



PRESS RELEASE

17 July 2017

CAPRICORN COPPER SECURES A\$45M IN SENIOR DEBT FUNDING TO COMPLETE ITS REFURBISHMENT AND RESTART PROJECT

Capricorn Copper Pty Ltd has signed a Senior Facility Agreement with BNP Paribas for A\$45 million to complete funding of the Refurbishment and Restart Project of its 100% owned Capricorn Copper mine in Northwest Queensland.

Capricorn Copper Chairman, Owen Hegarty, said he was very pleased that BNP Paribas had joined them in one of Australia's most exciting copper projects.

"Signing the BNP facility represents yet another positive step forward for Capricorn Copper."

"BNP Paribas' support, along with the Refurbishment and Restart Project (RRP) progress puts us in a good position to take advantage of the strength we see developing in the global copper market," Mr Hegarty said.

The Senior Facility Agreement highlights include:

- A\$40 million for project development during the construction, commissioning and ramp up stages
- A working capital revolving facility of A\$5 million once operational
- The A\$45 million Facility Agreement takes advantage of the current low interest rate environment and provides Capricorn Copper with an efficient and flexible capital structure to recommence operations
- The key terms and conditions of the Facility Agreement provide Capricorn Copper with a flexible and competitively priced financing package.

Project Update

The Capricorn Copper mine is one of Australia's largest copper development projects located in a prolific base metals region, 125km north of Mt Isa in North West Queensland. Capricorn Copper's Board approved the A\$110 million capital program to commence the RRP in November 2016, following the completion of a detailed feasibility study which outlined the optimal strategy to recommence operations on a sustainable basis.



With a significant high grade resource containing over 900kt of copper metal, the mine is expected to produce approximately 30ktpa of copper in a high grade concentrate over an initial life of ten years. The success of the 2017 exploration program has demonstrated the potential to expand the current resource estimate and is expected to extend the mine life.

The RRP has progressed well with the mobilisation of key contractors achieved on schedule, including mining contractor Byrnegut, ensuring the operation remains on track to commence production in the 4th quarter of 2017. Operational readiness programs and recruitment have also commenced.

To date, Capricorn Copper has created over 350 full time equivalent positions in operational and construction roles. Once in steady state operations, Capricorn Copper expects to maintain an operating workforce of approximately 220 full time employees, and has a strong focus on developing opportunities for employees and suppliers within the Northwest region.

In recognition of the importance of a successful restart of operations for the region and the state, on April 20, 2017, Minister for State Development, Anthony Lynham, declared the Capricorn Copper mine and RRP a Prescribed Project.

Capricorn Copper CEO, Carl Hallion, said the team at Capricorn Copper was working hard to build a high quality copper operation.

“That hard work and the capability of the team will see us continue to achieve our key milestones and keep us on track to become Australia’s newest copper producer and success story,” he said.

Advisors

Treadstone Resource Partners acted as financial advisor to Capricorn Copper with Allen & Overy acting as legal advisor. Allens Linklaters acted as legal advisor to BNP Paribas

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