

27 October 2023

# ASX: CXO Announcement

## September Quarterly Activities Report

Australian lithium miner Core Lithium Ltd (ASX: CXO) (Core or Company) is pleased to provide its quarterly activities report for the quarter ended 30 September 2023.

### Highlights

- Spodumene concentrate production of 20,692t (compared to 14,685t Q4FY23)
- Improvement in lithia recoveries evident through the quarter, averaging 50% (from 49% in the previous quarter)
- An 8% increase in total material moved in Q1FY24 compared to Q4FY23 and record ore extraction in September
- Stocks on the run of mine (ROM) pad at the end of the quarter were 164,796t, compared to 7,598t at end of Q4FY23
- Lithium fines extraction of 29,197t and maiden shipment of 15,002t
- Spodumene concentrate shipments of 23,424t at an average grade of 5.2% (compared to 5,423t at 5.6% Q4FY23), including:
  - Final concentrate shipment of 13,100t into the Yahua prepayment agreement
  - First 10,000t spodumene concentrate delivered into the Ganfeng offtake agreement
- BP33 early works have progressed well including excavation of the 288m box-cut, delivery of the steel tunnel liners, excavation of water storage, sediment dams and site roads
- Raised \$107.9 million (net of costs) following completion of institutional placement and share purchase plan
- Cash balance at 30 September 2023 of \$202.1 million

### Subsequent activities

- BP33 Mineral Resource Estimate Measured and Indicated categories increased to 89% following the Resource upgrade to 10.5Mt @1.53% Li<sub>2</sub>O<sup>1</sup>
- DMS plant recovery optimisation initiatives continue with positive results received in October
- Fourth spodumene concentrate shipment of 10,155t and 15,049t of fines departs from the Darwin Port

<sup>1</sup> See ASX Release dated 16 October 2023 – Mineral Resource at BP33 increased to 89% Measured and Indicated. The BP33 Mineral Resource Estimate (MRE) of 10.5Mt at 1.53% Li<sub>2</sub>O was first reported on 16 October 2023. Core Lithium confirms that the Company is not aware of any new information or data that materially affects this Mineral Resource Estimate and confirms that all material assumptions and technical parameters underpinning the estimate continue to apply and have not materially changed.

## Commenting on the quarter, Core Chief Executive Officer Gareth Manderson said:

*'This was a quarter of good progress in our three areas of focus; safely ramping up and optimising our concentrate production operations at Grants, progressing the BP33 Project and delivering our exploration plan. Mining and processing performance improvement is tangible and I am very proud of the way the team are working thoroughly and at pace to achieve our improvement objectives.'*

*'Increasing recoveries is one of the greatest levers we have to add value to our business. Recovery has increased to an average 50% for the quarter. There has been a steady improvement over time and in October to date, we have seen average recoveries of around 55%. Recovery improvement trials are continuing to work to lock in and improve upon these results and ensure we continue to meet our customers' specifications.'*

*'It is a hive of activity at BP33 where the team is working to achieve as much as they can in the dry season. The 288m long and 40m deep box cut excavation has progressed well and deliveries of the steelwork for the tunnel which covers the box-cut to manage water ingress, were completed in October.'*

*'The results of the BP33 drilling program, announced in October, have led to 89% of the 10.5Mt resource now classified as Measured and Indicated. This is a very positive step towards the development of the BP33 mine plan and is being incorporated into the updated feasibility study, on track to be delivered in Q1 CY24. The underground mining method has been selected and it has been encouraging to see strong interest from a number of specialist underground mining contractors.'*

## Sustainability

There was one recordable injury during the quarter when a driller's offsider sustained a hand injury. A High Potential Incident also occurred when a drill rod fell from height striking a driller offsider on the hand. Engineering controls have been implemented which are designed to mitigate the hazards in both activities.

The Critical Risk Management program continues to be implemented in operations, the BP33 project and in exploration activities. Our major fatality risks across these areas have been identified and actions set to prioritise the implementation of controls.

Wet season and cyclone preparedness is underway. This includes the construction of new storage facilities and connecting infrastructure to enable water to be stored and moved between storage ponds.

A second round of Core Lithium's Community Grants program has been opened for applications.

## Finniss Operations

The Finniss operation continues to ramp up with excellent progress evident in both the mine and processing plant. In the Grants open pit, the focus is on increasing equipment availability and lifting productivity and in the DMS plant on higher throughput and improved recoveries.

**Table 1. Production, Sales and Costs**

		Q3 FY23	Q4 FY23	Q1 FY24
<b>Production</b>				
<b>Spodumene concentrate produced</b>	<b>Tonnes</b>	3,589	14,685	20,692
<b>Recovery rate</b>	<b>%</b>	47	49	50
<b>Sales</b>				
<b>DSO Shipments</b>	<b>Tonnes</b>	14,774	-	-
<b>Spodumene Concentrate Shipments</b>	<b>Tonnes</b>	-	5,423	23,424
<b>Concentrate grade shipped</b>	<b>%</b>	n/a	5.4	5.2
<b>Lithium fines extracted*</b>	<b>Tonnes</b>	-	-	29,197
<b>Lithium fines shipped</b>	<b>Tonnes</b>	-	-	15,002
<b>Cost of production</b>				
<b>Cash operating unit cost</b>	<b>A\$/t</b>	2,386	1,691	1,889
<b>Inventory and other (non-cash)</b>	<b>A\$/t</b>	(198)	(789)	(985)
<b>C1 Cost**</b>	<b>A\$/t FOB</b>	2,188	902	904
<b>C1 cost plus royalties</b>	<b>A\$/t FOB</b>	2,323	1,416	1,067

\*At quarter end there was 8,527t of concentrate and 11,929t of lithium fines at Darwin port.

\*\*C1 operating costs (FOB Darwin excluding royalties) include mining, processing, transport, port charges, and site based general and administration costs and are net of fines margin by-product credit of \$232/t of concentrate in the September quarter (no fines sold in FY2023). It is calculated on an accruals basis and includes inventory movements, and credits for capitalised deferred mine waste stripping.

## Mining

Grants mine performance improved over the course of the quarter. A series of performance improvement initiatives adopted by the mining team, resulted in an 8% increase in total material moved in Q1 FY24 compared to Q4 FY23. It is planned that ore stocks will build prior to the wet season and be drawn down throughout the wet season months. As we move into the wet season, the total material moved is scheduled to be lower as mining is sequenced to focus on the most accessible areas.

Blasting and excavator reliability issues experienced early in the quarter were also addressed leading to record ore extraction in September.

A second wall movement monitoring radar was installed to improve prediction of wall movement and ensure preventative measures are established proactively.

There has also been a concerted focus on wet season preparedness. Additional high volume water storage facilities have been constructed, haul roads have been sheeted and new equipment installed for dewatering.

Stocks on the run of mine (ROM) pad at the end of the quarter were 164,796t, compared to 7,598t at 30 June 2023.

## Processing

Spodumene concentrate production for the quarter was 20,692t at a grade of 5.0%. Shipments were made to customers at differing grades according to required contractual specifications.

During the quarter the operation completed a series of trials to improve DMS plant performance and production outcomes. These trials include optimising blast parameters in the pit to produce the desired ore feed size, adjusting screen size in the crushing circuit, reagent dosing set-point and timing adjustments, optimising the ultra-fines circuit, adjustments to the roll crusher and commissioning of a mica classifier.

The initial set of improvement actions and operating parameters identified by this work has seen improved recoveries for the quarter averaging 50% versus 49% in the previous quarter. Process improvement work continued during October, with the DMS plant being run at higher rates, initially at 80 tonnes per hour and now 90 tonnes per hour. The indicative average recovery achieved in October to date is 55% at a spodumene concentrate grade of 4.5% to 4.8%. Work will continue in the coming months to further enhance these outcomes and optimise recovery and spodumene concentrate grade.

Core has had successful discussions with both customers to broaden the specification for spodumene concentrate to include acceptance of grades with a minimum of 4.5% Li<sub>2</sub>O. Agreement has been finalised with one of our customers. Commercial arrangements are currently being finalised with the second customer for the FY24 period. These changes will support continued operational improvement during the current financial year.

Production of a concentrate at these lower grades results in higher recoveries and improved lithium yield. In addition to the improvement work outlined above, these new product specifications are expected to deliver lithia units and a net revenue outcome that is within the range implied from the FY24 Guidance provided by the Company (see Guidance below).

### **Lithium fines**

To address lower recoveries in the near-term, a lithium fines material which is rejected by the DMS plant is captured and sold as a ~1% lithia fines product. During Q1, 29,197t of fines were extracted from the tailings facility and transported to the Port of Darwin for shipment. 15,002t of lithium fines at a grade of 1.3% was shipped in the quarter. A second parcel of fines was building during September and was loaded with the concentrate cargo shipped in early October.

### **Cost of Production and Cash Flow**

C1 unit costs for the September quarter of \$904/t were broadly in line with the previous quarter. As a result of the improved mining performance and the resultant build up in ore on the ROM pad, \$985/t in cash costs were deferred to inventory in the quarter. This build in the ROM stockpile positions the Company well for the upcoming wet season. Before accounting for inventory movements, the September quarter cash operating unit cost was \$1,889/t being 11% higher than the previous quarter. This increase was due to a lower strip ratio, resulting in a higher proportion of the waste stripping costs being expensed (rather than capitalised).

Cash at bank at 30 September 2023 of \$202.1 million included \$107.9 million in net proceeds from an equity raise undertaken in August. The operating cash outflow of \$26.0 million reflects:

- the timing of shipments, with 8,527t of concentrate at the port at 30 September, which was included in the early October shipment; and
- the repayment of \$27.7 million to Yahua, in respect of a quotational period (QP) adjustment. The QP adjustment related to a prepayment arrangement and resulted from the significant fall in the lithium spodumene price between the date of prepayment and the end of the quotational period.

Excluded from the cashflows in the quarter are the cash receipts relating to the 13,100t shipment in July. These tonnes were part of the Yahua prepayment arrangement, with the cash received in Q4FY23.

Capital expenditure during the quarter was \$19.9 million, with \$8.5 million allocated to the BP33 box cut, with the remainder relating to Finniss sustaining capital. The Finniss sustaining capital included \$3.3 million for water storage facilities, \$2.4 million for site establishments and \$2.5 million for deferred stripping.

### **Guidance**

The operation remains on track to meet production, unit cost and capex guidance for FY24. Although the Company did not provide guidance on concentrate grade, with the evolution of the product strategy to a higher volume at a lower grade, the overall lithia units are expected to be within the range implied by the original guidance of 80,000t to 90,000t at an assumed grade of 5.5%. As mentioned above, the lower grade and associated discounts, are expected to be offset by the increased

tonnage, with the net revenue outcome expected to be within the range implied by the original Guidance<sup>2</sup>, subject to risks around the wet season and DMS plant and open pit performance.

ROM stocks are expected to build through Q2FY24 and be drawn down during the wet season in Q3FY24. Lithia units sold are likely to be in line with previous sales guidance.

Production guidance of 85,000t to 95,000t of a 1% lithium fines product is unchanged, but is subject to pricing. At current relativities to spot this product remains profitable, but further declines in the lithium price could see its production paused for potential sale in the future.

### Sales and Marketing

In early July, a shipment of approximately 13,100t of spodumene concentrate was loaded for export to China. This shipment represented the balance of the commissioning and first production tonnes (18,500t total) sold to Yahua under 'additional sales agreements' announced in March 2023<sup>3</sup>.

In early September, the inaugural 10,000t spodumene concentrate delivery was made into Core's long-term offtake agreement with Ganfeng. The average realised price for these two spodumene concentrate shipments was \$2,560/t at delivered grades.

In addition to these shipments, Core sold its first parcel of 15,000t of lithium fines with a grade of 1.3% Li<sub>2</sub>O with the ship leaving Darwin Port on 8 September.

Subsequent to quarter end, a shipment of 10,155t of concentrate and 15,049t of fines was made in October.

### Exploration and studies

The majority of the \$10.1 million in exploration and studies expenditure during the quarter was allocated to further definition and extension of existing near-mine Mineral Resources, together with BP33 feasibility study costs.

Diamond drilling continued to test the southern depth extension of Grants to ascertain if the mine life could be extended.

At BP33, the Mineral Resource definition drilling was completed and the Mineral Resource model updated (see below).

Mineral Resource extension and definition drilling programs were also undertaken at the Carlton, Lees and Booths deposits. Drilling was also undertaken at several greenfield targets.

Regional exploration at Finniss included ANT remote sensing in the northern part of the tenement holding and soil sampling was undertaken in the south.

The remaining funds plan to be directed towards identifying and testing new targets via a combination of geochemistry, geophysics and drilling at Finniss and Shoobridge, and geochemistry and geophysics at Anningie-Barrow Creek.

Work to advance studies for Carlton and other regional prospects was ongoing.

### BP33 Underground Project

The BP33 Underground Project is the potential second mine and long-life, cornerstone asset at Finniss. During the quarter, Core commenced a \$45-\$50 million early works program and, in parallel, progressed an updated feasibility study targeting a Final Investment Decision for the Project in Q1CY24<sup>4</sup>.

The early works program includes a covered box cut, site access roads, ROM pad establishment, contractors' facilities, temporary services, site drainage and associated water storage and water management infrastructure.

<sup>2</sup> This comparison is based on the current spodumene concentrate (6%) spot price of \$2,250/t and an AUD:USD exchange rate of 65 cents.

<sup>3</sup> See ASX announcement dated 11 July 2023

<sup>4</sup> See ASX announcement dated 19 May 2023

In September, excavation of the 288m long box cut commenced. Box cut excavation has progressed well during the quarter allowing work on the concrete and steel footings for the arches to commence in October, subsequent to the quarter. The box cut tunnel liner has been custom designed and manufactured in a specialist plant in South Korea<sup>5</sup> and the last steel arches were delivered in October. In October, a concrete batch plant (with coolers) was installed for the box cut tunnel liner installation and other future concrete requirements. The box cut will provide portal access from which the decline to the BP33 ore body can be developed as a part of the next phase of capital works.

Subject to a potential early wet season and any unexpected geotechnical and groundwater impacts, the early works activities are expected to be completed by the end of Q1CY24 to support progression of the decline subject to board approval. The contract for the early works civil construction is being executed by Northern Australian Civil (NAC), a Darwin-based contractor with prior box-cut development experience.

The updated feasibility study aims to capture the impact of the significantly larger BP33 Resource, which has more than doubled in CY23 to 10.5Mt @ 1.53% Li<sub>2</sub>O<sup>6</sup>. Core has engaged a range of mining consultants with experience in both lithium and underground mining to develop the study. The analysis includes detailed metallurgical test work, geotechnical analysis, mine sequencing options, cost estimates and ground water management analysis.

The metallurgical test work program is 50% complete, process flowsheet design is underway and the backfill test work is advanced.

The regional groundwater model is currently being updated to include recent groundwater data and geotechnical logging.

Preparations for the decline approvals were completed during the quarter and the approval request submitted subsequent to quarter end.

Long-hole open stoping has been selected as the preferred mining method and expressions of interest for the selection process have commenced with potential underground mining contractors.

An additional program of geotechnical and Mineral Resource infill drilling was completed. The mining block model is being updated using the results of this work and the upgraded Mineral Resource will form the basis of the case presented for an investment decision.

### **BP33 Mineral Resource Estimate upgrade**

Subsequent to end of the quarter, Core reported that Resource definition drilling at BP33 in 2023 led to an increase in the proportion of measured and indicated categories and an increase in Mineral Resource volume and grade from 10.1Mt @ 1.48% Li<sub>2</sub>O<sup>7</sup> to 10.5Mt @ 1.53% Li<sub>2</sub>O<sup>1</sup> (Table 2, 3 Figure 1).

Results were received from four drillholes targeting infill positions, with the aim of increasing the proportion of Indicated Mineral Resources within the existing BP33 orebody. The drilling results were in line with expectations, confirming the continuity in grade and thickness of the modelled mineralisation domains. The BP33 mineralisation remains open down plunge.

Importantly, there is now 9.36Mt of the Mineral Resource, at 1.52% Li<sub>2</sub>O, up from 6.94Mt at 1.50% Li<sub>2</sub>O, within the Measured and Indicated categories. This represents 89% of the total current Mineral Resource Estimate and a 35% increase on the previous estimate for the Indicated and Measured Mineral Resource categories.

This BP33 Mineral Resource Estimate represents the final update that will inform the mine design used for the updated feasibility study that is currently underway.

Core will provide further detail on the capital estimate for BP33 alongside a summary of the Feasibility Study results, which is due in Q1CY24.

<sup>5</sup> See ASX announcement dated 6 September 2023

<sup>6</sup> See ASX announcement dated 6 March 2023

<sup>7</sup> See ASX announcement dated 16 October 2023

**Table 2. BP33 Mineral Resource Estimate summary October 2023**

BP33 Mineral Resource Estimate Oct 2023 – 0.5% Li <sub>2</sub> O cut-off			
Resource Category	Tonnes (Mt)	Li <sub>2</sub> O %	Li <sub>2</sub> O Contained metal (kt)
Measured	2.85	1.44	41
Indicated	6.51	1.55	101
Inferred	1.14	1.59	18
<b>Total</b>	<b>10.5</b>	<b>1.53</b>	<b>160</b>

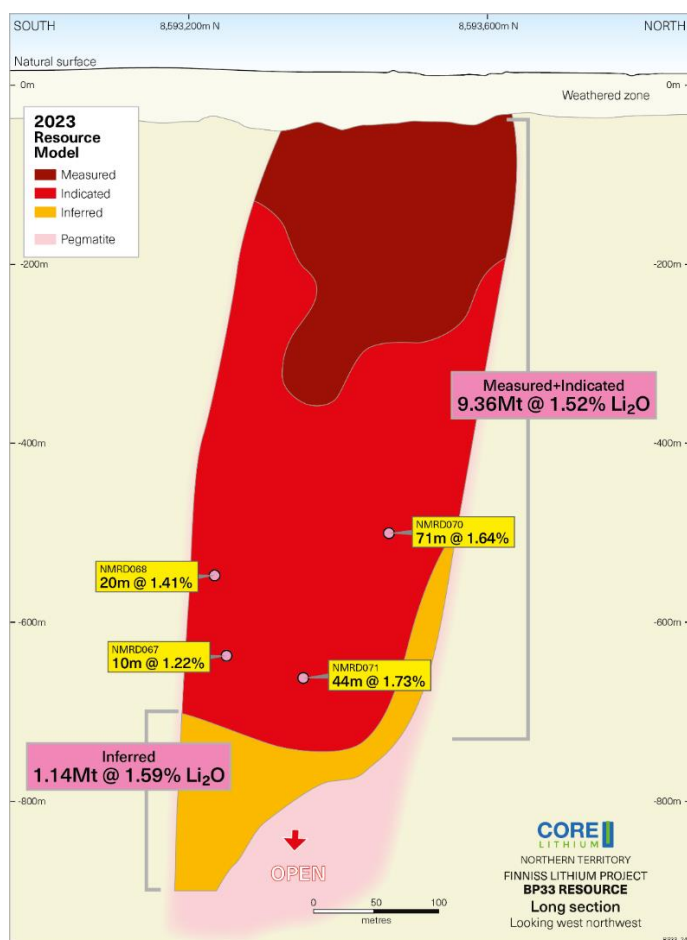
Note: Totals within this table are subject to rounding.

**Table 3. BP33 Mineral Resource Estimate summary February 2023**

BP33 Mineral Resource Estimate Feb 2023 – 0.5% Li <sub>2</sub> O cut-off			
Resource Category	Tonnes (Mt)	Li <sub>2</sub> O %	Li <sub>2</sub> O Contained metal (kt)
Measured	2.85	1.46	42
Indicated	4.09	1.53	63
Inferred	3.17	1.45	46
<b>Total</b>	<b>10.1</b>	<b>1.48</b>	<b>151</b>

Note: Totals within this table are subject to rounding.

**Figure 1. Long sectional view of BP33 resource block model.**



## Carlton Project

The Carlton Project, located 2km from the processing plant at Finniss, has been identified as a potential future mine. In early-September, results were received and announced<sup>8</sup> for the ~7,500m diamond drilling (DD) and reverse circulation (RC) program comprising six DD holes and 16 RC holes that commenced in April.

Drilling has provided further definition of the northern boundary of mineralisation as well as confirming the down-plunge continuity of the spodumene-bearing pegmatite mineralisation. The drilling was within expectations of the geological model, extending the previously known mineralisation at depth.

RC drilling also targeted a shallow sub horizontal mineralised pegmatite sill at the southern end of the main pegmatite body (see Figure 1). It provided further definition and extended the sill towards the south. Mineralisation remains open at depth, and ongoing drilling will be incorporated in an updated Mineral Resource and Ore Reserve Estimate.

To incorporate these results and data, Core is completing a feasibility study which is expected to be completed by the end of CY24.

<sup>8</sup> ASX Release 6 September 2023 Development Projects Update and BP33 and Carlton



## Corporate

### Executive appointments and registered address change

In mid-July, Core announced the appointments of Pierre Malan as Executive General Manager, Development and Exploration and Paul Benjamin as Executive General Manager Commercial and Marketing. The appointments of Mr Malan and Mr Benjamin culminate a 10-month recruitment process to equip Core's executive leadership team with the operational, commercial and development capabilities to maximise value from Core's asset base, pursue growth initiatives and guide the transition from developer to miner and operator.

The Company changed its registered office and principal administrative office to Level 9, 2 Mill Street, Perth, WA 6000.

### \$107.9 million raised through placement and share purchase plan

In mid-August, Core announced a fully underwritten institutional placement to raise \$100 million before costs and offered existing eligible shareholders the opportunity to participate in a share purchase plan (SPP) to raise up to an additional \$20 million before costs.

The placement was completed on 17 August and was supported by existing and new domestic and offshore institutional investors. The placement of 250 million new shares was done at \$0.40 per new share. After costs, \$96.7 million was raised from the placement.

On 28 August, Core launched a share purchase plan (SPP) to provide eligible shareholders with the opportunity to acquire up to \$30,000 worth of Core shares. Core raised approximately \$11.4 million from the issue of 28.4 million shares at \$0.40 per new share under the SPP.

In conjunction with Core's cash at hand at the time of the raising, the \$107.9 million raised from the placement and SPP were allocated for the BP33 early works program, plant optimisation works and sustaining capital, an expanded exploration program and studies, and for corporate purposes and working capital.

### Other disclosures

As at 30 September 2023, Core had the following capital structure:

- 2,136,935,544 ordinary shares; and
- 2,416,549 unquoted performance rights.

Core's Appendix 5B includes amounts in item 6.1. The amounts in item 6.1 represent director fees paid to entities nominated by relevant directors.

## Tenements

Tenement number	Tenement name	Interest at the end of Quarter	Changes during Quarter
<b>South Australia</b>			
EL 6574	Fitton	100%	None
EL 6038	Mt Freeling	100%	None
EL 6111	Yerelina	100%	None
EL 6445	Wyatt Bore	100%	None
<b>Northern Territory</b>			
EL 26848	Walanbanba	100%	None
EL 28029	White Range East	100%	None
EL 28136	Blueys	100%	None
EL 29347	Yambla	100%	None
EL 29389	Mt George	100%	None
EL 29580	Jervois East	100%	None
EL 29581	Jervois West	100%	None
EL 29698	Finniss	100%	None
EL 29699	Bynoe	100%	None
EL 30012	Bynoe	100%	None
EL 30015	Bynoe	100%	None
EL 30793	McLeish	100%	None
EL 31058	Barrow Creek	100%	None
EL 31126	Zola	100%	None
EL 31127	Ringwood	100%	None
EL 31139	Anningie West	100%	None
EL 31140	Anningie South	100%	None
EL 31145	Barrow Creek North	100%	None
EL 31146	Barrow Creek South	100%	None
EL 31271	Bynoe	100%	None
EL 31279	Sand Palms	100%	None
EL 31407	Shoobridge	100%	None
EL 31449	Napperby	100%	None
EL 31886	Adelaide River	100%	None
EL 32205	Finniss Range	100%	None
EL 32392	Ivy	100%	None
EL 32396	Murray Creek	100%	None
EMP 28651	Observation Hill (Extractive Lease)	100%	None

Tenement number	Tenement name	Interest at the end of Quarter	Changes during Quarter
<b>Northern Territory</b>			
ML 29912	Saffums	100%	None
ML 29914	Labelle	100%	None
ML 29985	Angers North	100%	None
ML 31654	Annie/Old Crusher	100%	None
ML 31726	Grants Mineral Lease	100%	None
ML 32074	Observation Hill (Ancillary Lease)	100%	None
ML 32278	Grants Dam (Ancillary Lease)	100%	None
ML 32346	BP33 Mineral Lease	100%	None
MLN16	Bynoe	100%	None
MLN813	Bilatos	100%	None
MLN1148	Centurian	100%	None

**Mining exploration entity or oil and gas exploration entity  
quarterly cash flow report**

**Name of entity**

Core Lithium Ltd

**ABN**

80 146 287 809

**Quarter ended ("current quarter")**

30 September 2023

		<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>Consolidated statement of cash flows</b>			
<b>1.</b>	<b>Cash flows from operating activities</b>		
1.1	Receipts from customers	21,679	21,679
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	(43,391)	(43,391)
	(d) staff costs	(3,343)	(3,343)
	(e) administration and corporate costs	(2,256)	(2,256)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	1,545	1,545
1.5	Interest and other costs of finance paid	(176)	(176)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	(25)	(25)
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(25,967)</b>	<b>(25,967)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(2,946)	(2,946)

		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>Consolidated statement of cash flows</b>			
	(d) exploration & evaluation	(10,106)	(10,106)
	(e) investments	-	-
	(f) other non-current assets - mine development	(16,994)	(16,994)
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	(5)	(5)
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (Net proceeds / (payments) for Security bond)	(530)	(530)
2.5a	Other (Government grant co-funding received)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(30,581)</b>	<b>(30,581)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	111,368	111,368
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	(3,513)	(3,513)
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 (Payments of lease liabilities)	(1,342)	(1,342)
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>106,513</b>	<b>106,513</b>

		Current quarter \$A'000	Year to date (3 months) \$A'000
<b>Consolidated statement of cash flows</b>			
<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	152,786	152,786
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(25,967)	(25,967)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(30,581)	(30,581)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	106,513	106,513
4.5	Effect of movement in exchange rates on cash held	(612)	(612)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>202,139</b>	<b>202,139</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> 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	202,139	152,786
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>202,139</b>	<b>152,786</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	111
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>		

<b>7.</b>	<b>Financing facilities</b> Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	<b>Total financing facilities</b>	-	-
7.5	<b>Unused financing facilities available at quarter end</b>	-	
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)	(25,967)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(10,106)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(36,073)
8.4	Cash and cash equivalents at quarter end (item 4.6)	202,139
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	202,139
8.7	<b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>	<b>5.6</b>
<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>		
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	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?	
<div>Answer: N/A</div>		
8.8.2	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?	
<div>Answer: N/A</div>		
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
<div>Answer: N/A</div>		
<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 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 October 2023

Authorised by the Board of the Company  
(Name of body or officer authorising release – see note 4)

## 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 6: Exploration for and Evaluation of Mineral Resources* and *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 standards apply 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.

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

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Core Lithium Ltd (**ASX: CXO**) (**Core or Company**) is an Australian hard-rock lithium mining company that owns and operates the Finiss Lithium Operation on the Cox Peninsula, south-west and 88km by sealed road from the Darwin Port, Northern Territory. Core's vision is to generate sustained value for shareholders from critical minerals exploration and mining projects underpinned by strong environmental, safety and social standards.

For further information about Core and its projects, visit [www.corelithium.com.au](http://www.corelithium.com.au).

#### **Important Information**

This announcement may reference forecasts, estimates, assumptions and other forward-looking statements. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it cannot assure that they will be achieved. They may be affected by various variables and changes in underlying assumptions subject to risk factors associated with the nature of the business, which could cause results to differ materially from those expressed in this announcement. The Company cautions against reliance on any forward-looking statements in this announcement.

Core Lithium confirms that the Company is not aware of any new information or data that materially affects the Carlton exploration results reported in this announcement and confirms that all material assumptions and technical parameters underpinning the BP33 Mineral Resource Estimate continue to apply and have not materially changed.

All references to dollars (\$) and cents in this announcement are to Australian dollars, unless otherwise stated.