

ACTIVITIES REPORT

DECEMBER 2023 QUARTER

KGP OPERATIONS

- Karlawinda Gold Project (KGP) December 2023 quarter (Q2) gold production of 30,399 ounces (Q1: 29,700 ounces).
- Year to date gold production of 60,099 ounces puts Capricorn on track to achieve FY24 guidance of 115,000 – 125,000 ounces.
- Q2 All-in-sustaining-cost (“AISC”) of \$1,333 per ounce (Q1: \$1,315 per ounce).
- Year to date AISC of \$1,324 per ounce puts Capricorn on track to achieve FY24 guidance range of \$1,270 - \$1,370 per ounce cost guidance.
- Strong cash flow generation from operations continues with \$41.8 million (Q1: \$38.4m) in Q2.

CORPORATE

- Cash and gold on hand at quarter end of \$160.1 million (Q1: \$133.6m) reflecting cash build of \$26.5 million (Q1: 23.3m) after spending \$7.9 million on exploration and Mt Gibson feasibility studies and \$1.7 million on accommodation units for Mt Gibson.
- Gold sales of 36,061 ounces at an average price of \$3,042 per ounce generated \$109.7 million in revenue with a further 1,033 ounces of gold on hand at the end of the quarter valued at \$3.1 million (Q1: 6,886oz’s).

MGGP DEVELOPMENT

- Delivery of the 400 room accommodation units and associated infrastructure buildings required for the operation commenced. The village construction will allow fast tracking of construction activities and compressing of construction timeframes once approvals are received.
- An EPBC Act referral was submitted after finalising the comprehensive environmental assessment work completed over the last two and a half years and will be the basis on which the regulator will determine the permitting pathway for the proposed development of the project.
- Mineral Resource Estimate update completed with a reserve update, mine designs and pit staging optimisation to facilitate the commencement of mining contract tender process expected in Q3.
- Processing flowsheet and equipment optimisation work continued for crushing and grinding options to allow commencement of detailed process plant design.

MGGP MINERAL RESOURCE ESTIMATE UPDATED

- Mt Gibson Gold Project (MGGP) Mineral Resource Estimate (MRE) updated in December 2023 increased by 18% to 3,244,000 ounces from 2,755,000 ounces.
- Continued drilling at MGGP since grant of tenure in December 2021 has grown the MRE by 1.16 million ounces of gold (56%) in just two years.
- Updated MRE includes 2,655,000 ounces of gold in the Indicated category, a 549,000 ounce (26%) increase from the November 2022 MRE. This provides a strong basis for an update to the 1.45 million ounce Ore Reserve Estimate targeted for the current quarter.
- Average vertical depth of MRE shell is only 170 metres, presenting continued opportunity to increase resources and convert Inferred with further drilling over the 8km of resource strike.
- Updated MGGP MRE increases Capricorn group gold resources to 5.5 million ounces.
- An update of the April 2023 Ore Reserve Estimate of 1.45 million ounces is targeted for completion in the current quarter.

EXPLORATION

Mt Gibson Gold Project (MGGP)

- A further 12,226 metres of RC resource definition and extensional drilling was completed at the MGGP during the December 2023 quarter.
- Assays received from 57 resource definition holes (10,136 metres) since the last update in October 2023 continue to return exceptional results including:
 - 30 metres @ 5.00g/t from 254 to 284m
 - 30 metres @ 2.74g/t from 56 to 86m
 - 29 metres @ 2.23g/t from 270 to 299m
 - 20 metres @ 2.55g/t from 51 to 71m
 - 12 metres @ 3.35g/t from 16 to 28m
 - 33 metres @ 2.27g/t from 212 to 245m
 - 7 metres @ 6.49g/t from 59 to 66m
- Assay results received from diamond drilling in September 2023 continue to return broad high-grade gold intercepts under Orion Pit demonstrating the potential for underground mining operations including:
 - 22 metres @ 4.82g/t from 229 to 251m
 - 8 metres @ 4.71g/t from 221 to 229m
 - 14.56 metres @ 3.99g/t from 310 to 324.56m
 - 14 metres @ 2.23g/t from 252 to 266m
- Drilling on unmined areas at the newly identified Comanche prospect, Lexington Trend, Saratoga and Orion North (east of the main Mt Gibson trend) continues to define zones of high-grade mineralisation.
- A total of 97 Aircore holes for 1,928 metres were completed over the historic mineralised heap leach dump which is located within the MGGP mining centre but outside the MRE. Encouraging results were returned including:
 - 11 metres @ 3.27g/t from 0 to 11m
 - 6 metres @ 2.83g/t from 0 to 6m
 - 5 metres @ 4.88g/t from 0 to 5m
 - 11 metres @ 1.04g/t from 0 to 11m
- 11,000 metre regional AC drilling programme completed at newly identified, near mine exploration prospects of Sundance and Ace High. Exceptional first pass composite results including:
 - 16 metres @ 17.16g/t from 32 to 48m
 - 12 metres @ 3.35g/t from 16 to 28m

Karlawinda Gold Project (KGP)

- Encouraging results received from RC drilling in the September 2023 quarter at the Belhaven and Carnoustie prospects including:
 - 7 metres @ 13.53g/t from 144 to 151m
 - 2 metres @ 17.11g/t from 134 to 136m
 - 10 metres @ 6.61g/t from 137 to 147m
 - 3 metres @ 6.82g/t from 80 to 83m
- Regional Aircore drilling of 2,682 metres was completed at the Jims Vein and Central Lode prospects following up large scale soil anomalies and multiple high-grade Au rock chip results.

DECEMBER 2023 QUARTER ACTIVITIES SUMMARY

Capricorn Metals Ltd (Capricorn) wholly owns the operating Karlawinda Gold Project (KGP) located 65 kilometres south-east of Newman in the Pilbara region of Western Australia and the Mount Gibson Gold Project (MGGP) located 65 kilometres north-east of Wubin in the Mid-West region of Western Australia.

Karlawinda Gold Project

The KGP continued to perform strongly in Q2 achieving another consistent quarter of gold production producing 30,399 ounces (Q1: 29,700 ounces). This excellent result takes production for the half year to 60,099 ounces and puts Capricorn on track to achieve FY24 guidance of 115,000 – 125,000 ounces of gold.

Cash cost before royalties for the quarter was \$1,178 per ounce and the AISC was \$1,333 per ounce taking AISC's for the half year to \$1,324 per ounce (AISC guidance range for the year of \$1,270 – \$1,370 per ounce).

Operating results for the KGP for Q2 were as follows:

	<i>Unit</i>	Dec23Q	Sep23Q	Jun23Q	Mar23Q
Operations					
Ore mined	<i>BCM ('000)</i>	511	667	505	582
Waste mined	<i>BCM ('000)</i>	2,693	2,946	3,133	2,693
Stripping ratio	<i>w:o</i>	5.3	4.4	6.2	4.6
Ore mined	<i>t ('000)</i>	1,280	1,719	1,343	1,440
Ore milled	<i>t ('000)</i>	1,057	997	1,023	1,022
Head Grade	<i>g/t</i>	1.00	1.03	0.96	1.02
Recovery	<i>%</i>	89.4	90.1	91.7	91.6
Gold production	<i>Oz</i>	30,399	29,700	28,859	30,841
Financial					
Net Cash cost	<i>A\$/oz</i>	1,178	1,172	1,177	1,085
All-in sustaining cost	<i>A\$/oz</i>	1,333	1,315	1,311	1,252

Net Cash costs and AISC calculated on a per ounce production basis.

Mining

Mining activities were slightly lower than the previous quarter as anticipated with total movement for Q2 of 3.2 million BCM.

Ore mining continued primarily as a blend of fresh ore from stages 2 and 3 and oxide ore from stage 4 of the Bibra open pit. The strip ratio for the quarter increased to 5.3 (w:o) as ore mining volumes decreased in the current quarter.

A total of 1.3 million tonnes of ore was mined during the quarter, with ore stocks increasing to 4.6 million tonnes.



Processing

Mill throughput rates increased from the previous quarter which was affected by a scheduled mill shutdown to complete a ball mill reline with a total of 1.1 million tonnes of ore processed at a head grade of 1.00g/t. The mill feed during the quarter was primarily fresh ore with a small proportion of oxide ore.

Gold recovery was affected by issues with the oxygen PSA generator output reducing oxygen levels in the leaching circuit. Modifications had been made to the PSA air feed and oxygen distribution system to improve recoveries by the end of Q2. Further oxygen addition capacity is currently being expedited to be installed in Q3.

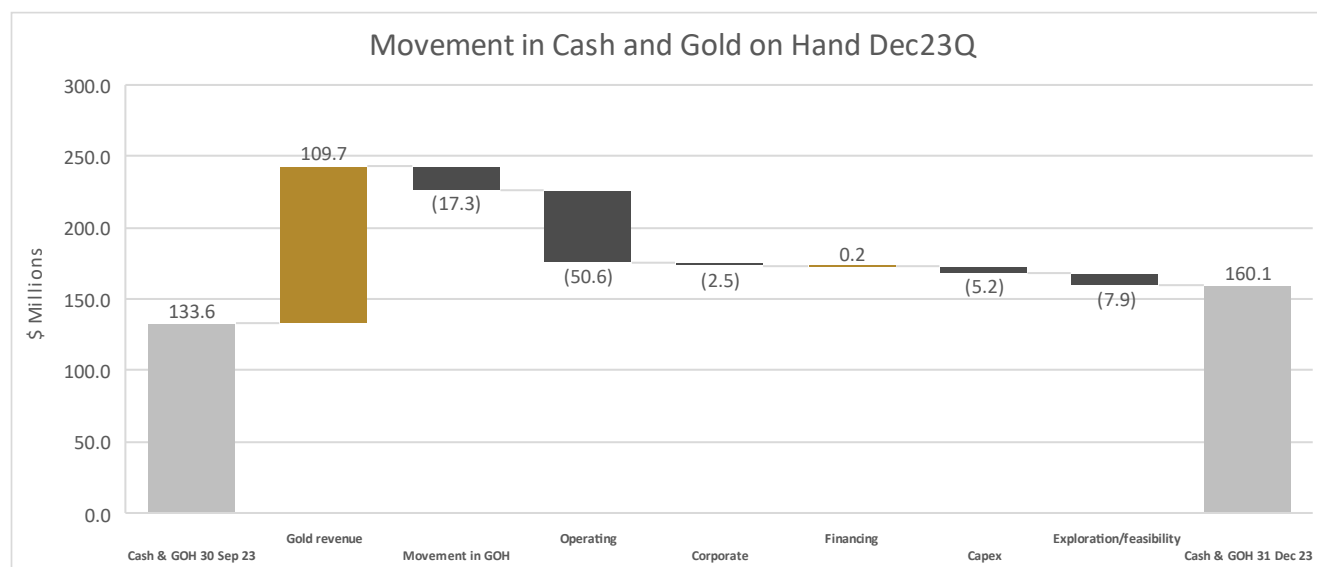
Operational Outlook

Mining volumes in Q3 are expected to be similar to Q2, however strip ratios are expected to increase in Q3 and Q4 as waste mining volumes increase, opening up ore zones within the open pit. Strip ratios are then expected to reduce in FY25.

Corporate

Cash and Bullion

Strong cashflow generation from the KGP continued in Q1 with the project generating operating cashflow of \$41.8 million (Q1: \$38.4 million) for the quarter. The Company's cash and bullion holdings at the end of December 2023 were \$160.1 million (Q1: \$133.6m), representing a cash build of \$26.5 million (Q1: \$23.3m). Cash generation for the half year was \$49.8 million. The cash build of \$26.5 million was achieved after the payment of \$1.7 million for accommodation units at the MGGP, \$7.9 million on exploration and feasibility studies at the MGGP and \$1.1 million to complete the scheduled tailings dam lift at KGP.



Gold Sales & Hedging

During the quarter Capricorn sold a total of 36,061 ounces achieving an average gold price of \$3,042 per ounce for revenue of \$109.7 million. At the end of the quarter the Company had 1,033 ounces (Q1: 6,886 oz) of gold on hand valued at \$3.1 million.

At the end of the quarter the Company has 107,000 ounces of flat forward contracts remaining at an average delivery price of \$2,327 per ounce. The Company also has 25,000 ounces of put options giving Capricorn the right (but not the obligation) to buy gold at \$2,810 per ounce. The put options mature over the next two quarters.

Payments to Related Parties

During the quarter, payments to related parties of Capricorn and their associates (being the Company's directors) totalled \$387,069. The payments were remuneration for their roles including superannuation.

Development

Mt Gibson Gold Project

Significant progress continues to be made on the MGGP in parallel with the resource extension drilling.

Progress during the quarter included the submission of the EPBC Act referral. The referral is the culmination of the comprehensive environmental assessment work completed by Capricorn at the MGGP over the last two and a half years and will be the basis on which the regulator will determine the permitting pathway for the proposed development of the project.

The Company has ordered the 400 room accommodation units and associated infrastructure buildings required for the operation for a total commitment of \$15 million. The new units are currently being delivered to site with the majority expected during Q3. The total accommodation village purchase and installation cost is expected to be in the order of \$30 million (in line with DFS estimate) and is scheduled to be spent over the 2024 calendar year.

This is the first major commitment in Capricorn's strategy to expedite project design and long lead purchasing in parallel with progressive receipt of development and environmental permits where it is expected to be advantageous to the ultimate development timeframe to do so.

Other project development work planned for Q3 includes:

- Ongoing water exploration and bore development work to augment long term water supply;
- Perform environmental assessment work for an alternative airstrip location;
- Completion of reserve update, mine designs and pit staging optimisation to facilitate the commencement of the mining contract tender process;
- Continue process plant design and iterative updates to costing; and
- Commit to any long lead capital items where it is advantageous to do so.

MGGP Mineral Resource Estimate Updated

In December 2023 the Company announced an update to the November 2022 MGGP MRE. The JORC 2012 compliant MRE is 120.8 million tonnes at 0.8g/t for 3,244,000 ounces up 18% from 2,755,000 ounces.

This is the culmination of extensive drilling programmes at MGGP since grant of tenure in December 2021 which has seen the MRE grow by 1.16 million ounces of gold (56%) in two years.

The updated MRE provides a strong basis for an update to the 1.45 million ounce Ore Reserve Estimate targeted for FY24 with 82% (2,655,000 ounces) of the MRE now in the Indicated category and the drill density within the Indicated resource averaging 25 x 25 metres.

Encouragingly the high-grade nature of some of the new intercepts at the base of the MRE suggest the potential for underground studies with the average vertical depth of the MRE optimisation shell over the 8 kilometres of resource strike only 170 metres (max 340 metres) and the Indicated-Inferred boundary having an average depth of 160 metres.

The strong results that continue to be returned and the shallow average depth of resource shells encourages Capricorn to continue resource extension drilling, parallel with Ore Reserve, development studies and permitting.

A summary of the MRE is provided below (refer to ASX announcement on 15 December 2023 for full details):

Material Type	Type	Cut-Off	Indicated			Inferred			Total Mineral Resources		
			Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)
Laterite	Open Pit	0.4	1.0	0.5	17	0.8	0.5	14	1.8	0.5	31
Oxide	Open Pit	0.4	9.1	0.8	242	0.3	0.7	7	9.4	0.8	249
Transitional	Open Pit	0.4	10.8	0.8	281	0.7	0.7	15	11.4	0.8	296
Fresh	Open Pit	0.4	73.9	0.9	2,115	24.2	0.7	553	98.2	0.8	2,668
Total	Total		94.8	0.9	2,655	26.0	0.7	588	120.8	0.8	3,244

- Notes:
1. Mineral Resources are estimated using a gold price of A\$2300/ounce.
 2. Mineral Resources are estimated using a cut-off grade above 0.4g/t Au.
 3. The above data has been rounded to the nearest 100,000 tonnes, 0.1 g/t gold grade and 1,000 ounces.
- Errors of summation may occur due to rounding.

The updated MRE increases Capricorn group resources to 5.5 million ounces as shown below:

Deposit	Type	Cut-Off	Indicated			Inferred			Total Mineral Resources		
			Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)
KGP ⁴	Open Pit	0.3 <	80.4	0.7	1,880	17.0	0.6	349	97.4	0.7	2,228
MGGP	Open Pit	0.4	94.8	0.9	2,655	26.0	0.7	588	120.8	0.8	3,244
Total	Total		175.2	0.8	4,535	43.0	0.7	937	218.2	0.8	5,472

- Notes
1. Mineral Resources are estimated using a gold price of A\$2200/ounce at KGP and A\$2300/ounce at MGGP.
 2. Mineral Resources are estimated using a cut-off grade between 0.3g/t and 0.4g/t Au.
 3. The above data has been rounded to the nearest 100,000 tonnes, 0.1 g/t gold grade and 1,000 ounces.
- Errors of summation may occur due to rounding.
4. As reported 19th April 2023

Exploration

Mt Gibson Gold Project

Exploration activities at the MGGP during the December 2023 quarter focussed on progressing the extensional and infill resource drilling that commenced in January 2022 as well as first pass regional exploration drilling at the Sundance and Ace High prospects. A total of 2,386 holes for 231,750 metres of resource, regional exploration and mine development drilling has been completed at the MGGP since January 2022.

Near Mine Drilling

One RC rig continued during the quarter, completing 12,226 metres (74 holes) of extensional and infill resource drilling taking the total project RC drilling to date to 190,840 metres (1,245 holes). Assay results were also received from four diamond RC tail holes that were drilled in September 2023 targeting deep zones within areas of known high grade mineralisation.

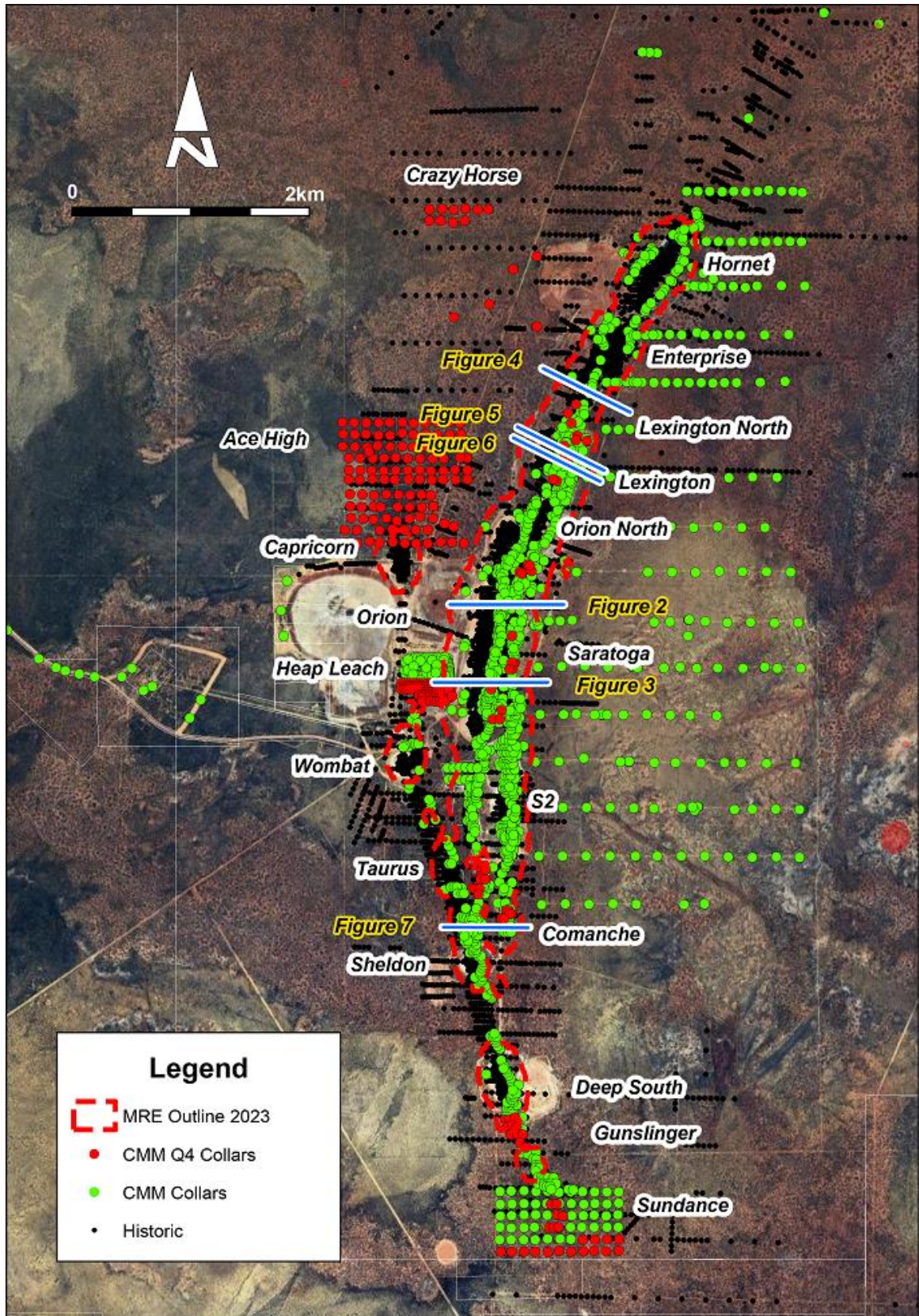


Figure 1. Completed drilling over the MGGP 8km long mine trend with MRE pit crests.

Assays have now been received from the first 940 holes from the project's resource definition drilling. Assays received since the last update continue to return very encouraging results, including:

Hole ID	Easting	Northing	From (m)	To (m)	Grade (g/t)	Width (m)
CMAC0524*	516649	6704094	32	48	17.16	16
CMRC0832	516793	6710567	254	284	5.00	30
CMRC0672D	516191	6708681	229	251	4.82	22
CMRC0842	516829	6710518	56	86	2.74	30
CMRC0831	516789	6710628	212	245	2.27	33
CMRC0833	516791	6710538	270	299	2.23	29
CMRC0704D	516364	6709353	310	324.6	3.99	14.56
CMRC0841	516826	6710549	51	71	2.55	20
CMRC0829	516818	6710610	59	66	6.49	7
CMAC0640*	515682	6710071	16	28	3.35	12
CMRC0312D	517333	6712080	221	229	4.71	8
CMRC0836	516891	6711030	132	139	5.03	7
CMRC0828	516842	6710660	59	69	3.48	10
CMRC0824	516275	6706631	68	72	8.64	4
CMRC2035D	516181	6708657	252	266	2.23	14
CMRC0850	516331	6706737	96	104	3.81	8

*Regional 4m Composite Aircore

The results received from this drilling are part of more than 90,000 metres of RC and diamond drilling completed and assayed at the MGGP since the November 2022 MRE. These results were used to update the MRE in December 2023 resulting in a significant increase from 2,755,000 ounces to 3,244,000 ounces (refer ASX announcement 15 December 2023).

Current and previously reported drilling at the depth extremities of the resource optimisation shells (where historic drill density is broader spaced) and below them has returned results consistent with Capricorn's geological interpretations of mineralisation location, widths and grade tenor. Drilling across the project to date indicates that mineralisation remains open down dip and along strike to the north and south with multiple stacked lodes intersected.

A 10,000m RC programme commenced in the March 2024 quarter to continue the strategy of infilling and extending zones of known gold mineralisation within and below the current resource shells.

Orion Underground Potential

Drilling under the Orion pit in 2023 returned broad high-grade gold intercepts that demonstrated the potential for underground mining operations with mineralisation being significantly extended at depth by Capricorn since project acquisition.

Diamond drilling consisting of four holes (420 metres) re-entering RC holes was undertaken in September 2023. This programme of drilling was designed to hit deeper zones of mineralisation to obtain further knowledge of the underground potential of Orion. All four holes drilled returned encouraging results including:

- 22 metres @ 4.82g/t from 229 to 251 metres
- 14.56 metres @ 3.99g/t from 310 to 324.56 metres
- 8 metres @ 4.71g/t from 221 to 229 metres
- 14 metres @ 2.23g/t from 252 to 266 metres

The cross-sections below illustrate the high grade zone that is being defined by drilling beneath the Orion pit.

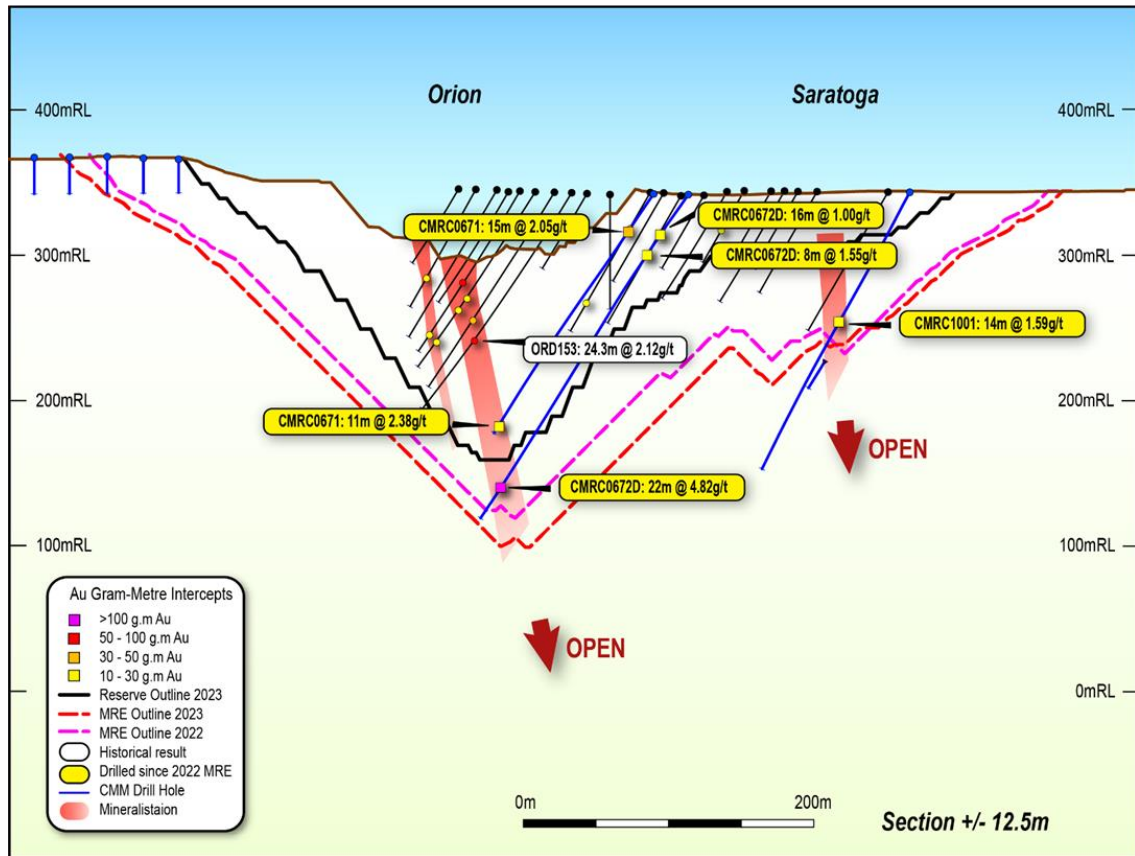


Figure 2. Orion Section with significant open broad mineralisation outside of the current A\$1,900/oz reserve outline.

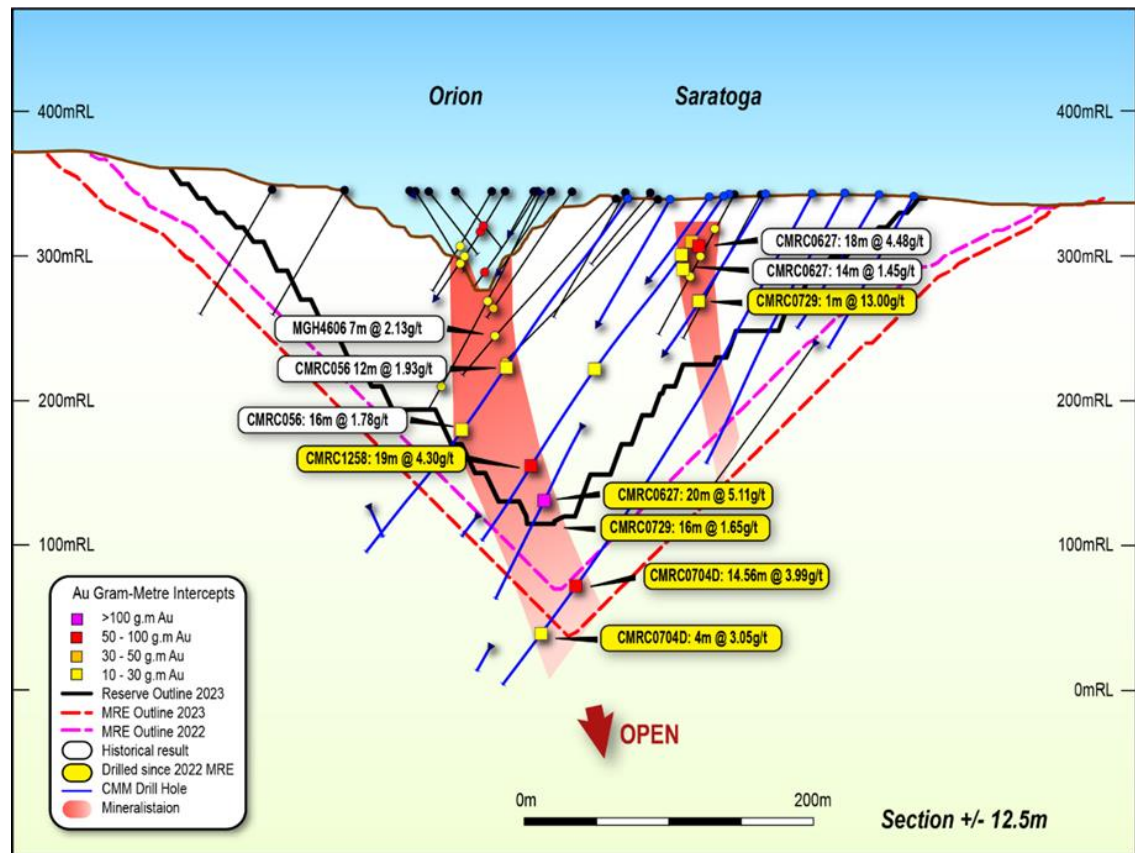


Figure 3. Orion Section with significant open broad mineralisation outside of the current A\$1,900/oz reserve outline.

Drilling will continue in the coming quarters targeting extensions of higher-grade areas. The strategy to drill incrementally deeper and along strike from current intercepts will continue with a view to maximising the value proposition of the drilling and enhance the prospects for continued success. This will allow the Company to understand the structure, geometry & extent of high-grade zones with a view to developing an underground model in the medium term. Results from current and additional drilling will form the basis to future updates to the projects current 3.244 million ounce MRE.

Broad Zones at Lexington, Orion, Saratoga and Comanche

Drilling during the period on unmined and under drilled areas at Comanche, Lexington Trend, Saratoga and Orion North continues to define zones of high-grade mineralisation. Significant mineralisation at Comanche that was identified in the previous reporting period has now been extended for over 250 metres of strike and remains open at depth.

The plan in Figure 1 above shows the drilling activity from the infill and extensional RC programme and the location of the following cross sections.

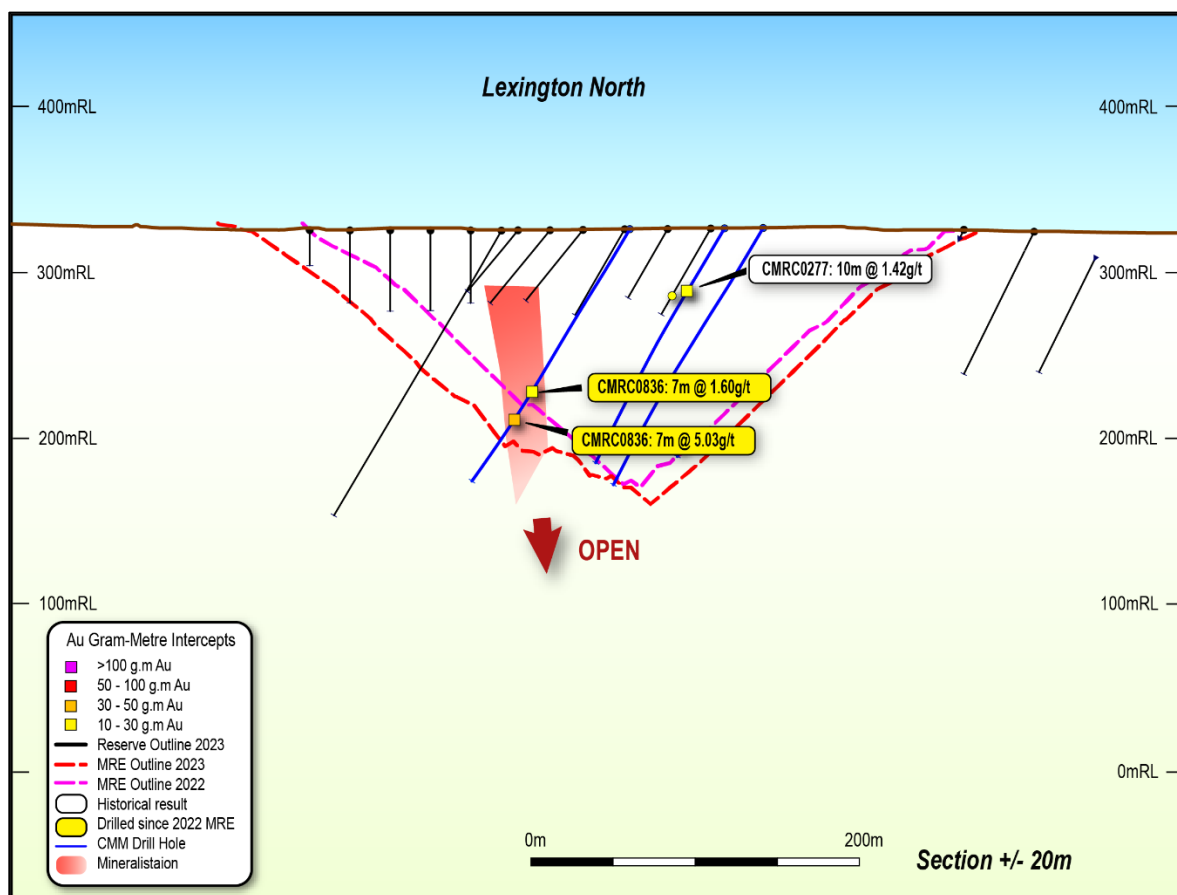


Figure 4. Unmined under drilled Lexington North Section with significant open broad high-grade mineralisation outside of the current A\$1,900/oz reserve outline.

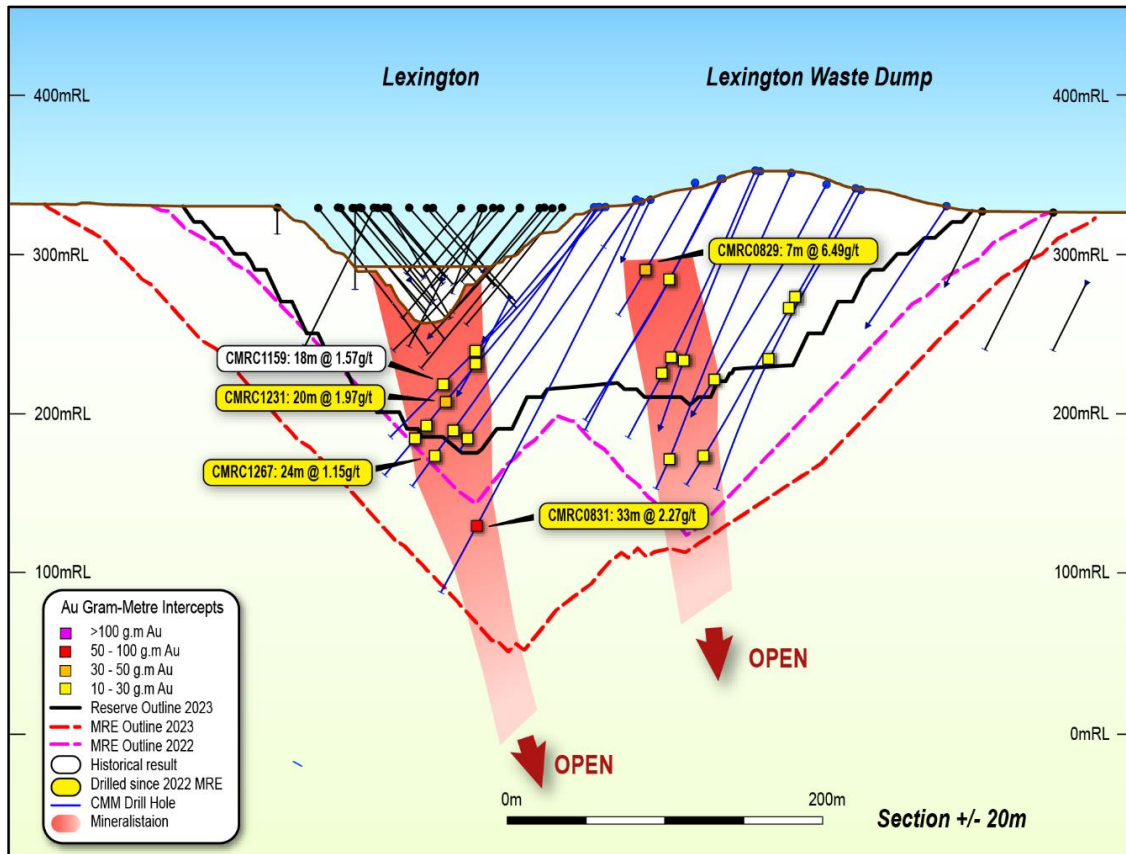


Figure 5. Lexington Section with significant open broad mineralisation outside of the current A\$1,900/oz reserve outline.

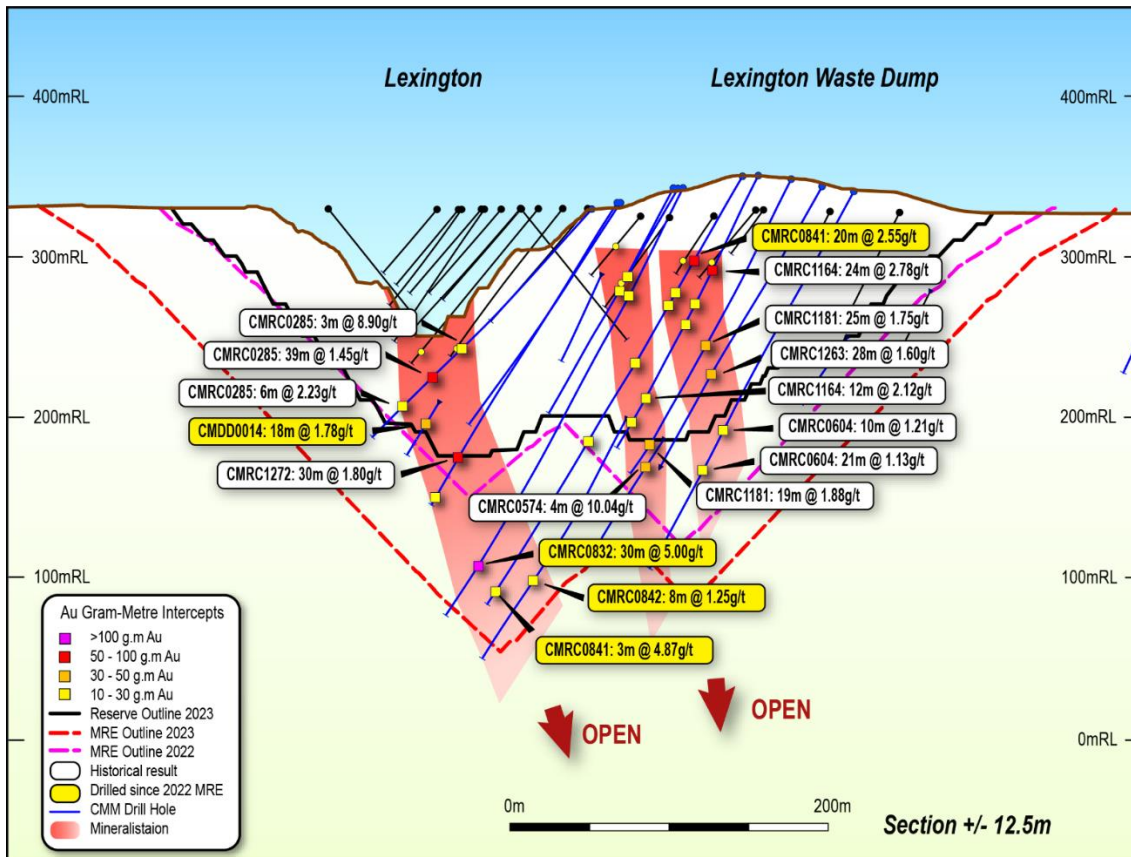


Figure 6. Lexington Section with significant open broad mineralisation outside of the current A\$1,900/oz reserve outline.

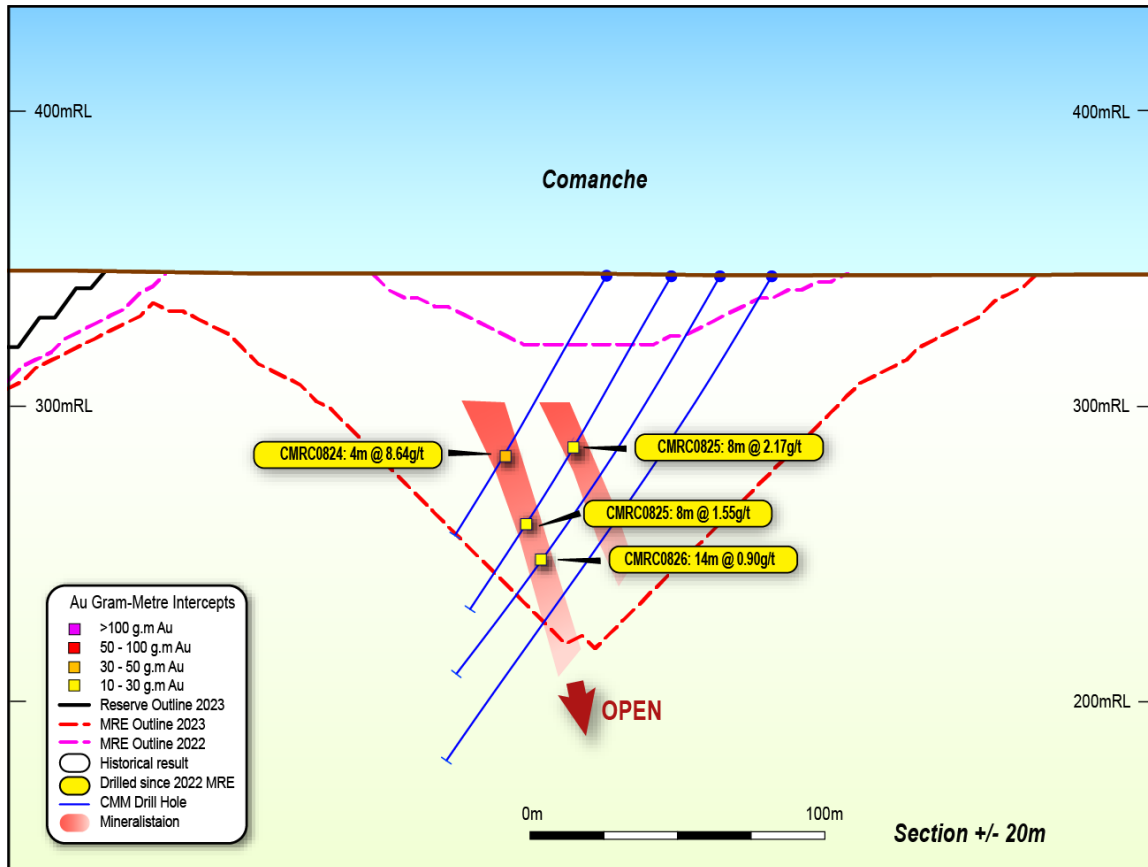


Figure 7. Comanche Section with shallow open significant broad mineralisation intersected outside of the current A\$1,900/oz reserve outline.

Regional Exploration

First pass Aircore and RC drill programmes predominantly on 100m x 100m spacing commenced during the quarter at the newly identified Sundance and Ace High prospects situated in close proximity to the Mt Gibson mining centre. A total of 196 AC holes (10,797 metres) and 8 RC holes (1,014 metres) were completed with drilling intersecting granite, mafic and volcanoclastic lithological contacts. Drilling returned very encouraging 4m composite Au results which highlight the areas with high prospectivity to host further near surface satellite resources as well as major gold discoveries.

Encouragingly the most prospective mineralised and geological zones appear analogous to Capricorn, Sheldon and Deep South deposits (refer Figures 8 & 9). Multiple zones of anomalous low-grade Au + pathfinder results were also identified with follow up drilling planned for the March 2024 quarter. Best results included:

- 16 metres @ 17.16g/t from 32 to 48m
- 4 metres @ 6.76g/t from 68 to 72m
- 4 metres @ 2.75g/t from 56 to 60m
- 12 metres @ 3.35g/t from 16 to 28m
- 4 metres @ 5.29g/t from 32 to 36m
- 4 metres @ 2.70g/t from 40 to 44m

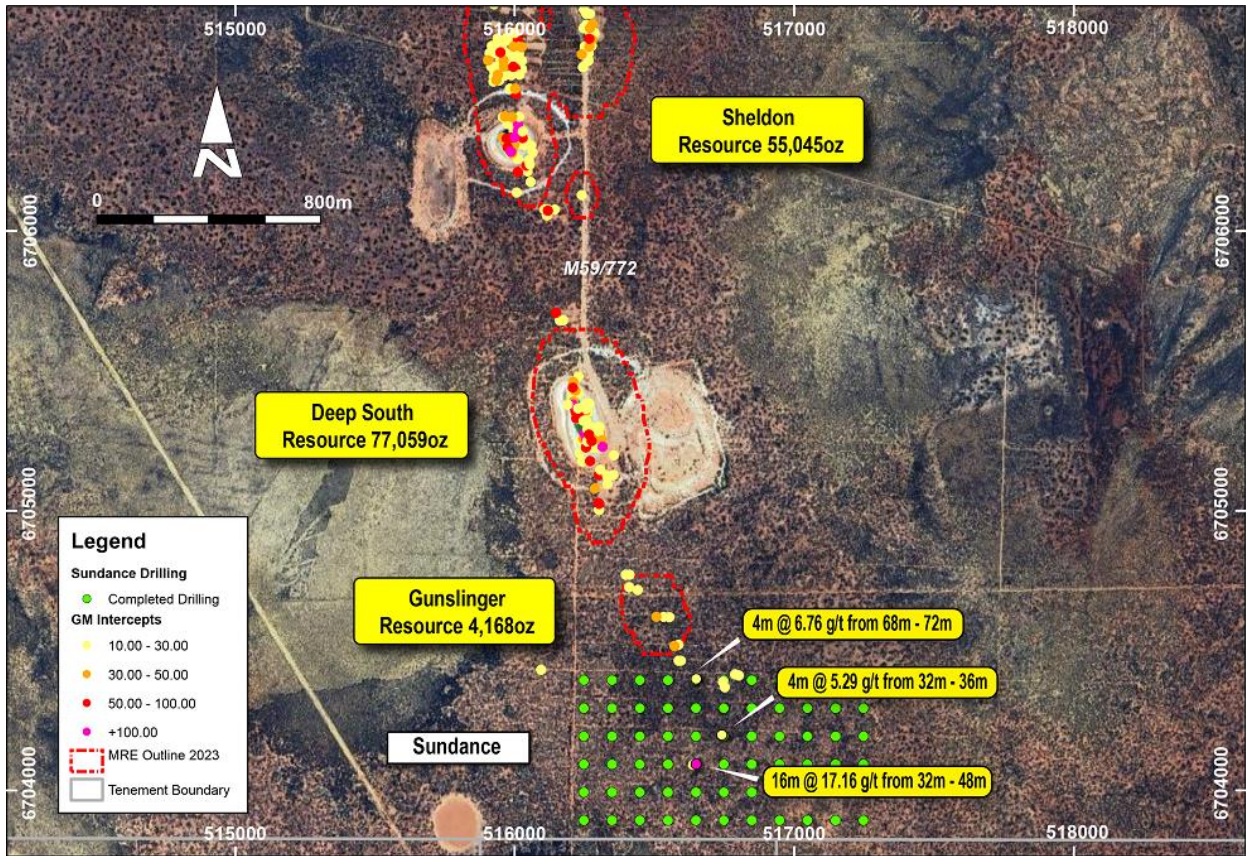


Figure 8. Completed Sundance drilling

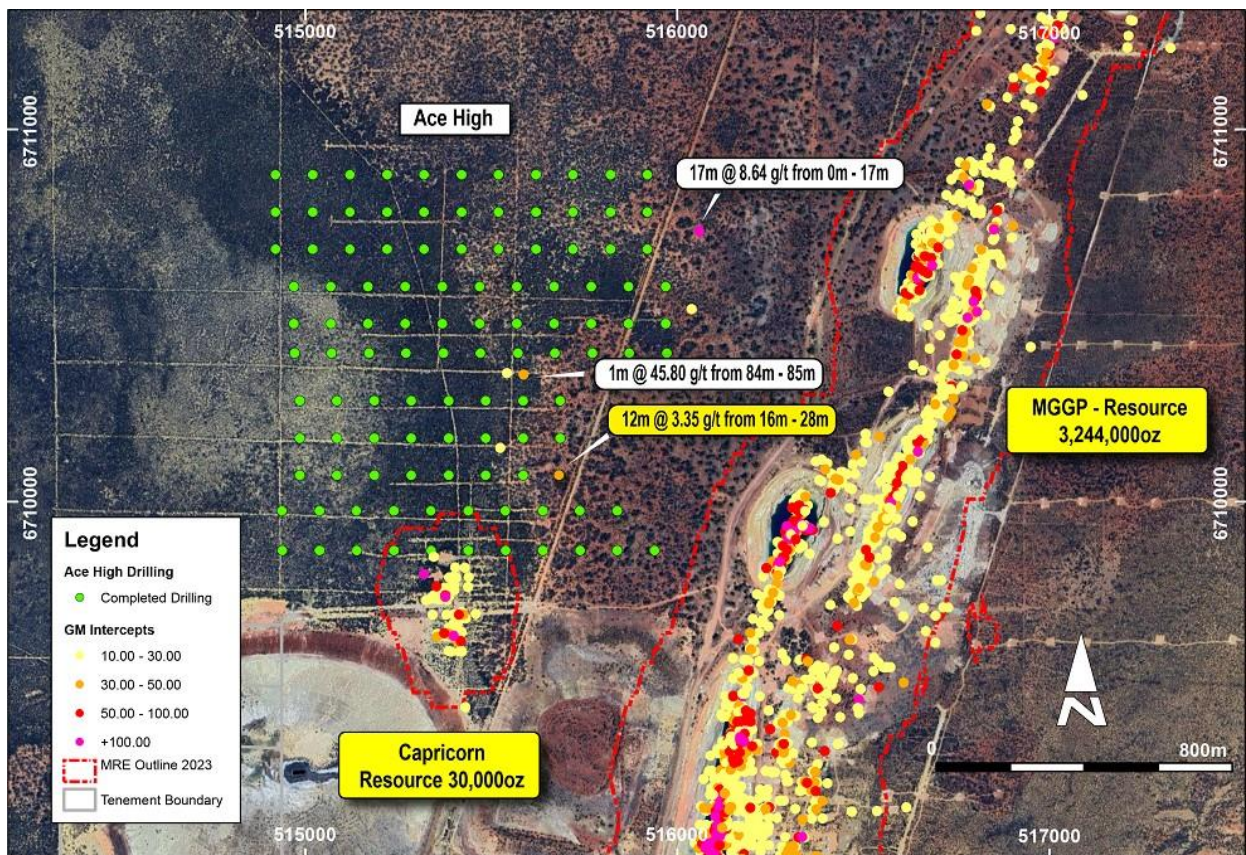


Figure 9. Completed Ace High drilling.

Heap Leach Dump Drilling

During the quarter a 97 hole (1,928 metres) Aircore drilling programme was completed over an existing historic heap leach dump at the MGGP. The drilling was designed to increase confidence in gold distribution and enable segregation between ore and waste. The results will aid a future JORC compliant resource estimation. Significant results from this drilling are shown below:

- 11 metres @ 3.27g/t from 0 to 11m
- 5 metres @ 4.88g/t from 0 to 5m
- 6 metres @ 2.83g/t from 0 to 6m
- 11 metres @ 1.04g/t from 0 to 11m

Project Development Drilling

A total of 9 holes (1,820m) of diamond drilling was completed for technical studies to help inform future ORE updates. Drilling was primarily undertaken for geotechnical testwork programmes to investigate and define optimal mine design parameters for the project.

Heritage Surveys

Large scale archaeological and ethnographic clearance works have been completed and are progressing over future infrastructure and exploration areas.

Karlawinda Gold Project

Near Mine RC Drilling

During the quarter RC results from drilling completed in the September 2023 quarter at the Carnoustie, Vedas and Belhaven prospects were returned. The newly identified Belhaven prospect is targeting gold and geophysical trends along strike of the newly identified Berwick and Muirfield deposits within the Karlawinda East project area. The recent success within the Karlawinda East project area and its proximity to the existing operations indicate the high prospectivity for the area to host further near-surface satellite resources as well as major gold discoveries (refer Figure 10). Encouraging results include:

Hole_ID	Easting	Northing	From (m)	Depth (m)	Width	Grade (g/t Au)
KBRC2079	210056	7366502	80	83	3	6.82
KBRC2081	210434	7366363	115	122	7	1.95
KBRC2097	210638	7366929	137	147	10	6.61
KBRC2111	211211	7366732	134	136	2	17.11
KBRC2111	211211	7366732	78	90	12	1.34
KBRC2132	199131	7371560	144	151	7	13.53

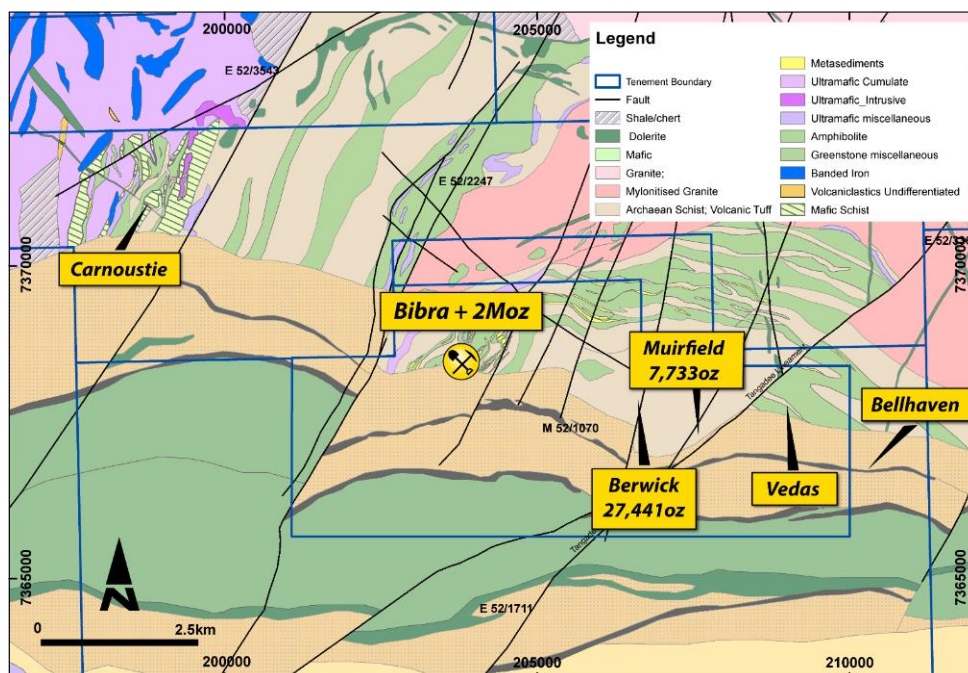


Figure 10. Karlawinda current near mine exploration targets

Carnoustie

In 2022 a 400 x 100m Aircore gold and arsenic anomaly was identified at the Carnoustie Prospect, approximately 5 km north-west of the Bibra Deposit. Follow up first pass RC drilling completed in November 2022 returned encouraging results with mineralisation hosted within an inferred intermediate intrusion. To better understand orientation and mineralisation, a single RC hole (KBRC2132) for 210 metres was drilled in November 2023, 18 metres along strike from the above-mentioned intercept. The hole returned 7m @ 13.53 g/t Au from 144 metres indicating the potential for a steeply dipping intrusive related orebody with mineralisation remaining open up and down dip and along strike to the north and south (refer Figure 11). Follow up RC drilling is planned for the March 2024 quarter.

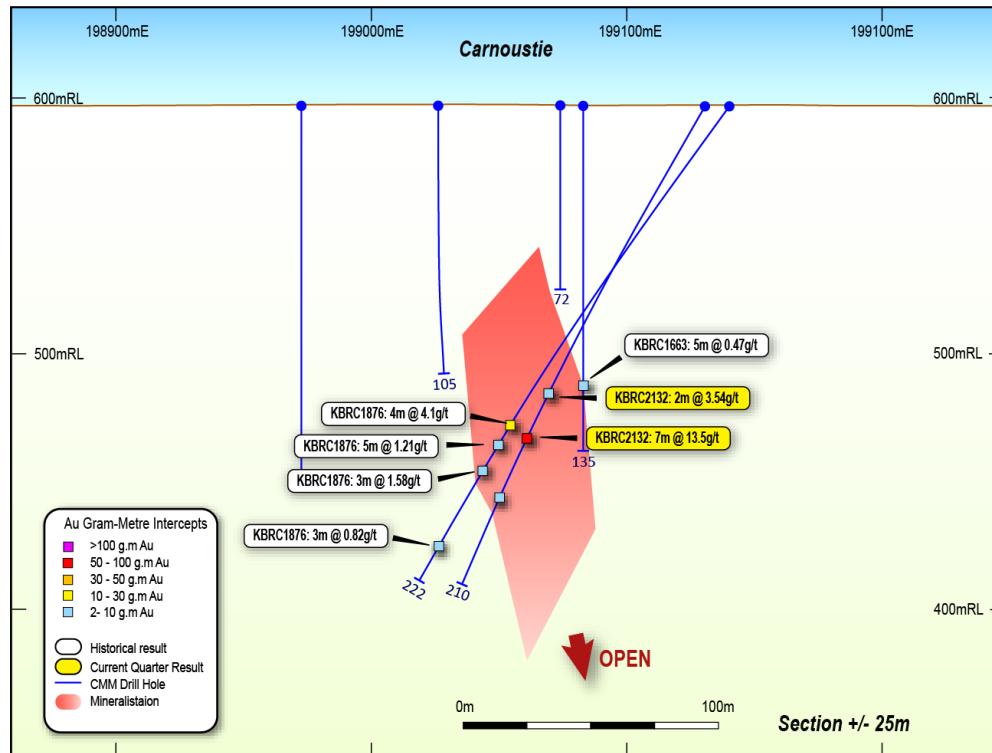


Figure 11. Carnoustie Section from early stage RC drilling with significant open broad mineralisation and inferred steeply dipping ore zone which requires follow up drilling.

Vedas and Belhaven

During the quarter, RC results from follow-up drilling undertaken in the September 2023 quarter at the Vedas and Belhaven prospects were returned. This drilling expanded the target area approximately 4 kilometres along strike from the recently defined Murfield and Berwick deposits (refer Figure 12).

Mineralisation at Vedas and Belhaven is analogous with the Bibra deposit, with gold hosted in moderately north dipping zones of intense Silica + sericite + biotite + pyrite + arsenopyrite alteration bound by magnetite. Follow up RC drilling is planned for the March 2024 quarter. Best results included:

- 12 metres @ 1.34 g/t from 78 to 90m
- 10 metres @ 6.61g/t from 137 to 147m
- 2 metres @ 17.11g/t from 134 to 136m
- 3 metres @ 6.82g/t from 80 to 83m

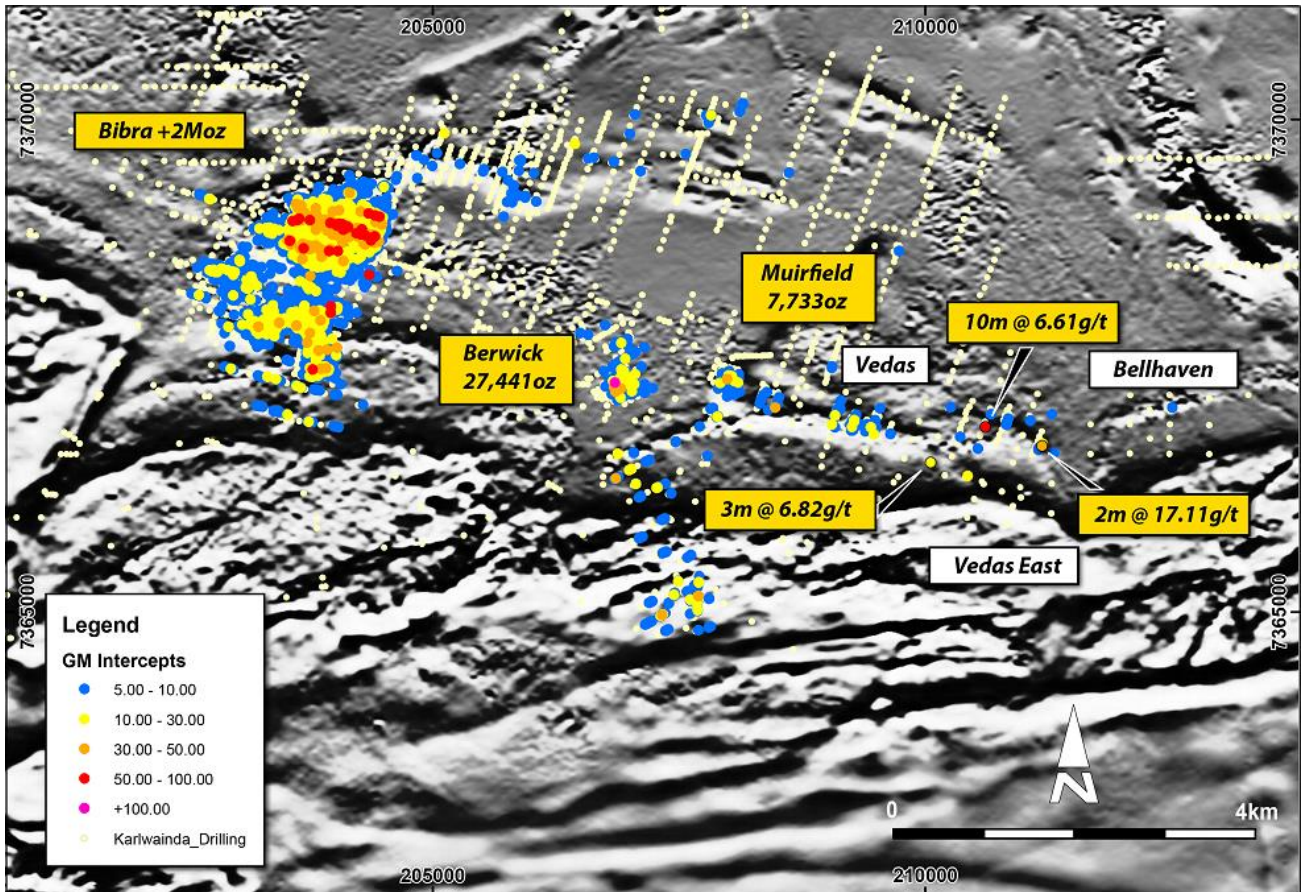


Figure 12. Current drill intercepts at the Veda East and Bellhaven prospects along strike of the newly defined Berwick and Muirfield deposits.

Regional Exploration

Mumbakine Well

The Mumbakine Well project is located 30 kilometres west of Bibra and includes the highly prospective Jim's Vein and Central Lode prospects. During the December 2023 quarter, a 7,000 metre aircore drilling programme commenced with 2,682 metres (41 holes) completed to the end of December 2023. This programme is the first drilling done on the project since Capricorn acquired the project in May 2022. The programme has been planned based on historic downhole anomalies and soil sampling work completed in the September 2023 quarter.

Gold mineralisation at the Jims Vein prospect is heavily associated with high-temperature pathfinders (including +1% Pb) commonly associated with intrusion-related gold deposits. At the Central Lode prospect, mineralisation is hosted in a large ENE shear zone with quartz stockwork vein systems along mafic/sediment contacts and granite/sediment contacts. Results from this drilling programme are expected to be returned in the March 2024 quarter.

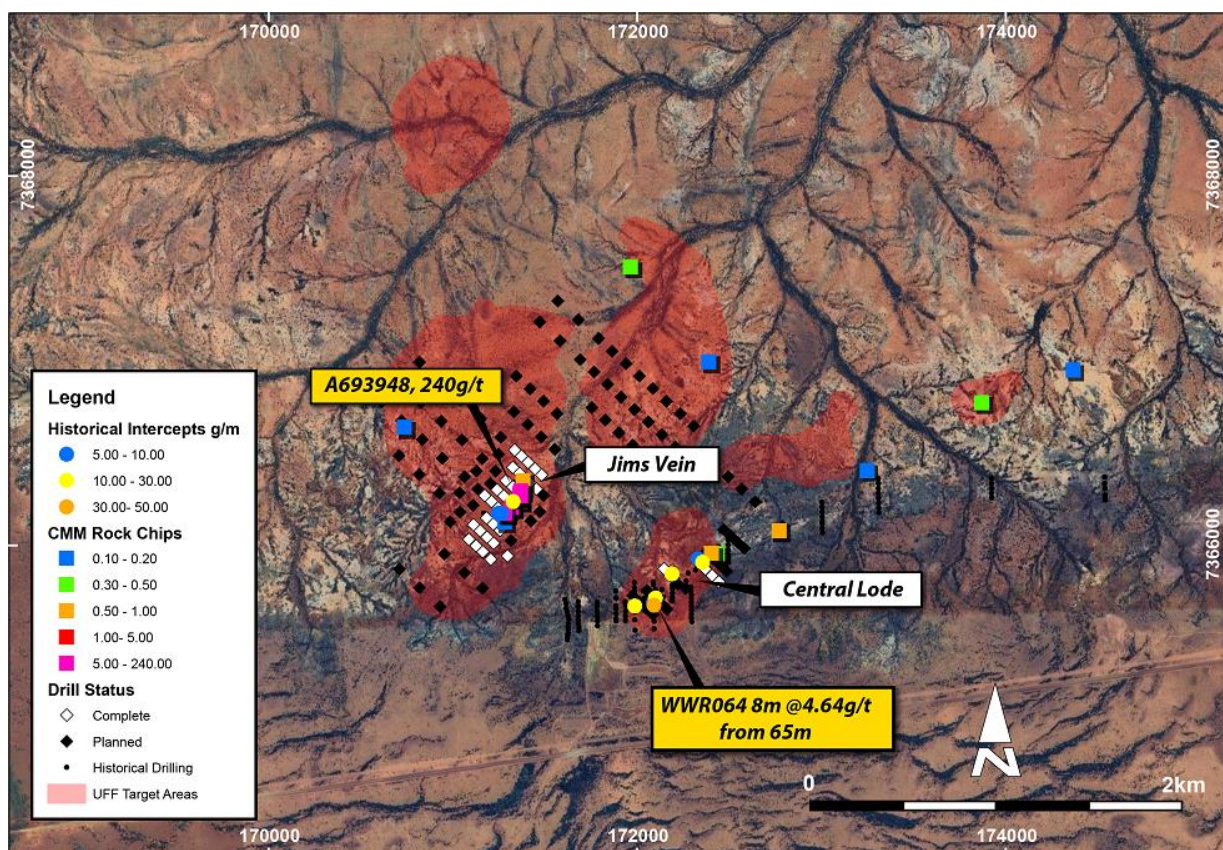


Figure 13. Completed drilling at Jims Vein Central Lode prospects with anomalous Au+Ag+As+Pb soil sample area, current +0.1 g/t Au rock chip locations and historic drilling locations.

GROUP OPEN PIT ORE RESERVE ESTIMATE

Gold			Proved			Probable			Total Ore Reserve		
Project	Type	Cut-Off (g/t) ²	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)
Karlawinda	Open-Pit	> 0.4	-	-	-	49.2	0.8	1,247	49.2	0.8	1,247
Mount Gibson ⁵	Open-Pit	> 0.4	-	-	-	48.7	0.9	1,450	48.7	0.9	1,450
Total	Grand Total	-	-	-	-	97.9	0.9	2,697	97.9	0.9	2,697

- Notes:
- Ore Reserves are a subset of Mineral Resources.
 - Ore Reserves are estimated using a gold price of A\$1900/ounce.
 - Ore Reserves are estimated using a cut-off grade between 0.3g/t and 0.4g/t Au.
 - The above data has been rounded to the nearest 100,000 tonnes, 0.1 g/t gold grade and 1,000 ounces. Errors of summation may occur due to rounding.
 - As reported 19th April 2023

GROUP OPEN PIT MINERAL RESOURCE ESTIMATE

			Indicated			Inferred			Total Mineral Resources		
Deposit	Type	Cut-Off	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)	Tonnes (Mt)	Gold Grade (g/t)	Gold Metal (koz)
KGP ⁴	Open Pit	0.3 <	80.4	0.7	1,880	17.0	0.6	349	97.4	0.7	2,228
MGGP	Open Pit	0.4	94.8	0.9	2,655	26.0	0.7	588	120.8	0.8	3,244
Total	Total		175.2	0.8	4,535	43.0	0.7	937	218.2	0.8	5,472

- Notes:
- Mineral Resources are reported using a gold price of A\$2200/ounce at KGP and A2,300/ounce at MGGP.
 - Mineral Resources are reported using a cut-off grade between 0.3g/t and 0.4g/t Au.
 - The above data has been rounded to the nearest 100,000 tonnes, 0.1 g/t gold grade and 1,000 ounces. Errors of summation may occur due to rounding.
 - As reported 19th April 2023

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

For further information, please contact:

Mr Kim Massey

Chief Executive Officer

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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. Such statements include, but are not limited to, statements with regard to capacity, future production and grades, estimated costs, revenues and reserves, the construction costs of new projects and projected capital expenditures, the outlook for minerals and metals prices and the outlook for economic conditions and may be (but are not necessarily) identified by the use of phrases such as “will”, “expect”, “anticipate”, “believe” and “envisage”. 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 Risks section of the Company’s Annual Reports, as well as the Company’s other announcements. 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 extracted from ASX Announcement released on 25 January 2023 entitled “Quarterly Exploration Update” and for which Competent Person consents were obtained. The Competent Person consents remain in place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant ASX releases, and the form and context of the announcement has not materially changed.

The detailed information relating to the Ore Reserves and Mineral Resources for the Karlawinda Gold Project was contained in the Company’s ASX announcement dated 27 July 2023 entitled “Quarterly Exploration and Annual Resource/Reserve Update”. The information relating to the Mineral Resource for the Mt Gibson Gold Project was contained in the Company’s ASX announcement dated 15 December 2023 entitled “Mt Gibson Gold Project Mineral Resources Increase to 3.24 Million Ounces”. The information relating to the Ore Reserve for the Mt Gibson Gold Project was contained in the Company’s ASX announcement dated 19 April 2023 entitled “MGGP PFS Confirms 1.45Moz Maiden Ore Reserve”

The Company confirms that it is not aware of any new information or data that materially affects the information included in the ASX announcements dated 27 July 2023, 15 December 2023 and 19 April 2023 and all material assumptions and technical parameters underpinning the estimates in the relevant market announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Persons’ findings are presented have not materially changed from previous market announcements. The reports are available to view on the ASX website and on the Company’s website at www.capmetals.com.au.

APPENDIX 1 – TENEMENT SCHEDULE

Lease	Project	Company	Location	Status	Percentage Held
M52/1070	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/1711	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/2247	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/2398	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/2409	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3323	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3363	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3364	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3450	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3474	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3531	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3533	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3541	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3543	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3571	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3656	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3671	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3677	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3729	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3797	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3808	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/4242	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Application	100%
E52/4243	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Application	100%
E52/4286	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Application	100%
L52/174	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/177	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/178	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/179	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/181	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/183	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/189	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/192	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/197	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/223	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/224	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/248	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
M59/328	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
M59/402	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
M59/403	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
M59/404	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
M59/772	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2439	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2450	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2594	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2606	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2655	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%

E59/2656	Mt Gibson	Greenmount Resources Pty Ltd	Western Australia	Application	100%
E59/2657	Mt Gibson	Greenmount Resources Pty Ltd	Western Australia	Application	100%
E59/2751	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Application	100%
E59/2752	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Application	100%
E59/2754	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Application	100%
E59/2755	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Application	100%
E59/2848	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Application	100%
P59/2286	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/2287	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/2290	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/2291	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/2306	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/2309	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/2310	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
L59/140	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
L59/198	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
L59/45	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
L59/46	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
L59/53	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
G59/48	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
G59/72	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Application	100%

Mining tenements acquired during the Quarter

Nil

Mining tenements disposed during the Quarter

Nil

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Capricorn Metals Ltd

ABN

Quarter ended ("current quarter")

84 121 700 105

31 December 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	109,713	181,620
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	(50,567)	(100,654)
(d) staff costs	(1,507)	(3,264)
(e) administration and corporate costs	(779)	(1,730)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1,244	2,242
1.5 Interest and other costs of finance paid	(1,015)	(1,977)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	65	74
1.9 Net cash from / (used in) operating activities	57,154	76,311
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(5,204)	(9,170)
(d) exploration & evaluation	(7,859)	(15,898)
(e) investments	-	-
(f) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	-	-
(d) investments	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	(13,063)	(25,068)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(309)	(713)
3.10	Net cash from / (used in) financing activities	(309)	(713)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	113,218	106,470
4.2	Net cash from / (used in) operating activities (item 1.9 above)	57,154	76,311
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(13,063)	(25,068)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(309)	(713)
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	157,000	157,000
5.	Reconciliation of cash and cash equivalents	Current quarter \$A'000	Previous quarter \$A'000
	at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		
5.1	Bank balances	157,000	157,000
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	157,000	157,000
6.	Payments to related parties of the entity and their associates	Current quarter \$A'000	
6.1	Aggregate amount of payments to related parties and their associates included in item 1	387	
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-	
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>			

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	50,000	50,000
7.2 Credit standby arrangements	-	-
7.3 Other (Bank Guarantee)	4,000	4,000
7.4 Total financing facilities	54,000	54,000
7.5 Unused financing facilities available at quarter end		Nil
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.	<p>The Loan Facility with Macquarie Bank represents funds used for the construction of the Karlawinda Gold Project. The Loan Facility accrues interest at the bank bill rate plus 3% per annum and is repayable in full on 30 June 2025.</p> <p>The Bank Guarantee Facility with Macquarie Bank Ltd represents certain obligations under the APA Gas Lateral Agreement. The Bank Guarantee Facility accrues interest at 2% per annum and matures on 30 September 2025.</p> <p>Macquarie Bank holds a first ranking, registered fixed and floating charge over all of the assets of Capricorn Metals Ltd and its wholly owned subsidiaries Greenmount Resources Pty Ltd, Crimson Metals Pty Ltd and Metrovex Pty Ltd as security for the facilities provided by Macquarie.</p>	
8. Estimated cash available for future operating activities		\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)		57,154
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))		(7,859)
8.3 Total relevant outgoings (item 8.1 + item 8.2)		49,295
8.4 Cash and cash equivalents at quarter end (item 4.6)		157,000
8.5 Unused finance facilities available at quarter end (item 7.5)		-
8.6 Total available funding (item 8.4 + item 8.5)		157,000
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)		N/A
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:		
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?		
Answer: N/A		
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?		
Answer: N/A		
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?		
Answer: N/A		
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 January 2024

Authorised by: By the Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.