

5 April 2024

ASX:CMM



KGP DELIVERS STRONG Q3 CASHFLOW DESPITE RAINFALL IMPACT ON PRODUCTION

Capricorn Metals Limited (**Capricorn** or the **Company**) advises that the Karlawinda Gold Project (**KGP**) achieved 26,017 ounces of gold production for the March 2024 quarter. Gold production for the quarter was in line with the update provided to ASX on 11 March 2024 as a result of in excess of 280mm of rain in the quarter impacting open pit mining activities at KGP. Gold production for the nine months to the end of March 2024 was 86,116 ounces.

The Company's cash and gold on hand at 31 March 2024 was \$177.8 million (Dec23: \$160.1m) after the payment of \$9.9 million (Dec23: \$1.7m) for the supply and installation of the accommodation village at the Mt Gibson Gold Project. This represents a strong cash build of \$27.6 million for the quarter before the discretionary MGGP capital expenditure, compared with \$28.2m for the December 2023 quarter.

Capricorn continues to work with mining contractor MACA to achieve delivery of the open pit material movements budgeted in the mining schedule for the June 2024 quarter. However, post rainfall ramp up to required volumes is still in progress and residual effects are expected in the June 2024 quarter. Gold production for the June 2024 quarter is expected to be in the range of 26,000 – 29,000 ounces resulting in FY24 annual production of 112,000 – 115,000 ounces (FY24 guidance 115,000 – 125,000 ounces). It is expected that earthmoving will be back in line with the mining schedule by the end of the quarter to set the project up for a strong operational performance in FY25.

Full operational and cost details will be provided in the Quarterly Report later in April 2024.

Capricorn Executive Chairman Mark Clark commented:

"It was a challenging quarter at the KGP with significant rainfall impacting mining operations and gold production. However, it was pleasing that despite these impacts the operation delivered a cash and gold build of \$27.6 million for the quarter before the discretionary capital spend at Mt Gibson. The residual effects on mining productivity are still being felt and will be our key operational focus in the June quarter to set the project up for a strong operational performance in FY25."

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.