

Calingiri: A compelling growth story in Australian copper

Calingiri Project, WA

Q1 activities focused on completing the maiden JORC Resource estimate that was released in early April:

Table 1: Consolidated Indicated and Inferred Resource Estimate (0.25% Cut-off)				
Classification	Tonnes (MT)	Cu %	Cu Eq % *	Cu Metal (T)
Indicated	187	0.34	0.38	626,300
Inferred	64	0.34	0.38	218,000
Total	251	0.34	0.38	844,300

- Over **74% of the Mineral Resource is in the Indicated category**
- 143 Mt @ 0.38% for **549,800 tonnes copper** at a higher cut-off grade of 0.30%
- 530 Mt @ 0.27% for **1,407,900 tonnes copper** at a lower cut-off grade of 0.15%
- Resources remain **open along strike and at depth, and include higher grade zones from near surface**
- The Mineral Resource is the consolidation of three prospects; **Bindi, Dasher and Opie**
- External testwork indicates **copper recoveries >90% and molybdenum recoveries >80%**

Calingiri project drilling updates were released on 19 January and 10 March 2016. The Company reported zones of thicker, higher grades and extended mineralisation. The CSA Global Scoping Study has started and remains on schedule for release in Q2 2016.

Farm-In Agreement with First Quantum Minerals ("FQM")

The significant financial and technical support from our Farm-In partners, FQM has been an important contributor to achieving the milestone announcement of the maiden resource estimate. The first year commitment to spend a minimum of A\$1.2m has been met.

Wynberg Gold Project

On 2nd March 2016 has Company executed a Binding Heads of Agreement with CopperChem Limited to sell EPM12409, which contains the Wynberg Gold Resource, for A\$400,000.

Quarterly Activities Report For the period ended 31 March 2016

Caravel Minerals Limited ("Caravel") is an Australian-based gold, copper and base metals exploration and resource development company with projects located in Queensland and 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 and QLD. The Company's flagship project, Calingiri in WA, has a substantial JORC Resource estimate located within three prospects along a 7.5km strike length. At the Wynberg Copper-Gold Project in North Queensland, recent results have confirmed the potential of these projects located in the world-class Cloncurry mineral province. The Bryah Project in WA comprises 50 km² of the Lower Narracook Sequence that host the Degruessa and Monty VHS deposits.

For further information, please contact:

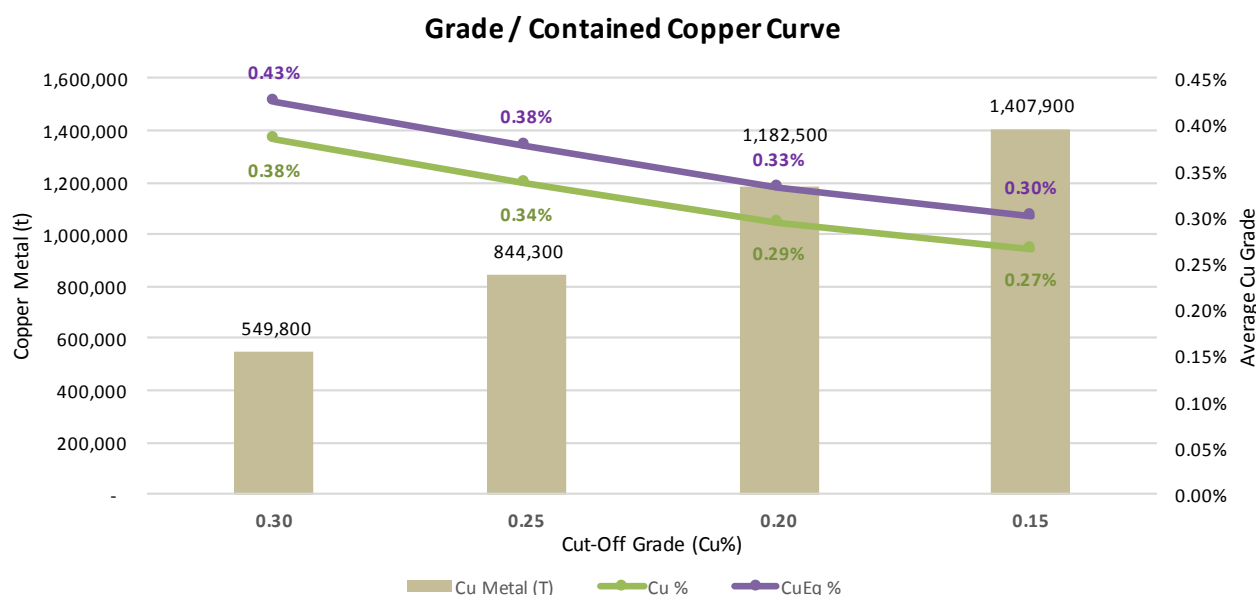
Mr Marcel Hilmer, CEO
Tel: +61 8 9426 6400
Mob: +61 417 177942
Email: admin@caravelminerals.com.au
Web: <http://www.caravelminerals.com.au>

Gateway to Australia's most compelling growth project

CALINGIRI PROJECT, WA

Calingiri – Q1 2016 Program and Outlook

The Company, together with CSA Global, analyzed and is optimising results from the various drilling programs and studies that commenced in 2014. This culminated in early April 2016 with the release of the initial JORC Resource estimate, see JORC disclosure below. The table below presents the Calingiri Resource sensitivity to various lower and higher cut-off grades and a detailed analysis by prospect at various cut-off grades is available for download (See 4th April news release and Appendix C).



Caravel Chief Executive, Marcel Hilmer said “A very significant maiden resource that positions Caravel to become a major copper player in Australia. This style of bulk tonnage deposit has been successfully mined in many countries and the benefits of the Calingiri Project including, existing infrastructure, low technical and environmental risk, local workforce with no native title issues, confirm a compelling story in Australian copper.

The Company believes that there are reasonable prospects for eventual economic extraction. Consideration was given to the relatively shallow nature of the mineralisation making it amenable to open pit mining, proximity to infrastructure (roads, power, gas and water), large population centres and positive metallurgical recovery results. Further, there are a substantial number of similar deposits globally that have been mined or where there are financial studies implying the deposits could be mined. In Appendix B is an outline of the Project with each of the three resources by prospect.

The Scoping Study is advancing and indications are that this will be released to market on schedule, late in Q2 2016. Advanced metallurgical testwork is also being undertaken to further establish concentrate grades and confirm recoveries.

As a forerunner to the Resource estimate, the Company announced on 19 January 2016 significant higher grades and extended mineralisation. Analytical results were received for 10 holes (in addition to the 18 holes reported in November and December 2015) and intersections included:

232m @ 0.32% Cu from 36m, 15CARC067 including 50m @ 0.58% Cu from 122m and 12m @ 1.19% Cu from 136m
 26m @ 0.47% Cu from 160m, 15CARC060
 20m @ 0.40% Cu from 260m, 15CARC061

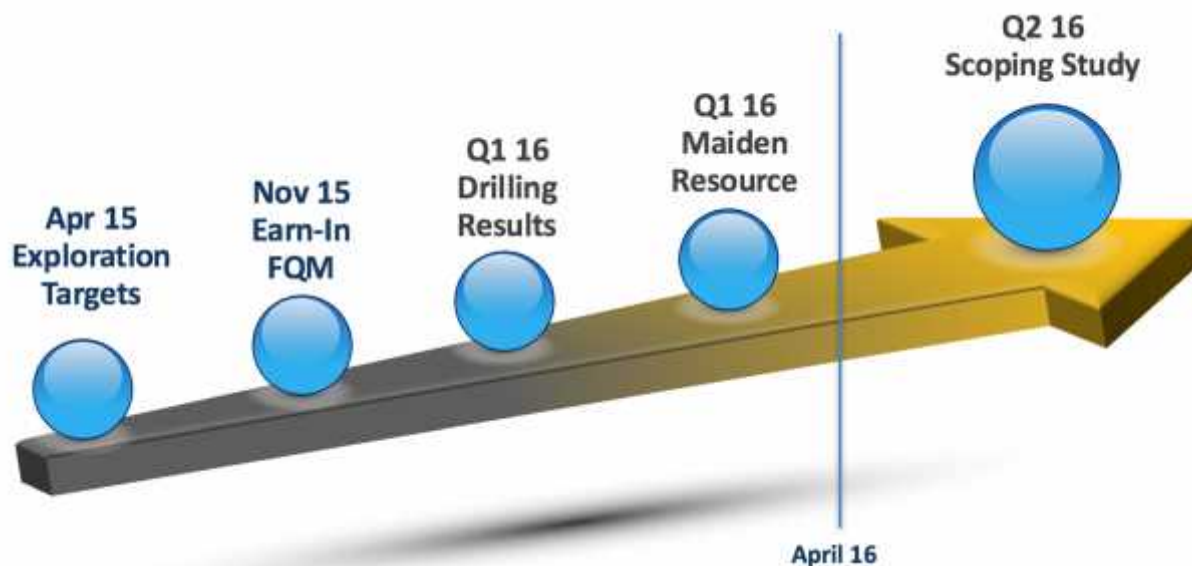
On 10 March 2016 further extended zones of thicker, higher grade mineralisation were also reported. Analytical results were received for a further 10 holes, including:

208m @ 0.28% Cu from 36m, 16CARC001 including 72m @ 0.33% Cu from 160m
 28m @ 0.52% Cu from 86m, 16CARC003 including 16m @ 0.75% Cu from 86m
 170m @ 0.32% Cu from 34m, 16CARC004 including 52m @ 0.56% Cu from 152m including: 20m @ 0.83% Cu from 164m

The total cost of all exploration activities on Calingiri in the quarter was \$555,400.

Copper Equivalent Values: Metal equivalent values were calculated using the formula: $\text{Cu ppm} + (\text{Mo ppm} \times 2.73) + (\text{Ag ppm} \times 77.9) + (\text{Au ppb} \times 4)$. Assumed commodity prices were Cu (\$2.87/lb), Mo (\$8.00/lb), Ag (\$17.37 / Oz) and Au (\$1,206/Oz). Prices in USD; sourced from consensus reports supplied by the Bank of Montreal in March 2016. Assumed recoveries are 92% (Cu), Mo (90%), Ag (80%) and Au (60%). Supported by initial metallurgical results suggesting copper along with the associated potential metal by-products; molybdenum, silver and gold can be readily recovered via conventional flotation processes. In estimating Au grades a nominal value of 1 ppb Au has been applied where samples had not been analysed for Au. It is the Company's opinion that all the elements included in the metal equivalents calculation have a reasonable potential to be recovered and sold.

Calingiri Project Schedule:



WYNBERG PROJECT

The Board announced on 2nd March 2016 that it executed a Binding Heads of Agreement with CopperChem Limited to sell EPM12409, which contains the Wynberg Gold Resource, for A\$400,000. There are a number of conditions precedent including confirmation that the licence is in good standing and that a sample of the existing drill core, as selected by CopperChem, demonstrates a recovery of 70% or greater from a bottle roll test conducted by an independent laboratory. All conditions precedent must be satisfied on or before 29 April 2016.

BRYAH PROJECT

The project comprises an area of about 50² Km of Lower Narracoota Sequence volcanics and sediments, located along the southern margin of the Bryah basin, that are believed to be analogous to the geological setting of the Degruessa VMS mineralisation. Extensive anomalism, in both base metals and VMS pathfinder elements, has been outlined by both soil and bedrock geochemistry within 2 extensive target areas.

While no exploration activity has been carried out within the current quarter, the recent discovery of copper rich massive sulphides at the Monty Prospect (Talisman Mining /Sandfire Resources), is believed to significantly upgrade the prospectivity. Caravel is seeking a JV partner.

OCCUPATIONAL HEALTH & SAFETY

The Company incurred zero LTI's during the quarter and the Company's 12 month moving average Lost Time Injury Frequency Rate (LTIFR) was also zero. The Company's recent safety record remains unblemished and can be attributed to the diligence and training of all staff and contractors together with initiatives and continuous improvements that have been undertaken.

FQM FARM-IN AGREEMENT ("FIA")

Leading global resources group FQM, a cornerstone investor in Caravel, continues to fund the Calingiri Copper-Molybdenum Project. FQM are also providing, at no cost, significant technical support which has been extremely beneficial in planning drilling and assessing results

FQM will have the right to acquire a 50.1% interest in the Calingiri Project after contributing A\$3.6M.

UNMARKETABLE PARCEL FACILITY

The Company announced on 16 February 2016 that it established a share sale facility for holders of Unmarketable Parcels of the Company's shares. This Facility provides smaller shareholders with an opportunity to sell their shareholding in Caravel without incurring brokerage or handling costs.

The Record Date for the purposes of establishing holders of Unmarketable Parcels has been set at close of trade on 12 February 2016. An Unmarketable Parcel is a parcel of Caravel shares with a market value of less than \$500 that is, any shareholding of 5,555 shares or less. The offer closed on 4 April 2016.

1. Competent Persons Statements The information in this report that relates to the Mineral Resources is extracted from the Report entitled "Calingiri Maiden JORC Resource " created on 4 April 2016 which is available to view on 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. The Company confirms that the form and context in which the Competent Person's findings are presented in the announcement referenced above have not been materially modified from the original market announcement. The information in this report that relates to the Exploration Results is extracted from the following: Report entitled "Calingiri Higher Grades and Extended Mineralisation" created on 19 January 2016; Report entitled "Calingiri Thicker Higher Grade Mineralisation" created on 10 March 2016; which are available to view on 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 announcements. The Company confirms that the form and context in which the Competent Person's findings are presented in the announcements referenced above have not been materially modified from the original market announcements.

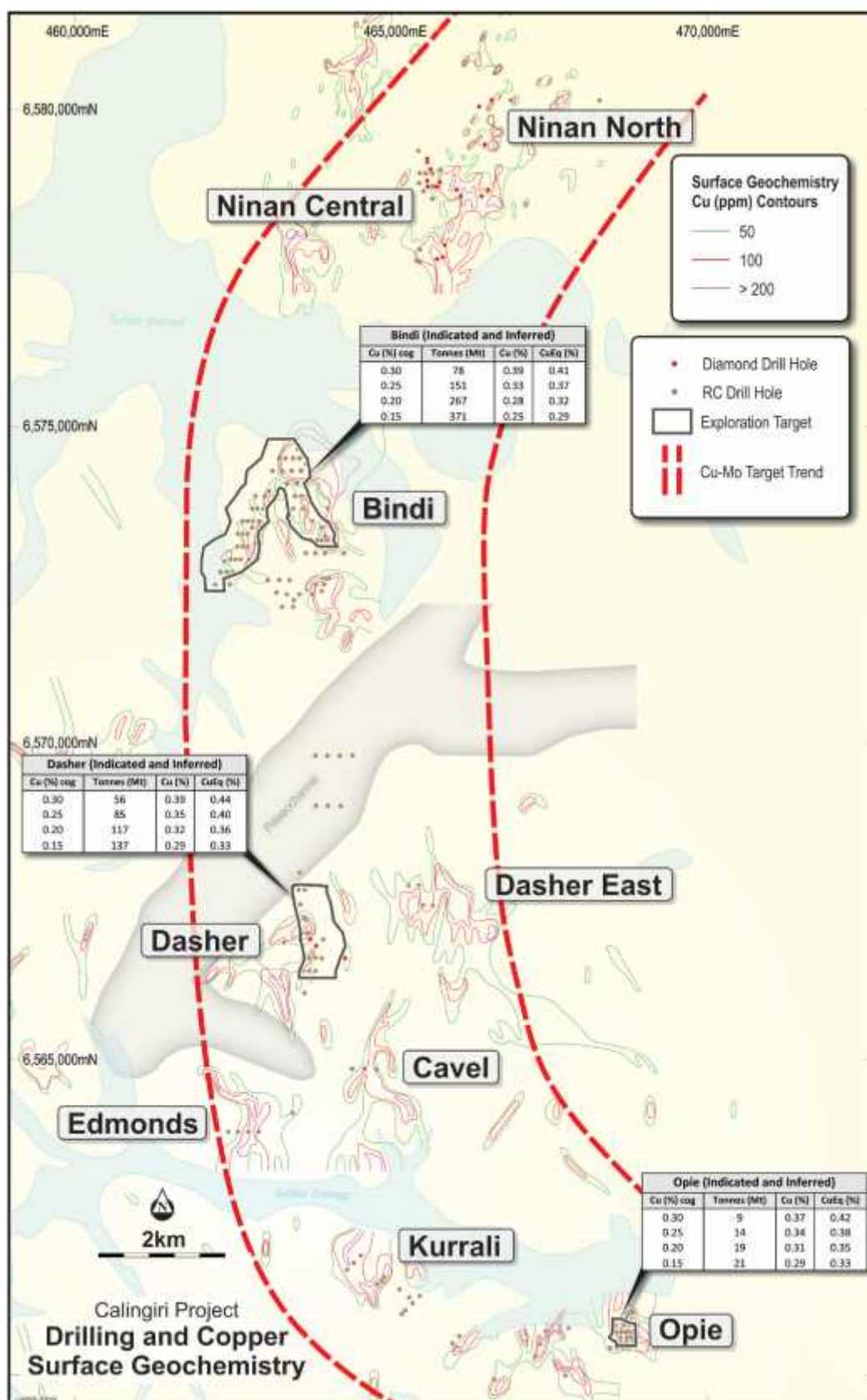
2. Forward Looking Statements. This document may include forward looking statements. Forward looking statements include, but are not necessarily limited to, statements concerning Caravel Minerals planned exploration programmes, studies and other statements that are not historic facts. When used in this document, the words such as "could", "indicates", "plan", "estimate", "expect", "intend", "may", "potential", "should" and similar expressions are for ward 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.



Appendix A – Tenement Status

Project	Location	Tenement	Equity at 1 Jan 16	Equity at 31 Mar 2016	Changes in Quarter
Bryah	Bryah	E51/1290	92.5	92.5	
Bryah	Bryah	E51/1369	100	0	Surrendered
Calingiri	Wongan	E70/2343	80	80	
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	E70/3881	100	0	Surrendered
Calingiri	Goomalling	E70/4327	100	100	
Calingiri	Goomalling	E70/4328	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	P70/1576	100	100	
Calingiri	Wongan	P70/1593	100	100	
Calingiri	Wongan	E70/4675	100	100	
Calingiri	Wongan	E70/4676	100	100	
Calingiri	Northam	E70/4512	100	0	Surrendered
Wynberg	Cloncurry	EPM12409	100	100	
Wynberg	Cloncurry	EPM15627	0	0	
Wynberg	Cloncurry	EPM25262	100	100	

Appendix B – Calingiri Project Outline and Prospects



Calingiri Project / JORC Resource estimates

Appendix C – Calingiri Project Mineral Recourses 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	405,000	38	0.39	144,751	143	0.38	549,800
0.25	187	0.34	626,300	64	0.34	218,022	251	0.34	844,300
0.20	297	0.30	874,900	105	0.30	307,600	402	0.30	1,182,500
0.15	390	0.27	1,039,800	139	0.28	368,129	530	0.27	1,407,900