

CARAVEL MINERALS LIMITED
ABN 41 120 069 089

NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held at Level 3, 18 Richardson Street West Perth, Western Australia on 27 October 2016 at 10.30am (WST).

Shareholders are urged to attend or vote by lodging the proxy form attached to this Notice.

CARAVEL MINERALS LIMITED
ABN 41 120 069 089

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the annual general meeting of Shareholders of Caravel Minerals Limited ("**Company**") will be held at Level 3, 18 Richardson Street West Perth, Western Australia on 27 October 2016 at 10.30am (WST) ("**Meeting**").

The Explanatory Memorandum to this Notice provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form form part of this Notice.

The Directors have determined pursuant to regulation 7.11.37 of the Corporations Regulations 2001 (Cth) that the persons eligible to vote at the Meeting are those who are registered as Shareholders on 25 October 2016 at 10.30am (WST).

Terms and abbreviations used in this Notice and the Explanatory Memorandum are defined in Schedule 1.

AGENDA

Financial, Directors' and Auditor's Report

To receive and consider the Financial Report, Directors' Report and Auditor's Report of the Company and its controlled entities for the financial year ended 30 June 2016.

1. Resolution 1 – Adoption of Remuneration Report

To consider, and if thought fit, to pass with or without amendment, the following as an ordinary resolution:

"That for the purposes of section 250R(2) of the Corporations Act and for all other purposes, the Remuneration Report as contained in the Company's Annual Report (which is available at www.caravelminerals.com.au) be adopted."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by, or on behalf of, any of the Key Management Personnel listed in the Remuneration Report or a Key Management Personnel's closely related party. However, the Company need not disregard a vote if the vote is not cast on behalf of a person described above and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the resolution; or
- (b) the voter is the Chair of the Meeting and the appointment of the Chair as proxy:
 - (i) does not specify the way the proxy is to vote on the resolution; and
 - (ii) expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

“Closely related party” is defined in the Corporations Act and includes a spouse, dependant and certain other close family members, as well as any companies controlled by the Key Management Personnel.

2. Resolution 2 – Re-election of Mr James Harris as a Director

To consider, and if thought fit, to pass with or without amendment, the following as an ordinary resolution:

"That Mr James Harris, who retires in accordance with Article 6.3(c) of the Constitution and, being eligible, offers himself for election, be re-elected as a Director with effect from the close of this Meeting."

3. Resolution 3 – Approval of 10% Placement Facility

To consider and, if thought fit, to pass with or without amendment, the following as a **special resolution**:

"That, pursuant to and in accordance with Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by a person who may participate in the issue of Equity Securities under the 10% Placement Facility and any person who might obtain a benefit (except a benefit solely in the capacity of a holder of ordinary securities) if this Resolution is passed, and any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Important note: The proposed allottees of any Equity Securities under the 10% Placement Facility are not yet known or identified. In these circumstances (and in accordance with the note set out in Listing Rule 14.11.1 relating to Listing Rule 7.1 and 7.1A), for a person's vote to be excluded, it must be known that that person will participate in the proposed issue. Where it is not known who will participate in the proposed issue (as is the case in respect of any Equity Securities issued under the 10% Placement Facility), Shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted, and there is no reason to exclude their votes.

4. Resolution 4 – Ratification of previous issue of Shares

To consider, and if thought fit, to pass with or without amendment the following as an ordinary resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 1,568,726 Shares to contractors carrying out drilling and other services for the Company, for the purpose and on the terms set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by any of the above contractors, being the persons who participated in the issue, or any associates of those contractors.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. Resolution 5 – Ratification of previous issue of Tranche 1 Shares to Exempt Investors

To consider, and if thought fit, to pass with or without amendment the following as an ordinary resolution:

"That, for the purposes of Listing Rule 7.4 and for all other purposes, Shareholders approve and ratify the issue of 9,632,953 Shares to investors who do not require disclosure under section 708 of the Corporations Act, for the purpose and on the terms set out in the Explanatory Memorandum."

Voting Exclusion

The Company will disregard any votes cast on this Resolution by any person who participated in the issue, or any associates of those persons.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides

6. Resolution 6 – Issue of Tranche 2 Shares and Unlisted Options to Exempt Investors

To consider, and if thought fit, to pass with or without amendment the following as an ordinary resolution:

"That, for the purposes of Listing Rule 7.1 and for all other purposes, Shareholders approve the issue of 7,972,670 Shares and 8,802,809 Unlisted Options to investors who

do not require disclosure under section 708 of the Corporations Act, for the purpose and on the terms set out in the Explanatory Memorandum."

The Company will disregard any votes cast on this Resolution by any person who may participate in the issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary shares if the Resolution is passed, and any of their associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

7. Resolution 7 – Issue of Tranche 2 Shares and Unlisted Options to Executive Director and CEO – Marcel Hilmer

To consider, and if thought fit, to pass with or without amendment the following as an ordinary resolution:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 330,985 Shares and 165,492 Unlisted Options to Marcel Hilmer (or his nominee), for the purpose and on the terms set out in the Explanatory Memorandum."

The Company will disregard any votes cast on this Resolution by Marcel Hilmer or his associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

8. Resolution 8 – Issue of Tranche 2 Shares and Unlisted Options to Director – James Harris

To consider, and if thought fit, to pass with or without amendment the following as an ordinary resolution:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 70,422 Shares and 35,211 Unlisted Options to James Harris (or his nominee), for the purpose and on the terms set out in the Explanatory Memorandum."

The Company will disregard any votes cast on this Resolution by James Harris or his associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

9. Resolution 9 – Issue of Tranche 2 Shares and Unlisted Options to Director – Peter Alexander

To consider, and if thought fit, to pass with or without amendment the following as an ordinary resolution:

"That, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 35,211 Shares and 17,605 Unlisted Options to Peter Alexander (or his nominee), for the purpose and on the terms set out in the Explanatory Memorandum."

The Company will disregard any votes cast on this Resolution by Peter Alexander or his associates.

However, the Company will not disregard a vote if:

- (a) it is cast by the person as proxy for a person who is entitled to vote, in accordance with directions on the Proxy Form; or
- (b) it is cast by the Chair of the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

OTHER BUSINESS

To transact any other business that may legally be brought before the meeting.

CHAIRMAN AND CHAIRMAN'S VOTING INTENTIONS FOR UNDIRECTED PROXIES

It is proposed that the Chairman of the Meeting be James Harris. It is the Chairman's intention as Chairman of the Meeting to vote undirected proxies (i.e. open proxies) which he holds as proxy in favour of all Resolutions.

Dated 20 September 2016

By Order of the Board



Simon Robertson
Company Secretary

EXPLANATORY MEMORANDUM

1. Introduction

This Explanatory Memorandum has been prepared for the information of Shareholders in connection with the business to be conducted at the Meeting to be held at Level 3, 18 Richardson Street West Perth, Western Australia on 27 October 2016 at 10.30am (WST).

The purpose of this Explanatory Memorandum is to provide information to Shareholders in deciding whether or not to pass the Resolutions in the Notice. The table below details the information provided in each section of this Explanatory Memorandum.

Section 2:	Action to be taken by Shareholders
Section 3:	Financial, Directors and Auditors Reports
Section 4:	Resolution 1 – Remuneration Report
Section 5:	Resolution 2 – Re-election of Director – Mr James Harris
Section 6:	Resolution 3 – Approval of 10% Placement Facility
Section 7:	Resolution 4 – Ratification of previous issue of Shares
Section 8:	Resolution 5 – Ratification of previous issue of Tranche 1 Shares to Exempt Investors
Section 9:	Resolution 6 – Issue of Tranche 2 Shares and Unlisted Options to Exempt Investors
Section 10:	Resolution 7, 8 and 9 – Issue of Shares and Unlisted Options to Directors
Schedule 1:	Definitions
Schedule 2:	Terms and Conditions of Unlisted Options

A Proxy Form is included with this Explanatory Memorandum.

2. Action to be taken by Shareholders

2.1 General

Shareholders should read the Notice and this Explanatory Memorandum carefully before deciding how to vote on the Resolutions.

A Proxy Form is included with the Notice. This is to be used by Shareholders if they wish to appoint a representative (a 'proxy') to vote in their place. All Shareholders are invited and encouraged to attend the Meeting or, if they are unable to attend in person, sign and return the Proxy Form to the Company in accordance with the instructions thereon.

Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Please note that:

- (a) a member of the Company entitled to attend and vote at the Meeting is entitled to appoint a proxy;
- (b) a proxy need not be a member of the Company; and
- (c) a member of the Company entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise, but where the proportion or number is not specified, each proxy may exercise half of the votes.

The enclosed Proxy Form provides further details on appointing proxies and lodging Proxy Forms.

2.2 Important information in respect of proxy voting on Resolution 1

A vote on Resolution 1 must not be cast (in any capacity) by, or on behalf of:

- (a) a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report; or
- (b) a closely related party of such member (which includes their spouse, child, dependent, other family members and any controlled company), including a member of the Key Management Personnel or closely related party acting as proxy for a Shareholder.

However, a person described above may cast a vote on Resolution 1 as proxy if the vote is not cast on behalf of a member of the Key Management Personnel whose remuneration details are included in the Remuneration Report or their closely related parties and either:

- (a) the voter is appointed as a proxy by writing that specifies the way the proxy is to vote on the Resolution; or
- (b) the voter is the Chairman and the appointment of the Chairman as proxy:
 - (i) does not specify the way the proxy is to vote on Resolution 1; and
 - (ii) expressly authorises the Chairman to exercise the proxy even if Resolution 1 is connected directly or indirectly with the remuneration of the Key Management Personnel.

Due to the voting exclusions that may apply to certain items of business, if you appoint a member of the Key Management Personnel or their closely related parties as your proxy then they will not be able to vote your proxy on Resolution 1 unless you have directed them how to vote or, in the case of the Chairman, if you expressly authorise him in the Proxy Form.

3. Financial, Directors' and Auditor's Reports

Shareholders will be offered the opportunity to discuss the Financial Report, Directors' Report and Auditor's Report at the Meeting. Copies of these reports can be found on the Caravel Minerals Limited website www.caravelminerals.com.au or by contacting the Company on (08) 9426 6400.

There is no requirement for Shareholders to approve the Financial Report, Directors' Report and Auditor's Report.

Shareholders will be offered the following opportunities:

- (a) discuss the Annual Report for the financial year ended 30 June 2016;
- (b) ask questions or make comment on the management of the Company; and
- (c) ask the auditor questions about the conduct of the audit and the preparation and content of the Auditor's Report.

In addition to taking questions at the Meeting, written questions to the Chairman about the management of the Company, or to the Company's auditor about:

- (a) the preparation and the content of the Auditor's Report;
- (b) the conduct of the audit;
- (c) accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit,

may be submitted no later than 5 business days before the Meeting to the Company Secretary at the Company's registered office.

A list of the relevant written questions together with responses will be made available to Shareholders attending the Meeting. They will also be placed on the Company's website.

The following details should be included with written questions submitted by a Shareholder:

- (a) the Shareholder's full name; and
- (b) either the Shareholder's Security Reference Number (**SRN**) or Holder Identification Number (**HIN**).

4. Resolution 1 – Remuneration Report

In accordance with section 250R(2) of the Corporations Act, the Company must put the Remuneration Report to the vote of Shareholders. The Directors' Report contains the Remuneration Report which sets out the remuneration policy for the Company and the remuneration arrangements in place for the executive Directors, specified executives and non-executive Directors.

In accordance with section 250R(3) of the Corporations Act, Resolution 1 is advisory only and does not bind the Directors or the Company. If Resolution 1 is not passed, the Directors will not be required to alter any of the arrangements in the Remuneration Report.

However, the Corporations Act provides that if the Remuneration Report resolution receives a "no" vote of 25% or more of votes (**Strike**) cast at the Meeting, the Company's subsequent Remuneration Report must explain the Board's proposed action in response or, if the Board does not propose any action, the Board's reasons for not making any changes. The Board will take into account the outcome of the vote when considering the remuneration policy, even if it receives less than a 25% "no" vote.

In addition, the Corporations Act provides that Shareholders will have the opportunity to remove the whole Board (except the Managing Director) if the Remuneration Report receives a Strike at two consecutive annual general meetings.

Where a resolution on the Remuneration Report receives a Strike at two consecutive annual general meetings, the Company will be required to put to Shareholders at the second annual general meeting a resolution on whether another meeting should be held (within 90 days) at which all Directors (other than the Managing Director) who were in office at the date of approval of the applicable Directors' Report must stand for re-election.

The Company's Remuneration Report did not receive a Strike at the 2015 annual general meeting. If the Remuneration Report receives a Strike at this Meeting, Shareholders should be aware that if a second Strike is received at the 2017 annual general meeting, this may result in the re-election of the Board.

The Chairman will allow a reasonable opportunity for Shareholders as a whole to ask about, or make comments on, the Remuneration Report.

Information on the voting exclusions applicable to Resolution 1 is set out in Section 2.2 above.

5. Resolution 2 – Re-election of Mr James Harris as a Director

Listing Rule 14.4 has the effect that a director of an entity must not hold office (without re-election) past the third annual general meeting following that director's appointment or 3 years, whichever is longer.

Article 6.3(c) of the Constitution requires that one third of the Directors must retire at each annual general meeting (rounded down to the nearest whole number). Article 6.3(f) of the Constitution provides that a Director who retires under Article 6.3(c) is eligible for re-election.

Pursuant to Listing Rule 14.4 and Articles 6.3(c) and (f) of the Constitution, Mr Harris will retire by rotation and seek re-election.

James Harris has had extensive experience in both Government and private enterprise in Australia and overseas. He has worked for ten years with both Alcoa of Australia and the United Group Limited. His qualifications are in Legal Studies and Public Administration and he is a Fellow of the Australian Institute of Company Directors. He is currently a Director of Swanline Development Pty Ltd and its associated companies.

The Board believes that Mr Harris has performed the duties and responsibilities of a Director diligently and professionally, in the best interests of all Shareholders.

The Board (except Mr Harris) recommends that Shareholders vote in favour of this Resolution.

6. Resolution 3 – Approval of 10% Placement Facility

6.1 General

Listing Rule 7.1A enables eligible entities to issue Equity Securities up to 10% of its issued ordinary share capital through placements over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

An eligible entity for the purposes of Listing Rule 7.1A is an entity that is not included in the S&P/ASX 300 Index and has a market capitalisation of \$300 million or less, as at the time of the entity's annual general meeting. The Company is an eligible entity.

While the Company has no current intention to use the 10% Placement Facility, the Company is now seeking Shareholder approval by way of a special resolution to have the ability, if required, to issue Equity Securities under the 10% Placement Facility.

The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) below).

The Company intends to continue to develop existing projects and seeks to acquire new resources assets and investments. The 10% Placement Facility provides additional flexibility and capacity to the fund raising alternatives that would otherwise normally be available to the Company and the Company may use the 10% Placement Facility to develop existing projects and to acquire new resources assets and investments.

The Directors of the Company believe that this Resolution is in the best interests of the Company and unanimously recommend that Shareholders vote in favour of this Resolution.

6.2 Description of Listing Rule 7.1A

(a) Shareholder approval

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

(b) Equity Securities

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company.

The Company, as at the date of the Notice, has on issue, Shares and unlisted Options. 59,774,384 Ordinary Shares and 11,799,598 unlisted Options.

(c) Formula for calculating 10% Placement Facility

Listing Rule 7.1A.2 provides that eligible entities which have obtained shareholder approval at an annual general meeting may issue or agree to issue, during the 12 month period after the date of the annual general meeting, a number of Equity Securities calculated in accordance with the following formula:

$$(A \times D) - E$$

Where:

A is the number of shares on issue 12 months before the date of issue or agreement:

(A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;

(B) plus the number of partly paid shares that became fully paid in the 12 months;

- (C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% placement capacity without shareholder approval;
- (D) less the number of fully paid shares cancelled in the 12 months.

Note that A has the same meaning in Listing Rule 7.1 when calculating an entity's 15% placement capacity.

D is 10%

E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

(d) Listing Rule 7.1 and Listing Rule 7.1A

The ability of an entity to issue Equity Securities under Listing Rule 7.1A is in addition to the entity's 15% placement capacity under Listing Rule 7.1.

The actual number of Equity Securities that the Company will have capacity to issue under Listing Rule 7.1A will be calculated at the date of issue of the Equity Securities in accordance with the formula prescribed in Listing Rule 7.1A.2 (refer to Section 6.2(c) above).

(e) Minimum Issue Price

The issue price of Equity Securities issued under Listing Rule 7.1A must be not less than 75% of the VWAMP (volume weighted average market price) of Equity Securities in the same class calculated over the 15 Trading Days immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(f) 10% Placement Period

Shareholder approval of the 10% Placement Facility under Listing Rule 7.1A is valid from the date of the annual general meeting at which the approval is obtained and expires on the earlier to occur of:

- (i) the date that is 12 months after the date of the annual general meeting at which the approval is obtained; or
- (ii) the date of the approval by shareholders of a transaction under Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking),

(**"10% Placement Period"**).

6.3 Listing Rule 7.1A

The effect of Resolution 3 will be to allow the Directors to issue the Equity Securities under Listing Rule 7.1A during the 10% Placement Period without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 3 is a special resolution and therefore requires approval of 75% of the votes cast by Shareholders present and eligible to vote (in person, by proxy, by attorney or, in the case of a corporate Shareholder, by a corporate representative).

6.4 Specific information required by Listing Rule 7.3A

Pursuant to and in accordance with Listing Rule 7.3A, information is provided in relation to the approval of the 10% Placement Facility as follows:

- (a) The Equity Securities will be issued at an issue price of not less than 75% of the VWAMP (volume weighted average market price) for the Company's Equity Securities in the same class over the 15 Trading Days immediately before:
 - (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
 - (ii) if the Equity Securities are not issued within 5 Trading Days of the date in paragraph (i) above, the date on which the Equity Securities are issued.
- (b) If Resolution 3 is approved by Shareholders and the Company issues Equity Securities under the 10% Placement Facility, the existing Shareholders' voting power in the Company will be diluted as shown in the below table. There is a risk that:
 - (i) the market price for the Company's Equity Securities may be significantly lower on the date of the issue of the Equity Securities than on the date of the Meeting; and
 - (ii) the Equity Securities may be issued at a price that is at a discount to the market price for the Company's Equity Securities on the issue date or the Equity Securities are issued as part of consideration for the acquisition of a new asset,

which may have an effect on the amount of funds raised by the issue of the Equity Securities.

The below table shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

The table also shows:

- (i) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

- (iii) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable 'A' in Listing Rule 7.1A2		Dilution		
		\$0.0475 50% decrease in Issue Price	\$0.0950 Issue Price	\$0.1900 100% increase in Issue Price
Current Variable 'A' 59,774,380 Shares	10% voting dilution	5,977,438 Shares	5,977,438 Shares	5,977,438 Shares
	Funds raised	\$283,928	\$567,857	\$1,135,713
50% increase in current Variable 'A' 89,661,570 Shares	10% voting dilution	8,966,157 Shares	8,966,157 Shares	8,966,157 Shares
	Funds raised	\$425,892	\$851,785	\$1,703,570
100% increase in current Variable 'A' 119,548,760 Shares	10% voting dilution	11,954,876 Shares	11,954,876 Shares	11,954,876 Shares
	Funds raised	\$567,857	\$1,135,713	\$2,271,427

The table has been prepared on the following assumptions:

- (i) At the date of the Meeting the Current Variable 'A' will be 59,774,380 provided that Resolutions 4 and 5 are approved.
- (ii) The Company issues the maximum number of Equity Securities available under the 10% Placement Facility.
- (iii) No Options are exercised into Shares before the date of the issue of the Equity Securities;
- (iv) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (v) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- (vi) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (vii) The issue of Equity Securities under the 10% Placement Facility consists only of Shares.

- (viii) The issue price is \$0.095, being the closing price of the Shares on the ASX on 10 September 2016.
- (ix) The Company's ability to issue securities under Listing Rule 7.1A is in addition to its ability to issue securities under Listing Rule 7.1.
- (c) The Company will only issue and allot the Equity Securities during the 10% Placement Period. The approval under Resolution 3 for the issue of Equity Securities pursuant to the 10% Placement Facility will cease to be valid in the event that Shareholders approve a transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of activities) or Listing Rule 11.2 (disposal of main undertaking).
- (d) The Company may seek to issue the Equity Securities for the following purposes:
 - (i) non-cash consideration in relation to costs associated with the acquisition of resource assets and investments. In such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3; or
 - (ii) cash consideration. In such circumstances, the Company intends to use the funds raised towards the continued exploration and feasibility study expenditure on the Company's Projects in Western Australia and for working capital.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

- (e) The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility. The identity of the allottees of Equity Securities will be determined on a case-by-case basis having regard to the factors including but not limited to the following:
 - (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
 - (ii) the effect of the issue of the Equity Securities on the control of the Company;
 - (iii) the financial situation and solvency of the Company; and
 - (iv) advice from corporate, financial and broking advisers (if applicable).

The allottees under the 10% Placement Facility have not been determined as at the date of this Notice but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company.

Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Facility will be the vendors of the new resources assets or investments.

- (f) The Company has previously obtained Shareholder approval under Listing Rule 7.1A. In the 12 months preceding the date of the Meeting the Company issued a total of 11,070,383 Equity Securities which represent 24.4% of the total number of Equity Securities on issue at 25 October 2015. Out of those Equity

Securities issued, 4,800,000 were issued under Listing Rule 7.1A. The Equity Securities issued in the preceding 12 months to the date of the Meeting are set out in Schedule 3.

- (g) The table in Schedule 3 contains a breakdown of how the funds raised in the prior 12 months have been spent and how funds remaining at the date of this Notice will be spent.
- (h) A voting exclusion statement is included in the Notice. At the date of the Notice, the Company has not approached any particular existing Shareholder or security holder or an identifiable class of existing security holder to participate in the issue of the Equity Securities. No existing Shareholder's votes will therefore be excluded under the voting exclusion in the Notice.

Board recommendation

The Board believes that the 10% Placement Facility is beneficial for the Company as it will give the Company the flexibility to issue further securities representing up to 10% of the Company's share capital during the next 12 months. Accordingly, the Board unanimously recommends that Shareholders approve the Resolution.

7. Resolutions 4 – Ratification of previous issue of Shares

During the last 12 months, the Company issued 1,568,726 Shares to contractors for carrying out drilling and other services for the Company without disclosure to investors under the exceptions provided in section 708 of the Corporations Act. The contractors were not related parties of the Company.

Listing Rule 7.1 restricts the number of Equity Securities a company may issue (or agree to issue) in any 12 month period without shareholder approval to 15% of the number of ordinary securities on issue at the commencement of that 12 month period (subject to specified exceptions).

Listing Rule 7.4 states that an issue by a company of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it.

Under this Resolution, the Company seeks from Shareholders approval for, and ratification of, the issue of securities set out below so as to limit the restrictive effect of Listing Rule 7.1 on any further issues of securities by the Company in the next 12 months.

Listing Rule 7.5 requires the following specific information to be provided:

- (a) 1,568,726 Shares were issued.
- (b) 1,568,726 Shares were issued in exchange for services carried out for the Company. The value of these services was \$207,287
- (c) The Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing shares.
- (d) The Shares were issued to the Company's contractors who have carried out drilling and other services for the Company.
- (e) The Company did not raise any funds through the issue of the Shares.

The Board unanimously recommends that Shareholders vote in favour of Resolution 4.

A voting exclusion applies to Resolution 4 in the terms set out in the Notice.

8. Resolution 5 – Ratification of previous issue of Tranche 1 Shares to Exempt Investors

Introduction

As announced on 18 August 2016, the Company received commitments to issue 17,605,623 Shares to investors at an issue price of \$0.071 per Share plus, subject to Shareholder approval, 1 free unlisted Option with an exercise price of \$0.12 and an expiry date of 15 December 2018 (**Unlisted Option**) for every 2 Shares issued (**Placement**).

The funds raised from the Placement will provide additional working capital for the Company and support and supplement the funds being invested in the Company's Calingiri and Bryah projects in Western Australia.

The Placement contains 2 Tranches. Tranche 1 of the Placement has completed and resulted in the issue of 9,632,953 Shares under the Company's placement capacity under Listing Rules 7.1 and 7.1A to investors who do not require disclosure under section 708 of the Corporations Act (**Exempt Investors**).

The remainder of the Shares to be issued under the Placement and the free attaching Unlisted Options will be issued under Tranche 2 of the Placement as follows:

- (a) 7,536,052 Shares and 8,584,501 Unlisted Options will be issued to Exempt Investors that are not Directors;
- (b) 330,985 Shares and 165,492 Unlisted Options will be issued to Marcel Hilmer, a Director;
- (c) 35,211 Shares and 17,605 Unlisted Options will be issued to Peter Alexander, a Director; and
- (d) 70,422 Shares and 35,211 Unlisted Options will be issued to James Harris, a Director.

The issue of Shares and Unlisted Options under Tranche 2 of the Placement is subject to Shareholder approval (refer to Resolutions 6, 7, 8 and 9).

Approvals required

Listing Rule 7.1 restricts the number of Equity Securities a company may issue (or agree to issue) in any 12 month period without shareholder approval to 15% of the number of ordinary shares on issue at the commencement of that 12 month period (subject to specified exceptions).

Listing Rule 7.1A enables eligible entities to issue Equity Securities of up to a further 10% of its issued ordinary share capital through placements over a 12 month period following the entity's annual general meeting, if Shareholders have approved the placement capacity at that meeting. The Company has previously obtained Shareholder approval under Listing Rule 7.1A at its annual general meeting held on 11 November 2015 which means that the Company had this additional placement capacity available to it in relation to the issue of Shares to the Exempt Investors under the Placement.

Listing Rule 7.4 states that an issue by a company of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it. The note to Listing Rule 7.4 states that issues made with approval under Listing Rule 7.1A can be ratified under Listing Rule 7.4. This means that the issue of the 9,632,953 Shares to the Exempt Investors under Tranche 1 of the Placement pursuant to Listing Rule 7.1 and Listing Rule 7.1A can be ratified by Shareholders.

Under this Resolution, the Company seeks from Shareholders approval for, and ratification of, the issue of the 9,632,953 Shares to the Exempt Investors under Tranche 1 of the Placement pursuant to the Company's placement capacity under Listing Rule 7.1 and the Company's additional placement capacity under Listing Rule 7.1A so as to limit the restrictive effect of Listing Rule 7.1 on any further issues of securities by the Company in the next 12 months.

Listing Rule 7.5 requires the following specific information to be provided:

- (e) 9,632,953 Shares were issued – 4,832,953 under Listing Rule 7.1 capacity and 4,800,000 under Listing Rule 7.1A capacity.

- (f) The issue price was \$0.071 per Share, with an entitlement to receive, subject to Shareholder approval, 1 Unlisted Option for every 2 Shares issued to the Exempt Investor under the Placement.
- (g) The Shares were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares.
- (h) The Shares were issued to professional and sophisticated investors under the exceptions provided in section 708 of the Corporations Act, none of whom is a related party of the Company.
- (i) The Company raised approximately \$684,000 through the issue of the Shares.
- (j) The funds raised will provide additional working capital for the Company and support and supplement the funds being invested in the Company's Calingiri and Bryah projects in Western Australia.

The Board unanimously recommends that Shareholders vote in favour of Resolution 5.

A voting exclusion applies to Resolution 5 in the terms set out in the Notice.

9. Resolution 6 – Issue of Tranche 2 Shares and Unlisted Options to Exempt Investors

Please refer to the Explanatory Memorandum for Resolution 5 above in relation to Tranche 2 of the Placement.

This Resolution seeks Shareholder approval for the issue of 7,536,052 Shares and the issue of 8,584,501 Unlisted Options to Exempt Investors that are not Directors under Tranche 2 of the Placement.

Listing Rule 7.3 requires the following information to be provided in relation to the Shares proposed to be issued under Tranche 2 of the Placement:

- (a) Up to 7,536,052 Shares may be issued.
- (b) The Shares will be issued no later than three months after the date of the Meeting and will be issued in full, not progressively.
- (c) The Shares will be issued at a price of \$0.071 per Share.
- (d) The Shares to be issued will be fully paid ordinary shares in the capital of the Company.
- (e) The Shares will be issued to Exempt Investors that are not Directors.
- (f) The Company will raise gross proceeds of approximately \$535,000 through the issue of the Shares.

Listing Rule 7.3 requires the following information to be provided in relation to the Unlisted Options proposed to be issued under Tranche 2 of the Placement:

- (a) Up to 8,584,501 Unlisted Options may be issued.
- (b) The Unlisted Options will be granted no later than three months after the date of the Meeting and will be granted in full, not progressively.
- (c) The issue price for the Unlisted Options is nil.

- (d) The full terms of the Unlisted Options are set out in Schedule 2.
- (e) The Unlisted Options will be issued to Exempt Investors that are not Directors.
- (f) The Company will not raise any funds through the issue of the Unlisted Options.

The Board unanimously recommends that Shareholders vote in favour of Resolution 6.

A voting exclusion statement is set out in the Notice.

10. Resolutions 7, 8 and 9 – Issue of Shares and Unlisted Options to Directors

Please refer to the Explanatory Memorandum for Resolution 5 above in relation to Tranche 2 of the Placement.

Resolutions 7, 8 and 9 (respectively) seek Shareholder approval the issue of 436,618 Shares and 218,308 Unlisted Options under Tranche 2 of the Placement to Directors as follows:

- (a) Mr Marcel Hilmer – 330,985 Shares and 165,492 Unlisted Options.
- (b) Mr Peter Alexander – 35,211 Shares and 17,605 Unlisted Options.
- (c) Mr James Harris – 70,422 Shares and 35,211 Unlisted Options.

The Unlisted Options will be unlisted and quotation of the Unlisted Options will not be sought.

Approvals required

Shareholder approval is sought for the purposes of Listing Rule 10.11 for the Company to issue the above Shares and Unlisted Options.

Listing Rule 10.11

Listing Rule 10.11 provides that the Company must not issue Equity Securities to a related party unless one of a number of exceptions applies, or Shareholder approval is obtained. Further, Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue, or agree to issue, during any 12 month period any Equity Securities (or other securities with rights to conversion to equity), if the number of those securities exceeds 15% of the number of ordinary securities on issue at the commencement of that 12 month period. Shares issued under this Resolution would fall within an exception. If approval is given under Listing Rule 10.11, approval is not required under Listing Rule 7.1.

One of the effects of Resolutions 7, 8 and 9 will be to allow the Company to issue the above Shares and grant the above Unlisted Options without using the Company's 15% placement capacity.

Pursuant to and in accordance with Listing Rule 10.13, the following information is provided in respect of the Shares and Unlisted Options under Resolutions 7, 8 and 9:

Shares

- (a) The number of Shares to be issued is 436,618.

- (b) The Shares will be issued no later than 1 month after the date of the Meeting and will be issued in full, not progressively.
- (c) The Shares will be issued at a price of \$0.071 per Share.
- (d) The Shares to be issued will be fully paid ordinary shares in the capital of the Company.
- (e) 330,985 Shares will be issued to Mr Marcel Hilmer (or his nominee), 70,422 Shares will be issued to Mr James Harris (or his nominee) and 35,211 Shares will be issued to Mr Peter Alexander (or his nominee).
- (f) The Company will raise gross proceeds of approximately \$31,000 through the issue of the Shares.

Unlisted Options

- (a) The number of Unlisted Options to be issued is 218,308.
- (b) The Unlisted Options will be granted no later than 1 month after the date of the Meeting and will be granted in full, not progressively.
- (c) The issue price for the Unlisted Options is nil.
- (d) The full terms of the Unlisted Options are set out at Schedule 2.
- (e) 165,492 Unlisted Options will be issued to Mr Marcel Hilmer (or his nominee), 35,211 Unlisted Options will be issued to Mr James Harris (or his nominee) and 17,605 Unlisted Options will be issued to Mr Peter Alexander (or his nominee).
- (f) The Company will not raise any funds through the grant of the Unlisted Options.

Listing Rules 7.1 and 7.2 and 15% restriction

If Shareholder approval is given under Listing Rule 10.11 for Resolutions 7, 8 and 9 then the Listing Rules provide that Shareholder approval will not be required for the purposes of the 15% restriction in Listing Rule 7.1 as that Listing Rule applies to the issue of the Shares and the grant of the Unlisted Options.

Schedule 1 - Definitions

In this Explanatory Memorandum, Notice and Proxy Form:

"10% Placement Facility" has the meaning given in Section 6.1 of the Explanatory Memorandum.

"10% Placement Period" has the meaning given in Section 6.2 of the Explanatory Memorandum.

"Annual Report" means the Directors' Report, the Financial Report and the Auditor's Report thereon, in respect of the financial year ended 30 June 2016.

"Article" means an article of the Constitution.

"ASX" means ASX Limited and where the context permits the Australian Securities Exchange operated by ASX Limited.

"Auditor's Report" means the auditor's report on the Financial Report.

"Board" means the board of Directors.

"Chair or Chairman" means the person appointed to chair the Meeting convened by this Notice.

"Company" means Caravel Minerals Limited ABN 41 120 069 089.

"Constitution" means the constitution of the Company.

"Corporations Act" means the *Corporations Act 2001* (Cth).

"Director" means a director of the Company.

"Directors' Report" means the annual directors' report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

"Equity Securities" has the same meaning as in the Listing Rules.

"Exempt Investor" has the meaning given in Section 8 of the Explanatory Memorandum.

"Explanatory Memorandum" means the explanatory memorandum to the Notice.

"Financial Report" means the 2016 annual financial report prepared under chapter 2M of the Corporations Act for the Company and its controlled entities.

"Key Management Personnel" means a person having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.

"Listing Rules" means the Listing Rules of ASX.

"Meeting" has the meaning given in the introductory paragraph of the Notice.

"Notice" means this notice of meeting.

"Option" means an option which entitles the holder to subscribe for one Share.

"Placement" has the meaning given in Section 8 of the Explanatory Memorandum.

"Proxy Form" means the proxy form attached to the Notice.

"Remuneration Report" means the remuneration report of the Company contained in the Directors' Report.

"Resolution" means a resolution contained in this Notice.

"Schedule" means a schedule to this Notice.

"Section" means a section contained in this Explanatory Memorandum.

"Share" means a fully paid ordinary share in the capital of the Company.

"Shareholder" means a shareholder of the Company.

"Strike" has the meaning given in Section 4 of the Explanatory Memorandum.

"Trading Day" means a day determined by ASX to be a Trading Day in accordance with the Listing Rules.

"Unlisted Option" has the meaning given in Section 8 of the Explanatory Memorandum.

"VWAMP" means volume weighted average market price.

"WST" means Western Standard Time, being the time in Perth, Western Australia.

In this Notice, words importing the singular include the plural and visa versa.

Schedule 2 – Terms and Conditions of Unlisted Options

1.1 Entitlement

The Options entitle the holder to subscribe for one (1) Share upon the exercise of each Option.

1.2 Exercise Price

The exercise price of each Option will be \$0.12.

1.3 Expiry Date

15 December 2018.

1.4 Exercise Period

The Options are exercisable at any time on or prior to the Expiry Date.

1.5 Notice of Exercise

The Options may be exercised by notice in writing to the Company and payment of the Exercise Price for each Option being exercised. Any notice of exercise of an Option received by the Company will be deemed to be a notice of the exercise of that Option as at the date of receipt.

1.6 Shares Issued on Exercise

Shares issued on exercise of the Options rank equally with the Shares of the Company.

1.7 Quotation of Shares on Exercise

Application will be made by the Company to ASX for official quotation of the Shares issued upon the exercise of the Options.

1.8 Timing of issue of Shares

After an Option is validly exercised, the Company must as soon as possible:

- (a) issue the Share; and
- (b) do all such acts matters and things to obtain
 - (i) the grant of quotation for the Share on ASX no later than 5 days from the date of exercise of the Option; and
 - (ii) receipt of cleared funds equal to the sum payable on the exercise of the Options.

1.9 Participation in New Issues

There are no participation rights or entitlements inherent in the Options and holder will not be entitled to participate in new issues of capital offered to Shareholders during the currency of Options.

However, the Company will ensure that for the purposed of determining entitlements to any such issue, the record date will be at least 10 Business Days after the issue is announced. This will give the holder of Options the opportunity to exercise their Options prior to the date for determining entitlements to participate in any such issue.

1.10 Adjustment for Bonus Issues of Shares

If the Company makes a bonus issue of Shares or other securities to existing Shareholders (other than an issue in lieu or in satisfaction, of dividends or by way of dividend reinvestment):

- (a) the number of Shares which must be issued on the exercise of an Option will be increased by the number of Shares which the Option holder would have received if the Option holder had exercised the Option before the record date for the bonus issue; and
- (b) no change will be made to the Exercise Price.

1.11 Adjustment for Rights Issue

If the Company makes an issue of Share pro rata to existing Shareholders (other than an issue in lieu of or in satisfaction of dividends or by way of dividend reinvestment) the Exercise Price of an Option will be reduced according to the following formula:

$$\text{New exercise price} = \frac{O - E[P - (S + D)]}{N + 1}$$

O = the old Exercise Price of the Option.

E = the number of underlying Shares into which one (1) Option is exercisable.

P = average market price per Share weighted by reference to volume of the underlying Shares during the 5 Trading Days ending on the day before the ex rights date or ex entitlements date.

S = the subscription price of a Share under the pro rate issue.

D = the dividend due but not yet paid on the existing underlying Shares (except those to be issued under the pro rate issue).

N = the number of Shares with rights or entitlements that must be held to receive a right to one (1) new share.

1.12 Adjustment for Reorganisation

If there is any reconstruction of the issued share capital of the Company, the rights of the Option holder may be varied to comply with the Listing Rules which apply to the reconstruction at the time of the reconstruction.

1.13 Quotation of Options

The Options will be unlisted Options. No application for quotation of the Options will be made by the Company until such time as the Company in its absolute discretion determines otherwise. Should the Company make an application for quotation of the Options and the ASX accepts the application for quotation of the options then the options will be listed Options from time to time that the ASX accepts such application.

1.14 Options transferable

The Options are transferable.

1.15 Lodgement Instructions

Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". The application for shares on exercise of the Options with the appropriate remittance should be lodged at the Company's share registry.

Schedule 3 – Issue of Equity Securities since 25 September 2015

Date	Number of Equity Securities	Class of Equity Securities and summary of terms	Names of recipients or basis on which recipients determined	Issue price of Equity Securities and discount to market price on the trading day prior to the issue	Form of Consideration
15 November 2015	501,704	Shares	Consultants	Nil	Issued for services provided – no funds raised
19 January 2016	326,459	Shares	Consultants	Nil	Issued for services provided – no funds raised
11 March 2016	374,621	Shares	Consultants	Nil	Issued for services provided – no funds raised
11 April 2016	475,790	Shares	Consultants	Nil	Issued for services provided – no funds raised
9 August 2016	391,856	Shares	Consultants	Nil	Issued for services provided – no funds raised
24 August 2016	8,787,883	Shares	Exempt investors under Section 708 of the Corporations Act	\$0.071 per share	Cash – Amount raised \$623,940. At the date of this notice none of this cash has been expended. It is expected that the funds will be expended on further exploration and studies associated with the Calingiri and Bryah Projects and for working capital.
26 August 2016	845,070	Shares	Exempt investors under Section 708 of the Corporations Act	\$0.071 per share	Cash – Amount raised \$60,000. At the date of this notice none of this cash has been expended. It is expected that the funds will be expended on further exploration and studies associated with the Calingiri and Bryah Projects and for working capital.

Notes:

1. Market price means the closing price on ASX (excluding special crossings, overnight sales and exchange traded option exercises). For the purposes of this table the discount is calculated on the Market Price on the last trading day on which a sale was recorded prior to the date of issue of the relevant Equity Securities.
2. Fully paid ordinary shares in the capital of the Company, ASX Code: CVV (terms are set out in the Constitution).
3. In respect of Options (other than attaching option) the value is measured using the Black & Scholes option pricing model. Measurement inputs include the Share price on the measurement date, the exercise price, the term of the Option, the impact of dilution, the expected volatility of the underlying Share (based on weighted average historic volatility adjusted for changes expected due to publicly available information), the expected dividend yield and the risk free interest rate for the term of the Option. No account is taken of any performance conditions included in the terms of the Option other than market based performance conditions (i.e. conditions linked to the price of Shares).

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CARAVEL MINERALS LIMITED

ACN: 120 069 089

REGISTERED OFFICE:
LEVEL 3
18 RICHARDSON STREET
WEST PERTH WA 6005

SHARE REGISTRY:
Security Transfer Australia Pty Ltd
All Correspondence to:
PO BOX 535, APPLECROSS WA 6953
AUSTRALIA
770 Canning Highway, APPLECROSS WA 6153
AUSTRALIA
T: +61 8 9315 2333 F: +61 8 9315 2233
E: registrar@securitytransfer.com.au
W: www.securitytransfer.com.au

«EFT_REFERENCE_NUMBER»

«Company_code» «Sequence_number»

«Holder_name»
«Address_line_1»
«Address_line_2»
«Address_line_3»
«Address_line_4»
«Address_line_5»

Code:

Holder Number:

PROXY FORM

THIS DOCUMENT IS IMPORTANT. IF YOU ARE IN DOUBT AS TO HOW TO DEAL WITH IT, PLEASE CONTACT YOUR STOCK BROKER OR LICENSED PROFESSIONAL ADVISOR.

**VOTE
ONLINE**

Lodge your proxy vote securely at www.securitytransfer.com.au
1. Log into the Investor Centre using your holding details.
2. Click on "Proxy Voting" and provide your Online Proxy ID to access the voting area.

SECTION A: Appointment of Proxy

I/We, the above named, being registered holders of the Company and entitled to attend and vote hereby appoint:

The meeting chairperson

OR

or failing the person named, or if no person is named, the Chairperson of the meeting, as my/our Proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the Proxy sees fit) at the Annual General Meeting of the Company to be held at 10:30am WST on Thursday 27 October 2016 at Level 3, 18 Richardson Street, West Perth Western Australian and at any adjournment of that meeting.

SECTION B: Voting Directions

Please mark "X" in the box to indicate your voting directions to your Proxy. The Chairperson of the Meeting intends to vote undirected proxies in FAVOUR of all the resolutions. In exceptional circumstances, the Chairperson of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

RESOLUTION	For	Against	Abstain*		For	Against	Abstain*
1. Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	7. Issue of Tranche 2 Shares and Unlisted options to Executive Director and CEO - Marcel Hilmer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Re-election of Mr James Harris as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8. Issue of Tranche 2 Shares and Unlisted Options to Director - James Harris	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Approval of 10% Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9. Issue of Tranche 2 Shares and Unlisted Options to Director - Peter Alexander	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Ratification of previous Issue of Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
5. Ratification of previous Issue of Tranche 1 Shares to Exempt Investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
6. Issue of Tranche 2 Shares and Unlisted Options to Exempt Investors	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				

If no directions are given my proxy may vote as the proxy thinks fit or may abstain. * If you mark the Abstain box for a particular item, you are directing your Proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

SECTION C: Signature of Security Holder(s)

This section must be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Security Holder

Security Holder 2

Security Holder 3

Sole Director & Sole Company Secretary

Director

Director/Company Secretary

Proxies must be received by Security Transfer Australia Pty Ltd no later than 10:30am WST on Tuesday 25 October 2016.

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My/Our contact details in case of enquiries are:

Name:

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Number:

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1. NAME AND ADDRESS

This is the name and address on the Share Register of the Company. If this information is incorrect, please make corrections on this form. Shareholders sponsored by a broker should advise their broker of any changes. Please note that you cannot change ownership of your shares using this form.

2. APPOINTMENT OF A PROXY

If the person you wish to appoint as your Proxy is someone other than the Chairperson of the Meeting please write the name of that person in Section A. If you leave this section blank, or your named Proxy does not attend the meeting, the Chairperson of the Meeting will be your Proxy. A Proxy need not be a shareholder of the Company.

3. DIRECTING YOUR PROXY HOW TO VOTE

To direct the Proxy how to vote place an "X" in the appropriate box against each item in Section B. Where more than one Proxy is to be appointed and the proxies are to vote differently, then two separate forms must be used to indicate voting intentions.

4. APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two (2) persons as proxies to attend the meeting and vote on a poll. If you wish to appoint a second Proxy, an additional Proxy form may be obtained by contacting the Company's share registry or you may photocopy this form.

To appoint a second Proxy you must:

- a) On each of the Proxy forms, state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each Proxy may exercise, each Proxy may exercise half of your votes; and
- b) Return both forms in the same envelope.

5. SIGNING INSTRUCTIONS

Individual: where the holding is in one name, the Shareholder must sign.

Joint Holding: where the holding is in more than one name, all of the Shareholders must sign.

Power of Attorney: to sign under Power of Attorney you must have already lodged this document with the Company's share registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the Company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the Company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director may sign alone. Otherwise this form must be signed by a Director jointly with either another Director or Company Secretary. Please indicate the office held in the appropriate place.

If a representative of the corporation is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be lodged with the Company before the meeting or at the registration desk on the day of the meeting. A form of the certificate may be obtained from the Company's share registry.

6. LODGEMENT OF PROXY

Proxy forms (and any Power of Attorney under which it is signed) must be received by Security Transfer Australia Pty Ltd no later than the date and time stated on the form overleaf. Any Proxy form received after that time will not be valid for the scheduled meeting.

The proxy form does not need to be returned to the share registry if the votes have been lodged online.

Security Transfer Australia Pty Ltd

Online	www.securitytransfer.com.au
Postal Address	PO BOX 535 Applecross WA 6953 AUSTRALIA
Street Address	Alexandrea House Suite 1, 770 Canning Highway Applecross WA 6153 AUSTRALIA
Telephone	+61 8 9315 2333
Facsimile	+61 8 9315 2233
Email	registrar@securitytransfer.com.au

PRIVACY STATEMENT

Personal information is collected on this form by Security Transfer Australia Pty Ltd as the registrar for securities issuers for the purpose of maintaining registers of security holders, facilitating distribution payments and other corporate actions and communications. Your personal details may be disclosed to related bodies corporate, to external service providers such as mail and print providers, or as otherwise required or permitted by law. If you would like details of your personal information held by Security Transfer Australia Pty Ltd or you would like to correct information that is inaccurate please contact them on the address on this form.

