

26 March 2021

NEW STAFF AND DIRECTOR INCENTIVES

Caravel Minerals (the 'Company') advises that the board of directors has resolved to issue up to 12,120,921 unlisted options to employees and directors of the Company under the terms and conditions of the Caravel Minerals Employee Incentive Plan dated 21 November 2019.

The options are awarded to senior employees and directors as a component of compensation packages so there is a component of at-risk compensation according to share price performance and certain project milestones. The board considered options to be the best instrument to provide incentives to staff at this stage of the Company's development.

The issue of 5,038,388 options to directors as tabled below, will be issued subject to shareholder approval at a future shareholder meeting.

Steve Abbott – Managing Director	2,303,263
Alasdair Cooke – Executive Director	2,303,263
Richard Monti – Non-Executive Director	143,954
Wayne Trumble – Non-Executive Director	287,908
Employees	<u>7,082,534</u>
	12,120,921

12,120,921 options are 3.48% of the current shares on issue. The previous major award of employee incentives was a tranche of options in October 2018 and these are set to expire in September 2021.

Options shall be issued with key terms as follows

- Strike Price 30c (70% premium to the 30-day VWAP)
- Expiring on 30 June 2023 (2.25 year term)
- Immediate vesting for employees and non-executive directors with 50% of options to be awarded to Alasdair Cooke and Steve Abbott vesting upon the completion of a pre-feasibility study on the Caravel Copper Project.

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

For further information, please contact:

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