CELSIUS RESOURCES LTD

ASX RELEASE | 16 October 2018

OPUWO COBALT WEST ZONE CONTINUES TO DEVELOP

HIGHLIGHTS

- **Highlights from latest resource expansion drilling in the West Zone are:**
  - **13 m @ 0.14% Co, 0.67% Cu and 0.75% Zn, including**
    2 m @ 0.29% Co, 1.36% Cu and 1.26% Zn
  - **13 m @ 0.13% Co, 0.50% Cu and 0.83% Zn, including**
    3 m @ 0.27% Co, 1.14% Cu and 1.62% Zn
  - **14 m @ 0.11% Co, 0.73% Cu and 0.68% Zn, including**
    2 m @ 0.25% Co, 1.70% Cu and 1.26% Zn
  - **7 m @ 0.18% Co, 0.56% Cu and 0.86% Zn, including**
    3 m @ 0.28% Co, 0.56% Cu and 1.23% Zn
  - **9 m @ 0.12% Co, 0.31% Cu and 0.65% Zn**
- **All results outside existing JORC Mineral Resource.**
- **Data to be included in Mineral Resource update in Q4, 2018.**
- **Scoping Study remains on schedule for reporting before the end of October, 2018.**

Celsius Resources Limited ("Celsius" or "the Company") is pleased to provide an update on ongoing exploration activities at its 95% owned Opuwo Cobalt Project ("Project") in Namibia.

Further assays from the West Zone, located outside the existing JORC compliant Mineral Resource, continue to report strong results, pointing to the significant potential to expand the existing Mineral Resource at the Project (Figure 1).

An updated Mineral Resource, incorporating these results, is planned to be reported in Q4, 2018, once final assays from the current drilling have been received. Resource modelling and estimation will be undertaken by the Company's external consultants, DMT Kai Batla.

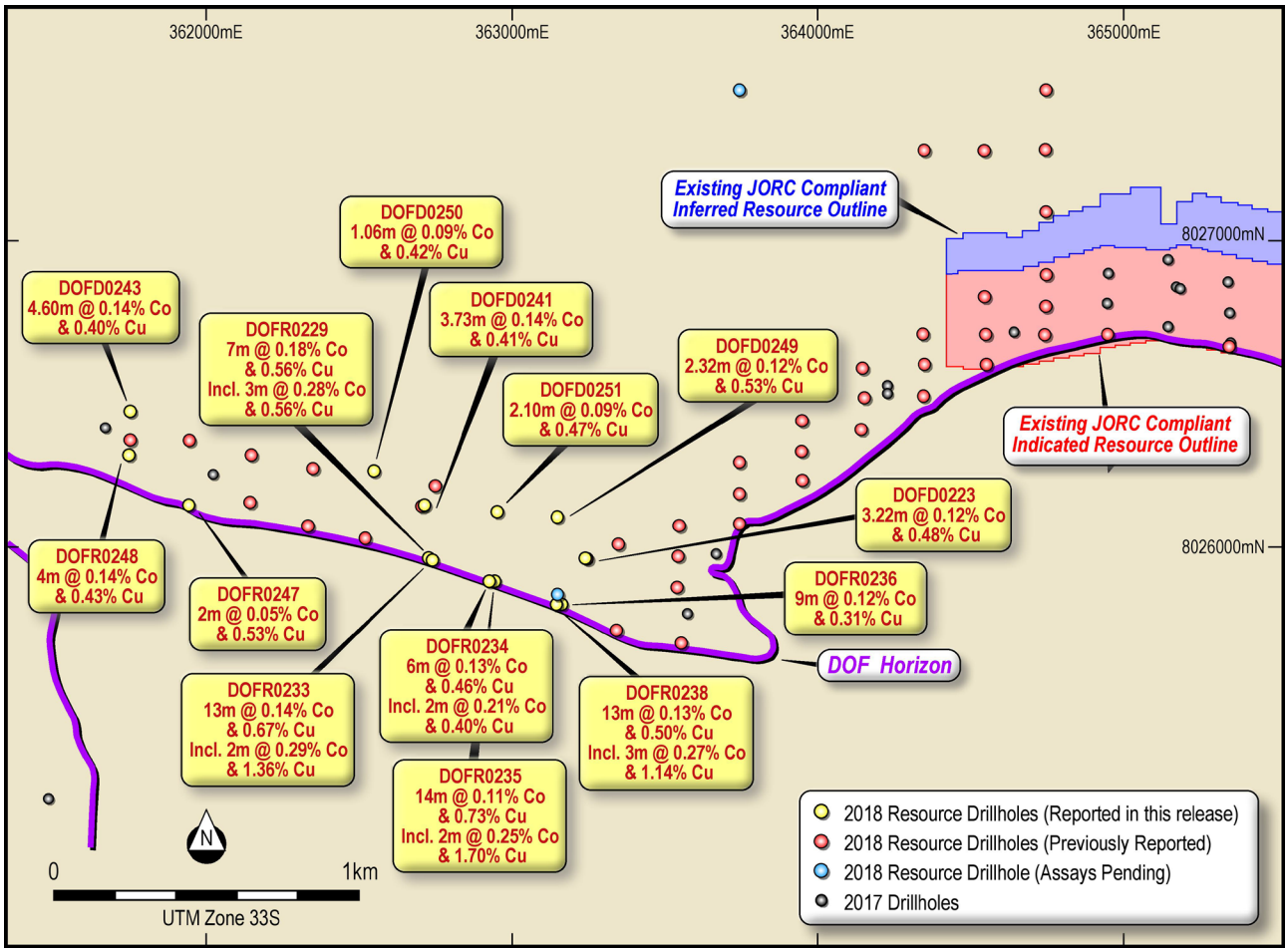
Celsius Managing Director, Brendan Borg commented:

"Results from the west zone at Opuwo highlight the continued discovery of significant additional mineralisation outside the large existing Mineral Resource. Our consultants are awaiting final data to allow updating of the resource model, with the release of an updated Mineral Resource scheduled for later in Q4, 2018, which will support future studies at Opuwo."

Level 2, 22 Mount Street,
Perth WA 6000
PO Box 7054, Cloisters Square,
Perth WA 6850

P: +61 8 6188 8181
F: +61 8 6188 8182
info@celsiusresources.com.au
www.celsiusresources.com.au

Figure 1: Latest Drilling Results - Opuwo Cobalt Project



Significant intersections from the latest batches of assays include: (see Appendix 1/Figure 1 for further details)

- **13 m @ 0.14% Co, 0.67% Cu and 0.75% Zn,** from 59 m **including**
  2 m @ 0.29% Co, 1.36% Cu and 1.26% Zn, from 67 m (DOFR0233)
- **13 m @ 0.13% Co, 0.50% Cu and 0.83% Zn,** from 69 m **including**
  3 m @ 0.27% Co, 1.14% Cu and 1.62% Zn, from 70 m (DOFR0238)
- **14 m @ 0.11% Co, 0.73% Cu and 0.68% Zn,** from 73 m **including**
  2 m @ 0.25% Co, 1.70% Cu and 1.26% Zn, from 78 m (DOFR0235)
- **7 m @ 0.18% Co, 0.56% Cu and 0.86% Zn,** from 33 m**, including**
  3 m @ 0.28% Co, 0.56% Cu and 1.23% Zn, from 36 m (DOFR0229)
- **9 m @ 0.12% Co, 0.31% Cu and 0.65% Zn,** from 29 m (DOFR0236)
- **6 m @ 0.13% Co, 0.46% Cu and 0.67% Zn,** from 31 m**, including**
  2 m @ 0.21% Co, 0.40% Cu and 0.86% Zn, from 34 m (DOFR0234)
- **4.60 m @ 0.14% Co, 0.40% Cu and 0.67% Zn,** from 197.50 m (DOFD0243)
- **4 m @ 0.14% Co, 0.43% Cu and 0.68% Zn,** from 117 m (DOFR0248)
- **3.73 m @ 0.14% Co, 0.41% Cu and 0.70% Zn,** from 248.52 m (DOFD0241)
- **3.22 m @ 0.12% Co, 0.48% Cu and 0.66% Zn,** from 173.43 m (DOFD0223)
- **2.32 m @ 0.12% Co, 0.53% Cu and 0.50% Zn,** from 260.74 m (DOFD0249)
- **2.10 m @ 0.09% Co, 0.47% Cu and 0.59% Zn,** from 236.67 m (DOFD0251)

- **2 m @ 0.05% Co, 0.53% Cu and 0.47% Zn,** from 49 m (DOFR0247)
- **1.06 m @ 0.09% Co, 0.42% Cu and 0.50% Zn,** from 218.43 m (DOFD0250)

Scoping Study

Work programs for input in to the Project Scoping Study are largely complete, with remaining work relating to financial modelling for the Project nearing completion. The Scoping Study remains on schedule for reporting before the end of October, 2018.

About the Opuwo Cobalt Project

Celsius is aiming to define a long life, reliable source of cobalt at Opuwo. The Company considers the Project to have the following advantages:

- Large scale.
- Favourable mineralogy: cobalt and copper sulphide minerals.
- Low in deleterious elements: notably arsenic, cadmium and uranium.
- Mining friendly, politically stable and safe location with excellent infrastructure.
- Cobalt: best exposure to lithium ion battery boom.

The Opuwo Cobalt Project is located in northwestern Namibia, approximately 800 km by road from the capital, Windhoek, and approximately 750 km from the port at Walvis Bay (Figure 2). The Project has excellent infrastructure, with the regional capital of Opuwo approximately 30 km to the south, where services such as accommodation, fuel, supplies, and an airport and hospital are available. Good quality bitumen roads connect Opuwo to Windhoek and Walvis Bay. The Ruacana hydro power station (320 MW), which supplies a majority of Namibia's power, is located nearby, and a 66 kV transmission line passes through the eastern boundary of the Project. The Opuwo Project consists of four Exclusive Prospecting Licences covering approximately 1,470 km^2.

A maiden JORC Compliant Indicated and Inferred Mineral Resource was announced on 16 April, 2018, comprising 112.4 million tonnes, grading 0.11% cobalt, 0.41% copper and 0.43% zinc, at a cut-off grade of 0.06% cobalt. (Please refer to ASX announcement of 16 April, 2018 for more details on the Mineral Resource.)

Figure 2: Location of the Opuwo Cobalt Project, Namibia

Celsius Resources Contact Information

Level 2, 22 Mount Street
Perth WA 6000
PO Box 7054
Cloisters Square Perth WA 6850
P: +61 8 6188 8181
F: +61 8 6188 8182
E: info@celsiusresources.com.au
www.celsiusresources.com.au

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 Managing 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.

Appendix 1: 2018 Drilling Results

Hole ID	Easting (UTM Zone 33S)	Northing (UTM Zone 33S)	Planned Dip (deg)	Planned Azimuth (grid)	Final Depth (m)	Intercept from (m)	Intercept to (m)	Interval (m)	Cobalt (%)	Copper (%)	Zinc (%)
DOFD0161	364749	8026895	-55	175	206.26	191.21	195.64	**4.43**	**0.11**	**0.48**	**0.61**
DOFD0162	364548	8026823	-55	175	194.37	184.00	189.33	**5.33**	**0.14**	**0.49**	**0.50**
DOFD0163	364350	8026498	-55	180	38.12	21.90	27.00	**5.10**	**0.11**	**0.41**	**0.45**
DOFD0164	364552	8026600	-55	180	50.07	38.00	43.00	**5.00**	**0.13**	**0.50**	**0.49**
DOFD0165	364350	8026599	-55	177	90.10	80.00	84.00	**4.00**	**0.11**	**0.37**	**0.51**
DOFD0166	364346	8026698	-55	175	167.36	136.00	140.35	**4.35**	**0.11**	**0.31**	**0.43**
DOFD0167	364551	8026699	-55	177	116.38	103.00	108.00	**5.00**	**0.10**	**0.40**	**0.42**
DOFD0168	364748	8026792	-55	177	143.35	132.00	137.35	**5.35**	**0.11**	**0.54**	**0.57**
DOFD0169	364747	8026694	-55	180	83.5	65.00	71.38	**6.38**	**0.11**	**0.42**	**0.39**
DOFD0170	368899	8026454	-55	180	68.22	55.00	60.00	**5.00**	**0.07**	**0.45**	**0.40**
DOFD0171	368902	8026550	-55	177	170.54	153.25	157.00	**3.75**	**0.10**	**0.48**	**0.61**
DOFD0172	366148	8026502	-54	180	59.06	*Metallurgical Testwork Hole*					
DOFD0173	368903	8026648	-55	175	302.48	237.53	240.34	**2.81**	**0.11**	**0.48**	**0.50**
DOFD0174	365755	8026553	-53	180	44.55	*Metallurgical Testwork Hole*					
DOFD0175	365546	8026652	-54	180	62.06	*Metallurgical Testwork Hole*					
DOFD0176	364949	8026700	-54	180	56.04	*Metallurgical Testwork Hole*					
DOFD0177	368699	8026655	-55	175	245.48	232.00	235.60	**3.60**	**0.10**	**0.51**	**0.58**
DOFD0178	368502	8026650	-55	175	323.36	*No Significant Intersection*					
DOFD0179	368700	8026554	-55	177	149.48	135.00	138.00	**3.00**	**0.11**	**0.41**	**0.55**
DOFD0180	368702	8026450	-55	180	53.24	18.92	21.54	**2.62**	**0.06**	**0.49**	**0.36**
DOFD0181	368504	8026552	-55	177	158.35	*No Significant Intersection above 500ppm cutoff*					
DOFD0182	368151	8026407	-55	175	203.48	186.27	189.83	**3.56**	**0.14**	**0.48**	**0.52**
DOFD0183	368148	8026302	-55	177	122.47	112.00	114.66	**2.66**	**0.11**	**0.32**	**0.49**
DOFD0184	365349	8026659	-55	180	44.24	*Metallurgical Testwork Hole*					
DOFD0185	368151	8026198	-55	180	41.20	18.20	25.00	**6.80**	**0.09**	**0.45**	**0.46**
DOFD0186	368700	8026200	-55	177	38.14	*Hole Abandoned*					
DOFD0186B	368698	8026191	-55	177	83.25	*Hole Abandoned*					
DOFD0187	370500	8026273	-55	180	59.17	27.97	33.25	**5.28**	**0.11**	**0.55**	**0.54**
including						31.10	32.53	**1.43**	**0.20**	**0.55**	**0.62**
DOFD0188	368506	8026356	-55	180	197.25	187.14	190.84	**3.70**	**0.11**	**0.62**	**0.31**
DOFD0189	368497	8026479	-55	177	367.54	*Extension of DOFR020 - No further significant intersection*					
DOFD0190	368346	8026202	-55	180	53.06	40.90	46.80	**5.90**	**0.10**	**0.50**	**0.36**
DOFD0191	368352	8026301	-55	177	137.35	126.00	130.17	**4.17**	**0.09**	**0.40**	**0.57**
DOFD0192	368354	8026396	-55	175	245.34	203.21	206.40	**3.19**	**0.14**	**0.48**	**0.51**
DOFD0193	367542	8026804	-55	170	461.47	431.00	436.25	**5.25**	**0.12**	**0.48**	**0.51**
DOFD0194	368352	8026497	-55	170	335.34	314.67	319.94	**5.27**	**0.14**	**0.48**	**0.67**
including						316.51	319.09	**2.58**	**0.21**	**0.69**	**0.76**
DOFD0195	368348	8026601	-55	170	560.35	*No Significant Intersection*					
DOFD0196	367949	8026452	-55	177	311.00	286.32	290.18	**3.86**	**0.12**	**0.46**	**0.39**
DOFD0197	366188	8026898	-55	180	137.54	118.00	127.03	**9.03**	**0.12**	**0.71**	**0.60**
DOFD0198	366198	8026996	-55	177	206.54	183.64	190.00	**6.36**	**0.12**	**0.59**	**0.67**
DOFD0199	366147	8027097	-55	170	278.37	259.26	265.55	**6.29**	**0.12**	**0.44**	**0.59**
including						262.22	263.69	**1.47**	**0.17**	**0.40**	**1.26**
DOFD0200	364749	8027100	-55	172	347.54	330.32	337.22	**6.90**	**0.13**	**0.65**	**0.39**
DOFD0201	364747	8027302	-55	170	281.35	*No Significant Intersection – requires deepening*					
DOFD0202	364750	8027502	-55	170	359.43	590.85	594.00	**3.15**	**0.12**	**0.34**	**0.50**
DOFD0203	364546	8027298	-55	180	359.36	*No Significant Intersection – requires deepening*					
DOFD0204	364350	8027300	-55	180	554.43	535.71	544.80	**9.09**	**0.12**	**0.51**	**0.66**
including						535.71	538.00	**2.29**	**0.15**	**1.04**	**0.84**
DOFD0205	364149	8026588	-55	180	133.27	119.00	124.00	**5.00**	**0.11**	**0.39**	**0.53**
DOFD0206	363949	8026416	-55	180	128.41	116.00	119.72	**3.72**	**0.14**	**0.38**	**0.56**

DOFR0207	364147	8026387	-55	180	47	37	42	**5**	**0.12**	**0.55**	**0.78**
DOFR0208	364152	8026491	-55	180	102	91	96	**5**	**0.13**	**0.60**	**0.61**
DOFR0209	363951	8026220	-55	180	39	*No Significant Intersection above 500ppm Co*					
DOFD0210	363749	8026280	-55	180	113.42	102.40	106.00	**3.60**	**0.12**	**0.42**	**0.50**
DOFR0211	363950	8026318	-55	180	92	79	87	**8**	**0.18**	**0.51**	**0.64**
including						83	85	**2**	**0.30**	**0.70**	**0.97**
DOFR0212	363748	8026079	-55	180	21	*No Significant Intersection above 500ppm Co*					
DOFR0213	363745	8026177	-55	180	77	67	72	**5**	**0.12**	**0.58**	**0.55**
DOFD0214	363547	8025971	-55	180	182.41	164.00	165.73	**1.73**	**0.10**	**0.15**	**1.04**
and						170.00	176.43	**6.43**	**0.13**	**0.38**	**0.53**
DOFR0215	363549	8026070	-55	180	114	104	108	**4**	**0.12**	**0.34**	**0.56**
DOFR0216	362706	8026134	-55	180	167	158	161	**3**	**0.13**	**0.40**	**0.52**
DOFD0217	363543	8025868	-55	180	143.44	130.15	135.37	**5.22**	**0.14**	**0.45**	**0.64**
DOFR0218	363558	8025687	-55	180	30	19	22	**3**	**0.16**	**0.76**	**0.93**
DOFR0219	363554	8025687	-90	180	57	42	50	**8**	**0.08**	**0.54**	**0.55**
DOFR0220	361753	8026353	-55	180	165	151	158	**7**	**0.12**	**0.41**	**0.62**
DOFR0221	362146	8026149	-55	180	60	44	45	**1**	**0.15**	**0.63**	**0.92**
DOFR0222	362143	8026148	-90	180	81	71	73	**2**	**0.09**	**0.38**	**0.71**
DOFD0223	363251	8025961	-55	182	187.39	173.43	176.65	**3.22**	**0.12**	**0.48**	**0.66**
DOFR0224	362336	8026067	-55	180	30	18	21	**3**	**0.15**	**0.44**	**0.64**
DOFR0225	362335	8026070	-80	180	51	39	44	**5**	**0.09**	**0.47**	**0.71**
DOFD0226	363350	8026011	-55	180	227.39	213.00	216.37	**3.37**	**0.13**	**0.43**	**0.56**
DOFR0227	362519	8026030	-75	180	49	34	40	**6**	**0.16**	**0.62**	**0.90**
including						35	39	**4**	**0.21**	**0.79**	**1.08**
DOFR0228	362520	8026031	-90	180	174	*No significant intersection above 500 ppm (missed DOF)*					
DOFR0229	362727	8025965	-75	180	51	33	40	**7**	**0.18**	**0.56**	**0.86**
including						36	39	**3**	**0.28**	**0.56**	**1.23**
DOFR0230	362729	8025967	-90	180	141	*Results Pending*					
DOFD0231	362750	8026200	-55	180	269.43	259.00	261.63	**2.63**	**0.13**	**0.41**	**0.57**
DOFD0232	363250	8025960	-55	240	218.49	206.63	209.87	**3.24**	**0.12**	**0.55**	**0.66**
DOFR0233	362731	8025969	-85	180	84	59	72	**13**	**0.14**	**0.67**	**0.75**
including						67	69	**2**	**0.29**	**1.36**	**1.26**
DOFR0234	362942	8025890	-55	180	48	31	37	**6**	**0.13**	**0.46**	**0.67**
including						34	36	**2**	**0.21**	**0.40**	**0.86**
DOFR0235	362943	8025893	-90	180	108	73	87	**14**	**0.11**	**0.73**	**0.68**
including						78	80	**2**	**0.25**	**1.70**	**1.26**
DOFR0236	363148	8025816	-75	180	48	29	38	**9**	**0.12**	**0.31**	**0.65**
DOFR0237	363149	8025814	-90	180	150	*Results Pending*					
DOFR0238	363148	8025813	-88	180	99	69	82	**13**	**0.13**	**0.50**	**0.83**
including						70	73	**3**	**0.27**	**1.14**	**1.62**
DOFD0239	362350	8026252	-55	189	197.42	185.77	190.77	**5.00**	**0.15**	**0.48**	**0.70**
DOFR0240	361949	8026350	-55	189	153	145	148	**3**	**0.16**	**0.54**	**0.73**
DOFD0241	362710	8026130	-55	269	257.51	248.52	252.25	**3.73**	**0.14**	**0.41**	**0.70**
DOFR0242	362149	8026303	-55	189	168	160	162	**2**	**0.16**	**0.64**	**0.78**
DOFD0243	361754	8026446	-55	189	209.43	197.50	202.10	**4.60**	**0.14**	**0.40**	**0.67**
DOFR0244	363347	8025730	-75	189	36	25	29	**4**	**0.26**	**0.40**	**1.08**
DOFR0245	363349	8025730	-88	189	60	41	47	**6**	**0.21**	**0.76**	**1.15**
including						45	46	**1**	**0.50**	**0.92**	**1.90**
DOFR0246	361947	8026136	-75	189	42	31	34	**3**	**0.09**	**0.52**	**0.57**
DOFR0247	361946	8026137	-88	189	63	49	51	**2**	**0.05**	**0.53**	**0.47**
DOFR0248	361751	8026302	-55	189	126	117	121	**4**	**0.14**	**0.43**	**0.68**
DOFD0249	363150	8026100	-55	189	269.43	260.74	263.06	**2.32**	**0.12**	**0.53**	**0.50**
DOFR0250	362550	8026250	-55	189	225.79	218.43	219.49	**1.06**	**0.09**	**0.42**	**0.50**
DOFD0251	362949	8026132	-55	180	245.42	236.67	238.77	**2.10**	**0.09**	**0.47**	**0.59**
DOFR0252	372300	8026200	-55	180	157	*Results Pending*					

DOFD0253	363750	8027300	-55	147	TBA	*Drilling in Progress*
DOFD0254	375395	8026164	-55	180	187.52	*Results Pending*
DOFR0255	372700	8026049	-55	180	78	*Results Pending*
DOFR0256	372700	8026145	-55	180	174	*Results Pending*
DOFD0257	372699	8026250	-55	180	293.32	*Results Pending*
DOFR0258	372299	8026300	-55	180	TBA	*Drilling in Progress*
DOFD0259	373100	8026150	-55	180	TBA	*Drilling in Progress*

* Intercepts reported at a cutoff grade of 500 ppm, or 0.05% cobalt. New results in green.

Appendix 2: The following tables are provided to ensure compliance with the JORC Code (2012) requirements for the reporting of Exploration Results for the Opuwo Cobalt Project.

Section 1: Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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 gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Drilling was designed to intersect the DOF horizon based on mapped or interpreted location. • Diamond Core (DC) and Reverse Circulation (RC) drilling using standard equipment. • Sampling was undertaken based on lithology/mineralisation changes for DC. ○ Drill Core was sampled according to lithologies over a length between 9cm and 118cm for the NQ or HQ drill core, as half core samples. • Sampling of RC drilling was conducted on 1 metre intervals.
Drilling techniques	• *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).*	• Reverse Circulation Drilling (RC). • Oriented Diamond Core (DC). • DC drilling was done using a standard tube, at NQ size. • DC from the DOF prospect was oriented using a Reflex EZ-TRAC tool.

Criteria	JORC Code explanation	Commentary
Drill sample recovery	• *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.*	• Recovery generally recorded as good, with poor recovery in a small number of samples due to groundwater. • All drilling was supervised by a suitably qualified geologist, trained to monitor sample representivity, including evenness of samples being collected from the RC rig, and routine cleaning/flushing of the cyclone on the drill rig. • No relationship exists between sample recovery and grade.
Logging	• *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.*	• Drilling logged in detail on a metre by metre basis for RC and on lithology/mineralisation for DC. • Lithology, alteration and oxidation logged qualitatively. • Sulphide and quartz vein content logged quantitatively. • All DC holes are photographed. • A Niton portable XRF analyzer was used to assist in determining mineralised horizons. • All core was logged to denote rock type, color, alteration, mineralisation style, core recoveries, and any measurable structure.
Sub-sampling techniques and sample preparation	• *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.*	• RC drill samples split using a rig mounted cone splitter. • Diamond Core was cut using a core saw. Generally, half core was submitted to the laboratory, except where a duplicate sample was taken, in which case quarter core was submitted for each; • Field duplicates were collected and analysed to confirm representivity of sampling from DC drilling; • Sample size is deemed appropriate for the grain size of the material being sampled, given it is half core.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	• *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.*	• Samples were prepared at Activation Laboratories Limited (ACTLABS) Windhoek laboratory, and assayed at ACTLABS in Ancaster, Canada. A 4 acid digestion sample preparation method and ICP finish were utilised. Gold assays were by fire assay with ICP finish. • No geophysical tools were used to determine any element concentration in these results. • A Niton hand held XRF analyser was used to assist in selection of samples to be sent to the laboratory for formal analysis (No portable XRF data was reported or used in resource estimation). • The drilling program included field duplicates, standards and blanks that were inserted into the drill sequence, in addition to the standard QA/QC samples and procedures used by the laboratory. • Field duplicates, blanks and standards were submitted in approximately a 1:20 ratio. • A second (umpire) laboratory will be utilised to provide additional verification of key mineralised zones prior to updated resource modeling and estimation. • One of the field inserted standards occasionally reported marginally outside acceptable tolerances for cobalt analysis, however, after enquiries with the laboratory regarding the sample digestion methods, and considering analysis by an additional laboratory, the data was deemed to be acceptable. • The field and laboratory duplicates revealed good repeatability. • The field inserted blanks generally confirmed appropriate sample hygiene techniques were employed by the laboratory.
Verification of sampling and assaying	• *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.* • *Discuss any adjustment to assay data.*	• Mineralised zones reported in assays correspond well with the zones as logged in the field, and the tenor of grades is consistent with previous drilling and surface sampling. • Several RC/DC twin holes have been completed, and do not show any systematic bias towards one drilling method or another. Further twin holes will be completed as part of future drilling programs. • An electronic database containing collars, geological logging and assays is maintained by consultants external to the Company. Data is collected in Excel spreadsheets in the field, and then loaded and validated by the Company's external database managers. Validation of assay data against field logging and mineralised zones determined in the field using a portable XRF is undertaken, prior to reporting. • No adjustment to assay data has been made.

Criteria	JORC Code explanation	Commentary
Location of data points	• *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.*	• All sampling located initially by hand held GPS; • UTM grid WGS84 Zone 33 (South); • Holes have been, or will be, surveyed using Differential GPS (DGPS) prior to resource modeling; • Downhole surveys to measure hole deviation were routinely completed at the DOF Prospect. Downhole surveys were not conducted on the DOF North reconnaissance holes.
Data spacing and distribution	• *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.*	• Drill spacing in the initial phase of drilling was approximately every 500 – 1,000 meters along the strike of the DOF horizon (based on mapping/interpretation). • Current closer spaced drilling was completed on a nominal 200 metres x 100 metres grid. • Based on previous resource modelling and estimation, the current drill spacing is expected to be sufficient to establish the degree of geological and grade continuity required to update the existing Mineral Resource.
Orientation of data in relation to geological structure	• *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.*	• Drilling of angled holes aimed to test approximately perpendicular to DOF horizon. A majority of resource definition drillholes were angled at 55 degrees, which, based on visual observations in the drill core, usually intersects the mineralisation approximately perpendicular. • Holes drilled at steeper angles, up to 90 degrees, will overstate the true thickness of the mineralised zone, as do any holes drilled oblique to the mineralisation rather than perpendicular. • Drilling, and geological modeling, has more accurately defined the orientation of the geological features and mineralisation and has not introduced a sampling bias.
Sample security	• *The measures taken to ensure sample security.*	• Drill samples were delivered to the laboratory by senior Celsius Resources or Gecko Namibia staff.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• A review of drilling methods and sampling procedures has been undertaken by the Company's external Resource Geologists. • No significant issues were identified.

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	• *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.*	• The Opuwo Cobalt Project comprises four current Exclusive Prospective Licences; EPLs 4346, 4350, 4351 and 4540. • Celsius has a 95% ownership of the Project. • There are currently no known impediments to developing a project in this area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous work carried out by Kunene Resources included geological mapping, outcrop sampling, soil sampling, high resolution magnetic and radiometric data and hyperspectral data. Two holes were drilled in 2015, which intersected cobalt, copper and zinc mineralisation.

Criteria	JORC Code explanation	Commentary
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Kaoko Orogen (Kaokobelt) consists of metasedimentary rocks of the Damaran Supergroup deposited on the passive margin of a Late Proterozoic continental rift system. The Damaran sediments overlie the Congo Craton with its Archean to Early Proterozoic basement rocks of the Epupa and Huab Complexes. • The key tectonic and sedimentary events in the Kaokobelt are: ○ Rifting at the southern Congo Craton between 900-840 Ma including local rift-related continental intrusives and extrusives (e.g. Oas syenite and Lofdal carbonatites 840-756 Ma) ○ Deposition of a 1 to 4 km thick siliciclastic transgression sequence: Nosib Group including Ombombo Formation in the upper part with increasing carbonate sedimentation (and the DOF horizon), 880-712 Ma ○ Chuos glaciation with deposition of tillites and cold water shales and marlstones 712-692 Ma ○ Deposition of carbonate dominated sediments on the shallow Kunene Platform: Otavi Group ○ Ghaub glaciation at 638-635 Ma (Hoffmann et al., 2004) ○ Deposition of carbonate dominated sediments on the shallow Kunene Platform: Tsumeb Subgroup 635-550 Ma ○ Collision of Kalahari and Congo Craton 550 Ma (Alkmim et al. 2001) ○ Peak metamorphism 530 Ma. • Mineralisation at Opuwo is hosted in the Neoproterozoic sediments of the Kaoko Belt, which is interpreted as a western extension of the Copper Belt in the DRC and Zambia. • The Dolomite Ore Formation (DOF) is a carbon rich, marly dolomitic horizon in a sequence of clastic and carbonate lithologies in the upper Ombombo Subgroup. The carbon rich nature of the ore bearing horizon is interpreted to have facilitated the precipitation of the metals of interest, namely cobalt, copper and zinc. • Cobalt, copper and zinc sulphide mineralisation is present predominantly as linnaeite, chalcopyrite and sphalerite respectively. Minor zones of oxidised and partially oxidised mineralisation occur in the upper portion of the deposit.

Criteria	JORC Code explanation	Commentary

Drill hole Information	• *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:*
	  ○ *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 report, the Competent Person should clearly explain why this is the case.*
		• All information detailed in Appendix 1. Drillholes have been/will be accurately surveyed using DGPS for resource modeling.

Data aggregation methods	• *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.* • *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.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Simple length weighted averages were used for reporting of significant intercepts. Significant intercepts were reported using a cutoff grade of 0.05% (or 500 ppm) cobalt.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *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').*	• Orientation of drilling vs. dip of DOF horizon means that the downhole lengths reported for angled holes (-55 degrees) approximates true width. Holes drilled straight (-90 degrees) are expected to intersect a greater mineralised length than the true thickness. • Oriented drillholes were used in modeling the mineralised zone in 3D space, thereby modeling the true thickness (width) of the zone.
Diagrams	• *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.*	• See relevant diagrams in the body of this announcement.
Balanced reporting	• *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.*	• All drillholes have been reported.
Other substantive exploration data	• *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.*	• Geophysical and geological datasets detailed in previous releases. • Aeromagnetic data is used as a guide to determining the presence and location of the mineralised horizon where it is not outcropping.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Closer spaced drilling will be undertaken at the DOF Prospect, with the aim of progressing the deposit to higher confidence categories of Mineral Resources. Extensional drilling, both laterally and at depth, will be undertaken, with the aim of increasing the size of the Mineral Resource. • Exploration on other parts of the Project will comprise geophysical surveys and surface sampling to define targets for further drilling.