

Quarterly Activities Report

For the period ended 30 September 2021



29 OCTOBER 2021

HIGHLIGHTS

- Drilling of MCB Project's third hole (MCB-036), near completion with initial assay results showing shallow copper-gold mineralisation.
- MCB-034 total intersection of 607m @ 0.44% Cu, 0.06ppm Au, from 20m down hole, including a best intercept at 76m of 0.93% Cu, 0.14ppm Au at 349m, and a shallow zone of 66m of 0.53% Cu, 0.03ppm Au at 28m, including 32m of 0.75% Cu, 0.03ppm Au.
- Comminution and flotation test results showed average copper recovery of 94% and average gold recovery of 79%.
- Scoping Study at the MCB Project near completion with a targeted finalisation by the end of October 2021.
- Revised Mineral Resource estimate at Opuwo cobalt project completed, resulting in a doubling of the Mineral Resource Estimate.
- Closing cash as at 30 September 2021 of **\$5.11m**

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 September 2021.

PROJECTS

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

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

Drilling of the second hole (MCB-034) was completed in late July 2021 with a final drilling depth of 684.40m. Continuity of the high-grade core was confirmed with assay results from MCB-034, which included 74m @ 0.97% Cu and 0.14g/t gold from 353m down hole, within a total intersection of 607m @ 0.44% copper and 0.04g/t gold from 26m down hole.

The two drill holes completed to date (MCB-033 and MCB-034) have confirmed the continuity of the large-scale copper mineralisation in addition to providing greater definition to the higher-grade central core at MCB.

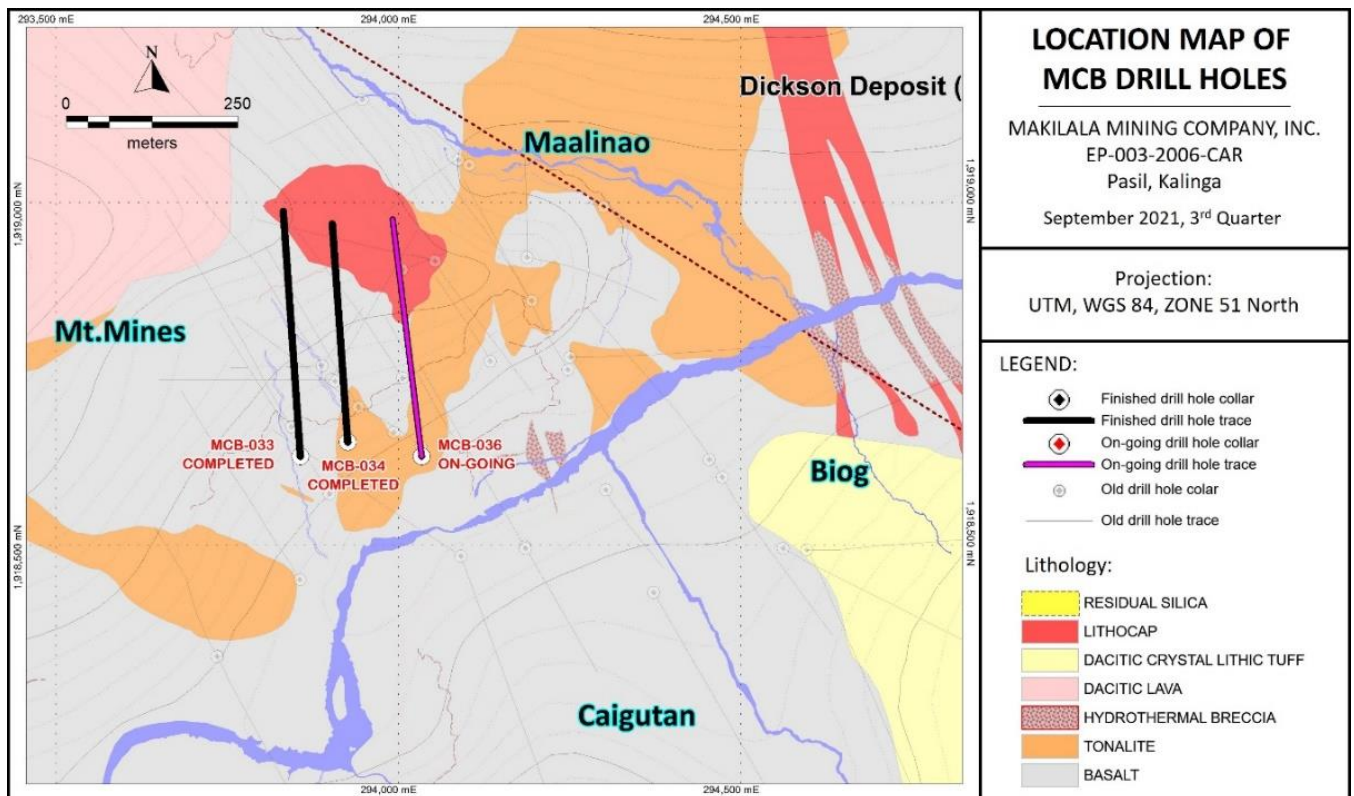
MCB-036, being the third hole of the current drilling program, was ongoing and nearing completion at the end of the quarter. The drilling results received to date continue to increase confidence in the existing MCB Mineral Resource Estimate and MCB-036, which aims to define the deeper extensions of large scale copper mineralisation at the MCB Project.

Scoping Study

The Scoping Study is now well advanced and nearing completion as at the end of the quarter, with metallurgical test work delivering excellent results as noted above. The great majority of all work streams were close to being finalised and therefore the Company remains on track to finalise the study by the end of October 2021.

The Board is excited to publish the results of the Scoping Study, which are expected to deliver a robust set of numbers and provide confidence that the MCB Project is capable of being an economically feasible and profitable copper mine, at a time when the world transitions to net zero carbon continues to place unprecedented demand on certain metals, including Copper.

Figure 1. Location Map of MCB Project showing drill holes MCB-033, MCB-034, and MCB-036



Environmental and Community Development Work Programs

The surge of the COVID-19 Delta variant cases in the local community during the quarter has impacted the project timeline and resource availability due to heightened restrictions on travel and mass gatherings.

Despite the setbacks, the Company has exerted efforts to fulfill its program and regulatory commitments while ensuring the health and safety of the employees and the community where it operates.

Field data gathering for the social and environmental baseline studies commenced in July and were completed by end of this quarter, in partnership with Kalinga State University and local community members. Reports are expected to be completed before the end of the year that will feed into the project's Environmental and Social Impact Assessment. This is an essential step in securing the Environmental Compliance Certificate, receipt of which is targeted for next year.

Rehabilitation of completed drill sites (MCB-033 and MCB-034) were also carried out during the quarter. The area was planted with trees and endemic regional species as part of the Company's ongoing rehabilitation and environmental efforts.

The construction and refurbishment of an additional classroom and toilet for the incoming 1st Batch of Senior High School students in the community was also undertaken. This is a collaborative effort among the Company, the local government, Parents-Teachers Association, and the community in anticipation of face-to-face classes commencing next year. Assistance was also extended to the local community religious groups in improving their respective facilities to encourage church attendance and maintain peace and order in the community.

The Company continued to demonstrate its support to the community's fight against COVID-19 through the provision of additional antigen test kits, personal protective equipment for frontline workers, medicines, and medical supplies.

SAGAY COPPER-GOLD PROJECT, PHILIPPINES (100%)

Celsius Resources' Philippine subsidiary, Tambuli Mining Company, Inc., was granted the fourth extension to its exploration permit for the Sagay Copper-Gold Project in August 2021.

Ground mobilization and site preparations were undertaken during the quarter which included rapid surface water assessment, ground assessment surface geology, inspections of landowner's boundary and existing haul roads, and securing landowner consent for drill pad and road access. Courtesy calls were also carried-out with local government officials to inform and obtain their support for the project.

Drill hole locations were fine-tuned to maximize the results of the drilling program which is targeted to commence in early November.

OPUWO COBALT PROJECT, NAMIBIA (95%)

During the Quarter, the Company revised upwards, by more than double, the Mineral Resource estimate at its Opuwo Cobalt-Copper Project in Namibia.

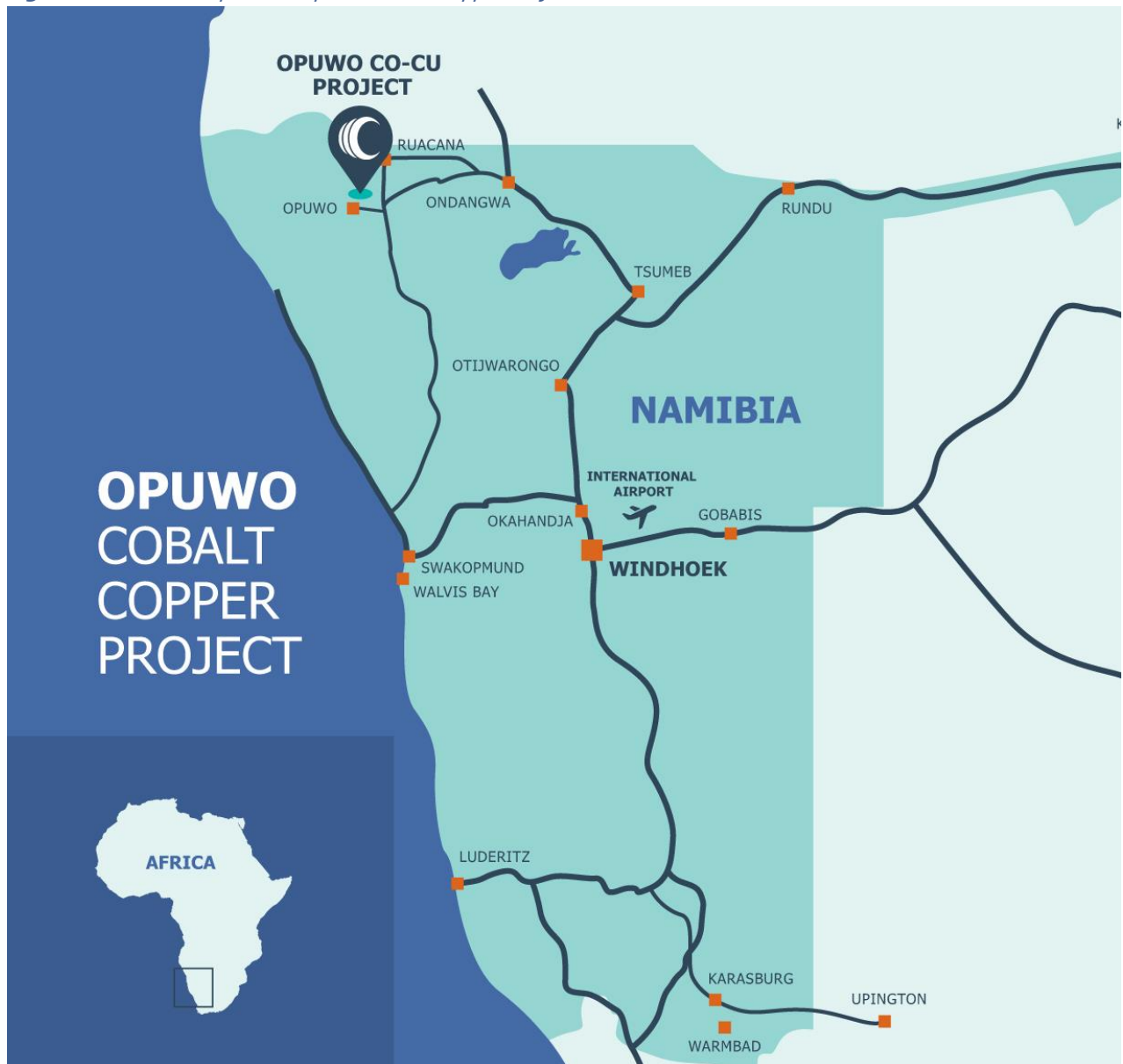
The updated Mineral Resource estimate is based on all drilling completed by Celsius at Opuwo and comprises 225.5 million tonnes at a grade of 0.12% cobalt, 0.43% copper, and 0.54% zinc (refer to the Announcement of 1 July 2021).

The Mineral Resource estimate represents contained cobalt of 259,000 tonnes and contained copper of 970,000 tonnes and is classified as:

- **45.3 million tonnes** at a grade of **0.11% cobalt, 0.44% copper and 0.51% zinc** in the **Indicated** category, and a further
- **180.2 million tonnes** at a grade of **0.12% cobalt, 0.43% copper and 0.55% zinc** in the **Inferred** category.

In addition, Opuwo was subjected to an independent technical review, to better inform the Directors as to the nature of the cobalt-copper resource and the best way to extract maximum value. As such, post the revision of the Mineral Resource estimate that was finalised at the beginning of the quarter the Company continues to assess ways to advance the Opuwo Cobalt-Copper project in parallel with our other projects.

Figure 2. Location map of the Opuwo Cobalt-Copper Project

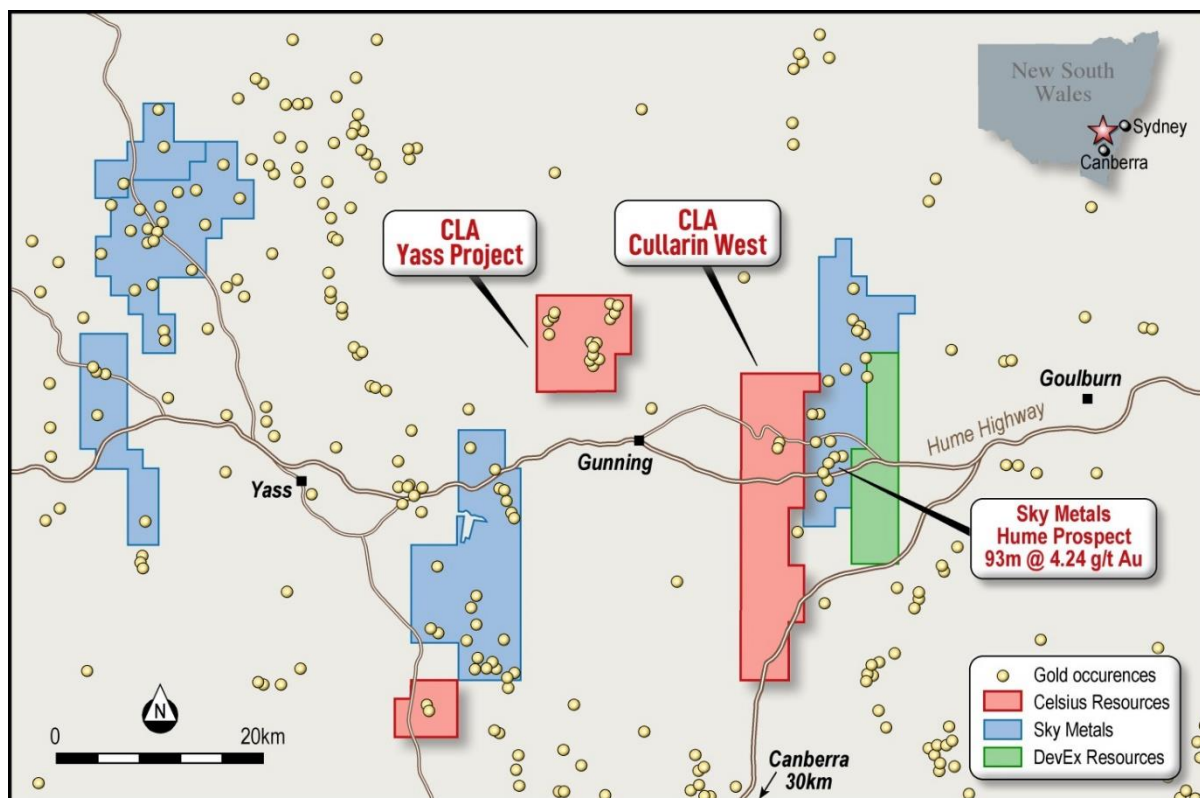


CULLARIN WEST PROJECT, NSW (100%)

As previously announced, a desktop review of publicly available geological and geophysical information has identified numerous targets at the Cullarin West and Yass Projects (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. The Company looks forward to the commencement of on ground activities at the project in the coming months following the establishment of access with relevant landowners and stakeholders.

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 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.

CORPORATE AND EXPENDITURE

At the end of the Quarter, the Company held approximately **\$5.11 million** in cash reserves.

During the quarter it was announced that, Ms Attilenore Austria resigned from the board of Celsius effective 30 September 2021.

On 1 October 2021, it was announced that 17,650,000 performance rights were issued to employees under the employee incentive scheme on the 20 September 2021.

The Company's expenditure was primarily related to exploration and development of the MCB project, together with work on updating the Mineral Resource at the Opuwo Cobalt Project, with details in the Cashflow Report (5B) appended to this report.

Total payments of approximately \$94,000 were made to related parties as listed in Section 6 of the Cashflow Report (5B), which consists of approximately \$88,000 in relation to directors' fees, and approximately \$6,000 in relation to exploration consulting and general consulting fees.

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 4351	Gecko Cobalt Holdings	Granted	15/06/2021	95%
	EL 4540	Gecko Cobalt Holdings	Granted	09/02/2023	95%
Philippines					
Batong Buhay	EP 003-2006-CAR	Makilala Mining Company Inc.	Granted	25/11/2022	100%
Guinaang	EXPA-110-CAR	Makilala Mining Company Inc.	Application under appeal	01/03/2017	100%
Colayo	EXPA-0073-CAR	Makilala Mining Company Inc.	Application under appeal	28/07/2016	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.	Permit application submitted	27/07/2009	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
 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 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.