

CAPRICE EXPANDS FOOTPRINT IN WEST ARUNTA

SUMMARY

- Caprice has entered into a binding agreement to acquire 430km² of strategic exploration tenure in the West Arunta region from Rio Tinto Exploration Pty Ltd (**RTX**).
- Enlarged land holding makes Caprice the third largest ASX listed explorer in the highly prospective West Arunta region¹.
- Acquired ground is underlain by interpreted lateral extensions of basement geology and controlling structures demonstrated as a fertile host for mineralised carbonatites, as discovered by WA1 Resources (ASX: WA1) and Encounter Resources (ASX: ENR) on ground immediately northeast of the RTX ground being acquired.
- Desktop review completed by consultants experienced in the recent West Arunta success story indicates IOCG prospectivity along with multiple targets demonstrating similarities to the mineralised carbonatites at WA1's and ENR's respective projects.
- Importantly, the existing Land Access Agreement over the granted tenure may be assigned to Caprice, subject to obtaining the consent of the native title party and applicable government permits, assisting with an expedited exploration pathway.
- No prior exploration has been conducted by RTX on this tenement, with RTX retaining a clawback provision, reaffirming its prospectivity and potential to economic deposits of scale.
- Settlement of Tranche 2 placement to occur on 29 August 2024 allowing Caprice a runway to progress exploration activities.

Caprice Resources Ltd (ASX: CRS) (**Caprice** or **the Company**) is pleased to advise that the Company has entered into a binding agreement to acquire additional ground immediately south of WA1 Resources' tenure and directly west of Caprice's Bantam Project in the highly prospective West Arunta region of Western Australia from Rio Tinto Exploration Pty Ltd (**RTX**).

The new ground consists of one contiguous tenement, granted Exploration Licence E80/5486, and covers over 430km², making Caprice one of the largest tenement holders in the West Arunta region. The new ground is adjacent to and shares a 25km long border with WA1 Resources' (ASX: WA1) West Arunta Project, host to the world class Luni Niobium-REE discovery.

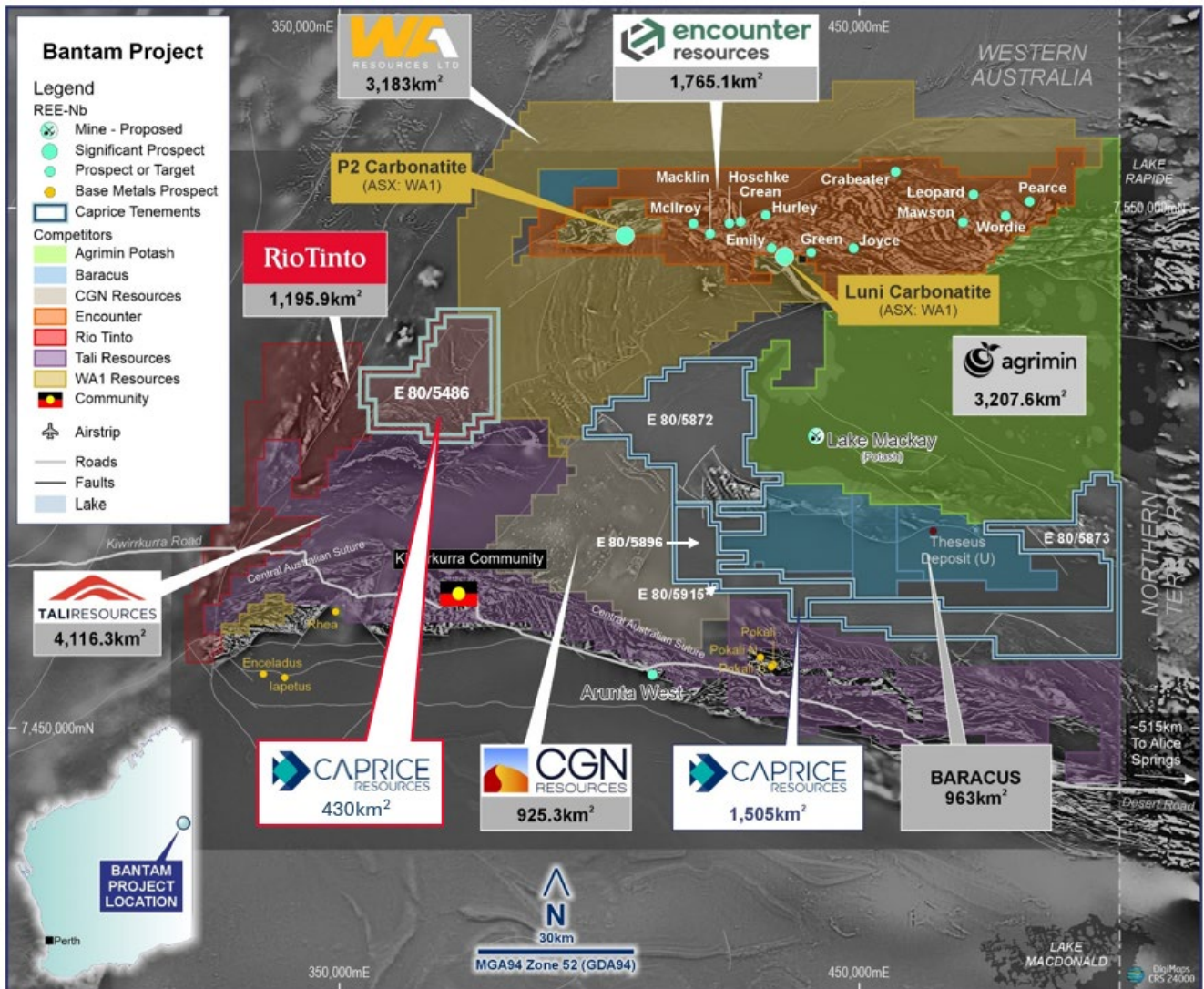


Figure 1 Caprice Expansion E80/5486 (red outline)

Pertinently, a land access agreement is in place covering the acquired ground, potentially expediting the pathway towards Caprice's on ground exploration in the region. Of note, no prior exploration of any form was undertaken by RTX on E80/5486 due to their exploration priorities and commitments to other areas in the broader West Arunta region.

Due diligence conducted by Caprice indicates interpreted extensions of host stratigraphies and controlling geological structures, proven as fertile hosts to mineralised carbonatites, as evidenced by the world class discoveries made by WA1 and ENR. Additionally, the prospectivity for iron-oxide-copper-gold (IOCG) style of deposits is a geological model the Company will seek to apply and target.

CEO, Luke Cox, commented:

"This acquisition secures Caprice a commanding land position, the third largest ASX listed exposure, in this highly fertile and very underexplored region which is being proven to host world class discoveries.

"It's a great opportunity for investors to gain exposure to the West Arunta region prior to any share price appreciation off the back of exploration success.

"We're grateful to Rio Tinto Exploration (RTX) for selecting Caprice and their collaborative approach in reaching a binding agreement, through which we hope to deliver exploration success to the benefit of all parties.

"We look forward to building our relationship with the local Kiwirrkurra Community and experiencing the true nature of being in the Tali country of the Gibson."

West Arunta Region Overview

The West Arunta is an underexplored region, with historical exploration limited through the lens of copper and gold exploration, primarily targeting IOCG and sedimentary copper and gold deposits.

WA1's Luni and Pachpadra niobium discoveries, along with Encounter Resources' "Crean" niobium discovery, have highlighted the regions prospectivity for niobium and rare earths, generating a new geological model targeting niobium rich carbonatites, hosted within carbonate rich subduction zones along regional and local fault zones.

"New Ground" Desktop Review

As part of its due diligence activities, Caprice once again engaged experienced geophysical consultants, Resource Potentials, who were a part of WA1's Luni and P2 discoveries, to assist compiling all available public data on E80/5486 as part of a prospectivity and fertility assessment ahead of reaching a binding agreement with RTX. Pleasingly, geophysical features indicate relatively shallow cover in a large portion of the tenement, along with observed prospective lithologies containing geophysical features similar to those being successfully targeted by neighbouring leaseholders for niobium and REE enriched carbonatites and IOCG mineralisation.

The success of peers such as WA1 (ASX: WA1), Encounter Resources (ASX: ENR) and Rincon Resources (ASX: RCR) in the area has relied heavily on targeting geophysical features derived from a combination of magnetic and gravity surveys; largely due to the basin fill and ground cover limiting host rock exposures on the ground. Caprice aims to follow a similar path utilising magnetics and gravity to refine high priority targets for ground truthing and drill testing.

Geological Summary

Caprice’s West Arunta tenure is within the Arunta Orogeny on the western and southern fringes of Lake Mackay in Western Australia’s West Arunta region. Residing on the north side of the Central Australian Suture, the Project contains key Proterozoic units from the Warumpi Province, and the Aileron Province with varying degrees of Neoproterozoic Amadeus basin fill often overlain by Cenozoic cover.

The tenure is largely unexplored with historically very little on ground exploration taken place over the licences. Regional geological mapping, interpretation, and public geophysical surveys available over the area provide the basis for information at the project and has been used to define key target areas with features similar to mineralised locations on neighbouring leases. These targets remain to be investigated in the field and may be refined through higher density geophysical surveying.

One of the key aspects for interpretation and mineral prospectivity for the West Arunta is a series of listric, north-dipping reverse faults (thrusts) which have brought Aileron Province basement to the surface, and that the basement structurally overlies basinal sedimentary rocks (see Figures 2 & 3). Caprice’s tenements have been strategically located within the “Central Thrust”, with WA1 and Encounter within the “Northern Thrust” area, Tali and Rincon within the “Southern Thrust” area, all hosting very high prospectivity for a myriad of metals.

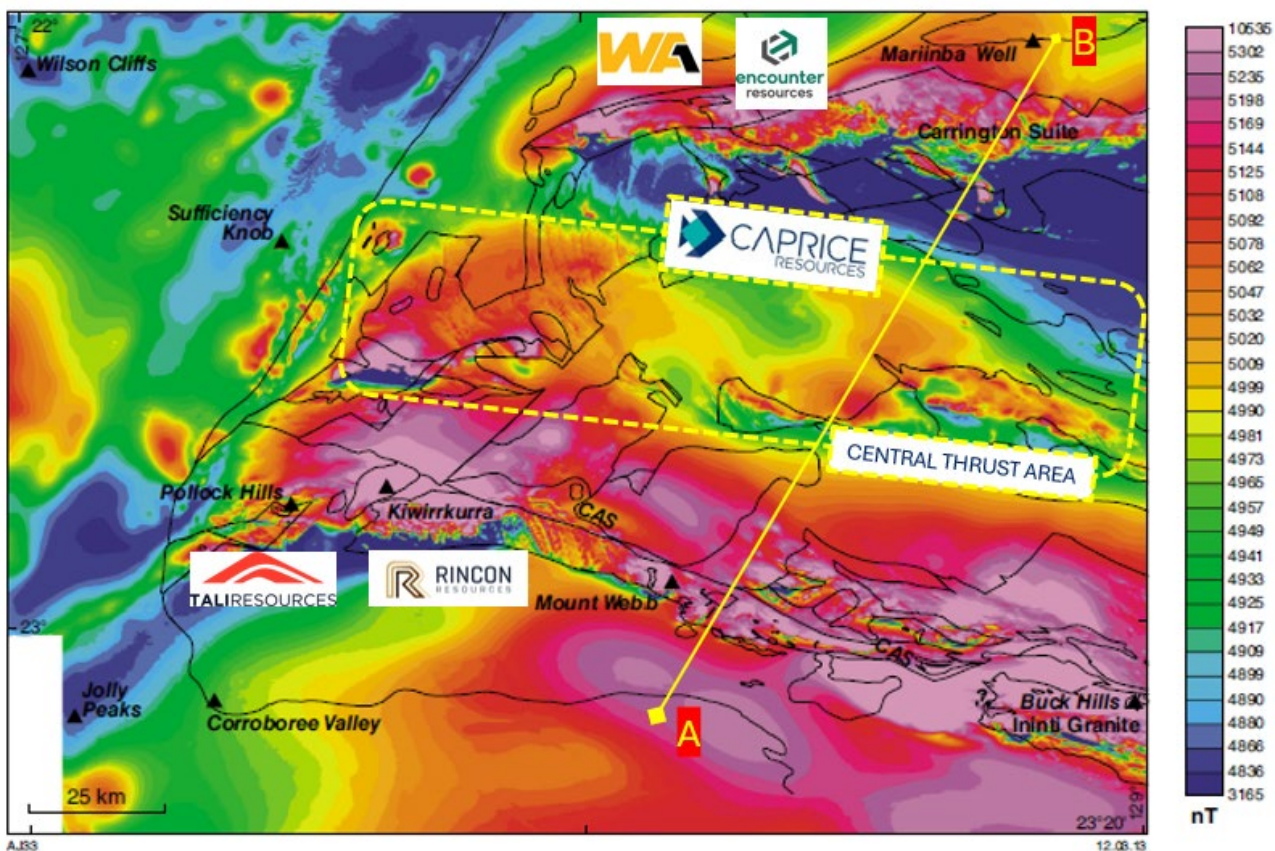


Figure 2. Total Magnetic Intensity (TMI) highlighting the “Central Thrust” and Caprice Resources area of interest (DEMIRS Report 113, An integrated geological and geophysical study of the West Arunta orogen and its mineral prospectivity. Adapted p19).2

A zone of intense deformation and alteration has occurred (circled red in Figure 3) near surface which is a key ingredient for a mineral system to form in conjunction with fluids for transporting metal, trap regions for deposition and preservation of the mineral deposit through time.

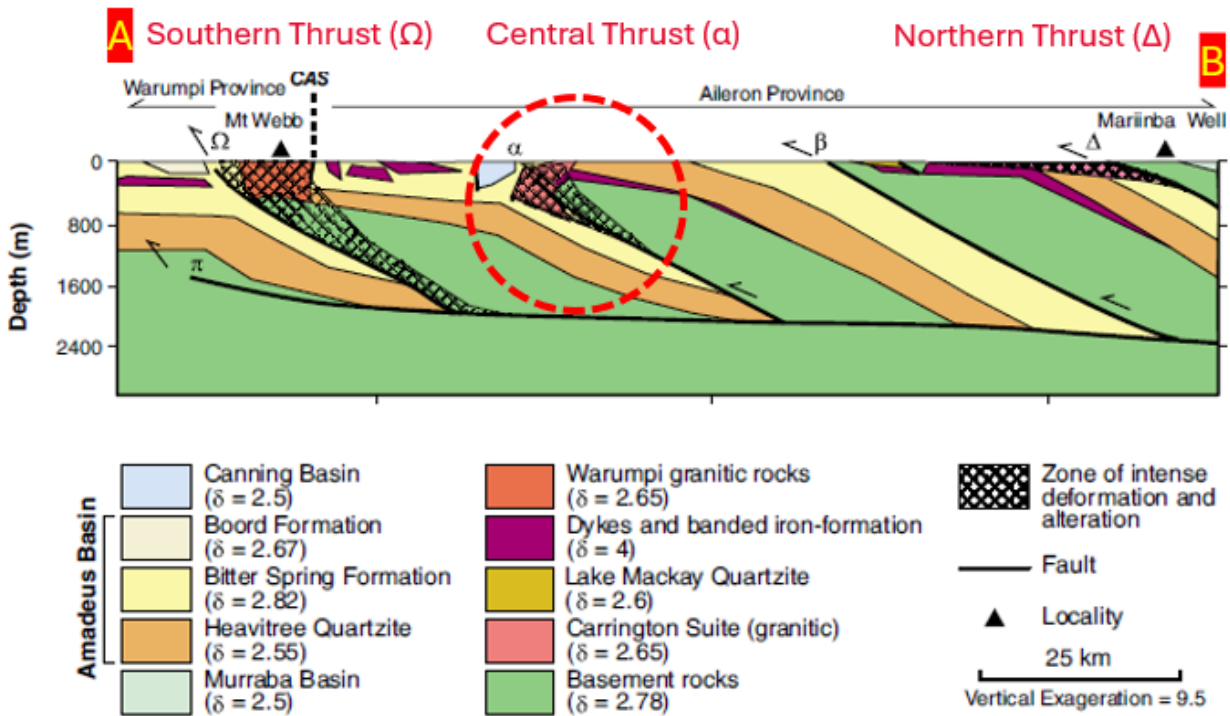


Figure 3. Schematic section and model through the Arunta depicting the "Central Thrust" and Caprice's area of interest (DEMIRS Report 113, An integrated geological and geophysical study of the West Arunta orogen and its mineral prospectivity. Adapted p26).3

Proposed Next Steps

Appropriate handover with RTX, including engagement with the Tjamaru Tjamaru Aboriginal Corporation and the Kiwirrkurra People, is being undertaken to ensure collaborative relationships are maintained and appropriate approvals for the transfer of the land access agreement for the tenement and consent to any exploration activities are obtained.

As approved by shareholders at the recent general meeting, the Company will be completing Tranche 2 of its capital raising this week, raising \$578,608 (before costs) including a \$184,500 investment from the Company's Directors. This allows Caprice an adequate runway to aggressively pursue and apply the necessary science and geological targeting activities that will lead to tangible drilling targets.

Furthermore, the Company is presently undertaking a review of its Murchison Gold assets and a "size of the prize" study to guide the next steps for this exciting project in a strategic gold region, that ensures maximum value is extracted for the Company and its shareholders.

Key Acquisition Terms

The Company will acquire 100% of the granted tenement, E80/5486, and associated project information from Rio Tinto Exploration Pty Limited (**RTX**), an unrelated party, for a cash payment of \$375,000 payable within 20 Business Days of the later of the transfer of the tenement to the Company and receiving a tax invoice from RTX.

RTX will retain the right to buy back a 30% interest in E80/5486 at each of the following milestones:

- 3,000m in total of reverse circulation and/or diamond drilling completed on E80/5486; and
- a JORC Code compliant mineral resource being defined and delineated on E80/5486,

(Buyback Rights).

If the Buyback Rights are exercised, a joint venture will be formed between the Company (70%) and RTX (30%).

In the event that RTX does not exercise the Buyback Rights, the Company will pay a 2% net smelter royalty in respect of all product produced from E80/5486 as set out in a royalty agreement.

The binding agreements otherwise contain terms and conditions considered standard for agreements of this nature.

This announcement has been authorised by the Board of Caprice.

For further information please contact:

Luke Cox

Chief Executive Officer

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Competent Person's Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Luke Cox, a Competent Person who is a Fellow of The Australasian Institute of Mining and Metallurgy and is a full-time employee of the Company.

Mr Cox has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to 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, Mineral Resources and Ore Reserves'.

Mr Cox consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Forward-looking statements

This announcement may contain certain forward-looking statements, guidance, forecasts, estimates or projections in relation to future matters (Forward Statements) that involve risks and uncertainties, and which are provided as a general guide only. Forward Statements can generally be identified by the use of forward-looking words such as "anticipate", "estimate", "will", "should", "could", "may", "expects", "plans", "forecast", "target" or similar expressions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of the Company. The Company can give no assurance that these expectations will prove to be correct. You are cautioned not to place undue reliance on any forward-looking statements. None of the Company, its directors, employees, agents or advisers represent or warrant that such Forward Statements will be achieved or prove to be correct or gives any warranty, express or implied, as to the accuracy, completeness, likelihood of achievement or reasonableness of any Forward Statement contained in this announcement. Actual results may differ materially from those anticipated in these forward-looking statements due to many important factors, risks and uncertainties. The Company does not undertake any obligation to release publicly any revisions to any "forward- looking statement" to reflect events or circumstances after the date of this announcement, except as may be required under applicable laws.

APPENDIX 1

TABLE 1. JORC Code, 2012 Edition

Section 1: Sampling Techniques and Data

Criteria	JORC 2012 Explanation	Comment
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g., 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases, more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g., submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Not applicable, no sampling results reported.
Drilling Techniques	<ul style="list-style-type: none"> Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> Not applicable, no drilling results reported.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias 	<ul style="list-style-type: none"> Not applicable, no drilling results reported.
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Not applicable, no drilling results reported.

<p>Sub-sampling techniques and sampling preparation</p>	<ul style="list-style-type: none"> • <i>If core, whether cut or sawn and whether quarter, half or all core taken.</i> • <i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i> • <i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i> • <i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i> • <i>Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling</i> • <i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i> 	<ul style="list-style-type: none"> • Not applicable, no drilling or sampling results reported.
<p>Quality of assay data laboratory tests</p>	<ul style="list-style-type: none"> • <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> • <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> • <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i> 	<ul style="list-style-type: none"> • Not applicable, no sampling or assay results reported.
<p>Verification of sampling and assaying</p>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • Not applicable, no sampling or assay results reported.
<p>Location of data points</p>	<ul style="list-style-type: none"> • <i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • The grid system used for location of the West Arunta tenements is MGA Zone 52, GDA 94.
<p>Data spacing and distribution</p>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Not applicable, no drilling or sampling results reported.

Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i> 	<ul style="list-style-type: none"> • Not applicable, no drilling or sampling results reported.
Sample Security	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • Not applicable, no sampling results reported.
Audits and Reviews	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • Not applicable, no sampling results reported.

Section 2: Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC 2012 Explanation	Comment
Mineral tenement and land tenure status	<ul style="list-style-type: none"> • <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> • <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> • The tenements comprising Caprice's West Arunta Project are the granted E80/5873, E80/5915, E80/5486 (RTX) and the applications for E80/5872, and E80/5896. The tenements cover a total area of 1,935 sq km. • With respect to E80/5873, E80/5915, E80/5872, and E80/5896, the registered tenement holder is HJH Nominees Pty Ltd (HJH). Caprice has exercised an option agreement for 90% ownership with HJH free carried until a decision to mine. A 2% royalty is payable with the ability for Caprice to buy-back 0.5% for \$20,000,000 before commencement of commercial production. • The registered tenement holder of E80/5486 is Rio Tinto Exploration Pty Ltd. Caprice has executed a binding agreement to acquire 100% of the tenement with a clawback provision for 30% at certain milestones. In the event the clawback is not exercised, a 2% royalty is payable. • The granted tenements are in good standing and no issues other than those noted here that could impede operation are known. • The tenements fall wholly within "A" Class Reserve 24923 – for the use and benefit of Aboriginal Inhabitants. The granted tenement is subject to a condition of the prior written consent of the Minister responsible for the Mining Act 1978 being obtained before commencing any exploration activities on the reserve. The two tenement applications will likely have the same condition if granted. • The tenements fall wholly within the Kiwirrkurra People (WCD2001/002) Determination area. A heritage and access agreement will likely be required to allow exploration in the area. Heritage surveys may identify sites that could restrict exploration and development at the tenements.

<p>Exploration done by other parties.</p>	<ul style="list-style-type: none"> • <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> • Previous exploration at the Project tenements is very limited, with little on ground exploration. • Regional data sets including 1:250,000 geological mapping, Magnetic Data (GSWA_80m_Mag_Merge) and Gravity Data (Geoscience Australia Webb Gravity Survey) are available. • Toro Energy Ltd explored for uranium, including air core drilling at the Lake Mackay Project 2008 to 2016 on the southern margin of Lake Mackay, which resulted in the Theseus discovery (not in tenement area). The work mostly covered portions of E80/5873 and E80/5896. Activities also included surface sampling, airborne magnetic survey and TEMPEST Survey. Of the 4 holes in tenement area (E80/5873) all failed to reach bedrock (GSWA report A090597). • In 2018 Agrimin completed a broad spaced (4,000m and greater) Xcite Electromagnetic helicopter survey which covered portions of the tenement area. • Recently, carbonatite-hosted niobium-REE mineralisation has been discovered on tenements that adjoin or are near the Project.
<p>Geology</p>	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • The tenements are located in the Proterozoic West Arunta Province of Western Australia. The west Arunta Orogen is the western-most part of the Arunta Orogen (equivalent to the Arunta Region in the Northern Territory) and lies across the Western Australian – Northern Territory border. • The west Arunta Orogen is interpreted as a basement-involved, thick-skinned, fold–thrust terrain with fault blocks comprising both the Proterozoic basement and rocks from overlying sedimentary basins. Two deformation events are recorded which overprint and reactivate earlier structures and are seen in west-northwest direction and northeast-southwest direction. • The geology of the tenement is poorly understood due to the limited exploration and significant cover. • Carbonatite-hosted niobium-REE mineralisation has been discovered on tenements that adjoin or are near the Project. • IOCG mineralisation has been explored for in the district.
<p>Drill hole information</p>	<ul style="list-style-type: none"> • <i>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:</i> • <i>easting and northing of the drill hole collar</i> • <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i> • <i>dip and azimuth of the hole</i> • <i>down hole length and interception depth</i> • <i>hole length.</i> • <i>If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding</i> 	<ul style="list-style-type: none"> • Not applicable, no drilling results reported.

	<p><i>of the report, the Competent Person should clearly explain why this is the case.</i></p>	
Data aggregation methods	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g., cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> Not applicable, no drilling or sampling results reported.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g., 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> Not applicable, no drilling results reported.
Diagrams	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> Refer to Figures in the text of the ASX Release.
Balanced reporting	<ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> Not applicable, no new results reported.
Other substantive exploration data	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> No exploration work has been completed to date. Exploration targets are based on desktop review and interpretation of publicly available data only and are yet to be explored in the field. Regional public data sources include Magnetic Data (GSWA_80m_Mag_Merge), Gravity Data (Geoscience Australia Webb Gravity Survey) and 1:250,000 State interpreted linear structures.
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> The desktop studies to refine targets at the Project is ongoing. Upon approval to conduct exploration, a range of activities will be planned that will include geological, geochemical and geophysical surveys. Further work programs will depend on the outcome from those surveys.