



ASX Release: 27 November 2017

Corporate Update

RIGHTS ISSUE TO RAISE \$1.1M

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APPOINTMENT OF PCF CAPITAL AS CORPORATE ADVISOR

- **Non-Renounceable Rights Issue** to raise up to approximately \$1,100,000 at \$0.05 per share, plus one new unlisted Option for every two new shares issued, exercisable at \$0.07
- **Directors and Executives to underwrite \$600,000** and to participate for their entitlements in the Rights Issue
- A **Shortfall Facility** will allow shareholders to apply for additional shares in excess of their entitlement
- The net proceeds of the funds raised under the Rights Issue will be used to **progress the Calingiri Copper Project**; to complete an **upgraded Scoping Study** and **extend JORC Resources**
- The Company has appointed **PCF Capital** (PCF) as the strategic and corporate financial adviser, a global group with extensive mining sector capabilities. PCF will initially focus on a search for a strategic partner
- Potential to raise further funds through the issue of ordinary shares to sophisticated investors within the Company's 15% limit in accordance with ASX listing rule 7.1.

Caravel Minerals Limited (ASX: CVV) ("Caravel" or "the Company") is pleased to announce the commencement of a Rights Issue to raise a maximum of \$1.1m and the appointment of PCF as corporate advisors. The Rights Issue will be a partially underwritten non-renounceable pro-rata offer ("Rights Issue" or "Entitlement Offer") at an issue price of \$0.05 (5.0 cents) per new share on the basis of one (1) share (**New Shares**) for every four (4) ordinary shares held. Under the Entitlement Offer a maximum of approximately 21.42m shares will be issued to raise approximately \$1.07m (before costs and expenses)¹ plus one new unlisted Option for every two new shares issued, exercisable at \$0.07 and expiring on 30 June 2019.

Funds raised will be used for the following work programmes (maximum budgeted amounts):

Program	Estimated Budget A\$
Completion of Phase 2 Bulk Ore Sorting testwork	\$75,000
Metallurgical testwork on the products from the ore sorting testwork	\$150,000
Completion of a Revised Scoping Study taking account of the modified inputs of applying ore sorting beneficiation as part of the ore processing flowsheet	\$175,000

1 -The figures for the number of new shares and the amount to be raised are maximum figures only. They assume that all shareholders on the Record Date are Eligible Shareholders.

Evaluation, including initial hydrogeological drilling and air lift testing, of potential project water resources*	\$150,000
Drilling to evaluate extensions to existing JORC Resources*	\$265,000
Consulting fees for search for strategic partner	\$35,000
Expenses of the Offer	\$61,000
Working capital	\$159,000
Total	\$1,070,000

* The drilling costs take into account that the drilling contractor accepts payment of 50% of the drilling costs as an equity (i.e. non-cash) payment.

The Entitlement Offer incorporates a Shortfall Facility under which Eligible Shareholders can apply for New Shares in excess of their pro rata entitlement. The issue of New Shares under the Shortfall Facility will be dependent on there being a shortfall in the take up of entitlements under the Entitlement Offer and subject to the terms of the Prospectus. Eligible Shareholders who wish to apply for New Shares under the Shortfall Facility can do so by specifying the number of Additional New Shares they wish to apply for in the space provided on their Entitlement and Acceptance Form.

Caravel Chief Executive, Mr Marcel Hilmer said: "This non-renounceable Rights Issue, will allow all shareholders to participate equally in our future growth. The significant participation in the Rights Issue and underwriting, on a no fee basis, by the directors and senior management further confirms the unmovable faith in the economics of our flagship Calingiri Project and the skills and determination of our team and advisors. We are also pleased to announce that Bridge Street Capital have accepted the mandate as our Lead Manager. Further, we are pleased to announce the appointment of the leading firm, PCF as our Corporate Advisors and look forward to working with them to find a suitable strategic partner."

Eligible Shareholders

The eligible shareholders to whom the Entitlement Offer is being made are those shareholders who are:

- (a) registered as a holder of Caravel's Shares as at the Record Date; and
- (b) Shareholders with a registered address in Australia, New Zealand and Hong Kong who are eligible under all applicable securities laws to receive an offer under the Entitlement Offer.

In addition to being able to apply for new shares under the Rights Issue, eligible shareholders will also have the ability to apply for additional new shares that are not subscribed for under the Rights Issue.

Key Dates

The indicative timetable for the Rights Issue is as follows:



Event	Date
Lodgement of Prospectus with the ASIC	27 November 2017
Lodgement of Prospectus & Appendix 3B with ASX	27 November 2017
Notice sent to Option Holders	27 November 2017
Notice sent to Shareholders	28 November 2017
Ex date	11 December 2017
Record Date for determining Entitlements	12 December 2017
Prospectus despatched to Shareholders & Company announces despatch has been completed	15 December 2017
Closing Date*	11 January 2017
Securities quoted on a deferred settlement basis	12 January 2017
ASX notified of under subscriptions	16 January 2017
Despatch of holding statements	18 January 2017
Quotation of Securities issued under the Offer*	19 January 2017

Dates and times in this announcement are indicative only and subject to change. All dates and times are references to Perth time (WST).

Caravel reserves the right to amend any or all of these dates and times, subject to the Corporations Act, the ASX Listing Rules and other applicable laws and regulations. In particular, Caravel reserves the right to extend the Closing Date, to accept late applications under the Entitlement Offer (either generally or in particular cases) and to withdraw the Entitlement Offer without prior notice. Any extension of the Closing Date may have a consequential impact on the date that New Shares are issued and commence trading on the ASX. Applicants are encouraged to submit their acceptances as soon as possible after the Entitlement Offer opens.

Caravel also reserves the right not to proceed with the whole or part of the Entitlement Offer at any time prior to the issue of the New Shares. In that event, application monies (without interest) would be returned to applicants.

Shareholder Enquiries

Eligible shareholders will be sent further details about the Entitlement Offer in a Prospectus, a copy of which will be available for download from the ASX and the Company's Website after lodgement today. Shareholders should read the Prospectus carefully before making any investment decision regarding the Entitlement Offer. Shareholders who have questions relating to the Entitlement Offer should call the Company on +61 8 9426 6400 between 9:00am and 5:00pm (Perth time) on business days during the offer period.

Calingiri Project Overview



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Registered Office: Level 3, 18 Richardson Street, West Perth 6005 Western Australia
Telephone: +61 (8) 9426 6400

The recent bulk ore sorting testwork results support the case for improved project economics as well as a reduced project environmental footprint. This will likely lead to updated technical studies in 2018 and beyond.

The Company previously released a Scoping Study for Calingiri on 28 June 2016. The study 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 (Figure 2). The Company has concluded that the project is economically feasible based on its ability to pay back project start-up capital and provide ongoing positive operational cash flows. The study was completed by CSA Global in conjunction with Caravel and indicated an initial 20 year LOM for 710,000 tonnes (1.6B/lbs) of copper produced. Existing infrastructure within and adjacent to the project, coupled with industry-standard mining and treatment options available to Caravel, make the project a standout new Australian undeveloped copper project.

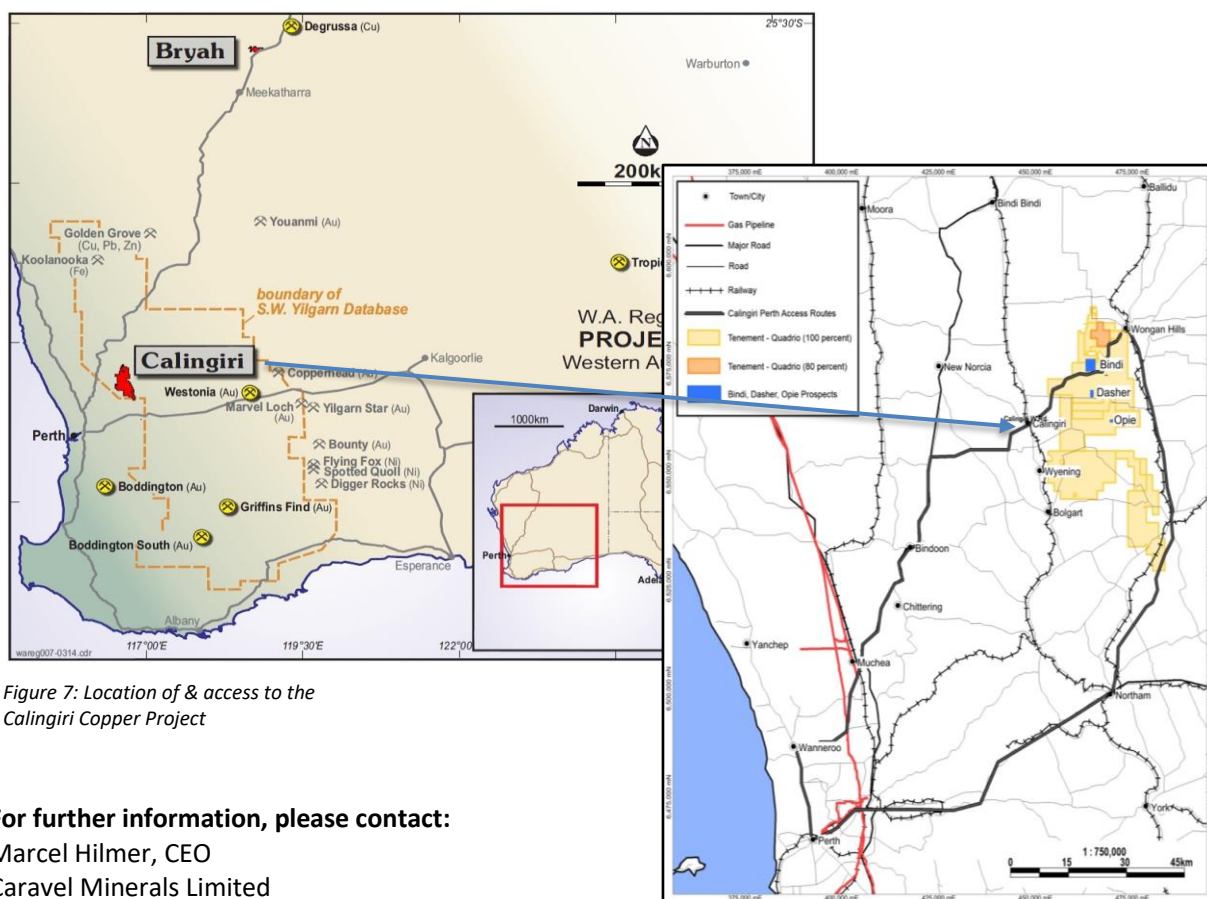


Figure 7: Location of & access to the Calingiri Copper Project

For further information, please contact:

Marcel Hilmer, CEO
Caravel Minerals Limited
Level 3, 18 Richardson Street, West Perth WA 6005
Telephone: 08 9426 6400

About Caravel Minerals Limited

Caravel Minerals is a gold, copper and base metals exploration and resource development company with projects located in Western Australia. Caravel has a technically strong and well established exploration and mine development team.



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Competent Person's Statement

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”, 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.

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.

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 program, 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.

Disclaimer

This release may include forward-looking statements. Such forward-looking statements may include, among other things, statements regarding targets, estimates and assumptions in respect of metal production and prices, operating costs and results, capital expenditures, mineral reserves and mineral resources and anticipated grades and recovery rates, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. These forward-looking statements are based on management's expectations and beliefs concerning future events. Forward-looking statements inherently involve subjective judgement and analysis and are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Caravel. Actual results and developments may vary materially from those expressed in this release. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Caravel makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release. All information in respect of Exploration Results and other technical information should be read in conjunction with Competent Person Statements in this release. To the maximum extent permitted by law, Caravel and any of its related bodies corporate and affiliates and their officers, employees, agents, associates and advisers:

- disclaim any obligations or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions;
- do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in this release, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and
- disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).

