



ASX RELEASE

2 FEBRUARY 2022

CELSIUS SUBSIDIARY SECURES SILICA ROYALTY AGREEMENT AT SAGAY

HIGHLIGHTS

- Celsius Resource's subsidiary Tambuli Mining Company Inc has signed a Silica Royalty Agreement with Western Mining Ventures & JL Capinpin Aggregates.
- The Royalty stream agreed has the potential to deliver material revenue to TMCI.

Celsius Resources Limited ("Celsius" or "the Company") is pleased to announce its Philippine subsidiary Tambuli Mining Company, Inc. ("TMCI"), has entered into a royalty agreement with Western Mining Ventures and JL Capinpin Aggregates ("Silica Group"). As part of the agreement, TMCI is entitled to a net royalty percentage ("Royalty") on all silica mined and produced at the applicable specification ("Silica") from its Sagay Silica Project, which will cover a total of 10 hectares at Sherman Hill. The silica deposit is approximately 5km west south west from the Sagay Copper/Gold prospect which is situated on Nabiga-a Hill where a total coring meterage of 25,076.2m of drilling across 28 diamond drill holes were previously completed, and where TMCI is currently drilling 7 diamond drill holes totalling 4,400 metres. The Silica will be mined under a quarry permit located within TMCI's tenement area denominated as EP-000003-VI in Sagay City, Negros Occidental, Philippines.

The Silica Group specialises in quarrying of raw materials in various locations throughout the Philippines, and in addition, currently holds two Applications for Production Sharing Agreement ("APSA") within TMCI's tenement area. The group has a pending application with the Provincial Government of Negros Occidental for silica quarry permits, which is awaiting area clearance from the Mines and Geosciences Bureau. Area clearance can only be issued once consent has been secured from TMCI, which has now taken place as a result of the Royalty Agreement now executed between TMCI and the Silica Group.

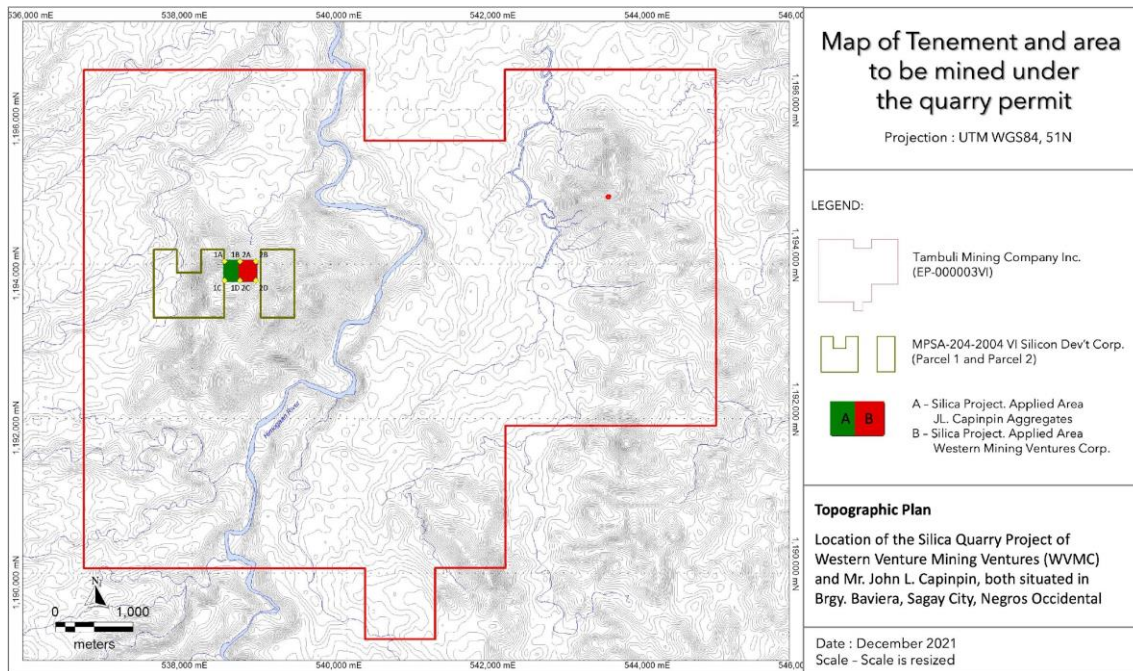
Once the Silica Group has been granted a quarry permit, the Royalty will be payable effective from the date of the first sale of the product and calculated as follows:

- Twelve percent (12%) of net revenue during the first six (6) months.
- Sixteen percent (16%) of net revenue from the 7th month to 1 year.
- Twenty Percent (20%) of net revenue after 1 year and onwards.
- In addition, ten percent (10%) of net revenue will be set aside in a trust account to fund the Environmental, Safety, Social and Mine Rehabilitation ("ESSMR Fund") at the sole and exclusive management, custody and administration of TMCI, under fair and reasonable terms and conditions. This fund will be applied to environmental, safety, social, and mine rehabilitation throughout its quarry operations, after which any remaining balance shall be distributed on a 70%/30% basis to the Silica Group and TMCI respectively.

***Note:** The calculation to obtain net revenue only considers the actual cost to extract or recover and sell the final silica product, and excludes all administration and overhead costs.*

In addition to the agreed Royalty, TMCI and the Silica Group have also agreed to provisions pertaining to:

- Joint marketing of the Silica.
- Processing the Silica at site to obtain higher value for the final product.
- Exploring the possibility of the Company becoming a technical Partner in order to obtain access to the Silica Group’s two (2) APSA surrounded by TMCI’s Sagay mining tenement. (Please see the following Map.)



An annual production rate is yet to be determined based on relevant factors but will be mutually agreed at the appropriate time.

Any mineralisation other than Silica will remain the exclusive and sole right of TMCI to develop, process, and sell as required.

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

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