30 October 2024 ASX Announcement

September 2024 (Q1FY25) Quarterly Activities and Cash Flow Report

HPA Project Highlights:

- Government funding received for fast tracked HPA flowsheet R&D program in conjunction with an industry partner and the Chemical Engineering division of the University of Queensland to investigate a new and alternative HPA flowsheet
- Focus on improving key operational factors over existing HPA production routes aimed at lowering CAPEX, OPEX and reducing energy consumption along with optimising reagents and recycling
- Project is funded through cash and in-kind support from both industry partners as well as financial contribution from the federal Trailblazer funding

Exploration:

- 10 RC drillhole campaign commenced at new REE and pegmatite targets adjacent to the existing Tampu Kaolin deposit
- Drilling is supported by a drill for equity commitment from Westside Drilling for 50% of total drilling costs

Next Steps:

- Further metallurgical testwork programs to refine the HPA precursor kaolin plant flowsheet with AKW
- HPA flowsheet in review as a part of R&D program with UQ

Australian High Purity Alumina (HPA), kaolin, silica and rare earth exploration company Corella Resources Ltd (ASX:CR9) (**Corella** or the **Company**) is pleased to provide a summary of activities and attached Appendix 5B for the quarter ended 30 September 2024 (**Quarter**).

Operational Overview Tampu Project

Government funding received for fast tracked HPA flowsheet R&D

During the Quarter, the Company announced it had received Government funding (Trailblazer) for a fast-tracked R&D program in conjunction with an industry partner and the Chemical Engineering division of the University of Queensland[1]. The aim of the program is to investigate a new and alternative HPA flowsheet that can progress through the PFS and DFS stages with scaled up pilot plants and a focus on reducing Capex and Opex costs.

The project will be funded through cash and in-kind support from both industry partners as well as financial contribution from the federal Trailblazer funding and potential additional state funding. This collaboration across industry and government funding is allowing for the fast tracking of the R&D project value of over $500k, of which, Corella portion is $75k cash and $75k in-kind contributing towards access independent external certified HPA analysis at the leading global laboratory in the USA.

[1] Refer to ASX Announcement "Corella gains Government funding for HPA flowsheet R&D" released on 20 August 2024

The fast tracked 6-month project investigates an alternative flowsheet focussed on key operational factors that would impact the overall projects environmental impact, funding, and economic metrics;

- Low cost (Opex)
- Low Capex
- Low energy (Heat and Calcining)
- Reagent type and recycling

The awarding of the grant follows the successful production of 5N (99.999% purity) High Purity Alumina (HPA) from a 100kg composite sample consolidated from the sonic core program obtained from across the Tampu deposit[2]. The production of 5N HPA from the optimised flowsheet at DUT was independently verified by the leading global laboratory for HPA analysis, Eurofins located in the USA.

The next step in the HPA project will be to confirm and optimise a flowsheet for the cost of a pilot plant as a part of a HPA Pre-Feasibility Study.

Rare Earths at Tampu

Following a comprehensive review of Corella's tenements using field observations, sampling[3], high resolution geophysics, EM surveys[4] and hyperspectral satellite data, the Company has identified two distinct styles of rare earth element (REE) mineralisation at Tampu. During the Quarter the Company completed a 10 RC drillhole program at the REE and pegmatite targets[5]. The samples collected and analysed show elemental geochemistry indicative of fractionated pegmatites containing Li, Ta, W, Rb and the REE suite of elements.

Samples have been submitted for analysis and the Company looks forward to updating the market with results as they become available in Q2.

REE pegmatites are documented in the Bencubbin region and field observations have identified pegmatites in the Tampu area as well as granites. The new hi-res geophysics suggests areas of high magnetic response with varied mineralogy. These areas are elevated and weathered down slope to the identified paleochannel.

Pegmatite occurrences have also been identified in multiple areas across Corella's extensive Tampu tenement package, however outcrop is scarce.

[2] Refer to ASX Announcement "5N HPA Production Confirmed" released on 8 May 2024
[3] Refer to ASX Announcement "Rare Earth Results and Tenement Expansion" released on 15 January 2024
[4] Refer to ASX Announcement "High Res. Airborne Survey Targeting Alkaline Intrusive's" released on 14 May 2024
[5] Refer to ASX Announcement "Rare Earth Element drilling to commence at Tampu" released on 28 August 2024

Corella Land Holding:

In accordance with ASX Listing rule 5.3.3, the Company held the following mining tenements at the end of the Quarter:

Project	Tenement	Ownership	Area (km^2)	Status
Tampu	E 70/5214	100%	65 km^2	Granted
Tampu	E 70/5235	100%	18 km^2	Granted
Tampu	E 70/5744	100%	89 km^2	Granted
Tampu	E 70/5882	100%	506 km^2	Granted
Tampu	E 70/5883	100%	89 km^2	Granted
Tampu	E 70/6578	100%	151 km^2	Granted
Tampu	E 70/6579	100%	246 km^2	Pending
Tampu	E 70/6592	100%	565 km^2	Pending
Wiltshire	E 70/5216	100%	36 km^2	Granted
Bonnie Rock	E 70/5665	100%	71 km^2	Granted

Financial & Corporate Overview

The Company's cash position as at 30 September 2024 was $0.35M.

The aggregate amount of payments made to related parties and their associates for the Quarter is ~$57,000. These payments consisted of Director's fees, salaries, accounting, and bookkeeping fees and were made on an arm's length basis.

Subsequent to Quarter end, Ms Jess Maddren resigned as CEO effective 21 January 2025 and Mr Ben Hammond resigned as Non-executive Director effective 23 October 2024.

There were no other substantive business activities during the Quarter.

ENDS

For further information, please contact:

Managing Director	Chief Executive Officer	Company Secretary
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ASX release authorised by the Board of Directors of Corella Resources Ltd.

Company Profile

Corella Resources Ltd is an Australian exploration company listed on the Australian Securities Exchange (ASX: CR9). Corella Resources is focussed on exploration and development of their 100% owned Tampu and Wiltshire kaolin projects along with the 100% owned Bonnie Rock silica project. All 3 projects are located in the mid-west of Western Australia.

Tampu Kaolin Project

*The Tampu Kaolin Project (**Tampu**) comprises five granted exploration licences E70/5235, E70/5214, E70/5744, E70/5882 and E70/5883, which are 100% held by Corella. Tampu has seen two historical and two modern phases of exploration drilling and metallurgical testwork programs. This drilling has defined significant bright white kaolin mineralisation with very high-grade alumina (Al_2O_3) contents and very low levels of contaminants. A maiden JORC compliant inferred resource estimate of 24.7Mt of bright white kaolinised granite, with 13.1Mt reported, was completed at Tampu by industry experts CSA Global in Q4CY21.*

Wiltshire Kaolin Project

*The Wiltshire Kaolin Project (**Wiltshire**) comprises a single granted exploration licence, being E70/5216, which is 100% held by Corella. Wiltshire is located adjacent to the Wenmillia Dam kaolin deposit, which is held by Blue Diamond WA Pty Ltd (ACN 090 511 970) to the north of Mullewa. Bright white kaolin is known to extend to the south and east of Wenmillia Dam along exposures in Wenmillia creek toward Corella's Wiltshire project. Chemical analyses by the Geological Survey of Western Australia (GSWA) on kaolin drill samples from Wenmillia Dam show high purity kaolin with low levels of contaminant elements. Multiple bright white kaolin exploration targets have been identified in creek exposures and surface outcrop within the Wiltshire Kaolin Project. This is a grass-roots project and significant further exploration and metallurgical test-work is required.*

Bonnie Rock Silica Project

*The Bonnie Rock Silica (**Bonnie Rock**) Project comprises a single granted exploration licence E70/5665, which is 100% held by Corella. Previous exploration undertaken on the Bonnie Rock Project identified at least three prominent quartz veins, with one up to 1km in strike length and others that extend for an unknown distance under surficial cover. Chemical analyses indicated that the quartz in the region is high-grade, has favourable thermal stability and thermal strength values and is suitable for use in the production of silicon metal, a potentially high value product useful in the High Purity Quartz (HPQ) market.*

Competent Person Statement – Exploration and Geological results

The information in this announcement that relates to exploration and metallurgical results is based on information reviewed, collated, and fairly represented by Mr. Anthony Cormack who is a Member of the Australian Institute of Mining and Metallurgy and the Managing Director of Corella Resources. Mr. Cormack has sufficient experience relevant to the style of mineralisation and type of deposit under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Mr. Cormack consents to the inclusion in this report of the matters based on this information in the form and context in which it appears.

No New Information

Except where explicitly stated, this announcement contains references to prior exploration results and Mineral Resource estimate, all of which have been cross-referenced to previous market announcements made by the Company. The Company confirms that is not aware of any new information or data that materially affects the information included in the relevant market announcements and, in the case of the estimate of Mineral Resource, that all materials assumptions and technical parameters underpinning the results and/or estimate in the relevant market announcements continue to apply and have not materially changed.

Forward-Looking Statements

This document may contain certain forward-looking statements. Forward-looking statements include but are not limited to statements concerning Corella Resources Ltd's (Corella) current expectations, estimates and projections about the industry in which Corella operates, and beliefs and assumptions regarding Corella's future performance. When used in this document, the words such as "anticipate", "could", "plan", "estimate", "expects", "seeks", "intends", "may", "potential", "should", and similar expressions are forward-looking statements. Although Corella believes that its expectations reflected in these forward-looking statements are reasonable, such statements are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Corella and no assurance can be given that actual results will be consistent with these forward-looking statements.

Appendix 5B

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

Name of entity	
Corella Resources Ltd	
ABN	**Quarter ended ("current quarter")**
56 125 943 240	30 September 2024

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 months) $A'000
1.	**Cash flows from operating activities**		
1.1	Receipts from customers	-	-
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(131)	(131)
	(e) administration and corporate costs	(110)	(110)
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 (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(241)**	**(241)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(118)	(118)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter $A'000	Year to date (3 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**	**(118)**	**(118)**

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	-	-
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**	**-**	**-**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	711	711
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(241)	(241)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(118)	(118)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**352**	**352**

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	352	711
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)**	**352**	**711**

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	57
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** *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.*	**Total facility amount at quarter end $A'000**	**Amount drawn at quarter end $A'000**
7.1	Loan facilities	75	7
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	**Total financing facilities**	75	7

7.5	**Unused financing facilities available at quarter end**	68

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.

Credit card facility with NAB, 15.5% interest p.a. payable on balance drawn for over 35 days.

8.	**Estimated cash available for future operating activities**	**$A'000**
8.1	Net cash from / (used in) operating activities (item 1.9)	(241)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(118)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(359)
8.4	Cash and cash equivalents at quarter end (item 4.6)	352
8.5	Unused finance facilities available at quarter end (item 7.5)	68
8.6	Total available funding (item 8.4 + item 8.5)	420
8.7	**Estimated quarters of funding available (item 8.6 divided by item 8.3)**	1.2

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.

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: As the Company is an explorer it is expected to have negative cashflows until such time that it finds a commercial discovery and moves into the Production phase of its lifecycle.

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: The Board of the Company constantly reviews its available cash reserves and its overheads and expenditure commitments. The Board has reduced its expenditure where possible and where it feels that a particular area of interest is not likely to provide a commercial return. The Board has also successfully raised capital in the past and is confident that it will be able to raise capital to fund its future exploration requirements.

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: As outlined in 8.8.1 and 8.8.2 above, the Board constantly monitors it's cash reserves and believes that it is able to continue its current operations and fulfill its business objectives.

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.

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: 30 October 2024

Authorised by: By the Board

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.