

NEWS RELEASE 21-19

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**CHATHAM ROCK PHOSPHATE COMMISSIONS
INDEPENDENT RESOURCE REPORT FOR KORELLA**

WELLINGTON New Zealand – On 14 October, Chatham Rock Phosphate Limited (TSXV: “NZP” and NZX: “CRP” or the “Company”) advised that it had signed a Term Sheet to acquire the Korella phosphate mine in Australia. Final negotiation of the arm’s-length Sale and Purchase Agreement with vendor, Australia Venus Resources Pty Ltd. and its shareholders, is now proceeding with the acquisition, subject to certain conditions.

Before commencing negotiations to acquire Korella, we undertook an extensive due diligence process. As part of that due diligence, in June 2021, Executive Director Colin Randall, in company with Avenir Makatea’s Exploration Manager Maurice March, undertook a site visit to the trial mining operation site, including a visit of the sampling of the already stockpiled phosphate ore. That inspection and sample analyses, matched with previously published JORC reports, provided the basis for proceeding with the acquisition. As a TSX.V listed and Canadian reporting entity, the Company has commissioned international consultants RSC to prepare an independent technical report in accordance with the requirements of National Instrument NI 43-101. The report is advancing well and a site visit by a geologist is about to commence.

During this site visit, the geologist will focus on verification of drilling (collars, reject samples piles; RC chip trays, drill core); verification of phosphate ore exposed in the trial excavation, check samples of phosphate in the trial excavation and in the stockpiled ore; and verifying the size of the excavated and stockpiled ore.

About Korella

The Korella Mine, located in North-West Queensland, is approximately 150 km southeast of Mt. Isa and adjoins the Phosphate Hill Mine owned and operated by Incitec Pivot.

The mine is on mining lease ML90209 (valid until 2033), which covers approximately 1,602 ha of grazing land on Chatsworth Station in the Shire of Cloncurry.

While export options through the Port of Townsville have been considered, the Korella Mine is planned to predominantly service the growing domestic demand for competitively priced fertilizers.

The Korella mine is connected by sealed road to Cloncurry and from there by road to all the major agricultural regions in Queensland, Northern Territory and the far north of Western Australia. Further, the Phosphate Hill to Port of Townsville rail line is only 3 km north of the Korella mine.

Exploration at Korella started in 2007 and resulted in the discovery of a shallow phosphate ore body containing low cadmium direct-shipping phosphate.

In addition, exploration within the mining lease identified a rare earth element (REE) resource of yttrium with associated heavy rare earth elements (HREE) such as dysprosium (Dy) and neodymium (Nd).

A trial open cut mining operation at Korella in 2015 recovered and stockpiled over 10,000 tonnes of direct shipping phosphate from a shallow open cut. The stockpiled phosphate remains on site.

Korella phosphate is low cadmium, direct application phosphate, with a low carbon footprint, suitable for the organic and regenerative farming sector. And at these times of rising fertilizer prices and restricted supply, Korella phosphate is also being considered as a lower cost source of P for general agriculture.

The Korella mine is planned to operate on a campaign mining basis, contract operated, delivering selectively mined phosphate to the mine storage areas. Another contractor will, over the course of the year, crush on demand to meet market requirements.

Production at Korella is expected to commence after the transfer of the lease to Chatham's wholly-owned Australian subsidiary, Avenir Makatea Pty Ltd, trading as Korella Fertilizers.

Acquisition of Korella

This C\$11.2m (A\$12.3m) acquisition, subject to certain conditions including TSX.V approval, will be funded by a cash payment of \$C280,000 (\$A300,000), an issue of CRP shares to the value of \$C1.8m (\$A2m) and \$C9.1m (\$A10m) in royalties payable in respect of the first 1 million tonnes of rock phosphate sold.

About RSC

RSC provides geological consulting, exploration management and contract geological services to the global mining and exploration industry. RSC has experience in all stages of the mining cycle, from early-stage exploration through to development, and initial production, then onto full-scale operation. RSC has worked in a wide range of locations with a variety of commodities, both on and offshore. RSC's head offices are based in New Zealand and Australia, with support offices in Turkey, Mongolia, Zimbabwe and a hub of consultants in the UK.

Chatham Strategy

The acquisition of Korella is the most recently advised step in the Company's strategy to build an international phosphate mining and trading house with a focus on low cadmium, organic phosphate.

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