

Bell Potter Unearthed



9 February 2022



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This announcement may contain certain “forward-looking statements” and comments about future events. Forward-looking statements may include words such as “anticipate”, “believe”, “expect”, “project”, “forecast”, “estimate”, “outlook”, “upside”, “likely”, “intend”, “should”, “could”, “may”, “target”, “plan”, and other similar expressions. Indications of, and guidance on, production, future earnings and financial position and performance are also forward-looking statements. These statements are provided as a general guide only and should not be relied upon as an indication, prediction or guarantee of future performance. Actual results may differ materially from those expressed

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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 19 January 2022 entitled “Quarterly Report and Cashflow Report” and 28 July 2021 entitled “Capricorn Acquires 2.1 Million Ounce Mt Gibson Gold Project” 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place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.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 Statements released to the Australian Securities Exchange on 17 April 2020 and 28 July 2021 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place for subsequent releases by the Company of the same information in the same form and context, until the consent is withdrawn or replaced by a subsequent report and accompanying consent.

LISTING RULE 5.23 DISCLOSURE

The detailed information relating to the Ore Reserves and Mineral Resources reported in this presentation 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.

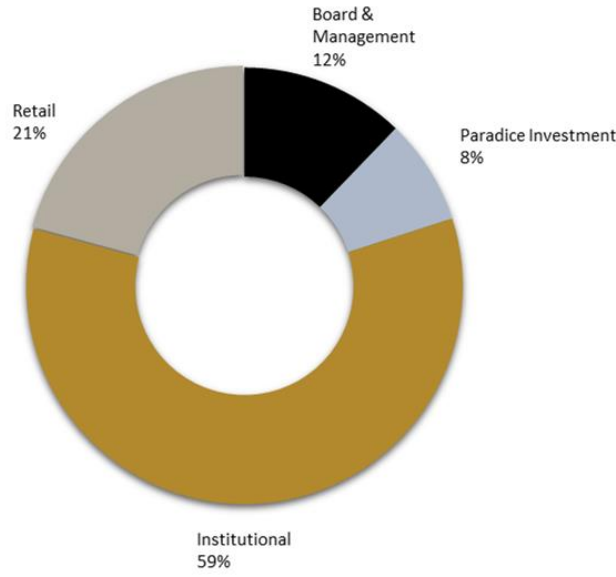
Corporate Summary - CMM

Capital Structure	
Shares on issue	371.6 million
Performance rights	4.1 million
Share price	\$3.34
Market Cap	\$1,241 million
Debt (31 Dec 2021)	\$75.0 million
Cash & GOH (30 Dec 2021)	\$30.0 million

Directors and Management	
Mark Clark – Executive Chairman	Kim Massey – CEO
Mark Okeby – Non Exec Dir	Paul Thomas – COO
Myles Ertzen – Non Exec Dir	Stephen Evans – GM Karlawinda
Bernie De Araugo - Non Exec Dir	Tony Hinkley – Project Manager



Shareholders



Broker Coverage

- ARGONAUT
- BELL POTTER
- cg/Canaccord Genuity Capital Markets
- MACQUARIE

Capricorn Metals – A Purely Western Australian Gold Producer

Compelling combination of cashflow and growth

Karlawinda Gold Project (KGP)

- Ore reserves 1.2Moz & mine life to 12 years
- Throughput capacity 4.5 - 5mtpa (oxide/fresh blend)
- LOM production run rate 110,000 – 125,000 ounces pa

KGP Progress

- Constructed on time and on budget
- Processing plant commissioned & first gold poured in June 21Q
- Steady state production achieved in first quarter (Sept 21) of operations
- First Q generated 24.3koz production & \$27.6m operating cash flow
- Second Q generated 30.3koz & \$40.1m operating cash flow

Mt Gibson Gold Project

- 2.1Moz project acquired July 21
- Acquisition cost of < \$20 per resource ounce – deep value
- Exploration potential within, below & along strike of current resources
- All key tenure granted Dec 21Q and 81,000m drill programme underway
- Opportunity for Capricorn to grow into multi mine gold company



Karlawinda Gold Project



Karlawinda Gold Project metrics

Mine type	Open pit
Plant type	3 stage crushing 7.5MW ball mill CIL processing
Throughput	4.0 – 5.0 Mtpa
Reserve grade	0.9g/t¹
Recovery	92%
Strip ratio (w:o)	3.6
Mine life	10-12 years
Ore reserves	1.20Moz¹
Mineral resources	2.14Moz²
Expected production	110 – 125koz pa



(1) Refer to slide 19 for full details of the Ore Reserves.
 (2) Refer to slide 18 for full details of the Mineral Resources.

KGP – Strong First Steady State Quarter of Operations

	Dec21Q	Sept 21Q
Ore mined ('000 BCM)	892	602
Waste mined ('000 BCM)	1,582	1,511
Stripping ratio (w:o)	1.8	2.5
Ore mined ('000 t)	1,998	1,200
Ore milled ('000 t)	1,150	978
Head Grade (g/t)	0.90	0.84
Recovery (%)	91.3	92.6
Gold production (ozs)	30,316	24,329
Cash cost (A\$/oz)	842	n/a
CC incl royalties (A\$/oz)	963	n/a
AISC (A\$/oz)	1,048	n/a

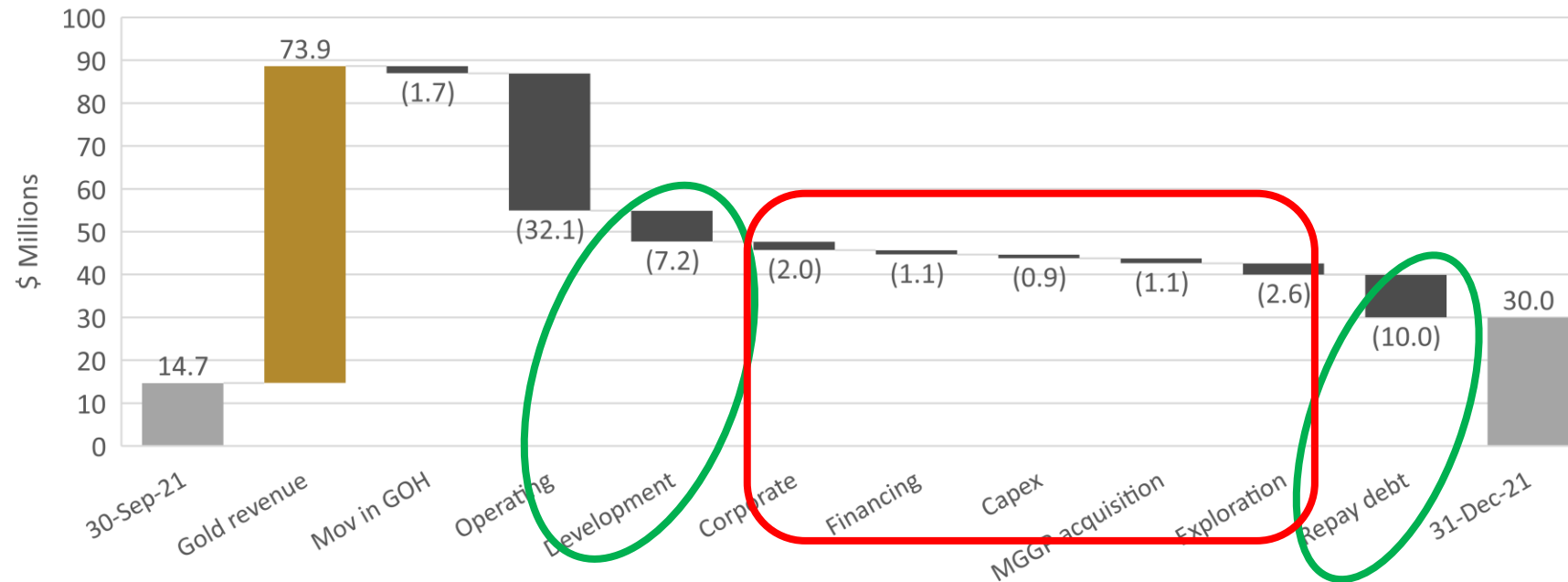
Q2 confirms KGP as a low cost, high margin project



- All key metrics broadly in line with expectations
- Throughput run rate 4.6mtpa on oxide/laterite blend
- Reconciliation in line with reserve
- 30,316oz @ \$1,048/oz AISC validates KGP as a robust operation in lowest quartile of Australian gold industry
- AISC benefited from <LOM strip & unit mining costs but included cost of significant low grade stockpile build
- Q3 outlook similar, noting:
 - mining volumes to increase to around 3Mbcm (Q2: 2.47M)
 - Recovery improvement from two additional leaching tanks
- Guidance FY22: 110 – 120koz, long term: 110 – 125kozpa
- Long term AISC expectations: \$1,100 – 1,200/oz

KGP – Cash Build is Real

Movement in Cash & Gold on Hand Dec21Q



Gold sales 30,835oz @ \$2,397/oz

- Spot 19,835oz @ \$2,481/oz
- Hedges 11,000 @ \$2,246/oz

Cash \$30.0m (Q1: \$14.7m)

Bank debt

- \$75m (Q1:\$85m)
- Q3 scheduled repay \$10m
- Q4 scheduled repay \$10m

Net debt ¹

- \$45.0m (Q1: \$70.3m)

Dividend policy to be considered in due course for FY23

Cash from Ops \$40.1m

- \$1,322/oz produced
- *Reconciles to sold gold price & AISC*

Cash build \$15.3m, AFTER:

- \$10m debt repayment
- \$7.2m on completing development projects – CIL tanks & airstrip (reduces to minimal in Q3)

Minimal sustaining and other costs reducing the operating cashflow:

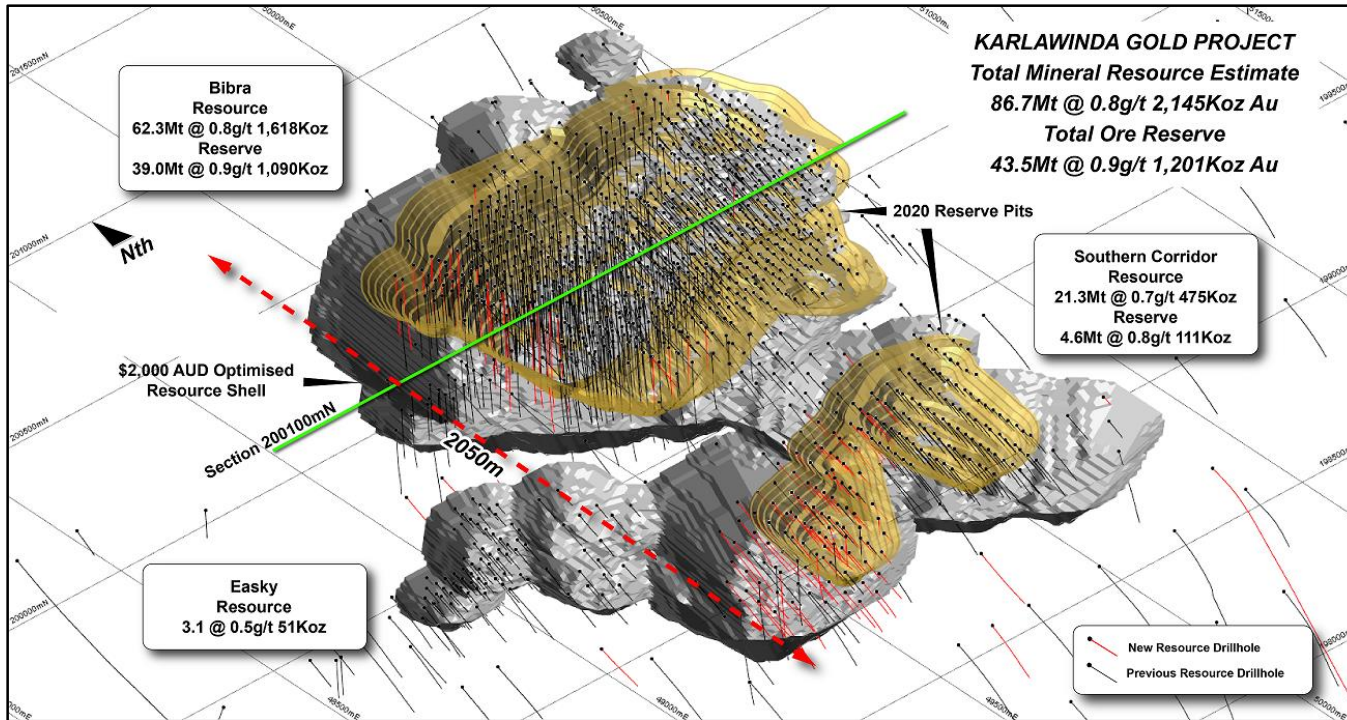
- MGGP acq costs \$1.1m / Corp & finance \$3.1m
- Capex – TSF lift \$0.9m
- Exploration \$2.6m

Very modest post ops costs vs peer group

Operating margin converts strongly to cash



Bibra Mineral Resource and Ore Reserve Growth



Ore Reserves 1.2 million ounces

- Mine life over 10 years
- Strip ratio 3.6

Mineral Resource 2.1 million ounces

- Down dip extensions of Reserve
- Excellent scope for mine life extension

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
Proved & Probable Reserves*	43.5	0.9	1,201,000
M & I Resources	67.2	0.8	1,722,000
Inferred Resources	19.5	0.8	422,000
Total Resources*	86.7	0.8	2,145,000

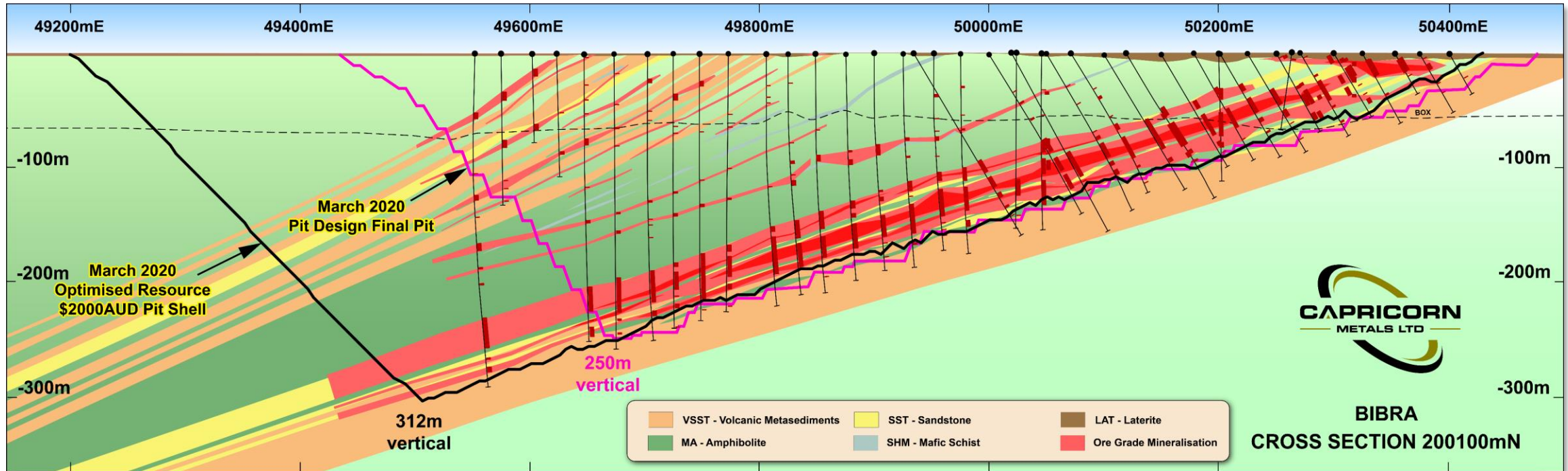
* Refer to Listing Rule 5.23 Disclosure on page 2.

* Refer to slide 19 for full details of the Mineral Resource.

* Refer to slide 20 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

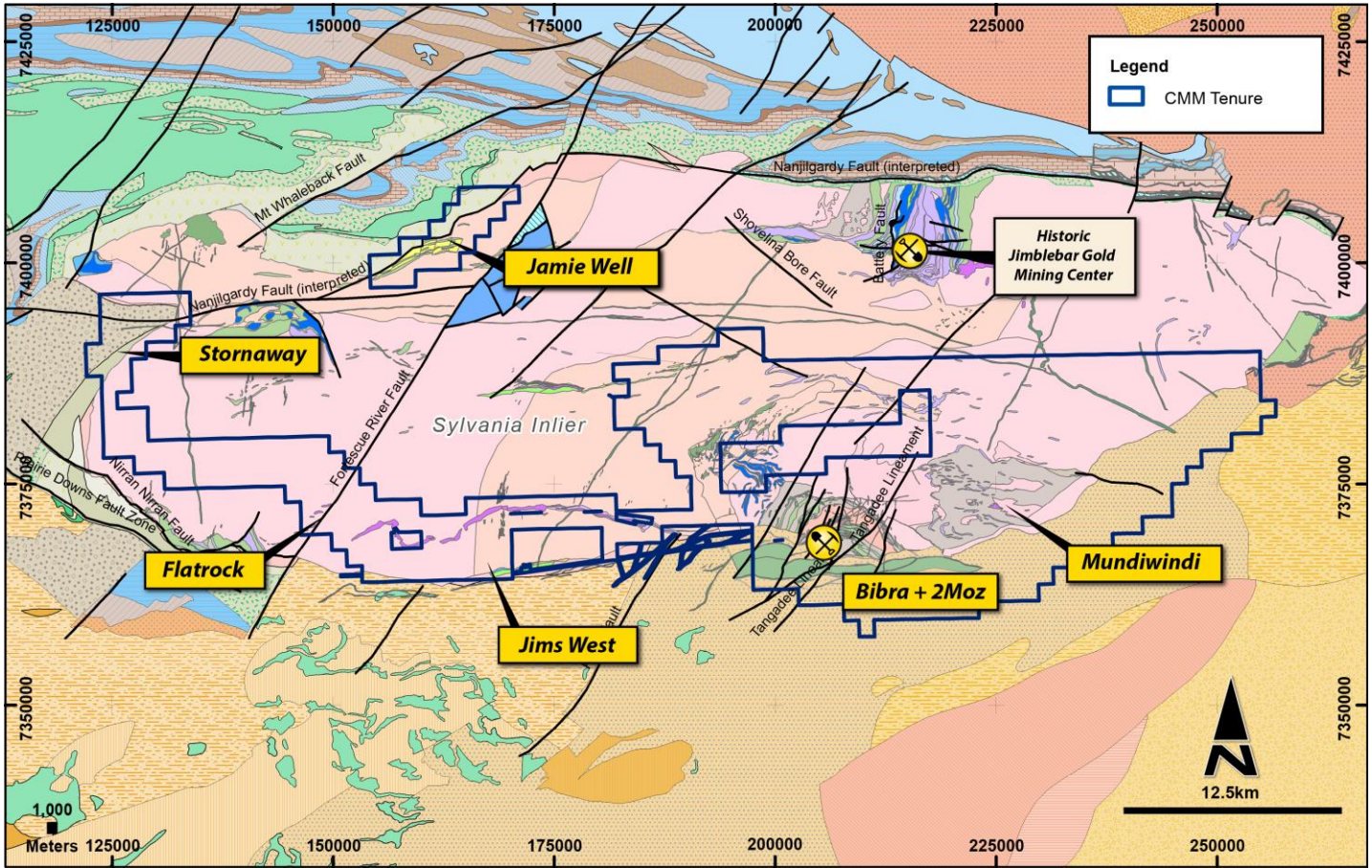
Outlook

- 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

Unlocking the potential of a new gold camp at KGP

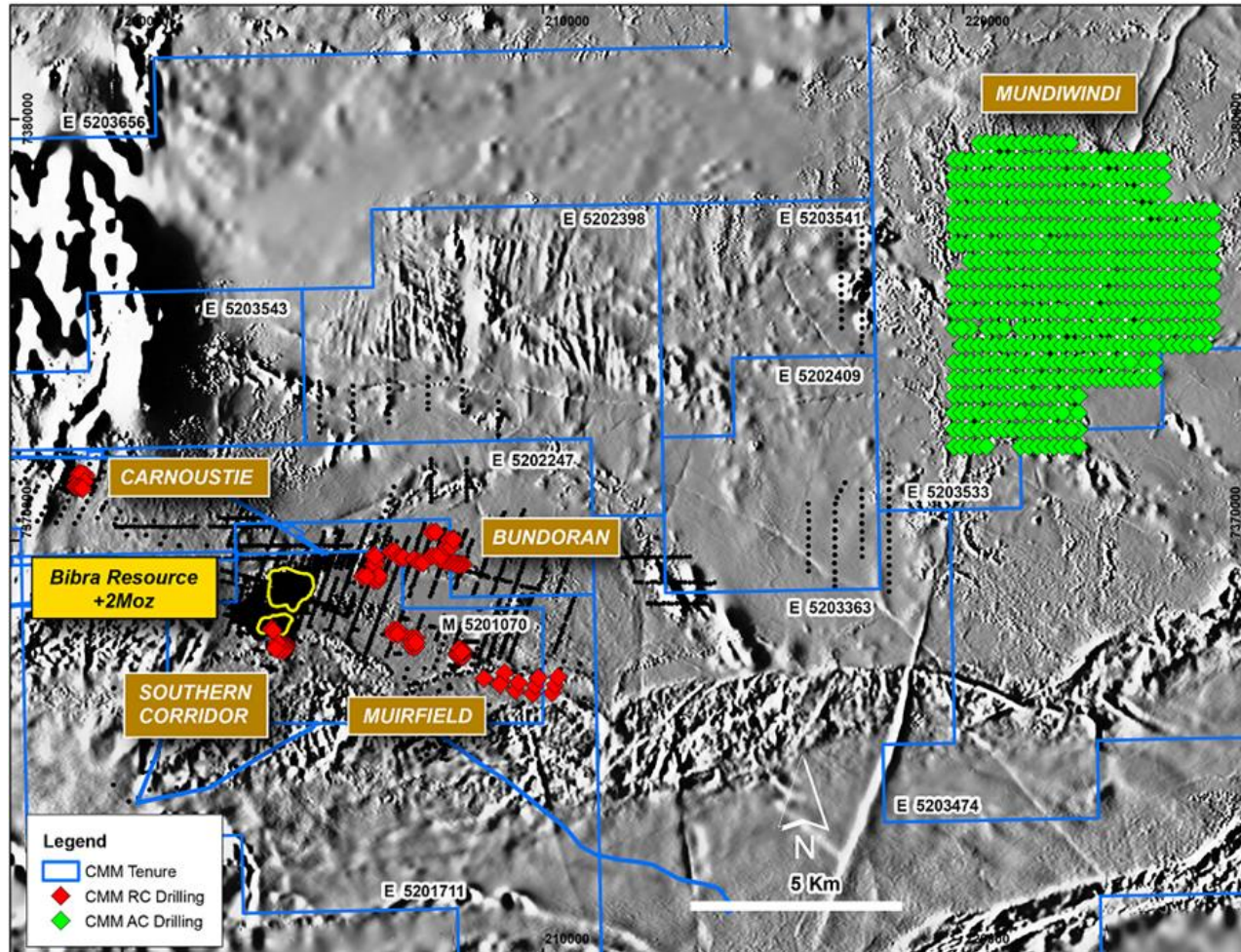


- CMM owns 2,042km² of exploration & mining tenure at KGP (>100km E-W)
- Limited regional drilling - 97% of drilling within 50km² (4km radius) area around Bibra deposit
- Systematic exploration work programme over last 12 months identified geological settings prospective for gold in the Pilbara:
 - Detailed aeromagnetic survey
 - Rock chip and soil sampling programmes
 - Geological mapping
 - First pass drilling

Development of a mine in a prospective district will see good exploration unlock the endowment of the region.

Exploration update

Near mine exploration success – aim to grow Bibra resource envelope



Near Mine Drilling

114 holes for 14,594m over 4 targets

Muirfield (4km from Bibra)

- 8m @ 6.32g/t from 24m
- 4m @ 1.45g/t from 68m
- 4m @ 6.44g/t from 92m
- 4m @ 1.88g/t from 132m
- 12m @ 1.21g/t from 44m

Southern Corridor (Bibra southern extension)

- 4m @ 1.68g/t from 157m
- 8m @ 1.99g/t from 118m
- 7m @ 1.29g/t from 122m
- 6m @ 1.30g/t from 98m
- 4m @ 3.42g/t from 97m
- 6m @ 1.18g/t from 144m

Further drilling at both & incl in next MRE/ORE update

Regional – Mundiwindi First Pass

486 holes for 16,495m (400 x 200m grid)

30-40m deep holes on broad grid - low level Au

Follow up required and further areas to drill



Mt Gibson Gold Project



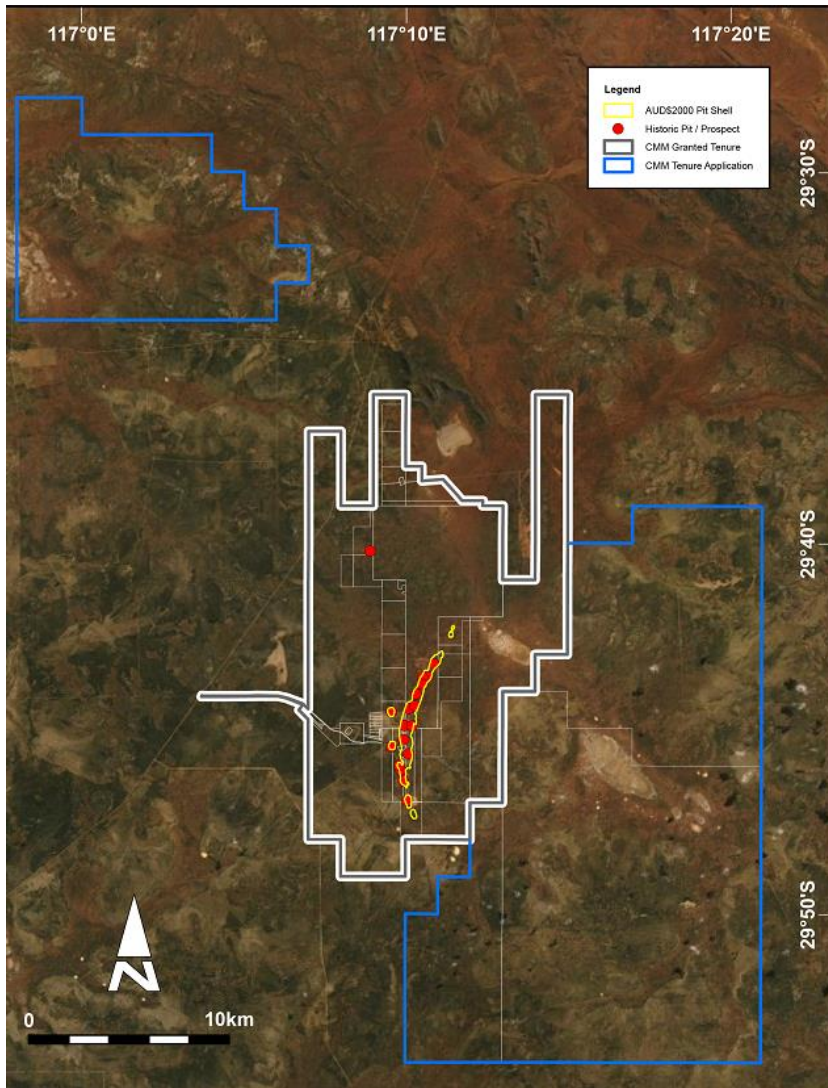
Mt Gibson Gold Project - Background



- Located 280km northeast of Perth in the Murchison region of WA.
- Historical (1986-99) gold production >868koz, 14 pits avg depth 60m
- Shut down when gold price c A\$450/oz & “off the grid” for 30 years.
- CMM acquired July21, mostly at tenure application stage
- **CMM Inferred MRE 79.7Mt @ 0.8g/t Au for 2,083,000 oz gold¹.**
- Drill database >660,000m of which <5% deeper than 150m
- Classified Inferred until database validation drilling is completed.
- Drilling density in resource ranges from 25m x 25m to 50m x 25m.
- Resource extends +8km to average depth of 140m & max depth 220m.
- Very strong growth potential between, below & along strike resources.

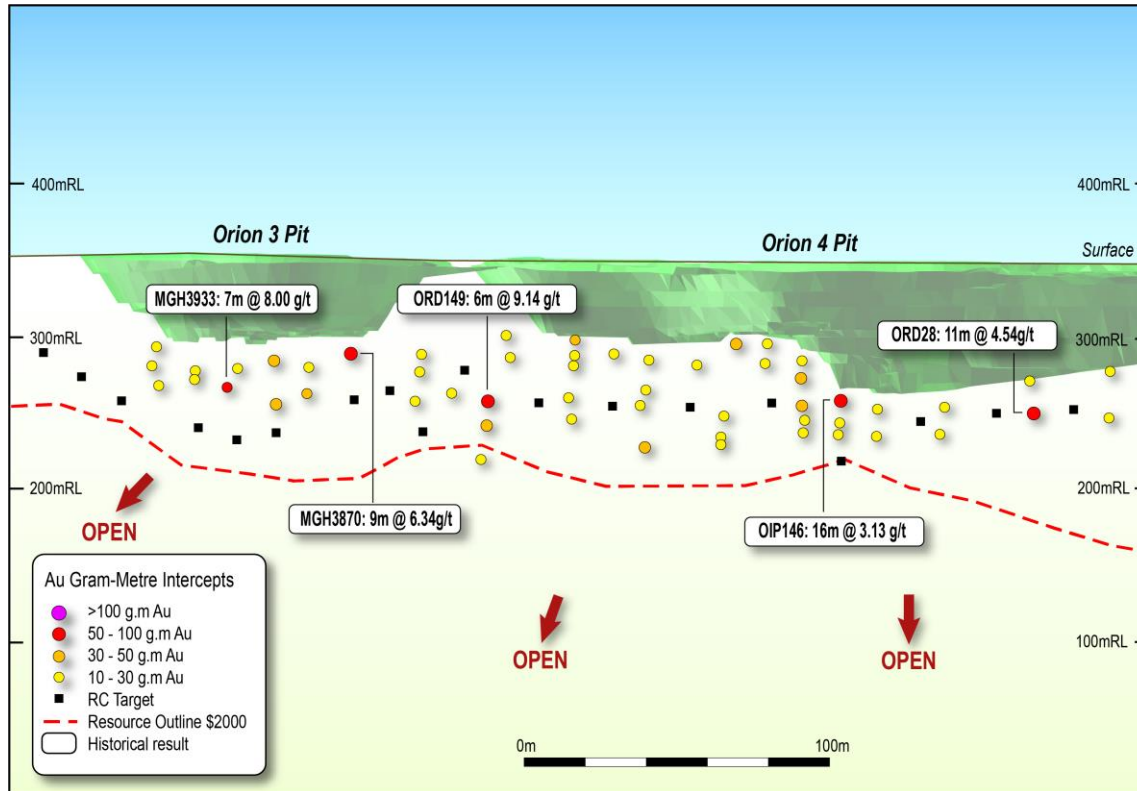
Huge opportunity to grow the resource base and build a significant platform for a mining operation

Dec21Q update – tenure secured allowing drilling to commence



- All key mining tenure at MGGP has been granted.
 - 24 exploration & prospecting licences covering 213 km².
 - All resources (2.08Moz) and all current exploration targets are on granted tenure.
- Completes CMM acquisition, which at <\$20/oz, represents a compelling value proposition.
- Facilitates commencement of >100,000 metre drill programmes.
- 81,000m (\$10m) RC resource infill and extensional (drill hole data gaps, depth and along strike) commenced Jan22.
 - Targeting updated MRE & maiden reserve in Q1FY23.
 - Targeting feasibility study & development decision Q2FY23
- Regional exploration including 30,000m AC to commence Q2.
- Grant pending on a further 4 EL applications (491km²) covering prospective regional exploration areas.

Mt Gibson Gold Project – Drilling Underway January 2022



Orion 3 & 4 Long section & planned drilling



First RC hole of 81,000m programme completed

Capricorn Metals Ltd

Karlawinda Gold Project

- Long mine life and high margin project
- Dec21Q - production 30koz, achieving KPI's & in line with guidance
- Dec21Q - \$40.1m cashflow from operations
- Minimal spend outside AISC – differentiation from peers
- Strong cash build to debt repayment/balance sheet
- Near mine exploration showing resource extension potential



Mt Gibson Gold Project

- Tenure granted, completing compelling value acquisition
- 81,000m resource drilling programme underway
- Resource/reserve update Sept21Q
- Feasibility study/development decision Dec21Q

CMM - a compelling combination of cashflow and growth

Mineral Resources

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)
KGP	Open Pit	0.3 <	67.2	0.8	1,722	19.5	0.7	422	86.7	0.8	2,145
MGGP	Open Pit	0.4 <	-	-	-	79.7	0.8	2,083	79.7	0.8	2,083
Total	Total		67.2	0.8	1,722	99.2	0.8	2,505	166.5	0.8	4,228

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 Estimates refer to ASX announcement dated 17 April 2020 and for full details of Mt Gibson Mineral Resource Estimate refer to ASX announcement dated 28 July 2021.

Ore Reserve – Bibra Deposit

April 2020

			Proved			Probable			Total Ore Reserve		
Deposit	Type	Cut-Off	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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