

28 OCTOBER 2022



## Quarterly Activities Report For the quarter ended 30 September 2022

### Corporate Highlights

- Cavalier Resources completed an extensive drilling program on the Crawford Gold Resource (Resource) with 70 holes for a total amount of 5,640 metres drilled
- Significant new gold mineralisation was confirmed at depth on the resource with multiple holes ending in mineralisation; the resource remains open at depth and along strike
- Assays returned high gold grades, including:
  - **22CFRC0001:** 9m at 3.84g/t Au from 7m, inc. 4m at 5.57g/t Au from 12m (end of hole 1m at 1.93g/t Au from 59m);
  - **22CFRC0002:** 9m at 2.65g/t Au from 31m, inc. 2m at 5.51g/t Au from 33m and 1m at 7.20g/t Au from 39m;
  - **22CFRC0005:** 1m at 14.85g/t Au from 25m, 13m at 2.08g/t Au from 37 m, inc. 2m at 6.99g/t Au from 42m, and 2m at 3.24g/t Au from 55m;

- **22CFRC0011:** 4m at 6.17g/t Au from 40m, inc. 1m at 12.85g/t Au from 43m, 7m at 2.35g/t Au from 47m, inc 1m at 4.94g/t Au from 47m and 1m at 5.05g/t Au from 50m, and 3m at 7.56g/t Au from 57m (hole ended in mineralisation);
- **22CFRC0012:** 2m at 11.80g/t Au, inc. 1m at 21.80g/t Au from 33m, 6m at 2.34g/t Au from 54m, inc. 1m at 5.46g/t Au from 58m, 3m at 3.10g/t Au from 70m, 1m at 6.90g/t Au from 75m and 7m at 4.45g/t Au, inc. 1m at 17.55g/t Au from 81m; and
- **22CFRC0018:** 15m at 1.85g/t Au from 42m, inc. 1m at 6.57g/t Au from 47m and 1m at 10.80g/t Au from 51m
- A northern exploration program of 21 holes for a total amount of 1,640 metres was completed
- A pre-feasibility study (PFS) for the Crawford resource was commenced
- Updated Mineral Resource Estimate (MRE) works are ongoing

### Summary:

Cavalier Resources Limited (ASX: CVR) ('Cavalier' or 'the Company') is pleased to report on its activities during the three months ending 30 September 2022.

All drill programs were completed at the 100% owned Crawford Gold Project (Crawford), on time and within budget, with the results released in the ASX announcement [“Crawford Returns High Grades and New Mineralisation at Depth”](#) on the 3<sup>rd</sup> October 2022. Pre-Feasibility and updated Mineral Resource Estimate works are ongoing.

### Daniel Tuffin, Executive Technical Director, commented:

“The drilling results from Crawford have provided confidence and certainty within the area of the pre-existing 101,000 oz gold resource. It also confirmed that significant gold mineralisation exists beneath the historic drilling of the resource area along with further proof of continued extensions along strike.

The Company is now updating the existing resource and will assess any impacts on the ongoing PFS as a result.”

### Reverse Circulation Program Results at the Crawford Gold Project:

The Leonora Gold Project comprises two sub-projects, Crawford and Gambier Lass North, consisting of ten exploration licences, a prospecting licence, a miscellaneous licence and a mining lease. The Crawford Gold Deposit, which includes a 101,000oz JORC compliant Mineral Resource estimate, is located on the mining lease M37/1202. (See **Figure 1** for the complete project area diagram).

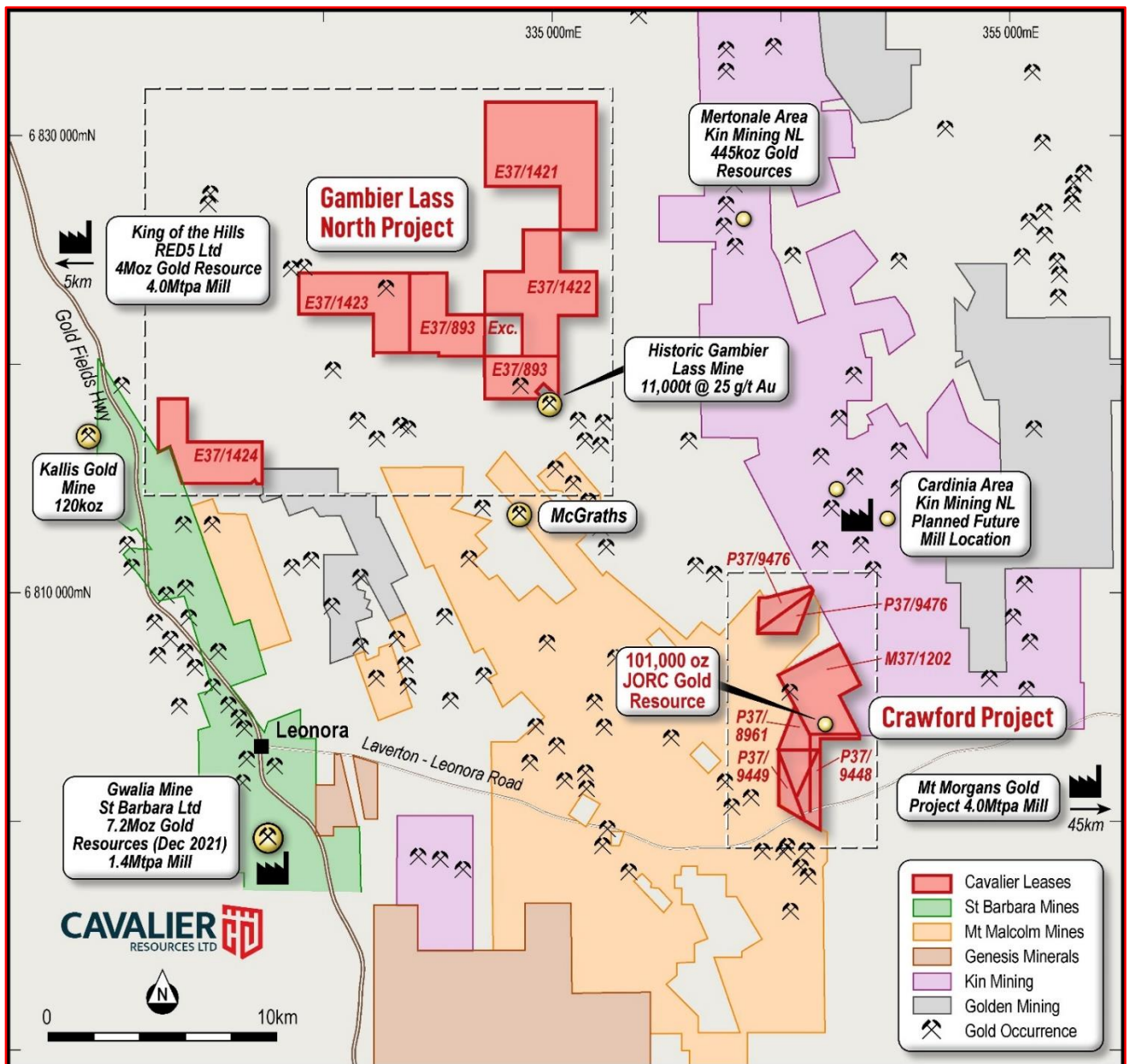
Previously thought to be a primarily oxide-hosted supergene style mineralised system, Crawford had recently been privately advanced towards an open pit mining operation. As such, while most of the drill spacing was to grade control (GC) standards, it was shallow. The Company’s maiden RC campaign drilled to test the current 101,000 oz gold resource (see **Table 1**) to provide further confidence both within the current resource and along extension of strike. It was also designed to test for mineralisation at depths previously undrilled.

The results confirmed that there is further potential scope for increasing the current Crawford resource along strike, but more importantly at depth below the current resource boundary.

Several new untested northern exploration targets were also drilled on the Crawford lease. No significant intercepts were encountered for gold, however several holes returned anomalous results. The Company intends to follow up and re-assay these holes for other potential types of mineralisation.

**Table 1: Current Crawford Mineral Resource Estimate**

	Indicated			Inferred			TOTAL		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
0.5g/t Au cut-off	856,000	1.1g/t	30,900	2,379,000	0.9g/t	70,000	3,235,000	1.0g/t	100,900
1.0g/t Au cut-off	351,000	1.7g/t	19,300	662,000	1.5g/t	32,200	1,013,000	1.6g/t	51,500



**Figure 1: Leonora Gold Project Area**

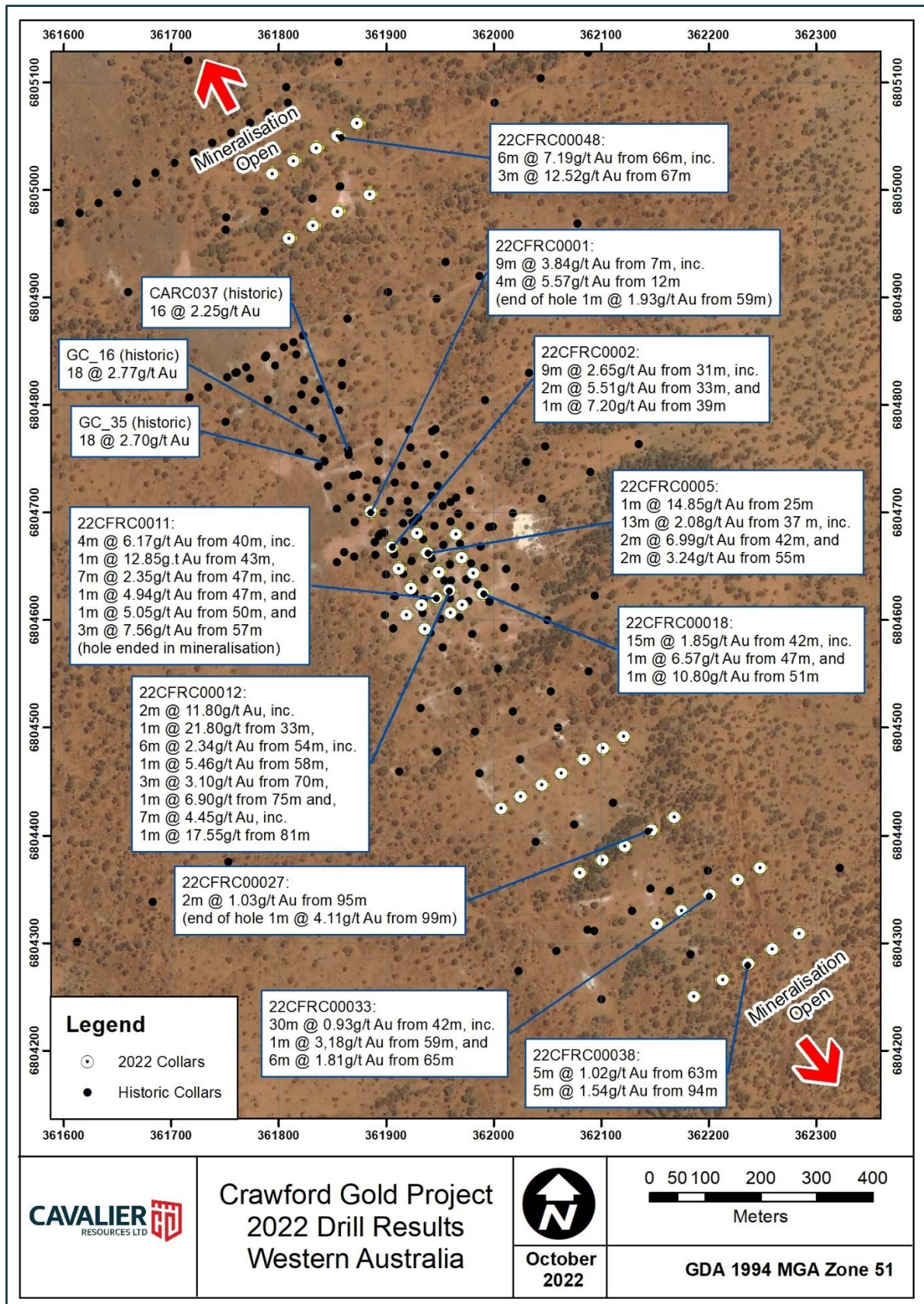


Figure 2: Crawford Gold Project, Showing Major New and Historic Intercepts

## Exploration Expenditure

In accordance with ASX Listing Rule 5.3.1, the Company spent \$715,000 on exploration work during the quarter, which comprised planning and drilling.

## Mining Production and Development Expenditure

In accordance with ASX Listing Rule 5.3.2, there were no substantive mining production and development activities during the quarter.

## Tenement Information

In accordance with ASX Listing Rule 5.3.3, the Company advises the following:

- (1) There were no mining tenements acquired or disposed of during the quarter;
- (2) The mining tenements held by the Company as at 30 September 2022 are set out in the table below;
- (3) There were no farm-in or farm-out agreements entered into during the quarter; and
- (4) The Company held no beneficial percentage interests in farm-in or farm-out agreements as at the end of the quarter.

Project	Tenement	Status	Registered Holder / Applicant	Percentage Ownership
<b>Leonora Gold Project</b> • <b>Gambier Lass North</b>	E37/893	Granted	Cavalier Resources Limited	100%
	E37/1421	Granted	Maximal Investments Pty Ltd	100%
	E37/1422	Granted	Maximal Investments Pty Ltd	100%
	E37/1423	Granted	Maximal Investments Pty Ltd	100%
	E37/1424	Granted	Maximal Investments Pty Ltd	100%
<b>Leonora Gold Project</b> • <b>Crawford</b>	M37/1202	Granted	Cavalier Resources Limited	100%
	P37/8901	Granted	Cavalier Resources Limited	100%
	P37/9475	Granted	Cavalier Resources Limited	100%
	P37/9476	Granted	Cavalier Resources Limited	100%
	P37/9447	Application	Cavalier Resources Limited	100%
	P37/9448	Application	Cavalier Resources Limited	100%
	P37/9449	Application	Cavalier Resources Limited	100%
L37/251	Application	Cavalier Resources Limited	100%	
<b>Hidden Jewel Gold Project</b>	E24/232	Application	Cavalier Resources Limited	100%
	E24/237	Application	Cavalier Resources Limited	100%
	P24/5568	Application	Cavalier Resources Limited	100%
<b>Ella's Rock Nickel-Gold Project</b>	E74/662	Granted	Matrix Exploration Pty Ltd	100%
	E74/717	Granted	Cavalier Resources Limited	100%
	E74/718	Granted	Cavalier Resources Limited	100%
	E77/2998	Application	Cavalier Resources Limited	100%

## Use of Funds

In accordance with ASX Listing Rule 5.3.4, a comparison of the Company's actual cash expenditure since listing against the "use of funds" statement outlined in the Prospectus is included below:

Allocation of Funds	Current Qtr (\$'000)	Since Listing (\$'000)	Two-year Use of Funds as per IPO Prospectus dated 4 April 2022 (\$'000)
Exploration Expenditure - WA	715	803	3,300
Expenses of the Offer	-	570	552
Administration and Working Capital	220	302	1,298
<b>Total</b>	<b>935</b>	<b>1,675</b>	<b>5,150</b>

## Payments to Related Parties

In accordance with ASX Listing Rule 5.3.5, the Company advises that the payments to related parties of the Company and their associates, as advised in the Appendix 5B, for the quarter ended 30 September 2022 was \$158,000, of which \$89,000 was related to exploration consulting services and \$69,000 to Directors' fees, accountant and company secretarial related services.

## Previous Exploration Results and Mineral Resource Estimate

For further information on the previous exploration results and the Mineral Resource estimate, please refer to the Independent Geologist's Report in the Prospectus released to the ASX on 15 June 2022.

## Competent Person Statements

The information that relates to historical Exploration Results and the Mineral Resource estimate is based upon information compiled by Mr Richard Maddocks, who is a director of Auranmore Consulting. This information is extracted from the Prospectus released to the ASX on 15 June 2022 and available to view on the Cavalier Resources Limited website, [www.cavalierresources.com.au](http://www.cavalierresources.com.au) or on the ASX website, [www.asx.com.au](http://www.asx.com.au) under the ticker code CVR.

The information that relates to current Exploration Results is based upon information compiled by Mr Paddy Reidy, who is a director of Geomin Services Pty Ltd. Mr Reidy is a Member of the Australian Institute of Mining and Metallurgy. Mr Reidy has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code 2012)'. Mr Reidy has 25 years of relevant experience in the Technical Assessments of Mineral Properties. Mr Reidy consents to the inclusion in the announcement of the matters based on his information in the form and context in which it appears.

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, in the case of estimates of Mineral Resources or Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in 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 presented have not been materially modified from the original market announcement.

This announcement has been approved and authorised by the Board of Cavalier Resources.

**For further information:**

**Investor Relations**

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**About Cavalier Resources**

The Company has interests in Tenements in Western Australia, collectively known as the Leonora Gold Project, Hidden Jewel Gold Project, and Ella's Rock Nickel-Gold Project, prospective for gold and nickel mineralisation.

For more information on Cavalier Resources and to subscribe to our regular updates, please visit our website here and follow us on:



<https://twitter.com/CavalierLtd>



<https://www.linkedin.com/company/cavalier-resources-ltd/>



<https://www.facebook.com/cavalierresources>

## Appendix 5B

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

Name of entity

Cavalier Resources Limited

ABN

16 635 842 143

Quarter ended ("current quarter")

30 September 2022

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(41)	(41)
(e) administration and corporate costs	(179)	(179)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	3	3
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)	5	5
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(212)</b>	<b>(212)</b>

<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(715)	(715)
(e) investments	-	-
(f) other non-current assets	-	-



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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(715)</b>	<b>(715)</b>
<b>3.</b>	<b>Cash flows from financing activities</b>		
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	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
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)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>-</b>	<b>-</b>
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	4,404	4,404
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(212)	(212)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(715)	(715)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

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

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,477</b>	<b>3,477</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	3,477	4,404
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>3,477</b>	<b>4,404</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1	69
6.2	Aggregate amount of payments to related parties and their associates included in item 2	89

*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.*

<b>7.</b>	<b>Financing facilities</b> <i>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.</i>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>		-
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.		
	N/A		

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

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(212)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(715)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(927)
8.4 Cash and cash equivalents at quarter end (item 4.6)	3,477
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	3,477
8.7 <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	3.75
<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: N/A	
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: N/A	
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: N/A	
<i>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.</i>	

**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: .....28/10/2022.....

Authorised by: By the Board of Directors of Cavalier Resources Limited  
(Name of body or officer authorising release – see note 4)

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

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**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.