



ASX Release: 13 December 2017

## Corporate Update

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### SECOND SUPPLEMENTARY PROSPECTUS

Caravel Minerals Limited (ASX: CVV) ("Caravel" or "the Company") announces the release of a Second Supplementary Prospectus ("SSP") dated 13 December 2017. The SSP is attached to this release as Appendix A.

Under Caravel's Listing Rule 7.1 capacity, the Company completed a placement to professional and sophisticated investors of 8,000,000 shares to raise gross proceeds of \$400,000 and secondly, Caravel will now manage all aspects of the Entitlement Issue with no fees payable to external lead managers.fidy

The Prospectus, First Supplementary Prospectus and attached SSP are important documents and should be read in their entirety. If you do not understand them you should consult your professional advisers without delay.

**For further information, please contact:**

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Caravel Minerals Limited

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[www.caravelminerals.com.au](http://www.caravelminerals.com.au)

**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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## APPENDIX A



**Corporate Update 13 December 2017** (ASX:CVV)

Registered Office: Level 3, 18 Richardson Street, West Perth 6005 Western Australia

Telephone: +61 (8) 9426 6400

**CARAVEL MINERALS LIMITED**  
**ACN 120 069 089**

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**SECOND SUPPLEMENTARY PROSPECTUS**

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**IMPORTANT NOTICE**

This SECOND Supplementary Prospectus (**SSP**) dated 13 December 2017 is intended to be read with the Prospectus dated 27 November 2017 (**Prospectus**) and the Supplementary Prospectus dated 6 December 2017, both issued by Caravel Minerals Limited (ACN 120 069 089) (**Company**) and lodged with the Australian Securities and Investments Commission (**ASIC**) on the respective dates. The ASIC and its officers take no responsibility for the contents of this Supplementary Prospectus.

Other than as set out below, all details in relation to the Prospectus remain unchanged. Terms and abbreviations defined in the Prospectus have the same meaning in this SSP. If there is a conflict between the Prospectus and this SSP, this SSP will prevail. This SSP will be issued with the Prospectus as an electronic prospectus and may be accessed on the Company's website at [www.caravelminerals.com.au](http://www.caravelminerals.com.au).

This is an important document and should be read in its entirety. If you do not understand it you should consult your professional advisers without delay.

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## 1. REASON FOR SECOND SUPPLEMENTARY PROSPECTUS

As announced on 8 December 2017, the Company completed a placement to professional and sophisticated investors of 8,000,000 Shares at an issue price of \$0.05 together with one free attaching option for every two Shares applied for with an exercise price of \$0.07 and expiry date of 30 June 2019 (**New Option**) to raise gross proceeds of \$400,000 (**Placement**).

This SSP has been prepared to provide investors with up to-date details of:

- (a) the Company's capital structure following the completion of the Placement being the issue of 8,000,000 Shares and 4,000,000 New Options, and the financial effect of the Placement;
- (b) the purpose and effect of the Offer;
- (c) the documents recently lodged with ASX;
- (d) the highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this SSP with the ASIC;
- (e) those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue; and
- (f) termination by request of Bridge Street Capital as Lead Manager.

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## 2. CORPORATE DIRECTORY (removal of Bridge Street Capital Partners Pty Ltd and its affiliate Bridge Street Capital Advisers Pty Limited, collectively Bridge Street Capital)

Bridge Street Capital (**Bridge Street**) has given notice to the Company of the termination of its services as Lead Manager. The notice is evidenced by a letter dated 11 December 2017. The reason given for the termination is the fact that the Company undertook the Placement.

As a result of the termination:

- (a) the Corporate Directory of the Prospectus is amended by the removal of Bridge Street as Lead Manager and the removal of Bridge Street's logo on the cover page, the deletion of Sections 5.9 headed Lead Manager and Section 9.6 headed Mandate Letter together with the removal of the references to Bridge Street in Section 9.8 headed Interest of experts and advisers; and
- (b) the expenses of the offer are reduced from \$67,400 to \$29,400 (the difference being the fee of \$38,000 that was to be paid to Bridge Street), the difference being allocated to working capital.

The Company does not consider the termination to be material on the basis that Bridge Street Capital was not raising any funds under the Prospectus.

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### 3. PURPOSE AND EFFECT OF THE OFFER

#### **Section 6.1 of the Prospectus - Purpose of the Offer**

The purpose of the Offer is to raise up to approximately \$1,171,042, an increase in approximately \$100,000. No funds will be raised from the issue of the New Options. All references in the Prospectus to the amount to be raised under the Offer are to be amended accordingly.

The minimum subscription will not change.

The additional funds raised will be allocated to working capital. Together with the reduction in the expenses of the Offer (explained above) and the additional sum of \$100,000 to be raised, the total amount of funds to be allocated to working capital will be \$291,642, being 24.90% of the total funds to be raised under the Offer (assuming all Entitlements are accepted).

#### **Section 6.2 of the Prospectus - Effect of the Offer**

The principal effect of the Offer, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, will be to:

- (a) increase the cash reserves by \$1,141,642 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer;
- (b) increase the number of Shares on issue from 93,683,391 as at the date of this SSP to 117,104,240 Shares following completion of the Offer; and
- (c) increase the number of Options on issue from 25,002,809 at the date of this SSP to 36,713,233 Options following completion of the Offer.

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### 4. EFFECT ON CONTROL OF THE COMPANY

**Section 5.7 of the Prospectus** The completion of the Placement will have the effect of reducing the potential voting power of the Joint Underwriters in the Company post-Offer.

Dilution of existing Shareholders who do not participate in the Offer will remain at 20%.

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### 5. EFFECT ON CAPITAL STRUCTURE

**Section 6.4 of the Prospectus** is amended as follows to reflect the completed issue of Shares and New Options pursuant to the Placement:

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, is set out below.

#### **Shares**

|   | Number     |
|---|------------|
| Shares currently on issue                                 | 85,683,391 |
| Shares issued to professional and sophisticated investors | 8,000,000  |

This Second Supplementary Prospectus is intended to be read with the Supplementary Prospectus and the Prospectus issued by Caravel Minerals Limited (ACN 120 069 089).

|  | Number             |
|--|--------------------|
| under the Placement  |                    |
| <b>Total Shares currently on issue as at the date of this SSP</b>      | 93,683,391         |
| Shares offered pursuant to the Offer                                   | 23,420,848         |
| <b>Total Shares on issue after completion of the Offer<sup>1</sup></b> | <b>117,104,240</b> |

## Options

|  | Number            |
|--|-------------------|
| Options currently on issue: <sup>1</sup>   |                   |
| Unquoted exercisable at \$0.12 on or before 15/12/2018   | 9,702,809         |
| Unquoted exercisable at \$0.068 on or before 28/03/2020  | 1,400,000         |
| Unquoted exercisable at \$0.10 on or before 12/05/2020   | 400,000           |
| Unquoted exercisable at \$0.075 on or before 31/08/2019  | 8,400,000         |
| Unquoted exercisable at \$0.060 on or before 23/08/2020  | 1,100,000         |
| Options issued to professional and sophisticated investors under the Placement<br>(Quoted exercisable at \$0.07 on or before 30/06/2019) | 4,000,000         |
| <b>Total Options on issue as at the date of this SSP</b>   | <b>25,002,809</b> |
| New Options offered pursuant to the Offer<br>(Quoted exercisable at \$0.07 on or before 30/06/2019)                                      | 11,710,424        |
| <b>Total Options on issue after completion of the Offer</b>  | <b>36,713,233</b> |

### Notes:

1. The Company is party to agreements with drilling contractors and corporate advisors pursuant to which, at its election, it may pay a portion of fees via the issue of Shares. In this event, the number of Shares on issue would increase.
2. The terms of these Options provide for a change (or potential change) in exercise price in the event of a pro rata issue of Shares to existing Shareholders. Refer to the Notice of Meeting announced by the Company on 28 July 2017 for further details.

The capital structure on a fully diluted basis as at the date of this Prospectus would be 118,686,200 Shares and on completion of the Offer (assuming all Entitlements are accepted and no Options are exercised prior to the Record Date) would be 153,817,473 Shares.

No Shares or Options on issue are subject to escrow restrictions, either voluntary or ASX imposed.

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## 6. FINANCIAL EFFECT OF THE OFFER AND THE PLACEMENT

**Section 6.3 of the Prospectus** is amended to include the revised unaudited pro forma consolidated statements of financial position of the Company as at 30 September 2017 as a result of the effect of the Placement (assuming full subscriptions are accepted). This has been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position resulting from the Placement and the Offer (including

This Second Supplementary Prospectus is intended to be read with the Supplementary Prospectus and the Prospectus issued by Caravel Minerals Limited (ACN 120 069 089).

expenses of the Offer) and assumes no further Shares are issued (including by way of exercise of Options).

The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements. The significant accounting policies upon which the consolidated statement of financial position and the pro forma consolidated statements of financial position are based are contained in the audited financial report for the year ended 30 June 2017.

|  | 30 September<br>2017 | Pro forma<br>adjustments (1) | Unaudited<br>Consolidated<br>Pro Forma |
|--|----------------------|------------------------------|--|
| <b>Current Assets</b>                  |                      |                              |  |
| <b>Current Assets</b>                  |                      |                              |  |
| Cash and cash equivalents              | 703,257              | 1,548,642                    | 2,251,899                              |
| Trade and other receivables            | 4,381                |                              | 4,381                                  |
| Other current assets                   | 57,462               |                              | 57,462                                 |
| <b>Total current assets</b>            | <b>765,100</b>       |                              | <b>2,313,742</b>                       |
|  |                      |                              |  |
| <b>Non-Current Assets</b>              |                      |                              |  |
| Property, plant and equipment          | 102,824              |                              | 102,824                                |
| Exploration and evaluation expenditure | 3,107,811            |                              | 3,107,811                              |
| <b>Total non-current assets</b>        | <b>3,210,635</b>     |                              | <b>3,210,635</b>                       |
| <b>Total Assets</b>                    | <b>3,975,735</b>     |                              | <b>5,524,377</b>                       |
|  |                      |                              |  |
| <b>Current Liabilities</b>             |                      |                              |  |
| Trade and other payables               | 49,886               |                              | 49,886                                 |
| Provisions                             | 41,293               |                              | 41,293                                 |
| <b>Total current liabilities</b>       | <b>91,179</b>        |                              | <b>91,179</b>                          |
| <b>Total Liabilities</b>               | <b>91,179</b>        |                              | <b>91,179</b>                          |
| <b>NET ASSETS</b>                      | <b>3,884,555</b>     |                              | <b>5,433,198</b>                       |
|  |                      |                              |  |
| <b>Equity</b>                          |                      |                              |  |
| Share Capital                          | 40,626,580           | 1,548,642                    | 42,175,222                             |
| Reserves                               | 2,743,334            |                              | 2,743,334                              |
| Accumulated loss                       | (39,485,359)         |                              | (39,485,359)                           |
| <b>TOTAL EQUITY</b>                    | <b>3,884,555</b>     |                              | <b>5,433,198</b>                       |

**Note:**

1. Calculated as \$1,171,042 cash proceeds from the offer less \$22,400 cash costs of the offer plus \$400,000 cash proceeds from the placement to professional and sophisticated investors.

This Second Supplementary Prospectus is intended to be read with the Supplementary Prospectus and the Prospectus issued by Caravel Minerals Limited (ACN 120 069 089).

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## 7. CONTINUOUS DISCLOSURE OBLIGATIONS

The table in **Section 9.2 of the Prospectus** is amended as follows to reflect the details of documents recently lodged with ASX since the lodgement of the Prospectus dated 27 November 2017:

| Date       | Description of Announcement                                |
|------------|--|
| 8/12/2017  | Secondary trading notice                                   |
| 8/12/2017  | Appendix 3B  |
| 8/12/2017  | Corporate Update   |
| 6/12/2017  | Supplementary Prospectus                                   |
| 28/11/2017 | Letter to Shareholders (Results of Annual General Meeting) |
| 28/11/2017 | Letter to Ineligible Shareholders                          |
| 28/11/2017 | Letter to Eligible Shareholders                            |
| 28/11/2017 | Investor Presentation                                      |
| 28/11/2017 | AGM Q&A  |
| 28/11/2017 | Appendix 3B  |
| 28/11/2017 | Non-Renounceable Rights Issue                              |

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## 8. MARKET PRICE OF SHARES

The table in **Section 9.3 of the Prospectus** is amended as follows to reflect corrections to the highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Supplementary Prospectus with the ASIC:

|         |         |  |
|---------|---------|--|
| Highest | \$0.070 | 28, 29 September 2017<br>and 2, 8 October 2017 |
| Lowest  | \$0.050 | 28 August 2017<br>and 30 October 2017          |
| Last    | \$0.052 | 12 December 2017                               |

This Second Supplementary Prospectus is intended to be read with the Supplementary Prospectus and the Prospectus issued by Caravel Minerals Limited (ACN 120 069 089).



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## 9. DETAILS OF SUBSTANTIAL HOLDERS

**Section 7.4 of the Prospectus** is amended as follows to reflect recent changes to the holdings of persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue:

### Details of substantial holders

As at the date of this SSP, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

| Shareholder                    | Shares    | %     |
|--------------------------------|-----------|-------|
| Capital Sanctuary Victoria P/L | 6,766,163 | 7.22% |
| AFR Australia P/L              | 5,985,886 | 6.39% |

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## 10. DIRECTORS' AUTHORISATION

This Second Supplementary Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors. In accordance with Section 720 of the Corporations Act, each Director has consented in writing to the lodgement of this Supplementary Prospectus with the ASIC.

**Marcel Hilmer**  
**CEO and Executive Director**  
**For and on behalf of Caravel Minerals Limited**

Note: All other details in relation to the terms of the Offer and other matters under the Prospectus remain unchanged.