

EXCELLENT COBALT RECOVERIES AT OPUWO

HIGHLIGHTS

- Up to 88% of cobalt recovered in rougher sulphide concentrate, through conventional flotation.
- Grade of 1.11% cobalt achieved with short 2-minute flotation time, with 64.2% recovery.
- Optimisation of flotation process ongoing, to further improve recovery and grade of cobalt and copper in concentrate.
- Leaching test work to commence next week, with a view to demonstrating the viability of producing cobalt sulphate chemical from the sulphide concentrates.

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

The initial phases of test work being completed at SGS Australia have been focused on maximising recovery of sulphide minerals into a mineral concentrate. Currently, a recovery of **88.0% of the cobalt** and **87.3% of the copper** present in the feed sample (head grade 0.14% Co) has been achieved in the rougher sulphide concentrate. **This demonstrates that the mineralisation at Opuwo is amenable to conventional sulphide flotation techniques.** A concentrate grade of 1.11% was achieved during the initial 2 minutes of flotation, with a recovery of 64.2% of the cobalt recovered in this short timeframe. Recoveries increase to 88.0% with additional flotation time, offset by reduction in the grade of the concentrate.

The continuing test work is aiming to improve the grade of the concentrate whilst maintaining high recoveries, by "cleaning", to remove minerals such as pyrite and carbonates from the concentrate, thereby increasing the cobalt and copper grade, and reducing the mass. This work will include re-grinding of later stage rougher concentrates to achieve the target liberation of the minerals, and re-floating as a cleaning stage. Results of this optimisation work are expected to be available early next year.

Concurrently, a series of initial leaching tests will commence next week to determine the feasibility of producing cobalt sulphate chemical from the Opuwo mineral concentrates. Cobalt sulphate is a key precursor chemical for the production of cathode material for the lithium ion battery industry. Results from this work are also expected early next year.

Celsius Managing Director, Brendan Borg commented:

"The metallurgical test work program for the Project has demonstrated that conventional sulphide flotation techniques can be employed to produce mineral concentrates at Opuwo, with optimisation ongoing to further improve grade and recovery. The assessment of the ability to produce cobalt sulphate from this concentrate potentially adds significant value to the Project"

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 1). 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 the 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 km².

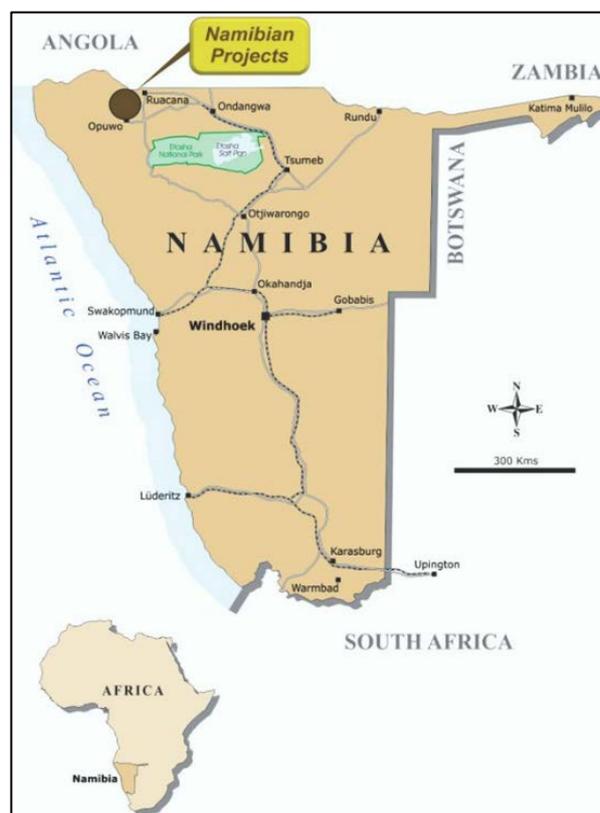


Figure 1: Location of the Opuwo Cobalt Project, Namibia

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Competent Persons Statement

Information in this report relating to Exploration Results and Exploration Targets 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.