ASX Release: 15 July 2020

PLACEMENT & SHARE PURCHASE PLAN TO RAISE UP TO $1.65M

Highlights

- **Firm commitments of $1.15M received for a share placement at 4.0c per share**
- **Includes director participation of $100,000, subject to shareholder approval**
- **The funds will be used to undertake exploration activities across Caravel's portfolio**
- **Drilling planned to commence in August in the highly prospective South West Yilgarn Region**
- **Share Purchase Plan to raise up to a further $0.5M at 4.0c per share**

Placement

Caravel Minerals (ASX: CVV, Caravel) advises that it has received firm commitments from sophisticated and professional investors to subscribe for 28.75 million shares at an issue price of 4.0c per share to raise $1.15 million before costs (Placement).

The Placement is being undertaken within the Company's existing capacity under ASX Listing Rules 7.1. The Placement is expected to complete on Tuesday, 21 July 2020.

Caravel Director, Alasdair Cooke, has committed to subscribe for $100,000 of the Placement, which will be subject to shareholder approval at a shareholders' meeting to be convened by the Company.

Bridge Street Capital Partners and Chieftain Securities acted as Joint Lead Manager of the Placement.

Use of Funds

The net proceeds of the Placement will be used to fund exploration activities across Caravel's portfolio of new exploration projects in the highly prospective South West Yilgarn Region of Western Australia, which were announced on 1st July 2020. In addition, the Company intends to target higher grade ores at the Ninan and Opie areas within the Caravel Copper Project.

Planning is in progress for drilling of both these areas with drilling to commence in August. Further details on these programmes will be released shortly.

Caravel Director Mr Alasdair Cooke commented, "The mineral potential of the South West Yilgarn region has been highlighted by the recent discovery of the high grade Pd-N—Cu at the Jumilar Prospect by Chalice Gold Mines, which is approximately 60 km to the southwest of the Caravel Copper Project. With the

acquisition of new exploration projects in the region, Caravel is looking forward to a period of intensive exploration activity, which is now fully funded. We greatly appreciate the support of the existing shareholders and new investors who participated in the Placement".

Share Purchase Plan

The Company advises that it will undertake a Share Purchase Plan (SPP) following completion of the Placement. The SPP will be offered to eligible shareholders to raise up to a further $500,000 at the same issue price as the Placement. Details of the SPP shall be advised in due course.

Caravel will give eligible 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 an opportunity to subscribe for new fully paid ordinary shares ('SPP Shares'). Eligible shareholders will be entitled to acquire up to $30,000 of SPP Shares at an issue price of 4c, being the same issued price under the Placement.

Participation in the SPP is optional but will give eligible shareholders the opportunity to increase their shareholding without paying brokerage fees or other transaction costs, irrespective of the size of their shareholding. Full details of the Share Purchase Plan, including offer letters and the entitlement and acceptance form, will be mailed to eligible shareholders on Tuesday, 21 July 2020. A copy of the Share Purchase Plan documentation will also be lodged with ASX.

Caravel will issue a maximum of 12,500,000 New Shares under the SPP. In the event of an oversubscription by the closing date the Directors will in their absolute discretion scale-back applications. eligible shareholders may therefore receive less than the parcel of New Shares for which they applied.

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

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