

# CREST RESOURCES INC.

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## NEWS RELEASE

### **CREST RESOURCES INC. SUBSIDIARY, AUSVAN BATTERY METALS STARTS DRILLING ON THE ALLARU VANADIUM PROJECT IN QUEENSLAND, AUSTRALIA**

Vancouver, B.C. – April 29, 2021 - Crest Resources Inc. (CSE: CRES) (“Crest” or the “Company”) is pleased to announce that drilling has started on the Allaru Vanadium project (“Allaru” or the “Project”). Crest holds a 60% interest in Allaru through its 60% owned Australian subsidiary, AusVan Battery Metals Pty Ltd. (“AusVan”). The Project is a resource stage Vanadium Deposit with additional potential for High Purity Alumina (“HPA”) located in central Queensland, Australia.

The Allaru Vanadium Deposit is hosted in the shallow dipping vanadium shale of the Toolebuc Formation. The Toolebuc Formation is projected to break surface on a N-NW trending arch that crosses the claim package. The current drilling is focused on the extension of known vanadium enriched shales where it is expected to encounter oxidized vanadium shale (see map below). The current drill program has permitted 32 drill holes for 900m of 10.2cm diameter core recovery drilling on seven lines with a 1 km spacing between drill holes.

#### **Project Highlights:**

- **Large Scale and High-Grade Deposit**
  - Historic JORC Inferred Resource (2018) of 618 Mt at 0.45% V<sub>2</sub>O<sub>5</sub>\* with an exploration target of 880 - 1,100 Mt with the potential for an additional high value HPA co-product
- **Drilling is focused on developing oxide resources extending from existing fresh Vanadium enriched shales**
  - Includes potential to improve project economics based on reduced potential strip ratios
  - Unoxidized material may not require roasting, which will potentially reduce capital and operational expenses associated with development scenarios
- **Standard Processing Flowsheet for Toolebuc Formation Vanadium shale returns up to 95% vanadium recovery with atmospheric leach technology**
  - Detailed processing flow sheet supports a clear pathway to full V<sub>2</sub>O<sub>5</sub> production
  - AusVan has commissioned Brisbane Met Lab to conduct bench scale metallurgical work seeking to optimize the process for recovery of vanadium from Allaru Vanadium shale
  - Current metallurgical work seeks to optimize this process with Allaru material
- **Moving forward to clear path to definition of a near surface oxide resources and definition of PEA level economics**

*\*The JORC resource was completed for Vecco Group in 2018 by John T. Boyd Company and is historic in nature. Neither AusVan nor Crest has independently validated the estimates and therefore is not to be regarded as reporting, adopting or endorsing those estimates. Further work will be required to bring the resource into compliance. Nothing has come to the attention of AusVan that causes it to question the accuracy or reliability of the estimate.*

President Michael Collins comments, “The last year has seen a strong build out of vanadium flow battery installation amid projections of vanadium shortages in the near term. The public market is seeing the

viability and value of vanadium battery systems and the value of vanadium focused developers has benefited from this up swing in the market.”

“The economic advantage is increasingly evident in the large and the small scale electricity back up and flow optimization applications. The fall of 2020 saw significant up ticks in contract for and deployment of Vanadium flow batteries, and the related increase in valuations of public Vanadium resource and battery development companies. Vanadium is a key part of the renewable energy future by providing a low cost battery energy storage solution on large grids and sole site power systems. We see a clear pathway to make the Project a significant part of the clean energy storage market.”

### **Allaru Vanadium Project**

Covering **1,088 km<sup>2</sup>**, the Allaru Vanadium Project is located 80km north of Julia Creek in central Queensland, Australia. The base metals mining center of Mt. Isa, and regional airport is located 230km to the west. The Mt. Isa rail network passes through Julia Creek with connections to Charters Towers and Townsville and Port Abbot at Bowen allowing for low cost shipping. The area has a hot dry climate with flat lying topography and is easily accessible by road and near existing power.

As part of it’s purchase, AusVan also holds rights to an advanced metallurgical process flow sheet designed for an adjacent PFS level Vanadium/HPA project which also targets Toolebuc Formation Vanadium Shale and is located 40 km south west of the Project. The chemistry of the vanadium shale of these two projects is very similar in major and minor elements. AusVan has commissioned Brisbane Met Lab to conduct bench scale metallurgical work seeking to optimize the process for recovery of vanadium from Allaru Vanadium shale.

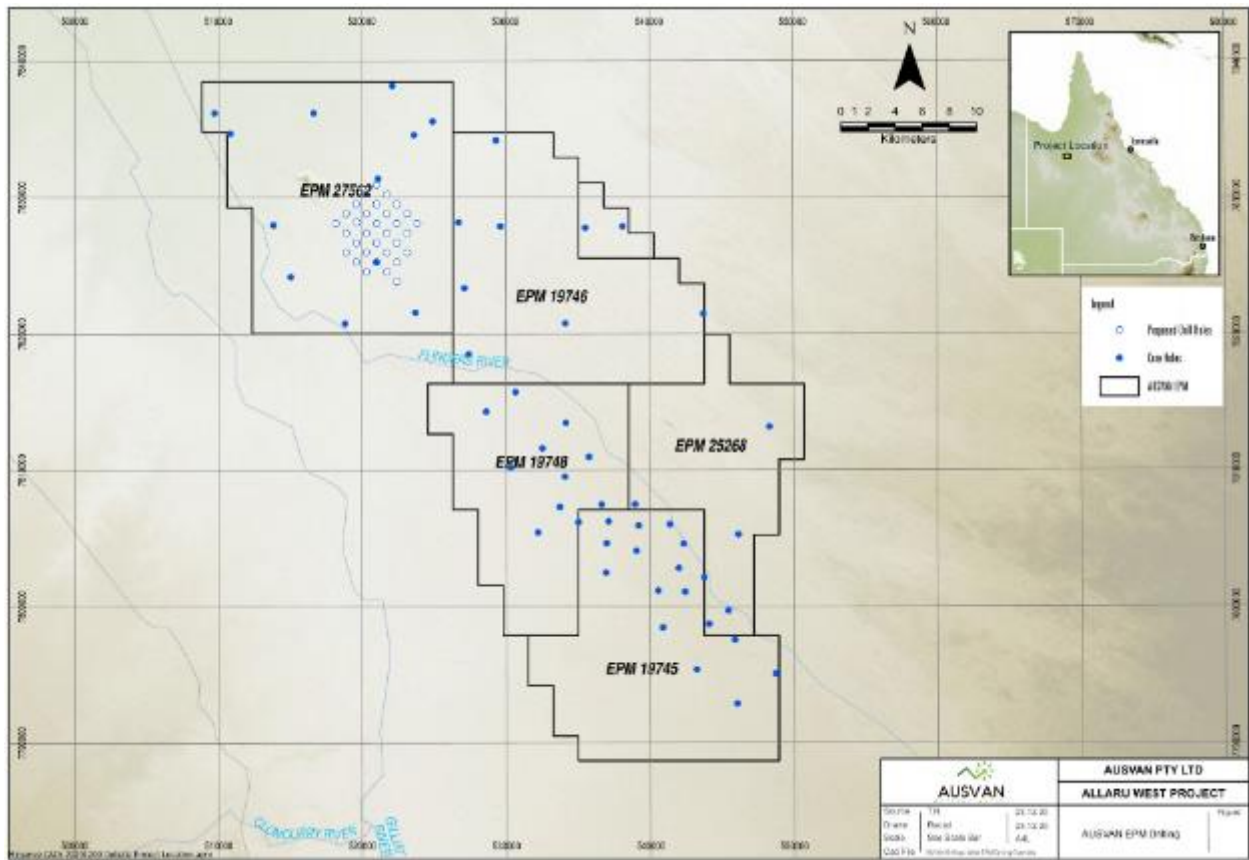
### **Geology**

Centered on the Eureka Ridge separating the Carpentaria and Eromanga Sedimentary Basin in northwest Queensland, the Project displays many similar characteristics to the nearby advanced Debella Vanadium + HPA Project owned by Vecco Group; a near surface, flat lying and locally oxidized vanadium enriched shale. The Project is hosted by Cretaceous sedimentary rocks of the Toolebuc Formation. The Toolebuc Formation is composed primarily of banded limestone and shales, is widely distributed and laterally stable across the Project. The Vanadium mineralization is concentrated in the Toolebuc Upper and Lower beds. The Toolebuc Upper bed ranges in thickness from 0.3m to 3.0m in thickness, averaging 2.8m, and the Toolebuc Lower bed ranges in thickness from 1.3m to 4.1m in thickness, averaging 2.8m.

Drill Rig on site at Allaru



Map of Allaru Tenements, Queensland Australia with historic and planned drilling



Crest's partner in AuVan and the Allaru Vanadium Project, Vecco Industrial, will maintain an 40% undiluted interest in AusVan until certain conditions are satisfied, including public listing of AusVan and incurring expenditures of at least CAD \$1,000,000 on the Project.

The technical portion of this news release was reviewed and approved by Mr. Nicholas Rodway, P.Geo. and VP Corporate Development, a qualified person as defined under definition of NI 43-101.

**About Crest Resources Inc.**

Crest Resources Inc. is a British Columbia company listed on the Canadian Securities Exchange under the symbol CRES. The Company's principal business activity is the acquisition, exploration and evaluation of mineral property assets in Canada, Australia and Peru and the investment in mineral exploration companies and related mining technologies of merit. The Company's Canadian assets include various land and corporate ownership positions within the Exploits Subzone, the newest emerging district-scale gold exploration and mining district in the province of Newfoundland and Labrador, mineral recovery systems with 3RC/Ecomine/Gemina Labs, copper and gold exploration in the Toodoggone with Volatus Capital, and Vanadium projects in northwestern Australia with AusVan Battery Metals Pty.

**FOR FURTHER INFORMATION CONTACT:**

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*Neither the Canadian Securities Exchange nor its Regulation Service Provider (as the term is defined in the policies of the Canadian Securities Exchange) accepts responsibility for the adequacy of accuracy of this news release.*

**Forward-Looking Statements**

This news release contains certain forward-looking statements, which relate to future events or future performance and reflect management's current expectations and assumptions. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company. Readers are cautioned that these forward-looking statements are neither promises nor guarantees, and are subject to risks and uncertainties that may cause future results to differ materially from those expected including, but not limited to, market conditions, availability of financing, actual results of the Company's exploration and other activities, environmental risks, future metal prices, operating risks, accidents, labor issues, delays in obtaining governmental approvals and permits, and other risks in the mining industry. All the forward-looking statements made in this news release are qualified by these cautionary statements and those in our continuous disclosure filings available on SEDAR at [www.sedar.com](http://www.sedar.com). These forward-looking statements are made as of the date hereof and the Company does not assume any obligation to update or revise them to reflect new events or circumstances save as required by applicable law.