

MARCH 2023 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

Northampton

- Maiden RC drilling completed at Lady Sampson with 11 holes for 938m, intersecting high grade base metals. Better results include:
 - **14m @ 7.6% lead, 1.1% zinc & 3.1 g/t silver** from 39m,
 - *incl. 6m @ 11.4% lead, 1.7% zinc & 4.4 g/t silver* from 40m, and
 - **7m @ 3.5% lead & 1.1 g/t silver** from 59m,
 - *incl. 2m @ 7.0% lead & 2.1 g/t silver* from 59m.
- Phase 2 drilling was completed post quarter end consisting of 11 RC holes for 1,010m, with results pending.

Mukinbudin

- Detailed mapping and sampling completed across a number of pegmatites.

Capital Raising

- Cash at the end of the quarter was \$1.1m, however post quarter end, Tranche 2 of the December 2022 capital raising was completed, with a further \$0.3m of funds received.

Northampton Project

RC Drilling – Lady Sampson

Maiden Drilling

Caprice undertook a maiden RC drilling program at the Lady Sampson prospect, located approximately 40km southeast of Northampton. The program consisted of 11 RC holes for 938m, testing north-south oriented base metals mineralisation over c.750m of strike. This is the first time that any drilling has been done in this area.

The program returned excellent results, with outstanding grades and widths of mineralisation. Better results (all widths are downhole) include:

- **14m @ 7.6% lead, 1.1% zinc & 3.1 g/t silver** from 39m,
 - *Incl. 6m @ 11.4% lead, 1.7% zinc & 4.4 g/t silver* from 40m,
- **3m @ 4.2% lead, 2.2% zinc & 4.6 g/t silver** from 67m to EOH,
- **7m @ 3.5% lead & 1.1 g/t silver** from 59m,
 - *incl. 2m @ 7.0% lead & 2.1 g/t silver* from 59m, and
- **5m @ 3.1% lead & 1.8 g/t silver** from 46m.

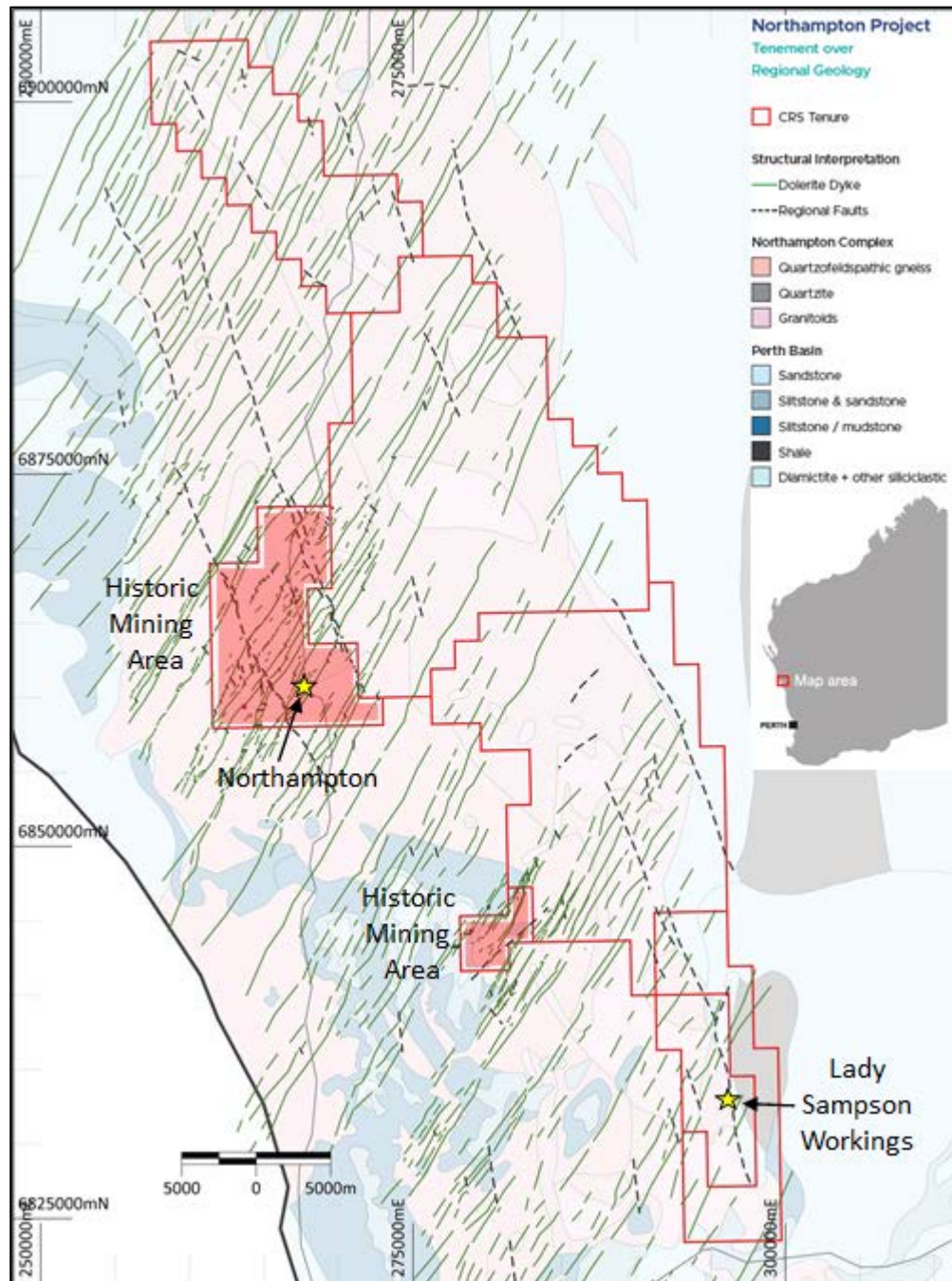


Figure 1: Northampton Polymetallic Project, with Lady Sampson located on E 66/106.

The drilling delineated a north-north-westerly strike of the mineralisation, with a likely steep easterly dip. Anomalism and mineralisation has been identified over at least 1,000m and remains open at depth and along strike.

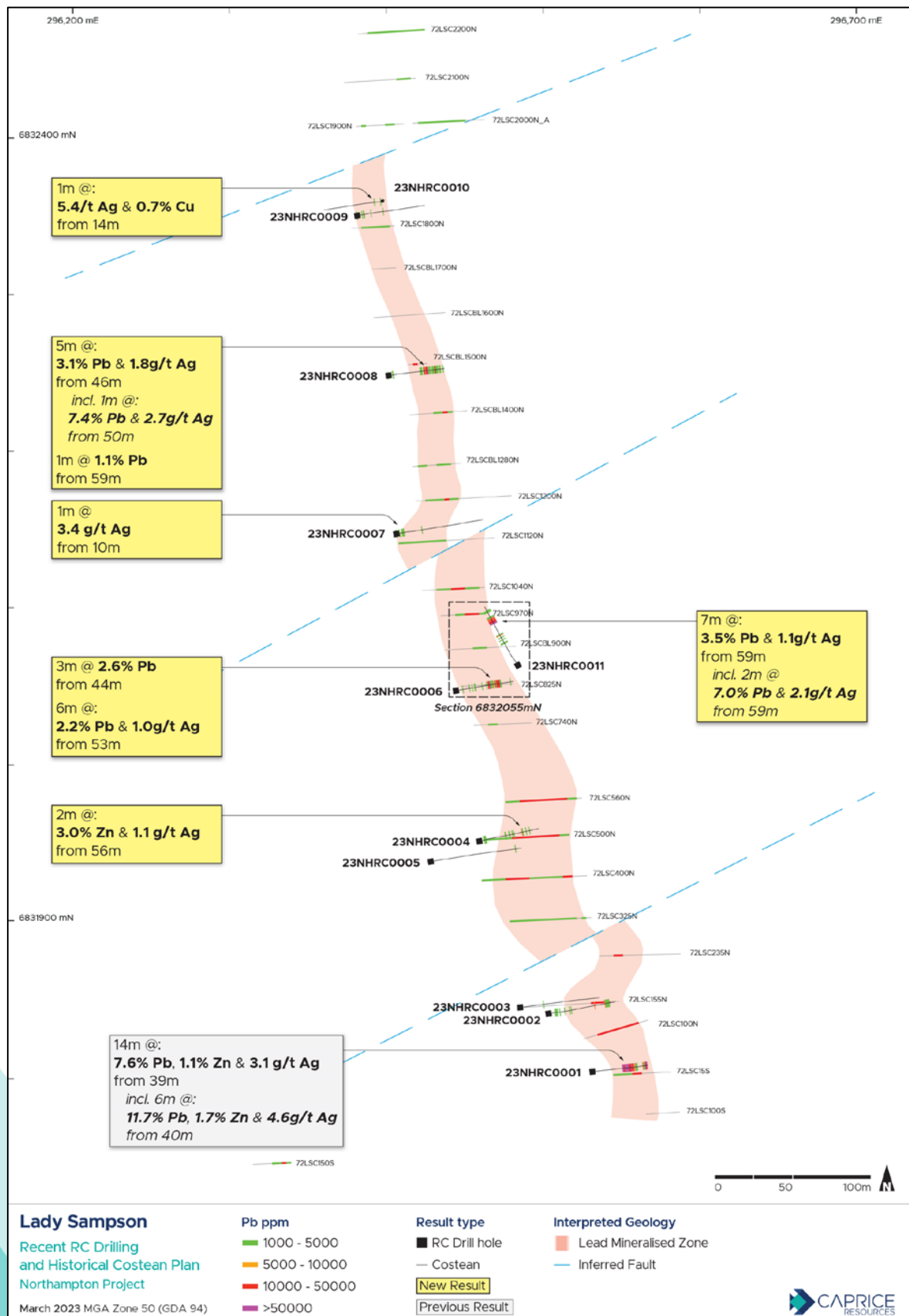


Figure 2: Lady Sampson RC collar plan with significant drill results and historical costeans.

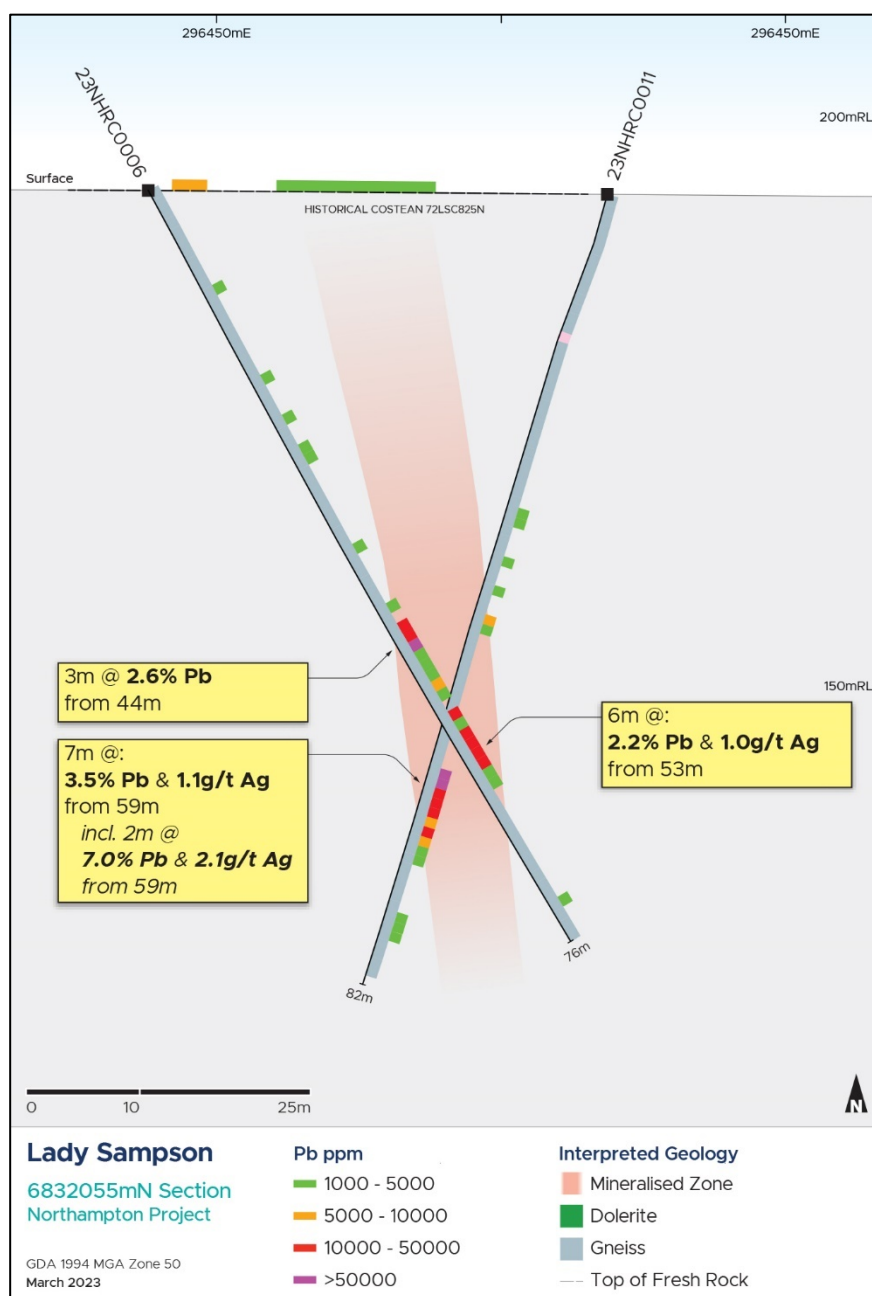


Figure 3: Lady Sampson Cross Section 6832055mN

Whilst the mineralisation intercepted to date is overall lead dominant, there is some variability in the metal mix, with areas of zinc dominance, and some strong copper anomalism in 23NHRC0010, the most northerly hole of the project with 1m @ 0.7%Cu and 5.4g/t Ag from 14m.

The drilling clarified the dip and orientation of the mineralisation, which is interpreted to be steeply east dipping. The holes from the maiden program were drilled towards the east, with three of the holes interpreted to have gone underneath the target structure (23NHRC002, 003, & 004).

Phase 2 Drilling

Towards the end of the quarter, a follow up RC program was completed, with 11 holes completed for 1,010m. This program had hole positioning optimised to test grade continuity as well as strike and depth extensions with holes were drilled towards the west.

Results for this program remain pending and should be returned during mid to late May.

Soil Sampling

During the Phase 2 drilling, an ultrafine soil sampling program was undertaken in a series of traverses across Lady Sampson. The program was designed to see if ultrafine soils defined an anomaly over a known body of mineralisation.

Given there is only a minimal amount of soil cover in the region, it is possible that ultrafine soil sampling may provide a robust exploration tool to enable substantial areas to be tested for base metals relatively cheaply for the purposes of generating drill targets.

Mukinbudin REE Project

Field Work

The recently acquired Mukinbudin Rare Earth Element Project is located 25km northwest of Mukinbudin and 250km northeast of Perth. It covers 380km² and contains multiple pegmatites considered prospective for REEs.

In late in 2022, an initial reconnaissance program and high level first-pass mapping confirmed the historical mapping of 5 pegmatites and located 3 additional bodies, supporting the potential for further 'blind' pegmatites across the tenement.

During the quarter a follow up fieldwork program was undertaken. A number of sites were targeted, with 126 rock chip and soil samples taken during detailed and systematic mapping.

The program identified pegmatitic textures and alteration at a number of locations. Follow up exploration will be guided once results are collated and assessed.



Figure 4: Rock chip sampling at Mukinbudin



Figure 5: Myrmekitic textured pegmatite subcrop at Mukinbudin

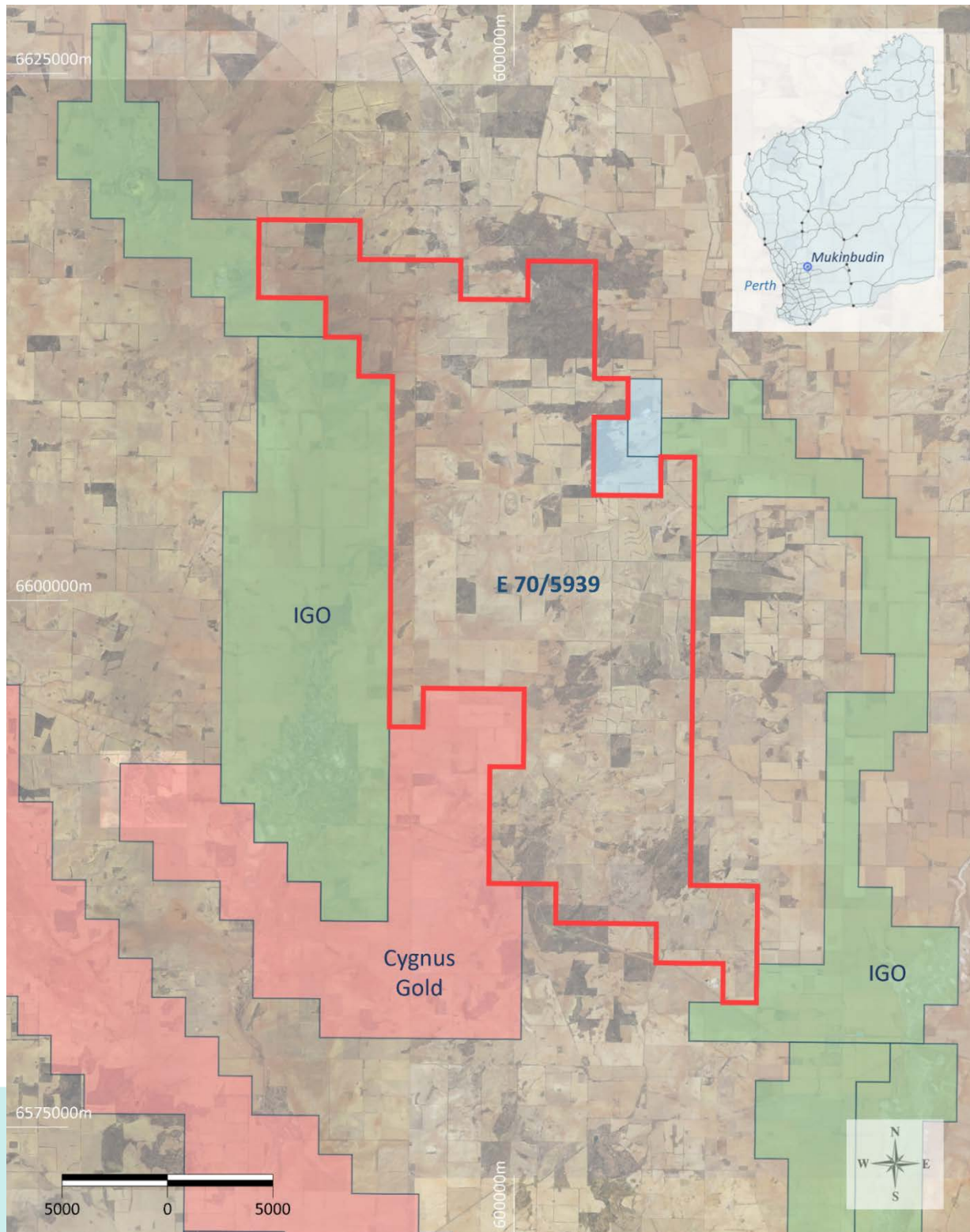


Figure 6: Mukinbudin Project E 70/5939, with adjacent tenement holders of note - Green: IGO Limited [IGO], Red: Cygnus Gold Limited [CY5], Blue: Codrus Minerals Limited [CDR] (both granted and pending).

The Island Gold Project

Following on from the successful drill campaigns during 2022, no fieldwork was undertaken at the IGP during the quarter. Work was focussed on data compilation and assessment to plan the next round of exploration.

Wild Horse Hill Project

The high-level targeting study completed by external consultants in the previous quarter is guiding next steps for the project and where it sits in the portfolio.

Corporate

As at the end of the Quarter, Caprice had a cash position \$1.1 million as at 31 March 2023.

In December 2022, Tranche 1 of a two tranche placement was completed, with 20,555,680 tranche 1 shares issued under the Company's existing placement capacity under ASX Listing Rules 7.1 (12,333,333 shares) and 7.1A (8,222,347 shares) ("**Tranche 1 Shares**") and commenced trading on Thursday, 22 December 2022.

During the quarter, Tranche 2 was approved by shareholders, with 6,200,000 tranche 2 shares, including 1,200,000 shares for Directors and 4,000,000 for the vendors of the Mukinbudin REE Project, issued ("**Tranche 2 Shares**") and commenced trading on 14 April 2023.

The completion of Tranche 2 took cash to approximately \$1.4m post quarter end.

Next Steps

Northampton

The results from the maiden RC program were very pleasing and well and truly justified a Phase 2 program. Results from Phase 2 are pending and will guide next steps, though the next round of drilling will be influenced by cropping cycles.

The results from the soil samples, whilst not impacting drill locations at Lady Sampson, may provide an exploration tool over other targets, combined with targeting from geological mapping and geophysical interpretations.

Ground truthing and follow up reconnaissance from the recent detailed airmag survey is also planned.

Mukinbudin

The results from the recent mapping and sampling will influence next steps on those locations.

More reconnaissance field work is planned to evaluate other areas of the tenement to assess for the potential of additional pegmatites and their likelihood to host REE mineralisation, once access is granted.

Island Gold Project

The encouraging RC results from Solis indicate more work is warranted. In addition, aircore drilling on the other islands, Estrella and Luna, is planned, however the near-term exploration focus for the Company remains on Northampton and Mukinbudin.

Planning is underway for soil sampling programs and geophysics at Cuddingwarra and Big Bell South.

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 Persons' Statements

The information in this report that relates to exploration results has been compiled by Mr David Jenkins, a consulting geologist to Caprice Resources Ltd. Mr Jenkins 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 Jenkins consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

The information in this report that relates to pegmatite hosted REE potential and exploration results has been compiled by Mr Jeremy Clark, a is the sole director of Lily Valley International which is engaged by Caprice Resources Ltd. Mr Clark 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 Clark consents to the inclusion in the report of the matters based on the information in the form and context in which it appears.

About Caprice Resources

Caprice Resources Limited (ASX: CRS) holds a number of project areas across a range of commodities:

- A 100% interest in the Mukinbudin REE Project approximately 250km northeast of Perth,
- 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.
- A 100% interest in the Island Gold Project, located in the Lake Austin gold mining centre in the Cue Goldfield,
- An 80% interest in the Cuddingwarra and Big Bell South Projects, located to the west and southwest of Cue in the Cue Goldfield, and
- 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 31 March 2023. During the quarter, the Company completed the acquisition of the Mukinbudin Project. No 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%

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

During the quarter ended 31 March 2023, the Company spent a total of \$276,000 on project and exploration activities. The majority of the project and exploration expenditure relates to drill program activities and assaying undertaken at Northampton Polymetallic 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 March 2023

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 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	(171)	(524)
	(e) administration and corporate costs	(152)	(441)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	4	9
1.5	Interest and other costs of finance paid	(2)	(4)
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	(321)	(960)
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	(276)	(796)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 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	(276)	(796)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities) (*Note: proceeds from Tranche 2 placement shares received after end of quarter)	*-	1,028
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	(78)	(84)
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	(47)	(65)
3.10	Net cash from / (used in) financing activities	(125)	879

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,804	1,959
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(321)	(960)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(276)	(796)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(125)	879
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	1,082	1,082

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	1,082	1,804
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)	1,082	1,804

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	200
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		

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	Amount drawn at quarter end
		\$A'000	\$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other - stamp duty instalment arrangement	81	81
7.4	Total financing facilities	81	81
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.		
	Office of State Revenue, interest rate 8.2%, maturity date 15/07/2023, unsecured instalment payment plan for stamp duty payable on acquisition of Goldview Metals Pty Ltd.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(321)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(276)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(597)
8.4	Cash and cash equivalents at quarter end (item 4.6)	1,082
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	1,082
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.8
	<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: The Company will monitor its current level of activities to align with cash flows.	
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: The cash from Tranche 2 of December 2022 capital raising has been received after the reporting quarter. These funds support the continuation of operations and exploration activities.	

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: Yes, the Company expects to continue its operations and exploration activities, adjusting to available funds.

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.

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 April 2023

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.