

11 March 2024

ASX:CMM



KARLAWINDA GOLD PROJECT OPERATIONS UPDATE

Capricorn Metals Limited (**Capricorn** or the **Company**) provides an update on operations at the Karlawinda Gold Project (KGP). Significant rainfall of 150 millimetres in recent days has impacted open pit mining activities at KGP. This follows an earlier rainfall event in January 2024 of 133 millimetres. The combined impact of these two weather events has been the loss of mining shifts totalling in excess of 8 full days of mining in the March 2024 quarter to date.

The loss of these mining shifts has affected the mining contractor MACA's capacity to deliver the material movements budgeted in the mining schedule for the quarter. Whilst the rainfall events have not affected the operation of the processing plant, the restricted mining operations have resulted in the necessity to treat low grade stockpiles and has delayed access to higher grade ore blocks in the open pit.

As a result of the impact of rainfall on mining operations it is expected that gold production in the March 2024 quarter will be in the order of 26,000 ounces. Initiatives are in place to achieve the budgeted mining schedule material movement required to deliver ore tonnes going forward. This will be the continued focus of the June 2024 quarter.

After strong gold production of 60,099 ounces in the first half of FY24, Capricorn still expects to achieve annual gold production at the lower end of FY24 guidance of 115,000 – 125,000 ounces. With All in Sustaining Cost (AISC) for the first half of FY24 of \$1,324 per ounce it is expected that full year FY24 AISC will remain within but at the upper end of guidance of \$1,270 – 1,370 per ounce.

Photos of KGP 7 March 2024.



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

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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. 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 Company’s Annual Reports, as well as the Company’s other filings. 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.