

ASX: CXO Announcement

4 January 2021

Response to ASX Price Query

Mr James Fisher
ASX Compliance Pty Ltd
20 Bridge Street
Sydney NSW 2000

Dear James

Core Lithium Ltd – Response to ASX Price Query letter

Core Lithium Ltd (**Company** or **Core**) (ASX: **CXO**) provides the following responses to your letter dated 4 January 2021.

1. Is CXO aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?

No. CXO is not aware of any information concerning CXO that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities.

2. If the answer to question 1 is “yes”.
 - a. Is CXO relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in CXO’s securities would suggest to ASX that such information may have ceased to be confidential and therefore CXO may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is “yes”, you need to contact us immediately to discuss the situation.
 - b. Can an announcement be made immediately? Please note, if the answer to this question is “no”, you need to contact us immediately to discuss requesting a trading halt (see below).

- c. If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?

Not applicable.

3. If the answer to question 1 is "no", is there any other explanation that CXO may have for the recent trading in its securities?

Core notes that its largest shareholder, Yahua International Investment and Development Co. Ltd (Yahua), has signed a five-year deal to supply Lithium to Tesla as reported by <https://www.reuters.com> and other media outlets. Core and Yahua have signed a binding offtake agreement for 75,000 tonnes per annum of lithium spodumene concentrate.

Analysts have recently reported that lithium prices in China are increasing from 2020 lows and global Electric Vehicle (EV) sales are reaching record highs in recent months. Core Lithium is the most advanced new Australian lithium developer on the ASX and there are very few advanced Australian lithium projects for investors to build exposure to increasing lithium prices.

Core has further advised the market, on an ongoing basis, that the Company is receiving interest from new lithium parties for additional binding offtake and customer project finance agreements for the Company's Finnis Lithium Project (ASX: CXO "2020 Annual General Meeting Presentation" announced on 26 November 2020).

The Company notes that it has also recently released announcements regarding lithium drill assay results are expected over coming weeks from the Finnis Lithium Project (ASX: CXO "Core Completes 2020 Lithium Resource Drilling" announced on 16 December 2020"). Also, the first gold drill assay results are expected over coming weeks from the Bynoe Gold Project (ASX: CXO "Gold Nuggets and High-Grades at New 1600m Bynoe Target" announced on 10 December 2020).

The Company is not aware of any other specific information that may explain the recent trading in its securities.

4. Please confirm that CXO is complying with the Listing Rules and, in particular, Listing Rule 3.1.

CXO confirms that the Company is complying with the Listing Rules and, in particular, Listing Rule 3.1.

5. Please confirm that CXO's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of CXO with delegated authority from the board to respond to ASX on disclosure matters.

CXO's responses to the questions have been authorised and approved by its board.

For further information please contact:

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4 January 2021

Reference: 29323

Mr Jarek Kopias
Company Secretary
Core Lithium Ltd

By email: JKopias@corelithium.com.au

Dear Mr Kopias

Core Lithium Ltd ('CXO'): Price - Query

ASX refers to the following:

- A. The change in the price of CXO's securities from a low of \$0.087 to a high of \$0.19 in the last few days.
- B. The significant increase in the volume of CXO's securities traded from 30 December 2020 to 4 January 2021.

Request for information

In light of this, ASX asks CXO to respond separately to each of the following questions and requests for information:

- 1. Is CXO aware of any information concerning it that has not been announced to the market which, if known by some in the market, could explain the recent trading in its securities?
- 2. If the answer to question 1 is "yes".
 - (a) Is CXO relying on Listing Rule 3.1A not to announce that information under Listing Rule 3.1? Please note that the recent trading in CXO's securities would suggest to ASX that such information may have ceased to be confidential and therefore CXO may no longer be able to rely on Listing Rule 3.1A. Accordingly, if the answer to this question is "yes", you need to contact us immediately to discuss the situation.
 - (b) Can an announcement be made immediately? Please note, if the answer to this question is "no", you need to contact us immediately to discuss requesting a trading halt (see below).
 - (c) If an announcement cannot be made immediately, why not and when is it expected that an announcement will be made?
- 3. If the answer to question 1 is "no", is there any other explanation that CXO may have for the recent trading in its securities?
- 4. Please confirm that CXO is complying with the Listing Rules and, in particular, Listing Rule 3.1.
- 5. Please confirm that CXO's responses to the questions above have been authorised and approved under its published continuous disclosure policy or otherwise by its board or an officer of CXO with delegated authority from the board to respond to ASX on disclosure matters.

When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **1:30 PMAEDT Monday, 4 January 2021**. You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, CXO's obligation is to disclose the information

‘immediately’. This may require the information to be disclosed before the deadline set out in the previous paragraph and may require CXO to request a trading halt immediately.

Your response should be sent to me by e-mail at **ListingsComplianceSydney@asx.com.au**. It should not be sent directly to the ASX Market Announcements Office. This is to allow me to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

Trading halt

If you are unable to respond to this letter by the time specified above, or if the answer to question 1 is “yes” and an announcement cannot be made immediately, you should discuss with us whether it is appropriate to request a trading halt in CXO’s securities under Listing Rule 17.1. If you wish a trading halt, you must tell us:

- the reasons for the trading halt;
- how long you want the trading halt to last;
- the event you expect to happen that will end the trading halt;
- that you are not aware of any reason why the trading halt should not be granted; and
- any other information necessary to inform the market about the trading halt, or that we ask for.

We require the request for a trading halt to be in writing. The trading halt cannot extend past the commencement of normal trading on the second day after the day on which it is granted. You can find further information about trading halts in Guidance Note 16 *Trading Halts & Voluntary Suspensions*.

Suspension

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in CXO’s securities under Listing Rule 17.3.

Listing Rules 3.1 and 3.1A

In responding to this letter, you should have regard to CXO’s obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure*: Listing Rules 3.1 – 3.1B. It should be noted that CXO’s obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

Release of correspondence between ASX and entity

We reserve the right to release a copy of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A.

Questions

If you have any questions in relation to the above, please do not hesitate to contact me.

Kind regards

James Fisher
Compliance Adviser, Listings Compliance (Sydney)