



Calingiri Project, WA

The Company was pleased to announce in July 2017 that the Mitchell River Group ("MRG") were appointed to commence a detailed study utilising cutting-edge ore sorting technology to remove barren material from ore prior to milling and processing that may materially increase ore grade. In addition, a desktop study completed by MRG indicated that successful **sorting of Calingiri ore would significantly reduce project Opex and Capex.** If testwork confirms the desktop study, the Calingiri ore grade is expected to be materially benefited with significant flow through improvements to the project economics.

During the quarter, the announced program of works to test the bulk ore sorting technology continued and the status is shown in the table below:

Activity	Provider	2017 Projected Completion
Desktop Study – high-level evaluation	MRG	Completed
Diamond drilling	Orbit Drilling	Completed
Core cutting, analysis and physical testwork	ALS	Completed
Ore sorting and assessment	MRG and CVV	Completed
Additional analysis and testwork on sorted material	ALS	October - November
Results and Reporting	MRG and CVV	November - December

Private Placement

On 7th July the Company announced that it had received commitments from investors to raise \$0.8m through the issue of 16.0m shares at an issue price of \$0.05 per share and 1 free attaching unlisted option for each 2 shares issued, exercisable at \$0.075. Tranche 1 of the placement was closed on 13 July and raised gross proceeds of \$677,700. Tranche 2 was completed on 31st August, and the Company issued a further 3.2m shares and 8.4m options exercisable at \$0.075 on or before 31 August 2019.

A total of 16.8m shares and 8.4m attaching options were issued for gross proceeds of \$840,000 across both Tranches including \$162,000 in Tranche 2.

Quarterly Activities Report For the period ended 30 September 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 km² of the Lower Narracook Sequence that host the Degruusa and Monty VHS deposits.

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CALINGIRI

Advancing WA's 2nd largest Copper Project with Innovative Green Technologies

Calingiri Project WA

Bulk Ore Sorting Testwork Q3-4 2017

Bulk ore sorting is a proven pre-concentration technology in which barren gangue is separated from mineralisation based on the grade as measured or inferred from a sensor measurement. With bulk ore sorting, ore that previously didn't qualify for processing may be upgraded, making it economic to treat and improving the resource utilisation. More valuable metal may be extracted from the resource while the processing plant treats less tonnes at higher feed grade, reducing consumption of water and power as well as lower tailings output. Significant capital reductions may also be achieved through smaller back end milling and processing requirements.

The technology is based on industry proven, high capacity industrial sorting machines from major international equipment suppliers, with well established businesses in industrial minerals and material recycling.

Mitchell River Group ("MRG") have commenced a detailed study utilising the above mentioned cutting-edge ore sorting technology to remove barren material from ore prior to milling and processing that may significantly increase ore grade. A desktop study completed by MRG indicates that sorting of Calingiri ore can significantly reduce project Opex and Capex. If testwork confirms the desktop study, the Calingiri ore grade is expected to be materially benefited with significant flow through improvements to the project economics.

Two vertical diamond drill holes 17CADD001 and 17CADD002 were drilled respectively at the Bindi and Dasher Prospects. They were designed to intersect representative mineralisation for the ore sorting testwork program.

17CADD001 was drilled on Section 6573450mN to a depth of 160 meters and was located adjacent to the previously drilled RC hole 15CARC067 which intersected 120 metres grading 0.37% copper from 40m – 160m. Typical Calingiri style mineralisation was intersected between the expected depths. 17CADD002 was drilled on Section 6567000mN to a depth of 120 metres and again intersected mineralisation from a depth of 5 metres, as interpreted from the resource model. HQ³ diameter coring equipment was used which returned core weighing approximately 8.0 kg per metre. Consolidating the depth of the Bindi and Dasher holes of 120 and 115 respectively, a total of 235 metres of mineralisation with a total weight of approximately 1.9 tonnes was provided.

It is believed that the Calingiri copper mineralisation is particularly suitable for this type of beneficiating because the mineralisation is typically concentrated in a series of 'stringers' and veins within extensive zones of silicate "waste" material. The following photographs of core from Core Scan for holes 17CADD001 and 002 illustrate this relationship.



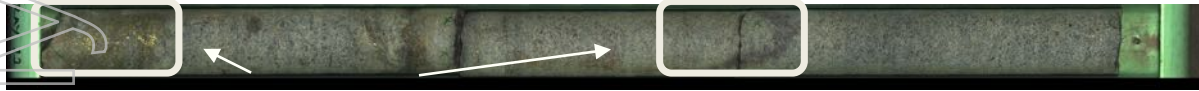
Chalcopyrite ("cpy") and other iron rich minerals (magnetite and garnet) in a 100 mm vein. 17CADD001 Core from 99.8m



Sinuous cpy stringer within 2 m of dominantly silicate "waste". 17CADD001 Core from 110.38m



Series of 5 – 10 mm cpy stringers in dominantly silicate “waste”. 17CADD002 Core from 71.7m



100 mm cpy rich vein and 10 mm cpy stringer. 17CADD002 Core from 71.7m

As part of the testwork the ore sorting machine will be calibrated to give the best visual estimates of beneficiated ‘product’ and waste which will be separately bagged and weighed by each DD hole. For each of the two holes, 4 separate product and waste bags from the ore sorting will then be combined with the respective product and waste bags from the -15mm material and sent for analysis. There will, therefore, be an accurate calculation of weights and grades of material pre and post ore sorting for all 10 test samples.

JORC Scoping Study June 2016

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 the Company's Website.

Private Placement

The Company was pleased to announce on 31st August that it has issued 3.2m shares and 8.4m options exercisable at \$0.075 on or before 31 August 2019 under Tranche 2 of a placement announced on 7 July 2017 (Placement).

A total of 16.8m shares and 8.4m attaching options were issued for gross proceeds of \$840,000 across both Tranches including \$162,000 in Tranche 2.

The funds raised from the Placement are being invested into a “proof of concept” study at the Calingiri Copper Project assessing the ability of ore sorting technology to remove barren material from ore prior to milling and processing that may significantly increase the ore feed grade. The funds have also provided additional working capital.

Insiders of the Company participated for 10% of the Placement.

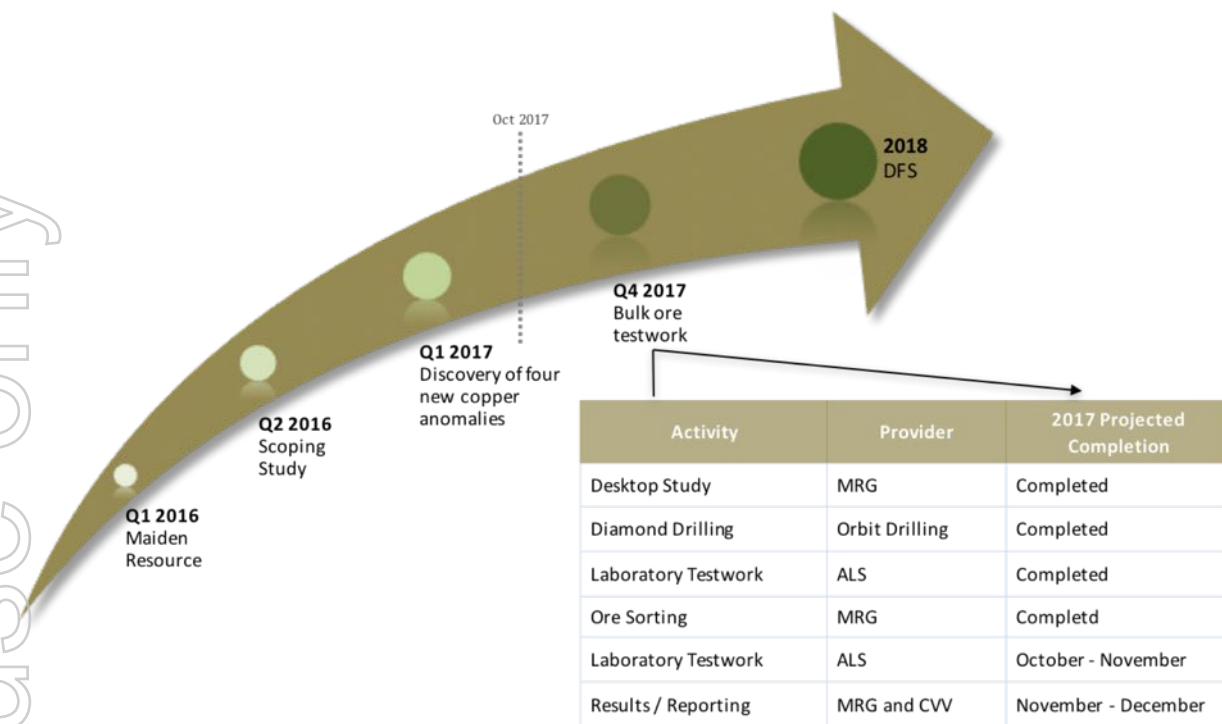
Bryah Project

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

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.

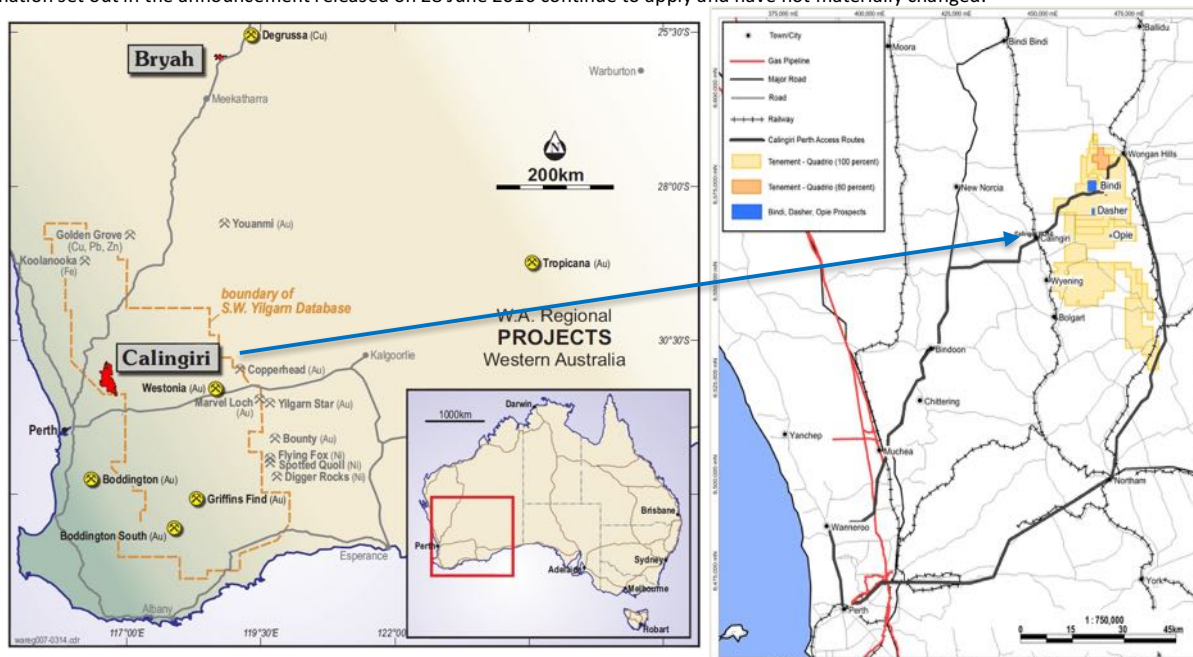
Calingiri Project Schedule:



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 and 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.

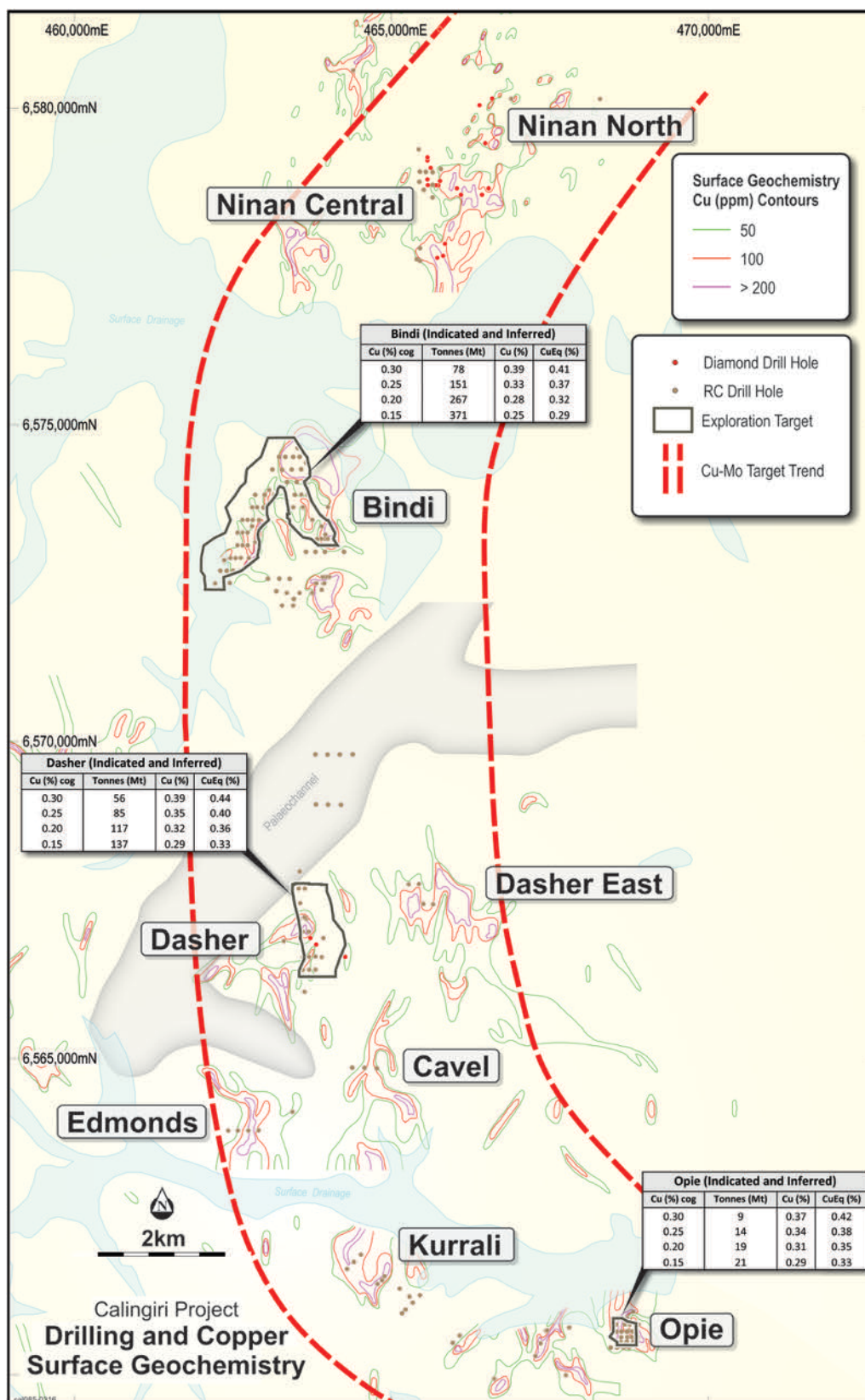
3. Production Targets and Financial Information. Information in relation to the Calingiri Project Scoping Study, including production targets and financial information, included in this report is extracted from an ASX Announcement dated 28 June 2016, (see ASX Announcement – 28 June 2016, “Scoping Study Confirms Outstanding WA Copper Project”, www.caravelminerals.com.au and 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 July 17	Equity at 30 Sept 17	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	E70/4746	100	100	
Calingiri	Goomalling	E70/4732	100	100	
Calingiri	Wongan	E70/4476	100	100	
Calingiri	Wongan	E70/4517	100	100	
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 Resources 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	405,047	38	0.39	144,751	143	0.38	549,798
0.25	187	0.34	626,279	64	0.34	218,022	251	0.34	844,301
0.20	297	0.30	874,905	105	0.30	307,600	402	0.30	1,182,506
0.15	390	0.27	1,039,787	139	0.28	368,129	530	0.27	1,407,918

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