

MARCH 2021 QUARTERLY REPORT

Constellation Resources Limited ("Constellation" or "Company") is pleased to present its Quarterly Report for the period ended 31 March 2021. The Company's focus is on the Orpheus Project in the Fraser Range of Western Australia, in addition to identifying and evaluating new opportunities in the resources sector.

HIGHLIGHTS DURING AND SINCE THE QUARTER END

- Air-Core ("AC") drilling results to date have defined a highly prospective Ni-Cu-Co-PGE geochemical target that is interpreted to be **over three kilometres in strike and up to 400 metres wide** – named the Eyre Anomaly.
- Optical petrological analysis of samples continue to return trace levels of magmatic nickel-copper ("Ni-Cu") sulphides in multiple holes over the extensive Eyre Ni-Cu-Co-PGE anomaly. Trace levels of nickel sulphides can now be mapped in a fertile intrusive unit over a **two kilometre** strike length.
- Strong evidence for magmatic nickel sulphides as being the source of the Eyre Anomaly which supports the prospectivity of the other established Ni-Cu-Co-PGE anomalies as a pathfinder to nickel sulphides in the basement intrusive.
- Completion of 15 infill AC drill holes for 1,525 metres over tenement E28/2403, assays pending. Follow-up infill AC drilling planned to complete the northern Eyre Anomaly infill holes to approximately 100 metre centres.
- Ni-Cu soil anomaly at the historic McPherson Prospect on southern tenement E63/1282 found to have coincident late time versatile time domain electromagnetics ("VTEM^{Max}") conductor following review of historical geophysical dataset.
- Cash at bank of \$3.18 million and no debt as of 31 March 2021, well-funded for planned activities.

For further information, please contact:

Peter Woodman
Managing Director
Tel: +61 8 9322 6322

Peter Muccilli
Technical Director
Tel: +61 8 9322 6322

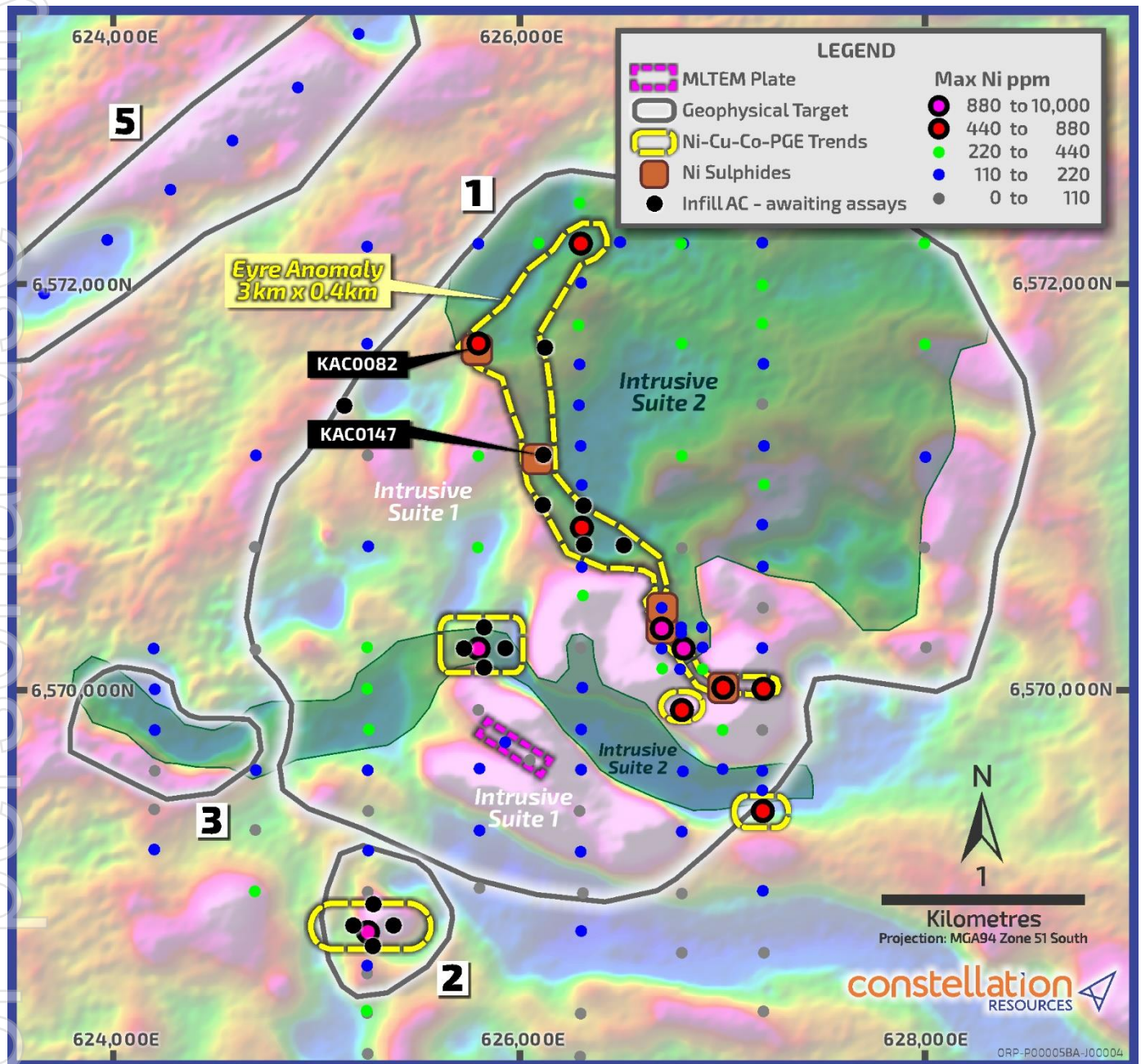


Figure 1: AC drill results including Eyre Anomaly, geochemical footprints, MLTEM anomaly over aeromagnetics.

EXPLORATION ACTIVITIES

Petrological Samples – E28/2403

During the quarter, further selected samples from the Company's AC drilling programs were submitted for optical petrological analysis. The analysis of selected samples located within the middle and northern sections of the Eyre Anomaly, has confirmed trace levels of magmatic Ni-Cu sulphides hosted in fertile olivine gabbro-norite intrusive units (Figure 1 and 2).

Combined with previously reported Eyre Anomaly petrology results at the southern end of the anomaly, the magmatic Ni-Cu sulphide occurrences have now been identified over a two kilometre strike length. The Ni-Cu sulphide occurrences in addition with the associated pathfinder (Ni-Cu-Co-PGE) regolith anomaly, both track along the base of an interpreted large, and highly prospective fertile olivine bearing intrusion suite.

The link between nickel sulphides with associated pathfinder geochemistry is considered highly promising. The results underscore the nickel sulphide fertility of the intrusions and its prospectivity to potentially host an economically viable deposit in the tenement area.

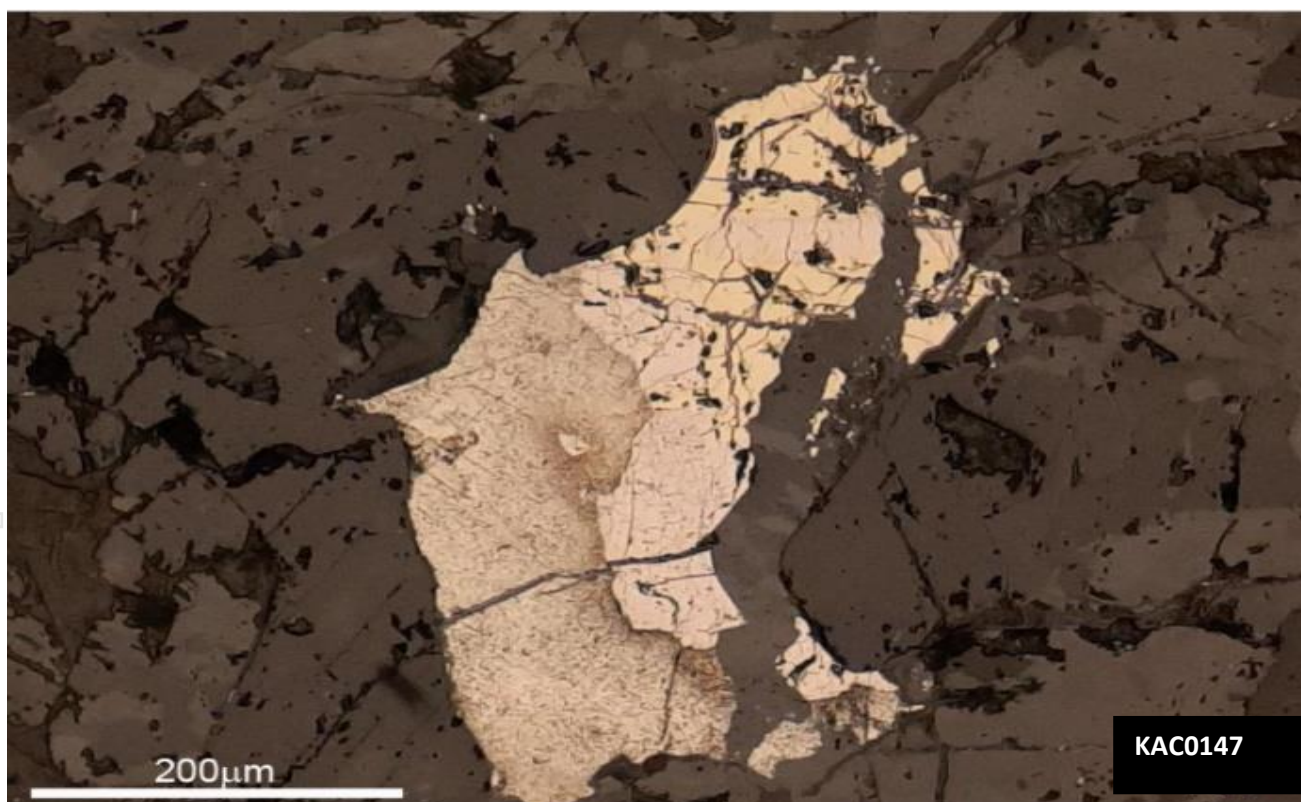


Figure 2: Magmatic sulphide occurrences in KAC0147 comprising of pyrite, violarite (after pentlandite – Ni sulphide) and chalcopyrite, Cu Sulphide) in an olivine gabbro-norite host.

Historic McPherson Prospect - E63/1282

The Company completed a review of historic and newly released open file work programs over its tenement, E63/1282 which includes the historic McPherson Prospect ("McPherson") located in the north-east corner of the tenement. McPherson is a coherent Ni-Cu soil anomaly that resides directly above a north-west trending magnetic unit that could represent a favourable intrusive unit to host nickel sulphides (Figure 3).

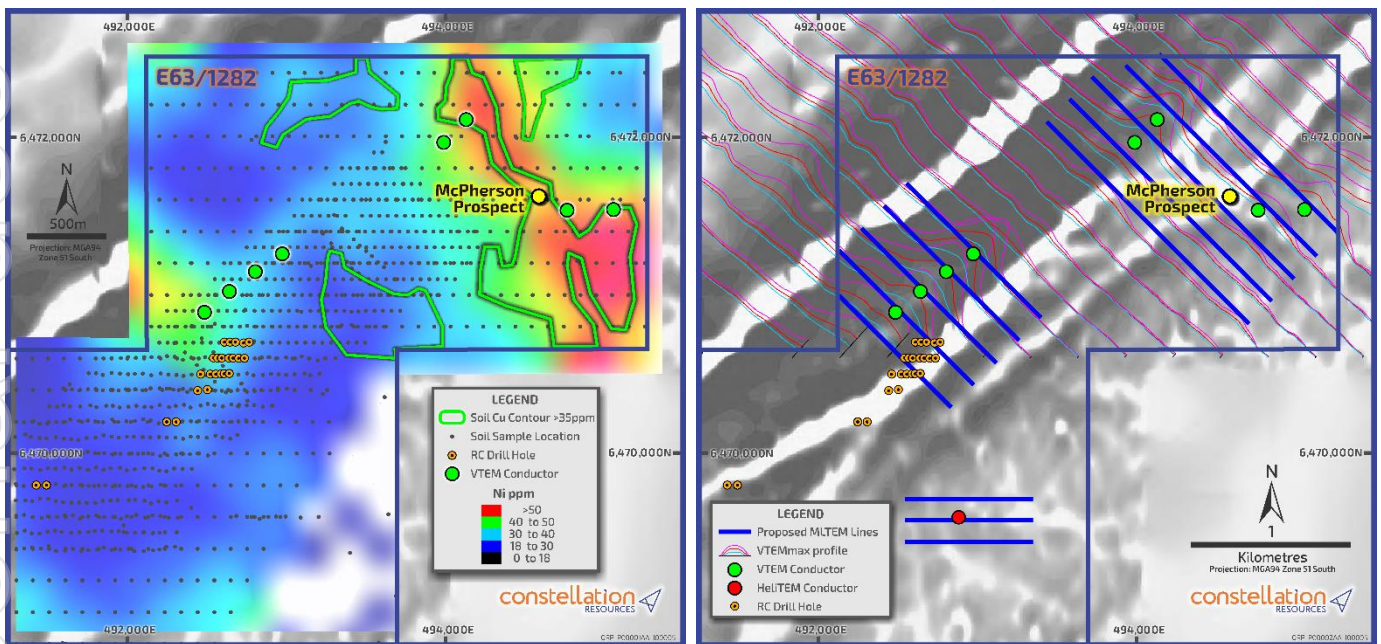


Figure 3 and 4: Left - Ni-Cu soil geochemical footprints over first derivative aeromagnetics. Right - Proposed MLTEM survey over VTEM and HeliTEM anomalies.

A review of open file geophysical datasets was recently completed, incorporating a high quality 2013 open file airborne VTEM^{Max} dataset that was commissioned by a peer exploration company on the adjoining tenement. The flight lines of the VTEM^{Max} survey were extended beyond the adjoining tenement, fortuitously covering the McPherson soil anomaly. The review of the superior VTEM^{Max} dataset indicates the presence of a first order more coherent late time bedrock conductor beneath the McPherson soil anomaly (Figure 3 and 4).

A recent reconnaissance trip by the Company has confirmed the area around McPherson has no outcrop and the basement units are concealed under cover. No historic drill holes were identified or surface cultural effects that may lead to false positive airborne electromagnetic responses.

FUTURE WORK PROGRAMS

Follow-up AC Drilling Program

The Company plans to recommence AC drilling this quarter, with an aim to complete the northern Eyre Anomaly infill holes to approximately 100 metre centres. The results from the current and proposed AC drilling programs will be processed to optimise the locations of an anticipated reverse circulation ("RC") drilling and downhole electromagnetics program.

The Company intends to undertake Downhole Electromagnetic ("DHEM") survey on future Reverse Circulation ("RC") drillholes. DHEM has proven to be the most effective tool to vector towards improved sulphides in areas by peer companies in the area experiencing similar levels of conductive overburden.

Moving Loop Electromagnetic Survey

In light of the review of McPherson, a high priority surface high powered moving loop electromagnetic survey ("MLTEM") has been approved by the Company to cover the McPherson soil anomaly and ground truth selected airborne electromagnetic anomalies of interest. The proposed MLTEM survey comprises of 13 lines for 14.5 kilometres and is expected to commence in the coming weeks (Figure 4). If a MLTEM bedrock conductor of interest is identified, RC drilling is proposed as the next step as cover is not thought to be excessive.

CORPORATE

Constellation is in a strong financial position with cash at bank of approximately \$3.18 million and no debt as at 31 March 2021.

As at the date of this report, the Company has the following securities on issue:

Security Type	Number
Fully Paid Ordinary Shares	35,625,768
Listed options exercisable at \$0.20 each on or before 31 July 2021	14,340,734
Unlisted options exercisable at \$0.30 to \$0.60 each with expiration dates from 9 October 2021 to 30 June 2023	2,000,000

ABOUT THE FRASER RANGE TENEMENTS

The Company manages the Orpheus Project (Figure 5), comprising six tenements covering approximately 558km² in the Fraser Range province of Western Australia. In the Fraser Range, certain Proterozoic mafic/ultramafic intrusion suites are prospective to host nickel-copper sulphide mineralisation. The region is currently experiencing high levels of exploration activity for nickel following the Nova, Silver Knight, Mawson and Lantern discoveries.

The Orpheus Project includes a 70% interest in three mineral exploration licences (E28/2403, E63/1281 and E63/1282) and one mineral exploration licence application (E63/1695). The granted exploration licences form part of a joint venture between the Company (70%) and Enterprise Metals Limited ("Enterprise") (30%, ASX: ENT). Pursuant to the joint venture agreement, the Company is responsible for sole funding all joint venture activities on the tenements, which form part of the joint venture, up to completion of a bankable feasibility study.

Additionally, the Company has further 100% interests in two exploration licences (E28/2738 and E28/2957).

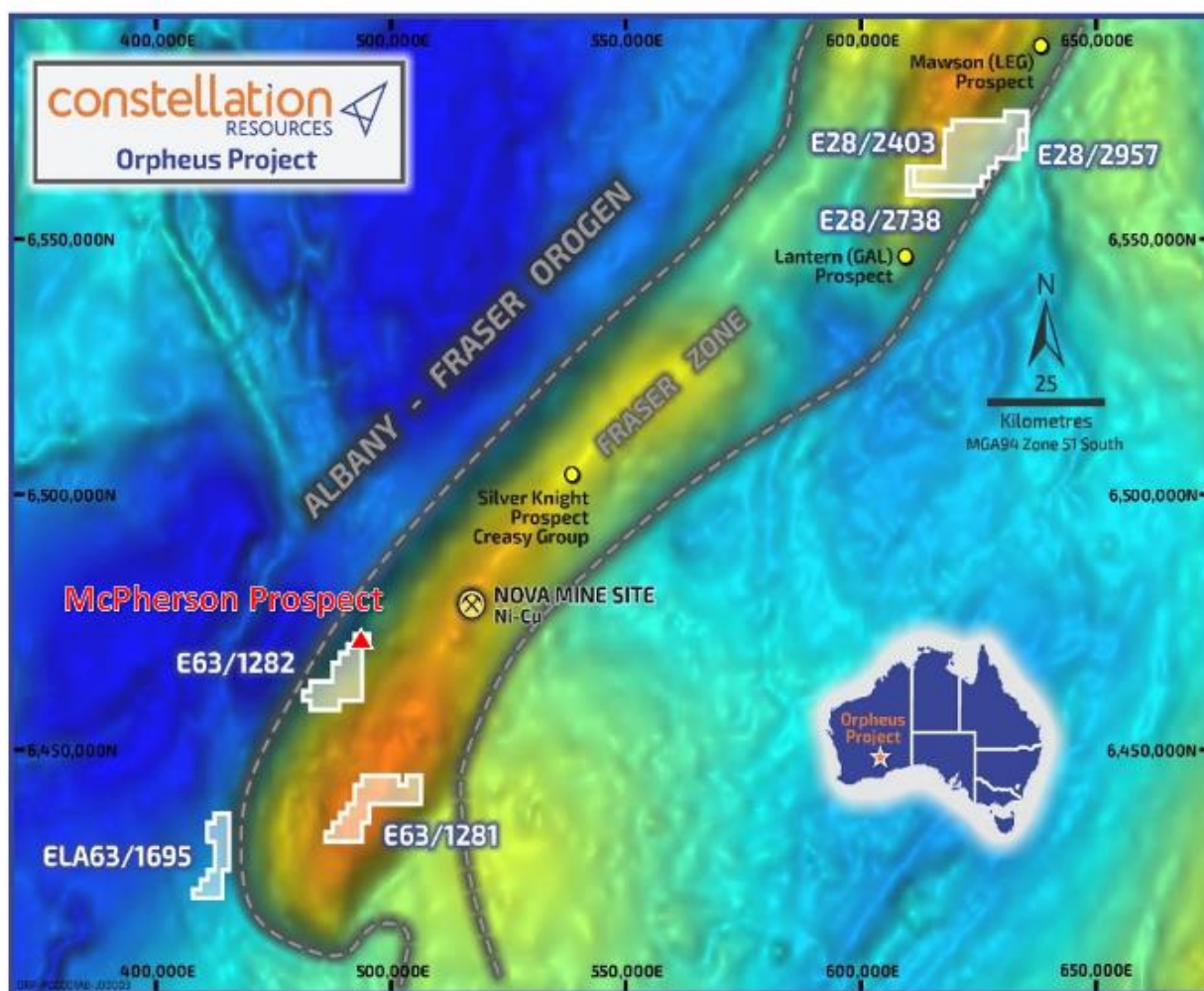


Figure 5: Tenement Plan – Orpheus Project

COMPETENT PERSONS STATEMENT

The information in this report that relates to Exploration Results is extracted from announcements dated 22 April 2021, 19 January 2021, 8 December 2020, 14 July 2020 and 20 January 2020. These announcements are available to view at the Company's website on www.constellationresources.com.au. The information in the original ASX Announcements that related to Exploration Results was based on, and fairly represents information compiled by Peter Muccilli, a Competent Person who is a Member of the Australasian Institute of Mining and Metallurgy. Mr Muccilli is a Technical Director of Constellation Resources Limited and a holder of options in Constellation Resources Limited. Mr Muccilli has sufficient experience that is relevant to the styles of mineralisation and types 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" (JORC Code). The Company confirms that it is not aware of any information or data that materially affects the information included in the original market announcements. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcements.

FORWARD LOOKING STATEMENTS

Statements regarding plans with respect to Constellation's project are forward-looking statements. There can be no assurance that the Company's plans for development of its projects will proceed as currently expected. These forward-looking statements are based on the Company's expectations and beliefs concerning future events. Forward looking statements are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of the Company, which could cause actual results to differ materially from such statements. The Company makes no undertaking to subsequently update or revise the forward-looking statements made in this announcement, to reflect the circumstances or events after the date of that announcement.

This announcement has been authorised for release by the Company's Managing Director, Peter Woodman.

Appendix 1: Disclosures in accordance with ASX Listing Rule 5.3

Summary of Mining Tenements

As at 31 March 2021, the Company has an interest in the following projects:

Project Name	Permit Number	Percentage Interest	Status
Fraser Range, Western Australia	E63/1281	70%	Granted
	E63/1282	70%	Granted
	E28/2403	70%	Granted
	E63/1695	70%	Application
	E28/2738	100%	Granted
	E28/2957	100%	Granted

No interests in mining tenements were acquired or disposed of during the quarter.

Summary of Mining Exploration Activities Expenditure

Activity	Amount (\$A'000)
Drilling	(21)
Consultants – Geophysical and Drilling Field Team	(30)
Geophysical Surveys	(54)
Field Supplies, Equipment Hire, Vehicles	(5)
Sample Analysis	(9)
Tenement Maintenance, Rents and Rates	(48)
Travel and Accommodation	(10)
Other	(16)
Total as reported in Appendix 5B	(193)

Related Party Payments

During the quarter ended 31 March 2021, the Company made payments of \$193,000 to related parties and their associates. These payments relate to existing remuneration arrangements (executive salaries, director fees and superannuation of \$148,000) and provision of a serviced office (\$45,000).

Appendix 5B

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

Name of entity

CONSTELLATION RESOURCES LIMITED

ABN

57 153 144 211

Quarter ended ("current quarter")

31 March 2021

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	(193)	(734)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(148)	(423)
	(e) administration and corporate costs	(81)	(193)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	3	21
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	67
1.8	Other – Business development costs	-	(7)
1.9	Net cash from / (used in) operating activities	(419)	(1,269)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	(6)
	(d) exploration & evaluation	-	-
	(e) investments	-	-
	(f) other non-current assets	-	-

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
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(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 (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	(6)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	137	140
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
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 (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	137	140

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	3,461	4,314
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(419)	(1,269)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(6)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	137	140

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
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,179	3,179

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	44	54
5.2	Call deposits	3,135	3,407
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)	3,179	3,461

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	193
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)	(419)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	-
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(419)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,179
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,179
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	7.59
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	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: Not applicable	
8.8.2	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: Not applicable	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: Not applicable	
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>		

Compliance statement

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

Date: 29 April 2021

Authorised by: Company Secretary
(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

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

[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.