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Company Announcements Office
Australian Securities Exchange Limited
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ASX:CMM

MACA COMPLETES SUCCESSFUL PROOF OF CONCEPT OF AUTONOMOUS HAULAGE TECHNOLOGY AT KARLAWINDA GOLD PROJECT

ASX Announcement

Highlights

- MACA Limited (MACA) and its technology partners have completed a stage 1 proof of concept of a proprietary automated haulage (driverless trucks) technology system through field trials conducted at Capricorn's Karlawinda Gold Project (KGP)
- The field trial culminated in the achievement of successful autonomous load, haul and dump cycles in February 2022.
- Trials are a significant first step towards delivering an innovation to the mid-tier open pit mining space that has until now been the domain of the major international miners.
- As long-term partners, MACA and Capricorn have executed a non-binding MOU that outlines an intention to conduct further trials and ultimately roll the technology out at Karlawinda in the longer term if it meets all required safety, efficiency, regulatory, legal and commercial hurdles.

Autonomous Haulage Trials

Capricorn Metals Ltd (**Capricorn** or the **Company**) is pleased to advise that Karlawinda earthmoving contractor MACA and its technology partners SafeAI and Position Partners (collectively Automation Partners) have completed a stage 1 proof of concept of a proprietary automated haulage (driverless trucks) technology system through field trials conducted at KGP.

The field trials were undertaken by (and at the cost of) the Automation Partners in a cleared and safety banded area away from the active mining operation at KGP to demonstrate and evaluate the capabilities of the proprietary autonomous vehicle technology. The technology was installed on a Hitachi EH3500 model 180T dump truck and a haulage cycle route established for navigation.

The field trial culminated in the achievement of successful autonomous load, haul and dump cycles in February 2022. This milestone is part of the Automation Partners proof of concept for the technology. Work will continue on developing the technology to the point that it is ready to be installed on trucks in an active mining environment.

Capricorn & MACA – non binding memorandum of understanding

Capricorn is following the trials and progress towards validation of the technology with interest as there is potential long terms benefits to both MACA and Capricorn of a successful roll out, including:

- improved operating efficiency and availability which could deliver cost savings;
- lower consumption of fuel and lower wear on tyres and brakes;
- lower personnel demand in a tight labour market; and
- improved safety outcomes from reduced personnel numbers in the active mine environment.

Capricorn and MACA management have a long history of successful project collaboration. It is based on this relationship that Capricorn provided the Automation Partners access to the KGP mine site for the autonomous haulage field trials.

Given the relationship and the encouraging proof of concept achieved to date Capricorn and MACA have signed a non-binding Memorandum of Understanding (MOU) that sets out both parties long term intentions to further trial and ultimately implement the technology at KGP.

The non-binding MOU is subject to, amongst other matters:

- validation of the safety of the technology to industry risk management, insurance and other standards;
- validation of viability and efficiency of the technology to Capricorn operating standards;
- receipt of all regulatory, legal, insurance and other approvals that may be required and
- negotiation of satisfactory commercial and legal arrangements between the parties in relation to its implementation, including the principle that Capricorn will be “no worse off” than its current contracted mining schedule of rates as a result of any implementation.

The parties note that there is no guarantee or certainty that the technology will ultimately achieve fully operational implementation. However this is a significant first step in an innovation that has until now been the domain of the major international miners.

Capricorn Executive Chairman Mark Clark commented:

“The autonomous haulage trials that MACA and its technology partners have completed at Karlawinda are a very exciting first step in innovation that could be a step change opportunity for the mid-tier open pit mining space. Capricorn is proud to have facilitated the trials and is impressed by the proof of concept that has been achieved to date. We are very pleased that as long-term partners, Capricorn and MACA have executed a non-binding MOU that outlines an intention to further trial and ultimately roll the technology out at Karlawinda in the longer term if it meets all required safety, efficiency, regulatory, legal and commercial hurdles.”

This announcement has been authorised for release by the Capricorn Metals Ltd 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.
