

19 APRIL 2024



Quarterly Activities Report For the quarter ended 31 March 2024

Corporate Highlights

- Completion of a Pre-Feasibility Study (PFS) into the highly recoverable, low cost, oxidised portion of the Crawford Gold Resource for application to heap leach processing (see ASX release on **14 March 2024**)
- Maiden Ore Reserve estimate of 1,002,000t @ 0.9g/t for **29,300oz of gold**
- PFS results show a pre-CAPEX undiscounted cashflow of A\$24.6M and an IRR of 130% based on a conservative gold price of A\$2,900/oz with:
 - an 18 month project life with payback within 13 months at a C1 AISC of **A\$1,777/oz**;
 - and at a higher A\$3,300/oz gold price the Project returns a pre-CAPEX undiscounted cashflow of **A\$33.8M**
- There remains significant potential upside in increased revenues and growth due to the resource remaining open
- The mining application process has commenced with the appointment of Talis Consultants to oversee the preparation of the various reports and provide expert guidance
- Completion of the required approval reports for submission is forecast for Q3 2024

Daniel Tuffin, Executive Technical Director, commented:

“The completion of the Crawford PFS during the first quarter of 2024 marked a major milestone for both the project and Company, proving the viability of mining and processing of gold deposit onsite via self sufficient methods.

The PFS focused on the oxidised portion of the Indicated Resource, which is highly recoverable and amenable to low-cost heap leach processing.

There remains significant potential upside in increased revenues and growth due to the Resource remaining open and the current upward trend in gold prices. With the resource remaining open along strike and depth, it positions the Crawford Gold Project favorably for possible increase in revenue streams and sustained future growth.”

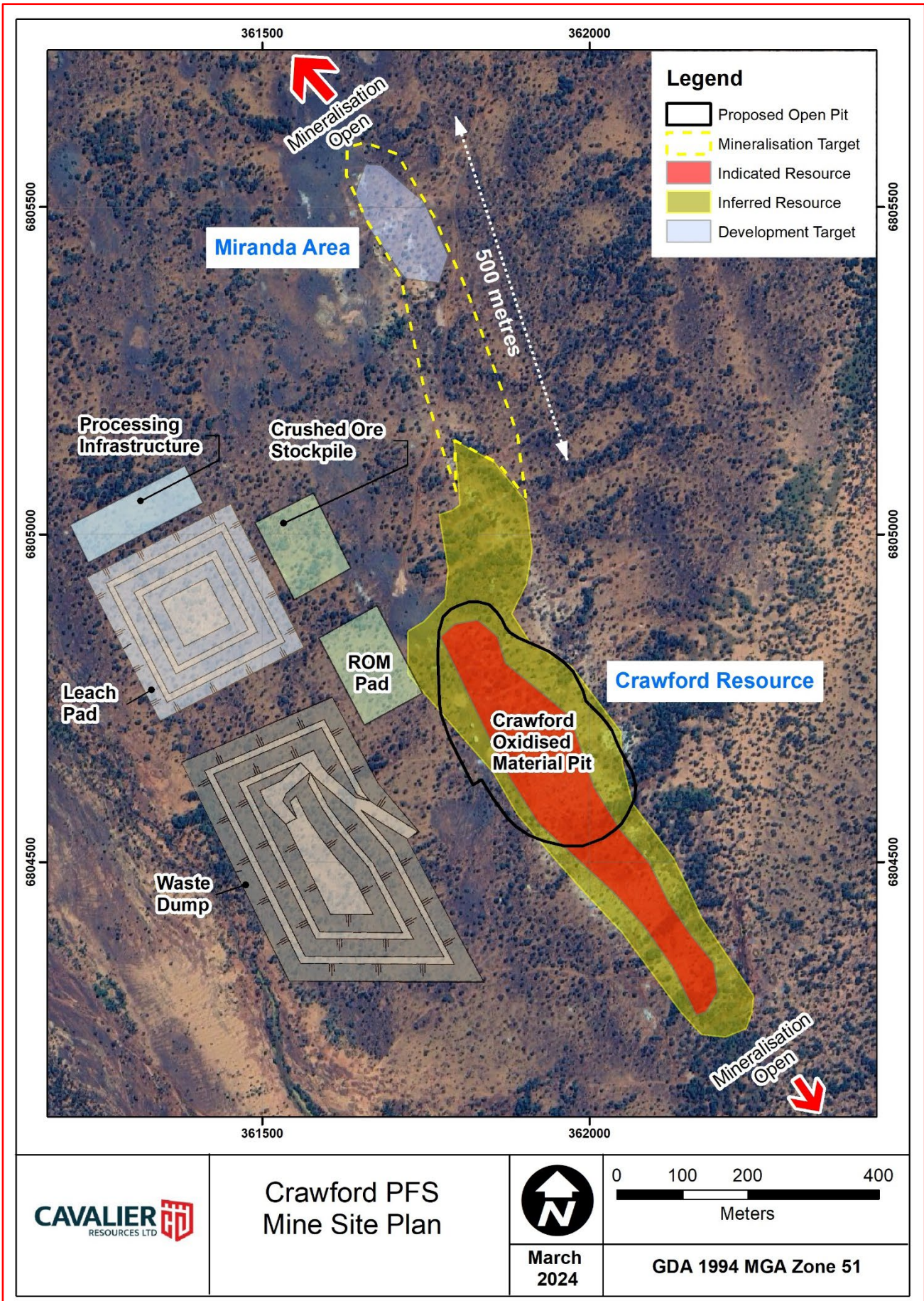


Figure 1: Plan - Crawford Gold Oxidised Material Open Pit Operation

Summary:

Cavalier Resources Limited (**ASX:CVR**) (**'Cavalier'** or **'the Company'**) is pleased to report on its activities for the three months ended 31 March 2024.

During the quarter the Company completed the PFS on the Crawford Gold Project and reported the results of the PFS and maiden Ore Reserve estimate (see ASX release on **14 March 2024**).

The PFS resulted in a maiden Ore Reserve estimate of 1,002,000 tonnes at 0.9g/t for 29,300 ounces of gold, with a promising pre-CAPEX undiscounted cash flow of A\$24.6M using a gold price of A\$2,900/oz.

The PFS focussed on the JORC Indicated oxidised-only portion of the existing MRE; 99.8% of the oxidised material contained within the pit design is classified as Indicated.

The Company is now moving forward with permitting and approvals work following the appointment of Talis Consultants, whilst seeking partnerships for investment, mining, and processing (see ASX release on **27 March 2024**).

Cavalier aims to establish the Crawford Gold Project as a new gold mining hub and to become a self-funded explorer to further develop its mature gold assets near Leonora and the burgeoning Ella's Rock greenfield lithium project located on the world class Forrestania lithium belt.

Crawford Gold Project – PFS Results

The Company announced in the December quarter 2023 that it would restart the PFS using onsite heap leaching as the processing method (see ASX release on **11 October 2023**).

The Company had previously paused the PFS so that it could examine the potential of processing ore on site, and therefore removing the need to rely on third party mills in the greater Leonora area to process the ore on its behalf.

The PFS focused on the highly recoverable, low cost, oxidised portion of the resource for application to heap leach processing (see ASX release on **14 March 2024**).

The PFS results included the following:

- 🏷 Maiden Ore Reserve estimate of 1,002,000t @ 0.9g/t for 29,300oz of gold.
- 🏷 Pre-CAPEX undiscounted cash flow of A\$24.6M and an IRR of 130%.
- 🏷 18-month project life with payback within 13 months.

Details of the key highlights and parameters are set out below:

Key PFS Highlights:

- 🏷 Project Life 18 Months
- 🏷 Processing Life 15 Months
- 🏷 Gross revenue A\$68M
- 🏷 Gold production of 23,467 recovered ounces
- 🏷 C1 AISC of A\$1,777/oz
- 🏷 Pre-Production Capital expenditure of A\$5.6M
- 🏷 Total undiscounted cash flow of A\$18.2M, inclusive of capital costs
- 🏷 NPV8 of A\$15.7M
- 🏷 IRR of 130%

Key PFS Parameters:

- 🏷 Indicated Resources account for >99.5% of ore contained in the production target.
- 🏷 Applied gold price of \$A2,900 per ounce
- 🏷 95% mining recovery factor and 10% mining dilution factor

- ▣ Base total mining cost applied \$5.05/bcm, with fixed increase of \$0.375/bcm per 5m in depth
- ▣ Contractor fixed costs of \$2.40/bcm
- ▣ Processing costs of \$20/t ore and recovery of 80%
- ▣ WA state gold royalty of 2.5%
- ▣ Discount rate of 8%

Cautionary Statement:

The production target and forecast financial information referred to in this announcement comprise Indicated Mineral Resources (99.8%) and Inferred Mineral Resources (0.2%). There is a low level of geological confidence associated with inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised.

Crawford Gold Project Location:

The Company is focussed on two gold projects in the Leonora area, Crawford and Gambier Lass North, which consist of 10 exploration licences, a prospecting licence, a miscellaneous licence and a mining lease. The Crawford Gold Deposit, which includes a 29,300oz Au JORC compliant Ore Reserve estimate (see ASX release on **14 March 2024**), is located on the mining lease just 20km east of the Leonora township.

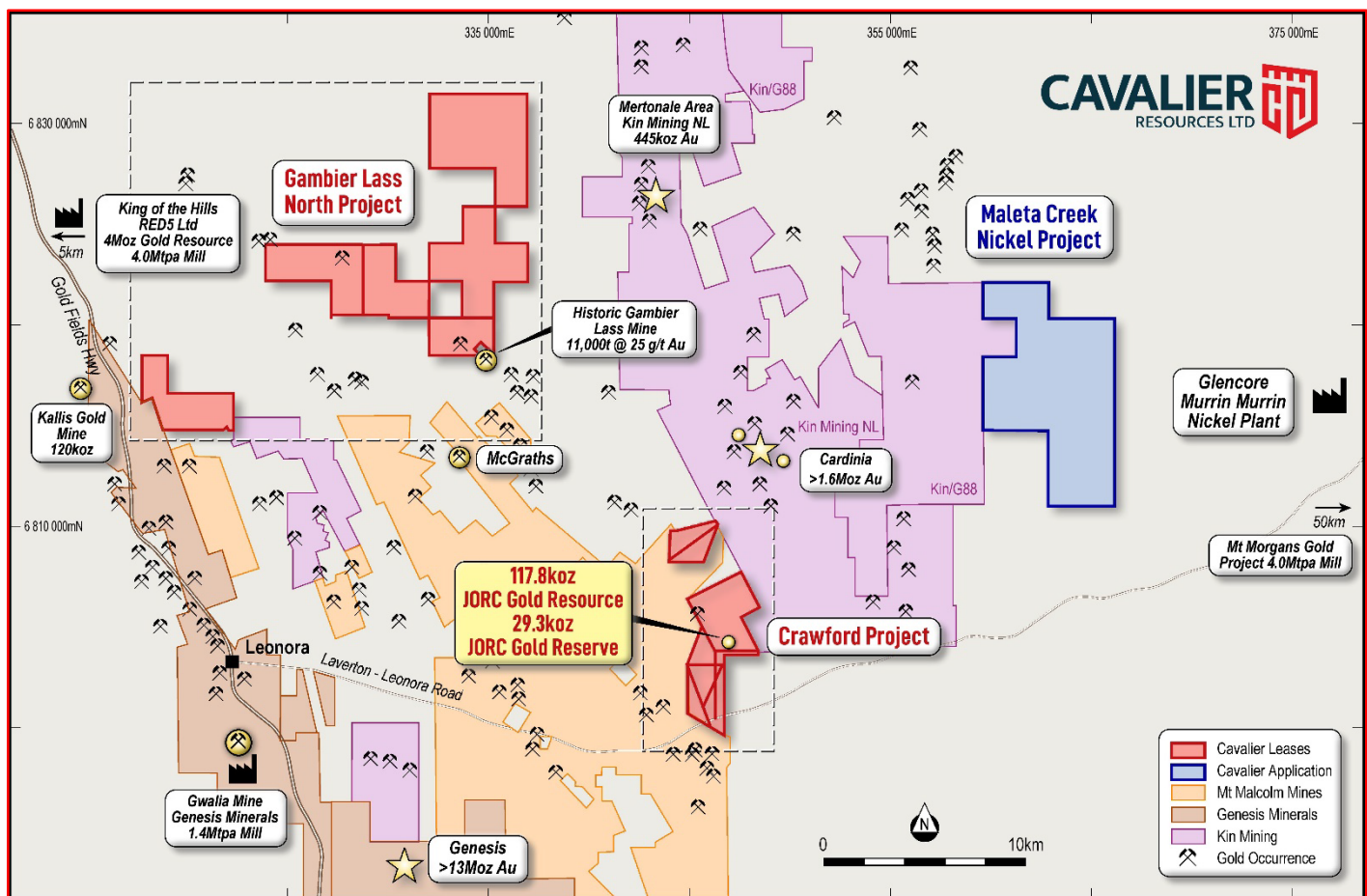


Figure 2: Cavalier's Leonora Projects

Mining Approval Process:

Subsequent to the release of the PFS, the Company engaged experienced environmental firm, Talis Consultants, to prepare the various reports required for the mining approvals process (see ASX release on **27 March 2024**).

The commencement of these works marks the final regulatory steps required for the application for a mining permit. The completion of the various statutory reports for submission to the Department of Energy, Mines, Industry Regulation and Safety ('DEMIRS') is currently forecast for Q3 2024.

The Company will also concurrently investigate the opportunity of early-stage mining via a trial pit, potentially bringing forward some cash flow and enabling further heap leach field test work.

The trial mine planning will look to target the near surface portion of the highly recoverable, low cost ore reserve under stage 1 of the mine plan.

About Talis Consultants:

Talis is a specialised consultancy providing bespoke solutions in Asset, Engineering, Environment, Noise, Spatial, and Waste Management. Their multidisciplinary team has extensive experience and works with public and private sector clients across Australia, to provide efficient, effective, and economic solutions that benefit all stakeholders of a project. Since its establishment in 2012, the company has grown exponentially and currently has more than 100 employees.

Recent projects for Talis include state environmental and mining approvals for heap leach projects in the Northern Goldfields of WA.

Crawford Maiden Ore Reserve Estimate:

The Ore Reserve Estimate ('ORE') relates specifically to the conversion of Indicated Resources to Probable Ore Reserves only within the Crawford pit design and includes consideration of the modifying factors.

Table 1: Crawford Maiden Ore Reserve Estimate

Reserve Classification	Ore Tonnes	Gold (g/t)	Gold Produced (Oz)
Probable	1,002kt	0.91	29,300
Total	1,002kt	0.91	29,300

Some errors may occur due to rounding. Mineral Resources are reported inclusive of Ore Reserves. Ore Reserves are based on a gold price of \$2,900/oz. A cut-off grade of 0.3g/t was calculated based on the base case cost and processing recovery inputs and was used to generate the production schedule and calculate the Ore Reserve. Note that Ore Reserves are susceptible to geological, economic, geotechnical, permitting, metallurgical, mining, processing and other factors.

For more information on the ORE, please refer to the ASX announcement on **14 March 2024**.

Mineral Resource Estimate:

The Crawford Gold Project currently has a 117,800oz Au JORC compliant Mineral Resource Estimate ('MRE') as set out below:

Table 2: Crawford Mineral Resource Estimate

	Indicated			Inferred			TOTAL		
	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces	Tonnes	Grade	Ounces
0.5g/t Au cut-off	1,154,000	1.0g/t	37,300	2,591,000	1.0g/t	80,600	3,745,000	1.0g/t	117,800
1.0g/t Au cut-off	412,000	1.5g/t	19,600	613,000	1.8g/t	36,300	1,025,000	1.7g/t	55,900

Some errors may occur due to rounding

For more information on the MRE, please refer to the ASX announcement on **5 December 2022**.

Listing Rule Disclosures:

Exploration Expenditure

In accordance with ASX Listing Rule 5.3.1, the Company spent \$114,000 on exploration work during the quarter, which comprised planning and metallurgical test work.

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 of 31 March 2024 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
Leonora Gold Project • Gambier Lass North	E37/893	Granted	Cavalier Resources Limited	100%
	E37/1421	Granted	Cavalier Resources Limited	100%
	E37/1422	Granted	Cavalier Resources Limited	100%
	E37/1423	Granted	Cavalier Resources Limited	100%
	E37/1424	Granted	Cavalier Resources Limited	100%
Leonora Gold Project • Crawford	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	Granted	Cavalier Resources Limited	100%
	P37/9448	Granted	Cavalier Resources Limited	100%
	P37/9449	Granted	Cavalier Resources Limited	100%
L37/251	Application	Cavalier Resources Limited	100%	
Hidden Jewel Gold Project	E24/232	Granted	Cavalier Resources Limited	100%
	P24/5568	Granted	Cavalier Resources Limited	100%
Ella's Rock Li-Ni-Au Project	E74/662	Granted	Cavalier Resources Limited	100%
	E74/717	Granted	Cavalier Resources Limited	100%
	E74/718	Granted	Cavalier Resources Limited	100%
	E77/2998	Granted	Cavalier Resources Limited	100%
Maleta Creek Nickel-Gold Project	E39/2378	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	114	3,341	3,300
Expenses of the Offer	-	570	552
Administration and Working Capital	145	1,432	1,298
Total	259	5,343	5,150

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 31 March 2024 was \$146,000, of which \$62,000 was related to exploration consulting services and \$84,000 to Directors' fees, accountant and company secretarial related services.

Competent Persons Statements:

The scientific or technical information in this report that relates to metallurgical testwork and mineral processing for oxide mineralisation is based on information compiled or approved by Randall Pyper. Randall Pyper is an employee of Kappes, Cassiday & Associates Australia Pty Ltd and is considered to be independent of Cavalier Resources. Randall Pyper is a Fellow of the Australasian Institute of Mining and Metallurgy and has sufficient experience which is relevant to the commodity, style of mineralisation under consideration and activity which he is undertaking to qualify as a Qualified Person under National Instrument 43-101.

The information in this announcement that relates to the Mineral Resources estimate is based on information compiled by Richard Maddocks, a Competent Person who is a Fellow of The Australasian Institute of Mining and Metallurgy. Richard Maddocks is employed by Auranmore Consulting, an independent consultant to Cavalier Resources Limited. Richard Maddocks 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 Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

The information in this report that relates to Ore Reserves is based on information compiled by Anthony Keers, a Competent Person who is a Member and Chartered Professional (CP Mining) of The Australasian Institute of Mining and Metallurgy. Anthony Keers is Managing Director of Auralia Mining Consulting and Non-Executive Director of Cavalier Resources Ltd. Anthony Keers has sufficient experience that is relevant to the type of deposit and proposed mining method under consideration and to the activity being undertaken 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. Mr Keers consents to the inclusion of the 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

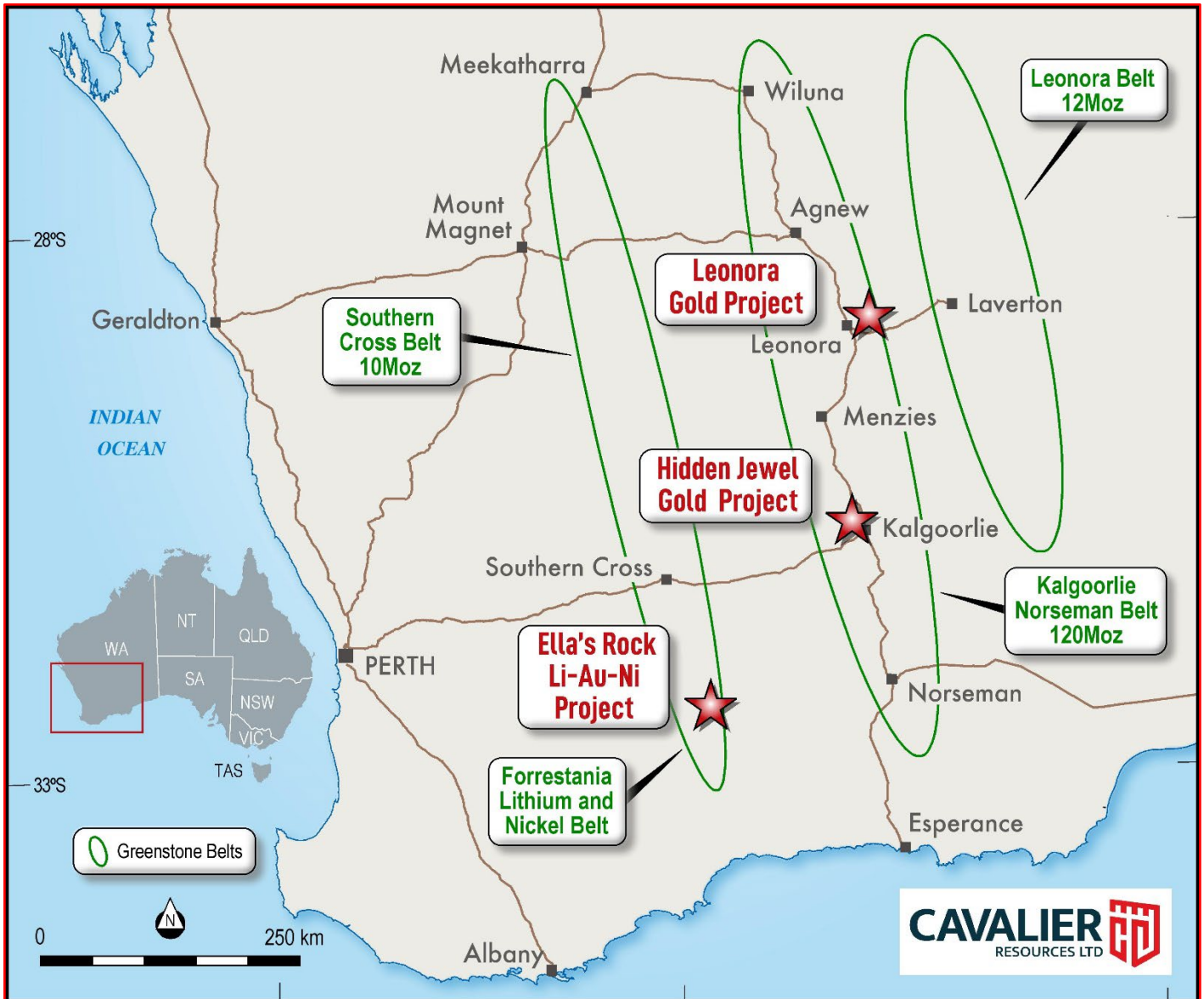
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About Cavalier Resources

The Company has interests in Tenements in Western Australia, collectively known as the Leonora Gold Project, Hidden Jewel Gold Project, and Ella's Rock Li-Ni-Au Project, prospective for lithium, 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")

31 March 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(2)	(7)
(b) development	-	-
(c) production	-	-
(d) staff costs	(64)	(127)
(e) administration and corporate costs	(82)	(295)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	11	43
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	(137)	(386)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) exploration & evaluation	(112)	(745)
(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 (9 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	(112)	(745)
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	-	-
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)	-	-
3.10	Net cash from / (used in) financing activities	-	-
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,062	1,944
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(137)	(386)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(112)	(745)
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

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	813	813

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	263	212
5.2	Call deposits	550	850
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)	813	1,062

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	84
6.2	Aggregate amount of payments to related parties and their associates included in item 2	62

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.

7.	Financing facilities <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>	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.		
	N/A		

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

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(137)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(112)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(249)
8.4 Cash and cash equivalents at quarter end (item 4.6)	813
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	813
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.27
<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: 19 April 2024

Authorised by: The Board of Directors of Cavalier Resources Limited
(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.