

ASX: CXO Announcement

20 July 2021

Core Signs Agreement to Connect Finniss to the Grid

Highlights

- Core signs two-year Power and Water Corporation (PWC) Grid Connection Agreement
- PWC Agreement allows Core to connect the Finniss Lithium Project to the PWC power grid network securing enough electricity for the Project
- Grid connection opens opportunity for Core to access lower-cost, lower-emission renewable and gas generated power for the Finniss Lithium Project
- Another key example of the Project's infrastructure and location advantages delivering cost and emission savings to Core and its customers
- Core is preparing to start construction of the Finniss Lithium Project in 2021, targeting first exports of lithium in 2022

Advanced Australian lithium developer, Core Lithium Ltd (ASX: CXO) ("**Core**" or "**Company**"), is pleased to announce the execution of a power connection agreement with Power and Water Corporation ("**Agreement**") in the Northern Territory.

The two-year agreement allows Core to construct a physical link between the Finniss Lithium Project ("**Project**"), located near Darwin in the Northern Territory and the PWC Electricity System so that electricity can flow between the Project and the PWC Electricity System, securing physical capacity of 5,000 kVA which is sufficient to meet the needs of the Project.

The signing of the PWC agreement ticks another box on Core's list of objectives to complete in the lead-up to the commencement of construction at the Project, which is expected to commence before the end of 2021.

Power and Water is an NT government-owned corporation that transmits and distributes electricity, and provides water services, across the Northern Territory.

The connection agreement is considered a Simple Connections agreement by PWC which allows Core to finalise the connection design and select a PWC approved contractor to construct the connection. Once the grid connection is constructed the infrastructure is transferred (gifted) to PWC after which PWC will provide the Project with a connection service. The transferred works are to be constructed in accordance with the PWC approved design, specifications provided by PWC, and all applicable laws and applicable Australian Standards.

Once the connection is established, the Project will then be connected to low-cost power and Core will have the right to choose an electricity supplier, as well as the opportunity to utilise low-emission renewable and gas generated power.

Core Lithium Managing Director Stephen Biggins said:

“Connection to the PWC network is a key infrastructure goal of the project. However, what is even more exciting is that, once connected, the Project will be able to participate in the NT government’s retail contestability reforms that have been extended to large customers, such as Core.

“Having the ability to choose our electricity supplier and plug in to green power is yet another demonstration of how the location of Finnis Lithium Project can reduce Core’s and our customer’s greenhouse footprint.

“Access to grid power is a significant contributor to Core’s aim to be one of the lowest cost and lowest emitting lithium producers in Australia.

“Core is excited to continue accomplishing crucial milestones for the Project as we prepare to commence construction before the end of 2021, and deliver first production in 2022.”

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

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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.

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