



FOR IMMEDIATE RELEASE: 1 JUNE, 2015

"CVV" ASX

Shares Outstanding: 746m

## **CARAVEL SIGNS FARM-IN AGREEMENT WITH MAJOR ON CALINGIRI PROJECT**

- Leading global resources group First Quantum Minerals ("FQM"), a cornerstone investor in Caravel, has executed a farm-in agreement which will enable Caravel Minerals Limited ("Caravel") to continue to advance its flagship Calingiri Copper-Molybdenum Project
- FQM will have the right to acquire a 50.1% interest in the Calingiri Project, located 120km NE of Perth in Western Australia, after contributing A\$3.6M
- These funds will be allocated to the next phase of Calingiri exploration work programs
- Caravel will provide FQM with a First Right of Offer to increase their equity in the Calingiri Project after obtaining a 50.1% interest
- FQM has agreed to convert the existing Convertible Loan Agreement in the amount of A\$0.6M to shares in Caravel

Caravel Minerals Limited ("Caravel" or the "Company") (ASX: **CVV**) is pleased to announce that it has secured the continued support of FQM, after signing a Farm-in Agreement (FIA) for its flagship Calingiri Copper-Molybdenum Project in WA. Under the FIA, FQM has the right to contribute A\$3.6 million to ongoing exploration activities to earn a 50.1% interest in the Calingiri Project.

FQM is a highly regarded and rapidly growing global resources group operating seven mines and developing five projects worldwide. FQM currently produces copper, nickel, gold, zinc and platinum group metals across Australia, Africa and Europe. In addition, they are developing projects in Zambia, Peru and Panama which, when complete, will increase their annual copper production capacity to more than 1.3 million tonnes per annum. FQM's recent market capitalisation is in excess of A\$13 billion.

Caravel Chief Executive Marcel Hilmer said the FIA represented the third investment by FQM in the Calingiri Copper-Molybdenum Project, demonstrating its confidence in the project's economic potential.

"This is a tremendous vote of confidence in the quality and potential of the Calingiri Project by one of the world's most successful copper mine developers and producers of the past 15 years," he said.

"The proceeds from the FIA will be used to execute the next phase of exploration activities at Calingiri that will significantly advance the project. Our recent successful drilling programs have already established Calingiri as potentially one of the largest bulk tonnage deposits for copper and molybdenum in Australia, with an endowment potential well in excess of 1.4Mt of copper metal.

"Our focus now is to increase our exploration targets, establish JORC compliant resource for the project and to advance Calingiri towards a Scoping Study," Mr Hilmer said. "With this additional funding injection, we will be well placed to move towards achieving these objectives.

"Caravel is looking forward to continuing its long and successful relationship with FQM."

---

The principal commercial terms of the agreement are as follows:

- Under the FIA, FQM will contribute A\$3.6 million for the right to acquire 50.1% of the Calingiri Project tenements;
- In the first 12 months FQM will contribute a minimum of A\$1.2 million after which they are entitled to withdraw with no right or interest.
- FQM will have the right to nominate one (1) board member.
- The existing Convertible Loan Agreement with a principal balance of A\$600,000 will be converted to shares in Caravel at a conversion price of 1.3c, thus extinguishing the debt funding obligations in the Company's books; and
- FQM will be provided with a Right of First Offer after acquiring 50.1%, to increase the FQM equity in the Calingiri Project tenements.

The funds will be paid in instalments over the period of the agreement on completion of due diligence by FQM and any other regulatory approvals required.

**ENDS**

**For further information, please contact:**

**Investors:**

Marcel Hilmer, CEO  
Caravel Minerals Limited  
Telephone: 08 9426 6400

**Media:**

Nicholas Read / Paul Armstrong  
Read Corporate  
Telephone: 08 93881474

**About Caravel Minerals Limited**

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