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Annual Report
2024

ASX: CXO

About this Report

Core Lithium Ltd is the 100% owner of the Finniss Lithium Operation – the Northern Territory’s first lithium mine, and Australia’s only lithium mine outside of Western Australia. Finniss is located just 88km by sealed road to the Port of Darwin and supported by one of the best logistics chains of any Australian lithium project. The operation is currently on hold while restart studies are completed and lithium market conditions stabilise.

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Important Information

This Annual Report covers Core Lithium Ltd (“Core”, the “Parent” or the “Company”) and its subsidiaries, collectively referred to as “the Group”. The financial report is presented in Australian dollars. Core is a company limited by shares, incorporated and domiciled in Australia.

The Company’s registered office and principal place of business is:

Core Lithium Ltd
Level 9, 2 Mill Street
Perth 6000
Western Australia

Acknowledgement of country

Core acknowledges First Nations people, the traditional custodians of the land on which we work throughout Australia. We pay our respects to the people and cultures, and to their elders past, present and emerging. We recognise their connection to land, water and community, and their rich contribution to society.



The Finnis Lithium Operation has extensive infrastructure in place including a 1 million tonne per annum processing plant and a full logistics chain from mine to port.

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The Year in Review

Mining operations were paused in January 2024 and processing of stockpiles was completed in June 2024

Operations

Read more pages 12–13

95,020dmt

spodumene concentrate produced

Record monthly recovery rate of 65% in May 2024

Cash operating costs of

\$1,396/dmt

Sales and marketing

Read more page 14

97,423dmt

spodumene concentrate sales

First lithium fines shipment made in September 2023

66,140wmt

lithium fines sales

5,178wmt of concentrate and up to 75,000wmt of fines available for sale

Projects and exploration

Read more pages 15–20

~500km²

landholding in the Bynoe pegmatite field

Finniss Global Mineral Resource increased to

48.2Mt¹

@1.26% Li₂O

\$26.6m

cash spent on exploration in FY24

1. Refer to “Finniss Mineral Resource Increased by 58%” as released on 11 April 2024. Core Lithium confirms that the Company is not aware of any new information or data that materially affects the Mineral Resource Estimates cross referenced in this report and confirms that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Restart study to be completed in FY25



Maintaining the operations in a restart ready state



Complying with all licence requirements



Bottom-up assessment of cost base



Review of operating model



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Finniss Milestone Timeline

A Rapid Pathway to Production

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2017

- Finniss discovery
- Bynoe landholding increased
- Maiden MRE at Grants

2018

- BP33 emerges as high-priority target
- Grants mining lease lodged
- Maiden MRE at BP33
- Scoping study

2019

- BP33 MRE grows 50%
- Grants Mining Lease granted
- Finniss DFS
- AAPA Certificate granted
- EPA assessment completed
- Grants MMP submitted
- Yahua offtake agreement

2020

- BP33 approvals commence
- Grants MMP approved
- Finniss awarded Major Project status
- Grants Mining Lease granted
- Darwin Port agreement

Finniss Mineral
Resource Estimate
grows

18.9Mt

↑ @1.32% Li₂O¹

Finniss Ore
Reserve grows

10.6Mt

↑ @1.3% Li₂O

BP33 grows

10.1Mt

↑ @1.48% Li₂O²

Finniss MRE grows

30.6Mt

↑ @1.31% Li₂O

2021

- Updated DFS
- Ganfeng offtake \$125M raising
- Final Investment Decision
- Construction commences
- Core joins ASX200
- Finniss ORE grows to 10.6Mt @1.3% Li₂O
- Mining commences

2022

- Finniss officially opened
- Crushing plant commissioned
- Maiden DSO sale
- Construction complete
- First concentrate produced
- Additional offtakes
- \$100M institutional placement

2023

- BP33 mine authorisation and MMP approved
- \$50M early works approved
- \$111.4M institutional placement and Share Purchase Plan
- BP33 Early works commence
- First delivery into long-term offtakes

2024

- Strategic review undertaken following lithium price fall
- Mining of Grants pit suspended
- Processing operations paused
- BP33 boxcut suspended
- Restart studies commenced
- Review of regional exploration targets

1. Refer "Significant Increase to Finniss Resources and Reserves" released on 12 July 2022. Total Mineral Resource Estimate (MRE) of 18.9Mt @ 1.32% Li₂O is comprised of Measured MRE of 5.60Mt @ 1.46% Li₂O, Indicated MRE of 7.69Mt @ 1.35% Li₂O and Inferred MRE of 5.57Mt @ 1.12% Li₂O.

2. Refer "BP33 Mineral Resource more than Doubled" released on 6 March 2023. Total MRE of 10.1Mt @ 1.48% Li₂O is comprised of Measured MRE of 2.85Mt @ 1.46% Li₂O, Indicated MRE of 4.09Mt @ 1.53% Li₂O and Inferred MRE of 3.17Mt @ 1.45% Li₂O.

Core Lithium confirms that the Company is not aware of any new information or data that materially affects the Mineral Resource Estimates and Ore Reserve Estimates and exploration results cross referenced in this report and confirms that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. Core confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements.

Restart Ready

The Finniss Lithium Operation is a highly valuable and strategic asset as the only lithium operation in Australia outside of Western Australia.

Finniss has a modern, high quality process plant and associated infrastructure and a proven logistics chain. The operation is connected to the Port of Darwin by 88km of sealed roads and is ideally located for Asian export markets.

In response to the rapid and sharp fall in the lithium price during the year, the Company took the difficult decision to pause operations at Finniss to preserve the value of the asset. The operation now has a small, specialist team overseeing its security, safety and ensuring the infrastructure remains in a restart ready condition. We have worked closely with NT regulators to ensure we continue to comply with all licence operations and maintain our high environmental standards.

Our restart strategy includes the following:

Retention of skills and experience to ensure a high standard of site maintenance and operational readiness

A detailed bottom-up assessment of the cost base

A review of the future operating model

Studies into optimisation of the processing strategy

Updated mine scheduling and planning

Resource extension drilling of deposits and targets within trucking distance of the Finniss processing plant

Any restart decision will be based on the outcomes of the restart work programs and an assessment of the lithium market conditions, among other factors. The restart study is expected to be completed in the first half of calendar year 2025.





Chair's Letter

Dear fellow shareholders,

I am pleased to present Core's annual report for the financial year ending 30 June 2024. This year has been one of both challenge and resilience, and I want to take this opportunity to provide a summary of our activities, focusing on key areas such as safety, mining operations, environmental compliance, and our strategic response to changing market conditions.

The lithium industry is small and rapidly evolving. As a new entrant, Core has had to navigate the inevitable waves shaping and shaking all lithium companies. We demonstrated our resilience by quickly capitalising on the strong sentiment from 2021 to 2023, successfully financing and constructing our Finnis lithium operation. However, when the market sharply turned from around the start of FY24, just as our operations were ramping up, we had to act decisively and take what were tough decisions to protect your Company.

When the first spodumene concentrate was produced from the Finnis operation in February 2023, lithium prices were nearly US\$8,000 per tonne. The following year, they hit record lows of US\$1,100 per tonne and are currently trading well below this level. This meant lithium prices fell by around 85% throughout our operating period. This price fall has challenged the economic viability of most of the world's lithium operations.

In response to the deteriorating market conditions, Core undertook a strategic review, which resulted in the difficult decision to stop mining operations at Grants in January 2024. The run of mine stockpiles was processed, with DMS processing stopping in June 2024. This decision was made with careful consideration, prioritising the long-term sustainability of our business and the interests of stakeholders. The decision to stop mining has allowed Core to maintain a strong cash balance while we undertake exploration and further studies to allow the Company to recommence mining once market conditions are favourable.

While the toughest decisions are now behind us, we are acutely aware of their impact on our employees and important stakeholders in the Northern Territory. The passing of time may have shown that they were the right decisions in the circumstances, but this does not diminish our regret for reducing our workforce and placing operations on hold to protect the value of our assets. Our commitment now is to build a management team that is dedicated and capable of leveraging the platform we have created to transform Core into a much stronger operator in the future. We are steadfast on this path, focusing on sustainably rebuilding shareholder value across our business.

Despite the challenges of FY24, several positive outcomes were achieved. As a Board, we are pleased with our safety and sustainability performance during a period of volatility. Our commitment to rigorous safety protocols and continuous improvement has reinforced a secure working environment for all employees and contractors. We have invested in training and safety systems to maintain high safety standards across our operations, safeguarding our workforce and bolstering our operational efficiency and industry reputation.

Our ramp-up of operations at Finnis showed progressive improvement, with demonstrated plant performance and recovery improvements achieved over FY24. We demonstrated the efficiency and safety of our logistics chain in transporting products from our operations to our customers. We also advanced our second mining front with the box cut commencing at the BP33 project. Importantly, we ended FY24 in a solid financial position, with a cash balance of more than \$87 million and no debt, providing a solid foundation for our future endeavours.

Core will continue to act ethically and keep our operations in good standing before any restart. We remain committed to working closely with local NT stakeholders and collaborating with the traditional landowners of the lands on which we operate. I'd also like to thank the NT government, which has remained a supportive partner. I encourage all shareholders to review the sustainability report contained within this document, which outlines our strategy, key objectives and achievements during FY24.

This past year, we experienced several changes in our team as part of our ongoing efforts to move the business forward. I want to thank all those who contributed during this period and acknowledge the executive team's leadership, particularly during the transition phases and restructuring.

While the strategic plan and the cessation of mining and processing were implemented, it was critical that the Board's focus turn to securing highly capable executives to ensure the change could be sustained and that the Finnis operations were ready to restart.

Following the departure of CEO Gareth Manderson in March 2024, CFO Doug Warden was appointed interim CEO. Doug did an outstanding job in this position, and the Board extends its thanks for his dedication and professionalism during his time in the role.

In May 2024, the Board was pleased to announce the appointment of a new CEO, Paul Brown. Paul's previous leadership roles with Hastings Technology Metals, Mineral Resources Ltd, and Fortescue Ltd, as well as his extensive experience in the lithium market operations, make him the ideal person to spearhead the restart of studies and optimise Finnis Operations.



We continue to invest in exploration and development activities, focusing on expanding our resource base and identifying new growth opportunities.

With the appointment of Doug Warden as interim CEO, James Virgo was promoted to interim CFO in March and was confirmed as permanent CFO in May 2024. James is an experienced finance professional with extensive financial, commercial and taxation experience. James is the ideal person to drive Core's business development and capital management activities.

Andrea Hall resigned as a non-executive director of Core in March 2024. Andrea had been a director of Core since April 2023. On behalf of the Board, I thank Andrea for her significant contribution to Core, including as Chair of the Risk Committee.

Our company has a solid balance sheet and a robust financial position, allowing us to navigate market fluctuations and seize opportunities when they arise. We continue to invest in exploration and development activities, focusing on expanding our resource base and identifying new growth opportunities. Our exploration teams have made promising discoveries, which we believe will contribute to Core's future success.

The lithium industry remains one of the most exciting and dynamic industries in which to participate. There remains a clear prospect for growth in the long term, but we expect to continue to see volatility in the short term. While this will be a challenge, it also presents an opportunity for Core to be in a position to resume operations from a lower cost base and with higher productivity to capitalise on any future price upswing. We have built a team and a strategy around this objective and are committed to delivering on this plan and, in doing so, providing for Core shareholders.

Our strategic goals for FY25 are to streamline business costs, get Finnis Operation restart ready and continue near mine and regional exploration. We are well-funded to deliver on these objectives and look forward to sharing the results of these efforts in FY25.

In conclusion, the past year has been one of adaptation and resilience for Core. While market conditions have presented challenges, our commitment to safety, operational excellence, and environmental stewardship remains unwavering. We have taken proactive steps to navigate the current landscape and are confident in our ability to capitalise on future opportunities as the lithium market recovers.

I want to thank our dedicated employees, management team, and board of directors for their hard work and commitment. I also thank our shareholders for their continued support and confidence in Core.

Yours faithfully,

A handwritten signature in dark ink, appearing to read 'Greg English', written over a light blue circular graphic element.

Greg English
Non-Executive Chair
Core Lithium Ltd.

Chief Executive Officer's Report

Dear shareholders,

It is a pleasure to write to you for the first time as the Chief Executive Officer of Core, a position I have held since June 2024. I am happy to be in this role and believe Core has a tremendous opportunity to create long term value for our shareholders and important stakeholders in the Northern Territory.

We have a highly strategic and valuable infrastructure at our Finnis Lithium Project and critical operating experience from the past two years, which we continue building within our business. At the same time, the lithium market is experiencing significant challenges, so we will be patient and methodical in planning to potentially bring Finnis back online with a lower cost base and a more sustainable operating future.

For those I have yet to meet, I am a Mining Engineer with over two decades of experience spanning lithium, iron ore, and major bulk commodities. My career has seen me contribute to developing and operating world-class projects, including ramp-up and steady-state management of significant greenfield operations. In recent years, I've focused extensively on lithium, overseeing operations and development projects that have played a key role in advancing the sector. Leading Core and steering the future restart of the Finnis Mine is an exciting new chapter where we stand on the cusp of delivering significant value. Core holds ~500km² of the Bynoe pegmatite field in the NT, accessible via sealed roads and other critical infrastructure. Large sections of the project area remain underexplored, and there is exceptional potential for further lithium deposits within trucking distance of the Finnis processing plant. Finnis itself is ideally located 88km from Darwin and the port. This is a proven logistics chain we do not share with other major mining companies.

We have a well built dense media separation (DMS) plant, which the Core team successfully commissioned and ramped up to the point where it achieved a monthly lithium recovery rate of 65% before being placed on care and maintenance when all stockpiles were processed. This is a testament to the high quality design of the facility, and we believe we can further improve these recoveries with further optimisation and potential modifications.

I have been impressed by the support from the NT government, local traditional owners and community groups. We have worked hard to build solid, long standing relationships in the Northern Territory, and we all want the Finnis operation to succeed. We have shown that we can create a competent and loyal workforce from within Darwin and the surrounding regions, which gives us confidence in our ability to create a team as our restart plan evolves.

Finnis produces a high quality, coarse grained spodumene concentrate, which our long term offtake partners in China highly regard. We will continue to maintain these relationships while we go through the restart study process.

Core has accomplished a lot over such a relatively short period. Since its initial discovery in 2016, the Company has completed extensive drilling, technical workstream, feasibility studies, project financing and has brought the operation online in 2023. The typical timeline from discovery to production of a new lithium mine is usually more than 10 years. This puts us in an enviable position to capitalise on a recovery in the lithium market compared to other lithium developers.

After less than a year of operations, the decision to suspend the Finnis operation was challenging but ultimately necessary in light of the rapidly declining lithium market. While this had a difficult impact on many of our people, it was crucial in preserving the long term value of our assets. By making this decision, we've positioned ourselves for a strong restart, a path where others may not have had the same opportunity.

We've also retained critical technical knowledge vital to maintaining asset integrity and ensuring full compliance with our obligations during this interim period. Core continues to operate under a culture of high performance, highly augmented by the recent appointment of James Virgo as Chief Financial Officer. Under his guidance, we will continue to enhance our lean team with the relevant expertise ahead of our planned restart plan.

While Finnis operations are suspended, our entire focus is on advancing the Finnis operational restart strategy, with a detailed bottom-up assessment of the cost base and future operating strategy currently underway. Our goal is to deliver opportunities to improve operating efficiencies, including process improvements in the mining schedule and project pipeline. We anticipate the key outcomes of this Restart Study to be ready in the first half of CY25.



By making this decision, we've positioned ourselves for a strong restart, a path where others may not have had the same opportunity

A key element of our plans is to build our resource inventory within trucking distance of Finnis. We also want to deliver value for our shareholders by advancing our earlier stage exploration assets, which have untested potential for commodities outside of lithium. By making appropriate, low cost investments in exploration, we believe we can build and realise value for shareholders while keeping our primary focus on the lithium restart strategy.

I want to thank our shareholders for their encouragement since I joined the Company through challenging conditions for both the lithium sector and equity markets. We have a strong balance sheet and disciplined approach to capital spending that will allow us to see through this part of the cycle and position the business and our Finnis operation for the recovery. Finnis is a fully permitted, proven operation which can be rapidly restarted for minimal capital in the right market conditions. With key workstreams for the restart well underway, we are looking forward to a brighter year in FY25.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'P Brown'.

Paul Brown
 Chief Executive Officer
 Core Lithium Ltd.



Operations

Operating and Financial Review

Continued Ramp-up and Operational Pause

The ramp-up of mining and processing at the Finnis Lithium Operation continued in the first half of FY24 before a strategic decision in January 2024 was taken to pause the operation in light of a deteriorating lithium price and market outlook.

Mining

Mine performance at the Grants open pit continued to improve in the early part of the financial year, following the successful implementation of several performance improvement initiatives. This resulted in substantial increases in total material moved as operations continued to ramp up over 1H FY24.

There was a concerted focus on wet season preparedness, in response to the above average rainfall which hindered operations in FY23. Additional high volume water storage facilities were constructed, haul roads were sheeted, and higher capacity pumping infrastructure was used for dewatering.

This investment in haul road improvements and upgraded dewatering infrastructure significantly reduced the time to return to normal mining operations during the FY24 wet season. The site experienced above average rainfall during November 2023, which was earlier than the previous year. However, the site team was well prepared to respond to these conditions.

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

However, in response to falling lithium prices and subdued market fundamentals, Core completed a strategic review and elected to suspend all mining operations at Finnis in January 2024 with processing of stockpiled ore continuing until June 2024.

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



Processing

The dense media separation (DMS) plant with nameplate processing capacity of 1 million tonnes per annum at Finniss operated throughout the majority of FY24. As operations continued to ramp up in the first half of the period, plant performance continued to improve through an integrated operational approach.

The Group focussed on increasing equipment availability and lifting productivity in the DMS plant which led to record ore crushing throughput, processing and a significant improvement in recoveries. Process improvement works were conducted during Q4 2023 resulting in the DMS plant running at higher rates increasing from 80 tonnes per hour to 90 tonnes per hour during the plant's ongoing ramp up phase.

A series of trials were also completed, including optimised blast parameters in the pit to produce the desired ore feed size, adjusting screen size in the crushing circuit, DMS media 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 produced substantial improvement in recoveries from ~47% in the first half of production in 2023 to 65% towards the end of the period.

Core produced 95,020 tonnes of spodumene concentrate during the reporting period, exceeding the revised guidance of 90,000 – 95,000dmt.

Successful discussions were held with Core's key offtake customers, which resulted in the broadening of the specification of spodumene concentrate to include acceptance of grades with a minimum of 4.5% Li_2O . Production of a concentrate at these lower grades resulted in higher recoveries and improved lithium yield.



Plant reliability improvements increased plant runtime and led to more stable plant conditions. These results, along with further optimisation of plant density setpoints achieved an improved final concentrate grade averaging 4.8% Li_2O .

Following suspension of mining, Core continued the processing of existing ore stockpiles until all stockpiles were exhausted. During this time, increasing equipment availability and lifting productivity was the primary focus at the DMS plant, which led to record ore crushing throughput, processing and improved recoveries.

Restart assessments remain underway to facilitate further cost reductions and improve operational performance when lithium market conditions improve.

Operations

Operating and Financial Review

Sales and Marketing

Core has long-term offtake agreements in place with two leading Chinese companies, Sichuan Yahua and Ganfeng. All spodumene concentrate sales for FY24 were completed under these agreements.

In early July 2023, a shipment of approximately 13,100dmt of spodumene concentrate was loaded for export to China. This shipment represented the balance of the commissioning and first production tonnes (18,500dmt total) sold to Sichuan Yahua under the additional sales agreements previously announced in March 2023.

In early September 2023, the inaugural 10,000dmt spodumene concentrate delivery was made into Core's long-term offtake agreement with Ganfeng. The Group also sold its first parcel of 15,000dmt of lithium fines with a grade of 1.3% Li₂O with the ship leaving Darwin Port on 8 September.

Suspension of operations

Throughout the period, significant decreases in the market price for spodumene concentrate culminated in Core's decision to suspend all ongoing mining and processing operations. Discussions commenced with offtake partners regarding future delivery schedules and the potential impact of the decision to suspend mining on the long-term offtake agreements.

The final spodumene shipment for FY24 of 10,413dmt left Darwin in mid-June 2024.

As at 30 June 2024, Core has 5,178dmt of spodumene concentrate available at Finnis for sale, bulk testing or qualification by potential customers. The Group is assessing its options for this material.

Core achieved record sales of 97,423dmt, exceeding the FY24 revised guidance (80,000dmt–90,000dmt) at an average grade of 4.8%.

Lithium fines

To address lower recoveries from the DMS plant in the near-term, a strategy of extracting lithium fines material and selling it as a ~1% lithia product was adopted. A total of 66,140wmt of fines were extracted from the storage facility and transported to the Darwin port for shipment.

In total, lithium fines sales were 66,140wmt for the period.

As at 30 June 2024, Core has up to 75,000wmt of lithium fines available at Finnis for sale, bulk testing or qualification by potential customers.

Restart Strategy

Core is now advancing its restart strategy, designed to enhance future operations from a cost, product quality and sustainability perspective, ensuring readiness for improved lithium market conditions.

The Group is now prioritising the safe preservation of the Finnis assets in a restart ready state following the cessation of mining and processing activities. It is also using the pause of operations to advance its operational restart strategy, aiming to strategically capture substantial value from a restart of operations upon stabilising market conditions.

The updated operating strategy involves a detailed bottom-up assessment of the cost base and the operating model. Opportunities to improve future operating efficiency and reduce expenses will be actively investigated. There will be detailed analysis and further refinement to the processing strategy, mining schedule and project pipeline including the integration of the BP33 development and other deposits.

The restart strategy aims to strategically capture substantial value from a restart of operations upon stabilising market conditions.

Integrated with this work is the review of the long-term sustainability and regulatory approvals strategy in the Finnis region. Activities in this space have been progressing throughout FY24 and will continue to advance in collaboration with government, community and other stakeholders as part of FY25 work packages.

The restart study is due to be completed in the second half of FY25 and any restart decision will be subject to the outcomes of the study and market conditions, among other factors.

Key on-site activities for the remainder of the period included general maintenance of the facilities, preserving operational infrastructure, environmental management and ensuring security.

A lean team was assembled to manage the Finnis activities during the suspension of operations, focused on preserving the site assets and infrastructure in a restart ready state. This includes the intermittent operating of components at the DMS plant and maintaining effective environmental and water management.

A defined management strategy for the site water inventory has been developed to ensure that the site water balance is properly maintained at a level that meets regulatory compliance during the wet season and optimises the availability of this resource for the restart of operations.

Growth

Operating and Financial Review

Project Pipeline and Studies

The main scope of our studies and exploration work was to refine and develop the project pipeline in the Finnis district within trucking distance of the processing plant and infrastructure. This included:

- Extensive drilling in the region, resulting in a 58% increase in the Finnis Mineral Resource in April 2024
- Significant progress on the development of the BP33 Underground project, including near completion of the boxcut and early works program prior to the pause of BP33 development due to the drop in lithium price and wet season commencement
- Detailed study work to support the ongoing update to the original BP33 Feasibility Study, including improved mine designs and processing flowsheet options to reflect the larger orebody and outcomes of a wide-ranging testwork program incorporating geotechnical, hydrogeological, and metallurgical assumptions among others

- Commencement of a Carlton study update to reflect learnings from Grants and BP33 and the lower lithium price, higher cost environment
- Significant progress on options assessment and restart planning for Grants and BP33, incorporating an operating model review for Finnis and the overall corporate structure
- An update of Core's Exploration Strategy and Ore Reserves reflecting the changes in the lithium market, NT operating environment and Company's strategic focus areas

Despite the current lithium market environment, the future restart of Grants and BP33 remains a high value pathway. An extensive suite of drilling and detailed study work formed the basis of our key growth works within the Finnis district.

This included reviews and further study work for Grants, BP33 and Carlton to incorporate learnings from the Grants operation, BP33 site development and metallurgical test work undertaken in the first half of CY24. These key works will assist in further refinement to the current Finnis project design and facilities layout, which will enable us to develop a high-confidence restart plan for Finnis when lithium market conditions are more favourable.

Core also targeted additional exploration opportunities at Shoobridge, Anningie-Barrow Creek and Napperby. Supporting scoping studies following exploration drilling carried out during FY25 are expected to increase confidence in the potential of other Finnis deposits of interest, as well as these additional high value project areas.



Growth

Operating and Financial Review

BP33 Underground Project

The BP33 Underground Project is a potential second mine and long-life, cornerstone asset at Finniss. BP33 is located approximately 5km from the Grants open pit, crusher and DMS plant.

Core commenced a \$45–\$50 million early works program which included a covered box cut, site access roads, ROM pad establishment, contractors’ facilities, temporary services, site drainage and associated water storage and water management infrastructure.

In September 2023, excavation of the 288m long boxcut commenced. Boxcut excavation facilitated construction of concrete and steel footings for the arches over October 2023. A concrete batch plant (with coolers) was installed for the box cut tunnel liner installation along with cement stabilisation.

The remainder of early works at BP33 were subsequently paused in line with the Group’s other operations and all construction and infrastructure material delivered to site has been secured until a decision is made to recommence the early works at BP33. All equipment and construction infrastructure have been demobilised from site until a decision is made to recommence works at BP33.

Table 1: BP33 Mineral Resource Estimate Summary

Mineral Resource Estimate for BP33 (0.5% Li ₂ O cut-off)			
Resource Category	Million tonnes (Mt)	Li ₂ O %	Li ₂ O Contained Metal (kt)
Measured	2.85	1.44	41
Indicated	6.51	1.55	101
Inferred	1.14	1.59	18
Total	10.5	1.53	160

The excavated boxcut, along with the erosion and sediment control infrastructure, remains in good condition.

Resource definition drilling conducted at BP33 throughout 2023 led to an increase in Mineral Resource volume and grade from 10.1Mt @ 1.48% Li₂O to 10.5Mt @ 1.53% Li₂O in October 2023¹.

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.

Importantly, the Mineral Resource Estimate (MRE) upgrade included an increase in the proportion of Measured and Indicated categories at BP33 is now 9.36Mt @ 1.52% Li₂O, up from 6.94Mt @ 1.50% Li₂O. This represents 89% of the total current MRE and a 35% increase on the previous estimate for the Indicated and Measured Mineral Resource categories.

1. Refer to “BP33 Mineral Resource Upgrade” as released on 16 October 2023.



With mineralisation remaining open down plunge, the BP33 MRE upgrade represents the final update that will inform the mine design used for the updated Feasibility Study that is currently underway.

To augment its in-house capabilities, a range of consultants with experience in both lithium and underground mining have been engaged over the last 12 months to undertake further study work. This analysis includes detailed metallurgical test work, geotechnical analysis, mine sequencing options, cost estimates and ground water management analysis. This work has been reviewed and renewed as part of the FY24 Ore Reserves update.

Work continues on the BP33 updated Feasibility Study in parallel to the Grants restart study and other Finnis deposit scoping studies. This includes more detailed metallurgical testwork that was unable to be completed prior to the original final investment decision (FID) date for BP33 in CY24. With all other operations remaining suspended, any decision to recommence operations at Grants and recommence BP33 works, including a FID on the project, will be deferred until market conditions improve.

FY24 Ore Reserves Update

To reflect the significant changes in the lithium market, shifts in the broader operating environment, and the learnings from experience at Grants and BP33, an update of Core's Ore Reserves was completed to ensure it reflected the current understanding of project economics. The outcome of this was released to the ASX on 25 September 2024 and can be found on pages 41-44 of this report.

Through the work undertaken over the last year, Core has learned a significant amount and has adapted designs and the operating model to reflect this. The Group's Ore Reserves now focus on the priority deposits that are the foundation of Core's operational focus in the near term and central to the restart strategy. With their combined mine life of over 10 years, the focus on Grants and BP33 enables work to continue to confirm sustainable and economical options to include other deposits both within and outside of the Finnis region as Ore Reserves in the future.

Exploration

The Group successfully delivered its largest exploration program to date, with \$26.6M spent across its 100% owned projects across the Northern Territory and South Australia. Key outcomes from this work included:

- Drilling at Finnis which delivered a 58% increase in total Mineral Resource Estimate to 48.2Mt @ 1.26% Li₂O
- Identification of compelling new lithium and gold targets at Finnis and Shoobridge, generated through field programs which included Ambient Noise Tomography and soil geochemistry

Core's FY25 exploration will be focussed on advancing and testing targets with the potential to host lithium deposits of meaningful scale within trucking distance of the Finnis lithium processing plant, such as at Shoobridge.

The Group also holds an extensive exploration portfolio throughout the Northern Territory and South Australia and is making preparations to test a variety of uranium, rare earth element (REE) and base metals targets.



Core's Project Portfolio

Growth

Operating and Financial Review

Exploration continued

Finniss Lithium District Exploration

The Group holds more than 500km² over the most prospective portions of the Bynoe pegmatite field near Darwin. Core first discovered lithium in the region in 2016 beneath old tin-tantalum workings. Subsequent exploration resulted in a rapid growth in Mineral Resources which underpinned the development of Grants open pit and associated infrastructure.

During 2023, resource definition drilling focussed primarily on high value targets at BP33 and Carlton. The Group subsequently shifted its focus to extension and definition drilling of other known deposits at Lees-Booths, Ah Hoy, Penfolds and Hang Gong. Drilling was also undertaken at several other greenfield targets. Exploration drilling was performed by a fleet consisting of up to three diamond drill rigs, four reverse circulation drill rigs and a rotary air blast rig, collectively drilling more than 68,430m.

In April 2024, the total Mineral Resource Estimate for the Finniss Lithium Project increased by 58% to 48.2Mt at 1.26% Li₂O.

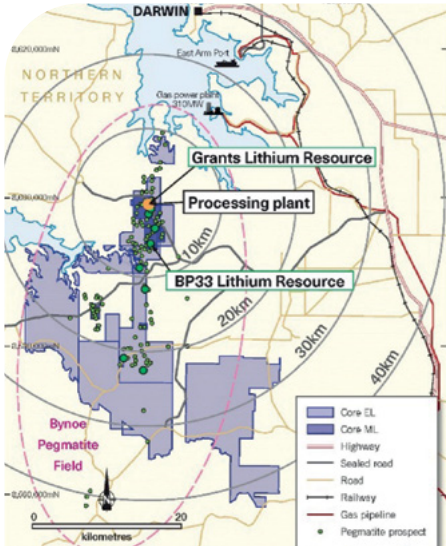
The Carlton deposit, located 2km from the processing plant at Finniss, has been identified as a potential future mine. Drilling in 2023 provided further confidence in the geological model and defined a sub-horizontal mineralised pegmatite sill at the southern end of the main pegmatite body.

Extensive drilling at the Lees and Booths deposits resulted in an increase of 429% to 14.5Mt at 1.11% Li₂O to the combined MRE. Lees and Booths are midway between Carlton and BP33 Mineral Resources. Mineralisation remains open at depth and along strike. The location of these resources, coupled with further nearby targets to be tested in FY25, adds to the possibility of future shared development opportunities.

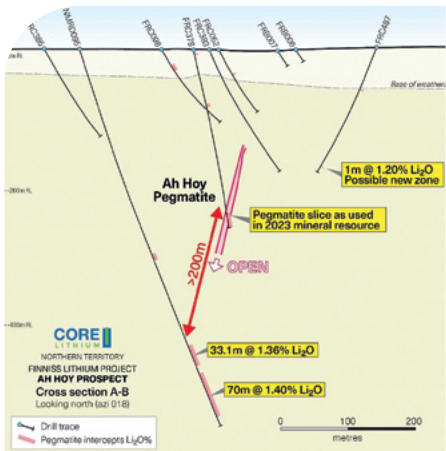
Exceptional drilling results were also produced at the Ah Hoy and Seadog prospects, including:

- NMRD095 – 70m @ 1.40% Li₂O from 514m at Ah Hoy; and
- FRC473 – 78m @ 1.30% Li₂O from 270m (to end of hole) at Seadog.

Geophysical works including Ambient Noise Tomography (ANT) and geochemical surveys were also undertaken to identify new targets and were successful in identifying a number of targets which will be subject to drill testing in FY25.¹



Location of Finniss Lithium District



Ah Hoy Cross Section showing NMRD095 result

Table 2: Finniss Lithium Project Mineral Resource Estimate Summary

Mineral Resource Estimate for the Finniss Lithium Project (0.5% Li ₂ O cut-off)			
Resource Category	Million tonnes (Mt)	Li ₂ O %	Li ₂ O Contained Metal (kt)
Measured	6.33	1.41	89.3
Indicated	21.6	1.30	280
Inferred	20.3	1.18	239
Total	48.2	1.26	608

1. ASX announcement “Core Delivers Excellent Exploration Results” on 22 March 2024.

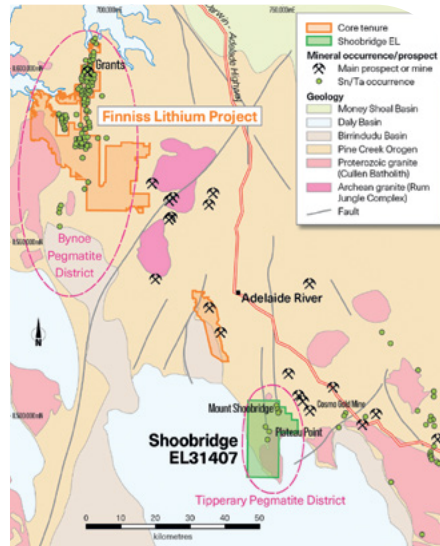
Shoobridge Lithium Project

The Shoobridge Project is approximately 160km by road southeast of Finnis and the Group's lithium processing plant. Shoobridge contains historic pegmatite tin-tantalum surface workings, which are part of the Tipperary Pegmatite District, and have not previously been tested for their lithium potential. Multi-commodity potential is recognised at Shoobridge with other metals, including gold, uranium and base metals historically found in the area.

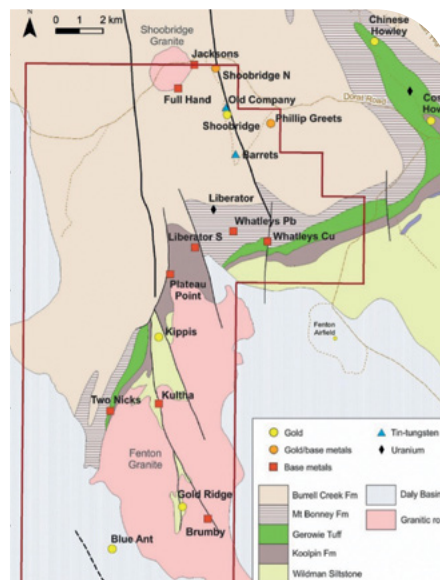
As part of the strategy to commence testing of Core's highly prospective lithium tenements, soil sampling was conducted with 1,632 samples collected before the end of the CY23 field season. The Group received encouraging results from this geochemical survey. Results to date show significant large-scale lithium and gold anomalism along the trend of and parallel to the historical Barretts and Old Company tin-tantalum workings.

Subsequent to end of the financial year, an initial 3,535m scout RC drilling campaign was completed, aimed at testing the lithium fertility of selected pegmatites, with a focus on a zone approximately 2–4km away from the Shoobridge Granite contact and proximal to historical tin-tantalum workings. A 4.5km long trend of gold anomalism near the historic tin-tantalum workings was also tested in the same program.

Given the underexplored nature of the Shoobridge Project, Core will continue its broader soil geochemistry and mapping program to generate new targets.



Location of Shoobridge relative to Core's existing processing infrastructure at Grants



Simplified geology and mineral occurrences at Shoobridge

Anningie Barrow Creek

Core's Anningie and Barrow Creek Lithium Projects encompass eight granted exploration licences covering approximately 2,800km² in and around the Anningie and Barrow Creek Tin-Tantalum Pegmatite fields in the north Arunta Region of the NT.

The Barrow Creek pegmatite field is an underexplored field which Core is exploring primarily for lithium. It is positioned close to road, rail and gas infrastructure, and is only 150km from Arafura's Nolans Bore rare earth elements (REE) deposit. These pegmatites are considered highly prospective for lithium and REE but have yet to be drill tested. The Group has completed reconnaissance exploration to date, confirming the lithium potential of these pegmatite fields.

Approvals are in progress to undertake the first lithium drilling on these projects in FY25.

Growth

Operating and Financial Review

Exploration continued

Napperby Uranium Project

Napperby is an advanced uranium project in the central Northern Territory with an Inferred Mineral Resource comprising 9.54Mt at 382ppm U_3O_8 for 8.03Mlb of contained U_3O_8 at a 200ppm cut-off. The Project is one of the few undeveloped uranium deposits in Australia within a favourable jurisdiction. Napperby consists of 713.6km² of exploration tenure and is strategically located approximately 120km northwest of Alice Springs with access to rail, gas and bitumen highways.

Core plans to extend the current uranium Mineral Resource at Napperby through targeted drilling. After a recent site visit by the Group's exploration geologists, preparations commenced to undertake further drilling during FY25 with the aim of extending the Mineral Resource within the prospective palaeochannel. The Group has submitted the requisite approval applications over the areas of interest and expect drilling to commence later in CY24.

This will proceed in parallel with field investigations into the potential for other minerals within the tenement which have seen minimal previous exploration.

Other Projects

Core holds an extensive exploration portfolio throughout the Northern Territory and South Australia. Around the Finiss operations, the Group controls several pegmatite systems along with a substantial ground holding in the Central and Eastern Arunta Province prospective for uranium, REE and base metals.

The Yelina and Mt Freeling Projects in South Australia have the potential to host large stratiform base metal deposits in association with the known calcareous and reef limestone host facies where historically, high grade silver-lead-zinc mineralisation was mined, but very little modern exploration has been undertaken.

The Blueys-Inkheart Project hosts near surface lead-silver mineralisation within the Bitter Springs Formation. Core believes there is potential for further mineralisation to be found over a larger area within the Bitter Springs Formation.

FY25 outlook and exploration plan

Growing lithium resources and testing multi-commodity targets

Core's FY25 exploration will be focussed on advancing and testing targets with the potential to host lithium deposits of meaningful scale within trucking distance of the Finiss lithium processing plant.

These targets outside the Finiss region have been subjected to low levels of activity in the past five years and retain significant prospectivity. Fieldwork under this program will include low-cost mapping, sampling and drill planning ahead of any decision to drill test targets.

The Group's forward exploration program will target both larger standalone deposits, as well as clusters of smaller deposits that have the potential to be mined with shared infrastructure.

In addition to prioritising lithium targets, the Group intends to dedicate a portion of its FY25 exploration program to progressing the Napperby uranium project as well as the gold projects within its portfolio.

The budgeted exploration program is designed to balance capital discipline with target prospectivity and return on investment across the Group's exploration assets. Exploration success outside the Finiss region will provide Core with additional optionality for future exploration or business development activities.

Corporate

Operating and Financial Review

Executive appointments and management changes

Our team



Paul Brown

Chief Executive Officer

Strategy leadership and value creation

Paul Brown is a well-credentialed mining executive with 25 years of experience in the Australian resources industry. Prior to his appointment as Chief Executive Officer in May 2024, Paul has held various executive positions at companies including Mineral Resources and Technology Metals.

Prior to his executive role as CEO of Hastings, Paul spent eight years at Mineral Resources, rising to the position of Chief Executive Officer Lithium and Iron Ore where he was responsible for the safe and efficient operation of the company's iron ore and lithium operations.

His mining expertise provides deep knowledge of the strategic and operational issues facing Core at the Finnis Lithium Project. While at Mineral Resources and Fortescue, Paul played a vital role in delivering significant mining operations, including Solomon Hub, the Mount Marion and Wodigna lithium projects and the Wonmunna iron ore mine.



James Virgo

Chief Financial Officer

Financial management and governance

James Virgo is a qualified Chartered Accountant and an experienced finance and commercial professional with over 12 years of experience in the mining and professional services industries. He was appointed to the role of CFO in June 2024 and has served as Interim CFO since March 2024.

Throughout his career, James has held various senior finance and leadership roles. Before joining Core, James was the General Manager of Finance and Investor Relations at ASX-listed gold miner Resolute Mining. In this role, he was responsible for all finance-related activities, managing key business processes including resolving and mitigating taxation issues, driving business development initiatives, handling capital management and maintaining strong investor relations.

James possesses a comprehensive understanding of the financial landscape within the mining sector and demonstrates the ability to manage complex financial operations.

Our Financial Performance

Operating and Financial Review

Core's financial performance in FY24 reflects the challenging lithium market and pause of operations during the period.

The Group generated revenue (net of quotational period adjustment (QP)) of \$189.5 million from sale of multiple spodumene concentrate and lithium fines shipments. The Group incurred a net loss after tax of \$207.0 million, including non-cash impairment of \$119.6 million and onerous contract provision of \$25.2 million.

\$189.5m

Revenue (net of QP)

\$207.0m

Net Loss after Tax



Our operations are reviewed on pages 12 to 14, and the Group key risks are addressed on pages 27 to 30. These sections and the information below form part of the Operating and Financial Review.

Summary of FY24

A summary of the Group's production, sales and financials are provided below. For the full statutory accounts see page 69.

Table 3: Summary FY24 physicals, sales and financials

Operations		
Spodumene concentrate production	dmt	95,020
Spodumene concentrate sales	dmt	97,423
Spodumene concentrate realised price	US\$/dmt	1,574
Lithium fines shipped	wmt	66,140
Lithium fines realised price	US\$/wmt	103
Cash operating costs	A\$/dmt	1,396
Profit and Loss ¹		
Revenue (net of QP)	\$m	189.5
Net Loss After Tax	\$m	207.0
Cash flow		
Finniss Capex	\$m	60.6
Exploration expenditure	\$m	26.6
Cash balance at 30 June 2024	\$m	87.6

¹ The Group reports the figures below to help explain its underlying performance and profitability. The detailed reconciliations of these non-IFRS measures are provided below.

Our Financial Performance

Operating and Financial Review

Income Statement

The Group’s full-year revenue (net of QP) of \$189.5 million was underpinned by the production and sales of spodumene concentrate and lithium fines until June 2024 when processing operations were paused.

In FY24, Core sold 9 shipments of spodumene concentrate to its customers and 4 shipments of lithium fines for a total revenue (net of QP) of \$189.5 million.

The Group recorded a net loss after tax of \$207.0 million, and loss before interest, tax, depreciation and amortisation (LBITDA) of \$47.8 million.

As a result of the decision to suspend mining at Grants open pit and the decline in lithium prices, an impairment loss of \$119.6 million was recorded.

Onerous contract costs amounted to \$25.2 million associated with fixed charges for mining services for the remainder of the contracted period, which extended beyond the suspension of operations. The other operating costs represent royalties payable to the Northern Territory government of \$11.4 million and to Lithium Royalty Corporation of \$3.0 million.

Finance costs of \$2.7 million relate to the cost of credit expenses incurred from lithium sales receipts, together with financing charges associated with right of use assets, contract provision and rehabilitation provisions.

Due to the suspension of operations, the Company has also expensed its deferred tax assets, to the profit and loss statement.

The Group has shown the non-IFRS summary profit and loss statement in Table 4 to help explain its underlying performance and profitability.

Table 4: Summary Income Statement¹

	FY24 \$000's
Revenue (net of QP)	189,494
Cash cost of production ²	(161,495)
Non-cash inventory adjustment net realisable value (NRV)	(2,677)
Corporate expenses ³	(25,058)
Other operating costs	(23,064)
Onerous and mining services contract expenses	(25,270)
Foreign currency gain	306
LBITDA	(47,764)
Impairment of capitalised exploration expense	(801)
Impairment of non-financial assets	(119,647)
Depreciation and amortisation ⁴	(36,434)
LBIT	(204,646)
Finance costs	(2,655)
Interest and other income	5,150
Operating (Loss)/Profit before Tax	(202,151)
Income tax expense	(4,862)
(Loss)/Profit after Tax	(207,013)

1. The Group has shown the summary profit and loss statement above in order to explain underlying performance and profitability and it is noted that LBITDA and EBIT are non-IFRS measures and are not audited.

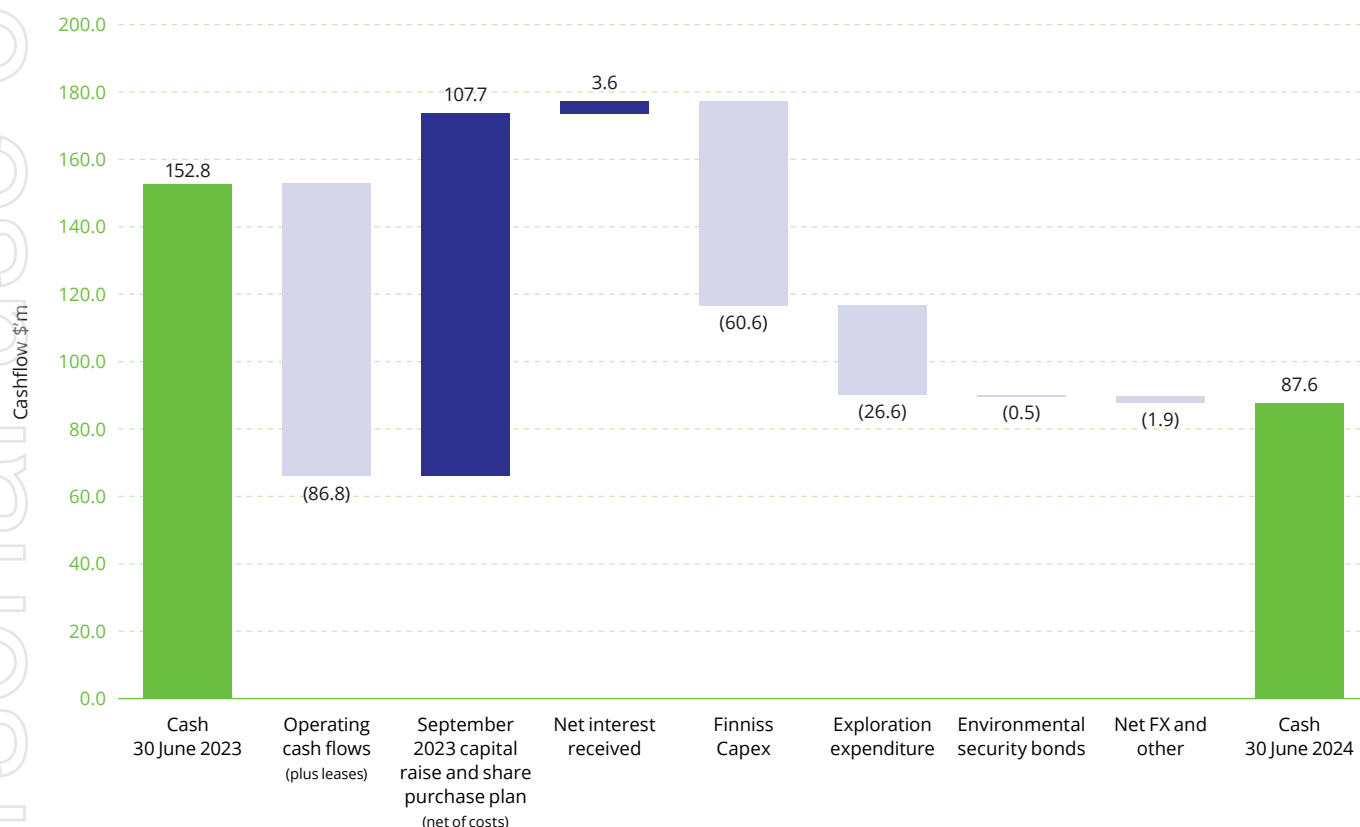
2. Cash cost of production excludes depreciation and amortisation of \$36.1 million and is therefore lower than the cost of sales shown in the Statement of profit and loss and comprehensive income in the Financial Statements.

3. Corporate expenses excludes depreciation and amortisation of \$0.4 million and is therefore lower than the general and administration expenses shown in the Statement of Profit and Loss and Other Comprehensive Income in the Financial Statements.

4. Depreciation & Amortisation reflects the amount charged to the profit and loss statement There was an additional \$1.1 million in Depreciation & Amortisation which was included in inventory at balance date and will be charged to cost of sales when the inventory is sold.

Cashflow

Significant cashflow movements are summarised in the graph below.



Significant cash inflows and outflows during the year included net outflows from operations of \$86.8 million reflects receipts from customers of \$108.6 million offset by payments to suppliers, leases and employees of \$195.5 million.

Sales receipts include lithium fines and spodumene concentrate shipments during the period. Excluded from this amount are the funds received from two concentrate shipments under the Yahua pre-payment arrangement ("prepaid concentrate"). As payment was received prior to delivery these payments were recognised in the FY23 cashflow statement. However, 13,077dmt of prepaid concentrate was delivered post 30 June 2023 and as such payment for only the portion of sales delivered after 30 June 2023 is recognised in the FY24 Statement of Profit and Loss but in FY23 cash flow.

Total cash outflows of \$60.6 million for plant, equipment, and mine development assets reflect the early works for BP33 project and \$26.6 million was spent on exploration activities, principally focused on the Finniss operation.

Outflows of \$0.5 million for environmental bonds held in trust until the end of the mine life.

Net financing inflows of \$107.7 million comprised a \$100 million Placement and additional Share Purchase Plan completed during the first half of the financial year.

Our Financial Performance

Operating and Financial Review

Events subsequent to the end of the period

Strategic Investment in Charger Metals and 30% interest in the Bynoe Project.

In September 2024, Core entered into two separate and discrete agreements with Lithium Australia Ltd (ASX: LIT) in relation to Charger Metals NL (ASX: CHR) (Charger). Core agreed to acquire 7.6 million Charger shares owned by Lithium Australia for consideration comprising the issue of 6.08 million shares in Core (at a ratio of 0.8 Core shares for each Charger share).

Completion of the purchase of the Charger shares occur by the 20 September 2024 due date whereby Core holds approximately 9.8% of Charger shares on issue and Lithium Australia holds a 0.3% shareholding in Core.

In addition, Core has granted Lithium Australia a call option (Option) to re-acquire the Charger shares should a prescribed control event occur within 9 months with an offer ratio that exceeds 0.8 Core shares for each Charger share, or equivalent, in which case, consideration will become payable by Core to Lithium Australia.

In a separate agreement, Core has agreed to purchase Lithium Australia's 30% interest in the Bynoe Project (Bynoe) EL30897, subject to certain conditions precedent. Bynoe is an exploration licence in the Northern Territory which is surrounded by tenements that are part of Core's Finnis Project. Charger owns the remaining 70% of Bynoe.

Under the terms of Charger and Lithium Australia's joint venture agreement (JV) for Bynoe, the 30% interest Core has agreed to acquire is free carried and requires no expenditure by the holder until Charger completes a Definitive Feasibility Study. Until then, 100% of the costs incurred in relation to Bynoe, including exploration costs, are to be borne by Charger.

The purchase price for the acquisition of the 30% interest in Bynoe is \$500,000 in cash. Under the terms of the JV, Charger has a pre-emptive right to acquire the 30% Bynoe interest for the same purchase price of \$500,000, for a period of 60 days. The acquisition by Core will only proceed if Charger declines to exercise this right during this time.

The agreements follow Charger's disclosure in mid-August 2024 of a confidential non-binding indicative proposal to the Board of Directors of Charger regarding a potential combination to be effected by way of a scheme of arrangement (Proposal). Core's Proposal comprised an all-share offer for Charger under which Charger shareholders would receive 0.9 Core shares for each ordinary share in Charger. The Proposal lapsed following its disclosure by Charger.



Risk Management

Operating and Financial Review

During FY24 Core's risk management framework was consistent with the strategic refresh of the enterprise risk plan completed in the previous period. As we have moved into a state of operational suspension, our focus remains on maintaining an appropriate risk culture to identify threats and opportunities to the organisation which are embedded into decisions around corporate strategy.

Updating Core's strategic risk profile is underpinned by guiding principles and differentiates between strategic and operational risk. Strategic risks are risks that create the greatest threat to achieving an organisation's visions, values and strategy, while operational risks are uncertainties and hazards a company faces when it attends day-to-day business activities. The focus on the work to date has been the identification, definition and measurement criteria of strategic risk.

The program of deliverables has been phased over stages to reflect the suite of activity being undertaken as the risk framing matures and enables active participation from the senior leadership team and board. Work is now well progressed. A "bespoke likelihood and consequence" matrix that reflects Core's unique position as an emerging miner of smaller scale pits, excelling in safe and stable production in a seasonal environment has been developed. Preliminary, qualitative statements of risk appetite and key risk indicators which provide a quantitative measure of risk appetite and provide the important "guard rails" for management to operate within have been developed with input from the senior leadership team. Carefully selected Key Risk Indicator's to indicate both leading and lagging indicators of business performance and organisational health that reflect the dynamic nature of the industry incorporating local and global influences are being refined.

A number of risks have been identified as threats to the viability of the business and included in the enterprise risk profile update. These risks can be categorised below:

- Operational
- Health, Safety, Sustainability and Environmental risk
- Strategy and Innovation
- Growth and Development
- Financial
- People and Culture



Risk Management

Operating and Financial Review

Set out below are key enterprise risks with an overview of how they are currently managed. The risks are not listed in order of importance, nor are they intended to be an exhaustive list of all the known and unknown risks and uncertainties associated with the business.

Context	Potential Impacts	Mitigating Factors
Health and Safety		
<p>As a resources company we recognise that we are exposed to inherent hazards that cannot be completely eliminated.</p> <p>We manage these hazards in a way that will not compromise the physical and psychological health, safety and wellbeing of our people and community. We will assess, plan and execute these activities to reduce these risks to as low as reasonably practicable.</p>	<ul style="list-style-type: none"> Fatality Permanent disability (physical or psychological) Injury/illness Reputational damage Financial loss Legal and other regulatory consequences 	<ul style="list-style-type: none"> H&S management system Critical risk management Induction, training, permitting and licencing Competency verification Emergency response capability Auditing and review of processes and controls
Legal and Regulatory Compliance		
<p>We acknowledge the need for practices and procedures to ensure that our operations do not breach any regulatory and legal requirements. We manage this by monitoring legal requirements in the jurisdictions we operate, and accessing appropriate expertise, ensuring we educate our staff and have checks.</p>	<ul style="list-style-type: none"> Reputational damage Loss of operating licence Financial loss Legal and other regulatory consequences Significant Operational delays Loss of stakeholder trust and confidence 	<ul style="list-style-type: none"> HSEC Management System Licence conditions Monitoring and governance Third party assurance and oversight Access to subject matter experts and technical consultants
Social Licence to Operate		
<p>We are not willing to take actions that would compromise our relationship with communities. However, we recognise that societal expectations can change more rapidly than our ability to align our operations, but we manage this through regular community communication and by ensuring that we fulfill any promises made to the community.</p>	<ul style="list-style-type: none"> Reputational damage Loss of operating licence Financial loss Legal and other regulatory consequences Significant operational delays Loss of stakeholder trust and confidence 	<ul style="list-style-type: none"> Regular community and stakeholder communications, interactions and engagements Community feedback line Community Grants program Community and stakeholder engagement plan
Environment including Climate change		
<p>We are not willing to take actions that would compromise or lead to direct or indirect adverse outcomes on the environment and/or host communities. Our ability to manage and mitigate our impacts may harm our ability to obtain future operating licences, agreements and access to future operations. We seek to make genuine environmental commitments that we are able to fulfill based on the maturity of our organisation. Climate change may increase the risk to people, assets, infrastructure and operating practices due to severe weather events including cyclone, fire and extreme heat as well as water related risks associated with too much or too little water.</p>	<ul style="list-style-type: none"> Reputational damage Loss of operating licence Financial loss Legal and other regulatory consequences Loss of stakeholder trust and confidence Loss of production, property and assets Significant operational delays Inability to service contractual obligations Inability to attract and retain workers 	<ul style="list-style-type: none"> HSE Management System Licence conditions Monitoring and governance Third party assurance and oversight Emergency response planning and scenario practice
Funding Stability		
<p>As a resource company currently not in production or generating revenue, we recognise that securing appropriate funding may be required to support ongoing operations and future growth initiatives. Funding sources are subject to market conditions and investor sentiment, impacting the availability and cost of capital. Fluctuations in commodity prices, such as lithium, and currency exchange rates, can affect investor confidence and funding accessibility.</p>	<ul style="list-style-type: none"> Difficulty in securing funding Higher financing costs Operational constraints Market perception Existing shareholders dissatisfaction 	<ul style="list-style-type: none"> Exploring diversified funding sources Active investor relations and communication Regular forecasting and routine financial planning Efficient capital allocation

Context	Potential Impacts	Mitigating Factors
Operational Delivery		
<p>We acknowledge that operational risk may delay or impede the production and subsequent delivery of spodumene concentrate into the offtake agreements. We manage this by engaging contractor partners with experience and capability in mining, processing, transportation and logistics, completing detailed production planning, and establishing production monitoring processes. This also includes the deployment of water management infrastructure and operational practices to manage the Northern Territory wet season.</p>	<ul style="list-style-type: none"> • Reputational damage • Financial loss • Loss of production • Inability to fulfill offtake agreement contracts 	<ul style="list-style-type: none"> • Production planning, reporting and management processes • Geotechnical scanning and monitoring • Water management infrastructure improvements, water inventory monitoring and wet season preparation activities • Mine productivity and processing improvement plans • Engagement of specialist mining, processing and logistics companies
Operational Systems and Process		
<p>We are not prepared to take actions that compromise the stable and predictable performance of operations. However, we accept there is a level of variability in mining and processing (e.g. grade, recovery, weather) that cannot always be economically managed in a timely manner. We seek to reduce variability through risk management, effective planning and operating discipline.</p> <p>We will actively seek opportunities that require a significant increase in our capacity, preparedness and test our business resilience, business continuity and crisis capability.</p>	<ul style="list-style-type: none"> • Injury, illness permanent disability or fatality • Reputational damage • Financial loss • Loss of production, property and assets • Significant operational delays • Inability to service contractual obligations • Inability to attract and retain workers • Impact to share price 	<ul style="list-style-type: none"> • Budgeting and forecasting process • Life of mine, grade and metallurgical planning and scheduling • Mine and processing performance monitoring and reporting practices • Contractor management practices, procedures and oversight • Operational systems and process • Access to technical and subject matter experts for optimisation and continuous improvement
Geotechnical Risk		
<p>We acknowledge that geotechnical risk may sometimes delay ore extraction due to the material of the wall and ground conditions.</p> <p>We manage this by following practices and procedures that reduce these risks to as low as reasonably practicable and seek to monitor effectiveness utilising technological best practice with external assurance and support.</p>	<ul style="list-style-type: none"> • Fatality • Reputational damage • Financial loss • Loss of production, property and assets • Significant operational delays • Inability to service contractual obligations 	<ul style="list-style-type: none"> • Use of radar technology to monitor and inform wall stability • Geotechnical resources and drilling data • Mine planning and forecasting • Implementation of procedures, practices and protocols • Access to subject matter experts and technical expertise • Education and awareness
Employee attraction and retention		
<p>We recognise the need to be a lean, resilient and innovative organisation. We are a new company in the lithium space. We attract people because of this. We are not willing to take risks that will limit or slow our progress in achieving our aspired workplace environment or how our people connect to our purpose.</p> <p>We respect, value and leverage diverse culture and experiences, ideas and thoughts to foster performance and collaboration across our business.</p>	<ul style="list-style-type: none"> • Reputational damage • Financial loss • Loss of production, property and assets • Significant operational delays • Inability to service contractual obligations • Inability to attract and retain workers 	<ul style="list-style-type: none"> • Implementation of Total Rewards package aligned with industry best practice • Industry benchmarking and comparison data
Anti-corruption and Ethical misconduct		
<p>We will design and implement processes that lead our people to behave appropriately. We take the time to establish and cultivate an environment that leads people to perform above expected behaviour.</p>	<ul style="list-style-type: none"> • Reputational damage • Financial loss • Legal and other regulatory consequences • Inability to attract and retain workers 	<ul style="list-style-type: none"> • Code of Conduct • Contractual practices and procedures • Financial systems and controls • Review and audits

Risk Management

Operating and Financial Review

Context	Potential Impacts	Mitigating Factors
Financial Resilience		
As a resource company we recognise that we are subject to a high level of inherent risk in the event of sustained low prices of lithium and/or a rising Australian Dollar. Volatility in lithium pricing creates revenue uncertainty and requires careful management of business performance to ensure operating cash margins are maintained, should the Australian dollar lithium price fall. Failure to achieve production and cost guidance could have an adverse impact on the Group's cash flows, profitability and financial condition.	<ul style="list-style-type: none"> • Reputational damage • Financial loss (eg) future earnings, financial conditions and results • Legal and other regulatory consequences • Impact to share price 	<ul style="list-style-type: none"> • Regular monitoring and reporting of financials • Maintain strong balance sheet with no debt • Focus and systems for cost control
Cybersecurity		
We accept that our business is exposed to cyber breach, across our IT architecture (on premise and in cloud). We have cybersecurity policies and protocols that identify controls and governance in place to manage these risks.	<ul style="list-style-type: none"> • Reputational damage • Financial loss • Legal and other regulatory consequences • Impact to share price • Loss of production • Loss of information, data and records 	<ul style="list-style-type: none"> • Network security designs and architecture • Network backups and disaster recovery process • Training and awareness • Network penetration testing • Auditing and third party verification • Cybersecurity policy and standards
Growth and Development		
<p>We are not willing to accept actions that compromise our aggressive life of mine strategy from exploration to mine closure. We acknowledge Mineral Resources and Ore Reserves are estimates, and no assurances can be given that the estimated reserves and resources are accurate or that Lithia containing products can be produced. Actual mineralisation or geological conditions maybe different from those predicted. No assurances can be given that any part or all of the Group's Mineral Resources constitute or will be converted into Ore Reserves. Market price fluctuations as well as increased capital costs may render the Ore Reserves uneconomic.</p> <p>Exploration can be highly speculative and may take a number of years from initial drilling until production is possible and relies on many inputs outside of our control (eg) market price, production costs, capital costs, general inflationary pressures and currency exchange rates. There is a risk that depletion of Ore Reserves will not be offset by discoveries or acquisitions or that divestitures of assets will lead to a lower Ore Reserves base.</p>	<ul style="list-style-type: none"> • Reputational damage • Financial loss (eg) future earnings, financial conditions and results • Legal and other regulatory consequences • Impact to share price • Loss of production capacity • Loss of total ore reserves volume 	<ul style="list-style-type: none"> • Regular monitoring and reporting of financials • Focus and system for cost control • Exploration program and continued investment
Mining risks and insurance risks		
As a resources company we are exposed to inherent hazards that cannot be eliminated, these include environmental hazards, unusual or unexpected geological hazards, pit wall failures, weather conditions most of which are beyond the groups control. These hazards can have a material effect on operational results, liquidity and financial performance. To help manage these risks, insurance is maintained in amounts that are considered reasonable.	<ul style="list-style-type: none"> • Reputational damage • Financial loss (eg) future earnings, financial conditions and results • Legal and other regulatory consequences • Impact to share price • Loss of production capacity • Impact to share price 	<ul style="list-style-type: none"> • Insurance program • Asset maintenance and integrity • HSEC Management systems • Third party assurance and oversight • Monitoring and governance • Auditing and review of processes and controls • Access to subject matter experts and technical consultants • Emergency response planning and preparedness

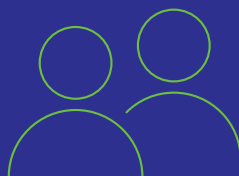
Sustainability

Sustainability Highlights



Environment

Successful site water management in an above average wet season



Social

Continued positive impact through the community grants program across sporting clubs, community groups and local community fundraising



Governance

Well established governance framework supported by a stable and experienced Board, ensuring strategic continuity and robust decision-making

Sustainability

This year, Core made good progress in its sustainability function by evaluating and managing important environmental, social and governance (ESG) factors that impact our business and our licence to operate.

A significant amount of work took place in the first half of the financial year before the decision was taken to pause mining operations and complete the processing of available stockpiles in response to the declining lithium market conditions. This resulted in work which had been planned in the previous financial year being reprioritised and either reassessed, paused or stopped to meet the changing needs and risk profile of the organisation. These changes are reflected in Table 5 which benchmarks our performance relative to priorities outlined in FY24.

Following our decision to pause mining at the Grants pit and construction at the BP33 underground project, we moved to ensure all of our environmental licence and social responsibilities were still met despite the changes to our operations activity.

Health and Safety

In the early part of FY24, we continued our focus on Critical Risk Management (CRM) ahead of the wet season. Our major fatality risks across these critical risk areas were identified and actions set to prioritise the implementation of controls.

The integration of CRM into assessments of material safety risk events was finalised and ready for implementation. The health monitoring program continued with a full year of monitoring data set to inform risk management activities and control effectiveness programs.

Improvement of our HSE Management systems continued, based on gaps identified through the CRM process and procedures with our contracting partners continued. Our daily routines to align and inform leaders and their teams evolved and conversations matured to identify and address high risk activities each day, focussing efforts on hazard identification and control verification effectiveness.

There was one recordable injury recorded during the September quarter and one during the December quarter. A High Potential Incident also occurred when a drill rod fell from height striking a drilling contractor on the hand. There were no other significant safety events reported. Reported events were reviewed and reinforcement of processes and procedures was made, with one change to engineering controls in light of one recordable injury.

In the last quarter of FY24, as we transitioned toward care and maintenance at Finniss, our focus was on securing assets and infrastructure in a safe and stable manner to enable a future restart of operations. Preparing our assets and infrastructure to maximise future operability and maintainability whilst looking for opportunities to minimise restart costs and complexity has been thoroughly risk assessed and considered in the care and maintenance strategy.



Table 5: Benchmarking our FY24 objectives

Climate Change

Identify opportunities for renewable energy implementation and evaluation pathways to reduce carbon emissions over the project life	✓
Develop climate-related management and reporting capabilities to prepare to make disclosures in line with Australian climate related disclosure standards	✗
Validate emissions baseline on life of mine forecast dataset	✗

Water and Effluent Management

Enhance water reporting for consumption, recycling and water balance	✓
Optimisation of water usage and reuse within mining/processing circuit	✓
Complete the construction of the 2023 approved capital works program for water management infrastructure at grants	✓

Water and Hazardous Materials

Undertake an assessment of fines and water storage facilities to ensure safe management and operability	✓
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CRM Implemented

Review and update our health and safety policy	✗
Further develop and implement our HSEC management system and health and safety risk management focussing on our critical risk and control effectiveness program	✓
Operationalise a routine audit and review program to validate the sustainability of learnings post incidents should they occur	✓
Implement a regular schedule for assurance activities including auditing and compliance against agreed ways of working	✗

Employee Attraction and Engagement

Promote employee wellness through benefits and role design, including flexible work arrangements	✓
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Local Community Impacts and Engagements

Evolue the community investment program and identify further opportunities for partnerships	✓
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Human Rights and Modern Slavery

Implement human rights policy	✗
Undertake modern slavery supplier screening	✓
Publish modern slavery statement and action plan	✗

Indigenous Relationships, Opportunities and Cultural Heritage

Further develop our indigenous relationships and business opportunities	✗
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Corporate Governance

Establish regular cadence for the risk and sustainability committee	✗
Establish management KPIs for Sustainability Program delivery and performance	✓
Embed risk management framework, risk appetite statements and KRI's	✓
Evaluate our materiality assessment against the Company's risk profile	✗

Objectives not achieved generally reflect the Company's transition from an operating business to care and maintenance during the period. Management has assessed that the immediate priorities for the business had changed and sustainability objectives have been realigned or deferred. Performance against these objectives will recommence once the Company transitions back into operations.

Sustainability

Environmental Management

Water and Effluent management

Living and working in a tropical climate has its challenges, especially during the wet season. Our team successfully learned from our initial operating experience in the FY23 wet season and developed preparedness for FY24.

This included the construction of new water storage facilities and connecting infrastructure to enable water to be stored and moved between storage ponds.

Water storage and discharge infrastructure construction continued and was commissioned in preparation for the FY24 wet season. An updated water management strategy was prepared to reflect the increased sizing of water storage facilities and the improved linkage of facilities and operational efficiency. Telemetered water monitoring stations have been installed at downstream sites to improve the data which informs our operational water strategy. A number of visits from regulators were hosted to ensure our compliance with approved environmental activities and provide oversight into the progress of water strategy infrastructure improvements.

The following infrastructure was upgraded in FY24 to improve surface water and mine water management:

- Additional mine water dams
- Additional sediment basins
- Installation of monitoring gauge stations, water level sensors
- Additional pumps, piping infrastructure
- Additional manning for water management
- Increased space on ROM pad
- Road sheeting with imported rock

The FY24 wet season was one of the most significant on record in terms of rainfall volume, despite early indicators the season would be below average. At the end of the season, site had recorded a total rainfall volume of 3,084mm, compared to an annual average for the region of 1,706mm. A total of 374.2ML of water was discharged from site throughout the FY24 wet season.

Strong engagement with regulators and water management

We work collaboratively with the Northern Territory Government to champion sustainable mining practices and foster a culture of continuous improvement.

In early September 2023, the Department of Environment, Parks and Water Security carried out a routine comprehensive site inspection at Finniss to assess installation of crucial water management infrastructure. The primary focus was to examine progress of ongoing activities and alignment with government approval conditions and commitments. During the visit, officers inspected the construction and operational areas, including key water sampling locations both up and downstream of the mine site.



Mining officers from the Department of Industry, Tourism and Trade also visited both our Grants operation and the BP33 project site to perform a comprehensive inspection of the progress of works and preparedness for the upcoming wet season. Their objective was to ensure management of erosion, sediment and water is implemented in accordance with the approved Mining Management Plan before the start of the wet season.

By implementing robust water management practices in our operations, we not only reduce our environmental footprint but also safeguard priceless water resources. We track our water consumption and strive to uphold optimal water inventory levels, addressing the challenges posed by both the wet and dry seasons. Our operational water management plan and processes are designed to navigate local climactic changes, so we have effective measures in place to prevent and mitigate impacts on environmental water quality.



Implementing drone technology for enhanced environmental management

In a forward-thinking step in environmental management, we successfully integrated drone technology into water management activities at Finniss during the period.

With a Remote Piloted Aircraft Operator's Certificate (ReOC) operator at site, the Company now operates registered drones across the mine site.

The deployment of this technology marks a significant shift in our approach to environmental stewardship. The initiative, which saw its first operation in February 2024 after obtaining necessary licensing approvals, uses a state-of-the-art DJI Agras T40 drone.

This innovative drone is a step forward in sediment basin and mine water dam management. By using a flocculant to bind sediment particles into larger aggregates, turbidity and sediment settlement is improved at the bottom of the basin or dam.

In the past this process involved manual application methods using a flocculant trailer. However, this method often fell short in achieving comprehensive coverage over the basins and dams.

Factors such as wind direction, ground conditions, and total coverage significantly impacted the efficacy of the treatment.

Embracing drone technology has not only enhanced the effectiveness of environmental management, but it has reduced safety risks and also achieved substantial cost savings. The decision to purchase the drone and invest in training employees for licensing removes previous reliance on external providers and provides in-house capability for a raft of activity.

Since the inception of the Grants mine construction, Core's environmental team has experimented with various methods and products to optimise water treatment outcomes. The transition from manual spraying using flocculant/hydroseed trailers to using large agricultural drones represents a commitment to sustainable practices.

With the operational flexibility afforded by the drone, Core can now access basins and dams at any time, provided weather conditions permit, ensuring timely and comprehensive treatment. This shift underscores Core's dedication to innovation and environmental responsibility in the mining industry.

Sustainability



141,140 wmt of fines material removed from storage facilities

Waste and Hazardous Materials

During the year we continued to recover commercial lithium materials from by-product materials to further reduce our impact. 141,140 wmt of lithium fines material was removed from the storage facilities reducing the need to increase the current capacity size.

In February 2024 key personnel from Core and Primero – our contracting partner for processing activities – participated in a review of the Tailing Storage Facility included a detailed review of risks, operational controls, inspection strategy, business continuity and emergency preparedness.

Following the completion of the training component, a simulated exercise was undertaken to apply learnings and improve organisational capability. At the completion of the mock exercise, a debrief was held to assess both response strengths and learnings to inform improved emergency response effectiveness.



Creating opportunities, engaging with local stakeholders

Community Engagement

We understand that community expectations are at the heart of our social license to operate, and we strive to build on authentic and meaningful relationships with local stakeholders and aiming to ensure that our promises are fulfilled.

Throughout FY24 we remained committed to creating opportunities, engaging with local stakeholders and cultivating mutually beneficial relationships with the communities we share. This includes Berry Springs, Belyuen, Tumbling Waters, Wagait Beach/Mandorah and Dundee Beach, Palmerston and the Greater Darwin region.

We released a community newsletter to provide the community with updates about our activities onsite and in the broader community. It is available via our website, shared digitally and distributed in hard copy to various locations throughout our surrounding communities. In FY24 we published editions in August 2023, October 2023, December 2023 and March 2024.

The community hotline and email address are available 24/7 for people to share any feedback, concerns, incidents, issues and the like. We endeavour to respond to everyone who reaches out and keep a record of these interactions. We advertise the hotline and email in our community newsletters and during other community engagement activities. Between February 2022 and February 2024, we recorded more than 180 engagements through this channel.

A key issue raised in consultation with stakeholders included the use of and interaction with other road users on Cox Peninsula Road. Key mitigation measures included the development of a Traffic Management Plan that included reduced speeds through Berry Springs and ongoing communications with stakeholders and the community.

Our team was active in the community participating at events, local markets and visiting Berry Springs Primary School to share career pathways for students interested in a future in the mining industry.



>\$65,000 awarded to support community-led projects

Community Grants Program

Following a successful launch in FY23, our Community Grants Program continued with two more rounds in FY24. The program is designed to support various key areas, including:

- Education and training
- Environment
- Health and wellbeing
- Sports and recreation
- Arts and culture
- Innovation

In FY24 our grants made an important difference with more than \$65,000 awarded to support community-led projects in our surrounding local communities.

One of the recipients was the Belyuen School, located just 30km from our Finnis Lithium Operation.

Principal Natasha Koroi emphasised the importance of these grants for the school and its students.

"We now have funds to equip every child who plays football with new football boots, and Core also funded school photos for each student this year, a first-time occurrence in Belyuen," she said.

"Community feedback has been very positive, with nearly every child enrolled, and in the community, attending school that day."

We were also delighted to contribute corporate sponsorship to the Darwin Festival and sponsored Charles Darwin University student passes to the Mining the Territory Conference.



Dedicated to upholding stringent policy against modern slavery

Human Rights and Modern Slavery

Core is dedicated to upholding a stringent policy against modern slavery, aiming to ensure that our operations and supply chains are free from any forced labour or exploitation.

While Core is confident that our employment practices minimise the risk of modern slavery within our operations, we acknowledge the potential for such risks within our broader supply chain. To address this, we conducted a risk profile and gap assessment of our suppliers against the Global Slavery Index, enhancing our understanding of our supplier base and identifying any potential risks. We are committed to engaging with businesses whose products and services are ethically sourced and free of modern slavery, and we remain confident in our continued engagement with low-risk suppliers.

Indigenous Relationships, Opportunities and Cultural Heritage

We have engaged with the NT Heritage Branch to identify any heritage sites across our tenements, prioritising areas within our exploration footprint. The NT Heritage branch has identified a recorded Aboriginal archaeological site in the northwest corner of the mining lease. This site is protected under the *Heritage Act 2011* but is outside the disturbance footprint and will not be impacted by our mining operations.



Sustainability

Stakeholder Management

Relationship management continued with key stakeholders across the Northern Territory Government. Dialogue to inform and manage expectations and general community interest increased significantly prior to and throughout the strategic review period.

Site continued to host delegations promoted by both the Territory and Federal Governments.

While our operations do not fall within a Local Government Area, we try to also maintain regular engagement with our neighbouring councils. Throughout the year we gave briefings to both the Wagait Shire Council, and Litchfield Council.

The below table outlines our stakeholder engagement in FY24:

Stakeholder	Mode of engagement	Topic of discussion
Core Board	<ul style="list-style-type: none"> In person Through the Chief Executive Officer Written papers 	<ul style="list-style-type: none"> Strategic Review actions Operational strategy Risk management and governance activity Regulatory approvals and compliance Care and Maintenance preparations and approach
Core Management	<ul style="list-style-type: none"> In person Email Phone call 	<ul style="list-style-type: none"> Strategic Review actions Operational strategy Risk management and governance activity Regulatory approvals and compliance Care and Maintenance preparations and approach
Core Employees	<ul style="list-style-type: none"> In person Internal communications Town halls and regular briefings Community newsletters 	<ul style="list-style-type: none"> Strategic Review actions and impacts Operational strategy including project outcomes and progress Care and Maintenance preparations, planning and approach Community Grants Program
Shareholders	<ul style="list-style-type: none"> Investor updates (webinars and email) Investor roadshows and conferences ASX announcements Social media Community newsletters 	<ul style="list-style-type: none"> Company performance Strategy updates and progress
Key Contractors	<ul style="list-style-type: none"> In person Internal communications Town halls and regular briefings Community newsletters 	<ul style="list-style-type: none"> Strategic Review actions and impacts Operational strategy including project outcomes and progress Care and Maintenance preparations, planning and approach
NT Government	<ul style="list-style-type: none"> In person Email Phone Call Site Visit 	<ul style="list-style-type: none"> Water management/wet season preparedness Compliance Inspection and reporting Strategic Review Briefings Regulatory reform alignment to future operational needs and feedback Waste Discharge Licence and approvals MMP Amendment planning and preparedness to incorporate Care and maintenance activities Ministerial meetings and briefing Notifiable event notifications, follow-up and investigation submission – Geotech hazards Risk Management Plan review and alignment to future operating needs Road usage and access/egress concerns in and out of leases
Local Government	<ul style="list-style-type: none"> In person (presentations) Community newsletters 	<ul style="list-style-type: none"> Company performance Project updates and progress Community impacts Community feedback and grievances Community Grants program
Local Community and groups	<ul style="list-style-type: none"> 24/7 phone hotline and email address Presence at community events Fact sheets Community newsletter 	<ul style="list-style-type: none"> Environmental management Road usage and safety concerns Project and operational updates and progress Employment

Stakeholder	Mode of engagement	Topic of discussion
Business and industry	<ul style="list-style-type: none"> • In person • Participation in key advisory and industry groups 	<ul style="list-style-type: none"> • Operational and Project updates • Building local capacity to provide services and supplies • Feedback as part of consultation on industry matters and regulatory reform
Pastoral lease landholders and Pastoralists	<ul style="list-style-type: none"> • In person • Written • Phone 	<ul style="list-style-type: none"> • Land access protocols • Interaction with land holder activity • Consistent and transparent consultation

People and culture

Payroll

A proactive payroll practices review to ensure we met all legislative requirements in how we pay our people was instigated, continues on a monthly basis. This ongoing effort demonstrates our dedication to maintaining compliance and ensuring a seamless employee experience and acts as a safeguarding against future compliance issues.

Core Central

To increase transparency, ease of access to information and make it easier for our people to work in our basic people processes, we implemented Core Central, a Human Resources Information System. Core Central is an exciting first step in providing a platform for our people to access individual and Company information, to see business performance data in real time and ensure our leaders have transparency, access and involvement in every stage of the employment lifecycle from recruitment, onboarding, employment status changes and employee offboarding. The system allowed us to move to a more sustainable, streamlined approach of information sharing. The system also enables us to have reporting and HR metrics at our fingertips, allowing us to proactively track our diversity and inclusion progress on commitments with ease.

Learning and Development

Between November 2023 and February 2024, the People and Culture (P&C) team successfully launched eight online learning modules aimed at enhancing the skills and knowledge of employees. The online learning management system, efficient, short and sharp learning bursts were created to inform employees of Core acceptable workplace behaviours, safety systems and standards and important information about the Company, including our organisational structure, history and where to access information. An impressive 77% of the workforce at the time completed these modules during this period. The initiative reflects a proactive approach by the P&C team to invest in continuous learning and development opportunities. The system has improved the efficiency of employee onboarding and induction practices and created flexibility where employees can complete the learning bursts from the convenience of their own phones or homes.

Redundancy

The P&C team were committed to fairness and compassion during a period of redundancy. With 58% of the workforce having less than a year of tenure, there was a risk that many employees would not have adequate support. By providing the right level of support, the P&C team aimed to ensure that individuals could move forward comfortably and confidently as they pursued new opportunities beyond Core. This exemplifies the Company's' dedication to treating employees with dignity and empathy during challenging times.

To provide governance over the redundancy process, the P&C team established clear procedures detailing the treatment of these redundancies and engaged with employment lawyers from an external firm to ensure compliance with legal regulations. Leaders were assisted and supported to have effective conversations with their team members. We established regular reviews and oversight over the process, such as internal P&C audits, and offered support services such as the employee assistance program (EAP) to assist employees navigating the transition and mitigating the impact their redundancy.

Refining and outsourcing the HR function

Under evaluation of the current workforce and organisational requirements the P&C team is strategically transitioning from an internally managed function to outsourcing, aiming for a more efficient and cost-effective approach. By utilising external expertise, we seek to streamline HR operations, reducing both time requirements and financial impacts. This shift allows the team to focus on offboarding and supporting the business in this changing time, while ensuring that HR functions are efficiently managed by external professionals.

Our next steps and strategic priorities

As the business consolidates to reconsider the future opportunities, the work done to date sets the tone, culture and foundation for sustainability to remain at the heart of Core's values during it's next phase. We remain committed to continually improving our performance and learning from our people, our partners, the community, and industry to make a measurable impact, despite the many challenges we have faced.

Tenement Schedule

As at 30 June 2024

Tenement Number	Tenement Name	Status	Equity
Northern Territory			
EL 26848	Walanbanba	Granted	100%
EL 28029	White Range East	Granted	100%
EL 28136	Blueys	Granted	100%
EL 29347	Yambla	Granted	100%
EL 29389	Mt George	Granted	100%
EL 29580	Jervois East	Granted	100%
EL 29581	Jervois West	Granted	100%
EL 29698	Finniss	Granted	100%
EL 29699	Bynoe	Granted	100%
EL 30012	Bynoe	Granted	100%
EL 30015	Bynoe	Granted	100%
EL 30793	McLeish	Granted	100%
EL 31058	Barrow Creek	Granted	100%
EL 31126	Zola	Granted	100%
EL 31127	Ringwood	Granted	100%
EL 31139	Anningie West	Granted	100%
EL 31140	Anningie South	Granted	100%
EL 31145	Barrow Creek North	Granted	100%
EL 31146	Barrow Creek South	Granted	100%
EL 31271	Bynoe	Granted	100%
EL 31279	Sand Palms	Granted	100%
EL 31449	Napperby	Granted	100%
EL 31886	Adelaide River	Granted	100%
EL 32205	Finniss Range	Granted	100%
EMP 28651	Observation Hill (Extractive Lease)	Granted	100%
MLN 16	Bynoe	Granted	100%
ML 31726	Grants Mineral Lease	Granted	100%
ML 32074	Observation Hill (Ancillary Lease)	Granted	100%
ML 32346	BP33 Mineral Lease	Granted	100%
ML 32278	Grants Dam (Ancillary Lease)	Granted	100%
ML 29912	Saffums	Granted	100%
ML 29914	Labelle	Granted	100%
ML 29985	Angers North	Granted	100%
ML 31654	Annie/Old Crusher	Granted	100%
MLN 813	Bilatos	Granted	100%
MLN 1148	Centurian	Granted	100%
EL 32392	Ivy	Granted	100%
EL 32396	Murray Creek	Granted	100%
EL 31407	Shoobridge	Granted	100%
South Australia			
EL 6574	Fitton	Granted	100%
EL 6038	Mt Freeling	Granted	100%
EL 6111	Yerelina	Granted	100%
EL 6445	Wyatt Bore*	Granted	100%

* Partial reduction in the tenement holding (116km² to 86km²) of Wyatt Bore on 9th July 2024.

Mineral Resource and Ore Reserves Statement

As the result of a large resource development drilling program undertaken in 2023, the total resource tonnage for Core's Finnis Lithium Project has increased by 58% on the previous Mineral Resource Estimate (MRE) of 30.6Mt @ 1.31% Li₂O.¹ The MRE for the Finnis Lithium Project in the Northern Territory has increased to 48.2Mt @ 1.26% Li₂O.

Included within the 2024 MRE are significant increases to known deposits including Lees, Ah Hoy, Booths and Penfolds and a maiden MRE for Seadog.

30 June 2024		Lithium Mineral Resource (Finniss Lithium Project, Northern Territory)			
Deposit	Category	Tonnes (Mt)	Li ₂ O (%)	Li ₂ O (kt)	LiCO ₃ (kt)
Grants	Measured	1.34	1.48	19.8	49
	Indicated	0.61	1.49	9.1	22
	Inferred	0.37	1.27	4.7	12
	Total	2.32	1.45	33.6	83
BP33	Measured	2.85	1.44	41.0	101
	Indicated	6.51	1.55	101	249
	Inferred	1.14	1.59	18.1	45
	Total	10.5	1.53	161	398
Carlton	Measured	2.14	1.33	28.5	70
	Indicated	3.43	1.32	45.3	119
	Inferred	0.78	1.14	8.9	22
	Total	6.34	1.30	82.6	204
Hang Gong	Indicated	1.51	1.18	17.8	44
	Inferred	1.95	1.14	22.2	55
	Total	3.46	1.16	40.1	99
Lees	Indicated	4.16	1.18	49.1	121
	Inferred	7.08	1.12	79.3	196
	Total	11.2	1.14	128	316
Booths	Indicated	1.84	0.99	18.2	45
	Inferred	1.40	1.06	14.8	37
	Total	3.24	1.02	33.0	82
Ah Hoy	Indicated	1.71	1.20	20.5	51
	Inferred	2.93	1.38	40.4	100
	Total	4.64	1.31	60.8	150
Sandras	Indicated	1.17	0.92	10.8	27
	Inferred	0.57	0.82	4.7	12
	Total	1.73	0.89	15.4	38
Penfolds	Indicated	0.65	1.25	8.1	20
	Inferred	0.71	1.24	8.8	22
	Total	1.36	1.24	16.9	42
Bilatos	Inferred	1.92	1.03	19.8	49
	Total	1.92	1.03	19.8	49
Seadog	Inferred	1.41	1.18	16.6	41
	Total	1.41	1.18	16.6	41
Finniss	Measured	6.33	1.41	89.3	221
	Indicated	21.6	1.30	280	692
	Inferred	20.3	1.18	238	588
	Total	48.2	1.26	608	1,502

Note: Totals within this table may have been adjusted slightly to allow for rounding. All resources are reported at a 0.5% Li₂O cut off.

Net decrease at Grants due to mining depletion.

Li₂O x 2.47 = LiCO₃

1. Refer to "Finniss Mineral Resource Increased by 58%" as released on 11 April 2024. Core Lithium confirms that the Company is not aware of any new information or data that materially affects the Mineral Resource Estimates or Ore Reserve Estimates cross referenced in this report and confirms that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcement and "BP33 Mineral Resource Upgrade" on 16 October 2023.

Mineral Resource and Ore Reserves Statement

30 June 2023

Lithium Mineral Resource (Finniss Lithium Project, Northern Territory)

Deposit	Category	Tonnes (Mt)	Li ₂ O (%)	Li ₂ O (kt)	LiCO ₃ (kt)
Grants	Measured	1.80	1.50	27.0	67
	Indicated	0.61	1.49	9.1	22
	Inferred	0.37	1.27	4.7	12
	Total	2.78	1.47	40.8	101
BP33	Measured	2.85	1.46	41.6	103
	Indicated	4.09	1.53	62.6	155
	Inferred	3.17	1.45	46.0	114
	Total	10.11	1.48	150.2	373
Carlton	Measured	2.20	1.38	30.4	75
	Indicated	2.69	1.39	37.4	92
	Inferred	1.29	1.37	17.7	44
	Total	6.18	1.38	85.5	211
Hang Gong	Indicated	1.51	1.18	17.8	44
	Inferred	1.95	1.14	22.2	55
	Total	3.46	1.16	40.0	99
Lees	Indicated	0.88	1.24	10.9	27
	Inferred	0.35	1.05	3.7	9
	Total	1.23	1.19	14.6	36
Booths	Indicated	0.80	1.05	8.4	21
	Inferred	0.70	1.06	7.4	18
	Total	1.50	1.05	15.8	39
Ah Hoy	Indicated	0.67	1.16	7.8	19
	Inferred	0.38	1.17	4.4	11
	Total	1.05	1.16	12.2	30
Sandras	Indicated	1.17	0.92	10.8	27
	Inferred	0.57	0.82	4.7	12
	Total	1.73	0.89	15.4	38
Penfolds	Inferred	0.57	1.04	5.9	15
	Total	0.57	1.04	5.9	15
Bilatos	Inferred	1.92	1.03	19.9	49
	Total	1.92	1.03	19.9	49
Finniss	Measured	6.85	1.45	99.3	245
	Indicated	12.42	1.33	165.2	408
	Inferred	11.27	1.21	136.7	338
	Total	30.54	1.31	401.2	991

Note: Refer to "Significant Increase to Finniss Mineral Resources" released on 18 April 2023.

Totals within this table may have been adjusted slightly to allow for rounding. All resources are reported at a 0.5% Li₂O cut off.

Net decrease at Grants due to mining depletion.

Li₂O x 2.47 = LiCO₃

Ore Reserves for the Finniss Lithium Project were restated in September 2024. The Ore Reserve Estimate and related assumptions were developed by independent consultant OreWin with assistance from Core.

The overall Finniss Ore Reserve decreased by 13.5% with a 11.1% decrease in contained metal (incorporating depletion). The BP33 deposit Ore Reserve has increased by 223% from 3.9Mt to 8.7Mt as a result of the updated BP33 Mineral Resource. Grants Open Pit has reduced from 2.1Mt to 0.6Mt through depletion and pit redesign.

The Ore Reserve aligns with the restart study areas of focus (BP33 and Grants) and, based on the Ore Reserve assumptions, underpin a simpler project with a notional operating life of 9.5 years at the rate of the existing 1Mtpa Finniss process infrastructure.

The Ore Reserves associated with Carlton, Hang Gong and Grants Underground have been removed from reporting. They require further study work to ensure the shift in market conditions, cost environment, and learnings from the Grants operation and BP33 project development are considered appropriately.

30 June 2024 Lithium Ore Reserve (Finniss Lithium Project, Northern Territory)				
Deposit	Category	Tonnes (Mt)	Li ₂ O (%)	Contained metal (kt)
Grants Open Pit	Proved	0.53	1.40	7.4
	Probable	0.04	1.48	0.6
	Total	0.57	1.40	8.0
BP33 Underground	Proved	2.43	1.33	32.4
	Probable	6.25	1.40	87.2
	Total	8.68	1.38	119.6
Total	Proved	2.96	1.34	39.8
	Probable	6.29	1.40	87.8
	Total	9.25	1.38	127.6

Notes: Refer to "Lithium Ore Reserve Updated" released on 25 September 2024.

Effective date of the Ore Reserves is 30 June 2024.

Ore Reserves are the total for the Grants and BP33 Mines.

The long-term Spodumene price used for calculating the financial analysis is US\$1,450/t. The analysis has been calculated with assumptions for crushing, processing and treatment charges, deductions, and payment terms, concentrate transport, metallurgical recoveries, and royalties.

The breakeven cut-off for underground mining at BP33 Underground is 0.80% Li₂O.

The marginal cut-off grade for the Grants Open Pit is 0.50% Li₂O.

Measured Mineral Resources were used to estimate Proved Ore Reserves; Indicated Mineral Resources were used to estimate Probable Ore Reserves.

Tonnage and grade estimates include dilution and recovery allowances.

The Ore Reserves reported above are not additive to the Mineral Resources.

Totals within this table are subject to rounding.

Mineral Resource and Ore Reserves Statement

30 June 2023

Lithium Ore Reserve (Finniss Lithium Project, Northern Territory)

Deposit	Category	Tonnes (Mt)	Li ₂ O (%)	Contained metal (kt)
Open Pit				
Grants	Proved	1.7	1.5	24.6
	Probable	0.3	1.4	4.2
	Total	2.0	1.4	28.8
Hang Gong	Proved	–	–	–
	Probable	1.1	1.2	13.2
	Total	1.1	1.2	13.2
Total Open Pit	Proved	1.7	1.4	24.6
	Probable	1.4	1.3	17.4
	Total	3.1	1.3	42.0
Underground				
Grants	Proved	0.0	1.0	0.2
	Probable	0.2	1.5	3.4
	Total	0.3	1.4	3.6
BP33	Proved	1.7	1.4	24.4
	Probable	2.2	1.4	31.6
	Total	3.9	1.4	56.0
Carlton	Proved	2.0	1.2	24.0
	Probable	1.4	1.2	16.2
	Total	3.4	1.2	40.2
Total underground	Proved	1.9	1.3	25.7
	Probable	2.3	1.2	27.8
	Total	7.5	1.3	99.8
Total all mining methods	Proved	5.4	1.4	73.2
	Probable	5.2	1.3	68.6
	Total	10.6	1.3	141.8

Note: Totals within this table may have been adjusted slightly to allow for rounding.
Refer to "Significant Increase to Finniss Resources and Reserves" released on 12 July 2022.

30 June 2024

Inferred Uranium Mineral Resource (Napperby Uranium Project, Northern Territory)

Ore tonnage (Mt)	Grade (U ₃ O ₈ ppm)	Metal (U ₃ O ₈ t)	Metal (U ₃ O ₈ Mlb)	Metal (V ₂ O ₅ ppm)
9.54	382	3,643	8.03	236

Note: No changes in resource estimate for Napperby Uranium Project for 30 June 2024. Reported values are consistent with 30 June 2023.
Refer "Napperby Uranium Resource Update and Increase" released on 12 October 2018.

The following statement applies to all reported Mineral Resource Estimates, Ore Reserve Estimates and Exploration Results in this report. Core Lithium confirms that the Company is not aware of any new information or data that materially affects the Mineral Resource Estimates, Ore Reserve Estimates and exploration results cross referenced in this report and confirms that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. Core confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original announcements.

Competent Person Statements

Finniss

The information in this report that relates to the estimation and reporting of Mineral Resources for the Finniss Lithium Project was most recently updated by the Group on 11 April 2024.

The information in this report that relates to the Estimation and Reporting of Mineral Resources at Finniss is based on, and fairly represents, information and supporting documents compiled by Dr Graeme McDonald (BSc (Hons) Geol, PhD). Dr McDonald is the Resources Manager for Core Lithium Ltd. Dr McDonald is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience with the style of mineralisation, deposit type under consideration and the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code). Dr McDonald consents to the inclusion in this Report of the contained technical information relating to the Mineral Resource Estimation in the form and context in which it appears.

The information in this report that relates to the estimation and reporting of Ore Reserves for the Finniss Lithium Project was most recently updated by the Group on 25 September 2024.

The information in this release that relates to the Estimation and Reporting of Ore Reserves is based on, and fairly represents, information and supporting documents compiled by Mr Curtis Smith employed as Principal Mining Engineer by OreWin Pty Ltd. and is a Member of the Australasian Institute of Mining and Metallurgy. Mr Curtis Smith is a Competent Person as defined by the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves", having more than five years' experience that is relevant to the style of mineralisation and type of deposit and activity described in the Feasibility Study. Curtis Smith consents to the inclusion in the Public Report of the matters based on their information in the form and context in which it appears.

Napperby Uranium

The information in this report that relates to the estimation and reporting of Mineral Resources for the Napperby Uranium Deposit was first reported by the Group on 12 October 2018.

The information within this report that relates to the Mineral Resource Estimation results for the Napperby Uranium Deposit is based on, and fairly represent, information and supporting documentation compiled and reviewed by Dr Graeme McDonald (BSc (Hons) Geol, PhD). Dr McDonald is the Resources Manager for Core Lithium Ltd. Dr McDonald is a member of the Australasian Institute of Mining and Metallurgy and has sufficient experience with the style of mineralisation, deposit type under consideration and the activities undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code). Dr McDonald consents to the inclusion in this Report of the contained technical information relating to the Mineral Resource Estimation in the form and context in which it appears.

Internal Controls on Exploration results, Mineral Resource and Ore Reserve estimates

The Group ensures that all Exploration results, Mineral Resource and Ore Reserve estimates are subject to appropriate levels of governance and internal controls. Exploration results are collected and managed internally by a competent qualified geologist. Core relies on drilling results from accredited laboratories in providing assay data used for Exploration to estimate Mineral Resources and Ore Reserves. All data collection activities are conducted to industry standards based on a framework of quality assurance and quality control protocols covering all aspects of sample collection, topographical and geophysical surveys, drilling, sample preparation, physical and chemical analysis and data and sample management.

The Group confirms that it is not aware of any new information or data that materially affects the information included in this report and that all material assumptions and technical parameters underpinning the Exploration Results, Mineral Resources and Ore Reserves continue to apply.

Forward-Looking Statements

The Annual Report contains "forward-looking information" that is based on the Group's expectations, estimates and projections as of the date on which the statements were made.

This forward-looking information includes, among other things, statements with respect to feasibility studies, the Group's business strategy, plan, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, and Mineral Resources and Ore Reserves.

Generally, this forward-looking information can be identified by the use of forward-looking terminology such as 'outlook', 'anticipate', 'project', 'target', 'likely', 'believe', 'estimate', 'expect', 'intend', 'may', 'would', 'could', 'should', 'scheduled', 'will', 'plan', 'forecast', 'evolve' and similar expressions. Persons reading this presentation are cautioned that such statements are only predictions, and that the Group's actual future results or performance may be materially different.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors that may cause the Group's actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information.

Forward-looking information is developed based on assumptions about such risks, uncertainties and other factors set out herein, including but not limited to general business, economic, competitive, political and social uncertainties; the actual results of current exploration and development activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of lithium; possible variations of ore grade or recovery rates; failure of plant, equipment or processes to operate as anticipated; accident, labour disputes and other risks of the mining industry; and delays in obtaining governmental approvals or financing or in the completion of development or construction activities.

This list is not exhaustive of the factors that may affect forward-looking information.

These and other factors should be considered carefully, and readers should not place undue reliance on such forward-looking information.

The Group disclaims any intent or obligation to or revise any forward-looking statements whether as a result of new information, estimates, or options, future events or results or otherwise, unless required to do so by law. Statements regarding plans with respect to the Group's mineral properties may contain forward-looking statements in relation to future matters that can be only made where the Group has a reasonable basis for making those statements.

Directors' Report

Core's Directors have pleasure in submitting their report on the Company and its subsidiaries ("the Group") for the year ended 30 June 2024.

Directors

The names and details of Directors in office at any time during the reporting period are:



Greg English

B.E. (Hons) Mining, LLB

Non-Executive Independent Chair (appointed 10 September 2010)

Member of the Audit Committee

Member of the Nomination and Remuneration Committee

Member of Risk and Sustainability Committee

Experience and expertise

Greg English is co-founder and Chair of Core.

As Chair of the Board, he has overseen Core's transition from a base metals and uranium focused minerals exploration company to an Australian lithium company. He has more than 30 years of mining engineering and legal experience where he has held several senior roles for Australian and multinational companies.

He has received recognition for his work as a lawyer having recently been regularly recognised in The Best Lawyers® in Australia, in Commercial Law.

He is an experienced company director and has served on the boards of ASX listed companies. He holds a bachelor's degree in mining engineering, law degree (LLB) and first class mine managers ticket (NT, WA, and SA).

Other current directorships of listed companies

Director of Archer Materials Ltd (ASX:AXE) since 16 February 2007 and appointed Executive Chair on 1 June 2015.

Other directorships held in listed companies in the last three years

None

Interest in shares

As at the date of this report, 9,640,000 Ordinary Shares held directly and by an entity in which Mr English has a beneficial interest.

Interest in options/performance rights

Nil



Heath Hellewell

BSc (Hons) AIG

Non-Executive Independent Director (appointed 15 September 2014)

Chair of the Nomination and Remuneration Committee

Member of the Audit Committee

Member of Risk and Sustainability Committee

Experience and expertise

Heath Hellewell is an exploration geologist with 30 years' experience in gold, base metals and diamond exploration predominantly in Australia and West Africa. Heath has previously held senior exploration positions with a number of successful mining and exploration groups including DeBeers Australia and Resolute Mining.

He joined IGO Limited in 2000 prior to the Company's IPO and was part of the team that identified and acquired the Tropicana project area, eventually leading to the discovery of the Tropicana and Havana gold deposits. Heath was the co-founding Executive Director of Doray Minerals, following the discovery of the Andy Well gold deposits, Doray Minerals was named "Gold Explorer of the Year" in 2011 by The Gold Mining Journal and in 2014 Heath was the co-winner of the prestigious "Prospector of the Year" award, presented by the Association of Mining and Exploration Companies.

More recently Heath was responsible for acquiring the Karlawinda Gold Project through his private investment group and the formation of ASX-listed Capricorn Metals Limited.

Other current directorships of listed companies

Non-Executive Director of Duketon Mining Ltd (ASX:DKM) appointed 18 November 2014.

Non-Executive Director of Latitude 66 Limited (ASX:LAT) (previously DiscovEx Resources Limited (ASX:DCX)) appointed 11 March 2021.

Other directorships held in listed companies in the last three years

None

Interest in shares

As at the date of this report, 5,075,000 Ordinary Shares held by an entity in which Mr Hellewell has a direct interest.

Interest in options/performance rights

Nil



Malcolm McComas

B.Ec, LLB (Monash), FAICD

Non-Executive Independent Director (appointed 17 October 2019)

Chair of the Risk and Sustainability Committee

Chair of the Audit Committee

Member of the Nomination and Remuneration Committee

Experience and expertise

Malcolm McComas is a private investor and an experienced company director and was previously an investment banker with leadership roles at several global organisations. Specifically, he was head of investment banking at County NatWest (now Citi Group) for 10 years and a director of Grant Samuel for a similar period following earlier roles at Morgan Grenfell (now Deutsche Bank) in Melbourne, Sydney and London. He has deep experience in equity capital markets and mergers and acquisitions and has worked across many industry sectors for companies, institutional investors and governments over a 30-year career in investment banking. He was previously a lawyer specialising in tax.

He has worked with many growth companies in the resources sector and was most recently a director of BC Iron, the WA based iron ore producer and Consolidated Minerals, a global manganese mining company. He is also a Fellow of The Australian Institute of Company Directors.

Other current directorships of listed companies

Non-Executive Chair of Fitzroy River Corporation Limited (ASX:FZR) since 26 November 2012.

Non-Executive Director of Actinogen Medical Limited (ASX:ACW) since 4 April 2019.

Other directorships held in listed companies in the last three years

Non-Executive Director of Syntara Limited (ASX:SNT) appointed July 2003 and Non-Executive Chair since 1 May 2012 and resigned on 3 October 2023.

Interest in shares

As at the date of this report, 3,723,400 Ordinary Shares held by an entity in which Mr McComas has a beneficial interest.

Interest in options/performance rights

Nil

Directors' Report



Andrea Hall

BCom., FCA

Non-Executive Independent Director

(appointed 18 May 2023, resigned 12 March 2024)

Andrea is an experienced Non-Executive Director and is currently a member of the board of ASX listed entity, Evolution Mining Limited (EVN) and mining services firm Perenti Group Ltd (PRN). Further, she sits on the board of AIRA Co Pty Ltd, Western Power and the Commonwealth Superannuation Corporation.

Andrea's career has spanned more than 35 years in the financial services industry, including 7 years as a risk consulting partner at KPMG. She brings a strong skill set to the Board that includes risk management, finance, external and internal audit and corporate and operational governance. In addition to working with and sitting on boards within the mining sector, Andrea has worked with industry segments including transport, healthcare, insurance, property and with government. She is also a member of the Risk and Sustainability Committee of Evolution Mining Limited, a member of the People and Remuneration Committee and Nomination Committee at Perenti Group Ltd.

Other current directorships of listed companies

Non-Executive Director and Chair of the Audit Committee of Evolution Mining Limited (ASX:EVN) appointed 1 October 2017.

Non-Executive Director and Chair of the Audit and Risk Committee of Perenti Group Ltd (ASX:PRN) appointed 15 December 2019.

Other directorships held in listed companies in the last three years

Non-Executive Director of Pioneer Credit Limited (ASX:PNC) appointed 7 November 2016 and resigned 24 February 2023.

Interest in shares

Ms Hall held 105,000 Ordinary Shares held by an entity in which she has a beneficial interest at the time of resignation as director.

Interest in options/performance rights

Nil

Company Secretary



Jaroslaw (Jarek) Kopias

BCom, CPA, AGIA, ACG (CS, CGP)

Company Secretary (appointed 21 June 2011)

Jarek Kopias is a Certified Practicing Accountant and Chartered Secretary. Jarek has in excess of 25 years' industry experience in a wide range of financial and secretarial roles within the resources industry.

As an accountant, he worked in numerous financial roles for companies, specialising in the resource sector – including 5 years at WMC Resources Limited's (now BHP) Olympic Dam operations, 5 years at Newmont Mining Corporation – Australia's corporate office and 5 years at oil and gas producer and explorer, Stuart Petroleum Limited (prior to its merger with Senex Energy Limited).

He is currently the CFO and Company Secretary of iTech Minerals Ltd (ASX:ITM) and Resolution Minerals Ltd (ASX:RML) and is Company Secretary of Iron Road Ltd (ASX:IRD), Austral Resources Australia Ltd (ASX:AR1), Patagonia Lithium Ltd (ASX:PL3) and Copper Search Limited (ASX:CUS).

He has held similar roles with other ASX entities in the past and has other business interests with numerous unlisted entities.

Principal activities

Core owns 100% of the Finnis Lithium Project, which is presently maintained in a state ready for restart. Additionally, the company is conducting an exploration program across its portfolio of prospects in the Northern Territory and South Australia.

Operating and financial review

Our operations are reviewed on pages 12 to 14 and the Company's key risks are addressed on pages 27 to 30. These sections form part of the Operating and Financial Review.

Directors' meetings

The number of Directors' and committee meetings held during the reporting period and the number of meetings attended by each Director is as follows:

	BOARD MEETINGS	AUDIT AND RISK COMMITTEE ⁵	AUDIT COMMITTEE ⁵	NOMINATION AND REMUNERATION COMMITTEE	RISK AND SUSTAINABILITY COMMITTEE ⁵
Directors	Meetings attended (of 18)	Meetings attended (of 1)	Meetings attended (of 3)	Meetings attended (of 2)	Meetings attended (of 1)
G English ¹	18	1	3	2	1
H Hellewell ²	14	1	3	2	1
M McComas ³	17	1	3	2	1
A Hall ⁴	15	1	3	2	1
Number of meetings held	18	1	3	2	1

1. Chair of the Board.

2. Chair of the Nomination and Remuneration Committee.

3. Chair of the Audit Committee and Risk and Sustainability Committee.

4. Resigned as director on 12 March 2024. Mrs A. Hall was eligible to attend 15 Board Meetings, 1 Audit Committee Meeting, 3 Audit and Risk Committee Meetings, 2 Nomination and Remuneration Committee Meetings and 1 Risk and Sustainability Committee Meeting.

5. The Audit Committee was previously constituted as the Company's Audit & Risk Committee and was established as the Audit Committee following formation of the Risk and Sustainability Committee during the year.

As at 30 June there were no other committees other than the Audit Committee, Risk and Sustainability Committee and the Nomination and Remuneration Committee. All other matters usually delegated to committees are handled by the Board as a whole.

Unissued shares under option

Unissued ordinary Shares of Core under option at the date of this report are:

Date Options Granted	Expiry date	Exercise Price of Options	Number of Options
4/06/2024	30/06/2027	\$0.224	3,500,000
29/08/2024	30/06/2027	\$0.224	2,000,000
			5,500,000

Options are issued to KMP as remuneration and subject to tenure vesting conditions.

Directors' Report

Unissued ordinary shares of the Company subject to vesting and exercise of unquoted performance rights at the date of this report are:

Date Rights Granted	KPI Vesting	Expiry date	Number of Rights	Vested and Exercisable
27/01/2023	30/06/2025	31/01/2028	145,060	-
27/01/2023	30/06/2025	31/01/2028	145,060	-
27/01/2023	30/06/2025	31/01/2028	193,412	-
1/03/2023	30/06/2025	31/01/2028	25,578	-
1/03/2023	30/06/2025	31/01/2028	25,578	-
1/03/2023	30/06/2025	31/01/2028	34,105	-
31/05/2023	30/06/2025	31/01/2028	41,202	-
31/05/2023	30/06/2025	31/01/2028	41,202	-
31/05/2023	30/06/2025	31/01/2028	54,936	-
3/07/2023	30/06/2025	31/01/2028	30,526	-
3/07/2023	30/06/2025	31/01/2028	30,526	-
3/07/2023	30/06/2025	31/01/2028	40,700	-
15/03/2024	30/06/2026	31/01/2029	701,358	-
15/03/2024	30/06/2026	31/01/2029	701,358	-
15/03/2024	30/06/2026	31/01/2029	935,143	-
1/07/2024	30/06/2027	31/01/2030	1,979,640	-
1/07/2024	30/06/2027	31/01/2030	4,949,101	-
1/07/2024	30/06/2027	31/01/2030	2,969,457	-
1/08/2024	30/06/2027	31/01/2030	274,996	-
1/08/2024	30/06/2027	31/01/2030	687,491	-
1/08/2024	30/06/2027	31/01/2030	412,494	-
			14,418,923	

Subsequent to 30 June 2024, a total of 2,289,231 performance rights lapsed as performance conditions were not met and 11,273,179 performance rights were issued as remuneration. No performance rights were exercised into ordinary shares.

These options and rights do not entitle the holders to participate in any dividends or share issue of the Company or any other body corporate.

Significant changes in the state of affairs

There have been no significant changes in the state of affairs of the Group that occurred other than those disclosed on page 49.

Dividends

There were no dividends paid or declared during the reporting period or to the date of this report.

Events arising since the end of the reporting date

On 9 September 2024, the Group announced the acquisition of 9.8% of Charger Metals NL, as well as the acquisition of a 30% free carried interest in Charger's Bynoe Lithium Project from Lithium Australia (which remains subject to a pre-emptive right to Charger).

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.



Directors' Report

Remuneration Report (Audited)

The Directors of Core Lithium Ltd present the Remuneration Report in accordance with the *Corporations Act 2001* (Cth) and the *Corporations Regulations 2001* (Cth).

The Remuneration Report is set out under the following main headings:

- A. Remuneration essentials
- B. Details of Executive Officer and Non-Executive Director remuneration
- C. Statutory Executive Officer and Non-Executive Director remuneration
- D. Share-based remuneration
- E. Other information

A. Remuneration essentials

What does this Report cover?

The directors of Core Lithium Ltd present to shareholders the Group's Remuneration Report in accordance with the *Corporations Act 2001* (Cth) and its regulations for the year ended 30 June 2024 ("financial year" or "FY24").

Who does this Report cover?

This report sets out the remuneration arrangements for the Group's key management personnel ('KMP'). The term KMP refers to those persons having authority and responsibility for planning, directing, and controlling the activities of the Group, directly or indirectly, including any director (whether executive or otherwise) of the Group. Throughout the Remuneration Report, KMP are referred to as either Executive Officers or Non-Executive Directors.

The KMP of the Group are the Board of Directors and Executive Officers, these are set out below. As noted in Group announcements through the year, there were key changes to various KMP incumbents, given the evolution of Core from an explorer to an operator then back to explorer by the end of the year. Start and end dates for various roles are noted for transparency.

Non-Executive KMP

Greg English	Non-Executive Chair
Andrea Hall	Non-Executive Director <i>appointed 18 May 2023 and resigned as director on 12 March 2024</i>
Heath Hellewell	Non-Executive Director
Malcolm McComas	Non-Executive Director
Jarek Kopias	Company Secretary

Executive KMP

Current

Paul Brown	Chief Executive Officer (CEO) <i>appointed 4 June 2024</i>
Doug Warden	Chief Financial Officer (CFO) <i>appointed interim CEO role on 12 March 2024 and ceased role on 4 June 2024 before ceasing employment 1 July 2024</i>
James Virgo	Chief Financial Officer (CFO) <i>appointed 15 March 2024 to interim role and permanent position from 4 June 2024</i>

Former

Gareth Manderson	Chief Executive Officer (CEO) <i>appointed 8 August 2022 and ceased employment 12 March 2024</i>
Mike Stone	Chief Operating Officer (COO) <i>appointed 5 December 2022 and ceased employment 3 May 2024</i>

All Non-Executive Directors are members of the Audit Committee, the Nomination and Remuneration Committee (NRC) and Risk and Sustainability Committee (RSC).

Voting and comments made at the Group's Annual General Meeting ('AGM')

At the 2023 AGM, more than 25% of the votes were against the adoption of the 2023 remuneration report which constituted a "first strike" for the purposes of the *Corporations Act 2001* (Cth) and ASX Listing Rule 3.13.2(f).

Response to remuneration report strike

Following the first strike received at the 2023 AGM, the Board, in conjunction with the NRC, carefully considered and discussed the feedback received regarding the Group's remuneration framework and practices. To support the Board in developing responses that balanced the needs of all stakeholders, external consultants were engaged. The key concerns identified, and the Board's response are included below:

Feedback Received	CXO Response
Transparency of Short-Term Incentive (STI) measures, outcomes and opportunities	Core has improved clarity of our STI performance metrics and outcomes for the current year to ensure better transparency and alignment with performance. Please refer to pages 57–58 below.
Discretionary nature of STI outcomes	To address this, Core has provided additional context and detail on how STI outcomes were determined for FY24 based on the scorecard outcome as disclosed below on page 58, ensuring alignment with company principles.
Lack of STI deferral mechanism	Core has introduced an STI deferral mechanism for the incoming CEO Mr Brown, with details presented below. This better aligns short-term incentives with long-term company performance.
Length of Long-Term Incentive (LTI) Performance Period	The Core FY25 LTI performance period is now extended to 3 years to better align with our long-term strategic goals and industry standards. The performance period of 3 years is now standard for all future LTI plans.
Lack of disclosure of LTI outcomes, including clawback policy	Core has enhanced our disclosures by providing more detailed information on LTI performance metrics, achievement levels, clawback and resulting outcomes, as provided in the relevant sections below.
Quantum of LTI exceeds disclosed maximum opportunity	Future LTI grants will be limited to the maximum disclosed with no ability to exceed the maximum LTI opportunities, in accordance with governance best practices.
Lack of disclosed policy for treatment of awards upon termination	Core has developed and disclosed a clear policy for the treatment of awards upon termination below, ensuring fairness and alignment with shareholder expectations.
Participation of Non-Executive Officers in Equity Based Performance Plans	Non-Executive Directors are restricted from participating in Share Option or Performance Right remuneration plans.

As the Group sustainably grows, the Board will also look to ensure the substance and disclosure of our remuneration framework and practices similarly grows and matures while remaining fit-for-purpose. The Board and NRC appreciates ongoing engagement to maintain closer alignment between the Group and external stakeholder expectations on our remuneration and governance practices.

Directors' Report

Remuneration Report (Audited)

Performance opportunity for shareholder wealth

In considering the Group's performance and benefits for shareholder wealth to date, the Board considered the following indices in respect of the current financial year and the previous five (5) financial years:

ITEM	2024	2023	2022	2021	2020
Net (loss)/profit for the year (\$)	(207,013,270)	10,809,764	(7,465,674)	(2,912,254)	(4,386,412)
Earnings/(loss) per share (cents)	(9.88)	0.59	(0.47)	(0.27)	(0.55)
Shareholders' Equity (\$)	256,872,792	354,921,536	238,724,755	71,314,461	33,567,860
Number of issued shares – end of year	2,136,935,544	1,858,516,794	1,732,611,716	1,174,117,254	969,692,791
Share price – end of the year (cents)	9.3	90.0	95.5	24.0	4.5
Market capitalisation – end of year (\$m)	198.7	1,672.7	1,654.6	281.8	43.6

Remuneration of incoming CEO

On 4 June 2024 Core appointed Mr Paul Brown as Chief Executive Officer. His remuneration package includes:

- Total Fixed Remuneration: \$602,500 per annum, inclusive of salary, superannuation contributions, and any salary-sacrificed benefits.
- Short-Term Incentive (STI): STI opportunity of up to a maximum of \$361,500 (60% of TFR), contingent upon performance against key performance indicators. The STI is paid half in cash and half in deferred shares vesting over one and two years. Mr Brown was not eligible to participate in the FY24 STI award.
- Long-Term Incentive (LTI): LTI opportunity of a maximum of \$482,000 (80% of TFR) in the form of performance rights under the Core Incentive Plan (CIP). These rights vest after a 3-year performance period, subject to performance conditions set by the Board. Mr Brown was not eligible to participate in the FY24 LTI award.
- Share Options: issued 3,500,000 unlisted share options. These options expire on 30 June 2027, with an exercise price set at 22.4 cents representing 150% of the 30-day Volume-Weighted Average Price (VWAP) prior to issuance. Vesting is contingent upon continued employment until 1 July 2025.

The Board determined that the appointment of Mr Brown was essential given his proven leadership and experience in scaling resource operations. As the Company embarks on its next phase of growth, Mr Brown's strategic expertise is considered important to unlocking future value. His remuneration package has been structured to reflect both the complexity of his role and the evolving needs of the business, with a significant portion linked to long-term performance and shareholder returns. By including performance-linked equity and STI deferral mechanisms, the package ensures that Mr Brown's incentives are closely aligned with Core's operational success and shareholder value creation, positioning him to lead the company through its growth trajectory.

B. Details of Executive Officer and Non-Executive Officer Remuneration

Nomination and Remuneration Committee

In accordance with best practice corporate governance, a Nomination and Remuneration Committee (NRC) has been in place since December 2021. The NRC meets at least two times a year or more frequently as required. A quorum is considered a majority of the members of the Committee.

Role of the Board and Nomination and Remuneration Committee

The Board of Directors (the "Board") is responsible for establishing and overseeing the implementation of the Group's remuneration policies and frameworks and ensuring that it is aligned with the objectives of shareholders and the business.

The NRC are responsible for the Group's remuneration structure and arrangements and make recommendations to the Board. In particular, the NRC reviews and recommends to the Board:

- remuneration and arrangements for KMP and other employees;
- equity based remuneration plan for KMP and other employees;
- superannuation arrangements for KMP and other employees;
- incentive plans (including equity-based plans);
- the Group's remuneration and incentive policies; and
- whether there is any gender or other bias in remuneration practices.

Use of Remuneration Consultants and Other Advisors

The Board and the NRC seek and consider remuneration consultants' advice and recommendations from time to time, when required to ensure that they have all the relevant information at their disposal to determine KMP remuneration and remuneration practices. Remuneration consultant engagement is governed by internal protocols that set the parameters around the interaction between management and consultants to ensure recommendations were free from undue influence and ensure compliance with the *Corporations Act 2001*.

Under the protocols adopted by the Board and the NRC:

- the NRC must, in deciding whether to approve the engagement, have regard to any potential conflicts of interest including factors that may influence independence such as previous and future work performed by the Committee and any relationships that exist between any KMP and the remuneration consultant; and
- communication between the remuneration consultants and KMP is restricted and noted to minimise the risk of undue influence on the remuneration consultant.

In the current year, the Board engaged Korn Ferry and Loftswood as external consultants to perform a review of peer companies to provide guidance in relation to the Group's remuneration policy and reward levels for the Chief Executive Officer and Executive Officer positions. Korn Ferry were paid \$23,695 for the executive remuneration recommendations and benchmarking reports. Loftswood were paid \$12,650 for the executive remuneration recommendations and benchmarking reports.

Korn Ferry and Loftswood's advice was in relation to market benchmarking, and there were no explicit recommendations to the Board on KMP remuneration.

Remuneration Strategy

The Group's remuneration strategy demonstrates the links between Core's remuneration arrangements and business strategies. The objective of the Group's remuneration strategy is to ensure rewards for performance is competitive and appropriate for the results delivered. This aligns reward with the achievement of objectives and the creation of value for shareholders, and it is considered to conform to the market best practice for the delivery of reward.

The Group seeks to attract and retain high-performing individuals, both in executive and other roles, and incentivise them to outperform. The approach to remuneration is to provide executives with a market-competitive Total Fixed Remuneration (TFR) and to reward outperformance through performance-linked, 'at-risk' remuneration. Variable performance-based remuneration strengthens the link between pay and performance. This scheme aims to make a large proportion of the total reward package subject to meeting various targets linked to Core's business objectives.

Accordingly, TFR is positioned at the market median of relevant market competitors, with the opportunity to earn upper quartile total remuneration for delivering outperformance. The Board annually reviews the packages of Executive KMP by reference to the Group's performance, the Executive Officer's performance and comparable information from industry sectors and other ASX listed peer companies.

Directors' Report

Remuneration Report (Audited)

The proportion of fixed and at-risk remuneration varies, and it depends on the role and grading of executives and the performance of the Group. Senior positions have a more significant proportion of at-risk remuneration. The at-risk component of remuneration is governed by the Core Incentive Plan and is comprised of both STI and LTI.

In accordance with best practice corporate governance, the structure of Executive Officers and Non-Executive Director (NED) remuneration is separate. The Board's strategy with respect to NED remuneration is to set remuneration at market rates, with reference to comparable companies and the time, commitment and responsibilities required. The Board determines NED remuneration and reviews their remuneration annually.

Executive Officer Remuneration

Executive Officers Remuneration Mixes and Components

The Group's executive remuneration framework for FY24 is summarised below and includes components of remuneration which are fixed and structured in a manner to motivate executives to deliver sustained returns through a mix of short-term and long-term incentives.

	Total Fixed Remuneration	Short-term incentive (at risk)	Long-term incentive (at risk)
Purpose	Provides remuneration that is reflective of expertise and knowledge of Executive Officers	Rewards Executive Officers for achieving current business targets and performance goals	Encourages Executive Officers to achieve sustained performance and growth over long term
Comprised of	Base salary plus superannuation and other benefits	Cash	Performance Rights
Opportunity	Maximum: 100% of base salary	Maximum: 60% TFR Maximum: 40% TFR for incoming CFO	Maximum: 80% TFR Maximum: 40% TFR for incoming CFO
Determined by	Factors including job size, role requirements, market benchmarks, individual skills, qualifications, experience, and performance	Achievement of set performance objectives, linked to annual business outcomes	Achievement of set performance objectives, linked to longer-term business outcomes, intended to drive sustainable business growth and shareholder value
Performance period	12 months	12 months	3 years
Cessation of employment	Paid up until date of employment cessation.	The Board may determine that the STI or LTI may be granted on a pro-rata basis relative to the period of service completed and depending on the circumstances of cessation of employment.	
Change of control event	N/A	If a Change of Control event occurs (or is likely to occur) the Board may at its discretion waive any vesting conditions attached to the incentive programs.	
Clawback	N/A	The Board may by written notice request repayment of cash paid for STI or lapse or cancel Convertible Securities, where the Executive Officer has: <ul style="list-style-type: none">acted fraudulently or dishonestly;employment terminated due to serious or wilful misconduct;deals with Convertible Securities or Restricted shares contrary to provisions; orbecomes ineligible to hold office due to breach of <i>Corporations Act 2001</i>.	

Total Fixed Remuneration (TFR)

TFR comprises base salary and employer superannuation contributions and other benefits (as agreed between the Group and the individual, provided that no extra cost is incurred by the Group for these benefits). The NRC annually reviews TFR levels with reference to the Group's performance, the individual's performance against set objectives, and comparable information from industry sectors and other ASX listed peer companies. Core selected its peer group based on alignment in lithium exploration and production activities, as well as their strategic importance within the battery materials supply chain and the broader energy transition sector.

No changes to fixed remuneration were made during the financial year.

The TFR offered to Executive Officers during FY24, as well as the terms of employment under their employment contracts are outlined below. This includes both current and previous incumbents:

NAME	POSITION	TOTAL FIXED REMUNERATION ¹	UNIT OF MEASURE	TERM OF AGREEMENT	NOTICE PERIOD ²
P Brown ³	Chief Executive Officer	\$602,500	Salary	Permanent	Four months
G Manderson ⁴	Chief Executive Officer	\$769,183	Salary	Permanent	Four months
J Kopias	Company Secretary	Variable	Hourly rate contract	As required	One month
M Stone ⁵	Chief Operating Officer	\$487,290	Salary	Permanent	Three months
D Warden ⁶	Chief Financial Officer	\$641,125	Salary	Permanent	Four months
J Virgo ⁷	Chief Financial Officer	\$362,375	Salary	Permanent	Three months

1. Total fixed remuneration is inclusive of superannuation benefits and other short-term benefits.
2. To be given by the employee or by the Group.
3. Mr P. Brown commenced employment on 4 June 2024.
4. Mr G. Manderson ceased employment with an end date of 12 March 2024.
5. Mr M. Stone ceased employment with an end date of 3 May 2024.
6. Mr D. Warden ceased employment with an end date of 1 July 2024.
7. Mr J. Virgo was appointed into the interim role on 15 March 2024 and permanently appointed on 4 June 2024.

Short-term incentive (STI)

STI is delivered in the form of a performance-based cash bonus if objectives for the financial year are achieved. The STI remuneration framework, which has a short-term focus over a 12-month performance period, includes performance measures based on Group targets concerning safety, sustainability, environment, community, production optimisation and financial strength, and resource growth.

The STI opportunity offered to each executive KMP as a percentage of TFR is defined by the individual's role and reward grade. The STI opportunity is market benchmarked and reviewed by the Board and NRC annually.

During FY24, holistic performance objectives were adopted for Executive Officers. These objectives were chosen by the Board for their ability to drive executive focus on short-term and medium-term business continuity and performance related to commercial success and Core's social license to operate. However, there has been significant volatility in the lithium market and as a result, action was taken to prioritise the work of the business to preserve cash and create a more resilient organisation through the commodity cycle. The initial focus on growth through the rapid acceleration and construction of BP33 and mining optimisation of Grants quickly shifted to the suspension of mining, processing of remaining ore stocks and a significant reduction in FTEs to rapidly reduce costs. Notwithstanding the change in direction caused by market conditions, a number of the key objectives in the following areas remain relevant and accordingly, remained relevant for assessing performance:

- health, safety and environment;
- production guidance;
- cash costs and unit costs;
- completion of the BP33 feasibility study; and
- exploration strategy and resource growth.

The Board determined it would be appropriate to continue the STI program despite the cessation of mining, as the Company maintained operations and successfully transitioned into care and maintenance. Incentivising the execution of this process was key to the second half of FY24, and the lead into FY25.

Directors' Report

Remuneration Report (Audited)

Short-Term Incentive Outcomes for FY24

The following table outlines the FY24 STI arrangements in detail:

Area	KPI	Weighting	Outcome	Achievements
Sustainability	<ul style="list-style-type: none"> AIFR – injuries. Critical Risk Management. Risk Management Framework. Operating Model. 	30%	70%	<ul style="list-style-type: none"> 2 injuries were recorded. All incidents were investigated, and learnings were shared. CRM embedded in leadership routines and activity (e.g.) prestart/ VPC/Leadership in field/JHA's/signage. Evidence of stop and seek help occurring due to an absence of an identified weak control. TBCCC (Task Based critical control checklist) developed for higher risk tasks. Commenced, and reprioritised to focus on risk planning for strategic response shift. Risk bow ties completed for all fatality risks. Operating model embedded and adapted based on corporate strategy.
Operational Delivery	<ul style="list-style-type: none"> Achieve production budget – DMS concentrate production. Achieve production budget physicals – fines. Achieve production FY24 unit cost. 2024FY budget (cash) cost performance (all in cash cost excluding royalties). 	45%	64%	<ul style="list-style-type: none"> 96,535t @ 4.8% = 4,633 lithia tonnes forecast to be produced by June 24. Shift in strategy to achieve improved recoveries. Recoveries have increased from mid 50% to +60% in the second half of FY2024. 66.2kt of fines have been shipped, compared to a budget of 85kt. The revised market guidance provided in January was 46.3kt, with further sales subject to market conditions. The original unit cost guidance was revised in the December quarterly (released in January 2024) to reflect the suspension of mining. The forecast cash operating unit cost for FY24 is \$1,415/t, compared to the revised guidance of \$1,350-\$1,400 per tonne. Achieved due to cessation of mining and BP33 works. Forecast Total cash costs are expected to be ~\$300m vs the objective of \$328 million.
Growth	<ul style="list-style-type: none"> Deliver BP33 – FID level study completion endorsed by the board. Execute exploration plan. Grow mineral resources. 	25%	75%	<ul style="list-style-type: none"> The study was completed at the end of February 2024, and the draft updated FS report is ready for Board endorsement, should it be required. Given the marginal nature of the project financials in current price environment, BP33 was not presented to the Board for FID. Completed 55,314m exploration drilling (DD+RC+RAB) for the year. This represented 63% of the original full year budget of 87,750m. The original budget until the end of December was 68,750m when the program was paused to conserve cash. The Mineral Resource Estimate (MRE) has increased to 48.2Mt @ 1.26% Li₂O. This represents a 58% increase on the previous MRE of 30.6Mt @ 1.31% Li₂O or a growth of 17.6Mt. Target exceeded by 5.6Mt.
Business Objectives Total			68.5%	Achieved

Mr Warden and Mr Virgo's STI outcomes were calculated based on the above scorecard. As Mr Manderson and Mr Stone ceased employment prior to end of the year and the determination of the STI scorecard and outcomes, their STI was based on the performance against the scorecard up to their respective termination date then pro-rated to the period of service. Mr Brown was not eligible for STI in FY24.

For the coming FY25 financial year, the Board will refine the key performance indicators set out above to better align with the new business strategy.

Long term incentive (LTI)

The Board believes that the Core LTI program will focus and motivate executives to achieve longer term performance outcomes, ensure that business decisions consider the Group's long-term performance and create an immediate ownership mindset among the executives. This aligns them with shareholders' interests by linking a substantial portion of their potential total reward to the Group's shareholder returns.

For performance rights granted in FY24 to successfully vest, the following performance conditions are to be met:

1. The Group meets the LTI scheme performance conditions (refer to Section D for details), these are;
 - a. Absolute Total Shareholder Return (aTSR)
 - b. Relative Total Shareholder Return (rTSR); and
 - c. Reserve growth per share
2. The executive KMP meeting the service conditions under the Core Incentive Plan.

These performance conditions cover periods beyond 12 months. Vesting thresholds are based on an annualised TSR. The share price component of TSR is calculated using the closing price of CXO ordinary shares on the day prior to the relevant measurement period and the closing price on the final day of the Measurement Period with the Number of rights issued based on 10 day VWAP following 30 June 2024.

If an executive KMP leaves Core, then the Board may determine that the LTI may be granted on a pro-rata basis relative to the period of service completed and depending on the circumstances of the Executive KMP's cessation of employment.

All performance rights held by KMP that were eligible to vest during FY24 or had a measurement period that ended within FY24 lapsed due to failure to meet the performance conditions.

Non-Executive Director (NED) Remuneration

Non-Executive Directors receive a fixed remuneration to recompense for Board and Committee roles. The maximum aggregate amount of fees that can be paid is subject to approval by shareholders at the Group's AGM. This is currently \$700,000, as last approved by shareholders at the 2021 AGM.

In remunerating NEDs, the Group aims to attract and retain qualified and experienced directors, with fees reflecting:

- the specific responsibilities and requirements for the Board;
- comparative roles in the external market; and
- the size and complexity of the Group's operations.

NED fees are not linked to the performance of the Group, except in relation to share-based remuneration. To align Directors' interests with shareholder interests, the Directors are encouraged to hold shares in the Group.

All Directors (including the Chair) are entitled to be reimbursed for travel and other expenses properly incurred by them in attending any meeting or otherwise in connection with the business or affairs of the Group, in accordance with the Group's constitution.

A review of NED fees was undertaken in the 2023 financial year. NED fees have not been increased for FY24.

Directors' Report

Remuneration Report (Audited)

FY25 changes to the Remuneration Framework

The table below provides the proposed remuneration framework for FY25, which looks to embed and build upon the changes made in FY24 to reflect stakeholder feedback following the remuneration strike at the 2023 AGM. Full details of the framework will be disclosed in the FY25 Remuneration Report.

	Short-term incentive (at risk)	Long-term incentive (at risk)																																																													
Purpose	Rewards Executive Officers for achieving current business targets and performance goals.	Encourages Executive Officers to achieve sustained performance and growth over the long term.																																																													
Comprised of	CEO: 50% Cash, 50% Deferred Shares, vesting over one and two years. CFO: Cash	Performance Rights																																																													
Opportunity	CEO: 60% TFR CFO: 40% TFR	CEO: 80% TFR CFO: 40% TFR																																																													
Determined by	<p>Total STI is adjusted to prioritize both Group (40%) and individual, role-specific (60%) performance. The new KPIs align with the Groups’ strategic goals and ensure a balanced assessment of contributions. Clear targets will enhance accountability and drive success.</p> <table><thead><tr><th></th><th>CEO</th><th>CFO</th></tr><tr><th></th><th colspan="2">Percentage of STI</th></tr></thead><tbody><tr><td>Group KPI</td><td>40%</td><td>40%</td></tr><tr><td>ESG</td><td>10%</td><td>10%</td></tr><tr><td>Exploration and Growth</td><td>15%</td><td>15%</td></tr><tr><td>Operation</td><td>15%</td><td>15%</td></tr><tr><td>Individual KPI</td><td>60%</td><td>60%</td></tr><tr><td>Financials</td><td>25%</td><td>25%</td></tr><tr><td>HSE</td><td>15%</td><td>–</td></tr><tr><td>Cost Control System</td><td>–</td><td>15%</td></tr><tr><td>Delivery of Business Plan</td><td>20%</td><td>20%</td></tr></tbody></table>		CEO	CFO		Percentage of STI		Group KPI	40%	40%	ESG	10%	10%	Exploration and Growth	15%	15%	Operation	15%	15%	Individual KPI	60%	60%	Financials	25%	25%	HSE	15%	–	Cost Control System	–	15%	Delivery of Business Plan	20%	20%	<p>A combination of Relative TSR (weighted at 50%), Absolute TSR (weighted at 20%) and Resource Growth (weighted at 30%) as shown below.</p> <table><thead><tr><th rowspan="3">Metric</th><th colspan="2">Threshold</th><th colspan="2">Maximum</th></tr><tr><th>Threshold</th><th>Threshold Reward</th><th>Maximum</th><th>Maximum Reward</th></tr><tr><th>Metric</th><th>(% of Rights granted)</th><th>Metric</th><th>(% of Rights granted)</th></tr></thead><tbody><tr><td>Relative TSR</td><td>>P50</td><td>Pro rata 50% – 100%</td><td>P75</td><td>100%</td></tr><tr><td>Absolute TSR</td><td>7.5% pa</td><td>Pro rata 0% – 100%</td><td>22.5% pa</td><td>100%</td></tr><tr><td>Resource Growth</td><td>>10% growth</td><td>Pro rata 0% – 100%</td><td>20% growth</td><td>100%</td></tr></tbody></table> <p>Metric adjustments reflect a strategic shift towards prioritizing relative performance. The increased emphasis on Relative TSR indicates a stronger focus on outperforming our peers, while the decreased weight on Absolute TSR signals a more balanced approach to shareholder returns. Measured & Indicated Resource Growth changes to aligning our resource expansion strategy with broader corporate objectives.</p> <p>Core has also updated the selected peer group for the rTSR metric to include several lithium exploration, development, and production companies. The updated peer group directly engaged in the same industry, ensuring a relevant and competitive benchmark.</p>	Metric	Threshold		Maximum		Threshold	Threshold Reward	Maximum	Maximum Reward	Metric	(% of Rights granted)	Metric	(% of Rights granted)	Relative TSR	>P50	Pro rata 50% – 100%	P75	100%	Absolute TSR	7.5% pa	Pro rata 0% – 100%	22.5% pa	100%	Resource Growth	>10% growth	Pro rata 0% – 100%	20% growth	100%
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Resource Growth	>10% growth	Pro rata 0% – 100%	20% growth	100%																																																											
Performance period	12 months	3 years																																																													
Cessation of employment	<p>For retention purposes, the Executive must remain an employee of the Company at the date that the STI bonus is paid.</p> <p>However, if an Executive’s employment or consultancy with the Company is terminated prior to this time, the Board retains the discretion to award or forfeit any STI bonus on a case by-case basis, considering longevity in the role and the reasons for leaving.</p>	<p>Where an Executive becomes a bad leaver, all unvested Annual LTI Performance Rights will automatically be forfeited and lapse, subject to any determination otherwise by the Board in its sole and absolute discretion.</p>																																																													
Clawback	<p>The Board may, in its sole and absolute discretion, reclaim any paid STI bonus under the FY25 STIP. Where the Executive has:</p> <ul style="list-style-type: none">acted fraudulently or dishonestly; and/orwilfully breached his/her duties to the Company.	<p>The Board may, in its sole and absolute discretion, deem lapsed any unvested, or vested but unconverted or unexercised, Convertible Securities. Where the Executive has:</p> <ul style="list-style-type: none">acted fraudulently or dishonestly; and/orwilfully breached his/her duties to the Company.																																																													

C. Statutory Executive Officer and Non-Executive Officer Remuneration

Details of the nature and amount of each element of the remuneration of the Group's KMP are shown below:

	SHORT-TERM BENEFITS			POST-EMPLOYMENT BENEFITS		OTHER LONG-TERM BENEFITS	SHARE-BASED PAYMENTS	Total	At risk %
	Salary and fees \$	Contract payments \$	Annual leave entitlement ⁷ \$	Bonus ⁶ \$	Super-annuation \$				
2024									
Non-Executive Directors									
G English	153,546	-	-	-	16,923	-	-	170,469	-
H Hellewell ⁵	-	110,004	-	-	-	-	-	110,004	-
M McComas ⁵	-	110,000	-	-	-	-	-	110,000	-
A Hall (Former) ⁹	86,709	-	-	-	4,106	-	-	90,815	-
Chief Executive Officer									
G Manderson ¹ (Former)	591,002	-	-	-	48,524	468,179	-	223,346	17%
Paul Brown ⁸	47,917	-	3,686	-	5,271	-	-	112,000	66%
Other Key Management Personnel (Former)									
J Kopias ⁵	-	133,306	-	-	-	-	-	133,306	-
J Virgo ¹⁰	99,273	-	8,121	13,381	8,087	-	-	135,421	15%
Other Key Management Personnel (Former)									
M Stone ²	390,806	-	-	-	63,662	248,388	-	99,155	12%
D Warden ³	584,796	-	22,194	182,910	69,603	-	-	332,897	43%
Total	1,954,049	353,310	34,001	196,291	216,176	716,567	-	773,957	4,244,351

1. Mr G. Manderson ceased employment as Chief Executive Officer effective 12 March 2024.
2. Mr M. Stone ceased employment as Chief Operating Officer effective 3 May 2024.
3. Mr D. Warden was appointed as interim CEO effective 12 March 2024 to 4 June 2024 and ceased employment 1 July 2024. Mr D. Warden ceased his role as KMP on 4 June 2024 when Mr P. Brown was appointed to permanent CEO role.
4. Expense recognised for performance rights and options granted to personnel in accordance with the vesting terms.
5. Contract payments were made to Kopias Consulting – an entity associated with J Kopias, NeoGold Enterprises Pty Ltd – an entity associated with H. Hellewell and McComas Capital Pty Ltd – an entity associated with M. McComas. Payments made to NeoGold Enterprises Pty Ltd and McComas Capital Pty Ltd relate only to Board fees paid to the respective NEDs during the year.
6. Short-term cash incentive bonuses at the discretion of the Board based on achievement of performance objectives during the reporting period. Refer to Section B. Short Term Incentives above for details on performance objectives.
7. Leave entitlements are calculated using the KMP's provision year on year, being the net accrued and taken during the year.
8. Mr P. Brown was appointed as Chief Executive Officer effective 4 June 2024.
9. Ms A. Hall resigned as a director on 12 March 2024.
10. Mr J. Virgo was appointed interim Chief Financial Officer 12 March 2024 and permanently appointed 4 June 2024.
1. Termination payments relate to those KMP that were made redundant during the period. The payments relate to payments in lieu of notice, outstanding leave balances and other contracted payments, in line with the cessation of employment provisions under the STI Plan.

Directors' Report

Remuneration Report (Audited)

	SHORT-TERM BENEFITS			POST-EMPLOYMENT BENEFITS			OTHER LONG-TERM BENEFITS	SHARE-BASED PAYMENTS		
	Salary and fees \$	Contract payments \$	Annual leave entitlement ¹⁰ \$	Bonus ⁹ \$	Super-annuation \$	Termination ¹¹ \$	Long service leave entitlement ¹⁰ \$	Options and performance rights ⁷ \$	Total \$	At risk %
2023										
Non-Executive Directors										
G English ⁶	180,492	–	–	–	18,952	–	–	–	199,444	–
H Hellewell ⁸	–	110,000	–	–	–	–	–	–	110,000	–
M McComas ⁸	–	110,000	–	–	–	–	–	–	110,000	–
A Hall	12,552	–	–	–	1,381	–	–	–	13,933	–
Managing Director										
S Biggins (Former) ¹²	293,297	–	–	–	11,565	–	–	–	304,862	–
Chief Executive Officer										
G Manderson ¹	625,441	–	31,321	254,316	53,267	–	–	221,775	1,186,120	40%
Other Key Management Personnel										
D Warden ³	119,016	–	13,513	47,955	17,772	–	–	25,366	223,622	33%
M Stone ²	248,205	–	23,057	103,165	36,641	–	–	118,991	530,059	42%
J Kopias ⁸	–	139,364	–	–	–	–	–	–	139,364	–
Other Key Management Personnel (Former)										
B Duncan ⁴	227,230	–	–	–	25,292	80,769	–	–	333,291	–
S Iacopetta ⁵	274,301	–	–	123,200	22,568	–	–	–	420,069	29%
A Forman ⁶	–	99,907	–	–	10,490	–	–	–	110,397	–
Total	1,980,534	459,271	67,891	528,636	197,928	80,769	–	366,132	3,681,161	24%

1. Mr G. Manderson was appointed as Chief Executive Officer effective 8 August 2022.

2. Mr M. Stone was appointed as Chief Operating Officer effective 5 December 2022.

3. Mr D. Warden was appointed as Chief Financial Officer effective 17 April 2023.

4. Mr B. Duncan ceased employment as Chief Operating Officer effective 30 December 2022.

5. Mr S. Iacopetta ceased employment as Chief Financial Officer effective 12 February 2023.

6. Mr A. Forman was Interim Chief Financial Officer from 12 February 2023 to 16 April 2023.

7. Expense recognised for performance rights and options issued to personnel in accordance with the vesting terms.

8. Contract payments were made to Kopias Consulting – an entity associated with J Kopias, NeoGold Enterprises Pty Ltd – an entity associated with H Hellewell and McComas Capital Pty Ltd – an entity associated with M McComas. Payments made to NeoGold Enterprises Pty Ltd and McComas Capital Pty Ltd relate only to Board fees paid to the respective NEDs during the year.

9. Short-term cash incentive bonuses at the discretion of the Board based on objectives achieved in for achievement of performance objectives during the reporting period. Refer to Section B – Short Term Incentives above for details on performance objectives.

10. Leave entitlements are calculated using the KMP's provision year on year, being the net accrued and taken during the year.

11. Mr B. Duncan received a payment in lieu of notice.

12. Mr S. Biggins resigned as Managing Director on 16 October 2022.

D. Share-Based Remuneration

All options refer to a right to subscribe for one fully paid ordinary share in the Company, under the terms of the option. Details of options convertible to ordinary shares in the Company that were granted as remuneration to each KMP during the year are set out below:

2024 OPTIONS GRANTED	NUMBER GRANTED	GRANT DATE	EXERCISE PRICE \$	FAIR VALUE AT GRANT DATE		VESTING CRITERIA	LAST VESTING DATE	EXPIRY DATE UPON VESTING
				\$/RIGHT	FULL VALUE (\$)			
P Brown	3,500,000	4/06/2024	0.224	0.032	112,000	Employed by the Company	30/06/2025	30/06/2027
	3,500,000				112,000			

All performance rights refer to a performance right to convert one right to one ordinary share in the Group, under the terms of the performance rights. Details of performance rights convertible to ordinary shares in the Group that were granted as remuneration to each KMP during the year are set out below:

2024 PERFORMANCE RIGHTS GRANTED	NUMBER GRANTED	GRANT DATE	FAIR VALUE AT GRANT DATE		VESTING CRITERIA	PERFORM- ANCE CRITERIA	LAST VESTING DATE	EXPIRY DATE UPON VESTING
			\$/RIGHT	FULL VALUE (\$)				
G Manderson	350,159	1/03/2024	0.17	59,177	Absolute shareholder return	1/07/2023– 30/06/2026	30/06/2026	31/01/2029
G Manderson	350,159	1/03/2024	0.19	64,779	Relative shareholder return	1/07/2023– 30/06/2026	30/06/2026	31/01/2029
G Manderson	466,877	1/03/2024	0.24	112,050	Reserve growth per share	1/07/2023– 30/06/2026	30/06/2026	31/01/2029
M Stone	221,831	15/03/2024	0.17	37,489	Absolute shareholder return	1/07/2023– 30/06/2026	30/06/2026	31/01/2029
M Stone	221,831	15/03/2024	0.19	41,039	Relative shareholder return	1/07/2023– 30/06/2026	30/06/2026	31/01/2029
M Stone	295,775	15/03/2024	0.24	70,986	Reserve growth per share	1/07/2023– 30/06/2026	30/06/2026	31/01/2029
D Warden	285,500	15/03/2024	0.17	48,250	Absolute shareholder return	1/07/2023– 30/06/2026	30/06/2026	31/01/2029
D Warden	285,500	15/03/2024	0.19	52,818	Relative shareholder return	1/07/2023– 30/06/2026	30/06/2026	31/01/2029
D Warden	380,667	15/03/2024	0.24	91,360	Reserve growth per share	1/07/2023– 30/06/2026	30/06/2026	31/01/2029
J Virgo	65,690	15/03/2024	0.17	11,102	Absolute shareholder return	1/07/2023– 30/06/2026	30/06/2026	31/01/2029
J Virgo	65,690	15/03/2024	0.19	12,153	Relative shareholder return	1/07/2023– 30/06/2026	30/06/2026	31/01/2029
J Virgo	87,588	15/03/2024	0.24	21,021	Reserve growth per share	1/07/2023– 30/06/2026	30/06/2026	31/01/2029
	3,077,267			622,224				

The fair value at grant date is determined based using a valuation methodology as disclosed in the notes to the financial statements.
The performance rights granted under the remuneration framework carry a nil exercise price.

Directors' Report

Remuneration Report (Audited)

Shareholdings

The number of ordinary shares of the Group held, directly, indirectly, or beneficially, by each Director and Key Management Personnel, including their personally related entities as at reporting date:

2024	HELD AT 30 JUNE 2023	SALE OF SHARES	OPTIONS/ RIGHTS EXERCISED	PURCHASE OF SHARES	OTHER CHANGE ¹	HELD AT 30 JUNE 2024
G English	9,565,000	–	–	75,000	–	9,640,000
H Hellewell	5,000,000	–	–	75,000	–	5,075,000
M McComas	3,648,400	–	–	75,000	–	3,723,400
A Hall	30,000	–	–	75,000	(105,000)	–
J Kopias	–	–	–	–	–	–
P Brown	–	–	–	–	–	–
G Manderson	–	–	–	–	–	–
M Stone	–	–	–	–	–	–
D Warden	–	–	–	–	–	–
J Virgo	–	–	–	–	–	–
Total	18,243,400	–	–	300,000	(105,000)	18,438,400

1. Negative amounts reflect the number held at the date of ceasing to be a KMP.

Option Holdings

The number of options over ordinary shares in the Group held, directly, indirectly, or beneficially, by each specified Director and KMP, including their personally related entities as at reporting date, is as follows:

Options

2024	HELD AT 30 JUNE 2023	GRANTED DURING YEAR ¹	LAPSED DURING YEAR	EXERCISED DURING YEAR	OTHER CHANGE	HELD AT 30 JUNE 2024	VESTED AND EXERCISABLE AT 30 JUNE 2024
G English	–	–	–	–	–	–	–
H Hellewell	–	–	–	–	–	–	–
M McComas	–	–	–	–	–	–	–
A Hall	–	–	–	–	–	–	–
J Kopias	–	–	–	–	–	–	–
P Brown	–	3,500,000	–	–	–	3,500,000	–
G Manderson	–	–	–	–	–	–	–
M Stone	–	–	–	–	–	–	–
D Warden	–	–	–	–	–	–	–
J Virgo	–	–	–	–	–	–	–
Total	–	3,500,000	–	–	–	3,500,000	–

1. Represents issue of options as part of contract for new CEO with exercise price of \$0.224 and expiry of 30 June 2027.

Performance right holdings

The number of performance rights over ordinary shares in the Group held, directly, indirectly, or beneficially, by each specified Director and KMP, including their personally related entities as at reporting date, is as follows:

2024	HELD AT 30 JUNE 2023	GRANTED DURING YEAR	LAPSED/ FORFEITED DURING YEAR	EXERCISED DURING YEAR	OTHER CHANGE ¹	HELD AT 30 JUNE 2024	VESTED AND EXERCISABLE AT 30 JUNE 2024
P Brown	–	–	–	–	–	–	–
G Manderson	889,508	1,167,775	(1,167,134)	–	(890,149)	–	–
M Stone	500,077	739,437	(749,853)	–	(489,661)	–	–
D Warden	552,349	951,667	–	–	(1,504,016)	–	–
J Virgo	–	218,968	–	–	–	218,968	–
Total	1,941,934	3,077,847	(1,916,987)	–	(2,883,826)	218,968	–

1. Negative amounts reflect the number held at the date of ceasing to be a KMP.

The performance conditions attached to the Performance Rights issued in FY23 were not modified in FY24 and therefore remain unchanged. The performance conditions attached to the Performance Rights on issue at 30 June 2024 to KMP are:

PERFORMANCE CONDITION	GRANT DATE	PERFORMANCE PERIOD	EXPIRY DATE	HELD AT 30 JUNE 2024	VESTING OUTCOME
CXO annualised Total Shareholder Return (TSR) ¹	15/03/2024	30/06/2026	31/01/2029	65,690	Unvested
CXO TSR to peer group of 10 companies TSR ²	15/03/2024	30/06/2026	31/01/2029	65,690	Unvested
CXO annualised reserve growth per share ³	15/03/2024	30/06/2026	31/01/2029	87,588	Unvested
Total				218,968	

1. TSR performance condition is determined in accordance with the table below:

CXO annualized TSR	Proportion of performance right that vest
Greater than 30%	100%
10% to 30%	Pro rata vesting from 50% to 100%
0% to 10%	50%
0% and below	Nil

1. TSR performance condition is determined in accordance with the table below:

CXO TSR compared to peer group of companies TSR	Proportion of performance right that vest
At the 75th percentile or higher	100%
Between the median and 75th percentile	Pro rata vesting from 50% to 100%
At the median	50%
Below the median	Nil

1. Reserve growth per share condition is determined in accordance with the table below:

CXO annualised reserve growth per share	Proportion of performance right that vest
Greater than 20%	100%
10% to 20%	Pro rata vesting from 50% to 100%
0% to 10%	50%
Below 0%	Nil

Directors' Report

Remuneration Report (Audited)

The nominated peer group of companies is shown in the table below.

COMPANY

Pilbara Minerals Limited
Mineral Resources Limited
IGO Limited
Allkem Limited ¹
Liontown Resources Limited
Sayona Mining Limited
Lake Resources N.L.
Ioneer Limited
Piedmont Lithium Inc.
Global Lithium Resources Limited

1. Allkem Limited was delisted during FY24.

E. Other information

Transactions with Key Management Personnel

Transactions with Key Management Personnel and related parties as disclosed below are made on normal commercial terms and conditions and at market rates. Outstanding balances are unsecured and are repayable in cash.

Amounts paid to Director related entities:

Related party	Relationship to Key Management Personnel/Director	Services provided	2024 \$	2023 \$
Piper Alderman	A business of which G English is a consultant	Legal fees	6,066	719

The total amount of fees due to Piper Alderman as at 30 June 2024 was \$nil (2023 \$nil).

End of Remuneration Report

Rounding of amounts

Amounts in this report and the accompanying financial report have been rounded to the nearest thousand dollars (\$'000) unless otherwise stated under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191. The Company is an entity to which the instrument applies.

Indemnities given and insurance premiums paid to auditors and officers

During the financial year, the Company paid a premium to insure officers of the Group. The officers of the Group covered by the insurance policy include all officers.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the officers in their capacity as officers of the Group, and any other payments arising from liabilities incurred by the officers in connection with such proceedings, other than where such liabilities arise out of conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else to cause detriment to the Group.

Details of the amount of the premium paid in respect of the insurance policies is not disclosed as such disclosure is prohibited under the terms of the contract.

The Group has not otherwise, during or since the end of the reporting period, except to the extent permitted by law, indemnified or agreed to indemnify any current or former officer or auditor of the Group against a liability incurred as such by an officer or auditor.

Non-audit services

During the reporting period Grant Thornton performed certain other services in addition to its statutory duties.

The Board has considered the non-audit services provided during the reporting period by the auditor and is satisfied that the provision of those non-audit services is compatible with, and did not compromise, the auditor independence requirements of the *Corporations Act 2001* (Cth) for the following reasons:

- The non-audit services do not undermine the general principles relating to auditor independence as set out in *APES 110 Code of Ethics for Professional Accountants*, as they did not involve reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the Company, acting as an advocate for the Company or jointly sharing risks and rewards.

Details of the amounts paid to the auditors of the Company and its related practices for audit and non-audit services provided during the reporting period are set out in note 24 to the Financial Statements.

A copy of the Auditor's Independence Declaration as required under s307C of the *Corporations Act 2001* (Cth) is included within this Financial Report and forms part of this Directors' Report.

Proceedings on behalf of the Company

No person has applied to the Court under s237 of the *Corporations Act 2001* (Cth) for leave to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings.

Corporate Governance

The Board has adopted the ASX Corporate Governance Council's "Corporate Governance Principles and Recommendations – 4th Edition" (ASX Recommendations). The Board continually monitors and reviews its existing and required policies charters, and procedures with a view to ensuring its compliance with the ASX Recommendations to the extent deemed appropriate for the size of the Company and its operations.

A summary of the Company's ongoing corporate governance practices is set out annually in the Company's Corporate Governance Statement and can be found on the Company's website at www.corelithium.com.au/corporate-governance.

Signed in accordance with a resolution of the Directors.

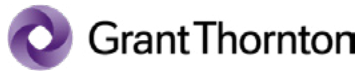


Greg English

Non-Executive Chair

27 September 2024

Auditor's Independence Declaration



Grant Thornton Audit Pty Ltd
Grant Thornton House
Level 3
170 Frome Street
Adelaide SA 5000
GPO Box 1270
Adelaide SA 5001
T +61 8 8372 6666

Auditor's Independence Declaration

To the Directors of Core Lithium Limited

In accordance with the requirements of section 307C of the *Corporations Act 2001*, as lead auditor for the audit of Core Lithium Limited for the year ended 30 June 2024, I declare that, to the best of my knowledge and belief, there have been:

- a no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- b no contraventions of any applicable code of professional conduct in relation to the audit.

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

J. L. Humphrey
Partner – Audit & Assurance

Adelaide, 27 September 2024

www.grantthornton.com.au
ACN-130 913 594

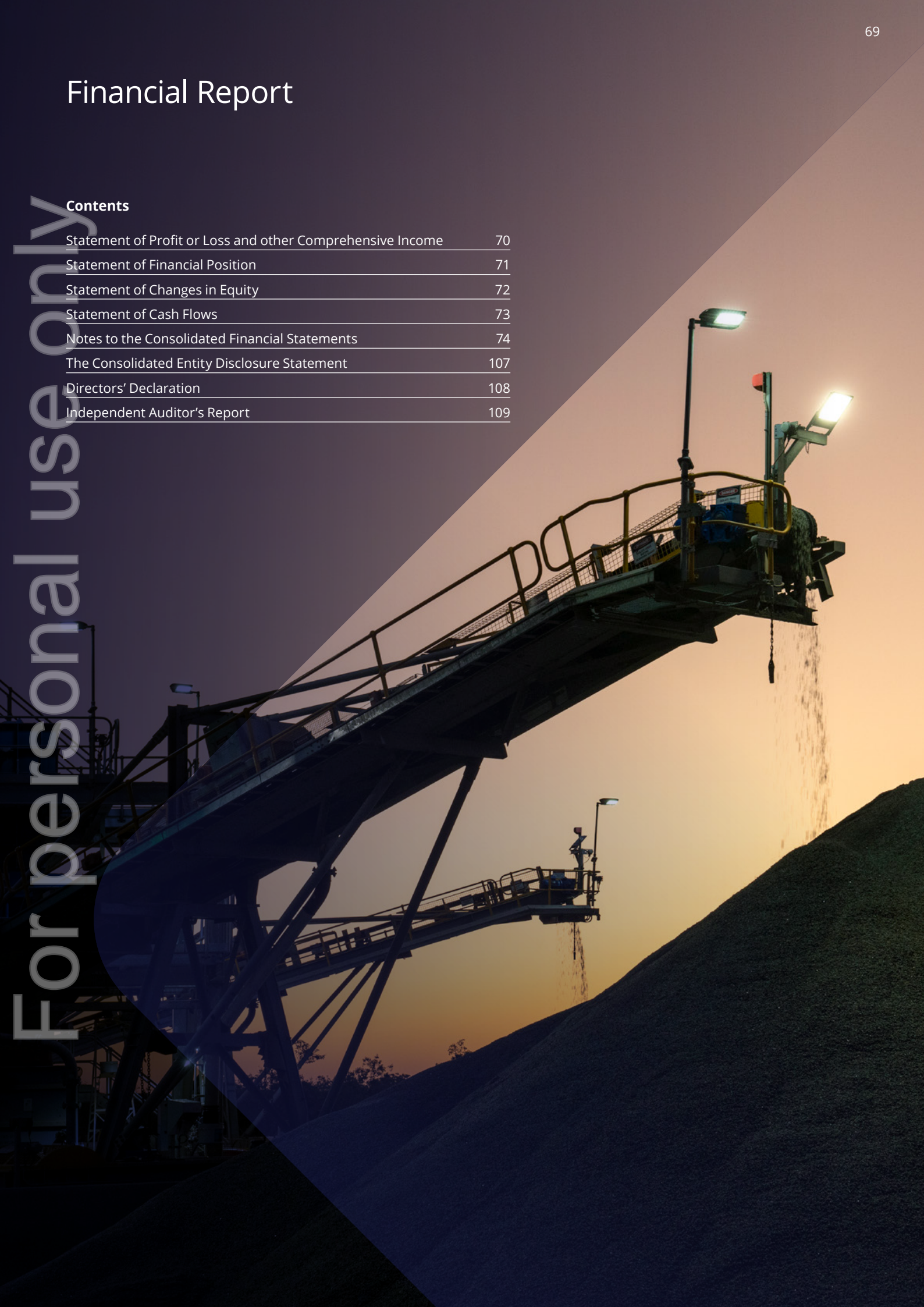
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Financial Report

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Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2024

	NOTES	2024 \$'000	2023 \$'000
Revenue	14	189,494	50,598
Cost of sales	15 a)	(200,256)	(19,653)
Gross (loss)/profit		(10,762)	30,945
Interest income		4,350	3,036
Other income		800	-
Operating expense	15 b)	(23,064)	(6,599)
Onerous contracts provision expense	13	(25,270)	-
General and administration expense	15 c)	(25,408)	(14,391)
Impairment of non-financial assets	8	(119,647)	-
Impairment of capitalised exploration expense	6	(801)	(1,616)
Finance costs	15 d)	(2,655)	(2,269)
Foreign currency gain		306	122
(Loss)/profit before income tax expense		(202,151)	9,228
Income tax (expense)/benefit	16	(4,862)	1,582
Net (loss)/profit for the year		(207,013)	10,810
Other comprehensive income		-	-
Total comprehensive (loss)/profit for the year		(207,013)	10,810
Earnings per share from continuing operations			
Basic earnings/(loss) per share (cents)	19	(9.88)	0.59
Diluted earnings/(loss) per share (cents)	19	(9.88)	0.59

This statement should be read in conjunction with the notes to the financial statements.

Statement of Financial Position

As at 30 June 2024

	NOTES	2024 \$'000	2023 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	1	87,606	152,786
Other receivables	2	1,460	6,745
Other financial assets	3	570	160
Other assets	4	1,337	3,191
Inventories	5	8,533	28,851
Total current assets		99,506	191,733
Non-current assets			
Other assets	4	11,922	11,802
Inventories	5	2,708	–
Exploration and evaluation assets	6	77,945	53,572
Plant, equipment, and mine development assets	7	131,877	241,174
Deferred tax assets	16	–	4,862
Total non-current assets		224,452	311,410
TOTAL ASSETS		323,958	503,143
LIABILITIES			
Current liabilities			
Trade and other payables	9	16,623	30,978
Financial liabilities	10	661	83,623
Other liabilities	11	918	2,368
Lease liabilities	12	477	3,461
Provisions	13	19,123	569
Total current liabilities		37,802	120,999
Non-current liabilities			
Lease liabilities	12	3,057	19,483
Provisions	13	26,227	7,739
Total non-current liabilities		29,284	27,222
TOTAL LIABILITIES		67,086	148,221
NET ASSETS		256,872	354,922
EQUITY			
Issued capital	17	478,632	370,940
Reserves	18	1,620	532
Accumulated losses		(223,380)	(16,550)
TOTAL EQUITY		256,872	354,922

This statement should be read in conjunction with the notes to the financial statements.

Statement of Changes in Equity

For the year ended 30 June 2024

2024

	ISSUED CAPITAL \$'000	RESERVES \$'000	ACCUM- ULATED LOSSES \$'000	TOTAL EQUITY \$'000
Balance at beginning of year	370,940	532	(16,550)	354,922
Issue of shares – share placement	100,000	–	–	100,000
Issue of shares – Shares Purchase Plan (SPP)	11,368	–	–	11,368
Issue costs net of tax	(3,676)	–	–	(3,676)
Performance rights and options issued to officers and employees at fair value	–	1,987	–	1,987
Lapse of options and performance rights at fair value	–	(183)	183	–
Forfeit of performance rights at fair value	–	(716)	–	(716)
Transactions with owners	478,632	1,620	(16,367)	463,885
Comprehensive income:				
Total loss or profit	–	–	(207,013)	(207,013)
Total other comprehensive income	–	–	–	–
Balance 30 June 2024	478,632	1,620	(223,380)	256,872

2023

	ISSUED CAPITAL \$'000	RESERVES \$'000	ACCUM- ULATED LOSSES \$'000	TOTAL EQUITY \$'000
Balance at beginning of year	265,668	454	(27,397)	238,725
Issue of shares – share placement	100,000	–	–	100,000
Issue costs net of tax	(3,812)	–	–	(3,812)
Deferred tax – current and prior for transaction costs	3,282	–	–	3,282
Performance rights and options issued to officers and employees at fair value	–	707	–	707
Lapse of options and performance rights at fair value	–	(37)	37	–
Forfeit of performance rights at fair value	–	(254)	–	(254)
Exercise of options	5,641	(177)	–	5,464
Exercise of performance rights at fair value	161	(161)	–	–
Transactions with owners	370,940	532	(27,360)	344,112
Comprehensive income:				
Total profit or loss	–	–	10,810	10,810
Total other comprehensive income	–	–	–	–
Balance 30 June 2023	370,940	532	(16,550)	354,922

This statement should be read in conjunction with the notes to the financial statements.

Statement of Cash Flows

For the year ended 30 June 2024

	NOTES	2024 \$'000	2023 \$'000
Operating activities			
Receipts from customers including revenue received in advance		108,639	134,704
Interest received		4,350	3,032
Payments to suppliers and employees		(190,166)	(45,842)
Interest paid		(762)	(1,088)
Net cash (used in)/from operating activities	15 e)	(77,939)	90,806
Investing activities			
Payments for plant, equipment, and mine development assets		(60,648)	(150,614)
Payments for capitalised exploration and evaluation expenditure		(26,583)	(14,995)
Proceeds from royalty sale		-	1,250
Proceeds from disposal of plant and equipment		42	-
Government co-funding grants repaid		(918)	-
Payments for environmental and security bonds		(530)	(7,258)
Net cash (used in) investing activities		(88,637)	(171,617)
Financing activities			
Proceeds from the issue of share capital		111,368	100,000
Proceeds from exercise of options		-	5,464
Payments of share issue transaction costs		(3,675)	(3,812)
Payments of lease liabilities		(5,300)	(3,862)
Net cash from financing activities		102,393	97,790
Net (decrease)/increase in cash and cash equivalents		(64,183)	16,979
Net foreign exchange (loss)/gain		(997)	609
Cash and cash equivalents at the beginning of the year		152,786	135,198
Cash and cash equivalents at the end of the year	1	87,606	152,786

This statement should be read in conjunction with the notes to the financial statements.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Note disclosures are split into four sections shown below to enable a better understanding of how the Group performed. The accounting policies and critical accounting estimates applied in the preparation of the financial statements have been included within the relevant section as appropriate.

Key Numbers

1. Cash and cash equivalents
2. Trade and other receivables
3. Other financial assets
4. Other assets
5. Inventories
6. Exploration and evaluation assets
7. Plant, equipment, and mine development assets
8. Impairment
9. Trade and other payables
10. Financial liabilities
11. Other liabilities
12. Lease liabilities
13. Provisions
14. Revenue
15. Expenses
16. Income tax

Capital

17. Issued capital
18. Reserves and share based payments
19. Earnings per share

Company Structure

20. Investments in controlled entities
21. Parent entity information
22. Operating segments
23. Related party transactions

Additional Disclosures

24. Auditor remuneration
25. Commitments and Contingencies
26. Events arising since the end of the reporting date
27. Statement of material accounting policies
28. Financial risk management and capital management

Key Numbers

1 Cash and cash equivalents

Cash and cash equivalents include the following:

	2024 \$'000	2023 \$'000
Cash at bank	87,606	152,786
Total cash and cash equivalents	87,606	152,786
The above figures are reconciled to cash at the end of the financial year as shown in the Statement of Cash Flows as follows:		
Cash and cash equivalents	87,606	152,786
Total per the Statement of Cash Flows	87,606	152,786

Cash and cash equivalents in the statement of financial position comprise cash at bank. Cash and cash equivalents are stated at face value in the statement of financial position.

2 Other receivables

Other receivables include the following:

	2024 \$'000	2023 \$'000
GST receivable	1,380	5,415
Other receivables	80	1,330
Total other receivables	1,460	6,745

Other receivables arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivables. They are included in current assets, except for those with maturities greater than 12 months after the reporting date which are classified as non-current assets.

Other receivables are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method, less provision for impairment. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. No receivables are considered past due and/or impaired at year end.

3 Other financial assets

Other assets include the following:

	2024 \$'000	2023 \$'000
Term deposits	570	160
Total other financial assets	570	160

Short-term deposits are in place and are held as security for bank guarantees. These guarantees primarily relate to a bond for corporate head office under a rent agreement and security bond over property referred to in the Call Option Deed, noted in note 25. As the maturity term when entering the deposits is greater than three months, they have been recognised as a financial asset held at amortised cost. Interest is earned on a fixed interest rate and received at maturity.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

4 Other assets

Other assets include the following:

	2024 \$'000	2023 \$'000
Current		
Prepayments	1,332	3,191
Bonds	5	–
	1,337	3,191
Non-current		
Bonds ¹	11,922	11,802
	11,922	11,802
Total other assets	13,259	14,993

1. Environmental bonds receivable represents funds held by the Northern Territory Department of Primary Industry and Resources as security for rehabilitation for exploration and mining activities in the Northern Territory as per the Group's Mine Management Plans (MMP) for various project areas pursuant to the *Mining Management Act 2001* for construction and mining activities at the Finniss Lithium Project.

5 Inventories

Inventories include the following:

	2024 \$'000	2023 \$'000
Current		
Product inventory – work in progress – at net realisable value (NRV)	–	2,580
Product inventory – finished goods – at net realisable value (NRV)	6,018	24,059
Consumables – at cost	2,515	2,212
	8,533	28,851
Non-current		
Consumables – at cost	2,708	–
	2,708	–
Total inventories	11,241	28,851

Recognition and measurement of inventories including ore stockpiles, lithium in circuit and spodumene concentrate are physically measured, or estimated, and valued at the lower of cost and NRV. Cost represents the weighted average cost which includes direct costs and an appropriate allocation of fixed and variable production overhead costs, including depreciation and amortisation. Non-current inventory primarily consists of consumables that are not expected to be used within the normal operating cycle of the business or within the next 12 months.

Consumables and stores are valued at the lower of cost and NRV. Costs of purchased inventory are determined after deducting any applicable rebates and discounts. A periodic review is undertaken to establish the extent of any surplus or obsolete items and where necessary a provision is made. NRV is the estimated selling price in the ordinary course of business, less estimated costs of completion of sale.

Ore stockpiles represent stockpiled ore that has been mined or otherwise acquired and is available for further processing. If there is significant uncertainty as to whether the stockpiled ore will be processed, it is expensed. Where future processing of ore can be predicted with confidence, it is valued at the lower of cost and NRV. If ore is not expected to be processed within twelve months after reporting date, it is classified as a non-current asset. The Group determined that all ore stockpiles have a future economic benefit to the Group and accordingly ore is valued at lower of cost and NRV. During the year an expense of \$3.6 million (2023: nil) was recognised as NRV write-down.

6 Exploration and evaluation assets

The Group's exploration and evaluation asset policy is for expenditure incurred and is accumulated at cost in respect of each identifiable area of interest. These costs are only carried forward to the extent that right of tenure is current and those costs are expected to be recouped through the successful development of the area of interest (or alternatively by sale or joint venture) or where activities in the area of interest have not yet reached a stage which permits reasonable assessment of the existence of economically recoverable reserves and operations in relation to the area of interest are continuing.

	NOTES	2024 \$'000	2023 \$'000
Opening balance		53,572	40,154
Expenditure on exploration during the year	a)	25,174	16,284
Impairment of capitalised exploration expense	b)	(801)	(1,616)
Sale of future royalty on the Finnis Lithium Project	c)	–	(1,250)
Closing balance		77,945	53,572

- a) During the current period, the Group's exploration activity was focused on lithium drilling programs to further define and grow Mineral Resources and project mine life (Ore Reserves) as well as further exploration on lithium prospects in and around the Finnis Lithium Project.
- b) The Group at each reporting date reviews its areas of interest and considers the appropriateness to impair any of the remaining carrying values of exploration expenditure where the foreseeable exploration expenditure program in a specific area of interest is neither budgeted nor planned as at 30 June 2024. As a result of this review an impairment expense of \$0.8 million was recognised in the Statement of Profit or Loss.
- c) During FY23, the Group received an additional \$1.25 million of funding as it met the conditions under the agreement with Lithium Royalty Corp (LRC). The initial royalty rate was 2.115% and has increased to 2.50% as a result of achieving the conditions linked to this payment. The Finnis Lithium Project assets are held as security for the transaction.

Deferred feasibility

Feasibility expenditure represents costs related to the preparation and completion of feasibility studies to enable a development decision to be made in relation to an area of interest and is capitalised as incurred. When production commences, relevant past exploration, evaluation and feasibility expenditure in respect of an area of interest that has been capitalised is transferred to mine development where it is amortised over the life of the area of interest to which it relates on a unit of production basis. When an area of interest is abandoned, or the Directors decide it is not commercial, any accumulated costs in respect of that area are written off in the year the decision is made. Each area of interest is reviewed at the end of each reporting period and accumulated costs written off to the extent they are not expected to be recoverable in the future.

Mineral rights

Mineral rights comprise identifiable exploration and evaluation assets, Mineral Resources and Ore Reserves, which are acquired as part of a business combination or a joint venture and are recognised at fair value at date of acquisition. Mineral rights are attributable to specific areas of interest and are classified within exploration and evaluation assets. Mineral rights attributable to each area of interest are amortised when commercial production commences on a unit of production basis over the estimated economic reserve of the mine to which the rights related.

Key judgements – exploration and evaluation assets

The future recoverability of capitalised exploration and evaluation expenditure is dependent on several factors, including whether the Group decides to exploit the related right itself or, if not, whether it successfully recovers the related exploration and evaluation asset through sale or joint venture. Factors that could impact the future recoverability include the level of Ore Reserves and Mineral Resources, future technological changes, which could impact the cost of mining, future legislative changes, and changes to commodity prices and exchange rates. To the extent that capitalised exploration and evaluation expenditure is determined not to be recoverable in the future, profits and net assets will be reduced in the period in which this determination is made. In addition, exploration and evaluation expenditure is capitalised if activities in the area of interest have not yet reached a stage that permits a reasonable assessment of the existence or otherwise of economically recoverable reserves. To the extent it is determined in the future that this capitalised expenditure should be written off, profits and net assets will be reduced in the relevant reporting period in which this determination is made.

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Key estimates – impairment

Impairment of specific exploration and evaluation assets during the year have occurred where Directors have concluded that capitalised expenditure is unlikely to be recovered by sale or future exploitation. At each reporting date the Group undertakes an assessment of the carrying amount of its exploration and evaluation assets. During the reporting period indicators of impairment were identified on certain exploration and evaluation assets in accordance with AASB 6 *Exploration for and Evaluation of Mineral Resources*. The Group has recognised impairment loss amounting to \$0.8 million in relation to areas of interest as a result of the review where the Directors have concluded that capitalised expenditure is unlikely to be recovered by sale or future exploitation.

Key judgement, estimates and assumptions: Exploration, evaluation, and deferred feasibility expenditure

Judgement is required to determine whether future economic benefits are likely, from either exploitation or sale, or whether activities have not reached a stage that permits a reasonable assessment of the existence of reserves. In addition to these judgements, the Group has to make certain estimates and assumptions. The determination of JORC resources is itself an estimation process that involves varying degrees of uncertainty depending on how the resources are classified (i.e. measured, indicated, or inferred). The estimates directly impact when the Group capitalises exploration and evaluation expenditure. The capitalisation policy requires management to make certain estimates and assumptions as to future events and circumstances, in particular, the assessment of whether economic quantities of reserves will be found. Any such estimates and assumptions may change as new information becomes available. The recoverable amount of capitalised expenditure relating to undeveloped mining projects can be particularly sensitive to variations in key estimates and assumptions. If variation in key estimates or assumptions have a negative impact on recoverable amount it could result in a requirement for impairment.

7 Plant, equipment and mine development assets

	PLANT AND EQUIPMENT \$'000	RIGHT OF USE ASSETS ² \$'000	MINE PROPERTIES \$'000	STRIPPING ACTIVITY ASSETS \$'000	TOTAL \$'000
Gross carrying amount					
Opening balance	1,455	30,492	132,362	89,219	253,528
Additions	665	3,249	59,463	2,501	65,878
Remeasurement	–	(18,720)	–	–	(18,720)
Disposals	(45)	(3,035)	–	–	(3,080)
Balance 30 June 2024	2,075	11,986	191,825	91,720	297,606
Accumulated depreciation and impairment					
Opening balance	(390)	(4,584)	(1,346)	(6,034)	(12,354)
Depreciation ¹	(204)	(3,651)	(6,768)	(25,950)	(36,573)
Impairment	(439)	(3,350)	(56,122)	(59,736)	(119,647)
Disposals	20	2,825	–	–	2,845
Balance 30 June 2024	(1,013)	(8,760)	(64,236)	(91,720)	(165,729)
Carrying amount 30 June 2024	1,062	3,226	127,589	–	131,877

	PLANT AND EQUIPMENT \$'000	RIGHT OF USE ASSETS ² \$'000	MINE PROPERTIES \$'000	STRIPPING ACTIVITY ASSETS \$'000	TOTAL \$'000
Gross carrying amount					
Opening balance	746	3,391	50,194	17,549	71,880
Additions	777	27,578	82,168	71,670	182,193
Disposals	(68)	(477)	–	–	(545)
Balance 30 June 2023	1,455	30,492	132,362	89,219	253,528
Accumulated depreciation and impairment					
Opening balance	(237)	(1,115)	–	–	(1,352)
Depreciation ¹	(186)	(3,656)	(1,346)	(6,034)	(11,222)
Disposals	33	187	–	–	220
Balance 30 June 2023	(390)	(4,584)	(1,346)	(6,034)	(12,354)
Carrying amount 30 June 2023	1,065	25,908	131,016	83,185	241,174

1. Depreciation of plant and equipment and right-of-use assets which are used for exploration or mine properties activities is charged to exploration and evaluation and mine properties assets in the Statement of Financial Position.

1. Refer to note 12 for further detail on right-of-use assets associated with lease contracts.

Plant and equipment

Plant and equipment assets are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the items. Repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated to write off the cost of items of plant and equipment less their estimated residual value using an appropriate method (either straight line or units of production basis) over either the estimated useful life or the estimated resource. Depreciation expense is recognised in the Statement of Profit or Loss.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows.

ASSET CLASS	ESTIMATED USEFUL LIFE
Exploration equipment	3 – 6 years
Office and IT equipment	3 – 5 years
Motor vehicles	The shorter of life of mine and 6 years
Right-of-use assets	Shorter of the lease term and the asset useful life. Refer to note 12

The assets' residual values and useful lives are reviewed and adjusted at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Statement of Profit or Loss.

Mine properties

Mine properties in production include the construction of tangible assets, namely site infrastructure and plant. Amortisation is recognised on a unit of production basis which results in an amortisation charge proportional to the depletion of the economically recoverable mineral resources (comprising proven and probable mineral reserves).

Mine properties in development represent expenditure in respect of exploration, evaluation, feasibility, and development of intangible assets incurred by, or on behalf of the Group, including overburden removal and certain mine construction costs, previously accumulated and carried forward in relation to areas of interest in which mining has now commenced. Such expenditure comprises direct costs and an appropriate allocation of directly related overhead expenditure.

All expenditure incurred prior to commencement of production from each development property is carried forward to the extent to which recoupment out of future revenue from the sale of production, or from the sale of the property, is reasonably assured.

When further development expenditure is incurred in respect of a mine property after commencement of production, such expenditure is carried forward as part of the cost of the mine property only when future economic benefits are reasonably assured, otherwise the expenditure is classified as part of the cost of production and expensed as incurred. Such capitalised development expenditure is added to the total carrying value of development assets being amortised.

Stripping activity assets and stripping activities

The Group incurs waste removal costs (stripping costs) in the creation of improved access and mining flexibility in relation to ore to be mined in the future. The cost are capitalised as a stripping activity asset, where certain criteria are met. Once the Group has identified its production stripping for each surface mining operation, it identifies the separate components for the orebodies in each of its mining operations. An identifiable component is a specific volume of the ore body that is made more accessible by the stripping activity. The cost of each component are amortised on a units of production basis in applying a stripping ratio.

Deferred mining expenditure – Pre-production mine development

Pre-production mining costs incurred by the Group in relation to accessing recoverable reserves are carried forward as part of 'mine development' when future economic benefits are established, otherwise such expenditure is expensed as part of the cost of production.

Transfer of exploration and evaluation assets to mine development

Once exploration assets have been assessed to be commercially feasible and development is able to proceed, the costs are transferred to 'mine development assets'.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

7 Plant, equipment, and mine development assets (continued)

An impairment assessment is undertaken on the date assets are transferred using the recoverable amount of the Cash Generating Unit (CGU) that included the transferred development asset based on estimated present value of the future cash flows expected to be derived from the CGU (value in use). Impairment is recognised if the recoverable amount of the CGU is estimated to be lower than its carrying amount.

Key estimates and judgements – Ore Reserves

The Group estimates Ore Reserves and Mineral Resources each year based on information compiled by Competent Persons as defined in accordance with the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves 2012 ('JORC code'). Estimated quantities of economically recoverable reserves are based upon interpretations of geological models and require assumptions to be made including estimates of short and long-term commodity prices, exchange rates, future operating performance and capital requirements. Changes in reported reserve estimates can impact the carrying value of plant and equipment and development, provision for mine restoration and rehabilitation obligations as well as the amount of depreciation and amortisation.

Key judgements, estimates and assumptions: Impairment of assets

In accordance with AASB 136 Impairment of Assets, the Group assesses its assets or CGU at least annually, to determine whether there is any indication of impairment or reversal of a prior impairment. Where an indicator of impairment or reversal exists, a formal estimate of the recoverable amount is made, which is determined as being the higher of the fair value less costs of disposal and value in use. These assessments require the use of estimates and assumptions such as ore reserves, future production, commodity prices, discount rates, exchange rates, operating costs, sustaining capital costs, any future development cost necessary to produce the reserves (including the magnitude and timing of cash flows) and operating performance.

Management considers internal and external indicators in accordance with AASB 136.

In addition, the Group monitors impairment indicators by considering the impact of the above judgements and assumptions on the valuation of CGUs through periodic updates to its business valuation models.

Such assumptions are subject to variation because of changes in future economic and operational conditions. Consequently, the carrying value of the Group's CGUs may differ in future years if assumptions made do not eventuate and actual outcomes are less favourable than present assumptions.

Refer to note 8 for the impairment of plant, equipment, and mine development assets that arose during the reporting period.

8 Impairment

Impairment indicator assessment

Core announced a strategic review of its operation underpinned by the significant decline in spodumene concentrate prices during the period until 31 December 2023. On 5 January 2024, the Group announced the results of its strategic review and the suspension of mining at the Finnis Lithium Project. These factors together were considered as indicators of impairment. As a result, an impairment test was performed to determine the recoverable amount of the identified cash generating unit (CGU), being the Finnis Lithium Project. Impairment is recognised when the assets' carrying value exceeds its recoverable amount, being the higher of the assets' fair value less costs of disposal (FVLCD) and value in use. The impairment assessment was completed at 31 December 2023 as a result of the suspension of mining. Management have updated the impairment assessment to 30 June 2024. Based on the impairment assessment performed in 30 June 2024, it was concluded that no further impairment adjustment was required.

Impairment testing

The recoverable amount for the Finnis Lithium Project has been determined based on FVLCD using both a market (for resources) and cost (for the Dense Media Separation (DMS) plant & mine infrastructure) approach basis. In determining fair value less costs of disposal, recent market transactions are considered. The cash flows generated from this activity support the net realisable value of the inventory as detailed in note 5, and therefore do not contribute to the recoverable amount of the broader Finnis Lithium Project CGU's non-current assets.

As required by AASB 136 Impairment of Assets, the Group first determined the recoverable amount of standalone assets and individually impaired them where applicable. Where stand-alone values could not be determined, these assets were included in a broader CGU carrying value. The recoverable amount and subsequent impairment expense were then determined at an CGU level using a market approach.

Any additional impairment, being the difference between the CGU recoverable amount and its carrying value (less the individually impaired assets) was allocated on a pro-rata basis across all asset categories.

As outlined in AASB 13 Fair Value Measurement, a combination of a market transaction approach and cost approach was used to determine the CGU's recoverable amount. A resource multiple from comparable transactions and specific asset valuations were used, with these values determined by separate third-party valuation experts.

Key assumptions used to determine the recoverable amount

The table below summarises the key assumptions used in determining the recoverable amount:

	2024
Resource Multiple (\$/tonne of lithium carbonate equivalent (LCE))	\$110
Costs of disposal	2% – 3%

The resource tonnes used for the assessment are based on the Group's most recent JORC Reserves and Resources Statement. To ensure comparability of transactions, the resource multiples have been adjusted to reflect the lithium carbonate price as of 30 June 2024.

Resources (Market Approach)

The Mineral Resources for the Finnis Lithium Project have been valued based on a multiple per tonne of Mineral Resource. The multiple was determined by an independent valuation expert based on comparable market transactions adjusted for current pricing assumptions. In addition, the enterprise value to Mineral Resource multiples of publicly listed lithium companies were also considered. In determining an appropriate multiple, the independent valuer considered the size, grade and location of the comparable Mineral Resources.

The Group's Mineral Resource estimates are reported in lithium oxide (Li₂O). The lithium oxide is converted to lithium carbonate equivalent (LCE) using a rate of 2.473 to derive a resource multiple on an \$/t LCE basis.

Dense Media Separation (DMS) plant & mine infrastructure (Cost Approach)

The fair value less costs of disposal of the DMS plant and mine infrastructure was based on the fair value provided by an independent valuer with extensive experience in valuing such assets. In determining this fair value, the principles of highest and best use as outlined in AASB 13 have been applied. The valuation of the DMS plant assumes its future use for concentrate production despite the recent suspension of mining activities at the Finnis Lithium Project.

Recognition

An impairment loss of \$119.6 million was recognised at 30 June 2024 and allocated to the Finnis Project CGU, as summarised in the table below:

	2024 \$'000
Plant and equipment	439
Right-of-use assets	3,350
Stripping activity assets	59,736
Mine properties	56,122
Total impairment recognised	119,647

9 Trade and other payables

Trade and other payables recognised in the statement of financial position can be analysed as follows:

	2024 \$'000	2023 \$'000
Current		
Trade payables	3,844	3,407
Accrued expenses	12,066	24,751
Other payables	713	2,820
Total trade and other payables	16,623	30,978

Trade and other payables represent liabilities for goods and services provided to the Group prior to the end of the reporting period which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently at amortised cost using the effective interest rate method.

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10 Financial liabilities

In April 2023, the Group entered into a prepaid revenue arrangement and received US\$61.4 million (AU\$91.5 million) for the delivery of 15,000 tonnes of spodumene concentrate. Included in this contract was interest payable at commercial rates. This prepayment represented a provisional amount, with a quotation period price adjustment that was finalised in FY24. This prepayment was recognised as a financial liability at 30 June 2023.

The financial liability represented the obligation to deliver 13,077dmt, as well as the settlement of the final quotation period price adjustment. This obligation was settled in FY24 with the delivery of 13,077dmt of spodumene concentrate and the repayment US\$18.6 million (AU\$28.4 million) for the quotation period adjustment. This payment was due to the fall in the lithium spodumene price since the prepayment date. This financial liability was settled in FY24 when the committed tonnes were delivered and the settlement obligation for repayment was met.

Financial liabilities

Financial liability recognised in the statement of financial position can be analysed as follows:

	2024 \$'000	2023 \$'000
Financial liabilities	661	83,623
Total financial liabilities	661	83,623

Financial liabilities included revenue received in advance in relation to delivery of spodumene concentrate and quotational pricing adjustments. Financial liabilities are initially measured at fair value, which includes any directly attributable transaction costs. Subsequent measurement depends on the nature of the financial liability.

11 Other liabilities

	2024 \$'000	2023 \$'000
Grant funding received in advance	918	2,368
Total other liabilities	918	2,368

The Group was awarded Australian Federal Government funding totalling \$6 million for the Modern Manufacturing Initiative (MMI) Grant to co-fund the assessment of the potential feasibility of building a lithium chemical plant in Darwin. Upon signing the grant agreement, the Group received \$2.37 million in upfront funding to help fund studies and other related activity during the 3-year grant term. The Group returned \$0.9 million during the year to MMI as unspent funds due to be returned and released \$0.8 million to other income. The remainder is recognised as a liability by the Group in accordance with terms set out in the grant agreement to be returned to MMI post year-end.

12 Lease liabilities

A lease is defined as a contract, or part of a contract, that conveys that the Group has the right to direct the use of an identified asset which is not substitutable and to obtain substantially all economic benefits from the use of the identified asset throughout the period of use. The Group separates the lease and non-lease components of the contract and accounts for these separately. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. The Group has lease contracts for various items of mining equipment, temporary power infrastructure, motor vehicles and buildings used in its operations and exploration activities. These leases generally have lease terms between two and three years.

Lease liabilities

Lease liabilities recognised in the Statement of Financial Position can be analysed as follows:

	2024 \$'000	2023 \$'000
Current		
Lease liabilities	477	3,461
Non-current		
Lease liabilities	3,057	19,483

At the commencement date, the Group measures the lease liabilities at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or an estimate of the Group's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in-substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the lease liabilities will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liabilities are remeasured, the corresponding adjustment is reflected in the right-of-use asset, or in the Statement of Profit and Loss if the right-of-use asset is already reduced to zero.

Right-of-use assets

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period (as shown in note 7 Plant, equipment and mine development assets):

	BUILDINGS \$'000	PLANT AND EQUIPMENT \$'000	VEHICLES \$'000	TOTAL \$'000
2024				
Carrying amount as at 1 July 2023	55	25,208	645	25,908
Additions	3,249	–	–	3,249
Remeasurement ¹	–	(18,554)	(166)	(18,720)
Depreciation charge	(523)	(2,656)	(472)	(3,651)
Impairment	–	(3,350)	–	(3,350)
Disposals	(39)	(165)	(7)	(211)
Carrying amount as at 30 June 2024	2,742	483	–	3,225

1. The Group has reviewed all lease related contracts due to the suspension of operation. As a result, the Group remeasured lease liabilities totaling \$18.7 million during the reporting period.

	BUILDINGS \$'000	PLANT AND EQUIPMENT \$'000	VEHICLES \$'000	TOTAL \$'000
2023				
Carrying amount as at 1 July 2022	443	1,205	629	2,277
Additions	69	26,904	605	27,578
Depreciation charge	(167)	(2,901)	(589)	(3,657)
Disposals	(290)	–	–	(290)
Carrying amount as at 30 June 2023	55	25,208	645	25,908

The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received). A corresponding demobilisation/restoration provision is recognised within the right-of-use asset. Right-of-use assets are depreciated using the straight-line method over the shorter of their useful life and the lease term as follows:

ASSET CLASS	ESTIMATED USEFUL LIFE
Mining plant and equipment	2 – 7 years
Motor vehicles	2 – 4 years
Buildings	7 – 10 years

Periodic adjustments are made for any remeasurement of the lease liabilities and for impairment losses, assessed in accordance with the Group's impairment policies.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

12 Lease liabilities (continued)

Impact on the income statement

The application of *AASB 16 Leases* has resulted in the following amounts being recorded in the income statement:

	2024 \$'000	2023 \$'000
Depreciation of right-of-use assets	3,651	3,527
Interest expense	958	1,016
Total recognised in the income statement	4,609	4,543

Interest relating to right-of-use assets used in exploration & mining activities is not capitalised to exploration and evaluation assets or mine development assets.

Short-term leases and leases of low value assets

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedient as outlined in the accounting standard. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in Statement of Profit or Loss as they are incurred.

Key judgement, estimates and assumptions: Leases identification of non-lease components

In addition to containing a lease, the Group's mining services contracts involves the provision of additional services, including personnel cost, low value materials, drilling, hauling related activities and other items. These are non-lease components, and the Group has elected to separate these from the lease components.

Judgement is required to identify each of the lease and non-lease components. The consideration in the contract is then allocated between the lease and non-lease components on a relative stand-alone price basis. This requires the Group to estimate stand-alone prices for each lease and non-lease component based on quoted prices within the contract. This assessment is performed by class of underlying asset within the contracts.

Key judgement, estimates and assumptions: Identifying in substance fixed rates versus variable lease payments

The lease payments used to calculate the lease balances under *AASB 16 – Leases* include fixed payments and variable payments based on an index or rate. Variable payments not based on an index or rate are excluded from the measurement of lease liabilities and related assets.

In addition to the fixed payments in the Group's mining services contract, there are payments that are variable payments because the contract terms require payment based on a rate per hour or rate per material moved. In terms of *AASB 16 Leases*, the Group uses judgement to determine that no minimum hours or volumes within the contract are a fixed minimum that results in an amount payable that is unavoidable.

Therefore, the Group has had to apply judgement to determine that there are no in substance fixed payments included in the lease payments used to calculate the lease related balances. Payments identified as variable not based on an index or rate, are excluded from recognition and measurement of the lease related balances.

Key judgement, estimates and assumptions: Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in its leases. Therefore, it uses the relevant incremental borrowing rate to measure lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The incremental borrowing rate, therefore, reflects what the Group would have to pay, which requires estimation when no observable rates are available and to make adjustments to reflect the terms and conditions of the lease. The Group estimates the incremental borrowing rate using observable inputs (such as market interest rates) when available and considered certain contract and entity specific judgements estimates (such as the lease term and credit rating). The incremental borrowing rate range used by the Group was between 2.5% and 8.3%.

13 Provisions

Provisions can be analysed as follows:

	2024 \$'000	2023 \$'000
Current		
Employee leave benefits	632	569
Royalty provision	6,724	–
Onerous contract provision	11,767	–
Total current provisions	19,123	569
Non-current		
Employee leave benefits	31	30
Demobilisation of right-of-use assets	–	528
Mine rehabilitation	12,128	7,176
Office restoration	5	5
Onerous contract provision	14,063	–
Total non-current provisions	26,227	7,739
Total provisions	45,350	8,308

Employee leave benefits

The employee leave benefits provision covers the Group's liability for long service leave and annual leave. This provision represents a present obligation as a result of past events, where it is probable that an outflow of resources will be required to settle the obligation. The current portion of this liability includes all of the accrued annual leave and the unconditional entitlements to long service leave where employees have completed the required period of service. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within twelve months. Notwithstanding the classification of annual leave as a long-term employee benefit, the related obligations are presented as current liabilities in the balance sheet if the Group does not have an unconditional right to defer settlement for at least twelve months after the reporting date, regardless of when actual settlement is expected to occur.

Royalty

The royalty provision relates to additional royalties amounting to \$6.7 million based on the Notice of Assessment from the Northern Territory Revenue Office (TRO). The Company is disputing these additional royalties and has submitted an Objection Letter with the TRO.

Onerous contracts

An onerous contract provision assessment requires the Group to make certain estimates and judgments which are subject to risk and uncertainty, and hence, changes in economic conditions can affect these assumptions. When a provision is made for a loss-making contract, the amount is discounted to the present value being the lower of the net cost of fulfilling the contract or the cost arising from failure to fulfil the contract, keeping all other variables constant.

During the period, the Group commenced a review of all significant long-term contracts, in light of the fall in lithium prices and suspension of mining at Grants open pit. A majority of the Group's contracts have been identified as executory in nature or via routine purchase orders, which can be cancelled without compensation and therefore are not considered onerous.

The Group has identified certain operational contracts as onerous and has recognised a provision of \$25.8 million as at 30 June 2024 for the unavoidable contractual payments including penalties, as required by AASB 137 – 'Provisions, Contingent Liabilities and Contingent Assets'. Certain portions of the costs associated with these contracts are recognised as lease liabilities where they meet the criteria under AASB 16 – Leases to be treated as a right-of-use asset (refer note 12 – lease liability).

An onerous contract is a contract under which the unavoidable costs (i.e. the costs that the Group cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e. both incremental costs and an allocation of costs directly related to contract activities).

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For the year ended 30 June 2024

13 Provisions (continued)

Short-term employee benefit obligations

Liabilities for accumulating leave entitlements that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. All other short-term employee benefit obligations are presented as payables.

Other long-term employee benefit obligations

The liabilities for long service leave are not expected to be settled within twelve months after the end of the period in which the employees render the related service. They are therefore recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Movement in mine rehabilitation provision

	Total \$'000
Carrying amount as at 1 July 2023	7,176
Additional provision recognised during the year	4,576
Unwinding of discount	376
Carrying amount as at 30 June 2024	12,128

Provision for mine rehabilitation

Estimated costs of decommissioning and removing an asset and restoring the site are included in the cost of the asset as at the date the obligation first arises and to the extent that it is first recognised as a provision. The Group records the present value of the estimated cost of environmental and legal obligations to restore operating locations in the period in which the obligation is incurred. The nature of decommissioning activities includes dismantling and removing structures, rehabilitating mine sites, dismantling operating facilities, closure of plant and waste sites and restoration, reclamation, and revegetation of affected areas.

Typically, the obligation arises when the asset is installed, or the environment is disturbed at the development location. When the liability is initially recorded, the present value of the estimated cost is capitalised by increasing the carrying amount of the related mining assets. Over time, the discounted liability is increased for the change in the present value based on the discount rates that reflect the current market assessments and the risks specific to the liability. Additional disturbances or changes in decommissioning costs will be recognised as additions or changes to the corresponding asset and rehabilitation liability when incurred.

The unwind effect of discounting the provision is recorded as a finance cost in the Statement of Profit or Loss and the carrying amount capitalised as a part of mine development assets is amortised on a unit of production basis. Costs incurred that relate to an existing condition caused by past operations, but do not have future economic benefits, are expensed as incurred.

Key judgement, estimates and assumptions: mine restoration and rehabilitation

The Group assesses its mine restoration and rehabilitation provision bi-annually in accordance with the accounting policy. Significant judgement is required in determining the provision for mine restoration and rehabilitation as there are many transactions and other factors that will affect the ultimate liability payable to rehabilitate and restore the mine sites. The estimate of future costs therefore requires management to make assessment of the future restoration and rehabilitation date, future environmental legislation, changes in regulations, price increases, changes in discount rates, the extent of restoration activities and future removal and rehabilitation technologies. When these factors change or become known in the future, such differences will impact the restoration and rehabilitation provision in the period in which they change or become known. At each reporting date the mine restoration and rehabilitation provision is remeasured to reflect any of these changes.

14 Revenue

	2024 \$'000	2023 \$'000
Revenue from contracts with customers	239,998	52,236
Quotation period adjustments	(50,504)	(1,638)
Total revenue (net of QP)	189,494	50,598

Revenue from contracts with customers

The Group generates revenue from the sales of both spodumene concentrate and lithium fines sold to customers.

In accordance with *AASB 15 Revenue from Contracts with Customers*, revenue is recognised when control of the product has passed to the customer based upon the agreed free on board (FOB) or cost, insurance and freight (CIF) terms based on the individual contracts with each customer. For CIF shipments there are two performance obligations, the first recognised when the product is loaded onto the ship, and the second with revenue related to shipping and insurance recognised over the period of the journey to the buyer. Some customer contracts may contain provisional pricing terms, with the final pricing determined at a later time when the relevant pricing information is available.

Quotational period adjustments

A proportion of the Group's sales are provisionally priced, where the final price is referenced to a future market-based index price. Adjustment to the sales price occurs based on movements in the index price up to the end of the quotational period (QP). These are referred to as provisional pricing arrangements and are such that the selling price for the spodumene concentrate and lithium fines are determined on a specified future date after shipment to the customer. Adjustments to the sales price therefore occur up until the end of the QP. The period between provisional pricing and the end of the QP is generally between two and three months. Revenue is measured at the amount to which the Group expects to be entitled at the end of the QP, being the estimated forward price at the date the revenue is recognised. For provisional pricing arrangements, any future changes that occur over the QP are embedded within trade receivables. Given the exposure to the commodity price, these provisionally priced trade receivables are measured at fair value through profit or loss. Subsequent changes in the fair value of provisionally priced trade receivables are recognised in revenue but are presented separately to revenue from contracts with customers.

Changes in fair value over the term of the provisionally priced trade receivable are estimated by reference to movements in the index price as well as taking into account relevant other fair value consideration including interest rate and credit risk adjustments.

Key judgement, estimates and assumptions: Revenue

Identification of the enforceable contract

The Group has offtake agreements with key customers that set out the general terms and conditions governing any sales that occur. Under these offtake agreements, the enforceable contracts have been determined to be each individual shipment.

Identification of performance obligations for arrangements subject to CIF terms

For the Group's CIF customers, the Group is responsible for providing shipping services. While the Group does not actually provide nor operate the vessels, the Group has determined that it is the principal for these arrangements on the basis that it controls the specified services before they are provided to the customer. The terms of the Group's contract with the service provider gives the Group the ability to direct the service provider to provide the specified services on the Group's behalf.

The Group has concluded shipping services revenue is recognised over time because the customer simultaneously receives and consumes the benefits provided by the Group. The Group recognises revenue based on the time elapsed relative to the total expected time to complete the service.

Principal versus agent considerations for shipping services

As noted above, in some arrangements subject to CIF terms, the Group is responsible for providing shipping services. While the Group does not actually provide nor operate the vessels, the Group has determined that it is the principal in these arrangements because it controls the specified services before they are provided to the customer.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

15 Expenses

a) Cost of sales

Cost of sales recognised in the Statement of Profit or Loss are as follows:

	2024 \$'000	2023 \$'000
Mining costs ¹	75,529	66,429
Processing costs	49,506	17,180
Port costs	15,888	2,895
Net inventory movement	20,307	(28,155)
Employee benefits expense	5,576	4,076
Depreciation and amortisation expense ²	36,083	3,892
Mine cost deferral ¹	(2,633)	(46,664)
Total Cost of sales	200,256	19,653

1. Mining costs are shown as a gross expense with Mining cost deferral representing costs associated with waste stripping costs that are deferred to mine properties in the Statement of Financial Position and amortised over the life of mine.

1. Depreciation & amortisation reflects the amount charged to the Statement of Profit or Loss. There was an additional \$1.1 million in depreciation & amortisation which was included in inventory at balance date and will be charged to Cost of Sales when inventory is sold.

b) Operating expenses

Operating expenses are analysed below:

	2024 \$'000	2023 \$'000
Mining and processing expenses ¹	1,542	4,646
Royalties ²	14,368	1,953
Demobilisation expense ³	7,154	–
Total operating expenses	23,064	6,599

1. Production ceased in late December 2022 due to flooding of the Grants pit following higher than average rainfall. Mine operating costs incurred during the period of flooding have been separated from the cost of sales. Following the de-watering of the pit, mining recommenced in late March 2023.

2. Refer to note 13.

1. Demobilisation expense relates to the costs associated with the suspension of mining activities across a range of contractors at site.

c) General and administration expense

Expenses recognised for general, and administration are analysed below:

	2024 \$'000	2023 \$'000
Salaries and wages expense	9,718	3,442
Superannuation expense	981	586
Director fees	473	406
Other employee benefits	2,592	916
Consulting expenses	2,763	1,400
Travel costs	633	723
Administration costs	6,617	6,293
Non-site depreciation expense	350	171
Share-based payment expense	1,272	454
Other expenses	9	–
Total general and administration expense	25,408	14,391

d) Finance costs

Finance costs recognised during the year:

	2024 \$'000	2023 \$'000
Interest expense	761	1,088
Lease interest expense	1,518	1,016
Unwinding of rehabilitation provision discount	376	165
Total finance costs	2,655	2,269

e) Reconciliation of cash flows from operating activities

OPERATING ACTIVITIES	NOTES	2024 \$'000	2023 \$'000
(Loss)/Profit after tax		(207,013)	10,810
Share-based payments expense	18	1,272	454
Exploration impairment	6	801	1,616
Impairment of non-financial assets	8	119,647	–
Depreciation expense ¹		36,083	3,892
Loss on disposal of assets		(21)	–
Interest expense on leased assets		1,894	1,181
Provision for royalty	13	6,724	–
Unrealised foreign exchange gain/(loss)		(306)	(122)
Financial liability	10, 11	(1,263)	83,623
Income tax expense	16	4,862	–
Onerous contracts provision expense	13	25,830	–
Net changes in revenue received in advance		(74,200)	–
Net change in working capital		7,751	(10,648)
Net cash (used in)/from operating activities		(77,939)	90,806

1. Depreciation & amortisation reflects the amount charged to the Statement of Profit or Loss. There was an additional \$1.1 million in Depreciation & amortisation which was included in inventory at balance date and will be charged to Cost of Sales when the inventory is sold.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

16 Income tax benefit/(expense)

	2024 \$'000	2023 \$'000
a) The components of income tax expense comprise:		
Deferred tax benefit/(expense)	60,250	(2,929)
Under/Over in respect of prior periods	212	-
Derecognition of deferred tax assets	(65,324)	-
Initial recognition of deferred tax assets	-	4,511
Total tax benefit/(expense)	(4,862)	1,582
b) The prima facie tax loss before income tax is reconciled to the income tax (benefit)/expense as follows:		
(Loss)/profit before tax	(202,151)	9,228
Income tax rate	30%	30%
Prima facie tax benefit on loss from activities before income tax	(60,645)	2,768
Effect of income and expenditure that is not assessable or deductible in determining taxable profit	395	(161)
Initial recognition of deferred tax assets	-	(4,511)
Under/Over in respect of prior periods	(212)	-
Derecognition of tax assets	65,324	-
Current income tax expense/(benefit)	4,862	(1,582)

c) Deferred tax assets balances

	1 JULY 2023 \$'000	OPENING BALANCE NOT RECOGNISED \$'000	RECOGNISED IN THE PROFIT OR LOSS \$'000	RECOGNISED IN EQUITY \$'000	30 JUNE 2024 \$'000
Deferred tax assets					
Accruals	58	-	(58)	-	-
Finance lease Liability	6,883	-	(5,821)	-	1,062
Business related costs	66	-	(16)	-	50
Provision for rehabilitation	160	-	3,478	-	3,638
Provision for employee entitlements	180	-	19	-	199
Provision for fringe benefits tax	12	-	(12)	-	-
Provision for onerous contract	-	-	9,766	-	9,766
Inventory	(26)	-	484	-	458
Mine site establishment and refurbishment	54	-	(54)	-	-
Capital raising cost	2,456	-	75	-	2,531
Unrealised forex loss	112	-	186	-	298
Recognised tax losses	74,568	-	(53,687)	-	20,881
Total deferred tax assets	84,523	-	(45,640)	-	38,883
Deferred tax liabilities					
Fuel tax credits	(386)	-	337	-	(49)
Prepayment	-	-	-	-	-
Property, plant and equipment	(264)	-	203	-	(61)
Right-of-use assets	(7,772)	-	6,804	-	(968)
Exploration assets	(15,181)	-	(7,421)	-	(22,602)
Development assets	(56,058)	-	40,855	-	(15,203)
Total deferred tax liabilities	(79,661)	-	40,778	-	(38,883)
Deferred tax assets/(liabilities)	4,862	-	(4,862)	-	-

	1 JULY 2022 \$'000	OPENING BALANCE NOT RECOGNISED \$'000	RECOGNISED IN THE PROFIT OR LOSS \$'000	RECOGNISED IN EQUITY \$'000	30 JUNE 2023 \$'000
Deferred tax assets					
Accruals	–	70	(12)	–	58
Finance lease Liability	–	626	6,257	–	6,883
Business related costs	–	169	(103)	–	66
Provision for rehabilitation	–	49	111	–	160
Provision for employee entitlements	–	182	(2)	–	180
Provision for fringe benefits tax	–	–	12	–	12
Mine site establishment and refurbishment	–	3	51	–	54
Capital raising cost	–	2,137	(824)	1,143	2,456
Unrealised forex loss	–	–	112	–	112
Recognised tax losses	–	25,066	49,502	–	74,568
Total deferred tax assets	–	28,302	55,104	1,143	84,549
Deferred tax liabilities					
Fuel tax credits	–	–	(386)	–	(386)
Inventory	–	(53)	27	–	(26)
Prepayment	–	(160)	160	–	–
Property, plant and equipment	–	(128)	(136)	–	(264)
Right-of-use assets	–	(683)	(7,089)	–	(7,772)
Exploration assets	–	(11,030)	(4,151)	–	(15,181)
Development assets	–	(9,600)	(46,458)	–	(56,058)
Deferred tax liabilities	–	(21,654)	(58,033)	–	(79,687)
Deferred tax assets/(liabilities)	–	6,648	(2,929)	1,143	4,862

An assessment was undertaken as at 30 June 2024 which confirmed the Group should satisfy the Continuity of Ownership test and on that basis be able to carry forward its current tax losses and its entitlement to utilise these in future periods.

Unrecognised deferred tax assets

The Group has deferred tax assets in respect of deductible temporary differences, unused tax losses and unused tax credits which have not been recognised of \$66.4 million (2023: nil).

Tax consolidation legislation

Core Lithium Ltd and its wholly owned Australian resident subsidiaries have formed a tax-consolidated group. Consequently, these entities are taxed as a single entity and the deferred tax assets and liabilities of these entities are set off in the consolidated financial statements.

Core Lithium Ltd recognises its own current and deferred tax amounts and those current tax liabilities, current tax assets and deferred tax assets arising from unused tax credits and unused tax losses which it has assumed from its controlled entities within the tax consolidated Group.

Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from, or paid to the taxation authorities.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

16 Income tax benefit/(expense) (continued)

The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Group operates and generates taxable income.

Current income tax relating to items recognised directly in other comprehensive income or equity is recognised in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations where applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax is determined using a tax rate applicable at the end of the reporting period and expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled. Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases.

Deferred tax liabilities are recognised for all taxable temporary differences except to the extent that the deferred tax liability arise from:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit (or tax loss); and
- taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures when the timing of the reversal of the temporary differences can be controlled by the Group and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, including carry-forward tax losses and tax credits, to the extent that it is probable that taxable profit will be available against which the deductible differences can be utilised except when:

- the deferred tax asset relating to deductible temporary differences arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of transaction, affects neither the accounting profit nor taxable profit (or tax loss); and
- the deductible temporary difference is associated with investments in subsidiaries, associates and interests in joint ventures and it is not probable that the temporary difference will reverse in the foreseeable future.

Deferred tax assets and liabilities are calculated, without discounting, at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted by the end of the reporting period. Deferred tax liabilities are always provided for in full.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets and deferred tax liabilities are reassessed at each reporting date and are recognised to the extent that they satisfy the requirements for recognition.

Deferred tax assets and liabilities are offset only when the Group has a legally enforceable right and intention to offset current tax assets against the current tax liabilities and the deferred tax assets and deferred tax liabilities from the same taxation authority on the same taxable entity.

Deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is also recognised in other comprehensive income or directly in equity.

Capital

17 Issued capital

	NUMBER OF SHARES	\$'000
2024		
a) Issued and paid up capital		
Fully paid ordinary shares	1,858,516,794	478,632
	1,858,516,794	478,632
b) Movements in fully paid shares		
Opening balance	1,858,516,794	370,940
Share placements	250,000,000	100,000
Share purchase plan	28,418,750	11,368
Issue costs	–	(3,676)
Balance as 30 June 2024	2,136,935,544	478,632
2023		
a) Issued and paid up capital		
Fully paid ordinary shares	1,858,516,794	370,940
	1,858,516,794	370,940
b) Movements in fully paid shares		
Opening balance	1,732,611,716	265,668
Share placements	97,087,379	100,000
Exercise of unquoted options	23,409,366	5,802
Exercise of unquoted performance rights	5,408,333	–
Issue costs	–	(530)
Balance as 30 June 2023	1,858,516,794	370,940

The issued capital of Core Lithium Ltd consists only of fully paid ordinary shares. All shares are eligible to receive dividends and the repayment of capital and represent one vote at the shareholders' meeting of Core Lithium Ltd. None of the Parent's shares are held by any company in the Group. The shares do not have a par value and the Company does not have a limited amount of authorised capital. In the event of winding up the Company, ordinary shareholders rank after creditors and are fully entitled to any proceeds of liquidation.

Capital management

Management manages the Group's capital structure by assessing the Group's financial risks through regular monitoring of budgets and forecast cashflows. The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business, including through the issue of shares. The Group's capital is shown as issued capital in the Statement of Financial Position. The Group is not subject to any external capital restrictions.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

18 Reserves and share-based payments

Nature and purpose of reserves

The share option reserve and performance rights reserve are used to recognise the fair value of all options and performance rights.

Share-based payments are in line with the Group's remuneration policy, details of which are outlined in the Director's report. Listed below are summaries of options and performance rights granted:

RECONCILIATION OF SHARE-BASED PAYMENTS RESERVE	2024 \$'000	2023 \$'000
Opening balance	532	454
Issue of options	112	–
Issue of performance rights	1,875	707
Exercise of options	–	(177)
Exercise of performance rights	–	(161)
Lapse/forfeit of options and performance rights	(899)	(290)
Closing balance	1,620	532

SHARE OPTION RESERVE	NUMBER OF OPTIONS	2024 \$'000	WEIGHTED AVERAGE EXERCISE PRICE
Opening balance	–	–	–
Issued	3,500,000	112	0.224
Exercised	–	–	–
Lapsed	–	–	–
Balance at 30 June 2024	3,500,000	112	0.224

SHARE OPTION RESERVE	NUMBER OF OPTIONS	2023 \$'000	WEIGHTED AVERAGE EXERCISE PRICE
Opening balance	28,591,726	215	0.221
Exercised	(22,592,305)	(171)	0.221
Lapsed	(5,999,421)	(44)	0.221
Balance at 30 June 2023	–	–	–

PERFORMANCE RIGHTS RESERVE	NUMBER OF PERFORMANCE RIGHTS	2024 \$'000
Opening balance	3,122,451	532
Issued to Key Management Personnel as remuneration	3,077,267	1,198
Issued to employees as remuneration	2,398,382	677
Exercised	–	–
Lapsed	(967,474)	(183)
Forfeited	(2,195,651)	(716)
Balance at 30 June 2024	5,434,975	1,508

PERFORMANCE RIGHTS RESERVE	NUMBER OF PERFORMANCE RIGHTS	2023 \$'000
Opening balance	14,329,438	239
Issued to Key Management Personnel as remuneration	1,941,934	366
Issued to employees as remuneration	820,517	341
Exercised	(5,408,333)	(161)
Forfeiture/Lapsed	(8,561,105)	(253)
Balance at 30 June 2023	3,122,451	532

Share-based employee remuneration

As at 30 June 2024 the Group maintained a Share Option Plan and Performance Share Plan for employee, director and consultant remuneration.

There were 3,500,000 options (2023: nil) and 3,077,267 performance rights (2023: 1,941,934) granted to KMP and 2,398,382 performance rights (2023: 820,517) issued to other employees as remuneration during the year.

Share-based payments

The Group has provided payment to related parties in the form of share-based compensation, whereby related parties render services in exchange for shares, options or performance rights over shares ('equity-settled transactions'). The cost of these equity-settled transactions is measured by reference to the fair value at the date at which they are granted. The fair value of share options is determined using a Black-Scholes methodology depending on the nature of the option terms. The fair value in relation to performance rights is calculated using a valuation methodology approximating a Monte Carlo simulation.

The fair value of the options and performance rights granted is adjusted to reflect market vesting conditions but excludes the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options and performance rights that are expected to vest and become exercisable.

At each reporting date, the Group revises its estimates of the number of options and performance rights that are expected to vest and become exercisable.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant parties become fully entitled to the award ('vesting date').

The cumulative expense recognised for equity-settled transactions at each reporting date until vesting date reflects:

- the extent to which the vesting period has expired, and
- the number of awards that, in the opinion of the Directors of the Group, will ultimately vest.

This opinion is formed based on the best available information at reporting date. No adjustment is made for the likelihood of market performance conditions being met as the effect of these conditions is included in the determination of fair value at grant date.

Where the terms of an equity-settled award are modified, as a minimum an expense is recognised as if the terms had not been modified. In addition, an expense is recognised for any increase in the value of the transaction as a result of the modification, as measured at the date of modification.

Key judgement, estimates and assumptions: Reserves and share-based payments

The Group measures the cost of equity-settled transactions with key management personnel and other parties by reference to the fair value of the equity instruments at the date at which they are granted. The fair value is determined by the Board of Directors with reference to quoted market prices or using the Black-Scholes valuation method or a valuation methodology approximating Monte Carlo simulation as appropriate taking into account the terms and conditions upon which the equity instruments were granted. These assumptions have been detailed within the note above. The accounting estimates and assumptions relating to equity-settled share-based payments would have no impact on the carrying amounts of assets and liabilities within the next annual reporting period but may impact expenses and equity.

Fair value of performance rights granted

The fair value at grant date of performance rights issued with market based conditions have been determined using a valuation methodology approximating a Monte Carlo pricing model. This takes into account the term of the performance right, the impact of dilution, the impact of the KPI on the underlying share price, the non-tradeable nature of the performance right, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the performance right. For those performance rights issued where a non-market performance condition exists, the share price at grant date is the fair value at grant date as the exercise price is nil.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

18 Reserves and share-based payments (continued)

The table below outlines the summary of inputs used in the fair value calculation for the performance rights issued under the performance share plan during the reporting period:

PERFORMANCE RIGHTS VALUATION INPUTS ⁴	2024	2023
Exercise price	Nil	Nil
Performance right life	1.41 – 2.42 years	0.42 – 2.43 years
Underlying share price	\$0.17 – \$0.24	\$0.930 – \$1.120
Expected share price volatility (weighted average) ¹	82% – 88%	N/A
Risk-free interest rate ²	3.7% – 4.1%	3.1% – 4.0%
Weighted average fair value ³	\$0.404	\$0.828
Weighted average contractual life	1.51 years	1.41 years

1. Where applicable, the expected volatility has been based on the evaluation of the historical volatility of the Company's share price, particularly over the historical period commensurate with the expected performance right life.

2. Where applicable, this is based on high quality government bonds sourced from the Reserve Bank of Australia which reflect the period commensurate with the performance right life.

3. The probability of achievement of market vesting conditions has been considered when calculating the fair value of the performance rights at grant date.

4. Performance conditions attached to performance rights for KMPs and employees during the period have been detailed in the table below.

The terms attached to instruments issued in the prior year that have been expensed during FY24 remain unchanged. The table below outlines the detailed inputs used in the fair value calculation for the performance rights issued under the performance share plan during FY24:

PERFORMANCE RIGHTS GRANTED	GRANT DATE	FAIR VALUE AT GRANT DATE		VESTING CRITERIA	LAST VESTING DATE	EXPIRY DATE UPON VESTING
		\$/right	Full value (\$)			
12,553	3/07/2023	0.36	4,519	Absolute shareholder return	3/07/2023	31/01/2026
12,553	3/07/2023	0.41	5,147	Relative shareholder return	3/07/2023	31/01/2026
16,736	3/07/2023	0.93	15,564	Reserve growth per share	3/07/2023	31/01/2026
25,313	3/07/2023	0.56	14,175	Absolute shareholder return	30/06/2024	31/01/2027
25,313	3/07/2023	0.60	15,188	Relative shareholder return	30/06/2024	31/01/2027
33,751	3/07/2023	1.00	33,751	Reserve growth per share	30/06/2024	31/01/2027
40,606	3/07/2023	0.63	25,582	Absolute shareholder return	30/06/2025	31/01/2028
40,606	3/07/2023	0.72	29,236	Relative shareholder return	30/06/2025	31/01/2028
54,141	3/07/2023	1.00	54,141	Reserve growth per share	30/06/2025	31/01/2028
350,159	1/03/2024	0.17	59,177	Absolute shareholder return	30/06/2026	31/01/2029
350,159	1/03/2024	0.19	64,779	Relative shareholder return	30/06/2026	31/01/2029
466,877	1/03/2024	0.24	112,050	Reserve growth per share	30/06/2026	31/01/2029
1,214,064	15/03/2024	0.17	205,177	Absolute shareholder return	30/06/2026	31/01/2029
1,214,064	15/03/2024	0.19	224,602	Relative shareholder return	30/06/2026	31/01/2029
1,618,754	15/03/2024	0.24	388,501	Reserve growth per share	30/06/2026	31/01/2029
5,475,649			1,251,589			

Performance rights issued for remuneration to employees and the Directors are as follows:

NUMBER OF PERFORMANCE RIGHTS	2024	2023
Opening balance as at 1 July	3,122,451	14,329,438
Granted as remuneration to the Directors	–	–
Granted as remuneration to other KMP	3,077,267	1,941,934
Granted as remuneration to other employees	2,398,382	820,517
Exercised	–	(5,408,333)
Lapsed	(967,474)	(8,561,105)
Forfeited	(2,195,651)	–
Outstanding as at 30 June	5,434,975	3,122,451

Fair value of options granted

The fair value at grant date of the options issued has been determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the non-tradeable nature of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

19 Earnings per share

Basic earnings per share is calculated by dividing:

- a) the profit attributable to equity holders of the Group, excluding costs of servicing equity other than ordinary shares, by
- a) the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year.

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after-tax effect and other financing costs associated with dilutive potential ordinary shares and the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares. The weighted average number of shares for the purpose of diluted earnings per share can be reconciled to the weighted average number of ordinary shares used in the calculation of basic earnings per share as follows:

	2024	2023
Weighted average number of shares used in basic earnings per share	2,094,971,729	1,818,657,366
Weighted average number of shares used in diluted earnings per share	2,094,971,729	1,818,657,366
Earnings per share (cents per share):		
Basic earnings per share	(9.88)	0.59
Diluted earnings per share ¹	(9.88)	0.59

1. For 30 June 2024, potentially dilutive instruments have not been included in the calculation of diluted earning per share because the result for the year was a loss.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

Company Structure

20 Investments in controlled entities

The Company has the following subsidiaries:

NAME OF SUBSIDIARY	COUNTRY OF INCORPORATION	CLASS OF SHARES	PERCENTAGE HELD	
			2024	2023
Sturt Exploration Pty Ltd	Australia	Ordinary	100%	100%
DBL Blues Pty Ltd	Australia	Ordinary	100%	100%
Lithium Developments Pty Ltd	Australia	Ordinary	100%	100%
Uranium Generation Pty Ltd	Australia	Ordinary	100%	100%
Lithium Developments (Grants NT) Pty Ltd	Australia	Ordinary	100%	100%
Bynoe Lithium Pty Ltd	Australia	Ordinary	100%	100%

21 Parent entity information

Information relating to Core Lithium Ltd (the Parent entity) has been prepared on the same basis as the consolidated financial statements.

	2024 \$'000	2023 \$'000
Statement of financial position		
Current assets	33,724	34,424
Total assets	344,104	423,898
Current liabilities	(3,760)	(6,856)
Total liabilities	(87,231)	(90,228)
Issued capital	(478,632)	(370,940)
Retained losses	223,379	37,802
Share based payments reserve	(1,620)	(532)
Statement of profit of loss and other comprehensive income		
Loss for the year	(185,761)	(11,124)
Total comprehensive loss for the year	(185,761)	(11,124)

All contingent liabilities and contractual commitments disclosed elsewhere in this report are entered into by the Parent entity.

There are no guarantees entered into in relation to debts of subsidiaries except for a payment guarantee by Core Lithium Ltd for the payment obligations under the Call Option Deed with Outback Metals Pty Ltd and Victory Polymetallic Pty Limited and the related land covenant with Australia New Zealand Resources Corporation Pty Ltd as trustee for the Chrisp Family Trust by Bynoe Lithium Pty Ltd as disclosed in note 25.

22 Operating segments

Management has determined the operating segments based on internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker (CODM), to make strategic decisions.

The Group has identified two operating segments of its business:

- Finniess Lithium Project mining, crushing and processing operations.
- Exploration: exploration and evaluation of primarily Lithium mineralisation.

The CODM monitors performance in these areas separately. Unless stated otherwise, all amounts reported to the CODM are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group. Operating segment performance details for financial years 2024 and 2023 are set out below:

Segment results

	FINNISS LITHIUM PROJECT – OPERATIONS \$'000	EXPLOR- ATION \$'000	TOTAL \$'000
2024 SEGMENT RESULTS			
Segment revenue	189,494	–	189,494
Cost of sales	(200,256)	–	(200,256)
Gross loss	(10,762)	–	(10,762)
Exploration and evaluation assets and impairment	–	(801)	(801)
Impairment of non-financial assets	(119,647)	–	(119,647)
Operating expenses	(23,064)	–	(23,064)
Onerous and general contract expenses	(25,270)	–	(25,270)
Segment margin	(178,743)	(801)	(179,544)
Interest income			4,350
Other income			799
General and administration expense			–
Finance costs			(2,655)
Other expenses			(25,408)
Foreign currency gain/(loss)			306
Loss before tax			(202,152)

	FINNISS LITHIUM PROJECT – OPERATIONS \$'000	EXPLOR- ATION \$'000	TOTAL \$'000
2023 SEGMENT RESULTS			
Segment revenue	50,598	–	50,598
Cost of production	(19,653)	–	(19,653)
Gross profit	30,945	–	30,945
Exploration and evaluation assets and impairment	(1,292)	–	(1,292)
Other operating expenses	(6,599)	–	(6,599)
Onerous and general contract expenses	–	–	–
Impairment of non-financial assets	–	–	–
Segment margin	23,054	–	23,054
Interest income			3,036
Other income			–
General and administration expense			(13,766)
Non-site depreciation expense			(171)
Share-based payment expense			(454)
Impairment expense			(324)
Finance costs			(2,269)
Other expenses			–
Foreign currency gain			122
Profit before tax			9,228

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

22 Operating segments (continued)

Operating segment assets are reconciled to total assets as follows:

	2024 \$'000	2023 \$'000
Segment assets		
Finniss Lithium Project – operations	164,596	288,957
Exploration	66,131	54,370
Total	230,727	343,327
<i>Unallocated assets:</i>		
Cash and cash equivalents	87,606	152,786
Other receivables	203	582
Other financial assets	570	160
Other assets	1,531	796
Deferred tax asset	–	4,862
Plant and equipment assets	3,321	630
Total assets	323,958	503,143

Operating segment liabilities are reconciled to total liabilities as follows:

	2024 \$'000	2023 \$'000
Segment liabilities		
Finniss Lithium Project – operations	60,335	140,984
Exploration	21	4,246
Total	60,356	145,230
<i>Unallocated liabilities:</i>		
Trade and other payables	2,068	2,232
Financial liabilities	918	–
Lease liabilities	3,234	333
Provisions	510	425
Total liabilities	67,086	148,221

23 Related party transactions

The Group's related party transactions include those transactions with its subsidiaries and key management personnel.

Transactions with key management personnel

Key management personnel remuneration includes the following as disclosed in detail in the remuneration report:

	2024 \$'000	2023 \$'000
Short-term benefits	2,532	2,928
Post-employment benefits	933	198
Other long-term benefits	–	–
Share-based payments	774	366
Total remuneration	4,239	3,492

Additional Disclosures

24 Auditor remuneration

During the year ended 30 June 2024, total fees paid or payable for services provided by Grant Thornton and its related practices were as follows:

	2024 \$'000	2023 \$'000
Audit services		
Audit and review of financial reports	273	235
Other services		
Taxation compliance and advisory	86	57
Financial due diligence	5	-
Total other services remuneration	91	57
Total remuneration received by Grant Thornton	364	292

25 Commitments and contingencies

Contingent liabilities

Contingent liabilities are possible obligations whose existence will only be confirmed by the occurrence or non-occurrence of uncertain future events, and therefore the Group has not provided for such amounts in these financial statements.

Contingencies

In July 2019, the Group received a payment in advance of \$6.88 million from Lithium Royalty Corp (LRC) for the right to receive 2.115% of gross revenue from the sale of products from the Finnis Lithium Project. Under this royalty agreement there is an additional \$1.25 million of funding that is conditional on the Group announcing a 15 million tonne JORC Mineral Resource for the Finnis Lithium Project, which was achieved in July 2022, and achieving continuous operation of the processing plant for more than 14 consecutive days (Stage 2), which was achieved in May 2023. The royalty rate on receipt of initial proceeds under Stage 1 is 2.12% and increases to 2.50% upon achievement of the Stage 2 milestone. As a result of the achievement of the Stage 1 & 2 milestones, the balance of the purchase prices, being \$1.25 million, was received from LRC in June 2023. The Finnis Lithium Project assets are held as security for the transaction.

In 2021, Core Lithium Ltd and Bynoe Lithium Pty Ltd entered into a Call Option Deed with Outback Metals Proprietary Limited (Outback), Victory Polymetallic Pty Limited (Victory) (collectively the Grantors) and Australia New Zealand Resources Corporation Pty Ltd (the Landowner) to potentially acquire up to six granted Mineral Leases (MLs) adjacent to the Group's Finnis Lithium Project in the Northern Territory. During the current period this call option was exercised and the tenements were acquired. Contingent consideration of \$0.50 million will also be payable to the Grantors (\$0.15 million in cash and \$0.35 million in cash or Core Lithium Ltd shares, at the Group's discretion (subject to any required shareholder approval)) for each 1 million tonne JORC resource identified by Bynoe, capped at an aggregate amount of \$5.00 million. Any shares will be subject to a 3 month and 14-day escrow period.

As part of this transaction, the Landowners also entered into a Covenant in Gross (Covenant) with Bynoe which runs with and binds that part of the land which underlies the two Mineral Titles, ML 29985 and MLN 1148. Under the terms of the Covenant, the Landowners agree to give Bynoe a right of first refusal to purchase the underlying land if the Landowner intends to sell the land, and otherwise undertakes to ensure any third-party purchaser is bound by the Covenant.

Under the covenant, Bynoe agrees to pay compensation to the Landowner in full and final satisfaction for any damage, disturbance, and loss of access to the land including as compensation under the Mineral Titles Act:

- \$500 per hectare per annum to the Landowner, for any part of the Landowner's underlying land that is subject to the Mineral Titles. Bynoe must pay this annual compensation until the Mine Development Date (being the date Bynoe secures authorisations to develop and operate a mine on either or both affected Mineral Titles and reaching a final investment decision; or it purchases the underlying land from the Landowner). No compensation will be payable if Bynoe does not undertake Mining Activities on the affected Mineral Titles in any 12-month period; and
- \$1.90 million (indexed using Darwin CPI) to the Landowner, on the Mine Development Date.

Core Lithium Ltd guarantees the financial obligations of Bynoe under the Call Option Deed and the Covenant.

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

25 Commitments and contingencies (continued)

The Group received notification from Tesla regarding a potential legal claim stemming from events in 2022 where a binding term sheet was executed between the parties. The term sheet formed the basis for negotiating of a potential offtake agreement for the supply of lithium spodumene concentrate and was subject to execution of a definitive agreement by a deadline in late 2022. The final agreement was not executed by the deadline as such the matter was closed. Tesla has indicated to the Group their intention to pursue legal remedies if the matter cannot be resolved without litigation.

The Group is working with its legal advisors and Tesla to resolve the matter. The Group considers that it is not probable that a payment will be made, given the matter is not sufficiently advanced and no formal claim has been received.

The Group has offtake agreements with Ganfeng Lithium and Sichuan Yahua for the supply of lithium spodumene concentrate. Within these agreements, there are annual shipment quantities that Core is contractually obligated to meet. Due to the suspension of mining at the Finnis operations, there is a possibility that Core may not meet this obligation. In respect of one of these agreements, if this obligation is not met, Core is obligated to pay the customer the difference between the price and the price the customer actually paid in procuring a replacement supply of spodumene concentrate.

The Group is working with its offtake partners to ensure their contractual obligations are met. The Group considers that it is not probable at the date of this report, that a payment will be made, and potential liability is contingent on future events.

Bank guarantees

Bank guarantees have been disclosed at note 3.

Exploration commitments

In order to maintain rights of tenure to exploration permits, the Group has certain obligations to perform minimum exploration work and expend minimum amounts of money should the tenements be renewed.

The Group's exploration licence tenements are renewable at various renewal dates throughout the year and the amount of each expenditure covenant is set by the relevant state's Minister at the time of each renewal grant.

	2024 \$	2023 \$
MINIMUM EXPENDITURE REQUIRED TO MAINTAIN TENURE OF TENEMENTS		
Within one year	159,655	308,441
After one year but not more than five years	419,941	204,332
Total commitments	579,596	512,773

Not meeting the expenditure commitments detailed does not mean that the relevant tenements will require relinquishment.

Capital commitments

Capital expenditure contracted for at end of the reporting period but not recognised as liabilities is \$1.2 million (2023: \$3.3 million).

26 Events arising since the end of the reporting date

On 9 September 2024, the Group announced the acquisition of 9.8% of Charger Metals NL, as well as the acquisition of a 30% free carried interest in Charger's Bynoe Lithium Project from Lithium Australia (which remains subject to a pre-emptive right to Charger).

No other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations or the state of affairs of the Group in subsequent financial years.

27 Statement of Material Accounting Policies

a) Statement of compliance

These consolidated general purpose financial statements of the Group have been prepared in accordance with the requirements of the *Corporations Act 2001* (Cth), Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board. Compliance with Australian Accounting Standards results in full compliance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). Core Lithium Ltd is a listed company, registered and domiciled in Australia. Core Lithium Ltd is a for profit entity for the purpose of preparing the financial statements.

The consolidated financial statements for the reporting period ended 30 June 2024 were approved and authorised by the Board of Directors on 27 September 2024.

The Financial Report has been prepared on an accrual basis, and is based on historical costs, modified by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

b) Comparative information

Comparative information for 2023 is for the full year commencing on 1 July 2022. Where appropriate, comparative information has been reclassified to align to changes in presentation in the current period to reflect more reliable and relevant information.

The material policies which have been adopted in the preparation of this financial report are summarised below. These policies have been consistently applied to all the years presented, unless otherwise stated.

c) Rounding of amounts

The financial report has been prepared in Australian dollars and all values are rounded to the nearest thousand dollars (\$'000) unless otherwise stated (where rounding is applicable) under the option available to the Group under ASIC Corporations Instrument 2016/91.

d) Principles of consolidation

The Group financial statements consolidate those of the Parent company and all of its subsidiary undertakings drawn up to 30 June 2024. Subsidiaries are all entities (including structured entities) over which the Group control. The Group controls an entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is fully transferred to the Group. They are deconsolidated from the date that control ceases. All subsidiaries have a reporting date of 30 June.

A list of controlled entities is contained in note 20 to the Financial Statements. All transactions and balances between Group companies are eliminated on consolidation, including unrealised gains and losses on transactions between Group companies.

Where unrealised losses on intra-group asset sales are reversed on consolidation, the underlying asset is also tested for impairment from a Group perspective.

Amounts reported in the financial statements of subsidiaries have been adjusted, where necessary, to ensure consistency with the accounting policies adopted by the Group.

Profit or loss of subsidiaries acquired or disposed of during the reporting period are recognised from the effective date of acquisition, or up to the effective date of disposal, as applicable.

Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's profit or loss and net assets that is not held by the Group. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the Parent and the non-controlling interests based on their respective ownership interests.

e) Impairment of assets

At each reporting date, the Group reviews the carrying values of its tangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to profit or loss.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

f) Critical accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

The Directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends of economic data, obtained both externally and within the Group.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are included within the relevant notes to the financial statements above.

g) Finance income and expense

Finance income comprises interest income on funds invested, gains on disposal of financial assets and changes in fair value of financial assets held at fair value through profit or loss.

Interest income is recognised as it accrues in the Statement of Profit or Loss, using the effective interest rate method.

All income is stated net of goods and services tax (GST).

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

27 Statement of Material Accounting Policies (continued)

h) Goods and services tax (GST)

Revenues, expenses, and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the ATO. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST components of investing and financing activities, which are disclosed as operating cash flows.

i) Adoption of the new and revised accounting standards

There are no new and revised accounting standards issued, or issued but not yet effective, which have a material impact on the financial statements.

j) Recently issued accounting standards to be applied in future accounting periods

The Group has not yet assessed the impact of new accounting standards or amendments that have not been early adopted for the year ended 30 June 2024, but will be applicable to the Group in future reporting periods.

28 Financial risk management and capital management

Financial instruments

a) Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument and are measured initially at fair value adjusted for transactions costs, except for those carried at fair value through profit or loss, which are measured initially at fair value. Subsequent measurement of financial assets and financial liabilities are described below.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

b) Classification and subsequent measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with AASB 15 – *Revenue from Contracts with Customers*, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

For the purpose of subsequent measurement, financial assets other than those designated and effective as hedging instruments are classified into the following categories upon initial recognition:

- amortised cost;
- fair value through profit or loss (FVPL);
- equity instruments at fair value through other comprehensive income (FVOCI); and
- debt instruments at fair value through other comprehensive income (FVOCI).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Classifications are determined by both:

- the entities business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial assets.

c) Subsequent measurement financial assets

i. Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

ii. Financial assets at fair value through profit or loss (FVPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVPL.

Impairment of financial assets

AASB 9 – *Financial Instruments* impairment requires the use of forward-looking information to recognise expected credit losses – the 'expected credit losses (ECL) model'. Instruments within the scope of the requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under AASB 15 – *Revenue from Contracts with Customers* and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

The Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Impairment of financial assets (continued)

In applying this forward-looking approach, a distinction is made between:

1. financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1');
2. financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2');
3. 'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date; and
4. '12-month expected credit losses' are recognised for the first category while 'lifetime expected credit losses' are recognised for the second category.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Classification and measurement of financial liabilities

The Group's financial liabilities include trade and other payables.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than any derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

The Directors are responsible for monitoring and managing financial risk exposures of the Group. The Group's financial instruments consist mainly of deposits with banks and accounts receivable and payable.

The total for each category of financial instruments are at amortised cost as follows:

	NOTE	2024 \$'000	2023 \$'000
Financial assets			
Cash and cash equivalents	1	87,606	152,786
Trade and other receivables	2	1,460	6,745
Other financial assets	3	570	160
Total		89,636	159,691
Financial liabilities			
Trade and other payables	9	16,623	30,978
Financial liabilities	10	661	83,623
Lease liabilities	12	3,534	22,944
Total		20,818	137,545

Management of financial risk

The Group's management of financial risk is aimed at ensuring cash flows are sufficient to:

- Withstand significant changes in cash flow at risk scenarios and meet all commitments as and when they fall due; and
- Maintain the capacity to fund future project development, exploration and acquisition strategies.

The Group continually monitors and tests its forecast financial position against these criteria. The Group is exposed to the following financial risks: liquidity risk, credit risk and market risk (including foreign exchange risk and commodity price risk).

Notes to the Consolidated Financial Statements

For the year ended 30 June 2024

28 Financial risk management and capital management (continued)

a) Liquidity risk

Liquidity risk arises from the possibility that the Group might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities.

The Group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate working capital is maintained for the coming months. Upcoming capital needs and the timing of fund raisings are assessed by the Board.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments:

\$'000	LESS THAN 6 MONTHS	6-12 MONTHS	BETWEEN 1 AND 5 YEARS	GREATER THAN 5 YEARS	TOTAL CONTRAC- TUAL CASH FLOWS	CARRYING AMOUNT OF LIABILITIES
As at 30 June 2024						
Trade and other payables	16,623	–	–	–	16,623	16,623
Financial liabilities	661	–	–	–	661	661
Lease liabilities	302	321	2,055	856	3,534	3,534
Total	17,586	321	2,055	856	20,818	20,818
As at 30 June 2023						
Trade and other payables	30,978	–	–	–	30,978	30,978
Financial liabilities	83,623	–	–	–	83,623	83,623
Lease liabilities	1,614	1,847	13,423	11,485	28,369	22,944
Total	116,215	1,847	13,423	11,485	142,970	137,545

b) Credit risk

Credit risk represents the loss that would be recognised if a counterpart failed to perform as contracted. Credit risk is managed through the consideration of credit worthiness of customers and counterparties. This ensures to the extent possible, that customers and counterparties to transactions are able to pay their obligations when due and payable. Such monitoring is used in assessing impairment if applicable.

c) Market risk

Foreign currency risk

The Group undertakes transactions impacted by foreign currencies; hence exposures to exchange rate fluctuations arise. The Group's lithium spodumene concentrate sales will be denominated in US dollars whereas the majority of costs (including capital expenditure) are in Australian dollars. To manage and mitigate the foreign exchange risk the Group manages future commercial transactions through cash flow management and forecasting.

Commodity price risk

The Group's revenue is exposed to commodity price fluctuations, in particular to lithium spodumene concentrate prices. Price risk relates to the risk that the fair value of future cash flows of lithium sales will fluctuate because of changes in market prices largely due to demand and supply factors for commodities and lithium price commodity speculation. The Group is exposed to commodity price risk due to the sale of lithium spodumene concentrate on physical delivery at prices determined by markets at the time of sale. To manage commodity price risk, the Group manages future commercial transactions through cash flow management and forecasting.

Net fair values of financial assets and financial liabilities

Fair value is the price that would be required to be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at measurement date.

The net fair values of financial assets and liabilities are determined by the Group based on the following:

- Monetary financial assets and financial liabilities not readily traded in an organised financial market are carried at book value, and
- Non-monetary financial assets and financial liabilities are recognised at their carrying values recognised in the Statement of financial position.

The carrying amount of financial assets and liabilities are a reasonable approximation to fair value at reporting date.

The Consolidated Entity Disclosure Statement

Basis of preparation

This Consolidated Entity Disclosure Statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* and includes the required information for each entity that was part of the consolidated entity as at the end of the financial year.

Consolidated entity

This CEDS includes only those entities consolidated as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements (AASB 10).

Determination of Tax Residency

Section 295 (3A) of the *Corporations Act 2001* defines tax residency as having the meaning in the *Income Tax Assessment Act 1997*.

The determination of tax residency involves judgment as there are currently several different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:

Australian tax residency

The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5 Income tax: central management and control test of residency.

ENTITY NAME	ENTITY TYPE	TRUSTEE PARTNER OR PARTICI- PANT IN JV	PLACE FORMED OR INCORPOR- ATED	% OF SHARE CAPITAL HELD	AUSTRALIAN OR FOREIGN	FOREIGN JURIS- DICTION
Core Lithium Ltd	Body corporate	N/A	Australia	N/A	Australia	N/A
Lithium Development (Grants NT) Pty Ltd	Body corporate	N/A	Australia	100%	Australia	N/A
Lithium Developments Pty Ltd	Body corporate	N/A	Australia	100%	Australia	N/A
DBL Blues Pty Ltd	Body corporate	N/A	Australia	100%	Australia	N/A
Sturt Exploration Pty Ltd	Body corporate	N/A	Australia	100%	Australia	N/A
Uranium Generation Pty Ltd	Body corporate	N/A	Australia	100%	Australia	N/A
Bynoe Lithium Pty Ltd	Body corporate	N/A	Australia	100%	Australia	N/A

Directors' Declaration


In the opinion of the Directors of Core Lithium Ltd:

- a) the consolidated financial statements and notes of Core Lithium Ltd are in accordance with the *Corporations Act 2001* (Cth), including:
 - i) giving a true and fair view of its financial position as at 30 June 2024 and of its performance for the financial period ended on that date; and
 - ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001* (Cth); and
- b) there are reasonable grounds to believe that Core Lithium Ltd will be able to pay its debts when they become due and payable; and
- c) the information disclosed in the consolidated entity disclosure statement is true and correct as at 30 June 2024.

This declaration has been made after receiving the declarations required to be made to the Directors in accordance with section 295A of the *Corporations Act 2001* for the financial year ended 30 June 2024.

Note 27 confirms that the consolidated financial statements comply with International Financial Reporting Standards.

Signed in accordance with a resolution of the Directors:

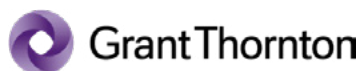


Greg English

Non-Executive Chair

27 September 2024

Independent Auditor's Report



Grant Thornton Audit Pty Ltd
Grant Thornton House
Level 3
170 Frome Street
Adelaide SA 5000
GPO Box 1270
Adelaide SA 5001
T +61 8 8372 6666

Independent Auditor's Report

To the Members of Core Lithium Limited

Report on the audit of the financial report

Opinion

We have audited the financial report of Core Lithium Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 30 June 2024, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a giving a true and fair view of the Group's financial position as at 30 June 2024 and of its performance for the year ended on that date; and
- b complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Independent Auditor's Report

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impairment – Note 8 <p>As prescribed by AASB 136 <i>Impairment of Assets</i>, an assessment of indicators of impairment is performed annually, or more frequently if indicators of impairment exist, for each cash-generating unit (“CGU”).</p> <p>During the year, the Group determined that indicators of impairment existed for the Finnis Lithium Project CGU, which required an impairment test to calculate the recoverable amount of the CGU as disclosed in Note 8.</p> <p>The Group determined the recoverable amount of the Finnis Lithium Project CGU using the fair value less cost of disposal (“FVLCD”) methodology. An impairment charge of \$119.6m was recognised against the carrying value of the Finnis Lithium Project CGU.</p> <p>The valuation is considered a key audit matter due to the significant estimates and judgements applied by management when using the FVLCD method, including:</p> <ul style="list-style-type: none">• spodumene concentrate prices;• plant and mine infrastructure valuation methodology;• current ore reserves; and• estimated cost of disposal.	<p>Our procedures included, amongst others:</p> <ul style="list-style-type: none">• obtaining and documenting an understanding of management’s process relating to the assessment of impairment, including management’s consideration of valuation techniques required by the accounting standards for determining the recoverable amount of the CGU;• assessing the appropriateness of management’s determination of its CGU and whether the assets and liabilities attributed by management were appropriately allocated to the carrying amount of the Finnis Lithium Project CGU;• assessing the competence, objectivity and capability of the external experts engaged by management to assist in the development of the FVLCD valuation;• reviewing the reports and findings of management’s external experts for appropriateness, including reviewing the dataset and assumptions utilised;• testing the mathematical accuracy of the impairment model and comparing the result to the impairment expense recorded; and• reviewing the appropriateness of the related disclosures within the financial statements.

Information other than the financial report and auditor’s report thereon

The Directors are responsible for the other information. The other information comprises the information included in the Group’s annual report for the year ended 30 June 2024, but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the financial report

The directors of the Company are responsible for the preparation of:

- a the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* (other than the consolidated entity disclosure statement); and
- b the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*, and

for such internal control as the directors determine is necessary to enable the preparation of:

- i the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- ii the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: http://www.auasb.gov.au/auditors_responsibilities/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Opinion on the remuneration report

We have audited the Remuneration Report included in the Directors' report for the year ended 30 June 2024.

In our opinion, the Remuneration Report of Core Lithium Limited, for the year ended 30 June 2024 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The Directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.



GRANT THORNTON AUDIT PTY LTD
Chartered Accountants



J L Humphrey
Partner – Audit & Assurance

Adelaide, 27 September 2024

ASX Additional Information

Additional information required by the ASX Limited Listing Rules and not disclosed elsewhere in this report is set out below.

This information is effective as at 31 August 2024.

The Company is listed on the Australian Securities Exchange.

Substantial shareholders

There are no substantial shareholders at the effective date.

Voting rights

Ordinary shares	On a show of hands, every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.
Option	No voting rights.
Performance rights	No voting rights.

Buy-back

There is no current on-market buy-back.

Distribution of equity by security holders

Holding	QUOTED ORDINARY SHARES		OPTIONS ¹		PERFORMANCE RIGHTS ¹	
	#	%	#	%	#	%
1 – 1,000	12,994	0.39	–	–	–	–
1,001 – 5,000	20,611	2.62	–	–	–	–
5,001 – 10,000	9,011	3.31	–	–	–	–
10,001 – 100,000	15,914	24.53	–	–	3	1.40
100,001 and over	2,874	69.15	2	100.00	22	98.60
Number of holders	61,404	100.00	2		25	
Securities	2,136,935,544		5,500,000		14,418,923	

1. Issued under employee incentive scheme as disclosed within the Directors report.

There were 34,111 holders of less than a marketable parcel of ordinary shares (\$500 amounts to 5,319 shares at a share price of \$0.094).

There are no restricted securities or securities subject to voluntary escrow.

Twenty largest holders of ordinary shares

		NO. OF SHARES HELD	% HELD
1	HSBC Custody Nominees (Australia) Limited	114,164,560	5.34%
2	J P Morgan Nominees Australia Pty Limited	96,623,424	4.52%
3	Citicorp Nominees Pty Limited	87,897,791	4.11%
4	Mr Leendert Hoeksema	62,000,000	2.90%
5	BNP Paribas Nominees Pty Ltd <IB Au Noms Retailclient>	27,809,428	1.30%
6	Finclear Services Pty Ltd <Superhero Securities A/C>	18,613,216	0.87%
7	BNP Paribas Noms Pty Ltd	12,497,642	0.58%
8	BNP Paribas Nominees Pty Ltd <Clearstream>	12,057,005	0.56%
9	Rover Investments Pty Ltd <Cranfield Family A/C>	8,426,550	0.39%
10	Hooks Enterprises Pty Ltd <Hoeksema Superfund A/C>	8,200,000	0.38%
11	GDE Exploration (SA) Pty Ltd	7,325,000	0.34%
12	Tarmo Investments Pty Ltd <Tjena Super Fund A/C>	7,012,000	0.33%
13	Netwealth Investments Limited <Super Services A/C>	6,889,962	0.32%
14	National Nominees Limited	6,230,786	0.29%
15	Citicorp Nominees Pty Limited <Colonial First State Inv A/C>	5,918,702	0.28%
16	Netwealth Investments Limited <Wrap Services A/C>	5,574,619	0.26%
17	Sharesies Australia Nominee Pty Limited	5,550,787	0.26%
18	Mr Sunil Pathak	5,525,776	0.26%
19	Mrs Slavka Mincic	5,487,009	0.26%
20	Mr Chien-Tai Huang	5,439,165	0.25%
Top 20 shareholders as at 31 August 2024		509,243,422	23.83%
Total ordinary shares on issue		2,136,935,544	100.00%

Corporate Information

Directors

- Greg English
Non-Executive Chair
- Heath Hellewell
Non-Executive Director
- Malcolm McComas
Non-Executive Director

Company Secretary

- Jarek Kopias

Chief Executive Officer

- Paul Brown

Chief Financial Officer

- James Virgo

Registered and Principal Office

- Level 9, 2 Mill St
Perth, Western Australia 6000
- Telephone: +61 8 8317 1700

Postal Address

- PO Box 7890
Perth, Western Australia 6850

Web Address

- www.corelithium.com.au

Auditors

- Grant Thornton Audit Pty Ltd
Level 3, 170 Frome Street
Adelaide, South Australia 5000

Home Stock Exchange

- Australian Securities Exchange
20 Bridge Street
Sydney, New South Wales 2000

Stock Exchange Listing

- Core Lithium Ltd (CXO) shares are listed on the Australian Securities Exchange (ASX)

Share Registry

- Automic Group
Level 5, 126 Phillip Street
Sydney, New South Wales 2000
- Telephone: 1300 288 664

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