

QUARTERLY ACTIVITIES REPORT

SEPTEMBER 2020

Summary

During the Quarter, the Company acquired 100% of the Maalinao-Caigutan-Biyog (MCB) Project, a large, high grade copper-gold porphyry deposit situated within the Central Cordillera Region in the Island of Luzon, Philippines, approximately 320 km north of Manila. The Company acquired this by entering into a Binding Sale Agreement to acquire 100% of Anleck Limited, a UK entity that, through various subsidiaries, owns a suite of copper-gold projects in the Philippines including the MCB Project. Due diligence and other transaction related matters are ongoing with the transaction expected to settle during the forthcoming Quarter.

The Company continued exploration of the Cullarin West Project (comprising ELA5928) located in the highly sought-after Lachlan Fold Belt region of NSW, Australia along with work programs which keep the Opuwo Cobalt Project in good standing.

At the end of the Quarter, the Company held approximately **\$3.97 million** in cash, with expenditure of \$1.26 million associated with the Anleck transaction of which \$753,466 is held in escrow awaiting completion.

Maalinao-Caigutan-Biyog Copper Gold Project. Phillipines (Celsius acquiring 100%)

During Quarter the Company entered into a Binding Sale Agreement to acquire 100% of Anleck Limited, a UK entity that, through various subsidiaries, a suite of copper-gold projects in the Philippines. The key asset in the portfolio is the Maalinao-Caigutan-Biyog (MCB) Project, a copper gold project situated within the Central Cordillera Region in the Island of Luzon, Philippines, approximately 320 km north of Manila. The other assets in the Anleck portfolio include the Nabiga-a Prospect (granted exploration permit for extension) and the Malangsa Prospect (Exploration Permit Application).

The MCB Project contains a large, high grade copper-gold porphyry deposit that has seen historical drilling conducted by Makilala Mining Co. Inc. (a wholly owned subsidiary of Freeport-McMoRan Inc., at the time), between 2006 and 2013 (detailed in the ASX Announcement of 16 September 2020). Surface exploration on the MCB Project commenced in 2006 and a drilling program was between December 2006 and 2012. Exploration activity included geological mapping, soil sampling, ground magnetics and limited IP geophysical surveys; and 46 diamond drill holes (25,547 m), completed by 2013. A total of approximately US\$10 million has been spent on the MCB Project on historical exploration and associated costs.

No Mineral Resource has been declared for the MCB Project however a maiden resource estimate is in progress and will be completed and is expected to be reported once the current COVID quarantine restrictions have been reduced. Significant drilling results from this work is shown on Figures 1 and 2 and included:

- **767.00 m @ 0.77% copper and 0.27 g/t gold**, from 30 m, including
384.00 m @ 1.25% copper and 0.46 g/t gold, from 384 m (MCB-030)
- **630.50 m @ 0.81% copper and 0.32 g/t gold**, from 11.5 m, including
177.00 m @ 1.98 % copper and 0.95 g/t gold, from 349 m (MCB-018)
- **612.00 m @ 0.82% copper and 0.31 g/t gold**, from 18 m, including
186.85 m @ 1.84% copper and 0.86 g/t gold, from 363 m (MCB-009)
- **505.00 m @ 0.87% copper and 0.38 g/t gold**, from 29 m, including
243.30 m @ 1.38% copper and 0.75 g/t gold, from 103 m (MCB-002)
- **680.00 m @ 0.54% copper and 0.20 g/t gold**, from 34 m, including
92.00 m @ 1.80% copper and 1.12 g/t gold, from 382 m (MCB-029)
- **325.00 m @ 0.86% copper and 0.13 g/t gold**, from 18 m (MCB-011)
- **548.80 m @ 0.51% copper and 0.03 g/t gold**, from 8 m (MCB-010/10A)
- **438.70 m @ 0.45% copper and 0.16 g/t gold**, from 4 m (MCB-019)
- **452.50 m @ 0.48% copper and 0.06 g/t gold**, from 31.5 m, including
41.25 m @ 0.81% copper and 0.08 g/t gold, from 109.50 m and
54.00 m @ 0.63% copper and 0.06 g/t gold, from 280.00 m (MCB-003)
- **222.65 m @ 0.62% copper and 0.60 g/t gold**, from 11.35 m, including
142.90 m @ 0.81% copper and 0.85 g/t gold, from 11.35 m (MCB-025)
- **384.00 m @ 0.40% copper and 0.26 g/t gold**, from 8 m, including
28.00 m @ 0.63% copper and 0.26 g/t gold, from 354 m (MCB-020)
- **540.60 m @ 0.37% copper and 0.06 g/t gold**, from 18 m, including
12.00 m @ 0.80% copper and 0.06 g/t gold, from 146 m and
14.90 m @ 0.58% copper and 0.65 g/t gold, from 276 m (MCB-008)
- **359.80 m @ 0.40% copper and 0.11 g/t gold**, from 4 m (MCB-001)
- **142.00 m @ 0.61% copper and 0.43 g/t gold**, from 174 m, including
76.00 m @ 0.72% copper and 0.60 g/t gold, from 204 m (MCB-022)
- **252.00 m @ 0.42% copper and 0.11 g/t gold**, from 46 m, including
42.00 m @ 0.48% copper and 0.20 g/t gold, from 50 m (MCB-023)

A full listing of significant intercepts and drillhole collars are provided in the ASX Announcement of 16 September 2020 along with the supporting information prescribed by the JORC Code.

Figure 1: MCB Project drill hole locations and interpreted surface geological plan view diagram

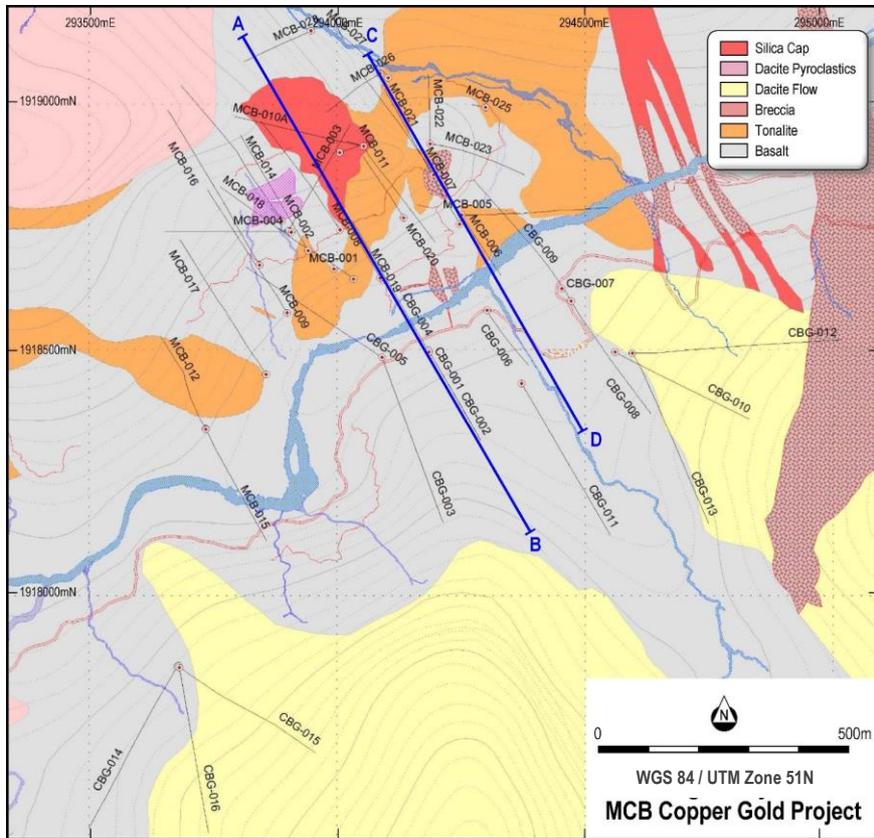
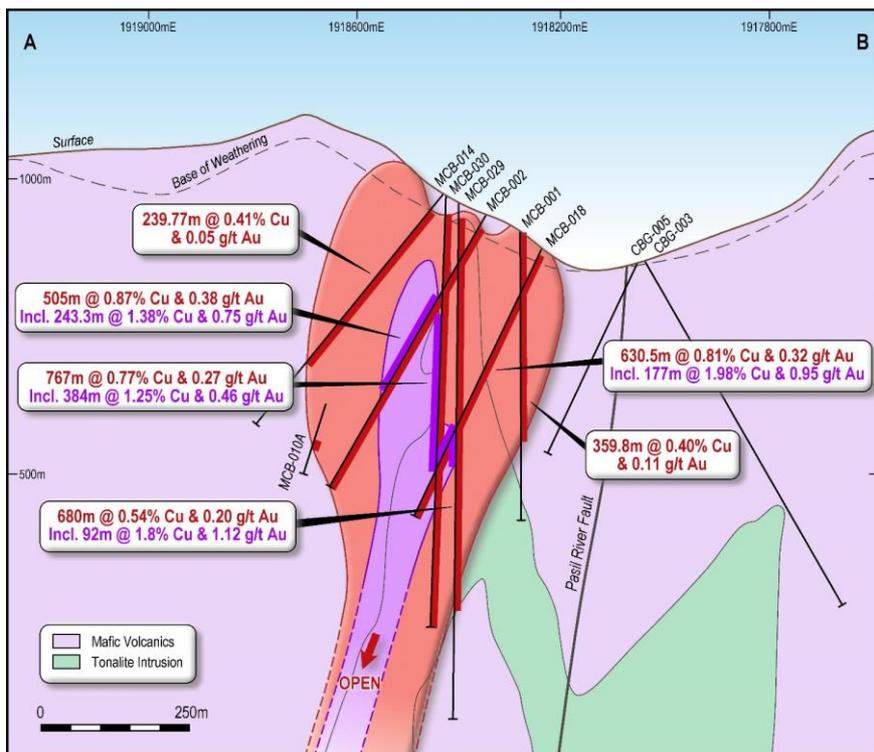


Figure 2: Cross Section A-B (see Figure 1) with highlighted drill hole intercepts and interpreted geology



Celsius has entered into a Binding Share Sale Agreement (**Anleck Acquisition Agreement**) to acquire 100% of the issued capital of Anleck Limited, a private UK company that owns, through various subsidiaries, a suite of copper-gold projects in the Philippines. Anleck owns a number of copper-gold projects through its acquisition of Makilala Holding Limited (an entity incorporated in the British Virgin Islands) (**Makilala Acquisition**). The Makilala Acquisition completed prior to the execution of the Anleck Acquisition Agreement under the terms of a separate agreement between Anleck and the owner of Makilala Holding Limited (**MHL Acquisition Agreement**). Further details on the Anleck Acquisition Agreement and the MHL Acquisition Agreement are set out later in in the ASX Announcement of 16 September 2020.

The Company is currently working with Anleck to meet the conditions precedent for completion of the transaction, most notably the renewal of the key Exploration Permit. It is anticipated that this will be received in the current Quarter. The Company also expects to convene a general meeting in the current Quarter to seek shareholder approvals to allow the transaction to be completed.

Cullarin West Project, NSW (CLA 100%)

During the Quarter Exploration Licence EL5928 was granted providing tenure over the Cullarin West and Yass Gold Projects.

The Cullarin West prospect is located adjacent to and along strike of Sky Metals' (ASX:SKY) Cullarin discovery (93 m at 4.24 g/t gold from 56 m, refer ASX.SKY Announcement 10 February 2020) (See Figure 3 for Location Map). An initial review, including a site visit, indicates the project is underlain by similar geological and structural features which host mineralisation at Cullarin. Only limited historical exploration has been undertaken in the tenement area due to widespread recent cover obscuring bedrock geology.

A historical diamond drillhole at Cullarin West (DDH W-1 drilled in 1978) showed elevated levels of silver and base metals in "drill sludges" (refer ASX Announcement 4 June 2020). Sludge samples were not analysed for gold due to the focus being on base metals. Celsius has accessed this core from the NSW core library in Londonderry, and sampled it with results pending as at the date of this report.

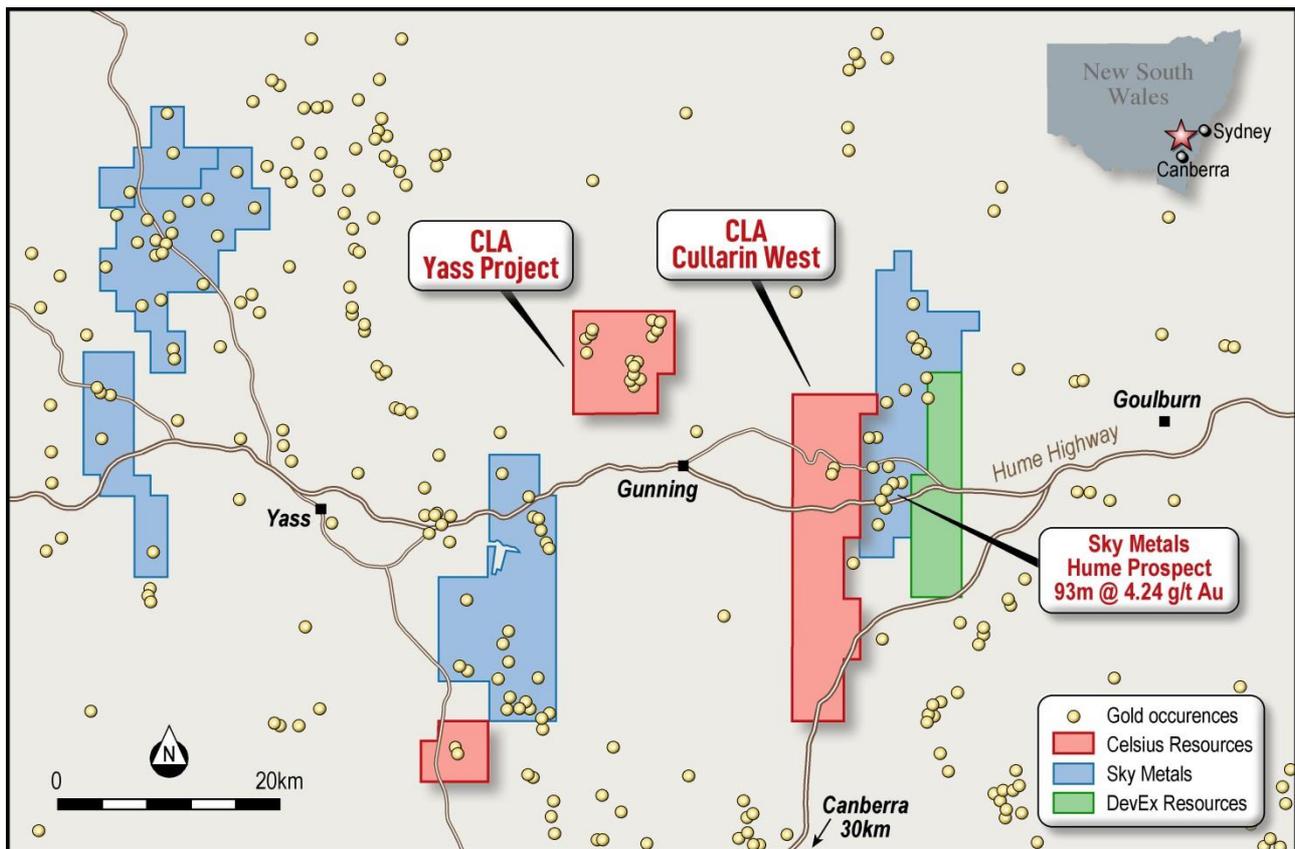
The tenement also includes the historical Gooda Creek and Daltons Goldfields which together form the Yass Gold Project (for further details refer ASX Announcement 4 June 2020):

- Gooda Creek: A high grade, small scale gold mine that averaged 6 oz/t (180 g/t) pre-1900 (government records). Limited shallow drilling at Gooda Creek in the 1987 returned **1.95 m at 23.1 g/t gold and 1.0% copper**.
- The Daltons Goldfield: Hosts multiple gold occurrences that have seen small scale, high grade production recorded (+10g/t Au) with little modern exploration conducted. A limited drill program conducted in 2012 returned a best result of **1 m @ 27.1 g/t gold**.

As previously released desktop review of publically available geological and geophysical information has identified seven targets at the Cullarin West Project and ten at the Yass Project (refer ASX Announcements 8 July 2020 and 30 July 2020). The Company anticipates that a significant program of low detection limit geochemical sampling will be required to refine these targets to generate targets for future drill testing and is in

the process of making contact with relevant landowners and stakeholders to facilitate access. The Company looks forward to the commencement of on ground activities at the project in coming months.

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



Opuwo Cobalt Project, Namibia (CLA 95%)

OPUWO COBALT PROJECT

During the Quarter the Company continued to assess ways of improving the viability of the Opuwo Cobalt Project given the prevailing cobalt price. It is noteworthy that the copper price is currently approaching US\$6,900 / t which exceeds the levels in March 2018 when cobalt prices were at their peak. Potential for projects in the region to provide synergies and economies of scale were investigated. In addition the review and re interpretation of drilling data and metallurgical testwork results continued during the Quarter. An updated Mineral Resource estimate is in progress for the Opuwo Project.

In Namibia baseline environmental monitoring was suspended due to lockdowns related to COVID-19. The Company is awaiting feedback from the Ministry of Environment and Tourism on the EIA Scoping Report submitted (along with any public submissions). Once the Scoping Report is approved specialist environmental and social studies would be able to commence, readying the Project to ramp up the PFS to meet forthcoming demand for cobalt and copper.

Abednegno Hill Project, WA (CLA 100%)

The Abednegno Hill Nickel Project is located to the south and west of Minara Resources' Murrin Murrin nickel mine. As reported in the previous Quarterly Activities Reports, Celsius completed a ground EM survey over its Leonora tenements during October – November 2017 which detected two bedrock anomalies. Given the recent improvement in the nickel price and forward forecasts, the Company is evaluating opportunities to unlock value from the Abednegno Hill Project, either by implementation of exploration programs, and/or seeking JV opportunities to advance the Project.

Carnilya Hill Project, WA (CLA 30%)

Celsius (through View Nickel Pty Ltd) owns a 30% joint venture interest in the Carnilya Hill Joint Venture in Western Australia with Mincor Resources NL. Mincor Resources NL (ASX:MCR) is the operator of the Carnilya Hill JV. No activity was reported by Mincor during the quarter and the JV partners are in discussions around future activities at the Carnilya Hill Project.

Hann River Project, WA (E80/5117 CLA 100%, base metal rights on E80/5027)

Celsius has an Exploration Licence Application pending (E80/5117) over an area located in the Kimberley region of Western Australia, approximately 300 km east of Derby. The application area is considered prospective for copper and cobalt mineralisation, hosted in the Mt Carson Volcanics geological unit. An agreement is in place with Jindalee Resources Limited (ASX:JRL) regarding their adjacent granted Exploration Licence (E80/5027), whereby the diamond rights on CLA's licence application area have been exchanged for the base metal rights on E80/5027. The Company is currently negotiating access agreements with the Pastoral Lease holder of part of the land that covers the exploration licence application.

Corporate and Expenditure

At the end of the Quarter, the Company held approximately **\$3.97 million** in cash reserves. A total of \$1.26 million was expended associated with the Anleck transaction as detailed in the ASX Announcement of 16 September 2020.

During the Quarter the Company's expenditure was primarily on activities related to:

- \$60,000 due diligence costs associated with the Anleck transaction and acquisition of the MCB Project;
- \$45,000 exploration of the Cullarin West Project, and
- \$180,000 on exploration and development of the Opuwo Cobalt Project.

The Company received a tax refund of \$50,000 from R&D activities as noted at item 1.7 in the Cashflow Report. Payments of \$57,000 were made to related parties for director and consulting fees as listed in section 6 of the Cashflow Report.

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Competent Persons Statement

Information in this report relating to Exploration Results is based on information reviewed by Mr. Brendan Borg, who is a Member of the Australasian Institute of Mining and Metallurgy and a Non-Executive Director of Celsius Resources. Mr. Borg 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. Borg consents to the inclusion of the data in the form and context in which it appears.

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					
Carnilya Hill	M26/47	View Nickel Pty Ltd	Granted	30/05/2026	30%
Carnilya Hill	M26/48	View Nickel Pty Ltd	Granted	30/05/2026	30%
Carnilya Hill	M26/49	View Nickel Pty Ltd	Granted	30/05/2026	30%
Carnilya Hill	M26/453	View Nickel Pty Ltd	Granted	14/12/2036	30%
Carnilya Hill	L26/241	View Nickel Pty Ltd	Granted	09/08/2028	30%
Abednegno Hill	E39/1684	View Nickel Pty Ltd	Granted	31/10/2022	100%
Namibia					
	EL 4346	Gecko Cobalt Holdings	Granted		95%
	EL 4351	Gecko Cobalt Holdings	Granted		95%
	EL 4351	Gecko Cobalt Holdings	Granted		95%

The mining tenement interests relinquished during the quarter and their location

Nil.

The mining tenement interests acquired during the quarter and their location

Nil. Anleck transaction has not settled as at the date of this report.

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.