Capricorn raises $200 million to Underpin Growth

Capricorn Metals (ASX: CMM)

Announced it has received firm commitments for an institutional placement of new fully paid shares to raise $200 million (before costs) at an issue price of $6.00 per share.

The placement was strongly supported by existing institutional shareholders.



Capricorn Metals Karlawinda Mine

Capricorn Metals	ASX: CMM
Stage	Production, development, exploration
Metals	Gold
Market cap	A$2.2.41 B @A6.38
Location	Western Australia
Website	www.capmetals.com.au

CAPRICORN RAISES $200 MILLION TO DELIVER KARLAWINDA EXPANSION PROJECT And MT. GIBSON DEVELOPMENT

Capricorn Metals (ASX:CMM) (Capricorn or the Company) is pleased to announce it has received firm commitments for an institutional placement of new fully paid shares to raise $200 million (before costs) at an issue price of $6.00 per share.

The placement was strongly supported by existing institutional shareholders and new high quality Australian and international institutional investors.

The placement proceeds, together with current cash reserves

and the expected future free cash flow generated from Karlawinda, are expected to fully fund the development of the KEP and MGGP.

• Capricorn has received firm commitments for an institutional placement to raise a total of $200 million (before costs)
• Placement issue price of $6.00 per share, representing a discount of 4.9% to the last closing price of $6.31 and a 5.8% discount to the 5-day trading volume weighted average market price (VWAP) of $6.37.
• Bookbuild saw significant demand from leading institutional investors both domestically and internationally, with strong support from existing institutional shareholders.
• Proceeds from the placement will be used to fund:
o Development of the Karlawinda Expansion Project (KEP) through a 2.5Mtpa
increase in processing capacity to 6.5Mtpa to increase gold production at the
project to 150,000 ounces per annum;
o Detailed plant design, engineering & drawings and long lead equipment purchasing
where advantageous at both the KEP and the Mt Gibson Gold Project (MGGP);
o Accelerated exploration at MGGP aimed at continued resource and reserve growth
along with expediting drilling focussed on areas of the resource and beyond
presenting potential underground resource and mining opportunities; and
o Working capital and balance sheet strength to provide optionality around debt
repayment and further gold hedging closures.
• *Development of both KEP and MGGP expected to be fully funded – no further debt or*
mandatory gold hedging expected to be required.
• Development of the KEP and MGGP will see Capricorn on a path to >300,0001 ounces gold production per annum, with operating

costs in the lowest quartile of the Australian gold mining industry.

This growth is underpinned by Capricorn’s 3.3Moz reserve base at two quality projects with long mine lives (10 years) in the tier one location of Western Australia.

This underpins Capricorn’s clear development pathway to become a 300,000 ounce per annum gold producer.

Placement Details

The Company has received firm commitments from sophisticated and professional investors under the Placement to raise approximately $200 million (before costs) through the issue of 33,333,334 shares at an issue price of $6.00 per share.

The issue price of $6.00 per share represents a 4.9% discount to Capricorn’s last traded price of $6.31 on Tuesday, 29 October 2024, and a 5.8% discount to Capricorn’s 5-day VWAP of $6.37.

Capricorn shares are expected to resume trading on the ASX from market open today, Friday 1 November 2024. Settlement of the new shares is expected to occur on 7 November 2024, with allotment on 8 November 2024.

Upon completion of the placement the 33,333,334 new shares will represent approximately 8.8% of the expanded share capital of the Company.

To read the full news release 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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Disclosure

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

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