

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

HIGHLIGHTS

- Detailed mapping and rock chip sampling extends strike of Prinsep northern pegmatite systems to 1.8 kilometres with outcrop widths of 60m.
- Significant rock chip sample results from the Prinsep Lithium Project include:
 - 2.06% Li₂O - Sample ID AA351¹
 - 1.63% Li₂O - Sample ID AX03083
 - 1.14% Li₂O - Sample ID AX03074
 - 1.07% Li₂O - Sample ID AX03071
 - 1.05% Li₂O - Sample ID AX03084
 - 1.02% Li₂O - Sample ID AX03085
- New pegmatite outcrops identified within the Mt Sholl East Project with initial rock chip sampling completed to assess lithium prospectivity.
- Maiden Mineral Resources Estimate for the Woodie Woodie North Manganese Project of 1.2Mt at 19.1% Mn (15% Mn cut-off) and Exploration Targets totalling 5.3Mt – 10.7Mt at 10% Mn – 19% Mn.²
- New Chief Executive Officer appointed to drive the exploration strategy.

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 December 2023.

Karratha Lithium Projects, Pilbara WA

1. Prinsep Lithium Project

During the December 2023 quarter, the Company announced the results of the first phase of geological mapping and follow-up rock chip sampling across the Prinsep Lithium Project (Under Agreement to acquire 100%). This campaign has confirmed extensive strike continuity of lithium-prospective pegmatites up to 60m in width on multiple trends within the Prinsep project area.

The Prinsep Lithium Project is situated within the emerging 40km long hard-rock lithium belt between Karratha and Roebourne, West Pilbara (Figure 1). This belt hosts the Andover

¹ AX8 announcement dated 28 November 2023

² AX8 announcement dated 30 November 2023

discovery (ASX:AZS) with a number of other ASX listed companies actively exploring and making lithium discoveries within the belt.

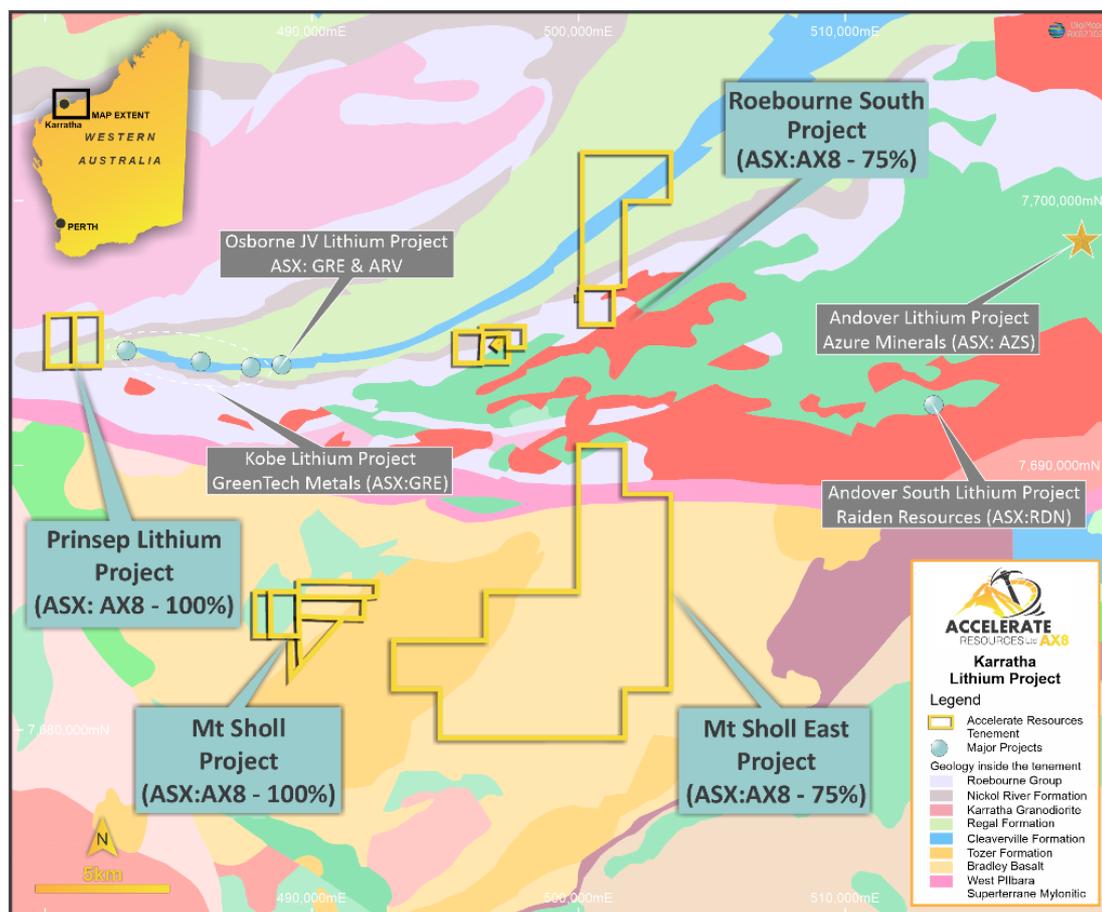


Figure 1: Karratha Lithium Projects location map and regional geology (GSWA 1:500,000 Bedrock Geology).

The Prinsep Lithium Project hosts the most advanced targets within Accelerate’s broader Karratha Lithium Projects, which comprise circa 90km² of prospective ground located in close proximity to mining services, workforce and major infrastructure in the nearby mining centres of Karratha, Dampier and Roebourne.

At Prinsep, recent field work by Accelerate’s exploration team has identified at least two parallel zones of spodumene-rich, lithium-bearing pegmatite systems spanning the entire width of the tenement area. Coarse spodumene crystals are present within the pegmatites resulting in significant lithium grades (Figure 2). Preliminary rock chip assay results³ returned up to **1.87% Li₂O** (Sample ID AA319) from the Southern Pegmatite System and **1.29% Li₂O** (Sample ID AA323) from the Northern Pegmatite System. These mineralised zones represent a new lithium discovery 15km from Karratha that have never been drilled.

³ AX8 announcement dated 6 October 2023

Mapping and Sampling

Recent detailed mapping and follow-up rock chip sampling utilising newly acquired high-resolution imagery, has confirmed two strike extensive zones of pegmatite along the Prinsep north and south trends, with additional cross-cutting dykes occurring between these zones (Figure 2).

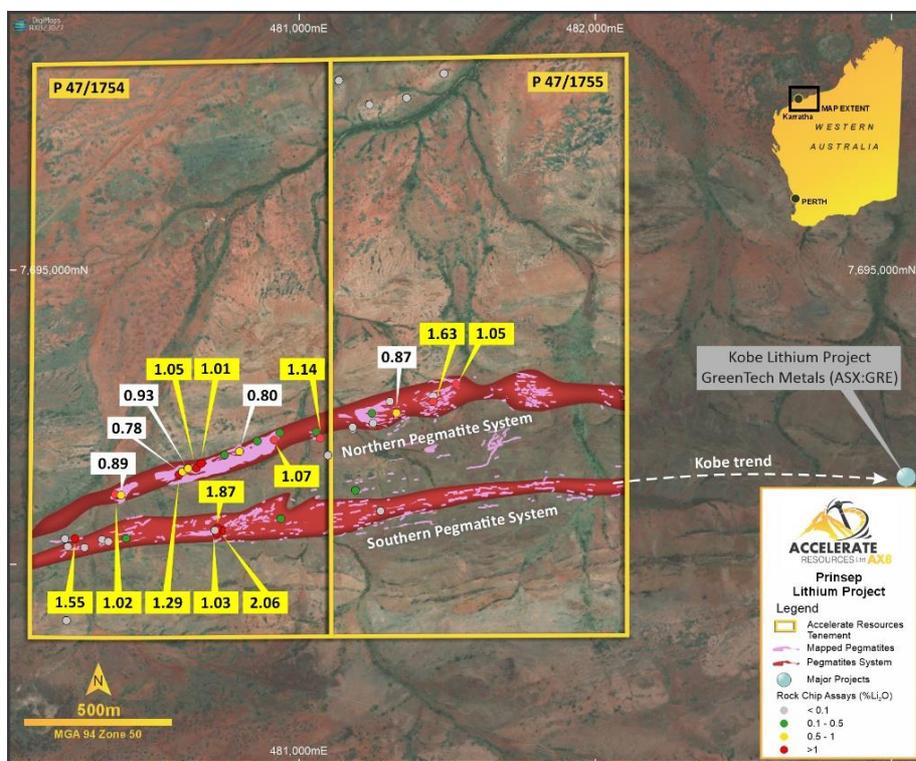


Figure 2: Outcropping pegmatites and rock chip sample results from the Prinsep Lithium Project.

The pegmatites at Prinsep are variably sheared and deformed. Coarse grained spodumene occurs in sheared rocks, with coarse bladed spodumene evident in less deformed areas. This complexity is significant, as it may suggest the possibility of structural thickening of pegmatite. This is particularly evident on the southern trend where the outcrop expression of lithium bearing pegmatite is more subdued.

The Northern Pegmatite System outcrops over a strike length of 1,800m, including an individual outcropping pegmatite body which is up to 60m wide and persists over 1,200m of strike. To the east this trend diverges into a series of dykes which are mappable for a further 500m of strike and in excess of 90m in width. The western extent of this Northern System is also inferred to extend a further 300m beneath shallow alluvium suggesting a combined strike of the Northern System of potentially 2,000m. The Southern Pegmatite System is defined by multiple sheared dykes occurring within a zone up to 50m wide.

Assay results from rock chip sampling continue to confirm and substantially extend the strike of lithium bearing pegmatites (Figure 2). Higher grade results include **1.02% Li₂O** (Sample ID AX3085) in the west, and **1.63% Li₂O** (Sample ID AX3083) in the far east of the outcropping northern trend. A peak assay result of **2.06% Li₂O** (Sample ID AA351) was returned from the southern trend.

A maiden shallow drilling program will be conducted as soon as possible following DMIRS Program of Works and heritage clearance approvals.

Please refer to ASX Announcement dated 28 November 2023 for more details.

2. Mt Sholl East Project

At Mt Sholl East, preliminary investigations have identified broad zones of pegmatitic granite and discrete pegmatite dykes (Figure 3). Preliminary rock chip samples have been taken and submitted for assay. Further work, including detailed mapping and sampling will be prioritised to determine lithium prospectivity in this area.

Please refer to ASX Announcement dated 28 November 2023 for more details.



Figure 3: Pegmatite outcrop at Mt Sholl East

Woodie Woodie North Manganese Project, East Pilbara, WA

During the December 2023 quarter, the Company announced its maiden inferred Mineral Resources totalling **1.2Mt at 19.1% Mn (at a 15% Mn cut-off)** and Exploration Targets totalling **5.3Mt – 10.7Mt at 10% – 19% Mn** for the Woodie Woodie North Manganese Project in Western Australia's Pilbara Region (Figure 4 and Table 1).

Table 1 – Summary of Mineral Resource Estimate.

Area	JORC Classification	Tonnes (Mt)	% Mn	% Fe	% SiO ₂	% Al ₂ O ₃	% P
Area 1	Indicated	-	-	-	-	-	-
	Inferred	0.04 (0.2)	17.2 (12.8)	14.6 (15.6)	25.8 (29.5)	2.2 (2.5)	0.1 (0.2)
Sub-total	Indicated + Inferred	0.04 (0.2)	17.2 (12.8)	14.6 (15.6)	25.8 (29.5)	2.2 (2.5)	0.1 (0.2)
Area 3	Indicated	-	-	-	-	-	-
	Inferred	0.3 (1.0)	17.5 (13.3)	20.1 (20.0)	27.9 (35.7)	3.0 (2.8)	0.1 (0.1)
Sub-total	Indicated + Inferred	0.3 (1.0)	17.5 (13.3)	20.1 (20.0)	27.9 (35.7)	3.0 (2.8)	0.1 (0.1)
Area 4	Indicated	-	-	-	-	-	-
	Inferred	0.2 (0.6)	16.1 (12.9)	21.8 (21.7)	34.0 (38.2)	2.3 (2.5)	0.1 (0.1)
Sub-total	Indicated + Inferred	0.2 (0.6)	16.1 (12.9)	21.8 (21.7)	34.0 (38.2)	2.3 (2.5)	0.1 (0.1)
Area 42	Indicated	-	-	-	-	-	-

	Inferred	0.7 (1.2)	20.7 (17.0)	15.6 (13.6)	35.6 (45.1)	3.3 (3.2)	0.1 (0.1)
Sub-total	Indicated + Inferred	0.7 (1.2)	20.7 (17.0)	15.6 (13.6)	35.6 (45.1)	3.3 (3.2)	0.1 (0.1)
TOTAL	Indicated	-	-	-	-	-	-
	Inferred	1.2 (3.0)	19.1 (14.7)	17.6 (17.4)	33.1 (39.6)	3.0 (2.9)	0.1 (0.1)
	Indicated + Inferred	1.2 (3.0)	19.1 (14.7)	17.6 (17.4)	33.1 (39.6)	3.0 (2.9)	0.1 (0.1)

Notes:

- Mineral Resources reported at cut-offs of 15% Mn and 10% Mn (*italics*).
- Due to the effects of rounding, the total may not represent the sum of all components.

The maiden Mineral Resources combined with Exploration Target estimates confirm the project's high grade and scale potential and represent a significant step forward for the Woodie Woodie North Project.

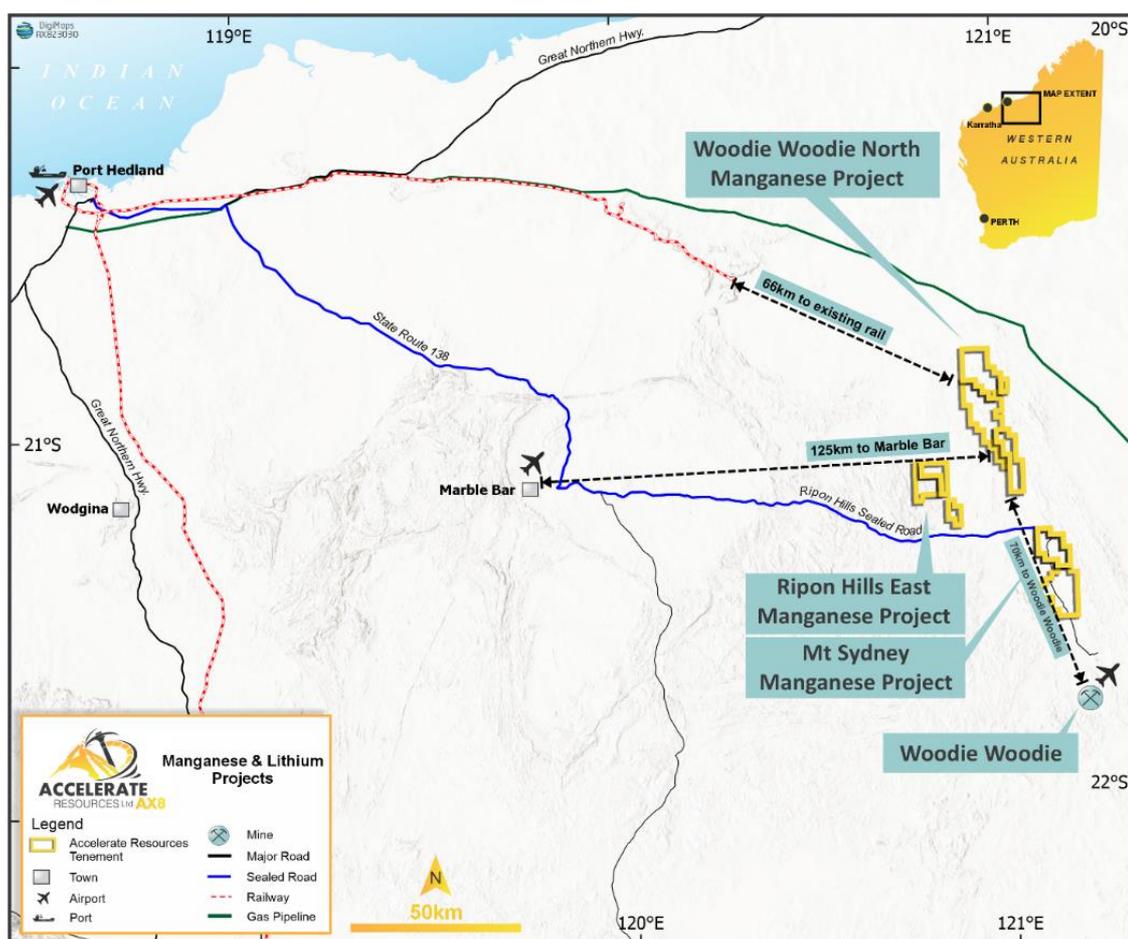


Figure 4: Location of the Woodie Woodie North Project.

The Company engaged independent consultancy ERM (previously CSA Global) to complete the Mineral Resources and Exploration Target estimate. The results are reported in accordance with the JORC Code (2012 Edition).

Estimation of the Mineral Resources was based on the integration of historical drilling data and the Company's recent Phase 1 to 4 Reverse Circulation (RC) drilling campaigns completed during 2022 and 2023 at the Barra North Area 1, Barra South Areas 3 and 4, and Area 42 (Figure 5). The drilling dataset used for the Mineral Resource Estimate comprises a total of 398 drill holes for 26,952m.

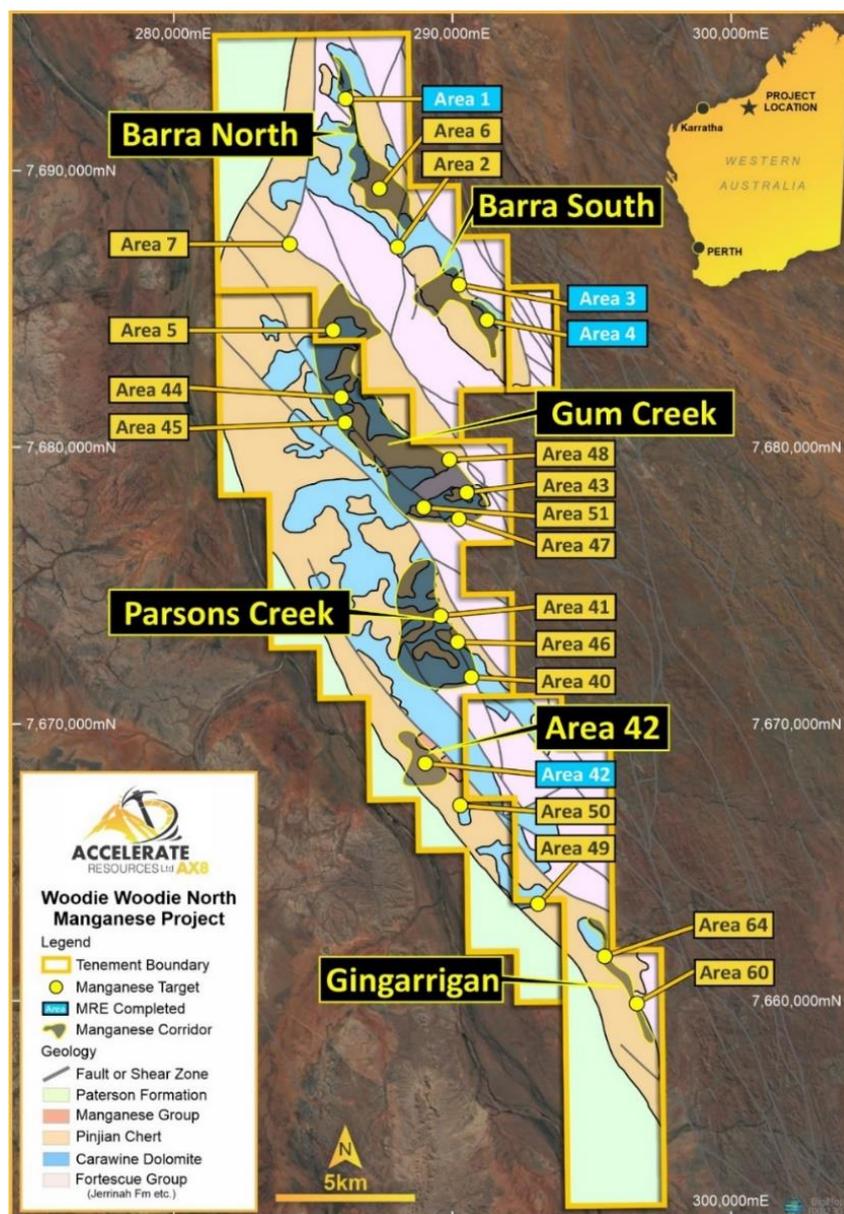


Figure 5: Location of Mineral Resources at Barra North Area 1, Barra South Areas 3 and 4, and Area 42.

Future Work Program

A proposed Phase 5 RC drilling program is under consideration for 2024 comprising extensional resource definition drilling to grow the Mineral Resource inventory and follow-up on the recent discovery of large manganese outcrops in the Parsons Creek and Gum Creek corridors (Figure 5).

Proposed metallurgical testwork is also under consideration for possible future scoping to pre-feasibility level technical studies for a beneficiation plant.

Please refer to ASX Announcement dated 30 November 2023 for more details.

East Pilbara Lithium Project, WA

Accelerate's East Pilbara Lithium Project is strategically situated within a region of active lithium exploration and discovery, encompassing the following prominent deposits (Figure 6):

- Global Lithium Resources' Archer deposit (ASX:GL1)
- Tabba Tabba Lithium Project (ASX:WC8)
- Pilgangoora Lithium Project (ASX:PLS), known for its large-scale lithium mine
- Wodgina Lithium Project (ASX:MIN)

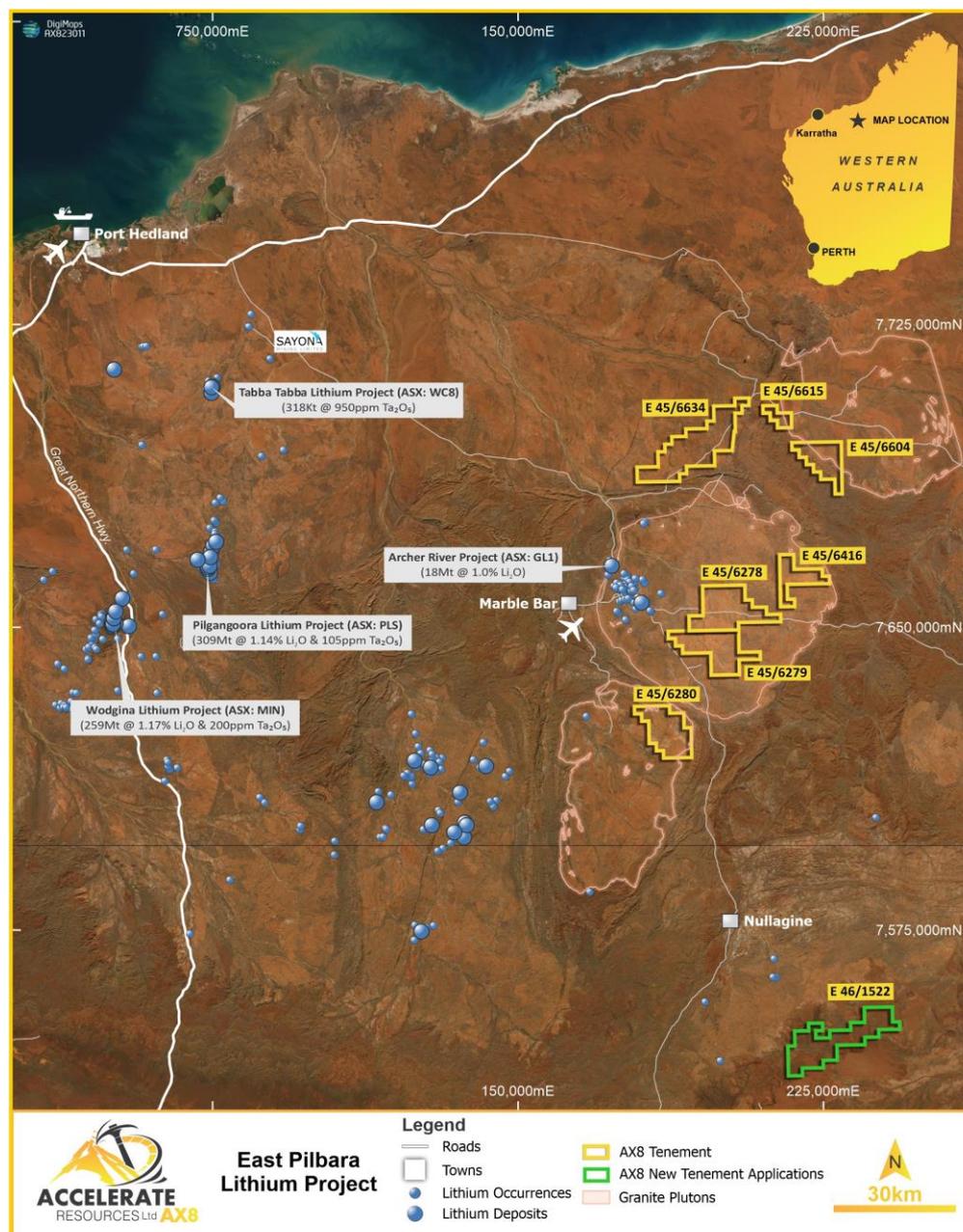


Figure 6 – Location of the East Pilbara Lithium Project

During the December 2023 quarter, the team commenced an initial project evaluation involving satellite image interpretation and first pass field reconnaissance to determine the lithium prospectivity of the project area. The evaluation is ongoing.

Appointment of New Chief Executive Officer

During the December Quarter, the Company announced the appointment of Mr Luke Meter as the new CEO (Chief Executive Officer) to lead the Company's exploration strategy. Please see ASX announcement date 21 November 2024 for further details.

Cash

As at 31 December, the Company had \$2.9m in cash.

Information Required by Listing Rules

Listing Rule 5.3.1: During the December 2023 Quarter, the Company spent \$658,000 on project evaluation and exploration activities.

Listing Rule 5.3.5: During the December 2023 Quarter, the Company made payments to related parties of \$216,000 for Director and Consulting fees.

— ENDS —

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

For further information, please contact:

Luke Meter
Chief Executive Officer

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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 - Exploration

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.

Competent Person Statement – Mineral Resource Estimate

Information in this report that relates to the Woodie Woodie North Mineral Resources is based on information compiled by Ms Felicity Hughes. Ms Hughes is an independent consultant at ERM Ltd. who was engaged by Accelerate Resources Ltd. and is a Member of the Australian Institute of Geoscientists (AIG) and the Australasian Institute of Mining and Metallurgy (AusIMM). Ms Hughes has sufficient experience relevant to the style of mineralisation and type of deposit under consideration and to the activity which they are undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Ms Hughes consents to the disclosure of the information in this report in the form and context in which it appears.

Appendix I

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%
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	Granted	Western Australia	100%
Woodie Woodie North	E45/5907	Granted	Western Australia	100%
Woodie Woodie North	E45/5942	Granted	Western Australia	100%
Woodie Woodie North	E45/6508	Application	Western Australia	100%
Woodie Woodie North	E45/6527	Application	Western Australia	100%
Woodie Woodie North	E45/6603	Application	Western Australia	100%
Pilbara Lithium	E45/6278	Granted	Western Australia	100%
Pilbara Lithium	E45/6279	Granted	Western Australia	100%
Pilbara Lithium	E45/6280	Granted	Western Australia	100%
Pilbara Lithium	E45/6416	Application	Western Australia	100%
Pilbara Lithium	E45/6604	Application	Western Australia	100%
Pilbara Lithium	E45/6615	Application	Western Australia	100%
Pilbara Lithium	E45/6634	Application	Western Australia	100%
Windi Lithium	E46/1522	Application	Western Australia	100%

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

Project	Tenement Number	Status	Location	Beneficial Percentage Interest
Karratha Lithium	E47/3173	Granted	Western Australia	AX8 75%
Karratha Lithium	E47/3143	Granted	Western Australia	AX8 75%
Karratha Lithium	P47/1851	Granted	Western Australia	AX8 75%
Karratha Lithium	M47/339	Granted	Western Australia	AX8 75%
Karratha Lithium	M47/248	Granted	Western Australia	AX8 75%
Karratha Lithium	P47/1850	Granted	Western Australia	AX8 75%
Karratha Lithium	P47/1752	Granted	Western Australia	AX8 100% Post Completion of transaction
Karratha Lithium	P47/1753	Granted	Western Australia	AX8 100% Post Completion of transaction
Karratha Lithium	P47/1754	Granted	Western Australia	AX8 100% Post Completion of transaction
Karratha Lithium	P47/1755	Granted	Western Australia	AX8 100% Post Completion of transaction
Karratha Lithium	P47/1756	Granted	Western Australia	AX8 100% Post Completion of transaction
Karratha Lithium	P47/1796	Granted	Western Australia	AX8 100% Post Completion of transaction
Karratha Lithium	P47/1797	Granted	Western Australia	AX8 100% Post Completion of transaction
Karratha Lithium	P47/1798	Granted	Western Australia	AX8 100% Post Completion of transaction
Karratha Lithium	L47/779	Granted	Western Australia	AX8 100% Post Completion of transaction

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

Project	Tenement Number	Status	Location	Beneficial Percentage Interest
Wooleen	E09/2757	Application	Western Australia	0%
Wooleen	E59/2775	Application	Western Australia	0%
Wooleen	E59/2628	Granted	Western Australia	0%
Wooleen	E59/2629	Application	Western Australia	0%
Wooleen	E59/2630	Granted	Western Australia	0%
Wooleen	E59/2632	Application	Western Australia	0%

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

QUARTER ENDED ("CURRENT
QUARTER")

33 617 821 771

31 December 2023

CONSOLIDATED STATEMENT OF CASH FLOWS	Current quarter \$A'000	Year to date (6 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	(275)	(520)
(e) administration and corporate costs	(174)	(249)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	(1)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – Bank Guarantee	-	(17)
1.9 Net cash from / (used in) operating activities	(449)	(787)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) tenements	(125)	(225)
(c) property, plant and equipment	(3)	(17)
(d) exploration & evaluation (if capitalised)	(658)	(1,507)
(e) investments	-	-
(f) other non-current assets	-	-
2.2 Proceeds from the disposal of:		
(a) entities	-	-
(b) tenements	-	-

CONSOLIDATED STATEMENT OF CASH FLOWS		Current quarter \$A'000	Year to date (6 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	(786)	(1,749)

¹Mt Monger Minerals Options Extension

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	3,610	3,610
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	(216)	(217)
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	3,394	3,393

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	737	2,039
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(449)	(787)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(786)	(1,749)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,394	3,393
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period (See Note below)	2,896	2,896

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	2,896	737
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)	2,896	737

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	216
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.		

8. ESTIMATED CASH AVAILABLE FOR FUTURE OPERATING ACTIVITIES	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(449)
8.2 Capitalised exploration & evaluation (Item 2.1(d))	(658)
8.3 Total relevant outgoings (Item 8.1 + Item 8.2)	(1,107)
8.4 Cash and cash equivalents at quarter end (Item 4.6)	2,896
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)	2,896
8.7 Estimated quarters of funding available (Item 8.6 divided by Item 8.3)	(2.62)

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

- 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

- 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

- 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: 24 January 2024

Authorised by: By the Board

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

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.