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19 February 2026

ASX: CMM

ACQUISITION OF EXTENSION HILL AND MUNGADA PROJECTS 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 AMMM Resources Pty Ltd ("AMMM") to acquire the prospective Extension Hill and Mungada tenement package ("Project Tenure"). The Project Tenure covers approximately 60 square kilometres and is located contiguous to Capricorn's Mt Gibson & Golden Range tenure, north of the Mt Gibson Gold Project ("MGGP") in the South Murchison region of Western Australia.

The Project Tenure 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 on the map below.

The transaction consideration is $1.5 million, comprised of an initial cash deposit of $100,000 which has been paid by Capricorn and $1,400,000 on completion; 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.

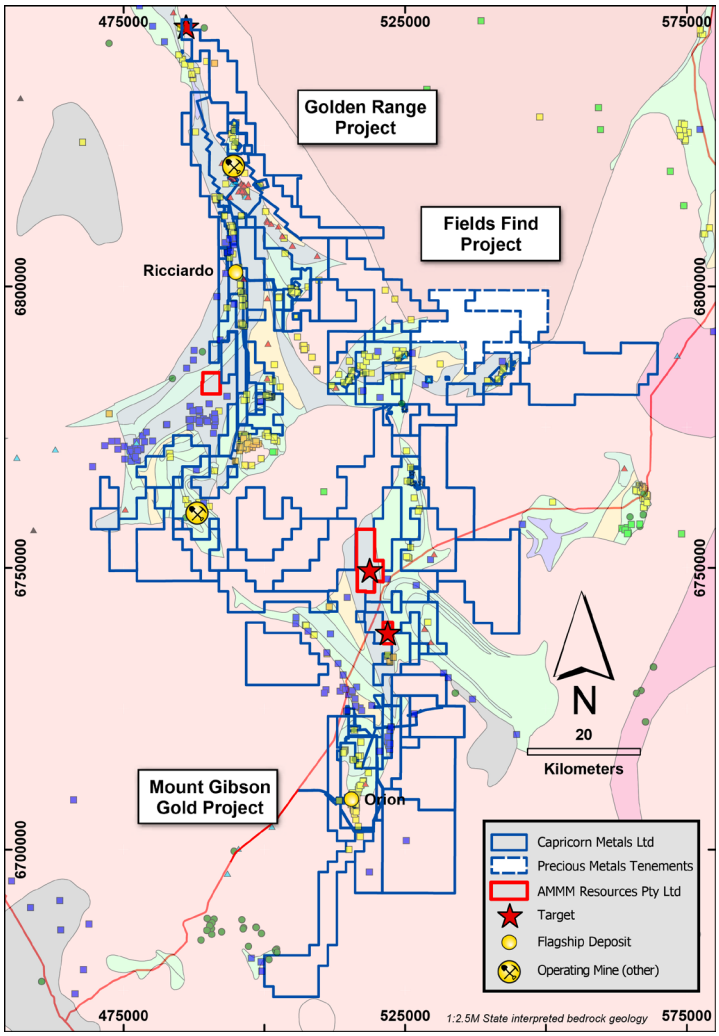


Figure 1 – priority exploration targets and Project Tenure tenements (red), and existing Capricorn tenements (blue).

In addition, the Company has agreed to make contingent deferred payments 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 Project Tenure; and
- $750,000 in cash upon the announcement by Capricorn of a board decision to commence a commercial mining operation on the Project Tenure.

Capricorn Executive Chairman Mark Clark commented:

"The acquisition of the Extension Hill and Mungada Project Tenure continues the expansion of Capricorn's Mt Gibson exploration footprint and adds highly prospective targets contiguous with existing tenure. 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 later this year."

Background on Extension Hill and Mungada

The Extension Hill and Mungada Project Tenure, 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 Tenure covers approximately 60 square kilometres, covering 15 kilometres of largely untested strike located contiguous to Capricorn's MGGP tenure. The Project Tenure 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 Extension Hill and Mungada. In addition to the volcanogenic massive sulphide targets, the area is known for hosting gold mineralisation in orogenic shear and 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. Capricorn has commenced broad scale geological and regolith mapping of the region and will follow up with local 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:

Mr Mark Clark
Executive Chairman
E: enquiries@capmet.com.au
T: +61 8 9212 4600

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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.

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