

## December Quarterly Report 2018

### HIGHLIGHTS

#### Exploration Update

- Drill Hole TCDD004 completed at Thomas Creek with final depth 657m
- Airborne Mobile MagnetoTellurics (MobileMT) survey completed
- Results pending for drilling and MobileMT survey

#### Corporate Update

- Awarded EDGI Co-funding of \$140,000 towards drilling and helicopter support at Mt Read Project.
- Operational and new project opportunity strategic reviews



Figure 1. MobileMT bird on Mt Read project area



Figure 2. MobileMT bird towed by helicopter

#### CONTACTS

Yaxi Zhan  
Managing Director  
Suite 4/16 Ord Street  
West Perth, 6005, WA

T: 08 9324 2072  
E: Yaxiz@Ax8.com.au  
P: PO Box 938,  
West Perth, WA 6005

#### BOARD

Grant Mooney  
Yaxi Zhan  
Andrew Haythorpe  
Terence Topping  
Brett Tucker

Non-Executive Director  
Managing Director  
Executive Director  
Non-Executive Director  
Company Secretary

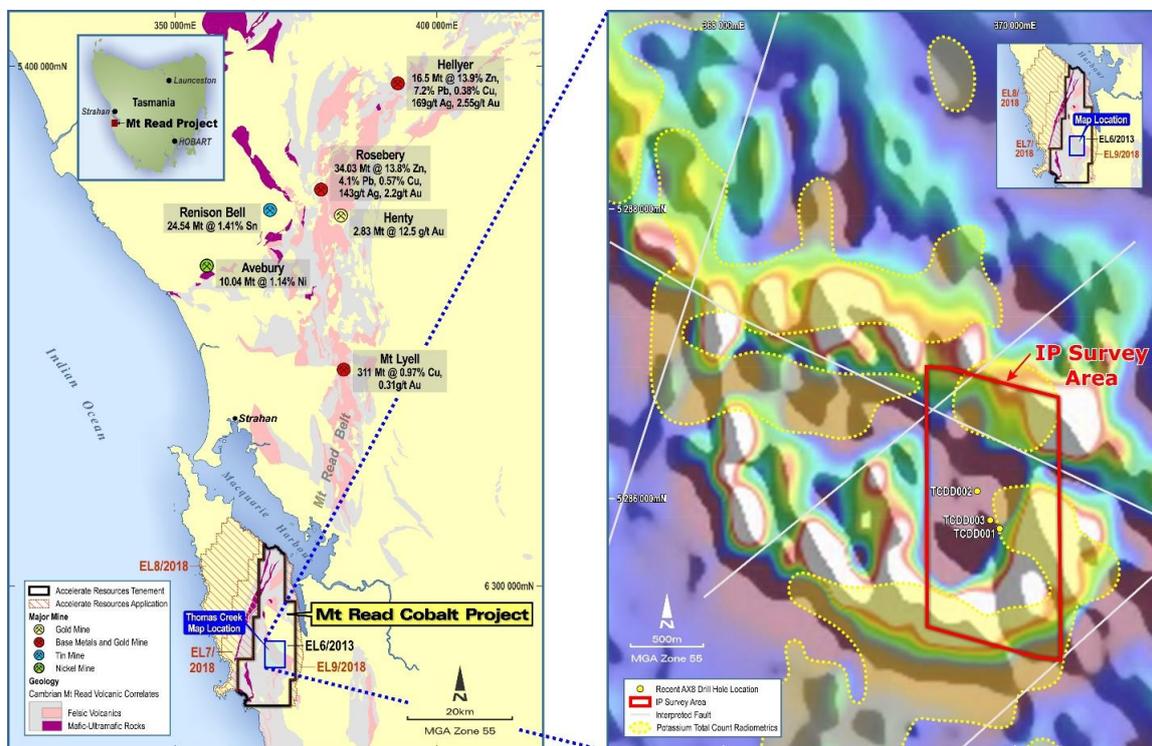
## Exploration Update - MT Read Project, Tasmania (AX8 100%)

- **Completion of drill hole TCDD004**

Accelerate Resources Limited (“Accelerate” or “the Company”) completed drill hole TCDD004 to 657.0m EOH at the Thomas Creek cobalt-copper prospect and the rig has been demobilized.

Recent drilling targeted a large IP chargeability anomaly along the eastern margin of an ovoid magnetic body, below a surface copper-cobalt soil anomaly (see ASX announcement 6<sup>th</sup> April 2018) (Figure 1).

The drilling successfully intersected a fertile mineralised system bearing abundant disseminated sulphides and containing several felsic-intermediate intrusions and sulphide veining with associated anomalous copper-cobalt grades. The initial three holes at Thomas Creek, TCDD001, TCDD002 and TCDD003, are interpreted to have intersected alteration consistent with the outer propylitic and intermediate phyllic zones associated with porphyry-style mineralisation.



**Figure 1. Thomas Creek Project location - Drilling and total count Potassium radiometrics on 1vd RTP Aeromagnetic Imagery**

TCDD004 targeted a coincident magnetic feature and IP anomaly associated with a number of surface features, interpreted to indicate the presence of proximal potassic alteration and more distal propylitic alteration within a “classic” Porphyry alteration system.

TCDD004 intersected a sequence of altered andesitic lavas and volcanic breccias, cross-cut by a number of Potassium feldspar altered monzodiorites. A number of zones of magnetite – chalcopyrite - pyrite – potassium feldspar veining, were intersected in the upper 300m of the hole, with visible copper sulphide (chalcopyrite) mineralisation observed, between 199.1m to 298.43m. (see ASX announcement 12<sup>th</sup> November 2018).

TCDD004 drilling was partially co-funded by the Tasmanian State Government, through the 2018-2019, Exploration Drilling Grant Initiative (EDGI).

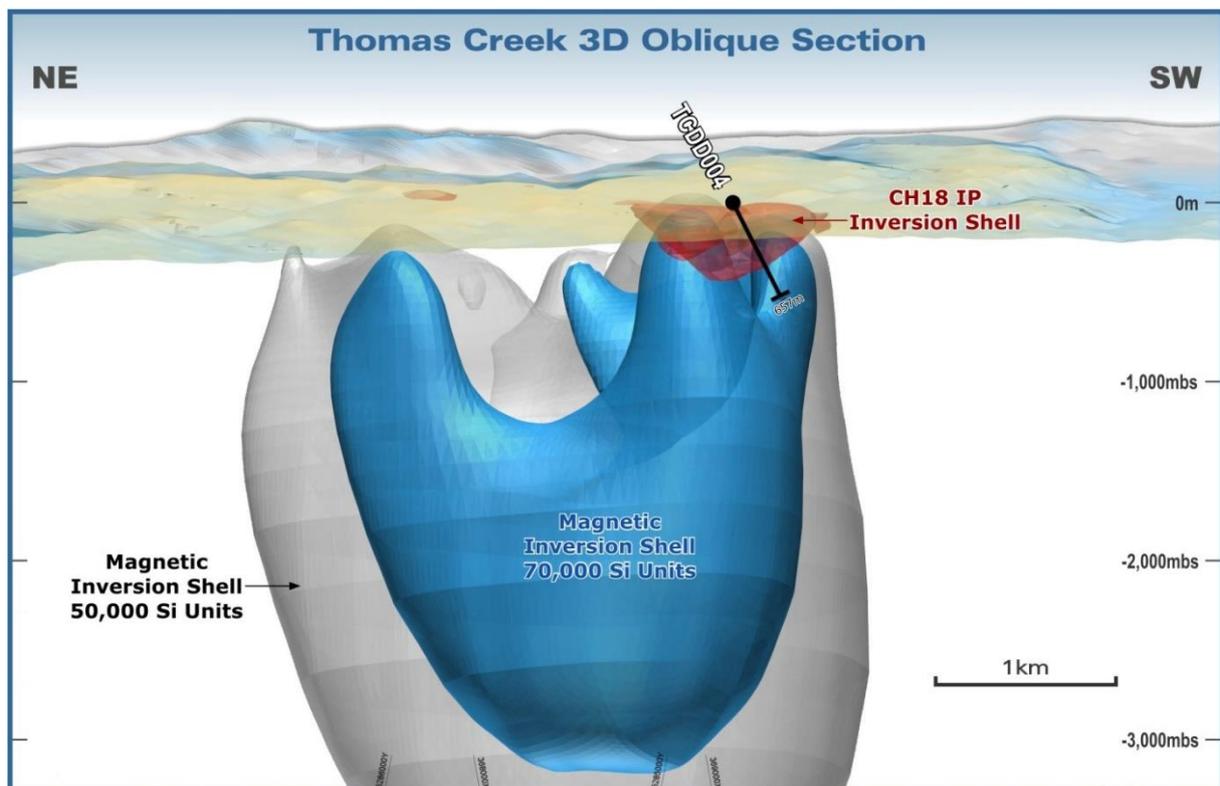


Figure 2: IP chargeability and magnetic inversion shells targeted by TCDD004.

Table 1: Thomas Creek Drill Collar Details

| Hole ID | East MGA94<br>Zone 55 | North MGA94<br>Zone 55 | AHD m | Azimuth | Dip | HQ m   | NQ m   | EOH    |
|---------|-----------------------|------------------------|-------|---------|-----|--------|--------|--------|
| TCDD001 | 369894                | 5285793                | 219   | 090     | -60 | 60.90  | 212.00 | 272.90 |
| TCDD002 | 369740                | 5286051                | 214   | 045     | -60 | 71.80  | 129.10 | 200.90 |
| TCDD003 | 369834                | 5285851                | 214   | 045     | -55 | 101.60 | 256.30 | 357.90 |
| TCDD004 | 370155                | 5285822                | 215   | 135     | -65 | 101.60 | 555.40 | 657.00 |

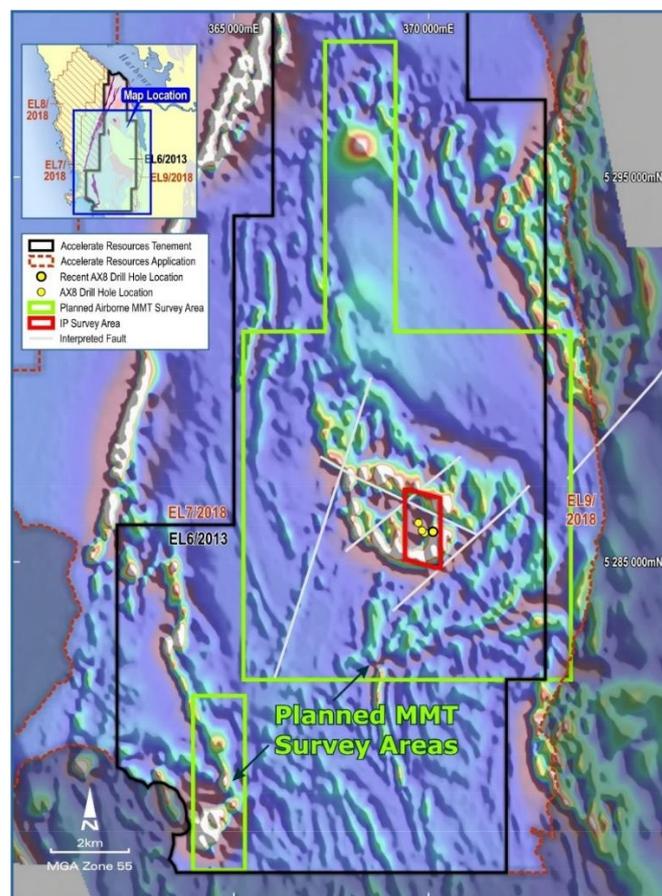
- **Completion of MobileMT survey**

During the Quarter the Company contracted Expert Geophysics Limited to conduct an airborne electromagnetic survey using its Mobile MagnetoTellurics (MobileMT) technology over the larger Thomas Creek prospect area.

The MobileMT system is the latest innovation in airborne electromagnetics and the most recent generation of airborne Audio-Frequency Magnetic Electromagnetic (AFMAG) technologies. (see ASX announcement 20<sup>th</sup> November 2018).

The survey aims to define the 3D alteration and structural controls within the larger Thomas Creek porphyry system, which will enhance the geological understanding of the porphyry system and enable targeting of further potential mineralisation.

The ~415 line-kilometre airborne survey was completed in early January 2019, covering ~89 km<sup>2</sup> in the immediate area over the ~13km<sup>2</sup> Thomas Creek copper-cobalt prospect. The 200m and 400m line-spaced MobileMT EM survey aims to map resistivity contrasts to ~1,000m depth, which can be utilized to map alteration within the larger porphyry system.



**Figure 3. Proposed MMT Survey Areas over Thomas Creek Porphyry System on 1vd RTP Aeromagnetic Imagery**

## Corporate Update

- **Awarded EDGI Co-funding**

Accelerate was advised by Mineral Resources Tasmania (a Division of the Department of State Growth) that the Company's application to participate in the EDGI program for 2018/2019 has been successful and Accelerate has been approved for co-funding of up to \$140,000 towards future drilling programs and helicopter support at Thomas Creek and Henrietta prospects.

The EDGI Program is preferentially funding high quality, technically and economically sound "green fields" projects that promote innovative exploration or new exploration concepts and technology. The Co-funded Government - Industry Drilling Program is funded by the State Government with \$2M being committed over four years. The applications by Accelerate cover the drilling of TCDD004 at Thomas Creek copper-cobalt and proposed drilling at the Henrietta nickel-cobalt prospect, with co-funding covering 50% of the direct drilling costs, up to a total of \$50,000 and \$20,000 for helicopter support.

- **Operational and new project opportunity strategic reviews**

During the Period the Accelerate's Board continued with a clear strategy to identify and review acquisition opportunities in the resource sector to complement the Company's existing projects and activities.

The Company is currently reviewing projects that meet those criteria. Accelerate believes that its combination of its clear strategy, corporate and technical capabilities, attractive capital structure, current cash position and access to capital makes it perfectly placed to exponentially grow through systematic exploration on first order projects and project acquisitions.

The Company will keep the market updated should any of these discussions result in an agreement being reached.

- **Shareholder meeting**

As announced to the ASX on 24 September 2018 and 1 October 2018, the Company was obliged to hold a meeting of shareholders during the quarter.

The Company held the shareholder requisitioned meeting on 22 November 2018, which immediately preceded the Company's Annual General Meeting of shareholders on the same day. All the proposed resolutions at the shareholder requisitioned meeting were defeated by

way of poll. The Board believes that this result demonstrated strong shareholder support for its stated strategy of focusing on exploration and building upon initial encouraging drill results, in order to position the Company to attract large funding partners.

Subsequently in December 2018 the Company reached agreement with GTT Global Opportunities Pty Ltd and associated entities. The GTT Parties have agreed to support the Accelerate board, and work with the Company on the existing efforts to secure a potential Joint Venture partner to fund additional drilling of the highly prospective Thomas Creek Porphyry Target.

—ENDS—

**For further information please contact**

**Yaxi Zhan**

**Managing Director**

E: [Yaxiz@AX8.com.au](mailto:Yaxiz@AX8.com.au) | P: +61 8 9324 2072 | W: [www.AX8.com.au](http://www.AX8.com.au)

**Competent Person Statement:**

*Information in this release that relates to Exploration Results is based on information compiled by Mr Andrew Rust, who is the Exploration Manager for Accelerate Resources Limited and who is a Member of the Australian Institute of Mining and Metallurgy (AusIMM). Mr Rust 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 Rust 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 factors.*

## Appendix

In accordance with Listing Rule 5.3.3. Accelerate provides the following information in relation to its mining tenements.

### 1. The mining tenements held at the end of the quarter and their location

| Project             | Tenement Number | Status      | Location          | Beneficial Percentage Interest |
|---------------------|-----------------|-------------|-------------------|--------------------------------|
| <b>Mt Read</b>      | EL 6/2013       | Granted     | Tasmania          | 100%                           |
| <b>Mt Read</b>      | EL 7/2018       | Granted     | Tasmania          | 100%                           |
| <b>Mt Read</b>      | EL 8/2018       | Application | Tasmania          | 100%                           |
| <b>Mt Read</b>      | EL 9/2019       | Application | Tasmania          | 100%                           |
| <b>Bulgera</b>      | E52/3276        | Granted     | Western Australia | 100%                           |
| <b>Bulgera</b>      | E52/3316        | Granted     | Western Australia | 100%                           |
| <b>Mount Monger</b> | E25/525         | Granted     | Western Australia | 100%                           |
| <b>Mount Monger</b> | E25/565         | Granted     | Western Australia | 100%                           |
| <b>Comet</b>        | E20/908         | Granted     | Western Australia | 100%                           |
| <b>Comet</b>        | E20/939         | Application | Western Australia | 100%                           |
| <b>Pilbara</b>      | E46/1192        | Granted     | Western Australia | 100%                           |

### 2. Mining tenements acquired during the quarter and their location:

Nil

### 3. Mining tenements disposed of during the quarter and their location:

Nil

## JORC Table 1

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

| Criteria                   | JORC Code explanation  | Commentary  |
|----------------------------|--|---|
| <i>Sampling techniques</i> | <ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i></li> <li><i>Aspects of the determination of mineralisation that are Material to the Public Report.</i></li> <li><i>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling</i></li> </ul> | <ul style="list-style-type: none"> <li>Thomas Creek soil samples collected at base of soil/top of deeply weathered saprolitic basement (C-Horizon), at approximately 40 to 100cm depth. Samples submitted to ALS in Adelaide and Perth for assay typically weigh 0.2kg. The analytical data reproduced was generated by ALS Minerals Laboratories using industry standard methods. All certificates of analysis for samples processed for assay were present in the reporting.</li> <li>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.</li> <li>HQ/NQ sized core from Hole TCDD001, TCDD002, TCDD003 and the upper 402m of TCDD004 was cut utilising an Almonte Autosaw, with half core from TCDD001 sampled at 1m intervals through the primary alteration zone, 108m to 202m, and the remainder of the hole half core sampled as 2m composites, with a total of 180 samples collected from the hole. Half core from TCDD002 was sampled at 1m intervals through alteration and observed mineralised zones comprising</li> </ul> |

| Criteria | JORC Code explanation  | Commentary   |
|----------|--|--|
|          | <p><i>was used to obtain 1 m samples from which 3 kg was pulverised to produce a 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.</i></p> | <p>5m to 36m, 96m to 104m and 122m to 172m. The remainder of the hole was half core sampled as 2m composites, with a total of 143 samples collected from the hole. Half core from TCDD003 was sampled at 1m intervals through the primary alteration and observed mineralised zones, 100m to 110m, 166m to 182m and 274m to 336m. The remainder of the hole was half core sampled as 2m composites, with a total of 220 samples collected from the hole. Initial sampling of TCDD004 to 402m has comprised 1m half core sampling of the following intervals, 17-26m, 46-58m, 76-78m, 86-102m, 126-130m, 150-156m, 198-302m and 372-382m. The remainder of the half core was sampled as 2m intervals</p> <ul style="list-style-type: none"> <li>• The 1m and 2m samples from TCDD001, TCDD002, TCDD003 and the upper 402m of TCDD004 were submitted to Independent certified laboratory ALS in Perth, for ore grade gold analysis by Fire Assay (30 gram charge) with AAS finish (Au-AA25 method) and multi-element (48 element) analysis by 4-acid digest, ICP-MS (ME-MS61 method)</li> <li>• Core is logged and recovery noted. Core orientation by a combination of spear and Orishot core orientation tool.</li> <li>• 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.</li> </ul> |

| Criteria                            | JORC Code explanation   | Commentary  |
|-------------------------------------|---|---|
| <b><i>Drilling techniques</i></b>   | <ul style="list-style-type: none"> <li>• <i>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).</i></li> </ul>  | <ul style="list-style-type: none"> <li>• HQ and NQ diamond core drilling from surface, undertaken using an LF70 helicopter portable diamond drill rig. TCDD001, HQ core from surface to 60.90m. NQ core from 60.90 to 272.90m EOH. TCDD002, HQ core from surface to 71.80m. NQ core from 71.80 to 200.90m EOH. TCDD003 HQ core from surface to 101.60m. NQ core from 101.60m to 357.90m EOH. TCDD004, HQ core from surface to 101.60m. NQ core from 101.60m to 657.0m EOH. Core is oriented by a combination of spear and Orishot core orientation tool.</li> </ul>   |
| <b><i>Drill sample recovery</i></b> | <ul style="list-style-type: none"> <li>• <i>Method of recording and assessing core and chip sample recoveries and results assessed.</i></li> <li>• <i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i></li> <li>• <i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i></li> </ul> | <ul style="list-style-type: none"> <li>• Core recovery is calculated each run by the driller and verified by the onsite geologist during logging. Moderate core loss was recorded in the first 7m of hole TCDD001, with 64% recovery, due mostly to oxidised and friable ground. Recovery for the remainder of the hole averages 97%. Moderate core loss was recorded in the first 3m of hole TCDD002, with 57% recovery, due mostly to oxidised and friable ground. Recovery for the remainder of the hole averages 98%. Moderate core loss was recorded in the first 7.1m of hole TCDD003, with 82% recovery due mostly to oxidised and friable ground. Recovery for the remainder of the hole averages 95%. Good recoveries have been recorded for TCDD004, with an average recovery of 97% from surface to 657m EOH. Sample recovery is checked by the</li> </ul> |

| Criteria  | JORC Code explanation   | Commentary   |
|---|---|--|
|   |   | <p>site geologist. drilling using a 1.5m triple tube barrel assists in the sample recovery.</p> <ul style="list-style-type: none"> <li>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</li> </ul>  |
| <b>Logging</b>  | <ul style="list-style-type: none"> <li><i>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.</i></li> <li><i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i></li> <li><i>The total length and percentage of the relevant intersections logged.</i></li> </ul> | <ul style="list-style-type: none"> <li>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.</li> <li>All diamond logging is quantitative. All core trays have been photographed.</li> <li>All soil sampling at Thomas Creek is qualitative and supports the soil geochemical data collated from historical published exploration results</li> <li>The entirety of holes TCDD001, TCDD002, TCDD003 and TCDD004 have been geologically logged to 272.90m EOH, 200.90m EOH, 357.90m EOH and 657.0m respectively.</li> </ul> |
| <b>Sub-sampling techniques and sample preparation</b> | <ul style="list-style-type: none"> <li><i>If core, whether cut or sawn and whether quarter, half or all core taken.</i></li> </ul>  | <ul style="list-style-type: none"> <li>Soil sample preparation and analysis was performed by ALS laboratories in Perth and Adelaide, following industry best practice standards.</li> </ul>  |

| Criteria | JORC Code explanation  | Commentary  |
|----------|--|---|
|          | <ul style="list-style-type: none"> <li><i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i></li> <li><i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i></li> <li><i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i></li> <li><i>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.</i></li> <li><i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i></li> </ul> | <ul style="list-style-type: none"> <li>HQ/NQ sized core from Hole TCDD001, TCDD002, TCDD003 and the upper 402m of TCDD004 was cut utilising an Almonte Autosaw, with half core from TCDD001 sampled at 1m intervals through the primary alteration zone, 108m to 202m, and the remainder of the hole half core sampled as 2m composites, with a total of 180 samples collected from the hole. Half core from TCDD002 was sampled at 1m intervals through alteration and observed mineralised zones comprising 5m to 36m, 96m to 104m and 122m to 172m. The remainder of the hole was half core sampled as 2m composites, with a total of 143 samples collected from the hole. Half core from TCDD003 was sampled at 1m intervals through the primary alteration and observed mineralised zones, 100m to 110m, 166m to 182m and 274m to 336m. The remainder of the hole was half core sampled as 2m composites, with a total of 220 samples collected from the hole. Initial sampling of TCDD004 to 402m has comprised 1m half core sampling of the following intervals, 17-26m, 46-58m, 76-78m, 86-102m, 126-130m, 150-156m, 198-302m and 372-382m. The remainder of the half core was sampled as 2m intervals.</li> <li>The 1m and 2m samples from TCDD001, TCDD002, TCDD003 and the upper 402m of TCDD004 were submitted to Independent certified laboratory ALS in Perth, for ore grade</li> </ul> |

| Criteria  | JORC Code explanation  | Commentary   |
|---|--|--|
|   |  | <p>gold analysis by Fire Assay (30 gram charge) with AAS finish (Au-AA25 method) and multi-element (48 element) analysis by 4-acid digest, ICP-MS (ME-MS61 method)</p> <ul style="list-style-type: none"> <li>• Diamond core sample cutting sheets prepared and checked by a geologist with reference to the core mark-up, to ensure correct sample representation.</li> <li>• All diamond core samples collected from the same side of the core to ensure consistent, representative sampling</li> <li>• Soil sampling of the top of the in-situ saprolitic basement ensures that the sample is representative of the source of the mineralisation.</li> <li>• Soil sample size (~0.2kg) accepted as general industry standard</li> </ul> |
| <p><b><i>Quality of assay data and laboratory tests</i></b></p> | <ul style="list-style-type: none"> <li>• <i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i></li> <li>• <i>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.</i></li> </ul> | <ul style="list-style-type: none"> <li>• The 1m and 2m samples from TCDD001, TCDD002, TCDD003 and the upper 402m of TCDD004 were submitted to Independent certified laboratory ALS in Perth, for ore grade gold analysis by Fire Assay (30 gram charge) with AAS finish (Au-AA25 method) and multi-element (48 element) analysis by 4-acid digest, ICP-MS (ME-MS61 method). The assaying technique is considered total.</li> <li>• Bulk soil samples were submitted for multi-element analyses by ALS laboratories. The assaying technique is considered total.</li> </ul>   |

| Criteria  | JORC Code explanation   | Commentary  |
|---|---|---|
|   | <ul style="list-style-type: none"> <li><i>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.</i></li> </ul>   | <ul style="list-style-type: none"> <li>No geophysical techniques were used for determining analysis.</li> <li>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.</li> </ul>   |
| <p><b>Verification of sampling and assaying</b></p> | <ul style="list-style-type: none"> <li><i>The verification of significant intersections by either independent or alternative company personnel.</i></li> <li><i>The use of twinned holes.</i></li> <li><i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i></li> <li><i>Discuss any adjustment to assay data.</i></li> </ul> | <ul style="list-style-type: none"> <li>Assay results and drilling data, including significant intersections has been verified by other company personnel</li> <li>No twinned holes have been completed at present</li> <li>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.</li> <li>Electronic data is stored on the Perth office server. Data is exported from the database for processing by a number of different software packages.</li> <li>All electronic data is routinely backed up. No hard copy data is retained.</li> <li>No adjustments were made to the assay data</li> </ul> |
| <p><b>Location of data points</b></p>               | <ul style="list-style-type: none"> <li><i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole</i></li> </ul>   | <ul style="list-style-type: none"> <li>Drill hole collars and soil sample locations were located by GPS. Expected accuracy is +/- 5m for northing and easting.</li> </ul>   |

| Criteria   | JORC Code explanation   | Commentary  |
|--|---|---|
|  | <p><i>surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i></p> <ul style="list-style-type: none"> <li>• <i>Specification of the grid system used.</i></li> <li>• <i>Quality and adequacy of topographic control.</i></li> </ul>   | <ul style="list-style-type: none"> <li>• The GDA94 Zone 55 datum is used as the coordinate system.</li> <li>• Topographic Control is from DTM and GPS. Accuracy +/- 5m</li> </ul>   |
| <p><b><i>Data spacing and distribution</i></b></p> | <ul style="list-style-type: none"> <li>• <i>Data spacing for reporting of Exploration Results.</i></li> <li>• <i>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.</i></li> <li>• <i>Whether sample compositing has been applied.</i></li> </ul> | <ul style="list-style-type: none"> <li>• Collar coordinates and hole dip, azimuth and depth for Hole TCDD001, TCDD002, TCDD003 and TCDD004 are included in Table 1 within the body of this announcement. Diamond core sampling was conducted on 1m and 2m composite spacing's over the entire hole length of TCDD001, TCDD002 and TCDD003 and currently over the first 402m of TCDD004.</li> <li>• The sample spacing and geological logging is sufficient to establish the degree of geological and grade continuity</li> <li>• 2m sample compositing has been undertaken for the TCDD001, diamond half core over the following intervals 6m to 108m and 202m to 272.9m EOH. The primary mineralised zone was 1m sampled between 108m to 202m.</li> <li>• 2m sample compositing has been undertaken for the TCDD002, diamond half core over the following intervals 36m to 96m, 104m to 122m and 172m to 200.9m EOH.</li> <li>• 2m sample compositing has been undertaken for the TCDD003, diamond half core over the following intervals 8m to</li> </ul> |

| Criteria   | JORC Code explanation  | Commentary  |
|--|--|---|
|  |  | <p>100m, 110m to 166m, 182m to 274m and 336m to 357.9m EOH.</p> <ul style="list-style-type: none"> <li>2m sample compositing of the diamond half core has been undertaken for the first 402m of TCDD004, over the following intervals 0m to 17m, 26m to 46m, 58m to 76m, 78m to 86m, 102m to 126m, 130m to 150m, 156m to 198m, 302m to 372m and 382m to 402m (the current end of sampling).</li> </ul>  |
| <p><b><i>Orientation of data in relation to geological structure</i></b></p> | <ul style="list-style-type: none"> <li><i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i></li> <li><i>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.</i></li> </ul> | <ul style="list-style-type: none"> <li>Unknown at this stage as the structural orientation of the mineralised zones is not fully known due to broken ground and loss of core orientation.</li> <li>TCDD001 was oriented to the east to cross interpreted north northeast structures. 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. TCDD002 and TCDD003 were oriented to the northeast, targeting the interpreted general orientation of the Chargeable IP feature. Observation of the recovered core indicates that the recorded structures cover a number of orientations, including generally close to perpendicular to the core axis, approximately 45° to the core axis and some at low angles to the core axis. Due to the broad scale nature of the recorded mineralised</li> </ul> |

| Criteria                 | JORC Code explanation  | Commentary   |
|--------------------------|--|--|
|                          |  | intersections comprising disseminated haloes associated with higher grade cores it is considered that there is little sampling bias due to the hole orientation.                                 |
| <i>Sample security</i>   | <ul style="list-style-type: none"> <li><i>The measures taken to ensure sample security.</i></li> </ul>                         | <ul style="list-style-type: none"> <li>Chain of custody is managed by AX8 Resources. Drill core is stored on site, before being transported to ALS in Perth for cutting and sampling.</li> </ul> |
| <i>Audits or reviews</i> | <ul style="list-style-type: none"> <li><i>The results of any audits or reviews of sampling techniques and data.</i></li> </ul> | <ul style="list-style-type: none"> <li>No independent audits or reviews have been undertaken</li> </ul>  |

**Section 2 Reporting of Exploration Results** (Criteria listed in the preceding section also apply to this section.)

| Criteria  | JORC Code explanation  | Commentary   |
|---|--|--|
| <b><i>Mineral tenement and land tenure status</i></b> | <ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i></li> </ul> | <ul style="list-style-type: none"> <li>• Exploration Licence EL6/2013 is held 100% by Accelerate Resources Limited.</li> <li>• 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 potential for mineral exploration.</li> <li>• There is no Native Title claim over the tenement area.</li> </ul> |
| <b><i>Exploration done by other parties</i></b>       | <ul style="list-style-type: none"> <li>• <i>Acknowledgment and appraisal of exploration by other parties.</i></li> </ul>   | <ul style="list-style-type: none"> <li>• Previous historical exploration work by other Companies includes surface geochemistry, broad scale Pole-dipole IP, Gradient Array IP, 200m spaced VTEM and limited shallow drilling (8 holes). Modelling of the historical drilling indicates the IP targets have not been previously drill tested. For detailed description of historical work please refer to the Company's Prospectus (ASX release 12/02/2018).</li> </ul>   |

| Criteria              | JORC Code explanation  | Commentary  |
|-----------------------|--|---|
| <b><i>Geology</i></b> | <ul style="list-style-type: none"> <li><i>Deposit type, geological setting and style of mineralisation.</i></li> </ul> | <ul style="list-style-type: none"> <li>Previous exploration activity at Thomas Creek by other explorers have defined a Cu-Co-Au soil geochemical anomaly associated with an aeromagnetic and ground induced polarisation (IP) geophysical anomaly suggestive of mineralisation associated with an intrusive stock into the volcanic sequence. Drilling completed by Plutonic Operations Ltd in the early 1990's confirmed anomalous Cu-Co-Au values associated with chalcopyrite bearing sulphides in alteration assemblages resulting from diorite intrusion into volcanic host rocks.</li> <li>The combination of volcanic and intrusive rock stratigraphic association, geochemical signature, alteration assemblages, sulphide assemblages, and geophysical expression has been used by previous explorers to draw analogies between the potential for Thomas Creek and the Mount Lyell Cu-Au deposit of western Tasmania.</li> </ul> |

| Criteria                               | JORC Code explanation  | Commentary   |
|--|--|--|
| <b><i>Drill hole Information</i></b>   | <ul style="list-style-type: none"> <li>• <i>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:</i> <ul style="list-style-type: none"> <li>○ <i>easting and northing of the drill hole collar</i></li> <li>○ <i>elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</i></li> <li>○ <i>dip and azimuth of the hole</i></li> <li>○ <i>down hole length and interception depth</i></li> <li>○ <i>hole length.</i></li> </ul> </li> <li>• <i>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.</i></li> </ul> | <ul style="list-style-type: none"> <li>• Refer to Table 1. in body of the ASX Announcement, which details, Hole Number, coordinates, dip &amp; azimuth, Hole depth, and NQ and HQ intervals.</li> </ul>  |
| <b><i>Data aggregation methods</i></b> | <ul style="list-style-type: none"> <li>• <i>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.</i></li> </ul>  | <ul style="list-style-type: none"> <li>• Standard weight averaging technique used for mineralised intercepts in holes TCDD001, TCDD002 and TCDD003. No upper cut-off applied to copper or cobalt due to moderate-low grade. 200ppm, 500ppm and 1000ppm cut-off grades have been used for cobalt and copper results noted in the text. (see ASX announcement 6<sup>th</sup> Sept 2018)</li> </ul> |

| Criteria  | JORC Code explanation  | Commentary   |
|---|--|--|
|   | <ul style="list-style-type: none"> <li>• <i>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.</i></li> <li>• <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i></li> </ul>  | <ul style="list-style-type: none"> <li>• 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.</li> <li>• Not applicable as metal equivalent values are not used.</li> </ul>   |
| <p><b><i>Relationship between mineralisation widths and intercept lengths</i></b></p> | <ul style="list-style-type: none"> <li>• <i>These relationships are particularly important in the reporting of Exploration Results.</i></li> <li>• <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></li> <li>• <i>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’).</i></li> </ul> | <ul style="list-style-type: none"> <li>• Mineralisation widths are based on observed semi-massive and disseminated pyrite and chalcopyrite geological intervals as indicated in the text, with mineral percentages based on visual estimation by the geologist</li> <li>• Assay intercept lengths are based on half core sampling of the diamond core.</li> <li>• The geometry between the various mineralisation intersections and the angle of the drill holes is unknown and based on geological observation. As a result, the down hole length and true width is not known.</li> </ul> |

| Criteria                                  | JORC Code explanation   | Commentary  |
|---|---|---|
| <b>Diagrams</b>                           | <ul style="list-style-type: none"> <li>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.</li> </ul>  | <ul style="list-style-type: none"> <li>Collar locations for TCDD001, TCDD002, TCDD003 and TCDD004 are included in Table 1 in the body of the announcement.</li> </ul>   |
| <b>Balanced reporting</b>                 | <ul style="list-style-type: none"> <li>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.</li> </ul>   | <ul style="list-style-type: none"> <li>All cobalt results from hole TCDD001 above 500 ppm (0.05%) cut-off were reported in ASX announcement 11<sup>th</sup> July 2018. The cobalt mineralisation is directly related to the presence of semi-massive pyrite veining. All the remaining samples from hole TCDD001 are below 205 ppm (0.02%) cobalt and average 66ppm (0.007%) cobalt. Cobalt and copper results for holes TCDD002 and TCDD003 were reported in ASX announcement 6<sup>th</sup> September 2018</li> </ul> |
| <b>Other substantive exploration data</b> | <ul style="list-style-type: none"> <li>Other exploration data, if meaningful and material, 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.</li> </ul> | <ul style="list-style-type: none"> <li>All relevant exploration data is discussed in the text. Please refer to the Company's Prospectus (ASX release 12/02/2018), geophysics exploration update (ASX release 23/03/2018 and 6/04/2018), drilling program updates (ASX releases 27/04/2018, 4/06/2018 11/7/2018, 20/7/2018, 6/9/2018, 11/10/2018, 12/11/2018, 20/11/2018 and 21/12/18) for additional background information on previous exploration activities at Thomas Creek</li> </ul>                               |

| Criteria                          | JORC Code explanation   | Commentary  |
|-----------------------------------|---|---|
| <p><b><i>Further work</i></b></p> | <ul style="list-style-type: none"> <li>• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></li> <li>• <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></li> </ul> | <ul style="list-style-type: none"> <li>• Planned future exploration ground geochemical and geophysical surveys at Thomas Creek, potentially followed up by further diamond drilling.</li> </ul> |

