Exploration Update - Young Henry Prospect

HIGHLIGHTS

- **38.3m @ 0.23% Ni and 17.7m @ 0.19% Ni intersected in YHDD001**
- **Mapping and sampling for Nickel and Cobalt planned at the 1.4km long Henrietta EM anomaly**
- **Drill core sulphide samples dispatched for petrology and mineral identification**

Accelerate Resources Limited ("Accelerate" or "the Company") is pleased to announce that analysis of its drilling result at the Young Henry nickel prospect has returned two significant nickel intersections.

Young Henry is located within Accelerate's flagship Mount Read project in Western Tasmania where the Company has been delivering a systematic project development strategy aimed at identifying a large economic deposit containing core EV battery metals including cobalt, nickel, and copper.

Accelerate Managing Director Yaxi Zhan said "Stage two drilling at Thomas Creek is already underway with a fourth drill hole and we are planning for further exploration program in line with our strategy to best position Accelerate to attract large partners to further develop the Mount Read project."

Young Henry drill (YHDD001) results

YHDD001 tested a 300m long SSW plunging electromagnetic (FLEM) conductor, coincide with aeromagnetic high and associated Ni, Zn, Co anomalous and locally gossanous soil samples. The primary target was magmatic Ni – Cu - Co sulphides (see ASX Announcement 28 September 2018).

The drilling intersected two zones of elevated Nickel within ultramafics. Peak results including 3820ppm Ni, 388ppm Co, 456ppm Cu and 2150ppm Zn. The upper serpentinised ultramafic zone returned an extensive **38.3m @ 0.23% Ni from 36.5m**, whilst a lower zone returned **17.7m @ 0.12% Ni from 90m** (Table 1, Figure 2). Relatively massive pyroxenite between the serpentinised zones

was low in Ni, reaching 0.02%. A 14.3m zone of quartz – carbonate – pyrite veining within shale beneath the ultramafics was generally not metal anomalous, but returned weakly elevated Ni (~900ppm) from 114 to 116m. This interval contained local patches of pervasive silica – pyrite and semi-massive pyrite to 20cm.

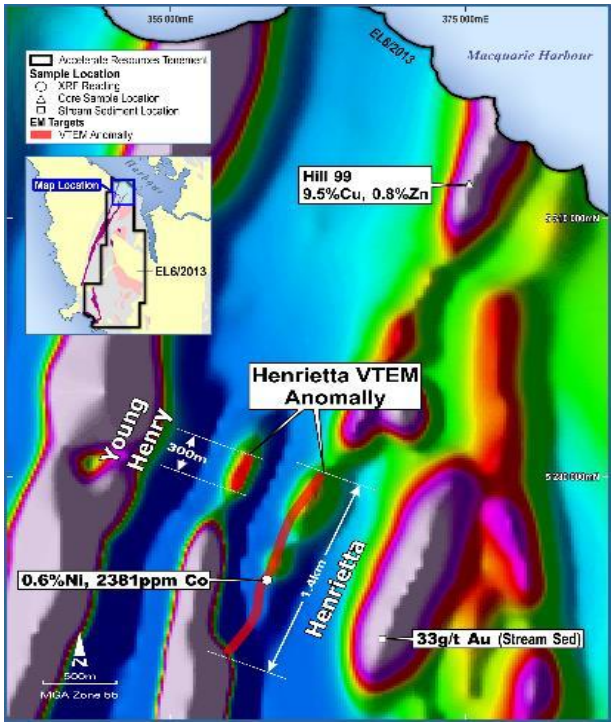

Figure 1: Location of Young Henry and Henrietta airborne electromagnetic (VTEM) anomalies over aeromagnetics.

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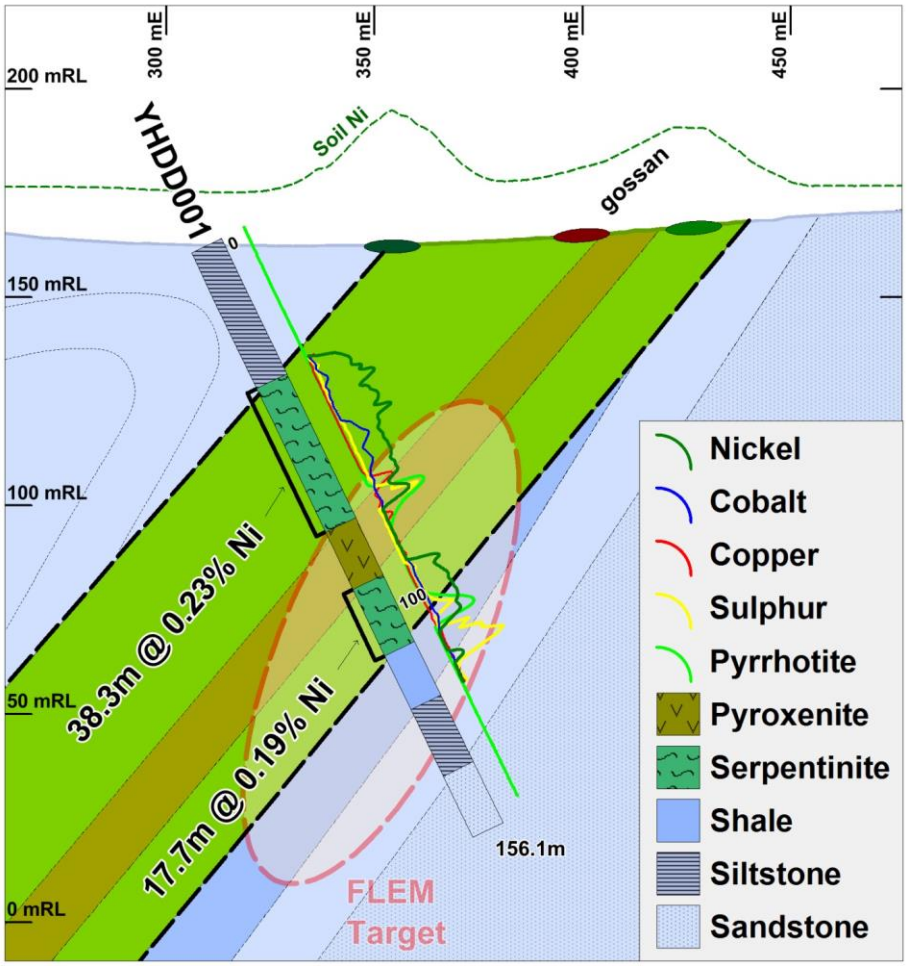

Figure 2: Drill Hole YHDD001 cross section (Young Henry) illustrating significant Ni intersections, down hole geology and traces for various elements.

Table 1: Significant intersection and relevant zone weighted averages from drill hole YHDD001 (0.1% Ni cutoff grade)

Description	From (m)	To (m)	Interval (m)	Ni %	Co ppm
Upper Serpentinite	36.50	74.80	38.30	0.23	142
including	42.00	54.00	12.00	0.29	80
including	69.40	71.70	2.30	0.13	79
Pyroxenite	74.80	90.00	15.20	0.02	49
Lower Serpentinite	90.00	107.70	17.70	0.19	88
Footwall quartz pyrite veined Sediments	107.70	122.00	14.30	0.02	31

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Table 2: YHDD Collar Details

Hole ID	East MGA94 Zone 55	North MGA94 Zone 55	RL m	Azimuth	Dip	HQ m	NQ m	EOH
YHDD001	368465	5304278	171	115	-65	96.8	59.3	156.1

Two zones with magmatic Nickel sulphide potential were identified at the base of both serpentinised ultramafic's intersected. These zones bear the strongest sulphide mineralisation within ultramafic. Peaks in Ni and S analyses down hole are coincident with pyrrhotite occurrence within these zones, whereas the general correlation between stronger serpentinisation and elevated Ni higher in the upper ultramafic intersection is not supported by significant sulphide occurrence or S analysis (Figure 2). Notably common pyrite within silica – carbonate veins and as disseminations further down hole in shale and siltstone is reflected by elevated S analyses, but pyrrhotite is not present. Further support for magmatic sulphide occurrence is Niton XRF analysis of pyrrhotite veining returning up to 1.88% Ni (also including 0.65% Cu and 0.16% Co) suggesting that Ni sulphide (possibly pentlandite) is present. XRD mineral identification and polished thin section petrography are underway to determine the nature of these sulphides.

Summary and future plan

The identified potential for magmatic Ni – Cu – Co sulphide deposits in the area is particularly encouraging given that an untested 1.4km strike length of stronger VTEM anomalies, coincident with ultramafic rock, lies less than 1km east at the Henrietta Prospect (Figure 1).

Assessment of this key target when field operations recommence will initially include geological mapping, stream sediment sampling, gridding, rock chip and soil sampling, prior to ground electromagnetic surveys to define drill targets.

—ENDS—

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Competent Person Statement:

Information in this release that relates to Exploration Results is based on information compiled by Mr Robert Reid, who is the Tasmanian Regional Exploration Manager for Accelerate Resources Limited and who is a Member of the Australian Institute of Geoscientists (AIG). Mr Reid has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Reid consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

Forward Looking Statements

Statements contained in this release, particularly those regarding possible or assumed future performance, costs, dividends, production levels or rates, prices, resources, reserves or potential growth of Accelerate Resources Limited, are, or may be, forward looking statements. Such statements relate to future events and expectations and, as such, involve known and unknown risks and uncertainties. Actual results and developments may differ materially from those expressed or implied by these forward-looking statements depending on a variety of factor

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JORC Table 1

JORC Code, 2012 Edition - TABLE 1 (Section 1: Sampling Techniques and Data)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *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*	• HQ and NQ diamond core drilling undertaken using an LF70 helicopter portable diamond drill rig. Recovered core generally in 1.5m runs, placed into plastic core trays. • HQ/NQ sized core from Hole YHDD001 was cut utilising an Almonte Autosaw, with half core sampled at generally 1m intervals from 34.5m to 122m, • The samples from YHDD001 were submitted to Independent certified laboratory ALS in Perth, for ore grade gold, platinum and palladium analysis by Fire Assay (30 gram charge) with ICP-MS finish (PGM-ICP23 method) and multi-element (48 element) analysis by 4-acid digest, ICP-MS (ME-MS61 method) • Core is logged and recovery noted. Core orientation by a combination of spear and Orishot core orientation tool. • Sulphide mineralisation as mentioned in the report is based on visual appraisal and estimation of the core and recorded in the drill log by the site geologist.

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Criteria	JORC Code explanation	Commentary
	30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse Au that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	
Drilling techniques	• *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).*	• HQ and NQ diamond core drilling from surface, undertaken using an LF70 helicopter portable diamond drill rig. HQ core from surface to 96.80m. NQ core from 96.80m to 156.20m EOH. Core is oriented by a combination of spear and Orishot core orientation tool.
Drill sample recovery	• *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*	• Core recovery is calculated each run by the driller and verified by the onsite geologist during logging. Only minor core loss was recorded with the recovery for the hole averaging 95% • Sample recovery is checked by the site geologist. drilling using a 1.5m barrel assists in the sample recovery. • No sample bias has been established. Based on the use of diamond drilling and the high core recovery it is assessed that no sample bias exists within the results

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Criteria	JORC Code explanation	Commentary
	preferential loss/gain of fine/coarse material.	
Logging	• *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.*	• The diamond core has been geologically logged to a level of detail to be appropriate for mineral resources estimation. The logging records, lithology, mineralogy, alteration, sulphide mineralisation, weathering, colour and other appropriate features. • All logging is quantitative. All core trays photographed. • The entire YHDD001 hole has been geologically logged to 156.20m EOH
Sub-sampling techniques and sample preparation	• *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.*	• HQ/NQ sized core from Hole YHDD001 was cut utilising an Almonte Autosaw, with half core sampled at generally 1m intervals from 34.5m to 122m, • The samples from YHDD001 have been submitted to Independent certified laboratory ALS in Perth, for ore grade gold, platinum and palladium analysis by Fire Assay (30 gram charge) with ICP-MS finish (PGM-ICP23 method) and multi-element (48 element) analysis by 4-acid digest, ICP-MS (ME-MS61 method)

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Criteria	JORC Code explanation	Commentary
	• *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.*	• Diamond core sample cutting sheets prepared and checked by a geologist with reference to the core mark-up, to ensure correct sample representation. All diamond core samples collected from the same side of the core to ensure consistent, representative sampling
Quality of assay data and laboratory tests	• *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.*	• The 1m diamond half core samples from YHDD001, were submitted to Independent certified laboratory ALS in Burnie, for sample preparation, followed by ore grade Au, Pt & Pd analysis by Fire Assay (30 gram charge) with AAS finish (PGM-ICP23 method) and multi-element (48 element) analysis by 4-acid digest, ICP-MS (ME-MS61 method) at ALS's Brisbane laboratory. The assaying technique is considered total. • Due to the early stage of exploration no external, additional standards, blanks or duplicates have been used. No verification or additional assaying has been undertaken to date. QC relies on the supplied laboratory report • A Niton hand held XRF was used for qualitative/indicative analysis of core, utilising standards for calibration.

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Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• Assay results and drilling data, including significant intersections has been verified by other company personnel • No twinned holes have been completed at present • Primary drilling data, including lithology, colour, alteration, mineralisation, etc is collected using Excel templates in the field. Data from the field and assay laboratory is validated and stored into a database. • Electronic data is stored on the Perth office server. Data is exported from the database for processing by a number of different software packages. • All electronic data is routinely backed up. No hard copy data is retained. • No adjustments were made to the assay data
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and*	• Drill hole collars were located by GPS averaging. Expected accuracy is +/- 5m for northing and easting.

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Criteria	JORC Code explanation	Commentary
	other locations used in Mineral Resource estimation. • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• The GDA94 Zone 55 datum is used as the coordinate system. • Topographic Control is from DTM and GPS. Accuracy +/- 5m
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *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.* • *Whether sample compositing has been applied.*	• Collar coordinates and hole dip, azimuth and depth for YHDD001 are listed in Table 1 in the body of the report. • Diamond core sampling was conducted on generally 1m spacing's between 34.5 and 122m of drill hole YHDD001's 156.1m length. • The sample spacing and geological logging is sufficient to establish the degree of geological and grade continuity. • No sample compositing has been applied.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *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.*	• Structural orientation data remains to be fully analysed, but observed structures are generally at near perpendicular to obtuse angles to core. • YHDD001 was oriented to the ESE to cross mapped NNE structures and EM modelled conductor plate. Observation of the recovered core indicates that the recorded structures are generally close to perpendicular to the core axis, so it is considered that there is little sampling bias due to the hole orientation.

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Criteria	JORC Code explanation	Commentary
Sample security	• *The measures taken to ensure sample security.*	• Chain of custody is managed by AX8 Resources. Drill core is stored on site, before being transported to a logging yard for cutting and sampling. Samples are then submitted to ALS in Burnie for sample preparation, prior to being sent to ALS in Brisbane for analysis.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No independent 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	• *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*	• Exploration Licence EL6/2013 is held 100% by Accelerate Resources Ltd. • The tenement occurs in the Southwest Conservation Area and is part of the Cape Sorell, Strategic Prospectivity Zone, which is protected by the Mining (strategic Prospectivity Zones) Act 1993 – An Act to ensure continuing access for mining purposes to areas of the State having high

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Criteria	JORC Code explanation	Commentary
	obtaining a licence to operate in the area.	potential for mineral exploration. • There is no Native Title claim over the tenement area.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous historical exploration work by other Companies includes surface geochemistry and 200m spaced VTEM. For detailed description of historical work please refer to the Company's Prospectus (ASX release 12/02/2018).
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The target for exploration in the area is magmatic nickel-copper-cobalt sulphides associated with the mafic-ultramafic rocks. • Very little historical exploration has been undertaken at Henrietta or the Young Henry prospects.
Drill hole Information	• *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:* ○ *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*	• Refer to Table 1. in body of the report above, which details, Hole Number, coordinates, dip & azimuth, Hole depth, and NQ and HQ intervals.

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Criteria	JORC Code explanation	Commentary
	○ *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.*	
Data aggregation methods	• *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.*	• Standard weight averaging technique used for mineralised intercepts in hole YHDD001. No upper cut-off applied to nickel due to moderate-low grade. 1000ppm (0.1%) cut-off grade for nickel. • Not applicable as aggregate intercepts are of a similar grade and do not include short lengths of high grade aggregated with longer lengths of low grade. • Not applicable as metal equivalent values are not used.

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Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *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').*	• Mineralisation widths are based on observed ultramafic and sulphide bearing geological intervals as indicated in the text, with assay intercept lengths based on 1m sampling • The geometry between the mineralisation and the drill hole angle is currently based on geological observation and sectional interpretation. The true width is estimated at 90 to 94% of the drilled intercept width.
Diagrams	• *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.*	• Drill hole collar locations are included in Table 1 within the body of the report. A section is provided in Figure 2 and a drill collar plan was previously provided in the "Diamond Drill Hole completed at Young Henry" announcement (ASX release 28/9/18).
Balanced reporting	• *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.*	• All nickel results from hole YHDD001 above 1000 ppm (0.1%) cut-off and highest analyses for nickel, cobalt, copper and zinc are reported in this ASX announcement.
Other substantive	• *Other exploration data, if meaningful and material,*	• All relevant exploration data is discussed in the

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exploration data	*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.*	text. Please refer to the Company's Prospectus (ASX release 12/02/2018), Young Henry soil sampling announcement (ASX release 16/8/2018) and Diamond Drill Hole completed at Young Henry announcement (ASX release 28/9/18) for additional background information on previous exploration activities at Young Henry
Further work	• *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.*	• Planned future exploration involves further soil sampling, mapping and ground geophysics, prior to follow up drilling programs at Henrietta as described in the body of the text.

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