



KARLAWINDA EXPLORATION UPDATE

DRILLING RE-COMMENCES AT THE KARLAWINDA GOLD PROJECT

New program of Reverse Circulation drilling underway at the Tramore Gold Prospect

ASX ANNOUNCEMENT

15 May 2019

ASX Code: CMM

ABN: 84 121 700 105

Board of Directors:

Mr Douglas Jendry
Non-Executive Chair

Mr Stuart Pether
Non-Executive Director

Mr Timothy Kestell
Non-Executive Director

Issued Capital:

Shares 936.53M
Options 41.39M
Share Price A\$0.089
Market Cap. A\$83.35M

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Capricorn Metals Ltd (ASX: CMM) (“**Capricorn**”) is pleased to advise that a Reverse Circulation (“**RC**”) drilling program has commenced at the Tramore Prospect within its flagship 100%-owned Karlawinda Gold Project in Western Australia.

7,500 metres of RC drilling is planned to be drilled along the 450m of strike length of the Tramore Prospect, down to a vertical depth of 175m. It is expected this drilling will take six to eight weeks to complete.

This drilling program at Tramore has been designed to extend the current drilling grid to 50m x 50m (Figure 1), providing sufficient sample coverage to support a Mineral Resource estimation. The Tramore Prospect is the most advanced prospect not currently in the Karlawinda Gold Project resource inventory.

The Tramore Prospect is located approximately 100m to 600m to the south of the current planned Bibra open pit and the gold mineralisation is interpreted to be the along-strike continuation of the main Bibra mineralisation. The gold mineralisation is overlain by Proterozoic aged cover rocks of the Bangemall Group and is up to 50m thick at the southern end of the prospect. It is defined over a strike length of approximately 450m, ranges in thickness between 10m and 20m, dips at approximately 25° to the west and contains two greater than 2g/t, higher grade shoots, which are approximately 50m to 75m in dimension along strike. The Tramore mineralisation is open at depth and includes the following previous intersections from 2018:

- 19m @ 1.63g/t gold from 78m,
- 12m @ 2.54g/t gold from 129m and
- 34m @ 1.07 g/t gold from 41m

(Refer ASX announcements dated 14 August 2018, 20 March 2018 and 25 January 2018).

Following on from the Tramore drilling program, 2,000 metres of RC drilling has been allocated to test several exploration targets around the Bibra and Frankopan gold deposits, which have been developed through geological and geophysical interpretation, as discussed in the Company’s March Quarterly report (ASX announcement 30 April 2019).

For and on behalf of the Board

Mr Doug Jendry
Chair

For further information, please contact:

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Non-Executive Chair

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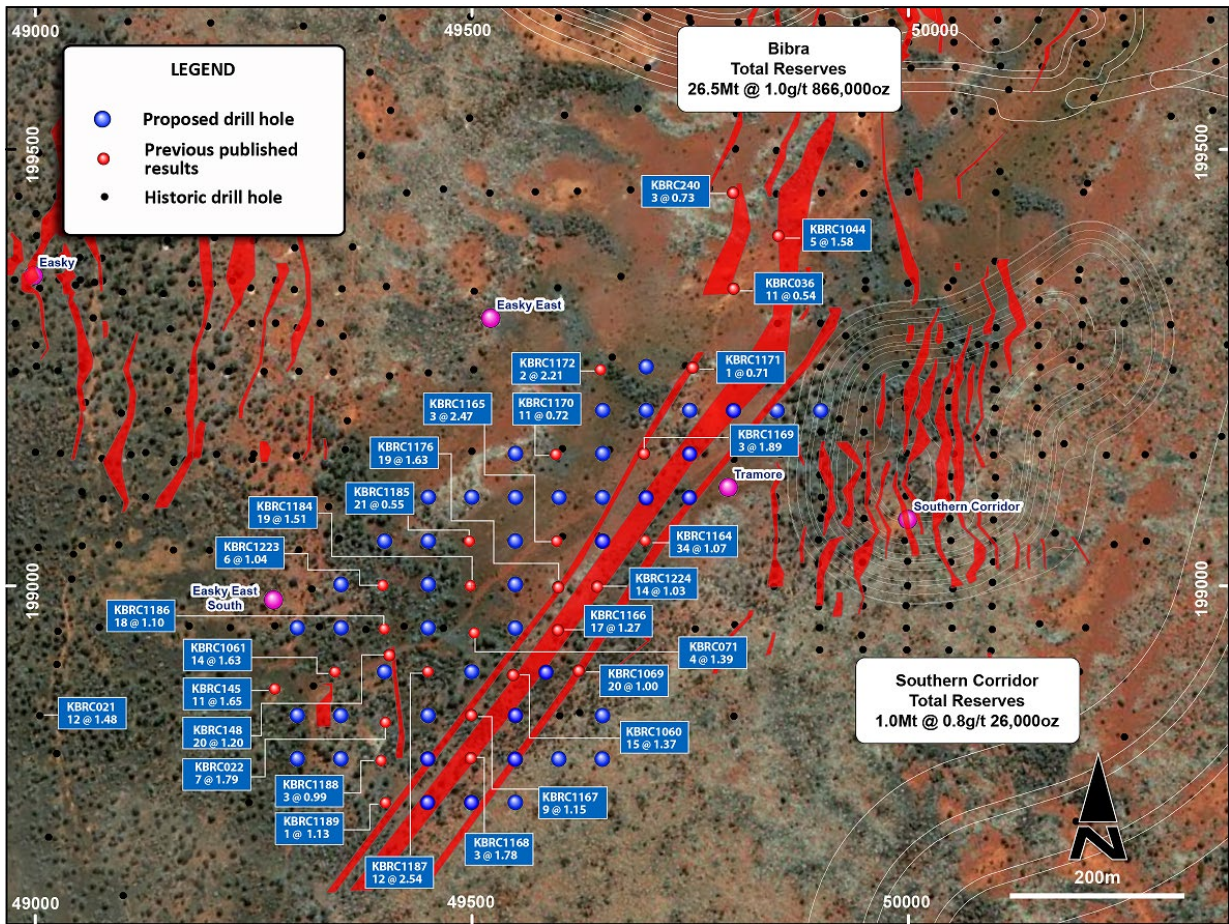


Figure 1: Tramore Prospect plan with completed holes in (red) and planned holes (blue)