



CAPRICORN RAISES \$12.6M TO ADVANCE KARLAWINDA GOLD PROJECT

Proceeds from strongly supported placement to be used to fast-track resource/reserve development, development studies and exploration

29th April 2016: Capricorn Metals Ltd (ASX: CMM) (**Capricorn** or the **Company**) is pleased to announce that it has successfully raised \$12.6 million through a strongly supported share placement to advance its flagship Karlawinda Gold Project in Western Australia to the next stage.

The placement, comprising 97.2 million fully paid ordinary shares, was undertaken to institutional and sophisticated investors at an issue price of 13 cents per share. This represents an 8.5% discount to the 5-day volume weighted average price (VWAP) of 14.2 cents per share.

The funds raised will significantly strengthen Capricorn's balance sheet, putting it in a strong position to fast-track the development of the Karlawinda Project, located 65km south-east of Newman in WA, and realise its objective of becoming a significant new Australian gold producer.

The proceeds of the raising will be used to complete the current Scoping Study (due for delivery by mid-year), as well as to fast-track resource/reserve definition drilling and to test a number of newly identified gold targets in close proximity to the existing resource.

Capricorn's Managing Director, Mr Peter Thompson said the Company was delighted with the response to the capital raising, both from existing shareholders and from a number of new institutional and sophisticated investors.

"This is a great result which reflects the quality of the asset we are developing at Karlawinda, the experience and capability of the team we have put in place, and the strength of our strategy – which is to become a low-cost, high-margin gold producer," he said.

"I would like to take this opportunity to thank all of the investors who participated in this raising, including several of our existing cornerstone shareholders, and to welcome the new shareholders as we embark on this next important stage of the Company's development."

Euroz Securities Limited acted as Lead Manager and Bookrunner for the issue. Patersons Securities Limited was Co-Manager.

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