



ASX Release

25 July 2014

**CARAVEL
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Issued Capital:
825.84m shares

ASX Symbol:
CRJ

JUNE 2014 QUARTERLY ACTIVITIES REPORT

The Company has announced it entered into a conditional agreement (**Sale Agreement**) with Tellus Resources Ltd (**Tellus**) for the sale of the Company's interest in its Malagasy oil exploration asset.

Pursuant to the Sale Agreement, Tellus has agreed to acquire:

- (a) the Company's 25% shareholding interest in Petromad Mauritius Limited (**Petromad**) (being the company which owns a 100% interest in the Project); and
- (b) all of the Company's rights and obligations under the Petromad Agreement entered into with the Vendor who owns the remaining 75% interest in Petromad (and under which the Company is entitled, subject to successful completion of staged work programs, to earn up to an 80% ownership interest in Petromad).

The consideration for the acquisition is the issue of 85,000,000 Tellus Shares, 60,000,000 of which are to be issue to the Company and the other 25,000,000 to certain unrelated nominated Company creditors. Additionally, Tellus will assume certain liabilities of the Company associated with Petromad.

The Company is required to seek shareholder approval to distribute the 60,000,000 Tellus Shares in-specie directly to individual Company shareholders and during the quarter the Company worked to prepare the Notice of Meeting (NoM) and seek ASX approvals as required. A NoM is expected to be announced shortly.

During the quarter the Company continued to work with its auditors to finalise the outstanding financial accounts which are expected to be finalised shortly. Once finalised and lodged with the ASX the Company will seek the immediate re-quotations of its shares.

The Company continues to hold its existing portfolio of highly prospective copper licences in the Olympic Dam copper province of South Australia (**Olympic Dam Licences**). The Company holds approximately 2,300km² of granted licences and a number of drill ready targets have been identified. Concurrent with the divestment of the Project, the Company intends to further develop the Olympic Dam copper targets.

The Directors continue to investigate exploration options in relation to the Olympic Dam Licences as well as other investment opportunities.

Northern Territory Phosphate Tenements

The requirement to seek an extension of EL28184 and EL28185 arose during the quarter. The Company did not seek an extension and as a result the Company has no further interest in these tenements.

Corporate Activity

On 16 July 2014, the Company secured an interim finance facility from Avonglade Enterprises Pty Ltd which has made available the sum of \$250,000 for working capital purposes. To date, \$50,000 has been drawn down on that facility.

Brian McMaster
Chairman
CARAVEL ENERGY LIMITED

Appendix 1 – Interests in mining tenements held

Tenement	Name	Area (km2)	Location	Ownership at beginning of quarter	Ownership at end of quarter	Acquired During the Quarter	Disposed of During the Quarter
Olympic Domain							
EL 5082	Torrens A	344	Australia	100%	100%	-	-
EL 5083	Torrens B	355	Australia	100%	100%	-	-
EL 5084	Torrens C	103	Australia	100%	100%	-	-
EL 5085	Torrens D	25	Australia	100%	100%	-	-
EL 5086	Sandy Point	29	Australia	100%	100%	-	-
EL 5224	Horse Well	118	Australia	100%	100%	-	-
EL 4698	Pernatty A, B, C	376	Australia	100%	100%	-	-
EL 4754	West lake Torrens	794	Australia	100%	100%	-	-
EL 4755	Murdie Island	221	Australia	100%	100%	-	-
Northern Territory Phosphate							
EL28184	Cow Creek	1,654	Australia	100%	0%	-	100%
EL28185	Tarlee	1,648	Australia	100%	0%	-	100%
Adelaide Fold Belt							
EL4887	Holowilena South	73	Australia	100%	100%	-	-
Bezaha Oil Project							
Block 3114	Bezaha Oil Project	10,160	Madagascar	25%	25%	-	-

Appendix 2 - Summary of Expenditure Incurred per Project

Project	Quarter Cash Spend \$A'000
Olympic Domain	-
Adelaide Fold Belt	-
Bezaha Oil Project	3
Northern Territory Phosphate	-
Total	3