

Quarterly Activities Report For the period ended 30 September 2021

Highlights

- Executed high-grade manganese strategy for battery and steel production, identifying future supply disruption and metal shortfalls in this space.
- Exercised Option to acquire Manganese and Iron Ore Rights to the Braeside West and Ripon Hills East Projects.
- Capital raising of \$3.1 million via Placement and fully funded to advance Critical Metals Strategy.
- Signed binding agreement to vend interest in the Tambellup Kaolin Project for a 33.3 per cent interest in Perth-based silica resource and technology development company, Vytas Resource Pty Ltd.
- Awarded \$600,000 exploration credits through Junior Minerals Exploration Incentive (JMEI)
- TSX-V listed Currie Rose, which the Company has a substantial of, announced a strategic alliance with Chalice Resources Limited and Liontown Resources Limited via an acquisition of an advanced Vanadium assets in Queensland.
- Completed historic data review in preparation for field exploration at Braeside West and Ripon Hills Manganese Projects

Accelerate Resources Limited ("**Accelerate**" or the "**Company**") (ASX:AX8) is pleased to provide an update on its activities for the September 2021 quarter.

Accelerate Resources Managing Director Yaxi Zhan commented:

"September 2021 quarter has been an extremely busy and productive quarter for Accelerate. This marks a new era of transforming the Company to a focused high grade-manganese exploration company. The Company has also continued its success in realizing value for its non-core assets"

CONTACTS

BOARD

Accelerate Executes High-Grade Manganese Strategy for Battery and Steel industry

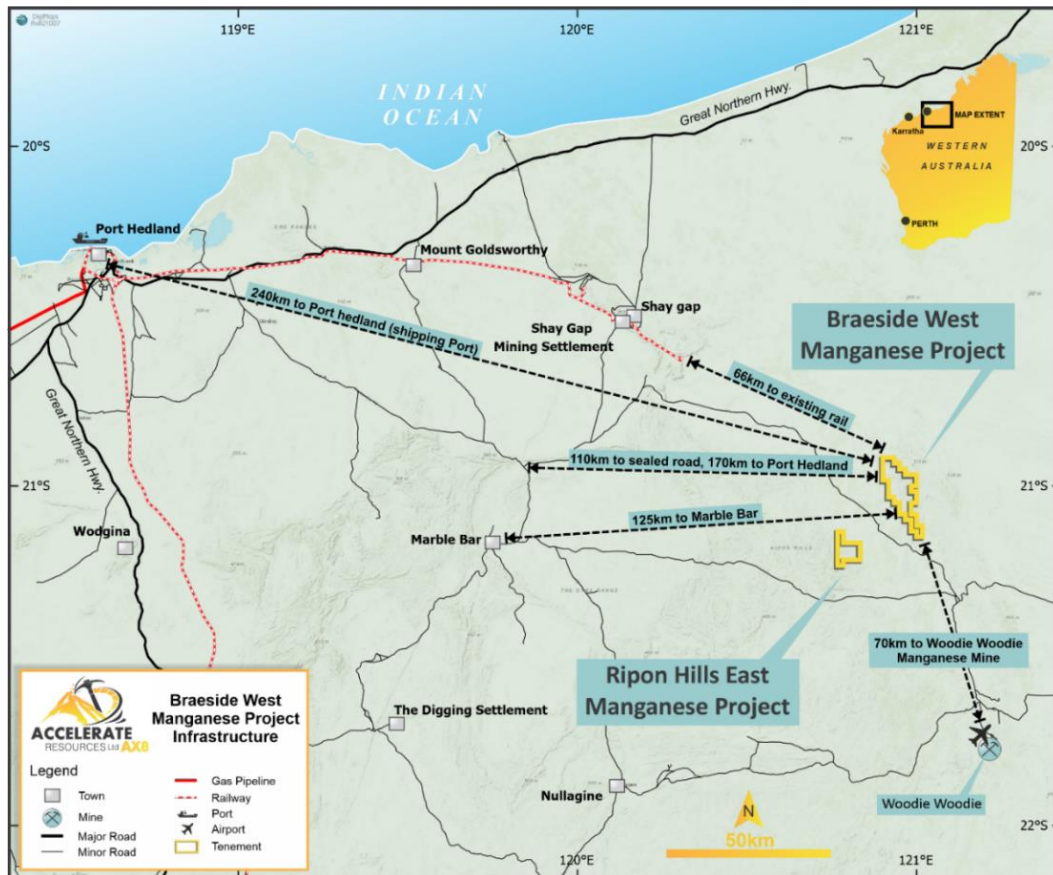


Figure 1: Braeside West and Ripon Hills East Manganese Projects Location

During the September 2021 quarter, the Company entered into a binding Option Agreement to acquire the Manganese and Iron Ore rights at Ripon Hills East and Braeside West Projects in the East Pilbara Manganese Field. ([ASX Announcement date 27 July 2021](#))

During the period, the Company compiled historical data for the Project and identified multiple manganese targets throughout the tenements. Surface manganese mineralisation, including multiple historical rock chip samples with +50% Mn within the project area has been identified. Historical drilling data has been digitised from historical tenement reports, confirming that there is considerable shallow and deep manganese potential within the project area.

Post the September quarter, the Company reported historical drill results from Braeside West Prospect, confirming near-surface high-grade manganese mineralisation. Drill results include:

- BX48 -11m @ 28.4% Mn from 1m
- BX57 – 2m @ 41.8% Mn from surface

- BX58 – 5m @ 37.3% Mn from surface
- BX61 – 2m @ 39.3% Mn from surface
- BX71 – 8m @ 37.4% Mn from surface
- BX76 – 6m @ 39.9% Mn from surface

The technical team and Company Directors completed an on-site due diligence confirming the extensive nature of the prospective Pinjian Chert - Carawine Dolomite interface on the tenements as well as manganese mineralisation commonly exposure on the surface at multiple locations. Historical drill hole locations have been verified.

Within just under two months of post-execution of the binding Option Agreement and, based on the data available and successful site visit, the Company elected to exercise the Option and execute the high-grade Manganese strategy. ([ASX Announcement date 25 October 2021](#))

About the Braeside West and Ripon Hills East Projects

The Braeside West Prospect (E45/5854) covers 139km² and offers the opportunity to identify manganese mineralisation of similar nature to the deposits of the nearby (~70km) Woodie Woodie Mine. (Figure 1).

The tenement area has undergone several exploration phases: Geological mapping, rock chip sampling, VTEM geophysics and drilling. Jupiter Mines Limited (WAMEX: A090762_E45_2639_2011A_11693517) was the last to work the area to complete a VTEM geophysical survey, collection of eight rock chip samples 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.

Ripon Hills East Prospect (E45/5088) is situated 70 km northwest of the world-class Woodie Woodie Manganese deposit (Consolidated Minerals') and immediately east of the Ripon Hills manganese deposit. The Project covers 48km² and records indicate very little historic exploration within the license area, despite the presence of favourable "Woodie Woodie" N-S structures and mappable surface manganese mineralisation.

Manganese Strategy

Accelerate has identified future supply disruption and metal shortfalls in the Mn market and has executed a high-grade manganese exploration strategy to supply the battery and steel production markets.

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. There is a high probability of supply disruption from South African production and the winding 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% manganese are critical in steel and battery market supply chains

Comet Gold Project, WA – Accelerate Resources 100%

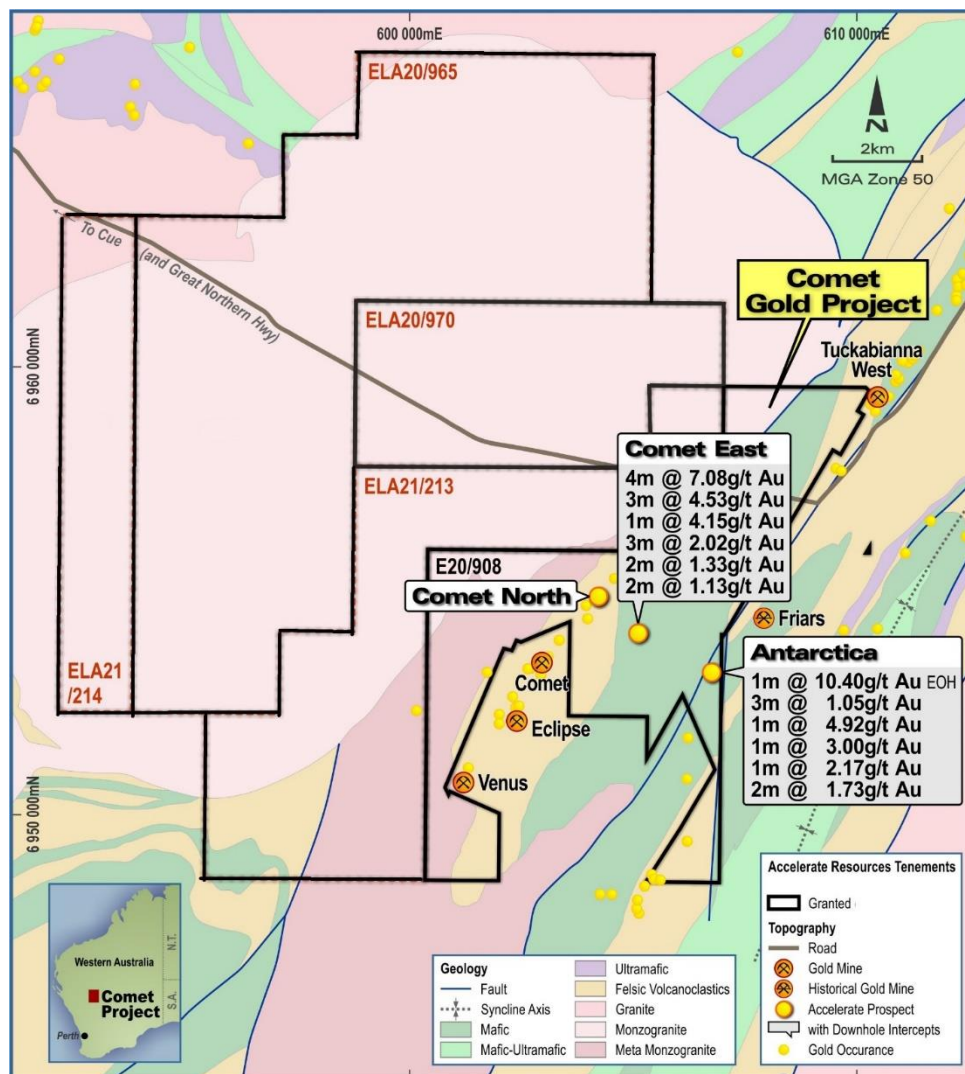


Figure 3: Comet Gold Project Location

The Comet Gold Project comprises five granted exploration licences and four applications, covering a total of 220km² granted tenement area.

Located in the Murchison Goldfields, approximately 115 km south-southwest of Meekatharra and 20 km southeast of Cue, the Project covers part of the Meekatharra to Mount Magnet Greenstone belt, located at the southern end of the Tuckabianna Shear Zone.

Compilation and analysis of historical RAB and RC drilling data have identified a number of gold targets and anomalous gold trends within the Comet Project area, including extensions to the north and east of the Comet gold mine and along the Antarctica gold trend on the eastern part of the licence.

Wide-spaced shallow drilling undertaken at Comet East during the 1990s intersected significant gold mineralisation, including **4m at 7.08 g/t gold** from 27m (PRB305), and **3m at 4.53 g/t gold** from 60m (PRC269)⁽¹⁾ ([See ASX announcement dated 14 July 2020](#)).

During September 2020, Accelerate undertook the first phase of RC drilling (17 holes for 1,212m; 20CORC001 - 017) at the Comet Gold Project, returning highly encouraging assay results from shallow drilling at the Comet East prospect ([See ASX announcement dated 2 November 2020](#)).

Significant drill results included:

- 20CORC002 9m @ 3.89 g/t gold from 34m
- 20CORC003 6m @ 1.11 g/t gold from 30m
- 20CORC006 3m @ 2.23 g/t gold from 27m

Follow up RC drilling was completed in late December 2020. An additional ten RC holes for 702m (20CORC018 – 027) were drilled to infill section spacing to 40m along 160m of strike on the shallow dipping Comet East mineralised structure. All holes returned a significant gold intersection from the targeted gold position ([See ASX announcement dated 18 January 2021](#)).

During the quarter, additional granted tenements were added to the package and reconnaissance field work was completed to review historical data as well as develop new targets for the next field program. A number of priority targets have been identified and a work program is in development.

The Company expects to initiate field work during the next quarter.

Tambellup Kaolin Project - Vytas Resources' Option to acquire 100%

During the September 2021 quarter, the Company executed a binding agreement with Vytas Resources Pty Ltd ("Vytas") to develop a new technology materials company focused on the Company's Tambellup Project and Vytas' silica assets to become a potential supplier of HPA and HPQ for energy production (hydrogen production and solar panels), energy storage (batteries), and other industrial applications.

CSIRO's (2021) Critical Energy Minerals Roadmap includes both aluminium (HPA) and silicon (HPQ) as critical minerals needed to transition to a renewable economy. Both materials are in high demand due to their manufacturing benefits and use in Solar PV, Wind Turbines, Concentrated Solar Power (CSP), Hydrogen Production and Batteries.

This new technology material venture will place Vytas and Accelerate at the forefront of the renewable technology industry.

There are significant synergies with this new technology material venture. Vytas' technical team has more than 30 years' experience in R&D, and mineral and product development. Their team has particular expertise in kaolinite mineralisation and in its beneficiation and conversion to HPA, enabling Accelerate to realise the potential of the Tambellup Kaolin Assets.

The Global HPA market was valued at US\$1.3 billion in 2019 and is projected to reach US\$4.8 billion by 2026, growing at a CAGR of 20.7 per cent from 2020 to 2026 (Allied Market Research, 2020).

The venture with Vytas will also expose Accelerate shareholders to the globally significant HPQ market and the renewable energy sector.

Similarly, the Global HPQ market had a value of US\$671.62 million in 2019 and is expected to reach US\$1,233.94 million by 2027 growing at a CAGR of 7.9 per cent during the forecast period (Research and Markets, 2021).

Transferring the Tambellup Kaolin Project to Vytas Resources, a HPA and HPQ focused Company team, will allow Accelerate to focus on its manganese strategy, and still have exposure to HPA and HPQ silica resource and technology development.

For more information, please visit [ASX Announcement date 2 September 2021](#).

Currie Rose (TSX-V: CUI) – 16.6% interest pre dilution

Post the September quarter, the Company provide an update on TSX-V listed Currie Rose Resources Inc ("Currie Rose")

On 27th of October, Currie Rose announced that it has entered into an agreement with Chalice Mining Limited and Liontown Resources Limited to acquire 100% of two advanced Vanadium assets in the North Queensland.

Similar to manganese, vanadium is a key and strategic metal for the battery and broader electrification sector. With this transaction, there is ongoing potential for AX8 and Currie Rose to share synergies within the rapidly developing renewables and battery space.

For more information, please visit [ASX announcement dated 28 October 2021](#)

Capital Raising

During the quarter the Company has received firm commitments to raise \$3.1 million (before costs) through a placement of shares to a range of sophisticated and professional investors ("Placement") in two tranches, including participation by Accelerate's Board of Directors, subject to shareholder approval.

Funds raised from the capital raising, together with the Company's existing cash reserves, will be used for due diligence exploration drilling and exploration activities on the Braeside West Project and Ripon Hills East Manganese Projects, exploration activities on the Comet Gold Project and for working capital purposes (including costs of the Placement).

The Placement comprises an issue of 86,111,111 fully paid ordinary shares (“Shares”) in the Company at an issue price of 3.6 cents and will be settled in two tranches, as follows:

- A total of up to 38,899,440 Shares (“Tranche 1 Shares”) has been issued to raise approximately \$1.4 million (before costs); and
- A total of up to 47,211,671 Shares to raise approximately \$1.7 million (before costs), which will be issued subject to shareholder approval at the 2021 Annual General Meeting to be held on 8 November 2021.

For more information, please visit [ASX announcement dated 13 September 2021](#)

JMEI Credits

About The JMEI Scheme

The JMEI scheme encourages investment in mineral exploration companies that carry out “Greenfields” mineral exploration in Australia, by allowing such companies to generate a tax incentive by choosing to give up a portion of their losses from “Greenfields” mineral exploration expenditure for distribution to Australian residents who acquired new shares during the relevant eligibility period. The shares must be equity interests for the purposes of debt and equity tax rules.

The Company has received an allocation of up to \$600,000 in JMEI tax credits which can be distributed to shareholders (Eligible Shareholders) who participate in a capital raising and acquire new shares in Accelerate between the 2 September 2021 and 30th of June 2022 (Eligibility Period).

For more information, please visit [ASX announcement dated 7 September 2021](#)

Information Required by Listing Rules

Listing rule 5.3.1

During the September 2021 Quarter, the Company spent \$97k on exploration activities including \$67k on the Braeside West and Ripon Hills East Projects in Canada. And \$17k on Tambellup Kaolin Project and Vytas transaction.

Listing rule 5.3.5

During the September 2021 Quarter, the Company made payments to related parties of \$53k as director fees.

This announcement was authorised for release by the Board of Accelerate Resources Limited.

For further information please contact

Yaxi Zhan

yaxiz@ax8.com.au

Managing Director

Reporting of Previous Exploration Results

This announcement includes information that relates to historical Exploration Results prepared and first disclosed under the JORC Code (2012) and extracted from the Company's previous ASX announcements, as follows:

- *"Comet Gold Project – Mineralisation Extended". 18 January 2021*
- *"Significant Gold Intersected at Comet Project". 2 November 2020*
- *"Comet Gold Project Supplementary Information - Exploration review commenced of Comet Gold Project, WA". 14 July 2020*
- *"Exploration review commenced of Comet Gold Project, WA". 2 July 2020*

The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcements. Where the information relates to Exploration Results the Company confirms that the form and context in which the competent person's findings are presented have not been materially modified from the relevant original market announcements.

Competent Persons Statement

Information in this release that relates to Exploration Results is based on information compiled by Mr Griffiths, who is the President and CEO of Currie Rose Inc. (TSX-V: CUI). Mr Griffiths is a qualified geologist, 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.

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.

—ENDS—

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	E20/999	Application	Western Australia	100%
Comet	E20/1000	Application	Western Australia	100%
Wooleen Project	E59/2628	Application	Western Australia	100%
Wooleen Project	E59/2629	Application	Western Australia	100%
Wooleen Project	E59/2630	Application	Western Australia	100%
Wooleen Project	E59/2632	Application	Western Australia	100%
Pilbara Regional	E45/6056	Application	Western Australia	100%
Pilbara Regional	E45/6057	Application	Western Australia	100%
Pilbara Regional	E45/6058	Application	Western Australia	100%
Pilbara Manganese	E45/5854	Application	Western Australia	100% Mn and Iron Right
Pilbara Manganese	E45/5088	Granted	Western Australia	100% Mn and Iron Right
Tambellup	E70/4969	Granted	Western Australia	Under an Option Agreement to sell 100% Interest
Tambellup	E70/5319	Granted	Western Australia	Under an Option Agreement to sell 100% Interest
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
Woolen Project	E59/2628	Application	Western Australia	100%
Woolen Project	E59/2629	Application	Western Australia	100%
Woolen Project	E59/2630	Application	Western Australia	100%
Woolen Project	E59/2632	Application	Western Australia	100%
Pilbara Regional	E45/6056	Application	Western Australia	100%
Pilbara Regional	E45/6057	Application	Western Australia	100%
Pilbara Regional	E45/6058	Application	Western Australia	100%

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

Project	Tenement Number	Status	Location	Comment
Comet	E20/997	Withdrawn	WA	Withdrawal lodged 25/8/21
Comet	E25/586	Withdrawn	WA	Withdrawal lodged 29/7/2021