

## CAPRICE EXPANDS MURCHISON PRESENCE WITH ACQUISITION OF CUDDINGWARRA AND BIG BELL SOUTH PROJECTS

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### SUMMARY

- Caprice to acquire an 80% interest in Golden State Mining's ('**GSM**') Cuddingwarra and Big Bell South Gold Projects ('**Projects**'), near the Company's Island Gold Project
  - The Projects are considered highly prospective for gold mineralisation with geology and structures associated with multiple deposits in the region, yet have had only very limited exploration
  - Combined with the Island Gold Project, the acquisition considerably bolsters Caprice's presence in the Murchison Region to over 150km<sup>2</sup>
  - Strategically located within trucking distance of two operating gold mills
  - Initial activities involve target definition, geophysical surveys and drilling
  - The Company is well funded to commence planned exploration activities
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**Caprice Resources Ltd (ASX: CRS) ('Caprice' or 'the Company') is pleased to announce that it has entered into a binding agreement with Golden State Mining (ASX:GSM) to acquire an 80% interest over two highly prospective gold projects located in the Murchison region of Western Australia.**

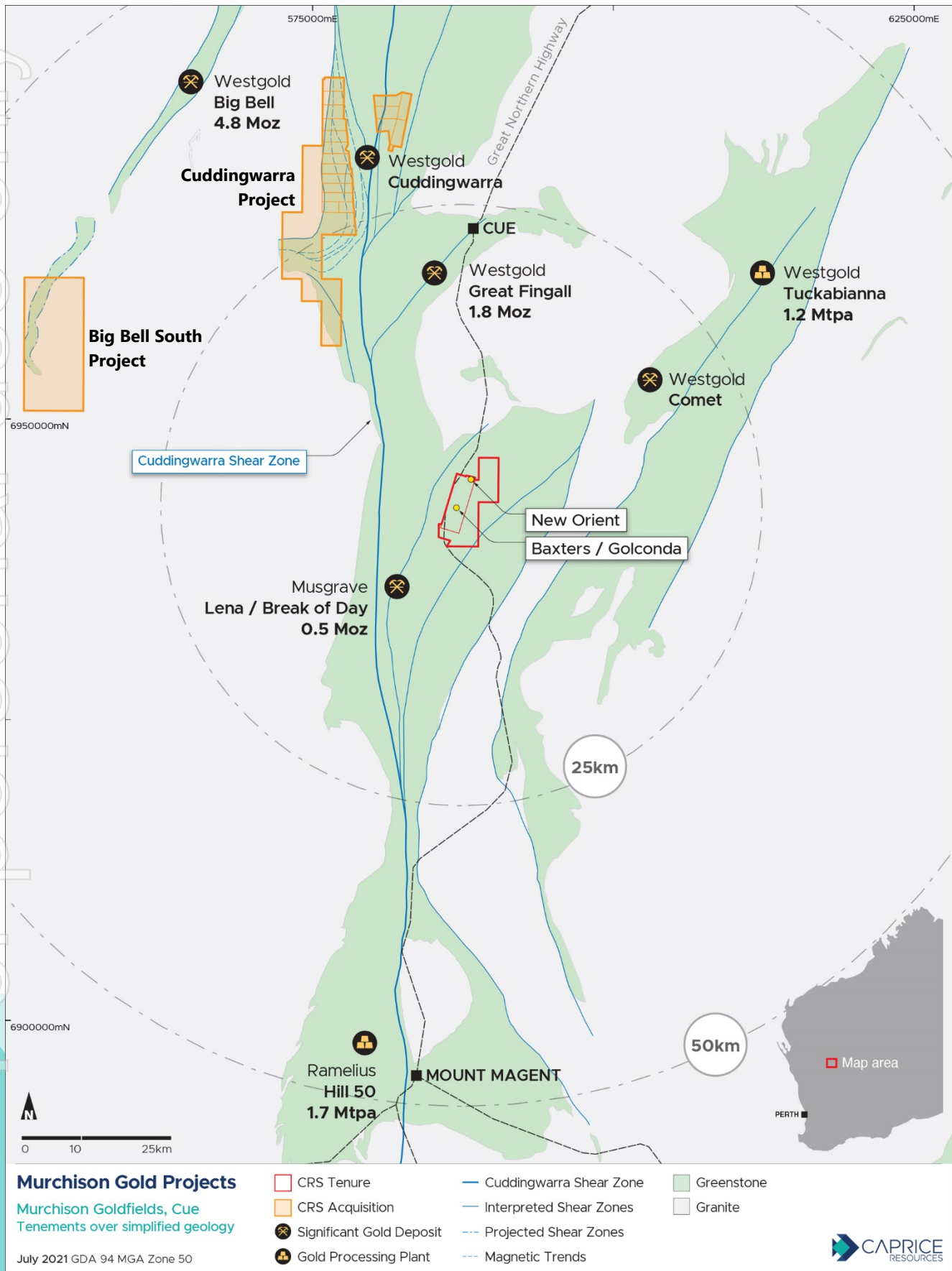
Caprice has purchased an 80% interest in the Cuddingwarra and Big Bell South Projects, located to the northwest of the Company's Island Gold Project. All projects are within trucking distance of two existing gold processing plants and proximal to road infrastructure.

The transaction 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.

### **Managing Director Andrew Muir commented:**

*"We are believers in the potential of the Murchison region and the acquisition significantly increases our exposure to this area. This is also a logical transaction for GSM, as they look to focus their resources and exploration activities on their large Pilbara projects.*

*Combined with the Island Gold Project, we are excited by the opportunities that the new Projects present, and we will continue to ramp up exploration activities in this fertile gold region. RC drilling at the IGP is underway, to be followed by aircore drilling on Lake Austin. The new Projects, in addition to the Island Gold Project, will provide us with parallel work programs that will result in consistent and exciting newsflow over the coming months."*



## 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 78km<sup>2</sup>.

The Project is at an advanced greenfields exploration stage and covers prospective and underexplored greenstone stratigraphy and structures.

The tenements are situated within the Archaean Meekatharra-Wydney Greenstone Belt which is comprised of thick sequences of basalt and mafic rock with banded iron formation, ultramafic, felsic volcanic and volcanoclastic rocks. Felsic porphyries and granitoids have also intruded the layered sequence. The primary targets are structural features such as faults and splays off major strike extensive shear zones such as the Cuddingwarra Shear.

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 55km<sup>2</sup>. The tenement is located 20km south of the multi-million ounce Big Bell gold mine, operated by Westgold Resources Limited (ASX WGX).

The Big Bell South Project area covers the interpreted southern extension of the Big Bell Greenstone Belt and the Chunderloo-Big Bell Fault. The Chunderloo-Big Bell Fault is a major structural feature extending 80km from Meekatharra in the north to the Dalgara Fault in the south.

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 Cuddingwarra and Big Bell South gold projects (see Appendix I for tenement schedule). 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).
- 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.

Likely on-ground work will involve ground truthing, sampling and mapping, with a view to undertaking first pass aircore in due course.

This work will tie in with RC and aircore drilling activities at the Island Gold Project, in addition to ongoing geological work on the Northampton base metals project.

The above will provide a steady flow of news over the coming months as we ramp up exploration activities on all projects.

This announcement has been authorised by the Board of Caprice.

### For further information please contact:

**Andrew Muir**

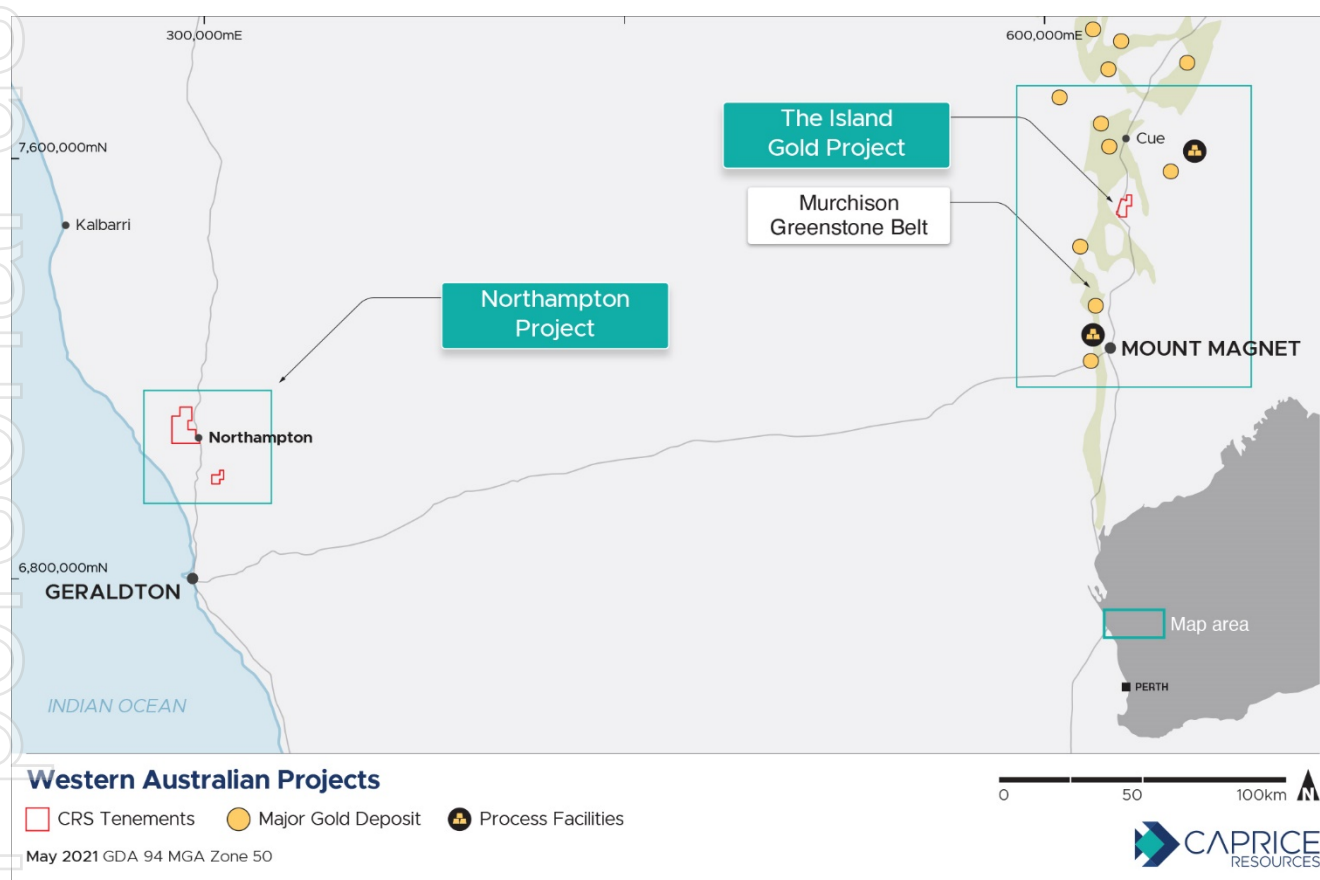
Managing Director

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## 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 and undertook its maiden drill campaign in November 2020, confirming multiple high-grade gold targets that are being systematically explored.

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 hold a 100% interest in the Wild Horse Hill Gold Project located within the Pine Creek province of Northern Territory.



## Competent Person's Statement

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.

## APPENDIX I

### List of Tenements Under Joint Venture

Project	Tenement	Area (km <sup>2</sup> )	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