



CELSIUS

RESOURCES LTD

4 May 2018

Dear Shareholder

Invitation to Participate in Share Purchase Plan

On 3 May 2018, Celsius Resources Limited (ACN 009 162 949) (**Celsius or the Company**) announced its intention to offer shareholders the chance to participate in a share purchase plan to subscribe for additional shares in the Company (**Plan**).

The Board of Directors of the Company (**Directors**) is now pleased to make that offer to eligible shareholders on the terms and conditions enclosed with this letter.

Shareholders Eligible to Participate in the Plan

The right to participate in the offer under the Plan is optional and is available exclusively to shareholders who are registered as holders of fully paid ordinary shares in the capital of Celsius (**Shares**) at 5:00pm (WST) on the Record Date of 2 May 2018 and whose registered address is in Australia or New Zealand (**Eligible Shareholders**).

Share Purchase Plan

The Plan entitles Eligible Shareholders in the Company, irrespective of the size of their shareholding, to purchase up to \$15,000 worth of Shares at an issue price of \$0.185 per Share free of brokerage and commission (**Offer**). The issue price represents a discount of 18% to the volume weighted average market price of the Company's shares on ASX during the 5 trading days immediately prior to the announcement date of the Offer (being \$0.225).

Details of the Offer are set out in this letter and the enclosed Terms and Conditions together with an SPP Application Form.

Current Activities

Details of the Company's current activities are set out in the announcements made by Celsius to the ASX and are available from the ASX or Celsius' website at www.celsiusresources.com.au.

Net proceeds from the Offer will be used to fund the progression of the Opuwo Cobalt Project (**Project**), including:

- Completion of the Project Scoping Study (already well advanced, due June 2018);
- Completion of a Pre-Feasibility Study;
- Resource infill and extension drilling program;
- Exploration of additional targets identified across the broader Project area, including newly acquired licences;



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- Commencement of a Bankable Feasibility Study (assuming positive Scoping Study/Pre-Feasibility Study outcomes); and
- Working capital

How much can you invest?

Under the Plan, Eligible Shareholders may only acquire a maximum of up to \$15,000 worth of Shares under the Plan.

Subscription and Application Procedure

If you would like to participate in the Offer, please follow the application instructions on the enclosed SPP Application Form. Please note that the **Closing Date of the Offer is 5:00pm (WST) on Friday, 18 May 2018**. No late applications will be accepted.

Eligible Shareholders may participate by selecting one of the following Offers to purchase Shares under the Plan:

	Amount	Number of Shares
Offer A	\$15,000	81,081
Offer B	\$10,000	54,054
Offer C	\$5,000	27,027
Offer D	\$3,000	16,216
Offer E	\$1,500	8,108

Once an application has been made it cannot be revoked. All valid applications shall be deemed accepted if received before the Closing Date of 5:00pm (WST) on Friday, 18 May 2018.

The maximum investment any shareholder may apply for will remain \$15,000 even if a shareholder receives more than one Offer (whether in respect of a joint holding or because the shareholder has more than one holding under a separate account).

Calculation of the Purchase Price and Acceptance of Risk Factors

The purchase price of Shares under the Offer is \$0.185, which represents a discount of 18% to the volume weighted average market price of the Company's shares on ASX during the 5 trading days immediately prior to the announcement date of the Offer, being \$0.225.

On the trading day immediately prior to the announcement date of the Offer, the closing price of the Shares traded on ASX was \$0.20. The market price of the Shares in the Company may rise and fall between the date of the Offer and the date that any Shares are allotted to you as a result of your acceptance of this Offer.



By accepting the Offer and applying for Shares under the Plan, each Eligible Shareholder will be acknowledging that although the purchase price is at a discount to the market price, Shares are a speculative investment and the price of Shares on ASX may change between the date of the Company announcing its intention to make the Offer and the date of issue of Shares under the Offer and that the price and/or value of the Shares received under the Plan may rise or fall accordingly.

The Board recommends that you obtain your own financial advice in relation to the Offer and consider price movements of Shares in the Company prior to accepting this Offer.

Additional Information

The Offer cannot be transferred and the Directors reserve the right to reject any application over \$15,000. Shares allotted under the Plan will be issued as soon as practicable after the Closing Date of the Offer. Application for quotation on ASX of the new Shares will be made immediately following the issue of those Shares.

The Company is seeking to raise \$3 million under the Plan which would result in the issue of 16,216,216 Shares at the issue price of \$0.185.

The amount intended to be raised under the Plan is at the Company's discretion. In the event of an oversubscription, the Company reserves the right to accept the oversubscriptions and scale back applications. When determining the amount (if any) to scale back an application, Celsius may take into account a number of factors, including the size of an applicant's shareholding in Celsius, the extent to which an application has sold or bought additional Shares after the Record Date and the date on which the application was made.

If the Company rejects or scales-back an application or purported application, the Company will promptly return to the shareholder the relevant application monies, without interest.

Shortfall

In the event that less than 16,216,216 Shares are applied for pursuant to the Plan, the shortfall may be placed at the discretion of the Directors using the Company's available capacity under Listing Rule 7.1.

Indicative Timetable

Record Date (5:00pm WST)	2 May 2018
Announcement of Plan	3 May 2018
Opening Date of Offer	7 May 2018
Closing Date of Offer*	18 May 2018
Issue of Shares under the Plan*	1 June 2018
Dispatch date for holding statements*	1 June 2018
Quotation of Shares on ASX*	4 June 2018



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*These dates are indicative only. The Company may vary the dates and times of the Offer without notice. Accordingly, shareholders are encouraged to submit their SPP Application Forms as early as possible.

Should you wish to discuss any information contained in this letter further, do not hesitate to contact the Company Secretary on +61 8 6188 8181.

Yours faithfully

Melanie Ross
Company Secretary
Celsius Resources Limited

Celsius Resources Limited
ACN 009 162 949
Share Purchase Plan - Terms and Conditions

Purpose

The purpose of the Share Purchase Plan (**the Plan**) is to offer shareholders of Celsius Resources Limited (ACN 009 162 949) (**Company**) the opportunity to acquire additional fully paid ordinary shares in the Company (**Shares**) up to a maximum of \$15,000 (when combined with any Shares issued under any share purchase plan in the 12 months preceding the date of the Plan) at an issue price of \$0.185 per Share (which represents a discount of 18% to the volume weighted average market price of Shares on the financial market operated by ASX Limited (**ASX**) during the 5 trading days immediately prior to the date the Plan was announced) (**Offer**) without the need to pay brokerage costs and without the need for Company to issue a Prospectus, upon such terms and conditions as the board of directors of Company (**Directors**), in its absolute discretion, sees fit.

Shareholders eligible to participate

Holders of Shares that are registered with an Australian or New Zealand address at the relevant record date may participate in the Plan. Due to foreign securities laws, it is not practical for shareholders resident in other countries to be offered the opportunity to participate in the Plan.

Participation in the Plan is optional and is subject to these terms and conditions. Offers made under the Plan are non-renounceable (i.e. eligible shareholders may not transfer their rights to any Shares offered under the Plan).

An offer may, at the discretion of the Directors, be made under the Plan once a year. The maximum amount, which any shareholder may subscribe for in any consecutive 12 month period, is A\$15,000. The Directors may also determine in their discretion the minimum amount for participation, the multiple of Shares to be offered under the Plan and the period the Offer is available to eligible shareholders.

Custodians, trustees and nominees

If you are an eligible shareholder and hold Shares as a custodian (as defined in ASIC Class Order CO 09/425 (refer below) (**Custodian**) or in any more specific ASIC relief granted to the Company in relation to the Plan), you may apply for up to the maximum of new Shares for each beneficiary for whom you act as custodian provided you annexe to your SPP Application Form a certificate to the Company (**Custodian Certificate**) with the following information:

- that you held Shares on behalf of one or more other persons (each a **Participating Beneficiary**) at 5:00pm (WST) on 2 May 2018 who have subsequently instructed you to apply for Shares under the Plan on their behalf;
- the number of Participating Beneficiaries and their names and addresses;
- the number of Shares that you hold on behalf of each Participating Beneficiary;
- the dollar amount of Shares that each Participating Beneficiary has instructed you, either directly or indirectly through another custodian, to apply for on their behalf;
- that the application price for Shares applied under the Offer for each Participating Beneficiary for whom you act plus the application price for any other Shares issued to you as custodian for that Participating Beneficiary under any arrangement similar to the Plan in the prior 12 months does not exceed \$15,000;
- that a copy of the written offer document was given to each Participating Beneficiary; and
- where you hold Shares on behalf of a beneficiary indirectly, through one or more interposed custodians, the name and address of each interposed custodian.

For the purposes of ASIC Class Order CO 09/425 you are a 'custodian' if you are a registered holder that:

- holds an Australian financial services licence that allows you to perform custodian or depository services or operate IDPS accounts;
- is exempt from holding an Australian financial services licence for the provision of custodial or depository services by virtue of paragraphs 7.1.06(k) or 7.6.01(1)(na) of the *Corporations Regulations 2001*, ASIC Class Orders [CO 14/1000] or [CO 14/1001], Schedule 2 to the *ASIC Corporations (Repeal and Transitional) Instrument 2016/396*, an instrument, non being a legislative instrument, made by ASIC and which applies to the person on terms similar to Schedule 2 of the *ASIC Corporations (Repeal and Transitional) Instrument 2016/396* or any of the ASIC Class Orders repealed by that legislative instrument, or paragraph 911A(2)(b) of the *Corporations Act 2001*;
- is a trustee of a self managed superannuation fund;
- is a trustee of superannuation master trusts;
- is a responsible entity of IDPS like schemes;
- is noted on the Company's register of members as holding the Shares on account of another person.

If you hold Shares as a trustee or nominee for another person or persons but are not a Custodian as defined above, you cannot participate for beneficiaries in the manner describes above. In this case, the rules for multiple single holdings (above) apply.

Custodians should request a Custodian Certificate when making an application on behalf of Participating Beneficiaries. To request a Custodian Certificate and if you would like further information on how to apply, you should contact Automic Registry Services at any time from 9:00am to 5:00pm (WST) Monday to Friday during the Offer period.

The Company reserves the right to reject any application for Shares to the extent it considers that the application (whether alone or in conjunction with other applications) does not comply with these requirements. The Company reserves the right to reject applications in accordance with these Terms and Conditions.

Price of Shares

The issue price of Shares to be issued under the Plan will be \$0.185, which represents a discount of 18% to the volume weighted average market price of Shares quoted on ASX during the period 5 trading days immediately prior to the date the Plan was announced.

Applications and Notices

At the discretion of the Directors, the Company will send eligible shareholders a letter of offer and acceptance procedures, inviting them to subscribe for Shares under the Plan, and accompanied by the terms and conditions of the Plan and an application form. Applications will not be accepted after the closing date of an offer. Over subscriptions to an offer may be refunded without interest.

Notices and statements made by the Company to participants may be given in any manner prescribed by its Constitution.

Placement of Shortfall

Any shortfall from the Offer may be placed at the discretion of the Directors.

Issue of Shares

Shares to be issued under the Plan will be issued as soon as reasonably practicable after the closing date specified by the Directors in the relevant offer.

Shares issued under the Plan will rank equally in all respects with all other fully paid ordinary shares in the Company from the date of issue.

Shareholding statements or CHESS notification will be issued in respect of all Shares issued under the Plan. The Company will, promptly after the issue of Shares under the Plan, make application for those Shares to be listed for quotation on the official list of ASX.

Modification and Termination of the Plan

The Company may modify or terminate the Plan at any time. The Company will notify ASX of any modification to, or termination of, the Plan. The omission to give notice of any modification to, or termination of, the Plan or the failure of ASX to receive such notice will not invalidate the modification or termination.

Without limiting the above, the Company may issue to any person fewer Shares than the person applied for under the Plan if the issue of the Shares applied for would contravene any applicable law or the Listing Rules of ASX.

Dispute Resolution

The Company may, in any manner it thinks fit, settle any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant, application or Shares. The decision of the Company in this respect will be conclusive and binding on all shareholders and other persons to whom that determination relates.

The Company reserves the right to waive strict compliance with any provision of these terms and conditions. The powers of the Company under these conditions may be exercised by the Directors or any delegate of the Directors.

Questions and Contact Details

If you have any questions regarding the Plan or how to deal with this Offer, please contact your stockbroker or professional adviser or Melanie Ross, Company Secretary on +61 8 6188 8181.