



Advancing a World Class Resource with Proven Ore Sorting Technologies

Calingiri Project, WA

On 16 February 2018 the Company announced that a 5,000 metre RC drilling program was progressing on schedule and that the second second phase of the bulk ore sorting testwork utilising approximately one tonne of representative mineralisation was nearing completion. Further, that specialist consultants to manage environmental, hydrology, mine closure and social impact assessments had been appointed.

On 26 February 2018 outstanding bulk ore sorting results were reported that confirmed Calingiri as a world class copper resource. Ore sorting life-of-mine (LOM) copper feed grade increased to 0.48% Cu (from 0.26% Cu) and copper-equivalent grade increased to 0.55% CuEq (from 0.30% CuEq). Plant throughput reduced by 56% to approximately 6.6mtpa (from 15.0mtpa) with upgrading results achieved with only a 22% deferral/loss of contained copper.

Entitlement Issue

On 12 January 2018 the Company announced that the A\$1.17m partially underwritten one (1) for (4) non-renounceable pro rata rights issue as announced on 27 November 2017 had closed and was fully subscribed to.

Chairman's Letter

The Chairman, Peter Alexander wrote to shareholders on 9 February 2018 regarding dissident shareholders, including Alasdair Cooke and related entities and advised that Caravel was pursuing legal remedies for alleged breaches of agreements with the Company.

General Meeting of Shareholders

A jointly signed requisition notice was received under section 249D of the Corporations Act 2001 by Alasdair Cooke and 11 other associated shareholders. A notice of general meeting has been sent to shareholders and the meeting is to be held on 7 May 2018.

Takeovers Panel

A number of news releases were issued by the panel in relation to an application by the Company (see www.asx.com.au). The President of the Takeovers Panel consented to a review application by Caravel on 24 April 2018. This will be considered when a review panel is appointed.

Quarterly Activities Report For the period ended 31 March 2018

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 Company continues to successfully progress bulk ore sorting technology to further strengthen the robust economics of Calingiri.

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CALINGIRI

Advancing a World Class Resource with Proven Bulk Ore Sorting Technologies

Calingiri Project, WA

Bulk Ore Sorting Testwork Q1 2018

The results of the Phase 2 bulk ore sorting testwork affirmed the Phase 1 test results and delivered further significant improvement. The Phase 2 results also bring the additional technical assurance that stems from a more detailed and optimised testwork program based on larger and more representative ore samples. In short, the potential to significantly reduce Calingiri project capex, lower cash costs and improve forecast project economics via ore sorting has been resoundingly confirmed. A summary of those results, as reported on 26 February 2018 are as follows:

- Life-of-mine (LOM) copper feed grade increased to 0.48% Cu (from 0.26% Cu) and copper- equivalent grade increased to 0.55% CuEq (from 0.30% CuEq)
- Wet end plant throughput reduced by 56% to approximately 6.6mtpa (from 15.0mtpa)
- Upgrading results achieved with only a 22% deferral/loss of contained copper
- Opportunity to treat well-above LOM feed grades (0.60 - 0.75% Cu) in early years of production
- Confirmed potential to significantly reduce project Capex, lower unit cash costs and improve forecast project economics
- Potential to replace reduced ore feed from:
 - re-optimisations of the existing Bindi, Dasher and Opie JORC Resources
 - exploration for extensions of the existing JORC Resources, and
 - exploration of recently discovered targets within the Calingiri trend
- Continued utilisation of environmentally innovative technologies going forward

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 wet end of the processing plant treats less tonnes at higher feed grade, reducing consumption of water and power as well as resulting in lower tailings output. Significant capital savings will be achieved in milling, flotation, tails filtration, reagents, plant services, concentrate handling and storage and tails disposal.

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.

Drilling Programs

Early in April 2018 the Company announced results from a 3,400m RC drilling program (see original announcement 16 February 2018) that confirmed extensions to previously defined resources at Bindi and Dasher. Significant higher grade depth extensions at Dasher include intersections of 98m @ 0.40% Cu, including 40m @ 0.67% Cu.

An additional Induced Polarisation (IP) work program was completed. A positive outcome was reported with a 800m long, strong, IP anomaly coincident with extensive bedrock copper anomaly being defined at Dasher East.

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.

Entitlement Issue

The Company was pleased to announce on 27 November 2017 that it would undertake a Non-Renounceable Rights Issue that was closed on 12 January 2018.

A total of 23.4m shares and 11.7m free attaching options were issued for gross proceeds of \$1.17m across Entitlement Shares (12.1m), Shortfall Offer Shares (1.7m) and Underwriters Shares (9.6m).

The funds raised from the issue are being used for bulk ore sorting testwork, metallurgical testwork on the products from the ore sorting testwork, additional technical studies taking into account the modified inputs of applying ore sorting beneficiation as part of the ore processing flowsheet, evaluation, including initial hydrogeological drilling and air lift testing, of potential project water resources, drilling to evaluate extensions to existing JORC Resources, consulting fees for search for strategic partner, expenses of the Offer and for Working Capital purposes.

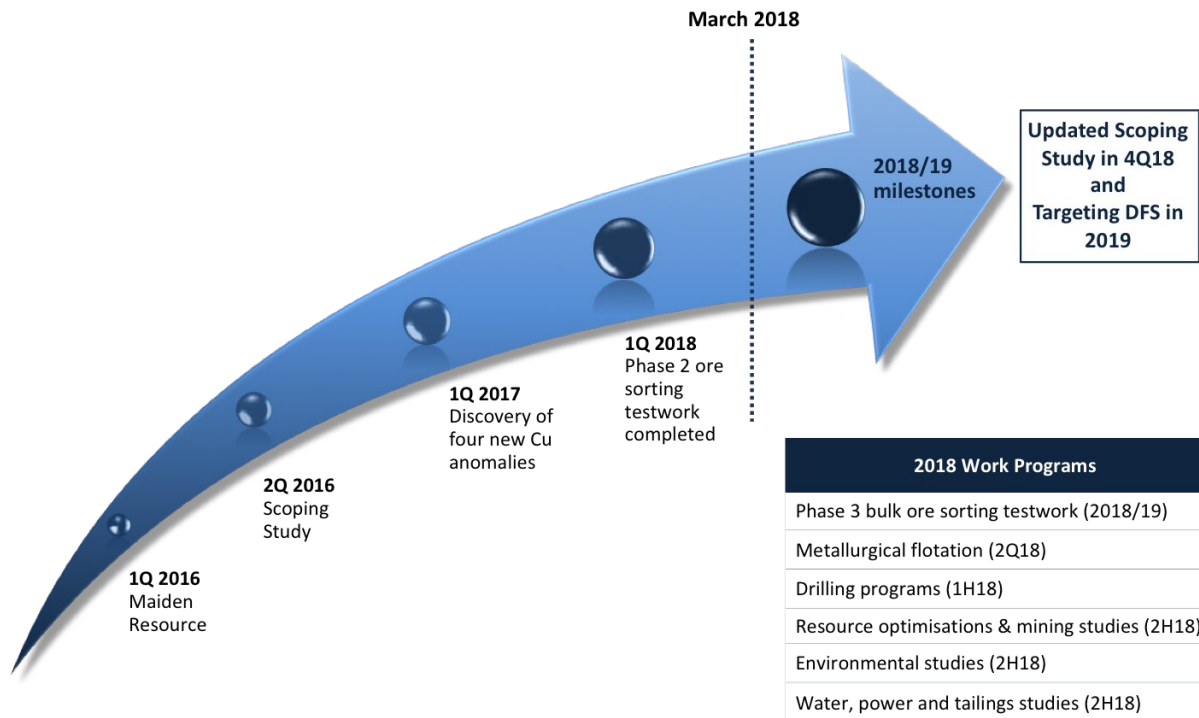
Corporate Advisors

Caravel has been working closely with PCF Capital, the Company's strategic and corporate financial advisor. The initial focus has been on a search for a strategic partner which has been in progress since Q4 2017. There has been significant interest from listed corporations and other interested parties and discussions are ongoing directly with the Company. A further update to the market will be provided in Q2 2018.

Occupational Health & Safety

Regrettably, the Company incurred one LTI in the quarter. A crew member of a geophysical contractor sustained facial lacerations following a fall off a quad bike on a farm track. The crew member was treated in hospital and was discharged the following day. A total of 8 LTI days were incurred, this being the first incident for more than 2 years. The Lost Time Injury Frequency Rate (LTIFR) was also zero before this incident. The Company's recent safety record, although blemished by the contractor incident, is very good and can be attributed to the diligence and training of all staff and contractors together with initiatives and continuous improvements that have been undertaken.

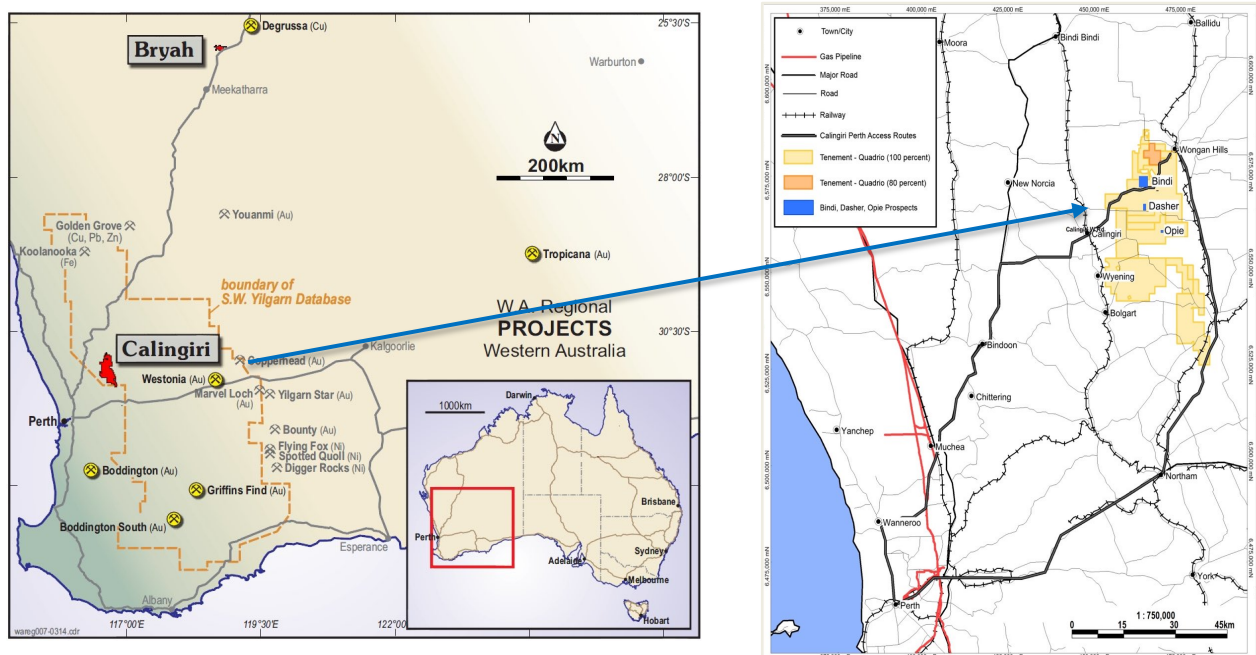
Calingiri Project Schedule:



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 Jan 18	Equity at 31 Mar 18	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	

Appendix B – Calingiri Project Outline and Prospects

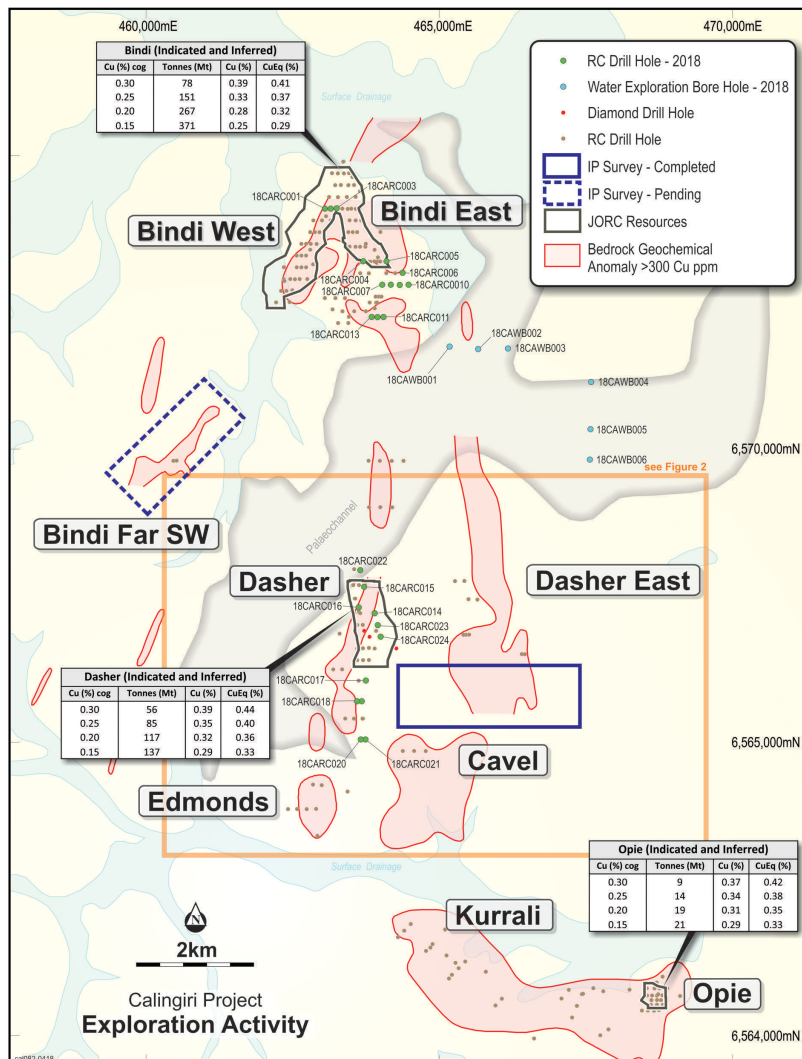


Figure 1: Calingiri Exploration Activity Q1 2018

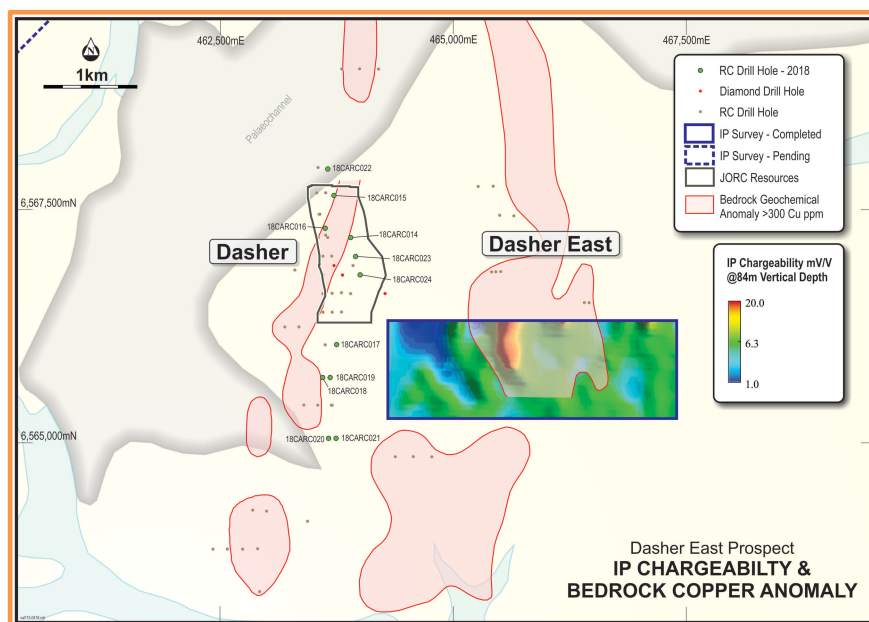


Figure 2: Dasher East Prospect

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