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**CAPRICE RESOURCES LTD**  
**ACN 624 970 725**  
**NOTICE OF EXTRAORDINARY GENERAL MEETING**

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**An Extraordinary General Meeting of the Company will be held at the offices of the Company, at Level 3, 10 Outram Street, West Perth, Western Australia on Tuesday, 29 March 2022 at 10.30 am (WST).**

**THE COMPANY IS TAKING PRECAUTIONS TO FACILITATE AN IN PERSON MEETING IN ACCORDANCE WITH COVID-19 RESTRICTIONS. IF THE SITUATION IN RELATION TO COVID-19 CHANGES IN A WAY AFFECTING THE ABILITY TO FACILITATE AN IN PERSON MEETING, THE COMPANY WILL PROVIDE AN UPDATE AHEAD OF THE MEETING BY WAY OF AN ASX ANNOUNCEMENT.**

This Notice of Extraordinary General Meeting (**Notice**) should be read in its entirety. If Shareholders are in doubt as to how to vote, they should seek advice from their accountant, solicitor or other professional advisor prior to voting.

**Should you wish to discuss any matter, please do not hesitate to contact the Company Secretary by telephone on (08) 6142 0987.**

**Shareholders are urged to attend or vote by lodging the proxy form attached to this Notice.**

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**Caprice Resources Limited**  
**ACN 624 970 725**

**Notice of Extraordinary General Meeting**

Notice is hereby given that an extraordinary general meeting of Shareholders of Caprice Resources Limited (**Company**) will be held at the offices of the Company at Level 3, 10 Outram Street, West Perth, Western Australia, on Tuesday, 29 March 2022 at 10.30 am (WST) (**Meeting**).

The Explanatory Memorandum provides additional information on matters to be considered at the Meeting. The Explanatory Memorandum and the Proxy Form, form part of the Notice.

The Directors have determined pursuant to Regulation 7.11.37 of the *Corporations Regulations 2001* (Cth) that the persons eligible to vote at the Meeting are those who are registered Shareholders at 5.00pm (WST) on Sunday, 27 March 2022.

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**Agenda**

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**Resolution 1 – Ratification of prior Share issue under Placement (LR 7.1)**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 4,797,416 Shares on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

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**Resolution 2 – Ratification of prior Share issue under Placement (LR 7.1A)**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 6,858,834 Shares on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

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**Resolution 3 – Approval for issue of Options under Placement**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 5,828,125 Options with an exercise price of \$0.30 and an expiry date two years from the date of issue on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

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**Resolution 4A – Approval for issue of Shares to Director under Placement (LR 10.11) – Mr David Church**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 468,750 Shares to Mr David Church (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

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**Resolution 4B – Approval for issue of Shares to Director under Placement (LR 10.11) – Mr Andrew Muir**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 375,000 Shares to Mr Andrew Muir (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

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**Resolution 5A – Approval for issue of Options to Director under Placement (LR 10.11) – Mr David Church**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 234,375 Options with an exercise price of \$0.30 and an expiry date two years from the date of issue to Mr David Church (or his nominee) on the terms and conditions set out in the Explanatory Statement.”*

A voting exclusion statement applies to this Resolution. Please see below.

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**Resolution 5B – Approval for issue of Options to Director under Placement (LR 10.11) – Mr Andrew Muir**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the Company to issue 187,500 Options with an exercise price of \$0.30 and an expiry date two years from the date of issue to Mr Andrew Muir (or his nominee) on the terms and conditions set out in the Explanatory State.”*

A voting exclusion statement applies to this Resolution. Please see below.

## Voting Exclusion Statements

In accordance with Listing Rule 14.11, the Company will disregard any votes cast in favour of the resolution set out below by or on behalf of the following persons:

<b>Resolutions 1 and 2 – Ratification of prior Share issue under Placement – Listing Rules 7.1 and 7.1A</b>	The Non-Director Participants and any other person who participated in the issue or is a counterparty to the agreement being approved or an associate of that person or those persons.
<b>Resolution 3 – Approval for issue of Options under Placement</b>	The Non-Director Participants and any other person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person (or those persons).
<b>Resolution 4A – Approval for issue of Shares to Director under Placement – Mr David Church</b>	Mr David Church (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 4B – Approval for issue of Shares to Director under Placement – Mr Andrew Muir</b>	Mr Andrew Muir (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 5A – Approval for issue of Options to Director under Placement (LR 10.11) – Mr David Church</b>	Mr David Church (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.
<b>Resolution 5B – Approval for issue of Options to Director under Placement (LR 10.11) – Mr Andrew Muir</b>	Mr Andrew Muir (or his nominee) and any other person who will obtain a material benefit as a result of the issue of the securities (except a benefit solely by reason of being a holder of ordinary securities in the Company) or an associate of that person or those persons.

The above voting exclusions do not apply to a vote cast in favour of the relevant Resolution by:

- (a) a person as a proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with the directions given to the proxy or attorney to vote on the Resolution in that way; or
- (b) the Chair as proxy or attorney for a person who is entitled to vote on the Resolution, in accordance with a direction given to the Chair to vote on the Resolution as the Chair decides; or
- (c) a holder acting solely in a nominee, trustee, custodial or other fiduciary capacity on behalf of a beneficiary provided the following conditions are met:
  - (i) the beneficiary provides written confirmation to the holder that the beneficiary is not excluded from voting, and is not an associate of a person excluded from voting, on the Resolution; and

- (ii) the holder votes on the Resolution in accordance with directions given by the beneficiary to the holder to vote in that way.

### **Voting by proxy**

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Shareholders are encouraged to vote by voting online or by completing a Proxy Form.

Lodgement of a Proxy Form will not preclude a Shareholder from attending and voting at the Meeting in person.

Lodgement instructions (which include the ability to lodge proxies electronically) are set out in the Proxy Form.

Proxy Forms can be lodged:

Online:	At <a href="https://investor.automic.com.au/#/loginsah">https://investor.automic.com.au/#/loginsah</a>
By mail:	Automic Pty Ltd GPO Box 5193 Sydney NSW 2001
By email:	<a href="mailto:meetings@automicgroup.com.au">meetings@automicgroup.com.au</a>
By mobile:	investor.automic.com.au OR Scan the QR code available on the proxy form.

In accordance with section 249L of the Corporations Act, Shareholders are advised that:

- each Shareholder has a right to appoint a proxy;
- the proxy need not be a Shareholder of the Company; and
- a Shareholder who is entitled to cast two (2) or more votes may appoint two (2) proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If the member appoints two (2) proxies and the appointment does not specify the proportion or number of the member's votes, then in accordance with section 249X(3) of the Corporations Act, each proxy may exercise one-half of the votes.

Shareholders and their proxies should be aware that:

- if proxy holders vote, they must cast all directed proxies as directed; and
- any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

### **Voting in person**

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To vote in person, attend the Meeting at the time, date and place set out above.

Given the current COVID-19 circumstances and in the interests of public health and safety of our Shareholders, the Company will implement arrangements to allow Shareholders to physically attend the

Meeting in accordance with any applicable COVID-19 protocols and government advice. If you attend the Meeting in person, you will be required to adhere to COVID-19 protocols at the time of the Meeting.

If the situation in relation to COVID-19 changes in a way affecting the ability to facilitate an in person meeting, the Company will provide an update ahead of the meeting by way of an ASX announcement.

**BY ORDER OF THE BOARD**

Oonagh Malone  
Company Secretary  
**Caprice Resources Limited**  
Dated: 24 February 2022

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## Explanatory Statement

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This Explanatory Statement has been prepared to provide information which the Directors believe to be material to Shareholders in deciding whether or not to pass the Resolutions.

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### 1. Background to Resolutions

As announced on 4 February 2022, the Company has launched an equity raising to raise up to \$2,000,000 (before costs) to advance exploration at the Murchison Gold Projects and Northampton Base Metals Project, including aircore drilling on Lake Austin, RC drilling on The Island, and aircore drilling at Cuddingwara West and Fleece Pool.

The equity raising is being undertaken by way of a placement of up to 12,500,000 Shares (**Placement Shares**) to sophisticated, professional and institutional investors (**Placement Participants**), including Mr David Church and Mr Andrew Muir (and/or their nominees) (**Director Participants**), at an issue price of \$0.16 per Share, raising up to a total of \$2,000,000 (**Placement**).

Subject to Shareholder approval being obtained under Resolutions 3, 5A and 5B, Placement Participants will also be issued one Option for every two Placement Shares subscribed for and issued (**Placement Options**). Each Placement Option will have an exercise price of \$0.30 and an expiry date two years from the date of issue.

The Placement Shares and Placement Options will be issued as follows:

- (a) 4,797,416 Placement Shares were issued on 11 February 2022 to Placement Participants other than Director Participants (**Non-Director Participants**) pursuant to the Company's capacity under Listing Rule 7.1 (the subject of Resolution 1);
- (b) 6,858,834 Placement Shares were issued on 11 February 2022 to Non-Director Participants pursuant to the Company's capacity under Listing Rule 7.1A (the subject of Resolution 2), which was approved by Shareholders at the Company's Annual General Meeting held on 30 November 2021,

(together, **Non-Director Placement Shares**);

- (c) 5,828,125 Placement Options to be issued to Non-Director Participants (the subject of Resolution 3) (**Non-Director Placement Options**);
- (d) 843,750 Placement Shares to be issued to certain Directors, comprising:
  - (i) 468,750 Placement Shares to be issued to Mr David Church (or his nominee) (the subject of Resolution 4A); and
  - (ii) 375,000 Placement Shares to be issued to Mr Andrew Muir (or his nominee) (the subject of Resolution 4B),

(together, **Director Placement Shares**);

- (e) 421,875 Placement Options to be issued to certain Directors, comprising:
  - (i) 234,375 Placement Options to be issued to Mr David Church (or his nominee) (the subject of Resolution 5A); and

- (ii) 187,500 Placement Options to be issued to Mr Andrew Muir (or his nominee) (the subject of Resolution 5B),
- (together, **Director Placement Options**).
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## **2. Resolutions 1 and 2 – Ratification of prior Share issues under Placement**

### **2.1 General**

As set out in Section 1 above, on 11 February 2022, the Company issued:

- (a) 4,797,416 Placement Shares under Listing Rule 7.1; and
- (b) 6,858,834 Placement Shares under Listing Rule 7.1A,

to Non-Director Participants at an issue price of \$0.16 per Share, to raise \$1,865,000.

Resolutions 1 and 2 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of these Non-Director Placement Shares.

### **2.2 Listing Rules 7.1 and 7.1A**

Broadly speaking, and subject to a number of exceptions, Listing Rule 7.1 limits the amount of equity securities that a listed company can issue without the approval of its shareholders over any 12 month period to 15% of the fully paid ordinary securities it had on issue at the start of that 12 month period.

Under Listing Rule 7.1A however, an eligible entity can seek approval from its members, by way of a special resolution passed at its annual general meeting, to have an additional placement capacity broadly equivalent to 10% of its fully paid ordinary issued capital.

The Company obtained approval to utilise the additional 10% placement capacity at the Annual General Meeting held on 30 November 2021.

The issue of the Non-Director Placement Shares does not fit within any of the exceptions set out in Listing Rule 7.2 and, as it has not yet been approved by Shareholders, it effectively uses up part of the placement capacity available under Listing Rules 7.1 and 7.1A, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rules 7.1 and 7.1A for the 12 month period following the date of issue of the Non-Director Placement Shares.

### **2.3 Listing Rule 7.4**

Listing Rule 7.4 allows the shareholders of a listed company to approve an issue of equity securities after it has been made or agreed to be made. If they do, the issue is taken to have been approved under Listing Rule 7.1 and so does not reduce the company's capacity to issue further equity securities without shareholder approval under that rule.

The Company wishes to retain as much flexibility as possible to issue additional equity securities in the future without having to obtain Shareholder approval for such issues under Listing Rule 7.1. Accordingly, Resolutions 1 and 2 seek Shareholder ratification pursuant to Listing Rule 7.4 for the issue of the Non-Director Placement Shares.



## 2.4 Technical information required by Listing Rule 14.1A

If Resolutions 1 and 2 are passed, the Non-Director Placement Shares will be excluded in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively increasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Non-Director Placement Shares.

If Resolutions 1 and 2 are not passed, the Non-Director Placement Shares will be included in calculating the Company's combined 25% limit in Listing Rules 7.1 and 7.1A, effectively decreasing the number of equity securities the Company can issue without Shareholder approval over the 12 month period following the date of issue of the Non-Director Placement Shares.

## 2.5 Technical information required by Listing Rule 7.5

Pursuant to and in accordance with Listing Rule 7.5, the following information is provided in relation to the Non-Director Placement Shares issued under the Company's placement capacity and the subject of Resolutions 1 and 2:

- (a) the Non-Director Placement Shares were issued to professional and sophisticated investors who were identified through a bookbuild process, which involved the Company seeking expressions of interest to participate in the Placement from non-related parties of the Company;
- (b) the Company confirms that no Shareholders became substantial Shareholders of the Company by subscribing for Non-Director Placement Shares totalling more than 1% of the Company's current issued capital;
- (c) in accordance with paragraph 7.4 of ASX Guidance Note 21, the Company confirms that none of the remaining recipients of Non-Director Placement Shares (i.e. not including those referred to in paragraph 2.5(b) above) are:
  - (i) a related party of the Company;
  - (ii) Key Management Personnel;
  - (iii) a substantial holder of the Company;
  - (iv) an adviser to the Company; or
  - (v) an associate of any of the above,(each a **Material Person**), who will be issued more than 1% of the Company's current issued capital under the Placement;
- (d) the Non-Director Placement Shares were issued on the following basis:
  - (i) 4,797,416 Shares issued pursuant to Listing Rule 7.1 (ratification of which is sought under Resolution 1); and
  - (ii) 6,858,834 Shares issued pursuant to Listing Rule 7.1A (ratification of which is sought under Resolution 2);
- (e) the Placement Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;

- (f) the Non-Director Placement Shares were issued on 11 February 2021;
- (g) the issue price was \$0.16 per Placement Share under both the issue of Shares pursuant to Listing Rule 7.1 and Listing Rule 7.1A. The Company has not and will not receive any other consideration for the issue of the Placement Shares;
- (h) the purpose of the issue of the Non-Director Placement Shares was to raise funds which will be applied towards advancing exploration at the Murchison Gold Projects and Northampton Base Metals Project, including aircore drilling on Lake Austin, RC drilling on The Island, and aircore drilling at Cuddingwara West and Fleece Pool; and
- (i) a voting exclusion statement for Resolutions 1 and 2 are included in the Agenda of this Notice.

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### **3. Resolution 3 – Approval for issue of Options under Placement**

#### **3.1 General**

As set out in Section 1 above, the Company proposes (subject to obtaining Shareholder approval) to issue one Placement Option for every two Placement Shares subscribed for and issued under the Placement.

Resolution 3 seeks Shareholder approval for the purposes of Listing Rule 7.1 (and for all other purposes) for the issue of the Non-Director Placement Options, being 5,828,125 Placement Options with an exercise price of \$0.30 and an expiry date two years from the date of issue, to Non-Director Participants. The Non-Director Placement Options will be free attaching to the Non-Director Placement Shares the subject of Resolutions 1 and 2.

#### **3.2 Listing Rule 7.1**

A summary of Listing Rule 7.1 is set out in Section 2.2 above.

The proposed issue of the Non-Director Placement Options does not fit within any of the exceptions set out in Listing Rule 7.2 and, were it not for the shareholder approval sought under Resolution 3, it would:

- (a) (to the extent sufficient placement was available) effectively use up part of the 15% limit in Listing Rule 7.1, reducing the Company's capacity to issue further equity securities without Shareholder approval under Listing Rule 7.1 for the 12 month period following the date of issue of the Non-Director Placement Options; or
- (b) not be undertaken.

The effect of Resolution 3 will be to allow the Company to issue the Non-Director Options during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity under Listing Rule 7.1.

#### **3.3 Technical information required by Listing Rule 14.1A**

If Resolution 3 is passed, the Company will proceed to issue the Non-Director Placement Options and such issue will be excluded from the calculation of the number of equity securities that the Company can issue without Shareholder approval under Listing Rule 7.1.

If Resolution 3 is not passed, the Company will not be able to issue the Non-Director Placement Options to the Non-Director Participants, which will result in the Company being unable to fulfil the commercial terms of the Placement and may require the Company to enter into separate commercial arrangements with the Non-Director Placement Participants.

### **3.4 Technical information required by Listing Rule 7.1**

Pursuant to and in accordance with Listing Rule 7.3, the following information is provided in relation to Resolution 3:

- (a) the Non-Director Placement Options will be issued to the Non-Director Participants, being sophisticated and professional investors who were identified as set out in Section 2.5(a) above. In accordance with paragraph 7.2 of ASX Guidance Note 21, the Company confirms that none of the Non-Director Participants will be:
  - (i) Material Persons; and
  - (ii) issued more than 1% of the issued capital of the Company at the time of issue;
- (b) the Non-Director Placement Options will be issued on the basis of one Option for every two Shares subscribed for and issued under the Placement. The maximum number of Non-Director Placement Options to be issued is 5,828,125;
- (c) the terms and conditions of the Non-Director Placement Options are set out in SCHEDULE 1;
- (d) the Non-Director Placement Options will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules); and
- (e) the issue price of the Non-Director Placement Options will be nil as they will be issued free attaching to the Non-Director Placement Shares on the basis of one Option for every two Shares subscribed for and issued. As such, no funds will be raised from the issue of the Non-Director Placement Options;
- (f) the Non-Director Placement Options are not being issued under an agreement; and
- (g) the Non-Director Placement Options are not being issued under, or to fund, a reverse takeover.

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## **4. Resolutions 4A and 4B – Approval for issues of Shares to Directors under Placement**

### **4.1 General**

As noted in Section 1 above, Directors David Church and Andrew Muir wish to participate (directly and/or through their nominees) in the Placement on the same terms as the Non-Director Participants (**Director Participation**). Further details in respect of the intended Director Participation are set out in the table below.

Director	Subscription Amount (A\$)	Director Placement Shares	Director Placement Options	Entity (or entities) to hold the relevant securities
David Church	\$75,000	468,750	234,375	Director David Church will hold all 468,750 Shares and 234,375 Options indirectly through Highland Company Pty Ltd (an entity controlled by Director, David Church).
Andrew Muir	\$60,000	375,000	187,500	Director Andrew Muir will hold 312,500 Shares and 156,250 Options directly and nominate his relative, Mrs Nancy Muir, to be issued the remaining 62,500 Shares and 31,250 Options.

Resolutions 4A and 4B seek Shareholder approval for the purposes of Listing Rule 10.11 for the issue of the Director Placement Shares to the entities noted in the table above, as a result of the Director Participation.

## 4.2 Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Director Participation will result in the issue of Shares which constitutes giving a financial benefit and the recipients of the Shares are related parties of the Company under section 228 of the Corporations Act by virtue of being Directors of the Company, entities controlled by Directors of the Company, or parents of Directors of the Company.

The Directors (other than Mr David Church who has a material personal interest in Resolution 4A) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 4A because the Shares will be issued to Mr David Church (or his nominee) on the same terms as the Shares issued to the non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Mr Andrew Muir who has a material personal interest in Resolution 4B) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 4B because the Shares will be issued to Mr Andrew Muir (or his nominee) on the same terms as the Shares issued to the non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

## 4.3 Listing Rule 10.11

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or
- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Director Placement Shares under the Director Participation falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11. Accordingly, Resolutions 4A and 4B seek the approval of Shareholders for the issue of the Director Placement Shares under the Director Participation as noted in Section 4.1 above, for the purposes of Listing Rule 10.11.

#### **4.4 Technical information required by Listing Rule 14.1A**

If Resolutions 4A and 4B are passed, the Company will be able to proceed with the issue of the Director Placement Shares under the Director Participation within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).

If Resolutions 4A and 4B are not passed, the Company will not be able to proceed with the issue of the Director Placement Shares under the Director Participation.

#### **4.5 Technical information required by Listing Rule 10.13**

Pursuant to and in accordance with listing Rule 10.13, the following information is provided in relation to the proposed issue of the Director Placement Shares the subject of Resolution 4A:

- (a) the Shares will be issued to the entity noted in the table in Section 4.1, who falls within the category set out in Listing Rule 10.11.1, as the entity is a related party of the Company by virtue of being an entity controlled by a Director;
- (b) the maximum aggregate number of Shares to be issued to Mr David Church (or his nominee noted in the table in Section 4.1) is 468,750;
- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification to the Listing Rules) and it is anticipated that the Shares will be issued on the same date;
- (e) the issue price will be \$0.16 per Share, being the same issue price as Shares issued to the other participants in the Placement. The Company will not receive any other consideration for the issue of the Shares;

- (f) the purpose of the issue of Shares under the Director Participation is to raise capital, which the Company intends to use in the manner set out in Section 1 above;
- (g) the Shares to be issued under the Director Participation are not intended to remunerate or incentivise Mr David Church or any other Director;
- (h) the Shares are not being issued under an agreement; and
- (i) a voting exclusion statement for Resolution 4A is included in the Agenda of this Notice.

Pursuant to and in accordance with listing Rule 10.13, the following information is provided in relation to the proposed issue of the Director Placement Shares the subject of Resolution 4B:

- (a) the Shares will be issued to the entities noted in the table in Section 4.1, who fall within the category set out in Listing Rule 10.11.1, as Mr Andrew Muir is a related party of the Company by virtue of being a Director and Mrs Nancy Muir is a related party of the Company by virtue of being a parent of a Director;
- (b) the maximum aggregate number of Shares to be issued to Mr Andrew Muir (or his nominee noted in the table in Section 4.1) is 375,000;
- (c) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares;
- (d) the Shares will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification to the Listing Rules) and it is anticipated that the Shares will be issued on the same date;
- (e) the issue price will be \$0.16 per Share, being the same issue price as Shares issued to the other participants in the Placement. The Company will not receive any other consideration for the issue of the Shares;
- (f) the purpose of the issue of Shares under the Director Participation is to raise capital, which the Company intends to use in the manner set out in Section 1 above;
- (g) the Shares to be issued under the Director Participation are not intended to remunerate or incentivise Mr Andrew Muir or any other Director;
- (h) the Shares are not being issued under an agreement; and
- (i) a voting exclusion statement for Resolution 4B is included in the Agenda of this Notice.

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## **5. Resolutions 5A and 5B – Approval for issue of Options to Directors under Placement**

### **5.1 General**

As set out in Section 1 above, the Company proposes (subject to obtaining Shareholder approval) to issue one Placement Option for every two Placement Shares subscribed for and issued under the Placement.

Accordingly, the Company proposes (subject to obtaining Shareholder Approval) to issue 234,375 Director Placement Options to Director David Church (or his nominee) and 187,500 Director Placement Options to Director Andrew Muir (or his nominee), under the Director

Participation as noted in Section 4.1 above. The Director Placement Options will be free attaching to the Director Placement Shares the subject of Resolutions 4A and 4B, with an exercise price of \$0.30 and an expiry date two years from the date of issue.

Resolutions 5A and 5B seek Shareholder approval for the purposes of Listing Rule 10.11 for the issue of the Director Placement Options to the entities noted in the table in Section 4.1 above, as a result of the Director Participation.

## **5.2 Chapter 2E of the Corporations Act**

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The Director Participation will result in the issue of Options which constitutes giving a financial benefit and the recipients of the Options are related parties of the Company under section 228 of the Corporations Act by virtue of being Directors of the Company, entities controlled by Directors of the Company, or parents of Directors of the Company.

The Directors (other than Mr David Church who has a material personal interest in Resolution 5A) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 5A because the Options will be issued to Mr David Church (or his nominee) on the same terms as the Options issued to the non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

The Directors (other than Mr Andrew Muir who has a material personal interest in Resolution 5B) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of Resolution 5B because the Options will be issued to Mr Andrew Muir (or his nominee) on the same terms as the Options issued to the non-related party participants in the Placement and as such the giving of the financial benefit is on arm's length terms.

## **5.3 Listing Rule 10.11**

Listing Rule 10.11 provides that unless one of the exceptions in Listing Rule 10.12 applies, a listed company must not issue or agree to issue equity securities to:

- 10.11.1 a related party;
- 10.11.2 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (30%+) holder in the company;
- 10.11.3 a person who is, or was at any time in the 6 months before the issue or agreement, a substantial (10%+) holder in the company and who has nominated a director to the board of the company pursuant to a relevant agreement which gives them a right or expectation to do so;
- 10.11.4 an associate of a person referred to in Listing Rules 10.11.1 to 10.11.3; or

- 10.11.5 a person whose relationship with the company or a person referred to in Listing Rules 10.11.1 to 10.11.4 is such that, in ASX's opinion, the issue or agreement should be approved by its shareholders,

unless it obtains the approval of its shareholders.

The issue of the Director Placement Options under the Director Participation falls within Listing Rule 10.11.1 and does not fall within any of the exceptions in Listing Rule 10.12. It therefore requires the approval of Shareholders under Listing Rule 10.11. Accordingly, Resolutions 5A and 5B seek the approval of Shareholders for the issue of the Director Placement Options under the Director Participation as noted in Section 5.1 above, for the purposes of Listing Rule 10.11.

#### **5.4 Technical information required by Listing Rule 14.1A**

If Resolutions 5A and 5B are passed, the Company will be able to proceed with the issue of the Director Placement Options under the Director Participation within one month after the date of the Meeting (or such later date as permitted by any ASX waiver or modification of the Listing Rules).

If Resolutions 5A and 5B are not passed, the Company will not issue the Director Placement Options and the Directors Participants may each independently elect not to subscribe for the Director Placement Shares.

#### **5.5 Technical information required by Listing Rule 10.13**

Pursuant to and in accordance with listing Rule 10.13, the following information is provided in relation to the proposed issue of the Director Placement Options the subject of Resolution 5A:

- (a) the Options will be issued to the entity noted in the table in Section 4.1, who falls within the category set out in Listing Rule 10.11.1, as the entity is a related party of the Company by virtue of being an entity controlled by a Director;
- (b) the maximum aggregate number of Options to be issued to Mr David Church (or his nominee noted in the table in Section 4.1) is 234,375;
- (c) the Options will be issued on the terms and conditions set out in SCHEDULE 1;
- (d) the Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification to the Listing Rules) and it is anticipated that the Options will be issued on the same date;
- (e) the issue price of the Options will be nil as the Options will be issued free attaching with the Director Placement Shares that are the subject of Resolution 4A, on the basis of one Option for every two Director Placement Shares subscribed for and issued under the Placement. The Company will not receive any other consideration for the issue of the Options (other than in respect of funds received on exercise of the Options);
- (f) the Director Placement Options are being issued as free-attaching Options to the Director Placement Shares for nil consideration and therefore no funds will be raised by the issue of the Director Placement Options;
- (g) the Options to be issued under the Director Participation are not intended to remunerate or incentivise Mr David Church or any other Director;
- (h) the Options are not being issued under an agreement; and



- (i) a voting exclusion statement for Resolution 5A is included in the Agenda of this Notice.

Pursuant to and in accordance with listing Rule 10.13, the following information is provided in relation to the proposed issue of the Director Placement Options the subject of Resolution 5B:

- (a) the Options will be issued to the entities noted in the table in Section 4.1, who fall within the category set out in Listing Rule 10.11.1, as Mr Andrew Muir is a related party of the Company by virtue of being a Director and Mrs Nancy Muir is a related party of the Company by virtue of being a parent of a Director;
- (b) the maximum aggregate number of Options to be issued to Mr Andrew Muir (or his nominee in the table in Section 4.1) is 187,500;
- (c) the Options will be issued on the terms and conditions set out in SCHEDULE 1;
- (d) the Options will be issued no later than 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification to the Listing Rules) and it is anticipated that the Options will be issued on the same date;
- (e) the issue price of the Options will be nil as the Options will be issued free attaching with the Director Placement Shares that are the subject of Resolution 4B, on the basis of one Option for every two Director Placement Shares subscribed for and issued under the Placement. The Company will not receive any other consideration for the issue of the Options (other than in respect of funds received on exercise of the Options);
- (f) the Director Placement Options are being issued as free-attaching Options to the Director Placement Shares for nil consideration and therefore no funds will be raised by the issue of the Director Placement Options;
- (g) the Options to be issued under the Director Participation are not intended to remunerate or incentivise Mr Andrew Muir or any other Director;
- (h) the Options are not being issued under an agreement; and
- (i) a voting exclusion statement for Resolution 5B is included in the Agenda of this Notice.

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## GLOSSARY

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**\$** means Australian dollars.

**ASIC** means the Australian Securities & Investments Commission.

**ASX** means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

**Business Day** means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

**Chair** means the chair of the Meeting.

**Company** means Caprice Resources Ltd (ACN 624 970 725).

**Constitution** means the Company's constitution.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Directors** means the current directors of the Company.

**Explanatory Statement** means the explanatory statement accompanying the Notice.

**Extraordinary General Meeting or Meeting** means the meeting convened by the Notice.

**Key Management Personnel** has the same meaning as in the accounting standards issued by the Australian Accounting Standards Board and means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, or if the Company is part of a consolidated entity, of the consolidated entity, directly or indirectly, including any director (whether executive or otherwise) of the Company, or if the Company is part of a consolidated entity, of an entity within the consolidated group.

**Listing Rules** means the Listing Rules of ASX.

**Notice** or **Notice of Meeting** means this notice of meeting including the Explanatory Statement and the Proxy Form.

**Option** means an option to acquire a Share.

**Optionholder** means a holder of an Option.

**Proxy Form** means the proxy form accompanying the Notice.

**Resolutions** means the resolutions set out in the Notice, or any one of them, as the context requires.

**Section** means a section of the Explanatory Statement.

**Share** means a fully paid ordinary share in the capital of the Company.

**Shareholder** means a registered holder of a Share.

**WST** means Western Standard Time as observed in Perth, Western Australia.

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## SCHEDULE 1 – Terms and Conditions of Options

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(a) **Entitlement**

Each Option entitles the holder to subscribe for one Share upon exercise of the Option.

(b) **Exercise Price**

Subject to paragraph (j), the amount payable upon exercise of each Option will be \$0.30 (**Exercise Price**).

(c) **Expiry Date**

Each Option will expire at 5:00pm (WST) on the date that is two years from the date of issue (**Expiry Date**). An Option not exercised before the Expiry Date will automatically lapse on the Expiry Date.

(d) **Exercise Period**

The Options are exercisable at any time on or prior to the Expiry Date (**Exercise Period**).

(e) **Notice of Exercise**

The holder may exercise their Options by lodging with the Company, on or prior to the Expiry Date:

- (i) in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion;
- (ii) a written notice of exercise of Options specifying the number of Options being exercised (**Exercise Notice**); and
- (iii) a cheque or electronic funds transfer for the Exercise Price for the number of Options being exercised. Cheques shall be in Australian currency made payable to the Company and crossed "Not Negotiable". An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.

(f) **Exercise Date**

A Notice of Exercise is only effective on and from the later of the date of receipt of the Notice of Exercise and the date of receipt of the payment of the Exercise Price for each Option being exercised in cleared funds (**Exercise Date**).

(g) **Timing of issue of Shares on exercise**

Within 5 Business Days after the Exercise Date, the company will:

- (i) issue the number of Shares required under these terms and conditions in respect of the number of Options specified in the Notice of Exercise and for which cleared funds have been received by the Company;
- (ii) if required, give ASX a notice that complies with section 708A(5)(e) of the Corporations Act, or, if the Company is unable to issue such a notice, lodge with ASIC a prospectus prepared in accordance with the Corporations Act to ensure that an offer for sale of the Shares does not require disclosure to investors; and

- (iii) if admitted to the official list of ASX at the time, apply for official quotation on ASX of Shares issued pursuant to the exercise of the Options.

If a notice delivered under paragraph (h)(ii) for any reason is not effective to ensure that an offer for sale of the Shares does not require disclosure to investors, the Company must, no later than 20 Business Days after becoming aware of such notice being ineffective, lodge with ASIC a prospectus prepared in accordance with the Corporations Act and do all such things necessary to satisfy section 708A(11) of the Corporations Act to ensure that an offer for the sale of the Shares does not require disclosure to investors.

(h) **Shares issued on exercise**

Shares issued on exercise of the Options rank equally with the then issued shares of the Company.

(i) **Reconstruction of capital**

If at any time the issued capital of the Company is reconstructed, all rights of an Optionholder are to be changed in a manner consistent with the Corporations Act and the ASX Listing Rules at the time of the reconstruction.

(j) **Participation in new issues**

There are no participation rights or entitlements inherent in the Options and holders will not be entitled to participate in new issues of capital offered to Shareholders during the currency of the Options without exercising the Options.

(k) **Change in exercise price**

An Option does not confer the right to a change in Exercise Price or a change in the number of underlying securities over which the Option can be exercised.

(l) **Transferability**

The Options may only be transferred with the prior written approval of the Company's board of directors.

# Proxy Voting Form

If you are attending the meeting in person, please bring this with you for Securityholder registration.

Your proxy voting instruction must be received by **10.30am (WST) on Sunday, 27 March 2022**, being **not later than 48 hours** before the commencement of the Meeting. Any Proxy Voting instructions received after that time will not be valid for the scheduled Meeting.

## SUBMIT YOUR PROXY VOTE ONLINE

**Vote online at <https://investor.automic.com.au/#/loginsah>**

Login & Click on 'Meetings'. Use the Holder Number as shown at the top of this Proxy Voting form.

- ✓ **Save Money:** help minimise unnecessary print and mail costs for the Company.
- ✓ **It's Quick and Secure:** provides you with greater privacy, eliminates any postal delays and the risk of potentially getting lost in transit.
- ✓ **Receive Vote Confirmation:** instant confirmation that your vote has been processed. It also allows you to amend your vote if required.



## SUBMIT YOUR PROXY VOTE BY PAPER

Complete the form overleaf in accordance with the instructions set out below.

### YOUR NAME AND ADDRESS

The name and address shown above is as it appears on the Company's share register. If this information is incorrect, and you have an Issuer Sponsored holding, you can update your address through the investor portal: <https://investor.automic.com.au/#/home> Shareholders sponsored by a broker should advise their broker of any changes.

### STEP 1 – APPOINT A PROXY

If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name of that Individual or body corporate. A proxy need not be a Shareholder of the Company. Otherwise if you leave this box blank, the Chair of the Meeting will be appointed as your proxy by default.

### DEFAULT TO THE CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote these proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Voting Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

### STEP 2 - VOTES ON ITEMS OF BUSINESS

You may direct your proxy how to vote by marking one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

### APPOINTMENT OF SECOND PROXY

You may appoint up to two proxies. If you appoint two proxies, you should complete two separate Proxy Voting Forms and specify the percentage or number each proxy may exercise. If you do not specify a percentage or number, each proxy may exercise half the votes. You must return both Proxy Voting Forms together. If you require an additional Proxy Voting Form, contact Automic Registry Services.

### SIGNING INSTRUCTIONS

**Individual:** Where the holding is in one name, the Shareholder must sign.

**Joint holding:** Where the holding is in more than one name, all Shareholders should sign.

**Power of attorney:** If you have not already lodged the power of attorney with the registry, please attach a certified photocopy of the power of attorney to this Proxy Voting Form when you return it.

**Companies:** To be signed in accordance with your Constitution. Please sign in the appropriate box which indicates the office held by you.

**Email Address:** Please provide your email address in the space provided.

By providing your email address, you elect to receive all communications despatched by the Company electronically (where legally permissible) such as a Notice of Meeting, Proxy Voting Form and Annual Report via email.

### CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate 'Appointment of Corporate Representative' should be produced prior to admission. A form may be obtained from the Company's share registry online at <https://automic.com.au>.

<b>SIGNATURE OF SECURITYHOLDERS – THIS MUST BE COMPLETED</b>		
Individual or Securityholder 1	Securityholder 2	Securityholder 3
Sole Director and Sole Company Secretary	Director	Director / Company Secretary
Contact Name:		
Email Address:		
Contact Daytime Telephone		
Date (DD/MM/YY)		

By providing your email address, you elect to receive all of your communications despatched by the Company electronically (where legally permissible).