

ACTIVITIES REPORT

SEPTEMBER 2024 QUARTER

KGP OPERATIONS

- Karlawinda Gold Project (KGP) Q1 gold production of 25,559 ounces (Q4: 26,835oz) at an all-in-sustaining-cost of \$1,647 per ounce (Q4: \$1,548 per ounce) was in line with expectations as per the FY25 mine plan. AISC is expected to decline in the coming quarters as earthmoving volumes reduce and production increases in line with the mine plan.
- KGP is on track to achieve FY25 guidance of 110,000 – 120,000 ounces at an AISC of \$1,370 - \$1,470 per ounce.
- Strong cash flow generation from operations continues with \$38.0 million in Q1 (Q4: \$40.4m).
- Total material mined from the Bibra open pit increased 17% from Q4. Planned pit face positions achieved by end of Q1, delivering larger working areas and facilitating great productivity for the balance of FY25.
- Gold recovery rates have stabilised at the budgeted rate of 91.9% (Q4: 89.1%) following the commissioning of liquid oxygen and lead nitrate facilities.

CORPORATE

- Underlying profit after tax of \$87.1 million reported for FY24 was in line with the FY23 result of \$85.8 million.
- Cash and gold on hand at the end of Q1 was \$144.6 million (Q4: \$125.0m) reflecting a cash build of \$24.1 million (Q4: 24.6m) before the discretionary capital expenditure at the Mt Gibson Gold Project (MGGP) of \$4.5 million (Q4: \$7.8m).
- Gold sales of 22,285 ounces at an average price of \$3,729 per ounce generated \$83.1 million in revenue with a further 4,656 ounces of gold on hand at the end of Q1 valued at \$18.0 million (Q4: 1,453oz).

MGGP DEVELOPMENT

- Installation of the 400-room accommodation village for the operation continued with all buildings for the camp now in place and associated services being installed. Construction is on target to be completed in CY24 with partial occupation planned to commence soon after. Total spend to date of \$23.9 million on construction works is an early spend of the \$260 million MGGP capital budget and a strategic decision to compress the ultimate construction timeframe.
- Tender responses were received during the quarter for mining services, power supply and process plant design contracts. Final evaluations are underway with awards for these critical path scopes planned in Q2.
- The Company received advice from the Commonwealth Department of Climate Change, Energy, the Environment and Water (DCCEEW) relating to the assessment of the MGGP referral. The guidelines for the Public Environment Report (PER) to be submitted for referral were received and have been incorporated into the final work streams being completed. Field surveys were completed in the quarter, reporting is underway with submission of the PER planned for late Q2.

RESOURCE AND RESERVE UPDATE

- Updates to the MGGP ORE and MRE are planned for later in Q2, showing the continued strong organic growth potential of the project. The ORE and MRE currently stand at 1,834,000 ounces and 3,305,000 ounces, respectively.
- KGP Ore Reserve Estimate (ORE) increased by 15% to 1,428,000 ounces (2023: 1,247,000 ounces), an increase of 333,000 ounces (27%) after accounting for mining depletion.
- KGP expansion study to be finalised in Q2. Potential to increase throughput (currently 4.5mtpa) by 2 – 2.5mtpa underpinned by the recent increase in ORE.
- KGP Mineral Resource Estimate (MRE) increased by 1% to 2,252,000 ounces (2023: 2,228,000 ounces), an increase of 176,000 ounces after (8%) after accounting for mining depletion.
- Capricorn group ORE now stands at 3,262,000 ounces, while the group MRE is 5,557,000 ounces.

EXPLORATION

Mt Gibson Gold Project (MGGP)

- A further 22,737 metres (92 holes) of resource extension, regional exploration and mine development drilling were completed across the MGGP during the September 2024 quarter (Q1).
- Assays received from 76 resource definition holes (13,676 metres) since the last update in July 2024 continue to return exceptional results, both within and extensional to the resource including:
 - 26 metres @ 4.06g/t from 206 to 232m*
 - 22 metres @ 4.46g/t from 221 to 243m
 - 7 metres @ 9.24g/t from 264 to 271m*
 - 34 metres @ 3.03g/t from 264 to 298m*
 - 33.10 metres @ 2.99g/t from 197.90 to 231m
 - 21 metres @ 2.03g/t from 264 to 285m*

* intercept is outside of current resource pit shell

As noted above, an update to the MGGP ORE and MRE are planned for completion in Q2.

- Of the planned 6,696-metre diamond drilling programme (27 holes), 5,618 metres were completed under the Orion and Lexington pits. Broad, high-grade gold intercepts demonstrated that mineralisation extends significantly at depth, highlighting the potential for an underground mining operation. Encouraging results were returned including:
 - 1.23 metres @ 95.00g/t from 264 to 265.23m*
 - 13.69 metres @ 5.33g/t from 396.31 to 410m*
 - 26 metres @ 2.47g/t from 405 to 431m*
 - 4.19 metres @ 11.19g/t from 465.43 to 469.62m*
 - 3 metres @ 26.27g/t from 260 to 263m
 - 11.81 metres @ 6.06g/t from 209 to 220.81m
 - 4 metres @ 14.05g/t from 269 to 273m*
 - 6 metres @ 6.28g/t from 209 to 215m

* intercept is outside of current resource pit shell

A follow up diamond drill program is planned to commence in Q3 to further investigate underground mine potential and a maiden underground MRE.

- A total 2,598 metres of reverse circulation (RC) drilling (17 holes) were completed at the Capricorn deposit along strike of the previously mined Wombat Open Pit and Underground deposit. Significant results have been received, both within and extensional to the current resource, with mineralisation remaining open down dip and along strike. Best results including:
 - 21 metres @ 5.38g/t from 116 to 137m
 - 4 metres @ 10.17g/t from 192 to 196m*
 - 15 metres @ 2.17g/t from 132 to 147m*
 - 5 metres @ 8.70g/t from 49 to 54m
 - 8 metres @ 5.03g/t from 57 to 65m
 - 6 metres @ 3.05g/t from 185 to 191m*

* intercept is outside of current resource pit shell

Further extensional drilling is planned for an update to the MRE and a maiden ORE at Capricorn.

SEPTEMBER 2024 QUARTER ACTIVITIES SUMMARY

Capricorn Metals Ltd (Capricorn) wholly owns the operating Karlawinda Gold Project (KGP) located 65 kilometres south-east of Newman in the Pilbara region of Western Australia and the Mount Gibson Gold Project (MGGP) located 65 kilometres north-east of Wubin in the Mid-West region of Western Australia.

Karlawinda Gold Project

The KGP delivered another steady quarter of operations, producing 25,559 ounces of gold, in line with expectations as per the FY25 mine plan. Gold production for the quarter reflected the focus on increasing total material movement from the Bibra open pit to achieve the planned pit face positions for end of quarter. The Company has begun realising these benefits in the form of greater productivities and working areas available. This progress establishes a solid foundation at Bibra for the remainder of FY25.

Pleasingly, following the successful commissioning of the liquid oxygen and lead nitrate facilities, gold recovery rates have stabilised at the budgeted rate of 91.9% for Q1. These improvements illustrate the operation's continued progress, ensuring it remains well-placed to achieve FY25 guidance of 110,000 – 120,000 ounces.

Cash costs before royalties for the quarter were \$1,459, with an AISC of \$1,647 per ounce, reflecting the increased earthmoving volumes. Costs are expected to decline in the coming quarters as earthmoving volumes reduce and production increases. The FY25 AISC cost guidance of \$1,370 - \$1,470 per ounce remains unchanged.

Operating results for the KGP for Q1 were as follows:

	<i>Unit</i>	Sep24Q	Jun24Q	Mar24Q	Dec23Q
Operations					
Ore mined	<i>BCM ('000)</i>	615	528	317	511
Waste mined	<i>BCM ('000)</i>	3,083	2,621	2,285	2,693
Stripping ratio	<i>w:o</i>	5.0	5.0	7.2	5.3
Ore mined	<i>t ('000)</i>	1,564	1,420	856	1,280
Ore milled	<i>t ('000)</i>	1,088	1,012	997	1,057
Head Grade	<i>g/t</i>	0.80	0.93	0.91	1.00
Recovery	<i>%</i>	91.9	89.1	89.5	89.4
Gold production	<i>Oz</i>	25,559	26,835	26,073	30,399
Financial					
Net Cash cost	<i>A\$/oz</i>	1,459	1,346	1,319	1,178
All-in sustaining cost	<i>A\$/oz</i>	1,647	1,548	1,515	1,333

Net Cash costs and AISC calculated on a per ounce production basis.

Mining

Open pit material mined in Q1 was 3.7 million BCM, reflecting a 17% increase compared to the previous quarter (Q4: 3.1 million BCM) as increased material movement enabled the achievement of planned pit face positions. The Company has realised the benefit of this progress through improved productivities and expanded working areas becoming available in the pit.

Ore mining was primarily a blend of fresh ore from stages 4 and oxide ore from stages 3 and 4 of the Bibra open pit. The strip ratio for the quarter remained consistent at 5.0 (w:o) as mining focussed on ore in stages 3 and 4, exposed from the previous quarter mining. In the upcoming quarters, the strip ratio is expected to decrease as a result of the greater working areas available in the open pit.

A total of 1.6 million tonnes of ore was mined during the quarter, with ore stocks increasing to 5.4 million tonnes.



Bibra open pit (September 2024)

Processing

Consistent performance at the KGP processing plant continued in the quarter, with a total of 1.1 million tonnes of ore processed at a head grade of 0.80g/t. Processed grade is expected to improve in the coming quarters as higher grade ore zones are exposed in the Bibra open pit.

Gold recovery improved to 91.9% following the successful installation and commissioning of the liquid oxygen and lead nitrate facilities. With these improvements, gold recoveries are expected to have stabilised at this budgeted rate.

Operational Outlook

Mining volumes are expected to reduce slightly in Q2 following the achievement of the planned face positions in the Bibra open pit during Q1. However, ore volumes are planned to increase in Q2 as greater working areas become available in the open pit. As a result, the processed grade is expected to improve in Q2, leading to an increase in scheduled production in the upcoming quarters.

Corporate

Financial Results

Capricorn reported a profit after tax of \$89.1 million for FY24, in line with the underlying profit after tax of \$85.8 million in FY23. The Company achieved record revenue of \$359.8 million, driving the continued strong cash flow generation at the KGP, with record cash flow from operating activities of \$158.2 million and a record EBITDA of \$168.3 million.

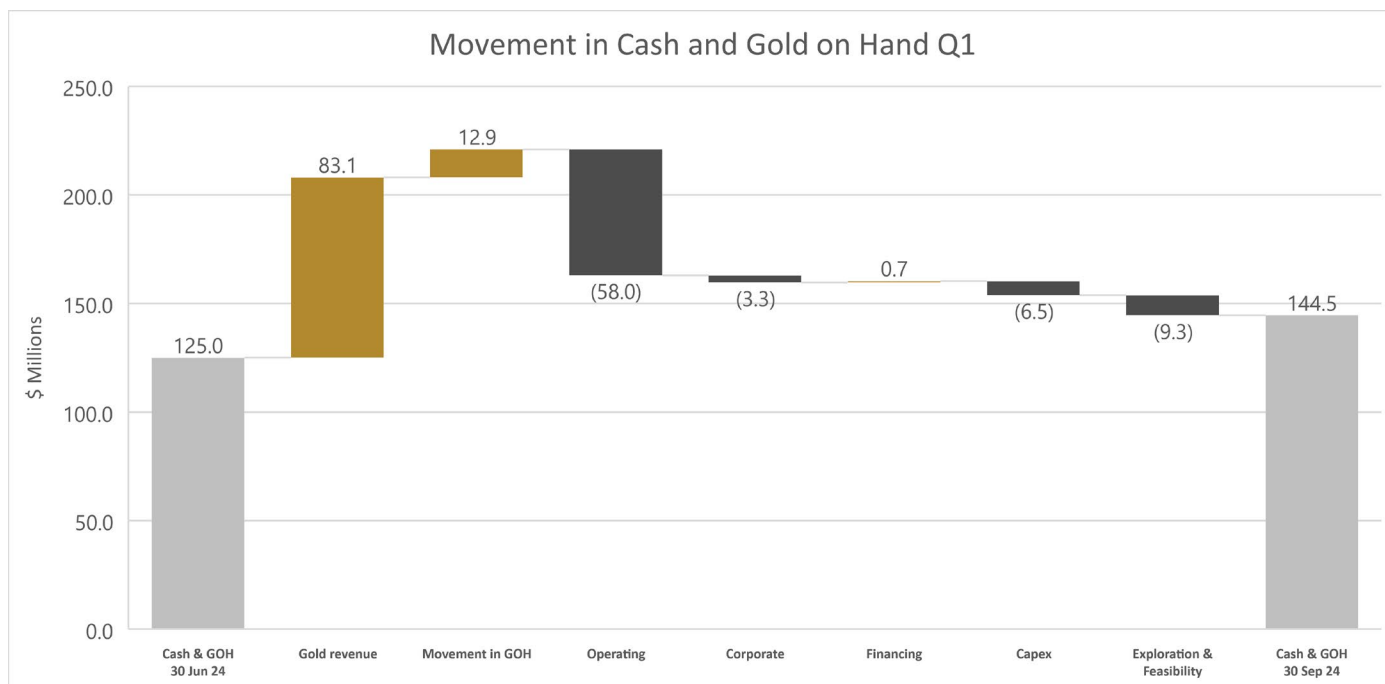
The Company's net cash position increased by \$13.4 million to \$69.3 million (FY23 net cash: \$55.9 million) after payment of \$69.6 million to close-out 52,000 ounces of the hedge book (and buy gold put options), \$32.0 million in exploration and feasibility studies at KGP and MGGP, and \$19.4 million of early spend against the \$260 million capital estimate at MGGP.

Cash and Bullion

The KGP generated another consistent quarter of strong operating cash flow of \$38.0 million (Q4: \$40.4 million). The Company's cash and gold on hand at 30 September 2024 was \$144.5 million (Jun24: \$125.0m). This represents a cash build of \$24.0 million for the quarter (Jun24: \$24.6m) before discretionary capital expenditure at the MGGP.

The capital spend on development activities at MGGP for the quarter was \$4.5 million with the main focus being continued installation of the 400-room accommodation village for operations. To date Capricorn has spent \$23.9 million on these early construction works. This early spend of part of the \$260 million MGGP capital budget is a strategic decision to compress the ultimate construction timeframe.

The Company's net cash and bullion position at the end of Q1 is \$94.6 million (Q4: \$75.0 million).



Gold Sales & Hedging

During the quarter, Capricorn sold a total of 22,285 ounces achieving an average gold price of \$3,729 per ounce generating revenue of \$83.1 million. At the end of the quarter, the Company had 4,656 ounces (Q4: 1,453oz) of gold on hand valued at \$18.0 million.

As announced on 14 June 2024, the Company reduced its gold hedge book by 52,000 ounces to provide further exposure to any increase in the A\$ gold price over the next 18 months. Of the 52,000 ounces closed, 12,000 ounces had a maturity date of 30 September 2024. With full participation in the spot price, approximately \$3.0 million in additional revenue was realised for the quarter. At the current spot price of A\$4,000 per ounce, the potential future revenue for the remaining 40,000 ounces has been enhanced by an additional \$20.7 million.

The closure follows the successful execution of a similar strategy in June 2023, when 51,000 ounces of gold hedging were closed, resulting in an FY24 revenue increase of approximately \$13 million, after accounting for closure costs, as Capricorn increased its exposure to the rising gold price over that period.

At the end of the quarter the Company has 55,000 ounces of flat forward contracts remaining at an average delivery price of \$2,327 per ounce maturing from December 2025 to December 2026 and a 16,700 ounce sold gold call option with a strike price of \$2,260 per ounce and expiry date of 30 June 2025.

Payments to Related Parties

During the quarter, payments to related parties of Capricorn and their associates (being the Company's directors) totalled \$384,969. The payments were remuneration for their roles including superannuation.

Development

Mt Gibson Gold Project

Significant progress continues to be made on the MGGP in parallel with continued exploration and resource extension drilling.

In December 2023 Capricorn referred the development of the MGGP to the Commonwealth Department of Climate Change, Energy, the Environment and Water (DCCEEW) under the *Environmental Protection and Biodiversity Conservation Act 1999* (EPBC Act), based on comprehensive environmental assessment work over the last two and a half years. In June 2024, Capricorn received advice from DCCEEW relating to the assessment of the MGGP referral. As expected, the project referral will be assessed as a Controlled Action via a Public Environmental Report (PER). In July 2024, DCCEEW provided the guidelines for the PER to be completed by Capricorn. The Company is currently completing the final environmental work programs with the expectation that the PER will be completed and submitted for public consultation and final assessment in December 2024.

In May 2024 Capricorn lodged the referral of the MGGP to the Environmental Protection Authority (EPA) under Part IV of the Western Australian EP Act to commence the WA assessment process, which will run in parallel with the Commonwealth assessment. In July 2024, the referral was validated by the EPA and released for 7 days public comment.

Installation of the 400-room accommodation village for operations continued with all buildings for the camp now in place and associated services being installed. Construction is on target to be completed in CY24 with partial occupation planned to commence soon after. The total installed cost of the village is expected to be in the order of \$30 million (budgeted in the \$260 million infrastructure cost component of the MGGP development capital) of which \$23.9 million has been spent to the end of September 2024 with the balance to be spent over the remainder of the 2024 calendar year.



Mt Gibson Gold Project – accommodation village installation

Tender responses were received during the quarter for mining services, power supply and process plant design contracts. Final evaluations are underway with awards for these critical path scopes planned in Q2.

Capricorn's strategy is to expedite the accommodation village construction, project design and long lead purchasing in parallel with progressive receipt of development and environmental permits where it is expected to be advantageous to the ultimate development schedule and cost to do so.

Other project development work planned for Q2 includes:

- Complete adjudications of tenders issued in Q4;
- Ongoing water exploration and bore development work to augment long term water supply;
- Finalise environmental assessment work for an alternative airstrip location;
- Work towards an updated Resource and Reserve Statement for the MGGP;
- Continue process plant design; and
- Commit to any long lead capital items where it is advantageous to do so.

KGP Resource and Reserve Update

Updated Ore Reserve Estimate

In August 2024, the Company announced an update to the March 2023 estimate after drilling successfully targeted conversion of Inferred Resources to Indicated in the area of the resource immediately down dip of the 2023 reserve pit design, underpinning significant conversion to reserves.

The KGP JORC compliant ORE was updated to 57.7 million tonnes at 0.8g/t gold for 1,428,000 ounces of gold, an increase of 181,000 ounces from the March 2023 estimate of 49.2 million tonnes at 0.8g/t gold for 1,247,000 ounces.

Highlights of the reserve update included:

- The ORE increased by 333,000 ounces (27%) to 1,428,000 ounces after mining depletion of 152,000 ounces;
- Stripping ratio (waste:ore) remains low at 4.6 (2023: 4.0);
- Pre-expansion life of mine in excess of 13 years;
- Estimate uses lower cut-off grades of 0.3g/t (laterite & oxide ore) and 0.4g/t (transition & fresh ore) and a gold price of A\$2,200 per ounces (circa A\$1,800 /oz lower than the current spot price of A\$4,000/oz) was used in the ORE pit shells;
- Mine scheduling will continue to deliver the >0.5g/t mined ore to the mill and the 0.3 – 0.5g/t mine ore to a stockpile for processing in later years of the project;
- The >0.5g/t ore within the ORE is 38.6 million tonnes at 0.95g/t for 1,167,000 ounces;
- The updated estimate has been refined to reflect knowledge gained through the first 3 years of production and grade control data, further adding to the robustness of the ORE; and
- Maximum vertical depth of ORE open pit design is 310 metres (2023: 275m).

The MGGP ORE remains unchanged at 1,834,000 ounces (refer to ASX announcement dated 19 April 2024), taking the Capricorn Group ORE to 3,262,000 ounces as outlined below.

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 <	57.7	0.8	1,428	57.7	0.8	1,428
MGGP ⁵	Open Pit	0.3 <	61.6	0.9	1,834	61.6	0.9	1,834
Total	Total		119.3	0.9	3,262	119.3	0.9	3,262

- Notes:
1. Ore Reserves are a subset of Mineral Resources.
 2. Ore Reserves are estimated using a gold price of A\$2,200/ounce at KGP and A\$1,900/ounce at MGGP.
 3. Ore Reserves are estimated using a cut-off grade 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.
 5. As reported 19 April 2024.

KGP Expansion Study

On the basis of the increased ORE underpinning a current mine life of 13 years, Capricorn is well advanced on an expansion study for the Karlawinda operation. The scope of the expansion study includes:

- Increase in throughput (currently 4.5mtpa) by 2 – 2.5mtpa; and
- Mining studies to consider the optimal blend of additional ore supply from:
 - Acceleration of the mining schedule to deliver an increase in direct run of mine ore; and
 - Direct feed of lower grade ore currently being mined and stockpiled, eliminating the significant rehandle and loading cost of treating stockpiled ore.

Study focus areas will also include:

- Expanded processing plant flowsheet, configuration and installation logistics;
- Plant, infrastructure and associated capital costs;
- Mining schedule and fleet optimisation; and
- TSF expansion and other permitting requirements.

The study is expected to be completed in Q2 allowing FID and (if approved) progression into permitting and execution in Q3. The Company sees the potential expansion of the well established and highly profitable KGP operation as a robust and valuable growth initiative.

Updated Mineral Resource Estimate

The recent drilling also contributed to an increase in the KGP MRE to 2,252,000 ounces. The KGP JORC compliant MRE is 98.6 million tonnes at 0.7g/t gold for 2,252,000 ounces compared to the March 2023 estimate of 97.4 million tonnes at 0.7g/t gold for 2,228,000 ounces. This is a 24,000 ounce (1%) increase before taking into account depletion, and a 176,000 ounce (8%) increase after depletion.

The MRE was estimated using a gold price of A\$2,400 per ounce (circa A\$1,600/oz lower than the current spot price of A\$4,000/oz). It is very encouraging that the 824,000 ounces of the MRE that are currently not included in the ORE are primarily located immediately down dip of the current pit design.

The maximum vertical depth of the MRE pit shell is 365 metres.

The MGGP MRE remains unchanged at 3,305,000 ounces (refer to ASX announcement dated 15 December 2023), taking the Capricorn Group ORE to 5,557,000 ounces as outlined below.

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 <	85.0	0.7	1,965	13.6	0.7	287	98.6	0.7	2,252
MGGP ⁴	Open Pit	0.4 <	98.8	0.9	2,712	26.3	0.7	592	125.1	0.8	3,305
Total	Total		183.8	0.8	4,677	39.9	0.7	880	223.7	0.8	5,557

- Notes:
1. Mineral Resources are estimated using a gold price of A2,400/ounce at KGP and A\$2,300/ounce at MGGP.
 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, 0.1g/t gold grade and 1,000 ounces. Errors of summation may occur due to rounding.
 4. As reported 15 December 2023.

Exploration

Exploration activities at the MGGP during Q1 focused on progressing extensional and infill resource drilling which commenced in January 2022, along with near-mine exploration drilling at prospects immediately adjacent to the Mt Gibson trend. A total of 92 holes, covering 22,737 metres, were drilled for resource extension, regional exploration, and mine development during Q1. Capricorn has drilled a total of 3,096 holes for 321,182 metres since early 2022 as shown in *Figure 1* below.

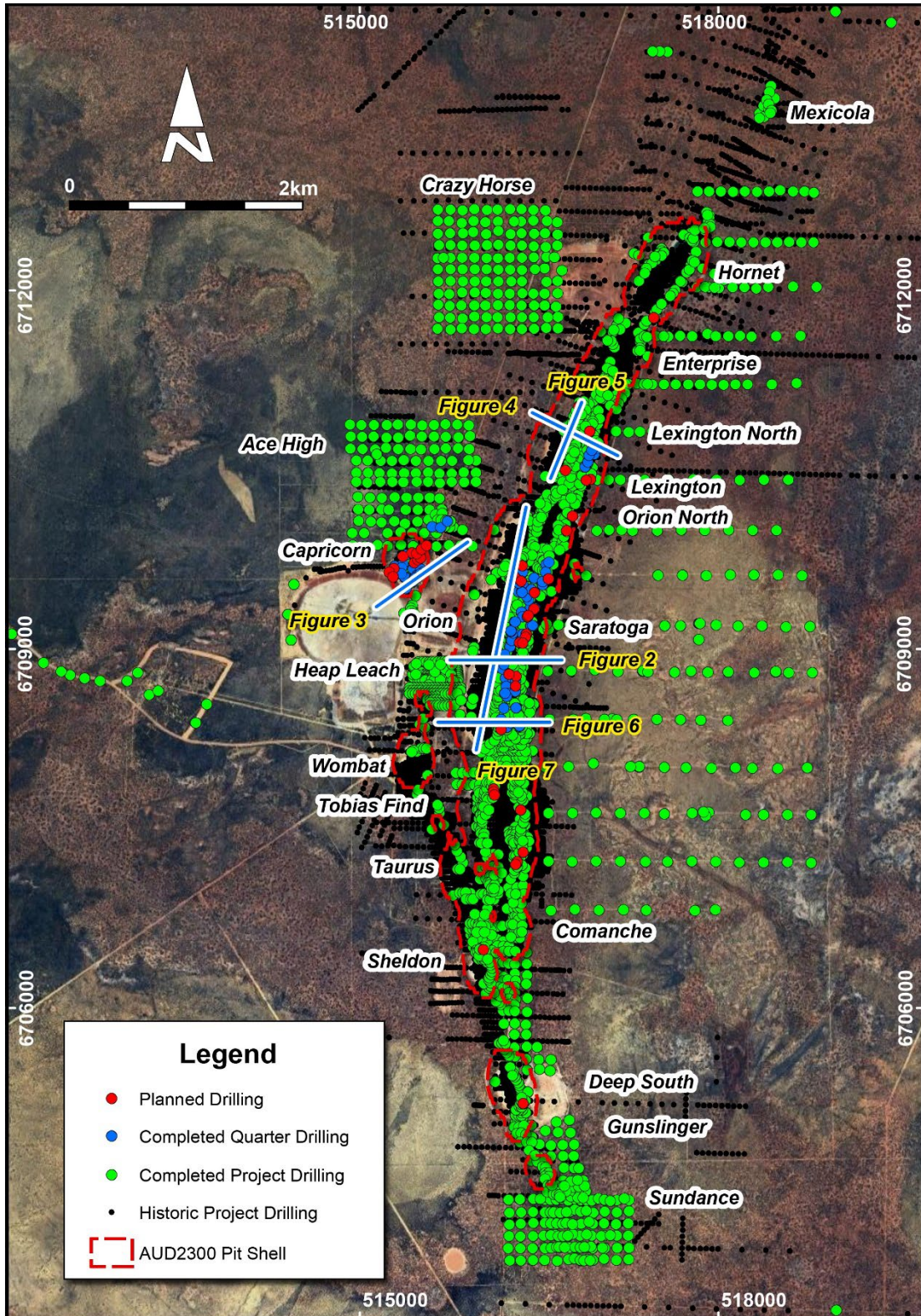


Figure 1: Completed drilling over the MGGP 8km long mine trend with MRE pit crests.

For personal use only

Assays received since the last update continue to return very encouraging results, including:

Hole ID	Easting	Northing	From (m)	To (m)	Width (m)	Grade (g/t)
CMRC1438*	516290	6709873	284	309	25	1.15
CMRC1439	516516	6709822	152	178	26	3.27
CMRC1439	516546	6709802	80	92	12	2.03
CMRC1454	516154	6708343	56	67	11	2.28
CMRC1457	516192	6708373	46	57	11	2.5
CMRC1458	516246	6709661	198	203	5	5.82
CMRC1458*	516217	6709685	265	295	30	1.02
CMRC1459*	516231	6709611	206	232	26	4.06
CMRC1459*	516212	6709627	264	298	34	3.03
CMRC1460	516212	6709543	165	166	1	36.5
CMRC1467	515339	6709737	42	57	15	1.85
CMRC1469	516193	6709314	288	305	17	1.48
CMRC1471*	516128	6709036	264	285	21	2.03
CMRC1473D	516815	6710631	197.9	231	33.1	2.99
CMRC1485*	516148	6709144	267	287	20	1.89
CMRC1489	516050	6708422	245	280	35	1.56
CMRC1492	515412	6709650	116	137	21	5.38
CMRC1493	515424	6709685	39	51	12	2.15
CMRC1494*	515435	6709677	132	147	15	2.17
CMRC1501D	516374	6709499	51	65	14	5.26
CMRC1503	516073	6708749	241	273	32	1.1
CMRC1504D	516237	6708726	56	81	25	1.78
CMRC1506	516084	6708843	221	243	22	4.46
CMRC1506	516110	6708839	168	174	6	4.3
CMRC1506*	516067	6708846	264	271	7	9.24
CMRC1510D	516245	6708731	94	112	18	2.98
CMRC1515D	516439	6709333	26	32	6	8.76
CMRC1517*	515466	6709716	192	196	4	10.17

*Outside of current resource pit shell

A comprehensive table of significant results is included in Appendix 1.

An updated ORE for the MGGP was completed and announced to the ASX on 19 April 2024. The ORE increased by 380,000 ounces (26%), rising from 1.45 million ounces to 1.83 million ounces. This significant increase was underpinned by the updated Mineral Resource Estimate (MRE) announced on 15 December 2023. Drilling completed since this update will form the basis for another update to both the MRE and ORE in Q2.

An expansive drilling programme, comprising 18,000 metres of aircore, 30,000 metres of RC and 5,000 metres of diamond drilling (DD), commenced in Q1. The programme is aimed at resource expansion, underground definition, and regional prospect development.

Resource Definition Drilling

Resource definition drilling at the MGGP during Q1 focussed on:

- extensional and infill resource drilling under the Orion and Lexington pits; and
- the unmined areas across the Mt Gibson and Taurus trends, including the Capricorn deposit.

The primary objective of this drilling was to extend the resource envelope and increase data density in areas classified as Inferred Resources, particularly at Orion and Lexington, where open pit optimisations have demonstrated potential for Reserve growth. Some of the best results from the main Mt Gibson mine trend include:

- 26 metres @ 4.06g/t from 206 to 232m*
- 22 metres @ 4.46g/t from 221 to 243m
- 7 metres @ 9.24g/t from 264 to 271m*
- 34 metres @ 3.03g/t from 264 to 298m*
- 33.10 metres @ 2.99g/t from 197.90 to 231m
- 21 metres @ 2.03g/t from 264 to 285m*

* intercept is outside of current resource pit shell

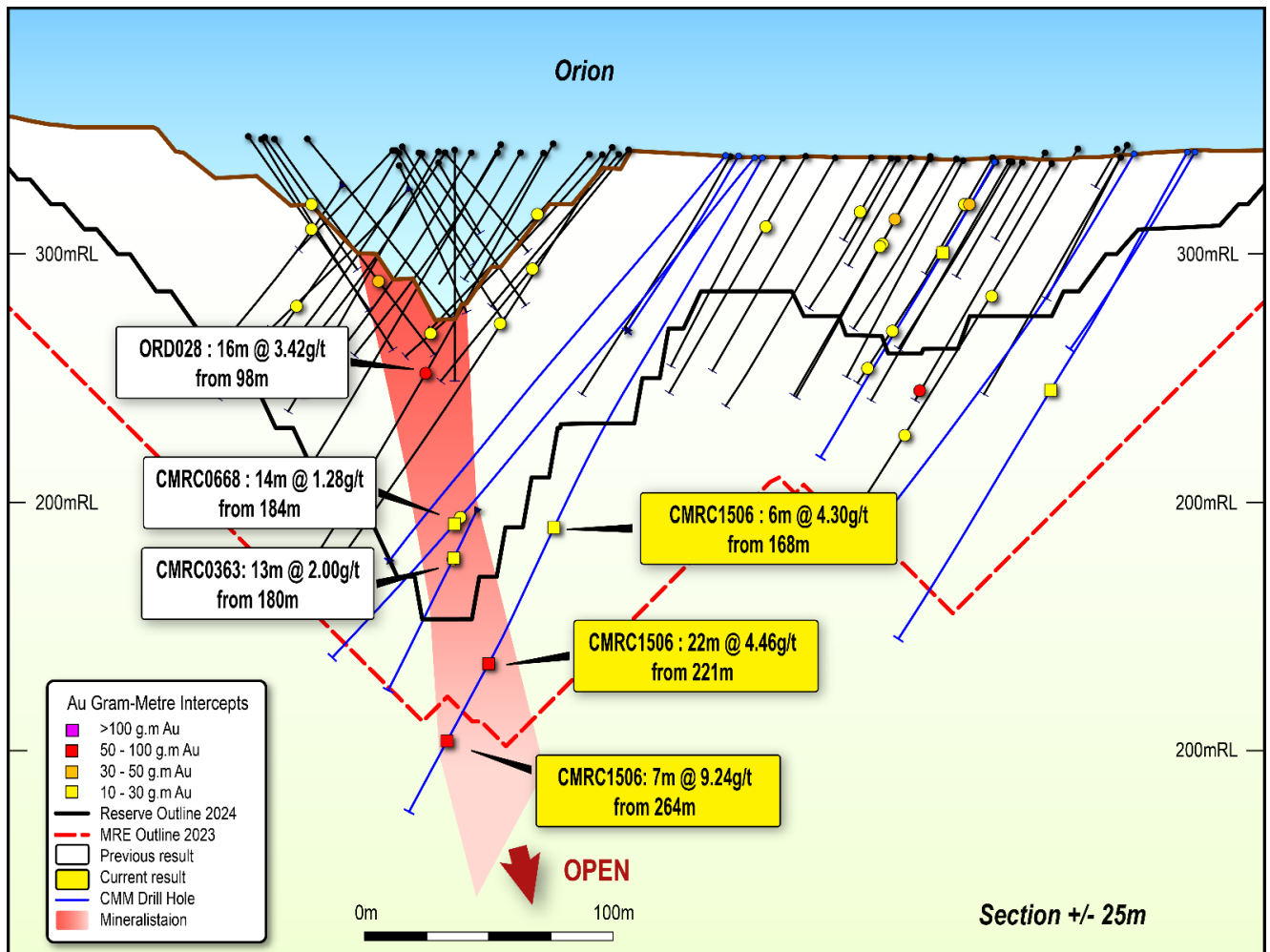


Figure 2: Orion section with completed RC resource drilling with significant open broad mineralisation outside of the current A\$1,900/oz reserve outline and A\$2,300/oz resource outline.

Capricorn Deposit

The current and Q4 FY24 drilling at the unmined Capricorn deposit is the first conducted by the Company at this location. Significant results have validated historical data, increasing confidence for inclusion in the next ORE update. A total of 2,598 metres (17 holes) of RC drilling was completed at Capricorn, which is located along strike of the previously mined Wombat Open Pit and Underground deposit.

Located 1.5 kilometres from Capricorn, the Wombat deposit represented a high grade source with the open pit mine producing 129,174 tonnes @ 5.75g/t Au, while the underground operation produced 116,537 tonnes @ 9.34 g/t Au, for a combined production of 245,711 tonnes @ 7.60g/t Au. Significant results have been received both within and extensional to the current resource at the Capricorn deposit, with mineralisation remaining open down dip and along strike. Some of the best results include:

- 21 metres @ 5.38g/t from 116 to 137m
- 4 metres @ 10.17g/t from 192 to 196m*
- 15 metres @ 2.17g/t from 132 to 147m*
- 5 metres @ 8.70g/t from 49 to 54m
- 8 metres @ 5.03g/t from 57 to 65m
- 6 metres @ 3.05g/t from 185 to 191m*

* intercept is outside of current resource pit shell

Drilling at the depth extremities of the resource optimisation shells (where historic drill density is broader spaced) and below them has returned results consistent with Capricorn's geological interpretations of mineralisation location, widths, and grade tenor. Drilling across the project to date indicates that mineralisation remains open down dip and along strike, both to the north and south with multiple stacked lodes intersected. Continued extensional drilling at the Capricorn pit is expected to underpin further updates to the MRE and form the basis for a maiden ORE.

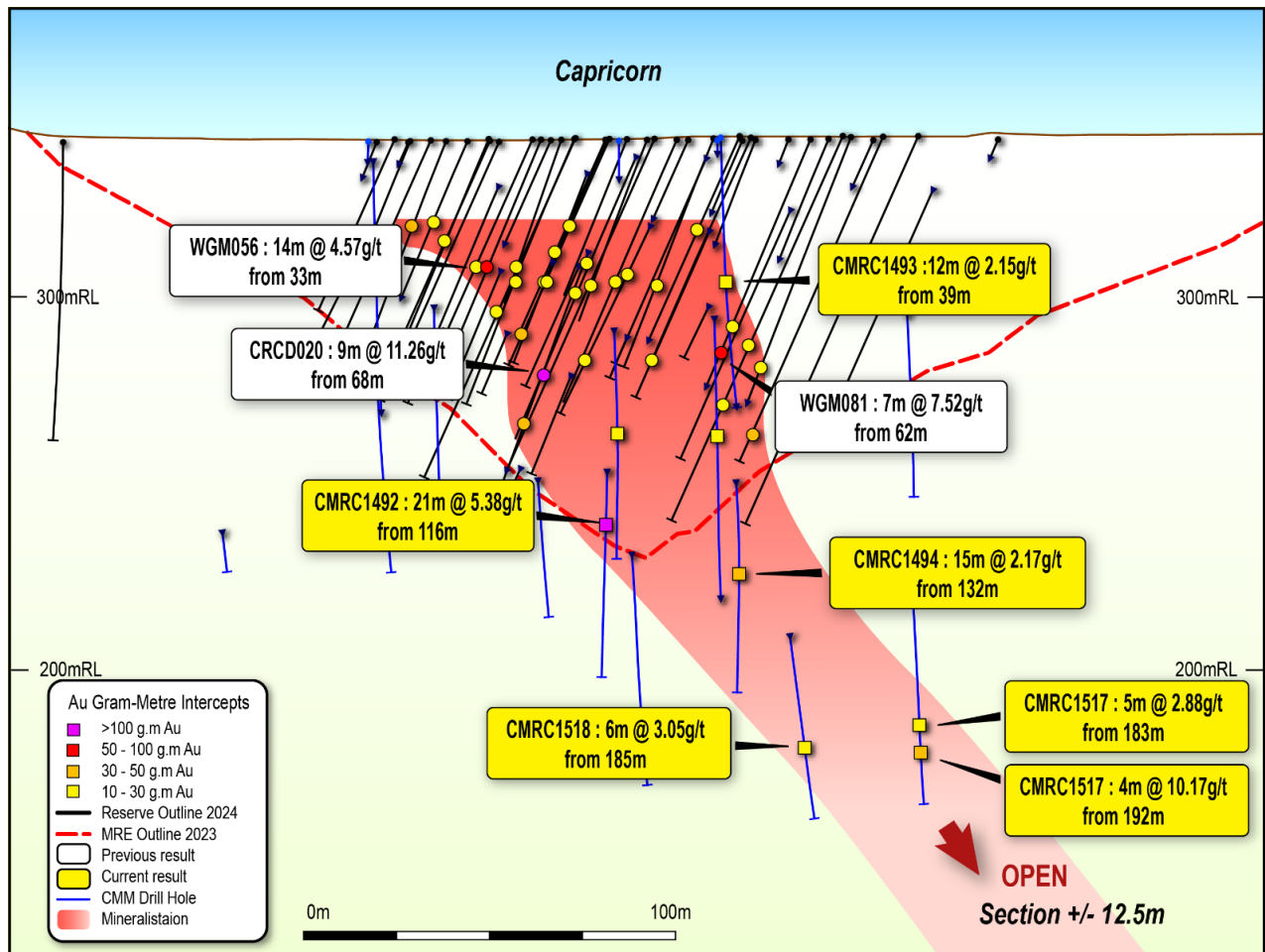


Figure 3: Capricorn long section with completed RC resource drilling with significant open broad mineralisation outside of the current A\$2,300/oz resource outline.

Underground Potential

Drilling under the Orion and Lexington pits continued to return broad, high-grade gold intercepts, demonstrating that mineralisation extends significantly at depth. Encouragingly, all areas drilled continue to indicate the potential for underground resources. During Q1, a total of 5,618 metres of a planned 6,696-metre diamond drilling programme (27 holes) was completed. This followed up on deeper diamond and RC holes drilled in FY24, which had previously returned encouraging results.

To date, approximately 50% of assays have been received, with multiple intercepts exceeding 30 gram-metres outside of the current resource and reserve pit outlines. At both target locations, mineralisation has been extended over significant strike and depths, remaining open in all directions. The best results included:

- 1.23 metres @ 95.00g/t from 264 to 265.23m*
- 13.69 metres @ 5.33g/t from 396.31 to 410m*
- 26 metres @ 2.47g/t from 405 to 431m*
- 4.19 metres @ 11.19g/t from 465.43 to 469.62m*
- 3 metres @ 26.27g/t from 260 to 263m
- 11.81 metres @ 6.06g/t from 209 to 220.81m
- 4 metres @ 14.05g/t from 269 to 273m*
- 6 metres @ 6.28g/t from 209 to 215m

* intercept is outside of current resource pit shell

** Above intercepts for underground include a minimum of 1g/t Au value over a minimum length of 1m with a maximum 2m length of consecutive internal waste. No upper cuts have been applied.

Once all assays are received, Capricorn will further study the structure, geometry and extent of high-grade zones, with a view to developing an underground model to assess the project's underground economic potential. Follow-up diamond drilling programmes are expected to commence in Q3, drilling incrementally deeper and along strike from current intercepts. Results from both current and future drilling will underpin updates to the project's existing ORE and MRE, including a maiden underground MRE.

The cross and long sections on the following pages (Figures 4-7) illustrate the high-grade zones defined by drilling beneath the Orion and Lexington pits.



Completed drilling at the Lexington open pit and underground target looking south.

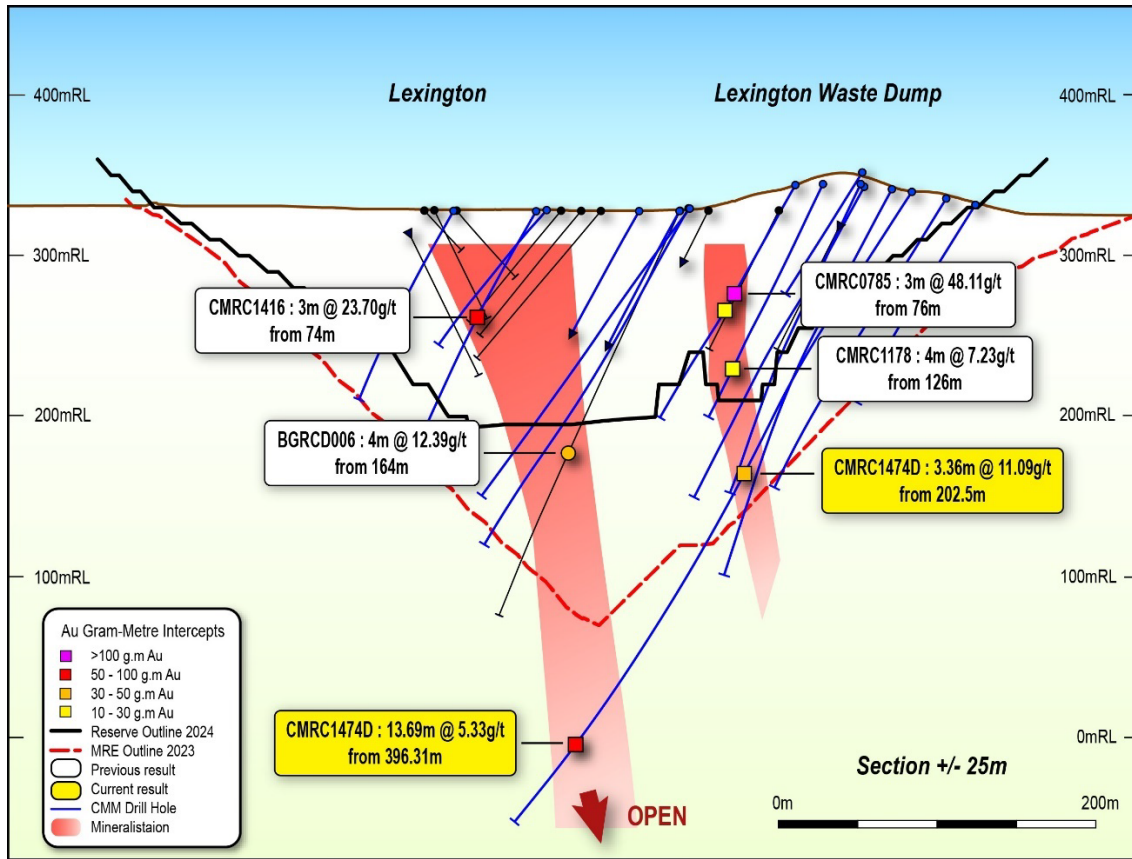


Figure 4: Lexington section with completed diamond drilling with significant open broad mineralisation outside of the current A\$1,900/oz reserve outline and A\$2,300/oz resource outline.

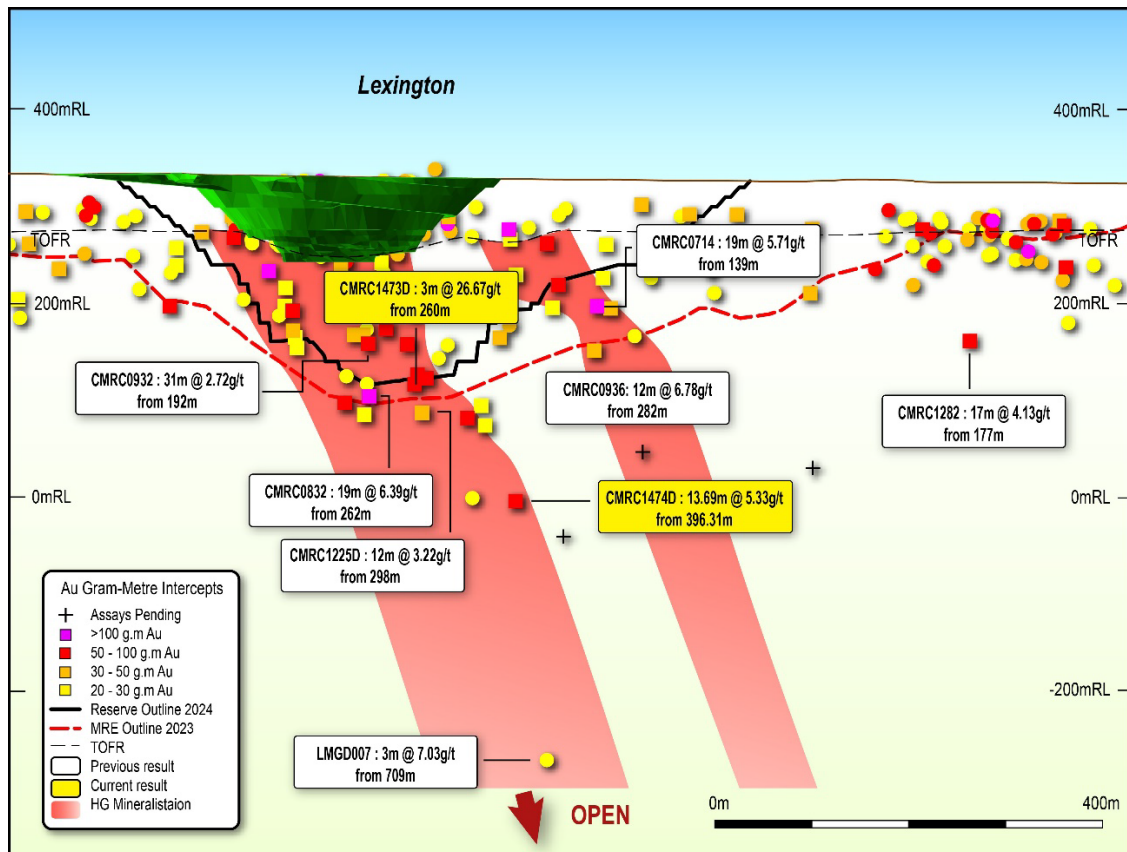


Figure 5: Long section with +25 gram metre intercepts and pending assays located under the Lexington pit looking west, with significant mineralisation outside of the current A\$1,900/oz reserve outline and A\$2,300/oz resource outline.

For personal use only

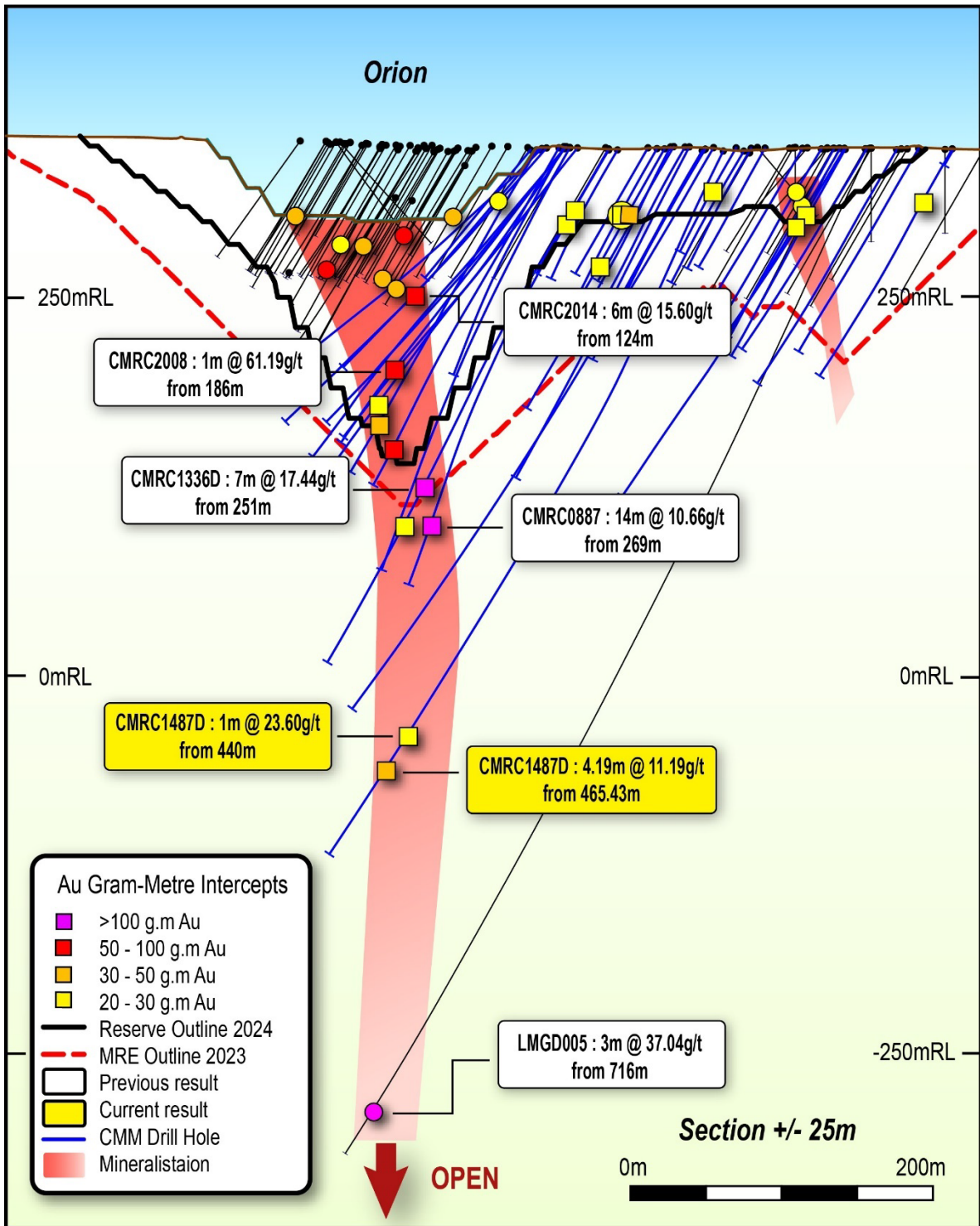


Figure 6: Orion section with completed diamond drilling with significant mineralisation outside of the current A\$1,900/oz reserve outline and A\$2,300/oz resource outline.

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

For further information, please contact:

Mr Kim Massey
Chief Executive Officer
E: enquiries@capmet.com.au
T: +61 8 9212 4600

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 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.

Competent Persons Statement

The information in this report that relates to Exploration Results is extracted from ASX Announcement released on 25 October 2024 entitled “Quarterly Exploration Update” and for which Competent Person consents were obtained. The Competent Person consents remain in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant ASX releases, and the form and context of the announcement has not materially changed.

The detailed information relating to the Ore Reserves and Mineral Resources for the Karlawinda Gold Project was contained in the Company’s ASX announcement dated 1 August 2024 entitled “KGP Ore Reserve Increases to 1.43Moz’s”. The information relating to the Ore Reserves and Mineral Resources for the Mt Gibson Gold Project Gold Project was contained in the Company’s ASX announcement dated 19 April 2024 entitled “MGGP Ore Reserve Grows to 1.83 Million Ounces”.

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 15 December 2023, 19 April 2024, 1 August 2024 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.

For personal use only

APPENDIX 1 – TENEMENT SCHEDULE

Lease	Project	Company	Location	Status	Percentage Held
M52/1070	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/1711	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/2247	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/2398	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/2409	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3323	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3363	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3364	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3450	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3474	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3531	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3533	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3541	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3543	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3571	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3656	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3671	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3677	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3729	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3797	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3808	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/4242	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Application	100%
E52/4243	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Application	100%
E52/4286	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Application	100%
L52/174	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/177	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/178	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/179	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/181	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/183	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/189	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/192	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/197	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/223	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/224	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/248	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
M59/328	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
M59/402	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
M59/403	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
M59/404	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
M59/772	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
M59/787	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2439	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2450	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2594	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2606	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%

For personal use only

E59/2655	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2751	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2752	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2754	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2755	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2848	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2923	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Application	100%
E59/2924	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Application	100%
P59/2286	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/2287	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/2290	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/2291	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/2306	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/2309	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/2310	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/2416	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Application	100%
L59/45	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
L59/46	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
L59/53	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
L59/140	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
L59/198	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
L70/249	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Application	100%
L70/250	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
G59/48	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
G59/72	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%

Mining tenements acquired during the Quarter

Nil

Mining tenements disposed during the Quarter

P59/2079

P59/2155

P59/2156

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Capricorn Metals Ltd

ABN

Quarter ended ("current quarter")

84 121 700 105

30 September 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	83,092	83,092
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	(57,987)	(57,987)
(d) staff costs	(1,966)	(1,966)
(e) administration and corporate costs	(1,005)	(1,005)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1,251	1,251
1.5 Interest and other costs of finance paid	(674)	(674)
1.6 Income taxes paid	(325)	(325)
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	22,386	22,386
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(6,469)	(6,469)
(d) exploration & evaluation	(9,341)	(9,341)
(e) investments	-	-
(f) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(15,810)	(15,810)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	90	90
3.10	Net cash from / (used in) financing activities	90	90
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	119,918	119,918
4.2	Net cash from / (used in) operating activities (item 1.9 above)	22,386	22,386
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(15,810)	(15,810)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	90	90
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	126,584	126,584
5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	126,584	119,918
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	126,584	119,918
6.	Payments to related parties of the entity and their associates	Current quarter \$A'000	
6.1	Aggregate amount of payments to related parties and their associates included in item 1	385	
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>			

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	50,000	50,000
7.2 Credit standby arrangements	-	-
7.3 Other (Bank Guarantee)	2,000	2,000
7.4 Total financing facilities	52,000	52,000
7.5 Unused financing facilities available at quarter end		Nil
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	<p>The Loan Facility with Macquarie Bank represents funds used for the construction of the Karlawinda Gold Project. The Loan Facility accrues interest at the bank bill rate plus 3% per annum and is repayable in full on 30 June 2025.</p> <p>The Bank Guarantee Facility with Macquarie Bank Ltd represents certain obligations under the APA Gas Lateral Agreement. The Bank Guarantee Facility accrues interest at 2% per annum and matures on 30 September 2025.</p> <p>Macquarie Bank holds a first ranking, registered fixed and floating charge over all of the assets of Capricorn Metals Ltd and its wholly owned subsidiaries Greenmount Resources Pty Ltd, Crimson Metals Pty Ltd and Metrovex Pty Ltd as security for the facilities provided by Macquarie.</p>	
8. Estimated cash available for future operating activities		\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)		22,386
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))		(9,341)
8.3 Total relevant outgoings (item 8.1 + item 8.2)		13,045
8.4 Cash and cash equivalents at quarter end (item 4.6)		126,584
8.5 Unused finance facilities available at quarter end (item 7.5)		-
8.6 Total available funding (item 8.4 + item 8.5)		126,584
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)		N/A
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:		
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?		
Answer: N/A		
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?		
Answer: N/A		
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?		
Answer: N/A		
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 28 October 2024

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.