23 December 2025

ASX: CMM

ACQUISITION OF YALGOO PROJECT EXPANDS CAPRICORN'S MT GIBSON PROJECT TENURE

Capricorn Metals Ltd ("Capricorn" or "the Company") is pleased to advise that it has entered into a binding agreement with Tempest Minerals Limited ("Tempest") to acquire the prospective Yalgoo Project tenement package ("Yalgoo Project"). The Yalgoo Project covers approximately 1,000 square kilometres of tenure located contiguous to Capricorn's Golden Range and Fields Find tenure, north of the Mt Gibson Gold Project ("MGGP") in the South Murchison region of Western Australia.

The Yalgoo Project is considered highly prospective for gold mineralisation, featuring multiple settings conducive to hosting economic gold deposits. Capricorn has identified several target zones for exploration within the project tenure. The highest priority targets are shown in the map below.

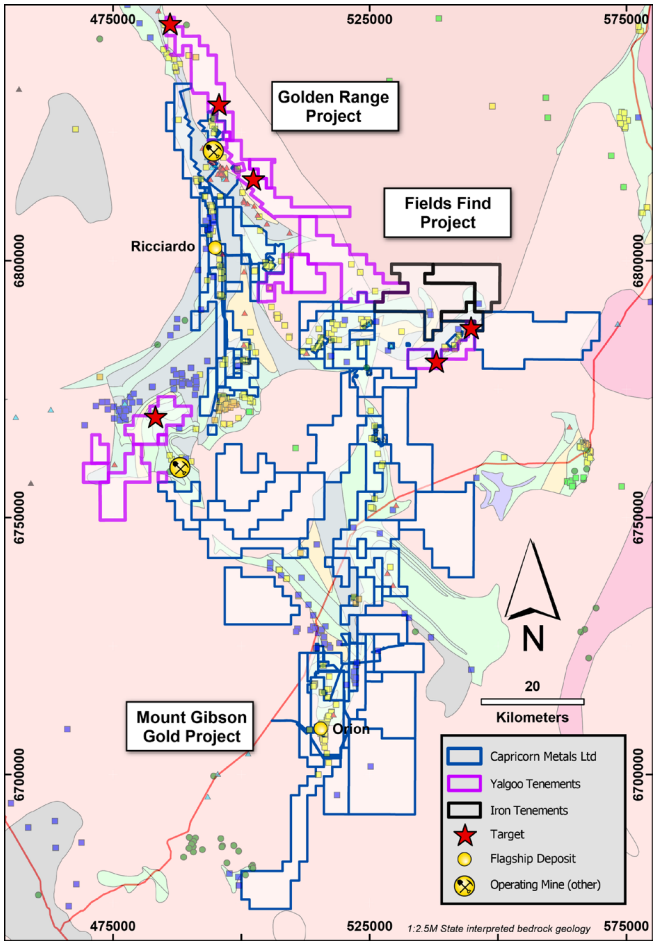


Figure 1 – priority exploration targets, Yalgoo Tenements (magenta), Iron Tenements (black) and existing Capricorn tenements (blue).

The transaction consideration is $4.5 million, comprised of an initial cash deposit of $100,000 which has been paid by Capricorn, $400,000 cash on completion; and the balance of $4.0 million to be satisfied by the issue of fully paid ordinary shares in Capricorn, calculated by reference to the 5-day VWAP prior to completion occurring.

The transaction covers tenure defined as Yalgoo Tenements and Iron Tenements, with terms of the transaction differentiated between the two categories as follows:

- Yalgoo Tenements will be transferred in full to Capricorn free of any third-party commitments or royalties.
- Tempest will retain ownership of the Iron Tenements; and
- Tempest will grant to Capricorn exploration and development rights in respect of all minerals other than iron ore on the Iron Tenements.

The transaction is conditional upon completion of due diligence, obtaining of any third party consents and Ministerial consent under the Mining Act (if required) and ASX confirmation on the non-applicability of Chapter 11 of the ASX Listing Rules. Completion of the acquisition is expected in January 2026.

In addition, the Company has agreed to make contingent deferred payments, limited to a maximum of three payments each as follows:

- $750,000 in cash upon the announcement by Capricorn of a JORC compliant Mineral Resource Estimate in excess of 75,000 ounces of gold on the Yalgoo Project; and
- $750,000 in cash upon the announcement by Capricorn of a board decision to commence a commercial mining operation on the Yalgoo Project.

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Capricorn Executive Chairman
Mark Clark commented:

"The acquisition of the Yalgoo Project continues the expansion of Capricorn's Mt Gibson exploration footprint and adds highly prospective targets very close to the Company's recently acquired Golden Range and Fields Find projects. This provides Capricorn with an outstanding exploration opportunity with a view to adding meaningful additional ore sources to MGGP and the region. We look forward to commencing active exploration on the project in 2026."

Background on Yalgoo Project

The Yalgoo Project, located approximately 380 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 noted 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. It hosts notable volcanogenic massive sulphide 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 1,000 square kilometres of tenure, covering 60 kilometres of largely untested strike located contiguous to the west of Capricorn's MGGP tenure. The project is highly prospective for gold mineralisation, featuring multiple settings conducive to hosting economic gold deposits.

Capricorn has identified several drill ready target zones for exploration within the Yalgoo Project. In addition to the volcanogenic massive sulphide targets the area is known for hosting gold mineralisation in orogenic shear, & intrusion related gold systems throughout the supracrustal mafic and felsic 'greenstone' units.

Capricorn will use a focused approach to fully understand and capitalise on the resource potential of the area. In Q3 Capricorn will commence broad scale geological and regolith mapping, and geochemical sampling to build on the understanding of the currently defined target areas. This work is designed to confirm targets for drilling in the first half of FY27.

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

For further information, please contact:

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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.3

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