

JUNE 2022 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

The Island Gold Project

- Follow up RC drilling on The Island returned a number of significant intercepts including:
 - **3m @ 3.2g/t Au** from 101m, *incl. 1m @ 7.9g/t Au* – Trigg Gully,
 - **2m @ 3.8g/t Au** from 58m – Detector Gully,
 - **1m @ 6.6g/t Au** from 110m – Vadrians Hill, and
 - **1m @ 3.8g/t Au** from 131m – Trigg Gully.
- At Solis, infill aircore drilling successfully confirmed gold anomalism, yielding results consistent with the maiden aircore program. Better results include:
 - **1m @ 3.6g/t Au** from 37m,
 - **1m @ 1.3g/t Au** from 34m and
 - **1m @ 1.0g/t Au** from 17m.
- Maiden RC drilling at Solis was completed post quarter end, with 15 holes for 1,428m. Results are expected in August.

Northampton

- Work on access agreements continue.

The Island Gold Project

The Island RC Drilling

Caprice undertook further RC drilling on The Island, located within the IGP, completing 19 holes for 1,792m. The program aimed to assess grade continuity of a number of high-grade results returned during the large 2021 expansionary RC drilling program. Prospects tested include Evening Star, Vadrians Hill, Vadrians North, Trigg Gully and Detector Gully.

The drilling returned significant intercepts results across these prospects, confirming either dip continuity or down plunge continuity across some of the prospects, however, the thick high grade intercepts from the previous program were not replicated, highlighting the poddy nature of some of the BIF hosted mineralisation on The Island. A number of the prospects remain open down plunge and at depth.

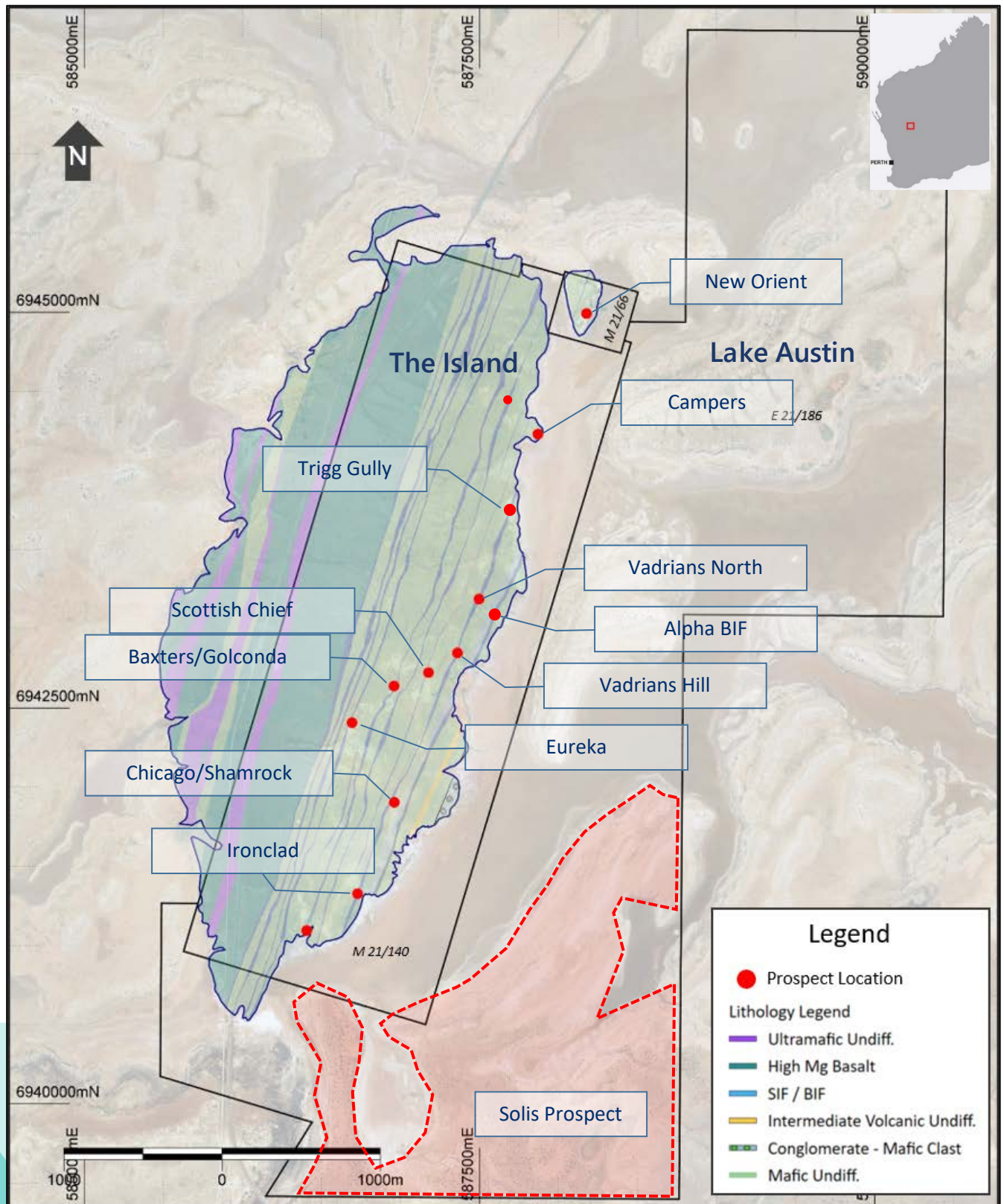


Figure 1: Island Gold Project Prospects

Better results include:

Evening Star

- **3m @ 1.8g/t** from 20m in 22IGRC0100

Vadrians Hill

- **1m @ 6.6g/t** from 110m in 22IGRC0104
- **5m @ 1.2g/t** from 39m in 22IGRC0103
- **1m @ 2.5g/t** from 49m in 22IGRC0103
- **1m @ 1.6g/t** from 53m in 22IGRC0103
- **4m @ 1.3g/t** from 56m in 22IGRC0103
- **1m @ 1.1g/t** from 29m in 22IGRC0104

Vadrians North

- **2m @ 2.7g/t** from 33m in 22IGRC0108

Trigg Gully

- **3m @ 3.2g/t** from 101m in 22IGRC0109
- **1m @ 3.8g/t** from 131m in 22IGRC0110
- **2m @ 1.5g/t** from 19m in 22IGRC0109
- **1m @ 1.3g/t** from 132m in 22IGRC0111

Detector Gully

- **2m @ 3.8g/t** from 58m in 22IGRC0115

The BIF packages across The Island are frequently cut by both north-east striking structures and north-west striking structures. Of these two features, the drilling has indicated that only the north-east striking (north-west dipping) structures are regularly mineralised. Grades associated with these structures are highly variable, and the high-grade zones appear to occur more often on the contact between BIF packages and the overlying/underlying lithology.

Whilst The Island contains high grades and widths, the limited high grade continuity is problematic at some of the prospects, and more work is required to understand the significance and controls.

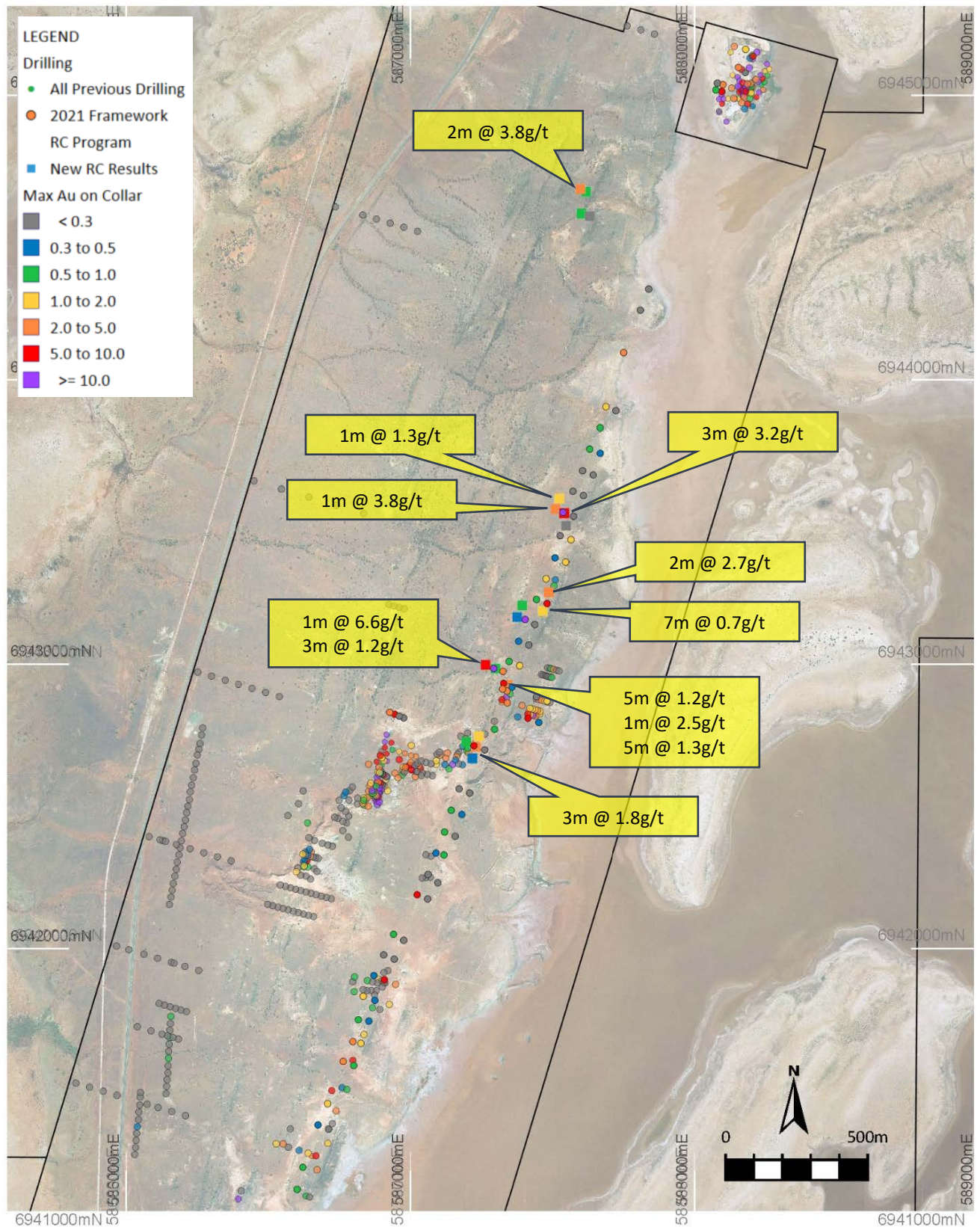


Figure 2: All drilling across The Island, collars coloured by max Au in hole. New significant intercepts are highlighted in yellow.

Solis Aircore Drilling

The Solis Prospect, located within the IGP, is at the southern end of Lake Austin within E 21/186. The maiden aircore program at Solis in early 2022 delineated a +1km long regolith gold anomalous zone. The maiden program was drilled on 400m line spacing with 80m spaced holes.

Follow up infill aircore was completed at Solis, consisting of 39 holes for 1,146m, tightening the hole spacing in the main anomalous areas. The holes were focussed on five of the existing 400m spaced drill lines. The drilling improved coverage across the stratigraphy, with hole spacing improved to 20-50m.

In-line with the maiden aircore program, 4m composite samples were collected downhole, with 1m resamples taken for composite samples that returned gold values greater than 0.1g/t Au. Better 1m results from the infill program include:

- **1m @ 3.6g/t Au** from 37m in 22IGA0088,
- **1m @ 1.3g/t Au** from 34m in 22IGA0086, and
- **1m @ 1.0g/t Au** from 17m in 22IGA0095.

The program successfully returned grades in line with the maiden program and confirmed the +1km gold anomaly. In addition, the closer spaced drilling enabled a preliminary interpretation of the anomaly's geometry within the regolith profile.

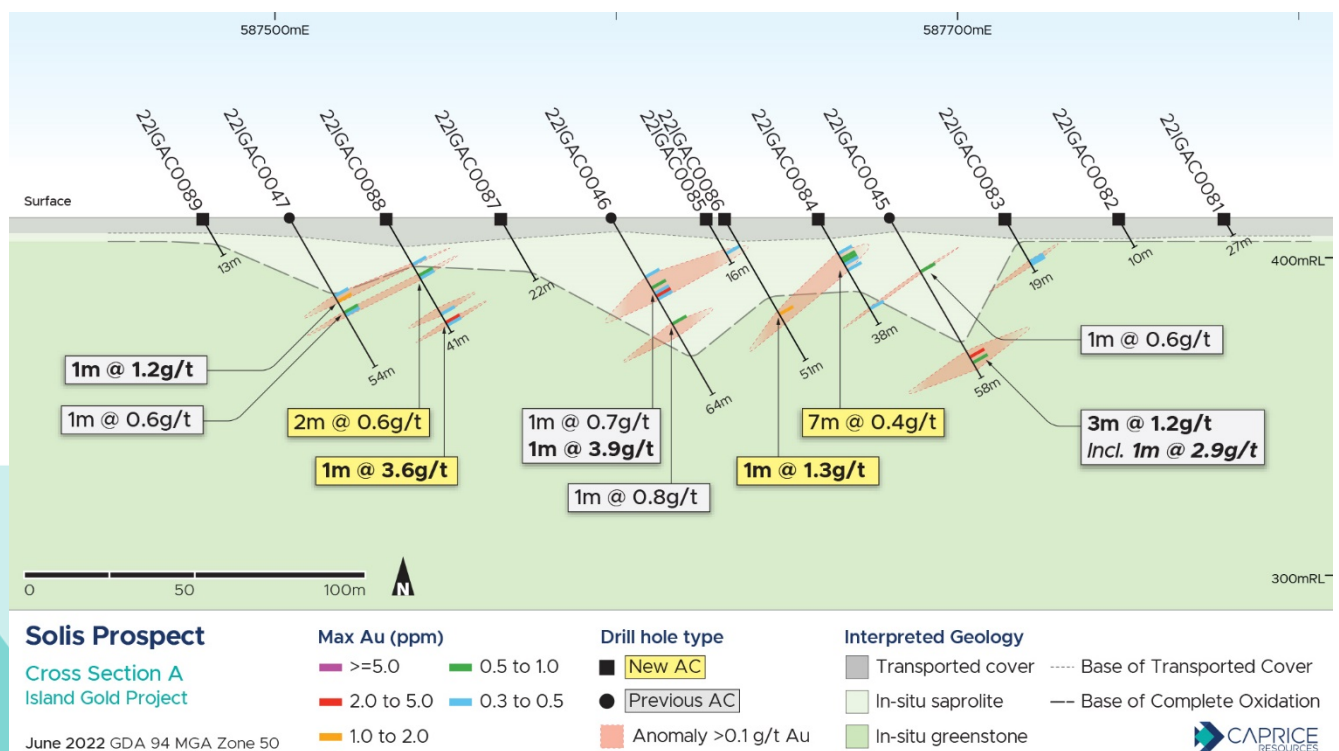
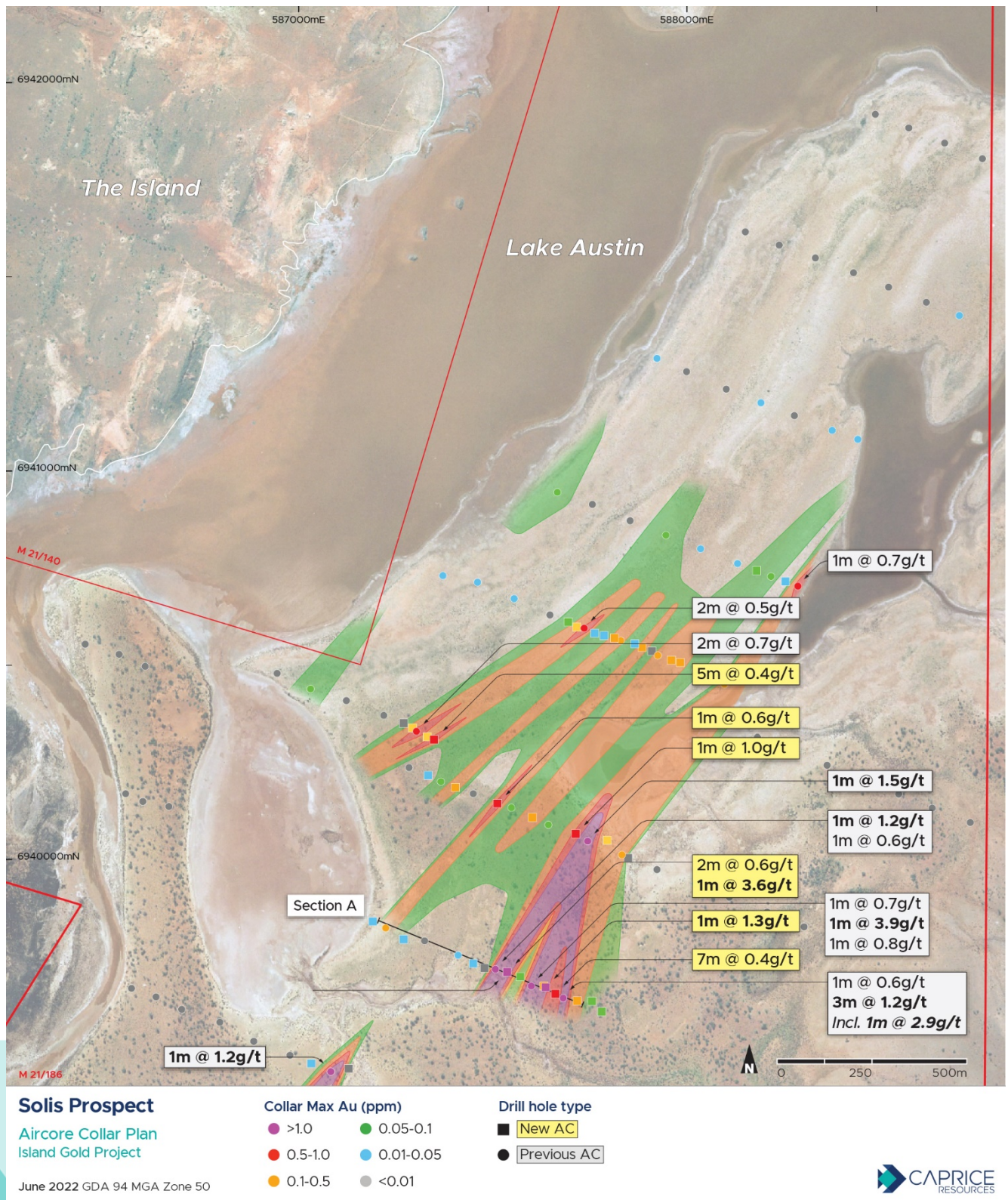
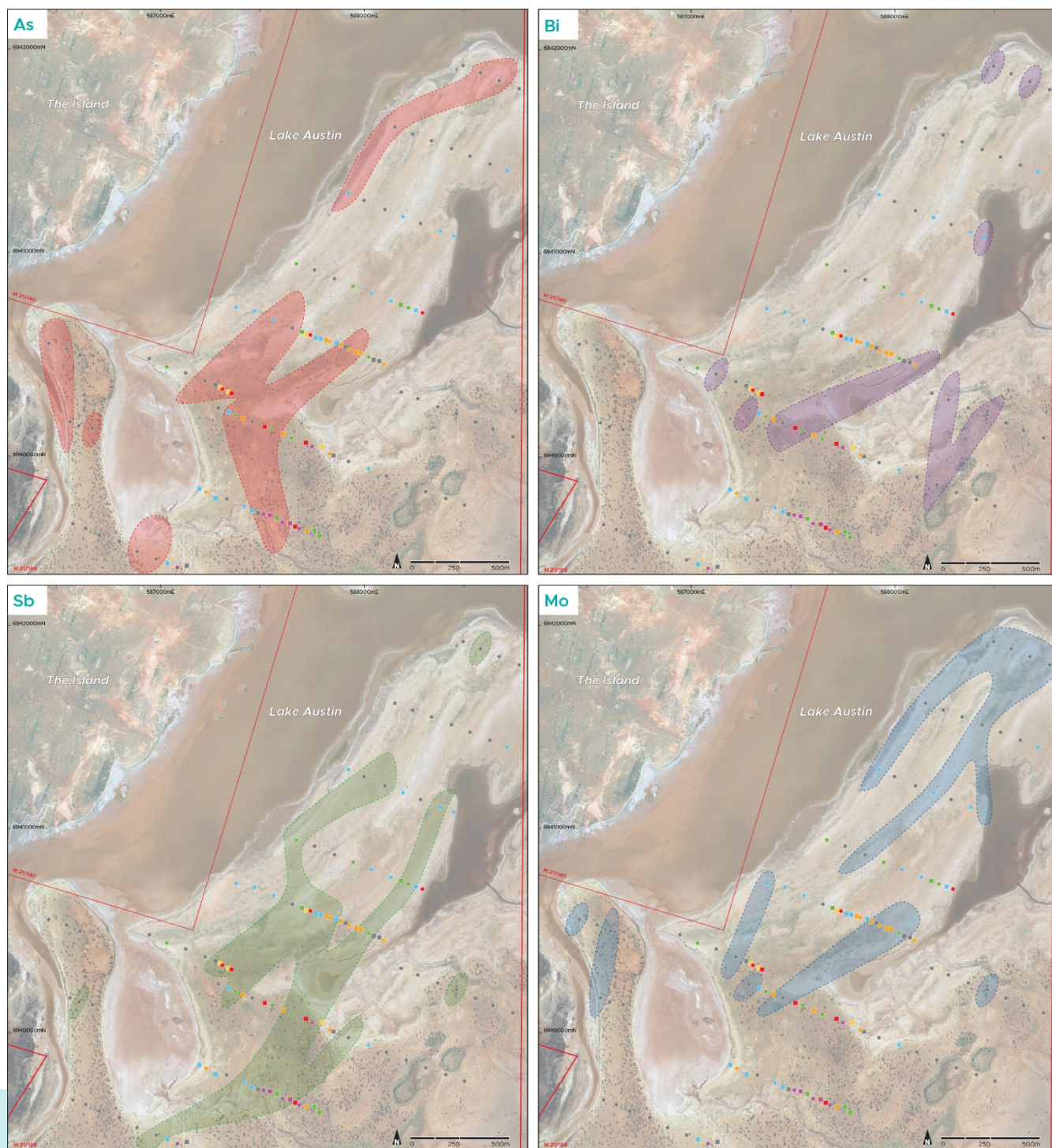


Figure 3: Solis aircore cross section A, see Figure 2 for section location





Solis Prospect

Aircore Collar Plans showing ME Anomalies

June 2022 GDA 94 MGA Zone 50

Collar Max Au (ppm)

● >1.0 ● 0.05-0.1
● 0.5-1.0 ● 0.01-0.05
● 0.1-0.5 ● <0.01



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Figure 5: Solis Arsenic (As), Bismuth (Bi), Antimony (Sb) & Molybdenum (Mo) anomalies outlined at >75 percentile for each element, displayed over maximum downhole gold

Whilst the stratigraphy is striking north-north-east, gold anomalism is most likely trending towards the north-east, based on maximum downhole gold, bottom of hole gold, and several bottom of hole pathfinder element anomalies, including arsenic, antimony, molybdenum, and bismuth. However, given the broad line spacing, the interpretation of the geometry and strike is likely to be refined once more detailed data is acquired.

RC Drilling at Solis

A 15 hole RC drill program at Solis was completed to test the large regolith gold anomaly identified from the aircore drilling. A total of 1,428m were drilled with an average hole depth of 95m, compared to an average aircore hole depth of 30m.

The drilling indicated more complex stratigraphy than interpreted from the aircore. Rock types included basalt, sheared high Mg basalt/ultramafic units, and a highly weather intermediate volcanic or sedimentary unit, as well as a number of intermediate intrusions.

Shearing, quartz veining and localised areas of alteration and sulphides were all seen in the drilling, indicating the presence of deformation and fluid flow which may be related to mineralisation.

Results from the RC drilling area expected in August.

Northampton Project

Work continues on access agreements to enable groundwork to commence. We expect these agreements to be finalised shortly.

A geophysics program is planned for coming months on key areas of interest to give insight into key structures.

Wild Horse Hill Project

The Company continued its ongoing data review for gold and other commodity potential at this project.

Corporate

As at the end of the Quarter, Caprice had a cash position \$2.0 million as at 30 June 2022.

Next Steps

RC Drilling - Solis

Results from the Solis RC are due soon and will guide next steps.

Aircore Drilling - IGP

Aircore drilling is being planned on the other islands, Estrella and Luna. This will require the construction of causeways and we expect construction to commence in the coming quarter.

Cuddingwarra and Big Bell South

Caprice is awaiting Heritage feedback to enable on-ground access at Cuddingwarra and Big Bell South. Once access is granted, first plans are ground geophysics and soil sampling.

Northampton

Once access agreements are finalised, an RC drill program will be planned. Data from the drilling, combined with the geophysics, will give significant geological insight into key structures and their mineralising potential.

This announcement has been authorised for release by the Board of Caprice.

For further information please contact:

Andrew Muir
Managing Director
P: (08) 6365 5200

Competent Persons' Statements

The information in this report that relates to exploration results has been compiled by Mr Christopher Oorschot, a full-time employee of Caprice Resources Ltd. Mr Oorschot is a Member of the Australian Institute of Geoscientists and has sufficient experience in the style of mineralisation and type of deposit under consideration and the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the Australasian Code for Reporting of Exploration Results, Minerals Resources and Ore Reserves ("JORC Code"). Mr Oorschot consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

About Caprice Resources

Caprice Resources Limited (ASX: CRS) holds a 100% interest in the Island Gold Project, located in the Lake Austin gold mining centre in the Cue Goldfield. Caprice acquired the Project in October 2020.

Caprice has an 80% interest in the Cuddingwarra and Big Bell South Projects, located to the west and southwest of Cue in the Cue Goldfield. Caprice acquired the Projects in July 2021.

The Company also holds a 100% interest in the Northampton Project, a polymetallic brownfields project surrounding historical lead-silver and copper mines that were operational between 1850 and 1973. Caprice also holds a 100% interest in the Wild Horse Hill Gold Project located within the Pine Creek province of Northern Territory

Appendix 1: Schedule of Mining Tenements

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 30 June 2022. No interested were acquired or disposed during the quarter.

Project	Licence Number	Location	Interest
Island Gold	M 21/66	Western Australia	100%
	M 21/140	Western Australia	100%
	E 21/186	Western Australia	100%
Northampton	E 66/98	Western Australia	100%
	E 66/99	Western Australia	100%
	E 66/111	Western Australia	100%
	E 66/112	Western Australia	100%
	E 66/113	Western Australia	100%
	E 66/106	Western Australia	100% Beneficial
	E 70/5677	Western Australia	100% Beneficial
Wild Horse Hill	EL 30951	Northern Territory	100%
	EL 30964	Northern Territory	100%
Big Bell South	E 21/0193	Western Australia	80%
Cuddingwarra	E 21/0192	Western Australia	80%
	P 20/2256	Western Australia	80%
	P 20/2257	Western Australia	80%
	P 20/2258	Western Australia	80%
	P 20/2259	Western Australia	80%
	P 20/2260	Western Australia	80%
	P 20/2261	Western Australia	80%
	P 20/2262	Western Australia	80%
	P 20/2263	Western Australia	80%
	P 20/2264	Western Australia	80%
	P 20/2265	Western Australia	80%
	P 20/2266	Western Australia	80%
	P 20/2267	Western Australia	80%
	P 20/2268	Western Australia	80%
	P 20/2269	Western Australia	80%
	P 20/2272	Western Australia	80%
	P 20/2273	Western Australia	80%
	P 20/2274	Western Australia	80%
	P 20/2275	Western Australia	80%
	P 20/2382	Western Australia	80%

Appendix 2: Disclosures in relation to Quarterly Cashflow Report

In line with obligations under ASX Listing Rule 5.3.5, Caprice notes that the payments to related parties of the Company, as advised in the Appendix 5B (Quarterly Cashflow Report) for the period ended 30 June 2022, pertain to director fees, salaries and wages (including superannuation), advisory fees and contracting fees for labour and equipment hire paid during the quarter ended 30 June 2022. The Company notes that all fees are agreed on standard commercial terms.

During the quarter ended 30 June 2022, the Company spent approximately \$346,000 on project and exploration activities. The majority of the project and exploration expenditure relates to drill program activities and assaying undertaken at the Island Gold Project.

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Caprice Resources Limited

ABN

96 624 970 725

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(197)	(712)
	(e) administration and corporate costs	(82)	(453)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	1
1.5	Interest and other costs of finance paid	(1)	(6)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(280)	(1,170)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	(21)	(227)
	(c) property, plant and equipment	-	(14)
	(d) exploration & evaluation	(346)	(1,770)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (Security deposit)	-	-
2.6	Net cash from / (used in) investing activities	(367)	(2,011)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	2,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(15)	(136)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other - payment of finance lease liability	(8)	(39)
3.10	Net cash from / (used in) financing activities	(23)	1,825

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,629	3,315
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(280)	(1,170)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(367)	(2,011)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(23)	1,825

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,959	1,959

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,959	2,629
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	1,959	2,629

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	146
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(280)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(346)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(626)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,959
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,959
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	3.1
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8 If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
Answer: N/A	
8.8.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
Answer: N/A	
8.8.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer: N/A	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 29 July 2022

Authorised by: The Board of Caprice Resources Limited
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.