

20 August 2024

ASX Announcement

Corella gains Government funding for HPA flowsheet R&D

Key points

- Corella's Tampu kaolin deposit in Western Australia can produce uniquely high-quality kaolin clay and is an ideal alumina feedstock to produce 5N HPA demanded in the strongly growing end use cases of batteries and LED's
- Fast tracked 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

High Purity Alumina and **critical mineral-focused exploration** company **Corella Resources Ltd** (ASX:CR9) ("Corella" or "CR9" or the "Company"), is pleased to provide an update on its High Purity Alumina (HPA) critical mineral strategy. Corella's kaolin to HPA testing program has focussed on optimisation of the existing proven kaolin to HPA flowsheet to reduce and remove some process variables to improve outcomes and set parameters to trial in the next stage of scale-up. The Company has demonstrated that due to its high quality, Corella's Tampu Kaolin can produce 5N HPA¹. The focus now shifts to selecting a 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 \$50k in-kind contributing towards access independent external certified HPA analysis at the leading global laboratory in the USA.

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

Australian Federal Government is undertaking the Resources Technology and Critical Minerals Trailblazer Program (Trailblazer) to promote more effective commercialisation of university innovations, accelerate industry research outcomes, and promote university-industry collaboration to enhance Australia's standing in the Resources Technology and Critical Minerals Processing national manufacturing priority area and has entered into the Head Agreement with Curtin University. Trailblazer is a collaboration between Curtin University, the University of Queensland and James Cook University.

¹ Refer ASX Announcement dated 30 June 2022 "5N purity confirms Tampu as premier specification for HPA"

² Refer ASX Announcement dated 8 May 2024 "5N HPA Production Confirmed"

Corella Resources CEO Jess Maddren commented, “Corella Resources Kaolin to HPA (K2HPA) project is moving at speed by utilising collaborative strategies between industry and research groups to create a novel low capex and opex flowsheet to move to production as early as possible with a low cost fundable processing plant. Timing is important to the HPA industry as the demand for copper and aluminium globally over the next 10 years will require a HPA feedstock and process that is completely decoupled from the aluminium supply chain.”

Phasing Cashflow and Capex

Corella's kaolin resource is the feed stock for HPA; a kaolin wash plant is a precursor plant to the HPA processing plant. The Tampu Kaolin deposit has value being sold as various products from a processed high purity and quality kaolin through to a final HPA product with cost and profitability increases the more refined the final product becomes.

The ownership of the Tampu Deposit from the beginning allows the Company to investigate potential offtake as the project progresses and each end product is produced including other by products such as quartz and meta kaolin/pozzolan which are also flagged as part of the construction and energy supply chain focus in Australia.

The announcement of the Future Made in Australia federal support program includes the Critical Minerals Production Tax Incentive which provides a production incentive valued at ten per cent of relevant processing and refining costs for Australia's 31 critical minerals, including HPA, processed and refined between 2027-28 to 2039-40, for up to ten years per project.

Corella Resources is focussing on fast tracking its R&D, PFS and DFS to reach FID on the HPA portion of the project to maximise the value that this Tax Incentive can have on a HPA production facility and the overall value and economics of the project and company.

We look forward to the outcome of this fast tracked 6-month program to start the construction of a lab scale pilot plant in early 2025.

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

- ENDS -

For further information, please contact:

Managing Director tony@corellaresources.com.au	Chief Executive Officer jess@corellaresources.com.au	Company Secretary secretary@corellaresources.com.au
---	---	--

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.