CELSIUS RESOURCES LTD

ASX RELEASE | 30 November 2018

OPUWO REGIONAL TARGET DRILLING COMMENCES

HIGHLIGHTS

- **Drilling to commence at the first five of nine high priority prospects.**
- **Phase 1 of the drill program consists of 13 holes for approximately 3,500 metres across five prospects:**
    1. **Opuwo Lineament: cobalt, copper, zinc**
    2. **Opuwo Corridor West: cobalt, zinc**
    3. **Opuwo Corridor South: copper, zinc**
    4. **Opuwo Corridor Central: vanadium**
    5. **Otjiurunga: lead, silver, vanadium, zinc**
- **Phase 2 of the drill program will be conducted in 2019, across a further four prospects.**

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

Prospects to be drill tested have been developed with the aid of existing geochemical data sets, historical mapping, grab sampling data, the recent SkyTEM survey (electromagnetic and magnetic) and a recently completed high-resolution soil sampling program over the Opuwo Corridor targets.

Drilling will commence imminently at the Opuwo Corridor targets, where significant cobalt and zinc geochemical anomalies, bolstered by the presence of conductors identified from the recent SkyTEM survey, will be tested by a fence of four holes. Further east of these anomalies, also within the Opuwo Corridor area, a substantial large-scale vanadium anomaly will be tested (Figures 1 and 2).

Celsius Managing Director, Brendan Borg commented:

"While work to date at Opuwo has focused on the extensive DOF horizon hosting cobalt, copper and zinc mineralisation, the Company has been looking forward to exploring the considerable potential of associated mineralisation on the remainder of our extensive land holding at the Project. The recent SkyTEM survey and geochemical surveys have now defined these prospects more clearly, and we look forward to testing them with drilling."

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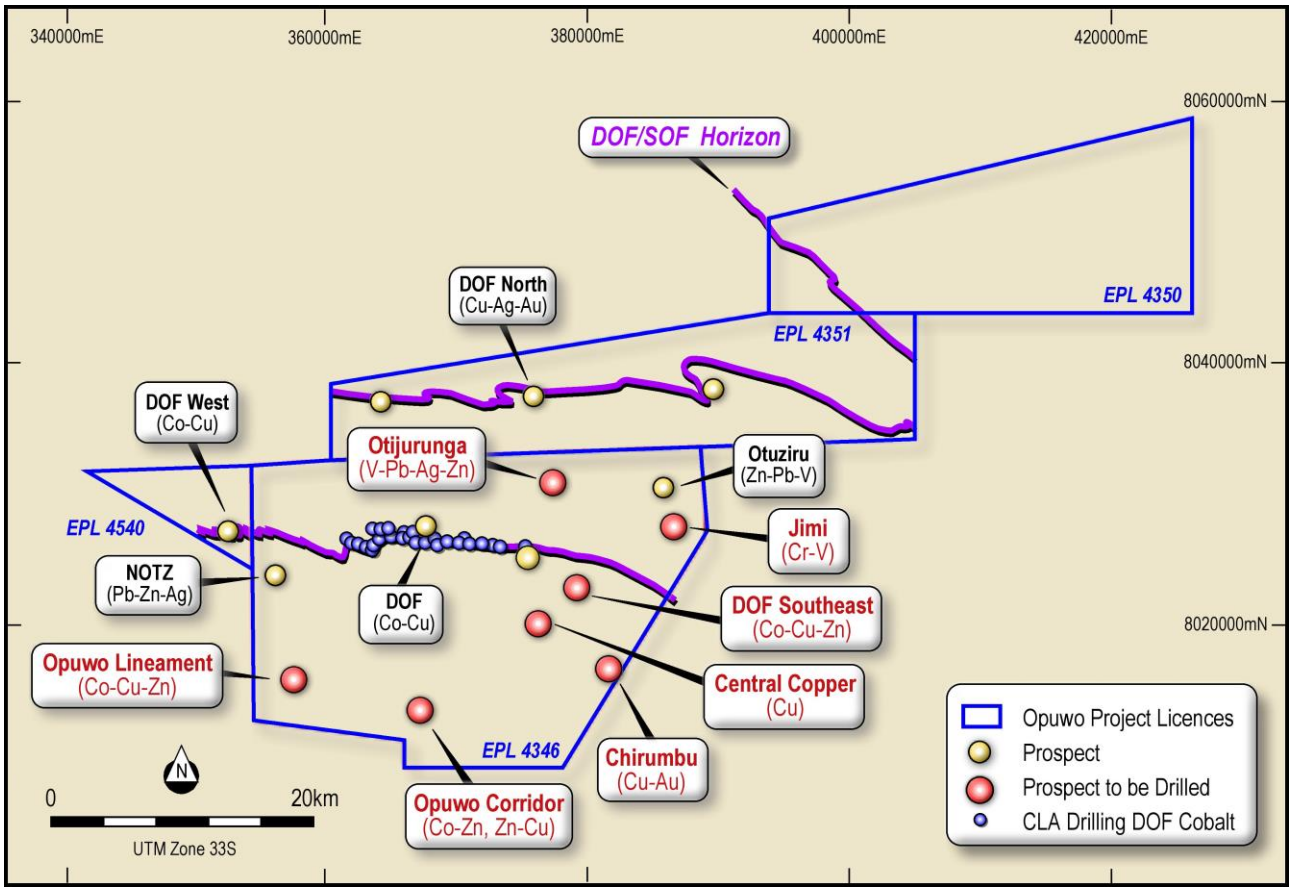
Figure 1: Regional Targets Drilling Program



The Company's larger metallogenetic model - drill targets for the licence area

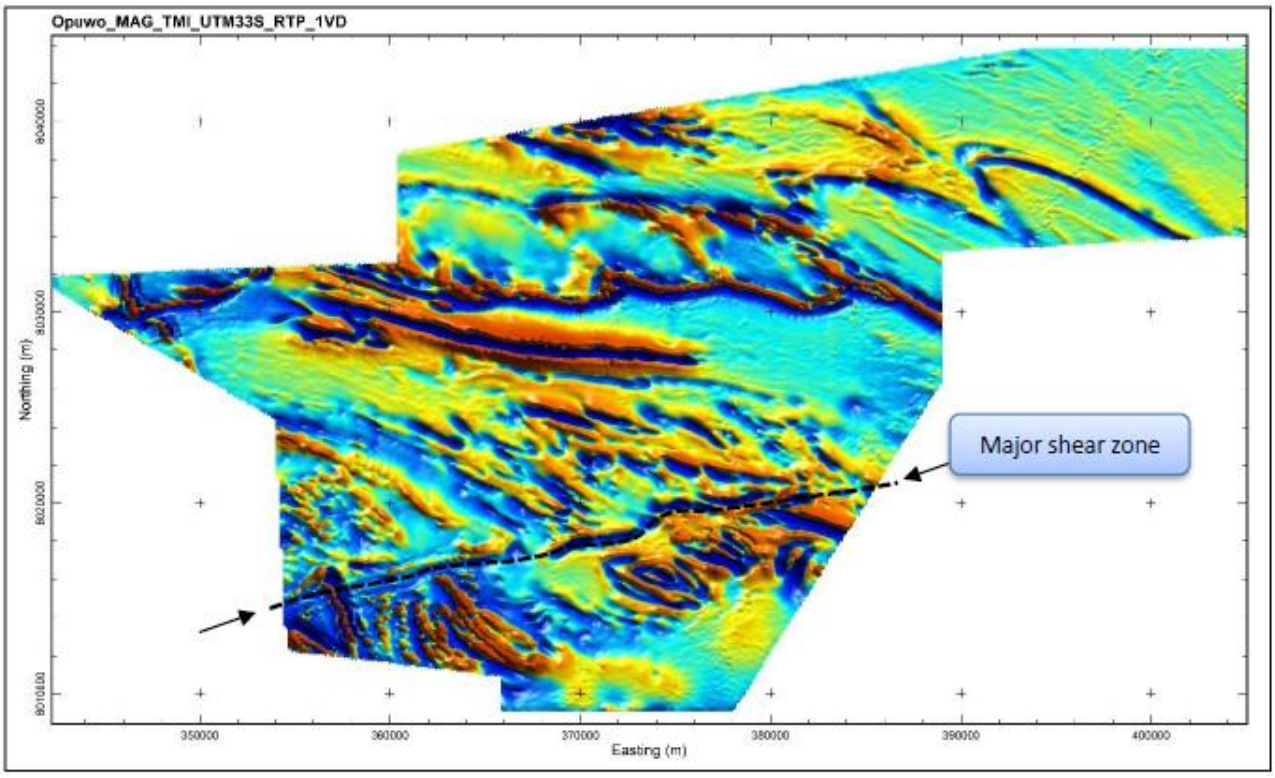
All of Celsius' targets in the Kunene area form part of a regional metallogenetic model with the world-class DOF cobalt-copper deposit and several significant prospects not followed up yet by exploration. The number of sediment-hosted mineralisations and the lateral extent of the mineralised horizons (DOF Cobalt-Copper horizon 43 km, NOTZ Zinc-Lead horizon 25 km) point to a very large hydrothermal system tapping fluids from the basement and kilometre thick sedimentary successions in the basal rocks of the local Neoproterozoic basin, and an effective way of precipitation in the form of SEDEX (McArthur River type and Mn-Fe-Ba-horizons), Copperbelt-style ("first reductant" type) and MVT-type deposits in carbonate rocks in the later carbonate sediments of the basin. Celsius will test 5 of the prospects in a first drilling phase and 4 targets in 2019.

The Damaran orogeny lead to a part remobilisation of the base metals and re-precipitation as orogenic copper systems (chalcopyrite-pyrrhotite-quartz-carbonate) as well as late Zn-Pb-quartz-carbonate veins. While these veins often form small high grade mineralisations they are not regarded as exploration targets but potentially point to mineralised source rocks at depth.

Opuwo Lineament Targets (Co, Cu, Zn)

The Opuwo lineament is interpreted as a major regional fault zone which controlled the morphology of the Neoproterozoic sedimentary basins in the form of half grabens in the Nosib and Ombombo times. Structures related to the Opuwo lineament have likely acted as an important fluid pathway over long time spans during the early extensional tectonic regime, forming a focusing mechanism for fluid flow, and thus mineralisation potential along this feeder zone (Figure 2). The Opuwo Lineament drill targets have been clearly defined by conductors from the recent SkyTEM data and are supported by geochemical anomalism (Co, Cu, Zn) identified in regional soil sampling programs.

Figure 2: Opuwo Lineament (Background Magnetics (first vertical derivative) and "Opuwo Corridor" in the south



Opuwo Corridor Targets (Co, Cu, Zn, V)

The Opuwo Corridor prospects represent stratabound mineralisation associated with the Opuwo Lineament to the north. Three different types of mineralisation are targeted (1) Cobalt-zinc, identified by a 600m long Co and Zn anomalous zone in the west, (2) Vanadium, based on a large-scale anomalous zone in the centre of the target area, and (3) Copper-zinc, delineated from local Cu-Zn anomalies associated with strong EM anomalies in the south.

All drill targets were in detail defined by plate models from the recent SkyTEM data. The association of the potential cobalt with the vanadium mineralisation stratigraphically above could point to a continuation of the DOF

mineralisation south of the Opuwo Lineament as a layer enriched in vanadium is consistently observed above the cobalt-copper-zinc mineralised DOF horizon, indicating significant vanadium potential in the Opuwo area.

Otijurunga Target (V, Pb, Ag, Zn)

The Otijurunga target is prospective for lead-silver-zinc-vanadium mineralisation similar to Otuziru, both of which were identified by historical mapping and grab sampling by Kunene Resources. Three historical rock chip samples from Otjiurunga returned with **Pb 10.8-21.9%, Ag 87-304 ppm, Zn 0.48-2.28% and V 0-0.68%.** The recent SkyTEM survey shows a strong NE-dipping conductor which will be tested with 1 RC hole at the end of drill Phase 1.

Second Phase targets

Based on the same principles as above a total of 4 priority exploration targets have been identified for Phase 2 drilling in 2019 for which access will be created after the rainy season:

- **Jimi: vanadium, chromium**
- **DOF South East: cobalt, copper, zinc**
- **Central Copper: copper, zinc**
- **Chirumbu: copper, gold**

Jimi Target (Cr, V)

The Jimi carbonate hosted prospect is considered prospective for vanadium-chromium mineralisation based on previous rock chip sampling, which yielded results of **3.7-9.2% chromium** and **0.46-1.61% vanadium**.

DOF South East Target (Co, Cu, Zn)

The DOF South East targets have been defined by historical geochemical soil sampling and is supported by data from the recent SkyTEM survey. An initial 2 drillholes aim to test a zone of approximately 6 km to the southeast of the existing DOF Mineral Resource, where the DOF horizon may split into two arms, one continuing to the east as an extension of the known DOF, and this potential extension to the southeast.

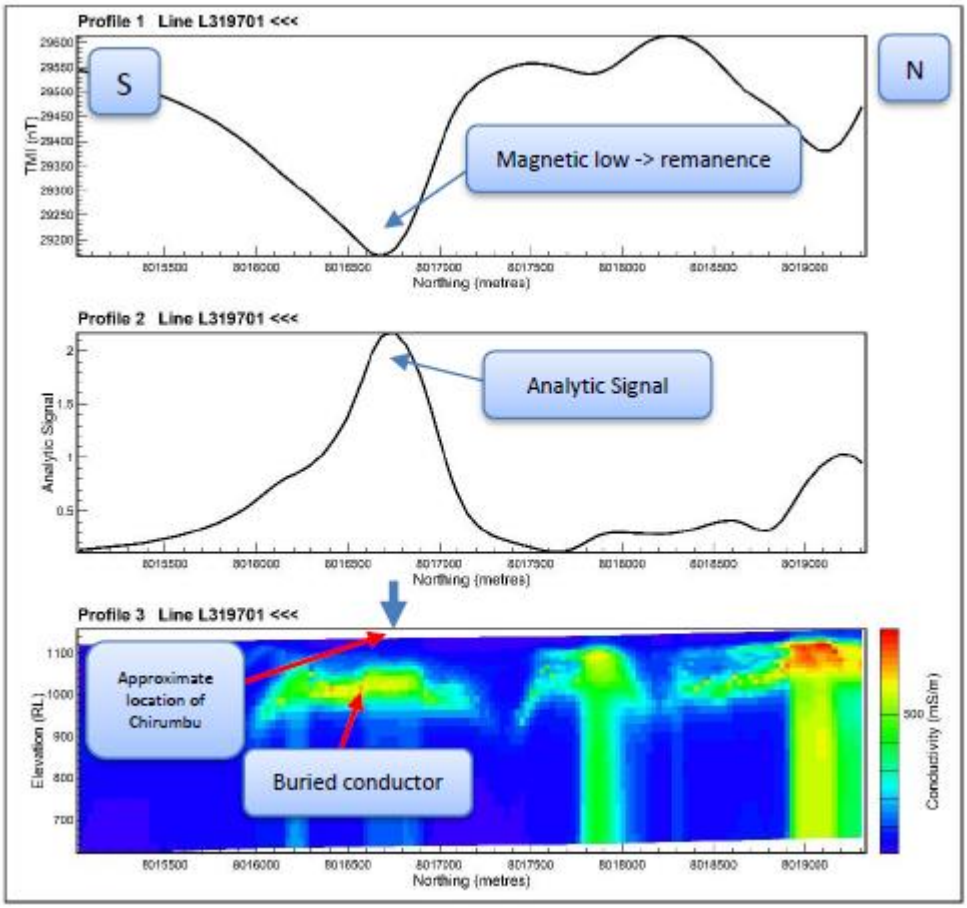
Central Copper Target (Cu, Zn)

The central copper target is supported by copper and zinc anomalism identified in a historical regional soil survey.

Chirumbu Target (Cu, Au)

The Chirumbu copper-gold target represents a structurally controlled mineralisation which was historically identified by outcropping high-grade copper-carbonate veins with several chip samples returning up to **8 ppm gold and 28,5 % copper.** The vein-hosted copper mineralisation has been previously tested with 6 drillholes, which intersected minor copper/gold mineralisation. The recently completed SkyTEM survey has highlighted an EM conductor underneath this prospect which is planned to be tested early 2019.

Figure 3: Chirumbu Copper-Gold Target: Conductor on SkyTEM line 319701



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 4). 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 4: Location of the Opuwo Cobalt Project, Namibia

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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: The following tables are provided to ensure compliance with the JORC Code (2012) requirements for the reporting of Exploration Results for the Opuwo 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.*	• Historical rock chip / grab sampling carried out by various geologists. • Samples chosen for collection and assay at the geologists' discretion. • Current soil sampling on 25 m x 25 m grid and consisted of 1,398 samples. Samples were taken from approximately 20 cm below ground surface. • Initial sample weight was approximately 2 kg, sieved to minus 2 mm. Further sieving was undertaken to -180 micron at the field office in Opuwo, to prepare a sample of approximately 100-200 grams.
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).*	• No drilling reported so not applicable.

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.*	• No drilling reported so not applicable. • Grab samples not representative, used only to verify presence of mineralisation for due diligence and to guide future work programs.
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.*	• Geological notes taken for each sample, used to guide future work programs.
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.*	• Best endeavours made when collecting grab samples to take largest possible sample of item of interest.

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.*	• Historical samples submitted to ACME, Actlabs, ALS, Bureau Veritas and SGS for analysis by ICP-OES or ICP-MS. • No geophysical tools quoted in this report. • Standard lab QA/QC only. • Absence of QA/QC sampling from grab samples not believed to be significant due to the first pass nature of this sampling. • A Niton hand held XRF analyser was used to analyse soil samples referred to in this release. Based on the known precision of measurements taken with such instruments, especially for Co, the quantitative data from the samples is not appropriate to publish and therefore not included in this release. Results were assessed on a qualitative basis and anomalism defined relative to the background contents of the elements of interest as measured by the Niton. The accuracy of the Niton was checked twice each day using standards with known laboratory assays, and data was deemed to be fit for the purposes of the activity undertaken. • A small number of the soil samples have been submitted for laboratory analysis by ICP-MS/OES and gold by fire assay.
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.*	• Not completed. • No twin holes. • No adjustment to assay data.

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 by GPS. • UTM grid WGS84 Zone 33 (South).
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.*	• Historical samples taken in ad hoc nature, not on consistent spacing. • Current soil sampling program was completed on a 25 m by 25 m grid.
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.*	• Not applicable/possible in grab sampling. • Further sampling (and drilling) will better determine the orientation of the geological features and mineralisation and enable any biases to be determined.
Sample security	• *The measures taken to ensure sample security.*	• Historical samples delivered to laboratory by Kunene Resources Namibia. • Recent soil samples analysed on site and retained for possible future laboratory analysis.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No review has been carried out.

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 includes geological mapping, outcrop sampling, soil sampling, high resolution magnetic and radiometric data and hyperspectral data.

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.*
		• No drilling reported.

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.*	• Not applicable.

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').*	• Determination of the orientations and thickness of mineralisation will be possible with future drilling.
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.*	• Ranges of values only reported. • Soil anomalies are reported as anomalies only, due to the questionable accuracy of Niton XRF data.
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 data (electromagnetic and magnetic) has been used to assist targeting of planned drill holes, as discussed in the announcement.
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.*	• Planned further work to include drill testing of targets identified, as detailed in the announcement.