



6th December 2017

Market Announcements Platform
Australian Securities Exchange

ISSUE OF SHARES UNDER LISTING RULE 7.1A & CLEANSING STATEMENT

Capricorn Metals Ltd ("Capricorn") (ASX:CMM) is pleased to advise that subsequent to the announcement of 30 November 2017, that it has now issued a total of 137,095,083 fully paid ordinary shares at an issue price of \$0.052 per share to existing and new institutional and sophisticated investors.

Of the above named shares, a total of 57,237,945 were issued under the Company's 10% placement capacity under Listing Rule 7.1A.

Capricorn provides the following information as required under ASX Listing Rule 3.10.5A in respect of the shares issued under the Capricorn's 10% placement capacity under Listing Rule 7.1A:

- (a) the dilutive effect of the Placement on existing shareholders is as follows:

	Shares	%
Number of shares on issue prior to placement	572,379,458	80.68
Dilution as a result of shares issued under LR 7.1A	57,237,945	8.07
Dilution as a result of shares issued under LR 7.1	79,857,138	11.26
Number of shares on issue following placement	709,474,541	100.00

- (b) The 57,237,945 shares issued under Listing Rule 7.1 were issued to existing and new institutional and sophisticated investors as it was considered to be the most efficient mechanism for raising funds in a timely manner. In addition, Capricorn is running a Share Purchase Plan, set at the same issue price as the placement for participation by eligible existing shareholders;
- (c) There were no underwriting arrangements entered into with respect to the issue made under Listing Rule 7.1 or Listing Rule 7.1A; and
- (d) Canaccord Genuity (Australia) Limited acted as Lead Manager and Bookrunner to the Placement whilst Tamesis Partners LLP and Tectonic Advisory Partners LLC acted as Co-Managers. Overall costs of the Placement were capped at 5%.

Cleansing Statement

Referring to the issue today of 137,095,083 ordinary fully paid shares to corporate and sophisticated investors through a placement at \$0.052 per share Capricorn gives notice that:

- It issued the securities without disclosure to investors under Part 6D.2 of the *Corporations Act 2001* (Cth) ("Corporations Act");
- This notice is being given under section 708(A)(e) of the Corporations Act;
- As at the date of this notice, the Company has complied with:
 - o the provisions of Chapter 2M of the Corporations Act as they apply to the Company; and
 - o section 674 of the Corporations Act.

Capricorn confirms that, as at the date of this notice, there is no information that:

- (a) has been excluded from a continuous disclosure notice given to ASX in accordance with the ASX Listing Rules; and
- (b) investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to fully paid ordinary shares.

to the extent to which it would be reasonable for investors and their professional advisers to expect to find such information in a disclosure document.

For and behalf of the Board
Capricorn Metals Ltd



Natasha Santi
Company Secretary: