



30 April 2018

Centralised Company Announcements Platform
Australian Securities Exchange
10th floor, 20 Bond Street
Sydney NSW 2000

QUARTERLY ACTIVITIES AND CASHFLOW REPORT 31 MARCH 2018

Please find attached the Quarterly Activities and Appendix 5B Quarterly Cash Flow Reports for the Quarter ended 31 March 2018.

Yours faithfully



Stephen Biggins
Managing Director



ASX Release

30 April 2018

CORE EXPLORATION LTD

26 Gray Court
Adelaide SA 5000
(08) 7324 2987

CONTACT:

Stephen Biggins
Managing Director

Jarek Kopias
Company Secretary

E-MAIL:

info@coreexploration.com.au

WEBSITE:

www.coreexploration.com.au

Directors:

Greg English
Non-Executive Chairman

Stephen Biggins
Managing Director

Heath Hellewell
Non-Executive Director

Issued Capital:

591,604,830 Ordinary Shares
6,500,000 Unquoted Options
6,800,000 Unquoted Performance Rights

ASX Code: CXO

QUARTERLY ACTIVITIES REPORT FOR THREE MONTHS ENDED 31 March 2018

Highlights

The Board of Core Exploration Ltd (“Core” or “Company”) is pleased to present its Quarterly activities report for the Period ended 31 March 2018.

During the reporting period Core:

Advanced drilling work at the BP33 Prospect at the Company’s wholly-owned Finniss Lithium Project near Darwin, with outstanding results released during and post the end of the period;

Progressed development of the Grants deposit, with a Pre-Feasibility Study to be completed in Q2 once Mineral Resource updates are finalised;

Presented at the Mines and Money Conference in Hong Kong and the INFORMA Lithium and Battery Metals Conference in Perth;

Raised \$5 million from investors via an oversubscribed placement priced at \$0.053 per share after the end of the period; and

Launched a \$2 million Share Purchase Plan for eligible shareholders to participate.

NT Lithium Projects

Core's flagship asset is its wholly-owned Finniss Lithium Project, located in the Bynoe pegmatite field in the Northern Territory.

The Company is developing one of Australia's highest-grade lithium resources at the Grants deposit and is also actively exploring the highly prospective BP33 prospect, both of which are integral components of the Finniss Lithium Project.

The Finniss Lithium Project is ideally situated in close proximity to the Darwin Port, Australia's closest port to China (Figure 1).

Core also owns the Bynoe Lithium Project, located adjacent to the Finniss Lithium Project, which was acquired by Liontown Resources Ltd (ASX LTR) in 2017, that has added lithium pegmatite targets and more than 50 historic pegmatite prospects to the Company's portfolio.

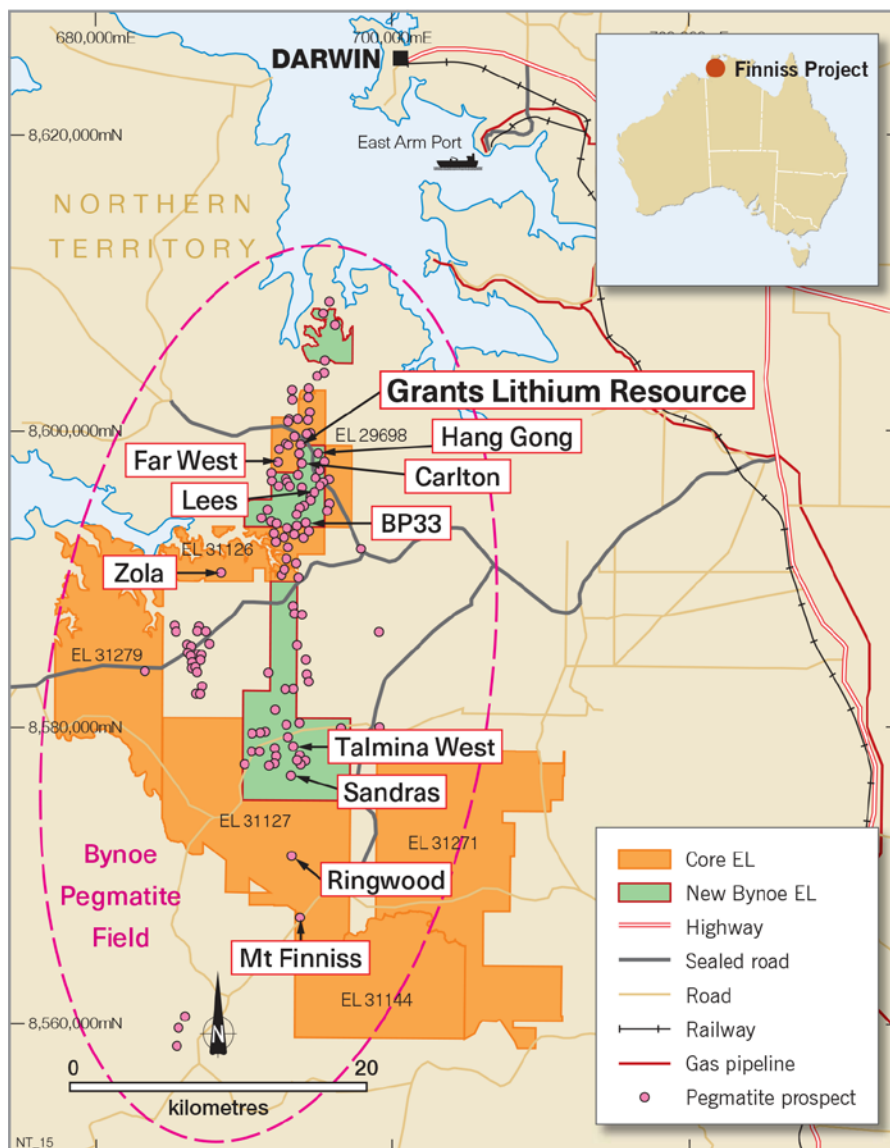


Figure 1. Core's lithium projects near Darwin in the Northern Territory.

FINNISS LITHIUM PROJECT, Core 100%

Grants deposit

Core's immediate objective is to drive the Grants deposit through development and into production to establish a long-life lithium spodumene concentrate operation from its hub at the Finnis Lithium Project.

The Grants deposit (Figure 2) represents the first Mineral Resource defined within Core's Finnis Lithium Project and is one of many similar pegmatite prospects identified by Core within its portfolio.

During the reporting period, Core undertook RC and diamond core infill drilling which, following the end of the period, demonstrated the remarkable consistency of high-grade spodumene intersections at the Grants deposit.

Three RC and diamond core drill rigs were employed at Grants during the quarter to upgrade the confidence level of the maiden high-grade lithium Mineral Resource announced in 2017.

The drilling program has been highly successful, with 49 out of the 50 resource definition holes drilled since discovery having been consistently mineralized, with high grade spodumene from the eastern wall to western wall of the pegmatite orebody at Grants.

The presence of narrow, but very high-grade intervals, grading up to 3.35% Li_2O , also became apparent in the drill core assays. These very high-grade zones reflect the concentration and large size of the spodumene crystals that are present in the Grants pegmatite, which should provide advantages for processing of the ore to concentrate.

The key objective of the recently completed infill drill program has been to convert the existing Mineral Resource to predominantly Indicated and Measured level of confidence at Grants in order to undertake mining studies and prepare an Ore Reserve estimate.

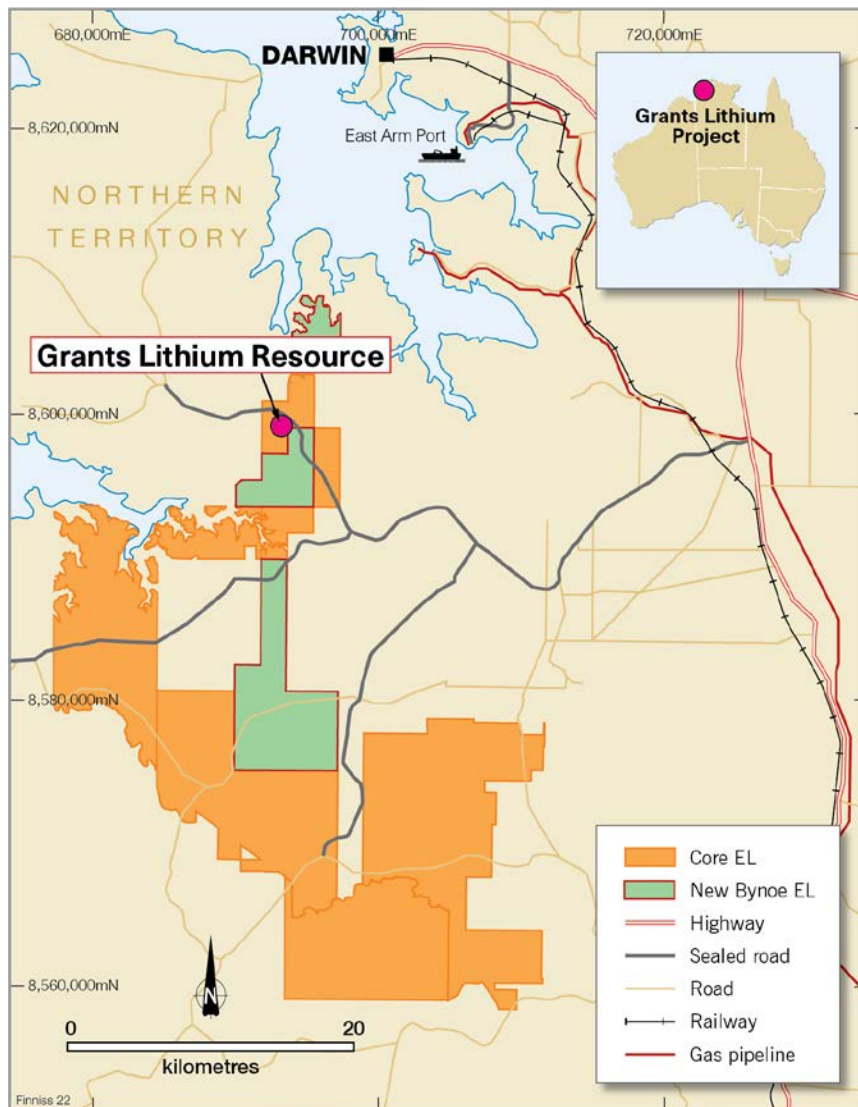


Figure 2. Grants Lithium Resource near Darwin, NT.

BP33 Prospect

At the BP33 prospect, during the quarter the Company completed a program of diamond drilling, which found that extensions of the BP33 spodumene pegmatite was open south and south-west towards pegmatites 200m-300m along strike at the BP32 and BP32W prospects.

Subsequent to the end of the reporting period, Core received highly encouraging assay results for the 86 metre continuous intersection of spodumene pegmatite that was drilled in February 2018 (Figure 3).

The gross continuous mineralised interval at 0.4% Li₂O cut-off and 3m dilution was 75m @ 1.68% Li₂O from 210m, including:

- 55m @ 1.97 Li₂O from 230; and
- 23m @ 2.07% Li₂O from 262m.

The 75m mineralised lithium intersection is the widest interval of spodumene pegmatite ever drilled in the NT and the last metre of the drill hole was still in very high grade spodumene and assayed 2.41% Li₂O.

These new results from BP33 are among the best spodumene intersections ever recorded in Australia and have significantly upgraded the prospectivity of BP33.

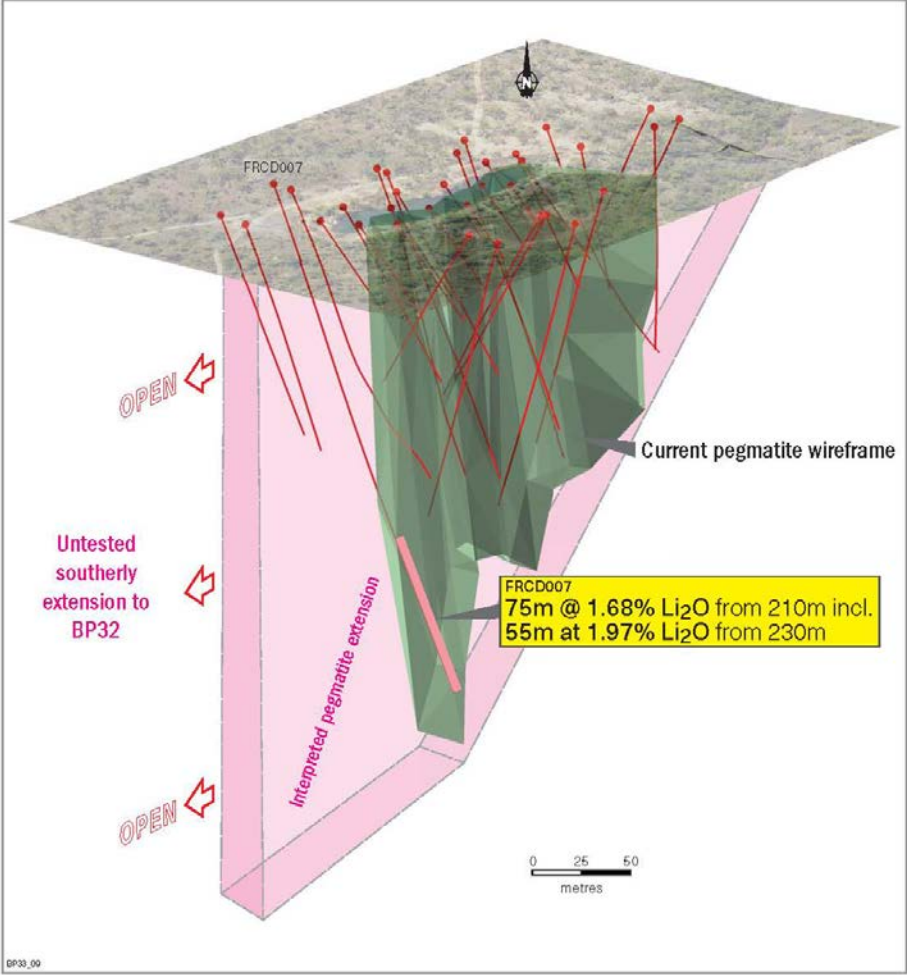


Figure 3. Three-dimensional model showing the existing mineralised pegmatite wideframe defined from drill intersections and the down-plunge and along-strike projects at southern BP33.

Finniss Pre-Feasibility Study

Core is currently in the final stages of developing a Pre-Feasibility Study for the development of a spodumene concentrate and direct shipping ore (DSO) operation at the Finniss Lithium Project and is expected to be delivered during the second quarter of 2018.

The PFS has been fully funded by the Company’s recently completed \$5 million Placement, and is expected to be delivered by the end of May following completion of an updated Mineral Resource study at the Grants deposit.

BYNOE LITHIUM PROJECT, Core 100%

During the reporting period, Core received high-grade lithium assay results from RC drilling at the Bynoe Lithium Project, which took place in December 2017.

A standalone RC drilling campaign was carried out at the Hang Gong, Lees, Carlton and Booths prospects, which was designed to investigate preliminary low-grade results obtained by the previous owner.

Core's assay results indicated an improved grade, within spodumene pegmatites up to 20m true width.

The assay results included:

- 10m @ 1.6% Li₂O from 83m in NRC006 at Carlton prospect
- 5m @ 2.2% Li₂O from 70m in NRC004 at Hang Gong prospect
- 4m @ 1.4% Li₂O from 72m in NRC008 at Lees prospect
- 3m @ 1.6% Li₂O from 87m in NRC011 at Booths prospect

Core also undertook a targeted shallow RAB drilling program at the three prospects, the results of which are still being assessed. However, the geological data has proven invaluable in the interpretation of pegmatite geometry and fine-tuning of the RC drill plan.

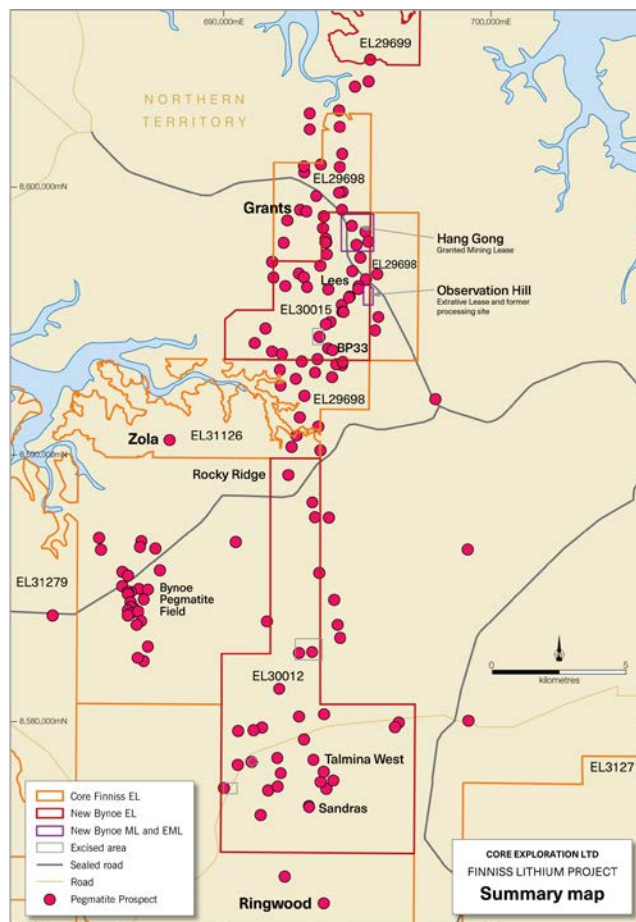


Figure 4. Core's new Bynoe and Finnis Lithium Project Tenements and distribution of pegmatite prospects near Darwin, NT.

JUNE QUARTER ACTIVITIES

Grants Deposit

With resource drilling completed and assay results received, evaluation of an updated Mineral Resource estimate at Grants has commenced.

Core anticipates that the recently reported drill results will substantially add to the proportion of the Mineral Resource in the Indicated and Measured categories at Grants, which will in turn enable calculation of the mining inventory in the Pre-Feasibility Study, which is currently underway.

Core is planning to complete the PFS shortly after the Mineral Resource studies are completed as soon as due consideration is given in the PFS evaluation and modelling.

BP33 Prospect

Results from the recent diamond and RC drilling highlight that the BP33 pegmatite is open at depth along strike to the south under cover.

As the drill hole ended within the spodumene pegmatite body, further drilling collared to the east at BP33 will be required to define the geometry of this pegmatite body.

Core is currently planning an extension drill program (to be followed by infill drilling) aimed at increasing the size of the resource that is currently being estimated for BP33 and is expected to be released in May.

Drilling work at BP33, as well as exploratory holes at adjacent pegmatites BP32 and BP32W, is planned to commence as soon as the 2018 dry season commences (expected Q2 2018).

The drilling is designed to test the continuity and grade of these pegmatites adjacent to and along strike from the high-grade BP33 and add to the initial resource estimate at BP33.

Bynoe Project

Based on the February assay results, Core is planning to drill further down-dip with the aim of defining larger footprint pegmatites that have robust mining attributes.

CORPORATE

Capital Raising

Subsequent to the end of the reporting period, Core announced the completion of an oversubscribed Placement, with approximately 95.3 million new shares issued at a price of \$0.053 per share to raise approximately \$5 million, excluding costs.

Share Purchase Plan

To enable participation by retail shareholders, Core also announced a Share Purchase Plan to raise up to \$2 million for all eligible shareholders at the same issue price as the Placement.

The Share Purchase Plan closes on Tuesday 8th May 2018.

Cash Position

Core had a cash position of \$2.88 million at the end of the quarter with a further \$5.0 million raised in April.

Exploration Tenements

During the quarter, Core relinquished tenement EL5192 (Calcutta).

Share Capital Changes

Ordinary Shares and Options

There were no share capital changes during the quarter.

Subsequent to the end of the quarter, Core undertook a share Placement raising approximately \$5 million and issuing 95,283,970 shares.

A summary of movements and balances of equity securities between 1 January 2018 and this report are listed below (items marked with a * occurred subsequent to the end of the quarter):

	Ordinary shares	Unquoted options	Unquoted performance rights
On issue at start of the Quarter	496,320,860	6,500,000	6,800,000
Share placement*	95,283,970	-	-
Total securities on issue at the date of this report	591,604,830	6,500,000	6,800,000

COMPETENT PERSON STATEMENT

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 this information in the form and context in which it appears.

This report includes results that have previously recently been released under JORC 2012 by the Company as "Core Defines First Lithium Resource in the NT" on 8 May 2017. The Company is not aware of any new information or data that materially affects the information included in this announcement and all material assumptions and technical parameters underpinning the Mineral Resource continue to apply and have not materially changed. Other results that have previously recently been released under JORC 2012 by Core are listed in the table below:

23-Jan-18	Core Re-Commences Lithium Resource Drilling at BP33
01-Feb-18	Drilling Commenced to Upgrade Grants Lithium Resource
05-Feb-18	High-Grade Lithium Intersected in New Spodumene Pegmatites
14-Feb-18	BP33 Extended by High Grade Lithium Intersections
19-Feb-18	86m Spodumene Pegmatite Intersected at BP33 Prospect
01-Mar-18	Wide High-grade Lithium Intersections Positive for BP33
08-Mar-18	Multiple High-grade Lithium Intersections at Grants

TENEMENT TABLE

Tenement number	Tenement name	Beneficial Interest at the end of the Quarter	Changes during Quarter
South Australia			
EL 5731	Fitton	100%	None
EL 5192	Calcutta	100%	Relinquished
EL 5375	Billy Springs	100%	None
EL 5809	Mt Lyndhurst	100%	None
EL 6038	Mt Freeling	100%	None
SEL 6111	Yerelina	100%	None
Northern Territory			
EL 27709	Pattersons	100%	None
EL 28029	White Range East	100%	None
EL 28136	Blueys	100%	None
EL 28940	Mordor	100%	None
EL 29347	Yambla	100%	None
EL 29389	Mt George	100%	None
EL 29579	Jervois North	100%	None
EL 29580	Jervois East	100%	None
EL 29581	Jervois West	100%	None
EL 29669	Jervois South	100%	None
EL 29689	Riddoch	100%	None
EL 30669	Ross River	100%	None
EL 30793	McLeish	100%	None
EL 29698	Finniss	100%	None
EL 29699	Bynoe	100%	None
EL 30012	Bynoe	100%	None
EL 30015	Bynoe	100%	None
EMP28651	Bynoe	100%	None
MLN16	Bynoe	100%	None
EL 31058	Barrow Creek	100%	None
EL 31126	Bynoe	100%	None
EL 31127	Bynoe	100%	None
EL 31139	Anningie West	100%	None
EL 31140	Anningie South	100%	None
EL 31145	Barrow Creek North	100%	None
EL 31146	Barrow Creek South	100%	None
EL 31271	Bynoe	100%	None
EL 31279	Sand Palms	100%	None
MLA31726	Grants Mineral Lease	100%	Mining Lease Application

Appendix 5B

Mining exploration entity and oil and gas exploration entity
quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

Core Exploration Limited

ABN

80 146 287 809

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) exploration & evaluation	(1,304)	(4,926)
(b) development	-	-
(c) production	-	-
(d) staff costs (net of capitalised expenditure)	(131)	(378)
(e) administration and corporate costs	(215)	(720)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	22	85
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	-	64
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(1,628)	(5,875)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(10)	(37)
	(b) tenements (see item 10)	-	(1,500)
	(c) investments	-	-
	(d) other non-current assets	-	-
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(10)	(1,537)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	2,004
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	2,294
3.4	Transaction costs related to issues of shares, convertible notes or options	(57)	(127)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	(57)	4,171

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	4,577	6,123
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,628)	(5,875)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(10)	(1,537)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(57)	4,171
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	2,882	2,882

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	882	2,577
5.2	Call deposits	2,000	2,000
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,882	4,577

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1.2	96
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

The amount above includes all payments to Directors and also includes payments to entities associated with Heath Hellewell. The payments relate to executive services and directors' fees on commercial terms.

7. Payments to related entities of the entity and their associates		Current quarter \$A'000
7.1	Aggregate amount of payments to these parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Not applicable

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>		Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1	Loan facilities	-	-
8.2	Credit standby arrangements	-	-
8.3	Other (please specify)	-	-
8.4	Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Not applicable


9. Estimated cash outflows for next quarter		\$A'000
9.1	Exploration and evaluation	1,700
9.2	Development	-
9.3	Production	-
9.4	Staff costs	150
9.5	Administration and corporate costs	200
9.6	Other (provide details if material)	-
9.7	Total estimated cash outflows	2,050

10.	Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1	Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	EL5192	All tenements held beneficially by the Company. Relinquished	100%	0%
10.2	Interests in mining tenements and petroleum tenements acquired or increased		Not applicable		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



.....
Company secretary

Date: 30 April 2018

Print name: Jaroslaw (Jarek) Kopias

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.