

PROSPECTIVE GOLD – COPPER TARGETS IDENTIFIED WITHIN CULLARIN WEST PROJECT, LACHLAN FOLD BELT

HIGHLIGHTS

- Seven high priority targets identified at Cullarin West project following desktop review of publicly available geological and geophysical information
- Targets have multiple geological similarities to the Hume Target within Sky Metals' adjacent Cullarin Project, where 93m at 4.24 g/t gold from 56m was intersected
- Reconnaissance field work will now be undertaken on the high priority targets at Cullarin West upon tenement grant which is anticipated this quarter]
- Field work to initially comprise comprehensive mapping and outcrop sampling across the defined targets, along with close spaced soil sampling in suitable areas, with the aim of delineating targets for drill testing later in CY2020
- Two distinct target areas defined within the Project - Cullarin West and Yass
- The Yass area contains the Gooda Creek and the Dalton goldfields, with target generation in progress by Company consultants
- Celsius continues to review potential acquisitions and investments in commodities which complement and/or diversify the Company's current commodity exposure

Celsius Resources Limited (**Celsius** or **the Company**) (ASX: CLA) is pleased to provide an update on activities at its 100% owned Cullarin West Project in the Lachlan Fold Belt region of NSW, Australia.

A desktop review of publically available geological and geophysical information undertaken by consultants to the Company has identified multiple targets prospective for McPhillamys-style gold mineralisation at the Cullarin West prospect. The Cullarin West project is located adjacent to and along strike of Sky Metals' (ASX:SKY) Cullarin discovery (See Figure 1 for Location Map).

The review indicated seven priority targets with multiple geological similarities to the Hume Target within Sky Metals' Cullarin project where 93m at 4.24 g/t gold from 56m was intersected (refer ASX.SKY Announcement 10 February 2020).

This desktop review follows the Company's initial appraisal of Cullarin West, including a site visit, which indicated the project is underlain by similar geological and structural features which host mineralisation at Cullarin. Only limited historical exploration has been undertaken in the tenement area due to widespread recent cover obscuring bedrock geology, an assessment confirmed by the more detailed desktop work.

Celsius Resources Chairman Bill Oliver said:

“This is an exciting phase in our early work on Cullarin West with seven priority targets identified within our license which lies along strike from Sky Metals recent Hume discovery. Upon tenement grant, anticipated this quarter, we intend to undertake reconnaissance field work at four of these targets potentially leading to drill testing later this year. I look forward to updating investors and the boarder market as we progress with our exploration of this highly prospective project along with the other opportunities we continue to evaluate.”

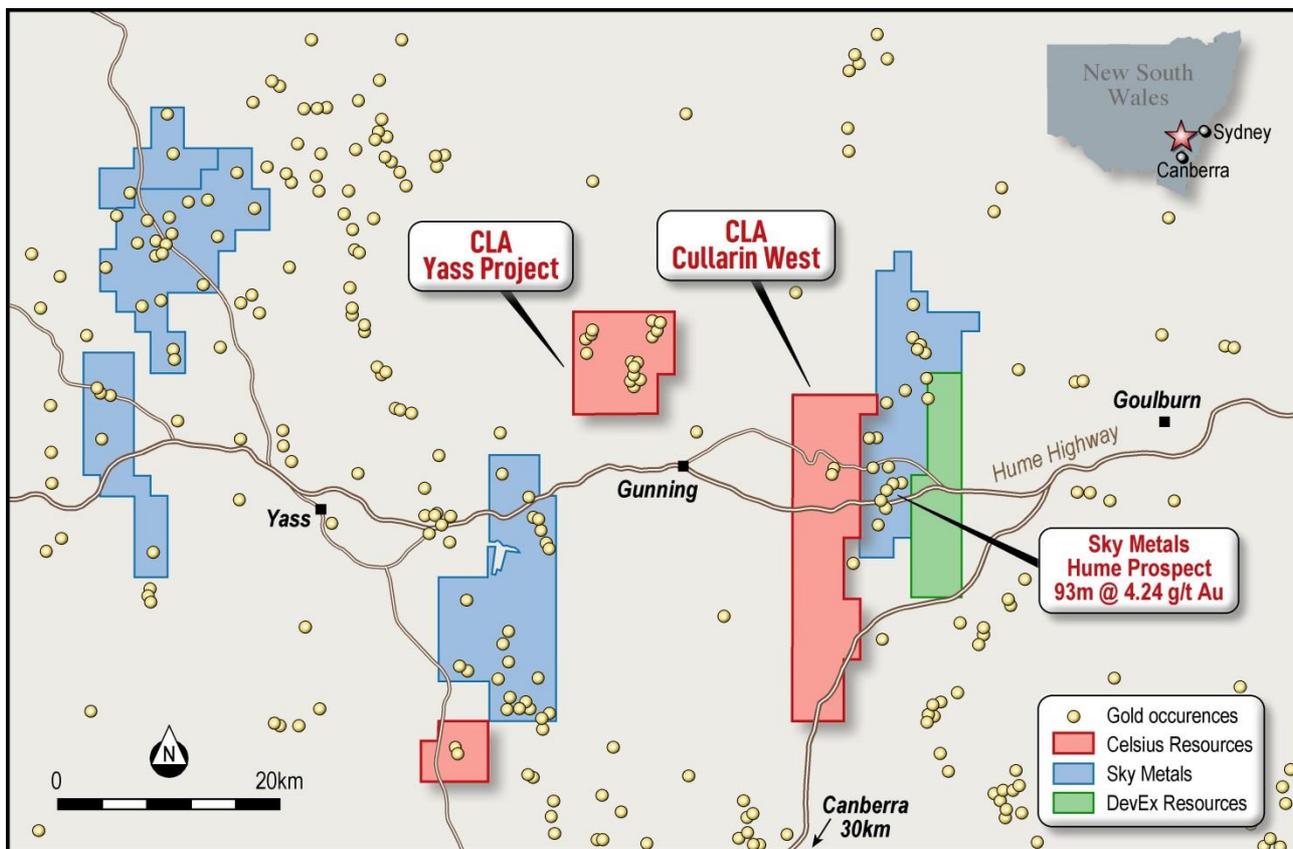


Figure 1: Location map of Cullarin West Project and Sky Metals' Cullarin discovery

Desktop Review Highlights

The review of Cullarin West identified an extensive linear magnetic low feature within the project likely to be caused by alteration. Up to 10km of strike from the Hume fault may lie on the Celsius license to the southwest of the Hume Prospect (ASX:SKY). North and northwest trending intersecting cross structures, also identified from the magnetic data on the license, have similarities to those observed at the Hume Prospect. (See Figure 2).

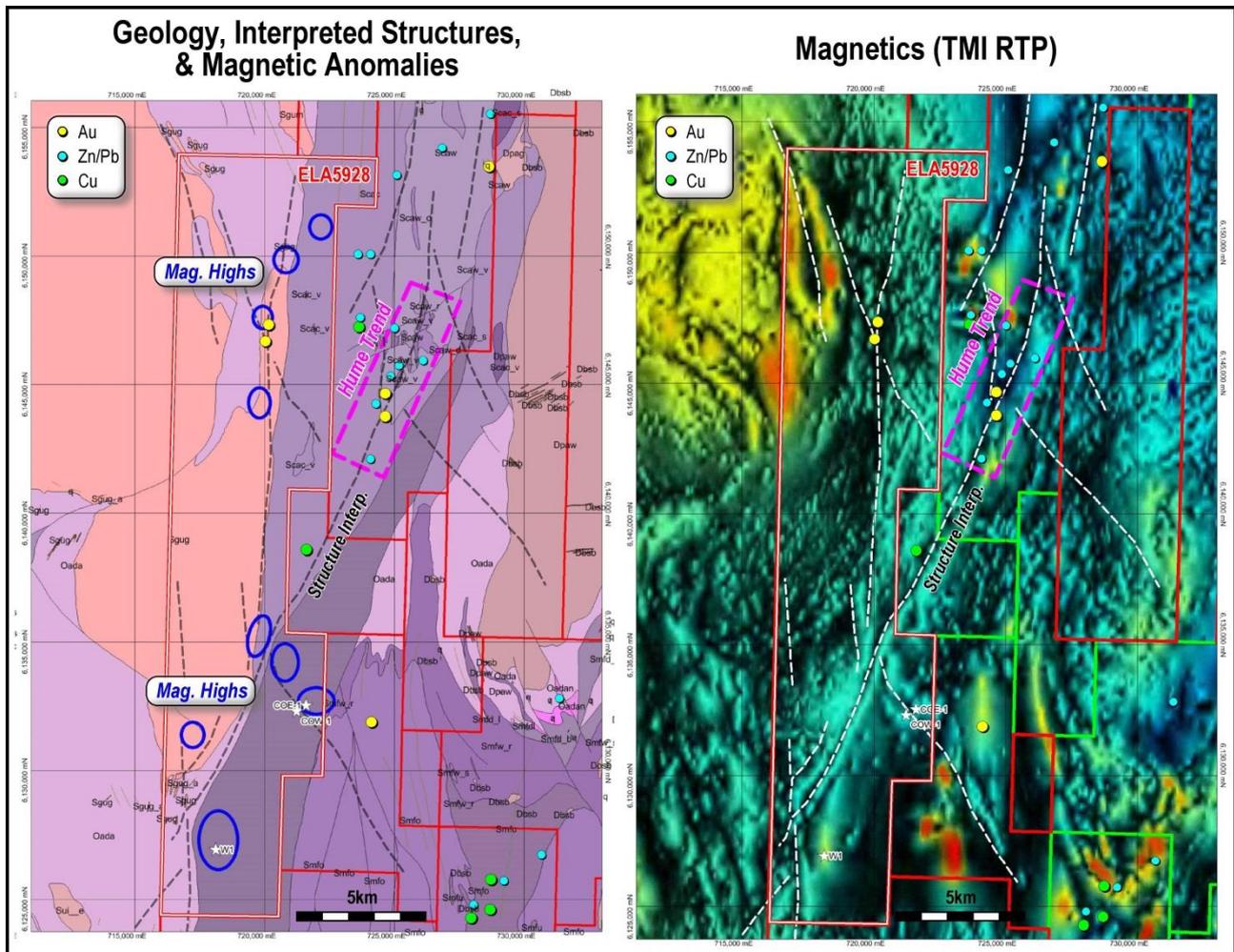


Figure 2: Geological interpretation and magnetics at the Cullarin West Project

Celsius has also identified several circular magnetic high features on the license similar to those identified at the Boda prospect, a discovery by Alkane Resources (refer to ASX:ALK announcement 9 September 2019) which has sparked fresh exploration for Ordovician-aged copper-gold porphyry systems within the Lachlan Ford Belt.

Anomalies occur within or very close to the Ordovician-Silurian contact which is the geological setting for the Cadia-Ridgeway deposits held by Newcrest Mining to the north.

Several prominent potassium anomalies identified in the radiometric data along trend from the Hume Prospect confirms similar potassic alteration haloes extend onto the Celsius license. (Figure 3)

In addition, limited soil data on the eastern edge of the licence (Figure 3) indicates highly elevated copper-lead-zinc-anomalies coincident with potassic anomalies which are pathfinder metals typical of McPhillamys style gold deposits (2.3 Moz Au).

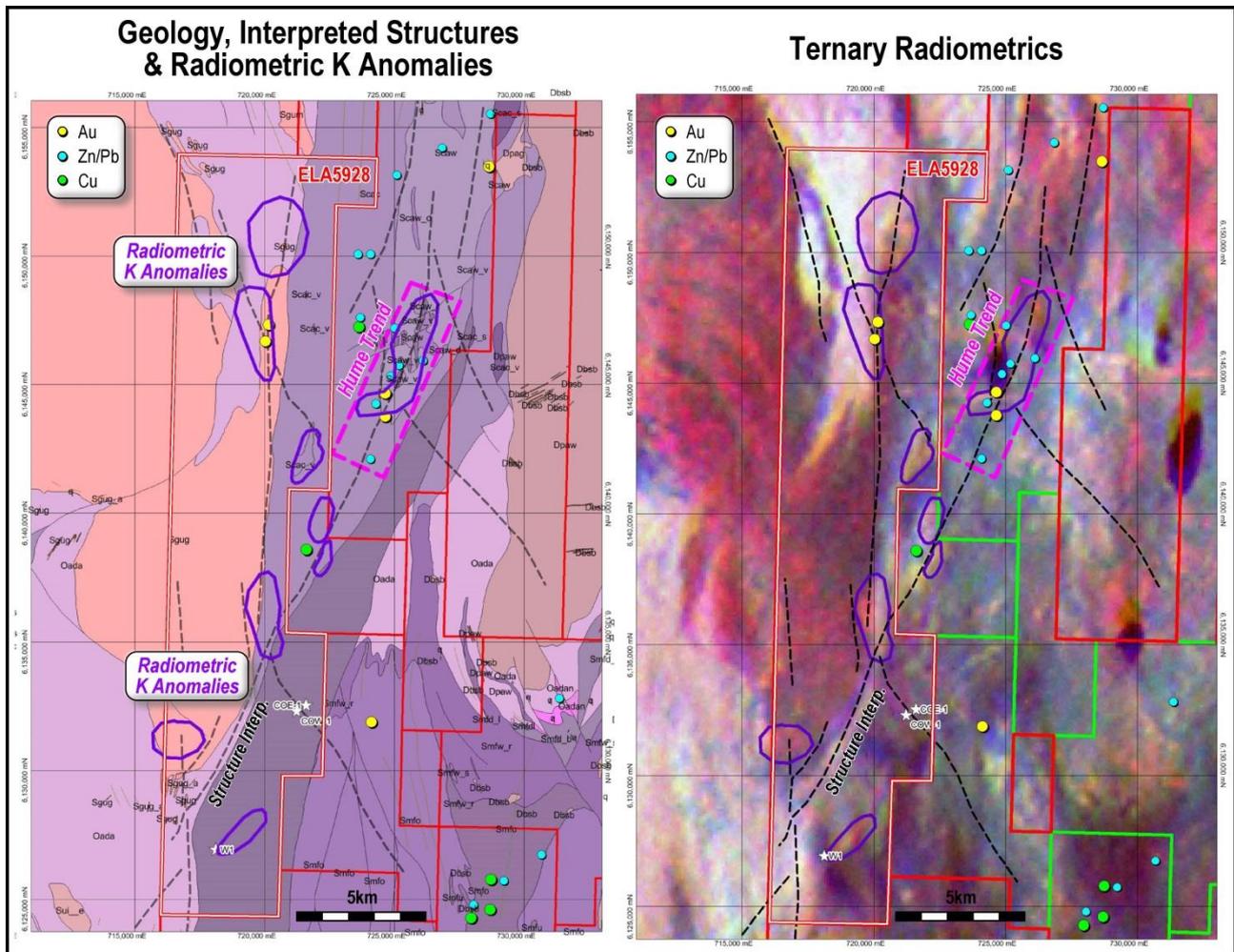


Figure 3: Interpreted potassic alteration at the Cullarin West Project based on radiometrics

During the desktop research, the Company also reviewed historical drilling data including drillhole DDH W-1 which was drilled by North Broken Hill in 1978 and is located near one of the identified magnetic features.

DDH W-1 intersected an extensive silica-magnetite-pyrite-altered felsic porphyry dyke. Sludge samples from DDH W-1 returned elevated levels of silver and base metals, but were not analysed for gold (refer ASX Announcement 4 June 2020).

This drillhole has been located at the NSW Geological Survey core library in Sydney. The core library has re-opened post COVID-19 lockdown and the Company is looking forward to viewing and sampling the core from DDH W-1 in coming weeks.

Targets Identified – Cullarin West

The review has identified seven priority targets interpreted from the compilation of geophysical and geochemical and structural interpretation (See Figure 4)

Targets 1, 2 and 3 are interpreted to be McPhillamy’s style gold-copper-zinc-lead targets hosted in Silurian volcanics along the extension to the Hume Trend while targets 1, 4, 5, 6 and 7 are interpreted to be Cadia style porphyry style copper-gold targets that occur close to the Ordovician Silurian contact.

Reconnaissance field work will now be undertaken, upon tenement grant, on the high priority targets within the licence following completion of access agreements with the relevant landowners. Field work will initially comprise comprehensive mapping and outcrop sampling across the defined targets, along with close spaced soil sampling in suitable areas, with the aim of delineating targets for drill testing later in the year. The information from DDH W-1 will be used to aid this targeting.

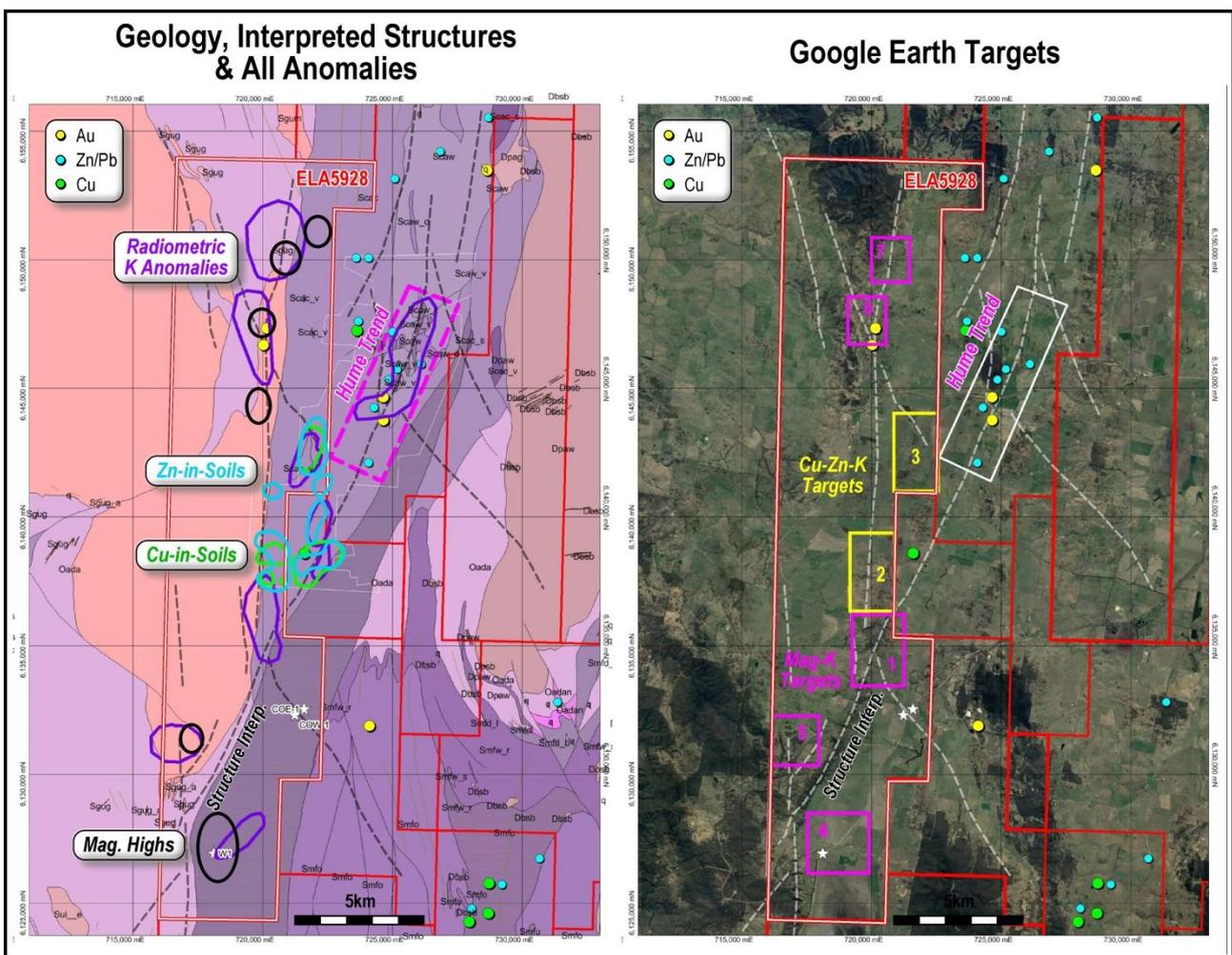


Figure 4: All anomalies and structures at Cullarin West over interpreted geology and priority targets identified from review.

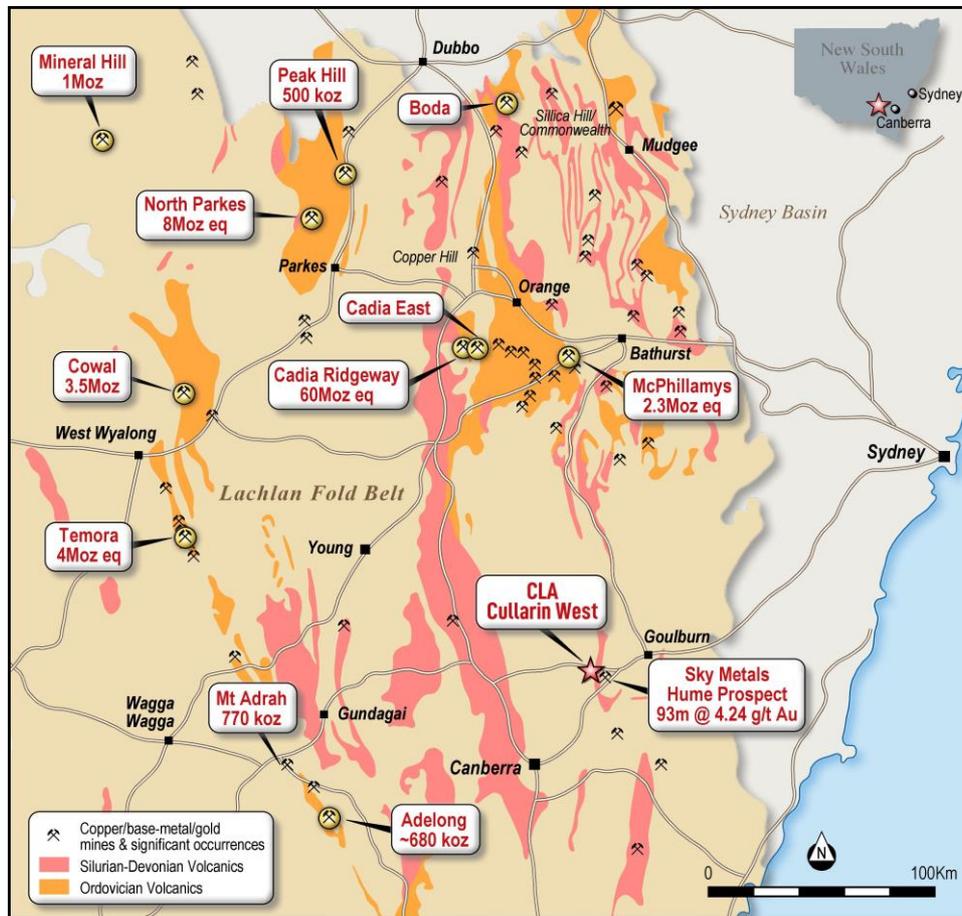


Figure 5: Regional Map

In addition to Cullarin West, Celsius continues to review potential acquisitions and investments in commodities which complement or diversify the Company's current commodity exposure.

This announcement has been authorised by the Board of Directors of Celsius Resources Limited.

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Competent Persons Statement

Information in this report relating to Exploration Results is based on information reviewed by Leo Horn, who is a Member of the Australian Institute of Geoscientists and a consultant to Celsius Resources. Mr. Horn 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. Horn 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 Cullarin West Project.

Section 1: Sampling Techniques and Data

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

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 gold 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"> Soil sampling carried out in 1974 by Continental Exploration. Samples taken from the B horizon in areas of residual soil, away from drainage, lakes and obvious transported cover. Geophysical datasets sourced from the NSW Geological Survey via its Minview platform. Datasets reviewed included magnetics (Total Magnetic Intensity (TMI) and TMI 1st vertical derivate, both Reduced to Pole (RTP)), radiometrics (K, Th, U and ternary images created by combination of K-Th-U coverage as R-G-B colours) and mapped / interpreted geological coverages.
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"> No drilling results are presented

Criteria	JORC Code explanation	Commentary
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"> No drilling results are presented
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"> No drilling results are presented
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"> No drilling results are presented The sub sampling technique for the soils samples is not reported, as to whether the sample was sieved in the field or submitted in its entirety to the laboratory.
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"> Samples were analysed at McPhar Laboratories. It is assumed that the samples were dried and milled as per industry standards. A 0.25g sub sample was leached with concentrated perchloric acid for 1hr then analysed by AAS for Cu, Pb and Zn. Publically available geophysical data has been checked and validated before integration into the NSW-wide database

<p><i>Verification of sampling and assaying</i></p>	<ul style="list-style-type: none"> • <i>The verification of significant intersections by either independent or alternative company personnel.</i> • <i>The use of twinned holes.</i> • <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> • <i>Discuss any adjustment to assay data.</i> 	<ul style="list-style-type: none"> • No drilling results are presented
<p><i>Location of data points</i></p>	<ul style="list-style-type: none"> • <i>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.</i> • <i>Specification of the grid system used.</i> • <i>Quality and adequacy of topographic control.</i> 	<ul style="list-style-type: none"> • Soil sampling points were recorded on a plan (DIGS reference R00022398). These points were digitized by Golden Cross Operations (DIGS reference R00047774). Due to the nature of the historical data it should be assumed that the accuracy is + / - 100m. • All information uses Map Grid of Australia (1994).
<p><i>Data spacing and distribution</i></p>	<ul style="list-style-type: none"> • <i>Data spacing for reporting of Exploration Results.</i> • <i>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.</i> • <i>Whether sample compositing has been applied.</i> 	<ul style="list-style-type: none"> • Soil sampling was completed on a 400 feet x 100 feet grid, with samples not taken from areas of drainage, lakes (wet or dry) or any areas where surface material was believe to be transported.
<p><i>Orientation of data in relation to geological structure</i></p>	<ul style="list-style-type: none"> • <i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> • <i>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.</i> 	<ul style="list-style-type: none"> • Sampling grid laid out using a baseline trending NNE • Baseline broadly follows regional trend, but may not have achieved unbiased sampling of mineralised structures.
<p><i>Sample security</i></p>	<ul style="list-style-type: none"> • <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> • No details of sample security reported.
<p><i>Audits or reviews</i></p>	<ul style="list-style-type: none"> • <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> • No 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"> The Cullarin West Project comprises a single Exploration License Application ELA5928. To the Company's knowledge no environmental or culturally significant sites are located within the application area A number of private properties are located across the application area and access will need to be negotiated with landowners
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"> Historical exploration was carried out by North Broken Hill Limited (subsequently North Ltd), Transit Mining and Commissioners Gold Limited. Previous work referred to in this announcement was carried out by Continental Explorations Pty Ltd and compiled by Golden Cross Operations Pty Ltd. Historical exploration in the area has occurred over a number of years with data being compiled as part of initial evaluation of the project.
Geology	<ul style="list-style-type: none"> Deposit type, geological setting and style of mineralisation. 	<ul style="list-style-type: none"> The tenement is situated near to and along the eastern margin of the Siluro-Ordovician Molong Belt; part of the Macquarie Arc of the Lachlan Fold Belt. Major copper-gold deposits occur in the Ordovician volcanics in the Lachlan Fold Belt where porphyry deposits formed within a 1,000km long intraoceanic island arc. The Silurian volcanic sequence is now understood to host gold mineralisation associated with volcanic hosted massive sulphide deposits (VHMS deposits) and sub-volcanic porphyries. Mineralisation models for Silurian-hosted mineralisation is still evolving aided by recent discoveries such as Sky's Hume Deposit.
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 report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> No drilling results presented

Criteria	JORC Code explanation	Commentary
Data aggregation methods	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> No data aggregation has been used.
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> 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'). 	<ul style="list-style-type: none"> No drilling results presented
Diagrams	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> See relevant maps in the body of this announcement.
Balanced reporting	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> All available data has been presented in figures.
Other substantive exploration data	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Exploration data for the project continues to be reviewed and assessed and new information will be reported if material.
Further work	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Further work is detailed in the body of the announcement.