

24 January 2024

# ASX: CXO Announcement

## December Quarterly Activities Report

Australian lithium miner Core Lithium Ltd (ASX: CXO) (Core or Company) is pleased to provide its quarterly activities report for the quarter ended 31 December 2023.

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### Summary

- The Company undertook a Strategic Review which resulted in the temporary suspension of open pit mining operations.
- 39% increase in quarterly spodumene concentrate production, 28,837t (20,692t Q1FY24).
- 20% increase in lithia recoveries, averaging 60% for the quarter (50% 1QFY24).
- 30,718t of spodumene concentrate shipped (23,424t 1QFY24).
- 289kt of ore stocks at the end of the quarter in preparation for the wet season (185kt Q1FY24).
- BP33 Mineral Resource upgraded, a 35% increase on the previous estimate.
- Capital spend guidance has been reduced and given the suspension of mining cash operating cost guidance has also been reduced.
- Production (based on lithia units) is expected to be broadly in line with original guidance, however, the bottom end of the range has dropped below the initial forecast<sup>1</sup>.
- Cash balance at 31 December 2023 of \$124.8 million.

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### Strategic review

- Mining at Grants open pit and BP33 early works program temporarily suspended.
- Processing of existing stockpiles will continue until mid CY 2024.
- The BP33 and Carlton mine studies will continue.
- Discretionary spending reduction program is underway: includes proposed cuts to studies, exploration and corporate costs.

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Commenting on the quarter, Core Chief Executive Officer Gareth Manderson said:

*"There is no doubt we have seen strong operational improvement at Finniss as it has ramped up throughout the year.*

*"Operations continued largely uninterrupted during the quarter despite above average rainfall in November, and spodumene concentrate production was close to 40% higher than the previous quarter as a result of strong operational improvement. The team has made significant progress increasing lithia recoveries in the plant and it has been very pleasing to see these increase to average 60% for the quarter, up from 50% the prior quarter.*

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<sup>1</sup> See guidance section below. This guidance will be revised should mining recommence.

*“With the rapid shifts in lithium market pricing, Core moved quickly to undertake a strategic review, resulting in the temporary suspension of mining and BP33 early works to conserve cash, and preserve the value of the underlying business.*

*“The work undertaken ahead of the wet season has successfully established ore stockpiles that will see us produce concentrate for the next 5-6 months at a lower overall cash cost, due to the suspension of mining.*

*“This approach will preserve Finniss’ long-term value and ensure we are prepared to move quickly to restart mining in a more favourable pricing environment.”*

## **Sustainability**

There was one recordable injury during the quarter. A team member cutting liner material for the BP33 mine water settling dam sustained a laceration to their forearm which required medical treatment and intervention. There were no other significant safety events in the quarter. The focus on Critical Risk Management (CRM) continued ahead of the wet season. The integration of CRM into assessments of material safety risk events was finalised and ready for implementation. The health monitoring program continued with a full year of monitoring data set to inform risk management activities and control effectiveness programs.

The community grants program awarded another 8 grants to enable local groups to implement community-led activities in education and training, environment, health and wellbeing, sport and recreation, arts and culture, and innovation. A briefing was provided to the local community on the Company's activities.

Water storage and discharge infrastructure construction continued and was commissioned in preparation for the upcoming wet season. An updated water management strategy was prepared to reflect the increased sizing of water storage facilities and the improved linkage of facilities and operational efficiency. Telemetered water monitoring stations have been installed at downstream sites to improve the data which informs our operational water strategy. A number of visits from regulators were hosted to ensure our compliance with approved environmental activities and provide oversight into the progress of water strategy infrastructure improvements. Cyclone preparedness was a focus ahead of the monsoon season and seasonal weed management activities commenced during the quarter.

The next phase of approvals applications for the BP33 decline commencement were submitted to the regulator for review and approval.

## **Finniss Operations**

During the quarter, significant progress was made in both the mine and processing plant. Equipment availability and productivity improvement led to record ore crushing and processing. The December quarter saw consistent ore supply to the Run of Mine pad (ROM), with ore stockpiles at 31 December totalling 289kt. With the investment in haul road improvements and upgraded dewatering infrastructure, the time to return to normal mining operations following rain events was significantly reduced, despite the above average rainfall experienced during November.

Recoveries have consistently improved, from ~50% in the first quarter of production in 2023 to 60% in the December quarter. On a month-by-month basis recoveries were 56%, 60% and 63% for October, November and December 2023 respectively. Plant reliability improvements increased plant runtime and led to more stable plant conditions. These results, along with further optimisation of plant density setpoints achieved an improved final concentrate grade averaging 4.7% Li<sub>2</sub>O.

**Table 1. Production, Sales and Costs**

|  |               | Q3 FY23 | Q4 FY23 | Q1 FY24 | Q2 FY24 |
|--|---------------|---------|---------|---------|---------|
| <b>Production</b>                      |               |         |         |         |         |
| <b>Spodumene concentrate produced</b>  | <b>Tonnes</b> | 3,589   | 14,685  | 20,692  | 28,837  |
| <b>Recovery rate</b>                   | <b>%</b>      | 47      | 49      | 50      | 60      |
| <b>Sales</b>                           |               |         |         |         |         |
| <b>DSO Shipments</b>                   | <b>Tonnes</b> | 14,774  | -       | -       | -       |
| <b>Spodumene Concentrate Shipments</b> | <b>Tonnes</b> | -       | 5,423   | 23,424  | 30,718  |
| <b>Concentrate grade shipped</b>       | <b>%</b>      | n/a     | 5.4     | 5.2     | 4.8     |
| <b>Lithium fines extracted*</b>        | <b>Tonnes</b> | -       | -       | 29,197  | 34,787  |
| <b>Lithium fines shipped</b>           | <b>Tonnes</b> | -       | -       | 15,002  | 31,296  |
| <b>Cost of production</b>              |               |         |         |         |         |
| <b>Cash operating unit cost</b>        | <b>\$/t</b>   | 2,386   | 1,691   | 1,889   | 1,953   |

\*At quarter end there was 3,307t of concentrate and 11,933t of lithium fines at Darwin port.

#### Lithium fines

To address lower recoveries in the near-term, a strategy of extracting lithium fines material and selling it as a ~1% lithia product was adopted. During the quarter, 34,787t of fines were extracted from the storage facility and transported to the Darwin port for shipment. In the December quarter, 31,296t of lithium fines at a grade of 1.35% was shipped. No further fines shipments are anticipated during the wet season nor in the current price environment.

#### Cost of Production and Cash Flow

Cash operating unit costs increased by 3% in the December quarter reflecting lower deferral of stripping costs and a reduction of by-product credits from the sale of Lithium fines. These factors were partially offset by higher production.

Cash at bank at 31 December 2023 was \$124.8 million. The operating cash outflow of \$28.8 million reflects:

- the repayment of \$14.9 million in respect of a quotational period (QP) adjustment. The QP adjustment relates to sales occurring in previous quarters and resulted from a significant fall in the lithium spodumene prices between the date of bill of lading and the end of the quotational period.
- 56% increase in ROM stockpiles during the quarter to 289kt.
- the timing of shipments, with 3,307t of concentrate at Darwin port.

Capital expenditure during the quarter was \$33.7 million, with \$27.7 million allocated to the BP33 early works program and the remainder relating to Finniss sustaining capital of \$6.0 million largely relating to the construction of mine water dams.

#### Sales

30,718t of spodumene concentrate were sold at an average provisional price of US\$1,418/t. The price was 52% lower than Q1 FY24 due to the significant decrease in the market price for spodumene concentrate. The pricing mechanism includes adjustments for grade and a price settlement period. Pricing periods used to adjust provisional pricing are typically a two-month period, including the month of shipment, which is intended to ensure final pricing is better aligned with the time of delivery of product to the end customer. With the current lithium market, a repayment of approximately \$13.6 million will be payable in the March Quarter 2024 for the November and December shipments.

Core is currently in discussions with its offtake partners regarding future delivery schedules and the potential impact of the decision to suspend mining on the long-term offtake agreements.

## Guidance

**Table 2. FY24 Guidance based on the temporary suspension of mining operations**

|   |        | FY2024 Original | FY2024 Revised                                     |
|---|--------|-----------------|--|
| <b>Production (subject to weather conditions)</b> |        |                 |  |
| Spodumene concentrate production                  | tonnes | 80,000-90,000   | 90,000-95,000                                      |
| Production Grade                                  | %      | 5.50            | 4.77   |
| Concentrate sales                                 | tonnes | 90,000-100,000  | 80,000-90,000                                      |
| Sale of fines <sup>2</sup>                        | tonnes | 85,000-95,000   | 46,298 - Future sales subject to market conditions |
| <b>Costs and capital expenditure</b>              |        |                 |  |
| Cash operating unit costs <sup>3</sup>            | \$/t   | 1,470-1,570     | 1,350-1,400  |
| Site sustaining capital                           | \$m    | 20-25           | 22-23  |
| Deferred Stripping                                | \$m    | 45-50           | 3  |
| <b>Growth expenditure</b>                         |        |                 |  |
| BP33 Early Works                                  | \$m    | 45-50           | 36-37  |
| Exploration and study expenditure <sup>4</sup>    | \$m    | 35-40           | 27-29  |
| <b>Royalties</b>                                  |        |                 |  |
| NT Royalty  | %      | 8-10            | 2  |
| LRC Royalty                                       | %      | 2.5             | 2.5  |

It is important to note that:

- Should the Company make the decision to recommence mining operations then FY24 guidance will be updated at that time.
- Due to the temporary suspension of mining operations and the BP33 early works, all FY25 guidance is withdrawn.

Overall lithia units are expected to be in line with the bottom end of the range implied by the original guidance of 80,000t to 90,000t (SC5.5% grade). This is despite the suspension of mining which is expected to result in a 3-4 week reduction in ore feed to the plant in FY24.

No further sales of the ~1% lithium fines product are expected. Due to the suspension of mining and BP33 early works, previous commentary in relation to FY25 is withdrawn.

Cash operating unit costs are expected to be lower with the removal of mining costs and expected to be within \$800/t-\$900/t in H2FY24. Should mining resume during H2 FY24 this figure would be revised.

Waste movement costs accounted for as deferred stripping costs are expected to be significantly lower than originally guided due to the suspension of mining.

BP33 early works costs have been lowered with the suspension of activity. Planned exploration and study expenditure for H2 FY24 has been significantly reduced to conserve cash.

<sup>2</sup> Treated as a by-product credit to Cash operating unit costs.

<sup>3</sup> Cash operating unit costs (FOB Darwin excluding royalties) include mining, processing, transport, port charges, and site based general and administration costs and are net of fines margin by-product credit. It is calculated on an accruals basis and includes credits for capitalised deferred mine waste stripping. Excluded from the cash operating unit cost in the 6 months to 30 June 2024 is an estimated \$3-\$3.5 million relating to care and maintenance costs to maintain the Grants open pit, as well as demobilisation costs.

<sup>4</sup> Includes Finnis District and Greenfields expenditure and study costs.

The NT royalty is calculated as the greater of 2% of net value or a minimum of 2% of gross revenue. With the fall in the lithium price, 2% is assumed for H2 FY24.

## Exploration and studies

During the quarter, the Company also incurred \$12.4 million on capitalised exploration and studies expenditure. Further information is detailed below.

### Finniss District

With BP33 and Carlton resource definition drilling complete, the Company shifted its focus to extension and definition drilling of other known deposits at Lees-Booths, Ah Hoy, Penfolds and Hang Gong. Once results have been finalised an update will be provided.

Geophysical (Ambient Noise Tomography) and geochemical surveys were also undertaken to identify new targets and were successful in identifying a number of anomalies which warrant further exploration attention. Some of this work commenced prior to the onset of the wet season with results pending.

Exploration drilling was performed by a fleet consisting of up to three diamond drill rigs, four reverse circulation drill rigs and a rotary air blast rig, collectively drilling more than 30,875m for the quarter.

A total of \$9.2 million was spent on exploration in the quarter bringing the total expenditure for the FY24 program to \$16.9 million. The next exploration program will be determined following receipt of all assay results from the CY23 drilling.

### Shoobridge Project

As part of the strategy to commence testing of Core's highly prospective Shoobridge and Anningie-Barrow Creek tenements, soil sampling commenced at Shoobridge. Some 1,632 samples were collected before the end of the field season and results are pending.

### BP33 Underground Project

Good progress has been made on the BP33 project with the box cut excavation complete and the commencement of installation of the tunnel arch footings. Cement stabilisation of the portal face at the end of the box cut had commenced prior to the suspension of early works. As announced, the site will be placed in care and maintenance and all construction and infrastructure material delivered to site will be secured until a decision is made to recommence the early works at BP33. Work continues on the BP33 updated feasibility study and the Carlton scoping study. BP33 FID will be deferred until market conditions improve.

### BP33 Mineral Resource Estimate upgrade

Core reported that Resource definition drilling at BP33 in CY2023 led to an increase in the proportion of measured and indicated categories and an increase in Mineral Resource volume and grade from 10.1Mt @ 1.48% Li<sub>2</sub>O to 10.5Mt @ 1.53% Li<sub>2</sub>O (Table 3).

Results were received from four drillholes targeting infill positions, with the aim of increasing the proportion of Indicated Mineral Resources within the existing BP33 orebody. The drilling results were in line with expectations, confirming the continuity in grade and thickness of the modelled mineralisation domains. The BP33 mineralisation remains open down plunge.

The BP33 Mineral Resource now includes 9.36Mt @ 1.52% Li<sub>2</sub>O<sup>5</sup> in the Measured and Indicated categories, up from 6.94Mt at 1.50% Li<sub>2</sub>O. This represents 89% of the total current Mineral Resource Estimate and a 35% increase on the previous estimate for the Indicated and Measured Mineral Resource categories.

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<sup>5</sup> See ASX release dated 16 October 2023 "BP33 Mineral Resource Upgrade". Core confirms that it is not aware of any new information or data that materially affects the Mineral Resource Estimates and confirms that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

**Table 3. BP33 Mineral Resource Estimate summary October 2023**

| <b>BP33 Mineral Resource Estimate<br/>Oct 2023 – 0.5% Li<sub>2</sub>O cut-off</b> |                    |                          |   |
|---|--------------------|--------------------------|---|
| <b>Resource Category</b>  | <b>Tonnes (Mt)</b> | <b>Li<sub>2</sub>O %</b> | <b>Li<sub>2</sub>O Contained metal (kt)</b> |
| <b>Measured</b>   | 2.85               | 1.44                     | <b>41</b>                                   |
| <b>Indicated</b>  | 6.51               | 1.55                     | <b>101</b>                                  |
| <b>Inferred</b>   | 1.14               | 1.59                     | <b>18</b>                                   |
| <b>Total</b>  | <b>10.5</b>        | <b>1.53</b>              | <b>160</b>                                  |

Note: Totals within this table are subject to rounding (16 October 2023 “BP33 Mineral Resource Upgrade”).

**Table 4. BP33 Mineral Resource Estimate summary February 2023**

| <b>BP33 Mineral Resource Estimate<br/>Feb 2023 – 0.5% Li<sub>2</sub>O cut-off</b> |                    |                          |   |
|---|--------------------|--------------------------|---|
| <b>Resource Category</b>  | <b>Tonnes (Mt)</b> | <b>Li<sub>2</sub>O %</b> | <b>Li<sub>2</sub>O Contained metal (kt)</b> |
| <b>Measured</b>   | 2.85               | 1.46                     | <b>42</b>                                   |
| <b>Indicated</b>  | 4.09               | 1.53                     | <b>63</b>                                   |
| <b>Inferred</b>   | 3.17               | 1.45                     | <b>46</b>                                   |
| <b>Total</b>  | <b>10.1</b>        | <b>1.48</b>              | <b>151</b>                                  |

Note: Totals within this table are subject to rounding (6 March 2023 “BP33 Mineral Resource more than Doubled”).

## Corporate

As previously announced, Core expects to record an impairment of the carrying value of the Finnis operation in the Company’s 31 December 2023 half year results. The Company is also evaluating additional accounting adjustments related to the suspension of mining. Further details will be provided in the Company’s half year results.

In light of the current market conditions and to appropriately size the organisation, a number of roles will be removed from across the organisation during the March quarter. This will include changes to the senior leadership team. The portfolios of the Executive General Manager (EGM) People and Culture, and EGM Growth and Development, will move to EGM Sustainability and Chief Operating Officer respectively. This is in no way a reflection of the calibre and capability of the individuals who will subsequently be leaving Core. Their contributions to the business have been substantial, and we have benefitted from their leadership and expertise.

## Other disclosures

As at 31 December 2023, Core had the following capital structure:

- 2,136,935,544 ordinary shares; and
- 2,416,549 unquoted performance rights.

Core’s Appendix 5B includes amounts in item 6.1. The amounts in item 6.1 represent director fees paid to entities nominated by relevant directors.

## Tenements

| Tenement number           | Tenement name                       | Interest at the end of Quarter | Changes during Quarter |
|---------------------------|-------------------------------------|--------------------------------|------------------------|
| <b>South Australia</b>    |                                     |                                |                        |
| EL 6574                   | Fitton                              | 100%                           | None                   |
| EL 6038                   | Mt Freeling                         | 100%                           | None                   |
| EL 6111                   | Yerelina                            | 100%                           | None                   |
| EL 6445                   | Wyatt Bore                          | 100%                           | None                   |
| <b>Northern Territory</b> |                                     |                                |                        |
| EL 26848                  | Walanbanba                          | 100%                           | None                   |
| EL 28029                  | White Range East                    | 100%                           | None                   |
| EL 28136                  | Blueys                              | 100%                           | None                   |
| EL 29347                  | Yambla                              | 100%                           | None                   |
| EL 29389                  | Mt George                           | 100%                           | None                   |
| EL 29580                  | Jervois East                        | 100%                           | None                   |
| EL 29581                  | Jervois West                        | 100%                           | None                   |
| EL 29698                  | Finniss                             | 100%                           | None                   |
| EL 29699                  | Bynoe                               | 100%                           | None                   |
| EL 30012                  | Bynoe                               | 100%                           | None                   |
| EL 30015                  | Bynoe                               | 100%                           | None                   |
| EL 30793                  | McLeish                             | 100%                           | None                   |
| EL 31058                  | Barrow Creek                        | 100%                           | None                   |
| EL 31126                  | Zola                                | 100%                           | None                   |
| EL 31127                  | Ringwood                            | 100%                           | None                   |
| EL 31139                  | Anningie West                       | 100%                           | None                   |
| EL 31140                  | Anningie South                      | 100%                           | None                   |
| EL 31145                  | Barrow Creek North                  | 100%                           | None                   |
| EL 31146                  | Barrow Creek South                  | 100%                           | None                   |
| EL 31271                  | Bynoe                               | 100%                           | None                   |
| EL 31279                  | Sand Palms                          | 100%                           | None                   |
| EL 31407                  | Shoobridge                          | 100%                           | None                   |
| EL 31449                  | Napperby                            | 100%                           | None                   |
| EL 31886                  | Adelaide River                      | 100%                           | None                   |
| EL 32205                  | Finniss Range                       | 100%                           | None                   |
| EL 32392                  | Ivy                                 | 100%                           | None                   |
| EL 32396                  | Murray Creek                        | 100%                           | None                   |
| EMP 28651                 | Observation Hill (Extractive Lease) | 100%                           | None                   |

| Tenement number           | Tenement name                         | Interest at the end of Quarter | Changes during Quarter |
|---------------------------|---------------------------------------|--------------------------------|------------------------|
| <b>Northern Territory</b> |                                       |                                |                        |
| ML 29912                  | Saffums                               | 100%                           | None                   |
| ML 29914                  | Labelle                               | 100%                           | None                   |
| ML 29985                  | Angers North                          | 100%                           | None                   |
| ML 31654                  | Annie/Old Crusher                     | 100%                           | None                   |
| ML 31726                  | Grants Mineral Lease                  | 100%                           | None                   |
| ML 32074                  | Observation Hill<br>(Ancillary Lease) | 100%                           | None                   |
| ML 32278                  | Grants Dam<br>(Ancillary Lease)       | 100%                           | None                   |
| ML 32346                  | BP33 Mineral Lease                    | 100%                           | None                   |
| MLN16                     | Bynoe                                 | 100%                           | None                   |
| MLN813                    | Bilatos                               | 100%                           | None                   |
| MLN1148                   | Centurian                             | 100%                           | None                   |



**Mining exploration entity or oil and gas exploration entity  
quarterly cash flow report**

|                       |  |
|-----------------------|--|
| <b>Name of entity</b> |  |
| Core Lithium Ltd      |  |
| <b>ABN</b>            | <b>Quarter ended ("current quarter")</b> |
| 80 146 287 809        | 31 December 2023                         |

|   | Current quarter<br>\$A'000 | Year to date<br>(6 months)<br>\$A'000 |
|---|----------------------------|---------------------------------------|
| <b>Consolidated statement of cash flows</b>               |                            |                                       |
| <b>1. Cash flows from operating activities</b>            |                            |                                       |
| 1.1 Receipts from customers                               | 46,070                     | 67,750                                |
| 1.2 Payments for  |                            |                                       |
| (a) exploration & evaluation                              | -                          | -                                     |
| (b) development   | -                          | -                                     |
| (c) production  | (66,996)                   | (110,387)                             |
| (d) staff costs   | (3,901)                    | (7,243)                               |
| (e) administration and corporate costs                    | (5,162)                    | (7,418)                               |
| 1.3 Dividends received (see note 3)                       | -                          | -                                     |
| 1.4 Interest received                                     | 1,516                      | 3,060                                 |
| 1.5 Interest and other costs of finance paid              | (373)                      | (524)                                 |
| 1.6 Income taxes paid                                     | -                          | -                                     |
| 1.7 Government grants and tax incentives                  | -                          | (25)                                  |
| 1.8 Other (provide details if material)                   | -                          | -                                     |
| <b>1.9 Net cash from / (used in) operating activities</b> | <b>(28,846)</b>            | <b>(54,787)</b>                       |

|  |          |          |
|--|----------|----------|
| <b>2. Cash flows from investing activities</b> |          |          |
| 2.1 Payments to acquire or for:                |          |          |
| (a) entities                                   | -        | -        |
| (b) tenements                                  | -        | -        |
| (c) property, plant and equipment              | (1,768)  | (4,714)  |
| (d) exploration & evaluation                   | (12,388) | (22,495) |
| (e) investments                                | -        | -        |

|   | Current quarter<br>\$A'000 | Year to date<br>(6 months)<br>\$A'000 |
|---|----------------------------|---------------------------------------|
| <b>Consolidated statement of cash flows</b>               |                            |                                       |
| (f) other non-current assets - mine development           | (32,131)                   | (49,125)                              |
| 2.2 Proceeds from the disposal of:                        |                            |                                       |
| (a) entities  | -                          | -                                     |
| (b) tenements   | -                          | -                                     |
| (c) property, plant and equipment                         | 47                         | 42                                    |
| (d) investments   | -                          | -                                     |
| (e) other non-current assets                              | -                          | -                                     |
| 2.3 Cash flows from loans to other entities               | -                          | -                                     |
| 2.4 Dividends received (see note 3)                       | -                          | -                                     |
| 2.5 Other (Net proceeds / (payments) for Security bond)   | -                          | (530)                                 |
| 2.5a Other (Government grant co-funding received)         | -                          | -                                     |
| <b>2.6 Net cash from / (used in) investing activities</b> | <b>(46,240)</b>            | <b>(76,822)</b>                       |

|   |                |                |
|---|----------------|----------------|
| <b>3. Cash flows from financing activities</b>  |                |                |
| 3.1 Proceeds from issues of equity securities (excluding convertible debt securities)       | -              | 111,368        |
| 3.2 Proceeds from issue of convertible debt securities                                      | -              | -              |
| 3.3 Proceeds from exercise of options   | -              | -              |
| 3.4 Transaction costs related to issues of equity securities or convertible debt securities | (163)          | (3,675)        |
| 3.5 Proceeds from borrowings  | -              | -              |
| 3.6 Repayment of borrowings   | -              | -              |
| 3.7 Transaction costs related to loans and borrowings                                       | -              | -              |
| 3.8 Dividends paid  | -              | -              |
| 3.9 Other (Payments of lease liabilities)   | (1,302)        | (2,670)        |
| <b>3.10 Net cash from / (used in) financing activities</b>                                  | <b>(1,465)</b> | <b>105,023</b> |

|   |  | Current quarter<br>\$A'000 | Year to date<br>(6 months)<br>\$A'000 |
|---|--|----------------------------|---------------------------------------|
| <b>Consolidated statement of cash flows</b> |  |                            |                                       |
| <b>4.</b>                                   | <b>Net increase / (decrease) in cash and cash equivalents for the period</b> |                            |                                       |
| 4.1   | Cash and cash equivalents at beginning of period                             | 202,139                    | 152,786                               |
| 4.2   | Net cash from / (used in) operating activities (item 1.9 above)              | (28,846)                   | (54,787)                              |
| 4.3   | Net cash from / (used in) investing activities (item 2.6 above)              | (46,240)                   | (76,822)                              |
| 4.4   | Net cash from / (used in) financing activities (item 3.10 above)             | (1,465)                    | 105,023                               |
| 4.5   | Effect of movement in exchange rates on cash held                            | (762)                      | (1,374)                               |
| <b>4.6</b>                                  | <b>Cash and cash equivalents at end of period</b>                            | <b>124,826</b>             | <b>124,826</b>                        |

| <b>5.</b>  | <b>Reconciliation of cash and cash equivalents</b><br>at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts | Current quarter<br>\$A'000 | Previous quarter<br>\$A'000 |
|------------|---|----------------------------|-----------------------------|
| 5.1        | Bank balances   | 124,826                    | 202,139                     |
| 5.2        | Call deposits   | -                          | -                           |
| 5.3        | Bank overdrafts   | -                          | -                           |
| 5.4        | Other (provide details)   | -                          | -                           |
| <b>5.5</b> | <b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>  | <b>124,826</b>             | <b>202,139</b>              |

| <b>6.</b> | <b>Payments to related parties of the entity and their associates</b>                   | Current quarter<br>\$A'000 |
|-----------|---|----------------------------|
| 6.1       | Aggregate amount of payments to related parties and their associates included in item 1 | 140                        |
| 6.2       | Aggregate amount of payments to related parties and their associates included in item 2 | -                          |

*Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.*

| 7.  | <b>Financing facilities</b>  | <b>Total facility amount at quarter end<br/>\$A'000</b> | <b>Amount drawn at quarter end<br/>\$A'000</b> |
|-----|--|---|--|
|     | <p>Note: the term "facility" includes all forms of financing arrangements available to the entity.</p> <p>Add notes as necessary for an understanding of the sources of finance available to the entity.</p>   |   |  |
| 7.1 | Loan facilities  | -   | -  |
| 7.2 | Credit standby arrangements  | -   | -  |
| 7.3 | Other (please specify)   | -   | -  |
| 7.4 | <b>Total financing facilities</b>  | -   | -  |
| 7.5 | <b>Unused financing facilities available at quarter end</b>  |   | -  |
| 7.6 | <p>Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.</p> |   |  |
|     | N/A  |   |  |

| <b>8.</b> | <b>Estimated cash available for future operating activities</b>   | <b>\$A'000</b> |
|-----------|---|----------------|
| 8.1       | Net cash from / (used in) operating activities (item 1.9)   | (28,846)       |
| 8.2       | (Payments for exploration & evaluation classified as investing activities) (item 2.1(d))  | (12,388)       |
| 8.3       | Total relevant outgoings (item 8.1 + item 8.2)  | (41,234)       |
| 8.4       | Cash and cash equivalents at quarter end (item 4.6)   | 124,826        |
| 8.5       | Unused finance facilities available at quarter end (item 7.5)   | -              |
| 8.6       | Total available funding (item 8.4 + item 8.5)   | 124,826        |
| 8.7       | <b>Estimated quarters of funding available (item 8.6 divided by item 8.3)</b>   | <b>3.0</b>     |
|           | <i>Note: if the entity has reported positive relevant outgoings (i.e. a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i> |                |
| 8.8       | If item 8.7 is less than 2 quarters, please provide answers to the following questions:   |                |
| 8.8.1     | Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?   |                |
|           | Answer: N/A   |                |
| 8.8.2     | Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?                      |                |
|           | Answer: N/A   |                |
| 8.8.3     | Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?   |                |
|           | Answer: N/A   |                |
|           | <i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>  |                |

## Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 24 January 2024

Authorised by the Board of the Company  
(Name of body or officer authorising release – see note 4)

## Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [*name of board committee – e.g. Audit and Risk Committee*]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

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

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Core Lithium Ltd (ASX: CXO) (Core or Company) is an Australian hard-rock lithium mining company that owns and operates the Finniss Lithium Operation on the Cox Peninsula, south-west and 88km by sealed road from the Darwin Port, Northern Territory. Core's vision is to generate sustained value for shareholders from critical minerals exploration and mining projects underpinned by strong environmental, safety and social standards.

For further information about Core and its projects, visit [www.corelithium.com.au](http://www.corelithium.com.au).

### **Important Information**

This announcement may reference forecasts, estimates, assumptions and other forward-looking statements. Although the Company believes that its expectations, estimates and forecast outcomes are based on reasonable assumptions, it cannot assure that they will be achieved. They may be affected by various variables and changes in underlying assumptions subject to risk factors associated with the nature of the business, which could cause results to differ materially from those expressed in this announcement. The Company cautions against reliance on any forward-looking statements in this announcement.

All references to dollars (\$) and cents in this announcement are to Australian dollars, unless otherwise stated.