

QUARTERLY ACTIVITIES REPORT

SEPTEMBER 2018

Opuwo Cobalt Project, Namibia (CLA 95%)

Scoping Study

During the Quarter, the Company continued work programs for the Opuwo Scoping Study, with all substantial work programs nearing completion at the end of the Quarter.

Resource Expansion Drilling

Drilling continued at the Opuwo Cobalt Project during the Quarter, aimed primarily at expanding the existing Indicated and Inferred Mineral Resource to the west, and expanding and better defining the mineralisation in the central portion of the resource area

The latest results from the ongoing resource expansion drilling program continue to illustrate the consistent nature of the mineralisation at Opuwo, and that the existing JORC-compliant Mineral Resource has excellent potential for significant expansion. (Figures 1 and 2)

A trend towards a thicker mineralised zone and higher copper grades is apparent in the results reported during the Quarter, which include intercepts from holes located up to 750 metres away from the DOF outcrop (DOFD0204 - Figure 1), and outside the existing Mineral Resource. Drilling is continuing, with an updated Mineral Resource planned to be reported in Q4, 2018.

Figure 3 illustrates a regional interpretation of the DOF and DOF North Prospects at the Project, which demonstrates the potential scale of the Project.

Figure 1: Drilling Results Reported 10 August, 2018 - Opuwo Cobalt Project

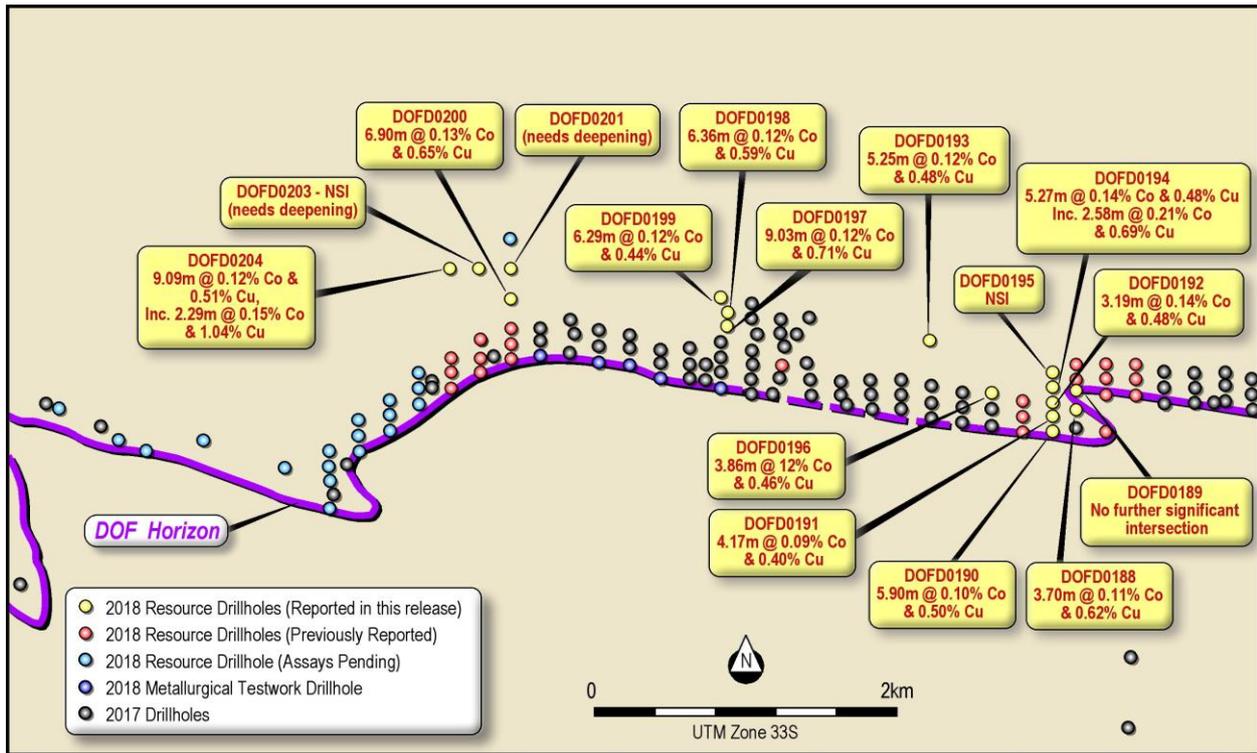


Figure 2: Drilling Results Reported 5 September, 2018 - Opuwo Cobalt Project

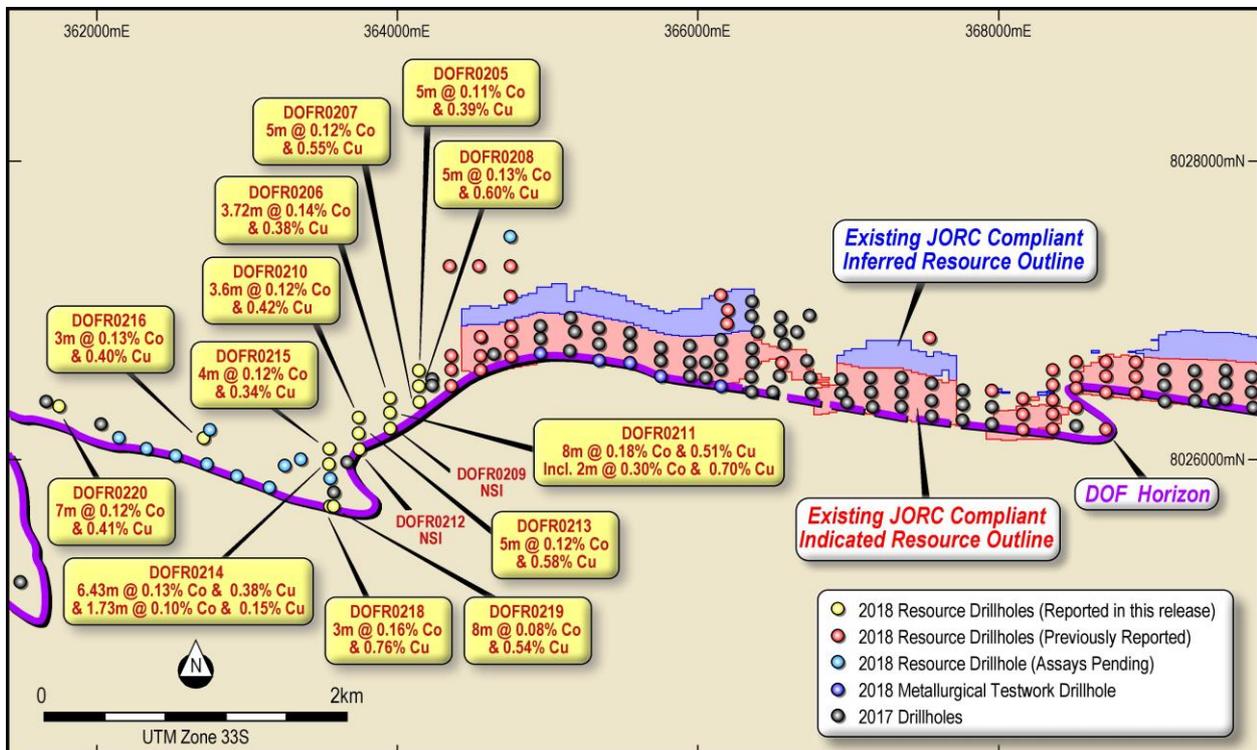
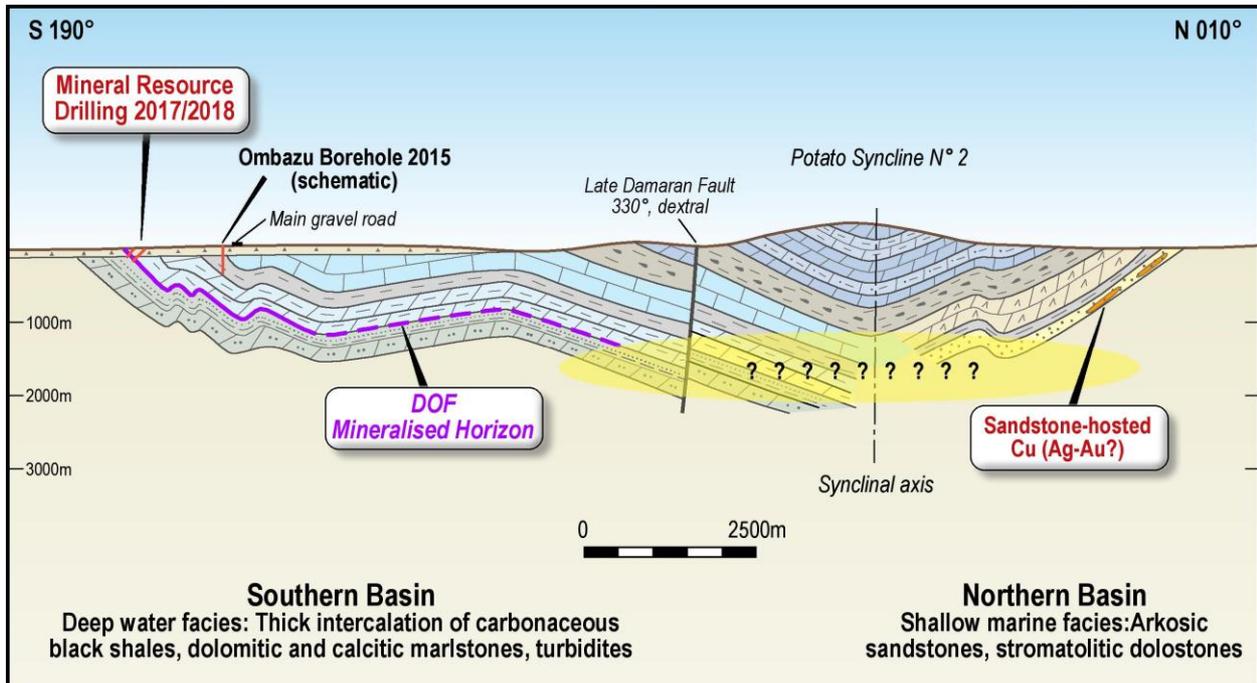


Figure 3: Regional Schematic Geological Cross Section



Significant intercepts from assays reported from this drilling program during the Quarter were:

- 9.09 m @ 0.12% Co, 0.51% Cu and 0.66% Zn, from 535.71 m, including 2.29 m @ 0.15% Co, 1.04% Cu and 0.84% Zn, from 535.71 m (DOFD0204)
- 9.03 m @ 0.12% Co, 0.71% Cu and 0.60% Zn, from 118.00 m (DOFD0197)
- 6.90 m @ 0.13% Co, 0.65% Cu and 0.39% Zn, from 330.32 m (DOFD0200)
- 6.36 m @ 0.12% Co, 0.59% Cu and 0.67% Zn, from 183.64 m (DOFD0198)
- 6.29 m @ 0.12% Co, 0.44% Cu and 0.59% Zn, from 259.26 m (DOFD0199)
- 5.27 m @ 0.14% Co, 0.48% Cu and 0.67% Zn, from 314.67 m, including 2.58 m @ 0.21% Co, 0.69% Cu and 0.76% Zn, from 316.51 m (DOFD0194)
- 5.25 m @ 0.12% Co, 0.48% Cu and 0.51% Zn, from 431.00 m (DOFD0193)
- 5.90 m @ 0.10% Co, 0.50% Cu and 0.36% Zn, from 40.90 m (DOFD0190)
- 3.86 m @ 0.12% Co, 0.46% Cu and 0.39% Zn, from 286.32 m (DOFD0196)
- 3.19 m @ 0.14% Co, 0.48% Cu and 0.51% Zn, from 203.21 m (DOFD0192)
- 3.70 m @ 0.11% Co, 0.62% Cu and 0.31% Zn, from 187.14 m (DOFD0188)
- 4.17 m @ 0.09% Co, 0.40% Cu and 0.57% Zn, from 126.00 m (DOFD0191)
- 8 m @ 0.18% Co, 0.51% Cu and 0.64% Zn, from 79 m, including 2 m @ 0.30% Co, 0.70% Cu and 0.97% Zn, from 83 m (DOFR0211)
- 6.43 m @ 0.13% Co, 0.38% Cu and 0.53% Zn, from 170.00 m, and 1.73 m @ 0.10% Co, 0.15% Cu and 1.04% Zn, from 164.00 m (DOFD0214)
- 7 m @ 0.12% Co, 0.41% Cu and 0.62% Zn, from 151 m (DOFR0220)
- 5 m @ 0.13% Co, 0.60% Cu and 0.61% Zn, from 91 m (DOFR0208)
- 8 m @ 0.08% Co, 0.54% Cu and 0.55% Zn, from 42 m (DOFR0219)
- 5 m @ 0.12% Co, 0.58% Cu and 0.55% Zn, from 67 m (DOFR0213)

- 5 m @ 0.12% Co, 0.55% Cu and 0.78% Zn, from 37 m (DOFR0207)
- 5 m @ 0.11% Co, 0.39% Cu and 0.53% Zn, from 119.00 m (DOFD0205)
- 3.72 m @ 0.14% Co, 0.38% Cu and 0.56% Zn, from 116.00 m (DOFD0206)
- 3 m @ 0.16% Co, 0.76% Cu and 0.93% Zn, from 19 m (DOFR0218)
- 4 m @ 0.12% Co, 0.34% Cu and 0.56% Zn, from 104 m (DOFR0215)
- 3.6 m @ 0.12% Co, 0.42% Cu and 0.50% Zn, from 102.40 m (DOFD0210)
- 3 m @ 0.13% Co, 0.40% Cu and 0.52% Zn, from 158 m (DOFR0216)

Please refer to the announcements of 10 August and 5 September 2018, and Table 1 in this announcement, for further detail regarding these results.

Reconnaissance Drilling Program – DOF North Prospect

A reconnaissance drilling program, consisting of 7 holes (approximately 765 metres) has been conducted at two areas on the DOF North Prospect. The best result from this program was obtained from drill hole OVD01, which intersected 2.02 metres @ 2.89% copper and 19.5 g/t silver. An additional 1 metre sample from this drillhole assayed 0.68 g/t gold. Cobalt assays from this drilling were low, and the Company now classifies these targets as copper-silver-gold. Further work programs at the DOF North prospects will be undertaken upon completion of the airborne EM and magnetic survey that is currently underway.

SkyTEM Survey

A helicopter-borne electromagnetic and magnetic geophysical survey was completed during the Quarter over three key licences that comprise the Opuwo Cobalt Project (Figure 4). The objectives of the survey were:

- To assist in geological mapping of near surface conductive sedimentary horizons, which is expected to include the Dolomite Ore Formation (DOF);
- To delineate discrete conductive zones along the sedimentary horizons; and
- To detect deeper discrete conductive bodies that may be related to deeper stockwork or semi-massive/massive sulphide mineralisation in feeder zones.

The Company is awaiting final interpreted results from the survey, and intends to commence drill testing priority targets during Q4, 2018.

Opuwo Project Exclusive Prospecting Licences

EPLs 4346 and 4540 have been renewed without reduction in size by the Namibian Ministry of Mines and Energy, until 17 September, 2020. The Ministry accepted the application for licence renewal without partial relinquishment due to the Company's significant exploration expenditure not only for exploration and development on the Opuwo Cobalt Project, but also considering regional scale prospecting activities, including the recent helicopter-borne EM survey. The Company is now in a position to follow up on its regional exploration concepts, including possible feeder zones to the hydrothermal systems and high-grade zones of the cobalt-copper and lead-zinc-silver-vanadium mineralisation identified in the Project area.

EPL 4346 is the key licence for the Opuwo Project, containing the current JORC Compliant Indicated and Inferred Mineral Resource, 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 further details on the Mineral Resource).

The other two licences comprising the Opuwo Project, EPLs 4350 and 4351, remain current, and are due for renewal in June, 2019 (Figure 4). Further, all licences comprising the Opuwo Project have been transferred to the Company's 95% owned Namibian subsidiary, Gecko Cobalt Mining (PTY) Ltd.

Figure 4: Licence areas and SkyTEM Survey Extents

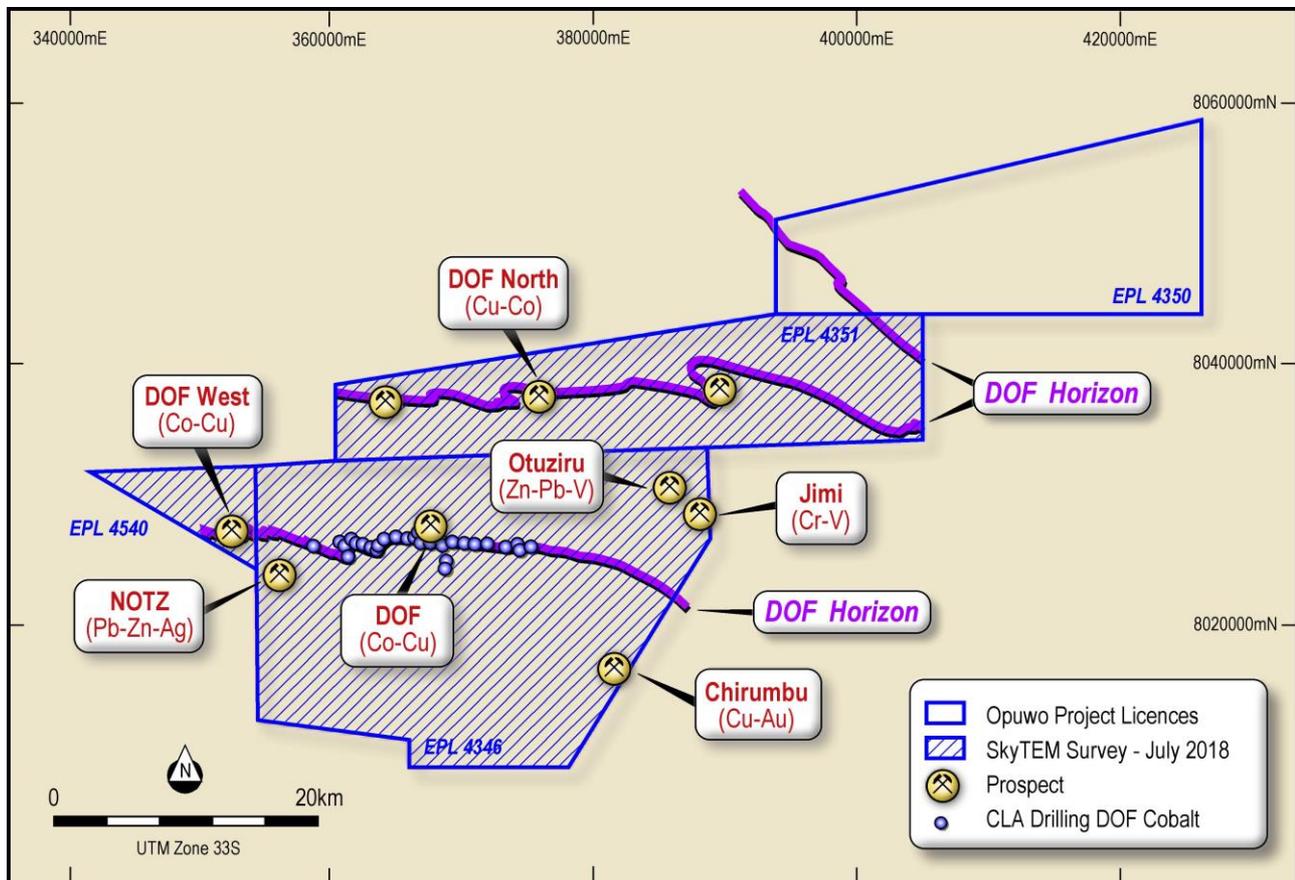


Table 1: Drilling Results as at end of September, 2018 Quarter

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	<i>Metallurgical Testwork Hole</i>					
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	<i>Metallurgical Testwork Hole</i>					
DOFD0175	365546	8026652	-54	180	62.06	<i>Metallurgical Testwork Hole</i>					
DOFD0176	364949	8026700	-54	180	56.04	<i>Metallurgical Testwork Hole</i>					
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	<i>No Significant Intersection</i>					
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	<i>No Significant Intersection above 500ppm cutoff</i>					
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	<i>Metallurgical Testwork Hole</i>					
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	<i>Hole Abandoned</i>					
DOFD0186B	368698	8026191	-55	177	83.25	<i>Hole Abandoned</i>					
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	<i>Extension of DOFR020 - No further significant intersection</i>					
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	<i>No Significant Intersection</i>					
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	<i>No Significant Intersection</i>					
DOFD0202	364750	8027502	-55	170	359.43	<i>Results Pending</i>					
DOFD0203	364546	8027298	-55	180	359.36	<i>No Significant Intersection</i>					
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	<i>No Significant Intersection above 500ppm Co</i>					
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	<i>No Significant Intersection above 500ppm Co</i>					
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	<i>Results Pending</i>					
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	<i>Results Pending</i>					
DOFR0222	362143	8026148	-90	180	81	<i>Results Pending</i>					
DOFD0223	363251	8025961	-55	182	187.39	<i>Results Pending</i>					
DOFR0224	362336	8026067	-55	180	30	<i>Results Pending</i>					
DOFR0225	362335	8026070	-80	180	51	<i>Results Pending</i>					
DOFD0226	363350	8026011	-55	180	227.39	<i>Results Pending</i>					
DOFR0227	362519	8026030	-75	180	49	<i>Results Pending</i>					
DOFR0228	362520	8026031	-90	180	174	<i>Results Pending</i>					
DOFR0229	362727	8025965	-75	180	51	<i>Results Pending</i>					
DOFR0230	362729	8025967	-90	180	141	<i>Results Pending</i>					
DOFD0231	362750	8026200	-55	180	269.43	<i>Results Pending</i>					
DOFD0232	363250	8025960	-55	240	218.49	<i>Results Pending</i>					
DOFR0233	362731	8025969	-85	180	84	<i>Results Pending</i>					
DOFR0234	362942	8025890	-55	180	48	<i>Results Pending</i>					
DOFR0235	362943	8025893	-90	180	108	<i>Results Pending</i>					
DOFR0236	363148	8025816	-75	180	48	<i>Results Pending</i>					
DOFR0237	363149	8025814	-90	180	150	<i>Results Pending</i>					
DOFR0238	363148	8025813	-88	180	99	<i>Results Pending</i>					

* Intercepts reported at a cutoff grade of 500ppm, or 0.05% cobalt
Results reported during the Quarter in green.

Abednegno Hill Project, WA (CLA 100%)

The Abednegno Hill Nickel Project is located to the south and west of Minara Resources' Murrin Murrin nickel mine.

As reported in the December Quarterly Activities Report Celsius completed a ground EM survey over its Leonora tenements during October – November 2017 which detected two bedrock anomalies. During October the Company completed a further ground gravity survey over the area of these anomalies, with data currently being processed and reviewed.

Carnilya Hill Project, WA (CLA 30%)

Celsius (through View Nickel Pty Ltd) owns a 30% joint venture interest in the Carnilya Hill Joint Venture in Western Australia with Mincor Resources NL. Mincor Resources NL (ASX:MCR) is the operator of the Carnilya Hill JV. No activity was reported by Mincor during the quarter.

Hann River Project, WA (E80/5117 CLA 100%. base metal rights on E80/5027)

Celsius has an Exploration Licence Application pending (E80/5117) over an area located in the Kimberley region of Western Australia, approximately 300 km east of Derby. The application area is considered prospective for copper and cobalt mineralisation, hosted in the Mt Carson Volcanics geological unit. An agreement is in place with Jindalee Resources Limited (ASX:JRL) regarding their adjacent granted Exploration Licence (E80/5027), whereby the diamond rights on CLA's licence application area have been exchanged for the base metal rights on E80/5027. The Company plans to provide further information on this Project as the application process progresses.

Corporate

At the end of the Quarter, the Company held approximately \$10.7 million in cash reserves.

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.