

27 April 2021

March 2021 Quarterly Report

Corella Resources Ltd (ASX:CR9) ("**Corella**" or "**Company**") (formerly Sinetech Limited, ASX:STC) provides the attached Appendix 4C and an update of its operations for the quarter ended 31 March 2021 (Quarter).

Financial and Operational Overview

During the Quarter, the Company's focus was progressing the transaction to acquire 100% of the issued share capital in HPAA Pty Ltd (**HPAA**) and return trading on the ASX. On 11 February 2021, the Company announced that it had entered into a binding share sale agreement with the shareholders of HPAA. HPAA is the legal and beneficial owner of four granted tenements and one tenement application which together comprise four exploration projects prospective for high-grade, low impurity kaolin and silica. The acquisition was subject to a number of condition precedents, which included obtaining shareholder approval for the acquisition and raising a minimum of \$4,000,000 and up to \$5,000,000 via Public Offer. The acquisition was approved by shareholders on 29 March 2021.

On 23 April 2021, the Company announced that it had successfully raised the \$5 million maximum amount and closed the Offers under the Prospectus. Following settlement of the Acquisition and the issue of securities under the Company's prospectus dated 3 March 2021, the capital structure of the Company is as follows:

Shares	Number
Shares on issue at date of Prospectus	50,678,226 ¹
Shares issued under the Acquisition	100,000,000
Shares issued under the Public Offer	250,000,000
Shares issued under the Creditor Offer ²	15,321,657
Shares issued under the Director Offer	9,000,000
TOTAL	424,999,883

Options	Number
Options on issue at date of Prospectus	Nil
Options issued under the Option Offer	42,936,212
Options issued under the Creditor Offer ²	15,321,657
Options issued under the Director Offer	9,000,000
Options issued to the Lead Manager	50,000,000
TOTAL	117,257,869

Notes:

¹ Shares on issue are on a post-consolidation basis, the Company consolidated its Issued Capital on a 20:1 basis approved by shareholders on 29 March 2021.

² Shares and Options issued to Directors and Creditors in lieu of fees approved by shareholders on 29 March 2021.

The acquisition of HPAA Pty Ltd is materially complete and the Company is satisfying the remaining conditions precedent for readmission to the ASX Official List. The indicative date for reinstatement to official quotation on ASX (trading under the new code ASX:CR9) upon satisfaction of any remaining conditions imposed by the ASX is Wednesday 28 April 2021.

The Company also confirms the name change to Corella Resources Ltd is now effective. The change, which was approved by shareholders on 29 March 2021 has been registered with ASIC.

There were no other substantive business activities during the Quarter.

ENDS

For further information, please contact:

Company Secretary

secretary@corellaresources.com.au

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Corella Resources Ltd (formerly Sinetech Limited)

ABN

56 125 943 240

Quarter ended ("current quarter")

31 March 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) research and development		
(b) product manufacturing and operating costs		
(c) advertising and marketing	(2)	(2)
(d) leased assets		
(e) staff costs		
(f) administration and corporate costs	(90)	(210)
1.3 Dividends received (see note 3)		
1.4 Interest received		
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
1.9 Net cash from / (used in) operating activities	(92)	(212)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities		
(b) businesses		
(c) property, plant and equipment		
(d) investments		
(e) intellectual property		
(f) other non-current assets		

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities		
	(b) businesses		
	(c) property, plant and equipment		
	(d) investments	561	816
	(e) intellectual property		
	(f) other non-current assets		
2.3	Cash flows from loans to other entities		
2.4	Dividends received (see note 3)		
2.5	Other (provide details if material)		
2.6	Net cash from / (used in) investing activities	561	816

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)		
3.2	Proceeds from issue of convertible debt securities		
3.3	Proceeds from exercise of options		
3.4	Transaction costs related to issues of equity securities or convertible debt securities		
3.5	Proceeds from borrowings		
3.6	Repayment of borrowings		
3.7	Transaction costs related to loans and borrowings		
3.8	Dividends paid		
3.9	Other (provide details if material)		
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	307	172
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(92)	(212)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	561	816

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	776	776

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	776	307
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	776	307

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	-
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
	N/A		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(92)
8.2	Cash and cash equivalents at quarter end (item 4.6)	776
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	776
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	8.4
	<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>	
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: N/A	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: N/A	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: N/A	
	<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 27 April 2021

Authorised by: By the Board

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.