

NEWS RELEASE 22- 25

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CHATHAM LOOKS FORWARD TO AN EVENTFUL 2023

WELLINGTON, New Zealand – Chatham Rock Phosphate Limited (TSXV: “NZP” and NZX: “Chatham”, “CRP”, or the “Company”) is, having advanced on multiple fronts, planning an eventful 2023.

The start of **Korella phosphate production** and the development of the **Australian domestic market** are the prime objectives for the Company in 2023.

Meanwhile the administrative process for the granting of a **Mining Concession on Makatea** is expected to continue throughout 2023.

Mining at Korella North

We’re aiming to start on-site operations at the Korella North Mine in Q4 2023. In tandem, marketing into the Australian domestic market will commence with first sales of our high-quality direct application soft rock phosphate to sugar cane and banana growers in Queensland.

Korella Fertilizer’s Cloncurry Distribution Hub will supply road trains with bagged product for growers on the Queensland Coast and bulk loads using side-tipping road trains.

Establishment of Cloncurry Distribution Hub

We expect to sign the lease for the Cloncurry Distribution Hub on Round Oak Road this month. The Development Application for the 22-ha site will then be lodged with Cloncurry Shire Council in Q1 2023.

At the Round Oak Road Distribution Hub (ROR Hub), phosphate road-trained from Korella North will be crushed, screened, sorted and - depending on customer requirements - bagged or containerised. Road transport will be the primary mode for delivery to customers from the ROR Hub.

Sales of phosphate for Yellow Phosphorus

Following successful trials of TOMRA sensor-based ore sorting we’re aiming for draft offtake agreements with yellow phosphorus manufacturers by the end of Q3 2023, to be followed in Q4 2023 with trial shipments of samples to potential Asian customers.

Commencement of Seaborne Rock Shipments

By Q4 2023, we will start trial shipments of phosphate to seaborne customers in New Zealand, Tasmania, Victoria, Western Australia Asia and Europe. With the ROR Hub just 300m from the Aurizon Container Terminal in Cloncurry it will be a straightforward process to use half height containers to transport bulk samples shipped from the Port of Townsville.

Other Transport Logistics

In preparation for expanding phosphate rock production to include Korella South, at the rate of 2Mtpa, we expect to complete the design of a new rail line and bulk rail loading facility at Korella North by

end Q2 2023. At the same time, our plans for a 5Mtpa phosphate bulk loading in the Port of Townsville will be provided to the Port authority as part of their review of their 10-year Master Plan.

Exploration Program at Korella South

Exploration of the Korella South tenement for phosphate and Rare Earth Elements, subject to grant, will start in H2 2023.

Monocalcium Phosphate Project

Plans for the production of monocalcium phosphate (MCP) in Cloncurry will continue, commencing with a pilot plant then an on-site demonstration plant, followed by the construction of the commercial plant. We expect by end Q1 2023 to have reached agreement with a major Australian university to operate the pilot plant.

During early 2023 we'll also be looking at alternative MCP production methods using waste phosphoric acid.

Lick Block Manufacture

We have received an expression of interest from a major lick block manufacturer which wishes to co-locate a new plant on the MCP production plant site in Cloncurry. It is expected in H2 2023 to lodge a tender to lease the Cloncurry Shire Council owned land, subject to rezoning, to erect the MCP plant and the co-located lick block plant.

Pacific Rare Earths Initiatives

Pacific Rare Earths, with a recent test result to hand, is continuing to study technologies for extraction of Rare Earth Elements (REE) from its Korella phosphate, including sighter testing to demonstrate one of the methodologies.

On the selenium front, we're expecting the granting of the Tambo exploration area EPM28608 in Q2 2023 so we can start exploration for inorganic selenium in the Toolebuc formation.

Meanwhile work on organic selenium, that commenced in Q4 2022 with researchers at James Cook University at their Townsville and Cairns campuses, will step up in Q1 2023. We aim to have defined suitable organic selenium products by Q4 2023.

Korella Mine

Since signing a Term Sheet on 21 October 2021 to acquire ML 90209 from Chinese owned and controlled Australian Venus Resources Pty Ltd (AVR), CRP has made every effort to close the acquisition.

As the acquisition process was continually delayed and frustrated by AVR, CRP took action to find additional phosphate resources that could be developed independently of the AVR deal.

Following a search for readily developed phosphate near to road and rail in August 2022, we applied for the Korella North area EMP28589. This area, only 500m from road and rail, provides a lower cost mining option than the Korella Mine due to a more attractive overburden ratio. Although a more limited resource, Korella North is anticipated to have mine life of up to eight years at planned production rates.

Avenir Makatea Pty Ltd (wholly owned Australian subsidiary of CRP) will now seek to proceed to arbitration, as provided for under the AVR – Avenir Makatea signed Term Sheet, to enforce the acquisition of ML90209.

Proposed Expansion of Phosphate Rock and REE Production Levels

As part of our efforts to source longer-term mine life resources for Korella Fertilizers and Pacific Rare Earths, we have applied for the 100 sub block 196 sq km Korella South area EPM 28187.

Other Fertilizer Sector Opportunities

The Company continues to look at other opportunities that include phosphate in other states/territories as well as muriate of potash and developing a unique organic fertigation fertilizer utilizing our soft rock Korella phosphate as the source of phosphorus.

Once again, Chatham will be represented at PDAC in 3-8 March 2023 in Toronto, Canada.

This premier event for the world's mineral industry provides the opportunity for the Company meet potential shareholders and institutions that have an interest in phosphate and critical minerals.

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