

## Accelerate Actions Manganese Strategy and Begins Exploration of New East Pilbara Manganese Assets

### Highlights

- Accelerate executes high grade manganese strategy for battery and steel production, identifying future supply disruption and metal shortfalls in this space.
- Option Agreement signed to acquire the manganese rights on two highly prospective licences within the well serviced East Pilbara Manganese Field.
- Projects located close to tier one high grade Woodie Woodie Manganese deposit and contained within similar host stratigraphy that has remained underexplored.
- Historical exploration results include high grade surface manganese mineralisation (+40% Mn) identified at the Braeside West Project (Jupiter Mines (ASX:JMS) announcement 18th Sept 2009).
- Field work to commence immediately.

Managing Director Yaxi Zhan commented, “We are excited by the opportunity to explore within a world class region for high grade manganese, a critical mineral for battery and steel production with forecast demand shortfalls. This timely, high value strategy is in a proven yet underexplored area with excellent infrastructure and we believe there is significant opportunity for new discoveries.”

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#### BOARD

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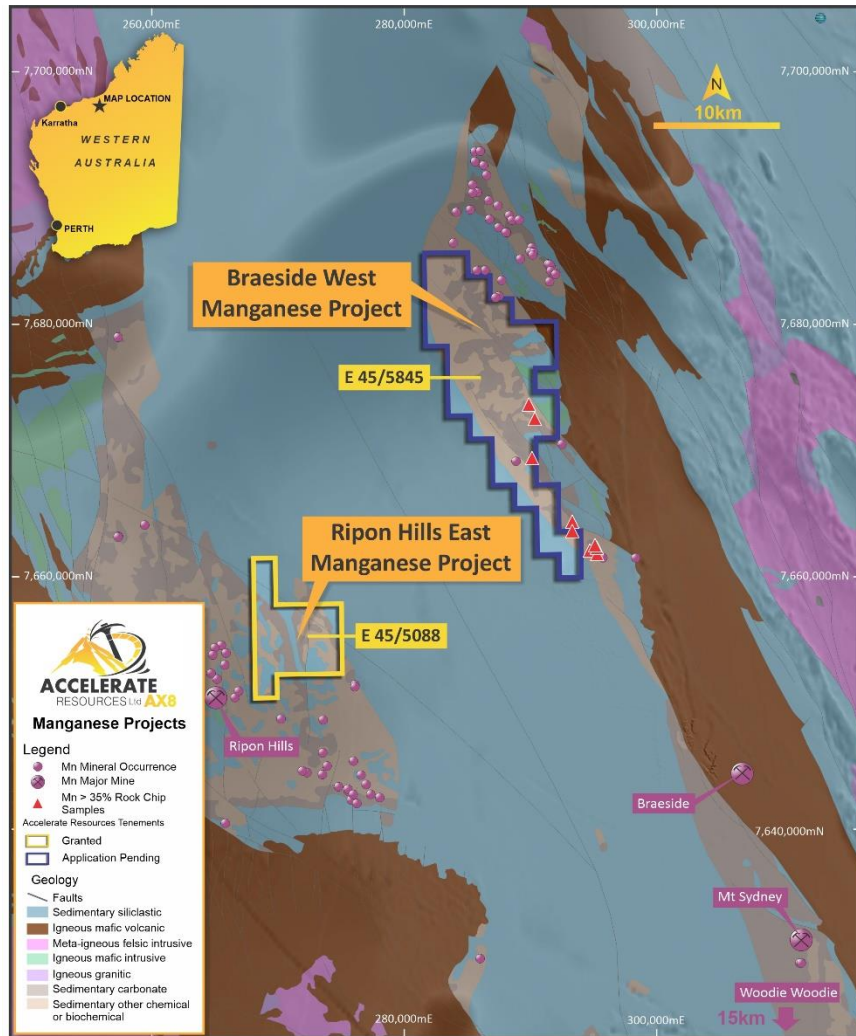


Figure 1: Ripon Hills East and Braeside West Mn Project Location

Accelerate Resources Limited (“Accelerate” or “the Company”) has entered into a binding Option Agreement with Pardoo Resources Pty Ltd (ACN 647 653 316) and Great Sandy Pty Ltd (ACN 139 440 403) to acquire the Manganese and Iron Ore rights on Ripon Hills and Braeside West projects in the East Pilbara Manganese Field.

The Projects are situated 120km east of Marble Bar within 70km of the Woodie Woodie Manganese Mine and only 250km from the port of Port Hedland. (Figure1)

Manganese is a critical element used in steel production. The steel industry is poised to continue growing, providing a steady source of demand for manganese. New demand is arising from clean-energy applications. High purity manganese (HPM) is used as a cheaper substitute for cobalt in nickel-cobalt-manganese (NCM) battery cathodes.

Manganese is increasingly a critical link in the lithium-ion battery supply chain and has been added to the Strategic Minerals stockpile along with cobalt, chrome and molybdenum. There is a high probability of supply disruption from South African production and the wind down of dominant Northern Territory Groote Eyland Manganese Operations.

High grade deposits capable of producing lump or fines product with grades in excess of 40% Mn are critical in steel and battery market supply chains.

Ms Zhan further commented that “The company intends to commence prospect definition and field work immediately to define initial drill targets for evaluation”.

## Key Terms

- Non-refundable \$10,000 (plus GST) option fee payable to the Vendors upon the execution of the Option Agreement.
- The Vender will grant Accelerate an option to acquire the following rights related to the manganese and iron (together, the **Minerals**) that is over the Exploration Licences 45/5088 and 45/5854 (together, the **Tenements**):
  - the sole and exclusive right to explore for the Minerals on the Tenements;
  - if a JORC compliant Resources and Reserves of Minerals is discovered, the right to develop and mine on the Tenements to extract and process the Minerals and to retain all Minerals produced by such development and mining;
  - the irrevocable licence to enter and re-enter onto the Tenements, by its employees, agents or contractors, to exercise the exploration, mining and processing rights referred to above;
  - the requirement to be consulted before the relinquishing any portion of a Tenement;
  - the right to receive all notices received by it in respect of the Tenements as soon as practicable upon receipt from a relevant government authority; and
  - the right to lodge caveats against the Tenements.
- Accelerate can exercise the Option at any time during the 90 business days following the execution of the Option Agreement (**Option Period**).
- If Accelerate elects to exercise the Option, then the Company must:
  - Pay \$30,000 (plus GST) in immediately available funds to the Vendors; and
  - Issue a total of 8,000,000 fully paid ordinary shares in AX8 to the Vendors (or their nominees).

## Braeside West

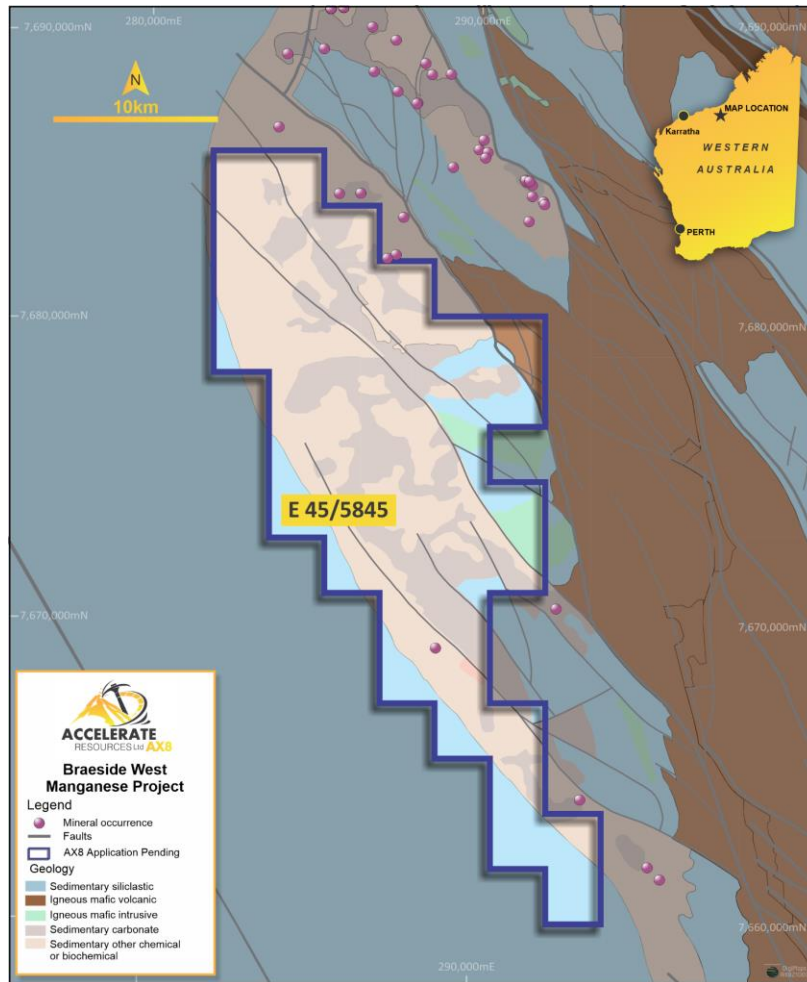


Figure 2: Braeside West Mn Project Location

**The Braeside West Prospect (E45/5854)** covers 139km<sup>2</sup> and also offers the opportunity to identify manganese mineralisation of similar nature to the deposits of the nearby (~80km) Woodie Woodie Mine that mined 41 manganese deposits since 1950 with an average deposit size of 500,000t grading 40% Mn. (Figure 2)

The Prospect is also located directly south and along strike of the Baramine (high-grade) manganese mineral occurrences, identified by Shaw River Manganese Limited from 2010-2014. Shaw River successfully identified both replacement style manganese mineralisation as well as Woodie Woodie “style” high grade mineralisation with drilling activity close to the northern boundaries of the Project area. This data will be interrogated to seek extensions within the Project area.

The tenement has undergone several exploration phases. Work consisting of Geological mapping, rock chip sampling, VTEM geophysics and drilling has been completed.

Jupiter Mines Limited (WAMEX: A090762\_E45\_2639\_2011A\_11693517)<sup>1</sup> were the last to work the area with the completion of a VTEM geophysical survey, collection of eight rock

<sup>1</sup> WAMEX – Western Australia Mineral Exploration – Department of Mines, Industry Regulation and Safety



chip and geological mapping. The VTEM Survey partially covered the Application area with over 20 untested anomalies found to occur within the Project.

Pilbara Manganese Pty Ltd (WAMEX: A097228\_C62\_2005\_2012A\_16004449) also completed a Gravity geophysical survey and a limited five-hole RC drilling program in the application area

Consolidated Minerals Limited (WAMEX: A057720) was also active in the area drilling eight Aircore holes.

In all cases, manganese mineralisation was identified and Accelerate will look to reprocess that data, ground truth geological finding and validate all data once the Application is granted.

## Ripon Hills East

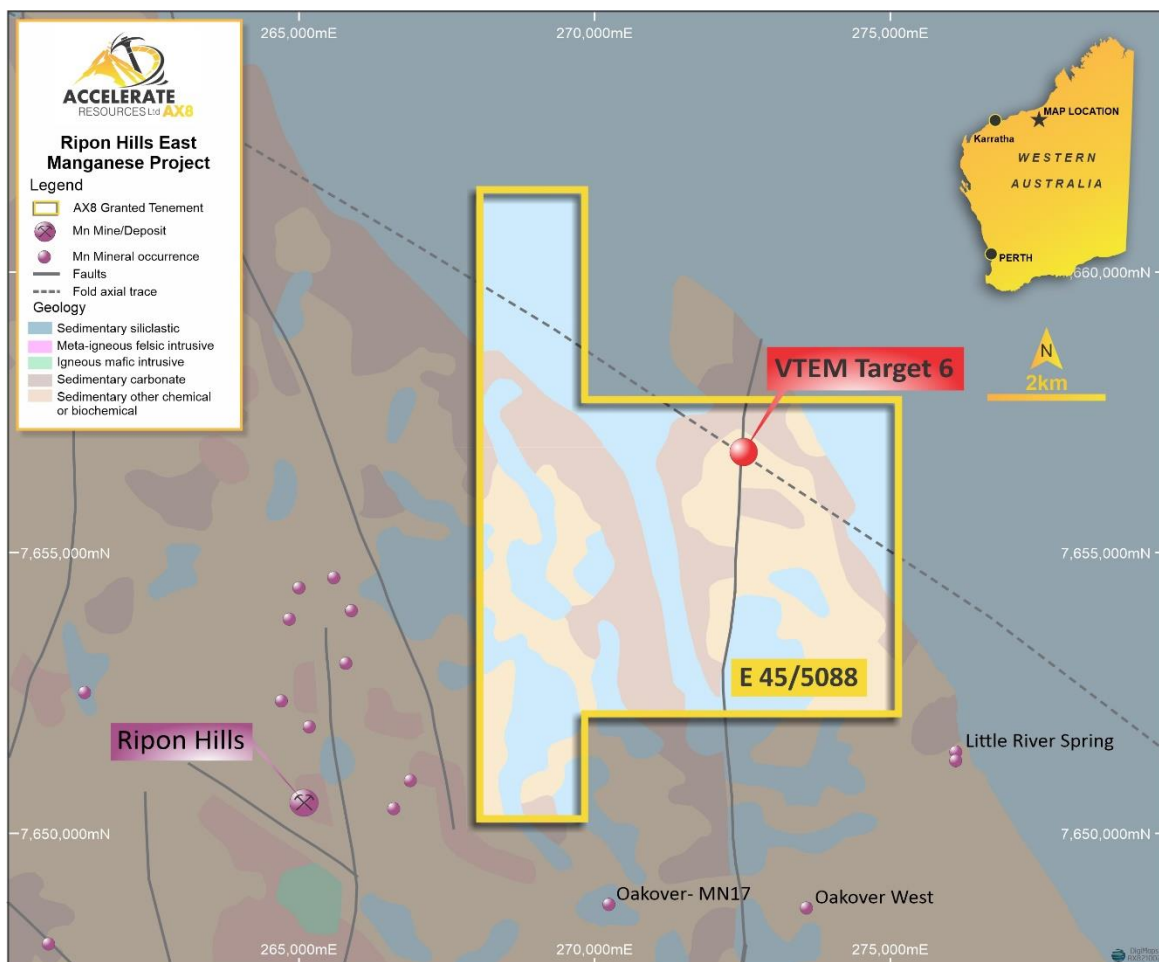


Figure 3: Ripon Hills Mn Project Location

**Ripon Hills East Prospect (E45/5088)** is situated 70 km north-west of the world class Woodie Woodie Manganese deposit (Consolidated Minerals') and immediately east of the Ripon Hills manganese deposit that hosts a non-JORC compliant resource (at a 20% cut off) of 12 Mt at 24.6% Mn and 23% Fe<sup>2</sup>. This deposit is thought to have formed through the

<sup>2</sup> DENHOLM, L. S., (1977): Investigation of the ferruginous manganese deposits at Ripon Hills, Pilbara Manganese Province, Western Australia: The Australasian Institute of Mining and Metallurgy, Proceedings, no. 264, p. 9–7

lateritic weathering of the Proterozoic ferruginous-manganiferous shales to a depth of about 11 m.

Ripon Hills East Project consists of gently dipping Proterozoic shales including the Pinjian Chert and the underlying Carrawine dolomite. The manganese at this location is replacement style, developing fine grained pyrolusite and hematite mineralisation<sup>3</sup>.

The project covers 48km<sup>2</sup> and records indicate very little historic exploration within the license area, despite the presence of favorable “Woodie Woodie” N-S structures and mappable surface manganese mineralisation.

Previous exploration by Jupiter Mines (ASX:JMS) identified a coincident VTEM geophysical anomaly (Figure 3) on an identified N-S structure but no follow up work has been initiated. This anomaly will be the subject of further verification and surface prospecting.

After a thorough review, the company will seek to identify both replacement style manganese mineralisation as well as additional Woodie Woodie “style” structures for deeper and potentially higher-grade mineralisation.

#### Next Step

- Completion of Due Diligence.
- Fieldwork to commence immediately to define drill targets.

—ENDS—

*This announcement has been produced in accordance with the Company's published continuous disclosure policy and has been approved by the Board.*

#### For further information please contact

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#### **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.*

#### **Competent Persons Statement**

*Information in this release that relates to Exploration Results is based on information compiled by Mr Griffiths, who is a qualified geologist, and a Fellow of the Australian Institute of Mining and Metallurgy (AusIMM). Mr Griffiths 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 Griffiths consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.*

<sup>3</sup> JONES S. A. (2017): Geology and geochemistry of fault-hosted hydrothermal and sedimentary manganese deposits in the Oakover Basin, east Pilbara, Western Australia, Australian Journal of Earth Sciences, DOI: 10.1080/08120099.2017.1272492