



## Calingiri Project, WA

The Company was pleased to announce in March 2017 the initial results of geophysics and aircore programs that outlined new VMS style targets and 4 additional Cu/Mo Zones. The air core drilling program was designed to evaluate several copper surface geochemical targets in close proximity to the Bindi and Dasher JORC Resources, as well as an undrilled trend near the western perimeter. It defined 4 zones in which the regolith and bedrock copper (and other related elements) geochemistry defined a footprint equivalent to, or larger than, the analogous footprints relating to the Bindi and Dasher deposits.

Final results from the drilling campaign were received late in March and reported on 4 April 2017. The shallow Aircore drilling highlighted potential to significantly increase the JORC Resources (containing 710,000 tonnes of open pit optimised copper metal) at Calingiri. The substantial number of highly anomalous intersections is unusual for this type of shallow drilling and represented positive leaders to potentially higher grade areas within the project.

Highlighted Aircore drilling in the new zones intersected:

- 17m @ 1,332 ppm from 39m in 17CAA142 (incl. 1m @ 4,110 ppm)
- 3m @ 2,540 ppm from 42m in 17CAA148
- 6m @ 2,432 ppm from 51m in 17CAA148 (incl. 3m @ 4,540 ppm)
- 3m @ 1,695 ppm from 69m in 17CAA150
- 4m @ 2,050 ppm from 21m in 17CAA162
- 23m @ 1,237 ppm from 6m in 17CAA163 (incl. 4m @ 2,343 ppm)
- 5m @ 1,061 ppm from 24m in 17CAA166
- 13m @ 1,350 ppm from 3m in 17CAA169 (incl. 10m @ 1,502 ppm)
- 10m @ 1,101 ppm from 15m in 17CAA174 (incl. 7m @ 1,219 ppm)
- 5m @ 1,254 ppm from 15m in 17CAA184 (incl. 4m @ 1,415 ppm)
- 10m @ 1,924 ppm from 15m in 17CAA200 (incl. 3m @ 2,710 ppm)
- 27m @ 2,488 ppm from 3m in 17CAA202 (incl. 8m @ 3,720 ppm)
- 9m @ 1,081 ppm from 6m in 17CAA203

The completed and planned exploration programs are part of Caravel's strategy to increase the size and grade of the existing JORC Resources at Calingiri with the results being incorporated in the planned Pre-Feasibility Study due in 2017.

## Quarterly Activities Report For the period ended 31 March 2017

Caravel Minerals Limited ("Caravel") is an Australian-based gold, copper and base metals exploration and resource development company with projects located in Western Australia. The Company is listed on the Australian Securities Exchange (code: CVV). Caravel has a technically strong and well established exploration and mine development team backed by an experienced Board and panel of advisors.

The Company is an emerging growth story with compelling projects in WA. The Company's flagship is the Calingiri Copper Project, 120km from Perth, with a JORC Scoping Study that was released in June 2016. The study confirmed Calingiri's potential as a low-cost mid-tier copper producer with low Capex and robust economics. The second project in WA is the Bryah Project that comprises 50 km<sup>2</sup> of the Lower Narracook Sequence that host the Degruessa and Monty VHS deposits.

**For further information, please contact:**

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<http://www.caravelminerals.com.au>

# Gateway to Australia's **most compelling** growth project

## CALINGIRI PROJECT, WA

### Calingiri – JORC Scoping Study and Exploration Programs

The June 2016 Scoping Study has determined that Calingiri demonstrates robust project fundamentals with low technical risk. It contemplates the co-development of three open pits, located 120km to the northeast of Perth in Western Australia. Central to the project is the construction of a stand-alone 15 million tonne per annum (Mtpa) ore processing facility. The Company considers the project is economically viable based on its ability to pay back project start-up capital and provide ongoing positive operational cash flows. Details of the material assumptions utilised are available for download from our Website. The major findings are shown on the next page.

In March and April 2017 the Company announced the result of geophysics and aircore programs. The air core drilling program, had been designed to evaluate several copper surface geochemical targets in close proximity to the Bindi and Dasher JORC Resources, as well as an undrilled trend near the western perimeter. The initial results had defined 4 zones in which the regolith and bedrock copper (and other related elements) geochemistry outlined a footprint equivalent to, or larger than, the analogous footprints relating to the Bindi and Dasher deposits.

Most of the 210 hole program were designed as infill and extensional holes to further evaluate the 4 copper-molybdenum anomalies outlined by the initial drilling. These results have significantly upgraded these anomalous zones.

The **Dasher East** anomaly now extends for at least 4,000 metres (N-S) and up to 1,500 metres (E-W). It is open to the north where there is a gap in the drilling coverage in the area of an interpreted palaeochannel. In this direction it may link up with the **Bindi SE** aircore anomaly extending south from the Bindi Resource. The anomaly is open to the south where it is likely to continue with a previously outlined anomaly extending for a further 2,000 metres. The new results from this anomaly include significant base of hole intersections including 27 metres (3 – 30 metres) averaging 2,488 ppm copper, with the last 8 metres averaging 3,720 ppm copper.

This target trend, centered about 2 km to the east of the Dasher Resource trend, potentially reflects a mineralized trend extending south from the Bindi Resource for 10 km.

The new results have also extended the **Bindi SW** anomaly, centered 3 km south-west of the Bindi Resource, which is now at least 2,000 metres long and open to the south west. The latest results include a base of hole intersection of 4 metres (21 – 25 metres) averaging 2,343 ppm copper.

The new results from **the Bindi to Ninan** drilling have outlined continuous anomalous results immediately to the north east of the Bindi Resource. These results, including an intersection of 3 metres averaging 4,540 ppm copper, may indicate continuity of the Bind Resource for at least another 600 metres with the anomaly still open to the east and north east.

Each of these new anomalous trends are high priority targets for follow-up RC drilling.

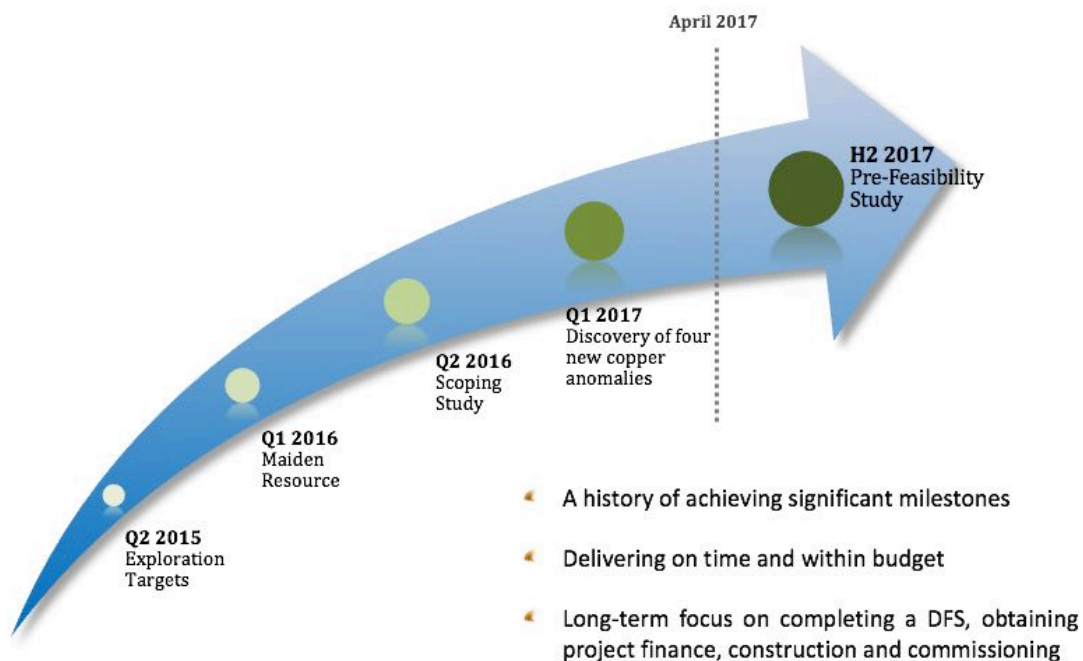
The completed and planned exploration programs are part of Caravel's strategy to increase the size and grade of the existing JORC Resources at Calingiri with the results being incorporated in the planned Pre-Feasibility Study due in 2017.

The table below summarises the major findings from the June 2016 Scoping Study:

		Project	
<b>Project</b>			
Initial LoM	Years	21	
NPV at a Discount Rate of 7% - (Excl. Tax)	A\$M	800	
- (Incl. Tax)		520	
Internal Rate of Return - (Excl. Tax)	%	31%	
- (Incl. Tax)		23%	
Payback Period after Tax	Years	3	
Capital Cost	A\$M	440	
<b>Production</b>		<b>LoM</b>	<b>1st 5 Yrs</b>
Treatment throughput	p.a.	15	
Strip ratio	t:t	1.0	1.0
Quantity Ore Treated	Mt	310	76.0
Copper Eq. Grade	%	0.30%	0.33%
Recoveries Cu	%	92%	92%
Cu sold	T Cu	710,000	190,000
	Mlb Cu	1,600	400
<b>Revenue and Cash Flow</b>			
Average Base Price	\$Lb Cu	US\$2.75	
Net Revenue	A\$ Billion	7.1	1.6
Operating cash flow		2.0	0.4
Net cash flow after tax		1.5	0.2
<b>Total Cash Costs USD</b>		<b>1.50</b>	<b>1.40</b>

Note 1: Differences may occur due to rounding.

### Calingiri Project Schedule:



### BRYAH PROJECT

No exploration activities were carried out on the Bryah Project during the quarter.

## EMPLOYEE INCENTIVISATION

Caravel advised that, pursuant to its Employee Option Plan (Plan), it has granted 1.4m Options to employees of the Company, representing 2.1% of current issued capital.

The rationale for the grant of options was to assist in retaining and incentivising staff who have previously accepted substantial salary reductions and received no other incentives for a number of years.

The Options have been issued with an exercise price of A\$0.068 per Option, being equal to 1.05 times the 5 day VWAP of the Company's shares up to and including the date of issue. The Options issued are capable of being exercised up to 28 March 2020.

The Company advises that it has also agreed, subject to shareholder approval, to grant the CEO, Marcel Hilmer, 1.1m Options on the same basis as those issued to employees under the Plan.

## FQM FARM-IN AGREEMENT

Leading global resources group FQM, a cornerstone investor in Caravel, continues to support the Calingiri Copper-Molybdenum Project. FQM are also providing, at no cost, significant technical support which has been extremely beneficial in planning drilling and assessing results.

FQM will have the right to acquire a 50.1% interest in the Calingiri Project after contributing A\$3.6M by September 2017.

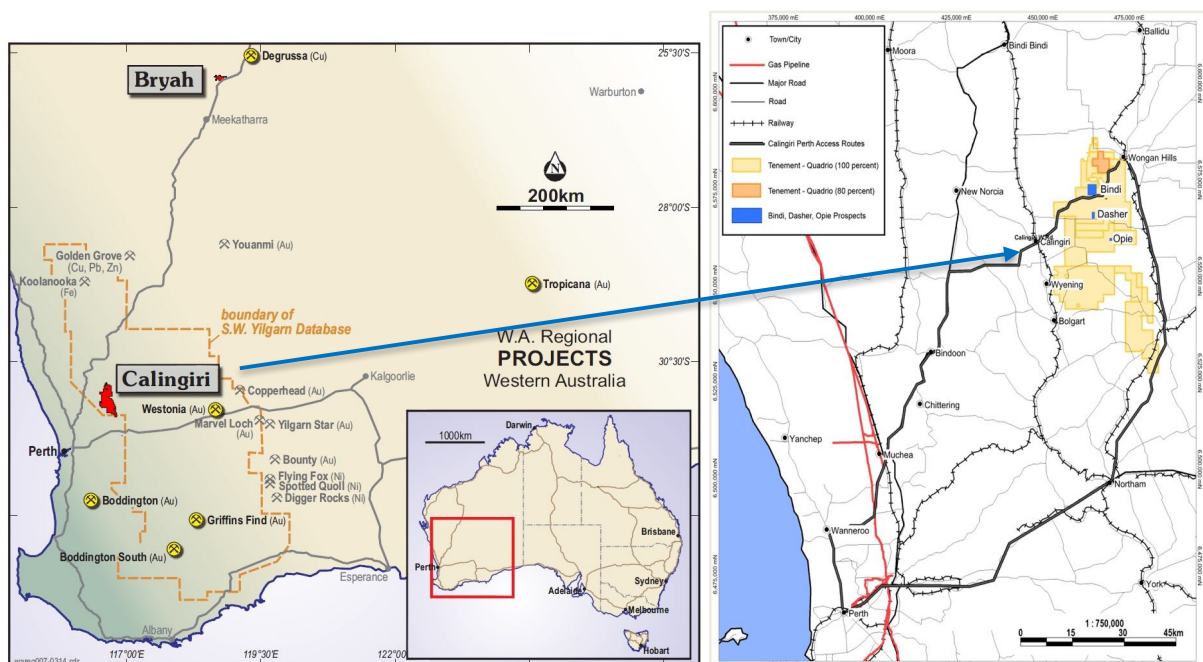
## OCCUPATIONAL HEALTH & SAFETY

The Company incurred zero LTI's during the quarter and the Company's 12 month moving average Lost Time Injury Frequency Rate (LTIFR) was also zero. The Company's recent safety record remains unblemished and can be attributed to the diligence and training of all staff and contractors together with initiatives and continuous improvements that have been undertaken.

**1. Competent Persons Statements** The information in this report that relates to the Calingiri Mineral Resource estimates is extracted from an ASX Announcement dated 4 April 2016, (see ASX Announcement – 4 April 2016 "Calingiri Maiden JORC Resource" and in relation to the Aircore Drilling, results is extracted from ASX Announcements dated 14 March and 4 April 2017, [www.caravelminerals.com.au](http://www.caravelminerals.com.au) and [www.asx.com.au](http://www.asx.com.au)). 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 that all material assumptions and technical parameters underpinning the Mineral Resource 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 represented have not been materially modified from the original market announcement.

**2. Forward Looking Statements.** This document may include forward looking statements. Forward looking statements include, but are not necessarily limited to, statements concerning Caravel Minerals planned exploration programmes, studies and other statements that are not historic facts. When used in this document, the words such as "could", "indicates", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are forward looking statements. Such statements involve risks and uncertainties, and no assurances can be provided that actual results or work completed will be consistent with these forward looking statements.

**3. Production Targets and Financial Information.** Information in relation to the Calingiri Project Scoping Study, including production targets and financial information, included in this report is extracted from an ASX Announcement dated 28 June 2016, (see ASX Announcement – 28 June 2016, "Scoping Study Confirms Outstanding WA Copper Project", [www.caravelminerals.com.au](http://www.caravelminerals.com.au) and [www.asx.com.au](http://www.asx.com.au)). The Company confirms that all material assumptions underpinning the production target and financial information set out in the announcement released on 28 June 2016 continue to apply and have not materially changed.

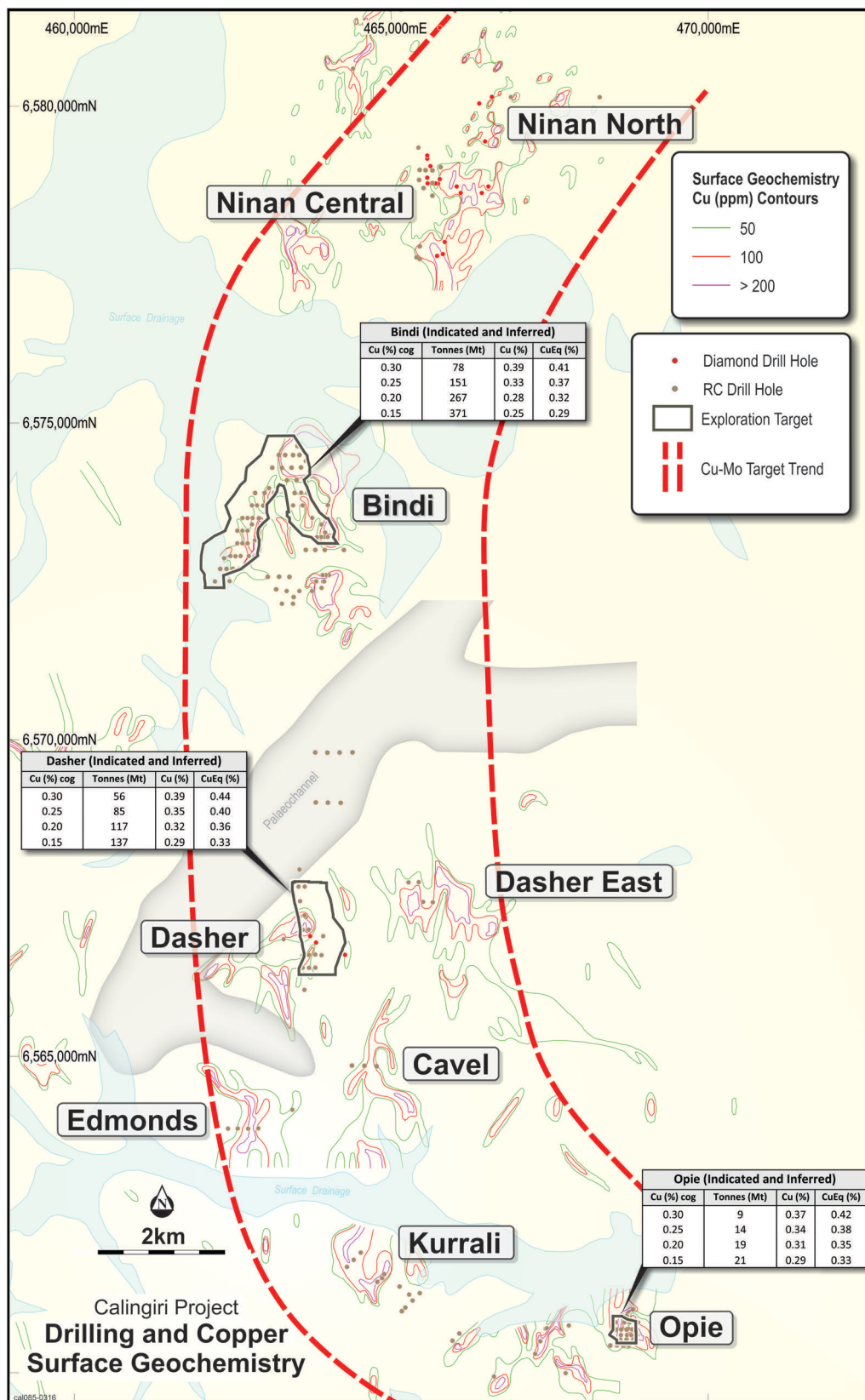




## Appendix A – Tenement Status

Project	Location	Tenement	Equity at 1 Jan 17	Equity at 31 Mar 2016	Changes in Quarter
Calingiri	Wongan/Goomalling	E70/2788	100	100	
Calingiri	Goomalling	E70/2789	100	100	
Calingiri	Goomalling	E70/4674	100	100	
Calingiri	Wongan	E70/3674	100	100	
Calingiri	Goomalling	E70/3680	100	100	
Calingiri	Goomalling	E70/3755	100	100	
Calingiri	Goomalling	E70/4327	100	100	
Calingiri	Goomalling	E70/4746	100	100	
Calingiri	Goomalling	E70/4732	100	100	
Calingiri	Wongan	E70/4476	100	100	
Calingiri	Wongan	E70/4517	100	100	
Calingiri	Wongan	P70/1576	100	0	Surrendered
Calingiri	Wongan	P70/1593	100	100	
Calingiri	Wongan	E70/4675	100	100	
Calingiri	Wongan	E70/4676	100	100	
Calingiri	Wongan	E70/2343	80	80	
Bryah	Bryah	E51/1290	92.5	92.5	

## Appendix B – Calingiri Project Outline and Prospects



Calingiri Project / JORC Resource estimates

## Appendix C – Calingiri Project Mineral Recourses at Various Cut-off Grades

The following table presents the Calingiri Resource sensitivity to various lower and higher cut-off grades.

Calingiri Project Mineral Resources Categories at Various Cut-off Grades									
	Indicated			Inferred			Total Resource		
Cut-off Grade	Tonnes (MT)	Grade Cu %	Cu Metal (T)	Tonnes (MT)	Grade Cu %	Cu Metal (T)	Tonnes (MT)	Grade Cu %	Cu Metal (T)
0.30	106	0.38	405,000	38	0.39	144,751	143	0.38	549,800
0.25	187	0.34	626,300	64	0.34	218,022	251	0.34	844,300
0.20	297	0.30	874,900	105	0.30	307,600	402	0.30	1,182,500
0.15	390	0.27	1,039,800	139	0.28	368,129	530	0.27	1,407,900

*Please refer to the Competent Persons Statements on page 4 for more information*

## Appendix 5B

# Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

### Name of entity

Caravel Minerals Limited

### ABN

41 120 069 089

### Quarter ended ("current quarter")

31 March 2017

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(195)	(478)
(b) development	-	-
(c) production	-	-
(d) staff costs	(157)	(482)
(e) administration and corporate costs	(30)	(281)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	5
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	-
1.8 Other (provide details if material)	-	37
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(380)</b>	<b>(1,199)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-



<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date (9 months) \$A'000</b>
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	9
	(b) tenements (see item 10)	-	-
	(c) investments	-	10
	(d) 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>-</b>	<b>19</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of shares	-	1,250
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(86)
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>1.164</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	958	594
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(380)	(1,199)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	19
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,164
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>578</b>	<b>578</b>

<b>5. 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	578	958
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>578</b>	<b>958</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

<b>Current quarter \$A'000</b>
53
-

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

<b>Current quarter \$A'000</b>
-
-

## Mining exploration entity and oil and gas exploration entity quarterly report

**8. Financing facilities available**

Add notes as necessary for an understanding of the position

Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
-	-
-	-
-	-

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

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**9. Estimated cash outflows for next quarter****\$A'000**

9.1 Exploration and evaluation

75

9.2 Development

-

9.3 Production

-

9.4 Staff costs

150

9.5 Administration and corporate costs

70

9.6 Other (provide details if material)

-

**9.7 Total estimated cash outflows**

**295**

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	P70/1576	Nil	100%	Nil
10.2	Interests in mining tenements and petroleum tenements acquired or increased				

**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.

Sign here:   
(Company secretary)

Date: 28 April 2017

Print name: SIMON ROBERTSON

**Notes**

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly 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 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.