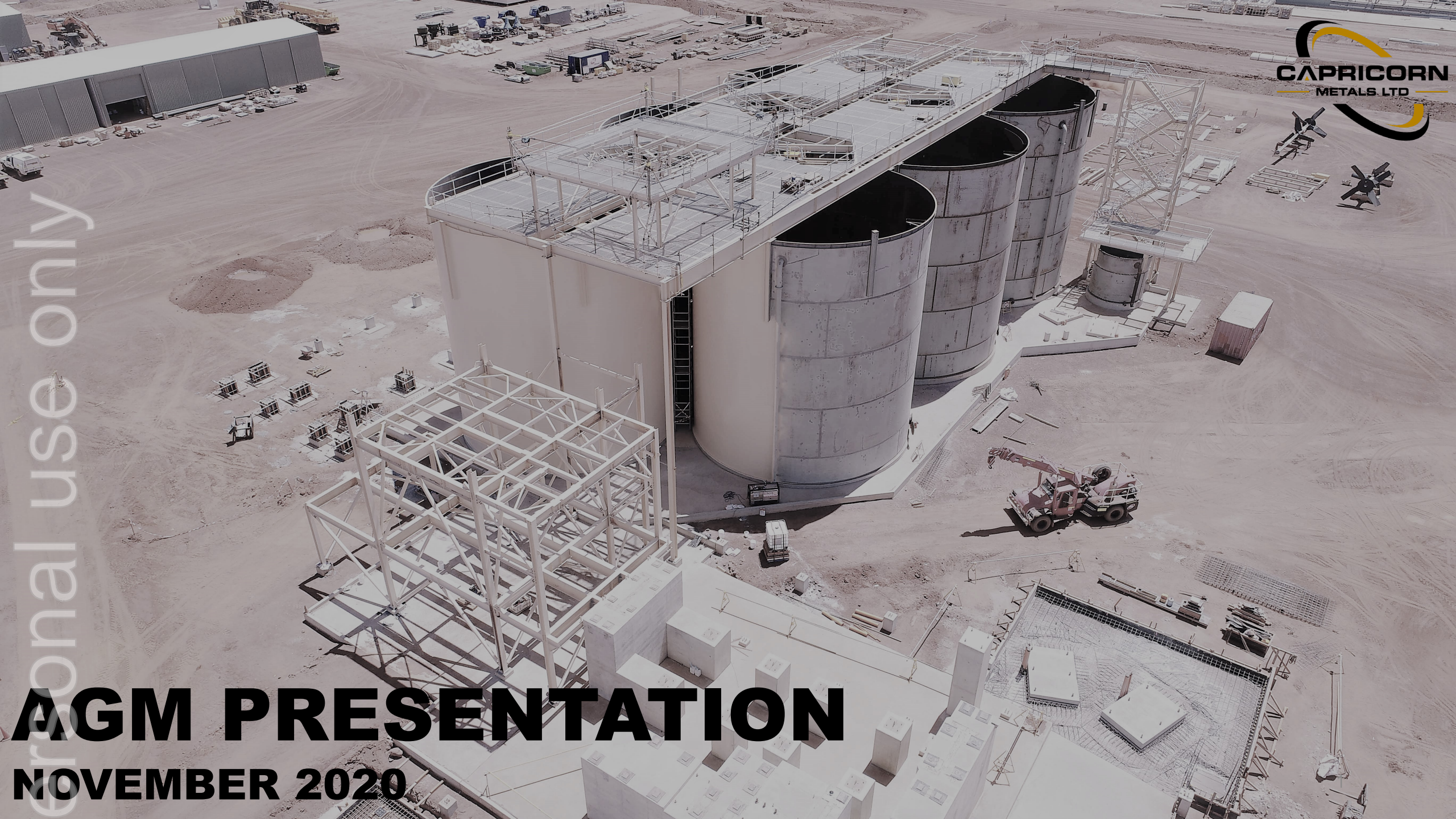


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# AGM PRESENTATION

NOVEMBER 2020



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## COMPETENT PERSON'S STATEMENT

The information in this presentation that relates to Exploration Results is extracted from the ASX announcements released 27 October 2020 entitled "Quarterly Report and Cashflow Report" 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place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.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 information in this presentation that relates to Mineral Resources or Ore Reserves is extracted from the Mineral Resource and Ore Reserve Statement released to the Australian Securities Exchange on 17 April 2020 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place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

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The detailed information relating to the Ore Reserves and Mineral Resources reported in this presentation were announced in the Company's ASX announcement dated 17 April 2020. The Company confirms that it is not aware of any new information or data that materially affects the information included in the ASX announcement dated 17 April 2020 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.

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# Chairman's Address

# Capricorn Metals 2020 AGM

## 1. 2020 a transformational year

- Development of Karlawinda Gold Project has gone from dream to reality

## 2. Karlawinda a unique opportunity on the Australian gold landscape

## 3. A\$ gold price continues to be strong and we have the project to capitalise on this

- 1.2Moz reserve (A\$1600/oz GP) / 2.1Moz resource (A\$2,000/oz GP)
- Technically and economically robust and being progressively de-risked

## 4. Two important milestones (amongst many others) in last 3 months

- Earthmoving contract pricing validates our budget and gives us optimism that the reserve is just “stage 1”
- Grade control – first 4Mt of ore in line with reserve, nearly a year of ore supply confirmed

## 5. KGP cash flow generation will drive value....and may well surprise!

- Low AISC of operation
- Minimal “sustaining”, “growth”, “future proofing” capital above AISC

## 6. We have the people to grow a great company

- Experienced, invested and committed

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# CEO Presentation

## 12 Months of Achievement

- DFS update completed - project targeting **annual production of 110-125kozpa**
- **Construction commenced** in December 2019 quarter and is expected to be on time and on budget with first gold expected in June 2020 quarter
- Execution of **\$100m MBL financing facility** in December 2019 underpins the development of the project
- Implementation of **COVID-19** protocols to manage the impact of coronavirus with **limited impact** on development
- Reserve and Resource update in April 2020 **increased reserves by 35% to 1.2Moz<sup>(1,3)</sup> and Resources by 41% to 2.1Moz<sup>(1,2)</sup>**
- **Key project contracts executed** including mining contract, power supply agreement and gas transportation agreement
- Modification of plant design in July 2020 led to **increased capacity** of processing facility



# Karlawinda Gold Project

## Standout WA greenfields gold development project

- Premier mining jurisdiction with access to key infrastructure
- 2.1 Moz Total Mineral Resources<sup>1,2</sup>
- 1.2 Moz Open Pit Ore Reserve<sup>1,3</sup>
- Annual production target 110,000 - 125,000 ounces
- AISC target A\$1,140 – 1,190 per ounce

## Development of the Karlawinda Gold Project progressing well

- Single large, low strip ratio open pit
- 4.0 – 5.0 Mtpa CIL processing plant – 3 stage crushing and ball mill maximum flexibility and throughput
- 10+ year mine life on current Reserves with potential for future growth:
  - Deposit geometry amenable to cutbacks to mine downdip resources once cost structures established - mine life extension & resource conversion
- Capex estimate A\$165 – 170 million
- Project to date expenditure \$62.4m with current available funding of \$129.3 million – 23% contingency allowance

## Project Fully Financed

- \$49.3 million cash at bank (Sept 2020)
- \$100 million financing facilities executed with Macquarie Bank
- 200,000 oz gold hedging rolled out at flat forward price of A\$2,250/oz



## Development Update

- 306-room accommodation village operational since April 2020
- Completion of 44km site access road
- Orders placed for all processing equipment with some major equipment already delivered. Ball mill expected to arrive in December 2020
- Key project contracts executed including gas transportation, power supply and mining services
- Mechanical plant design complete with final shop detailing nearing completion
- Electrical plant design well advanced, construction of power station commenced and electrical installation contract awarded





## Development Update

- Significant progress on concrete and civil earthworks with ball mill and crushing circuit area completed
- CIL tank erection complete and structural steel installation progressing
- Gas lateral pipeline arrived onsite in November 2020, installation expected to commence shortly



# Development Update

- Mobilisation of mining equipment, pre-stripping commenced and first blast fired in October 2020.
- Grade control drilling on Bibra laterite zone validating reserve model - 45,000 metres drill, circa 4Mt of production ~ 1 years production
- TSF preparation completed with trenching of keyway progressing



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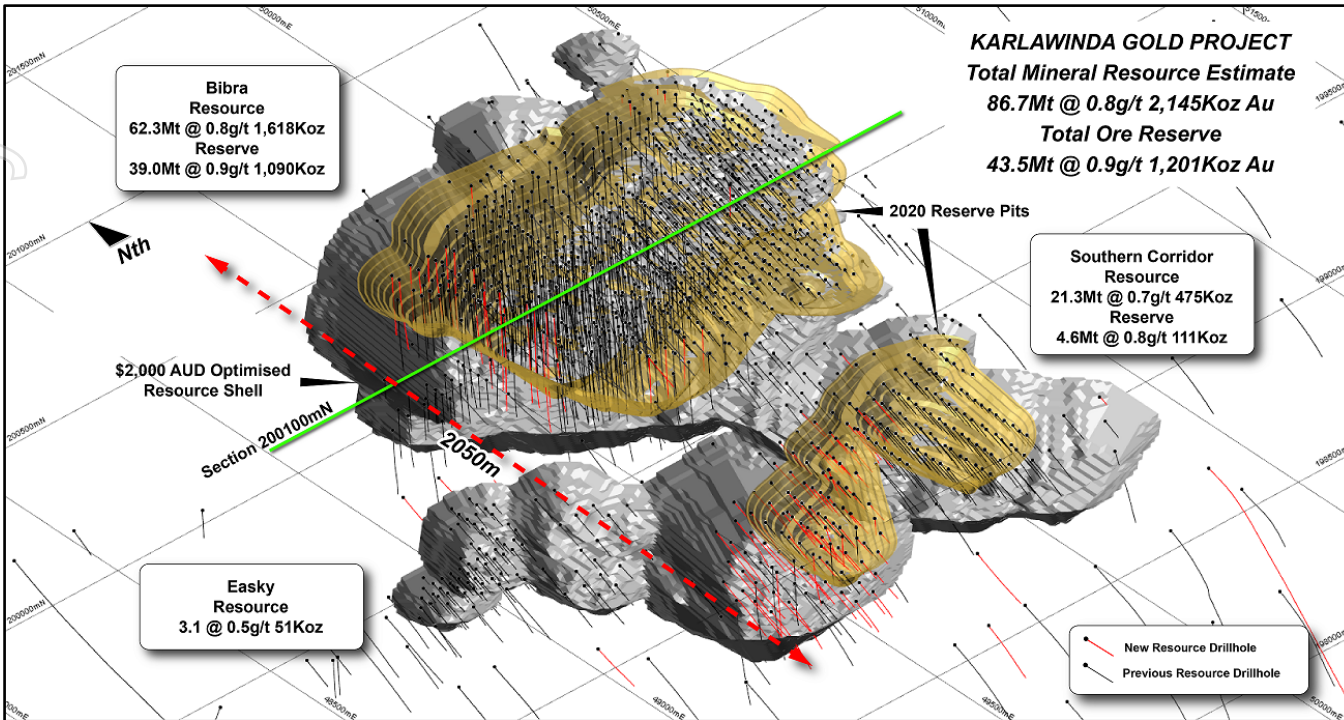
## Development Update



KARLAWINDA GOLD  
PROJECT

**Video**

# Bibra Mineral Resource and Ore Reserve Growth



**Ore reserves 1.2 million ounces**

## Reserve and Resource Update April 2020

Ore Reserves increase by 35% to **1.2Moz**

- Mine life increased to over 10 years
- Strip ratio reduces from 4.8 to 3.6

Resource increased by 41% to **2.1Moz**

Gold price used:

- Reserve A\$1,600/oz
- Resource A\$2,000/oz

Max vertical depth of pits:

- Reserve 250m
- Resource 312m

	Tonnes (M)	Grade (g/t)	Ounces
<b>Proved &amp; Probable Reserves*</b>	<b>43.5</b>	<b>0.9</b>	<b>1,201,000</b>
M & I Resources	67.2	0.8	1,722,000
Inferred Resources	19.5	0.8	422,000
<b>Total Resources*</b>	<b>86.7</b>	<b>0.8</b>	<b>2,145,000</b>

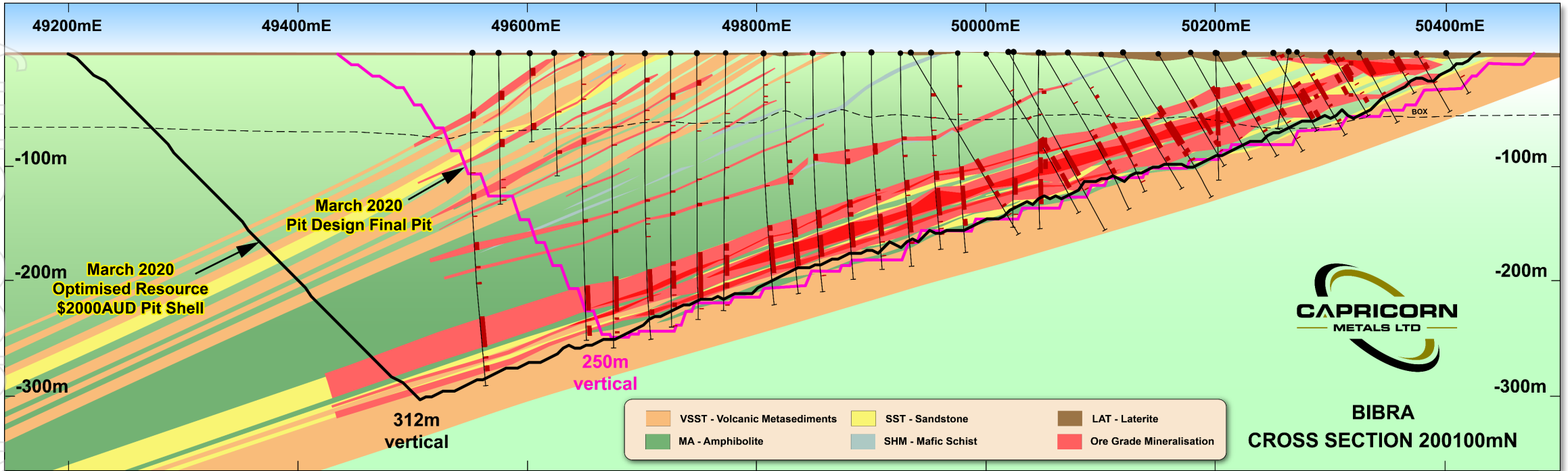
\* Refer to Listing Rule 5.23 Disclosure on page 2.

\* Refer to slide 21 for full details of the Mineral Resource.

\* Refer to slide 22 for full details of the Ore Reserve.

# Inherent Scope for Mine Life and Reserve Extension

## Orebody Geometry & Continuity – Resource to Reserve Conversion



### Geometry & Continuity

- Shallow vertical depths (vd):
  - Reserve 250m
  - MRE 312m
- Mineralisation confirmed at 600m vd\*

### Optionality

- 937,000oz of MRE not yet in Reserve
  - primarily located down dip of current pit design (ie 250-312m vd)
- Decision on cutbacks to bring MRE ounces in to mine plan expected once operation cost structures established

### Outlook

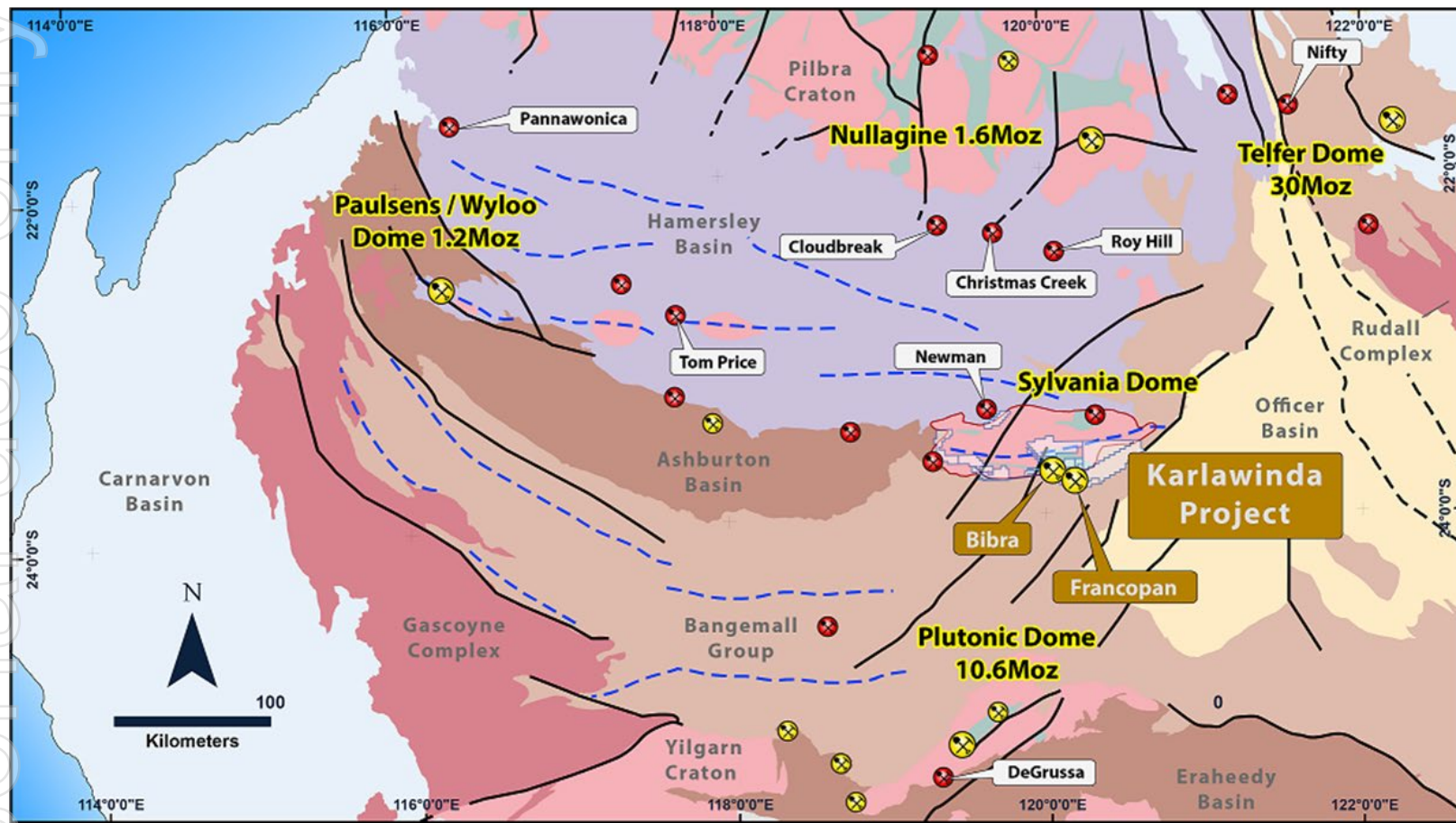
- Decision revolves around gold price and strip ratio matrix:
  - Reserve & MRE gold prices A\$700-\$1000/oz below spot!
  - Low strip ratio 3.6 on current reserve

**Very promising for mine life extension**

\* 2019 WA Government co-funded hole

# Karlawinda (KGP) Exploration Opportunity

## Gold in the Pilbara - Iron Ore Country??



### Background to the Opportunity

- Gold occurrences in WA most commonly associated with Archean (3.8-2.8Ga) age rocks
- KGP occurs in the small (>100km wide) Sylvania Dome which is part of the much larger Pilbara Craton (Archean rocks)
- Most of southern portion of Pilbara Craton is overlaid by Hamersley Basin (younger 2.8-2.4Ga rocks) – famously associated with Iron Ore

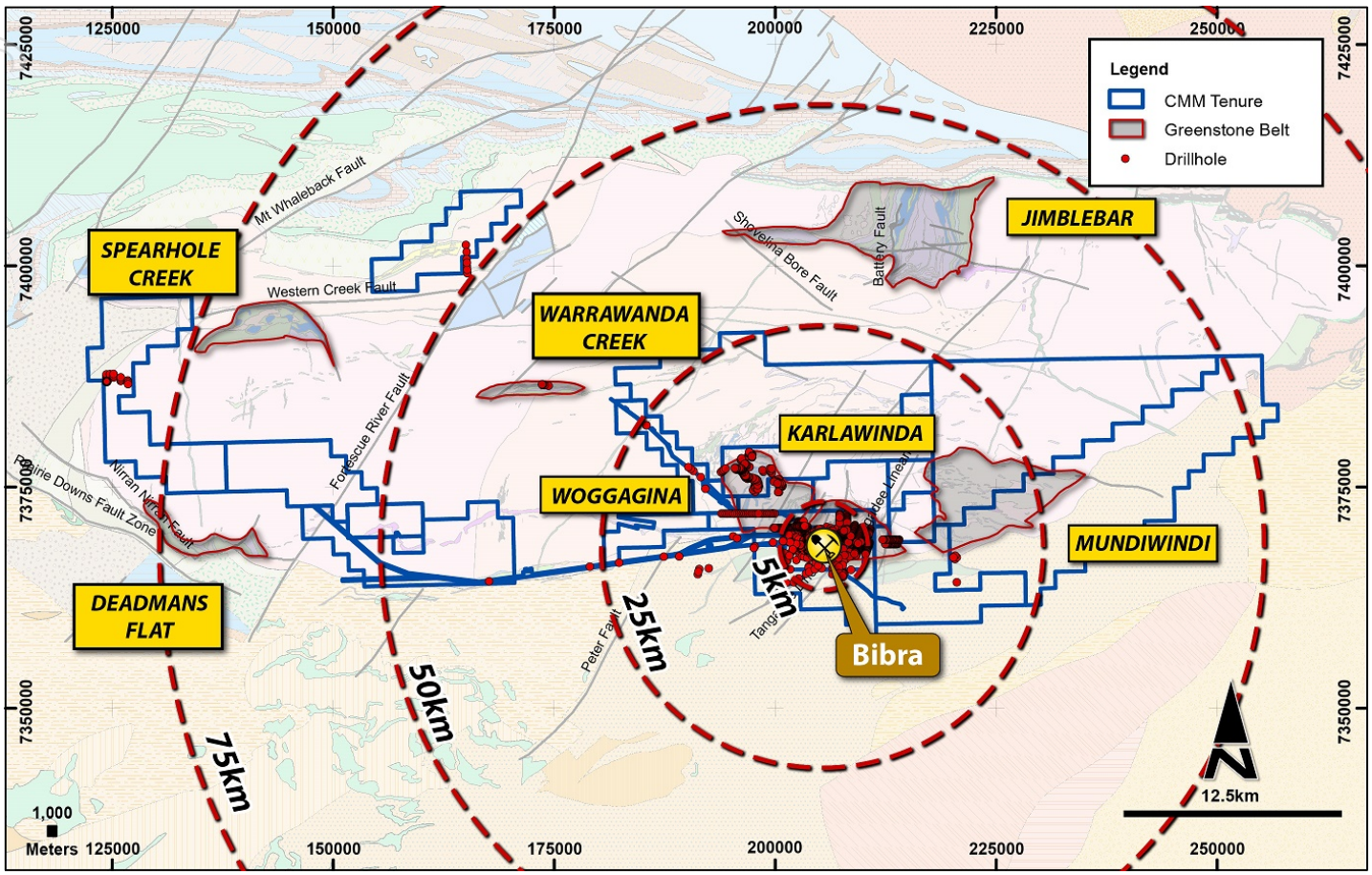
**Very little modern exploration focus in the region for gold**

**Camp scale gold discovery at KGP unlocks the potential**

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# Unlocking the potential of a new gold camp at KGP

*Time to look up from working on the first mine (Bibra)*



## What do we know about KGP?

- CMM owns 2,042km<sup>2</sup> of exploration & mining tenure at KGP (>100km E-W)
- Tenure hosts significant greenstone belt endowed with economic gold mineralisation (Bibra > 2.1Moz\*)
- Project lifetime drilling 267,000m
- 97% of drilling within 50km<sup>2</sup> (4km radius) area around Bibra deposit
- Mundiwindi greenstone identified from soil sampling, mapping in 2018. Not drilled.

**Almost no significant, modern exploration completed on the large Archean greenstone holding outside first discovery position**

\* Refer to Listing Rule 5.23 Disclosure on page 2.  
\* Refer to slide 21 for full details of the Mineral Resource

# Once a mill is turning the district potential becomes real

## Exploration Strategy

### 1. Drill out resources

- Extend and convert resources to mine plan
- 2019 drill campaign underpinned April 2020 reserve upgrade
- Hiatus for now, next drilling on resource will be once ops running

### 2. Near mine (<15km) drilling

- Targeting shallow “Bibra repeats” from numerous prospective targets
- The best place to find new resources is near the processing plant

### 3. Greenfields exploration

- Large regional tenure holdings (>2,000km<sup>2</sup>)
- Cost effective first pass exploration tools proven to work at KGP
  - Soil geochemistry & geophysics - both are markers for Bibra and other deposits at KGP
- First pass aircore drilling of priority targets

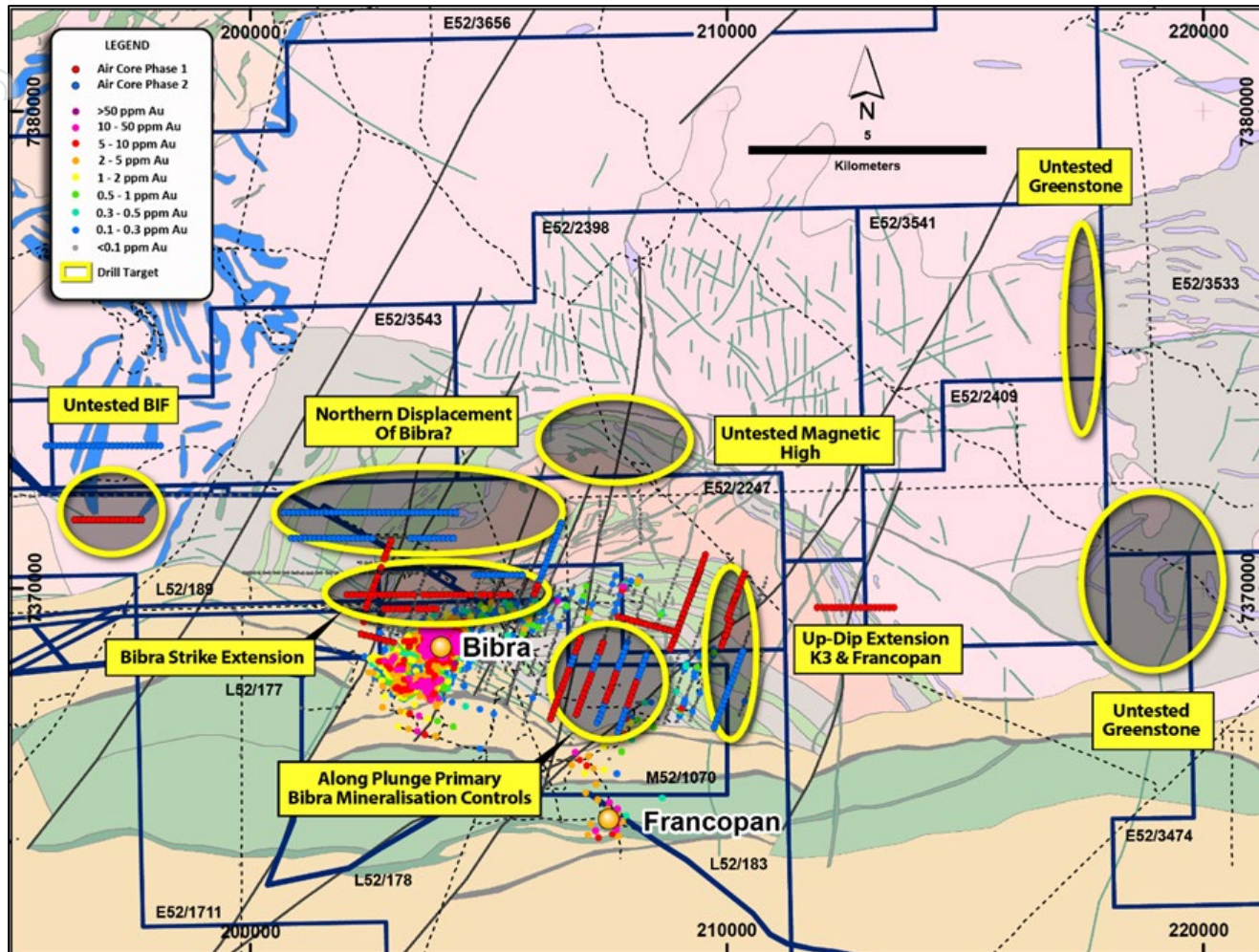
**We aim to replicate our past experience – development of a mine in a prospective district will see good exploration unlock the endowment of the region.**





# Near mine exploration potential

## 8 Targets within 15km of Processing Plant Site



### Near mine is where we have most data

- 8 high-quality targets identified from existing geological, geophysical and geochemical datasets
- Targets within 15km of processing plant
- Geochemical anomalies with little to no historic drilling
- Coincidental to major fault structures and geological contacts that contain gold mineralisation along strike.

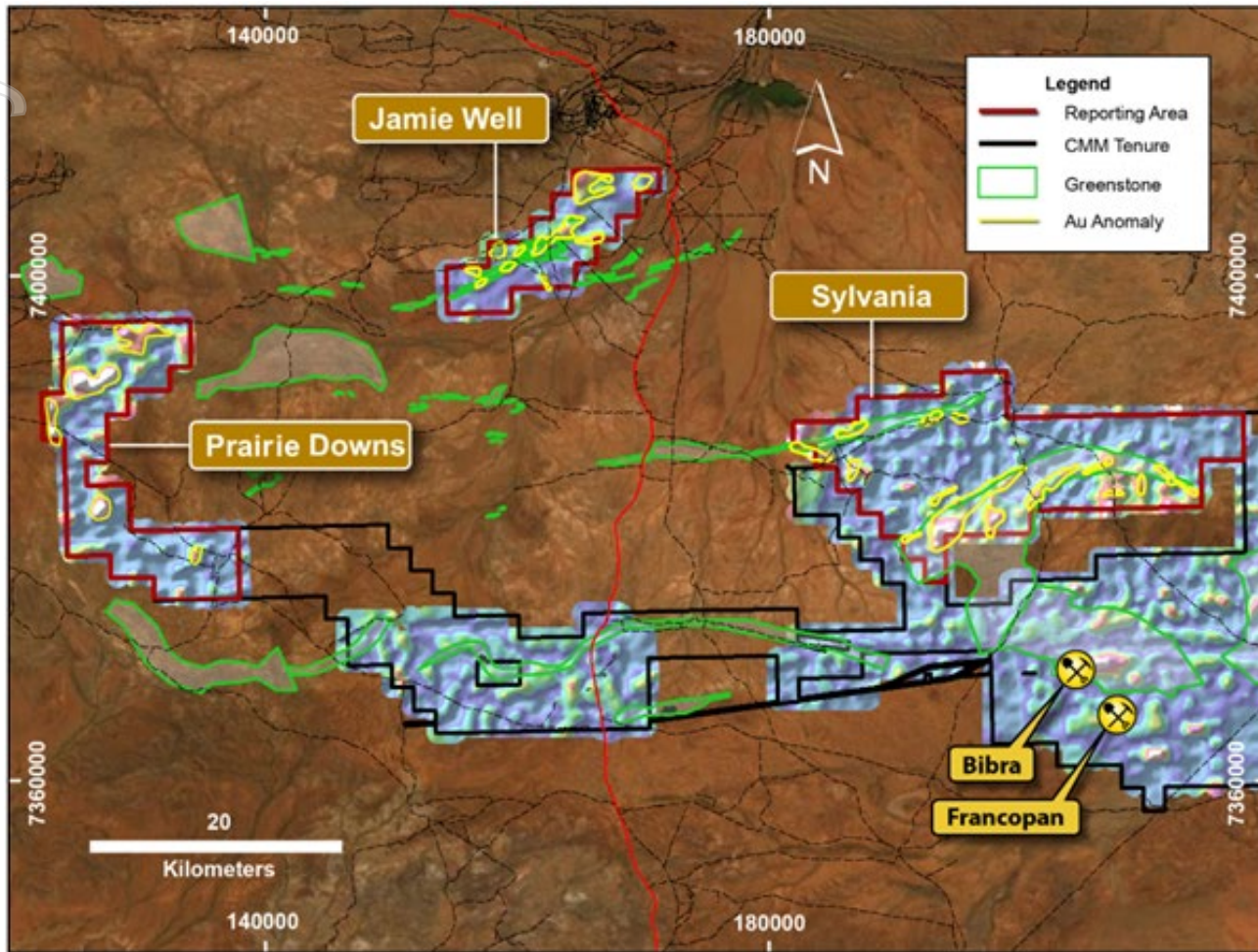
### Two-phase drilling programme (20,000m AC) to test these targets underway

- Phase 1 completed in areas heritage cleared
- Phase 2 to commence in January 2021

### 6,000m RC programme commencing in November 2020 – infill and extensional drilling to Bibra and Southern Corridor

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## Regional Opportunity – we haven't scratched the surface



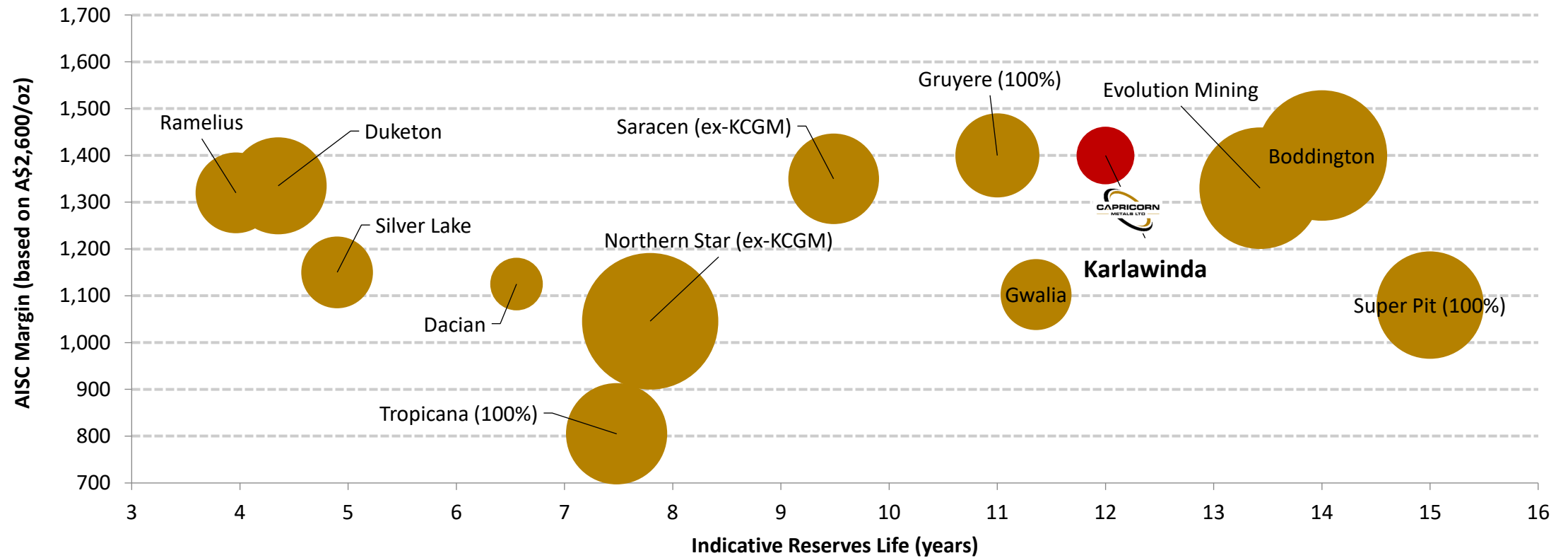
### Extensive regional tenement package with limited geological information

- Large regional tenure holdings (>2,000km<sup>2</sup>)
- Early exploration - geochemical soil sampling, aeromagnetics, geophysics & regolith mapping
- Geochem soil sampling programme conducted north of Bibra in Jun20Q
  - 2,475 samples collected over 538km<sup>2</sup> of tenure
  - New areas of gold mineralization identified with several geochemical targets
- High resolution (50m line spaced) aeromagnetic survey over regional tenement package commenced in Sep20Q
- Results from soil sampling programme and aeromagnetic survey will be used for target generation and follow-up drilling

# Building a long life, high margin, WA focused gold company

## Karlawinda the platform to grow a substantial gold company

Gold Companies/Assets<sup>2,3,4</sup> (Bubble Size = Indicative Production p.a.)<sup>1</sup>



**Notes:**

1. Production data based on FY21 guidance where available or FY20 actuals.
2. Indicative reserve life equal to last reported reserve balance divided by annual production estimate.
3. Super Pit has been separated from Northern Star and Saracen figures. Super Pit 'indicative reserve life' based on KCGM statement released on 18 August 2020.
4. AISC margin based on average gold price of A\$2,600/oz. AISC data based on FY21 guidance where available or FY20 actuals.

**Karlawinda** = 12 year mine life, ASIC of ~A\$1,200/oz, 105-120koz p.a.

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## Capricorn Metals Ltd (ASX: CMM)

*A compelling opportunity in the Australian gold sector*

- **Management team – proven mine developers & wealth creators**
- **Karlawinda Gold Project is a long life, high margin, low technical risk project**
- **Development is fully funded and progressing to plan**
- **Western Australia – arguably best mining jurisdiction in the world**
- **Significant exploration opportunity**
- **Karlawinda the platform to grow a substantial gold company**
- **Re-rate equity value through delivery**

**- THANK YOU -**



# Mineral Resource – Karlawinda Gold Project

April 2020

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)
Bibra	Open Pit	0.3 <	51.5	0.8	1,374	10.8	0.7	244	62.3	0.8	1,618
Southern Corridor	Open Pit	0.3 <	14.4	0.7	324	6.9	0.7	151	21.3	0.7	475
Easky	Open Pit	0.3 <	1.3	0.6	24	1.8	0.5	28	3.1	0.5	51
<b>Total</b>	<b>Total</b>		<b>67.2</b>	<b>0.8</b>	<b>1,722</b>	<b>19.5</b>	<b>0.7</b>	<b>422</b>	<b>86.7</b>	<b>0.8</b>	<b>2,145</b>

**Notes:**

1. Mineral Resources are calculated using a gold price of A\$2000/ounce.
2. Mineral Resources are calculated 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.

\* For full details of Karlawinda Mineral Resource Estimate refer to ASX Announcement dated 17 April 2020.

# Ore Reserve – Bibra Deposit

April 2020

Deposit	Type	Cut-Off	Proved			Probable			Total Ore Reserve		
			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)
Bibra	Open Pit	0.3 <	-	-	-	39.0	0.9	1,090	39.0	0.9	1,090
Southern Corridor	Open Pit	0.3 <	-	-	-	4.6	0.8	111	4.6	0.8	111
Total	Total		-	-	-	43.5	0.9	1,201	43.5	0.9	1,201

**Notes:**

1. Ore Reserves are a subset of Mineral Resources.
2. Ore Reserves are calculated using a gold price of A\$1600/ounce.
3. Ore Reserves are calculated using a cut-off grade between 0.3g/t and 0.4g/t Au.
4. 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.

\* For full details of Karlawinda Ore Reserve Estimate refer to ASX Announcement dated 17 April 2020.

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