31 DECEMBER 2024

Highlights

Key activities in the Quarter included:

- **Key borefield agreement signed, with water licence, water licence applications and borefield land secured under Option Agreement**
- **Feasibility study and permitting activities progressed during the Quarter including:**
  - **Mining - updated mine plan with improved cost-effective site layout and tailings management designs**
  - **Metallurgy - variability testwork confirmed metal recoveries and product grade with final flowsheet and equipment design completed**
  - **Power - technical studies continuing with access offer expected mid-2025**
  - **Land – mine area option secured with key landholder**
  - **Environment - ERD resubmitted and process continuing**
- **Share Placement completed raising $5 million (before costs) at an offer price of $0.145 per share. The Offer was supported by new and existing institutional and sophisticated investors, in addition to Management**
- **Strategic funding and partnering discussions held with groups expressing interest in Project involvement and copper offtake**

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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 by an industry-proven conventional copper concentrator to produce a high-quality concentrate product.

The Project is planned to operate for 25+ years producing ~65,000 tonnes of copper-in-concentrate 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 the Greenbushes Li, Newmont's Boddington Au-Cu and Chalice's Julimar PGE deposits.

Water Agreement

During the Quarter, Caravel entered into an Option Agreement to secure an existing groundwater extraction licence and pending licence applications to support the development of the Caravel Project (see ASX Announcement dated 22 October 2024).

The Option Agreement facilitates the acquisition of Dalmeny Water Pty Ltd from the Nixon Family. Dalmeny Water holds granted licences and applications providing for the extraction of groundwater from private land owned by the Nixon Family in the Gillingarra area (Figure 1).

Dalmeny Water's existing licences allow for the extraction of 1.5 gigalitres of water per year (GL/yr), and its additional licence applications provide for a further 13.5GL/yr. Combined with Caravel's own applications for 3GL/yr, this is sufficient to cover the entire water requirement for the Caravel copper project.

Caravel has also entered a Land Access Licence agreement with the Nixon Family to provide the Company with access to Nixon-owned private land for the ongoing investigation and development of the proposed water supply. The agreements also provide an assured pathway for Caravel to acquire the Nixon land.

The Option Agreement has a term of three years, with the right for Caravel to extend this term by a further two years if required. Mr Richard Nixon, through Global Groundwater, is Caravel's principal hydrogeological consultant for the investigation and development of the water supply for the Caravel Project and will continue in that role.

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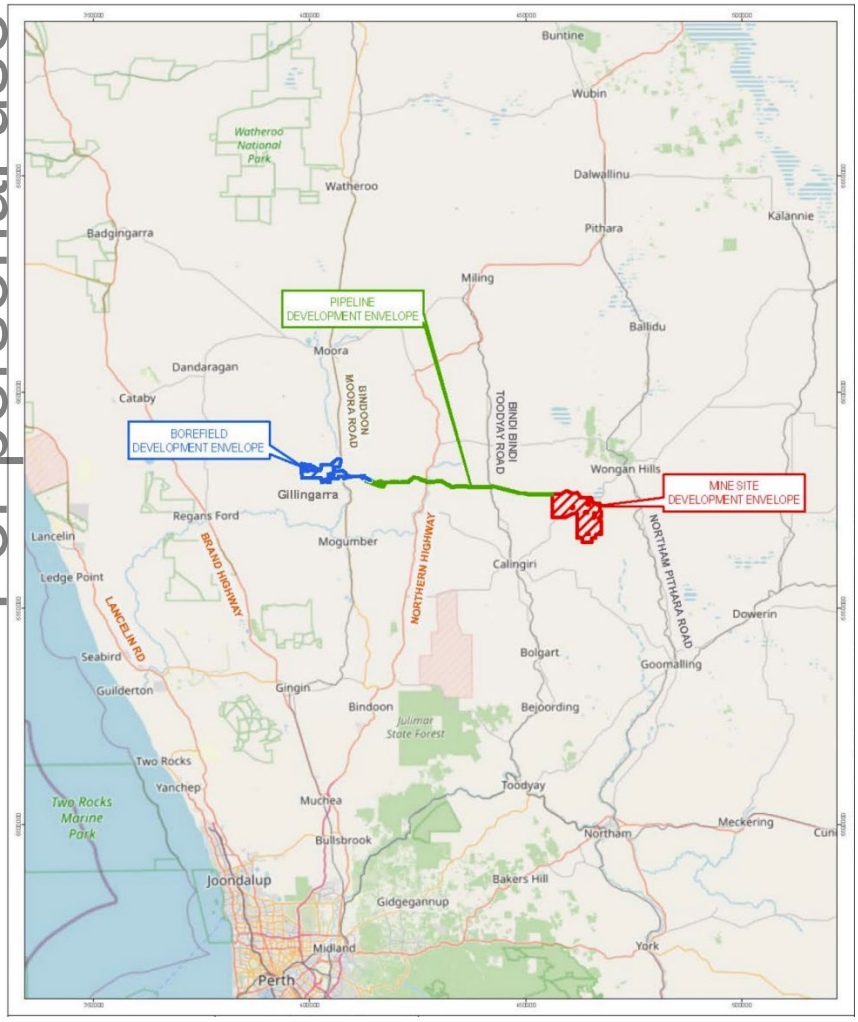

Figure 1: Map representing Caravel Copper Project mine, pipeline and borefield development envelope locations in Western Australia.

Feasibility Study Progress

Feasibility Study activities are progressing, including mining and metallurgical studies, engagement with Western Power and related stakeholders to secure electrical grid access, groundwater modelling and extraction licence applications, land acquisition in support of future construction, and State and Commonwealth regulatory assessments via the Environmental Protection Authority (EPA).

Mining and Metallurgy

Caravel's updates to the mine plan continued to support a more cost-effective site layout and environmentally improved tailings management designs for the Feasibility Study. The work is reviewing the Bindi and Dasher pit shell shapes and locations, bench heights, internal road designs, ROM pad size and location, optimal fleet selection and scheduling of ore delivery to the process plant. The feasibility mine plan is nearing completion for reporting in Q2 2025.

As previously reported, the Pre-feasibility Study adopted a conventional thickened tailings deposition methodology. Following visits to comparable copper operations in Canada including to Copper Mountain and Gibraltar copper mines in British Columbia and input from tailings subject matter experts, the Company has revised the tailings management facility design for the Project. The re-use of waste rock and tailings for embankment construction will reduce the environmental footprint as well as capital costs. The 'cyclone sand' method has been tested using Caravel sample material and was ranked as the preferred tailings deposition method under a multi-criteria technical assessment.

Continued metallurgical testwork has confirmed metal recoveries and product grade as well as completing the tests required to provide a high level of metallurgical confidence in the selected processing circuit. The testwork confirmed the selection of process equipment for the comminution circuit and delivered a metallurgically simplified flotation circuit design based on the specific mineralogical characteristics of Caravel ore.

Power

Technical studies continue for Caravel to progress through the Western Power Major Customer Connection Process, with an access offer expected mid-2025. The Project is seeking a 125MW grid power connection.

Steady-state power studies were progressed under the Western Power self-serve mechanism which provides Caravel with an expedited process to determine transmission capacities of existing infrastructure. The steady-state studies, which are expected to be finalised in February, will determine the scope of augmentation work (including to the Moora to Wongan Hills power line) required to provide the maximum possible line capacity to the site. Augmentation work may include line conversions and additional poles, and other reinforcements that build upon Western Power's existing infrastructure to deliver increased line capacity.

During the Quarter, similar 132kV upgrade work was announced as part of Synergy's $513 million King Rocks windfarm project 35km east of Hyden, WA. This forms a possible precedent for other projects seeking access to existing 132kV transmission lines. See WA Government announcement dated 24 December 2024.

After the end of the Quarter, Caravel also noted that State-owned power utility Western Power announced a $270 million contract award to Genusplus Group Limited on 10 January 2025 for the design and construction of two new terminals at Regans Ford and Eneabba and associated upgrades to existing 330kV northern terminals. Investment in northern section of the Southwest Interconnected System (SWIS) will deliver more transmission capacity and represents an important step towards meeting Caravel's longer term power connection requirements. The next key decision is the commitment to building the Regans Ford to Moora transmission line. (see Figure 2).

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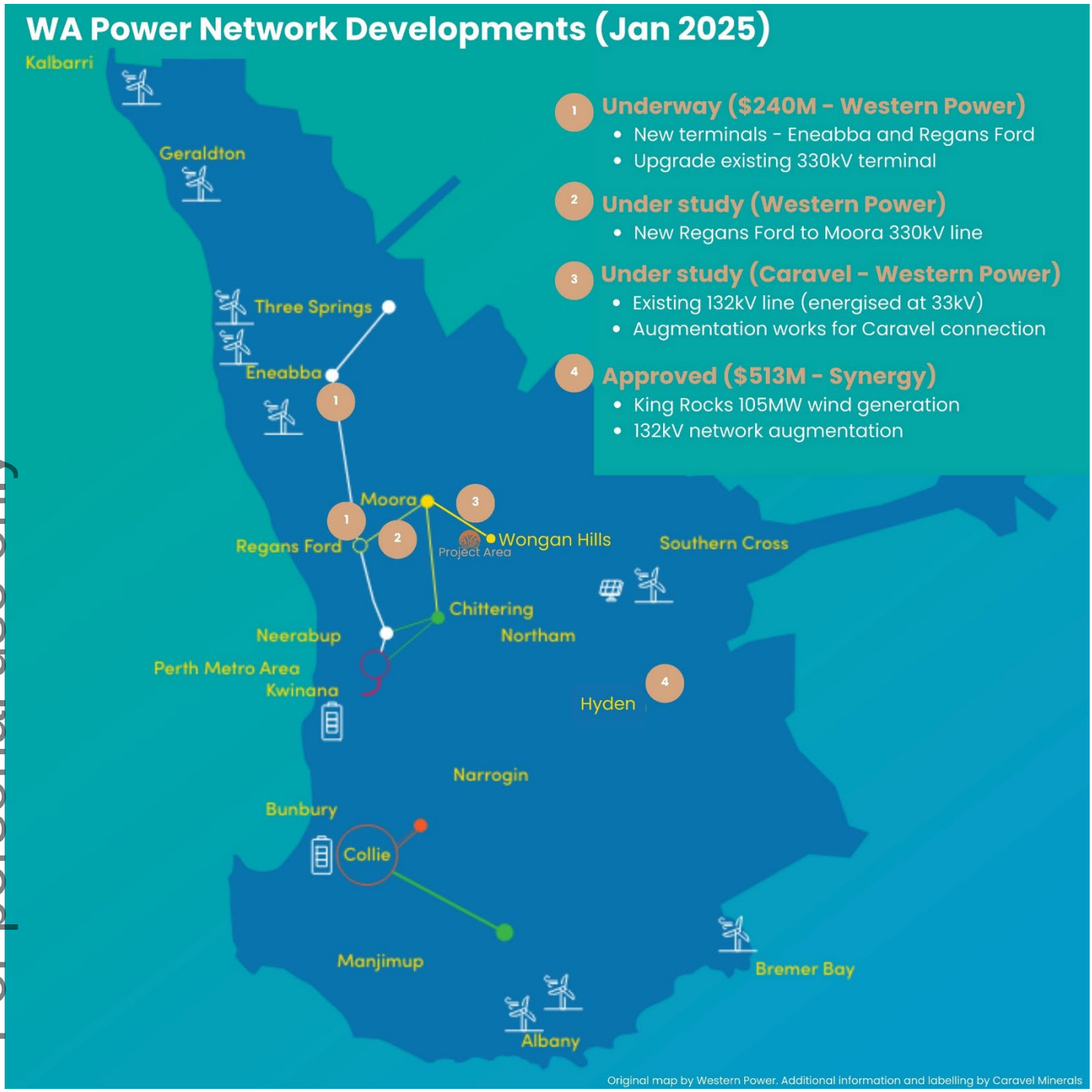

Figure 2: SWIS transmission upgrades including the Moora to Wongan Hills 132kV line and proximity to the Caravel Copper Project.

Project Area Land Acquisitions

Following Caravel's recent signing of an option agreement to acquire 1,098 hectares of freehold land for the Project's future development, discussions continued during the Quarter regarding additional land requirements.

Environmental Approvals

The Environmental Review Document (ERD) was resubmitted to the Environmental Protection Agency (EPA) of Western Australia. The resubmitted ERD addresses the initial comments received from the Department of Water and Environmental Regulation (DWER) to incorporate additional flora and fauna surveys and the latest water modelling data. Caravel continues to liaise with agencies to finalise the ERD ahead of a public review period.

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Water

Further work programs completed included a passive seismic survey in the vicinity of the proposed borefield as well as ongoing monitoring of surface water quality to establish baseline data in the borefield area. Caravel is sourcing new geophysical data from other resource exploration companies working in the area to further inform ground water modelling, assessments and licencing applications. A water drilling and pump testing program to further define groundwater resources is planned for early 2025 subject to consultation with DWER, contractors and local stakeholders.

Operations Accommodation

Locations for long-term operations accommodation continues to be investigated. A range of social and economic factors are being considered, including the potential for the village to be maintained via existing local contracting and service businesses. Water and power supply, wastewater management, town planning and land availability investigations form a key part of selecting a suitable site for the Project.

Stakeholder Engagement

During the Quarter, Caravel continued its stakeholder engagement program with the following highlights:

- Results from winter season surface water sampling and scientific analysis was reported to landowners.
- A year-end community event was held at the Mogumber Hub, Mogumber WA where the Company provided a Project update and held general discussions with local stakeholders including landowners who participated in studies throughout the year.
- Project briefings were held with Shire council members with particular emphasis on the environmental assessment and approval process.
- Project briefings were held with State government ministers' and key departments regarding the regional and State significance of the Project and progress towards key milestones.

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Figure 3: End-of-year community event at Mogumber Hub in December 2024.

Corporate

Strategic Funding Discussions

Discussions continued with groups suitably aligned to progress the Feasibility Study and Caravel copper project development. The rising copper price environment combined with positive technical due diligence processes has supported ongoing engagement with potential partners.

Capital Raising

On 25 October 2024, Caravel completed tranche 1 of a $5 million institutional placement at an offer price of $0.145 per share ("Placement").

Tranche 2, of the Placement, $190,000, will be completed subject to receiving approval of shareholders and a shareholder meeting to be convened on 6 February 2025.

Canaccord Genuity (Australia) Limited acted as Lead Manager with Cumulus Wealth as Co-Manager.

Financials

At the date of this report, the Company had:

- 557,452,213 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
- $7.7M in cash reserves; and
- Nil debt

Approximately $1,825,000 of exploration and evaluation expenditure expensed during the quarter comprised payments to:

- Engineering studies (approx. $350,000);
- Baseline Studies (approx. $295,000);
- Metallurgical testing consultants (approx. $200,000); and
- Mine planning consultants (approx. $150,000)

The aggregate payments to related parties and their associates during the quarter amounts to approximately $409,000 (refer Item 6 of the accompanying Appendix 5B) comprises the following:

- Director fees ($168,214);
- Managing Director short-term incentive ($169,200), and
- Mitchell River Group consulting services and provision of a serviced office ($71,713).

This announcement was authorised for release by the Board of Directors

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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"*
- *1 May 2024 "Significant Permitting Milestone Achieved, Environmental Review Document Lodged - Caravel Copper Project"*
- *22 October 2024 "Key Water Agreement Signed – Caravel Copper Project"*

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APPENDIX A – TENEMENT SCHEDULE

Project	Location	Tenement	% Equity at 1 Oct 2024	% Equity at 31 Dec 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	-
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

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Appendix 5B

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

Name of entity

Caravel Minerals Limited

ABN	Quarter ended ("current quarter")
41 120 069 089	31 December 2024

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	(1,825)	(2,932)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(627)	(983)
	(e) administration and corporate costs	(551)	(799)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	63	162
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**	**(2,940)**	**(4,552)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(11)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

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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**	**-**	**(11)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	4,810	4,810
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	(305)	(305)
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**	**4,505**	**4,505**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	7,100	8,723
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(2,940)	(4,552)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(11)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	4,505	4,505

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**	**8,665**	**8,665**

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	365	1,849
5.2	Call deposits	8,300	5,000
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)**	**8,665**	**6,849**

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	409
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.

- Directors' remuneration $337,414 – includes an annual bonus awarded to the managing director of $169,200 that was paid in December 2024.
- Payment for provision of serviced office and geological services of $71,713 to Mitchell River Group, a party related by director Alasdair Cooke.

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7.	**Financing facilities** *Note: the term "facility' includes all forms of financing arrangements available to the entity.* *Add notes as necessary for an understanding of the sources of finance available to the entity.*	**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)	(2,940)
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)	(2,940)
8.4	Cash and cash equivalents at quarter end (item 4.6)	8,665
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	8,665
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	2.9

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.

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:

-	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 2025 .....

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.

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