

TEM | Capricorn Metals Limited to Acquire Yalgoo Project

Key Points

- Capricorn to acquire Yalgoo Project and expand regional footprint
- A\$4.5M cash and scrip deal with potential for further milestone payments
- TEM to retain iron rights on eastern tenements

Summary

Tempest Minerals Ltd (TEM) is pleased to advise that it has entered into a binding agreement with Capricorn Metals Limited (CMM) for CMM to acquire the Yalgoo Project tenement package ("Yalgoo Project"). CMM have entered into an agreement to purchase the Yalgoo Project for a total consideration of \$4.5 million with further milestone payments to be made upon further discoveries or production within the tenement package. TEM will retain the iron rights for the eastern tenements previously identified as iron bearing.

Yalgoo Project

Background

The Yalgoo Project totals approximately 1,000 square kilometres ¹ with potential ² for further discovery across multiple commodities. TEM has been actively exploring this area since 2020 ³⁻⁴ successfully employing data-driven processes to identify poorly or unexplored areas of highly prospective geology across various geological domains. This strategic, data-led approach yielded considerable success for TEM, resulting in the discovery of multiple instances of new mineralisation ⁵⁻¹⁰, and the substantial Remorse magnetite deposit in 2024 ¹¹⁻¹⁵.

The size and prospectivity of the Yalgoo Project have always made it an ideal target for the involvement of a larger company and the proposed acquisition by CMM creates a natural synergy, as CMM is consolidating ¹⁶⁻¹⁷ and undertaking substantial work in the region ¹⁸. This transaction is therefore expected to maximise the project's potential, leveraging both the project's proven prospectivity and CMM's regional presence.

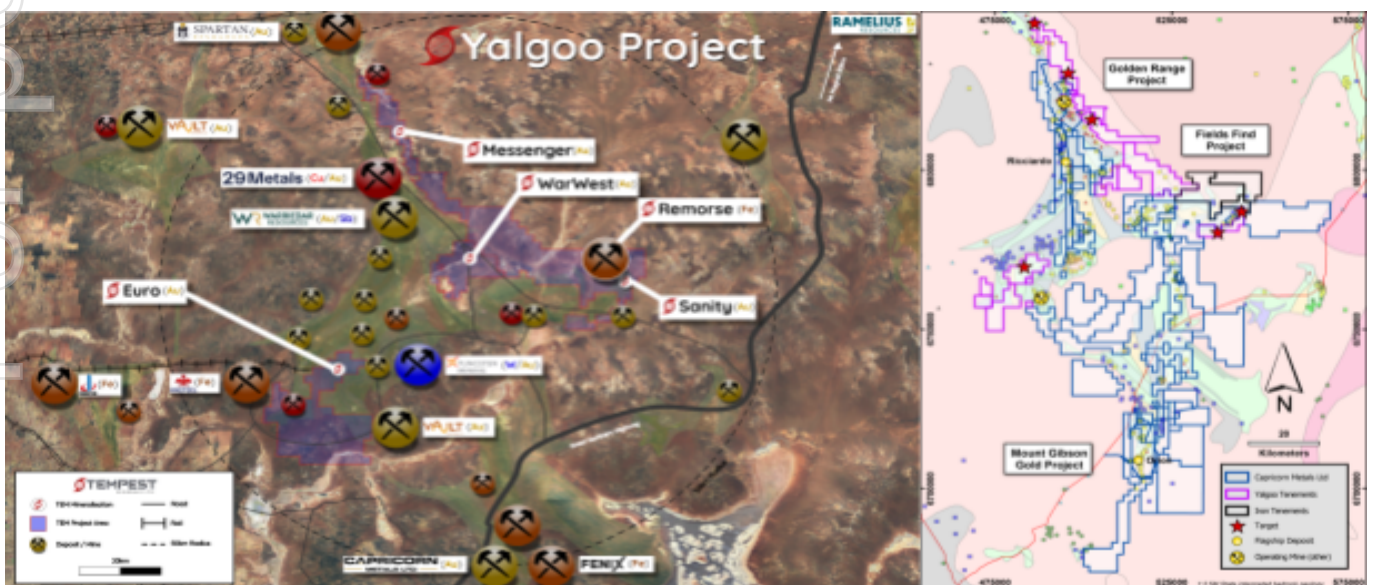


Figure 01: TEM Yalgoo Project (left) and new combined CMM Project (right)

Agreement

TEM and CMM have entered into a binding agreement for CMM to acquire the Yalgoo Project for a total consideration of \$4.5 million (Agreement). The consideration comprises:

- an initial cash deposit of \$100,000;
- \$400,000 cash on completion; and
- \$4,000,000 by way of the issue of fully paid ordinary shares in CMM to TEM, calculated by reference to the 5-day VWAP prior to completion.

The Agreement covers the tenure of the Yalgoo Project, with the key transaction terms including:

- Tenements comprising the Yalgoo Project will be transferred in full to CMM free of any third-party commitments or royalties;
- TEM will retain ownership of the eastern tenements recently identified as bearing iron mineralisation;
- TEM will grant to CMM exploration and development rights in respect of all minerals other than iron ore on the Iron Tenements; and
- Completion is subject only to procedural due diligence and administrative conditions precedent, including ASX confirming that Listing Rule Chapter 11 does not apply to the Agreement, **or**, if ASX determines that Listing Rule Chapter 11 does apply (or is deemed to apply), the Company obtaining the approval of its shareholders in accordance with the ASX Listing Rules.;
- CMM has agreed to make contingent payments, as follows:
 - \$750,000 in cash upon the announcement by CMM of a JORC compliant Mineral Resource Estimate in excess of 75,000 ounces of gold on the Yalgoo Project;
 - \$750,000 in cash upon the announcement by CMM of a board decision to commence a commercial mining operation on the Yalgoo Project;
 - Resource Payments are payable once per tenement, with a maximum of three payments.

Next Steps

- Completion of deal with Capricorn expected early 2026
- Remorse deposit and nearby exploration potential ¹⁹ to continue within previously announced deal with Green Steel And Iron Pty Ltd ²⁰⁻²¹
- TEM to continue focussed exploration on its diverse Western Australian portfolio including:
 - The Range Project in Mt Magnet where recent drilling has identified gold over a 1.5km strike
 - The Five Wheels Project with anomalous base metal identified near major deposits
 - The Elephant Project where a multikilometre geophysical and untested gold anomaly resides

The Board of the Company has authorised the release of this announcement to the market.

About TEM

Tempest Minerals Ltd is an Australian-based mineral exploration company with a diversified portfolio of projects in Western Australia, where its iron ore project is moving towards development in addition to exploring for precious, base and energy metals. The Company has an experienced board and management team with a history of exploration, operational and corporate success.

Tempest leverages the team's energy, technical and commercial acumen to execute the Company's mission - to maximise shareholder value through focused, data-driven, risk-weighted exploration and development of our assets.

Investor Information

 investorhub.tempestminerals.com

TEM welcomes direct engagement and encourages shareholders and interested parties to visit the TEM Investor hub, which provides additional background information, videos and a forum for stakeholders to communicate with each other and with the company.

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Forward-looking statements

This document may contain certain forward-looking statements. Such statements are only predictions, based on certain assumptions and involve known and unknown risks, uncertainties and other factors, many of which are beyond the company's control. Actual events or results may differ materially from the events or results expected or implied in any forward-looking statement. The inclusion of such statements should not be regarded as a representation, warranty or prediction with respect to the accuracy of the underlying assumptions or that any forward-looking statements will be or are likely to be fulfilled. Tempest undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date of this document (subject to securities exchange disclosure requirements). The information in this document does not take into account the objectives, financial situation or particular needs of any person or organisation. Nothing contained in this document constitutes investment, legal, tax or other advice.

Competent Person Statement

The information in this announcement that relates to Exploration Results and general project comments is based on information compiled by Don Smith who is the Managing Director of Tempest Minerals Ltd. Don is a Member of AusIMM, AIG and GSA and has sufficient experience relevant to the style of mineralisation under consideration and to the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Don consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the Exploration Results information included in this report from previous Company announcements as referenced in the body of this announcement and further confirms that all material assumptions underpinning the exploration results contained in those market releases continue to apply and have not materially changed.

Appendix A: References

1. TEM ASX Announcement dated 15 February 2023 "Increase In Yalgoo Landholding" ➤
2. TEM ASX Announcement dated 20 June 2023 "Regional Exploration Update" ➤
3. TEM ASX Announcement dated 21 November 2019 "Li3 Lithium Consolidated to Acquire Warrigal Mining Extensive Gold and Copper Portfolio Secured Prolific Mining District, Western Australia" ➤
4. TEM ASX Announcement dated 24 March 2020 "Exploration update - Warriedar Project Murchison Province WA" ➤
5. TEM ASX Announcement dated 15 January 2021 "Further gold intersected at Warriedar" ➤
6. TEM ASX Announcement dated 29 March 2021 "Encouraging results from Messenger Drilling" ➤
7. TEM ASX Announcement dated 25 January 2022 "Sulphides intersected in drilling at Euro" ➤
8. TEM ASX Announcement dated 23 May 2022 "Gold And Polymetallic Results Confirm Potential" ➤
9. TEM ASX Announcement dated 28 March 2022 "Significant Discovery At Orion Target" ➤
10. TEM ASX Announcement dated 14 February 2023 "Critical Metals In Regional Drilling Program" ➤
11. TEM ASX Announcement dated 24 October 2024 "Yalgoo Update - High-Grade Iron Intercepted In Early Drilling At Remorse" ➤
12. TEM ASX Announcement dated 21 November 2024 "Yalgoo Update - Further Excellent Iron Results" ➤
13. TEM ASX Announcement dated 03 December "High-Grade Magnetite Deposit Emerging at Remorse" <Amended 16 January 2025 > ➤
14. TEM ASX Announcement dated 13 February 2025 "Remorse Metallurgical Testing Commences" ➤
15. TEM ASX Announcement dated 08 May 2025 "Remorse Positioned For Rapid Development With Inaugural Resource - Amended" ➤
16. CMM ASX Announcement dated 24 July 2025 "Capricorn Metals To Acquire Warriedar Resources" ➤
17. CMM Announcement dated 31 July 2025 "Acquisition Of Mongers Lake Project" ➤
18. CMM Announcement dated 22 July 2025 "Mggp Maiden Underground Resource 684 Koz At 3.1g/T Au Total Mggp Resource Grows To 4.5 Moz" ➤
19. TEM ASX Announcement dated 01 August 2025 "New Iron Target at Halo Prospect"
20. TEM ASX Announcement dated 07 February 2025 "MOU signed with WA Developer Green Steel and Iron" ➤
21. TEM ASX Announcement dated 10 December 2025 "Option Agreement with Green Steel to acquire Remorse Project" ➤