

Core Lithium Ltd

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Core Lithium reveals possible new revenue source from Finniss project

Core Lithium Ltd (ASX:CXO) has obtained expressions of interest from a number of parties for the potential purchase of fine lithium (FL), which may represent a new revenue source from the Finniss Lithium Project near Darwin in the Northern Territory.

FL is a by-product of the production of high-quality lithium concentrate from the project.

The company is targeting annual production of 175,000 tonnes of high-quality lithium concentrate set to begin in 2020.

In addition, between 200,000 tonnes and 250,000 tonnes per annum of FL is forecast to be produced as a by-product of the concentrate process through Core's Dense Media Separation (DMS) plant.

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Core's managing director Stephen Biggins said: "The addition of fine lithium to the suite of saleable products is likely to materially improve the economics of what is already a very good project.

"We are already mining and partially processing this material anyway as we produce spodumene concentrate.

"There is little extra work that needs to be done to add significant revenue - Core is well advanced with debt financiers in addition to finalising offtake terms in coming months."

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The FL product was initially planned to be stored for processing at a later date but in response to recent expressions of interest, Core is considering adding potential sales of FL to project revenues.

As a by-product, FL incurs only a low marginal increase in operating cost and because Core's Finniss project is only 30 kilometres from Port Darwin, the company's cost of transport of bulk lithium product from mine to port is only US\$7/tonne.

The indicative pricing of FL is between \$US50 and US\$75 per tonne.

Core is undertaking further studies on FL product preparation and transport, and aims to complete binding FL offtake agreements in coming months.

Price: 0.039

Market Cap: \$30.91 m

1 Year Share Price Graph



Share Information

Code: CXO

Listing: ASX

52 week High Low
0.0615 0.031

Sector: Battery Metals

Website: www.coreexploration.com.au

Company Synopsis:

Core Lithium Ltd (ASX:CXO) is an emerging lithium developer.

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