

ASX: CXO Announcement

17 May 2022

Finniss Project Development Update

Highlights

- Grants Stage 1 open pit mining rate accelerating with the arrival of five new trucks to site and new excavator scheduled to arrive by the end of the month
- DMS plant earthworks nearing completion with handover to Primero Group expected at the end of the week
- Crushing contract awarded to CSI with mobilisation to site to start next month
- Grant of environment approval for BP33 with the Mine Management Plan to be submitted in the coming weeks

Australia's next lithium producer, Core Lithium Ltd (**Core** or **Company**) (ASX: **CXO**), is pleased to provide an update on the latest development activities at its Finniss Lithium Project (Project) near Darwin in the Northern Territory.

As recently announced to the market, CSI Mining Services (CSI) has been awarded a Crushing Services Contract for the crushing of run of mine ore at the Finniss Project. The crushed ore will then be stockpiled before being processed by the Dense Media Separation (DMS) plant. CSI is scheduled to begin mobilising to the Project next month.

Earthworks for the DMS plant are nearing completion with that area of the site to be handed over to Primero Group at the end of the week. The DMS plant will process the crushed ore to make spodumene concentrate, which will be ready for export.

The recent grant of environmental approval for the BP33 Underground Mine was a significant milestone and marks the end of the Environmental Impact Assessment process for this proposed component of the Finniss Project. In the coming weeks, Core intends to lodge a Mining Management Plan (MMP) to the Department of Industry, Tourism & Trade (DITT) for assessment.

The Grants open pit will be the initial source of ore for the DMS plant until BP33 and other mines are bought online.

At the end of April, five new dump trucks arrived at the Project site, with an additional excavator expected to arrive at the end of May. The arrival of the new equipment will give Core the ability to accelerate the rate of mining at Grants Stage 1.

Site infrastructure works have gathered pace as the wet season came to a close, with the focus being on road works, clearing and the establishment of administration buildings. Construction of the radio communications and solar array has also been completed.

Additional sediment and erosion controls were completed, including a rock filter dam to improve the quality of water discharged from the sediment basin. This work is part of the Company's sediment erosion control plan (ESCP).

As we continue with construction at the Finniss Project, a key focus of work includes water management infrastructure to protect the waterways surrounding the Project.

Core Managing Director Stephen Biggins said:

"The grant of the environmental approval for the BP33 Underground Mine and the award of the crushing contract to CSI have been significant achievements for Core, underpinning both an on-schedule construction timeframe and a pathway to expanded production life of the Finniss Project."

"The recent completion of earthworks and handover of part of the site to Primero will allow construction of the DMS plant to commence, which will be a major milestone in itself."

"Core staff and contractors have done a great job getting the site ready for CSI and Primero and with the new mining equipment on site we are in a position to significantly ramp up activities at Finniss."



Figure 1. Mining at Grants Pit Stage 1



Figure 2. Finniss Lithium Project



Figure 3. Waste Rock Dump



Figure 4. Grants Pit Stage 1 – EOM April 2022

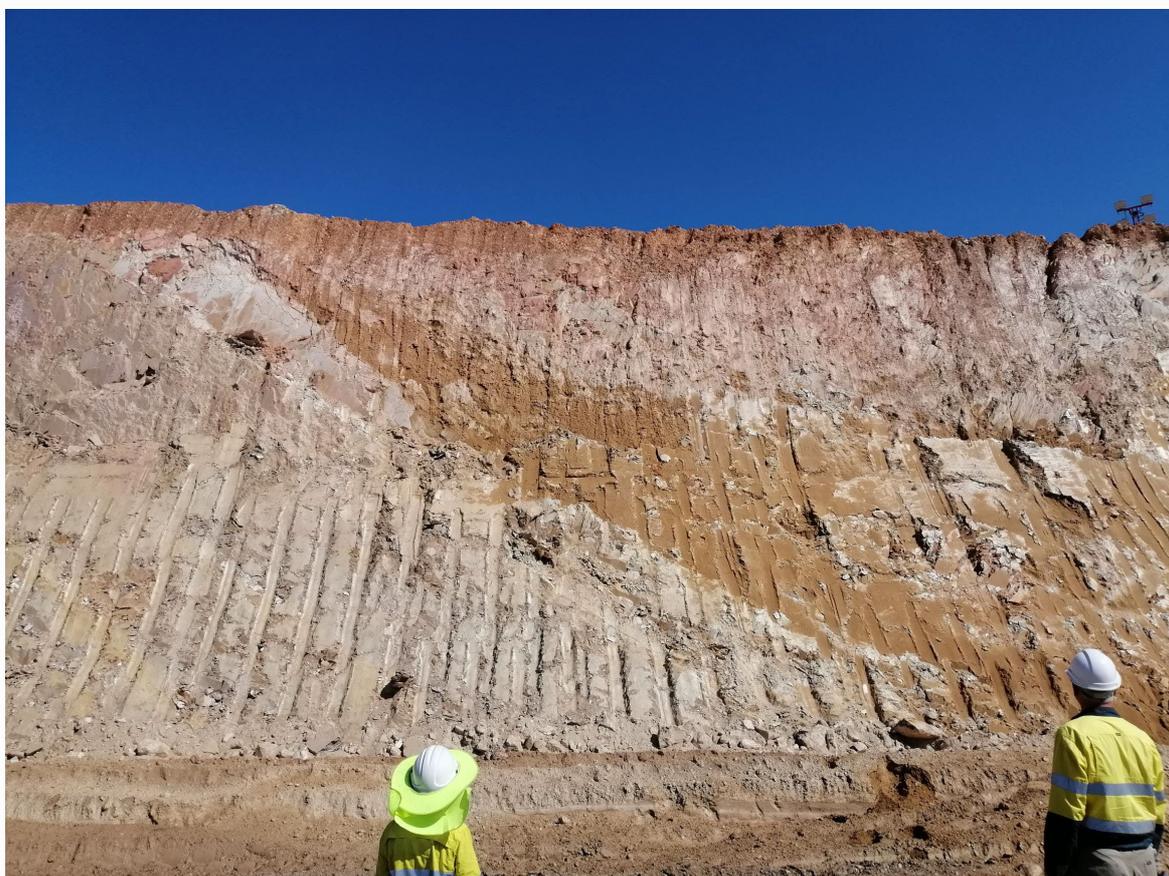


Figure 5. Geology being revealed at Finniss



Figure 6. Sediment Basin #2 (nth end) passive drainage



Figure 7. Mine Water Dam 1 under construction

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

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About Core Lithium

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.