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NEW DRILLING PROGRAM AT CARAVEL COPPER PROJECT

The Board of Caravel Minerals is pleased to announce a new phase of drilling has commenced at Caravel's Copper projects near Wongan Hills, 140km northeast of Perth, Western Australia.

Drilling is targeting higher grade areas within the current resource where previous drilling has shown broad zones (+30m) over 0.5% Cu. Current drill spacing is around 200m between sections and therefore it has not previously been attempted to create a discrete model for these higher-grade zones.

If the higher-grade intercepts show continuity in the current drilling and can be discretely modelled there is potential to significantly change the project resources and mine scheduling. This would also allow the consideration of different project development concepts with initial lower plant capacity and higher grades, reducing initial capital and increasing early cashflows.

Approximately 1,000m of HQ diamond core drilling is planned in the first phase, to be followed by a larger programme of RC drilling over the 2018/2019 summer period.

The initial programme will include new core holes in all the major resources at Bindi East, Bindi West and Dasher (see figure 1).

Core from this program will also be used for test work in the next phase of feasibility studies. The distribution of holes will provide material for further metallurgical and comminution tests, geotechnical surveys and waste rock characterisation.

Drilling and subsequent feasibility study work is funded by the proceeds of the 1 for 3 entitlement issue that closes this Thursday, 6 September 2018. A further announcement is expected soon in regard to the timing of the feasibility studies.

For and on behalf of the board

For further information, please contact:

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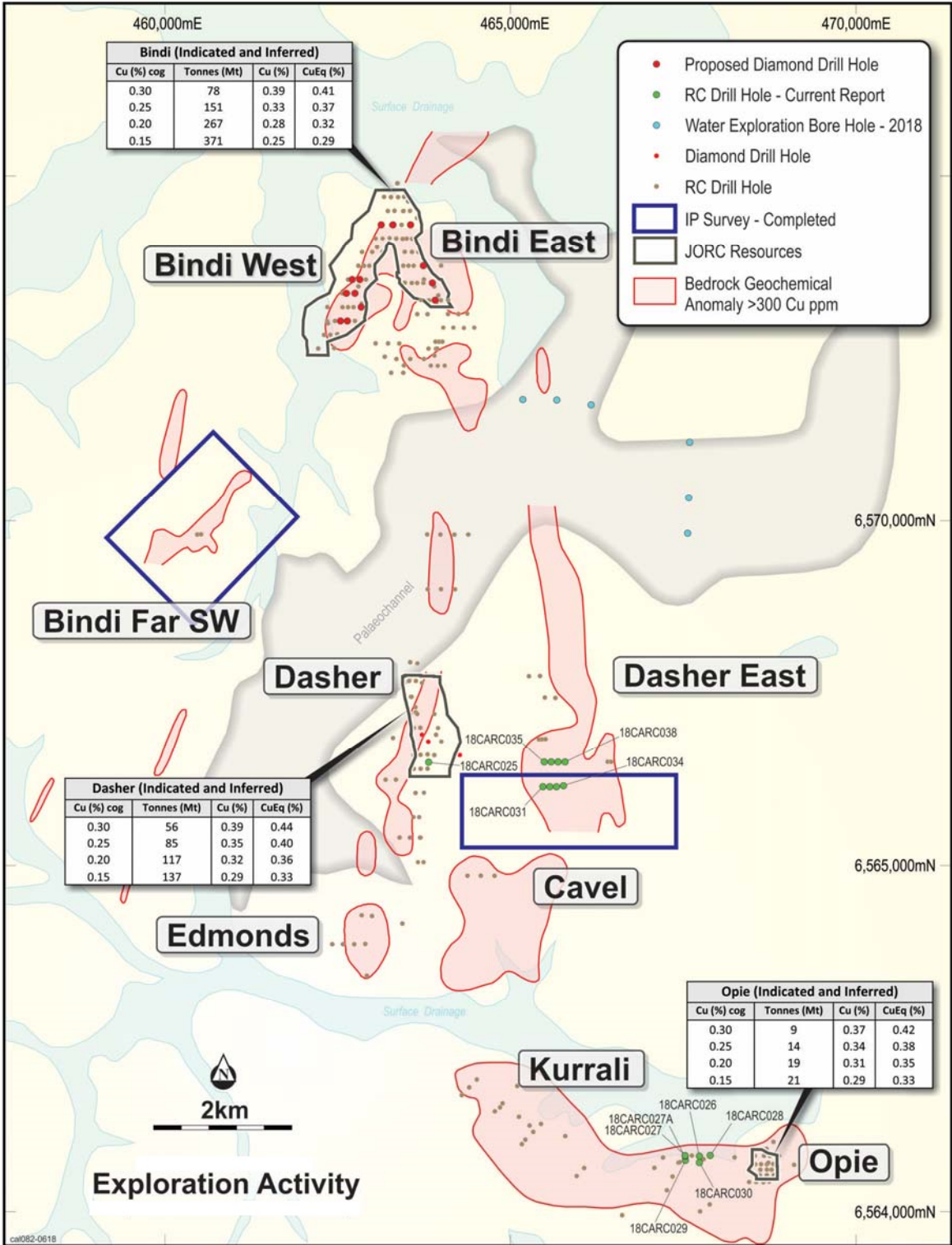


Figure 1: Caravel's Copper projects