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Strongly Supported $9.5M Placement and Share Purchase Plan Announcement

BANKABLE FEASIBILITY STUDY FUNDING

Highlights

- **Firm commitments received to raise $9.5 million (before costs) at an offer price of $0.22 per share.**
- **The Offer was strongly supported by new and existing institutional and sophisticated investors, in addition to the Board, and has resulted in the introduction of several new high-quality investors to Caravel's register.**
- **The proceeds will be used to support the continued development of Caravel Copper Project in WA, including the imminent commencement of a Bankable Feasibility Study (BFS), permitting and infrastructure studies and other development activities.**
- **In addition to the Placement, Caravel will offer all eligible shareholders the opportunity to participate in a Share Purchase Plan (SPP) to raise up to approximately $2 million (before costs) at the same price as the Placement ($0.22 per share).**
- **The Placement and SPP shares are offered with free attaching options on a 1:2 basis, exercisable at $0.33 and expiring two years from the date of issue.**
- **Upon settlement of the Placement, Caravel will have strong pro-forma 30 June 2023 cash balance of $13.7 million (before costs and net of payables) putting the Company in a strong position to advance the Caravel Copper Project towards development.**

Caravel Minerals Limited (ASX: CVV) ("**Caravel**" or the "**Company**") is pleased to announce that it has received firm commitments for a $9.5 million institutional placement ("**Placement**") through the issue of approximately 43.2 million new fully-paid ordinary shares ("**New Shares**") at an offer price of $0.22 per New Share ("**Offer Price**") ("**Placement**").

In addition to the Placement, Caravel will also be undertaking a Share Purchase Plan ("**SPP**") at the same price as the Placement, to raise up to $2 million (before costs). The Placement and SPP will raise total gross proceeds of up to approximately $11.5 million ("**Offer**"). The Shares offered under the Placement and to be offered under the SPP will entitle participants to one free attaching option for every two New Shares subscribed exercisable at $0.33 per share and expiring two years from the date of issue ("**Options**"). The Options are intended to be listed on the ASX, subject to the Company meeting ASX's quotation conditions.

The proceeds of the Placement and SPP will be applied to:

- Commence the Bankable Feasibility Study (BFS) engineering;
- Progress Power and Water access and infrastructure studies;
- Progress regulatory approvals and stakeholder engagement; and
- General working capital.

Commenting on the Offer, Caravel's Managing Director, Don Hyma, said:

"We are delighted with the outstanding support received from both domestic and international institutions as part of this capital raising, which marks an important milestone in our strategy to advance the Caravel Copper Project towards development.

"The strong response from investors both domestically and overseas reflects the scale and quality of the Caravel Copper Project as one of the few long-life copper development assets on the horizon globally, with the added attraction of being located in a Tier-1 jurisdiction close to world-class infrastructure and services.

"Copper is a metal which is front and centre of the global decarbonisation push – giving the Caravel Project extraordinary leverage to this compelling thematic which is expected to gather significant momentum over the coming decade.

*"The Placement was strongly supported by Caravel's existing shareholders and will also see a number of new investors join the register. The introduction of these high-quality institutions, together with the support of existing shareholders, has ensured that Caravel has sufficient capital to progress key workstreams and maintain strong momentum over the coming months on the Bankable Feasibility Study ("**BFS**"), which is targeted for completion in the first half of 2024.*

"We are also pleased to offer our existing eligible shareholders the opportunity to participate in this equity raising via the SPP, which will open on 7 August 2023. On behalf of Caravel's Board and Management, I extend a warm welcome to our new shareholders and thank all of our existing shareholders for their continued support."

Placement Details

The Placement will comprise the issue of approximately 43.2 million New Shares, representing approximately 9.0% of issued capital, at an Offer Price of $0.22 per New Share, raising a total of $9.5 million (before costs).

The Offer Price of $0.22 per New Share represents a:

- 15.4% discount to the last closing price of $0.26 per share on Wednesday, 26 July 2023; and
- 16.5% discount to the 5-day volume weighted average price of $0.264 per share up to and including Wednesday, 26 July 2023.

The Placement will take place in a single tranche pursuant to the Company's existing placement capacity in accordance with ASX Listing Rule 7.1A. Settlement of New Shares issued under the Placement is expected to occur on Friday, 4 August 2023, with allotment scheduled for Monday, 7 August 2023. New Shares issued under the Placement will rank equally with Caravel's existing fully paid ordinary shares on issue.

The Board of Directors intend to subscribe for approximately $0.5 million in the Placement, subject to shareholder approval at an upcoming extraordinary general meeting ("**EGM**").

The Placement is not underwritten. Barrenjoey Markets Pty Limited and Canaccord Genuity (Australia) Limited acted as Joint Lead Managers to the Placement. Jackson McDonald acted as legal adviser to the Company.

Share Purchase Plan

In addition to the Placement, Caravel will offer eligible existing shareholders (“**Eligible Shareholders**”) with a registered address in Australia or New Zealand who were holders of Caravel shares at 7:00pm (AEDT) on Friday, 28 July 2023 (“**Record Date**”), the opportunity to apply for new Caravel shares via a SPP without incurring brokerage fees. Caravel intends to raise up to approximately $2 million via the issue of shares under the SPP at same price as the Placement ($0.22 per New Share).

Eligible Shareholders will have the opportunity to apply for up to $30,000 worth of new shares under the SPP. The new shares under the SPP will rank equally with Caravel’s existing fully paid ordinary shares on issue. Caravel retains the right to accept oversubscriptions or to scale back applications (in whole or part) at its absolute discretion, which may result in the SPP raising more or less than $2 million. Caravel also reserves the right to place any shortfall under the SPP (At the same issue price) utilising its remaining capacity under ASX Listing Rule 7.1 and 7.1A.

Further information in relation to the SPP, including the terms and conditions, will be outlined in the SPP offer booklet, expected to be dispatched to Eligible Shareholders on or around Monday, 7 August 2023. The Company reserves the right to vary the terms of the SPP without notice. Eligible Shareholders should review the SPP terms and conditions in full before deciding whether or not to participate in the SPP.

Options

Shares will be offered under the Placement and SPP with one free attaching option for every two New Shares issued. The Options are intended to be listed on the ASX with an exercise price of $0.33 and will expire two years from the date of issue.

The Options will be offered under a transaction-specific prospectus.

The issue of Options to participants in the Placement and SPP will take place pursuant to the Company’s existing placement capacity in accordance with ASX Listing Rule 7.1 and therefore will not be conditional on shareholder approval, with the exception of Directors participating in the Placement who will be subject to shareholder approval at an upcoming EGM.

The issue of Options to all subscribers is also conditional on the Options meeting ASX’s quotation conditions.

Indicative Timetable

Event	Date
Record date for eligibility to participate in SPP	7:00pm AEDT, Friday, 28 July 2023
Announcement of Placement completion, trading halt lifted and trading resumes on the ASX	Monday, 31 July 2023
Settlement of New Shares issued under the Placement	Friday, 4 August 2023
Allotment and trading of New Shares issued under the Placement	Monday, 7 August 2023
Despatch of SPP Offer Booklet SPP open date	Monday, 7 August 2023

Options Prospectus lodged with ASIC and ASX and Options offers opens	
SPP close date	Monday, 21 August 2023
Announcement of results of SPP	Thursday, 24 August 2023
Allotment of SPP shares and Options	Wednesday, 30 August 2023
EGM to approve Director participation in the Placement	On or around Friday, 29 September 2023
Issue of Shares and Options to Directors under the Placement (subject to approval at the EGM)	On or around Wednesday, 4 October 2023

The above timetable is indicative only and subject to change. Caravel reserves the right to amend any or all of these dates at its absolute discretion, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and other applicable laws. The quotation of the New Shares is subject to approval from the ASX.

All amounts are in Australian dollars unless otherwise specified.

This announcement is authorised for release by Caravel's Board of Directors.

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