

27 November 2024

ASX: CXO Announcement

AGM Chair's Address

On behalf of the Board and management of Core Lithium, I welcome you to the Company's 2024 Annual General Meeting.

I begin by acknowledging the Traditional Owners of the land on which we meet today, the Whadjuk people of the Nyoongar nation and the Larrakia people, the Traditional Custodians of the land in the Darwin area surrounding our Finnis Lithium Operations. I pay my respects to Elders past and present.

During the past 12 months, we have been operating in a challenging environment due to a significant decline in spodumene prices. When we produced the first spodumene concentrate from Finnis in February 2023, lithium prices were nearly US\$8,000 per tonne. A year later, the price fell to around US\$1,100 per tonne, and now, nine months later, the price has fallen to US\$770/t. These price levels challenge the economic viability of most lithium operations globally.

In late 2023, in response to the deterioration in short-term market conditions, Core swiftly commenced a strategic review, which resulted in the difficult decision to stop mining operations at Grants in January 2024. Finnis was the first Australian lithium operation to be put into care and maintenance in this part of the cycle. Sadly, several other Australian-based operations have followed this path as the year has progressed. Our decision was made carefully, prioritising the long-term sustainability of our business and shareholder and other stakeholders' interests. This allowed Core to maintain a strong cash balance.

While some of the most challenging decisions are behind us, we are acutely aware of their impact on shareholders, our employees and important stakeholders in the Northern Territory. We are committed to being a responsible operator and steward of the Finnis asset.

Despite the challenges of FY24, several positive outcomes were achieved. As a Board, we are pleased with our safety and sustainability performance during a period of significant workforce disruption. Our commitment to rigorous safety protocols and continuous improvement has reinforced a secure working environment for all employees and contractors, which will continue.

Before the decision to stop mining at Finnis, the ramp-up at Finnis progressed well, with plant output and recovery improving. We demonstrated the efficiency and safety of our logistics chain in transporting products from our operations to our customers. We also advanced our second mining front with the box cut commencing at the BP33 project. Importantly, we ended FY24 in a solid financial position, with a cash balance of more than \$87 million and no debt, providing a solid foundation for our future endeavours.

The processing of ore stockpiles at Finnis concluded in June 2024, and since then, we have made sure to secure the site safely, aggressively explored near mine and greenfield exploration targets, and undertaken further studies and test work to strengthen our position so that we are ready to resume mining once market conditions are more stable.

Core will continue to act ethically and keep our operations in good standing before any restart. We remain committed to working closely with local NT stakeholders and collaborating with the traditional landowners of the lands on which we operate. I'd also like to thank the new and previous NT governments that have supported our activities.

Recent leadership transitions have also strengthened our team as we prepare to get the Finnis Operation restart ready. Gareth Manderson stepped down as CEO in March 2024, and Paul Brown was appointed CEO in May. Paul has a proven track record of leadership and extensive experience in lithium operations and project execution. Paul has held senior roles at Mineral Resources, Fortescue, and HWE Mining, where he demonstrated expertise in operational readiness, project development, and production efficiency. His deep understanding of the lithium industry and his ability to navigate complex operational challenges make him the ideal leader to guide Core through this critical transition and position Finnis for a successful restart.

James Virgo was promoted to interim Chief Financial Officer in March this year and confirmed as the permanent CFO two months later. An experienced finance professional with extensive financial, commercial, and taxation experience, James is the ideal person to drive Core's finance and capital management activities.

More recently, we added to the executive team in October by appointing James Bruce as Chief Operating Officer. James brings a diverse skillset in mining and finance, with expertise spanning mining operations, operational efficiency, development assessment, corporate development and sustainability. James oversees the Finnis Restart Study and exploration activities across our portfolio.

Our well-rounded management team works together to set our strategic direction and advance our corporate objectives and activities.

Ensuring the highest standards of corporate governance is essential to your Board. We work closely with the management team to help shape the business's strategy and provide the appropriate oversight expected from shareholders.

The composition of the Board has also evolved with our activities during the year. Andrea Hall resigned as a Non-Executive Director of Core in March 2024 as operations were winding down. On behalf of the Board, I thank Andrea for her significant contribution to Core, including chairing the Risk Committee.

Last month, we announced the appointment of Alicia Sherwood as a Non-Executive Director, commencing 1 December. Alicia brings deep connections in the Northern Territory and has served as General Manager of our Finnis operations, giving her great insight into our business and local stakeholders. Her governance and leadership skills will also further strengthen the Core Board.

Following Alicia's appointment, I believe the board has the appropriate mix of experience and skills to implement the company's strategies safely, ethically, and cost-effectively while creating value for shareholders.

Our solid balance sheet allows us to navigate market fluctuations and seize opportunities when they arise. We continue to make prudent investments in exploration and development activities, focusing on expanding our future mining inventory and identifying new growth opportunities.

The lithium industry remains one of the most exciting and dynamic industries in which to be involved. There remains a clear prospect for long-term growth, but we expect to continue to see short-term volatility. Since 2021, we have demonstrated agility in responding to industry conditions. We capitalised on strong market sentiment by financing and constructing the Finnis Lithium Operation. While this will be a challenge, it also presents an opportunity for Core to be in a position to resume operations from a lower cost base and with higher productivity to capitalise on any future lithium price upswing. We have built a team and a strategy around this objective and are committed to delivering on this plan and, in doing so, benefiting Core shareholders.

While market conditions have forced us to adapt, our commitment to safety, operational excellence, and environmental stewardship remains unwavering. We have taken proactive steps to navigate the current landscape and are confident in capitalising on future opportunities as the lithium market recovers.

Despite the challenges and uncertainties facing all lithium companies doing business in Australia, we continue to focus on future growth and generating superior long-term returns for our shareholders.

Our strategic goals for FY25 are to streamline business costs, get the Finniss Operation to a restart-ready position, and continue near-mine and regional exploration.

In conclusion, the past year has been challenging and one of transition and resilience for Core. However, while the outlook for the lithium industry remains uncertain with ongoing challenges, Core is well-positioned with the Finniss mine, a strong balance sheet and various platforms for future growth.

I thank our dedicated employees, management team, and Board of Directors for their hard work and commitment. I also thank our shareholders for their continued support and confidence in Core.

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

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About Core

Core Lithium Ltd (**ASX: CXO**) (**Core** or **Company**) is an Australian hard-rock lithium company that owns 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

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.