

ACCELERATE RESOURCES LTD QUARTERLY ACTIVITY REPORT FOR THE PERIOD ENDING 31 MARCH 2023

HIGHLIGHTS

- Mapping confirms the discovery of two large, mineralised manganese corridors in central Woodie Woodie North Project
- Aggressive Phase 3 drilling program planned to commence in May 2023
- Ground truthing and sampling programs for lithium mineralisation over larger untested areas planned for the upcoming field season
- Heads of Agreement signed with US-based RedoxBlox Inc. represents first steps in AX8's endeavours to integrate its business downstream to optimise the value of its critical minerals and proximity to major markets
- Accelerate achieves 99.9% High Purity Manganese Sulphate Monohydrate in initial test work program
- \$2.5 million cash in hand as of quarter ending March 2023 with \$450,000 received from the sale of Currie Rose shares post the March quarter

Accelerate Resources Limited ("AX8", "Accelerate" or the "Company") is pleased to present the Company's Quarterly Activity Report for the three-month period ending 31 March 2023.

Woodie Wood North Manganese Project, East Pilbara, WA

Phase 2 Drilling Results – Area 42

AX8 completed 46 drill holes (2,400m) for the Phase 2 exploration drilling program designed to follow up on near-surface manganese outcrop and historical drill intersections, as well as extensions of known manganese mineralisation along strike and at depth.

During the March 2023 Quarter, the Company reported assay results confirming the presence of large and well-developed hydrothermal zones at Area 42, with the potential for substantial manganese resources to be delineated. Drilling results from Area 42 indicate broad, high-grade manganese zones with low iron intersections at shallow depths, including:

- WNRC038 – 7m @ 31.4% Mn from, incl. 1m @ 42.2% Mn
- WNRC047 – 7m @ 24.6% Mn, incl. 4m @ 28.9% Mn from surface
- WNRC054 – 5m @ 33.7% Mn from surface, incl. **1m @ 50.8% Mn** from 1m
- WNRC059 – 12m @ 18.3% Mn from surface
- WNRC059 – 8m @ 30.8% Mn from 13m, incl. **1m @ 50.7% Mn** from 18m
- WNRC060 – Overall **44m @ 16.3% Mn** and 13.2% Fe from 3m to 71m (weighted averages, non-continuous). Individual intersections include:
 - 4m @ 23.4% Mn from 3m
 - 13m @ 17.3% Mn from 14m
 - 10m @ 12.1% Mn from 32m
- WNRC063 – 9m @ 22% Mn from 4m, incl. 2m @ 34% Mn from 9m
- WNRC065 – 11m @ 21.5% Mn from the surface, incl. 3m @ 38.5% Mn from surface
- WNRC074 – 6m @ 28.4% Mn from 3m, incl. 3m @ 37.4% Mn from 5m

Area 42 represents the first of a series of extensive outcropping, undrilled manganese targets identified by AX8 mapping across the 35km strike of the Project. Results from the Phase 2 drilling program confirmed the presence of large and well-developed hydrothermal (Woodie Woodie style) zones at Area 42, with the potential for substantial manganese resources to be delineated (Figure 1).

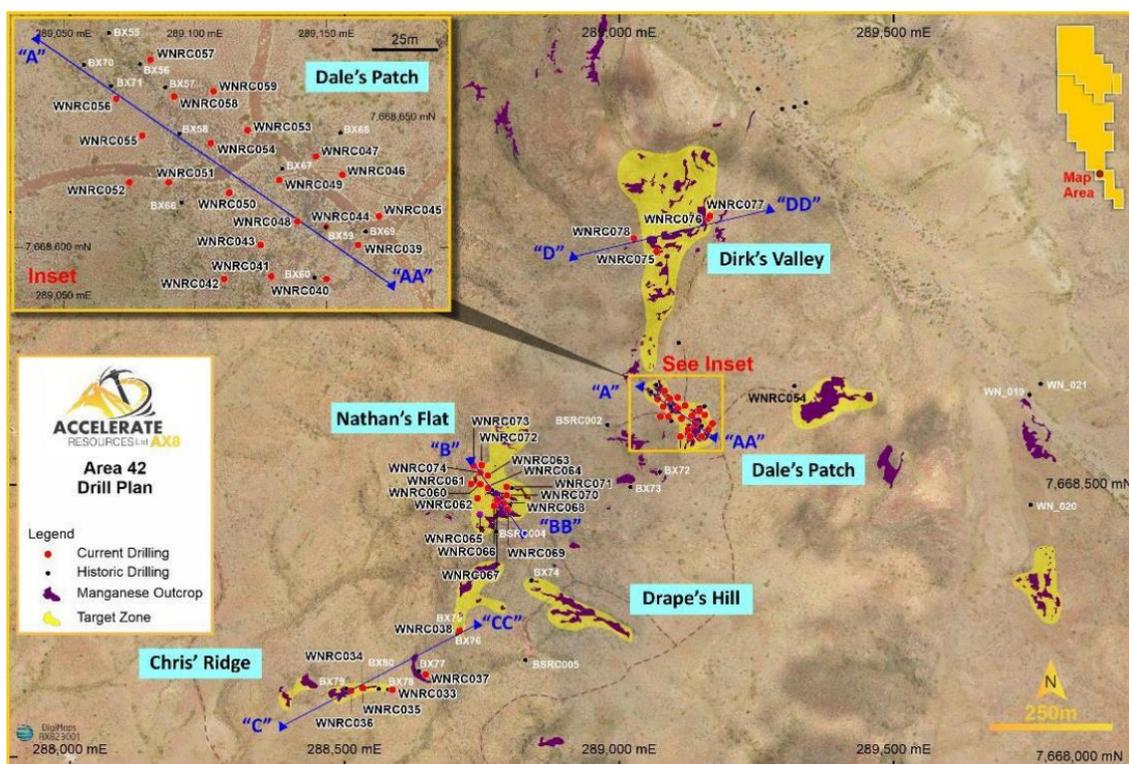


Figure 1 - Area 42 Prospects

For more details please refer to [ASX Announcement 9 February 2023](#).

Regional-Scale Manganese Corridors Confirmed

During the March 2023 Quarter, the Company conducted a project-wide evaluation, including analysis of the distribution of manganese outcrops, structural domains, regional and historic geophysical data (magnetic, gravity and dipole-dipole induced polarisation (DDIP) datasets, and a recent project-wide heliborne mapping program.

The work led to the discovery of two large, mineralised manganese corridors, referred to as Gum Creek and Parsons Creek, within the central part of the Woodie Woodie North Project. These two corridors are the largest discovered to date within the Project and are underexplored.

Overall, the evaluation identified a total of five significant manganese corridors shown as shaded grey areas in Figure 2 below. These corridors represent persistently mineralised trends that are analogous to the mineralisation at the Area 42 discovery and are extensions of the world-class Woodie Woodie Mine Corridor to the south. What is most exciting is the scale and the underexplored nature of these mapped mineralised zones within the highly prospective geological setting.

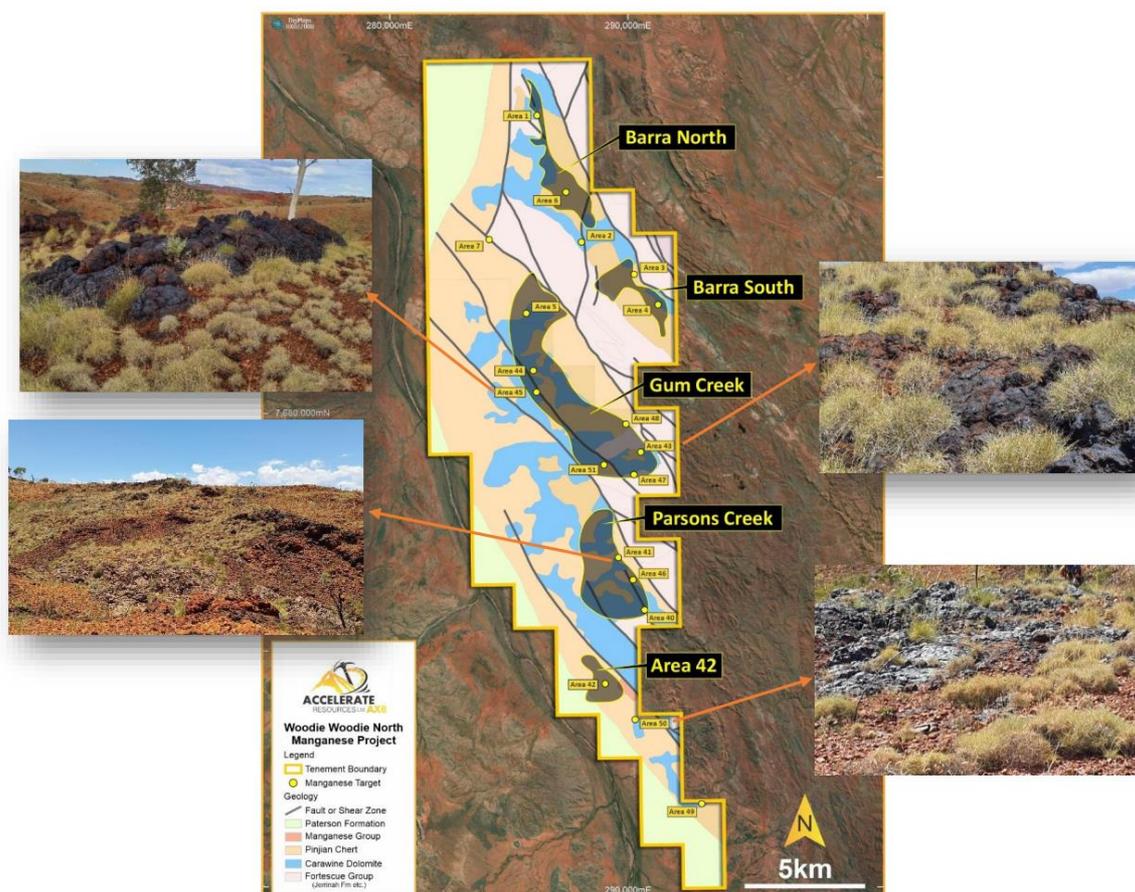


Figure 2 – Woodie Woodie North Project showing the five main manganese corridors (shaded grey). The recently discovered and largest are the Gum Creek and Parsons Creek corridors.

Future Work

The 2023 drilling campaign will target both structurally controlled, high-grade mineralisation and the supergene enriched surface caps for potential Direct Shipping Ore (DSO) style mineralisation. Planning for maiden drilling of these high priority targets is underway and drilling is due to start in May 2023.

For more information, please refer to [ASX Announcement 16 February 2023](#).

East Pilbara Lithium Project, WA

During the March 2023 Quarter, the Company received mapping and sampling results from Sandy Creek and Mount Creek prospects in the East Pilbara Lithium Project (Figure 3).

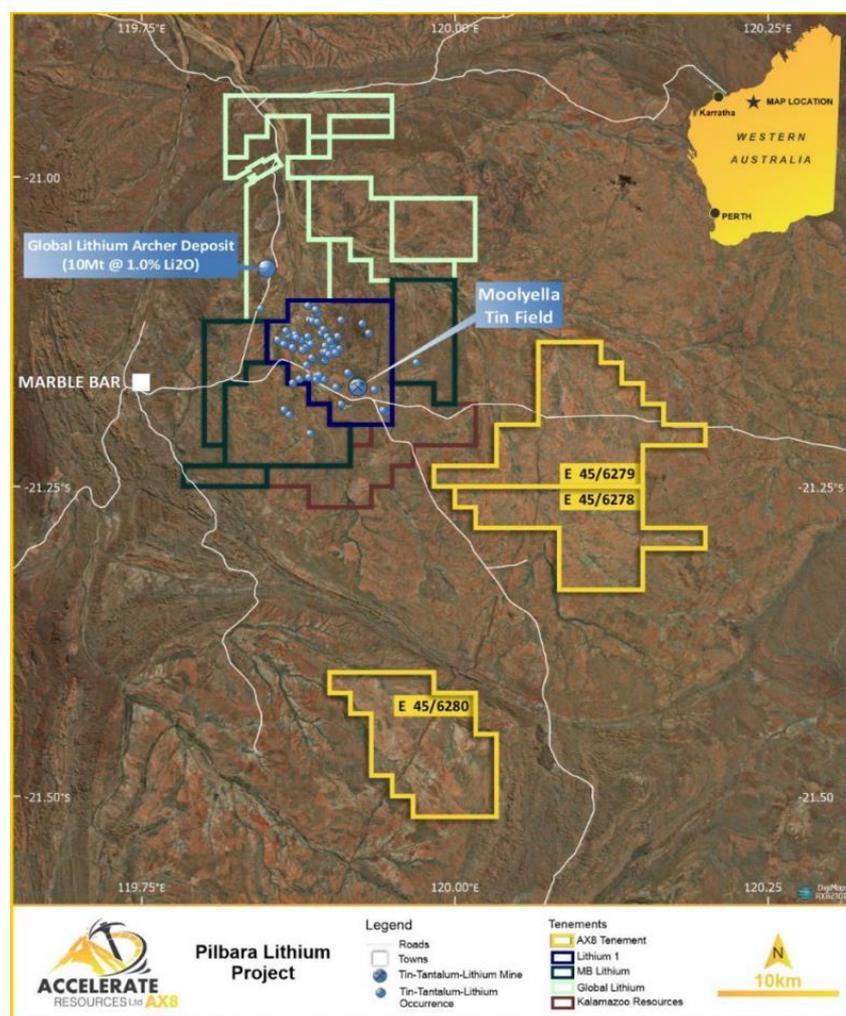


Figure 3 - AX8 East Pilbara Lithium Project locations

Sandy Creek

AX8 collected 43 rock chip samples from various sites at Sandy Creek, comprising mixed aplitic to pegmatitic rocks. Results for lithium and rare earth elements (REE) returned background values, however several lengthy (2-4km) prominent structural features were recognised in the field and mapped.

Mount Creek

AX8 collected 88 rock chip samples from numerous pegmatite bodies within the Mount Creek project area. Results for lithium and rare earth elements (REE) returned only background values apart from one tin (Sn) value of 33.7ppm and three cerium (Ce) assays over 100ppm (maximum 150ppm).

Next Steps

The initial mapping and exploration results indicate significant development of pegmatites within the project areas, however the largest pegmatites (especially at Mount Creek) do not outcrop extensively and as a result, are probably under sampled. Lithium and REE mineralisation can exhibit zoning within the host pegmatite and this possibility requires further exploration.

Work planned for the upcoming field season will include mapping of additional pegmatites in untested areas, follow up sampling of the areas mentioned above, and potentially trenching to enable testing of fresher material on the larger pegmatite sites located to date. The results of this work may define targets for drilling.

For more information please refer to [ASX announcement 13 March 2023](#).

High Purity Manganese Sulphate Monohydrate (HPMSM) test work program

On the 5th April 2023, the Company announced that its High Purity Manganese Sulphate Monohydrate (HPMSM) test work program had achieved results of 99.9% manganese sulphate purity using samples from Area 42 in the Woodie Woodie North Manganese Project. AX8's Critical Minerals strategy seeks to generate additional value from the Woodie Woodie manganese resources through development of higher value products that deliver superior returns to the Company and shareholders.

One of the highest value manganese products is HPMSM, which is a key input material into Li-ion battery manufacturing. Current estimates for HPMSM indicate prices of around US\$900/tonne¹. Given HPMSM's Mn content is only 32.5% Mn, this represents Mn value of more than US\$2,500/tonne of contained manganese (Mn) or \$25/DMTU² representing a significant value premium relative to high-grade Mn concentrates.

As part of its Critical Mineral Strategy, AX8 intends to develop HPMSM from Woodie Woodie North feedstock, to that end, the Company has been developing appropriate processing flowsheets to assess the potential for converting ore from the Woodie Woodie project to HPMSM.

For further information please refer to [ASX announcement dated 5 April 2023](#).

¹ Reference: SMM (Shanghai Metal Market) Manganese Pricing

² DMTU- Dry metric tonne unit. A metric tonne unit is equivalent to 1% of a metric tonne.

Partnership with US-based energy storage technology group, RedoxBlox

During the March 2023 Quarter, the Company signed a binding Heads of Agreement with RedoxBlox, Inc. to investigate strategic co-operation opportunities for the ongoing material supply, commercialisation and deployment of RedoxBlox's proprietary manganese-based thermochemical energy storage technology using manganese products from the Company's Woodie Woodie North Project (Figure 4).

The collaboration is structured through a phased approach, with initial efforts focused on AX8's testing and supply of manganese materials and providing results of comminution and metallurgical test work to enable RedoxBlox to complete the necessary product qualification test work in the US. RedoxBlox will provide updates on the results of its ongoing demonstration plant test work and any resulting changes in its manganese and magnesium product specifications and volumes.

While demonstrating the applicability of AX8's Woodie Woodie North Project to supply fit for purpose feedstock, AX8 and RedoxBlox will also explore a range of other strategic opportunities working together, including AX8 securing additional supply chain options for other input commodities required by RedoxBlox, and potentially co-operating on establishing scale-up and manufacturing facilities to be close to raw material supply chains.

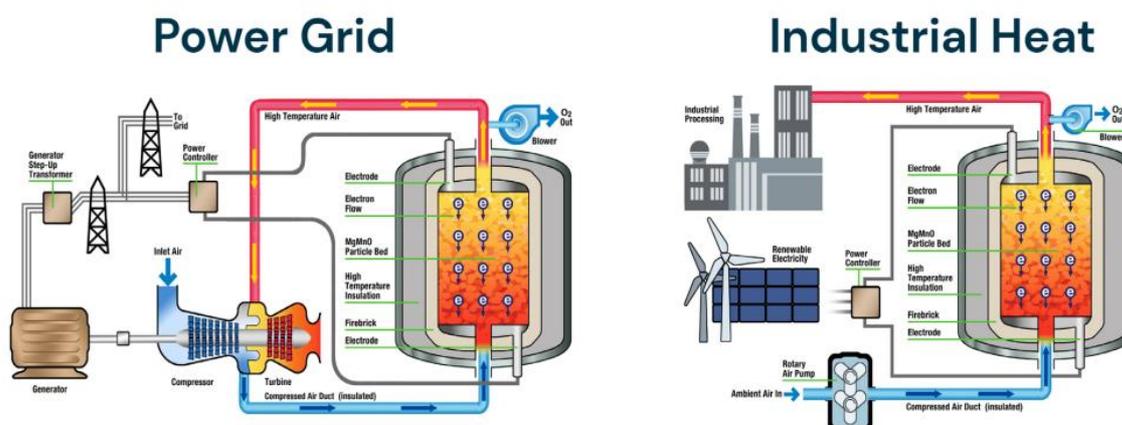


Figure 4 - RedoxBlox long duration energy storage technology for grid and industrial heat applications

For more information please refer to [ASX announcement 14 March 2023](#).

Corporate

Resignation of Company Secretary

Ms Deborah Ho resigned as Company Secretary in March. Ms Yaxi Zhan, Managing Director of the Company, assumed the appointment of Company Secretary.

Sale of Currie Rose Shares

On the 13th April 2023, the Company sold its minor stake in the junior exploration company Currie Rose Resources (TSX-V: CUI), selling 8,333,334 CUI shares for a net gain of approximately A\$450,000.

For more information please refer to [ASX announcement 14 April 2023](#).

Investor presentation

The Company presented at the RIU Explorers Conference in February 2023. A copy of the presentation can be found here: [RIU Explorers Conference](#).

Information Required by Listing Rules

Listing Rule 5.3.1

During the March 2023 Quarter, the Company spent \$384,000 on project evaluation and exploration activities.

Listing Rule 5.3.5

During the March 2023 Quarter, the Company made payments to related parties of \$144,000 for Director fees.

—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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Managing Director

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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 various factors.

Competent Person Statement

Information in this release related to Exploration Results is based on information compiled by Dr. Joseph Drake-Brockman. He is a qualified geologist and a Fellow of the Australian Institute of Mining and Metallurgy (AusIMM). Dr. Drake-Brockman has sufficient experience, which is relevant to the style of mineralization 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'. Dr Drake-Brockman consents to the inclusion in this release of the matters based on his information in the form and context in which it appears.

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
Comet	E20/908	Granted	Western Australia	100%
Comet	E20/970	Granted	Western Australia	100%
Comet	E21/213	Granted	Western Australia	100%
Comet	E21/214	Granted	Western Australia	100%
Comet	E20/965	Granted	Western Australia	100%
Comet	E20/1000	Application	Western Australia	100%
Comet	E21/217	Application	Western Australia	100%
Wooleen Project	E09/2757	Application	Western Australia	100%
Wooleen Project	E59/2775	Application	Western Australia	100%
Wooleen Project	E59/2628	Granted	Western Australia	100%
Wooleen Project	E59/2629	Application	Western Australia	100%
Wooleen Project	E59/2630	Granted	Western Australia	100%
Wooleen Project	E59/2632	Application	Western Australia	100%
Wooleen Project	E59/2646	Application	Western Australia	100%
Woodie Woodie North	E45/5854	Granted	Western Australia	100% Mn and Iron Right
Woodie Woodie North	E45/5088	Granted	Western Australia	100% Mn and Iron Right
Woodie Woodie North	E45/5978	Granted	Western Australia	100%
Woodie Woodie North	E45/6100	Application	Western Australia	100%
Woodie Woodie North	E45/5907	Application	Western Australia	100%
Woodie Woodie North	E59/5942	Application	Western Australia	100%
Pilbara Lithium	E45/6278	Application	Western Australia	100%
Pilbara Lithium	E45/6279	Application	Western Australia	100%
Pilbara Lithium	E45/6280	Application	Western Australia	100%
Pilbara Lithium	E45/6416	Application	Western Australia	100%
Mt Read	EL 6/2013	Granted	Tasmania	Under an Option Agreement to sell 100% Interest

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

Project	Tenement Number	Status	Location	Comment
Woodie Woodie North	E45/6508	Application	Western Australia	100%

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

Project	Tenement Number	Status	Location	Comment

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

ACCELERATE RESOURCES LIMITED (ASX CODE: AX8)

ABN

33 617 821 771

Quarter ended ("current quarter")

31 March 2023

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation (if expensed)	-	-
(b) development	-	-
(c) production costs	-	-
(d) staff cost	(144)	(309)
(e) administration and corporate costs	(104)	(315)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(248)	(624)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(35)	(41)
(d) exploration & evaluation (if capitalised)	(384)	(1,944)
(e) investments	-	-
(f) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other ¹	-	-
2.6	Net cash from / (used in) investing activities	(419)	(1,985)

¹Mt Monger Minerals Options Extension

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	3,000
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(20)	(226)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other – share placement funds held on trust	-	-
3.10	Net cash from / (used in) financing activities	(20)	2,774

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,166	2,314
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(248)	(624)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(419)	(1,985)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(20)	2,774
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period (See Note below)	2,479	2,479

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	2,479	3,166
5.2 Call deposits	-	-
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,479	3,166

6. Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to related parties and their associates included in item 1	144
6.2 Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7. Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1 Loan facilities	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	-	-
7.4 Total financing facilities	-	-
7.5 Unused financing facilities available at quarter end		-
7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(248)
8.2	Capitalised exploration & evaluation (Item 2.1(d))	(384)
8.3	Total relevant outgoings (Item 8.1 + Item 8.2)	(632)
8.4	Cash and cash equivalents at quarter end (Item 4.6)	2,479
8.5	Unused finance facilities available at quarter end (Item 7.5/7.6 notes)	-
8.6	Total available funding (Item 8.4 + Item 8.5)	2,479
8.7	Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	3.92

8.8 If Item 8.7 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: N/A

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: N/A

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: 27 April 2023

Authorised by: The Board

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(Name of body or officer authorising release – see note 4)

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.