CELSIUS RESOURCES LTD

ASX RELEASE | 10 May 2017

$3.5 MILLION CAPITAL RAISING TO FUND ADVANCEMENT OF OPUWO COBALT PROJECT

Celsius Resources Limited (ASX: CLA) ("Celsius" or "Company") is pleased to announce that it has successfully completed a bookbuild for the issue of 94.6 million shares to raise $3.5 million at an issue price of 3.7 cents per share ("Placement"). The Placement attracted strong interest from a number of domestic and international institutional and professional investors.

The funds raised will be applied primarily to fund further evaluation of the Opuwo Cobalt Project, including:

- further RC drilling and commencement of diamond drilling;
- metallurgical testing; and
- preliminary mining studies,

as well as for exploration of its Australian tenements and general working capital.

Hartleys Limited and Aesir Capital Pty Ltd acted as Joint Lead Managers to the Placement.

Commenting on the Placement, Managing Director Brendan Borg stated:

"This capital raising allows the Company to progress the rapid evaluation of the exciting Opuwo Cobalt Project. The strong support received for the raising illustrates the high potential of the Project and the expected continued growing demand for new energy metals such as cobalt"

The Company does not require Shareholder Approval for this capital raising as funds will be raised pursuant to capacity available under Listing Rule 7.1 and 7.1A and a placement facility approved by shareholders at General Meeting held on 2 March 2017.

Settlement of the Placement is expected to occur on Wednesday, 17 May 2017.

On behalf of the board of
Celsius Resources Limited

Brendan Borg
Managing Director

- ENDS -

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Background on the Opuwo Cobalt Project

The Opuwo Cobalt Project is located in northwestern Namibia, approximately 800 km by road from the capital, Windhoek, and approximately 750 km from the port at Walvis Bay (Figure 1). The Project has excellent infrastructure, with the regional capital of Opuwo approximately 30 km to the south, where services such as accommodation, fuel, supplies, and an airport and hospital are available. Good quality bitumen roads connect Opuwo to Windhoek and Walvis Bay. The Ruacana hydro power station (320 MW), which supplies the majority of Namibia's power, is located nearby, and a 66 kV transmission line passes through the eastern boundary of the Project.

Celsius is gaining exposure to the Project via the following stages of expenditure on exploration:

- An initial 30% interest will be earned by expenditure of $500,000 within 6 months of exercising the option to proceed,
- a further 30% to be earned following expenditure of a further $1,000,000 within 12 months of completing the stage 1 earn in, and
- a final 16% to be earned following expenditure of a further $1,000,000 within 6 months of completing the stage 2 earn in.

Following the earning of the 76% interest all parties will be required to contribute to exploration.

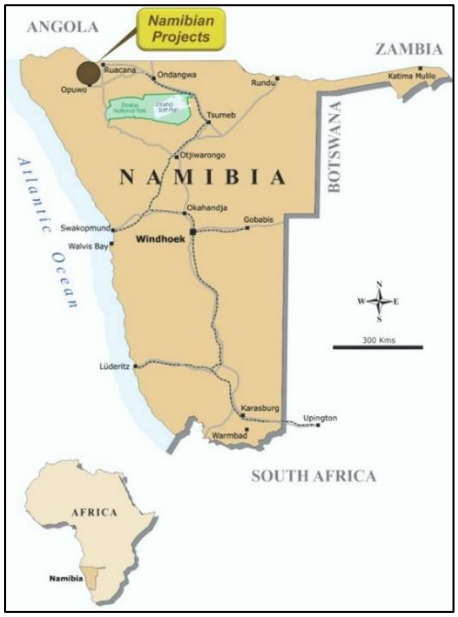

Figure 1: Location of the Opuwo Cobalt Project, Namibia