

Form 603

Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme CAPRICORN METALS LTD

ACN/ARSN ACN 121 700 105

1. Details of substantial holder (1)

Name NEON CAPITAL LTD (ACN 002 796 974), NERO RESOURCE FUND PTY LTD (ACN 143 456 017)

ACN / ARSN (if applicable) _____

The holder became a substantial holder on 8 /01 / 2019

2. Details of voting power

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Persons' votes (5)	Voting power (6)
Fully paid ordinary shares	41,204,256	41,204,256	5.51%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
Neon Capital Ltd	Holder of voting shares and deemed relevant interests in voting shares held by associates (see paragraph 6).	8,160,000 fully paid ordinary shares (FPOS)
Nero Resource Fund Pty Ltd	As above.	33,044,256 FPOS

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Neon Capital Ltd	Neon Capital Ltd	Neon Capital Ltd	8,160,000 FPOS
Nero Resource Fund Pty Ltd	Nero Resource Fund Pty Ltd	Nero Resource Fund Pty Ltd	33,044,256 FPOS

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)		Class and number of securities
		Cash	Non-cash	
Neon Capital Ltd	10/10/2018	\$12,711	Nil	180,832
Neon Capital Ltd	09/10/2018	\$3,090	Nil	43,899
Neon Capital Ltd	08/10/2018	\$1,627	Nil	23,126
Neon Capital Ltd	02/10/2018	\$62,698	Nil	912,143
Neon Capital Ltd	01/10/2018	\$485,016	Nil	7,000,000
Nero Resource Fund Pty Ltd	01.10.2018	\$280,064.35	Nil	3,281,446
Nero Resource Fund Pty Ltd	28.09.2018	\$72,937.11	Nil	853,390

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association
Nero Resource Fund Pty Ltd	By virtue of Section 12(2) and/or (3) of the <i>Corporations Act 2001</i> , having requisitioned a meeting of shareholders of the Company to consider resolutions to alter the composition of the Company's board of directors. A copy of the requisition notice is attached to this Form as "Annexure A".

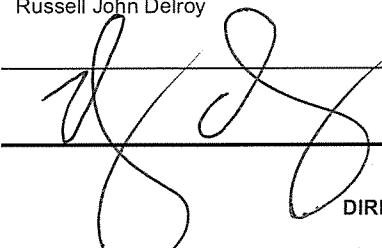
Neon Capital Ltd	By virtue of Section 12(2) and/or (3) of the <i>Corporations Act 2001</i> , having requisitioned a meeting of shareholders of the Company to consider resolutions to alter the composition of the Company's board of directors. A copy of the requisition notice is attached to this Form as "Annexure A".
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7. Addresses

The addresses of persons named in this form are as follows:

Name	Address
Neon Capital Ltd	33 Yilgarn Street, Shenton Park, WA 6008
Nero Resource Fund Pty Ltd	Level 1, 284 Oxford Street, Leederville WA 6007

Signature

print name	Russell John Delroy	capacity	Substantial holder and with authority of other parties listed in paragraph 3
sign here		date	10 / 01 / 2019

DIRECTIONS

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 7 of the form.
 - (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
 - (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations A.
 - (4) The voting shares of a company constitute one class unless divided into separate classes.
 - (5) The total number of votes attached to all the voting shares in the company or voting interests in the scheme (if any) that the person or an associate has a relevant interest in.
 - (6) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
 - (7) Include details of:
 - (a) any relevant agreement or other circumstances by which the relevant interest was acquired. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
 - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).
- See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (8) If the substantial holder is unable to determine the identity of the person (eg. If the relevant interest arises because of an option) write "unknown".
 - (9) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included of any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.

