

16 November 2022

Addendum to Notice of Annual General Meeting

Caprice Resources Limited (the **Company**) hereby gives notice to Shareholders that, in relation to the Notice of Annual General Meeting dated 31 October 2022 (**Notice**) in respect of the annual general meeting of the Company to be held at Level 3, 10 Outram Street, West Perth WA 6008 on Wednesday, 30 November 2022 at 10.00am (AWST) (**Meeting**), the directors of the Company (**Directors**) have resolved to amend the Notice by this addendum to the Notice (**Addendum**) which adds Section 7 to the Explanatory Statement. This information was inadvertently omitted from the original version of the Notice.

This Addendum is supplemental to the original Notice and should be read in conjunction with the Notice. Save for the amendments set out below, the Notice remains unchanged.

The numbering used in this Addendum is a continuation of the numbering used in the Notice and the Explanatory Memorandum. Unless otherwise defined in this Addendum, the defined terms used in this Addendum are as defined in the Notice.

This Addendum should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their suitably qualified professional advisors prior to voting. Should you wish to discuss the matters set out in this Addendum, please do not hesitate to contact the Company by telephone on +61 8 6141 3136.

Proxy Forms

The Company confirms that there has been no change to the Proxy Form previously dispatched to Shareholders.

- If you have already completed and returned the Proxy Form which was provided with the original Notice and you wish to change your vote, please contact the Company in order to discuss how to change your vote.
- If you have already completed and returned the Proxy Form which was annexed to the original Notice and you do not wish to change your vote, you do not need to take any action.
- If you have not yet completed and returned a Proxy Form and you wish to vote on the Resolutions in the Notice, please complete and return the Proxy Form provided with the original Notice.

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

BY ORDER OF THE BOARD

[lodged electronically without signature]

Oonagh Malone
Company Secretary
Caprice Resources Limited
Dated: 16 November 2022

Caprice Resources Limited
ACN 624 970 725
(Company)

Addendum to the Explanatory Statement

The Explanatory Statement in the Notice is supplemented with the following information in relation to Resolution 6 as follows:

7. RESOLUTION 6 – APPROVAL OF POTENTIAL TERMINATION BENEFITS UNDER THE PLAN

7.1 General

The Corporations Act contains certain limitations concerning the payment of 'termination benefits' to persons who hold a 'managerial or executive office'. The Listing Rules also provides certain limitations on the payment of 'termination benefits' to officers of listed entities.

As is common with employee incentive schemes, the Plan provides the Board with the discretion to, amongst other things, determine that some or all of the Equity Securities granted to a participant under the Plan (**Plan Securities**) will not lapse in the event of that participant ceasing their engagement with the Company before such Plan Securities have vested. This 'accelerated vesting' of Plan Securities may constitute a 'termination benefit' prohibited under the Corporations Act, regardless of the value of such benefit, unless Shareholder approval is obtained.

The Company has not previously sought and obtained Shareholder approval at an annual general meeting for the granting of such termination benefits. However, as the Company is seeking a fresh approval under Listing Rule 7.2, exception 13(b) at this Meeting (the subject of Resolution 5) to adopt the Plan, the Board has resolved to seek Shareholder approval for the granting of such termination benefits in accordance with this Resolution.

If Resolution 6 is not passed, the Company will not be able to offer 'termination benefits' to persons who hold a 'managerial or executive office' pursuant to the terms of the Plan unless Shareholder approval is obtained each and every time such termination benefit is proposed, in accordance with section 200E of the Corporations Act.

7.2 Part 2D.2 of the Corporations Act

Under section 200B of the Corporations Act, a company may only give a person a benefit in connection with them ceasing to hold a 'managerial or executive office' (as defined in the Corporations Act) if an exemption applies or if the benefit is approved by Shareholders in accordance with section 200E of the Corporations Act.

Subject to Shareholder approval of Resolution 5, Shareholder approval is sought for the purposes of Part 2D.2 of the Corporations Act to approve the giving of benefits under the Plan to a person by the Company in connection with that person ceasing to be an officer of, or ceasing to hold a managerial or executive office in, the Company (or subsidiary of the Company) on the terms and conditions in this Explanatory Memorandum.

Under the terms of the Plan and subject to the Listing Rules and the Corporations Act, the Board possesses the discretion to vary the terms or conditions of the Plan Securities. Notwithstanding the foregoing, without the consent of the participant in the Plan, no amendment may be made to the terms of any granted Plan Security which reduces the rights of the participant in respect of that Plan Security, other than an amendment introduced

primarily to comply with legislation, to correct any manifest error or mistake or to take into consideration possible adverse tax implications.

As a result of the above discretion, the Board has the power to determine that some or all of a participant's Plan Securities will not lapse in the event of the participant ceasing employment or office before the vesting of their Plan Securities.

The exercise of this discretion by the Board may constitute a 'benefit' for the purposes of section 200B of the Corporations Act. The Company is therefore seeking Shareholder approval for the exercise of the Board's discretion in respect of any current or future participant in the Plan who holds:

- (a) a managerial or executive office in, or is an officer of, the Company (or subsidiary of the Company) at the time of their leaving or at any time in the three years prior to their leaving; and
- (b) Plan Securities at the time of their leaving.

7.3 Valuation of the termination benefits

Provided Shareholder approval is given, the value of the termination benefits may be disregarded when applying section 200F(2)(b) or section 200G(1)(c) of the Corporations Act (i.e. the approved benefit will not count towards the statutory cap under the legislation).

The value of the termination benefits that the Board may give under the Plan cannot be determined in advance. This is because various matters will or are likely to affect that value. In particular, the value of a particular benefit will depend on factors such as the Company's Share price at the time of vesting and the number of Plan Securities that will vest or otherwise be affected. The following additional factors may also affect the benefit's value:

- (a) the participant's length of service and the status of the vesting conditions attaching to the relevant Plan Securities at the time the participant's employment or office ceases; and
- (b) the number of unvested Plan Securities that the participant holds at the time they cease employment or office.

In accordance with Listing Rule 10.19, the Company will ensure that no officer of the Company or any of its child entities will, or may be, entitled to termination benefits if the value of those benefits and the terminations benefits that are or may be payable to all officers together exceed 5% of the equity interests of the Company as set out in the latest accounts given to ASX under the Listing Rules.

7.4 Additional information

Resolution 6 is conditional on the passing of Resolution 5.

If Resolution 5 is not approved at the Meeting, Resolution 6 will not be put to the Meeting. Resolution 6 is an ordinary resolution.

The Board declines to make a recommendation in relation to Resolution 6 due to their potential personal interests in the outcome of the Resolution.