



# ASX ANNOUNCEMENT

ASX : CXO

16 April 2018

## Oversubscribed Placement Raises \$5 Million to Progress Finniss Lithium Project towards Production

### HIGHLIGHTS

- **Oversubscribed Placement raises \$5 million**
- **Core will be fully funded to complete the PFS and FS for its Finniss Lithium Project, near Darwin in the Northern Territory**
- **In parallel with feasibility and other pre-development activities, Core will maintain aggressive multi-rig, exploration and resource drilling programs aimed at growing the mining inventory to support a long-life lithium mining project at the Finniss Project**
- **Share Purchase Plan to raise up to \$2 million to follow, to allow current Core shareholders to participate at the same price as the Placement**
- **Strong news flow expected over coming weeks and months:**
  - **Resource upgrade at Grants imminent**
  - **Maiden Resource estimate for BP33 in mid Q2 2018**
  - **PFS for development of Grants deposit in late Q2 2018**
  - **Re-commencement of RC and Diamond drilling at several priority targets in late Q2 2018**

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Core Exploration Limited (**Core** or **Company**) (ASX:CXO) is pleased to announce that it has received firm commitments to place approximately 95.3 million new shares at an issue price of A\$0.053 per share to raise approximately \$5 million, excluding costs (Placement).

The Placement was oversubscribed, with strong support received from professional Australian and international institutional investors, as well as a number of existing shareholders. Eligible existing shareholders will be provided an opportunity to participate in the capital raising via a share purchase plan (SPP), as described in this release.



Funds received from the Placement and SPP will be used to progress the Company's flagship Finnis Lithium Project towards development, including resource infill drilling at the Grants deposit and BP33 prospect (with an associated upgrade to the Grants Resource and a maiden Mineral Resource at BP33), completion of a preliminary feasibility study (PFS) and feasibility study (FS) for the development of a spodumene concentrate and DSO operation, initially focused on the development at the Grants deposit, as well as an aggressive exploration and resource expansion drilling programs on high grade prospects within the broader Finnis Lithium Project area, and for working capital purposes.

Hartleys Limited is Lead Broker to the Placement.

Core's Managing Director, Stephen Biggins, commented:

*"We are delighted to have received such strong support for the placement and I would like to welcome the participants in the placement as Core shareholders at a very exciting phase as Core plans to rapidly transition into development mode in early 2019.*

*Core's Finnis Lithium Project is on a pathway to production, and the support for this capital raising is not only a strong validation for the project, but will allow us to continue to aggressively progress its development as well as maintain our strong commitment to growing our mining inventory through nearby discoveries. Core's exploration and drilling has proved highly successful to date as evidenced by the discovery of several additional prospects that we expect may lead to further Resources in time, including BP33, Sandras, Lees, Hang Gong and Carlton prospects. All of these new prospects host high grade spodumene mineralisation similar to Grants.*

*This is an exciting period for the company as we are nearing completion of the PFS for an initial development at Grants, are awaiting an imminent resource upgrade at Grants and a maiden Resource at BP33, and we eagerly await kicking off our 2018 regional exploration drilling campaign on a number of high grade prospects once the wet season comes to an end in the coming weeks."*

### **Share Purchase Plan**

In order to ensure retail shareholders are able to participate, the Company is pleased to announce a Share Purchase Plan to raise up to \$2 million for all eligible shareholders at the same issue price as the Placement (SPP).

If total demand for the SPP exceeds \$2 million, the Company reserves the right to close the SPP early and will scale back applications in its absolute and sole discretion. When determining the amount (if any) by which to scale back an application, the Company will take into account a number of factors, including the size of an applicant's shareholding, the extent to which eligible shareholders have sold or bought additional shares after the Record Date and the date an application was made.

The SPP is only available to Australian and New Zealand shareholders who were registered as Core shareholders at 7:00pm (AEST) on 13 April 2018 (Eligible Shareholders). Full details of the SPP Offer will be contained in a booklet which is anticipated to be dispatched to Eligible Shareholders on Friday 20 April 2018.

The approximately 95.3 million shares to be issued in connection with the Placement will be issued under Core's existing Listing Rule 7.1 (45,651,884 shares) and 7.1A (49,632,086 shares) capacities, and accordingly no shareholder approval is required.



In addition to the shares issued under the placement, Core will issue 58,104,000 unlisted broker options in the Company as remuneration for participation in the placement at an exercise price of \$0.08 (8 cents) per share and expiring 12 months following issue. The issue of unlisted options is subject to shareholder approval and a shareholder meeting for this purpose will be announced in coming weeks.

For further information please contact:

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