

ASX: CXO Announcement

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11 August 2021

A\$91 million Raised through Successful Placement to Domestic and Global Institutional Investors

Highlights

- Successful completion of fully underwritten placement to raise A\$91 million at A\$0.31 per New Share
- Non-underwritten Share Purchase Plan to be offered to eligible investors to raise up to a further A\$15 million
- Together with the A\$34 million Ganfeng equity investment, Stage 1 project development of the Finniss Lithium Project now fully funded, with Core on track for first production in late 2022

Advanced Northern Territory lithium developer, Core Lithium Ltd (ASX: CXO) (Core or Company), is pleased to announce that it has received firm commitments for A\$91 million via an institutional placement (Placement) of 293 million new fully paid ordinary shares (New Shares).

Demand for the Placement well exceeded the New Shares to be issued, with strong support from new and existing high-quality domestic and global institutional investors.

The A\$91 million Placement, together with the Ganfeng equity investment of A\$34 million at A\$0.338 per share (see ASX announcement released 9 August 2021) and non-underwritten share purchase plan to existing eligible shareholders to raise up to A\$15 million (together, the Equity Raising) provide certainty of funding to meet the previously stated timeline of construction commencement at the Finniss Lithium Project (Finniss or the Project) in 2H 2021.

Funds raised from the Equity Raising will be principally used for:

- Upfront capital costs at Finniss, including plant construction costs, Grants open pit pre-strip costs and other mine establishment costs;
- Environmental bond payments to the NT Government;

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- Drilling to accelerate Reserve and Resource Growth; and
- Working capital.

Core's Managing Director, Mr Stephen Biggins, commented:

"We are very pleased with the overwhelming support received in the Placement in this transformational moment for Core. We thank our existing shareholders for their ongoing support and welcome a number of new, high-quality institutional investors to our register, supporting our journey towards being Australia's next lithium producer. Together with the Ganfeng equity investment and the share purchase plan, we are now fully funded to complete Stage 1 development of Finniss and have the financial flexibility to assess future growth initiatives. With the support of our high-quality shareholder base, we look forward to executing on our plan to commence anticipated first production in late 2022."

Placement

The Placement of A\$91 million was completed under ASX Listing Rule 7.1 (175,765,546 New Shares) and Listing Rule 7.1A (117,381,113 New Shares).

The New Shares under the Placement will be issued at A\$0.310 per New Share (**Placement Price**), which represents:

- A 13.9% discount to the last close price on 6 August 2021 of A\$0.36;
- A 2.4% discount to the 5-day volume weighted average price of A\$0.318; and
- A 1.0% premium to the 10-day volume weighted average price of A\$0.307

Each New Share issued under the Placement will rank pari passu with existing shares on issue.

Canaccord Genuity (Australia) Limited and Merrill Lynch Equities (Australia) Limited are acting as Joint Lead Managers and Underwriters to the Placement. Jett Capital Partners are acting as Co-Manager to the Placement. Core's financial adviser on this transaction is Azure Capital, and its legal adviser is Allens.

Settlement of the New Shares issued under the Placement is expected to occur on Monday, 16 August 2021, with allotment scheduled for Tuesday, 17 August 2021.

Share Purchase Plan

As previously announced, Core's existing eligible shareholders, being those shareholders that are residents in Australia or New Zealand that held Core shares as at 7:00pm (AEST) on Friday, 6 August 2021, will be invited to participate in the SPP at the same issue price as the Placement (A\$0.310 per share). The SPP will provide eligible shareholders the opportunity to increase their holding by up to A\$30,000 without incurring any brokerage or transaction costs.

The SPP is targeted to raise up to A\$15 million and is not underwritten. Core may increase or decrease the size of the SPP and/or scale back applications under the SPP at its discretion. Any scale-back will be applied to the extent and in the manner, Core sees fit, which may include taking into account a number of factors such as the size of an applicant's shareholding at the record date for the SPP, the extent to which

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the applicant has sold or purchased shares since the record date, whether the applicant may have multiple registered holdings, the date on which the application was made, and the total applications received from eligible shareholders.

Further information regarding the SPP (including terms and conditions of the SPP) will be provided to eligible shareholders in the SPP offer booklet, which will be made available to eligible shareholders shortly. Eligible shareholders wishing to participate in the SPP will need to apply in accordance with the instructions in the SPP offer booklet. Participation in the SPP is optional.

Equity Raising Timetable

Event	Time (AEST) / Date
Record Date for Share Purchase Plan	7:00pm Friday, 6 August 2021
Trading Halt and Bookbuild	Monday, 9 August 2021
Announcement of Completion of Placement	Wednesday, 11 August 2021
Trading Halt Lifted – Trading Resumes on ASX	Wednesday, 11 August 2021
Share Purchase Plan opens	Friday, 13 August 2021
Settlement of New Shares issued under the Placement	Monday, 16 August 2021
Allotment and commencement of trading of New Shares issued under the Placement	Tuesday, 17 August 2021
Share Purchase Plan closes	Thursday, 2 September 2021
Allotment of New Shares issued under the Share Purchase Plan	Thursday, 9 September 2021
Commencement of trading of New Shares issued under the Share Purchase Plan	Friday, 10 September 2021

The above timetable is indicative only and subject to change. All times are in Sydney time (AEST).

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

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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 Lithium at the front of the line of new global lithium production.

Finnis has Federal Government Major Project Status and is also 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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