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## MT GIBSON GOLD PROJECT PREFEASIBILITY STUDY CONFIRMS ORE RESERVE OF 1.45 MILLION OUNCES 152,000 OUNCES PA PRODUCTION

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### HIGHLIGHTS

**Pre-feasibility study (PFS) delivers a compelling case for development of Capricorn's second mining operation at the Mt Gibson Gold Project (MGGP) in Western Australia.**

- Maiden Ore Reserve estimate of 48.7 million tonnes at 0.9g/t Au for 1.45 million ounces of gold.
  - A gold price of A\$1,900 per ounce was used in the estimation of the Ore Reserve.
  - Reserve pits have a shallow average depth of 140 metres, a maximum depth of 245 metres and operating strip ratio (w:o) of 4.2.
- The maiden MGGP reserve increases Capricorn's group gold reserves to 2.8 million ounces.
  - Ranks Capricorn as 7<sup>th</sup> largest "Australia only" reserve base amongst ASX listed gold companies<sup>1</sup>.
- MGGP average annual gold production of 152,000 ounces pa for the first 7.5 years of mine life at an all in sustaining costs (AISC) of A\$1,420 per ounce.
  - With the established gold production at Karlawinda Gold Project (KGP), this has the potential to lift Capricorn to circa 270,000 ounces per annum production<sup>1</sup>, in the lowest quartile of Australian gold industry AISC<sup>1</sup>.
  - Production of 270,000 ounces would rank Capricorn in the 10 largest ASX listed gold producers<sup>1</sup>.
- Rare growth opportunity amongst Australian mid-tier gold industry.
  - Wholly owned project of scale and quality in tier one jurisdiction.
  - Project located on a granted mining lease, less than 300 kilometres from Perth and has exceptional access to infrastructure and services.
  - Underpins Capricorn's growth to a small group of mid-tier gold companies with >250kozpa of gold production and >2.5Moz of reserves.

**PFS shows the MGGP is a robust, large scale open pit gold mine:**

- Gold production averaging 152,000 ounces per annum over the project's first 7.5 years of operation.
  - Production of 1.34 million ounces over 10 year life of mine (LOM) with average annual production of 138,000 ounces per annum.
  - Production targets from reserve only - no below pit resources or in pit Inferred resources included.
- Robust and simple plant design with a throughput capacity (fresh rock) of 5 million tonnes per annum.
  - Development cost estimate \$260 million for plant and \$79 million for pre-production mining.
- Project will use conventional mining and processing technology:
  - Contractor mining of open pit with traditional truck and excavator operations.
  - CIL processing flow sheet to achieve a 92.6% average gold recovery.

<sup>1</sup> Refer page 26 for peer company comparison data

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**Compelling economic proposition for Capricorn (modelled using gold price A\$2,750/oz).**

- Forecast to generate over A\$1.5 billion of operating cashflow over 10 year mine life
- LOM revenue of A\$3.6 billion
- LOM free cash flow (pre-tax) of \$1.2 billion
- Rapid payback period (pre-tax) of less than 2 years
- Pre-tax NPV<sub>5</sub> \$828 million

**Financing from strong KGP cashflow and extension of corporate debt facility.**

- Capricorn is in a very strong position to fund the potential development of the MGGP with strong free cash flow from KGP.
  - Operating cashflow from KGP has delivered an increase in net cash on Capricorn's balance sheet of \$139 million in the 18 months to 31 March 2023 (31Mar23 net cash position \$70 million).
- Capricorn's corporate lender Macquarie Bank Ltd has provided Capricorn with a non-binding, indicative term sheet for a \$200 million extension of its current facility to fund MGGP.

**Board approval**

- On the basis of the strong PFS results the Board has given approval to:
  - Complete project optimisation to feasibility study level;
  - Complete remaining work streams to level required to support submission of applications for environmental and other permits for project development as required; and
  - Commence long lead purchasing, works and contracts where advantageous to do so.

**Targeted development timetable, subject to permitting:**

- Submission of permitting applications by June 2023.
- Subject to permitting timing, targeting July – December 2024 for commencement of construction and pre-production mining phase and targeting first gold production in July – December 2025.
- Continued resource extension and near mine exploration drilling will continue in parallel with permitting and development with a view to increasing reserves given shallow depth of pits and significant untested strike north of the current resources.

**Capricorn Executive Chairman Mark Clark commented:**

“It is exciting that the Mt Gibson PFS has confirmed a 1.45 million ounce gold reserve that has the strong potential to support Capricorn's second gold mining operation. The study shows long term, high margin gold production averaging over 150,000 ounces per annum. Development of Mt Gibson will see Capricorn enter the very limited space of companies having all Australian based gold production exceeding 250,000 ounces per annum and gold reserves in excess of 2.5 million ounces. We have moved Mt Gibson rapidly from a \$40 million acquisition in 2021 to a development proposition and look forward to continuing that progress towards building another quality Western Australian mining operation.”

**Conference Call**

Executive Chairman, Mark Clark, will host an investor conference call with institutional investors and analysts to discuss the maiden Ore Reserve Estimate and the results of the Prefeasibility Study at 10.00am Australian Western Standard Time today, Wednesday 19 April 2023.

To listen to this call, please go to the following link:

<https://webcast.openbriefing.com/cmm-ip-2023/>

This announcement has been authorised for release by the Capricorn Metals board.

## MAIDEN ORE RESERVE ESTIMATE

The Capricorn Board is pleased to announce a maiden Ore Reserve Estimate (ORE) at the wholly owned Mt Gibson Gold Project (MGGP) in Western Australia.

The maiden MGGP JORC 2012 compliant ORE is 48.7 million tonnes @ 0.9g/t Au for 1.45 million ounces. This ORE is based on a Mineral Resource Estimate (MRE) of 104.9 million tonnes @ 0.8g/t Au for 2.76 million ounces (refer ASX announcement 7 November 2022).

The MGGP ORE is tabled below by material type and pit:

ORE by Material Type			Proved			Probable			Total Ore Reserve		
Material	Type	Cut-Off	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)
Laterite	Open Pit	0.4	-	-	-	-	-	-	-	-	-
Oxide	Open Pit	0.4	-	-	-	6.2	0.8	168	6.2	0.8	168
Transitional	Open Pit	0.4	-	-	-	7.0	0.9	192	7.0	0.9	192
Fresh	Open Pit	0.4	-	-	-	35.5	1.0	1,091	35.5	1.0	1,091
Stockpiles	Stockpiles	0.4	-	-	-	-	-	-	-	-	-
<b>Total</b>			-	-	-	<b>48.7</b>	<b>0.9</b>	<b>1,450</b>	<b>48.7</b>	<b>0.9</b>	<b>1,450</b>

ORE by Pit			Proved			Probable			Total Ore Reserve		
Deposit	Type	Cut-Off	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)
Orion	Open Pit	0.4	-	-	-	35.0	0.9	1,038	35.0	0.9	1,038
EH Pit	Open Pit	0.4	-	-	-	5.7	1.0	189	5.7	1.0	189
S2 Pit	Open Pit	0.4	-	-	-	4.2	0.8	109	4.2	0.8	109
Sheldon	Open Pit	0.4	-	-	-	1.4	0.9	41	1.4	0.9	41
Tobias Find	Open Pit	0.4	-	-	-	1.2	0.9	36	1.2	0.9	36
Taurus	Open Pit	0.4	-	-	-	0.3	0.8	9	0.3	0.8	9
Deep South	Open Pit	0.4	-	-	-	0.9	1.1	29	0.9	1.1	29
Stockpiles	Stockpiles	0.4	-	-	-	-	-	-	-	-	-
<b>Total</b>			-	-	-	<b>48.7</b>	<b>0.9</b>	<b>1,450</b>	<b>48.7</b>	<b>0.9</b>	<b>1,450</b>

- Notes:
1. Ore Reserves are a subset of Mineral Resources.
  2. Ore Reserves are estimated using a gold price of A\$1900/ounce.
  3. Ore Reserves are estimated using a cut-off grade over 0.4g/t Au.
  4. The above data has been rounded to the nearest 100,000 tonnes, 0.1 g/t gold grade and 1,000 ounces. Errors of summation may occur due to rounding.

Cube Consulting Pty Ltd (Cube) has estimated the ORE based on information supplied as follows:

- Gold price of A\$1,900/oz – Capricorn;
- Gold recovery of 92.4% – Capricorn and Minelogix Pty Ltd (Minelogix);
- Mineral Resource Estimate – Capricorn;
- Pit optimisations, pit design and mining schedule – Cube;
- Geotechnical design parameters – Peter O'Bryan & Assoc;
- Capital costs – Capricorn;
- Operating costs – Capricorn; and
- Royalties – WA State Government and third party.

The ORE is contained within a detailed open pit design and a resulting mining schedule for the LOM as detailed in the PFS.

The material information pursuant to ASX LR 5.9 in relation to the ORE is provided in the summary of the PFS on pages 8 - 23 below. Further information relevant to LR 5.9 is included on page 24. The Assessment and Reporting Criteria in accordance with JORC Code 2012 is provided in Appendix 1.



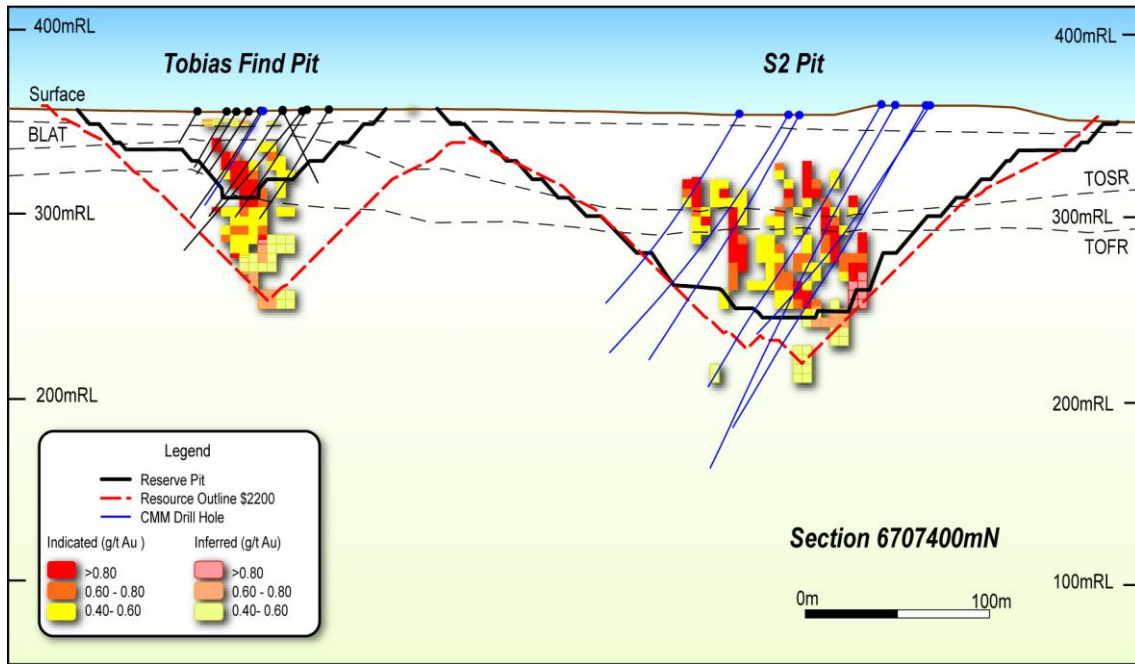
The following plan view and associated cross sections illustrate the updated ORE pit designs, Indicated block model grade ranges, existing pits voids and on section drill hole positions. Sections also show Inferred Resources which are not included in the ORE.



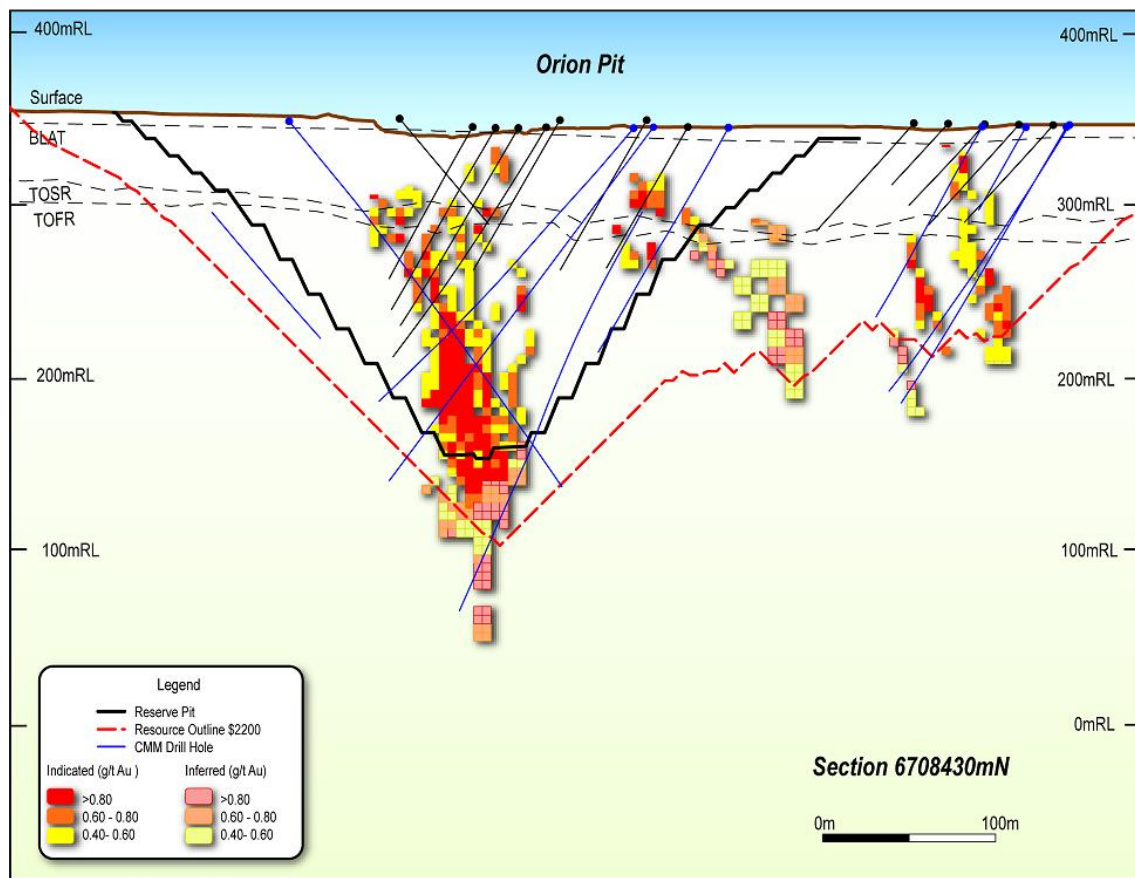
Plan View of ORE Pits showing cross section locations

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Selected cross sections of the Mt Gibson gold deposit with ORE and MRE shells are shown below:



Section 1 : Tobias Find and S2 Pit 6707400mN

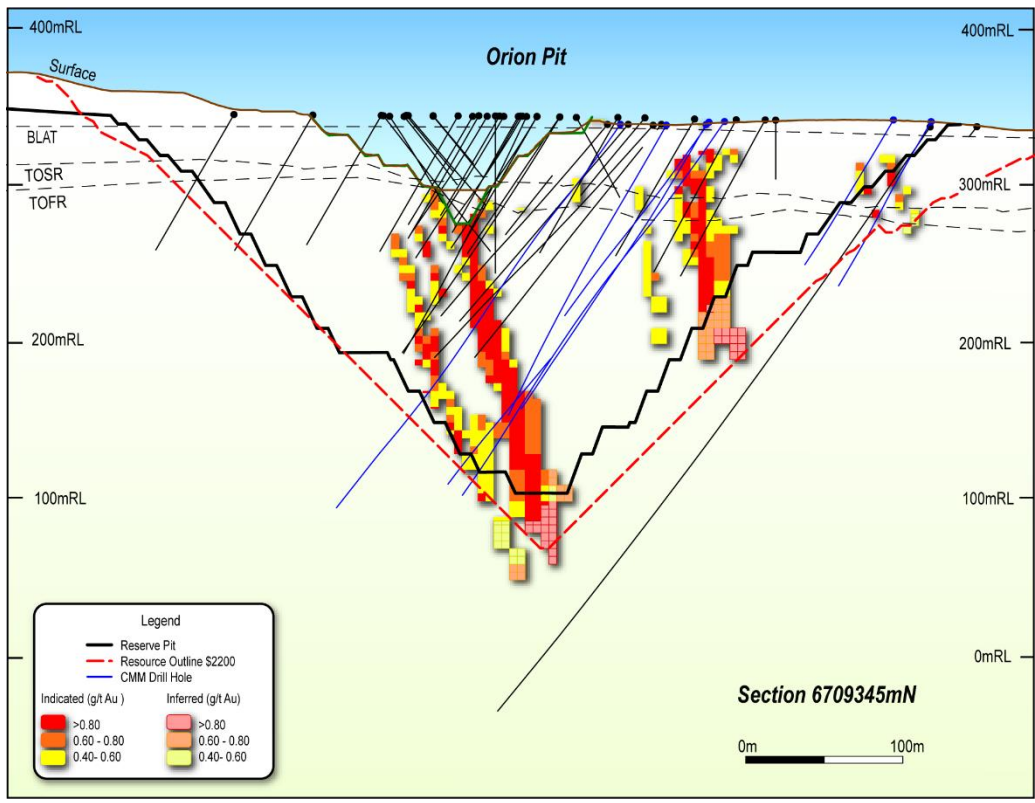


Section 2 : Orion South Pit 6708430mN

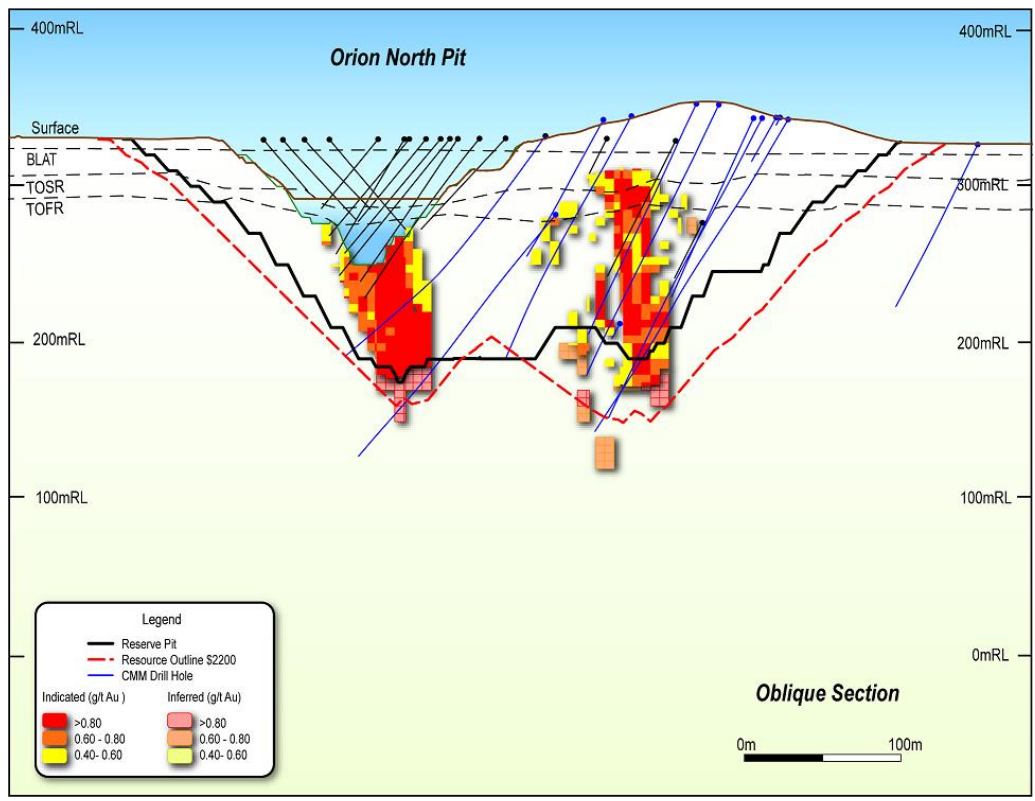
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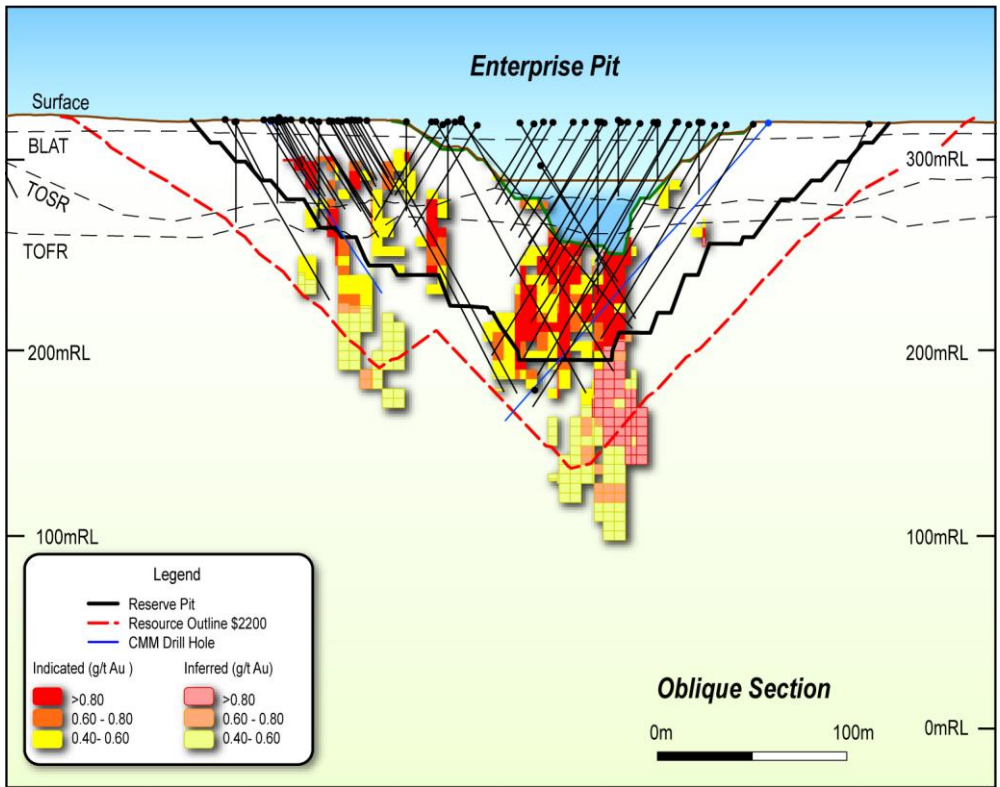


Section 3 : Orion South Pit 6709345mN

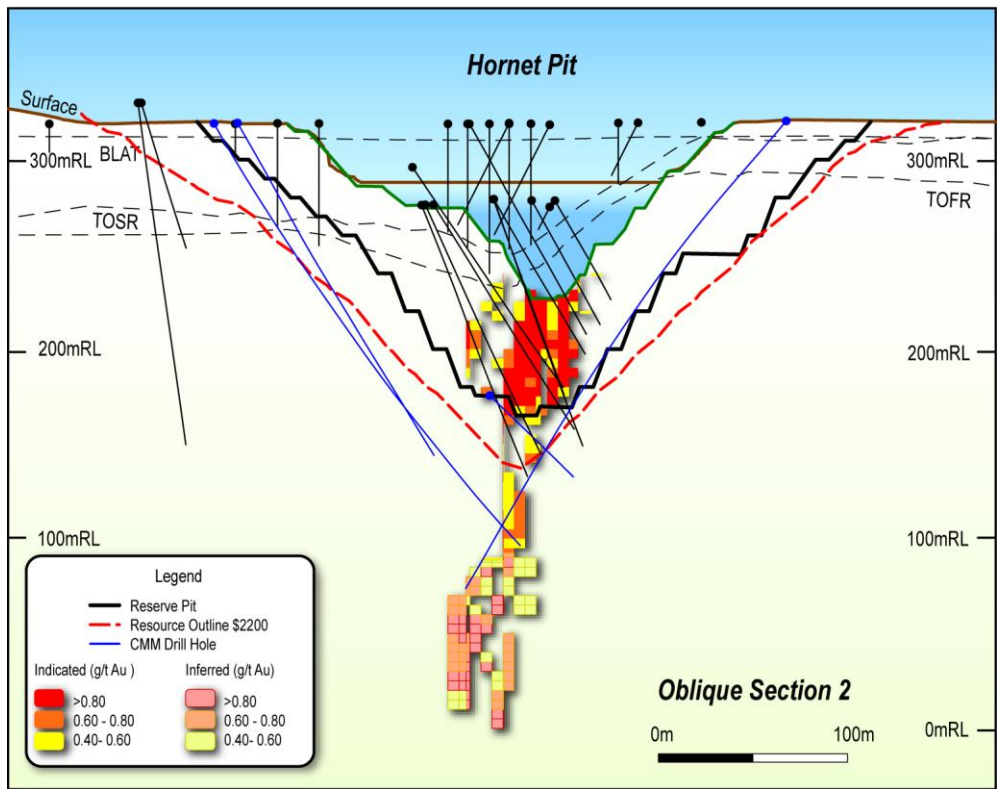


Section 4 : Orion North Pit Oblique section

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Section 5 : Enterprise Pit Oblique section



Section 6 : Hornet Pit Oblique section

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**Capricorn Metals Limited  
Mt Gibson Gold Project  
April 2023 Prefeasibility Study - Executive Summary**

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## PREFEASIBILITY STUDY

Capricorn has undertaken a pre-feasibility study (PFS) into the development of the MGGP. The PFS considers Capricorn's intention to develop, construct and operate a 5.0 Mtpa open pit gold mine including process plant and supporting infrastructure. The PFS has been prepared in conjunction with external consultants including Cube and Minelogix.

The PFS assesses the technical and financial viability of the project and supports the estimation of a JORC compliant maiden ORE. Work will continue towards completion of relevant optimisation and design/cost definition through 2023 to facilitate effective and timely project construction on receipt of relevant project approvals.

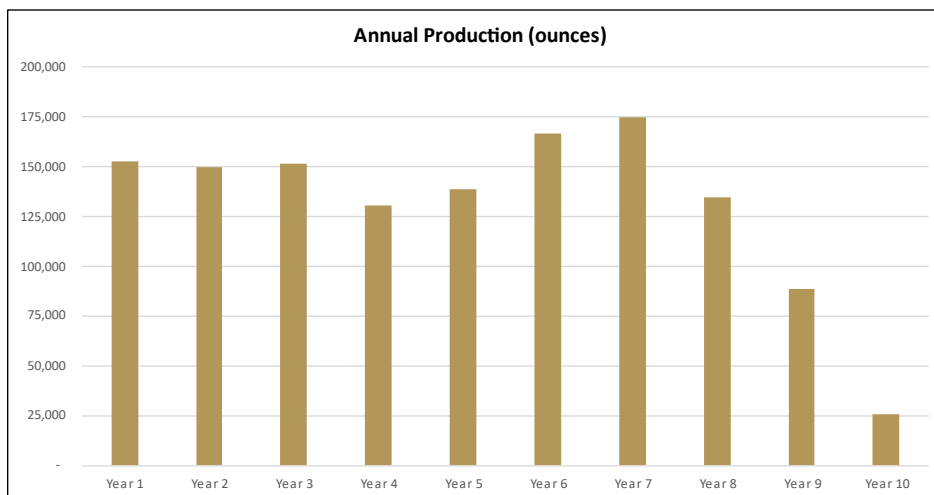
### Life of Mine (LOM) Summary

Key life of mine physical results from the study, at a processing throughput of 5.0Mtpa, are summarised below:

Mining	
Waste (tonnes millions) <sup>1</sup>	195
Ore (tonnes millions) <sup>1</sup>	47
Total (tonnes millions) <sup>1</sup>	242
W:O Strip Ratio <sup>1</sup>	4.2
Milling	
Dry Tonnes Per Hour (fresh ore)	600
Plant Availability	95.0%
Ore Milled (Tonnes millions)	48.7
Milled Grade (g/t)	0.93
Recovery	92.6%
Ounces Mined (millions)	1.45
Ounces Recovered (millions)	1.34
Mine life (years)	9.7

Note 1: mining volumes reported exclude the pre-production mining volumes summarised and costed in the Capital Cost Estimate on page 18.

Life of mine annual gold production is shown below:

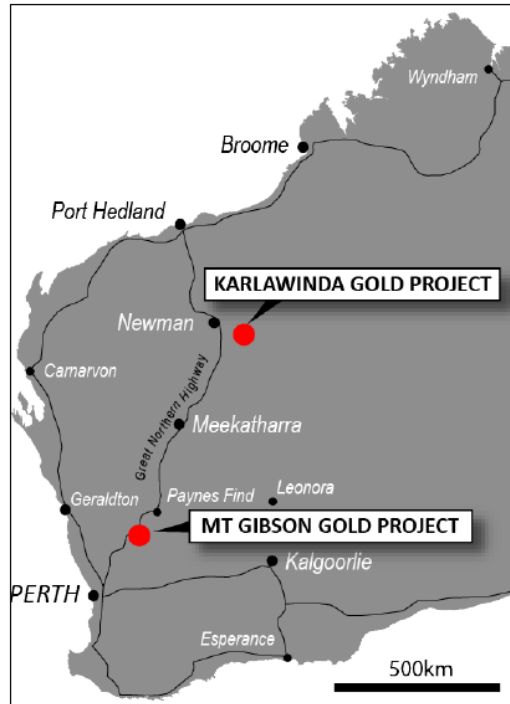


After a three month commissioning period, gold production averages 152,000 ounces per annum for the first 7.5 years of the LOM and 138,000 ounces per annum for the LOM.

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## Project Location and Ownership

The MGGP is located approximately 280 kilometres northeast of Perth and less than 10 kilometres from the main arterial Great Northern Highway, in the Murchison region of Western Australia. Capricorn is the 100% beneficial owner of mining tenure that fully encompass the Mt Gibson deposit and all areas required for project infrastructure.



## Production History

Gold production commenced at the MGGP in 1986 on a modest laterite resource. By 1999, when the mine was placed on care and maintenance, the MGGP had mined 14 open pits with a maximum depth of approximately 100 metres, mining oxide, transitional and some primary ore zones. The Wombat underground mine was also successfully mined during the same period.

The CIL plant (decommissioned and removed) processed 12.5 million tonnes of ore at an average grade of 1.99g/t gold for production of 799,600 ounces. A further 68,868 ounces of gold was recovered from a 4 million tonne heap leach operation, taking total historic gold production at the MGGP to 868,468 ounces. Historical gold recoveries through the CIL plant of >90% were indicative of the ores treated at that time being free milling.

## Geology

The MGGP tenements are located at the southern extremity of the Retaliation Greenstone Belt, in the SW portion of the Yalgoo-Singleton Greenstone Belt in the Murchison Province of the Yilgarn Craton. The tenements are mostly covered by a veneer of alluvial quartz sands and laterite gravels, with sporadic greenstone subcrop and outcrop, increasingly exposed in the north of the project area. The mineralised laterite gravels are situated slightly down-slope from the lode deposits on the Gibson trend. Regionally, the greenstone belt has been metamorphosed to middle amphibolite facies and hosts a number of Au-Cu deposits and prospects, including Golden Grove, 90km to the northwest of Mount Gibson.

The deposit has been defined by drilling over an 8km strike length and as deep as 950m down-dip where it is still mineralised and open down-dip. The mineralised shoots are present in drilling as broad zones up to 50m wide and are continuous down plunge. It is thought the shoots are developed in dilation zones along the main structures. A large laterite and oxide weathering zone is developed over the primary geology and this is mineralised in the near surface, up-dip position of the main shoots of primary mineralisation. A thin veneer of transported sand and colluvium soil covers the deposit and is typically less than 6m thick, the transition/fresh rock boundary is about 40 to 60m below surface.

## Mineral Resource Estimate

As noted above, an updated MGGP Mineral Resource Estimate (MRE) was released on 7 Nov 2022 as follows:

Material Type	Type	Cut-Off	Indicated			Inferred			Total Mineral Resources		
			Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)
Laterite	Open Pit	0.4	-	-	-	4.2	0.6	79	4.2	0.6	79
Oxide	Open Pit	0.4	8.3	0.8	217	0.6	0.8	16	9.0	0.8	233
Transitional	Open Pit	0.4	9.8	0.8	253	1.1	0.8	29	10.9	0.8	281
Fresh	Open Pit	0.4	57.8	0.9	1,636	23.0	0.7	526	80.9	0.8	2,162
<b>Total</b>	<b>Total</b>		<b>76.0</b>	<b>0.9</b>	<b>2,106</b>	<b>28.9</b>	<b>0.7</b>	<b>649</b>	<b>104.9</b>	<b>0.8</b>	<b>2,755</b>

- Notes:
1. Mineral Resources are estimated using a gold price of A\$2200/ounce.
  2. Mineral Resources are estimated using a cut-off grade above 0.4g/t Au.
  3. The above data has been rounded to the nearest 100,000 tonnes, 0.1 g/t gold grade and 1,000 ounces. Errors of summation may occur due to rounding.

## Ore Reserve

As noted on page 3, a maiden ORE has been estimated for MGGP as follows:

ORE by Material Type			Proved			Probable			Total Ore Reserve		
Material	Type	Cut-Off	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)
Laterite	Open Pit	0.4	-	-	-	-	-	-	-	-	-
Oxide	Open Pit	0.4	-	-	-	6.2	0.8	168	6.2	0.8	168
Transitional	Open Pit	0.4	-	-	-	7.0	0.9	192	7.0	0.9	192
Fresh	Open Pit	0.4	-	-	-	35.5	1.0	1,091	35.5	1.0	1,091
Stockpiles	Stockpiles	0.4	-	-	-	-	-	-	-	-	-
<b>Total</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>48.7</b>	<b>0.9</b>	<b>1,450</b>	<b>48.7</b>	<b>0.9</b>	<b>1,450</b>

This study summarises the material information pursuant to ASX LR 5.9. Additional information required is summarised on page 24. The Assessment and Reporting Criteria in accordance with JORC Code 2012 is provided in Appendix 1.

## Mining

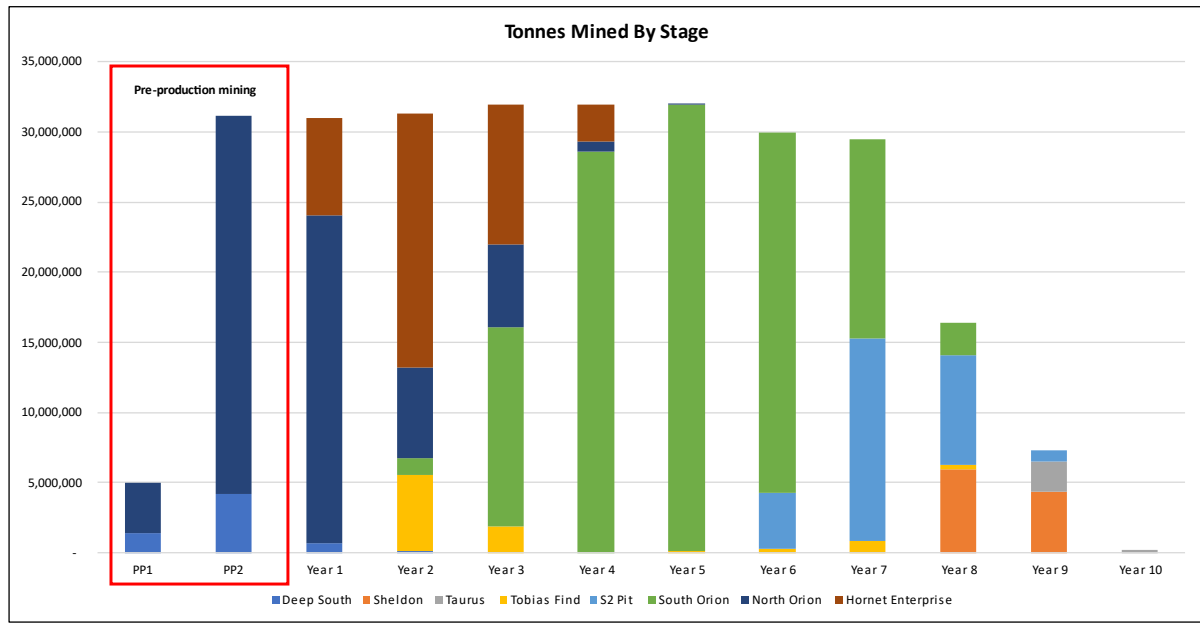
A conventional load and haul mining method has been selected for the development of the MGGP. Open pit mining activities are expected to be conducted by an experienced third-party earthmoving contractor.

All mining is proposed to take place 24 hours per day, 7 days per week using conventional excavators and haul trucks as used in open pit gold mining operations world-wide. Ore will be mined in benches of between 2.5 and 5.0 metres for grade and selectivity considerations. The ore boundaries will be determined by grade control drilling.

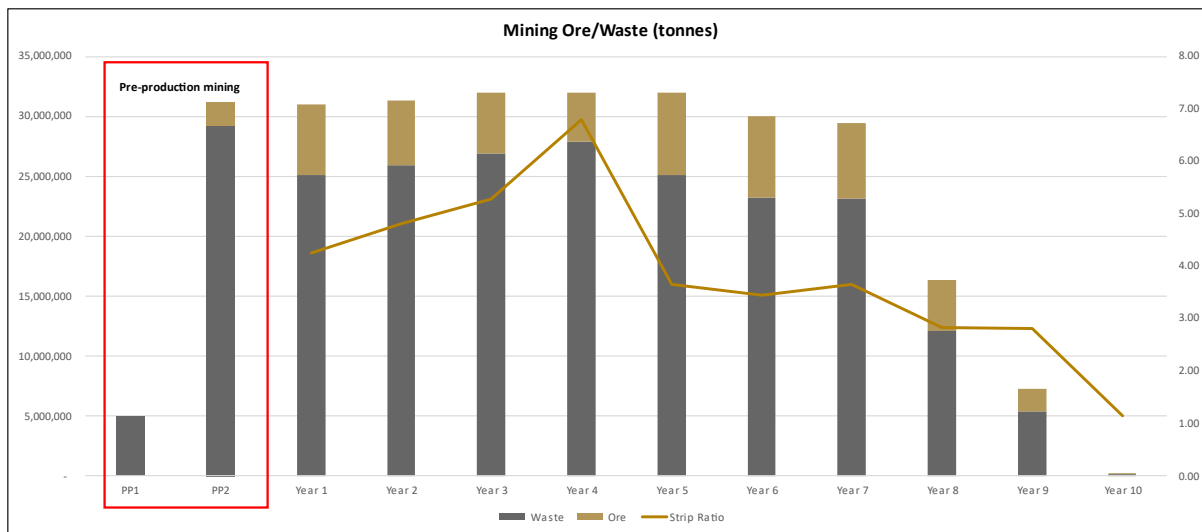
The seven open pits resulting from the Ore Reserve estimation have been assessed for project sizing and sequencing using MineMax software by Cube to guide balancing the needs of project scale, pit mining rate capabilities, and maximising project cashflow. Over 90% of mill feed to the process plant will be sourced from 3 key open pits, Orion (North and South joined), Enterprise/Hornet and S2.

The mine production schedule has been developed for the MGGP based on pits included in the ORE and is shown below.

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Ore and waste movements over the preproduction period and LOM are shown below.



### Geotechnical

Capricorn engaged Peter O'Bryan and Associates to carry out geotechnical investigations for the MGGP and advise on slope design recommendations including bench heights and angles, berm widths, inter-ramp and bench stack angles.

Past mining, and the existing pit voids, has provided a significant amount of geotechnical information for the Oxide and Transition zones of the planned pits. Nevertheless, the geotechnical study included a further 9 new dedicated geotechnical diamond drill holes to inform geotechnical modelling for the deeper fresh rock. In addition, diamond core was logged from dedicated metallurgical diamond drill holes.

Pit slope design parameters have been developed to a level of confidence suitable for PFS level design. Based on the structural and geotechnical interpretations, a range of likely controlling slope failure mechanisms have been proposed, from bench-scale up to inter-ramp and overall slope.

Pit slope design recommendations have been used to inform the Whittle optimisation and ultimately the detailed pit designs for the MGGP.



## Metallurgy

Standard gravity and cyanidation testwork was completed on representative samples from the three key mineralogical domains; oxide, transition and fresh with gold recovery rates applied individually to those domains for open pit optimisation and Ore Reserve estimation.

The most recent testwork conducted on representative drill samples from the 2022 drilling programme included 108 variability samples tested at a nominal P80 of 125µm. The test work supports a life of mine gold recovery of 92.6%.

The metallurgical testwork now stands at DFS level with only minor follow up testing remaining to be completed.

## Physical Ore Properties

Physical properties test work was undertaken on representative samples from the oxide, transition and fresh domains. The oxide and transition domains could be categorised as soft to medium in hardness and the fresh ore could be categorised as hard in terms of milling, with all domains displaying abrasion properties in the lower range.

Higher mill feed rates are therefore expected for the oxide and transition ore than the 5.0Mtpa (fresh ore) nameplate design capacity.

The table below shows the key metallurgical results from the PFS testwork programme:

		Oxide	Transition	Fresh
Tonnes in deposit	%	13%	14%	73%
Gold Recovery <sup>1</sup>	%	94.4%	94.4%	92.4%
Leach Lime Consumption	kg/t	5.0	4.9	3.1
Leach Cyanide Consumption	kg/t	0.8	1.1	0.8
Bond Index (rod)	kWh/t	4.4	9.2	20.5
Bond Index (ball)	kWh/t	14.8	12.9	16.4
Abrasion Index	%	0.01	0.04	0.18

<sup>1</sup> Gold recoveries are based on a P<sub>80</sub> of 125µm and comminution indices are average values.

## Waste Rock Geochemistry

Capricorn engaged the services of Graeme Campbell & Associates to develop a waste rock sampling and testing program. The objective of the program was to define the geochemical characteristics of mined waste rock in order to develop strategies for potential impact mitigation and longer term mine closure planning.

A series of RC drill holes were designed, drilled, sampled and tested in 2022 specifically to inform waste rock geochemistry testwork and modelling.

Based on the testwork and modelling results the geochemical properties of the waste material within the Mt Gibson deposit are classified as non-acid forming (NAF) and potentially acid forming (PAF). All oxide and transitional waste rock is expected to be NAF. Fresh waste rock is expected to be approximately 50% NAF and 50% PAF.

PAF waste rock is expected to be around 18% of the total waste material mined and placed in waste rock dumps. NAF waste rock will be used to encapsulate PAF waste to mitigate the risk of acid mine drainage over the long term/post closure.

Testwork indicates that oxide ore will be NAF. Much of the transitional and all of the fresh ore will be PAF and will be encapsulated using NAF waste rock in the TSF.

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## Processing Plant

The process plant for the MGGP will utilise conventional and well proven mineral processing technology incorporating equipment that ensures balance of capital expenditure and operating costs for the project. The processing facility will be designed for a nominal 600dtph milling rate and capacity of 5Mtpa (fresh ore) for an operating life in excess of 10 years.

The process plant process flow diagram (PFD) has been developed from the process design criteria (PDC) prepared by Capricorn. The plant design proposed is simple and robust, broadly comprising the following:

- Three stage crushing;
- Grinding and classification;
- Gravity recovery;
- Leaching and adsorption;
- Cyanide detoxification when required;
- Elution and electro-winning; and
- Smelting.

ROM ore will be fed to the crushing plant at a design rate of 900tph and reduced to a  $P_{80}$  of 11mm and then stored on the crushed ore stockpile (COS). The crushing circuit will be used on an as required basis with an expected daily usage of 16 hours per day. The grinding circuit will reduce the crushed material to a  $P_{80}$  of 125 microns. It will operate 7 days per week, with a plant utilisation of 95% to achieve the annual design capacity of 5.0 million tonnes when treating 100% fresh ore.

A gravity circuit is included in the design to recover approximately 15-20% of the feed gold and the gold in the gravity tail will then be leached using oxygen and cyanide and adsorbed onto activated carbon using conventional Carbon in Leach ('CIL') technology. The gravity concentrate will be leached using a generic intensive cyanide reactor.

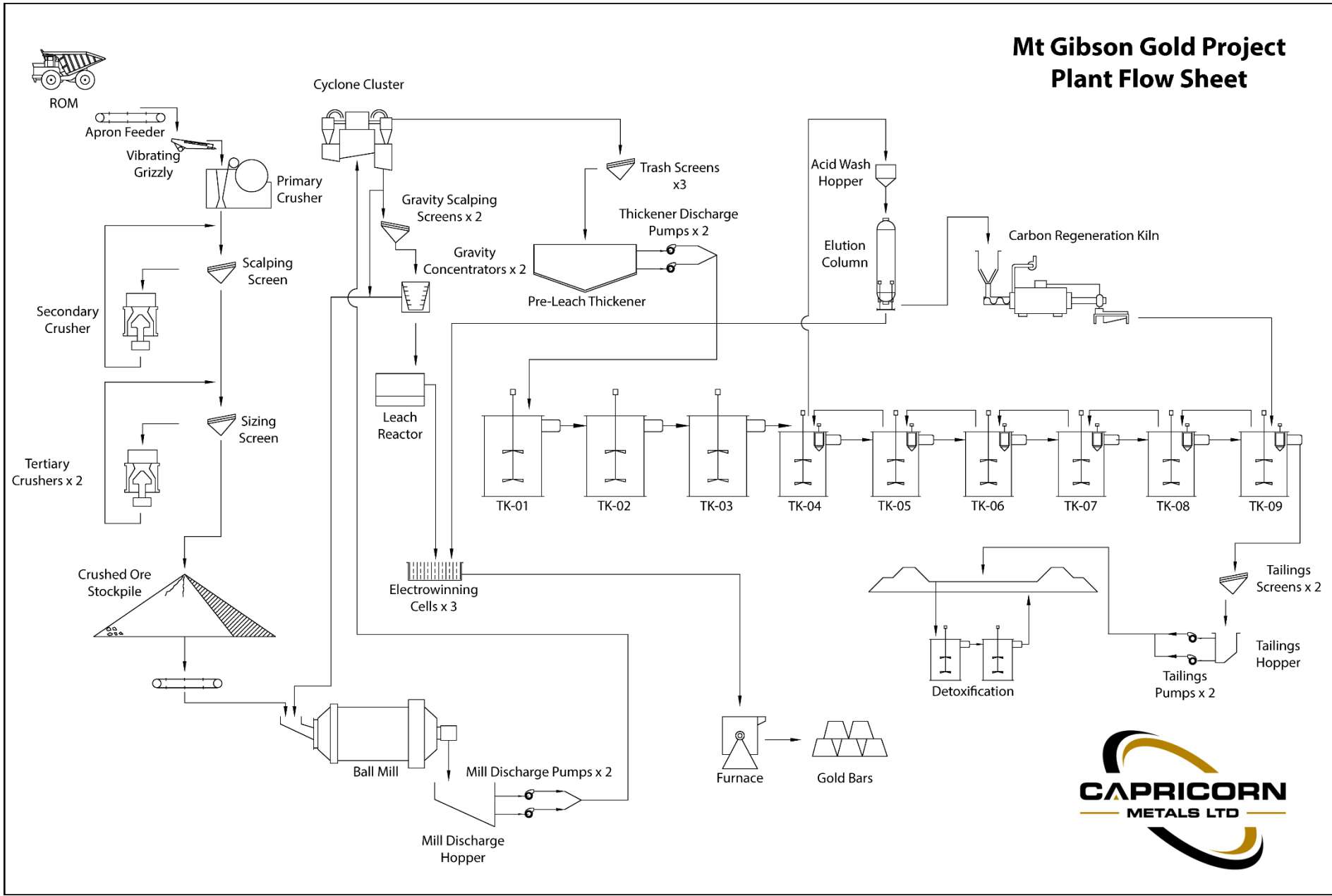
The CIL tailings is then pumped to the Tailings Storage Facility. Water will be reclaimed via a decant arrangement and returned to the process facility and cyanide detoxification applied when required.

Gold recovery from the activated carbon will be via an AARL stripping and electrowinning circuit operating 6 cycles per week. Gold doré bars will then be smelted and stored in the secure goldroom with electronic security surveillance systems.

A high level schematic representation of the process flowsheet is shown below:

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# Mt Gibson Gold Project Plant Flow Sheet



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## Infrastructure

The MGGP mining operation and processing plant will be supported by the following infrastructure:

- Mine access roads;
- Earthworks for process plant, access road and access tracks;
- Mechanical infrastructure for the process plant including potable water supply, sewerage treatment, RO plant, process plant buildings and workshop, light vehicle fuel storage facility and site communication system;
- Administration offices, workshops and stores;
- Mechanical infrastructure for the mine including fuel storage facility, heavy vehicle workshop and stores, heavy vehicle wash bay;
- Tailings storage facility;
- Water supply pipeline and associated borefield;
- Extension and widening of the existing unsealed airstrip to facilitate its use by mid size (70pax) aircraft;
- Village construction for approximately 400 rooms;
- Power generation and fuel storage facilities; and
- Light vehicles and various mobile plant.

## Water Supply

EMM Consulting has been engaged to undertake hydrogeological modelling for the MGGP. To provide further data for localised and regional hydrogeological modelling Capricorn has to date drilled 4 bores across the northern area of the project. These bores are currently in the process of being constructed and tested. It is anticipated that the majority of the project water demands will be sourced from the northern borefield and the surrounding areas.

The estimated volume of water produced from ongoing pit dewatering and rainfall harvesting is expected to approximate over 0.5GL/annum, which will supplement borefield production for the processing plant requirements. A significant water resource (estimated 3GL) is also contained in the existing pit voids. This will provide a significant contribution to the water supply in the first 2 years of operation.

## Power Supply

The PFS evaluated a number of options for plant and ancillary power supply options. The study concluded that the most efficient and cost effective power supply will be through the use of a power generation facility built and operated by an independent power producer under a power purchase agreement. The power station is expected to be fuelled by conventional liquid natural gas (LNG). Given that the MGGP is less than 300 kilometres from Perth and its close proximity to the Great Northern Highway it is expected that LNG will be delivered to site in road transported ISO-container tanks.

## Tailings Storage Facility (TSF)

The MGGP TSF will be engineered and constructed to contain the process plant tailings stream as part of a much larger Integrated Waste Landform (IWL). Multiple locations were reviewed for the TSF prior to the final selection to ensure that the facility could meet the necessary engineering requirements whilst minimising potential impacts to the environment.

Geotechnical investigations conducted for Capricorn by consultants CMW Geosciences (CMW) indicate that the ground conditions across the TSF footprint are amenable to using conventional earthmoving and compaction equipment to meet TSF lining permeability requirements. CMW also completed a detailed TSF design. The TSF will be constructed in multiple stages using open pit waste rock and will have a design capacity for approximately 55 million tonnes of tailings (more than 10% greater than the current reserve).



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## **Environment**

Given the project site was extensively mined between 1986 - 1999, the project area has significant enduring environmental disturbance due to the existing open pit voids, waste rock dumps, tailings dams and general infrastructure footprint. The principal land uses in the area surrounding the MGGP include mining activities, along with wildlife conservation and broadacre farming (both on pastoral leases).

Capricorn has engaged multiple environmental specialists in the field of fauna (terrestrial, subterranean), flora, soils and waste rock geochemistry to compile the environmental baseline studies necessary for regulatory approval.

The data collection and/or fieldwork components of the environmental disciplines have been completed with assessment and reporting progressing.

## **Permitting and Approvals**

Depending on the level of potential environmental impacts the project may be assessed under either Part IV or Part V of the Environment Protection and Biodiversity Conservation Act 1999 (EPBC Act). A Part V assessment is conducted by the Department of Mines, Industry Regulation and Safety (DMIRS). A Part IV assessment (for higher levels of impact) is conducted and approved by the Environmental Protection Authority (EPA) and the Department of Water and Environmental Regulation EPA Services (DWER ES). Capricorn proposes to undertake a self-assessment for the MGGP to determine whether the project needs to be assessed under Part IV. If that is the case then Capricorn may elect to self-refer the project to the EPA (and DWER ES) by submitting an Environmental Impact Assessment.

Other major permits required for development of the project include water extraction licences and Mining Act approvals.

The Company has reasonable grounds to expect that all necessary approvals and permits will eventuate in timeframes suitable to its intended project development.

## **Community**

Capricorn has undertaken substantial community consultations since acquiring the MGGP in 2022.

Extensive consultation with the Badimia people (Badimia Land Aboriginal Corporation and Badimia Bandi Barna Aboriginal Corporation) has occurred throughout 2022 and continues into 2023. The Badimia have played an important role in advising and surveying the project area for potential heritage sites and providing cultural context to aid project planning. The MGGP area is not subject to Native Title as determined by the Federal Court in May 2015. Capricorn has initiated discussions with the Badimia (Badimia Land Aboriginal Corporation and Badimia Bandi Barna Aboriginal Corporation) to develop a Heritage Agreement suitable for the duration of the project.

Consultation has commenced with the local council authority (Yalgoo) and regulators including the Department of Mines and Industry Regulation and Safety (DMIRS), Department of Water and Environmental Regulation (DWER) and the (Federal) Department of Climate Change, Energy, Environment and Water (DCCEEW).

## Capital Cost Estimate

### Plant & Infrastructure

The capital cost estimate has been developed for the design and construction of a 5.0Mtpa (fresh rock) gold processing facility and all associated infrastructure using mostly new equipment (some pre owned buildings will be used for the village). The MGGP plant capital cost is summarised below and estimated at \$260 million.

Capricorn, based on its recent experience designing and constructing the Karlawinda Gold Project (KGP), has completed a process plant capital cost estimate based on engaging an experienced EPCM contractor to design and cost the plant, with purchasing and construction management being carried out by the Capricorn team where Capricorn accepts builders risk at +/- 25% accuracy with a 90% confidence level.

The capital cost estimates also include the supporting infrastructure for the operation including access road, expansion of the existing unsealed airstrip, power supply, village, water supply borefield and TSF (Stage 1).

Estimates have been based upon preliminary quantity estimates, budget price quotations (for major equipment) and current cost data for the remaining equipment and materials. Unit rates are based on competitive rates from the market place.

The costs of engineering, procurement, construction management and commissioning were estimated from knowledge of similar projects. The capital cost estimate is quoted in late 2022 Australian dollars (AUD). In line with Capricorn project management philosophy no contingency has been allowed in the estimate but will be incorporated in funding decisions.

Plant Capital Cost Estimate	
	A\$m
Process plant	140
Water exploration and borefield	15
Site infrastructure (earthworks, village, airstrip, power supply etc)	65
Owners costs (first fills, spares, engineering)	40
<b>Total plant capital cost</b>	<b>260</b>

### Pre-production Mining

A further \$79 million is estimated for pre-production mining cost which includes a three month commissioning phase. Mining of waste is expected to commence approximately 12 months before first gold production in order to cut back around historical open pits and provide ore feed at the milling rate of 5Mtpa from startup.

Mining statistics for the pre-production phase are tabled below:

Pre-Production Mining	
Waste (tonnes millions)	34
Ore (tonnes millions)	2
Total (tonnes millions)	36
W:O Strip Ratio	17

## Operating Cost Estimate

Mining cost estimates were prepared by Capricorn based on current operating experience from a reputable mining contractor using activity, unit cost and mining schedule modelling to formulate total costs for the mining programme.

The operating cost model for the KGP was used as a basis to generate the MGGP process plant operating costs. Modelling includes the physical ore schedule (blend of oxide, transition and fresh ore), unit rates for reagent and consumable consumption informed by the metallurgical testwork, personnel costs (including on-costs) and scheduled maintenance expenditures.

Power consumption requirements were based on supplier quotes. The estimate also includes routine expenditures on a monthly basis and other fixed costs to calculate total expenditure. Unit costs for supply items were derived from third party supplier quotes.

Administration cost estimates were prepared by Capricorn based on Capricorn's KGP operation with allowances for local conditions where relevant.

The life of mine operating cost estimate breakdown is shown below:

Operating Cost Estimate			
Department	A\$m <sup>1</sup>	\$/t Ore	\$/ounce
Mining	1,033	21.6	786
Processing and Laboratory	782	16.3	595
Administration	83	1.7	63
<b>Total</b>	<b>1,898</b>	<b>39.6</b>	<b>1,444</b>

Note 1 – excludes preproduction costs of \$79 million

## Implementation Strategy and Schedule

The MGGP construction implementation is to be managed in-house by Capricorn using a project management team with significant previous experience in the design, procurement, and implementation of similar projects, most recently the KGP in 2021. The in-house team will utilise resources as required from an experienced, reputable EPCM contractor for the design, engineering and reporting requirements of the project.

On the basis of the strong PFS results the Board has given approval to:

- complete project optimisation to DFS level;
- complete remaining work streams to level required to support submission of applications for environmental and other permits for project development as required; and
- commence long lead purchasing, works and contracts where advantageous to do so.

Capricorn is targeting a preliminary development timetable:

Preliminary Development Timetable	
Milestone	Target Dates
Board approval of Pre-Feasibility Study (PFS)	Done
Submit permitting applications	June 23
Commence construction and pre-production mining	July – Dec 24
Commence operations	July – Dec 25

## Financial Analysis

Financial modelling has made no allowances for Inferred resources that fall within the optimised pits or conversion of any resources outside the optimised ORE pits. The outputs are estimated using a A\$2,750/oz gold price for the life on mine. A summary of the key outputs from the PFS is shown below.

Summary of Key Results		
	LOM	First 7.5 years
Revenue (at A\$2,750/oz)	\$3,615 million	
Pre-production capital	\$260 million	
Pre-production cost	\$79 million	
Operating costs (AISC)	\$2,011 million	\$1,625 million
AISC per ounce	\$1,529/oz	\$1,420/oz
Other life of mine project capital	\$43 million	\$32 million
Project life	10 years	
Free Cash Flow post capex, pre tax	\$1,191 million	
NPV <sub>5%</sub> post capex, pre tax	\$828 million	
Payback period (pre-tax)	1.9 years	

## Sensitivity Analysis

The project is financially robust with a short payback period and strong free cashflows. Of all variables, the financial outcome is most impacted by changes to revenue factors. Negative changes to the recovered gold or Australian dollar gold price, either by US dollar gold price variation or AUD:USD exchange rate fluctuations would have a direct effect on revenue and derived cashflow.

The forecast free cashflow and net present value (post capex, pre tax) of the free cashflow changes with the gold price as follows:

Sensitivity Analysis		
Gold Price LOM	Free Cashflow A\$m	NPV <sub>5%</sub> A\$m
A\$2,500/oz	867	581
<b>A\$2,750/oz (base case)</b>	<b>1,191</b>	<b>828</b>
A\$3,000/oz	1,515	1,074

## Funding

Capricorn is in a very strong position to fund the potential development of the MGGP with strong free cash flow from KGP. Operating cashflow from KGP has delivered an increase in net cash on Capricorn's balance sheet of \$139 million in the 18 months to 31 March 2023 (31Mar23 net cash position \$70 million).

Capricorn's corporate lender Macquarie Bank Ltd has provided Capricorn with a non binding, indicative term sheet for the extension of its current facility by an additional \$200 million to fund MGGP, if required.



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## Opportunities

Opportunities exist to build on the current PFS that may have a material positive impact on the project as it moves towards development and operation. Opportunities that will be progressed during the permitting phase prior to development commencing include:

- Current production targets in the PFS do not include any Inferred resources inside the reserve pit shells and do not include any MRE outside or below the reserve pits.

Drilling programmes are continuing with the current focus on gaps between pit optimisation shells over the 8 kilometres of strike of resources and below the base of the current resource model where drilling to date has continued to intercept gold mineralisation.

This work will continue as a priority given potential for resource extension below the shallow average depths of the resource (160 metres) and the reserve (140 metres).

- First pass drilling is underway targeting shallow open-pittable ounces at a number exploration targets within 5 kilometres of current resources at MGGP.
- The PFS costs associated with the development and operations of the project have been estimated in the current high inflation environment. Capricorn intends to monitor the critical path towards development and use available time to pursue cost reductions in the event that markets for equipment, materials and services regress if global inflation recedes.
- Early works (to the extent that permitting allows) such as camp installation and airstrip upgrade will be progressed in advance of receipt of full project permitting with a view to reducing the construction phase timeline to maximum extent possible.

## Risks

The Company considers that the following list, which is not exhaustive, represents some of the key risk factors relevant to the development of the project proposed by the PFS.

### *Gold price volatility and exchange rate risk*

The project is financially robust with a short payback period and strong free cashflows. Of all variables, the financial outcome is most impacted by changes to revenue factors. Negative changes to the recovered gold or Australian dollar gold price, either by US dollar gold price variation or AUD:USD exchange rate fluctuations would have a direct effect on revenue and derived cashflow.

Other revenue factors such as mining and processing recovery have less of an effect as their range of potential downside impacts has been limited by testwork and previous experience. The free cashflow sensitivity shows that strong economics remain with a A\$250/oz change in gold price (from A\$2,750/oz to A\$2,500/oz), with the pre-tax free cashflow reducing from \$1.2 billion to \$0.9 billion.

### *Resource and Reserve estimates*

Resource and Reserve estimates are expressions of judgement based on knowledge, experience and industry practice, including compliance with the 2012 JORC Code. By their very nature, these estimates are imprecise and depend on interpretations that may prove to be inaccurate which means that the reconciliation and performance of the Reserve model is a risk that is inherent until production confirms the modelling. Major variances to contained metal in the Reserve will have a negative impact on the revenue generated by the project.

### *Funding risks*

The Company currently intends to partly fund the potential development of the MGGP with free cash flow from KGP with the balance to be sourced from debt financing. KGP cashflow is currently allowing Capricorn to increase net cash holdings and is expected to continue to do so. Capricorn's corporate lender Macquarie Bank Ltd has provided Capricorn with a non binding, indicative term sheet for the extension of its current facility by an additional \$200 million to fund MGGP.

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In spite of these current indicative funding sources it is possible cashflow and market conditions could change to the extent that Capricorn may need to rely on access to alternative future funding to develop the project. An inability to secure project financing could delay the final investment decision.

#### *Approval risks*

The Company will be reliant on environmental and other regulatory approvals to enable it to proceed with the development of the project. There is no guarantee that the required approvals will be granted, and delays in project permitting may delay the project from commencing production in the proposed timeframe. Early engagement with regulators to raise awareness of the project and the planned scope is ongoing.

#### *Personnel and operating costs*

The Western Australian resource economy is currently very active with strong commodity prices. As a result the skilled labour pool (management, technical and blue collar) is relatively inelastic. The cost of energy, labour, materials, services and other operating inputs are at historically high levels on a unit basis and inflationary pressures remain and may impact estimated operating costs in the PFS.

#### *Supply and third party risks*

The equipment specified in the open pit mine plan is relatively generic in WA, but the supply is less elastic in the short term as major items (trucks, excavators and ancillary equipment) are generally imported, mainly from the European Union. Countering this supply risk, WA has well established equipment refurbishing capacity so that if new equipment cannot be immediately sourced, refurbished equipment may be available.

The Company will rely significantly on strategic relationships with material, equipment and service providers. The Company will also rely on third parties to provide essential contracting services. There can be no assurance that its existing relationships will continue to be maintained or that new ones will be successfully formed. The project could be adversely affected by changes to such relationships or difficulties in forming new ones.

#### *Covid-19*

Supply chain disruptions resulting from the transmission of COVID-19 in the community and measures implemented by governments around the world to limit the transmission of the virus have impacted the mining industry over the past several years. Further outbreaks of COVID-19 or other pandemics could adversely impact the Company's operations, financial position, prospects and ability to raise capital.

#### *Operational and development risks*

The ultimate and continued success of the project is dependent on a number of factors, including the construction of efficient development and production infrastructure within capital expenditure budgets and on schedule.

The Company's operations may be delayed or prevented as a result of various factors, including weather conditions, mechanical difficulties or a shortage of technical expertise or equipment. There may be difficulties with obtaining government and/or third-party approvals; operational difficulties encountered with construction, extraction and production activities; unexpected shortages or increase in the price of consumables, plant and equipment; or cost overruns. The Company's operations may be curtailed or disrupted by risks beyond its control, such as environmental hazards, industrial accidents and disputes, technical failures, unusual or unexpected geological conditions, adverse weather conditions, fires, explosions and other accidents.

The occurrence of any of these circumstances could result in the Company not realising its operational or development plans or in such plans costing more than expected or taking longer to realise than expected. Any of these outcomes could have an adverse effect the Company's financial and operational performance.

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*Amount of Pre-Production Capital*

The current capital expenditure estimates are at PFS level and are subject to change. The PFS mine development capital estimates do not include a contingency provision as has been the Company's practice on previous developments. Management will however seek to establish sufficient funding in order to cover cost escalation contingencies. Preproduction mining costs also include assumptions as to commissioning time-frames, costs and revenue.

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## Ore Reserves – Other Material Information Summary

The following information is provided as an addendum to the PFS to meet the remaining requirements under ASX Listing Rule 5.9.1 not expressly outlined in the PFS summary. This information is further provided in detail in the attached JORC Table 1 below.

### *Classification - ORE*

The main basis of classification of Ore Reserves is the underlying Mineral Resource classification. All Probable Ore Reserves derive from Indicated Mineral Resources in accordance with JORC Code (2012) guidelines. The results of the Ore Reserve Estimate (ORE) reflect the Competent Person's view of the deposit. No Probable Ore Reserves are derived from Measured Mineral Resources. No inferred Mineral Resource is included in the Ore Reserves.

### *Classification Criteria - MRE*

The ORE is estimated from the MRE as announced 7 November 2022. The classification of the MRE as reported at that time is repeated below.

The Measured, Indicated and Inferred classification reflects the relative confidence in the estimate, the confidence in the geological interpretation, the drilling spacing, input data, the assay repeatability and the continuity of the mineralisation.

The classification methodology adopted in the estimate uses category 1 and 2 from the 3-pass octant search strategy to guide interpretation of a classification surface where Indicated is above the surface and Inferred below. This results in a geologically sensible classification based on data density and geological continuity. The drill density in the Indicated classification averages 25 x 25 metres. The drill density in the Inferred classification ranges from 25 x 25 metres to 100 x 100 metres. No Measured category has been applied in the estimate. Laterites have been classified entirely as Inferred until early stage grade control drilling can define the exact extents of laterite mining depletion.

This classification reflects the Competent Person's view of the deposit.

### *Mining Method & Other Mining Assumptions*

The MGGP deposit will be mined by open pit mining methods utilising conventional truck and shovel mining equipment. The final pit design is the basis of the Ore Reserve estimate. Only open pit mining has been considered in the PFS.

The selected mining method, design and extraction sequence are tailored to suit orebody characteristics, minimise dilution and ore loss, defer waste movement and capital expenditure, utilise proposed process plant capacity and expedite free cash generation in a safe manner.

Additional mining dilution and recovery modifying factors have not been applied to the Ore Reserve. This has been adequately accounted for in the MRE, and is supported by Capricorn's extensive experience use of the same methodology in the successful Ore Reserve estimation and mining of low grade orebodies in WA.

The mining schedule is based on realistic mining productivity and equipment utilisation estimates which also considered the vertical rate of mining development. The operational mine plan includes waste rock dumps, a ROM pad, surface water channels, dewatering bores, light and heavy vehicle workshop facilities, explosives storage and supply facilities and technical services and administration facilities.

### *Cut-off Grade*

Economic cut-off grades have been applied in estimating the Ore Reserve. Cut-off grade is calculated after consideration of the following parameters:

- Gold price of \$1,900 AUD
- Operating costs including ore costs (eg grade control, ROM re-handle)
- Process recovery
- Transport and refining costs
- General and administrative cost
- Royalty costs.

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Cut-off grade is 0.4g/t Au for all material types.

### *Estimation Methodology*

The ORE is estimated from the MRE as announced to ASX on 7 November 2022. The estimation methodology of the MRE as reported at that time, is repeated below.

Three-dimensional wireframes were created to constrain the mineralisation and were imprinted to the block model. Surpac software was used for the wireframing of the mineralisation wireframes and the weathering profiles. The MGGP mineralisation wireframe models were built using sectional interpretation and visualisation of the mineralisation in three-dimensions. The sectional mineralisation strings were defined with a cut-off grade of 0.1g/t Au. There are three main domains and a minor Laterite domain. Geological logging from drillholes has been used to aid the mineralisation interpretation. Geological continuity has been assumed along strike and down-dip.

A block model was created to encompass the MGGP mineralisation. 5m X by 10m Y by 5m Z is the parent block size, with sub-blocking to 1.25m only in the Z direction to reflect the flat lying geometry of the laterite portion of the deposit. Variography was undertaken on domains using Snowden Supervisor software and that variography was used to undertake Kriging neighborhood analysis to optimise the block size, search distances and min/max sample numbers used. Search ellipses were also developed from the variography. The block model grades were estimated using ordinary kriging grade interpolation techniques constrained within the mineralisation wireframes. All work was completed in the MGA 94 grid co-ordinate system. The estimation was completed in three passes with the following parameters:

Pass 1: 16/64 min and max samples using an octant search, 25m search distance in the major direction, maximum of 4 samples used per hole, and a maximum of 1 adjacent octant failing to have the required composites. Block size estimated into is 5m/10m/5m XYZ.

Pass 2: 16/64 min and max samples using an octant search, 50m search distance in the major direction, maximum of 4 samples used per hole, and a maximum of 1 adjacent octant failing to have the required composites. Block size estimated into is 5m/10m/5m XYZ.

Pass 3: 8/64 min and max samples using an octant search, 100m search distance in the major direction, maximum of 4 samples used per hole, and a maximum of 1 adjacent octant failing to have the required composites. Block size estimated into is 10m/20m/10m XYZ.

Top-cuts were applied to sample composites, with a high grade restriction utilised to limit the influence of higher grade data, particularly outside of the high grade zones. The high-grade restriction is an indicator estimate completed at 1g/t.

Bulk density values and weathering profiles were adopted from values derived from measurements made on the CMM drilled diamond core, and values in historical technical reports. Average densities for oxidation profiles were assigned to the block model. Values of 2.2 t/m<sup>3</sup> for laterite, 1.80t/m<sup>3</sup> for oxide, 2.3t/m<sup>3</sup> for transitional and 2.75t/m<sup>3</sup> for fresh were used, and are all typical for archean greenstone lithologies.

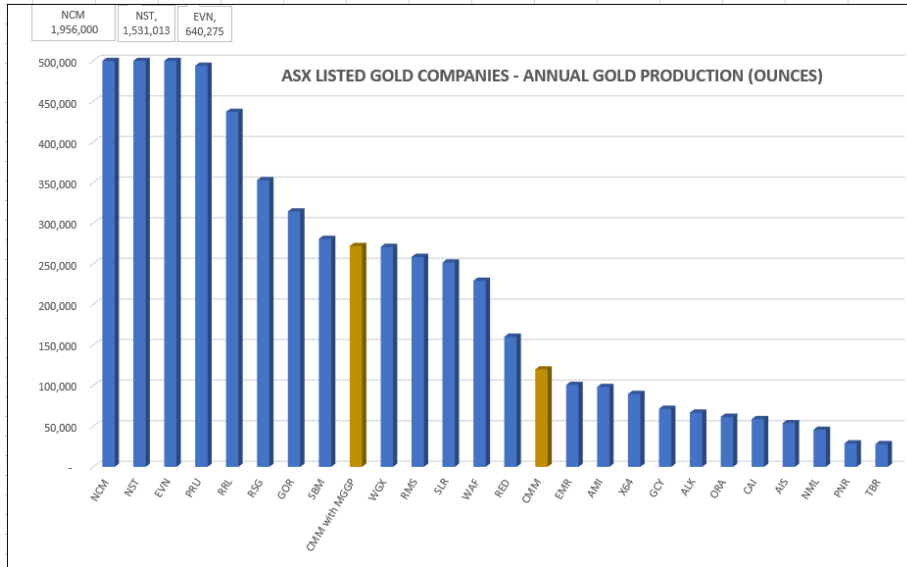
The block model was validated using various techniques. These techniques consisted of visual checking, domain assay versus block model grade and Swath plots.

## Gold Industry Peer Comparison Data

Peer comparisons graph and source data references are shown below.

### Annual Gold Production

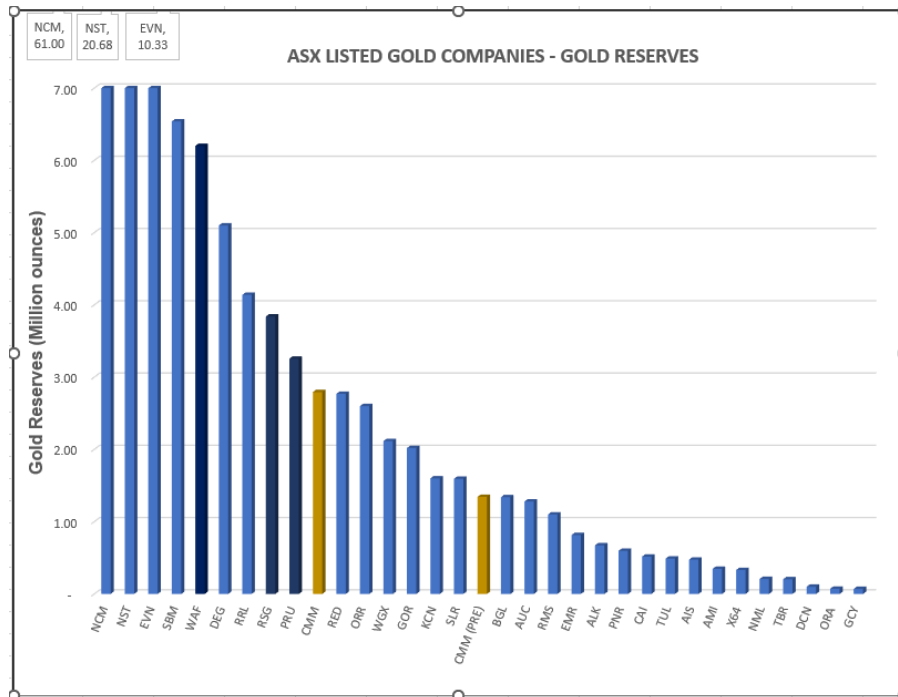
The chart below shows the expected annual gold production position of Capricorn relative to ASX listed gold peers.



Capricorn gold production is calculated using the mid point of FY23 production guidance and the forecast average production run rate for the first 7.5 years of MGGP from the PFS. Peer data for comparison has been sourced from company disclosures over the past 12 months as referenced below.

### Gold Ore Reserves

The chart below shows the Ore Reserves of Capricorn pre and post the maiden MGGP ORE, relative to ASX listed gold peers.



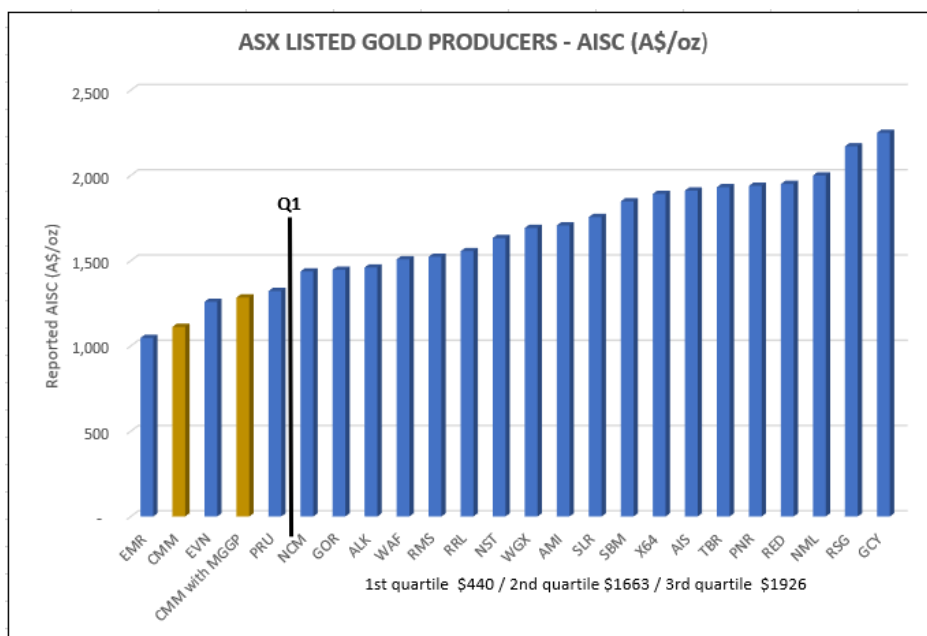
Peer data for comparison has been sourced from company disclosures over the past 12 months as referenced below. The three dark blue reserves bars relate to larger reserves than Capricorn but



identified in order to differentiate in relation to “Australia only” reserves quoted on page 1 as they are reserves at projects located outside of Australia.

### Cost of Production

The chart below shows the expected cost of production position of Capricorn relative to ASX listed gold peers.



Capricorn AISC of gold production is calculated using reported FY22 AISC and the average AISC estimate for the first 7.5 years of MGGR from PFS. Peer data for comparison has been sourced from company disclosures over the past 12 months

### Data Source References for Peer Comparisons

Company	Source Date	Release Date
Aeris Resources Ltd	<a href="https://www.asx.com.au/asxpdf/20221025/pdf/45qpr0rmxhfz47.pdf">https://www.asx.com.au/asxpdf/20221025/pdf/45qpr0rmxhfz47.pdf</a>	25/10/22
Alkane Resources Ltd	<a href="https://www.asx.com.au/asxpdf/20221021/pdf/45glb204r6n7vh.pdf">https://www.asx.com.au/asxpdf/20221021/pdf/45glb204r6n7vh.pdf</a>	21/10/22
Antipa Minerals Ltd	<a href="https://www.asx.com.au/asxpdf/20220929/pdf/45fm4j6ntb5kvs.pdf">https://www.asx.com.au/asxpdf/20220929/pdf/45fm4j6ntb5kvs.pdf</a>	29/09/22
Aurelia Metals Ltd	<a href="https://www.asx.com.au/asxpdf/20221024/pdf/45gp61qj9tmzkip.pdf">https://www.asx.com.au/asxpdf/20221024/pdf/45gp61qj9tmzkip.pdf</a>	24/10/22
Ausgold Ltd	<a href="https://www.asx.com.au/asxpdf/20220913/pdf/45f1jg99kfm5dk.pdf">https://www.asx.com.au/asxpdf/20220913/pdf/45f1jg99kfm5dk.pdf</a>	13/09/22
Auteco Minerals Ltd	<a href="https://www.asx.com.au/asxpdf/20220930/pdf/45frtw9vvtst7y.pdf">https://www.asx.com.au/asxpdf/20220930/pdf/45frtw9vvtst7y.pdf</a>	30/09/22
Bellevue Gold Ltd	<a href="https://www.asx.com.au/asxpdf/20220929/pdf/45fm33cwq6sgv9.pdf">https://www.asx.com.au/asxpdf/20220929/pdf/45fm33cwq6sgv9.pdf</a>	29/09/22
Calidus Resources Ltd	<a href="https://www.asx.com.au/asxpdf/20220921/pdf/45fcbxcwcc64bk.pdf">https://www.asx.com.au/asxpdf/20220921/pdf/45fcbxcwcc64bk.pdf</a>	21/09/22
	<a href="https://www.asx.com.au/asxpdf/20230306/pdf/45mbrlqqcjlw2.pdf">https://www.asx.com.au/asxpdf/20230306/pdf/45mbrlqqcjlw2.pdf</a>	06/03/23
Emerald Resources NL	<a href="https://www.asx.com.au/asxpdf/20221024/pdf/45gp25z5rhf9hf.pdf">https://www.asx.com.au/asxpdf/20221024/pdf/45gp25z5rhf9hf.pdf</a>	24/10/22
Dacian Gold Ltd	<a href="https://www.asx.com.au/asxpdf/20221025/pdf/45qqmtdnd8z44.pdf">https://www.asx.com.au/asxpdf/20221025/pdf/45qqmtdnd8z44.pdf</a>	25/10/22

De Grey Mining Ltd	<a href="https://www.asx.com.au/asxpdf/20220930/pdf/45frhtfn5wk25n.pdf">https://www.asx.com.au/asxpdf/20220930/pdf/45frhtfn5wk25n.pdf</a>	30/09/22
Evolution Mining Ltd	<a href="https://www.asx.com.au/asxpdf/20221021/pdf/45gkqbf2kyb19k.pdf">https://www.asx.com.au/asxpdf/20221021/pdf/45gkqbf2kyb19k.pdf</a>	21/10/22
Gascoyne Resources Ltd	<a href="https://www.asx.com.au/asxpdf/20220929/pdf/45fmx8f1nm8w76.pdf">https://www.asx.com.au/asxpdf/20220929/pdf/45fmx8f1nm8w76.pdf</a>	29/09/22
Genesis Minerals Ltd	<a href="https://www.asx.com.au/asxpdf/20220920/pdf/45f8sqvs35yv1z.pdf">https://www.asx.com.au/asxpdf/20220920/pdf/45f8sqvs35yv1z.pdf</a>	20/09/22
Gold Road Resources Ltd	<a href="https://www.asx.com.au/asxpdf/20230328/pdf/45n2vdwcs96nh3.pdf">https://www.asx.com.au/asxpdf/20230328/pdf/45n2vdwcs96nh3.pdf</a>	28/03/23
Kingsgate Consolidated Ltd	<a href="https://www.asx.com.au/asxpdf/20221024/pdf/45gnwv4d3sxqsk.pdf">https://www.asx.com.au/asxpdf/20221024/pdf/45gnwv4d3sxqsk.pdf</a>	24/10/22
Magnetic Resources NL	<a href="https://www.asx.com.au/asxpdf/20221117/pdf/45hph3fv926c60.pdf">https://www.asx.com.au/asxpdf/20221117/pdf/45hph3fv926c60.pdf</a>	17/11/22
Musgrave Minerals Ltd	<a href="https://www.asx.com.au/asxpdf/20221007/pdf/45g0j51mwztq0j.pdf">https://www.asx.com.au/asxpdf/20221007/pdf/45g0j51mwztq0j.pdf</a>	07/10/22
Navarre Minerals Ltd	<a href="https://www.asx.com.au/asxpdf/20221026/pdf/45gswl09rljkjz.pdf">https://www.asx.com.au/asxpdf/20221026/pdf/45gswl09rljkjz.pdf</a>	26/10/22
Newcrest Mining Ltd	<a href="https://www.asx.com.au/asxpdf/20221004/pdf/45fwrbrct61th8.pdf">https://www.asx.com.au/asxpdf/20221004/pdf/45fwrbrct61th8.pdf</a>	04/10/22
Northern Star Resources Ltd	<a href="https://www.asx.com.au/asxpdf/20220829/pdf/45dd4c3yzlsbx4.pdf">https://www.asx.com.au/asxpdf/20220829/pdf/45dd4c3yzlsbx4.pdf</a>	29/08/22
Ora Banda Mining Ltd	<a href="https://www.asx.com.au/asxpdf/20220928/pdf/45fkxh0sq66f3s.pdf">https://www.asx.com.au/asxpdf/20220928/pdf/45fkxh0sq66f3s.pdf</a> <a href="https://www.asx.com.au/asxpdf/20230131/pdf/45l33k4p1j0drz.pdf">https://www.asx.com.au/asxpdf/20230131/pdf/45l33k4p1j0drz.pdf</a>	28/09/22 31/01/23
OreCorp Ltd	<a href="https://www.asx.com.au/asxpdf/20220928/pdf/45fltd27mvmrcz.pdf">https://www.asx.com.au/asxpdf/20220928/pdf/45fltd27mvmrcz.pdf</a>	28/09/22
Pantoro Ltd	<a href="https://www.asx.com.au/asxpdf/20220927/pdf/45fjlhrkplgmhx.pdf">https://www.asx.com.au/asxpdf/20220927/pdf/45fjlhrkplgmhx.pdf</a>	27/09/22
Perseus Mining Ltd	<a href="https://www.asx.com.au/asxpdf/20221014/pdf/45g8gk0kq4y4tg.pdf">https://www.asx.com.au/asxpdf/20221014/pdf/45g8gk0kq4y4tg.pdf</a>	14/10/22
Predictive Discovery Ltd	<a href="https://www.asx.com.au/asxpdf/20221018/pdf/45gfwj2dlw331j.pdf">https://www.asx.com.au/asxpdf/20221018/pdf/45gfwj2dlw331j.pdf</a>	18/10/22
Ramelius Resources Ltd	<a href="https://www.asx.com.au/asxpdf/20221021/pdf/45glvy9dv5nyc8.pdf">https://www.asx.com.au/asxpdf/20221021/pdf/45glvy9dv5nyc8.pdf</a>	21/10/22
Red 5 Ltd	<a href="https://www.asx.com.au/asxpdf/20220923/pdf/45fdrz5wvml28.pdf">https://www.asx.com.au/asxpdf/20220923/pdf/45fdrz5wvml28.pdf</a> <a href="https://www.asx.com.au/asxpdf/20230405/pdf/45ncwqgwh6v7vg.pdf">https://www.asx.com.au/asxpdf/20230405/pdf/45ncwqgwh6v7vg.pdf</a>	23/09/22 05/04/23
Regis Resources Ltd	<a href="https://www.asx.com.au/asxpdf/20221025/pdf/45gqvtr32mlr1.pdf">https://www.asx.com.au/asxpdf/20221025/pdf/45gqvtr32mlr1.pdf</a>	25/10/22
Resolute Mining Ltd	<a href="https://www.asx.com.au/asxpdf/20230329/pdf/45n48k6rf79s9k.pdf">https://www.asx.com.au/asxpdf/20230329/pdf/45n48k6rf79s9k.pdf</a>	29/03/23
Silver Lake Resources Ltd	<a href="https://www.asx.com.au/asxpdf/20221024/pdf/45gpb7yqkw64m0.pdf">https://www.asx.com.au/asxpdf/20221024/pdf/45gpb7yqkw64m0.pdf</a>	24/10/22
St Barbara Ltd	<a href="https://www.asx.com.au/asxpdf/20220916/pdf/45f4z175l6m65f.pdf">https://www.asx.com.au/asxpdf/20220916/pdf/45f4z175l6m65f.pdf</a> <a href="https://www.asx.com.au/asxpdf/20230222/pdf/45lvqc8ysr76hq.pdf">https://www.asx.com.au/asxpdf/20230222/pdf/45lvqc8ysr76hq.pdf</a>	16/09/22 22/02/23
Ten Sixty Four Ltd	<a href="https://www.asx.com.au/asxpdf/20221021/pdf/45gm05b0g0j1b3.pdf">https://www.asx.com.au/asxpdf/20221021/pdf/45gm05b0g0j1b3.pdf</a>	21/10/22

Tietto Minerals Ltd	<a href="https://www.asx.com.au/asxpdf/20221003/pdf/45ft3tghpsyxxl.pdf">https://www.asx.com.au/asxpdf/20221003/pdf/45ft3tghpsyxxl.pdf</a>	03/10/22
Tribune Resources Ltd	<a href="https://www.asx.com.au/asxpdf/20220929/pdf/45fzszkkrbfr.pdf">TBR-AnnualReport-30062022 (DirectorSigned) (asx.com.au)</a>	29/09/22
Tulla Resources PLC	<a href="https://www.asx.com.au/asxpdf/20221003/pdf/45fszfkkrbfr.pdf">https://www.asx.com.au/asxpdf/20221003/pdf/45fszfkkrbfr.pdf</a>	03/10/22
West African Resources Ltd	<a href="https://www.asx.com.au/asxpdf/20230320/pdf/45mtx9xr2d9ktn.pdf">https://www.asx.com.au/asxpdf/20230320/pdf/45mtx9xr2d9ktn.pdf</a>	20/03/23
Westgold Resources Ltd	<a href="https://www.asx.com.au/asxpdf/20221021/pdf/45gl6wnp5s7dwy.pdf">https://www.asx.com.au/asxpdf/20221021/pdf/45gl6wnp5s7dwy.pdf</a>	21/10/22

## Group Resources and Reserves

### Mineral Resources

Deposit	Type	Cut-Off	Indicated			Inferred			Total Mineral Resources		
			Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)
KGP	Open Pit	0.3 <	82.3	0.7	1,945	16.9	0.6	346	99.2	0.7	2,291
MGGP	Open Pit	0.4 <	76.0	0.9	2,106	28.9	0.7	649	104.9	0.8	2,755
<b>Total</b>	<b>Total</b>		<b>158.3</b>	<b>0.8</b>	<b>4,051</b>	<b>45.8</b>	<b>0.7</b>	<b>995</b>	<b>204.1</b>	<b>0.8</b>	<b>5,046</b>

- Notes:
1. Mineral Resources are estimated using a gold price of A\$2200/ounce.
  2. Mineral Resources are estimated using a cut-off grade between 0.3g/t and 0.4g/t Au.
  3. The above data has been rounded to the nearest 100,000 tonnes, 0.1 g/t gold grade and 1,000 ounces. Errors of summation may occur due to rounding.

### Ore Reserves

Deposit	Type	Cut-Off	Probable			Total Ore Reserve		
			Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)
KGP	Open Pit	0.3 <	53.0	0.8	1,344	53.0	0.8	1,344
MGGP	Open Pit	0.3 <	48.7	0.9	1,450	48.7	0.9	1,450
<b>Total</b>	<b>Total</b>		<b>101.7</b>	<b>0.9</b>	<b>2,794</b>	<b>101.7</b>	<b>0.9</b>	<b>2,794</b>

- Notes:
1. Ore Reserves are a subset of Mineral Resources.
  2. Ore Reserves are estimated using a gold price of A\$1900/ounce.
  3. Ore Reserves are estimated using cut-off grades between 0.3g/t and 0.4g/t Au.
  4. The above data has been rounded to the nearest 100,000 tonnes, 0.1g/t gold grade and 1,000 ounces. Errors of summation may occur due to rounding.

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## Forward Looking Statements

This announcement may contain certain “forward-looking statements” which may not have been based solely on historical facts, but rather may be based on the Company’s current expectations about future events and results. Such statements include, but are not limited to, statements with regard to capacity, future production and grades, estimated costs, revenues and reserves, the construction costs of new projects and projected capital expenditures, the outlook for minerals and metals prices and the outlook for economic conditions and may be (but are not necessarily) identified by the use of phrases such as “will”, “expect”, “anticipate”, “believe” and “envisage”. Where the Company expresses or implies an expectation of belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. The detailed reasons for that conclusion are outlined throughout this announcement and all material assumptions are disclosed.

However, forward looking statements are subject to risks, uncertainties, assumptions and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements.

Such risks include, but are not limited to resource risk, metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as governmental regulation and judicial outcomes.

For a more detailed discussion of such risks and other factors, see the Risks section of this announcement, the Company’s Annual Reports, as well as the Company’s other announcements. Readers should not place undue reliance on forward looking information. The Company does not undertake any obligation to release publicly any revisions to any “forward looking statement” to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

The Prefeasibility Study referred to in this announcement is based on technical and economic assessments to support the estimation of Ore Reserves. Those Ore Reserves have been prepared by a competent person in accordance with JORC Code 2012 and all production targets are based solely on those Ore Reserves and all material assumptions relating to those production targets and related forecast financial information are set out in this announcement. Whilst Capricorn Metals believes it has reasonable grounds to support the results of the Prefeasibility Study, however there is no assurance that the intended development referred to will proceed as described. The production targets, related forecast financial information and other forward-looking statements referred to are based on information available to the Company at the time of release and should not be solely relied upon by investors when making investment decisions. Material assumptions and other important information are contained in this release. Capricorn Metals cautions that mining and exploration are high risk and subject to change based on new information or interpretation, commodity prices or foreign exchange rates. Actual rates may differ materially from the results or production targets contained in this release. Further evaluation is required prior to a decision to conduct mining being made.

## Competent Persons Statement

The information in this report that relates to the maiden Ore Reserves for the Mt Gibson Gold Project is based on and fairly represents information and supporting documentation compiled by Mr Quinton de Klerk. Mr de Klerk is a full-time employee of Cube Consulting Pty Ltd and is a Fellow of the Australian Institute of Mining and Metallurgy. Mr de Klerk has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to the activity currently being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr. de Klerk consents to the inclusion in this report of the matters based on the information in the form and context in which it appears.

The detailed information relating to the Ore Reserves for the Karlawinda Gold Project and Exploration Results and Mineral Resources for both Karlawinda Gold Project and Mt Gibson Gold Project reported in this announcement were announced in the Company’s ASX announcements dated 27 October 2022 and 7 November 2022. The Company confirms that it is not aware of any new information or data that materially affects the information included in the ASX announcements dated 27 October 2022 and 7 November 2022 and all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons’ findings are presented have not materially changed from previous market announcements. The reports are available to view on the ASX website and on the Company’s website at [www.capmetals.com.au](http://www.capmetals.com.au).

**Appendix ONE**  
**JORC Code, 2012 Edition – Table 1**  
**Section 1 Sampling Techniques and Data**

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<p><i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i></p> <p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></p> <p><i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i></p>	<p>CMM RC drilling at MGGP was completed by Topdrill, 2kg - 3kg samples are split from dry 1m bulk samples. The sample was collected through a cyclone and cone splitter. Once drilling reached fresh rock a fine spray of water was used to suppress dust and limit the loss of fines thorough the cyclone chimney.</p> <p>RC Field duplicates were collected at a ratio of 1:40 and collected at the same time as the original sample through the B chute of the cone splitter. Matrix matched CRMS and OREAS certified reference material (CRM) were inserted at a ratio of 1:40. The grade ranges of the CRM's were selected based on grade populations and economic grade ranges.</p> <p>Samples were sent to the laboratory where they were pulverised to produce a 50 g charge for fire assay.</p> <p>CMM Diamond Drilling was completed at MGGP by Topdrill with triple tube HQ core sampled as quarter core. No field duplicates were sampled for the DD, and CRMS and OREAS certified reference material (CRM) were inserted at a ratio of 2:25.</p> <p>Historical drilling at the MGGP has been completed by multiple companies between the 1970's and 2008 using a combination of Reverse Circulation (RC), diamond drilling (DD), aircore (AC), Auger (AUG) and RAB. AUG and RAB have been excluded from the Mineral Resource estimate. The methods of collection for the historical data are unknown.</p> <p>Sample weight and collection method are unknown for the historical drilling. Sample condition is not logged for the majority of intervals. Sample quality in unknown for the historical drilling. The majority of samples are recorded as being assayed by fire assay.</p> <p>Field duplicates and certified reference material (CRM) for historical drilling data are present in the database although only a minor amount, and not likely to be representative of the whole project. Details of collection and increment are not available.</p>
Drilling techniques	<p><i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face- sampling bit or other type, whether core is oriented and if so, by what method, etc).</i></p>	<p>CMM RC: Topdrill Drilling drill rig was used to drill the RC drill holes: Hole diameter was 140mm.</p> <p>CMM DD: Topdrill Sandvik DE840 Truck Mounted Drill Rig was used to drill the DD drill holes. Hole diameter is HQ triple tube, orientation tools used are Axis Champ North Seeking Gyro tool.</p> <p>RC and AC drilling bit and blade diameters are unknown for the historical drilling.</p> <p>Diamond drilling hole diameter is listed mainly as NQ and HQ, orientation tools unknown for historical drilling.</p>

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Criteria	JORC Code explanation	Commentary
<i>Drill sample recovery</i>	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></p> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></p> <p><i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></p>	<p>CMM RC: Once drilling reached fresh rock a fine spray of water was used to suppress dust and limit the loss of fines through the cyclone chimney.</p> <p>At the end of each metre the bit was lifted off the bottom to separate each metre drilled.</p> <p>The majority of samples were of good quality with ground water having minimal effect on sample quality or recovery. There is no obvious relationship between sample recovery and grade.</p> <p>CMM DD: Core recoveries were typically 100%, with isolated zones of lower recovery</p> <p>HISTORICAL: The method of recording and assessing core and chip sample recoveries and results is unknown. Core recoveries are present in the database for some of the DD holes which show mostly high recovery.</p> <p>The measures taken to maximise sample recovery and ensure representative nature of the samples are unknown.</p> <p>Sample condition is only logged for a small portion of the drilling, with minimal intervals logged as wet. The majority of intervals do not have sample condition logged.</p> <p>It is unknown if bias exists between sample recovery and grade.</p>
<i>Logging</i>	<p><i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i></p> <p><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></p> <p><i>The total length and percentage of the relevant intersections logged.</i></p>	<p>CMM RC: Reverse circulation chips were washed and stored in chip trays in 1m intervals for the entire length of each hole. Chip trays were stored on site in a sealed container. Chips were visually inspected and logged by an on-site geologist to record lithology (including rock type, oxidation state, weathering, grain size, colour, mineralogy, and texture), alteration, mineralisation, veining, structure, sample quality (dry/wet, contamination) and approximate water flow down hole. Mineralisation, veining and water flow were quantitative or semi-quantitative in nature; the remainder of logging was qualitative.</p> <p>CMM DD: Logging processes include lithology, weathering, alteration, mineralisation, veining, RQD and core recovery and structure. Structural data for selected points has been collected as alpha and beta angles in core. These data are converted to Dip and Dip direction after loading to the database. Intervals for density measurement were identified while logging. All core was photographed both dry and wet after logging.</p> <p>Logging is both qualitative and quantitative or semi-quantitative in nature.</p> <p>HISTORICAL: Logging processes are unknown for the historical drilling, although lithological logging has been validated by CMM drilling. Logging field in the database show that lithology, weathering, alteration, mineralisation, veining, RQD and core recovery and structure were logged. Some XRF measurements were also taken.</p> <p>Logging is both qualitative and quantitative or semi-quantitative in nature.</p>

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	<p><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></p> <p><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></p> <p><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></p> <p><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></p> <p><i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i></p> <p><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></p>	<p>CMM RC: RC holes samples were split from dry, 1m bulk samples via a cone splitter directly from the cyclone.</p> <p>RC Field duplicates were collected at a ratio of 1:40 and collected at the same time as the original sample through the B chute of the cone splitter. Matrix matched CRMS and OREAS certified reference material (CRM) were inserted at a ratio of 1:40. The grade ranges of the CRM's were selected based on grade populations and economic grade ranges.</p> <p>The duplicates and CRM's were submitted to the lab using unique sample ID's.</p> <p>2kg – 3kg RC samples are submitted to the laboratory.</p> <p>Samples are oven dried at 105°C then jaw crushed to -10mm followed by a Boyd crush to a nominal -2mm. Samples were rotary split to 2.5kg. Samples were then pulverised in LM5 mills to 85% passing 75µm under sample preparation code SP3000 which consists of a 5-minute extended preparation for RC/Soil/RAB. The extended time for the pulverisation is to improve the pulverisation of samples due to the presence of garnets in the samples.</p> <p>All the samples were analysed for Au using the FA50AAS technique which is a 50g lead collection fire assay.</p> <p>This sample preparation technique is appropriate for the MGGP; and is standard industry practice for a gold deposit.</p> <p>CMM DD: Sampling was completed at quarter core. Core was cut and sampled at the Mt Gibson core yard. Sample intervals were 1.0m for the HQ sized diamond core. Samples were collected in pre numbered Calico and grouped for dispatch to ALS laboratory for FA50AAS and 4 acid digest multielement ME-MS61. No field duplicates were sampled for the DD, and CRMS and OREAS certified reference material (CRM) were inserted at a ratio of 2:25.</p> <p>HISTORICAL: It is unknown if DD sampling was quarter, half or whole core.</p> <p>Non-core sampling sub sampling techniques are not known. Sample condition is not recorded for the majority of intervals, with only a minor amount of the logged values being recorded as wet.</p> <p>Sample preparation techniques are not known.</p> <p>Field duplicates and certified reference material (CRM) data are present in the database although only a minor amount, and not likely to be representative of the whole project. Details of collection and increment are not available.</p> <p>Sample sizes are unknown.</p>

Criteria	JORC Code explanation	Commentary
<p>Quality of assay data and laboratory tests</p>	<p><i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></p> <p><i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i></p> <p><i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i></p>	<p>CMM RC: Drilling samples were submitted to MinAnalytical laboratory and ALS in Perth. 1m RC samples were assayed by a FA50AAS 50gm fire assay which is a total assay. 11,771 samples were prepared and processed in Perth ALS and MinAnalytical with a 50g pulp sent to the accredited ALS/Minanalytical laboratory in Vientiane in Laos for FA50AAS 50gm fire assay analysis.</p> <p>RC Field duplicates were collected at a ratio of 1:40 and collected at the same time as the original sample through the B chute of the cone splitter. Matrix matched CRMS and OREAS certified reference material (CRM) were inserted at a ratio of 1:40. The grade ranges of the CRM's were selected based on grade populations and economic grade ranges.</p> <p>CMM DD: Drilling samples were submitted to Minanalytical laboratory and ALS in Perth. 1m samples were assayed by a FA50AAS 50gm fire assay which is a total assay. No field duplicates were sampled for the DD, and CRMS and OREAS certified reference material (CRM) were inserted at a ratio of 2:25. The grade ranges of the CRM's were selected based on grade populations and economic grade ranges.</p> <p>HISTORICAL: The majority of drilling is recorded as being assayed using fire assay at Ultratrace, ALS, Genalysis and Analabs. This is considered appropriate for the deposit type.</p> <p>Field duplicates and certified reference material (CRM) data are present in the database although only a minor amount, and not likely to be representative of the whole project. Details of collection and increment are not available.</p>
<p>Verification of sampling and assaying</p>	<p><i>The verification of significant intersections by either independent or alternative company personnel.</i></p> <p><i>The use of twinned holes.</i></p> <p><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></p> <p><i>Discuss any adjustment to assay data.</i></p>	<p>CMM: Logging and sampling were recorded directly into a Micromine Geobank template, which utilises lookup tables and in file validation on a Toughbook by the geologist on the rig. Validated data was sent to the database administrator in Perth who then carried out independent verifications using Maxwell's Datashed.</p> <p>Assay results when received were plotted on section and were verified against neighbouring holes.</p> <p>QAQC reports were generated on a hole-by-hole basis by the database administrator as results were received.</p> <p>HISTORICAL: CMM drilling has verified the historical data throughout the entire resource area. Logging and sampling procedures of the historical data are unknown.</p>

Criteria	JORC Code explanation	Commentary
Location of data points	<p>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</p> <p>Specification of the grid system used.</p> <p>Quality and adequacy of topographic control.</p>	<p>CMM: The majority of collar positions have been picked up with DGPS by qualified surveyors in MGA94 grid system, with some more recent drillholes currently picked up by handheld GPS. A qualified surveyor is due to pick up the remaining collar positions using DGPS in the December quarter.</p> <p>HISTORICAL: Drillhole collar position accuracy is unknown. Being that it is an inherited historical dataset there are no details on the collar survey or downhole survey methods. The majority of downhole surveys in the database are listed as not recorded, with some listed as being a single shot camera, and surveys are generally 30m or 50m increments downhole. As the drillhole data and historic mined pits are all spatially cohesive it is assumed that accuracy of the data is to within +/- 5m, and to be validated by CMM drilling and site visits. CMM drilling has validated the positions of the historical intercepts.</p> <p>Drillhole location data was initially captured in the MGA94 grid system and this is also used for resource estimation work.</p> <p>The natural surface topography was modelled using a DTM generated from airborne survey, this includes waste dumps and some in-pit waste dumping. Also available are pit surveys of the mining voids at the end of historical mining to enable depletion of the CMM resource. The pit surveys and topography surface were checked in Google Earth for accuracy. Horizontal point accuracy is expected to be &lt;5m and vertical accuracy to 0.5m. The reference datum was GDA94 and the projection was MGA Zone 50. Topographic control appears to be of good quality and is considered adequate for resource estimation.</p>
Data spacing and distribution	<p>Data spacing for reporting of Exploration Results.</p> <p>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</p> <p>Whether sample compositing has been applied.</p>	<p>RC and DD Samples were collected and analysed for each metre down the hole. Samples were collected and analysed for each metre down the hole.</p> <p>RC hole spacing was between 50m N x 50m E and 25m N x 25m E, sufficient for resource estimation.</p> <p>DD holes were spaced across the project area with locations picked for geotechnical or metallurgical purposes.</p> <p>Sample compositing is common in the historical data, particularly at 3m, but the majority of samples in the database are 1m.</p>
Orientation of data in relation to geological structure	<p>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</p> <p>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</p>	<p>Drill lines are oriented across strike, running east-west in the southern half of the project and at 300 degrees in the northern half. The orebody dips at 80 degrees to the east for the majority of the project, with some steep west dip at the very northern end of the project.</p> <p>The drillholes have been drilled at inclination of -60 and -90 degrees. The orientation of the drilling is suitable for the mineralisation style and orientation of the MGGP mineralisation.</p>

Criteria	JORC Code explanation	Commentary
Sample security	<i>The measures taken to ensure sample security.</i>	<p>Calico sample bags are sealed into green bags/polyweave bags and cable tied. These bags were then sealed in bulka bags by company personnel and dispatched by third party contractor. In-company reconciliation is completed with laboratory assay returns.</p> <p>Sample security measures taken on the historical data are unknown.</p>
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	The Competent Person for Exploration Results reported here has visited the project areas where sampling has taken place and has reviewed and confirmed the sampling procedures. No external audits or reviews have been completed on sampling techniques.
Mineral tenement and land tenure status	<p><i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i></p> <p><i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></p>	<p>The resource is located across mining tenements held by wholly owned Capricorn subsidiaries METROVEX PTY LTD and CRIMSON METALS PTY LTD; being M 59/772, E 59/2450, E 59/2594, E 59/2606, G 59/11, G 59/12, G 59/13, G 59/14, G 59/15, G 59/16, G 59/17, G 59/18, G 59/48, G 59/70, L 59/140, L 59/45, L 59/46, L 59/53, M 59/328, M 59/402, M 59/403, M 59/404, P 59/2286, P 59/2287, P 59/2290, P 59/2291, P 59/2306, P 59/2309, P 59/2310.</p> <p>All of the tenements are subject to a 1% NSR royalty to Avenger Projects Ltd, including gold production above 90,000 ounces. A royalty is also payable to St Barbara Limited on all gold production in excess of 20,000 ounces (excluding production from historic waste dumps and tailings) at the rate of \$10 per ounce, applicable to leases M 59/328, M 59/402, M 59/403, M 59/404, G 59/11, G 59/12, G 59/13, G 59/14, G 59/15, G 59/16, G 59/17, G 59/18, L 59/45, L 59/46, L 59/53 No other known impediments exist to operate in the area.</p>
Exploration done by other parties	<i>Acknowledgment and appraisal of exploration by other parties.</i>	The Mt Gibson Gold Deposit (Mt Gibson) has a history of minor gold production dating back to the 1930's when prospectors operated small gold workings at Paynes-Crusoe and Tobias Find. While the area was subject to previous prospecting and company exploration in smaller leaseholdings, the Mt. Gibson Gold Project was first held in more-or-less its present configuration and extent by Reynolds Australia, who commenced exploration in the early 1980's. Soil and laterite sampling resulted in several significant gold and base metal anomalies being defined; follow up rotary air blast (RAB), air core (AC), reverse circulation (RC) and diamond drilling programs outlined significant economic laterite and oxide resources. A joint venture between Reynolds Australia Metals and Forsyth Mining Limited (with FML as the operator) began operations in 1986, mining and processing 6.5 million tonnes of laterite ores defined by FML in 1984, followed later by oxide and sulphide ores defined by drilling beneath the laterite orebodies. The project was sold by Reynolds to Camelot Resources in 1995. Continuing exploration resulted in the discovery of further oxide resources, mainly on the Taurus Trend, and the underground quartz-sulphide deposit at Wombat. These resources were subsequently mined and processed, all mining being completed at the end of 1997 and final milling of low grade stockpiles completed in June of 1998. A 4Mt dump leach remained in operation until November 1998, producing 68,868 ounces of gold. Including the dump leach, a total of 16,477,882 tonnes of ore was processed during the life of the operation, for 868,478 ounces of gold at an overall average grade of 1.64g/t Au.

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	<p>The Mt Gibson Gold Project tenements are located at the southern extremity of the Retaliation Greenstone Belt, in the SW portion of the Yalgoo-Singleton Greenstone Belt in the Murchison Province of the Yilgarn Craton. The tenements are mostly covered by a veneer of alluvial quartz sands and laterite gravels, with sporadic greenstone subcrop and outcrop, increasingly exposed in the north of the project area. The mineralised laterite gravels are situated slightly down-slope from the lode deposits on the Gibson trend. Regionally, the greenstone belt has been metamorphosed to middle amphibolite facies and hosts a number of Au-Cu deposits and prospects, including Golden Grove, 90km to the northwest of Mt.Gibson.</p> <p>The lode style mineralisation at Mt. Gibson is predominantly hosted by three main trends:</p> <p><b>The Gibson Trend</b></p> <p>The majority of the known and mined mineralisation is hosted by this trend. It is hypothesised to have originally been a gold-copper-zinc rich Volcanogenic Hosted Massive Sulphide (VHMS) deposit that has been overprinted by a later hydrothermal gold mineralising event. This mineralised shear zone has an arcuate north-south to north-easterly strike (trending more north-easterly in the north) and extends for more than seven kilometres from the southern granite contact to beyond the Hornet ore body.</p> <p>The so-called "Mine Sequence" is around 400 metres wide and consists of a parcel of sheared, metamorphosed and chlorite-biotite-muscovite altered mafic volcanics. Numerous felsic porphyries intrude the Mine Sequence. Mineralisation is hosted within multiple sets of elongate lodes with strong strike continuity, which anastomose and pinch-swell along strike and to depth. The main lode systems include Hornet, Enterprise, Orion and S2.</p> <p><b>The Taurus Trend</b></p> <p>The north-westerly trending Taurus Trend lies west of and diagonal to the Gibson Trend. Mineralisation is intimately associated with an apparently continuous felsic unit emplaced into the northwest trending shear and was discovered late in the life of the mining operation. It is characterised by discontinuous ore bodies, and strongly mineralised quartz-sulphide veining. The ore bodies on this trend include Sheldon and Wombat which, although not as continuous in strike as the ore bodies on the Gibson Trend, show a higher gold tenor.</p> <p><b>The Highway Trend</b></p> <p>The Highway Trend is a northeast trending shear zone, hosted by a mafic sequence in the western terrain, 11km northwest of the main mining area. This trend hosts the Highway ore body, and the Phoenix and Aquarius Prospects. It shares many of the characteristics of the Gibson trend, but it appears to lack the VHMS mineralising event and has generally been regarded as a predominantly low-grade system, although work from previous explores suggest it may have greater persistence and significance than previously thought and hence justifies further attention. The project area also hosts a number of BIF and quartz hosted small mineral occurrences including Paynes-Crusoe and MacDonald's Find.</p>

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Criteria	JORC Code explanation	Commentary
Drill hole Information	<p>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</p> <p>easting and northing of the drill hole collar</p> <p>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</p> <p>dip and azimuth of the hole</p> <p>down hole length and interception depth hole length.</p> <p>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</p>	All relevant drillhole information can be found in section 1 – “Sampling techniques”, “Drilling techniques” and “Drill Sample Recovery” and the significant intercepts table.
Data aggregation methods	<p>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.</p> <p>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</p> <p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	<p>Reported intercepts include a minimum of 1g/t Au value over a minimum length of 1m with a maximum 3m length of consecutive internal waste. The intercepts reported are those filtered to only include intercepts above 10 gram-metres as they are deemed the significant results of the project. No upper cuts have been applied. Intercept above the historical mined pits have been removed from the reported intercepts.</p> <p>No upper cuts have been applied.</p> <p>No metal equivalent values are used.</p>
Relationship between mineralization widths and intercept lengths	<p>These relationships are particularly important in the reporting of Exploration Results.</p> <p>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</p> <p>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. ‘down hole length, true width not known’).</p>	The mineralisation dips steeply to the east, and drilling is generally orientated at 60 degrees to the west, meaning intercepts are roughly perpendicular to mineralisation in the majority of cases. Some vertical holes drilled from the base of mined pits and are therefore at a high degree to the mineralisation..
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Refer to the diagrams in the body of this report.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	The accompanying document is considered to be a balanced report with a suitable cautionary note. In-situ significant drill assay results above 1g/t (filtered above 10 gram-metres) used in this Mineral Resource estimation have been reported in this document, with intercepts above the historical mined pits removed from the reported intercepts.
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	No other material information or data to report.
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	Further work includes further resource infill and sterilisation RC drilling and studies on the diamond drilling at MGGP for metallurgical studies, geotechnical and bulk density testwork.

## Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Database integrity	<p>Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.</p> <p>Data validation procedures used.</p>	<p>Historical drillhole data used to complete this study was received in the form of an access database. Internal validations were completed with no issues noted. Drilling completed by CMM has been collected in the field by geologists and field assistants using Geobank, with in-built Validation. Once hole information was finalised on site the information was emailed to the CMM Database Administrator to load into Datashed SQL database.</p>
Site visits	<p>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</p> <p>If no site visits have been undertaken indicate why this is the case.</p>	<p>The competent person has made a site visit to the MGGP as part of this study. All exploration and resource development drilling programmes are subject to review by experienced senior CMM technical staff. These reviews have been completed from the commencement of drilling and continue to the present in recent drilling operations, enabling the competent person to inspect/verify mineralisation controls.</p>
Geological interpretation	<p>Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.</p> <p>Nature of the data used and of any assumptions made.</p> <p>The effect, if any, of alternative interpretations on Mineral Resource estimation.</p> <p>The use of geology in guiding and controlling Mineral Resource estimation.</p> <p>The factors affecting continuity both of grade and geology.</p>	<p>The geological model is simple in nature and there is currently sufficient drilling to map the stratigraphic units and laterite zone. The model has been validated with infill drilling and site visits to inspect the current mined pits. A 3D geological model was constructed in Surpac from geological logging and structural measurements.</p> <p>The geological drillhole logging has been used to guide mineralisation envelopes and subsequent mineralisation wireframe modelling.</p> <p>Geological continuity has been assumed along strike and down-dip based on the drilling data. In general, continuity both geologically and grade-wise is good. Grades and thickness are more consistent down-dip than along strike.</p>
Dimensions	<p>The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource.</p>	<p>The MGGP mineralisation wireframes have been projected down-dip based on wider spaced drilling intercepts; however, this extrapolation has been removed from the resource estimate by limiting the reported tonnes and grade to within a conceptual optimal pit shell (\$2,200/oz Au). The main laterite zone extends 3000m along strike and 500m across. It ranges from 2m to 8m in vertical thickness, although a large portion of the laterite Resource is depleted by historical mining and backfilled with waste.</p> <p>The primary mineralisation extends below the laterite zone for a further vertical depth of 950m.</p> <p>The transition/fresh rock boundary is about 40 to 60m below surface. The primary mineralisation has 3 main sub-parallel zones and several smaller zones. Overall these zones extend for 8000m along strike (N-S) and up to 1000m across.</p>

Criteria	JORC Code explanation	Commentary
Estimation and modelling techniques	<p><i>The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.</i></p> <p><i>The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.</i></p> <p><i>The assumptions made regarding recovery of by-products.</i></p> <p><i>Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).</i></p> <p><i>In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.</i></p> <p><i>Any assumptions behind modelling of selective mining units.</i></p> <p><i>Any assumptions about correlation between variables.</i></p> <p><i>Description of how the geological interpretation was used to control the resource estimates.</i></p> <p><i>Discussion of basis for using or not using grade cutting or capping.</i></p> <p><i>The process of validation, the checking process used, the comparison of model data to drill hole data, and use of reconciliation data if available.</i></p>	<p>The MRE has been estimated using Ordinary Kriging (OK) with no change of support. The OK estimation was constrained within Au mineralisation domains generated in Surpac. These were defined from the resource drilling and guided by geological logging. OK is considered an appropriate grade estimation method for the MGGP mineralisation given drilling density and mineralisation style, which has allowed the development of robust and high confidence estimation constraints and parameters.</p> <p>The grade estimate is based on 1m down-the-hole composites of the resource dataset created in Surpac each located by their mid-point co-ordinates and assigned a length weighted average gold grade. 1m composite length was chosen because it is a multiple of the most common sampling interval (1.0 metre). Statistical analysis identified a high-grade population which was flagged in the model using an indicator estimate at 1g/t Au. This enabled a high-grade restriction to be used involving those flagged blocks being estimated by a composite file within that flagged area cut to a higher upper-cut. The remaining portions of the domain are estimated with the total domain composite file cut to a lower uppercut. The high-grade restriction and high-grade cuts (as described below) have been applied to composites to limit the influence of higher-grade data.</p> <p>Statistical and geostatistical analysis was completed on the domain coded composite file (1m composites). This included exploration data analysis, boundary analysis and grade estimation trials. The variography applied to grade estimation has been generated using Snowden Supervisor. These investigations have been completed on each ore domain separately.</p> <p>No check estimates have been completed as part of the study.</p> <p>No by-products are present or modelled.</p> <p>No deleterious elements have been estimated or are important to the project economics\planning at MGGP.</p> <p>Block dimensions are 5m (east) by 10m (north) by 5m (elevation) (with sub-blocking in the Z direction to 1.25m to better suit the flat lying laterite mineralisation) and was chosen as it approximates SMU for the deposit, and a quarter to half the drill hole spacing.</p> <p>The oxide/fresh interpolation utilised 3 estimation passes, with category 1 adopting a 25m octant search, 16 minimum/64 maximum composites used and a maximum of 4 composites per drill hole, with only 1 adjacent octant allowed to fail the search criteria. Category 2 uses a 50m search distance, 16 minimum/64 maximum composites, 4 maximum per hole and 1 adjacent octant allowed to fail the criteria. Category 3 uses a 100m search distance, 8 minimum/64 maximum composites, 4 maximum per hole and 1 adjacent octant allowed to fail the criteria, with category 3 being estimated into a doubled block size as well. The laterite portion of the deposit is estimated into the sub-blocked Z size of 1.25m and uses a vertical constraint of 3m on the search ellipse. The search on each category is orientated to align to the orientation of the mineralisation of each specific domain using dynamic anisotropy.</p> <p>No selective mining units were assumed in this estimate.</p> <p>No correlated variables have been investigated or estimated.</p>

Criteria	JORC Code explanation	Commentary
		<p>The grade estimate is based on mineralisation constraints which have been interpreted based on a lithological logging and weathering interpretation, and a nominal 0.1g/t Au lower cut-off grade. The mineralisation constraints have been used as hard boundaries for grade estimation wherein only composite samples within that domain are used to estimate blocks coded as within that domain. Statistical investigations have been completed to test the change in statistical and spatial characteristics of the domains grouped by weathering showing there to be little variation between profiles, hence they have been estimated inclusively.</p> <p>A review of the composite data captured within the mineralisation constraints was completed to assess the need for high grade cutting (capping). This assessment was completed both statistically and spatially to determine if the high-grade data clusters or were isolated. On the basis of the investigation it was decided to utilise a high-grade restriction, and appropriate high-grade cuts were applied to all estimation domains.</p> <p>The grade estimate was checked against the input drilling/composite data both visually on section (cross and long section) and in plan, and statistically on swath plots.</p>
Moisture	<p><i>Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.</i></p>	<p>Tonnages have been estimated on a dry basis.</p>
Cut-off parameters	<p><i>The basis of the adopted cut-off grade(s) or quality parameters applied.</i></p>	<p>The MRE is reported at a cut-off grade of 0.4g/t for all material types. This is determined from standardised parameters used to generate the open pit MRE reporting shell, and also takes into account potential mining practices..</p>
Mining factors or assumptions	<p><i>Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.</i></p>	<p>Currently a contractor operated open pit mining option is the basis for the cut-off grade. Ore and waste would be paddock blasted on 5m benches and subsequently excavated as 2.5m flitches utilising a conventional excavator and truck mining fleet to facilitate moderate ore excavation selectivity.</p>

Criteria	JORC Code explanation	Commentary
Metallurgical factors or assumptions	<i>The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.</i>	Historical production data and available test work indicate that high recoveries are able to be achieved through a standard CIL plant.  A gold recovery value of 93% was used in the generation of the open pit MRE reporting shell.
Environmental factors or assumptions	<i>Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made.</i>	Waste rock from open pit operations would be placed in a waste rock landform adjacent to open pit operations, progressively contoured and revegetated throughout mine life. Process plant residue would be disposed of in a surface tailings storage facility (TSF). Adoption of an upstream, central decant design would utilise mine waste material for dam wall construction and facilitate water recovery to supplement process water requirements. It is expected that sufficient volumes of oxide material, able to be made sufficiently impermeable, will be available in the overburden stream to enable acceptable TSF construction.
Bulk density	<i>Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.</i>  <i>The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit.</i>  <i>Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.</i>	Bulk density values and weathering profiles were adopted from values derived from measurements made on the CMM drilled diamond core, and historical values found during due diligence of available documents. Mean density values were applied to the CMM resource model. Values of 2.2 t/m <sup>3</sup> for laterite, 1.80 t/m <sup>3</sup> for oxide, 2.3 t/m <sup>3</sup> for transitional and 2.75 t/m <sup>3</sup> for fresh were used and are all typical for archean greenstone lithologies.
Classification	<i>The basis for the classification of the Mineral Resources into varying confidence categories.</i>  <i>Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).</i>  <i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i>	The Measured, Indicated and Inferred classification reflects the relative confidence in the estimate, the confidence in the geological interpretation, the drilling spacing, input data, the assay repeatability and the continuity of the mineralisation.  The classification methodology adopted in the estimate uses category 1 and 2 from the 3-pass octant search strategy (outlined above) to guide interpretation of a classification surface where Indicated is above the surface and Inferred below. This results in a geologically sensible classification based on data density and geological continuity. The drill density in the Indicated classification averages 25 x 25 metres. The drill density in the Inferred classification ranges from 25 x 25 metres to 100 x 100 metres. No Measured category has been applied in the estimate. Laterites have been classified entirely as Inferred until early stage grade control drilling can define the exact extents of laterite mining depletion.  This classification reflects the Competent Person's view of the deposit.

Criteria	JORC Code explanation	Commentary
Audits or reviews	<i>The results of any audits or reviews of Mineral Resource estimates.</i>	The resource model has been reviewed for fatal flaws internally, although no audit has been completed on the MRE.
Discussion of relative accuracy/confidence	<p><i>Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate.</i></p> <p><i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.</i></p> <p><i>These statements of relative accuracy and confidence of the estimate should be compared with production data, where available..</i></p>	<p>The confidence level is reflected in the classification of the estimate.</p> <p>Mineralisation modelled but outside the \$2,200/oz Au reporting shell has been excluded from the estimate.</p> <p>The Mineral Resource estimate is an undiluted global estimate.</p> <p>The CMM Mineral Resource estimate compares very closely to historical production when reported at the lower cuts mined to and above the historical mined surfaces.</p>



## Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	<p>Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.</p> <p>Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.</p>	<p>The Mineral Resource estimate for the MGGP deposit which formed the basis of this Ore Reserve estimate was compiled by the Capricorn Competent Person utilising relevant data. The estimate is based on Reverse Circulation (RC) holes and diamond holes of exploration drilling and assay data. The data set, geological interpretation and model was validated using Capricorn's internal and Quality Assurance and Quality Control (QAQC) processes. Ordinary Kriging was utilised to estimate the resource. The individual block size for estimation was 5m x 10m x 5 m (E-W, S-N and elevation respectively), with sub-blocking in the Z direction to 1.25m to better suit the flat lying laterite mineralisation.</p> <p>The Mineral Resources are reported inclusive of the Ore Reserve.</p>
Site visits	<p>Comment on any site visits undertaken by the Competent Person and the outcome of those visits.</p> <p>If no site visits have been undertaken indicate why this is the case.</p>	<p>The Competent Person has conducted a comprehensive site visit to the MGGP during 2022.</p>
Study status	<p>The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.</p> <p>The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.</p>	<p>The MGGP has been mined extensively during the 1980's and 90's using open pit and underground mining methods with a stand-alone CIL processing facility. Since acquiring the project in mid 2021, the MGGP was the subject to over 104,000m of Reverse circulation and diamond drilling facilitating the Updated MRE in November 2022 and informing a PFS level study and this ORE. The current study has included all aspects of the operation of the proposed mine including all key inputs related to operational costs and actual production parameters.</p> <p>Financial modelling completed as well as operational performance shows that the project is economically viable under current assumptions.</p>
Cut-off parameters	<p>The basis of the cut-off grade(s) or quality parameters applied.</p>	<p>Economic cut-off grades have been applied in estimating the Ore Reserve. Cut-off grade is calculated in consideration of the following parameters:</p> <ul style="list-style-type: none"> <li>▪ Gold price of \$1,900 AUD</li> <li>▪ Operating costs including ore costs (eg grade control, ROM re-handle)</li> <li>▪ Process recovery</li> <li>▪ Transport and refining costs</li> <li>▪ General and administrative cost</li> <li>▪ Royalty costs.</li> </ul> <p>Cut-off grade is 0.4 g/t Au for all material types.</p>
Mining factors or assumptions	<p>The method and assumptions used as reported in the Pre- Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).</p> <p>The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.</p> <p>The assumptions made regarding geotechnical parameters (e.g. pit slopes, stope sizes, etc), grade control and pre-production drilling.</p> <p>The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).</p> <p>The mining dilution factors used.</p>	<p>The MGGP deposit will be mined by open pit mining methods utilising conventional truck and shovel mining equipment. The final pit design is the basis of the Ore Reserve estimate.</p> <p>The selected mining method, design and extraction sequence are tailored to suit orebody characteristics, minimise dilution and ore loss, defer waste movement and capital expenditure, utilise proposed process plant capacity and expedite free cash generation in a safe manner.</p> <p>Geotechnical modelling has been completed by an external consultant on the basis of field logging and laboratory testing of selected dedicated diamond drill core samples from 16 geotechnical diamond drillholes. The recommended geotechnical pit design parameters assume dry slopes based on adequate dewatering and/or depressurisation ahead of mining.</p> <p>Hydrogeological investigations (in part informed by past mining experience at Mt Gibson) have been prepared by independent consultants.</p>

	<p><i>The mining recovery factors used.</i></p> <p><i>Any minimum mining widths used.</i></p> <p><i>The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion.</i></p> <p><i>The infrastructure requirements of the selected mining methods.</i></p>
<p><i>Metallurgical factors or assumptions</i></p>	<p><i>The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.</i></p> <p><i>Whether the metallurgical process is well-tested technology or novel in nature.</i></p> <p><i>The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.</i></p> <p><i>Any assumptions or allowances made for deleterious elements.</i></p> <p><i>The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.</i></p> <p><i>For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?</i></p>

Only open pit mining has been considered in the PFS.

Additional mining dilution and recovery modifying factors have not been applied to the Ore Reserve. This considered to have been adequately accounted for in the MRE and is supported by Capricorn's extensive experience and use of the same methodology in the successful Ore Reserve estimation and mining of low grade orebodies in Western Australia.

The mining schedule is based on realistic mining productivity and equipment utilization estimates which also considered the vertical rate of mining development. No Inferred Mineral Resources were used in Ore Reserve calculations.

The operational mine plan includes waste rock dumps, a ROM pad, surface water channels, dewatering bores, light and heavy vehicle workshop facilities, explosives storage and supply facilities and technical services and administration facilities.

A processing flowsheet, materials balance, water balance, equipment identification, mechanical and electrical layouts were all developed to PFS standard.

The operation will comprise tertiary crushing, a single Ball Mill comminution circuit followed by a conventional gravity and carbon in leach (CIL) process. This process is considered appropriate for the Mt Gibson ore, which is classified as free-milling.

The metallurgical process is commonly used in the Australian and international gold mining industry and is considered to be well-tested and proven technology.

Significant comminution, extraction, and physical properties testing has been carried out on representative samples of oxide, transition and fresh rock. The 2022 metallurgical testwork program was conducted on a total of 108 variability samples tested at a nominal P80 of 125µm. The metallurgical testwork now stands at DFS level with only minor follow up testing remaining to be completed.

Estimated plant gold recovery ranges from 92.4% to 94.4% depending on ore type. No deleterious elements of significance have been determined from metallurgical test work and mineralogy investigations.

Criteria	JORC Code explanation	Commentary
<i>Environmental</i>	<i>The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.</i>	<p>Environmental studies have been largely completed for the MGGP and regulatory approvals for the project are considered to be achievable.</p> <p>A MGGP Mining Proposal and Mine Closure Plan is currently being compiled for submission to DMIRS. The Company may elect to self refer the MGGP to the EPA and DWERES by submitting an Environmental Impact Assessment.</p> <p>Waste rock and tailings characterisation work is substantially completed and all waste types and tailings have been characterised. All oxide and transition material (ore and waste rock) has been assessed as non-acid forming. Approximately 40% of the fresh waste rock, and all of the fresh ore, is expected to be potentially acid forming and is therefore expected to require encapsulation. Waste rock dump and tailings storage locations have been selected based on suitable geographical characteristics and proximity to the pit and plant.</p>
<i>Infrastructure</i>	<i>The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.</i>	<p>The project site is within economic distances of existing infrastructure in the Murchison mid west region. Services and consumable supplies will be delivered by existing roads and a 10 km access road from the Great Northern Highway to the MGGP.</p> <p>Land availability is unlikely to be an issue, with the mining and exploration tenure held by Capricorn more than covering all project needs.</p> <p>Tailings disposal will be within an Integrated Waste Landform whereby tailings are encapsulated by mining waste, rather than having separate waste dumps and tailings facilities.</p> <p>The workforce will be Fly In-Fly Out (FIFO) to a CMM built airstrip and based at a camp on site during rostered days on.</p> <p>Consultants have been engaged to undertake hydrogeological modelling and advice for the MGGP. To provide further data for localised and regional hydrogeological modelling Capricorn has to date drilled 4 water supply bores across northern area of the project. These bores are currently in the process of being constructed and tested. It is anticipated that the majority of the project water demands will be sourced from the northern borefield and the surrounding areas.</p> <p>Power is planned to be generated on site utilising natural gas.</p>

Criteria	JORC Code explanation	Commentary
<p>Costs</p>	<p><i>The derivation of, or assumptions made, regarding projected capital costs in the study.</i></p> <p><i>The methodology used to estimate operating costs. Allowances made for the content of deleterious elements.</i></p> <p><i>The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co-products.</i></p> <p><i>The source of exchange rates used in the study. Derivation of transportation charges.</i></p> <p><i>The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.</i></p> <p><i>The allowances made for royalties payable, both Government and private.</i></p>	<p>The economic analysis in support of these Ore Reserves was based on total operating costs.</p> <p>Mining costs including drill and blast applied in the optimisation used the existing Karlawinda Gold Project mining contract rates with logical extrapolations and modifications for the MGGP. The costs have been modified by rise and fall.</p> <p>Grade control costs were derived from existing KGP grade control drilling and sampling costs and applied as appropriate to MGGP.</p> <p>No ore transportation charges have been applied in economic analysis. Ore will be delivered directly from the pit to the ROM beside the existing plant at contract rates. Gold transportation costs to the Mint are included in the refining component of the milling charges.</p> <p>Treatment costs applied in the Ore Reserve analysis are estimated internally by Capricorn based current operational experience and extensive metallurgical testwork.</p> <p>No allowance is made for deleterious elements since testwork to date on ore from Bibra has not shown the presence of deleterious elements.</p> <p>Administration costs are based on actual KGP costs adapted as appropriate to MGGP.</p> <p>All financial analyses and gold price have been expressed in Australian dollars so no direct exchange rates have been applied.</p> <p>An allowance has been made for all royalties, including an allowance of 2.5% of revenue for royalties payable to the Western Australian State Government and a 1% (after the first 90,000 ounces of production) allowance for the current commercial royalty to a third party. The terms of the royalty payable to the other private party is covered by confidentiality restrictions.</p>
<p>Revenue factors</p>	<p><i>The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.</i></p> <p><i>The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.</i></p>	<p>The mined ore head grades are estimated utilising industry accepted geostatistical techniques with the application of relevant mining Modifying Factors.</p> <p>Gold price and exchange rates have been determined by Capricorn on the basis of current market trends and by peer company comparison.</p> <p>A gold price of A\$1,900/oz is used for the open pit optimisation and lower-cut calculation for the Ore Reserve estimation process. The financial model is run at a base gold price of A\$2,750/oz.</p>

Criteria	JORC Code explanation	Commentary
Market assessment	<p><i>The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.</i></p> <p><i>A customer and competitor analysis along with the identification of likely market windows for the product.</i></p> <p><i>Price and volume forecasts and the basis for these forecasts.</i></p> <p><i>For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.</i></p>	<p>There is a transparent market for the sale of gold.</p>
Economic	<p><i>The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.</i></p> <p><i>NPV ranges and sensitivity to variations in the significant assumptions and inputs.</i></p>	<p>Inputs from the open pit mining, processing, sustaining capital and contingencies have been scheduled and costed to generate the cost estimate.</p> <p>Cost inputs have been estimated from actual costs at KGP adapted as appropriate for MGGP, supplier quotations and/or by competent specialists.</p> <p>The Ore Reserve returns a positive NPV<sub>5</sub> post-capex, pre-tax of A\$828 million based on the assumed commodity price of A\$2,750/oz in the financial model and the Competent Person is satisfied that the project economics that make up the Ore Reserve retains a suitable profit margin at a range of commodity prices including A\$1,900/oz commodity price that the ORE is based on.</p> <p>Sensitivity analysis has indicated that the project drivers are gold prices, grade, metallurgical recoveries followed by operating costs; NPV remains favourable for the sensitivity tests within reasonable ranges..</p>
Social	<p><i>The status of agreements with key stakeholders and matters leading to social licence to operate.</i></p>	<p>The MGGP area is not subject to Native Title as determined by the Federal Court in May 2015. Capricorn has initiated discussions with the Badimia (Badimia Land Aboriginal Corporation and Badimia Bandi Barna Aboriginal Corporation) to develop a Heritage Agreement suitable for the duration of the project.</p>
Other	<p><i>To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:</i></p> <p><i>Any identified material naturally occurring risks.</i></p> <p><i>The status of material legal agreements and marketing arrangements.</i></p> <p><i>The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.</i></p>	<p>Flooding risk has been analysed by an independent external expert and deemed to be minimal, with the project located near the top of a small catchment system.</p> <p>No significant species have been identified that would be significantly impacted by the Project in a manner that could not be adequately managed.</p>

Criteria	JORC Code explanation	Commentary
<i>Classification</i>	<p><i>The basis for the classification of the Ore Reserves into varying confidence categories.</i></p> <p><i>Whether the result appropriately reflects the Competent Person's view of the deposit.</i></p> <p><i>The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any).</i></p>	<p>The main basis of classification of Ore Reserves is the underlying Mineral Resource classification. All Probable Ore Reserves derive from Indicated Mineral Resources in accordance with JORC Code (2012) guidelines.</p> <p>The results of the Ore Reserve estimate reflect the Competent Person's view of the deposit. No Probable Ore Reserves are derived from Measured Mineral Resources.</p> <p>No inferred Mineral Resource is included in the Ore Reserves.</p>
<i>Audits or reviews</i>	<p><i>The results of any audits or reviews of Ore Reserve estimates.</i></p>	<p>An internal review of the Ore Reserve estimate has been carried out.</p>
<i>Discussion of relative accuracy/ confidence</i>	<p><i>Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.</i></p> <p><i>The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.</i></p> <p><i>It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i></p>	<p>In the opinion of the Competent Person, cost assumptions and modifying factors applied in the process of estimating Ore Reserves are reasonable.</p> <p>Gold price and exchange rate assumptions were set out by Capricorn and are subject to market forces and present an area of uncertainty.</p>

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