

# ASX: CXO Announcement

11 April 2022

## Core acquires new NT lithium project near Finniss

### Highlights

- Core Lithium has entered into a binding agreement to acquire the Shoobridge Project EL31407 ("Shoobridge"), located approx. 80km SSE of the Finniss Lithium Project
- Shoobridge contains historic pegmatite tin-tantalum surface workings which have not been tested for their lithium potential
- The acquisition of Shoobridge is consistent with Core's objective of continuing to increase lithium resources

Australia's next lithium producer, Core Lithium Ltd ("**Core**" or "**Company**") (ASX: **CXO**), is pleased to advise that it has entered into a binding Tenement Sale and Purchase Agreement ("**the Agreement**") with Newmont Exploration Pty Ltd, a subsidiary of gold producer Newmont Corporation, to acquire the Shoobridge Project (EL31407) ("**Shoobridge Project**").

The Project is located approximately 80km south-southeast of the Company's 100%-owned Finniss Lithium Project ("**Project**") near Darwin in the Northern Territory. Completion of the sale and purchase of the Shoobridge Project is subject to NT Ministerial consent.

The Shoobridge Project is located in the Pine Creek Orogen in the NT and lies within the Tipperary pegmatite district, including the Shoobridge pegmatite field and the Plateau Point pegmatite field (Figure 1). The Shoobridge pegmatites have been exploited for their tin and tantalum, and are the site of the first discovery of tin-bearing pegmatites in the NT in 1882 (Frater, 2005).

Importantly, the pegmatites are considered analogous to those in the Bynoe pegmatite district and are therefore complementary to the Company's lithium portfolio in the Northern Territory.

Core will be the first company to explore and drill these prospective, potentially lithium-rich pegmatite systems for economic spodumene lithium mineralisation.

Commenting on the transaction, Core Managing Director Stephen Biggins said it was a strategic acquisition with exploration upside that would complement Core's existing lithium projects in the NT.

*"While we are firmly focussed on developing the Finniss Lithium Project, we are excited by projects such as Shoobridge that provide synergies and complementary lithium growth opportunities.*

*"The expected increases in resources from this deal and our well-funded resource drill programs at Finniss this year should provide a strong platform for extending and expanding lithium production from the project as lithium prices continue to rise."*

## Previous Work

Despite a long recorded history of exploration in the Shoobridge area, little of it has focussed on lithium. In the north of the Shoobridge Project area, tin was discovered at the Old Company mine in 1882, along with several other occurrences, including the Barrett's workings. The Barrett's pegmatite occurs over a strike of at least 210m and thickness of around 10m, but most of the old shafts, costeans, and pits are less than 7m deep. Barretts is just one of a swarm of pegmatites that occurs over a known strike length of 2.5km, which tracks an anticlinal fold hinge and fault zone, and spatially overlaps with orogenic gold-bearing quartz veins in the area.

In 2001, Julia Corporation Ltd drilled 40 RC holes on 14 traverses at Barretts and announced a significant tantalite and tin occurrence - *Julia Corporation Ltd, ASX announcement 21-12-2001*. Core has not yet obtained this data, but considers that it is unlikely that drilling tested the prospective fresh pegmatite, nor that lithium was assayed. In 2005, Altura undertook broad spaced soil sampling in the Barretts area, and identified an anomalous lithium zone of at least 500m long, which is not believed to have been followed up with drilling (*Haddington Resources Ltd, ASX announcement 05-10-2005*).

Also evident within the Shoobridge Project area is the Two Bobs pegmatite within the Plateau Point pegmatite field (Figure 1). This pegmatite occurs as a broad sheet or swarm, interlayered with country rock, but over a significant width of about 110m and strike of around 3.3km. This pegmatite swarm is likely sourced from the nearby Fenton Granite (Frater, 2005). Soils collected over Two Bobs by Haddington Resources Ltd showed lower tenor than Barretts, although lithium, caesium and rubidium were able to define the pegmatite trend (*Haddington Resources Ltd, ASX announcement 23-10-2006*).

On completion of the transaction, Core will look to drill these pegmatites, targeting below the depth of oxidation.

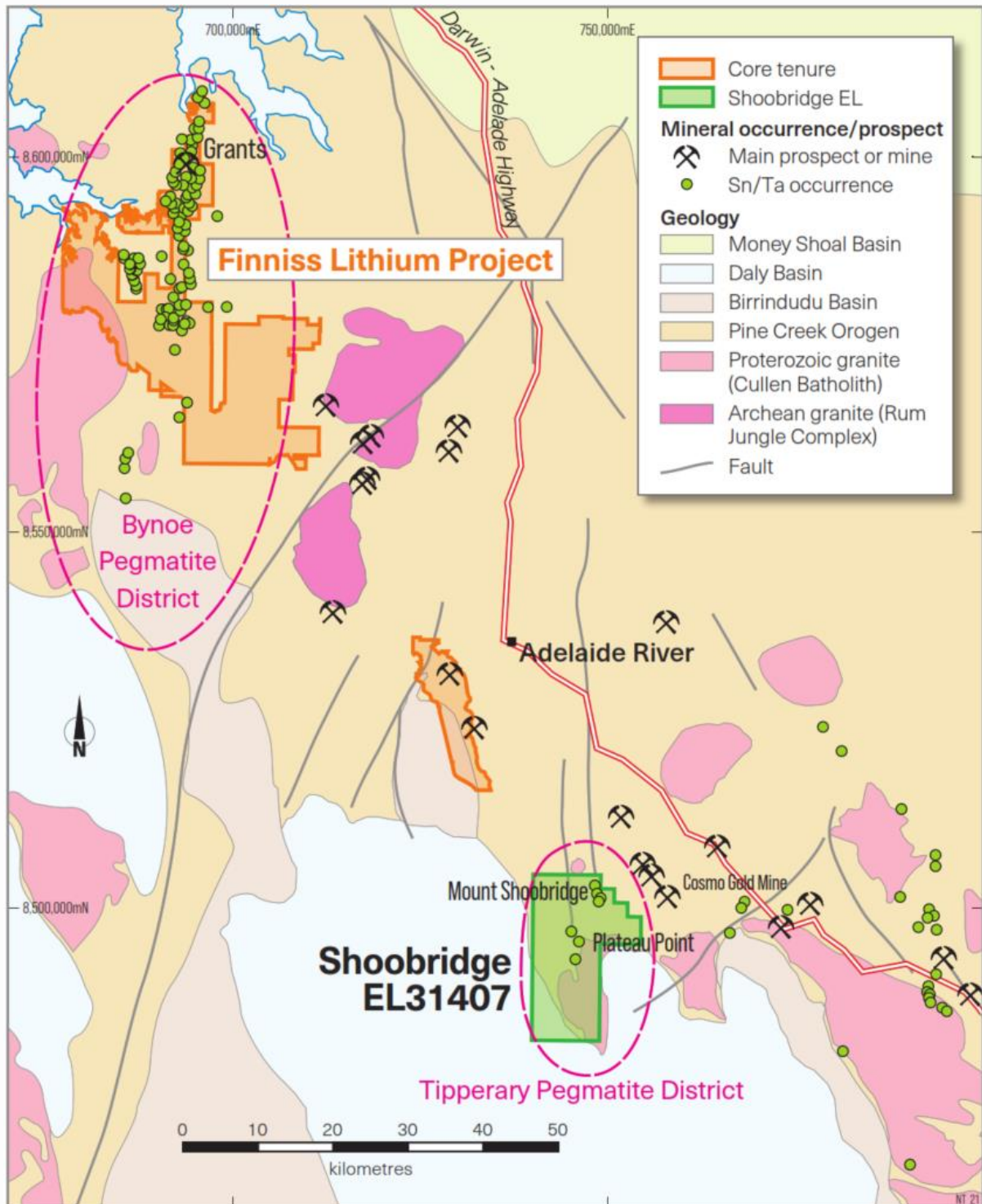


Figure 1. Location of Shoobridge Project (EL31407) adjacent to the Finniss Lithium Project near Darwin, NT

## Other Opportunities

The Shoobridge Project is prospective for a number of other commodities in addition to lithium as follows:

- Shoobridge (Figure 2) - Sporadic gold exploration at Shoobridge by several companies has identified a zone of shear-hosted vein mineralisation in an anticlinal hinge position over a strike length of several hundred metres. A number of Northern Territory Geological Survey open file reports (e.g. *Altura Mining Ltd's CR2011-0760*) note a gold target over a 300 m strike interval of the 2 km-long mineralised trend. Golden Valley Mines NL completed the most recent drilling in 1997, and significant work would be required to understand this mineralisation, with no guarantee that such work would confirm it.
- Full Hand (Figure 2) - Altura Mining Ltd drilled two electromagnetic anomalies in 2010 and recorded significant lead, silver and zinc results from 77m in diamond hole FHDD-001 (see *Altura ASX Announcement 29-10-2010*). The result occurred within a graphitic shear zone.
- Liberator (Figure 2) - Haddington Resources Ltd announced some spectacular uranium assay results (see Haddington's ASX Announcement 02-10-2008).

Follow up diamond drilling discovered mineralisation hosted within quartz veins and brecciated sandstone units, but results were less successful.

Based on this work and many other identified prospects (Figure 2), Core considers that the Shoobridge Project is well situated geologically to host a variety of target styles.

## Material Terms of the Agreement

Core, through its wholly owned subsidiary Lithium Developments Pty Ltd ("LD"), has signed a tenement sale and purchase agreement with Newmont Exploration Pty Ltd ("Newmont") - a subsidiary of gold producer Newmont Corporation - to acquire the Shoobridge Project (EL 31047). Key terms of the Agreement are:

- **Purchase Price:** \$250,000 plus the Royalty.
- **Royalty:** a 2% net smelter return royalty on all gold, lithium and uranium extracted from the tenement. Core has a right to buy-back the royalty for \$10 million.
- **Conditions:** completion of the sale and purchase is subject to Ministerial consent under the *Mineral Titles Act 2010* (NT).
- **Termination:** either party may terminate the Agreement if Northern Territory Government consent to the tenement transfer is not received by 1 July 2022 or such other date agreed by the parties in writing.



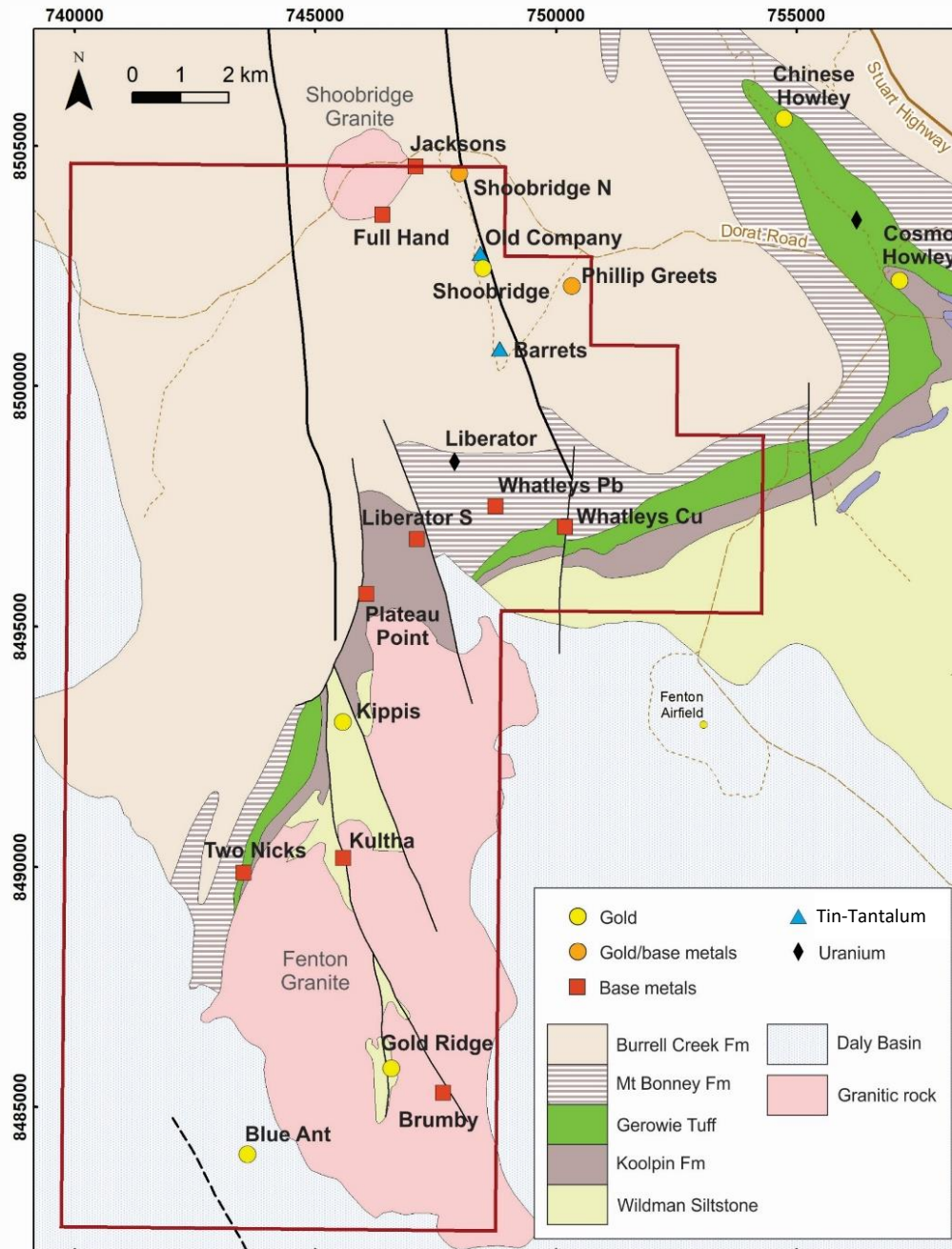


Figure 2. EL31407 Geology and mineral occurrences

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

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## About Core

Core Lithium is building Australia's newest and most advanced lithium project on the ASX, the Finniss Project in the Northern Territory. With first production on schedule for delivery by the end of 2022, the Finniss Project places Core Lithium at the front of the line of new global lithium production.

Finniss has been awarded Major Project Status by the Australian Federal Government, is one of the most capital efficient lithium projects and has arguably the best logistics chain to markets of any Australian lithium project.

The Finniss Project will provide the globe with high-grade and high-quality lithium suitable for lithium batteries used to power electric vehicles and renewable energy storage.

## Competent Persons Statements

The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Andy Bennett (BSc(Hons)Geol) a full-time employee 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. Bennett consents to the inclusion in the report of the matters based on this information in the form and context in which it appears.

## References

Frater KM, 2005. Tin-tantalum pegmatite mineralisation of the Northern Territory. Northern Territory Geological Survey, Report 16.

Altura Mining Ltd, NTGS Report CR2011-0760

Altura Mining Ltd, ASX Announcement 29-10-2010

Julia Corporation Ltd, ASX announcement 21-12-2001

Haddington Resources Ltd, ASX announcement 05-10-2005

Haddington Resources Ltd, ASX announcement 23-10-2006

Haddington Resources Ltd, ASX Announcement 02-10-2008