

Mount Read Cobalt-Copper Project Drilling Update

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ASX Announcement

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HIGHLIGHTS

- Disseminated sulphides observed over 193m downhole from surface in Second Drill hole (TCDD002) at Thomas Creek Copper-Cobalt Prospect.
- Drill core from the first hole has arrived in Perth; core will now be cut and sampled before being submitted for assaying.
- Third Drill hole TCDD003 commenced at Thomas Creek

Accelerate Resources Limited (“Accelerate” or “the Company”) is pleased to announce that the Company has completed its second diamond drill hole at the Thomas Creek cobalt-copper-gold prospect, TCDD002.

TCDD002 is the second of three initial holes targeting a large chargeable IP anomaly located along the eastern margin of an ovoid magnetic body, below a surface copper-cobalt anomaly.

Disseminated and minor stringers of pyrite (trace to 5%) occur within the andesites throughout hole TCDD002, to a depth of 193m, with minor intervals of trace to 0.5% disseminated and minor veinlet chalcopryrite observed between 26.80m and 79.25m.

A number of mineralised zones were encountered with narrow pyrite dominated semi-massive sulphide veins, including;

- 96.60m to 103.90m strongly altered (silica-chlorite-biotite) andesite with 5-10% disseminated and clotty pyrite associated with a 25cm (100.50m to 100.75m) massive pyrite and tourmaline vein.
- 147.30m to 159.80m moderately strong silica-biotite altered andesite with 1-5% disseminated and veinlet pyrite throughout. The interval includes a 20cm (149.35m to 149.55m) massive sulphide vein comprising 80% pyrite and 1-2% visible chalcopryrite.

Drilling of TCDD003 has commenced. The hole is targeting the deeper, central part of the IP chargeability anomaly and is located approximately 100m northwest of TCDD001.

Core preparation and analytical test work will be carried out at registered analytical laboratory in Perth to ensure the QAQC of the results. Drill core from the first hole has arrived in Perth and is now being cut and sampled before assaying.

Table 1: Thomas Creek Drill Collar Details

Hole ID	East MGA94 Zone 55	North MGA94 Zone 55	AHD m	Azimuth	Dip	HQ m	NQ m	EOH
TCDD001	369894	5285793	219	090	-60	60.9	212.0	272.9
TCDD002	369740	5286051	214	045	-60	71.8	129.1	200.9

Tasmanian Project Overview

The Company’s Mount Read Cobalt project is located on the Sorrell Peninsular in western Tasmania (Figure 1). The project encompasses a belt of Cambrian volcano sedimentary rocks correlated with the Mount Read Volcanics (“MRV”) of western Tasmania. The MRV are host to all Western Tasmania’s significant base and precious metal mines and mineral occurrences, several of which have been significant producers of base metals for over 100 years.

The combination of volcanic and intrusive rock stratigraphic association, geochemical signature, alteration assemblages, sulphide assemblages, and geophysical expression has been used by previous explorers to draw analogies between Thomas Creek and the Mount Lyell Cu-Au deposit of western Tasmania.

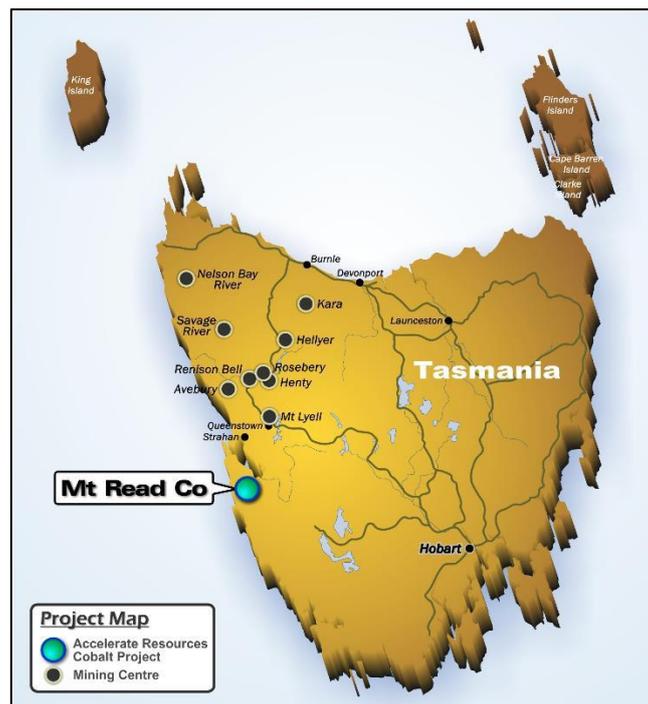


Figure 1: Accelerate Resources Mount Read Cobalt project location

The two main prospects comprising the Company’s Mount Read Cobalt project that are expected to be the focus of exploration activity in the first two years of operation are:

- The Thomas Creek Co-Cu-Au prospect; and
- The Henrietta Co-Ni-Cu project.

Previous exploration at Thomas Creek defined a Cu-Co-Au soil geochemical anomaly associated with an aeromagnetic and ground induced polarisation (IP) geophysical anomaly. Shallow diamond drilling completed by Plutonic Operations Ltd in the early 1990's confirmed anomalous Cu-Co-Au but did not test the IP chargeability anomaly.

A recent infill IP survey successfully completed by the Company (see ASX announcement 6th April 2018). The 3D IP modelling has defined a large chargeable anomaly located along the eastern margin of an ovoid aeromagnetic body, below a surface copper-cobalt anomaly, see figure 2.

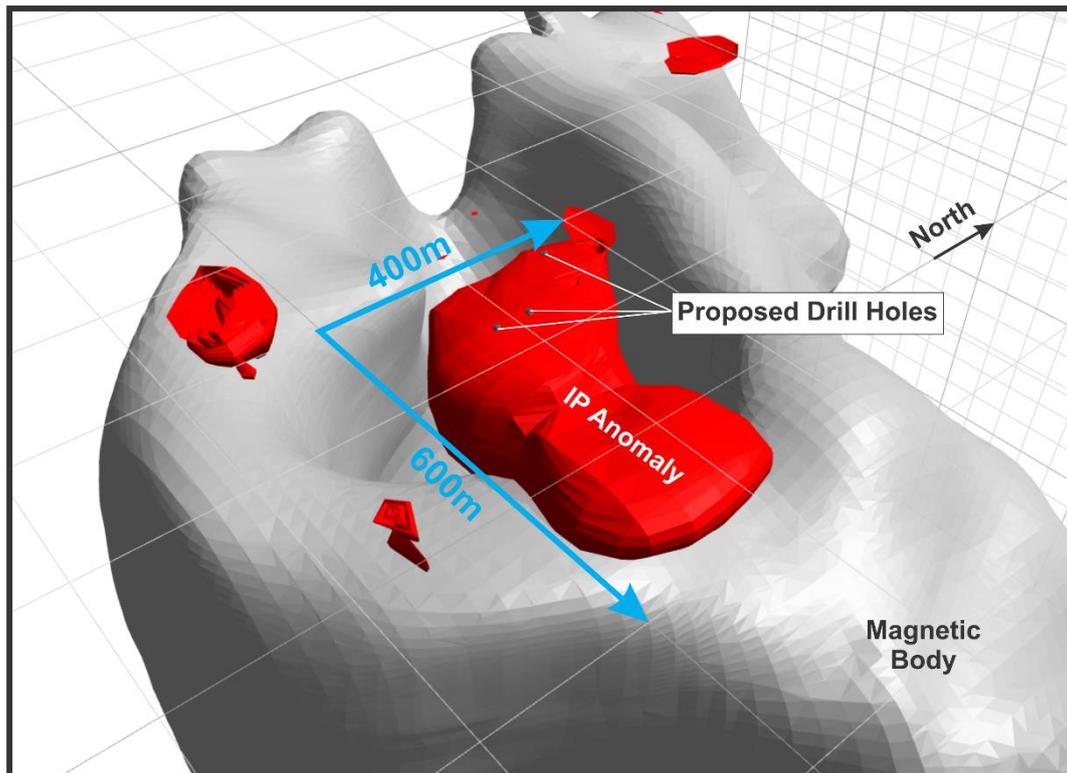


Figure 2: 3D Chargeable IP Anomalies with Drill Targets

The chargeable anomaly has dimensions of approximately 400m at its widest and up to 600 metres in length. The depth to the top of the IP anomaly is approximately 100m below the surface. Three other separate satellite chargeable zones located on the limits of the current survey were also identified during the current survey. These satellite target areas will be investigated by future follow up IP surveys.

Summary

The diamond drilling program at Thomas Creek has been designed to test the IP Chargeability anomaly, which was not intersected or tested by previous explorers.

The core from TCDD002 has been dispatched to a registered analytical laboratory in Perth for cutting and sampling for gold and multi-element analysis.

—ENDS—

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Competent Person Statement:

Information in this release that relates to Exploration Results is based on information compiled by Mr Andrew Rust, who is the Exploration Manager for Accelerate Resources Limited and who is a Member of the Australian Institute of Mining and Metallurgy (AusIMM). Mr Rust has sufficient experience which 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'. Mr Rust consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, costs, dividends, production levels or rates, prices, resources, reserves or potential growth of Accelerate Resources Limited, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factors.

JORC Table 1

JORC Code, 2012 Edition - TABLE 1 (Section 1: Sampling Techniques and Data)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse Au that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> HQ and NQ diamond core drilling undertaken using an LF70 helicopter portable diamond drill rig. Recovered core generally in 1.5m runs, placed into plastic core trays. No sampling for analysis has been completed at this stage. The core is being marked up and prepared for cutting and sampling. Samples will be submitted to a registered laboratory for gold and multi-element analysis. Core is logged and recovery noted. Core orientation by a combination of spear and Orishot core orientation tool. Sulphide mineralisation as mentioned in the report is based on visual appraisal and estimation of the core and recorded in the drill log by the site geologist.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> HQ and NQ diamond core drilling from surface, undertaken using an LF70 helicopter portable diamond drill rig. TCDD001, HQ core from surface to 60.90m. NQ core from 60.90 to 272.90m EOH. TCDD002, HQ core from surface to 71.80m. NQ core from 71.80 to 200.90m EOH. Core is oriented by a combination of spear and Orishot core orientation tool.
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> Core recovery is calculated each run by the driller and verified by the onsite geologist during logging. Moderate core loss was recorded in the first 7m of hole TCDD001, with 64% recovery, due mostly to oxidised and friable ground. Recovery for the remainder of the hole averages 97%. Moderate core loss was recorded in the first 3m of hole TCDD002, with 57% recovery, due mostly to oxidised and friable ground. Recovery for the remainder of the hole averages 98% Sample recovery is checked by the site geologist. drilling using a 1.5m triple tube barrel assists in the sample recovery. No sample bias has been established as the core has not yet been sampled or submitted for analysis

Criteria	JORC Code explanation	Commentary
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> The diamond core has been geologically logged to a level of detail to be appropriate for mineral resources estimation. The logging records, lithology, mineralogy, alteration, sulphide mineralisation, weathering, colour and other appropriate features. All logging is quantitative. All core trays photographed. The entirety of holes TCDD001 and TCDD002 have been geologically logged to 272.90m EOH and 200.90m EOH respectively.
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> Not applicable. Core still remains to be cut and sampled.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> Not applicable. Core still remains to be cut and sampled.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. 	<ul style="list-style-type: none"> Not applicable. Core still remains to be cut and sampled.

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> • Discuss any adjustment to assay data. 	
Location of data points	<ul style="list-style-type: none"> • Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. • Specification of the grid system used. • Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> • Drill hole collars were located by GPS. Expected accuracy is +/- 5m for northing and easting. • The GDA94 Zone 55 datum is used as the coordinate system. • Topographic Control is from DTM and GPS. Accuracy +/- 5m
Data spacing and distribution	<ul style="list-style-type: none"> • Data spacing for reporting of Exploration Results. • Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. • Whether sample compositing has been applied. 	<ul style="list-style-type: none"> • TCDD001 and TCDD002 are located ~300m apart. Collar coordinates and hole dip, azimuth and depth are listed in Table 1 in the body of the report. • Not applicable as only two hole completed to date and the core is yet to be sampled. • No sample compositing has been applied. Not applicable as the core is yet to be sampled
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> • Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. • If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material. 	<ul style="list-style-type: none"> • Unknown at this stage as the core has not yet been sampled and structural orientation data is still being collected and remains to be analysed • Not applicable as the core still remains to be cut and sampled.
Sample security	<ul style="list-style-type: none"> • The measures taken to ensure sample security. 	<ul style="list-style-type: none"> • Chain of custody is managed by AX8 Resources. Drill core is stored on site, before being transported to a registered laboratory in Perth for cutting and sampling.
Audits or reviews	<ul style="list-style-type: none"> • The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> • No independent audits or reviews have been undertaken

Section 2 Reporting of Exploration Results (Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area. 	<ul style="list-style-type: none"> Exploration Licence EL7/2013 is held by Sherlock Minerals Pty Ltd, and Exploration Licence EL6/2013 is held by Thylacine Resources Pty Ltd, a 100% owned subsidiary of Sherlock Minerals. The tenements are subject to a Sale Agreement, whereby Accelerate Resources will acquire 100% ownership of the tenements. All sale conditions have been met and the Company is awaiting formal approval of the tenement transfer from the Minister. The tenements occur in the Southwest Conservation Area and is part of the Cape Sorell, Strategic Prospectivity Zone, which is protected by the Mining (strategic Prospectivity Zones) Act 1993 – An Act to ensure continuing access for mining purposes to areas of the State having high potential for mineral exploration. There is no Native Title claim over the tenement area.
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> Previous historical exploration work by other Companies includes surface geochemistry, broad scale Pole-dipole IP, Gradient Array IP, 200m spaced VTEM and limited shallow drilling (8 holes). Modelling of the historical drilling indicates the IP targets have not been drill tested. For detailed description of historical work please refer to the Company's Prospectus (ASX release 12/02/2018).
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> Refer to section "Tasmanian Projects Overview" in the body of the announcement
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the 	<ul style="list-style-type: none"> Refer to Table 1. in body of the report above, which details, Hole Number, coordinates, dip & azimuth, Hole depth, and NQ and HQ intervals.

Criteria	JORC Code explanation	Commentary
	<i>report, the Competent Person should clearly explain why this is the case.</i>	
Data aggregation methods	<ul style="list-style-type: none"> <i>In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</i> <i>Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</i> <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> Not applicable as the core still remains to be cut and sampled and no analytical results are reported
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> <i>These relationships are particularly important in the reporting of Exploration Results.</i> <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> <i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</i> 	<ul style="list-style-type: none"> Not applicable as the core still remains to be cut and sampled and no analytical results are reported
Diagrams	<ul style="list-style-type: none"> <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i> 	<ul style="list-style-type: none"> Not applicable as the core still remains to be cut and sampled and no analytical results are reported
Balanced reporting	<ul style="list-style-type: none"> <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i> 	<ul style="list-style-type: none"> Not applicable as the core still remains to be cut and sampled and no analytical results are reported
Other substantive exploration data	<ul style="list-style-type: none"> <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i> 	<ul style="list-style-type: none"> All relevant exploration data is discussed in the text. Please refer to the Company's Prospectus (ASX release 12/02/2018) for additional background information on previous exploration activities at Thomas Creek
Further work	<ul style="list-style-type: none"> <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> Planned future exploration involves further diamond drill testing of the IP target at Thomas Creek as described in the body of the text.