

**OVERVIEW / FLAGSHIP PROJECT**

Core Lithium Ltd (ASX: CXO) is a mineral exploration and development company, with a number of lithium, gold and base metals projects in Australia. CXO's flagship project is the 100% owned Finnis Lithium Project, located 25km south of Darwin Port, for which a Definitive Feasibility Study was released in April 2019 and scheduled to be updated early 2021, aiming for a Final Investment Decision in 2021. All regulatory approvals have been received and the project is ready to enter the construction phase, subject to funding a modest A\$85m capital expenditure to produce 175,000 tpa of coarse grain spodumene concentrate targeting 6% Li<sub>2</sub>O.

**KEY ELEMENTS OF STRATEGY for FINNISS**

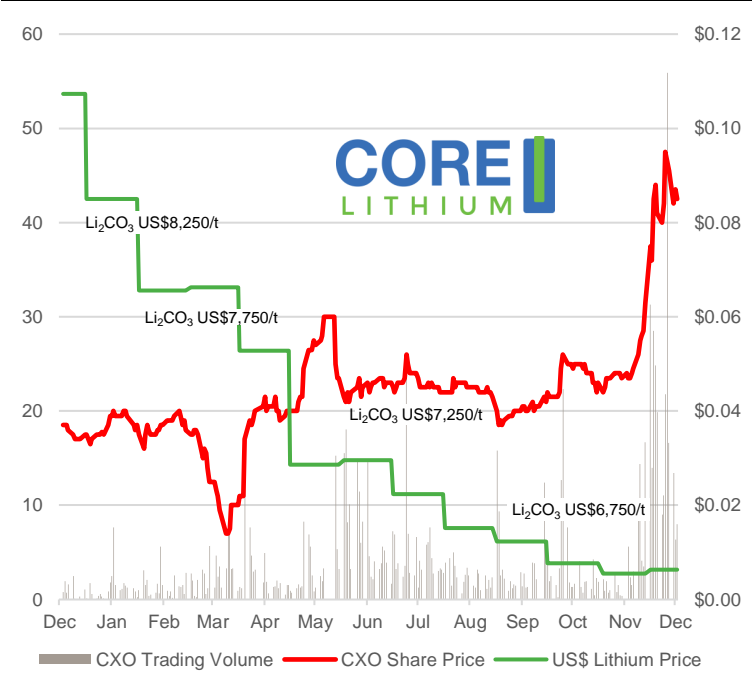
- The key elements of CXO strategy are as follows:
1. Increase mineral resources, ore reserves and mine life
  2. Secure further concentrate off-take contracts and project funding to build the Finnis project
  3. Investigate downstream value add opportunities as well as vertical integration with partners into the battery and electric vehicles (EV) sector.

**KEY OUTCOMES IF SUCCESSFUL**

1. Increased mine life to assist in project funding and make the project more attractive to additional off-takers
2. Diversify off-take contracts, thus reducing off-take risks
3. Deliver a high-quality lithium mine with strong financial returns to shareholders

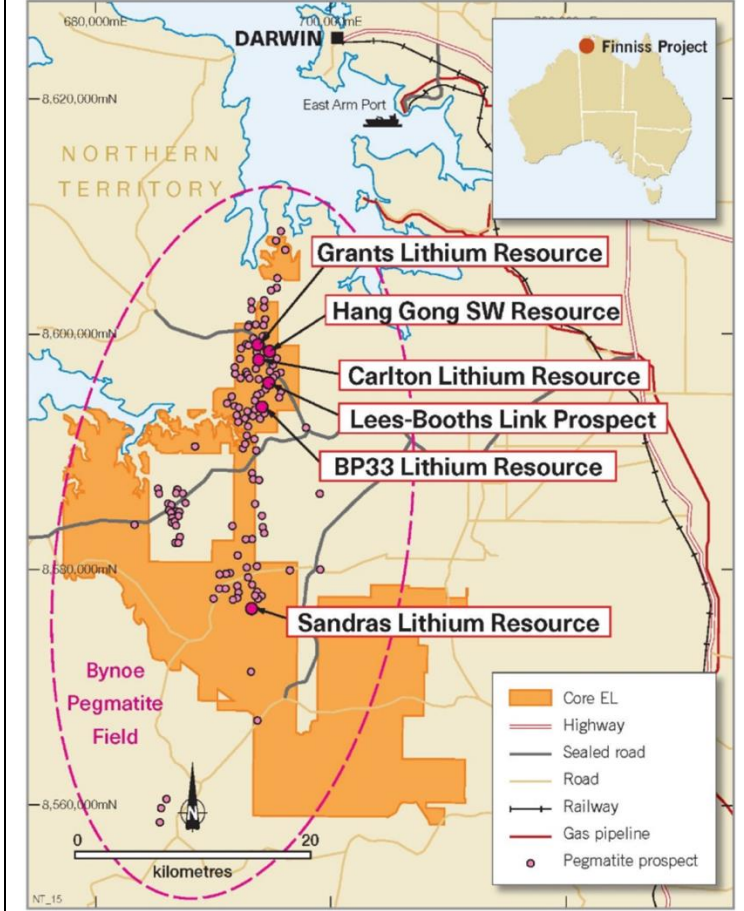
**CORPORATE OVERVIEW (AUD)**

Shares	997.8 million ordinary fully paid shares
Other Securities	22,466,666 performance rights – CXOAA 38,773,810 unquoted options (expiring at various dates with various exercise prices – CXOAB)
Share Price	\$0.085
Market Capitalisation	\$84.5 million
Debt	Nil
Cash	\$6.9 million as at 30 <sup>th</sup> September 2020



- ⇒ With the lithium price bouncing back, the CXO share price is re-rating as does the whole lithium sector
- ⇒ In addition, CXO has discovered some gold nuggets and high-grade gold rock chips at the Bynoe Gold Project

**FINNISS PROJECT LOCATION**



- ⇒ Tier-1 mining jurisdiction with significant infrastructure in place and close proximity (only 25 km) to export port via sealed road, minimising concentrate transport costs
- ⇒ Readily available skilled workforce, power and water

**FINNISS INVESTMENT HIGHLIGHTS**

Discovery and History	<p>The history of mining in the Bynoe Harbour – Middle Arm area dates back to 1886 when tin was discovered by Mr C Clark.</p> <p>In the early 1980s the Bynoe Pegmatite field was reactivated during a period of high tantalum prices by Greenbushes Tin, which owned and operated the Greenbushes Tin and Tantalite (and later spodumene) Mine in WA. Greenbushes Tin Ltd entered into a JV named the Bynoe Joint Venture with Barbara Mining Corporation, a subsidiary of Bayer AG of Germany. Greenex (the exploration arm of Greenbushes Tin Ltd) explored the Bynoe pegmatite field between 1980 and 1990 and produced tin and tantalite from its Observation Hill Treatment Plant between 1986 and 1988.</p> <p>In May 2016, spodumene and other lithium minerals were identified by CXO in and around the numerous historic pegmatite mine workings in the Finnis area.</p>
Geology	<p>The Finnis pegmatites have intruded early Proterozoic shales, siltstones and schists of the Burrell Creek Formation which lies on the northwest margin of the Pine Creek Geosyncline. To the south and west are the granitoid plutons and pegmatitic granite stocks of the Litchfield Complex. The source of the fluids that have formed the intruding pegmatites is generally accepted as being the Two Sisters Granite to the west of the belt, and which probably underlies the entire area at depths of 5-10 km.</p>

## FINNISS INVESTMENT HIGHLIGHTS

Mineralisation	Pegmatites have a similar chemical composition to granites but present large crystals. For the Finnis, the distribution of crystals is such that crushing results in minimal fines (minus 0.5mm).				
Mineral Resource (0.60% to 0.75% Li <sub>2</sub> O cut-off, 15 June 2020)	<b>Category</b>	<b>Mt</b>	<b>Li<sub>2</sub>O %</b>	<b>Li<sub>2</sub>O t</b>	<b>LCE t</b>
	Measured	3.2	1.47	47,100	116,478
	Indicated	4.4	1.37	59,900	148,133
	Inferred	7.1	1.22	86,300	213,420
	<b>Total</b>	<b>14.7</b>	<b>1.32</b>	<b>194,300</b>	<b>478,500</b>
	⇒ Current additional Mineral Resource to potentially sustain the Finnis Lithium Project life closer to ten years				
Ore Reserve (0.75% Li <sub>2</sub> O cut-off, 30 June 2020)	<b>Category</b>	<b>Mt</b>	<b>Li<sub>2</sub>O %</b>	<b>Li<sub>2</sub>O t</b>	<b>LCE t</b>
	Proven	2.9	1.4	40,400	99,900
	Probable	2.8	1.3	35,400	87,500
	<b>Total</b>	<b>5.7</b>	<b>1.3</b>	<b>75,800</b>	<b>187,500</b>
	⇒ Current ore reserve supports a 7-year LOM assuming open pit mining methods at the Grants deposit and underground mining methods at the BP33 and Carlton deposits				
Processing	<ul style="list-style-type: none"> <li>Design throughput 1 Mtpa, potentially 1.5 Mtpa</li> <li>Crushing run of mine to 6.3mm</li> <li>Simple Density Media Separation (gravity) separation focused on the 0.5 to 6.3mm fraction</li> <li>Minus 0.5mm fines discarded to tailings</li> <li>6.0% Li<sub>2</sub>O concentrate produced</li> <li>High 70% recovery</li> </ul> ⇒ Simpler, lower technical risk flow chart compared to other lithium spodumene projects				
	<ul style="list-style-type: none"> <li>DMS produces high-quality lithium concentrate low in iron &lt;0.7% Fe<sub>2</sub>O<sub>3</sub> and other contaminants</li> <li>Coarse product with low-moisture content and good handling properties another advantage for customers</li> </ul> ⇒ Opportunity to minimise pre-production capex, opex and technical risk				
	<ul style="list-style-type: none"> <li>Product Quality</li> </ul>				

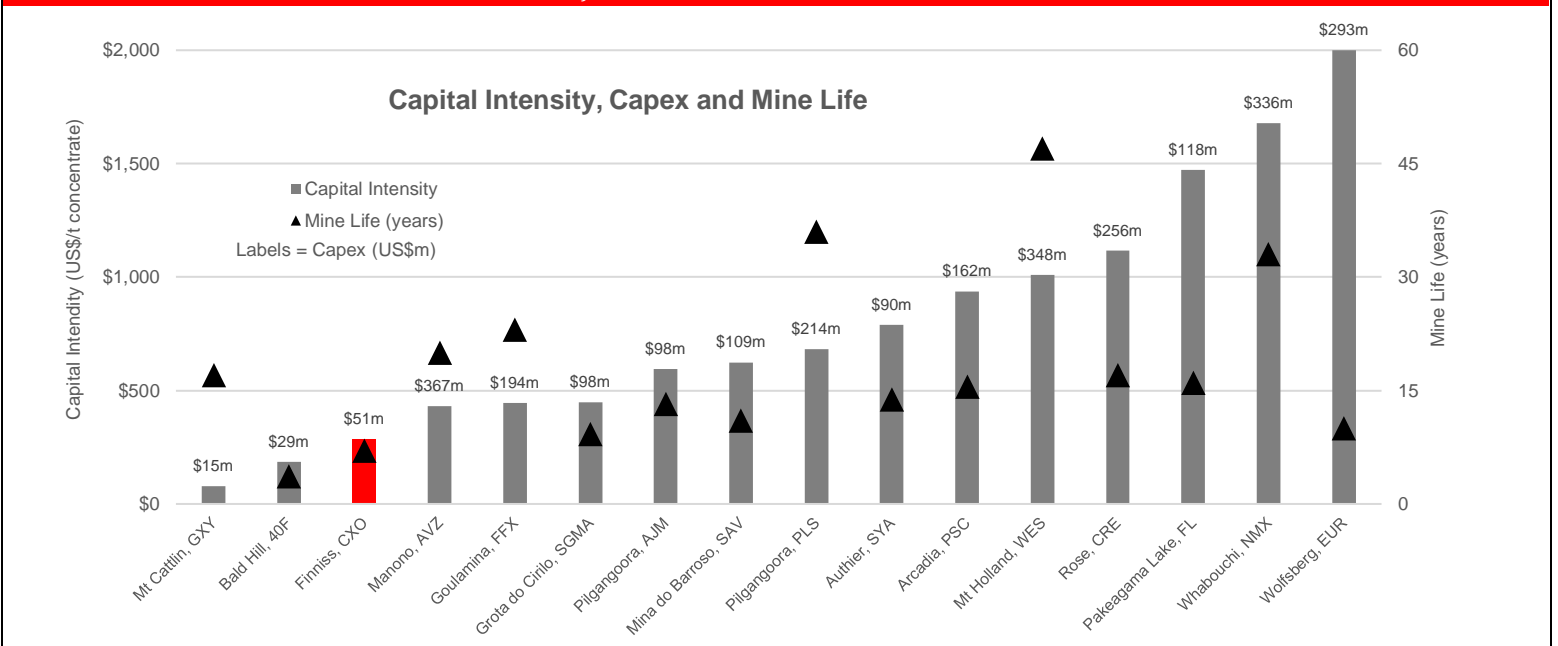
## INVESTMENT HIGHLIGHTS (continued)

Capex	<ul style="list-style-type: none"> <li>Low start-up capex A\$85 million</li> <li>⇒ Modest capex easily financeable through a combination of equity, debt and pre-payments</li> </ul>
Operating Costs	<ul style="list-style-type: none"> <li>C1 costs of US\$300-\$400/t concentrate (FOB)</li> <li>⇒ Competitive position on the cost curve</li> </ul>
Revenues	<ul style="list-style-type: none"> <li>High revenues ~A\$160-A\$170 million per annum</li> </ul>
Financial Returns	<ul style="list-style-type: none"> <li>NPV and IRR to be updated early 2021</li> </ul>
Permitting with Funding	<ul style="list-style-type: none"> <li>In April 2020, CXO received the Northern Territory government's approval over its mine management plan and planned to start the construction of a production facility</li> <li>Northern Territory government backs the Finnis project with a concessional low cost loan facility</li> <li>⇒ Supportive local community and government</li> </ul>
Off-take	<ul style="list-style-type: none"> <li>In August 2020, CXO signed a non-binding offtake memorandum of understanding with Xinfeng for the supply of 20,000-30,000 mt/y of spodumene concentrate for three years</li> <li>In May 2020, CXO signed a non-binding MOU for off-take with Transamine for the supply of 50,000 mt/y of spodumene concentrate for 5 years</li> <li>Increased interest in off-take from potential partners at all levels of the EV supply chain (i.e. from converters, battery manufacturers and Original Equipment Manufacturers)</li> <li>⇒ Strong appetite for the Finnis concentrate</li> </ul>

## UPCOMING NEWS FLOW

Finnis Lithium Project	<ul style="list-style-type: none"> <li>Resource expansion drill program (3 rigs) to be completed this month</li> <li>Update and optimise Feasibility Study early 2021</li> <li>Off-take deals</li> <li>Project financing deals</li> <li>⇒ Multiple opportunities to add significant value</li> </ul>
Bynoe Gold Project	<ul style="list-style-type: none"> <li>RAB drilling program underway before year end to test gold mineralisation below surface</li> <li>⇒ Potential large high grade gold discovery</li> </ul>

## CAPITAL INTENSITY OF LITHIUM PROJECTS



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