

ASX: CXO Announcement

26 May 2021

Core Secures Darwin Port Operating Agreement

Highlights

- Core signs 5-year Darwin Port Operating Agreement (POA)
- Darwin Port Operations Facilities include truck dump, ship loader and conveyor and unloading of (mining and plant construction) equipment
- POA contemplates exporting lithium concentrate and DSO and cements a key part of Core's low cost logistics chain from mine to port.
- Core preparing for FID in coming months to target first exports of lithium in 2022

Emerging Australian lithium developer, Core Lithium Ltd (ASX: CXO) ("Core" or the "Company"), is pleased to announce the execution of an operating agreement with the Darwin Port Operations Pty Ltd ("DPO"). Core will export its lithium products produced at the Company's 100%-owned Finniss Lithium Project (Finniss) located near Darwin in the Northern Territory through Darwin Port.

In early 2017, the Company entered into a non-binding Heads of Agreement with DPO. DPO has now entered into a Port Operating Agreement ("POA") with the Company's wholly-owned subsidiary Lithium Developments (Grants NT) Pty Ltd ("Lithium Developments").

The POA will allow Lithium Developments to access and use the DPO facilities to export Core's lithium products. The agreement contemplates Direct Ship Ore (DSO) and spodumene concentrate ("Product").

Access to the DPO facilities includes a truck unloading dump facility, the ship loader feed conveyor to convey Product to the ship loader and access to the ship loader with berths capable of accommodating vessels up to Panamax size. As such the DPO facilities are a strong fit for Core's requirements.

Lithium Developments is responsible for providing all labour to operate the DPO facilities when handling the Product and will obtain routine regulatory approvals relating to the use of the DPO facilities.

The Port Operating Agreement has a 5-year term.

The ability to use the existing DPO facilities, combined with the short haulage distance on existing sealed roads suitable for trucking means Core has minimal capital costs and low operating costs for its logistics chain from mine to port. The costs anticipated by Core to use the DPO Facilities are consistent with Core's estimated all in logistics cost that are among the lowest among Australian hard rock lithium miners and developers.

Core Lithium Managing Director Stephen Biggins said:

"Access to key infrastructure like Darwin Port and the capital city of Darwin in northern Australia enables Core to build one of the most capital efficient and cost competitive hard-rock lithium projects in the world."

"With a successful FID expected in coming months, Core is aiming to commence export of high quality lithium concentrate from Darwin Port by the end of next year."

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:

Fraser Beattie
Senior Consultant
Cannings Purple
+61 421 505 557
fbeattie@canningspurple.com.au

About the Finniss Lithium Project

The Finniss Lithium Project is Australia's most advanced new lithium projects on the ASX and places Core Lithium at the front of the line of new global lithium production.

Finniss has Federal Government Major Project Status and is also one of the most capital efficient lithium projects in Australia 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.

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.