Quarterly Activities Report

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Caprice Resources Limited (**ASX: CRS**) (**Caprice or the Company**) is pleased present the quarterly activities report for the period to 30 September 2020.

The Island Gold Project – Cue, Western Australia

In August 2020, the Company announced an agreement to acquire the Island Gold Project via the 100% acquisition of Goldview Metals Pty Ltd.

The Island Project covers 21km^2 of highly prospective tenure in the richly endowed Cue gold field and contains many of the historic gold mines of the Lake Austin gold mining centre. The Project comprises two granted mining leases and one exploration license (M21/66, M21/140 and E21/186). The Project lies adjacent to the Great Northern Highway and is located 630km north of Perth, 60km north of Mt Magnet and 20km south of Cue. The Company completed the acquisition in October 2020 and with a current cash balance of ~$5.2 million is fully funded to complete its FY2021 exploration program.

Immediately post completion the Company commenced a maiden drilling program of 32 holes for ~3,000m which focussed on the historically significant New Orient and Baxters & Golconda targets whilst also testing regional targets at Vadrians Hill and Iron Clad. This program has now been complete and the Company looks forward to updating the market with results as they are made available.



Figure 1: Drilling operations at New Orient

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Figure 2: The Island Project Location

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Northampton Project – Western Australia

On 1 July 2020, the Company announced the resumption of exploration activities at the Northampton Project and subsequently drilled 5 holes across a zone between the historical Wheal Fortune and the Wheal Fortune Extended prospects. Drilling was planned based on limited historical information using existing cleared sites.

Two holes intersected significant base metal zones, with galena and chalcopyrite the dominant sulphide minerals. Results have produced significant intercepts including:

- **CNHRC001:** 17.0m @ 8.26% Pb and 0.25% Cu from 21.0m; including
  - 5.0m @ 16.74% Pb and 0.25% Cu from 21.0m.
- **CNHRC002:** 31.0m @ 1.12% Cu, 2.02% Pb and 9g/t Ag from 11.0m; including
  - 12.0m @ 2.23% Cu, 2.94% Pb and 12g/t Ag from 30.0; and
  - 3.0m @ 3.78% Cu, 3.78% Pb and 3g/t Ag from 33.0m.

Table 1: Significant intercepts Northampton Drilling 2020

Hole	From	To	Width	Ag	Co	Cu	Pb	Zn
				g/t	ppm	%	%	%
CNHRC001	21	38	17	1	110	0.25	8.26	0.61
Incl	24	29	5	2	120	0.28	16.74	1.49
CNHRC002	11	42	31	9	279	1.12	2.02	0.13
Incl	11	12	1	15	55	3.18	0.67	0.06
And	30	42	12	18	551	2.23	2.94	0.28
Incl	33	36	3	29	882	3.78	3.78	0.23

These wide intercepts are likely to be due to the holes drilling through the mineralisation at a low angle. Follow up drilling will be required to determine the true widths of the mineralisation.

Holes CNHRC003-CNHRC005 failed to intersect the sulphide zone and are interpreted to have passed below the zone of mineralisation and drilled through the footwall.

The drill holes were designed to test for depth extensions to the Wheal Fortune and the Wheal Fortune Extended historical copper lead mines which operated between 1862-1868 over a length of 223m and down to ~90m in depth. The deposits historically produced a combined total of 3,015 tonnes of lead and 2,681 tonnes of copper from a concentrate at 75% Pb and 17% Cu.

Mineralisation is hosted in a garnet bearing granitic gneiss with a north east trending shear hosting quartz and sulphides, with the dominant sulphides being galena, pyrite and chalcopyrite. The sulphide composition varies strongly between the two holes and further drilling will be required to test the zone above holes 3 to 5 and at depth to determine the economic significance of these high-grade intercepts.

Following the initial drilling success at Northampton, Caprice will undertake a detailed review of the project to consider the next steps.

Wild Horse Hill – Northern Territory

No exploration activities were undertaken on at the Wild Horse Hill project during the quarter.

Corporate Update

As part of the acquisition of Goldview Pty ltd announced in August 2020 the Company undertook a placement of $1.6 million (before costs) at an issue price of $0.18 per share for 8,888,889 Caprice shares. The issue of the Placement Shares was conditional on shareholder approval which was to be sought in October 2020 and this was subsequently approved. In addition, the company successfully completed a non-renounceable pro-rata entitlement offer to eligible shareholders on the basis of 1 share for every 5.9 shares held at the record date at an issue price of $0.18 per new share to raise up to approximately $1.0 million (before costs).

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

For further information please contact:

Scott Patrizi
Executive Director

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Appendix 1: Schedule of Mining Tenements

The following information is provided pursuant to Listing Rule 5.3.3 for the quarter ended 30 September 2020.

Project	Licence Number	Location	Interest
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.

Appendix 2: Use of Funds

In line with its obligations under ASX Listing Rule 5.345, Caprice Resources Limited provides the following information with respect to its Use of Funds Statement set out in its Replacement Prospectus dated 2 November 2018 and its actual expenditure since ASX admission on 3 December 2018 to 30 September 2020. Material variances are explained in the notes.

Expenditure Item	Use of Funds for 2 Years to 3 December 2020	Actual for period 3 December 2018 to 30 September 2020	Variance	Note
Source of Funds	$	$	$	
Opening cash	200,000	185,395	(14,605)	
Proceeds from Public Offer	4,500,000	4,500,000	-	
Total	**4,700,000**	**4,685,395**	**(14,605)**	
Use of Funds	$	$	$	
Geological mapping, geophysics and heritage surveys	550,000	267,722	282,278	1
Soil/rock chip sampling & RC drilling	1,520,000	181,818	1,338,182	2
Diamond drilling	500,000	-	500,000	3
Metallurgy	300,000	-	300,000	3
General administration fees and working capital	1,058,396	906,205	152,191	4
Estimated expenses of the Offer	465,671	432,029	33,642	
Interest income	-	(89,017)	89,017	
Total	**4,394,067**	**1,977,850**	**2,416,217**	
Remaining Cash	**305,933**	**2,913,795**	**2,607,862**	

1. The Company notes that it is currently on track to expend this amount, subject to being able to access tenements.
2. The Company notes that it is behind schedule due to access issues on the Northampton Project.
3. The Company advises this is a commitment for Year 2 and will be expended subject to current evaluation of exploration results received.
4. The Company remains on track for this expenditure.

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Appendix 3: Related Party Payments

In line with its obligations under ASX Listing Rule 5.3.5, Caprice Resources Limited notes that the only payments to related parties of the Company, as advised in the Appendix 5B for the period ended 30 September 2020, pertain to payments to directors for fees, salary and superannuation.

Competent Persons' Statements

The information in this report that relates to the exploration results for the Island Gold Project has been compiled by Mr David Jenkins, a full time employee of Terra Search Pty Ltd, geological consultants employed by 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 which they are undertaking to qualify as Competent Persons 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. This information was first reported to the ASX on 6 August 2020 and the Company confirms there has been no further information that materially affects the results.

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