

8 July 2024

# ASX: CXO Announcement

## FY24 Production and Financial Position Update

Core Lithium Ltd (**ASX: CXO**) (**Core** or **Company**) is pleased to provide its preliminary production results and financial position at 30 June 2024.

### Summary

- Revised FY24 guidance exceeded with 95,020dmt of spodumene concentrate produced and 97,423dmt shipped
- Record quarterly shipments of spodumene concentrate of 33,027dmt, as well as 19,771dmt of lithium fines
- FY24 spodumene concentrate production of 95,020dmt exceed revised guidance (90,000dmt-95,000dmt)<sup>1</sup>
- FY24 spodumene concentrate sales of 97,423dmt exceed revised guidance (80,000dmt-90,000dmt)<sup>1</sup>
- FY24 lithium fines sales of 66,140dmt
- Unaudited cash balance at 30 June 2024 increased to \$87.6 million (March 2024 quarter of \$80.4 million)
- Finniss operations will now pause with restart assessments underway
- Preparations continue for drilling programs to commence at Shoobridge, Finniss and Napperby, with results expected in the coming months
- Core remains debt free and has sufficient funds to support the Company's focus on exploration, growth and development of the Finniss district

### Core Lithium CEO Paul Brown commented:

*"I would like to commend the team on the operational performance in FY24, particularly the safe and orderly cessation of production activities at Finniss while achieving record production and shipments. This will help preserve the Company's strong financial position, where we finished FY24 with an unaudited cash balance of \$87.6 million and no debt.*

*Our commitment is to judiciously protect our balance sheet by reducing costs across the organisation and making prudent investments in our assets where we believe it can grow shareholder value. Central to this is putting Finniss in a position where operations can rapidly resume with minimal capital. This would only occur when we are confident the lithium market conditions support such a decision.*

*Our strategic focus will be on making Finniss a more robust operation in the future, and exploration is a key enabler of this. In FY25, we will be drill testing priority targets around Finniss, potentially adding meaningful life to future lithium mining operations. We will also be advancing earlier stage, low multi-commodity exploration activities within our Northern Territory landholding to demonstrate the value in these projects. Our business will stay agile and prepared for future opportunities, both within the Company and externally, as they arise."*

<sup>1</sup> Revised guidance included in the December Quarterly Activities and Cashflow Report released to the ASX on 24 January 2024.

## Operations

Core produced 95,020dmt (dry metric tonnes) of spodumene concentrate at an average grade of 4.8% for FY24, exceeding the revised guidance<sup>1</sup> released in January 2024.

Cash operating unit costs are expected to align with the upper end of the revised guidance.

The Company completed processing of run-of-mine stockpiles, with mineral processing ceasing in June 2024.

## Marketing

The final spodumene shipment for FY24 of 10,413dmt left Darwin in mid-June. During the June 2024 Quarter, Core sold:

- 33,027dmt of spodumene concentrate at a 4.8% grade; and
- 19,771dmt of lithium fines at a 1.3% grade.

In FY24, Core exceeded the revised FY24 guidance and sold 97,423dmt of spodumene concentrate at an average grade of 4.8%.

Core has 5,178wmt (wet metric tonnes) of spodumene concentrate and 75,000wmt of lithium fines available at Finniss for sale, bulk testing or qualification by potential customers. The Company has several parties interested in this material and is assessing its options.

## Financial position

The Company's unaudited cash balance at the end of FY24 is \$87.6 million, a \$7.2 million increase on the cash balance at the end of the March 2024 Quarter.

The increased cash balance benefited from the processing and selling of concentrate produced from the ROM stockpiles in the quarter following the cessation of mining at Finniss.

Core remains debt free and has sufficient funds to support the Company's focus on exploration, growth and development of the Finniss district, its regional tenement holdings and other growth opportunities.

The Northern Territory Revenue Office (TRO) has issued the Company a Notice of Assessment for additional royalties payable for FY23 of approximately \$6.4m. Core will contest the TRO FY23 Notice of Assessment. Further information will be provided in the Company's FY24 Annual Report. This assessment will not materially impact the Company's operating plans for FY25.

## Next Steps

Core will now prioritise the safe preservation of the Finniss assets in a restart ready state following the cessation of mining and processing activities.

The Company is currently assessing opportunities to improve future operations from a cost and product quality perspective to support the potential to sustainably resume production in a more stable lithium market pricing environment.

During the FY25, Core intends to actively explore its 100% owned tenements, which are prospective for lithium, gold and uranium.

As Finniss site activity decreases, anticipated cash outflows will be substantially reduced by implementing various cost-saving measures. Further details on the restart plan and cost saving measures will be provided in the June 2024 Quarterly report.

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

For further information, please contact:

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**About Core**

Core Lithium Ltd (**ASX: CXO**) (**Core** or **Company**) is an Australian hard-rock lithium company that owns and operates the Finnis 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.