

ACQUISITION OF NINGHAN GOLD PROJECT CAPRICORN EXPANDS MT GIBSON PROJECT TENURE

The board of Capricorn Metals Ltd (“Capricorn” or “the Company”) is pleased to advise that it has entered into a binding agreement with Sabre Resources Ltd (“Sabre”) to acquire the prospective Ninghan Gold Project tenement package (“Ninghan Gold Project”). The Ninghan Gold Project covers approximately 77 square kilometres of tenure located contiguous to the north of Capricorn’s Mt Gibson Gold Project (“MGGP”) tenure in the Murchison region of Western Australia.

The Ninghan Gold Project is considered highly prospective for gold mineralisation, featuring multiple settings conducive to hosting economic gold deposits. Capricorn has already identified seven target zones for exploration within the project tenure, with the highest priority targets located only 20 kilometres NNE of current MGGP resources and in close proximity to the Great Northern Highway.

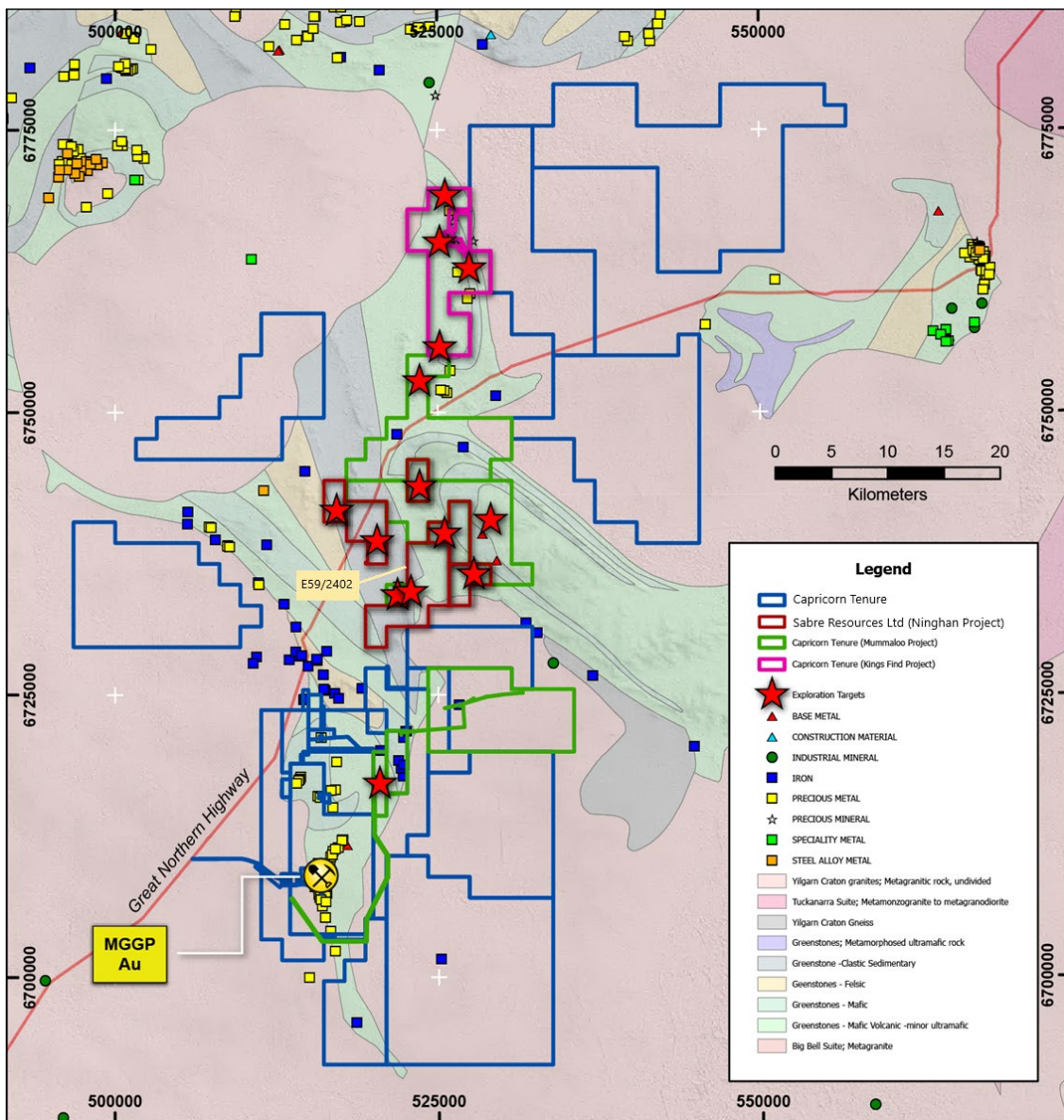


Figure 1 - Ninghan Gold Project (maroon), MGGP tenure (blue) and recently acquired Mummaloo project tenements (green) & Kings Find Project tenure (magenta) showing initial exploration targets.

The transaction consideration is \$1.6 million, of which Capricorn has paid an initial cash deposit of \$100,000 with the balance of the consideration to be paid by the issue of Capricorn shares. Further consideration includes the grant of a 1% net smelter return (NSR) royalty on the sale of any minerals on all tenements except for E59/2402 where a 1.5% NSR applies¹.

The share issue consideration will be valued at the 20-day VWAP prior to completion occurring. Completion of the acquisition is expected in May 2025 being subject only to procedural diligence and conditions precedent.

In addition, the Company has agreed to make contingent deferred payments as follows:

- \$250,000 in cash or shares (CMM election) upon commencement of a maiden drill program or 12 months after the Completion Date, whichever is sooner;
- \$750,000 in cash upon the announcement by Capricorn of a JORC compliant Mineral Resource Estimate in excess of 50,000 ounces of gold on the Ninghan Gold Project; and
- \$750,000 in cash upon the announcement by Capricorn of a board decision to commence a commercial mining operation on the Ninghan Gold Project.

Background on Ninghan Gold Project

The Ninghan Gold Project, located approximately 325 kilometres north-northeast of Perth, lies between the townships of Wubin and Paynes Find within the Yalgoo-Singleton Greenstone Belt of the Murchison Province in Western Australia. This region is well-regarded for its significant mineral discoveries. The Yalgoo-Singleton Greenstone Belt spans 190 kilometres and extends in a north-northwest direction from Mt Gibson to north of Yalgoo town. It hosts notable Volcanogenic Massive Sulphide (VMS) deposits, including the Cu-Pb-Zn-Ag-Au Golden Grove mine, and is also host to significant gold deposits such as Mt Gibson, Deflector, and Karara.

The project covers approximately 77 square kilometres of tenure and is located contiguous to the north of Capricorn's MGGP tenure. The project is highly prospective for gold mineralisation, featuring multiple settings conducive to hosting economic gold deposits with multiple historic small scale prospecting sites present on the tenure. Historically, gold exploration in this area has been limited to early-stage activities, predominantly in the mid-1990s. However, both historical and recent exploration efforts have underscored the potential of the project to support further near-surface satellite resources and significant gold discoveries.

Capricorn has identified seven drill ready target zones for exploration within the Ninghan Gold Project. This zone is geologically analogous to the main mineralisation of the Mt Gibson deposit, featuring historic workings in shear zones along a contact of metamorphosed and chlorite-biotite-muscovite altered mafic volcanics. Additional data has revealed geological settings favourable for shear-hosted as well as felsic volcanic rocks that have the potential to host volcanogenic copper-lead-zinc sulphide mineralisation similar to that of Golden Grove. Capricorn will use a focused approach to fully understanding and capitalising on the resource potential of the area. In Q4 Capricorn will commence broad scale geological and regolith mapping, and geochemical sampling in currently defined target areas. This work is designed to confirm targets for drilling in FY26.

Capricorn Executive Chairman Mark Clark commented:

"The acquisition of the Ninghan Gold Project continues the expansion of Capricorn's Mt Gibson exploration footprint and adds highly prospective targets very close to the Company's current Mt Gibson resources. This provides Capricorn with an outstanding exploration opportunity with a view to adding meaningful additional ore sources to the Mt Gibson operation. We look forward to commencing active exploration on the project in 2025."

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

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¹ In recognition of an existing 0.5% NSR royalty.

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.

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