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CAPRICORN RAISES \$200 MILLION TO DELIVER KARLAWINDA EXPANSION PROJECT & MT GIBSON DEVELOPMENT

- Capricorn has received firm commitments for an institutional placement to raise a total of \$200 million (before costs)
- Placement issue price of \$6.00 per share, representing a discount of 4.9% to the last closing price of \$6.31 and a 5.8% discount to the 5-day trading volume weighted average market price (VWAP) of \$6.37.
- Bookbuild saw significant demand from leading institutional investors both domestically and internationally, with strong support from existing institutional shareholders.
- Proceeds from the placement will be used to fund:
 - Development of the Karlawinda Expansion Project (KEP) through a 2.5Mtpa increase in processing capacity to 6.5Mtpa to increase gold production at the project to 150,000 ounces per annum;
 - Detailed plant design, engineering & drawings and long lead equipment purchasing where advantageous at both the KEP and the Mt Gibson Gold Project (MGGP);
 - Accelerated exploration at MGGP aimed at continued resource and reserve growth along with expediting drilling focussed on areas of the resource and beyond presenting potential underground resource and mining opportunities; and
 - Working capital and balance sheet strength to provide optionality around debt repayment and further gold hedging closures.
- Development of both KEP and MGGP expected to be fully funded – no further debt or mandatory gold hedging expected to be required.
- Development of the KEP and MGGP will see Capricorn on a path to >300,000¹ ounces gold production per annum, with operating costs in the lowest quartile of the Australian gold mining industry. This growth is underpinned by Capricorn's 3.3Moz reserve base at two quality projects with long mine lives (10 years) in the tier one location of Western Australia.

Announcement

Capricorn Metals (ASX:CMM) (Capricorn or the Company) is pleased to announce it has received firm commitments for an institutional placement of new fully paid shares to raise \$200 million (before costs) at an issue price of \$6.00 per share. The placement was strongly supported by existing institutional shareholders and new high quality Australian and international institutional investors.

The placement proceeds, together with current cash reserves and the expected future free cash flow generated from Karlawinda, are expected to fully fund the development of the KEP and MGGP. This underpins Capricorn's clear development pathway to become a 300,000 ounce per annum gold producer.

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1. "300,000 ounces per annum" production profile includes the combination of KGP expansion target noted in ASX announcement on 29 October 2024 and the addition of MGGP production, per PFS results which should be read in conjunction with Risks outlined in ASX announcement on 19 April 2024.

Placement Details

The Company has received firm commitments from sophisticated and professional investors under the Placement to raise approximately \$200 million (before costs) through the issue of 33,333,334 shares at an issue price of \$6.00 per share.

The issue price of \$6.00 per share represents a 4.9% discount to Capricorn's last traded price of \$6.31 on Tuesday, 29 October 2024, and a 5.8% discount to Capricorn's 5-day VWAP of \$6.37.

Capricorn shares are expected to resume trading on the ASX from market open today, Friday 1 November 2024. Settlement of the new shares is expected to occur on 7 November 2024, with allotment on 8 November 2024. Upon completion of the placement the 33,333,334 new shares will represent approximately 8.8% of the expanded share capital of the Company.

The placement shares will be issued using the Company's existing capacity under ASX LR 7.1.

Advisers

Argonaut Securities Pty Limited acted as sole Global Coordinator, Joint Lead Manager and Joint Bookrunner, alongside Bell Potter Securities Limited acting as Joint Lead Manager and Joint Bookrunner to the Placement. Barrenjoey Markets Pty Limited and Jarden Australia Pty Ltd acted as Co-Managers to the Placement.

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

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Forward Looking Statements

This announcement may contain certain "forward-looking statements" which may not have been based solely on historical facts, but rather may be based on the Company's current expectations about future events and results. Where the Company expresses or implies an expectation of belief as to future events or results, such expectation or belief is expressed in good faith and believed to have a reasonable basis. The detailed reasons for that conclusion are outlined throughout this announcement and all material assumptions are disclosed.

However, forward looking statements are subject to risks, uncertainties, assumptions and other factors, which could cause actual results to differ materially from future results expressed, projected or implied by such forward-looking statements.

Such risks include, but are not limited to resource risk, metals price volatility, currency fluctuations, increased production costs and variances in ore grade or recovery rates from those assumed in mining plans, as well as governmental regulation and judicial outcomes.

For a more detailed discussion of such risks and other factors, see the Company's Annual Reports, as well as the Company's other filings. Readers should not place undue reliance on forward looking information. The Company does not undertake any obligation to release publicly any revisions to any "forward looking statement" to reflect events or circumstances after the date of this announcement, or to reflect the occurrence of unanticipated events, except as may be required under applicable securities laws.

Competent Person's Statement

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 1 August 2024 entitled "KGP Ore Reserve Increases to 1.43Moz's". The information relating to the Ore Reserves and Mineral Resources for the Mt Gibson Gold Project Gold Project was contained in the Company's ASX announcement dated 19 April 2024 entitled "MGGP Ore Reserve Grows to 1.83 Million Ounces". The reports are available to view on the ASX website and on the Company's website at www.capmetals.com.au.

The Company confirms that it is not aware of any new information or data that materially affects the information included in the ASX announcements 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.