

ASX: CXO Announcement

7 July 2020

Final payment to LTR of \$1.5m cash for Bynoe Acquisition

Highlights

- \$1.5m contingent and final consideration payable to Lontown for 100% purchase of Bynoe Lithium Project
- Bynoe Acquisition has contributed significantly to Core's recently announced:
 - Mineral Resource Estimate of 15Mt @ 1.3% Li₂O
 - 7-year LOM backed by Ore Reserve
- Bynoe deal also provided 100% access and rights to Greenbushes process water dam
- Excellent value achieved from the deal for Core

Advanced Australian lithium developer Core Lithium Ltd (ASX: CXO) (Core or Company) is pleased to advise of the final payment of \$1.5 million cash to Lontown Resources Limited (ASX: LTR; "Lontown") as contingent consideration pursuant to the purchase of the Bynoe Lithium Project in the Northern Territory ("Bynoe Acquisition").

Core is very pleased with the value realised from the Bynoe Acquisition to date, leading to the Company's recent announcements of Project Resources of 15Mt @ 1.3% Li₂O and Ore Reserves supporting a 7-year life of mine (LOM).

Mineral Resources defined by Core on the Bynoe Project subsequent to Bynoe Acquisition have included BP33, Carlton, Hang Gong, Booths, Lees and Sandras.

In addition to these Mineral Resources, the Bynoe Acquisition has also provided Core access to the large process water dam established by Greenbushes in the 1980's – key to Core's plans to develop and potentially expand production from its flagship Finniss Lithium Project in the future.

The terms of the Bynoe Acquisition sale and purchase agreement (Agreement) were summarised in the Company's announcement of 14 September 2017. Pursuant to the

Agreement, Core was required to pay to Liontown \$1.5 million (in cash or shares, at Core's election) within 30 days of Core declaring a Mineral Resource estimate of 5 million tonnes (whether Inferred, Indicated or Measured) in relation to the tenements sold under the Agreement.

The contingent consideration milestone was met by Core with the recent announcement of "Finniss Lithium Resource increased by over 50%" (CXO 15/06/2020).

Core has resolved that it will pay LTR \$1.5M cash before July 14 from its cash reserves of \$8.5 million (30 June 2020).

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

About the Finniss Lithium Project

The Finniss Lithium Project is at the front of the line of new global lithium production and has arguably the best logistics chain to markets 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.

Core has recently announced a 50% increase in Resources and a 7-year Life of Mine (LOM) backed by Reserves.

Core has also recently signed its first European Offtake MOU with Geneva-based Transamine for 50,000tpa, in addition to binding offtake for 75,000tpa with one of China's largest lithium producers, Szechuan Yahua.

Lithium is the core element in batteries used to power electric vehicles, and the Finniss Project boasts world-class, high-grade and high-quality lithium suitable for this use and other renewable energy sources.

Core confirms that it is not aware of any new information or data that materially affects the Mineral Resources and Ore Reserves included in this announcement. The information included in this announcement has been obtained from "Finniss Lithium Resource increased by over 50%" dated 15 June 2020 and "Increased Ore Reserve Significantly Extends Finniss" dated 30 June 2020.