

1 July 2021

Company Announcements Office
Australian Securities Exchange Limited
Level 4, 20 Bridge Street
Sydney NSW 2000

KARLAWINDA GOLD PROJECT FIRST GOLD POUR

The board of Capricorn Metals Ltd (Capricorn or the Company) is pleased to advise that it poured first gold yesterday at its wholly owned Karlawinda Gold Project.



- Gold bars weighing 12.0 kg (386 ounces) were poured in the first smelt on site on 30 June 2021.
- Optimisation of the three-stage crushing circuit to deliver the most suitable product size for ball mill feed in laterite ore is continuing. The crushing circuit has run at in excess of 1,000 tonnes per hour (tph) (6.1 million tpa at 70% availability) at times during the 6 days of start-up operations to date.
- The 7.5MW ball mill has operated at an average of 91% availability during start-up as final testing, inspections and alignments are completed.
- The ball mill has achieved a throughput of up to 480 tph (4.25Mtpa) on an ad-hoc basis during the 6 day start-up period. This is encouraging as 4.25Mtpa is the budget throughput for laterite feed used in generating expected long-term throughputs of:
 - 4.5 – 5.0 Mtpa in oxide/fresh blend; and
 - 4.0 – 4.5 Mtpa in fresh rock.

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- Run of mine (ROM) ore stocks continue to build with in excess of 450,000 tonnes of ore now on the ROM pad.
 - Ramp up and optimisation activities continue across crushing, processing and plant services areas.

Capricorn Executive Chairman Mark Clark commented:

“First gold production at Karlawinda is a great credit to Capricorn’s construction and operations teams, who with our key contractors, have worked tirelessly to deliver this project. We will now focus our efforts on ramping up the project to full operations as efficiently as possible.”



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.