

CAPRICE SECURES ~\$1.9M FUNDING PACKAGE

SUMMARY

- Caprice secures ~\$1.9M funding package following binding commitments for a Placement to raise ~\$315k and a subsequent fully underwritten Entitlements Offer to raise a further ~\$1.6M.
 - The Placement was strongly supported by new and existing sophisticated investors.
 - Offer price of \$0.018 per new Share under the Placement and Entitlement Offer represents a 41.9% discount to the last closing price of \$0.031 (as at 9 November 2023) and a 40.1% discount to the 10-day VWAP of \$0.0301).
 - Together with existing cash reserves, the proceeds from the Placement and Entitlement Offer will be used to fund exploration at Mukinbudin, new project generation and portfolio rationalisation; and general working capital.
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Caprice Resources Ltd (ASX: **CRS**) ("**Caprice**" or "the **Company**") is pleased to announce it is undertaking a capital raising of approximately \$1.9 million (before costs) consisting of the following:

- **Placement:** a placement to sophisticated and professional investors via the issue of 17,511,889 fully paid ordinary shares (**Shares**) at an issue price of \$0.018 per Share to raise approximately \$315,214 (before costs) ("**Placement**"); and
- **Entitlement Offer:** a fully underwritten non-renounceable entitlement offer on the basis of two (2) new Shares for every three (3) Shares held as at 4:00pm AWST on the 22 November 2023 ("**Record Date**") at an issue price of \$0.018 each to raise approximately \$1,611,225 ("**Entitlement Offer**") (before costs),

(collectively, "the **Capital Raising**").

Funds raised from the Capital Raising will be utilised to fund:

- Exploration at the Mukinbudin REE Project. Caprice intends to utilise funds to further progress the Mukinbudin Project through the identification of additional clay and hard-rock REE targets. Additionally, the funds will be utilised for maiden drilling at the previously identified Gadolin, Hadrian's and Colosseum prospects, with approvals well advanced for this drilling;
- Reconnaissance exploration works at the Company's other projects, including the Northampton Polymetallic Project and the Murchison Gold Project
- Commence the process of rationalisation of the Company's existing exploration portfolio alongside assess potential new projects; and
- Working Capital.

The Company has appointed CPS Capital Group Pty Ltd ("**CPS Capital**") as Lead Manager to the Placement and Underwriter to the Entitlement Offer.

Placement Details

The issue price of \$0.018 represents a 41.9% discount to last close on 9 November 2023 and a 40.1% discount to the 10-day VWAP.

New Shares issued under the Placement will rank equally with existing Shares. Completion of the Placement is expected to occur on Monday, 20 November 2023, prior to the Record Date of the Entitlement Offer. Therefore, Placement participants will be eligible to participate in the Entitlement Offer.

The Placement has been conducted pursuant to the Company's existing Placement capacity under ASX Listing Rules 7.1. A total of 17,513,540 New Shares will be issued under Listing Rule 7.1.

In connection with the Placement, CPS Capital (or its nominee) will receive:

- a management fee of 2% (ex GST) of the total gross proceeds of the Placement;
- a placement fee of 4% (ex GST) of the total gross proceeds of the Placement;
- 15,000,000 unlisted options at an exercise price of \$0.030 and an expiry of three (3) years from the date of issue ("**Lead Manager Options**"), subject to Shareholder approval at the Company's next general meeting.

CPS Capital will also receive a completion fee of \$10,000 to be paid post completion of the Capital Raising, for administration and management of the Capital Raising.

Entitlement Offer

Caprice will offer all eligible shareholders who have a registered address in Australia and New Zealand on the Record Date ("**Eligible Shareholders**"), the opportunity to participate in the Entitlement Offer on the basis of two (2) new Shares for every three (3) Shares held at the Record Date at an issue price of \$0.018 per Share to raise up to approximately \$1,611,225 (before costs).

Eligible Shareholders that take up their entitlement to new Shares ("**Entitlement**") in full may also apply for additional New Shares under the Top-Up Facility (refer to section 2.2 of the Information Booklet for more information).

The pricing and terms of the Entitlement Offer have been set so that Eligible Shareholders can obtain new shares at the same price and terms as subscribers under the Placement.

The Entitlement Offer is fully underwritten by CPS Capital (refer to section 6.8 of the Information Booklet for a summary of the termination events relating to the Underwriting Agreement).

Top-Up Facility

Eligible Shareholders that take up their full Entitlement may also apply for additional new Shares under the Top-Up Facility (up to an additional 100% of their Entitlement), subject to the allocation policy outlined in section 2.3 of the Information Booklet.

Key details of the Entitlement Offer

Aspect	Details
Ratio	2 New Shares for every 3 Shares held on the Record Date
Offer price	\$0.018 per New Share
Discount	Offer price of \$0.018 per New Share represents a 41.9% discount to the last closing price of \$0.031 (as at 9 November 2023) and a 40.1% discount to the 10-day VWAP of \$0.0301.
Number of New Shares	Up to 89,512,547 New Shares
Renounceability	The Entitlement Offer is non-renounceable
Gross proceeds	Up to \$1.611 million (before costs)

Underwriting / Sub-Underwriting

The Entitlement Offer is fully underwritten by CPS Capital. Director, David Church proposes to sub-underwrite the Entitlement Offer of up to \$100,000.

CPS Capital (or it's nominee(s)) will receive:

- an underwriting fee of 6% on the gross proceeds underwritten in the Entitlement Offer; and
- one (1) unlisted Lead Manager Option for every two (2) Shares underwritten in the Entitlement Offer.

The issue of the Underwriter Options are subject to Shareholder approval to be sought at the Company's next general meeting.

Indicative timetable

The indicative key dates for the Placement and the Entitlement Offer are outlined below:

Event	Date
Announcement of the Entitlement Offer and Placement Information Booklet, Appendix 3B for the Offers and cleansing notice (for Entitlement Offer) lodged with ASX	Tuesday, 14 November 2023

Issue of Placement Shares and Appendix 2A	Monday, 20 November 2023
Shares quoted on an "Ex" basis	Tuesday, 21 November 2023
Record Date for eligibility under the Entitlement Offer (4.00pm AWST)	Wednesday, 22 November 2023
Information Booklet and Entitlement and Acceptance Form despatched to Eligible Shareholders Entitlement Offer opens	Monday, 27 November 2023
Last day to extend Entitlement Offer Closing Date	Wednesday, 6 December 2023
Entitlement Offer closes (4.00pm AWST)	Monday, 11 December 2023
Unless otherwise determined by ASX, New Shares are quoted on a deferred settlement basis from market open	Tuesday, 12 December 2023
Announcement of results of Entitlement Offer	Thursday, 14 December 2023
Issue of New Shares under the Entitlement Offer Appendix 2A for Entitlement Offer lodged with ASX	Monday, 18 December 2023 (before noon AEDT)

Notes: The timetable above is indicative only and may change. The Company reserves the right to amend any or all of these dates and times without notice, subject to the Corporations Act, the Listing Rules and other applicable laws. In particular, the Company reserves the right to extend the Closing date and to accept late Applications (either generally or in particular cases). Any extension of the Closing date will have a consequential effect on the allotment date of new Shares. The commencement of quotation of the new Shares is subject to confirmation from ASX. The Company also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to allotment and issue of the New Shares. In that event, the relevant application monies (without interest) will be returned in full to applicants.

If you have any further questions, you should contact your suitably qualified stockbroker, accountant or other professional adviser.

This announcement has been authorised by the Board of Caprice.

For further information please contact:

David Church

Non-Executive Chair

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About Caprice Resources

Caprice Resources Limited (ASX: CRS) holds a 100% interest in the Mukinbudin REE project, located in the wheatbelt of WA acquired in December 2022.

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.

Caprice 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.

