

QUARTERLY ACTIVITIES REPORT

MARCH 2021

Summary

During the Quarter, the Company completed the acquisition of Anleck Limited, a UK based company which holds a portfolio of mining tenement assets through its subsidiary companies in the Philippines. Within the same period, the Company progressed activities at and relating to the Maalinao-Caigutan-Biyog (MCB) Project, a large, high grade copper-gold porphyry deposit situated within the Central Cordillera Region in the Island of Luzon, Philippines, approximately 320 km north of Manila. The MCB Project is the flagship in a portfolio of assets held under one of Celsius' newly acquired Philippine subsidiaries, Makilala Mining Co. Inc.

Maalinao-Caigutan-Biyog Copper Gold Project, Philippines (100%)

During the period, the Company declared a maiden JORC Mineral Resource estimate¹ comprises 313.8Mt @ 0.48% copper, and 0.15g/t gold, at a cutoff grade of 0.2% copper, including:

- **290.3Mt @ 0.48% copper in the Indicated category, and**
- **23.5Mt @ 0.48% copper in the Inferred category**

Within the above mentioned Mineral Resource is a high-grade core of **93.7Mt @ 0.80% copper and 0.28g/t gold**, at a cutoff grade of 0.5% copper (see Announcement dated 12 January 2021).

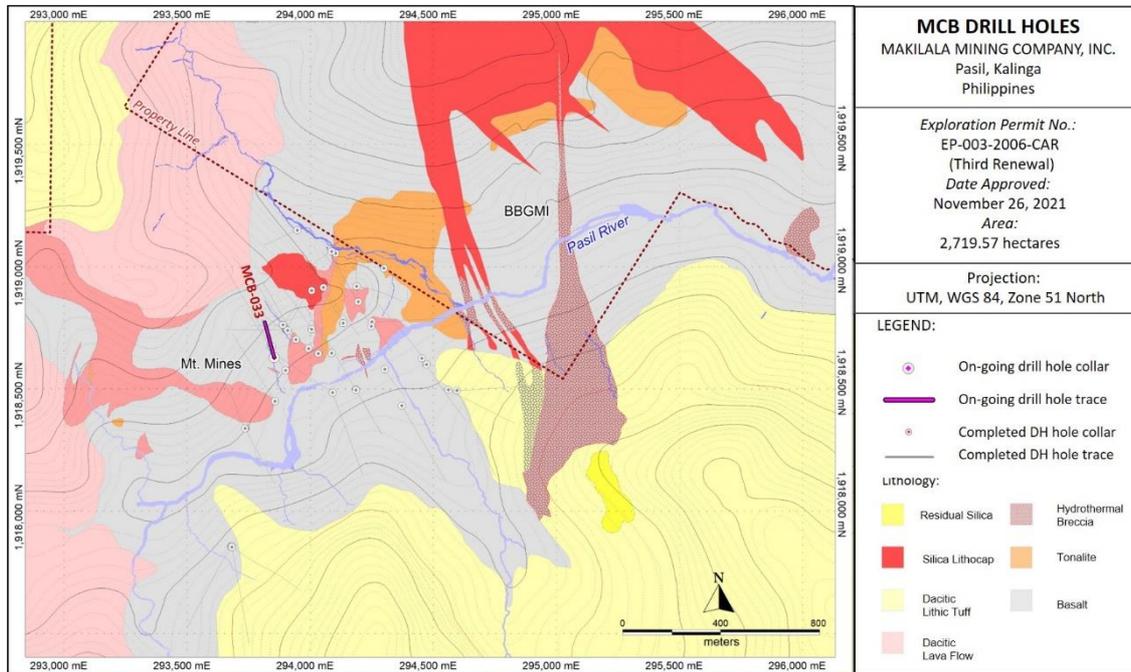
Furthermore, Makilala Mining Co. Inc. commenced a drilling program on 26 February 2021 alongside an environmental management work program. This drilling program consists of a total of 6 diamond drill holes totalling approximately 4,000m. This program is targeting resource expansion and infill drilling of the current JORC Minerals Resources. As at the end of the quarter, a total of 305.8 metres were completed for the first hole, namely MCB-033. Drilling is ongoing and currently at a depth of 688.4 metres.

Mega Philippines, Inc. (MPI) has been engaged to conduct the drilling program, using a 1000BX drill rig, which is capable of up to 1,000 metres in depth.

Core logging and sampling is ongoing. The first three (3) batches of samples collected were dispatched in April for multi-element assaying.

1. The Company confirms that it is not aware of any new information or data that materially affects the Mineral Resource for the MCB Project. The Company also confirms that all material assumptions and parameters underpinning the Mineral Resource estimate continue to apply and have not materially changed. Please refer to the ASX Announcement of 12 January 2021.

Figure 1: Location Map of MCB Project showing drill hole MCB-033.



Stakeholder Engagement and Community Development

Monthly consultation meetings with the Tribal Council of Elders and Barangay Council were held to keep the community updated about the project, manage community issues, and to identify priority projects that would be funded under the mandatory Community Development Program. Among the initial projects identified and implemented were the provision of printers and printing supplies to support the educational needs of the local schools. Antigen test kits, medical supplies, and personal protective equipment were also provided to augment the limited resources of the local health center in the project area and its neighboring communities.

Coordination meetings with local government officials were also carried-out to ensure ongoing support and align initiatives that are intended to benefit the host and neighboring communities.

Forging of Partnership Agreements also progressed during this quarter to establish institutional partnerships with stakeholders to carry out activities in keeping with the conditions of MCB’s Exploration Permit. These include the engagement of a local state university in the implementation of baseline social and environmental studies, community development and environmental enhancement programs. The project has also tapped the expertise of the Philippine National Red Cross to assist with the capacity building of the project and the community teams on emergency response and disaster risk reduction and management. Strategic partnerships with stakeholders not only allow for a cost-effective means of implementing environmental and community development programs through sharing of resources but helps to establish a sense of community ownership, build capacities, and promote sustainability of initiatives.

Close coordination with regulatory bodies were also held regularly, especially with the Mines and Geosciences Bureau, to ensure that compliance requirements are adhered to. Reportorial requirements for the quarter were also submitted ahead of schedule to avoid penalties.

Cullarin West Project, NSW (CLA 100%)

As previously announced, desktop review of publicly available geological and geophysical information has identified numerous targets at the Cullarin West and Yass Projects (refer ASX Announcements 8 July 2020 and 30 July 2020). The Company anticipates that a significant program of low detection limit geochemical sampling will be required to refine these targets to generate targets for future drill testing. The Company looks forward to the commencement of on ground activities at the project in coming months following establishment of access with relevant landowners and stakeholders.

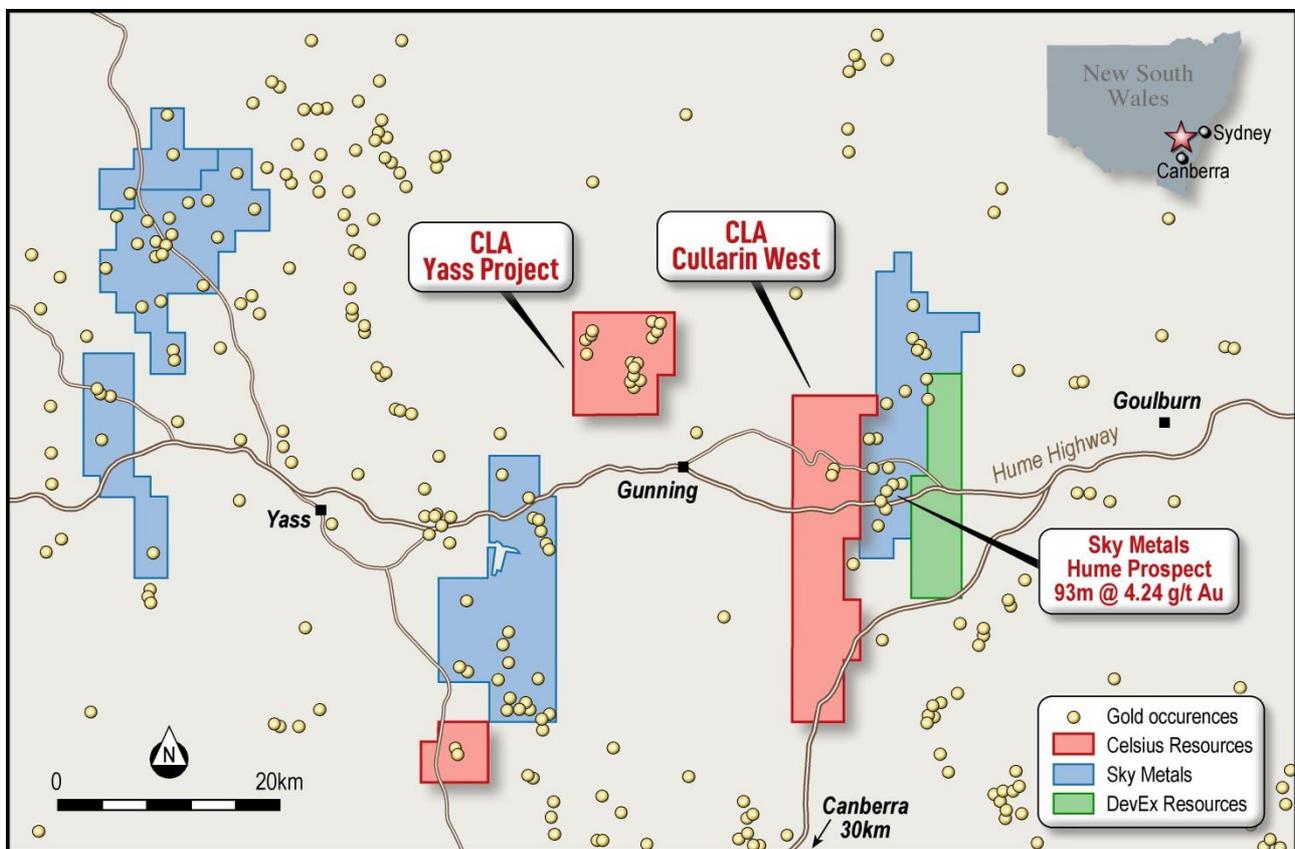


Figure 1: Location map of Cullarin West Project and Sky Metals’ Cullarin discovery

Opuwo Cobalt Project, Namibia (CLA 95%)

During the Quarter the Company received notice from the Ministry of Mines and Energy in Namibia that it has granted an extension of term for Exclusive Prospecting Licence (EPL) 4346, the core licence of the Opuwo Project. The licence has been renewed until March 2023. Celsius also holds EPLs 4351 and 4540 adjacent to EPL 4346. EPL 4540 has already been renewed until February 2023.

An updated Mineral Resource for the Opuwo Cobalt Project is nearing completion and is expected to be announced shortly. In addition, the Board is currently undertaking an independent technical review of the Opuwo Project in order to provide guidance for the Project's strategic planning and the best way forward in order to maximise the Project's value.

Abednegno Hill Project, WA (CLA 100%)

The Abednegno Hill Nickel Project is located to the south and west of Minara Resources' Murrin nickel mine. As reported in the previous Quarterly Activities Reports, Celsius completed a ground EM survey over its Leonora tenements during October – November 2017 which detected two bedrock anomalies. Given the recent improvement in the nickel price and forward forecasts, the Company is evaluating opportunities to unlock value from the Abednegno Hill Project, either by implementation of exploration programs, and/or seeking JV opportunities to advance the Project.

Carnilya Hill Project, WA (CLA 0%)

During the Quarter the Company completed an agreement with Mincor Resources NL (ASX:MCR), the owner and operator of the Carnilya Hill Joint Venture (CHJV). The agreement converted the Company's 30% joint venture interest into payments from future production above 10,000 tonnes of nickel (in concentrate) from the CHJV tenements, thereby removing the CHJV liabilities and costs from the Company (through its subsidiary View Nickel Pty Ltd).

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 is currently negotiating access agreements with the Pastoral Lease holder of part of the land that covers the exploration licence application.

Corporate and Expenditure

At the end of the Quarter, the Company held approximately **\$2.26 million** in cash reserves.

During the quarter, Mr. Ashley Hood resigned as Non-Executive Director of the Company effective from 25 January 2021.

Settlement of Acquisition of Anleck Limited

On 4 February 2021, 100,000,000 fully paid ordinary shares and 50,000,000 unlisted options exercisable at \$0.012 expiring 30 months were issued to settle the acquisition of 100% of the issued capital of Anleck Limited, a private UK company that owns, through various subsidiaries, a suite of copper-gold projects in the Philippines. As part of the settlement, Mr. Martin Buckingham was appointed as a Non-Executive Chairman and Ms Attilenore Austria was appointed as a Non-Executive Director. Mr. Peter Hume was appointed as the Company's Country Operations Director –Philippines and Mr. Pine van Wyk resigned as Non-Executive Director but remains as the Country Operations Director -Namibia.

On 12 February 2021 the Company entered into a sale and purchase agreement with Mincor Resources NL to sell its 30% Joint Venture interest.

Board Changes

On 17 March 2021 the Company announced the appointment of Mr. Blair Sergeant as an Executive Director, and in conjunction with his appointment, Mr. Brendan Borg provided his resignation as Non-Executive Director.

During the Quarter the Company's expenditure was primarily related to due diligence associated with the Anleck transaction and acquisition of the MCB Project, exploration and development of the Opuwo Cobalt Project and exploration on the newly acquired MCB project with details in the Cashflow Report (5B) appended to this report.

Total payments of approximately \$133,000 were made to related parties as listed in section 6 of the Cashflow Report, which consists of approximately \$55,000 in relation to directors' fees and approximately \$78,000 in relation to acquisition costs reimbursed to directors as part of the terms and conditions within the Anleck transaction.

Capital Raising

Subsequent to the end of the Quarter, the Company confirmed it has received firm commitments for a A\$6 million placement to institutional and sophisticated investors ("**Placement**"). The Placement was heavily supported by a number of new, high-quality domestic and international institutions, in addition to the Company's existing shareholders.

The Company will issue 167,010,000 fully paid ordinary shares at an issue price of A\$0.036 per share ("New Shares"), raising gross proceeds of approximately \$6m. Settlement of the Placemen is expected to take place on 4 May 2021.

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Tenement Table: ASX Listing Rule 5.3.3

Mining tenement interests held at the end of the quarter and their location

PERMIT NAME	PERMIT NUMBER	REGISTERED HOLDER / APPLICANT	PERMIT STATUS	PERMIT EXPIRY	INTEREST / CONTRACTUAL RIGHT
Western Australia					
Abednegno Hill	E39/1684	View Nickel Pty Ltd	Granted	31/10/2022	100%
Namibia					
	EL 4346	Gecko Cobalt Holdings	Granted	07/03/2023	95%
	EL 4351	Gecko Cobalt Holdings	Granted	15/06/2021	95%
	EL 4540	Gecko Cobalt Holdings	Granted	09/02/2023	95%
Philippines					
Batong Buhay	EP 003-2006-CAR	Makilala Mining Company Inc.	Granted	26/11/2020	100%
Guinaang	EXPA-110-CAR	Makilala Mining Company Inc.	Application under appeal	01/03/2017	100%
Colayo	EXPA-0073-CAR	Makilala Mining Company Inc.	Application under appeal	28/07/2016	100%
Batong Buhay West	EXPA-00109-CAR	Makilala Mining Company Inc.	Application under appeal	01/03/2017	100%
Dobdob	EXPA-000101VII	PDEP, Inc.	Permit application submitted	04/07/2016	100%
Panadon	EXPA-000127-VIII	PDEP, Inc.	Permit application submitted	27/07/2009	100%
Sagay	EP-000003-VI	Tambuli Mining Company Inc.	Permit Application for extension submitted	29/03/2021	100%

The mining tenement interests relinquished during the quarter and their location

Carnilya Hill tenement details

PERMIT NAME	PERMIT NUMBER	REGISTERED HOLDER / APPLICANT	PERMIT STATUS	PERMIT RELINQUISHED	INTEREST / CONTRACTUAL RIGHT
Western Australia					
Carnilya Hill	M26/47	View Nickel Pty Ltd	Relinquished	12/02/2021	0%
Carnilya Hill	M26/48	View Nickel Pty Ltd	Relinquished	12/02/2021	0%
Carnilya Hill	M26/49	View Nickel Pty Ltd	Relinquished	12/02/2021	0%
Carnilya Hill	M26/453	View Nickel Pty Ltd	Relinquished	12/02/2021	0%
Carnilya Hill	L26/241	View Nickel Pty Ltd	Relinquished	12/02/2021	0%

The mining tenement interests acquired during the quarter and their location

PERMIT NAME	PERMIT NUMBER	REGISTERED HOLDER / APPLICANT	PERMIT STATUS	PERMIT EXPIRY	INTEREST / CONTRACTUAL RIGHT
Philippines					
Batong Buhay	EP 003-2006-CAR	Makilala Mining Company Inc.	Granted	26/11/2020	100%
Guinaang	EXPA-110-CAR	Makilala Mining Company Inc.	Application under appeal	01/03/2017	100%
Colayo	EXPA-0073-CAR	Makilala Mining Company Inc.	Application under appeal	28/07/2016	100%
Batong Buhay West	EXPA-00109-CAR	Makilala Mining Company Inc.	Application under appeal	01/03/2017	100%
Dobdob	EXPA-000101VII	PDEP, Inc.	Permit application submitted	04/07/2016	100%
Panadon	EXPA-000127-VIII	PDEP, Inc.	Permit application submitted	27/07/2009	100%
Sagay	EP-000003-VI	Tambuli Mining Company Inc.	Permit Application for extension submitted	29/03/2021	100%

Beneficial percentage interests held in farm-in or farm-out agreements at the end of the quarter

Not applicable.

Beneficial percentage interests in farm-in or farm-out agreements acquired or disposed of during the quarter

Nil.