Capricorn Metals Now a Fully Unhedged Gold Producer

Capricorn Metals (ASX: CMM)

Advised that it has closed its final remaining gold hedging instrument, a 16,700-ounce call option maturing on 30 June 2025 with a strike price of $2,260 per ounce, resulting in the Company being fully unhedged.



Capricorn Metals Karlawinda Mine – Credit Capricorn Metals

CAPRICORN NOW A FULLY UNHEDGED GOLD PRODUCER

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Capricorn Metals Limited (ASX: CMM) (Capricorn or the Company) is pleased to advise that it has closed its final remaining gold hedging instrument, a 16,700-ounce call option maturing on 30 June 2025 with a strike price of $2,260 per ounce, resulting in the Company being fully unhedged.

In conjunction with the closure and to mitigate the downside gold price risk, Capricorn also purchased gold put options as follows:

Gold Put Options Purchased

Maturity	Structure	Volume (Ounces)	Price (A$/oz)
30-Sep-2025	Put	5,000	5,000
31-Dec-2025	Put	5,000	5,000
31-Mar-2026	Put	5,000	5,000

The purchased put options give Capricorn the right (but not the obligation) to sell the ounces at a price of A$5,000 per ounce.

This allows Capricorn full participation if the gold price is higher than the strike price on the date of maturity of each put option.

The cost of the closure and purchase of put options (at a spot price of $5,072 per ounce) was $50.0 million, paid out of Capricorn’s cash and bullion holdings of $404.6 million (31 March 2025).

With the Company now fully unhedged and generating strong operating cash flows at the Karlawinda Gold Project, Capricorn is well positioned to fund the development of both the Karlawinda Expansion Project and the Mt Gibson Gold Project with no further debt or mandatory gold hedging expected to be required.

The closure of the final hedging obligation follows the previous closure of gold forward contracts of 158,000 ounces over the last two years. To date, this proactive strategy has delivered approximately $52 million in revenue enhancements (after closure costs), as Capricorn increased its exposure to the prevailing gold price.

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To read the full report please click HERE

To View Capricorn Metal's historical news, please click here

The live Spot gold price can be found HERE

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At the time of writing the author holds shares in Capricorn Metals

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