

30 May 2022

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



ASX:CMM

ACQUISITION OF MUMBAKINE WELL PROJECT

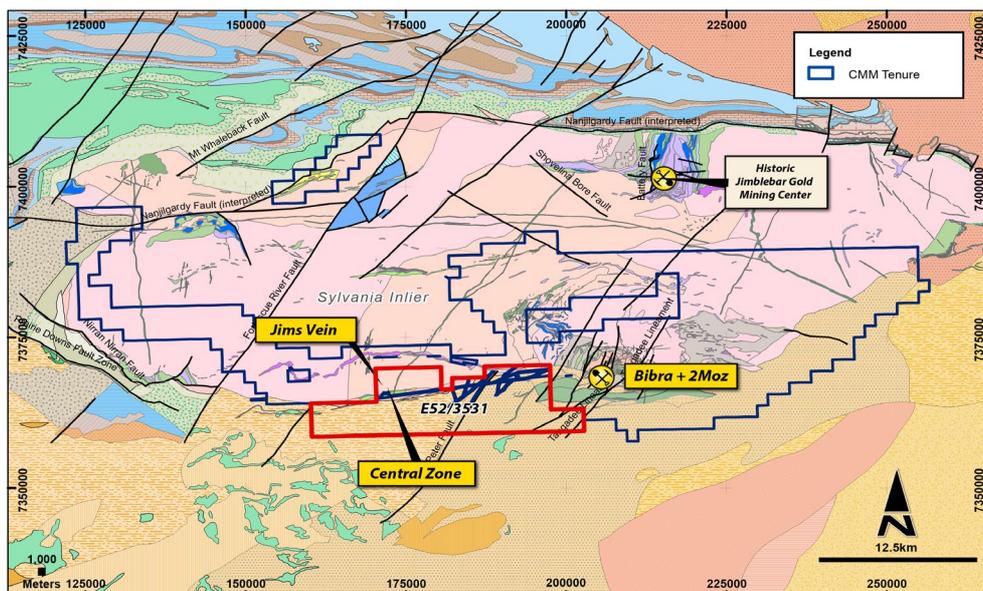
The board of Capricorn Metals Ltd (“Capricorn” or “the Company”) is pleased to advise that it has entered into an agreement with Gascoyne Resources Ltd (“Gascoyne”) to acquire the prospective Mumbakine Well Project (“the Project”) located contiguous to the Company’s Karlawinda Gold Project (“KGP”) tenure in the Pilbara region of Western Australia.

Capricorn will pay Gascoyne \$1.25 million upon completion of the transfer of the exploration licence and grant a 0.5% net smelter royalty on all gold produced from the Project. In addition, the Company has agreed to make contingent deferred payments as follows:

- \$1.5 million upon the announcement by Capricorn of a JORC compliant Mineral Resource Estimate in excess of 200,000 ounces of gold on the Project (representing a minimum of 6.55 million tonnes at a minimum grade of 0.95g/t Au); and
- \$2.0 million upon the announcement by Capricorn of a board decision to commence commercial mining activities on the Project

In the event that Capricorn announces to the ASX a decision to commence mining activities prior to the definition of a JORC code compliant Mineral Resource Estimate meeting the criteria referenced above, Capricorn must pay both contingent deferred payments.

All amounts are payable in cash or Capricorn shares valued at a 20-day VWAP prior to either completion occurring or the release of the ASX announcement. The choice of payment method is at Capricorn’s election¹ with completion of the acquisition conditional upon customary conditions precedent (including any required third party consents). Completion is expected to occur by the end of June 2022.



¹ Capricorn’s right to elect to settle any contingent deferred payment in shares expires on the date which is 5 years after the date of execution of the acquisition agreement.

The Project is located on exploration licence E52/3531 which is contiguous to Capricorn's existing KGP tenure and is less than 10 kilometres from the processing facility and Bibra open pit. The Project covers approximately 361 square kilometres and lies adjacent to the KGP access road to the Great Northern Highway.

The Project area is located on the southern margin of the Sylvania Dome, an inlier of Archean granitoid – greenstone terrain on the southern edge of the Hamersley Basin. Along the margin of the dome a sequence of meta/basaltic and meta/sedimentary rocks interpreted to be 2700 Ma Fortescue Group has been faulted against the granitoids.

The main focus of historic exploration has been the Central Prospect which straddles 3 kilometres of thrust contact between the granitoids and volcanic/sedimentary rocks of the Fortescue Group. This sequence comprises (north to south) a sedimentary package of shales with minor coarse-grained arkose, steeply dipping to the south, up to 150 metres thick, overlain by a thick sequence of fine-grained mafic volcanics before disappearing undercover. The Central Prospect lies on a gravity high.

There is some evidence of shearing directly adjacent to the granite/sediment contact in the form of quartz stockworks and isolated narrow quartz veins. The stockwork and vein systems are both mineralised. There is also strong shearing along the sediment/mafic contact within the Fortescue sequence. The mylonised shear is 150 metres long by 20 metres wide and was intersected in drilling up to 90 metres vertical depth. This shear is mineralised with an extensive, strongly anomalous arsenic halo.

Very little exploration work has been completed on the Project, however historical drilling in the 1990's by Battle Mountain Australia and Compass Resources NL returned encouraging results at the Central Prospect and the Jims Vein Prospect. Drilling consisted of a total of 112 RAB holes for 4,870 metres and 38 RC holes for 2,320 metres testing gold prospectivity identified in soil sampling programmes.

Significant results from this drilling included:

- 5m @ 7.06ppm from 65 metres WWR064
- 9m @ 2.88ppm from 32 metres WWP023
- 6m @ 3.94ppm from 47 metres WWR118
- 5m @ 3.19ppm from 9 metres WWP008
- 2m @ 7.43ppm from 5 metres WWP013
- 2m @ 5.67ppm from 0 metres WRB144
- 2m @ 4.40ppm from 2 metres WRB139
- 2m @ 2.98ppm from 9 metres WRB137
- 3m @ 1.92ppm from 33 metres WWP011

For more information refer to Appendix 1 and 2.

Capricorn Executive Chairman Mark Clark commented:

“The acquisition of the prospective Mumbakine Well Project located only 10 kilometres from the Karlawinda processing plant provides Capricorn with an outstanding opportunity to add satellite resources and ultimately mill feed to the Karlawinda Gold Project.”

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. 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.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr. Jarrad Price who is General Manager - Geology at, and a full-time employee of, the Company. Mr. Jarrad Price is a current Member of the Australian Institute of Geoscientists and has sufficient experience, which is relevant to the style of mineralisation and types of deposit under consideration and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr. Price consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

Appendix 1 – Significant Results

| Hole No | Hole Type | Northing | Easting | RL | Hole Depth | Dip/Azi | From | To | Width | Grade (g/t Au) |
|---------|-----------|----------|---------|-------|------------|---------|------|-----|-------|----------------|
| WWR064 | RC | 7366424 | 783410 | 510 | 120 | -60/360 | 65 | 70 | 5 | 7.06 |
| WWP023 | RAB | 7366607 | 783517 | 505 | 44 | -60/360 | 32 | 41 | 9 | 2.88 |
| WWR118 | RC | 7366654 | 783685 | 502 | 130 | -60/360 | 47 | 53 | 6 | 3.94 |
| WWP008 | RAB | 7366455 | 783308 | 509 | 52 | -60/360 | 9 | 14 | 5 | 3.19 |
| WWP013 | RAB | 7366495 | 783422 | 504 | 40 | -60/360 | 5 | 7 | 2 | 7.43 |
| WRB144 | RC | 7367064 | 782654 | 500 | 20 | -60/100 | 0 | 2 | 2 | 5.67 |
| WRB139 | RC | 7367002 | 782588 | 500 | 20 | -60/112 | 2 | 4 | 2 | 4.40 |
| WRB137 | RC | 7367010 | 782569 | 500 | 20 | -60/112 | 9 | 11 | 2 | 2.98 |
| WWP011 | RAB | 7366456 | 783411 | 507 | 36 | -60/360 | 33 | 36 | 3 | 1.92 |
| WRB130 | RC | 7366680 | 783673 | 500 | 62 | -60/330 | 38 | 42 | 4 | 1.05 |
| WRB131 | RC | 7366642 | 783702 | 500 | 70 | -60/330 | 53 | 56 | 3 | 1.37 |
| WWP009 | RAB | 7366428 | 783308 | 510 | 52 | -60/360 | 38 | 42 | 4 | 1.01 |
| WRB138 | RC | 7367006 | 782579 | 500 | 20 | -60/112 | 5 | 6 | 1 | 3.10 |
| WWR116 | RC | 7366373 | 783408 | 510 | 148 | -60/360 | 104 | 107 | 3 | 0.97 |
| WRB145 | RC | 7367165 | 782701 | 500 | 20 | -60/90 | 5 | 7 | 2 | 1.42 |
| WWR064 | RC | 7366424 | 783410 | 510 | 120 | -60/360 | 71 | 76 | 5 | 0.56 |
| WWP037 | RAB | 7366898 | 784344 | 503 | 52 | -60/360 | 16 | 20 | 4 | 0.63 |
| WRB136 | RC | 7367016 | 782560 | 500 | 19 | -60/112 | 16 | 18 | 2 | 1.13 |
| WRB125 | RC | 7366583 | 783593 | 500 | 80 | -60/360 | 34 | 35 | 1 | 2.20 |
| WWP018 | RAB | 7366496 | 783514 | 506 | 45 | -60/360 | 40 | 45 | 5 | 0.44 |
| WWP001 | RAB | 7366996 | 782509 | 503 | 30 | -60/360 | 12 | 14 | 2 | 1.05 |
| WWP002 | RAB | 7367070 | 782615 | 501 | 40 | -60/360 | 9 | 10 | 1 | 1.62 |
| WRB130 | RC | 7366680 | 783673 | 500 | 62 | -60/330 | 43 | 45 | 2 | 0.66 |
| WRB140 | RC | 7366998 | 782597 | 500 | 20 | -60/112 | 1 | 2 | 1 | 1.30 |
| WWP002 | RAB | 7367070 | 782615 | 501 | 40 | -60/360 | 11 | 12 | 1 | 1.27 |
| WRB147 | RC | 7367166 | 782662 | 500 | 20 | -60/90 | 15 | 17 | 2 | 0.61 |
| WWP009 | RAB | 7366428 | 783308 | 510 | 52 | -60/360 | 48 | 50 | 2 | 0.60 |
| WWR118 | RC | 7366654 | 783685 | 502 | 130 | -60/360 | 56 | 58 | 2 | 0.43 |
| WRB120 | RC | 7366456 | 783359 | 500 | 80 | -60/360 | 35 | 36 | 1 | 0.68 |
| WRB146 | RC | 7367166 | 782688 | 500 | 20 | -60/90 | 2 | 3 | 1 | 0.66 |
| WWP012 | RAB | 7366474 | 783421 | 505.5 | 40 | -60/360 | 20 | 21 | 1 | 0.61 |
| WWR064 | RC | 7366424 | 783410 | 510 | 120 | -60/360 | 115 | 116 | 1 | 0.60 |
| WRB120 | RC | 7366456 | 783359 | 500 | 80 | -60/360 | 41 | 42 | 1 | 0.54 |
| WRB142 | RC | 7367064 | 782675 | 500 | 20 | -60/100 | 2 | 3 | 1 | 0.50 |
| WRB120 | RC | 7366456 | 783359 | 500 | 80 | -60/360 | 7 | 8 | 1 | 0.45 |
| WWR063 | RC | 7366385 | 783306 | 510 | 120 | -60/360 | 89 | 90 | 1 | 0.45 |
| WRB133 | RC | 7366721 | 783776 | 500 | 62 | -60/360 | 15 | 16 | 1 | 0.44 |
| WWR064 | RC | 7366424 | 783410 | 510 | 120 | -60/360 | 102 | 103 | 1 | 0.44 |
| WRB131 | RC | 7366642 | 783702 | 500 | 70 | -60/330 | 32 | 33 | 1 | 0.41 |
| WWR064 | RC | 7366424 | 783410 | 510 | 120 | -60/360 | 63 | 64 | 1 | 0.41 |

Appendix 2

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

| Criteria | JORC Code explanation | Commentary |
|---|---|--|
| Sampling techniques | <ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. | <p>Drilling on E52/3531 has been completed by multiple companies mainly in the 1990's using a combination of Reverse Circulation (RC) and RAB. The methods of collection for the historical data are unknown.</p> <p>Sample weight and collection method are unknown for the historical drilling. Sample condition is not logged in the available data. Sample quality is unknown for the historical drilling. The majority of samples are recorded as being assayed by aqua regia.</p> <p>Field duplicates and certified reference material (CRM) data are not present in the database.</p> |
| Drilling techniques | <ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). | <p>RC and RAB drilling bit and blade diameters are unknown for the historical drilling.</p> |
| Drill sample recovery | <ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. | <p>The method of recording and assessing chip sample recoveries and results is unknown.</p> <p>The measures taken to maximise sample recovery and ensure representative nature of the samples are unknown.</p> <p>Sample condition is not in the available logging.</p> <p>It is unknown if bias exists between sample recovery and grade.</p> |
| Logging | <ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. | <p>Logging processes are unknown for the historical drilling. Logging field in the database show that lithology was logged.</p> <p>Logging is both qualitative and quantitative or semi-quantitative in nature.</p> |
| Sub-sampling techniques and sample preparation | <ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. | <p>Non-core sampling sub sampling techniques are not known. Sample condition is not in the available data.</p> <p>Sample preparation techniques are not known.</p> <p>Field duplicates and certified reference material (CRM) data are present in the available database.</p> |

| Criteria | JORC Code explanation | Commentary |
|--|--|---|
| | <ul style="list-style-type: none"> Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. | Sample sizes are unknown. |
| Quality of assay data and laboratory tests | <ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. | <p>The majority of drilling is recorded as being assayed using aqua regia at ALS and Genalysis. This is considered appropriate for the stage of the project.</p> <p>Field duplicates and certified reference material (CRM) data are not present in the available data.</p> |
| Verification of sampling and assaying | <ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. | There has been no verification of significant intersections or rockchip sampling/assaying. Twin holes will be planned to verify the historical data. Logging and sampling procedures of the historical data are unknown. |
| Location of data points | <ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. | <p>Drillhole collar position accuracy is unknown. Being that it is an inherited historical dataset there are no details on the collar survey or downhole survey methods. The majority of downhole surveys in the database are listed as method not recorded, and surveys are generally at the collar.</p> <p>Drillhole location data was initially captured in the AMG84 zone 50 grid system and have been converted to a local grid.</p> <p>No surface topography files are currently available.</p> |
| Data spacing and distribution | <ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. | <p>Drilling has been completed on a 50m along strike x 25m across strike grid.</p> <p>Sample compositing at 4m is common in the data, with details about this not currently available.</p> |
| Orientation of data in relation to geological structure | <ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. | <p>Drill lines are oriented across strike, running north-south for Central Lode and east-west for Jims Vein. The orebody dips about 40 degrees to the south at Central Lode and 30 degrees to the west at Jims Vein.</p> <p>The drillholes have been drilled at inclination of -60 to the north at Central Lode and -60 degrees to the east at Jims Vein. The orientation of the drilling is suitable for the mineralisation style and orientation of the mineralisation.</p> |
| Sample security | <ul style="list-style-type: none"> The measures taken to ensure sample security. | Sample security measures taken on the historical data are unknown. |

| Criteria | JORC Code explanation | Commentary |
|--------------------------|---|--|
| Audits or reviews | <ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. | No audits or reviews have been completed on sampling techniques. |

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|--|--|--|
| Mineral tenement and land tenure status | <ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. | <p>The drillholes reported in this announcement are on E52/3531.</p> <p>The tenement is subject to the usual WA State Government royalty and a net smelter royalty of 0.5% on all gold produced from the tenement as detailed in the body of the announcement.</p> <p>No other known impediments exist to operate in the area.</p> |
| Exploration done by other parties | <ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. | Giralia Resources NL first discovered gold in the area in 1993 through soil and rock chip sampling. Battle Mountain Australia entered into a farmin agreement in 1993 and following that aeromagnetic interpretation, stream sampling, soil and rock chip sampling and RAB/RC drilling. From 1996 to 1997 Compass Resources NL entered a JV on the project and completed RC drilling. |
| Geology | <ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. | <p>The project area is located on the southern margin of the Sylvania Dome, an inlier of Archaean granitoid - greenstone terrain on the southern edge of the Hamersley Basin.</p> <p>Along the margin of the dome a sequence of meta - basaltic and meta - sedimentary rocks interpreted to be of the 2700 Ma Fortescue Group has been faulted against the granitoids. To the south-east this succession is unconformably overlain by Proterozoic rocks of the Bangemall Basin and to the south-west it disappears under laterite and transported cover.</p> <p>The granitoid contact was previously thought to be concealed by Bangemall Group sediments but is now known to include Fortescue Group rocks, hosting gold - bearing quartz veins.</p> <p>The main focus to date has been the Central Prospect which straddles 3km of thrust contact between the granitoids and volcanic/sedimentary rocks of the Fortescue Group. This sequence comprises (north to south) a sedimentary package of shales with minor coarse-grained arkose, steeply dipping to the south, up to 150m thick, overlain by a thick sequence of fine-grained mafic volcanics, $\geq 300\text{m}$ thick, before disappearing undercover. The central prospect lies on a gravity high.</p> <p>There is some evidence of shearing directly adjacent to the granite/sediment contact in the form of quartz stockworks and isolated narrow quartz veins. The stockwork and vein systems are both mineralized. There is also strong shearing along the sediment/mafic contact within the Fortescue sequence. The mylonised shear extends for 150m, is up to 20m wide and was</p> |

| Criteria | JORC Code explanation | Commentary |
|---|---|--|
| | | intersected in drilling up to 90m vertical depth. This shear is mineralized with an extensive, strongly anomalous arsenic halo. |
| Drill hole Information | <ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. | All relevant drillhole information can be found in section 1 – “Sampling techniques”, “Drilling techniques” and “Drill Sample Recovery” and the significant intercepts table. |
| Data aggregation methods | <ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. | Reported intercepts include a minimum of 0.4g/t Au value over a minimum length of 1m with no internal consecutive internal waste. No upper cuts have been applied. No metal equivalent values are used. |
| Relationship between mineralisation widths and intercept lengths | <ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’). | The drilling is generally orientated at 60 degrees to the opposite direction of the dip of the orebody, meaning intercepts are roughly perpendicular to mineralisation in the majority of cases. |
| Diagrams | <ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. | No significant discovery being reported on. |
| Balanced reporting | <ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. | The accompanying document is considered to be a balanced report with a suitable cautionary note. |
| Other substantive exploration data | <ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. | No other material information or data to report. |
| Further work | <ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main | Further work includes infill AC or RC drilling to validate existing data and test open mineralisation and QAQC assessment. |

| Criteria | JORC Code explanation | Commentary |
|----------|---|------------|
| | <i>geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> | |

Section 3 Estimation and Reporting of Mineral Resources

(Criteria listed in section 1, and where relevant in section 2, also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|--|---|---|
| Database integrity | <ul style="list-style-type: none"> Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes. Data validation procedures used. | No Mineral Resource estimate being reported |
| Site visits | <ul style="list-style-type: none"> Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case. | No Mineral Resource estimate being reported |
| Geological interpretation | <ul style="list-style-type: none"> Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit. Nature of the data used and of any assumptions made. The effect, if any, of alternative interpretations on Mineral Resource estimation. The use of geology in guiding and controlling Mineral Resource estimation. The factors affecting continuity both of grade and geology. | No Mineral Resource estimate being reported |
| Dimensions | <ul style="list-style-type: none"> The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource. | No Mineral Resource estimate being reported |
| Estimation and modelling techniques | <ul style="list-style-type: none"> The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used. The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data. The assumptions made regarding recovery of by-products. Estimation of deleterious elements or other non-grade variables of economic significance (eg sulphur for acid mine drainage characterisation). In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed. Any assumptions behind modelling of selective mining units. Any assumptions about correlation between variables. Description of how the geological interpretation was used to control the resource estimates. Discussion of basis for using or not using grade cutting or capping. The process of validation, the checking process used, the comparison of model data to | No Mineral Resource estimate being reported |

| Criteria | JORC Code explanation | Commentary |
|---|--|---|
| | <i>drill hole data, and use of reconciliation data if available.</i> | |
| Moisture | <ul style="list-style-type: none"> Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content. | No Mineral Resource estimate being reported |
| Cut-off parameters | <ul style="list-style-type: none"> The basis of the adopted cut-off grade(s) or quality parameters applied. | No Mineral Resource estimate being reported |
| Mining factors or assumptions | <ul style="list-style-type: none"> Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made. | No Mineral Resource estimate being reported |
| Metallurgical factors or assumptions | <ul style="list-style-type: none"> The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made. | No Mineral Resource estimate being reported |
| Environmental factors or assumptions | <ul style="list-style-type: none"> Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made. | No Mineral Resource estimate being reported |
| Bulk density | <ul style="list-style-type: none"> Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples. The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit. Discuss assumptions for bulk density estimates used in the evaluation process of the different materials. | No Mineral Resource estimate being reported |
| Classification | <ul style="list-style-type: none"> The basis for the classification of the Mineral Resources into varying confidence categories. Whether appropriate account has been taken of all relevant factors (ie relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data). Whether the result appropriately reflects the Competent Person's view of the deposit. | No Mineral Resource estimate being reported |

| Criteria | JORC Code explanation | Commentary |
|---|---|---|
| Audits or reviews | <ul style="list-style-type: none"> The results of any audits or reviews of Mineral Resource estimates. | No Mineral Resource estimate being reported |
| Discussion of relative accuracy/confidence | <ul style="list-style-type: none"> Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate. The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available. | No Mineral Resource estimate being reported |

Section 4 Estimation and Reporting of Ore Reserves

(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

| Criteria | JORC Code explanation | Commentary |
|---|--|-------------------------------|
| Mineral Resource estimate for conversion to Ore Reserves | <ul style="list-style-type: none"> Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve. Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves. | No Ore Reserve being reported |
| Site visits | <ul style="list-style-type: none"> Comment on any site visits undertaken by the Competent Person and the outcome of those visits. If no site visits have been undertaken indicate why this is the case. | No Ore Reserve being reported |
| Study status | <ul style="list-style-type: none"> The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves. The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered. | No Ore Reserve being reported |
| Cut-off parameters | <ul style="list-style-type: none"> The basis of the cut-off grade(s) or quality parameters applied. | No Ore Reserve being reported |
| Mining factors or assumptions | <ul style="list-style-type: none"> The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design). The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc. The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, | No Ore Reserve being reported |

| Criteria | JORC Code explanation | Commentary |
|---|---|-------------------------------|
| | <p>etc), grade control and pre-production drilling.</p> <ul style="list-style-type: none"> The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate). The mining dilution factors used. The mining recovery factors used. Any minimum mining widths used. The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their inclusion. The infrastructure requirements of the selected mining methods. | |
| Metallurgical factors or assumptions | <ul style="list-style-type: none"> The metallurgical process proposed and the appropriateness of that process to the style of mineralisation. Whether the metallurgical process is well-tested technology or novel in nature. The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied. Any assumptions or allowances made for deleterious elements. The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole. For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications? | No Ore Reserve being reported |
| Environmental | <ul style="list-style-type: none"> The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported. | No Ore Reserve being reported |
| Infrastructure | <ul style="list-style-type: none"> The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed. | No Ore Reserve being reported |
| Costs | <ul style="list-style-type: none"> The derivation of, or assumptions made, regarding projected capital costs in the study. The methodology used to estimate operating costs. Allowances made for the content of deleterious elements. The derivation of assumptions made of metal or commodity price(s), for the principal minerals and co-products. The source of exchange rates used in the study. Derivation of transportation charges. The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc. The allowances made for royalties payable, both Government and private. | No Ore Reserve being reported |
| Revenue factors | <ul style="list-style-type: none"> The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc. The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products. | No Ore Reserve being reported |

| Criteria | JORC Code explanation | Commentary |
|---|---|-------------------------------|
| Market assessment | <ul style="list-style-type: none"> The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future. A customer and competitor analysis along with the identification of likely market windows for the product. Price and volume forecasts and the basis for these forecasts. For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract. | No Ore Reserve being reported |
| Economic | <ul style="list-style-type: none"> The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc. NPV ranges and sensitivity to variations in the significant assumptions and inputs. | No Ore Reserve being reported |
| Social | <ul style="list-style-type: none"> The status of agreements with key stakeholders and matters leading to social licence to operate. | No Ore Reserve being reported |
| Other | <ul style="list-style-type: none"> To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves: Any identified material naturally occurring risks. The status of material legal agreements and marketing arrangements. The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent. | No Ore Reserve being reported |
| Classification | <ul style="list-style-type: none"> The basis for the classification of the Ore Reserves into varying confidence categories. Whether the result appropriately reflects the Competent Person's view of the deposit. The proportion of Probable Ore Reserves that have been derived from Measured Mineral Resources (if any). | No Ore Reserve being reported |
| Audits reviews or | <ul style="list-style-type: none"> The results of any audits or reviews of Ore Reserve estimates. | No Ore Reserve being reported |
| Discussion of relative accuracy/ confidence of | <ul style="list-style-type: none"> Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate. The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used. Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage. It is recognised that this may not be possible or appropriate in all circumstances. These | No Ore Reserve being reported |

| Criteria | JORC Code explanation | Commentary |
|----------|---|------------|
| | <i>statements of relative accuracy and confidence of the estimate should be compared with production data, where available.</i> | |