

ASX: CXO Announcement

14 July 2020

Core Lithium joins European Battery Alliance

Highlights

- Core accepted as a member of the European Battery Alliance (EBA250)
- EBA250 brings together interested stakeholders and industry participants across the European Union's battery value chain
- Follows Core's recent signing of a non-binding offtake term sheet with Geneva-based Transamine Trading for the supply of spodumene concentrate from its Finniss Lithium Project

Advanced Northern Territory lithium developer **Core Lithium Ltd (ASX: CXO)** (**Core** or **Company**) is pleased to announce it has been accepted as a member of the European Battery Alliance (EBA250), an organisation committed to driving a competitive and sustainable battery industry in Europe by 2025.

The EBA250 is an inclusive ecosystem for interested stakeholders across the European Union's battery value chain and comprises parties that strive to collaborate on initiatives to promote sector growth.

It brings together more than 440 major players from the European Commission, interested EU countries, investment institutions and key industrial, innovation and academia stakeholders and is facilitated by EIT InnoEnergy; the innovation engine for sustainable energy supported by the European Institute of Innovation and Technology.

The EBA250's ultimate goal is to create a competitive and sustainable battery industry in Europe within the next five years, to capitalise on opportunities and capture a new market that the Alliance anticipates will one day grow to be worth about €250 billion (~A\$400 billion) per year.

Core Managing Director Stephen Biggins said:

“These new connections will provide further pathways for the Company to grow its presence in the European market.

“The EBA250 is a unique meeting platform for industry participants and being a member will provide us with greater regulatory insights, market intelligence and all-important connections to business development contacts, as well as the Alliance’s funding and financial partners.

“To date, the Asian markets have been the critical offtake partners of lithium production from Australia; however, as Core looks towards beginning our exports in 2022, we aim to be producing for a diversified portfolio of partners.

“Europe is focused on building sophisticated capabilities across the entire battery value chain – from raw and active materials, through to cell manufacturing and machinery, battery packs systems, applications and recycling. It is a market emerging at just the right time for Core.

“The increased focus from the EU and their eagerness to work collaboratively with Core reminds us that the future demand for lithium is far-reaching and significant.”

EBA250 Manager Thore Sekkenes said Core’s interest in engaging directly with the European market was extremely welcome, given Australia’s vast lithium resources and expertise.

“In Australia, there is a lot of expertise when it comes to lithium, and thus it is of crucial importance for us to build the bridge between Europe and Australia.

“We want to actively collaborate with Australian companies, like Core Lithium, willing to establish progressive trade relationships here.”

Core’s acceptance into the EBA250 follows the Company’s recent signing of a non-binding offtake term sheet (MOU) with Geneva-based Transamine Trading for the supply of 50,000 tonnes of lithium-rich spodumene concentrate a year for five years from its Finniss Lithium Project, located near Darwin in the Northern Territory.

This MOU is in addition to Core’s existing binding offtake agreement with Yahua for 75,000tpa.

Given its low start-up capital requirements, existing infrastructure and proximity to offshore transport services, the Finniss Lithium Project is well placed to meet the world’s growing demand for lithium batteries for electric vehicles and other renewable technologies that the world is gravitating towards.

Core is aiming to complete offtake arrangements and have the Finnis Lithium Project construction-ready in 2020 ahead of sourcing debt and equity to achieve financial close. The Finnis Lithium Project (Project) has arguably the best supporting logistics chain to markets in Asia of any Australian lithium project.

The Project lies within 25km of port, power station, gas, rail and one hour by sealed road to workforce accommodated in Darwin and importantly to Darwin Port - Australia's nearest port to Asia. Lithium is the core element in batteries used to power electric vehicles, and the Finnis Lithium Project boasts world-class, high-grade and high-quality lithium suitable for this use and for other renewable energy sources.

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

For further information please contact:

Stephen Biggins
Managing Director
Core Lithium Ltd
+61 8 8317 1700
info@corelithium.com.au

For Media and Broker queries:

Warrick Hazeldine
Managing Director
Cannings Purple
+61 417 944 616
whazeldine@canningspurple.com.au

Fraser Beattie
Senior Consultant
Cannings Purple
+61 421 505 557
fbeattie@canningspurple.com.au