# **ACTIVITIES REPORT MARCH 2022 QUARTER**



# **HIGHLIGHTS**

#### **OPERATIONS**

- Quarterly gold production of 31,769 ounces (Q2: 30,316 ounces).
- Pre-royalty cash cost for the quarter of \$942 per ounce and all in sustaining cost (ASIC) of \$1,086 per ounce (Q2: CC \$842/oz & AISC \$1,048/oz) consolidating Karlawinda as a low cost/high margin gold project.
- Year to date gold production (including Q1 commissioning phase production) of 86,414 ounces puts Capricorn on track to achieve the top end of FY22 guidance of 110,000 120,000 ounces.
- Strong cash flow generation from operations continues with \$35.1 million (Q2: \$40.1m) with the first
  quarter of the third mining fleet operating and increasing mining volumes. This has allowed the
  creation of a stockpile of over 2.1 million tonnes of ore, nearly six months ore feed for the processing
  plant.
- Completion of all development projects during the quarter including the sealing of the site airstrip.
- Successful completion of stage 1 proof of concept of proprietary automated haulage (driverless trucks) technology system by MACA Limited and its technology partners at Karlawinda.

#### **CORPORATE**

- Cash and gold on hand at quarter end \$45.0 million (Q2: \$30.0m) reflecting cash build of \$25 million (Q2: \$25.3 million).
- Repayment of \$10 million during the quarter reduced bank debt to \$65m at quarter end.
- Net debt position reduced by \$25 million to \$20.0 million at quarter end (Q2: \$45.0m).
- Gold sales of 29,547 ounces at average price of \$2,468/oz generated \$72.9 million in revenue with a further 2,567 ounces of gold on hand at the end of the quarter valued at \$6.8 million (Q2: 1,020oz's).

#### **EXPLORATION**

#### Karlawinda

 Commencement of 129 hole (29,500 metres) near mine RC programme across the Southern Corridor and Tramore areas with results to form part of Mineral Resource Estimate and Ore Reserve update in September 2022 quarter.

#### Mt Gibson

- Commencement of drill programme in January 2022 designed to infill (including historic data validation) and extend (depth extensions and along strike data gaps) the current Mineral Resource Estimate of 2.08 million ounces of gold (Refer ASX Announcement 8 April 2022).
  - During the quarter a total of 29,842 metres(188 holes) of a planned 81,000 metre resource definition RC drilling programme completed to date at Capricorn's wholly owned Mt Gibson Gold Project (MGGP) with encouraging gold results reported including:
    - 23 metres @ 5.04g/t from 157 to 180m
    - 14 metres @ 6.40g/t from 126 to 140m
    - 21 metres @ 2.22g/t from 155 to 176m
    - 6 metres @ 5.30g/t from 230 to 236m
- 18 metres @ 3.65g/t from 149 to 167m
- 19 metres @ 3.18g/t from 160 to 179m
- 10 metres @ 3.68g/t from 139 to 149m
- 15 metres @ 2.08g/t from184 to 199m
- Significant gold mineralisation returned both within and below resource pit optimisation shells with high-grade mineralisation intercepts aligning with historic data both spatially and for grade tenor.
- The resource drill programme will underpin an updated Mineral Resource Estimate and maiden Ore Reserve estimate targeted for completion in the September 2022 guarter.

## MARCH 2022 QUARTER ACTIVITIES SUMMARY

Capricorn Metals Ltd (Capricorn) wholly owns the operating Karlawinda Gold Project (KGP) located 65 kilometres south-east of Newman in the Pilbara region of Western Australia and the recently acquired Mount Gibson Gold Project (MGGP) located 65 kilometres north-east of Wubin in the Mid-West region of Western Australia.

# Karlawinda Gold Project

The KGP completed its second full quarter of steady state production in the March 2022 quarter. The operation continued to perform strongly with record gold production of 31,769 ounces (Q2: 30,316 ounces). This excellent result, which takes year to date production to 86,414 ounces, sees Capricorn on track to achieve in the upper end of annual production guidance range of 110,000 – 120,000 ounces.

Cash cost before royalties for the quarter was \$942 per ounce and the all-in sustaining cost (AISC) was \$1,086 per ounce. Costs have increased slightly from the previous quarter as the third mining fleet was operating at full capacity for the entire quarter with a corresponding increase in mining volumes.

These costs are indicative of the expected life of mine AISC costs which are expected to be in the order of \$1,100 - \$1,200 per ounce.

Operating results for the KGP for the March 2022 quarter were as follows:

	Unit	Mar 22Q	Dec 21Q	Sept 21Q	Jun 21Q
Operations					
Ore mined	BCM ('000)	750	892	602	301
Waste mined	BCM ('000)	2,505	1,582	1,511	1,365
Stripping ratio	w:o	3.3	1.8	2.5	4.5
Ore mined	t ('000)	1,589	1,998	1,200	649
Ore milled	t ('000)	1,149	1,150	978	52
Head Grade	g/t	0.92	0.90	0.84	1.41
Recovery	%	93.8	91.3	92.6	95.4
Gold production	Oz	31,769	30,316	24,329	2,360
Financial					
Cash cost	A\$/oz	942	842	N/A	N/A
Cash cost inc. royalties	A\$/oz	1,054	963	N/A	N/A
All-in sustaining cost	A\$/oz	1,086	1,048	N/A	N/A

Cash costs and AISC calculated on a per ounce production basis.



## **Mining**

Mining continued in the Bibra open pit with total movement of 3.3 million BCM during the quarter up from 2.5 million BCM in the December 2021 quarter. Mining volumes and stripping ratio have increased in line with the mining schedule and the first full quarter of the three excavator and truck fleets running at full capacity.

Ore mining continued primarily as a blend of oxide from stage 2 and laterite zones in stage 3 while waste only mining also commenced in stage 4 of the Bibra open pit. The strip ratio for the quarter was 3.3 (w:o) in line with the life of mine average of 3.6.

A total of 1.6 million tonnes of ore was mined during the quarter, with ore stocks increasing by 0.4 million tonnes to 2.1 million tonnes at an estimated grade of 0.66g/t for 45,000 ounces. This is the equivalent of approximately six months of ore feed for the processing plant.



Bibra open pit

#### **Processing**

Mill throughput was consistent with the previous quarter with a total of 1.15 million tonnes processed at a grade of 0.92g/t. The mill feed during the quarter was primarily a combination of laterite and oxide ores with a small proportion of transitional ore being mined and processed at the end of the quarter.

Gold recovery improved to 93.8% with the additional two CIL tanks commissioned in December 2021 providing additional leaching time to positively impact on processing recoveries.

## **Development Projects**

The construction and sealing of the site airstrip located adjacent to the accommodation village was completed, with the first charter aeroplane landing in March 2022. The commencement of flights into Karlawinda is expected to increase operational efficiencies and reduce down-time in earthmoving contractor shift changes.





Karlawinda Aerodrome



Karlawinda Aerodrome Apron and Accommodation Village



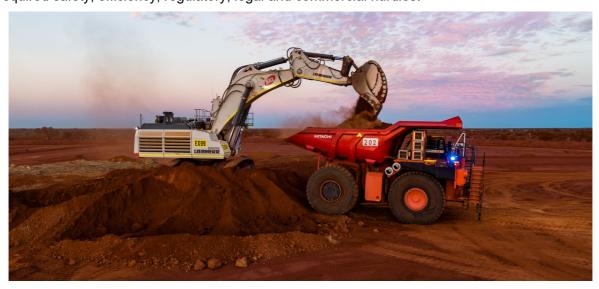


Karlawinda Aerodrome First Landing

### **Autonomous Haulage Trials**

During the quarter, MACA Limited (MACA) and its technology partners completed a stage 1 proof of concept of a proprietary automated haulage (driverless trucks) technology system through field trials conducted at KGP. The field trial culminated in the achievement of successful autonomous load, haul and dump cycles in February 2022. Trials are a significant first step towards delivering an innovation to the mid-tier open pit mining space that has until now been the domain of the major international miners.

As long-term partners, MACA and Capricorn have executed a non-binding MOU that outlines an intention to conduct further trials and ultimately roll the technology out at Karlawinda in the longer term if it meets all required safety, efficiency, regulatory, legal and commercial hurdles.



Autonomous Haulage Trial

#### **Operational Outlook**

Mining volumes are expected to increase to around 1.2 million BCM per month in the June 2021 quarter with further optimisation of the current three mining fleets. Although only a moderate increase in mining activity is anticipated, the strip ratio is expected to increase above the life of mine average of 3.6. This is a combined effect from mining focussing on ore exposure in stages 3 and 4 of the Bibra pit and reducing ore mining volumes to a level required for processing only. Processing plant throughput and grade are expected to remain steady.

Gold production is expected to continue at the long-term production rate range of 110,000 to 125,000 ounces per annum. Expected gold production for the full year ending 30 June 2022 (including Q1 commissioning production) remains in the guidance range of 110,000 – 120,000 ounces.



# **Exploration**

# **Karlawinda Gold Project**

Capricorn wholly owns a 2,052 square kilometre tenement package at Karlawinda which includes the greenstone belt hosting the 2.1 million ounce Resource and 1.2 million ounce Reserve Bibra gold deposit and other areas highly prospective for gold.

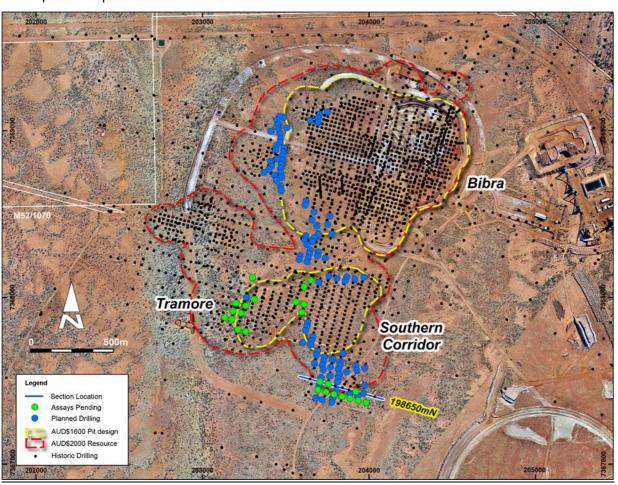
The Pilbara region of Western Australia has not had a significant historical exploration focus on gold and as a result very little modern and meaningful gold exploration has been completed outside of the immediate Bibra deposit.

# Near Mine RC Drilling

A near mine 129 hole (29,500 metre) RC drilling programme was commenced during the quarter with 24 holes completed for 5,356m across the Southern Corridor and Tramore areas. The drilling programme was designed to follow up results received in the previous quarter to test for extensions to the Southern Corridor deposit.

Internal open-pit optimisations have guided the drill planning to target areas with high potential to convert into Ore Reserves. Bibra-style gold mineralisation indicators have been observed throughout drilling, including quartz veining, pervasive silica-biotite-hematite-magnetite alteration, and strong sulphide mineralisation. All assays are currently pending.

Drilling results are to be included in the next Mineral Resource Estimate and Ore Reserve updates in the September quarter.

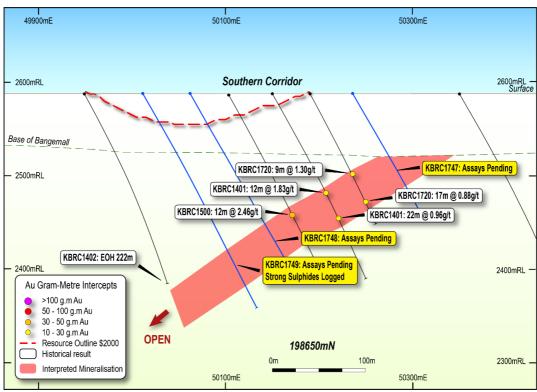


Karlawinda Drilling progress & \$1600au Pit design crest





Topdrill Rig 3 drilling at Tramore looking north back at Bibra open pit mining operations



Southern Corridor Section with current and previously reported CMM drill intersections outside of the current \$2000Au MRF

# Mt Gibson Gold Project

In July 2021 Capricorn announced the acquisition of the Mt Gibson Gold Project (MGGP) approximately 280 kilometres northeast of Perth in the Mid-West region of WA. The project has a JORC 2012 compliant inferred Mineral Resource Estimate of 79.7Mt @ 0.8g/t Au for 2,083,000 ounces of gold. The combined area of the granted tenure at MGGP covers approximately 213 square kilometres and in excess of 15 kilometres of strike on the gold bearing Retaliation Greenstone Belt, in the SW portion of the Yalgoo-Singleton Greenstone Belt.



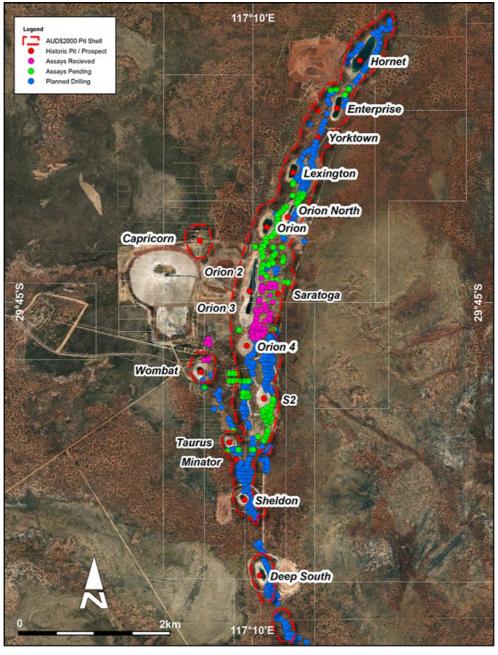
## Resource Development Drilling

In January 2022 two RC rigs commenced drilling a planned 81,000 metre drill programme across the 8 kilometres of strike of current resources (Refer ASX Announcement 8 April 2022). The objectives of this programme include:

- Infill drilling of resource to broadly bring the drill density to 25 x 25 metres;
- Test gaps between resource pit optimisation shells along the 8 kilometres of strike; and
- Test for extensions of gold mineralisation below the current resource shells.

Results of this programme (and extensions to it) will underpin an updated Mineral Resource Estimate and a maiden Ore Reserve Estimate targeted for completion in the September 2022 quarter.

The 188 holes (29,842 metres) of the RC drill programme completed during the quarter have mainly focussed on the Orion Mine Trend, one of the more significant areas of the 2.08 million ounce resource at MGGP.



Drilling progress over the MGGP 8km long mine trend & MRE pit crests



Assays have been received from 55 holes with very encouraging results received throughout the project area, including:

Hole No	Easting	Northing	From (m)	To (m)	Width (m)	Grade (g/t Au)
CMRC028	516110.3	6708451.769	157	180	23	5.04
CMRC035	516126.7	6708605.184	126	140	14	6.4
CMRC031	516128.7	6708428.708	149	167	18	3.65
CMRC038	516223.6	6709077.381	160	179	19	3.18
CMRC039	516230.1	6709127.481	155	176	21	2.22
CMRC015	516157	6708659.912	164	183	19	1.99
CMRC1011	516372.8	6708950.357	139	149	10	3.68
CMRC1007*	516209.7	6708940.317	230	236	6*	5.3*
CMRC017	516171.1	6708757.482	184	199	15	2.08
CMRC001	516109	6708556.24	109	122	13	2.34
CMRC015*	516157	6708659.912	204	212	8	3.31
CMRC1007	516209.7	6708940.317	173	188	15	1.73
CMRC1006	516198.4	6708902.955	163	170	7	3.67
CMRC035	516126.7	6708605.184	180	184	4	6.13
CMRC006	516222.9	6708552.541	138	140	2	11.92
CMRC022*	515510.3	6708170.168	75	85	10*	2.26*
CMRC1001*	516343	6708672.334	95	109	14*	1.59*
CMRC040	516249.9	6709103.328	164	174	10	2.18
CMRC010	516163.2	6708502.242	31	37	6	3.61
CMRC016	516163.7	6708704.431	35	43	8	2.43
CMRC037	516247.1	6709059.518	148	151	3	6.26
CMRC033	516185.5	6708475.264	36	39	3	6.16
CMRC008	516096	6708502.912	99	108	9	1.98
CMRC001*	516109	6708556.24	169	173	4*	4.26*
CMRC016	516163.7	6708704.431	171	190	19	0.87
CMRC017	516171.1	6708757.482	160	171	11	1.47
CMRC009	516119.9	6708503.041	157	159	2	7.95
CMRC037	516247.1	6709059.518	29	42	13	1.21
CMRC039	516230.1	6709127.481	95	100	5	3.09
CMRC028	516110.3	6708451.769	94	98	4	3.73
CMRC008	516096	6708502.912	126	139	13	1.12
CMRC011	516186.1	6708502.014	61	69	8	1.8
CMRC028	516110.3	6708451.769	119	128	9	1.6
CMRC020	516289.8	6708801.429	35	47	12	1.2
CMRC1007	516209.7	6708940.317	82	95	13	1.1
CMRC018	516159.3	6708801.357	153	167	14	1
CMRC1004	516288.2	6708849.946	39	45	6	2.27
CMRC007*	516271.3	6708549.427	80	91	11*	1.2*
CMRC1007	516209.7	6708940.317	134	145	11	1.19
CMRC025*	515500.9	6708370.739	0	3	3*	4.35*

<sup>\*</sup>intercept is outside the current 2021 MRE

Mineralisation remains open down dip and along strike to the north and south with multiple stacked lodes intersected.



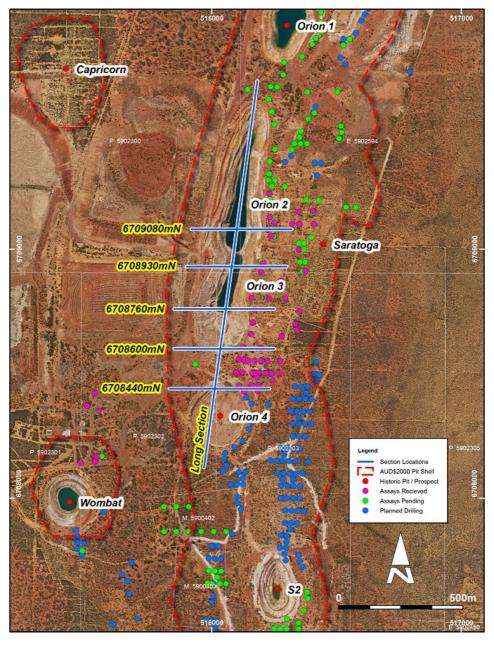
Importantly the assays received to date line up with the historic data both spatially and for grade tenor, providing validation of the historic +660,000 metre drill database acquired with the project in July 2021. This is very positive for resource categorisation in the next update given that Capricorn's current MRE of 79.7Mt at 0.8g/t Au for 2.083 million ounces is all classified as Inferred (in spite of drill density of 25m x 25m for the majority of the resource) due to the need to validate the data quality.

It is also very encouraging that drilling to date at the depth extremities of the resource optimisation shells (where historic drill density is broader spaced) and below them has returned results consistent with Capricorn's geological interpretations of mineralisation location, widths and grade tenor.

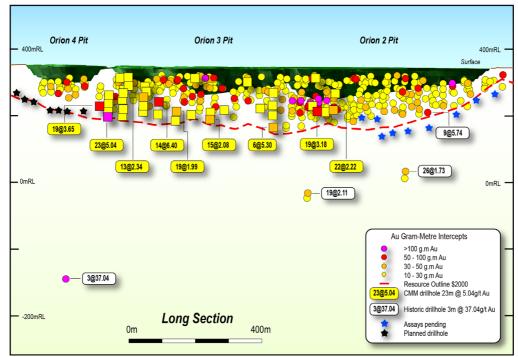
Review (including updated Capricorn internal pit optimisations) of strong results returned to date near the base of and below current resource pit optimisations has led to the planning of additional extensional drilling which will be incorporated in the drill programme in the current quarter.

# **Long Sections and Cross Sections**

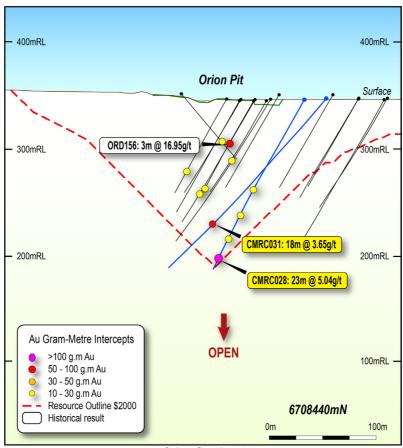
The plan below shows the drilling status in the Orion Mine Trend area and the location of the following long and cross sections.





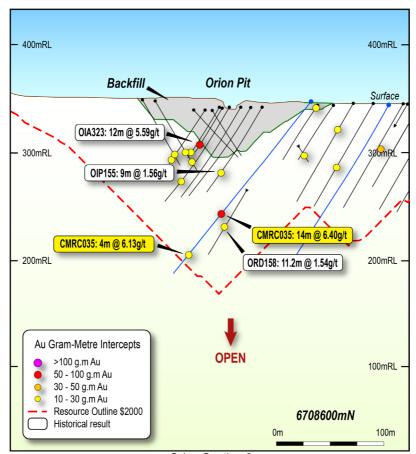


Long section for Orion Mine Trend showing unmined historic and current +10g/m dill intercetions:

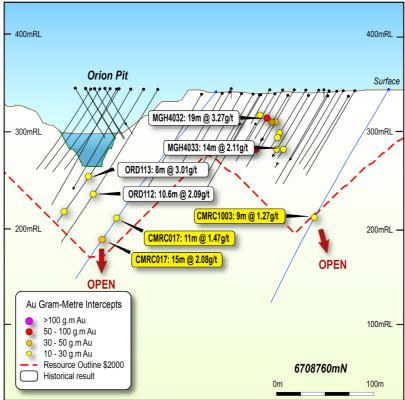


Orion Section 1



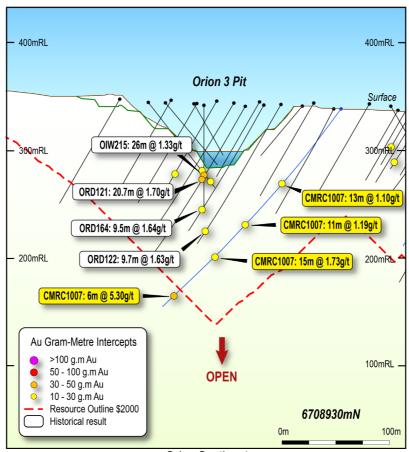


Orion Section 2

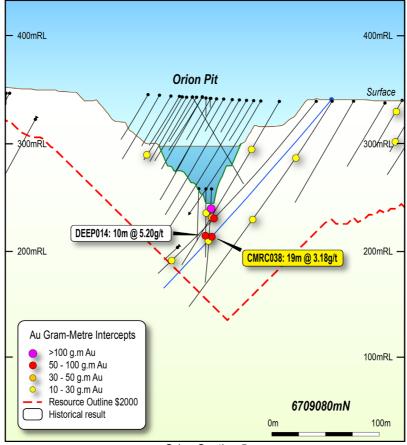


Orion Section 3





Orion Section 4



Orion Section 5



#### **Regional Exploration**

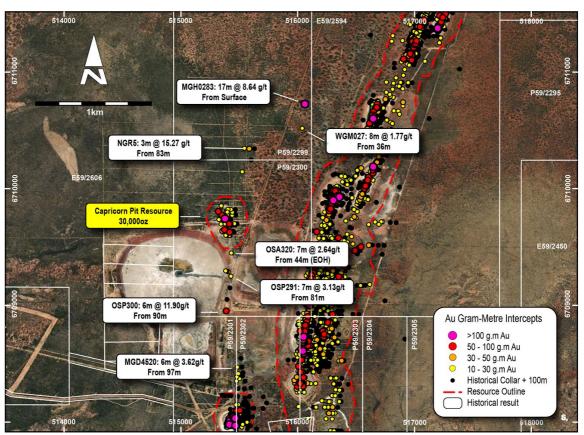
Capricorn has committed to a 30,000 metre first pass regional exploration AC drill programme to commence later in the June 2022 quarter. Several target areas that will be high priorities when this drilling commences include the Taurus Trend and Highway area.

#### **Taurus Trend**

The Taurus Trend lies to the west of the Gibson Trend. Unlike the Gibson Trend, mineralisation is associated with a continuous intrusive unit, rather than a structural shear control. This mineralisation is characterised by multiple discrete ore bodies and mineralised quartz veining within a weakly foliated, biotitic monzogranite. The deposits on this trend include Deep South, Sheldon, Taurus, Wombat and Capricorn. Whilst these ore bodies have shorter strike length than the deposits on the Gibson Trend, they exhibit a higher tenor of grade and present excellent exploration targets down dip and along strike.

Previous exploration in the target area focused north of sub economic gold mineralisation identified in 1990 sterilisation drilling of TSF 2. Further mineralisation was identified which is now the unmined Capricorn Resource (30,000oz) hosted by a north-striking monzonite dyke. Further drilling immediately east of the TSF 2 also identified significant mineralisation within drillholes OSP291, 7m @ 3.13 g/t from 81m and OSA320, 7m @ 2.64 g/t 44m (EOH). This 1990 drilling has never been followed up as previous processing infrastructure (now removed) may have impeded further drilling.

Due to the close proximity to significant in-situ resources and the trend's association with intrusion related mineralisation, this target area is considered highly prospective for further gold discovery. Exploration will test mineralised extensions down dip of known ore bodies as well as along strike of mineralisation to the north with drill hole planning currently underway.



Taurus Trend near mine target area with significant unfollowed up drill intercepts relative to the MGGP resource extents

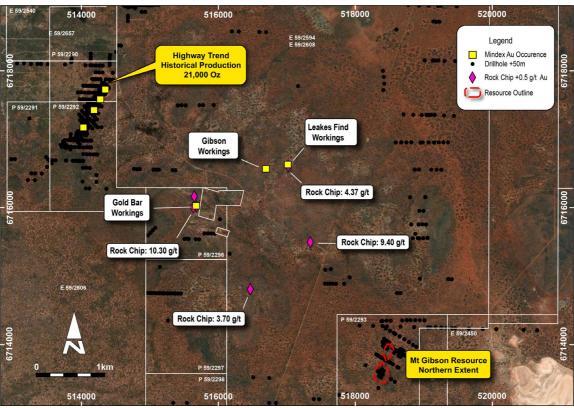


#### Highway/McDonalds

The Highway/McDonalds area located 5km north of the current resources has been identified as a significant exploration target. The area has a prospective geological and structural setting although much of the area is covered by up to 20 metres of transported cover.

The area represents a unique opportunity to discover economic deposits at surface with under explored gold occurrences identified including significant historical workings at Gold Bar, Gibson and Leakes Find prospects located within Capricorn tenure. Field inspections have confirmed the mineralisation is associated with north south striking quartz veining within amphibolite hosted shear zones, a similar orientation and geological setting to the nearby Mt Gibson Mine Trend. Minimal rock chip sampling has identified mineralisation up to 10.30g/t taken from quartz veining at the Gold Bar Working as well as multiple +1g/t samples taken throughout the target area. The workings and high-grade rock chips have not been followed up by drilling, a situation considered rare in the West Australian goldfields.

The target area continues to be a high priority target for Capricorn Metals with further field inspections and first pass drill planning underway.



Highway/McDonalds target area showing location of gold occurrences in close proximity to the Highway mine Trend and current MGGP norther resource extent

#### **Project Development**

Technical work and studies across numerous disciplines as required for reserve estimation, feasibility studies, permitting applications and ultimately project development continued during the quarter in parallel with the resource definition drilling.

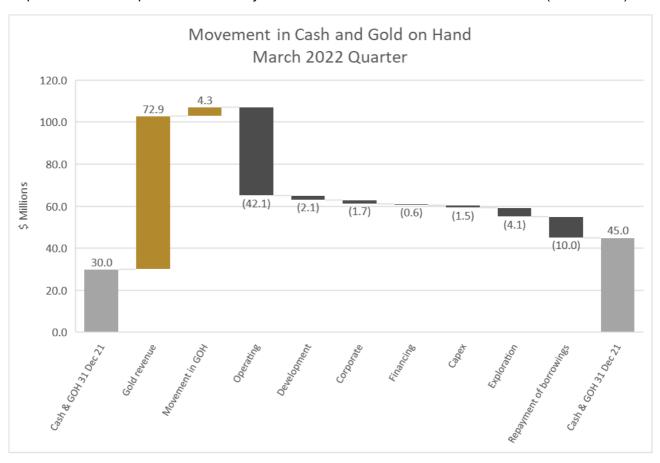
Waste rock, metallurgical and geotechnical testwork programmes designed to investigate and define geochemical properties, optimal processing parameters and associated metallurgical performance of ore and waste to be mined from MGGP.

In March 2022 16 RC holes were completed for 2,002 metres to test waste rock characteristics. A total of 19 diamond drill holes for 3,204 metres were designed to test metallurgical and geotechnical properties with drilling to commence early April 2022. Testwork data will provide inputs for the updated Mineral Resource Estimate and maiden Ore Reserve Estimate in 2022.



# Corporate

Strong operating cashflow from the KGP of \$35.1 million (Q2: \$40.1 million) saw Capricorn cash and bullion holdings increase to \$45.0 million (Q2: \$30.0m) and facilitated the scheduled \$10 million (Q1: \$5m) repayment of the debt facility. Since first gold production on 30 June 2021, the Company has made a total of \$25 million in debt repayments reducing the bank debt to \$65.0 million (Q2: \$75.0m). Capricorn's net debt position reduced by \$25 million to \$20.0 million at 31 March 2022 (Q1: \$45.0m).



Capricorn sold a total of 29,547 ounces during the quarter achieving an average gold price of \$2,468 per ounce for \$72.9 million. At the end of the quarter the Company had 2,567 ounces (Q1: 1,020 oz) of gold on hand valued at \$6.8 million.

The Company delivered 11,000 ounces into gold forward sales contracts at an average price of \$2,246 per ounce. The remaining 18,547 ounces of sales were delivered at the prevailing spot price achieving an average gold price of \$2,600 per ounce. At the end of the quarter Capricorn had 168,000 ounces of flat forward contracts remaining at an average delivery price of \$2,250 per ounce.

In March 2022 Capricorn reported a profit of \$51.8 million for the first 6 months of operations to 31 December 2021.

During the quarter, payments to related parties of Capricorn and their associates (being the Company's directors) totalled \$179,667. The payments were remuneration for their roles, including superannuation.

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

# For further information, please contact:

Mr Kim Massey Chief Executive Officer

E: enquiries@capmet.com.au

T: +61 8 9212 4600



#### 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 Persons Statement**

The information in this report that relates to Exploration Results is based on information compiled or reviewed by Mr. William Higgins who is a full-time employee of the Company. Mr. Higgins is a current Member of the Australian Institute of Geoscientists and has sufficient experience, which is relevant to the style of mineralisation and types of deposit under consideration and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Higgins consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the information in the relevant ASX releases, and the form and context of the announcement has not materially changed.

The detailed information relating to the Ore Reserves and Mineral Resources reported in this announcement were announced in the Company's ASX announcements dated 17 April 2020 and 28 July 2021. The Company confirms that it is not aware of any new information or data that materially affects the information included in the ASX announcements dated 17 April 2020 and 28 July 2021 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.



# APPENDIX 1 – TENEMENT SCHEDULE

Lease	Project	Company	Location	Status	Percentage Held
M52/1070	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/1711	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/2247	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/2398	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/2409	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3323	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3363	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3364	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3450	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3474	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3533	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3541	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3543	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3571	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3656	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3671	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3677	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3729	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3797	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
E52/3808	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/174	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/177	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/178	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/179	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/181	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/183	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/189	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/192	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/197	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/223	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L52/224	Karlawinda	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
M59/328	Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
M59/402	Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
M59/403	Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
M59/404	Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
E59/2450	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2546	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Application	100%
E59/2594	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2606	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
E59/2611	Mt Gibson	Greenmount Resources Pty Ltd	Western Australia	Application	100%
E59/2612	Mt Gibson	Greenmount Resources Pty Ltd	Western Australia	Application	100%
E59/2655	Mt Gibson	Greenmount Resources Pty Ltd	Western Australia	Application	100%
E59/2656	Mt Gibson	Greenmount Resources Pty Ltd	Western Australia	Application	100%
E59/2657	Mt Gibson	Greenmount Resources Pty Ltd	Western Australia	Application	100%
P59/2286	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/2287	Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%



P59/229	0 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/229	1 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/229	2 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/229	3 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/229	4 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/229	5 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/229	6 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/229	7 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/229	8 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/229	9 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/230	0 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/230	1 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/230	2 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/230	3 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/230	4 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/230	5 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/230	6 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/230	9 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
P59/231	0 Mt Gibson	Crimson Metals Pty Ltd	Western Australia	Granted	100%
L59/1	2 Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
L59/14	0 Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
L59/1	.6 Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
L59/19	8 Mt Gibson	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
L59/4	5 Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
L59/4	6 Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
L59/5	3 Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
G59/1	1 Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
G59/1	2 Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
G59/1	3 Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
G59/1	4 Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
G59/1	5 Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
G59/1	.6 Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
G59/1	7 Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
G59/1	8 Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
G59/4	8 Mt Gibson	Metrovex Pty Ltd	Western Australia	Granted	100%
G59/7	0 Mt Gibson	Greenmount Resources Pty Ltd	Western Australia	Granted	100%
	· ·	L		ı J	

# Mining tenements acquired during the Quarter

Nil

Mining tenements disposed during the Quarter

Nil



# Appendix 5B

# Mining exploration entity or oil and gas exploration entity quarterly cash flow report

# Name of entity

Capricorn Metals Ltd	
ABN	Quarter ended ("current quarter")
84 121 700 105	31 March 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	72,934	198,637
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	(2,142)	(25,096)
	(c) production	(42,133)	(101,624)
	(d) staff costs	(578)	(2,273)
	(e) administration and corporate costs	(790)	(2,485)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	8	13
1.5	Interest and other costs of finance paid	(573)	(2,327)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	9	28
1.9	Net cash from / (used in) operating activities	26,735	64,873

2.	Cash flo	ows from investing activities		
2.1	Payments	s to acquire or for:		
	(a) entiti	es	-	(15,144)
	(b) tener	nents	-	(11,600)
	(c) prope	erty, plant and equipment	(1,488)	(2,924)
	(d) explo	oration & evaluation	(4,130)	(7,376)
	(e) inves	tments	-	-
	(f) other	non-current assets	-	-

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Con	solidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(5,618)	(37,044)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	6,000
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(43)	(43)
3.5	Proceeds from borrowings	-	20,000
3.6	Repayment of borrowings	(10,000)	(25,000)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	(306)	(893)
3.10	Net cash from / (used in) financing activities	(10,349)	64

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	27,437	10,312
4.2	Net cash from / (used in) operating activities (item 1.9 above)	26,735	64,873
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(5,618)	(37,044)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(10,349)	64

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	38,205	38,205

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	38,205	27,437
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	38,205	27,437

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	180
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
Note: i	if any amounts are shown in items 6.1 or 6.2 your quarterly activity report must include	de a description of and an

Note: if any amounts are shown i explanation for, such payments.

7.	Financing facilities  Note: the term "facility' includes all forms of financing arrangements available to the entity.  Add notes as necessary for an understanding of the sources of finance available to the entity.	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	65,000	65,000
7.2	Credit standby arrangements	-	-
7.3	Other (Bank Guarantee)	20,000	18,000
7.4	Total financing facilities	85,000	83,000
7.5	Unused financing facilities available at qu	arter end	2,000

7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

Project Loan Facility – Loan Facility with Macquarie Bank with funds used for the construction of the Karlawinda Gold Project. The Facility accrues interest at the bank bill rate plus 3% and is repayable in various instalments over a term ending 30 June 2025. A total of \$90m was drawn on the facility with \$25m repaid taking current loan outstanding of \$65m as at 31 December 2021.

Guarantee Facility - \$20m Guarantee Facility with Macquarie Bank Ltd to guarantee certain obligations under the APA Gas Lateral Agreement. A guarantee facility fee of 2% per annum is payable and the facility matures on 30 September 2025.

Macquarie Bank holds a first ranking, registered fixed and floating charge over all of the assets of Capricorn Metals Ltd and its wholly owned subsidiary Greenmount Resources Pty Ltd as security for the facilities provided by Macquaire.

8.	Estimated cash available for future operating activities	\$A'000		
8.1	Net cash from / (used in) operating activities (item 1.9)	26,735		
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(4,130)		
8.3	Total relevant outgoings (item 8.1 + item 8.2)	22,605		
8.4	Cash and cash equivalents at quarter end (item 4.6)	38,205		
8.5	Unused finance facilities available at quarter end (item 7.5)	2,000		
8.6	Total available funding (item 8.4 + item 8.5)	40,205		
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	N/A		
	Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.			

8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:

8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A			

8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.

# **Compliance statement**

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 26 March 2022

Authorised by: By the Board

(Name of body or officer authorising release – see note 4)

#### Notes

- This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
- 3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
- 4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
- 5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.