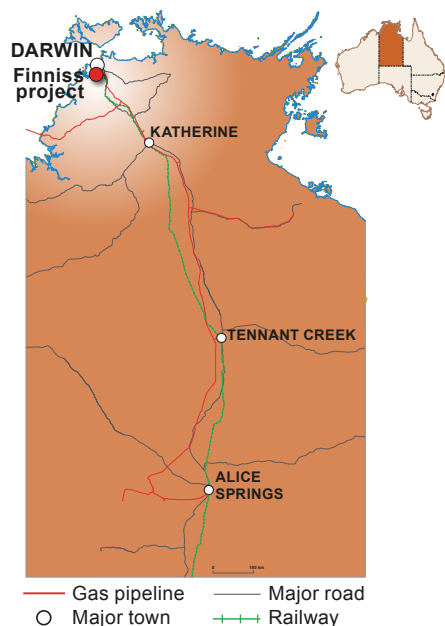


# Finniss Project

Li



## Company overview

Core Lithium is a publicly listed Australian resources company targeting lithium production through the development of its Finniss Lithium Project in the Northern Territory.

**ASX:** CXO

**Market capitalisation (ASX):**

A\$37.5 million at 20 February 2019

**Number of shares (ASX):** 694.47 million at 20 February 2019

**Website:** [www.corelithium.com.au](http://www.corelithium.com.au)

**Resource:** Lithium

## Contact details

Core Lithium  
Mr Blair Duncan  
General Manager, Project Development  
T: +61 8 7324 2987  
E: [bduncan@corelithium.com.au](mailto:bduncan@corelithium.com.au)

**Australia's Northern Territory  
Government  
Department of Primary Industry and  
Resources  
Investment Attraction Division**

T: +61 8 8999 1385  
E: [Resources.Investment@nt.gov.au](mailto:Resources.Investment@nt.gov.au)

For more information on this project or others available in the Northern Territory, visit [www.resourcingtheterritory.nt.gov.au](http://www.resourcingtheterritory.nt.gov.au)

## Project overview

Core Lithium's flagship Finniss project encompasses a large landholding in the Bynoe tin tantalum pegmatite field. The Bynoe field has a more-than 100 year history of tin and tantalum production.

The company has had a high rate of drilling success to date on multiple prospects at the Finniss project, with the potential to make further discoveries and grow the size of the resource. In January 2019, the Mineral Resource for five deposits at Finniss totalled 8.55 Mt @1.33% Li<sub>2</sub>O. The Grants deposit is the first deposit scheduled to be developed, and one of the highest-grade spodumene resources in Australia. The project is advantageously located close to grid power, gas and rail, and is less than 2 km from a sealed road and only within easy trucking distance of the Port of Darwin, which is Australia's closest bulk commodity export port to east Asia.

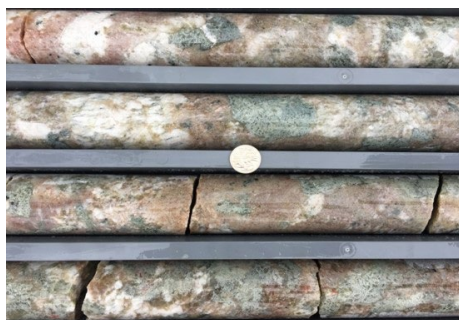
The project area covers over 500 km<sup>2</sup> of granted tenements and 25 historic pegmatite mines, including the Mt Finniss tin tantalum mine – the largest historically producing tin and tantalum mine in the Northern Territory.

A Pre-Feasibility Study (PFS) for the project was released in June 2018, with a project flowsheet based on the construction of a 1 Mtpa Dense Media Separation plant, producing a total of 400 000 t grading 5% Li<sub>2</sub>O from the Grants deposit. The resource appears to be amenable to simple mining methods. The company was granted a mineral lease for the Grants deposit in January 2019.

## Geology and exploration activity to date

The Finniss project is located within the Bynoe pegmatite field. Pegmatites at Bynoe are of lithium-caesium-tantalum composition (LCT), ranging from narrow 'veins' to broad lozenge-shaped bodies up to 500 m long and 60 m wide. The pegmatite is recognised as offering simple minerology, coarse texture and high grade, potentially allowing for low-cost spodumene concentrate production.

The Grants prospect has a 2018 Mineral Resource of 2.89 Mt @ 1.48% Li<sub>2</sub>O represented one of the highest grade undeveloped lithium deposits in Australia. In late 2018 and January 2019 maiden Inferred Resources were announced for the Sandras (1.3 Mt at 1.0% Li<sub>2</sub>O), Carlton (0.79 Mt at 1.3% Li<sub>2</sub>O) and Hang Gong (1.4 Mt at 1.2% Li<sub>2</sub>O) deposits, bringing the total combined Mineral Resource for the Finniss project area to 8.55 Mt at 1.33%. Core also announced promising exploration results from other prospects including Lees-Booths Link and prospects in the southern part of the project area including Turners and Talmina 3. Drilling results at Hang Gong and Lees-Booths Link suggest that pegmatites in these areas are shallowly-dipping and stacked, unlike the sub-vertical pegmatites at Grants and BP33.



## Infrastructure

The Finniss project has the advantage of close proximity to the regional infrastructure and stable workforce of the city of Darwin. Available infrastructure includes a sealed road within 2 km of the project, nearby grid power, gas and rail. The project is only 50 km by road from the Port of Darwin, which is Australia's closest bulk commodity export port to east Asia.

## Project economics

- Initial metallurgical test work results for Grants pegmatite are encouraging, with a number of standard processing routes identified to produce a spodumene concentrate product of 6%  $\text{Li}_2\text{O}$  at recoveries of 80% or better.
- The June 2018 prefeasibility study for Grants indicate it is a financially viable operation, with A\$346 million in revenue (pre-tax) to be generated over the mine life at a strong operating margin of 57% based on an average life of mine sale price of US\$649/t (FOB) concentrate. This allows for a rapid payback period of less than 12 months.

## Project status and development timeline

- A Definitive Feasibility Study on the Grants deposit is due to be delivered in early 2019, and is aiming to have approvals in place to allow a development decision by mid-2019, with project construction in the second half of 2019.
- The approvals process is planned to commence in 2019 for development of the BP33 deposit, allowing a staged development of the project.

## Investment sought

Core Lithium is interested in either offtake agreements, or the sale of a minority interest with an investment partner able to contribute to the capital cost in return for offtake of lithium from the project.

## JORC Resource Estimates

The Finniss project has Indicated and Inferred Resources reported on 31 January 2019 at a cutoff of 0.75%  $\text{Li}_2\text{O}$ .

Deposit	Resource Tonnes	$\text{Li}_2\text{O}$ Grade %	Contained $\text{Li}_2\text{O}$ (t)
Grants	2 890 000	1.48	42 700
BP33	2 150 000	1.51	33 000
Sandras	1 300 000	1.0	13 000
Carlton	790 000	1.2	10 000
Hang Gong	1 420 000	1.33	17 000
<b>Total</b>	<b>8 550 000</b>	<b>1.33</b>	<b>115 700</b>

### Disclaimer:

*This document includes information provided by third parties. The information is general in nature and is for information purposes only. The Northern Territory Government makes no representation about the veracity or accuracy of information provided by third parties. You must rely on your own due diligence before proceeding. You should consider seeking independent professional advice.*