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# CARAVEL ENERGY LIMITED (TO BE RENAMED “ANTARES MINING LIMITED”)

ACN 119 047 693

## ADDENDUM TO NOTICE OF GENERAL MEETING

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Caravel Energy Limited (to be renamed “Antares Mining Limited”) (ACN 119 047 693) (**Company**), hereby gives notice to shareholders of the Company that, in relation to the Notice of General Meeting dated 11 August 2014 (**Notice of Meeting**) in respect of a general meeting of members to be held at 9:30am (WST) on 12 September 2014 at Level 1, 330 Churchill Avenue, Subiaco, Western Australia (**Meeting**), the Directors have determined to amend Resolution 1 as set out below and supplement the information contained in the Explanatory Statement with the disclosures set out in this Addendum to the Notice of Meeting.

### Change of Date of the Meeting

Notice is hereby given that the Meeting will now be held at 9:30am (WST) on 24 September 2014 at Level 1, 330 Churchill Avenue, Subiaco, Western Australia.

The reason for the change of date of the Meeting is to ensure Shareholders are provided with adequate notice of the amendments to the terms of Resolution 1.

### Voting Eligibility

Given the new date for Meeting, the Directors have determined pursuant to Regulation 7.11.37 of the Corporations Regulations 2001(Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00pm (WST) on 22 September 2014.

### General

Definitions in the Notice of Meeting have the same meaning in this Addendum to the Notice of Meeting unless otherwise updated in this Addendum to the Notice of Meeting.

This Addendum is supplemental to the original Notice of Meeting and should be read in conjunction with the original Notice of Meeting. Save for the amendments to Resolution 1 set out below, all other resolutions proposed in the original Notice of Meeting remain unchanged.

### Proxy Forms

Annexed to this Addendum to the Notice of Meeting is a Replacement Proxy Form. To ensure clarity of voting instructions by Shareholders on the Resolutions to be considered at the Meeting, completed Proxy Forms annexed to the Notice of Meeting will not be accepted by the Company in relation to the Resolutions to be voted on by Shareholders at the Meeting.

To attend the Meeting and vote on the remaining Resolutions by proxy **PLEASE COMPLETE AND RETURN THE REPLACEMENT PROXY FORM ANNEXED TO THIS ADDENDUM TO THE NOTICE OF MEETING.**

Proxy Forms annexed to the original Notice of Meeting, whether duly completed or not, **WILL NOT** be accepted by the Company or counted in relation to the Resolutions to be heard at the Meeting.

**Resolution 1 in the original Notice of Meeting is amended by deleting the existing Resolution 1 and replacing that Resolution with the following:**

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**1. RESOLUTION 1 – APPROVAL FOR AN EQUAL REDUCTION OF CAPITAL**

To consider and, if thought fit, to pass, with or without amendment, the following Resolution as an **ordinary resolution**:

*“that, for the purposes of Section 256C of the Corporations Act 2001 and for all other purposes, approval is given for the net assets of the Company to be reduced by the Company making a pro rata in specie distribution of approximately 54,000,000 Tellus Shares to all holders of Shares on the Record Date on the basis of 1 Tellus Share for every 15.29 Shares held by Shareholders on the Record Date (rounded up to the nearest whole Tellus Share) on the terms and conditions set at in the Explanatory Statement”.*

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## SUPPLEMENTARY EXPLANATORY STATEMENT

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The Explanatory Statement outlined in the Notice of Meeting is supplemented or amended as follows:

- (a) The definition of “Sale Agreement” in the Glossary (page 30) is replaced with the following:

**Sale Agreement** means the conditional agreement with Tellus pursuant to which the Company has agreed to sell and Tellus has agreed to purchase the Sale Assets and as subsequently varied by an agreement dated 18 August 2014.

- (b) Any reference to the following is replaced as follows, unless otherwise stated:

- (i) “13.76 Shares” is replaced with “15.29 Shares”; and
- (ii) “60,000,000 Tellus Shares” is replaced with “Initial Consideration Shares”.

- (c) The third paragraph in Section 1.1 (page 6) is deleted and replaced with the following paragraph set out below:

On 11 June 2014, the Company announced that it had entered into a conditional sale and purchase agreement (**Original Sale Agreement**) with Tellus Resources Ltd (**Tellus**), which was subsequently varied by an agreement dated 18 August 2014 pursuant to which the Company has agreed to sell and Tellus has agreed to purchase the Sale Assets (as that term is defined in Section 1.2 below) (**Transaction**).

- (d) The paragraph titled “Consideration” in Section 1.2 (page 6) is deleted and replaced as follows:

***Consideration***

The consideration for the Sale Assets is the issue of 85,000,000 Tellus Shares as follows:

- (a) 60,000,000 Tellus Shares to the Company being:
  - (i) 54,000,000 Tellus Shares to be issued on completion of the Sale Agreement (**Initial Consideration Shares**); and
  - (ii) 6,000,000 Tellus Shares to be issued on the date which is 5 Business Days after the In Specie Distribution is completed (**Deferred Consideration Shares**); and
- (b) 25,000,000 Tellus Shares to certain unrelated nominated Company creditors.

Additionally, Tellus will assume certain liabilities of the Company associated with Petromad.

- (e) Include additional paragraph in Section 1.2 (page 7) following paragraph titled “Requirement for In Specie Distribution of Tellus Shares” and before paragraph titled “Conditions to Completion of the Sale Agreement”

***“Issue of Deferred Consideration Shares***

As set out above, the Deferred Consideration Shares will be issued to the Company 5 Business Days following the completion of the In Specie Distribution (**Deferred Issue**). The Deferred Consideration Shares will not subsequently be distributed to Shareholders and, accordingly, the Company will hold a residual interest in Tellus, being 6,000,000 Tellus Shares.”

- (f) **Delete the second paragraph under Section 2.1 (page 10) and replace with the following:**

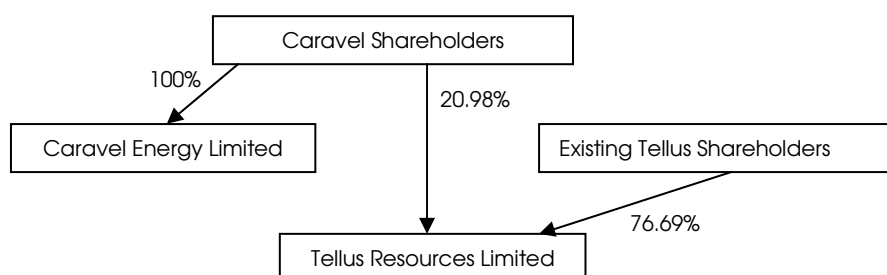
“The consideration for Tellus’ purchase of the Sale Assets under the Sale Agreement is set out in Section 1.2 of this Notice. Subject to the passing of Resolution 1, the Company proposes to make a pro rata distribution of all of the Initial Consideration Shares to its Shareholders pursuant to an equal reduction of capital (**Demerger**). As per the Sale Agreement, five Business Days after the completion of the Demerger the Deferred Issue will be completed.”

- (g) **Delete the four paragraph under Section 2.1 (page 11) and replace with the following:**

“The proposed Demerger will give the Shareholders approximately a 20.98% direct equity interest (collectively) in Tellus and the Deferred Issue will give the Shareholders an additional 2.33% indirect equity interest (collectively) in Tellus through their shareholding in the Company (assuming Tellus does not issue any Tellus Shares other than as contemplated in this Notice). This indirect equity interest is represented by the Deferred Consideration Shares which will be issued to and held by the Company directly.”

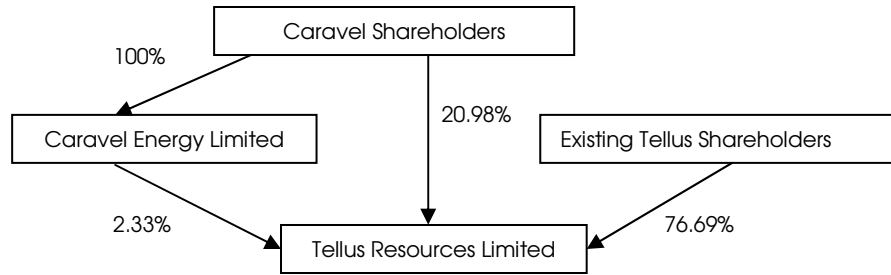
- (h) **Delete the second paragraph and diagram under Section 2.4 (page 11) and replace with the following:**

“Immediately after Resolution 1 is passed and the In Specie Distribution is completed, the structure of the Company and Tellus will be as follows<sup>1</sup>:



Note 1 – Assumes that no Tellus Shares other than the Initial Consideration Shares and the 25,000,000 Tellus Shares to certain unrelated Company creditors are issued.

Subject to the approval for Resolution 1, once the Deferred Issue is completed, the structure of the Company and Tellus will be as follows<sup>1</sup>:



Note 1 – Assumes that no Tellus Shares are issued other than as contemplated by this Notice. “

- (i) **Include the following sentence after the words “(rounded up to the nearest whole Share)” in Section 2.4 under the heading “What will you receive?” (page 12):**

“On the issue of the Deferred Consideration Shares, eligible Shareholders will also have a collective indirect interest in Tellus through their shareholding in the Company and Company’s interest in the 6,000,000 Tellus Shares.”

- (j) **Delete second paragraph under the heading “What is the impact of your shareholding in the Company?” in Section 2.4 (page 12) and replace with following:**

On the completion of the Demerger and the Deferred Consideration Shares Issue, the value of your Shares in the Company will be less than the value of the Company’s Shares held prior to the Demerger because, after the Demerger and Deferred Issue the Company will only have a residual interest in Tellus, being 6,000,000 Tellus Shares.

- (k) **Include the following words to Section 2.5(a) (page 12) after the words “upon completion of the Sale Agreement”:**

“and their indirect interest in the Deferred Consideration Shares, which are to be retained by the Company, through their shareholding in the Company;”

- (l) **Delete Note 1 to the second table under Section 2.7(c) (page 14) and replace with the following:**

- 1 Subject to the completion of the Sale Agreement, Tellus will issue the following Tellus Shares:
  - a. 54,000,000 Tellus Shares are to be issued to the Company prior to the Demerger;
  - b. 6,000,000 Tellus Shares are to be issued under the Deferred Issue; and
  - c. 25,000,000 Tellus Shares are to be issued to unrelated creditors of the Company in satisfaction of all debts owed by the Company to those creditors.

Refer to Section 1.2 above for further details.

**(m) Delete the first table included at Section 2.9 (page 16) with the following:**

<b>Director</b>	<b>Company Shares</b>	<b>Company Options</b>	<b>Number of Tellus Shares each Director is likely to receive if Resolution 1 is passed</b>
Brian McMaster	7,511,809	5,000,000	491,289 <sup>1</sup>
Matthew Wood	77,972,355	5,000,000	5,099,565 <sup>2</sup>
Emma Rasolovoahangy	50,000,000	-	3,270,111 <sup>3</sup>

Notes:

1. Upon the issue of the Deferred Consideration Shares to the Company, Brian McMaster will also have an indirect interest in 54,627 Tellus Shares through his shareholding in the Company.
2. Upon the issue of the Deferred Consideration Shares to the Company, Matthew Wood will also have an indirect interest in 567,030 Tellus Shares through his shareholding in the Company.
3. Upon the issue of the Deferred Consideration Shares to the Company, Emma Rasolovoahangy will also have an indirect interest in 363,610 Tellus Shares through her shareholding in the Company.

**(n) Include the additional paragraph at the end of Section 2.22 (page 27)**

The effect of providing Shareholders with the supplementary prospectus (to be read in conjunction with the Prospectus) is that:

- (a) the Company is able to dispose of some or all of its shareholding in Tellus by way of an in-specie distribution to its Shareholders; and
- (b) if the in-specie distribution occurs, the Company's Shareholders will not be restricted from selling their Tellus Shares within the first 12 months after receiving them.

**(o) Delete Schedule 1 (page 31) and replace with the Schedule 1 of this Addendum to Notice of Meeting.**

#### **LODGEMENT WITH THE AUSTRALIAN SECURITIES AND INVESTMENTS COMMISSION**

The Company has lodged with the ASIC a copy of this Addendum to Notice of Meeting in accordance with Section 256C(5) of the Corporations Act. The Company has also lodged a copy of a supplementary prospectus (to be read in conjunction with the Prospectus) which accompanies this Addendum to Notice with ASIC at the same time the Addendum to Notice of Meeting was lodged with ASIC.

The ASIC and its officers take no responsibility for the contents of this Addendum to Notice of Meeting or the merits of the Transaction to which this Addendum to Notice of Meeting relates.

The supplementary prospectus accompanies this Addendum to Notice of Meeting and has been lodged with ASIC at the same time as this Addendum to Notice of Meeting. The Company recommends that all Shareholders read the supplementary prospectus carefully and in conjunction with the Prospectus, this Addendum to Notice of Meeting and the original Notice of Meeting.

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DATED 21 AUGUST 2014

BY ORDER OF THE BOARD



**BRIAN MCMASTER**  
**DIRECTOR**

**Enquiries:** Shareholders are required to contact the Company Secretary on + 61 8 9200 4268 if they have any queries in respect of the matters set out in this Addendum to the Notice of Meeting.

## SCHEDULE 1 - PRO FORMA BALANCE SHEET

	UNAUDITED as at 30 June 2014	PROFORMA as at 30 June 2014
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	16,791	16,791
Other current assets	5,798	5,798
<b>TOTAL CURRENT ASSETS</b>	<b>22,589</b>	<b>22,589</b>
<b>NON-CURRENT ASSETS</b>		
Investments <sup>1</sup>	3,766,542	330,000
<b>TOTAL NON-CURRENT ASSETS</b>	<b>3,766,542</b>	<b>330,000</b>
<b>TOTAL ASSETS</b>	<b>3,789,131</b>	<b>352,589</b>
<b>CURRENT LIABILITIES</b>		
Creditors and borrowings <sup>2</sup>	997,764	101,874
Interest bearing liabilities <sup>3</sup>	1,500,000	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>2,497,764</b>	<b>101,874</b>
<b>NON CURRENT LIABILITIES</b>		
Creditors <sup>4</sup>	736,829	736,829
<b>TOTAL NON CURRENT LIABILITIES</b>	<b>736,829</b>	<b>736,829</b>
<b>TOTAL LIABILITIES</b>	<b>3,234,593</b>	<b>838,703</b>
<b>NET ASSETS (LIABILITIES)</b>	<b>554,538</b>	<b>(486,114)</b>
<b>EQUITY</b>		
Contributed equity	20,994,255	20,994,255
Reserves	2,395,582	2,395,582
Retained losses <sup>5</sup>	(22,835,299)	(23,875,951)
<b>TOTAL EQUITY</b>	<b>554,538</b>	<b>(486,114)</b>



## Notes:

### 1. Investments

Movement in investments:	\$
Opening balance as at 30 June 2014	3,766,542
Less the sale of the investment in Petromad	(3,766,542)
Investment in Tellus	3,300,000
Capital reduction (Tellus Shares) <sup>1</sup>	(2,970,000)
Balance after pro forma adjustments	<u>330,000</u>

<sup>1</sup> The Initial Consideration Shares will be distributed to Shareholders under the In Specie Distribution. The Deferred Consideration Shares will be retained by the Company. For more information please refer to Explanatory Statement detailed above.

### 2. Creditors and borrowings - Current

Creditors and borrowings includes creditors and sundry accruals.

Movement in creditors and borrowings:	\$
Opening balance as at 30 June 2014	997,764
Less interest payable to Celtic Capital Pty Ltd (condition of the sale of the investment in Petromad)	(895,890)
Balance after pro forma adjustments	<u>101,874</u>

### 3. Interest bearing liabilities

The interest bearing liabilities of the Company relate to unsecured loans with Parimont Global Limited (**Parimont**) and Celtic Capital Pty Ltd (**Celtic**). These loans will be settled as part of the Transaction via the issue of Tellus Shares to Parimont and Celtic (or their respective nominees). As required by the Sale Agreement, a deed of debt conversion and release will be settled as part of the Transaction.

### 4. Creditors – Non Current

The non-current trade creditors are payables to related parties that are non-interest bearing.

### 5. Retained Losses

Movement in retained losses:	\$
Opening balance as at 30 June 2014	22,835,299
Gain on the sale of the investment in Petromad	(1,929,348)
Loss on disposal of investment (Tellus Shares)	2,970,000
Balance after pro forma adjustments	<u>23,875,951</u>

**REPLACEMENT APPOINTMENT OF PROXY FORM - GENERAL MEETING**

I/We being a Shareholder entitled to attend and vote at the Meeting, hereby appoint

OR  The Chair as my/our proxy  
*(Name of Proxy)*

or failing the person so named or, if no person is named, the Chair, or the Chair's nominee, to vote in accordance with the following directions, or, if no directions have been given, and subject to the relevant laws as the proxy sees fit, at the Meeting to be held at 9:30am, on 24 September 2014 at Level 1, 330 Churchill Avenue, Subiaco, Western Australia, and at any adjournment thereof.

**The Chair intends to vote undirected proxies in favour of all Resolutions in which the Chair is entitled to vote.**

**Voting on business of the Meeting**

		FOR	AGAINST	ABSTAIN
Resolution 1	Approval for an Equal Reduction of Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Change of Company Name	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Please note:** If you mark the abstain box for a particular Resolution, you are directing your proxy not to vote on that Resolution on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

If two proxies are being appointed, the proportion of voting rights this proxy represents is: \_\_\_\_\_ %

**Signature of Shareholder(s):**

**Individual or Shareholder 1**

Sole Director/Company Secretary

**Shareholder 2**

Director

**Shareholder 3**

Director/Company Secretary

**Date:** \_\_\_\_\_

**Contact name:** \_\_\_\_\_

**Contact ph (daytime):** \_\_\_\_\_

**E-mail address:** \_\_\_\_\_

**Consent for contact by e-mail:** YES  NO

## Instructions for Completing 'Appointment of Proxy' Form

1. **(Appointing a proxy):** A Shareholder entitled to attend and cast a vote at the Meeting is entitled to appoint a proxy to attend and vote on their behalf at the Meeting. If a Shareholder is entitled to cast 2 or more votes at the Meeting, the Shareholder may appoint a second proxy to attend and vote on their behalf at the Meeting. However, where both proxies attend the Meeting, voting may only be exercised on a poll. The appointment of a second proxy must be done on a separate copy of the Proxy Form. A Shareholder who appoints 2 proxies may specify the proportion or number of votes each proxy is appointed to exercise. If a Shareholder appoints 2 proxies and the appointments do not specify the proportion or number of the Shareholder's votes each proxy is appointed to exercise, each proxy may exercise one-half of the votes. Any fractions of votes resulting from the application of these principles will be disregarded. A duly appointed proxy need not be a Shareholder.
2. **(Direction to vote):** A Shareholder may direct a proxy how to vote by marking one of the boxes opposite each item of business. The direction may specify the proportion or number of votes that the proxy may exercise by writing the percentage or number of Shares next to the box marked for the relevant item of business. Where a box is not marked the proxy may vote as they choose subject to the relevant laws. Where more than one box is marked on an item the vote will be invalid on that item.
3. **(Signing instructions):**
  - **(Individual):** Where the holding is in one name, the Shareholder must sign.
  - **(Joint holding):** Where the holding is in more than one name, all of the Shareholders should sign.
  - **(Power of attorney):** If you have not already provided the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Form when you return it.
  - **(Companies):** Where the company has a sole director who is also the sole company secretary, that person must sign. Where the company (pursuant to Section 204A of the Corporations Act) does not have a company secretary, a sole director can also sign alone. Otherwise, a director jointly with either another director or a company secretary must sign. Please sign in the appropriate place to indicate the office held. In addition, if a representative of a company is appointed pursuant to Section 250D of the Corporations Act to attend the Meeting, the documentation evidencing such appointment should be produced prior to admission to the Meeting. A form of a certificate evidencing the appointment may be obtained from the Company.
4. **(Attending the Meeting):** Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. **(Return of Proxy Form):** To vote by proxy, please complete and sign the enclosed Proxy Form and return by:
  - (a) post to Caravel Energy Limited, Level 1, 330 Churchill Avenue, Subiaco WA 6008; or
  - (b) facsimile to the Company on facsimile number +61 8 9200 4469; or
  - (c) email to the Company at [info@caravelenergy.com.au](mailto:info@caravelenergy.com.au),

so that it is received not less than 48 hours prior to commencement of the Meeting.

**Proxy Forms received later than this time will be invalid.**