

ASX: CXO Announcement

21 June 2022

Finniss Project Development Update

Highlights

- Mining rate increases at Grants Stage 1 open pit
- DMS plant earthworks and handover to Primero complete, DMS plant construction activities commencing
- Crushing contractor CSI has arrived on site
- Finniss site administration and IT complex completed
- BP33 Mine Management Plan submitted
- Finniss reserve and resource upgrade expected to be completed in the coming weeks

Australia's next lithium producer, Core Lithium Ltd (**Core** or **Company**) (ASX: CXO), is pleased to provide an update on the latest development activities at its Finniss Lithium Project (Project) near Darwin in the Northern Territory.

The Finniss project is progressing well and remains on track to ship first spodumene concentrate by the end of CY 2022, subject to the successful ramp-up of the Grants open pit, DMS plant and crusher and no further COVID-19 or weather-related delays.

Mining has accelerated with the arrival of the dry season and the commissioning of an additional excavator and trucks to site. Early-stage mining operations at the Grants open pit were impacted by materially higher rainfall and an extended wet season resulting in a temporary increase in fuel consumption and delays in open pit mining. However, the arrival of the dry season and the commissioning of the additional excavator and trucks to the site has allowed mining to accelerate.

CSI Mining Services (CSI) commenced mobilisation to the site as planned, following the award of a Crushing Services Contract for the crushing of run of mine ore at the Finniss Project.

The DMS site handover to Primero is now complete, and construction activities have commenced.

The DMS plant structural steel was sourced from Shanghai and, due to COVID-19 restrictions in Shanghai, delays were experienced with the manufacture and delivery of the structural steel. Primero has now successfully facilitated the export of the steel and all DMS components are now on the water, or located in WA or NT, and ready for transport to Finniss.

Completion of the Finniss site administration and IT complex will allow staff to relocate from the temporary facilities at Tumbling Waters, located about 20km from Finniss. Moving staff to the site based administration building will lead to reduced costs, greater efficiencies and higher productivity.

Core has received initial environmental approval for the BP33 mine and submitted the BP33 Mining Management Plan (MMP). NT Government approval for the BP33 Underground Mine is a two-stage process, and formal approval is anticipated in the September 2022 quarter. The Grants open pit will be the initial source of ore for the DMS plant until BP33 and other mines are brought online.

The Company has received all outstanding drill assays from the BP33 and Carlton deposits, and early indications show the potential for substantial resource increases. Core expects to announce a Finniss resource and reserve upgrade in the coming weeks.

Core has successfully employed all staff necessary for Finniss, with approximately 80% of staff living in Darwin. Similar percentages of locally based personnel are being achieved by major contractors.

The NT Government's decision to scrap COVID-19 mandates for workers and the lifting of COVID-19 travel restrictions has made it easier to fill critical roles for mining and construction activities, but has also led to an increase in COVID-19 related staff absences.

Core Chairman, Greg English said:

"The Finniss project is progressing well with Lucas, CSI and Primero all on site. Practical completion of the new administration and IT complex will allow staff to spend more time at the operation and should lead to productivity improvements in simply reducing travel time alone."

"The submission of the BP33 Underground Mine MMP was a great achievement with formal approval anticipated from the NT Government in the coming months."



Figure 1. Mining at Grants Pit Stage 1



Figure 2. Finniss Lithium Project



Figure 3. Finniss admin and IT complex



Figure 4.. Tumbling waters temporary administration building

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

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About Core Lithium

Core Lithium is building Australia's newest and most advanced lithium project on the ASX, the Finniss Project in the Northern Territory.

Finniss has been awarded Major Project Status by the Australian Federal Government, is one of the most capital efficient lithium projects and has arguably the best logistics chain to markets of any Australian lithium project.

The Finniss Project will provide the globe with high-grade and high-quality lithium suitable for lithium batteries used to power electric vehicles and renewable energy storage.