Quarterly Activities Report

For the period ended 31 March 2022



29 APRIL 2022

UNLOCKING VALUE FROM QUALITY COBALT & COPPER ASSETS

HIGHLIGHTS

- MCB Copper Gold project receives governmental “Priority Status” paving the way for swift permitting and fast tracking mine development.
- New Metallurgical Drilling commenced at Opuwo Cobalt Project (JORC Resource 259,000t Co & 970,000t Cu) to test two new flowsheets:
- Concentrate Roasting, and Hydrometallurgical Leaching.
- Closing cash as at 31 March 2022 of **$3.5m**.

Celsius Resources Limited ("Celsius" or the "Company") (ASX: CLA) is pleased to provide the following summary of the Company's activities for the Quarter ended 31 March 2022.

PROJECTS

MAALINAO-CAIGUTAN-BIYOG COPPER-GOLD PROJECT ("MCB PROJECT"), PHILIPPINES (100%)

Makilala Mining Company Inc, Celsius' Philippine subsidiary, continues to advance its exploration and feasibility work program for the MCB Project in the Cordillera Administrative region, approximately 320km north of Manila.

With the completion of the scoping study, work is now focussed on the permitting and environmental impact assessment as well as the Free and Prior Informed Consent process. As part the declaration of mine feasibility permitting process, Makilala's management and technical team presented the outcomes of the scoping study, completed in December 2021, to the Mines and Geosciences Bureau (MGB) Director Atty. Wilfredo G. Moncano and staff in a meeting on 18 February 2022.

The MGB Officials were pleased with the progress of the project and appreciative of the social and environmental factors integrated into the mine design. The use of paste backfill underground, along with dry stacking of the mine tailings replacing the need for a tailings dam, greatly mitigated the downstream agricultural communities' concerns as they had witnessed adverse environmental impacts back when the adjacent Batong Buhay Mine was in operation.

At the conclusion of the presentation Dir. Moncano announced: ***"This project has significant potential; we will endorse it as a priority project to fast-track government approvals."***

The "Priority Status" in conjunction with strong community and local stakeholders support will greatly quicken the permitting process.



***Image 1**. From left to right: MMCI Chief Geologist Francis Benedict G. Escasio, MMCI Country Operations Director Peter D. Hume, MGB National Director, Atty. Wilfredo G. Moncano, OIC Assistant Director Engr. Juancho Pablo S. Calvez, MMCI President Atty. Julito R. Sarmiento, MMCI Tenements and Permitting Superintendent Melody O. Balicat, and MMCI Mining Engineer Patrique Jane A. Duran.*

Drilling

During the quarter, new drilling contractor Drillcore Mining Resources and Construction Corporation mobilised to site to conduct a 5-hole diamond infill program to delineate shallow high-grade copper mineralisation that currently sits outside the current block model.

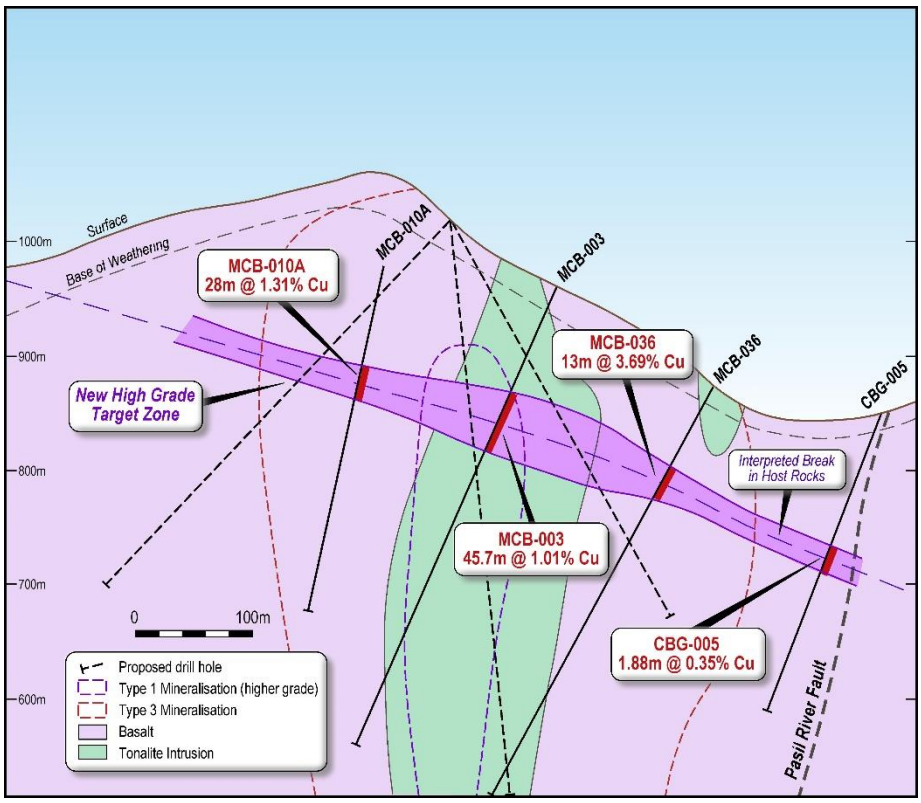


***Figure 1**. A section map illustrating the distribution of the shallow high-grade Cu mineralisation target.*

The addition of this high-grade ore within the mine schedule in the feasibility study may allow earlier higher-grade production to the process plant whilst decline and other capital development works are established to the base of the first mining panel.

Eight (8) geotechnical holes will also be conducted to complete the hydrogeological and geotechnical data requirements for the coming feasibility studies. The rock mass of the core drilled to date is quite competent, and it is envisaged that with the new geotechnical data, larger stopes can be developed than those modelled in the scoping study, leading to less development and operating costs.

At time of reporting, the first diamond drill hole had been completed and the company awaits assay results which are currently delayed to the high demand as exploration activities ramps up within the Philippines.

OPUWO COBALT PROJECT, NAMIBIA (95%)

The Opuwo Cobalt Project is one of the largest undeveloped Cobalt projects outside of the Democratic Republic of Congo. It has a JORC Mineral Resource of 224.2 million tonnes at a grade of 0.12% cobalt, 0.43% copper, and 0.54% zinc.

Historic metallurgical test work was incomplete and the project was put on care and maintenance in March 2019. Recent independent reviews of the metallurgy strongly convinced the Company to drill new fresh core and undertake test work on process routes not previously evaluated.

In February 2022, the Company announced that it engaged Stewardship Drilling Pty Ltd, ("Stewardship") to drill eight (8) PQ diamond drill holes to obtain fresh representative core for a new metallurgical test work program. Under the agreement, Celsius will pay Stewardship cash for the mobilisation and drilling additives estimated at AUD106k, after which Stewardship will receive payment in Celsius shares at a set price of 3 cents for the drilling estimated to total AUD312k

At time of reporting the drill program is almost complete and assaying and compositing is to begin.

Two new separate process routes will be investigated. Both processes will involve the initial production of a low-grade bulk concentrate that maximizes the recovered metal values from the ore that include cobalt, copper and zinc.

Concentrate roasting, that was never previously completed will be undertaken in South Africa. The high levels of pyrite in the bulk concentrate will be beneficial in the roasting circuit and the majority of metals can be recovered in a calcine leach. Further, all SO2 off-gas can be converted into saleable sulfuric acid as a viable by-product.

A second hydrometallurgical route will be investigated in Australia. The bulk concentrate will be treated in an acidic leach process that also maximises the extraction of the contained metal values and importantly results in low volumes of benign waste materials mainly in the form of silicates. More importantly for Opuwo, the high pyrite content can result in separate saleable products in the form of high-grade hematite and elemental sulphur or sulfuric acid.

Crucially the acid added to the leach is regenerated at high energy efficiency and low operating costs. All the steps in these possible flowsheets are borrowed from known commercial technologies applied across a number of applications. Of note, the identified processing options encompass both low cost and reduced environmental footprint that aligns with the increasing demand for cobalt and copper in electric vehicles.

Depending on the success of both flowsheets the Company intends to either sell, Joint Venture or spin off the Opuwo project to the best benefit of Celsius shareholders and to fund the feasibility work for the Philippines MCB Project.

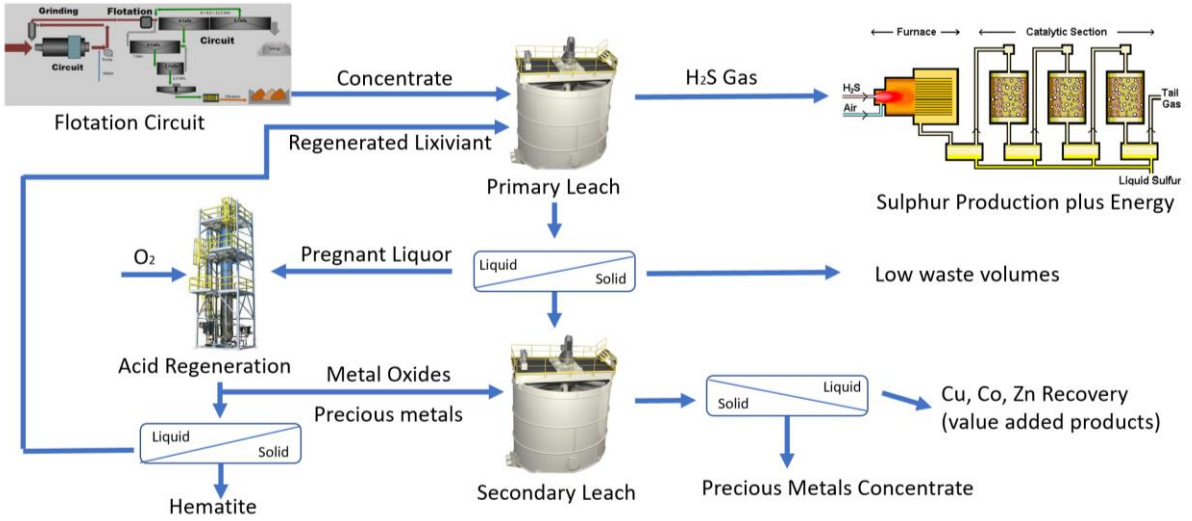


***Figure 2**. Hydrometallurgical process to be tested.*

SAGAY COPPER-GOLD PROJECT, PHILIPPINES (100%)

Celsius Resources' Philippine subsidiary, Tambuli Mining Company, Inc., continues its limited drilling operations for its Sagay Copper-Gold Project.

The second hole, didn't strike the mineralisation targeted and a third hole is underway.

It is the Company's intention to Joint Venture this property as our limited resources need to be focussed on MCB.

CULLARIN WEST PROJECT, NSW (100%)

The Company is reviewing options to divest or partner the project. At time of reporting the Company had received two offers and are in the process of review.

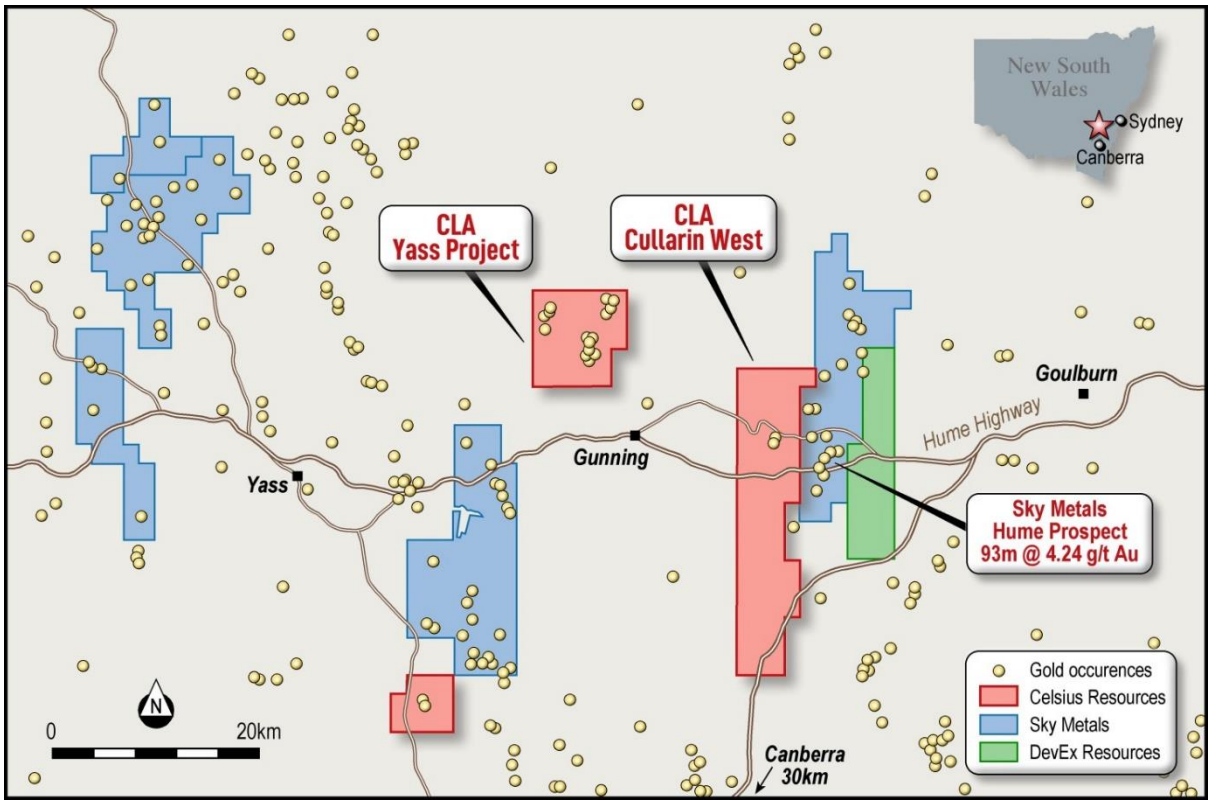


***Figure 3**. Location map of Cullarin West Project and Sky Metals' Cullarin discovery.*

ABEDNEGNO HILL PROJECT, WA (100%)

The Abednegno Hill Nickel Project is located to the south and west of Minara Resources' Murrin Murrin nickel mine. Given the recent improvement in the nickel price and forward forecasts, the Company is evaluating opportunities to unlock value from the Abednegno Hill Project through divestment.

AIM LISTING

The Company is exploring a secondary listing on the Alternative Investment Market (AIM) in London. The purpose of the listing is to encourage more institutional investors onto the register through future capital raises. The AIM market has a good track record for raising capital for companies with operations in both the Philippines and Africa.

CORPORATE AND EXPENDITURE

At the end of the Quarter, the Company held approximately **$3.5 million** in cash reserves. Approximately $773,000 was spent on exploration expenditure which primarily relates to the exploration and development of the MCB project, together with work on updating the Mineral Resource at the Opuwo Cobalt Project. As outlined in the Appendix 5B (section 6) approximately $168,000 were made to related parties and their associates, this being for directors' fees, exploration consulting fees and general consulting fees.

On 19 January 2022, Mr. Jonathan Colville was appointed as Non-Executive Director effective immediately.

On 2 February 2022, it was announced that the Company's subsidiary, Tambuli Mining Company, Inc. ('TMCI'), entered into a royalty agreement with Western Mining Ventures and JL Capinpin Aggregates ('Silica Group'). As part of the agreement, TMCI is entitled to a net royalty percentage on all silica mined and produced at the applicable specification from its Sagay Silica Project.

On 4 March 2022, the Company received firm commitments for a $3.4m placement which was heavily supported by a number of new, high quality domestic and international subscribers.

On 10 March 2022, the Company issued 167,487,687 fully paid ordinary shares at an issue price of $0.0203 per share with one free attaching option for each two shares issued.

On 18 March 2022, the Company issued 83,743,842 listed options, the issue of the options is two for one free attaching options for the recent placement that completed on 10 March 2022.

This announcement has been authorised by the Board of Directors of Celsius Resources Limited.

Celsius Resources contact information

Level 2, 22 Mount Street
Perth WA 6000

PO Box 7054
Cloisters Square Perth WA 6850

P: +61 8 6188 8181
F: +61 8 6188 8182
E: info@celsiusresources.com.au
W: www.celsiusresources.com.au

Media Contact
Jon Cuthbert / Adam Orlando
Multiplier Media
M: +61 402 075 707 / +61 409 946 407
E: jon.cuthbert@multiplier.com.au / adam.orlando@multiplier.com.au

***Tenement Table**: ASX Listing Rule 5.3.3 Mining tenement interests held at the end of the quarter and their location.*

PERMIT NAME	PERMIT NUMBER	REGISTERED HOLDER / APPLICANT	PERMIT STATUS	PERMIT EXPIRY	INTEREST / CONTRACTUAL RIGHT
Western Australia					
Abednegno Hill	E39/1684	View Nickel Pty Ltd	Granted	31/10/2022	100%
Cullarin West	EL 8996	Cullarin Metals Pty Ltd	Granted	17/08/2026	100%
Namibia					
	EL 4346	Gecko Cobalt Holdings	Granted	07/03/2023	95%
	EL 4540	Gecko Cobalt Holdings	Granted	09/02/2023	95%
Philippines					
Maalinao-Caigutan-Biyog	EP 003-2006-CAR	Makilala Mining Company Inc.	Granted	25/11/2022	100%
Guinaang	EXPA-110-CAR	Makilala Mining Company Inc.	Appeal lodged DENR	15/04/2022	100%
Colayo	EXPA-0073-CAR	Makilala Mining Company Inc.	Release of EP Pending approval;	20/04/2022	100%
Batong Buhay West	EXPA-00109-CAR	Makilala Mining Company Inc.	Application under appeal	01/03/2017	100%

PERMIT NAME	PERMIT NUMBER	REGISTERED HOLDER / APPLICANT	PERMIT STATUS	PERMIT EXPIRY	INTEREST / CONTRACTUAL RIGHT
Philippines					
Dobdob	EXPA-000101VII	PDEP, Inc.	Permit application submitted	04/07/2016	100%
Panadon	EXPA-000127-VIII	PDEP, Inc.	Comp lying with further permitting requirements	30/04/2022	100%
Sagay	EP-000003-VI	Tambuli Mining Company Inc.	Granted	10/08/2023	100%

The mining tenement interests relinquished during the quarter and their location
EL 4351 held by Gecko Cobalt Holdings was relinquished on 15 February 2022.

The mining tenement interests acquired during the quarter and their location.
Nil

Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter
Not applicable.

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter.
Nil

Competent Persons Statement

Information in this report relating to Exploration Results and Mineral Resources for the MCB Project is based on information compiled, reviewed and assessed by Mr. Steven Olsen, who is a Member of the Australasian Institute of Mining and Metallurgy and the Australian Institute of Geoscientists. Mr. Olsen is a consultant to Celsius Resources and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined by the 2012 Edition of the Australasian Code for reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Olsen consents to the inclusion of the data in the form and context in which it appears.

The information in this Report that relates to the estimate of Mineral Resources for the Opuwo Project is based upon, and fairly represents, information and supporting documentation compiled by Mr Kerry Griffin, a Competent Person, who is a Member of the Australian Institute of Geoscientists (AIG). Mr Griffin is a Principal Geology Consultant at Mining Plus Pty Ltd and an independent consultant engaged by Celsius Resources Pty Ltd for this work and has sufficient experience that is relevant to the style of mineralisation and type of deposit under consideration and to 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, Mineral Resources and Ore Reserves" (the JORC Code). Mr Griffin consents to the inclusion in this announcement of matters based on his information in the form and context in which it appears.

The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resource for the MCB Project or the Opuwo Project. The Company also confirms that all material assumptions and parameters underpinning the Mineral Resource estimate continue to apply and have not materially changed. Please refer to the ASX Announcement of 12 January 2021.