Announcement Summary

**Entity name**

CORE LITHIUM LTD

**Announcement Type**

New announcement

**Date of this announcement**

Wednesday August 19, 2020

**The Proposed issue is:**

☑ A placement or other type of issue

**Total number of +securities proposed to be issued for a placement or other type of issue**

| ASX +security code | +Security description | Maximum Number of +securities to be issued |
|---|---|---|
| CXO | ORDINARY FULLY PAID | 21,739,130 |

**Proposed +issue date**

Monday August 24, 2020

Refer to next page for full details of the announcement

## Part 1 - Entity and announcement details

**1.1 Name of +Entity**

CORE LITHIUM LTD

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

**1.2 Registered Number Type**

ABN

**Registration Number**

80146287809

**1.3 ASX issuer code**

CXO

**1.4 The announcement is**

☑ New announcement

**1.5 Date of this announcement**

Wednesday August 19, 2020

**1.6 The Proposed issue is:**

☑ A placement or other type of issue

## Part 7 - Details of proposed placement or other issue

## Part 7A - Conditions

**7A.1 - Are any of the following approvals required for the placement or other type of issue?**

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

☑ No

## Part 7B - Issue details

**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**
☑ Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**
☑ No

### Details of +securities proposed to be issued

**ASX +security code and description**

CXO : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

21,739,130

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**
☑ Yes

**In what currency is the cash consideration being paid?**

AUD - Australian Dollar

**What is the issue price per +security?**

AUD 0.04600

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**
☑ No

**If some of the issued +securities do not rank equally**

**Is the actual date from which the +securities will rank equally (non-ranking end date) known?**
Yes

**Provide the actual non-ranking end date**

Wednesday August 18, 2021

**Please state the extent to which the +securities do not rank equally:**
- **In relation to the next dividend, distribution or interest payment; or**
- **For any other reason**

The securities are subject to voluntary escrow for 12 months from the date of issue and cannot be traded in that time.

## Part 7C - Timetable

**7C.1 Proposed +issue date**

Monday August 24, 2020

## Part 7D - Listing Rule requirements

**7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?**
No

**7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?**
No

**7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?**
Yes

**7D.1c ( i ) How many +securities are proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A?**

21,739,130

**7D.1c ( ii ) Please explain why the entity has chosen to do a placement rather than a +pro rata issue or an offer under a +security purchase plan in which existing ordinary +security holders would have been eligible to participate**

The Company has issued shares as a placement to a strategic offtake partner. The issue has been made as a placement and not as a pro-rata issue or an offer under a security purchase plan (SPP) in which existing shareholders would have been able to participate. This approach has been taken as it considered that the issue, being carried out as part of the placement, is the most cost-efficient and expedient method available at the time for raising, at an appropriate price, the funds required by the Company to achieve its objectives, given the funding certainty and the pricing achieved under the Placement. Additionally, the Company has recently completed an SPP on 22 June 2020 giving all shareholders the opportunity to participate in the Company's equity issue.

**7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?**
No

**7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?**
No

**7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?**
☑ Yes

**7D.4a Please enter the number and +class of the +securities subject to +voluntary escrow and the date from which they will cease to be subject to +voluntary escrow**

All 21,739,130 CXO shares are subject to voluntary escrow for a period of 12 months. The date from which the shares cease to be subject to voluntary escrow is 19 August 2021.

## Part 7E - Fees and expenses

**7E.1 Will there be a lead manager or broker to the proposed issue?**
☑ No

**7E.2 Is the proposed issue to be underwritten?**
☑ No

**7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue**

## Part 7F - Further Information

**7F.01 The purpose(s) for which the entity is issuing the securities**

To accelerate the Finniss Lithium project optimisation.

**7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?**
☑ No

**7F.2 Any other information the entity wishes to provide about the proposed issue**