

DECEMBER 2023 QUARTERLY ACTIVITIES REPORT

Mukinbudin REE Project

The Mukinbudin REE Project consists of one tenement, E70/5939, covering 384km² and two applications E70/6519 and 6520 covering 198km². The Project is located approximately 25km northwest of the town of Mukinbudin, 250km northeast of Perth.

Since the Project was acquired in late 2023, Caprice has completed multiple soil and rock chip sampling programs in a number of areas in the southern half of the tenement with results received confirming the prospectivity of the ground for REE mineralisation.

During the last quarter, the Company successfully executed land access agreements for Colosseum and Gadolin South enabling the submission of a Program of Work to the Department of Energy, Mines, Industry Regulation and Safety.

The Company is awaiting the results of a regional soil sampling program which was designed to test the potential scale of the Colosseum prospect. Previous rock chip sampling has defined the +500m Colosseum prospect, approximately 2km north of Gadolin, which encompasses a coarse granite outcrop. Colosseum is currently delineated by 20 rock chip samples, 13 of which returned values greater than 1,000ppm TREO, with a peak value of 5,038ppm TREO (0.5% TREO) (24.8% MREO)¹. With these consistent results, Colosseum is considered a walk up target for the pending drill program. 563 soils from the recently completed soil sampling program remain outstanding from Colosseum, targeting potential mineralisation between Colosseum and Gadolin.

The anomalism remains open, with initial probative regional sampling undertaken over 1,120m spaced lines and 80m spaced samples. The results are expected to be received over the coming weeks and will be released to the market as soon as possible.

Previous sampling at the Gadolin prospect delineated a significant soil anomaly in an area coinciding with an outcropping zoned pegmatite. Assays indicate anomalism greatly increases stepping east and west away from the intercepted emplacement structure initially targeted². Gadolin's strike currently stands at +3.4km, and with a currently defined 1.8km overall width, the exploration team remains encouraged that anomalism remains open in all directions. Of note, the southern trend indicates high grade channel of +2500ppm over 800m and remains open.

¹ CRS ASX Announcement 17 August 2023

² CRS ASX Announcement 13 June 2023

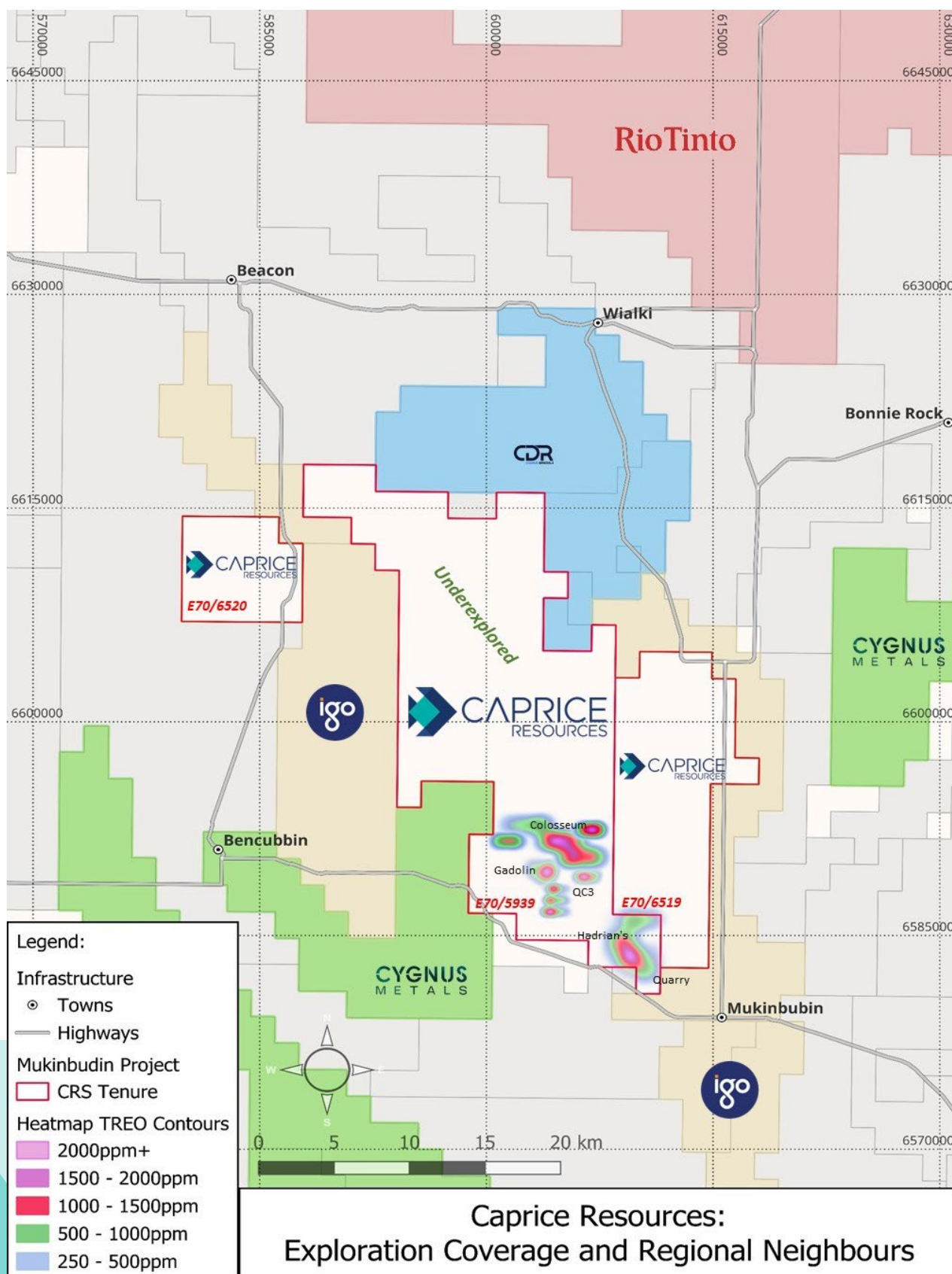


Figure 1: Current sampling including regional neighbours. Excellent exploration scope to the north, and pending tenure applications

Northampton Project

The Company completed a field visit to the Northampton Project during the quarter to undertake further regional reconnaissance and mapping programs. The Company has made preliminary contact with landowners as it continues to assess appropriate next steps for its exploration activities.

The 2023 drill program identified multiple intersections of significant grades and widths and a higher-grade zone extending another 100m to the south and remaining open. The mineralisation to date remains lead dominant, however there is some distinct variability in the metal mix. There are areas of zinc dominance, as well as one hole which intercepted copper and silver mineralisation (23NHRC0018).

The ultrafine soil sampling to test along strike to the north and south of Lady Sampson, as well as extending the lines laterally to assess the potential of additional lodes. The results of this program will assist in guiding the next round of drilling.

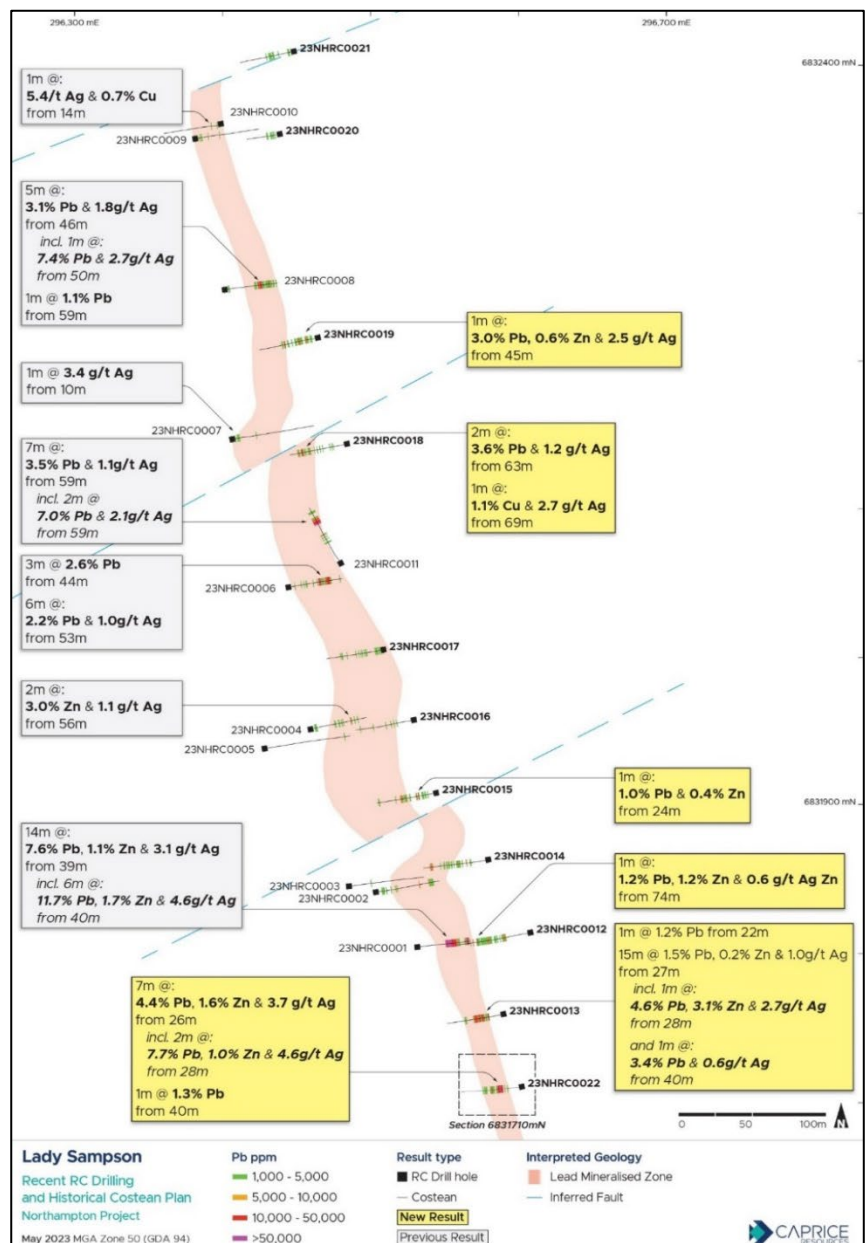


Figure 2: Lady Sampson RC collar plan with significant drill results

The Island Gold and Murchison Project

Following on from the successful drill campaigns during 2022, no fieldwork was undertaken at the IGP during the quarter. The Company continues to assess results as it considers the next round of exploration.

Wild Horse Hill Project

The high-level targeting study completed by external consultants is guiding next steps for the project and where it sits in the Company's portfolio. No on-site work was completed during the quarter.

Corporate Update

During the quarter, the Company was pleased to undertake a successful capital raising of \$1.9 million (before costs) by way of a private placement and a fully underwritten rights entitlement offer. Full details of the capital raising are set out in the Company's announcement of 14 November 2023.

Mr Adam Miethke resigned from his role as Non-Executive Director during the quarter. The Company thanks Mr Miethke for his efforts since joining the Board and wishes him every success for the future.

The Annual General Meeting of Shareholders was held on 29 November with all resolutions put to the meeting passed on a show of hands.

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

For further information please contact:

David Church

Chairman

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Competent Persons' Statements

The information in this report was previously reported under Listing Rule 5.7 on 12 May 2023, 13 June 2023, 6 July 2023, 17 August 2023 and 29 September 2023. The Company confirms that it is not aware of any new data or information that materially changes these results since they were originally reported.

Appendix 1: Schedule of Mining Tenements

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 31 December 2023. No acquisitions or disposals of tenements or interests occurred 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%
Mukinbudin	E70/5939	Western Australia	100%
	E70/6519	Western Australia	Application – 100%
	E70/6520	Western Australia	Application – 100%

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 31 December 2023, pertain to director fees, salaries and wages (including superannuation) and advisory fees paid during the quarter ended 31 December 2023. The Company notes that all fees are agreed on standard commercial terms.

During the quarter ended 31 December 2023, the Company spent a total of \$266k on project and exploration activities. The majority of the project and exploration expenditure relates to sampling and assaying at the Mukinbudin Project and a field trip to Northampton 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")

31 December 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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	(165)	(341)
	(e) administration and corporate costs	(83)	(174)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	3
1.5	Interest and other costs of finance paid	(1)	(2)
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	(247)	(514)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements (Stamp duty Mukinbudin)	-	(24)
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(266)	(400)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 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	(266)	(424)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	1,920	1,920
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	(140)	(140)
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 and stamp duty	(22)	(61)
3.10	Net cash from / (used in) financing activities	1,758	1,719

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	222	686
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(247)	(514)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(266)	(424)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,758	1,719

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,467	1,467

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	1,467	222
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)	1,467	222

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	186
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.

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 – insurance premium funding	20	20
7.4	Total financing facilities	20	20
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.		
	Facility provider: Attvest Finance, interest rate 4.55%, expiry 31/05/2024, unsecured instalment payment plan for insurance premium funding.		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	(247)
8.2 (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(266)
8.3 Total relevant outgoings (item 8.1 + item 8.2)	(513)
8.4 Cash and cash equivalents at quarter end (item 4.6)	1,467
8.5 Unused finance facilities available at quarter end (item 7.5)	-
8.6 Total available funding (item 8.4 + item 8.5)	1,467
8.7 Estimated quarters of funding available (item 8.6 divided by item 8.3)	2.9
<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: 31 January 2024

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.