



ASX ANNOUNCEMENT

ASX: CXO

23 January 2018

Core Re-Commences Lithium Resource Drilling at High Grade BP33 Prospect

HIGHLIGHTS

- Core has recommenced diamond drilling at the High-Grade BP33 Lithium Pegmatite within the Finniss Lithium Project near Darwin in the NT
- Drilling is focussed on establishing an initial JORC Resource at BP33
- Recent High-Grade Lithium drill assays received from RC drilling at BP33 include:
 - 62m @ 1.24% Li₂O from 66m in FRC104
 - 54m @ 1.42% Li₂O from 101m in FRC103
- Assays from diamond core drilling completed in December at BP33 are expected in the coming weeks
- Strong flow of assay results expected from BP33, Grants and other exploration targets throughout Q1 2018 as drilling continues within the Finniss Project

Core Exploration Ltd (ASX: CXO) (“Core” or the “Company”) is pleased to announce that drilling has re-commenced in 2018 at its high grade Finniss Lithium Project near Darwin in the NT.

Drilling has re-commenced with an initial focus at the high-grade BP33 Lithium Pegmatite. The current and recent diamond drilling at BP33 is aimed at defining the continuity of grade and scale of the spodumene mineralisation to allow for estimation of an initial JORC Resource at BP33. Once defined, BP33 will be the 2nd lithium deposit Core has defined within its broader Finniss Lithium Project, which is located within trucking distance of Darwin Port.



The diamond drill core will also provide valuable information that may be used for metallurgical testwork and geotechnical evaluation at BP33.

Core's recent lithium drill results at BP33 (announced to ASX on 27/11/2017 & 13/12/2017) reflect the widest pegmatite intervals that have ever been drilled at BP33, and amongst the widest spodumene bearing intersections ever drilled in the Northern Territory.

Results from the drilling in late 2017 also confirm that BP33 pegmatite is open along strike both to the north and to the south, and is thicker at depth than expected. The drill intersections from the last holes of 2017 suggested a down-dip doubling of true thickness of the spodumene pegmatite in the north of BP33 (20m at surface vs 40m estimated true width at depth).

Core's diamond drilling at BP33 is planned to continue into early February, when the rig will be moved to the Grants deposit, to commence resource upgrade drilling.

Assay results from diamond core drilling at BP33 (including diamond drilling completed in December 2017) are expected in the coming weeks.



Figure 1. Diamond Drill Rig and Core at BP33, Finniss Lithium Project near Darwin in the NT.

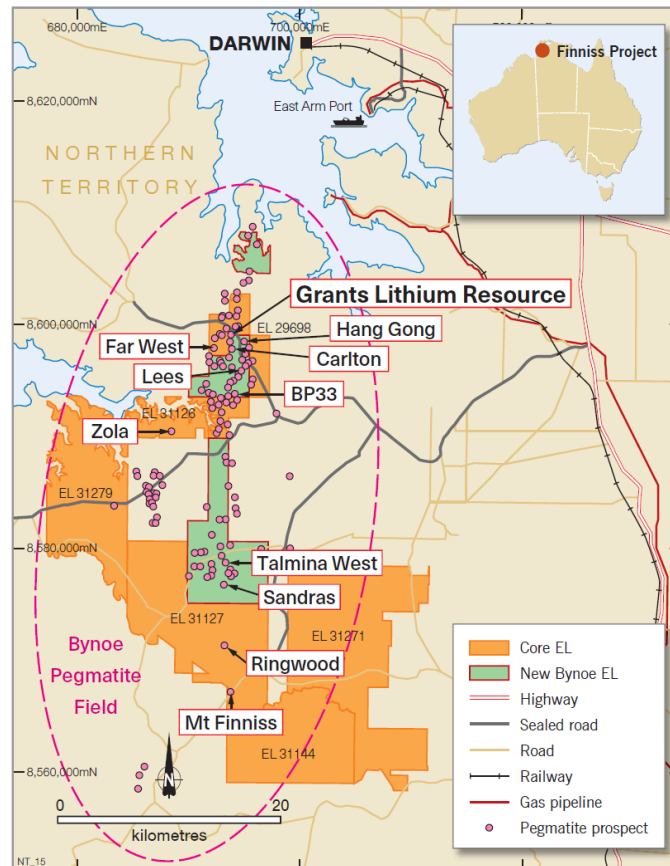


Figure 2. Pegmatite prospects within the Finniss and Bynoe Lithium Projects near Darwin, NT

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The information in this report that relates to Exploration Results and Mineral Resources is based on information compiled by Stephen Biggins (BSc(Hons)Geol, MBA) as Managing Director of Core Exploration Ltd who is a member of the Australasian Institute of Mining and Metallurgy and is bound by and follows the Institute's codes and recommended practices. He has sufficient experience which is relevant to the styles of mineralisation and types of deposits under consideration and to the activities being undertaken to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr. Biggins consents to the inclusion in the report of the matters based on his information in the form and context in which it appears. The report includes results that have previously recently been released under JORC 2012 by Core on 27/11/2017 "Wide High-Grade Lithium Drill Intersections at BP33" and on 13/12/2017 "New Assays Extend BP33 Intersection". The Company is not aware of any new information that materially affects the information included in this announcement.