



**TERM SHEET – CAVALIER RESOURCES LIMITED**  
**INITIAL PUBLIC OFFERING TO RAISE \$5,000,000 and up to \$7,000,000**

**FOR SOPHISTICATED / PROFESSIONAL INVESTORS ONLY**  
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Issuer	Cavalier Resources Limited ABN 16 635 842 143 ( <b>Cavalier Resources</b> or the <b>Company</b> )
Stock Exchange	Australian Securities Exchange (ASX)
Type of Transaction	An Institutional and Broker Firm Offer ( <b>Offer</b> ) of ordinary shares ( <b>New Shares</b> ) in relation to the Initial Public Offering ( <b>IPO</b> ) of Cavalier Resources, to raise \$5,000,000 and up to \$7,000,000
Offer Restrictions	The New Shares are being made available via the Offer only <ul style="list-style-type: none"><li>• in Australia to "sophisticated investors", "professional investors" or "experienced investors", as defined in section 708(8) and (11) of the Australian Corporations Act 2001 (Cth); and</li><li>• to certain institutional and professional investors in certain overseas Permitted Jurisdictions in transactions exempt from relevant prospectus or registration requirements.</li></ul>
Permitted Jurisdictions	Australia, European Union, Germany, Hong Kong, New Zealand, Singapore, Switzerland and the United Kingdom
Joint Lead Managers	Sanlam Private Wealth and Dalton Equities
IPO Size	\$5,000,000 - \$7,000,000
Indicative Valuation	\$8,606,360 - \$10,606,360 (\$10,206,360 - \$12,206,360 fully diluted)
Number of New Shares	25,000,000 – 35,000,000
Issue Price	\$0.20 per New Share
Initial Public Offering	The Company intends to complete an IPO pursuant to the Prospectus which was lodged with ASIC on the 4 <sup>th</sup> April 2022 ( <b>Prospectus</b> ). Investors must obtain and read the Prospectus and rely on the information contained therein prior to making an investment decision in relation to the IPO
Timetable + Settlement	The timetable for the Offer and the IPO is contained at Appendix 1
Underwriting	This offer is not underwritten
Bookbuild	All bids are firm and irrecoverable, subject to the Master ECM Terms, and are required to be transmitted no later than 10.00 AEST on Friday 13 <sup>th</sup> May 2022 or any such other time as advised by the Lead Manager at its sole direction
ASX Listing	The New Shares will be listed on the ASX following settlement of the IPO

Proposed ASX Code	CVR
Ranking	Once issued, the New Shares will rank equally with the existing Ordinary Shares of Cavalier Resources in all respects.
Oversubscriptions	No oversubscriptions above the Maximum Subscription will be accepted by the Company under the Offer

Use of Proceeds		Subscription \$5m	Subscription \$7m
	Exploration Expenses WA	\$3,300,000	\$5,170,000
	Administration costs	\$750,000	\$750,000
	Capital Raising Expenses	\$552,000	\$682,000
	Working Capital	\$548,000	\$548,000
	<b>Total</b>	<b>\$5,150,000</b>	<b>\$7,150,000</b>
Capital Structure		Subscription \$5m	Subscription \$7m
	Pre-IPO Shares	16,956,800	16,956,800
	New IPO Shares	25,000,000	35,000,000
	Gross Proceeds under the Offer	\$5,000,000	\$7,000,000
	Total Shares on Listing (undiluted)	43,031,800	53,031,800
	Market Cap on listing	\$8,606,360	\$10,606,360
	Shares on existing options and broker options	4,000,000	4,000,000
	Performance Rights to be issued to Directors	4,000,000	4,000,000
	Market Cap Post Listing (fully diluted)	\$10,206,360	\$12,206,360

## COMPANY DESCRIPTION

- Cavalier Resources is an Australian based mining company with tenements in Western Australia. These tenements are focused around near term Gold production, and exploration of Gold and Nickel.
- Crawford Project** - Comprised of nine leases located approximately 25km east of Leonora on the Pig Well Graben along the eastern section of the Keith-Kilkenny Tectonic Zone.

35-hole RC vertical infill drilling program was conducted in September 2020 by Cavalier Resources Ltd (then Specrez Ltd) over the Crawford Trend on the CGP to estimate an updated JORC compliant Mineral Resource of 101,000 @ 1.0g/t including pit inventory of 21.7k oz 1.5g/t (0.8g/t cut off).

- Gambier Lass North Project** - Comprised of five leases located between approximately 13km north to approximately 20km northeast of Leonora at the northern end of the Crawford Trend.

The central lease, P37/893, lies approximately 500m to the northwest of the historic Gambier Lass Mine that produced 11,000t @ 25g/t. The lease covers the northern end of the interpreted Gambier

Lass Lode, a discrete pod of mineralisation defined by historic drilling to be 1.5km in strike length of anomalous gold intersections.

- **Ella's Rock Project** - Comprised of 3 leases (2 in application) located approximately 40km east-northeast of the Western Australian Wheatbelt town of Varley.

Gold anomalism demonstrated in selected target areas in the southern end of the Southern Cross Greenstone Belt. Electromagnetic data shows several high-priority exploration target areas containing anomalies which occur along several shear-zones occurring with a corridor of the greenstones, which display a triple-point between granites and greenstones in the northern part of the Project.

- **Hidden Jewel Project** - Comprised of 2 leases, both in application. The largest lease, E24/232, is located approximately 52km north of Kalgoorlie-Boulder. The tenement overlies the Scotia granodiorite (also known as the Golden Cities Granodiorite).

Historic shallow RAB and RC programs drilled for paleochannels. Cavalier believes exploration should be focussed on deeper orogenic style exploration, as the magnetic imagery shows similar trends to those of the Golden Cities and Federal deposits which produced 283koz of gold situated approximately 11km south.

**Bids are being sought for the Institutional and Broker Firm Offer. All bids are firm and irrevocable, subject to the Master ECM Terms and are required to be transmitted no later than 5:00pm (AEST) on Friday 13th May 2022 or any such earlier time as advised by the Lead Managers in their sole discretion.**

**For further information, please contact:**

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## Appendix 1 – Indicative Timetable

<b>Event</b>	<b>Date</b>
<b>Lodgement of Prospectus with ASIC</b>	Monday, 4 April 2022
<b>Exposure Period Commences</b>	Monday, 4 April 2022
<b>Offer Opening Date</b>	Monday, 11 April 2022
<b>Institutional Closing Date</b>	Friday, 13 May 2022
<b>Retail Closing Date</b>	Friday, 20 May 2022
<b>Institutional Settlement Date</b>	Friday, 20 May 2022
<b>Issue of Shares under the offer</b>	Friday, 27 May 2022
<b>Expected date for quotation on the ASX</b>	Friday, 10 June 2022

## Important Information

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- a) if you (or any person for whom you are acquiring the Shares) are in Australia you (and any such person) are either a sophisticated investor within the meaning of section 708(8) of the Corporations Act 2001 (Cth) ("Corporations Act") or a professional investor with the meaning of section 708 (11) of the Corporations Act; or
- b) if you (or any person for whom you are acquiring the Shares) are in Hong Kong, you (and any such person) are a "professional investor", as defined under the Securities and Futures Ordinance of Hong Kong, Chapter 571 of the Laws of Hong Kong;
- c) if you (or any person for whom you are acquiring the Securities) are in Singapore, you (and any such person):
  - a. are an "institutional investor" or a "relevant person" (as such terms are defined in the Securities and Futures Act of Singapore ("SFA")) if the Shares are ordinary shares;
  - b. are an "institutional investor" if the Securities are not ordinary shares;
  - c. will acquire the Shares in accordance with applicable provisions of the SFA; and acknowledge that the offer of the Shares is subject to the restrictions (including selling restrictions) set out in the SFA.
- d) if you are in United Arab Emirates (excluding the Dubai International Financial Centre) you acknowledge that any communications received in relation to the Placement occurred from outside the United Arab Emirates;
- e) if you (or any person for whom you are acquiring the Shares) are in the United Kingdom, you (and any such person) are:
  - a. a "qualified investor" within the meaning of Section 86(7) of the United Kingdom Financial Services and Markets Act 2000; and
  - b. within the categories of persons referred to in Article 19(5) (investment professionals) or Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the United Kingdom Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended.

This document does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or in any other jurisdiction in which such an offer would be illegal. The Shares have not been, and will not be, registered under the United States Securities Act of 1933 ("Securities Act") or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the Shares may not be offered or sold to persons in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

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The Directors of the Company advise that they and persons associated with them may have an interest in the above Shares and that they may earn brokerage, commissions, fees and other benefits and advantages, whether pecuniary or not and whether direct or indirect, in connection with the making of a recommendation were dealing by a client in these Shares, and which may reasonably be expected to be capable of having an influence in the making of any recommendation, and that some or all of our representatives could be remunerated wholly or partly by way of commission. The Company's directors and staff may hold securities in Cavalier Resources. The Company will be entitled to earn a fee for assisting with the proposed offer of Shares. The distribution of this document may be restricted by securities law and you should observe any such restrictions.

A failure to comply with any such restrictions may constitute a violation of law.

Any investment in Cavalier Resources is speculative. This Term Sheet must be read in conjunction with the Company's Presentation, in particular the section on Risks.

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The offer of Shares in the Company is only made under the prospectus, which is obtainable from the Company's website at [www.cavalierresources.com.au](http://www.cavalierresources.com.au). A potential investor should consider the prospectus in deciding whether to acquire shares. Anyone who wants to acquire shares will need to complete an application form as set out in section 4.8 of the prospectus.

The information in this document that relates to Exploration Results is based on information compiled by Mr Richard Maddocks who is a director of Auranmore Consulting Pty Ltd. Mr Maddocks is a member of the Australasian Institute of Mining and Metallurgy. Mr Maddocks 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 in the JORC Code. Mr Maddocks consents to the inclusion in the Document of the matters based on his information in the form and context in which it appears.