



BOARD AND MANAGEMENT RESTRUCTURE

NEW APPOINTMENTS PUT CAPRICORN ON TRACK FOR PRODUCTION AT KARLAWINDA

ASX ANNOUNCEMENT

14 March 2017

Australian Securities
Exchange Code: CMM

ABN: 84 121 700 105

Board of Directors:

Mr Guy LeClezio
Non-Executive Chairman

Mr Peter Thompson
Managing Director

Mr Peter Langworthy
Technical Director

Mr Heath Hellewell
Non-Executive Director

Mr Jonathan Shellabear
Non-Executive Director

Issued Capital:

Shares 541.7M
Options 17.8M
Share Price A\$0.135
Market Cap. A\$73.1m

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HIGHLIGHTS

- **Respected Australian mining executive and former Doray Minerals co-founder and Independence Group executive Heath Hellewell appointed as Executive Chairman.**
- **Highly experienced mining engineer Stuart Pether to join the board as a Non-Executive Director.**
- **Peter Thompson and Peter Langworthy to step down from the board and take up full-time executive positions as Chief Operating Officer and Executive General Manager - Geology respectively.**
- **Recently appointed Non-Executive Director Jonathan Shellabear will also step down from the board to take up the full-time role of Chief Financial Officer.**
- **The changes will ensure that Capricorn has the appropriate balance and blend of skills and experience between the board and senior management to take the Company to the next level.**
- **Karlawinda DFS remains on track for completion by mid-2017, with an upgraded resource expected by the end of March and maiden Ore Reserves in April.**

Capricorn Metals Ltd (ASX: CMM – “Capricorn” or the “Company”) is pleased to announce a board and management restructure designed to prepare the Company for its imminent transition from developer to Australia’s next significant mid-tier open pit gold producer.

At the heart of the restructure is the elevation of respected Australian mining industry executive and former Doray Minerals co-founder and senior Independence Group executive Heath Hellewell to the role of Executive Chairman to spearhead the Company’s transformation to gold producer.

At the same time, Managing Director Peter Thompson, Technical Director Peter Langworthy and Non-Executive Director Jonathan Shellabear will step down from the board to take up full-time executive roles with the Company, respectively as Chief Operating Officer, Executive General Manager - Geology and Chief Financial Officer.

This will ensure the immediate installation of an experienced and highly-credentialed executive management team to oversee the financing, development and operation of the Karlawinda Gold Project.

Collectively, this team has vast experience in exploration, project development and operations including former senior executive roles with successful mid-tier and global mining companies such as Jubilee Mines, Western Mining, St Barbara, Dominion Mining and PacMin Mining.

Capricorn is also pleased to announce the appointment of experienced mining executive Stuart Pether to its board as a Non-Executive Director.

Mr Pether, a mining engineer with 25 years' experience in project development, technical studies, mine operations and corporate management, was previously Chief Executive Officer for PNG gold developer Kula Gold and Chief Operating Officer at Catalpa Resources.

As Chief Operating Officer at Catalpa Resources, he was responsible for the construction, commissioning and operation of the successful open pit Edna May Gold Project.

Following the merger of Catalpa Resources with Conquest Mining in 2011 to create Evolution Mining, Mr Pether took up the position of Vice President, Project Development with Evolution, where he was responsible for technical studies and major capital projects, including construction of the \$140 million Mt Carlton Gold Project in Queensland.

He has previously held senior positions with CBH Resources, PacMin Mining Limited, Dominion Mining and Western Mining Corporation. Mr Pether holds a Bachelor in Engineering (Mining Engineering) from the WA School of Mines.

Mr Guy LeClezio will remain on the board as a Non-Executive Director.

Newly appointed Capricorn Executive Chair, Mr Heath Hellewell, said "the changes marked the beginning of new chapter for the Company as it embarked on the development of the Karlawinda Gold Project in WA".

"The Company has made rapid progress over the past 12 months, acquiring the Karlawinda Project, completing a major resource drill-out, commencing a Feasibility Study and making some important new discoveries," he said.

"Now is the time to capitalize on this excellent work and complete our transformation from explorer to producer. The changes announced today will ensure that we have the right people, the right skills and the right corporate structure to deliver on our objectives and build a significant new Australian mining house.

"Karlawinda is a great asset which ticks all of the boxes for an emerging gold company. It is in a great location, in the heart of the world-class Pilbara mining district. It has scale, underpinned by a resource of approximately 1 million ounces and it has a simple, straightforward development plan based around a single, large open pit mine.

"Following the installation of what I regard as one of the best executive management teams in the junior mining industry and with the welcome appointment of highly-regarded Australian mining engineer Stuart Pether to our restructured board, Capricorn is now in an enviable position to move forward and create significant value for shareholders."

For and on behalf of the Board



Heath Hellewell
Executive Chairman

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Appendix:

Executive Chairman & CEO Remuneration Details

Mr Heath Hellewell

Annual Salary Package, including superannuation: \$246,375 per annum

Short Term Incentive Payment (STIP): Maximum incentive set to 50% of annual salary package, to be determined in respect of each 12 month period ending on 31 December in relation to achievement of pre-agreed key performance indicators set by the board.