CORE LITHIUM

Australia's newest lithium producer

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Q1 FY24 quarterly update

Gareth Manderson (CEO)

27 October 2023

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- Core confirms that it is not aware of any new information or data that materially affects the information included in previous announcements (as may be cross referenced in the body of this announcement) and that all material assumptions and technical parameters underpinning the Mineral Resource estimates, Ore Reserve estimates, production targets and forecast financial information continue to apply and have not materially changed. 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 feasibility studies, the Company's business strategy, plan, development, objectives, performance, outlook, growth, cash flow, projections, targets and expectations, and Mineral Resources and Reserves.
- **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. C1 Operating Costs references in USD throughout this presentation have been derived by converting AUD using an exchange rate of 0.70 AUD/USD.
- **Forward-looking Statements**
- 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 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, development and construction 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 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.
- **Past Performance**
- Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Core – Our Value Proposition

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Achieved first production in under five years from maiden Resource discovery by pursuing a ‘Minimum Viable Project’ strategy

Leveraged to EV thematic – Australia’s newest producing lithium mine which is located 88km from Darwin Port

Currently operating the Grants open pit which is our starter operation. BP33 is the cornerstone asset for Core which is targeting a Final Investment Decision in Q1 CY24

Track record of exploration success and attractive pipeline of greenfield and brownfield exploration opportunities in the Finniss mineralised district

Secured offtake with some of the world’s largest battery companies, including Ganfeng Lithium and Yahua

$202.1 million of cash and nil debt

Refreshed senior management team who have strong experience in developing and operating resources projects

Q1 FY24 Highlights

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Operations

Total Material Moved
8% Increase
(Compared to Q4FY23)

Spodumene concentrate production of
20,692t
(Q4FY23: 14,685t)

Recovery of Lithium
50%
(Q4FY23: 49%)

Concentrate grade
5.0%
(Q4FY23: 5.4%)

C1 unit cost of
$904/t
(Q4FY23: $902/t)

Sales & Marketing

Second and final spodumene concentrate shipment into additional agreements
13,100t
shipment in early July

First shipment into Ganfeng contract
10,000t

Average realised price
US$2,560/t

Second shipment into Ganfeng contract early October[1]
10,155t

Exploration & Development

BP33
Site works advancing in parallel with updated feasibility study

BP33 Measured and Indicated Resource upgraded to
89%
of total resource[2]

$25m
exploration program continues

Corporate & Financial

Cash balance of
$202.1m
and no debt (as at 30 September 2023)

$107.9m raised through Institutional placement and SPP raises (net of costs)

Executive team complete following the appointments of Pierre Malan as EGM Development & Exploration and Paul Benjamin as EGM Commercial & Marketing

Safety & Sustainability

One reportable safety incident (hand injury)[3]

Critical Risk Management (CRM) Program continues to be rolled out across the business

Wet season preparation and investment in water management infrastructure well underway

2nd round of community grants open to community groups across greater Darwin region

1. Subsequent to quarter end.
2. Refer "BP33 Mineral Resource upgraded to 89% Measured and Indicated" 16 October 2023.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.
3. A driller's offsider sustained a hand injury. See full Quarterly Activities report for details.

Finniss operational update

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Ramp up continuing. Improvements in both mining and processing

Management commentary

- Concentrate production of 20,692t at an average 5.0% Li_2O grade with all products meeting customer specification
- Mining performance improved ending the quarter strongly:
  - mining productivity improvement led to an 8% increase in TMM compared to previous quarter;
  - blasting and dig unit availability improvement led to record ore extraction in September;
  - the plant saw a more consistent ore feed with improved operations in the pit.
- Grants pit wall stability monitoring continues with second radar installed
- Wet season preparedness is well progressed and includes haul road upgrades and investment in water storage facilities and new dewatering equipment
- As at 30 September there were 164,796t of ore on the ROM pad
- Recovery of 50% achieved for the quarter compared to 49% previous quarter with adjustments to screen sizing, reagent set points and other process parameters
- Agreement finalised with one customer to allow acceptance of concentrate with a minimum grade of 4.5%. A similar agreement is being finalised with our second for the FY24 period.
- Test work and trials to improve plant recoveries continued as a priority

Quarterly Operating Performance

		Q3 FY23	Q4 FY23	**Q1FY24**
Production				
Spodumene concentrate produced	tonnes	3,589	14,685	**20,692**
Recovery	%	47	49	**50**
Sales				
DSO Shipments	tonnes	14,774	–	–
Spodumene Concentrate Shipments	tonnes	–	5,423	**23,424**
Concentrate grade shipped	%	n/a	5.4	**5.2**
Lithium fines shipped	tonnes	–	–	15,002

Finniss operational update…cont.

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Costs broadly in line, cash impacted by shipment timing and QP adjustment

- C1 unit costs of $904/t were broadly in line with the previous quarter
- The build up in ore on the ROM pad, resulted in $985/t being deferred to inventory
- Before inventory movements, cash operating unit cost of $1,889/t were 11% higher than the previous quarter, due to a lower strip ratio, resulting in a higher proportion of the mining costs being expensed (rather than capitalised)
- Closing cash of $202.1 million included $107.9 million in proceeds from the equity raise and SPP in August
- The operating cash outflow of $25.97 million reflects:
  - the timing of shipments, with 8,527t of concentrate at the Darwin port at 30 September, which was included in the early October shipment; and
  - the repayment of $27.7 million to Yahua, in respect of a QP adjustment. The QP adjustment resulted from the significant fall in the lithium spodumene price between the date of prepayment and the end of the quotational period.
- Excluded from the cashflows in the quarter are the cash receipts relating to the 13,100t shipment in July. These tonnes were part of the prepayment arrangement with Yahua with the cash received in Q4FY23.

Quarterly Operating Performance

		Q3 FY23	Q4 FY23	**Q1FY24**
Cost of production				
Cash operating unit cost	A$/t	2,386	1,691	**1,889**
Inventory and other (non-cash)	A$/t	(198)	(789)	**(985)**
C1 unit cost	A$/t FOB	2,188	902	**904**
C1 unit cost plus royalties	A$/t FOB	2,323	1,416	**1,067**

Recovery improvement trials seeing uplift

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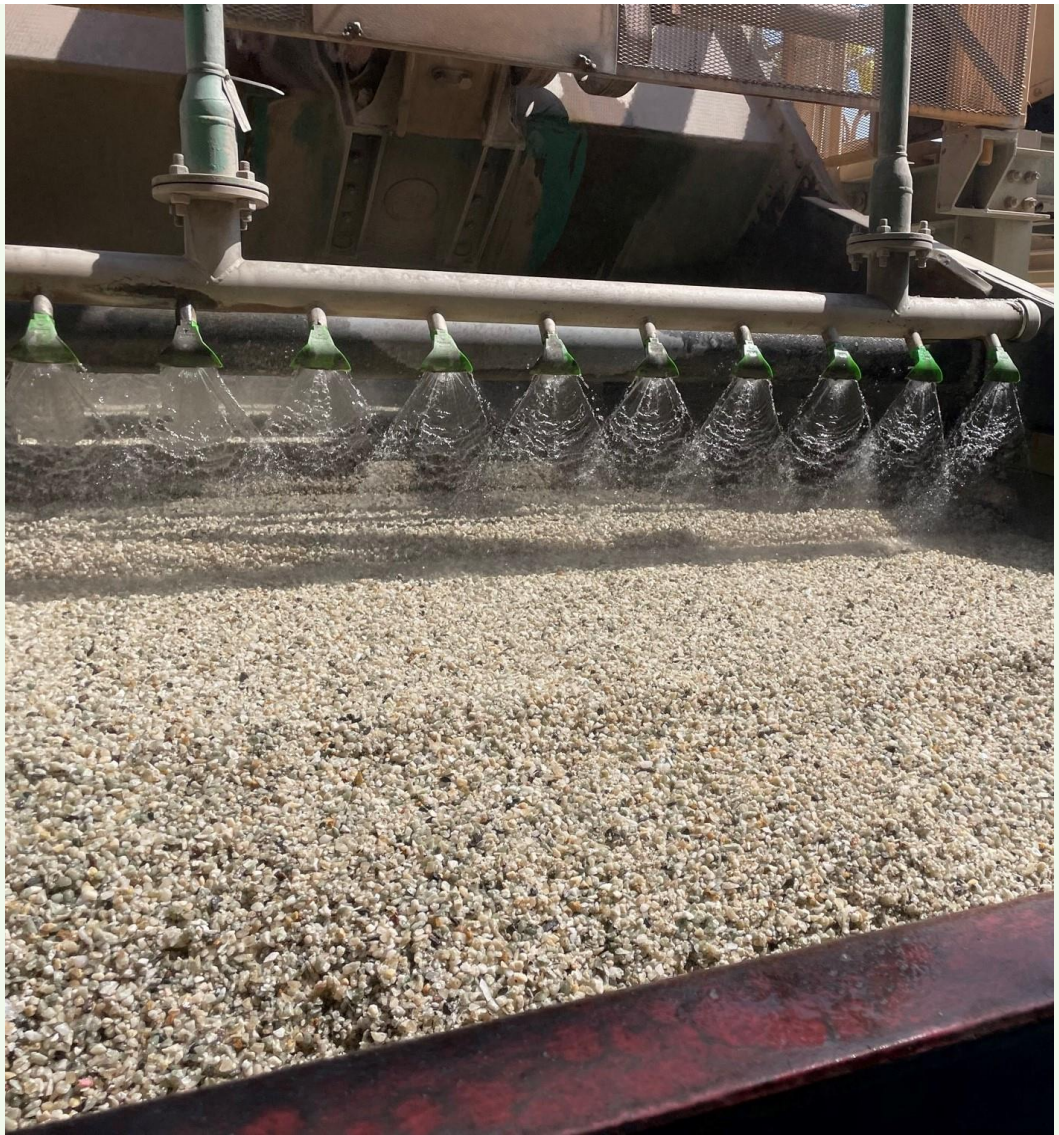
Improvement projects

- Trial sales of fines product (complete)
- Process control optimisation (underway)
- Crusher screen change out (complete)
- Met test work (underway)
- Mica classifier commissioned (complete)
- Rolls crusher refurbishment (underway)
- Product quality projects (underway)
- Study feasibility of installing a filter or belt press (initiated)
- Flotation study in progress (initiated)
- Assess merits of selling DSO (not commenced)



Recovery improvement trials seeing uplift

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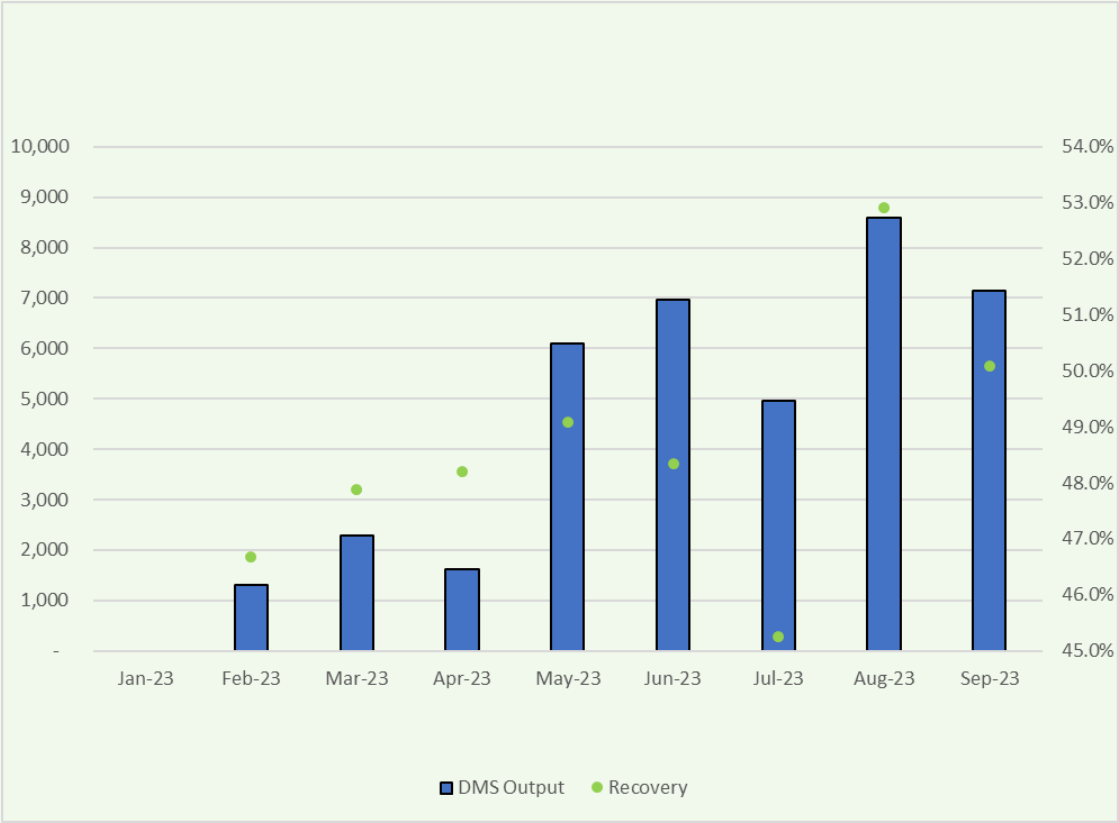
Recoveries continue to improve, ~55% achieved in October

Spodumene concentrate production
(tonnes) vs recovery (%), (RHS)



FY24 guidance on track

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Higher tonnes at lower grade for same Lithium unit production

- Operation on track to reach production, unit cost and capex guidance for FY24
- Current product strategy will see higher volumes of concentrate at a lower grade, with the overall lithia units expected to be within the range implied by the original guidance (80,000-90,000t at 5.5%)
- Net revenue outcome is expected to be within range implied by original guidance:
- Lower grade and discounts expected to be offset by higher tonnes.
- ROM stocks to build over Q2FY24 and be drawn down in Q3FY24
- Fines sales expected to be 85,000 to 95,000t of fines at a grade of ~ 1% Li_2O at no incremental mining or processing costs – subject to market conditions
- Finniss sustaining capital of $20-25 million for water management civil work, site infrastructure, ROM extension and haul roads
- Studies and exploration expenditure to define, extend and discover new resources $35-45 million
- BP33 remains on track for a Final Investment Decision in 1Q CY24
  - Early works budget of $45-50 million

BP33: Site works well underway

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3D Design for BP33 Box Cut

Wide end of BP33 Box Cut (October 2023)

Box cut length 288m
Box cut depth 40m (design)
354,390t excavated
(393,348t total)

BP33: Site works

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Box Cut – Tunnel Liner foundations under construction (October 2023)

Concrete batch plant (with cooling) now on site. Footings for tunnel liners now being installed.

BP33: Site works

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Lay down area (October 2023)

All 2,062 steel tunnel segments for the covered box cut have been delivered to site.

800t of steel reinforcing for arch footings.

Increase in Resource confidence at BP33

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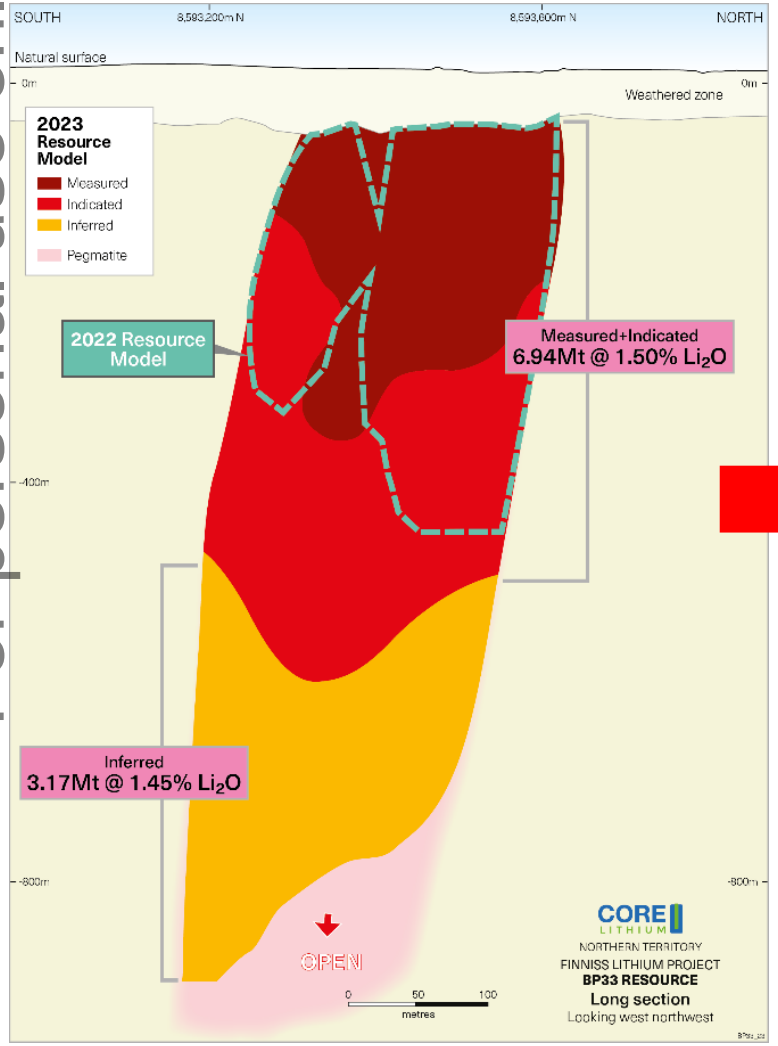
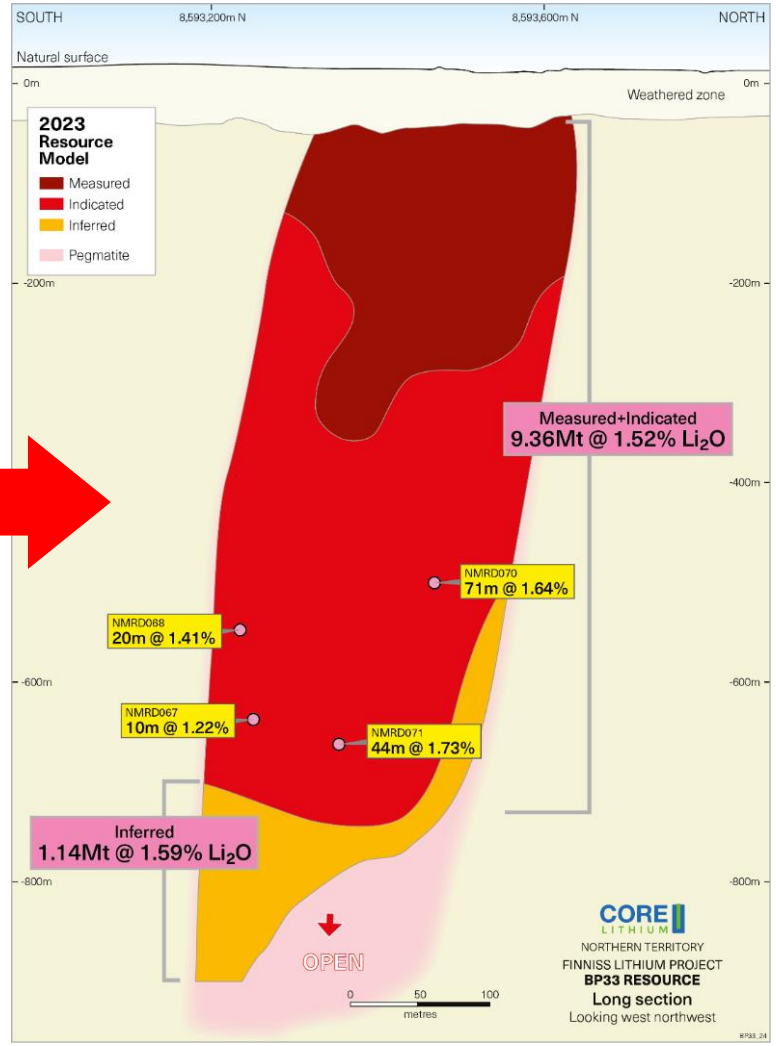
February 2023



October 2023



- Measured & Indicated Increased to 89% of 10.5Mt @1.53% Li_2O
- Grade increased, from 10.1Mt @ 1.48% Li_2O to 10.5Mt @ 1.53% Li_2O

NOTES:
1. Refer ASX release 16 October 2023. Core Lithium confirms that the Company is not aware of any new information or data that materially affects the Mineral Resource 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. The BP33 Mineral Resource announced on 6 March 2023 is comprised of Measured Resource 2.85Mt @ 1.46Li_2O, Indicated Resource 4.09Mt @ 1.53Li_2O and Inferred Resource 3.17Mt @ 1.45Li_2O. Total BP33 Mineral Resource of 10.1Mt @ 1.48Li_2O.

Project pipeline and sustaining growth

Near-term priority

Project	Discovery	Resource Definition	Development	Production / Extension
Grants Resources: 2.91Mt @ 1.47% Li_2O				Production until late CY25 Progress open pit expansion study
Grants Open pit extension / underground Resource included in Grants			Progress study work and reserve definition drilling	
BP33 Resources: 10.5Mt @ 1.48% Li_2O		Complete FS / Early works. Infill drilling planned to convert inferred resources to measured and indicated. Targeting FID Q1 CY24 and first production in CY26		
Carlton Resources: 6.2Mt @ 1.38% Li_2O		Drilling ongoing at Carlton to support additional resource definition. Study work expected to be completed by end of CY24		
Hang Gong Resources: 3.5Mt @ 1.16% Li_2O		Progress study work / further drilling		
Lees-Booths Resources: 2.7Mt @ 1.11% Li_2O		Progress study work / further drilling		
Sandras, Bilatos, Penfolds, Ah Hoy Resources: 5.3Mt @ 1.01% Li_2O	Drilling to expand resource			
Finniss District, Shoobridge, Anningie-Barrow Creek	Exploration drilling			

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NOTES
1 ASX Release: "Significant increase to Finniss Mineral Resources" dated 18 April 2023. Total Mineral Resources of 30.6Mt @ 1.31% Li_2O. Measured Mineral Resource 6.98Mt @ 1.45% Li_2O / Indicated Mineral Resource 12.4Mt @1.33% Li_2O. Inferred Mineral Resource 11.3Mt @ 1.21% Li_2O.
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. For full details refer to Appendix A.

Our priorities for FY24

OPERATIONAL DELIVERY **1**	• Safe Operations & Critical Risk Management program • FY24 spodumene production guidance - 80,000t to 90,000t • Finniss Operations improvement: Recovery and mining productivity • Deliver into offtake contracts
SUSTAINED GROWTH **2**	• Execute exploration plan for FY24 • Complete BP33 underground Feasibility Study (Q1 CY24) • FID for BP33 underground in (Q1 CY24) • Fine-tune strategy for regional exploration and growth
ENVIRONMENT, SOCIAL, GOVERNANCE **3**	• Continue local Community Grants Program • Identify further opportunities for local business and groups to mutual benefit • HSE systems and processes that are fit for purpose and reflect our risk profile • Learning from first operations activities to enhance Critical Risk Management
EMPLOYER OF THE FUTURE **4**	• Contemporary approach to workforce management- role design & engagement • Ways of working that deliver on safe, sustainable, cost-effective production outcomes • Aspire to create systems of work that foster diversity • Continue to build an experienced operational team

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Appendix

FINNISS MINERAL RESOURCES

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Mineral Resource Estimate for the Finniss Lithium Operation (0.5% Li_2O cut-off)									
Mineral Resource	Measured		Indicated		Inferred		Total		
	Tonnes (Mt)	Li_2O %	Tonnes (Mt)	Li_2O %	Tonnes (Mt)	Li_2O %	Tonnes (Mt)	Li_2O %	Li_2O Contained Metal (kt)
Grants*	1.93	1.50	0.61	1.49	0.37	1.27	2.91	1.47	42.7
BP33	2.85	1.44	6.51	1.55	1.14	1.59	10.50	1.53	160.1
Carlton	2.20	1.38	2.69	1.39	1.29	1.37	6.18	1.38	85.5
Hang Gong	-	-	1.51	1.18	1.95	1.14	3.46	1.16	40.0
Sandras	-	-	1.17	0.92	0.57	0.82	1.73	0.89	15.4
Lees#	-	-	0.88	1.24	0.35	1.05	1.23	1.19	14.6
Ah Hoy	-	-	0.67	1.16	0.38	1.17	1.05	1.16	12.2
Booths#	-	-	0.80	1.05	0.70	1.06	1.50	1.05	15.8
Bilatos	-	-	-	-	1.92	1.03	1.92	1.03	19.9
Penfolds	-	-	-	-	0.57	1.04	0.57	1.04	5.9
Total	6.98	1.44	14.8	1.37	9.20	1.18	31.10	1.33	412.1

Note: Totals within this table are subject to rounding. * Net decrease due to mining depletion. # Re-classified with no additional data.' The above Mineral resource is current at the time of release on 18 April 2023.

ASX Release: "Significant increase to Finniss Mineral Resources" dated 18 April 2023. Total Mineral Resources of 30.6Mt @ 1.31% Li_2O. Measured Mineral Resource 6.98Mt @ 1.45% Li_2O / Indicated Mineral Resource 12.4Mt @1.33% Li_2O. Inferred Mineral Resource 11.3Mt @ 1.21% Li_2O.
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.

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