



CAPRICORN
METALS LTD

ASX Code: CMM

KARLAWINDA GOLD PROJECT

Investor Presentation – April 2016

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The information in this presentation that relates to Mineral Resources is extracted from the Mineral Resource and Ore Reserve Statement released to the Australian Securities Exchange (ASX) on 25 October 2013 by IGO (Independence Group) and for which Competent Person's consents were obtained. The Competent Person's 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place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

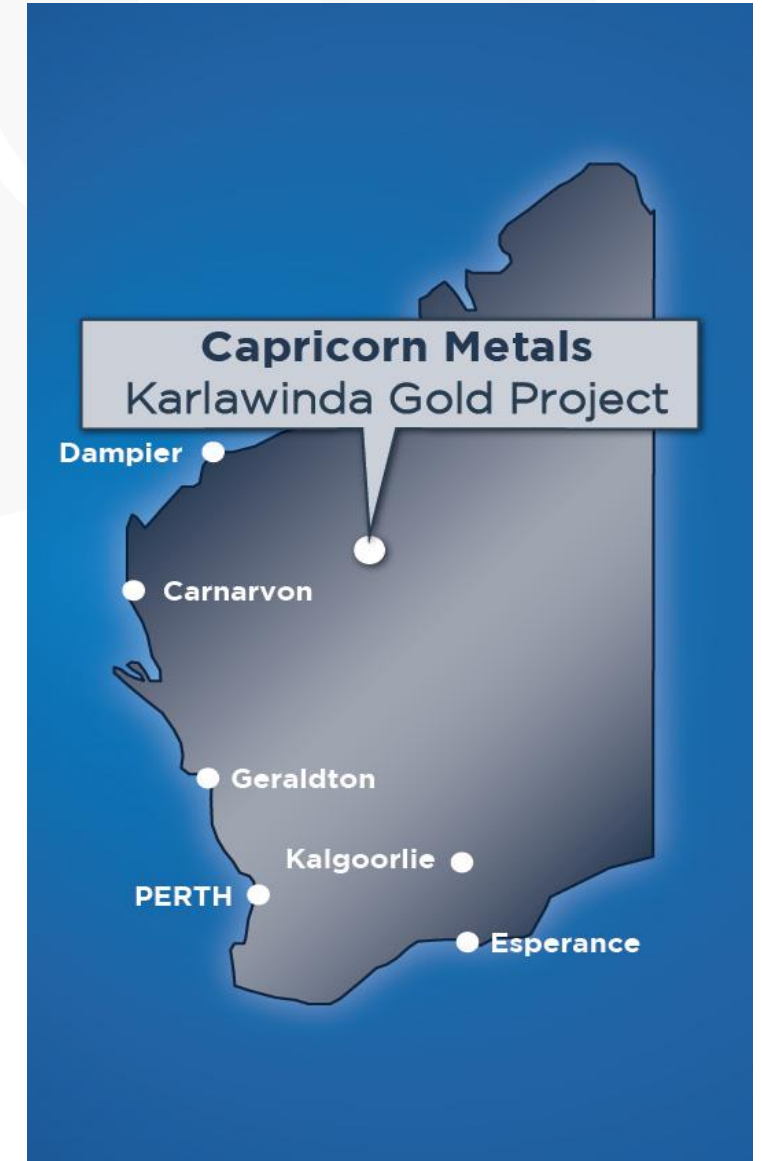
The Company confirms that it is not aware of any new information or data that materially affects the information included in the original ASX announcement released on 25 October 2013 and, in the case of estimates or Mineral Resources, that all material assumptions and technical parameters underpinning the estimates in the original ASX announcements continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original ASX announcement.

ASX announcements are available on the Company's website at www.capmetals.com.au

Sole Focus on WA Gold

COMPANY SNAPSHOT

- Karlawinda Gold Project is the single focus
- 650,000oz JORC compliant inferred resource at Bibra
- Clear, accelerated route to 2018 production
- \$12m spent on scoping study activities by IGO
- Potential for camp-scale exploration success
- Assets in Madagascar being divested
- Strong cornerstone support from Regis Resources (10%)
- Aim is to build a simple and highly profitable gold company

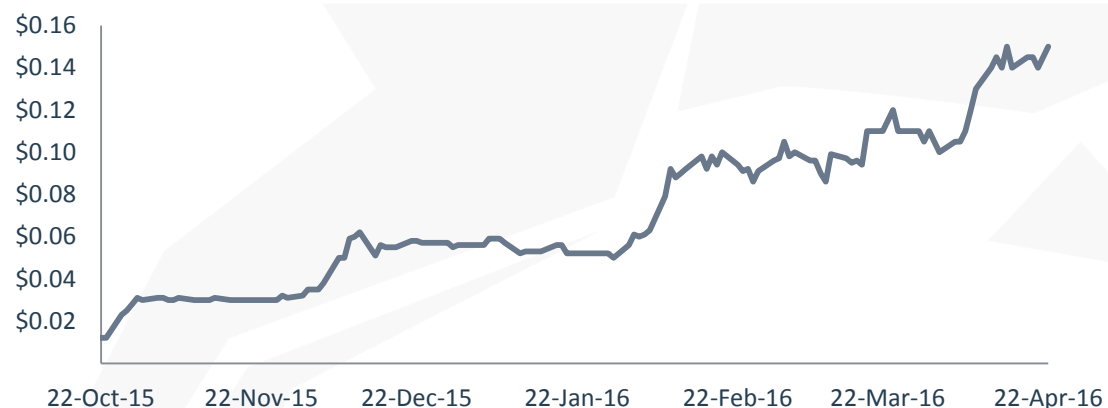


Corporate Overview

Corporate Information

ASX Code	CMM
Shares on Issue	388.7m
Share Price as at 22 April 2016	15.0c
Market Capitalisation as at 22 April 2016	\$58.3m
Cash as at 30 March 2016	\$1.7m
Unlisted options	18.8m

6 Month Share Price



Source: IRESS

Board of Directors

Guy Le Clezio	Non-Executive Chairman <i>(World Titanium Resources / Eyres Reed)</i>
Peter Thompson	Managing Director <i>(St Barbara / Jubilee / Anaconda)</i>
Heath Hellewell	Non-Executive Director <i>(Doray / IGO / Resolute)</i>
Peter Langworthy	Technical Director <i>(Jubilee / WMC / Pacmin)</i>

Major Shareholders

Existing MGY holders	44%
Directors & Management	13.7%
Centrepeak	19.1%
Regis Resources	10.1%

The 173m shares issued to Greenmount Resources shareholders held in escrow for 12 months.
Centrepeak is a related entity to Heath Hellewell.

Issue

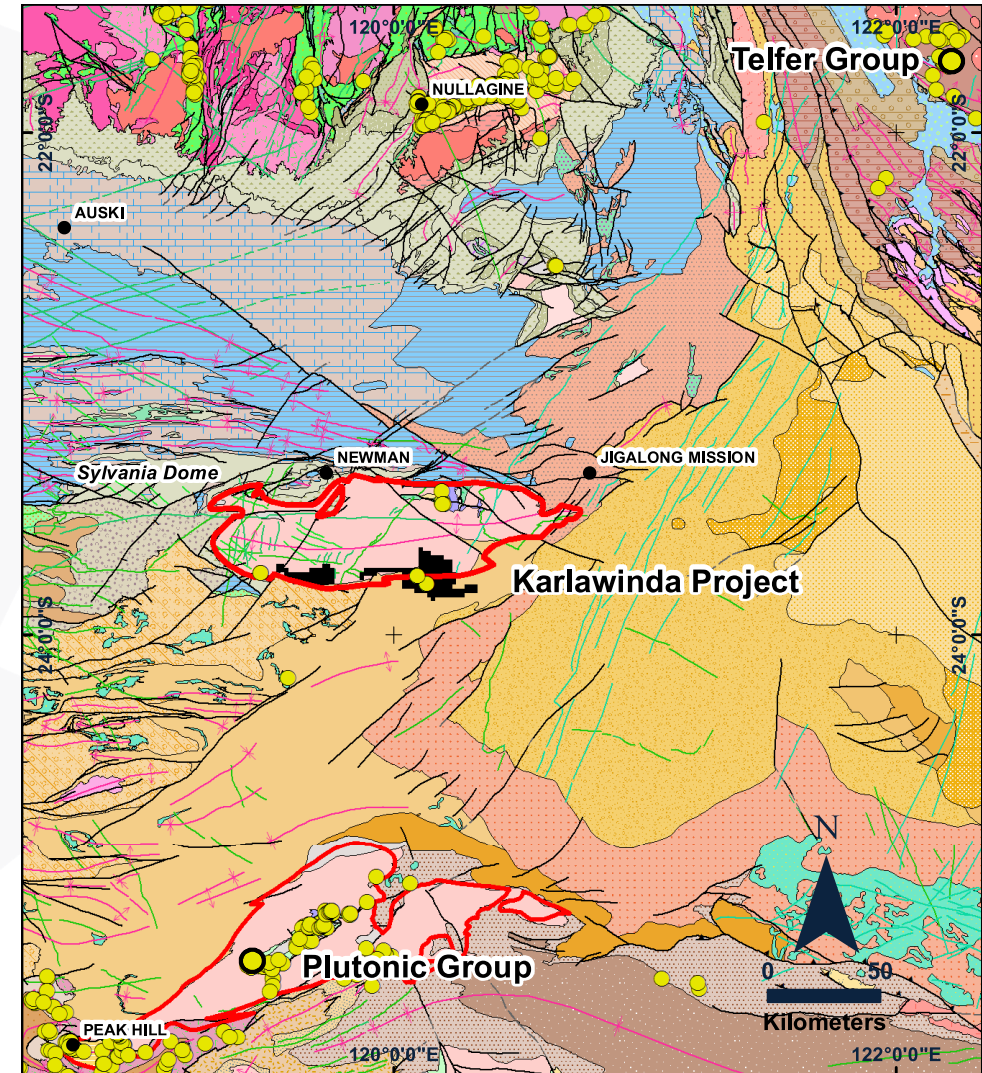
Placement of approximately 97.2 million shares to raise gross proceeds of A\$12.6 million

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Lead Manager	Euroz Securities Limited (Euroz or the Lead Manager)
Issuer	Capricorn Metals Limited (Capricorn)
Offer Type & Size	<ul style="list-style-type: none"> Placement of approximately 97.2 million ordinary shares (Placement Shares), representing 25% of the existing shares on issue via a single tranche placement to raise gross proceed of A\$12.6 million; and The Placement Settled DvP through Euroz
Offer Price	Placement Price of A\$0.13 per Share (Placement Price)
Discount	Placement Price of A\$0.13 per Share represents a: <ul style="list-style-type: none"> 13.3% discount to the last traded price on Friday, 23 April 2016 (A\$0.15) 8.5% discount to the 5-day VWAP on Friday, 23 April 2016 (A\$0.14) 8.5% discount to the 10-day VWAP on Friday, 23 April 2016 (A\$0.14)
Ranking	Pari passu with existing fully paid ordinary shares from allotment.
Offer Structure	An unconditional Placement of approximately 97.2 million Shares to raise minimum gross proceeds of A\$12.6 million under Capricorn's available 25% placement capacity pursuant to ASX Listing Rule 7.1 and ASX Listing Rule 7.1A, expected to settle on Tuesday 3 May 2016.
Use of Proceeds	Funds raised via the Placement will be applied to the completion of the scoping study and resource/reserve definition drilling for a definitive feasibility study, plus additional gold target testing at the Company's Karlawinda Gold Project, located 65km south-east of Newman, Western Australia.

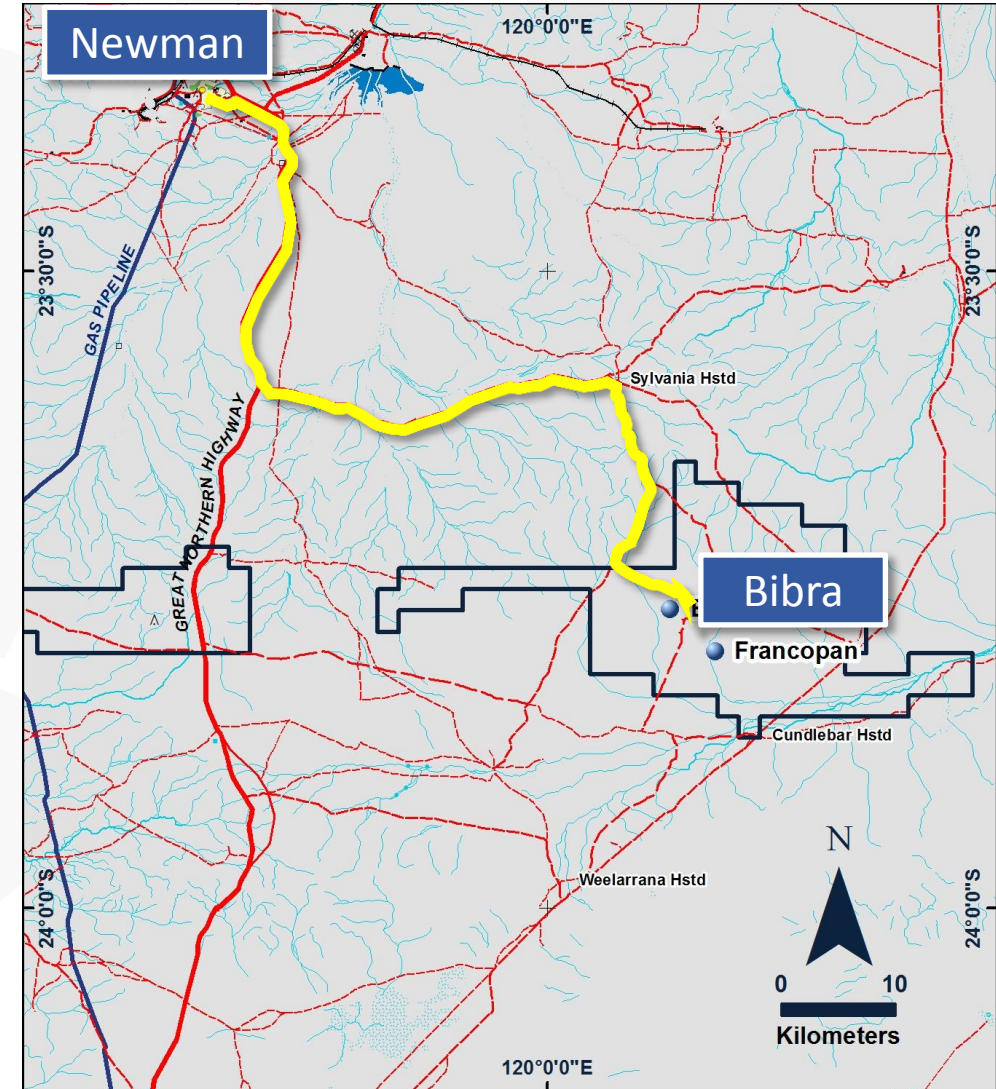
Karlawinda Gold Project – “Forgotten Opportunity”

- Gold discovered by WMC in 2005 while exploring for Ni/Cu mineralisation – no dedicated gold exploration
- IGO acquired the project from BHPB (following WMC takeover) in 2008 for \$4m
- Bibra Gold Deposit discovered by IGO in 2009 – surface geochemistry
- Drilling by IGO 2009-2012 outlined an inferred resource of 650,800 ounces within a broader zone of unclassified mineralisation
- No material activity 2013-2016
- Divested by IGO as focus now on core production and development assets – competition for capital



Karlawinda Gold Project – “Forgotten Opportunity”

- Malagasy / Greenmount merger February 2016
 - Renamed Capricorn Metals Limited
- Final payment to IGO \$1.5m due August 2016
- BHPB Royalty:
 - 2% Net Smelter Return
- BHPB Claw-back Right:
 - If >5Moz gold resource and/or 120kt nickel resource can buy back 70% interest at 3x costs
- 60km from premier WA mining town
 - Major infrastructure: sealed roads, airport, gas pipeline
 - Comprehensive mining services



Strategy & Activities – “In-Pit” Resource Expansion

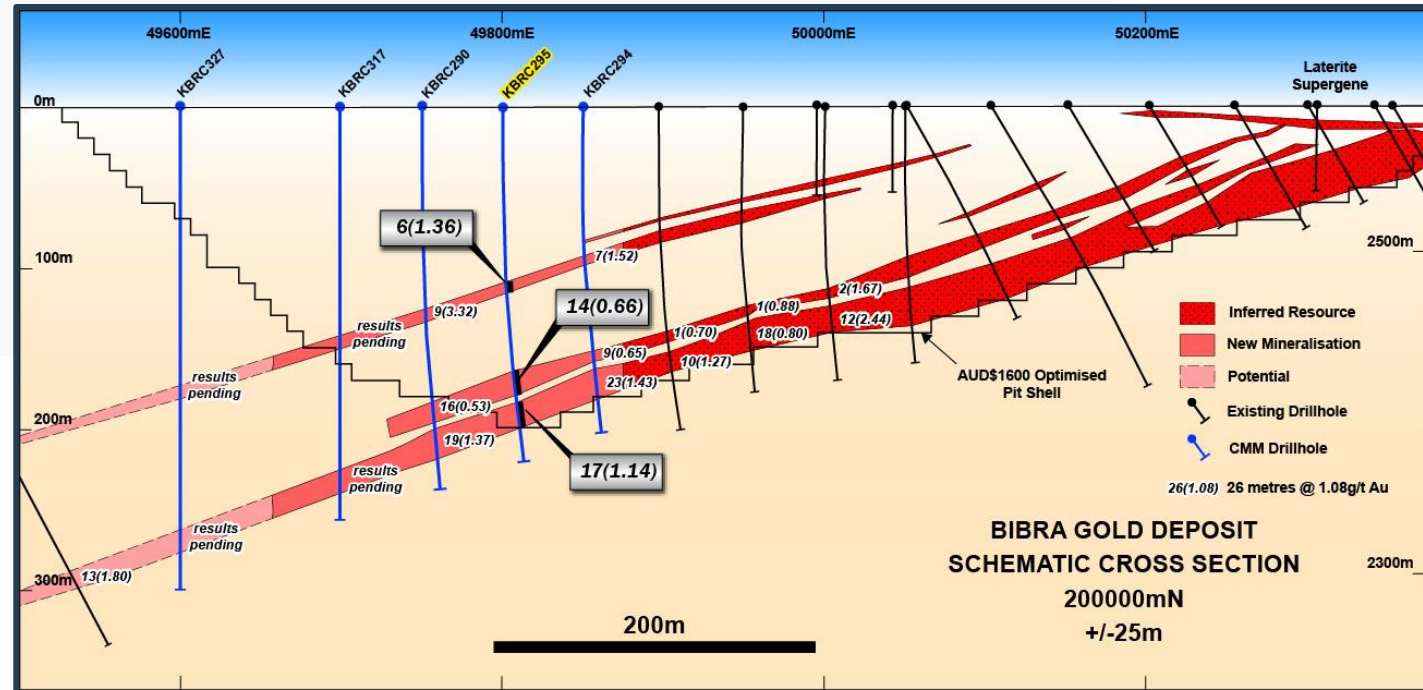
Bibra Gold Deposit

- Expand in-pit resources:
 - 9,642m RC drilling program (47 holes) completed
 - Mineralization in every hole
 - Strong results first 14 holes reported
 - Major opportunity to increase inferred resources
 - Updated resource by June 2016
- Review and build on Scoping Study information:
 - Already in a well advanced position
 - Gap analysis –completed
 - 2016 – lower CAPEX environment
 - Transition immediately to a feasibility study
- Mining Lease pegged, application underway



Bibra Resource

- JORC Compliant Inferred Resource:
 - 18 million tonnes @ 1.1g/t Au for 650,880oz
- “Virgin” resource with no legacy issues
- Mineralisation starts near surface:
 - Flat dipping geometry
 - Low stripping ratio (4:1)
- Thick, continuous tabular gold mineralisation
- High ounces per vertical metre
- Only 50 x 50m or closer drilled is classified as ‘Inferred Resource’
- No aircore intersections used in Resource
- Resource extension:
 - Current 47 hole (9,642m) RC drilling program confirming widths and grades



Bibra Resource

- JORC Compliant Inferred Resource*
 - 18mt @ 1.1g/t Au for 650,880oz gold to a depth of 230m
 - 240,300oz of near surface laterite and saprolite resource (0-65m)
 - Resource lies within much larger mineralised envelope
 - **Early drill opportunity to significantly expand in-pit resource**

Mineralisation Type	Tonnes (Mt)	Au (g/t) Cut	Ounces
Laterite	2.1	1.2	82,900
Upper Saprolite	0.8	0.9	21,700
Lower Saprolite	2.3	1.2	88,900
Transitional	1.3	1.1	46,800
Sub Total	6.5	1.1	240,300
Fresh	11.5	1.1	410,500
Total Inferred	18.0	1.1	650,800

Top Cut: 10g/t laterite, 16g/t main ore body

Lower Cut: 0.5g/t

Inferred Boundary: 50m x 50m drilling spacing or closer

Pit Constraint: A\$1600/oz optimal pit shell

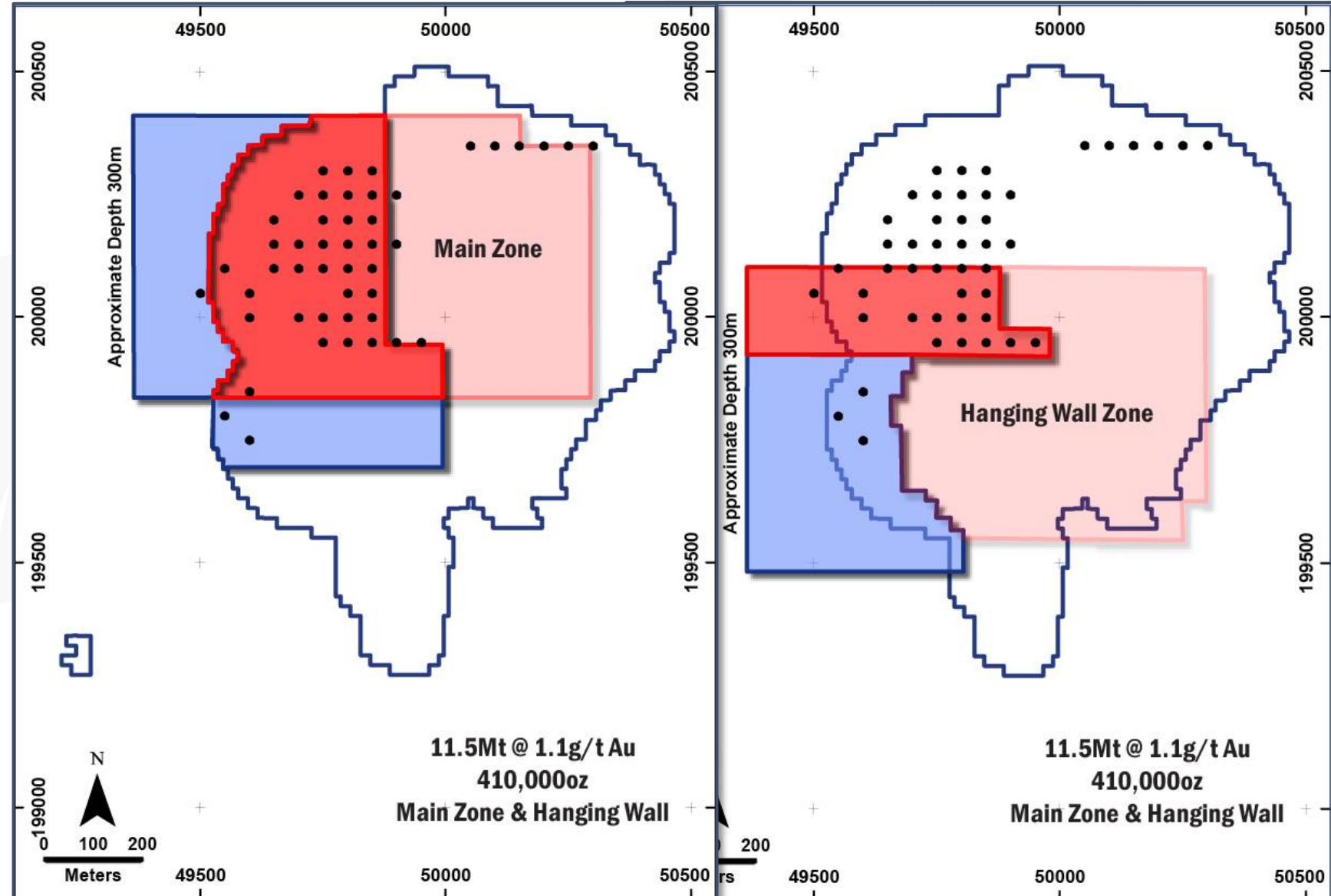
* See ASX announcement dated 6th October 2015 for JORC Table 1 details and drilling details

Bibra Resource

Strategy & Activities – “In-Pit” Resource Expansion

Expand in-pit resource:

- Significant opportunity to increase inferred resources with A\$1,600 pit shell
- Pending results from 33 holes
- Updated resource by June 2016
- Review and build on Scoping study information:
 - Well advanced position
 - Gap analysis – What is needed to bring this to feasibility study standard?
 - 2016- Lower CAPEX environment
 - Transition to feasibility study.
- Mining Lease Application underway

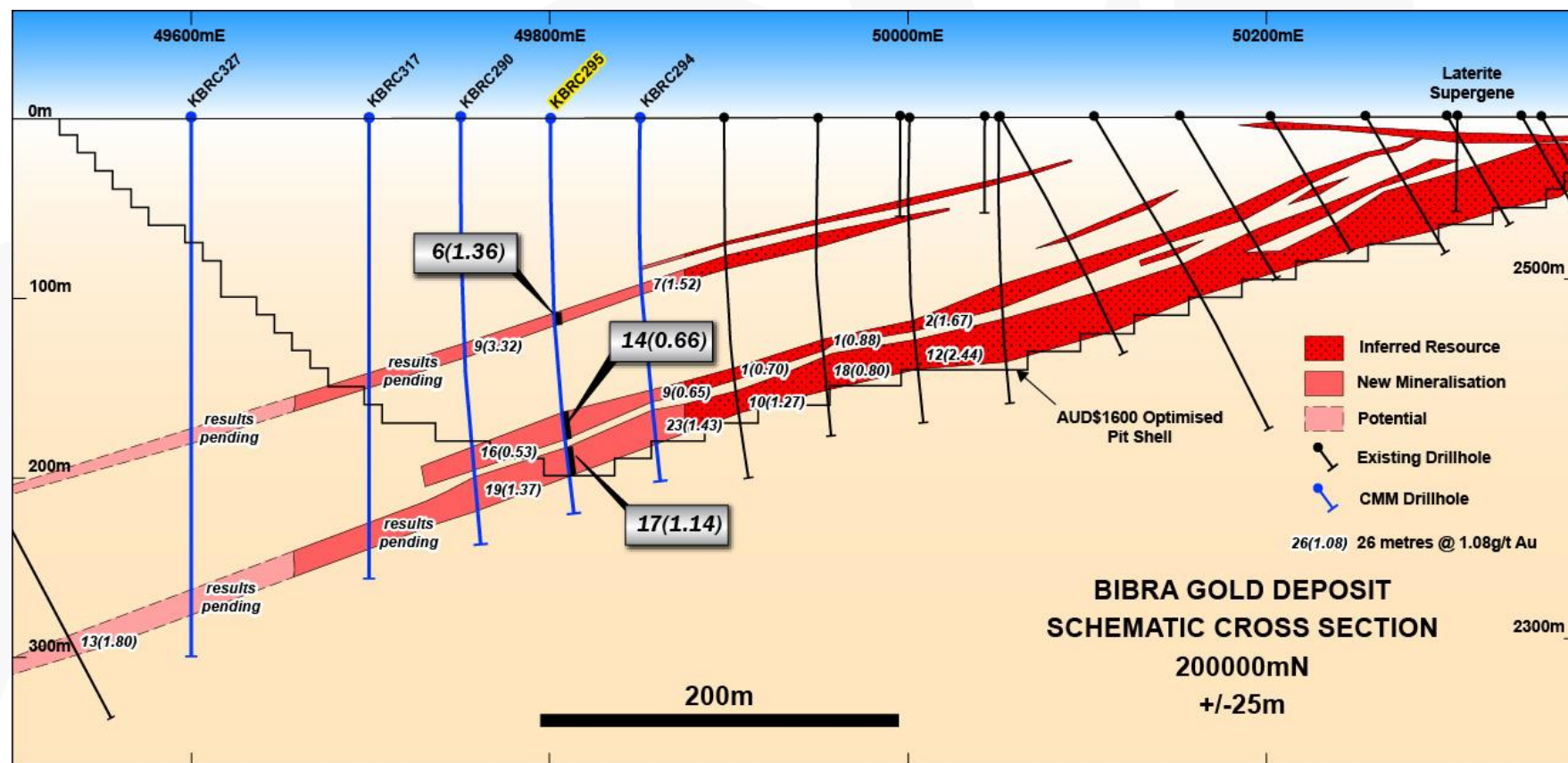


Bibra Resource

Recently announced drilling results:

KBRC 285:	9 metres @ 5.10g/t Au from 169m
	21 metres @ 1.33g/t Au from 190m
KBRC 284:	12 metres @ 1.00g/t Au from 162m
	13 metres @ 1.02g/t Au from 176m
KBRC 286:	15 metres @ 1.07g/t Au from 203m
KBRC 290:	19 metres @ 1.37g/t Au from 200m
	9 metres @ 3.32 g/t Au from 126m
KBRC 294:	23 metres @ 1.13g/t Au from 160m
KBRC 295:	6 metres @ 1.36g/t Au from 111m
	14 metres @ 0.66g/t Au from 167m
	17 metres @ 1.14g/t Au from 183m
KBRC 296:	5 metres @ 3.71g/t Au from 89m
	16 metres @ 0.87g/t Au from 138m
	19 metres @ 1.35g/t Au from 160
KBRC 297:	10 metres @ 1.09g/t Au from 160m
	22 metres @ 1.58g/t Au from 171m

(see ASX announcements: 13th and 22nd April 2016)



Strategy & Activities – Exploration

Regional



NEAR TERM UPSIDE!

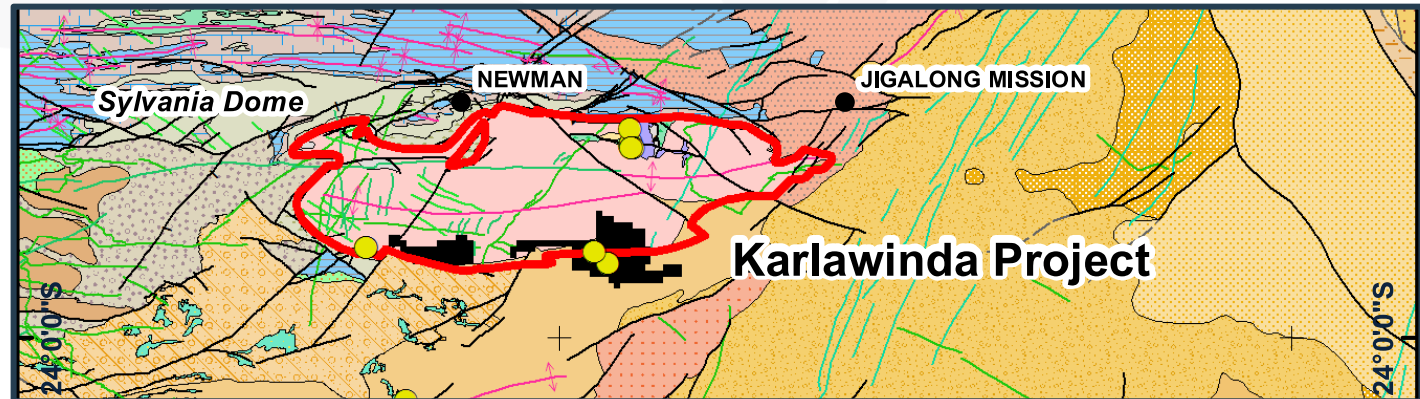
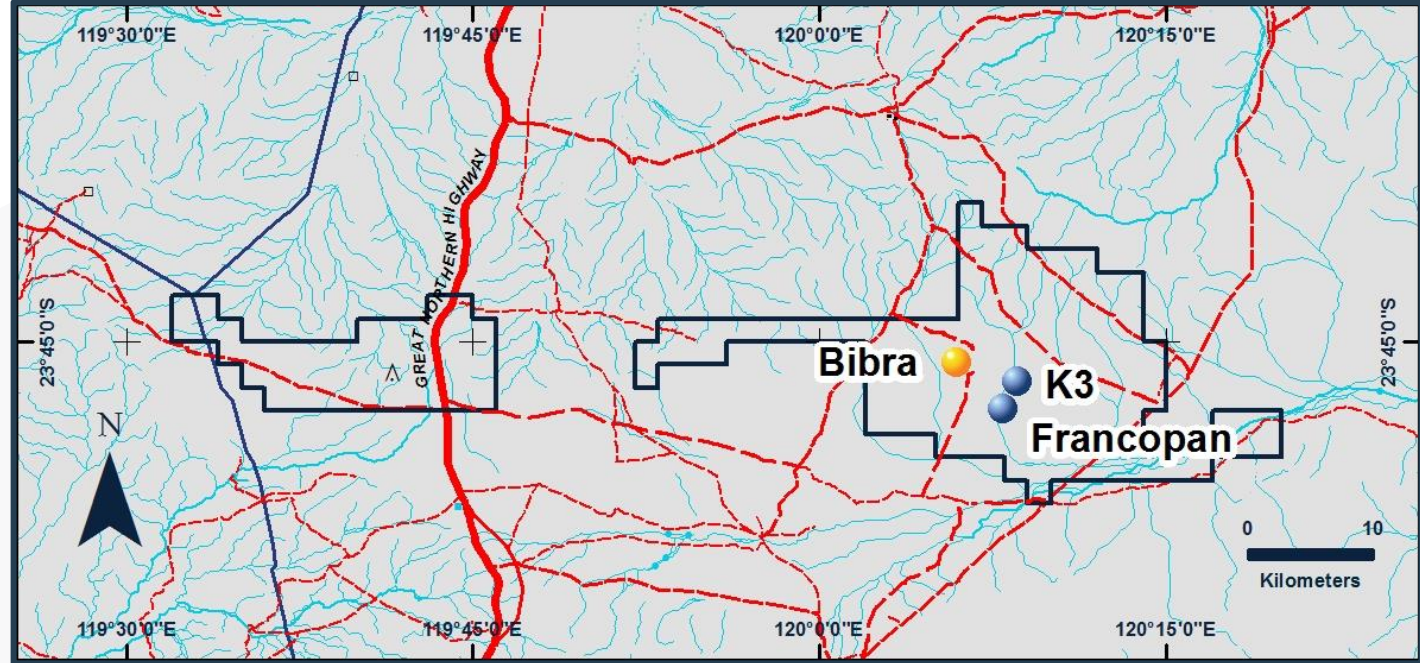
IS THIS A NEW GOLD PROVINCE?



Strategy & Activities – Exploration

Regional

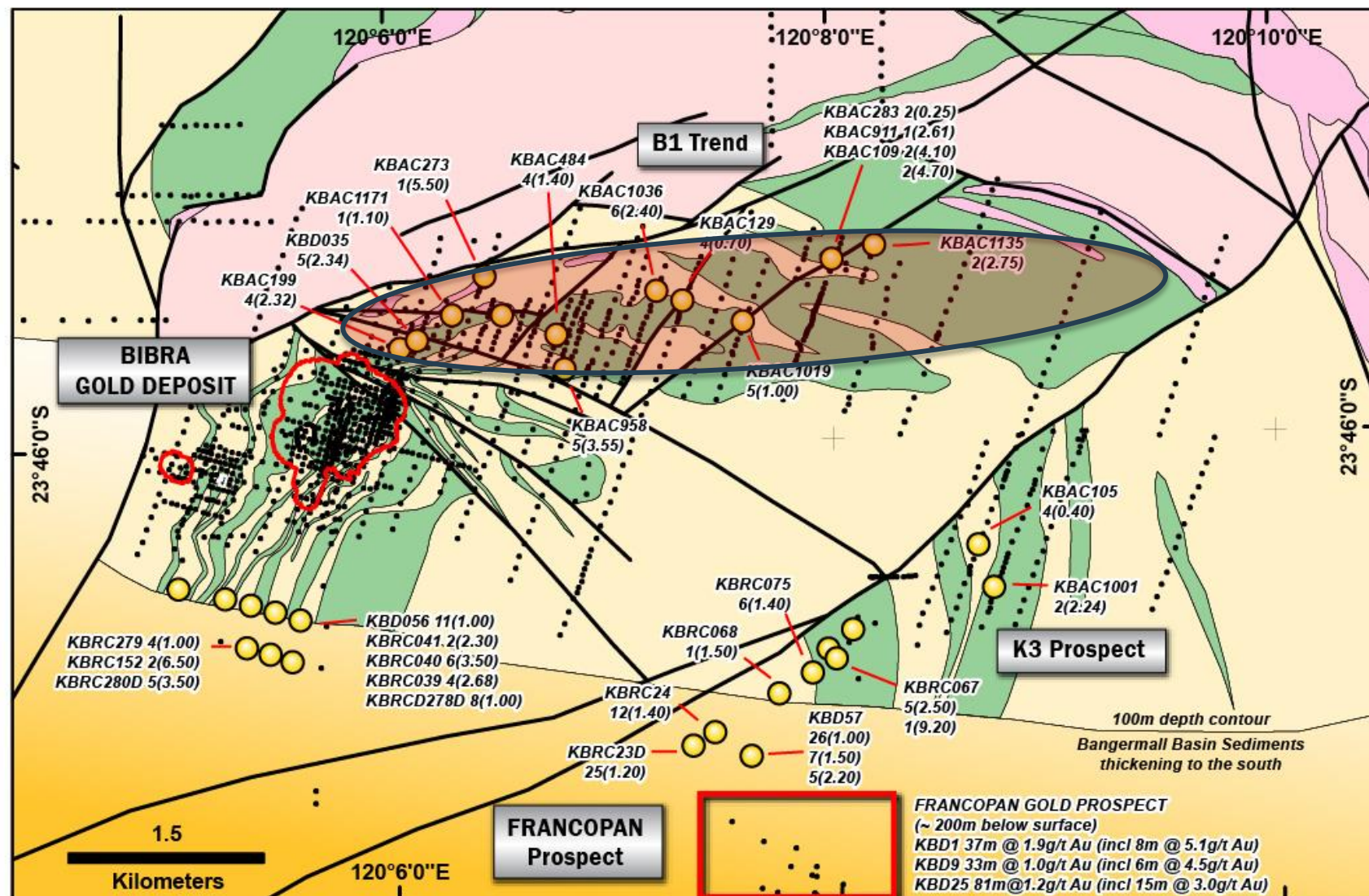
- Simple, consolidated, low-cost tenement package
- Large areas of Archaean greenstone under cover:
 - Shallow recent transported sediments
 - Bangemall Basin
- Comprehensive database for drill targeting:
 - 36,000m aircore drilling
- Numerous high priority prospects:
 - Bibra extensions
 - Francopan Prospect
 - K3 Prospect



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- The map displays the Bibra Gold Deposit and surrounding areas, including the B1 Trend, K3 Prospect, and Francopan Prospect. Drill results are indicated by yellow circles with labels such as KBAC273 1(5.50), KBAC484 4(1.40), KBAC1036 6(2.40), KBAC129 4(0.70), KBAC1019 5(1.00), KBAC958 5(3.55), KBAC1171 1(1.10), KBD035 5(2.34), KBAC199 4(2.32), KBAC283 2(0.25), KBAC911 1(2.61), KBAC109 2(4.10), KBAC1135 2(2.75), KBAC105 4(0.40), KBAC1001 2(2.24), KBRC075 6(1.40), KBRC068 1(1.50), KBRC24 12(1.40), KBRC23D 25(1.20), KBD57 26(1.00), KBRC067 5(2.50), KBD056 11(1.00), KBRC041 2(2.30), KBRC040 6(3.50), KBRC039 4(2.68), KBRC0278D 8(1.00), KBRC279 4(1.00), KBRC152 2(6.50), KBRC280D 5(3.50), and KBRC067 5(2.50). The map also shows the 100m depth contour, Bangermall Basin Sediments thickening to the south, and a scale bar indicating 1.5 Kilometers. The map is bounded by coordinates 120°6'0"E, 120°8'0"E, 120°10'0"E, and 23°46'0"S.

B1 Trend

- ~8km extension of the Bibra stratigraphy
- Wide spaced, shallow aircore drilling
- Area largely under transported cover
- Target numerous significant results in fresh rock and regolith
- Results include:
 - KBAC1135 2 metres @ 2.75g/t Au
 - KBAC1036 6 metres @ 2.40g/t Au
 - KBAC0958 5 metres @ 3.55g/t Au
 - KBD035 5 metres @ 2.34g/t Au
 - KBAC0199 4 metres @ 2.32g/t Au

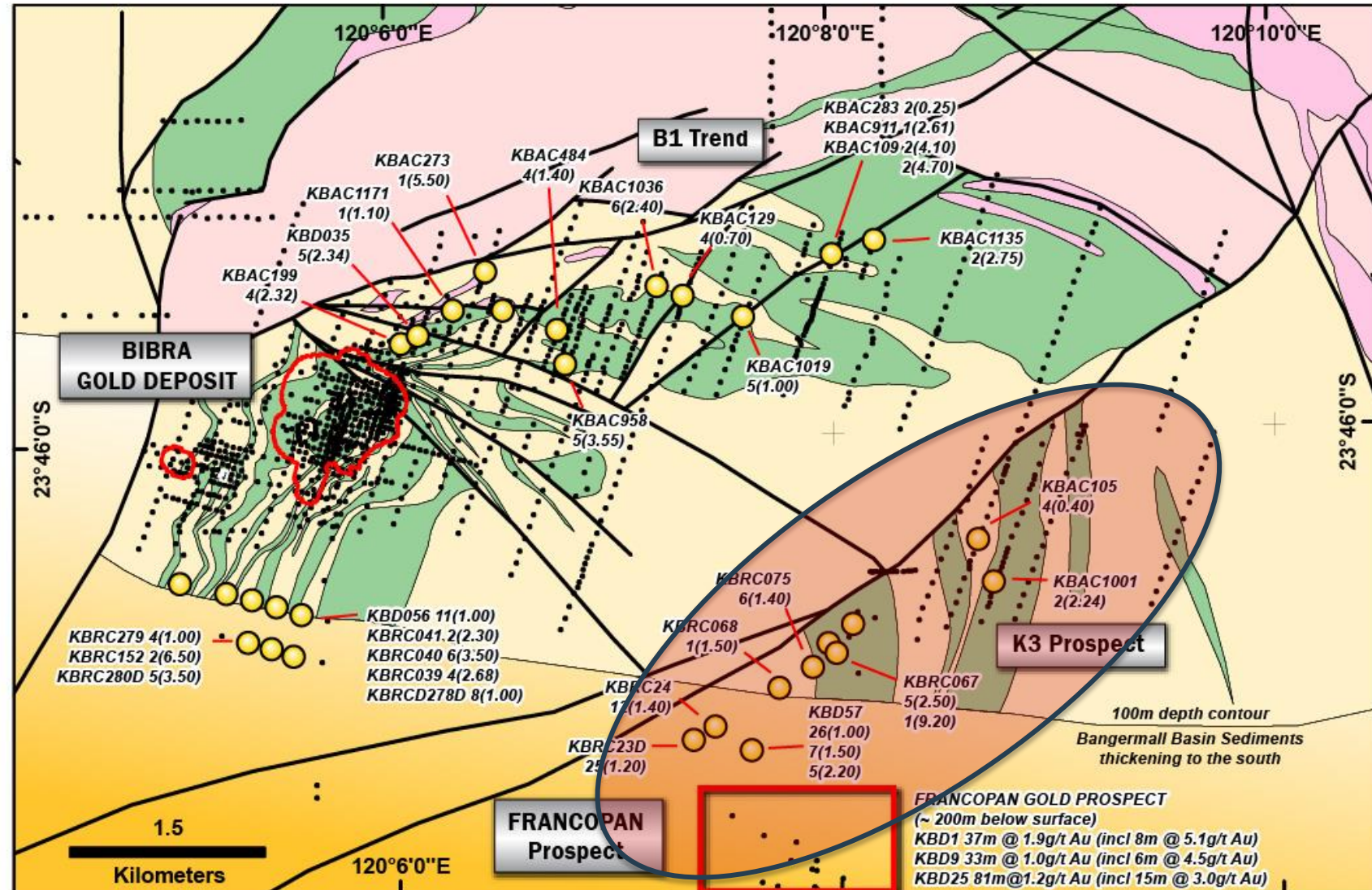


Strategy & Activities – Exploration

Regional

Francopan-K3 Prospects

- Confirmation this is a large-scale Archaean gold system!
- Gold mineralisation intersected over 5km!
- Major fault zone
- Limited drilling
- Bangemall cover sequence
- Results include:
 - KBD025: 81m @ 1.2g/t Au. Includes:
 - 7m @ 3.5g/t Au (**1m @ 20.3g/t Au**)
 - 15m @ 3.0g/t Au
 - 6m @ 3.1g/t Au
 - KBD009: 33m @ 1.0g/t Au. Includes:
 - 6m @ 4.5g/t Au (**1m @ 18.3g/t Au**)
 - KBD001: 37m @ 1.9g/t Au
 - 8m @ 5.1g/t Au (**1m @ 21.8g/t Au**)



Summary

- Rapid pathway to production, risks well understood
- Resource expansion drilling program – completed
- Awaiting results from 33 drill holes – ongoing news flow
- Resource upgrade – June 2016
- Scoping Study – July 2016
- Supportive cornerstone shareholders
- Placement Funds for:
 - completion of the scoping study
 - resource/reserve definition drilling
 - definitive feasibility study
 - additional gold target testing