

From: s22 @ga.gov.au>
Sent: Thu, 27 Aug 2020 11:14:24 +0000
To: s22 @industry.gov.au>
Cc: s22 @ga.gov.au>; s22 @ga.gov.au>; s22 @industry.gov.au>; s22 @ga.gov.au>; s22 @ga.gov.au>
Subject: RE: Major Project Status - Consultation with Geoscience Australia
[SEC=OFFICIAL:Sensitive]
Attachments: s47G(1)(a) GA
comments on Finiss lithium application to the MPFA.pdf

Dear s22

Please find attached our comments on the applications for Major Project Status for the s22 and the Finniss Lithium, Project. s22

Please let us know if you require any assistance or if anything is unclear. I will be away next week but s22 will be Acting for me and our commodity specialists are happy to help.

Regards,

s22 | **Director (A/g): Mineral Resources Advice and Promotion**
Advice, Investment Attraction and Analysis Branch
Minerals, Energy and Groundwater Division
t s22 www.ga.gov.au



s22



Major Projects Facilitation Office
Northern Australia and Major Projects
Department of Industry, Science, Energy and Resources

27 August 2020

Attn: s22

Consultation: Application for Major Project Status for the Finniss Lithium Project (Core Lithium Ltd)

Thank you for the opportunity to provide comment on the application to the Major Projects Facilitation Agency (MPFA) by Core Lithium Ltd for Major Project status. Geoscience Australia has studied the material supplied, drawn on our own data holdings and industry knowledge, and made comparisons with similar projects as well as world and Australian lithium resources.

Geology and mineralisation

The Finniss lithium project is located in the Central Domain of the Pine Creek Orogen of northern Australia, and is hosted within multiple pegmatite bodies forming part of the Bynoe pegmatite field. Mineralisation is typically hosted within the lithium-bearing mineral spodumene within the pegmatites. Such pegmatites often occur together in swarms, providing multiple ore bodies within one district. This is also the case for the Finniss project, with the Bynoe pegmatite field (15 km x 70 km in size), hosting the Grants lithium deposit and five other current Core prospects—BP33, Carlton, Sandras, Hang Gong and Lees-Booths deposits—stretching over ~25 km. The Bynoe pegmatites, like other lithium pegmatite deposits in Australia, have had a long history of exploration and mining, commencing in the late 1800s largely for tin and tantalum.

Resources

The Grants deposit is estimated to host 13.4 kt of lithium in the Economic Demonstrated Category (EDR), which comprises 0.26% of the national total (Table 1). The Grants EDR comprises ~12.1 kt of lithium Ore Reserves reported in compliance with the Joint Ore Reserves Committee (JORC) Code (2012). The Inferred Resource comprises a larger percentage of the national total (Table 1).

Reported grades for the Grants deposit are 1.48% lithium oxide (Li_2O), towards the upper end of grades at Australian lithium pegmatite deposits (1 to 1.6 wt% Li_2O ; Table 2), with the exception of the higher grade Greenbushes deposit in Western Australia (2+% Li_2O). Although the critical metals tantalum (and niobium) are commonly present within Australian Li-bearing pegmatites (Table 2), and tantalum has been previously produced from the region, concentrations have not been reported for the Finniss deposits. For comparison, Table 2 shows the tonnage and grade of a number of pegmatite lithium deposits in Western Australia compared to the Grants deposit (Finniss Project). Lithium resources at Finniss form less than 1% of Australia's economically demonstrated resources of the metal, reflecting the dominance and greater size of Western Australian deposits.

Table 1. Mineral Resources for the Finniss lithium project and comparisons to world and Australian estimates at the Finniss lithium project, Northern Territory

Lithium	EDR		Inferred		Production 2019
	kt Li	% Aust	kt Li	% Aust	kt Li
World	19 182		-		80
Australia	4982		1493		45
Applicant's Project					
Grants	13.4	0.26%	6.5	0.44%	
BP33	4.1	0.08%	11.0	0.74%	
Carlton			4.8	0.32%	
Sandras			6.0	0.40%	
Hang Gong			7.9	0.53%	
Lees-Booth			4.7	0.32%	
Finniss Lithium Total	17.4	0.35%	40.9	2.7%	~4.9 planned production

Abbreviations: EDR – Economic Demonstrated Resources; kt Li – thousand tonnes of lithium content.

Company data sourced from Core Lithium Ltd ASX announcement 15 June 2020.

Australian data sourced from Geoscience Australia database and current to June 2020.

Australian production figures sourced from Geological Survey of Western Australia, reported as concentrates and converted to Li assuming 6% Li₂O content.

World data sourced from the United States Geological Survey (Mineral Commodity Summaries 2020), modified for Australian data.

Table 2. Mineral Resources at Grants (Finniss Project) in comparison to other active lithium projects in Australia.

Commodity	Deposit					
	Earl Grey	Grants	Kathleen Valley	Mount Cattlin	Pilgangoora	Wodgina
Li ₂ O (%)	1.5	1.48	1.4	1.29	1.27	1.17
Ta ₂ O ₅ (ppm)	50	NR	130	157	116	160
Ore (Mt)	189	2.89	156	14.6	223.2	259.2
Status	PFS	DFS	PFS	Mine	Mine	Mine (C&M)

Abbreviations: Li₂O – lithium oxide; Ta₂O₅ – tantalum pentoxide; Mt – million tonnes of Li₂O in all resource categories; DFS – definitive feasibility study; PFS – pre-feasibility study; NR – not reported; Mine – operating mine; C&M = mine currently not producing and on care and maintenance.

Company data sourced from Geoscience Australia's mineral resources database.

Finniss technical study and planned production

Core completed a Definitive Feasibility Study (DFS) in the first half of 2019 focussing on the Grants and BP33 orebodies. The DFS showed that economics were favourable for an open-pit operation, producing up to 180 kilotonnes per annum (ktpa) of high-quality lithium concentrate, with operating costs of US\$300 per tonne of concentrate (broadly similar to other Australian deposits). At the time of the DFS, Core had a 3.5-year mine life (40 months) based on a total Ore Reserve estimated (calculated for Grants and BP33) of 2.2 million tonnes (Mt) at 1.4% Li₂O (32.3 kt of contained Li₂O).

Core has since released updated Ore Reserve estimates (June 2020) of 5.7 Mt at 1.3% Li₂O for both open-cut (Grants deposit) and underground (BP33 and Carlton orebodies) mining. Core have indicated that underground mining methods will most likely be utilised for the BP33, Carlton, Hang Gang and Booths/Lees deposits. Core have undertaken a pre-feasibility study (PFS) into underground mining at the Finniss Project and are developing an updated DFS looking at an increased mine life of 7-10 years from both open-pit and underground mining.

Brief outlook for lithium

The lithium price has been depressed over the last two years, due to over-supply, slower than expected growth in lithium demand and also influences from changes in subsidies for electrical vehicles in China. The response by Australian lithium-producing mines has been varied, ranging from minimal disruption through to decreased or even ceased production (mines on care and maintenance). It has also resulted in delays and postponements in planned production upgrades and to operating or planned downstream lithium hydroxide plants. Long-term outlooks for lithium are generally favourable driven by expected demand for batteries.

Diversification of supply

The Finniss lithium project, once producing, will represent the first Australian production of lithium outside of Western Australia. It will also be the first lithium pegmatite deposit in Australia in post-Archean aged rocks. Core currently have offtake agreements with Yahua (Sichuan Yahua Industrial Group Co Ltd, China; 75 ktpa), Transamine Trading (private commodities trader based in Switzerland; 50 ktpa) and Xinfeng (Tangshan Xinfeng Lithium Industry Co Ltd, China; 20–30 ktpa – non-binding MOU at present), which comprise over 80% of Core's targeted annual production of 175 ktpa lithium concentrates. Both Yahua and Xinfeng have offtake agreements with other Australia lithium producers. The Finniss Project includes the first European off-take partner for lithium in Australia. Offtake partners for current operating lithium mines are dominantly Chinese but include Korean, US and South American companies.

Ownership of other assets

Core have a number of other assets within Australia, including copper, lead and zinc (Northern Territory and South Australia), gold (Northern Territory) and uranium (South Australia) in various stages of exploration, with only the Napperby uranium project having an estimated Mineral Resource.

Advice

Geoscience Australia notes the importance of diversifying global critical minerals supplies, with lithium being of key interest to Australia and many trading partners. While the Grants lithium resource is not as large as other lithium deposits, the deposit will be the first to be mined outside of Western Australia and includes a European offtake partner, diversifying the lithium supply market.

Geoscience Australia is not aware of any matters related to this application for Major Project Status that would exclude it from consideration, and therefore has *no objections* if the MPFA wishes to recommend this project to the Minister for Major Project status.

Regards

s22, Director (A/g): Mineral Resources Advice and Promotions
Advice, Investment Attraction and Analysis Branch
Minerals, Energy and Groundwater Division
Geoscience Australia

s22

OFFICIAL

From: s22 @niaa.gov.au
Sent: Monday, 2 November 2020 10:25 PM
To: s22
Cc: s22

Subject: RE: Major Project Status - Consultation with the National Indigenous Australians Agency
[SEC=OFFICIAL]

OFFICIAL

OFFICIAL

Dear s22

Thank you for the opportunity to provide comment on the applications for Major Project Status from s22

and Core Lithium for its Finiss Lithium Project. I understand you are seeking comments from relevant Commonwealth and state/territory government agencies to help me prepare a recommendation to the Minister.

a) Whether your agency supports this project in principle or has any specific concerns with this project;

- NIAA works across all levels of Government and in collaboration with the private sector to increase Aboriginal participation in industry infrastructure projects. NIAA does not have a specific view on the merits of the s22 and Finiss Lithium Project. NIAA has been working with Northern Territory Government on the Five Mines Project (which includes the Mount Peake Project) to map the business and workforce opportunities, the current capability and capacity within the local region with a focus on Indigenous business capability and to determine gaps within the region in terms of skills, especially for the engagement of local Indigenous people in the individual projects.
- We have not been made aware of any specific objections from Traditional owners or the wider community to the projects. NIAA is aware that the mining sector has Indigenous employment strategies and Indigenous targets; the NIAA continue to work with industry and agencies to ensure that local people are job-ready to participate in the projects.

- We would welcome meeting with the proponents to discuss their employment needs and how NIAA can assist.

b) Any potential approvals necessary for this project, given the information available regarding the location of proposed activities and operational plans, as well as any known or potential risks;

- We are aware that the majority of current and future mining activity in the Northern Territory occurs on Aboriginal Land. NIAA is exploring ways to support greater Indigenous-led economic activity on native title land through leasehold arrangements.
- Land rights, including native title, have made a significant contribution to achieving economic, social and cultural outcomes and ensuring sustainable intergenerational benefits for Indigenous communities.
- Although many communities have benefited from native title arrangements, NIAA recognises the difficulties communities can face when attempting to use their land for commercial gain. Indigenous Land Use Agreements (ILUAs) and other Native Title Agreements are a mechanism by which native title holders can negotiate economic outcomes in return for the use of traditional land and waters. ILUAs provide a range of social and economic benefits for communities.

•s22

- We are also aware that Finniss Lithium Project is proposed on NT crown land. However, we understand that Traditional Owners legal representatives may have written to the company on behalf of Traditional Owners notifying them of the potential that a native title claim could be filed and would welcome the opportunity to negotiate a comprehensive agreement for future operations of the Cox Peninsula.

c) Any advice on alignment with policy objectives that you may be aware of or broader policy issues that may impact the project.

- The Australian Government has implemented an Indigenous Business Sector Strategy that forms a 10-year roadmap to help Indigenous entrepreneurs access vital business and financial support. [Link](#)
- Greater opportunities and economic participation, more Indigenous-owned businesses and higher employment levels lead to better outcomes for Indigenous Australians in a range of areas, from health and education to safer communities, less insecurity and greater political participation.

For background. The National Indigenous Australians Agency (NIAA) is committed to improving the lives of all Aboriginal and Torres Strait Islander peoples. We liaise closely with State and Territory governments, Indigenous peak bodies, stakeholders and service providers to ensure that Indigenous programs and services are delivering for Aboriginal and Torres Strait Islander peoples as intended. NIAA is working to improve Indigenous Australians' economic prosperity by creating opportunities for greater access to, and participation in the NT economy.

Thank you for the opportunity to comment. If you require more information please contact s22
, Advisor Strategic Projects on s22

Kind regards

s22

Branch Manager NT Strategy and Policy
Central Group, National Indigenous Australians Agency
p. s22 @niaa.gov.au
Jacana House, 39-41 Woods Street Darwin NT 0800
Charles Perkins House 16 Bowes Place Phillip ACT 2606 | GPO Box 2191 Canberra 2601
w. niaa.gov.au w. indigenous.gov.au

s22

OFFICIAL

From: s22 @austrade.gov.au s22 @austrade.gov.au]
Sent: Monday, 14 September 2020 9:49 AM
To: s22
Cc: s22
Subject: FW: Major Project Status - Consultation with Austrade [SEC=OFFICIAL]

OFFICIAL

Hi s22

We support in principle the listing of these three projects for **Major Project Status**, each of which are featured in our organisation's soon to be published Critical Minerals Prospectus.

Thanks
s22

**Manager, Mining & Resources – Centre of Excellence
Australian Trade & Investment Commission (Austrade)**

Level 16/307 Queen St,
Brisbane City QLD 4000

T s22
s22 @austrade.gov.au | www.austrade.gov.au

s22

From: s22 @homeaffairs.gov.au>
Sent: Wed, 16 Dec 2020 22:20:14 +0000
To: s22 @industry.gov.au>
Cc: s22 @industry.gov.au>; "s22 @homeaffairs.gov.au>;"s22 @homeaffairs.gov.au>; "s22 @homeaffairs.gov.au>
s22 @homeaffairs.gov.au>;"s22 @homeaffairs.gov.au>
Subject: RE: Input from the Critical Infrastructure Centre - Finniss Lithium Project - MPFA
[SEC=OFFICIAL]

OFFICIAL

Thank you very much for your email and the information provided.

s22

s33(a)

As the project concerns lithium mining, I would recommend further discussion with the Critical Minerals Facilitation Office (CMFO) in relation to the queries detailed in your email. In this case I believe CMFO would be best placed to provide comment as the project relates to their area of expertise. I would also be happy to assist in facilitating contact between the Major Projects Facilitation Agency and other national security stakeholders (e.g. Defence) in relation to the project, should you feel that this would be beneficial.

Please also let me know if I can help in any other way.

Many thanks.

Kind regards,

s22

s22

Assistant Director | Risk (Energy and Water)

Critical Infrastructure Centre | Department of Home Affairs

s22 [@homeaffairs.gov.au](mailto:s22@homeaffairs.gov.au)



Australian Government
Department of Home Affairs



CRITICAL
INFRASTRUCTURE
CENTRE

1300 27 25 24
enquiries@cicentre.gov.au
www.cicentre.gov.au

The Department of Home Affairs and the Australian Border Force acknowledges the Traditional Custodians throughout Australia and their continuing connection to land, sea and community. We pay respect to all Aboriginal and Torres Strait Islander peoples, their cultures and to their elders past and present.



From: s22 @TREASURY.GOV.AU]
Sent: Thursday, 3 September 2020 10:42 AM
To: s22 @industry.gov.au>
Cc: s22 @TREASURY.GOV.AU>
Subject: RE: Major Project Status - Consultation with Treasury [SEC=OFFICIAL]

OFFICIAL

Hi s22

I've had a good look at the three cases s22 and the **Finniss Lithium Project**, and haven't found any information to indicate that Treasury would have any issue with these projects being approved for Major Project Status.

For your awareness and I'm sure you already know, however, it should be noted that should foreign investment be directed to any of the projects, such investment may need to come in for FIRB approval. On such occasions, our focus would be on the Applicant (the provider of the investment) rather than the recipient (in this case the Project), although we do give consideration to the nature of the entity the investor will be investing in. Overall our assessment will be made on the Applicant.

Happy to discuss anytime

Thanks

s22

Foreign Investment Division | Corporate and Foreign Investment Group
The Treasury, Langton Crescent, Parkes, ACT 2600
Ph. s22 @treasury.gov.au

The Treasury acknowledges the traditional owners of country throughout Australia, and their continuing connection to land, water and community. We pay our respects to them and their cultures and to elders past, present and future.

OFFICIAL

s22

[illegible]