

ASX: CXO Announcement

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4 February 2021

Global Institutions back Core Lithium \$40 million Successful Placement

Highlights

- Core raises \$40 million to advance development of the Finnis Lithium Project in placement to global institutional investors
- Project substantially de-risked with funding through to construction, anticipated to commence prior to year-end, subject to FID
- Core well capitalised to accelerate resource drilling, further increase mine life, advance spodumene project development and preliminary LiOH design
- Shares placed to a select group of high-quality global institutional investors, primarily in North America, Europe and Australia

Advanced Australian lithium developer Core Lithium Ltd (**Core** or **Company**) (ASX: CXO) is pleased to announce that the Company has received commitments for \$40 million in additional capital through the Placement of 160 million new shares to institutional investors (**Placement**).

Demand for the Placement well exceeded the shares to be issued to a select group of new high-quality institutional investors, primarily located in North America, Europe and Australia, aligned with the Company's vision of soon becoming Australia's next lithium producer.

Funds raised from the Placement will be used to support:

- The efficient advancement of the 100% owned Finnis Lithium Project towards development and a potential Final Investment Decision (FID);
- Resource growth drilling aiming to increase mine life to support expanded and extended Project revenues; and
- Working capital requirements.

The Placement issue price of \$0.25 per share equates to a 4% premium to the Company's 20-day VWAP of \$0.24 per share to 29 January 2021. Every two (2) new Placement shares will have one (1) unlisted option attached (approximately 80 million options), with an exercise price of \$0.45 and a two-year expiry (**Options**). Allotment of the Placement shares and Options is expected to occur on 12 February 2021.

The Placement was completed within Core's placement capacity under ASX Listing Rules 7.1 (62 million shares and 81 million Options) and 7.1A (100 million shares). Full details are included in the Appendix 3B that follows this announcement.

Jett Capital Advisors, Bell Potter and Taylor Collison acted as joint lead managers whilst Petra Capital acted as Co-Broker to the Placement.

Core's Managing Director, Stephen Biggins, said:

"We are very pleased with the overwhelming global support received for our plans to develop the Finniss Lithium Project.

"This has transferred directly into institutional demand for the Placement, which was very well supported, and Core welcomes the addition of some of the world's most respected funds as shareholders.

"Since the end of 2020, the global lithium and greater renewable technology sectors have shown stark improvements and we continue to monitor these industry changes closely, with a view to making key decisions for Finniss at the right time.

"Core welcomes new shareholders to the business and we strongly appreciate the continued support of our existing shareholders as we aim to join the ranks of Australia's lithium producers."

This announcement has been approved for release by the Board of Core.

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About the Finnis Lithium Project

The Finnis Lithium Project is Australia's most advanced new lithium project on the ASX and places Core at the front of the line of new global lithium production.

Finniss will be one of the most capital efficient lithium projects in Australia and has arguably the best logistics chain to markets of any Australian lithium project.

The Project lies within 25km of port, power station, gas, rail and one hour by sealed road to workforce accommodated in Darwin and importantly to Darwin Port - Australia's nearest port to Asia.

Lithium is the core element in batteries used to power electric vehicles, and the Finnis Project boasts world-class, high-grade and high-quality lithium suitable for this use and other renewable energy sources.

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All dollar amounts are in Australian dollars unless otherwise indicated.