

JUNE 2021 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

New Projects

- Acquisition of the Big Bell South and Cuddingwarra projects.

Exploration - The Island Gold Project

- March quarter RC drilling returned high grades from multiple prospects
- Baxters & Golconda drilling confirms mineralisation plunge with better results including:
 - **5m @ 18.0 g/t Au** from 78m incl. **1m @ 85.1g/t Au** from 78m (Golconda), and
 - **2m @ 13.5g/t Au** from 70m (Golconda).
- New Orient, drilling identified two separate mineralised structures with results including:
 - **9m @ 9.6g/t Au** from 97m, incl. **6m @ 14.0g/t Au** from 97m, and
 - **2m @ 7.8g/t Au** from 145m.
- Iron Clad drilling has confirmed grade continuity, with results including:
 - **3m @ 3.1g/t Au** from 70m, and
 - **2m @ 2.3g/t Au** from 88m.
- Large RC program commenced just after quarter end.

Corporate

- Strong cash position of \$3.3M.

Cuddingwarra and Big Bell South Acquisition

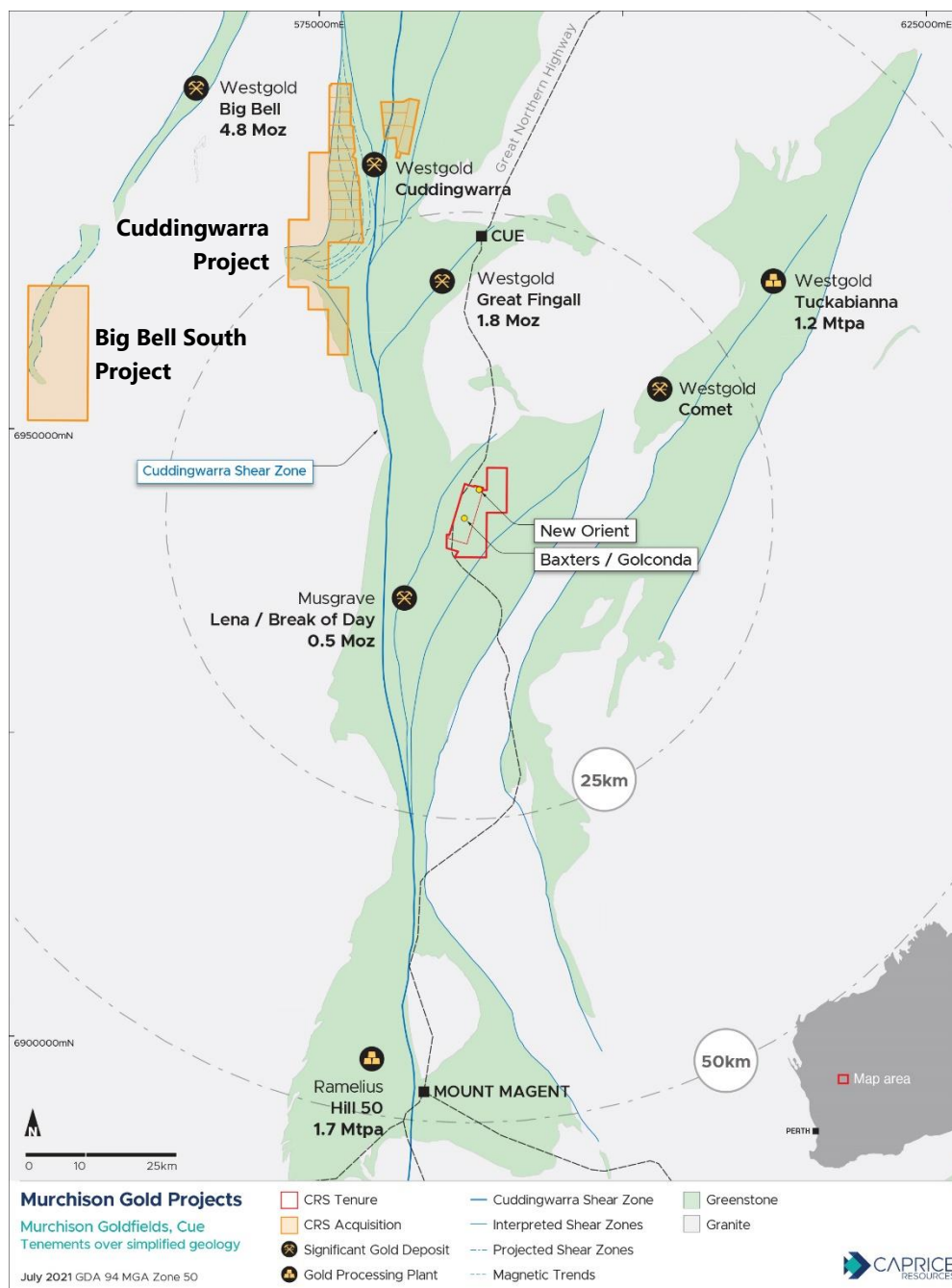
Caprice has purchased an 80% interest in the Cuddingwarra and Big Bell South Projects from Golden State Mining Limited (**GSM**). The Projects are located to the northwest of the Company's Island Gold Project, with all Murchison projects within trucking distance of two gold processing plants.

The acquisition significantly boosts Caprice's presence in the region and provides opportunities for a range of gold deposit styles. The geology and structures covered by the new Projects are consistent with a number of the major gold systems in the Murchison region, yet have received only minimal modern exploration and drill testing and were not a core focus of GSM.

Cuddingwarra

The Cuddingwarra Project is located approximately 10km west-northwest of the Cue townsite and consists of 21 Exploration and Prospecting Licences covering an area of 78km².

The Project is at an advanced greenfields exploration stage and covers prospective and underexplored greenstone stratigraphy and structures. The Project has only sparse drilling to date yet is considered highly prospective, with Caprice identifying multiple priority gold targets.



Big Bell South

The Big Bell South Project comprises a large, single exploration licence covering 55km². The tenement is located 20km south of the multi-million ounce Big Bell gold mine, operated by Westgold Resources Limited (ASX WGX).

Previous work on and around the Project includes reconnaissance regional soil surveys, rock chip sampling, ground and air magnetic surveys and limited wide-spaced first pass drilling.

Caprice has identified a number of broad target areas for follow-up work.

Transaction Summary

The Company has executed a binding term sheet with GSM to acquire 80% of the Projects. GSM will retain 20% ownership in the Projects, forming a Joint Venture ('JV') with Caprice.

Key terms of the acquisition and JV are summarised as follows:

- In consideration for the acquisition:
 - the Company agrees to issue GSM 2,500,000 fully paid ordinary shares in the capital of Caprice,
 - a \$200,000 cash payment, and
 - 250,000 options in Caprice with an exercise price of \$0.25 per option and expiring 3 years from the date of issue (subject to a 3 day VWAP of less than \$0.23 prior to completion).
- the Consideration Shares and Consideration Options (as applicable) will be subject to Voluntary Escrow in accordance with the Voluntary Restriction Deed, as follows:
 - 50% (1,250,000) of the Consideration Shares and 50% (125,000) of the Consideration Options will be subject to a six (6) month Voluntary Escrow from the date of Completion; and
 - 50% (1,250,000) of the Consideration Shares and 50% (125,000) of the Consideration Options will be subject to a twelve (12) month Voluntary Escrow from the date of Completion.
- GSM's retained 20% ownership over the Projects will be free-carried through to completion of a pre-feasibility study after which point GSM can elect to contribute or dilute.
- Should GSM elect to dilute below 10% Project ownership their interest will convert into a 2% Net Smelter Royalty (NSR) royalty, with Caprice able to buy-back the royalty for a cash payment of \$5,000,000.
- Caprice has first right of refusal should GSM elect to dispose of its Project ownership.
- Caprice to operate and manage the JV.

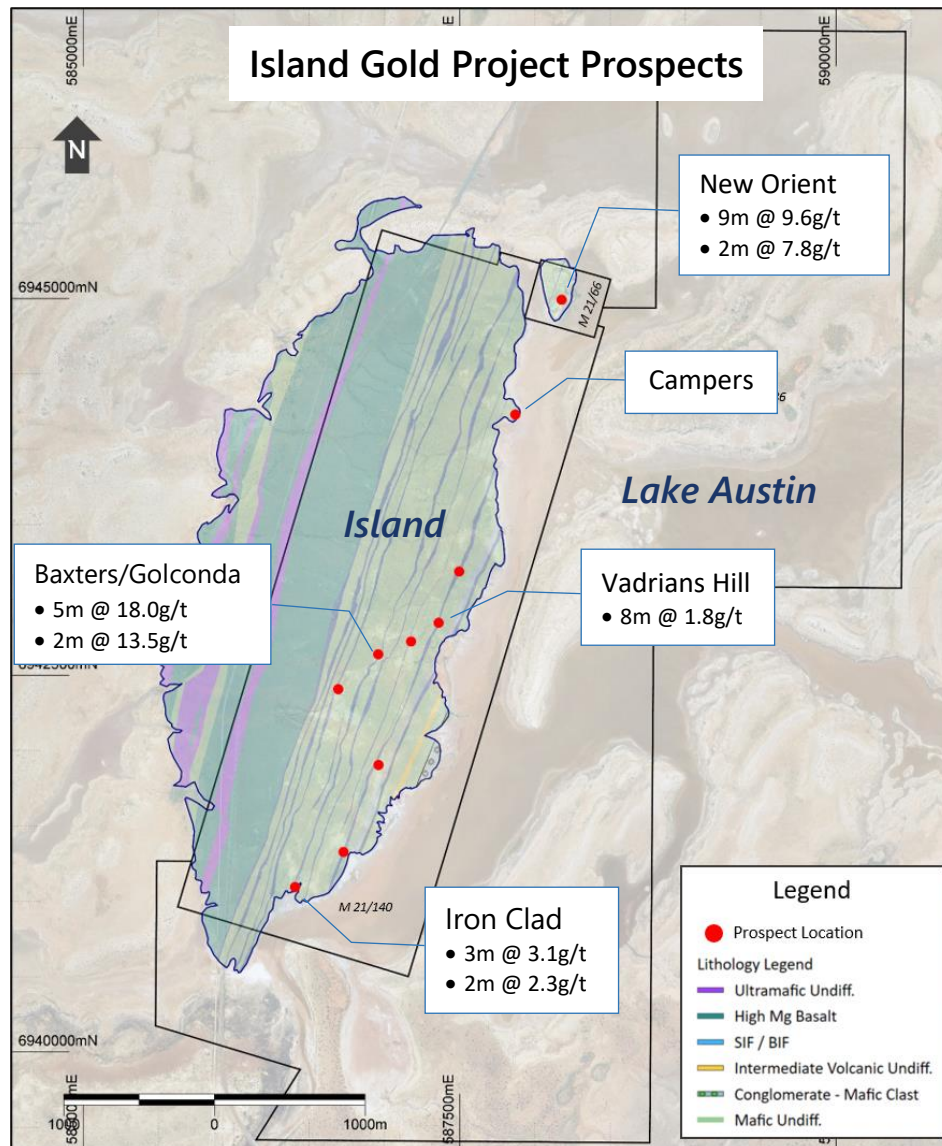
Next Steps

Initial work will focus on a full geological and data review of the Projects to generate targets. Depending on data sets, some geophysical surveys may be undertaken to assist with prioritisation and targeting.

The Island Gold Project

Q1 CY2021 Drill Campaign

A 35-hole RC program for 4,575m was completed in the previous quarter for a total of 4,575m. The program tested for extensions and grade continuity at six prospects. The drilling returned multiple significant intercepts and has enhanced the prospectivity of most areas tested.



Baxters / Golconda

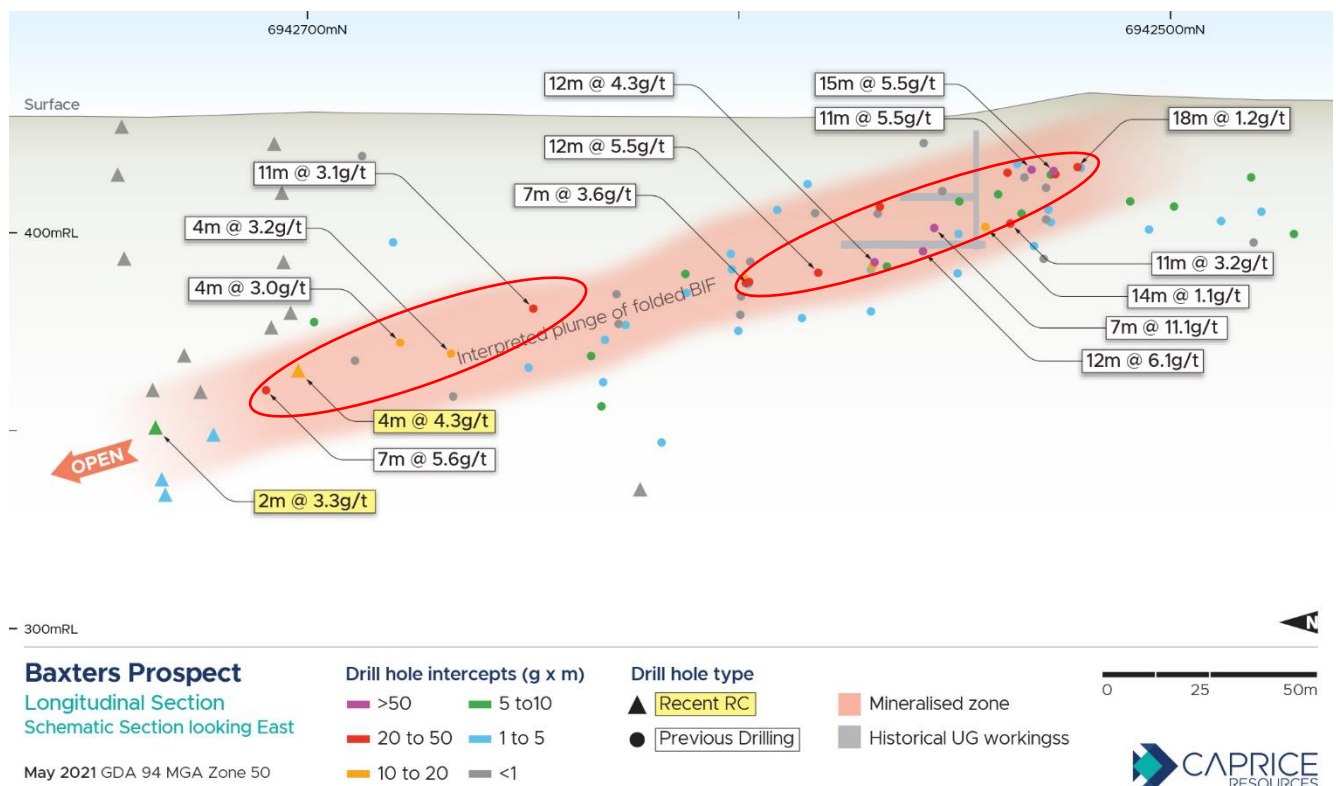
Drilling across the Baxters and Golconda prospects consisted of 16 holes for 2,254m. The program was designed to confirm the geometry and continuity of mineralisation. Results from both prospects confirmed the interpreted shallow north plunge as well as the cyclical frequency of high-grade shoots.

Better Golconda results include:

5m @ 18.0g/t Au from 78m in ISO112, incl. **1m @ 85.1g/t Au** from 78m,
2m @ 13.5g/t Au from 70m in ISO106, and
1m @ 5.0g/t Au from 91m in ISO105.

More significant Baxters results include:

4m @ 4.3g/t Au from 74m in ISO104, and
2m @ 3.3g/t Au from 97m in ISO117.



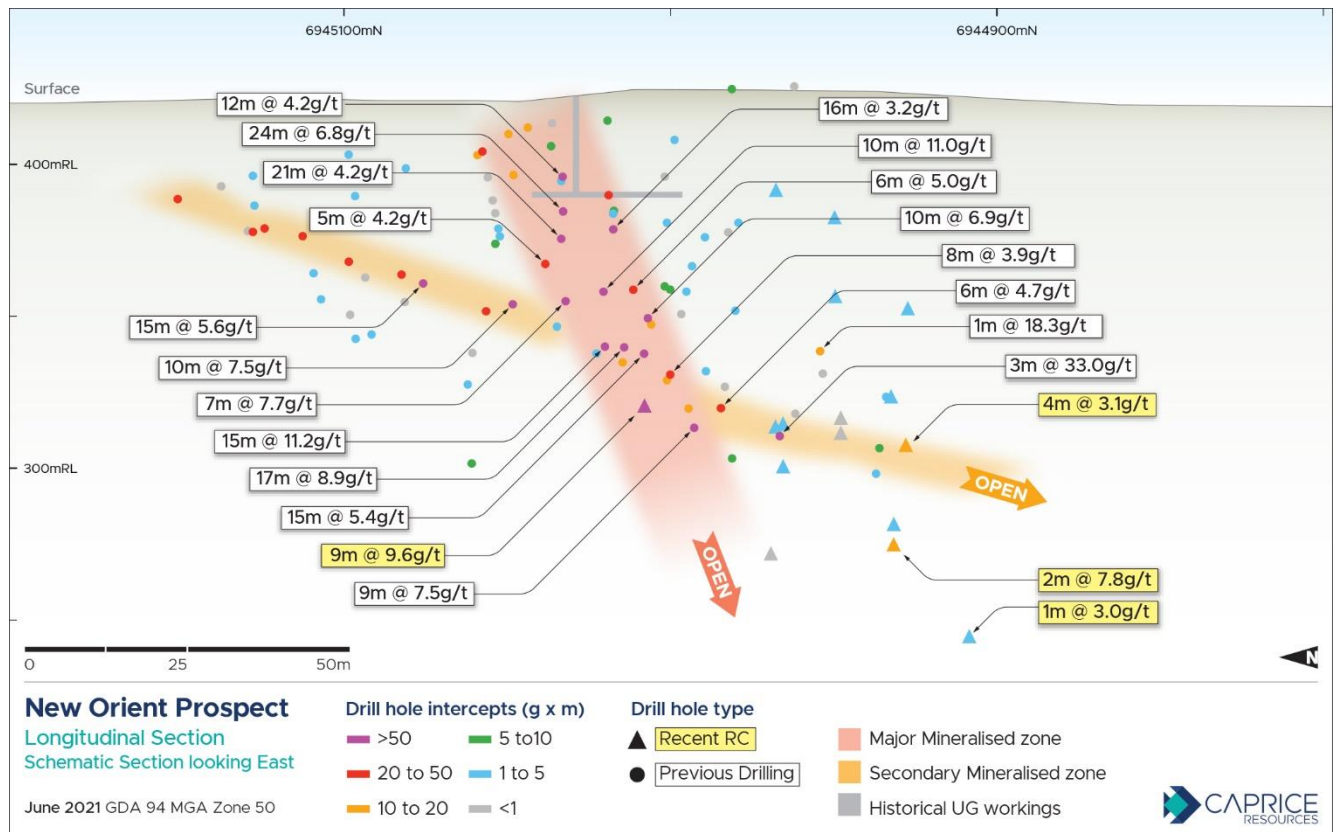
The Baxters and Golconda prospects are two separate parallel BIF packages separated by a 30-60m wide sequence of basalt and dolerite. Mineralisation is associated with a north plunging fold where extensional veins occur within or proximal to the fold hinge.

The results from this latest program are encouraging as the drilling data has confirmed that both prospects contain high grades and remain open down plunge. The high grade mineralisation appears to occur in discrete shoots within a broader mineralised trend.

Further drilling will aim to test the plunge extents of the mineralisation as well as the grade distribution of the higher grade shoots.

New Orient

Drilling at the New Orient prospect aimed to confirm the geometry of mineralisation and test for down plunge continuity with 12 RC holes for a total of 1,727m of drilling. One hole (BB0071) was abandoned due to unstable ground conditions.



Results from the RC program indicated that the mineralisation has two different geometries, evidenced by a narrow south plunging high grade trend, and a broader more steeply dipping south plunging trend. The steep plunging mineralisation trend is associated with a cross cutting NNW striking shear zone or fault. Both trends remain open at depth.

Better results include:

9m @ 9.6g/t Au from 97m in BB070,
incl. 6m @ 14.0g/t Au from 97m,
2m @ 7.8g/t Au from 145m in BB067, and
4m @ 3.1g/t Au from 111m in BB065.

The latest results have highlighted the presence of multiple mineralised positions across the New Orient prospect. This supports the interpretation that mineralisation extends beyond previous exploration and historic mining as part of a broader project wide mineralised system.

Mineralisation remains open at depth and further drilling is required to ascertain the size and significance of the new intercepts as well as depth extents. The identification of multiple mineralisation trends also provides the impetus for more broader spaced exploration across the IGP.

Other Prospects

Iron Clad

Mineralisation at the Iron Clad prospect is hosted within the same BIF package as New Orient. Two RC holes for 228m were completed on a single line at the prospect.

Results included:

3m @ 3.1g/t Au from 70m in ISO120 and

2m @ 2.3g/t Au from 88m in ISO119.

The results are located 30m north of a previous intercept of 4m @ 1.9g/t Au in ISO102 and indicate a similar level of grade continuity as the New Orient mineralisation located 4km north.

Future drilling will aim to understand the grade distribution and geometry of mineralisation.

Vadrians Hill

Two RC holes for 126m were completed at Vadrians Hill targeting BIF hosted mineralisation in the same package as the New Orient prospect. The drilling confirmed grade continuity around previous drilling including 2m @ 1.7g/t Au in ISO101 (See ASX 8th December 2020).

Results to date indicate grade continuity over more than 50m of strike. This builds on similar results across the Iron Clad prospect confirming the New Orient BIF package as a major host across the IGP.

Results included:

8m @ 1.8g/t Au from 36m in ISO124

Future drilling will aim to test for grade continuity down dip and focus on broader step outs to define the extent of the mineralised system.

Northampton Project – Western Australia

The review of the local and regional datasets is ongoing to determine next steps at Northampton.

Wild Horse Hill Project – Northern Territory

No work was completed on the Wild Horse Hill Project during the quarter.

Corporate

The Company has a strong cash position with \$3.3 million as at 30 June 2021.

Next Steps

Drilling to date at the IGP has only focussed on delineating localised mineralisation associated with historical mining on the Island area. Going forward, Caprice will undertake a more expansive exploration strategy including:

1. The identification of new gold mineralisation in previously untested areas, both on the Island, as well as underneath Lake Austin,
2. Drill testing the New Orient BIF package to understand the potential scale of mineralisation, and
3. Testing for down plunge extensions to known mineralisation at the New Orient, Baxters, Golconda, Vadrians Hill and Iron Clad prospects.

RC drilling has commenced on the eastern side of the Island targeting a combination of favourable structural sites and BIF horizons. The drilling will test for both new mineralisation, as well as down plunge extensions of existing gold mineralisation.

Following this, a large scale aircore program is scheduled for late in the September quarter. The program aims to test for mineralisation under the cover of Lake Austin and pave the way for new discoveries across the significantly under-explored Lake Austin area. This will be the first large scale drill program across much of the IGP. The program is expected to yield significant insights into the potential for mineralisation in previously untested regions of the project.

Combined with the new acquisition, Caprice aims to provide a steady flow of news over the coming months as we ramp up exploration activities.

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 Christopher Oorschot, a full-time employee of Caprice Resources Ltd. Mr Oorschot 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 Oorschot 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 100% interest in the Island Gold Project, located in the Lake Austin gold mining centre in the Cue Goldfield. The Project comprises two granted mining leases and one exploration license (M21/66, M21/140 and E21/186) covering the New Orient, The Island and North Island properties. Caprice acquired the Project in October 2020.

The Company 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.

Significant Drill Results* (+1.0g/t)

Hole ID	From (m)	To (m)	Length (m)	g/t Au
IS0104	74	78	4	4.3
IS0105	91	92	1	5.0
IS0106	64	66	2	1.5
IS0106	70	72	2	13.5
IS0108	59	61	2	1.8
IS0109	48	49	1	3.3
IS0110	54	55	1	1.2
IS0111	69	70	1	0.6
IS0112	78	83	5	18.0
incl.	78	79	1	85.1
IS0113	25	26	1	1.2
IS0114	123	124	1	1.6
IS0116	81	83	2	1.4
IS0117	97	99	2	3.3
IS0118	110	111	1	1.7
IS0118	114	116	2	1.1
IS0119	88	90	2	2.3
IS0120	70	73	3	3.1
BB0060	107	108	1	1.1
BB0064	65	69	4	1.1
BB0065	68	69	1	1.0
BB0065	111	115	4	3.1
BB0066	98	99	1	1.1
BB0067	138	140	2	2.0
BB0067	145	147	2	7.8
BB0069	171	172	1	3.0
BB0070	97	106	9	9.6
incl.	97	103	6	14.0
IS0124	36	44	8	1.8

* Significant intercepts are calculated using a 1.0g/t cut-off grade and include no more than 2m of internal dilution unless otherwise stated. All intercepts are reported as down hole length unless otherwise stated.

Drill Hole Details

Hole ID	Type	X	Y	Z	Azimuth	Dip	Depth (m)
IS0103	RC	586905	6942754	434	-60	125	130
IS0104	RC	586921	6942742	433	-60	125	162
IS0105	RC	586994	6942703	428	-60	125	102
IS0106	RC	586976	6942712	430	-60	125	96
IS0107	RC	586956	6942725	431	-60	125	114
IS0108	RC	586940	6942733	432	-60	125	185
IS0109	RC	587027	6942729	427	-60	125	102
IS0110	RC	587012	6942736	428	-60	125	108
IS0111	RC	586994	6942748	429	-60	125	108
IS0112	RC	586978	6942758	429	-60	125	131
IS0113	RC	586949	6942759	432	-60	125	132
IS0114	RC	586932	6942769	434	-60	125	162
IS0115	RC	586917	6942778	434	-60	125	182
IS0116	RC	586944	6942777	433	-60	125	162
IS0117	RC	586924	6942788	434	-60	125	174
IS0118	RC	586909	6942794	435	-62	125	204
IS0119	RC	586654	6941314	423	-60	94	120
IS0120	RC	586672	6941310	424	-60	94	108
IS0121	RC	587834	6944195	409	-60	100	84
IS0122	RC	587851	6944235	411	-60	100	78
IS0123	RC	587854	6944248	410	-60	100	78
BB0060	RC	588147	6944967	415	-90	0	156
BB0061	RC	588128	6944976	415	-90	0	156
BB0062	RC	588165	6944962	416	-90	0	120
BB0063	RC	588133	6944952	415	-90	0	168
BB0064	RC	588151	6944947	415	-90	0	132
BB0065	RC	588131	6944928	414	-90	0	167
BB0066	RC	588155	6944927	415	-90	0	114
BB0067	RC	588116	6944939	414	-90	0	180
BB0068	RC	588115	6944958	415	-90	0	186
BB0069	RC	588114	6944910	410	-90	0	180
BB0070	RC	588160	6945010	415	-90	0	162
BB0071	RC	588206	6945076	410	-90	0	6
IS0124	RC	587327	6942877	420	-60	100	60
IS0125	RC	587315	6942851	422	-60	100	66

Appendix 1: Schedule of Mining Tenements

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 30 June 2021.

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%
Wild Horse Hill	EL 30951	Northern Territory	100%
	EL 30964	Northern Territory	100%

There were no tenements acquired or disposed of during the quarter.

Post quarter end, the acquisition of the Cuddingwarra and Big Bell South Project covered the following tenements:

List of Tenements Under Joint Venture

Project	Tenement	Area (km ²)	Grant Date
Big Bell South	E 21/0193	55	8/09/2017
Cuddingwarra	E 21/0192	45	12/12/2017
	P 20/2256	2	19/09/2017
	P 20/2257	2	19/09/2017
	P 20/2258	2	16/10/2017
	P 20/2259	2	19/09/2017
	P 20/2260	2	19/09/2017
	P 20/2261	2	19/09/2017
	P 20/2262	1.9	19/09/2017
	P 20/2263	2	19/09/2017
	P 20/2264	2	16/10/2017
	P 20/2265	2	16/10/2017
	P 20/2266	2	16/10/2017
	P 20/2267	1.2	16/10/2017
	P 20/2268	1.1	19/09/2017
	P 20/2269	1.8	19/09/2017
	P 20/2272	2	19/09/2017
	P 20/2273	2	19/09/2017
	P 20/2274	1.9	19/09/2017
	P 20/2275	2	19/09/2017
	P 20/2382	0.2	23/03/2020

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 30 June 2021, pertain to director fees, salaries and wages (including superannuation), advisory fees and contracting fees for labour and equipment hire paid during the quarter ended 30 June 2021. The Company notes that all fees are agreed on standard commercial terms.

During the quarter ended 30 June 2021, the Company spent a total of \$183,000 on project and exploration activities. The majority of the project and exploration expenditure relates to drill program activities and assaying undertaken at the Island Gold 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")

30 June 2021

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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	(160)	(362)
	(e) administration and corporate costs	(124)	(642)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	1
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	10
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(284)	(993)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	(180)
	(c) property, plant and equipment	(3)	(7)
	(d) exploration & evaluation	(183)	(1,403)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 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)	(36)	(33)
2.6	Net cash from / (used in) investing activities	(222)	(1,623)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	2,600
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	206
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(131)
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 (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	2,675

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,821	3,256
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(284)	(993)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(222)	(1,623)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	2,675

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,315	3,315

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	3,315	3,821
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)	3,315	3,821

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	168
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.</i> <i>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 (please specify)	-	-
7.4	Total financing facilities	-	-
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.		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(284)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(183)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(467)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,315
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,315
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	7.1
<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		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

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

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: 30 July 2021

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.