



ASX Release: 7 June 2017

Corporate Update

"CVV" ASX

Caravel Retains 100% of the Calingiri Project KPMG Appointed Corporate Advisor

Caravel Minerals Limited (ASX: CVV) ("Caravel" or "the Company") wishes to advise that an agreement has been reached with First Quantum Minerals Limited ("First Quantum" or "FQM") for FQM to withdraw from the Farm-In Agreement over the Calingiri Project (see original ASX release 1 June 2015).

As a result, Caravel will continue with 100% of the Calingiri Project, the second largest contained copper project in Western Australia. FQM retains an 8.8% shareholding in the Company.

Commenting on FQM's withdrawal from the Calingiri Farm-In Agreement, Caravel's Chief Executive Officer Marcel Hilmer said: *"The withdrawal by First Quantum from the Calingiri joint venture is consistent with recent public statements made by First Quantum that it is seeking to significantly reduce costs, including reductions in its capital expenditure programs and to focus on its large copper projects already under development."*

"We have greatly appreciated the tremendous financial and technical expertise that FQM has provided over the past 2 year period. The Calingiri Project has expeditiously been advanced to Scoping Study stage with robust economics and has great potential for further resource growth and improvements to project economics. This could not have been achieved without the support of FQM."

Given its scale and prospectivity, the Caravel Board has determined that it will be seeking to introduce a new joint venture partner(s) to assist with the continued development of the Calingiri Project.

To support the search for the right partner, the Company has appointed KPMG Corporate Finance's Mining M&A team ("KPMG"), a global group with extensive mining sector capabilities, as its corporate adviser. A market review is underway and the entire process through to execution of final documentation and settlement may take up to 5 months.

For further information, please contact:

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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.
