

20 FEBRUARY 2025



## US\$11 Million Stream Finance Term Sheet Signed as Crawford Gold Project Progresses Toward Production

### Corporate Highlights

- Non-binding term sheet signed for US\$11 million (A\$17.5 million) stream financing with international precious metals streaming fund Raptor Capital International Limited (Raptor).
- Both parties will now enter a 60-day Due Diligence (DD) review during which time they may enter into a binding agreement should conditions precedent be met.
- Funding will be used to advance the Stage 1 Crawford open pit into production.

#### **Daniel Tuffin, Executive Technical Director & CEO, commented:**

“The signing of this non-binding US\$11 million term sheet with an international gold streaming fund in Raptor marks yet another significant milestone as we enter into the next exciting phase for the Company and our loyal shareholder base.

Raptor has completed an initial technical review prior to the signing of this non-binding term sheet, which will assist in streamlining the upcoming due diligence process.

This non-binding term sheet reinforces the development strategy of the Stage 1 oxide pit, the broader Crawford Gold Project area and the planned onsite processing pathway. Should funding be secured it would greatly reduce the need for significant shareholder dilution through equity capital raisings.”

#### **Paul Ray, CEO of Raptor Capital International, commented:**

“Raptor is extremely pleased to have progressed funding discussions with Cavalier to this next phase. Cavalier’s preference to proceed with a streaming option falls in line with our own corporate mandate - to provide a non-dilutive funding option to near term mining projects that are led by experienced mining teams with previous runs on the board.

Initial due diligence reviews by our technical and financial teams confirmed that the Stage 1 pit is a high quality Project with the ability to provide fantastic returns both to Raptor and to Cavalier’s shareholders, especially considering the current spot gold price.”

## Non-Binding Funding Term Package:

Cavalier Resources Limited (ASX:CVR) ('Cavalier' or 'the Company') is pleased to announce that it has signed a non-binding term sheet for a US\$11 million (A\$17.5 million) stream finance facility with Raptor. These funds would fully finance the development of the Crawford Gold Stage 1 open pit and in addition fund near-mine extensional infill drilling in order to upgrade further portions of the current Resource to Ore Reserves and potential future open pit stages.

The facility amount is in excess of the A\$13.2 million peak capital drawdown requirement outlined in the PFS, providing a significant working capital contingency balance for the Company.

A stream finance facility is a structured alternative financing product whereby the facility provider agrees to advance a facility amount in exchange for a percentage of future gold production up to an agreed total amount of ounces. The stream finance facility is non-dilutive to shareholders and does not require any additional equity capital be raised to advance into production at Stage 1, ensuring that any potential returns and earnings on a per share basis are maximised.

The non-binding term sheet contemplates delivery of up to 11,000 ounces of gold from the Crawford Gold Project, to be delivered on the basis of one ounce of gold for every 3.25 ounces produced on a delivery schedule to be agreed. Any ounces remaining to be delivered at the conclusion of Stage 1 can either be delivered early at Cavalier's discretion from its allocation or carried forward to be delivered from potential future open pit stages.

Should the parties proceed to a binding agreement, Raptor will receive a transaction fee of 1.5% of the facility amount to be retained on drawdown.

The term sheet remains subject to additional due diligence, agreement of binding terms and execution of definitive binding documentation and to various regulatory and Board approvals, including grant of all relevant mining approvals. Both parties will now enter a 60-day Due Diligence (DD) review period during which time they may progress negotiation on the binding terms of the proposed financing, in parallel with the due diligence process, should conditions precedent be met.

Dalton Equities acted as adviser to the Company during this process.

## About Raptor:

Raptor provides finance to low-cost development stage gold mining projects enabling them to initiate or increase production through streaming financing.

Their team has decades of experience in the mining industry, financing, building and operating precious and base metal mines, and are looking to build out their geographically diversified portfolio of high-quality gold and precious metals projects.

### Cautionary Statements:

*The production target and forecast financial information referred to in this announcement comprise Indicated Mineral Resources (99.8%) and Inferred Mineral Resources (0.2%) within the planned Stage 1 oxidised pit at the Crawford Gold Project. 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.*

*The stream finance term sheet referred to in this announcement is indicative in nature, it is non-binding and contains the general terms of a proposed transaction. Any future commitment will be subject to and is contingent upon all internal approvals of Raptor as well as the completion of due diligence (including but not limited to legal and technical due diligence) and legally binding documentation. There is no certainty that the stream finance will be approved by the Company or by Raptor's investment committee. There is no certainty that the transaction will be concluded based on what is presented in the term sheet.*

## Crawford Stage 1 Oxide Pit Ore Reserve:

The Ore Reserve 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**

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

*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 Reserve and PFS, please refer to the ASX announcement on 14 March 2024.

The Company updated the potential financial upside during the quarter, noting increased revenues and growth due to current record gold prices. Table 2 below outlines these revenue upsides:

**Table 2: Gold Price Comparison Table, Stage 1 PFS Gold Price of A\$2,900/oz Highlighted**

Gold Price (\$A/oz)	2,900	3,500	3,700	3,900	4,100	4,300	4,500	5,000
NPV <sub>8</sub> (\$A)	\$14.8m	\$27.4m	\$31.6m	\$35.8m	\$40.0m	\$44.2m	\$48.4m	\$58.8m
IRR (%)	122.9%	238.5%	279.1%	320.4%	362.2%	404.5%	447.1%	555.0%
Payback (Mths)	12.3	10.5	10.1	9.8	9.5	9.3	9.1	8.6
Undiscounted Cashflow (\$A)	\$17.2m	\$30.7m	\$35.2m	\$39.7m	\$44.2m	\$48.7m	\$53.2m	\$64.4m
Pre-Capex Undiscounted Cashflow (\$A)	\$23.7m	\$37.2m	\$41.7m	\$46.2m	\$50.7m	\$55.2m	\$59.7m	\$70.9m

Note: Values in the table account for all existing royalties (state and NSR's) at their relative gold price, but exclude tax, depreciation and amortisation.

For further information on the PFS and the sensitivity analysis on the gold price, please refer to the ASX announcements on 14 March 2024, 5 September 2024 and 23 October 2024.

## About the Crawford Gold Project:

The Crawford Gold Deposit is located on the mining lease just 20km east of the Leonora township. Cavalier aims to establish the Crawford Gold Project as a new gold mining hub and to become a self-funded near mine explorer to further develop its gold assets in Leonora.

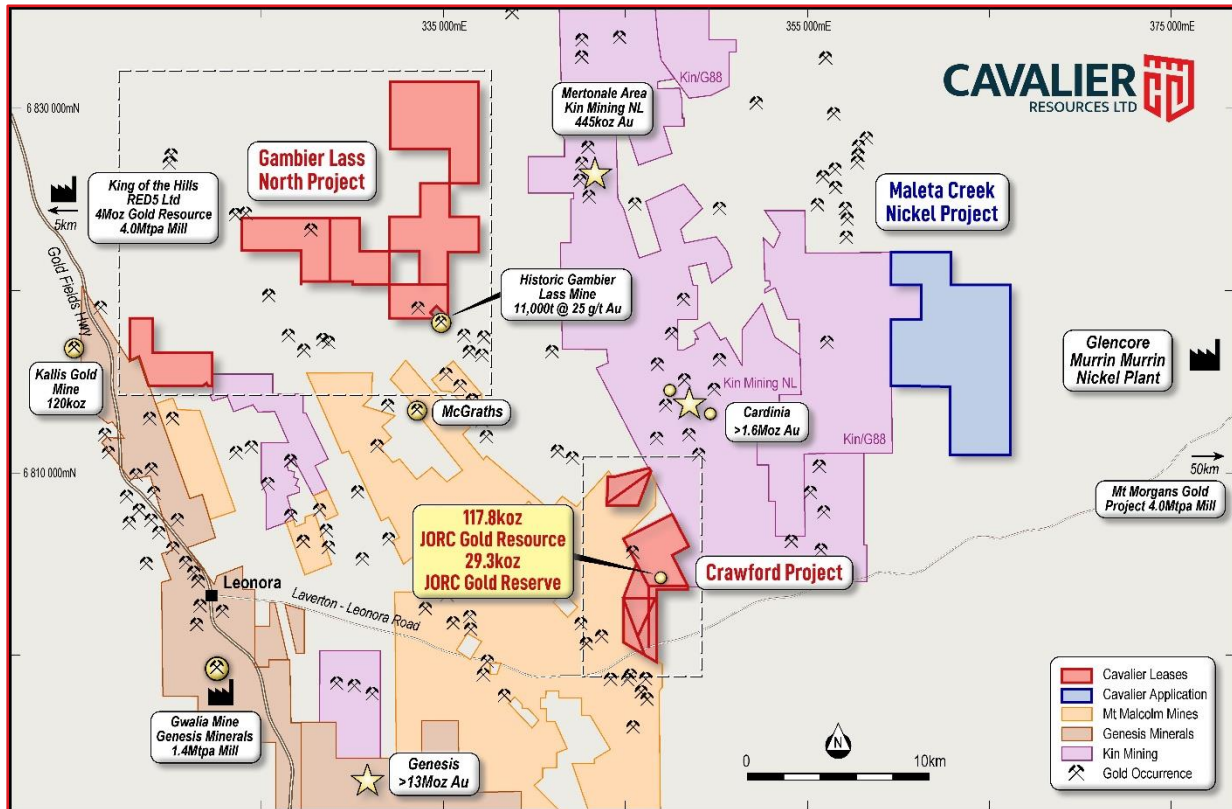


Figure 1: Cavalier's Leonora Projects, with Resource and Reserve Figures at Crawford Highlighted

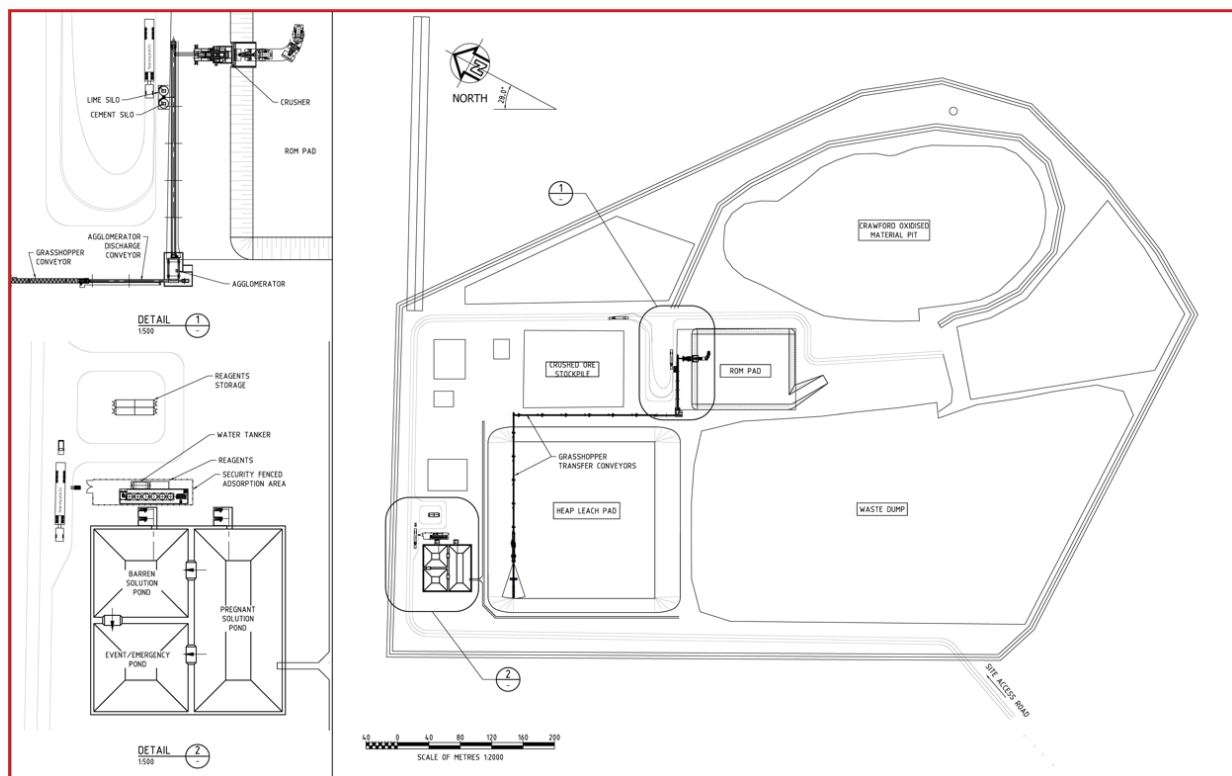


Figure 2: Crawford Gold Stage 1 Detailed Site Plan



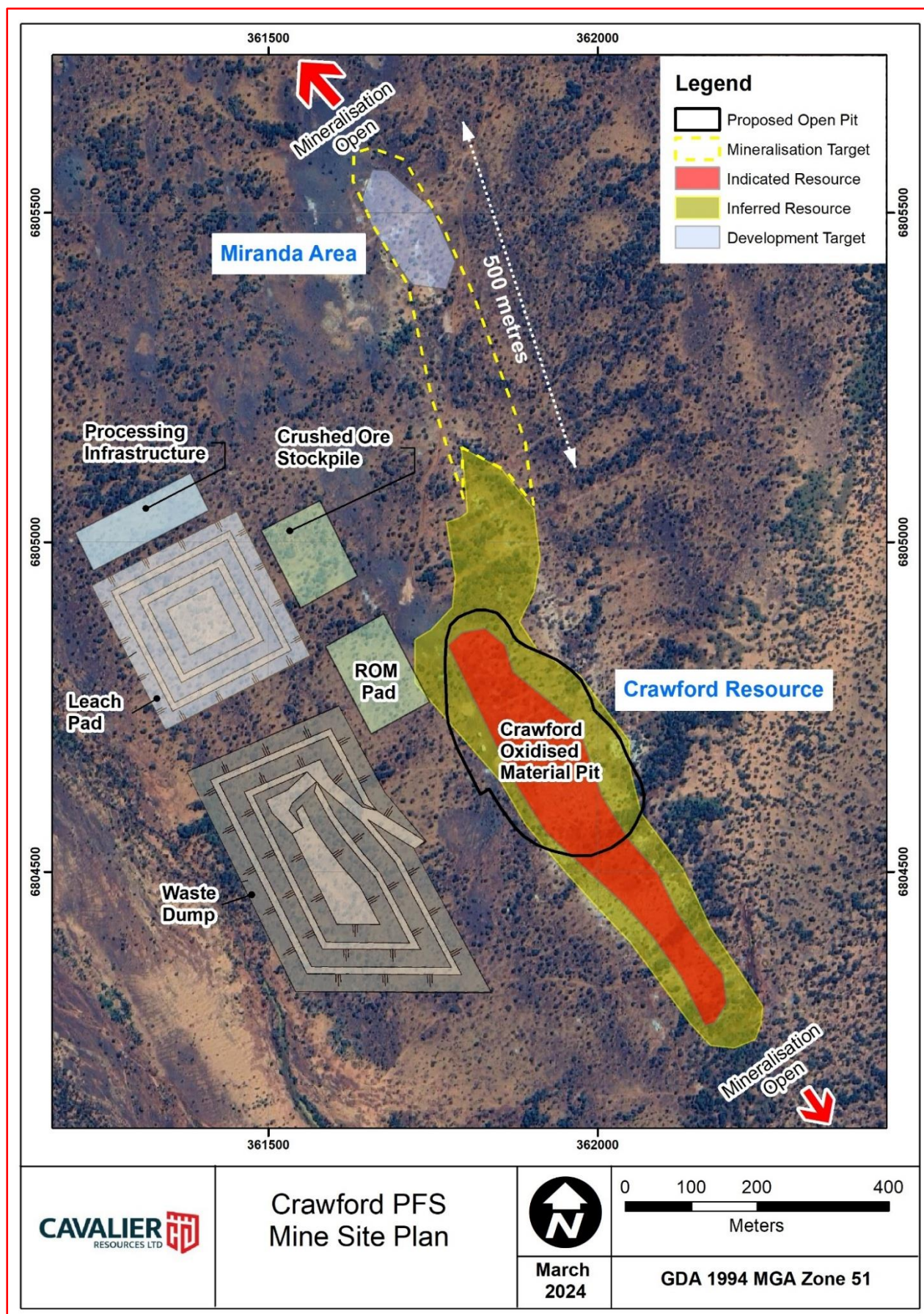


Figure 3: Crawford Gold Stage 1 Simplified Site Plan with Resource Outline and Miranda Target

## Competent Persons Statements:

The information relating to geology and exploration results is based on information compiled, reviewed and assessed by Mr. Paddy Reidy, who is a Member of the Australasian Institute of Mining and Metallurgy. Mr. Reidy is a consultant to the Company and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code).

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 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 (JORC Code).

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.

The Company further confirms that all the material assumptions underpinning the production target, or the forecast financial information derived from the production target, in the initial public report continue to apply and have not materially changed.

## Forward-Looking Statements:

This announcement contains forward-looking statements which are identified by words such as 'anticipates', 'forecasts', 'may', 'will', 'could', 'believes', 'estimates', 'targets', 'expects', 'plan' or 'intends' and other similar words that involve risks and uncertainties. Indications of, and guidelines or outlook on, future earnings, distributions or financial position or performance and targets, estimates and assumptions in respect of production, prices, operating costs, results, capital expenditures, reserves and resources are also forward-looking statements. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions and estimates regarding future events and actions that, while considered reasonable as at the date of this announcement and are expected to take place, are inherently subject to significant technical, business, economic, competitive, political and social uncertainties and contingencies. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the directors and management. We cannot and do not give any assurance that the results, performance or achievements expressed or implied by the forward-looking statements contained in this announcement will actually occur and readers are cautioned not to place undue reliance on these forward-looking statements. These forward-looking statements are subject to various risk factors that could cause actual events or results to differ materially from the events or results estimated, expressed or anticipated in these statements.

The stream finance term sheet referred to in this announcement is indicative in nature, it is non-binding and contains the general terms of a proposed transaction. Any future commitment will be subject to and is contingent upon all internal approvals of Raptor as well as the completion of due diligence (including but not limited to legal and technical due diligence) and legally binding documentation. There is no certainty that the stream finance will be approved by the Company or by Raptor's investment committee. There is no certainty that the transaction will be concluded based on what is presented in the term sheet.

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

### For further information:

#### Investor Relations

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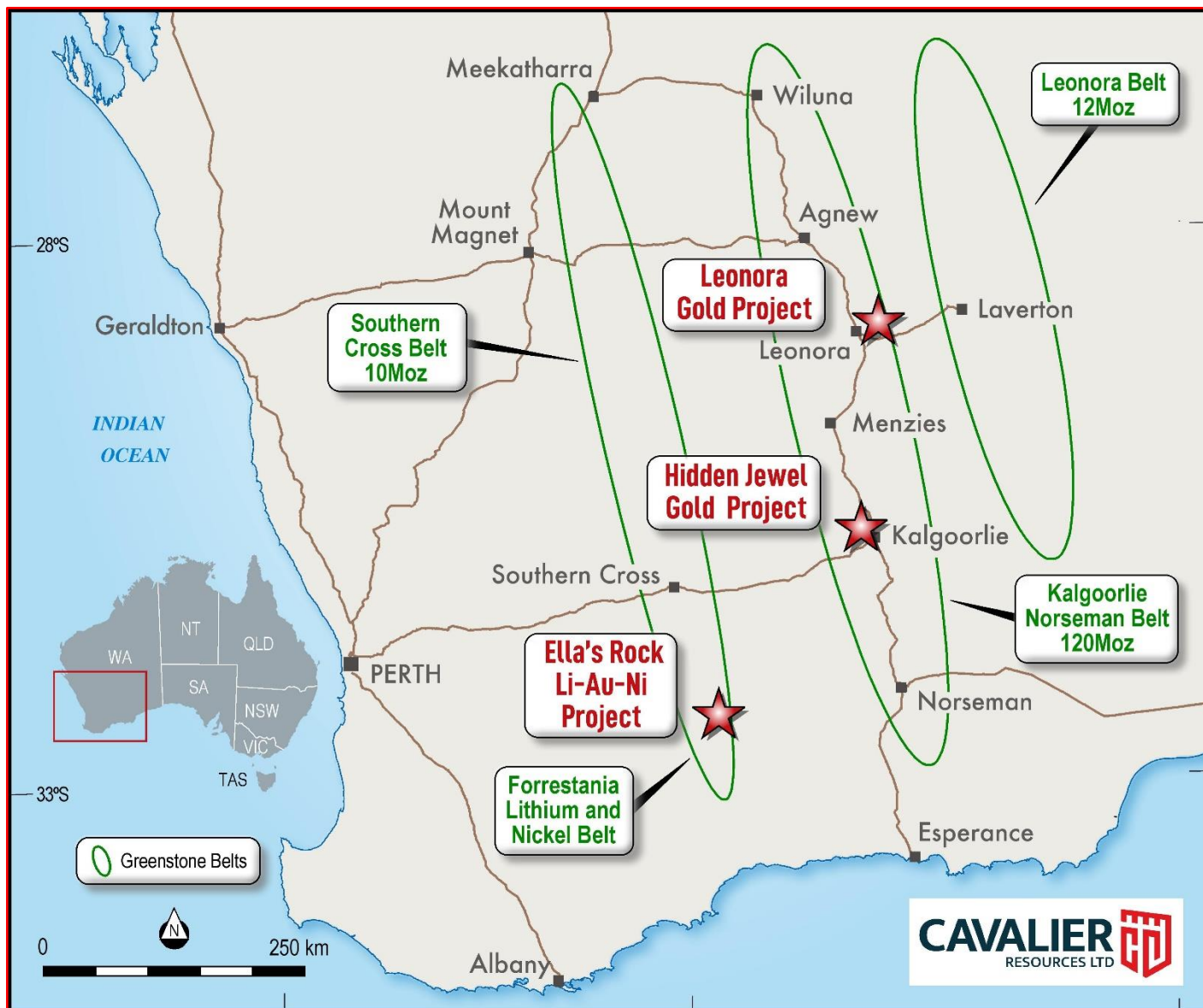
#### Media Enquiries

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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:

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