

For personal use only

CAPRICE RESOURCES LTD

ABN 96 624 970 725

INTERIM FINANCIAL REPORT

FOR THE HALF YEAR ENDED

31 DECEMBER 2019



CAPRICE RESOURCES LTD

ABN 96 624 970 725

TABLE OF CONTENTS

Directors' Report.....	1
Auditor's Independence Declaration	3
Statement of Profit or Loss and Other Comprehensive Income.....	4
Statement of Financial Position	5
Statement of Changes in Equity.....	6
Statement of Cash Flows	7
Notes to the Financial Statements.....	8
Directors' Declaration	11
Independent Auditor's Review Report	12

For personal use only

CAPRICE RESOURCES LTD

ABN 96 624 970 725

DIRECTORS' REPORT

The Directors present their report together with the interim financial report of Caprice Resources Limited (**the Company**) for the half year ended 31 December 2019 and the independent auditor's review report thereon.

Directors

The names of the Directors in office at any time during or since the end of the half year are:

Bryn Hardcastle (Non-Executive Chairman) – appointed 20 March 2018

Scott Patrizi (Executive Director) – appointed 12 June 2018

David Church (Non-Executive Director) – appointed 18 October 2018

Principal Activities

The principal activities of the Company are mining and mineral exploration. No significant change in the nature of these activities occurred during the half year.

Review of Operations

During the half year, the Company:

- conducted its initial drilling program of 10 reverse circulation drill holes that tested the Cook Prospect on the Company's Wild Horse Hill Project in the Northern Territory;
- received results from its follow up auger drilling program across the Nooka prospect at its Northampton Project which is located immediately east of the Company's primary target, the Wheal Fortune historical mine site; and
- received approval from the Department of Mines and Petroleum for its program of work for an initial reverse circulation drilling program at the Wheal Fortune Prospect in Northampton.

Financial Results

The loss of the Company for the period ending 31 December 2019 was \$183,753 (31 December 2018: \$1,061,650). During the half year, total expenses amounted to \$209,825 (31 December 2018: \$1,064,970).

Cash and cash equivalents amounted to \$3,403,869 as at 31 December 2019 (30 June 2019: \$3,866,329).

Significant Changes in the State of Affairs

There were no significant changes in the state of affairs of the Company during the financial half year.

Events Subsequent to the End of the Reporting Period

No matters or circumstances have arisen since the end of the financial half year that significantly affect or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

CAPRICE RESOURCES LTD
ABN 96 624 970 725
DIRECTORS' REPORT (continued)

Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under s 307C of the *Corporations Act 2001* is set out on page 3.

No officer of the Company is or has been a partner/director of any auditor of the Company.

This Directors' Report is signed in accordance with a resolution of the Board of Directors.



Bryn Hardcastle
Non-Executive Chairman

Dated this 5th day of March 2020

For personal use only



RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +618 92619100

F +618 92619111

www.rsm.com.au

AUDITOR'S INDEPENDENCE DECLARATION

As lead auditor for the review of the financial report of Caprice Resources Ltd for the half year ended 31 December 2019, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

RSM

RSM AUSTRALIA PARTNERS

A Whyte
ALASDAIR WHYTE
Partner

Perth, WA
Dated: 5 March 2020

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

For personal use only

CAPRICE RESOURCES LTD
ABN 96 624 970 725

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF YEAR ENDED 31 DECEMBER 2019**

	Note	31 Dec 2019	31 Dec 2018
		\$	\$
Income			
Interest income		26,072	3,320
Total income		26,072	3,320
Expenses			
Administration expenses		(83,786)	(47,006)
Consultants and management expenses		(85,177)	(59,452)
Depreciation and amortisation		(484)	-
Legal expenses		(32,698)	-
Share based payments expense		-	(832,623)
Exploration costs expensed or written off		(7,680)	-
Transaction costs		-	(125,889)
Total expenses		(209,825)	(1,064,970)
Loss before income tax for the half year		(183,753)	(1,061,650)
Income tax expense		-	-
Loss after income tax expense for the half year		(183,753)	(1,061,650)
Other comprehensive income			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Total other comprehensive income for the half year, net of tax		-	-
Total comprehensive loss for the half year		(183,753)	(1,061,650)
Attributable to:			
Members of the Company		(183,753)	(1,061,650)
Basic and diluted loss per share (cents per share)		(0.56)	(8.64)

The accompanying notes form part of these financial statements.

CAPRICE RESOURCES LTD
ABN 96 624 970 725

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

	Note	31 Dec 2019	30 Jun 2019
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		3,403,869	3,866,329
Trade and other receivables		11,585	13,780
Other assets		30,660	19,353
TOTAL CURRENT ASSETS		3,446,114	3,899,462
NON-CURRENT ASSETS			
Exploration and evaluation costs	2	718,847	459,523
Property, plant and equipment		3,306	3,790
TOTAL NON-CURRENT ASSETS		722,153	463,313
TOTAL ASSETS		4,168,267	4,362,775
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		24,695	35,450
TOTAL LIABILITIES		24,695	35,450
NET ASSETS		4,143,572	4,327,325
EQUITY			
Contributed equity		4,733,874	4,733,874
Reserve		875,552	875,552
Accumulated losses		(1,465,854)	(1,282,101)
TOTAL EQUITY		4,143,572	4,327,325

The accompanying notes form part of these financial statements.

CAPRICE RESOURCES LTD

ABN 96 624 970 725

STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 31 DECEMBER 2019

	Note	Contributed Equity \$	Reserve \$	Accumulated Losses \$	Total \$
At 1 July 2019		4,733,874	875,552	(1,282,101)	4,327,325
Loss after income tax expense for the half year		-	-	(183,753)	(183,753)
Other comprehensive income for the half year, net of tax		-	-	-	-
Total comprehensive loss for the half year		-	-	(183,753)	(183,753)
Transactions with owners, in their capacity as owners		-	-	-	-
Balance at 31 December 2019		4,733,874	875,552	(1,465,854)	4,143,572
Balance at 1 July 2018		100,003	-	(55,277)	44,726
Loss after income tax expense for the half year		-	-	(1,061,650)	(1,061,650)
Other comprehensive income for the half year, net of tax		-	-	-	-
Total comprehensive loss for the half year		-	-	(1,061,650)	(1,061,650)
Transactions with owners, in their capacity as owners					
Share issue		4,820,000	-	-	4,820,000
Shares issued as consideration for tenements		243,750	-	-	243,750
Transactions costs		(429,879)	-	-	(429,879)
Share based payments		-	832,623	-	832,623
Options issued as consideration for tenements		-	42,873	-	42,873
Proceeds from options issued		-	56	-	56
		4,633,871	875,552	-	5,509,423
Balance at 31 December 2018		4,733,874	875,552	(1,116,927)	4,492,499

The accompanying notes form part of these financial statements.

CAPRICE RESOURCES LTD
ABN 96 624 970 725

STATEMENT OF CASH FLOWS
FOR THE HALF YEAR ENDED 31 DECEMBER 2019

	Note	31 Dec 2019	31 Dec 2018
		\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments to suppliers		(230,207)	(250,253)
Interest received		24,186	3,320
Net cash used in operating activities		(206,021)	(246,933)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for exploration expenditure		(256,439)	(18,947)
Payments for acquisition of mining tenements		-	(3,953)
Net cash used in investing activities		(256,439)	(22,900)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares		-	4,534,800
Share issue costs paid		-	(354,226)
Proceeds from options issued		-	56
Net cash generated from financing activities		-	4,180,630
Net increase in cash held		(462,460)	3,910,797
Opening cash and cash equivalents		3,866,329	379,483
Cash and cash equivalents at end of half year		3,403,869	4,290,280

The accompanying notes form part of these financial statements.

CAPRICE RESOURCES LTD

ABN 96 624 970 725

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2019

The financial statements and notes represent those of Caprice Resources Limited (**the Company**), which is a company limited by shares, incorporated and domiciled in Australia.

The financial statements were authorised for issue on 5th March 2020 by the Directors of the Company.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

The general purpose financial statements for the interim half year reporting period ended 31 December 2019 have been prepared in accordance with Australian Accounting Standard 134 *Interim Financial Reporting* and the *Corporations Act 2001*, as appropriate for 'for-profit' orientated entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting*.

This interim financial report does not include all notes of the type normally included in an annual financial report and therefore cannot be expected to provide a full understanding of the financial performance, financial position and financing and investing activities of the entity as the full financial report. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2019 and any public announcements made by the Company during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

New Standards and Interpretations

In the half year ended 31 December 2019, the Directors have reviewed all of the new and revised Standards and Interpretations issued by the AASB that are relevant to the Company's operations and effective for annual reporting periods commencing on or after 1 July 2019. It has been determined by the Directors that there is no impact, material or otherwise, of the new and revised Standards and Interpretations on the Company and, therefore, no change is necessary to accounting policies.

The adoption of AASB 16 Leases from 1 July 2019 has not affected balances of the Company because the Company does not have any leases. Future effects of the implementation of this standard will depend on details in future agreements.

Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted by the Company.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2019**

NOTE 2: EXPLORATION AND EVALUATION ASSETS

	31 Dec 2019	30 June 2019
	\$	\$
Wild Horse Hill Project, Northern Territory		
Tenement acquisition costs	119,951	119,951
Capitalised exploration expenditure	272,943	58,713
Total Wild Horse Hill Project	392,894	178,664
Northampton Project, Western Australia		
Tenement acquisition costs	175,565	175,565
Capitalised exploration expenditure	150,388	105,294
Total Northampton Project	325,953	280,859
	718,847	459,523

NOTE 3: CAPITAL AND LEASING COMMITMENTS

(a) Mineral exploration expenditure

The Company must meet the following tenement expenditure commitments to maintain them in good standing until they are joint ventured, sold, reduced, relinquished, exemptions from expenditure are applied or are otherwise disposed of. These commitments are not provided for in the financial statements and are:

	31 Dec 2019	30 June 2019
	\$	\$
Not later than one year	87,000	87,000
After one year but less than five years	169,210	348,000
	256,210	435,000

(b) Other commitments due within 1 year

The Directors are not aware of any other commitments that have not been recognised as liabilities in the accounts as of 31 December 2019 (30 June 2019: Nil).

For personal use only

CAPRICE RESOURCES LTD

ABN 96 624 970 725

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2019

NOTE 4: CONTINGENT LIABILITIES AND CONTINGENT ASSETS

The Company has no contingent liabilities or contingent assets as at 31 December 2019 (30 June 2019: Nil).

NOTE 5: EVENTS AFTER THE REPORTING PERIOD

No matters or circumstances have arisen since the end of the financial half year that significantly affect or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in future financial years.

For personal use only

CAPRICE RESOURCES LTD

ABN 96 624 970 725

DIRECTORS' DECLARATION

In the opinion of the Directors of the Company:

1. The financial statements and notes, as set out within this financial report, are in accordance with the Corporations Act 2001 Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
2. The attached financials statements and notes give a true and fair view of the Company's financial position as at 31 December 2019 and of the performance for the half year ended on that date; and
3. There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 303(5)(a) of the Corporations Act 2001

On behalf of the directors



Bryn Hardcastle
Non-Executive Chairman

Dated this 5th day of March 2020

For personal use only



RSM Australia Partners

Level 32, Exchange Tower
2 The Esplanade Perth WA 6000
GPO Box R1253 Perth WA 6844

T +618 92619100

F +618 92619111

www.rsm.com.au

**INDEPENDENT AUDITOR'S REVIEW REPORT
TO THE DIRECTORS OF
CAPRICE RESOURCES LTD**

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Caprice Resources Ltd (the Company) which comprises the statement of financial position as at 31 December 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Company's financial position as at 31 December 2019 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING**

RSM Australia Partners is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

RSM Australia Partners ABN 36 965 185 036

Liability limited by a scheme approved under Professional Standards Legislation

For personal use only

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Caprice Resources Ltd is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the entity's financial position as at 31 December 2019 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.

RSM

RSM AUSTRALIA PARTNERS

Al Whyte
ALASDAIR WHYTE
Partner

Perth, WA
Dated: 5 March 2020

For personal use only