ASX: CMM



# ACQUISITION OF MUMMALOO PROJECT CAPRICORN EXPANDS MT GIBSON PROJECT TENURE

The board of Capricorn Metals Ltd ("Capricorn" or "the Company") is pleased to advise that it has entered into a binding agreement with Top Iron Pty Ltd ("Top Iron") to acquire the prospective Mummaloo Project tenements and physical assets ("Mummaloo Project"). The Mummaloo Project covers approximately 219 square kilometres of tenure located contiguous to the north of Capricorn's Mt Gibson Gold Project ("MGGP") in the Murchison region of Western Australia.

The Mummaloo Project is considered highly prospective for gold mineralisation, featuring multiple settings conducive to hosting economic gold deposits. Capricorn has already identified four target zones for exploration within the project tenure, with the highest priority target located only 6 kilometres northeast of current MGGP resources.

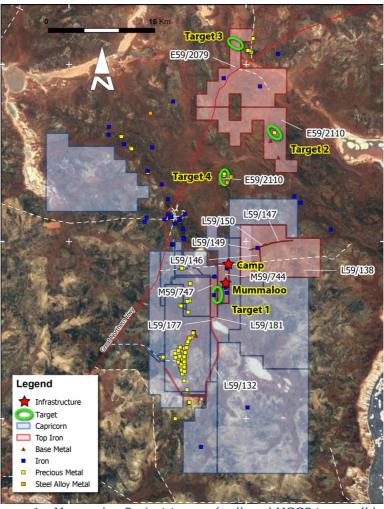


Figure 1 - Mummaloo Project tenure (red) and MGGP tenure (blue)

The acquisition also includes camp and office facilities currently being used by Capricorn exploration and development team prior to commissioning the Company's 400 room camp at MGGP which is nearing completion. The Mummaloo camp will be used as overflow and exploration accommodation going forward as required.

Other assets include small scale crushing and screening equipment (ex Top Iron magnetite iron ore mining operations), various ancillary equipment and several light vehicles. The utility of these assets will be assessed for future use.

The transaction consideration is \$3.5 million, of which Capricorn has paid an initial cash deposit of \$100,000. The balance of the consideration will be satisfied by the issue of fully paid ordinary Capricorn shares to Top Iron upon completion. The share issue consideration will be determined based on the 5-day VWAP preceding the completion date. Completion of the acquisition is expected in February 2025, being subject only to procedural conditions precedent.

### **Background on Mummaloo Project**

The Mummaloo Project, located approximately 295 kilometres north-northeast of Perth, lies between the townships of Wubin and Paynes Find within the Yalgoo-Singleton Greenstone Belt of the Murchison Province in Western Australia. This region is well-regarded for its significant mineral discoveries. The Yalgoo-Singleton Greenstone Belt spans 190 kilometres and extends in a north-northwest direction from Mt Gibson to north of Yalgoo town. It hosts notable Volcanogenic Massive Sulphide (VMS) deposits, including the Cu-Pb-Zn-Ag-Au Golden Grove mine, and is also host to significant gold deposits such as Mt Gibson, Deflector, and Karara.

The tenement package is highly prospective for gold mineralisation, featuring multiple settings conducive to hosting economic gold deposits. Historically, gold exploration in this area has been limited to early-stage activities, predominantly in the mid-1990s. However, both historical and recent exploration efforts have underscored the potential of the project to support further near-surface satellite resources and significant gold discoveries, particularly near Capricorn's existing Mt Gibson resources.

Capricorn has identified four main target zones for exploration within the Mummaloo Project. The highest priority of these is located only 6 kilometres northeast of current Capricorn MGGP resources. This zone is geologically analogous to the main mineralisation of the Mt Gibson deposit, featuring historic workings in shear zones along a contact of metamorphosed and chlorite-biotite-muscovite altered mafic volcanics. Additional data has revealed geological settings favourable for shear-hosted and intrusion-related mineralisation, with identified gold occurrences near magnetic corridors and known lithological contacts. Three further priority targets have also been identified and on ground exploration is planned for 2025. Capricorn will use a focused approach to fully understanding and capitalising on the resource potential of the area.

#### **Capricorn Executive Chairman Mark Clark commented:**

"The acquisition of the Mummaloo Project significantly expands Capricorn's Mt Gibson exploration footprint and adds highly prospective targets analogous and proximal to the Company's current Mt Gibson resources. This provides Capricorn with an outstanding exploration opportunity with a view to adding meaningful additional ore sources to the Mt Gibson operation. We look forward to commencing active exploration on the project in 2025."

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.

