Quarterly Activities Report

For the period ended 30 June 2022



29 JULY 2022

UNLOCKING VALUE FROM QUALITY COBALT & COPPER ASSETS

HIGHLIGHTS

- MCB Copper Gold project received outstanding large-scale and high-grade assay results
- Sagay Copper-Gold project granted exploration permit extension
- Closing cash as at 30 June 2022 of **$1.3m**.

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 30 June 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.

Drilling

For the quarter, two drill holes were completed (MCB-038 and MCB-039) with a total meterage of 1,053.20. MCB-038 has an average core recovery of 99.32% while MCB-039 is at 98.92%. Geotechnical logging and core sampling was completed. A total of 717 split core samples were submitted for geochemical analysis.

Table 1. Drilling Summary

Hole ID	Date Started	Date Finished	Coordinates	Elevation (m)	Azimuth (°)	Dip (°)	Depth (m)	Core Sizes		
								PQ (m)	HQ (m)	NQ (m)
MCB-038	04/07/2022	05/29/2022	293968mE, 1918851mN	1019	238	-72	643.90	0.00 to 210.10	210.10 to 580.10	580.10 to 543.90 (EOH)
MCB-039	06/04/2022	06/29/2022	293968mE, 1918851mN	1019	135	-65	409.30	0.00 to 120.90	120.90 to 409.30 (EOH)	-

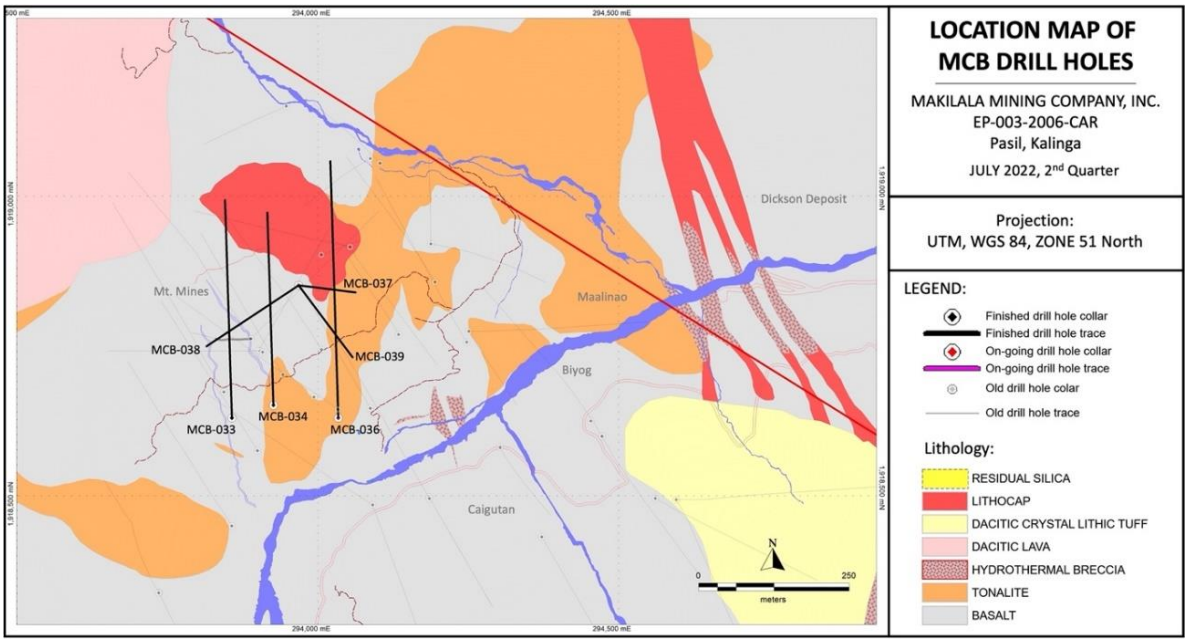


***Figure 1**. Location map of completed drill holes for the quarter, MCB-038 and MCB-039*

Results from MCB-038 further confirmed and expand the position of two additional higher-grade zones which have horizontal orientation within a larger and broader grade envelope. The results were also designed to improve the confidence level of the existing Mineral Resource, to focusing on defining further higher-grade positions, for the purpose of enhancing the upcoming feasibility study.

Environmental Program

As MCB is currently in the process of seeking its Environmental Compliance Certification (ECC) ahead of obtaining its Declaration of Mining Project Feasibility, a gap analysis was carried out by a third-party environmental expert to understand the sufficiency of available baseline data against the requirement for an Environmental Impact Assessment. Following the gap analysis, further field data gathering was conducted to address the identified gaps and assist with anticipating possible or indicative impacts of the MCB Project during construction and operations covering the four main sectors, namely: Air, Water, Land, and People. Research results will feed into the Environmental Impact Assessment which is expected to be completed in July 2022 as a prerequisite for seeking an ECC.

In celebration of Earth Day, an Information, Education, and Communications (IEC) Campaign and Tree-planting activity was organized as a convergence initiative with MMCI's host community and the Department of Environment and Natural Resources. Inputs on climate change and global warming were aimed at raising the awareness of the community and enjoin them in taking care of the environment.

Community Development

A Memorandum of Understanding between MMC and the Balatoc Local Government Unit was signed to share expertise and resources in implementing plans and programs for emergency preparedness.

A First Aid Training and a Landslide Emergency Disaster drill was conducted in June, in partnership with the local Red Cross Chapter and the Municipal Disaster Risk Reduction Management Office, to equip the community health workers and volunteers with the proper knowledge and skills as first responders. This is crucial for a far-flung community with no proper health facility and qualified health professionals on site with the nearest Municipal hospital approximately two hours away.

Several infrastructures were also completed during the period. These include a latrine project, a potable water system, refurbishments of classroom and Church roofing. All these projects were implemented using a counter-parting mechanism with the community to establish a sense of ownership and accountability among the proponents.

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.

During May 2022 drilling started on a short drilling program of 8 holes to obtain metallurgical samples for further optimisation. These holes were drilled in four different locations along strike with about 2000m spacing's. At each location, two holes were drilled down-dip to obtain representative interceptions of the ore zone.

This program is now completed, core cutting and preparation is currently underway, and this will provide 16 samples of half PQ core material from the Dolomite Ore Formation (DOF) and wider intercepts of the orebody. Sample preparation including crushing, blending and analysing is to be undertaken which will provide approximately two tonnes of sample for next phases of work. These samples will be sent to Maelgwyn Mineral Services in Johannesburg, South-Africa for further test work.

Metallurgical Test Work

There has been a re-start on metallurgical test work after the halt on all test work in 2019 due to the low Cobalt price. Approximately one tonne of blended and prepared sulphide ore composite which was retrieved from storage and was utilized to commence testing during the month of June.

Using bulk flotation equipment at Maelgwyn Mineral Services Laboratory, a concentrate sample of 36kg was produced. This bulk sample was produced at Co and Cu grades of 0.47% and 2.33% respectively. The objective of this sample was not to optimise concentrate grades, but to produce a bulk sulphate concentrate that could be roasted and then leached at Mintek Laboratories to determine potential Co and Cu extraction via Sulphuric Acid Leach after roasting at temperatures of about 680 oC. Testing is ongoing along with the development of a Hydromet program which will be implemented in the second half of 2022.

SAGAY COPPER-GOLD PROJECT, PHILIPPINES (100%)

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

Two shallow drill holes were completed (SGY-035 and SGY-036) and one test pit was conducted for the period. The shallow holes were aimed at testing the shallow up-dip extension of Nabiga-a Hill Porphyry Copper-Gold mineralisation while the test pit was designed to target the distribution of the shallow chalcocite zone, west of the main ore body. Channel sampling of the soil around the test pit's walls revealed high to extreme high levels of weathering and oxidization. Fine pyrite and chalcocite were observed as patchy disseminations within the walls was noted starting from 3m depth downward.

Vibrating Wire Piezometers were successfully installed in the two completed drill holes. Two to three sensors were installed at various depths based on the target structure/lithology below the delineated water table.

A total of 440 samples from two drill holes and one test pit were sent for geochemical analysis. The seven samples from the test pit were acquired using the quartering method and ensuring all soil samples from the four walls within the same depth interval were homogenously mixed prior to quartering.

Core sampling for metallurgical testing is being undertaken simultaneously with the geochemical sampling. Five metallurgical zones were identified for the crushing and flotation testing, of which two zones, were completely sampled. The same was undertaken with the comminution testing core samples. All met samples are packed and ready to be shipped to a laboratory in Australia once further samples have been collected.

Assay results from three drill holes confirmed the shallow extensions to the large-scale copper mineralisation in the area which is an important step for the next phase of the studies.

Drilling activity was suspended starting the first week of June to allow the technical team to review the current drilling results in conjunction with the data from historical drill holes. This will help augment the position of future drill holes to maximize success and guarantee that it will intercept the extension of the identified significant near surface mineralization zones.

A six-month extension of Sagay's exploration permit has been granted up to February 2024 that would allow the Company ample time to advance the project further along the development pathway. This is reflective of the Philippine Government's commitment to accelerate the mining industry as a key economic driver.

CULLARIN WEST PROJECT, NSW (100%)

The Company entered into a tenement sale agreement with Second String Pty Ltd ("Second String") for the sale of its 100% interest in EL 8996 located in the Lachlan Fold Belt, NSW. The terms of the sale are as follows:

1. Second String to pay $25,000 cash to Celsius
2. Second String to issue $200,000 in value of fully paid ordinary shares in the capital of the issuing company, the value is to be calculated based on the volume weighted average price of shares during the immediately preceding 15 days.

Completion of the agreement is conditional upon Second String completing a Listing Agreement and the satisfaction of regulatory approvals. If the conditions are not satisfied (or waived) by 30 September 2022, either party may terminate the agreement.

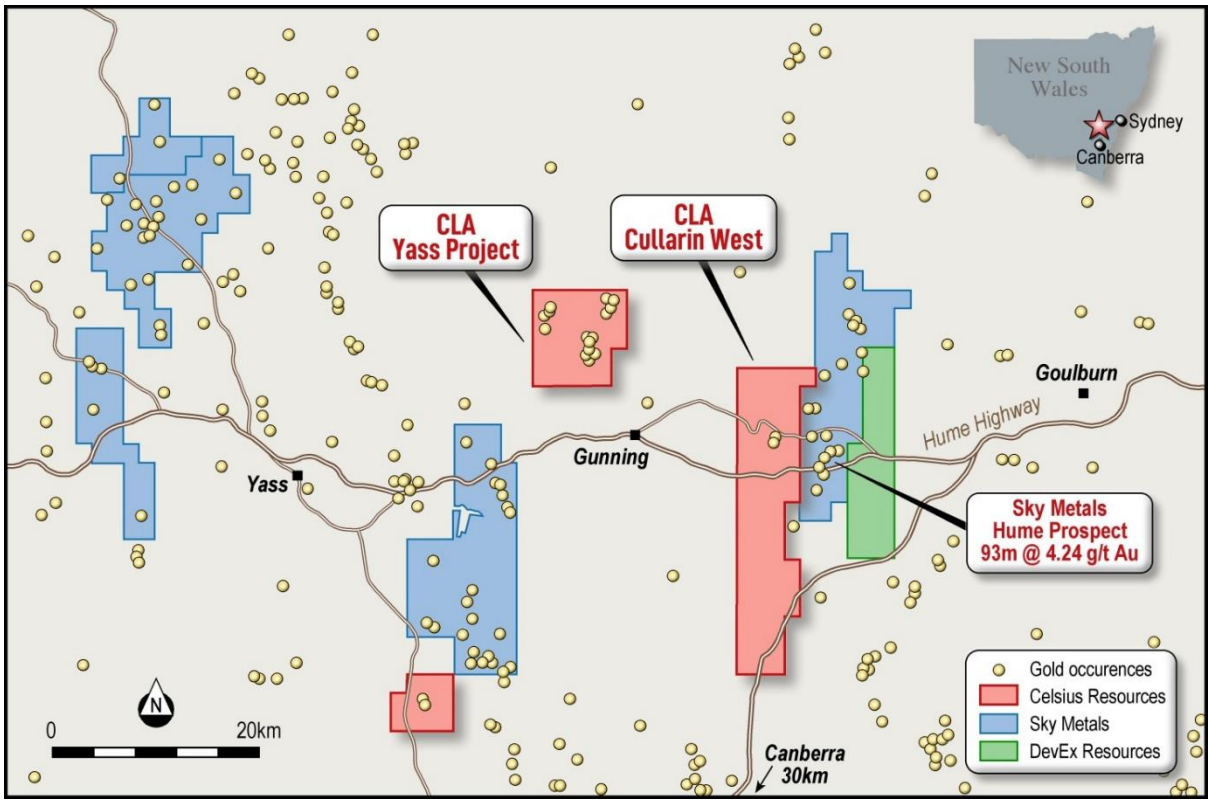


***Figure 2**. Location map of Cullarin West Project and Sky Metals' Cullarin discovery.*

ABEDNEGNO HILL PROJECT, WA (100%)

The Abednegno Hill Nickel Project is located to the south and west of Minara Resources' Murrin nickel mine. The Company is evaluating opportunity to determine its viability.

AIM LISTING

The Company is intending to proceed with 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 to support developing current and future asset into operating mines. 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 **$1.3 million** in cash reserves. Approximately $1,445,000 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 $183,000 were made to related parties and their associates, this being for directors' fees, exploration consulting fees and general consulting fees.

On 17 June 2022, the Company announced the termination by mutual agreement of Managing Director, Mr. Robert Gregory's contract and the resignation of Non-Executive Director, Mr. Bill Oliver. Following on from the departures mentioned above, the Board advised the two new appointments to the Board. Mr. Peter Hume as an Interim Executive Director and Mr. Simon Farrell as Non-Executive Director.

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

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***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	25/05/2023	100%
Colayo	EXPA-073-CAR	Makilala Mining Company Inc.	Release of EP Pending approval;	31/08/2022	100%
Batong Buhay West	EXPA-109-CAR	Makilala Mining Company Inc.	Application under appeal	01/03/2017	100%
Dobdob	EXPA-000101VII	PDEP, Inc.	Permit application submitted	04/07/2016	100%
Panaon	EXPA-000127-VIII	PDEP, Inc.	Comp lying with further permitting requirements	31/08/2022	100%
Sagay	EP-000003-VI	Tambuli Mining Company Inc.	Granted	10/02/2024	100%

The mining tenement interests relinquished during the quarter and their location
Nil

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.