2 November 2023 ASX Announcement

Scoping Study for the Tampu Project Supports Acceleration to Feasibility Study

Corella Resources Ltd (**ASX:CR9**) ("**Corella**" or the "**Company**") is pleased to announce the results of the Company's Tampu Scoping Study completed by CSA Global based on the 24.7Mt Indicated and Inferred Mineral Resource Estimate[1] and reported in accordance with the 2012 JORC Code and guidelines.

Highlights

The Company's strategic vision is the production of High-Purity Alumina (HPA) using its high-quality kaolin as a feedstock. The HPA precursor kaolin processing plant will also produce other various products. The product mix and phased scheduling, including capex for all product types, will be a focus of the planned Feasibility Study commencing January 2024.

The Scoping Study investigated two mutually exclusive scenarios: 100% kaolin 200ktpa or 100% HPA 40ktpa production.

Case	NPV (A$Bn)-1	IRR (%)-1	Payback (yrs) -1
HPA	$4.622	53.8	2.3
Kaolin	$1.177	78.8	1.6

-1 Pre Tax

- **24.7 Mt Indicated and Inferred** Resource[1] with an estimated **58-year mine life.**
- Tampu has the potential to become one of the highest quality undeveloped kaolin deposits globally to produce HPA and kaolin for the high-end paint, paper coating, top-end ceramic, cosmetic and pharmaceutical industries
- Initial testing produced 5N HPA potentially suitable for the battery and LED markets[2]
- Excellent existing infrastructure, including a recently acquired mining storage facility and within close proximity to rail infrastructure and port facilities located only ~265km northeast of Perth
- Tampu mineralisation is open in all directions, with an average depth of 4m and a footprint covering less than 0.15% of the total Tampu landholding with substantial potential for future growth
- Appointment of new CEO Jess Maddren to fast track to Feasibility Study and offtakes
- Cash balance of $1.96 million as of 30 September 2023

[1] Refer to ASX Announcement "Tampu Mineral Resource Upgrade 24.7Mt of HPA Specification" released on 31 July 2023

[2] Refer to ASX Announcement " 5N purity confirms Tampu as premier specification for HPA" released on 30 June 2022

Next Steps:

- Scaled up 100kg kaolin to HPA production in progress by the Dalian University of Technology for further offtake discussions as well as flowsheet and pilot plant development
- Metallurgical test programs to develop the precursor kaolin plant flowsheet are underway
- Test pit approval DMIRS and extraction commencing Q2 2024
- Product offtake discussions from samples of test pit program – HPA, kaolin, co-products quartz and cement
- Starting from January 2024, a feasibility study will be initiated, centering on the processing of HPA precursor kaolin, along with an in-depth examination of product mix and mining operations. This endeavor is aimed at expediting operations and cashflow, with subsequent HPA studies and the launch of a pilot plant following in short order.
- The feasibility study will also consider a phased approach for capital allocation, potentially beginning with the precursor kaolin plant before progressing to the HPA plant. This strategic move potentially mitigates risk in achieving the ultimate objective of HPA production, potentially generating value for shareholders.

Corella Resources CEO, Jess Maddren, commented *"As I step into my role as CEO at this pivotal juncture, marked by the completion of our updated MRE and Scoping Study, I am thrilled by the immense potential that lies within the Tampu Project, not only for our shareholders but also for our potential customers and the local community. The exceptional quality of the Tampu Project, when compared to established global Kaolin operations, underscores our confidence in pursuing the transition from a promising discovery to a fully operational mining venture. We are continuing to engage with the local community and explore opportunities for collaborative, sustainable growth as we strive to establish a multigenerational operation with minimal environmental impact."*

Cautionary Statement

The Scoping Study referred to in this ASX announcement has been undertaken by ERM Australia Consultants Pty Ltd trading as CSA Global (**CSA Global**) for the purpose of initial evaluation and support of a potential development of the Tampu Project. The Scoping Study was prepared for the sole and exclusive benefit of Corella. Any other use or reliance on the Scoping Study by any third party is at that party's sole risk. The Scoping Study is meant to be read as a whole and sections should not be relied upon out of context.

The Scoping Study contains professional opinions based on information available at the time of preparation. The quality of the information, conclusions and estimates contained in the Scoping Study are consistent with the intended level of accuracy, and are subject to the assumptions, qualifications and disclaimers described in the Scoping Study. Information in the Scoping Study may be subject to change without notice.

The Scoping Study is a preliminary technical and economic study of the potential viability of the Tampu Project. The Scoping Study outcomes, production target and forecast financial information referred to in this announcement are based on low level technical and economic assessments (+/-35% accuracy) that are insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised. While each of the JORC modifying factors was considered and applied to a level that is considered appropriate for a Scoping Study, there is no certainty of eventual conversion to Ore Reserves or that the production target itself will be realised. Further exploration and evaluation and appropriate studies are required before Corella will be able to estimate any Ore Reserves or to provide any assurance of any economic development case.

The production target referred to in the Scoping Study is based on Indicated and Inferred Resources. Of the Mineral Resources scheduled for extraction in the Scoping Study production plan over the entire mine life, approximately 32% are classified as Indicated and 68% as Inferred. The Company has concluded that it has reasonable grounds for disclosing a production target which includes an amount of Inferred Mineral Resources. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised.

Indicated material is prioritised in the schedule with stage 1 in the North and 2 in the South for mining in the early years, where the first 28 years of mill feed maximising Indicated material accounting for 64% of plant feed. Prioritising plant feed of indicated material is required to demonstrate the Project's economic viability based on indicated material only.

The Mineral Resources underpinning the production target in the Scoping Study have been prepared by a competent person in accordance with the requirements of the JORC Code (2012). For full details on the Mineral Resource estimate, please refer to the ASX announcements dated of 31 July 2023 and 9 November 2021. Other than as presented in this announcement, Corella confirms that it is not aware of any new information or data that materially affects the information included in those previous announcements and that all material assumptions and technical parameters underpinning the estimate continue to apply and have not been changed.

All material assumptions on which the Scoping Study production target and projected financial information are based have been based are outlined in this announcement (including in the Appendices to this announcement). These include assumptions about the availability of funding. While Corella considers that all the material assumptions are based on reasonable grounds, there is no certainty that they will prove to be correct or that the range of outcomes indicated by the Scoping Study will be achieved.

To achieve the range of outcomes indicated in the Scoping Study, funding will likely be required in the order of $121.5 million for a Kaolin operation or $735.5 million for HPA. Investors should note that that there is no certainty that Corella will be able to raise that amount of funding when needed. It is also possible that such funding may only be available on terms that may be dilutive to or otherwise affect the value of Corella's existing shares. It is also possible that Corella could pursue other value realisation strategies such as a sale or partial sale or joint venture of its interest in the Tampu Project. If it does, this could materially reduce Corella's proportionate ownership of the Tampu Project.

This announcement contains forward-looking statements and forecast financial information. Corella has concluded that it has a reasonable basis for providing these forward-looking statements and forecast financial information and believes it has a reasonable basis to expect it will be able to fund development of the Tampu Project. However, several factors could cause actual results or expectations to differ materially from the results expressed or implied in the forward-looking statements.

No Ore Reserve has been declared. This ASX announcement and accompanying Scoping Study have been prepared in compliance with the current JORC Code (2012) and the ASX Listing Rules. All material assumptions, including sufficient progression of all JORC modifying factors, on which the production target and forecast financial information are based, have been included in this ASX announcement and accompanying Scoping Study.

Given the uncertainties involved, investors should not make any investment decisions based solely of the results of the Scoping Study.

The Scoping Study is presented in Australian dollars (unless otherwise stated).

Tampu Scoping Study Summary

A comprehensive Scoping Study for the Tampu kaolin deposit was completed by ERM Australia Consultants Pty Ltd trading as Industry Experts CSA Global (**CSA Global**). This study is based on the recently upgraded Mineral Resource Estimate (**MRE**), also completed by CSA Global, adhering to the 2012 JORC Code and guidelines. The Scoping Study investigated two scenarios: a 100% kaolin operation or a 100% High Purity Alumina (**HPA**) operation (Table 1). The Company's strategic vision is a multi-product operation of varying kaolin products, including a kaolin feed for HPA production. The product mix and phased scheduling, including capex for all product types, will be a focus of the planned Feasibility Study commencing January 2024.

Table 1: Key Study Outcomes and Assumptions

	100% Kaolin Operation	**100 % HPA Operation**
NPV (Pre Tax)	$1,177m	$4,622m
IRR	78.8%	53.8%
Payback Period	1.6 years	2.3 years
Revenue from product	$8,982m	$63,431m
Product Price $/t product	$800	$28,000
Project EBITDA	$6,280m	$27,892m
Average Annual EBITDA	$108m	$481m
Undiscounted cumulative cash flow	$6,097m	$26,493m
Capital Cost Estimate (Mining & Processing)	$121.5m	$735.5m
Sustaining Capital (Mining & Processing)	$61.2m	$664m
Mining cost $/t mine	$4	$4
Total cost $/t product	$245.35	$15,977
Final product produced (Mt)	11.2	2.3
Process Recovery	49.6%	10%
Plant Feed Throughput	400,000tpa	
Mineral Resource (Indicated & Inferred)	24.7Mt	
Mined Ore	22.65Mt	
LOM	58 years	
Discount rate	8%	
Royalties	5%	
Total Material Moved (Mt)	45.7	
Waste (Mt)	23.0	
Ore (Mt)	22.7	
Cutoff grade (Fe_2O_3 %)	<=0.9	
Stripping ratio (waste:ore)	1.0	
Dilution	0%	
Ore loss	5%	

*All currency AUD unless otherwise stated

Capital costs have been estimated at the scoping study level benchmarked against notable projects such as Suvo, Andromeda, Alltech, and Alpha HPA in the kaolin and HPA sectors. This assessment considers potential simplifications of flowsheets and throughput, taking full advantage of the exceptional quality and properties of the Tampu Project. The next stage of studies will consider a staged or phased capital expenditure approach, aligning with the design of the flowsheet and plant, with a clear focus on product prioritisation and value generation in the subsequent phases of the feasibility study. Mining and processing costs have been derived from operational kaolin mines, ensuring a realistic assessment of operational expenses. The finished product will be packaged at the processing plant at the 100% owned Tampu ex-grain facility site. Subsequently, it will be efficiently transported via road or rail to the Kwinana Bulk Terminal for global distribution.

Notably, the study's sensitivity is most pronounced concerning product price and metallurgical recovery. Therefore, conservative and mid-level benchmarked rates for kaolin and HPA market pricing have been utilised. It is important to highlight that the Project exhibits a lower sensitivity to capital expenditure costs owing to the robust processing rate and extensive mine life.

An open pit mining method is suitable due to the shallow and wide-spread nature of the ore-body. Strip mining may also be appropriate to maximise ore selectivity and backfilling opportunities. Kaolin recovery and processing are expected to commence in the first year of plant operation.

The completion of this Scoping Study marks a significant milestone in Corella's journey towards unlocking the potential of the Tampu Kaolin Project. We remain committed to delivering long-term value to our shareholders while adhering to sustainable mining practices and responsible resource utilisation. The findings of this study provide a solid foundation for Corella's continued progress in developing this exciting Project.

Table 2: Tampu mining grades -45µm fraction (from MRE July 2023)

Type	Mt	Yield <45µm (%)	Product tonnes kaolin (Mt)	Fe_2O_3 (%)	K_2O (%)	Na_2O (%)	Al_2O_3 (%)	SiO_2 (%)	TiO_2 (%)	LOI (%)
<0.9% Fe_2O_3	24.70	49.42	12.21	0.52	0.59	0.03	36.39	48.97	0.45	12.90
>0.9 Fe_2O_3	5.10	46.51	2.37	1.12	1.46	0.06	33.73	51.08	0.53	11.75

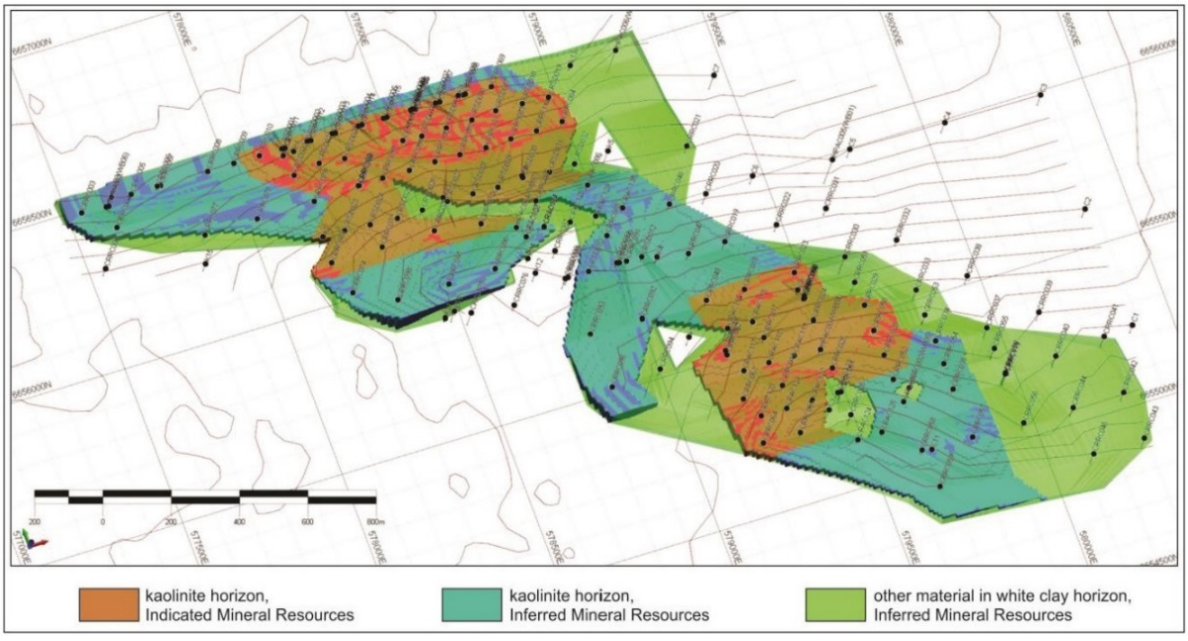

Figure 1: Oblique view of the Tampu upgraded MRE wireframes coloured by Resource classification

Tampu Project – Potential Products

High specification, low impurity Kaolin such as Tampu is a specialty product in high demand for top end paints, paper coating, cosmetics and pharmaceutical industries and as a HPA feedstock. Initial testing at the Dalian University of Technology has produced a 5N HPA product using Tampu kaolin. A further 100kg sample is currently being processed to produce a larger HPA sample for potential offtake customers to test in their downstream processes. According to a report by Grand View Research, the global HPA market size was valued at USD 3.18 billion in 2022 and is projected to expand at a compound annual growth rate of 22.2% from 2023 to 2030[3]. Key factors that will influence the market growth include the rising demand for electric vehicles, the growing popularity of LED lighting, the advancement of semiconductor technology, and the development of new applications for HPA.

A precursor kaolin processing plant is the first step in the kaolin to HPA production process. As a part of this process, various kaolin and other co-products are produced, which are also being evaluated, such as coarse grained quartz and a lower grade kaolin mixed product that is potentially suited to the cement industry to reduce cost and the heavy carbon load in cement materials.

Tampu's exceptional quality kaolin feedstock may also be suited to the top specification pharmaceutical, cosmetic and coating markets, which currently have tight demand and supply economics and, therefore elevated pricing.

The ability to achieve and maintain a reputation for delivering reliable and consistent high specification kaolin or HPA is valuable. With demand outstripping supply and rapid market growth, Corella sees tremendous potential opportunities for high purity kaolin offtake agreements arising in the near to medium-term.

Excellent existing infrastructure at Tampu

Beacon, 34km from the Project by road, is the closest town for supplies, fuel and accommodation. Beacon is serviced by the railway and has a large grain storage facility and grain hopper over the railway line. As kaolin is a bulk mining material, it is crucial that there is the right supporting infrastructure and transportation routes. Bitumen roads provide excellent access, and communications infrastructure is also very good, with a Telstra mobile phone tower next to the Project.

Corella recently purchased a 6.12Ha ex-grain storage facility located only 2.5km from the Tampu Project, which is considered a key foundation to accelerating the commencement of mining operations. The site comprises a 3,750m^2 (~15,000 tonnes) storage shed, bitumen road access, loading facilities, weighbridge, offices with accommodation and excellent mobile coverage, and access to 3-phase power and water connections. This facility provides a load out option for road train or rail train options to transport product to the Kwinana Bulk Terminal in Fremantle, the largest bulk commodity export port facility in Western Australia.

3 High Purity Alumina Market Size, Share & Trends Analysis Report By Application (LED, Li-ion Battery, Semiconductor, Phosphor), By Product (4N, 5N, 6N), By Region (Asia Pacific, North America), And Segment Forecasts, 2023 - 2030

Figure 3: Tampu storage facility (view looking NNE)

Next Steps

Given the robust and attractive economic business case, the Company intends to progress to a feasibility study program, including a test pit (starting with the North Pit) and associated bulk metallurgical testing. During this process, Corella will continue with its environmental and mining studies, progress applications for mining licences and progress offtake agreements.

The local landholders and community are very supportive of the Project. With the recent acquisition of the Tampu grain facility, the Project has a solid financial, social and infrastructure foundation to develop.

Material Modifying Factors

The Study includes a preliminary economic analysis based on a number of possible production targets ("Production Target") and assumptions on Modifying Factors and evaluation of other relevant factors estimated by a Competent Person to be at the level of a Scoping Study. Consideration of Modifying Factors in the form of Section 4 of the JORC Code (2012) Table 1 has been included Appendix A.

Material Modifying Factors include the status of environmental approvals, mining leases and approvals, Government factors and Project funding.

The Project area is located on privately owned property and are currently predominately used for cropping. The nearest residence is ~5 km away. The Project will involve minimal environmental impact. The mine site will be progressively rehabilitated for these agricultural uses, and the process plant will be dismantled and removed from the site at the end of the project. The Company has not yet undertaken an environmental review or applied for environmental approvals. No assumptions regarding possible waste and process residue disposal options have been made.

Access to the site is subject to the approval of the immediate landowners, and an agreement with them is required to enable approval of the Project. The Company expects to enter into royalty agreements with landholders.

The Company completed a review for the presence of any cultural or heritage places or objects within the project and is not aware of any places or objects of significance within the meaning of the Aboriginal Heritage Act 1972 or the Heritage Act of Western Australia 1990 on the locations involved in this project. However, the Company will undertake further assessment for the presence of any cultural or heritage places or objects within the project as part of the feasibility study process.

The Company holds current Exploration Leases over the resource and surrounding areas. Advancing the Project is subject to granting of a mining lease.

An assessment of various funding alternatives available to Corella has been made based on precedent transactions that have occurred in the mining industry, including an assessment of alternatives available to companies that operate in industrial and specialty minerals sector..

Corella believes that there is a reasonable basis to assume that funding will be available to complete feasibility studies and finance the pre-production activities necessary to commence production on the following basis:

- The Board and executive team of Corella have a strong financing track record in developing projects;
- The Company has a proven ability to attract new capital;
- The Board believes the Scoping Study demonstrates the Project's strong potential to deliver favourable economic return; and
- Other companies at a similar stage in development have been able to raise similar amounts of capital to progress to the feasibility stage.

As a result, the Board has a reasonable level of confidence that the Project will be able to secure funding in due course via a range of potential funding options available including equity for further studies and a combination of debt and equity for the larger capital costs. Corella notes that at the current stage of the project, it is too early stage to have any definitive funding solutions through to complete operational stage, however these will be explored in parallel with further feasibility work. Funding solutions may include a combination of equity, debt, joint venture, off-take financing or strategic partnership.

The Company notes, that any capital requirements which may be funded by equity will dilute the Company's shareholders.

In addition to the above, the Company's ability to secure binding off-take agreements is an important factor and will impact obtaining future funding.

ENDS

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ASX release authorised by the Board of Directors of Corella Resources Ltd.

No New Information

The information in this announcement relating to processing and metallurgy, exploration results, and mineral resources has been reported by the Company in accordance with the 2012 Edition of the 'Australasian Code for Reporting of Exploration results, Mineral Resources and Ore Reserves' (JORC Code) previously (refer to ASX announcements released on 31 July 2023, 30 June 2022, and 9 November 2021.

The Company confirms that it is not aware of any new information as of the date of the announcement that materially affects the information included in the relevant market announcements and that all material assumptions and technical parameters underpinning the estimates in the Company's previous announcements continue to apply and have not material changed.

Appendix : Scoping Study - Tampu Project

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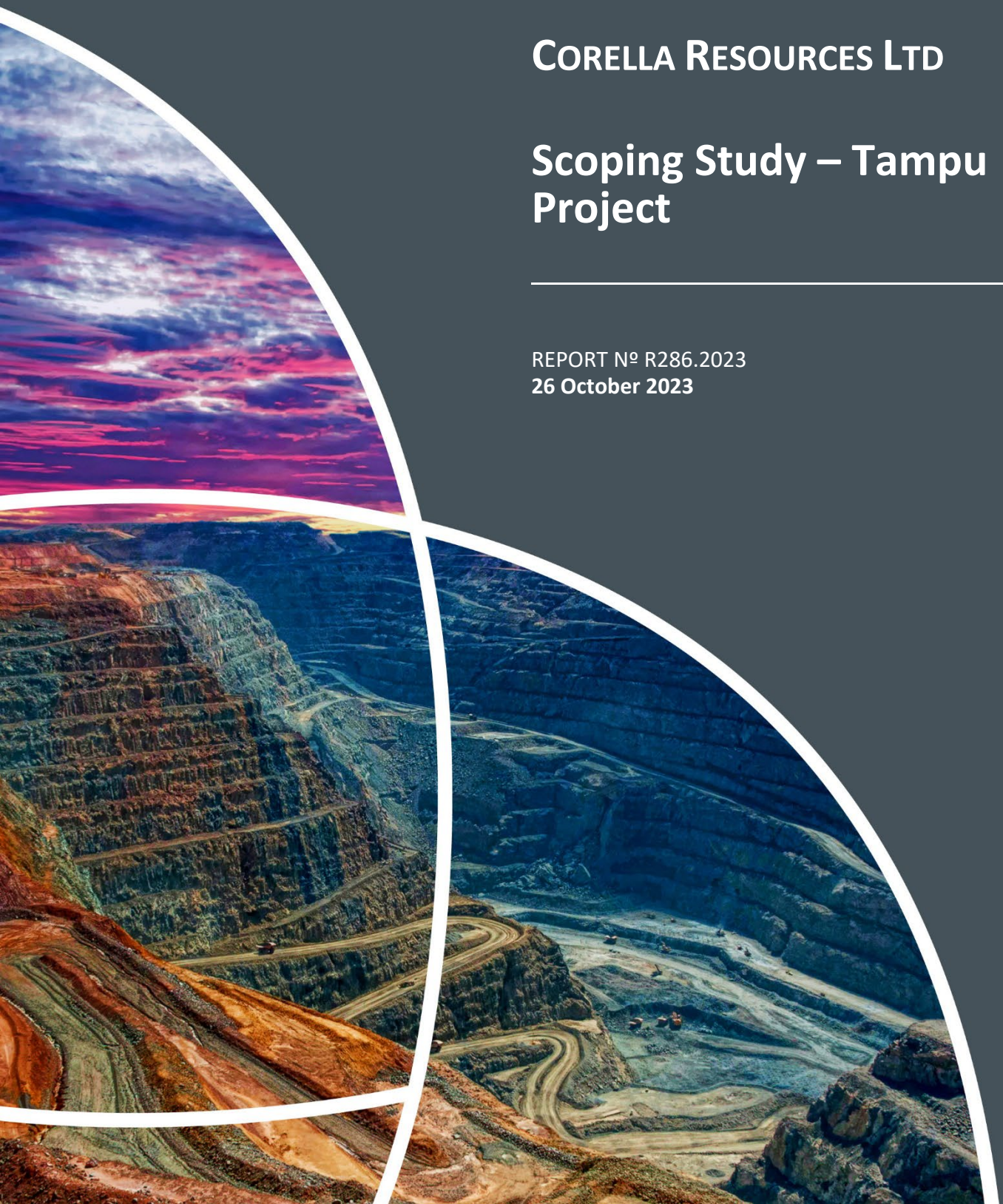
an ERM Group company

ERM



CORELLA RESOURCES LTD

Scoping Study – Tampu Project

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Disclaimers

Purpose of this document

This Report was prepared exclusively for Corella Resources Ltd ("the Client") by ERM Australia Consultants Pty Ltd trading as CSA Global ("CSA Global"). The quality of information, conclusions, and estimates contained in this Report are consistent with the level of the work carried out by CSA Global to date on the assignment, in accordance with the assignment specification agreed between CSA Global and the Client.

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Results are estimates and subject to change

The interpretations and conclusions reached in this Report are based on current scientific understanding and the best evidence available to the authors at the time of writing. It is the nature of all scientific conclusions that they are founded on an assessment of probabilities, and, however high these probabilities might be, they make no claim for absolute certainty.

The ability of any person to achieve forward-looking production and economic targets is dependent on numerous factors that are beyond CSA Global's control and that CSA Global cannot anticipate. These factors include but are not limited to site-specific mining and geological conditions, management and personnel capabilities, availability of funding to operate and capitalise the operation properly, variations in cost elements and market conditions, developing and operating the mine in an efficient manner, unforeseen changes in legislation and new industry developments. Any of these factors may substantially alter the performance of any mining operation.

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1 Introduction

Corella Resources Ltd ("Corella") has recently requested ERM Australia Consultants Pty Ltd trading as CSA Global ("CSA Global") to undertake a Scoping Study for the Tampu Project located in the Wheatbelt region of Western Australia, based on the recently updated Mineral Resource estimate. The report presents the findings, conclusions and recommendations that resulted from the Scoping Study.

All findings and conclusions should be treated as preliminary, and any scheduled tonnes and grades in this document do not represent an estimate of Mineral Reserves. Additional metallurgical and economic modifying factors are required for estimating Reserves.

1.1 Scope of Work

The Scoping Study encompassed the following tasks:

- Brief geological review and conversion of block model to a mining model.
- High-level geotechnical recommendations based on the available data (referenced to similar kaolin projects in the region).
- Establishment of mining, processing, and general administration (G&A) costs to allow the construction of an optimal pit shell to a scoping level.
- Scoping-level design of a pit based on an optimal pit shell.
- Development of a life-of-mine (LOM) plan to scoping level.
- Economic analysis based on the LOM plan.

The appropriate operating costs, capital costs, product price and other financial parameters were estimated to a scoping level of accuracy.

1.2 Project Location

Corella has several exploration projects in Western Australia. The Tampu Kaolin Project is the subject of this report and is located approximately 265 km northeast of Perth (333 km by road) (Figure 1-1). The tenements are accessible via Toodyay Road through to Toodyay, then via Bolgart, Calingiri and Wongan Hills through to Beacon. From Beacon, access is via the Bimbijy road to the locality of Tampu and the tenement area.

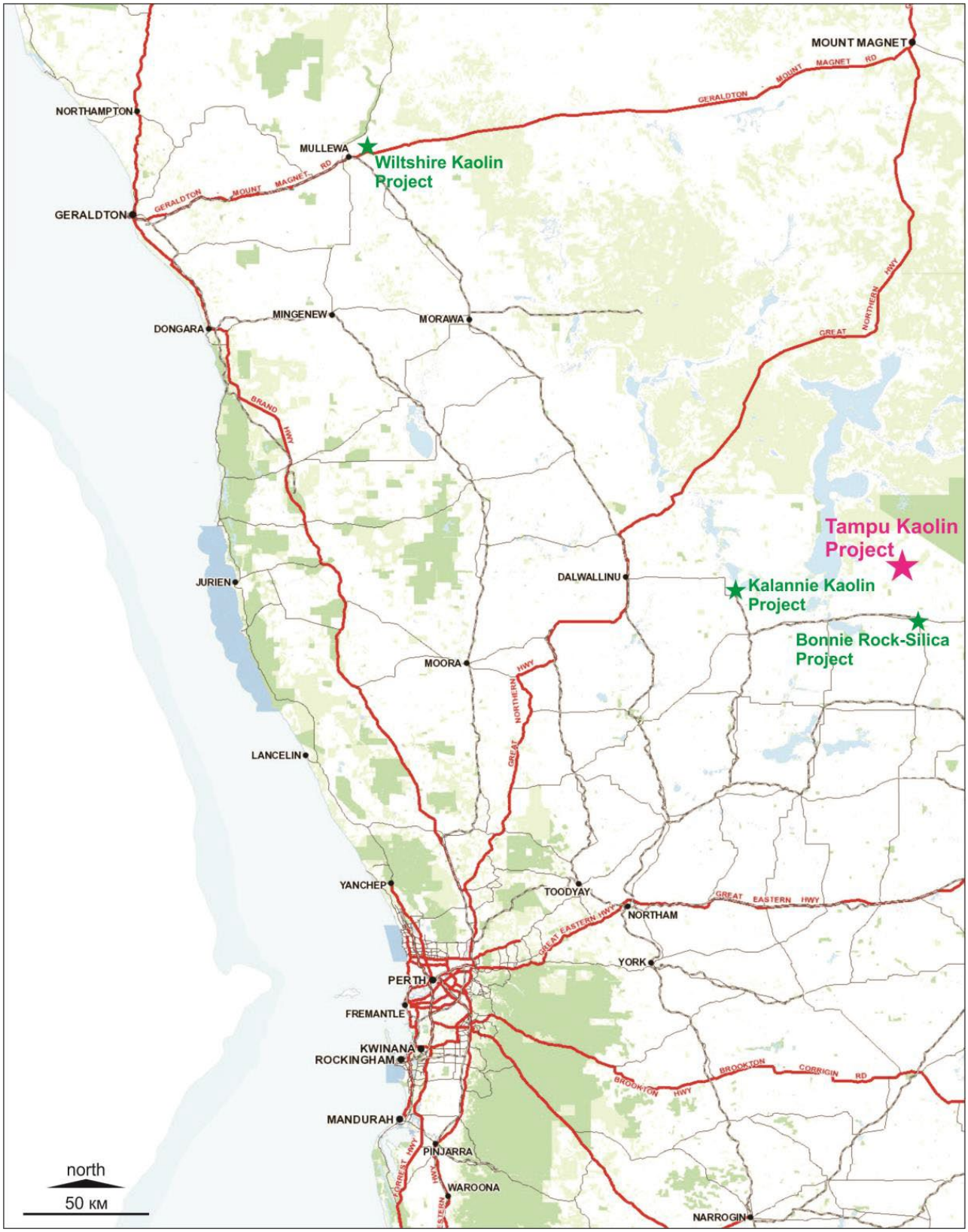


Figure 1-1: Location of the Tampu Kaolin Project and other Corella projects shown for reference.
Source: geoview.dmp.wa.gov.au,2023 and Corella Resources, 2021.

1.2.1 Accessibility

Paved public roads provide excellent access within the Tampu Project area (Figure 1-2). The topography consists of flat, low-lying wheat belt plains. A large portion of the project is in open farmland.

Beacon (population 123 people) is the closest town for supplies, fuel and accommodation. The town also has narrow gauge (1,067 mm) railway access (Figure 1-1 and Figure 1-2) and a large currently unused grain storage facility and grain hopper over the railway line. A powerline is along the Bimbijy paved road and crosses the Tampu project area (Figure 1-2). The very small settlement of Tampu is located at the northern end (E70/5235). Tampu hosts a large unused grain storage facility, offices, bitumen laydown, and three-phase power.

Figure 1-2: Infrastructure of the Tampu Kaolin Project.

1.2.2 Climate and Physiography

The Tampu area experiences hot, dry summers from December to February, with average daytime temperatures ranging from 25°C to 45°C (Corella Prospectus, 2021). The mild to cool wet winters average daytime temperatures from 9°C to 24°C. Overnight temperatures can be very cold, 0°C to 5°C, with frosts common during July and August.

The town is influenced by strong east to north-easterlies from spring to summer, variable in autumn and southwest to southerly winds in winter.

2 Mining

2.1 Introduction

The envisaged mining method for the Tampu Project is an open pit using traditional truck and excavator equipment over several stages to target lower stripping ratio areas initially and also maximising Indicated material throughput early in the project.

The key tasks undertaken for the mining section are listed below:

- Analysis of the geological model and adaptation for optimisation and mine planning purposes.
- Definition of key operating cost components, revenue and applicable royalties.
- Open pit optimisation to generate a pit shell for the Screened and Washed Kaolin (SWK) and the High-Purity Alumina (HPA) products.
- Pit design at scoping level (excluding ramp access) and test pits position (north and south).
- Generation of a mining schedule and subsequent financial model.

2.2 Resource Model Description

The block model provided by the CSA Global Resource Modelling team was in Datamine format and called "New_Ok.dm". The block model and summary of main attributes are described in Table 2-1. Only the Fe_2O_3 value was used for cut-off in generating pit shells, and the Yield value was used for the SWK processing recovery.

Table 2-1: Block model variables and header.

BLOCK MODEL TONNAGE AND GRADE						
Cut-off grade	**Tonnage (Mt)**	**SiO_2 (%)**	**Al_2O_3 (%)**	**Fe_2O_3 (%)**	**K_2O+Na_2O (%)**	**Yield (%)**
0	29.8 (less 45 µm: 14.6 Mt)	49.49	35.78	0.63	0.82	48.9

BLOCK MODEL PROTOTYPE			
Coordinate	**X**	**Y**	**Z**
Origin (minimum extent)	577,400	6,654,600	350
Maximum extent	580,400	6,656,800	450
Range (m)	3,000	2,200	100
Largest (parent) cell	10	10	1
Smallest sub-cell	10	10	1
No. of parent cells	301	221	101

A summary of the Mineral Resources used in the pit optimisation process is provided in Table 2-2.

Table 2-2: Tampu Mineral Resource estimate, June 2023.

Type	Classification	Mt	Yield <45 µm (%)	Product tonnes (Mt)	Fe_2O_3 (%)	K_2O (%)	Na_2O (%)	Al_2O_3 (%)	SiO_2 (%)	TiO_2 (%)	LOI
HPA Market											
Kaolinite	Indicated	7.65	54.28	4.15	0.40	0.27	0.02	37.62	47.72	0.41	13.44
	Inferred	7.30	53.59	3.19	0.48	0.28	0.02	37.43	47.86	0.47	13.39
Subtotal		**14.95**	**53.94**	**8.07**	**0.44**	**0.27**	**0.02**	**37.53**	**47.79**	**0.43**	**13.42**
Potentially HPA Market											
Other (<0.9 Fe_2O_3)	Inferred	9.74	42.49	4.14	0.66	1.22	0.05	34.16	51.28	0.49	11.91
Subtotal		**9.74**	**42.49**	**4.14**	**0.66**	**1.22**	**0.05**	**34.16**	**51.28**	**0.49**	**11.91**
(1) + (2) HPA, total		**24.70**	**49.42**	**12.21**	**0.52**	**0.59**	**0.03**	**36.39**	**48.97**	**0.45**	**12.90**
Other Markets											
Other (>0.9 Fe_2O_3)	Inferred	5.10	46.51	2.37	1.12	1.46	0.06	33.73	51.08	0.53	11.75
TOTAL		**29.79**	**48.93**	**14.58**	**0.63**	**0.78**	**0.04**	**35.78**	**49.49**	**0.47**	**12.64**

Notes: Resources are reported in accordance with the JORC Code.

A competent person has prepared the Mineral Resources estimate underpinning the Tampu Scoping Study in accordance with the requirements in the JORC Code.

There is a low level of geological confidence associated with inferred Mineral Resources estimates, and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised.

The Indicated material is located in two distinct areas within the mineralised zone, shown in red in Figure 2-1 below. Inferred material, shown in green, surrounds and overlays the Indicated zones in red.

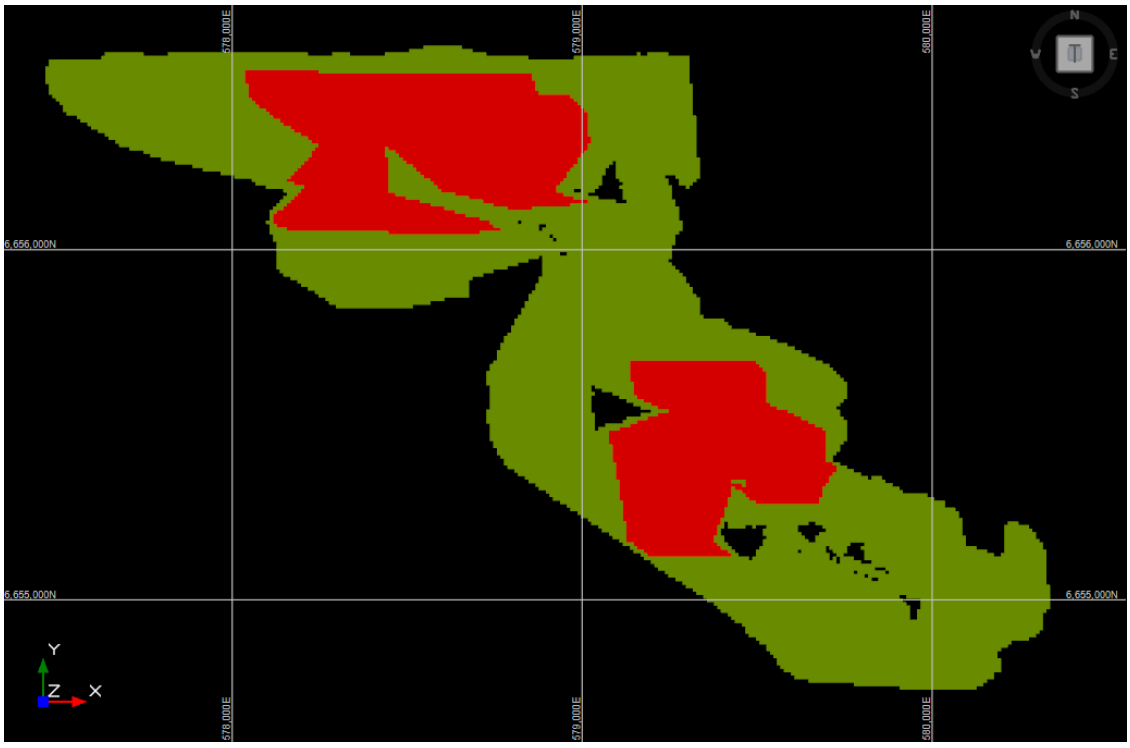


Figure 2-1: Mineralised Zone Coloured by Classification.

2.3 Mining Model Description

The resource block model provided excluded any overburden or barren material blocks surrounding the mineralised zone. This material was added prior to the mining study, with a Bulk Density (BD) of 1.6 (mostly sands with a slightly higher BD than clay at 1.4). It was limited to the topography surface provided, named "DTM_topo_final.dxf". The full waste block model extents are shown below in Table 2-3.

Table 2-3: Tampu Full Waste Block Model Extents.

BLOCK MODEL PROTOTYPE			
Coordinate	**X**	**Y**	**Z**
Origin (minimum extent)	577,215	6,654,495	360.5
Maximum extent	580,915	6,656,795	450.5
Range (m)	3,700	2,300	90
Largest (parent) cell	10	10	1
Smallest sub-cell	10	10	1
No. of parent cells	370	230	90

2.4 Pit Optimisation Input Parameters

Pit optimisation was done using the industry-standard Whittle software package, which uses a Lerch-Grossman type optimisation algorithm.

2.4.1 Pit Optimisation Parameters

The pit optimisation parameters are shown in Table 2-4 and discussed below.

The mining cost was benchmarked from similar operations and projects in Western Australia. Processing recovery, processing costs and sale prices (SWK and HPA) were given to CSA Global by Corella and verified against similar projects/operations. Dilution and ore loss are based on similar operating projects in the same region.

The Basis of Design containing the optimisation input parameters was agreed upon by CSA Global and Corella. The key parameters are listed below in Table 2-4.

Table 2-4: Optimisation input parameters.

Item	Unit	SWK Value	HPA Value
Mining Cost	$/t	$4.00	$4.00
Vertical Depth Adjustment	$/t/m	$0.01	$0.01
Mining Dilution	%	0	0
Mining Ore Loss	%	5%	5%
Overall Slope Angle	°	34	34
Ore Cut Off	Fe_2O_3%	<=0.9%	<=0.9%
Processing Recovery	% Mass	Block Model 'Yield' Value	10%
Processing Cost	$/t ore	$85	$1,414.3
G&A and Sustaining Capital	$/t ore	$8.7	$35.31
Product Selling Price	$/t product	$800	$28,000
Product Selling Cost	$/t product (5% Royalty)	$40	$1,400

**Ore is defined as any material that contains Fe_2O_3 below 0.9%. All material with Fe_2O_3 above 0.9% is considered waste for the purpose of this study.*

2.4.2 Pit Optimisation Footprint Constraints

No specific footprint constraints have been applied in the pit optimisation process.

2.5 Pit Optimisation Process

Four scenarios were analysed in the optimisation process. These are as stated below in Table 2-5.

Table 2-5: Optimisation categories.

Scenario	Class category
Scenario 1 – SWK	Indicated
Scenario 2 – SWK	Indicated and Inferred
Scenario 3 – HPA	Indicated
Scenario 4 – HPA	Indicated and Inferred

2.6 Pit Optimisation Results

This section details the open pit optimisation results undertaken for the scenarios in Section 2.5. The results based on the first run of the optimisation process were based on a 34° overall pit slope angle as recommended by the CSA Global from the previous study (Conceptual) and seen in comparable Kaolin studies. A further geotechnical investigation will be required to determine more accurate overall slope angles (OSA). However, due to the shallow depth of the orebody, changes in the OSA will have a minimal effect on the optimisation. The optimisation results are shown in Table 2-6. All four scenarios generated the maximum possible shell size before Revenue Factor 1 was reached.

The Indicative OPEX NPV value is an output from the optimisation software and is used for comparison purposes only, as it excludes capital expenditure and doesn't take into account practical mining sequence.

Table 2-6: Indicated and Inferred Optimisation Results.

Pit shells	Max RF	Total (Mt)	Waste (Mt)	Ore (Mt)	Stripping ratio	Yield %	Product (Mt)	OPEX Net Revenue ($B)	Indicative OPEX NPV ($B)	Mine Life (y)
Scenario 1	0.42	14.5	7.3	7.2	1.0	54.3	3.91	2.30	1.06	18.0
Scenario 2	0.98	46.2	23.0	23.2	1.0	49.4	11.43	6.53	1.10	57.9
Scenario 3	0.58	14.5	7.3	7.2	1.0	10	0.72	8.92	4.06	18.0
Scenario 4	0.62	46.2	23.0	23.2	1.0	10	2.32	28.66	4.91	57.9

Figure 2-2 to Figure 2-5 below shows the Tampu pit optimisation overview and cross sections for the four scenarios, with the shells in yellow. Scenarios 1 and 3 resulted in the same shell as did Scenarios 2 and 4. Please note that the cross-section views have been exaggerated on the Z scale for improved visualisation.

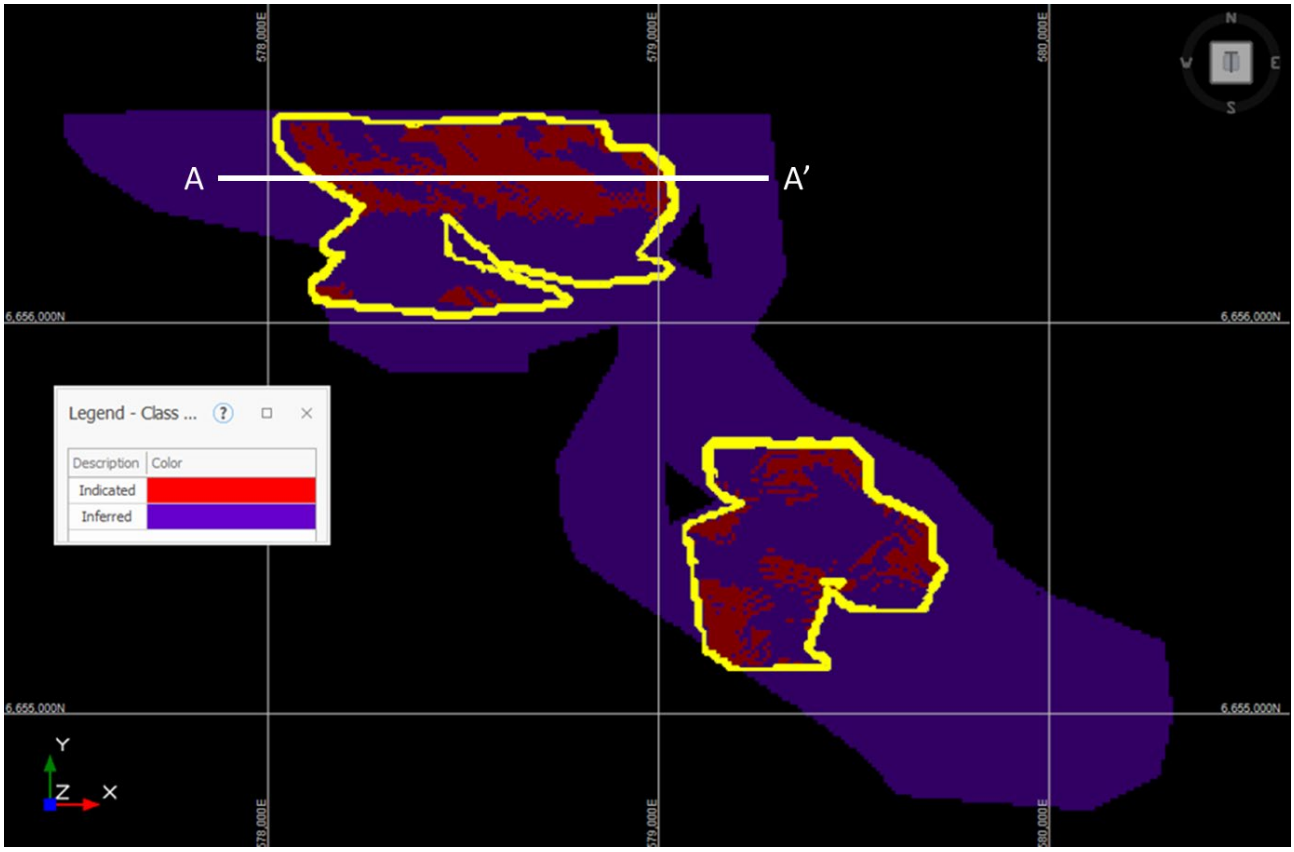


Figure 2-2: Tampu – Scenario 1 and 3 (Indicated SWK and HPA) – pit optimisation overview.

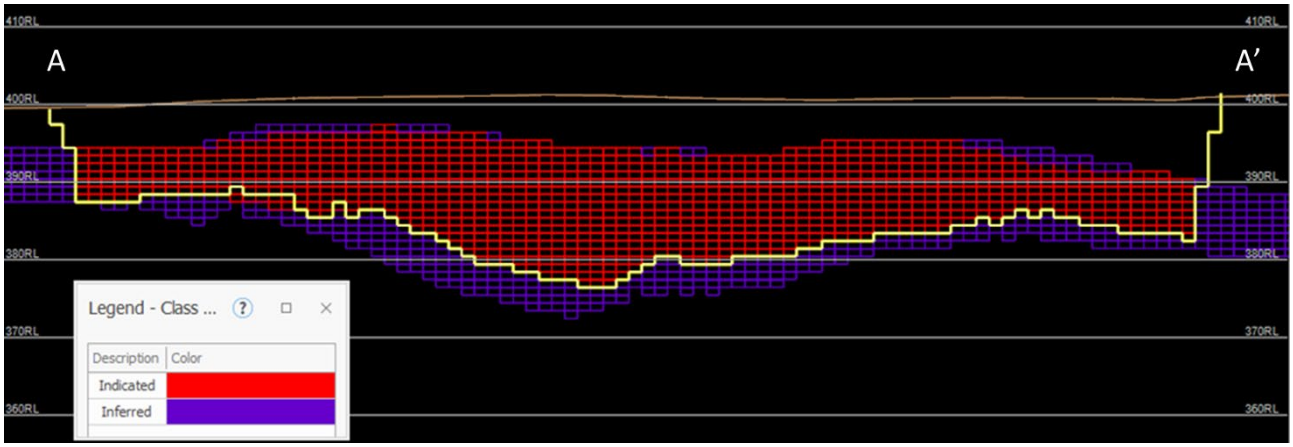


Figure 2-3: Cross section of Scenario 1 and 3 pit shells in Figure 2-2 (Exaggerated Z-scale for clarity)

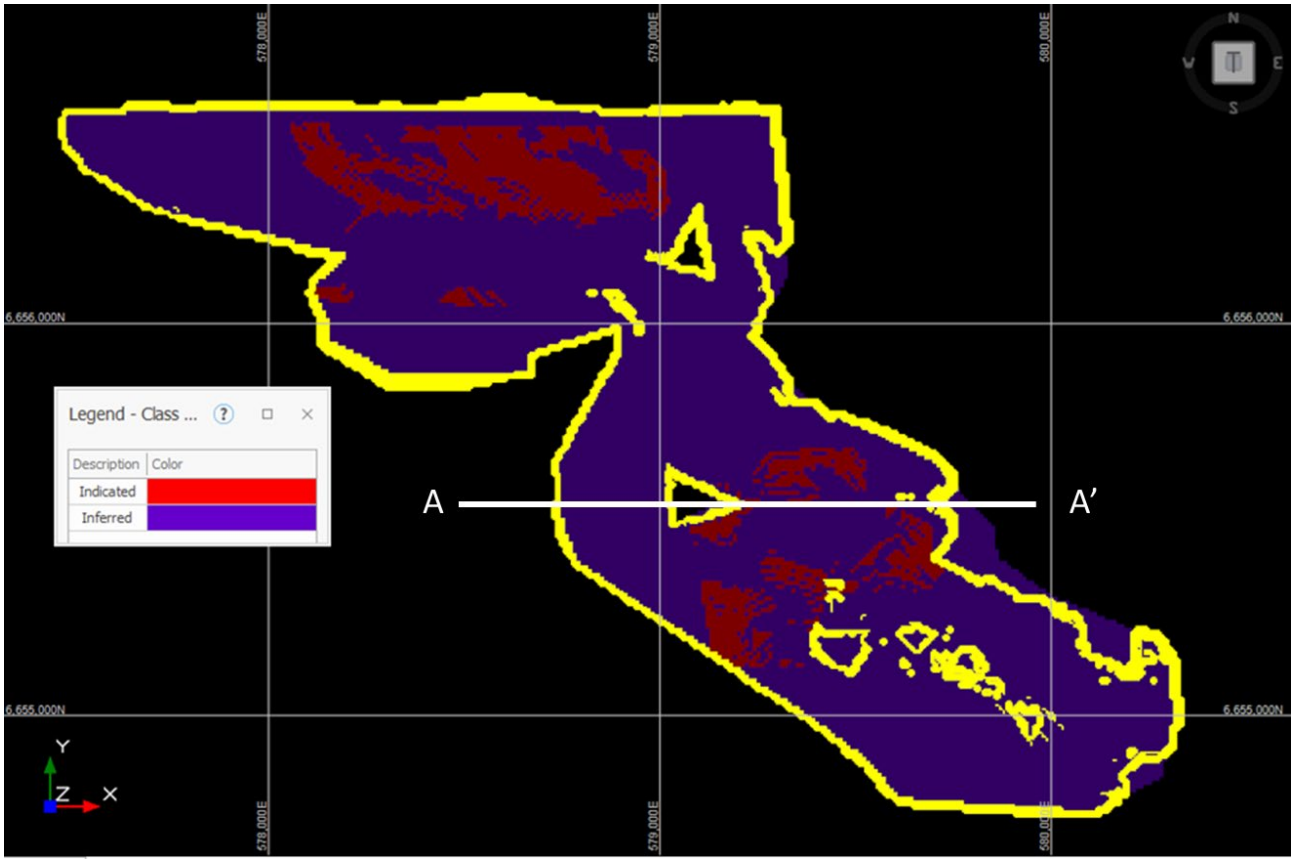


Figure 2-4: Tampu – Scenario 2 and 4 (Indicated and Inferred SWK and HPA) – pit optimisation overview.

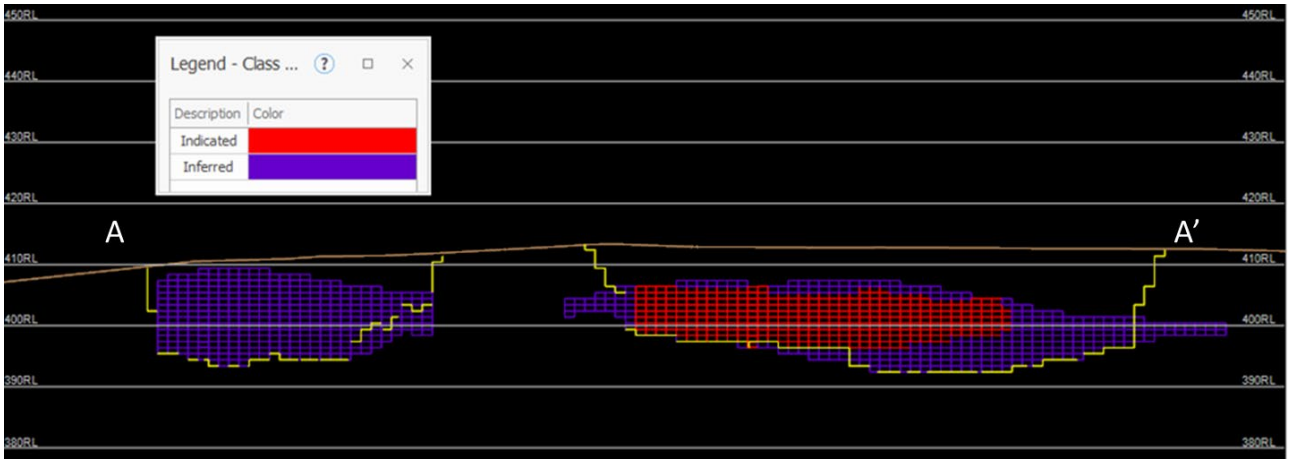


Figure 2-5: Cross section of Scenario 2 and 4 pit shells in Figure 2-4 (Exaggerated Z-scale for clarity).

2.7 Test Pits

The Tampu deposit comprises two distinct areas with high kaolin material: the north and the south. Corella intends to mine two test pits on either side of the deposit for metallurgical bulk sampling purposes by potential off takers. Each pit is to deliver a total ore of 3,000 tonnes. To achieve this, the test pits were selected within the pit shell for the SWK material based on both Indicated and Inferred material, as shown in Figure 2-62.6.

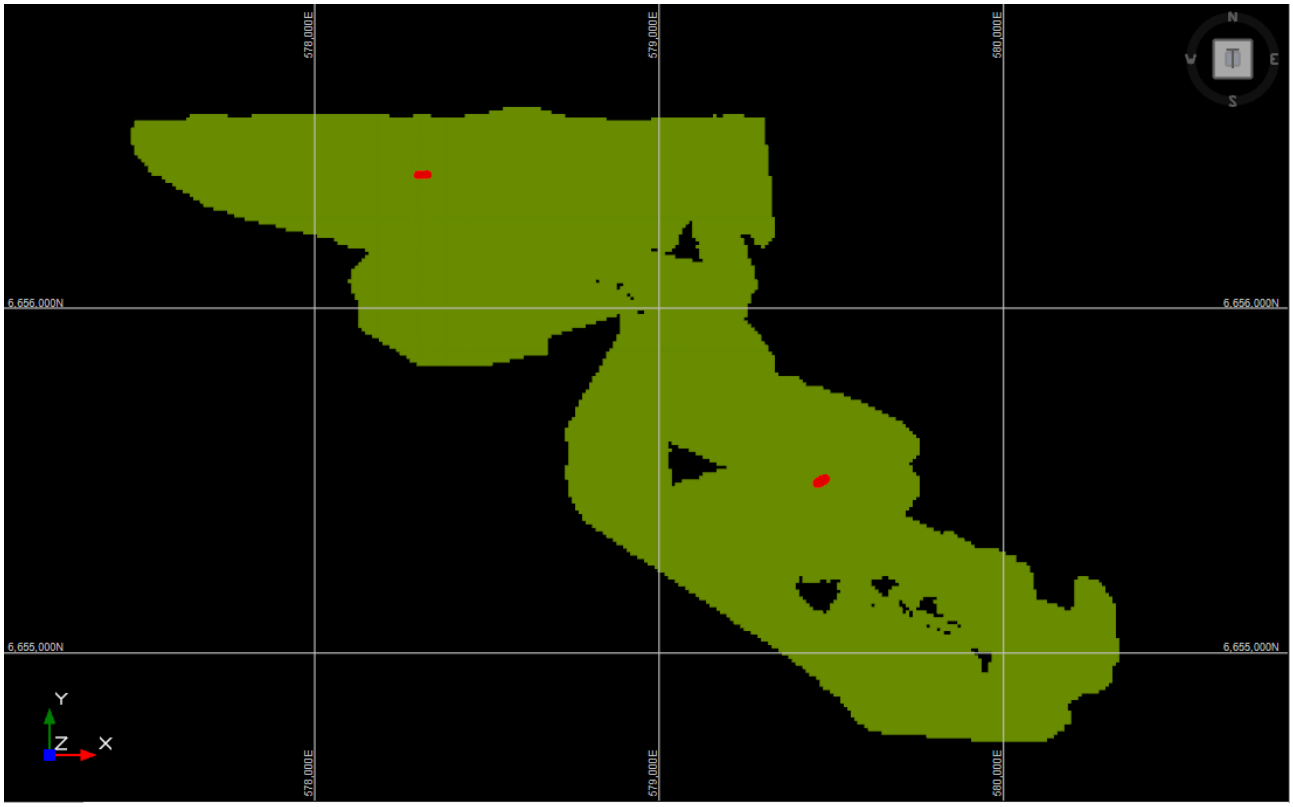


Figure 2-6: Test pits (red) based on Scenario 2 optimisation (SWK product – Indicated and Inferred only).

The total volumes and tonnes for test pits are shown in Table 2-7 below.

Table 2-7: Volumes and tonnes for Tampu's test pits

Pit	Area (m^2)	*Volume (m^3)	**Ore (t)
North	2,865	5,856	3,396
South	3,685	9,747	2,939

2.8 Pit Design

2.8.1 Pit Design Parameters

The pit design was based on the Scenario 2 Optimisation (SWK – Indicated and Inferred), using the pit shell generated at RF0.60. This shell was chosen as it reduces the required waste stripping by 300kt without reducing the project NPV.

The pit design uses the pit shell as the base surface as the base of ore can be top-loaded out and therefore, does not need to be flat. The pit design also excludes ramp access, minimum mining widths or selective mining units, as the sandy waste material surrounding the ore zone can be manipulated to facilitate ore mining as required.

Pit walls were designed down to the base of the ore surface. The overall slope angle assumed is 34° as per the optimisation process, using a bench height of 5m, batter face angle of 60° for ease of mining, and a 5m berm at each bench level to generate the required OSA. The overall pit design is shown below in Figure 2-7.

The design was split into five stages to generate a high practical NPV for the project, with Stage 1 being the northern Indicated zone, Stage 2 the southern Indicated zone, and the remaining stages broken up over the remaining Inferred material, with the order determined by the stage stripping ratio, with the lowest mined first. Three large peaks of waste are located within the mining footprint. However, there is adequate room to mine around them. The Stage locations are shown below in Figure 2-8.

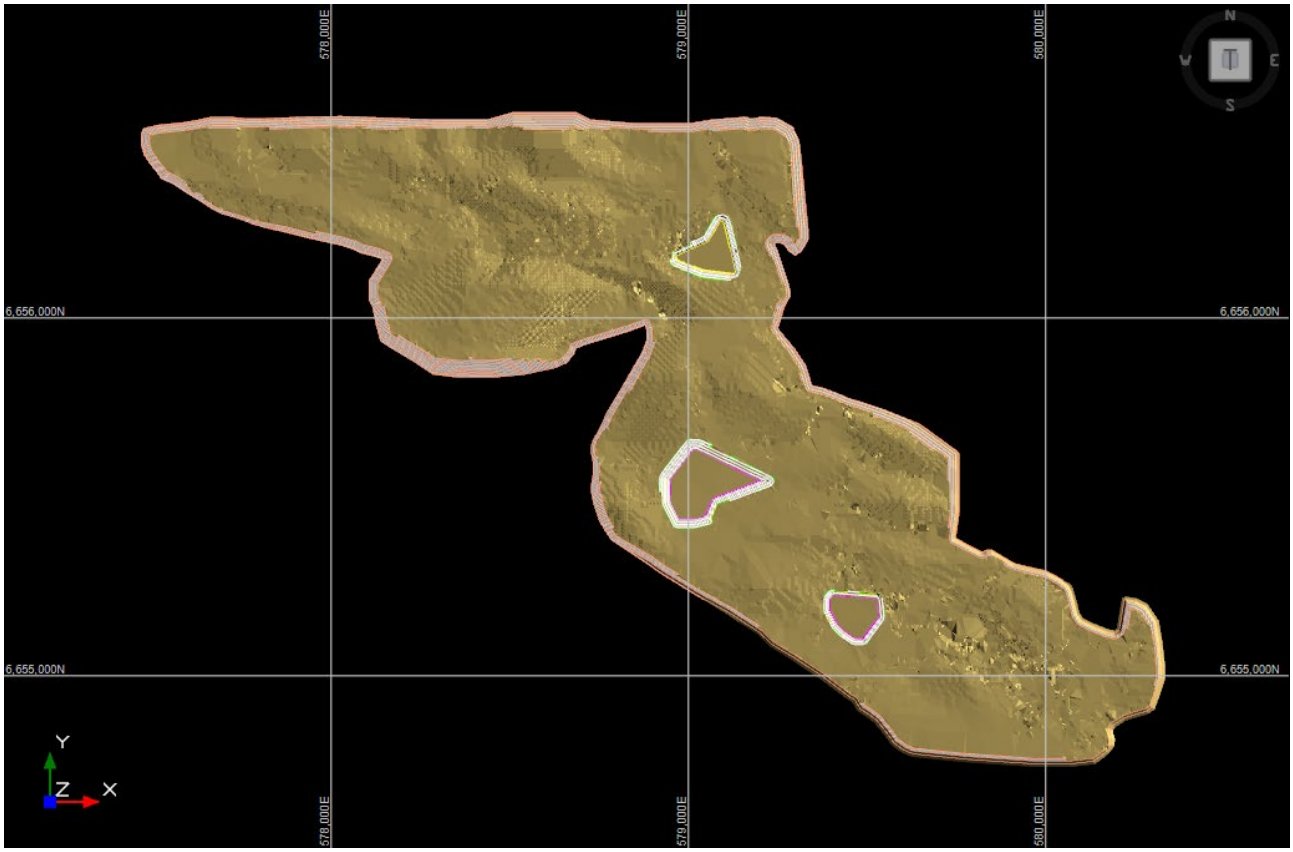


Figure 2-7: Pit design based on SWK pit shell of (Indicated and Inferred) (pit shell 16 at RF = 0.60).

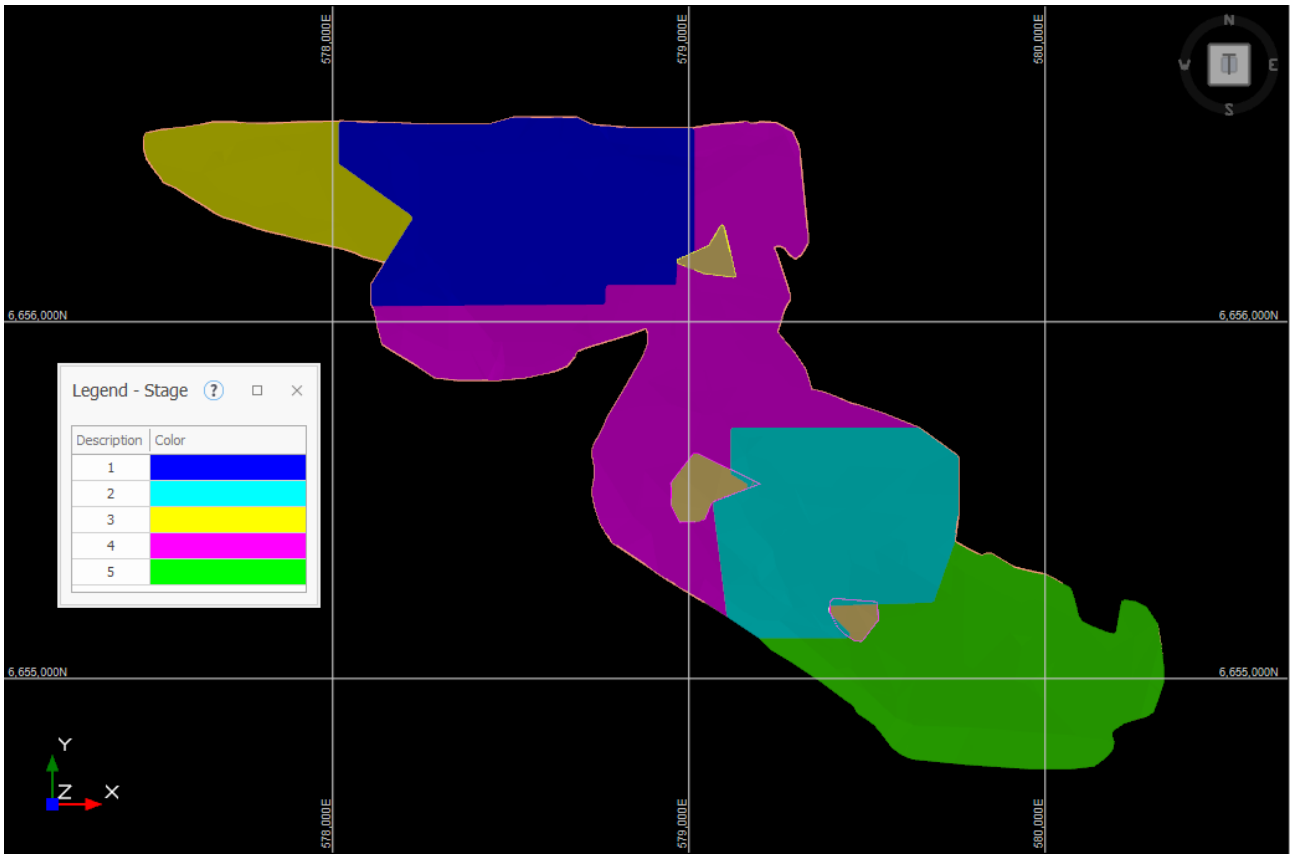


Figure 2-8: Tampu Pit Stages.

The pit design contains a total run-of-mine (ROM) inventory of 22.65 Mt of ore at 0.52% Fe_2O_3. The comparison of the design to the chosen pit shell is shown in Table 2-8.

Table 2-8: Pit design comparison.

Item	Unit	Optimisation	Pit design	Difference (%)
Total mined	Mt	42.46	45.68	8%
Waste	Mt	21.06	23.02	9%
Ore	Mt	21.40	22.66	6%
Stripping ratio	t:t	1.0	1.0	0%
Fe_2O_3	%	0.50	0.52	4%

2.9 Mine Schedule

A Life of Mine schedule was created with a processing target of 400 ktpa of mill feed, with a one-year ramp up of 50% capacity. The target was set to ensure reasonable initial capital investments and a positive effect on the project's economics. As outlined above, the schedule is split into five stages, targeting the Indicated areas first. The mining inventory by resource classification included in the mine schedule is shown in Table 2-9.

Table 2-9: Mine plan Mineral Resource category.

Mineral classification	Mt	Proportion of total ore (%)
Indicated material	7.20	32%
Inferred material	15.46	68%
Total	**22.66**	**100%**

The Fe_2O_3 is used as the cut-off grade for defining ore and waste, and the mineral inventory uses a marginal cut-off of 0.9% Fe_2O_3. No additional material grades or deleterious elements were considered in determining "Ore" and "Waste". However, the processing Yield variable in the block model was used to target higher value areas for scheduling.

Table 2-10: Mining cut-off strategy.

Material	Cut-off (Fe_2O_3%)	Destination
Waste	>0.9%	Waste dump
Ore	=<0.9%	Direct mill feed/Stockpile

2.9.1 Mining Sequencing

CSA Global adopted a staging mining sequencing strategy based on targeting the preferred areas of the deposit with Indicated material first while minimising Inferred material in the early years. The selection of stages was guided by the Indicated-only pit shell, with Stage 1 targeting Indicated material in the north and Stage 2 targeting the Indicated material in the south of the deposit. Stages 3-5 are based on the remaining Inferred material split by Stages 1 and 2, with sequencing determined by the lowest stripping ratio first. Each stage is mined in 5 m benches, with various mining directions to minimise and balance the yearly stripping ratios.

This orebody is suitable for strip mining, as this will allow the highest grade and lowest stripping ratio material to be targeted earlier in the project. However, with the separate zones of Indicated material, staged open pit mining is appropriate for this level of study, with simplified mineral inventory and sequencing outputs.

The mine production schedule is summarised as follows:

- The schedule uses yearly periods due to the long life of mine.
- The schedule includes both Indicated and Inferred material. However, indicated material is prioritised in the schedule with Stages 1 and 2, where the first 28 years of mill feed maximising Indicated material accounting for 64% of plant feed.
- There are 58 years of ore feed, with ROM stockpiling kept to a minimum. The largest stockpile balance was 90kt in year 28.
- The start of each stage results in a higher mining rate required to strip the overburden necessary to maintain consistent ore feed.

The summary of the material movement, stockpile and processing schedules are included in Figure 2-9 to Figure 2-13.

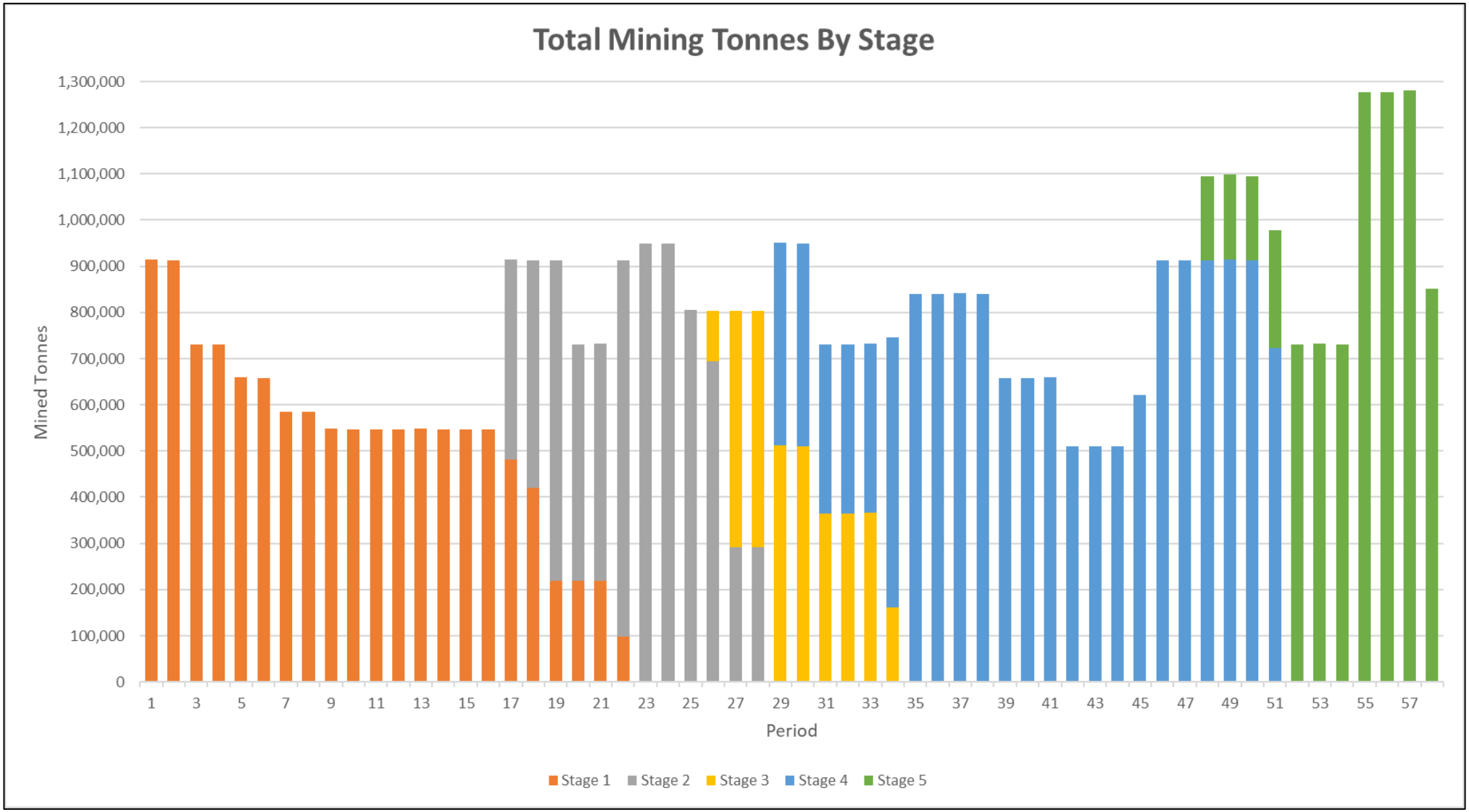


Figure 2-9: Total Mining Tonnes by Stage.

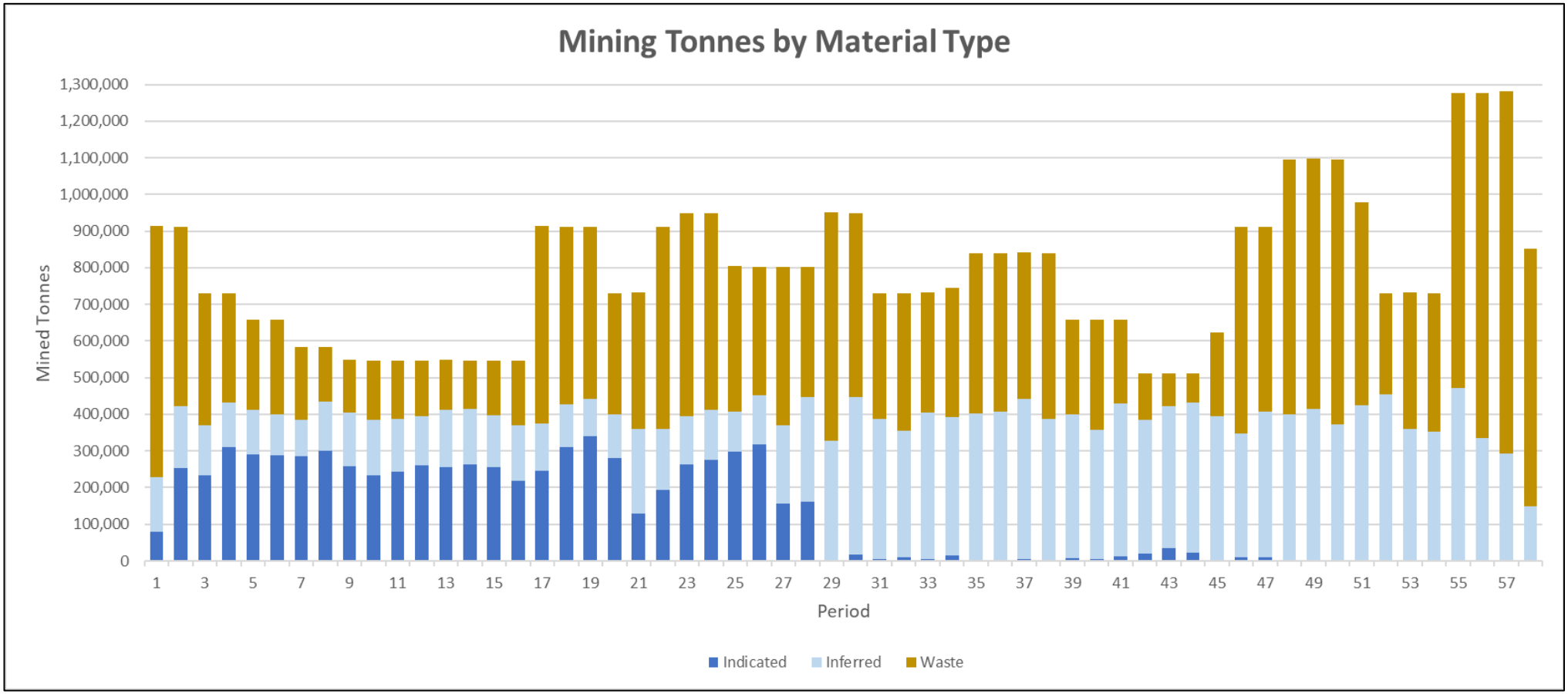


Figure 2-10: Mining Tonnes by Material Type.

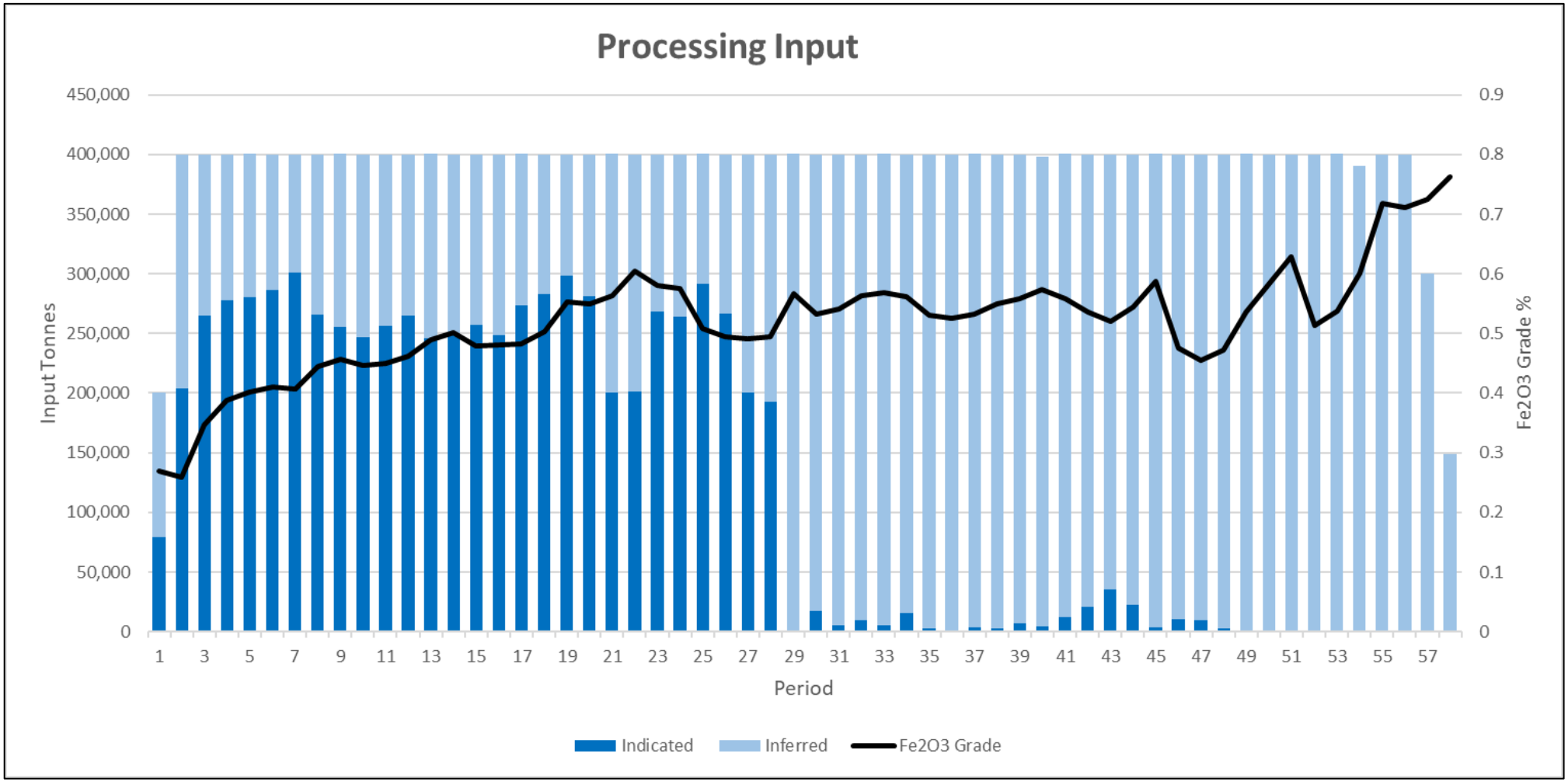


Figure 2-11: Processing Input Tonnes and Grade.

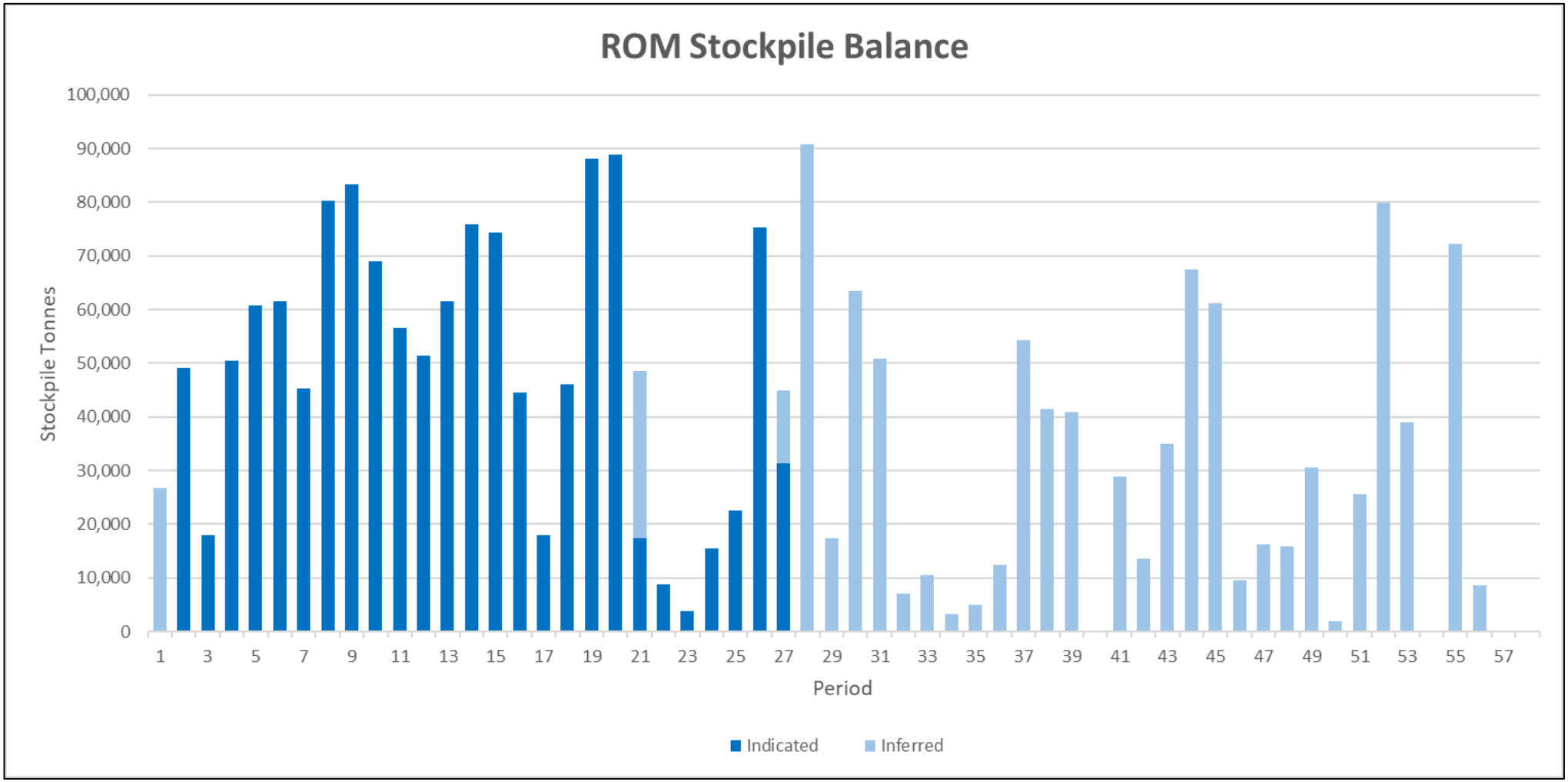


Figure 2-12: End of Period Stockpile Balance by Material Type.

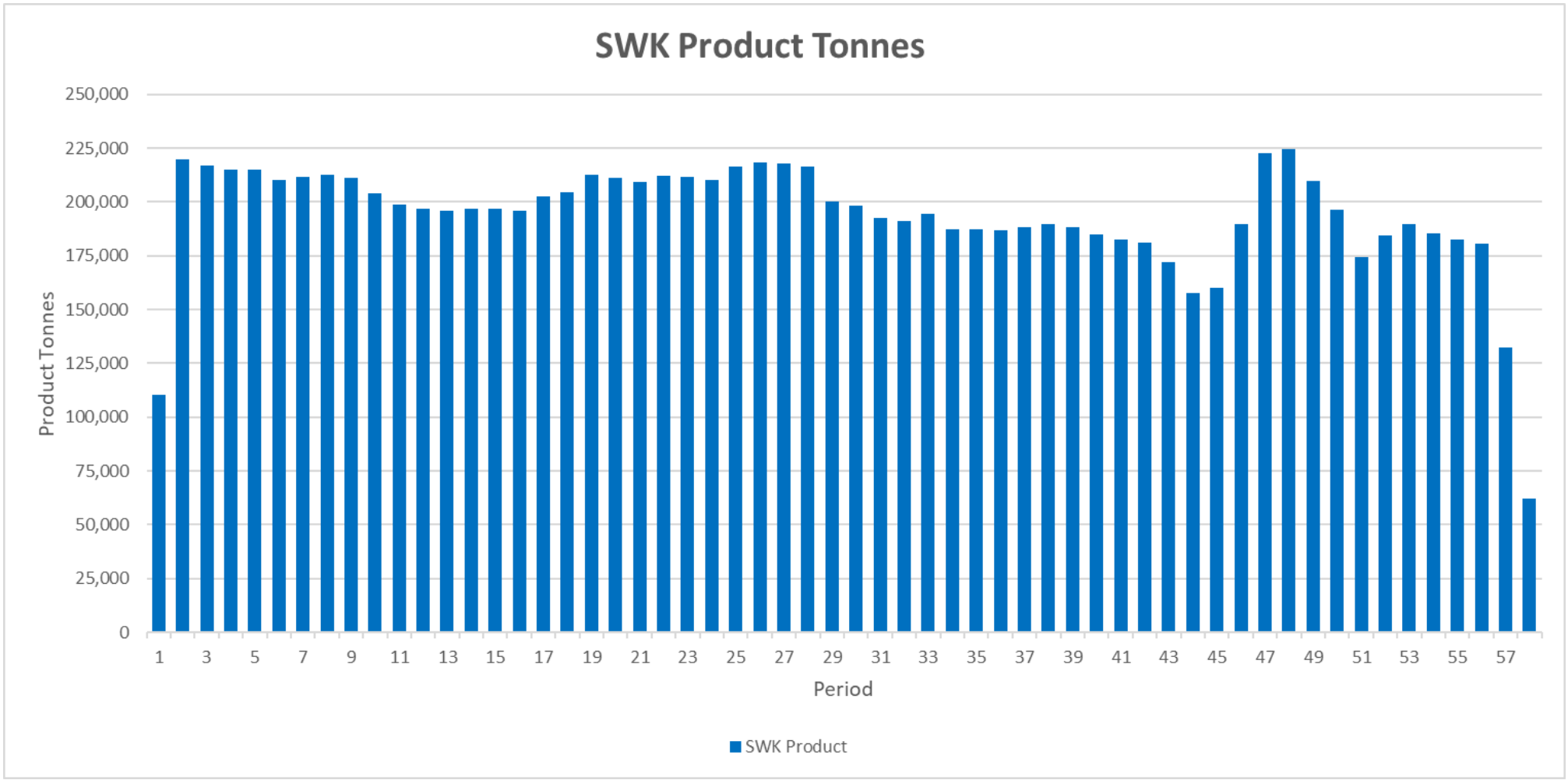


Figure 2-13: SWK Product Tonnes.

3 Recovery Methods

The processing plant will treat 400 ktpa of ROM ore from the Tampu Project to produce either SWK or HPA products. The deleterious elements are not considered in this study, and the only cut-off taken into consideration is Fe_2O_3. Any material below 0.9% Fe_2O_3 is treatable for the recovery of HPA. It is assumed that of the 400 kt of ore fed to the processing plant, only 10% is recoverable as HPA product, resulting in an average production rate of 40 kt of HPA product. As stated in the block model, recovery for SWK products is based on yield percentage.

No metallurgical flow sheeting has been finalised to optimise recovery and only geochemical testing, which includes a course screen only (±45 µm). Other items not considered in the study are listed below:

- Mine layout.
- Water and power access and supply.
- Waste dump design, management, and location.
- Tailings storage facilities and location.
- Haul road network around the project site.
- Marketing analysis of the HPA product.
- Environmental studies, permitting and social impact.

4 Capital and Operating Costs

4.1 Capital Costs

Capital cost estimates were obtained from the client and benchmarked against similar sized projects.

Mining is assumed to be contract mining with an initial capital cost of A$1.5 million for mobilisation and setting up on site, with the sustaining capital of remobilisation of A$1.5 million every 10 years, totalling A$10.5 million over the project's life.

Initial capital for the SWK processing plant is estimated at A$120 million, in line with similar projects and the target production rate. The sustaining capital for the SWK plant is calculated at A$900,000 per annum, starting in Year 1, totalling A$ 52.2 million over the project's life.

Initial capital for the HPA processing plant is estimated at A$734 million, in line with industry estimates and the target production rate. Sustaining capital is estimated at $10 million annually, starting in Year 1, with a major upgrade estimated at A$25 million every 20 years. This gives a total sustaining capital for HPA plant of A$655 million over the LOM.

Sustaining capital is projected to be paid out of operating cash flows. In both scenarios, sustaining capital spending ceases a year before the end of the project. In this study, contingency is factored in the sustaining capital costs for both scenarios. Contingency will be refined in more detail at the next study level. The total capital costs are summarised in Table 4-1.

Table 4-1: LOM capital cost summary.

Area	Unit	SWK	HPA
Mining mobilisation	A$ M	10.5	10.5
Processing initial capital	A$ M	120	734
Processing sustaining capital	A$ M	52.2	655
Total	**A$ M**	**182.7**	**1,399.5**

4.2 Operating Costs

The operating cost estimate for the Tampu Project consisted of mining, processing, and G&A, which is factored into the processing cost, as summarised in Table 4-2.

The total estimated LOM average operating cost is A$15,977 per tonne of product for the HPA and A$245.35 per tonne of SWK.

Table 4-2: LOM average operating cost summary for SWK & HPA.

Area	Unit cost	SWK	HPA
Mining	A$/t product	16.27	80.65
Processing (inc sustaining capital)	A$/t product	176.16	14,432
G&A	A$/t product	12.91	64.01
Royalties	A$/t product	40.0	1,400
Total	**A$/t product**	**245.35**	**15,977**

The metallurgical processing cost is assumed to include all reagents, raw materials, power, and labour costs.

5 Economic Analysis

5.1 Introduction

This section represents an economic analysis based on Indicated and Inferred mineral resources.

The following general assumptions have been applied to the economic model for the project:

- All figures are expressed in real terms.
- Is presented in 2023 money terms for net present value (NPV) calculation purposes.
- Applies a discount rate of 8%.
- It is based on a long-term price of A$28,000/t of HPA and A$800/t of SWK, as provided by Corella.
- It is expressed in pre-tax and pre-financing terms and assumes 100% equity.
- Government royalties have been applied at 5% of revenue.
- Capital investments are depreciated in a straight-line over the project's life until total redemption.

CSA Global prepared an economic analysis for the Tampu Project. Cash inflows are based on annual production and revenue projections, while cash outflows consist of capital and sustaining costs, operating costs and royalties. The modelling period covers the LOM of 58 years of mining and processing.

Cash flow projections calculate the NPV through the LOM to the Tampu Project's valuation of Year 1. The assumption is made that the processing plant will be constructed before the commencement of mining, and mining will coincide with processing to avoid large stockpiles of material being managed.

Key project metrics are presented in Table 5-1.

Table 5-1: Key project metrics.

Metrics	Units	SWK	HPA
Net realised price assumption			
Average realised price (Years 1 to 62)	A$/t	800	28,000
Production			
Total ore mined	dry Mt	22.66	22.66
Indicated ore	Dry Mt	7.20	7.20
Inferred ore	Dry Mt	15.46	15.46
ROM Fe_2O_3 grade	%	0.52	0.52
Total recovered metallurgical recovery	%	49.6%	10%
Total product produced	Mt	11.2	2.3
Project cash flow			
Revenue from product	A$ M	8,982	63,431
Total operating cost (including royalties)	A$ M	2,702	35,539
Initial capital cost, excluding contingency	A$ M	121.5	735.5
Sustaining capital	A$ M	61.2	664
Total LOM capital cost, including contingency	A$ M	182.7	1,399.5
Project economics			
NPV (8% real discount rate, exc. tax)	A$ M	1,177	4,622
Internal rate of return	%	78.8	53.8
Payback period	years	1.6	2.3
Undiscounted cumulative cash flow	A$ M	6,097	26,493

Notes: Mining sustaining capital includes A$1.5 million every 10 years for contract mining mobilisation and demobilisation.

5.2 Pre-tax Cashflow Model

The economic model assumes the plant commissioning is complete before full-scale mining, followed by a ramp-up in the first year for the SWK plant. HPA is a more complex processing system and will require a longer ramp-up. However, for comparison, the same schedule is used for both scenarios.

A summary of the SWK pre-tax net free cash flow is presented in Figure 5-1 and HPA in Figure 5-2.

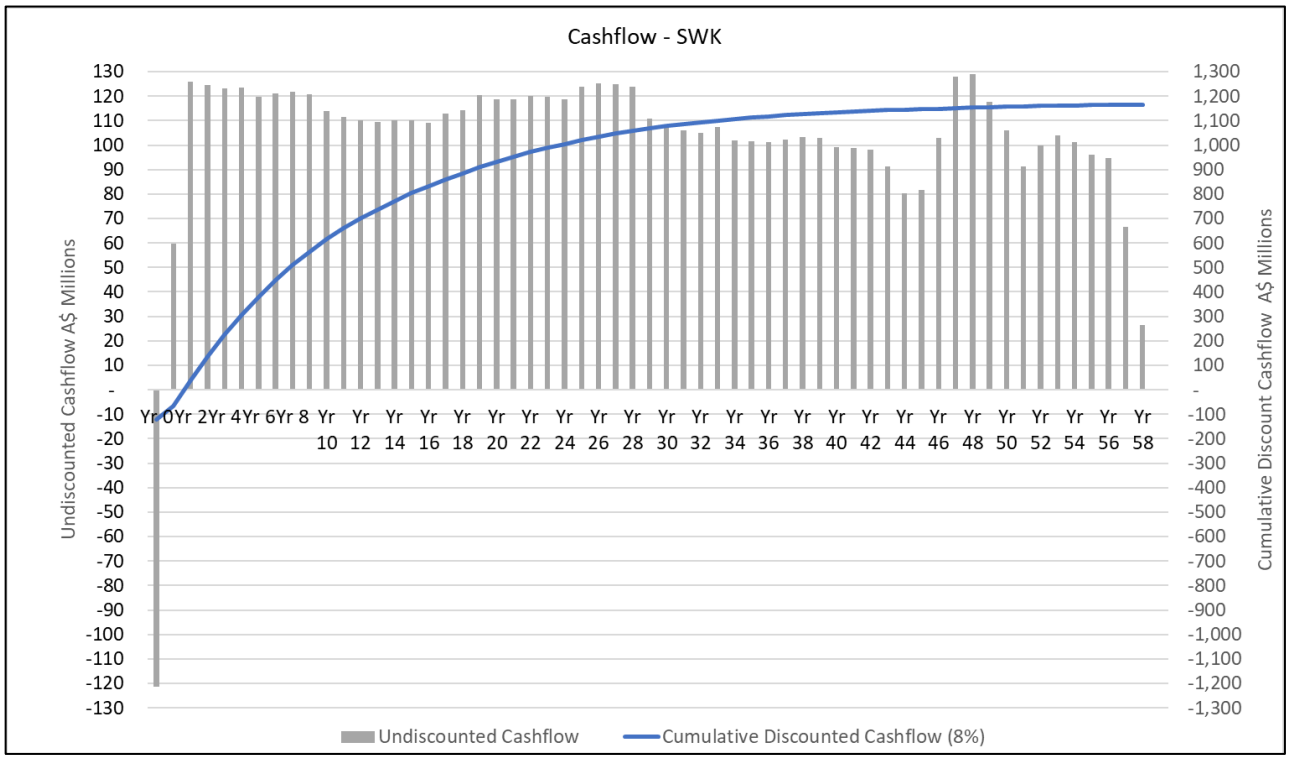


Figure 5-1: Net free cash flow of the SWK Processing Scenario (pre-tax).

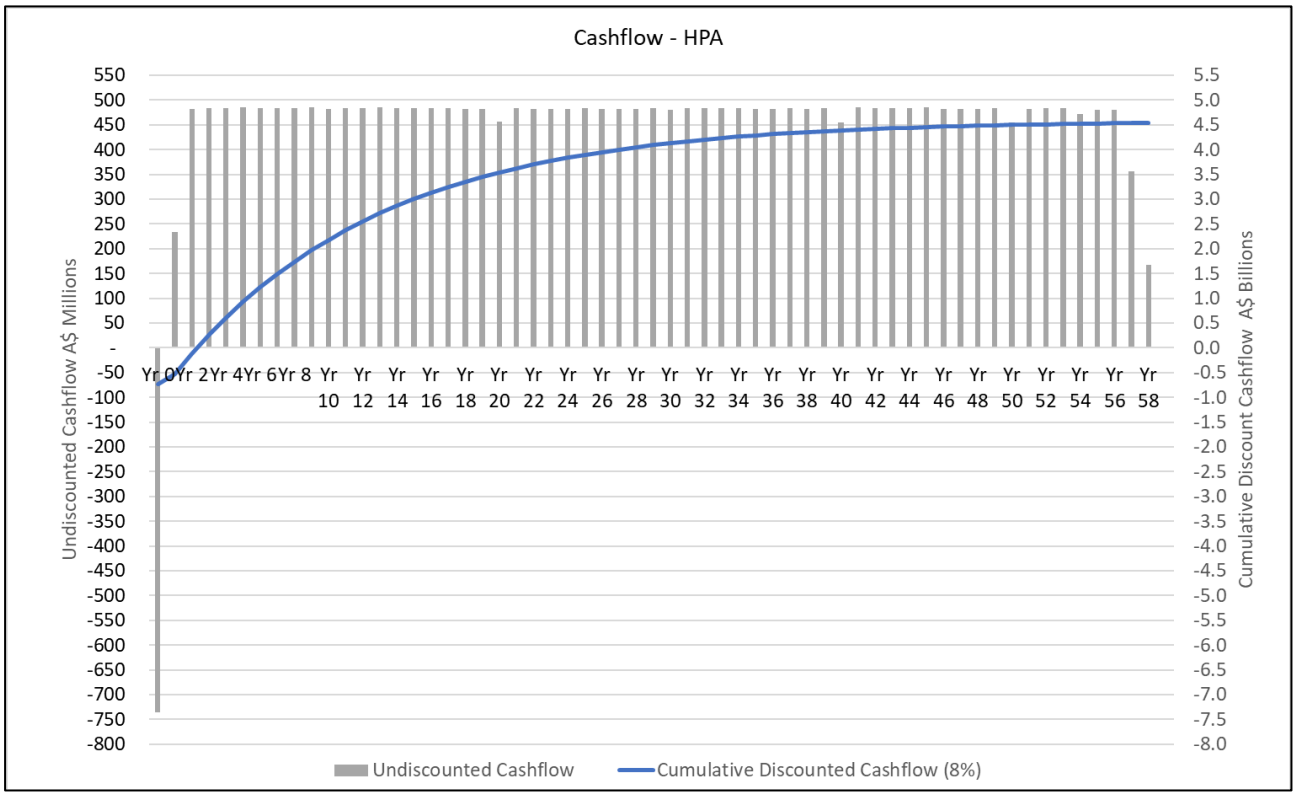


Figure 5-2: Net free cash flow of the HPA Processing Scenario (pre-tax).

The NPV of the two scenarios being analysed is presented in Table 5-3 for discount rate ranging from 0% to 20%.

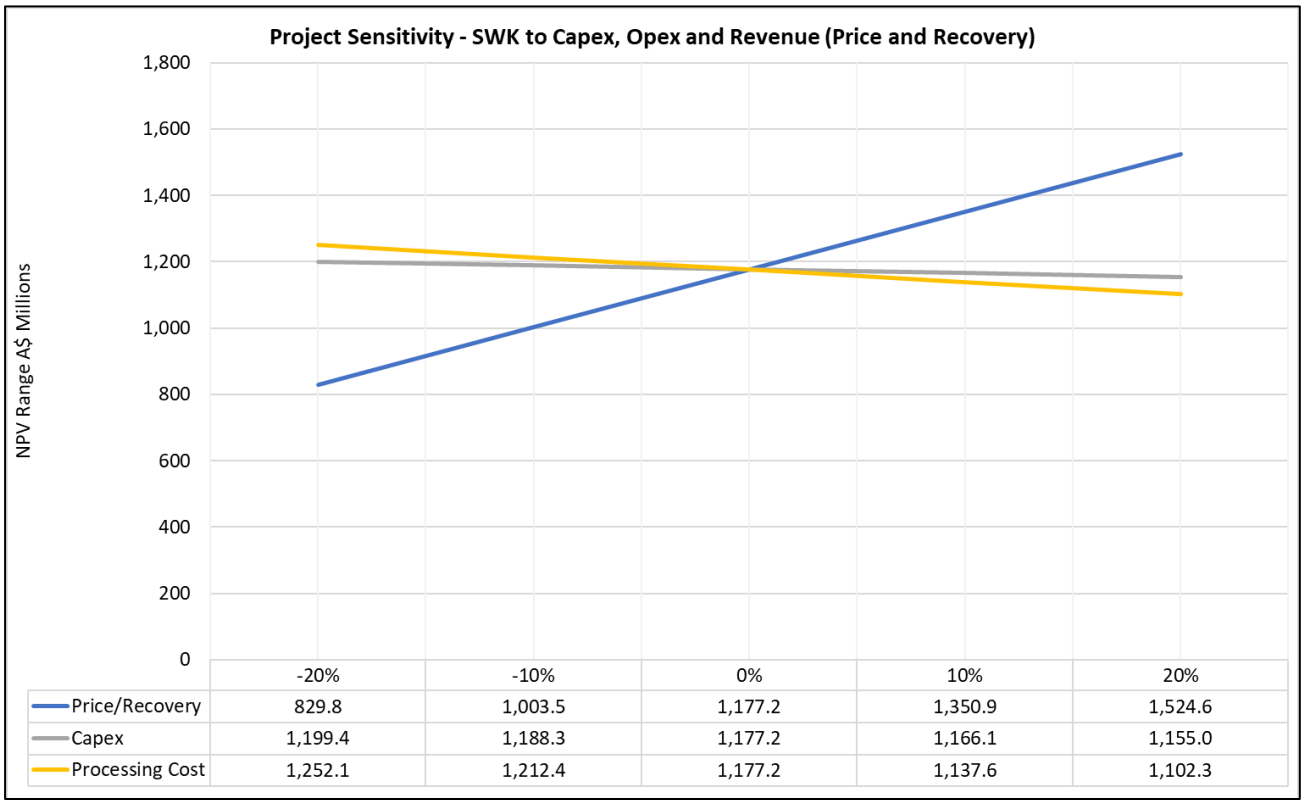
Table 5-2: NPV summary, pre-tax

Discount rate	NPV (A$ M)	
	SWK	HPA
0%	6,097	26,493
8%	1,177	4,621
10%	910.1	3,495
15%	542.5	1,971
20%	359.3	1,227

5.3 Sensitivity Analysis

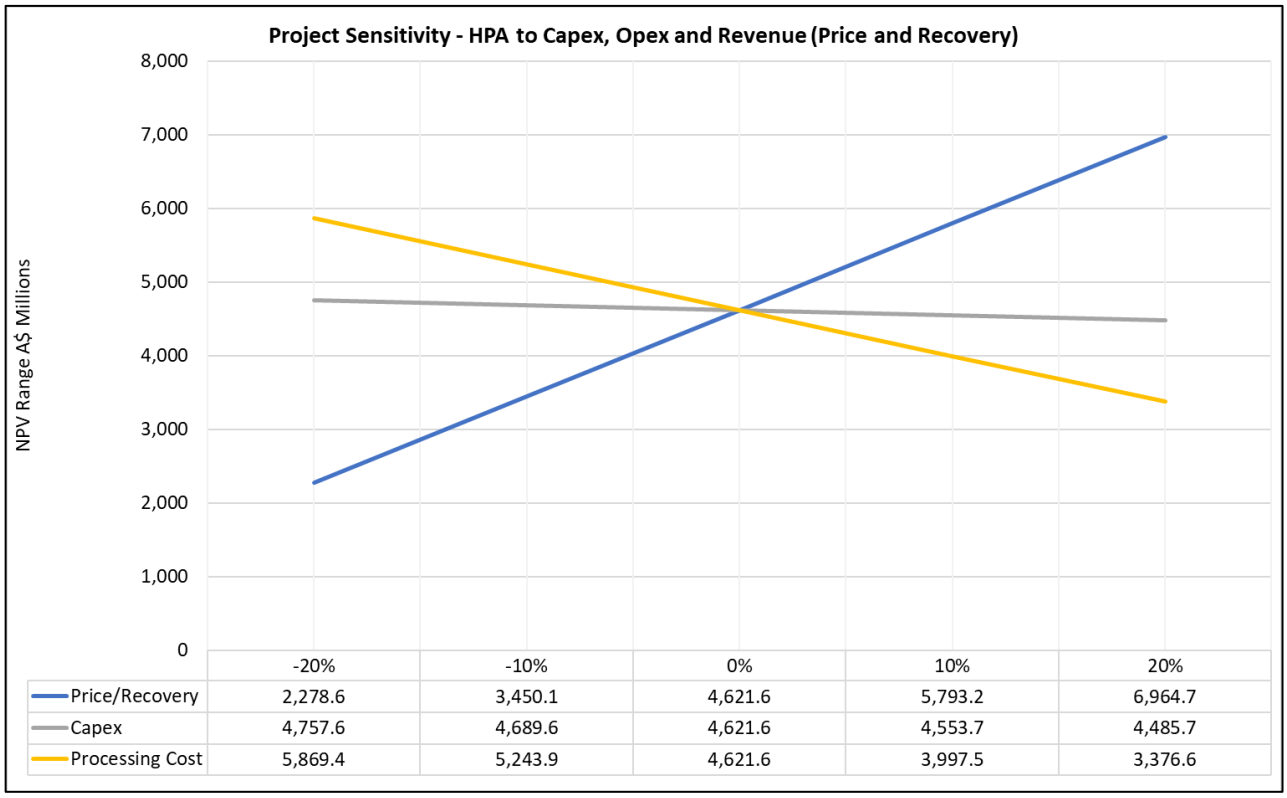
Pre-tax NPV sensitivity charts for the SWK and HPA operating cost, capital expenditure and revenue are shown in Figure 5-3 and Figure 5-4, respectively.

The project's NPV for both scenarios are most susceptible to price and processing cost (as illustrated with blue and yellow lines in Figure 5-3 and Figure 5-4). The project shows lower sensitivity to capital expenditure (displayed with a grey line). Please note that as there are no direct selling costs other than the percentage royalty and only a mass yield processing recovery, the changes in either price or recovery have the same impact on NPV.



	-20%	-10%	0%	10%	20%
Price/Recovery	829.8	1,003.5	1,177.2	1,350.9	1,524.6
Capex	1,199.4	1,188.3	1,177.2	1,166.1	1,155.0
Processing Cost	1,252.1	1,212.4	1,177.2	1,137.6	1,102.3

Figure 5-3: NPV sensitivity for SWK product.



	-20%	-10%	0%	10%	20%
Price/Recovery	2,278.6	3,450.1	4,621.6	5,793.2	6,964.7
Capex	4,757.6	4,689.6	4,621.6	4,553.7	4,485.7
Processing Cost	5,869.4	5,243.9	4,621.6	3,997.5	3,376.6

Figure 5-4: NPV sensitivity for HPA product.

The net cash flow summary for both SWK and HPA is presented in Table 5-3 and Table 5-4 with key life of project parameters.

Table 5-3: SWK– cash flow summary.

SWK Product	Unit	Totals	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11-20	Year 21-30	Year 31-40	Year 41-50	Year 51-58
Production																		
Waste mined	t	23,024,571		687,636	490,225	360,938	297,541	247,304	256,264	200,242	148,932	144,841	161,798	2,733,938	4,679,277	3,675,437	3,921,388	5,018,810
ROM mined	t	22,654,089		227,364	422,275	369,062	432,459	411,496	400,736	383,758	435,068	404,158	385,702	4,022,562	3,978,203	3,936,923	4,005,612	2,838,711
Stripping Ratio	tw:to*	1.02		3.02	1.16	0.98	0.69	0.60	0.64	0.52	0.34	0.36	0.42	0.68	1.18	0.93	0.98	1.77
Total material moved	t	45,678,660		915,000	912,500	730,000	730,000	658,800	657,000	584,000	584,000	549,000	547,500	6,756,500	8,657,480	7,612,360	7,927,000	7,857,520
Processing																		
Ore processed	t	22,654,090		200,568	400,040	400,040	400,040	401,136	400,040	400,040	400,040	401,136	400,040	4,002,592	4,003,688	4,000,367	4,003,688	2,840,635
Fe2O3 grade processed	%	0.52		0.27	0.26	0.35	0.39	0.40	0.41	0.41	0.44	0.46	0.45	0.49	0.54	0.55	0.53	0.64
Process recovery	%	49.56		54.92	54.89	54.17	53.77	53.64	52.51	52.92	53.11	52.61	50.96	50.27	52.70	47.26	47.37	45.49
SWK tonnes produced	t	11,227,402		110,159	219,576	216,720	215,107	215,187	210,069	211,693	212,456	211,050	203,843	2,012,286	2,110,048	1,890,636	1,896,395	1,292,178
Macro economics																		
SWK product price	A$/t	800		800	800	800	800	800	800	800	800	800	800	800	800	800	800	800
Revenue																		
Total revenue	A$	$8,982m		$88.1m	$175.7m	$173.4m	$172.1m	$172.1m	$168.1m	$169.4m	$170.0m	$168.8m	$163.1m	$1,609.8m	$1,688.0m	$1,512.5m	$1,517.1m	$1,033.7m
Royalties	A$	$449m		$4.4m	$8.8m	$8.7m	$8.6m	$8.6m	$8.4m	$8.5m	$8.5m	$8.4m	$8.2m	$80.5m	$84.4m	$75.6m	$75.9m	$51.7m
Net Revenue	A$	$8,533m		$83.7m	$166.9m	$164.7m	$163.5m	$163.5m	$159.7m	$160.9m	$161.5m	$160.4m	$154.9m	$1,529.3m	$1,603.6m	$1,436.9m	$1,441.3m	$982.1m
Operating costs																		
Mining Cost	A$	$182.7m		$3.7m	$3.6m	$2.9m	$2.9m	$2.6m	$2.6m	$2.3m	$2.3m	$2.2m	$2.2m	$27.0m	$34.6m	$30.4m	$31.7m	$31.4m
Processing Cost	A$	$1,926m		$17.0m	$34.0m	$34.0m	$34.0m	$34.1m	$34.0m	$34.0m	$34.0m	$34.1m	$34.0m	$340.2m	$340.3m	$340.0m	$340.3m	$241.5m
Corporate Overhead	A$	$145m		$2.5m	$2.5m	$2.5m	$2.5m	$2.5m	$2.5m	$2.5m	$2.5m	$2.5m	$2.5m	$25.0m	$25.0m	$25.0m	$25.0m	$20.0m
Total operating costs (Including Royalties)	A$	$2,702m		$27.6m	$48.9m	$48.1m	$48.0m	$47.8m	$47.5m	$47.3m	$47.3m	$47.2m	$46.8m	$472.7m	$484.3m	$471.1m	$472.9m	$344.6m
Capital costs																		
Mining CAPEX	A$	$1.5m	$1.5m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Processing CAPEX	A$	$120.0m	$120.0m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mining Sustaining CAPEX	A$	$9.0m		-	-	-	-	-	-	-	-	-	$1.5m	$1.5m	$1.5m	$1.5m	$1.5m	$1.5m
Processing Sustaining CAPEX	A$	$52.2m		$0.9m	$0.9m	$0.9m	$0.9m	$0.9m	$0.9m	$0.9m	$0.9m	$0.9m	$0.9m	$9.0m	$9.0m	$9.0m	$9.0m	$7.2m
Total project capital	**A$**	$182.7m	**$121.5m**	**$0.9m**	**$0.9m**	**$0.9m**	**$0.9m**	**$0.9m**	**$0.9m**	**$0.9m**	**$0.9m**	**$0.9m**	**$2.4m**	**$10.5m**	**$10.5m**	**$10.5m**	**$10.5m**	**$8.7m**
Economics																		
Operating profit - EBITDA	A$	$6,280m	-	$61m	$127m	$125m	$124m	$124m	$121m	$122m	$123m	$122m	$116m	$1,137m	$1,204m	$1,041m	$1,044m	$689m
Net free cash flow pre-tax	**A$**	**$6,097m**	**($121.5m)**	**$60m**	**$126m**	**$124m**	**$123.2m**	**$123m**	**$120m**	**$121m**	**$122m**	**$121m**	**$114m**	**$1,127m**	**$1,193m**	**$1,031m**	**$1,034m**	**$680m**
Cumulative Net free cash-flow pre-tax	**A$**	**$6,097m**	**($121.5m)**	**($62m)**	**$64m**	**$188m**	**$311m**	**$435m**	**$555m**	**$676m**	**$797m**	**$918m**	**$1,032m**	**$2,159m**	**$3,352m**	**$4,383m**	**$5,416m**	**$6,097m**

Table 5-4: HPA – cash flow summary.

HPA Product	Unit	Totals	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11-20	Year 21-30	Year 31-40	Year 41-50	Year 51-58
Production																		
Waste mined	t	23,024,571		687,636	490,225	360,938	297,541	247,304	256,264	200,242	148,932	144,841	161,798	2,733,938	4,679,277	3,675,437	3,921,388	5,018,810
ROM mined	t	22,654,089		227,364	422,275	369,062	432,459	411,496	400,736	383,758	435,068	404,158	385,702	4,022,562	3,978,203	3,936,923	4,005,612	2,838,711
Stripping Ratio	tw:to*	1.02		3.02	1.16	0.98	0.69	0.60	0.64	0.52	0.34	0.36	0.42	0.68	1.18	0.93	0.98	1.77
Total material moved	t	45,678,660		915,000	912,500	730,000	730,000	658,800	657,000	584,000	584,000	549,000	547,500	6,756,500	8,657,480	7,612,360	7,927,000	7,857,520
Processing																		
Ore processed	t	22,654,090		200,568	400,040	400,040	400,040	401,136	400,040	400,040	400,040	401,136	400,040	4,002,592	4,003,688	4,000,367	4,003,688	2,840,635
Fe2O3 grade processed	%	0.52		0.27	0.26	0.35	0.39	0.40	0.41	0.41	0.44	0.46	0.45	0.49	0.54	0.55	0.53	0.64
Process recovery	%	10.00		10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
HPA tonnes produced	t	2,265,409		20,057	40,004	40,004	40,004	40,114	40,004	40,004	40,004	40,114	40,004	400,259	400,369	400,037	400,369	284,063
Macro economics																		
HPA product price	A$/t	28,000		28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000	28,000
Revenue																		
Total revenue	A$	$63,431m		$562m	$1,120m	$1,120m	$1,120m	$1,123m	$1,120m	$1,120m	$1,120m	$1,123m	$1,120m	$11,207m	$11,210m	$11,201m	$11,210m	$7,954m
Royalties	A$	$3,172m		$28.1m	$56.0m	$56.0m	$56.0m	$56.2m	$56.0m	$56.0m	$56.0m	$56.2m	$56.0m	$560.4m	$560.5m	$560.1m	$560.5m	$397.7m
Net Revenue	A$	$60,260m		$534m	$1,064m	$1,064m	$1,064m	$1,067m	$1,064m	$1,064m	$1,064m	$1,067m	$1,064m	$10,647m	$10,650m	$10,641m	$10,650m	$7,556m
Operating costs																		
Mining Cost	A$	$182.7m		$3.7m	$3.6m	$2.9m	$2.9m	$2.6m	$2.6m	$2.3m	$2.3m	$2.2m	$2.2m	$27.0m	$34.6m	$30.4m	$31.7m	$31.4m
Processing Cost	A$	$32,040m		$283.7m	$565.8m	$565.8m	$565.8m	$567.3m	$565.8m	$565.8m	$565.8m	$567.3m	$565.8m	$5,660.9m	$5,662.4m	$5,657.7m	$5,662.4m	$4,017.5m
Corporate Overhead	A$	$145m		$2.5m	$2.5m	$2.5m	$2.5m	$2.5m	$2.5m	$2.5m	$2.5m	$2.5m	$2.5m	$25.0m	$25.0m	$25.0m	$25.0m	$20.0m
Total operating costs (Including Royalties)	A$	$35,539m		$318m	$628m	$627m	$627m	$629m	$627m	$627m	$627m	$628m	$626m	$6,273m	$6,283m	$6,273m	$6,280m	$4,467m
Capital costs																		
Mining CAPEX	A$	$1.5m	$1.5m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Processing CAPEX	A$	$734.0m	$734.0m	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Mining Sustaining CAPEX	A$	$9.0m		-	-	-	-	-	-	-	-	-	$1.5m	$1.5m	$1.5m	$1.5m	$1.5m	$1.5m
Processing Sustaining CAPEX	A$	$655.0m	-	$10.0m	$10.0m	$10.0m	$10.0m	$10.0m	$10.0m	$10.0m	$10.0m	$10.0m	$10.0m	$125.0m	$100.0m	$125.0m	$125.0m	$80.0m
Total project capital	**A$**	$1,399.5m	**$735.5m**	**$10.0m**	**$10.0m**	**$10.0m**	**$10.0m**	**$10.0m**	**$10.0m**	**$10.0m**	**$10.0m**	**$10.0m**	**$11.5m**	**$126.5m**	**$101.5m**	**$126.5m**	**$126.5m**	**$81.5m**
Economics																		
Operating profit - EBITDA	A$	$27,892m	-	$244m	$492m	$493m	$493m	$495m	$493m	$493m	$493m	$495m	$494m	$4,934m	$4,928m	$4,928m	$4,931m	$3,487m
Net free cash flow pre-tax	**A$**	**$26,493m**	**($735.5m)**	**$234m**	**$482m**	**$483m**	**$482.9m**	**$485m**	**$483m**	**$483m**	**$483m**	**$485m**	**$482m**	**$4,808m**	**$4,826m**	**$4,801m**	**$4,804m**	**$3,406m**
Cumulative Net free cash-flow pre-tax	**A$**	**$26,493m**	**($735.5m)**	**($502m)**	**($20m)**	**$463m**	**$946m**	**$1,431m**	**$1,914m**	**$2,397m**	**$2,881m**	**$3,366m**	**$3,848m**	**$8,656m**	**$13,482m**	**$18,283m**	**$23,087m**	**$26,493m**

6 Conclusions and Recommendations

Based on the work carried out for this Scoping Study, CSA Global concludes the following:

- The project reflects a positive NPV for SWK and HPA products at a discount rate of 8%. Further investment and technical studies are therefore warranted.
- The average selling price for SWK and HPA have been estimated at A$800 and A$28,000 per tonne of product, respectively.
- Total initial capital expenditure for SWK and HPA has been estimated at A$121.5 million and A$735.5 million, respectively.
- Sustaining capital is estimated at A$900,000 per annum for SWK and A$10 million per annum, with a major upgrade of A$25 million every 20 years for HPA in line with similar projects.
- The project NPV is most sensitive to revenue (grade or commodity price) for SWK and most sensitive to commodity price and operating costs for HPA. Both scenarios have lower sensitivity to capital costs.

Corella intends to progress the project to a Feasibility Study/Prefeasibility Study. To achieve that, the following key focus areas need to be executed prior to commencement of the next level of study:

- Infill drilling and metallurgical testing are required to upgrade Inferred into a higher level of resource definition category.
- Bulk sample testwork, flowsheet determination and end product review for Tampu's intended product/s.
- Geotechnical drilling, modelling, and assessment for pit design.
- Mining method analysis, as this orebody is well suited to strip mining, to maximise ore selectivity and minimise external waste dumping requirements.
- Waste management assessment and planning, including wastewater.
- Mine layout – landform, waste dumps and tailings studies.
- Logistical studies, including transportation from site to port, shipping, and associated costs.
- Water and power supply to the operation.
- Project approvals, including mining licence.
- Operational strategies, including mining strategy, organisational capabilities, and design.
- Risk management – organisational, operational and technical.

7 Abbreviations and Units of Measurement

°	degrees
°C	degrees Celsius
µm	micron(s)
A$	Australian dollars
Al_2O_3	aluminium oxide
Corella	Corella Resources Ltd
CSA Global	ERM Australia Consultants Pty Ltd trading as CSA Global
Fe_2O_3	iron(iii) oxide (or ferric oxide)
G&A	general and administration
HPA	High-Purity Alumina
K_2O	potassium oxide
km	kilometres
kt	kilo (thousand) tonnes
ktpa	kilo (thousand) tonnes per annum
LOI	loss on ignition
LOM	life-of-mine
m	metres
m^2	square metres(s)
m^3	cubic metre(s)
mm	millimetres
Mt	million tonnes
Mtpa	million tonnes per annum
Na_2O	sodium oxide
NPV	net present value
RF	revenue factor
ROM	run-of-mine
SiO_2	silicon dioxide (or silica)
SWK	Screened and Washed Kaolin
t	tonne(s)
t/m^3	tonnes per cubic metre
TiO_2	titanium dioxide
TMM	total material mined
US$	United States dollars

Appendix A- JORC 2012, Table 1- Section 4

Section 4 Estimation and Reporting of Ore Reserves
(Criteria listed in section 1, and where relevant in sections 2 and 3, also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral Resource estimate for conversion to Ore Reserves	• *Description of the Mineral Resource estimate used as a basis for the conversion to an Ore Reserve.* • *Clear statement as to whether the Mineral Resources are reported additional to, or inclusive of, the Ore Reserves.*	• The Mineral Resource estimate used as a basis for this study was Tampu Mineral Resource estimate, June 2023. The estimate contains Indicated and Inferred material. As an Ore Reserve estimate was not completed for this deposit, Inferred material was included. • The Mineral Resources in the estimate are inclusive of the ore figures in this study.
Site visits	• *Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* • *If no site visits have been undertaken indicate why this is the case.*	• A site visit was undertaken by the resource geologist who completed the Mineral Resource estimate. However, no site visit was undertaken by the mining engineer who completed this study.
Study status	• *The type and level of study undertaken to enable Mineral Resources to be converted to Ore Reserves.* • *The Code requires that a study to at least Pre-Feasibility Study level has been undertaken to convert Mineral Resources to Ore Reserves. Such studies will have been carried out and will have determined a mine plan that is technically achievable and economically viable, and that material Modifying Factors have been considered.*	• Currently, the level of mining study for this deposit is at the Scoping level. Additional drilling and metallurgy test-work is required before a pre-feasibility level study can be completed. Therefore, no Ore Reserves have been declared for this deposit in this study.
Cut-off parameters	• *The basis of the cut-off grade(s) or quality parameters applied.*	• The cut-off applied for this study is based purely on the Fe_2O_3 grade. Any material with 0.9% Fe_2O_3 or lower has been deemed suitable for processing, as recommended by Corella based on the metallurgical test conducted to date. Further metallurgical testing is required to determine if any additional cut-offs should be applied, either economic or quality-based.
Mining factors or assumptions	• *The method and assumptions used as reported in the Pre-Feasibility or Feasibility Study to convert the Mineral Resource to an Ore Reserve (i.e. either by application of appropriate factors by optimisation or by preliminary or detailed design).* • *The choice, nature and appropriateness of the selected mining method(s) and other mining parameters including associated design issues such as pre-strip, access, etc.* • *The assumptions made regarding geotechnical parameters (eg pit slopes, stope sizes, etc), grade control and pre-production drilling.* • *The major assumptions made and Mineral Resource model used for pit and stope optimisation (if appropriate).* • *The mining dilution factors used.* • *The mining recovery factors used.* • *Any minimum mining widths used.* • *The manner in which Inferred Mineral Resources are utilised in mining studies and the sensitivity of the outcome to their*	• Scoping level parameters were applied in this study based on reported input parameters from nearby comparable deposits. The next stage of the mining study will need to include geotechnical, marketing, detailed costing, and further metallurgical testing to bring the assumptions up to a Pre-Feasibility Study level. • Due to the shallow nature of the orebody, the selected mining method was an open pit, separated into stages (prioritising indicated material ahead of inferred) for scheduling and economic purposes. Strip mining may also be appropriate for this orebody and should be explored further in the next level of study. No minimum mining widths were applied due to the widespread and shallow nature of the orebody. • No access or infrastructure was included in the design due to the shallow nature of the orebody and the heavily weathered material surrounding the mineralised zone, allowing for manipulation as required for access.

Criteria	JORC Code explanation	Commentary
	inclusion. • *The infrastructure requirements of the selected mining methods.*	• No dilution was applied, in line with figures used by comparable studies, due to the widespread, consistent nature of the orebody and the relatively slow and selective mining required to meet the processing target. • An ore loss figure of 5% was included to represent the focus on minimising dilution. • Whilst this study includes Inferred resources, their inclusion in the processing input in the first 28 years of mine life is minimised, and the Whittle optimisation outputs suggest that currently, an Indicated-only project would still be economically viable.
Metallurgical factors or assumptions	• *The metallurgical process proposed and the appropriateness of that process to the style of mineralisation.* • *Whether the metallurgical process is well-tested technology or novel in nature.* • *The nature, amount and representativeness of metallurgical test work undertaken, the nature of the metallurgical domaining applied and the corresponding metallurgical recovery factors applied.* • *Any assumptions or allowances made for deleterious elements.* • *The existence of any bulk sample or pilot scale test work and the degree to which such samples are considered representative of the orebody as a whole.* • *For minerals that are defined by a specification, has the ore reserve estimation been based on the appropriate mineralogy to meet the specifications?*	• Scoping level test work has been completed for the Screened and Washed Kaolin product, with the mass yield recovery value included in the Mineral Resource estimate block model. • Initial test work completed by the Dalian University of Technology has indicated that the Kaolin at Tampu is suitable for producing a 5N High Purity Alumina product, and further test work will be completed for the next stage of the mining study. • Based on this initial test work, an estimated single figure of 10% mass yield recovery was used for the HPA. • No allowances have been made for deleterious elements other than Fe_2O_3 or for a metallurgical recovery within the process flow.
Environmen-tal	• *The status of studies of potential environmental impacts of the mining and processing operation. Details of waste rock characterisation and the consideration of potential sites, status of design options considered and, where applicable, the status of approvals for process residue storage and waste dumps should be reported.*	• A large portion of the project is in flat, low-lying open farmland. The project's focus is to minimize external ROM and waste stockpiles and to maximise backfilling of the deposit. • No specific environmental studies or approvals have been undertaken so far.
Infrastructure	• *The existence of appropriate infrastructure: availability of land for plant development, power, water, transportation (particularly for bulk commodities), labour, accommodation; or the ease with which the infrastructure can be provided, or accessed.*	• Road and rail transport corridors are located within 35km of the deposit, allowing good access to transport product to the Kwinana Bulk Terminal in Fremantle. • Corella has purchased an ex-grain storage facility in close proximity to the deposit for storing product ready for transport. • Additional infrastructure requirements, plans and designs will be included in the next level of study.
Costs	• *The derivation of, or assumptions made, regarding projected capital costs in the study.* • *The methodology used to estimate operating costs.* • *Allowances made for the content of deleterious elements.* • *The source of exchange rates used in the study.* • *Derivation of transportation charges.* • *The basis for forecasting or source of treatment and refining charges, penalties for failure to meet specification, etc.*	• Operating Cost assumptions have been based on comparable nearby deposits and are suitable for this level of study. • State government royalties were confirmed at 5% for Kaolin. • Corella provided estimated capital and sustaining capital costs and overheads. The sensitivity analysis shows that the project is very insensitive to capital costs and somewhat sensitive to operating costs (mainly processing costs). • All values in the study are in Australian dollars, and an exchange rate of 0.70 USD to

Criteria	JORC Code explanation	Commentary
	• *The allowances made for royalties payable, both Government and private.*	AUD was used for product pricing.
Revenue factors	• *The derivation of, or assumptions made regarding revenue factors including head grade, metal or commodity price(s) exchange rates, transportation and treatment charges, penalties, net smelter returns, etc.* • *The derivation of assumptions made of metal or commodity price(s), for the principal metals, minerals and co-products.*	• The main assumption for the SWK product is that it is homogenous and will receive the same product price for the entire life of mine. This is suitable for the Scoping level but will need to be refined further with subsequent studies. • The HPA price assumption was for 4N, a slightly less pure product than the preliminary test work shows, leading to a more conservative price assumption.
Market assessment	• *The demand, supply and stock situation for the particular commodity, consumption trends and factors likely to affect supply and demand into the future.* • *A customer and competitor analysis along with the identification of likely market windows for the product.* • *Price and volume forecasts and the basis for these forecasts.* • *For industrial minerals the customer specification, testing and acceptance requirements prior to a supply contract.*	• A specific market assessment was not completed for this study; however, a generalized market assessment was included in the Mineral Resource estimate. • Product pricing assumptions will need to be refined, including payability, grades and deleterious material impacts on price.
Economic	• *The inputs to the economic analysis to produce the net present value (NPV) in the study, the source and confidence of these economic inputs including estimated inflation, discount rate, etc.* • *NPV ranges and sensitivity to variations in the significant assumptions and inputs.*	• An 8% discount rate was applied in this study. An NPV sensitivity was conducted, showing economic viability for a 20% discount rate. • Additional sensitivities were conducted on price (and recovery as they have the same impact), processing, and capital costs. A negative 20% reduction in these parameters individually still shows economic viability.
Social	• *The status of agreements with key stakeholders and matters leading to social licence to operate.*	• Unsure of the status of permits and engagement with stakeholders. As no Ore Reserves are being declared, this section is not crucial to this current study.
Other	• *To the extent relevant, the impact of the following on the project and/or on the estimation and classification of the Ore Reserves:* • *Any identified material naturally occurring risks.* • *The status of material legal agreements and marketing arrangements.* • *The status of governmental agreements and approvals critical to the viability of the project, such as mineral tenement status, and government and statutory approvals. There must be reasonable grounds to expect that all necessary Government approvals will be received within the timeframes anticipated in the Pre-Feasibility or Feasibility study. Highlight and discuss the materiality of any unresolved matter that is dependent on a third party on which extraction of the reserve is contingent.*	• No additional issues to those already described in this table.
Classification	• *The basis for the classification of the Ore Reserves into varying confidence categories.* • *Whether the result appropriately reflects the Competent Person's view of the deposit.* • *The proportion of Probable Ore Reserves that have been derived from Measured*	• Classification of the ore material within the deposit for input into processing has remained the same as in the Mineral Resource estimation. • There is no Measured material within the deposit currently, and Indicated material has

Criteria	JORC Code explanation	Commentary
	Mineral Resources (if any).	been prioritized in the mining and processing sequence. • No Mineral Resources were converted to Ore Reserves in this study.
Audits or reviews	• *The results of any audits or reviews of Ore Reserve estimates.*	• The inputs and mine planning aspects of this study were peer-reviewed by ERM engineers. As Ore Reserves were not declared, additional audits were not completed for other modifying factors such as permitting, marketing and processing.
Discussion of relative accuracy/ confidence	• *Where appropriate a statement of the relative accuracy and confidence level in the Ore Reserve estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the reserve within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors which could affect the relative accuracy and confidence of the estimate.* • *The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used.* • *Accuracy and confidence discussions should extend to specific discussions of any applied Modifying Factors that may have a material impact on Ore Reserve viability, or for which there are remaining areas of uncertainty at the current study stage.* • *It is recognised that this may not be possible or appropriate in all circumstances. These statements of relative accuracy and confidence of the estimate should be compared with production data, where available.*	• All inputs and outputs in this study are deemed appropriate for the Scoping level and will need to be improved upon for higher-level studies and Ore Reserves.

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