ASX ANNOUNCEMENT
6 March 2024

APPLICATIONS FOR SPA-AOs ACCEPTED FOR HELIUM AND ASSOCIATED GASES IN WESTERN AUSTRALIA

Constellation Resources Limited (the "Company" or "Constellation") is pleased to announce that it has been advised and conditionally accepted as the preferred applicant for six Special Prospecting Authorities with an Acreage Option ("SPA-AO") applications over the Edmond-Collier and Yerrida Basin area. The application areas are considered to be prospective for helium and associated gases.

HIGHLIGHTS

- The six SPA-AOs cover a total of 712 graticular blocks (56,192km^2) (Figures 1 and 2) over the Edmond-Collier and Yerrida Basins.
- The geological terrains that are captured within the SPA-AO areas contain high heat-producing radiometric granites and greenstone basement units that are prospective source-rocks for ongoing helium and associated gas generation. These units are overlain by a folded sedimentary basin sequence that could contain potential seals and reservoirs.
- Both the Edmond and Collier Basin and Yerrida Basin provide large scale targets for a first mover innovative hybrid mineral exploration and petroleum approach.

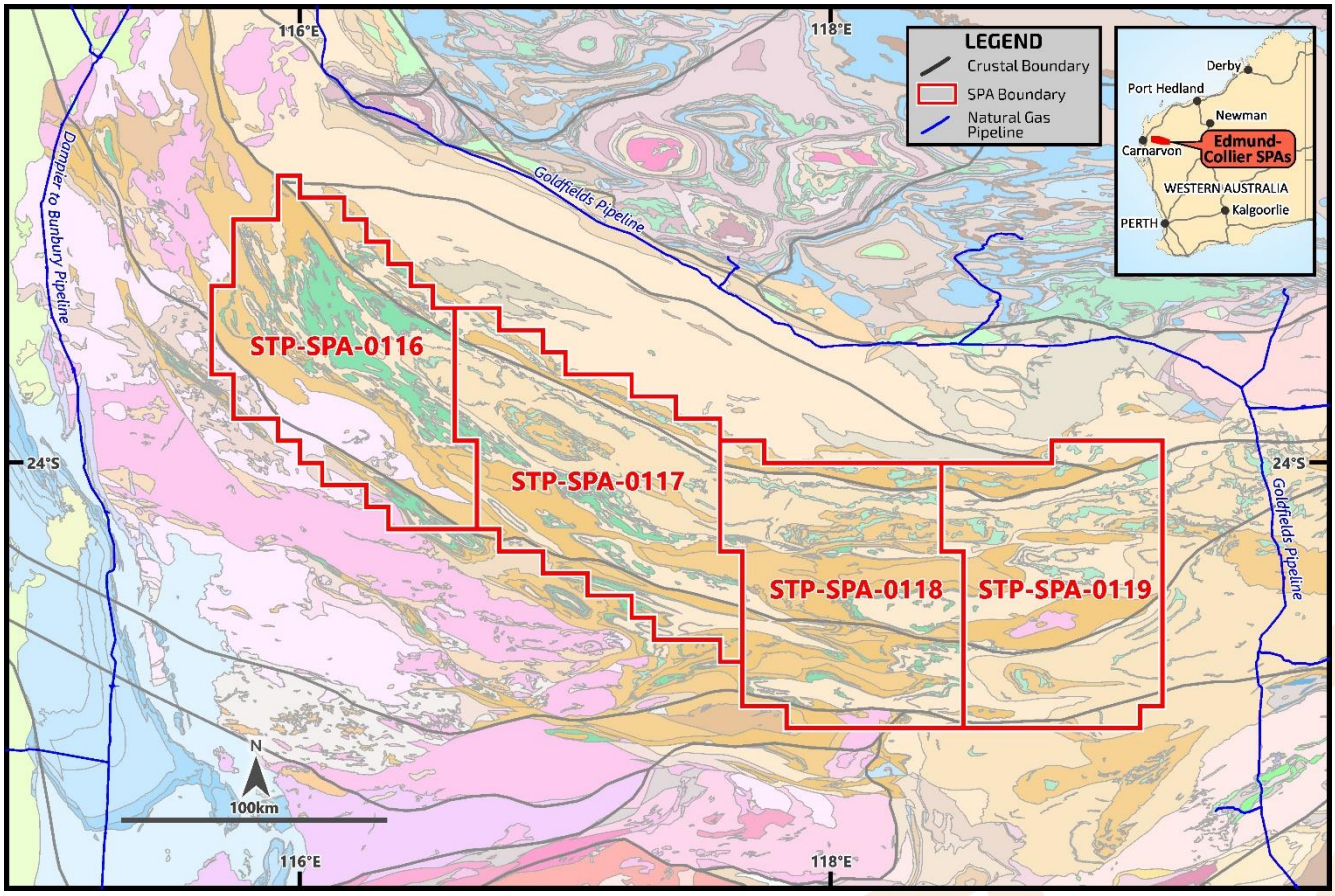

Figure 1: Edmund-Collier Basin STP- SPA-0116-19 Application Locations.

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INTRODUCTION

The Company's 100% owned subsidiary CR1 Energy Pty Ltd ("CR1 Energy") has been advised that it is the preferred applicant for six SPA-AOs (STP-SPA-0116-21) in the Edmond Collier Basin and Yerrida Basin areas of Western Australia (Figure 1 and 2). The six SPA-AOs are conditional but not guaranteed offers to progress to a granted licence in accordance with the requirements and timelines as outlined under the "*SPA-AO Applications and Timeline*" section of this announcement.

The Company has completed a detailed technical appraisal of the SPA-AOs areas and has identified all the critical elements needed for a prospective helium and associated gas system and is of a scale that has the potential to generate large targets. The applications for the SPA-AOs are seen as a conceptual, early-stage, cost-effective, complimentary opportunity which was generated by organic growth from within the Company.

To advance the initial exploration for these targeted gases, a hybrid mineral exploration and petroleum exploration approach is required to both evaluate the geological prospectivity and to successfully execute the proposed work programs of an area. This draws on diverse technical skill sets and exploration methodologies, field-based investigations and the repurposing of mineral exploration techniques, which the Company's team is uniquely positioned to provide. Once a granted SPA-AO is received (which is expected to take between six to twelve months), the proposed exploration work programs in the application areas draw on the ideologies behind 'first-mover advantage' — where the largest discoveries in an unexplored field for either metals or petroleum are usually shallow and found early with simple and low-cost exploration techniques in the field's history.

The Company's underlying technical hypothesis is that the largest and most viable helium and associated gas accumulations will likely leak at the surface. Thus, the identification of anomalous gas seeps or 'invisible gossans' can be achieved utilising low-cost and simple but sophisticated detection techniques to assess the prospectivity of the Edmund–Collier and Yerrida Basins.

The Company's main focus remains on mineral exploration for nickel, gold and other base metals in particular, the identification of magmatic nickel sulphides at the Orpheus Project in the Fraser Range of Western Australia and evaluating other mineral exploration opportunities. At the Orpheus Project, recent ultrafine soil sampling by the Company identified promising coherent nickel and copper anomalism, with other pathfinder elements for nickel sulphides in addition to two contiguous gold anomalies. The Company is in the process of planning for an air-core drilling program to test these prospective targets, subject to native title, heritage and pastoralist considerations.

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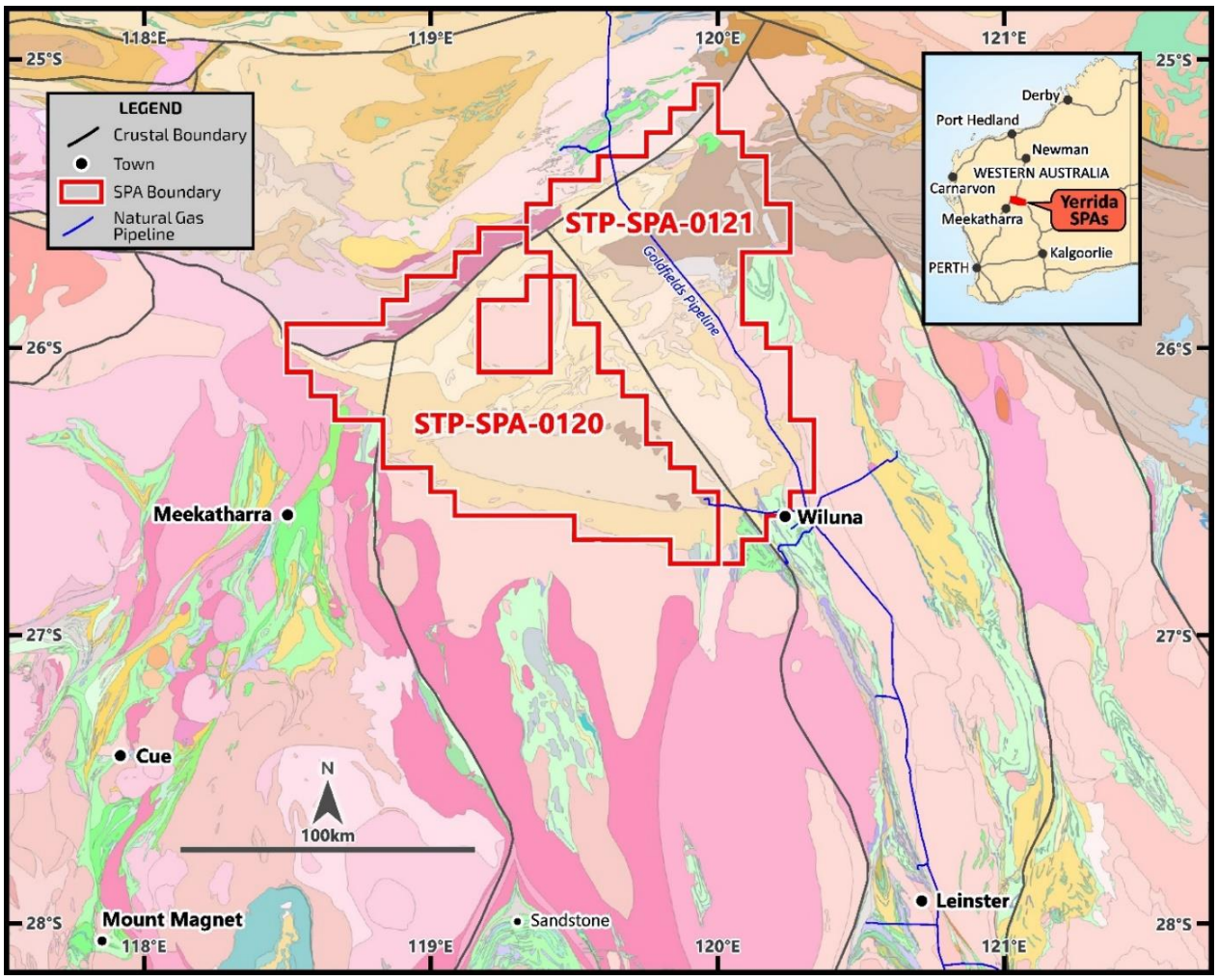

Figure 2: Yerrida Basin STP- SPA-0120-21 Application Location.

EDMUND-COLLIER LOCATION

The Edmond-Collier Project is located in the Gascoyne Province of Western Australia. The four contiguous SPA-AOs (477 graticular blocks covering 37,288km^2) span an east west strike length of approximately 380km and are bordered to the north, east and west by gas transmission pipelines (Figure 1).

Geology

The Edmond Fold Belt which covers most of the four SPA-AOs is largely outcropping and contains a well-documented folded succession of Proterozoic clastics, carbonates and dolerite sills, with associated deeply penetrating fault systems that intersect radiometric Proterozoic basement.

High heat-producing radiometric Paleoproterozoic granites of the Gascoyne Province are prospective source-rocks for both helium and associated gases generation. Helium generation is most likely from the extremely long-lived radiogenic decay of uranium and thorium in granites of the Durlacher and Moorarie Supersuites and potentially also from some sedimentary rocks.

Migration pathways include significant structures along lithospheric-scale crustal boundaries and their splay faults and via sedimentary aquifers. These fault zones parallel the present-day maximum horizontal-stress direction and are in extensional orientation conducive for gas migration into nearby traps during contemporary earthquake activity. This may also lead to surface gas leaks that are amenable for direct detection techniques.

A significant opportunity in the Edmund–Collier SPA is the development of multiple and long-lived traps for gas accumulations, including anticlinal and structural traps, stratigraphic depositional pinch outs and diagenetic traps, and density driven hydrologic traps. Prospective fold-closures at surface can be extrapolated in the subsurface in various geophysical interpretations. Numerous tectonic events and geological process are recognized that were potential drivers for gas generation and migration and for driving and rapidly focussing gas into traps.

Importantly, widespread anticline development since c. 1171 Ma and voluminous dolerite intrusions have provided traps for ongoing helium and associated gases for at least one billion years.

YERRIDA LOCATION

The Yerrida Project is located north west of Wiluna in Western Australia. The two contiguous SPA-AOs (235 graticular blocks covering (18,904km^2) cover the majority of Yerrida Basin outcrop and the Goldfields gas transmission pipeline passes through the eastern side (Figure 2).

Geology

The Yerrida Basin succession is largely outcropping and contains a mildly to highly folded succession of clastic and carbonate sedimentary rocks and mafic intrusive and extrusive igneous rocks.

Beneath the Yerrida Basin are heat-producing Archean granites and greenstone belts of the northern Yilgarn Craton which are the prospective source-rocks for helium and associated gases generation. Helium generation is potentially predicted from extremely long-lived radiogenic decay of uranium and thorium in granites beneath the Yerrida Basin, and potentially also from some sedimentary rocks. Associated gases could be generated from: 1) radiolysis of groundwater by high heat-producing granites; 2) serpentinization of ultramafic rocks within greenstone belts; 3) Degassing from primordial mantle–core sources through deep-seated structures; 4) oxidation of banded iron-formations in greenstone belts; and 5) thermogenic alteration of organic-rich rocks within the Yerrida Basin.

WORK PROGRAMS

Upon grant of the SPA-AOs and receiving approval to commence on-ground work programs, the first stage is a large scale regional soil gas sampling program utilising hand held gas detectors that are able to detect a range of gases as a proxy for helium, as this gas is only able to be measured by laboratory analysis. The Company anticipates that the initial gas soil sampling program will incrementally cost approximately A$150,000 over the next 12 months. Sample site locations are located along the side of gazetted roads and tracks to minimise disturbance and simplify access issues. It is anticipated that the sampling program over the entire SPA-AO area can be completed in the timeframe required as noted below.

SPA-AO APPLICATIONS AND TIMELINE

The Company being advised and conditionally accepting its position as the preferred applicant of the SPA-AO applications is the first step in a multi stage program to search for helium and associated gases. The step-by-step process is highlighted below:

1. The Company confirms its intention to proceed with the SPA-AO on the basis of the requirements outlined, including undertaking a number of regulatory requirements, namely:
   i. Entering into the expedited procedure process under the *Native Title Act 1993* (Cth) future act provisions;
   ii. Engaging relevant stakeholders (pastoral stations, other tenement holders etc); and
   iii. Assessment and approval of proposed exploration work programs under the Petroleum and *Geothermal Energy Resources Act 1967* (WA)("PGERA") which includes the submission of an Environment Plan which must be approved prior to commencement of any activity.
2. It is expected the time required to complete the above regulatory requirements will be approximately six to twelve months, subject to successful stakeholder engagement. Once complete, the SPA-AO will proceed to be granted to allow a six-month work window, the dates of which can be elected by the Company to assist in optimal sampling conditions.
3. The Company then has a further six months to evaluate the exploration data collected during the field programs and if the results warrant further work, apply for a Petroleum Exploration Permit ("PEP"). The number of blocks within a single PEP permitted to be applied for is limited to 50% of the SPA-AO area and the application process for a PEP through to grant, the timeframe of which is dependent upon consultation periods with relevant stakeholders.

The Company notes that there is no assurance that title interests including the SPA-AOs and the PEPs, licences, concessions, leases, claims, permits or regulatory consents will be granted, or even if granted, not be revoked, significantly altered or granted on terms or with conditions not acceptable to the Company, or not renewed to the detriment of the Company or that the renewals thereof will be successful. Additionally, the Company may not progress to a granted SPA-AO or applying for a PEP, for a number of factors including but not limited to results from exploration activities.

Application Identifier	Type	Size (km^2)	Location
STP-SPA-0116	SPA-AO	9,419	Edmund-Collier Basin
STP-SPA-0117	SPA-AO	9,465	Edmund-Collier Basin
STP-SPA-0118	SPA-AO	9,357	Edmund-Collier Basin
STP-SPA-0119	SPA-AO	9,047	Edmund-Collier Basin
STP-SPA-0120	SPA-AO	8,918	Yerrida Basin
STP-SPA-0121	SPA-AO	9,176	Yerrida Basin

The Petroleum Legislation Amendment Bill 2022 & 2023

The Company notes that the West Australian Government is considering a number of initiatives to support the emerging Hydrogen industry in Western Australia. The world's only known natural hydrogen producing field is the Bourakebougou hydrogen field in Mali, Africa – the Company considers the geological setting of the Edmund-Collier Basin consistent with Bourakebougou.

The *Petroleum Legislation Amendment Bill 2023* aims to enable the exploration and production of naturally occurring hydrogen. The amendments include:

1. Enable existing suite of petroleum titles to explore for and produce naturally occurring hydrogen; and
2. Enable the blending of hydrogen in petroleum pipelines.

The bill was reintroduced into Parliament in November 2023 and recently debated again in February 2024.

The supporting information for the Bill mentions:

"Existing titleholders may then elect to apply to the Minister of Mines and Petroleum for approval for additional rights to explore for and produce naturally occurring hydrogen"

The Company looks forward to the progress of the *Petroleum Legislation Amendment Bill 2023* through the West Australian Parliament and will update any developments in due course.[1]

FORWARD LOOKING STATEMENTS

Statements regarding plans with respect to Constellation's project are forward-looking statements. There can be no assurance that the Company's plans for development of its projects will proceed as currently expected. These forward-looking statements are based on the Company's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of the Company, which could cause actual results to differ materially from such statements. The Company makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of that announcement.

This ASX Announcement has been approved in accordance with the Company's published continuous disclosure policy and authorised for release by the Company's Managing Director, Peter Woodman.

[1] *https://www.dmp.wa.gov.au/Documents/petroleum/Summary-Petroleum_Legislation_Amendment_Bill.pdf*