



# DFS Investor Presentation

April 2019

[corelithium.com.au](http://corelithium.com.au) | ASX CXO



# Important and Cautionary Notes

The information in this release that relates to metallurgy and metallurgical test work has been reviewed by Mr Noel O'Brien, FAusIMM, MBA, B. Met Eng. Mr O'Brien is not an employee of the company, but is employed as a contract consultant. Mr O'Brien is a Fellow of the Australasian Institute of Mining and Metallurgy, he has sufficient experience with the style of processing response and type of deposit under consideration, and to the activities undertaken, to qualify as a competent person as defined in the 2012 edition of the "Australian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves" (The JORC Code). Mr O'Brien consents to the inclusion in this report of the contained technical information in the form and context as it appears.

The information in this report that relates to Ore Reserves underpinning the Production Target have been prepared by Mr Blair Duncan (BEng (Mining), MBA) as Chief Operating Officer of Core Lithium Ltd who is a member of the Australasian Institute of Mining and Metallurgy and is bound by and follows the Institute's codes and recommended practices. He has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being 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". Mr. Blair Duncan consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

This document has been prepared by Core Lithium Ltd ("Core", "Company") and provided as a basic overview of the tenements held or controlled by the Company. This presentation does not purport to be all-inclusive or to contain all the information that you or any other party may require to evaluate the prospects of the Company.

None of the Company, any of its related bodies corporate or any of their representatives assume any responsibility for, or makes any representation or warranty, express or implied, with respect to the accuracy, reliability or completeness of the information contained in this document and none of those parties have or assume any obligation to provide any additional information or to update this document.

To the fullest extent permitted by law, the Company, its related bodies corporate and their representatives expressly disclaim liability for any loss or damage arising in respect of your reliance on the information contained in this document (including your reliance on the accuracy, completeness or reliability of that information), or any errors in or omissions from this presentation, including any liability arising from negligence.

The mineral tenements of the Company as described in this presentation are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of the Tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

This document contains statements which may be in the nature of forward-looking statements. No representation or warranty is given, and nothing in this presentation or any other information made available by the Company or any other party should be relied upon as a promise or representation, as to the future condition of the respective businesses and operations of the Company.

There is a low level of geological confidence associated with the inferred mineral resources and there is no certainty that further exploration work will result in the determination of indicated mineral resources or that the production target itself will be realised.

# Important and Cautionary Notes

## **Cautionary Statement:**

The DFS results are based upon the updated Grants Mineral Resource of 22 October 2018 and the update BP33 Mineral Resource Estimate of 6 November 2018. The Mineral Resource contains Measured, Indicated and Inferred Mineral Resources in section 3.1 below. Whilst there is sufficient Measured & Indicated Mineral Resources to complete the production schedule during the 17-month payback period. There is a low level of geological confidence associated with the Inferred Mineral Resources and there is no certainty that further exploration work will result in the determination of Indicated Mineral Resources or that the production target itself will be realised. The Inferred Mineral Resource is not the determining factor in determining the viability of the Finnis Project as the Inferred Mineral Resource represents only 4.4% of the production during the 17 month pay-back period in the Reserve Case. The DFS Reserve Case contains 14% Inferred material. The DFS does not rely upon additional Mineral Resources from the company's other prospects. Further drilling in 2019 is expected to improve the classification of all of the company's Mineral Resources.

## **Competent Person Statements:**

The Mineral Resources and Ore Reserves underpinning the Production Target have been prepared by competent persons in accordance with the requirements of the JORC code. 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 Blair Duncan. Core confirms that it is not aware of any new information or data that materially affects the information included in this announcement and that all material assumptions and technical parameters underpinning the Mineral Resource and Ore Reserve estimates in the announcements "Grants Lithium Resource Increased by 42% ahead of DFS" dated 22 October 2018, "Over 50% Increase in BP33 Lithium Resource to Boost DFS" dated 6 November 2018, "Maiden Sandras Mineral Resource Grows Finnis to 6.3Mt" dated 29 November 2018, "Finnis Mineral Resource Grows to 8.6Mt with Hang Gong" dated 31 January 2019 and "Finnis Feasibility Study and Maiden Ore Reserve" dated 17 April 2019 continue to apply and have not materially changed. Core confirms that it is not aware of any new information or data that materially affects the Exploration Results included in this announcement as cross referenced in the body of this announcement. The information included in this presentation has been obtained from the "Finnis definitive Feasibility Study and Maiden Ore Reserve" announcement dated 17 April 2019 and Core confirms that all material assumptions and technical parameters underpinning the forecast financial information derived from the Ore Reserve continue to apply and have not materially changed.

## **Forward-looking Statements:**

This release contains "forward-looking information" that is based on the Company'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 the pre-feasibility and feasibility studies, the Company's business strategy, plan, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, Mineral Resources, results of exploration and relations expenses. 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 news release are cautioned that such statements are only predictions, and that the Company'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 Company'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 activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; future prices of scandium and other metals; 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 our forward-looking information. These and other factors should be considered carefully, and readers should not place undue reliance on such forward-looking information. The Company disclaims any intent or obligations 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 Company's mineral properties may contain forward-looking statements in relation to future matters that can be only made where the Company has a reasonable basis for making those statements.

## **Currency:**

Unless otherwise stated, all cashflows are in Australian dollars, are undiscounted and are in real terms (not subject to inflation/escalation factors), and all years are calendar years.

## **Accuracy:**

The DFS has been prepared to an overall level of accuracy of approximately -15% to +15%. This judgement is made following consideration of the basis studies and the features outlined in the Cost Estimation Handbook Second Edition Monograph 27 AusIMM, The Minerals Institute.

# On Pathway To Be Australia's Next Lithium Producer



01

## High grade lithium Mineral Reserve

Top quartile lithium grade of 1.4%

04

## Best logistics chain

Excellent infrastructure and located 25km from Darwin, close to Asian customers

02

## Low risk

Conventional open pit mining with simple DMS metallurgy

05

## Offtake and funding

Offtake (with price floor) and pre-payment from Yahua for US\$20M

03

## Excellent economics

High margins and rapid payback on investment

06

## Substantial upside

Over 500km<sup>2</sup> with over 100 historic pegmatite occurrences

# Corporate Information

Share Price Performance Last Twelve Months



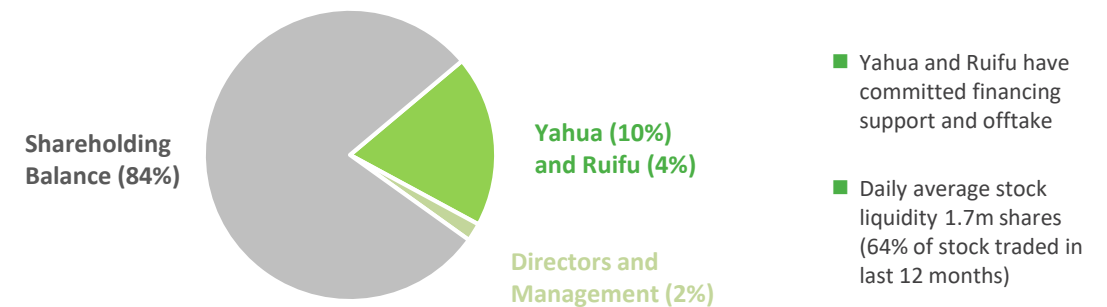
Board of Directors

Board of Directors		Management Team	
<b>Managing Director</b>	Stephen Biggins	<b>Chief Operating Officer</b>	Blair Duncan
<b>Non-Executive Chairman</b>	Greg English	<b>Chief Financial Officer</b>	Simon Iacopetta
<b>Non-Executive Director</b>	Heath Hellewell	<b>Metallurgical Advisor</b>	Noel O'Brien
<b>Company Secretary</b>	Jarek Kopias	<b>Commercial Marketing Manager</b>	To Be Announced
		<b>Exploration Manager</b>	David Rawlings
		<b>Project Manager</b>	Sean Buxton

Capital Structure (as at 31-Dec-18)

Share Price	A\$0.052
Shares on Issue	681.87M
<b>Market Capitalisation</b>	<b>A\$35.5M</b>
Options and Rights Unlisted	86.07M
Cash and Receivables	A\$4.4M
Debt Facilities	nil
<b>Enterprise Value</b>	<b>A\$31.1M</b>

Key Shareholder Composition (28-Feb-19)



# Proven High-Quality Management Team



## Stephen Biggins Managing Director

- Stephen has 25 years' experience as a geologist and as an executive in both the mining industry in Australia and internationally
- He has applied his Honours Degree in Geology and MBA as the founding Managing Director of several ASX-listed companies
- Stephen has built prospective portfolios of lithium, gold, uranium and base metal exploration projects in Australia, Asia and Africa

## Key Management Personnel



### Blair Duncan Chief Operating Officer

- Blair is a degree-qualified mining engineer which he earned from the University of Wollongong and has a Master of Business Administration earned from Charles Sturt University
- Blair's extensive mining background has been gained in the commodities of coal, gold, copper, nickel, vanadium, iron ore and lithium
- Was instrumental in building and the management of the Nullagine Iron Ore mine for BC Iron



### Simon Iacopetta Chief Financial Officer

- CA, BCom (Corporate Finance & Accounting), GCert (Applied Finance & Investment), Dale Carnegie Human Relations Management, MAICD
- Mining executive with broad experience in precious and base metals mining companies with projects throughout Australia and in North America and Africa
- Simon has worked for and consulted to ASX listed companies in various financial and operational capacities



### Noel O'Brien Metallurgical Advisor

- Over 40 years' experience as a metallurgist and corporate executive in the Australian and international mining industry
- Spent 30 years in Africa in senior operations roles in the diamond, gold and uranium industries as well as corporate engineering roles in the construction of process facilities for ferroalloys, base and precious metals



### Sean Buxton Project Manager – Finniss Lithium Project

- Experienced senior mine development engineer specialising in operations and general management in both open pit and underground mines, with a demonstrated history of working in the mining industry
- Portfolio of operational and technical experience in a number of commodities, including at Newcrest Mining, Barrick Gold, Glencore, Alkane Resources and Tasman Mining



### David Rawlings Exploration Manager

- Significant experience in regional synthesis and resource assessment emanating from regional mapping for the Northern Territory Geological Survey, focused on the greater McArthur Basin
- 10 years of experience leading exploration and resource discovery/ definition in both hard-rock and soft-rock uranium systems in central and northern Australia, having worked for Cameco and Toro Energy



### To Be Announced Commercial Marketing Manager

# DFS Highlights

The DFS demonstrates the Finniss Project economics to be compelling, with globally competitive cash costs that result in high operating margins and rapid payback. Key outputs are summarised below:

Technical Metrics	Reserve Case	Financial Metrics <sup>5</sup>	Reserve Case
Schedule Production <sup>1</sup>	<b>481,018t conc.</b>	Commodity Prices <sup>2</sup>	<b>A\$981/t</b> US\$687/t
Spodumene Conc. Grade	<b>5.5%</b>	C1 Operating Costs FOB <sup>4</sup>	<b>A\$429/t</b> US\$300/t
Total Ore Mined	<b>2.6 mt</b>	FX Rate (AUD:USD)	<b>\$0.70</b>
Average Grade Mined	<b>1.42%</b>	Start-Up Capital <sup>3</sup>	<b>A\$73m</b> US\$51m
Design Throughput	<b>1Mtpa</b>	Free Cash Flow	<b>A\$158m</b> US\$111m
Production Mine Life	<b>3.5 years</b>	NPV <sub>10</sub>	<b>A\$114m</b> US\$80m
Payback Period <sup>5</sup>	<b>&lt;1.5 years</b>	IRR	<b>80%</b>

1. Note Cautionary Statement on page 3

2. Commodity Pricing assumptions are derived from Concentrate Benchmark Pricing - January 2019 and represents an average over the life-of-mine. Exchange Rate assumption is \$0.70.

3. Start-Up Capital costs includes pre-strip mine development costs for Grants Project of A\$30m million

4. C1 Operating Costs are defined as direct cash operating costs of production FOB, net of by-product credits, divided by the amount of payable spodumene concentrate. Direct cash operating costs include mining, processing, transport, treatment and refining costs. C1 Operating Costs exclude royalties and pre-strip mine development costs.

5. NPV has been discounted using a discount rate of 10% and NPV, IRR and Free Cash Flow are pre-tax nominal calculations. Payback is calculated from sale of first concentrate. Where nominal values are noted, costs and revenues are escalated at 2% CPI

# DFS Financial Highlights

## Definitive Feasibility Study Highlights

- Confirms Finnis Lithium Project as robust, high-margin low-capex lithium project
- Confirms low processing, mine, haulage and port costs
- EPC Design, Mining, Haulage and Crushing Pricing Tenders designed to be rolled into binding service contracts as required
- Life of Project targeting a material extension from the current 3.5 year (DFS) from current planned exploration activity and resource conversion
- Potential extensions to Life of Project expected from substantial additional increases in Project Mineral Resources
- Key contractors Primero, Qube and Lucas TCS

## Management Case Highlights



### Strong cashflow

High cashflow generated over initial 3.5 year project life



### Rapid payback

Payback <1.5 years from 1<sup>st</sup> conc.<sup>2</sup>



### Excellent NPV

\$114m pre-tax NPV<sub>10</sub> compares favourably to CXO market cap<sup>2</sup>



### Start-up capital cost

\$73m for process plant and infrastructure including A\$30m pre-strip development at Grants



### High rate of return

80% pre-tax IRR shows high profitability for shareholders<sup>2</sup>



### Low operating cost

US\$300/t<sup>1</sup> conc. delivers high margin

1. C1 Operating Costs are defined as direct cash operating costs of production FOB, net of by product credits, divided by the amount of payable spodumene concentrate. Direct cash operating costs include mining, processing, transport, treatment and refining costs. C1 Operating Costs exclude royalties and pre-strip mine development costs.  
2. NPV has been discounted using a discount rate of 10% and NPV, IRR and Free Cash Flow are pre-tax nominal calculations. Payback is calculated from sale of first concentrate. Where nominal values are noted, costs and revenues are escalated at 2% CPI

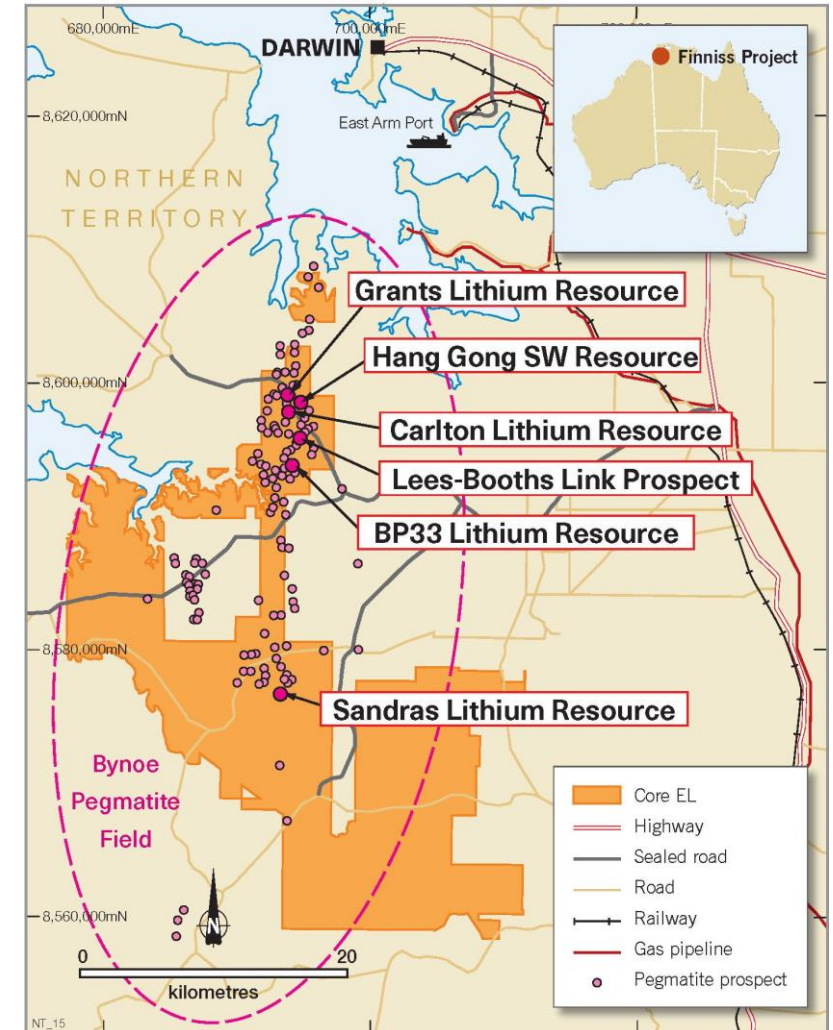
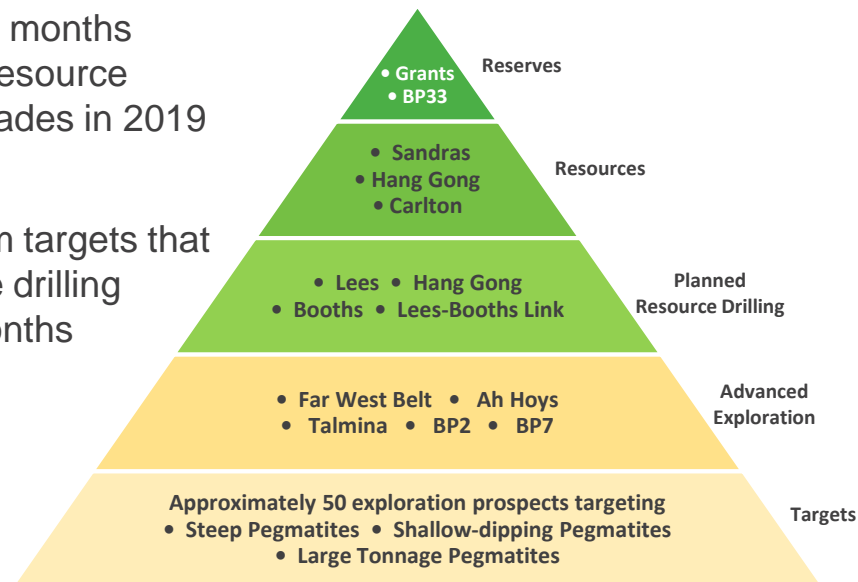


# Moving Toward Production In Early 2020

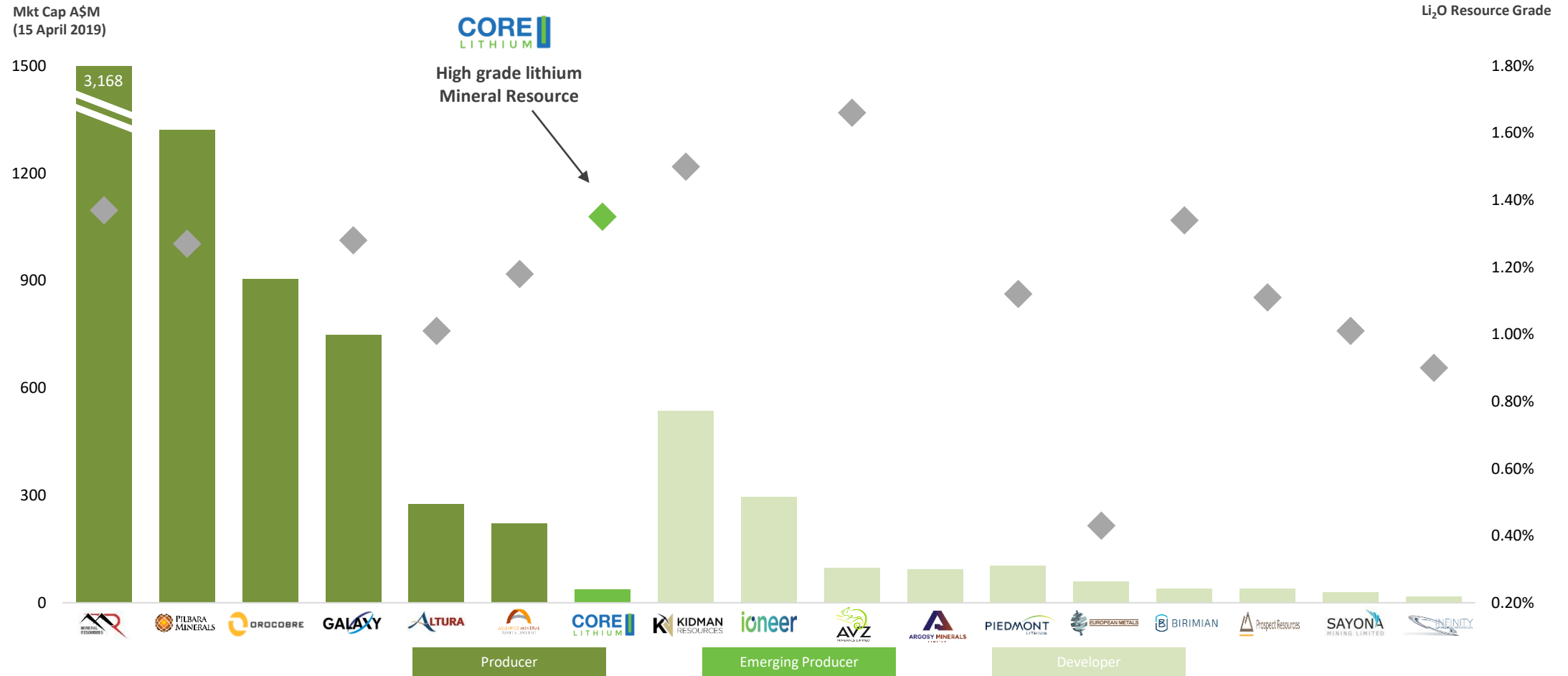
Activity	2019				2020				2021/22
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	CY
Mining Lease	✓								
Feasibility Study		✓							
Offtake and Customer Finance			✓						
Environmental and Approvals			✓						
FID			✓						
Mining and Construction					✓				
Stage 1 - Commissioning and Production Ramp-up							✓		
Stage 2 - Potential Flotation Expansion Feasibility									✓
Stage 3 - Potential LiOH Feasibility									✓
Exploration and Resource Upgrades	✓	●	-----▶						

# Significant Exploration Upside

- **Discoveries** - Core's exploration has discovered some of the highest-grade lithium in Australia, capable of producing quality spodumene concentrate
- **Numerous high-grade** lithium pegmatite targets identified for additional resources from 500km<sup>2</sup> covering hundreds of pegmatites
- **Drilling results** over coming months leading to multiple Mineral Resource increases & substantial upgrades in 2019
- **Pipeline** of high grade lithium targets that form the basis of its resource drilling program over the next 18 months



# ASX Lithium Sector Comparison

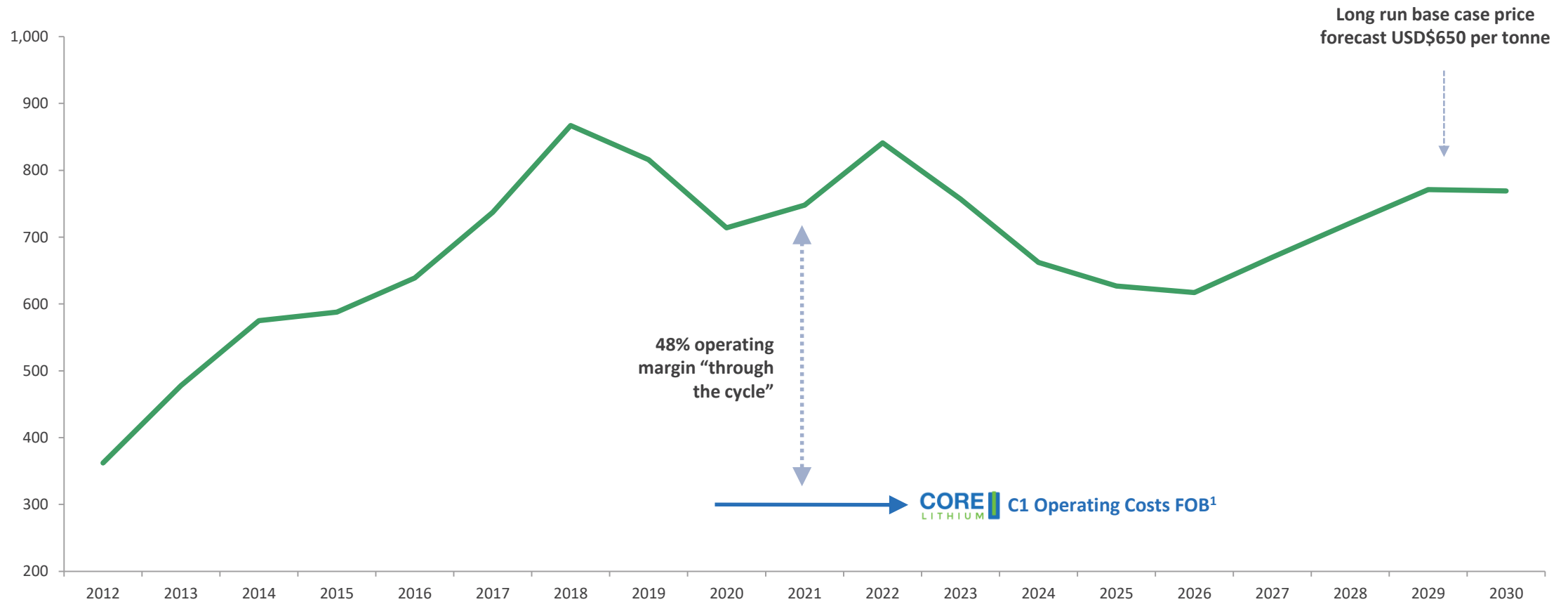


Source: ASX Announcements, Company Reports and IRESS

Note: Orocobre (ASX: ORE), Ioneer (ASX: INR) and Argosy (ASX: AGY) Li<sub>2</sub>O grade n.a. due to Resources being reported on a Lithium Carbon Equivalent (LCE) basis

# Australia FOB Spodumene 6% Price Forecast

USD per tonne  
Real 2018



Source: Benchmark Mineral Intelligence

1 C1 Operating Costs are defined as direct cash operating costs of production FOB, net of by product credits, divided by the amount of payable spodumene concentrate. Direct cash operating costs include mining, processing, transport, treatment and refining costs. C1 Operating Costs exclude royalties and pre-strip mine development costs.

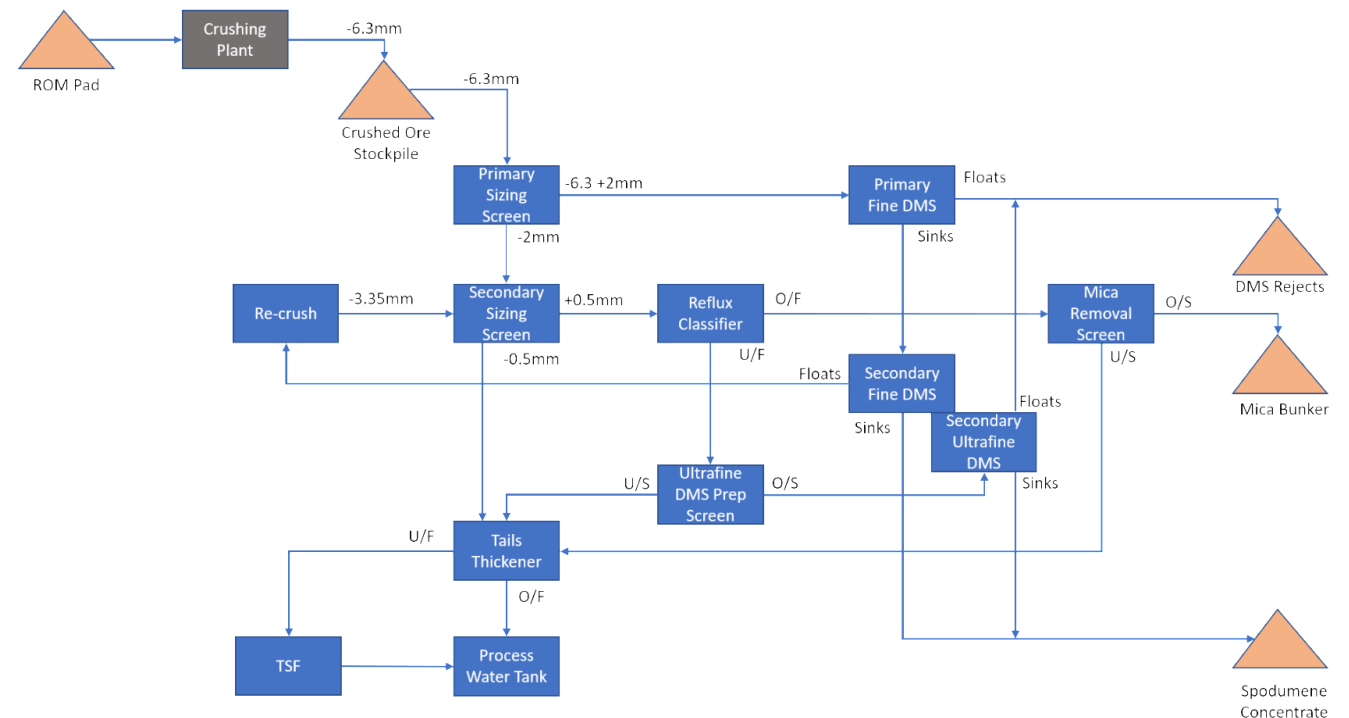
# Simple DMS Process and High Quality Spodumene Concentrate

## High Quality Spodumene:

- 5.5% Li<sub>2</sub>O concentrate at +70% net recoveries
  - Low Fe <0.7%
  - Low Mica <1%
  - Low K<sub>2</sub>O <1%
  - Coarse product <1% <0.5mm, max 10mm



## Simple Dense Media Separation (DMS) Processing:



# Offtake and Prepayment Agreements

Offtake, Investment and Product Prepayment with some of China's Largest Lithium Converters

## Sichuan Yahua Industrial Group Co.,LTD

- One of China's largest lithium producers and has significant expansion plans. 12,000tpa lithium hydroxide refinery and a 6,000tpa lithium carbonate refinery, plans to expand its production to 50,000tpa of lithium salt production
- The company is an A-share listed company on the Shenzhen-stock exchange in China, with a market capitalisation of CNY 7.92 billion (~A\$1.65 billion)
- Yahua is a major supplier of lithium salts in China. Yahua Group has long term stable relationships with a number of the large downstream customers of lithium batteries and has broad marketing and distribution channels including BYD, Zhenghua Materials, Dangsheng Tech, etc., and has cooperation relationship with LG Korea, GSEM, Panasonic
- Yahua Group already has significant business interests in Australia, including operations in Darwin, where it manufactures explosives

## 瑞福锂业 RUIFU LITHIUM

- Ruifu is the third largest battery-grade lithium carbonate and fourth largest producer of lithium hydroxide in China
- Planning to build additional 30,000 tpa of lithium carbonate targeting a total capacity of 58,000 tpa of lithium carbonate and 10,000 tpa of lithium hydroxide in 2019
- Ruifu customer of Galaxy(GXY), MinRes(MNR) and Altura(AJM)
- Ruifu sells its products to leading lithium battery cathode material manufacturer, downstream customers in China
- RuiFu founded in 2010

### Key Offtake Terms: Yahua final, Ruifu to be finalised

		
<b>Term</b>	30 November 2023	Up to 5 years
<b>Annual Tonnage</b>	75 ktpa	TBC
<b>Pricing</b>	Market Price	TBC
<b>Reference Price</b>	Priority to most recent price published by the LME for cash settled 6.0% spodumene concentrate contracts	
<b>Payment Terms</b>	Irrevocable Letter of Credit for each shipment	
<b>Product Spec</b>	Defined parameters with bonus / penalty arrangements	
<b>Binding Offtake</b>	Yes	Term Sheet
<b>Shipping</b>	Bulk - parcels of 5 dmt to 25 dmt	Bulk - parcels of 5 dmt to 25 dmt
<b>Price Floor</b>	Yes - 2 years	TBC

### Key Prepayment Terms and Investment Summary

- Pre-payment from Yahua for US\$20M to be repaid through the supply of future concentrate
- Parties associated with both Yahua and Ruifu are significant shareholders and were cornerstone investors in Core's recent financing

# Prime Location and Valuable Infrastructure Available



## Excellent Location and Infrastructure Advantages

# Project Approvals

## Key Milestones and Highlights

**January 2019**

Mineral Lease granted for Grants Lithium Project and key project infrastructure

**March 2019**

Supplementary Grants EIS submitted

**April 2019**

Aboriginal Areas Protection Authority (AAPA) granted

**May 2019**

Formal submission of Mine Management Plan (MMP)

**2H 2019**

On track for commencement of mining subject to finance and regulatory approval

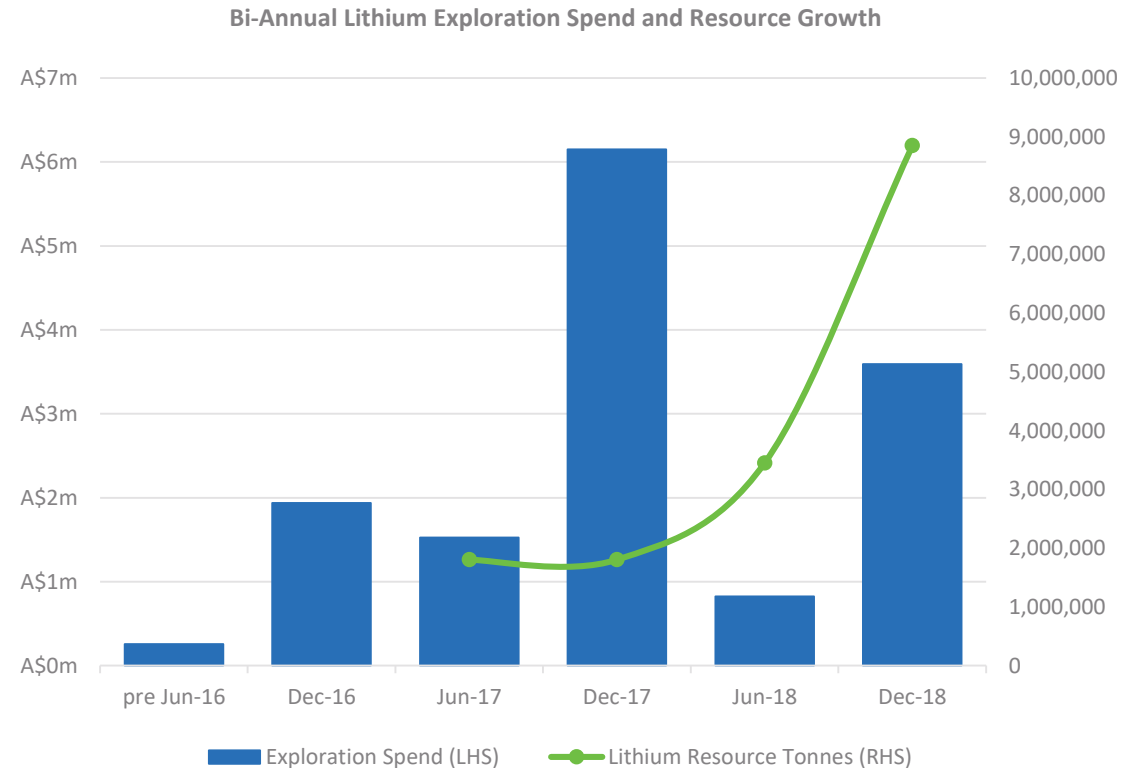




# Huge Resource Growth Upside

## Resource Growth coming in 2019

- **Drilling in 2019 targeting** substantial lithium Resource growth to support a long-life lithium production hub at Finnis
- **Very low discovery cost (A\$1/tonne)** to explore, drill & define lithium JORC Resources
- **~400% growth in JORC Resources** in 18 months to Dec-18 and continuing to grow



# Project Overview

## Finniss Lithium Project

The **Finniss Lithium Project** has potentially the best logistics chain to Asia of any Australian lithium project.



### High grade

One of the highest grade lithium projects in Australia



### Large tenement area

Over 500km<sup>2</sup> with over 100 historic pegmatite occurrences



### Excellent infrastructure

Close to grid power, gas and rail infrastructure



### Widespread pegmatites

Wide intersections at multiple prospects



### Sealed access road

88km sealed road from mine to port = very low transport cost



### Upside potential

Significant potential to materially increase Mineral Resources



# Core Targeting Spodumene Commercial Production in Early 2020

## 1H 2019

- Mining Lease
- Resource Upgrades
- DFS
- Full Regulatory Approval
- FID

## 2H 2019

- Commence Mining
- DMS Plant Construction
- Commence Commissioning
- Further Resource Upgrades

## 1H 2020

- Ramp-up and Commercial Production







# Background Slides

[corelithium.com.au](http://corelithium.com.au)



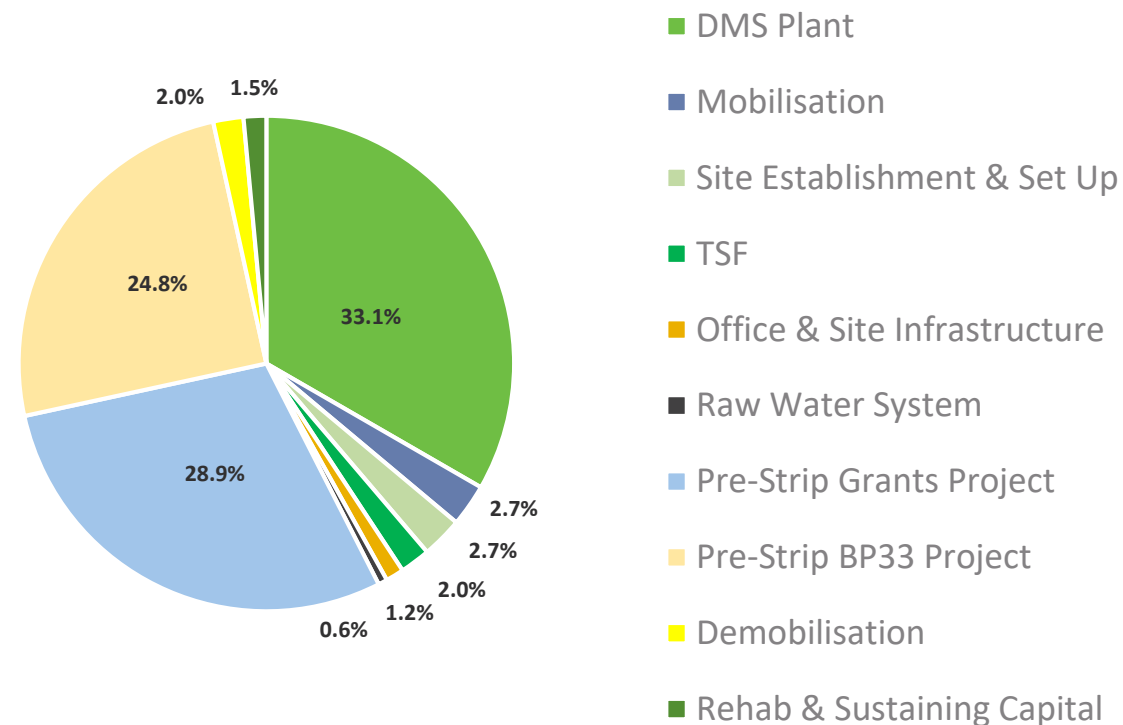
# Core Board of Directors

Photo	Name & Position	Experience
	<p><b>Stephen Biggins</b> Managing Director</p> <p><i>MBA, BSc (Hons) Geol, MAusIMM</i></p>	<ul style="list-style-type: none"> <li>■ Stephen has 25 years' experience as a geologist and as an executive in both the mining industry in Australia and internationally</li> <li>■ He has applied his Honours Degree in Geology and MBA as the founding Managing Director of several ASX-listed companies</li> <li>■ As Managing Director of Core Lithium (ASX: CXO), Stephen led the Company to the acquisition, discovery and definition of the first lithium Resources in the Northern Territory, which is one of the highest-grade lithium resources in Australia</li> <li>■ Stephen previously served as founding director of Southern Gold (ASX: SAU) from 2005 to 2010 and led the acquisition and discovery of the Cannon Gold Mine in Western Australia, which is currently in production. Stephen was also a founding Director of Investigator Resources Ltd (ASX: IVR) which has discovered a high-grade Paris Silver Resource in South Australia on its founding projects</li> <li>■ Stephen has built prospective portfolios of lithium, gold, uranium and base metal exploration projects in Australia, Asia and Africa</li> </ul>
	<p><b>Greg English</b> Non-Executive Chairman</p> <p><i>B.E. (Hons) Mining, LLB</i></p>	<ul style="list-style-type: none"> <li>■ Greg is a qualified mining engineer and lawyer with over 20 years' experience in multi-commodity projects throughout Australasia. Greg is a partner of Piper Alderman Lawyers and specialises in mining, commercial and securities law. He is also a qualified mining engineer</li> <li>■ Greg's experience in the mining industry, particularly in capital raising, tenement acquisition, project management and business development, and his industry knowledge and business relationships, enables Core to manage and develop its existing tenement portfolio</li> </ul>
	<p><b>Heath Hellewell</b> Non-Executive Director</p> <p><i>BSc (Hons) MAIG</i></p>	<ul style="list-style-type: none"> <li>■ Exploration geologist with over 20 years of experience in gold, base metals and diamond exploration predominantly in Australia and West Africa</li> <li>■ Heath has previously held senior exploration positions with a number of successful mining and exploration groups including DeBeers Australia and Resolute Mining. Heath joined Independence Group in 2000</li> <li>■ Most recently, Heath was the co-founding Executive Director of Doray Minerals, where he was responsible for the Company's exploration and new business activities, as well as being on the board of Capricorn Metals</li> <li>■ 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</li> </ul>
	<p><b>Jarek Kopias</b> Company Secretary</p> <p><i>BCom, CPA, AGIA, ACIS</i></p>	<ul style="list-style-type: none"> <li>■ Jarek is a qualified certified practising accountant who has worked extensively in the resources sector in various corporate and mine site roles. He holds a Bachelor of Commerce Degree, is a chartered secretary and a member of the Institute of Certified Practising Accountants in Australia</li> </ul>

# DFS: Low Capital Intensity

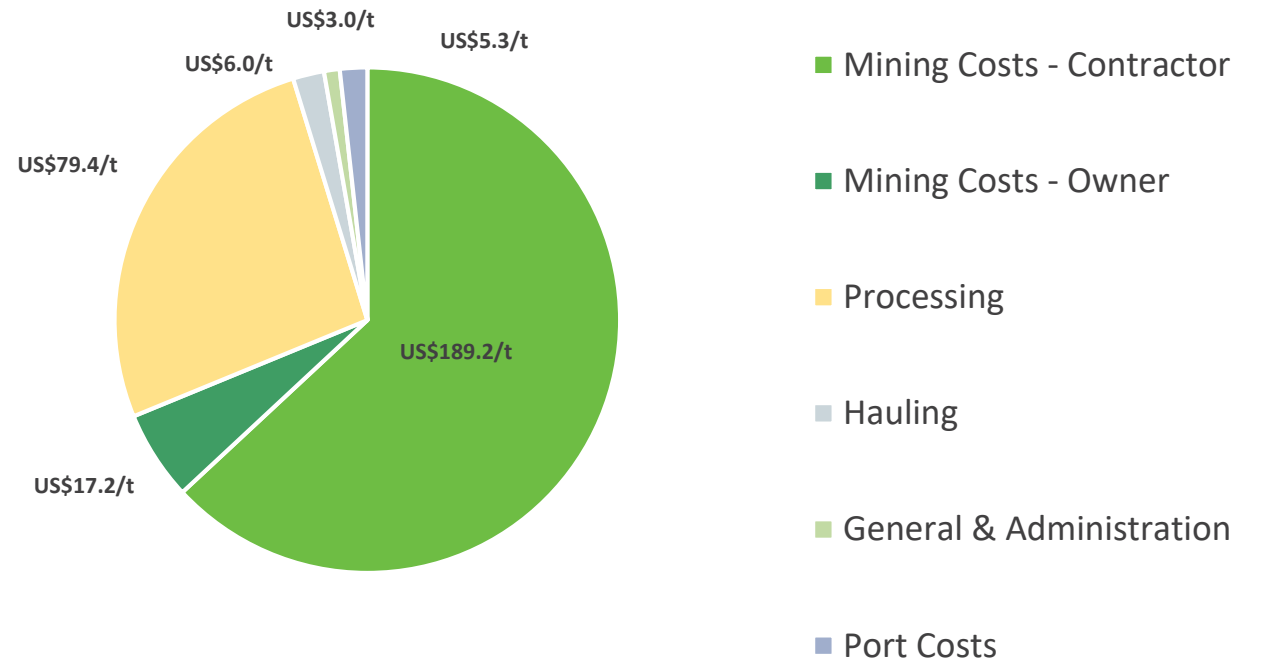
The **Finniss Lithium Project** is among the least capital intensive lithium projects in Australia.

Total Start-Up and Life of Mine Capital Costs	A\$m	%
DMS Plant	33.8	33.1%
Mobilisation	2.8	2.7%
Site Establishment and Set Up	2.7	2.6%
TSF	2.0	2.0%
Office and Site Infrastructure	1.2	1.2%
Raw Water System	0.6	0.6%
Roads	0.1	0.1%
Pre-Strip Grants Lithium Project	29.5	28.9%
<b>Total Start-Up Capital Costs</b>	<b>73.2</b>	<b>71.8%</b>
Pre-Strip BP33 Lithium Project	25.3	24.8%
Demobilisation	2.0	2.0%
Rehabilitation and Sustaining Capital	1.5	1.5%
<b>Total Life of Mine Capital Costs</b>	<b>102.0</b>	<b>100%</b>



# DFS: C1 Operating Cost FOB Estimates






C1 Operating Costs FOB <sup>1</sup>	Reserve Case	
	A\$/t	US\$/t <sup>2</sup>
Mining Costs - Contractor	270.3	189.2
Mining Costs - Owner	24.5	17.2
Processing	113.4	79.4
Hauling	8.5	6.0
General & Administration	4.3	3.0
Port Costs	7.5	5.3
<b>Total C1 Operating Costs FOB</b>	<b>428.6</b>	<b>300.0</b>



1 C1 Operating Costs are defined as direct cash operating costs of production FOB, net of by product credits. Direct cash operating costs include mining, processing, transport, treatment costs and exclude royalties and pre-strip mine development costs.

2 Converted using an exchange rate of 0.70 AUD/USD

# High Quality Project and Execution Team

Key Service Providers	Description	Project Contribution
	<ul style="list-style-type: none"> <li>Primero is a multi-disciplinary engineering group who specialise in the design, construction and commissioning of projects</li> <li>Offering services to the minerals, energy and infrastructure industries</li> </ul>	<ul style="list-style-type: none"> <li>EPC and FEED contractor</li> </ul>
	<ul style="list-style-type: none"> <li>Qube is Australia's largest integrated provider of import and export logistics services with a market capitalisation in excess of \$4.5 billion as at 08 April 2019</li> <li>Operating in over 125 locations. Qube is comprised of five business units including Ports, Bulk, Logistics, Infrastructure and Property, and Strategic Assets</li> </ul>	<ul style="list-style-type: none"> <li>Haulage and Transport Solutions</li> </ul>
	<ul style="list-style-type: none"> <li>Experience with working on large local projects that draw significant community and government interest</li> <li>Lucas TCS provides a wide range of other services including civil maintenance, concrete construction, heavy haulage, bulk material supply and haulage, plant hire, bulk earthworks and others</li> </ul>	<ul style="list-style-type: none"> <li>Provision of Mining Services at Finnis</li> </ul>
	<ul style="list-style-type: none"> <li>Global leader in engineering, project and technical services</li> <li>Recognised leader in potash mining and processing</li> </ul>	<ul style="list-style-type: none"> <li>Independent peer review of the DFS</li> </ul>
<b>Graeme McDonald Consulting</b>	<ul style="list-style-type: none"> <li>Dr Graeme McDonald is an experienced Resource Geologist with significant exposure to a wide range of commodities including Iron, gold, lithium, copper, nickel, cobalt, vanadium and PGE's</li> <li>Well experienced in company reporting processes including ASX releases and JORC responsibilities and leads by example in all areas of HSEC</li> </ul>	<ul style="list-style-type: none"> <li>Mineral Resource estimate</li> </ul>
	<ul style="list-style-type: none"> <li>SRK Consulting is an independent, international consulting practice that provides focused advice and solutions to clients, mainly in the earth and water resource industries. For mining projects, SRK offers services from exploration through feasibility, mine planning, and production to mine closure.</li> </ul>	<ul style="list-style-type: none"> <li>Mine geotechnical design</li> </ul>



# Finniss Lithium Project Reserves and Resources

## JORC (2012) Resource Table<sup>1</sup>

Resources		Ore	Grade	Contained
Deposit	Classification	Mt	LiO <sub>2</sub> %	LiO <sub>2</sub> t
Grants	Measured	1.09	1.48%	16,100
	Indicated	0.82	1.54%	12,600
	Inferred	0.98	1.43%	14,000
	<b>Total</b>	<b>2.89</b>	<b>1.48%</b>	<b>42,700</b>
BP33	Measured	-	-	-
	Indicated	0.63	1.39%	8,800
	Inferred	1.52	1.56%	23,700
	<b>Total</b>	<b>2.15</b>	<b>1.51%</b>	<b>32,500</b>
Sandras	Measured	-	-	-
	Indicated	-	-	-
	Inferred	1.30	1.00%	13,000
	<b>Total</b>	<b>1.30</b>	<b>1.00%</b>	<b>13,000</b>
Carlton	Measured	-	-	-
	Indicated	0.46	1.30%	6,000
	Inferred	0.63	1.30%	8,200
	<b>Total</b>	<b>1.09</b>	<b>1.30%</b>	<b>14,200</b>
Hang Gong SW	Measured	-	-	-
	Indicated	-	-	-
	Inferred	1.42	1.20%	17,000
	<b>Total</b>	<b>1.42</b>	<b>1.20%</b>	<b>17,000</b>
<b>Total Resources</b>	<b>Total Measured</b>	<b>1.09</b>	<b>1.48%</b>	<b>16,100</b>
	<b>Total Indicated</b>	<b>1.91</b>	<b>1.43%</b>	<b>27,400</b>
	<b>Total Inferred</b>	<b>5.85</b>	<b>1.30%</b>	<b>75,900</b>
	<b>Total Resources</b>	<b>8.85</b>	<b>1.35%</b>	<b>119,400</b>
Reserves		Ore	Grade	Contained
Deposit	Classification	Mt	LiO <sub>2</sub> %	LiO <sub>2</sub> t
Grants	Probable	0.8	1.6	11.6
	Proved	1.0	1.4	14.9
	<b>Total</b>	<b>1.8</b>	<b>1.5</b>	<b>26.5</b>
BP33	Probable	0.4	1.3	5.7
	<b>Total Probable</b>	<b>0.4</b>	<b>1.3</b>	<b>5.7</b>
<b>Total Reserves</b>	<b>Total Reserves</b>	<b>2.2</b>	<b>1.4</b>	<b>32.2</b>

Source: As per 12 March 2019 ASX announcement "Upgrade of Mineral Resource at Carlton Grows Finniss Project" and as per 17 April 2019 ASX announcement "Finniss Definitive Feasibility Study and Maiden Ore Reserve"

<sup>1</sup> Columns and numbers may not total exactly due to rounding



**For more information:**

**Core Lithium**

Stephen Biggins: +618 8317 1700

**For broker and media enquiries:**

**Cannings Purple**

Warrick Hazeldine: +61 417 944 616

Andrew Rowell: +61 400 466 226

[corelithium.com.au](http://corelithium.com.au) | ASX CXO

