



ASX Code: CMM

Resource Rising Stars 2017 Conference



ASSOCIATION OF MINING
AND EXPLORATION COMPANIES

2017 MEMBER

PREPARING FOR PRODUCTION AT KARLAWINDA

A rare opportunity in the Australian gold sector

Heath Hellewell
Executive Chairman



Definitive Feasibility Study by Sept Quarter 2017 • Fully-funded to decision to mine • Significant upside on road to production

Disclaimer & Competent Person's Statement

CAUTIONARY STATEMENT – 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.

CAUTIONARY STATEMENT – PRELIMINARY NATURE OF STUDY

The Company advises that the Scoping Study results contained in this announcement are preliminary in nature as the conclusions are based on low-level technical and economic assessments, and are insufficient to support the calculation of Ore Reserves or to provide an assurance of economic development at this time. There is a low level of geological confidence associated with Inferred Mineral resources as used in parts of this report and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the outcomes of the Scoping Study will be realised. Accordingly, these Inferred Resources should not be relied on by investors when making investment decisions.

ASX announcements are available on the Company’s website at www.capmetals.com.au

COMPETENT PERSON’S STATEMENT

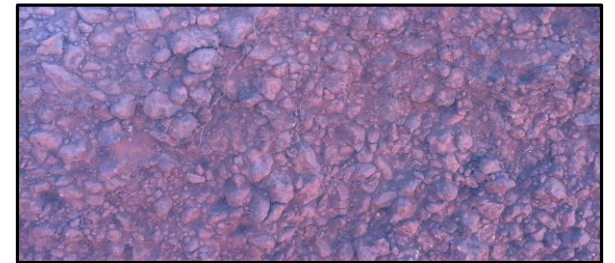
The information in this report that relates to Exploration Results or Mineral Resources is based on information compiled or reviewed by Mr. Michael Martin who is Chief Geologist and a full time employee of the Company. Mr. Michael Martin is a current Member of the Australian Institute of Geoscientists and has sufficient experience, which is relevant to the style of mineralisation and types of deposit under consideration and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr. Martin consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to Exploration Results or Mineral Resources is based on information reviewed by Mr. Peter Langworthy who is Executive General Manager Geology, and a full time employee of the Company. Mr. Peter Langworthy is a current Member of the Australian Institute of Mining and Metallurgy and has sufficient experience, which is relevant to the style of mineralisation and types of deposit under consideration and to the activities undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code of Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr. Martin consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

A Rare Opportunity in the Australian Gold Sector

A simple, straight-forward development and growth opportunity

- ▶ 100% owned Karlawinda Gold Project in the Pilbara region of WA
 - ▶ *located in first class jurisdiction with existing infrastructure*
- ▶ Large scale unmined +1Moz gold Resource (Indicated) at the Bibra deposit
- ▶ Expected high conversion rate into Ore Reserves
- ▶ Low strip ratio, large open pit based on continuous ore zones
- ▶ 3Mt/pa CIP processing plant
 - ▶ *Simple Metallurgy*
 - ▶ *100koz/pa production*
 - ▶ *Capital Development Intensity (Capex / LOM production) consistent with peer group*



A Rare Opportunity in the Australian Gold Sector

A simple, straightforward development and growth opportunity

- ▶ Clear development pathway to cashflow
 - ▶ *Reserves June Quarter 2017, DFS September Quarter 2017*
 - ▶ *Subject to DFS*
 - ▶ *Financing late 2017 / early 2018*
 - ▶ *Construction approx. 12 months*
- ▶ Experienced team, now fully-funded beyond decision to mine
 - ▶ *Recent \$10M cornerstone investment by Hawkes Point Capital*
- ▶ Strong growth potential from new discoveries in under-explored goldfield
 - ▶ *\$3.5M exploration budget for 2017*



Corporate Overview

A well-funded Australian gold company

Corporate Information

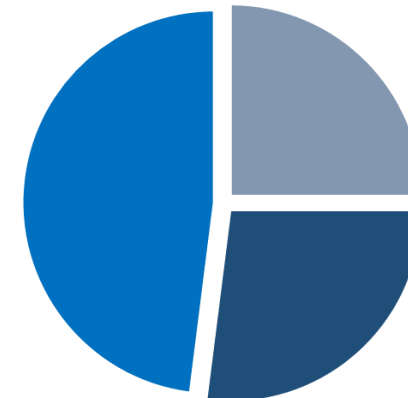
ASX Code	CMM
Shares on Issue	572.4m
Share Price as at 25 th May 2017	9.5c
Market Cap 25 th May 2017	~\$55m
Cash as at 31 st March 2017	\$5.2m (+\$3.6m)
Unlisted options	47m

CMM Share Price – as at 17th May 2017



Shareholding Distribution (as at 25th May 2017)

Retail 48%



Directors & Officers 25%
Centrepeak Resources Group 13%

Institutional 27%
Hawkes Point Capital 14%
Acorn Capital 6%

Board and Management: Team to Deliver

A strong team with extensive experience in developing and operating mid-tier mining projects



Board of Directors

Heath Hellewell – Executive Chairman



Guy LeClezio – Non-Executive Director

- Stockbroker and Mining Industry Executive, 20 Years Experience
- Eyres Reed, Canadian Imperial Bank of Commerce
- Founder Madagascar Resources NL



Stuart Pether – Non-Executive Director

- Mining Engineer with 25 years' experience
- Vice President, Project Development with Evolution Mining
- Previous senior positions with Kula Gold, Catalpa Resources, CBH Resources, PacMin Mining Limited, Dominion Mining and Western Mining Corporation

Executive Management Team



Heath Hellewell – Executive Chairman

- Geologist with +23 years experience in gold, base metals & diamonds
- Co-founding Executive Director of Doray Minerals, and previous senior positions with Independence Group NL, Resolute Mining and DeBeers Australia
- Co-winner of the 2014 AMEC "Prospector of the Year" award



Peter Thompson – Chief Operating Officer

- Geologist with extensive experience in gold, nickel and copper
- Previous senior roles with WMC, Anaconda Nickel, Jubilee Mines, St Barbara Ltd, Beaconsfield Gold and Central Asia Resources
- Significant experience in operating deep underground gold and heap leach start-up operations



Peter Langworthy – General Manager Geology

- Geologist with 28 years' experience in mineral exploration and project development in Australia and Indonesia
- Senior management roles with WMC Resources, PacMin Mining, Jubilee Mines and Talisman Mining
- Part of the corporate team responsible for the growth of Jubilee Mines until it was taken over by Xstrata for \$23/share



Jonathan Shellabear – Chief Financial Officer

- 30 years' experience as a senior corporate executive and investment banker specialising in the mining sector
- Senior investment banking positions with NM Rothschild & Sons, Deutsche Bank and Resource Finance Corporation
- Former Managing Director of Dominion Mining



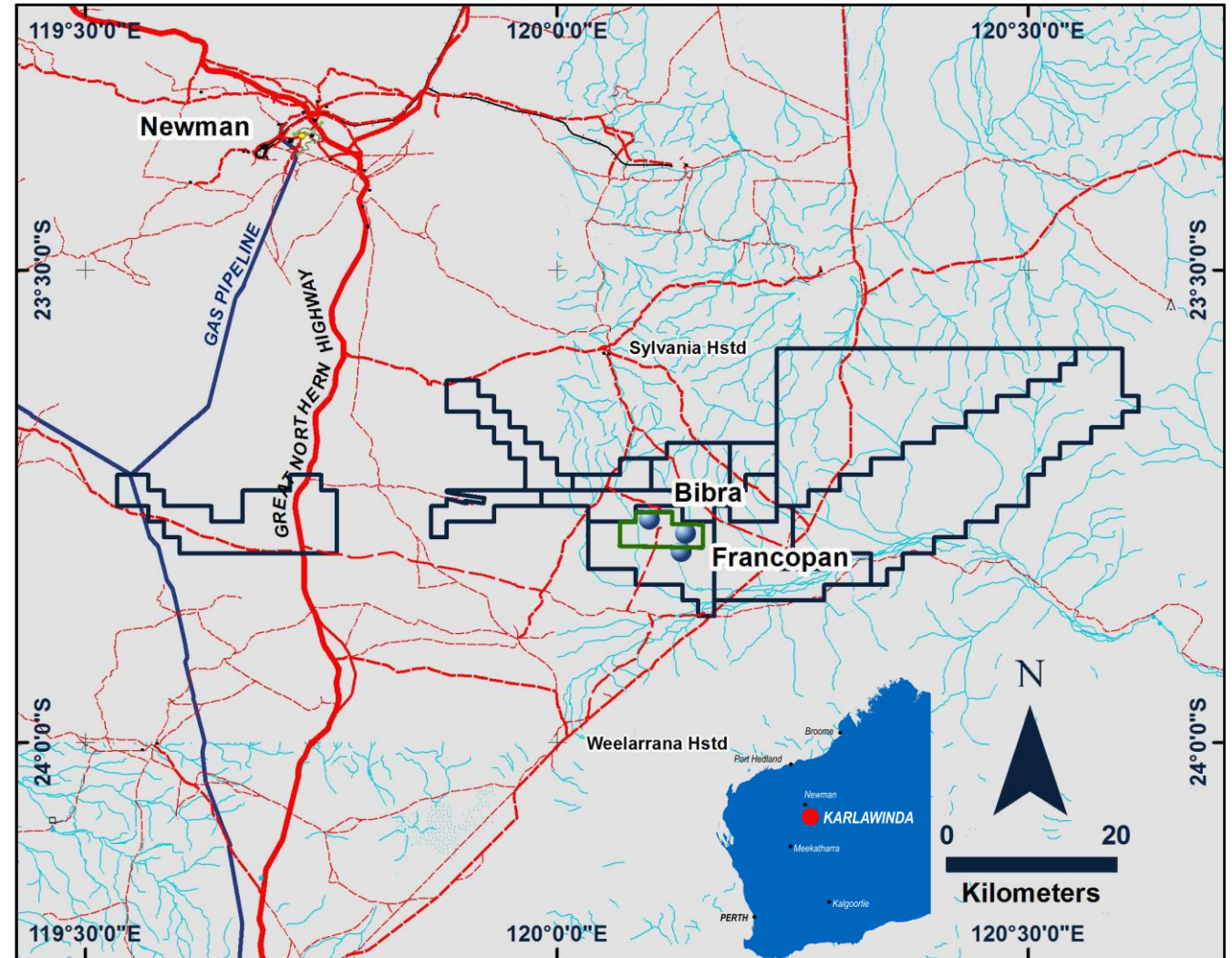
Natasha Forde – Admin Manager/Joint Company Secretary

- CMM Joint Company Secretary and Group Accountant since September 2012
- 9 years experience providing Company Secretarial and Accounting services to ASX listed and unlisted companies
- Previously Joint Company Secretary at Phylogica Limited & Spectrum Rare Earths Limited

Karlawinda: First Class WA Location

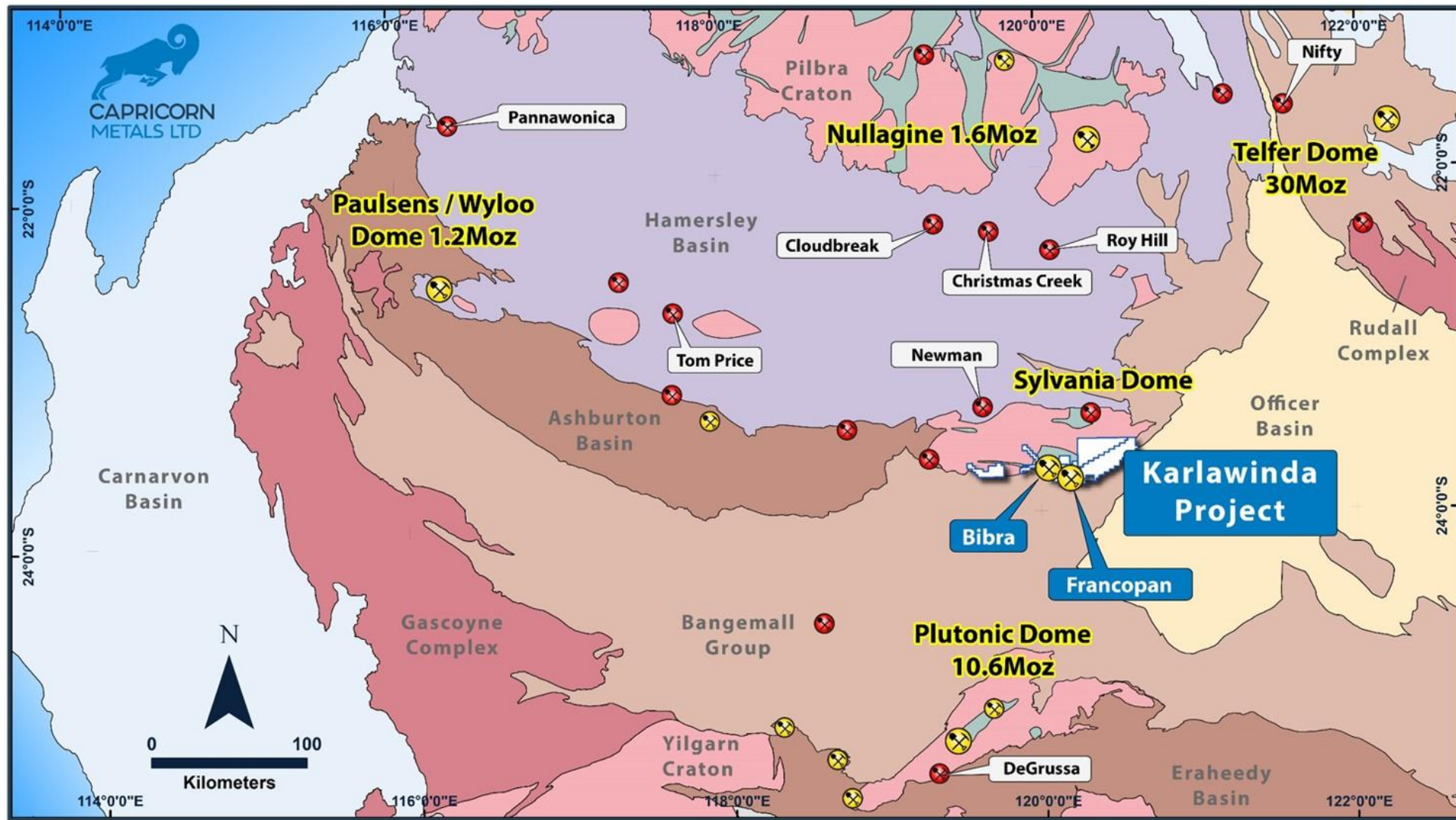
Low risk pathway to development

- ▶ 100% ownership (1353km²)
- ▶ Low-risk jurisdiction
 - ▶ 70km from Newman by road
 - ▶ Native Title Agreement in place
 - ▶ Granted Mining Lease
 - ▶ Environmental framework understood
- ▶ World-class infrastructure and support services
 - ▶ Road network, airport
 - ▶ Engineering and mining support services
 - ▶ Logistics base
 - ▶ Residential opportunities
 - ▶ Potential grid power supply options



Capricorn Orogen – Regional Geology

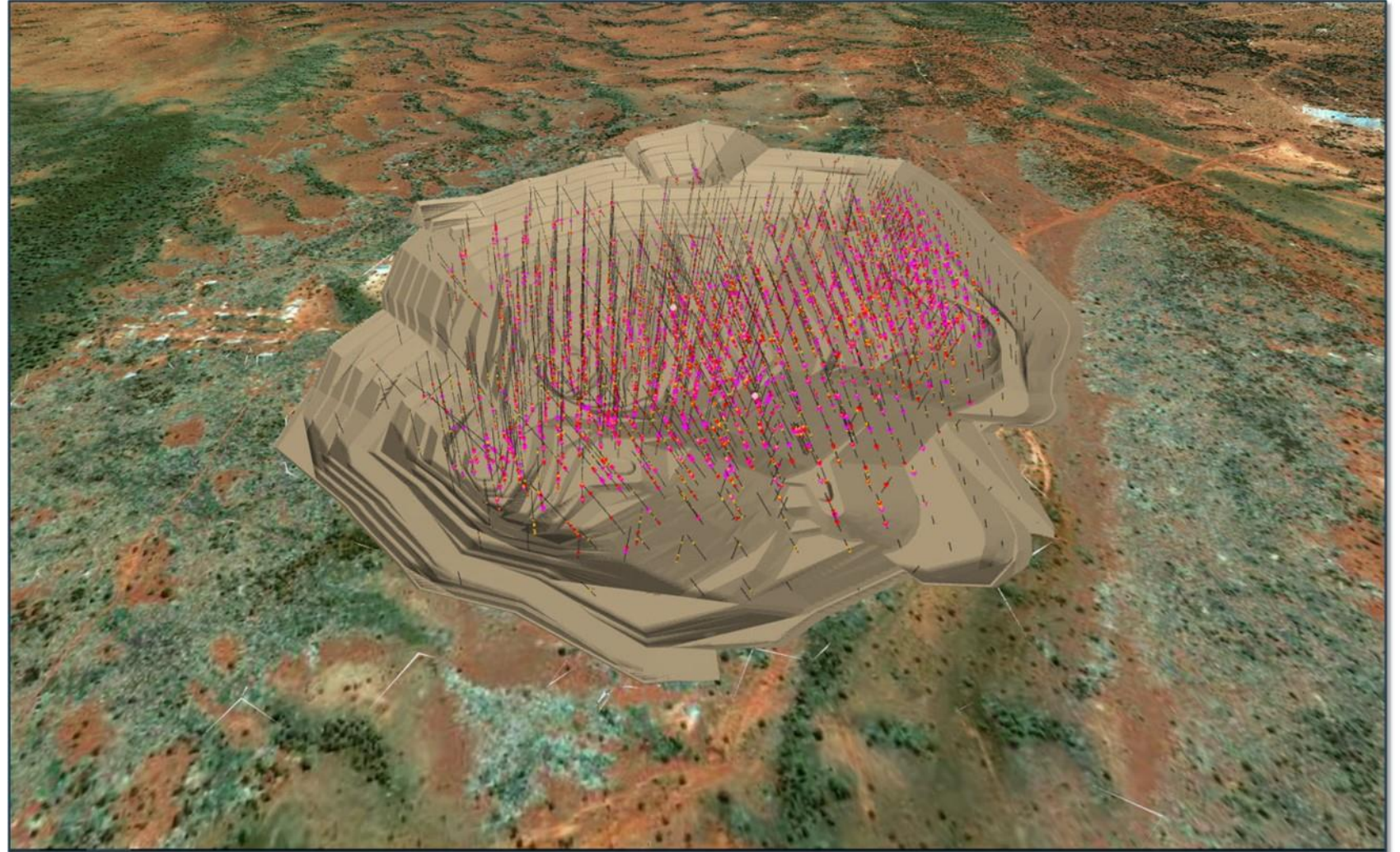
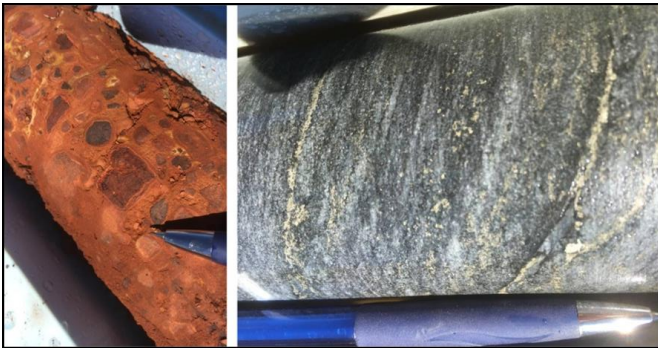
Karlawinda - A new gold discovery in a premier mining district



Bibra Gold Deposit – A Rare Opportunity in WA Gold

Simple, predictable shear-hosted mineralised system

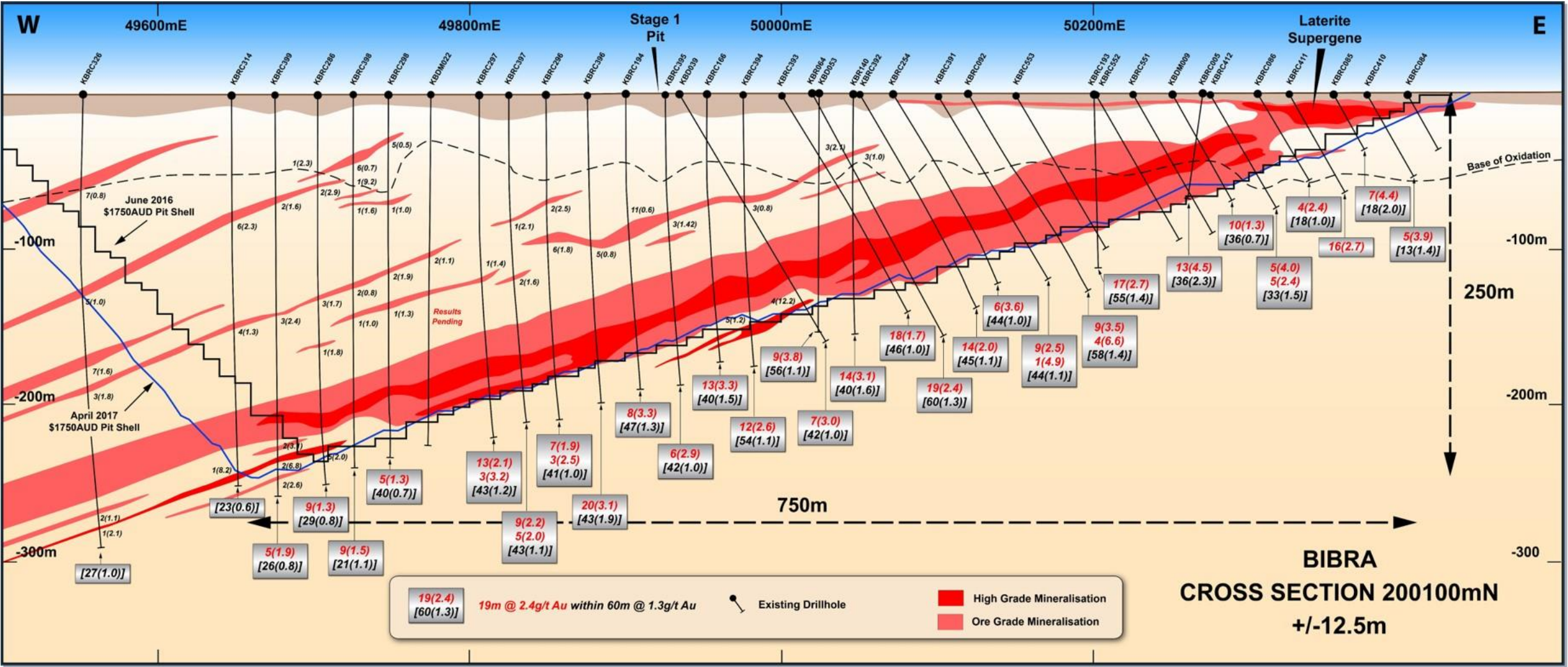
- ▶ Large, Archaean mineralised system
- ▶ 1.1km strike length
- ▶ Drilled 800m down-dip and remains open
- ▶ Broad shear zones up to 50m wide – strong high grade component
- ▶ Large laterite deposit near surface



www.capmetals.com.au

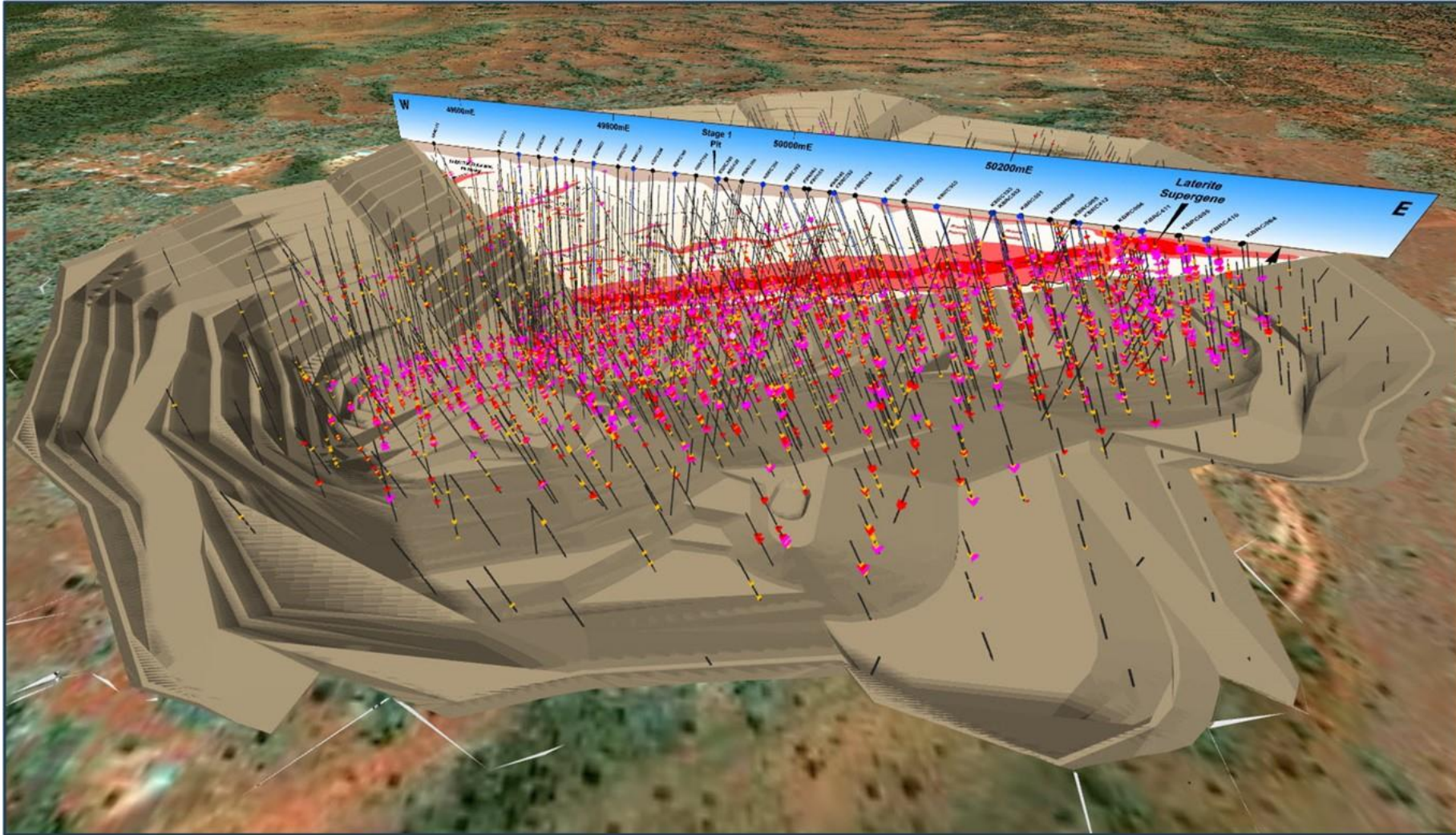
Bibra Gold Deposit – A Rare Opportunity in WA Gold

Simple, predictable shear-hosted mineralised system



Bibra Gold Deposit – A Rare Opportunity in WA Gold

Simple, predictable shear-hosted mineralised system



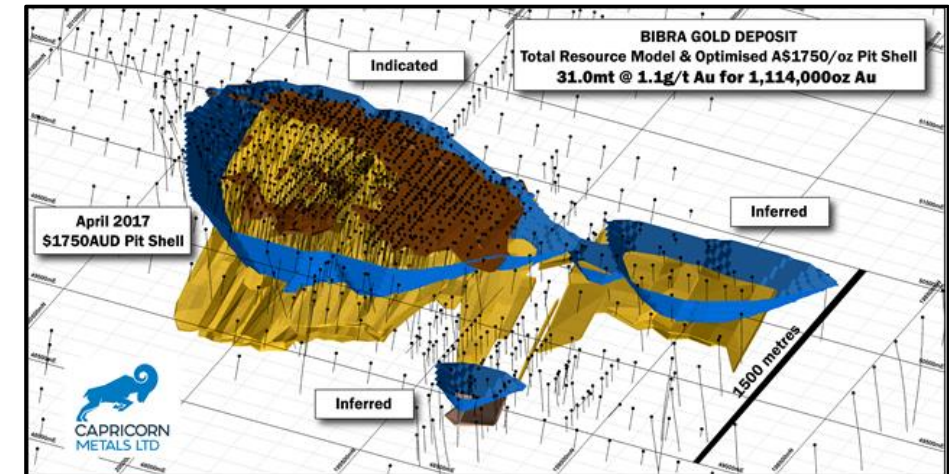
www.capmetals.com.au

Bibra Gold Deposit – Resource Upgrade

Resource upgrade April 2017

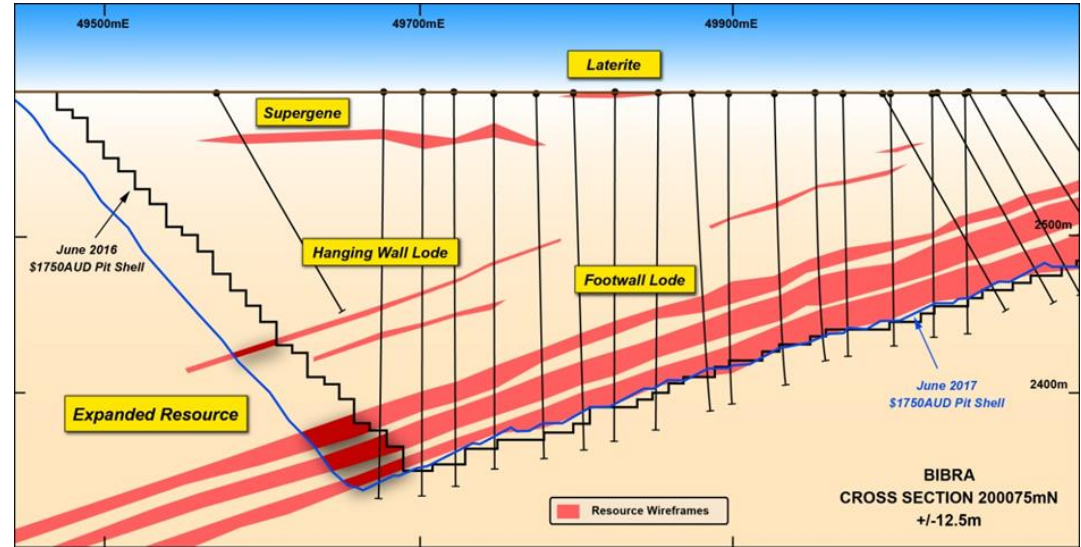
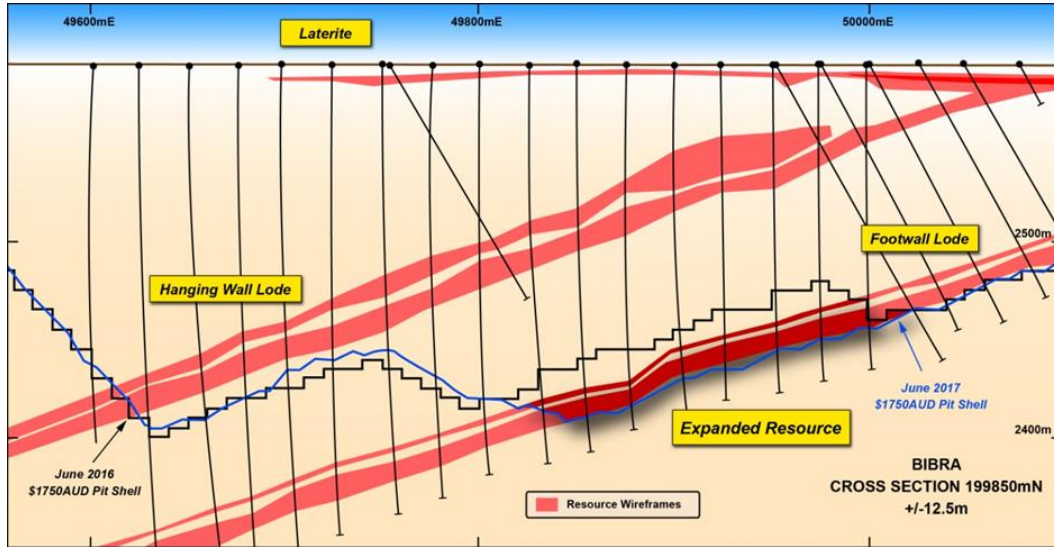
BIBRA GOLD DEPOSIT JORC OPEN PIT RESOURCE ESTIMATE (as of April 2017)									
DATE	INDICATED			INFERRED			TOTAL		
	Tonnes (mt)	Grade (g/t Au)	Ounces (Moz)	Tonnes (mt)	Grade (g/t Au)	Ounces (Moz)	Tonnes (mt)	Grade (g/t Au)	Ounces (Moz)
April 2017	28.9	1.10	1.03	2.4	1.06	0.084	31.3	1.10	1.114
July 2016	---	---	---	25.5	1.10	0.914	25.5	1.10	0.914

- ▶ **TOTAL RESOURCE: 31 million tonnes @ 1.1g/t Au for 1.1Moz**
- ▶ Pit constraint: A\$1,750 per ounce
- ▶ Lower cut: 0.5g/t
- ▶ 92% Indicated, *de-risked*
- ▶ 22% increase in ounces from July 2016
- ▶ 70% increase in ounces since project acquisition



Bibra Gold Deposit – Resource Upgrade

Resource upgrade April 2017

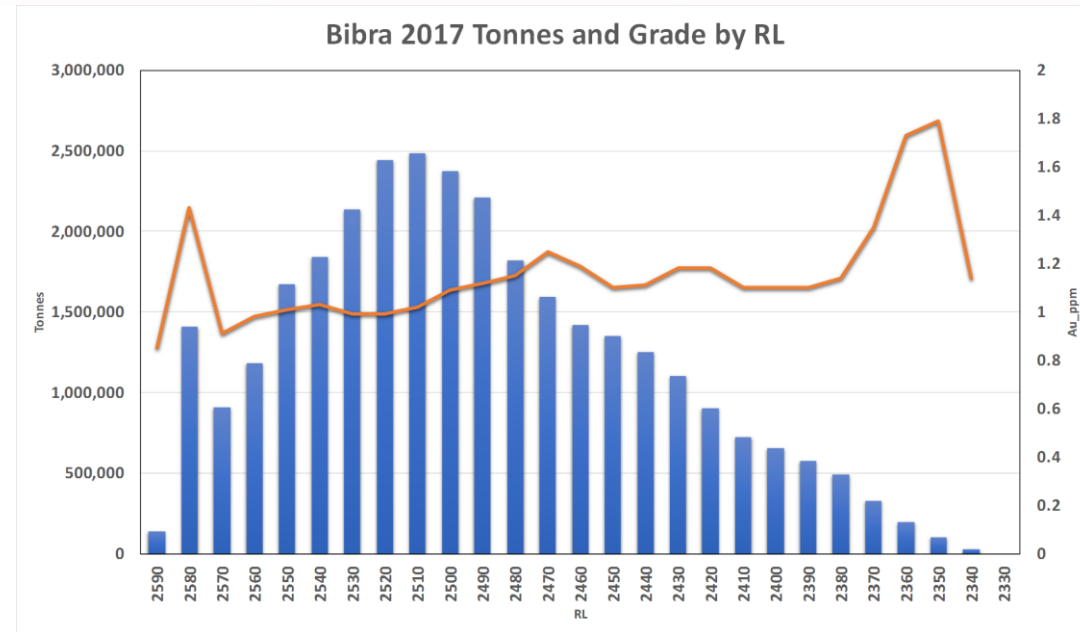
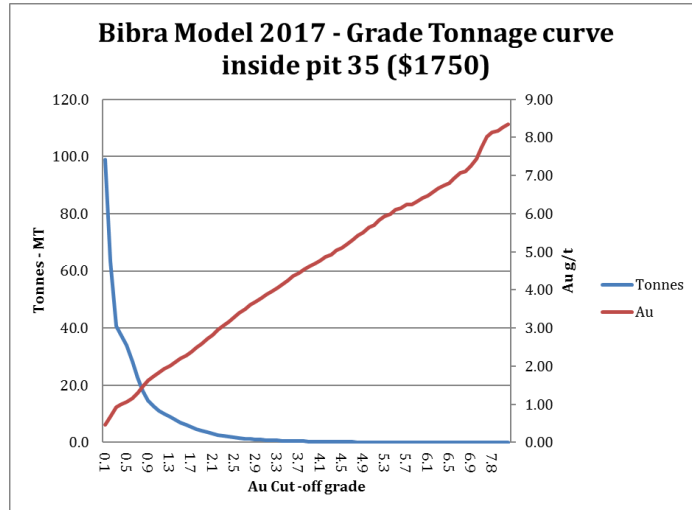


- ▶ **TOTAL RESOURCE: 31 million tonnes @ 1.1g/t Au for 1.1Moz**
- ▶ Drill spacing 25 x 25m and 25 x 50m
- ▶ 889 Reverse Circulation drill holes: 119,857m
- ▶ 84 Diamond drill holes: 12,211m (~10%) including
 - ▶ 41 metallurgical diamond holes: 4,174m
 - ▶ 5 geotechnical diamond holes: 1,115m



Bibra Gold Deposit – Strong Open Pit Gold Endowment

Early cashflow, comfortable mining rates



April 2017 - Indicated & Inferred Resource

- ▶ **Laterite Domain**
- ▶ 1.54 million tonnes @ 1.4g/t for 68,000oz
- ▶ **Oxide & Transitional Domain**
- ▶ 7.5 million tonnes @ 1.0g/t for 238,000oz
- ▶ **Primary Domain**
- ▶ 22.3 million tonnes @ 1.1g/t for 808,000oz

June 2016 - Inferred Resource

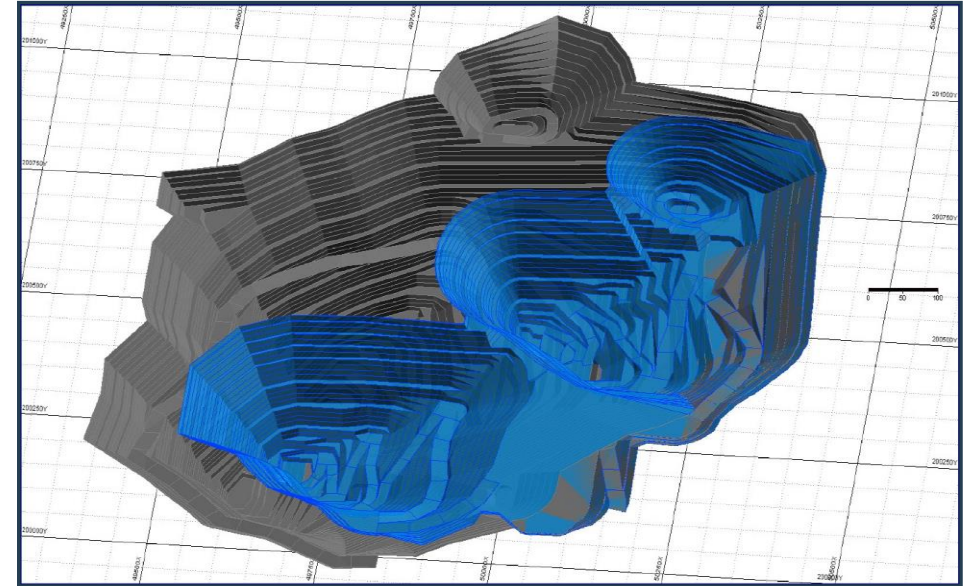
- ▶ **Laterite Domain**
- ▶ 2.1 million tonnes @ 1.3g/t for 85,000oz
- ▶ **Oxide & Transitional Domain**
- ▶ 5.8 million tonnes @ 1.1g/t for 200,000oz
- ▶ **Primary Domain**
- ▶ 17.6 million tonnes @ 1.1g/t for 629,000oz



Straightforward Mining and Processing

July 2016 Scoping Study - Mining

- ▶ Significant production profile from single LOM open pit
- ▶ Large-scale, 2 staged open pit (gold price A\$900/oz and A\$1475/oz)
- ▶ Early robust cash flows
- ▶ Attractive stripping ratios, LOM strip ratio 5.4:1
- ▶ Favourable geotechnical conditions, HW overall slope 47°, FW 25°



2017 DFS Preliminaries - Mining

- ▶ Large-scale, multi-staged open pit
- ▶ Attractive stripping ratios, LOM strip ratio ~5.5:1
- ▶ Confirmed favorable geotechnical conditions, HW overall slope ~47°, FW ~25°
- ▶ Scale and optionality around equipment sizing driving mining cost savings



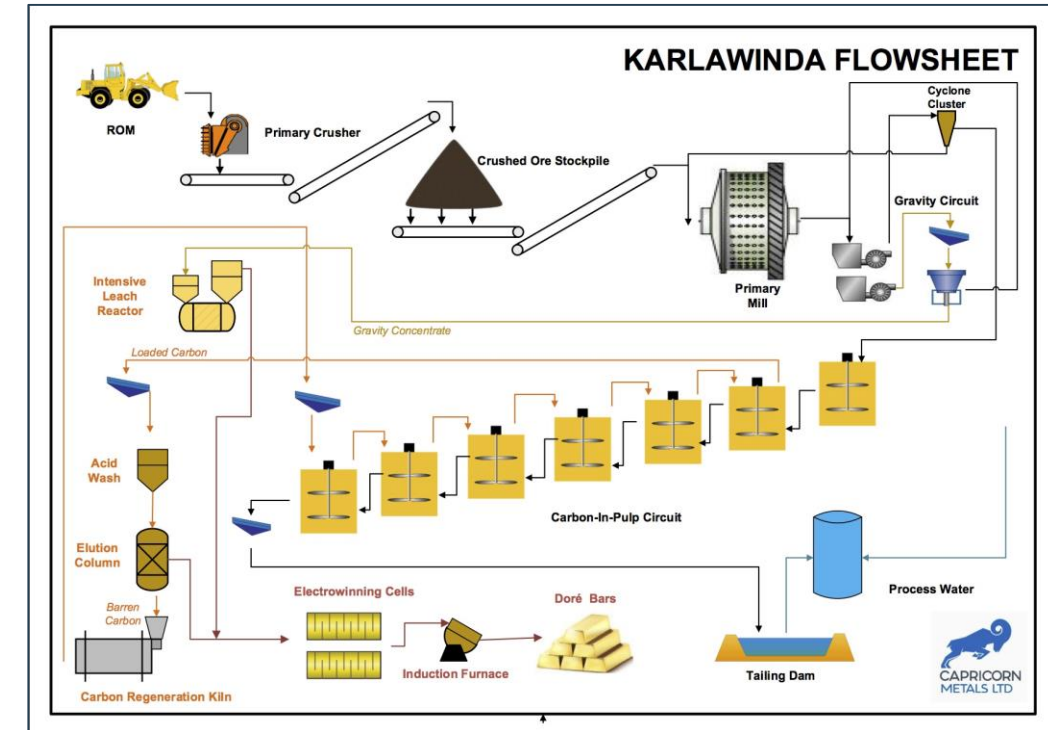
Straightforward Mining and Processing

July 2016 Scoping Study - Processing

- ▶ Simple “free milling” metallurgy:
 - ▶ Conventional CIL/CIP processing
 - ▶ Preliminary results: 91-93% recoveries
 - ▶ 30% gravity recoverable in fresh
 - ▶ Relatively coarse grind size (106 -125 micron)
 - ▶ Long leach times: 33 hours residence time
- ▶ 3Mtpa plant: Design work by Mintrex
 - ▶ 9MmW SAG
- ▶ Good quality water
- ▶ Tailings stacking rate 1m/year
- ▶ Plant opex \$12/t oxide, \$16/t fresh

2017 DFS Preliminaries - Processing

- ▶ Detailed metallurgy ongoing;
 - ▶ Upgraded gravity circuit will improve total recoveries (91-94%) and reduce reagent use and leach times: 24 hours residence time
 - ▶ Coarser grind size (106 -150 micron)
 - ▶ Gravity Rec. oxide 25%, fresh 47%
- ▶ 3Mtpa plant: Detailed design work by Mintrex, Capex TBA
 - ▶ 7.1mW SAG (charged with balls for primary ore), deferred secondary and tertiary crushing until Year 3
 - ▶ Lower power consumption
- ▶ Water abundant and excellent quality (no pre-leach thickener required)
- ▶ Tailings stacking rate 1.5m/year, smaller tailings footprint



Counting Down to Karlawinda

Rapid progress from project acquisition to the cusp of development

MAJOR PROJECT BENCHMARKS – ACHIEVED

February 2016	Project acquired and initial funding secured
June 2016	Resource expanded to 914,000oz Inferred following initial 10,000m of drilling
July 2016	Positive Scoping Study completed
August 2016	Definitive Feasibility Study commenced
November 2016	Native Title Agreement signed, Mining Lease secured
December 2016	75,000m in-fill and extensional drilling program completed
December 2016	Water bore field confirmed
Feb-March 2017	Balance of assay results from 2016 drill program
April 2017	Upgrade to current 1.1Moz Resource Indicated & Inferred

MAJOR PROJECT BENCHMARKS – UPCOMING

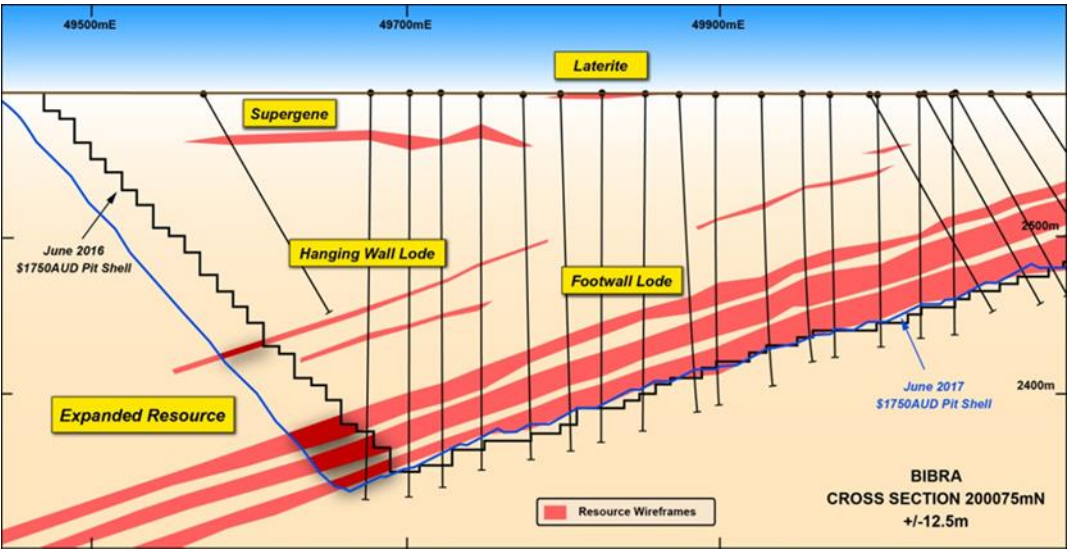
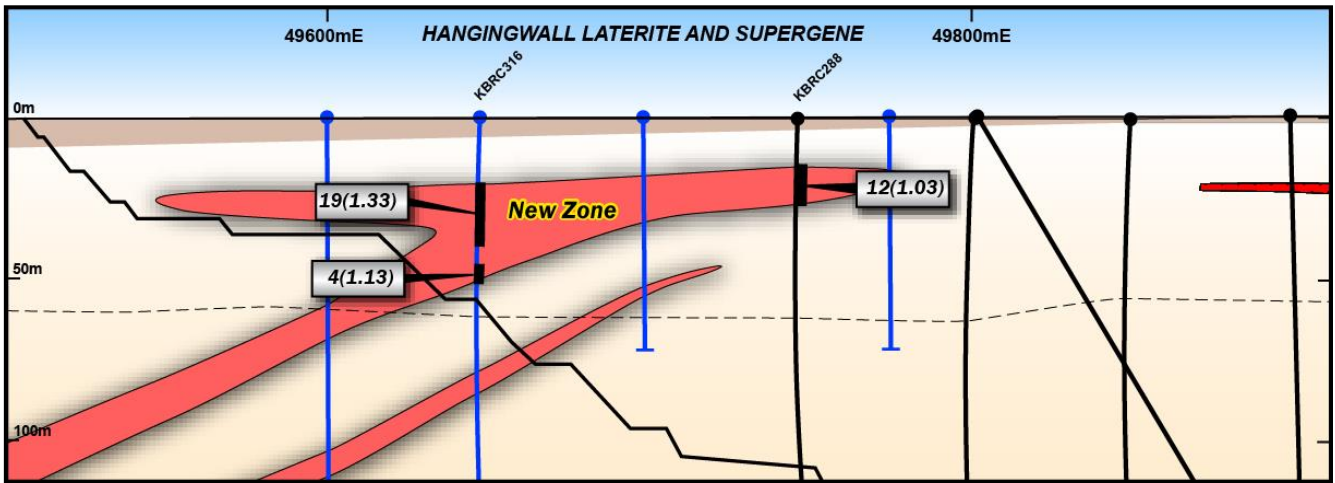
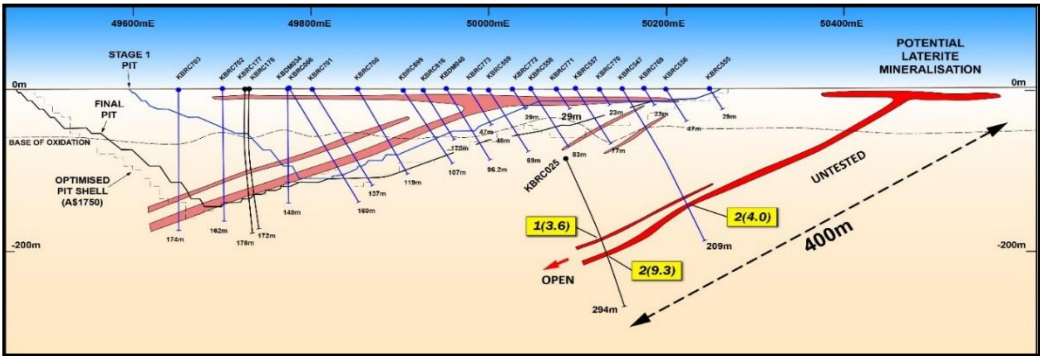
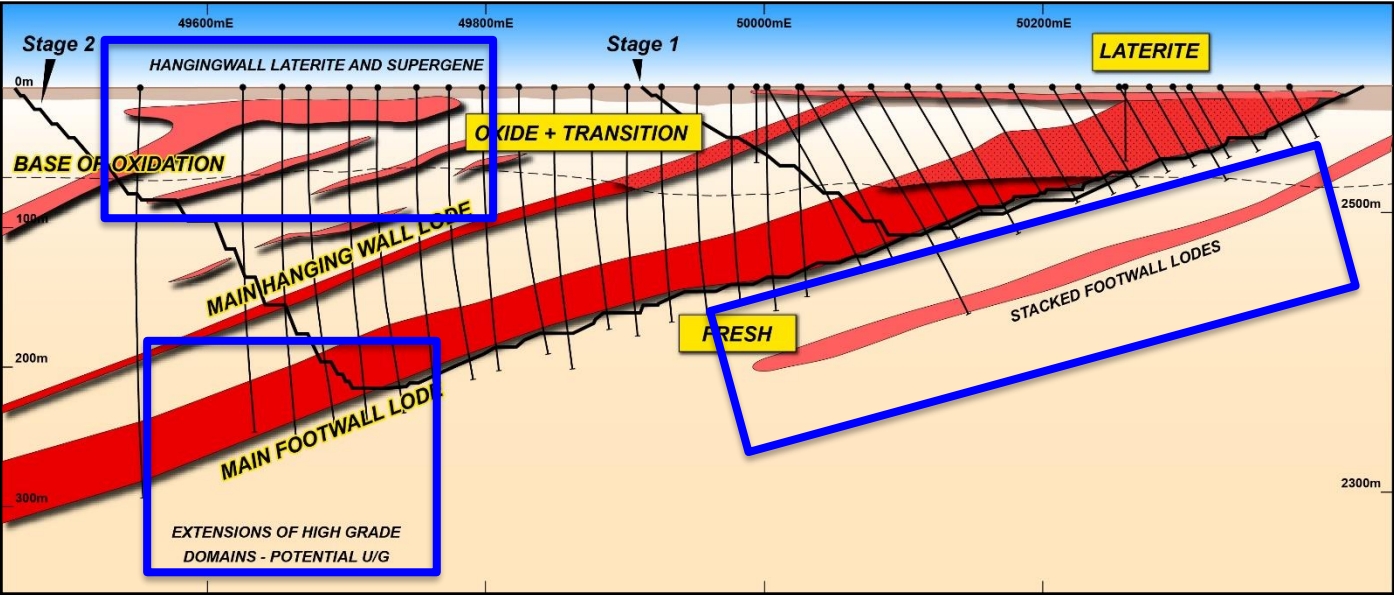
June Quarter 2017	Maiden Ore Reserve
Sept Quarter 2017	Definitive Feasibility Study
Sept Quarter 2017	Final Approvals
Late 2017 / Early 2018	Project funding
Early 2018	Commence project construction (12 months)



Resource Expansion Opportunities



Significant potential for additional resources



Major Resource Expansion Opportunity

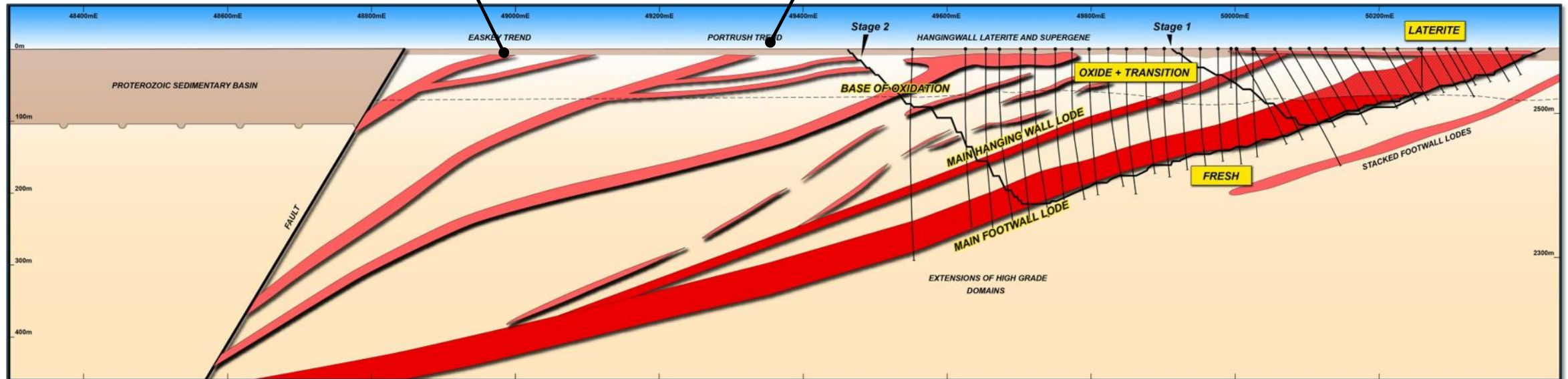
How big is the gold system?

EASKEY TREND

KBRC019: 12m @ 1.5g/t Au
KBRC570: 8m @ 2.6g/t Au
KBRC150: 7m @ 1.3g/t Au
KBAC389: 10m @ 1.5g/t Au

PORTRUSH TREND

KBRC366: 11m @ 1.00g/t Au
KBRC367: 7m @ 1.40g/t Au
KBAC377: 8m @ 1.15g/t Au
KBRC150: 17m @ 1.00g/t Au
KBRC071: 12m @ 1.02g/t Au



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- capmetals.com.au

Capricorn Metals – Key Investment Takeaways

A rare opportunity in the Australian gold sector

- ▶ Simple, well-understood WA gold project
- ▶ Disciplined, high-quality work - major de-risking of project
- ▶ Substantial stand alone, open pit production profile
- ▶ Clear development path and timing
 - ▶ *DFS:* **Sept Quarter 2017**
 - ▶ *Project Funding:* **End 2017 / Early 2018**
 - ▶ *Commence Construction:* **Early 2018**
- ▶ Fully-funded to decision to mine
- ▶ Experienced management team
- ▶ Growth through ongoing exploration





CAPRICORN
METALS LTD

ASX Code: CMM

CONTACT DETAILS:



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