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ASX: CXO Announcement

30 September 2022

A\$100m Institutional Placement to Accelerate Growth Initiatives at Finniss

Highlights

- Core to undertake a fully underwritten placement to raise A\$100 million at an offer price of A\$1.03 per share, representing a 6.8% discount to the last closing price of A\$1.105 per share on 29 September 2022
- Equity raise enables Core to fast-track exploration programs, expedite capital development initiatives and pursue growth opportunities
- Finniss project development is on track for first concentrate production in the first half of 2023

Australia's next lithium producer, Core Lithium Ltd (ASX: CXO) (Core or Company), is pleased to announce it is conducting a fully underwritten institutional placement of 97.1 million new fully paid ordinary shares (New Shares) to raise A\$100 million (Placement).

Given recent exploration success and favourable lithium pricing in the spot market, the Company intends to pursue new and aggressive exploration programs designed to rapidly grow Ore Reserves and Mineral Resources through extensional and Resource definition drilling at the Finniss Lithium Project (Finniss or the Project).

The Placement also enables Core to maintain a strengthened balance sheet during the construction and ramp-up phases and provides increased financial flexibility to assess a range of options for future growth. Development activities at Finniss are progressing well and Core remains on schedule to deliver first lithium concentrate production in the first half of 2023.

Funds raised from the Placement will be principally used for:

- Accelerated Resource definition, extensional and exploration drilling, with a budget of A\$25 million planned for calendar year 2023;
- Advancing development of the proposed BP33 underground mine by investment in early works, previously funded out of cash flows;
- Introducing a night shift to facilitate an accelerated commissioning of the Finniss concentrator;
- Enhancing Core's project management and corporate development capabilities; and
- Working capital during completion of construction and ramp-up.

Core's Chief Executive Officer, Mr. Gareth Manderson, commented:

"The Placement enables Core to pursue several new growth initiatives. We will be well-funded for a larger exploration campaign on our prospective landholding.

Recent exploration success at BP33, Core's proposed second lithium mine, supports the deployment of growth capital and project development, enabling Core to capitalise on the current strength in lithium prices.

We are looking forward to delivering first production of lithium concentrate from Finniss in the first half of 2023 and thank our loyal shareholders for their continued support."

Placement

The Placement of A\$100 million will take place under ASX Listing Rule 7.1.

The Placement will comprise the issue of approximately 97.1 million New Shares and will be conducted at an offer price of A\$1.03 per New Share (**Placement Price**), which represents:

- A 6.8% discount to the last close price on 29 September 2022 of A\$1.105; and
- A 13.0% discount to the 5-day volume weighted average price of A\$1.184

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

Canaccord Genuity (Australia) Limited is acting as Lead Manager, Underwriter and Bookrunner to the Placement. Core's financial adviser is Azure Capital and its legal adviser is Allens.

Settlement of the New Shares issued under the Placement is expected to occur on Friday, 7 October 2022, with allotment scheduled for Monday, 10 October 2022.

Further details of the Placement are set out in the Company's investor presentation lodged with the ASX today. The investor presentation contains important information including key risks of investing in Core and foreign selling restrictions with respect to the Placement.

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Equity Raising Timetable

Event	Time (AEDT) / Date
Trading Halt and Bookbuild	Friday, 30 September 2022
Announcement of Completion of Placement	Monday, 3 October 2022
Trading Halt Lifted – Trading Resumes on ASX	Monday, 3 October 2022
Settlement of New Shares issued under the Placement	Friday, 7 October 2022
Allotment and commencement of trading of New Shares issued under the Placement	Monday, 10 October 2022

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

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 Finnis Project in the Northern Territory. Finnis 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 Finnis 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.

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