



CAPRICORN COMPLETES GOLD HEDGING FOR KARLAWINDA GOLD PROJECT

**200,000 OUNCES OF GOLD SOLD AT A PRICE OF A\$2,249
PER OUNCE**

ASX ANNOUNCEMENT

14 August 2019

ASX Code: CMM

ABN: 84 121 700 105

Board of Directors:

Mr Mark Clark
Executive Chairman

Mr Mark Okeby
Non-Executive Director

Mr Doug Jendry
Non-Executive Director

Mr Tim Kestell
Non-Executive Director

Mr Stuart Pether
Non-Executive Director

Issued Capital:

Shares 1,045.2M
Options 41.39M
Share Price A\$0.225
Market Cap. A\$235.2M

REGISTERED OFFICE:

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Capricorn Metals Ltd (ASX:CMM) (Capricorn or the Company) is pleased to announce the completion overnight of 200,000 ounces of gold hedging with a 31 December 2019 maturity and a price of A\$2,249 per ounce.

After securing commitments for a \$65 million share placement yesterday, Capricorn was able to expedite completion of security and related documentation with Macquarie Bank Limited (Macquarie) to allow execution of the hedge. It is intended the security documentation will be incorporated in the final debt and hedging facility agreements expected to be completed within the next 3 months.

The hedge has a maturity of 31 December 2019, by which time it is expected that the previously lapsed debt facility will be available for drawdown and the gold hedging will be rolled into a delivery programme matching debt quantum and amortisation and life of mine production plans.

Hedging of 200,000 ounces represents coverage of approximately 2 years of anticipated gold production out of a current mine life of 8.5 years on the current Ore Reserve of 892,000 ounces¹ of gold (Ore Reserve estimated using an A\$1,600/oz gold price).

Capricorn Executive Chairman Mark Clark commented:

"We are very pleased to have been able to work with Macquarie to expedite a gold hedge to underpin the development of the Karlawinda Gold Project. Gold hedging of 200,000 ounces at a price of A\$2,249 per ounce should provide a very strong operating margin for the project."

For and on behalf of the Board

Mr Mark Clark
Executive Chairman

For further information, please contact:

Mr Mark Clark

Executive Chairman

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1. Capricorn reports that it is not aware of any new information or data that materially affects the information included in the Ore Reserve and Mineral Resource announcement dated 29th May 2018 and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and there have been no adverse material changes.

DISCLAIMER

This announcement contains “forward-looking statements” and “forward-looking information”, including statements and forecasts relating to CMM. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “is expecting”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes”, or variations (including negative variations) of such words and phrases, or state that certain actions, events or results “may”, “could”, “would”, “might”, or “will” be taken, occur or be achieved. Such information is based on assumptions and judgements of management regarding future events and results. The purpose of forward looking information is to provide the audience with information about management’s expectations and plans. Readers are cautioned that forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of CMM and/or its subsidiaries to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information.