

SEPTEMBER 2022 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

The Island Gold Project

- Maiden RC drilling at Solis was completed with 15 holes for 1,428m.
- The drilling returned shallow gold mineralisation in multiple holes. Better results include:
 - **4m @ 4.4g/t Au** from 60m, *incl. 1m @ 11.0g/t Au* from 63m,
 - **1m @ 1.5g/t Au** from 35m and
 - **2m @ 1.2g/t Au** from 33m.
- A second RC program was completed late in the quarter, with 13 holes completed for 1,526m. Results are due very shortly.

Northampton

- Access agreement finalised for Yungaro.
- Post quarter end, an aeromagnetic survey was completed over select areas of the Project.

Caprice Resources Ltd (ASX: CRS) ("Caprice" or "the Company") is pleased to provide its quarterly reports for the quarter ended 30 September 2022.

The Island Gold Project

Solis RC Drilling

The Solis Prospect, located within the IGP, is at the southern end of Lake Austin within E 21/186. Aircore drilling earlier in the year delineated a +1km gold in regolith anomaly with multiple +1g/t gold intercepts.

A follow up RC program tested discreet targets within the broad regolith anomaly down to c.100m, with 15 holes completed for 1,428m on selected sections and below the better aircore intersections.

Better results from the RC program include:

- **4m @ 4.4g/t Au** from 60m, *incl. 1m @ 11.0g/t Au* in 22IGRC0132, (see section below)
- **1m @ 1.5g/t Au** from 35m in 22IGRC0119,
- **2m @ 1.2g/t Au** from 33m in 22IGRC0128,
- **1m @ 1.2g/t Au** from 50m in 22IGRC0123,
- **1m @ 1.1g/t Au** from 88m in 22IGRC0128, and
- **1m @ 1.0g/t Au** from 54m in 22IGRC0123.

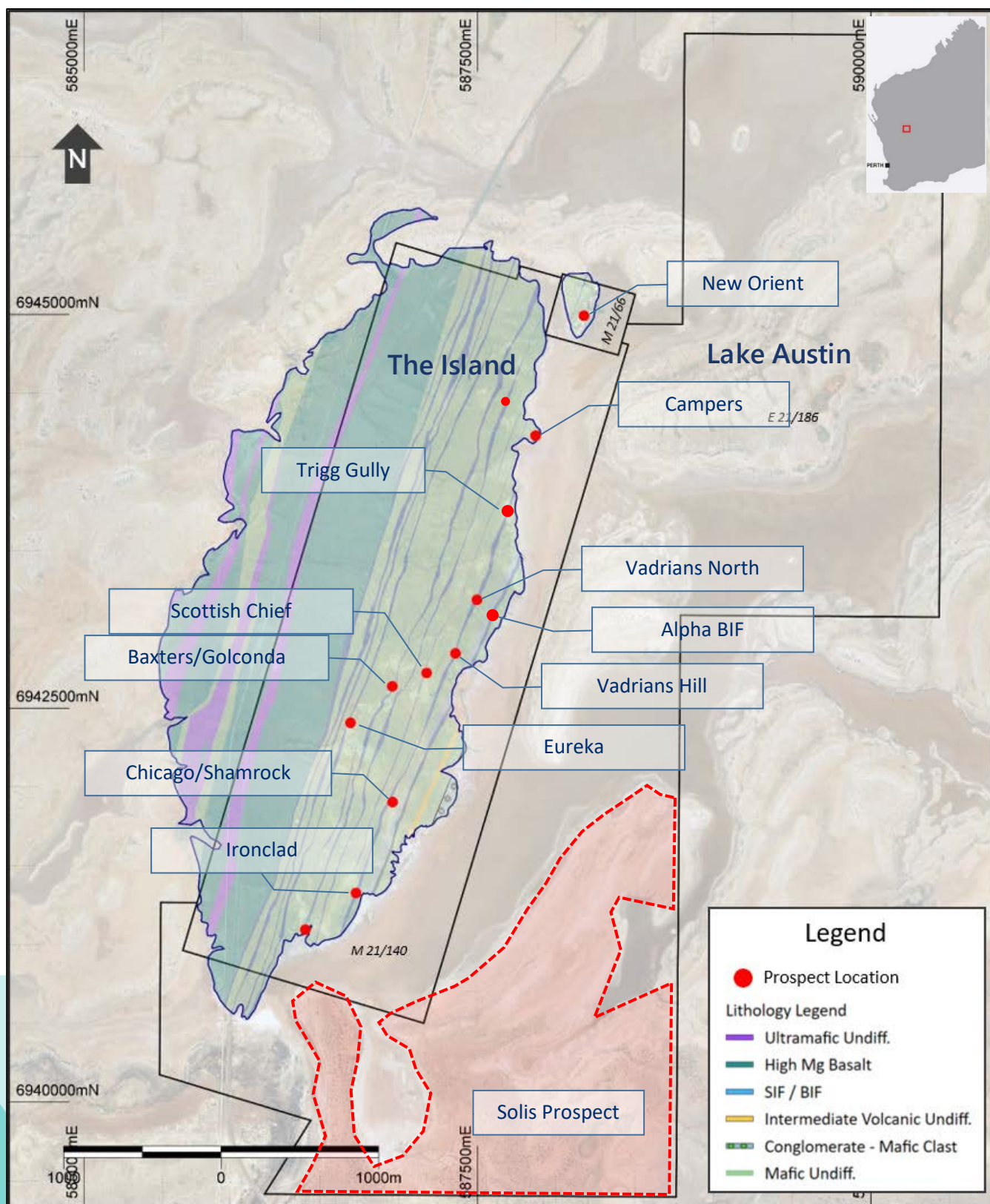


Figure 1: Island Gold Project Prospects

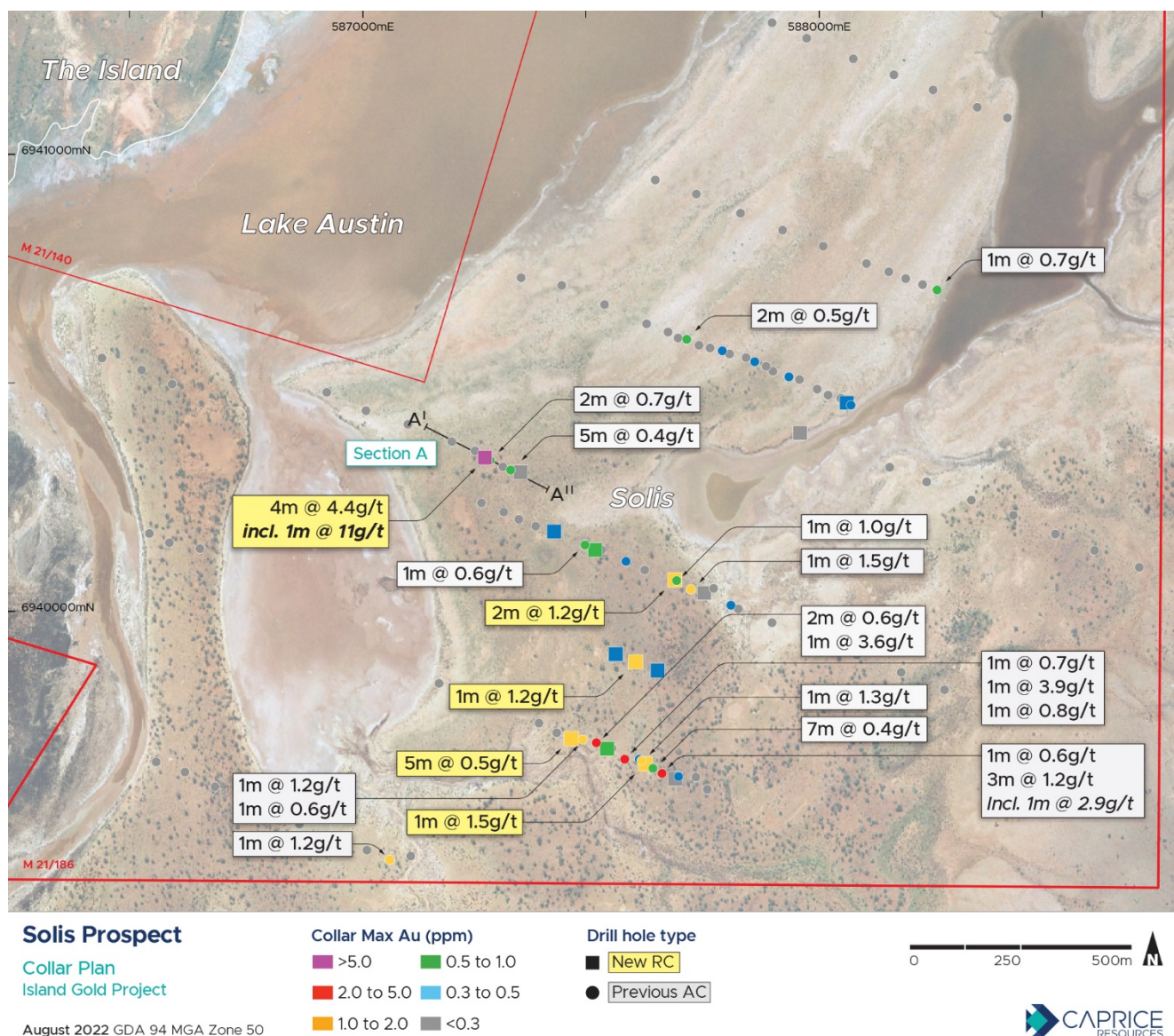


Figure 2: Solis drill collar locations, coloured by Max Au in hole, with new RC results in Yellow.

The high-grade intercept in 22IGRC0132 of 4m @ 4.3g/t Au, incl. 1m @ 11.0g/t from 63m, is on a sheared geological contact between a mafic (tholeiitic) and high-Mg basalt units. The mineralisation is associated with a quartz vein and underlying sericite-chlorite-carbonate shear zone with minor quartz-carbonate veining. The quartz vein is strongly weathered, whilst the underlying shear is only moderately to weakly weathered.

In addition to the above, 22IGRC0121 yielded 8m @ 0.5g/t Au from 45m across a similarly sheared contact, approximately 500m south of the high-grade intercept. This highlights the contact between tholeiitic basalt and high Mg basalt as a priority for follow up drilling.

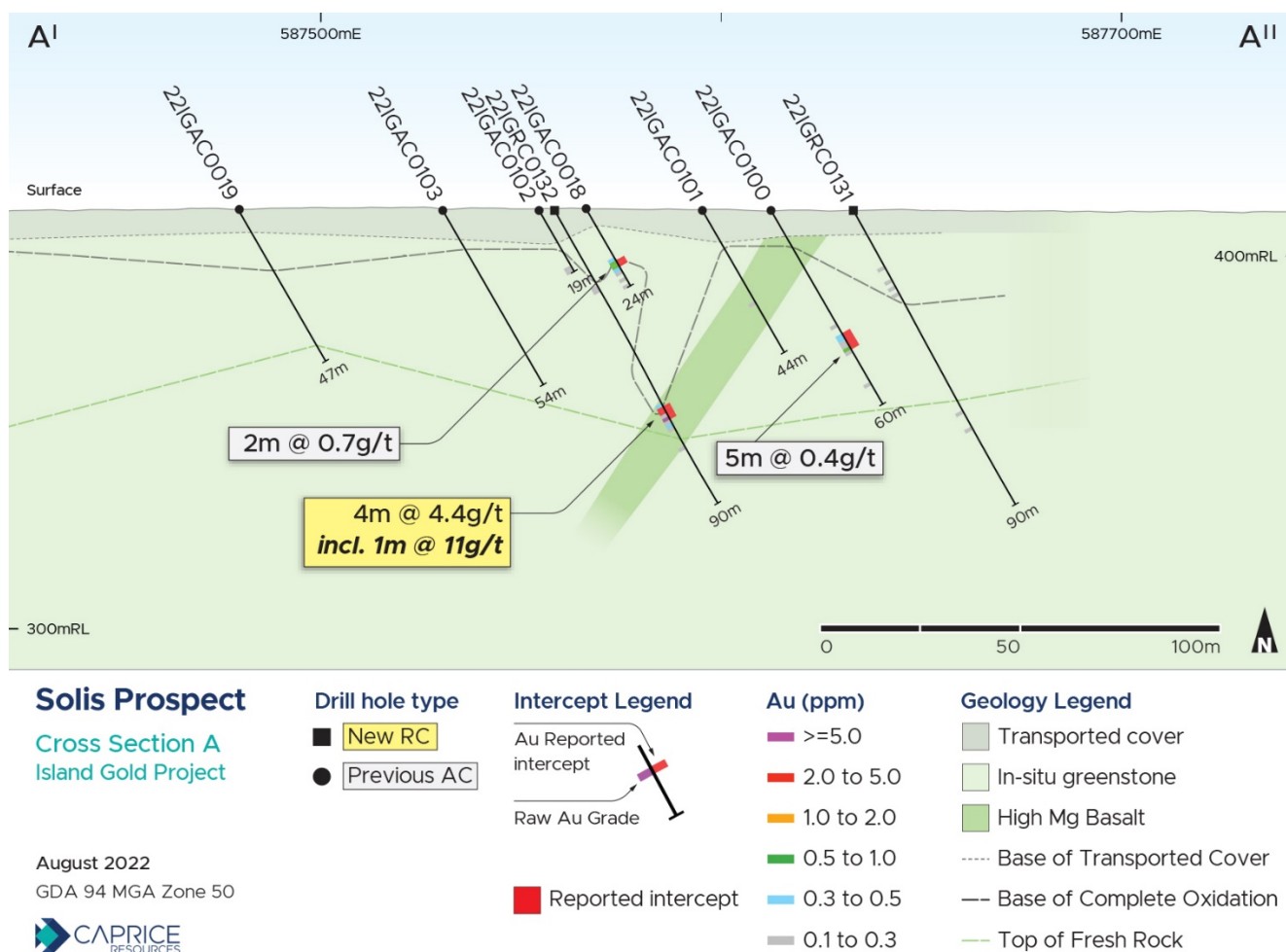


Figure 3: Solis RC cross section A, see Figure 2 for section location

Numerous instances of narrow mineralisation were also associated with chlorite-sericite-carbonate altered shear zones, narrow veining within basalt, sheared intrusive contacts, intrusive hosted quartz veining.

Preferential weathering was common and often associated with mineralisation. Whilst the average RC hole depth was 95m, many mineralised intercepts were hosted in partially weathered rock, above the fresh rock domain.

Geology

RC drilling has provided a clearer picture of the underlying stratigraphy and structures across Solis.

The stratigraphy appears to strike north-northeast, with a moderate westerly dip. The stratigraphic sequence consists of an alternating sequence of tholeiitic basalts, high-Mg basalt, ultra-mafic basalts, and conglomerates. This sequence is variably intruded by a number of intermediate sills.

Shearing, alteration, and veining were common across all sections and present in all lithologies. Shearing is typically accompanied with sericite-chlorite-carbonate alteration with minor quartz

veining and is common along geological contacts. A more distal and broader chlorite-calcite alteration halo occurs proximal to shear zones. Shearing appears to be common along geological contacts.

Solis Follow Up RC Drilling

Late in the quarter, another round of RC drilling was completed at Solis. The drilling was following up the mineralisation intersected in the maiden RC program, testing strike and depth extensions. The program involved 13 holes for 1,526m. Results are expected soon.

Northampton Project

Access Agreement

An access agreement has been finalised that covers the Yungaro Project, at the southern end of the Northampton tenement group. The agreement allows for on-ground activities to commence, with RC drilling planned once approvals are received and crops are harvested.

Drilling will target a north-south oriented structure to test for base metals mineralisation.

Aeromagnetic Survey

The base metals mineralisation at Northampton is structurally controlled. To help understand these structures, an aerial aeromagnetic survey was completed just after the end of the quarter. The survey was done in key areas to significantly improve granularity which will enhance exploration targeting.

Pegmatite Assessment

Whilst the Northampton Project is highly prospective for base metals, the area is also known to host a significant number of pegmatites. Caprice will undertake a regional prospectivity analysis, assessing if the pegmatites are favourable to host lithium or rare earth minerals.

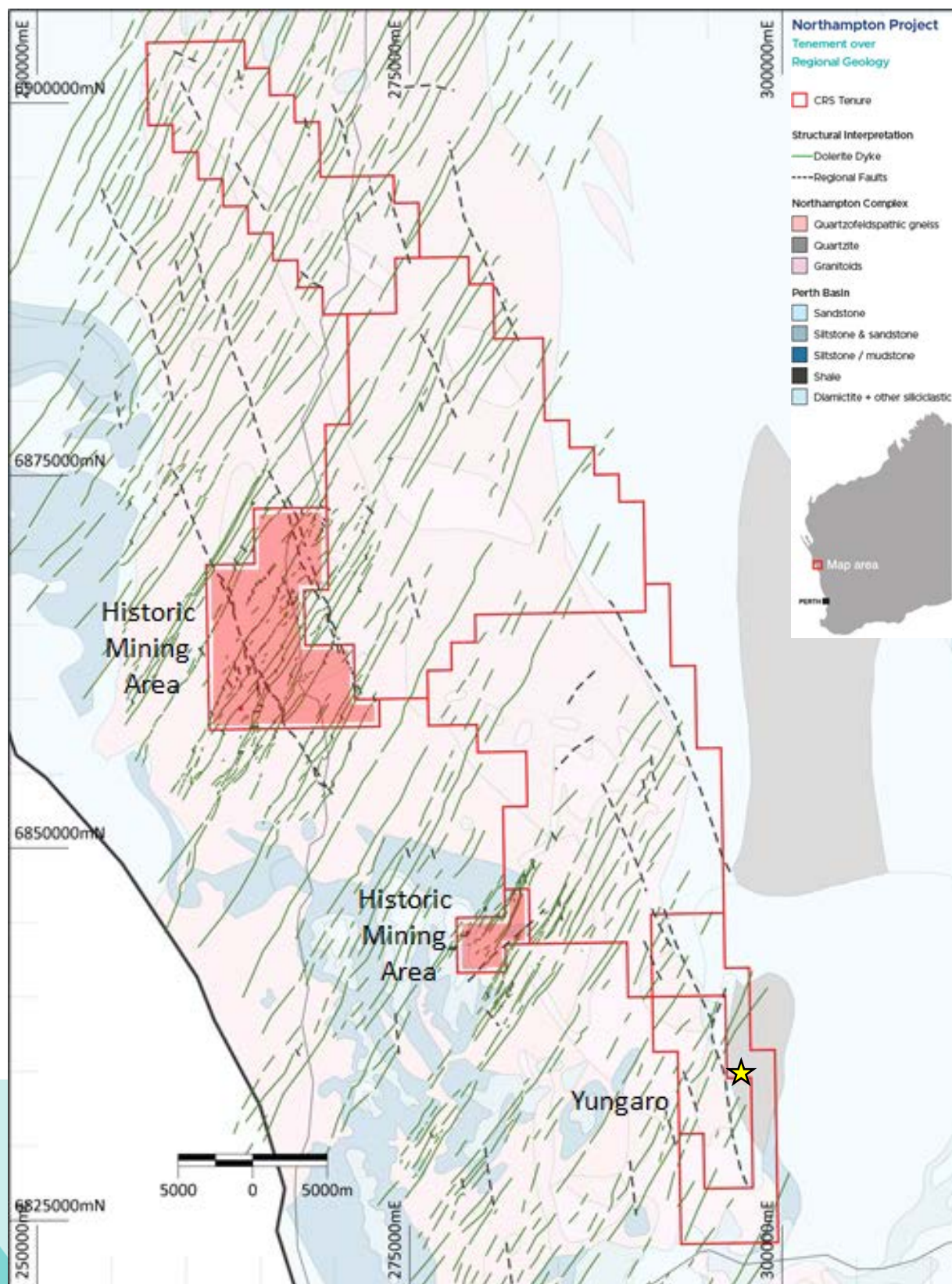


Figure 4: Northampton Project

Wild Horse Hill Project

The Company continued its ongoing data review for gold and other commodity potential at this project. No field work was completed during the quarter.

Corporate

As at the end of the quarter, Caprice had a cash position \$1.4 million.

Next Steps

Solis & Lake Austin

The RC results from the follow up drilling are due shortly. These results will guide the next round of exploration focus.

Caprice had planned to undertake aircore drilling on the other islands, Estrella and Luna which requires the construction of causeways. This program has been put on hold until 2023 as the Company focusses on Northampton.

Cuddingwarra and Big Bell South

Caprice continues to await 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

The access agreement is the first step towards RC drilling. This program is targeted for early December, though timing will depend on approvals and drill rig availability.

The results of the geophysics will also give significant geological insight into the key structures and guide future exploration.

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 Person's Statement

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. The Company confirms there have been no material changes to the information since it was first reported to the ASX.

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 September 2022. No interests were acquired or disposed of 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%
	E 70/5677	Western Australia	100%
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 September 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 September 2022. The Company notes that all fees are agreed on standard commercial terms.

During the quarter ended 30 September 2022, the Company spent a total of \$256,000 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 September 2022

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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	(179)	(179)
	(e) administration and corporate costs	(170)	(170)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	2
1.5	Interest and other costs of finance paid	(1)	(1)
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	(348)	(348)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(256)	(256)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 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	(256)	(256)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
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	-	-
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	(9)	(9)
3.10	Net cash from / (used in) financing activities	(9)	(9)

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,959	1,959
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(348)	(348)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(256)	(256)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(9)	(9)

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 (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,346	1,346

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	1,346	1,959
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)	1,346	1,959

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	87
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

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.

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)	(348)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(256)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(604)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,346
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,346
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.2
<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: 28 October 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.